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Congressional Record

PROCEEDINGS AND DEBATES OF THE 89th CONGRESS, SECOND SESSION

SENATE

TUESDAY, JUNE 7, 1966

The Senate met at 11 o'clock a.m., and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

Paul B. Person, first reader, First Church of Christ, Scientist, Fargo, N. Dak., offered the following prayer:

Good morning, gentlemen of the U.S. Senate.

Christian Scientists take the inspired word of the Bible as their sufficient guide to eternal life.

Let each of us in our own way turn our thoughts to a few moments of silent prayer, to be followed by the audible repetition of the Lord's Prayer, which meets every human need.

(Silent prayer.)

In Thee we live and move and have our being.

Our Father which art in heaven, hallowed by Thy name. Thy kingdom come. Thy will be done, in earth, as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil; for Thine is the kingdom, and the power, and the glory, forever.

Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 7, 1966.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. LONG of Louisiana, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 6, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Jones, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

AUDIT REPORT OF PACIFIC TROPICAL BOTANICAL GARDEN

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the General Counsel, Pacific Tropical Botanical Garden, Washington, D.C., transmitting, pursuant to law, an audit report of that organization, for the calendar year 1965, which, with an accompanying report, was referred to the Committee on the Judiciary.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG of North Dakota:

S. 3472. A bill for the relief of Jimeel R. Ferris; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 3473. A bill to amend the Internal Revenue Code of 1954 so as to allow an additional income tax exemption for a dependent who is mentally retarded; to the Committee on Finance.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3474. A bill to authorize the Secretary of the Interior to establish the Lincoln Homestead National Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. TYDINGS (for himself and Mr. SCOTT):

S. 3475. A bill to abolish the office of U.S. Commissioner, to establish in place thereof within the judicial branch of the Government the offices of U.S. Magistrate and Deputy U.S. Magistrate, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. TYDINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE:

S. 3476. A bill to consent to an agreement between the State of Maine and the Province of New Brunswick, Canada, providing for the construction and maintenance of an international bridge between Calais, Maine, and Milltown, New Brunswick; to the Committee on Foreign Relations.

By Mr. KENNEDY of Massachusetts:

S. 3477. A bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. KENNEDY of Massachusetts when he introduced the above bill, which appear under a separate heading.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 2999) to repeal section 6 of the Southern Nevada Project Act (act of October 22, 1965 (79 Stat. 1068)), with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills in which it requested the concurrence of the Senate:

H.R. 10. An act to amend the Internal Revenue Code of 1954 to permit pension and profit-sharing plans to provide contributions or benefits on a nondiscriminatory basis for certain self-employed individuals without special limitations on the amount of contributions;

H.R. 9599. An act to authorize the Secretary of the Interior to accept a donation by the State of Indiana of the George Rogers Clark Memorial for establishment as the George Rogers Clark National Historical Park, and for other purposes;

H.R. 14312. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior;

H.R. 13650. An act to amend the Federal Tort Claims Act to authorize increased agency consideration of tort claims against the Goverment, and for other purposes;

H.R. 13652. An act to establish a statute of limitations for certain actions brought by the Government;

H.R. 14643. An act to provide for the strengthening of American educational resources for international studies and research;

H.R. 14888. An act to amend the act of February 28, 1947, as amended, to authorize the Secretary of Agriculture to cooperate in screw-worm eradication in Mexico; and

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2421. An act to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon; and

S. 2469. An act amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 10. An act to amend the Internal Revenue Code of 1954 to permit pension and profit-sharing plans to provide contributions or benefits on a nondiscriminatory basis for certain self-employed individuals without special limitations on the amount of contributions; to the Committee on Finance.

H.R. 9599. An act to authorize the Secretary of the Interior to accept a donation by the State of Indiana of the George Rogers Clark Memorial for establishment as the George Rogers Clark National Historical Park, and for other purposes; and

H.R. 14312. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

H.R. 13650. An act to amend the Federal Tort Claims Act to authorize increased agency consideration of tort claims against the Government, and for other purposes; and

H.R. 13652. An act to establish a statute of limitations for certain actions brought by the Government; to the Committee on the Judiciary.

H.R. 14643. An act to provide for the strengthening of American educational resources for international studies and research; to the Committee on Labor and Public Welfare.

H.R. 14888. An act to amend the act of February 28, 1947, as amended, to authorize the Secretary of Agriculture to cooperate in screw-worm eradication in Mexico; and

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Lausche, and by unanimous consent, the Constitutional Rights Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

COMMITTEE MEETING DURING SENATE SESSION TOMORROW

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be permitted to sit tomorrow during the session of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. DOUGLAS:

Statement by him relative to Mrs. Myrtle Cheny Murdock.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. Long of Louisiana, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

ADDITIONAL INCOME TAX EXEMPTION FOR A DEPENDENT WHO IS MENTALLY RETARDED

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill that will provide an additional income tax exemption for those taxpayers who support a mentally retarded dependent. My bill will allow the taxpayer to take an additional $600 personal exemption for each mentally retarded dependent. Thus, instead of the normal allowed for a dependent, the taxpayer would be allowed total personal exemptions of $1,200.

Mental retardation has become a national concern and we have authorized several programs to deal with it. Yet, we have overlooked the need for lifting the burden on those who are faced with the care and training of a mentally retarded child.

This national concern was demonstrated when in 1961 President Kennedy appointed a panel of experts to study the problem and to draw up a plan of procedure. Then, in February 1963, President Kennedy sent to Congress the special message on mental illness and mental retardation. Congress reacted to the problem at that time with the passage of two major mental retardation bills. In 1964 President Johnson set out the scope of the problem when he stated:

> Mental retardation afflicts nearly 6 million Americans. It affects 10 times more persons than diabetes; 20 times more than tuberculosis; 600 times more than polio. A retarded child is born every five minutes—126,000 every year.

Medical science and education have gained new insight into the problems of mental retardation during the past few years. We have developed programs that give the mentally retarded child the challenge and opportunity for further mental and social growth. Many of these children have the potential ability to improve their intellectual and social abilities and contribute to society. But, the improvement of each individual depends upon the medical and social help that he receives. If adequately rehabilitated, between 75 and 85 percent of the mentally retarded can become self-supporting, and between 10 and 20 percent can become partially self-supporting. Only about 10 percent will always require constant supervision.

The efforts to prevent, alleviate, and treat mental retardation take a number of approaches. We must learn more about the causes and prevention through various research projects. We must provide diagnostic and clinical services, residential care, and special education for the mentally retarded child. Finally, we must see that adequate professional personnel are trained in the treatment and care of the mentally retarded.

We have already authorized a Federal program in many of the areas which I have just enumerated. In addition, we need to extend some form of tax relief to the taxpayer now burdened with providing care and training for a mentally retarded person.

Our current tax laws already recognize the need for tax relief for certain special groups. Examples are the additional personal exemptions allowed for the aged and the blind. This approach is recognized as socially desirable. While the cost in human suffering due to mental retardation cannot be estimated, its cost to the Nation is large because of the absence of earning capacity and inability to contribute to the Nation's economy.

For that 10 percent of the mentally retarded who can never earn a living, there will be a lifetime dependence on others. This means a continuing hardship on the persons providing their support. Advances in medical research which prolong the lifespan of individuals will increase the years of dependence of the mentally retarded.

The majority of the mentally retarded are capable of being trained so as to enter the labor market. But, many will never progress beyond a low paying position and will still require some assistance.

The tax relief proposed in my bill will help toward rehabilitating mentally retarded individuals. Many parents cannot now afford the therapeutic care and training that their mentally retarded children need. Tax savings will enable these parents to afford at least a limited rehabilitation program for the child. For those parents who are now providing their children some help, the tax saving permitted by my bill could be used to expand or improve existing treatment and care. Thus, many retarded children will receive help that they would not otherwise receive.

In summary, my bill will allow an additional personal exemption of $600 for mentally retarded dependents. The social and economic benefits which will be provided require that it be enacted without delay.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3473) to amend the Internal Revenue Code of 1954 so as to allow an additional income tax exemption for a dependent who is mentally retarded, introduced by Mr. Magnuson, was received, read twice by its title, and referred to the Committee on Finance.

ESTABLISHMENT OF THE PLYMOUTH ROCK NATIONAL MEMORIAL

Mr. KENNEDY of Massachusetts. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes. I ask unanimous consent to have printed in the Record a statement prepared by me relating to the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the Record.

The bill (S. 3477) to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes, introduced by Mr. KENNEDY of Massachusetts, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The statement presented by Mr. KENNEDY of Massachusetts is as follows:

STATEMENT BY SENATOR EDWARD M. KENNEDY TO DESIGNATE PLYMOUTH ROCK AS A NATIONAL MEMORIAL

In 1970, America will celebrate the three hundred and fiftieth anniversary of the landing of the Pilgrims at Plymouth Rock. Although Americans honor the deeds of these hardy Pilgrims who landed in 1620, we have so far neglected to include the site of their landing in the national park system.

Because I believe the historic Plymouth Rock site should be preserved as an inspiration for all Americans, I want to introduce a bill designating Plymouth Rock as a national memorial.

The diversity of religious belief we enjoy today in America has been a natural development of the Pilgrims' own search for a land in which to practice their religion.

The origin of our American constitutional form of government can be traced to the Pilgrims' *Mayflower Compact* whereby the Pilgrims established one of the world's first civil governments by consent of the governed.

Finally, the fortitude the Pilgrims demonstrated in the face of unimagined adversity in founding their settlement has continually inspired Americans encountering difficulty in advancing their ideals.

The area of the memorial which would be authorized by this legislation would be limited, for size is not important in honoring this national heritage. Last summer, I asked the National Park Service to survey the location and recommend a suitable park area. The subsequent Park Service report will be released shortly, and it will be used as a basis for determining the precise boundaries.

In 1835, the astute French commentator Alexis de Tocqueville noted regarding Plymouth Rock:

"Here is a stone which the feet of a few outcasts pressed for an instant; and the stone becomes famous; it is treasured by a great nation; its very dust is shared as a relic."

The affection Americans feel for the courage and vision of the Pilgrims has not dimmed with the passage of time. It therefore seems most appropriate that Plymouth Rock be designated a national memorial.

ESTABLISHMENT OF LINCOLN TRAIL MEMORIAL PARKWAY IN STATES OF KENTUCKY, INDIANA, AND ILLINOIS—AMENDMENTS

AMENDMENT NO. 586

Mr. DOUGLAS submitted amendments, intended to be proposed by him, to the bill (S. 1226) to provide for the establishment and administration of the Lincoln Trail Memorial Parkway in the States of Kentucky, Indiana, and Illinois, and for other purposes, which was referred to the Committee on Interior and Insular Affairs and ordered to be printed.

TAX INCREASE DEAD FOR THIS YEAR—L.B.J. VINDICATED

Mr. PROXMIRE. Mr. President, yesterday's announcement that unemployment increased more rapidly last month than in any month in 2 years, and that it is back up to 4 percent should ring the death knell on any remaining prospect for a tax increase this year.

A few weeks ago the New York Times reported that at a meeting of the Nation's leading economists overwhelming favor was expressed for a prompt tax increase to take the steam out of inflation.

But almost every economic development since that time has shown how wrong this economic advice was and how right the President has been to resist it.

Since the Nation's top economists, including William McChesney Martin, Chairman of the Federal Reserve Board, Paul Samuelson, former president of the American Economic Association and as highly respected an economist as we have in this country, and Walter Heller, the remarkably able Chairman of the Council of Economic Advisers under President Kennedy—and clearly entitled to be called the father of the new economics—since all these brilliant economists told us we must have a big across-the-board tax increase and promptly, it may be that Congress should take a long hard look at the prime assumption behind the recommendation of these leading economists.

That assumption is that forecasting the Nation's economic future has become a reasonably exact science—even in the short run. Since the future can be forecast reasonably accurately—the assumption goes—Congress should pass legislation to enable the President and Congress to act swiftly to increase or decrease taxes to slow down inflation or speed up lagging economic growth.

Incidentally, this recommendation was the heart of a recent recommendation by the Joint Congressional Economic Committee. As one who dissented from that economic recommendation, I call the attention of Members of Congress to how ill such a convenience would have served the country, if it had been available and used, let us say, in April of this year.

If the President and Congress had increased taxes at that time, it is likely that the 4-percent unemployment of last month might very well have been substantially higher. Furthermore, the business confusion, the taxpayer irritation, the loss of confidence in Government and in the economy could have been substantial.

What developments in the past month should teach us is that even the very best of America's economic brains—and that best is very good indeed—are not capable of predicting the shortrun economic future.

Under these circumstances, shortrun changes in the tax rates to cope with an immediate expected rise or fall in economic activity are not practical, in view of the present developing but still far-from-perfected level of economic forecasting.

SENATOR INOUYE SPEAKS OUT FOR SCHOOL MILK BILL

Mr. PROXMIRE. Mr. President, on May 12 the Holland subcommittee of the Senate Agriculture Committee held hearings on my proposal to make the school milk program permanent and increase Federal funding for the program. As we all know, the administration has proposed to cut this program by 80 percent so that it will take care of only the needy and children in schools without a lunch program. This would reduce program participation from 18 million children to 3 million children.

Today I draw the Senate's attention to a statement made in support of this legislation by the distinguished Senator from Hawaii [Mr. INOUYE], who is a cosponsor of the proposal. The statement points out the difficulties in applying a means test to program participants in these well written words:

> Children who do not have the money would not be required to pay, while those who do would be required to meet the full cost. A determination would be made within the school. Under this scheme, we would oblige the child publicly to drink in his socio-economic status along with his mid-morning snack. Means test for providing medical care for the aged was found completely repugnant because it destroyed human dignity. Why, now, should this same program be imposed on our children?

Mr. President, I ask unanimous consent that the entire statement of the Senator from Hawaii be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. DANIEL K. INOUYE, A UNITED STATES SENATOR FROM THE STATE OF HAWAII

Mr. Chairman, I would like to speak in favor of S. 2921 because I believe our school milk program requires stability and permanence. This legislation would provide these essentials by fixing increments to growth needs over a period of years.

The importance of such long-range planning is illustrated by recent proposals to tamper with the funding of this program. There are few activities which have proved themselves more worthwhile than this relatively small Federal assistance provided to the local citizens. Its success is indicated by its growth since its start in 1954 to now when it serves more than 92,000 youngsters. Its practicality is shown by alternatives: It consumes a food commodity of which some, if not all would otherwise go into government surplus to be sold eventually at below cost. Its closeness to the people is shown by the arrangement in which for $103 million a year the government pays three cents per ½ pint of milk, while the school child pays the remainder, usually from two to three cents. For this investment, the child receives daily the complete food represented by milk.

The importance of this arrangement can only be appreciated by noting that because of the warping of tastes through fads and advertisement, many children in our more affluent families receive improper food balances. But much more serious are the many cases of children who come from families where adequate food is not available—children who come to school without breakfast, or children who must go home to sparse or poorly balanced evening meals. Widespread first-hand acquaintance by both parents and by school administrators who are familiar with the service the school milk program provides to youngsters has given it unusual grassroots support. No one in the country, whether from rural or urban areas, whether from a dairy or non-dairy state, has a bad word to say about this program. There are indeed very few government proposals for which this could be said.

It is, therefore, strange that of all programs this one should be selected for reduction and phasing out. Can present developments be considered otherwise? There is the proposal to reduce the Fiscal 1967 budget by $80 million to a mere $21 million. Since 1965 there have been efforts to tighten and limit expenditures for this program. Recent action by the House in reinstating the $103 million for Fiscal 1967 reflects general repugnance at a move to destroy this program, and I feel the Senate will follow the lead of the House in this protest. Nevertheless, there is the threat.

The basis of this unnatural move is the argument that the money should be used elsewhere. I certainly am not unaware of the unusual demand made on our economy by the war in Viet Nam. Neither am I unsympathetic to the needs of the impoverished segments of our society; in fact I feel this program is a part of these efforts. If the distinction could be made readily between the poor and the not so poor in the classrooms, and if those able to pay could be called to do so without psychic harm to those not able to pay, I would be more sympathetic to this proposal; but this cannot be done with so intimate a thing as providing nourishment within the classroom to the children who need it.

Look at the alternative: It is the "means" test—children who do not have the money would not be required to pay, while those who do would be required to meet the full cost. A determination would be made within the school. Under this scheme, we would oblige the child publicly to drink in his socio-economic status along with his mid-morning snack. Means test for providing medical care for the aged was found completely repugnant because it destroyed human dignity. Why, now, should this same program be imposed on children?

It is small wonder that school administrators would sooner discontinue the whole milk program rather than subject the child to this humiliation. If money is the item, it should be gotten elsewhere. We spend vast amounts on futuristic programs—in science, in exploration—all to find and develop our potential resources. I think these are wise investments. But I must also point out that the child is a natural resource too—the most basic, the most valuable, the most certain natural resource we have. Let's not stint on them.

SECRETARY RUSK SHOULD BE STRAIGHTFORWARD AND FRANK IN HIS STATEMENTS IF HE SEEKS PEACE IN VIETNAM

Mr. YOUNG of Ohio. Mr. President, speaking on our involvement in a miserable civil war and insurrection within an insurrection in Vietnam, Secretary of State Rusk has said he would go anywhere and "negotiate with any government" in the search for peace. Recently in an address in Chicago, President Johnson, according to newspaper accounts, stated "we will negotiate with any government."

I hope that Secretary Rusk is not seeking to be evasive or "cute" in making the statements he has made. I hope that our President will clarify this statement attributed to him.

The National Liberation Front is the political front, or governing body, of the Vietcong. We are fighting an undeclared war in Vietnam against the Vietcong. The Vietcong does not constitute a government. Secretary Rusk knows that. It could be argued that Prime Minister Ky and the generals who overturned the civilian government in Saigon last June do not in fact constitute a government. The facts are that Prime Minister Ky's Saigon government is not a viable government and is in actual control of less than one-fourth of the land area of South Vietnam. Without the support of our Armed Forces he and his military regime would not last 3 days. The Vietcong control a great area in what is termed South Vietnam.

The question Secretary Rusk should answer is whether in search of peace in Vietnam are U.S. delegates willing to meet with delegates representing the National Liberation Front, or Vietcong, along with delegates representing Prime Minister Ky's regime and delegates representing the Hanoi government, or that portion of Vietnam north of the 17th parallel? What is your answer to this question, Secretary Rusk?

In April 1965, President Johnson, at Johns Hopkins University, although declaring that the United States would consent to unconditional discussions, stipulated we would settle for nothing less than an independent South Vietnam. He excluded negotiations with the Vietcong. President Johnson knew, or should have known, that in excluding the National Liberation Front, or Vietcong, that the government at Hanoi could not end the fighting in behalf of the National Liberation Front, or Vietcong, even if it had wanted to. In Asiatic capitals the leaders there regarded this as a device for perpetuating our position in Vietnam and assuring the rule of an American puppet government in Saigon.

Now, most recently, our President has stated that the presence of the National Liberation Front is not an insurmountable obstacle and that they would have no difficulty in being represented or having their views represented. Even though this was an ambiguous and evasive statement, Secretary Rusk in December 1965, according to the New York Times, "indicated that the Vietcong's political organization, the National Liberation Front, would not be given any political status or influence in South Vietnam through negotiations."

Furthermore, when Secretary Rusk issues pronouncements that the United States must guarantee the independence of South Vietnam, how can he reconcile this with the position he takes when he makes the statement:

> We will go back to the Geneva agreements and abide by them?

The Geneva agreements specifically state:

> The military demarcation line at the 17th parallel is provisional and should not in any way be considered as constituting a political or territorial boundary.

And in those agreements it was provided that elections were to be held leading toward reunifying Vietnam. Very definitely all of Vietnam, not merely South Vietnam. Those are the elections which our puppet head of state, Diem, called off. Very definitely, the Geneva agreements make no guarantee of the integrity of South Vietnam nor of its continued existence.

President Diem, installed by us as Chief of State of South Vietnam, announced in mid-1955 that the elections promised at Geneva would not be held. Until 1958 the Hanoi government persisted in its efforts to arrange for the promised elections, but Diem, consistently backed by the United States, refused. It was at the time evident that Ho Chi Minh would win the election by an overwhelming margin. During at least the first 3 years of the post-Geneva period, there was a lull in the military struggle. Hanoi refrained from support of insurrectionary activity in the south. By repudiating the heart of the Geneva agreements, Diem made civil war inevitable. When, in a civil war, a military struggle for power ends on the agreed condition that the controversies will be transferred to the political level, the side which repudiates the agreed conditions must expect that the military struggle will be resumed.

Although American support was given to Diem, the United States did not make a blank-check commitment to whatever regime happened to hold power in Saigon. What has been referred to as "the U.S. commitment" was a limited, qualified pledge of economic support, and it was made specifically to Diem's government. It was not in any sense a pledge of military support. The cornerstone of our Vietnam involvement, President Eisenhower's letter to Diem in October 1954, was simply an undertaking "to examine" with Diem "how an intelligent program of American aid given directly to your government can assist Vietnam—in developing and maintaining a strong, viable state, capable of resisting attempted subversion or aggression through military means." A critical qualification was that even this economic aid was to be subject to Diem's carrying through reforms responsive to the aspirations of the Vietnamese people.

Except for President Eisenhower's letter, the only other undertaking which the administration cites as a proof of a Vietnam commitment is the treaty of the Southeast Asia Treaty Organization. But this treaty involves no American pledge to the South Vietnamese Government, which was not and could not be a signatory.

Let us hope that our President, within the near future, will publicly state that we are willing to negotiate for peace and a cease-fire in Vietnam with representatives of the Vietcong, or National Liberation Front, along with representatives of the Government of South Vietnam of which Ky is at this moment Prime Minister and with delegates of the Hanoi government of North Vietnam.

U Thant, Secretary General of the United Nations, has won high respect by reason of his accurate statements. He says that our intervention in Vietnam, instead of being "a fight for democracy" is fast becoming a struggle for "the identity and survival of Vietnam." President Johnson and State Secretary Rusk would be well advised if they responded to U Thant's plea in a speech at Atlantic City for a scaling down of the war on both sides and the beginning of talks by all parties, including representatives of the National Liberation Front, or Vietcong. Twenty years of alien intervention in armed conflict in Vietnam resulting in the deaths of thousands of Vietnamese men, women, and children could not do other than profoundly affect Vietnamese political life and make the lives of 32 million or more men, women, and children well-nigh unbearable.

The Vietnamese were crushed under French colonialism. After the battle at Dienbienphu, the French gave up the struggle to maintain their huge colonial empire in Indochina and withdrew some 200,000 officers and men of their armed forces and disbanded the thousands of Vietnamese men enrolled as collaborators against the Vietminh, or forces of national liberation. They did not lose face. France, although no longer a stanch ally of the United States, has really become a greater and stronger nation since withdrawal from Vietnam and from another war of liberation in Algeria. The Geneva accords provided for elections which our puppet in Saigon, Diem, refused to honor. Then the Vietnamese from the north who had fought as allies and collaborators alongside the French colonial oppressors migrated to the south by the thousands, and many thousands of those in the south who had fought for national liberation migrated to areas north of the 17th parallel.

U Thant has stated clearly that 20 years of outside intervention and the presence of a succession of foreign armies has so profoundly affected Vietnamese political life that it seems illusory to present the conflict there as a contest between communism and democracy. U Thant stated, "Indeed, recent events have shown that the passion for national identity, perhaps one should say national survival, is the only ideology that may be left to a growing number of Vietnamese." U Thant argues that escalation of this war on our part must cease.

Mr. President, without further delay we should request that negotiations be conducted under the auspices of the United Nations, or in the alternative, and probably the more desirable course, under the observation and by arrangement of the International Control Commission—Poland, India, and Canada—and that our delegates participate in these negotiations for a cease-fire and peace along with delegates and representatives of the South Vietnamese Government, of the National Liberation Front, or Vietcong, and of the Hanoi government to try to achieve a cease-fire and reach an armistice agreement and then commence the orderly withdrawal of our Armed Forces first to bases on the Vietnam coast and then home.

THE CALENDAR

Mr. LONG of Louisiana. Mr. President, there are a number of unobjected-to measures on the calendar which I believe could be passed by the Senate at this time. I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1167, 1168, and 1169, in that order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RAILWAY LABOR ACT AMENDMENTS

The bill (H.R. 706) to amend the Railway Labor Act in order to provide for establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referable to the National Railroad Adjustment Board, and to make all awards of such Board final was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. LONG of Louisiana. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1201), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The principal purpose of the bill is to eliminate the large backlog of undecided claims of railroad employees pending before the National Railroad Adjustment Board, to expedite disposition of grievances and disputes over the interpretation and application of agreements, and to provide equal opportunity for limited judicial review of awards of the Board to employees and employers.

BACKGROUND

National Railroad Adjustment Board

The National Railroad Adjustment Board was established in 1934 under the Railway Labor Act to provide machinery for resolving so-called minor disputes between individual employees and the carriers. Minor disputes arise out of grievances or interpretation or application of agreements concerning rates of pay, rules, or working conditions. The Board is divided into First, Second, Third and Fourth Divisions, with its 36 members (18 representatives of labor and 18 representatives of management) divided between the divisions. Jurisdiction of divisions is broken down by employee classifications. The Board handles thousands of disputes annually under a procedure which has been characterized by the courts as arbitration. If the labor and management representatives cannot agree, there is provision for selection of a neutral person by the parties or by the National Mediation Board to serve as a referee.

The Board procedure for handling disputes has worked expeditiously in the Second and Fourth Divisions. For example, the Fourth Division handles an average of 106 cases a year, remaining virtually current with no backlog at all. The Second Division, which handles an average of 247 cases a year, has a backlog of little over 1 year's work.

However, this is not the case in the First and Third Divisions. The Third Division, which handles an average of 765 cases a year, has a backlog of about 3½ years work and the First Division, which has never been current in its work, has a backlog of approximately 7½ years work.

In summary, under existing procedures prescribed in the Railway Labor Act, railroad employees who have grievances sometimes have to wait as long as 10 years or more before a decision is finally rendered on their claim. In addition, in some instances, after an employee has obtained an award, the carrier concerned refuses to pay the award. The employee is then forced to forgo the award or go to court where he is required to try his case again with the delays and uncertainties normally attendant upon litigation.

During the House and Senate hearings, witnesses for the unions and management placed the blame for the backlog in the First and Third Divisions on the failure of the other side to reach an agreement on the disposition of claims. Regardless of the merits of the contentions by either side, it is obvious that the National Railroad Adjustment Board in the operation of the First and Third Divisions has failed. The committee therefore believes that a change in existing procedure is essential. The committee believes that the procedure for special boards of adjustment provided for in H.R. 706 will remove the backlog of cases and provide an expeditious means of handling future cases.

When either party requests a special adjustment board, the committee contemplates that a number of disputes will be referred to that board. The committee believes it would only result in a proliferation of special boards to request a special board for each claim presented by an employee.

Carrier witnesses testified that many of the claims presented by employees and disputes referred to the Board are frivolous or at least without merit. Although the committee is not prejudging any claims, it believes that claims should be carefully screened by the party submitting it. The committee believes that the merits of every claim should be carefully considered by both the carrier and employee representative in an attempt to resolve the dispute before submission to the Board.

Judicial review

Section 3, First, (m) of the Railway Labor Act provides that awards of the National Railroad Adjustment Board shall be final "except insofar as they shall contain a money award." There is no means specified in the law, other than resort to courts, whereby any award of the Board may be enforced. Under section 3, First, (p) of the act, provision is made for court enforcement of awards rendered in favor of employees. Such an employee may bring action in the U.S. district court to enforce said award. The findings and orders of the Board shall be prima facie evidence of the facts as stated in the award. There is no other provision for judicial review of decisions of the National Railroad Adjustment Board.

This results in the incongruous situation that if an employee receives an award in his favor from the Board, the railroad affected may obtain judicial review of that award by declining to comply with it. If, however, an employee fails to receive an award in his favor, there is no means by which judicial review might be obtained. The committee believes that this result is unfair to employees and that an equal opportunity for judicial review should be provided under the act. Also, because the National Railroad Adjustment Board has been characterized as an arbitration tribunal by the courts, the grounds for review should be limited to those grounds commonly provided for review of arbitration awards. H.R. 706 provides an equal opportunity for judicial review and limits that review "for failure of the division to comply with the requirements of this Act, for failure of the order to conform, or confine itself to matters within the scope of the division's jurisdiction or for fraud or corruption by a member of the division making the order".

The committee gave consideration to a proposal that the bill be amended to include as a ground for setting aside an award "arbitrariness or capriciousness" on the part of the Board. The committee declined to adopt such an amendment out of concern that such a provision might be regarded as an invitation to the courts to treat any award with which the court disagreed as being arbitrary or capricious. This was done on the assumption that a Federal court would have the power to decline to enforce an award which was actually and indisputedly without foundation in reason or fact, and the committee intends that, under this bill, the courts will have that power. The limited grounds for judicial review provided in H.R. 706 are the same grounds that are provided in section 9 of the Railway Labor Act and also Public Law 88–108, which provided arbitration for the so-called work rules dispute.

HOUSE HEARINGS AND PASSAGE OF H.R. 706

Hearings on these amendments to the Railway Labor Act were held in the House for 4 days during the 88th Congress and 3 days during the 89th Congress. H.R. 706 was reported from the House Interstate and Foreign Commerce Committee on October 1, 1965. The bill passed the House without amendment by a vote of 380 to 0 on February 9, 1966.

SURVEY OF FISHING RESOURCES

The Senate proceeded to consider the joint resolution (S.J. Res. 29) to authorize and direct the Bureau of Commercial Fisheries to conduct a survey of the marine and fresh water commercial fishery resources of the United States, its territories, and possessions which had been reported from the Committee on Commerce with an amendment to strike out all after the resolving clause and insert:

That the Secretary of the Interior is hereby authorized and directed to conduct a survey of the character, extent, and condition of the coastal and fresh water commercial fishery resources, including both those resources now being utilized by United States and foreign fishermen and those potential resources which are latent and unused, of the United States, its territories and possessions, including coastal and distant water fishery resources in which the United States has an interest or right.

Sec. 2. The Secretary of the Interior is directed to submit through the President a report to the Congress as soon as practicable, but not later than January 1, 1968, concerning the results of the survey authorized and directed in the preceding section.

Sec. 3. There is authorized to be appropriated, out of moneys in the Treasury not otherwise appropriated, such funds as may be necessary for the purpose of carrying out the provisions of this joint resolution, but not to exceed $200,000.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was ordered to be stricken and the following inserted:

Whereas the United States has the richest and most extensive coastal and inland fishery resources of any nation but has failed to develop, to utilize, and to conserve her fishery resources to the fullest extent; and

Whereas the fishery resources of the United States and of waters contiguous to the United States have, by their variety and abundance, attracted the fishing fleets of many European and Asiatic nations and encouraged them to send fishing vessels to these waters which are more numerous, larger, and superior in capacity and equipment to those of the United States and with such enterprise and capabilities as to threaten these resources with depletion or extinction; and

Whereas the 1958 Geneva Convention on Fishing and Conservation of the Living Resources of the High Seas came into force and effect on March 20, 1966, and the Convention for the first time under international law recognizes the dominant and special interest and rights of a coastal nation to adopt regulations to conserve fishery resources adjacent to its coast under conservation programs based on scientific studies of the resource; and

Whereas additional biological data must be gathered and scientific resource studies be completed to provide for an effective implementation of our recently acquired rights to conserve our coastal fishery resources under the 1958 Convention: Therefore be it

The title was amended, so as to read: "Joint resolution to authorize and direct the Secretary of the Interior to conduct a survey of the coastal and fresh water commercial fishery resources of the United States, its territories, and possessions."

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1202), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE RESOLUTION

The purpose of the resolution is to direct the Secretary of the Interior to conduct a survey of the U.S. coastal and inland fishery resources.

LEGISLATIVE HISTORY

The legislation is similar to a resolution enacted in May of 1944, which authorized a survey of the fishery resources of the United States and which resulted in the publication of Senate Document 51, 79th Congress, 1st session, entitled "Fishery Resources of the United States".

The resolution is also similar to Senate Joint Resolution 174 of the 88th Congress which passed the Senate late in the session without any action being taken by the House of Representatives. Senate Joint Resolution 29 was introduced on January 19, 1965. Hearings were held April 19, 1966, with testimony in support of the measure received from Dr. Stanley A. Cain, Assistant Secretary for Fish and Wildlife and Parks, U.S. Department of the Interior and by Donald L. McKernan, Director, Bureau of Commercial Fisheries, U.S. Department of the Interior. The resolution is also supported by other Government agencies including the Department of State and by numerous national fishery organizations such as the National Fisheries Institute, the National Canners Association, Tuna Research Foundation, National Shrimp Congress, the Atlantic States Marine Fisheries Commission, and the Pacific Marine Fisheries Commission.

THE AMENDMENT

The committee amendment focuses the survey on the extent and condition of the inland and coastal fishery resources of the United States. The Secretary of the Interior under the resolution as introduced was directed to study an extensive number of broad areas of interest to the fishing industry such as processing techniques, marketing problems, and the radiation-pasteurization of fishery products. The amount of money authorized and time permitted were not sufficient to permit a meaningful study of all the problems of the fishing industry. The purpose of the amendment is to concentrate the effort on one of the most fundamental problems, namely a lack of sufficient information about the resource particularly the enormous underutilized coastal fishery resources which are currently being threatened by foreign fleets.

NEED FOR THE LEGISLATION

A comprehensive survey of the inland and coastal fishery resources of the United States will meet two important needs. The study will encourage the domestic use of the enormous underutilized marine resources of the United States and will provide scientific data necessary to regulate and conserve the coastal fishery resources under the 1958 Geneva Convention on Fishing and Conservation of the Living Resources of the High Seas.

During the past 30 years world fishery production has about tripled. During the same period, the U.S. production has remained at the same level—5 billion pounds—with approximately 90 percent taken from coastal waters and 10 percent taken by the U.S.-flag fishing vessels off foreign coasts. The potential annual catch of fishery resources in the U.S. coastal waters has been recently estimated to be approximately five times the present domestic catch. These unutilized marine resources are being increasingly exploited off our coasts by foreign fishing vessels, primarily Russian and Japanese. During the past 5 years, foreign fleets have been attracted to our coastal waters by the availability of enormous unutilized marine resources. In the summer of 1965 no less than 1,000 large foreign fishing vessels were engaged in harvesting fishery resources within 50 miles of our coast. Ten years ago, the foreign catch in the North Pacific coastal waters was negligible. In 1965, over 2 billion pounds were taken by Russia and Japan in the Eastern Bering Sea and the Gulf of Alaska. If the U.S. fishing industry and fishermen had more detailed information about the extent and nature of many of these resources, they would be in a stronger economic position to engage in harvesting the resources on a competitive basis.

For the past 350 years it has been accepted under international law that the freedom to fish was one of the freedoms of the high seas. Beyond the territorial sea, fish have been considered a common resource. No nation had any responsibility under international law to conserve the common resource unless that nation wished to impose upon itself such restrictions either unilaterally or through treaty. As a consequence, all high seas marine resource were subject to possible extinction to the benefit of the most effective exploiter.

The 1958 Geneva Conference on the Law of the Sea adopted four conventions. Three codified existing law, with minor exceptions. The fourth, the Convention on Fishing and Conservation of the Living Resources of the High Seas changed international law dramatically. The Convention confirmed the right of all nations to engage in fishing on the high seas, but made the right subject to the other provisions of the Convention including the obligation to conserve the living resources of the seas. The Convention established that a coastal nation has a special interest in the maintenance of the productivity of the living resources adjacent to its territorial sea. In addition, the coastal nation can adopt unilateral measures for the conservation of any coastal marine resource on the high seas if there is an urgent need and the measures adopted are based on scientific findings.

This recently acquired right under international law for the coastal State to protect its own coastal fishery resources is obviously dependent on the coastal State having conducted the necessary surveys and studies of the coastal marine resources to make the necessary scientific findings. This resolution directs that these vital surveys be commenced and the studies be made so the United States will be in a position to protect these valuable coastal resources which will undoubtedly be required to meet the enormous protein needs of the future.

COSTS

The legislation authorizes an expenditure of Federal funds in an amount not to exceed $200,000.

TERMINATION OF USE RESTRICTIONS ON CERTAIN REAL PROPERTY PREVIOUSLY CONVEYED TO THE CITY OF KODIAK, ALASKA, BY THE UNITED STATES

The Senate proceeded to consider the bill (S. 2412) to terminate use restrictions on certain real property previously conveyed to the city of Kodiak, Alaska, by the United States which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, line 2, after the word "numbered", to strike out "1594." and insert "1594: *Provided, however,* That all revenues derived from sales, leases, or other disposition of such lands or interests therein shall be used for public school purposes."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the restriction contained in the Act entitled "An Act to direct the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials", approved August 23, 1950 (64 Stat. 470), limiting the use of any real property conveyed under such Act to school or other public purposes, is hereby terminated with respect to that real property conveyed under such Act to the local school officials of Kodiak, Alaska, which property is more particularly described in United States survey numbered 1594: *Provided, however,* That all revenues derived from sales, leases, or other disposition of such lands or interests therein shall be used for public school purposes.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1203), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

General authority was provided the Secretary of the Interior under the act of August 23, 1950 (64 Stat. 470), to donate to local town or city officials in Alaska lands and improvements thereon in the then Territory which were not needed by the Alaska Native Service for school purposes. The act required that the conveyed property "be used for school and other public purposes." It also required that the conveyance reserve to the United States all mineral deposits in the conveyed land and the right to prospect and remove such deposits. A failure to abide by these use provisions for a period of at least 1 year could result in a forfeiture of the granted property.

In April of 1954, 2.2 acres of land were patented with the above restrictions of use to the Kodiak School Board (patent No. 1143941) pursuant to the 1950 act. S. 2412 removes the restriction on use applicable to this conveyed land, but by amendment provides that all revenues derived from sales, leases, or other disposition of such lands or interests therein shall be used for public school purposes.

NEED

The city of Kodiak recently began planning with the Alaska State Housing Authority and the Department of Housing and Urban Development for an urban renewal project (R-19). The plan includes 2.2 acres patented to the Kodiak School Board. The Department of Housing and Urban Development has advised that since the Kodiak School Board received the property without cost from the United States, its regulations do not permit the use of Federal funds to purchase the land for an urban renewal project.

This bill, S. 2412, is similar to the act of August 10, 1964 (78 Stat. 384), which removed a similar use restriction applicable to donated Federal land used as a playground in Fairbanks, Alaska, which was also needed for an urban renewal project. In the Fairbanks case, the land was to be used for urban renewal purposes and other land would be acquired without the aid of Federal funds as a substitute playground. In this case, the Kodiak School Board will sell the 2.2 acres to the Alaska State Housing Authority for the urban renewal project. It is indicated the proceeds will be used to purchase a new school site.

It is pointed out that the 1964 act directed the conveyance to the city of Fairbanks of the reserved mineral rights of the United States. S. 2412 does not direct conveyance of these rights in the 2.2 acres of land in Kodiak. The Geological Survey reports that the 2.2 acres are not valuable for mineral development.

Mr. LONG of Lousiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEUTRALITY OF CAMBODIA IN VIETNAM WAR

Mr. MANSFIELD. Mr. President, there has been some discussion of late relative to the neutrality of Cambodia and to the Vietcong and/or North Vietnamese troops using it as a concentration point for activities directed against South Vietnam. This question has been raised many times. But on the basis of specific knowledge it appears to me that there is no firm indication to support this contention; certainly, none has been made public. I would not gainsay the possibility that Vietcong or North Vietnamese troops have retreated into Cambodia in the course of battle. But it is my belief that if they have used the territory of Cambodia it has been without the knowledge or support of Prince Norodom Sihanouk, Chief of State of Cambodia.

As a matter of fact, Prince Sihanouk has requested that the International Control Commission look into this possibility as well as the allegation that Soviet and other outside arms are being shipped through the port of Sihanoukville for transshipment to North Vietnam.

I strongly support these requests of Prince Sihanouk and urge that we join with Cambodia in giving to the International Control Commission the responsibility for policing the Cambodian frontiers and also for looking into the question of shipments arriving in Sihanoukville although it is my belief that the ICC has already undertaken the latter task. It would be far better to agree to Prince Sihanouk's suggestion rather than to rely on ill-defined statements and presumptions because it is my belief that we should do everything possible to prevent the war from extending into Cambodia.

I realize that if the ICC undertook to carry out the request of Prince Sihanouk that it might call for additional personnel and greater expenditures. But I think this would be a small cost to pay to find the true answer to these vague allegations and charges and to prevent the extension of the war into another country in southeast Asia.

Mr. LAUSCHE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I am happy to yield to the Senator from Ohio.

Mr. LAUSCHE. Who are now the members of the International Control Commission?

Mr. MANSFIELD. India, Poland, and Canada.

Mr. LAUSCHE. The Senator from Montana suggests that they be vested with the responsibility of investigating and determining whether ammunition and other equipment of war are being carried across the line from Cambodia into South Vietnam?

Mr. MANSFIELD. First, let me say that this is a strong suggestion—in fact it is a request—made by Prince Sihanouk to various countries comprising, the Geneva conferees, and it would apply not only to the supposed landing at Sihanoukville of arms from Soviet countries for transshipment to North Vietnam but also to the question of whether there are, in fact, as has been alleged, Vietcong or North Vietnamese troop concentrations, headquarters, and the like, on the Cambodian side of the frontier.

Mr. LAUSCHE. Does the Senator from Montana know why the International Control Commission does not now exercise the powers which were vested in it by the Geneva accords?

Mr. MANSFIELD. Whether these particular powers are vested in the International Control Commission, I cannot state definitively at this time, but if these additional tasks were to be undertaken, it would mean more personnel for the International Control Commission as well as more expenditures for the tasks which Prince Sihanouk has requested that they undertake.

As I have tried to indicate, I think this would be an excellent move, because it would put to rest, one way or the other, the rumors, statements, and allegations which have been raised from time to time. I think it would also work in our own interest, as well as that of Cambodia.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Has Prince Sihanouk asked that this surveillance be exercised by the International Control Commission?

Mr. MANSFIELD. Yes, indeed, not once but several times.

Mr. LAUSCHE. I believe that the suggestion of the Senator from Montana is sound.

Mr. MANSFIELD. I thank the distinguished Senator from Ohio.

THE MERCHANT MARINE AND THE ECONOMY OF HAWAII

Mr. INOUYE. Mr. President, Hawaii has a vital interest in a sound U.S. merchant marine, because our economy is dependent to a large degree on the timely arrival of ocean freight shipments from mainland U.S. ports.

For this reason, I would like to share with my colleagues the contents of an address given May 19, 1966, by Commissioner George H. Hearn, of the Federal Maritime Commission, before the Propeller Club of the port of Honolulu.

I am still shocked to be reminded that, at present, less than 9 percent of our import and export ocean commerce moves on American bottoms. In 1947, less than 20 years ago, our ships lifted 70 percent of our import and export trade.

As Commissioner Hearn said in Honolulu:

> In a word, we as a nation, as a producing and trading nation, are going to have to devote our best efforts to international trade if we are to maintain our commercial supremacy.

If there are no objections, I ask that the full text of Commissioner Hearn's remarks be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Commissioner George H. Hearn, of the Federal Maritime Commission, Before the Propeller Club at Honolulu, Hawaii, May 19, 1966

Members of the Propeller Club of the Port of Honolulu and their friends, I am very happy to spend this Maritime Day observance here in Honolulu and join with you in saluting the efforts of those who have dedicated themselves to ocean shipping under the American flag, and all those whose callings are related to American flag merchant shipping. When Senator Dan Inouye personally extended to me the invitation on your behalf to visit these beautiful Islands, to inspect your marine facilities and to take part in your annual Maritime celebration, I was thrilled and honored. And I would be quite remiss, if I did not acknowledge the thoughtful courtesies extended me by Gov. John A. Burns who must personify the hospitality of these Islands. I bring to you the best wishes of not only my friends at the Civil Aeronautics Board who have visited here before, but also the regards of our Chairman John Harllee, Vice Chairman Patterson, and Commissioners Barrett and Day, who, as you know, are so vitally interested in your receiving the most economical and efficient steamship service available.

I can assure you, that your most able Senatorial Delegation, Senator Hiram Fong and Senator Dan Inouye, is particularly aware of this State's need for first class, low cost ocean transportation services, not only with your sister States, but in connection with your foreign trade as well, and that they make their concern on these matters known.

This visit, incidentally, is my first to your fair State, the jewel of the Pacific. I steamed by on several other occasions under the auspices of the United States Navy, during the war years while serving aboard the U.S.S. *Iowa*, the flag ship of the Fifth Fleet.

Also, while serving at the Civil Aeronautics Board, 1961–1964, I was in constant touch with your airline service problems both trunk and domestic. Consequently, I have kept abreast of your progress. And I do not refer only to those political changes which are inherent in your deserved statehood status. I am particularly impressed by your economic growth which is manifested by the modern material benefits apparent throughout the length and breadth of this beautiful State. As a member of the Federal Maritime Commission, I am pleased to note your increasing ocean borne commerce, not only with your sister States, but with the community of nations, as well.

As you no doubt know, the Federal Maritime Commission does not have the responsibility of promoting our merchant marine. Ours is the statutory obligation of administering statutes which relate to the economic regulation of common carriers by water and other entities related to common carriers, principally freight forwarders and terminal operators, for the purpose of advancing the domestic offshore and foreign water borne commerce of our Nation.

As an American, of course, I take great pride in the accomplishments of our own merchant marine, which in time of peril, has always provided the logistic support necessary to see us through the hours of darkness. I would be remiss, on this auspicious occasion, if I did not acknowledge both the patriotic and commercial role that our American merchant marine has played in our history.

In both World Wars, as well as other times of danger, merchant men flying the American flag contributed enormously to ultimate victory. And in each instance, the great majority of our merchant ships had to be built in crash programs following long periods of neglect and decline. During the crisis in Korea, numbers of Victories and Liberties of World War II vintage were broken out of our reserve fleets to provide logistical support to our national defense efforts.

And now, at this present time, our reserve merchant fleet is again being depended upon to get the job done in Viet Nam. And this emergency service is not without substantial sacrifice. Approximately one half of our privately owned American flag tramp fleet has been devoted to the requirements of the Military Sea Transport Service with the consequence that the 50 percent of American flag vessels' share of AID type cargoes, reserved to our own commercial vessels by Congress, will not, in all probability, be carried by our ships this year. Hence, while our vessel operators are devoting their ships and services to our Southeast Asia commitments, and while American seamen are braving the dangers, daily, which are inherent in these operations, valuable commercial cargoes will fall to their competitors with the consequence that it will be all the harder for American vessels to re-establish their commercial trades when they can again devote to them their full time and attention.

During World War II, alone, as a nation we suffered the loss of over 600 vessels, and the Merchant Marine suffered the highest percentage of casualties of all of our armed services, an astonishing 14 percent.

Quite apart, however, from the obvious national defense benefits that inhere in a strong, operational Merchant Marine, are the benefits that such a fleet can bestow on our nation in our peaceful endeavors, in our quest for the Great Society which our President so purposefully pursues. At present, less than 9 percent of our import and export ocean commerce moves on American bottoms. Contrastingly, in 1947 our ships lifted 70 percent of our import and export trade. And in the so-called liner trades, the backbone of established avenues of international commerce, far less than 40 percent of our foreign commerce now moves under the American flag. I find these figures, for a trade conscious nation that has the highest standard of living in the world, for a nation whose products are the envy of the world, for a nation that in essence is the storehouse of quality goods for the world, and for a nation that has a history of accomplishment of the seas, strikingly disturbing.

Our economy, moreover, devours a full 50 percent of the world's output of raw materials and these raw materials must be imported in ships. A question which these startling facts raise is, can we permit our economy to hang so materially on the thin thread of foreign flag shipping, especially when the national economic goals of the countries upon whose vessels we so depend, may be quite different, if not actually diverse, to our own? Of course, we cannot permit such a happenstance, and the Congress in its wisdom brought into being the Shipping Act, the Golden Anniversary of which, by the way, will be commemorated on September 7, 1966, to insure against such a contingency.

The Shipping Act, sometimes referred to as the Magna Carta of ocean shipping, represents a noble endeavor. Through it, our nation has undertaken, as the innovator in the family of nations, to embark on a system of economic regulation whereby our traditional policy of "open ports" could be harmonized with the legitimate desires of American exporters and importers for stable, efficient and economical service, and where our traditional antitrust concepts could be accommodated to even older business concepts of international shipping.

The foreign commerce of the United States is too vast and too important to our national security for the ocean leg of such commerce to be left to the whim or caprice of strangers to our national goals, particularly when ours is a trading nation.

In 1964 our foreign trade amounted to 348 million tons of goods valued at 30 billion dollars. Six years from now that trade will grow to some 420 million tons and by 1985 experts advise us that our foreign trade should reach 685 million tons. At present, 95 percent of this commerce is handled by ocean going vessels. Even if the percentage of cargo now carried on ships declines by being diverted to air carriers, and it is not expected to decline too sharply, the total cargo still available to, and dependent upon, water carriers in 1985, will be almost twice as much as was carried in 1964, or over 600 million tons of cargo.

While it is true that America is the world's premier producer of quality goods, American exporters are discovering that foreign competition gets keener year by year. Sometimes inferior, but comparable goods, lower foreign production costs and cheaper transportation rates make it harder and harder for "Made in America" goods to be sold in world-wide markets. Markets which Americans have pioneered and nurtured. We are still the world's largest trading house, but competition is keener, and our exports and imports are increasingly dependent upon the vessel service provided by others. Make no mistake, I do not quarrel with the fact the foreign flag tonnage serves our trade. But if we are to reach the trade goals that the experts have predicated for the 1972 and 1985 plateaus, we will require continued efficient, economical ocean services that are not prejudicial or discriminatory to American importers and exporters vis-a-vis their foreign counterparts.

Today, our foreign commerce, both by volume and by value, is trending toward our imports over our exports. Indeed, imports have been growing more rapidly than our exports for almost twenty years. While we are still exporting more than we are importing, the gap is closing at an ever increasing rate. For example, since 1960 our exports have increased by somewhat less than thirty percent. Put in another light, since the end of World War II, our per capita contribution to the gross national product has more than doubled, while our per capita contribution to exports has edged up only slightly more than twenty five percent.

In a word, we as a nation, as a producing and trading nation, are going to have to devote our best efforts to international trade if we are to maintain our commercial supremacy.

As I noted earlier, 95 percent of our international commerce is water borne. And even with the inroads forecast by air carriers, the development of new and faster ships, the containerization concept, innovations in packaging and shipping, the adoption of refinements in shipping procedures—through bills covering door to door transportation, will insure to vessels the great predominance of cargo. And it is here that the Federal Maritime Commission has such an important function to perform.

In the foreign trades, which are so critical to the economic well being of our nation, the Commission has broad powers and grave responsibilities. It is fair to say, I think, that the essential role of the Commission, in the arena of foreign commerce, is to insure that American importers and exporters are treated fairly and squarely by the carriers with whom they must do business, and the components of the regulated industry, the water carriers, the freight forwarders, and the terminal operators—meet their obligations to the shipping and travelling public under the Shipping Act.

It has often been said that the United States, through the Maritime Commission's administration of the Shipping Act, has embarked upon an unwarranted unilateral regulation of international commerce. In essense, however, the Shipping Act and its administration represents an expression of our Nation's concern for its international trade. Can anyone reasonably doubt the concern of a nation over the posture of its trade when it also happens to have the lion's share of its commerce carried on the vessels of others? Under the Shipping Act, the vessels of all flags stand as equals. The vessel of no nation is favored or prejudiced, and so long as each abides by the ground rules set down by Congress in the Shipping Act, vessels of every flag are welcome to participate in our commerce. I believe that we all realize that our foreign commerce is also, necessarily, the foreign commerce of other nations. In attempting to secure for our importers and exporters the "fair treatment" that they are entitled to, and reviewing the nature and depth of our economic regulation of our ocean commerce, I simply fail to understand the charge of "unilateral regulation." Indeed, if the requirement that carriers refrain from deferred rebates and the like, can be called a "unilateral regulation," by what term are high protective tariffs to be called? And does anyone attack, as unwarranted "unilateral regulation," an embargo prohibiting the introduction into a nation of unsafe, or dangerous or germ infested goods? I honestly believe that the "unilateral regulation" charge is unfounded.

People of this State, more than any other group in this country, are intimately and daily connected with the sea and with commercial shipping. You realize, more than others, I dare say, the importance of safe, modern, efficient, and honest ocean shipping services and indeed you do enjoy such service, particularly with your sister states. Both Matson and Olson have provided excellent service between this State and the Pacific Coast, and have set the pattern for the services you enjoy to the Atlantic and Gulf coasts. As a matter of fact, ocean freight rates to and from the Pacific Coast, I am happy to note, are substantially lower today than they were in 1962, and the service at your disposal has been bettered qualitatively.

The six containerships which Matson has introduced to your trade has suitably reflected its noble pioneering heritage. I have had an opportunity to inspect, earlier, Matson's facilities in California and in the Northwest, and now I have had a first hand view of its facilities here in the Islands, and I want to go on record as saluting the enlightened manner in which this company is adapting itself to tomorrow's ocean transport concepts. Trade between the West Coast and these Islands has increased, service has improved, and rates have actually decreased.

Of course, the ocean services which you enjoy with your sister states more intimately involves the Federal Maritime Commission than does ocean shipping in the foreign commerce. Most strikingly, in the offshore domestic trades, the Commission has detailed rate authority which includes the power to suspend rates before they become effective. And, in the domestic offshore trades, the Commission, through its regulations, receives from common carriers, financial reports which enable the Commission realistically, and with some degree of certainty, to assess the reasonableness of particular commodity rates.

Finally, I would like to say a few words concerning my own philosophy on transportation rates. As we all know, developments and refinements in the manner or mode of ocean transportation occur almost daily. Containers, for example were thoroughly experimental only a short time ago, but now containerization of ocean cargo in the Hawaiian, Alaskan and Puerto Rican trades which have innovated more ton miles of transport per unit of capital and labor, is firmly established. And, I might add here with a note of pride, that ocean freight containerization, as the entire commercial world will adapt to, was pioneered and proved successful by our privately owned and operated American merchant marine. Container service in our foreign trades, moreover, has made recent giant steps. Within the past two months, for example, container operations, as you know them here in Hawaii, have been established in our North Atlantic Europe trades. With these operational changes the nuances of economic regulation must keep apace, while their "fair play" principles remain firm. Two of the developments in the world of regulation urged by the President's Council of Economic Advisers that year, both of which I submit deserve the thoughtful consideration of all men of transportation, are (1) that rate structures of carriers should tend more to be oriented to the costs of the service, rather than to the value of the commodity, and (2) the transportation industry should speed its response to new technological opportunities. The people of Hawaii and the people who do ocean transport business with Hawaii are indeed fortunate that these two precepts are being observed in your ocean commerce.

In a posture of cooperation with the industry it regulates and the public which that industry serves, the Commission attempts to work for the betterment and achievement of American commerce. Our guiding principle of regulation, and trust, is attuned to President Johnson's thoughtful admonition that, as a nation, we must "Concern ourselves with new areas of cooperation before we concern ourselves with new areas of control."

Thank you.

THE FUTURE OF NATO

Mr. CHURCH. Mr. President, I am heartened by a number of small signs that the other members of the NATO are beginning to recover from the shock of French withdrawal. Whether knowingly or not, President de Gaulle has stimulated a long overdue reappraisal of our policy toward NATO and our European allies. Two recent pieces give evidence of the constructive thinking which is now developing. One is by Joseph C. Harsch entitled "Whither NATO?" in the May 27 edition of the Christian Science Monitor, and the other is an editorial entitled "The Road Ahead for NATO" in last Sunday's New York Times. In what the Times calls "a victory for commonsense over justifiable pique," it seems that a definite attempt is being made to keep France closely associated with NATO despite her withdrawal.

I ask unanimous consent that these articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times]

THE ROAD AHEAD FOR NATO

The consensus that has emerged from the Erhard-Wilson talks and the other high-level consultations among General de Gaulle's fourteen allies indicates a victory for common sense over justifiable pique. An attempt to keep France closely associated with NATO, despite its withdrawal from the integrated command, evidently is to be given priority over attempts to isolate Paris.

France may be eternal, but its President obviously is not. The argument that General de Gaulle's separatism should not be rewarded is valid. But nothing is to be gained by accelerating it unnecessarily and further closing the door to France's ultimate return to full membership in the alliance.

The unavoidable move of American bases and NATO military headquarters to the Low Countries, in response to the French eviction notice, can usefully be accompanied by some streamlining. But Britain has wisely abandoned its proposal to move NATO's political headquarters, in which France will continue to participate, from Paris to London—a move that would only add fuel to French charges of Anglo-American dominance.

The North Atlantic Council and its secretariat belong on the Continent. Whether they should be moved to Belgium should be determined entirely by whether their operations would be impaired by remaining in Paris.

The urgent problem is to discover whether Bonn and Paris can reach reasonable arrangements that will keep French forces in Germany. The French say they are prepared to remain. The Germans want them, as Chancellor Erhard now has made unequivocally clear. Paris has expressed willingness to discuss wartime commands, a NATO mission for its troops and some changes in their legal status. The negotiations will not be easy. But if they can be consummated, while tight integration among the Fourteen is maintained, the damage to NATO will be minimized.

Meanwhile, there must be a response on the part of NATO to Europe's feeling that the war threat has subsided and that first steps should now be taken toward seeking a European settlement. A joint NATO strategy for broadening the détente is the proper answer to General de Gaulle's unilateral approach to Moscow. The impending debates between East and West German political leaders may contribute to this development. The June NATO ministerial meeting in Brussels should respond to Soviet suggestions for a pan-European security conference with clear counter-proposals.

A European settlement will mean withdrawal of American as well as Soviet troops from the heart of Europe. The chances for obtaining such a settlement—rather than consolidation of the status quo—can only be undermined by threats of further unilateral American and British troop withdrawals for financial reasons. But there is every reason to prepare a West European military structure that could provide an initial defense of the Continent after an American-Soviet pullback.

Individual European nation states can build neither the forces nor the arms industries this will require. But a West European defense community, to accompany British entrance into the Common Market, could provide the collective forces and backup needed. There is no other way to obtain the sense of security vital to acceptance both of German reunification and new untried arms control arrangements as a substitute for American power on the ground.

Whither NATO?

(By Joseph C. Harsch)

Washington.—The future shape of the North Atlantic alliance is not yet clear, but the rebuilding process is going ahead in a healthier atmosphere now that Washington is thinking about change instead of merely denouncing General de Gaulle for demanding change.

Certain very important preliminary conclusions have emerged from the rethinking process which was triggered by the French notice that they would take their forces out from all NATO military commands by July first of this year.

At the time of the French notice everything was uncertain—even whether there would and could be a continued international NATO military force without France.

KEEP INTEGRATED FORCE

That matter has been settled by agreement among everyone concerned. A canvass of opinion showed that the other 14 wanted for three reasons to continue an "integrated military force."

One reason is the obvious that the Western countries are not yet entirely certain that there is no longer any real danger from Russia.

Second, and companion, reason is that an integrated force is believed to represent useful bargaining power in any negotiations which may be on Europe's horizon pointing toward an East-West détente.

Third reason is that the "integrated force" is the last best chance of avoiding the reemergence of an independent German armed force under an all-German command which would of course look like a revival of the German general staff of such unhappy memory to Europe.

So with or without France there is to continue to be an alliance armed force with a unified command. Its headquarters will be a general staff for the combined forces of its members. Thus there will be no need, or excuse, for a revived German general staff.

THE EMPTY CHAIR

The new headquarters will be located somewhere in the Low Countries, presumably near Brussels, as offering the best available communications facilities. The move from Paris to Brussels can be the occasion for streamlining the admittedly overgrown establishment of SHAPE. At the same time there can be a trimming down of the size of the forces maintained in Germany by the United States and Britain. All seem to agree that the times permit some reduction in the ready forces of the alliance.

Next biggest question raised for the others by the French notice was the future relationship of France to the alliance. Should France be encouraged to get out, and go its own way, or should every effort be made to keep France in?

That issue too has now been settled, in substance. An "empty chair" is to be kept for France in all functions of the alliance. France will be welcomed back to her chair anytime she wishes to return.

More than that, it is the strong consensus of the residual members that nothing should be done to push France away, or discourage her return.

EUROPEAN INDEPENDENCE

But this itself has an overtone of major importance to the long-term shape of the alliance. The one thing France will not accept any longer is an alliance which is in fact, no matter how different the theory, dominated from and led by Washington.

The old Western alliance was as much a cluster of small countries around the American giant as the Russian alliance was a cluster of small countries around the Russian giant. France has led the rebellion against that old condition on the Western side just as Romania is now leading it on the other side.

The decision to keep the door open for France inevitably implies a long-range trend toward greater European independence from Washington. The break will not be sudden or drastic. A bridge from past to future is being shaped. That bridge will lead by stages toward a future in which Europe will not be bound to Washington, as was foreseen by those who painted the future in terms of John F. Kennedy's "grand design."

PLANT RELOCATION—A SUCCESSFUL MOVE TO DELAWARE

Mr. BOGGS. Mr. President, since January 1965, General Foods Corp. has been operating a large, modern plant in Dover, Del. Operation of this plant was preceded by 5 years of detailed studies and an intensive construction period. The Dover operation represents a consolidation of four outmoded plants of the Jell-O Division of General Foods Corp. Dovetailing the operation of these four plants into one facility at Dover constituted a major relocation project.

We are fortunate that General Foods went about its move with great care. Not only was Dover and the State of Delaware kept informed of progress toward the final selection of the new plant site, but employees in the four affected plants were also kept aware of each step in the process.

The details of how this move was engineered are now available in a succinct and readable book, called "Plant Relocation—A Case History of a Move," by Edmund S. Whitman and W. James Schmidt.

The book, published by the American Management Association, outlines how and why the idea for a consolidated plant arose and the careful procedures followed to make the move successful in terms of people, production, and profits.

The fact that General Foods Corp. considered a variety of prospective sites in the Middle Atlantic and New England area and finally decided on the State of Delaware is evidence of Delaware's outstanding qualifications for new industry location. Decisions to locate in Delaware by General Foods and other businesses have helped promote the steady and substantial growth of the first State.

One important reason considered by General Foods' management in deciding upon Dover was the friendly attitude of Dover citizens and city officials and their warm response to the prospect of a new General Foods plant.

General Foods has indeed proved to be a good neighbor among the good neighbors it found in Dover. There is every prospect for many more years of this pleasant association.

DEDICATION CEREMONIES OF ROBERT S. KERR WATER RESEARCH CENTER AT ADA, OKLA.

Mr. MONRONEY. Mr. President, three of the seven regional water research centers that were authorized by Congress in 1961 are now in operation. The third, the Robert S. Kerr Water Research Center, was dedicated on May 28 in fitting ceremonies. This laboratory is located on a beautiful site in the rolling hills just south of Ada, Okla., the hometown of the great American for whom the Center is named, the late Senator Robert S. Kerr.

The implementation of the 1961 amendments to the Federal water pollution control law is of vital concern to all Americans. For far too many decades, we have allowed our water resources to be overexploited and underdeveloped. The Robert S. Kerr Water Research Center has now become a reality with a small but vigorous and highly trained staff, eager to make a significant contribution to our national welfare.

The principal speaker at the dedication ceremonies of the Robert S. Kerr Center was the Honorable James M. Quigley, Commissioner of the Federal Water Pollution Control Administration. Mr. Quigley's remarks summarized very effectively the present status of the 1961 and subsequent legislative enactments affecting water purity and water pollution control programs. Commissioner Quigley's remarks at this occasion deserve the attention of all the Members and I ask, therefore, for unanimous consent that they be inserted in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

Dedication Address*

(By James M. Quigley) **

Senator Monroney, Congressman Steed, Governor Bellmon, members of the Kerr Family, and other distinguished guests. I am pleased to be here in Oklahoma, and I am delighted to see that it is exactly as it is described in the song. Oh, what a beautiful morning this is.

I am pleased to be here in Ada on this historic occasion.

Ada, Oklahoma makes no claim to being the biggest city in the world or the Nation. It does not even pretend to be the biggest town in Oklahoma. Yet, we are here today because the world, our Nation, Oklahoma, and Ada is confronted with a big problem.

We are here also because a big man born in these parts, when Ada was even a smaller town than it is today, recognized this problem and the need to do something about it.

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*Presented at Dedication Ceremonies for the Robert S. Kerr Water Research Center, Ada, Oklahoma, May 28, 1966.

**Commissioner, Federal Water Pollution Control Administration, Department of the Interior, Washington, D.C.

The problem which brings us here is water pollution. The man who recognized the growing menace of water pollution long before most of his fellow men grasped its significance, was the late Robert S. Kerr.

In 1966 most Americans appreciate that water pollution confronts our Nation with one of its major domestic problems. Yet, as recently as ten years ago, in 1956, only a comparative handful of Americans had the foresight to see this problem and the courage to face it. Conspicuous among those in that small group was the late Senator from Oklahoma, Robert Kerr.

Bob Kerr was born into a world where almost any boy, who was lucky enough to be an American, could enjoy among his many blessings, the care-free bliss that could only be found in the old swimming hole, and where a man could know the fun of fishing without having to travel dozens, and even hundreds, of miles.

This America no longer exists. Men like Bob Kerr helped to bring about that change.

We have learned, for example, that it is not possible to take billions of gallons of oil from the ground and to cover the surface of our country with ribbons of concrete, crowded with millions of automobiles without paying a price. We have learned that it is not possible to achieve these and all of the other industrial miracles which have made America the most powerful and the most prosperous Nation in history and not at the same time made America a little less beautiful and render its waters much more polluted.

No one learned these lessons better, and few learned them sooner, than Senator Kerr. And once having learned, no one was more determined than Bob Kerr that something be done to reverse the continuing trend toward ugliness and dirtiness in America.

Something was done. In the 84th Congress the Blatnik-Kerr bill was enacted into law. This measure embodied the first permanent Federal Water Pollution Control Program. From that beginning, just ten years ago, the Federal Water Pollution Control Program has grown from the efforts of 78 dedicated, but often lonely souls, to the present Administration of some 1600 people. In 1955 your Federal Government spent only $800,000 on water pollution control. Our budget for the next fiscal year which begins a month from now, on July 1, is $233,000,000.

There are numerous other ways by which the constant, steady growth of our national effort to control pollution could be illustrated. But nowhere could you find a more dramatic, a more concrete demonstration of this than in the building we are here dedicating.

In mandating a great national effort to bring water pollution under control the Congress recognized that there was much to be done. But the Congress also recognized that there was much that could not be done. It could not be done because we lacked the scientific knowledge and the technical competency to effectively treat many pollutants. For example, many of the newly developed chemical compounds, some of the pesticides and detergents, do not readily respond to standard sewage treatment.

Your Federal Government seeks these answers we need and do not have through research. And to this end, in the 1961 amendments to the Federal Water Pollution Control Law, Congress authorized the establishment of seven regional laboratories throughout the country.

We are today dedicating the third of these labs. The first was completed and dedicated in College, Alaska in November of last year. Earlier this month I had the privilege of participating in the dedication of the second in Athens, Georgia. By the end of the summer, the fourth will be in operation in Corvallis, Oregon. The others are in various stages of construction and design.

The idea behind these regional laboratories is that the problems of pollution are not the same throughout the Nation. The problems plaguing the arid Southwest are not the same that are faced in New England. Pennsylvania pollution problems are not the same as Oklahoma's. Alaska's are not the same as Florida's.

Generally speaking, each of these regional laboratories will tend to concentrate on the pollution problems germane to the area where they are located. But I hasten to add that there is nothing to prevent the knowledge that is developed at any of these regional labs from having national significance and application.

In this connection, I would like to point out that in the brief period that this laboratory here in Ada has been functioning it has been concentrating on the removal of phosphates from sewage effluent. Phosphate removal is not a problem that is confined to this part of the country. Quite the contrary, it is one of the most difficult problems we face throughout our land as we progress in our battle for clean water. And ironically, phosphate removal is the challenging problem it is simply because we are making progress in other aspects of pollution control. The best of our modern municipal sewage treatment plants do an excellent job when it comes to removing most of the major pollutants. Phosphates and nitrates are the exception. And these phosphates and nitrates in turn fertilize and encourage algae growth. It is the algae rather than sewage which currently gives the Potomac its unpleasant odor; it is the overabundance of such algae that is causing Lake Erie to die and which clouds the pristine purity of Lake Tahoe.

It is, of course, too early to speak finally, but it can be stated that, on the basis of the limited work already done here in Ada, there is the possibility of a break-through in treatment techniques which could go a long way towards providing an effective method of phosphate removal. At this stage of the game, this may be too much to expect but it can be hoped for. Should these hopes be realized, then the Robert S. Kerr Water Research Center will indeed have made a major contribution in the battle for clean water.

Should these hopes be dashed, and in research this is more often the rule than the exception, I am still fully confident that this facility which we dedicate today will make a substantial and a continuing input to America's pollution abatement effort. And in the doing, it will pay a continuing tribute to the man whose name this laboratory bears.

Other speakers on this and on other occasions have detailed the many contributions that Robert S. Kerr made in his life-time to your State and our Nation. On this occasion, I will merely venture the view that of all of his many activities, in the business world and in the world of public affairs, it is quite possible that Robert Kerr's greatest contribution to humanity generally and specifically to the country he loved may ultimately flow from the crucial role he played in getting underway our national water pollution control program. This is, admittedly, a somewhat prejudiced view and encompassed in my bias, quite naturally, is the firm conviction that time and history will prove me right.

Without an abundant supply of clean water where we need it, when we need it, America cannot continue to prosper and to grow. Bob Kerr knew this. What is more, he acted on this knowledge. Because he acted, we are here today.

After we leave here today, after this ceremony is over, men will continue to act here in this laboratory. Scientists, chemists, biologists, and engineers, will use this excellent facility in the further pursuit of knowledge. A knowledge we must have if ultimately we are to win the battle which Robert Kerr started.

I will say to these men of science, those who are here now and the others who will come after you: the only real limitation that will be imposed upon the research conducted in this facility will be that imposed by lack of imagination and ingeniousness. I will further suggest that if the men of science who pursue their work within the Robert S. Kerr Water Research Center will do so with just a small portion of the drive, determination and resourcefulness with which Bob Kerr approached life, they can be assured that their efforts will be crowned with success.

Building on your successes, this area and this Nation can do what it must do—gradually but surely work its way back to the point where we can enjoy the fruits of modern living, the benefits of modern technology without suffering the inevitable by-products of pollution and ugliness. In this way we can build for ourselves and future generations a society that is both great and beautiful.

Let me conclude with the closing words of President Johnson's February 23 message on "Preserving Our Natural Heritage."

"Let us from this moment begin our work in earnest—so that future generations of Americans will look back and say: '1966 was the year of the new conservation, when farsighted men took farsighted steps to preserve the beauty that is the heritage of our Republic.' "

To this end I dedicate the Robert S. Kerr Water Research Center.

THE HIRSHHORN COLLECTION

Mr. SALTONSTALL. Mr. President, the greatness that is America today is the result of the achievements and contributions of its citizens. Joseph H. Hirshhorn's gift to his countrymen of his magnificent collection of paintings and sculpture is truly a manifestation of great achievement and great generosity. He has made it clear to all that he is giving away his entire collection because he felt it should belong to all of the American people, not just to one man.

Valued at $25 million, the collection of some 6,000 paintings and sculpture includes a vivid cross section of man's artistic genius. It encompasses the works of Eakins, Hassam, Munch, Bellows, Sloan, Kuhn, Hopper, Soyer, Wyeth, Picasso, Beckmann, Marin, Weber, Ben Shahn, Jack Levine, Maurice Prendergast, Dali, Francis Bacon, Larry Rivers, Eilshemius, Kline, de Kooning, Jackson Pollock, Kuniyoshi, Milton Avery, Philip Evergood, Stuart Davis, Feininger, and Hans Hofmann. The unrivaled collection of sculpture includes creations of Rodin, Bourdelle, Maillol, Manzu, Degas, Daumier, Sir Henry Moore, Lipchitz, Brancusi, Sir Jacop Epstein, Renoir, Picasso, Calder, Giacometti, Marini, Matisse, and others.

As another expression of his benefaction, Mr. Hirshhorn is giving $1 million for the purchase of additions to the collection. The collection will be a worthy complement to the complex of museums and galleries now under the administration of the Smithsonian Institution, which has established itself as one of the Nation's centers for learning and the arts.

History will record that Joseph Hirshhorn has joined the select company of

James Smithson, Charles Freer, and Andrew Mellon, whose private contributions have enriched the cultural life of the Nation and its Capital City.

James Smithson's bequest "for the increase of knowledge" led to the establishment of the Smithsonian in 1846. Early in this century, Charles Lang Freer donated to the Institution his splendid collection of oriental art that now serves as the nucleus of the Freer Gallery of Art. And in 1937 Andrew Mellon's magnificent gift, accepted by the Congress, established the National Gallery of Art.

In accepting the Hirshhorn gift for the Nation, Congress would authorize legislation which will—

Provide a site on the Mall, a gallery building, and a garden of sculpture.

Designate the gallery and garden as the Joseph H. Hirshhorn Museum and Sculpture Garden.

Pledge the faith of the United States to assist in providing funds for the operation and administration of the museum and garden.

And establish a Board of Trustees in the Smithsonian Institution to advise the Board of Regents on matters relating to the museum and gallery, and to be responsible for the acquisition and disposition of works of art.

That the Joseph H. Hirshhorn Museum and Sculpture Garden will serve as a vivid reflection of man's artistic achievements and as an inspiration for future generations is in large measure a tribute to the affection of a man for his country.

To Mr. Hirshhorn the Nation owes its deepest gratitude.

THOUGHTWAYS OF FOREIGN POLICY

Mr. CHURCH. Mr. President, William Foote Whyte, of Cornell University, is one of our most eminent sociologists. In the May 30 issue of the Nation he has written an article, "Thoughtways of Foreign Policy," in which he examines some of the assumptions upon which our foreign policy is based. He is particularly concerned about our involvement in Vietnam and whether we can learn anything from this experience to help us avoid similar mistakes in the future. I commend this article to my colleagues, not least of all because he urges us to "practice the lesson we keep telling ourselves: that wars are not won by military force alone, that victory for a government we support depends in large measure upon the commitment of the people to support that government."

I ask unanimous consent that this article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Analogies and Images: Thoughtways of Foreign Policy

(By William Foote Whyte)

(Note.—Mr. Whyte, author of Street Corner Society (University of Chicago Press), Money and Motivation (Harper & Rowe) and Men at Work (Richard D. Irwin), is professor of industrial and labor relations and sociology at Cornell University.)

Said Dean Rusk recently: "The major lines of United States policy are simple and easily understandable. I am pretty certain that the majority of high school seniors could describe them accurately." And not so long ago the Secretary chided college professors for their inability to recognize certain obvious facts, and for misleading their students regarding U.S. foreign policy.

We have here a paradox: a foreign policy simple enough to be understood and accepted by high school seniors and yet somehow beyond the comprehension and sympathy of many professors who take a professional interest in these matters.

Being a college professor myself, I cannot claim to be impartial in this contest with high school seniors, yet I think I can provide a key to understanding the paradox. The lines of policy are indeed simple because they are based upon some very popular oversimplifications as to the nature of the world. If some of the professors seem to be confusing the issues, it is because they find themselves looking at a different world from that described by Secretary Rusk. Here follow some examples of how the roads diverge.

THE HANDY HISTORICAL ANALOGY

When we confront a foreign-policy problem, it is natural that we ask ourselves whether such a problem was faced by any country in previous history. If we find a good analogy to the present problem, we can then ask what the country facing this problem did in the past. If its actions turned out well, we can decide to do something of the same sort. If the actions turned out badly, we can resolve to seek a different approach.

There is nothing inherently wrong in this procedure, but one should recognize that the value of the conclusion drawn from the analogy depends upon how closely the two situations match.

How good are these analogies now in common use? A perennially popular one is appeasement at Munich. At that meeting, Neville Chamberlain agreed to let Hitler have his way with Czechoslovakia in order to win "peace in our time." As we all know, the bargain turned out to be a bad one, from the practical as well as the moral standpoint. So now the argument is applied to Vietnam.

But how does the situation in Czechoslovakia at the time of Munich really compare with the situation in Vietnam today? While in 1938 there was a small German fifth column within Czechoslovakia, the really serious threat of aggression came from outside, from Nazi Germany. The extent to which the war in Vietnam is a civil war is a matter of vigorous debate. Certainly, if Vietnam is judged to be one country, temporarily divided—as stipulated in the Geneva Agreement of 1954—then it is clear that nearly all of those doing the actual fighting (except U.S. personnel) are Vietnamese.

Czechoslovakia in the 1930's was a democratic state, and there could be no doubt that it carried out the wishes of the overwhelming majority of the population in seeking to oppose Nazi aggression. From the outset, the government of South Vietnam has depended heavily upon our military and economic support and there have never been any solid indications that any of its governments commanded widespread popular support.

Czechoslovakia had what was for the times a modern, well-disciplined and well-equipped army. In an armed conflict with Nazi Germany, Czechoslovakia was sure to be overwhelmed, but there seems little doubt that had the Czechs not been abandoned by their allies, they would have fought to the limit of their resources. The present South Vietnamese army is largely a creation of the American and earlier French occupation forces. While there have been notable instances of units that showed gallantry in action, the overall record suggests an inclination to avoid hard fighting. In fact, until late 1964 the Vietcong forces supplied themselves very largely with weapons captured from the South Vietnamese. This is no reflection upon the courage of the South Vietnamese people. The Vietnamese, fighting so well on the other side, are the same people, linguistically and culturally. From this difference in performance, we must conclude that the South Vietnamese soldier just does not feel the same commitment to his cause as does his opponent.

Would we be violating our treaty obligations if we now withdrew from Vietnam? On that question, there are two diametrically opposed points of view. The official U.S. position is that we were invited in by the government of South Vietnam to help them to resist aggression from their neighbor, North Vietnam. To withdraw now would be to violate our solemn obligations to the government and the people of South Vietnam.

The opposing argument begins with the premise that the government of South Vietnam has no right to exist in the first place. The Geneva Agreement of 1954 did not treat North and South Vietnam as separate countries. The division at the 17th Parallel was to be a temporary one. In 1956, North and South were to be reunited on the basis of free elections. Diem, whom the United States had put in power in South Vietnam, refused to allow such an election in the territory be controlled. (Note that he did not refuse *unless* the International Control Commission could provide adequate safeguards for a free election. He refused unconditionally—and the United States tacitly supported this treaty violation.) Furthermore, every South Vietnamese government since 1954 has been heavily dependent upon U.S. military and economic support. In other words, the sacred obligation of which Washington speaks is one entered into with its own agent.

It is important to note that this argument does not depend upon disagreement as to what the facts are in Vietnam. The debaters simply select different facts for emphasis and interpretation. The situation in Czechoslovakia was entirely different. The abandonment of that country to Hitler was a clear treaty violation. It was defended on the ground of expediency, but no one could claim that a breach of the treaty had not taken place.

In other words, the Czechoslovakian and Vietnamese situations seem about as different as two international situations can be. It is hard to imagine how the lessons drawn from the one case can be applied to the other. Over the years, however, Munich has come to mean simply that appeasement never pays and therefore, whenever we confront an international crisis, we must act tough.

IDEOLOGISTS AND TWO-VALUED ORIENTATIONS

I call *ideologitis* the tendency to see international affairs primarily in ideological terms. Two-valued orientation refers to the semantic fallacy of conceiving and evaluating a situation, however complex, in terms of two diametrically opposite poles: black and white, right and wrong, communism and anti-communism, and so on. Combined, these two produce the formula: international affairs consist of a struggle between communism and the free world.

The trouble with this point of view is that it does not distinguish between two major powers, Russia and China, whose words and actions are coming increasingly into conflict. Neither does it distinguish between major powers with whom we have conflicts of interest, and other states (Yugoslavia, Poland and Rumania, for example) with whom we do not compete.

If we are willing to make such elementary distinctions, we shall find that we can employ the very real differences among Communist nations to improve our own position and to ease international tensions. On the other hand, if we view communism as a monolithic force, we produce what sociologists call the "self-fulfilling prophecy": our very actions tend to push Communist governments into competing with one another to determine which can oppose "U.S. imperialism" most effectively.

ON THE IMAGES WE PROJECT

We are told by the experts that since we are now a world power, people all over the world watch our actions and judge us accordingly. We must show them that we are strong, and that we have the courage to use our strength.

Do opinion leaders in other countries really judge from our actions in foreign policy whether we are strong or weak? I have no doubt that they do, but strong-weak is not the only dimension in which they make judgments. These are some other dimensions commonly used in evaluating the foreign policies of the United States: cruel-humane, reckless-responsible, peaceable-warlike, arrogant-respectful of others, imperialistic-anti-imperialistic, intelligent-stupid.

Suppose that our actions in Vietnam convince the opinion leaders of a given nation that we are strong—but that we are also cruel, reckless, warlike, arrogant, imperialistic and stupid. Have we improved our "image" in that nation? There is no way of answering that question, for we cannot say how many units of gain on the strong-weak dimension are offset by how many units of loss on each of the other dimensions. Nevertheless, our concern for public opinion in another country cannot realistically be limited to the strong-weak dimension, and any State Department official will concede that we are also concerned with how we are evaluated in the other dimensions. He will go on to say that we hope to be regarded not only as strong but also as humane, responsible, peaceable, respectful of others, against imperialism and intelligent.

No one has very good information as to how we are regarded in other parts of the world, but this incident is suggestive:

In 1965 the French Institute of Public Opinion put the following question to a cross section of Frenchmen: "In your opinion which chiefs of state constitute the greatest menace for peace?" As we might expect, Mao Tse-tung led with 32 per cent of the votes. Are we not a little shocked to learn that a close second was Lyndon B. Johnson with 30 per cent, and that he received twice as many votes as did Premier Kosygin, who followed in third place with 15 per cent.

THE LIMITATIONS OF MILITARY FORCE

It is now said in Washington that a conflict such as that in Vietnam cannot be won by military force alone. Senators and Administration foreign-policy makers are fond of reminding us that this sort of war is fought in the minds and hearts of men. Unless there are basic political, social and economic reforms, the people will not have sufficient stake in the government of South Vietnam to move them to continue the struggle.

Those sound like enlightened words. But the time is now 1966, and the same sentiments were spoken by people in the same positions more than a decade ago when we first assumed responsibility for South Vietnam. No doubt our ambassadors have sought to persuade the various South Vietnamese governments to get some reforms going, but we have not bargained with them. We have not said to them: "Unless you launch some of the reforms necessary to make your people believe your government is worth defending, we will withdraw our military support."

We did not bargain because we were not willing to face the possible rejection of our demands. We have not dared even to begin reducing our forces, lest that open the way to a Vietcong victory.

It is now too late for bargaining, and recent developments suggest that the Administration is trying a new approach. As U.S. forces have in effect assumed military control over those areas not in Vietcong hands, we are increasingly establishing political control. Do we now mean to saturate the countryside with technical assistance and push through these reforms that the Saigon regimes have been unable or unwilling to effect?

Such a program would make South Vietnam a U.S. colony in fact, if not in the words of our policy makers. We may tell ourselves that these measures will be good for the South Vietnamese, but the history of colonialism does not support the statement. Whatever "good things" are done for them, the dependent people know very well that they are not running their own show. Sooner or later they get tired of being told what to do and invite the foreign rulers to go home.

REWARDS AND INVESTMENTS

Sociologist George Homans has discovered an important principle of social life: men act as if they believed that the rewards they receive should be proportionate to the investments they make. This principle is illustrated every day when people talk about the jobs they hold. On the investment side are such factors as education, skill, knowledge, seniority, effort and social background. On the reward side are such factors as pay, social prestige and the intrinsic satisfactions of the job. When a man feels that his rewards are equal to or greater than his investments, he is satisfied with his job. When he feels that his investments exceed his rewards, he is dissatisfied—and is likely to do something to try to balance the equation.

I suspect that this principle applies also to the behavior of groups and nations. In an international crisis, the policy makers come to a decision and begin making investments in that decision—the deployment of the material and human resources of the country, the lives of fighting men, the reputations of the policy makers. The more the investment, the stronger the commitment to insist that rewards to match it must be forthcoming. The policy makers look hopefully for the rewards that are going to balance their investments. Their subordinates in the field are naturally led to report favorable developments that would seem to promise these rewards. And the policy makers give out reassuring statements. (It was not so many months ago that Secretary McNamara was publicly foreseeing the gradual withdrawal of U.S. troops from Vietnam, beginning a year following his statement.)

(NOTE.—This article is the first in a series on American foreign policy, the world's shifting axes of power, treaties and natural alliances and similar topics, which *The Nation* will publish over the next few months. The second piece in the series will be a discussion by Charles O. Lerche, Jr., of international relations in this post-cold war period.)

This process suggests a modification of the Homan' principle: if actual rewards do not balance investments, those responsible for the investments will seek to create the illusion of balance. In recent months, newsmen have presented well-documented cases of distortion of news by the government, both in Vietnam and in Santo Domingo. I suggest that these distortions do not arise out of the dishonesty of particular officials. They arise out of the pressures created when the investments-rewards equation is seriously out of balance.

The more a policy fails to produce rewards, the more is invested in that policy; and the more invested, the greater the commitment to prove that the policy will eventually pay off. Is there no way out of this vicious circle? If one can judge from recent history, there are two conditions under which nations persuade themselves to abandon such costly international policies:

(*1*) The policy meets a sudden and dramatic disaster. Everything invested in it has already been lost, and the policy maker either must make massive new investments or else cut his losses. (Dienbienphu and the Bay of Pigs.)

(*2*) The man who decides to abandon the policy is a different man from the one who made the major investments. (De Gaulle in Algeria.)

On this analysis, the point of no return for the Johnson Administration was passed more than a year ago. In September of 1963, President Kennedy said that while we could help the South Vietnamese government by sending equipment and advisers, "in the final analysis, it is their war. They are the ones who have to win it or lose it."

In the fall and winter of 1964–65, it became apparent that if we continued to regard the war as "their war," the Saigon government was going to lose—and soon and decisively. If he had stood by the "their war" concept, President Johnson could have got us out at that time with but small loss to the investments of his Administration. That choice point is now behind us. The heavy investments in Vietnamese policy are now those of Johnson, Rusk, McNamara, and their chief advisers. We can only hope, with the President, that the road chosen will lead to a negotiated settlement—before it leads to World War III.

CONCLUSIONS

If this analysis is correct, the Administration investments in the Vietnamese are now so enormous that we are completely locked in to present policies. If we cannot pull out of Vietnam, can we at least learn anything from this experience that will enable us to avoid such costly and risky enterprises in the future? The argument thus far presented leads me to the following suggestions:

(*1*) Let us be more skeptical in the future regarding historical analogies. Let us not be content with asking: what are the similarities between situation X and the situation we now face? Let us also ask: what are the *differences*? Only by asking both questions can we avoid the seductive oversimplifications of argument from analogy.

(*2*) Let us pay less attention to ideology and more attention to actions. Let us recognize that there is no such thing as communism. If we use the word to refer to form of government and to political, economic and military policies, then we should more properly refer to communism 1 (Russia), communism 2 (China), communism 3 (Yugoslavia), communism 4 (Poland), communism 5 (Rumania), communism 6 (North Vietnam), and so on. These communisms do, of course, have some elements in common, but we delude ourselves by looking for similarities only. If we also look for differences, we shall find that some communisms pose a threat to the interests of the United States and others do not. From this it follows that if a country "goes Communist," the event may—or may not—threaten the interests of the United States. As we outgrew childhood, we learned that the bogy man did not exist. Have we re-created him in our fixation on monolithic communism?

(*3*) Let us finally put into practice the lesson we keep telling ourselves: that wars are not won by military force alone, that victory for a government we support depends in large measure upon the commitment of the people to support that government. Concretely, this means that we should not commit ourselves to supporting a government which has little or no popular support. We should not require that to win our support a government must conform to our ideal of progressive democracy, but we should require good evidence of strong popular support. We should also be convinced that the government is willing and able to carry out such reforms as will hold and strengthen that support. Finally, since we can never be sure in advance that a given government will actually carry out a promised reform, we must retain our bargaining power. Let us not allow the political leaders to believe that a victory for "communism" is so unthinkable to us that we will support them no matter what they do or fail to do. Overcoming the bogy-man mentality should enable us to think the unthinkable and to recognize that a victory for communism (type X) will not necessarily be more harmful to our interests than continuing to invest in a government that shows no inclination to carry out policies that will build popular support.

(4) It is vital to recognize that any of us can be trapped by our investments, and that our freedom of action may thus become increasingly limited. Let us therefore explore alternative courses of action more thoroughly before we make our investments. This would require the President and all Administration policy makers to reach out actively in search of sources of information, ideas and recommendations *beyond* the regular Administration channels. Finally, as the first investments are being made, the policy maker should recognize the natural tendency of these investments to block him off from evidences of failure of the policy and from those inclined to criticize the policy. Unless the policy maker exerts a determined effort to establish and keep open such channels of information and opinion, he will soon find himself surrounded by like-minded people whose view of what is going on comes to be determined less and less by events and more and more by investments.

(5) If we are concerned with how other nations view us, let us not limit our concern to perceptions of power. If we wish to project abroad the vision we have of our own society, we must inquire whether the image perceived by others is in line with our own ideals.

Should we care how others regard us? Or should we just defend the interests of the United States and not worry about the opinions of outsiders? Those questions formulate the issue in unrealistic either-or terms. Clearly we cannot bind ourselves to take only such actions as will be approved by allies and friendly neutrals. The policy makers must be concerned first with our own country and must be prepared at times to risk unpopularity abroad. On the other hand, few would claim that what other nations think of us makes no difference in the balance of forces in the world. Clearly there is something wrong when we regard ourselves as a peace-loving nation and many people in other (and friendly) nations regard us as aggressive and irresponsible. It can hardly be considered an un-American policy to show an interest in our image in the world. The founding fathers wrote into the preamble of the Declaration of Independence an obligation to "show a decent respect for the opinions of mankind."

THE AIRLINE INDUSTRY—THE CAB POINT OF VIEW

Mr. MAGNUSON. Mr. President, on May 23 Chairman Charles S. Murphy, of the Civil Aeronautics Board, spoke in New York City on the airline industry as seen from the CAB point of view. His remarks are of great interest to those of us who follow closely the performance of regulatory agencies because they set out the eight functions that the CAB carries out. They are: policeman, guardian of the public interest, promoters, advocate, referee, catalyst, balance wheel, and architect.

We are now in a period of serious introspection and reappraisal of our regulatory agencies and their operations. Chairman Murphy's remarks deserve careful study and I therefore ask unanimous consent that they be included at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE AIRLINE INDUSTRY—CAB POINT OF VIEW

(Remarks of Charles S. Murphy, Chairman of the Civil Aeronautics Board, at the Airline Forum of the Financial Analysts Federation in New York City, May 23, 1966)

I am delighted to have this opportunity to participate in this forum in the very distinguished company of Mr. Hall and Mr. Warren. I am grateful to the financial analysts of the country for their interest in the airlines and for their help in achieving understanding of this exciting industry. Their help in this regard is important not only to the investment community. It is important also, and here I speak from personal knowledge, to the Civil Aeronautics Board. I suspect that it might also be of importance to airline management, although Mr. Hall can speak about this with much greater authority than I.

I would also like to express my appreciation to the investment community for its interest in and support of the airline industry. While their airline investments undoubtedly rest on calculated business judgments and profit incentives, it appears to me that investors and particularly institutional investors have shown a great deal of constructive imagination in their support of this industry through the years. I am glad to say that it appears to be increasingly certain that their faith was justified. I am very glad this is the case because their support will continue to be needed and for increasingly larger amounts in the years ahead with the rapidly growing demands for airline capital.

We have been asked to talk to you about the airline industry from three points of view, and I shall speak from the point of view of the Civil Aeronautics Board. I shall limit my remarks on this occasion to the Board's economic functions and not discuss its extremely important safety functions. Let me hasten to say that this is not a CAB white paper. On the contrary, these will be just a few personal observations on my part. I should say at the outset that I know far less about the airline business than most of you here, but for the past year I have had one advantage over all of the rest of you—that is the things I get to hear people say. You would be surprised at what people say to the Chairman of the Civil Aeronautics Board—and I might add that I am a good listener. So when I make personal observations like this, I have the unique advantage of being able to base them upon a great deal of advice from a great many people on how the Civil Aeronautics Board ought to do its job.

I do have one difficulty with this advice because so much of it is squarely in conflict. When experts of long-standing in the field contradict each other directly about what is wise and what is foolish, what is a poor neophyte like I am to do?

Before speaking of the airlines from the CAB point of view, I would like to say something about the CAB from my point of view. Not long ago, I heard the Chairman of one of the regulatory agencies in Washington refer to his Commission as a policeman. I began to wonder if that is what we are at the CAB. Yes, I think we are a policeman, and I believe we are a good many other things besides. We can identify a number of roles played by the CAB. I would not claim that we are the sole actor in these various roles for we share these responsibilities with other Government agencies and with the Congress and with the industry itself, but I believe it would be helpful to think of the CAB in terms of the various facets of the job we can and should do.

1. We are, as I have said, a policeman with responsibilities to enforce the provisions of the statute and our own regulations.

2. We are a guardian of the public interest. The Federal Aviation Act lays down the public interest standards we are to follow. The day-to-day application of these standards in particular situations is our special responsibility. It sometimes happens that in the matter at hand no other party or participant is especially charged with protecting the public interest or urging us in that direction. In these cases, our special responsibility is very special indeed, and I hope we will never shirk it.

3. We are promoters. Our Act gives us a responsibility to promote air transportation as well as to regulate it. We at the Board relish this activity and regard it as a most important part of our task. We undertake to exercise our regulatory functions with respect to rates and fares, and with respect to routes and economic authority for air carriers, in such a manner as to encourage the growth of air transportation and the strengthening of our air transportation system.

4. We are an advocate. From time to time, as in discussions within Government and between governments, we regard it as appropriate for us to represent the interest and point of view of U.S. air carriers. We do our best to see that their legitimate interests are not overlooked.

5. We are a referee because on some occasions we must choose between airlines, as in the awarding of routes or other operating authority. I believe this is the part of my job that I like least, for I hate to be obliged to choose between the various competing applicants. However, this is a responsibility that goes along with the job, and I will do the best I can with my part of it.

6. We are a catalyst. This is a part of our job which I think might be exploited more fully in the future with great benefit. We are frequently in a better position than anyone else to bring air carriers together with each other, and to bring air carriers together with other interested parties, to deal with mutual problems and opportunities. I believe that in many cases good results can be achieved better and quicker in this way than in any other, and I hope that we can make a constructive contribution by facilitating the joint consideration of mutual problems.

7. We are a balance wheel. We believe in competition, and we encourage it, but on the other hand air carriers have been known to compete too much; so one of the Board's jobs is to prevent excesses.

8. We are, or at least we should be, an architect. The development of our air transportation system is certainly one of the great achievements of mankind. The prospects for its future development appear to hold out even greater opportunities and challenges than in the past. Many persons and many groups must plan for this future development. Surely, the CAB should be playing an important part in this. It is evident that an agency with all the roles I have already mentioned is in a unique position to contribute to the long-range development of the industry. Indeed to the extent that the CAB fails to take part in this development, it will be making a negative contribution. If we fail to make our full contribution, or make the wrong kind of contribution, the whole industry and the nation will be the losers.

Now I would like to turn to the outlook for the airlines and make some general observations on that subject, There are many different elements which will affect future developments in important ways. I will not undertake a comprehensive cataloging of them, but I speak of such things as traffic growth, the introduction of new flight equipment, general economic conditions, death and taxes, and the performance of the CAB. These variable elements can come together or be put together in various combinations, and these combinations will determine the future of the industry. It seems to me that the reasonable range of possibilities is between good and extremely good. I see no likelihood that really bad days can be ahead for the airline industry. On the other hand, if everything works together just right, the results could be extremely good.

One most basic element in determining the future will be the rate of growth in traffic. Substantial growth is virtually inevitable. Current rates of growth are so rapid that the forecasters are having to rewrite their books. For many years to come, the rate of growth will certainly be much larger than the rate of growth in the gross national product, so I would say that we can look ahead with certainty to a growing industry.

We should distinguish between the growth of the industry and its profitability. It is at least possible to have an industry growing while its rate of earnings is declining. As the industry grows, its costs grow, and if its earnings are to grow also, then its revenues must keep pace. In simple terms, to keep a growing industry healthy, we should see to it that its income grows faster than its costs. We should begin by recognizing that this is not inevitable or exactly automatic.

So I want you to know that we at the CAB recognize the problems associated with growth. We know that this is a volatile rapidly changing industry. We know that the rapidity of its growth compounds the difficulty of its problems at the same time that it multiplies the industry's opportunities.

As I look into the future, it seems to me that perhaps the most difficult problems for air transportation are on the ground. I have a growing feeling that the most difficult problem of all for the period five or ten years from now may be ground transportation for getting people to and from the airports in our most congested metropolitan areas. It also seems to me that this is the kind of problem which requires a very long lead time for solution. I am glad that it is receiving increasing attention, and I suggest that the stake of the airlines in this matter is so large that they should give it a high priority.

Another future problem of major proportions will be the handling of passengers in crowded airport terminals. Major redesign and reconstruction of terminal facilities will be necessary. However, I believe these requirements can be met somewhat more expeditiously than those associated with the movement of ground traffic to and from airports.

It is also true, of course, that we will have growing problems from the congestion of airplane traffic at major airports. There are measures which can be taken to alleviate this problem. Some of them such as limiting or restricting the character of aircraft allowed to use certain airports are susceptible of being taken rather quickly, although measures such as this may be so heroic in nature that they are not likely to be taken in the absence of great need.

One of the hazards for the airlines in the period ahead, of course, is the Civil Aeronautics Board. Perhaps I should say something about that, and perhaps you would like for me to say something about the Board's current views on airline fares. The fact is that there is nothing much new to report. I have spoken from time to time during the past year about the Board's views on this subject as reflected in its official orders and opinions. I still regard the Board's orders and opinions as the best source for obtaining information as to its views on rates and fares. I might undertake to summarize the present posture of this question as I understand it.

During the past year, the Board and the airlines have been re-examining their policies with respect to fares in the light of the greatly improved earnings situation. Out of this re-examination have come some quite substantial reductions in fares, both domestically and internationally. The greater part of these reductions has come in the form of promotional fares aimed at the generation of new traffic.

In the domestic market, there is a wide variety of promotional fares which in the aggregate will provide savings to the traveling public of many millions of dollars.

The major promotional fares include:

(1) Family fares which provide a one-third discount for the first accompanying member and a two-thirds discount thereafter.

(2) Stand-by fares for "young adults" between the ages of 12 and 22, at a 50 percent discount from regular jet fares.

(3) Round-trip "Discover America" excursion fares at a 25 percent discount from the jet coach fare, available to all comers on a firm reservation basis, provided that the round-trip is not made in the same calendar week and is completed within 30 days.

The liberalized family fares have been in effect for a little less than a year. The stand-by fare for young adults has been in effect for only a few months, and the round-trip Discover America excursion fare has been in effect for less than two months. Thus, the domestic trunk carriers are in the process of digesting substantial new promotional fares. This raises a number of questions which can be answered only by experience. So far, the indications are that traffic response is very good indeed. There are also indications that the effects on earnings are salutary. Nevertheless, the possible consequences with respect to such matters as self-diversion and reduced passenger-mile revenue yields, coupled with related problems such as the need for new flight equipment to meet ever growing demands, are of such potential significance that we cannot be sure for some time yet of the net results of these promotional fares. It is obvious, for example, that when traffic demands require larger investment in flight equipment and other capital items, larger earnings in dollar terms are necessary to provide a fair rate of return on the larger investment base. The Board is aware, of course, that the rate of return on investment is a far more meaningful guide for regulatory purposes than absolute dollar earnings, and this is a guideline which we will continue to watch very closely.

The most recent figure we have for rate of return on investment for the domestic trunk carriers is for the year ending December 31, 1965—12.4 percent including the investment tax credit and approximately 11.5 percent after eliminating the investment tax credit. All indications are that the upward trend is continuing.

Another part of our current picture is the study of the domestic fare structure which is now under way at the Board. We have asked for the suggestions and help of the carriers in this study. We hope that it will give us valuable guidance for improving the present fare structure to the end that the various fares will have the proper relationship to each other. We hope that we will get some substantial benefits from this study by the end of this calendar year.

Now we need to take note of a date that is a kind of deadline or trigger point for further action on fares. The Discover America excursion fare, stand-by fare for young adults, and the jet surcharges instituted since last August, are all contained in tariffs which generally have a termination date of December 31, 1966.

All of these circumstances put together mean that next fall we will have behind us this summer's experience with the current promotional fares, we will have ahead of us a December 31st deadline, and we hope to have at our side a helpful study concerning what our fare structure should be. Then we will have the question—what are we going to do about it? My first answer is that I don't really know. My second answer is that what we do and how we do it will necessarily and properly be guided by the circumstances at that time. In the meantime, I think the Board will be open to suggestions.

Personally, I have the feeling and the hope that it will be possible to work out by informal means such changes in fares as may be necessary and proper. The formal procedures available to the Board for bringing about changes in airline fares are rather cumbersome and ineffective. Indeed, I am told that the Board has never in its history ordered a reduction in airline fares. Certainly this history does not suggest that a general fare investigation is a likely vehicle for achieving needed fare changes. This industry is too dynamic and moves too fast for procedures and proceedings the duration of which is measured in terms of years to be the best way to keep its fares in line with changing conditions and requirements.

I do not believe that the wish and the hope for achieving needed fare changes by informal discussions with the airlines is mere wishful thinking or idle dreaming. In the first place, I venture to hope that the airlines themselves in their own enlightened self-interest have a strong urge toward a proper fare structure and proper levels of fares. There is in this industry a considerably greater degree of competition than exists in most regulated industries. This can be and is a very salutary factor with respect to fares, and the Board, of course, has a statutory mandate to encourage competition to the extent necessary to assure the sound development of our air transportation system. Taking into account all of the Board's functions and responsibilities, it seems to me that it should be in an excellent position to serve as a catalyst in bringing about needed fare changes without resort to the cumbersome formal procedures that remain available to the Board when other means fail.

In the international market, as you know, questions relating to fares come before the Board in a somewhat different fashion than in the case of domestic fares. International fares are usually agreed upon in conferences of the International Air Transport Association, subject to Government approval. We have developed some fairly well defined procedures for exchanging views with our U.S.-flag international air carriers as to desirable results to be achieved in these conferences. An IATA conference is scheduled to convene in Honolulu in September to negotiate worldwide fares for a two year period from April 1, 1967. I cannot speak very definitely at this time with respect to matters to be considered in that conference. In general terms, I can say that earnings in international air transportation are sufficiently favorable so that, as of the present time, it would seem that further reductions in international fares are economically feasible and proper. We hope these favorable circumstances will continue and that appropriate fare reductions will in fact be achieved.

I would like to note the fact that reductions in fares and increases in profits *can* proceed simultaneously. Happily, this seems to be what is happening today. Last year traffic on the North Atlantic and operating profits for most of the carriers in that market improved strikingly, after the largest and broadest fare reductions in the history of this route were put into effect. On the domestic scene, carriers are reporting unprecedented profits so far this year, in the face of the broad program of reduced promotional fares which I mentioned earlier. I believe we are moving in the right direction to the benefit of traveler and carrier alike.

In conclusion, I would like to refer again to the role of the CAB. Some of my friends in the airline industry refer from time to time to their devotion to the private enterprise system. This is a devotion which I share with them. I believe that it is our job at the CAB to encourage private enterprise, as well as to guard the public interest, and to meld the public interest and private interest to help achieve optimum results for both.

If I might, I would like to repeat something that I said in a recent talk in San Francisco:

"I hope that in the years to come students of Government and economics will be able to look on the economic regulation and promotion provided under the Federal Aviation Act as a successful example of the pragmatic genius of the American system. I hope they will find this to be a case where private enterprise—tempered with just enough Government regulation, but not too much—has provided the greatest good for the greatest number. And I hope that they will find that the Civil Aeronautics Board performed its responsibilities well enough to make a substantial contribution to the development and achievements of our air transportation system."

MYTH AND REALITY IN ASIA

Mr. CHURCH. Mr. President, a student at the University of Idaho, recently returned from the Peace Corps in Nepal, has written a mature analysis of the realities of development in Asia. In an article in the May 29 Lewiston, Idaho Morning Journal, Neal Parsell of Kooskia, Idaho, explores such myths as "American know-how will solve the problem of underdevelopment" and "Communism is the only alternative to existing bad conditions."

In the course of his article Parsell assails as a "simple-minded analogy" the belief that the methods used to reconstruct Europe can be successfully used in Asia, and discusses the need for on-the-spot research similar to that which has produced such abundance for the United States. It is a perceptive article, well worth reading. I ask unanimous consent to have it inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MYTH, REALITY MEET HEAD ON IN ASIA

(By Neal Parsell)

It is May. The Indian farmer surveys his one-acre plot on the Ganges Plain. Heat waves erupt from the flat, monotonous land; there has been no rain since September. The temperature is 116. Will the village money-lender loan enough to pay for seed? Will the harvest be successful? Will there be another baby this year?

The farmer does not trust the government, never has. His father helped build mud walls around the village so it would appear to the tax collector that there was nothing worth taking. There is much talk of "India": is that the same as "Bharat"? Does it include the next village?

Since World War II, the world has been much concerned with the problems of the "underdeveloped" nation. These problems have become so complex it now requires a real effort to sort out the problems as presented in propaganda and the problems as they really are.

To clear the air, it is necessary to look at some, but by no means all, the myths that have grown up around international development.

Myth: The underdeveloped nations are catching up with the West.

The Marshall Plan for the reconstruction of Europe was the biggest success of foreign aid. The speed with which Europe bounced back amazed even the most optimistic planners. At the same time, these European nations were unable to hold their colonies, and cries for modernization began to be heard from the Europeanized leaders of these lands.

There followed from this one of the most simple-minded analogies of modern intellectual history: that the methods which had been successful in Europe could be used in the underdeveloped nations. Forthwith came a flood of plans prescribing how these countries were to raise themselves by their bootstraps. These grandiose plans have all failed.

Progress has been made in some limited areas, but in no case does it equal the attached publicity. India, for example, has a steel industry of considerable size. The plan in building up this basic industry involved the transfer of some 100 million people to industry in order to get them off the land. It was a very appealing plan. But apparently no one noticed, at the time the plan was made, that in the United States only about 15 million workers were engaged in basic industry; this even though most of the planners were Americans. So now India makes steel, and the population still lives in misery.

It was taken as axiomatic that education in massive doses would be required. Yet the required changes from the traditional curriculum are slow in coming. And in such a place as Nepal, where schools are being built as fast as possible, population is growing so rapidly that the literacy rate decreases every year.

Myth: A "revolution" of some kind has taken place in the under-developed countries.

The term is pure journalese. We hear much of the "revolution of rising expectations" and it is true that great movements are taking place; powerful forces are at work. But with the possible exception of China, these have not yet added up to a revolution.

If these countries really want to modernize, what is necessary? Some of the answers are in, if modernization is to take place on the Western model: (1) Population control—and methods in some cases will have to be immediate and drastic; (2) the population must be saving-minded; the low propensity to save must be overcome; (3) foreign investment must be made possible on a tremendous scale; (4) the whole attitude toward work will have to be revised; "material" values will have to be substituted for "spiritual"; (5) emphasis in education has to be put on doing, not book learning.

These conditions have been met nowhere. European and American developers stress them incessantly, yet demands for changes are met with polite evasion by governments concerned. Instead we hear about "spiritual superiority" and "native solutions."

At bottom, the ferment in the underdeveloped world is a crisis in pride, and it arises not from a sense of strength in a new-found independence, but from a sense of weakness. Intellectuals, who hold traditional prestige in many of these countries, suspect the United States, where they observe intellectuals to be largely superfluous. And Asian intellectuals don't want Western religions.

Change there has been. The Nepalese farmer will never go back to using pine torches after seeing a kerosene lamp. But he is unwilling to act without consulting his astrologer.

Myth: Health and humanitarian measures help the underdeveloped countries.

Here the tremendous, indeed fundamental, problems generated by population increases must be considered. With the possible exception of limited natural resources, this is the principal problem faced by most of the developing countries.

Birth rates have been increasing in multiples since World War II. At the present time in India, the population increases by 1-million every month. This is why all developmental efforts must produce great changes; massive increases in output are necessary even to stay ahead of population growth.

Death control is easy. In the past, development programs began with spectacular health measures, usually smallpox or malaria eradication. But birth control is difficult, and the answers are not yet in. Even if some super-simple device is invented, efforts to persuade people to use it, and effects once they are persuaded, are matters involving decades. And the problem is now.

Hospitals and health programs in the underdeveloped nations, established, no doubt, out of the most Christian motives, work against developmental efforts by enlarging a population that must be cared for out of increases in national output.

The only argument against this, that healthy people do better work, has never been confirmed in the underdeveloped countries.

The United States is currently shipping 20,000 tons of wheat to India every day. Conditions there have now reached the point where not even a bumper crop will feed the population, and there is precious little foreign exchange to spend on food. Now we are to increase the shipments, but U.S. stores are not unlimited.

Such things as these make good newspaper copy. But they are useless as solutions to problems.

Myth: American "know-how" will solve the problems of underdevelopment.

In the most vital area, food production, the know-how does not exist. And on the industrial side, Americans can erect factories but are powerless in solving the sociological problems of running them.

Food production in most parts of the world cannot be called farming; it is gardening. The prime considerations anywhere are output per acre of land and agricultural costs. Some areas of agricultural land in the world produce much more per acre than land in America, but this is accomplished at much greater input cost; it has been said that up to 30 per cent of the agricultural labor force in India has zero net productivity.

In 1962 in the United States it took 2.4 man-hours to produce 20 bushels of wheat. Americans now spend less than the major part of their incomes on food, which from the point of view of the underdeveloped world is utopia arrived on earth. Agricultural surpluses have contributed to, if not made possible, our present prosperity. Yet only recently has anyone investigated how we got where we are.

A major cause of our present prosperity is the Hatch Experiment Station Act of 1887. This law made it possible for experiment stations to be set up across the country. And the agriculturists soon found that a problem occurring say, in Latah County did not necessarily have the same solution as a similar problem on Camas Prairie. Experiments had to be run in both places.

The lack of on-the-spot research is the reason we have no know-how; no large body of agricultural knowledge, derived from experiment, exists anywhere other than in the developed world. Tropical and sub-tropical farming are not the same as farming on the Palouse.

Myth: Communism is the only alternative to existing bad conditions.

The Communists preach this slogan and well know that if they can get people to believe it, they will have won over half their battle. Yet it is possible to separate fanaticism from Communism.

If these societies are really going to modernize, it ought to be obvious by now that force is going to have to be used. Liberal democracy is never going to work in any of the underdeveloped areas.

The example of Russia is much studied, but conditions in the underdeveloped world are far different from those in Russia in 1917. Russia had been plugging away at modernization since Peter the Great, and was very near the point of economic takeoff at the time of the revolution. The standard was far above those now found in most of the underdeveloped world, the nations of which suddenly found themselves independent because two great wars had enfeebled their masters to the point where they could no longer keep them.

In forcing change over societies wanting change but not necessarily Western attitudes, it is not ironic that fanaticism, a Judaeo-Christian invention, will be necessary. It appears to be the only possibility. The real question of the future seems to be what form this fanaticism will take. Will it be military, as in Japan? Marxist, as in China? Will it resemble Ataturk's approach in Turkey? Or will some Oriental religion suddenly produce a Luther?

If the situation now is grim, all signs point to an even grimmer future. Many things are going to happen in the world that the American people, with their present simplistic and moralistic views of politics, are going to find hard to accept. In this world, which is the one we have to live in, even the long run is over before we know it.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

BANK HOLDING COMPANY ACT AMENDMENTS OF 1966

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending business, which the clerk will state.

The LEGISLATIVE CLERK. Calendar No. 1148, H.R. 7371, to amend the Bank Holding Company Act of 1956.

The Senate resumed the consideration of the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, notwithstanding the unanimous-consent agreement on the pending Lausche amendment, there be a short quorum call without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERTSON. Mr. President, I aske unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the unanimous-consent agreement, debate on each amendment will be limited to 1 hour, to be equally divided between the proponent of the amendment and the Senator from Virginia [Mr. ROBERTSON].

The pending amendment is the so-called Lausche amendment (No. 585) to give to each group of banks involved in the bill until June 30, 1973, to divest themselves of nonbanking interests.

The Senator from Ohio [Mr. LAUSCHE] is recognized. How much time does the Senator from Ohio yield to himself?

Mr. LAUSCHE. Mr. President, I allow myself 10 minutes.

Mr. President, my amendment is pending before the Senate. It contemplates, if adopted, writing into the law a provision that the two companies mainly affected by the bill—that is, the Du Pont Co. and the Financial General Corp.—will be given 7 years within which to bring themselves in compliance with the law.

The present bill gives the Financial General Corp. 12 years and the Du Pont Co. 5 years to bring theselves within conformity.

My amendment will give each one of them 7 years, thus providing equal consideration to both of these institutions with respect to the bill.

Before I proceed with a discussion of the amendment, I want the RECORD to clearly show that I subscribe to the general purposes of the bill. The testimony shows that the Du Pont testamentary trust is now in control of 30 banks; the Financial General in control of 26 banks. Together with these holdings, each of these institutions also has diverse other holdings, in many instances the separate holdings being in a measure incompatible with each other so far as fair service to the public is concerned.

I do not subscribe to a law that permits the development of multiple holding of banks while at the same time operating many businesses which might have conflicting interests because of the overall control that the companies have not only of the banks but also of other businesses.

Getting to my amendment, yesterday I listened to the arguments. One argument was that 12 years had been accorded to the Financial General Corp. because it has outstanding bonds that will not mature until 1978; that the existence of those outstanding bonds of indebtedness makes it impossible to liquidate the corporation in conformity with the law because these bonds are not callable.

I indicated yesterday that, in my opinion, that argument is not sound. Though there is outstanding a bond debenture payable in 1978, that fact does not preclude a conformity with the law as it will be written in the event the bill pending before the Senate is adopted.

The issuance of a debenture setting forth how the bonds shall be paid, what interest they shall bear, what length of time the indebtedness shall continue, in my judgment, does not make legally and physically impossible a compliance with the command that is contained within the pending bill.

In the dialog had with the Senator from Wisconsin [Mr. PROXMIRE], I asked him about the bill. He is a member of the committee. His answer was that he did not subscribe to the argument that it becomes legally impossible to comply with the law because the bonds will not mature until 1978. The Senator from Wisconsin, however, in answer to a question which I put to him, said:

> To answer the question of the Senator from Ohio [Mr. LAUSCHE] the analogy to the 12 years given to Financial General Corp. is not relevant. That 12-year period was given in recognition of the fact that Financial General Corp. had outstanding large amounts of bonds and debentures—stated on the balance sheet of December 31, 1965—secured by the stock of their banks and other interests.

The Senator from Wisconsin further stated:

> To require the divestment of these stocks would necessarily involve a complete reorganization of the company's corporate setup.

I quote further:

> I point out that such a provision would require them to sell some of the securities which are really collateral for the bonds they have outstanding. When they sell them at a capital gain, they will be required to pay a tax, which will diminish the value of that collateral. That situation does not apply to du Pont. Du Pont does not have bonds outstanding for 12 years. They do not have any bonds. Du Pont, being a charitable trust, would not be required to pay a capital gains tax.

By this first part of the answer given to my question by the Senator from Wisconsin, if we accept his statement as sound, we have to decide that the Financial General Corp. would have to pay a capital gains tax merely because it sold the collateral issue.

My query is, if Financial General Corp. today sold that collateral, would it not have to pay a capital gains tax? If it sold that collateral 2 years from now, would it not have to pay a capital gains tax? If it sold that collateral 12 years from now, similarly, it would have to pay a capital gains tax.

Mr. ROBERTSON. The answer is that in one instance, if one voluntarily sells something, he pays a capital gains tax. If he is forced to distribute something to the owners, he should not have to pay a capital gains tax, nor should they at that time, because by act of Congress the owners of that corporation, who do not want to sell, are forced to sell or to distribute the stock of their subsidiaries.

Mr. LAUSCHE. I cannot concur in that view. The issue here is whether or not a capital gains asset, in any event, must be sold, whether it is sold within 5 years or 12 years.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. I ask unanimous consent that I be allowed to continue for 5 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERTSON. That does not apply to the Du Pont Trust Fund, because its remainder in that trust belongs to a charitable institution and any capital gains would not be subject to income tax.

I placed in the RECORD yesterday two letters indicating that a bill similar to the one that was passed in 1956, when 20-some companies were forced to divest, will be received from the House Committee on Ways and Means and will exempt

Financial General Corp. from this tax. Financial General is willing to take its chance on the fairness of Congress. If it voluntarily sold now, if it voluntarily sold at any time, it would pay the tax. If Financial General is forced to distribute this stock to their stockholders, the result would be the same as occurred with respect to stock held by Du Pont in General Motors; Financial General and its stockholders would be relieved of the capital gains tax. Congress did that in 1956, and Financial General is willing to trust Congress to do it again.

Mr. LAUSCHE. The Senator from Virginia has reinforced my position, because he admits that, in any event, if there were a forced sale, the capital gains tax would have to be paid. If Financial General waited for 12 years, the capital gains tax would have to be paid, unless the law were changed relieving Financial General Corp. from that tax. If by command it divests itself of its collateral in banks, whether that divestment be made in 1966, 1970, or 1978, the capital gains tax must be paid, unless Financial General Corp. is relieved from that obligation by the passage of a special law.

Therefore, I submit to Senators that the argument that Financial General would have to pay a capital gains tax if it were compelled to divest within 7 years is equally applicable; that is, it would have to pay a capital gains tax in 1978.

I now turn to the second phase of the grounds upon which it has been said Financial General Corp. would be given 12 years and Du Pont would be given 5 years. I quote further from the statement of the Senator from Wisconsin:

> There was a serious problem as far as Financial General was concerned. No evidence was provided which indicated that this was necessary or desirable. It should be noted, of course, that the Financial General Corp. would immediately become a registered bank holding company. It would become subject to the act's restrictions on the acquisition of new banks; it would become subject to the act's restrictions on the acquisition of new banking interests; and it would become subject to the act's restrictions on intrasystem transactions.

Those restrictions, Mr. President, become applicable whether the period involved is 2 years, 5 years, 7 years, or 12 years. The restrictions do not establish an insurmountable impediment to carrying out the law.

Now let us examine the status of these companies. Both of them are within the law, as it is now written, in their operations. Both of them, under the law, would become illegal in their operations if the bill is passed. Therefore, I submit that on this issue both are in identical positions. Both, under the law, would be required to divest themselves either of their banking holdings or of their other business holdings. In that respect they are identical.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. I ask unanimous consent that I be permitted to continue for 5 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. I see no difference between the two. If the bill is passed, both would become violators of the law unless they complied with it. Both of them, under the law, must divest themselves of their holdings. The point I wish to make is that the facts are identical. But one group is given 5 years, and the other is given 12 years. I cannot see the justification for such prejudicial, discriminatory treatment of the one as against the other.

Both are the holders of banks, equal in position. Both are the holders of investments in private enterprise, equal in position. Both are now within the law. Both of them would be outside the purview of the law if the bill is passed.

If the activities of both are to be made illegal, what justification is there for giving one 12 years and the other only 5 years? I cannot see it.

Mr. President, I reserve the remainder of my time.

Mr. ROBERTSON. Mr. President, I yield myself 5 minutes.

Mr. President, as chairman of the Senate Committee on Banking and Currency I have always taken the position when I handle a bill on the floor of the Senate which has been reported by that committee that I am bound by the committee action.

The proposal of 7 years for Financial General and 7 years for Du Pont was presented to the committee and was turned down. The committee drafted what I hoped would be an acceptable compromise of a very drastic bill passed by the House and an equally drastic one recommended by the Federal Reserve Board. I submitted the committee tentative proposal to the Federal Reserve Board.

The Federal Reserve Board agreed to this rather unusual provision for Financial General on the ground that it had a bond issue outstanding of, I believe, approximately $40 million—I do not know the exact amount. That amount was to be retired over a period of 12 years. The securities of these various banks and industrial concerns owned or controlled by Financial General were pledged as collateral for these bonds. Under those circumstances it would not be unreasonable to give Financial General a period of 12 years within which to divest.

In addition, we must remember that the present structure of Financial General is quite different from that of a regulated bank holding company.

Financial General now operates in any State in which it wishes to operate. It operates any kind of business in which it wants to engage. However, if this law becomes effective, Financial General must immediately come fully within the confines of the strict bank holding company laws, other than the divestment requirement.

The Comptroller of the Currency did not testify either for or against this 12-year provision. However, the committee thought it was justified and turned down the proposal to reduce it to 7 years.

As a representative of the committee, I say that the committee has instructed me to oppose this amendment.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. LAUSCHE. Mr. President, is it not a fact that both of these entities are now operating within the law?

Mr. ROBERTSON. They certainly are. The law that we passed in 1956 gave special exemptions to both of these entities.

Mr. LAUSCHE. Both of them are now operating within the law. So, in that respect they are identical.

Mr. ROBERTSON. The Senator is correct.

Mr. LAUSCHE. Is it not also a fact that both of these entities will be operating outside of the law if the pending measure is passed and enacted into law?

Mr. ROBERTSON. It depends on the length of time. If the bill is passed, the Du Pont Trust would be granted 5 years to divest its nonbanking interests and they would be within the law throughout that period of time. Financial General would be granted 12 years for a similar divestment and could continue its present operations for that period of time. After the time granted to a corporation had expired, that corporation would be operating outside of the law if it had not gotten rid of its nonbanking assets.

Mr. LAUSCHE. Does that not in effect mean what the Senator from Virginia has said, that both entities would be operating outside of the law, but that a grace period would be given to each entity within which period they must bring themselves into compliance with the law?

Mr. ROBERTSON. We provide that one receives 5 years and the other receives 12 years to get rid of their nonbanking interests. There is certainly a difference between 5 and 12. But if we give them these grace periods, they are not violating the law during the grace periods.

Mr. LAUSCHE. But Congress has said, "You are both operating outside of the law, but we will give one of you 5 years and the other 12 years within which to be in compliance with the law."

Mr. ROBERTSON. That is not quite an accurate appraisal of the situation.

Congress did give an exemption for charitable trusts. It found that there might be others of an indefinite nature. The Federal Reserve Board has been recommending for 8 years that that exemption be changed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERTSON. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 2 additional minutes.

Mr. ROBERTSON. Mr. President, the other exemption was given, as I recall it, to an investment company that was strictly regulated under the Investment Company Act of 1940. It was assumed that that investment company would be so strictly controlled that it would not make any great difference whether it obtained possession of some banks.

Some years ago the Federal Reserve Board said that there were a great many investment companies that could, if they wanted to, take advantage of this rule and obtain banks or corporations wherever they wanted and combine them into a large commercial enterprise.

Banking is an industry that is regulated by an agency of the Government. When banks apply for insurance their deposits are insured up to $10,000. There have been proposals to increase the insurance to $15,000 and $20,000.

Those banks are strictly regulated. It has been our theory that we should not commingle an enterprise which so vitally affects the entire welfare of the Nation. Banks collect and deposit funds. They stimulate industry and housing.

We have the central bank, and we have conferred upon the central bank the power delegated to Congress by the Constitution to issue money and fix its value.

There has been some criticism of Congress for letting the Federal Reserve Board buy Government bonds with the provision that as long as it has a gold certificate up to 25 percent, it can issue dollar for dollar against that bond. In that way a reserve has been created from which banks can borrow. The demand for the reserves can be increased.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERTSON. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 1 additional minute.

Mr. ROBERTSON. The Federal Reserve Board can fix the reserve requirements which so vitally affect the interest rates of the entire Nation. The general theory of our Government for years has been that the banking industry should be separate from commercial enterprise.

I reserve the remainder of my time.

Mr. LAUSCHE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 17 minutes remaining.

Mr. LAUSCHE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, I take no exception to the general objective of the bill. I made that clear in my opening statement.

My only exception is that the bill does not accord equality of justice to two enterprises that occupy similar positions and ought to be treated similarly.

I repeat that both of these entities are now within the law. If this bill is passed, both would be outside of the law. However, there is a different measure of justice accorded to these two entities.

One is given 5 years of grace within which to bring itself into compliance with the law. The other is given 12 years, and there is no justification for that discriminatory treatment.

If discriminatory treatment is to be applied, the facts command that the treatment should be more severe against the Financial General Corp. than it should be against the Du Ponts.

The Du Ponts, by testamentary trust, devised certain property to living heirs. At the time of the death of those legatees, that property was to be used for the support of an eleemosynary institution. When the will was made, the purpose of the testator was supported by law.

Those are the circumstances in the Du Pont situation. In the situation of Financial General Corp., the circumstances are substantially different. That corporation was a business. It wished to enter the banking field, and, through the aid of adroit lawyers, found a loophole in the law—a loophole which was not recognized by Congress when it passed the act in 1956.

Under that loophole, it developed a system of banks in different States. There are 26 banks owned by Financial General, and 30 banks owned by Du Pont.

The one came into existence through the discovery of a loophole by adroit lawyers. The other came into existence by the legitimate purpose of a testator, who created an ultimate trust, first by bequeathing to living relatives and others an estate, and then, effective after the death of all of those legatees, created a trust for the benefit of an eleemosynary institution.

But we now have the situation that to the one that discovered the loophole, we give 12 years within which to bring themselves into compliance, and to the other, which legitimately created a trust in compliance with law, we give 5 years. I cannot see the justice of that situation, and for that reason I ask that my amendment be adopted.

Mr. ROBERTSON. Mr. President, I yield myself 2 minutes.

The clerk of the committee has called my attention to the fact that when we gave Financial General an exemption in the 1956 act, it already had banks in all the States in which it now has them. I had overlooked that fact.

But as I said in opening, I am speaking here today for the Banking and Currency Committee. It is an honor to be chairman of any committee, especially one like Banking and Currency. It gives one some power. But it also sometimes places responsibilities upon one that he would prefer not to have.

I did not seek the sponsorship of a Bank Holding Company Act in 1950; it was thrust upon me. As a member of the committee, I was told that Carter Glass, for 18 years, had recommended it, and that if we were to have a proper banking system, we should have such legislation.

I do not know of any bill since I have been in the Senate that has caused me more labor or more difficulty; and I made up my mind then that the next time we had a bank holding company bill, somebody else was going to handle it; I had had enough. But what happened?

Mr. LAUSCHE. Mr. President, will the Senator yield for a moment at this time?

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Does the Senator from Virginia yield to the Senator from Ohio?

Mr. ROBERTSON. I will yield if the Senator will make it very brief.

Mr. LAUSCHE. Yes, very brief.

I am not challenging the Senator from Virginia at all. I have implicit trust and faith in him. My argument is directed at what is supposed to be the weakness of the bill as it came out of the committee; and I do not blame the Senator at all.

Mr. ROBERTSON. I understand that, but I am merely trying to outline what the chairman did. The chairman did not seek this responsibility; it was forced on him.

First, the House passed a very drastic bill that did not give anybody but 2 years; and it would have divested all corporations from the control of even one bank.

Then we had a bill in the Senate that did not give anybody but 2 years.

Then the Federal Reserve Board asked me to introduce its bill.

I said, "I will by request, but I am not going to personally sponsor it." That bill did not give anybody but 2 years.

Then it became my responsibility, as chairman of the Subcommittee on Financial Institutions, to make a recommendation on these three bills. They all provided just 2 years. I proposed to Federal Reserve some modifications. I said to them, "I just will not bring out a bill that requires all these 500 or 600 corporations to divorce themselves from even one bank, because the testimony before us has been"——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERTSON. I yield myself 2 more minutes.

"The testimony before us has been that they are not causing any trouble in the banking world." I said, "You will find one or more in practically every State of the Union, and that would mean I would go to the floor of the Senate with every State in the Union against the bill, on that phase of it; and I just will not do it."

Then I said to the Federal Reserve Board, "We have much testimony before us that it would be unfair to Financial General to give them just 2 years in which to divest themselves. Would you object to a recommendation—and I believe it was approved by the American Bankers Association, and by many witnesses—that they be given 12 years to get rid of the stock they own which has been pledged to meet this overriding mortgage?"

The Board interposed no objection to that.

The Board recommended that Du Pont should not be given more than 2 years as a matter of right, but suggested we leave it in the discretion of the Board to give extensions of 1 more year, 2 more years, or 3 more years.

That would have put Du Pont really at the mercy of the Board. I thought that was too strong; so I took the liberty of saying, "Let us give Du Pont more time." That was my proposal, to give them 5 years. Some objected to it; but a majority of the committee instructed me to come before the Senate with those two proposals, that we would give Financial General 12 years and we would give Du Pont 5 years.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERTSON. Mr. President, is the Senator from Ohio willing to yield back the remainder of his time?

Mr. LAUSCHE. Yes, I am prepared to yield back the time, unless someone on the floor is asking for time.

Mr. ROBERTSON. I am willing to yield mine back. Can we agree?

Mr. LAUSCHE. Yes, we agree that time shall be yielded back.

The PRESIDING OFFICER. All time is yielded back.

Mr. ROBERTSON. Then I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that we may dispense with further proceedings under the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. LAUSCHE]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote, I have a pair with the Senator from Florida [Mr. SMATHERS]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Nevada [Mr. BIBLE], the Senator from Connecticut [Mr. DODD], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

I also announce the the Senator from West Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from New York [Mr. KENNEDY]. If present and voting, the Senator from Mississippi would vote "yea" and the Senator from New York would vote "nay."

On this vote, the Senator from Wyoming [Mr. MCGEE] is paired with the Senator from South Carolina [Mr. RUSSELL]. If present and voting, the Senator from Wyoming would vote "nay" and the Senator from South Carolina would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. KUCHEL] and the Senator from Kansas [Mr. PEARSON] are necessarily absent.

If present and voting, the Senator from Kansas [Mr. PEARSON] would vote "yea."

The result was announced—yeas 35, nays 47, as follows:

[No. 87 Leg.]

YEAS—35

Aiken
Allott
Bartlett
Bennett
Boggs
Carlson
Cotton
Curtis
Dirksen
Dominick
Ervin
Fannin
Griffin
Hickenlooper
Hill
Holland
Hruska
Jordan, N.C.
Jordan, Idaho
Lausche
McClellan
Morton
Mundt
Murphy
Prouty
Russell, Ga.
Saltonstall
Scott
Simpson
Sparkman
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—47

Anderson
Bayh
Brewster
Burdick
Byrd, Va.
Cannon
Case
Church
Clark
Cooper
Douglas
Ellender
Fulbright
Gore
Harris
Hart
Hartke
Inouye
Jackson
Javits
Kennedy, Mass.
Long, Mo.
Long, La.
Magnuson
McGovern
McIntyre
Metcalf
Miller
Mondale
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Pell
Proxmire
Randolph
Ribicoff
Robertson
Smith
Stennis
Symington
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—18

Bass
Bible
Byrd, W. Va.
Dodd
Eastland
Fong
Gruening
Hayden
Kennedy, N.Y.
Kuchel
Mansfield
McCarthy
McGee
Montoya
Pastore
Pearson
Russell, S.C.
Smathers

So Mr. LAUSCHE's amendment was rejected.

Mr. MANSFIELD. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. DOUGLAS. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

THE SHOOTING OF JAMES MEREDITH

Mr. JAVITS. Mr. President, I ask unanimous consent to address the Senate for 2 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, because so many Senators have been shocked over the shooting of James Meredith in Mississippi, I wish to report on an act which I know is condemned by everyone, no matter how he may feel about civil rights.

Of course, I am an ardent advocate of civil rights. I cannot conceive of a Senator or a Representative who is not ashamed that this should happen, no matter where it happens in the United States.

This morning, in the Subcommittee on Constitutional Rights, we questioned the Attorney General about this incident, and I think he feels the same way.

It is interesting that the very bill the committee is considering tries to zero in on just such a situation as occurred with respect to Mr. Meredith. Title V of the bill which we are considering prohibits acts of individual violence directed against civil rights workers.

One of the things that needs to be said is that I think—and apparently the Attorney General agrees, because he said so this morning under questioning—one of the reasons for the reckless and heedless attack on Meredith is that assassins apparently consider themselves to be immune from the law in Mississippi—and perhaps in other States—where they think they are justified by the coloration of racial hatred or passion against the races.

The bill which is before the committee was drafted specifically to meet this kind of situation in respect to jury selection, where the country was appalled by some of the acquittals and some of the ways in which justice has been handled in Mississippi and other States.

I think that was the general attitude in our committee today, that we just do not want martyrs in this business. There are too many of them already and that, therefore, there is an additional reason for proceeding on the highest priority with this particular bill which tries to give the Federal Government some of the powers which today do not seem to be effectively exercised in terms of State criminal law enforcement.

Mr. President, I conclude as follows: We cannot allow one State or several States to stand above the conscience and the honor of the Nation and of the Constitution. There have been too many martyrs in the civil rights struggle already. It is our duty to see that there are no more, to make sure that it is possible everywhere in this country to exercise an American's right under the Constitution without suffering or standing in fear of physical violence.

I hope very much that we will show our concern by acting with celerity as a Congress upon the measure which is now before the committee and which is being considered in the other body as well.

BANK HOLDING COMPANY ACT AMENDMENTS OF 1966

The Senate resumed the consideration of the bill (H.R. 7371) to amend the Bank Holding Company Act of 1956.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 584

Mr. HART. Mr. President, I call up my amendment No. 584 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The legislative clerk read as follows:

Beginning with line 3, page 16, strike out all to and including line 16, page 18.

The PRESIDING OFFICER. The Senator has 30 minutes. How much time does he yield himself?

Mr. HART. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. HART. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. HART. Mr. President, last night, before the Senate concluded its business for the day, I stated in the RECORD at some length the reasons that persuaded me to offer my amendment.

I can briefly summarize those reasons today.

What would the amendment do?

The amendment would remove section 11 from the pending bill.

What would section 11 of the pending bill do?

It would give special antitrust treatment to bank holding companies.

Why should this special treatment be accorded bank holding companies?

I do not know.

Let me refer to the committee report which explains the addition of this amendment to remove section 11, in these words:

> The Congress recently amended the Bank Merger Act to eliminate conflicts between that act and the antitrust laws that might otherwise require the unscrambling of a merger, under the antitrust laws, that had been approved under the Bank Merger Act. The bill would apply to bank holding company cases the same procedures as are now provided for this purpose in bank merger cases, in addition to establishing uniform standards (see item 11).

I opposed the special treatment for bank mergers when the bill was before us some months ago, but at that time the argument was made that in 1960 Congress had amended the bank merger bill in a fashion that led some to the understanding that special treatment under the antitrust laws was being given to them, that in reliance on that assumption, certain mergers had occurred; and that if we were to unscramble those mergers we would place an undue burden on several institutions.

I disagreed. I could see some justification for correcting what had come about as a result of an erroneous assumption that special antitrust treatment would be given to bank mergers, but there is no such problem in the case of holding companies.

The Department of Justice has expressed strong opposition to the special treatment. One would be hard put to identify any economic activity which is more anticompetitive, potentially, than bank holding companies, and, surely, in the absence of a record that would make it necessary, this is the last thing Congress would do with respect to treatment of bank holding companies under the antitrust laws.

For those reasons, in addition to the reasons I stated yesterday in my speech, I hope the amendment will be adopted.

I reserve the remainder of my time.

Mr. ROBERTSON. Mr. President, I yield myself 5 minutes.

The issue is a very simple one. The amendment that the distinguished Senator from Michigan seeks to strike out merely gives the bank holding companies the same procedures when the Department of Justice proceeds against them under the antitrust laws as are applied to bank mergers.

I explained the so-called antitrust amendments yesterday when I discussed the bill generally, and I pointed out that I had explained these procedures and standards fully on February 9, 1966, when the Senate accepted the House amendment to the Bank Merger Act, S. 1698.

That provision in the bill has the approval of the Federal Reserve Board. It has the approval of the American Bankers Association. It has the approval of all of the bank holding companies of the Nation. In my opinion, it is eminently fair and just.

Mr. HART. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ROBERTSON. I yield back the remainder of my time.

Mr. HART. I yield back the remainder of my time.

The PRESIDING OFFICER All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Michigan.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD (when his name was called). On this vote I have a pair with the distinguished Senator from Florida [Mr. SMATHERS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore I withhold my vote.

The rollcall was concluded.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Nevada [Mr. BIBLE], the Senator from Connecticut [Mr. DODD], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Hawaii [Mr. INOUYE], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

I also announce that the Senator from West Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. INOUYE], the Senator from Wyoming [Mr. MCGEE], the Senator from New Mexico [Mr. MONTOYA], the Senator from Rhode Island [Mr. PASTORE], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Wyoming [Mr. MCGEE] would each vote "nay."

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from New York [Mr. KENNEDY]. If present and voting, the Senator from Mississippi would vote "nay" and the Senator from New York would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. KUCHEL], and the Senator from Kansas [Mr. PEARSON] are necessarily absent.

If present and voting, the Senator from Kansas [Mr. PEARSON] would vote "nay."

The result was announced—yeas 16, nays 64, as follows:

[No. 88 Leg.]

YEAS—16

Bartlett
Bayh
Burdick
Clark
Douglas
Gore
Hart
Hartke
Kennedy, Mass.
Long, La.
Metcalf
Morse
Nelson
Neuberger
Pell
Yarborough

NAYS—64

Aiken
Allott
Anderson
Bennett
Boggs
Brewster
Byrd, Va.
Cannon
Carlson
Case
Church
Cooper
Cotton
Curtis
Dirksen
Dominick
Ellender
Ervin
Fannin
Fulbright
Griffin
Harris
Hickenlooper
Hill
Holland
Hruska
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Lausche
Long, Mo.
Magnuson
McClellan
McGovern
McIntyre
Miller
Mondale
Monroney
Morton
Mundt
Murphy
Muskie
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Simpson
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Young, N. Dak.
Young, Ohio

NOT VOTING—20

Bass
Bible
Byrd, W. Va.
Dodd
Eastland
Fong
Gruening
Hayden
Inouye
Kennedy, N.Y.
Kuchel
Mansfield
McCarthy
McGee
Montoya
Moss
Pastore
Pearson
Russell, S.C.
Smathers

So Mr. HART's amendment was rejected.

Mr. LONG of Louisiana. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> That subsection (b) of section 12 of H.R. 7371 (89th Cong., 2nd sess.), as amended, be further amended to read as follows:
>
> "(b) Section 25 of the Federal Reserve Act, as amended (12 U.S.C. 601), is amended by striking out 'Board of Governors of the Federal Reserve System' wherever it occurs and by substituting in lieu thereof 'Comptroller of the Currency,' by striking out 'either or both of' immediately preceding 'the following powers' in the introductory paragraph and by inserting after the paragraph designated 'Second.' the following new paragraph:
>
> " 'Third. To acquire and hold, directly or indirectly, stock or other evidences of ownership in one or more banks organized under the law of a foreign country or a dependency or insular possession of the United States and not engaged, directly or indirectly, in any activity in the United States except as, in the judgment of the Comptroller of the Currency, shall be incidental to the international or foreign business of such foreign bank; and, notwithstanding the provisions of section 23A of this Act, to make loans or extensions of credit to or for the account of such bank in the manner and within the limits prescribed by the Comptroller of the Currency by general or specific regulation or ruling.' "

Mr. LONG of Louisiana. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. LONG of Louisiana. Mr. President, H.R. 7371 as reported by the committee contains a proposed amendment to section 25 of the Federal Reserve Act (12 U.S.C. 601) which, for the first time, authorizes national banks to acquire and hold, directly or indirectly, stock in banks organized in foreign countries and which are not engaged, directly or indirectly, in any activity in the United States. The proposed amendment goes on to place all supervisory jurisdiction over these acquisitions in the hands of the Federal Reserve Board.

I am not at all certain that this new authority for national banks will be beneficial in every case, or in any case, but I am certain that if national banks, which in most other respects are subject to the jurisdiction of the Comptroller of the Currency, are to have this right, then the Comptroller should have the power to decide whether such overseas acquisitions should be made by a national bank, and if so, under what conditions. This supervisory authority, in my judgment, should not rest with the Federal Reserve Board.

I am advised that the Comptroller of the Currency is already deeply concerned about the recent and marked acceleration of the international and foreign operations of national banks, and that he is wholly convinced that it is absolutely necessary for his office to supervise these operations of national banks.

Accordingly, I hope the amendment will be agreed to.

Mr. ROBERTSON. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 4 minutes.

Mr. ROBERTSON. Mr. President, I cannot accept the amendment of the Senator from Louisiana.

Section 25 of the Federal Reserve Act—which is set forth on page 34 of the committee report on H.R. 7371, with the amendments currently proposed indicated in brackets and italics—authorizes national banks, with the approval of the Federal Reserve Board, first to establish branches in foreign countries, and second to invest in corporations chartered in the United States principally engaged in international or foreign banking, either directly or through the ownership of local institutions in foreign countries. Paragraph 20 of section 9 of the Federal Reserve Act makes the provisions of section 25 applicable to State member banks.

Accordingly, for many years all member banks, National or State, have been authorized, with the approval of the Federal Reserve Board, to establish branches or to invest in foreign banks through a U.S.-chartered corporation.

The amendment recommended by the committee merely authorizes member banks, National or State, to own foreign banks directly, with the approval of the Federal Reserve Board, instead of indirectly through the medium of a U.S.-chartered corporation.

The amendment, in other words, simply permits member banks, National or State, to make the same investments in foreign banks directly that they now can make indirectly.

The Senator's amendment would transfer the power of approval or disapproval over these transactions with respect to national banks from the Federal Reserve Board to the Comptroller of the Currency. As far as the national banks are concerned, this may sound like good administration. However, if we look at the matter from the point of view of these branches in London or Paris or Rio de Janeiro, or of the foreign banks owned in those cities, there is also much to be said for uniformity of regulation and uniformity of control.

This uniformity of regulation and control is particularly important at a time like the present when investments of American companies abroad and foreign banking operations are of such great importance to our international balance-of-payments situation.

The foreign branch situation was considered by the Senate and the House in 1961 and 1962 when the Congress enacted Public Law 87–588 authorizing foreign branches of member banks to exercise the usual banking powers over banks of the foreign country in which the branch is located, whether or not this exceeded the power of the domestic bank, subject to regulations of the Federal Reserve Board.

The amendment proposed by the Senator from Louisiana was recommended to the committee by the Comptroller of the Currency—who is a personal friend and whom I hold in high esteem—in the Comptroller's letter of May 17, 1966, which was received too late for careful study and consideration at the committee's meeting on May 19 when the bill was reported.

In the Comptroller's letter of May 17, he stated that his office was studying the establishment, operation, and supervision of federally chartered foreign and international banking corporations and would present a report to the next Congress. In my reply I suggested that it would be better to postpone the question of jurisdiction over all matters relating to foreign operations of Federal Reserve member banks until the Comptroller's report is received next year. I do not believe this kind of major jurisdictional question should be resolved by a floor amendment, without hearings and without committee consideration.

Mr. LONG of Louisiana. Mr. President, I should like to discuss the matter a little further. Has the Comptroller of the Currency had an opportunity to be heard on this question? I know it was said that the Federal Reserve Board has had the opportunity to be heard.

Mr. ROBERTSON. The Comptroller of the Currency wrote me on May 17, after our hearings had concluded. I could not grant him a hearing because we had set the matter down for executive session and there were no more witnesses. However, I shall be glad to give the Comptroller of the Currency an opportunity to be heard next year.

Mr. LONG of Louisiana. If the amendment should be rejected, may I understand that the distinguished chairman of the committee would undertake to look into the matter next year?

Mr. ROBERTSON. I think that the Comptroller of the Currency is always entitled to be heard on any issue. I shall be glad to give him the opportunity at an appropriate time next year. We cannot do it this year.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

Mr. ROBERTSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Louisiana. [Putting the question.]

The amendment was rejected.

Mr. ROBERTSON. Mr. President, on the assumption that there are no further amendments, I ask for the third reading of the bill.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the committee amendment, as amended, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. Is the time on the bill yielded back?

Mr. ROBERTSON. I yield back my time.

Mr. CASE. I yield back the time of the minority on the bill.

The PRESIDING OFFICER. The bill having been read the third time, and all the time having been yielded back, the question is, Shall it pass?

The bill (H.R. 7371) was passed.

Mr. ROBERTSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that the bill as passed by the Senate be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 7371) as passed by the Senate is as follows:

Strike out all after the enacting clause and insert:

"That subsection (a) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)) is amended to read as follows:

" '(a) "Bank holding company" means any company (1) that directly or indirectly owns, controls, or holds with power to vote 25 per centum or more of the voting shares of each of two or more banks or of a company that is or becomes a bank holding company by virtue of this Act, or (2) that controls in any manner the election of a majority of the directors of each of two or more banks; and, for the purposes of this Act, any successor to any such company shall be deemed to be a bank holding company from the date as of which such predecessor company became a bank holding company. Notwithstanding the foregoing, (A) no bank and no company owning or controlling voting shares of a bank shall be a bank holding company by virtue of such bank's ownership or control of shares in a fiduciary capacity, except as provided in paragraphs (2) and (3) of subsection (g) of this section, (B) no company shall be a bank holding company by virtue of its ownership or control of shares acquired by it in connection with its underwriting of securities if such shares are held only for such period of time as will permit the sale thereof on a reasonable basis, and (C) no company formed for the sole purpose of participating in a proxy solicitation shall be a bank holding company by virtue of its control of voting rights of shares acquired in the course of such solicitation.'

"Sec. 2. Subsection (b) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(b)) is amended to read as follows:

"'(b) "Company" means any corporation, business trust, association, or similar organization, or any other trust unless by its terms it must terminate within twenty-five years or not later than twenty-one years and ten months after the death of individuals living on the effective date of the trust, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any partnership.'

"Sec. 3. Subsection (c) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)) is amended to read as follows:

"'(c) "Bank" means any institution that accepts deposits that the depositor has a legal right to withdraw on demand, but shall not include any organization operating under section 25 or section 25(a) of the Federal Reserve Act, or any organization that does not do business within the United States. "District bank" means any bank organized or operating under the Code of Law for the District of Columbia.'

"Sec. 4. Subsection (d) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(d)) is amended to read as follows:

"'(d) "Subsidiary," with respect to a specified bank holding company, means (1) any company 25 per centum or more of whose voting shares (excluding shares owned by the United States or by any company wholly owned by the United States) is directly or indirectly owned or controlled by such bank holding company, or is held by it with power to vote; or (2) any company the election of a majority of whose directors is controlled in any manner by such bank holding company.'

"Sec. 5. Subsection (g) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(g)) is repealed.

"Sec. 6. Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), as amended by this Act, is further amended by adding at the end thereof the following new subsections:

"'(g) For the purposes of this Act—

"'(1) shares owned or controlled by any subsidiary of a bank holding company shall be deemed to be indirectly owned or controlled by such bank holding company;

"'(2) shares held or controlled directly or indirectly by trustees for the benefit of (A) a company, (B) the shareholders or members of a company, or (C) the employees (whether exclusively or not) of a company, shall be deemed to be controlled by such company; and

"'(3) shares transferred after January 1, 1966, by any bank holding company (or by any company which, but for such transfer, would be a bank holding company) directly or indirectly to any transferee that is indebted to the transferor, or has one or more officers, directors, trustees, or beneficaries in common with or subject to control by the transferor, shall be deemed to be indirectly owned or controlled by the transferor unless the Board, after opportunity for hearing, determines that the transferor is not in fact capable of controlling the transferee.

"'(h) The application of this Act and of section 23A of the Federal Reserve Act (12 U.S.C. 371), as amended, shall not be affected by the fact that a transaction takes place wholly or partly outside the United States or that a company is organized or operates outside the United States: Provided, however, That the prohibitions of section 4 of this Act shall not apply to shares of any company organized under the laws of a foreign country that does not do any business within the United States, if such shares are held or acquired by a bank holding company that is principally engaged in the banking business outside the United States.'

"Sec. 7. (a) The first sentence of subsection (a) of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)) is amended to read as follows: 'It shall be unlawful, except with the prior approval of the Board, (1) for any action to be taken that causes any company to become a bank holding company; (2) for any action to be taken that causes a bank to become a subsidiary of a bank holding company; (3) for any bank holding company to acquire direct or indirect ownership or control of any voting shares of any bank if, after such acquisition, such company will directly or indirectly own or control more than 5 per centum of the voting shares of such bank; (4) for any bank holding company or subsidiary thereof, other than a bank, to acquire all or substantially all of the assets of a bank; or (5) for any bank holding company to merge or consolidate with any other bank holding company.'

"(b) The second sentence of subsection (a) of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)) is amended by striking the words 'except where such shares are held for the benefit of the shareholders of such bank' at the end of clause (i) and inserting in lieu thereof the words 'except where such shares are held under a trust that constitutes a company as defined in section 2(b) and except as provided in paragraphs (2) and (3) of section 2(g)'.

"(c) Subsection (c) of section 3 of the Bank Holding Company Act of 1956 is amended to read as follows:

"'(c) The Board shall not approve—

"'(1) any acquisition or merger or consolidation under this section which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

"'(2) any other proposed acquisition or merger or consolidation under this section whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

In every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.'

"(d) Subsection (d) of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended by striking the words 'in which such bank holding company maintains its principal office and place of business or in which it conducts its principal operations' and inserting in lieu thereof the words 'in which the operations of such bank holding company's banking subsidiaries were principally conducted on the effective date of this amendment or the date on which such company became a bank holding company, whichever is later,'. Such subsection is further amended by adding at the end thereof the following new sentence: 'For the purposes of this section, the State in which the operations of a bank holding company's subsidiaries are principally conducted is that State in which total deposits of all such banking subsidiaries are largest.'

"Sec. 8. (a) Subsection (a) of section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)) is amended to read as follows:

"'(a) Except as otherwise provided in this Act, no bank holding company shall—

"'(1) after the date of enactment of this Act acquire direct or indirect ownership or control of any voting shares of any company which is not a bank, or

"'(2) after two years from the date as of which it becomes a bank holding company, or, in the case of any company that has been continuously affiliated since May 15, 1955, with a company which was registered under the Investment Company Act of 1940, prior to May 15, 1955, in such a manner as to constitute an affiliated company within the meaning of that Act, after December 31, 1978, retain direct or indirect ownership or control of any voting shares of any company which is not a bank or a bank holding company or engage in any business other than that of banking or of managing or controlling banks or of furnishing services to or performing services for any bank of which it owns or controls 25 per centum or more of the voting shares.

The Board is authorized, upon application by a bank holding company, to extend the period referred to in paragraph (2) above from time to time as to such bank holding company for not more than one year at a time, if, in its judgment, such an extension would not be detrimental to the public interest, but no such extensions shall in the aggregate exceed three years.'

"(b) Subsection (c) of section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended to read as follows:

"'(c) The prohibitions in this section shall not apply to any bank holding company which is a labor, agricultural, or horticultural organization and which is exempt from taxation under section 501 of the Internal Revenue Code of 1954, and such prohibitions shall not, with respect to any other bank holding company, apply to—

"'(1) shares of any company engaged or to be engaged solely in one or more of the following activities: (A) holding or operating properties used wholly or substantially by any banking subsidiary of such bank holding company in the operations of such banking subsidiary or acquired for such future use; or (B) conducting a safe deposit business; or (C) furnishing services to or performing services for such bank holding company or its banking subsidiaries; or (D) liquidating assets acquired from such bank holding company or its banking subsidiaries or acquired from any other source prior to May 9, 1956, or the date on which such company became a bank holding company, whichever is later;

"'(2) shares acquired by a bank in satisfaction of a debt previously contracted in good faith, but such bank shall dispose of such shares within a period of two years from the date on which they were acquired, except that the Board is authorized upon application by such bank holding company to extend such period of two years from time to time as to such holding company for not more than one year at a time if, in its judgment, such an extension would not be detrimental to the public interest, but no such extensions shall extend beyond a date five years after the date on which such shares were acquired;

"'(3) shares acquired by such bank holding company from any of its subsidiaries which subsidiary has been requested to dispose of such shares by any Federal or State authority having statutory power to examine such subsidiary, but such bank holding company shall dispose of such shares within a period of two years from the date on which they were acquired;

"'(4) shares held or acquired by a bank in good faith in a fiduciary capacity, except where such shares are held under a trust that constitutes a company as defined in section 2(b) and except as provided in paragraphs (2) and (3) of section 2(g);

"'(5) shares which are of the kinds and amounts eligible for investment by national banking associations under the provisions of section 5136 of the Revised Statutes;

"'(6) shares of any company which do not include more than 5 per centum of the outstanding voting shares of such company;

"'(7) shares of an investment company which is not a bank holding company and which is not engaged in any business other than investing in securities, which securities do not include more than 5 per centum of the outstanding voting shares of any company;

"'(8) shares of any company all the activities of which are or are to be of a financial fiduciary, or insurance nature and which the Board after due notice and hearing, and on the basis of the record made at such hearing, by order has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this Act;

"'(9) shares of any company which is or is to be organized under the laws of a foreign country and which is or is to be engaged principally in the banking business outside the United States; or

"'(10) shares lawfully acquired and owned prior to May 9, 1956, by a bank which is a bank holding company, or by any of its wholly owned subsidiaries.'

"(c) Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end thereof the following new subsection:

"'(d) With respect to shares which were not subject to the prohibitions of this section as originally enacted by reason of any exemption with respect thereto but which were made subject to such prohibitions by the subsequent repeal of such exemption, no bank holding company shall retain direct or indirect ownership or control of such shares after five years from the date of the repeal of such exemption, except as provided in paragraph (2) of subsection (a). Any bank holding company subject to such five-year limitation on the retention of nonbanking assets shall endeavor to divest itself of such shares promptly and such bank holding company shall report its progress in such divestiture to the Board two years after repeal of the exemption applicable to it and annually thereafter.'

"SEC. 9. Section 6 of the Bank Holding Company Act of 1956 (12 U.S.C. 1845) is hereby repealed.

"SEC. 10. The first sentence of section 9 of the Bank Holding Company Act of 1956 (12 U.S.C. 1848) is amended by striking out 'sixty' and inserting 'thirty'.

"SEC. 11. Section 11 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 (note)) is amended by inserting '(a)' after 'SEC. 11'; by inserting a comma and 'except as specifically provided in this section' before the period at the end thereof; and by adding at the end thereof the following new subsections:

"'(b) The Board shall immediately notify the Attorney General of any approval by it pursuant to this Act of a proposed acquisition, merger, or consolidation transaction, and such transaction may not be consummated before the thirtieth calendar day after the date of approval by the Board. Any action brought under the antitrust laws arising out of an acquisition, merger, or consolidation transaction shall be commenced within such thirty-day period. The commencement of such an action shall stay the effectiveness of the Board's approval unless the court shall otherwise specifically order. In any such action, the court shall review de novo the issues presented. In any judicial proceeding attacking any acquisition, merger, or consolidation transaction approved pursuant to this Act on the ground that such transaction alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), the standards applied by the court shall be identical with those that the Board is directed to apply under section 3 of this Act. Upon the consummation of an acquisition, merger, or consolidation transaction in compliance with this Act and after the termination of any antitrust litigation commenced within the period prescribed in this section, or upon the termination of such period if no such litigation is commenced therein, the transaction may not thereafter be attacked in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), but nothing in this Act shall exempt any bank holding company involved in such a transaction from complying with the antitrust laws after the consummation of such transaction.

"'(c) In any action brought under the antitrust laws arising out of any acquisition merger, or consolidation transaction approved by the Board pursuant to this Act, the Board and any State banking supervisory agency having jurisdiction within the State involved, may appear as a party of its own motion and as of right, and be represented by its counsel.

"'(d) Any acquisition, merger, or consolidation of the kind described in section 3(a) of this Act which was consummated at any time prior or subsequent to May 9, 1956, and as to which no litigation was initiated by the Attorney General prior to the date of enactment of this amendment, shall be conclusively presumed not to have been in violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2).

"'(e) Any court having pending before it on or after the date of enactment of this amendment any litigation initiated under the antitrust laws by the Attorney General with respect to any acquisition, merger, or consolidation of the kind described in section 3(a) of this Act shall apply the substantive rule of law set forth in section 3 of this Act.

"'(f) For the purposes of this section, the term "antitrust laws" means the Act of July 2, 1890 (the Sherman Antitrust Act, 15 U.S.C. 1–7), the Act of October 15, 1914 (the Clayton Act, 15 U.S.C. 12–27), and any other Acts in pari materia.'

"SEC. 12. (a) Section 23A of the Federal Reserve Act, as amended (12 U.S.C. 371c), is amended by adding at the end thereof the following new paragraphs:

"'For the purpose of this section, (1) the term "extension of credit" and "extensions of credit" shall be deemed to include (A) any purchase of securities, other assets or obligations under repurchase agreement, and (B) the discount of promissory notes, bills of exchange, conditional sales contracts, or similar paper, whether with or without recourse, except that the acquisition of such paper by a member bank from another bank, without recourse, shall not be deemed to be a "discount" by such member bank for such other bank; and (2) non-interest-bearing deposits to the credit of a bank shall not be deemed to be a loan or advance or extension of credit to the bank of deposit, nor shall the giving of immediate credit to a bank upon uncollected items received in the ordinary course of business be deemed to be a loan or advance or extension of credit to the depositing bank.

"'For the purposes of this section, the term "affiliate" shall include, with respect to any member bank, any bank holding company of which such member bank is a subsidiary within the meaning of the Bank Holding Company Act of 1956, as amended, and any other subsidiary of such company.

"'The provisions of this section shall not apply to (1) stock, bonds, debentures, or other obligations of any company of the kinds described in section 4(c)(1) of the Bank Holding Company Act of 1956, as amended; (2) stock, bonds, debentures, or other obligations accepted as security for debts previously contracted, provided that such collateral shall not be held for a period of over two years; (3) shares which are of the kinds and amounts eligible for investment by national banks under the provisions of section 5136 of the Revised Statutes; (4) any extension of credit by a member bank to a bank holding company of which such bank is a subsidiary or to another subsidiary of such bank holding company, if made within one year after the effective date of this amendment to section 23A and pursuant to a contract lawfully entered into prior to January 1, 1966; or (5) any transaction by a member bank with another bank the deposits of which are insured by the Federal Deposit Insurance Corporation, if more than 50 per centum of the voting stock of such other bank is owned by the member bank or held by trustees for the benefit of the shareholders of the member bank.'

"(b) Section 25 of the Federal Reserve Act, as amended (12 U.S.C. 601), is amended by striking out 'either or both of' immediately preceding 'the following powers' in the introductory paragraph and by inserting after the paragraph designated 'Second.' the following new paragraph:

"'Third. To acquire and hold, directly or indirectly, stock or other evidences of ownership in one or more banks organized under the law of a foreign country or a dependency or insular possession of the United States and not engaged, directly or indirectly, in any activity in the United States except as, in the judgment of the Board of Governors of the Federal Reserve System, shall be incidental to the international or foreign business of such foreign bank; and, notwithstanding the provisions of section 23A of this Act, to make loans or extensions of credit to or for the account of such bank in the manner and within the limits prescribed by the Board by general or specific regulation or ruling.'

"(c) Section 18 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1828), is further amended by adding at the end thereof the following new subsection:

"'(j) The provisions of section 23A of the Federal Reserve Act, as amended, relating to loans and other dealings between member banks and their affiliates, shall be applicable to every nonmember insured bank in the same manner and to the same extent as if such nonmember insured bank were a member bank; and for this purpose any company which would be an affiliate of a nonmember insured bank, within the meaning of section 2 of the Banking Act of 1933, as amended, and for the purposes of section 23A of the Federal Reserve Act, if such bank were a member bank shall be deemed to be an affiliate of such nonmember insured bank.'

"SEC. 13. (a) Subsection (b) of section 2 of the Banking Act of 1933, as amended (12 U.S.C. 221a), is further amended by inserting before the period at the end thereof the following: '; or

"'(4) Which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 per centum of the number of shares voted for the election of directors of a member bank at the preceding election, or controls in any manner the election of a majority of the directors of a member bank, or for the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees'.

"(b) Subsection (c) of section 2 of the Banking Act of 1933, as amended (12 U.S.C. 221a), is repealed.

"(c) Section 5144 of the Revised Statutes, as amended (12 U.S.C. 61), is amended to read as follows:

" 'SEC. 5144. In all elections of directors, each shareholder shall have the right to vote the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate such shares and give one candidate as many votes as the number of directors multiplied by the number of his shares shall equal, or to distribute them on the same principle among as many candidates as he shall think fit; and in deciding all other questions at meetings of shareholders, each shareholder shall be entitled to one vote on each share of stock held by him; except that (1) this shall not be construed as limiting the voting rights of holders of preferred stock under the terms and provisions of articles of association, or amendments thereto, adopted pursuant to the provisions of section 302(a) of the Emergency Banking and Bank Conservation Act, approved March 9, 1933, as amended; (2) in the election of directors, shares of its own stock held by a national bank as sole trustee, whether registered in its own name as such trustee or in the name of its nominee, shall not be voted by the registered owner unless under the terms of the trust the manner in which such shares shall be voted may be determined by a donor or beneficiary of the trust and unless such donor or beneficiary actually directs how such shares shall be voted; and (3) shares of its own stock held by a national bank and one or more persons as trustees may be voted by such other person or persons, as trustees, in the same manner as if he or they were the sole trustee. Shareholders may vote by proxies duly authorized in writing; but no officer, clerk, teller, or bookkeeper of such bank shall act as proxy; and no shareholder whose liability is past due and unpaid shall be allowed to vote. Whenever shares of stock cannot be voted by reason of being held by the bank as sole trustee such shares shall be excluded in determining whether matters voted upon by the shareholders were adopted by the requisite percentage of shares.'

"(d) Paragraph (c) of section 5211 of the Revised Statutes (12 U.S.C. 161) is amended by striking out the second sentence thereof.

"(e) The last sentence of the sixteenth paragraph of section 4 of the Federal Reserve Act, as amended (12 U.S.C. 304), is amended by striking out all of the language therein which follows the colon and by inserting in lieu thereof the following: *'Provided,* That whenever any member banks within the same Federal Reserve district are subsidiaries of the same bank holding company within the meaning of the Bank Holding Company Act of 1956, participation in any such nomination or election by such member banks, including such bank holding company if it is also a member bank, shall be confined to one of such banks, which may be designated for the purpose by such holding company.'

"(f) The nineteenth paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 334) is amended by striking out the last sentence of such paragraph.

"(g) The twenty-second paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 337) is repealed.

"(h) The third paragraph of section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended by striking out that part of the first sentence that reads 'For the purpose of this section, the term "affiliate" shall include holding company affiliates as well as other affiliates, and'; and by changing the word 'the' following such language to read 'The'.

"(i) Paragraph (4) of section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–3) is repealed.

"(j) Paragraph (11) of section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2) is amended by striking out the words 'or any holding company affiliate, as defined in the Banking Act of 1933' and substituting therefor the words 'or any bank holding company as defined in the Bank Holding Company Act of 1956'."

Mr. MANSFIELD. Mr. President, the senior Senator from Virginia [Mr. ROBERTSON] once again has served this body with the unparalleled distinction and wisdom which has characterized his many years of public service.

Passage of the Bank Holding Act amendments today only confirms the fact long ago established, that WILLIS ROBERTSON is one of the most dedicated and articulate individuals who ever entered this body. The people of the great Commonwealth of Virginia may justly be proud of their senior Senator for another achievement obtained with the highest skill and ability.

Equally strong and articulate in his support of this measure was the senior Senator from Illinois [Mr. DOUGLAS]. So characteristic were his clear and convincing views on banking and currency matters. So typical was his highly able advocacy. As always, the Senate is grateful for a success distinguished by the learned support of the great Illinois Senator.

The ranking minority member of the Committee on Banking and Currency [Mr. BENNETT] likewise is to be commended today for his gracious cooperation. We are forever indebted to him for his great efforts on behalf of orderly and efficient action.

To other Senators whose skillful advocacy and generous cooperation largely assisted this success we are similarly grateful. The Senators from Wisconsin [Mr. PROXMIRE], Florida [Mr. HOLLAND], Ohio [Mr. LAUSCHE], Michigan [Mr. HART], Louisiana [Mr. LONG], and others are thus to be commended both for splendid cooperation and for generous support.

FAIR PACKAGING AND LABELING ACT

Mr. LONG of Louisiana. Mr. President, I move that the Senate proceed to consider Calendar No. 1151, S. 985.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 985) to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MAGNUSON. Mr. President, I understand there is a unanimous-consent agreement to vote on the Cotton amendment to the Fair Packaging and Labeling Act on tomorrow. The agreement was obtained while I was at home, and I do not know the exact time of the vote. May I inquire of the desk?

The PRESIDING OFFICER. The vote will be at 4 o'clock on tomorrow.

Mr. MAGNUSON. Mr. President, I do not know of any member of the Commerce Committee or of any other Senator who wants to speak today on the bill. The measure was discussed pro and con on many occasions.

Several Senators might want to place some of their thoughts in the RECORD. The time will be divided tomorrow, and after the Cotton amendment is disposed of, there may be some further debate on the bill.

The Cotton amendment is the major amendment, and I think that the vote on that amendment will clarify the question of whether we might be able to finish the bill on tomorrow.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG of Missouri. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BIG BROTHERISM AT ITS WORST

Mr. LONG of Missouri. Mr. President, the investigation of the Senate Administrative Practice and Procedure Subcommittee into Government practices that abuse the rights of our citizens has uncovered a number of tactics and official attitudes that are most disquieting.

An Internal Revenue agent told the subcommittee that he violated State laws all the time. He said it was a part of his duties. A Food and Drug Administration official told the subcommittee that they had not received one complaint that detail men for major drug manufacturers exaggerated or misrepresented an employer's product. Yet, shortly thereafter, the Food and Drug Commissioner severely criticized major drug manufacturers for exactly such conduct. The list of examples where Federal agents have completely disregarded the people and the Congress in their zeal to advance their own cause goes on and on.

Recently there came to my attention an internal memorandum of the Internal Revenue Service that indicated just how far afield a Federal agency can get. Intellectuals have often been charged with living in ivory towers, but a reading of this memorandum shows clearly that its author is out of touch with reality. And beyond this, it shows clearly "Big Brotherism" at its worst.

The memorandum outlines a public information program for the Alcohol and Tobacco Tax Division and demonstrates an almost total contempt for the American press and the American people. It is the goal of the program to "brainwash" the people and change the "public's warped view" of the Alcohol and Tobacco Tax special investigator.

The memorandum speaks for itself more clearly than I can describe it so I would like to read a paragraph which describes a radio series based on Alcohol and Tobacco Tax closed case histories:

> A dramatic radio program based on A. and T.T. closed case histories will be made available after "Operation Dry-Up" is in progress in your state. At the present time, we have 30 weeks programming available. The programs are 30 minutes in length, and are not only entertaining, but are used to *brainwash* the citizenry and to *escalate the image* of the A. and T.T. special investigator. Your first impression of the program will be that it is corny and over-dramatic. Experts have evaluated the program, and they tell us that it is of excellent quality, and does the job it was originated to do. We stand second only to "Batman."

The memorandum also gives advice on the news media, and I would like to read from this section:

> A great number of people engaged in the profession of news writing are of odd make-up. The majority are individualists with egos that need to be pumped up each time they do a job for an organization. The media personnel are usually "hams" and delight in making a public appearance, receiving applause, and recognition.

Before proceeding, I want to make it clear that I am not opposed to public information or public education efforts on the part of Government agencies. It is essential that the people know what their Government is doing. In fact, I have worked to enact legislation to increase the flow of information to the public. But there is a sharp line between legitimate public information and self-aggrandizement. It seems clear from this memorandum that the purpose of the program outlined is to serve the selfish purposes of the Alcohol and Tobacco Tax Division and not serve the public.

The following lengthy list of material available to bolster the public image of Alcohol and Tobacco Tax and its agents is set out in the memo.

First. A document entitled "What You Should Know About Alcohol and Tobacco Tax."

Second. Reference material to be used as a guide in presenting radio, television and civic group programs.

Third. A film entitled "Still in Business."

Fourth. Forty-three personality tapes for radio presentation.

Fifth. Five television filmstrips.

Sixth. Eighteen different prepared radio scripts.

Seventh. Thirty half-hour radio programs.

Over and above this prepared material the memo does not want to miss a bet so it provides advice on press releases. This portion of the memo shows how far they are willing to go to obtain self-serving publicity.

> The preparation of a news release is a simple task when you use who, what, when, where, and why as a guideline for news release content. The release should be brief, factual, and include interesting items that surrounded the seizure and/or arrests that make this story different from others.

This is a clear example of promoting "trial by press," a concept that is becoming all too prevalent among Government agencies.

The memorandum rates the Alcohol and Tobacco Tax case histories radio dramatic series second only to "Batman." Strangely enough, as one reads the memo, he feels he is reading from the script of the make-believe television world of "Batman." Unfortunately, this is not the case. The Alcohol and Tobacco Tax Division is real, this memorandum is real, and the public information program spelled out in it is real. The memorandum came to me from a friend in Mississippi who was supposed to participate in the program and its authenticity has been verified by the IRS Chief of Public Information.

Justice Louis Brandeis warned us in 1928 that the greatest dangers to liberty lurk in insidious encroachment of men of zeal, well-meaning but without understanding. The truth of this warning is borne out by the memorandum.

The Internal Revenue Service has refused to provide the subcommittee with the name and title of the memo's author. As a result, the subcommittee has invited Mr. Joseph Rosapepe, IRS Chief of Public Information, to testify before it on June 8 relative to the memo.

So that other Members of the Senate will have an opportunity to read the entire text of the memorandum and reach their own judgment, I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

PUBLIC INFORMATION PROGRAM IN NON "OPERATION DRY-UP" STATES

I. OBJECTIVES OF THE PROGRAM

The objective of the public information program in A&TT in non "Operation Dry-Up" states is to acquaint the mass media with the enforcement . . . . of Alcohol and Tobacco Tax. You must lay a solid . . . . public information program in preparation for . . . . "Operation Dry-Up" to your state. This is accomplished by visiting radio stations, television stations and newspaper offices. You must acquaint yourself with the procedures followed by the different news media. Try to get on a first name basis with the man that writes the story, takes the pictures, or covers stories written about A&TT enforcement activities. This is perhaps one of the most important steps of the overall program prior to the coming of "Operation Dry-Up". Gain the trust of the top management of the various news media. Let them know who we are, what the objectives are, and how we intend to accomplish them.

It will be the job of every special investigator to actively participate in the public information program. Public information, or education, whichever you prefer, is a 24-hour day job. Those of you in a supervisory position will have to carefully guide the trainee-investigator, and insure this active interest and participation in the program.

II. THE PUBLIC INFORMATION PROGRAM MATERIAL NOW AVAILABLE, AND THE MATERIAL TO BE MADE AVAILABLE AT THE COMMENCEMENT OF "OPERATION DRY-UP"

At the present time, a pamphlet is available describing the mission of A&TT. The document is entitled, "What You Should Know About Alcohol and Tobacco Tax." The document is expensive to reproduce, and should not be used to hand out at fairs, but should be made available to persons who have a specific interest in A&TT, such as representatives of the mass media. Reference material is available to be used as a guide in presenting radio, television, and civic group programs. The materials are to be used only as a guideline. You must adjust your speeches to fit the group of people you are speaking to. Keep in mind what you say represents A&TT.

You should start driving home the message: "Lead salts poisoning blinds, paralyzes and kills the moonshine drinker," in preparation for an all-out campaign. The regional laboratory is at your disposal for securing information as to lead salts content of samples taken from seized nontaxpaid liquor in your specific state, or post of duty, area.

The film, "Still in Business" is available, and is excellent to use before civic groups and to be shown on television stations. Thought should be given by investigative personnel in composing new spot announcements for radio and television.

The preparation of a news release is a simple task when you use who, what, when, where, and why as a guideline for news release content. The release should be brief, factual, and include interesting items that surrounded the seizure and/or arrests that make this story different from others.

When "Operation Dry-Up" moves to your state, 43 personality tapes will be made available for distribution to all radio stations at a rate of approximately one per month. The tapes were made by such personalities as Edward G. Robinson, Robert Stack, Andy Griffith, Louis Armstrong, etc. The spots announce to the public that the celebrity joins with A&TT in its enforcement program; informs the public that racketeers have taken over the moonshine industry; that lead salts is found in 90% of the moonshine made and sold in the South, and that lead salts can blind, paralyze and kill.

Twenty second television filmstrips will be made available during "Operation Dry-Up". There are five different ones. They show the filthy conditions under which moonshine is made, and warn of the health hazards that confront the consumer of moonshine. Also, 18 different prepared radio scripts, 30 seconds to one minute in length, will be made available for distribution to every radio station in the state. These too warn of the racketeering in the moonshine industry and the related health hazards.

III. MAKING A SUCCESSFUL PUBLIC INFORMATION PROGRAM

Enthusiasm is the key for the success of the public information program in your state. Supervisors must pass their enthusiasm for the program to each special investigator. Some of you will have more success than others in selling the public information program to the special investigators. The reason for this is the lack of doubts about what the program can do for you and A&TT. A&TT has experimented and found that the program will be an overwhelming success if presented to the public with enthusiasm.

The public information program is as much a part of each special investigator's duties as the other enforcement programs of A&TT. You must decide how much time is to be spent on the program.

Sell A&TT every chance you get—when on raw materials calls, on visits to radio stations, television stations, newspapers, when speaking before civic groups, to your friends and neighbors. It will be necessary for you to step up civic group appearances and the showing of, "Still in Business." Most special investigators belong to church, civic, fraternal and other groups that would be interested in hearing about the enforcement objectives and activities of A&TT. Let these groups know that you have a program available to present to their group. Don't wait to be invited, take the initiative and offer the program at a time that will fit their schedule.

IV. THE "INVESTIGATORS" PROGRAM

A dramatic radio program based on A&TT closed case histories will be made available after "Operation Dry-Up" is in progress in your state. At the present time, we have 30 weeks programming available. The programs are 30 minutes in length, and are not only entertaining, *but are used to brainwash* the *citizenry* and to escalate the image of the A&TT special investigator. Your first impression of the program will be that it is corny and overdramatic. Experts have evaluated the program and they tell us that it is of excellent quality, and does the job it was originated to do. *We stand second only to "Batman."*

V. IMAGE OF THE A&TT SPECIAL INVESTIGATOR

The most important thing in the area of creating an image is your appearance, especially the first appearance you make in behalf of A&TT. Your appearance has a definite bearing on the image of A&TT. It takes a little extra time to put on a suit and tie, but it is mandatory when making public appearances such as raw materials calls, public information calls, civic group appearances, and other such inside calls that must be made by special investigators.

One of the objectives of the public information program is to change the public's warped view of the A&TT special investigator. We are often referred to as "revenooers," "still busters," or "branch walkers," but seldom as special investigators. It is your job to sell the public and those who write about A&TT enforcement activities the true story of our special investigative personnel. You must make the public aware that we aren't branch walkers, rather, a dedicated professional law enforcement agency. It should be noted that your conduct in public reflects on the overall image of A&TT enforcement personnel. Each of you will realize as the information and education program progresses in your state the overall effectiveness of a good public information program.

VI. THE NEWS MEDIA

A great number of the people engaged in the *profession of news writing are of odd makeup*. The majority are individualists with egos that need to be pumped up each time they do a job for an organization. The media personnel are usually "hams" and delight in making a public appearance, receiving applause, and recognition. It takes little time to compliment and say, "thank you" to members of the media for a job well-done in our behalf. A letter written to the management of a media commending individual persons on their staff is rewarding to A&TT. A pat on the back from us to the media gains much needed support from the rank and file of the various media.

The media is the best way to let the citizenry see what you are doing first hand. You must make an impression on members of the media by giving them factual information, giving a neat business-like appearance, treating them courteously and considering their problems and deadlines. We must extend to them our wholehearted cooperation, keeping in mind that our enforcement mission always comes first.

When relating a news story to media personnel, give them some interesting facts surrounding the activity to beef up their stories. Without these facts, the media becomes bored and disinterested in our enforcement activities. If something BIG is happening that would be of national interest, radio and television networks and the wire services should be notified. If an activity of this scope occurs, notify the Supervisor in Charge so that he can alert the Chief, Enforcement and the regional office can help you secure national coverage of the activity.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

FEDERAL MAGISTRATES ACT OF 1966—A BILL

Mr. TYDINGS. Mr. President, I introduce today, for myself and the Senator from Pennsylvania [Mr. SCOTT], the Federal Magistrates Act of 1966, a bill that would abolish the U.S. commissioner system and establish in its place a system of U.S. magistrates and deputy U.S. magistrates.

This bill is the product of an extensive series of hearings held by the Subcommittee on Improvements in Judicial Machinery, of which I am chairman. At sessions in October and December of last year, and February of this year, we heard testimony from U.S. commissioners, Federal judges, representatives of the Department of Justice and the Administrative Office of the U.S. Courts, and lawyers and law teachers expert in the administration of Federal criminal justice. The bill reflects the virtually unanimous conclusion of these experts that the present U.S. commissioner system is inadequate to meet the demands of a modern system of justice, and that drastic reforms are needed promptly.

I should point out that the Judicial Conference of the United States has recommended reforms—some of which were along the lines which I propose today—at least three separate times in the last half century. Unfortunately, these reforms have never been adopted by Congress.

Let me outline just briefly the most notable defects that were brought out by the testimony at our hearings and by the responses to a questionnaire we sent to all U.S. commissioners early this year:

The busiest U.S. commissioners are grossly underpaid for the amount of work they do, and it is therefore difficult to attract the best men for the job.

Commissioners are paid under a fee system of questionable wisdom and doubtful constitutionality. The possibility that the commissioner may have a pecuniary stake in the outcome of a matter before him does violence to all our notions of justice.

Almost one-third of the 731 commissioners are not lawyers, yet commissioners are frequently called upon to apply some of the most sophisticated rules of constitutional law—rules that the best lawyer or judge is hard pressed to apply correctly.

Many commissioners do not have a clear idea of what their functions are; there is great disparity from district to district, and even from commissioner to commissioner, on how fundamental problems are handled.

In many districts search warrants and arrest warrants are handled on a mass-production basis with no independent judicial determination being made as to whether probable cause exists for the issuance of a warrant.

There is widespread confusion concerning the proper purpose and scope of preliminary hearings.

There is a tendency to downgrade certain offenses from felony or misdemeanor status so that they can be tried as petty offenses before the commissioner rather than burdening the dockets of the district courts. For the same reason, some offenses are not prosecuted at all. Neither of these practices serves the ends of justice. And when offenses of a minor nature are nonetheless tried in the district courts, their prosecution too often lends a "police court" atmosphere to the Federal court.

All of these factors led us to the conclusion that the present system must be changed. At an early stage it became evident that we must choose one of two routes: first, to downgrade the system and relegate the commissioners to the performance of ministerial functions, transferring to the district judges the bulk of the duties now performed by commissioners; or second, to upgrade the commissioner in stature, qualifications and compensation, making him equal to the important judicial tasks that he currently must perform, and giving him important new functions in the administration of criminal justice.

We chose the latter course. We did this because we feel that it is unreasonable to expect the presently overworked district judges to discharge additional functions—such as deciding whether there is probable cause for a warrant to issue—with the kind of considered and unhurried judgment which such decisions require. We heard testimony that in the only district in which this experiment has been attempted the commissioner duties undertaken by the judges impinge substantially on the orderly conduct of the other business of the court. A decision to deprive a citizen of his liberty—even though it is temporary and subject to subsequent review—or a decision to permit the search of a citizen's home, deserves careful consideration by a judicial officer whose primary attention is not lodged elsewhere. We believe that as a practical matter a district judge cannot and should not be that judicial officer, and that such functions can best be performed by an officer who is part of an upgraded version of the U.S. commissioner system.

To take the other course, and to transfer the significant functions of the commissioners to district judges, would necessitate the creation of many additional judgeships. The Congress has created more than 70 additional district judgeships in the past 5 years to keep our district courts abreast of the ever-mounting caseload. I feel that to create still more judgeships, simply to absorb the duties now performed by commissioners, would be neither wise nor frugal. In addition, there is the very attractive possibility that an upgraded commissioner system could be given many of the troublesome and comparatively trivial tasks that now occupy the time of district judges, releasing the time of those judges for more important Federal business. We believe that it is sound judicial administration to establish a tier of competent, qualified judicial officers at a level below that of the district judge, and to use these officers to perform certain functions that do not require the attention of the district judge.

Our bill, therefore, is predicated on the fundamental assumption that the commissioner system should be upgraded, making it capable of discharging effectively the duties we presently call upon it to perform, and of undertaking new functions to relieve the district judges of some of their burden.

The first goal of the Magistrates Act is to establish a judicial officer who will have qualifications and a stature higher than those of the present U.S. commissioner. To achieve this goal, we have eliminated the present odious fee system, and replaced it with a sliding scale salary system based on the anticipated workload of each magistrate, under which the busiest U.S. magistrates may be paid as much as $22,500 per year. We have required that all magistrates and deputy magistrates be lawyers. We have increased the term of office from 4 to 8 years, and have provided that a magistrate can be removed only for cause. We have provided that the necessary expenses of magistrates in the exercise of their official duties will be paid by the Federal Government—something that is not the case today with regard to U.S. commissioners. We have established a preference for the appointment of full-time magistrates wherever the anticipated workload justifies such appointments, and have required that such full-time magistrates be given suitable office space in Federal buildings wherever possible. And finally, we have changed the name of the office to U.S. magistrate—or deputy U.S. magistrate in the case of part-time officers—in order to establish the judicial nature of the office and to make clear the departure from the old commissioner system. We believe that all these measures will enhance the status of the new magistrates and make them a respected component of the judicial system.

There is, however, one service performed by the old commissioner system that a network of full-time magistrates cannot replace. This is having available in remote areas of the country a Federal judicial officer before whom an arrested person can be brought promptly for presentment and the setting of bail. In addition, there may be some judicial districts in which the caseload does not justify the appointment of even one full-time magistrate. For these reasons, our bill, while establishing a preference for full-time positions where such are required, also creates the part-time office of deputy U.S. magistrate, at a salary ranging from $300 to $11,000 per year, depending on workload. These deputy magistrates, unlike the full-time U.S. magistrates, may practice law, with the exception of Federal criminal cases.

Under the present U.S. commissioner system, each district court may decide how many commissioners it wishes to appoint, and the compensation of the commissioners is of course on a fee basis according to the number of cases handled. With the establishment of a salary system of compensation under the Magistrates Act, it will become necessary to have some central control over the number, location and salaries of magistrates and deputy magistrates throughout the country. Under our bill, this central control is to be exercised by the Judicial Conference of the United States, which will decide how many magistrates there should be, whether they should be full or part time, at what locations they should serve, and what their salaries should be. The Judicial Conference will make these determinations on the basis of surveys to be conducted by the Director of the Administrative Office of the U.S. Courts, and recommendations from the district courts and the circuit judicial councils. This procedure is patterned after the procedure currently in effect for Federal referees in bankruptcy, which has worked extremely well.

The new magistrates system set up under our bill would take over all of the present functions of the U.S. commissioners; the issuance of search and arrest warrants; advising a prisoner of his rights and the charge against him, appointing counsel and setting bail at the initial presentment; conducting a preliminary hearing; trial of petty offenses committed on Federal reservations; and certain other minor, infrequently exercised functions. In addition, all full-time magistrates, as well as deputy magistrates specially designated for the purpose by the district court, will have the power to try a wider class of minor offenses: all misdemeanors, wherever committed, that carry a penalty not exceeding 1 year in prison or $1,000 in fines, or both.

Let me point out that we now have the rather ridiculous situation where a U.S. commissioner can try a petty offense when it is committed within the confines of a Federal reservation, but if it is not within the confines of a Federal reservation, it must be tried in the U.S. district court. When I was U.S. attorney for the District of Maryland, we took the valuable time of the district court every fall for a period of 2 months trying migratory bird treaty cases—cases in which a man might have taken one bird more than he should have, or might have thrown some corn around a duck blind. I submit that these minor offenses can and should be tried by U.S. magistrates.

We feel that the upgraded magistrates system, with its greater prestige and higher qualifications, is competent to deal with such minor offenses, and can thereby take a considerable load off the district courts. Of course, we retain the present provisions under which the magistrate has jurisdiction only if the defendant waives trial by the district court, and under which a convicted defendant may appeal to the district court. To facilitate such appeals in cases involving more than a petty offense, we have provided for proceedings before the magistrate to be transcribed by a court reporter or suitable sound recording equipment. In light of this wider minor offense jurisdiction, we also thought it wise to give the magistrate certain powers that a commissioner does not now have in the trial of petty offenses. These include the power to try a defendant as a youthful offender and the power to try a defendant as a juvenile delinquent.

Since full-time magistrates under the new system will be expected to spend all their time on their official duties, we felt it appropriate to allow the district court to assign them duties in addition to those the statute imposes upon them. We think that this provision has great potential for increasing the efficiency of the Federal courts, and that this potential will be realized if the district judges choose qualified people for magistrates' positions and use their services imaginatively. Our bill lists several additional functions, by way of suggestion rather than requirement, that might be assigned to magistrates. These include supervision of pretrial discovery proceedings in both civil and criminal cases, preliminary review of petitions for postconviction relief, and assignments to act as special masters in appropriate civil cases.

The subcommittee's hearings indicated that the proper role of the preliminary hearing is the aspect of the commissioner system about which confusion is greatest and the need for clear statutory standards most pressing. For this reason, we have attempted in our bill to establish uniform, rational practices with regard to preliminary hearings. This provision does not give the magistrate any functions that the commissioner does not now perform, but it clarifies the purpose and scope of the preliminary hearing.

Let me briefly review the present confused and inconsistent status of the preliminary hearing: Rule 5(c) of the Federal Rules of Criminal Procedure requires that a preliminary examination of the evidence—to determine whether there is probable cause to believe that a crime has been committed and that the accused has committed it—be held within "a reasonable time" after initial presentment of the accused, unless this right is waived by the accused. In practice, in some districts, this actually occurs, and preliminary hearings are routinely held within a week or so after presentment. In other districts, grand juries are in continuous session and are able to return indictments, mooting the preliminary hearings—in most cases within several days of the presentment. In still other districts, however, preliminary hearings are not held even though the grand jury backlog is such that the delay between presentment and indictment is a month or more. This is done in at least one important district by routinely granting continuances to the prosecution, often ex parte, without any opportunity for the defendant to object. In addition, in many districts the majority of defendants waive preliminary hearing, but they do so before they have an opportunity to consult retained or appointed counsel. Some commissioners have told us that it is virtually impossible to explain to an uncounseled defendant the nature and purpose of the preliminary hearing so that he may make an intelligent choice.

We think that this situation is highly unsatisfactory, and that congressional action is needed to clarify the purpose of the rule and establish a uniform procedure throughout the country. We feel that an individual's liberty should not be restrained for more than a minimum period of time in the absence of a judicial determination that his continued restraint is justified. This is particularly true when the individual is in actual custody without bail or for failure to make bail. But it is also true if the individual's liberty is restricted by bail or other conditions of release.

Our bill therefore sets outer limits within which a determination of probable cause must be made—either by a magistrate at a preliminary hearing, or by a grand jury through the indictment process. These outer limits are 10 days after presentment for anyone in actual custody, and 20 days after presentment for those released under bail or other conditions. No continuance beyond these limits may be granted without the defendant's consent. Let me emphasize that these are only outer limits, and that the bill reaffirms the requirement that the preliminary hearing be held within a reasonable time. In most cases a reasonable time may be well within the outer limits.

The bill further provides that if at the end of the 10-day or 20-day period there has been neither a preliminary hearing nor a grand jury indictment or information, the accused must be discharged from custody or from bail or any other condition of release. Finally, the bill requires that any waiver of preliminary hearing and any consent to a continuance of the hearing must be made after opportunity to consult counsel.

We anticipate that the effect of the preliminary hearing provision of our bill will be to increase the use of preliminary hearings in those districts in which the grand jury meets infrequently and in those districts in which the grand jury backlog is such that no action can be expected within a short time after arrest and presentment. It will also provide something of an incentive for prompt grand jury action, in that a prosecutor who wishes to avoid a preliminary hearing can do so only by getting his case to the grand jury quickly, knowing that he cannot obtain a continuance of the preliminary hearing beyond the 10- or 20-day limit. The ultimate result in our busy urban districts may be the virtual elimination of preliminary hearings, but only if the present grand jury delays are eliminated first.

At our hearings, there was a considerable amount of discussion of the preliminary hearing as a discovery device. Most witnesses concluded, however, that they would prefer that adequate discovery be provided by other means, and that the discovery question be treated separately from that of the preliminary hearing. We agree. The preliminary hearing is not well-suited for discovery for a number of reasons. First, under current doctrines it will always be possible to bypass the preliminary hearing—and therefore discovery—by proceeding rapidly to indictment after arrest, or by arresting the defendant only after an indictment has been returned, in which case the Rule 5 preliminary hearing process is not invoked at all. Second, it is possible to hold a preliminary hearing on only one of several charges, and later to indict and try the defendant on other charges. Third, the amount of discovery that a defendant receives in a preliminary hearing depends on the amount of proof the commissioner requires the Government to bring forward to establish probable cause; this may be quite a bit, or it may be very little, but in either event it need not be all the evidence within the possession of the Government that should be subject to discovery. Moreover, the preliminary hearing should be conducted promptly after arrest, but a discovery proceeding is probably more efficiently conducted at a later stage, closer to trial, after counsel has had an opportunity to reflect at leisure about the defense, and when the evidence against the accused is likely to be more complete.

We believe that discovery in criminal cases should stand on its own feet. It should not be inextricably entwined in the process of establishing probable cause, but should be designed to facilitate an exchange of information making the trial a more rational method of determining the truth. As such, discovery should be available to all defendants, including those whose arrest following indictment takes them out of the Rule 5 preliminary hearing process, and including those who for one reason or another do not get a preliminary hearing.

Therefore, we feel that discovery, apart from the preliminary hearing, should be handled in the Federal Rules of Criminal Procedure. A new Rule 16, which liberalizes somewhat criminal discovery procedures, will take effect on July 1. Some people feel that this new rule does not go far enough, particularly in that it does not cover statements of witnesses and does not contemplate the possibility of the taking of depositions. We hope that the Supreme Court and the Judicial Conference and its committees will carefully scrutinize the operation of the new Rule 16 and will give consideration to further liberalization of the criminal discovery procedures in the Federal courts, so that the Congress does not have to act. This is one area in which we have lagged behind a number of our more progressive State court systems.

Senator Scott and I believe that the Federal Magistrates Act, if enacted, can be a great boon to the effective operation of the Federal judicial system. Before introducing this bill, the subcommittee staff circulated a draft to almost one hundred people whose familiarity with the administration of Federal justice makes them eminently qualified to render expert advice. I am happy to report that their reaction to our basic approach was favorable. We will hold hearings on this bill on July 11, 12, and 13, and I hope that, with suitable amendments in the light of comments made at that time, this bill can be reported out of our Subcommittee before the end of the summer.

I ask unanimous consent that the bill lie at the desk for 10 days to permit additional Senators to join as cosponsors; and I further ask that the text of the bill be printed at this point in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record and held at the desk, as requested by the Senator from Maryland.

The bill (S. 3475) to abolish the office of U.S. Commissioner, to establish in place thereof within the judicial branch of the Government the offices of U.S. Magistrate and Deputy U.S. Magistrate, and for other purposes introduced by Mr. Tydings (for himself and Mr. Scott), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

S. 3475

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Magistrates Act."

TITLE I—UNITED STATES MAGISTRATES

Sec. 101. Chapter 43, title 28, United States Code, relating to United States Commissioners, is amended to read as follows:

"*Chapter 43.—United States Magistrates*

"Sec.

"631. Appointment and tenure.

"632. Character of service.

"633. Determination of number, locations and salaries of magistrates and deputy magistrates.

"634. Compensation.

"635. Expenses.

"636. Jurisdiction and powers.

"637. Seals.

"638. Dockets and forms; United States Code.

"639. Definitions.

"§ 631. Appointment and tenure.

"(a) The judges of each United States District Court shall appoint United States Magistrates, or Deputy United States Magistrates, or both, in such numbers and to serve at such locations within the judicial districts as the conference may determine under this chapter. Where there is more than one judge of a district court, the appointment, whether an original appointment or a reappointment, shall be by the concurrence of a majority of all the judges of such district court, and where there is no such concurrence, then by the chief judge.

"(b) No individual may be appointed or serve as a magistrate or deputy magistrate under this chapter unless:

"(1) He is a member in good standing of the bar of the highest court of the State in which he is to serve, or, in the case of an individual appointed to serve in any national park which extends into two or more States, a member in good standing of the bar of the highest court of one of those States;

"(2) He is determined by the appointing district court to be competent to perform the duties of the office;

"(3) In the case of an individual appointed to serve in a national park, he resides within the exterior boundaries of that park, or at some place reasonably adjacent thereto designated by the Secretary of the Interior with the approval of the appointing district court;

"(4) He is not related by blood or marriage to a judge of the appointing court; and

"(5) He holds no other civil or military office or employment under the United States; *Provided, however,* That, with the approval of the Director, a part-time referee in bankruptcy or a clerk or deputy clerk of a court of the United States may be appointed and serve as a Deputy United States Magistrate, but the conference may fix the aggregate amount of compensation to be received for performing the duties of deputy magistrate and clerk or deputy clerk; and *Provided further,* That retired officers and retired enlisted personnel of the Regular and Reserve components of the Army, Navy, Marine Corps, and Coast Guard, members of the Reserve components of the Army, Navy, Marine Corps, and Coast Guard, and members of the National Guard of the United States and of the National Guard of a State, Territory, or the District of Columbia, except the National Guard disbursing officers who are on a full time salary basis, may be appointed and serve as United States Magistrates and Deputy United States Magistrates.

"(c) The appointment of any individual to any office under this section shall be for a term of eight years. No individual may serve under any appointment under this chapter after attaining the age of seventy years.

"(d) Each individual appointed as a magistrate under this section shall take the oath or affirmation prescribed by section 453 of this title before performing the duties of his office.

"(e) Each appointment made under this section by any district court shall be entered of record in such court, and notice of such appointment shall be given at once by the clerk of that court to the Director.

"(f) Removal of a magistrate or deputy magistrate during the term for which he is appointed shall be only for incompetency, misconduct, neglect of duty, or physical or mental disability; or, in the case of a deputy magistrate, because the conference has determined that the services performed by his office are no longer needed. Removal shall be by the district court for the judicial district in which the magistrate or deputy magistrate serves; where there is more than one judge of a district court, removal shall be by a concurrence of a majority of all the judges of such district court, and where there is no such concurrence, then by the council. Before any order of removal shall be entered, except in the case of a deputy magistrate in which the cause for removal is that the conference has determined that the services performed by his office are no longer needed, a full specification of the charges shall be furnished to the magistrate or deputy magistrate, and he shall be accorded by the judge or judges of the removing court or council an opportunity to be heard on the charges.

"§ 632. Character of service.

"(a) United States Magistrates shall devote their full time to the performance of the duties of their offices. Such magistrates may not engage in the practice of law, and may not engage in any other business, occupation, or employment inconsistent with the expeditious, proper, and impartial performance of their duties as judicial officers.

"(b) Deputy United States Magistrates shall render such service as judicial officers as may from time to time be necessary. While so serving they may engage in the practice of law, subject to the restrictions of sections 201–209 of title 18, United States Code, as amended, but may not serve as counsel in any criminal action in any court of the United States. Within such restrictions, they may engage in any other business, occupation, or employment which is not inconsistent with the expeditious, proper, and impartial performance of their duties as judicial officers.

"§ 633. Determination of number, locations and salaries of magistrates and deputy magistrates.

"(a) Surveys by the Director.

"(1) The Director shall, within one year immediately following the date of the enactment of this Act, make a careful survey of conditions throughout the country to determine, (A) the number of appointments of magistrates and deputy magistrates required to be made under this chapter to provide for the expeditious and effective administration of justice, (B) the locations at which such officers shall serve, and (C) their respective salaries under section 634 of this title. Thereafter, the Director shall, from time to time, make such surveys, general or local, as the conference shall deem expedient.

"(2) In the course of any such surveys, the Director shall take into account local conditions, including the areas and the populations to be served, the transportation and communications facilities available, the previous amount and distribution of business of the type expected to arise before officers appointed under this chapter, and any other material factors. The Director shall give consideration to suggestions from any interested parties, including district judges, United States commissioners or officers appointed under this chapter, United States attorneys, bar associations, and other parties having relevant experience or information.

"(3) The surveys shall be made with a view toward creating and maintaining a system of full-time United States Magistrates. However, should the Director find, as a result of any such surveys, any area in which the employment of a full-time magistrate would not be feasible, he shall recommend the appointment of Deputy United States Magistrates in such numbers and at such locations as may be required to permit prompt and efficient issuance of process and to permit individuals charged with criminal offenses against the United States to be brought before a judicial officer of the United States promptly after arrest.

"(b) Determination by the conference.

"Upon the completion of the initial surveys required by subsection (a) of this section, the Director shall report to the district judges, the councils and the conference his recommendations concerning the number of magistrates and deputy magistrates, their respective locations, and the amount of their respective salaries under section 634 of this title. The district judges shall advise their respective councils, stating their recommendations and the reasons therefor; the councils shall advise the conference, stating their recommendations and the reasons therefor, and shall also report to the conference the recommendations of the district judges. The conference shall determine, in the light of the recommendations of the Director, the district judges and the councils, the number of United States Magistrates and Deputy United States Magistrates, the locations at which they shall serve, and their respective salaries. Such determinations shall take effect in each judicial district at such time as the district court for such judicial district shall determine, but in no event later than one year after they are promulgated.

"(c) Changes in number, locations and salaries.

"Except as otherwise provided in this chapter, the conference may, from time to time, in the light of the recommendations of the Director, the district judges and the councils, change the number, locations and salaries of magistrates and deputy magistrates, as the expeditious administration of justice may require. Such determinations shall take effect sixty days after they are promulgated.

"§ 634 Compensation.

"(a) Officers appointed under this chapter shall receive as full compensation for their services salaries to be fixed by the conference pursuant to section 633 of this title, at rates not more than $22,500 per annum for United States Magistrates, and not more than $11,000 per annum nor less than $300 per annum for Deputy United States Magistrates. In fixing the amount of salary to be paid to any officer appointed under this chapter, consideration shall be given to the average number and the nature of matters that have arisen during the immediately preceding period of five years, and that may be expected thereafter to arise, over which such officer would have jurisdiction, and to such other factors as may be material. Disbursement of salaries shall be made monthly by or pursuant to the order of the Director.

"(b) The salary of a United States Magistrate shall not be reduced, during the term in which he is serving, below the salary fixed for him at the beginning of that term.

"(c) All United States Magistrates and Deputy United States Magistrates, and employees in the offices of full-time United States Magistrates, shall be deemed to be officers and employees in the judicial branch of the United States Government within the meaning of the Civil Service Retirement Act.

"§ 635 Expenses.

"(a) Full-time United States Magistrates serving under this chapter shall be allowed their actual and necessary expenses incurred in the performance of their duties, including the compensation of necessary clerical and secretarial assistance. Such expenses and compensation shall be determined and paid by the Director under such regulations as the Director shall prescribe with the approval of the conference. To the extent feasible, such magistrates shall be furnished necessary office space, furniture and facilities within United States court houses or office buildings owned or occupied by departments or agencies of the United States. Should the Director determine that suitable office space for any such magistrate is not available within any such court house or office building, the Director shall procure and pay for suitable office space for such magistrate in another building.

"(b) Under such regulations as the Director shall prescribe with the approval of the conference, deputy United States magistrates serving under this chapter shall be entitled to receive from appropriated funds reimbursement for actual expenses necessarily incurred by them in the performance of their duties under this chapter. Such reimbursement may be made, at rates not exceeding those prescribed by such regulations, for expenses incurred by such deputy magistrates for clerical and secretarial assistance, stationery, telephone and other communications services, travel, and such other expenses as may be determined to be necessary for the proper performance of the duties of such officers: *Provided, however,* That no reimbursement shall be made for all or any portion of the expense incurred by such deputy magistrates for the procurement of office space.

"§ 636. Jurisdiction and powers.

"(a) Each United States magistrate and each deputy United States magistrate serving under this chapter shall have within the territorial jurisdiction prescribed by his appointment—

"(1) all powers and duties conferred or imposed upon United States commissioners by law or by the Rules of Criminal Procedure for the United States District Courts;

"(2) the power to administer oaths and take bail, acknowledgments, affidavits, and depositions;

"(3) the power to conduct trials under section 3401, title 18, United States Code, in conformity with and subject to the limitations of that section; and

"(4) such additional powers and duties as may be conferred or imposed upon such magistrate or deputy magistrate by any provision of law enacted on or after the date of enactment of the Federal Magistrates Act, or by any provision of the Rules of Criminal Procedure for the United States District Courts effective on or after that date.

"(b) Any district court of the United States may assign to any United States magistrate appointed by that court the discharge within the territorial jurisdiction prescribed by his appointment of such additional powers or duties as are not inconsistent with the Constitution and laws of the United States. Such additional powers and duties may include, but are not restricted to:

"(1) service as a special master in an appropriate civil action;

"(2) supervision of the conduct of any pretrial discovery proceeding in a civil or criminal action; and

"(3) preliminary consideration of applications for posttrial relief made by individuals convicted of criminal offenses.

"(c) The practice and procedure for the trial of cases before officers serving under this chapter, and for the taking and hearing of appeals to the district courts, shall conform to rules promulgated by the Supreme Court pursuant to section 3402 of title 18.

"(d) A magistrate or deputy magistrate may punish as contempt of court any of the following acts committed in his presence: (1) disobedience or resistance to any lawful order, process, or writ; (2) misbehavior at a hearing or other proceeding, or so near the place thereof as to obstruct the same; (3) failure to produce, after having been ordered to do so, any pertinent document; or (4) refusal to appear after having been subpenaed, or, upon appearing, refusal to take the oath as a witness, or, having taken the oath, refusal to be examined according to law.

"§ 637. Seals.

"The Director of the Administrative Office of the United States Courts shall furnish to each United States Magistrate and to each Deputy United States Magistrate appointed under this chapter an official impression seal in a form prescribed by the Director. Each such officer shall affix his seal to every jurat or certificate of his official acts without fee.

"§ 638. Dockets and forms; United States Code.

"(a) The Director shall furnish to United States Magistrates and to Deputy United States Magistrates adequate docket books and forms prescribed by the Director. The Director shall also furnish to each such officer a copy of the current edition of the United States Code.

"(b) All property furnished to any such officer shall remain the property of the United States and, upon the termination of his term of office, shall be transmitted to his successor in office or otherwise disposed of as the Director orders.

"§ 639. Definitions.

"As used in this chapter,

"(1) 'Conference' shall mean the Judicial Conference of the United States;

"(2) 'Council' shall mean the Judicial Council of the Circuit;

"(3) 'Deputy magistrate' shall mean a Deputy United States Magistrate;

"(4) 'Director' shall mean the Director of the Administrative Office of the United States Courts;

"(5) 'Magistrate' shall mean a United States Magistrate; and

"(6) 'State' shall mean any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, and any possession of the United States included within a judicial circuit of the United States."

SEC. 102. (a) The item relating to United States Commissioners contained in the chapter analysis of part III, title 28, United States Code, is amended to read as follows: "43. United States Magistrates and Deputy United States Magistrates—631."

(b) The item relating to United States Commissioners contained in the part and chapter analysis immediately following the title caption of title 28, United States Code, is amended to read as follows:

"43. United States Magistrates and Deputy United States Magistrates—631."

TITLE II—ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SEC. 201. (a) Paragraph (9) of subsection (a) of section 604, title 28, United States Code, is amended by striking out the words "United States Commissioners," and inserting in lieu thereof the words "United States Magistrates and Deputy United States Magistrates."

(b) Section 604, title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Director, under the supervision and direction of the conference, shall:

"(1) supervise all administrative matters relating to the offices of United States Magistrates and Deputy United States Magistrates;

"(2) gather, compile, and evaluate all statistical and other information required for the performance of his duties and the duties of the conference with respect to such officers;

"(3) lay before Congress annually statistical tables and other information which will accurately reflect the business which has come before the various United States Magistrates and Deputy United States Magistrates;

"(4) prepare and distribute a manual, with annual supplements and periodic revisions, for the use of such officers, which shall set forth their powers and duties, describe all categories of proceedings which may arise before them, and contain such other information as may be required to enable them to discharge their powers and duties promptly, effectively, and impartially; and

"(5) supervise the conduct of periodic training programs and seminars for United States Magistrates and Deputy United States Magistrates, including an introductory training program for new magistrates and deputy magistrates, to be held within one year after their initial appointment.

"(e) The Director shall establish within the Administrative Office of the United States Courts a division which, under his direction, shall be charged with the performance of all duties imposed upon the Director with respect to the appointment, service, compensation, expenses, and facilities of United States Magistrates and Deputy United States Magistrates. The Director, with the approval of the conference, may promulgate appropriate rules and regulations, not inconsistent with any provision of law, to assist him in the performance of the duties conferred upon him by subsection (d) of this section. Magistrates and deputy magistrates shall keep such records and make such reports as are specified in such rules and regulations."

TITLE III—AMENDMENTS TO TITLE 18, UNITED STATES CODE

Technical Amendments

SEC. 301. (a) Except as otherwise specifically provided by this title, Part II, title 18, United States Code (relating to criminal procedure) is amended by:

(1) striking out the words "United States commissioner" wherever they appear therein, and inserting in lieu thereof the words "United States Magistrate or Deputy United States Magistrate";

(2) striking out the words "United States commissioners" wherever they appear therein, and inserting in lieu thereof the words "United States Magistrates and Deputy United States Magistrates";

(3) striking out the word "commissioner" wherever it appears in relation to a United States commissioner, and inserting in lieu thereof the words "magistrate or deputy magistrate"; and

(4) striking out the word "commissioners", wherever it appears in relation to United States commissioners, and inserting in lieu thereof the words "magistrates and deputy magistrates."

(b) Section 202(a) of title 18, United States Code, is amended by striking out the words "or a part-time United States Commissioner," and inserting in lieu thereof the words "a part-time United States Commissioner, or a Deputy United States Magistrate."

(c) The chapter caption of chapter 219, Part II, title 18, United States Code, is amended to read as follows:

"Chapter 219—Trial by United States Magistrates and Deputy United States Magistrates."

Trial by Magistrates

SEC. 302. (a) Section 3401, title 18, United States Code, is amended to read as follows:

"§ 3401. Minor offenses; application of probation laws.

"(a) Any United States Magistrate, and any Deputy United States Magistrate specially designated for that purpose by the court by which he was appointed, has jurisdiction to try and sentence persons committing minor offenses within the judicial district for which such officer was appointed.

"(b) Any person charged with a minor offense may elect, however, to be tried in the district court of the United States. The magistrate or deputy magistrate shall carefully explain to the defendant his right to make such election, and shall not proceed to try the case unless the defendant, after such explanation, signs a written consent to be tried before the magistrate or deputy magistrate.

"(c) With the approval of the district court, the magistrate or deputy magistrate may request the probation service of the court to make a presentence investigation and report to the magistrate or deputy magistrate before the imposition of sentence upon or the granting of probation to persons tried by a magistrate or deputy magistrate under this section. The report shall not be submitted to the magistrate or deputy magistrate or its contents disclosed to anyone unless the defendant has pleaded guilty or has been found guilty.

"(d) The probation laws shall be applicable to persons tried by a magistrate or deputy magistrate under this section, and such officer shall have power to grant probation and to revoke the probation of any person granted probation by him.

"(e) A United States Magistrate or Deputy United States Magistrate shall have the power to sentence persons tried under this section as youth offenders under section 5010 of this title. The provisions of chapter 402 of this title shall apply to persons sentenced by a United States Magistrate or Deputy United States Magistrate as youth offenders.

"(f) A United States Magistrate or Deputy United States Magistrate may try persons charged with minor offenses as juvenile delinquents under section 5033 of this title. The provisions of chapter 403 of this title shall apply to persons tried as juvenile delinquents by a United States Magistrate or Deputy United States Magistrate.

"(g) Except in cases of petty offenses as defined in section 1(3) of this title, proceedings before United States Magistrates and Deputy United States Magistrates under this section shall be transcribed by a court reporter or suitable sound recording equipment. A copy of the record of such proceedings shall be made available to an indigent defendant at no expense to him for purposes of appeal.

"(h) As used in this section, the term 'minor offenses' means misdemeanors punishable under the laws of the United States, the penalty for which does not exceed imprisonment for a period of one year, or a fine of not more than $1,000, or both.

"(i) This section shall not apply to the District of Columbia, nor shall it repeal or limit existing jurisdiction, power or authority of magistrates or deputy magistrates appointed in the several national parks."

(b) The item relating to section 3401, title 18, United States Code, contained in the chapter analysis of chapter 219, title 18, United States Code, is amended to read as follows:

"3401. Minor offenses; application of probation laws."

Preliminary Examination

SEC. 303. (a) Section 3060, title 18, United States Code, is amended to read as follows:

"§ 3060. Preliminary examination.

"(a) Except as otherwise provided by this section, unless an arrested person brought before a United States Magistrate or Deputy United States Magistrate for initial presentment waives a preliminary examination of the evidence after opportunity to consult counsel, such preliminary examination shall be held within the time set by the magistrate or deputy magistrate pursuant to subsection (b) of this section, to determine whether there is probable cause to believe that an offense has been committed and that the arrested person has committed it.

"(b) The date for the preliminary examination shall be fixed by the magistrate or deputy magistrate at the initial presentment of the arrested person. Except as provided by subsection (c) of this section, such examination shall be held within a reasonable time following initial presentment, but in any event not later than—

"(1) the tenth day following the date of the initial presentment of the arrested person before such officer, if the arrested person is ordered to be held in custody without bail, to remain in custody for failure to furnish bail, or to be released from custody only during specified hours of the day; or

"(2) the twentieth day following the date of the initial presentment, if the arrested person is released from custody under any condition other than a condition described in paragraph (1) of this subsection.

"(c) With the consent of the arrested person after opportunity to consult counsel, the date fixed by the magistrate or deputy magistrate for the preliminary examination may be a date later than that prescribed by subsection (b), or may be continued one or more times to a date subsequent to the date initially fixed therefor.

"(d) Except as provided by subsection (e) of this section, an arrested person who has not been accorded the preliminary examination required by subsection (a) within the period of time fixed by the magistrate or deputy magistrate in compliance with subsections (b) and (c), shall be discharged from custody or from the requirement of bail or any other condition of release, without prejudice, however, to the institution of further criminal proceedings against him upon the charge upon which he was arrested.

"(e) No preliminary examination in compliance with subsection (a) of this section shall be required to be accorded an arrested person, nor shall such arrested person be discharged from custody or from the requirement of bail or any other condition of release pursuant to subsection (d), if at any time subsequent to the initial presentment of such person before a magistrate or deputy magistrate and prior to the date fixed for the preliminary examination pursuant to subsections (b) and (c) an indictment is returned or, in appropriate cases, an information is filed against such person in a court of the United States.

"(f) Proceedings before United States Magistrates and Deputy United States Magistrates under this section shall be transcribed by a court reporter or suitable sound recording equipment. A copy of the record of such proceeding shall be made available to an indigent defendant at no expense to him."

(b) The item relating to section 3060 contained in the section analysis of chapter 203, title 18, United States Code, is amended to read as follows:

"3060. Preliminary examination."

TITLE IV—TRANSITIONAL PROVISIONS

Appointment of Magistrates

SEC. 401. (a) No individual may serve as a United States commissioner within any judicial district after the date on which a United States Magistrate or Deputy United States Magistrate has been appointed by the district court for such judicial district.

(b) An individual serving as a United States commissioner within any judicial district on the date of enactment of this Act may be appointed to the office of United States Magistrate or Deputy United States Magistrate for an initial term pursuant to Section 631 of chapter 43, title 28, United States Code, as amended by this Act, and may thereafter be reappointed to such office for successive terms, notwithstanding his failure to qualify for such appointment under paragraphs (1) and (4) of subsection (b) of Section 631 of chapter 43, title 28, United States Code, as amended by this Act; *Provided, however,* That any such appointment or reappointment must be by unanimous vote of all the judges of the appointing district court.

Applicable Law

SEC. 402. (a) All provisions of law relating to the powers, duties, jurisdiction, functions, service, compensation, and facilities of United States commissioners, as such provisions existed on the day preceding the date of enactment of this Act, shall continue in effect in each judicial district until but not on or after (1) the date on which the first United States Magistrate or Deputy United States Magistrate is appointed to serve within such judicial district pursuant to section 631 of chapter 43, title 28, United States Code, as amended by this Act, or (2) the third anniversary of the date of enactment of this Act, whichever date is earlier.

(b) On and after the date on which the first United States Magistrate or Deputy United States Magistrate is appointed within any judicial district pursuant to section 631 of chapter 43, title 28, United States Code, as amended by this Act, or the third anniversary of the date of enactment of this Act, whichever date is earlier—

(1) the provisions of chapter 43, title 28, United States Code, as amended by this Act, shall be effective within such judicial district except as otherwise specifically provided by section 401(b) of this title; and

(2) within such judicial district every reference to a United States commissioner contained in any previously enacted statute of the United States, any previously promulgated rule of any court of the United States, or any previously promulgated regulation of any executive department or agency of the United States, shall be deemed to be a reference to a United States Magistrate or a Deputy United States Magistrate duly appointed under section 631 of chapter 43, title 28, United States Code, as amended by this Act.

(c) The administrative powers and duties of the Director of the Administrative Office of the United States Courts with respect to United States commissioners under the provisions of chapter 41, title 28, United States Code, as such provisions existed on the day preceding the date of enactment of this Act, shall continue in effect until no United States commissioner remains in service.

Effective Date

SEC. 403. Except as otherwise provided by sections 401 and 402 of this title, this Act shall take effect on the date of its enactment.

ADJOURNMENT

Mr. TYDINGS. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 41 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, June 8, 1966, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 7, 1966:

U.S. ATTORNEYS

Ernest Morgan, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years. (Reappointment.)

William W. Justice, of Texas, to be U.S. attorney for the eastern district of Texas for the term of 4 years. (Reappointment.)

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 7, 1966

The House met at 12 o'clock noon.

The Chaplain, Dr. Edward G. Latch, D.D., offered the following prayer:

Beloved, let us love one another; for love is of God; and he who loves is born of God, and knows God.—I John 4: 7.

Almighty Father, Ruler of the universe and the Redeemer of men, we praise Thee for the life Thou hast given us, for the beauty of the world in which we live, for the truth by which men live, and for the love which binds us together. Open our eyes that we may see the beauty about us, open our ears that we may hear the appeal of truth, and open our hearts that we may receive the ministry of Thy love.

Remove from within us all bitterness, all resentment, all ill will and fill us anew with the spirit of joy and peace and love. In spite of differences may we be of one mind, possessed by one spirit, motivated by one power—to serve our country with all our hearts, to keep our faith in Thee, and to work for the good of our fellow man: In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

SHOOTING OF JAMES MEREDITH

Mr. FARBSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, like every other good American, I was shocked and appalled to learn of the shooting of James Meredith, yesterday. It is ironic, but significant, that Meredith was engaged in his walk to show Mississippi Negroes that they must not be afraid to assert their dignity as equal citizens.

The shooting demonstrates that there is still an element, a cruel and ignorant element, that insists upon retaining for itself the prerogatives of racial supremacy.

I, for one, am on Meredith's side and will assert that this element is doomed to defeat.

I say that the sooner it recognizes that America means equality for all men, then the sooner we will live in peace and get on with our proper affairs.

The Meredith shooting must alert us to the fact that we cannot relax—here in Washington or anywhere in America, North or South—until genuine equality has been achieved.

This crime must not go unpunished. The forces of law and order must converge in this instance so there is no miscarriage of justice.

The protest of this Nation must be made effective.

TRIBUTE TO THE HONORABLE EDWIN E. WILLIS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, ED WILLIS, the distinguished gentleman from Louisiana, is back with us again, and I rejoice.

As chairman of the Judiciary Committee, I indeed missed his wisdom and his counsel. As a friend, I missed his companionship.

We had to "make do" without ED WILLIS. It was only "make do."

We know that ED has been through a great ordeal. We thank providence that he is back with us to share with us again those qualities of mind and heart we sorely missed during his absence.

There are none among us who do not feel a bit more fortified because ED WILLIS is back. I just had to say these few words to let you know, good ED, how much you mean to me, how much you mean to the Committee on the Judiciary, how much you mean to so many of your friends in this Congress, and how much you mean to the country.

COMMITTEE ON PUBLIC WORKS

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on the Federal Aid Highway Program and the Subcommittee on Roads of the Committee on Public Works be permitted to sit during general debate this afternoon and during the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a certain privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HELSTOSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, yesterday afternoon there were two record votes taken on two bills which were considered under the suspension of the rules. One was on H.R. 14643, the International Education Act of 1966, and the other was on H.R. 10, the self-employed individual's tax retirement amendments.

Circumstances required that I remain in the district yesterday and thus I was unable to cast my vote on these two measures.

If I had been present, I would have voted for both of these bills as I am wholeheartedly in favor of both measures.

GEORGETOWN UNIVERSITY CONFERS HONOR ON EDITH GREEN

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, Monday, June 6, was a memorable day, and I am happy that I was at the 167th annual commencement of Georgetown University when that great and ancient institution of learning conferred its highest honor on one of the outstanding Members of this body, one of the grandest ladies in the public affairs of our Nation, the Honorable EDITH GREEN.

I had gone to be present when my granddaughter, Vicki Louise O'Hara, graduate of Sorbonne in Paris, received her master of science degree from Georgetown, a glad moment for me, and due to this circumstance I was there when a great honor was bestowed upon the gentlewoman from Oregon and a law degree was given the son of my friend, Adm. Bartholomew Hogan, with whom I had toured Africa when he was Surgeon General of the Navy.

Mr. Speaker, under unanimous consent to extend my remarks at this point, I include the following citation:

> The President and Directors of Georgetown College, to all who shall view this document: greetings and peace in the Lord.
>
> From the enshrined wisdom of the ancients we have inherited the norm of an ideal legislator, and the touchstone of good government: "The people's welfare is the preeminent concern of law."
>
> Georgetown University today proudly and gratefully honors a Member of the Congress, who in a distinguished career of public service over six successive terms, has splendidly illustrated this ideal. Matters of public record, and of just personal pride, are the many salutary measures she has introduced, or actively and successfully supported, in the cause of civic and national welfare: Bills, to name but a few, for the advancement and support of higher education; for the enhancement of labor's stature, in justice and in dignity; for liberalized aid to the handicapped, the needy aged and ailing; for the prevention of crime, juvenile and adult, and the rehabilitation of convicted lawbreakers; for more generous immigration laws, and procedures. She was cosponsor of the legislation that added two bright new stars to our flag. The dignity and distinction with which she has represented her country in international affairs—in NATO, UNESCO, and other world conferences, have brought honor to her, to her native State of Oregon, and to all her fellow American citizens.
>
> Many and well deserved honors have come to her from her own Party, from religious, civic, and academic institutions. To these Georgetown happily adds her highest token of deep respect and warm admiration, nominating and proclaiming the Honorable EDITH GREEN, M.C. Doctor of Laws, honoris causa.
>
> In lasting witness thereof, this formal testament has been issued, under our hand and seal, from Georgetown, in the District of Columbia, this sixth day of June, nineteen hundred and sixty-six.
>
> THOMAS R. FITZGERALD, S.J.,
> *Secretary.*
> GERALD J. CAMPBELL, S.J.,
> *President.*

TRIBUTE TO THE HONORABLE EDWIN WILLIS

Mr. CORMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CORMAN. Mr. Speaker, it is a privilege to join in a very warm "welcome back" to our distinguished colleague from Louisiana, ED WILLIS. It has been my good fortune to work with ED on the Judiciary Committee. His competence as a fine lawyer, his leadership, and his great capacity for work, have set an inspiring example to all of us. I look forward to his continued good health and service for many years to come.

Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RODINO. Mr. Speaker, I wish to join my colleagues in welcoming back to the House after his wonderful recovery from a most serious illness our highly respected and esteemed colleague from Louisiana, Mr. WILLIS. He has always been a source of strength and inspiration to us all, and I know that his family, many friends, and constituents are overjoyed to see him once again in our midst doing the fine job for which he is justly famous.

I have had the honor of working closely with Chairman WILLIS on the State Taxation of Interstate Commerce Special Subcommittee of the Judiciary Committee. We have completed our current hearings and now under the always very able leadership and guidance of our chairman I know that we are all set to move into high gear.

I extend my warmest congratulations to Congressman WILLIS and his family on his return, and best wishes for many more years of service to the Congress and the Nation.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS. Mr. Speaker, I want to welcome back our distinguished colleague from Louisiana, ED WILLIS. This body is very fortunate to have the benefit of his keen legal mind which blends admirably with his warmhearted tolerance and understanding of people, their problems and needs. I couple this welcome with the sincere hope that we, his district, the State of Louisiana, and our Nation may be blessed with his presence for many years to come.

TO PERMIT THE PLANTING OF ALTERNATE CROPS

Mr. JONES of Missouri submitted the following conference report and statement on the bill (H.R. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1611)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
PAUL C. JONES,
PAUL B. DAGUE,
PAGE BELCHER,
CHARLES M. TEAGUE,
Managers on the Part of the House.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
JAMES O. EASTLAND,
HERMAN E. TALMADGE,
GEORGE D. AIKEN,
MILTON R. YOUNG,
JOHN SHERMAN COOPER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 15151, to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate added an amendment to the House bill limiting payments under "this Act" to $10,000. From the Senate debate, it was obvious that the author of the amendment intended that it should apply only to the authority embodied in H.R. 15151. However, the General Counsel of the Department of Agriculture interpreted the language to apply to the whole cotton program, and in such a manner as to destroy the one-price cotton law which was enacted last year.

In view of this situation, the Senate receded from its amendment. The bill, as agreed to by the conferees, is the same as the bill which passed the House.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
PAUL C. JONES,
PAUL B. DAGUE,
PAGE BELCHER,
CHARLES M. TEAGUE,
Managers on the Part of the House.

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, I would like to ask the distinguished gentleman from Missouri, is this the conference report—and I believe it is—about which the distinguished gentleman from Pennsylvania [Mr. DAGUE] called me and indicated it was unanimous and he had no objection to its consideration?

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. It is that report, sir. Also I might say it is a unanimous conference report, signed by all the conferees on the part of the House and on the part of the other body.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

Mr. JONES of Missouri. The other body has receded from its amendment. The bill is in exactly the same form as it left the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the conference report.

Mr. JONES of Missouri. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day.

The Clerk will call the first individual bill on the Private Calendar.

WON LOY JUNG

The Clerk called the bill (H.R. 1822) for the relief of Won Loy Jung.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McEWEN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

VICTOR O. McNABB

The Clerk called the bill (H.R. 1256) for the relief of Victor O. McNabb.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS and Mr. McEWEN objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

KATHERINE NABOKOFF AND OTHERS

The Clerk called the bill (H.R. 10846) for the relief of Katherine Nabokoff, and others.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HUBERT J. KUPPER

The Clerk called the bill (H.R. 11251) for the relief of Hubert J. Kupper.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

BRYAN GEORGE SIMPSON

The Clerk called the bill (H.R. 4437) for the relief of Bryan George Simpson.

There being no objection, the Clerk read the bill, as follows:

H.R. 4437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Bryan George Simpson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN CIVILIAN EMPLOYEES AND FORMER CIVILIAN EMPLOYEES OF THE BUREAU OF RECLAMATION AT THE COLUMBIA BASIN PROJECT, WASHINGTON

The Clerk called the bill (S. 2307) for the relief of certain civilian employees and former civilian employees of the Bureau of Reclamation at the Columbia Basin project, Washington.

There being no objection, the Clerk read the bill, as follows:

S. 2307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) each of the following employees, former employees, and estates of deceased employees of the Bureau of Reclamation at the Columbia Basin Project, Washington, who received the overpayment of compensation listed opposite his name for the period from July 16, 1951, through April 24, 1965, inclusive, or any portion or portions of such period, which overpayment resulted from administrative error, is hereby relieved of all liability to refund to the United States the amount of such overpayment:

Columbia Basin Project, Washington

Name	*Overpayment*
Adams, Harley G	$35.84
Atlee, William E	2,090.46
Avey, Clifford W	19.20
Baumann, Florence I	4.00
Bean, Jerome H	112.53
Bishop, Fae C	3.27
Carpenter, Doris N	180.89
Carter, Helen L	508.72
Click, Oliver L	18.40
Cole, Charles B., Jr	28.00
Culp, Mary A	8.00
Dennis, William E	12.63
Deurbrouck, Robert L	7.20
Dixon, Lloyd E	1,518.56
Drittenbass, Florence A	4.00
Dull, Leah K	4.00
Eaton, Joseph L	690.10
Edyvean, Frances G	487.40
Ernest, John L	680.12
Farwell, Ruth	102.65
Fees, John N	125.01
Ferguson, Roy	19.73
Fretwell, Lloyd G	120.00
Gardner, Ray R	5.60
Gardner, Roy A	5.60
German, Gilbert A	705.60
Gilbert, Forrest J	41.60
Gimlin, Dorothy F	296.87
Greenwood, Walter P	1,201.29
Guffey, Clifford W	24.96
Hay, Bill N	67.20
Howe, Oran J	25.84
Indreland, Rasmus E	6.40
Kammeyer, Walter R	1,448.00
Kidston, George W	134.40
King, Everett L	41.60
Long, Cecil I	218.40
Mackey, Robert W	6.40
Mowery, Orville A	583.38
Myers, Esther G	129.80
Neilson, Vernal J	250.48
O'Brien, Harvey P	237.44
Oliver, Floyd E	19.20
Osborn, Betty F	8.00
Parker, Margie E	944.92
Paul, Edward T	284.80
Pearl, Dean D	20.00
Pontsler, Dean S	654.40
Pryor, Rick L	8.00
Robbins, Esther	330.27
Rohwein, Theodore P	6.40
Romary, Charles E	34.48
Rorvik, Joseph	481.91
Rose, Anthony	1,094.65
Roudebush, Charles D	26.80
Schmidt, Alfred	4.00
Shay, Harold	798.19
Sheck, Ethel P	$39.20
Smith, Russell D	11.20
Spencer, Jesse L	88.48
Stevens, Bob J	25.28
Straalsund, George H	908.80
Tellinghuisen, John W	610.38
White, Doris N	8.80
Williams, Glenn D	13.28
Winn, Charles L	5.60

Each such employee or former employee who has at any time made any repayment to the United States on account of any such overpayments made to him (or, in the event of his death, the person who would be entitled thereto under the first section of the Act of August 3, 1950 (5 U.S.C. 61f)), shall be entitled to have an amount equal to all such repayments made by him refunded if application is made to the project manager, Columbia Basin project, within two years after the date of enactment of this Act.

(b) For purposes of the Civil Service Retirement Act and the Federal Employees' Group Life Insurance Act of 1954, each overpayment for which liability is relieved by subsection (a) of this section shall be deemed to have been a valid payment.

SEC. 2. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States full credit shall be given for any amounts for which liability is relieved by the first section of this Act.

With the following committee amendments:

Page 1, lines 4 and 5, strike the words "the Bureau of Reclamation at the Columbia Basin project, Washington," and insert the words "Region 1 of the Bureau of Reclamation".

Page 1, lines 7 and 8, strike the words "July 16, 1951, through April 24, 1965," and insert the words "August 6, 1950, through December 4, 1965,".

Page 2, insert before the list of name that now appears in the bill the heading "Columbia Basin Project, Washington".

Page 2, change the amount following the name "Atlee, William E." from "$2,090.46" to "$2,093.46".

Page 2, change the amount following the name "Dixon, Lloyd E." from "$1,518.56" to "$1,521.56".

Page 2, change the amount following the name "Eaton, Joseph L." from "$690.10" to "$693.58".

Page 2, change the amount following the name "Edyvean, Frances G." from "$487.40" to "$491.60".

Page 2, change the amount following the name "Ernest, John L." from "$680.12" to "$683.57".

Page 2, change the amount following the name "Mowery, Orville A." from "$583.38" to "$586.50".

Page 3, change the amount following the name "Robbins, Esther" from "$330.27" to "$334.47".

Page 3, change the amount following the name "Shay, Harold" from "$798.19" to "$801.55".

Page 3, change the amount following the name "Tellinghuisen, John W." from $610.38" to "$620.28".

Page 3, immediately after the list as it now appears in the bill, insert the following:

"REGIONAL OFFICE, BOISE, IDAHO

Bushnell, Vernon C	$389.69
Kern, Wilson S	.96
Leslie, Bernice	12.50
Wersen, Harold E	8.09
Walters, Raymond A	808.16

CENTRAL SNAKE PROJECTS OFFICE, BOISE, IDAHO

Siebert, Vernon E	5.60
Marshall, Claude H	8.41

MINIDOKA PROJECT OFFICE, RUPERT, IDAHO

Arent, Huward C	$99.16
Craven, Junior P	24.80
Finley, Charles R	189.65
Pearson, Leroy A	63.32
Stefan, Edward A	290.19

UPPER COLUMBIA DEVELOPMENT OFFICE, SPOKANE, WASHINGTON

Ehmer, George L	60.00

SNAKE RIVER DEVELOPMENT OFFICE, BOISE, IDAHO

Magleby, Dan N	974.96

BAKER PROJECT OFFICE, BAKER, OREG.

Olson, Sidney E	326.40

THE DALLES PROJECT OFFICE, THE DALLES, OREGON

Nichols, Earle B	249.60
Skinner, Lois R	67.20

M'KAY FIELD STATION, PENDLETON, OREGON

Venable, John S	879.20

CHIEF JOSEPH DAM PROJECT OFFICE, OROVILLE, WASHINGTON

Heldenbrand, Warren D	282.56

SPOKANE VALLEY PROJECT OFFICE, SPOKANE, WASHINGTON

Criswell, Albert O	409.08
Powell, Leo M	1,511.28
Herrboldt, Calvin R	647.86

YAKIMA PROJECT OFFICE, YAKIMA, WASHINGTON

Hewitt, Glenn M	22.88
Jacobson, Arthur G	118.80"

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act for the relief of certain civilian employees and former civilian employees of Region 1 of the Bureau of Reclamation."

A motion to reconsider was laid on the table.

PEDRO IRIZARRY GUIDO

The Clerk called the bill (H.R. 2914) for the relief of Pedro Irizarry Guido.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RENE HUGO HEIMANN

The Clerk called the bill (H.R. 1336) for the relief of Rene Hugo Heimann.

Mr. McEWEN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEONARDO RUSSO

The Clerk called the bill (H.R. 1407) for the relief of Leonardo Russo.

There being no objection, the Clerk read the bill, as follows:

H.R. 1407

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, notwithstanding the provision of section 212(a) (9) of the Immigration and Nationality Act, Leonardo Russo may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOURDES S. (DELOTAVO) MATZKE

The Clerk called the bill (H.R. 3078) for the relief of Lourdes S. (Delotavo) Matzke.

There being no objection, the Clerk read the bill, as follows:

H.R. 3078

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Lourdes S. (Delotavo) Matzke shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That for the purposes of sections 203(a) (1) and 204 of the Immigration and Nationality Act, Lourdes S. (Delotavo) Matzke shall be held and considered to be the natural-born alien daughter of Dr. and Mrs. Howard Matzke, citizens of the United States: *Provided,* That the natural mother of the beneficiary shall not by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMANUEL G. TOPAKAS

The Clerk called the bill (H.R. 3233) for the relief of Emanuel G. Topakas.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING THE HONORABLE EUGENE J. KEOGH OF NEW YORK TO ACCEPT THE AWARD OF THE ORDER OF ISABELLA THE CATHOLIC

The Clerk called the bill (H.R. 11227) to authorize the Honorable Eugene J. Keogh, of New York, a Member of the House of Representatives, to accept the award of the Order of Isabella the Catholic.

There being no objection, the Clerk read the bill, as follows:

H.R. 11227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Honorable Eugene J. Keogh, of New York, a Member of the House of Representatives, is authorized to accept the award of the Order of Isabella the Catholic tendered by the Government of Spain, together with any decorations and documents evidencing this award, and the consent of Congress is hereby expressly granted for this purpose as required under section 9 of article I of the Constitution. The Secretary of State is authorized to deliver to the Honorable Eugene J. Keogh the decorations and documents evidencing such award.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUBERT J. KUPPER

Mr. PATTEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11251) for the relief of Hubert J. Kupper, Calendar No. 400, which was passed over without prejudice.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

H.R. 11251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Hubert J. Kupper, United States Marine Corps (retired), of East Brunswick, New Jersey, is hereby relieved of all liability for repayment to the United States of the sum of $5,052.83, representing the amount of overpayments of retired pay received by the said Hubert J. Kupper for the period from July 1, 1955, through July 31, 1965, as a result of administrative error in the computation of his retired pay. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Hubert J. Kupper, referred to in the first section of this Act, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

With the following committee amendments:

Page 2, lines 5 and 6, strike "referred to in the first section of this act,".

Page 2, after line 8, add the following:

"No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. McEWEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McEWEN. Mr. Speaker, was the bill, H.R. 1336, for the relief of Rene Hugo Heimann, Calendar No. 418, passed over without prejudice?

The SPEAKER. The bill about which the gentleman makes inquiry was passed over without prejudice.

Mr. McEWEN. I thank the Speaker.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from Iowa makes the point of order that a quorum is not present. Evidently, a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 126]

Abernethy
Albert
Andrews, Glenn
Annunzio
Arends
Ashley
Baring
Bell
Bingham
Blatnik
Bolling
Bolton
Brown, Calif.
Buchanan
Burton, Calif.
Burton, Utah
Cahill
Callaway
Cameron
Clark
Clausen, Don H.
Clawson, Del
Cohelan
Colmer
Conyers
Craley
Curtis
de la Garza
Dent
Dorn
Dow
Dyal
Edwards, Ala.
Evins, Tenn.
Flynt
Fogarty
Frelinghuysen
Giaimo
Gibbons
Gurney
Hanna
Hansen, Iowa
Hardy
Hawkins
Holifield
Holland
Hosmer
King, Calif.
Kirwan
Krebs
Kupferman
Landrum
Leggett
McMillan
Macdonald
Machen
Martin, Ala.
Martin, Mass.
Martin, Nebr.
Mathias
Matsunaga
Miller
Mink
Morrison
Morton
Moss
Multer
Murray
Nix
O'Hara, Mich.
Pelly
Powell
Purcell
Rees
Reid, N.Y.
Reifel
Reinecke
Resnick
Rivers, S.C.
Roberts
Roncalio
Rooney, N.Y.
Rosenthal
Roybal
Ryan
St Germain
Scott
Senner
Sickles
Slack
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Van Deerlin
Walker, Miss.
Whitten
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wolff
Wyatt

The SPEAKER. On this rollcall 328 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SPECIAL SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on Education of the Committee on Education and Labor have permission to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1967

Mr. GEORGE W. ANDREWS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15456) making appropriations for the legislative branch for the fiscal year ending June 30, 1967, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1½ hours, one-half of the time to be controlled by the gentleman from Minnesota [Mr. LANGEN] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 15456, with Mr. THOMPSON of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Alabama [Mr. GEORGE W. ANDREWS] will be recognized for 45 minutes and the gentleman from Minnesota [Mr. LANGEN] for 45 minutes.

The Chair recognizes the gentleman from Alabama.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill, as Federal budgets go, is small in amount. But it is high in importance. It provides for one of the three branches of Government.

This is the usual annual bill for the legislative branch for fiscal 1967 that begins next July 1. There is little, if anything, unusual about it this year. In accord with the practice, it includes everything except the appropriations for the Senate; it is the custom to leave those for the decision of the other body. It includes the House of Representatives, the Library of Congress, the Botanic Garden, the Architect of the Capitol, the Government Printing Office, and a number of items of a joint character between the two Houses such as joint committees, and so forth.

Total appropriations in the bill now pending before us is $172,146,333. It is $14,706,916 above corresponding appropriations for the current fiscal year 1966. But for one nonrecurring item, which is also a nonexpenditure item, the total would be $293,084 below the current appropriations. That $15 million item relates to additional working capital for the Government Printing Office because of a large increase in the volume of printing business. The GPO operates on a revolving capital fund and gets reimbursed for its work, so that the $15 million will not ultimately represent an expenditure from the Treasury. So it is in that sense, and because of that fact, that the total is in reality slightly below the fiscal 1966 appropriations.

And the total in the bill is also below the corresponding budget amounts actively considered by the committee. It is $1,647,245 below. And I might add, Mr. Chairman, that these figures exclude the request of $46,663,000 made by the Public Printer for the construction of a new Government Printing Office plant. We did not consider that item because the matter of a site for the plant is unsettled. It has been laid aside. The matter of a site is in a quite unsettled state and I do not know when the question will again be presented, or in fact, whether it will be.

Mr. Chairman, I shall not take much time of the Committee but there are a few highlight items that I might touch on. The printed committee hearings have been available for some time and the committee report elaborates in a good deal of detail. I might just say that for those members who examine the tabulation that accompanies the committee report on the bill that the explanation for a good many of the line item increases above last year's appropriation is the need—and it is an item common to all of the appropriation bills this year—to annualize in fiscal year 1967 the general employees pay raise under Public Law 89–301 that was in effect for only 9 months of the current fiscal year 1966, or to meet other mandatory type items such as wage board increases.

The bill total has fluctuated somewhat in recent years as various construction, major repair, and remodeling projects were initiated, accelerated, tapered off, terminated. But there are no major construction or remodeling appropriations in this bill.

I am certain it will be a matter of interest that there is nothing in the bill for extending the west central front of the Capitol Building. Preliminary plans for extension of the west central front of the Capitol Building are in progress but no funds have been made available for the actual detailed plans and specifications or for construction. And nothing beyond preliminary plans can be made without further appropriation action by the House.

There is nothing in the bill—as I just indicated—for constructing a new Government printing plant. As a matter of fact, because of the subsequent developments surrounding the whole proposition, including the site selection question, the committee has included language in the bill to rescind the unused balance of the previous appropriation for site selection and for general plans and designs in connection with the proposed new plant.

There is nothing in the bill for a third Library building—although one is greatly needed. The Architect of the Capitol is now in the process of making an architectural and engineering contract to prepare preliminary plans and cost estimates for the James Madison Memorial Library Building, using money appropriated in the last session. Such a building is greatly needed; the Library is bulging at the seams and the situation gets more critical all the time.

The money to remodel the Cannon Office Building into three-room suites was provided last year and we are advised that the work will get underway in September. Remodeling of the Longworth Building would come along later.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. GEORGE W. ANDREWS. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman from Alabama for yielding to me. I just wanted to assure myself again that he indicated that there is no money in this bill for the proposed extension of the west front of the Capitol; that is correct, is it not?

Mr. GEORGE W. ANDREWS. That is correct.

Mr. STRATTON. I want to commend the gentleman and his committee for leaving that extension project out. I think that in view of our needs in Vietnam and in view of the action of the Defense Department, for example, in postponing unnecessary construction at this time, this is certainly one project that can well be deferred. And perhaps during the deferral period we will all have a better opportunity to get the views of some of those who feel architecturally or for other reasons that this extension project would be a serious mistake.

I think the gentleman knows I share those views myself, and I do want to commend him for having delayed this project so that all these other factors can be fully considered before any money for construction is actually expended.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GEORGE W. ANDREWS. I yield to the gentleman from Iowa.

Mr. GROSS. I wish to join the gentleman from New York [Mr. STRATTON] in commending the committee for dropping any plans at this time for the west front of the Capitol, and I do so on the same basis as stated by the gentleman from New York. I also want to commend the committee for having dropped any further funds for what is known as the *Monthly Index of Russian Accessions.*

I understand it is not serving the purpose for which it was intended, according to the views of at least one agency of the Government. I commend the committee for dropping any further funds for this.

I would like to ask the gentleman if the situation with respect to the Rayburn House Office Building has been corrected. That is, when there is a heavy dew, water runs into the tunnel into some portions of the building. Has this been corrected?

Mr. GEORGE W. ANDREWS. Our information is that the condition to which you refer has been corrected.

Mr. GROSS. It has been corrected?

Mr. GEORGE W. ANDREWS. I think the gentleman has reference to the leaks in the garage section of the building.

Mr. GROSS. Not to the garage alone, but the tunnel section, and portions of the building opening to the tunnel section.

Mr. GEORGE W. ANDREWS. Our information from the Architect's Office was that all the complaints had been considered and the necessary adjustments had been made.

Mr. GROSS. If the gentleman will yield further, what is the status of the GAO investigation of the construction of the Rayburn Building?

Mr. GEORGE W. ANDREWS. I have no information as to what the status of it is.

Mr. GROSS. I thank the gentleman for yielding.

Mr. GEORGE W. ANDREWS. I might add that the underground garages just south of the Longworth and Rayburn Buildings are scheduled for completion this fall.

Taking the bill by its major subdivisions as we show on page 2 of the report of the committee, there is a total of $77,676,145 for the House of Representatives; $9,671,488 for various items of a joint character involving both Houses; $11,812,700 for the Architect of the Capitol; $510,000 for the Botanic Garden; $29,820,100 under the Library of Congress; and $42,655,900 under the Government Printing Office, most of which is in two items—$21,500,000 for congressional printing and binding, and $15 million for additional GPO working capital which I mentioned earlier.

As to items under the House of Representatives heading, there is virtually nothing new in the way of services, and nothing that has not previously been authorized.

As to the various items falling under the joint section of the bill, there is likewise nothing different in scope from last year's bill.

As to the Architect of the Capitol, there is nothing in the bill in the way of major remodeling or construction. There are, however, as there have been for some years, a number of minor repair and improvement items necessary to keep the physical plant on Capitol Hill in reasonably good order. We have made some reductions in the requests of the Architect.

I might comment at this point on the evening opening of the Capitol Building to visitors. Beginning on April 18, guided tours have been available until 6 in the evening and in addition, the rotunda, Statuary Hall, and the first floor crypt area are open to the visiting public until 10 every evening and will remain on that schedule until around Labor Day. This arose out of a suggestion made by the Committee last year. We thought it would be a convenience for many people who come to Washington and have only limited time in which to see the many interesting institutions and shrines. So far, as we are advised, the extended opening is working out satisfactorily, and should in time prove quite popular.

I might also note in passing that the Architect of the Capitol expects to conclude a contract shortly with a private businessman who is interested in operating a car washing service for Members and employees in the Cannon and Rayburn garages. This is a much needed convenience and we trust that the arrangement will work out to the satisfaction of all concerned.

In the Library of Congress, which is a great national institution, the work situation is fairly characteristic and not entirely unpredictable. This is one of the oldest institutions of the Government and it is the Nation's largest research library. In the nature of the case, a library has only one way to go—to get bigger all the time. Some increases in funds are necessary just to maintain current service levels. Speaking for myself, and I expect this represents a consensus, the Library seems to be in good hands. Dr. Mumford is a conscientious public servant. He has his problems, one of the most critical these days being the matter of crowded and inefficient working conditions because of the shortage of space. We have allowed money in this bill, for example, to fix up some storage space in the cellar of the Annex Building and enough money to rent some 220,000 square feet of storage and work space commercially here in the District. Already, some of the Library's activities are housed at the Naval Weapons Plant. And they have storage facilities at Suitland, Md., and east of Baltimore, Md. The only lasting solution is a third building.

Some of the increases allowed for the Library relate to growing workloads in the copyright office and in the catalog card sales work. Both of these activities turn a profit for the Government.

We have tried to make reasonable provision for the valuable services rendered by the Legislative Reference Service. But we did not go as far as they proposed. We have made some suggestions in the report that the Joint Committee on the Library could take another look for any abuses of the service and perhaps come up with something helpful that would strengthen the hand of the Library in dealing with the matter.

We provided the full budget request for the wonderful program of books for the blind. There is a rather complete and interesting account of the workings of this program in the printed hearings and if Members can find the time to do so, I heartily recommend that you take a copy of the committee's hearings and read about how that program is aiding the blind throughout the country.

Taking the last section of the bill—namely, the Government Printing Office—there is little to add to what I have already said. We do carry under this section the Superintendent of Documents, which is another activity that turns a profit for the Treasury. In other words, they recover more to the Treasury through sales of publications than they spend.

Mr. Chairman, I might also say a word about new employees. In all phases of the bill, a total of 203 additional permanent employees were requested. We cut, I believe 61 from that list. In addition, we completely eliminated a going activity dealing with certain publications in the Library and, in so doing, struck 38 more positions from the budget request, which means we cut a total of 99. Most of the additional employees allowed are in the Library and half of those are to cope with the rising volume of work in the copyright office and in the card catalog sales activities both of which, as I mentioned a moment ago, actually turn a profit for the Treasury. And we allowed some addition in the Legislative Reference Service, which renders very valuable services to committees and offices. The Architect's request in this connection was modest and the committee bill makes it even more so.

Mr. Chairman, there are many details to this bill even though it is a relatively small bill. I will be glad to try to answer any questions. I have touched the things I thought might be of interest or otherwise needed mentioning. I might say in closing that so far as I am aware, the committee is either unanimous, or perhaps I should say, about as unanimous as it is reasonable to expect in a bill dealing with a multiplicity of items. I know of no expressed opposition. Certainly, there is no major controversy indicated.

Mr. Chairman, under leave granted, I include a summary of the amounts in the bill as shown on page 2 of the committee report.

Summary of the bill

Group	Appropriations, 1966 (to date)	Budget estimates, 1967 (amended)	Committee bill, 1967	Committee bill compared with—	
				Appropriations, 1966	Budget estimates, 1967
House of Representatives	$71,352,050	$72,797,545	$77,676,145	+$6,324,095	+$4,878,600
Joint items	8,892,267	9,771,433	9,671,488	+779,221	−99,945
Architect of the Capital (excludes Senate items)	24,031,500	11,884,700	11,812,700	−12,218,800	−72,000
Botanic Garden	473,000	538,000	510,000	+37,000	−28,000
Library of Congress	26,351,600	31,146,000	29,820,100	+3,468,500	−1,325,900
Government Printing Office	26,329,000	[1] 47,655,900	42,655,900	+16,326,900	−5,000,000
James Madison Memorial Commission	10,000			−10,000	
Grand total (for items considered by the House)	157,439,417	[1] 173,973,578	172,146,333	+14,706,916	−1,647,245

[1] Excludes $46,663,000 for new GPO plant not considered.

Mr. GROSS. Mr. Chairman, will the gentleman take another minute or two to answer a question or two?

Mr. GEORGE W. ANDREWS. I yield to the gentleman from Iowa.

Mr. GROSS. Every now and then I am confronted with the question of the expenditure of money for free haircuts for Members of the House of Representatives.

The **CHAIRMAN**. The time of the gentleman from Alabama has expired.

Mr. GEORGE W. ANDREWS. I yield myself 1 additional minute.

Mr. GROSS. If the gentleman will yield further, I am also asked about the supply of spring water on this side of the Capitol. Is there any money in this bill and has any money been appropriated in recent years for free haircuts for Members of the House or for spring water?

Mr. GEORGE W. ANDREWS. So far as I know, there has never been any money appropriated for free haircuts for Members of the House and neither have we ever made any money available for mountain water for Members of the House.

Mr. GROSS. I thank the gentleman. Now, is there any money in this bill to provide for the manning of the automatic elevators in the Rayburn Building?

Mr. GEORGE W. ANDREWS. There is a small amount in the bill, but it is not being used.

Mr. GROSS. There is money in this bill for that purpose?

Mr. GEORGE W. ANDREWS. That is right.

Mr. GROSS. I was pleased to read in the hearings the statement—I believe it was made by the Coordinating Engineer, Mr. Rubel—that these automatic elevators operate as well if not better without being manned. It would be my hope that no one gets the idea that simply because there is money available they should go out and hire operators.

Mr. GEORGE W. ANDREWS. I think the gentleman's hope will be fulfilled.

Mr. GROSS. I thank the gentleman.

Mr. LANGEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is with some satisfaction that I recommend the legislative branch appropriation bill for 1967 for approval by the House today. As so adeptly stated to the House by the chairman of the subcommittee, the distinguished gentleman from Alabama, the bill provides adequately and appropriately for the needs of the House of Representatives for fiscal year 1967.

Pages 4 and 5 of the committee report set forth in precise and brief details the major reductions and increases in appropriations as compared to fiscal 1966. May I call to the attention of the House the fact that, even with a hastily added $5 million by full committee action to fund the most recent personnel authorization by the House, the bill is still more than $1½ million below the budget estimates for 1967, which were made without consideration of this item. This fact, alone, I am sure, indicates the very careful scrutiny that was given to every expenditure by the chairman and the committee, commensurate with this session's budget problems.

It is also most significant that, but for a $15 million item to expand the Government Printing Office revolving fund, the total appropriations would have been slightly less than the appropriations for last year. This $15 million is not an expenditure and is merely an addition to the revolving fund, and is fully reimbursed, providing only for the more proficient operation of an expanding business.

May I call to the attention of the House, beginning on page 4 of the report, the almost $14 million of selected items which are a reduction below last year's appropriation. These are basically nonrecurring items relating to remodeling, repair and improvement projects in connection with the respective Capitol Hill buildings. Following, on page 5, are selected items of increases in this bill over last year's appropriations, totaling more than $9 million.

These are the items that truly reflect the consideration by the committee and the manner in which they have responded to the needs of the House of Representatives and the Library of Congress. I think it wise for every Member of the House to direct some attention to these items, for they reflect the increased workload and the demands for additional appropriations.

Basically, they can be simply identified into two categories, one of which indicates the moneys needed to provide for salary increases approved by this Congress during the past year, and the other notes the need for additional personnel and services brought about mainly by a continuously expanding Government.

It is well that the legislative branch of Government does review and reflect on these items, inasmuch as they need to be alert to and aware of the extent to which these items are demanding of additional moneys, because they are exactly the same as the budget problems that confront every other department of Government.

I do not know how many times, but it was continuously evident, that additional personnel and expanded appropriations were requested because of added workloads. These workloads, in most instances, all related to the many new Government programs and activities which have come into being during very recent years. They have created added demands on every congressional office and every department involved in the legislative process. Indications are that they will be even greater in the future.

Your committee has attempted to meet these needs realistically, recognizing that many of these services connected with the legislative branch of Government are actually necessary services to the general public. It is necessary that the public be informed, acquainted, and conversant with all of the new programs, with a general understanding of how they will affect and apply to their particular case. Much of this information is dispersed through congressional offices and the respective committees of the House and Senate, which requires an expansion of these functions.

This is reflected in such items as the publication of bulletins and circulars setting forth the most recent provisions and regulations, which adds greatly to printing, binding, and distribution costs.

A great deal of research becomes necessary in order that reliable analysis might be available, placing added burdens on the Legislative Reference Service. The Library of Congress, recognized as one of the greatest and most complete in the world, finds that their services and volume of material have grown in great proportion, commensurate with the need for and desire of satisfying the public thirst for knowledge. The committee report has attempted to set forth these demands with some detail.

It is also imperative that we maintain the Capitol and related buildings and grounds in proper repair, so as to reflect some of the dignity and respect that is commensurate with this Nation's seat of government, the greatest in the world. Today's improved transportation and communication brings many visitors, which reflects the interest of the public in their Government, and they should be properly accommodated while here.

For these reasons, the committee has provided additional moneys with which to make necessary repairs and improvements, including keeping the Capitol Building open to the public until 10 o'clock in the evening during the summer months. While this has created additional demands on the Metropolitan and Capitol Police Forces, I am pleased to report that they have responded commendably, even with recruiting problems, to this new assignment, and the program to this date has been successfully encouraging.

A year ago, there was some concern registered relative to the need for elevator operators on the two banks of four elevators in the front of the Rayburn Building. The management of this personnel is to be commended in recognizing that there has been no need for the 16 operators provided for in last year's appropriation, and so they have not been reinstated as yet this year. The functioning of the automatic devices has proved them to be both responsive and proficient.

There are no moneys in this bill for a new Government Printing Office plant, or remodeling of the west front of the Capitol. The lack of a suitable and available site for the new Government Printing Office plant precluded any consideration of this matter at this time, and properly so.

The west front of the Capitol has been shored up and proper studies are in progress to determine the possibilities of and need for a new front in the future.

Necessary repairs are provided for in the Capitol Building, which include a continuation of the improved lighting program, a rewiring and refurbishing of the House Press Gallery and a completion of improvements in the Radio-TV Gallery.

Improvements in the Library of Congress include replacement of book conveyors, elevators, and finishing added storage space, together with the rental of 220,000 feet of additional space to meet their needs until the third building, authorized by the Congress, becomes available.

The Copyright Office is another example, and, incidentally, one which brings more money back into the Treasury than the cost of its operation as provided for in this bill.

For me at this time to reiterate further on each of the individual items, I am sure, would be only repetitious and of little interest to the membership. I hope the House may find the work of the subcommittee as represented by this bill to adequately fulfill the legislative needs for 1967.

Let me add that this is a pretty significant bill not only to the House of Representatives but to the general public as well. I say that because first of all this is the bill that provides the money with which this legislative body and the legislative branch of the Government shall function. The extent to which it functions with proficiency and functions in a manner that serves the best interests of the public, the bill becomes important to every citizen of this country. There are moneys in here that are directed to the specific purpose of service to the public, in a good many ways.

As an example, one probably would not expect to find money in here to conduct the entire Federal program for aid to the blind, which is one of the real significant programs of our country. It provides an admirable service to those people who have this handicap. During the course of the hearings this was brought out in strong language by good witnesses who identified the extent to which the Federal Government responds not only with Braille books and a Braille library, but in addition to that recorded tapes which are available for their use and the equipment with which to use the tapes. This is an example of a direct service to the public.

There are a good many other areas of direct and indirect service. One is the matter of keeping the Capitol open at night in order to accommodate the many visitors who come here so that they may gain further knowledge in their interest in the Federal Government.

We all recognize the workload which accrues to every congressional office and to all of the respective committees in attempting to keep the public informed as to all of the activities of the Congress. You know, in recent years this has grown in tremendous proportions. With the enactment of all of the many new Federal programs and their application to the general public, this has raised a lot of questions, as every congressional office knows. They must be responded to and they ought to be responded to.

Mr. Chairman, in many instances they are of such nature that the congressional office is about the only place they have to go for a complete answer. Some of them are overlapping in the departments. There is no one agency prepared to supply them with the complete coverage of that particular program and so must come out of a congressional office. Consequently, it means more work and it means more effort which I feel accounts in part for the extent that legislative expenses have increased.

I recall, Mr. Chairman, the number of times that the witnesses called to our attention of the fact of how their particular legislative assignments had grown as to workload, during the last year, or as compared to 2 years ago, 4 years, or 5 years ago. Well, they are adequately provided for in my judgment in this bill.

Now, Mr. Chairman, in doing so I believe it is appropriate to mention the fact that in my judgment the committee has done a reasonably good job in meeting all of those demands, because it has done so in a manner that, first of all, is below the legislative requests or the budget requests as they came before the committee. Even after having added $5 million in order to take care of the additional personnel authorizations that were granted by this House of Representatives, just a matter of a week or 10 days ago.

Mr. Chairman, another item to which I want to refer just very briefly—and I noted the question a while ago with regard to the elevator operators—this is one of the items that I was concerned about a year ago, as I am sure the gentleman will recall. I find that the 16 operators in question have not been employed this year. However, the elevators are functioning satisfactorily. There are no complaints and so, consequently, I feel it is rather indicative that the point which we raised a year ago, was a good one, and in view of the situation and the present arrangement, that certainly no steps ought to be taken to reinstate the use of these operators.

I should recall also another item that I believe is important, because we have had some concern relative to the operation of the parking garages. In this respect I believe the committee has recognized the need that exists in those garages.

First of all, they might be operated with a little more proficiency to avoid part of the confusion as it relates to available parking space, to whom the parking spaces are assigned, the matter of getting cars in and out and responding to the needs not only of Members of the House but staff employees who have been authorized to park in that garage.

Remembering too, that possibly before this year is out, the two additional parking garages will become usable and will be put to use, so the committee has authorized a garage superintendent for the purpose of instigating a program that we think will serve the needs better and at the same time provide the kind of protection that is necessary around the garage at all hours of the day. There have been some complaints by those who work late at night or who come here early in the morning saying that there is not sufficient protection for them in coming and going or in leaving their automobiles there.

I think it is a matter that all of the folks who use that garage are going to find to their satisfaction.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I am glad to yield to the gentleman.

Mr. GROSS. I think the committee was well advised to take cognizance of the situation in the garage, especially in view of the fact that a new 1,200 or 1,300 parking space garage will be completed this fall, and taking cognizance of the many responsibilities that go with the operation of parking space as huge as that in the Rayburn Building and the smaller one in the old Cannon Building. I commend the committee for taking the action of creating a superintendent to regulate the garage facilities.

I would like to ask the gentleman, if he will yield for a question at this point—How much is appropriated in the bill to carry out the provisions of Public Law 88–652, the House Employees Reclassification Act? Is there any money in the bill for that purpose?

Mr. LANGEN. If the gentleman will look at the hearings, he will find that this is a subject that did get quite a bit of discussion. When you ask the exact amount of money for carrying out this program, it is pretty difficult to identify in any one particular figure because the gentleman must remember that it is a part of each particular section and, therefore, does not show up in any one specific place.

However, during the course of the discussion on this matter, it was quite generally brought out that there were some real problems and some real flaws in the carrying out of the reclassification program. As a matter of fact, as I recall, the answer to one of my questions was that it actually cost more money to carry on the same services than it would have cost under the old system.

So while this is not under the jurisdiction of the Committee on Appropriations and must necessarily be considered by the Committee on House Administration, we were not in a position to make any changes. But we have, during the course of the hearings, identified specifically some of the flaws that experience has revealed in carrying out that program.

Mr. GROSS. It would be my hope that the Committee on House Administration would give attention to this matter in the immediate future and I believe that is the hope of the gentleman from Minnesota [Mr. LANGEN] who is now addressing us.

Mr. LANGEN. I think during the course of the hearings, I did make just that recommendation so that it might be conveyed to that committee that it take the earliest possible action.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I am glad to yield to the gentleman.

Mr. WAGGONNER. Mr. Chairman, following further the questioning of the gentleman from Iowa in regard to the cost to the House of Representatives and the taxpayers in administering the Reclassification Act for employees of the House, let me say that as a member of the committee, the Committee on House Administration is conducting some review of this program, recognizing that it does have some defects and some flaws. Having read the hearings and the testimony given during the hearings on the cost of the Reclassification Act for House employees, I think it is necessary that the House be advised at this time that it is totally in error to say that the Reclassification Act has cost the House of Representatives and the taxpayers an additional $400,000 in operating this past year because the facts are otherwise. The fact is that it has cost the House of Representatives less money under the Reclassification Act than was the case before the enactment of this legislation. I challenge anyone to prove otherwise.

Nevertheless the House Committee on Administration is reviewing this matter with the hope of correcting some inequities, and admittedly some do exist.

Mr. LANGEN. I thank the gentleman for his very appropriate and timely contribution. I am glad to hear that the administration committee is giving consideration to this subject. I think we are quite in agreement, and this is the reason why I did respond that there was no real way of identifying a dollar loss. In some instances where you talk about one specific activity someone might make reference that in this particular case it worked out to a disadvantage, but until you see what needs to be done as a substitute by another program, you have no way of comparing the exact costs.

I thank the gentleman again for his very timely contribution at this point.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Missouri.

Mr. HALL. I am concerned about the shoring up of the west front of the Capitol and its foundations vis-a-vis what is generally spoken of as a revision or an extension of the west front of the Capitol.

I realize that the shoring up is based on the Architectural Commission's findings. Being a Capitol "buff", I am well advised concerning what has happened to the architrave there and the great cracks in this building, the effect of the weight and shifting of the heavy cast-iron dome; and the danger if we do not undergird, shor up, and/or put new footings in—or grouting around and under the sandstone ballast blocks—supporting the roman arches of bricks held together by the burned and original old clamshell inferior type of cement on which the entire Capitol rests on the west side, as was done in the 30-foot extension of the east side.

I noticed in the hearings, on pages 55 and 56, and again on page 62, that this subject was discussed. But my question is predicated not on an extensive revision, with carryout restaurants or a stylish rendezvous with an overlook of Washington to the west, or in any direction, or more parking garages. I would commend the committee for what it has done about this, and I well realize the Commission survey under the Architect of the Capitol, is pending and is really getting underway after the actual but temporary shoring-up operations.

Is the committee in its wisdom considering separately the undergirding and shoring up of the foundation in order that we support the Capitol, or must all considerations be considered en bolc, or could one be considered without the other?

Mr. LANGEN. Actually, if I may go back for just a moment, 2 years ago the weakness of the west wall of the Capitol was first called to the attention of the committee. All of us, I am sure, share a concern for any weakness that might endanger the Capitol in the future. Consequently, at that time some rather hurried action was taken to set up the Commission and for an immediate study to be made to determine what it would take to brace or shore up the building with sufficient strength and assurance so that in the immediate future there would be no danger.

In discussing that with the Architect this year and what those plans were, we were assured by the Architect that the shoring up that has been done up to this point and is planned for the future is adequate to care for the structure in the immediate future. This is done in order to provide sufficient time in which to make plans or come up with some idea as to how the west front might be remodeled, and it will be considered separately at that time. That is the reason for the shoring up that is being done at the present time and the plans for the immediate future. Both of them are separate actually, because the major job, rebuilding the west front, as the gentleman knows, involves quite a building project and a good many opinions with regard to it will be considered.

Mr. HALL. Mr. Chairman, I thank the gentleman for yielding, and especially for his erudite answer. This building is a historical national shrine. The Commission for which we spent the emergency fund of $133,000 did, of course, make borings through the walls and found the supporting structure quite different from the external facade in relation to immediate danger, and woefully inadequate according to the report to the Speaker which I studied and commented upon.

One has only to look to see that the heavy timber shoring up the west front braced against "deadmen" sunk there, especially on the House side, but also on the Senate side of the Capitol, is only a temporary measure.

The gentleman made it extremely clear that the additional $240,000 for such services as may constitute advice to the committee and to this body is a study in depth for permanent corrective measures, and that in the meantime there is no immediate danger of the west side falling in.

This is exactly the point I wanted to clear up, because we should not waste too much time in depending on even heavy wooden timbers in supporting the great weight of the cast iron dome and the west wall of this Capitol—which must stand in the symbolic interest of good legislative process for a long time to come. Whether we do that within it or not is our responsibility, but certainly we need this historic shrine in which to work.

I commend the committee.

Mr. LANGEN. In further response to the gentleman, I had occasion myself to be a part of the group that looked over the weakness of the wall in the first instance. I agree that the evidence, as viewed by us at that time, was such as to indicate it needed immediate shoring up.

Looking at it from a longer range standpoint, at what might be done in the future, far be it from me to attempt to be an architect and determine actually just what that work ought to be. But the architect's assurance to us is that it is in good order at this moment.

Mr. Chairman, with that I very heartily recommend to the House the approval of this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I do not believe we should have to wait for reconstruction of the west front of the Capitol to provide public women's restrooms in the House wing. I have been astounded that no one makes any move to provide such facilities for women visitors to the Capitol on the House side.

I would hope the committee that is in charge of providing adequate facilities on the House side of the Capitol will give some attention to this matter at an early date. It seems to me this has gone on long enough.

Mr. LANGEN. I thank the gentleman for his usual considerate attitude for the visiting public. This is a matter that the subcommittee has directed some attention to, in the first instance, that there might be adequate facilities provided; and, secondly, that there might be some indication of where the facilities are located. It is not only a matter of having them in the building, but it is also a matter of being able to find them. In so many instances there has not been proper attention directed to where they are located, and consequently the problem has required Members of Congress, and others to serve as guides to facilities of this kind.

Mr. GROSS. If the gentleman will permit, let me say that if we can have a car wash on the main floor of the garage in the Rayburn Building, I certainly think a public women's restroom should be established on one of the main floors on the House side of the Capitol.

Mr. LANGEN. I am in complete agreement with the gentleman.

Let me make one further observation in that connection. The extent to which the number of visitors to the Capitol has grown in recent years has caused any number of demands of this kind. There are now days when there are in excess of 40,000 people going through the Capitol Building. Obviously these do require added facilities, whether they are drinking fountains, benches, or restrooms. The committee is concerned with this matter and has considered appropriate steps to care for it.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, perhaps because I have a son John who is just learning to read and who is today just 7 years old, I am particularly interested in the appropriation for the Library of Congress and a problem I have run into which perhaps others may have experienced.

I bring this to the attention of the Committee, in the hope that we might find a way of resolving the problem.

One of the situations in the Library, as we all know, is that there is a large number of duplicate volumes. They endeavor to allow agencies of the Government, Members of Congress, educational institutions, and others to go to the Library of Congress and to obtain these excess volumes.

In my district there are many small libraries, many schools without libraries, and in one instance a 2-year college trying to build a library. We sought to have some of these duplicate volumes made available to the libraries, and found that in order for them to secure them they would have to come here to Washington on a particular day at a particular time to obtain them. And on one occasion, a representative of such a library was here with some spare time, and was told she would have to come on another day, which of course, was impossible.

I would hope that at some time there might be some attention given to how we might attain a more equitable distribution of these duplicate volumes.

As is true in many other things, it seems that those who have the most get more and those who have the least get less.

It occurs to me that the Library of Congress might well want to give consideration to a system of distributing these surplus volumes to the various States on a more equitable basis, and perhaps arrange with State libraries or individual libraries to help build up some of the local libraries or small school libraries which could make great use of some of the surplus volumes we have here in the Library of Congress.

Mr. Chairman, I appreciate the great problems which the Library of Congress has and I do not wish to add to its burdens, but I believe the Committee might want to do some thinking on this and explore the means by which we can have a more equitable distribution made of these surplus volumes. If no informal way is found, perhaps it would be appropriate to introduce legislation to require an equitable distribution of these volumes throughout the whole of the country.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, on page 136 of the committee report on the matter before us, there is a description of the requirement of consultation with the American Institute of Architects in the development of plans and specifications for the James Madison Memorial Library.

Consultation with the AIA, in order to be meaningful and effective, would have to take place prior to selection of an architect. For this is the controlling, the critical decision which will determine the quality of the building. Once the architect has been selected, for all intents and purposes the fat is in the fire. A mediocre architect or firm of architects, will not and cannot, even with the best of intentions, produce a building of distinction.

I should like to ask the chairman of the committee if he is aware of any meaningful consultation which has taken place up to the present time between the officials of the American Institute of Architects and the Capitol Architect in the selection and designation of the architect for this building?

Mr. GEORGE W. ANDREWS. So far as I know there has been no consultation. I might call the gentleman's attention to the language in the committee report on the supplemental appropriation bill, 1966, page 38:

> The law directs the Architect to proceed under the "direction jointly" of two building commissions and one joint committee of the Congress, which involve a total of 22 members—after "consultation" with a committee of several appointed by the American Institute of Architects, and in respect to the Memorial Hall, in "consultation" with the James Madison Memorial Commission composed of 12 members.

I assume that the Architect is complying with the law. When he was before our committee recently, on page 136 of the hearings we find this colloquy between the Architect and me:

> Mr. ANDREWS. Do you anticipate difficulties in clearing or consulting with the AIA?
>
> Mr. STEWART. Not at this point.
>
> Mr. ANDREWS. It depends on the types of plans they come up with. Is that right?
>
> Mr. STEWART. I would think so. I wouldn't know how to answer that question more specifically at this time.

Mr. SCHEUER. Well, Mr. Chairman, I think there is some misapprehension on Mr. Stewart's part as to the role of the AIA. It is a consultative role. The AIA is not attempting to develop plans. The AIA, as I understand it, wishes to be consulted in the selection of the architect to assure, as the history of the debate makes clear in volume 111, part 19, page 25752 of the CONGRESSIONAL RECORD, that architects of proven excellence and accomplishment are selected to do this building.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. Of course I yield gladly to the gentleman from Oklahoma.

Mr. STEED. I think it will help to clear this up a little bit. I think what the Architect was referring to there as to what plans they come up with is that they have three tentative or general plans as to what can be done with the west front. The commissions must first decide which one of these three procedures they want to take before they are in a position to talk to any architects generally about that.

Mr. SCHEUER. A clarifying point if I may. I am discussing the James Madison Memorial Library. It was the consultation in connection with the selection of the architect for this library that I was concerned about, particularly the fact that up to date, while there seems to have been some kind of tentative approval for the selection of an architect for preparation of preliminary plans and cost estimates there does not seem to have been any consultation whatsoever with the AIA in the single most important architectural decision connected with the development of any project, that is, the selection of an outstanding architect from the active roster of talented American architects.

Mr. STEED. I think you will find we discussed it with some of those involved in this hodgepodge of people who have a part in this matter. There is some question as to who is supposed to do the consulting. As a matter of fact, under this system I do not see how this project can be pushed ahead, anyway.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. SCHEUER. May I say to the gentleman from Oklahoma [Mr. STEED] that the formula of consultation that is written into the bill, which was elaborated on and clarified on the floor of the House on October 1 of last year, is a common and much used one. It has worked very well with the General Services Administration under the leadership of Karel Yasko and worked very well with the new Department of Housing and Urban Development under Secretary Weaver; namely, they consult with the AIA in the selection of an architect for a major Government work. That was clearly the intent here as expressed on the floor of Congress, in the bill, and in the committee report.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. Of course.

Mr. STEED. Can the gentleman tell me under the act authorizing the additional Library of Congress, who has authority to sit down and talk and hire people?

Mr. SCHEUER. I believe the Capitol Architect has the authority, after consultation with the AIA, to select the architect. But I am informed that AIA officials have been attempting to engage in consultation with the Capitol Architect, Mr. Stewart, but have been informed by him he is not willing to consult with them until after the selection of the architect for this purpose. Now, I believe that clearly goes against the congressional intent.

Mr. STEED. Mr. Chairman, will the gentleman yield further?

Mr. SCHEUER. I yield further to the gentleman from Oklahoma.

Mr. STEED. The Architect of the Capitol is not running this show. There are several other boards and commissions involved that make recommendations before proceeding to do anything. He is not under any instructions to do that.

Mr. LANGEN. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. MCCLORY].

Mr. McCLORY. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, the purpose of my request for time is so that I may ask whether or not there are any funds specifically provided in this legislation for the purchase of automatic data processing equipment, either for the Congress itself or for use in the Library of Congress or for use in the various committee or individual offices?

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Minnesota.

Mr. LANGEN. Let me answer the gentleman in this manner: To my knowledge; there is no money for that specific purpose. With regard to the Library of Congress, they have an authorization program that is in progress and moneys are provided for a continuation of a study which will finally result in the complete automation of the entire operations of the Library of Congress.

With regard to the legislative body itself, to my knowledge, there has not been any consideration of data processing equipment. I believe it is a matter that will need a great deal of study and that surely the committee will be interested in. They would want to know if information is available as to how it might be used to aid, assist, and improve the work of the Congress.

Mr. McCLORY. That is a very encouraging statement. I am told that the Committee on the Reorganization of the Congress is considering recommending that we utilize automatic data processing equipment for the work of the Congress, for the work of the committees of the Congress, and for the individual Members of Congress.

It also appears that it might be logical to place an automatic data processing center for such use in the Library of Congress.

I am pleased to know that the study of future automation or future use of such automatic data processing equipment for facilitating and improving the work of Congress, expediting the work of Congress, is under study and that appropriations may be made for those purposes within the near future.

Mr. Chairman, I thank the gentleman for yielding.

Mr. GEORGE W. ANDREWS. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

LIBRARY BUILDINGS AND GROUNDS

Structural and mechanical care

> For necessary expenditures for mechanical and structural maintenance, including improvements, equipment, supplies, waterproof wearing apparel, and personal and other services, $1,517,000, of which not to exceed $10,000 shall be available for expenditure without regard to section 3709 of the Revised Statutes, as amended, and of which not to exceed $626,000 shall remain available until June 30, 1968.
>
> The unobligated balance of the appropriation under this head for the fiscal year 1966 is hereby continued available until June 30, 1967.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I want to pursue briefly the matter of automation in the Library of Congress. I note on page 11 of the report, in the last paragraph at the bottom of the page some figures that I believe need a slide rule for interpretation. Perhaps the gentleman from Alabama can help me with the language and the figures. How much money has been spent for the study of automation in the Library of Congress? Is the $585,000 the total figure? How long has this been going on and when can we expect this bill of expense to end?

Mr. GEORGE W. ANDREWS. Last year was the first year in which an appropriation was made for this project and the appropriation was $210,000. This year we have appropriated $375,000 additional—a total for 1967 of $585,000. That is what the report means to say.

We do not have a firm figure as to what the total cost will be. It is a project that will extend over a period of several years. It is a very complicated project but we have been assured that it is needed and will add greatly to the efficient operation of the Library and also will be useful to other libraries throughout the country if a suitable system can be devised. The committee has been sold on the idea of going forward with this automation program. I think the gentleman will note we cut $100,000 off the request for this project.

Mr. GROSS. I do not disagree with the program of study for the purpose of putting automation into effect in the Library of Congress. But I am amazed that it is taking this much money and time to conduct the study. That is my point of contention.

Mr. GEORGE W. ANDREWS. I would like the gentleman to read the testimony, if he has not already done so, of Dr. Mumford on page 180 of the committee hearings. He said:

> At the present time, with funds from a foundation grant, we have a contract with the United Aircraft Corporate Systems Center for producing a computer program for machine readable catalog records, that can be distributed to other libraries.

Mr. GROSS. I do not want to pursue this question further at the present time, but one of the things that is becoming most fashionable in Washington is the hiring of a high-priced firm to make a study at a huge bill of expense. I trust the committee will keep a careful check on spending for this purpose.

Mr. GEORGE W. ANDREWS. I assure the gentleman the committee plans to do that, and have this year indicated such an intent by cutting $100,000 from the budget.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15456) making appropriations for the legislative branch for the fiscal year ending June 30, 1967, and for other purposes, had directed him to report the bill back to the House with the recommendation the bill do pass.

Mr. GEORGE W. ANDREWS. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 341, nays 2, not voting 89, as follows:

[Roll No. 127]

YEAS—341

Abbitt
Adair
Adams
Addabbo
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Ashbrook
Ashley
Ashmore
Aspinall
Ayres
Bandstra
Barrett
Bates
Battin
Beckworth
Belcher
Bennett
Betts
Boggs
Bow
Brademas
Bray
Brock
Brooks
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Byrne, Pa.
Byrnes, Wis.
Cabell
Callan
Callaway
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Chelf
Clancy
Clark
Cleveland
Clevenger
Collier
Conable
Conte
Cooley
Corbett
Corman
Cramer
Culver
Cunningham
Curtin
Daddario
Dague
Daniels
Davis, Ga.
Davis, Wis.
Dawson
Delaney
Denton
Derwinski
Devine
Dickinson
Diggs
Dingell
Dole
Donohue
Dowdy
Downing
Dulski
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Ellsworth
Erlenborn
Evans, Colo.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Findley
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gathings
Gettys
Gibbons
Gilbert
Gilligan
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Grider
Griffiths
Gross
Grover
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hamilton
Hanley
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey, Ind.
Harvey, Mich.
Hathaway
Hays
Hébert
Hechler
Helstoski
Henderson
Herlong
Hicks
Holland
Horton
Howard
Hull
Hungate
Huot
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
Keogh
King, Calif.
King, N.Y.
King, Utah
Kirwan
Kluczynski
Kornegay
Kunkel
Laird
Langen
Latta
Lennon
Lipscomb
Long, La.
Long, Md.
Love
McCarthy
McClory
McCulloch
McDade
McDowell
McEwen
McFall
McGrath
McVicker
Macdonald
MacGregor
Machen
Mackay
Mackie
Madden
Mahon
Mailliard
Marsh
Mathias
Matthews
May
Meeds
Michel
Mills
Minish
Minshall
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morse
Mosher
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.

Olson, Minn.
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price
Pucinski
Quie
Quillen
Race
Randall
Redlin
Reid, Ill.
Reifel
Resnick
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rivers, Alaska
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Ronan
Roncalio
Rooney, Pa.
Rostenkowski
Roudebush
Roush
Rumsfeld
Satterfield
St. Onge
Saylor
Scheuer
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Va.
Springer
Stafford
Staggers
Stalbaum
Stanton
Steed
Stephens
Stratton
Stubblefield
Sullivan
Sweeney
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thomas
Thompson, Tex.
Thomson, Wis.
Todd
Tuck
Tunney
Tuten
Udall
Ullman
Utt
Vanik
Vigorito
Vivian
Waggonner
Walker, N. Mex.
Watkins
Watson
Watts
Weltner
Whalley
White, Idaho
White, Tex.
Whitener
Widnall
Wright
Wydler
Yates
Young
Younger
Zablocki

NAYS—2

Curtis
Goodell

NOT VOTING—89

Abernethy
Albert
Annunzio
Arends
Baring
Bell
Berry
Bingham
Blatnik
Boland
Bolling
Bolton
Brown, Calif.
Burton, Calif.
Burton, Utah
Cahill
Cameron
Clausen, Don H.
Clawson, Del
Cohelan
Colmer
Conyers
Craley
de la Garza
Dent
Dorn
Dow
Dyal
Evins, Tenn.
Flynt
Fogarty
Fraser
Frelinghuysen
Giaimo
Greigg
Gurney
Hanna
Hansen, Iowa
Hardy
Hawkins
Holifield
Hosmer
Krebs
Kupferman
Landrum
Leggett
McMillan
Martin, Ala.
Martin, Mass.
Martin, Nebr.
Matsunaga
Miller
Mink
Morrison
Morton
Moss
Multer
Murray
Pelly
Powell
Purcell
Rees
Reid, N.Y.
Reinecke
Rivers, S.C.
Roberts
Rooney, N.Y.
Rosenthal
Roybal
Ryan
St Germain
Scott
Senner
Sickles
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Van Deerlin
Walker, Miss.
Whitten
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wolff
Wyatt

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mrs. Bolton.

Mr. Fogarty with Mr. Frelinghuysen.

Mr. Annunzio with Mr. Pelly.

Mr. Multer with Mr. Kupferman.

Mr. Holifield with Mr. Hosmer.

Mr. Toll with Mr. Morton.

Mr. Albert with Mr. Arends.

Mr. Dent with Mr. Cahill.

Mr. Dyal with Mr. Bell.

Mr. Evins with Mr. Berry.

Mr. Hanna with Mr. Bob Wilson.

Mr. Rees with Mr. Burton of Utah.

Mr. Miller with Mr. Talcott.

Mr. Matsunaga with Mr. Martin of Alabama.

Mr. Roybal with Mr. Reinecke.

Mr. Sickles with Mr. Gurney.

Mr. Senner with Mr. Tupper.

Mr. Wolff with Mr. Hawkins.

Mr. Powell with Mr. Craley.

Mr. Krebs with Mr. Reid of New York.

Mr. Scott with Mr. Martin of Nebraska.

Mr. Thompson of New Jersey with Mr. Wyatt.

Mr. Greigg with Mr. Walker of Mississippi.

Mr. Flynt with Mr. Martin of Massachusetts.

Mr. Cohelan with Mr. Don H. Clausen.

Mr. Brown of California with Mr. Conyers.

Mr. Burton of California with Mr. Bingham.

Mr. Leggett with Mr. Baring.

Mr. Charles H. Wilson with Mr. Del Clawson.

Mr. Cameron with Mr. St Germain.

Mr. Fraser with Mr. Van Deerlin.

Mr. Giaimo with Mr. Colmer.

Mr. Hansen of Iowa with Mr. Whitten.

Mr. Hardy with Mr. Williams.

Mr. Roberts with Mr. Abernethy.

Mr. Boland with Mr. Trimble.

Mr. Dow with Mr. Dorn.

Mr. Purcell with Mr. Willis.

Mr. Rivers of South Carolina with Mr. Morrison.

Mr. Moss with Mr. McMillan.

Mr. de la Garza with Mr. Rosenthal.

Mr. Landrum with Mr. Ryan.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

BAIL REFORM ACT OF 1966

Mr. PEPPER. Mr. Speaker, I call up House Resolution 869 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 869

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1357) to revise existing bail practices in courts of the United States, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from California [Mr. SMITH], and to myself such time as I may consume.

Mr. Speaker, House Resolution 869 provides for an open rule with 2 hours of debate.

The purpose of S. 1357, as amended, is to revise existing bail procedures in the courts of the United States including the courts of the District of Columbia in order to assure that all persons, regardless of their financial status, shall not needlessly be detained pending their appearance to answer charges, to testify, or pending appeal, when detention serves neither the ends of justice nor the public interest. In addition, it will assure that persons convicted of crimes will receive credit for time spent in custody prior to trial against service of any sentence imposed by the court.

The legislation does not deal with the problem of the preventive detention of the accused because of the possibility that his liberty might endanger the public, either because of the possibility of the commission of further acts of violence by the accused during the pretrial period, or because of the fact that he is at large might result in the intimidation of witnesses or the destruction of evidence.

The present problem of reform of existing bail procedures demands an immediate solution. It should not be delayed by the question of preventive detention. Consequently, this legislation is limited to bail reform only.

Mr. Speaker, I ask for the adoption of House Resolution 869 in order that S. 1357 may be considered.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the distinguished gentleman from Florida, House Resolution 869 will provide an open rule with 2 hours of debate for the consideration of the bill S. 1357, known as the Bail Reform Act of 1966.

The purpose of the bill is to revise present bail procedures in the courts of the United States to assure that all persons, regardless of financial status, need not be detained pending their appearance in court. The bill also assures that persons convicted of crimes will receive credit for time spent in custody prior to trial against their sentence.

Since the Judiciary Act of 1789 Congress has provided that persons shall be admitted to bail in criminal cases except in capital cases, where it is discretionary. In practice, a system of professional bail bondsmen developed, who in return for a money premium guaranteed the appearance of the defendant. This system has been subjected to growing criticism, chiefly because the system places primary reliance on financial inducements as the means to assure the freedom of the accused until time of trial. This ignores the fact that the defendant of limited means is often forced to remain in jail; this inhibits his ability to consult with his attorney, seek out witnesses, and often to retain his job.

The Committee on the Judiciary believes the bill will eliminate these problems and provide long overdue reforms to our bail laws.

The bill provides that a person accused of a noncapital offense shall be released on his personal recognizance or upon the execution of an unsecured appearance bond unless the judicial officer before whom he appears prior to release determines in his discretion and a showing of good cause that such release will not reasonably assure the appearance of the accused. In such a case he shall then impose one or more of five additional conditions of release, as he deems necessary.

The additional conditions of release are assigned a priority in which order the judicial officer must consider them. They are: first, the accused may be placed in the custody of an organization or person agreeing to supervise him; second, restriction of travel, association, or place of abode during release; third, to require the execution of an appearance bond, and a deposit in court in cash of up to 10 percent; fourth, to require the execution of a mail bond with sureties, or a deposit of cash in lieu thereof; and, fifth, any other condition deemed reasonable to assure appearance, including requiring the accused to return to custody after specific hours.

The judicial officer, in imposing conditions of release, must consider the character of the accused, his community and family ties, his financial condition, the nature of the offense and the evidence against him.

The accused may, within 24 hours appeal conditions of release imposed, if he is unable to meet them. If such conditions are not changed the judicial officer must state in writing his reasons for their imposition.

After release, for cause, the judicial officer may alter the conditions imposed. If such change results in the detention of the accused due to his inability to meet the altered conditions, he may appeal as indicated earlier.

Where a person is required as a condition of release to return to custody after specified hours, he may appeal to the district court having jurisdiction, and then to the appellate court.

The bill also permits release, under the conditions of release previously stated of those accused of a capital offense, and convicted persons awaiting sentencing or appeal or certiorari. However, the judicial officer may determine that release is not in the public interest and deny it. No appeal lies in such instances.

The bill also provides for the release of material witnesses under the conditions already enumerated. However, such witness cannot be detained even if he cannot meet the conditions imposed if his testimony can be taken by deposition and his failure to appear will not thwart justice. Release may be postponed for a reasonable time to obtain the deposition.

Failure to appear by one released under provisions of this bill besides forfeiture of any security given, will result in a fine of not more than $5,000, or imprisonment for not more than 5 years, or both if the charge involved was a felony, or he was awaiting sentencing or an appeal. If a misdemeanor, the penalty for failure to appear cannot be more than the penalty for the charge. In the case of a material witness, the penalty is a fine of not more than $1,000, nor more than 1 year, or both.

The Judicial Conference supports the bill, as does the Department of Justice. There are no minority views.

I know of no objections to the rule, Mr. Speaker, and urge its adoption.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

I move the previous question.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1357) to revise existing bail practices in courts of the United States, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1357, with Mr. DENTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. CELLER], will be recognized for 1 hour, and the gentleman from Ohio [Mr. MCCULLOCH], will be recognized for 1 hour.

The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman and Members of the Committee, this bill is called a bail reform bill. It is interesting to note there has been no reform in our bail system in the United States for 175 years. Despite advances in criminal jurisprudence and advances in criminal procedure the system of bail has remained the same.

At times the bail system has been as useless as a cock without a comb. At times it has worked extreme cruelty and has been as cruel as a scorpion's bite.

An innocent man charged with a crime may be too poor, for example, to afford a bail bond. He is clapped into jail. He waits trial for weeks because of clogged calendars. He is then declared innocent after trial. Meanwhile, he has served in prison needlessly. Such treatment is barbaric.

Studies by the Department of Justice and private organizations have pointed out that reform in our bail system is badly needed and long overdue. Our present traditional system has failed to achieve the ends of justice because it is composed of a collection of outmoded, unfair and ineffective parts. Bail is tailored to the rich man, while the poor man may be jailed even though presumed innocent until proved guilty.

The purpose of this bill is to revise the existing bail procedures in the courts of the United States, including those of the District of Columbia.

The subcommittee conducted hearings on the proposals, during which representatives of the Department of Justice, the American Bar Association, the Judicial Conference of the United States, and Members of both the House and Senate testified. All favored the proposal.

The only opposition voiced was that of the professional bondsmen.

In addition, the committee had available to it the lengthy hearings conducted by the Senate in 1964 and again in 1965.

The President of the United States in his message to Congress on crime requested reform of our bail system along the lines set forth in the bill.

One of the most significant features of this legislation is the emphasis on nonfinancial conditions of release for persons charged with Federal crimes. In noncapital cases prior to trial it provides that the prisoner shall be released on his personal recognizance or upon the execution of an unsecured appearance bond unless the judicial officer, the judge, determines that such a release will not reasonably assure the accused's presence as required. In such a case, the judicial officer may impose one or more of 5 conditions under a priority system.

These conditions are—and they are important—first, placing the person in the custody of a designated individual or organization; second, restriction of travel or associations or place of abode; third, require the execution of an appearance bond in a specified amount and deposit a sum not to exceed 10 percent of the bond; fourth, require the execution of a bail bond with solvent sureties or the deposit of cash in lieu thereof, and fifth, any other condition reasonably necessary to assure appearance including a condition that the accused return to custody after being released for specified hours.

In fixing the condition, the judicial officer shall take into account the nature of the offense charged, the weight of the evidence presented, the accused's family ties, employment, financial resources, character, and mental condition, and the length of his residence in the community, as well as his record of convictions, court appearances or flight or failure to appear in prior cases.

The judicial officer in releasing a person must issue an appropriate order setting forth the conditions of release and at the same time advise the accused that he will be arrested immediately if he fails to appear.

Provision is made that after 24 hours after the imposition of the condition of release, the accused, if unable to meet the conditions, may apply for review by the judicial officer who imposed them in the first place. If the conditions remain unchanged and the person is not released, the judicial officer then must set forth in writing the reasons for the condition imposed. Of course, at any time the judicial officer may alter the conditions of his order so as to impose additional or different ones.

A new section of title 18 provides for an appeal from conditions of release. This may be done by motion which shall be determined promptly and the order so appealed may be affirmed if supported by conditions below. If it is not supported the court may remand the case for further hearing or order the person released pursuant to the original set of priority condtions.

A new section provides for release in capital cases or after conviction. Here, the court or the judge is given a discretion as to whether or not the defendant will be released. If the court believes that no one or more conditions of the release will assure that the defendant will not flee or pose a danger to another person or the community he would not impose the conditions set forth in this bill.

In the case of material witnesses the conditions of release are the same as for a person charged with a noncapital criminal offense.

Provision is also made providing penalties for the failure of a defendant or a material witness to appear as required. If the person is released on a felony charge or while awaiting sentence or appeal after conviction for any offense, failure to appear carries the penalty of a fine of not more than $5,000 or imprisonment for not more than 5 years, or both. If the defendant is released in connection with a misdemeanor, the fine is the maximum provided for such misdemeanor or imprisonment for not more than a year, or both. In the case of a material witness the fine is not more than $1,000 or imprisonment for not more than 1 year, or both.

This bill also provides for credit for time spent in custody. Where a person has been convicted, the Attorney General is required to give that defendant credit toward service of his sentence for any time spent in custody in connection with the offense for which sentence was imposed. However, this provision is not applicable to any sentence imposed before the effective date of the act, which would be 90 days after the date of enactment.

Now, Mr. Chairman, it is interesting to note that a great deal of money would be saved to the Federal Government through the passage of this legislation.

For example, during fiscal year 1964, 33,000 Federal prisoners were held awaiting trial. Of that figure, 13,500 stayed in jail because of their inability to make bond.

In fiscal year 1965, the Federal Government spent $4.5 million—$4.5 million—to reimburse State-county jails for the detention of Federal prisoners.

Mr. Chairman, the former Director of the Bureau of Prisons, the Honorable James V. Bennett, estimated in 1965 that the adoption of this legislation would save the Government approximately $1 million a year at current costs. And, that the savings would be greater in years to come because of the rising costs of detention.

Mr. Chairman, the average national cost of each Federal prisoner in a county jail is approximately $4 per day.

Mr. Chairman, I do not ask that we accept this bill because it would represent a savings in money to the Federal Government. However, that is an additional reason, aside from all the others that I have indicated.

Mr. Chairman, it is not a pig in a poke to save something like $4.5 million of this character year by year, but it must be taken into consideration.

Mr. Chairman, I stated in my opening remarks that we have changed all manner and kinds of laws. We have changed our Federal jurisprudence; we have changed our criminal jurisprudence and our criminal procedures. But we never once have changed the bail system in the period of 175 years.

Mr. Chairman, it is time we did so because of the abuses that now exist.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I yield myself 3 additional minutes.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Chairman, will the distinguished chairman of the Committee on the Judiciary advise if statistics are available indicating how many of the number the gentleman has indicated were detained were later found not guilty?

Mr. CELLER. No, I do not have that information, but I do have some interesting figures on bail jumpers if the gentleman is interested in that category as well as the number thereof.

Mr. JONAS. I would be interested, but I just wondered about this particular category.

Mr. CELLER. I do not have those figures; we did not have those figures.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield for a question?

Mr. CELLER. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, I thank the gentleman from New York for yielding. It seems to me we are plowing new ground here and should proceed with utmost caution.

This legislation—among other things—has to do with release in noncapital cases prior to trial and after conviction. Could the gentleman from New York tell me what the situation would be should capital punishment be outlawed and with what we would then be faced?

Mr. CELLER. Then it would depend upon the general provisions of the statute which would apply, and the judge, in his discretion, would have to release, if he finds that one of the so-called five conditions that the gentleman will find enumerated on page 4, and following exist. He could release them on their own recognizance either by placing the person in the custody of a designated person or organization agreeing to supervise him; secondly, place restrictions on the travel, association, or place of abode of the person during the period of release; require the execution of an appearance bond in a specified amount and the deposit in the registry of the court, in cash or the security as directed, of a sum not to exceed 10 percent of the amount of the bond, such deposit to be returned upon the performance of the conditions of release; and further, require the execution of a bail bond with sufficient solvent securities, or the deposit of cash in lieu thereof.

Mr. WAGGONNER. Mr. Chairman, if the gentleman will yield further, is the gentleman saying that in cases of capital punishment now, if capital punishment is abolished, such as murder and rape, release would still be subject to the option of a judicial officer before or after conviction if one or more of the guidelines to which you have just referred applies?

Mr. CELLER. I will say to the gentleman from Louisiana that the judge has wide discretion for the purposes of release on one's own recognizance, even in capital cases. So if capital punishment is abolished, he would still have that discretionary power. They would have to follow this priority system that we have indicated, and there would be very little difference.

Mr. WAGGONNER. The first of the five guideline possibilities says, "An organization can agree to supervise an individual released under the provisions of this legislation."

Mr. CELLER. That is correct.

Mr. WAGGONNER. What provision will be made to see that any organization accepting such responsibility can be held legally responsible for an appearance?

Mr. CELLER. Of course, that is up to the Federal judge himself to determine whether the organization to which he released him is a responsible organization and would be amenable to the order and the instructions of the court. As it is now, a judge can release one without consideration of an organization. He can do that now—today. We simply say, "Well, we suggest that you use these priorities, and if you want to release him in custody of an organization, you may do so." But that is not going much beyond what the judge can do today—and the judge has very wide discretion.

Mr. WAGGONNER. Am I correct in assuming that in referring to a judicial officer we are speaking about a judge?

Mr. CELLER. That is correct. There is a definition—title 18 has a definition of judicial officer—it is a justice of the peace, a magistrate, a chancellor, a judge of the court of appeals, a judge of the supreme court, and the chief judge of the court of common pleas.

Mr. WAGGONNER. I thank the gentleman. May I simply say the criminal seems to already get his share of special treatment. This bill favors the accused.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCULLOCH. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I am happy to join the able chairman of the Committee on the Judiciary in support of S. 1357. While this proposal addresses itself to modernizing the pretrial release system in our Federal courts, it is—in larger perspective—a continuation of the great work of assuring equal justice under the law for all our citizens.

The bill in its operation is relatively simple. It first requires that all Federal judges consider nonmonetary conditions of pretrial release in every case that comes before them, with the exception of capital cases. The bill further provides an effective and immediate penalty for failing to fulfill the conditions of release by willfully failing to reappear as required by the court. S. 1357 provides a streamlined method of review for district judge decisions on the question of pretrial bail and an expedited appeal procedure is authorized by the terms of the bill. Finally, the bail reform proposal of 1966 contains provisions which define and refine the right of bail pending appeal, which is limited by the terms of the bill to those cases where the appeal is not frivilous and the defendant's freedom pending review would not be a peril to society.

It might serve a useful purpose in discussing this legislation to note that the "right to bail" to which all Federal defendants in noncapital cases were entitled was a creature of statute and not a constitutional right. While the eighth amendment to the United States Constitution contains a stricture against excessive bail, it was the Judiciary Act of 1789 which unequivocally provided that a person arrested for a noncapital offense should be admitted to bail. Thus, in considering this proposal to further the guarantee of pretrial freedom to a larger number of our citizens who stand charged with crimes, we join hands across the years with an earlier Congress which in 1789 undertook to assure the right of all citizens to this important aspect of equal justice under law.

Under this "right to bail" however a bail bonding system has grown up which is the subject of our present concern. Instead of a defendant posting security which is returned to him when he himself returns for trial, in most instances an accused must buy a bond, paying to the bondsman a percentage of the amount set by the judge. Thus, in a very real sense, the accused must buy his freedom—if he can—even nothwithstanding the fact he is presumed innocent until found guilty. The haunting verse of Oscar Wilde provides a grim glimpse of the results in many cases:

THE BALLAD OF READING GAOL

I know not whether laws be right,
Or whether laws be wrong;
All that we know who lie in gaol
Is that the wall is strong;
And that each day is like a year,
A year whose days are long.

Aside from this very axiomatic injustice, the additional disadvantages of the present system are, in my opinion, twofold.

First, in securing the bail bond, often an accused does no more than exchange one jailer for another. Bondsmen, free to impose any conditions of a bond they deem necessary, are able to operate far outside the law which governs law enforcement officers. Recent stories in the press tell of the virtual kidnaping of accused persons by their bondsmen and their subsequent transportation nearly halfway across the country. It is no mere happenstance that the public image of the bondsman—in our folklore—has joined the foreclosing mortgagee as a cruel and relentless figure in the public mind.

The second wide area of injustice worked under the present bail system lies in the great number of accused persons who are unable to afford the price of any bail bond, and consequently are not released prior to their trial.

Freedom between arrest and criminal trial is a safeguard which cannot, in my opinion, be seriously questioned. For instance, freedom within which to prepare a defense to a criminal charge, in the matter of locating witnesses and developing evidence, may be more important to ascertainment of truth in a given case than provision of counsel, or a transcript of the trial on which to appeal. An indigent's right to counsel is absolute, as is his right to a transcript. Yet pretrial freedom is all too often needlessly denied, simply because, in handling the keys of the jail to the bondsman, the price of release is too high for an indigent accused.

The implications in the case of a defendant who is later found innocent of the charged offense are very obvious. He has been punished for having been accused of crime. *Such an occurrence is* very obviously foreign to our system of justice.

But basic injustice still persists in the case of a man who, though found guilty, is found by the judge eligible for a suspended sentence and/or probation. It is no longer open to question that the goal of the criminal law is rehabilitation of every offender of society's laws who can be so treated. In my judgment, it is axiomatic that noninstitutional correction is to be preferred in those cases where the courts find it is appropriate to the offender and the offense. The record indicates that 40 percent of ali Federal convicts in 1962 and 1963 were awarded probation.

It is significant, then, that the same factors which render a man eligible for probation, namely the presence of strong family ties and a job in the community, are the very same factors which will be relied on under S. 1357 to allow the man to secure pretrial release on his own cognizance. Thus the bill will insure that the tools which will be most conducive to successful rehabilitation of a defendant will not have been lost to him during a period of needless pretrial confinement.

Mr. Chairman, it is hornbook law that the matter of bail of a criminal defendant prior to his trial involves the balancing of the rights of the individual as against the rights of society. While we intend by this legislation to perfect the right of all defendants to be released under equitable circumstances, prior to trial, we must not fail to include in the scope of our discussion on the bill the interests of society in having a defendant return promptly, as required, to answer for the charged violation of society's laws. While I believe and am assured that this bill represents justice and mercy in its highest form, I believe society's interest in the effective administration of the criminal laws is equally well served by the measure we have before us. For those who are interested—as I am—in guarding the rights of society to law and order, I should like to point out the safeguards which undergird the bill.

First, the bill retains the present clear distinction made in the law between capital and noncapital offenses. As I understand the legislation, it does not alter the present circumstances as to when a defendant charged with a capital offense may be released or when the courts may hold him without any bond. If the court has reason to believe that the defendant will flee or will pose a danger to any other person or to the community, he of course need not be released on bail or recognizance. However, if the defendant is eligible for release, the bill provides that he is entitled to consideration of nonmonetary conditions of release, still provided of course that the judge is satisfied that the conditions imposed will be adequate to insure the man's return as directed.

Second, in considering a defendant for release, it should be well noted that the judicial officer is required by mandatory provisions of the bill to take into account the following circumstances in considering whether or not the defendant before *him should be released on his own recog*nizance. The nature and circumstances of the offense charged together with the weight of the evidence against the accused are required to be evaluated. Each of the following factors in the accused's background must be considered, family ties and the community, his employment, his financial resources, his character and mental condition, and the length of his residence in the community. In addition to these matters, and of significant importance, a judge must consider the record of convictions of the accused together with his record of appearance at other court proceedings or of flight to avoid prosecution. And, again, I must stress that these are mandatory considerations that the bill requires the courts to heed in every case.

The third, and perhaps the most important safeguard which undergirds the Bail Reform Act of 1966 is found in section 3150, "Penalties for Failure to Appear." Sure and certain punishment for willful failure to appear as required by the judge upon release is provided by penalties which may entail 5 years or $5,000 in the case of a felony or fine and imprisonment for not more than a year if the willful failure occurred in the case of a misdemeanor. There can be no doubt that this remedy provides the means for effective enforcement of the revised bail system. For as the record of the hearings reveals, in this day and age it is nearly if not virtually impossible for an individual to flee the law and avoid ultimate detection and location as a fugitive. I am sure all members of the committee would join me in a forceful statement of legislative history on this measure, that this provision is designed to be strictly and firmly enforced.

In summary, Mr. Chairman, I believe the bill before us wisely and soundly balances the rights to equal justice, by both the rights of the public and the rights of the individual charged with crime. If effectively administered by our courts and by our prosecutors, it will promote a greater flexibility and a greater efficiency in the administration of the laws in the United States. I urge my colleagues on both sides of the aisle to join in support of this historic advance in the administration of criminal justice.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from North Carolina.

Mr. JONAS. While the gentleman is talking about application of this law to crime, capital and otherwise, would it be fair to say that in the great majority of criminal cases that would be involved, they would not be crimes of violence? I am trying to think of what type of crime would be covered.

Mr. McCULLOCH. That is our opinion.

Mr. JONAS. Embezzlement of bank funds?

Mr. McCULLOCH. That is correct.

Mr. JONAS. Of course, treason would be involved?

Mr. McCULLOCH. Yes.

Mr. JONAS. That would be a capital offense.

Mr. McCULLOCH. Yes.

Mr. JONAS. Liquor law violations?

Mr. McCULLOCH. That would not be a crime of violence.

Mr. JONAS. Counterfeiting?

Mr. McCULLOCH. That would not be a crime of violence.

Mr. JONAS. Is it fair to say that we are dealing here with a body of law almost outside crimes of violence?

Mr. McCULLOCH. I would say that that is a reasonably accurate generalization.

Mr. JONAS. I thank the gentleman.

Mr. McCULLOCH. There can be no doubt that this remedy provides the means for effective enforcement of the revised bail system. As a matter of fact, there was evidence in the record that few people accused of crime in this country, or few people released on bail, have been unfound for any great length of time.

In view of all these facts, and in view of the very able presentation that I know my colleague from Florida will make in this matter, I hope the Committee will promptly accept this proposal, which is humanitarian in intention, and which will be a safeguard to society in general.

I recommend the legislation.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. Mr. Chairman, I am pleased to yield to the gentleman from North Carolina.

Mr. JONAS. Referring back to our previous colloquy, I think it should be stated that my inquiry of the gentleman would not apply to crimes committed in the District of Columbia, because crimes of violence in the District of Columbia are covered by Federal statute.

Mr. McCULLOCH. That is right.

Mr. JONAS. In order to know what is involved, there are a lot of serious crimes that are not crimes of violence, necessarily—dope peddling, and things of that sort—that will be affected.

Mr. McCULLOCH. That is right.

Mr. JONAS. How will this new bill affect the crimes under new legislation which will make it a crime to violate the civil rights of an individual?

Has any consideration been given to the possibility that those so charged will be allowed out without bond?

Mr. McCULLOCH. I think this legislation would affect the types of laws that are now on the statute books, and offenses covered thereby mentioned by the gentleman from North Carolina.

Mr. JONAS. Then of course it would cover, prospectively, any additional crimes that may be incorporated in future legislation now under consideration?

Mr. McCULLOCH. I think that would be the case, but I have to say this to the Members of the Committee: This legislation will be executed by Federal judges, sworn on oath to follow the Constitution and the laws of the land. There was no evidence of any moment, if any evidence whatsoever, before the committee that Federal judges had been abusing their discretion under present law. It is my opinion that the Federal judges, speaking of them as a whole, who have done such a grand job throughout the history of the country, will not be guilty of abuse of discretion when this legislation becomes law.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield for a moment?

Mr. McCULLOCH. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Mr. Chairman, in response to the questions asked by the gentleman from North Carolina, it is usual that crimes of violence in most instances are punishable at State level rather than the Federal level. Hence, as he has pointed out, most of these, or at least 90 percent of the offenses, deal with crimes against the Federal Government and will not deal with the violent crimes that he has indicated.

Mr. McCULLOCH. That is correct.

Mr. ROGERS of Colorado. Furthermore, the objective of this legislation is to authorize and compel the bailing officer to place in writing his reasons for imposing the conditions, and to give the defendant, or the person charged with the crime, an opportunity to appeal the decision. At the present time it is very difficult sometimes to ascertain what reasons the judge or the committing magistrate may have used in placing these conditions.

Under this legislation he would be required to do it under certain circumstances. That is one of the chief objectives of the legislation.

Mr. McCULLOCH. That is correct. The gentleman from Colorado has put his finger on an important aspect of this bill.

Again I urge passage of the bill by the House.

Mr. JONAS. Mr. Chairman, will the gentleman yield once more?

Mr. McCULLOCH. I yield to the gentleman from North Carolina.

Mr. JONAS. Have any statistics been developed to determine the results of experiments which may have been made in the Federal courts as to releasing individuals charged with rather minor offenses on their own recognizance? Has there been experience to determine how many flee and how many respond on the day when they are due to report back?

Mr. McCULLOCH. I do not remember definite statistics on that problem, but I believe it was Mr. Bennett or one of the Federal prison officials who testified that fugitives from justice were so few that they were almost infinitesimal, over the period he has been in charge of the program.

Mr. JONAS. I would think that would be true. That does not prove the point, because most of those persons are out under bond. They have a pecuniary interest in returning, or a financial stake involved. This would require statistics as to how many respond or fail to do so when they are out on their own recognizance.

Mr. McCULLOCH. I say to my able colleague, while I do not remember the statistics on this problem it is almost impossible for one charged with an offense either against the State or the Nation to remain long at large if wanted by the authorities under the law.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I am glad to yield to the gentleman from New York.

Mr. CELLER. On the question of bail jumpers I have an interesting highlight from the testimony by Herbert Sturz, on the Manhattan Bail Project.

He says that—

As of yesterday—

That is, May 27, 1964—

2,630 accused prisoners have been released on their own recognizance in New York City's criminal courts upon the recommendation of the Manhattan Bail Project. Of these 2,630 persons, 99 percent returned to court when required. Only 24 persons, or 1 percent, failed to return.

I understand that in Michigan the record is even better than that.

Mr. McCULLOCH. I thank the gentleman from New York for his contribution.

Mr. JONAS. That is a very good record. It answers the question I had in mind.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from California.

Mr. CORMAN. I wish to point out that one of the real values of the bill is that we would give to the judge some additional remedies he does not have at the moment to insure appearance of defendants at time of trial. Now he can either release the defendant on his own recognizance or on bail. We would provide some other steps between those two, which I believe is a substantial part of the value of the bill, such as releasing to a person designated, requiring a person to return certain hours of the day, and so forth. That is a real value of the bill, giving additional choices to the judge in making his decisions.

Mr. McCULLOCH. I thank the gentleman from California for his contribution. The gentleman gave much of his time in the hearings and the study of this legislation.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Chairman and members of the Committee, the bill, S. 1357, is one of particular interest to me not only because of its content but also because of its authorship.

The author of this bill is my most distinguished constituent, the senior Senator from North Carolina, the Honorable SAM ERVIN, JR. Senator ERVIN is referred to by most of us who have known him through the years as Judge Ervin more often than as Senator ERVIN. He had a distinguished career as a member of our superior court, the highest trial court in North Carolina, and then served for several years on the Supreme Court of North Carolina, from whence he came to the U.S. Senate by appointment of the Governor.

Senator ERVIN is not a harsh man, but he has never been known as one who had a bleeding heart for violent criminals. I know this legislation which he wrote, and with which the Senate agreed, and which the House Committee on the Judiciary has improved upon is a result of a wealth of experience which one seldom finds in the author of a bill dealing with a subject such as this unless he has had such vast experience as Senator ERVIN has.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. Yes. I will be glad to yield to the gentleman from New York.

Mr. CELLER. I am very happy that the gentleman rose to tell us about Judge ERVIN, because I have served with him on conferences over the years. I have always found him to be a man who was most kind and humble, always willing to listen, and a man with overpowering wisdom and a real and genuinely great credit to the Senate and the country.

Mr. WHITENER. I thank the chairman of the committee and certainly concur in his appraisal of my distinguished fellow North Carolinian.

I might point out to the committee that this bill did not just happen suddenly because some individual or some organization recommended it. Senator ERVIN's committee commenced a study of this problem in 1958 and held exhaustive hearings on it. As a result of that, they brought out a very fine piece of legislation. You will note from the Union Calendar No. 690, that the House Committee on the Judiciary made several changes which are more or less technical in nature. In one or two cases they are substantive in their effect, but in no event did we weaken or damage the overall intent and purpose of the legislation as it comes to us.

I have been interested in the colloquy between my colleague from North Carolina [Mr. JONAS] and the chairman and ranking member of our committee about the numbers of acquittals that arise in Federal cases after a prisoner has been held without bail. Of course, we do not have those statistics, but I think it is significant that in testifying before the Senate Subcommittee on Constitutional Rights the then Director of the Bureau of Prisons, Mr. Bennett, has this to say:

> In 1963 persons accused of Federal crimes spent about 600,000 days in jail and cost the United States Government $2 million.

At another point he had this to say:

> The number of persons charged with Federal violations during fiscal year 1963 totaled 34,845. Of this total 5,042 were released or acquitted; 12,047 were placed on probation; and 2,847 were given fines only. A total of 13,639 were committed to prison but only 2,076, or 15 percent of these commitments, were for 5 years or longer. About 500, or 3.6 percent, of the total commitments were for as much as 10 years.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CELLER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WHITENER. In other words, we can estimate that out of the total number of indictments, nearly 35,000, the vast majority—not over 10 percent—do not eventually receive a sentence of sufficient length to warrant the imposition of bail at the time they were apprehended.

And, then, the other point in his statement, Mr. Bennett said this:

> The amount of time Federal offenders stay in jail awaiting trial is excessive on the very face of it. As this chart indicates—

He was using a chart in his testimony—

> there were 22,343 persons held for trial during 1963 whose cases were disposed of. They spent, on the average, 29 days in jail awaiting trial. On the average, those who made bond spent 10 days in jail. Those whose indictments were dismissed, 37 days. Those placed on probation, 38 days; and those committed to prison, 30 days.

So, Mr. Chairman, we see that some injustice has been brought about by reason of the inability of a great number of prisoners who were later acquitted or were later placed on probation to make a reasonable bond.

Of course, Mr. Chairman, they have the constitutional protection against excessive bail. Therefore, we must assume that these prisoners referred to by Commissioner Bennett in 1963 were acquitted or who were placed on probation had not been able to provide a reasonable bond.

Mr. Chairman, there is nothing contained in this bill, as I see it, which would destroy any right or power that a court has at present to discharge prisoners on their own recognizance. I feel that the courts can do that now.

Mr. Chairman, something has been said about the capital cases. There is a great split of judicial authority in the States and in the Federal system today as to whether a capital felony is bailable. Some judges say that it is and some say that it is not. The procedure which is followed in my State is about like this: If you want to bring a habeas corpus proceeding to obtain bail for one charged with a capital felony, you try to find one of the judges whom you know believes he has the authority to grant bail.

Mr. Chairman, this bill contains no radical effect upon existing authority. It merely creates guidelines which we believe will bring about practical bail procedures.

Mr. Chairman, it will guarantee a prompt hearing on the part of the prisoner and give him the right to be heard on the question of bail. This may not have been done in the past as promptly as it will be in the future by reason of the enactment of this legislation.

Mr. Chairman, I believe we have good legislation. I further believe that Senator ERVIN has given us good leadership in the other body. So has our distinguished chairman here, the gentleman from New York [Mr. CELLER], and the other members of our committee who have given painstaking attention to the bill, S. 1357. We feel it represents legislation which will bring about greatly improved procedures in our bail system.

Mr. McCULLOCH. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman and Members of the Committee, the bill now pending before us represents the first substantial and meaningful change to our bail procedures in the United States in nearly 200 years.

The principles upon which it is based are indeed salutary. Freedom, prior to trial, in a criminal case is a basic element of proper justice, in my judgment. This legislation, if adopted, would fully implement this principle in our criminal laws, which is to strengthen them and to provide increased efficiency in the administration of criminal justice.

Therefore, Mr. Chairman, I join in much of what has been said by the distinguished chairman of the Committee on the Judiciary, the gentleman from New York [Mr. CELLER], and the ranking minority member of the committee, the gentleman from Ohio [Mr. McCULLOCH].

I must say, however, that while I am in general agreement with the legislation now pending before us, I do have some serious reservations about the way in which the bill implements the enlightened provisions of bail reform.

I would therefore like to comment on a few of the aspects of the bill to clarify some of its provisions, that the House may work its will upon this measure in full awareness of its implications and perhaps, through interrogation relating to these matters, clarify the record.

At the present time bail is not regulated by statute but by rule 46 of the Rules of Criminal Procedure. These are court made rules which are deemed approved by the Congress if they are not disapproved after their proposal. The current amendments to the criminal rules which have been proposed are presently pending before the Congress. They include changes to rule 46 which are comprehensive enough in design to implement by rule the principles embodied in the bail reform act before us. They do not, however, embody several procedural changes which are the subject of my present concern.

The practice of release on personal recognizance is a fairly new one. As earlier speakers have noted, the bail bond procedure, was the standard method of pretrial release for over a century in the United States.

Several judicial districts as have been mentioned earlier have adopted their own rules and procedures relative to personal recognizance.

Additionally, there have been memorandums from the Attorney General to the U.S. attorneys throughout the country to encourage them to participate in bail reform projects and to encourage the use of personal recognizance in appropriate cases wherever possible.

But until the present date there has been no official enactment of that proclamation by the courts or the Congress which endorses release on personal recognizance as a policy of the U.S. Government.

If the bill before us undertook to do no more than require district judges to consider personal recognizance in preference to bail in those cases in which it was appropriate, I would not have any objection to it. But the legislation goes further than that in two or three particulars.

First. It undertakes to revise the standards for appealing district court dispositions of bail bond questions.

Second. The bill takes a new and questionable approach to the question of bail pending appeal for defendants who are convicted in district courts of Federal crimes.

Third. I think it unnecessarily limits the discretion of the court in deciding the actions to be taken.

With regard to the review question—under present law the procedure for appealing the setting of bond with which the defendant disagrees is an uncomplicated and speedy procedure. The defendant moves for reduction of bail. The denial of such order is immediately reviewable in the court of appeals.

Under the present law, the decision of the district court may be reviewed on this basis only if abuse of the court's discretion is shown.

The procedure established by the bill for reviewing the setting of conditions for pretrial release is similar to the existing system, but the bill undertakes to change the standards of review to be applied by the court of appeals.

This is a matter I would like to ask the chairman of the committee some questions about, regarding the proposed language as found in the bill on page 8, lines 7 and 8.

This is an appeal from the court's decision or the bonding authority, the "court officer" under the standards set up in the proposed bill.

The proposed language is found in the bill, as I said, and it says:

> Any order so appealed shall be affirmed if it is supported by the proceedings below.

While I am not aware of the meaning of the words "supported by the proceedings below" as a legal standard, I am informed by the Department of Justice through committee counsel what is suggested by the language is a "substantial evidence test."

This is far different from the abuse of discretion test embodied in the present law and amounts to sharply reducing, in my opinion, the discretion of district judges. If this is what is meant, why is the change recommended? The only answer of the proponents seems to be that they do not trust the district judges to exercise full discretion in applying the new standards. The proponents apparently wish to move the circuit court of appeals closer to this decision and make it easier not only to review but overturn judgments of the district judges with which they disagree.

The impact of what seems to be a simple matter is twofold, primarily this change will mean, in my opinion, more appeals from bail orders and the requirement for more extensive proceedings in the court of appeals—additionally limiting the discretion of the district court to regulate sensitive matters coming before it to such record.

In the words of Justice Jackson, concurring with Mr. Justice Frankfurter in the landmark case of Stack against Boyle, in 1951, which illustrates this latter point, the Court said:

> It is highly important that such preliminary matters as bail be disposed of with as much finality as possible in the District Court where the case is to be tried. It (the court) is close to the scene of the offense, most accessible to the defendant, has opportunity to see and hear the defendant and the witnesses personally, and is likely to be the best informed for sound exercise of discretion. Rarely will the original determination be disturbed if carefully made. The Court of Appeals is not required to re-examine every order complained of. They represent exercises of discretion upon questions usually of fact. Trivial differences or frivolous objections should be dismissed. The Appellate Court should only reverse for clear abuse of discretion or other mistake of law.

I would expect that in a session of the Congress which has just authorized some additional 45 new judges to cope with increasing caseloads and heavy dockets the proponents of a measure which would bring more cases to the overcrowded circuit courts would affirm some factual basis for making such a change in the standard for appeal in the present law. I find it difficult to locate such reasons in the record of the hearings.

As a matter of fact, the Deputy Attorney General, the administration spokesman for the bill, apprized the committee he had not analyzed the point.

On the other hand, the chairman of the Judicial Conference's Committee on the Administration of Criminal Law thought the proper standard was and should be "abuse of discretion." I refer to the hearings on pages 72 and 73.

The representative of the American Bar Association stated flatly:

> The judge has enormous discretion to reach the finding of the conditions of bail.

Yet the proponents seemed to have some fear that the district judges, as a rule, would not implement the letter of the legislation in the spirit that it was enacted.

Because I feel the district judges are capable of exercising flexible provisions for pretrial release in the spirit in which they are being enacted, I may propose an amendment, depending on the answers to the questions I ask, to restrict the circuit court of appeals to reversal only in those cases in which the amount of bond or the condition set by the district judge is clearly erroneous or attempting to reinstate what I understand to be the basic present law, and that is an abuse of discretion standard or test.

In looking at the hearings on the bill it appears there is a great deal of difference of opinion as to what this language means. Frankly, I do not know exactly what it means. I do not know of any other statute which has similar language.

For example, Mr. Clark, Deputy Attorney General, who appeared before the committee, as shown on page 30 of the hearings, stated that "supported" might mean more substantial evidence than abuse of discretion. In discussing what "supported by the proceedings" means, he said:

> "Supported" might more clearly mean substantial evidence than abuse of discretion.

I have not analyzed that particular point, but my immediate reaction would be a "substantial evidence" rule rather than an "abuse of discretion" rule.

What did Judge Smith, one of the strong proponents of the measure, in whom we all have confidence, a former judge himself, say? On page 73 of the hearings, interpreting the words "supported by the proceedings below," he said:

> That is an "abuse of discretion" standard.

I would like to ask the chairman of the committee, first, whether any other statutes use a similar standard for determining the basis for an appeal as "supported by the proceedings below"?

Mr. CELLER. In the first place, we would have the additional review of the regulatory agencies below. I think the gentleman has read a good deal into this bill, and he is conjuring up a lot of ghosts which do not exist. I point out the language which appears on page 8, lines 7 and 8:

> Any order so appealed shall be affirmed if it is supported by the proceedings below.

The gentleman used that language and said he did not understand what it meant. To help him understand what it means, I ask him to turn to page 7, lines 6 to 9, subdivision (f):

> (f) Information stated in, or offered in connection with, any order entered pursuant to this section need not conform to the rules pertaining to the admissibility of evidence in a court of law.

This means that a great deal can be brought under the title of proceedings. It need not be evidence in accordance with the law. There is the situation within many of these executive agencies and administrative bodies where proceedings are not in accordance with the rules of law, and all manner and kinds of data and evidence are placed into the record. That goes up on appeal. That is the situation here.

Mr. CRAMER. I agree with the chairman. I am friendly with the bill, Mr. Chairman. I am not unfriendly. I am not trying to destroy the bill. I am trying to find out what is meant by the words, "by the proceedings below." Is it the substantial evidence rule?

Mr. CELLER. It is not. It may not be evidence in accordance with regular rules of procedure. It can include evidence. It can include hearsay. It can include statements by people outside the ordinary. It can include conceivably all manner and kinds of data.

It need not be, when the judge is going to rule on whether he should release on recognizance, strictly that which is evidence.

Do you agree with Judge Smith, on page 73, when he says he believes it to be "an abuse of discretion standard"?

The judge said further that he is not worried about the situation, if I remember correctly. He said:

> That is an abuse of discretion standard. Because we get into this. Counsel in dealing with these terms "that clearly are erroneous," "substantial evidence", we sometimes wind up with the same result.

That will be an appeal. I am not afraid of the appeal. The reason is the standard set up by the judge you quote, who is not afraid of the law. He indicated approval.

Mr. CRAMER. I am asking the chairman if he agrees with the judge that it is an abuse of the standards.

Mr. CELLER. I would say conceivably there could be an abuse of discretion. It does not mean necessarily there would be an abuse of discretion. Of course we are dealing with a judge below who is using his discretion.

The thrust of this bill is to indicate and inculcate in the judge that it is the congressional viewpoint that he should have a predilection—that is a good word, I believe, in this sense, that the judge should have a predilection—rather than consider money matters and financial matters, to consider the character. Therefore he should have the tendency to release on the prisoner's own recognizance. That is the theory of this bill.

Mr. CRAMER. I am in support of the theory. What I am trying to find out is what is the standard for appeal as it relates to review of the proceedings below. The thing that bothers me is what was set out in the case I just cited. The judge in the lower court, or the person making the decision, knows the man's demeanor. This does not appear in the proceedings below recorded. How can that discretion aspect be preserved as it should be? That is all I am interested in. How should it be preserved?

Mr. CELLER. I know what the gentleman is saying. I do not think I can compare an ordinary case on appeal, which involves evidence on rules, with a case of this sort.

Mr. CRAMER. That is precisely why I wanted to know what the standard for review is.

Mr. CELLER. There is no precise standard. We are dealing with humans, and therefore we cannot "cabinize" them. You cannot put up walls around them and say "These are the rules, you cannot go beyond them."

Mr. CRAMER. I agree wholeheartedly with the gentleman. Let me ask the gentleman, does "proceedings below" limit the Supreme Court decision to what appears in the record, and thus not give the lower court judge the discretion to determine the man's credibility and such by his appearance?

It appears to me that it is limited to what is on the record in the proceedings below. Everyone admits a large portion of discretion is based upon what a man looks like, how he talks, and his demeanor, in determining whether he should be let go.

Mr. CELLER. That is true. Probably it would not be possible to put a man's impression on the record, or all the details on the record.

Mr. CRAMER. Exactly.

Mr. CELLER. This is all more or less the discretion of the judge. As would be true with regard to all discretionary powers, the appellate court must realize they deal sometimes with things that are intangible.

Mr. CRAMER. Then the chairman takes the position, does he, that this standard "supported by the proceedings below" does leave room for discretion on the part of the "lower court officer" outside of the record, meaning the demeanor of the individual and these other things which inherently must be considered?

Mr. CELLER. I believe there is nothing to prevent the judge from placing in the record his views in reference to those intangible objectives, and I believe the court would. He is required under some of the terms of the language to do just that. I believe he would certainly indicate the general demeanor, which at times one cannot feel with one's senses, and the general character which one cannot necessarily see with one's eyes. He would write that out, I suppose, and make that a part of the record.

I say to the gentleman from Florida, is that not provided on page 5, line 4, with the language:

> In determining which conditions of release will reasonably assure appearance, the judicial officer shall, on the basis of available information, take into account the nature and circumstances of the offense charged, the weight of the evidence against the accused—

And so forth? I believe he would painstakingly write all about these things.

Mr. CRAMER. There is nothing in the subsection (b) which the gentleman is quoting which relates to the man's demeanor or to those intangible matters which the distinguished chairman spoke of, which the judge must consider in determining whether a person should be bonded or released.

I wish to make sure that as drafted the legislation, which permits the "lower court officer" to exercise such discretion without being overturned by the appellate court, means it does not appear on the record.

Mr. CELLER. I believe the gentleman is conjuring up things which are not likely to happen. I believe a painstaking judge would put all these facts into the record.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. I direct the gentleman's attention to page 8, line 7, to the language:

> Any order so appealed shall be affirmed if it is supported by the proceedings below. If the order is not so supported, the court may remand the case for a further hearing——

Mr. CRAMER. Or release him.

Mr. ROGERS of Colorado. What is that?

Mr. CRAMER. Or release him.

Mr. ROGERS of Colorado. I continue:

> or may, with or without additional evidence, order the person released pursuant to section 3146(a).

Mr. CRAMER. That is what bothers me.

Mr. ROGERS of Colorado. Is it not reasonable to assume that inasmuch as the judicial officer may have denied the bail—that is the only time there would be an appeal—he would be required, as set forth, to meet the language on page 6, line 2:

> Unless the conditions of release are amended and the person is thereupon released, the judicial officer shall set forth in writing the reasons for requiring the conditions imposed.

Now, does not the gentleman from Florida agree that if the committing officer is required to place his reasons in writing and he sets them forth, that gives the appellate court jurisdiction to consider the things that he had before him when he set these conditions, and if he fails to set them forth or the evidence was absent, then the appellate court could direct him to take additional evidence or come forward with additional findings? Does that not protect the right of the individual?

Mr. CRAMER. There are a lot of things that cannot be put in writing relating to judicial discretion and that discretion should rest in the lower court in making this determination. The review should be on the basis as to whether he properly exercises his discretion. What page are you reading from?

Mr. ROGERS of Colorado. Originally I read from page 6, beginning in the middle of line 2.

Mr. CRAMER. Yes. That is correct.

Mr. ROGERS of Colorado. Where we said:

> Unless the conditions of release are amended and the person is thereupon released, the judicial officer shall set forth in writing the reasons for requiring the conditions imposed.

Mr. CRAMER. All right. I will answer that question. That only applies to subsection (d) on page 5, which refers to an application for reconsideration and for review. It does not apply to the initial finding.

Mr. ROGERS of Colorado. Let me ask you this question: How could it ever arise except under this setup? If the judge or the commission grants him bail, you are not going to have an appeal. If he does not grant him bail or does not grant him his freedom, so to speak, and imposes conditions, what else is there to do except for him to set forth the conditions and his reasons therefor? That is subject to review the same as anything else.

Mr. CRAMER. He can immediately file an appeal without conforming to subsection (d) and therefore the judge does not have to set forth his reasons.

Mr. ROGERS of Colorado. Then, let us assume he does appeal. Does not the appellate court then have the right to take into consideration all of the things that the committing officer had before him? If he does, who has lost anything? It is all before the court.

Mr. CRAMER. I think it is quite obvious and what I want to make sure is to preserve the initial discretion in the judicial officer involved or in the lower court in determining whether Mr. X should be permitted to go free, which is partially based on his appearance and his demeanor and other intangibles that the chairman referred to and which I referred to and which the lower court always has had the discretion to consider, because the upper court does not even see the defendant or know what he looks like. I want to reserve the right in the lower court or the judicial officer involved to exercise properly that discretion without an abuse.

Mr. ROGERS of Colorado. Will the gentleman yield?

Mr. CRAMER. I will yield to the gentleman from North Carolina [Mr. WHITENER] because I would like to get this question on the test of a review clarified, because perhaps he can assist in that respect.

Mr. WHITENER. I thank the gentleman for yielding, because as I read subsection (d) about which there was some colloquy between the gentleman from Florida and the gentleman from Colorado, the procedure is there actually before the judicial officer who first acted. It is not on appeal, as the gentleman from Florida indicated, because it says specifically, "shall, upon application, be entitled to have the conditions reviewed by the judicial officer who imposed them. Unless the conditions of release are amended"—and I might say by the judicial officer who imposed them.

Mr. CRAMER. But he does not have to take that route.

Mr. WHITENER (continuing):

> And the person is thereupon released, the judicial officer shall set forth in writing the reasons for requiring the conditions imposed.

Mr. CRAMER. But he does have to take that proof directly to the court or directly to the appellate court.

Mr. WHITENER. Mr. Chairman, if the gentleman will yield further, well, if he did not, he would come under that provision which the chairman just read a part of, but the fact that the judge could take into account his mental condition. I can think of no Federal criminal defendant who would try to go to Richmond in my circuit in an effort to get his case heard, when the same district judge in North Carolina had it before him and the prisoner were lodged in jail in the same building.

I believe we are giving birth to a problem that probably does not exist.

Mr. CRAMER. Well, does he gentleman believe or what does the gentleman believe is the test for review under the language contained on page 8, line 8, affirmed as it is and supported by the proceeding below?

Mr. WHITENER. Mr. Chairman, if the gentleman will yield further, I concur in what was said by the chairman of the committee, the gentleman from New York [Mr. CELLER] that the bill is drafted specifically so as to avoid the usual rule which applies in administrative boards——

Mr. CRAMER. Abuse of discretion?

Mr. WHITENER. Where the rule is if there is any evidence whatsoever, competent evidence, to support findings of fact that the courts above or the courts must affirm what the administrative body did. That would not be the problem involved here, because as the gentleman from Florida has well said, the judge who is charged with fixing bail or releasing the prisoner without bail on his own recognizance, or on unsecured bail, has the duty to perform and is not necessarily hemmed in by rules of evidence.

In other words, Mr. Chairman, he takes into account, for instance the FBI record of the prisoner, which is before him, and he might take into account, as the bill says, the character and mental condition of the accused, his family connections, and his previous attitude toward society. This may come by way of information which will not meet the rules of evidence for admissibility.

And, Mr. Chairman, as the gentleman from Florida well knows, in the opening language of section 3146, it says that unless the officer determines, "in the exercise of his discretion, that such a release will not reasonably assure the appearance of the person as required"—then, Mr. Chairman, at a further place, as the chairman pointed out, it says that the judicial officer shall on the basis of available information—it does not say available evidence—information coming to the court shall make this determination in his discretion and then he makes his decision.

If the prisoner is not satisfied, he can then demand that the judicial officer who made the determination reduce it to writing, and give his grounds for it, and then he goes up on appeal where the appellate court looks at it and says that the judge below is not supported in his findings, because he has nothing here to support him but this court will now look into the decision that the trial judge made below and make these determinations.

So, you have, I believe, every bit of clarity that you need in this, because as the gentleman knows, even today the district judge in your district and mine can permit prisoners to go on their own recognizance. He does not have to find any facts or do anything. He can fix the bond at $50, $50,000. If he fixes an excessive bond, then a writ of habeas corpus lies and the court above will say that the bond is excessive.

I do not see that there is any real problem involved here.

Mr. CRAMER. Well, my purpose is to make certain that the wording, "supported by proceedings below" does not proscribe or limit the lower court judge exercising his discretion, so long as there is some support of that in the record or in the proceedings below. Therefore, the man's demeanor and these things that enter into the exercise of discretion can properly be considered by the lower court or by the officer involved and not result in overturning that exercise of discretion.

That is the issue, is it not?

Mr. WHITENER. Mr. Chairman, if the gentleman will yield further, I think that the court below, if it has exercised its discretion, based upon available information——

Mr. CRAMER. Including the man's demeanor——

Mr. WHITENER. Not evidence, but information.

Mr. CRAMER. Including the man's appearance——

Mr. WHITENER. Any kind of information.

Mr. CRAMER. The other matter which deserves our attention in my judgment is the matter of bail following convictions. The issue of bail pending appeal is an important and serious matter, which we should fully consider, I believe, before we act.

Mr. Chairman, the right to bail pending appeal is made permissible under the present law. Rule 46 of the Rules of Criminal Procedures states that bail may be allowed pending appeal or certiorari. And, contrast that with the language of the bill "shall be detained in accordance with the provisions of section 3146 providing for personal recognizance."

That is mandatory. Obviously, there is a great difference between pretrial bail and bail pending appeal after conviction.

Pretrial bail is designed to give effect to the presumption of innocence. I had always supposed that following a criminal trial in a district court of the United States whose proceedings therefore are entitled to a presumption of legality. That as a matter of law this presumption of innocence had been completely overturned when a person is found guilty.

Perhaps it might be of interest to the Members of this body to know that this is not the philosophy behind the bill before us.

The Deputy Attorney General testified in the hearings—and I find this quite amazing on page 32:

> Well, the first most significant difference is that after conviction the presumption of innocence is somewhat diminished.

This provision is explained in the report, for instance, as follows on page 15, and this is what bothers me:

> This section treats those accused of capital offenses and convicted persons differently from persons accused of noncapital offenses. This section accordingly provides that such persons are presumptively to be released under section 3146, but may be ordered detained if the circumstances indicate that release would not be advisable.

Therefore the result is that someone who is convicted and files an appeal is presumptively to be released and that the burden is upon the court to establish why he should not be released.

I think the burden is in the wrong place. If I offer an amendment, it will be for the purpose of trying to put the burden where it belongs—on the party making the request for release and not on the court.

I think I am in wholehearted sympathy with the intention of the bill and with its purpose, but I cannot see imposing on the court the burden of making a finding relating to the danger to the community and relating to frivolous delay as being the basis for not imposing section 3146.

That burden should be on the party making the request and not on the court.

I would like to ask the chairman what his reply to that suggestion would be—that the burden should be on the party and not on the court in determining this question as to whether after conviction the party should be released or not?

Mr. CELLER. I think the gentleman from Florida has not been reading this section properly. Reading on page 8, if the gentleman will read it carefully, he will see that there is no such burden placed on the court. The court would simply exercise the discretion as the court does now.

The language of the bill reads:

> A person (1) who is charged with an offense punishable by death, or (2) who has been convicted of an offense and is either awaiting sentence or has filed an appeal or a petition for a writ of certiorari, shall be

> treated in accordance with the provisions of section 3146 unless—

That is where the stinger is in that word "unless"——

Mr. CRAMER. Yes.

Mr. CELLER. And to continue reading the language of the bill—

> the court or judge has reason to believe that no one or more conditions of release will reasonably assure that the person will not flee or pose a danger to any other person or to the community. If such a risk of flight or danger is believed to exist, or if it appears that an appeal is frivolous or taken for delay, the person may be ordered detained.

Under those conditions, I think there are appropriate safeguards and the court would be exercising its discretion within the four squares and meaning of these words that I have read.

I do not see what more we could do on the question of release in capital cases after conviction. I think the gentleman is trying to read into this more than is in it.

Mr. CRAMER. I am reading from page 15 of the report.

Mr. CELLER. The committee report is not inconsistent with the language I have read in the bill.

Mr. CRAMER. Reading from page 15 of the committee report, it says:

> Such persons are presumptively to be released * * * but may be ordered detained if the circumstances indicate that release would not be advisable.

So the presumption is that the party should be released and it is up to the court to determine that he should not be released and not that the party involved should try to establish the fact that he should be released.

Mr. CELLER. If the gentleman will read on page 15 of the report, it says that there is no actual right to bail in capital cases. That ought to answer the gentleman's question.

Mr. CRAMER. The thing that bothers me, Mr. Chairman, is for example, what happened in the John Elridge case. On March 23, 1966, John Elridge shot a patrolman by the name of Stocker of the Metropolitan Police Department in Washington shortly following a robbery of the Lord & Taylor Store. Elridge committed suicide. At that time Elridge was on bond pending rehearing of his petition for certiorari in the Supreme Court in criminal case No. so-and-so.

The case in which he was released on bond was also a robbery case; so he committed one robbery; he went out on bond and committed another robbery. What I want to do is to make certain that the court has adequate discretion and is not straitjacketed, that it has adequate discretion in making a determination, and that the community's safety should be the primary consideration.

Mr. CELLER. We would not change that. That is preventive retention.

Mr. CRAMER. I am glad you mentioned that, because this is after conviction. I think it is admitted by everyone that a new or different test should be applied after conviction as compared to before conviction. In fact, the committee even wrote into the bill the language, "Will not flee or pose a danger to any other person or to the community."

Mr. Chairman, I do not think the chairman intends to make a statement like that. I have discussed this matter with Members on our side. I have brought the matter up in the subcommittee on my own. I have discussed it with staff members. I have discussed it with the distinguished gentleman from Virginia. I am sincerely concerned about the difference in the test after conviction as compared to before conviction. Certainly there is no presumption of evidence there. There is no question of a man's constitutional rights being involved.

Here is a man who is proven guilty. I think that is an entirely different situation. It is not a burden on the court. That man should not be permitted to go free if he poses a danger to any other person or to the community, and the burden should be on him to prove that he would not impose a danger on any other person or the community, and not the court.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Virginia.

Mr. POFF. Mr. Chairman, I address these remarks to the chairman of the full committee. I earnestly trust that under his power to revise and extend his remarks he will strike from the formal record the statement that he made a moment ago, which can only fairly be interpreted as a slight upon counsel to the minority.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Kansas.

Mr. DOLE. I am curious to know whether a man who has been convicted of anything but a capital offense under section 3148 could on his own recognizance be released. Would this apply only to the man who has filed an appeal? What about the man who is awaiting a sentence? Would he also be eligible for release under the same conditions?

Mr. CRAMER. Anyone would have the right to request that he be released under 3148 after conviction. The provision speaks for itself. A person who is charged with an offense punishable by death, or who has been convicted of an offense and is either awaiting a sentence or has filed an appeal or a petition for a writ of certiorari shall be treated in accordance with these more liberal provisions, unless the court or the judge has reason to believe that no one or more of the conditions of release will reasonably assure the person will not flee or pose a danger to any other person or the community.

Mr. DOLE. Does the gentleman feel that harm would be done to the bill if we struck out section 3148?

Mr. CRAMER. I have grave disagreement with the idea that there should not be a strict rule relating to bond after conviction as compared to before conviction. I have some reservation about striking the provision as such for this reason. The committee did report the rule on line 20 that if the court determines that the release will reasonably assure the person will not flee or pose a danger to any other person or community, he may be released.

Now, I want that provision in the law. The only point is that I think the burden ought to be on the party involved rather than on the court to so establish. That is where I take issue.

Mr. DOLE. I am wondering—I certainly share the gentleman's apprehension—about what is stated on page 15 of the committee report, where it states very clearly "that such persons are presumptively to be released." It would indicate to me, as a lawyer, that the burden is on the court.

Mr. DUNCAN of Oregon. Mr. Chairman, "Reason is the life of the law," Lord Coke once said. "Nay, the common law itself is nothing but reason."

Unfortunately, the law is not always guided by reason. Take, for example, the law of bail—a device to insure that a person accused of crime will appear at trial. At any one time in the United States, thousands of Americans, charged but not yet tried, are deprived of liberty simply because they are unable to pay for their release. A Justice Department survey in 1963 showed that on one day the Federal Government held 22,000 prisoners who were awaiting trial. In suburban Montgomery County, a few miles from here, it was estimated that almost one-third of all those in its jails had not yet been put on trial and might not be for as long as 6 months. In Sacramento, 11 percent of persons charged with Federal crimes cannot meet bail; here in the District of Columbia, 34 percent; Oregon—18 percent.

Judge Wright of the District Circuit Court of Appeals here once said:

> The professional bondsmen hold the keys to the jail in their pockets. They determine for whom they will act as surety—who, in their judgment, is a good risk. The bad risks, in the bondsmen's judgments, and the ones who are unable to pay the bondsmen's fees, remain in jail. The Court and the Commissioner are relegated to the relatively unimportant chore of fixing the amount of bail.

In Pennsylvania there was a man who spent 54 days in jail awaiting trial on a traffic offense, whose maximum penalty was 5 days—all because he could not raise $300 bail. A Los Angeles man was acquitted of an offense—but he first had spent 207 days in jail waiting trial.

The Judiciary Committee of the Assembly of New York has reported:

> We doubt whether any innocent person can remain unscarred by detention under such a degree of security as New York's detention houses impose. The indignities of repeated physical search, regimented living, crowded cells, utter isolation from the outside world, unsympathetic surveillance, outrageous visitor's facilities, Fort Knox-like security measures, are surely so searing that one unwarranted day in jail in itself can be a major social injustice.

This is not Lord Coke's law of reason.

This is why I support the bail and bond reform legislation. Pilot projects, such as that conducted by the Justice Department and the Vera Foundation, have shown that few defendants out of thousands released on their own recognizance willfully failed to appear in court on trial day. The bail system as now operating is unfair and inequitable.

Justice delayed is justice denied.

Mr. HORTON. Mr. Chairman, it is a special privilege for me to participate in the debate and final determination of this bill. Congress has been concerned with the reform of bail and collateral procedures for nearly a decade. After a thorough investigation of proper means to eliminate discrimination based on wealth in the pretrial treatment of accused persons, we have a proposal which provides for fair procedures for pretrial release without compromising the discretion of the court to detain accused persons whose release would endanger the community.

A very distinguished legislator from my home community of Rochester, N.Y., Senator Kenneth B. Keating, was one of the principle sponsors and supporters of bail reform legislation in the Senate. As the representative of many of the same citizens concerned with fair criminal procedures, it is both my honor and duty to carry forth the distinguished Senator's zeal for this legislation here on the floor of Congress. I share wholeheartedly in the continuing concern of Senator Keating, who now serves as a justice of the New York court of appeals, that disadvantaged persons accused of crimes be treated as the Constitution dictates all citizens must be treated under the American concept of criminal responsibility.

Mr. DANIELS. Mr. Chairman, I rise in support of S. 1357, the Bail Reform Act of 1966.

In a recent and perceptive article in the Georgetown University Law Journal—volume 53, number 3, spring 1965—David J. McCarthy, Jr., the assistant dean of the Georgetown University Law Center, and Miss Jeanne J. Wahl, research assistant, District of Columbia bail project stated:

> Basic to our system of criminal justice is the concept of the defendant's pretrial freedom to assist in the preparation of his defense. . . . This can at best be considered a shallow right, however, when substantial numbers of accused persons—approaching the majority in some jurisdictions—remain incarcerated during the pretrial period. Our continued reliance upon the somewhat anachronistic system of financial motivation and surety to the virtual exclusion of any other feasible method of guaranteeing the right of the public to have an accused answer charges has brought with it abuses, both official and judicial, which have resulted in repeated criticism.

Mr. Chairman, here in the District of Columbia we have had the opportunity to watch an unique experiment. A bail project has been in operation since January 1964, and has demonstrated its value to the community. This project which is funded by a Ford Foundation grant to Georgetown University is headed by a very outstanding young attorney, Richard R. Molleur. Under the leadership of Mr. Molleur, the project has convinced skeptics that other factors than the traditional financial bond can be used as a basis for release from custody during the pretrial period. Since 1964 over 2,000 persons, accused of crimes in the District of Columbia, have been released without paying for their pretrial freedom. In all this time, only about 2.9 percent of those released on personal bond have failed to make required court appearances.

Mr. Chairman, I ask unanimous consent to insert at this point in the RECORD an editorial which appeared in the Washington Sunday Star of March 20, 1966, pointing out the success of the District of Columbia bail bond project. The editorial follows:

[From the Washington (D.C.) Sunday Star, Mar. 20, 1966]

SUCCESSFUL EXPERIMENT

> The success of the D.C. Bail Project in attacking injustices in our present bail system will be fully spelled out in a final report next September. There is no need for Congress to wait until then, however, to create a permanent District agency to carry on the good work of the demonstration-project group. The merits of the case already are clear.
>
> The premise of the experiment, begun in 1963 under a Ford Foundation grant, was that numerous criminal defendants awaiting court appearances, and denied freedom for long periods because of their inability to obtain bail, might more sensibly be released during these periods on their personal bond. The essential job of the project task force has been to recommend to the courts fit candidates for this special treatment, on the basis of careful screening, intensive personal investigation and follow-up contacts with the defendants during periods of release.
>
> Since early 1964, some 2,191 recommendations for release have been made to the courts on this basis. The judges have seen fit to follow the advice in 1,859 cases. And in roughly 97 percent of these cases, ranging from serious crimes to misdemeanors, the defendants have made good on their later appearances in court.
>
> In a sense this procedure removes the bail system somewhat from the hands of professional bondsmen, and places it more nearly in the hands of the court, where it belongs. It does not free defendants who are bad risks as to later appearance, or who constitute a clear danger to the public. It does, however, strike at an injustice to indigents and to defendants of modest means which has been long recognized. It serves to relieve overcrowding in such sorely-pressed institutions as the D.C. Jail—at a fraction of the cost of custodial care. And thirdly, it provides valuable assistance to judges in making bail determinations.
>
> Under a pending Senate bill, endorsed by both President Johnson and the Justice Department, the investigative and advisory functions set up by the experimental project would be continued in a small new permanent agency. That bill deserves hearings and final passage before the demonstration group terminates its active operations this summer and passes out of existence.

Mr. Chairman, having served for several years as a magistrate in my native Jersey City, I know full well the basic and inherent inequities of the present system which favors the rich over the poor. I think that the measure which we are considering today represents an enlightened view and it is a concept which will correct a basic flaw in our judicial system.

Mr. Chairman, enscribed on the Supreme Court Building is the motto, "Equal Justice Under Law." Today we have an opportunity to make this slogan a reality by enacting S. 1357. I strongly urge all my colleagues to join with me in supporting this bill.

Mr. SICKLES. Mr. Chairman, I rise in support of S. 1357, the Bail Reform Act of 1966. This legislation corrects a serious shortcoming of the procedure in the Federal courts dealing with persons accused of criminal offenses; it eliminates the discrimination between the rich and the poor defendant by permitting the release during the pretrial period of any defendant in his own custody, or under other circumstances which may not require bail. The ability to post a money bond will no longer be the principal prerequisite to gaining pretrial freedom.

The practice of requiring bail goes back to medieval England. There it was up to the discretion of the sheriff to set the condition under which the defendant should be released. Originally the surety, if required, was a hostage who could be jailed if the accused did not appear for his trial. Later, the surety became property and, finally, promised sums of money.

A similar practice was used in the United States. The Constitution does not specifically grant a person the right to release prior to being brought to trial. But the eighth amendment states that "excessive bail shall not be required," and the Judiciary Act of 1789 provided that "upon all arrests in criminal cases, bail shall be admitted, except where the punishment may be death."

The practice evolved of professional bondsmen posting bail and it became the bondsman's job to insure that the accused appeared at the time of the trial. Since the bondsman was required to put up money in exchange for the defendant's release, the role of the bondsman became a commercial venture—he charged the defendant for the use of the money, or actually for the privilege of release. Thus the current dilemma developed: those who were not able to provide the bail themselves or to pay the bondsman for the use of his money were required to spend the time preceding trial in jail. The result is that the poor spend the pretrial period in jail while the rich are allowed to go free.

The present bail system has other shortcomings. The man who is incarcerated during the pretrial period is hampered in his attempts to prepare for the trial. He cannot keep his job, and his relations with his family are upset. Consequently, his whole attitude toward society and justice, and his self-image with regard to them become distorted. He often becomes a more difficult person to reintegrate into society at the conclusion of this experience.

In order to prepare for the legislation before us today, pilot programs have been operated to determine just what the effect would be if the bail system were made more lenient. Today only about 3 percent of defendants awaiting trial under the Federal system jump bail. The pilot programs show that this rate does not change when defendants are released in their own custody. If anything, the rate is lower. And the difference between releasing and not releasing defendants during pretrial period can be sizable in terms of useful and nonuseful man-years. A survey shows that the average period of pretrial detention in the Federal system is 41 days. Since there are now 9,000 defendants each year who are jailed during the pretrail period, a total of 369,000 days of liberty, or 1,000 man-years, are lost each year.

Mr. Chairman, the legislation before us today would put into practice throughout the Federal court system a uniform set of bail procedures based on the experience gained in recent years as a result of the several pilot projects carried out by the Department of Justice and by private organizations. The House should pass this measure today so that it can become law soon and the long overdue reform put into practice.

Mr. RODINO. Mr. Chairman, I strongly support passage of the Bail Reform Act of 1966. For quite some time now many of us in the legal profession in the Halls of Congress have been aware of gross inequities inherent in our bail bond system. Those inequities have stemmed primarily from one major source—the sole reliance on monetary bail to secure the release of persons awaiting trial.

Fortunately, we have in America a free and open society. We take pride in referring to our multinational sources of strength—we favorably employ the term "melting pot"—and we cherish these diversities as they have had the effect of making everyone feel as American as the next person. However, Mr. Chairman, the diversity of income has worked quite another result especially in this particular matter, for what we have been doing is to deny to the poor man, guilty or innocent, the same benefits that are easily obtainable to those with enough money to secure their release from custody. Too often this has led to imprisonment for poverty, and has imposed upon the impoverished accused a decided disadvantage in preparing his case, retaining any employment, and maintaining the well-being of his family. Moreover, extensive studies have shown, and the bail reform projects underway in some 90 cities in 40 States are proving, that not only do those of limited financial resources suffer most from incarceration but that the employment of factors other than monetary bail have had no adverse effect upon the appearance rate.

Since 1963 the Justice Department has also been pointing the way toward reform by directing United States attorneys to recommend release of defendants on their own recognizance if no substantial risk of failure to appear for trial was evident. By 1965 over 38 percent of the defendants before Federal courts were released on recognizance. This legislation, then, has enjoyed a great amount of preparatory ground work—in the States as well as at the Federal level. It is now time for the Congress to put the stamp of national policy upon the successfully initiated spadework of State and Federal bail reform projects.

Also, it ought to be emphasized, again and again, that the provisions of this legislation in no way alter the practice of preventive detention of defendants whose liberty prior to trial might endanger the public. It does not affect the area of Federal capital offenses. It does not prohibit the imposition of monetary bail. What this bill does do is to strengthen the discretionary authority of judicial officers by employing seven new factors in considering conditions of release.

It is interesting to note that England, the original source of our bail system, developed a bail surety relationship which is sufficiently flexible to allow the magistrate to refrain from imposing monetary bail when reasonably convinced the defendant will appear and will commit no offenses. Our bail system, by contrast, has evolved much more rigidly into commercial ventures run by professional bondsmen. And, in fact, the only opposition to this overdue legislation heard during House hearings came from the professional bondsmen.

While we do want to favorably consider the implications of this legislation regarding the position of bondsmen, there is at stake here a major principle of justice that has long been neglected. For just as the Congress moved to curtail thalidomide without destroying the legitimate role of drug production, and just as government is now moving to set auto safety standards without condemning the use of automobiles, this legislation will overcome an obvious wrong while retaining the legitimate use of bail and the legitimate function of bondsmen.

Mr. Chairman, I worked for this legislation in committee and I am extremely proud to do all I can to assure its enactment.

Mr. GILBERT. Mr. Chairman, I strongly support the passage of H.R. 1357, the Bail Reform Act of 1966. Briefly, this bill would authorize the release on personal recognizance of persons otherwise eligible for bail, it will credit time spent in custody for lack of bail toward service of sentence, and would otherwise implement the constitutional right to reasonable bail.

Our existing bail procedures in the federal system are unjust and often ineffective. The primary purpose of bail in our country is to assure that the accused will be present to stand trial. Each year thousands of citizens are confined because they cannot afford to post bond—not because they are guilty. When a person is confined before trial and before proven guilty by a court of law, he and his family suffer derision and humiliation, his attitude toward social justice, and often even his trial, is adversely affected. He is severely handicapped in the preparation of his defense, stigmatized by society whatever the outcome might be, deprived of employment and support for his family, and forced to associate with proven criminals.

I feel, as I am sure most of my colleagues in the House do, that personal responsibility, and not financial ability, should be the major factor in determining whether a defendant should be released before trial. Equality before the law disappears when a wealthy defendant may go free on bail while an impoverished defendant, charged with a comparable crime, must be confined in jail until trial, often for many months, because he lacks collateral for bond.

President Johnson, in his crime message to Congress, put it this way:

> Whether a person, released after arrest, is likely to flee before trial or endanger society is not determined by the wealth he commands. Yet all too often, we imprison men for weeks, months, and even years, before we give them their day in court—solely because they cannot afford bail.

Statistics show that of 34,000 accused of Federal violations in the year 1963, more than 5,000 were dismissed or acquitted, and half of the others were placed on probation or only fined. Yet a large number of these people spent time in prison awaiting their trials.

I wish to call attention to the Manhattan bail project sponsored by the Vera Foundation, for the release of the accused on his personal recognizance. The success of this project indicates the proposal in this bill is a sensible one. The defendants are interviewed to determine whether they are good risks and have appropriate family and community ties for release on their recognizance. As of 1964, over 3,200 accused persons have been released on their own recognizance in New York City's criminal court upon the recommendation of the Manhattan bail project. Ninety-nine percent of these have returned to court when required. Only 1 percent failed to return.

Mr. Chairman, pretrial confinement, as we well know, imposes a financial burden on taxpayers. Such detention depletes public funds that could be used more wisely, such as to provide counsel for indigent defendants. I also believe there is merit to the argument that our present Federal bail laws demonstrate that an important phase of the administration of criminal justice has become the responsibility of professional bondsmen.

I rise in support of H.R. 1357, and I urge my colleagues in the House to join me in supporting this proposal. The bail reform it provides is recommended by the Justice Department, the American Bar Association, local bar associations, and the Judicial Conference of the United States. It should be adopted.

The bill before us is the result of extensive and careful study by my committee—studies which have shown that our present bail system fails to give proper protection to the rights of the accused, and especially to the poor. I commend my chairman, the gentleman from New York [Mr. CELLER] and my fellow members of the Judiciary Committee, for the comprehensive job they have done in bringing before us this bill to safeguard the constitutional rights of citizens in the administration of criminal justice.

Mr. CELLER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

S. 1357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bail Reform Act of 1965".

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

On page 1, line 4, strike "1965" and insert "1966".

The committee amendment was agreed to.

Mr. HALL. Mr. Chairman, a parliamentary inquiry:

Is the bill not to be read?

The CHAIRMAN. The bill is being read. The first section was read, and there was an amendment to it.

The Clerk will read.

The Clerk read as follows:

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) Present Federal bail practices are repugnant to the spirit of the Constitution and dilute the basic tenets that a person is presumed innocent until proven guilty by a court of law and that justice should be equal and accessible to all;

(2) Persons reasonably expected to appear at future proceedings should not be deprived of their liberty solely because of their financial inability to post bail;

(3) Respect for law and order is diminished when the attainment of pretrial liberty depends solely upon the financial status of an accused;

(4) Bail practices which rely primarily on financial consideration inevitably disadvantage persons and families of limited means;

(5) The high costs of unnecessary detention impose a severe financial burden on the taxpayers and deplete public funds which could be better used for other public purposes;

(6) Family and community ties, a job, residence in the community, and the absence of a substantial criminal record, are factors more likely to assure the appearance of a person than the posting of bail; and

(7) Accused persons should not be unnecessarily detained and subjected to the influence of persons convicted of crimes and the effects of jail life; nor should their families suffer needless public derision and loss of support.

(b) The purpose of this Act is to revise the practices relating to bail to assure that all persons, regardless of their financial status, shall not needlessly be detained pending their appearance to answer charges, to testify, or pending appeal, when detention serves neither the ends of justice nor the public interest.

AMENDMENTS TO CHAPTER 207 OF TITLE 18, UNITED STATES CODE

SEC. 3. (a) Chapter 207 of title 18, United States Code, is amended by striking out section 3146 and inserting in lieu thereof the following new sections:

"§ 3146. Release in noncapital cases prior to trial

"(a) Any person charged with an offense, other than an offense punishable by death, shall, at his appearance before a judicial officer, be ordered released pending trial on his personal recognizance or upon the execution of an unsecured appearance bond in an amount specified by the judicial officer, unless the officer determines, in the exercise of his discretion, that such a release will not reasonably assure the appearance of the person as required. When such a determination is made, the judicial officer shall, either in lieu of or in addition to the above methods of release, impose the first of the following conditions of release which will reasonably assure the appearance of the person for trial or, if no single condition gives that assurance, any combination of the following conditions:

"(1) place the person in the custody of a designated person or organization agreeing to supervise him;

"(2) place the person under the supervision of a probation officer;

"(3) place restrictions on the travel, association, or place of abode of the person during the period of release;

"(4) require the person to return to custody after daylight hours on designated conditions;

"(5) require the execution of an appearance bond in a specified amount and the deposit in the registry of the court, in cash or other security as directed, of a sum not to exceed 10 per centum of the amount of the bond, such deposit to be returned upon the performance of the conditions of release;

"(6) require the execution of a bail bond with sufficient solvent sureties, or the deposit of cash in lieu thereof; or

"(7) impose any other condition deemed reasonably necessary to assure appearance as required.

"(b) In determining which conditions of release will reasonably assure appearance, the judicial officer shall, on the basis of available information, take into account the nature and circumstances of the offense charged, the weight of the evidence against the accused, the accused's family ties, employment, financial resources, character and mental condition, the length of his residence in the community, his record of convictions, and his record of appearance at court proceedings or of flight to avoid prosecution or failure to appear at court proceedings.

"(c) A judicial officer authorizing the release of a person under this section shall issue an appropriate order containing a statement of the conditions imposed, if any, shall inform such person of the penalties applicable to violations of the conditions of his release and shall advise him that a warrant for his arrest will be issued immediately upon any such violation.

"(d) A person for whom conditions of release are imposed and who after twenty-four hours from the time of the release hearing continues to be detained as a result of his inability to meet the conditions of release, shall, upon application, be entitled to have the conditions reviewed by the judicial officer who imposed them. Unless the conditions of release are amended and the person is thereupon released, the judicial officer shall set forth in writing the reasons for requiring the conditions imposed. A person who is ordered released on condition numbered (4) of subsection (a) shall, upon application, be entitled to a review by the judicial officer who imposed the condition. Unless the condition of release is amended, the judicial officer shall set forth in writing the reasons for requiring the condition. In the event that the judicial officer who imposed conditions of release is not available, any other judicial officer in the district may review such conditions.

"(e) A judicial officer ordering the release of a person on any condition specified in this section may at any time amend his order to impose additional or different conditions of release: *Provided*, That, if the imposition of such additional or different conditions results in the detention of the person as a result of his inability to meet such conditions or in the release of the person on condition number (4) of subsection (a), the provisions of subsection (d) shall apply.

"(f) Information stated in, or offered in connection with, any order entered pursuant to this section need not conform to the rules pertaining to the admissibility of evidence in a court of law.

"(g) Nothing contained in this section shall be construed to prevent the disposition of any case or class of cases by forfeiture of collateral security where such disposition is authorized by the court.

"§ 3147. Appeal from conditions of release

"(a) A person who is detained, or whose release on condition number (4) of section 3146(a) is continued, after review of his application pursuant to section 3146(d) or section 3146(e) by a judicial officer, other than a judge of the court having original jurisdiction over the offense with which he is charged or a judge of a United States court of appeals or a Justice of the Supreme Court, may move the court having original jurisdiction over the offense with which he is charged to amend the order. Said motion shall be determined promptly.

"(b) In any case in which a person is detained after (1) a court denies a motion under subsection (a) to amend an order imposing conditions of release, or (2) conditions of release have been imposed or amended by a judge of the court having original jurisdiction over the offense charged, an appeal may be taken to the court having appellate jurisdiction over such court. Any order so appealed shall be affirmed if it is supported by the proceedings below. If the order is not so supported, the court may remand the case for a further hearing, or may, with or without additional evidence, order the person released pursuant to section 3146(a). The appeal shall be determined promptly.

"§ 3148. Release in capital cases or after conviction

"A person (1) who is charged with an offense punishable by death, or (2) who has been convicted of an offense and is either waiting sentence or has filed an appeal or a petition for a writ of certiorari, shall be treated in accordance with the provisions of section 3146 unless the court or judge has reason to believe that no one or more conditions of release will reasonably assure that the person will not flee or pose a danger to any other person or to the community. If such a risk of flight or danger is believed to exist, or if it appears that an appeal is frivolous or taken for delay, the person may be ordered detained. The provisions of section 3147 shall not apply to persons described in this section: *Provided*, That other rights to judicial review of conditions of release or orders of detention shall not be affected.

"§ 3149. Release of material witnesses

"If it appears by affidavit that the testimony of a person is material in any criminal proceeding, and if it is shown that it may become impracticable to secure his presence by subpena, a judicial officer shall impose conditions of release pursuant to section 3146. No material witness shall be detained because of inability to comply with any condition of release if the testimony of such witness can adequately be secured by deposition, and further detention is not necessary to prevent a failure of justice. Release may be delayed for a reasonable period of time until the deposition of the witness can be taken pursuant to the Federal Rules of Criminal Procedure.

"§ 3150. Violations of conditions of release

"Whoever, having been released pursuant to this chapter, willfully fails to appear before any court or judicial officer as required, shall, subject to the provisions of the Federal Rules of Criminal Procedure, incur a forfeiture of any security which was given or pledged for his release, and, in addition, shall, (1) if he was released in connection with a charge of felony, or while awaiting sentence or pending appeal or certiorari after conviction of any offense, be fined not more than $5,000 or imprisoned not more than five years, or both, or (2) if he was released in connection with a charge of misdemeanor, be fined not more than the maximum provided for such misdemeanor or imprisoned for not more than one year, or both, or (3) if he was released for appearance as a material witness, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"§ 3151. Contempt

"Nothing in this chapter shall interfere with or prevent the exercise by any court of the United States of its power to punish for contempt.

"§ 3152. Definitions

"As used in sections 3146–3150 of this chapter—

"(1) The term 'judicial officer' means, unless otherwise indicated, any person authorized pursuant to section 3041 of this title, or the Federal Rules of Criminal Procedure, to release a person for trial or sentencing or pending appeal in a court of the United States, and any judge of the District of Columbia Court of General Sessions; and

"(2) The term 'offense' means any criminal offense, other than an offense triable by court-martial, military commission, provost court, or other military tribunal, which is in violation of an Act of Congress and is triable in any court established by Act of Congress."

(b) The analysis of chapter 207 of title 18, United States Code, is amended by striking out the last item and inserting in lieu thereof the following:

"3146. Release in noncapital cases prior to trial.
"3147. Appeal from conditions of release.
"3148. Release in capital cases or after conviction.
"3149. Release of material witnesses.
"3150. Violation of conditions of release.
"3151. Contempt.
"3152. Definitions."

CREDIT FOR TIME SPENT IN CUSTODY

SEC. 4. The first paragraph of section 3568 of title 18, United States Code, is amended to read as follows:

"The sentence of imprisonment of any person convicted of an offense shall commence to run from the date on which such person is received at the penitentiary, reformatory, or jail for service of such sentence. Any such person shall be given credit toward service of his sentence for any days spent in custody in connection with the offense for which sentence was imposed and, in the case of any person convicted of an offense who is required to pay a fine, there shall be deducted from the amount of such fine a sum equal to the wages for an eight hour workday at the Federal minimum wage multiplied by the number of days that such person spent in custody prior to his conviction, and pending certiorari or appeal with respect thereto, for the offense for which such fine was imposed: *Provided*, That no such credit shall be given if the judge, in imposing such person's sentence of imprisonment or fine, takes into consideration the number of days such person has spent in custody in connection with the offense for which such sentence or fine is imposed, and so records in his judgment. As used in this section, the term 'offense' means any criminal offense, other than an offense triable by court-martial, military commission, provost court, or other military tribunal, which is in violation of an Act of Congress and is triable in any court established by Act of Congress."

TECHNICAL AMENDMENTS

SEC. 5. (a) The first sentence of section 3041 of title 18, United States Code, is amended by striking out "or bailed" and inserting in lieu thereof "or released as provided in chapter 207 of this title".

(b) Section 3141 of such title is amended by striking out all that follows "offenders," and inserting in lieu thereof the following: "but only a court of the United States having original jurisdiction in criminal cases, or a justice or judge thereof, may admit to bail or otherwise release a person charged with an offense punishable by death."

(c) Section 3142 of such title is amended by striking out "and admitted to bail" and inserting in lieu thereof "who is released on the execution of an appearance bail bond with one or more sureties".

(d) Section 3143 of such title is amended by striking out "admitted to bail" and inserting in lieu thereof "released on the execution of an appearance bail bond with one or more sureties".

(e) (1) The heading to chapter 207 of such title is amended by striking out "BAIL" and inserting in lieu thereof "RELEASE".

(2) The table of contents to part II of such title is amended by striking out "207. Bail" and inserting in lieu thereof "207. Release".

Mr. CELLER. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York.

There was no objection.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 1, line 5, strike the language "FINDINGS AND PURPOSE".

On page 3, lines 4 and 5, strike "AMENDMENTS TO CHAPTER 207 OF TITLE 18, UNITED STATES CODE".

On page 10, line 8, strike "CREDIT FOR TIME SPENT IN CUSTODY".

On page 11, line 14, strike "TECHNICAL AMENDMENTS".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 1, line 6, strike all the language down through page 2, and through line 3 on page 3, and insert in lieu thereof the following:

"SEC. 2. The purpose of this Act is to revise the practices relating to bail to assure that all persons, regardless of their financial status, shall not needlessly be detained pending their appearance to answer charges, to testify, or pending appeal, when detention serves neither the ends of justice nor the public interest."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 4, strike the language on lines 1 and 2.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 4, strike the language on lines 5 and 6, and reword condition No. (7) to read as follows: "impose any other condition deemed reasonably necessary to assure appearance as required, including a condition requiring that the person return to custody after specified hours."

And renumber the conditions so as to read:
Strike "(3)" and insert "(2)".
Strike "(4)".
Strike "(5)" insert "(3)".
Strike "(6)" and insert "(4)".
Strike "(7)" and insert "(5)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 5, lines 18 through 23, strike the language after "imposed." down through the word "condition" and insert in lieu thereof the following: "A person who is ordered released on a condition which requires that the return to custody after specified hours shall, upon application, be entitled to a review by the judicial officer who imposed the condition. Unless the requirement is removed and the person is thereupon released on another condition, the judicial officer shall set forth in writing the reasons for continuing the requirement."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 6, lines 9 through 11, strike the language beginning with "condition number" and insert in lieu thereof the following: "a condition requiring him to return to custody after specified hours, the provisions of subsection (d) shall apply."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 6, line 22, strike the language and insert in lieu thereof the following: "a condition requiring him to return to custody after specified hours is continued, after"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 7, line 21, strike the word "waiting" and insert the word "awaiting".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 8, line 21, strike the language: "§ 3150. Violation of conditions of release" and insert in lieu thereof:
"§ 3150. Penalties for failure to appear"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 9, line 19, after the word "person", insert the words "or court".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 9, line 21, insert between the words "to" and "release" the words "bail or otherwise" and strike the word "for" and insert in lieu thereof the word "before".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 10, following line 7, delete: "3150. Violation of conditions of release." and insert in lieu thereof:
"3150. Penalties for failure to appear.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 10, lines 14 and 15, delete the words "Any such person shall be given" and insert in lieu thereof the words "The Attorney General shall give any such person".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> On page 10, line 16, after the word "offense", insert the words "or acts".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> On page 10, line 17, insert a period after the word "imposed" and delete the remainder of the section through the word "judgment." on page 11, line 8.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> On page 12, after line 14, insert a new section 6, to read as follows:
>
> "SEC. 6. This Act shall take effect 90 days after the date on which it is enacted: *Provided*, That the provisions of section 4 shall be applicable only to sentences imposed on or after the effective date."

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENTS OFFERED BY MR. CRAMER

Mr. CRAMER. Mr. Chairman, I offer amendments.

The Clerk read as follows:

> Amendments offered by Mr. CRAMER: Page 8, line 17, strike out "shall", and insert "may".
>
> Page 8, line 18, strike "unless", and insert "*Provided*, That".
>
> Page 8, line 19, strike "no".
>
> Page 8, line 24, strike "may", and insert "shall".

Mr. CRAMER. Mr. Chairman, I ask unanimous consent that the amendments may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Chairman, I am exercising what I believe to be the prerogative of any Member of this body, regardless of the side of the aisle on which he may sit, who may have some questions which should be properly answered in debate and otherwise as to what a bill will do.

The objective of these amendments is quite simple. I am deeply disturbed by the language in the committee report on page 15.

This involves a person who has been convicted. This is not someone who has been charged, who wants to go free on bail or otherwise. This is someone who has been convicted.

The point I am making is that a person who has been convicted should be treated different from a person who has not been convicted. That is the issue. I feel quite strongly about it, particularly in view of some of the experiences we have had in the District of Columbia.

An article was written recently, published in the Washington Star, in regard to the District of Columbia. This bill will cover the District of Columbia for all crimes. The article says that the bond program and laws should be tightened. That is with respect to persons who are not even convicted, while I am talking about people who have been convicted.

I wish I had sufficient time to read the article. It gives numerous instances of people who have been permitted to go out on bond, who have committed another crime, and another crime, and another crime; and then they go to another jurisdiction and go out on bond in that jurisdiction; so they are out on bond in two instances and committing more and more crimes.

Certainly, a person who has been convicted should have rules which are tighter, and the burden of proof ought to be on the party who wants to go free on bond or otherwise on his own recognizance, after conviction. The burden ought to be on him to prove that he should have that right, rather than on the court to prove, as the bill now provides, that there is going to be, by releasing him, danger to other persons in the community or that he will flee.

The way the bill is drafted, on page 8, lines 18 through 21, it states "unless the court or judge has reason to believe that no one or more conditions of release will reasonably assure that the person will not flee or pose a danger to any other person or to the community."

Then the party shall be treated, as stated, in accordance with the provisions of the more liberal treatment, letting the party go.

I do not think we ought to tie the hands of the court to that extent. This should be the responsibility of the party who wants to go free, after conviction to prove that he is entitled to go free. It is not for the court to have to prove that in letting him go free he will cause damage or impose a danger to the community. That is the issue and that is the sole issue. I do not think we should let the bill stand with this in the RECORD or the report. This section provides that such persons are presumptively to be released. I do not agree with that. I do not agree that that is what the bill should say. I want to amend it to make sure it does not say that, and I am doing so simply by revising it to say those persons who have been convicted of an offense and are awaiting sentence or file an appeal or petition for a writ of certiorari may be treated in accordance with this more liberal treatment rather than "shall" provided that the court or the judge has reason to believe no one or more conditions of the release will reasonably assure the person will not flee or pose a danger to any other person and so forth.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Virginia.

Mr. POFF. May I ask the gentleman if he agrees with me that the report in that paragraph to which he makes specific reference tends to be a little misleading and, for the purposes of understanding the question, let me quote again what the chairman of the committee quoted:

> Since there is no absolute right to bail in capital cases nor in the cases of convicted persons, the courts are empowered to elect to detain defendants in such cases.

That language standing alone, I submit, tends to make the reader think that all the court has to do is to make a decision which satisfies himself that the prisoner should not be released and that that is sufficient. Those who have interpreted that language in that manner have misinterpreted it.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. POFF. Mr. Chairman, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. CRAMER. I yield to the gentleman from Virginia.

Mr. POFF. Because the language of section 3148 in the proviso that follows says:

> Other rights to judicial review of conditions of release or orders of detention shall not be affected.

It seems clear to me that upon review it would be possible to challenge the court's discretion in refusing bail or ordering detention. Does the gentleman agree?

Mr. CRAMER. I think the gentleman is eminently correct. That is one of the dangers in the bill as drafted unless my amendment is adopted.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. Yes. I will be glad to yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

As I interpret the gentleman's amendment, at least in part, while the judge is directed to grant bail or release the prisoner in accordance with the provisions of section 3146, which I wholeheartedly support, that authority would be discretionary with the court after conviction and the court could apply those provisions or he could elect not to.

Mr. CRAMER. Under my amendment, yes.

Mr. McCLORY. Yes. So I think there is a lot of merit to what the gentleman is saying, notwithstanding the fact that I am in general support of this legislation, just as I believe the gentleman from Florida is. I think we should give earnest consideration to this proposal made by the gentleman from Florida since there appears to be doubt about this and I would not want to suggest that this did not improve the bill. I think it is certainly open to careful and earnest consideration by the Committee.

Mr. CRAMER. I am in favor of the bill and in favor of its objectives and purpose, but I just do not think after a man is convicted that the burden ought to be on the court rather than on the convicted individual to show that he will not flee or pose a danger to the community. Therefore, I think the court should have the discretion in determining these questions, and this would give him discretion, particularly after conviction.

Mr. WHITENER. Mr. Chairman. I rise in opposition to the amendment.

Mr. Chairman, I recognize that there can be real serious differences of opinion as to proper procedures in the law. I happen to come from a State where a prisoner has an absolute right to bail pending appeal in all except capital cases. One of the things that has disturbed me through the years has been that this is not true in the Federal district court. While I would not accuse any particular judge or any particular district attorney of ever having done it, but it is possible for them to take advantage of an accused by denying bail on appeal since it takes time to get an appeal up to the Circuit Court of Appeals.

And, I know that there are many offenses tried in the Federal district courts which do not involve real or probable long sentences. Therefore, it would be a very easy thing for a judge working with the district attorney to say to a prisoner, "Well, you go ahead and appeal, but you are not going to have any bond. You are going to stay here in the lock-up and they will get around to your case in the appellate court in about 9 months. I have only given you a year and a day. So, you go ahead and take your appeal, but you are not having any bail."

Mr. Chairman, one of the most appealing provisions of this bill to me is section 3148, It says that a prisoner who has been convicted and who believes he has a bona fide appeal will not be coerced into abandoning that appeal.

Mr. Chairman, this language which the gentleman from Florida suggests may, without knowing what the court would say about it get results not contemplated by the author. For example, in my State we have a Kidnaping Act which says that whoever commits this offense "shall" be punished by imprisonment for life. Our Supreme Court of North Carolina said that while the word contained in the statute was "shall," they would interpret it as "may."

So I assume if that could be done, the court may well say, when the gentleman wrote the word "may" in here, he meant "shall," because it was something for the benefit of the prisoner.

Mr. Chairman, the gentleman talks about putting the burden upon the courts. It seems to me that the gentleman's words, "*Provided,* That" does exactly what the gentleman does not want done. If amended, the bill would then say, "*Provided,* That the court or judge has reason to believe" and so forth. So, you put the burden upon the judge there.

Mr. Chairman, I believe the last suggestion which the gentleman made about the use of the word "shall" in line 24 is a good one. But he has given us a package to consider, so if we vote for his amendment, I believe we will have a .333 batting average instead of a batting average of 1.000 which we would like to have and will have if we reject the amendments.

Mr. Chairman, I believe there is nothing more important than protecting the rights and liberties of people. I believe that when the Members of the House consider that the record shows that the average sentence in the Federal courts in the last fiscal year was 33.5 per offense where there was a conviction—and this is taking the total picture of Federal crimes—they will realize that unless a prisoner has an absolute untrammeled right to appeal, he is going to be denied a great deal of his fundamental liberty.

Mr. Chairman, I am sorry that section 3148 is not broader than it is. The accused does not have that untrammeled right, even through we approve this bill as written. I discussed this with the chairman of the committee and with counsel when we were in the committee—an absolute requirement that a prisoner pending appeal or application for a writ of certiorari, should have the absolute right of bail, if charged with a noncapital felony.

Mr. Chairman, I believe the gentleman is—and I know he is—well intentioned and I believe he and I seek the same result. In this minor feature we disagree. Nevertheless, I commend the gentleman from Florida [Mr. CRAMER] for his contribution to the debate.

Mr. Chairman, I hope that his amendment will be defeated.

Mr. HUNGATE. Mr. Chairman, I move to strike out the last word. I would like to address a question to the gentleman from Florida.

Is it the gentleman's position that a defendant should be treated differently in regard to bail before and after conviction?

Mr. CRAMER. The court should have broad discretion is determining what to do after conviction. The court should not have its hands tied as is the case before conviction, as under this legislation. The court should have complete discretion as to what to do after conviction—that is all my amendment does. It gives the court complete discretion to make a decision after conviction and not tie the hands of the court under the provisions of section 3146 unless the court makes certain findings.

Mr. HUNGATE. If I may inquire of the gentleman, is any conviction final until the last appellate court rules on the legality of the trial?

Mr. CRAMER. Yes—so?

Mr. HUNGATE. I have another inquiry, if I might put it on this question of the use of bail for preventive custody. Would the gentleman say as a matter of practice it is used for preventive custody—to hold one in preventive custody?

Mr. CRAMER. I cannot make a determination based on that. I say that after conviction the court has the right to make a determination as to whether the party convicted is likely to commit the same crime or a similar crime or any other crime. There is no prevention presently in the law from such a determination after conviction. Everyone agrees with that. You are talking about prior to conviction. After conviction the court has the right to use this in effect as preventive medicine to keep the defendant from commiting another crime similar to the one that he has just been convicted of. That is an essential power that I want to maintain and which the committee does, too. But they want to put the court in a straitjacket. I want to give the court full discretion in all matters. That is what my amendment does.

Mr. HUNGATE. Can we agree that conviction is not final until the final appellate court so determines the legality of the trial?

Mr. CRAMER. The presumption of innocence of the individual is lost when the person is found guilty by a jury. That is what we are talking about—his presumption of innocence no longer exists. At that time he should not have the rights that he has before his presumption of innocence has been repudiated by the decision of the jury. That is a matter of law at the present time and there is no question about that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. CRAMER].

The question was taken; and on a division (demanded by Mr. CRAMER), there were—ayes 18, noes 25.

So the amendment was rejected.

Mr. HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise as a representative of those of the nonlegally trained minds to address some simple questions to the proponents of this bill, which I hope will be informative and clarifying.

Is this one of the series of judicial reforms requested by the administration, four of which were passed yesterday under consent or under suspension of the rules?

Mr. CELLER. This is a separate request that was made by the President.

Mr. HALL. But it is one of the Presidential requests for judicial reforms and not a bill originating in either body of the Congress?

Mr. CELLER. This request was made several years ago.

Mr. HALL. I thank the distinguished chairman. I have a second question to ask.

Mr. CELLER. May I modify the answer I just gave to the gentleman and say that this request for bail reform was made in the Eisenhower administration in 1958.

Mr. HALL. I again thank the distinguished chairman.

My second question has to do with whether in the gentleman's opinion or in the opinion of the proponents of the bill, this places too much responsibility on the judicial officer before conviction is established—and this probably has to do with the last amendment. I have heard every word of this debate this afternoon and in my opinion there are many areas that are not clear to Members in this House of Representatives who are not legally trained.

Mr. CELLER. At the present time the judge has complete discretion and we provide the statutory foundation for that discretion in this bill.

Mr. HALL. Mr. Chairman, if I may ask another question, there is at least one school of thought abroad in this nation at this time that thinks that perhaps the Mallory rule decision has done no service to judicial determination, and particularly support of the constabulary or the judiciary in this Nation. Does or does not this apply on bail reform? Does it have anything to do with either reinforcing or detracting from the Mallory rule?

Mr. **CELLER**. No, it has nothing whatsoever to do with the principle enunciated by the Mallory decision, which involves statements made after arrest and before arraignment. It has nothing to do with it.

Mr. **HALL**. In the opinion of the distinguished chairman and the proponents of the bill, then, it would not further detract from judicial support of the constabulary and early bringing to trial and the meting out of fair justice to those who are victimizing the people of the United States?

Mr. **CELLER**. I do not think it has anything to do with that subject at all.

Mr. **HALL**. I thank the Chairman.

The **CHAIRMAN**. If there are no further requests for time, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DENTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1357) to revise existing bail practices in courts of the United States, and for other purposes, pursuant to House Resolution 869, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The **SPEAKER**. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

MOTION TO RECOMMIT

Mr. **HALL**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER**. Is the gentleman opposed to the bill?

Mr. **HALL**. I am, Mr. Speaker.

The **SPEAKER**. The Clerk will report the motion to recommit.

The Clerk read as follows:

Motion to recommit: Mr. HALL moves to recommit the bill S. 1357 to the Committee on Judiciary with instructions to report the same back to the House forthwith with the following amendments:

On page 8, line 17, strike out "shall" and insert "may".

On page 8, line 18, strike "unless" and insert "*Provided*, That".

On page 8, line 19, strike "no".

On page 8, line 24, strike "may" and insert "shall".

The previous question was ordered.

The **SPEAKER**. The question is on the motion to recommit.

The motion was rejected.

The **SPEAKER**. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **HALL**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 319, nays 14, not voting 98, as follows:

[Roll No. 128]

YEAS—319

Abbitt
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Ashbrook
Ashley
Ashmore
Aspinall
Ayres
Bandstra
Bates
Beckworth
Belcher
Bennett
Berry
Betts
Boggs
Bow
Brademas
Bray
Brock
Brooks
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Callan
Callaway
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Chelf
Clancy
Clark
Cleveland
Clevenger
Collier
Conable
Conte
Cooley
Corbett
Corman
Cramer
Culver
Cunningham
Curtin
Curtis
Daddario
Dague
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dowdy
Downing
Dulski
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Erlenborn
Evans, Colo.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Findley
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gathings
Gettys
Gibbons
Gilbert
Gilligan
Gonzalez
Goodell
Grabowski
Gray
Green, Oreg.
Green, Pa.
Grider
Griffiths
Grover
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Halleck
Halpern
Hamilton
Hanley
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey, Mich.
Hathaway
Hébert
Hechler
Helstoski
Hicks
Holland
Horton
Howard
Hull
Hungate
Huot
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
Keogh
King, Calif.
King, Utah
Kirwan
Kluczynski
Kornegay
Kunkel
Laird
Langen
Lipscomb
Long, Md.
Love
McClory
McCulloch
McDade
McDowell
McGrath
McVicker
MacGregor
Machen
Mackay
Mackie
Madden
Mahon
Mailliard
Marsh
Mathias
Matthews
May
Meeds
Michel
Mills
Minish
Minshall
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morse
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quie
Quillen
Race
Randall
Redlin
Reid, Ill.
Reifel
Resnick
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rivers, Alaska
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Roncalio
Rooney, Pa.
Rostenkowski
Roudebush
Roush
Rumsfeld
Satterfield
St. Onge
Saylor
Scheuer
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Springer
Stafford
Staggers
Stalbaum
Stanton
Steed
Stratton
Stubblefield
Sullivan
Sweeney
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thomas
Thompson, Tex.
Thomson, Wis.
Todd
Tuck
Tunney
Tuten
Udall
Ullman
Vanik
Vigorito
Vivian
Walker, N. Mex.
Watkins
Watts
Weltner
Whalley
White, Idaho
White, Tex.
Whitener
Widnall
Wright
Wydler
Yates
Young
Younger
Zablocki

NAYS—14

Dole
Gross
Hall
Henderson
Jones, N.C.
King, N.Y.
Latta
Lennon
Long, La.
O'Neal, Ga.
Passman
Rogers, Tex.
Waggonner
Watson

NOT VOTING—98

Abernethy
Annunzio
Arends
Baring
Barrett
Battin
Bell
Bingham
Blatnik
Boland
Bolling
Bolton
Brown, Calif.
Burton, Calif.
Burton, Utah
Cameron
Clausen, Don H.
Clawson, Del
Cohelan
Colmer
Conyers
Craley
Davis, Wis.
de la Garza
Dorn
Dow
Dyal
Ellsworth
Evins, Tenn.
Flynt
Fogarty
Frelinghuysen
Giaimo
Greigg
Gurney
Hanna
Hansen, Iowa
Hardy
Harvey, Ind.
Hawkins
Hays
Herlong
Holifield
Hosmer
Krebs
Kupferman
Landrum
Leggett
McCarthy
McEwen
McFall
McMillan
Macdonald
Martin, Ala.
Martin, Mass.
Martin, Nebr.
Matsunaga
Miller
Mink
Morrison
Morton
Mosher
Moss
Multer
Murray
O'Brien
Pelly
Powell
Rees
Reid, N.Y.
Reinecke
Rivers, S.C.
Roberts
Rooney, N.Y.
Rosenthal
Roybal
Ryan
St Germain
Scott
Senner
Sickles
Smith, N.Y.
Stephens
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Utt
Van Deerlin
Walker, Miss.
Whitten
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wolff
Wyatt

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mrs. Bolton.
Mr. Fogarty with Mr. Frelinghuysen.
Mr. Annunzio with Mr. Pelly.
Mr. Multer with Mr. Kupferman.
Mr. Holifield with Mr. Hosmer.
Mr. Toll with Mr. Morton.
Mr. Moss with Mr. Arends.
Mr. Dyal with Mr. Battin.
Mr. Evins of Tennessee with Mr. Bell.
Mr. Hanna with Mr. McEwen.
Mr. Rees with Mr. Bob Wilson.
Mr. Miller with Mr. Burton of Utah.
Mr. Matsunaga with Mr. Talcott.
Mr. Roybal with Mr. Martin of Alabama.
Mr. Sickles with Mr. Reinecke.
Mr. Senner with Mr. Gurney.
Mr. Wolff with Mr. Tupper.
Mr. Powell with Mr. Craley.
Mr. Krebs with Mr. Hawkins.
Mr. Scott with Mr. Martin of Nebraska.
Mr. Thompson of New Jersey with Mr. Wyatt.

Mr. Greigg with Mr. Walker of Mississippi.
Mr. Flynt with Mr. Don H. Clausen.
Mr. Cohelan with Mr. Conyers.
Mr. Brown of California with Mr. Bingham.
Mr. Burton of California with Mr. Baring.
Mr. Leggett with Mr. Del Clawson.
Mr. Charles H. Wilson with Mr. St Germain.
Mr. Cameron with Mr. Van Deerlin.
Mr. O'Brien with Mr. Colmer.
Mr. Giaimo with Mr. Whitten.
Mr. Hansen of Iowa with Mr. Williams.
Mr. Hardy with Mr. Abernethy.
Mr. Roberts with Mr. Trimble.
Mr. Boland with Mr. Dorn.
Mr. Dow with Mr. Willis.
Mrs. Mink with Mr. Morrison.
Mr. Rivers of South Carolina with Mr. McMillan.
Mr. de la Garza with Mr. Rosenthal.
Mr. Barrett with Mr. Davis of Wisconsin.
Mr. Blatnik with Mr. Ryan.
Mr. Landrum with Mr. Smith of New York.
Mr. Hays with Mr. Utt.
Mr. Herlong with Mr. Reid of New York.
Mr. Macdonald with Mr. Mosher.
Mr. McFall with Mr. Ellsworth.
Mr. McCarthy with Mr. Harvey of Indiana.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ADJOURNMENT UNTIL 11 A.M. TOMORROW, JUNE 8, 1966

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet at 11 a.m. tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ARAB REFUGEES

Mr. FARBSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, in December of 1962, I visited the Near East to evaluate the Palestine-Arab refugee situation. I discussed the issues and problems of refugees with United States and U.N. officials and returned to the United States with a number of recommendations.

Once again, we will shortly be asked to appropriate funds for the share of the U.S. Government's contribution to the U.N. for continued work by the UNRWA—United Nations Relief and Works Agency. As in previous years, this Government will be asked and probably will contribute the largest single sum for the U.N. work with Arab refugees. U.S. pledges totaled about $11.5 million in the first half of fiscal 1965–66, and approximately the same for the second half of the fiscal year, bringing the total contribution of the United States to $22.9 million. Translated into other terms, the United States contributes about 70 percent of UNRWA's total contribution by all governments.

Mr. Speaker, the official UNRWA figures do not reflect the extent of the progress that has been made toward the absorption of the refugees into the economic life of the Near East. At the end of 1965, there were 1,300,117 refugees registered with UNRWA compared with 1,262,649 in 1964, an increase of 37,468. In June of 1962, there were 1,174,760 refugees registered creating the impression that no progress occurred in their integration. These figures are highly misleading. UNRWA has never concealed the fact that the refugee rolls were inflated from the very beginning. UNRWA's efforts to purge the rolls of the many thousands who have died or who have become ineligible, or who were never eligible in the first place have been frustrated by the refusal of the Arab Government to cooperate. Moreover, progress made in absorption and resettlement is consistently played down. Unfortunately, there is no way to establish the precise position since there is no accurate census. Since the number of refugees is substantially below that reported by the UN, there is need for a close reexamination of the Arab refugee problem. I urge that Congress instruct appropriate officials in Washington to insist that a current census of Arab refugees should be taken by the United Nations.

In any event, it is quite clear that the U.S. approach to a solution to the problem through the United Nations has not worked. It is equally apparent that the Arab refugees continue to be a constant festering sore in the Middle Eastern area of the world. To these people without a home and without a country, the word refugee has become not a term holding out hope for eventual blending into the economic stream of new homelands but rather a term signifying a way of life—a hopelessness of spirit and continuation of poverty. It serves the political objectives of the Arab States to preserve the Arab refugees as a separate and distinct grouping in preparation for a new war against Israel. These unfortunate individuals faced with a life of handouts, refugee camps, and circumscribed bounds of hope have received education and training from UNRWA. But their employment and political integration are retarded because of the political implication of the existing refugee program.

Mr. Speaker, it is time we in the Congress face the fact that the Arab refugee problem will continue as a matter of serious concern unless some new, forceful, dynamic step is taken to bring about the integration of these people.

Such a step is necessary not only from a humanitarian point of view but from a practical political point of view as well. The 1.3 million Arabs registered as refugees in four host countries—Jordan, Syria, Lebanon, and the Gaza Strip controlled by the United Arab Republic—are a constant potential threat to the political stability and integrity of not only Israel but the host countries as well. Realistically, they are the nucleus of a sub rosa army within each host country. One of their self-styled leaders, Ahmed Shukairy, has long been anxious to arm them and create within an existing state a private army dedicated to the designs of the leader—a military force serving a nation in exile. It is quite apparent that any such paramilitary formation could seriously undermine the political stability of the already shaky Kingdom of Jordan as well as other host countries. Under the status quo, the Arab governments are permitted to evade their own obligations to the refugees and to use them as pawns in the political and propaganda campaign. A settlement of the refugee problem would be a meaningful step toward a constructural solution of the Palestine problem. It would also help to create a healthier and more stable political climate in the entire Middle Eastern area.

With these facts in mind, I am introducing legislation which would make U.S. contributions to UNRWA dependent upon the gradual transfer of responsibility for refugees and refugee camps from UNRWA to the host countries. This was one of the recommendations I made in 1963 as a result of my trip in late 1962; it was, however, not implemented. It is not my intention to deny such Arab refugees who are still in need of assistance, the basic necessities of life which they are guaranteed largely by U.S. contributions to UNRWA. The U.S. participation in Arab refugee relief has to be continued until such time as the refugees are assimilated into the social, economic, and cultural fabric of the host countries. Until such time as this is accomplished, the U.S. contributions will be turned over to UNRWA as usual, but UNRWA, in turn, will distribute yearly appropriations to the government of all the host countries for the actual management of refugee relief. With the contributions will also go the responsibilities for fiscal accountability and for the progress of the integration of refugees into the respective economic life of the host countries. Most human beings want to work and get ahead. There is no doubt in my mind that the refugees are becoming absorbed in the host countries. But that process could be speeded if we eliminated the procedures which make for stagnation, and perpetuation of the status quo. Transfer is a sine quo non to a constructive settlement of the refugee problem. Only when the governments of the host countries become directly responsible for the refugees will we begin to see progressive and rapid integration of the refugees into the economic life of those countries. Only when these governments are made responsible politically and economically for the well-being and self-reliance of refugees can we expect any serious effort on their part to normalize the existence of these unfortunate lost human beings. Once immediate responsibility for the refugees is transferred to

Arab administrations, much of the psychological and emotional obstacles to integration will be removed. Winding up of UNRWA's direct management and responsibility will gradually put an end to incitement and illusion and a dangerous political irredentism.

Mr. Speaker, these people have a right to a decent life. In today's world, no human being, old or young, should be subjected to perpetual refugeeism as a way of life.

RESOLUTION EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES WITH RESPECT TO THE RELIEF ROLLS OF THE UNITED NATIONS RELIEF AND WORKS AGENCY

Whereas the United States has made a major contribution exceeding $350,000,000 to finance the United Nations Relief and Works Agency for the relief, education, training, and rehabilitation of the Palestine Arab refugees; and

Whereas despite total expenditures exceeding $500,000,000, the United Nations Relief and Works Agency rolls continue to grow larger because the Agency has failed to eliminate from the rolls those who have died and those who are no longer eligible for rations because of their employment; and

Whereas the United Nations Relief and Works Agency continues to provide rations to refugees who are undergoing military training in a Palestine Liberation Army: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the President, acting through the United States delegation to the United Nations, support measures at the United Nations to reorganize the administration of the United Nations Relief and Works Agency with a view to purging its rolls of ineligibles and to accelerating the absorption of the refugees in the economies of Arab countries, such measures to include:

(1) an accurate census of the refugees now on the rolls;

(2) transfer the United Nations Relief and Works Agency administrative responsibilities for the distribution of rations and for the education and health of the refugees from such Agency to the host countries; and

(3) provision that future United States contributions to the United Nations Relief and Works Agency should be extended to the host countries on condition that the funds are effectively used to speed economic absorption and employment of the refugees.

THE REA, AN OUTSTANDING EXAMPLE OF COOPERATION

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HUNGATE. Mr. Speaker, in rural America today there is light and there is electric power—because 31 years ago a new President created the Rural Electrification Administration to do a job no one else would undertake.

We know the story. Rural people got electric service without payment of excessive construction charges and power rates. Electric lines were stretched into the darkened countryside, bringing not only lights and power but a higher standard of living for our long neglected rural people. It was an outstanding example of cooperation between dedicated, industrious people and their Federal Government.

The task of bringing electric energy to rural America was not easy. There were those in the beginning who said the farmer would not use electricity for more than lights, and if he had it available, he could not afford to pay for it. Then there were those commercial power companies which would not back down from their high fees and rules for rural service—and they did not want anyone else to do the job they should have done in the first place.

Those who said the job of rural electrification could not be done changed their lament in the 1950's to "the job of rural electrification is done." They based their self-serving faulty finding on the promise that most of the farms now had electricity and that was all REA was supposed to do—serve farms.

By the late 1950's, they had convinced the Eisenhower administration that the rural electric systems had reached the crest of their development and REA was ready to be phased out. The commercial power companies stood ready, of course, to help push the rural electrification program over the hill, hoping to pick up the valuable pieces when it cracked up from neglect and attrition.

By 1960, the electric program and the rural telephone program were drifting dangerously, victims of a do-nothing approach. The forward-looking local people who had given their hopes and energies to the accomplishment of a seemingly impossible task—providing electric and telephone service in sparsely settled rural areas—were filled with doubts and uneasiness over the future of the REA programs.

It did not help these fine people to hear again and again—as if from a chorus of frustrated frogs—the tiresome refrain from commercial power companies, the power company-dominated trade press and financial newspapers, "The job is done. The job is done. The REA job is done."

Fortunately, the American people turned to John Kennedy and Lyndon Johnson to "get America moving again." Millions of rural Americans supported this wise decision, because they saw it as a means of getting REA moving again.

And they were not disappointed. One of the first acts of Orville L. Freeman, the new Secretary of Agriculture, was to issue a ringing declaration of faith in the REA programs and to call the REA personnel and the rural electric leadership into action again.

In his statement of February 3, 1961, Secretary Freeman refused to accept the private power-created myth that the job of rural electrification was finished. He stressed his Administration's pledge to "restore REA to its former role of preeminence—freeing it from constant concern over political interference and budgetary starvation—and enabling that remarkable American institution to get on with its work of providing low-cost electricity and telephones for every American farm family."

Outlining the general principles which would guide the new Administration in its conduct of the REA programs, Secretary Freeman said:

> Loan funds for rural electrification and rural telephony must be available in amounts adequate to assure that these programs will proceed on an orderly basis . . . There is a recognized need for generation and transmission loans. We expect REA to make such loans when they are feasible and needed to help solve power shortages or reduce costs to rural consumers.

Secretary Freeman also promised:

> We shall give increased attention to broad economic development of rural areas recognizing the key role of cooperatives to extend telephone, electric and other service to the widest practical number of rural users.

The reenergization of the REA programs under President Kennedy and now under President Johnson is a matter of record. We who believe in rural electrification are fortunate in having Lyndon Johnson as our President. He has been a great and good friend of the program from the beginning—because he knows what it means in terms of better living, in terms of greater progress, and its importance in his all-out war against poverty. And he knows the problems of bringing low-cost electric and telephone service to thinly populated rural areas.

Because of what President Johnson is doing to make rural America—and all America—a land of equal opportunity, I am pleased—yes, proud to share my findings with you in a report on the stewardship of the REA programs in the last 5 years, under this administration.

One of the first recommendations of Secretary Freeman upon assuming office was a change in the 1962 budget recommendation—prepared under the old administration—to increase REA's electric loan authorization from $145 million to $195 million. Then, as the needs of the electric borrowers came into focus, budget recommendations were submitted which would allow REA to meet them fully.

In the 6 fiscal years for which this administration has made budget recommendations, it has requested a total new loan authority of $2.5 billion for both programs. Of this amount, $1,955 million has been for the rural electric program and $545 million for the rural telephone program. The previous administration had requested $1,585 million in new loan authorizations for the fiscal years 1956 through 1961.

Since January 1, 1961, REA has approved loans totaling more than $1.6 billion for electric borrowers and more than $516 million for rural telephone borrowers. The need for these loans is shown in the fact that REA borrowers added more than 1.3 million consumers and subscribers in the 5 years, 1961 through 1965. During this period, 715,679 new electric consumers and 587,114 telephone subscribers came on the lines. Many of these telephone subscribers got their first telephones as a result of REA financing and technical help, and all were introduced to the convenience of modern dial service.

With the encouragement of Secretary Freeman, REA also acted to make the benefits of its programs available to rural areas which had been denied central station electric service for too long. Since January 1, 1961, initial loans have been made to eight new electric distribution borrowers, promising a quick end to the darkness which had held rural people in these areas in bondage.

In these 5 years, 1961 through 1965, REA also made initial loans to 22 rural telephone cooperatives and 134 commercial telephone companies. In all of these, REA acted on the principle that rural people should have telephone service of a quality and at rates comparable to those enjoyed by city people.

Because wholesale power supply is so critical to the terms and conditions under which rural people can have electric service, REA intensified its efforts to insure adequate supplies in all areas, and bring wholesale power costs down where it could. This is the scorecard:

Loans were approved for 12 new generation and transmission borrowers, including 10 cooperatives, responsible for achieving maximum economy in power production and transmission for rural people.

REA loans and technical assistance are enabling power-type borrowers to construct facilities which will bring savings of $104 million in power costs during the first 10 years they are in operation.

Through negotiations with other power suppliers REA and its electric borrowers developed arrangements which brought additional savings of about $30 million.

Through careful review of power proposals the REA power supply staff helped borrowers find other means of meeting their needs, leading to withdrawal or cancellation of loan applications totaling more than $110 million. This conserved REA loan funds for other rural needs.

In the interest of economy and lower cost power, REA has helped its power-type borrowers gain the advantages of large-scale generation and transmission possible under the newer technology. As a result, the average size of generating unit financed by REA in the last 6 fiscal years has been 91,000 kilowatts, or almost three times the capacity of the average unit financed in the preceding 6 years.

REA stoutly opposed the type of wholesale power contract which imposed dual rates and other restrictive provisions on rural power systems, and succeeded in having these eliminated from most contracts with commercial power companies.

Wholesale costs of electric power for REA-financed systems dropped to the lowest point in the history of the program last year, averaging 6.5 mills in 1965 or 0.4 mill less than in 1960.

The benefits of these actions are being felt in rural America. More than $12.5 million each year will stay in the hands of America's rural families as a result of rate reductions made by rural electric systems under this Administration. These rate reductions by REA borrowers create additional spending power and help to extend the resources of those living in pockets of rural poverty.

Under the Johnson-Freeman leadership, REA has made great contributions to the development of good telephone service, not only in rural areas where its borrowers serve, but in areas served by other telephone systems.

For example, REA has examined every new development in telecommunications to determine whether it could be used by REA borrowers to provide better service or to lower construction and maintenance costs so that rates might be held as low as possible. Many of the specifications developed by REA for the particular requirements of rural service have been adopted in the rest of the industry. As one measure of this, REA estimates that for each dollar its borrowers spend on materials and equipment designed in accordance with REA specifications, an estimated $3 worth is purchased by others in the telephone industry. Thus it is possible that for every subscriber who gets improved low-cost, efficient, trouble-free, all-dial service as a direct result of REA financing and technical assistance, at least three other subscribers gain the benefit of improvements which REA has sponsored.

This administration has intensified the search for new engineering concepts and materials which will be required if the remaining 20 percent of the farms are to get modern telephone service. This search has brought dramatic reductions in the costs of rural telephone construction. By the end of calendar year 1965, the average cost of construction for outside plant dropped to $90 per circuit mile for REA borrowers. This compares with an average cost of $241 in 1956. REA engineers expect even further reductions, possibly to a cost level as low as $70 by 1970.

One of the big cost savers has been the development of wire and cable, together with necessary tools and equipment, permitting telephone lines to be placed underground away from the hazards of weather, corrosive atmosphere and accidents. Currently about 70 percent of all new REA-financed telephone wire and cable is going underground. Thanks to new cable design and construction equipment, this percentage will go even higher in the future as REA engineers overcome the obstacles to universal use of underground plant. In addition to cost savings, rural people are getting more reliable service because underground lines have only one-third as many service interruptions as overhead wires. Subscribers in some rural areas this past winter found that they could make local calls although blizzards had knocked out toll service.

This administration has also achieved significant breakthroughs in the pattern of rural telephone service by developing practical one-party subscriber carrier systems. New equipment to be available this year will cost only one-third as much as previous equipment.

REA also has promoted better grades of service for rural telephone subscribers as a basic long-range objective in assisting telephone companies and cooperatives to provide rural people with the same high standards of service which city people enjoy.

During 1965, one out of every six telephone loans made by REA included one or more exchanges for all-one-party service. Since October 1963, REA has made 54 loans for this purpose in 92 different exchanges. REA predicts that by 1970 about 35 percent of the subscribers on lines of its telephone borrowers will be taking single-party service—compared with 23 percent last fiscal year. This should rise to 52 percent by 1975.

REA under this administration has taken many steps to develop and strengthen its borrowers to fulfill their important roles in their communities and the Nation.

REA borrowers—both telephone and electric—have had the assistance of the Department of Agriculture and REA in developing local business enterprises which open up new jobs for rural people. More than 151,000 new jobs have been created through these efforts since the Department's rural area development program began in mid-1961. The joint efforts of REA and REA-financed electric and telephone systems have helped to launch almost 1,600 local projects in agriculture, forestry, new community facilities, tourist and recreation facilities, and other uses of local resources. Many of these have been community projects, enlisting the joint efforts of businessmen, bankers, civic leaders, and Government agencies.

In Oklahoma, for example, a rural electric cooperative, using an REA section 5 "seed money" loan, helped to obtain a new carpet mill for the Anadarko area. Most of the 173 workers were recruited from the unemployed or those resigned to a life on relief. A mass-circulation magazine, which finds little about Government to praise, described this as "a remarkable achievement" and "proof that marginal workers and the culturally deprived can be helped to help themselves."

REA has alerted its electric borrowers to the need for State legislation protecting and securing their right to serve the areas which they pioneered. Without such protection, the rural systems, with lines extended to serve large areas, are vulnerable to damaging encroachment by other power suppliers.

REA has also worked diligently with its borrowers to help them acquire the financial strength so necessary to the development of their full potential.

Indeed, the REA programs are moving again, and because they are moving again they are running into growth problems. One of these is money. Within the next 15 years they will need something like $11 billion of new capital—$8 billion for rural electrification and $3 billion for rural telephony. The magnitude of these needs is apparent when we realize this is double the amount made available by the Congress for 2 percent loans over the last 15 years.

The cooperatives and other organizations which have borrowed from REA have faced up to the fact that other means of financing must be developed to meet these expanding needs. They realize, as we do, that the Federal budget somehow must also provide for new education and health programs, for defense and all the needs of a growing Nation and a Great Society.

Furthermore, these borrowers recognize that a number of them can pay higher interest rates without risk to their long-term objectives, particularly parity of service and rates.

As a result the administration has proposed legislation, with the support of borrowers, which would provide supplemental financing to the rural systems on the terms and conditions they can meet. We hope the Congress will provide the proposed electric and telephone banks, not only as a mark of confidence in these two great programs, but because they are needed to maintain the rural electric and telephone systems as permanent segments of their great industries and as partners with the Government in the building of a strong America.

The growth of the rural electric and telephone systems under this administration and the record of support given by the administration give the lie to those who say that the REA job has been finished.

This administration recognizes that the jobs of rural electrification and rural telephony are not completed—any more than the task of building this Nation is completed. The jobs undertaken by REA and its borrowers will never be completed because REA is a vital key to the future development of rural America.

As Secretary of Agriculture Freeman has said so clearly and wisely, rural America is the only place left in the Nation with space to accommodate the tens of millions of people who will need decent places to live in the next generation. By the year 2000, there will be twice as many people living in the United States as there were in 1960. We cannot stack them all in crowded cities, piling problem on problem and compounding the misery of those who hope to find a job and a home in a decent environment.

President Johnson and Secretary Freeman believe that the way to ease the population pressure on the cities is to provide more job opportunities—nonfarm jobs—in rural America, thus helping those who want to move there, as well as those who want to stay there.

The rural electric and telephone systems must be helped to perform their key roles in the continuing transformation of the countryside from a place to farm to a place to farm, work and live better.

This administration recognizes this and pledges its full support to the development of rural electric and telephone systems possessing the resources needed to meet all future challenges.

SAFETY STANDARDS IN THE AUTOMOBILE INDUSTRY

Mr. VIGORITO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VIGORITO. Mr. Speaker, I request permission to address the House for 1 minute and to revise and extend my remarks.

Mr. Speaker, the attention of the Nation has been focused on the recent Senate hearings investigating the automotive industry and the safety of the millions of automobiles being driven on our Nation's highways. This subject has become a very emotional one and every citizen, whether he drives an automobile or not, has felt he should speak on the subject.

Numerous remedies have been proposed, including the establishment of Government standards for the automobile industry. I would like to bring to the attention of my colleagues in the House of Representatives a letter written to me by Mr. B. Frank Smith, president of Sawhill Tubular Products, Inc., Sharon, Pa. This most reputable firm speaks from long experience, and I think Mr. Smith's comments may be of interest.

> SAWHILL TUBULAR PRODUCTS, INC.,
> *Manufacturers, Fabricators,*
> *Sharon, Pa., June 1, 1966.*
>
> U.S. Representative JOSEPH P. VIGORITO,
> *House Office Building,*
> *Washington, D.C.*
>
> DEAR MR. VIGORITO: We are shocked over the massive governmental criticism of the American automobile industry concerning the safety engineering of their products. We think much of this arises unjustly and inappropriately out of the writings of a lawyer with a flair for sensationalism who has no experience whatsoever in engineering or manufacturing, but who through the attention he has gained has qualified himself as an instant authority in both fields.
>
> We have had a great deal of experience with fleet operation, both heavy-duty over-the-road equipment and passenger vehicles, and, in addition, we have personally driven well over 300,000 miles. In our entire experience with the American automotive product we have never had a single experience with an accident that resulted from poor design or failure of a component. On the other hand, we have dealt with many accidents that arose out of human failure or misuse of equipment. We certainly think, therefore, that claims of mechanical failure as a cause of accidents, largely unsubstantiated, are very much exaggerated.
>
> We think the irresponsible, unsubstantiated and inaccurate criticism of the automotive industry has seriously hurt the sale of automobiles, and we think this is a bad development from the point of view of the American economy. We think, further, that it is unfair and unjust to make a fine industry like the automotive industry, upon which so much of our economy depends, a target for politically motivated abuse and sensational denunciation.
>
> According to the statistics we read, the rate of fatalities per million miles of automotive travel have declined to only one-third of what they were 30 years ago. We think this fine result must reflect the benefit of better engineered and safer vehicles produced by the American automotive industry. We think the industry has done and is continuing to do a better job of manufacturing, including the production of safer vehicles.
>
> If you agree with our comments, we trust that you will use your good offices in behalf of our fine automotive industry, which at this point I think needs a voice in its support.
>
> Very sincerely yours,
> B. FRANK SMITH,
> *President.*

PEDERNALES POVERTY OR "WE DIDN'T HAVE A POVERTY PROGRAM"

Mr. GOODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GOODELL. Mr. Speaker, this might well be labeled "Pedernales poverty" since it belongs in Texas country, or "We didn't have a poverty program."

After spending $190,815 on a Neighborhood Youth Corps program, the project coordinator of La Grange, Tex., said:

> We didn't have a poverty program. We didn't operate it as a poverty program. We took the position that if young people were loafing we'd put them to work and do a lot of good.

After a series of articles exposing a gross and general disregard for eligibility standards in the Neighborhood Youth Corps programs, the Houston Post commented:

> One of the worst fiascos in the history of the Neighborhood Youth Corps in Texas occurred in Pasadena last summer as the Federal antipoverty program got underway on a crash basis.
>
> "We had no definite guidelines from the Federal Government as to who should be enrolled," said Pasadena's Mayor Doyal.
>
> "We didn't understand the Youth Corps to be strictly a poor-folks program," said Rev. Harry L. Johnson, chairman of the selection committee. "Our determination of who should be picked first was not strictly on the basis of poverty. We felt there could be kinds of poverty other than material poverty, that perhaps some needed jobs for spiritual or other reasons."
>
> In many cases the Corpsmen's parents said their children's participation was not because of economic need. Most parents said they didn't understand the program was for helping only the poor. The Reverend Johnson said it was possible some youths were hired from the alternate list who "just wanted to support a car." "If they went down the list far enough," he said, "it is possible a boy with a father and mother who made $20,000 a year could have been hired."

Some specific examples of the youths enrolled in the Texas Neighborhood Youth Corps programs were:

First. Enrollees who were college students, although the Neighborhood Youth Corps regulations held that college students were not eligible.

Second. A 17-year-old son of a city of Pasadena secretary and an operator for a big chemical company, both working. The mother was Mayor Doyal's secretary for about a month soon after he took office last May but she pulled no strings to get her son in the Corps.

Third. A 17-year-old corpsman, the son of an engineer for Brown & Root, Inc.

Fourth. A 16-year-old youth, the son of a home building contractor.

Fifth. A 16-year-old, the son of the personnel and safety director of a big industrial firm.

Sixth. Many other Pasadena enrollees who were children of employees at a chemical plant and a refinery whose wages ran in the neighborhood of $3 or more an hour.

Pasadena's Mayor Doyal said he never heard of the so-called $3,000 income "poverty level" until about September and never heard of the graduated-by-size of-family income standards of July 8 until a reporter told him about them in February 1966.

This is the program that is supposed to help poor youngsters who are school dropouts or likely dropouts for reasons of poverty. Unfortunately, poverty programs in the Pedernales country are more typical of the Nation than exceptional. We urge the adoption of the Republican Opportunity Crusade which would prevent these and many other abuses in the present poverty war.

FURTHER COMMENTS FROM DEMOCRATS ON POVERTY

While continuing to vote automatically for a war on poverty program that is clearly in deep trouble, Democrats are often critical in their public comments. Here are a few:

Senator Mike Mansfield, criticizing the screening of Job Corps applicants:

> It was not my intention to support the establishment of three reformatories in my State.

Senator Walter Mondale, speaking of difficulty in getting programs funded:

> There was nothing in writing. No guidelines for expenses were established. It is no surprise that Minnesotans working for antipoverty are often frustrated.
>
> We have a right to written, understandable rules—

Mondale said—

> and officials must assume there is some local wisdom.

Senator R. Vance Hartke:

> I question the continuation of poverty programs, such as the youth camps. There are too many unanswered questions about operations at centers such as Camp Atterbury and Camp Breckenridge.

Governor John B. Connally, after a meeting with Shriver about the poverty program in Texas:

> OEO does not seem to understand that we are not working for them, but with them and we want them to work with us.

Congressman Bert Bandstra, in his statement printed in the subcommittee hearings:

> A knowledge gap between Washington antipoverty officials and local workers in the war on poverty leads to administrative confusion that could very well prove fatal to the program.

Congressman Augustus Hawkins, speaking in Los Angeles:

> The community development program as adopted by Congress is not functioning as it was set up. What is being done to this program is a crime.

Congressman Robert E. Sweeney, of Cleveland, describing the Job Corps:

> It is fantastically expensive failure * * *. It is costing taxpayers $11,252 a year per enrollee * * *. I believe this money can be better used by the Office of Education, the Department of Labor and the military education channels.

Senator Albert Gore, Tennessee:

> The Office of Economic Opportunity is a grossly-disorganized affair and while I hope some order will be brought out of current chaos, I become more doubtful daily.

Senator J. F. Patterson, Missouri Senate Democrat, explaining why he and other Democrats joined a Republican minority in the senate to defeat the appropriation of State funds to implement poverty programs:

> I'm getting a little fed up with going home every weekend and consistently having voters laugh in my face about all the Federal programs we are buying in Jefferson City.

Whitney M. Young, Jr., executive director of the National Urban League, said:

> Year-round antipoverty programs were grossly inadequate and during the spring there is a flurry of Government action to produce something for the summer to keep it cool. We question whether the real intent is to promote equality or to stop riots.

The time is long overdue for Democrats to stop just talking about the poverty program and join Republicans in doing something about it. The Republican Opportunity Crusade, H.R. 13378, would correct existing abuses, completely revamp the faltering war on poverty, and truly involve the poor, the States, and private enterprise in meeting the very real and very urgent problems of the poor. The Opportunity Crusade would cost the Federal Government $300 million less than the war on poverty, while more than doubling the money for Headstart and Community Action. A total of $2.4 billion would be available from private enterprise, State, local and Federal sources in contrast to the $1.75 billion in the war on poverty.

LANDMARK MERGER DECISION OF SUPREME COURT: THE VON'S GROCERY CASE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, we are in the midst of the greatest merger movement in the history of the country—a merger movement which is carrying us rapidly to an era of superconcentration. In the past, major changes in the industrial organization of the American system have gone unchecked because of faulty court interpretation of loopholes in our antitrust laws. See "Merger and Superconcentration, Acquisition of 500 Largest Industrial and 50 Largest Merchandising Firms," staff report of the Select Committee on Small Business, House of Representatives, 87th Congress, November 8, 1962, chapter 5. Today however, we have a good merger statute—the Celler-Kefauver Act of 1950, which I am proud to say I supported all the way through its passage.

Not only do we have an effective merger statute, but the Supreme Court takes an enlightened view of the dangers of ever increasing concentration in American industry, of the elimination of local control of profitmaking institutions, of the steady erosion of opportunities for small businesses to thrive and make their proper contribution to the American way of life.

Certainly one of the greatest decisions ever rendered by the Supreme Court was the opinion handed down on May 31, 1966, in the case of United States against Von's Grocery Company, et al. Mr. Justice Black delivered the opinion of the Court, while Mr. Justice White wrote a concurring opinion. Justices Stewart and Harlan dissented.

As one who long ago saw the dangers that lay ahead in the growing concentration of the retail grocery business in the hands of a few giant chains, I am most gratified at the insight and perception revealed by Justice Black in his opinion. He correctly interprets the views of Congress, stating:

> . . . at the center of attention throughout the hearings and debates on the Celler-Kefauver bill, had been . . . a series of mergers between large corporations and their smaller competitors resulting in the steady erosion of the small independent business in our economy. As we said in Brown Shoe Co. v. United States, 370 U.S. 294, 315, "The dominant theme prevading congressional consideration of the 1950 amendments was a fear of what was considered to be a rising tide of economic concentration in the American economy." To arrest this "rising tide" toward concentration into too few hands and to halt the gradual demise of the small businessman, Congress decided to clamp down with vigor on mergers.

He then goes on to discuss the economic setting in which the Von's-Shopping Bag merger took place, stating:

> The facts of this case present exactly the threatening trend toward concentration which Congress wanted to halt. The number of small grocery companies in the Los Angeles retail grocery market had been declining rapidly before the merger and continued to decline rapidly afterwards. This rapid decline in the number of grocery store owners moved hand in hand with a large number of significant absorptions of the small companies by the larger ones. In the midst of this steadfast trend toward concentration, Von's and Shopping Bag, two of the most successful and largest companies in the area, jointly owning 66 grocery stores merged to become the second largest chain in Los Angeles. This merger cannot be defended on the ground that one of the companies was about to fail or that the two had to merge to save themselves from destruction by some larger and more powerful competitor. What we have on the contrary is simply the case of two already powerful companies merging in a way which makes them even more powerful than they were before. If ever such a merger would not violate Section 7, certainly it does when it takes place in a market characterized by a long and continuous trend toward fewer and fewer owner-competitors which is exactly the sort of trend which Congress, with power to do so, declared must be arrested.

It is a pity that the district court did not understand the legislative history of the Celler-Kefauver Act. If that court had been more perceptive it would have granted the Government's plea for an injunction staying the merger and wouldn't be faced with the problem of restoring the Shopping Bag chain as a viable economic organization. In the meantime the public interest has suffered for several reasons:

> (1) for six years it has been deprived of the competition formerly provided in the important Los Angeles grocery market by the independent Von's and Shopping Bag enterprises;

(2) other mergers were unchecked as the movement spread; and

(3) big absentee chains, such as Acme and Kroger, by market-extension mergers intervened in the Los Angeles market, instead of entering through the competition-creating process of constructing new stores and stirring up rivalry against the leaders in that market.

Indeed, it is my hunch that the Von's Shopping Bag combination would have sold out to a national chain if the Antitrust Division hadn't brought its suit.

Time after time I have urged that the Congress pass premerger clearance legislation so that the public interest wouldn't suffer these long losses in competition while the cases proceed on their laborious journey to the Supreme Court. Now as the merger movement is pushing into even higher ground the lessons of delay are painfully obvious.

I append herewith the opinions of Justices Black and White.

[Supreme Court of the United States: No. 303.—October Term, 1965.]

UNITED STATES, APPELLANT *v.* VON'S GROCERY COMPANY ET AL.

(On Appeal from the United States District Court for the Southern District of California.)

[May 31, 1966.]

MR. JUSTICE BLACK delivered the opinion of the Court.

On March 25, 1960, the United States brought this action charging that the acquisition by Von's Grocery Company of its direct competitor Shopping Bag Food Stores, both large retail grocery companies in Los Angeles, California, violated § 7 of the Clayton Act which, as amended in 1950 by the Celler-Kefauver Anti-Merger Bill, provides in relevant part as follows:

"No corporation engaged in commerce . . . shall acquire the whole or any part of the assets of another corporation engaged also in commerce, where in any line of commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly."[1]

On March 28, 1960, three days later, the District Court refused to grant the Government's motion for a temporary restraining order and immediately Von's took over all of Shopping Bag's capital stock and assets including 36 grocery stores in the Los Angeles area. After hearing evidence on both sides, the District Court made findings of fact and concluded as a matter of law that there was "not a reasonable probability" that the merger would tend "substantially to lessen competition" or "create a monopoly" in violation of § 7. For this reason the District Court entered judgment for the defendants. 233 F. Supp. 976, 985. The Government appealed directly to this Court as authorized by § 2 of the Expediting Act.[2] The sole question here is whether the District Court properly concluded on the facts before it that the Government had failed to prove a violation of § 7.

The record shows the following facts relevant to our decision. The market involved here is the retail grocery market in the Los Angeles area. In 1958 Von's retail sales ranked third in the area and Shopping Bag's ranked sixth. In 1960 their sales together were 7.5% of the total two and one-half billion dollars of retail groceries sold in the Los Angeles market each year. For many years before the merger both companies had enjoyed great success as rapidly growing companies. From 1948 to 1958 the number of Von's stores in the Los Angeles area practically doubled from 14 to 27, while at the same time the number of Shopping Bag's stores jumped from 15 to 34. During that same decade, Von's sales increased fourfold and its share of the market almost doubled while Shopping Bag's sales multiplied seven times and its share of the market tripled. The merger of these two highly successful, expanding and aggressive competitors created the second largest grocery chain in Los Angeles with sales of almost $172,488,000 annually. In addition the findings of the District Court show that the number of owners operating a single store in the Los Angeles retail grocery market decreased from 5,365 in 1950 to 3,818 in 1961. By 1963, three years after the merger, the number of single-store owners had dropped still further to 3,590.[3] During roughly the same period from 1953 to 1962 the number of chains with two or more grocery stores increased from 96 to 150. While the grocery business was being concentrated into the hands of fewer and fewer owners, the small companies were continually being absorbed by the larger firms through mergers. According to an exhibit prepared by one of the Government's expert witnesses, in the period from 1949 to 1958 nine of the top 20 chains acquired 126 stores from their smaller competitors.[4] Figures of a principal defense witness, set out below, illustrate the many acquisitions and mergers in the Los Angeles grocery industry from 1953 through 1961 including acquisitions made by Food Giant, Alpha Beta, Fox, and Mayfair, all among the 10 leading chains in the area.[5] Moreover, a table prepared by the Federal Trade Commission appearing in the Government's reply brief, but not a part of the record here, shows that acquisitions and mergers in the Los Angeles retail grocery market have continued at a rapid rate since the merger.[6] These facts alone are enough to cause us to conclude contrary to the District Court that the Von's-Shopping Bag merger did violate § 7. Accordingly, we reverse.

From this country's beginning there has been an abiding and widespread fear of the evils which flow from monopoly—that is the concentration of economic power in the hands of a few. On the basis of this fear, in 1890, when many of the Nation's industries were already concentrated into what Congress deemed too few hands, it passed the Sherman Act in an attempt to prevent further concentration and to preserve competition among a large number of sellers. Several years later in 1897 this Court emphasized this policy of the Sherman Act by calling attention to the tendency of powerful business combinations to restrain competition "by driving out of business the small dealers and worthy men whose lives have been spent therein, and who might be unable to readjust themselves in their altered surroundings." *United States* v. *Trans-Missouri Freight Assn.*, 166 U.S. 290, 323.[7] The Sherman Act failed to protect the smaller businessmen from elimination through the monopolistic pressures of large combinations which used mergers to grow ever more powerful. As a result in 1914 Congress, viewing mergers as a continuous, pervasive threat to small business, passed § 7 of the Clayton Act which prohibited corporations under most circumstances from merging by purchasing the stock of their competitors. Ingenious businessmen, however, soon found a way to avoid § 7 and corporations began to merge simply by purchasing their rivals' assets. This Court in 1926, over the dissents of Justice Brandeis, Chief Justice Taft, Justices Holmes, and Stone approved this device for avoiding § 7[8] and mergers continued to concentrate economic power into fewer and fewer hands until 1950 when Congress passed the Celler-Kefauver Anti-Merger Bill now before us.

Like the Sherman Act in 1890 and the Clayton Act in 1914, the basic purpose of the 1950 Celler-Kefauver Bill was to prevent economic concentration in the American economy by keeping a large number of small competitors in business.[9] In stating the purposes of the bill, both of its sponsors, Representative CELLER and Senator Kefauver, emphasized their fear, widely shared by other members of Congress, that this concentration was rapidly driving the small businessman out of the market.[10] The period from 1940 to 1947, which was at the center of attention throughout the hearings and debates on the Celler-Kefauver bill, had been characterized by a series of mergers between large corporations and their smaller competitors resulting in the steady erosion of the small independent business in our economy.[11] As we said in *Brown Shoe Co.* v. *United States,* 370 U.S. 294, 315, "The dominant theme pervading congressional consideration of the 1950 amendments was a fear of what was considered to be a rising tide of economic concentration in the American economy." To arrest this "rising tide" toward concentration into too few hands and to halt the gradual demise of the small businessman, Congress decided to clamp down with vigor on mergers. It both revitalized § 7 of the Clayton Act by "plugging its loophole" and broadened its scope so as to prohibit not only mergers between competitors, the effect of which "may be substantially to lessen competition or to tend to create a monopoly" but to prohibit all mergers having that effect. By using these terms in § 7 which look not merely to the actual present effect of a merger but instead to its effect upon future competition, Congress sought to preserve competition among many small businesses by arresting a trend toward concentration in its incipiency before that trend developed to the point that a market was left in the grip of a few big companies. Thus, where concentration is gaining momentum in a market, we must be alert to carry out Congress' intent to protect competition against ever increasing concentration through mergers.[12]

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[1] 38 Stat. 731, as amended by 64 Stat. 1125, 15 U.S.C. § 18 (1963 ed.).

[2] 62 Stat. 989; 15 U.S.C. § 29 (1963 ed.).

[3] Despite this steadfast concentration of the Los Angeles grocery business into fewer and fewer hands, the District Court, in Finding of Fact No. 80, concluded as follows:

"There has been no increase in concentration in the retail grocery business in the Los Angeles Metropolitan Area either in the last decade or since the merger. On the contrary, economic concentration has decreased . . . ."

This conclusion is completely contradicted by Finding No. 23 which makes plain the steady decline in the number of individual grocery store owners referred to above. It is thus apparent that the District Court, in Finding No. 80, used the term "concentration" in some sense other than a total decrease in the number of separate competitors which is the crucial point here.

[4] Appellees, in their brief, claim that 120 and not 126 stores changed hands in these acquisitions:

"It should also be noted here that the exhibit is in error in showing an acquisition by Food Giant *from itself* of six stores doing an annual volume of $31,700,000. Actually this was simply a change of name by Food Giant . . . ."

[5] These figures as they appear in a table in the Brief for the United States show the following acquisitions of retail grocery stores in the Los Angeles area from 1953 to 1961: See Appendix.

[6] See Appendix.

[7] Later in 1945 Judge Learned Hand, reviewing the policy of the antitrust laws and other laws designed to foster small business, said, "Throughout the history of these statutes it has been constantly assumed that one of their purposes was to perpetuate and preserve, for its own sake and in spite of possible cost, an organization of industry in small units which can effectively compete with each other." *United States* v. *Aluminum Co. of America*, 148 F. 2d 416, 429.

[8] *Thatcher Manufacturing Company* v. *Federal Trade Commission*, 272 U.S. 554, 560.

[9] See, *e.g.*, *U.S.* v. *Philadelphia Nat. Bank*, 374 U.S. 321, 362–363; *United States* v. *Alcoa*, 377 U.S. 271, 280.

[10] Representative CELLER, in introducing the bill on the House floor, remarked:

"Small, independent, decentralized business of the kind that built up our country, of the kind that made our country great, first, is fast disappearing, and second, is being made dependent upon monster concentration." 95 CONGRESSIONAL RECORD 11486.

Senator Kefauver expressed the same fear on the Senate floor.

"I think that we are approaching a point where a fundamental decision must be made in regard to this problem of economic concentration. Shall we permit the economy of the country to gravitate into the hands of a few corporations . . . ? Or on the other hand are we going to preserve small business, local operations and free enterprise?" 96 CONGRESSIONAL RECORD 16450.

References to a number of other similar remarks by other Congressmen are collected in *Brown Shoe Co.* v. *United States*, 370 U.S. 294, 316, n. 28.

The facts of this case present exactly the threatening trend toward concentration which Congress wanted to halt. The number of small grocery companies in the Los Angeles retail grocery market had been declining rapidly before the merger and continued to decline rapidly afterwards. This rapid decline in the number of grocery store owners moved hand in hand with a large number of significant absorptions of the small companies by the larger ones. In the midst of this steadfast trend toward concentration, Von's and Shopping Bag, two of the most successful and largest companies in the area, jointly owning 66 grocery stores merged to become the second largest chain in Los Angeles. This merger cannot be defended on the ground that one of the companies was about to fail or that the two had to merge to save themselves from destruction by some larger and more powerful competitor.[13] What we have on the contrary is simply the case of two already powerful companies merging in a way which makes them even more powerful than they were before. If ever such a merger would not violate § 7, certainly it does when it takes place in a market characterized by a long and continuous trend toward fewer and fewer owner-competitors which is exactly the sort of trend which Congress, with power to do so, declared must be arrested.

Appellee's primary argument is that the merger between Von's and Shopping Bag is not prohibited by § 7 because the Los Angeles grocery market was competitive before the merger, has been since, and may continue to be in the future. Even so, § 7 "requires not merely an appraisal of the immediate impact of the merger upon competition, but a prediction of its impact upon competitive conditions in the future; this is what is meant when it is said that the amended § 7 was intended to arrest anticompetitive tendencies in their 'incipiency.'" *United States* v. *Philadelphia Nat. Bank,* 374 U.S., at p. 362. It is enough for us that Congress feared that a market marked at the same time by both a continuous decline in the number of small businesses and a large number of mergers would, slowly but inevitably gravitate from a market of many small competitors to one dominated by one or a few giants, and competition would thereby be destroyed. Congress passed the Celler-Kefauver Bill to prevent such a destruction of competition. Our cases since the passage of that bill have faithfully endeavored to enforce this congressional command.[14] We adhere to them now.

Here again as in *United States* v. *El Paso Gas Co.,* 376 U.S. 351, 662, since appellees "have been on notice of the anti-trust charge from almost the beginning . . . we not only reverse the judgement below but direct the District Court to order divestiture without delay." See also *United States* v. *du Pont & Co.,* 366 U.S. 316; *United States* v. *Alcoa,* 377 U.S., at 281.

Reversed.

MR. JUSTICE FORTAS took no part in the consideration or decision of this case.

Appendix

[Footnote 3]

Year	Acquiring firm	Acquired firm	Number of stores acquired
1957	Piper Mart	Bi-Right & Big Bear	7
1958	Mayfair	Bob's Supermarket	3
1961	Better Foods	Border's Markets	3
1954	Kory's Markets	Carty Brothers	8
1958	Food Giant	Clark Markets	10
1956	Fox	Desert Fair	4
1959	Lucky	Hiram's	6
1958	Fox	Iowa Pork Shops	11
1961	Food Giant (and others)	McDaniel's Markets	16
1957	Food Giant	Panorama Markets	3
1958	Pix	Patton's Mkts	3
1958	Alpha Beta	Raisin Markets	13
1960	Piggly Wiggly	Rankins Markets	4
1959	Pix	S & K Markets	7
1960	Von's	Shopping Bag	32
1959	Pix	Shop Right Markets	2
1958	Yor-Way	C. S. Smith	3
1957	Food Giant	Toluca Marts	5
1957	Mayfair	U-Tell-Em Markets	10
	Total		150

Food store acquisitions in the Los Angeles metropolitan area 1961–64 [1]

[Footnote 4]

Year	Acquiring company	Acquired company (or stores)			Type of acquisition	
		Name	Number of stores	Sales (thousands)[2]	Horizontal	Other
1961	Acme Markets	Alpha Beta Food Markets	45	$79,042		X
	Boys Markets	Korys Markets	5	10,000	X	
	Food Giant Markets	McDaniels Markets	9	21,500	X [3]	
	Mayfair Markets	Yorway Markets	1	1,500	X	
		Alpha Beta Food Markets	1	1,700	X	
1962	Mayfair Markets	Schaubs Market	1	1,800	X	
		Fox Markets	1	2,200	X	
	Ralph's Grocery Co.	Imperial Supreme Markets	1	916	X	
1963	Food Fair Stores	Fox Markets	22	44,419		X
	Kroger	Market Basket	53	110,860		X
	Mayfair Markets	Bi Rite Markets	1	2,569	X	
		Dales Food Markets	1	2,200	X	
		Food Giant Markets	1	1,700	X	
1964	Albertson's, Inc.	Greater All American	14	30,308		X
	Mayfair Markets	Gateway Market	4	8,000	X	
		Pattons Markets	4	10,400	X	
	Ralph's Grocery Co.	Cracker Barrel Supermarket	1	1,000	X	
	Food Giant Markets	McDaniels Markets	7	18,350	X	
	Total horizontal mergers		38	83,835		
	Total market extension mergers		134	264,629		

[1] Consists of Los Angeles and Orange Counties. (1963 census defined the Los Angeles metropolitan area as Los Angeles County only.)

In most cases, sales are for the 12-month period prior to acquisition.

[3] According to a statement made by Von's counsel at oral argument, this acquisition did not take place in 1961, but instead Food Giant bought 7 of McDaniels' stores in 1964. The acquisition in 1964 is listed in this table.

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[11] H.R. Rep. No. 1191, 81st Cong., 2d Sess., p. 3, described this characteristic of the merger movement as follows:

". . . the outstanding characteristic of the merger movement has been that of large corporations buying out small companies, rather than smaller companies combining together in order to compete more effectively with their larger rivals. More than 70 percent of the total number of firms acquired during 1940–47 have been absorbed by larger corporations with assets of over $5,000,000. In contrast, fully 93 percent of all the firms bought out held assets of less than $1,000,000. Some 33 of the Nation's 200 largest industrial corporations have bought out an average of 5 companies each, and 13 have purchased more than 10 concerns each."

[12] See, *e.g., Brown Shoe Co.* v. *United States,* 370 U.S., at 346; *U.S.* v. *Philadelphia Nat. Bank,* 374 U.S., at 362. See also *United States* v. *du Pont & Co.,* 353 U.S. 586, 597, interpreting § 7 before the Celler-Kefauver Anti-Merger Amendment.

[13] See *Brown Shoe Co.* v. *United States,* 370 U.S. 294, 319.

[14] See, *e.g., United States* v. *du Pont & Co.,* 353 U.S. 586; *Brown Shoe Co.* v. *United States,* 370 U.S. 294; *U.S.* v. *Philadelphia Nat. Bank,* 374 U.S. 321; *United States* v. *El Paso Gas Co.,* 376 U.S. 651; *United States* v. *Alcoa,* 377 U.S. 271; *United States* v. *Continental Can Co.,* 378 U.S. 441; *FTC* v. *Consolidated Foods,* 380 U.S. 592.

[Supreme Court of the United States: No. 303.—October Term, 1965.]

UNITED STATES, APPELLANT, v. VON'S GROCERY COMPANY ET AL.

(On appeal from the United States District Court for the Southern District of California.)

[May 31, 1966.]

MR. JUSTICE WHITE, concurring.

As I read the Court's opinion, which I join, it does not hold that in any industry exhibiting a decided trend towards concentration, any merger between competing firms violates § 7 unless saved by the failing company doctrine; nor does it declare illegal each and every merger in such an industry where the resulting firm has as much as a 7.5% share of the relevant market. But here, before the merger in 1958, the largest firm had 8% of the sales, Von's was third with 4.7% and Shopping Bag was sixth with 4.2%. The four largest firms had 24.4% of the market, the top eight had 40.9% and the top 12 had 48.8% as compared with 25.9%, 33.7% and 38.8% in 1948. All but two of the top 10 firms in 1958 were very probably also among the top 10 in 1948 or had acquired a firm that was among the top 10. Further, all but three of the top 10 had increased their market share between 1948 and 1958 and those who gained gained more that the three lost. Also, although three companies declined in market share their total sales increased in substantial amounts.

Given a trend towards fewer and fewer sellers which promises to continue, it is clear to me that where the eight leading firms have over 40% of the market, any merger between the leaders or between one of them and a lesser company is vulnerable under § 7, absent some special proof to the contrary. Here Von's acquired Shopping Bag. Both were among the eight largest companies, both had grown substantially since 1948 and they were substantial competitors. After the merger the four largest firms had 28.8%, the eight largest had 44% and the 12 largest had 50%. The merger not only disposed of a substantial competitor but increased the concentration in the leading firms. In my view the Government made out a prima facie case that the effect of this merger may be substantially to lessen competition or to tend to create a monopoly.

ANTITRUST ENFORCEMENT: A VIABLE AND VITAL STANDARD IN A FREE SOCIETY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, in the middle and late 1930's, I was active in a struggle to enact legislation to preserve and protect small business from the growing monopoly power of large national concerns. While that skirmish was won and legislation was enacted, there neither has been nor would I expect in our free society that there will be a final and complete victory. It is to be expected that contesting forces and interests will continue to struggle for supremacy in the marketplace. The short-range goals of self-interest for greater economic profits and economic and political power must be constantly gaged against the public interest of preserving our free society. One of the yardsticks we have found useful in making that test in this country has been the antitrust laws. The price of liberty, it has been said, is eternal vigilance. It is also an unceasing struggle of endless battles. Furthermore, liberty, like the nation itself, is indivisible. If we permit our economic freedom to be sacrificed, we place our political liberty in jeopardy, and political liberty itself can exist only where economic freedom prevails.

In this regard, I take considerable heart from Justice Black's recent opinion in the Von's Grocery Co. case. In that case, involving the acquisition of 36 grocery stores in the Los Angeles market, Justice Black states that:

> . . . [W]here concentration is gaining momentum in a market, we must be alert to carry out Congress' intent to protect competition against ever increasing concentration through mergers.

I trust that this decision will give courage and renewed determination to those entrusted with the vital task of antitrust enforcement to pursue with intensified vigor the preservation of those high ideals in their charge.

I ask unanimous consent that there be printed in the RECORD at this point the recent remarks of Commissioner Everette MacIntyre, of the Federal Trade Commission, before the business public relations seminar, at Hot Springs, Va. Commissioner MacIntyre addresses himself to the question: "Does antitrust still have a valid role to play in today's economy?" His answer, as is the Supreme Court's in Justice Black's opinion, is a resounding "Yes." I commend them both to the attention of my colleagues.

ANTITRUST, REAL OR FANCIFUL

(A statement by Everette MacIntyre, Commissioner, Federal Trade Commission, before the Business Public Relations Seminar, Hot Springs, Va., May 4, 1966)

INTRODUCTION

Mr. Chairman, Ladies and Gentlemen:

It is a pleasure to visit with you and to discuss antitrust with you on this occasion of your seminar.

We at the Federal Trade Commission feel particularly fortunate when we have an opportunity to meet with representatives of a group such as yours because we know we should share a common interest in fostering a high level of business ethics and preventing unfair practices. We believe, as I am sure you do, that ethical practice is good for business and for the community as a whole, not only from the standpoint of morality, but also from the standpoint of the businessman's return on investment.

We at the Federal Trade Commission want to help you achieve a high level of consumer confidence in your business activities and in your advertising. We believe this can be done by keeping the channels of trade free from unfair acts and practices. The expressed national public policy has this objective. This public policy has been expressed from time to time since 1890 by the Congress, the President, and others who have had responsibilities in effectuating the purposes of our antitrust laws. As recently as July 18, 1958, when President Eisenhower gave his approval to Public Law No. 85-536, it was declared that:

"The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation."

The Federal Trade Commission has a substantial responsibility and duty to expend its resources, attention, and effort in aid of the effectuation of this national public policy. Therefore we request—indeed, we challenge—you to cooperate with us in the discharge of our responsibilities and duties in this respect.

FTC authority regarding unfair acts and practices

The Federal Trade Commission's authority to protect businessmen, consumers and other members of the public from unfair acts and practices is derived from the Federal Trade Commission Act, as approved in 1914, and as amended in 1938. The most important part of the Act consists of only 19 words. Those words are: "Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are hereby declared unlawful."

FALSE AND DECEPTIVE ACTS AND PRACTICES

False advertising, as well as misbranding and other misrepresentation of consumer products, has always been one of the major concerns of the Commission. The first two cease and desist orders entered by the Commission after its establishment in 1915 prohibited claims that sewing thread and textile fabric were silk, when actually they were cotton. The first cease and desist order to be reviewed and affirmed by the courts prohibited misrepresentation of food products, sugar, coffee and tea, by one of the nation's largest retailers.

Realizing the tremendous impact of advertising as a competitive force and a persuader of the purchasing public, the Commission since 1929 has maintained a continuing surveillance to detect any claims which may be questionable. With radio advertising having been included in the surveys since 1934, and television advertising since 1948, this monitoring of advertising continues as an important part of the Commission's activity to protect businessmen and consumers from unfair acts and practices.

The Commission's jurisdiction to prevent unfair and deceptive acts and practices extends to all types of products and practices excepting those which by specific legislation are the responsibility of some other agency. The Commission, of course, cooperates closely with other governmental agencies such as the Food and Drug Administration and the Post Office in cases involving labeling of foods, drugs and hazardous devices or in mail fraud matters in order to prevent needless duplication and to give the fullest possible protection to the public.

The Commission also cooperates closely with state authorities by referring to them matters which are found to be of intrastate character and involve potential violation of state laws against unfair acts and practices.

The Commission's authority extends only to transactions which cross state lines, in interstate commerce, and it proceeds only in matters which involve the public interest. It does not undertake to resolve matters of private controversy or to obtain refunds or adjustments on behalf of individual complainants.

FTC ANTIMONOPOLY ACTIVITIES

About 60% of the total effort of the Federal Trade Commission is devoted toward curbing acts and practices which have a dangerous tendency unduly to hinder competition or create a monopoly.

The Commission's general authority to prevent acts and practices with a tendency to hinder competition or create monopolies is derived from the prohibition against unfair methods of competition spelled out in the original Federal Trade Commission Act of 1914. In addition, Section 2 of the Clayton Act of 1914, as amended by the Robinson-Patman Act in 1936, specifically charges the Commission with proceeding against discriminatory pricing practices which may injure competition. Finally, under Section 7 of the Clayton Act, the Commission has the responsibility of proceeding against corporate mergers with the requisite anticompetitive tendencies.

MERGERS

Antitrust activity in the merger area has always been an intriguing subject for the commentator. Of late, however, the volume of comment—much of it critical from the academic community, the press and business—has been increasing. The reasons for the current concern with application of antitrust to mergers are fairly obvious. On the one hand, there are those who have become ever more concerned with concentration and alleged super concentration and the implications of these phenomena for our free enterprise system.[1] On the other hand, there are those who view with alarm current developments under the merger law, which it is feared may freeze business into an obsolete pattern. In short, there is increasing concern about the relevance of antitrust to the economy of today. My remarks will be devoted to that topic and the further question of how should antitrust measures be applied to current problems. I do not intend to discuss the minutiae of the more recent decisions or to delve into some of the more arcane subjects of interest to the lawyer or economist in this field as, for example, the definition of the relevant market for the purpose of the merger act. These topics are admittedly important, but the more fundamental issue is whether at this time antitrust has a realistic role to play.

To begin, in any serious discussion of the validity of antitrust, two basic questions must be answered. Is the economy still sufficiently decentralized so that it is meaningful to speak of regulation of the market by the impersonal forces of competition? Secondly, is the optimum approach for maintaining a free competitive economy one which focuses on the structure of the economy (*e.g.*, prohibition of mergers) or one which emphasizes the restraint of anticompetitive behavior. Finally, one might also ask whether a rational antitrust approach should not give equal consideration to both alternatives.

A good point of departure for this debate may be two articles in the April and March issues of *Fortune*, devoted to the subject. These articles offer an advantageous springboard for our discussion for the simple reason that I assume that most of you have read them and, secondly, the articles, although iconoclastic in tone, frame the issues in such a way that at least we should know what we are talking about. Briefly, *Fortune* proposes, under the title of "Antitrust in an Era of Radical Change", that the antitrust statutes should be amended to make it clear that the national policy is to foster competition by punishing restraints of trade such as price fixing conspiracy, limitation of production, allocation of markets and suppression of innovation—but that it is not the national policy to prefer any particular size, shape or number of firms to any other structure of the market; and that mergers, be they horizontal, vertical or conglomerate, are legal unless they spring from a "manifest attempt to restrain trade."

It is evident that the main preoccupation of the article in common with other critiques of antitrust from the business community is with the impact of current enforcement under Section 7 of the Clayton Act, which was enacted to deal with the question of mergers. In this connection, *Fortune* charges that in the last 15 years antitrust enforcement has become more and more subject to a reactionary enforcement philosophy, fearful of change, and which frowns on the growth of firms, especially by merger. It is *Fortune's* basic contention that the attempt to preserve a market structure of many competitors for the purpose of maintaining competition is groundless. The main thrust of the argument is apparently that a permissive policy as to mergers will foster the flexibility and encourage the innovation essential to a dynamic economy. As I understand this proposition, allowing firms to acquire by way of merger managerial skills or additional product lines for purposes of diversification will result in competitors better able to withstand the vicissitudes of competition under modern conditions.

With this brief and perhaps oversimplified introduction to one approach to the current debate about the role of antitrust, I must preface my further remarks with the advice that I, of course, cannot on any of these issues give you a definite answer. One's point of view on such problems is necessarily personal and to a considerable degree conditioned by one's past associations and experience. Mine has been primarily with the Federal Trade Commission. In this connection, it is significant that the statute creating the Commission—the Federal Trade Commission Act—as enacted in 1914 declared "unfair methods of competition are hereby declared unlawful."[2]

The phraseology of this prohibition is important; it charges the Commission with proscribing those acts which have a tendency to hamper or lessen competition. In short, it emphasizes the antitrust concern with the behavior of firms in a market, in order to keep that market viable for competition.

The Supreme Court in 1931 stated that Congress, in enacting the statute, was concerned with preventing "unfair competition [which it recognized as the] practice which destroys competition and establishes monopoly . . ."[3] The recognition by the Court, which was then of a conservative complexion, of the legislative intent to encourage an economic climate in which a large number of independent competitive firms can flourish is noteworthy. The question remains whether, in an era of growing concentration and technological innovation, it is still a realistic goal.

A consideration of this topic leads us to the burning antitrust issue of the day; What is the structure of the economy like at the present time and should the antitrust agencies concern themselves at all with the size and shape of economic markets?

While economists may disagree as to whether concentration is accelerating, it is obvious that a good deal of concentration is now at hand in the economy as a whole and in specific industries and markets. It is further clear that overall concentration in the economy has, to a large degree, been a function of business' drive for diversification.[4] As a result, ones of the most pressing antitrust problems facing both Antitrust Division and the Federal Trade Commission is what policy should be adopted towards mergers generally and, specifically, should the two agencies differentiate between pure conglomerate mergers on the one hand as opposed to vertical and horizontal acquisitions on the other? There is no unanimity on the point.

According to Dr. David G. Martin of the Graduate School of Business, Indiana University, ". . . Economists are generally agreed that workable competition requires many firms [none of which has sufficient control of a product] to greatly affect the price or terms of exchange that result from a bargaining process in the market. It is not sufficient that a firm have a competitor or even many competitors." In this connection, concentration has been singled out as a possible indicator of where significantly noncompetitive markets may be found.[5]

Some economists examining the current scene, taking into consideration the phenomenon of concentration as well as diversification, have noted that certain firms have become more significant than the industries in which they operate and that the conventional economic analysis concentrating upon market power in the single market and assuming a single product has come to have little, if any, relevance to the behavior of such large firms.[6]

A number of economists view current developments with alarm and call for action under the antitrust laws. Notable among these is Professor Corwin Edwards of Oregon University who has written a great deal on this topic. Dr. Edwards notes the power of a large conglomerate enterprise may be significant and that such power is not measured by the size of its market share in particular markets but extends to markets in which a conglomerate's share is too small to constitute a monopoly or participation in oligopoly.

The problem of overall concentration due to conglomerate size is, however, a difficult one. Even Dr. Edwards, despite his suggestion that Section 7 proceedings should be brought whenever possible, does not seem certain that the present laws are applicable to concentration resulting from the growth of conglomerate firms. He concedes that it would be difficult to bring the present antitrust laws to bear upon such amalgamations.[7] Dr. Edwards is not alone in expressing doubt that the antitrust laws now in force were designed to deal with this problem. In this connection it is interesting that Donald Turner, Assistant Attorney General in Charge of the Antitrust Division, recently suggested the possibility of dealing with overall concentration by legislation specifically designed to curb growth by way of acquisitions in the case of certain of the largest corporations.[8] I also question whether the Sherman and Clayton Acts were designed to cope with this problem. Conglomerate size is relatively new to American manufacturing and for that reason neither economic theory nor public policy has yet been devised which will effectively deal with this issue. There is merit to the suggestion that if government should concern itself at all with the problem of bigness, as such, then it should be done under a specialized statute designed expressly for that purpose. An attack on overall size without regard to the effect on competition in specific markets cannot be justified except on the basis of public policy clearly expressed by Congress in a new law. To attack bigness as such under the antitrust laws would, I fear, merely distort our antitrust statutory scheme without compensating benefits. In short, I do not believe that under the antitrust laws we have a mandate for planning the structure of the economy. The disadvantages of such an approach have been ably articulated by two economists, Messrs. Dirlam and Kahn, who state in this connection:

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[1] E.g., ". . . Sen. PHILIP HART, the Michigan Democrat who chairs the Senate Antitrust and Monopoly Subcommitte, blasted government antitrusters last week for a 'laissez-faire' attitude in the face of 'the greatest merger tide in our history,' " *Newsweek*, Mergers: "Everybody Wants To Get Bigger". April 25, 1966, p. 72.

[2] Section 5 of the Federal Trade Commission Act, 38 Stat. 719. This provision was subsequently amended by the Wheeler-Lea Act of 1938, 52 Stat. 111, 15 U.S.C. 45, prohibiting unfair or deceptive acts or practices as well.

[3] *Federal Trade Commission* v. *Raladam Co.*, 283 U.S. 643, 650 (1931).

[4] See testimony of Joel Dirlam, Hearings Before the Subcommittee on Antitrust and Monopoly, United States Senate, 1965, p. 748. These hearings will be referred to as "Concentration Hearings" in subsequent portions of this paper.

[5] Testimony of Dr. Carl Kaysen, Professor of Political Economy, Harvard University, Concentration Hearings, p. 544.

[6] Testimony of Joel Dirlam, Concentration Hearings, p. 770 (1965).

[7] Testimony of Professor Corwin Edwards, Concentration Hearings, p. 44, 45 (1964).

[8] "U.S. Aide Hints at Trust Law to Bar 'Super-Concentration' ", *The Evening Star*, Washington, D.C., April 15, 1966. The article notes that Mr. Turner specifically disclaimed having reached the conviction that there is a trend to super-concentration and that he did not want to be understood as proposing a law against super-concentration but suggesting it "as a separate avenue if action is appropriate."

"The antitrust laws cannot be turned into a statute for the structuring of all markets in the direction of purer competition. Apart from the economic objections to such a program, it would be politically impossible. It is questionable if it is worth devoting the bureaucratic resources necessary to achieve the reordered structure, and it is questionable too whether the resultant discord and confusion might not impair economic performance more than the final restructuring would improve it. Where giant firms have overstepped the bounds of antitrust, there is no sign their efficiency would in most cases be impaired by dissolving them; reduction of power by these means could be accomplished without much loss. But beyond this remedy, we must resign ourselves to the presence of substantial economic power in our community. General Motors, General Electric, A. T. & T., duPont, Sears Roebuck, Standard Oil of New Jersey—not to mention the United Mine Workers and the Teamsters Union—are all powerful organizations. But their power is held in check by a variety of forces and controls. It would be difficult to make a convincing economic case for their wholesale disintegration."[9]

However, although conglomerate mergers should not be attacked simply because of an increase in concentration in the overall economy, they should be dealt with if they manifest anticompetitive effects in specific markets or industries just as would be the case in a proceeding involving vertical or horizontal acquisitions. In short, if in a particular market it becomes apparent that a conglomerate merger results in the elimination of potential competition, the likelihood that reciprocity will be used, or the creation of extraordinary competitive advantages for the conglomerate enterprise, then a proceeding under the present antimerger act is justified.

In the case of vertical and horizontal mergers, however, the antitrust agencies, in my view, should take a fairly stringent stand. These acquisitions can readily be evaluated by the traditional antitrust standard of the actual or probable impact of the merger on competition in specific markets. Horizontal mergers in the majority of cases clearly diminish competition, at least to some degree, because the necessary consequence of such an amalgamation is the disappearance of a competitor or a number of competitors. The only question is whether the impact on competition in the particular case is sufficient to warrant action either by the Federal Trade Commission or the Department of Justice. Similarly, in the case of a merger involving vertical integration, either backwards to a supplier or forwards to a customer, these too can be fairly readily evaluated in terms of the impact on competition in a specific market, namely, are competitors frozen out of a significant source of supply or a substantial market for their products.

I would agree with Mr. Turner's rebuttal to *Fortune's* proposals that the best economic evidence indicates that a strong merger policy, at least insofar as horizontal merges are concerned, is almost certainly right.[10] In this connection it is interesting to note that certain studies indicate there is a relationship between price-cost margins in an industry and the degree of concentration in that industry. In the case of an economic study of 1958 data for 32 food manufacturing industries, one of the economists responsible for this inquiry stated:

". . . we have examined and accepted the hypothesis that average industry price-cost margins are positively related to the degree of concentration. We find the relationship between these two variables to be continuous . . . Although no systematic increases in price-cost margins appear to accompany increases in concentration in the lower ranges, equal increases in concentration above a certain level are associated with successively larger increases in price-cost margins."[11]

Data of this nature indicates that there is still validity to the economic theory underlying antitrust, namely, that competition is more apt to flourish if selling and buying power is dispersed among numerous buyers and sellers. As Mr. Turner stated, an active merger policy intended to limit increases in market concentration is unlikely to result in lower efficiency nor will an antimerger policy conflict with efficiency.[12] Accordingly, I believe that in terms of antitrust objectives such as lower prices, better services and more efficient allocation of economic resources, there is a great deal to be gained from application of the antitrust laws to preclude, if possible, further concentration in specific industries and markets as distinguished from indiscriminate attacks on mere size.

The concept of inter-industry or inter-product competition, to my mind, does not warrant a retreat towards a permissive policy in merger law leading to concentration or increased concentration in specific markets. A substitute product is simply not, as a practical matter, an adequate substitute for competition within a product line.

UNFAIR ACTS AND PRACTICES

In discussing concentration, the structure of markets, and policy towards mergers, I have, however digressed from what should be my prime concern, namely, the prohibition by the Federal Trade Commission Act of unfair methods of competition and unfair acts and practices. Clearly, antitrust and trade regulation, although there are those who will deny it, must be as concerned with behavior in a market as with the structure of a market. Certain competitive practices can be as destructive to competition as a wave of mergers; for example, some types of discriminatory pricing and sales below cost.[13]

The suggestion, however, has been made that a broadened attack on market power would not only reduce the frequency of anticompetitive behavior such as price discrimination but also the frequency of situations where unfair practices such as price discriminations would have a substantial competitive impact. It is further suggested in this connection that the values of fair competition could by this approach be protected at less sacrifice to competitive vigor than by rigorous enforcement of certain provisions of our antitrust laws which prohibit destructive trade practices.[14]

The suggestion to this effect, although recently made, is not new. Similar suggestions have been made through different periods of antitrust activity. It seems to me that many of these suggestions in effect say "Let the tooth and claw of the jungle prevail." It is argued by some that this would allow for "vigorous competition." Of course some of these advocates claim that they would undertake to dissect "vigorous competition" and try to learn whether the tiger, upon sinking his tooth and claw in his victim, harbored predatory intent. Successful studies of mental gymnastics of tigers are few indeed. In any event, the result of the use of the tooth and the claw is the same, regardless of intent. The use of many unfair trade practices in business destroy competition, whether with or without intent. Also, I say any idea that healthy competitive conditions can be restored by breaking up heavy concentrations of economic power built up through the use of unfair practices is a false premise. After nearly 40 years of training and experience in antitrust I am not quite so confident as some others about what can and should be done to implement our antitrust public policy in a particular antitrust case. Much of my experience has come from firsthand observation and study of business problems and firsthand experience as a trial lawyer in antitrust cases. I have seen and experienced the difficulties involved in the objective marshalling of facts upon the basis of which fair decisions may be made in antitrust cases. Likewise, I have noted the difficulties for business and the government in antitrust actions where decrees and orders have been directed to the restoration of healthy competitive conditions in situations found to be monopolistic. In fairness to business and the public, many of those situations never should have been permitted to develop. Therefore I thoroughly disagree with any thought that it is either fair to business or to the public to proceed in antitrust with policies based upon a concept which would include a result of "build up and break up monopolies." I believe that an ounce of prevention is worth more than a pound of cure. Moreover, certain economic conditions may be somewhat like cancer for which we have no cure.

In my view, it would be unwise to de-emphasize enforcement of those antitrust statutes specifically designed to prohibit unfair methods of competition by primary or total reliance on a structural approach to antitrust. Enforcement of the antimerger law has an important role in the antitrust statutory scheme, but the structural approach, as I have already noted, has definite limitations which it would be folly to ignore. As a result, competition cannot be maintained by antitrust action directed to the structure of markets alone. This is particularly true in the case of highly concentrated markets where it may reasonably be expected that competition, as an automatic regulatory force, has less vitality than in those industries and markets where economic power is more widely decentralized. As a practical matter, it is highly unlikely that steps will be taken to decentralize already concentrated industries, although Section 7 of the Clayton Act is of critical importance in stemming further increases in concentration in such markets. Further, since an attack on bigness as such is neither politic nor practical, the enforcement agencies should be particularly alert to enforce the ban on anticompetitive behavior prohibited by the antitrust laws in the case of the large conglomerate firm.

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[9] Dirlam and Kahn, *Fair Competition: The Law and Economics of Antitrust Policy*, Cornell University Press (1954), p. 284.

[10] Turner, "The Antitrust Chief Dissents," *Fortune*, April 1966.

[11] Testimony of Dr. Norman R. Collins, Department of Agricultural Economics and School of Business Administration, University of California, Concentration Hearings (1965), p. 719.

[12] Turner, "The Antitrust Chief Dissents," *Fortune*, April 1966.

[13] "The practice of price discrimination is particularly destructive to small firms. When discriminatory price concessions are made they are seldom, if ever, granted to the small buyer. And, having to pay a higher price for his merchandise than his large competitor the small buyer is handicapped at the very beginning of the competitive race. Moreover, price discrimination is a handy and effective instrument by which small sellers are disciplined and brought into line by their larger rivals . . . ." (Staff Report to the Federal Trade Commission for the Subcommittee on Monopoly of the Select Committee on Small Business, United States Senate, March 31, 1952, p. 8.)

[14] See e.g., Kaysen & Turner, *Antitrust Policy*, Harvard Univ. Press (1959) p. 183.

CONCLUSIONS

The remaining and fundamental question is: Does antitrust still have a valid role to play in today's economy? I answer that question in the affirmative. Antitrust has provided valuable results over the years. Witness the simple fact that business, by and large, is still competitive.[15] There is no reason why, if intelligently applied, antitrust cannot continue to provide worthwhile results for the present and in the years to come. It is to be hoped that antitrust will continue to receive public support, for without it enforcement is not likely to be effective.[16] It seems to me the business community might well be in the forefront of those supporting antitrust enforcement. It is well to keep in mind that under antitrust, in the free enterprise area of the economy, the law merely fixes the rules of the game but does not involve the government in business risks or management activity nor require detailed review of either basic investment commitments or run-of-the-mill business decisions. In short, the law need do no more than prevent the activity which results in substantial lessening of competition in order to protect both the public interest and the legitimate interest of business competitors.[17] Antitrust may be irksome on occasion to those subjected to a proceeding under these laws. Nevertheless, its implementation is far less restrictive than a system or stringent, direct governmental control allegedly protecting the public interest. Such restrictive legislation would almost inevitably be enacted should Congress and the public become convinced that basic decisions on price, employment, quality and quantity of goods are no longer subject to effective control by the checks and balances of competition but rather are made on the basis of private fiat alone.[18]

We have been warned about these possibilities time after time. As recently as April 15, 1966 a prominent New York lawyer engaged in private antitrust practice, warned that if our national public policy for an economic system of private enterprise based on free and fair competition is not vigorously maintained, there can be no doubt but that controls of a public utility type would be imposed to socialize the powers, profits and property of business enterprises.[19]

Earlier on Pages 13 and 14 and in Footnote 9 of this presentation, I discussed a report which appeared in *The Evening Star* of Washington, D.C. on April 15, 1966 under the heading "U.S. Aid Hints at Trust Law to Bar 'Super-Concentration'." That report stated:

"A new trust-busting law may be needed if the nation's biggest companies grow bigger by merger, the government's top antitrust prosecutor has suggested.

"* * * * *

"Such a new law, Turner suggested, might 'say to the top 50 to 100 companies that any time you make an acquisition of a specified size, you must peel off assets of a comparable size.'

"Turner said that he did not want to be understood as proposing such a law, but only as suggesting it 'as a separate avenue if action is appropriate'."

According to that report, Hon. Donald F. Turner, the Assistant Attorney General in Charge of Antitrust, Department of Justice, indicated that he believes some antitrust action should be taken against some of the concentrated economic groups. The report said, "Yesterday, he talked of using a court case under the present antitrust laws or of asking Congress for new legislation." He indicated that the Justice Department has not made up its mind whether it is appropriate to start a new case trying out a new anti-oligopoly theory or going to Congress for a new law. I make these references at this time to point out that thoughtful prominent persons are suggesting the possibility that in the future drastic legislation may ensue.

I share the concern expressed by these prominent antitrust authorities about the possible future befalling our economic system of free enterprise. Also, I am concerned very much about what is suggested as possible remedies to relieve us from the dire consequences if antitrust should fail. It is for this reason that I would give increasing attention to those acts and practices which threaten our economic system of competitive private enterprise. Moreover, it would be grossly unfair to the owners and managers of our corporate enterprises to permit further concentration in the economy as a result of unfair acts and practices unchecked by either advice or injunction and then to say to them, "Big Boys, you are now too big; you must submit to surgery. We are going to undertake to cut you down to proper size."

In conclusion, it is my belief that although the economy may undergo many changes, antitrust is not apt to lose its relevance. Mr. Justice Holmes described the basic antitrust law, the Sherman Act, "as a charter of freedom, . . . [having] a generality and adaptability comparable to that found to be desirable in constitutional provisions."[20] The same may be said with equal validity of the Federal Trade Commission Act's provisions against unfair acts and practices. In other words, Congress has fashioned instruments to develop the law in this area into what should be "a living process, responsive and responsible to changing human needs."[21]

This living process should be one that would approach the problems and needs of business and the public realistically and not fancifully. It should fulfill the dream of Woodrow Wilson in advising businessmen about these problems and solving them in their incipiency. We should help businessmen deal with these problems in the seed and not in the weed. The Federal Trade Commission was authorized by the terms of the Federal Trade Commission Act to do this. It has policies and programs which could do this if utilized. I urge that full use be made of these resources so that antitrust will become real and not merely fanciful.

ECONOMIC CONCENTRATION IN AMERICAN INDUSTRY AT ALL-TIME HIGH

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I suppose it is such an obvious fact of life that it should not surprise me, but nevertheless I continue to be counfounded by the persistence with which big businessmen and their spokesmen will make self-serving declarations, misuse statistical information, and otherwise distort the plain truth in order to promote the myth that all would be serene in the world, if only the antitrust laws could somehow be softened up, so that big business could continue to make America great. I have reference in particular to an editorial that appeared in the Wall Street Journal of June 1, entitled "Room at the Top." This editorial quotes from a recent speech by a top official of the General Electric Co., who, in turn, quotes from a study made by the First National City Bank of New York, to the effect that really we have no monopoly problem in America and that being at the top of the heap in American business is a most hazardous matter, for as the Wall Street Journal pontificates:

> As long as the top remains such a slippery place, there's likely to be a lot of room there.
>
> It's about time the antiquated antitrust laws were overhauled and then sensibly enforced, intones the Wall Street Journal, There would be a greater prospect, indeed for more "room at the top," the Journal concludes if the antitrust laws and their enforcement focused a little less exclusively on size and also became better adapted to an economy of constant change.

Well, at the risk of once again being called a Populist, I rise to point out a few bits of faulty factfinding as well as some non sequiturs in the Wall Street Journal's editorializing and to suggest that the editorial writers of that eminent journal should pay closer heed to their own excellent reporters and less to their ingrained prejudices, and further that they should, as some eminent big businessmen have told me they do, offer a little prayer each night for the continued good work of our antitrust agencies—the Federal Trade Commission and the Antitrust Division of the Department of Justice.

Socrates was a great philosopher because of his remarkable capacity to ask questions which exposed the weaknesses in the logic of his fellows. His questioning technique was not that of the harsh district attorney, employed the cross-examination method to lead his witnesses into confessing error. Rather, Socrates would merely ask simple, straightforward, even mild-manner questions, and his fellows would discover their own errors of logic. Probably this Socratic method will not work with the Wall Street Journal editorial writers, but it may be worth a try.

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[15] This seems to hold true even in certain industries subject to considerable concentration, as, for example, in the case of computers. In that industry the dominant company apparently holds 70% of the $2½ billion annual market but some smaller firms with know-how and ingenuity evidently have the opportunity to carve a niche for themselves. See "Computers: How To Succeed * * *", *Newsweek*, March 28, 1966, and "Control Data's Magnificent Fumble", *Fortune*, April 1966.

[16] Vernon A. Mund, *Government and Business*, Harper & Rowe, 4th ed., 1965, p. 107.

[17] Dirlam and Kahn, *Fair Competition: The Law and Economics of Antitrust Policy*, Cornell Univ. Press (1954).

[18] See Orrick, *"Antitrust in the Great Society"*, 27 A.B.A. Antitrust Section, 26, 30, (1965).

[19] Address by Jerrold G. VanCise, Esq., Annual Spring Meeting, Section on the Antitrust Law, American Bar Association, Washington, D.C., April 15, 1966.

[20] *Appalachian Coals, Inc.* v. *United States*, 288 U.S. 344, 359 (1933).

[21] Hon. William J. Brennan, Jr., *Centennial Address*, Centennial Convocation of the Geo. Wash. U. Law School, Oct. 12, 1965, 34 Geo. Wash. L. Rev. 189, 190 (1965).

HOW MUCH ROOM IS THERE AT THE TOP?

Our first question would be: How much room is there at the top? The Wall Street Journal, General Electric, and the First National City Bank of New York quite obviously consider the 100 largest U.S. manufacturers to be "the top." Now what logical basis is there for assuming that only a mere 100 companies are the top? Why not consider that, say, the largest 100,000 companies, or even the largest 10,000 are the top? Could it be that the 100 largest U.S. manufacturers influence our economic destiny? Could it be that the important decisions about whether to increase investment activity, to introduce new technologies, to raise or—Heaven forbid—lower prices are made by these top 100 manufacturers? How could that be?

TOP 100 MANUFACTURERS OWN 45 PERCENT OF ALL CORPORATE ASSETS AND MAKE 58 PERCENT OF THE PROFITS

Last summer when the House Banking and Currency Committee was considering an amendment to the Bank Merger Act of 1960, I asked the Honorable Paul Rand Dixon, Chairman of the Federal Trade Commission, to testify. Mr. Dixon submitted some most fascinating information reflecting the inherent power of the top 100 manufacturing corporations in the United States. According to Mr. Dixon, and I quote:

> Whereas in 1950 the 100 largest corporations held 38.6 percent of all manufacturing assets (corporate plus noncorporate), by 1962 they held 45 percent—an increase of 6.4 percentage points.[1]

Federal Trade Commission data also reveal that in 1962 the top 100 corporations controlled 55 percent of the net capital assets—that is the physical plant and equipment with which goods are produced—of all manufacturing firms and that they enjoyed about 58 percent of all the corporate profits after taxes in manufacturing.

In order to bring this concentration picture a bit more up to date, I have secured from the Federal Trade Commission an across-the-board profile of corporate concentration in manufacturing in terms of the two key indexes; total assets and net profits after taxes. These facts are not short of amazing. As shown in the tabulation which accompanies my remarks, in the first quarter of 1965 the "billion dollar" manufacturing corporations; that is, those whose assets exceeded $1 billion, own almost one-third—32.8 percent—of all corporate assets in manufacturing. These "billion dollar" corporations also enjoy 44.3 percent of the total net profits after taxes. And there are only 41 of these billion dollar manufacturing corporations.

These data also reveal that the corporations with assets of $250 million or more—192 in all—own 56.2 percent of all the assets, and secure nearly two-thirds—64.5 percent—all of the after-tax profits. There are about 1,162 manufacturing corporations in the country that each own $25 million assets or more. In the aggregate this group of slightly over 1,000 corporations own 77.8 percent of all corporate assets in manufacturing and secured 83.3 percent of all after-tax profits.

Indeed, the top of the industrial pyramid is the place where enormous economic power is wielded. The top 100 manufacturing corporations represent only an infinitesimal fraction of the total population of American manufacturing enterprises of about 180,000 corporations and 240,000 partnerships and proprietorships. The way I calculate it, the top 100 manufacturing corporations constitute about two hundredths of 1 percent of the total number of manufacturing firms in America, yet they own 45 percent of the assets and enjoy 55 percent of the after-tax profits. I predict that when the data are in, we will find that today, in mid-1966, concentration of economic resources and economic activity in the United States in the hands of these few giants has reached a new all-time high.

Maybe there is some turnover at "the top" in American manufacturing, but when "the top" has so much, and is getting more each year, this provides few crumbs of comfort for the great numbers of large, but less than giant-sized, medium-sized, and small businessmen of America who must be nourished on half a loaf.

TURNOVER THEORY HAS LITTLE BEARING ON THE CONCENTRATION PROBLEM

This question of "turnover at the top" is an old idea developed by the big business apologists nearly a generation ago to try and divert attention away from the central question of whether excessive concentration poses a serious problem for America's free enterprise system. The argument seems to run like this. If the "old rich" are replaced by the "new rich," the poor have nothing to worry about. They can take comfort in the thought that some of them can make it to the top.

Back in the 1930's I remember that Berle and Means[2] were engaged in a controversy about the concentration problem. Their detractors, such as Dr. Rufus Tucker, economist for the General Motors Corp., contended that the same top corporations were not continuously in control. As long as there is a shifting about in the makeup of the top companies, the argument ran, there was no real problem. At that time the very able and articulate economist for the Dun & Bradstreet Co. examined the arguments carefully and concluded:

> It is the growth of concentration that Berle and Means were exclaiming over rather than the growth of particular companies. This retort might be phrased more brusquely that the matter in hand was not a biography of corporations but a study of centralized control.[3]

Of course, it would be a sign of utmost rigidity in our economy if the same top 100 corporations held these eminent positions year in and year out. There is bound to be some change in position as old industries decline and new industries develop. Moreover, many companies throughout our industrial history have moved ahead of others by merging. In this connection, I fail to see how anyone could reason that mergers increase competition because some of the top corporations would be overtaken by others—but after all this is one of the primary reasons for turnover at the top.

MOBILITY AMONG TOP COMPANIES HAS NOT BEEN GREAT

The plain fact of the matter, however, is that there has been surprisingly little mobility among the leading industrial firms over the years. Even the First National City Bank's study shows that *48 of the top 100* were among the elite 100 in 1919, again in 1948, and again in 1963. With all of the tremendous industrial changes in the American economy that have taken place during the years since World War I, I am surprised that there has not been more turnover in the top companies.

But let us examine also the findings of some eminent economists on this question. One study, published in 1961 in the American Economic Review, examined concentration, entry and exit data on *100 largest firms* in manufacturing, mining and distribution in the United States, covering the period 1909 to 1958 and arrived at these conclusions:

> The relative share of the largest firms in the total activity of the economy apparently has increased over this long period. The percentage of total corporate assets accounted for by these firms in 1909 was not more than 25 percent and, perhaps, much less; by 1929 they accounted for 25.5 percent of corporate assets and, by 1958, 29.8 percent.
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> * * * * * *
>
> In general, we found that: (1) An increasing number of the same firms remained in the top size positions from period to period; (2) even among the giant firms, the frequency of changes in relative size position declined somewhat over time; and (3) there was a slight tendency for the giant firms to become more nearly equal in size—the largest giant firms were not tending to grow faster than the smallest, on the average, of course. From this we concluded that—there is a considerable reason to believe that firms now at the top of the industrial pyramid are more likely to remain there than were

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[1] *To Amend the Bank Merger Act of 1960,* Hearings, Subcommittee on Domestic Finance of the Committee on Banking and Currency, House of Representatives, 89th Cong., 1st Sess. on S. 1698 (and related bills), Vol. 1, p. 357, August, 1965.

[2] Adolf A. Berle, Jr., and Gardiner C. Means, *The Modern Corporation and Private Property,* (Macmillan, 1935).

[3] Edwin B. George, "Is Big Business Getting Bigger?" *Dun's Review,* May 1939, p. 32. (Other articles in this series by Mr. George were: "How Big is Big Business?," *Dun's Review,* March, 1939; and "How did Big Business Get Big?" *Dun's Review,* Sept. 1939.)

> their predecessors. The evidence of mobility (is in) accord with a general assumption that large-scale corporations enjoy an increasing amount of entrenchment of position by virtue of their size.[4]

Dr. John M. Blair, the able chief economist of the Senate Antitrust and Monopoly Committee has also presented some useful analysis and facts in regard to "turnover among the 100 largest." Let me quote from Dr. Blair's recent testimony:[5]

> Analysis of the turnover or "mobility" of the leading companies pertains to the argument (which incidentally appears most frequently as an implicit assumption) that the incidence of change in the composition of the leading firms is equally if not more important than the level of concentration. The logical basis for this position has yet to be developed, and until it is, mobility would definitely appear to be a secondary consideration. The theoretical basis underlying the concern of economists with the problem of oligopoly makes no distinction as to whether the control by the few is in the hands of "new" or of "old" oligopolists. By definition, each oligopolist's share of the industry's output is sufficient for his price and output decisions to affect the price and output of the other oligopolists. In the words of Professor Machlup:
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> "The oligopolist usually thinks of certain firms as his rivals; he knows they are watching him, or, at least, will notice his 'competitive' actions; he believes he can hurt them or make them angry or cause them to take an action they would not take but for what he has done." (Fritz Machlup, "The Economics of Sellers' Competition," John Hopkins University Press, 1952, p. 352.)
>
> These considerations apply to the "new" as well as the "old" oligopolist. The former, just as much as the latter, assumes that his rivals will be aware of and immediately match any price reduction on his part, with the result that while his price will be lower, his sales will be no greater. It is, of course, possible that through longstanding awareness of each other's behavior, "old" oligopolists might be even less inclined to reduce price than is assumed by theory, but this is at best a marginal increment. Indeed, the failure of an "old" oligopolist, Inland Steel, to follow United States Steel's price advance in 1962 raises the question of whether independent price behavior might be more frequent under an "old" than a "new" oligopoly. It is not inconceivable that a long-established producer might be more knowledgeable than a newcomer of the lengths to which an independent policy can be pursued before the industry's leader is moved to retaliate.
>
> Putting aside theoretical considerations, however, what are the facts on mobility?

Dr. Blair then put evidence into the record indicating that "by any standard the rate of mobility among the 100 largest is extremely low." Moreover, he pointed out that such mobility as was found shed no light on the reasons for the changes that did occur. Among the major underlying factors responsible for mobility, three stood out:

First, some firms entered into the top ranks because of huge defense contracts; second, others entered the ranks because of material assistance from the Government; while third, others grew big because of mergers.

Obviously, there is no support in fact or in logic for the conclusion of the Wall Street Journal that there is room at the top and therefore the antitrust laws should not be vigorously enforced. Indeed, I am reminded of the changing fortunes of English royalty during the past 900 years following the conquest of England by William of Normandy in the famous Battle of Hastings in 1066. First there were the Norman kings, who gave way to the Plantagenets, who, in turn, were succeeded by the Houses of York and Lancaster. Then came the Tudors, the Stuarts, the Hanoverians and Queen Victoria and her successors. It was not the changeover in monarchs that brought democracy to England; rather it was constitutional reform which recognized the fundamental rights of individuals.

By the same token, we can assume that big business domination and concentration will be with us for a long time to come and some changes in the makeup of the "ruling industrial powers" will not make the problems of free enterprise any easier, especially if we relax the antitrust laws.

After all, as a nation we should not forget that the antitrust laws are our chief bulwark against oligarchical control. Many, including myself, believe that industrial oligarchy is incompatible with political and social democracy. In passing the various antitrust laws the Congress has reiterated this belief. As Judge Learned Hand said in the famous Alcoa decision:

> It is possible, because of its indirect social or moral effect, to prefer a system of small producers, each dependent for his success upon his own skill and character, to one in which the great mass of those engaged must accept the direction of the few.[6]

Concentration of assets and profits of manufacturing corporations, 1st quarter, 1965

Asset size of corporation	Number of corporations		Percent of total assets		Percent of total profits after taxes	
	In size class	Cumulative	In size class	Cumulative	In size class	Cumulative
$1,000,000,000 and over	41		32.8		44.3	
$250,000,000 to $1,000,000,000	151	192	23.4	56.2	20.2	64.5
$100,000,000 to $250,000,000	216	408	10.4	66.6	9.4	73.9
$50,000,000 to $100,000,000	287	695	6.2	72.8	5.3	79.2
$25,000,000 to $50,000,000	467	1,162	5.0	77.8	4.1	83.3
$10,000,000 to $25,000,000	1,048	2,210	5.0	82.8	3.7	87.0
$5,000,000 to $10,000,000	1,202	3,412	3.2	86.0	2.4	89.4
Under $5,000,000	[1] 170,000		14.0	100.0	10.6	100.0

[1] Approximately.

Source: Federal Trade Commission, Securities and Exchange Commission, Quarterly Financial Report.

UNION PLANS DEMOCRAT PARTY TAKEOVER

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Columbus Ohio Dispatch of June 5 carried a very interesting story concerning the effort of organized labor to take over the Democrat Party. It is most significant in light of the fact that the head of the AFL–CIO in Ohio is also a prominent State senator from Toledo. For many years people have wondered whether the Democrat Party is a shell within the labor movement or the labor movement is a shell within the Democrat Party. If they merge in the way indicated here it would not make any difference.

Of course, we are not talking about the workingman. We are talking about the bosses. Just as in the days of Senator Bob Taft, we see the labor bosses going their own separate ways regardless of what the men in the ranks want. The bosses favor every form of Federal control, deficit spending, and continually promote socialism. The men in the ranks are looking for one handout, the Government's hand out of their pocket. The bosses cannot deliver the vote and this merger talk is a sign of the panic of the Democrats and liberals in general at the great disasters inherent in the failings of the Great Society.

The article is as follows:

UNION PLANS DEM PARTY TAKEOVER—WILL BACK KING'S TRY FOR LAUSCHE'S SENATE SEAT

(By Haskell Short)

The message from the AFL–CIO convention in Cleveland was that organized labor's leaders plan to take over the Ohio Democratic party and attempt to put their leader, Sen. Frank W. King, into the U.S. Senate seat held by Sen. FRANK J. LAUSCHE.

At the same time the union leaders made it plain they were not going to put the prestige and money of their organization behind state Sen. Frazier Reams Jr. in his race against Republican Governor Rhodes.

Two years ago when President Johnson was campaigning with active labor support in Ohio some old-line Buckeye Democrats grumbled they felt labor was attempting to take over the party and make it what one of them called "another Michigan."

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[4] Collins, N. R., and Preston, L. E., "The Size Structure of the Largest Industrial Firms" *American Economic Review*, LI (December 1961) 986–1011 and testimony of Dr. Lee E. Preston, in *Economic Concentration*, Part 1, *Overall and Conglomerate Aspects*, Hearings, Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, U.S. Senate, 88th Cong., 2nd Sess., July, 1964, pp. 62–63.

[5] *Economic Concentration*, Part 1, op. cit., pp. 207–210.

[6] *U.S. v. Aluminum Co. of America*, 148 Fed. 2d 416, 427 (1945).

The predictions came true crystal clear in Cleveland last week.

A series of actions during the convention outlined the AFL–CIO's course for the foreseeable future.

The convention changed the AFL–CIO state constitution to give its president more political and legislative power. That mantle then was draped around King's shoulders since he is both the Ohio AFL–CIO president and the Democratic leader in the Ohio Senate.

This may have involved some risk for King since he came under fire in the session last year for remarking he would have to ask his colleagues about what stand to take. Some asked if the good citizens of Toledo or the AFL–CIO leadership were his constituents.

King's associates in Toledo have made no bones about their desire to see him in the Senate. They talk openly of King challenging Lausche when the senior Buckeye senator comes up for re-election in 1968. Lausche has not said if he will seek a third term but he obviously isn't worried about King.

With King's plans fairly well known, it was no surprise that most of the speakers at the convention who talked politics turned their fire on Lausche. The AFL–CIO has never liked Lausche but the convention speakers went out of their way to attack him, almost ignoring the state races this year as in attacking Lausche they were thinking in terms of 1968.

The convention also put off until next year action on a proposal to raise dues to finance expanded political activity. The timing made it clear the organization is interested in 1968, only mildly in 1966, and that the AFL–CIO will make a move to become the ruling power in the Democratic party.

As for this year, the AFL–CIO Committee on Political Education (COPE) probably will indorse routinely Reams and his ticket but will not spend a great deal of money in his behalf. He was in Cleveland for the convention but was refused permission to address the delegates on the polite grounds all candidates would want to speak if he did.

ADVERTISING WITH A PUNCH

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, for over 20 years the Warner & Swasey Co. of Cleveland, Ohio, producers of machine tools, textile machinery, and construction machinery, has been selling basic Americanism in its hard-hitting advertisements in national magazines. Stressing the general theme of individual responsibility, these short, pithy ads have cautioned all segments of our Nation—the Federal Government, management, labor, and the American people in general—against that something-for-nothing temptation to which all human nature is prone. Many thousands of letters have been received by Warner & Swasey from businessmen, teachers, workmen, government officials, housewives, and young people congratulating them on the dual-purpose ads.

Following is a sampling of these advertisements which have appeared over the years, directed to the greatest national market today—the people of the United States:

There Weren't Many Fringe Benefits at Valley Forge

Not much pay, either. Only cold, hunger, pain, danger.

You wonder, sometimes, if the modern juke-box American would have stood it, or would understand that those early Americans were paid by self-respect, and kept alive by the strength which *honor* brings.

It is a fortunate thing for modern Americans that there were such men in Valley Forge, and in 1918, in 1942, and in Korea. Let us hope that the so-called "modern" parents, "progressive" schools and "liberal" courts don't smother that spirit before it is needed again—*as it will be.*

It Wasn't the Goths That Defeated Rome—It Was the Free Circuses

Luxuries, power, indulgence had made the once-tough Roman people soft. To stay popular, their emperors gave them more and more of the ease they craved—free bread, free circuses, easier living.

So the Romans softened up themselves for the ambitious, hard-working barbarians. And in 410 A.D. the greatest nation the world had ever seen was invaded and destroyed.

The greedy cry of "something for nothing", the stupid whine of "somebody else should sacrifice, not me"—could do *exactly the same for this nation,* now.

People Don't Vote for Sin; They Just Practice It—People Don't Want Socialism (and Its Inevitable Child, Communism) They Just Want What Causes It

You'd think this generation had invented some new formula for security and ease without work—*Federal Aid.* But the Federal government has no money it doesn't first take from you. And the more it takes from the workers to give to the chiselers, the closer both of them come to poverty. When the two meet as they must, that is socialism. And, as has been said, communism is simply socialism in a hurry.

But—our standard of living is still high; taxes haven't been made confiscatory? When governments spend more than they take in, the sure result is inflation. And inflation is the cruelest tax of all—it destroys everything everybody has.

CONTRAST OF JOURNALISM BY THE PRESS AND BY ELECTRONICS

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Younger] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. YOUNGER. Mr. Speaker, the contrast of journalism by the press and by electronics has been a source of considerable discussion over the past few years. Mr. Walter D. Scott, chairman of the National Broadcasting Co., on May 6 delivered an address at the annual Journalism Week banquet of the University of Missouri School of Journalism in Columbia, Mo., which covers this subject very thoroughly and in a very authentic manner because Mr. Scott is very knowledgeable in this field. His address follows:

(Walter D. Scott, Chairman of The National Broadcasting Company, is the 1966 recipient of the Honor Medal for distinguished service in Journalism, conferred by the University of Missouri School of Journalism. Mr. Scott's remarks, presented on the following pages, were delivered on May 6 at the Annual Journalism Week Banquet in Columbia, Missouri.)

Nothing I can say within the next few minutes—and I assure you I am being literal—can adequately express my feelings on this occasion.

I am grateful for the honor that has been bestowed on me today. I am also challenged by the opportunity to speak to this gathering of men and women sophisticated in the art and labor of journalism—the students, alumni and faculty of my Alma Mater, and the communications leaders who grace it with their presence. And I take a very personal pleasure in a visit that represents a homecoming for me after so long a time.

Since I'm a native of Missouri, it's pretty clear that I reversed Mr. Greeley's well-worn advice and went East. Like many alumni, I find it hard to believe—and even harder to admit—that 30 years have passed since I last visited this campus.

The Missouri School of Journalism has come to its present eminence by following faithfully its mandate to upgrade the level of journalism in this state. It has far surpassed this basic mission, and its graduates have contributed significantly to the development of journalism everywhere.

Clearly the University has kept pace with the expansion of journalism itself. All of you cherish the honorable tradition of that calling which was nurtured and grown on the strength of the printed word. But you have also embraced the technological advances that are creating new and powerful forms of communication. This University, which was founded when journalism spoke only in print, is directly involved in the development of broadcasting as the licensee of KOMU–TV. Through that involvement it is providing professional training in television, which is a prime mover in the growth and development of all our techniques of communication.

The new journalism in broadcasting has its roots in World War II, when a new kind of reporter, led by Edward R. Murrow, convinced the nation that radio was not only entertainment, but could also be a primary source of news—vivid, immediate and responsible.

After the war came the explosion of television, with its unmatched capacity for transmitting information and experience. For nearly 20 years, we have been learning, sometimes haltingly, sometimes in great bursts, how to use television most effectively as a medium of journalism. For it can do much more than the tasks we have assigned to it so far.

Even over so brief a span, television's unique capacities have won it extraordinary public acceptance and trust. The massive audiences it draws to witness great public events attests eloquently to its status. Survey after survey confirms the growing extent to which the public looks to television as a source of news and information.

What is the basis for this acceptance and reliance? I believe it lies primarily in the inherent nature of television itself.

First is the sheer impact of a medium combining sight, sound, motion, color and the direct contact of the human voice reporting an event or analyzing an issue.

A second element of television's strength is its enormous reach. It is a national medium that can enter 54 million homes at once. Even the smallest network audiences reach seven figures, and such daily network news presentations as "The Huntley-Brinkley Report" or Walter Cronkite's program are seen by 46 million different people each week.

It is this attribute that makes television so effective an instrument for public information. When the NBC Television Network devoted an entire evening last Fall to a three-and-a-half hour exposition of United States foreign policy around the world, it did not break new ground in the information it offered or the interpretation it presented. The remarkable achievement of the program lay in the fact that it was viewed by more than 25 million people, including millions who must have had little previous exposure to the subject and who would not otherwise have been attracted to it.

From this one television presentation, they gained a lucid and meaningful introduction to the background, development and status of basic issues that the citizens in a democracy must have. And for many of these millions, the program must have opened a door to understanding and interest that will be pursued through other media.

Another factor—and a unique one—is television's ability to function as the medium of reality: to surpass reporting and convey experience; to bring the event directly to the viewer so that he can perceive it at first hand. This is why television is able to provide a special service in covering the spectacle and the movement of a political convention and campaign, the visit of a Pope, the tension and drama of a space flight, the look and feel of a platoon fighting in Vietnam. And this is why television was a unifying and healing force in the days after the assassination of President Kennedy.

With these capabilities, it is not surprising that television reporting, by throwing its spotlight on national issues, has sometimes led to action on them. It seems clear in retrospect that Senator McCarthy's political power began to wane after television coverage of the Army-McCarthy hearings placed him face to face with a nationwide public. It seems equally clear that impersonal and objective television coverage of the many aspects of the civil rights controversy has converted the issues from remote abstractions to current actualities before the eyes of millions of Americans. This experience has led in turn to recognition of a national problem requiring national action.

These special powers of television place on it a special obligation, not only for responsibility in its practice of journalism, but for true fulfillment of its information potential. For it must continue to earn the public trust that has been reposed in it. Its strengths in some areas should serve to remind us of its shortcomings in others—some gaps in its abilities where print journalism has inherent superiority and some weaknesses we hope ultimately to remedy.

Although television may excel in impact, reach and the faculty of presenting events as they happen, print journalism is unrivaled in its flexibility. A single newspaper edition serves a multitude of purposes, offers a wide array of information, and lets its readers select what they want to get out of it. It can serve those who read while they run, as well as those who want to absorb detail and background at leisure. It does not bind its audience to a particular hour, it can be used for reference, it specializes as well as generalizes.

For one example, television can place before your eyes the experience of a Winston Churchill funeral in all its pageantry, but it will not tell you about the death of your neighbor.

More important, at the local level, it does not match the newspaper in chronicling on a daily, continuing basis, the detail of the public business that takes place in the courts and in municipal, county and state offices. It is often prevented by limitations of staff and air time, from keeping a daily check on the routine of a community, and as a result may miss the departures from routine that makes news.

It can report on the size of the national budget and give you an impression of where your dollars go; but it does not have the time—nor would most of its audience have the patience—for the detailed fiscal analysis that you can find in column after column on a good newspaper. In daily television reports, we summarize the Dow-Jones averages and include that day's performance of the most active stocks, but if you want to keep abreast of market trends and subtleties or check on your own portfolio, you will need the newspaper's financial section.

These qualities of print journalism are most important, and they are the ones particularly lacking in television, with its need to highlight and compress. Each medium complements and supplements the other, but each must seek a strengthening of its own resources, to preserve and expand its own advantages.

To accomplish this, the newspaper must find a way to check the decline in the number of the big city dailies. That sad decline has been a steady one, climaxed a month ago by the announcement of a merger of three New York City newspapers that were themselves the products of mergers involving some two dozen predecessor publications.

The reasons for this trend have been examined and debated at length. The mounting costs of production and delivery, the speed and efficiency of broadcast news and the proliferation of suburban newspapers have been commonly cited as the principal factors. I am sorry to say I have no expert knowledge that will resolve the dilemma.

There should be no debate, however, over the fact that the service newspapers can provide is so vital and so unique that it must be preserved as a national asset. I agree with those who suggest that newspapers may find some of the answers to their economic problems in the new electronic technology which is being utilized more and more by American business. If measures can be developed by all concerned to ease their impact on employment, computers and other devices can cut the costs of production and simplify the whole process, preserving newspapers that otherwise might have to shut down. And I might also suggest that they may find some of the answers to their competitive problems by exercising their natural powers to the maximum in the areas where electronic news is weakest—a process known in broadcasting as counter-programming.

As for television journalism, it too must acknowledge its weaknesses and move to correct them through further experience, expenditure and effort.

For example, the television networks—and to a greater extent, individual stations—often lack the specialized reporters needed to do a first-rate job in every area of a complex society that is likely to produce developments of interest to a broad cross section of the public. It is still not uncommon for the same station newsman to cover assignments ranging from a scientific convention to a visiting beauty queen and anything else that might turn up. In these circumstances, it is not surprising that critics of television complain that some of its news interviews are shallow and naive.

The best newspapers, on the other hand, carry on their staffs specialists in fields ranging from international affairs, to religion, to medicine, to art and architecture. It is true that broadcasting has many highly capable generalists, and the detail and depth in which it covers such a big and standing story as America's space program has no equal. But, as one of our best producers put it recently, "I'm afraid that one day science will discover how to create human life in a test tube, and television won't be equipped to cover the story."

Paced by the networks, a start is being made to overcome this gap, particularly in our larger cities, but there is still a great deal of ground to cover.

Related to this shortcoming is the general skimpiness of manpower in many of television's news operations. To an unschooled observer, the city room of even a medium-sized daily might at times seem overstaffed. At the same time, he would find the television newsroom in the same town humming with the most intense activity. But when a big story breaks, the newspaper can promptly marshal the man power to produce a full running account and a dozen sidebars as well. All too often, the television station will have to stretch its news staff perilously thin just to provide essential coverage of the breaking story.

Moving from people to performance, television still has much to learn in using its cameras more creatively to tell the story, instead of taking the easy route of the interview or spoken report. Not every story is a pictorial one, but too many times television neglects its own powers by putting a reporter on camera to describe something that the camera can present directly.

I recently saw a striking contrast in these approaches: one, a public official's televised comment about water pollution; the other, some weeks later, television's visual comment on the same subject, showing the river's floating debris and the rusty bedsprings on the shoreline. The first was television as a form of visual print, the second was television using its real capacity.

We in television must continue to ask ourselves whether a reporter speaking from St. Peter's Square—no matter how knowledgeable, complete and articulate his report—is television's best coverage of the Ecumenical Movement. Or whether a correspondent standing with Checkpoint Charlie at his back is the most effective method of illuminating the issue of German unity.

Conversely, because television is a visual medium, it may scan the background and significance of events to focus on the outward appearance—the comings and goings of statesmen instead of the issue that confronts them.

During last Winter's transit strike in New York City, for example, the local NBC station devoted extensive coverage to hour-by-hour developments in the negotiations and the strike's effect on the life of the city. I had an eloquent letter from one of our viewers who pointed out that she had been "mesmerized" for days by the detailed account of every movement to and from the bargaining table, the reactions of the man in the street and the image of a clogged city seen from every angle. But nowhere on television, she said, did she learn much about the basis for the strike, the wage scales of the transit workers, their hours and working conditions, how these compared with other city wages and with wages in private industry, how similar problems had been met in other cities, and many other pertinent items.

Her request was legitimate, but it is not easy for television to background each development and analyze its meaning, because the viewer—unlike the reader—can't skip the details he already knows or doesn't care about.

We recognize this as one of the basic problems television must learn to solve. We have learned to solve it in some areas—for example, in coverage of continuing events like space shots, political conventions and other scheduled developments where the need for background is evident. We have also created the so-called "instant special" to pull together the significant facts of an unscheduled story and put it in perspective. To overcome the tyranny of the clock, we have devoted a segment of "The Huntley-Brinkley Report," day after day, to a given subject so that we could cover it in depth. We have started a half-hour weekly program on the Vietnam struggle to gather together the strands that appear in our daily coverage and analyze the pattern and meaning of the week's events.

Finally, the very impact of television is so highly charged that it must be used with caution and careful discrimination. All journalism requires the judgments of selection and emphasis in every story. The need for this selective judgment in television reporting is magnified by the energy of the medium. For by presenting an event on the screen, television endows it with special importance and makes it news. The very power of television creates for it a special problem, and it must be wary in separating sensationalism from events and issues of genuine significance.

Television journalism has much to learn and a long way to go. But its aptitude for learning and growth in its short life so far gives promise that it will continue striving for the strength, stability and self-restraint of greater maturity.

It was only a dozen years ago that television's regular contribution to journalism was a 15-minute weekday report based largely on wire service items and the classically careful diction of a radio announcer. Anyone who would have predicted that one-hour news specials would be scheduled in mid-evening time periods would have been regarded as visionary. And anyone who suggested the clearing away of an entire evening of entertainment for a comprehensive analysis of a single issue would have been recommended for psychiatric help.

Today, the 15-minute early evening news has grown to a 90-minute program on many stations, with a half hour of network news and an hour of local and regional reporting. It is preceded by regular news programs that appear in the schedule early in the morning and are interspersed through the forenoon and afternoon. Special coverage interrupts the regular entertainment schedule—sometimes for hours on end—whenever a major event of national importance occurs. Documentaries, months in preparation and ranging in subject from the art treasures of the Louvre to modern espionage, are scattered through the evening schedule.

NBC News—the organization I am most familiar with—has expanded to an organization of more than 800 people with bureaus and crews all over the world. It produces more than 25 per cent of the total programming of the NBC Television Network, operates on an annual budget which this year will exceed $70 million and is the largest single supplier of television programming in the nation.

And it is not just an increase in volume or scope that has marked the explosive growth of television journalism, but the fashioning of new forms of presentation and new techniques of coverage that are the greatest promise of the creative developments ahead.

We will need to be bold and expansive, to keep up with and utilize the technological advances that are sweeping us forward and to satisfy a public that needs more information, more efficiently presented.

These challenges will press on both print and broadcast journalism. Newspapers will retain and develop the areas in which they excel. So will television. Ultimately, electronics will be applied to the production of the newspapers and enable it to be delivered directly to the television screen for immediate viewing or playback, and on print-outs of general or specialized news, as ordered.

Journalism, however, will retain a single purpose—to report on the world as it is, factually, fully and impartially. The medium will always be a factor secondary to the people who comprise it. For the quality of journalism, like most endeavors in this world, is and will be a function of men and women dedicated to a job, an ideal or both.

At NBC News, although we have a training program of our own, we feel that a background in newspaper or wire service work provides much of the experience a broadcast newsman needs. That's how most of today's electronic journalists got their start, and I am sure they take warm and heartfelt pride in saying, as I occasionally do: "I used to be a newspaperman once myself."

THE 10TH ANNIVERSARY OF THE INDEPENDENCE OF TUNISIA

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MORSE. Mr. Speaker, Tunisia celebrated on June 1, the 10th anniversary of her independence. This is indeed a happy and memorable occasion for the people of Tunisia and for their distinguished and courageous leader, Habib Bourguiba, who led the struggle for independence.

This small country in Northern Africa has extended an influence of moderation and stability beyond her borders far beyond that which would have been expected from a land possessing so few natural resources and a relatively small but energetic population.

Tunisia has made commendable progress during the past 10 years in her economic development. Thanks to the foresight of her leaders she has eschewed the burdens of a military buildup and, instead, has concentrated on economic development within her own borders and cooperation with her neighbors of North Africa.

We are hopeful that other developing countries will emulate the outstanding example of Tunisia which has ably demonstrated what can be accomplished in newly independent countries in collaboration with assistance from the West. No conditions were imposed or strings attached to our assistance to Tunisia.

We would like to salute the decade of progress Tunisia has just achieved, and also the decade of promise ahead, and to offer sincere best wishes and hearty congratulations on her Independence Day.

ALL PRICES ARE NOT UP—LOWER PRICES, IMPROVED QUALITY, WIDER DISTRIBUTION, INCREASED WAGES, INCREASED PROFITS, AND HIGHER STANDARDS OF LIVING MARK THE PRIVATE ENTERPRISE SYSTEM PROPERLY UTILIZED

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, I think it is important that the success stories in America be reported along with the inadequacies lest we lose sight of the basic values of the system which has within it the dynamism necessary to move forward to correct these inadequacies.

With current headlines stirring anxieties about inflation and wage-price spirals, it is certainly refreshing to impart recognition of a major industry which has performed commendably against the mainstream of upward pricing and which demonstrates that the private enterprise system based upon the marketplace mechanisms and the human motivations of profit and pride in performance properly operated brings about increased wages, increased profits, and lower prices from dividends derived from the earnings of increased economic productivity.

The industry I am referring to produces and markets commodities which each of us and our families use and depend upon daily. This remarkable economic citizen to which I refer is the major home appliance industry. It markets refrigerators, washing machines, clothes dryers, freezers, ranges, ovens, dishwashers, air conditioners, and vacuum cleaners.

The immensity of this industry can be measured simply in terms of households: 41 million U.S. homes have washing machines; 57 million U.S. homes have refrigerators; 57 million U.S. homes have ranges and/or ovens.

The enviable economic behavior of the major home appliance industry demonstrates what undampened competitive fires can do. For example: since 1947–49, the selling price of refrigerators has declined 45.1 percent—and, despite the price drop, the housewife does not have to defrost the new units; it makes ice cubes automatically; and advanced engineering gives her about 3 cubic feet more internal space in basically the same size exterior.

Since 1947–49, the selling price of automatic washers has gone down 15.3 percent—and yet today, the housewife has a machine that holds more clothes; offers variable water temperatures, and up to 10 cycles to handle countless fabrics.

And, on top of all these comforting new features, the rate of service repair calls has also declined.

Mr. Elisha Gray II, chairman of the board of Whirlpool Corp., testified before the Joint Economic Committee on February 9 of this year. In his statement, he very briefly pointed out the pricing situation in the appliance industry. On page 7 of his printed statement, Mr. Gray said that final selling prices of appliances are down 26 percent since 1947–49, while during the same time, the labor cost per hour has about doubled—and the cost of the basic raw materials used in the production of an automatic washer has increased 105.3 percent.

Whirlpool Corp., in its 1965 annual report to stockholders, has presented the economic story of an appliance company in understandable fashion on charts and graphs. On page 5 of the Whirlpool annual report, charts show the 10-year pattern on sales, earnings, unit shipments, and employment. These charts help to illustrate that, despite rising costs-of-doing business and decreasing selling prices, profits can be realized when efficient and sensitive management is free to compete within an industry—at all levels of manufacturing, distribution, and merchandising. As Mr. Gray says: "It isn't easy, but competition makes it possible."

Page 6 in the Whirlpool annual report compares an average 1956 refrigerator and washer with today's units. As I noted earlier, the housewife today gets better appliances at much lower prices.

On page 8 in the annual report, Whirlpool charts the quality improvement of its products by illustrating the great reduction in service repair calls over the last 6 years, ranging from about a 70-percent decline in gas dryers to more than a 30-percent decline in automatic washers.

This industry is also sensitive to the consumer. It has been policing itself continually to provide housewives with common standards of measurement, such as the cubic feet in refrigerators and freezers, the British thermal units in air conditioners, and the pounds of capacity in washers.

I want to commend this industry for its excellent performance—especially since the price of all consumer items has gone up 36.2 percent since 1947–49, while appliance prices have gone down 26 percent. I offer the following chart for a closer analysis of this situation—to further demonstrate what can be done when an industry regulates its own competitive standards, thereby forcing upon itself a competitively sound system of manufacturing, distribution, sales, and service:

Price trends of appliances

[In percent]

Product	Since 1947–49 prices have—		Since 1957–59 prices have—	
	Increased	Decreased	Increased	Decreased
Refrigerators		45.1		16.2
Washing machines		15.3		13.6
Ranges		5.4		8.4
Vacuum cleaners		31.2		19.9
Dryers	(1)	(1)		5.4
Air conditioners	(2)	(2)		7.3
Appliances		26.0		15.2
(For purpose of comparison)				
All consumer items	36.2		11.0	
Housing	39.5		9.4	
Food	30.5		10.6	
Medical care	78.7		23.7	
New autos	32.7		1.3	

[1] Not applicable (new product: BLS figures available only since 1963).

[2] Not applicable (new product: BLS figures available only since 1964).

NOTE.—Average hourly earnings in the appliance industry (since 1947–49) have increased 102 percent.

Source: Bureau of Labor Statistics (CPI at Jan. 1, 1966). Submitted by Whirlpool Corp., May 1966.

I am placing the full statement of Mr. Gray in the RECORD following these remarks:

STATEMENT OF ELISHA GRAY II, CHAIRMAN OF THE BOARD, WHIRLPOOL CORPORATION, BEFORE THE JOINT ECONOMIC COMMITTEE OF THE U.S. CONGRESS, WASHINGTON, D.C., FEBRUARY 9, 1966

My name is Elisha Gray II. As Chairman of the Whirlpool Corporation, my business is the making and selling of major household appliances. I appear before you under the category of business, but I must make clear at the outset that I represent no special business group nor should my remarks be interpreted as the voice of business.

I shall do my best to reflect a businessman's point of view on the matters under discussion and I am reasonably confident that these views would be shared by a great many businessmen.

In the time available I will discuss only a few of the points in the President's message. I imagine your questions then will bring the discussion more in focus with your own interests and of course I shall be happy to respond to those as well as I am able.

THE 1966 ECONOMIC CHALLENGE

In his message the President says—"The most serious economic challenge in 1966 will be to preserve the essential stability of costs and prices which has contributed so significantly to our balanced progress."

That is a correct appraisal of our principal economic problem, I believe, so it makes a logical starting place for my remarks. Since I bring no professional or academic competence in economics to this discussion, what I shall say is just one businessman's feel of the forces at work right now in our economy.

Unquestionably there are presently, all through our economic system, strong forces bringing us closer and closer to real inflation. Many words are being spoken to this effect by people to whom the general public listens. Too many words, as I shall discuss later. Each speaker has his notion of what element in the economy is the real culprit. And, of course, many of them are right because there are many different forces at work today that are still contributing their part to the push. What are they and which ones are most dangerous?

IS THE DEFENSE BUILD-UP INFLATIONARY?

I would venture the opinion that the defense build-up is only one of the pressures, and by no means the principal one. In a total economy the size of ours, it does not seem to me that an additional 6 or 7 billion over the past rate of spending for defense will in itself have a striking effect. After all, last year alone our G.N.P. increased 47 billion and a somewhat similar surge is expected by many this year. Business and consumer spending are the mainstays of our prosperity and while our increased defense push of 6 or 7 billion is in the accelerating direction, it is not of itself the most important element we have to watch.

IS THE BUDGET INFLATIONARY?

There is much discussion as to whether the new budget is inflationary. While there are some differences among competent people on this point, I read it that the influence cannot be called very great one way or the other. One is cutting it pretty fine to say that a Federal deficit—or for that matter a surplus, of 1.8 billion in an economy of 700 billion, is either inflationary or deflationary. Perhaps in an academic sense, that can be proven, but I think all this kind of exercise misses the real thrusting force of our economy.

THE CONSUMER PSYCHOLOGY

If consumers are confident, they are going to buy. And all lines of commerce are going to try to anticipate those demands and move quickly to provide the products to meet them. This involves more facilities, more materials, more man-hours of work and more money to finance the effort. The twin thrust of an eager consumer and an aggressive businessman accumulates to a force that in my view will dwarf the relatively minor arithmetical surplus or deficit that a particular budget may show. Obviously, the reverse is also true. When consumers desert the market because of uncertainty, belief that prices are going down or just lack of ability to buy, the massive void that this reaction can produce is likely to be much greater than can be replaced quickly by any stimulating action the federal government might take.

The influence of the budget differences are more important in their psychological effect than in actual effect. That can be influenced greatly by the tenor of the public discussions about them.

For instance, I think most businessmen would agree with the President that there should not be a moratorium on social progress, but I believe it would be well received by the country at large if the Administration were to take a little more time to test the programs. How much will they cost, not only this year but more importantly in 1970 and 1975, and what impact will those sums have on our economy then? Are we inaugurating changes in our social structure that will subtly undermine the incentives and driving energies that have built this country? Some plans undoubtedly should be refined, some perhaps increased and undoubtedly some discontinued. Such a "Field Test" period, I suspect, would do much to erase the rather widespread feeling I sense, that the rush to do some good for everyone has gotten a little out of hand. Here again the immediate money involved is not enough one way or the other to affect inflation greatly but the connotation is one of free wheeling spending, with no limit in sight.

At the present time, we are doing our best to talk ourselves into inflation. Every headline tells of fears of shortages and price increases. Men in important positions are saying that we may soon have controls and rationing. The cost of living moved .4 in December alone. If you will consider it for a moment, there has been a crescendo of talk in the last two months rising to a pitch this very week—all of which tells the consumer, "If you want that widget, you had better get it now."

Again referring to my term "the thrusting force" of our economy, consider what motivates every single person in his decision to buy. If he has the need or the desire (even without the need) he will consider the purchase. If he has the money for it he can act when he chooses. Nowadays, however, credit is adequately available, someone will lend him the money. Now he is set to buy. If he thinks the price and the supply will remain constant, he can take his time and buy when he pleases. If he believes the price will go down, he will wait. (You may be interested to know for example that last year appliance sales softened markedly for a time while the removal of excise taxes was debated, because customers were uncertain as to whether the lower prices would become effective or not. There was a quick and widespread move by manufacturers in our industry to trim expenses and inventories a bit.)

On the other hand, if a consumer thinks the price is going up or the supply will disappear, he will buy as fast as he can.

Human nature has operated in this fashion since the beginning of man. It is still in force. Department store sales for January were up 17% over last year. Surely no one thinks our society has grown that much. Some thoughtful people in the hard lines, such as automobiles, appliances and the like, think that the present surge of sales is borrowing from the future. My own company's shipments for January were up 33⅓%over last year and 16% over our own bullish estimates made just 60 days ago. We didn't suddenly get that good. What I believe is happening is that suddenly the consumer psychology has turned overly bullish—or scared, maybe.

If this observation is correct then this sudden upsurge is borrowing business from the future which will be balanced by a corresponding lull sometime in the future. This pattern, of course, has occurred very frequently in our economic history. The upward trend line of our economy has not been an unbroken straight surge up. The key question is whether this present unusual pressure is temporary and will subside of its own accord, or whether it has such force that it should be restrained by extra artificial deterrents.

During a bulge of this kind there will naturally be strong upward pressures on prices all along the line.

As of course you know, plant and equipment expenditures by all industry increased by fifteen per cent in 1965 and—some estimates say fourteen per cent this year. In manufacturing industries, physical capacity increased about six per cent in 1965—both unprecedented. I have no doubt that the physical plant of this country will be more than adequate to supply the needs. If this is so, then basically prices will not get out of hand. Here again, the disciplinarian for all businessmen is the competitive system. If it is allowed to operate freely it will fiercely enforce efficiencies, cost reduction programs, investment in modern equipment and all the rest of the progressive actions of business that have characterized this amazing American economy.

If I may illustrate by the example of the appliance industry. The President was kind enough to specifically cite this industry twice in his message for its record in price reduction. According to the Consumer Price Index, appliance prices have gone down by twenty-six per cent since 1947–49.

It would be fatuous of me to claim these price reductions were motivated by altruism. As managers of publicly-owned companies we have all been trying our darndest to earn a respectable profit and I don't ever recall a businessman reducing a price except to maintain position in the competitive market. The most active competition you can imagine has stimulated more efficient production methods in our industry. For instance, the basic raw materials used in the production of an automatic washer has gone up in cost over 100% (105.3%) since 1947–49, labor cost-per-hour has increased 96%, and final selling prices, as you see, are down 26%. (And we have room in there for a modest profit.)

THE LABOR SUPPLY

I have said that I believe the physical capacity is and will be available to meet our economy's needs. The supply of labor is another matter. One can't plan to increase labor capacity next year by 7% as we have done with plants. While statistically we say we have about 4% unemployed, I think that is somewhat deceiving. It would be more to the point to try to determine the number ready, willing, and able to work who were looking for but could not find employment. I believe this number today is just about minimum for practical purposes with the exception of a few non-industrialized locations. Estimates are that there are 73 million people working and another 3½ million who are catalogued as unemployed. Some of those are just changing jobs—8,000,000 do every year. 800,000 only want part time work; 800,000 are boys and girls from 14 to 19 (some probably duplicated in the part time figure). When you have analyzed your way through the people listed as unemployed who really do not fit the employer's needs. I really think there are very few left. Another indicator of this is the precipitous rise of the help wanted index from 137 to 186 in the twelve months ending in December.

So if the supply of product falls short of demand in 1966, as a general thing I believe the reason will be shortage of labor—not physical plant capacity.

To be consistent I would have to say that if present very strong demand keeps up for an extended length of time we will fall short of supply in many products and we will experience a strong upward push on prices. I don't think anyone can forecast the turn accurately in a situation like this but I am confident that the Council of Economic Advisors has the statistics and the sensitive grasp of things to make a pretty sound decision on whether or not we should apply some more artificial restraints to this economic enthusiasm.

Personally, I would wait a while and see. But I would watch it 24 hours a day. But if the supply actually can't meet the demand, even though it may be temporary, then all kinds of second markets and other dislocations enter the scene.

I think the government would then be wise to put a restraining brake on the economy, because this country cannot tolerate a broad based inflation at this or any other time.

Insofar as we can bring it about, business will do its share to prevent inflationary trends in wages and prices and thus avoid the need for restraints, but it is only one of four major factors: The Congress, The Administration, Labor Leaders, Business Heads.

By dealing in an even-handed manner with the four major elements of the equation, in such a cooperative effort, the President will have the wholehearted support of the American business community.

RESTRAINTS

If and when the decision is made to slow down the rush, the nature of the restraint used is most important. There are many restraining devices, most of them time tested. So far the Administration has used persuasion and a bit of monetary restraint. If these prove not to be enough they must dig deeper into the arsenal of tools.

To my untrained economic mind, the place to put the restraints, if they do become necessary, is on the demand side of the scale which is done of course by such devices as increased taxes, tightened credit terms, etc. If, on the other hand, we act in a shortage situation by only placing an arbitrary ceiling on prices, a number of undesirable things start happening at once. Quality usually suffers; black and gray markets spring up; profits, and thus the incentive for wide distribution, is reduced, and the benefits of the product are denied the public.

My point is simply this: that while we may encounter bulges and sags in our economy and probably also in our pricing from time to time, our competitive system will quickly move in to correct inequities if it is free to do so. I think the Administration should use every persuasion toward restraint, as it has been doing, but it must recognize that some adjustments just must occur in a fluid economy if we are to preserve the market forces that control competition.

WAGE AND PRICE CONTROLS

I can be very brief on this subject; there is, in my view, no case at all for wage and price controls. They are absolutely the last resort we should turn to and only in a drastic emergency.

By their very nature they destroy market forces. I don't mean just forces aimed at making money but those involved in producing efficiently. The market with its millions of daily, indeed hourly decisions, is a far more effective mechanism than regulations, no matter how carefully drawn.

And, I will not go into the ramifications of the considerable bureaucratic structure necessary in these situations. It is too obvious.

Other types of restraints are legion and should *all* be used before direct controls are resorted to.

GUIDELINES

I have discussed the proposed 3.2% guidepost on wage and price increases with many of my business colleagues, and while there appears to be considerable agreement that the existence of a guidepost is better than nothing, there are, however, several ingredients of the guidepost concept that trouble business.

One ingredient that is subject to question is the unrealistic task of enforcement. True, they are voluntary guideposts, but it would be naive to think that in an economy as vast and complex as ours the system would everlastingly work without continual publicity to bring to bear moral suasion and public opinion on the side of compliance. Naturally this focuses on the very few, highly visible, situations while thousands of others are moving in response to natural market forces.

Furthermore as a practical matter, the not too subtle hand of persuasion can bear much more effectively on prices than it does on labor.

Secondly, the new Social Security taxes are essentially a legislated increase in pay . . . in the vicinity of 1% of payroll. This is a legislated labor cost that should be considered in the 3.2% guidepost on wage increases.

It is a labor cost that is entirely for the benefit of labor. As a businessman I do not object to them. I simply think they should be credited to the right account. The same, of course, must be said of any additional legislated costs that may accompany future legislation, accruing to labor, such as new ideas of unemployment insurance, etc. Perhaps the Administration agrees with this but I haven't heard it said that 1% of the guidepost is already paid for in 1966 and only 2.2% is left for negotiations. And surely this isn't the impression held by the general public or the wage earner.

Thirdly, these productivity indices are admittedly very inexact. And, furthermore, if the average really were 3.2 you can be sure some industries or services are just about zero while others I suppose go to 6 or 8% in rapidly developing technical situations. As a practical matter, at the same time you can understand the predicament of a union leader to try to rationalize to his members a settlement of less than the guideline, so the guideline frequently becomes his floor—not his ceiling.

In other words, I do not believe such an indicator can be precise enough that it should be hardened into national economic policy as a repetitive factor. While it has been useful in the full flush of an ever increasing volume, it would quite possibly not be so in a declining situation.

MINIMUM WAGE

In the popular mind and perhaps even in some quarters of greater sophistication the minimum wage law is regarded as an unalloyed boon.

I think, however, if it is overdone, just the reverse may be true. If there is such a thing as a permanently depressed class it is the unskilled, untrained, and young, foreclosed from employment by the minimum wage rates.

If the minimum rate is raised too abruptly employers will then be obliged to hire fewer of the less skilled, less experienced people. There are many fine people of limited ability, perhaps because of lack of skill, or maybe advanced age, or more probably the opposite, a youngster who seeks and needs part-time work, whose contributions to the economic scene simply can't be justified at a greatly higher wage.

When these matters are discussed here in the Congress, I urge the left hand to be sure it knows what the right hand is doing. We are launching great programs and costly ones to train the disadvantaged so that they may find gainful employment, and I certainly applaud this. But if we raise the minimum wage by too large an increment all at once we will go a long way to putting more marginal people out of jobs than we can ever lift up into jobs.

I think it is logical in this expanding nation that minimum wages should trend upward also, but the trend should be gradual and more in concert with the other economic trends in our economy, not a 40% jump as is being suggested in some quarters.

CONTROLLING POLLUTION

On this point I admit to a strong bias. I am a conservationist at heart and I think it is positively shameful the way we Americans are fouling our own nest.

We agree that this problem must be met and we are happy to see the President lead the way by his executive orders regarding Federal use of our precious resources.

One successful attack on the pollution problem was mentioned recently in Time Magazine in its excellent review of Water; Worldwide. On the Ruhr River flowing through West Germany's industrial heartland a cooperative society has been organized. Their method of operation is simple and effective; whoever pollutes pays for purification. As a result, less water is used per ton of steel produced and the river is swimable through its course along the stack-lined industrial complex.

Admittedly, such a system would cause many local community governments and some industrial users of our water resources to strain some to get on with the job, but who can quarrel with the principle involved? The privilege of using a resource should require its care while under our custody and whatever that costs is simply an added cost of doing business which must eventually find its way into the cost of the product or service.

CONSUMER PROTECTION

Consumer protection suggestions are somewhat in the category of motherhood. One is callous if he even discusses them. Or he is accused of recommending the heartless application of "caveat emptor." I am sure all business will applaud and support every effort to erase deception from the commercial scene, but I think there is room for considerable discussion as to the methods that would be most effective.

First of all, there are presently on the books laws that adequately cover many of the conditions that proposed legislation is intended to deal with. I refer to the Food and Drug Administration Act and the Federal Trade Commission Act. To be more specific; Section 5 of the FTC Act declares as unlawful, unfair or deceptive acts or practices in commerce: this Section has been interpreted to encompass deceptive advertising, labeling, packaging and merchandising.

Secondly, in a cooperative spirit, an immense amount of corrective action has been taken by various industries themselves. Examples with which I am personally familiar would be the standards of cooling capacity that were adopted in 1962 by the air conditioning manufacturers to clear up the confusion in consumer's minds caused by conflicting claims on various units. This voluntary action required that all window cooling units of manufacturers participating in the rating program bear a permanently attached metal nameplate showing the number of BTU's capacity in that unit. The products are checked at random by an independent laboratory and any departures of more than 8% of rated loads are cited for correction. The same approach has clarified the so-called cu. ft. capacity of a household refrigerator. I am sure the consumer as well as the manufacturer is better protected now.

A notable industry accomplishment of recent vintage is the voluntary action of the detergent industry when they stopped making products that were not biodegradable. When the severe problem in sewage disposal that was caused by hard detergents became apparent, the industry set about in its laboratories to develop a product that would disintegrate from natural biological action after its use. A date was set (June 30, 1965) for stopping production of the old product and this has been effected. No laws were involved and I suspect the improvement for the consumer happened more quickly than if the long trail of legislative process had been used.

So, in your deliberations on legislation in this field, I urge you to consider this constructive alternative method of approach.

I can't close my remarks on this subject without observing that the American consumer is a very wise buyer. She will unerringly judge values to suit her individual needs. That judgment is swift and final for any inferior product. With the exception of outright deception, I hope you will leave the imaginative merchandisers in our economy free to present their wares in the most attractive, informative and effective ways they can develop. The American consumer will be the winner, as she has been for decades.

BALANCE OF PAYMENTS

May I make a brief comment about the balance of payments problem. My credentials in this case are that I am a member of Secretary Connor's B.O.P. Committee and one who brought very little prior knowledge with him to the first meetings, but who has absorbed some knowledge and a few convictions in the past year's work.

First of all, I am sure the voluntary approach was the best one. It was quick, and it has produced splendid results in its first year. The business and financial sectors of the economy have overwhelmingly supported it and I am sure will continue to do so in its now slightly revised form for 1966.

I would like to say that the wise administration of this precedent making program for the business sector by Mr. Connor and his associates has in my opinion been one of the key reasons for its success. The mutual feeling of confidence and understanding that has characterized this entire undertaking reassures me that together we can handle the new problems that will unfold to this country as we move into new economic circumstances.

A prudent man must say, however, that good will and good intentions alone will not permanently hold in check the natural flow of money and goods. This country, strong as it is, does have a limit to the wealth that it can continuously send beyond its borders, if the flow is going to be all one way.

You know, I am sure that the only sector of our entire national activity that produces a plus input to our balance of payments is the business sector. It is striving mightily to offset the chain of negative items in the overall balance of payments of which the important negative ones are: the U.S. Government Account (including both defense spending and foreign aid) and U.S. Tourist Spending Abroad.

President Johnson listed in his message seven headings that bear on this problem. The first four are for us to pursue and I assure you that will be done. The last three fall in your area of responsibility. I would add one more, namely a demonstration of fiscal prudence by our government in all of its affairs to demonstrate to our foreign friends that we are responsible, and to attract their confidence and their money to our shores.

CONCLUSION

In summary, I would say that I believe the vast majority of businessmen endorse the President's Economic Message in most respects. The problem it poses for 1966 are born of success. How much more difficult they would be, if they had been born of economic failure. In shaping solutions to them, I urge that you rely heavily on our superb competitive system and that you keep intact all of the business and personal incentives that today stoke the fires of that competition.

CONSERVATION DISTRICTS GUIDE RESOURCE DEVELOPMENT

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. QUIE. Mr. Speaker, there is a segment of our population that makes vital contributions to our Nation's economy and welfare, yet too often goes unheralded. I refer to our farmers and rural landowners who are cooperating with their local soil conservation districts—and especially to the leaders of those districts, who give freely of their time and skills but receive no pay. They are dedicated people. I know them well, as it was my pleasure to serve on the Board of Supervisors of the Rice County Soil Conservation District. Perhaps one of their greatest contributions to our society is the fact that they have demonstrated the ability of local citizens to accept responsibility for planning and developing their land and water resources—not just for themselves, but for the benefit of the whole community. And, indeed, they are doing it very capably and successfully.

My own congressional district is a good example of what soil conservation districts are accomplishing. This is where the conservation district movement started in Minnesota—first as a demonstration program, then by the formation of the first districts in the State.

Time and again I have seen conservation work in this area used as a pictorial example, not only locally, but in national publications, magazines, and exhibits. The interesting patterns of stripcropping and other conservation practices make a striking scene from the air. I am pleased to know that the area is included in a series of 52 rural scenes in the 50 States, Puerto Rico, and the Virgin Islands, just released by the Government Printing Office under the title "America the Beautiful." The pictures are 15- by 20-inch lithograph copies of natural color photographs token by the U.S. Department of Agriculture's Soil Conservation Service.

The pictures are all beautiful. However, I am sure that behind each is a soil and water conservation story, just as there is in the Minnesota scene. Soil conservation districts are the backbone of that story.

Conservation districts have been formed in all of the congressional district that I represent. They have broadened their programs in scope as the needs of the communities have changed. While at the beginning they worked mostly with the individual farmer to halt soil erosion, today they are taking the lead in not only conserving land and water resources, but in providing for their sound and orderly development.

Important to communities is the district sponsorship of small watershed projects to overcome water management problems and to protect not only agricultural land, but roads and bridges and business and built-up areas from the periodic damaging floods and the sediment left in their wake. Added to these benefits are planned fish and wildlife enhancement and recreation developments.

Two watershed projects have been completed—one in the Rush-Pine Creek watershed and the other in the East Willow Creek watershed, the site of the Minnesota "America the Beautiful" picture. Four others are being installed. Others are being planned. Districts have joined with county and township organizations to carry out these projects with Federal help under the small watershed program.

The job of conservation districts is becoming more complex as the demands on our natural resources mount. However, they are providing the needed guidance in community resource development. They are using their skills to make rural America a better and more beautiful place to live and work.

PRICE PHASES OF OUR FARM PROGRAM

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Texas [Mr. POAGE], is recognized for 30 minutes.

Mr. POAGE. Mr. Speaker, about a week ago I took this forum to discuss some of the aspects of our farm program. I pointed out at that time that the spectacular publicity given to the recent increase in the price of food had resulted in some very unfair criticism of farmers. I called attention to the fact that most of the great basic crops were actually selling for less per unit today than they had sold for 18 years ago and that the price of live cattle was exactly the same. I do not need to remind anyone that during this past 18 years the income of consumers as a whole has greatly increased.

Regrettably, the crescendo of shrill voices criticizing farm prices has not diminished. I was, however, greatly encouraged to see that the Secretary of Agriculture on last Friday referred to exactly the same facts which I had tried to emphasize when he stated that:

> Today, even with recent increases, American people spend less of their take-home pay for food than ever before. On the average Americans spend about 18.3 percent of their pay for food compared with 26 percent in 1947–49.

The Secretary further pointed out that:

> If the farmer does not receive a fair return, if he is forced to give up farming and our abundant food supplies decline, consumers then will have to pay much higher prices down the road.

The Secretary also stated that the income of the American farmer is only two-thirds that of the urban worker and that the typical European consumer has to work four times as long as the American consumer to buy the same amount of beef and three times as long for the same amount of cheese or eggs.

It was also heartening to find that Sylvia Porter's column, which is run in my hometown paper, points out that the increase in retail prices on a long list of specific food items has averaged only 8.9 percent during the last 5 years while spendable weekly earnings in manufacturing industries, after taxes, have during the same period increased by 20.6 percent. Mrs. Porter also points out that the price of various food items at retail has fluctuated during the whole 5-year period in such a manner that it was perfectly possible by buying the items which were cheapest at a given time to avoid a substantial part of the general increase.

Nor can any calculation of retail prices escape the fact that the price of the things farmers have to sell is in most instances actually lower today than it was 18 years ago. I must repeat that the farmer does not sell bread or even flour and that the mills are buying wheat for less than they did in 1948. I must repeat that the farmer does not sell hamburgers or beef steaks, but live cattle, and that they are bringing exactly the same as they did. I must also point out that while the farmer does sell bulk milk he is getting less for it than he did.

Maybe there is not as much correlation between the price of what the farmer sells and the price the consumer pays in the market as we had long thought. Anyway, we know that while the price of wheat was steadily dropping over a period of years that the price of bread was steadily increasing. We know that while the price of cotton has come down the price of shirts and sheets has gone up. We know that although the farmer is getting less for a hundredweight of milk the consumer is paying more for a quart of milk, but even so, the American consumer is buying more and better food from the retail store with the expenditure of a smaller portion of that consumer's income than have the people of this or any other major nation at any time in history.

Obviously, the American farm program is serving consumers right well. The real question is: Is it serving farmers well enough to maintain the volume of production and the retail price level that we now have? Or are we likely to see the loss of production and the skyrocketing retail prices of which Secretary Freeman warns?

Maybe we can best answer this by a further exploration of our farm program in the hope that we may all understand it just a little better. Last week I tried to point out that as a boy I had known an agriculture subject to the vagrancies of the weather, subject to the attack of insects, animals, and plant diseases and subject to the manipulations of the markets. I sought to show that our early farm programs went a long ways toward alleviating at least the second and third problems. Now I would like to recall our more recent efforts to maintain a reasonably satisfactory income for farmers and an adequate supply for consumers.

At the close of the Korean war, the price of the things farmers had to sell was rather comparable to the price of things farmers had to buy. I have always believed that this is the most desirable situation for producers, for consumers, and for industrial workers. When each group can trade its own labor, or production, for the maximum amount of the production of other groups, then we can have the greatest flow of trade and the highest standard of living for everyone in the country, but when any one group gets its returns out of line, either too high or too low, we find that there is a loss of exchange power and ultimately the whole country suffers.

You will recall that for a number of years after the close of the Korean war there was a sharp debate as to whether we should attempt to maintain parity or even a 90-percent approach to parity for farm prices. I was one of those who believed that farm prices maintained as close to parity as possible were beneficial to all, but the great majority of those who were then in charge of our Government felt such a policy was unwise and over the years support for the maintenance of such a price level dwindled away to where many of us felt that it was better to take a part of something than to lead a hopeless crusade to get all of nothing.

Farm price supports gradually shifted downward. Those who urged this downward trend justified their position on the theory that as prices became unattractive farmers would cease to produce so much and the price would go up. I think we all recognize that over a long period of time that is true and of course that is what Secretary Freeman had in mind in his warning of last week, but many of us felt then, and I think that the history of the past 15 years verified the validity of our belief, that this voluntary limitation of production would not take place until a very large number of farmers had been forced out of farming onto the relief rolls of our cities.

Surely, this has occurred and the process is still going on.

By and large the American farmer wants to stay on the farm and he wants to produce. He knows that his net income or profit is the result of price times volume less production costs. He cannot reduce the cost of production when the cost of everything he has to buy is rising—except to expand his operations and this very expansion pushes other farmers off the farm. If he cannot get a fair price per unit he naturally tries to produce more units. That is why the so-called voluntary control programs have always failed. While the farmer will readily agree that total production should be held in balance with total needs or market demand, the individual always tries to increase his personal share of the total. We have seen the unfair ratio of price as compared with costs drive millions of farmers into town over the last 15 years. We can ill afford to lose these citizens as farmers and on the other hand, we can ill afford to maintain them either as relief clients in our cities or as unneeded competitors for the jobs of our urban workers.

Finally, just last year, with the support of the administration and the majority of the Congress, we were able to achieve a substantial degree of stability in farm income. The present farm program recognizes that it is foolish to produce more food or more fiber than we can use both at home and in our export programs. Such excess production not only destroys farm income but it imposes tremendous burdens in the form of storage and carrying charges on the American taxpayer. We had to accept many weakening amendments to get the bill, but we are at last pretty well balancing our production with our needs.

To do this we are paying out tremendous sums to producers both in the form of land-retirement payments and price-adjustment payments. These payments, however, are buying some very essential and needed stability for our entire economy. Although they do not provide exact equality for every farmer they have contributed mightily to the stabilization and upswing in farm income. They have slowed down the pressure on public assistance in our cities. These payments have assured us of one only kind of real food reserve that we can maintain over the years. They have resulted in providing this Nation with the ability to quickly step up production on fertile, well-kept acres should some future crises require it. And finally, these payments have resulted in holding down the price of our basic farm commodities. How much of this saving is passed to the consumer is, of course, a debatable matter, but it is clear that if the consumer is not receiving a reduction for which the Government is paying that it is someone other than the farmer who is responsible for the situation, and when we compare prices in the American grocery store with prices in the stores of Europe or South America I am inclined to believe that our consumers are doing rather well.

To summarize, let us recall that where prior to the Wilson administration the farmer had no source of credit except on most vicious terms and had very little, if any, effective help in protecting his crops from disease or insects, we now have a great multitude of credit institutions providing both for his individual and collective credit requirements and we have a storehouse of scientific knowledge regarding the propagation, cultivation, and protection of crops that is unequalled anywhere in the world. Prior to the Roosevelt administration, in the 1930's, the farmer had no way of bringing his production in line with potential needs. Today he not only has an adjustment program but an effective price stabilization program along with it. Prior to the Johnson administration, this price stabilization was 100 percent dependent upon increased consumer prices. It is true that so long as these prices remain below parity, as they had done for years, consumers had no real basis of complaint. But today we do have a system, at least in cotton, wheat, and some other commodities, under which, hopefully, farmer income may go as high as parity with American consumers still enjoying the tremendous price advantages to which they have so long been accustomed in food and fiber.

Certainly we do not have a farm program which deals equitably with every individual. There are inequities. Some individuals are doubtless actually hurt. We are continually striving to eliminate these inequities. Certainly, we do not have a program that simply pushes gifts on either producer or consumer. Our program requires that producers as individuals make some sacrifice to receive the benefits and it requires that as a class producers must forgo some of the high speculative returns which a few farmers have from time to time made in the past in order to protect the great mass of farmers from the disastrously low prices which they have so often suffered. Certainly, our farm program does not mean that consumers should be consistently and perpetually subsidized by producers who have so often supplied food and fiber at less than cost but it does mean that consumers are not going to have to pay 50 percent or even one-third of their income for food as so many of the people of the world are doing right now.

We have come a long way; our farm programs have contributed tremendously both to the amenities of rural life and to the ability of our city people to enjoy an adequate diet without denying themselves the comforts and even luxuries of our modern civilization, and I believe that is what most of us want.

In order to understand better this farm program, there will from time to time be further discussions of the entire program and of specialized phases of the program.

This afternoon our colleague, the gentleman from Iowa [Mr. SMITH], one of the real students of agricultural economics is going to discuss some of the phases of the program as it affects the great crops of the central part of the United States.

Later there will be discussions of the wheat program, of our scientific programs, of our conservation programs, of our research programs and probably of the minor crops and certainly of our corn and feed grain programs—the largest cash item in our entire budget.

I hope Members will avail themselves of the opportunity to hear just what these Members have to say and that they will avail themselves of the opportunity to ask questions, and for that reason before my time expires I would like to suggest that if there are any questions that have been raised by what I have had to say this afternoon, I am available to attempt to answer them.

Mr. CALLAN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. CALLAN. The gentleman has mentioned the programs as they have developed through the years. If my recollection is correct, in 1960 this country accumulated about 1,500 million bushels of wheat and 85 million tons of feed grains. In that period of time now, in the last 6 years, we have been able to reduce this carryover of wheat from 1,500 million bushels of wheat up to the end of this marketing year which it appears may be down to 400 million bushels. The feed grain supplies are down to some 50 million tons. At the same time we have been able to make a modest increase in the net farm income. I would say, and I think the gentleman would agree, that this has been the accomplishment of the farm program. I wonder what the gentleman might think would happen if we would have to abandon these price supports and these farm programs as we know them today.

Mr. POAGE. I think that were we to have to abandon either our supports or our controls of production, we would be faced with chaos because we simply could not go back. If we did go back to the old uncontrolled chaos that we had, obviously we could not expect and there would be no way that we could get any more than the world price. The world price of wheat is about $1.35 or $1.40 and it is a good deal less than that at common points of delivery. If that is what the farmer was to receive for his wheat, I do not care how much he could grow. The more he grows, the worse off he would be. If we follow that policy, the world price of cotton which is today possibly on the order of 20 cents or something like that, it would obviously drop somewhat—no man knows exactly how much— 2 cents, 3 cents or 4 cents—but suppose it only dropped to 18 cents—who can grow cotton for 18 cents?

If you abandon our program, you put the American farmer in competition with the farmer in Egypt, with the farmer in Indonesia, with the farmer in Ghana, with the farmer in the Argentine and with the farmers all over the world. Their price level is far below our price level. Their wage levels are far below our wage levels. You cannot maintain the American price system in competition with these other systems. You have to have a program if you are going to do any better than the rest of the world.

Mr. CALLAN. I agree with the gentleman. I think that is the reason the gentleman and most of us on the Committee on Agriculture have been trying so hard to work out a workable program to maintain these supplies at a reasonable level and still try to get farm income up where it should be.

Mr. POAGE. I think the gentleman from Nebraska has pointed out a very important fact when he points out that we have in the last 5 or 6 years been able to bring about both at least a reasonable upward movement in the return to the farmers and at the same time relieve ourselves as a nation of a tremendous load of surpluses that always bear down on the market.

It might not have been so remarkable had we not done it under the weight of a billion and a half bushels of wheat, 5 million bushels of feed grains, and 10 million bales of cotton. We lifted that weight and at the same time we raised the price or the income to farmers. I think it is a remarkable achievement.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Missouri.

Mr. HUNGATE. First, I wish to thank the gentleman and congratulate him on a fine statement of the problems that confront our farmers, and since they confront the farmers, they confront all of us, because I think we recognize that any depression that comes to our country is usually farm-bred and farm-led. If the farmer gets down, we all suffer in the long run.

I thought the gentleman's remarks quite pertinent relating to the price of wheat to the farmer in 1948. Regardless of what it might be in terms of bread to the housewife in the marketplace today, the farmer's prices are the same.

We seem to hear a good deal about the actions of some who seek to divide the farmer from the consumer, that today we have different groups with farmers on one side and consumers on the other. It seems to me that the farmer in one instance, when he buys farm machinery, automobiles, and seeks to educate his children, is a consumer. Very few farmers make their clothes on the farm any more, and very few farmers are satisfied, or we would not want them satisfied simply to eat what they raise on the farm. So farmers are among the greatest consumers in our country, and those that would seek to pit one group against the other do a disservice to all of us.

I think the gentleman's statement of the facts of the problem and the way he has outlined it and the efforts that have been made through the leadership of this fine Committee on Agriculture are most helpful to all of us. I thank him very much.

Mr. POAGE. I thank the gentleman very much.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The gentleman may prefer to defer discussion of this subject to a later time. If he does, I will understand. But I personally have been very much concerned about some decisions that have been made recently with reference to export controls on agricultural products. Of course, on one I know the gentleman's stand, because I heard him very forcefully conduct hearings on the subject. It had to do with cattle hides.

There is now talk about the imposition of controls on wheat. I wonder if the gentleman would care to defer discussion of that subject or if he feels it would not be pertinent at this time to have a discussion of it?

Mr. POAGE. May I suggest to the gentleman from Oklahoma that I think that subject will be covered in a special discussion. But I would say in general that I think we did make a serious mistake in our precipitous dealing with the hide situation, because in an effort to help consumers, I am afraid the Department of Commerce actually took action that did not help consumers at all but which seriously hurt producers and ultimately it will hurt the whole country.

I think it was a serious mistake, probably as a result of hasty action without getting all sides of the problem. They did not hold hearings before they took that action. It is just another example of how good government requires that there be an opportunity for all sides to be heard before decisions are made.

Mr. EDMONDSON. I look forward to the discussion of the problem, because I think the subject matter represents for all of us who will have agricultural production in our areas a very important subject for future discussion.

Mr. POAGE. It does. There is no question about it.

Mr. EDMONDSON. I thank the gentleman for a very outstanding speech.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. POAGE. Certainly. I am glad to yield to the gentleman from Missouri.

Mr. HALL. Again I wish to commend the gentleman. I, too, have decided to defer my question along the line of principal interest, cropland restoration, or the conservation features of the agriculture bill, inasmuch as the gentleman has announced that the subject will be discussed later. But I did wish to ask the gentleman one question.

Does the gentleman not feel that in the general discussion of the difference between income to the producer of food and fiber stuff and that which the consumer must pay—bearing in mind that the farmer himself is a consumer and must consume mechanical equipment and goods with which to produce—oftentimes one of the forgotten items is the multiple taxes incident to delivery between the producer of food and fiber stuff and the actual consumer?

I am not simply talking about cost of transportation, but the various hidden taxes that may create this additional gap between the two.

Mr. POAGE. I certainly believe that taxes are just as much an element of cost to producing agricultural products as they are to producing any other product. Obviously there is not anything produced in this country that does not bear taxes as a part of its production cost, because the taxes have to be a part of production cost, and they do raise the cost.

IMPROVING THE RETURN TO FARMERS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SMITH], is recognized for 30 minutes.

Mr. SMITH of Iowa. Mr. Speaker, I come from that section of the country which in 1959 and in 1960 was in desperate circumstances. It was commonly called the corn and hog area. More recently and more appropriately it has been called the corn and hog and soybean and cattle area. We raise primarily as profitable crops corn and soybeans, some wheat, and convert them into livestock and their products.

Farmers were not as worried, in 1959 and 1960, about some remark that someone was alleged to have made, as much as they were about the money they did not have in their pockets.

I said in the House on May 12 that at the time Secretary Freeman became Secretary of Agriculture in 1961, the general attitude among both farm and city dwellers was that nothing could be done to make agriculture prosperous. Many people were saying that those engaged in agriculture in all countries of the world have always been relegated to the lower income levels in the economy, and it could not be any different in the United States.

Secretary Benson at that time had made many speeches, mostly to nonfarm audiences, saying that the Government should not even try to help farmers secure their fair share of the national income. A large proportion of the newspapers of this country were applauding him as being a brave man for making what they thought were true statements. We now know he was guilty of gross ineptitude. Events of the last 6 years have shown that something can be done to help farmers obtain their fair share of the national income.

Even with the great accumulations from the 1950's—this great weight that my colleague from Texas has just referred to—hanging over the marketplace, the prices have been improved for farmers without creating shortages or high consumer prices.

The feed grains program enacted in 1961 and reenacted and extended several times since that time, and the wheat programs deserve great credit for making this improvement.

The success of the feed grains and wheat programs in cutting down the grain surpluses during the past 5 years is dramatically revealed in the current level of storage costs in grain holdings of the Commodity Credit Corporation as compared to those peaks of 5 and 6 years ago.

For the first time since the 1950's the cost of stored grain owned by the Government is now less than one-half as much as the cost of stored metal owned by the United States. For the first time since the 1950's the cost of storing and handling Government-owned commodities will be below $300 million. These costs during the current fiscal year will be slightly less than $240 million, about half the record $476 million storage outlay during the fiscal year 1960.

These costs have decreased progressively during the past 6 fiscal years.

The Commodity Credit Corporation holdings in inventory and under price-support loans for wheat and for feed grains are down more than 50 percent from those peak levels. At the peak these holdings reached more than 4.7 billion bushels.

We commonly talk of this inventory in terms of tons, but those who live in our area still understand bushels better. Until we adopt a different system, I want to refer to them in terms of bushels.

Those holdings reached 4,700 million bushels. At the end of this last March the total was down to about 2,248 million bushels, less than one-half of what it had been.

While I believe some of the feed grain sales this year could have been delayed, the fact is that we did keep production at or below consumption during these past 5 years under a program that has provided a market at the same time for this surplus grain.

Wheat holdings are down to about one-third of the peak of 1,545 million bushels in October of 1960. Corn holdings, at slightly less than 1 billion bushels as of March 31—that is, total corn holdings in the United States, not just those in Government warehouses—were about half of the record 2,148 million bushel level at the end of March 1961.

The efforts of the feed grains and wheat programs have been directed toward accomplishing this result. They have been geared to encourage production levels to meet the needs and at the same time to work off that surplus. Maximum exports have been encouraged to broaden outlets for U.S. produced grain. At the same time, domestic use has been maintained at levels, or a little above levels, of previous years to keep consumers in needed supplies. While this was being accomplished, farm income has been on the rise.

I defy anybody to tell me anyone who thought, in 1960, that all these things could be accomplished during the same period of time, and, above all, that this much progress could have been accomplished in a matter of 5 or 6 years.

The features of the wheat and feed grains programs which have brought the grain surplus under control have been adapted for cotton, and the indications are that the first year of operation for the 1966 cotton crop will begin to make inroads in the cotton inventory, the major remaining surplus commodity in CCC holdings.

As a result of the surplus diminishing grain, the CCC for the first time since the early 1950's no longer is the dominant factor in the market for grains.

By selling off its stocks, the corporation has in effect put control of the market back into the hands of the producers and the trade. We are working off that big accumulation which occurred as a result of the Benson 1959–60 support without allotments program.

Under the law as changed in 1961, producers have been able under the price support program, as it was intended, to assure more orderly marketing of their grains, rather than have acquisition of the grain by the Government.

While farmers still use the loan program to moderate the price drops, particularly during the harvest season—and that is what it was really intended for—a majority of them pay off the loans later and sell the grain to meet market needs, or feed to livestock. In other words, they secure a loan; they then make a more orderly marketing of their products; they hold it until it is needed; and then they sell it within the marketing year and pay off the loan.

The income maintaining payments under both programs help the farmers to meet expenses, and this gives them an additional leeway in the marketing of their grain.

Substituting direct payments for the portion of the loan rate that placed the grain above the world market permitted the market to function better. It made it possible for the market to operate better than it would have if we had not had these Government programs. In fact, I think some people have expected the market to do the impossible when they expect it to operate without any of these Government programs under the circumstances that exist. What these programs did was to permit the market to do its best under the circumstances.

Despite the increased workload of the new programs, the Agricultural Stabilization and Conservation Service, the U.S. Department of Agriculture agency which operates the production adjustment, price support, and conservation assistance programs has fewer employees now than in 1960. This was before the new feed grain, wheat, and cotton acreage diversion and payment programs and the cropland conversion and cropland adjustment programs were started.

This agency is operating all of the programs that were in existence in 1960, plus the major new ones, with less manpower than it used in 1960. This has resulted from increases in efficiency brought about by using improved systems, methods, and procedures, including extensive use of modern data processing equipment. Some of the excessive inspections that were used prior to 1961 did not provide protection to the Government, anyway. Grain inspectors could inspect that grain in those elevators and in those storage warehouses every day to see if the grain existed, and there still would be a loss to the Government if a shortage existed and the grain operator was bankrupt. The administration has substituted a bonding procedure reducing expenses and reducing risks at the same time. Other unnecessary work and checking on farmers which occurred prior to 1961 has been eliminated.

The big job of the past 6 years relative to feed grain and other grain programs has consisted of three parts: first, keeping production in line so that the producer could receive a fair share of the national income; second, providing a market for excesses accumulated during the 1950's; and, third, preventing a shift in production that would cause a surplus problem in some other area. The results have been even better than most suspected and the programs have been so successful that the principal objective now can be limited to gradually adjusting production upward as demand increases. Very few people 6 years ago thought the farm problem would have been improved so much so quickly.

Mr. REDLIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. Yes. I yield to the gentleman.

Mr. REDLIN. It has been a privilege to be here this afternoon and see these two distinguished agricultural leaders of this Nation take the floor of this House and put into perspective many of the things relative to the farm economy of this Nation. I am sure I rejoice with the gentleman in the well that the farmers of North Dakota as well as his State and of all the Nation are looking to the loosening of production controls and the additional opportunity to put more of their land to work in raising grains, particularly wheat. I note, too, that the gentlemen have mentioned excessive stocks in Government hands as of the problems we have had to deal with over the years. I am proud that this administration has had a major part in seeking aggressively to develop a good export program. On the eve of the consideration by this House of the food for freedom bill, we are reminded that we intend to move forward in this area. I do believe that aggressive marketing and increased exports to feed hungry people all over the world are going to be major factors in building the production potential of America and the income potential of our farmers.

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for his remarks, and I would mention to him that I am sure the same thing is true in North Dakota that is true in Iowa. In North Dakota in 1960 there was not a solitary wheat farmer that thought he would be in as good shape in 1966 as he is. At the time they were not worried about some remarks that somebody was alleged to have made as much as they were worried about no income with which to pay the taxes and buy machinery. If you do find that fellow who says he did not have any worry, I will bet you will find that his machinery dealer says he was not buying any machinery.

Mr. CALLAN. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of Iowa. Yes, I yield further to the gentleman.

Mr. CALLAN. Mr. Speaker, I hope that in the future the gentleman in the well and the rest of us will have some opportunity to discuss the relationship between feed grain supplies and prices—livestock prices—because in his area and mine they pretty much convert these feed grains which we grow into animal products.

Mr. SMITH of Iowa. That is a very, very pertinent thing to bring up.

Mr. Speaker, as I have said so many times, not here today, but at other places, the feed grains program really has turned out to be a livestock protection program.

Mr. Speaker, before we had the feed grains program we had tremendous fluctuations and long-term cycles in livestock production and prices.

Mr. Speaker, the depressing price situation would last so long in both the pork and cattle industries that it would drive many good people clear out of business.

At least, now with a stable supply of feed grains available for conversion into livestock production, we find that any time there is an excess of livestock produced in 1 year such as will drive down the market, and the farmers had to borrow on the feed they would have used in the following year, and therefore the market rebounds immediately.

Mr. Speaker, it was to the amazement of many agricultural economists, when we had the depressed prices for either cattle or hogs under the feed grains program, it has rebounded within 1 year and, in fact, within the time that it takes to feed out the next bunch of hogs or the next crop of calves.

Mr. Speaker, this has represented the most stability that the livestock industry has ever had. We can lay it right at the door of the feed grains program.

Mr. CALLAN. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of Iowa. I yield further to the gentleman.

Mr. CALLAN. One other point that I do not believe has received the attention it should have, and that is the relationship of our agricultural exports to the balance-of-payments problem. If I am not mistaken, agricultural exports represent the greatest single contributor to this Nation's favorable balance of payments.

In addition, we export more farm commodities in relation to any other commodity. If we did not have this tremendous exports of agricultural products, our problem with the balance-of-payments situation would be much greater than it is today; is that not correct?

Mr. SMITH of Iowa. That is right. In addition to the things that the gentleman has mentioned I would also mention the fact that although we were only receiving $1.85 a bushel for soybeans in 1960, they are now $3 a bushel, ranging between $2.50 a bushel and $3, year after year. Also, the total amount earned which is applied toward reducing the balance-of-payments deficit last year was about one-half billion dollars more than it was in 1960, in addition to the corn and wheat and things like that which reduce the balance of payments, this change in the soybean situation has also been a great help.

Mr. CALLAN. Mr. Speaker, I want to compliment the gentleman for his very fine speech.

Mr. SMITH of Iowa. I thank the gentleman.

Mr. REDLIN. Mr. Speaker, an important objective of this administration has been to bring new health and vigor into our farm economy by promoting and expanding exports.

The record of these recent years shows that we have accomplished what we set out to do, and more.

In fiscal year 1960, exports of American farm products totaled $4.5 billion.

During this fiscal year 1966 that ends June 30, they will total $6.7 billion. This is a gain of nearly 50 percent, a noteworthy accomplishment.

Most of our major farm products have shared in these export increases.

Our exports of feed grains this year will be double the 12.7 million tons of fiscal year 1960.

We expect this year's wheat exports to reach 875 million bushels, a gain of 70 percent.

Exports of soybeans should reach 250 million bushels, up 90 percent.

Exports of protein meal, mainly soybean meal, will be about 2.9 million tons, up 222 percent.

Rice exports are estimated at 33 million hundredweight, up 60 percent.

Nor is this the end. The opportunities in the world market continue to multiply and we intend to take advantage of them. Our total agricultural exports can grow to $8 billion by 1970, and we are determined to take the steps needed to reach this goal.

How have today's unprecedented export records been achieved?

Five specific, determined steps were taken to inject new life and greater effort into finding export outlets for the magnificent abundance that our farmers are capable of producing. The building of agricultural exports has been one of the principal missions of Secretary of Agriculture Orville Freeman since he took office in 1961.

First. Trade liberalization: The administration has recognized that foreign trade barriers are the No. 1 stumbling blocks in selling in the world market. It initiated a strong push to dismantle these barriers.

Trade barriers tend to be strongly entrenched and do not always come down easily. Many continue to remain. But we have had excellent success—in Europe and the Far East, particularly—in getting important barriers lowered. The size of our export sales in such markets is visible testimony to this success.

We shall vigorously continue to exert these pressures in the months and years ahead. There is much at stake. Through improved access alone, it would be possible to add another half billion dollars to our agricultural export total by 1970.

Second. Better farm programs: Our restructured programs for feed grains, wheat, and cotton are examples of a new practical approach to foreign market development. These new programs provide a helpful new means of competing in world markets, while at the same time providing the production and marketing assurances so well earned by our own farmers.

Third. Quality: Our producers face tough competition from other exporting countries in today's world markets. The quality of products we offer is becoming increasingly important. The administration has taken many steps to help improve the farm products that we offer to foreign buyers.

Fourth. Market promotion: Since 1960, this administration has doubled the resources going into our very successful programs of agricultural export promotion. This work is carried out with 45 U.S. agricultural and trade groups, on a jointly funded basis. In 1960, the U.S. Government's share of this activity came to $6.3 million. This year, we are putting $11.5 million into this work.

These increased funds are a barometer of the intensified activity now taking place. We are working in more countries, in behalf of sales of more American farm products, than ever before. In every worthwhile market in the free world we have some kind of promotional activity underway. We are participating continuously and impressively in international trade fairs. We set up three new permanent trade centers—in London, Milan, and Tokyo—which stimulate year-round promotion programs and events for our farm products. We maintain close, harmonious, businesslike working relations with the entire U.S. agricultural and trade community in carrying out this work.

Fifth. New ideas: The traditional American spirit of welcoming and trying new ideas has been the administration's guiding philosophy in helping American agriculture build its record exports. Many of these innovations come from private industry.

Transportation is an outstanding example. Much is being done today—with Government assistance—to improve the handling and transportation of food and agricultural products, by highway, by rail, by river, by seaway, by ocean, and by air. This has performed wonders in opening up landlocked portions of the United States, and bringing rapid efficient lines of communication with the rest of the world.

The jet age of air transportation is particularly striking. Thousands of tons of our fresh fruits and vegetables are moving in a steady flow from American orchards and truck farms, by jet airplane, to the produce markets of the British Isles and Western Europe.

New foods, likewise, are coming to the fore. High protein foods are beginning to appear in new forms which will have special importance in helping to conquer the world's problems of malnutrition.

One of our most useful innovations has been imaginative new uses of credit, as a means of making it easier for foreign buyers to purchase our farm products. In our record export totals, many millions of dollars of the final figures are there only because this administration used new programs of short-term and long-term export credit.

The benefits of this increased export trade are many and obvious.

Our farmers are receiving more income because our ships are carrying so much more of their production to foreign markets. Farm prices are better because of this market stimulation. More acres are in production, because there are more places for products to go.

City people benefit at the same time because millions of city jobs depend on what happens on our farms. The manufacturers of farm equipment, the suppliers of gasoline and oil, the builders of trucks, the sellers of lumber and other building supplies, and the manufacturers of household and personal items—every one has a big stake in the purchasing ability of the farmer. Exports today, far more than ever before, are supporting that purchasing ability.

Less known, perhaps, is the way our national finances also benefit from export.

First, of course, is the fact that exports have helped tremendously in whittling down our agricultural surpluses so that today most of the expensive surpluses of a few years ago are gone. The costs of storing, protecting, and turning over these surpluses have gone down in proportion. The savings to taxpayers runs into the millions of dollars.

Second, and this is most significant, is the help that our expanded agricultural exports give to our troublesome balance of payments.

Our agricultural exports—particularly the 75 percent that moves commercially, earning cash—are of strategic importance in bringing back dollars that leave the country in the form of U.S. investments overseas, foreign aid, tourism, and services.

From 1960 through 1965, overseas cash sales of our farm products brought back to the United States $23.6 billion. That is not all. During this period features of the Public Law 480 program also helped us. We used foreign currencies instead of dollars to pay some overseas bills; we bartered farm products for foreign goods and services; we got some payments on loans and interest under long-term credit programs. The total of avoided dollar outlays was $1.4 billion in the 6 years.

The aggregate contribution of agriculture to the U.S. balance of payments since 1960, then, consists of $23.6 billion in cash sales, plus the $1.4 billion just mentioned, for a grand total of $25 billion. U.S. agriculture can be proud of that performance.

Agriculture continues to give us fine balance-of-payments help. In the July 1965–March 1966 period, the agricultural trade balance, at $1.7 billion, was up $158 million from the previous year whereas, over the same period, the nonagricultural trade balance of $2.3 billion was down $776 million. We expect to see the agricultural trade balance rise still more in the months ahead.

We must conclude that this is a remarkable story of purposeful effort and teamwork between government, agriculture, and industry.

It is a record of which we can all be proud, and I take great personal pleasure and satisfaction in bringing it to the attention of this Congress.

Mr. RONCALIO. Mr. Speaker, I wonder how many American farmers realize the skill with which this administration has used programs established by the Congress to raise farm incomes. In Wyoming, it is well known, and highly regarded.

The wisdom and energy it has put into administration of section 32 programs is an outstanding example.

The first order issued by the Kennedy administration after inauguration day in 1961 was to expand the amount and variety of foods donated to needy families. And the new Secretary of Agriculture, Orville Freeman, carried out that order with enthusiasm, and in an unbelievably short time.

He turned to the section 32 law which had been on the books since 1935 as the tool to do the job. And the result is, this administration has given half again as much help to farmers in the last 5 years as the Federal Government spent in the first 15 years after this law was passed—to boost farm incomes. In other words, expenditures under section 32 programs amounted to $1½ billion in the last 5 years, compared to a total of $1 billion in the first 15 years after 1935. The results have shown up clearly in greater returns to farmers and ranchers for their work.

Some of my colleagues—especially those from the bigger cities—may not know just what "section 32" means, in spite of the tremendous impact these programs have had on farmers and urban people. So, today I would like to tell you a little more about them.

This Nation is frequently described as a land of abundance. That it is, and that it should be.

Year in and year out, U.S. farmers can produce for abundance and be rewarded at least reasonably well. But sometimes the mark is overshot. Then the farmer can be penalized severely for the generosity of his abundant output.

When a bountiful crop exceeds available outlets, a marketing problem results; the channels of trade become clogged; the price to the grower drops, sometimes drastically, perhaps to below the cost of production. The surplus supply moves sluggishly, and some may spoil or be wasted. The consumer gets only little added benefit as the producer is injured.

It is neither fair nor desirable that the farmer stand victim to the occasional and unplanned consequence of his productiveness. As too much penalty hurts him and his family, by discouraging production it can threaten the continued high output of food and other farm products that means so much to the Nation.

To insure an abundant supply of the agricultural commodities each year at fair returns to the producer—and at reasonable prices to consumers—there must be an orderly flow of commodities through normal channels of trade.

One Federal program is specifically designed to keep temporary surpluses from wrecking farmers and thereby endangering future production. This is one of the most far reaching, but also one of the least understood. It is the so-called "section 32" program, designed to expand the market for surplus agricultural commodities through a variety of ways.

The section 32 program reserves 30 percent of yearly import duties for the specific purpose of relieving temporary surplus situations in agriculture.

The major activities under the program are these:

First. Surplus agricultural commodities—principally perishable commodities—are removed from the marketing channels by direct purchase and given to schools, institutions, and to the needy.

Second. Payments are made to increase the export of surplus commodities.

Third. Agricultural commodities are diverted to new uses by means of Federal payments.

In addition, these other activities are carried out:

Fourth. Marketing agreements and orders are administered.

Fifth. Consumers are told of foods in surplus supply through the plentiful foods program.

Sixth. Marketing guides are issued to producers to help them plan production.

Seventh. Foreign sales are increased through export promotion programs.

Section 32 funds are also used to support the national school lunch program and research for new uses of surplus commodities, as well as to provide controls for imports of agricultural commodities.

This extensive Federal program to improve the lot of the American farmer has been the starting point for many valuable programs—among them the national school lunch program and the food stamp program, both of which were conducted entirely with section 32 funds before Congress set them up as separate programs. Both of these programs help to increase consumption of food products, and thus aid the American producer by creating more demand for his crops.

Section 32 is not a price support operation, but a price assistance operation. These programs are designed to widen the outlets for surplus commodities, therefore creating greater demand for these commodities.

Section 32 programs differ from price support operations in that they deal primarily with perishable commodities in seasonal or year-by-year overabundance, and not with perennial overproduction of major crops. Thus, commodities obtained under section 32 purchases are distributed immediately to schools or to the needy; none are stored for long periods of time.

Historically, section 32 is a child of the depression, one of many price assistance programs passed in the early and middle 1930's. Its purpose was to provide price assistance for agriculture by widening the market for surplus agricultural commodities.

This program was authorized in Public Law 320, passed August 24, 1935, by the 74th Congress. It provided for three types of programs:

First. Those which encourage the export of agricultural commodities,

Second. Programs to encourage the domestic consumption of agricultural products by diverting them from the normal channels of trade or by increasing their utilization by low-income groups, and

Third. Programs to reestablish farmers' purchasing power by making payments in connection with normal production of any agricultural commodity for domestic consumption.

Of the three types of programs, the most often used is the second, encouraging domestic consumption. Programs under this section include purchase of surplus commodities for distribution to schools and the needy, diversion of surplus commodities to new uses, and promotion of surplus commodities to consumers. About a quarter of a billion dollars annually is spent in this endeavor.

Export operations under clause 1 of section 32, Public Law 320, include payments to exporters to allow them to compete in price in their foreign sales and promotion of American agricultural commodities in foreign countries. This accounts for only a small percentage of total section 32 funds, however.

The third type of section 32 program, to "reestablish farmer's purchasing power," is used rarely and usually in emergency situations. Its last use was in 1960–61 when $8.5 million went to help cranberry producers maintain their incomes in a time of depressed prices and bad publicity.

The value of section 32 programs in supporting the incomes of American farmers is inestimable. The program stands ready as an emergency solution to surplus problems and as a support of producers' incomes in times of overproduction or underconsumption.

Funds for this program are appropriated on a continuing basis—eliminating the need for annual appropriations. Also allowed in the program is a carryover in funds each year not to exceed $300 million, to insure that adequate emergency funds are available to protect farmers' incomes. Total available funds for operating this program have exceeded a half a billion dollars each year for the past 5 years. These funds are used exclusively in support of the American farmer—to increase the consumption of American agricultural products both in this country and abroad in order to boost the income of the individual producer.

BEEF PRICES

For a dramatic example of how section 32 funds have helped the American farmer, let us look back to 1964 when severely depressed cattle and beef prices were damaging the entire livestock industry, and even threatening a complete collapse of the cattle feeding industry.

Three separate phases of the section 32 program were put into effect—and a solution was found.

The most important phase of the campaign was a beef purchase program, the largest meat purchase program in history. In 1964, USDA bought the equivalent of a million head of cattle in the form of frozen and canned beef, for distribution to schools, institutions, and needy families. These purchases totaled 403 million pounds, about 3 percent of commercial production, and cost about $222 million.

The plentiful foods program of the Department of Agriculture, financed by section 32 funds, was used to instigate an immense promotion campaign to increase consumption of beef by consumers. With the help of livestock and meat groups, and the Nation's retailers and restaurateurs, the "beef story" was told to the American public through every possible medium on every possible occasion.

The result? Consumers did eat more beef that year. A new consumption record was set in 1964—more than 100 pounds per capita, up 6 pounds per person from 1963.

But the program did not stop here. A third phase of the campaign to protect the income of cattle producers was an extensive export promotion program—to boost foreign sales of U.S. beef and cattle. Exports in 1964 totaled more than 42 million pounds—17 million pounds more than in 1963—and exports of live cattle and calves nearly tripled in the same period.

Turkeys were purchased several times for needy distribution. In addition, turkeys have been promoted under the plentiful foods program many times over the past years—to help that once-seasonal item become a year-round food item. Date producers, a smaller industry, have received section 32 purchase and promotion support in the past 3 years. Eggs and broilers have been aided under section 32 to give producers of these commodities a fair share of the food dollar. Broilers received additional support this year under a section 32 export payments program—to help regain lost export markets in Austria and Switzerland.

In all, producers of more than 90 different commodities have received significant help from section 32 programs since the program began in 1935. This work is as important, if not more so, today, than it was yesterday. In fiscal 1965, section 32 purchases accounted for: 280 million pounds of beef, at a cost of $156.7 million; 85 million pounds of lard costing $13.8 million; 43.8 million pounds of peanut butter, $12.6 million; 32.7 million pounds of margarine, $5.1 million, and 4.8 million pounds of dried eggs, $5.1 million. Also purchased that year were canned ripe olives and plums, fresh pears and plums, and dried prunes.

As you can see, section 32 funds are used for a wide range of programs, and a great number of agricultural products. Purchase of foods for domestic use and payment for export of agricultural products are not the only activities of this program.

The program can also be used to divert agricultural products into new uses, to increase the outlets for these commodities. Normally, those willing to use the products in new ways are given Federal payments, to make the transition economically feasible. In 1962, $10.5 million was paid for the diversion of potatoes into starch production and livestock feed. A similar, but smaller program, in 1962–63, paid makers of cotton bagging to use cotton for this purpose instead of the traditional, imported jute.

Another use of section 32 funds is in paying the administrative costs of Federal marketing agreements and orders, which help farmers organize for marketing and help to fit supplies to demand by increasing the bargaining strength of the American producer. These voluntary programs are initiated by farmers themselves, but are based on public hearings and are administered by USDA to assure that the public interest is protected.

Three principal crops have made use of marketing agreements and orders: fruits, vegetables and nuts, and milk and also, one type of tobacco.

Last year, two-thirds of all milk used for fluid purposes was marketed under Federal milk marketing orders—supported, in part, by section 32 funds. This totalled 54.8 billion pounds—more than 6 billion gallons—valued at about $2.4 billion. Some 163,000 dairy farmers supplied milk to the 75 federally regulated markets. Administrative costs totaling $1.3 million were paid with section 32 funds.

At present, marketing agreements and orders on fruits, vegetables and tree nuts are in operation in 23 States, representing a total value of $1.5 billion in commodities covered by the 43 orders. Section 32 funds provided $826,000 last year in administrative expenses for the support of these valuable programs.

Another use of section 32 funds is in the development of marketing guides, which are statistical studies and projections of the supply and demand for individual crops which are given to producers to help them more intelligently plan production. They are merely recommendations, which producers can accept or not, in the form of the percentage change from production of the previous year that would bring about a desirable market balance.

Such marketing guides have been published for a number of years for fresh vegetables and melons, sweet potatoes, vegetables for processing, and potatoes. In 1965, at the request of the turkey industry, a new marketing guide was initiated for turkeys. These guides are published seasonally, in time for producers to adjust their crops to apparent demand.

Section 32 funds go for other purposes too: research, to help find new ways of marketing American products and the Department of the Interior, to provide similar services for the fishing industry.

This program has not only been successful in helping the American farmer, but in doing so, it has also immensely helped the entire American public by contributing to food relief to help needy families, schools and institutions. Thus it has helped the consuming public while aiding the producer.

But the basic function of the section 32 program is to boost the income of the American farmer, by helping fit demand to the supply. It is a necessary and vital service to American agriculture—and has given untold service to the American farmer in every State, including Wyoming.

GENERAL LEAVE TO EXTEND

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter; and that other Members have the opportunity to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore (Mr. PRICE). Is there objection to the request of the gentleman from Iowa?

There was no objection.

BENEFICIAL OWNERSHIP OF COMMERCIAL BANK STOCK—THE BACKGROUND, STATUS AND IMPORTANCE OF CONTINUING THIS SIGNIFICANT STUDY

The SPEAKER pro tempore. Under previous order of the House the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, there have been several articles and other comments recently concerning a study which is being undertaken by the Domestic

Finance Subcommittee of the House Banking and Currency Committee, of which I am chairman. This study concerns determining who the beneficial owners of commercial bank stock are in our Nation's banks. It is popularly known as the bank nominee study. Some of the statements that have been given wide circulation have been accurate, while others have been quite inaccurate, and there seems to be a great deal of confusion as to the purpose of the study and how it is being carried out.

Because of this, I would like to attempt to set the record straight on several matters. First of all, the present study is a sequel to the one conducted in 1962 by the Federal Reserve Board on the 20 largest stockholders of record of member banks of the Federal Reserve system. This study attempted to determine bank ownership and control.

The 1962 study was published in five volumes by the Subcommittee on Domestic Finance on October 15, 1964. While this study indicated that the concentration of ownership in banking was considerably greater than previously thought, it failed to disclose in many cases who really owned the commercial banks in the country. In a large number of cases, the top 20 stockholders of record of Federal Reserve member banks turned out to be nominees rather than the actual beneficial owners of the stock. These included brokerage houses, which held large blocks of bank stock in the firm's name for customers, and commercial banks, which held large blocks of commercial bank stock both in trust departments and in nominee partnership and nominee company names.

Therefore, in order to get behind these large nominee holdings, the Subcommittee on Domestic Finance in April of 1965 approved unanimously a study which would disclose the true beneficial owners of commercial bank stock. At about the same time, in an appearance before the House Administration Committee, my committee indicated that it wanted to redo this study of commercial bank ownership and requested funds for carrying it out. Committee funds were provided in House Resolution 134, which was approved February 24, 1965, granting the Banking and Currency Committee and its subcommittees power to conduct investigations.

After several months of preliminary work and development of a workable format for conducting a survey of beneficial ownership of commercial bank stock, schedules were prepared along with a covering letter for mailing. On March 4, 1966, a memorandum was sent to all members of the Domestic Finance Subcommittee. Attached to this memorandum was a copy of the proposed covering letter and schedules. The memorandum asked for any comments that the members might have before the survey was mailed out. Since no comments were forthcoming, approximately 3 weeks later, on March 25, 1966, the survey was mailed out to slightly less than 4,000 addresses, requesting that they complete the schedules attached and return them to the Domestic Finance Subcommittee.

Without going into great detail concerning the progress of the study to date, I can say that we have received approximately 1,700 completed replies. In addition, there are several hundred more which are in the process of being completed. These should be received within the next several weeks. Every effort has been made to accommodate requests for extensions of time and for handling other problems without destroying the value of the information requested as it relates to the purpose of the study.

In a very small number of cases, less than 50, has the subcommittee met with complete refusal to comply with its request for information. This constitutes only about 3 percent of the returns received to date. There have been several cases in which institutions have requested that subpenas be issued, usually in order to protect the institution from legal liability for voluntarily disclosing confidential information. Therefore, the response to the subcommittee's request has been quite favorable.

On Thursday, May 26, 1966, the Subcommittee on Domestic Finance met. The progress of this survey was discussed along with consideration as to when the subcommittee should hold hearings on the basis of a careful staff analysis of the information received. At this meeting, in order to clear up any question that might have previously been bothering some of the members as to the authority of the chairman to issue subpenas in connection with this survey, the following resolution was adopted:

> This subcommittee confirms the authority of the Chairman of the Committee to use all necessary and proper means within the Rules of the House and Banking and Currency Committee, including use of the subpoena power, to continue to gather information and material in connection with the survey previously approved by the subcommittee of beneficial ownership of commercial bank stock.

Now, some may ask what will this survey prove. There are five major objectives of this survey:

First. To determine the true ownership of commercial banks in the United States and to determine whether concentration of ownership of banks is significantly greater than is now thought to exist.

Second. To determine if and to what extent unsavory elements have infiltrated commercial banks by the device of stock ownership.

Third. To determine whether trust funds of banks, which in the aggregate now amount to over $150 billion, are being endangered by unsavory elements involved with banks.

Fourth. To determine whether the investments of trust accounts are being used by the trust departments of commercial banks to gain control of other commercial banks indirectly, principally through the use of voting powers, in order to evade the legal prohibition of title 12 section 24(7) of the United States Code, which states that commercial banks cannot own the stock of other corporations.

Fifth. To determine whether the investments of trust accounts are being used by commercial banks to maintain the control of their own banks and to perpetuate in office present officers and directors of the bank.

We can already see from some of the material submitted to us that when all the data are collected, carefully analyzed and reported on, the subcommittee will have developed one of the most significant studies of commercial banking ever produced. Information already gathered, for example, shows that one of the Nation's leading banks has control of large percentages of the outstanding stock in several competitor banks in its area through the device of controlling the voting power of commercial bank stock held in its trust department. We also have information to indicate that it is a widespread practice for trust departments of commercial banks to hold in their trust accounts a large percentage of the outstanding stock in their own banks.

In short, when this survey is finally completed and all the information is developed, the Congress and the public will know more about the control and ownership of the commercial banking system than they have ever known before. There is no question in my mind that this will inevitably lead to important legislative and other reforms of our banking system. It seems to me that this study and the benefits to the public that will be derived from it are in the best traditions of a great legislative body. For without gathering the facts and basic information, we cannot act intelligently as a legislative body. Therefore, it is vital that this study be carried forward.

CIVIL RIGHTS LAW ENFORCEMENT

The SPEAKER pro tempore. Under previous order of the House the gentleman from Maryland [Mr. MATHIAS] is recognized for 30 minutes.

Mr. MATHIAS. Mr. Speaker, the lawless assault on Mr. James Meredith last night cannot be too strongly condemned or to promptly answered. We have been forcibly taught again, as we have been taught to often in the past, that civil rights are not secure until any individual can exercise those rights, anywhere in our Nation, without fear of violence, injury, or intimidation. This is the lesson of the crime last night.

It would be irresponsible for us to wait for any further proof of the need for clear Federal sanctions against such acts of violence. It would be dangerous for us to delay this vital step for the sake of other civil rights proposals which may be no less important but, under the circumstances, are less urgent.

Mr. Speaker, all Americans pledged to the quest for justice should welcome immediate congressional passage of an unequivocal, truly effective Federal law establishing firm criminal sanctions against interference with civil rights by force or the threat of force. Such a law should provide stern penalties for acts of violence, and should be responsive to the dicta of the Supreme Court in the recent decisions, United States against Price and United States against Guest.

As a spur to immediate House action, I am today introducing, as a separate bill, a slightly modified version of title V of the administration's civil rights bill, H.R. 14765. I am proud to announce that I am joined in introducing this measure by the distinguished ranking minority Member of the House Judiciary Committee, Mr. McCulloch; by four other members of the committee, Mr. Moore, Mr. MacGregor, Mr. McClory, and Mr. Smith of New York; and by the following other Members of the House: Mr. Conte, Mrs. Dwyer, Mr. Ellsworth, Mr. Halpern, Mr. Harvey of Michigan, Mr. Horton, Mr. Kupferman, Mr. Morse, Mr. Quie, Mrs. Reid of New York, Mr. Rumsfeld, Mr. Schweiker, and Mr. Widnall.

Mr. Speaker, my colleagues and I have long sought to secure full Federal protection for those citizens seeking to exercise their civil rights or to encourage the exercise of civil rights by others. On March 7 of this year, 19 of our colleagues and I cosponsored the Civil Rights Law Enforcement Act of 1966—H.R. 13323 and others—a measure directed toward protection against interference with civil rights and toward the ending of discrimination in jury selection. Title II of that bill would amend sections 241, 242, and 245 of title 18, United States Code, to extend and clarify Federal sanctions against crimes of violence or attempted violence, whether under the color of law or otherwise, on account of race or color. Title II would also establish strong graduated penalties for civil rights crimes, a concept incorporated by the Justice Department into the administration bill.

I would emphasize that the scope and intent of title II of H.R. 13323 are identical to those of title V of the administration bill. The current circumstances, however, have led me and my colleagues to introduce title V today, as evidence both of our conviction that such a measure should be enacted without delay or dilution, and of our willingness to cooperate fully with the administration in reporting and passing this title at once.

We urge the President and the Attorney General to support this course, and to exert their best efforts toward the goal of protecting, fully and finally, the brave Americans who seek only to enjoy their rights as citizens.

Mrs. DWYER. Mr. Speaker, the cowardly and criminal ambush of Mr. James Meredith on a U.S. highway in Mississippi yesterday emphasizes again the urgent necessity for Congress to act immediately to protect the persons of those who seek only to establish rights which are guaranteed to all Americans.

I am proud, therefore, to join with a number of our colleagues in introducing legislation which would reform Federal criminal statutes so as to make clear and certain Federal authority to protect Negroes and others who are engaged in the struggle for justice against interference with the exercise of their rights.

This legislation, which is similar to provisions in pending civil rights bills, would make it a Federal crime to interfere, either by force or by threat, with the exercise of rights in such fields as voting, education, employment, jury service, travel, et cetera, whether that interference is caused by an individual or a group and whether it is private or official.

We have introduced this legislation at this time, Mr. Speaker, because we believe Congress must not delay further in providing such basic protection—protection that was tragically missing in the case of Mr. Meredith. We believe that the appropriate committees of Congress should act now to report out this legislation, without waiting to complete action on the more comprehensive civil rights legislation now before them.

The shooting of James Meredith is only the latest in a long and ugly series of murders and violence of many kinds directed against persons acting in the noblest traditions and highest interests of our country. This intimidation of those who work for civil rights is obviously the most immediate of the unfilled needs in this critical area. Existing Federal law is inadequate, and dependence on local law—even though many local law enforcement officers have been notably zealous—has frequently been found to be unavailing, even in the face of the most brazen violence.

Mr. Speaker, we cannot allow threats, intimidation, violence, and murder to go unpunished. Even more than in ordinary criminal cases, such action has immediate consequences far beyond those directly involved. Every successful or unpunished act of this kind encourages fanatics and others determined to deny Negroes their God-given rights. Every such act creates new fears and discord among our people, and further delays the day when all Americans can live in harmony.

By acting now, Congress can reassert its determination to protect the rights of all our citizens and, without weakening or delaying action on other civil rights provisions, we can assure our people that violence will be punished swiftly and surely.

Mr. McCLORY. Mr. Speaker, the cowardly ambush shooting of James Meredith, on a public highway in Mississippi, has shocked the entire Nation. There can be little question but that this citizen was fired upon because he is a Negro—seeking to secure equal rights of citizenship for fellow Negro Americans.

In order to establish that the offense of the sniper, who shot James Meredith, is indeed a crime against the United States—and not merely a local offense—I have introduced a bill making attacks of this kind punishable in the Federal courts.

It is my hope that this or a similar measure may be acted upon promptly by this House—without awaiting the lengthy discussions that are expected to take place on the comprehensive Civil Rights Act of 1966, now pending before the Judiciary Committee.

Accordingly, Mr. Speaker, I would suggest immediate action by the Judiciary Committee on this proposed legislation, in the hope of securing enactment within the next few weeks of a new Federal law that would protect citizens such as James Meredith engaged in legitimate civil rights activities.

The fight to secure equal rights for all of our citizens depends upon adequate Federal legislation to protect those seeking to exercise those rights.

Mr. MORSE. Mr. Speaker, once again we have been reminded of the inadequacy of our existing laws to protect the rights of all Americans, everywhere in the United States. The crime that was committed against James Meredith yesterday is tragic proof that legislation passed in 1957, 1960, 1964, and 1965 is meaningless unless the rights of our citizens can be fully protected through our processes of law enforcement.

On March 7, I was pleased to join with my colleagues on this side of the aisle in introducing the Civil Rights Law Enforcement Act of 1966. Among the provisions of this bill is title II designed to strengthen our criminal provisions for the protection of civil rights and liberties. The language of our title II does not differ substantially from the language of title V of the administration bill. However, the administration did have the benefit of the language of the Supreme Court on sections 241 and 242 of title 18 of the United States Code in United States against Price and United States against Guest decided this term.

All sections of the Civil Rights Law Enforcement Act of 1966 are important and necessary. We need improved safeguards against jury discrimination if our citizens are to have the benefit of the rights guaranteed in the sixth amendment. We need a full title III provision, and we need indemnification of law enforcement officers.

But the irrational act of yesterday demonstrates that the protections that would be afforded by our title II and the administration title V are imperative now. Therefore, we are introducing title V today and calling upon the administration and our colleagues on both sides to cooperate in reporting and passing this bill. The language of the two titles does not differ substantially and we believe that our effort demonstrates our willingness and intention of doing whatever is necessary to assure the prompt enactment of these necessary safeguards.

QUESTIONING THE CREDIBILITY OF THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT

The SPEAKER pro tempore. Under previous order of the House the gentleman from Minnesota [Mr. Quie] is recognized for 15 minutes.

Mr. QUIE. Mr. Speaker, the Minneapolis Tribune for today carried an article about the Department of Agriculture and its Secretary Orville Freeman, which left me surprised and again questioning the credibility of the executive branch of the Federal Government.

I am enclosing the article at this point to bring it to the attention of my colleagues:

Freeman Gives New Version of Pork Policy

Washington.—At his press conference last Friday, Agriculture Secretary Orville Freeman departed from the known record in his latest explanations of why the Defense Department temporarily cut pork purchases.

Seeking to explain Freeman's departure from previously assumed facts on at least six points, a Freeman aid said that the issue was now a completely political one in which facts have become irrelevant.

Another Freeman aid said Freeman spoke as he did because the decision was made by the President and Council of Economic Advisors. Freeman had no choice, said the aid, except "to play a game."

Freeman's explanations Friday are at variance with Defense Department and Agriculture Department records, orders, letters, and policy practices on such questions as:

Why did the Defense Department cut its pork purchases by 50 percent What effect did this decision have on the market? At what time was the decision announced to the public? What is the Department's policy on information involving large Government purchases? What was the Agriculture Department's role in formulating the original decision to cut pork purchases?

The Defense Department on Feb. 17 reduced by 50 per cent for a six-month period its purchases of prime pork products.

The order generally became known following news reports seven weeks later, April 6. The order was reversed May 7 following a month of protests from farmers and farm State Congressmen.

At the time the order finally became public, ranking executives in the Agriculture and Defense Departments said the cut was designed as an anti-inflationary measure to increase supply and restrain consumer prices.

These ranking officials said the decision was made at the White House level with the Agriculture Department recommending the decision to Defense, the Council of Economic Advisors and others present.

Although the Agriculture Department refuses to make public the text of the letter, Freeman in a "Dear Bob" letter to Defense Secretary Robert McNamara Jan. 22 recommended exactly the action taken Feb. 17 cutting pork purchases.

Freeman recommended cutting pork purchases and several other products ". . . to help keep domestic food prices in line."

According to authoritative accounts never denied by the Agriculture Department, Freeman also wrote in the letter:

"As you know the President wants us to help minimize the price impact of Defense Department food purchases. With hog and cattle marketings down, retail food prices will continue to provide serious price stabilization problems over the next several months."

Although the Defense Department still refuses to make public the text of its resultant order cutting pork purchases, the MPLS/Tribune has obtained copies of the Feb. 17 order and the Jan. 19 and Feb. 4 general memorandums on the subject of Defense Department influence on consumer prices.

The order and the two memorandums, all sent by Assistant Defense Secretary Paul Ignatius to the various armed services, stress that the reason for reducing pork purchases was to "minimize the impact of its food purchases on consumer prices." Ignatius notes Defense is following the recommendations of the Secretary of Agriculture.

Freeman contended Friday, however, that the Agriculture Department played little or no role in the decision which had nothing to do with consumer prices.

The following exchanges took place at the press conference:

Question: "Isn't that something you are involved in very much, I mean the purchase in the Defense Department of this magnitude?

Answer: "No, really not."

Question: "It isn't?"

Answer: "No. The Defense Department buys in the market according to the requirements, where they can maximize their dollar and meet their nutritional requirements."

Question: "Was that the point here?"

Answer: "Sure."

Question: "They weren't interested in affecting the market at all with this matter?"

Answer: "No, not at all—no involvement whatsoever, and it didn't affect the market any that I know of."

A few questions later, Freeman's entire account varied.

Asked whether he had not two weeks before the intial decision, recommended it to McNamara in a "Dear Bob" letter. To this question, Freeman simply replied "yes."

At another news conference on April 15, Freeman had said that he didn't personally have anything to do with the decision.

Offering a long explanation, Freeman said the issue "got ballooned out of proportion as if it was going to have a major effect and was a major agricultural price-depressing situation" and added that "it got to be a political issue which a number of people started playing games with."

On other questions concerning the pork order, Freeman's answers did not jibe with generally accepted facts.

Several Congressmen have pointed out that the Defense Department's handling of the pork order would have permitted certain individuals to have "inside information" while the general public did not know about it.

The first general news report on the order was carried by the Associated Press on April 6, seven weeks after it was issued. But Defense Department officials acknowledged that their supply personnel were routinely informing meat packing firms of the decision.

Questioned about complaints in the handling of information. Freeman replied:

"No, I don't know myself where the complaint about allegedly not making information available on the pork thing is concerned, because it was available. It was known and announced, and it was given unusual attention.

"We don't normally announce that information. Changes in purchase policies are made according to exigencies of the marketplace, and are known after the fact, not before the fact.

"And in this case, this was followed, and subsequently there was all kinds of attention on it, and I have never been able myself to understand where the complaint came from that information was being withheld."

Question: "Well, it is your position as of now, then, that all of this was handled with the proper security and with no laxity at all?"

Answer: "There were no market implications on the pork thing anyway. That had no effect on the market."

This comment seems inconsistent with Freeman's letter to McNamara recommending the order as a means "to help keep domestic food prices in line", as a means "to help minimize the price impact of defense food purchases", and as a significant means of affecting prices.

Mr. Speaker, it is shocking to read that according to the Department of Agriculture the "facts have become irrelevant" when an issue becomes political. We need facts. The truth will tell the story that the American people ought to know. If the Secretary acts in an unwise and irresponsible manner, he should not now claim he did not do it unless he has the facts to prove he did not. The claim that the facts are irrelevant adds to the implication of irresponsibility and those of us who believe that differences of opinion and philosophy are to be respected are surely filled with puzzlement at these events.

Mr. Freeman very happily made his letter available to the press which he wrote to Secretary McNamara asking him to rescind his order to the Department of Defense to reduce pork purchases. He could quickly set the record straight if he would make public his original letter to the Secretary of Defense in regard to the proposed order to cut pork purchases and I call on the Secretary of Agriculture to make that letter public.

This is not a game that should be played on the farmers. They are entitled to better treatment than they have been receiving from the Department of Agriculture. Let us see some action by the Secretary rather than confusing and contradicting claims.

PUBLIC MISINFORMATION

The **SPEAKER** pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 30 minutes.

Mr. RHODES of Arizona. Mr. Speaker, we hear much these days about a "crisis of confidence" or a "credibility gap." What is this problem, and what is the cause of it?

It is certainly real, as every Member knows from his mail, from his own polls, and from the nationally publicized opinion surveys. A recent poll conducted by National Analysts, Inc., of Philadelphia for the National Broadcasting Co. found 59.4 percent of those sampled thought the White House has not been "giving us all the truth about Vietnam." Another survey conducted for the Columbia Broadcasting System by Opinion Research Corp., of Princeton shows that 67 percent of the people believed their Government only "sometimes" told the truth about Vietnam, while another 13 percent answered "almost never."

Mr. Speaker, when surveys show that from 60 to 80 percent of the American people doubt the word of their leadership, it is a serious crisis indeed. As the New York Times has stated editorially:

> The credibility of the United States government has been one of the numerous casualties of the war in Vietnam . . . Americans are dying in Vietnam and more will die; there should be no misunderstanding whatsoever about what they are dying for—or why.

The Wall Street Journal has repeatedly voiced its concern over the credibility gap. It correctly warns that "a government, like a man, can be caught in only a few misrepresentations before people refuse to believe anything it says." And in a subsequent comment:

> Time after time high-ranking representatives of government—in Washington and in Saigon—have obscured, confused or distorted news from Vietnam, or have made fatuously erroneous evaluations about the course of the war for public consumption. The problem goes back to the Pentagon, to the State Department, and to the White House.

While this concern over credibility is greatest over Vietnam, where American lives are at stake, the crisis of confidence extends to every activity of our present administration. It is hurting our diplomacy abroad and our democracy at home. For as Thomas Jefferson noted:

> He who permits himself to tell a lie once, finds it much easier to do it a second and third time, till at length it becomes habitual; he tells lies without attending to it, and truths without the world's believing him.

But we are not speaking solely of outright lies, or what Sir Winston Churchill more delicately called "terminological inexactitudes." We are concerned about the whole spectrum of public misinformation and lack of information. As John Ruskin said:

> The essence of lying is in deception, not in words, a lie may be told by silence, by equivocation, by the accent on a syllable, by a glance of the eyes . . . and all these kinds of lies are worse and baser by many degrees than a lie plainly worded.

Mr. Speaker, as chairman of the Republican policy committee in the House of Representatives, I am happy that this committee is on record for more free and full disclosure of Federal Government information to the press and public as provided in S. 1160. I shall insert hereafter the Republican policy statement on this important legislation. But we cannot legislate against a deliberate policy of deception or a conscious policy of confusion. Here the vigilance of the public and the press, the zealous exercise of the constitutional independence of the Congress, and finally the judgment of the American voter must join to close the credibility gap.

Meanwhile, the crisis in confidence worsens. This is by no means a partisan observation. I shall append to these remarks the observations of no less than 14 seasoned American newsmen, editors, columnists and commentators over the past 2 years on this serious situation—Joseph Alsop, Walter Cronkite, Carl Rowan, J. Russell Wiggins, Richard Reston, James Reston, David Lawrence, Clark Mollenhoff, James Deakin, Anatole Shub, Doris Fleeson, Jack Steele, Saul Pett, Morley Safer. There are many more, and I am sorry if I have overlooked anyone.

On the May 16 editorial page of the Washington Star were two columns which spotlighted the seriousness and real reason for this widespread public concern. One by Howard K. Smith was headed: "Please, Mr. Johnson, Say Something on Vietnam." The other, by Clayton Fritchey, noted that President Johnson held only nine full-fledged press conferences in 1965 and only one this year, despite a promise to hold at least one a month, confirming Mr. Smith's complaint that "now when we need more assurance that our leaders know what they are aiming at in Vietnam, our chief guide has gone silent."

To be sure, President Johnson has shown late television viewers that Texas hill country where he was born, and recently he went to Princeton, N.J., and managed to get a few paragraphs about Vietnam into a speech about public service and the intellectual community. But those who were looking for a straw of guidance in this Presidential statement found mostly riddles. As usual, he seemed to be trying to please all his critics in his own party and among his own counselors at the same time.

Proudly the President recalled that in this generation "not one single country where we have helped mount a major effort to resist aggression—from France to Greece to Korea to Vietnam—today has a government servile to outside interests." The list has two interesting omissions, Cuba, where the help we gave was perhaps not a major effort; and Red China, which we helped to resist Japanese aggression but is not so servile now that she has exploded her third nuclear device.

Among the lessons this Nation has "so recently learned," President Johnson said, is "that a great power influences the world just as surely when it withdraws its strength as when it exercises it."

What does this Delphic utterance mean? Did he mean to say "withdraw" or "withhold"? We withdrew our strength at the Bay of Pigs. We are withholding it in Vietnam.

When President Eisenhower left the White House, there were about 700 U.S. military advisers in South Vietnam. Although President Kennedy increased the American military commitment to about 17,000, they were still primarily instructors and advisers. Since President Johnson made the decision which has resulted in a steady buildup to 255,000 ground troops, plus naval and air support forces, his public statements and those of his top officials have become increasingly contradictory, changing, and confused.

Nowhere has the fog of war become thicker than here at home. Nobody will quibble with President Johnson's comment on April 22, during the previous political riots in South Vietnam, that "We think the Vietnamese are going through a trying period." But so, Mr. President, are your own American citizens. When are you going to take them into your confidence, as Presidents of both parties have done in hours of national peril in the past?

Vice President HUMPHREY, returning from Asia after the Honolulu conference last February, declared, "I am encouraged because the battle has turned in our favor." The same day, February 24, President Johnson told a New York City audience that "the tide of battle has turned."

But by March 9, General Earle C. Wheeler, Chairman of the Joint Chiefs of Staff, told newsmen he "thought it was too soon to say" that the tide had turned. And the same day Gen. Harold K. Johnson, Army Chief of Staff, told a Senate committee that we have not seized "the initiative in any conclusive manner."

Under Secretary of State George Ball on April 10 assured the American people on a network telecast that the "political turbulence in South Vietnam" had caused "no particular reduction" in military operations.

Secretary of Defense McNamara contradicted Mr. Ball 10 days later when he testified before the Fulbright committee that "military operations have been at a lower level because of political disorders in the last approximately 2 weeks." He cited a 40-percent falloff in the number of Vietcong killed.

This was tragically verified by casualty lists which showed American losses exceeding those of the South Vietnamese Army for the first time in the war. By May 2, Mr. McNamara was ready to admit to the U.S. Chamber of Commerce that "we were near civil war at Da Nang one weekend, and the Ky government was almost overthrown."

During recent weeks, the administration has been conducting what might be termed an agonizing reappraisal of the situation in Vietnam. President Johnson returned from his Texas ranch and Ambassador Henry Cabot Lodge returned from Saigon for White House conferences. While they were underway, another serious internal crisis shook the Government of South Vietnam, starting with Premier Ky's sudden strike at dissident elements at Da Nang which appears to have jeopardized the prospects of promised elections and perhaps of any continued political stability in that troubled country. The U.S. Government, which so far has spent 3,234 American lives, the blood of some 15,000 American wounded, and approximately $1 billion per month to save South Vietnam from Communist aggression, professes to have been taken completely by surprise by these developments.

Secretary McNamara now declines to say when the war would be over—his last prediction, maintained through most of 1964 by high administration spokesmen, was that most Americans would be home by the end of 1965.

During that presidential election year, Mr. Johnson himself was neither silent nor reticent about speaking on Vietnam. In August he said "the United States intends no rashness and seeks no wider war." In September the President assured Americans "we don't want our American boys to do the fighting for Asian boys. We do not want to get involved in a nation with 700 million people and get tied down in a land war in Asia. So what are we doing? We have some tanks, some planes, and some helicopters. We have 20,000 men out there advising and helping them."

Following his election, President Johnson himself was neither silent nor reticent to talk about Vietnam. He told the people of his decision to order retaliatory air attacks against North Vietnam after Communist provocations in February and April 1965. In May he declared "there are those who ask why this responsibility should be ours. The answer is simple. There is no one else who can do the job."

Mr. Speaker, what is important is the incredible confusion of claims and statements of policy from the highest levels of our Government, both as to our military purposes and political goals in the Vietnam war. First the administration talks too much and then too little, but mostly, as the White House Press Secretary, junior grade, Bob Fleming confessed at a seminar at the University of Wisconsin last May 14, they "talk faster than they think."

Only the President of the United States can resolve this crisis of credibility, clarify the murky puddle of public misinformation which has been given out on the Vietnam situation by scores of conflicting voices, and restore the calm and confidence which the American people have always shown in their finest hours.

The American people are mature, courageous, and strong. They are not children and they do not need sugar-coated medicine or honeyed half-truths. They desperately want and are waiting for the truth, the whole truth, and nothing but the truth from their President.

Mr. Speaker, here are just a few of the irregular classifications used by Federal agencies to withhold information from the American people:

1. Limited Use Only.
2. For Official Use Only.
3. For Staff Use Only.
4. For Government Use Only.
5. Eyes Only.
6. Limited Official Use.
7. Official Use Only.
8. Internal Documents.
9. Not For Public Inspection.
10. Limitation on Availability of Equipment Files for Public Reference.
11. Experimental Report.
12. Information.
13. Administratively Restricted.
14. For U.S. Government Use Only.
15. Personnel.
16. Nonpublic.
17. Not For Publication.
18. Personal.
19. Restriction.
20. Administrative Confidential.
21. Confidential Treatment.
22. Medical-Private.
23. Accepted in Confidence.
24. Individual Company Data.

Mr. Speaker, here are the findings of two recent opinion polls:

NBC: A poll conducted by National Analysts, Inc., of Philadelpha, for NBC but not used on a network special about Vietnam April 2, 1966, found that 59.4 percent of those polled thought the White House has not been "giving us all the truth about Vietnam"—Washington Post, April 3, 1966.

CBS: A poll conducted for CBS by the Opinion Research Corp., of Princeton, showed that 67 percent of those sampled believe the Government only "sometimes" tells the truth about Vietnam. Thirteen percent said "almost never"—for a total of 80 percent—and only 15 percent said the Government "always" tells the truth. Five percent had no opinion—Deakin, New Republic, January 29, 1966.

Mr. Speaker, may I append a few pertinent quotes on the subject of public misinformation:

Thomas Jefferson: "He who permits himself to tell a lie once, finds it much easier to do it a second and third time, till at length it becomes habitual; he tells lies without attending to it, and truths without the world's believing him."

John Ruskin: "The essence of lying is in deception, not in words; a lie may be told by silence, by equivocation, by the accent on a syllable, by a glance of the eyes attaching a peculiar significance to a sentence; and all these kinds of lies are worse and baser by many degrees than a lie plainly worded."

Sir Winston Churchill: "Terminological inexactitude."

Ralph Waldo Emerson: "Every violation of truth is not only a sort of suicide in the liar, but is a stab at the health of human society."

James Madison: "Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy or perhaps both."

Mr. Speaker, here are just a few editorial comments on public misinformation:

New York Times, April 23, 1965: "The credibility of the United States government has been one of the numerous casualties of the war in Vietnam . . . Mistaken judgments are understandable—though if too frequent, indefensible; but deliberate distortion or obfuscation, or the selection or repression of facts for propaganda purposes, is inexcusable. Americans are dying in Vietnam and more will die; there should be no misunderstanding whatsoever about what they are dying for—or why."

The Wall Street Journal, December 1, 1965: "A government, like a man, can be caught in only a few misrepresentations before people refuse to believe anything it says. Much of the current clamor against the U.S.-Vietnamese policy is probably based in just such a feeling. A democratic government has a moral obligation to be candid with its citizens; and lack of candor poisons the open discussion often necessary to sound policy and public support. But even from the narrow viewpoint of its own self-interest, the Administration should recognize that its credibility is a precious but easily expendable asset."

The Washington Star, January 20, 1966: "Now, in 1966, the country certainly could do with a little more truth in government and a little less fiscal sleight of hand."

The Wall Street Journal, April 23, 1965: "Time after time high-ranking representatives of government—in Washington and in Saigon—have obscured, confused, or distorted news from Vietnam, or have made fatuously erroneous evaluations about the course of the war, for public consumption. . . . Yet the contradictions, the double-talk, the half-truths released in the name of the United States government about the Vietnamese War are not the fault of the USIA alone. The problem goes back to the Pentagon, to the State Department, and to the White House."

Mr. Speaker, these are the views of 14 distinguished journalists on the topic of public misinformation:

Joseph Alsop, in a speech to the American Foreign Service Association, March 25, 1965: "An official is a man by definition doing the public's business. The public has a right, and the public has a need, to know about its business . . . The truth is that practices have grown up in the American government in the last years—and particularly quite recently—of a kind that amount to an unseen and . . . extremely unhealthy change in the basic American system.

"Our government . . . lives and moves and acts by public information. It does not matter what an inner group of policymakers may decide. If the public is not adequately informed, if they do not understand the problem, the decisions that the policymakers make will not be publicly supported, and so the job will not be done."

Walter Cronkite, CBS News, speech to the Inland Press Association, Chicago, February 22, 1966: "The very foundation of the democratic system is built on honesty and the belief in the honesty of our fellow men . . . Yet the political lie has become a way of bureaucratic life. It has been called by the more genteel name of 'news management.' I say here now, let's call it what it is—lying.

"I would like to suggest that one of the reasons for the great confusion which wracks this nation today over the Vietnam War is the fact that we were committed without a proper airing of the facts—all the facts. This Administration and preceding ones did not level with the American people on the nature or scope of the commitment which, I submit, they themselves must have known was one of the ultimates of our policy."

Carl T. Rowan, former Director of USIA, in the Washington Star, January 26, 1966: "The question most often asked goes like this: 'Is the government telling the American public the truth about Viet Nam?' . . . 'How much is being held back to cover up other mistakes by McNamara and the rest of the Administration?' You listen and soon sense that the questioners are neither doves nor hawks. They are members of that great middle mass of Americans who want to feel committed in the great Viet Nam debate but feel too poorly informed to take a firm stand . . . The people who have questioned me seem to understand that the national security requires the withholding of certain military and diplomatic information from the public. But these people make the point, a valid one I think, that the public does have a right to know about and discuss the options before major new decisions are made. . . . This is what the public wants and an administration that wants solid public support, as I know this one does, ought quickly to find a way to provide it."

J. Russell Wiggins, editor, Washington Post, in his book, "Freedom or Secrecy": "If a government repeatedly resorts to lies in crises where lies seem to serve its interests best, it will one day be unable to employ the truth effectively when truth would serve its interests best. A government that too readily rationalizes its right to lie in a crisis will never lack for either lies or crises."

Richard Reston, Los Angeles Times, December 29, 1965: "The President's latest problem is one of fading public confidence in official government pronouncements on the conduct of U.S. diplomacy in Viet Nam. Indeed, Washington is having trouble maintaining both at home and abroad the kind of credibility needed to support its political position. It is this loss of confidence that now gives rise to doubts and even suspicions about whether the Administration really means what is being said * * *."

James Reston, New York Times, May 17, 1966: "What he (LBJ) wants is worthy of the faith and confidence of the nation, but this is precisely what he does not have, because his techniques blur his conviction. * * * He is mixing up news and truth. * * * He is confronted, in short, with a crisis of confidence."

David Lawrence, column in the Washington Star, April 27, 1965: "Perhaps the whole controversy would not have reached the climax that it has in recent weeks if there had not been a prelude—namely, an era of so-called managed news at the Pentagon. This has left an unfortunate blemish on the record. When the only news given out is designed to accomplish a political purpose, confidence on the part of the public in the accuracy of what is printed is bound to wane."

Clark Mollehoff, Cowles Publications, in his book, "Washington Cover-up": "No single factor is more important to the strength of our democracy than the free flow of accurate information about the government's operation. The citizen in a democracy must know what his government is doing, or he will lack the soundest basis for judging the candidates and the platforms of our political parties."

James Deakin, St. Louis Post Dispatch, in the New Republic, January 29, 1966: "The essential veracity of an American government has seldom been a prolonged case of doubt. This is why persistent charges of a 'credibility gap' in the Johnson Administration merit examination."

Anatole Shub, Washington Post Foreign Service, dispatch from Bonn, May 7, 1966: "The 'credibility gap' which has affected the Johnson Administration's pronouncements on Vietnam appears to have spread to this part of the world. A few West German officials still profess to know what U.S. policy here is going to be over the next year, but even these officials show no great confidence in their beliefs. . . . The trouble is that . . . the Administration has been saying one thing one day, doing something else on the next . . . Wild rumors proliferate in all directions, and most of them seem to have some official source. The impression is strong that either the United States is playing it by ear from day to day, without making up its mind on any of these issues, or else that so many different minds in the Administration have been made up that nobody really knows which one counts."

Doris Fleeson, column in the Washington Star, May 4, 1965: "News management in the Nation's Capital is currently more deliberate and sweeping than it ever was during World War II or the Korean period . . . Before the wellsprings of public discussion are further damaged or dried up, the Johnson Administration urgently needs to recognize that there is no point trying to win the world while doing irreparable injury here at home."

Jack Steele, Scripps-Howard, in the Washington Daily News, March 7, 1966: "There is a big 'confidence gap' today between Mr. McNamara and key Senate and House leaders in the fields of military and foreign policy who do not share President Johnson's faith in his Defense Secretary. . . . (It is) largely the result of heavy-handed Pentagon censorship of questions raised by Congress about the nation's military preparedness and Mr. McNamara's emotional outburst last week in answering charges that the Viet Nam war has stretched thin the nation's military manpower and equipment."

Saul Pett, Associated Press, in the Washington Star, March 6, 1966: "In a town of passing prose favorites, this year's phrase so far is the 'credibility gap' in government. Does it in fact exist? It does, or seems to, and seeming to, it exists. Among students of the Lyndon Johnson school of window dressing, there are those who detect a tendency to be passionately secretive about innocuous details, to become righteously indignant when transparent political motives are suggested, and to overdress the window. . . . Lyndon Johnson has been known to have an acute sense of secrecy dating back to his Senate days. An old friend and aide once tried to explain it: 'I think it's the gambler or politician in him. He just doesn't like to reveal his next move. He plays things close to the vest.' "

Morley Safer, CBS News, in "Dateline 1966," the annual publication of the Overseas Press Club of America. Mr. Safer reports on an informal meeting of war correspondents covering Vietnam in the summer of 1965 with Assistant Secretary of Defense Arthur Sylvester at the residence of Barry Zorthian, Minister Counselor of the U.S. Embassy in Saigon:

"Zorthian was less relaxed than usual. He was anxious for Sylvester to get an idea of the mood of the news corps. There had been some annoying moments in previous weeks that had directly involved Sylvester's own office. In the first B-52 raids, Pentagon releases were in direct contradiction to what had actually happened on the ground in Vietnam.

"Also, those of us involved in broadcasting were anxious to discuss the increasing problems of communication. There was general opening banter, which Sylvester quickly brushed aside. He seemed anxious to take a stand—to say something that would jar us. He did:

" 'I can't understand how you fellows can write what you do while American boys are dying out here,' he began. Then he went on to the effect that American correspondents had a patriotic duty to disseminate only information that made the United States look good.

"A network television correspondent said, 'Surely, Arthur, you don't expect the American press to be the handmaidens of government.'

" 'That's exactly what I expect,' came the reply.

"An agency man raised the problem that had preoccupied Ambassador Taylor and Barry Zorthian—about the credibility of American officials. Responded the Assistant Secretary of Defense for Public Affairs:

" 'Look, if you think any American official is going to tell you the truth, then you're stupid. Did you hear that?—*stupid.*'

"One of the most respected of all the newsmen in Vietnam—a veteran of World War II, the Indochina War and Korea—suggested that Sylvester was being deliberately provocative. Sylvester replied:

" 'Look, I don't even have to talk to you people. I know how to deal with you through your editors and publishers back in the States.'

"At this point, the Hon. Arthur Sylvester put his thumbs in his ears, bulged his eyes, stuck out his tongue and wiggled his fingers.

"A correspondent for one of the New York papers began a question. He never got beyond the first few words. Sylvester interrupted:

" 'Aw, come on. What does someone in New York care about the war in Vietnam?' "

VIETNAM

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. QUILLEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. QUILLEN. Mr. Speaker, so many revelations in the past months have greatly emphasized the need for a complete reevaluation of the war in Vietnam.

I believe that there should be a complete investigation of the whole Vietnam war and a report made to the American people as to the true facts.

I am deeply concerned that there seems to be no apparent plan to win. I am also deeply concerned with the physical welfare of our troops and with the policies of the Defense Department relating to those who are sent to Vietnam.

As regards the physical well-being of our men in Vietnam, I am inserting at this point in my remarks two letters from a young soldier from my district, which were written to his parents before he was killed in battle:

[From the Greeneville (Tenn.) Sun, May 28, 1966]

LETTERS FROM PFC. F. T. SHELTON TELL OF VIETNAM CONDITIONS

(EDITOR'S NOTE.—Mr. and Mrs. Tom Shelton, Route 3, Mosheim, parents of Pfc. Frank T. Shelton, who was killed in Viet Nam on May 18, have received letters from their son, dated May 14 and May 17, in which he tells something of the conditions in Viet Nam. The letters appear below with the consent of the parents.)

"May 14, 1966

"Hi Mom, Dad and all,

"Hope this letter finds you all feeling well and happy. I am fine. Well Mom, I am back out here in the field. We are running short of men in our BN (battalion) now, and they got a bunch of us wounded guys to come out and secure the BW area. All I have to do is set here around BW and keep the VC from coming in on us.

"My leg is almost healed up now. It is just a little sore. In another day or two I won't even know I got hit.

"Well, Mom, I don't know how much longer we will be out here. The men are really run down. They all need a rest. They said that when we go back in we will be in main camp for a day or two and then move out on another mission somewhere. I don't know where it will be. We are about 20 to 30 miles from base camp now. So that means that we have walked about 40 miles so far.

"Well, Mom, I don't have much to write about today so I will close for now. Tell every body hello for me. You all be good and don't work too hard. By by for now.

"Love,

"Timmy."

"May 17, 1966

"Hi Mom, Dad and all.

"Hope this letter finds you all feeling well and happy. I am fine.

"Well, Mom, we made it back to main camp yesterday morning. We are getting ready to move out right now. We will move out sometime today. We are going to Happy Valley. We have a BN up there now and they got hit hard yesterday. I don't know for sure how many men that they have lost, but it must have been a bunch. I sure hope we don't run into anything.

"We don't have too many men in my BN now. We have lost a lot of guys that have got out of the army and we don't have any replacements in yet.

"Well, Mom, I have not taken many pictures yet. I have not even taken up a roll of film.

"I am taking my camera with me so I can take some pictures of Happy Valley.

"Well, Mom, I am going to have to make this short so I will close for now. You all be good and don't work too hard. Tell everybody hello for me. By, by for now.

Pfc. Shelton had been wounded in Vietnam, and he had just returned to active duty. The question is, Should he have been sent back to active duty when he was? He says in his letter that his leg was still sore, but he was required to walk 40 miles. Why was he required to do this? The young soldier answers that question by saying that his battalion was below strength and that his battalion was being sent to assist another that also was below par.

I have never said that we should be in Vietnam, but I have continually said that, now that we are there, we must support our men to the fullest degree. And by support, I mean that they should have all the necessary equipment, facilities, and assistance they need.

I know the Defense Department says that it is doing all that it can and that we must realize that it is somewhat difficult to transport men and supplies to a place thousands of miles away. But, I say, the Department knew this would be the case before it ever augumented our troops, and the necessary provisions should have been made long before now.

Another point I wish to discuss today in regard to Vietnam, Mr. Speaker, is the policy of who goes to Vietnam and who is deferred. The young soldier, whom I just mentioned, has a brother now serving in Vietnam. I realize the difficulties involved in choosing who goes and who stays, but it seems only proper that if one member of a family is killed in Vietnam, another member of his family should not be left there. After all, the number of our troops committed there is small in proportion to those involved in World War II, when it was reasonable to expect every able-bodied man to be called to military service and placed in the war zone.

But such is not the case today, and I strongly recommend that this policy be carefully studied and altered to meet the situation of the present time. We owe this to the parents, wives, and children of our men, who are making great personal sacrifices.

Just because this is not an easy matter to solve does not mean that we should do nothing about it. The greater challenge requires greater efforts to fairly handle the situation.

As the number of flag-draped caskets arriving from Vietnam increases each day, my constituents ask me more and more what we are doing to see that our men are taken care of. A mother whose son also was killed in Vietnam wrote and asked me:

> Please see that our boys have the very best of everything to fight this war with.

I demand that this be done, and I ask for action now.

Concluding my remarks, I am inserting here an editorial from the Greeneville Sun, the hometown newspaper of Private Shelton, and I trust that the Department of Defense will carefully study the suggestions contained therein.

Let us end this war—quickly and honorably.

[From Greeneville (Tenn.) Sun, May 27, 1966]

ONE SON IS ENOUGH FOR ANY FAMILY TO GIVE IN VIETNAM

The war in Viet Nam is coming closer to home all the time.

As Greeneville and Greene Countians stop to mourn the death of a local son, Pfc. Frank Timothy Shelton, this terrible war in all of its poignancy is brought sharply before us.

Most Americans firmly believe that our efforts in Southeast Asia are actually in our own defense and in preserving a world balance that can contain the expansionist aims of Communist China.

Pfc. Shelton has a brother presently serving in Viet Nam. While he is not the only son, it seems to us that it would be compounding the tragedy to have to subject this family to the possible death of two sons in this conflict, especially since such a small proportion of our youth are participating in the conflict in any capacity.

We strongly urge the Department of Defense to reconsider their policy and when one son of a family is killed in the service of their country in that far off land that any other sons of the same family be excused from service in the war zone.

If this were an all out war in which vast numbers of our people were involved then it might be looked upon differently, but considering the limited nature of the war and the fact that so few, comparatively, are involved in the actual fighting at the present time, it seems only fair that one family not be asked to give up more than one son in this conflict as it presently exists.

THE CONTINUING QUEST FOR PEACE IN VIETNAM

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Wolff] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLFF. Mr. Speaker, the search for peace in Vietnam must be a bipartisan effort and must be beyond politics. I rise today to applaud my friend the senior Senator from New York, Mr. Javits, for his approach to a solution of this problem which so concerns us all.

I heartily endorse the Senator's proposal, which he made yesterday on Long Island at Hofstra University's graduation exercises, that the United States agree to cease bombing North Vietnam if we can secure a pledge from North Vietnam and the National Liberation Front to come to the conference table and negotiate a peace.

Senator Javits is quoted by the New York Times:

> The cessation of bombing in the north should provide Hanoi with some face-saving reason for agreeing to talk. It could also create a calmer atmosphere for the talks.

I concur in this.

I join the distinguished Senator in his call for a cease-fire in Vietnam to prepare for free elections. Hopes for peace in Vietnam rest with elections that truly express the desires of the people in their choice of government.

A cessation of the fighting would be of immense help in providing the proper climate for free elections—and I respectfully join my Republican colleague in his most recent contribution to our continuing quest for peace.

AMERICA

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Pepper] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PEPPER. Mr. Speaker, several weeks ago a capable and devoted State Department employee died in Miami. Francis X. Watterson not only had rendered outstanding service as special agent of the Department of State's Miami Field Office since 1955, but his earlier governmental service was of the same high type. This was particularly true of the time he spent in the armed services in World War II and in Korea.

In spite of the heavy work schedule, Francis Watterson found time to participate in community and church affairs and to devote adequate attention to his family. The inspiration which he gave his 7-year-old son Gregory is reflected in a school paper which Gregory wrote for his teacher. This simple statement is so direct and so inspirational that I have permission for its inclusion in the Record:

> Whenever I say "America" I think of freedom, and how our country got saved, and how we won the war. Whenever I say America I think of beauty and all the wonderful things God gave us. I think of all the nice beautiful trees and flowers and pretty grass. Whenever I say America I am thankful that I live in the United States, and have such nice parents and schools, like Miami Christian is a very nice school. I think of a church and Billy Graham who tells the Gospel of the Lord Jesus Christ and in America the Bible is taught everywhere. On Sunday, God's day, kids go to Sunday school with nice churches and teachers and people in the United States can be saved on Sunday. Some families have certain Bible reading and prayer.
>
> I love the United States and its beauty and nature, with God's word all over the United States, and people preaching all over the world and people in the United States are wishing that we will win the war with Viet Nam. I love the United States of America. That's why I'm so happy. When I grow up I am going to preach the gospel to the world.

SPACE MEDICINE

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Pepper] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PEPPER. Mr. Speaker, I would like to call to my colleagues' attention a career paper by Mario Gugierrez in accordance with his school requirements. I know that the Members would be pleased to see such a fine paper by this young student who lives in my district. Mario's career paper is on "The Profession of Space Medicine and Bioastronautics," and was a requirement of his U.S. Government and economic class.

Mr. Speaker, I respectfully include Mario Gugierrez' career paper at this point in the Congressional Record:

SPACE MEDICINE

(A career paper on the profession of space medicine and bioastronautics, by Mario Gugierrez)

After carefully going over my personal qualifications and measuring them up to my personal ambitions I have decided that the career that I am best suited for and I would like most to pursue is that of being a space doctor. First I will give a summary of this profession and what it involves.

Space medicine is a relatively new field which grew directly out of aviation medicine. The objectives of the biomedical sciences are the study, prevention, and alleviation of a number of medical problems and their hazardous consequences resulting from man's flight beyond the life supporting regions of the Earth's atmosphere. In other words, space medicine is to the space ship what aviation medicine is to the airplane.

Many different brands of specialists are found in the space-medical field. Some of the most important of these are, the medical researchers, physicists, astrophysicists, physiologists, biochemists, and human engineers.

Space medical research provides the basis for establishing for a sealed cabin ecology in space and in bases located on other worlds.

Bioastronautical specialists examine the effects of nuclear and space radiations on test animals and man and assist in devising methods of protecting the organism from them. They study acceleration, nutrition, respiration, toxicology, bacteriology, and the weightless phenomenon of travel in space. The results of their work help establish human tolerance to rocket flight.

Another very important aspect of this job is the selection and training of the astronauts. The chief medical advisor and his team determine whether prospective astronauts are physically in perfect condition. They then must conduct a series of tests to see how they can withstand the tortures of space. After an astronaut is selected they must then remain under constant care and study until time for their respective space mission. When in flight the space doctors are constantly monitoring all activities of the body. If any physical problem should arise while an astronaut is in space the team of physicians must be able to detect it and relay a course of action to the astronaut. After the termination of the flight the astronauts go through a physical debriefing in which they are thoroughly checked and rechecked.[1]

The opportunities and rewards of this unique profession are vast and great. It is said by many authorities that the career in space medicine provides no finer way to make lasting contributions to their country.

The average net income of a physician is $25,000 a year. Earnings tend to be much lower in the first years of practice and grow slowly. The space doctor will make about $33,000 to $40,000 after he has gained his position and becomes established in his specialty. The advantages of this field of medicine are not only in money but also the hours are more regular, vacations with pay, and no overhead.

Since man will constantly be exploring space and we have only begun to travel in this new frontier, this profession is as secure as the astronaut's himself.

WHY DID I CHOOSE THIS CAREER?

According to my references [2] a person pursuing a career in medicine should have the following qualifications. First of all, is your capacity of learning and the degree of intelligence sufficient for tough courses of a medical education. He must be able to be a good college student without too much trouble, and he must be able to enjoy studying and find it stimulating. Secondly, does he have the capacity for hard work. He must have self-discipline and adhere to set standards and routines he has set for himself. Thirdly, he must have self confidence. He must have faith in his own ability and be self assured of his self. Next he should have the compassion to deal honestly with all kinds of personalities without becoming impatient. The physician must also have personal integrity and be depended upon not to violate confidence. In addition he must have a pleasing personal ability. He should be neat, clean and well groomed. Finally he must have good insight and judgment. He must be able to size up a total situation and be able to look under the surface of things. They must be able to understand human nature and use good psychology.

After I went over these qualifications I finally decided that I meet many of the qualifications well but there are still several that I must need to develop on. I also went to my counselor at the beginning of the year and asked his advice from what he knows of me and from my grades in high school. He told me that from what he can see there is no reason why I should not pursue this career if I had the desire and ambition.

The reason I selected the specialty of space medicine is ironically because of this career paper. Up until now I had been undecided on what special branch of medicine I would go into, but in my research for this report I came across this topic and after reading in to it I became greatly interested in it. I did some more research on it and have decided to go into this particular field.

HOW WILL I PREPARE FOR THIS FIELD?

My preparation for a career in medicine began when I was in ninth grade and selected my courses for my sophomore year at the senior high. The following is a list of the required high school credits for a premedical college program: [3] Laboratory Science, 2 or 3 years; English, 4 years; Foreign Language, 2 to 4 years; Social Studies, 2 to 3 years; Mathematics, 2 years algebra, 1 year of plane geometry.

I have followed these requirements all the way and I am now preparing for my courses in pre-medicine. I have set up an interview with the student counselor at Miami Dade Jr. College to set up my curriculum. The following requirements are needed for acceptance into a medical school: [4] English, 12 hours; Inorganic Chemistry, 8 hours; Organic Chemistry, 8 hours; Physics, 8 hours; Biology or Zoology, 8 hours; Quantitative Analysis, 4 hours; Social Sciences, Humanities, 24 hours; Mathematics, 16 hours; Reading knowledge of French, German, or Spanish.

After I complete my four years of college in pre-med, I will apply for admissions to several schools of medicine, hoping to get into one. If I am accepted to a school of medicine where I will attend for four more years. Here I will get my first real taste of being a doctor (I am planning to apply to schools which offer courses in space medicine).

After completing my studies at the medical school I will apply for internship at a hospital. During internship you work in a hospital with real patients and it is mainly to get you used to the idea of working on human beings. The pay for an intern ranges from $150 to $500 and lasts for two years.

When your internship has ended you may apply for a medical license by taking either state or national board examinations. When I pass these exams I am a doctor and may apply for residency in a hospital. After I complete a year or two as a resident and have full confidence as a doctor I will take post graduate courses in space medicine after I feel I know enough to be a space doctor I will take the board tests and if I pass I will apply for a job with NASA and I will work in either Houston or Cape Kennedy.

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ADDRESS OF MANOLO REYES AT THE YOUNG MEN'S CHRISTIAN ASSOCIATION, INTERNATIONAL BRANCH

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Pepper] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PEPPER. Mr. Speaker, I was pleased to read an address by Manolo Reyes, the Latin news editor of one of the South's largest television stations, WTVJ channel 4. Manolo's address was before the Young Men's Christian Association meeting in Miami.

I would like to commend this excellent address to my colleagues' attention and I hope that all those who have the hopes of better and higher education for all our youth will take note of Manolo's feelings in his farewell address to Miss Edith Chase, a teacher for 41 years in the public school systems:

An Address by Manolo Reyes, WTVJ Latin News Editor, at the Young Men's Christian Association, International Branch, May 14, 1966

There are only a few times in an entire lifetime, that a human being has the privilege of facing a situation such as this one.

I am 41 years old and have never in my life had the high honor which brings me here today.

It is a sad duty, for we shall miss her unforgettable contributions to our lives.

I am here to officially bid farewell to Miss Edith A. Chase, a teacher in this country for 41 years and a pillar of education in the United States.

There is no doubt that the leaders of nations are formed in the schools, and the driving force, the motor, the central nervous system of every school is the teacher. And good schools must have good teachers.

Miss Edith Chase, during her 41 years as a teacher has proved to be one of the best in the United States. Four generations of North American citizens have passed through the classrooms of this exemplary educator. She is a great woman chosen by God to face in the classrooms a special, unique situation created in Miami during the last years.

Edith Chase was born in Minnesota. Attended St. Paul's Macalester College and later the University of Minnesota. Miss Chase graduated from the University of Miami with an A.B. Degree. She got her master's degree in Education from the University of Iowa.

Before coming to Miami, Miss Chase was high school principal in Lester, Iowa, and in Kindred, North Dakota. She also was temporary teacher in Portland, Oregon, and in Seattle, Washington.

She came to Miami in the year 1925 and was principal of Opa Locka Elementary and Southside Elementary. During the last 16 years, she has been principal of Riverside Elementary.

All the above, said in my poor language and written in half-a-page, represent, ladies and gentlemen, 41 years of the life of Miss Chase dedicated to teach, dedicated to help, dedicated to sacrifice, dedicated to form new people.

Her 41 years of teaching, guidance, love and sacrifice could not truly be told in a million pages.

There are those who believe that to be a teacher you must have the right sense of justice. That the teacher must teach with accuracy and strict discipline. For them the teacher is a judge.

Others see in the teacher a father or a mother, with an open heart to understand and guide their students as their own children.

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[1] Poole, Graye, *Scientists Who Work With The Astronauts*, Dodd, Mead, & Co., New York, N.Y., copy. 1964, pp. 131–132.

[2] Kalb, William S., *Your Future as a Physician*, A. Richard Rosen Press, Inc., New York, N.Y., copy. 1963, pp. 32–36.

[3] Ibid. p. 47.

[4] Ibid. p. 58.

In other words, the school is the second home, and the teachers are the continuation of the parents at school.

Miss Edith Chase has known how to wisely combine the parallel lines of love and justice, of understanding and discipline, to form a bedrock of true and truthful education, and this was demonstrated with the arrival of thousands of Cuban children to Florida. The greatest exodus to the American continent since it was discovered.

Edith Chase never dreamed, when she was attending schools in her native Minnesota, that God had chosen her to be the teacher of American citizens and of Cuban citizens fleeing oppression and tyranny.

Maybe it is because God tries those He knows He can try . . . and try she did.

With the eternal gratitude of the Cubans, Edith Chase has succeeded in the challenge given to her by history with the Cuban exodus.

The history of that Cuban exodus has apparently had three phases in these areas: The first in which everyone wondered what would happen to the thousands upon thousands of Cubans arriving here without money, clothes or future hope.

There was the second phase of resentment, quite logical in every exodus, where there were bitter comments against the Cuban exiles.

And the third one, the one we are living now of perfect harmony, which reflects the traditional friendship of the United States and the Cuban people. Friendship born from history, sealed with the blood of the Americans and the Cubans, who fought and died together in Cuba . . . for the freedom of Cuba.

And we can say here, without the fear of making a mistake, that our brothers in their exodus had but one initial purpose: Save our children from communist claws and bring them over to study at lands of freedom. For like Americans, Cubans have an ever-burning hunger for freedom.

During the three phases encountered in these areas by the Cuban exiles, they found but one attitude in Edith Chase: An open heart to help, understand and teach. She was not a taker, but a giver, and she gave her strength to all of us.

We could reveal thousands of situations in which the problems of Cuban children were solved by Miss Chase to show her greatness of soul and her valuable council that labels her a great and memorable educator.

We must recall that the Cuban exodus has been totally new for the North American citizens and for the Cuban as well. Neither they, nor us, had ever faced a similar situation. Thus, we had to make new rules, new methods by which to work, as the new situations were presented.

And when the Cuban child did not have money to pay for lunch, he had to go to the school's office to request a special ticket to fill an empty stomach. It embarrassed him, made him feel different and insecure. Miss Chase knowing the heart of a child, rapidly ruled out the office request for lunch tickets, and established a procedure by which all entered the cafeteria to have lunch, and no one knew who could or could not pay for his lunch.

On the other occasions, the Cuban child who was at fault was taken to her office for discipline. The first question from the lips of this great woman was : "Where are your parents?" And if the child said: "In Cuba" the kiss he could not get from his mother was given by Miss Chase.

Examples like this and many more which we cannot reveal because of our limited time has gained Miss Chase the respect, the love and gratitude of the Cuban parents and teachers.

There are three kinds of human beings in life: Those who sow, those who cultivate and those who pick up the crop.

The teacher sows. The teacher throws the good seed in the virgin furrow of the new minds. The teacher is always learning in his responsibility to teach better. The teacher is a mirror, is an example. These truths have been the main reason in the life and work of Miss Edith Chase.

We are here today, with this humble but sincere act, with the simplicity of great things, to give homage to this great educator of the United States.

The seed she sowed with love and dedication has already started to give its fruits in the hearts of all those who have known her and have worked with her. Starting today, the date on which she retired to enjoy a well deserved rest, her word, her examples, her teachings get the strength of an institution. This is why we could never tell her "good by" because she has written brilliant and unforgettable pages in the history of education in the United States. These pages have set forth a volume dedicated to human kindness and understanding.

May Miss Edith Chase receive with my humble words, the recognition of a grateful country, of thousands of Cuban parents and teachers whom, with their sole faith in God, left everything behind to save their children, and found in you, an understanding soul to help them gain back their faith in themselves to educate their children through the right ways and make them the future leaders of this country and theirs.

You've left your work on each one of your students. You have a son and a daughter in each one of them, and Cuba will always be grateful to you.

For all this, we honor Miss Edith A. Chase, great teacher, great educator, a great human being.

INTERNATIONAL EDUCATION ACT

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. WILLIAM D. FORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Speaker, I want to express my deep gratification upon the passage of H.R. 12452, the International Education Act of 1966.

As a member of the International Education Task Force, of the House Education and Labor Committee, it was my privilege to work with this legislation since its inception, and to hear the testimony of many witnesses who spoke in favor of this far-reaching plan.

I believe that this act can be and will be the first step toward better understanding among the peoples and nations of the world. I am confident that this farsighted plan will someday emerge as one of the most important pieces of legislation enacted by the 89th Congress.

The proposals of this act are threefold: to establish graduate centers for advanced international training and research; to strengthen undergraduate instruction in international studies, and to expand language and geographic area studies.

The import of these goals cannot be overemphasized. Every segment of our national life is becoming more and more international in its scope. The successful participation of the United States in today's world, and in tomorrow's world, depends upon an expanded understanding of other nations and their problems.

Not only must we learn to better understand the other peoples of the world, but we must learn to understand their problems, so that we can work with them toward solutions. Every thinking person today recognizes that the future of the United States of America is linked inflexibly with the destinies of many other countries, and many other peoples.

If the International Education Act of 1966 can make us, as a Nation, more aware of our international environment, and lead us toward a better understanding of our relationship to the rest of the world, then we have indeed accomplished much by its passage.

YOUNG NEW JERSEYITE DEVELOPS TECHNIQUE WHICH MAY IMMUNIZE PEOPLE FROM EFFECTS OF RADIATION

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, the achievements of our scientists are very much taken for granted, since many of them have attained their scientific breakthrough after many years of experimentation, and the scientist has already attained middle age or beyond.

However, I take great pride to bring to the attention of this honorable body the scientific achievements of Miss Letantia Jankowski, a young Polish high school student of Lodi, N.J., who performed her experiments in a bedroom laboratory of her home.

The experiments performed by Miss Jankowski could have far-reaching effects upon the life of the people of the world. They could nullify the effects of radiation from nuclear weapons.

We can take pride in the fact that, despite student riots and demonstrations, there are some serious-minded young people who consider putting their education to good use for the benefit of all society and making their own education of prime importance to themselves.

I would like to take this opportunity to extend my heartiest congratulations to Miss Jankowski for the success she has attained and to wish her every possible success in her future endeavors. I also wish to extend my congratulations to her parents, Mr. and Mrs. Victor Jankowski, who have provided her with the means to carry out her experiments, and to her teachers, the Felician Sisters of the Immaculate Conception High School, for the encouragement and supervision they offered her in the performance of the work that she undertook.

I am sure that Mr. and Mrs. Jankowski have great pride in the achievements of their daughter, Letantia, and are probably doubly proud since Letantia's younger sister, Evelyn, is also scientifically minded and performing experiments of her own.

Mr. Speaker, under leave to revise and extend my remarks, I would like to include two articles on the achievements of Miss Jankowski. One has appeared in the May 26 issue of the Catholic Standard, the archdiocesan newspaper of Washington, D.C., and the other which appeared in the June 1 edition of the Post Eagle, published weekly in Clifton, N.J., by Mr. Chester Grabowski.

The articles follow:

[From the Catholic Standard, May 26, 1966]

WINS AIR FORCE AWARD: GIRL MAY HAVE SCORED RADIATION BREAKTHROUGH

LODI, N.J.—The scientific achievements of a senior at Immaculate Conception High School here have won a U.S. Air Force award.

Letantia Jankowski, 18, has been given the Air Force Aero Space Award for experiments conducted in a makeshift home laboratory where she developed a vaccination program which the Air Force believes may nullify the effects of radiation in humans.

The particular achievement for which she has been cited is the immunization of mice against lethal exposure to cobalt radiation.

INTERNATIONAL AWARD

She won the Aero Space Medicine Award at the International Science Fair in Dallas, Tex., where she was a finalist for the third consecutive year.

As a result, she will spend the summer working at the Air Force aerospace research center in Texas and with two other students will represent the U.S. Armed Forces at an international science exhibit in Tokyo, Japan, in November.

The authority for the importance of her work is Air Force Col. Edwin Ballinger. "This girl has uncovered some vital information on radiation immunization," he said. "We'll make a careful study of her work and perhaps duplicate it on a large scale."

Col. Ballinger heads the radiological research program at the Air Force School of Aero Space Medicine at Brooks Air Force Base, Tex. He said both the Army and the Atomic Energy Commission are also interested in her work, carried out in the bedroom of the home where she lives with her parents and her sister, Evelyn.

SISTER, TOO

Evelyn is another budding scientist. She won a December trip to Chicago at a science fair sponsored by the New Jersey Junior Academy of Science.

Miss Jankowski said she started her radiation experiments because of the threat of nuclear war and increased attention to the use of radiation in medical treatments.

After reading about the work being done by scientists in England and America, she wrote for samples of two compounds with which experiments were being conducted. She ran exhaustive tests of both, using mice for her experiments. Then she developed her own formula and technique as a combination.

Of four mice vaccinated by her after being exposed to lethal doses of radiation, three showed no effects whatsoever. While one died, she said, it is not certain that either radiation or the vaccine caused the death.

Air Force doctors expressed belief that in addition to providing a clue to immunization, Miss Jankowski's experiments may be helpful in transplanting organs or live tissue from one person to another. In her experiments, Miss Jankowski grafted skin from other mice onto those which had been exposed to radiation and immunization and the grafts lasted twice as long as grafts made onto control mice.

Science, however, is not the Lodi girl's only interest. She's treasurer of the student council, does the art work for the school newspaper and literary magazine, and is a member of the debating team. On top of that, she tells interviewers: "I love dances and mixers. If I worried about nothing else but scientific projects and I never went out, I'd go crazy."

CONSULTS EXPERTS

Miss Jankowski has won a number of awards and trips to scientific conferences as a result of her work. Not at all bashful, if she reads an article which interests her, she will write the scientist and ask about his work.

"Nine times out of ten," she said, "they write back and send me information about their work, maybe some samples that I need, such as drugs, and give encouragement." She learned skin grafting, for instance, from a plastic surgeon in Passaic, N.J.

Sometimes, she admits, she's been told "you're too young for that, young lady," but philosophically she adds: "There's always somewhere else to go."

Miss Jankowski will enter the University of Southern California in the fall on full scholarship and will major in biochemistry. Her goal, she said, is to do research for the government or one of the agencies of the United Nations, such as the World Health Organization.

[From the Clifton (N.J.) Post Eagle]

MISS JANKOWSKI OF LODI DEVELOPS TECHNIQUE WHICH MAY IMMUNIZE PEOPLE FROM EFFECTS OF RADIATION; AIR FORCE TO MAKE A STUDY OF EXPERIMENTS

Letantia Jankowski, a senior holding a student council office of treasurer, needs no introduction to some 520 girls at the Immaculate Conception High School, staffed by the Felician Sisters, who can look up to her with deep esteem and high commendations for her outstanding achievements in the field of science.

Letantia has received several awards at the recent International Science Fair sponsored by Science Service in Dallas, Texas, May 11 to 14.

This was her third annual successful participation as a finalist in the International Science Fairs.

Letantia's project: "ATP and Pyromellitic Acid as Radio protectors; Radio protection and Immunosuppression," was awarded first place by the Air Force Aerospace Agency. Authoritative Air Force sources say that Letantia through her series of experiments in which she immunized mice against a lethal 600 roentgens doses of cobalt radiation has developed technique which may immunize people against the effects of radiation. Her experiment also offers leads which can be of vital significance in limb and organ transplants.

Letantia was chosen by the Air Force to be one of three Armed Services representatives at an international exhibit in Tokyo, Japan, in November.

Other awards she received for this project are: Third Place from the Science Service; a $100 Savings Bond from the Dallas and Fort Worth Chapters of the U.S. Air Force Association; alternate award for the Atomic Energy Commission. The latter would provide a trip to the AEC Argonne National Laboratories in Illinois if any one of the original winners declines.

The Aerospace award entitles her to a visit to any Air Force research center she chooses in the country.

Air Force Col. Edwin Ballinger, head of the department of radiological research at Brooks Air Force Base, Texas, said that a careful study would be made to see if Letantia's experiment could be duplicated on a larger scale. She was invited to spend the summer with the researchers in the laboratories at the Air Force Aerospace Center in Texas.

Letantia attributes her success to the beginnings and encouragement she has received from her teachers, Felician Sisters, in the Science Department since her freshman year at Immaculate Conception High School, to professional men in the field of science and medicine; and nonetheless, to her loving parents, Mr. and Mrs. Victor Jankowski of 275 Grove Street, Lodi, who procure the necessary materials for her experiments, and provide an extension lab at their home. She also enjoys sharing her interests with her science-minded prize-winning younger sister, Evelyn, a junior at Immaculate.

Letantia has already received a full scholarship of $6,000 to the University of Southern California and a partial scholarship of $2,000 to Northeastern University in Massachusetts.

JAMES MEREDITH

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GILBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GILBERT. Mr. Speaker, I grieve for James Meredith, his family and my country when I think of the act of wanton lawlessness committed yesterday in Mississippi. It reminds us, just when we think that we are making real progress, that there remain people who are cruel and uncivilized in their intolerance of the dignity of others. It reminds us that we in Washington still are not finished with the work of civil rights. It reminds us that there are many who continue to doubt the Nation's determination to assure the human equality of all its citizens, a determination that we here in Congress have the responsibility to express.

In both President Johnson's civil rights bill, and my own, there is a provision for special Federal protection of civil rights workers. The perpetrator of the heinous act of lawlessness perpetrated on James Meredith must be brought to justice before the Federal bar, since his crime was directed against all the people of this Nation. The current civil rights bill, which the Judiciary Committee is now considering, must be given consideration in this session and I trust that it will be acted upon favorably. Enactment of this bill will not prevent appalling incidents such as the one of which James Meredith was victim yesterday. But it will notify any man whose inclinations are toward reckless lawlessness in his dealings with civil rights workers that the Federal Government will not stand by idly in tolerance of his conduct. Crimes against civil rights workers will become crimes against the Federal Government. I extend my sympathy to James Meredith and his family and a ray of hope to the Nation. We who believe in racial equality mean business. We will not rest until the national will in behalf of the dignity of all Americans become the national practice.

TULANE UNIVERSITY RECEIVES NATIONAL RECOGNITION

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. Boggs] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BOGGS. Mr. Speaker, in the 30 years since I graduated from Tulane University's School of Law, the university has made tremendous strides in so many academic areas. Literally, Tulane has advanced from what was essentially a "streetcar" college in the 1930's to a truly national—and international—university. Today students in Tulane's various colleges hail from most of the 50 States and from many foreign countries. In many fields of academic endeavor and scholarship, Tulane has attained deserved recognition as one of the great universities of our country, and I am proud to be an alumnus of the university.

Most recently, Tulane received national recognition from the National Science Foundation, by virtue of the Foundation's award to the university of a grant of almost $3.7 million under its science development program. The funds will be used by Tulane to enhance and improve the faculty and facilities of several of its science departments. By adding to the faculties of the departments of biology, mathematics, and psychology and building a full-fledged science center at the university the quality of instruction, particularly on the graduate level, will be greatly improved.

Dr. Herbert E. Longenecker, president of Tulane, noted after the grant to the university was announced:

> This grant from the science development program of the National Science Foundation is affirmation of Tulane's strength and potentials. At the same time, it must be recognized and accepted as a further challenge to Tulane to continue its development at a level of performance equal to the best available anywhere.

The Times-Picayune newspaper in my home city of New Orleans has given a fine measure of recognition to Tulane for receiving this grant. In an editorial of Sunday, May 29, 1966, the significance and challenge of this grant from the National Science Foundation is emphasized and outlined.

It is a pleasure for me to insert into the Record this fine editorial by the Times-Picayune. The editorial follows:

Science Grants Point to Growth

There is a significance beyond bricks and mortar, laboratories and faculty salaries in the $3.7 million National Science Foundation grant awarded Tulane University last week. It is the opportunity to build, upon the foundation of science scholarship and achievement, a truly excellent teaching and research program, and a science-based prosperity of vast potential.

The grant announced in Washington will help provide buildings, equipment and faculty expansion in mathematics, biology and psychology over the next three years. But it will do more, for it will challenge Tulane to expand its program in the basic life sciences over and above what was originally planned for the next five years. In this respect, the grant is a challenge also to New Orleans and to supporters of the university everywhere to meet the commitment that has been undertaken.

The same applies to Louisiana State University at Baton Rouge, which last December received a similar grant to help improve its programs in the basic physical sciences: chemistry, physics, mathematics and geology. Together the grants represent a recognition by the National Science Foundation of a new sense of political maturity in the state and of the caliber of educational leadership at the two universities. The grants are a vote of confidence in the region and its future.

The grants were awarded under a relatively recent federal program for the advancement of science and scientific education. The legislation establishing the program requires the NSF to seek out universities with promising programs, to assess the potential of existing programs and the total quality of the institutions. Then NSF must decide if investment of the federal funds there will have sufficient impact upon the development of the scientific program to be of significant value to the national interest.

For its part, Tulane has agreed to find additional resources to carry out the development program which, over the next five years, will cost some $10 million. It will provide, among other things, a new science center on the main campus, new laboratories for studies in evolutionary and environmental biology at the Riverside Research campus near Belle Chasse. It will enable the university to attract 42 additional scientists of exceptional competence, raising the science faculty to 121. It will expand opportunities for students and ultimately increase the number of doctorate degrees produced in the life sciences by 40 per year.

All this will have a "multiplier" effect. For it will serve as a seedbed of ideas and innovation from which, experience elsewhere has shown, grows a new kind of science-based industry. It will help provide and attract the professional people needed by such industry. And it will help train, by providing competent teachers, the skilled manpower in which this region now is deficient.

The impact of the program now being initiated at Tulane will be felt here, and throughout the nation, for years to come.

PERSONAL ANNOUNCEMENT

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Gilligan] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GILLIGAN. Mr. Speaker, on rollcall vote No. 87, I was absent, attending to congressional duties in my home district. Had I been present I would have voted "aye" on that rollcall.

PERSONAL ANNOUNCEMENT

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Gilligan] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GILLIGAN. Mr. Speaker, on rollcall vote No. 124, I was absent, attending to congressional duties for my home district. Had I been present I would have voted "aye" on that rollcall.

GOVERNMENT'S MONETARY AND ECONOMIC POLICIES

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Dent] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DENT. Mr. Speaker, I am concerned as are all Americans with our Government's monetary and economic policies. Today, the most persistent economic problem facing the United States is our unfavorable balance of payments. The deficit in steel trade is a major contributing factor to this balance-of-payments deficit. In 1965 the value of steel imports exceeded the value of exports by $670 million. Imports of steel are flooding into this country.

It is with this in mind that I call to your attention an excellent statement of the Tool and Stainless Steel Industry Committee on this problem presented by Dr. George A. Roberts, president, Vasco Metals Corp., Latrobe, Pa., before the U.S. Senate Committee on Finance.

Dr. Roberts has supported a full and complete investigation of steel imports as recommended by Senator Vance Hartke of Indiana. It has been long needed.

This statement is worthy of careful consideration by every American.

I urge all Members to read and study this statement especially so since I expect to again hold hearings on the impact of imports upon American employment.

The last report on this subject needs to be updated, and Dr. Roberts' remarks contribute to a better understanding of the overall picture of our import problems.

Statement of Tool and Stainless Steel Industry Committee, Before the Committee on Finance, U.S. Senate, June 2, 1966

Mr. Chairman, my name is George A. Roberts. I am president of Vasco Metals Corporation, Latrobe, Pennsylvania, and I appear today as a representative of the Tool and Stainless Steel Industry Committee. I am pleased to have this opportunity. Our Committee is an informal association of seventeen United States producers of specialty steels all having an interest in problems in the international trade area.

We submit our comments to this Committee as a distinct and individual industry with different characteristics than tonnage steel. However, like the tonnage producers, we feel the impact of ever increasing imports of foreign steels; like them we favor a Congressional study of imports and will help the study group in any way possible. Our raw materials, technology, products, markets and applications are completely different from those of the tonnage steel industry. Furthermore, the effect of massive specialty steel imports is more serious to the United States than would be apparent by observing only statistics on total loss of employment or foreign exchange in the steel industry. Our skills in innovation, science, and technology are at the forefront of materials progress and must be retained with strength.

While Senate Resolution 149 focuses on the problem of steel imports in general, I wish to make it clear at the outset that the specialty steel industry is concerned lest its particular position as a distinct industry and its unique difficulties which it faces in its competition with imports be submerged in the context of the total steel industry at this hearing, or in a study of steel imports. As a precaution against this possible oversight, the purpose of this testimony focuses on the import problem with specific reference to the specialty steel industry.

Our steels are high-alloy high performance steels. They are stainless steels. They are tool steels. They are many other alloy steels. They contain large amounts of chromium, nickel, molybdenum, vanadium, tungsten, cobalt, and other elements which make them extremely resistant to corrosion and to wear, give them a high degree of toughness and strength, and enable them to do jobs which carbon steels cannot do. The metallurgy of specialty steels is complex and delicate, their applications are exotic. Our labor force is highly skilled, our marketing men are engineers, our research and development have always been sophisticated far beyond that of tonnage steel producers. Our products are tailor-made for critical and specific applications, many of which require only small quantities. We thus fill a need for meeting the demands of national defense, of new science, of engineering and technology, by having available a capacity for an infinite variety of special steels to be supplied as needed. Not to be overlooked, in view of the critical importance of the specialty steel industry, is its ability to create and manufacture the exotic and vital newer materials, titanium, zirconium, super-alloys, for high temperature service, cobalt and nickel alloys, for magnetic and electrical uses, and a host of other rare yet non-ferrous items. The use of the available capacity and skills of the specialty steel industry has saved this country years of development time and millions of dollars of capital expenditures.

I. CHANGING PATTERNS OF WORLD TRADE IN SPECIALTY STEELS

World War II is the watershed between two distinct periods in world trade in specialty steels. The pre-war period witnessed the birth and full development of the specialty steel industry—one of the many new industries created in the twentieth century. During this period, the production of specialty steels was confined to the industrialized nations. Prior to World War II, the United States was the largest producer and supplier of specialty steels in the world.

The postwar period, on the other hand, has brought some dramatic changes to world trade in specialty steels. To begin with, more nations are becoming specialty steel producers. This expansion is no longer confined to the industrialized countries.

The number one objective of all foreign specialty steel producers is to move toward greater self-sufficiency, striving for reduced dependence upon imports.

Most of the foreign specialty steel producing nations, because of limited home markets or dependence upon trade, have increased their production capacity beyond home market demand for the express purpose of entering the export market. The world market for specialty steels has become congested and competition is increasingly intense. Therefore, to encourage exports, foreign specialty steel producers receive massive government assistance in terms of government subsidies, tax rebates, and other incentives to expand their exports abroad. For example: A French steel manufacturer which exports 25 percent of its annual production thereby becomes eligible for special financial benefits. In some countries in Europe the government subsidizes the importation of labor in order to increase productive capacity, a substantial portion of which enters the world export market. Austrian exports of specialty steels are directly subsidized by the government which owns and operates specialty steel production facilities. On the other hand the domestic markets of these some foreign producers are protected by an elaborate network of tariff and non-tariff trade barriers. As a result, competition in specialty steel in the world market has resulted in the marked deterioration of U.S. exports abroad.

Thus, the changing patterns in world trade in specialty steels have created two serious problems for our industry—the threat of severe injury from massive imports at home, and the continual erosion of our markets abroad.

II. THE PROBLEM

The main problem confronting the specialty steel industry is the maintenance of a favorable economic climate in which the growth of the domestic industry will continue. Today, the economic climate and health of the domestic specialty steel industry are jeopardized by ever increasing quantities of imports. Imports can make a positive contribution to the economy and to the domestic industry when they are in balance with domestic production. *Balance* provides the economic stability necessary for the orderly competitive marketing and expansion of the domestic market for specialty steels from which both the importer and the domestic producer will benefit. *Imbalance* between imports and domestic production on the other hand can impair the economy and disrupt the domestic industry. Disruption from excessive imports is a poignant and recognized problem in international trade. Even the General Agreement on Tariffs and Trade, which is one of the most progressive tools for trade expansion, provides safeguards against dangerous imbalances in trade which occur from time to time. Today, such a problem exists in the United States from the massive and excessive importation of specialty steels.

It would be a positive step by this Committee if it could emphasize publicly the dangers to our international posture and national strength through an investigation of the conditions leading to those massive imports. It would be a black mark upon us and the man under whose name the current round of negotiations at Geneva are being conducted if they should lead to a loss of national strength—of our international image and prestige in years to come. Your study may serve to permit the Congress to focus intelligently its thoughts for the coming year on the special efforts of imports on certain vital industries or segments of larger industries or on the scientific talents and innovative skills of its leaders, researchers and workers. These problems deserve your attention if America is to retain its world posture.

A. Impact of specialty steel imports

Turning now to imports of specialty steel into the United States.

Between 1959, when imports made their first significant appearance in U.S. markets, and 1965, the quantity of specialty steel imports has increased on an average of 65 percent a year, whereas in comparison domestic shipments have advanced only 7 percent annually.

In 1965 imports of stainless steel were 113,000 tons, as contrasted with 80,000 tons in 1964 and only 8,000 tons in 1959. Domestic market penetration by imported stainless steels has risen during this period from 1 percent to 13 percent. Imports of stainless steel sheet were less than 1 percent of domestic shipments in 1954; and are 16.8 percent in 1965. Tool steel imports have increased equally dramatically, reaching over 10 percent of domestic shipments in 1965. High speed tool steel imports trebled in the first quarter of 1966; compared to the first quarter of 1965.

In 1959, the bulk of stainless steel imports sold in U.S. markets were wire rods, wire, bars and pipe. By and large, all of these products with the exception of pipe, while requiring a relatively high labor content, are "unsophisticated products" and are relatively easy to finish and handle in a technical sense. Now, there has been a significant change in the product mix of imports, and the heaviest concentration of imports is in the sophisticated and flat rolled products—sheets, strip, plates—which are the bread and butter products, or the life blood of our industry, and in some cases they represent the total area of concentration of individual United States companies. Once imports strike a crippling blow to the basic product lines which keep the industry and individual companies going, it is tantamount to undermining the growth and stability of the domestic industry.

B. Balance of trade

Within the specialty steel industry, a favorable balance of trade was maintained until 1964. In that year, the Department of Commerce figures disclosed an export surplus of identifiable tool and stainless steel of 16,716 tons worth $28 million dollars. In 1965, with additional breakouts for better identification of specialty steel exports, this had fallen to 13 million dollars in value but imports exceeded exports by 20,416 tons. In the first four months of 1966 the figures show a deficit of 27,754 tons and a dollar drain of $11 million dollars. This is $33 million dollars annually or a swing in two years of $61 million dollars in our balance of payments. Considering tool steel alone, imports have exceeded exports in both tonnage and dollar value for more than four years. This trend should prove alarming to responsible thinking people in government.

The significance of this deficit to the national balance of payments is crucial. First, the amount of the deficit, and of future deficits, is substantial. Second, discrimination against exports of domestic specialty steels by foreign producing countries, which is unlikely to be eliminated tends to limit the expansion of exports, which could offset imports to some degree. Third, the outflow of capital to pay for imports represents substantial potential claims abroad on the American gold reserve. Fourth, while the specialty steel industry is only one component of the total national balance of payments, the balance of trade deficit in specialty steel adds to the severe drain on the balance of trade surplus of the United States, which is steadily diminishing. Foreign steel producing countries are relying on steel as a major source of foreign exchange.

To gain a proper perspective, we should add that it has been estimated that 75 percent of specialty steel exports have been under the A.I.D. programs and do not make a contribution to the balance of payments on current account.

Behind these figures, several disturbing and major trends are evident.

1. The total quantity of special steel imports continues to spiral upward. This is a long-range problem. There is every reason to believe that, short of major disruption in the world supply of specialty steels, the trend of rising imports will continue.

2. Imports of all specialty steel mill products have captured an ever increasing share of the domestic market and are now causing significant injury to the industry.

3. Imports of certain specialty steel mill products have increased at an especially alarming rate.

4. There is no evidence that the excess of world capacity in specialty steels will be decreased in the foreseeable future.. Therefore, there will be substantial quantities of "relatively low-cost" foreign specialty steels available for importation into the United States.

5. Imports have a faster rate of growth than domestic shipments. Diminishing exports and home market import penetration threaten the ability of the domestic specialty steel industry to maintain present operating levels and to meet investment and innovation objectives of the future.

6. Contrary to the situation in 1959, the high levels of imports of specialty steels in 1965 was primarily the result of increasing market penetration by imports rather than the result of a strike threat as many importers would have one believe. Availability of supply was not affected to the same degree as in carbon steels, and the necessity for extensive inventory buildups was less, since more than half of the specialty steel industry was not part of the major industry bargaining unit. However, experience has shown that imports retain the inroads made into our market even under stimulation of a strike threat.

III. IMPORTANCE OF THE SPECIALTY STEEL INDUSTRY TO THE NATIONAL SECURITY

Specialty steels are vital to the security of the United States. Encouragement of the present rate of increase in imports of these products will make the United States dangerously dependent upon foreign supply, which would prove highly unreliable in the event of a national emergency. The particular importance of specialty steels to our defense effort is attributable to the unique capabilities and qualities of these steels. Specialty steels, because of their varied high alloy content, and unique properties, have myraid important applications. Some can remain stable at high temperatures, some have extraordinary toughness, particularly at low temperatures, some have high resistance and high temperature strength. These unique qualities have made specialty steels an integral part of the defense program of the United States.

A list of strategic products which are dependent upon specialty steels would include: missile and rocket frames and parts, airplane structures, atomic reactors, jet engines turbine blades, ball bearings, oil refining equipment and cutting tools and dies. Not only is the Apollo spacecraft fashioned from stainless steel but so also the anti-spike innersole in the combat boot now being worn in Viet Nam. Similarly, the entire outer skin of the RS 70 supersonic airplane and the drive shafts of the Army's helicopters are made from stainless steel. The inner support members of the RS 70 and other aircraft are of a special ultra-high strength steel developed by the tool steel industry from its vast store of metallurgical experience. Also, the Atomic Energy Commission has awarded a contract for the development of a "mobile military nuclear power plant" which must be made completely of stainless steel and which is to be used as a source of power by combat forces. The Supersonic Transport program as well as newer combat aircraft are dependent on the ability of the speciality steel industry to exist and supply both the steel and non-steel items which are being specified. I cannot let these examples suffice, as I must point out that this industry has pioneered vacuum melting techniques through massive new investments in modern equipment that permit the production of nickel and cobalt alloys for white hot jet engines blades without which civilian and military jet aircraft would not be reliable or indeed fly, and that permit the manufacture of bearing and gear steels of utmost reliability to allow the safe operation of helicopters and hydrofoils and power generating equipment.

This is only a small list of examples where the defense of the United States is strategically dependent upon specialty steels. In addition to the direct strategic importance of specialty steels to the national defense, mention should also be made of the dependence of all industry upon specialty steels for dies, machinery, precision tooling, and other in-house applications. Twentieth century industry relies upon specialty steels for their high performance under stress and close tolerances to do jobs which other steels or materials cannot. The domestic specialty steel industry must be in a viable position to meet the demand for specialty materials for our national defense needs now and in the future. The security of the free world, in addition to our own vital interests, is dependent upon this condition. Only a healthy and dynamic domestic specialty steel industry can give us this assurance. The Department of Defense thinks in terms of "material systems." The properties demanded of materials used in missiles and rockets, for example, are such that only a tailor-made alloy steel or vacuum melting specialty materials can satisfy requirements. Skills through basic materials can be stockpiled, know-how cannot. If this nation desires to excel in heavy industry, in space and in weaponry, in science and technology, it must insure the retention of a strong domestic specialty steel industry. In short, the specialty steel producers of this nation provide a pool of technology, research and development facilities, and highly skilled labor which will be dissipated as foreign sources capture the domestic market, or an important part thereof.

Specialty steels are basic to the economy of the United States. Specialty steels are basic to the defense of the United States. Specialty steels are basic to the overall well-being and national security of the United States.

The preservation of the specialty steel industry requires the maintenance of the health of all segments of the industry, as well as a healthy economic and political climate in which the forces of our private enterprise system can operate. It is a grave threat to the security of this nation, particularly to the economic and military responsibilities we have to the free world, to watch the undermining of an essential industry in the name of fair competition, as it is described by importers.

Trade between nations should be encouraged but not to the extent that it might impair the growth of a vital industry. In view of the unchecked growth of specialty steel imports, it is apparent that imports must be kept in balance to insure the orderly growth of the domestic specialty steel industry. Only continued high levels of domestic business activity on the part of specialty steel companies can permit the expenditures for research and modernization that will make tomorrow's materials available. Growth is a necessary prerequisite for this to happen, for America's investors to be attracted to the progress of this industry. We cannot afford to let its growth be stifled. It will require the cooperation of the industry and the national government to prevent imports of specialty steels from threatening to dislocate the industry and undermine the national security. They do today.

IV. CONCLUSION

There has been much talk over the years about the stimulating and dynamic impact of foreign competition on the domestic economy. This general statement may be true but competition which takes the form of massive low wage, low cost, imports comes at a high cost: the dislocation and disemployment of domestic production, excess capacity, retardation of the economy, outflow of capital in search of more profitable investments overseas. This results in a worsening of our balance of payments, increased outflow of gold, and a decline of international confidence in the dollar. These are factors which must be considered in any study.

From the importance of the specialty steel industry, it is apparent that any study of steel imports should give attention to problems faced by the domestic specialty steel industry.

The Tool and Stainless Steel Industry Committee fully endorses Senate Resolution 149 recommending a study of the impact of steel imports on the national security of the United States, on our balance of payments, and on the economic well-being of the domestic steel industry. We think that this study is in our national interest. We feel this investigation should be conducted by an appropriate subcommittee of Congress and that it be completed by October 30, 1966 so that prompt legislative or administrative action may be taken to remedy this crucial problem.

MEMORIAL DAY SPEECH BY REAR ADM. WILLIAM B. SIEGLAFF, U.S. NAVY

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is a pleasure for me to call to the attention of the House and to all my colleagues a very fine and inspiring speech given by Rear Adm. William B. Sieglaff, U.S. Navy, commandant of the First Naval District in Boston, Mass. Admiral Sieglaff gave the Memorial Day speech at the Cedar Grove Cemetery in Dorchester, Mass., on May 30, 1966:

MEMORIAL DAY 1966

(Speech given by Rear Adm. William B. Sieglaff, U.S. Navy, commandant, First Naval District at Cedar Grove Cemetery, Memorial Day Services, May 30, 1966)

It is with great pride and deep humility that I join with you, the people of Dorchester, and Americans everywhere in observing this Memorial Day, a day set aside in commemoration of those who fought and died for our Nation.

All too often amid the resort openings, group "outings" and "doubleheaders" the real meaning of Memorial Day is lost. In my remarks today, I intend to consider that meaning and the message it brings to each of us.

For nearly a century, our citizens have set aside this day to honor those who served our Nation to the utmost—through their sacrifice on the field of battle.

Memorial Day grew out of the ceremonies that honored the fallen soldiers and sailors of the Union and Confederate Armies. One hundred years ago, when the tragic war between the states ended, the Union had been saved. But the problems of peace seemed as complex and as vast as those of the war. The states were united in name only, as four years of deadly combat had created schisms in America which Appomattox could not resolve.

The cannons were still but their echoes rumbled throughout the land. Everywhere there were bitter memories. In the South, where Atlanta lay smoldering . . . in the West, with Vicksburg still numb from siege and to the North, at Gettysburg, where Cemetery Ridge recalled the terrible Armageddon that took more than 43,000 lives in three days.

It was not easy to forget the losses suffered by both sides in that conflict which set American against American. In that climate of bitterness, a simple, generous act helped heal the wounds of war and brought us, at the same time, our Memorial Day.

In 1867, the women of Columbus, Mississippi made a pilgrimage to the local cemetery to lay flowers on the graves of their war dead. When they had finished, they saw nearby the graves of the Union soldiers—bare, cold and forgotten.

These women could not bring themselves to ignore the Union graves. Carefully they decorated them too, until there was nothing to distinguish Union graves from Confederate.

A correspondent of the New York Tribune observed this gracious gesture, and saw in it evidence that the deep wounds of the War in both North and South could be healed. "These women," he wrote to his paper, "have shown themselves impartial in their offerings made to the memory of the dead. They strewed flowers alike on the graves of the Confederate and National soldiers."

The act aroused the Nation. It was retold in papers throughout the land, and the heartwarming performance was celebrated in sermon, speech, poem and song.

The reaction was so great that in 1868 the Union veterans organization, the Grand Army of the Republic, ordered its members to observe May the 30th as a special day "for decorating the graves of the comrades who died in defense of their country."

From then on, "Decoration Day" ceremonies were sponsored throughout the North, and similar rites were held independently in the South. Gradually the legislatures of many states made the day a legal holiday.

In 1882, Decoration Day became Memorial Day to describe more fully the sentiment of the occasion. And with the passing years, Memorial Day has become a salute to the military dead, not only of the Civil War, but of all our wars.

However, Memorial Day is not in honor of the past alone, no matter how glorious that past may be. We do no credit to our heroic dead if all we do is mourn or praise them. In President Lincoln's words "it is rather for us to be here dedicated to the great task remaining before us."

We all know that today there is a great task remaining before us.

The United States in 1966 is entering a most crucial period in its history. The challenge we face today is as demanding as any the nation has even encountered. On this Memorial Day we should do exactly as Abraham Lincoln urged: Honor the dead—but look to the future with increased dedication.

As President Johnson stated in his Inaugural address:

"Terrific dangers and troubles that we once called 'foreign' now constantly live among us. If American lives must end and American treasure be spilled, in countries we barely know, that is the price that change has demanded of conviction and of our enduring government."

"In each generation," the President continued, "with toil and tears—we have had to earn our heritage again."

Since our nation's beginning, a great many Americans have given their lives for our country. No class, no color, no religion sets one apart from another. These men were from all of America—from the mountains, the farms and the cities—from huge estates and tiny apartments—from every part of our land.

Today, as we place flowers on their graves and praise their deeds, we realize that we cannot discharge our solemn obligation to these men with mere words of homage. They did not die for wreaths and words. They died for the right of Americans to enjoy freedom. They died for the future generations. They died for us.

The honored warrior dead of this community, as well as those who lie in other cemeteries throughout this land and abroad, have paid the supreme price to win, sustain, and defend our liberty. The onward movement of our democracy after each crisis is inspiring proof that these men have not died in vain. They have demonstrated, with forfeiture of their lives, their faith in our chosen way of life. As long as our flag flies over this land, we will honor them for their character, spirit, and sacrifice.

The future these men believed in, and to which they pledged their lives, is ours today. We enjoy the liberties they died to preserve. In return, we must fight as valiantly as they did for the principles and ideals which have made America the mighty nation it is.

As most of us in America today do not know what it is to be without freedom, it is not surprising that most of us take freedom for granted.

With equal danger, many of us may confuse freedom with carte blanche license. History shows that when liberty becomes license for anybody to do anything at any time, then freedom from want becomes freedom from work—freedom of worship becomes freedom from worship—freedom of speech becomes freedom from truth—freedom from fear becomes freedom from duty. Just as there are two sides to every story, so there are two sides to freedom. It can either be used or abused. For it is not enough to have many rights; what is needed is to use those rights responsibly.

Mere existence in a free society cannot be pointed to as a great achievement. From antiquity to the present day, there is no record of a nation's becoming great, or remaining great simply because it is free.

History is filled with accounts of great and wealthy nations which have lost their perspective. Each developed a strong desire for self-gratification, and eventually became unable to cope with hardships. All were swallowed-up by nations less wealthy, less secure, but willing to sacrifice to achieve their goals.

To keep America strong, we must realize that our freedom is not free. For though we are the inheritors of freedom, unless we protect this gift, invest in it, and cherish it—we shall not have it for long. We must believe in our democracy; we must live democracy; and we must be prepared to defend it.

These responsibilities cannot be ordered or wished into being; like everything else, they must be learned. And these responsibilities must be learned today by the new generation that is just now emerging—learned by those who will take charge in the 21st Century. They must be educated purposefully and carefully. The process starts in childhood, in the home, and continues in our churches, schools and in our Armed Forces.

While our churches and scholars are instrumental in guiding our children on the path of good citizenship, it is up to adults to lead the way along the path by setting examples of enthusiasm and devotion in democratic ideals.

We cannot speak of rule of law among nations of the world unless our own laws faithfully serve the needs, and guard the rights of our citizens. Moreover, we cannot be impressively concerned with the needs of impoverished people in distant lands, if our own citizens are left in want.

It is also unsound to believe we can spur economic progress and prosperity in the world unless we can help lead America toward new horizons of well-being and equal opportunity for all our citizens. In the final analysis, then, we cannot hope to serve the cause of peace among nations unless we first accept our obligations at home.

The will to make freedom ring was strong in those we honor today.

On this Memorial Day, the Navy joins with the people of Dorchester in reminding our selves too that military obligations are an inseparable part of our heritage. America has always held to the principle that military service in time of need is a fundamental responsibility of citizenship. Even as we review the horrors of war, America continues to put her sons into uniform in an effort to keep those horrors from recurring. The terms are dictated by the times. We realize that military capability is required in this age where the threat of aggression is ever present. In response to this threat, our Armed Forces are designed as a means of deterring war—or winning war should one be forced upon us.

The citizen-soldier, sailor, or airman is as important in today's military task as he was at Lexington, Concord and the Argonne. We often lose sight of this fact in this age of automation. The thought of a war that might be fought and won by technicians pushing buttons, instead of soldiers pulling triggers, is an especially seductive one for Americans. Of all our national treasures, nothing is dearer to us than the lives of our men. We gladly sacrifice machines to protect lives. But the hard fact must be faced that war cannot be fought without men. No machine yet imagined can replace man in his task of holding terrain or occupying a town. No machine can run itself. There must be human intelligence to guide the tank, to aim the missle, navigate the ships and plan the next action.

We must not be lulled into a false sense of security by belief that there is an easy way to safety. The safety of America, and American ideals today and through all the years to come, depends upon the indomitable spirit of millions of Americans in and out of uniform—in every walk of life—willing to stand up and be counted—willing to take the hard road, if necessary, for the sake of their country. May we remember those Americans who sacrificed their lives for America and the cause of freedom.

DRAFT POLICIES

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, due to the numerous accusations and alarming national recognition being directed toward this Nation's draft policies, we now realize, more than ever before, that an immediate congressional investigation is imperative and essential at this time. To mention just a few of the inequities, I should like to be recorded in the CONGRESSIONAL RECORD as being most definitely and unalterably opposed to the intelligence and achievement tests now being instituted as a major factor in the selection of student draftees. Although these tests have made a substantial contribution to American education, misinterpretation or misuse of the results has had some unfortunate consequences. Evidence in the past has repeatedly shown and proven that intelligence is not fixed since experience and particularly preschool educational methods can make outstanding differences in a person's IQ. Therefore, to assume that one person's educational background is considerably similar to another, is indeed, to my way of thinking, a grave assumption on the part of the Selective Service System.

Also, the present indiscriminate callup to active duty of medical and professional men is highly questionable and inefficient. We permit boards to call up doctors who are undertaking the instruction of future physicians and technical personnel while, at the same time, we permit students who maintain a certain scholastic average to remain draft exempt. It would seem to me that there is little to be gained by permitting a student to remain in school if we are going to induct those trained professional persons upon whom these students rely for their instruction. The justification and credibility that these professional people could almost be classified as essential is indeed evident and apparent. Although I could go on and on about the other malfunctions in the draft system, I feel that enough has been said and at the risk of being hackneyed, now is the time for action which speak louder than words.

For this reason, I am attempting to assert such action and to rectify this gross injustice to the young men of our country. I have introduced a resolution which would set up a Joint Committee on National Service and the Draft. The committee would include seven Members of the House chosen by the Speaker, and seven Members of the Senate chosen by the President of the Senate. The Joint Committee would examine the overall requirements as presently maintained and study the desirability of alternative ways in which youth can serve this country. Discussions of urban and conservation problems would also be considered. This resolution would provide for a broad national study of the kind which only a joint committee of Congress could provide.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Messrs. ROSENTHAL, KUPFERMAN, MORSE, WOLFF, REID of New York, RYAN, and CONYERS (at the request of Mr. EDWARDS of California), on account of official business.

Mr. FLYNT (at the request of Mr. HAGAN of Georgia), for June 7, on account of official business.

Mr. HANSEN of Iowa (at the request of Mr. BOGGS), for Tuesday and Wednesday, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MATHIAS (at the request of Mr. EDWARDS of Alabama), for 30 minutes, today; to revise and extend his remarks and to include extraneous matter, and that all Members may have permission to revise and extend their remarks on this special order.

Mr. QUIE (at the request of Mr. EDWARDS of Alabama), for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. RHODES of Arizona (at the request of Mr. EDWARDS of Alabama), for 30 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. CONYERS (at the request of Mr. CLEVENGER), for 60 minutes, on June 8; and to revise and extend his remarks and include extraneous matter.

Mr. PURCELL (at the request of Mr. CLEVENGER), for 30 minutes, on June 8; and to revise and extend his remarks and include extraneous matter.

Mr. PATMAN, for today, for 15 minutes; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. MADDEN and to include extraneous matter.

Mr. BURKE and to include extraneous matter.

Mr. KEOGH and to include an address by Representative CAREY at the commencement exercises of Marymount College in Tarrytown, N.Y.

Mr. GEORGE W. ANDREWS to revise and extend his remarks on H.R. 15456 and to include tabular and extraneous material.

Mr. RIVERS of Alaska.

(The following Members (at the request of Mr. EDWARDS of Alabama) and to include extraneous matter:)

Mr. MAILLIARD.

Mr. NELSEN.

(The following Member (at the request of Mr. CLEVENGER) and to include extraneous matter:)

Mr. DINGELL.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2469. An act amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans; and

S. 2421. An act to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon.

ADJOURNMENT

Mr. CLEVENGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 47 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 8, 1966, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

2477. Under clause 2 of rule XXIV, a letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a statement of operations of the Federal Deposit Insurance Corporation for the calendar year 1965, pursuant to the provisions of section 17(a) of the Federal Deposit Insurance Act, was taken from the Speaker's table, referred to the Committee on Banking and Currency, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee of Conference. Conference report on H.R. 15151, an act to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster; without amendment (Rept. No. 1611). Ordered to be printed.

Mr. MADDEN: Committee on Rules. House Resolution 880. Resolution providing for the consideration of H.R. 13103, a bill to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States; without amendment (Rept. No. 1612). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 881. Resolution providing for the consideration of H.R. 13431, a bill to extend the Renegotiation Act of 1951; without amendment (Rept. No. 1613). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 882. Resolution providing for the consideration of H.R. 15202, a bill to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act; without amendment (Rept. No. 1614). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 883. Resolution providing for the consideration of H.R. 15225, a bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority; without amendment (Rept. No. 1615). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 870. Resolution authorizing the Speaker to appoint delegates and alternates to attend the International Labor Organization Conference in Geneva; without amendment (Rept. No. 1616). Referred to the House Calendar.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 12591. A bill to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies; without amendment (Rept. No. 1617). Referred to the Committee of the Whole House on the State of the Union.

Mr. CLARK: Committee on Merchant Marine and Fisheries. S. 2142. An act to simplify the admeasurement of small vessels; without amendment (Rept. No. 1618). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 15496. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. CUNNINGHAM:

H.R. 15497. A bill to amend the Internal Revenue Code of 1954 to provide that all transportation furnished to members of the Armed Forces traveling in uniform on official leave, furlough, or pass shall be exempt from the tax on transportation of persons by air; to the Committee on Ways and Means.

By Mr. DENTON:

H. R. 15498. A bill to prohibit desecration of the flag; to the Committee on the Judiciary.

By Mr. HANSEN of Iowa:

H.R. 15499. A bill to increase the rate of pension payable to certain veterans of World War I, World War II, the Korean conflict, their widows, and certain other dependents, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 15500. A bill to amend title 38 of the United States Code, to increase the rate of pension to certain veterans of World War I, World War II, and Korean conflict, their widows and children, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 15501. A bill to amend section 521 of title 38, United States Code, to exclude from consideration as income, for the purpose of determining eligibility for pension, all payments of any kind or from any source, including salary, retirement or annuity payments, endowments or similar income, which a veteran receives or is entitled to receive after attaining age 72; to the Committee on Veterans' Affairs.

By Mr. KUPFERMAN:

H.R. 15502. A bill to increase the amount of real and personal property which may be held by the American Academy in Rome; to the Committee on House Administration.

By Mr. LAIRD:

H.R. 15503. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. NELSEN:

H.R. 15504. A bill to amend the Public Health Service Act to establish the position of Chief Veterinary Officer of the Service and provide for the rank of Assistant Surgeon General for said position; to the Committee on Interstate and Foreign Commerce.

H.R. 15505. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. O'KONSKI:

H.R. 15506. A bill to provide that where the entitlement of a veteran, widow, or child to a pension from the Veterans' Administration is based upon the veteran's having served in World War I, the beneficiary shall, if otherwise eligible, have the right to elect payment of pension under either the provisions of title 38 as in effect on June 30, 1960, or as amended by the Veterans' Pension Act of 1959, whichever provides the greater benefit; to the Committee on Veterans' Affairs.

By Mr. OLSEN of Montana:

H.R. 15507. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. OLSON of Minnesota:

H.R. 15508. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

H.R. 15509. A bill to amend the Communications Act of 1934, with respect to the hours of operation of certain broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE:

H.R. 15510. A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize the Secretary of Agriculture to hold prepayments made to the Secretary by insured loan borrowers and transmit them to the holder of the note in installments as they become due; to the Committee on Agriculture.

By Mr. BENNETT:

H.R. 15511. A bill to amend the act of May 14, 1948, chapter 289, as amended (24 U.S.C. 281), which relates to the eligibility requirements for burial in national cemeteries; to the Committee on Interior and Insular Affairs.

By Mr. BELL:

H.R. 15512. A bill to enlarge the home mortgage purchase authority which the Federal National Mortgage Association may exercise in its secondary market operations by increasing the amount of preferred stock which such Association may issue for delivery to the Secretary of the Treasury; to the Committee on Banking and Currency.

By Mr. CLANCY:

H.R. 15513. A bill to amend title 38 of the United States Code to provide for payments to educational institutions for reports made by them with respect to eligible veterans enrolled therein; to the Committee on Veterans' Affairs.

By Mr. JARMAN:

H.R. 15514. A bill to amend section 659 of title 18, Criminal Code and Criminal Procedure, of the United States Code, 1952 edition, to include thefts from pipelines or pipeline facilities; to the Committee on the Judiciary.

By Mr. WAGGONNER:

H.R. 15515. A bill to amend the National Science Foundation Act of 1950 to make changes and improvements in the organization and operation of the Foundation, and for other purposes; to the Committee on Science and Astronautics.

H.R. 15516. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MATHIAS:

H.R. 15517. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. McCULLOCH:

H.R. 15518. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. MACGREGOR:

H.R. 15519. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 15520. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. CAHILL:

H.R. 15521. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. McCLORY:

H.R. 15522. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. SMITH of New York:

H.R. 15523. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. CLARENCE J. BROWN, JR.

H.R. 15524. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 15525. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mrs. DWYER:

H.R. 15526. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. ELLSWORTH:

H.R. 15527. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 15528. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. HARVEY of Michigan:

H.R. 15529. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. HORTON:

H.R. 15530. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 15531. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. REID of New York:

H.R. 15532. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. RUMSFELD:

H.R. 15533. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. BOW:

H.R. 15534. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 15535. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mrs. MAY:

H.R. 15536. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 15537. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. QUIE:

H.R. 15538. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. SCHWEIKER:

H.R. 15539. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 15540. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. BANDSTRA:

H.R. 15541. A bill to establish a nationwide system of trails, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRAY:

H.R. 15542. A bill to prohibit desecration of the flag; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H.R. 15543. A bill to amend title 32, United States Code, to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. STAGGERS:

H.R. 15544. A bill to authorize the Department of Commerce to make special studies, to provide services, and to engage in joint projects, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOELLER:

H.J. Res. 1160. Joint resolution proposing an amendment to the Constitution of the United States relating to the exercise of religious liberty; to the Committee on the Judiciary.

By Mr. RANDALL:

H.J. Res. 1161. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. BOLAND:

H. Con. Res. 676. Concurrent resolution establishing a Joint Committee on National

Service and the Draft; to the Committee on Rules.

By Mr. GRIDER:

H. Con. Res. 677. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. RESNICK:

H. Con. Res. 678. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. REUSS:

H. Con. Res. 679. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. DENT:

H. Con. Res. 680. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. FULTON of Tennessee:

H. Con. Res. 681. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. OLSON of Minnesota:

H. Con. Res. 682. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. COOLEY:

H. Res. 884. Resolution authorizing the Committee on Agriculture to conduct studies and investigations relating to certain matters within its jurisdiction; to the Committee on Rules.

By Mr. FARBSTEIN:

H. Res. 885. Resolution expressing the sense of the House of Representatives with respect to the relief rolls of the United Nations Relief and Works Agency; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H.R. 15545. A bill for the relief of Cato Bros., Inc.; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 15546. A bill for the relief of Leung Wing Cheung; to the Committee on the Judiciary.

By Mr. DENTON:

H.R. 15547. A bill for the relief of Mrs. Mary E. Hinckley; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 15548. A bill for the relief of Erasmo D'Angelo; to the Committee on the Judiciary.

By Mr. HAGEN of California:

H.R. 15549. A bill for the relief of Mrs. Patricia Ann O'Leary and Michael Alexander O'Leary; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 15550. A bill for the relief of Sheng Ming Cheng; to the Committee on the Judiciary.

By Mr. NELSEN:

H.R. 15551. A bill for the relief of Kyu Whan Whang and spouse, nee Young Won Lee; to the Committee on the Judiciary.

By Mr. O'KONSKI:

H.R. 15552. A bill for the relief of Kaghanoosh Hagop Tatian; to the Committee on the Judiciary.

By Mr. RESNICK:

H.R. 15553. A bill for the relief of Mrs. Janet Austin (maiden name Janet McIssaac); to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 15554. A bill for the relief of Suk Min Pang; to the Committee on the Judiciary.

By Mr. SCHEUER:

H.R. 15555. A bill for the relief of Calvin Garvey and Carole Yvonne Garvey; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 15556. A bill for the relief of Giacomo Famularo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

396. The SPEAKER presented a petition of Itoman Town Council, Itoman, Okinawa, relative to the return of Okinawa to Japan, which was presented to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Great Day for the Danes

EXTENSION OF REMARKS

OF

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1966

Mr. NELSEN. Mr. Speaker, Sunday was the anniversary of Denmark's "Grundlov's Dag." It was on June 5, 1849, that King Frederik VII granted the people of Denmark their Constitution. The Fifth of June is therefore comparable to the Fourth of July which will soon be celebrated throughout the United States as Independence Day.

While a small nation, the Kingdom of Denmark has contributed greatly to the advancement of civilization and culture. The name of Hans Christian Andersen is a household word in the field of literature. Art lovers are familiar with the work of sculptor Bertel Thorvaldsen.

World War II was shortened by the use of the atomic bomb, in the development of which the Danish physicist Niels Bohr played so prominent a role.

Many Danes have migrated to the United States. As a result, there are today 400,000 Americans who either came here from Denmark themselves or whose parents or grandparents were immigrants from Denmark.

Included among prominent American citizens who are natives of Denmark are Lauritz Melchior, the famous singer, and Victor Borge, the brilliant pianist, both of whom were born in Copenhagen.

As the son of Danish immigrants, I am happy to call the House's attention to the Danish equivalent of the Fourth of July.

A Grand American Lady

EXTENSION OF REMARKS

OF

HON. PAUL H. DOUGLAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7, 1966

Mr. DOUGLAS. Mr. President, in 1937, Mrs. Myrtle Cheney Murdock came to Washington as the wife of Arizona's only Member of the House of Representatives. Since then this small dynamo of a woman has worked tirelessly to make the history and art of the Capitol come alive for those who visit Washington.

Mrs. Murdock was born in Nauvoo, Ill., in 1885, and by the time she was 15 she was teaching school and earning $25 a month. Her passion for scholarship continued, and even with the responsibility of teaching and rearing a family she managed to get an A.B. degree and a master's degree.

Finally, after moving to Washington, she attended George Washington University and became the only woman from congressional circles to receive a doctorate of education. But her pursuit of knowledge did not keep her from actively helping her husband and from being a loving mother to three outstanding children. In fact, in 1960, Mrs. Murdock was chosen "Mother of the Year" for the District of Columbia. Brimming with energy, she has published several books on Americana and has shown an endless curiosity about our history.

During her early years in Washington, she developed a great appreciation of the work of Constantino Brumidi. She soon found that little information was available on this distinguished artist, so she started an investigation of her own. She discovered that Brumidi, in addition to being a brilliant artist, was also a fervent patriot. Delving further into the past, she found that Brumidi had died penniless and that after his death he was almost completely forgotten. Mrs. Murdock sensed that America owed this vibrant Italian artist some expression of thanks for his rich contribution to our tradition.

In 1950, Mrs. Murdock published a book entitled, "Constantino Brumidi, Michelangelo of the Capitol." In 1961, she donated to the Government some of Brumidi's working sketches so that they could be compared with the masterpieces which adorn the walls and ceilings of the Capitol. This year she was an irreplaceable aid to those of us who worked to have a bust of Brumidi placed in the Capitol.

Mrs. Murdock proved to be not only a consistent authority on the history of Brumidi and the Capitol, but also a constant source of personal inspiration. She has a great love for our country and has devoted much of her exemplary life to helping and educating our people. I wish to express my thanks and the thanks of all who treasure our national heritage to a grand American lady, Mrs. Myrtle Cheney Murdock. Her contributions easily rank with those of our great women patriots.

Questionnaire Results, 1966

EXTENSION OF REMARKS

OF

HON. RALPH J. RIVERS

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1966

Mr. RIVERS of Alaska. Mr. Speaker, in April of this year I sent a questionnaire to my fellow Alaskans polling them for their views upon 12 issues then pending before the Congress. Of 70,000 postcard questionnaires which I distributed, I am pleased to report that 14,368 were completed and returned to me as of this time. This return of over 20 percent is a most gratifying contrast with the usual 6-percent return on similar polls and points up the lively interest and cooperation of my constituents.

Knowing of your interest and that of my colleagues, I hereby place the tabulated results of this poll before you, and I am also bringing the questionnaire and its results to the attention of President Johnson, the press, and my constituents.

I would also like to call your attention to the fact that accompanying completed questionnaires were more than a thousand letters to me in which my constituents modified or expanded their answers—in large part in regard to the Vietnam conflict.

As the sole Member of the U.S. House of Representatives serving a constituency widely scattered over an area one-fifth the size of our 48 contiguous States—many parts of which area are not readily accessible for personal contact—I find that polling my constituents by the questionnaire procedure is the most feasible method for obtaining their views, which views are very necessary and helpful to me in carrying out my duties as their Representative in the Congress of the United States.

I am pleased to report that the returns to my 1966 questionnaire are as follows:

1. Are you in favor of the U.S. continuing to fight to defeat the Communists in Vietnam?

[In percent]

Yes	83.7
No	16.3

2. Do you favor expanding U.S. trade with Communist countries in non-strategic goods?

Yes	38.5
No	61.5

3. Do you favor continued U.S. financial support of the United Nations?

Yes	66.8
No	33.2

4. Do you think Washington, D.C. should be permitted Home Rule instead of being governed by the U.S. Congress?

Yes	66.1
No	33.9

5. Would you favor increasing the term for members of the U.S. House of Representatives from two to four years?

Yes	50.4
No	49.6

6. Do you favor repeal of the provision allowing state right to work laws?

Yes	42.8
No	57.2

7. Do you favor expanding the Federal minimum wage law requirement ($1.25 per hour plus overtime) to persons working in hotels, restaurants, laundries and other industries now exempt?

Yes	80.5
No	19.5

8. Do you favor a Youth Conservation Corps providing public service employment and job training for unemployed young people?

Yes	77.5
No	22.5

9. Do you favor legislation which would allow manufacturers to set minimum retail prices on their products and prohibit merchants from selling for less?

Yes	14.5
No	85.5

10. Do you favor a Federal law requiring that all retail packages be clearly and truthfully labeled?

Yes	94.0
No	6.0

11. Do you favor the establishment of national standards to promote safety in automobile design and highway construction?

Yes	86.1
No	13.9

12. Do you favor further Federal action to rid our lakes and streams of pollution?

Yes	92.3
No	7.7

Dedication of the Nicholas Abdallah Auditorium, Balch School, South Norwood, Mass.

EXTENSION OF REMARKS

OF

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1966

Mr. BURKE. Mr. Speaker, on Sunday, June 5, 1966, it was my privilege and honor to attend and address the dedication of the Nicholas Abdallah Auditorium, a recent addition to the Balch School in South Norwood, Mass. Ceremonies were held to name the auditorium in memory of the late beloved Nicholas Abdallah, father of Selectman John A. Abdallah. Additions to the Balch School also included a beautiful gymnasium. Many of the leading public officials of State, county, and town governments were in attendance. The auditorium was filled to capacity. The theme of the speaking program was established by Mrs. Mildred R. Lane, principal of the Balch School, when in eloquency she recited "The House by the Side of the Road," comparing the immortal words of Sam Walter Foss with the life of Nicholas Abdallah.

"Let me live in a house by the side of the road
Where the race of men go by—
The men who are good and the men who are bad,
As good and as bad as I.
I would not sit in the scorner's seat
Or hurl the cynic's ban—
Let me live in a house by the side of the road
And be a friend to man.

"I see from my house by the side of the road,
By the side of the highway of life,
The men who press with the ardor of hope,
The men who are faint with the strife,
But I turn not away from their smiles nor their tears,
Both parts of an infinite plan—
Let me live in a house by the side of the road
And be a friend to man."

Selectman Harry Butters, a graduate of the Balch School and one who knew Nicholas Abdallah intimately was high in his praise for the teachers of the Balch School and recalled his school days with nostalgic effect on the entire audience. His recital of the full use of the board of education was very enlightening and impressive.

It was truly a day for old and new residents of South Norwood, and the feeling of pride was very much in evidence in this fine brave American community. State Senator John M. Quinlan, of Dover, Mass., spoke briefly and commented on the fine contributions to civic affairs made by the late Nicholas Abdallah. Two State legislators, William F. Butters, and David C. Ahearn were in attendance. Norfolk county government was represented by County Treasurer Raymond C. Warmington, of Quincy, Mass. Mr. Walter Blasenak, town manager, represented the town of Norwood. Officials of the town of Norwood; board of selectmen and members of the school committee under the chairmanship of William F. Egan; superintendent of schools, Dr. Philip O. Coakley; Mrs. Mildred R. Lane, principal; the architectural firm of Korslund, LeNormand & Quann, Inc.; the contractors, Sarno Construction Co.; the Balch School PTA and citizens of the town of Norwood are deserving of the highest commendation for their accomplishments.

Following is the dedication program, part of the text of my remarks, and texts of the prayers given for the invocation, dedication, and benediction:

BALCH SCHOOL ADDITION, NORWOOD, MASS., DEDICATION AND OPEN HOUSE, JUNE 5, 1966

DEDICATION PROGRAM—2 P.M.

Presiding: Mr. John A. Abdallah, *Chairman*.

Selections: Balch School pupils.

Invocation: Rev. Ferdinand V. Miszkin, *Pastor*, St. Peter's R.C. Church.

Welcome: Mr. John A. Abdallah, *Chairman*.

Introductions: Building Committee, School Committee, Board of Selectmen, General Manager, Superintendent of Schools, Principal of Balch School, Architect, Honored Guests.

Address: Honorable JAMES A. BURKE, *Member of Congress*.

Selections: Balch School pupils.

Dedication of auditorium: Arthur B. Rodgers, *Committee Member*.

Prayer of dedication: Rev. Fr. Nifon Abraham, *Pastor*, St. George Syrian Orthodox Church.

Nicholas Abdallah Auditorium: *The resolution to name the auditorium in the Balch School in memory of Mr. Nicholas Abdallah* *has become a reality and a fitting tribute to a man who gave unselfishly of himself for the betterment of this community.*

Presentation of keys: Mr. John A. Abdallah, Mr. William F. Egan.

"America": Audience and Balch School pupils.

Benediction: Rev. Al. Abracinskas, *Pastor,* St. George R.C. Church.

Open house: 3:00 p.m.-4:00 p.m.

BALCH SCHOOL BUILDING ADDITION CONSTRUCTION COMMITTEE

John A. Abdallah, *Chairman;* E. Peter Bamber; Julia A. Lewis; Arthur H. Gleichauf; Robert MacEachern; Arthur B. Rogers; John W. Navickas; *Clerk,* Lola DiBerto.

SCHOOL COMMITTEE

William F. Egan, *Chairman;* John J. Cavanaugh; Henry W. Diggs; Mrs. Robert E. Hemman; Dr. Thomas A. Couch; Charles C. Saraca; Francis X. Sheehan, Jr.; *Clerk,* Elizabeth V. Syverson.

Superintendent of Schools, Dr. Philip O. Coakley; *Principal,* Mrs. Mildred R. Lane; *Architect,* Korslund, LeNormand & Quann, Inc.; *Contractor,* Sarno Construction Company.

Refreshments—Balch School P.T.A.

REMARKS TAKEN FROM THE ADDRESS OF CONGRESSMAN JAMES A. BURKE

Today, you of the forward-looking community of Norwood have bestowed upon me the great honor of requesting my participation in the dedication of this new addition to the Balch School. The naming of the Auditorium in honor of the late beloved Nicholas Abdallah, father of Selectman John Abdallah, is perpetuating the memory of a man who in his lifetime gave generously of his time, money and efforts to make a better community for the people of Norwood. He was always in the vanguard in promoting civic affairs helpful to the youngsters. Some of his deeds are well known such as financing a banquet for a championship athletic team or patriotic celebration. He was a kind hearted man and always ready to be of help to a neighbor down on his luck. He was a respected businessman imbued with a civic conscience that guided him through life with one idea, "How can I best help my fellowman?".

Yes, Nicholas Abdallah richly deserves this tribute, for he was truly one of "God's great noblemen".

I know his son, Selectman Abdallah along with other members of the Abdallah family must take great pride in this recognition.

It is well that we honor this man, and I am most grateful for the opportunity to take part in this fine ceremony.

To those of you who will enjoy the use of this fine Auditorium, do so in the spirit and with the inspiration of a great civic leader, Nicholas Abdallah, who gave unsparingly of his time and efforts for the betterment of the Community, the education and social well-being of its children, and his great devotion to patriotism and the principles of democracy on which our great Nation was founded. In doing so, the dreams, hopes and ambitions of our dedicated friend, Nicholas Abdallah will be fulfilled.

INVOCATION PRAYER GIVEN BY REV. FERDINAND V. MISZKIN, PASTOR, ST. PETER'S ROMAN CATHOLIC CHURCH, NORWOOD, MASS.

Almighty and Eternal God, We humbly implore your Divine blessing on this Community gathering here this afternoon. The reason for our assembly is the dedication of the new addition to the Balch School. May this latest construction prove to be an inspiration to community spirit . . . a spirit as it should evolve from your Holy Divine Spirit.

Dear God, We are your children . . . You are our Heavenly Father . . . We are all brothers and sisters by your great power of creation.

You also provide for us . . . but not without our cooperation.

And so today we lift up our hearts and pray for your Divine blessing. First, that what we do here today will be a reflection of your love. Second, that what others will attempt may be the fulfillment of your command: "That you love one another as I have loved you."

The School in particular demonstrates much love . . . The teacher sacrifices self for pupil . . . and this occurs generation after generation.

So today we earnestly pledge to be good neighbors, loyal citizens, true children of God.

Because you have assured us that he who loses himself in the service of others is found by You, O Almighty Eternal Loving God.

PRAYER OF DEDICATION GIVEN BY THE REVEREND FATHER NIFON ABRAHAM, PASTOR, ST. GEORGE SYRIAN ORTHODOX CHURCH, NORWOOD, MASS.

Almighty God, the giver of all gifts, we thank Thee for all the blessings we have. We thank Thee for this new building that now stands completed and ready for use. We ask thy heavenly protection upon this building so that neither wind, nor flood, nor fire or any other thing shall be able to harm it.

We thank Thee for the will to provide this place of teaching, and for this glad occasion of dedication.

Keep safe from all harm those who will use this place, and preserve the pupils and help them to continue to grow in stature, in knowledge, and in wisdom.

Bless the Board of Selectmen, the Superintendent of Schools, the Principals, the teachers, the School Board, the construction committee, and all those who have done so much to give us this beautiful building.

We now dedicate this new wing in thy name, O Lord. For unto Thee are due all glory, honor and worship, to the Father, and to the Son, and to the Holy Spirit; now and ever, and unto ages of ages. Amen.

BENEDICTION PRAYER GIVEN BY REV. AL ABRACINSKAS, PASTOR, ST. GEORGE ROMAN CATHOLIC CHURCH

Come, O Holy Spirit and illumine our minds. Grant that all who come to study here may learn that education does not end with book knowledge. Grant that together with this knowledge they may acquire ideals and principles that will build up their character. Grant that they may put all things in their proper perspective and see the importance of spiritual values in life.

Finally, strengthen their wills so that they may always have the courage to do what is right in these times of confusion. In these troubled times, may they learn to respect all due authority and thus help to build up a peaceful and a happy society.

May God bless us all and guide us on the one and only true course of life—a love of God and a love of one another.

Debt Limit Increase

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1966

Mr. MADDEN. Mr. Speaker, the Ways and Means Committee today presented H.R. 15202 to the Rules Committee asking for a rule on legislation that during the period beginning on July 1, 1966, and ending on June 30, 1967, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended—31 United States Code 757b—shall be temporarily increased to $330 billion.

In different periods over the past years the Treasury Department has recommended legislation to the Ways and Means Committee asking for increases in the public debt limit in order to meet the necessities of our expanding economy.

No doubt this legislative request for a temporary extension of the public debt limit will cause political criticism from sources over the Nation along the same yardstick as the criticism offered each time during the past years when similar requests have been made.

It is unfortunate that the critics concerning the increase of our gross public debt do not call the attention of the people to the fact that over the last 20 years our gross national product, or our general economy, has expanded and increased in far greater proportion than the increase of our gross public debt.

This week I requested from the Treasury Department a breakdown of our gross public debt figures as compared with the increase in our gross national product over the last 20 years. I think it is well for the Members of Congress to have knowledge of the relative expansion over the years of our public debt compared to our gross national product expansion over the years of our public debt compared to our gross national product expansion. I hereby submit some of the figures submitted to me by the Treasury Department showing our gross national debt expansion as compared with our gross national product expansion over the last 20 years:

End of fiscal year	Gross public debt and guaranteed obligations	Gross national product
1945	259.1	216.4
1946	269.9	209.1
1947	258.4	229.7
1948	252.4	259.1
1949	252.8	256.2
1950	257.4	284.2
1951	255.3	329.3
1952	259.2	342.4
1953	266.1	366.6
1954	271.3	362.6
1955	274.4	398.4
1956	272.8	418.4
1957	270.6	443.1
1958	276.4	444.8
1959	284.8	485.4
1960	286.5	504.4
1961	289.2	519.6
1962	298.6	560.8
1963	306.5	588.1
1964	312.5	629.5
1965	317.9	675.2
1966	320.0	722.0

The critics of our Government policy should not become too alarmed when they find that in 1945 our gross public debt was $259 billion compared to our gross national product of $216 billion. In other words in 1945 our gross national debt was $43 billion more than our gross national product.

In contrast to 1966 our gross national debt was approximately $320 billion compared to a gross national product of $722 billion. In other words, in 1966 our gross national product was $402 billion more than our gross public debt.

The public should know that in 20 years we have increased our production and national economy almost $450 billion over our gross public debt.

These facts should be taken into consideration when administration critics make statements alarming the American people that this Government's fiscal policies are on the verge of bankruptcy.

Capital Punishment: Everyone Is Merging

EXTENSION OF REMARKS
OF

HON. JOHN D. DINGELL

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1966

Mr. DINGELL. Mr. Speaker, on more days than not, here in Washington, it seems that Art Buchwald is everyone's favorite columnist. This is not hard to understand. Besides being one of the few genuinely funny writers of our time—often to the point of reducing many readers to absolute helplessness in the course of reading their way through a column—Mr. Buchwald has that rare talent common to all great humorists, wrapping a core of truth in preposterous but somehow still plausible trappings.

Mr. Buchwald's article entitled "Everyone Is Merging" which appeared in the Washington Post on June 2, 1966, was, in my opinion, one of his better efforts during the current years. Under unanimous consent, I include it at this point in my remarks:

Capital Punishment: Everyone Is Merging
(By Art Buchwald)

Every time you pick up the newspaper you read about one company merging with another company. Of course, we have laws to protect competition in the United States, but one can't help thinking that, if the trend continues, the whole country will soon be merged into one large company.

It is 1978 and by this time every company west of the Mississippi will have merged into one giant corporation known as Samson Securities. Every company east of the Mississippi will have merged under an umbrella corporation known as the Delilah Company.

It is inevitable that one day the chairman of the board of Samson and the president of Delilah would meet and discuss merging their two companies.

"If we could get together," the president of Delilah said, "we would be able to finance your projects and you would be able to finance ours."

"Exactly what I was thinking," the chairman of Samson said.

"That's a great idea and it certainly makes everyone's life less complicated."

The men shook on it and then they sought out approval from the Anti-Trust Division of the Justice Department.

At first the head of the Anti-Trust Division indicated that he might have reservations about allowing the only two companies left in the United States to merge.

"Our department," he said, "will take a close look at this proposed merger. It is our job to further competition in private business and industry, and if we allow Samson and Delilah to merge we may be doing the consumer a disservice."

The chairman of Samson protested vigorously that merging with Delilah would not stifle competition, but would help it. "The public will be the true beneficiary of this merger," he said. "The larger we are, the more services we can perform, and the lower prices we can charge."

The president of Delilah backed him up. "In the Communist system the people don't have a choice. They must buy from the state. In our capitalistic society the people can buy from either the Samson Company or the Delilah Company."

"But if you merge," someone pointed out, "there will be only *one* company left in the United States."

"Exactly," said the president of Delilah. "Thank God for the free enterprise system."

The Anti-Trust Division of the Justice Department studied the merger for months. Finally the Attorney General made this ruling. "While we find some drawbacks to only one company being left in the United States, we feel the advantages to the public far outweigh the disadvantages.

"Therefore, we're making an exception in this case and allowing Samson and Delilah to merge.

"I would like to announce that the Samson and Delilah Company is now negotiating at the White House with the President to buy the United States. The Justice Department will naturally study this merger to see if it violates any of our strong anti-trust laws."

Mr. Speaker, I am inclined to agree with Mr. Buchwald that the head of the Antitrust Division might indeed have reservations about allowing the only two companies left in the United States to merge. Indeed, observers of the antitrust scene would agree that even though the number of mergers remains high, Mr. Turner is well known for his reservations concerning many of them.

Several of my friends have told me that if you look very closely between the lines of this column you can almost see the somewhat measured language of the Department of Justice Antitrust Division pointing out that quite obviously if there were only one company east of the Mississippi and one company west of the Mississippi, there would be no overlapping of competition and hence, the proposed merger would not result in any substantial diminution of competition.

There is, of course, a certain degree of overstatement involved in Mr. Buchwald's assertions. The Supreme Court just found unlawful a merger involving 5 percent of the food business in Los Angeles. Only a scoffer would insist on noting that the action was begun some years ago and thus did not receive the full benefit of the Antitrust Division's current leadership.

Simply because the Antitrust Division is less than opposed to conglomerate mergers is no reason to suppose that they would permit things to go quite this far. Even though Mr. Turner has contended, upon occasion, that there is nothing inherently improper about an individual firm controlling 100 percent of the relevant market or line of commerce, if that lofty pinnacle of eminence were achieved by proper means, it does not follow that he would approve Mr. Buchwald's hypothetical merger.

Nonetheless, all of us—even the Antitrust Division of the Department of Justice—might gain by reading this column and pondering it—quietly.

The Federal Budget: Shortchanging Our Merchant Marine

EXTENSION OF REMARKS
OF

HON. WILLIAM S. MAILLIARD

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1966

Mr. MAILLIARD. Mr. Speaker, at a time of national preoccupation with our spectacular achievements in outer space, the gentleman from Ohio, the Honorable Frank T. Bow, has issued a timely warning to us to return to earth and to bring the allocation of our national resources into proper perspective.

Speaking in New Orleans, La., on the occasion of the launching of the SS *Dolly Turman*, the newest and most modern American-flag cargo ship to join the fleet of the Lykes Bros. Steamship Co., the gentleman from Ohio, with a distinguished record for recognizing the need for a strong American merchant marine, called for a reassessment of priorities in Federal expenditures based upon the real necessities of our national life—including a merchant marine second to none. Yet the unfortunate truth is that today we are shortchanging our merchant marine, and as the ranking minority member of our Committee on Appropriations so rightly observed, and I quote:

> We are very short-sighted indeed if we allocate only $85,000,000.00 for building American ships in Fiscal Year 1967.

In view of the timeliness of this message, I am inserting the full text in the Record and commend its reading to my fellow colleagues:

Address by the Honorable Frank T. Bow, Delivered at the Ceremony To Launch the SS "Dolly Turman," New Orleans, La., June 4, 1966

Mr. Rody, Mr. and Mrs. Turman, Mr. and Mrs. Lykes, Honor guests, ladies and gentlemen, I am indeed proud to be here in the great city of New Orleans today to witness the launching of this Model of superb modern shipbuilding.

It is a pleasure also to be here in the Congressional District of my good friend and very able colleague, Hale Boggs. Hale Boggs and I have worked together for many years in Congress. We are of different parties and on many issues we vote differently. But there are some things we agree upon and some goals to which we devote our joint energies and strength, and one of these is the development of the American merchant marine.

We want to see America first on the seas with outstanding ships built in American yards.

This vessel—the S.S. *Dolly Turman*—is just that—a genuine masterpiece, representing the very finest example of the many advances made in one of the most ancient crafts known to man.

Lykes Bros. Steamship Company, for whom this vessel is built, has achieved a solid reputation for accepting nothing less than the finest and most modern—the ultimate in fully automated vessels, to successfully carry on its highly competitive far-reaching operation throughout the world.

The Avondale Shipyards, Inc., the builders of this vessel, has established a great tradition of producing masterpieces of shipbuilding and has well-earned its very high place among the leading shipyards throughout the United States.

I wish to salute both Lykes and Avondale—they are today bringing to our Nation another greatly needed unit to help strengthen our declining American Merchant Marine.

When Avondale completes their current contract with Lykes, the middle of 1967—16 new, fast, modern, freight vessels will have been added to the Lykes fleet and to the American Merchant Marine. Seventeen new vessels were constructed by Lykes in other U.S. shipyards just prior to the Avondale contract—making a total of 33 new vessels in the Lykes fleet. This amounts to 30 per cent of all the new vessels that have been constructed by the subsidized lines since 1959, when the current replacement program began.

This day marks a special treat to me for the vessel is named for the very lovely and very charming wife of the Chairman of Lykes Bros.—Mrs. Solon B. "Dolly" Turman. Solon Turman has been for several years the Chief Executive Officer—the leader of the Team—of this Organization and "Dolly" has well played her important part in providing the inspiration that led Solon on to greater heights.

The current S.S. *Dolly Turman,* which has been in service since 1946, is a C–2 type vessel. She has a speed of 15.5 knots and a dead weight capacity of 10,500 tons.

This new S.S. *Dolly Turman* which we launch today is not only fully automated but, she has a speed of better than 22 knots and her dead weight is 14,000 tons. Thus, she is 34 per cent larger in tonnage and 40 per cent faster than the vessel she replaces.

As the ranking Republican member of the Appropriation Committee of the House of Representatives and the ranking Republican member of the Subcommittee annually handling Appropriations for the Commerce Department—Maritime Administration—I am concerned about the American Merchant Marine. This is a matter of record. I am also concerned about a sound Fiscal Policy. I think this country should strive for a balanced federal budget.

I believe that budget should be based upon the real necessities of our national life—including a merchant marine second to none—and that the rest of the frills and fancy programs must stand in line and wait their turn to see whether or not we can afford them.

In a recent speech I said:

"Mr. Chairman, it seems to me that the time has come for our Committee on Appropriations—and for that matter, the entire Congress—to fish or cut bait in our handling of the Administration's appropriation requests for the balance of this year and for all of the 1967 fiscal year.

"I, for one, am ready to do some fishing to see if we cannot arrest the expansions of Great Society programs and expansions of other nonessential or low-priority domestic spending.

"If we in Congress do otherwise, we shall be encouraging disastrous inflation or the imposition of additional taxes on an already tax-burdened public."

In addition, I also remarked, and I quote—

"In time of war—and make no mistake about it, we are at war in Vietnam just as surely as we were at war in the forties and in the early fifties—the Administration and the Congress have an obligation to the American people to adequately finance the war and, at the same time, practice economy here at home rather than just pay lipservice to it, as the Administration has done to date.

"Our nation has a commitment in Vietnam, which will require the services—and in some instances the limbs and lives—of a great many more of our young men. It will also require much additional war material, which will constitute a drain on our resources and a strain on our economy. We have no choice but to provide the men and material to defeat the enemy and restore peace to a troubled world."

These statements with regard to the war effort have a direct bearing on the merchant marine. We cannot carry on this war in South Vietnam, halfway across the world, without shipping. We cannot supply our men with the necessities of life and the tools of modern warfare without shipping. All of you know that the situation today is desperate. What would it be, I ask you, if another such emergency should crop up in some other remote section of the world? To what extent does our ability to carry out our foreign policy obligations depend upon our merchant marine?

The answer is obvious, just as it must be obvious to everyone that we are very shortsighted indeed if we allocate only $85,000,000 for building American ships in fiscal year 1967. And it becomes even more obvious when we recognize that 80 per cent of our present merchant fleet reaches the end of its economic life within the next five years.

Likewise, in that speech I included the following:

"It is a virtual certainty that we will be called upon to honor additional defense supplementals late in this calendar year or early next year.

"The Administration should be requested to furnish the Congress with a more realistic assessment to our overall national security needs for fiscal 1967.

"It should also establish a schedule of priorities on domestic spending to the end that those of low priority could be deferred, at least until a just peace is reached in Vietnam. If the Administration is unwilling to provide the Congress with a reassessment of defense needs and expenditures and a schedule of priorities on domestic spending, then I think we shall be forced to do it for them and for the good of the economy."

We have yet to receive the schedule of priorities I called for in my remarks.

The time has come when Congress should assume the responsibility for establishing those priorities.

High among them should be adequate funds to rebuild the American merchant marine.

Because of the present lack of constructive guidance from the Executive Branch of our Government, the overall American Merchant Marine today is drifting on a course to disaster.

We have endured patiently at least five years of extensive study of the ills of the American Merchant Marine by various groups sponsored by the Executive. Each group has published its respective recommendations.

None have been disposed of, either through Congressional or Administrative action. To the contrary, each and every study has served only to provide additional material for debate over alternative courses of action which may be taken to revitalize the industry.

We can no longer afford further pursuit of this dilatory course.

We had hoped that the "New" Maritime Policy which the President of the United States promised in his State of the Union Message in January 1965 would resolve this conflict. However, more than sixteen months have now elapsed, and we still have no new Maritime policy. Instead, we have two additional and conflicting reports on what should be done. We have received also a bill to create a new Department of Transportation, in which the Maritime Administration will be submerged much in the same manner it now is within the Department of Commerce.

None of these events have served to abate the conflict. Rather they have served to increase its severity, raising further doubt over the role of the Government in Maritime affairs and the future course of the American Merchant Marine.

So confused has this matter become that today we are unable even to get agreement on the existing condition of the Merchant Marine, much less on a New Policy.

We have, for example, the Maritime Administrator stating that, and I quote: "Our present fleet is, for the most part, physically obsolete." The Deputy Maritime Administrator states, and I quote: "I, for one, fail to find that our Merchant Marine is in a disastrous situation." Finally, we have the Secretary of Defense, to whom a considerable amount of responsibility for the industry appears to have been abdicated contrary to existing law, stating that the American Merchant Marine is "adequate."

Yet high-ranking professional Naval Officers frequently have stated that it is not adequate.

I believe you will find upon examination of budget requests over the last several years that the allocation of our national resources to Maritime Affairs is becoming progressively smaller, while the problems of the industry are getting progressively larger and larger.

Even compared with last year's inadequate Federal Budget for Ship Construction, this year's request represents a substantial reduction, a cut of about one-third in both dollars and numbers of ships. It is one-half the amount of federal funds requested for ship construction in Fiscal 1959 at a time when the total Federal Budget was only about 60% of that being requested today. Clearly, this is indicative of a shocking deemphasis of the role of the Federal Government in Maritime Affairs.

This budgetary privation can have but one inevitable result, and that is to postpone to some future date the time when we shall have to allocate a substantially greater amount of federal funds to overcome this ever-mounting deficit. A realistic and ongoing subsidized ship replacement program may require that the current level of federal expenditures in ship construction be doubled or even tripled above current levels.

The Congress is aware of the need of a strong Merchant Marine, and we would, I feel sure, respond to a constructive program once we have the promised policy guidance from the Administration. New ships we sorely need and serious consideration should be given to the possible diversion of the projected $800 million to $1 billion expenditure by the United States Navy to build 20 to 30 Fast Deployment Logistic Ships.

Under this proposal, the Federal Government would bear the total cost of both constructing and manning these ships. If this amount of appropriated funds were to be used in the building of vessels under the Shipping Act of 1936, it would produce nearly 150 fast modern freighters (with defense features built in) available to the Department of Defense in time of emergency and operated in our commercial foreign trade in time of peace.

In conclusion, let me refer to the theme for the National Maritime Day of 1966—"American Ships Chart America's Future." If our Country's future does sail with American ships then let us urge that the Executive Branch of the Government promptly take steps to reconcile the conflict among the various agencies of Government, and get us back on course for the ultimate in a strong American Merchant Marine.

My best wishes go to this grand Lady—the S.S. *Dolly Turman*.

Education and the Astonishing Order

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1966

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following excellent address by our distinguished colleague, Hon. HUGH L. CAREY, to the graduating class at Marymount College, Tarrytown, N.Y., on June 1, 1966:

EDUCATION AND THE ASTONISHING ORDER

(Address of Representative HUGH L. CAREY to the graduating class, Marymount College, Tarrytown, N.Y., June 1, 1966)

Your Eminence Cardinal Spellman, reverend clergy, reverend mothers and sisters, graduates of the Class of 1966, parents and friends.

I am doubly honored to deliver the *last word* in the college career of 180 lovely young women, many of whom will devote the rest of their lives to making certain that no man ever gets away with that again.

I am sensitive to the duality of honor because this is the year, one in my position reflects on dualities like the brevity of a two-year term, to say nothing of the dualities of the two year draft, the Medes and the Persians, Rome and Carthage and the Mets and the Yankees in that specific order of finish. But I am conscious of a higher order of duplicate honor. The late John F. Kennedy, your President as freshmen, speaking at a Yale commencement, said he lived in the best of both worlds with a Harvard Education and a Yale degree. At that rate I live in the august realm of the Cherubim and Seraphim, for when this commencement ends I will have a Marymount bride and a Marymount daughter, assuming I don't speak at sufficient length to lose one or the other or perhaps both.

There is a compelling reason for keeping in mind the admonition that a commencement address "to be immortal need not be eternal." It is because this is not only a special graduating class, Marymount, 1966—it may be truly stated, there will never be another to share its honored distinction this day.

This is the only class Marymount will graduate in the year of the Golden Jubilee, the 50th year of the ordination to the priesthood of His Eminence Francis Cardinal Spellman, ordained on May 14, 1916.

Since he became Ordinary of the Archdiocese in 1939 he has attended every possible commencement of the dozen colleges, seminaries, schools of nursing and other institutions in New York, to say nothing of those he has witnessed in his capacity as Vicar of the Military Ordinariate and as a recipient of honors at scores of others.

I estimate that his 27 years as shepherd of New York, multiplied by the low estimate of 20 commencements per year to the 5000th power of words per average speaker, means that he has had to sit and listen to over 2,700,000 parts of speech to this very moment, leaving out salutations, benedictions and valedictories.

What a magnificent record of platform perseverance and patience. These qualities alone would justify the tribute paid to him by him fellow seminarian, the Archbishop of Omaha, Most Rev. Gerald T. Bergan, who wrote recently ". . . in my judgment His Eminence is the greatest churchman in the world next to the Holy Father."

What can we add to that?

Possibly just this, that one who has been exposed to 2,700,000 words of oratory and is still willing to sit and listen to a Congressman, may well be the first saint in the history of the Church to suffer martyrdom by microphone.

After 21 years on the rack of rhetoric, I submit that he as the "Cardinal of Education" would still agree that the most significant part of any commencement tribute is what I have to say right now.

As a parent and as an American citizen I know that the graduates and all here today join me in this exhortation for the Mothers of the Sacred Heart of Mary who have made this day and Marymount a reality of order and a dream of excellence.

May God reward you and our country revere you, for your devotion and sacrifice to the ideal of universal intellectual development. You are the living personification of the Magnificat of Marymount.

And I know the Cardinal of Education would join me in extending to all the faculty and administrators who serve at this shrine of academic distinction, a similar expression of gratitude from all the families who gather here today. Through your masterful orchestration of disciplines in liberal arts, science and the humanities, you have worked wonders.

We sent you little girls. Today you give us mature Marymount women, wise in all things, from the wine list to the watusi—but above all, young women of wisdom, of spiritual bearing, of manners, grace and lovely humor.

You, the Graduates, are ready for the world of growth and the world of change because you are witness, informed and knowledgeable witness, to all the vast newness of this century of innovation. I speak of the world of today which is newer than my generation ever dreamed the future could be. Let the future be yours for the making. I shall not intrude upon it as Polonius and prophesy anything. Old prophesies by aging prophets are rightfully lost on people of great promise. Reference to the past will prove my point.

Eleven years ago, the late Adlai Stevenson spoke to the graduating class of Smith College. He said:

"Once immersed in the pressing and particular problems of domesticity, many women feel frustrated and far apart from the great issues and stirring debate for which their education has given them understanding and relish. Once they wrote poetry. Now it's the laundry list. Once they discussed art and philosophy until late in the night. Now they are so tired they fall asleep as soon as the dishes are finished. There is, often, a sense of contradiction, of closing horizons, and lost opportunities. They had hoped to play their part in the crises of the age. But what they do is wash diapers."

Poor Adlai—poor prophecy. How different is the world awaiting you women of today.

You face a wealth of choice—a proliferation of pathways.

You may have a career and marriage and a career in motherhood and after motherhood.

There is the world of business ready to recruit you and immediately overpay you.

There is the world of service, in religious life, in public life, in teaching, the missions, medicine and science, the Peace Corps, Vista, the Grail, the Confraternity and combinations of all these in conformity only to the will of God and the needs of humanity. There is not a door closed nor a passage blocked to the modern woman. In fact, now that you control 52% of the vote, if you go into politics you start with a clear majority. God save the mark!

All these, even motherhood, with the new math and kerygmatic instruction, will demand more and different and additional education—education for the rest of your lives.

And some of you thought you had finally finished.

What a painful observation to a group who have just sat through their *philosophy* "comps"?

It is precisely because you have come so far and stand now upon the crest of this mount, this high place of perspective, that we can see so much before us on this day which will demand constant and continuing education.

Again, it is not the future to which I point—study only the evidence around in the present and of the past.

Knowledge, data and education are exploding at the speed of an atom in a cyclotron. Professor Goodlad of the University of Southern California has said that if the accumulation of knowledge is plotted on a time scale beginning with the birth of Jesus Christ, it is estimated that the first doubling occurred in 1750, the second in 1900, the third in 1950 and the fourth in 1960. And in 1960, we had not even begun to realize the implications of molecular biology or DNA or UFO's or the plague of LSD.

Are we getting "way out there" in this eruption of knowledge?

No more than Fordham or Fairfield are "way out there" as those institutions may be in relationship to Manhattanville but never, of course, to Marymount.

For it was Father Lynch, scientist-priest, the "seismoscholar" of Rose Hill who startled the American Astronautical Society in Anaheim only last week with his theory of an inhabited universe.

Father Lynch observed that God's desire to share His goodness would be better satisfied by having myriads of galaxies inhabited by intelligent beings.

The response to Father Lynch by the director of the conference, U.S. Space official Dr. Harold Klein, was one of reaction. He confessed surprise at the positive position taken by Father Lynch, and went on to state:

"It is obvious that the Church is prepared for the contingency that we may find intelligent life on other worlds * * * it is coming to grips with this problem."

To which we might add that among those who have known her best, it is never surprising that the Church is prepared for any contingency, natural or supernatural since her Founder cornered the market on contingencies a long time ago.

Our job, through continuing re-education on the affairs of the Church and under her guidance, is to prepare ourselves as she is prepared for every and any contingency.

We must utilize the Church not only as an instrument of education but as the lasting and permanent instrument of education yesterday, today, tomorrow and forever. This is the answer to those of little faith in education itself, who question the position and very right of existence of the Church-related colleges and universities.

It is just rank nonsense to expect that there will be any staying power of intellectual development in a pluralistic society without the metaphysical and supernatural stamina of the Church-related institutions of higher education.

As the Church of Rome is the Rock of Ages, the educational institutions of the Church are the rosetta stone, the first and last word in the synthesis of reason and revelation which is the source of all truth. I do not suggest that Church-related colleges have a monopoly on ultimate knowledge and absolute truth, but if we find it not in these schools, where then shall we seek it?

Even the Associated Press credited Father Lynch with "a theological clincher" when it quoted him at Anaheim:

"It seems reasonable to suppose that some of our extra-terrestrial neighbors would survive the test of acknowledging God's supremacy (which, he said, caused some angels to fall) and some, like ourselves, fall as we did in the person of our first parents.

"We could expect, therefore, at least two broad classes of neighbors—those who survived the test . . . and those who failed."

Those of us in the know should not be amazed at a Fordham Jesuit in 1966 acknowledging the possibility of intelligent life in the outside world. Slowly, and reluctantly, since Bishop Carroll founded Georgetown in 1789 the good Jesuit fathers have been conceding some intellectual growth and existence outside Fordham, Holy Cross, Fairfield and other high spots along the Loyola trail.

It is this growth and progress of education in the Judeo-Christian ethos and tradition which I submit should be the special immediate and continuing concern of Catholic college graduates today.

Frankly, I am soliciting and recruiting manpower and woman power to serve in the largest and fastest growing industry in the United States, education. You are needed in post graduate work, in teaching, as aides, as counselors and as administrators in public and private education as you were never before needed.

The business of knowledge has a growth factor which makes it the best blue chip in today's market for brains.

Fritz Machlap of Princeton estimates that $136 billion or 26 per cent of the gross national product was spent as far back as 1958 for the production and distribution of all kinds of knowledge.

Bringing this figure up to date, last year Fortune magazine estimated that the nation's total outlay for knowledge is now over $200 billion and is still increasing dynamically.

As one college president has observed:

"What the railroads did for the second half of the last century and the automobile for the first half of this century, may be done for the second half of this century by the knowledge industry."

Viewing the next decade, the principal challenge to higher education will be to double the skilled and qualified faculty in our 2300 colleges and universities.

A wave of 9,000,000 students is on the way to these institutions in 10 years, which today house only 60 percent of that number.

It is thrilling to look around us and see that Marymount is moving to meet its share of the growth. The new Gaines Memorial Library and Study Center is the latest addition to the continuing building program and is a credit to all who know, love and serve Marymount.

I am pleased that the Federal Government has, through the Higher Education Facilities Act, had some share in this development.

Thankfully, that day has come when at every level, elementary, secondary and higher education, the Congress has acted under the leadership of President Johnson to give new meaning to our long standing national dedication to educational equality and educational excellence.

For the first time in the history of our nation, after 89 Congresses and 36 Presidents, we can say that every American child has an opportunity to be educated to the full extent of his ability whether he attends a state school or a non-state school.

I am certain that you, the Jubilee Graduates of 1966, share with the Cardinal of Education, some degree of satisfaction that some areas of partnership have finally developed among public and private schools in this multi-billion dollar knowledge industry.

I dislike to be so materialistic about the value of knowledge, which is of course precious and priceless. It is just that every now and then, I find it necessary to remind certain public authorities that if we did not have the contributory church-related schools and colleges in this nation, state and especially in New York City, the whole educational budget would blow up like a 1961 Brazilian cruzeiro.

Contribution is the key word in the call to you who graduate today. What can you contribute to the great work of Christian education? That all of us must contribute something personal, some part of our lives, is without question if we should follow the example of the Cardinal of Education in this Archdiocese. Here is his record as a builder of schools:

Since 1939, the first year of his Ordinariate, the enrollment in the Archdiocesan elementary and secondary schools has increased from 117,000 to 221,000—total teachers, lay and religious, have increased from 3,800 to 7,500.

105 new schools have been opened.

47 old schools have been totally replaced.

34 schools have been completely renovated.

109 schools have been enlarged by additional buildings.

College students increased from 1,563 men in 1939 to 12,000 in 1966 and from 1,745 women to almost 11,000. He is truly named the "Cardinal of Education."

The graduates who are here from other dioceses around this country and from other countries, are undoubtedly aware that your bishops at home and the religious in the great teaching orders are similarly expanding or would like to expand facilities for modern Christian education.

What is needed, what can we do to help? The answer is clear. We must be prepared to give something of ourselves to the great work of education in the Judeo-Christian tradition.

Recently, Secretary McNamara suggested that every young man should spend two years in some form of service to our country.

I would go further.

I believe that not only every young college man, but also every woman graduate should be encouraged to serve her country in some voluntary effort or engage in some church sponsored work in educational or health or social welfare which serves the country and the community.

Further, I would not restrict this to recent graduates but to all Americans, young and old, who are in a position to serve as teachers or aides in education or health and social service.

Perhaps the time has come to consider federally supported mid-life institutes for those who choose a second career in public or private voluntary activities in education or other related fields.

We have the beginnings of such short term mid-life institutes in programs such as the National Teacher Corps, the Vista Program and aides in Operation Headstart.

I assure you I have no intention to keep you 1966 graduates here until it is time to serve in a mid-life institute.

But is it too far-fetched to think that one day when your children or your religious vocations, or your business or your school can spare you, that you may be coming back to Marymount, for the refreshment of new learning or to assist others in the work of education at such institutes?

For us as members of the Church in this day, there is a new mandate to assist in the work of Church education.

Under the form of the Declaration of Christian Education proclaimed in October of 1965 at the Second Vatican Council, several precepts are quite clear.

One is that there can be no longer any foundation for a theory of diminished or reduced role of the Church in education.

The Schema which now has the force of Church Dictum reads in just reverse terms:

It states that "Holy Mother the Church must be concerned with the whole of man's life even the secular part of it insofar as it has a bearing on his heavenly calling. Therefore, she has a role in the progress and development of education. Hence, this Sacred Synod declares certain principles of Christian education especially in schools. The Declaration goes on to state that there will be a post conciliar commission to further develop these principles. Most importantly, the Declaration speaks of the inalienable right to Christian education for all men of every race, condition and age so that we may no longer think of formal education or re-education as reserved to the young or the fortunate. This means a vast expansion and need for commitment to teaching and support of God-centered education for all of us.

Only by continuing participation in a developing and constantly growing diffusion of knowledge, can we satisfy this new order and requirement of Christian Witness. It is for each of you to decide what your contribution will be but the call is for you to help to the best of your ability.

Only by such participation can you of the class of 1966 truly fulfill your May Day pledge to serve as "Christian womanhood—instruments of peace."

Through the work of extension of the message of Marymount, you the graduates of 1966, can truly live the precept of Pope John XXIII in his introduction to "Pacem in Terris," when he stated:

"The progress of learning and the inventions of technology clearly show that, both in living things and in the forces of nature, an astonishing order reigns, and they also bear witness to the greatness of man, who can understand that order and create suitable instruments to harness those forces of nature and use them to his benefit."

You, the Class of 1966 go forth then from Marymount to live in the era of the "astonishing order" and the "greatness of men."

It is for you to teach the world that this order and greatness demonstrate above all the infinite greatness of God.

How shall you do this: Your special patron, His Eminence Cardinal Spellman, has charted your course for you in his poetic work, "What America Means to Me":

"Would we America immortal make?
Then must we learn to live in unity—
Neighbor with neighbor, group with group be strong
In charity, and generous with strength
To open wide our hearts in friendly aid
And feed and clothe the hungry and the cold.
Thus may our land achieve enduring life;
For only in God may men have strength to rise
Above the Stygian levels of man's hate,
Only in God may men have strength to build
A city and a nation that shall endure."

God bless you and Ad Multos Annos.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 8, 1966

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Create in me a clean heart, O God; and renew a right spirit within me.—Psalm 51: 10.

O Lord, our God, before whom all deceit fades, all pretense fails, all ill will falls, who art the way, the truth, and the life—bless us this day with Thy spirit and help us to walk in Thy way, to believe Thy truth and to live Thy life.

Forgive our foolish ways, the mistakes we make, the sins we commit, the harsh criticism we direct toward those who disagree with us, and our slowness to see the good in others and the wrong in ourselves.

Create in us clean hearts, O God, and renew a right spirit within us—that Thy will may be done in us, in our beloved country, and in all men: through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 706. An act to amend the Railway Labor Act in order to provide for establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referrable to the National Railroad Adjustment Board, and to make all awards of such Board final.

The message also announced that the Senate had passed, with amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7371. An act to amend the Bank Holding Company Act of 1956.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2412. An act to terminate use restrictions on certain real property previously conveyed to the city of Kodiak, Alaska, by the United States; and

S.J. Res. 29. Joint resolution to authorize and direct the Secretary of the Interior to conduct a survey of the coastal and freshwater commercial fishery resources of the United States, its territories, and possessions.

U.S. COUPLE SETS RECORD ON ROUND-WORLD FLIGHT

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. RONCALIO. Mr. Speaker, I am delighted and proud today to recognize an historic accomplishment by a young couple, Mr. and Mrs. Robert Wallick, of the State of Wyoming. Bob and Joan Wallick, of Big Horn, Wyo., yesterday broke the record for round-the-world flight in a light plane, that is, a plane of 12,500 pounds or less. They landed at Manila Airport 5 days, 6 hours, 16 minutes, and 40 seconds after they left, and they landed only 6 minutes off their ETA, or the estimated time of arrival. Six minutes is something remarkable in considering a flight of 23,000 miles.

I am particularly proud to be their Congressman. I salute them, and share with my copilots in the House—and there are 12 of us—great pride in their accomplishment.

PERSONAL ANNOUNCEMENT

Mr. REIFEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. REIFEL. Mr. Speaker, Monday afternoon there were two record votes taken on two bills which were considered under the suspension of the rules. One was on H.R. 14643, the International Education Act of 1966, and the other was on H.R. 10, the self-employed individual's tax retirement amendments.

Circumstances required that I remain in South Dakota Monday and thus I was unable to cast my vote on these two measures.

If I had been present I would have voted for both of these bills.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 129]

Anderson, Tenn.
Annunzio
Ashley
Baring
Bell
Blatnik
Boland
Bolling
Bolton
Brown, Calif.
Burton, Calif.
Burton, Utah
Cahill
Cameron
Celler
Clark
Clausen, Don H.
Clawson, Del
Cohelan
Collier
Colmer
Conyers
Craley
Derwinski
Donohue
Dyal
Edmondson
Edwards, Calif.
Ellsworth
Evins, Tenn.
Farnum
Fino
Flynt
Fogarty
Foley
Ford, William D.
Gettys
Giaimo
Goodell
Green, Oreg.
Grider
Gurney
Hagan, Ga.
Hanna
Hansen, Iowa
Hansen, Wash.
Hardy
Hawkins
Hays
Holifield
Holland
Hosmer
Jacobs
Kee
Landrum
Leggett
Long, La.
McMillan
MacGregor
Martin, Ala.
Martin, Nebr.
Matsunaga
May
Miller
Mink
Morrison
Morton
Moss
Murray
Pelly
Powell
Quillen
Rees
Reinecke
Resnick
Rivers, S.C.
Roberts
Rooney, N.Y.
Scott
Senner
Smith, N.Y.
Steed
Stephens
Sweeney
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Waggonner
Whalley
Williams
Willis
Wilson, Charles H.
Wyatt

The SPEAKER. On this rollcall 332 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AD HOC SUBCOMMITTEE ON EDUCATION AND TRAINING OF THE HANDICAPPED OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the ad hoc Subcommittee on Education and Training of the Handicapped of the Committee on Education and Labor may be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SUBCOMMITTEE NO. 6 OF THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that Subcommittee No. 6 of the Select Committee on Small Business may have permission to sit during general debate next Tuesday and Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FAILURE TO GIVE MILITARY STANDBY FARES PRIORITY

Mr. ICHORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ICHORD. Mr. Speaker, since the appointment of the Special Subcommittee on Commercial Air Transportation for Service Personnel while on authorized leave, consisting of Congressmen ALTON LENNON, of North Carolina; WILLIAM J. RANDALL, of Missouri; CHARLES E. CHAMBERLAIN, of Michigan; RICHARD S. SCHWEIKER, of Pennsylvania, and myself as chairman, many Members of the House have brought to my attention several cases of servicemen having difficulty getting accommodations on a military half-fare standby basis.

The staff of my committee with the cooperative and invaluable assistance of General Accounting Office personnel has just concluded a staff study at 29 military installations and 21 commercial airports throughout the Nation. This preliminary study indicates that a very serious situation exists which does demand the attention of the Congress. Not only is it a frequent occurrence for military passengers to be "bumped" at remote intermediate points, but there are also many cases involving failure to serve such passengers meals, failure to give military standby fares priority over other discount fares, as well as discourteous treatment of our boys in uniform by airline personnel.

Military standby travel is not a simple matter as it may first appear but the preliminary study has shown that there are many reasonable steps which can be taken on the part of the airline companies, airline personnel, and travel agencies as well as the military and other governmental agencies that will greatly improve accommodtaions for our Nation's servicemen who give so much and receive so little. The sole purpose of our committee is to bring about such improvement, and the hearings to be held by the committee will explore the various ways of resolving the problems and offering better service. I feel positive that all concerned will lend their willing cooperation to the committee for the accomplishment of our worthwhile objectives.

I take this opportunity to announce that the committee has scheduled its first public hearing next Monday, June 13, 1966, in the armed services hearing room at the Rayburn Building for the purpose of hearing public testimony. Other public hearings will be scheduled later so as not to conflict with the full committee hearings on the military construction bill now under consideration.

FROM PINEAPPLE TO ASPARAGUS—COURTESY OF THE WAR ON POVERTY

Mr. GUBSER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GUBSER. Mr. Speaker, I am reliably informed that on May 15 the Job Corps, with funds from the war on poverty, used United Air Lines to fly 40 young Job Corps trainees from Honolulu to the San Francisco Bay area for the purpose of harvesting asparagus. The minimum round trip fare for such a trip is $8,000 and I doubt if the boys earned that much in the fields.

There is a serious question as to why Job Corps boys from Camp Parks just a few miles away could not have helped out in the asparagus harvest leaving the Hawaiians to work in the pineapple fields of Hawaii. It seems that this is a junket from pineapple to asparagus at taxpayers' expense.

I am also informed by the Daily Commercial News, published in San Francisco, that a grant of $267,000 has been made by the Office of Economic Opportunity to the National Farm Workers Association, headed by Caesar Chavez. This organization, which does not represent more than a handful of Di Georgio Fruit Co. employees is conducting an organizational strike against Di Georgio and a boycott against its S. & W. brand products.

Chavez has refused to participate in an election which would include another farm union. So indirectly or perhaps directly, poverty war money will be used to finance a boycott, a strike, and the current National Farm Workers Association objective of taking workers out of the fields.

Thus $8,000 in war-on-poverty money is being used to import agricultural workers to California fields and a larger sum is being used to encourage others to stay out of the fields.

Mr. Speaker, it is inconsistent that the Office of Economic Opportunity does these two things simultaneously. It is ridiculous, stupid, and an affront to the taxpayers who have worked hard to earn the money Mr. Shriver is squandering.

ATTACK ON JAMES MEREDITH

Mr. REID of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REID of New York. Mr. Speaker, along with colleagues from both sides of the aisle I visited the hospital room of James Meredith yesterday to tell him that we saluted him for his courage, that the Nation stands with him in his commitment to lift the climate of fear and to make a reality for all Americans of the right to vote free from fear.

It was clear from what he said, I believe, that there should be a full and thorough and searching investigation of all of the factors surrounding the dastardly attack on him on U.S. Highway 51.

Second, I believe it is important that any such attack explicitly be made a Federal crime.

Finally, Mr. Speaker, I am happy to report, as one of the authors of the Voting Rights Act, that progress was made yesterday in Mississippi, I believe, and many Americans voted for the first time in the exercise of their full rights of citizenship. This, however, is just a beginning and these rights will not be fully realized till all who should be, are registered; till all can vote without fear of reprisal.

SELECT SUBCOMMITTEE ON LABOR, COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Select Subcommittee on Labor of the Committee on Education and Labor may sit today while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AUTHORIZING APPOINTMENT OF DELEGATES TO INTERNATIONAL LABOR ORGANIZATION CONFERENCE IN GENEVA

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 870 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 870

Resolved, That the Speaker of the House of Representatives is hereby authorized to appoint a member from the majority and a member from the minority of the Committee on Education and Labor to attend the International Labor Organization Conference in Geneva, Switzerland, between June 1, 1966, and June 23, 1966.

He is further authorized to appoint as alternates a member from the majority and a member from the minority of the said committee.

Notwithstanding section 1754 of title 22, United States Code, or any other provision of law, local currencies owned by the United States shall be made available to the aforesaid delegates and alternates from the Committee on Education and Labor of the House of Representatives engaged in carrying out their official duties under section 190(d) of title 2, United States Code: *Provided*, (1) That no member of said committee shall receive or expend local currencies for subsistence in an amount in excess of the maximum per diem rates approved for oversea travel as set forth in the Standardized Government Travel Regulations, as revised and amended by the Bureau of the Budget; (2) that no member of said committee shall receive or expend an amount for transportation in excess of actual transportation costs; (3) no appropriated funds shall be expended for the purpose of defraying expenses of members of said committee in any country where counterpart funds are available for this purpose.

That each member of said committee shall make to the chairman of said committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

Mr. GROSS. Mr. Speaker, reserving the right to object——

The SPEAKER. This is a preferential resolution.

Mr. GROSS. Mr. Speaker, will my friend from California yield?

Mr. SISK. I yield to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. I notice that alternate delegates are provided for. Will these alternates make the trip as well as the principal members of the committee?

Mr. SISK. It is my understanding, Mr. Speaker, that the individuals who will be traveling to the International Labor Conference will probably spend a week, for example, and then they will return, and a couple of other members who are alternates will attend the balance of the meeting.

Mr. Speaker, it is my understanding that this is a normal procedure. We believe this is what occurred last year.

The meeting, as I believe my friend from Iowa understands, is now going on and there are two members now over there. Also, it is my understanding that this resolution, if adopted, authorizes the use of counterpart funds rather than American dollars.

Mr. GROSS. I will say to the gentleman from California that the gentleman from Iowa did not know there were two over there now and he certainly did not know that two more are to go, in relays. I will say to the gentleman from California that this is something new, that members operate in relays on these foreign junkets.

I would hope in the future these resolutions would provide for a specific number and not resort to that which I feel is a subterfuge by authorizing alternates to travel in relays.

Mr. SISK. I will agree with the gentleman from Iowa, who is my friend, and I am inclined to agree with him that we should keep these journeys as limited as possible.

I will say to my friend, the gentleman from Iowa [Mr. Gross], though, that this is identical, as I recall, to the resolution of last year, and I believe the preceding year on this particular organizational meeting.

It does not necessarily mean that it is the same as certain other trip resolutions, but it seems as though the Committee on Education and Labor prefers to alternate its representatives, and the Committee on Rules has seen fit to go along with this proposal.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING BEGINNING ON JULY 1, 1966, AND ENDING ON JUNE 30, 1967, A TEMPORARY INCREASE IN THE PUBLIC DEBT LIMIT SET FORTH IN SECTION 21 OF THE SECOND LIBERTY BOND ACT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 882 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 882

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means. Amendments offered by direction of the Committee on Ways and Means may be offered to the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California [Mr. Sisk] is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield to the gentleman from California [Mr. Smith] 30 minutes, and, pending that, yield myself such time as I may consume.

Mr. Speaker, this is the annual or semiannual trip which we make here to the House to discuss the debt ceiling.

This resolution, House Resolution 882, provides for a closed rule with 4 hours of debate, and waives points of order.

I might say, as I am sure my colleagues are aware, the reason for waiving points of order in this case has to do with the Ramseyer rule since the printing job would be quite substantial to comply with the Ramseyer rule on this particular piece of legislation.

Therefore that is the purpose, I might say, for the waiving of points of order as I understand it.

Mr. Speaker, the purpose of the bill, H.R. 15202, is to provide a temporary debt limitation of $330 billion beginning July 1, 1966, and ending June 30, 1967.

The administration recommended a debt limitation of $332 billion for this purpose.

The Committee on Ways and Means concluded that the $330 billion limitation is restrictive yet contains enough flexibility to permit efficient management of the public debt.

The temporary debt limitation for the fiscal year ending June 30, 1966, is $328 billion. On July 1, 1966, unless this bill is passed, the debt limitation will revert to the permanent limitation of $285 billion. It is expected that there will be outstanding at that time a debt subject to a limitation of approximately $319 billion.

Mr. Speaker, I urge the adoption of this resolution in order that the bill, H.R. 15202, may be considered.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SISK. I am glad to yield to the gentleman from Missouri.

Mr. JONES of Missouri. We have this proposal up here once or twice, and at one time three times in 1 year, and I have never been able to find anyone who could explain to me or support any reason for keeping the permanent debt ceiling at $285 billion. This time the temporary ceiling would be $45 billion over that amount. We have no hope of ever getting back to $285 billion, and I know of no one who believes this possible. Can you give me some reason why the permanent debt ceiling should not be put at a realistic figure say in the neighborhood of $320 billion or $325 billion or $330 billion?

Mr. SISK. I might say to my colleague, the gentleman from Missouri, that I along with many others, of course, are concerned about some of these things. I would assume that we hope some day, and I would hope that we are going to get back to the $285 billion debt ceiling figure. I would hope we would and that we could get along with that figure.

Mr. JONES of Missouri. Have you found anybody—anybody—who has any hopes of ever getting back to the $285 billion debt ceiling? I have gone through this Government of ours and I had a Secretary of the Treasury call me. He said, "No, I do not think we will ever do it." I said, "What I am doing is being realistic." He said, "I could not agree with you more."

But still they will not put the debt ceiling at a realistic figure. Tell me somebody who will agree that the figure of $285 billion is a realistic figure as a permanent debt ceiling.

Mr. SISK. I know that my colleague, the gentleman from Missouri, will agree with me that hope springs eternal. That is about the only answer I can give the gentleman on that issue.

I am sure, of course, that the gentleman from Arkansas [Mr. Mills] and other members of the Committee on Ways and Means will go into these problems in detail because 4 hours of general debate are provided.

Mr. JONES of Missouri. What I was hoping is that the Committee on Rules would at least open the door enough and permit an amendment to place the permanent debt ceiling at a realistic figure. Last year we did not have that opportunity. We finally had a rollcall when the previous question was ordered. We did not get enough votes. But I would like to see us one time face up to this situation in a responsible manner, in a realistic manner. I will vote for any reasonable figure for a permanent debt ceiling. But this matter of kidding ourselves, kidding the public, and kidding everyone about what we are doing is the silliest thing that ever comes before the Congress, in my opinion.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Arkansas, the chairman of the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, let me observe, in response to the inquiry of my good friend from Missouri, that really it makes no difference so far as an obligation of the Government is concerned whether it is issued under a permanent debt ceiling or whether it is issued under a temporary debt ceiling. It is still a legally issued obligation of the Federal Government.

I may be more responsible than any other Member of the House for the fact that we have proceeded here in the last several years on the basis of having temporary ceilings rather than permanent ceilings, for the reason that I just do not know what permanent ceiling we should enact, if that is the action we would want to take. I do not know at what figure we would fix it. I would much prefer to operate as we have in the last several years under a rather rigid ceiling than to add $5, $10, or $15 billion to a particular year's requirement for the ceiling. I am going to have something further to say about this in general debate. But I do not think it makes a whole lot of difference so far as the facts are concerned as to whether we legislate temporarily or whether we legislate permanently a ceiling, because the obligations that are issued are very definitely legal obligations.

They are obligations of the Federal Government. They have to be paid. They have to be refinanced if they are not paid as they come due. So the authority temporarily extended is just as valid authority as the Secretary of the Treasury would have under any permanent ceiling we might enact.

Certainly the temporary ceiling will be at a lesser figure for this coming fiscal year than would have been the case if we had enacted a permanent ceiling, I assume.

Mr. SISK. I thank the chairman very much for his comments.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Missouri.

Mr. HALL. First, I wish to thank the gentleman from California for explaining the Ramseyer rule as the reason for waiving all points of order pursuant to the rule under which we will consider H.R. 15202.

I should like to ask the gentleman, who is a member of the Rules Committee, if the same explanation applies to page 2 of the rule, where the statement appears:

> No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means. Amendments offered by direction of the Committee on Ways and Means may be offered to the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment.

That must be for some reason in addition to the saving of printing under the Ramseyer rule in relation to precluding an amendment to the basic amendment of the ancient and revered Liberty Loan Act.

Mr. SISK. If I might comment on the statement of the gentleman from Missouri, this is the normal language that does appear in closed rules. This is dealing with the fact that this is a closed rule. It is not subject to amendment from the floor, except as the committee itself might propose an amendment. This is identical to the language that is normally included in all closed rules. If I am in error, then I have made a mistake, but it is my understanding that this language would be found in practically all the rules that are granted to the Ways and Means Committee dealing with tax matters and, of course, to some extent this is what we are involved in.

Mr. HALL. Mr. Speaker, if the gentleman would yield further, I would agree with him in that since I have been in Congress, at least, this is the type of approach we have seen. But that does not necessarily make it ideal for each legislator to exercise his elected function and his responsibility to the Nation and their respective congressional districts.

I can well understand the salvage of printing under the Ramseyer rule and the waiving of points of order, because it is a tax bill and because of the difference in germaneness and various other reasons under our rules of procedure, as well as differences between the two bodies. Certainly I want the House to be preeminent in its position. I do not see why it is necessary to make it an airtight rule, instead of simply a closed rule. I know the gentleman will agree with me, by virtue of colloquy we have had in the past, where we have simply waived points of order for various reasons.

I am interested as a member of the Joint Committee on the Reorganization of the Congress to find that "a closed rule" can include many variations, from just waiving points of order, to others waiving amendments or the right to amend, to others under the 5-minute rule, and to others in respect to amendments to amendments. This is the whole gambit. It makes not only a closed rule, but an airtight rule as far as exercising the will of the House is concerned over and above the will of the committee, which I respect.

Mr. SISK. I thank the gentleman for his comments. I agree this is truly an airtight rule.

I too am sometimes concerned about the extent to which Members may be cut off. However, we have recognized over the years that bills out of the Committee on Ways and Means, dealing with the matter of taxes and our finances, are better handled under a closed rule.

I am not here attempting to defend these closed rules. I do not like closed rules, unless it is imperative and necessary. The Committee on Rules has generally found that it is advisable in cases such as this to proceed under this type of operation.

I will say to my friend from Missouri that it is my understanding that a Member of Congress will be speaking later on, advocating an open rule. I do not know, but it may be possible a vote will occur on this issue.

Mr. HALL. I thank the gentleman.

I simply want to say I think time has overtaken events and we should not necessarily have an airtight rule in these instances. I hope the Committee on Rules will continue, as the gentleman has pledged repeatedly before this day, to seriously consider the rights of the individual when this question on waiver or closed rule comes up.

Mr. SISK. I thank the gentleman for his comments.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the gentleman from California [Mr. SISK], House Resolution 882 will provide 4 hours of general debate for the consideration of H.R. 15202, to raise the public debt limit. It is a closed rule except for committee amendments, and in turn all points of order are waived.

The administration has told Congress that it must have this annual increase in the national debt ceiling once again. This time the request was to raise it from $328 billion to $332 billion. This bill would raise it to $330 billion.

When this request was made to increase the debt limit, the Secretary of the Treasury, Mr. Fowler, said the higher debt limit "is needed to operate the financial affairs of this Government in a prudent manner."

The employment or use of the word "prudent" as descriptive of the manner in which this Government is being operated at the present time is quite laughable. Webster's dictionary defines "prudent" as "foresighted, shrewd in the management of political affairs, and frugal." It seems to me it is quite a distortion of this definition if we apply it to "prudent" as characteristic of the fiscal responsibility of the present administration.

Raising the debt limit, in my opinion, could be prevented if the President and the Congress would exercise greater restraint in their fiscal spending policies.

The $330 billion limit now requested represents an increase of some $41 billion since 1961. Within that period the interest on the national debt alone has totaled about $77 billion, which represents an average annual outlay per person of some $250.

Why does this debt limit have to go up at this particular time? The Government today has more money to play with than ever before. This year the Government will have the biggest tax take in our history. On top of this, Congress has now passed a bill permitting the Government to further increase its income by selling some $4.2 billion worth of its outstanding loans—loans to farmers, to veterans, to colleges, and so forth. These transactions, incidentally, will be made at premium interest rates, also at the expense of the taxpayer. Also, there is a new speedup of tax collection.

The end is not yet in sight and will not be, in my opinion, until we begin to practice sanity in spending here in Washington. Until then we can anticipate that regularly a request will be made to increase the national debt.

I have personally voted against authorization bills which I believed involved unnecessary spending. In turn, I voted against the appropriation bills which contained the spending which I thought should not be authorized. I have voted against the raising of the debt ceiling, and I will continue to vote against it so long as this type of unnecessary spending and waste continues in Washington, D.C.

We are going to have the same drama here today, with the same distinguished Members reporting to us, as we have heard many times before.

Mr. Speaker, I reserve the remainder of my time. I say to the gentleman from California [Mr. SISK], there are some Members on this side who have requested time.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Speaker, I rise with some reluctance to urge Members to support the effort to secure an open rule on the bill before us, a rule which would permit an amendment which could save the Treasury and the taxpayers on the order of $25 million a year.

Let me explain what the amendment would do.

A few weeks ago we passed the Participation Sales Act of 1966, which permits FNMA to sell some $5 billion annually of loan paper for farm homes, college dormitories, small business, and so on. During the debate on that bill the point was repeatedly, and I believe accurately, made that raising the $5 billion through the participation sales route would cost the Government approximately one-half of a percentage point more than would direct borrowing through tried and true Treasury notes, bills, or certificates of indebtedness.

I asked Under Secretary of the Treasury Barr about this at the hearings. This is what I said:

> Secretary Barr, outside of myths about national debt, why do we not get the money for the Federal Government's needs in the cheapest possible way, one that will yield the lowest possible cost to the taxpayers? We now have seasoned Treasury securities ranging from 30-day bills to 20-year bonds. If we can borrow money more cheaply through those, why do we not do it? If this has to result in a further education of Congress and the public on the national debt, we can save millions of dollars by such education. Why not do it?

Secretary Barr said, in response:

> Mr. REUSS, no question your route is the cheapest route for the taxpayer and the Government. It is not even debatable.

The amendment which I should like to offer would permit the Treasury an option of using the direct, cheap Treasury financing approach to this problem as an option to the more expensive participation sales route.

It is true that raising the debt limit by an additional $5 billion would cause this amount to be listed as a budget deficit. But the difference between a direct budget deficit and one concealed by sales participation certificates is purely a mythological one.

Either way, the economic impact is identical. In both cases Uncle Sam must raise $5 billion from the credit of its citizens, and in both cases the private investor must supply the credit. The big difference is if we use the direct Treasury borrowing method, we achieve the borrowing for about $25 million a year less because of the lower interest cost.

Mr. Speaker, some myths are worth preserving, but not when they cost the taxpayers $25 million a year. Accordingly, I hope that we will have an open rule on this legislation.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield to my colleague from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, I want to firm up one point that the gentleman from Wisconsin has made. Does the gentleman know of anybody who contests that this borrowing that is accomplished through the so-called sale of participation certificates will be more costly than it would be to go through the direct Government obligation bond sale? Does the gentleman know of anybody here who contests that?

Mr. REUSS. No. Secretary Barr, the representative of the Treasury, conceded in the hearings that there would be about a half a percentage point differential.

Mr. BYRNES of Wisconsin. It is my understanding that some of these certificates or some of this borrowing is going to be accomplished tomorrow. I understand there are some series of these certificates that are out for sale. I have heard it rumored, also, that the rate they expect to have to pay on those certificates is even in excess of 5½ percent. Does the gentleman from Wisconsin have any information in that regard

Mr. REUSS. I think, unfortunately, that the gentleman from Wisconsin is likely to be right on this. The last borrowing was at 5.5 percent. It is likely to be even more now.

Mr. BYRNES of Wisconsin. It is apparently going to be even higher than that.

Mr. REUSS. I would not be surprised.

Mr. BYRNES of Wisconsin. As compared to the current borrowings that can be accomplished somewhat in the neighborhood of 4½ to 4¾ percent if they are direct borrowings in the normal process of Government borrowings.

Mr. REUSS. A 5-year Treasury note would now have an effective yield of about 4.9 percent, which is more than half a percentage point lower than the participation sales rate. I think the gentleman has correctly apprehended that there is a real saving for the taxpayer in giving the Treasury this option.

I would like to say to the gentleman that my amendment would do just that.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. REUSS. Yes. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. The gentleman's proposal to provide for an open rule intrigues me very much. I will be glad to support the gentleman——

The SPEAKER. The time of the gentleman has expired.

Mr. SMITH of California. Mr. Speaker, I yield the gentleman from Wisconsin 1 additional minute.

Mr. GROSS. I will be glad to support the gentleman if I may have his support for an amendment which I would then offer. I have a bill pending in Congress to provide for mandatory annually balanced budgets and orderly annual payments on the Federal debt. In exchange for my support for his proposal, I hope the gentleman from Wisconsin would support my amendment which would save the taxpayers of this country not $25 million but hundreds of millions of dollars.

Mr. REUSS. The gentleman from Iowa knows that I will approach his proposition with an open and inquiring mind. He would not, however, wish to trade votes with me on this question, I am sure.

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I am pleased to have some support from the Democratic side of the aisle for an open rule. This is a ritual that we have to go through periodically on matters that come to us from the Committee on Ways and Means but, regrettably, increasingly so from other committees where rules are not open and thereby the membership cuts itself off from the opportunity of full discussion of the issues before the Congress. I submit that when you lose the power to amend, in effect, you have lost the power effectively to debate an issue. I see no reason, certainly none of the reasons given for having a closed rule under which we would consider tax measures, applicable to the questions of the debt ceiling.

Mr. Speaker, one of the points that could be made—and I am going through a number of areas where amendments could be and should be in my judgment considered by the House during this debate. The gentleman from Wisconsin [Mr. REUSS] has advanced one amendment that he would like to offer, and there is a great deal of merit to it—but even if I were not for the amendment, I would urge that we debate it so that in the process of debating it there can be better understanding. Therefore, in the process of better understanding in this body, which used to be a great study and deliberative body, it could act or begin to fulfill that important function in our society, thus bringing about better judgments on these issues.

Mr. Speaker, I believe one of the most distressing things that can happen to a society is occurring and has been occurring in the last 16 years during which I have been a Member of the House of Representatives. The House of Representatives itself is cutting back on its own ability in making judgments upon political and social problems. And, it is doing this through its failure to conduct fully open and public studies and open and public debate on the issues of the day.

Mr. Speaker, there is no wonder that there are just a handful of Members present when we debate such a major issue as the debt ceiling. Everyone knows that there is no real judgment going to be made here other than that we are just going along with it. Why, during Committee of the Whole debates on issue after issue, is hardly anyone present? Because nothing is really going to be decided here in the well of the House.

Mr. Speaker, what I have to say or what anyone else has to say has no bearing. The decision has been made through some other decisionmaking process that goes on in our society today increasingly behind closed doors, whether it is done at the White House or whether it is on Wall Street, or whether today symbolically on the Charles River, illustrating our intelligentsia. Judgments are made, but made behind closed doors through a process where no one knows who is participating, what arguments are put forth, and what are the alleged facts. And then once the judgment is rendered the entire process is to ram through that judgment, through this great former study and deliberative body, by means of whatever tactics might seem necessary, by tactics other than appeals to facts and reason.

Mr. Speaker, I have reference to the wheeling and dealing, the arm twisting. Here, we are debating one of the most crucial issues that faces our society today; namely, the basic fiscal policy of the United States under a closed rule.

Mr. Speaker, the time of the discussion of the rule is an appropriate time to discuss the procedures under which this matter is to be considered.

I must report again, for the record, if nothing else, the fact that we, the Ways and Means Committee, did not hold our hearings openly and publicly. There was no reason for closed hearings on this legislation.

Mr. Speaker, I am happy to say and tell the membership that the hearings, however, were reported and the printed hearings are available to any Member of this body who happens to be curious enough to read some of the interrogation that went on behind closed doors on this great issue.

Mr. Speaker, one of the amendments that will be offered, and perhaps those who think that the administration's $332 billion request——

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. SMITH of California. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. CURTIS. The administration's request for $332 billion cannot even be considered by this House, because the committee, under a closed rule, in its judgment—and I am pleased that it is $330 billion, $2 billion less—but the committee cannot consider whether it should be $332 billion or $335 billion—or as I would argue—$328 billion. Nor can it do what the gentleman from Missouri [Mr. Jones] suggested, yet should be done in my judgment—get away from this farce of a temporary ceiling when the permanent ceiling is a completely unrealistic figure of $285 billion. The Congress, the House, in its judgment might want to make this a permanent figure. I would so argue and Republicans on the Committee on Ways and Means have argued this for years—let us have a real figure that we are dealing with.

There are reasons on the other side, but let them be heard during debate and then let the House make its decision. I would like to see the amendment considered by this House—the amendment we considered in committee on whether or not we should remove the 4¼-percent interest ceiling on long-term securities of the Federal Government, that is, those securities that have maturity dates beyond 5 years.

This is a subject matter that is perfectly within the competence of the membership of the House to zero in on. There are some who disagree with this. But let us hear their arguments and also you might hear arguments that suggest the Federal Government could save considerable tax money and disrupt the market place for capital to a lesser extent than they are now doing and certainly do less monetizing of the Federal debt as is the case when we have an unrealistic figure of 4¼ percent. This ceiling is so unrealistic that the Government, of course, cannot market any bonds with maturities longer than 5 years.

We also could debate an issue that was debated somewhat in the Committee on Ways and Means as to whether or not the new Government participation certificates should be included in the Federal debt ceiling—and they are not included—and in my judgment they should be included. If they were included, we would have to raise the figure from $330 billion to allow for this inclusion. But that would be a more forthright way and a better way to proceed.

We could also possibly in an amendment pin down the request of the Treasury for $4 billion additional flexibility for cash purposes—cash flow—in a $3 billion contingency so that if we did cut the debt ceiling request by $2 billion, as we have in the committee recommendation, the administration would have to apply this cut to expenditure control. During the debate on this issue, I hope to bring out how the debt ceiling is a realistic manner by which the Congress can express its views on the expenditure policy of this Government.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. Madden].

Mr. MADDEN. Mr. Speaker, the Ways and Means Committee yesterday presented H.R. 15202 to the Rules Committee asking for a rule on legislation that during the period beginning on July 1, 1966, and ending on June 30, 1967, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended—31 U.S.C. 757b—shall be temporarily increased to $330 billion.

In different periods over the past years the Treasury Department has recommended legislation to the Ways and Means Committee asking for increases in the public debt limit in order to meet the necessities of our expanding economy.

No doubt this legislative request for a temporary extension of the public debt limit will cause political criticism from sources over the Nation along the same yardstick as the criticism offered each time during the past years when similar requests have been made.

It is unfortunate that the critics concerning the increase of our gross public debt do not call the attention of the people to the fact that over the last 20 years our gross national product, or our general economy, has expanded and increased in far greater proportion than the increase of our gross public debt.

This week I requested from the Treasury Department a breakdown of our gross public debt figures as compared with the increase in our gross national product over the last 20 years. I think it is well for the Members of Congress to have knowledge of the relative expansion over the years of our public debt compared to our gross national product expansion. I hereby submit some of the figures submitted to me by the Treasury Department showing our gross national debt expansion as compared with our gross national product expansion over the last 20 years.

End of fiscal year	Gross public debt and guaranteed obligations	Gross national product
1945	259.1	216.4
1946	269.9	209.1
1947	258.4	229.7
1948	252.4	259.1
1949	252.8	256.2
1950	257.4	284.2
1951	255.3	329.3
1952	259.2	342.4
1953	266.1	366.6
1954	271.3	362.6
1955	274.4	398.4
1956	272.8	418.4
1957	270.6	443.1
1958	276.4	444.8
1959	284.8	485.4
1960	286.5	504.4
1961	289.2	519.6
1962	298.6	560.8
1963	306.5	588.1
1964	312.5	629.5
1965	317.9	675.2
1966	320.0	722.0

The critics of our Government policy should not become too alarmed when they find that in 1945 our gross public debt was $259 billion compared to our gross national product of $216 billion. In other words, in 1945 our gross national debt was $43 billion more than our gross national product.

In contrast to 1966 our gross national debt was approximately $322 billion compared to a gross national product of $722 billion. In other words, in 1966 our gross national product was $402 billion more than our gross public debt.

These facts should be taken into consideration when administration critics making statements alarming the American people that this Government's fiscal policies are on the verge of bankruptcy.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Missouri.

Mr. CURTIS. I will discuss this subject at some length during the debate itself, but I would say to the gentleman the reason this argument that he has advanced is not used so often is that it is only a half-truth. The proper reference point is not 1946, which, of course, was right after the heavy deficit financing employed in order to win World War II. The proper reference point is, What was the ratio of Federal debt to gross national product during the 100 years when this country was growing great in peacetime? And it was never as high as 15 percent.

Mr. MADDEN. You can go back 30 years and find that the gross national product was about $30 billion and the public debt was close to the same figure.

Mr. CURTIS. No——

Mr. MADDEN. In addition, beginning in 1953, if the interest rate was not raised three or four times in the first few years of the Eisenhower administration by Secretary of the Treasury George Humphrey, our public debt would be about $12 billion less today. The largest item in our budget today is about $11 billion annually for interest on our Federal debt.

I hope the Members, when they talk about our increased economy or gross national product, will mention that in

20 years our debt only advanced about $50 billion while our GNP increased about $402 billion.

Mr. SISK. Mr. Speaker, I urge adoption of the resolution, and I move the previous question.

The previous question was ordered.

The **SPEAKER.** The question is on agreeing to the resolution.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. REUSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

Mr. MILLS. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER.** The gentleman will state it.

Mr. MILLS. Will the Speaker advise the House what the vote occurs on?

The **SPEAKER.** The question is on the adoption of the resolution.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 205, nays 153, not voting 73, as follows:

[Roll No. 130]

YEAS—205

Adams
Addabbo
Albert
Anderson, Tenn.
Aspinall
Bandstra
Barrett
Beckworth
Betts
Bingham
Boggs
Brademas
Brooks
Broyhill, Va.
Burke
Burleson
Byrne, Pa.
Byrnes, Wis.
Cabell
Carey
Celler
Chelf
Clark
Clevenger
Conyers
Cooley
Corman
Craley
Culver
Daddario
Daniels
Davis, Ga.
Dawson
Delaney
Denton
Diggs
Dingell
Dorn
Downing
Dulski
Duncan, Oreg.
Edmondson
Edwards, Calif.
Edwards, La.
Evans, Colo.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Flood
Fogarty
Foley
Fountain
Friedel
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gathings
Giaimo
Gibbons
Gilbert
Gilligan
Gonzalez
Grabowski
Gray
Green, Pa.
Greigg
Grider
Griffiths
Hagen, Calif.
Haley
Hamilton
Hanley
Hansen, Wash.
Hathaway
Hawkins
Hébert
Hechler
Helstoski
Herlong
Hicks
Holland
Howard
Hull
Huot
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kelly
Keogh
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Kornegay
Krebs
Kupferman
Long, Md.
Love
McCarthy
McFall
McGrath
McVicker
Macdonald
Machen
Mackay
Mackie
Madden
Mahon
Martin, Mass.
Mathias
Matthews
Meeds
Mills
Minish
Mink
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Price
Pucinski
Purcell
Redlin
Resnick
Rhodes, Pa.
Rivers, Alaska
Rodino
Rogers, Colo.
Ronan
Rooney, Pa.
Rostenkowski
Roush
Roybal
Ryan
St Germain
St. Onge
Scheuer
Schneebeli
Schweiker
Shipley
Sickles
Sikes
Sisk
Slack
Smith, Iowa
Smith, Va.
Staggers
Steed
Stratton
Stubblefield
Sullivan
Taylor
Teague, Tex.
Tenzer
Thomas
Thompson, Tex.
Todd
Tunney
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Watts
Weltner
White, Idaho
White, Tex.
Wolff
Wright
Young

NAYS—153

Abbitt
Abernethy
Adair
Anderson, Ill.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Ayres
Bates
Battin
Belcher
Bennett
Berry
Bow
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Buchanan
Callan
Callaway
Carter
Casey
Cederberg
Chamberlain
Clancy
Cleveland
Conable
Conte
Corbett
Cramer
Cunningham
Curtis
Dague
Davis, Wis.
de la Garza
Derwinski
Devine
Dickinson
Dole
Dowdy
Duncan, Tenn.
Dwyer
Edwards, Ala.
Erlenborn
Findley
Fino
Fisher
Ford, Gerald R.
Frelinghuysen
Fulton, Pa.
Goodell
Gross
Grover
Gubser
Hall
Halleck
Halpern
Hansen, Idaho
Harsha
Harvey, Ind.
Harvey, Mich.
Henderson
Horton
Hungate
Hutchinson
Ichord
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, N.C.
Kastenmeier
Keith
King, Utah
Kunkel
Laird
Langen
Latta
Lennon
Lipscomb
Long, La.
McClory
McCulloch
McDade
McDowell
McEwen
MacGregor
Mailliard
Marsh
May
Michel
Minshall
Mize
Mosher
Nelsen
O'Konski
O'Neal, Ga.
Ottinger
Passman
Patman
Poff
Pool
Quie
Quillen
Race
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Roberts
Robison
Rogers, Fla.
Rogers, Tex.
Roncalio
Rosenthal
Roudebush
Rumsfeld
Satterfield
Saylor
Schisler
Schmidhauser
Secrest
Selden
Shriver
Skubitz
Smith, Calif.
Springer
Stafford
Stalbaum
Stanton
Teague, Calif.
Thomson, Wis.
Tuck
Utt
Walker, Miss.
Walker, N. Mex.
Watkins
Watson
Whalley
Whitener
Whitten
Widnall
Wilson, Bob
Wydler
Yates
Younger
Zablocki

NOT VOTING—73

Annunzio
Ashley
Baring
Bell
Blatnik
Boland
Bolling
Bolton
Brown, Calif.
Burton, Calif.
Burton, Utah
Cahill
Cameron
Clausen, Don H.
Clawson, Del
Cohelan
Collier
Colmer
Curtin
Dent
Donohue
Dow
Dyal
Ellsworth
Evins, Tenn.
Flynt
Ford, William D.
Fraser
Gettys
Green, Oreg.
Gurney
Hagan, Ga.
Hanna
Hansen, Iowa
Hardy
Hays
Holifield
Hosmer
Kee
Landrum
Leggett
McMillan
Martin, Ala.
Martin, Nebr.
Matsunaga
Miller
Morrison
Morse
Morton
Moss
Murray
Nedzi
Pelly
Powell
Rees
Reinecke
Rivers, S.C.
Rooney, N.Y.
Scott
Senner
Smith, N.Y.
Stephens
Sweeney
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Waggonner
Williams
Willis
Wilson, Charles H.
Wyatt

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Brown of California against.

Mr. Kee for, with Mr. Baring against.

Mr. Miller for, with Mr. Gettys against.

Mr. Thompson of New Jersey for, with Mr. Scott against.

Mr. Evins of Tennessee for, with Mr. Hagan of Georgia against.

Mr. Ashley for, with Mr. Don H. Clausen against.

Mr. Sweeney for, with Mr. Burton of Utah against.

Mr. Annunzio for, with Mr. Talcott against.

Mr. Holifield for, with Mr. Hosmer against.

Mr. Trimble for, with Mr. Gurney against.

Mr. Matsunaga for, with Mr. Cahill against.

Mr. Donohue for, with Mr. Morse against.

Mr. Charles H. Wilson for, with Mrs. Bolton against.

Mr. Boland for, with Mr. Pelly against.

Mr. Blatnik for, with Mr. Reinecke against.

Mr. Dyal for, with Mr. Del Clawson against.

Mr. Moss for, with Mr. Martin of Alabama against.

Mr. Burton of California for, with Mr. Wyatt against.

Mr. Hays for, with Mr. Bell against.

Mr. Cohelan for, with Mr. Tupper against.

Mr. Rees for, with Mr. Morton against.

Mr. Dent for, with Mr. Curtin against.

Mr. Powell for, with Mr. Ellsworth against.

Until further notice:

Mr. Senner with Mr. Landrum.

Mr. Waggonner with Mr. McMillan.

Mr. Leggett with Mr. Flynt.

Mr. Hanna with Mr. Hardy.

Mr. Morrison with Mr. Hansen of Iowa.

Mr. Nedzi with Mr. Rivers.

Mr. Fraser with Mr. Williams.

Mr. Toll with Mr. Stephens.

Mr. Cameron with Mr. Colmer.

Mr. Willis with Mr. Dow.

Mrs. Green of Oregon with Mr. William D. Ford.

Mr. GERALD R. FORD changed his vote from "yea" to "nay."

Mr. CARTER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PUBLIC DEBT LIMIT

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15202), to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The **SPEAKER.** The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15202, with Mr. GILBERT in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentleman from Arkansas [Mr. MILLS] will be recognized for 2 hours and the gentleman from Wisconsin [Mr. BYRNES] will be recognized for 2 hours. The Chair recognizes the gentleman from Arkansas.

Mr. MILLS. Mr. Chairman, this bill, H.R. 15202, extends the temporary limitation on the statutory public debt for an additional fiscal year and raises the limitation from $328 to $330 billion. The existing temporary limitation of $328 billion is due to expire on June 30, the last day of the current fiscal year. Unless this bill is approved, on July 1 the debt limit will fall to the permanent limitation of $285 billion. The necessity for action is indicated by the fact that the Treasury Department estimates that the statutory debt outstanding on July 1—the day the limitation reverts to $285 billion—will total roughly $319 billion.

The limitation recommended by your committee for the coming fiscal year is $330 billion. This is $2 billion above the present limitation but also is $2 billion less than the limitation requested by the Treasury Department.

I have often wondered, but I do not know what the consequences would be if we provided for no extension whatsoever. Legally I know what the consequences would be. I do not know what the psychological consequences would be.

The obligations that are outstanding are legal obligations. They have been issued under authority given by the Congress to issue obligations against the full faith and credit of the United States. The forecast debt of $319 billion for the end of this fiscal year therefore would be legal. There would be no question about that.

But I wonder what the psychological effect would be, at a time when psychology seems to be playing such a prominent part in the economy of this country, if the Congress—which is responsible primarily for creating the situation wherein it is necessary to issue obligations because there is not sufficient revenue coming in to pay the bills that Congress has approved—put the Secretary of the Treasury in the position where he could not actually pay bills that come due.

It is not so easy, either, to cut back suddenly and drastically in the spending that is carried forward by the Federal Government so as to accommodate that kind of situation. Would it mean that the American people would assume that the Government did not intend to pay obligations? I do not know what the result would be, because I have never been able fully to anticipate and fully to understand how people react to certain circumstances that might arise.

There are some who treat this debt limit as an occasion when they can use it to point to an economy vote, and assume that we have no responsibility whatsoever with respect to the debt, because we have not voted for all of the various appropriations and authorizations that the Congress has committed itself to. If all of us who were in one or the other of these categories opposed an increase in the debt ceiling, we would do grievous harm if we prevailed and the majority of the Members of the House should join in such a decision not to have a debt ceiling increase of some amount, whether it be temporary or permanent.

Much has been said last year and the year before about the advisability of discontinuing this practice, that we began in the mid-1950's, of providing for a temporary ceiling. I remember that Secretary of the Treasury Humphrey at that time, recommended that we provide for an increase in the permanent debt ceiling to accommodate his situation in the upcoming fiscal year.

We were in the minority at that time. I believe I am correct in saying I made a motion to recommit the bill which had been reported by the Committee on Ways and Means, providing for a permanent debt ceiling increase, and to provide for a temporary ceiling. I did it because I felt very honestly at the time we were in a situation from which we might recover within a period of months and that we would not need to have a permanent increase because of what we then faced.

One can always look back and see that on occasion perhaps his judgment was not as good as it would have been had he the benefit of the knowledge then that he had later.

Anyway, the House turned down that motion.

When the bill reached the Senate, the Senate did what I had proposed to do, and in conference the conferees agreed to the provision for a temporary debt ceiling rather than a permanent debt ceiling increase.

We have followed that practice ever since. To me it does not make a whole lot of difference, frankly, whether we enact a temporary increase or a permanent increase. The obligations are outstanding. They are commitments of the Federal Government and of the people of the United States, whether the authority under which they are issued is temporary or permanent. They are going to be refinanced or paid, whether they are issued under a temporary arrangement or issued under a permanent arrangement.

Over the period of time which has elapsed since the mid-1950's there seems to have developed a feeling that we could exercise some degree of restraint through the use of a debt ceiling. We have no restraint, if there is flexibility between the amount of the actual debt and the ceiling of $10 billion, $15 billion, or $25 billion. If there is a temporary ceiling, indicating that there can only be, as in this instance, $2 billion more of Federal securities issued in the fiscal year than were permitted to be issued in the last, some could argue it means—I have not made up my mind—that the Congress is exercising some degree of restraint through this device as to the amount of overall authorizations for spending which can be carried out within a fiscal year.

My friend the gentleman from Missouri [Mr. CURTIS] has pointed out in the course of our considerations in executive session many times the great backlog of authorizations which are outstanding with respect to actions we have taken in previous fiscal years. These amounts could be spent. It can be argued that these amounts might be spent if someone did not exercise some degree of restraint or concern about it.

I have forgotten the exact figure, but I believe it currently is in excess of $30 billion.

If the permanent ceiling is so high as to allow for that total, and if somebody wanted to do it, or deemed it advisable, perhaps much of that backlog of authorizations could be added to the actual spending in the fiscal year 1967.

It is argued that the debt limit gives Congress some degree of control over this backlog.

In any event it is not economy to vote against this bill. The day to act on economy was when the authorization, or when the appropriation was considered. This is merely an accumulation of all the things that we have done in the past, and that is all it is. Here the Treasury is faced with the responsibility of paying bills. If the cash is not there, there is no other way under law, as far as I know, that the Secretary of the Treasury can pay bills except to issue some kind of security, which in the great bulk of the cases becomes a part of the statutory debt.

THE BUDGET DEFICIT IN FISCAL YEAR 1966

Before I explain why the committee recommends a debt ceiling of $330 billion, I believe it is appropriate to review the budgetary situation for the fiscal years 1966 and 1967.

The President's January budget projected administrative budget receipts of $100 billion in the current fiscal year, expenditures of $106.4 billion, and a deficit of $6.4 billion. In their joint appearance before your committee, the Secretary of the Treasury and the Director of the Bureau of the Budget indicated that they expect actual expenditures to approximate the January projection. They anticipate that receipts will be higher, however, and as a result that the deficit will be less than the figure projected in January.

For fiscal year 1966 receipts, the Secretary of the Treasury stated that he believes it would be prudent to plan on the basis of $102.5 billion, although he suggested that actual receipts may exceed this revised projection by as much as one-half billion dollars. This implies a budget deficit in the current fiscal year in the order of $3.9 billion to $3.4 billion, in contrast to the January budget estimate of a deficit of $6.4 billion.

Part of the expected increase in receipts over January budget levels is attributable to the recent announcement by the Treasury Department that certain large employers will be required to make more frequent deposits of taxes withheld from employees. The employers affected are those whose total of income and social security taxes withheld from employees and their own social security tax liability exceeds $4,000 a month. Beginning this month, these employers must pay such taxes into designated depositary banks twice a month instead of once a month. Furthermore, the deposits must be made within 3 banking days of the end of each semimonthly period instead of within 15 days of the end of each month. This new schedule of payments is expected to result in the collection in fiscal year 1966 of $900 million more in withheld individual income taxes than previously estimated.

As is customary, the staff of the Joint Committee on Internal Revenue Taxation provided your committee with independent estimates of receipts in the fiscal years 1966 and 1967. The staff estimated that fiscal year 1966 administrative budget receipts would total $103.9 billion, or from $1.4 billion to $900 million more than the administration estimates.

A small portion of the difference between the estimates of the joint committee staff and of the administration is attributable to a downward revision of $200 million in the administration's estimate of miscellaneous receipts. The staff is not in a position to estimate these receipts and, therefore, in this area, used the January budget estimate.

If the staff's estimate of receipts is adjusted downward for this revised estimate of miscellaneous receipts, coupling these receipts with the January budget estimate of expenditures suggests a deficit of $2.7 billion in the fiscal year 1966. This would be $3.7 billion less than the January budget estimate, and $1.2 billion to $700 million less than the current administration estimate.

THE BUDGET DEFICIT IN FISCAL YEAR 1967

Turning now to fiscal year 1967, the President's January budget projected administrative budget receipts of $111 billion, expenditures of $112.8 billion, and a deficit of $1.8 billion.

In testimony before your committee, the Secretary of the Treasury did not provide a revised estimate of receipts for fiscal year 1967. He indicated, however, that, weighing all the uncertainties, he sees no reason to revise the January estimate of the fiscal year 1967 deficit—$1.8 billion.

With regard to expenditures in fiscal year 1967, the Director of the Bureau of the Budget noted that there are signs pointing to a higher total than the $112.8 billion January projection. Examples he cited of probable increases are:

First. Veterans' readjustment benefits in the fiscal year 1967 will be up $100 million over the President's budget estimate;

Second. The military and civilian payraise bill approved by the House and by the Senate Committee on Post Office and Civil Service, which would increase outlays by almost $500 million;

Third. The House-approved appropriation bill for the Departments of Labor and HEW adds significant amounts to the budget for impacted area school aid, college student loans, and the National Institutes of Health; and

Fourth. The Agriculture appropriation bill approved by the House, adds substantially to the requests for rural electrification, agricultural research and conservation, and the school lunch and special milk programs.

The Budget Director pointed out, however, that budget predictions are particularly difficult for fiscal year 1967, largely because of the uncertainty of the length and intensity of the conflict in Vietnam. While the January estimate of Defense expenditures is still the administration's best estimate, he indicated they could well end up substantially higher or lower than the $58.3 billion level projected. The Director concluded, therefore, that any specific revision of the January expenditure estimate would be "highly conjectural and premature" at this time.

As I mentioned before, the staff of the Joint Committee on Internal Revenue Taxation furnished the committee with independent estimates of administrative budget receipts. It is important to stress, however, that the staff is in a position only to estimate receipts. The staff's estimate for fiscal year 1967 was $116.2 billion, $5.2 billion more than the January budget estimate: However, the staff's estimate of receipts is based in part on the assumption that Federal expenditures in fiscal year 1967 will be slightly higher than the $112.8 billion estimated in the January budget. For this reason, it is inappropriate to relate the staff estimate of receipts with the January budget estimate of expenditures for the purpose of arriving at any specific estimate of the budget deficit or surplus in fiscal year 1967. The staff's estimate does, however, imply substantial improvement in the budget picture relative to the January budget estimate of a deficit of $1.8 billion. However, even if only the latter figure is achieved, it would represent the smallest deficit since the fiscal year 1960.

TREASURY PROJECTIONS OF THE REQUIRED DEBT LIMITATION

In support of its recommendations for a debt ceiling of $332 billion, the Treasury Department presented your committee with a table indicating the debt limit it feels will be required on the 15th day and on the last day of each successive month in the fiscal year. This table is shown as table 3 on page 6 of the committee report. I would like to include it in my remarks at this point.

Estimated public debt subject to limitation (based on constant minimum operating cash balance of $4,000,000,000), fiscal year 1967

[In billions]

	Operating cash balance (excluding free gold)	Public debt subject to limitation	Allowance to provide flexibility in financing and for contingencies	Total public debt limitation required
1966				
June 30	$4	$313.3	$3	$316.3
July 15	4	316.6	3	319.6
July 31	4	316.8	3	319.8
Aug. 15	4	318.4	3	321.4
Aug. 31	4	320.8	3	323.8
Sept. 15	4	323.4	3	326.4
Sept. 30	4	318.1	3	321.1
Oct. 15	4	321.9	3	324.9
Oct. 31	4	322.2	3	325.2
Nov. 15	4	324.4	3	327.4
Nov. 30	4	324.6	3	327.6
Dec. 15	4	327.8	3	330.8
Dec. 31	4	323.0	3	326.0
1967				
Jan. 15	4	325.3	3	328.3
Jan. 31	4	324.1	3	327.1
Feb. 15	4	325.2	3	328.2
Feb. 28	4	324.7	3	327.7
Mar. 15	4	328.7	3	331.7
Mar. 31	4	323.5	3	326.5
Apr. 15	4	327.5	3	330.5
Apr. 30	4	318.6	3	321.6
May 15	4	319.8	3	322.8
May 31	4	320.4	3	323.4
June 15	4	324.7	3	327.7
June 30	4	314.9	3	317.9

Source: U.S. Treasury Department.

In constructing the table, the Treasury followed its practice of past years of assuming a constant operating cash balance of $4 billion. Furthermore, the Treasury also followed the past practice of adding a $3 billion margin to its estimates as an allowance for flexibility in financing and for contingencies.

The Treasury estimates, then—incorporating this $4 billion allowance for the operating cash balance plus a $3 billion allowance for contingencies—show a statutory debt reaching a maximum of $331.7 billion on March 15, 1967, and then declining to a fiscal year end level of $317.9 billion. This is the usual seasonal debt pattern and reflects the fact that while expenditures are spread fairly evenly over the fiscal year, receipts are concentrated at the end of the year. The public debt typically rises to a peak in March, just before the receipt of spring tax payments.

The Treasury recommendation was designed, in effect, to accommodate the highest level the debt is expected to reach during the fiscal year and still provide enough leeway for a $4 billion operating cash balance and a $3 billion allowance for contingencies.

COMMITTEE ACTION

While the Treasury Department's presentation suggests the need for a temporary debt limit of $332 billion during the coming fiscal year, your committee's bill provides for a limit of $330 billion, or $2 billion less. At the same time, this limit is $2 billion more than the limit in effect during the current fiscal year.

On the basis of the evidence submitted in hearings, your committee concluded that a limitation of $330 billion, while tight, will provide the Treasury Department with an adequate margin for flexibility in the management of the public debt.

Your committee notes that, according to the Treasury's own projections, the $330 billion ceiling will be more than adequate on all but 3 dates in the coming fiscal year. On these 3 dates—December 15, 1966, March 15, 1967, and April 15, 1967—the Treasury can stay within the $330 billion limit without difficulty by simply permitting operating cash balances to fall slightly below $4 billion. It will not be necessary to utilize any portion of the $3 billion allowance for contingencies to stay within the limit.

I state that the Treasury will be able to work within this limit without difficulty because experience suggests that operating cash balances are normally low on these particular dates. Each of the three dates is the deadline for the payment of certain income taxes and thus immediately precedes the receipt by the Treasury of substantial sums. Quarterly payments of estimated income tax by calendar year corporations are due on December 15. On March 15, end-of-year tax returns for calendar year corporations are due. April 15 is the deadline for filing individual income tax returns and for paying quarterly installments on both corporate and individual estimated income tax.

It is to be expected that cash balances will normally be permitted to fall to relatively low levels at these three times. Otherwise, the cash balances would be abnormally high when the tax collections are received. Table 8 on page 10 of the report indicates that cash balances on these dates in the past have typically been substantially below the average monthly balance for the fiscal year.

Let me get down to specifics with respect to these three dates. To operate within the $330 billion limit without disturbing the $3 billion allowance for contingencies, the Treasury will have to permit its operating cash balance to fall to $3.2 billion on December 15, 1966, to $2.3 billion on March 15, 1967, and to $3.5 billion on April 15, 1967. The record of the current fiscal year discloses that these declines are smaller than normally occurs on these three occasions. On December 15, 1965, the Treasury cash balance was $1.9 billion, or actually $1.3 billion less than the balance that will be called for on December 15, 1966, under the $330 billion ceiling even with the $3 billion allowance for contingencies. On March 15, 1966, the Treasury cash balance was $1.2 billion, or still $1.1 billion less than the balance that will be called for on March 15, 1967. On April 15, 1966, the Treasury cash balance declined to $800 million, a full $2.7 million less than the balance that will be called for on April 15, 1967. Your committee concluded from this that, in fact, these temporary cutbacks in the cash balance would not represent any hardship.

Your committee also believes that the administration's estimate of the likely budgetary deficits in fiscal years 1966 and 1967 may well be conservative. Estimates of these deficits are important in the determination of the required debt limitation. Of course, the budgetary outlook could be altered by a change in the situation in Vietnam or by some other unforeseen event. If such an event occurs, Congress may have to reevaluate the debt limit. This would be just as certain, however, whether the limit is set at $330 billion or at $332 billion.

Your committee's belief that the Treasury view of the budgetary outlook may well be unduly pessimistic is based not only on the expectation of higher receipts in the coming fiscal year, but also on the conviction that expenditures can and will be held to the lowest level compatible with the efficient operation of necessary Government programs. We are confident that the President will continue to stress economy in the operation of the Government and we are confident that this effort will be successful and that new ways to reduce costs will be discovered and implemented. Finally, we are convinced that Congress through the appropriation process will hold down expenditures and prevent any unnecessary increases. Increases in some areas, including those already acted upon, can and should be offset by reductions elsewhere.

Even if the conflict in Vietnam or some other contingency should require the expenditure of more than the January budget projected, however, the $330 billion debt ceiling will remain appropriate as long as the increase in expenditures over January estimates does not exceed the increase in receipts over the same estimates. Finally, as I mentioned, in the event of an emergency, Congress can reconsider the $330 billion ceiling.

Mr. Chairman, if we are not going to spend more money than is projected in the President's budget, delivered to us in January of this year for fiscal year 1967, the Secretary of the Treasury can handle all of his responsibilities under this ceiling.

Now, Mr. Chairman, if we are going to add a whole lot to it, or if the costs in the Vietnamese situation are to be greater by an appreciable amount than set forth in the budget and predicted for this fiscal year, then this amount of $330 billion may not be enough.

However, Mr. Chairman, I believe all of us recognize that under such circumstances $332 billion would likewise not be enough.

Mr. Chairman, what we tried to do was to adjust the debt ceiling in order to accommodate not a theory but the actual practice which the Treasury Department has followed in its cash balances on the crucial dates.

Mr. Chairman, I believe I can assure the membership, therefore, that this $330 billion is sufficient under present revenue and spending estimates. There is no need for $332 billion. Within this $330 billion limit and given Treasury revenue forecasts, there is not room for continued additions by us to the spending authorizations. There is not an allowance for additional amounts to be appropriated, or additional amounts to be authorized, in the coming fiscal year over and above programs which are presently included in the budget.

I want to say this in commendation. I think until last fall the administration did a remarkable job of holding the line on spending, as we had envisioned it would when we enacted the Revenue Act of 1964. Our revenues were going up. Our rate of spending was being held relatively constant. We were beginning to see the day when the objectives of the Revenue Act of 1964—namely, growth in the private sector of the economy—would bring our expenditures and revenues into balance. I said on the floor of the House that the Secretary of the Treasury said in the committee in public hearings that that legislation would well bring us to a balanced budget by the year 1967. Certainly, we were moving along in that direction.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. CURTIS. I simply want to emphasize what the gentleman from Arkansas is saying and what I have publicly said many times. I too commended the executive. I wish people would look at these figures. They held expenditures to 97.7 billion for fiscal 1964 and to 96.5 billion, a reduction for fiscal 1965. This was below the figures we Republicans at any rate had recommended. Indeed, they did hold expenditures down—that is the other side of the coin.

Mr. MILLS. It was about September of last year when the rate of spending began to rise. There were a number of programs enacted, of course, by the Congress last year that brought that about—programs such as those providing for expenditures on education and health. In addition, we began to find an acceleration in the military costs for Vietnam. All of those things may still be met, however, if we do not add any more increases than those already provided, if the estimates of the staff of the Joint Committee on Internal Revenue Taxation are right. In place of having $111 billion in revenue as the Treasury predicts for fiscal 1967, we would have better than $116 billion of revenue. If we were not going to spend appreciably more than the budget says, that would mean in the fiscal year 1967 we could have a balanced budget. We could have a surplus of revenue even if the Vietnamese costs continue to rise slightly and even with the rise in spending which began in September of 1965.

In view of the great responsibilities that we face, we should not be quarreling today about where our debt ceiling ought to be because our committee I think has come up with a tight ceiling—and everybody knows it. What we ought to be concerned about is how we are going to hold down spending in this Congress to prevent the total, if at all possible, from exceeding the $112 billion set forth in the President's budget.

What this economy needs as much as anything in 1967 is for us to attain a balanced budget. If we can do that, I think we would be going a long way toward avoiding further price increases. We would also be going a long way in stopping the present trend toward higher interest rates.

THE NEED FOR AN ADEQUATE DEBT LIMIT

A debt ceiling lower than that proposed in your committee's bill would be unrealistic. In the first place, it would not permit the Treasury sufficient flexibility for efficient debt management. For this purpose, the Treasury must be able to defer large borrowings when interest rates are temporarily high and to promote an orderly market in Government securities. The debt limit must also be high enough to accommodate normal intra-annual fluctuations in the debt attributable to the uneven flow of receipts and to provide some allowance for contingencies.

If the debt limit were set unrealistically low, one or a number of undesirable expedients would have to be followed. It might be necessary, for example, to interrupt payroll savings plans. Such an interruption might make it more difficult to sell savings bonds to the public in the future. Alternatively, it might be necessary to reduce the volume of Treasury bills outstanding to such low levels that the market for short-term obligations would be denied important support. If Government cash balances were reduced and maintained at abnormally low levels, the 11,000 depositary banks and through them the entire credit structure would be adversely affected. Finally, an unrealistically low debt ceiling could conceivably force the Government to delay payments for services rendered by employees and contractors, thereby weakening public confidence in the Government.

The review of the overall fiscal situation of the Federal Government this year reveals, I believe, an improved picture. The outlook for receipts and expenditures suggests the need for a temporary statutory debt limitation of $330 billion, only $2 billion more than the limitation in effect last year. This would be the smallest annual increase in the last 3 years. Although tight, the ceiling provided is a realistic one. It will accommodate required Federal expenditures and provide a sufficient margin for contingencies as well. I therefore urge your support for H.R. 15202, the bill which will establish this debt limitation for the coming fiscal year.

Mr. Chairman, this limitation is the best we can do under the circumstances.

I do not know of anything else we could have recommended to you. I think this certainly merits your full consideration and your full support. I hope the membership will go along with our recommendations.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I would hope that what the gentleman has said is true. But I think, and I still say, in answer to the question, if we still have a balanced budget, that means that the debt ceiling will not go down and the debt will not decrease just because we have a balanced budget.

Mr. MILLS. If we ended up the fiscal year with a surplus of $3 billion.

Mr. JONES of Missouri. But we are not talking about a surplus. We are talking about a balanced budget.

Mr. MILLS. A balanced budget would not give you anything to apply on the public debt. But if we have some surplus, whatever that surplus is, it automatically is used to reduce the debt.

Mr. CURTIS. Does it not seem, however, what we are doing is leaving the impression with the people that $285 billion is the permanent debt ceiling?

Mr. MILLS. I do not think so. I do not think the people are getting that impression. I have always thought that the majority of the people were a lot smarter than we give them credit for, and I would not be surprised to learn that they keep up on events and are better informed than perhaps we realize. I do not believe that anyone is being misled. They know what the outstanding obligations are. If they do not, all they have to do is to look at the daily Treasury statements. The information is there.

Whether the obligations are issued under temporary authority or permanent authority, the debt is a debt. There is no question about it.

Mr. JONES of Missouri. I see no reason for having two figures here.

Mr. MILLS. I tried to explain how we got into that situation and what the reasons were for its continuance. I do not want us to increase the ceiling any more than we have to, frankly. If we put a permanent ceiling into the law, naturally we must anticipate what our spending and revenue requirements will be, not for only one fiscal year but for the years to come. Unless we did this, we would be right back enacting new "permanent" ceilings in the following years.

Those who want a permanent ceiling want to get out from under having this annual exercise. Where would we put the permanent ceiling? At $350 billion? At $300 billion? Where would you put it? It might have to be much higher than the $330 billion that we are recommending if we were to be sure it would meet all possible needs in the future.

Mr. JONES of Missouri. I thank the gentleman.

Mr. MILLS. I thank the Chairman.

Mr. CURTIS. Mr. Chairman, I yield myself 30 minutes.

We have come to what is recognized by many people as an annual ritual, although I recall it has not always been merely annual. There was 1 year when we actually increased the temporary debt ceiling three times in 1 year, and I thought there was some pretty good discipline that resulted from those exercises.

As a member of the Joint Committee on the Reorganization of Congress, I have been very interested in many of the proposals advanced by a variety of people to have the Congress establish a legislative budget process. Of course, many of the people recommended that we develop machinery of this sort and then have said, "Why don't we have a Joint Committee of the Senate and the House, consisting possibly of members of the Ways and Means Committee, the Senate Finance Committee, and the House and Senate Appropriations Committee, and zero in on this question?"

Others have suggested that we ought to have an omnibus budget.

Of course, the answer is that this is exactly the machinery Congress established in the Reorganization Act of 1946.

I have argued that the reason it never was utilized as an effective instrumentality was that we never gave a staff to the Joint Budget Committee. If we do not give a good professional staff to a committee, it is very difficult for it to function. So the Congress has never developed a method whereby they can zero in on this very crucial fiscal question namely the balance of the Federal budget which lies behind inflation and the added economic problems it creates, and the problems I would argue—although this is a much more sophisticated theory—behind the deficits in our international balance of payments. But this crucial question of whether in a given fiscal year we should have a balanced budget, or, if there is going to be a deficit, how much should it be, or if there is going to be a surplus, how much should it be, Congress has never developed the machinery to exercise its judgment on the question. Congress always should operate, in my judgment, based upon the studies of an appropriate committee to do the job, which studies should be based upon public hearings, written reports, and based upon the public debate that then can take place with intelligence on the floor of the House.

However, there is one device whereby the Congress can exercise its judgment on a balanced Federal budget, and that is the debt ceiling legislation that is before us today. It is a cumbersome technique, as I have often said, but it is a very effective technique.

There are those who do not like the idea of an item veto for the President. I happen not to like it very much, because I do not want to give the executive branch that much authority, because perhaps there might be an executive inclined to arm-twist and cut out a project in a certain congressional district, or leave the item in if the Congressman affected went along with the President on other unrelated matters.

But let me say this: When we use the debt ceiling as a method of exercising our judgment on expenditure levels for a given fiscal year, in effect we say to the President, as we are saying here today in the bill recommended by our committee, that no, the ceiling should be $330 billion, not $332 billion as you have requested and we, the Congress, expect you, the President, to cut out $2 billion somewhere in your projected expenditure program for this particular fiscal year.

When we do that we in effect are saying to the President, "Now, exercise the item veto. Figure out where to cut spending, in all of these vast powers to spend that the Congress has given you."

The gentleman from Arkansas, Mr. MILLS, has aptly pointed out that these carryover balances of powers to spend funds which were not spent last fiscal year now amount to over $100 billion. These carryover balances are to be added to the new powers to spend that Congress this session will grant to the President, approximately $120 billion. Add that to the carryover balances of over $100 billion, and the President has within his legal power to spend over $200 billion, and now about $236 billion, of which he has said, "I am only going to spend this year $117 billion."

But we on the Ways and Means Committee know this, that the President can actually spend only that for which he has the money. The money can come from three sources. Two are proper sources.

The one which is by all means the most aboveboard, and the most proper, is from taxes. This is open and aboveboard. Congress has to give the power to levy taxes against our people, so we get our revenues from taxes.

But if there are insufficient revenues from taxes to meet the expenditures, then we have to do what is done by any family, or any business, or any State, or local government: We have to borrow the difference. But that becomes cash. We can borrow in fact from the banks, to a large degree, and this becomes additional debt.

We can anticipate what we are going to get in the way of revenues from taxes, based upon pretty good studies of our staff and the staff of the Joint Committee on Taxation, which has proved over a period of years, by the way, to be fairly accurate estimates.

This is what we have done. We have anticipated what those tax revenues might be. We know what the President says he is going to spend. So the difference becomes that which must be added to the debt and come under the debt ceiling.

There is a third source that I referred to which I will now mention, whereby the Executive can resist this squeeze that the debt ceiling, with limited tax revenues, would impose upon him in expenditure policy. It is a technique that is available to a family, or to an individual, or to a business. Capital assets can be sold off. We have been doing this. Instead of exercising the discipline that I believe we should have been exercising in the expenditure area, we have been selling off capital assets.

In one sense I prefer that, I might say, to the problems that are created when we increase a debt which is already beyond manageable proportions, or increase taxes which many economists and others now recognize are so high still, after the tax cut of 1964, that they are impeding our economic growth in many ways.

I just want that to be out in the open. When we sell off capital assets we are pursuing a course of action quite limited which in the longrun aggravates rather than alienates our fiscal problems.

As I look around the Chamber, I see there are probably fewer than 50 Members present. This exercise we are going through now can be what the Wall Street Journal in an article of June 3, 1966, refers to as the "games Congressmen play." The article talks about the fact that again we will have on the floor of the House and in the Senate consideration of the debt ceiling.

There is one aspect of the article I would be inclined to say conforms to the facts. It says:

> From this exercise everyone presumably is supposed to conclude that a careful Congress is keeping a tight rein on a profligate administration.

Let me say that this Congress could play no game with the people of this country if the news media would accurately report the evidence adduced at some of our committee hearings in public, or that which might have been in closed hearings and later is released to the public; or if they would accurately report the debates in the well of the House—what I am saying now might be included—or if they would report the previous debates which have occurred on the debt ceiling. If they would report what is written in the printed committee report and the arguments and data set forth in the minority views, there would be no game being played by the Congress.

There is a great responsibility on the news media for accurately reporting to our people.

Thomas Jefferson pointed out eloquently that this representative form of government cannot survive without an educated populace. But we must add the corollary today that it also must be an informed populace. We can have an educated people—we do have, by and large—but when they are not accurately informed or when they are misinformed it is indeed difficult for the people to operate a representative form of government.

As I have often said, the responsibility of informing the people is not just on the news media. It is more gravely on the shoulders of those elected to serve the people in the representative capacity. But if we do our job of gathering together the knowledge and wisdom within the society, through the committee process and through the study and deliberative process of open debate on the floor of the House, and the people still are not informed, then I believe the onus can largely be placed upon the news media. Indeed, I say the weakest link in representative government today is the inadequate reporting to the people of what goes on in the debates and in the deliberations on these great issues.

No, this is no game that Congress is playing here. There are some in Congress who may be playing a game with the debt ceiling, but the chairman of our committee, who preceded me, is not playing any game with this. I may disagree with him as to certain details here and there, but ours is an honest disagreement, and I believe he respects my point of view. It is more a gradation of views rather than a disagreement on something fundamental.

What the chairman has said in exposition of the problem which faces us is indeed true. I would say to him one thing, when he points to the dire results of what could happen if Congress does not increase the debt ceiling. He points up what the gentleman from Missouri [Mr. Jones] asked, "Why do we not get rid of this obviously inadequate permanent ceiling?" This is a reason why he can make the speech every time as to what the consequences will be if we do not move. Maybe the chairman likes to make this speech.

I say that because he certainly is absolutely correct in his dire predictions of what will happen if we fail to act. The Congress has to move. We cannot sit with a $285 billion ceiling when we already owe and have outstanding about $320 billion of debt certificates. I do think, though, we could have a realistic permanent debt ceiling that would have to be moved up each year only if we followed deficit financing. In other words, simply treat that which we call temporary as permanent so that the debate each time is around should it remain $328 billion, or become $330 billion, or $332 billion. Then those of us who might think we can get by with no increase with $328 billion would not be forced to have to vote for a bill. We could say, "Well, you just sweat this one out" and hold them to that. This is an area where there can be many, many honest differences of opinion.

The point is, though, this is no game. This actually, as I have tried to demonstrate, is the one way we in the Congress have of expressing our judgment on what we think the expenditure levels should be for a given fiscal year.

There are some reforms in this debt ceiling, however, that we could consider here on the floor of the House. I have pointed this out during the consideration of the rule in arguing for an open rule that would permit amendments to be offered. Incidentally, if the closed rule had been turned down and we were immediately to start consideration of amendments under an open rule, I would have to confess that the committee is not really ready to recommend the actual amendments that would be necessary to carry out some of these points that I want to stress. Oh, we would be in a position of exercising our judgment on whether it would be $332 billion, as the administration requested, or $336 billion as Mr. Reuss might want or, as I might argue and would like to have argued, that $328 billion could have been lived with. However, one thing I think should be included under the debt ceiling and presently is not are these participation certificates that Congress just recently authorized. This is part of the Federal debt, the real debt. Because of the mechanisms we have developed, wisely or unwisely, to put this phase of the debt in participation certificates, they then become more like the kinds of securities which are subject to the debt ceiling. I think we would be doing well to move in the direction in the future of covering more of that which the Federal Government actually owes; that which is a liability against the full faith and credit of the United States under the debt ceiling. There would be a better discipline then. This would require considerable work.

There also is no question in my mind but what we ought to be zeroing in on this question of the interest ceiling that is present law in respect to debt securities under the debt ceiling which have maturities of longer than 5 years. This interest ceiling is 4¼ percent. It is completely unrealistic in relation to the money market today. The Federal Government has not been able for several months to market any long-term securities because the demand is such that nothing would sell for 4¼ percent. There are those in this House who would resist the removal of this interest ceiling. They should be heard, but so should those be heard who feel that this should be removed. This is the appropriate occasion for discussing this very difficult problem.

Now let me say this: As a result of our handcuffing the Treasury Department in the manner in which it can market the Federal debt we have been forcing it into the short-term area to refinance, because it is not just the increase in the Federal debt that has to be financed, but it is the maturing Federal debt.

In some instances this needed refinancing could represent $70 billion to $80 billion and sometimes $90 billion a year, particularly when Treasury goes into 90-day bills. In other words, Treasury has to refinance the same amount of debt many times in 1 year.

Mr. Chairman, the whole problem of debt management has forced—and this interest ceiling has forced—the Federal Government into the short-term market. Actually, as the maturity is shortened and we get to the 90-day bills, the nearer that is to money. A 90-day Federal note is certainly near money. This is a way of monetizing the Federal debt, without even going through the Federal Reserve System. This indeed has created a great deal of the inflationary force that all of us are now beginning to see coming out in the increases in the Consumer Price Index. So, you cannot handle some of these economic forces that exist without bearing some deleterious consequences. You can temporize, you can fool the people, perhaps, about what these forces are, but in the long run, this attempt to deceive the people—and I submit that this is what this is—is a costly thing. It means that the amount of interest the Federal Government is paying is much higher than it need be. It also means that interest rates in our society are higher than they need to be; interest rates for our people who have to buy homes, interest rates for the consumer, the housewife who buys a dishwasher or a dryer or any of these consumer durables, or an automobile. The fact that the Federal Government, which is the main single user of credit in our society, and our capital, has moved into the capital markets in such an irrational fashion, has aggravated the danger. The administration—and I will use this word—has not got the courage to present the issue forthrightly to the people of this country, and because there are some people in the Congress and elsewhere who have the mistaken idea that by sitting and holding this interest——

The **CHAIRMAN**. The time of the gentleman from Missouri has expired.

Mr. **CURTIS**. Mr. Chairman, I yield myself 10 additional minutes.

I repeat, Mr. Chairman, there are some people in the Congress and elsewhere who have in my judgment the mistaken idea that by sitting on this arbitrary interest ceiling that thereby they will have low-interest rates. They are only fooling themselves and actually bringing about higher interest rates.

Mr. Chairman, one of the great tragedies of the bill that was passed last week or the week before aside from the deception that it created—and, really, that was playing games, I would say, with the people—was the creation of these participation certificates without imposing any interest ceiling on them at all while retaining interest ceilings on other debt securities. They can go to whatever the market demands. I think the market tomorrow is going to show that the demand will be more than 5.5 percent and I suspect it will be closer to 5.7 percent interest. And this is at the same time the Federal Government is going to considerable expense through public relations and otherwise to get our people, through appeals to patriotism, to buy E bonds yielding only 4.1-percent interest. This is not right.

Mr. Chairman, if the interest rates are such or the market is such that it demands these high interest rates today—and I would argue, because of the failure of the administration to follow correct fiscal policies this is so—then do not play upon the patriotism of the little investor today, the persons who are buying the E bonds—to subsidize the great Federal Government by lending it money below the market rates. We tried through an amendment to at least make these 5.7-percent indebtedness certificates, which are long term to be cut down into smaller sizes so that the small investor can buy some of those. The administration and the leadership of the Congress under the Democrat leadership resisted even this.

No, no; these certificates, says the administration, have to be in big blocks so only the big investors can buy them and get this interest rate. Now this is not demagoguery. This is a real issue. Much of this could be made into demagoguery. I have no desire for it to go to that point. But this is a reality. We are selling to the small investor in this country E-bonds at a 4.1-percent return to him while these new participation certificates pay 5.7 percent. At the same time the administration still refuses to take its courage in hand to tell the Congress, and the people—Look, to have a 4¼-percent ceiling on long-term Government bonds is irrational and it has kept us from properly handling and marketing the Federal debt. It is costing us money. It is disrupting the money market. It is causing undue inflation. It is creating a grave inequity to the small patriotic investor in E-bonds. Let us get rid of it.

Let me say something else with regard to interest. Yes, you can encourage low interest rates in a society to the extent that the Federal Government as a participant in the capital market has influence by keeping its interest rates that it agrees to pay on its indebtedness at a low rate. But what happens if this rate is so low that the Government cannot sell certificates in the marketplace? Then we go to another governmental agency for help, the Federal Reserve System to which we have given the primary responsibility—by the way it is an arm of the Congress—Congress has the power and I hope we keep it here, to regulate the value of money. Believe me, to maintain the value of money is the most important function the Federal Government can serve in a private enterprise system because that is the most essential weight and measure in the marketplace—the value of money. The Federal Reserve System as an arm of the Congress has a mandate to preserve the accurate value of money; not to manipulate the value of money for desirable economic ends, but to preserve the value of money for desirable economic ends, to regulate the amount of money so that we have the right amount commensurate with the size of our economy and increase the amount of money commensurate with proper estimates of economic growth, and not as the result of trying to create artificially economic growth.

Economic growth requires an increase in the supply of money but it is that economic growth which creates the demand for an increased supply of money. The idea that by simply increasing the money supply you can thereby artificially create economic growth is a dangerous albeit popular fallacy.

But we have also put another burden on the Federal Reserve System—and a proper burden—to provide an orderly market for the Treasury Department in marketing Government bonds. This is a very difficult function. But when in the name of providing orderly market for Government bonds you ask the Federal Reserve System to buy bonds at interest rates that are continually below the demands of the marketplace, then you destroy or you badly weaken the Federal Reserve's ability to carry out its primary function of preserving the value of our money. Monetary policy is debilitated.

Now this is not just a theory. This came to a demonstration in 1951 when after World War II we had been trying to refinance the Federal debt through securities that were well below the marketplace demand in interest rates with the commendable desire of hopefully keeping interest rates low by having the Federal indebtedness certificates at a lower than market value.

We continued this and the Federal Reserve, of course, as it bought these certificates up to create the orderly market was actually monetizing the debt. Here is where the heavy monetary inflation of World War II or post-World War II occurred. Finally, and this was under a Democratic administration, so this is not partisan politics, there was a distinguished Senator from Illinois, Mr. DOUGLAS, who took the floor to say that no longer can we ask the Federal Reserve System to buy these securities below the market value because even the Federal Government as a purchaser in the market is not getting a good deal because inflation is raising the price to the Federal Government of the goods and services that it must buy. So, in effect, the Federal Reserve told the Treasury, you have to go out in the marketplace and pay whatever interest rate the market demands. This is when the heavy inflation after World War II was stopped. From then on we have had creeping inflation up until October 1965 on to the present.

I have suggested that inflation is being created to some degree in 1966 not by the Federal Reserve but the Treasury itself having to sell securities with shorter maturities—90-day notes, which amount to new money because it cannot sell long-term bonds in the marketplace and the Federal Reserve will not buy them either.

So without the Federal Reserve intervening, Treasury has been in this way monetizing some of the debt.

It is necessary at some time and at some length—and I shall not do it now because of time—to point out in depth the illogic of the position which the gentleman from Indiana [Mr. MADDEN] advanced during the debate on the rule when he said:

> Well, we don't have to worry about the Federal debt because the ratio of debt to gross national product is less than it was—

When did he say—1946? That is the key to the illogic in that particular syllogism. That is the fallacy.

The year 1946 is not the optimum of what we wish the ratio of Federal debt to gross national product to be. It is probably the worst period you could possibly pick. It was the period right after heavy deficit financing which was necessary in order to win World War II.

As I said, let us take a look at the ratio of gross national product to Federal debt during the 100 years of peacetime development of this society, because the figures are available back to 1860. Never has the Federal debt during peacetime exceeded a 15-percent ratio to gross national product.

Here it is 20 years after World War II and we still have not gotten that ratio down to below 50 percent, or it is just now getting below 50 percent. Then we find out that the bulk of the decline in that ratio comes from the heavy inflation of World War II because the debt is in fixed dollars. Gross national product, of course, is in annual dollars, the inflated dollars. The gross national product ratio to debt declines as inflation goes up, without a stroke of the legislature's pen, because of the fact that one, the debt, is in fixed dollars and the GNP is in inflated dollars.

Two-thirds of the decline of the ratio of GNP and Federal debt is a result of the inflation since 1946.

The question that we have to ask ourselves is this: Is there enough flexibility in the ratio of GNP and Federal debt for us to assume a war or a major economic downturn? We have left ourselves little or no resiliency with a ratio of 50 percent when it should be 15 percent at the most.

I am glad that the administration spokesmen have recognized one thing. They have not admitted it openly, but tacitly when they talk in terms of asking this Congress to increase taxes—and this probably will come about; I think the President probably will in another couple of months come up and say that to win the war in Vietnam we have got to have an increased tax for Vietnam—let me say that that would be a much preferable course than other possible courses, and that is what the tacit admission of the administration is. It is much preferable to increase taxes than it is to put a further burden on the Federal debt.

The administration knows that they can finance extra expenditures beyond our revenues through more debt. Why, then, should they ask that we increase taxes? Both will have a dampening effect on an inflated economy, and it does not matter from that standpoint. But the administration, although they will not admit it openly, is saying to every Member of Congress and to every person in the United States that there is a danger in a Federal debt that is too large in relation to gross national product in a period of a heated economy. This is what we are talking about or trying to talk about here today in discussing how much additional debt can an economy stand.

Let me conclude my remarks by referring again to the fact that this debt ceiling legislation can be a discipline on expenditures. I am glad that this bill has been cut by $2 billion below the request of the administration. I think it should be a $4 billion cut at least.

Do not think for 1 minute that the executive cannot and will not reduce expenditures if the results here today hold down the increases that the President had anticipated in borrowing money through this process.

I want to read some remarks I made at the end of our closed hearings, that I directed to the Secretary of the Treasury, Mr. Fowler. These are on page 98 of the hearings:

> Mr. CURTIS. Mr. Chairman, may I speak briefly to the motion? The thing that disturbs me, Mr. Secretary, about your presentation is that it keys on the problems that I recognize exist in management.

He had been talking about the fact that if we might do that, that is, tighten up the debt ceiling—the $4 billion Chairman MILLS referred to as flexibility for cash flow, and the $3 billion for contingencies—his flexibility would be cut down—

> You do this on the assumption that the other parts of the administration do not have a regard for these problems—

That is, the need for the Treasury to have flexibility for proper management of the debt—

> because the alternative to the problems you present is to cut your expenditure level. This is a difficult choice, I grant. The Director of the Budget thinks he is squeezed. But there is no question that the President of the United States, if you went to him with the eloquence with which you came here, and said, "Look what you are doing to my flexibility, if you continue at your present level of expenditure," he would have to make a judgment whether it would not be better to cut expenditures a little more, even on a good program, than to present this kind of problem.

That would interfere with the orderly management of the Federal debt.

Sure there can be cheating on this. When we cut this request by $2 billion, the President can cut in on the flexibility that he really should have to properly manage the Federal debt. But the real way that the President can go is the way I think Congress should be instructing him to go, which would be to cut expenditures.

Let me point out the key thing which occurred when the President did hold expenditures down in fiscal year 1964 and 1965. Note that he did that without any orders from the Congress other than our exhortation in the tax bill—and Mr. MILLS exhorted him as much as we Republicans did, and so did other good Democrats. He had the power to spend at the $100 billion level, but he only spent at the $97.7 level. He had the power, and said he would spend almost at the $100 billion level, when he held it to $96.5 billion.

But as he did that, he kept asking the Congress for more power to spend, and the carryover balances increased from, on July 1, 1963, $87.8 billion, the next year to $89.3 billion, and beginning in fiscal year 1966, to $96.7 billion. But at the beginning of this fiscal year the carryover balances will be $101.5 billion, with revisions. Those were the estimates, this January. These estimates were revised to $114.7 billion carryover power to spend that the President has not exercised. Add to this the $121.9 billion new power to spend the President requested and the Congress is granting to him—and then some—and we see the President has over $236 billion power to spend.

This is what has been going on, and what has led me to say on many occasions during debate, "When is the real President Johnson going to stand up?" Is he the President who has been holding expenditures to these creditable levels in fiscal year 1964 and fiscal year 1965 or the President who has been asking the Congress to vote him more power to spend, increased amounts while he has not been using the powers already granted to him?

In September 1965, the President Johnson who has brought about the present inflation stood up, and he increased overnight the expenditure levels from $97.3 billion annual rate for the first 2 months of fiscal 1966, July and August. He had been following this $97.3 billion rate but this was radically increased in September to $114 billion annual level. That is extrapolating it out. This level of expenditure is what has continued and the wholesale price index rose rapidly, so did the consumer price index and as price inflation moved so our imports increased and our exports decreased and our international deficits grew worse not better.

My concluding remarks are these: This is not just Vietnam by any manner of means. This expenditure increase is across the board.

Incidentally, if we could not have both guns and butter, of course we would cut in on the butter. My judgment is that we can actually have guns and butter, but we cannot have rancid butter. We have to get into the expenditure policy.

My following remarks, I regret to say, are not a compliment to my own side of the aisle.

Even on our side of the aisle we have not been holding to the President's budget. By overwhelming votes on the Republican side of the aisle we have gone beyond the President's budget requests, both as to authorizations and appropriations.

Next week, I regret to say, we will probably see an almost unanimous Congress—because it will have the popular label of "defense"—voting for an increase beyond the President's already lush budget in that field of defense by some $900 million.

Not me.

If there were a real study and debate on the issue of defense expenditures, we would find there is ample ability in this society to provide proper military power to carry out our international policies and committments particulary if we would use the defense we already have, and to carry out the good domestic programs we should have considerably below the appropriation figures we have been voting. Certainly well within our revenue estimates.

But the issue is involved in expenditure policy, and the Congress has defaulted almost completely in the study and deliberative process that alone can produce sound expenditure judgments.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD on the bill before the Committee of the Whole at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ULLMAN. Mr. Chairman, the principal argument that I have heard in opposition to providing a debt limitation of $330 billion is the fact that some of the Members of this House do not like the form of financing that we have had in the last year.

The Tax Adjustment Act of 1966, which passed this body—and I might add with the support of some of those who are now questioning our method of financing—was clearly designed, in large part, as a temporary method of raising revenues, although at the same time it did provide some basic improvements in our revenue structure. The major one-time revenue increases provided by this bill were the speed-up in corporate income tax rates and the provision for graduated withholding for individuals. Some additional revenue was also provided by reinstating two of our excise taxes. These were viewed by all as a means of temporarily providing revenue during this period of the Vietnam crisis. It was realized that this revenue would not again be available in subsequent years. However, we must not forget that the normal growth in the revenue system each year is approximately $7 to $8 billion. This means that in the future, while we will not have this temporary revenue raised by the Tax Adjustment Act, we will have other revenue to take its place. I believe that making sure of our revenue needs, both in the short and in the long run, represents responsible financing, and I suspect that were it not for November coming so soon, most of the Members would agree with me on this.

Another area of dispute in connection with this $330 billion debt limitation has been the Sales Participation Act. This really seems to me to be apart and separate from the question as to whether we should raise the debt limitation or not. Actually, if one were to accept all of the arguments of the opponents of the Participation Sales Act, we would be here asking not for a debt limitation of $330 billion, but a much larger limitation, perhaps $334.2 billion.

I believe the Members of this House, and I include both parties in this statement, should take a responsible point of view with respect to the debt limitation. A vote to recommit or a vote against the limitation is a vote to revert to the permanent debt limitation of $285 billion, with an actual debt outstanding on June 30 of $319 billion—the current estimate of the Treasury Department—there would be nothing but chaos if we let the debt limitation revert to $285 billion. This is something which I believe we just could not permit to happen. It would cast doubt on the whole financial operations of the U.S. Government and the congressional procedure for handling these operations. I really cannot bring myself to believe that any Member of this body really would want this to happen. If this is true, why vote for a motion to recommit? This limitation of $330 billion is the smallest increase in the debt we have had in many years. Moreover, your committee has already taken a conservative view on the needs of the Treasury in this respect and kept a tight lid on the temporary debt. This bill only allows the administration one-half of the $4 billion increase it asked for. On this basis, I ask your vote against the motion to recommit and your support for the bill upon final passage.

Mr. SAYLOR. Mr. Chairman, in past years I have agreed to administration appeals for increases in the national debt limit because each such request was accompanied by the promise that extension of indebtedness was of a temporary nature and would be rectified as soon as possible. Now I must tell you that my patience has been exhausted and that I can no longer in conscience support further boosting of the debt level.

Year after year Congress approves extravagant authorizations and appropriations in excess of revenue; in consequence, periodic rises in the debt limit have become accepted practice. So much so, in fact, that the very principle of a ceiling has become a complete fiasco. It is hypocrisy to pretend concern at the inflationary trend while automatically accepting each request for an increase in debt levels.

What today's bill amounts to is another evasion of the responsibility that requires dollar stability if money earned is to carry any semblance of the value pledged by the Federal Government. Within the past few weeks I have participated in the effort to promote the sale of Government bonds, and in so doing I have left the impression that these purchases would bring a reasonable appreciation to all patriotic investors answering the call to assist in underwriting Uncle Sam's honest expenses. If I were to vote for another increase in the debt limit, I would betray the confidence of those investors, for each time that national debt goes up the buying power of the dollar deteriorates and owners of Government bonds experience the same losses suffered by pensioners and others dependent upon fixed incomes. Instead of repaying dollars borrowed with interest, the Federal Government—through its irresponsible fiscal policies—repudiates its moral responsibility by presiding over the devaluation of the money it has borrowed.

George Washington said in his Farewell Address:

> As a very important source of strength and security, cherish public credit . . . use it as sparingly as possible . . . avoid likewise the accumulation of debt . . . discharge the Debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear.

James Madison wrote:

> A Public Debt is a Public curse, and in a Rep Govt a greater than in any other.

Sometime in the future, if the cost of defending this country against Communist aggression becomes much more expensive than is currently estimated by the administration, there may be justification for increasing the debt limit. At the moment the request for further depreciation of the dollar cannot be defended, for cutbacks in bureaucratic extravagance would more than account for budget deficiencies.

With sound fiscal policies it would in fact be possible to reduce the debt and thus fulfill an obligation not only to today's taxpayers, but to future generations which will incur the unpleasant consequences of the present administration's wasteful policies.

Mr. LANGEN. Mr. Chairman, there was a time when the only sure things in life were death and taxes. We can add a third "sure thing" to the list—that Congress will regularly meet to give perfunctory approval to raising the so-called temporary national debt limit. We are gathered for that purpose again today, as we have gathered so many, many times in recent years.

The tragedly of this exercise in futility is that fewer and fewer voices are being raised against this practice. It has almost become a way of life. However, this constant and repeated raising of the debt limit remains an admission that the administration and the Congress cannot and will not exercise fiscal restraint.

When you consider the fiscal actions taken thus far this year, the American public must wonder if there is any limit at all to the slight-of-hand and double-talk exercised by the Federal Government.

First, there was the new "vigorous withholding system" that borrows money from the American citizenry without interest so that the current budget can look better for at least 1 year. Then there was that deluxe exercise in fiscal gimmickry to permit the Federal National Mortgage Association to sell participations in a pool of Government-held financial assets or loans. This, of course, is to hide $4.2 billion of deficits from the public view this next fiscal year. It does not show up in the national debt column, even though we still owe it.

You would think that after all of this fiscal manipulation it would be unnecessary to come before Congress to ask for a higher ceiling on the national debt. But, unfortunately, the roof seems to have been blown off by unrestrained spending, and no amount of gimmickry or bookkeeping slight-of-hand can keep the national debt within reasonable limits.

In making his request for a raise in the debt limit, Treasury Secretary Fowler startled us by saying that the higher limit "is needed to operate the financial affairs of this government in a prudent manner." "Prudent," did he say? I fail to see anything "prudent" about the way this Nation's fiscal affairs are being managed.

The financial affairs of this Nation have been handled in such a "prudent" manner that we have increased the temporary debt limit, including today's action, by $43 billion since June 30, 1960. And during those same 6 years the interest on the national debt has totaled around $77 billion. Prudent, indeed.

Mr. Speaker, maintaining a statutory debt limit is absolutely essential if we ever hope to maintain fiscal integrity within the Federal Government. But to repeatedly raise that debt limit, even on a so-called temporary basis, is to completely lose control over spending.

As Government grows and expenditures increase year after year, Congress loses much of its control over appropriations. As the budget is considered by the various committees and subcommittees, it becomes obvious that nowhere do we actually get a complete, overall picture of Federal spending. Nor do we get a chance to act on such overall spending. But here today, all tied up in one neat package, is a piece of legislation that indeed permits us to look at the overall spending picture. And we have a great opportunity to call a halt to the trend that leads our Nation deeper into the pits of insolvency.

It is not so much a question of whether or not we must increase the debt limit by $2 billion today, or by $4 billion as requested by the administration. The important issue is whether or not we mean it when we set a new debt ceiling. Somewhere, at some time, we are going to have to set a realistic limit and then lock the door. We are going to have to tell all concerned that this is as far as we will go, and then stick to our guns. Just one unanimous "no" from this body would restore the theory of congressional restraint. And we might just be surprised how easily the boys downtown would learn to trim their sails.

Mr. SHRIVER. Mr. Chairman, we again are considering an increase in the ceiling on the national debt. It was just a year ago that Congress passed a bill raising the debt limit from $324 to $328 billion. Today we are asked to temporarily increase the debt ceiling to $330 billion.

We know the permanent debt limit, established by law, is $285 billion. However, nine times since I have been a Member of the House of Representatives the administration has requested the Congress to raise the limit.

Every time the limit is reached we are asked to increase it. We have been called upon to raise the limit so much and so often that it seems ridiculous to call it a ceiling or limit.

I have consistently opposed these debt ceiling increases. I believe the Federal Government certainly must meet its financial obligations, but my opposition has been in protest to a continuing trend of deficit financing.

There are many who believe that limiting the Federal debt is one way of placing necessary restraint upon the National Government in spending. However, for nearly 6 years we have gone through the yearly ritual of raising the ceiling and opening the door to greater Federal spending, with money we do not have.

Rather than go through this exercise of fiscal futility every year, perhaps consideration should be given to doing away with debt limitation as a means of budgetary restraint.

We must find other effective methods of restoring fiscal responsibility in Federal Government. The simplest solution would be for the administration to postpone seeking authorizations for costly new and untested programs. The war in Vietnam continues to place a heavy drain upon the Federal budget.

Through my statements, my actions in the Appropriations Committee, and my votes on the floor I have urged reductions in Federal spending because I believe Government should set the example and establish careful priorities. We must defer those things we do not immediately need. We live in so-called prosperous times, but the Federal Government is doing business in red ink.

The administration calls for fiscal restraint by labor, business, and industry. It asks the housewife to economize on her grocery shopping list. But it is the responsibility of the administration to take the lead in demonstrating fiscal restraint.

Today our public debt is approaching $320 billion. This is $31 billion higher than in 1961. Today the interest on our national debt costs us $12½ billion a year—an average of about $250 per taxpayer.

The mail from constituents, both young and old, reflects growing alarm over the spending policies of the Federal Government. Today's inflationary spiral threatens the standard of living of many Americans who must live on fixed incomes and modest pensions. The debt which has been escalating steadily over the past 6 years represents a sizable burden which we are handing down to our children and grandchildren. They do not appreciate nor understand these actions of fiscal irresponsibility.

Only yesterday I received a letter from a 17-year-old young lady in Wichita, Kans., who communicated to me her personal concerns about the future of our country. Following are excerpts from her meaningful letter to me:

> DEAR CONGRESSMAN SHRIVER: I am quite upset about the United States over-all tax situation. I have recently become employed for the first time, and the full scope of our problem has come into view. Before this time, I was, of course, worried about tax increases. However, I am now in the position of actually paying for all of our Congressional Presidential fiascoes.
>
> I call upon you, as my legislative representatives, to use all your power to curb President Johnson's total disregard of financial stability. I am appalled at our country's skyrocketing expenditures with my money. To say the least, I am angry. I am only seventeen years old, yet President Johnson seems to think that I, along with others of my age group, have a responsibility to his administration's irresponsibility.
>
> Do not throw my letter down and think I am merely an irrate teenager. I am convinced that I'll never collect on all that social security and medicare, because our country will be bankrupt by that time. I've just had a long talk with my parents (who can both vote), and they agree with me fully. I'll soon vote too, and I hope that by that time there will be a few more men and women who will work for a balanced budget.
>
> Your sincere constituent,
>
> ——— ———.

The first step we can take in strengthening the confidence of this young American and insuring the future of all Americans is to strive for balanced Federal budget. If we continue, year after year, to raise the ceiling on the Federal debt, the American taxpayers will have every right to raise the roof, with the President and their elected representatives in the Congress.

Mr. TODD. Mr. Chairman, I oppose increasing the Federal debt limit at this time. I do so because I am concerned about the inflation which has hit our economy. I have spoken before to this body about the dangers of inflation and of overstimulation to our economy. I wish there were no need to repeat myself today, but in my opinion the problem remains urgent. Serious problems should be met by facing them squarely, rather than by passing the buck, which is what the Government has been doing up to now.

There are two main tools to cope with an inflationary situation: monetary policy and fiscal policy.

Monetary policy—that is, adjusting interest rates—is only a limited solution. Interest rates have been raised, and yet it appears that further increases will not reduce inflationary pressures. Indeed, the overall low liquidity situation now facing our Nation's banking institutions may have made additional monetary policy adjustments useless. Much evidence on this point has been brought out during the hearings now going on before my committee, Banking and Currency.

If monetary policy is ineffective in reducing inflationary pressures, we must seek the only other way: By balancing the Federal budget, or even by developing a surplus. Congress, in its wisdom, has so far not seen fit to reduce Government expenditures below expected tax revenues. I have disagreed with this policy, and I have said so on the floor of the House.

But Congress has decided to increase expenditures. The implications of this decision have so far been avoided, and I believe we must face them. If Congress believes that Government programs must be supported at the level indicated by past votes, I believe the Congress has the responsibility to increase revenue to avoid a deficit and to reduce inflationary pressures. This implies turning to the tool of fiscal policy—that is, adjustment in taxes. And this is why I advocate today, and have advocated in the past, a careful study of feasible tax increases.

The overriding problem is to stop inflation. This is a responsibility of the Congress. We must face up to it. We should have acted sooner. But now is better than never.

Inflation and an overheated economy will result in unemployment and a shortage of opportunity for our citizens. A full employment economy is a prerequisite to meeting the goal of individual opportunity, because economic security and high living standards are the objective of the very programs for which we have appropriated such large sums of money. By permitting ourselves to overstimulate the economy at this point, we may be defeating the very purpose of our other domestic legislation.

I feel that I must face up to the facts and oppose the proposed increase in the debt limit.

If this proposal is defeated, it will necessitate a delay in implementation of some parts of some of the programs for which the Congress has appropriated money. But I believe that this must be balanced against the clear and present danger of a disastrous inflation. There are a number of projects which can be delayed without impairing our ability to cope with our urgent domestic problems. To delay implementation of these is something we may prefer not to do. But our preferences must be gaged in terms of the fact of inflation. The fact of inflation requires a prudent fiscal policy, and such a policy requires that no increase in the debt ceiling be permitted at this time. I must therefore vote against this bill.

Mr. WALKER of Mississippi. Mr. Chairman, for this body to pass H.R. 15202, the proposal by President Johnson to increase for the second time in 2 years our national debt limit, would be furthering the devaluation of the American dollar beyond any previous limits.

Already this body has given to the executive branch of the Government an almost blank check, signed and ready to fill in any amount no matter how unreasonable the request by the President, even though the purpose may be for any number of vote-buying schemes.

Mr. Chairman, we have committed over 250,000 military men to fight Communist aggression in Vietnam. I would not hesitate for a moment to provide any amount of funds necessary to support these men who are risking their lives in defense of our country.

But, while these men are giving of the most valuable times of their lives, the Great Society administration is conducting such giveaway programs as the Job Corps, the Youth Corps, Operation Headstart, rent-a-share, economic development, and many other programs of the so-called war on poverty.

This body has only recently passed the sale of participations bill, which gives the President the best accounting gimmick ever devised by man, to cover up an ever increasing national debt.

I beseech my colleagues to stand up and be counted as being opposed to any further attempt by the President to place the cost of temporary prosperity on our children and grandchildren.

Mr. JOELSON. Mr. Chairman, I am disturbed about the necessity to increase the debt ceiling by another $2 billion, and I think that this Congress could have avoided such necessity.

At the risk of saying "I told you so," I would remind my colleagues that I was one of only five House Members who voted against losing approximately $5 billion annually in Federal revenues by eliminating excise taxes. Although it is true that subsequent action by the House restored some of the excise taxes, revenue produced by the restoration falls far short of the total revenue eliminated by the original slash.

At the time the excise tax cut was considered, I addressed a few words to those colleagues who are quick to vote for spending and tax-cutting measures, but shed crocodile tears about the staggering national debt.

Because I am genuinely concerned about the fact that the interest alone on the national debt is over $10 billion annually, I also voted against a $5 billion authorization for the space program, although I would have supported a substantially lower figure.

I am disturbed by the necessity to increase the debt ceiling, but I am convinced that the action that the House has taken in the past makes this course inevitable.

Mr. RHODES of Arizona. Mr. Chairman, at the June 7, 1966, meeting of the House Republican Policy Committee a policy statement regarding increase of debt ceiling limitation, H.R. 15202, was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement:

REPUBLICAN POLICY COMMITTEE STATEMENT ON INCREASE OF DEBT CEILING LIMITATION, H.R. 15202

The Republican Policy Committee is opposed to H.R. 15202 which would increase the temporary limit on the public debt to $330 billion. We reject the philosophy of unrestrained government spending and budget deficits that has led to a $37 billion increase in the national debt since 1960 and frequent demands that Congress raise the debt ceiling.

As a result of the added expense of so-called Great Society programs, this country is faced with an expenditure budget of more than $118 billion for fiscal 1967. This represents a $35 billion increase in federal spending since fiscal 1961. Less than one-third of this increase can be attributed to the war in Vietnam. As might be expected, the economy of this country is evidencing the results of the fallout from this explosion in governmental spending. Food, clothing, housing and transportation costs have spiraled upward. A recent survey reflects that the housewife is acutely aware of the startling increase in the cost of living. Business and financial leaders, as well as economists in universities and industry, have expressed their concern over the inflationary pressures. Moreover, the Administration's spending policies have resulted in a rising deficit in our balance of payments, threatened our international monetary stability, further drained our gold reserves, and presented a serious problem in debt management.

Notwithstanding the repeated and ever more urgent danger signals, the Johnson-Humphrey Administration has refused to place its fiscal house in order. Instead, the President has asked the housewife to cut down on purchases, the public to step up government bond buying, and business to cut back on expenditures for plant expansion. Apparently, restraint in spending is a trait to be preached but not to be practiced.

Although the Administration forecasts a deficit of less than $2 billion for fiscal 1967, such optimistic reports are based on budget gimmickry and sleight-of-hand bookkeeping. This relatively close balance between revenues and expenditures was achieved not through expenditure control but through a series of financial manipulations designed to cover up the real facts. For example, the speed-up in tax collections has been counted on to produce approximately $5 billion in additional revenues for fiscal 1967. Seigniorage earnings represent a windfall profit of $1.6 billion. And revenues from the sale of refinancing of government-held loans and the sale of commodities and strategic materials are scheduled to produce $6 billion.

It is ironic but appropriate that the truth-in-packaging bill and the public debt limit legislation should be scheduled for Congressional consideration in the same week. Nowhere is there a greater need for truth-in-packaging than in the Administration's budget. Certainly, the extravagantly-described economy-size budget and its actual contents are not, as advertised one and the same thing.

In view of the recent enactment of the Sales Participation Act, the limit on the public debt may become meaningless. This new law passed over the unanimous opposition of House Republicans, makes available to the Administration $10.9 billion participations that can be sold to obtain additional revenue. Thus, under this law, the $4.2 billion in participation certificates that the Administration plans to sell in fiscal 1967 could have been raised to $6 billion. If this had been done, the deficit would have appeared to have been erased completely and with it, the need to raise the debt ceiling. But it chose not to do this. Apparently, it feared that such flagrant juggling of the books would have alerted the American public to its fiscal chicanery.

As frustrating as the debt limit exercise has been, it has served a worthwhile purpose. It has focused attention on government spending and the closely related subject of the public debt and the more than $12 billion that will be required for interest payments. It has also provided an opportunity for Congress to measure and discuss the difference between government expenditures and revenues. Unfortunately, even under the now-discarded system of debt management, the listing and consideration of the total obligations of the federal government has not been required. Now, rather than moving in the direction of full disclosure and accurate accounting, we are establishing a new system for concealing from the public the true fiscal and spending picture.

The Johnson-Humphrey Administration must face up to the precariousness of our present financial situation. It has the responsibility of avoiding a runaway economy that may lead to governmental control of wages, prices and credit, as well as further increases in taxes. Certainly, steps must be taken to meet this country's serious inflationary surge. Unfortunately, to date, there is no indication that the Administration is ready or willing to do this.

Mr. HORTON. Mr. Chairman, I rise in opposition to the proposal to increase the public debt limitation another $2 billion. There was a time when Congress and the citizens of this Nation could rely on the expansion of the public debt as a barometer of the amount of deficit incurred in the current Federal budget. When this Nation was engaged in military struggle, or in extensive domestic programs, and when Congres deemed it justifiable to spend more money than taxes produced in a given year, the Treasury would be authorized to go beyond the previous dollar limit in its borrowing. When this happened, the public was able to determine how much more was being borrowed, how much more was being spent, and how much budget deficit there really was by looking at the increase authorized in the debt limit.

But this era of straightforward, commonsense bookkeeping in the Federal budget is a thing of the past. Over the vigorous opposition of myself and 189 of my colleagues on both sides of the aisle, the Participation Sales Act was passed a few weeks ago. This act, in effect, creates authority for the Government to borrow huge sums of money which does not appear as an expenditure, as part of a budget deficit, or even as part of the public debt. Since the borrowing power under participation sales is not exercised through the Treasury, but by the selling of shares in agency-held notes at high interest, the so-called limitation on the public debt has no effect on participation sales activities.

In plainer language, a congressional limitation on the public debt at $330 billion, such as that sought today would affect only direct Treasury borrowing. If this increase in the limitation is accepted today, it will mean that the Treasury will have authority to borrow about $2 billion more than its present limit. But despite the approval of this so-called limitation, nothing would stop the administration from raising over $6 billion in additional funds through participation sales transactions, which are neatly hidden from those who gage Federal spending by budget figures.

The so-called debt limitation is not only deceptive as to the amount of Federal borrowing, it is completely useless as a gage for determining the cost of maintaining the Federal debt. This year alone, Americans are paying $13 billion as interest payments on the Treasury debt—more than four times the amount requested by the administration for education aid this year. My argument is not with the payment of legitimate interest on authorized Treasury borrowing, however. The participation sales scheme adds needlessly to these high interest costs, since the Government must pay a higher rate of interest to participation sales investors than it pays to Treasury investors. Of course, these excessive costs are absent from budget statistics.

Today, we have embarked on many vital and ambitious programs, and we are involved in a costly struggle in southeast Asia. In that bygone era of honest budgetkeeping, this would have been an appropriate time to raise the debt limit enough to accommodate the deficit level needed to carry on this struggle. Under the new and deceptive state of budget accounting, however, approving a rise in the public debt limit would serve only to further deceive ourselves and the public.

After winning extremely rapid approval of the Participation Sales Act, including an authorization for selling nearly $5 billion worth of loan shares under a program that could result ultimately in the sale of over $30 billion worth—nearly 10 percent of the present Treasury debt—the administration now seeks expansion of the Treasury debt limit. If we were to approve this expansion, it would be giving the appearance that Congress is still exercising control over the total amount of Federal borrowing by limiting the Treasury debt. Without simultaneously putting a ceiling on the other segment of the public debt—that derived through participation sales—we would only be attracting the public eye to the old system of straightforward accounting when it is no longer valid. Instead our eyes should be fixed on all segments of spending and borrowing—we in Congress must shed light on the hidden as well as the conventional channels of Federal financing, so as not to further the deception that has already been wrought.

Mr. CLEVELAND. Mr. Chairman, this bill, H.R. 15202, would raise the temporary legal limit on the national debt to $330 billion—$45 billion higher than the permanent authorized ceiling of $285 billion. Already the interest charges on the national debt cost the taxpayers more than $1 billion a month.

One has to concede that the administration is having serious difficulties in financing its operations and that it will be sorely pinched if its right to borrow—at increasingly higher interest rates—is curtailed.

The fact, however, is that these wounds are self-inflicted. And they can be cured by a strong dose of self-discipline. Federal spending is shooting up to $118 billion a year, the level projected for the 1967 fiscal year. That is an increase of $35 billion a year above the last Eisenhower budget.

Less than a third of that increase is due to the war in Vietnam.

These spending policies and this rising mountain of debt have led directly to inflation, higher prices, the continuing drain on our gold supply, the balance-of-payments deficits. Yet, instead of exercising self-restraint, the administration juggles the books to make the picture seem better than it is, plots new ways to spend, and suggests higher taxes on the wage earner who is already struggling between the jaws of high taxes and rising prices.

RESTRAINT NEEDED

Our President has urged housewives to exercise restraint at the grocery store—as if she had any choice with today's prices—he has urged businessmen to hold down their spending; he urges labor to keep within his wage guidelines; but he shows no inclination to do the same with his administration.

Therefore, I shall vote against this legislation.

A vote for this bill to increase the public debt limit is an endorsement of the Johnson spending policies. For me, this would be impossible to cast because I deplore those policies. Every day, my mail brings further evidence of the impact of those policies on the people in my district. There are letters complaining of high prices, letters from retired persons, pensioners, widows, people with small incomes, letters from businessmen, and from bankers hit by high interest rates.

Mr. Chairman, if my mail and the personal contacts I make on my visits home are any indication of feelings in the rest of the country, and I think they are, we are reaching a breaking point. The people have had enough; they are baffled and angry and I believe they will express their anger at the polls this fall.

I vote against this bill today as a protest on behalf of the struggling taxpayers and little guys all over the country. I urge the House to vote it down.

Mr. SCHMIDHAUSER. Mr. Chairman, once again Congress is proposing to raise the debt ceiling and in effect, give the executive branch another blank check to raise the national debt. I believe, as I pointed out last year, when I also opposed raising the debt ceiling, that the move seriously undermines congressional responsibility for review of public expenditures.

Second, I believe many items have been charged against the national debt which have actually been paid for. This matter should be thoroughly investigated by the Congress and thoroughly discussed publicly to permit citizens to be fully informed of any manipulations by any Federal department.

Once again, it will be impossible for Congress to have an open debate on this important matter because of the closed rule. I firmly believe that an issue as important as our national fiscal policy should receive a full and complete discussion by the Congress, and any Member who wishes to contribute to this discussion should be afforded the opportunity to do so. For this reason, I am again opposing the closed rule on this important bill.

Mr. Chairman, I also believe the Congress would be better advised to take prompt action in reforming our tax system which presently affords special interests large tax giveaways at the expense of our working people on the farms, in the factories and in our small businesses. The magnitude of this giveaway has been clearly presented by the distinguished author Philip M. Stern who in 1963 in his book, "The Great Treasury Raid," reported that an excess of $40 billion was lost because of our present unreformed tax system. Obviously, this amount is far greater now because of the expansion of our national economy since Mr. Stern published his analysis. How can we even contemplate raising the debt or, as some have done, raising taxes on those least able to afford it when privileged interests and individuals are reaping unjustly, tax benefits?

All of us are acutely aware of the cost of needed programs, but I want to point out that the same serious thought should be given to the actual price tag of tax existing loopholes. If the giveaways did not exist, the Treasury would collect more revenue. Thus, each loophole is a drain on the Treasury in exactly the same way as the other Federal programs which we review each year. I say these loopholes which result in the most costly Federal program, namely subsidizing the few at the expense of the many, should be judged like any other spending program—not only by the supposed benefits produced, but by its cost to the Treasury, which is to say, its cost to me and to every other American citizen. We should give careful thought to the fact that when someone else pays less, the rest of us pay more.

If the 89th Congress would eliminate major tax exemption preferences, the 89th Congress could also cut personal income taxes by nearly half of their present rate, and still raise the same amount of revenue. I believe this is the action we should be taking, not raising the debt to permit the Bureau of the Budget and executive agencies to manipulate revenue in a way I might add, that too often imposes yet another burden on our dedicated and hard working low- and middle-income citizens. We need reform, not manipulation of debt. We need to attack the true villain, preferential tax treatment, not attack the programs that assist our citizens and contribute to the economic strength of our Nation.

These tax loopholes remind me of a deceptive package, because they are tucked away inside the box where they cannot be seen nor can their size be easily discovered. A good way to begin to shed light on this package of giveaways would be for Congress to clearly illuminate through open debate the oil depletion allowance.

In fairness to our working people throughout our great Nation on its farms, in its factories, and in its small businesses, I believe we should begin our thoroughgoing tax reform by reducing the 27½-percent giveaway to large oil corporations.

The oil depletion is only one example of the great need for tax reform and I will continue to make proposals for reform.

There are other methods by which Congress can obtain revenue to meet the Nation's need without going deeper into debt and further increasing the burden on future generations. I have introduced a bill, H.R. 15293, which would insure that revenues from western oil shale deposits be utilized for three fundamental purposes—to improve our Nation's educational system, to accelerate preservation of our natural resources, and to develop recreation facilities, as well as to reduce the public debt.

Private interests, most of them already among those enjoying tax privileges have been pressing Secretary Udall to grant leases giving them control over land totaling approximately 10 million acres and the right to exploit its oil shale resources which have been valued in excess of $300 billion. Prompt action on this bill would help to meet our revenue needs and would, at the same time, reduce the burden of public debt.

Mr. Chairman, in conclusion, I want to reiterate my opposition to today's action. I know the good farmers, businessmen, professional people, and factory workers of the First District of Iowa feel a deep obligation to make whatever sacrifices necessary, but I also firmly believe such sacrifices should be equitably distributed to all sectors of our society. Raising the debt ceiling only serves to further conceal the special privileges of our tax system and to give the budget manipulators a free hand for their work.

Mr. LOVE. Mr. Chairman, after carefully considering the pros and cons of H.R. 15202, increase debt ceiling limitation, I vote to support the increase requested at this time. I associate myself with the distinguished gentleman from Arkansas, Congressman Wilbur D. Mills, and congratulate him and his committee for a most thoughtful and thought-provoking analysis of our debt situation. I adopt as my own the committee's views as expressed in the committee's report on the debt ceiling limit as viewed by the majority. I reject the views of the minority and their charges that the administration's debt policy is a "sham." I charge the opposition with playing politics with the American taxpayer, misrepresenting the facts as to inflation and purposely trying to confuse the American citizen that their President's budget is "phoney." They would substitute fiscal irresponsibility by word of mouth, for fiscal responsibility by action.

Fiscal responsibility includes paying the obligations of the U.S. Government. A failure to recognize our legal debts could trigger a recession which seems to be the object of certain Republican policymakers here in Washington. There are those who take unreasonable positions for political reasons without regard to the national interest.

The war in Vietnam requires a very careful appraisal and an increase at this time seems imperative and inevitable. Next week, my committee, the Armed Services Committee, will send to the House a bill in the amount of $17.8 billion for defense procurement. My support of the debt ceiling limitation increase this session is consistent with my work on the Armed Services Committee.

Last session, I voted against raising the debt ceiling as a protest—a warning that we should move toward a balanced economy. This session is far from being over and there is ample opportunity to adjust spending within recognized limits to check any inflationary trends.

If this bill fails to pass, we will automatically go back to the permanent debt ceiling of $285 billion with present obligations of approximately $319 billion. The faith and credit of this country would be seriously affected to a point where the stock market may fall and a recession may be triggered.

All my votes this session have been consistent with my commitment to fiscal responsibility and to the prospect of a balanced budget in a balanced economy and I believe that we must strive toward this goal. However, the circumstances at the this time do not warrant a negative vote on this legislation, keeping in mind that we do have obligations—domestically—in Vietnam—and in keeping our defenses strong.

I hope for a balanced budget and shall seek to accomplish this. But I will do so only when it is timely and always with responsibility, irrespective of political consequences. This country can live within the President's budget or some reasonable variation of it, and to this extent new programs should not be disregarded in a country as wealthy as ours. We have dedicated ourselves to moving forward in a prosperous economy where growth is the object—not recession or inflation.

Mr. MILLS. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. Patman].

Mr. PATMAN. Mr. Chairman, I am sure that a majority of the House will support the President's request for an increase in the debt ceiling.

I have enjoyed and appreciated the cogent remarks made by the distinguished gentleman from Arkansas [Mr. Mills], the chairman of the Committee on Ways and Means, and also the remarks made by the distinguished gentleman from Missouri [Mr. Curtis]. I do not agree with them on every statement, of course, but they have given us some very interesting information, and I know it will be helpful to us now and in the future.

It is of course a necessity that the Congress meet its responsibility in this area. We must pay our bills. We owe the debts and we must make provision for payment.

FORTY BILLION DOLLARS IN U.S. BONDS HELD ILLEGALLY BY FEDERAL RESERVE SYSTEM

However, this legislation once again illustrates the fact that the Federal Reserve System has loaded the monetary game against the people of the United States. Had it not been for substantial increases in interest rates, undue increases in interest rates, and extortionate interest rates forced on the Government by the Federal Reserve, this bill to extend the debt limit and to increase it would not be before us. In fact, we would not have had such a bill before us in the past 10 years. Increases in the debt are the direct result of increases in interest rates.

As an example of the manner in which the game has been loaded against the people, the Federal Reserve Bank in New York has $40 billion in Government bonds. These bonds have been paid for once with U.S. currency, Federal Reserve notes or their equivalent or credit created on the Federal Reserve banks books for the commercial banks. These bonds should have been canceled before this, but instead of that we are still paying interest on them at the rate of $1.5 billion a year. Why? There is one reason. It is so that the Federal Reserve can collect the money for its operating expenses without having to come to Congress for appropriations. Therefore, they continue to charge the American taxpayers interest on bonds—$40 billion worth, if you please—which have been paid for once.

I hope somebody will challenge me on that statement one of these days, because I should like to put the documentation in the Record. The evidence is there in black and white. It is beyond dispute. It has been admitted to by the current and past Chairman of the Federal Reserve Board.

THE HUGE BURDEN OF INTEREST PAYMENTS ON THE AMERICAN PEOPLE NOW

The American people will pay $13 billion in interest on the national debt in the new budget which goes into effect July 1. This is a staggering sum. In fact, it is second only to national defense expenditures in the budget. In a few years the $13 billion figure may be regarded as mere financial peanuts. If we continue the present trend, the country will double the interest rate charges on the debt within a decade. Actually, when the current high interest rates—those existing right now—are fully reflected on Government borrowings, the cost of servicing the national debt, the interest cost, could well approach $15 to $20 billion annually. These fantastic charges to the American taxpayer are unnecessary and cruel premiums which benefit only a handful of the big banks and money lenders. They are heavy burdens on the backs of the poor, the low-income and the moderate-income families. They are a heavy burden on an administration which is attempting to carry out many worthwhile social and economic projects under the Great Society programs. This is a tragic blow to our efforts to fight a war against communism in southeast Asia. If we allow interest rates to continue their skyrocketing course, we are going to see the day when we cannot afford the real necessities in the budget. If the interest charges continue to take a bigger and bigger chunk of the budget, we will be faced with the day when we cannot maintain such vitally needed programs as social security. It is a possible that we could come to the point where we will even have to cut back expenditures for national defense to meet the interest payments on the national debt.

Mr. Chairman, we can trace our current interest rate problems back to the opening days of the Eisenhower administration. It was in 1953 that President Eisenhower's administration allowed the Federal Reserve Board to seize completely the monetary machinery of this country. Since that time the bankers operating through the Federal Reserve System have constantly moved to jack up interest rates throughout the economy. That is why today we are faced with a $13 billion bill for interest on the public debt this year. For 20 years during the Roosevelt and Truman administrations we kept long-term Government borrowing at 2½ percent and below. This saved the American taxpayers billions of dollars over these two decades, compared to current rates. In fact, if the country had kept interest rates at the level prevailing when President Truman left office, we would be paying only $6.6 billion interest on the national debt in fiscal year 1967 instead of this staggering $13 billion. So on the national debt alone we have paid a terrible price for allowing the Federal Reserve System to operate on the basis of seized independence.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I will yield briefly to the gentleman, but I would like to finish my statement. I shall be glad to yield.

Mr. GROSS. Do I remember correctly that the gentleman brought to the floor of the House not long ago a bill known as the Sales Participation Act?

Mr. PATMAN. That is an entirely different subject, and I hope the gentleman——

Mr. GROSS. What about the interest rates charged on that?

Mr. PATMAN. They are excessive. Greatly excessive.

Mr. GROSS. Did the gentleman support that bill?

Mr. PATMAN. These high interest rates are caused by the Federal Reserve System, which the gentleman and his party have supported through the years. It is your party which granted them independence. The Democrats never did grant it. It is this seized independence which causes the extortionate interest rate charges.

Mr. Chairman, I will yield to the gentleman later, but I want to finish my statement now.

My colleagues, this $13 billion interest charge on the debt is only a small part of the price we are forcing the American people to pay for our inaction on monetary policy. Including $13 billion of the national debt, the American people are paying a grand total of an estimated $125 billion interest this year, more than the Federal budget. This includes real estate, installment buying, personal loans—the entire interest rate bill. Every increase in the interest rate unbalances every budget in America from the Federal budget down to the housewife's budget.

Including both public and private borrowing, total debts of the American people increased an average of $255 million each day of last year. So, it is easy to see that any increase in interest charges—even a fraction—has a tremendous impact.

DECEMBER 6 ACTION OF FEDERAL RESERVE BOARD RAISES INTEREST RATES 37½ PERCENT

I am sure that most Members of this body realize that the high interest costs prevailing throughout the economy are the results of actions by a single agency—the Federal Reserve Board. Acting in defiance of the President and the Congress, the Federal Reserve Board, on December 6, 1965, raised both the discount rate and the rate which banks may pay on time deposits.

The time deposit rate—the most devastating of all—jumped from 4 percent to 5½ percent—a staggering 37½-percent increase.

By admission of members of the Federal Reserve Board themselves, the action was taken primarily to bail out a small number of large banks holding $16.5 billion in certificates of deposit. These large banks faced the loss of these short-term deposits unless the Federal Reserve Board acted in their behalf and raised interest rates.

The Board, of course, acted on behalf of the banks, defied the President, and raised interest rates for every American citizen. Since that time, the country has seen an ever-tightening supply of money and cutthroat competition among financial institutions all across the country.

Since the Federal Reserve System was established 53 years ago, the big bankers have maneuvered to gain more and more control of all monetary policy and to move the Federal Reserve completely out from under the Government. Today it is a fourth branch of the Government, contrary to the Constitution. In 1913, the Federal Reserve System was set up as 12 semiautonomous regional banks, scattered throughout the country. Attempts by the bankers and by the Republicans to establish a central bank, in opposition to the idea for the regional institutions, were successfully opposed by President Woodrow Wilson.

BEGINNING OF OPEN MARKET OPERATIONS

In 1922, New York bankers, operating with the help of Secretary of the Treasury, Andrew Mellon, established an ad hoc committee to buy and sell securities in the open market. This committee was composed of the presidents of five eastern Federal Reserve banks. This was the beginning of the Open Market Committee operations with centralized control residing in New York.

In 1933, legislation was passed which gave statutory approval to the Open Market operation. In 1935, with the Congress deeply concerned about the depression, the bankers moved in again and succeeded in passing legislation which gave the Board members staggered 14-year terms and which required that the Chairman of the Federal Reserve Board be selected from the membership of the Board.

As soon as the 80th Congress took office in 1947, the Republicans pushed through a constitutional amendment limiting the President to two terms. It was quickly ratified by Republican State legislatures throughout the country and soon became part of the Constitution. This effectively prevents any President from naming a majority to the Federal Reserve Board until their last year in office. Incidentally, as a side benefit, this amendment prevented the probable reelection of President Eisenhower in 1960 and 1964.

In early 1951, the Federal Reserve Board attempted to completely seize control of the monetary policies of the country in defiance of President Truman.

President Truman, however, met with the Board. That was the only time that had ever happened. No President had ever called the Board before. But President Truman did, and demanded that it maintain the 2½-percent interest rate on long-term Government securities, a rate which had been in effect since the thirties.

President Truman won that showdown, thus saving the taxpayers billions of dollars.

EISENHOWER LETS FED SEIZE INDEPENDENCE

The Federal Reserve Board then bided its time until the inauguration of the Eisenhower administration. In 1953 as President Eisenhower was being inaugurated, the Federal Reserve Board laid plans to complete its total seizure of monetary affairs.

So in 1953 the Federal Reserve Board, with the acquiescence of the Republican administration, started operating on the basis of its seized independence. Since that time it has claimed complete independence from the President and the Congress. Operating under its seized independence, the Board has consistently established its policies at the beck and call of the Wall Street bankers resulting in higher and higher interest charges to the American people. Its defiant actions have continued to upset economic and fiscal policies.

FED GROWS MORE DEFIANT

Since the unconditional surrender of the Eisenhower administration in 1953, the Federal Reserve Board has become more and more defiant toward the Government. This shocking state of affairs was clearly illustrated when the Federal Reserve Board Chairman, William McChesney Martin appeared before the Joint Economic Committee in 1965 and at that time he said:

> The Federal Reserve Board has the authority to act independently of the President—even despite the President.

The Board, particularly under the chairmanship of Mr. Martin, has warped and twisted the laws governing its operations to move it closer to the banks. For example, the Open Market Committee is limited by law to a membership of 5 of the 12 presidents of the Federal Reserve banks and to the 7 members of the Federal Reserve Board. Its meetings are conducted behind closed doors, in secret, and no Member of the Congress or of the executive branch may participate or have knowledge of what goes on in these secret meetings. Yet Chairman Martin in violation of the law has allowed all 12 presidents of the Federal Reserve banks to participate in these sessions. Each of these bank presidents is elected by a nine-man board of directors and six of these nine members are picked by the commercial banks in their districts. Today 84 of the 108 members of the boards of directors of these 12 Federal Reserve banks either now or have been officers, stockholders, or employees of commercial banks.

A LOADED DICE GAME

Mr. Chairman, this is obviously a loaded game—as loaded as a back alley dice game. So long as this situation exists, the American people do not have a chance.

The Congress should not allow the bankers to use these loaded dice against the American people. They are unelected people. No one can punish them. They can do anything without accounting to the people or their elected representatives. They can raise the interest rates 37½ percent as they did on December 6, 1965, and no one can stop them. They are footloose and fancy free. According to this seized independence that was ratified by Mr. Eisenhower, they can do anything they want to do. They can spend their money any way that they want to.

They even spend $90,000 a year of that money to pay dues to the American Bankers Association and the State Bankers Associations. So they are dues-paying, card-carrying members of the American Bankers Association, the biggest lobby in the United States of America.

THE LOADED DICE GAME CAN BE STOPPED

We can stop this loaded dice game and these are some of the things that should be done:

First, the Federal Reserve System must be brought back under the control of the people and their elected representatives. To do this the terms of Board members should be reduced from 14 years to 5 years.

Second, the term of the Chairman of the Board must be made coterminus with that of the President.

Third, the Federal Reserve must come to the Congress for appropriations and its books must be made subject to audits by the General Accounting Office as are the books of other agencies of the Government.

Fourth, the operations of the open market operations now carried on under the domination of the New York Federal Reserve Bank must be returned to the Federal Reserve Board itself. The open market operations must be carried out in the public's interest and not in the bankers' interests.

First. At least $35 billion of the $40 billion in bonds being held by the Federal Reserve Bank of New York should be canceled. These bonds have already been paid for once, and there is no reason to leave them in the portfolio of the New York Federal Reserve Bank. The Federal Reserve does not need more than $5 billion of these bonds to carry out its operations.

The Congress by instituting these reforms can put an end to this loaded dice game which costs the Federal Government and the American people so heavily every day. If we take action in the public interest we can reduce interest rates and reduce the national debt.

THE FEDERAL RESERVE DOES NOT LOSE

Dice is a well-known game. A dice game is played for fun, ofttimes played for money. Often dice are used for gambling purposes. The Federal Reserve is using what is tantamount to loaded dice. They cannot lose. The bankers cannot lose. Only the people lose.

I have here an example of the loaded dice that the Federal Reserve uses. One combination shows 7; another one shows 11. Of course, they cannot lose, because every time those dice are rolled, it is either 7 or 11. They cannot do anything else. That is the way Federal Reserve and the banks operate. The dice always go "7" or "11."

The Federal Reserve through its seized independence has created more poverty, than any other institution on earth.

Sunday I heard a program on television. A woman doctor from China, was telling how the Chinese people did not have a chance. How most of them live on little farms, where their landlords would furnish money at 36-percent interest, 59-percent interest, and, in times of famine, they would have to pay 100-percent interest.

We have segments of our economy right here in America my friends, where similar rates are charged.

We have uncovered instances where men in the service, who needed money for different purposes, went to these loan sharks and paid 50 and 100 percent interest for their money. Our Banking and Currency Committee stopped it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes, I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I just walked in. Is the gentleman trying to convert the House Chamber into a gambling establishment with these dice here?

Mr. PATMAN. No, I am trying to convert them against a gambling establishment, that is, the Federal Reserve establishment. These are Federal Reserve dice. If you roll them, they will roll 7 or 11 every time. Try them.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from New Jersey.

Mr. JOELSON. Mr. Chairman, I now understand, after this demonstration, why this is called the greatest deliberative body in the world.

Mr. PATMAN. Yes. Certainly.

So I ask my friends seriously to consider the high interest rates that we are paying. They are unnecessary.

For instance, during the Roosevelt and Truman administrations we had a good Federal Reserve Board. Marriner Eccles was Chairman of the Board. Mr. Eccles was a very rich man. He owned banks, he owned insurance companies, he owned construction companies. He was a big operator, one of the biggest in the Nation.

He did not believe as Mr. Roosevelt did, but he was charged with doing a duty for his country in time of war and in time of depression. We had bread lines at times during this period, of 10 or 15 million people. At other times during the Roosevelt and Truman administrations we were spending over a quarter billion a day on the battlefield. Notwithstanding the good times and the hard times, the Federal Reserve Board kept interest rates at 2.5 percent on long-term Government bonds. Never, for over 12 long years, did they go above 2.5 percent. Short-term interest rates were very, very low, because the Federal Reserve was operating in the people's interest.

Compare that Federal Reserve Board with the one we have now—a Board that is not operating in the people's interest. It is operating in the interest of the banks, and trying to have more interest.

Talk about raising interest to stop inflation—absolutely ridiculous. It is just like pouring gasoline on a fire to put the fire out.

Whenever we increase interest rates 37.5 percent, as the Board did in December, we increase the cost of everything across the board. Increased prices tend toward inflation.

But the excuse of inflation is used every time we have distress. The Federal Reserve Board runs out with the remedy. The remedy is to have interest rates higher. Every time, we make the interest rates higher—make it harder on the people, even in the name of doing something about inflation.

The Federal Reserve also talks about balance of payments. I am getting tired of that excuse. Balance of payments of course can be a problem. But we have a way of solving that problem. High interest rates are not the answer.

We are the only major power on earth that does not control its capital in the export market. We are the only one. If we will do just exactly what other nations of the world will do, we can solve the balance-of-payments issue without resorting to high interest rates.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Missouri.

Mr. CURTIS. Mr. Chairman, I would suggest if we did what those other nations are doing, we would be just as poor as those other nations.

It has been the fact that we have permitted freedom in this area and in other areas of society which has made our society grow great.

Mr. PATMAN. The gentleman has not answered. He has commented, and I will accept his comment.

Let us go forward and stop these higher and higher interest rates. Otherwise our country will be ruined.

Mr. CURTIS. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, the budget of the administration submitted in January is a masterpiece of sham and hypocrisy. A vote against the proposed increase in the debt ceiling will encourage the administration to substitute honesty in budgetary affairs for the fiscal chicanery it has been using to delude the public. It will be an explicit protest against the indiscriminate spending and dangerous fiscal policies being practiced by the Johnson administration.

The administration has used a variety of fiscal gimmicks to hide the fact that it has increased expenditures in fiscal 1967. The budget estimates submitted by the administration show expenditures increasing in fiscal 1967 from $106.4 billion to $112.8 billion—an increase of $6.4 billion. Although the administration has led the public to believe that the increase is attributable to the Vietnam war, Budget Director Schultze has testified before the Ways and Means Committee that domestic spending will actually increase by $4.7 billion in fiscal 1967.

Nearly $5 billion the administration proposes to realize from participation sales show up in the budget as reductions in expenditures. If we add this $5 billion reduction in expenditures to the budget figures, we are confronted with an administrative budget of nearly $118 billion.

But, Mr. Chairman, the budget wizardry of the Johnson administration does not end here. The administration further reduced expenditures in its proposed budget by deleting essential programs that they knew the Congress would, in good conscience, have to restore. The administration proposed to reduce agricultural spending in the school lunch and milk program, the watershed program, and agricultural research by $300 million, and no less than $100 million of this figure is attributable to reductions in the school milk and lunch program. Further reductions were proposed in impacted area aid by an administration fully cognizant that Congress would not allow this inequity to be perpetrated against the citizens and schoolchildren of federally impacted areas.

Another example of budget magic practiced by the administration features reducing departmental costs on the unlikely assumption that Congress will assess new charges against the public. An example of this gimmick is the $100 million budgeted decrease in postal outlays the administration proposed. This savings was predicted on the contingency that the Congress would enact increases in the parcel post rates and impose size and weight limits.

However, no amount of fiscal subterfuge can hide these facts:

Administrative budget expenditures have increased from $81.5 billion at the end of fiscal 1961 to a proposed $112.8 billion at the end of fiscal 1967—an increase of over $30 billion.

During this time the Democrat administration will have provided us with seven consecutive deficits totaling over $36 billion.

Over this span the national debt will have increased from $289 billion to approximately $325 billion—an increase of $36 billion.

During this period interest on the debt will have increased $4 billion—from $8.9 billion to $12.9 billion—excluding the unnecessarily high interest rates the administration will incur in its participation sales gimmick.

The administration, through its fiscal profligacy, has seriously threatened the standard of living of all our citizens. Inflation is now one of our primary concerns. Inflation is particularly cruel to people living in fixed incomes, like our elderly citizens, and to the poor. The administration professes a paternalistic concern for everyone, while pursuing fiscal policies beneficial to no one. The contrast between oratory and performance, between words and deeds, is startling:

President Johnson tells the housewife to carefully evaluate her marketing list and curtail expenditures: the Johnson administration pursues inflationary fiscal policies raising the price of the items on the housewife's marketing list.

President Johnson arbitrarily imposes wage ceilings on our working men and women: Government spending forces up the price of goods our labor force must have to meet their families' needs.

President Johnson preaches that equity and good management practices require that our Federal employees receive salaries comparable to private industry: President Johnson arbitrarily applies wage ceilings to our Federal employees, freezing their salaries far below a comparability level, while Government spending raises their living costs.

President Johnson goes on nationwide television to declaim the widespread tooth decay that is all to prevalent among our youth and declares his intention to recommend social security amendments next year to alleviate this problem: President Johnson recommends that the school milk program be all but abolished, thus depriving our schoolchildren of a source of calcium they need to keep their teeth healthy, and then condemns Congress for continuing the program.

President Johnson expresses concern for the quality of education that our children are receiving; President Johnson recommends a severe cutback in the impacted area aid, thus threatening the quality of education of many of our children in impacted areas are receiving.

President Johnson expresses concern about the plight of the farmer, and emphasizes the importance of insuring an adequate level of farm income for our agricultural population. While the price of goods a farmer must buy are increasing, the administration holds down farm income through a variety of high-handed procedures such as ordering a 50-percent cut in pork purchases by the Department of Defense, ordering a quota on hide exports, releasing surplus corn and grain stocks on the market, cutting back Government purchases of butter, reducing Government milk programs and permitting increased importation of foreign cheese.

President Johnson continually expresses his concern for the plight of the Nation's poor and the living standards of our senior citizens. The administration pursues inflationary spending policies and adopts a "devil may care" attitude as the fixed incomes of the elderly and the poor decline in purchasing power.

In short, Mr. Chairman, the administration's fiscal policy places our citizens in an economic squeeze. By attempting to alleviate this squeeze through further spending the administration only aggravates the problem. A vote against the proposed debt increase is a vote against the administration's fiscal policies.

However, there is a reason at least as important for voting against this proposed debt increase as the objectionable fiscal policies of the administration. This is because the administration has made an end run around the debt limit with its program of participation sales.

The participation sales are merely an attempt to market a new Government security. It is the guarantee of the Federal Government rather than the pooled obligation that provides the certificates with their value. Should any of the pooled loans go bad, the Government would simply substitute good paper for bad on the pool's books.

The title to the pooled assets would remain with the Government and administration of them would remain with the agency that made the original loan. For all practical purposes the certificate holder will find himself in possession of a general Government obligation that is distinguishable primarily on the basis of the higher interest rate it carries. The capacity of the administration to market these certificates has made the temporary debt ceiling a sham. Any Congressman who votes for the increase in the temporary debt limit is casting his vote for sham and hyprocrisy.

Finally, Mr. Chairman, let me conclude by saying that this is a critical period in the Nation's history. The administration has led us to the brink of dangerous and uncontrolled inflation. Our fiscal capacity is being strained at a time when the contingencies of the Vietnam conflict may require an even greater effort. Inflation is endangering our attempt to resolve our balance-of-payments problem.

At a critical time like this, the Government should be perfectly honest in dealing with the people. However, the Johnson administration has combined indiscriminate spending and dangerous fiscal policies with an attempt to hide the true facts from the people. In this context I have no other choice than to vote against this increase and urge my colleagues to do likewise.

Mr. WATTS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, in view of the pending vote on raising the ceiling on the national debt, I have today introduced a resolution to amend the Rules of the House of Representatives with respect to the consideration of appropriation bills.

Throughout much of our history, Congress has been concerned with finding means of controlling annual expenditures to the level of revenues. Many laws were enacted in the 19th century in an effort to accomplish this. Furthermore, in 1909, Congress passed the Sundry Civil Appropriation Act, which made the President responsible for recommending to it means by which annual expenditures might be brought within the amount of estimated revenues. This act eventually led to the enactment of the Budget and Accounting Act of 1921. Since then numerous bills have been introduced in the Congress for the express purpose of controlling expenditures in relation to revenues.

With noted exceptions, I propose that the rules of the House be amended to prohibit the final consideration of appropriation measures in the House for any year earlier than 30 calendar days before the beginning of the fiscal year and until all bills have been reported by the Appropriations Committee in either the President's budget or the legislative budget and a summary report covering the bills has been enacted.

Excluded from the provisions of my resolution would be private bills, bills appropriating funds essential for national defense, bills appropriating funds essential to meet national emergencies and bills in which the aggregate amount of all those considered would not exceed 20 percent of the total funds appropriated in the fiscal year most recently ended.

There are currently provisions for the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives and the Committee on Finance and the Committee on Appropriations of the Senate to meet jointly at the beginning of each regular session of Congress, and after consideration, report to their respective Houses a legislative budget for the ensuing fiscal year.

Section 138 of the Legislative Reorganization Act of 1946 provides:

> Such report shall contain a recommendation for the maximum amount to be appropriated for the expenditure in such year which shall include such an amount to be reserved for deficiencies as may be deemed necessary by such committees. If the estimated receipts exceed the estimated expenditures, such report shall contain a recommendation for a reduction in the public debt. Such report shall be made by February 15. Also, the report shall be accompanied by a concurrent resolution adopting such budget and fixing the maximum amount to be appropriated for expenditure in such year. If the estimated expenditures exceed the estimated receipts, the concurrent resolution shall include a section substantially as follows: "That it is the sense of the Congress that the public debt shall be increased in an amount equal to the amount by which the estimated expenditures for the ensuing fiscal year exceed the estimated receipts, such amount being $ ———."

Modernization is long overdue in the congressional budgetary process and the most glaring defect in the present arrangements is that they do not force Congress to consider the national budget—both intake and outgo—as a unified whole.

By this resolution, I hope to eliminate the piecemeal approach that is sometimes taken by Congress in regard to expenditures which gives the annual budget a haphazard character, which if fully realized, would shock most taxpayers.

Congressional focus on the total spending process is blurred by this tendency to break the budget into fragments.

Through the resolution which I have offered, I am hopeful that we can take a long step in correcting this problem by starting to comply with section 138 of the Legislative Reorganization Act and adopt a technique of consolidation of appropriation bills so that Congress is forced to look at the whole spending picture.

Mr. Chairman, this is a bipartisan matter. As most of the Members of this House, I have voted for many progressive measures because I thought they were good for the country. But I am concerned that we continue to spend more than we take in. At any given point—for instance within 30 days of the new fiscal year—I would be perfectly willing to lump the appropriation bills together and take whatever reduction is necessary on any or all of the bills pending to keep within the budget.

This resolution is simply a means to set up some kind of control to establish more fiscal responsibility. I believe it is high time.

Mr. CURTIS. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana.

Mr. BRAY. Mr. Chairman, the administration had requested an increase in the temporary public debt limit of from $323 billion, for the fiscal year ending June 30, 1966, to $332 billion, for the fiscal year July 1, 1966, to June 30, 1967. Committee action limited this increase to $330 billion.

In the fiscal year 1967 budget proposed by the administration last January, $12.8 billion is set aside as interest on the public debt. This was an increase of $800 million over the amount for fiscal 1966. Interest on the public debt is second only to national defense spending in the Federal budget and takes 11 cents out of every dollar of revenue the Government collects.

I have opposed these temporary debt limit increases in the past and I am opposed to this one, not solely because of the amount of increase granted, nor of the rising cost of financing the public debt, but because congressional approval will, as the minority report on the bill points out, imply approval of the administration's fiscal policies.

These policies have led the country into a dangerous round of inflation, which seems quite evident to everyone but administration officials themselves. The May 1966 issue of Monthly Tax Features, published by the Tax Foundation, states that an American citizen, married, with two children, earning $10,000 annually, lost an estimated $268 because of inflation in the period March 1965–March 1966.

> Consumer prices—

The Tax Foundation reports—

> including the price of food, rose in March 1966 and were about 2.8 per cent above the figure for March 1965. The rise in February and March was the largest rise in a two-month period since 1958. . . . The increase in March, according to Labor Department statistics, meant it cost $112 to buy the same amount of consumer goods then as $100 would have bought in 1957–58.

As I stated, everyone seems to realize this but the administration. In a public opinion poll I took among my constituents recently, 88 percent of those responding believe there is a serious threat of inflation. This morning's New York Times reports that a poll conducted by the economic research division of the Chase Manhattan Bank showed 86 percent of the academic economists and 94 percent of the business economists who answered say that inflation is already here. A majority of both groups also contend that inflation is "The most pressing problem now facing the United States."

Inflation harms the entire country, but in a column entitled "The Real Victims of Inflation" which appeared in the May 24, 1966, New York Times, Mr. Arthur Krock pointed out that it does the most damage to "about 40 million people, most of them elderly."

> These people—

Mr. Krock goes on to say—

> exist beyond the reach of the balancing factors against inflation cited by Mr. Johnson. They do not share the margin of rising wages over rising prices. They are not among the beneficiaries of full employment. And, while they share in some expansions of the welfare state the President said the Government's record income permitted us to increase—free health services, for example—this does not strike at the root of their difficulty. It is the problem of living on a fixed income while the purchasing power of the dollar is being constantly impaired by inflation of the prices of the necessities of daily living.

On one hand the administration professes great concern over the plight of these people, and on the other it continues fiscal policies that can only add to their distress. It might well be said that the administration's motto, when it comes to spending, is "Talk Small—Think Big." The Bureau of the Budget has refused, so far, to make any public estimate of what any Federal programs might cost beyond fiscal year 1967. The Bureau has made what are called inhouse projections for planning purposes, but as one official has reportedly said, these are kept secret "in order not to tie the President's hands."

I would venture to say that they are also kept secret in order not to arouse the wrath of the Congress and the American people. Mr. Eugene Rinta, director of research for the Council of State Chambers of Commerce, has put a $21.5 billion price tag on Great Society programs by 1970. This would be seven times as much by the end of this decade as the $3.1 billion spent last year.

So we have before us today another example of the Congress being asked to go along meekly with the administration and pretend it does not see what is so evident around us. The administration's attitude toward inflation may be summed up in that familiar little verse:

> The other day upon the stair
>   I met a man who wasn't there.
> He wasn't there again today;
>   Oh, how I wish he'd go away!

Inflation is not going to go away merely by wishing. It is going to take some forthright action by the Congress to force the administration back to economic reality, and rejection of the debt limit increase would be a step in the right direction.

Mr. CURTIS. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I regret that the gentleman from Texas [Mr. PATMAN], has left the floor. Evidently he took his Texas percentage dice and departed.

The gentleman from Texas has used this occasion once again to rail about interest costs to the Federal Government, and yet it was only a few days ago that he brought to the floor of the House from his committee a bill known as the Sales Participation Act, which admittedly will result in an excess interest cost to the taxpayers of $25 million a year. One of the ranking Democrat members of the Banking and Currency Committee saw fit today to try to defeat the rule so that he could offer an amendment to this bill to correct the situation but the effort was unsuccessful.

The gentleman from Texas [Mr. PATMAN], has also used this occasion to again talk about the $40 billion in Government securities that, he says, have been paid for once and are still listed in the assets of the Federal Reserve bank.

If he is so disturbed about those $40 billion in Government securities, there is no reason why he, as the chairman of the House Committee on Banking and Currency, should not bring in a bill and test whether the House of Representatives as a whole concurs with his views.

I suggest to him that instead of shedding crocodile tears over the $40 billion in securities that he talks so much about, he bring a bill to the floor of the House, that he be consistent and give us an opportunity to see what we should do about ending the terrible evil that he says exists.

I say again, Mr. Chairman, that I hope the gentleman from Texas [Mr. PATMAN], will in the future demonstrate just a little consistency.

Mr. CURTIS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Chairman, this request from the administration to raise, once again, the temporary national debt limit to $330 billion is a clear indication, if not an absolute admission, that the Federal Government has no intention of ever balancing its budget.

Although our permanent debt limit is set at $285 billion, we have not had an overall debt limit that low since 1958. Each year we have been asked to grant a "temporary" increase in the debt limit for the next fiscal year. And, each year, the temporary increase is a larger amount than the year before. It is obvious that the "temporary" is a fiction.

I have objected before and I object again to this casual, almost routine, rise in the debt limit. In my judgment, now more than ever, we should vote "no" to this requested increase and promptly take the necessary steps to make such an increase unnecessary.

Let us remember that we have had over 5 years of almost continual economic advance, the longest period without a downturn in our economy in our peacetime history. Our unemployment rate is now down to 3.7 percent of the civilian labor force. Almost every sign points to a continuation of our prosperity.

It is true, of course, that the war in Vietnam is unavoidably causing sizable and unexpected increases in the Federal budget. But precisely because these new war expenditures are necessary, we should not continue to increase other Federal programs too. In fact this is the time to cut back, delay, and postpone less essential Federal programs.

We are asking our boys in Vietnam to make sacrifices; hundreds of them are making the supreme sacrifice. Can we not recognize that here at home we can stop asking the Federal Government to do so much for us? Does every projected dam, Federal courthouse, or neighborhood playground need Federal funds this year? Does our farm price support program have to be continued at the present scale? Does our space program have to proceed on such a crash basis? Do we really need to have the Federal Government assume the major portion of the development costs of the supersonic transport, when it will benefit primarily a few major airlines?

We in the Congress, through our appropriations committees, should scrutinize every program; we must make sure that we curtail and cut back on whatever programs we can without jeopardizing the security and the fundamental needs of our people.

We must do this if we are to be fair to our fighting men overseas. Moreover, it is in our own interest to put the brakes on Federal spending. All of us are acutely aware of the way prices have been going up for some time, and particularly in the past few months. There is every likelihood that, unless the Federal Government takes a firm hand, a serious inflation will confront us, harming most the very people whom the Great Society programs are attempting to help. The best thing the Federal Government can do right now is to economize—cut down on nonessential spending. As the largest purchaser of goods and services in the country, it can, by its example, do more to halt price rises than any other group or business in the country.

If we, as we have in the past, again raise the debt limit, we are throwing away one of the potentially most effective devices that rests in our power to prevent our Government from just keeping on raising its expenditures. We as a nation should not expect our Federal Government continually, and especially in a period of extended prosperity, to make commitments for spending above what we can and are willing to pay for by taxes. We should not resort to debt financing on the slightest provocation, but reserve it for times of an all-out war emergency or a depression. Now is the time to stay within current debt limits. To show that we mean this let us keep the present limits and cut expenditures so that we will stay within it. That is the only sound approach to take today. It has worked before. The record shows that the amounts by which the Congress has cut appropriations below budget estimates has been greatest when the debt ceiling was most restrictive. It can and must be made to work again.

If the Federal Government is so desperately in need of money, I would suggest that it establish a national lottery, which would, voluntarily and painlessly, pump into our U.S. Treasury billions of additional dollars.

With a Government-run lottery we will be getting revenue for our Treasury while at the same time curbing inflation. A national lottery would act much like a tax hike, except that it would draw most of the money away from the gambling syndicates. Money diverted from the numbers racket, for example, is not money taken from the mouths of the poor but money taken from the pockets of the underworld crime syndicates. And, in addition to that, it would satisfy America's thirst to gamble.

I urge the Members of this House to display some intestinal fortitude and vote against this $2 billion boost in the debt ceiling. Such a vote would not only be a worthy gesture but a long-due recognition of the plight of our hard-pressed American taxpayers.

Mr. CURTIS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BYRNES]. I might say to the gentleman from Arkansas, this will be our last speaker.

Mr. BYRNES of Wisconsin. Mr. Chairman as we come to the annual exercise of temporarily increasing the temporary limit on the public debt, a new element—something new has been added—that is why I oppose the bill today.

Beginning with the fiscal year 1961, or during the past 6 years, we have been before the House on 10 separate occasions to provide for increases in the temporary debt limit. First, for the period ending June 30, 1961, we increased the debt limit by $8 billion. Second, for the period ending June 30, 1962, we increased the debt by $13 billion, an additional $5 billion over the temporary increase enacted for the preceding year. This was not enough so that, third, on March 13, 1962, we added another $2 billion.

Fourth. For the fiscal year ending June 30, 1963, we enacted a sliding scale debt limit, starting at $308 billion then dropping back to $305 billion, and then going back up to $307 billion. Fifth, we later had to enact a debt ceiling of $309 billion to carry the Government through August 31, 1963. Sixth. Later on, we extended this to November 30, 1963.

Seventh. Prior to November 30, 1963, we enacted a further increase in the debt ceiling to $315 billion, providing at the same time that on the last day of the fiscal year—that is, June 30, 1964—the temporary debt ceiling would revert to $309 billion. Obviously, this was a fiction because before June 30, 1964, eighth, we enacted a bill raising the temporary debt limit to $324 billion for the period beginning June 29, 1964 and ending June 30, 1965.

Ninth. Finally, on June 24, 1965, we raised the temporary debt limit to $328 billion.

Tenth. The bill before us today would raise this to $330 billion.

I recognize that when the Congress appropriates the funds, and the President spends the money, if revenues do not meet expenditures, the debt ceiling must be increased to accommodate the resulting deficit. Under normal circumstances, this is the only responsible thing that the Congress can do.

Today, however, we come before the House with a relatively moderate increase in the debt ceiling—at least moderate in comparison with other increases in recent years—$2 billion. This is really the smallest increase that has been enacted on a year-to-year basis for the past 10 years. But, if we add to this $2 billion an additional $5 billion which the Government proposes to borrow outside of the debt limit, you will get a different picture. In fact, we must even go further and recognize that whether the borrowing outside of the debt limit will be $4 or $5 or $6 or $10 billion is wholly within the discretion of the Johnson administration. The Participation Sales Act—which passed this House over the unanimous objection of the Republicans—effectively nullifies the debt limit as a means of fiscal restraint. I oppose this bill today in protest at this gimmickry which for all intent and purposes makes the debt ceiling meaningless.

I would not vote to increase the debt limit by $7 billion, because I have not and do not support the spending policies which require an increase of that magnitude—and regardless of the efforts that have been made to confuse the issue, that is the real increase in the public debt which is contemplated for the ensuing fiscal year.

I would like to even go further and point out to this House that if it had not been for some rather questionable juggling of Federal receipts, coupled with the sales of Federal assets, we would be contemplating an increase in the debt limit of as much as $14 billion. The fiscal manipulations which have been resorted to by the administration to minimize the projected deficit in the budget for fiscal 1967 add up to a total of $12 billion. Just what does this consist of?

First. By speeding up the collection of corporate taxes—that is, collecting taxes in fiscal 1967 that would have been due and payable at a later date—the administration will pick up $3.2 billion of additional revenues.

Second. By revising the withholding tables, and the rules with respect to declarations of estimated tax, to require individuals to pay taxes which would not have been due and payable until a later date, the administration in fiscal 1967 will pick up another $425 million.

Third. By amending its regulations in order to require employers to transmit bimonthly—instead of monthly—taxes withheld from their employees, the administration will pick up another $1 billion for fiscal 1967.

Fourth. By using copper instead of silver for coins—the so-called phony money—the administration will realize a profit of almost $1.6 billion on the currency minted in fiscal 1967.

Finally, through the refinancing of loans held by the Government—the so-called "participating sales"—and other direct sales of equipment and stockpile materials and Government property, the administration expects to realize $5.7 billion in fiscal 1967, most of which does not show up in Federal receipts, but is applied as a reduction of Federal expenditures.

By resorting to these devices, the administration now figures that the budget will be within balance—or nearly so—for fiscal 1967. If it were not for these ingenious gimmicks, you would be looking at a deficit of $12 to $14 billion. For me, the question is simple. Stripped of all the window dressing, I would not—and will not—lend my support to a proposed Federal spending level which is $12 to $14 billion in excess of normal incomes at a time when Federal tax revenues are at record levels.

There has been no "short fall" in tax revenues. In fact, latest estimates indicate that revenues for 1967 may be $5 to $6 billion more than was estimated in January of this year. Employment is at record levels. With all of this, we hear talk of increasing taxes to cut off the purchasing power of the people, in order to let the Government spend more. It is this policy of the administration to which I am unalterably opposed. That is why I will vote "no" on passage of the bill today.

A "no" vote will be a vote for the widows and the aged living on fixed incomes for whom the President claims such great concern. It will be a vote for our unorganized white collar workers who do not have powerful labor unions to get them wage increases to keep abreast of the rising cost of living.

A "no" vote will be a vote for the housewife who finds that she is spending more and more and getting less and less for her family. The administration seems to be more concerned about the size of the package—the so-called "truth in packaging"—than about the price of the package. Let us get the price of the package down. And, the best way to get the price of the package down is to take the Government out of the market. It is time that Congress put a brake on the administration's spending policies. We can make a start by voting "no" on this bill, as a protest against the spending policies of this administration.

Mr. MILLS. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment.

The bill is as follows:

H.R. 15202

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on July 1, 1966, and ending on June 30, 1967, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), shall be temporarily increased to $330,000,000,000.

The CHAIRMAN. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means.

Are there any committee amendments?

Mr. MILLS. Mr. Chairman, there are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. GILBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, pursuant to House Resolution 882, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

MOTION TO RECOMMIT

Mr. CURTIS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CURTIS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CURTIS moves to recommit the bill H.R. 15202 to the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. CURTIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 199, nays 165, not voting 67, as follows:

[Roll No. 131]

YEAS—199

Adams
Addabbo
Albert
Anderson, Tenn.
Aspinall
Bandstra
Barrett
Beckworth
Bennett
Bingham
Boggs
Boland
Brademas
Brooks
Burke
Byrne, Pa.
Cabell
Callan
Carey
Celler
Chelf
Clark
Clevenger
Cooley
Corman
Craley
Culver
Daddario
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Diggs
Dingell
Downing
Dulski
Duncan, Oreg.
Edmondson
Edwards, Calif.
Edwards, La.
Evans, Colo.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Flood
Fogarty
Foley
Ford, William D.
Fraser
Friedel
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Giaimo

Gibbons
Gilbert
Gonzalez
Grabowski
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Hagen, Calif.
Hamilton
Hanley
Hansen, Iowa
Hansen, Wash.
Hardy
Hathaway
Hawkins
Hechler
Helstoski
Herlong
Hicks
Holland
Howard
Hull
Huot
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Jones, Ala.
Karsten
Karth
Kelly
Keogh
King, Calif.
Kirwan
Kluczynski
Krebs
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
McVicker
Macdonald
Machen
Mackay
Mackie
Madden
Mahon
Martin, Mass.
Matthews
Meeds
Mills
Minish
Mink
Monagan
Moorhead
Morgan
Morris
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Price
Pucinski
Purcell
Race
Randall
Redlin
Resnick
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts
Rodino
Rogers, Colo.
Ronan
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan
St Germain
St. Onge
Scheuer
Shipley
Sickles
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Stalbaum
Steed
Stratton
Stubblefield
Sullivan
Tenzer
Thomas
Thompson, Tex.
Tunney
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Watts
Weltner
White, Idaho
White, Tex.
Wright
Yates
Young
Zablocki

NAYS—165

Abbitt
Abernethy
Adair
Anderson, Ill.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Ayres
Bates
Battin
Belcher
Berry
Betts
Bow
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Byrnes, Wis.
Cahill
Callaway
Carter
Casey
Cederberg
Chamberlain
Clancy
Cleveland
Conable
Conte
Corbett
Cramer
Cunningham
Curtin
Curtis
Dague
Davis, Wis.
Derwinski
Devine
Dickinson
Dole
Dorn
Dowdy
Duncan, Tenn.
Dwyer
Edwards, Ala.
Erlenborn
Findley
Fino
Fisher
Ford, Gerald R.
Fountain
Frelinghuysen
Fulton, Pa.
Gathings
Goodell
Gross
Grover
Gubser
Gurney
Haley
Hall
Halleck
Halpern
Hansen, Idaho
Harsha
Harvey, Mich.
Henderson
Horton
Hungate
Hutchinson
Ichord
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
Kastenmeier
Keith
King, N.Y.
King, Utah
Kornegay
Kunkel
Kupferman
Laird
Langen
Latta
Lennon
Lipscomb
Long, La.
McClory
McCulloch
McDade
McEwen
MacGregor
Mailliard
Marsh
Mathias
May
Michel
Minshall
Mize
Moeller
Moore
Morse
Mosher
Nelsen
O'Konski
O'Neal, Ga.
Passman
Pirnie
Poage
Poff
Pool
Quie
Quillen
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Robison
Rogers, Fla.
Rogers, Tex.
Roncalio
Roudebush
Rumsfeld
Satterfield
Saylor
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Va.
Springer
Stafford
Stanton
Taylor
Teague, Calif.
Teague, Tex
Thomson, Wis.
Todd
Tuck
Utt
Walker, Miss.
Watkins
Watson
Whalley
Whitener
Whitten
Widnall
Wilson, Bob
Wolff
Wydler
Younger

NOT VOTING—67

Annunzio
Ashley
Baring
Bell
Blatnik
Bolling
Bolton
Brown, Calif.
Burton, Calif.
Burton, Utah
Cameron
Clausen, Don H.
Clawson, Del
Cohelan
Collier
Colmer
Conyers
de la Garza
Donohue
Dow
Dyal
Ellsworth
Evins, Tenn.
Flynt
Gettys
Gilligan
Gray
Hagan, Ga.
Hanna
Harvey, Ind.
Hays
Hébert
Holifield
Hosmer
Kee
Landrum
Leggett
McMillan
Martin, Ala.
Martin, Nebr.
Matsunaga
Miller
Morrison
Morton
Moss
Murray
Pelly
Powell
Rees
Reinecke
Rivers, S.C.
Rooney, N.Y.
Scott
Senner
Stephens
Sweeney
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Waggonner
Walker, N. Mex.
Williams
Willis
Wilson, Charles H.
Wyatt

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Brown of California against.

Mr. Kee for, with Mr. Baring against.

Mr. Miller for, with Mr. Gettys against.

Mr. Thompson of New Jersey for, with Mr. Scott against.

Mr. Evins of Tennessee for, with Mr. Hagan of Georgia against.

Mr. Annunzio for, with Mr. Pelly against.

Mr. Sweeney for, with Mr. Wyatt against.

Mr. Holifield for, with Mr. Hosmer against.

Mr. Trimble for, with Mr. Collier against.

Mr. Hébert for, with Mrs. Bolton against.

Mr. Hays for, with Mr. Martin of Nebraska against.

Mr. Donohue for, with Mr. Del Clawson against.

Mr. Dyal for, with Mr. Bell against.

Mr. Moss for, with Mr. Morton against.

Mr. Charles H. Wilson for, with Mr. Don H. Clausen against.

Mr. Burton of California for, with Mr. Burton of Utah against.

Mr. Cohelan for, with Mr. Talcott against.

Mr. Rees for, with Mr. Reinecke against.

Mr. Leggett for, with Mr. Martin of Alabama against.

Mr. Matsunaga for, with Mr. Ellsworth against.

Mr. Powell for, with Mr. Tupper against.

Mr. Hanna for, with Mr. Harvey of Indiana against.

Mr. Blatnik for, with Mr. McMillan against.

Until further notice:

Mr. Gilligan with Mr. Colmer.

Mr. Senner with Mr. Dow.

Mr. Toll with Mr. Stephens.

Mr. Conyers with Mr. Williams.

Mr. Ashley with Mr. Cameron.

Mr. Waggonner with Mr. Flynt.

Mr. Landrum with Mr. Rivers of South Carolina.

Mr. Gray with Mr. Willis.

Mr. Morrison with Mr. de la Garza.

The results of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so be permitted to extend their remarks on the bill just passed during the course of general debate thereon and that they may have 5 legislative days in which to do so.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

TO EXTEND THE PROVISIONS OF TITLE XIII OF THE FEDERAL AVIATION ACT OF 1958, RELATING TO WAR RISK INSURANCE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2267) to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1312 of title XIII of the Federal Aviation Act of 1958 (49 U.S.C. 1542) is hereby amended by striking out "June 13, 1966" and inserting "September 7, 1970" in lieu thereof.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AN ACT TO DECLARE THAT CERTAIN FEDERALLY OWNED LAND IS HELD BY THE UNITED STATES IN TRUST FOR THE MINNESOTA CHIPPEWA TRIBE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10431) to declare that certain federally owned land is held by the United States in trust for the Minnesota Chippewa Tribe, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That all right, title, and interest of the United States in land heretofore used in connection with the White Earth Indian Boarding School described as the southwest quarter northeast quarter section 23, township 142 north, range 41 west, fifth principal meridian, Becker County, Minnesota, comprising 40 acres, excepting all improvements thereon that are the property of individual tribal members, are hereby declared to be held by the United States in trust for the Minnesota Chippewa Tribe.

"SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

THE FOOD FOR FREEDOM ACT OF 1966

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up

House Resolution 878 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 878

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER** pro tempore (Mr. ALBERT). The gentleman from California [Mr. SISK] is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. LATTA], and, pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 878 provides an open rule, waiving points of order, with 4 hours of general debate for consideration of H.R. 14929, a bill to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes.

H.R. 14929 amends Public Law 480 and extends it for 2 years—through December 31, 1968.

A change is made in the concept of "surplus" to "available" farm commodities for various local currency sales, long-term dollar credit sales, and donation programs overseas.

Increased emphasis is placed upon and a number of criteria are established for encouraging and promoting expanded farm production overseas to meet rising world food needs.

Basic provisions of present law are retained in regard to nations eligible for this program and new restrictions are added in regard to nations dealing with North Vietnam and Cuba. Russia, Red China, or countries or areas under their domination or control would be ineligible for local currency sales and long-term dollar credit sales. Any Communist country would be ineligible for local currency sales. Any nation which sells or furnishes or permits ships or aircraft under its registry to transport to or from North Vietnam or Cuba—excluding U.S. installations in Cuba—any equipment, materials, or commodities, so long as they are governed by a Communist regime, would be ineligible for local currency sales or long-term dollar credit sales.

Use of foreign currencies is authorized in certain instances.

The bill authorizes total expenditure of $2.5 billion per year on local currency and long-term-dollar-credit transactions and $800 million on donations. Total for the bill is $3.333 billion per year including farmer-to-farmer program.

Mr. Speaker, I urge the adoption of House Resolution 878 in order that H.R. 14929 may be considered.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. SISK. I am glad to yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I want to make my usual request and ask the gentleman of the Committee on Rules to explain why points of order against this bill and particularly this bill are waived.

Mr. SISK. Again the Committee on Rules found itself in a situation where we felt that justification was made. This particular bill, as I am sure my friend, the gentleman from Missouri, knows, deals with what amounts to appropriations by the very nature of the method by which commodities under Public Law 480 are handled, in which these commodities are shipped to various countries and, of course, payment is made in the local currency. The local currency is held there for certain uses. Naturally the bill would be subject to a point of order because it does deal with funds and the appropriation of funds.

I will add just this one further thought, it is my understanding again that it has always been the procedure to waive points of order in dealing with the extension of Public Law 480. I believe the gentleman will agree with me, where funds are handled, that this procedure is necessary, otherwise it would be subject to a point of order.

I want to say further, the gentleman from Missouri has been examining these resolutions rather carefully. This is the second time today that I have had to call up a resolution waiving points of order, and in this case I simply know of no other way that this could have been handled.

Mr. HALL. Mr. Speaker, I thank the gentleman for his explanation. It does not quite satisfy me in my heart. I am glad the gentleman is continuing to look at it. I rather resent the fact that this is called an open bill when we do waive points of order. I am sure what the gentleman means is that under clause 4, rule XXI would make it inviolate under Public Law 480 insofar as the money that we are storing overseas is concerned, the so-called counterpart funds.

Mr. SISK. When the gentleman says it is an open rule, he is right of course—it is an open rule in the sense that any part of the bill would be subject to amendment or to the offering of amendments. So these items can be amended or even stricken from the bill under the procedure which the bill will be considered. I again agree with the gentleman—I hesitate from time to time to have to come to the floor under this procedure, waiving points of order. Again it is an instance in which this has been normal procedure, and we simply knew of no other way to get around it.

Mr. HALL. The gentleman's assurance is perfect as far as I am concerned. I hope we do not wear the explanation out too long as the Rules Committee deliberates further and further on these exceptions. I thank the gentleman.

Mr. SISK. I thank the gentleman from Missouri.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I would like very hastily to point out to the Members who are wondering about the title of this bill, "Food for Freedom Act of 1966," that they should not be concerned that they are enacting brandnew legislation. You are not. Turn to page 2 of the report, and the very first line reads as follows:

> The bill, approved by the committee, 32 to 2, as an amendment and extension of Public Law 480—

So, actually, notwithstanding the very glorified title of "Food for Freedom Act of 1966," this bill is merely an extension of Public Law 480, which was enacted during the 83d Republican Congress, if you please, in 1954, under the Eisenhower administration.

This bill does have and has had wide bipartisan support in the Congress and should not be considered as a new Great Society program. I have supported it ever since I came to Congress. I wish to commend the Committee on Agriculture for the many amendments and refinements that it made in this bill after it was sent here by the administration.

One of the first things I want to commend the committee for doing, was reinserting a provision limiting shipments of commodities to "friendly nations." Lo and behold, this bill, as sent down here by the administration would have permitted the shipping of farm commodities to Communist nations. Ponder this fact for a moment when we are fighting communism in Vietnam. The committee on Agriculture rejected this administration approach. The committee did amend the "friendly nations" provision from what it was last year, and they made some refinements in it in view of the present world situation. To those individuals who were concerned, as I was, that they were eliminating the provisions dealing with "friendly nations," I can say that the committee has done a good job in drafting language to protect against such shipments. Some of the other committee amendments are as follows:

To provide continuing congressional review of the operation and administration of the program by limiting the extension to 2 years. This is a 2-year bill;

To retain the basic concept, as I mentioned, of friendly nations;

To strengthen our national efforts to halt the supplying of hostile Communist regimes in Cuba and North Vietnam;

To improve the effectiveness of the Joint Congressional-Executive Advisory Committee;

To insist, when possible, upon a 5-percent cash payment in title I sales agreements;

To place stronger emphasis upon agricultural self-help by earmarking at least 20 percent of certain foreign currencies generated by title I sales for this purpose;

To require, insofar as practicable, the identification of food sold for foreign currencies as being provided through the generosity of the American people;

And to include a revised version of the "Bread and Butter Corps" offered in a sincere effort to improve this bill.

These certainly were worthwhile amendments put into this bill by the Committee on Agriculture, and I think that the committee should be commended by the House membership for the outstanding job that it has done in this regard.

While we are discussing this subject, I think we ought to put out a word of caution to the administrator of this program. I have reference particularly to the Secretary of Agriculture, Mr. Orville Freeman. You know, we have distributed many million bushels of wheat around the world in the last few years.

In fact, just 3 short years ago we had almost 1,400 million bushels of wheat reserves. According to the latest statement by the Secretary of Agriculture we may soon be down to approximately 350 million bushels, which is about 250 million bushels below the minimum of 600 million bushels the Department of Agriculture has said is absolutely necessary to protect us against short supplies in this country.

There is a bottom to this barrel from which we have been dipping. It behooves this administration and Mr. Orville Freeman to pay some attention to this fact as he administers these programs, and particularly Public Law 480. We certainly believe these individuals should protect the interests of the people of America when they are making these commitments, and that they should give early, full, and earnest consideration to lifting some of the controls on our wheat farmers, so that we can build back some of the reserves that we need. We are apparently going to continue these help-the-needy-nations programs, so we had better be prepared for the future.

Certainly the action by the Secretary of Agriculture and the President, in increasing the allotments for 1967 by 15 percent, is a step in the right direction—but only a step. It certainly is not sufficient to do the job that is going to be necessary if we are going to dip into this barrel forever. I believe the Committee on Agriculture should forthwith give serious thought to legislation relaxing some of these controls on our wheat farmers.

I agree with the statements that have been made by my colleague from California [Mr. Sisk] that there is a need for waiving points of order on this bill. To my knowledge there is absolutely no objection to the granting of this rule.

Mr. Speaker, I have no further requests for time.

Mr. SISK. Mr. Speaker, I move the previous question.

The SPEAKER. The previous question is ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. WALKER of New Mexico. Mr. Speaker, I was unavoidably detained on the last vote on H.R. 15202. Had I been present I would have voted "nay." I would like to show that in the Record.

THE FOOD FOR FREEDOM ACT OF 1966

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 14929, with Mr. Moorhead in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. Cooley] will be recognized for 2 hours, and the gentleman from Pennsylvania [Mr. Dague] will be recognized for 2 hours.

The Chair recognizes the gentleman from North Carolina.

Mr. COOLEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I want promptly to congratulate and commend the members of the House Committee on Agriculture for their long and hard work on this measure which is now before you. I do not know of any bill that has been considered in our committee room more carefully than the bill we are now presenting.

I am glad that in our deliberations we considered the bill over and above the realm of partisan politics. I do not believe that partisan politics lifted its ugly head in our committee room once during the hearings, or in executive sessions.

Mr. Chairman, two-thirds of the world is undernourished. Thousands of persons die each day as the result of malnutrition. The specter of famine and mass starvation, in the near years ahead, hangs over great areas of the world where populations are exploding. Hunger blocks the path to world peace.

H.R. 14929—the new Food-for-Freedom Act which I present here—sets in motion a policy and a program which in times to come, with the active participation of other nations, may be heralded as one of history's greatest steps forward.

This is a world war on hunger.

I know that we have never had a more distinguished array of witnesses in our committee room than those who appeared there to testify in behalf of this measure.

We heard people of world importance, I suppose the best qualified people on earth, and certainly the best qualified in this country. They came from Harvard, from Princeton University, from the Massachusetts Institute of Technology, from Columbia University, from the State University of New York, from the University of Chicago, from Purdue, from the Rockefeller Foundation, from the Ford Foundation, and from other centers of study.

We had 6 weeks of hearings, and the committee sessions were well attended.

The people I have mentioned came here without regard to politics, merely because of their interest in the subject with which we were dealing, the world population explosion and the world food crisis.

TESTIMONY PRESENTED

The committee was told that—

The increase of the world's population is so awesome as to seem unreal.

The future of mankind is now being ground out in India, that continuation of present trends in India will mean population increase there from 432 million in 1960 to 1,233 million by the year 2000, that if there is no solution all the world will live like India does now.

In 1980, some 15 years from now, world population will probably increase by 1.2 billion, from 3.4 billion to 4.6 billion, and by the year 2030, world population will reach 14 billion, if present trends continue, and mass starvation will inevitably result on a scale never before experienced.

Even now two-thirds of the world goes hungry while one-third is overfed.

A livable world cannot exist in these conditions.

Unless family planning is accorded a priority, populations controlled, there is little hope, if any, for a solution.

A gigantic effort must be made to improve agricultural production in the underdeveloped areas of the world, with American know-how and show-how.

America must share its abundance of food, while the agriculture of other nations is developing—and this may be a matter of years to come.

I have said on this floor previously that there are two magic words in all the languages of this earth—"food" and "raiment." In America, fortunately, we have an abundance of both.

OUR BROTHER'S KEEPER

No other nation in all the history of mankind has ever embraced programs more magnanimous or programs of greater magnitude than the programs we have had in operation dealing with the abundance which we have harvested from our fields. More than 100 million people in 100 nations of the earth have shared in this abundance which we have harvested from our fields.

We have relieved hunger, but the fact remains that two-thirds of the people of the earth are now underfed, while one-third of the people of this world are overfed. We happen to live in that area of the world blessed with abundance.

We face a cruel situation existing in the world in which we live. It is a cruel situation because men, women, and children are now starving to death. Our friends across the seas by the thousands and by the millions are dying as the results of malnutrition.

It is easy for us to be selfish and to close our eyes and say, "That is not our problem," but, after all, we are our brother's keeper. I believe the world has a right to look to us not only for leadership but also for help.

In this measure now before the committee we provide for help and we provide for leadership.

FERTILE ACRES RETIRED

Here we are with all this abundance, and I do not believe that this Nation of ours has a moral right to leave uncultivated and to retire from production millions and tens of millions of acres of land while other people are starving. That is the actual situation in America. We have already retired from production more than 60 million acres of fertile farmland. We were about to embark upon a program which contemplated the retirement of additional millions of acres in a new cropland adjustment program. When we came up with this new food-for-freedom program I think that the administration changed its views on taking more millions of acres out of production.

ACTION BEGINS

On January 19, I introduced a bill which called for a world war on hunger. Then I laid that bill aside and waited for the administration to come forward with the President's message on food. When the administration's food-for-freedom bill was transmitted to me by executive communication, I introduced that, on February 14. Both bills were before the committee during our hearings and deliberations. Our committee amended and refined the legislation before us. We approved the bill presented here today by a 32 to 2 vote.

In the interest of time I will read a brief summary of the provisions as to what we have authorized and how we have authorized the use of foreign currencies which will be generated in the operation of this program:

BRIEF SUMMARY

The bill, as an amendment and extension of Public Law 480, contains the following major provisions:

1. *Time of extension.*—Two years (through December 31, 1968).

2. *"Available" commodities.*—A change is made in the concept of "surplus" to "available" farm commodities for various local currency sales, long-term dollar credit sales, and donation programs overseas.

3. *Self-help emphasis.*—Increased emphasis is placed upon and a number of criteria are established for encouraging and promoting expanded farm production overseas to meet rising world food needs.

4. *Friendly countries.*—Retains basic provisions of present law in regard to nations eligible for this program and adds new restrictions in regard to nations dealing with North Vietnam and Cuba. Russia, Red China, or countries or areas under their domination or control would be *ineligible* for local currency sales and long-term dollar credit sales. Any Communist country would be *ineligible* for local currency sales. Any nation which sells or furnishes or permits ships or aircraft under its registry to transport to or from North Vietnam or Cuba (excluding U.S. installations in Cuba) any equipment, materials, or commodities, so long as they are governed by a Communist regime, would be *ineligible* for local currency sales or long-term dollar credit sales. Aggressor nations or nations acting in a manner inimical to U.S. foreign policy would be *ineligible* for local currency sales or long-term dollar credit sales. Nations not in diplomatic relations with the United States would be *ineligible* for local currency sales or long-term dollar credit sales.

5. *Use of foreign currencies.*—Authorized uses include:

(1) To pay U.S. obligations.

(2) Market development for U.S. farm commodities.

(3) Education and cultural exchange.

(4) Collection, translation, etc., of scientific information and conduct of overseas research, cultural, educational, family planning, health, nutrition, and sanitation programs.

(5) Purchase lease and rental of overseas real estate.

(6) Translation, analysis, etc., of foreign books, periodicals, and other materials under the direction of the Library of Congress.

(7) Common defense activities.

(8) Emergency relief activities.

(9) Loans to United States and foreign businesses and co-ops. (Cooley loans.)

(10) Promotion of trade and economic development including emphasis upon storage, handling and food distribution facilities.

(11) Goods or services for other friendly countries.

(12) Maternal welfare, child health and nutrition, and voluntary population programs.

(13) To pay expenses of new farmer to farmer program.

(14) Sales of local currencies for dollars to U.S. tourists, other U.S. citizens or nonprofit organizations.

6. *Long - term - dollar - credit sales.*—Permitted on government or private trade basis with repayment periods up to 40 years with interest at rates comparable to foreign assistance loans and grace periods of up to 10 years.

7. *Convertibility.*—Requires *insofar as practicable* that at least 5 percent of local currency or long-term-dollar-credit sales be paid in dollars or hard currency at time of sale.

8. *Marking of food.*—Requires *insofar as practicable* that food sold for local currency be marked or identified as being acquired on a concessional basis through the generosity of the American people.

9. *Cost.*—Authorizes total expenditure of $2.5 billion per year on local currency and long-term-dollar-credit transactions and $800 million on donations (either government to government or through voluntary agencies.) Total for bill $3.333 billion per year including farmer-to-farmer program.

10. *Commodities included.*—Any agricultural commodity or product thereof and domestically produced fishery product (except fish concentrate until approved by Food and Drug Administration for U.S. consumption).

11. *Advisory Committee.*—Establishes Joint Congressional-Executive Advisory Committee consisting of senior members of House and Senate Agriculture Committees, Administrator of AID, Budget Bureau Director, and Secretary of Agriculture.

12. *Farmer-to-farmer program.*—Authorizes appropriations of $33 million annually for the Department of Agriculture to administer in cooperation with the various land grant and other colleges a program emphasizing the use of American farm know-how and show-how to help developing countries meet rising world food needs.

13. *Expropriation of U.S. property.*—Prohibits any concessional sales under this act to nations which have expropriated property of American citizens without payment of just compensation or appropriate action upon a judgment in favor of such U.S. citizens.

14. *Cotton textiles.*—Provides that cotton textiles may be financed under title I of the act if the raw cotton content accounts for a substantial portion of the sales price.

15. *Release prices and reserves.*—Directs the Secretary to adjust production of commodities covered by voluntary adjustment programs so that the carryover will be not less than 25 percent of total annual estimated requirements. Whenever carryover is *less than* 25 percent of annual estimated requirements, CCC release price for unrestricted domestic sales of any such commodities would be not less than 115 percent of the current loan level plus carrying charges.

EXPLANATION OF BILL

Mr. Chairman, H.R. 14929 authorizes a broad expansion of the old food-for-peace program. This new legislation, amending Public Law 480—

Permits deliberate production of food in the United States to feed hungry people in other nations. Heretofore our food shipments under the food-for-peace program have been limited to surpluses accumulated under various farm programs.

Places emphasis particularly on aid to those friendly countries helping themselves toward self-reliance in producing sufficient food to meet the needs of their own people.

Recognizes for the first time, as a matter of U.S. policy, the world population explosion relationship to the world food crisis, providing that the new food-for-freedom program shall make available resources to promote voluntary activities in other countries dealing with the problem of population growth and family planning. The bill establishes as one of the criteria for the President to consider in carrying out the provisions of the act the efforts of friendly countries related to the problems of population growth and the resources devoted by these countries to meet this growing problem. The bill also provides that foreign currencies generated by the sale of U.S. commodities may be used, when requested by the recipient country, to finance programs related to these problems of population growth.

Takes into account the need for clothing among impoverished peoples, by authorizing the shipment through this program of textiles where raw cotton accounts for a substantial portion of the cost.

Establishes a farmer-to-farmer program by which the Department of Agriculture would administer in cooperation with the various land-grant and other colleges the use of American farm "know-how and show-how" to help developing countries meet rising food needs.

Protects normal trade and commerce.

Strengthens provisions of the present food-for-peace law restricting aid to Communist-dominated countries.

Food sales for local currencies or long-term dollar credit would be denied those nations which sell or furnish, or permit ships or aircraft under their registry to supply North Vietnam or Cuba with any equipment, materials, or commodities. These concessional sales would also be denied nations which have expropriated property of American citizens without payment of just compensation or have not taken appropriate action upon a judgment in favor of such U.S. citizens.

The new program will encourage the development of free enterprise in the recipient developing countries. It expands the Cooley loan program through which foreign currencies accumulated under the program are made available for loans to U.S. firms and their affiliates for business development and trade expansion in the recipient countries.

Basically, H.R. 14929 amends Public Law 480, under which the food-for-peace program supplies food to hungry peoples, first, through sales for the currencies of other nations; second, long-term dollar credit sales; and third, by donations. Public law 480, as amended, is extended for 2 years, to December 31, 1968.

Expenditures amounting to $3.3 billion annually would be authorized for the new program. Approximately $2 billion now is being expended under the food-for-peace program.

FREE ENTERPRISE—SELF-HELP

Mr. Chairman, while the Committee on Agriculture does not expect the accomplishment of instant miracles in the world war on hunger, it is convinced that, assuming reasonable cooperation by the people of other nations, in population planning, education and health measures, and in attitudes, the crisis can be checked and restrained, and millions of lives may be saved. Therefore, H.R. 14929 is presented here as the first great stride in the exercise of the unavoidable obligation of the one nation capable of leading the world through the crisis that impends.

Success in this undertaking will rest ultimately upon the measure of cooperation of other nations, particularly in the underdeveloped areas of the world, in self-help, in developing free enterprise, and in population planning.

Illiteracy, taboos, and social customs will be factors. Individual incentive must be developed among millions of people, or the program will fail.

The committee has taken these factors in consideration, in placing emphasis upon providing food for those countries where the governments and people are trying to improve themselves, particularly in achieving self-sufficiency in food production. The committee feels that the United States would do a disservice to nations and to people by encouraging a belief that America can supply limitless amounts of food and fiber in all the years ahead, without any effort on their part.

Testimony was presented to the committee that, because of shortages of ships, poor unloading facilities in the ports of underdeveloped countries, lack of storage and inland transportation, along with the illiteracy, taboos, and custom factors, we cannot reach many millions who are hungry, that we must move slowly. These difficulties are real. Extensive local cooperation and participation will be needed to deal with these difficulties.

THE FARMER

Mr. Chairman, American agriculture is the greatest success story in all the world. Our farmers have mastered the arts of abundance. One farmer feeds himself and 36 other persons. In many parts of the world one farmer cannot produce sufficient food for himself and his family.

While other people are underfed, America's problem has been overabundance.

We now have 60 million acres of farmland in retirement, bedded down under various farm programs. These programs came into being as a means of preventing our agriculture from suffocation under an avalanche of surplus food and fiber.

In an all-out world war on hunger, we may bring these acres out of retirement, to produce enough food, if it could be delivered to the underdeveloped countries, to drive hunger and starvation out of the free world while these countries are building up their own agricultural production. We already have expanded our 1967 wheat acreage, in the largest increase in projected peacetime production of a major crop since 1933.

Of course, the United States must continue to maintain farm production adjustment programs, to prevent new market gluts and depressing surpluses. To suddenly end our production adjustment programs would bring havoc to our own farmers. It is my hope, however, that millions of idle acres may be brought back into production. This must be done in an orderly manner, with full price protection to our farmers, as we progress in the war on hunger.

An expanding agriculture should cause rural America to flourish. This should support on our farms many thousands of people who otherwise would be crowded into our cities. Greater activity in rural America should give new strength to the economy of the whole Nation.

INDUSTRY

Mr. Chairman, opportunities for industry and business, as well as for agriculture, are virtually limitless in this new undertaking.

If total exports were to rise by 50 percent, in the war on hunger, this would mean substantial additional inputs of fertilizer, of machinery, of all the materials that go into the production of crops and livestock.

This would create new markets for industry and business.

This should be accompanied by a new surge in foreign trade as Asia, South America, and Africa, where the great population explosions are occurring, build up their own food-producing capacity and general economics, and develop transportation and distribution systems capable of getting food, and manufactured goods as well, to their people.

The agricultural development of underdeveloped nations affords this country perhaps its best opportunity in all history to expand the foreign markets for American products. New billions of dollars' worth of manufactured goods should cross the seas. All the facts and statistics show that the faster another nation improves its agriculture, the stronger its economy becomes, and the greater the volume of our commercial markets in that country.

COSTS

Mr. Chairman, the United States should recover the costs of financing its leadership in the world war on hunger.

There should be be no great cost in bringing retired farmlands back into production, in an orderly manner as needed. It has been shown to our committee that to produce and ship abroad a bushel of grain under Public Law 480 is not much more costly than to persuade the farmer, by payments, to refrain from producing that bushel.

The $3.3 billion authorization in this legislation for each of the next 2 years is $1.3 billion larger than the $2 billion now being used annually in the food-for-peace program.

Of the $3.3 billion authorization herein, $2.5 billion is for delivery of food and fiber for local currency payments or long-term dollar credits. The local currencies will finance many U.S. operations abroad, where dollars from the Treasury otherwise would be required. The credit sales should return dollars to the Treasury. Under H.R. 14929, the program moves gradually away from the local currency sales toward dollar sales.

The bill also authorizes $800 million in each of the next 2 years in food donations to other nations, to feed hungry people, and to develop the agriculture and general economies of these countries.

As heretofore mentioned, the war on hunger should stimulate economic activity in rural America, create new markets for industry and business, and invigorate foreign commerce. These activities should be reflected in substantial increases in the revenues of the United States.

Mr. Chairman, in conclusion let me say that a hungry world is a dangerous world. It is a world fruitful to communism. But communism cannot feed the people it enslaves. The genius of America's farmers and the American system of free enterprise can save mankind from famine and mass starvation if implanted and accepted in the far corners of the earth.

We are planning a new war, a new kind of war. The President has said there should be only victors, no vanquished.

Mr. Chairman, without trespassing upon the patience of the Members of the Committee any further, I urge the adoption of this bill in the hope that it may be fairly, frankly and forthrightly debated and clearly understood by the membership before the final vote is taken.

Mr. DAGUE. Mr. Chairman, I yield 15 minutes to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman and Members of the Committee as our distinguished chairman of the House Committee on Agriculture has told you, our committee has been been at work on this very important piece of legislation for 4 months now. It has been a very instructive and interesting period, I feel, for all of the Members, because in that time we have heard from some of the most outstanding experts on food problems internationally, and have had testimony from a large and heterogeneous group of organizations and individuals, all of whom supported this Food for Peace approach, or a strengthening of Public Law 480 in this area.

Now, Mr. Chairman, as our chairman has told the members of the committee, the bill H.R. 14929 will permit deliberate production of food in the United States for this new war on hunger. As we all know, until now our food shipments under the Food for Peace Program have been limited to surplus food and fibers accumulated under the various programs. But this new bill which is now pending before us places emphasis particularly upon aid to those friendly countries helping themselves toward a greater degree of self-reliance and for the first time it recognizes the world population explosion relationship to the world food crisis. It provides that the new food for freedom program will assist those activities undertaken by recipient countries relating to the problem of population growth.

Also, Mr. Chairman, in this bill there has been established a farmer-to-farmer program which the Department of Agriculture would administer, in cooperation with the various land grant and other colleges, for the use of our own American farm know-how and show-how to help developing countries meet rising food needs.

Mr. Chairman, as the debate develops on this legislation, I am sure the Members of the committee here will hear in detail about the particular amendment to the bill that was offered by my colleague, the gentleman from Kansas [Mr. DOLE], and supported on a bipartisan basis in the committee.

Also, Mr. Chairman, I am pleased that this bill strengthens the provisions of the present food-for-peace law in restricting aid to Communist countries and forbids food sales for local currencies of long-term dollar credit to those nations who sell, furnish or permit the use of their ships or aircraft to supply North Vietnam or Cuba with equipment, materials or commodities.

Mr. Chairman, our committee rejected an amendment that had been backed by the Department of State, which probably would have weakened, perhaps, all food sales to countries doing business or trade with North Vietnam or Cuba.

I will say, however, our committee did accept one amendment which did not have my support which authorizes dollar credit sales for up to 40 years instead of the 20-year limitation, which I favor.

Mr. Chairman, in the development of our debate, an amendment will be offered later whereby we hope to restore this basic principle which we believe is so important to the bill.

All in all, however, Mr. Chairman, it certainly has been a carefully considered piece of legislation and I am very proud of the part that I have been able to play as a Member of this committee, and certainly offer commendation to the leadership of our committee chairman and our ranking minority Member through these past months.

I do certainly agree with our chairman, the gentleman from North Carolina [Mr. COOLEY] when he said that the challenge and the opportunities in this new program are limitless. I think we all share the hope that in this new program we may bring millions of our fertile acres out of retirement and back into production to feed the hungry peoples of other nations and at the same time, of course, stimulate new economic activity in our rural areas and bring about a surge in commercial trade around the world as developing countries improve their own economies.

Mr. Chairman, I referred earlier to the fact that we heard a great deal of interesting testimony on many, many facets of this legislation from many different people.

Our committee staff has prepared a summary of a great deal of the testimony that was presented by public witnesses at our hearings, and I commend this to my colleagues for their reading.

Today I would like to quote from the testimony of one particular witness who appeared before us, because I think his testimony puts in better perspective for us the problem that we are trying to meet in our world today concerning food. The gentleman who appeared before us, and from whom I am going to quote, is John J. Haggerty, who is the vice president and research director of AGRI Research, Inc., Manhattan, Kans.

Among other things in his testimony before us, he said, and I quote him:

> The challenge that faces us, really, is to duplicate on a world scale, in terms of food production, within the next 35 or 40 years, everything that mankind has learned how to do in this regard since the beginning of time, and that is quite a large order.
>
> The key word in this challenge is, of course, time. We are engaged in a race with time.

Of course very basic questions arise on this whole matter. Do we have enough soil in the world to grow food for 6 to 7 billion people? Where is it? What is it going to take to bring it into production? This is one of the basics of the legislation before us.

Here are some statistics that are pretty startling in answer to some of these questions as presented by Mr. Haggerty:

First. There are now some 3.5 billion acres of cropland in this world. This includes all tree crops—regular, fallow, rotational pasture—and about 1 acre per person today.

The U.S. Department of Agriculture and FAO estimated that the potential arable land in the world—including the present cropland—which is now under harvest—the potential would be 6.6 billion acres.

It would be a massive task to reclaim substantial new lands. The cost would be fantastic. The estimated cost was nearly half a trillion dollars, or $450 billion to reclaim substantially new lands.

For example, this witness cited the Aswan Dam in Egypt, which will increase agricultural land by 30 percent at the cost of $1 billion. But the population by 1980 will be up 35 percent. Thus, Egypt is going to be running an exhaustive race just to stay substantially in the same place.

Then in this testimony the committee heard from Mr. Haggerty an excellent discussion on "An Agricultural Look at the Globe" in which he brought out a number of very important points.

Successful agriculture as we all know is concentrated in the northern temperate zones. Most of the Southern Hemisphere consists of water. Likewise most of our agricultural research and practical farming experience is in the temperate zone while the vast bulk of undeveloped land is in the tropics. If you break that land down you come up with the fact that about 70 percent of the earth's surface is water and the remaining 30 percent of the earth is land, some 33 billion acres; and then you break that down and one-twentieth of that is under polar ice or tundra, one-fifth is in mountain chains like the the Rockies, the Andes, the Alps, the Atlas, the Carpathians, the Caucasus, and the Himalayas. Great land masses are in subpolar regions of Canada, Alaska and Russia; possibly 10 percent would be potential agricultural areas. One-fourth of this remaining land is desert, usually in the 20° to 40° latitude, which includes the heart of Australia, the Kalahari and Sahara in Africa, the Atacama and Patagonian Deserts in South America, the Sonora in North America, the Arabian, the Thar of India, and the Turkestan and Gobi Deserts of Asia.

It is possible for perhaps 20 percent—or 800 million acres—of savannah lands—between deserts and tropical rain forests—to be developed. These include the Llanos and Campos Cerrados of South America, the Sudan and Veldt in Africa, Northern Australia, and the "monsoon savannahs" of Java, East India, Vietnam, and so forth.

And, almost empty of people, the world's great remaining land resource is the tropical rain forest belt—Amazon Basin, Central America, the Congo region, Indonesia, and Malaysia—and this area accounts for 2.8 billion acres of the original 33 billion on which we are making this breakdown, and that 2.8 billion acres has a potential of only 35 percent being arable. However, for these areas which represent three-quarters of the earth's potential new cropland, more research is needed before we even know how to farm them or to develop them for farms.

So the inescapable conclusion here, as reached by this witness and agreed to certainly by all of us, is that, in view of the practical problems, increased food production must be obtained for the most part by enhancing the productivity of soil already under cultivation, and a campaign to maximize world food production must be undertaken without delay if a common human disaster is not to overtake us all—if it is not indeed already too late, at least for some countries and some people.

An essential precondition for food aid would seem to be that each country adopt policies and assure economic growth in the shortest possible time. In addition to food, we know that our America has an enormous contribution to make in know-how and show-how to increase production.

Mr. Chairman, that concludes my references to, and quotes from, just one statement before our committee of many interesting ones.

And I would again like to reiterate I think it would be well worth your while, and you will find very interesting, reading the summaries of the testimony of these many public witnesses that we have.

A final word on this bill, Mr. Chairman. I would like to read to you the Republican Policy Committee's statement.

I read for the RECORD the Republican Policy Committee's statement on the Food for Freedom Act of 1966, which was supplied to us just today for the RECORD:

> The Republican Policy Committee supports the extension and amendment of Public Law 480 which was enacted under the leadership of President Eisenhower and by a Republican Congress in 1954. This is the cornerstone of "Food for Peace." It has meant the difference between life and death for millions of people in a world where much of the population is engaged in a race between food production and population growth. At the same time, our farm export markets have grown enormously due to the foresight embodied in the original law.
>
> We commend the Republican members of the Committee on Agriculture for adding a number of amendments that improve this legislation. These amendments would:
>
> (a) provide continuing Congressional review of the operation and administration of the program by limiting the extension to 2 years,
>
> (b) retain the basic concept of friendly countries,
>
> (c) strengthen our national efforts to halt the supplying of hostile Communist regimes in Cuba and North Vietnam,
>
> (d) improve the effectiveness of the P.L. 480 Joint Congressional-Executive Advisory Committee,
>
> (e) insist, when possible, upon a 5-percent cash payment in title I sales agreements,
>
> (f) place stronger emphasis upon agricultural self-help by earmarking at least 20 percent of certain foreign currencies generated by title I sales for this purpose,
>
> (g) require, insofar as practicable, the identification of food sold for foreign currencies as being provided through the generosity of the American people, and
>
> (h) expanded technical assistance in friendly developing countries through a farmer to farmer program.
>
> It is unfortunate that during the entire consideration of this bill, the Johnson-Humphrey Administration labored to discard the statutory concept of "friendly" countries that has been in P.L. 480 for many years. Under this concept, such countries have obtained subsidized sales from our government. We believe that any nation that either sells or furnishes or allows ships or aircraft under its registry to carry any equipment, supplies, or commodities to or from North Vietnam or Cuba should not be deemed to be a friendly country entitled to subsidized sales. Moreover, any nation now carrying on commercial activities with Hanoi and Havana need only refrain from doing so if it wishes to acquire U.S. farm products for its own currency or on a long-term dollar-credit basis. Certainly, when we are asking Americans to fight and die in the defense of freedom, nations receiving special treatment from this country should not trade with our enemies.
>
> While H.R. 14929 now represents a distinct improvement over the original proposals submitted by the Administration, we believe that it should be further amended and changed to make the Food for Peace program even more effective.
>
> We oppose the Committee amendment which would permit long-term dollar-credit sales being made for 40-year repayment periods with grace periods of up to 10 years. The impact on the balance-of-payments problem, the distinction between loans for food and loans for permanent structures, and the uncertainty of any substantial repayment of such long-term loans all demand that the present law which limits dollar credit sales to 20 years with 2-year grace periods be retained.
>
> We are pleased that H.R. 14929 does not contain the Johnson-Humphrey Administration's request that would have given the Secretary of Agriculture new and unprecedented authority to manipulate market prices for a host of agricultural commodities. The granting of such power is both unwise and unnecessary. Unfortunately, the bill contains a completely ineffective and inoperative provision relating to government sales of grains into the domestic market. An amendment was offered by the Republican members of the Committee which would prevent large-scale dumping of grains by the Secretary of Agriculture in order to depress market prices for corn, sorghum, other feed grains and wheat. However, it was rejected. Such an amendment will be offered on the Floor of the House in order to prevent the Secretary of Agriculture from selling government stocks of grain at less than 80 percent of parity plus carrying charges. This amendment also would improve market prices for grain producers.
>
> Without question, there is a growing world food and population crisis. This crisis has a vital impact on American agriculture and the American people. A program to meet the challenges and needs of the future must be enacted. With appropriate amendments, H.R. 14929 is a right step in the right direction.

That, Mr. Chairman, completes the Republican policy committee statement on the Food for Freedom Act of 1966.

I say again, I have risen today in support of the bill, and I shall be speaking during further debate on amendments which will be offered.

Mr. POAGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. CALLAN].

Mr. CALLAN. Mr. Chairman, section 3, subsection (e) of H.R. 14929, the Food for Freedom Act of 1966, provides that any voluntary adjustment program for a commodity shall provide for the production of a supply of such commodity that will assure a carryover of at least 25 percent of the total estimated requirements for the year.

It also provides that, whenever the Secretary determines that the carryover at the end of any marketing year of a price-supported commodity for which a voluntary adjustment program is in effect will be less than 25 percent of the estimated requirements, the CCC minimum sales price for unrestricted use shall be 115 percent of the current loan level.

The Republican members of the Agriculture Committee, in a statement of "Additional Views" in House Report 1558, assert that the section of the bill is ineffective.

They report that they had suggested that the statutory release price for unrestricted domestic sales of both wheat and feed grains be set at 125 percent of the loan level plus reasonable carrying charges, while closing various loopholes in present law such as present authorization of sales of payment-in-kind certificates by sales at the loan level, "which now permit Government grain sales to hold down market prices."

They conclude:

> Carryover into the next crop year will be 40 to 45 percent for wheat, 28 percent for corn, 85 percent for grain sorghum, and 130 percent for cotton, of the estimated requirements for the next marketing year. Thus, the use of 25 percent requirement is meaningless.

It is clear that those who object to the reserve provisions of H.R. 14929 would like to increase the minimum CCC resale price on all commodities to 125 percent of the loan value. This is an issue which has been debated in Congress for the past 4 years. If adopted it would wreck the voluntary wheat and feed grains adjustment programs.

My good friends on the other side of the aisle have been misled. It is the voluntary adjustment programs which have been supporting market prices for both wheat and feed grains in recent years. Market prices for corn are 20 to 30 cents a bushel higher than they would be in the absence of a program. If the minimum resale price were raised to 125 percent of the loan value, the Secretary of Agriculture, because of budgetary limitations, would be forced to lower the Government loan level on feed grains and wheat, at least 10 to 15 cents a bushel.

Participation in the voluntary program would drop and market prices for feed grains would be lower than at present. This has been explained to the Members of this body several times and I will not spend more time on it.

The second objection to these reserves provisions in the Food for Freedom Act of 1966 is that they are alleged to be meaningless. This simply is not true.

They are of great significance, especially to the producers and consumers of wheat. If this section were not included in H.R. 14929 the carryover provisions of the Agricultural Adjustment Act of 1938 would be in force. It provides that the Secretary of Agriculture in setting wheat acreage allotments shall plan for a carryover of 20 percent of estimated requirements.

The provisions in H.R. 14929 increase the planned wheat carryover or reserves by one-fourth. This is a much needed protection for our domestic consumers.

I believe we should use our food supplies to relieve hunger to the extent that we can. But I believe our own consumers should be protected against a shortage in supplies even though we should experience an unfavorable wheat growing season. Ample reserves are a much needed protection against a poor crop year.

It is true that feed grain and cotton stocks are so large that they are not likely to drop to the 25-percent level in the next few years. But that is not true for wheat.

It is highly probable that wheat reserves will drop below the 25-percent level at the close of the 1966–67 wheat marketing year. The 1968 wheat acreage allotments should be large enough to provide a carryover at the close of the 1968–69 marketing year of 25 percent of the estimated requirements.

If subsection (e) of section 3 of H.R. 14929 is approved by the Congress and approved by the President, as soon as the estimated carryover drops below 25 percent of requirements, the minimum CCC resale price for wheat will be increased from its present minimum of 105 percent of the loan level, to 115 percent of the loan level, plus carrying charges. This is added price protection for producers.

Mr. Chairman, the section of H.R. 14929 dealing with reserves is not a meaningless part of the bill. It gives added protection to both the consumers and the producers of wheat. This added protection will come into operation within the next two years.

At some future time it may become equally important to the consumers and the producers of feed grains and cotton.

It strengthens rather than weakens the voluntary adjustment programs. It is an important part of H.R. 14929.

Mr. DOLE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Chairman, this is the first major bill in my memory which has come from the Committee on Agriculture with so little controversy about it. I believe this is gratifying to all concerned.

This is, I would say, still a little-understood program. Even though the food-for-peace program has been on the books for a number of years, there are many misconceptions about it.

First, it is truly a foreign aid program. It has been all the way through, perhaps to a lesser extent than would be provided in this legislation, but it can properly be termed a foreign aid program, just as the legislation now under consideration in the Foreign Affairs Committee of the House is a foreign aid program.

It may come as a surprise to some of the Members to realize that the magnitude of this program parallels the size of the much more publicized foreign aid program which is before the Foreign Affairs Committee. That bill, I believe, carries a dollar estimate of about $3.4 billion. This bill is in the range of $3 billion—$2.8 billion for the soft currency sales and a $800 million limit for the donation part of the program. The soft currency transactions, of course, to a great extent are gifts. It is a little hard to estimate precisely the value of the gift feature of these transactions, but I believe it would be fair to say that this is approximately a $3 billion a year foreign aid program, so it clearly is in the same range as to dollars as the bill before the Foreign Affairs Committee.

I am sure that many Americans are still under the impression that the grain that is distributed under this program is made available at no charge to hungry people abroad. This is not the case. A portion of the grain but actually a small portion of the grain which is disposed of under this program made available to various foreign countries is indeed provided without cost to destitute people. For example, in the case of India, the Indian Government in the past 5 years has received between $2.5 and $3 billion worth of grain. Of this grain, 95 percent has been under the soft currency sale and only 5 percent under the donation program.

I have asked several questions about the way in which the grain acquired under the soft currency features of the program is disposed of in India. To the best of my knowledge and belief, every bushel of grain acquired by the Government of India under the soft currency approach is in turn sold to the people of India. Not one bushel of it is made available without charge to destitute people. There is some American grain distributed without charge to these destitute people, that being the grain provided under the direct donation authority of this program.

However, as we evaluate this foreign aid program we should realize that it is not really a "feed the destitute" program, which many people believe it to be. In one respect besides the dollar value it is similar to the foreign aid bill which is handled by the Committee on Foreign Affairs. I say that because the grain is given to the government. The government in turn converts it to cash that is paid by the local people. So it is in reality the equivalent of a cash gift to the government involved. On that basis I feel it resembles very closely the foreign aid program. This is not to say it is a bad program at all, because I did vote to report it to the House and I will vote for it on final passage, I am sure. I feel the use of our surplus agricultural productivity for meeting problems of developing countries is very much in the interests of the United States as well as in the interests of the other countries.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DAGUE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FINDLEY. Mr. Chairman, there is one aspect of this bill which was given some consideration by the committee and which I believe deserves additional consideration. The committee voted to authorize 40-year credit for these consumable or you might say perishable commodities. The effect of the amendment is to put it on a 40-year basis assuming that the other foreign aid program contains this same yardstick. Now, 40 years is a long time, especially when you deal with foodstuffs. If there is any justification for a 40-year credit on capital goods, it seems unlikely to me that the same justification could be made to apply to sales of food which theoretically would be consumed very quickly. An effort was made to limit this to 20-year credit, which seems to me to be excessive, too, but a step in the right direction. This effort was defeated and, as a result of committee amendment, the legislation now before us does authorize 40-year dollar sales at very attractive rates. Included in the countries eligible for this long-term credit appear two Communist countries, Poland and Yugoslavia. Both of these countries are ineligible for the soft currency sales, but they are eligible for the long-term dollar credits.

Mr. Chairman, as now provided in the legislation, provided by a committee amendment, dollar sales permit interest as low as 1 percent for the first 10 years.

Mr. Chairman, when we consider that the cost of money to the Government now is about 4 percent, to me it seems very strange, if not utterly ridiculous, for us to even contemplate granting interest rates of 1 percent a year to any Communist government, no matter how friendly our State Department might determine them to be.

Now, Mr. Chairman, beyond the 10-year period, it authorizes a 2.5-percent interest rate for the balance, up to 30 years.

Our committee is now considering a proposal to establish an electric bank for the financing of the needs of rural electric cooperatives. The main reason that this bill is pending before our committee is the growing public criticism of 2-percent loans to American rural electric cooperatives.

Here, the effect of this legislation, as amended by the committee, would enable two Communist governments to have 1-percent credit terms for 10 years and 2.5-percent credit terms for the balance of the 40-year period. To me that is utter nonsense and I hope that, when the time for consideration of amendments comes, the committee will act favorably upon an amendment to eliminate the credit terms for Communist governments.

Mr. Chairman, one may say, "Well, Poland and Yugoslavia are in the category of very friendly cooperative governments."

However, Mr. Chairman, I recall a news item in April which stated that the Polish Government had filed a claim against the United States claiming damage to one of its transport ships which it alleged was damaged by bombing while it was being unloaded near Haiphong Harbor in North Vietnam.

Mr. Chairman, I cannot imagine any clearer evidence that Poland is actually shipping goods to North Vietnam than this indication, and, for us to keep the door open to a government which might be engaged in such trade, to me is unthinkable.

Mr. Chairman, I realize that another provision of the bill does automatically shut off concessional sales, however, to any such government; but, on the face of it, to me it seems unwise and not in the public interest to authorize credit in such attractive terms to any Communist governments, even if we cannot prove they trade with North Vietnam.

Mr. Chairman, I yield back the balance of my time.

Mr. COOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. OLSON].

Mr. OLSON of Minnesota. Mr. Chairman, I thank the chairman of the Committee on Agriculture for yielding to me and I rise in support of H.R. 14929, the food-for-freedom bill. This legislation does not merely extend the food-for-peace program that has done so much in recent years to feed the world's hungry. The utilization of surplus foods has done much to control the food imbalance in the world.

I believe that a world in which more people are starved than well-fed cannot achieve a lasting peace. We all know that it is on this premise that the new food-for-freedom program has been proposed, and I am confident that it will be passed into law.

Food for peace has been effective; so much so that it has replaced despair with hope in the total world food picture. We have gained the knowledge that, with the proper use of agricultural resources, we can transform the whole economies of developing nations.

Mr. Chairman, our efforts in this area have dispelled any differences of opinion regarding how the developing nations can best achieve their goals. I have visited at length with many representatives of these nations and, without exception, they have confirmed my belief that improvement of agriculture is their most pressing need.

The hopes and aspirations of people the world over differ very little. Every man wants a decent standard of living including an adequate diet, housing and a better education for his children. He also longs for the individual dignity that a better standard of living brings.

The legislation we are considering today offers more promise of meeting these goals than any other legislation which will come before this Congress. Primarily, we must be concerned that thousands of our neighbors in the world starve to death daily who could have an adequate diet if they could be taught the agricultural know-how that exists today. But we must also be concerned that, if we do not accept the responsibility to help the developing nations to help themselves and, consequently, overcome the imbalance of resources in the world, we must share the responsibility for the shadow which this problem casts over the peace of the world.

The world does have the potential to produce enough to feed its hungry, but agricultural know-how lags behind a century or more in many areas. Food for freedom recognizes not only a nation's responsibility to share its abundance with the less fortunate, but it recognizes as well, the responsibility to share the knowledge which has helped perfect the science of agricultural production. The emphasis, therefore, will be on self-help, as well as on gifts of food surplus to our needs.

Mr. COOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. STALBAUM].

Mr. STALBAUM. Mr. Chairman, I, too, rise in support of H.R. 14929.

Mr. COOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from North Dakota [Mr. REDLIN].

Mr. REDLIN. Mr. Chairman, I rise in support of this food-for-freedom bill, H.R. 14929. I believe it is a most important bill, moving in a new direction to engage in added production for the specific purpose of relieving world hunger.

Mr. Chairman, I am indeed grateful to the distinguished chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY], for the excellently conducted and thorough hearings which were held on this bill and the fair and expeditious manner in which he has brought it to the floor of this House for consideration.

Mr. Chairman, in this expanded food for peace and freedom program, we will no longer be offering to nations with hunger problems only that which spills from our table of surplus. We will be deliberately producing for that purpose, giving new responsibilities to the farm producers of America in building a more stable, peaceful world. As a witness before the House Agriculture Committee put it, such a world is impossible when two-thirds of the people are hungry and one-third are overfed.

In strengthening our production efforts for food for peace and freedom, not only agricultural producers but also the people of urban America stand to benefit from the additional business that will be generated, because our farmers will need more farm equipment, more gasoline and oil, more trucks, more lumber and other building supplies, as well as many other items.

Appropriate to the idealism in this legislation is a farm corps, a farmer-to-farmer program to permit transfer of practical knowledge from the United States to the farmers of nations desperately striving to increase their food production to meet the demands of soaring population. I see much potential in this imaginative new program.

Mr. Chairman, I am proud to have had a role as a member of the House Committee on Agriculture in developing this far-reaching measure, and I invite the support of all members.

Mr. COOLEY. Mr. Chairman, I yield as much time as he may desire to the gentleman from Michigan [Mr. TODD].

Mr. TODD. Mr. Chairman, I believe the bill before us today is a very important and significant piece of legislation, for two principal reasons:

First. It establishes, for the first time, congressional policy dealing with family planning and its relation to the well-being of both the family and the society as a whole. It says, clearly, and without reservation, that it is the duty of government to assist individuals in acquiring and utilizing information which will allow them to determine the numbers and spacing of their children.

Second. The legislation clearly recognizes that the capabilities of the United States are not inexhaustible, and that both our resources available to and our responsibilities for other nations are limited. Because of this upper limit to our capacity to provide assistance, the legislation clearly directs that our assistance be given where it will help break through the barrier of chronic starvation to a richer and fuller life for present and future generations.

These principles are incorporated in section 103(a), which states:

> SEC. 103. In exercising the authorities conferred upon him by this title, the President shall—
>
> (a) take into account efforts of friendly countries to help themselves toward a greater degree of self-reliance, especially in providing enough food to meet the needs of their people, their activities related to the problems of population growth, and the resources required to attain such objectives;

The linking of action on population control and improvement in agricultural productivity in the criteria for evaluating the probability that assistance will provide permanent benefit is based on a conclusion developed both in the hearings before the Committee on Agriculture and in the hearings before Senator GRUENING's committee investigating the population crises. These hearings have developed conclusive evidence, from experts representing many disciplines, interests, and national backgrounds, that unless a rapid reduction is made now in the rate of world population growth, by birth control, we are headed for a stabilization of population by death control resulting from famine. Indeed, population control by death control is occurring in many countries now, because of high infant mortality rates due to protein deficiencies. There is, in the world today, an actual shortage of protein, and there is little prospect of this deficiency being overcome within the next few years.

Just as conclusively, the hearings have shown that the United States does not have sufficient reserve capacity to provide adequate dietary supplements to the world's undernourished populations, and that if these people are to be fed well, they must develop their own agricultural productivity at a rapid rate. This is an equally urgent objective, promoted by the bill.

Thus, this legislation provides assistance to nations willing to take steps to meet their own food requirements by raising their agricultural capacity and by reducing their rates of population growth to a level supportable by that particular nation. Unless the nation is willing to do both, our assistance will be wasted, and, indeed, lead to a permanent deterioration of the situation once it is withdrawn.

When we establish these criteria for our assistance, we are being neither presumptuous nor self-righteous. We are simply saying that there are clear and near limits to the total assistance which we can provide, and that we want to give it where it will do the most good. We do not have the capacity to feed all the hungry mouths which will be here 10 years from today unless our criteria are met. And we do not want to mislead anyone into false expectations. Without massive efforts at population control, we will not be able to alleviate famine 10 years from today. We do not want to be held responsible for misleading others with impossible promises or false hopes. Let it be clearly understood that food for freedom is a self-help program—to help others get over the hump. And to do this, time cannot be wasted. For the hump becomes higher every day.

Section 104(h), which authorizes the use of currencies received from food sales for programs of maternal and child health and nutrition, and family planning, indicates our belief that birth control, when voluntarily used, will assist in making families a happier and healthier group. It is as appropriate to provide families information and assistance on this subject as on means of improving the health of mothers and their children. In fact, it is entirely reasonable to provide all services in the same setting—for they all are medically oriented, and in practice primarily the responsibility of the mother.

Just as we have seen convincing proof that large numbers of women in the United States welcome birth control information and assistance when it is made available to them, it has been the experience of many foreign governments that their citizens also welcome and utilize such information and assistance. It is certainly as appropriate that we assist other governments in making family planning available to their people as it is that we make it available for our own citizens. To refrain from assistance in family planning, while offering help on other programs, would imply that we think less of the well-being of their family units than we do of our own. And this is certainly not the case. For the family is the foundation of strength in all societies.

Mr. Chairman, during the months which have elapsed since a number of us introduced bills on the subject of the population explosion a little more than a year ago, a transformation in public awareness and attitudes on this subject has taken place. I believe the passage of this legislation will signify the beginning of a new era, in which freedom from disease, hunger, and family dislocation will be attainable for mankind. The Committee on Agriculture is to be congratulated for its leadership and achievement in creating a policy which will be of unlimited benefit to our citizens at home, and to our friends beyond our borders. Their breakthrough will be remembered in history.

Mr. DAGUE. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, we seem to have a little difficulty in finding enough speakers on this bill. At this hour with all the time we have for debate, this is not the usual situation. Usually we wish we had more time. I think it is indicative of the fact that the committee was pretty well in agreement when the bill came out.

There are only two areas on which I would be in disagreement, but even with those disagreements I am for the bill. I think that the work the committee did on the draft of the food for freedom sent to us by the administration for the most part was extremely good. I think we have a much stronger piece of legislation now than Public Law 480 or the food-for-peace program that we have been operating under at the present time.

The most significant factor is that we can plan for our food needs to go to other countries under Public Law 480 in the future and not depend only on the fact that the commodities have been established to be in surplus.

This will enable the other countries of the world that need our food to plan for longer periods of time. I think this is more important than any controversy that we might get into about whether a 2-year extension of the program is long enough or not because each year they must go through this process and they can be confident that we will be planning for the future to have sufficient amounts of food.

The amendment that I do not approve of is the one the committee adopted. It will come before us in the form of a committee amendment, and therefore can be considered on its own merits. When the bill is read for amendment, it will be coming up first.

I am referring to the question of providing for 40-year loans on food. I think it is unwise even if we accept the fact that under AID, 40-year loans are permissible at the present time. Here we are lending money for goods that will be consumed quite speedily. It is not durable goods. We did not adopt the committee amendment but in the bill we provide for 20-year loans. This is about one generation and one never knows what is going to happen in an entire country at the end of a generation. A generation could have changed a number of times but in the speed with which governments change and the revolutions in the world, we can expect that with over 100 countries in the world that in a substantial number of them there will be revolutions by that time.

If there are loans for durable goods, let us say, for a plant of some kind or for highways, they can utilize these facilities no matter which government has control of the country. However, once the food is consumed it is very unlikely that an uncooperative or unfriendly government would ever be willing to pay back the loan that we have become a party to.

Also the question of transfer in 5 years from sale for foreign currencies entirely to the soft loans may not be wise. Now we venture to think that that is the trend we should go into but as we function under the new concept, we may come to the conclusion that this is not wise. But there is more likelihood they will reach that conclusion with a 20-year loan than with a 40-year loan.

So I would hope that the House will vote down the committee amendment and leave the bill intact, with a 20-year loan. This would be a sufficient length of time. And also there are those who talk about the fact that AID loans of 40 years are too long and that we would have set the precedent again in the Committee on Agriculture and on the agriculture bill. We feel this is a long enough period of time.

The second amendment that I would be interested in would be the one to make the resale formula more effective. The gentleman from Nebraska [Mr. CALLAN] has an amendment in the bill which is going in the right direction. But the fact that it does not trigger it soon enough, to me, makes it not effective enough in nature to give the help to the farmers that they ought to have at the present time.

But rather than take the time of the Committee any further at this time, to explain the amendments and to talk about the bill, I shall wait until tomorrow, when the bill will be read for amendment under the 5-minute rule, in order that we might expedite matters.

Mr. CHAMBERLAIN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. CHAMBERLAIN. Mr. Chairman, I rise to commend the members of the Committee on Agriculture who, over the objections of their chairman and the present administration, have insisted upon denying sales of agriculture commodities under title I of the food-for-freedom bill to any country which sells or furnishes or permits ships or aircraft under its registry to transport to or from Cuba or North Vietnam any material strategic or otherwise so long as they are governed by a Communist regime.

As one who has been concerned for many months over the aid and comfort being given North Vietnam by free world ships I believe that such language is absolutely necessary. I think there is little doubt that the actions taken by the House in recent months to prohibit either foreign aid or Public Law 480 benefits to countries who are involved in this traffic with our enemy have been instrumental in bringing about a reduction in this trade. Nevertheless this trade still exists and it is still of vital importance that Congress should continue to put the world on notice that so long as one free world ship docks at Haiphong the American people will not be satisfied.

Today, however, I wish to raise the question as to whether free world trade with Cambodia should not also warrant action by Congress. Mr. Chairman, I have in recent weeks sought to bring to the attention of the House a number of reports which clearly substantiate the recurring allegations that the Vietcong derives aid and comfort from Cambodia soil. I do not at this time wish to review all these reports except to underscore again that this back-door aid has been facilitated by free world shipping entering Cambodia by means of the Mekong River. The threat posed by this Ho Chi Minh Trail—South—in fact prompted the South Vietnamese Government in late 1964 to close the Mekong to all Communist cargoes bound for Cambodia. Even so reports persist that contraband bound ultimately for the Vietcong is being carried by free world ships. While in South Vietnam, just a few weeks ago, I learned from an informed naval officer that we do not have any effective control over this river traffic. This is a situation which I believe is intolerable because it is quite evident that unless we can choke off the enemy's sources of supply we face a much longer and larger struggle against the Vietcong.

I have therefore called upon the President to urge the Government of South Vietnam to close the river to all Cambodian traffic—first of all to stop the flow of contraband and, second, to prod the Cambodian Government into making greater efforts to live up to their alleged policy of strict neutrality. So far this recommendation has been met with only the customarily evasive response from the State Department.

The question presents itself, therefore, if our Government is not going to take effective action in this area, should not Congress take the initiative as it has taken the initiative with respect to trade with Cuba and North Vietnam. The cases are similar if not identical. Congress has sought to stop the free world aid to the North Vietnamese war economy to directly and indirectly cut off a source of supply to the Vietcong. We know that the Vietcong does derive aid and comfort from Cambodia either officially or unofficially, either with or without the complete knowledge and consent of the Cambodian Government, and that free world trade to Cambodia is a factor in it.

I note from the press reports that the Vice President has sent a letter accepting Prince Sihanouk's invitation for a Senate delegation to come to Cambodia to verify Cambodian denials that they are aiding the enemies of South Vietnam. I think it is well that the invitation has been accepted for I believe every reasonable means should be used that might promote a genuine neutralism on the part of Cambodia. However, I also feel that a word of caution should be entered since a New York Times correspondent, who also had gone to Phnom-penh and also had received the same assurances from the Cambodian Government, later inspected the border areas himself and just a few weeks ago concluded:

> I have reversed my previous impression and concluded that Cambodia is indeed a sanctuary and supply source for the Viet-Cong on such a scale that the Phnompenh Government must know it. From the extreme south to Laos in the north, Cambodia is violating its proclaimed neutrality . . . .
>
> I was wrong in what I wrote a fortnight ago from Phnompenh and western diplomats and military attachés there are being fooled. Cambodia isn't acting in the least bit neutral, no matter what it pretends.

I would certainly recommend therefore that any delegation looking into this question should certainly include a tour of the border areas in question conducted by our own military people.

Mr. Chairman, I note it is the opinion of the majority leader of the other body that whatever use the Vietcong has made of Cambodian territory has been done without the knowledge or support of Prince Sihanouk. To a large extent that may well be true but it does not deny existence of such aid and support. Nevertheless, the fact cannot be ignored that in addition to a steady stream of verbal attacks on the United States and South Vietnam, Prince Sihanouk has reportedly personally given in public ceremonies tons of food to Vietcong delegations and in addition has spoken of other aid which was permitted the enemies of South Vietnam by having the Cambodian Government simply "close its eyes" to what was going on. It is said that the Prince's actions are predicated on his belief that the Vietcong will win in South Vietnam and consequently that his country's survival depends therefore on the good will of North Vietnam and Communist China. A year ago, before the U.S. military buildup, such an appraisal was perhaps not unrealistic, but today the military situation is markedly different and it should be increasingly clear that the Vietcong will not be permitted to win. I believe that forthright action by our Government against the supply routes of the Vietcong would serve as additional evidence of our determination to stop Communist aggression and subversion.

No one wants the war to be enlarged whether into Cambodia or elsewhere. Neither does anyone want the war kept going by the virtue of the enemy's ability to use Cambodian soil as a sanctuary and as a logistical base of support. The Cambodian interpretation and implementation of neutralism, whatever its intentions, clearly is being exploited by the enemies of South Vietnam. Unless a change in the situation in Cambodia is soon discerned, I believe that efforts to bring economic pressure should be undertaken until Cambodia takes more effective action to eliminate the use of its territory by the enemies of its eastern neighbor. If the administration does not take the necessary corrective action, then, just as in the case of free world trade with North Vietnam, Congress will have to.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. ALBERT], the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, I want to take this time to commend the Committee on Agriculture for bringing this legislation to the floor of the House for our consideration and for the fine and constructive job the committee has done.

I think it is extraordinary for a bill to come out at this hour and to show such unanimity and such general appreciation of the subject on the part of Members.

Mr. Chairman, I want to commend the distinguished chairman of the committee for the effective leadership he has given in this field. He is one of the most constructive and effective Members of the House.

I yield back the balance of my time.

Mr. COOLEY. Mr. Chairman, I have no further requests for time.

Mr. DAGUE. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma.

Mr. BELCHER. Mr. Chairman, this is the way that I have hoped for years an agriculture bill would actually come to the floor. I have always felt that we should thresh out our differences in the committee and come to the floor of the House with solid unanimity.

I think one of the reasons why it is so hard to get people to take time in the general debate is because the bill was thoroughly considered in the committee. We had many, many witnesses. We had long hours of discussion in executive session. The Members on both sides of the aisle showed an inclination to compromise their differences. Until the time the bill finally came to the floor, there were only two of us that voted against it, and I was not particularly unhappy with the final result. I think the final result was as good as could be expected. Personally I was against the change in the concept of Public Law 480 from an agricultural disposal bill for the benefit of the farmers of this country into a foreign aid bill for the benefit of the peoples of the world and, you might say, a supplement to the general foreign aid proposal. I was against the theory of charging foreign aid to this great extent up to the farmers of the country when it should be charged up in the general foreign aid bill.

So I would like to stress the fact that when the next agriculture bill comes to the floor, and if somebody points to the fact, "Look how much you are appropriating for the farmers of this country," that we will take into consideration that this extension of Public Law 480 is really a foreign aid bill charged up against the farmers, and therefore that part of it should be taken into consideration.

I wish to congratulate the chairman on the method in which the bill was handled. I think this is the way an agriculture bill should be brought to the floor, and I would sincerely hope that the chairman will handle the REA bill the same as this bill is being handled, and that the witnesses will be given full time to testify as they have on this bill, and that all Members will have full opportunity to discuss the REA bill in executive session and strive, to the very best of our ability, to iron out differences before we come to the floor.

How many times we have washed our dirty linen here on the floor rather than in the committee, and I think this bill right here is the best illustration of the way to bring an agriculture bill to the floor. I want to congratulate the chairman on the time that he took and the way in which he handled all the hearings and the discussions of the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from North Carolina.

Mr. COOLEY. First, I wish to thank the gentleman for his very kind remarks, and I wish to assure him that we will continue the REA hearings until everybody desiring to be heard has been given an opportunity to be heard, and in executive session certainly ample time will be provided for full discussion.

Mr. BELCHER. I want to thank the majority on this particular bill for the willingness that they showed in compromising differences.

Mr. DAGUE. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas [Mr. DOLE].

Mr. DOLE. Mr. Chairman, I rise in support of H.R. 14929. As stated by the previous speaker, the gentleman from Oklahoma [Mr. BELCHER], there was strong support for this measure in the committee, and there is strong support now because of the thorough and effective consideration of this measure by our committee.

I will discuss certain portions of the bill in more detail tomorrow. H.R.

14929 is, with perhaps two or three exceptions, an excellent bill because our committee took the time to perfect, improve, and supplement it.

Mr. RHODES of Arizona. Mr. Chairman, at the June 7, 1966, meeting of the House Republican policy committee a policy statement regarding Food for Freedom Act of 1966, H.R. 14929, was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement:

REPUBLICAN POLICY COMMITTEE STATEMENT ON FOOD FOR FREEDOM ACT OF 1966, H.R. 14929

The Republican Policy Committee supports the extension and amendment of Public Law 480 which was enacted under the leadership of President Eisenhower and by a Republican Congress in 1954. This is the cornerstone of "Food for Peace." It has meant the difference between life and death for millions of people in a world where much of the population is engaged in a race between food production and population growth. At the same time, our farm export markets have grown enormously due to the foresight embodied in the original law.

We commend the Republican members of the Committee on Agriculture for adding a number of amendments that improve this legislation. These amendments would:

(a) provide continuing Congressional review of the operation and administration of the program by limiting the extensions to 2 years.

(b) retain the basic concept of "friendly countries,"

(c) strengthen our national efforts to halt the supplying of hostile Communist regimes in Cuba and North Vietnam,

(d) improve the effectiveness of the P.L. 480 Joint Congressional Executive Advisory Committee,

(e) insist, when possible, upon a 5-percent cash payment in title I sales agreements,

(f) place stronger emphasis upon agricultural self-help by earmarking at least 20 percent of certain foreign currencies generated by title I sales for this purpose,

(g) require, insofar as practicable, the identification of food sold for foreign currencies, as being provided through the generosity of the American people, and

(h) expanded technical assistance in friendly developing countries through a "farmer to farmer" program.

It is unfortunate that during the entire consideration of this bill, the Johnson-Humphrey Administration labored to discard the statutory concept of "friendly" countries that has been in P.L. 480 for many years. Under this concept, such countries have obtained subsidized sales from our government. We believe that any nation that either sells or furnishes or allows ships or aircraft under its registry to carry any equipment, supplies, or commodities to or from North Vietnam or Cuba should not be deemed to be a "friendly" country entitled to subsidized sales. Moreover, any nation now carrying on commercial activities with Hanoi and Havana need only refrain from doing so if it wishes to acquire U.S. farm products for its own currency or on a long-term dollar-credit basis. Certainly, when we are asking Americans to fight and die in the defense of freedom, nations receiving special treatment from this country should not trade with our enemies.

While H.R. 14929 now represents a distinct improvement over the original proposals submitted by the Administration, we believe that it should be further amended and changed to make the Food for Peace program even more effective.

We oppose the Committee amendment which would permit long-term dollar-credit sales being made for 40-year repayment periods with grace periods of up to 10 years. The impact on the balance of payments problem, the distinction between loans for food and loans for permanent structures, and the uncertainty of any substantial repayment of such long-term loans all demand that the present law which limits dollar credit sales to 20 years with 2-year grace periods be retained.

We are pleased that H.R. 14929 does not contain the Johnson-Humphrey Administration's request that would have given the Secretary of Agriculture new and unprecedented authority to manipulate market prices for a host of agricultural commodities. The granting of such power is both unwise and unnecessary. Unfortunately, the bill contains a completely ineffective and inoperative provision relating to government sales of grains into the domestic market. An amendment was offered by the Republican members of the Committee which would prevent large-scale dumping of grains by the Secretary of Agriculture in order to depress market prices for corn, sorghum, other feed grains and wheat. However, it was rejected. Such an amendment will be offered on the Floor of the House in order to prevent the Secretary of Agriculture from selling government stocks of grain at less than 80 percent of parity plus carrying charges. This amendment also would improve market prices for grain producers.

Without question, there is a growing world food and population crisis. This crisis has a vital impact on American agriculture and the American people. A program to meet the challenges and needs of the future must be enacted. With appropriate amendments, H.R. 14929 is a right step in the right direction.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Food for Freedom Act of 1966".

SEC. 2. The Agricultural Trade Development and Assistance Act of 1954, as amended, is amended—

(A) By amending section 2 to read as follows:

"SEC. 2. The Congress hereby declares it to be the policy of the United States to expand international trade; to develop and expand export markets for United States agricultural commodities; to use the abundant agricultural productivity of the United States to combat hunger and malnutrition and to encourage economic development in the developing countries, with particular emphasis on assistance to those countries that are determined to improve their own agricultural production; and to promote in other ways the foreign policy of the United States."

(B) By amending title I to read as follows:

"TITLE I

"SEC. 101. In order to carry out the policies and accomplish the objectives set forth in section 2 of this Act, the President is authorized to negotiate and carry out agreements with friendly countries to provide for the sale of agricultural commodities for dollars on credit terms or for foreign currencies.

"SEC. 102. For the purpose of carrying out agreements concluded under this Act the Commodity Credit Corporation is authorized to finance the sale and exportation of agricultural commodities whether from private stocks or from stocks of the Commodity Credit Corporation.

"SEC. 103. In exercising the authorities conferred upon him by this title, the President shall—

"(a) take into account efforts of friendly countries to help themselves toward a greater degree of self-reliance, especially in providing enough food to meet the needs of their people, their activities related to the problems of population growth, and the resources required to attain such objectives;

"(b) take steps to assure a progressive transition from sales for foreign currencies to sales for dollars at a rate whereby the transition can be completed by December 31, 1971: *Provided,* That provision may be included in any agreement for payment in foreign currencies to the extent that the President determines that such currencies are needed for the purpose of subsections (a), (b), (c), (e), and (h) of section 104;

"(c) take reasonable precautions to safeguard usual marketings of the United States and to assure that sales under this title will not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

"(d) makes sales agreements only with those countries which he determines to be friendly to the United States: *Provided,* That the President shall periodically review the status of those countries which are eligible under this subsection and report the results of such review to the Congress. As used in this Act, 'friendly country' shall not include (1) any country or area dominated or controlled by a foreign government or organization controlling a world Communist movement, or (2) for the purpose of sales of agricultural commodities for foreign currencies under title I of this Act, any country or area dominated by a Communist government, or (3) for the purpose only of sales of agricultural commodities under title I of this Act any nation which sells or furnishes or permits ships or aircraft under its registry to transport to or from Cuba or North Vietnam (excluding United States installations in Cuba) any equipment, materials, or commodities, so long as they are governed by a Communist regime. Notwithstanding any other Act, the President may enter into agreements for the sale of agricultural commodities for dollars on credit terms under title I of this Act with countries which fall within the definition of 'friendly country' for the purpose of such sales and no sales under this Act shall be made with any country if the President finds such country is (a) an aggressor, in a military sense, against any country having diplomatic relations with the United States, or (b) using funds, of any sort, from the United States for purposes inimical to the foreign policies of the United States;

"(e) take appropriate steps to assure that private trade channels are used to the maximum extent practicable both with respect to sales from privately owned stocks and with respect to sales from stocks owned by the Commodity Credit Corporation and that small business has adequate and fair opportunity to participate in sales made under the authority of this Act;

"(f) give special consideration to the development and expansion of foreign markets for United States agricultural commodities, with appropriate emphasis on more adequate storage, handling, and food distribution facilities as well as long-term development of new and expanding markets by encouraging economic growth;

"(g) obtain commitments from purchasing countries that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities purchased under this title, without specific approval of the President;

"(h) obtain rates of exchange applicable to the sale of commodities under such agreements which are not less favorable than the highest of exchange rates legally obtainable in the respective countries by any nation which would not discriminate against commodities sold under this Act;

"(i) promote progress toward assurance of an adequate food supply by encouraging countries with which agreements are made to give higher emphasis to the production of food crops than to the production of such nonfood crops as are in world surplus;

"(j) exercise the authority contained in title I of this Act to assist friendly countries to be independent of domination or control by any world Communist movement. Nothing in this Act shall be construed as authorizing transactions under title I with any government or organization controlling a world Communist movement or with any country with which the United States does not have diplomatic relations;

"(k) whenever practicable require upon delivery that not less than 5 per centum of the purchase price of any agricultural commodities sold under title I of this Act be payable in dollars or in the types or kinds of currencies which can be converted into dollars;

"(l) obtain commitments from friendly purchasing countries that will insure, insofar as practicable, that food commodities sold for foreign currencies under title I or this Act shall be marked or identified at point of distribution or sale as being provided on a concessional basis to the recipient government through the generosity of the people of the United States of America.

"Sec. 104. Notwithstanding any other provision of law, the President may use or enter into agreements with foreign countries or international organizations to use the foreign currencies, including principal and interest from loan repayments, which accrue in connection with sales for foreign currencies under this title for one or more of the following purposes:

"(a) For payment of United States obligations (including obligations entered into pursuant to other legislation);

"(b) For carrying out programs of United States Government agencies to—

"(1) help develop new markets for United States agricultural commodities on a mutually benefiting basis. From sale proceeds and loan repayments under this title not less than the equivalent of 5 per centum of the total sales made each year under this title shall be set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and made available in advance for use as provided by this paragraph over such period of years as the Secretary of Agriculture determines will most effectively carry out the purpose of this subsection. Provision shall be made in sale and loan agreements for the convertibility of such amount of the proceeds thereof (not less than 2 per centum) as the Secretary of Agriculture determines to be needed to carry out the purpose of this paragraph in those countries which are or offer reasonable potential of becoming dollar markets for United States agricultural commodities. Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this paragraph and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this paragraph. Notwithstanding any other provision of law, if sufficient foreign currencies for carrying out the purpose of this paragraph in such countries are not otherwise available, the Secretary of Agriculture is authorized and directed to enter into agreements with such countries for the sale of agricultural commodities in such amounts as the Secretary of Agriculture determines to be adequate and for the use of the proceeds to carry out the purpose of this paragraph. In carrying out agricultural market development activities, nonprofit agricultural trade organizations shall be utilized to the maximum extent practicable. The purpose of this paragraph shall include such representation of agricultural industries as may be required during the course of discussions on trade programs relating either to individual commodities or groups of commodities;

"(2) finance international educational and cultural exchange activities under the programs authorized by the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451 et seq.);

"(3) collect, collate, translate, abstract, and disseminate scientific and technological information and conduct research and support scientific activities overseas including programs and projects of scientific cooperation between the United States and other countries such as coordinated research against diseases common to all of mankind or unique to individual regions of the globe, and promote and support programs of medical and scientific research, cultural and educational development, family planning, health, nutrition, and sanitation;

"(4) acquire by purchase, lease, rental, or otherwise, sites and buildings and grounds abroad, for the United States Government use including offices, residence quarters, community and other facilities, and construct, repair, alter, and furnish such buildings and facilities;

"(5) finance under the direction of the Librarian of Congress, in consultation with the National Science Foundation and other interested agencies, (A) programs outside the United States for the analysis and evaluation of foreign books, periodicals, and other materials to determine whether they would provide information of technical or scientific significance in the United States and whether such books, periodicals, and other materials are of cultural or educational significance; (B) the registry, indexing, binding, reproduction, cataloging, abstracting, translating, and dissemination of books, periodicals, and related materials determined to have such significance; and (C) the acquisition of such books, periodicals, and other materials and the deposit thereof in libraries and research centers in the United States specializing in the areas to which they relate;

"(c) To procure equipment, materials, facilities, and services for the common defense including internal security;

"(d) For assistance to meet emergency or extraordinary relief requirements;

"(e) For use to the maximum extent under the procedures established by such agency as the President shall designate for loans to United States business firms (including cooperatives) and branches, subsidiaries, or affiliates of such firms for business development and trade expansion in such countries, including loans for private home construction, and for loans to domestic or foreign firms (including cooperatives) for the establishment of facilities for aiding in the utilization, distribution, or otherwise increasing the consumption of, and markets for, United States agricultural products: *Provided, however,* That no such loans shall be made for the manufacture of any products intended to be exported to the United States in competition with products produced in the United States and due consideration shall be given to the continued expansion of markets for United States agricultural commodities or the products thereof. Foreign currencies may be accepted in repayment of such loans;

(f) To promote multilateral trade and agricultural and other economic development, under procedures established by the President, by loans or by use in any other manner which the President may determine to be in the national interest of the United States, particularly to assist programs of recipient countries designed to promote, increase, or improve food production, processing, distribution, or marketing in food-deficit countries friendly to the United States, for which purpose the President may utilize to the extent practicable the services of nonprofit voluntary agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid: *Provided,* That no such funds may be utilized to promote religious activities;

"(g) For the purchase of goods or services for other friendly countries;

"(h) For financing, at the request of such country, programs emphasizing maternal welfare, child health and nutrition, and activities, where participation is voluntary, related to the problems of population growth, under procedures established by the President through any agency of the United States, or through any local agency which he determines is qualified to administer such activities;

"(i) for paying, to the maximum extent practicable, the costs outside the United States of carrying out the program authorized in section 406 of this Act; and

"(j) For sale for dollars to United States citizens and nonprofit organizations for travel or other purposes of currencies determined to be in excess of the needs of departments and agencies of the United States for such currencies. The United States dollars received from the sale of such foreign currencies shall be deposited to the account of Commodity Credit Corporation: *Provided,* That section 1415 of the Supplemental Appropriation Act, 1953, shall apply to currencies used for the purposes specified in subsections (a) and (b).

"Sec. 105. Foreign currencies received pursuant to this Act shall be deposited in a special account to the credit of the United States and shall be used only pursuant to section 104, and any department or agency of the Government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used. The President shall utilize foreign currencies received pursuant to this Act in such manner as will, to the maximum extent possible, reduce any deficit in the balance of payments of the United States.

"Sec. 106. Payment by any friendly country for commodities purchased for dollars on credit shall be upon terms as favorable to the United States as the economy of such country will permit: *Provided,* That payment shall be made in reasonable annual amounts over periods not to exceed twenty years from the date of the last delivery of commodities in each calendar year under the agreement, except that the date for beginning such annual payment may be deferred for a period not later than two years after such date of last delivery. Interest shall be in dollars and at such rate as the Secretary may determine but not less than the minimum rate required by section 201 of the Foreign Assistance Act of 1961 for loans made under that section; interest shall be computed from the date of last delivery.

"Sec. 107. (a) It is also the policy of the Congress to stimulate and maximize the sale of United States agricultural commodities for dollars through the private trade and to further the use of private enterprise to the maximum, thereby strengthening the development and expansion of foreign commercial markets for United States agricultural commodities. In furtherance of this policy, the Secretary of Agriculture is authorized, notwithstanding any other provision of law, to enter into agreements with foreign and United States private trade for financing the sale of agricultural commodities for export over such periods of time and on such credit terms as the Secretary determines will accomplish the objectives of this section. Any agreement entered into under this section shall provide for the development and execution of projects which will result in the establishment of facilities designed to improve the storage or marketing of agricultural commodities, or which will otherwise stimulate and expand private economic enterprise in any friendly country. Any agreement entered into under this section shall also provide for the furnishing of such security as the Secretary determines necessary to provide reasonable and adequate assurance of payment of the purchase price in dollars with interest at a rate which will as nearly as practicable to equivalent to the average cost of funds to the United States Treasury, as determined by the Secretary of the Treasury, on outstanding marketable obligations of the United States having maturities comparable to maturities of credits extended under this section. In no event shall the rate of interest be less than the minimum rate, or the term of credit longer than the maximum term, authorized in section 106. In carrying out this Act, the authority provided in this section for making dollar sales shall be used to the maximum extent practicable.

"(b) In carrying out the provisions of this section, the Secretary shall take reasonable precautions to avoid displacing any sales of United States agricultural commodities which the Secretary finds and determines would otherwise be made for cash dollars.

"(c) The Secretary shall obtain commitments from purchasers that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities purchased under this section.

"(d) In carrying out this Act, the provisions of sections 102, 103(d), 103(e), 103(f), 103(j), 103(k), 108, 402, 403, 407, 408, and 409 shall be applicable to sales under this section. Sections 102 and 403 shall also be applicable to sales made under the Commodity Credit Corporation export credit sales program.

"Sec. 108. The Commodity Credit Corporation may bear the cost of ocean transportation incurred pursuant to agreements entered into hereunder only to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. The balance of such charges for transportation in United States vessels shall be required to be paid in dollars by the nations or organizations with whom the international agreement is entered into, and dollar credit terms may be extended therefor on the same terms as those provided in section 106 for dollar credit sales.

"Sec. 109. Before entering into agreements with developing countries for the sale of United States agricultural commodities on whatever terms, the President shall consider the extent to which the recipient country is undertaking wherever practicable self-help measures to increase per capita production and improve the means for storage and distribution of agricultural commodities, including:

"(1) devoting land resources to the production of needed food rather than to the production of nonfood crops—especially nonfood crops in world surplus;

"(2) development of the agricultural chemical, farm machinery and equipment, transportation and other necessary industries through private enterprise;

"(3) training and instructing farmers in agricultural methods and techniques;

"(4) constructing adequate storage facilities;

"(5) improving marketing and distribution systems;

"(6) creating a favorable environment for private enterprise and investment, both domestic and foreign, and utilizing available technical know-how;

"(7) establishing and maintaining Government policies to insure adequate incentives to producers; and

"(8) allocating for these purposes sufficient national budgetary and foreign exchange resources (including those supplied by bilateral, multilateral and consortium aid programs) and local currency resources (resulting from loans or grants to recipient governments of the proceeds of local currency sales): *Provided*, That notwithstanding any other provisions of this Act, in agreements with nations not engaged in armed conflict against Communist forces or against nations with which the United States has no diplomatic relations, not less than 20 per centum of the foreign currencies set aside for purposes other than those in sections 104 (a), (b), (e), and (j) shall be allocated for the self-help measures set forth in this section.

"Sec. 110. Agreements shall not be entered into under this title during any calendar year which will call for an appropriation to reimburse the Commodity Credit Corporation in any amount in excess of $2,500,000,000, plus any amount by which agreements entered into in prior years have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior years."

(C) By amending title II to read as follows:

"TITLE II

"Sec. 201. The President is authorized to determine requirements and furnish agricultural commodities, on behalf of the people of the United States of America, to meet famine or other urgent or extraordinary relief requirements; to combat malnutrition, especially in children; to promote economic and community development in friendly developing areas; and to provide assistance for needy persons and for nonprofit school lunch and preschool feeding programs outside the United States. The Commodity Credit Corporation shall make available to the President such agricultural commodities determined to be available under section 401 as he may request.

"Sec. 202. The President may furnish commodities for the purposes set forth in section 201 through such friendly governments and such agencies, private or public, including intergovernmental organizations such as the world food program and other multilateral organizations in such manner and upon such terms and conditions as he deems appropriate. The President shall, to the extent practicable, utilize nonprofit voluntary agencies registered with, and approved by, the Advisory Committee on Voluntary Foreign Aid. Insofar as practicable, all commodities furnished hereunder shall be clearly identified by appropriate marking on each package or container in the language of the locality where they are distributed as being furnished by the people of the United States of America. The assistance to needy persons shall insofar as practicable be directed toward community and other self-help activities designed to alleviate the causes of the need for such assistance. Except in the case of emergency, the President shall take reasonable precaution to assure that commodities furnished hereunder will not displace or interfere with sales which might otherwise be made.

"Sec. 203. The Commodity Credit Corporation may, in addition to the cost of acquisition, pay with respect to commodities made available under this title costs for packaging, enrichment, preservation, and fortification; processing, transportation, handling, and other incidental costs up to the time of their delivery free on board vessels in United States ports; ocean freight charges from United States ports to designated ports of entry abroad, or, in the case of landlocked countries, transportation from United States ports to designated points of entry abroad; and charges for general average contributions arising out of the ocean transport of commodities transferred pursuant thereto.

"Sec. 204. Programs of assistance shall not be undertaken under this title during any calendar year which call for an appropriation of more than $800,000,000 to reimburse the Commodity Credit Corporation for all costs incurred in connection with such programs (including the Corporation's investment in commodities made available) plus any amount by which programs of assistance undertaken in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation less than were authorized for such purpose during such preceding year. In addition to other funds available for such purposes under any other Act, funds made available under this title may be used in an amount not exceeding $7,500,000 annually to purchase foreign currencies accruing under title I of this Act in order to meet costs (except the personnel and administrative costs of cooperating sponsors, distributing agencies, and recipient agencies, and the costs of construction or maintenance of any church owned or operated edifice or any other edifices to be used for sectarian purposes) designed to assure that commodities made available under this title are used to carry out effectively the purposes for which such commodities are made available or to promote community and other self-help activities designed to alleviate the causes of the need for such assistance: *Provided, however*, That such funds shall be used only to supplement and not substitute for funds normally available for such purposes from other non-United States Government sources."

(D) By changing the designation "TITLE III—GENERAL PROVISIONS" to "TITLE III" and by striking out sections 304, 305, 306, 307, and 308.

(E) By amending title IV to read as follows:

"TITLE IV

"Sec. 401. After consulting with other agencies of the Government affected and within policies laid down by the President for implementing this Act, and after taking into account productive capacity, domestic requirements, farm and consumer price levels, commercial exports, and adequate carryover, the Secretary of Agriculture shall determine the agricultual commodities and quantities thereof available for disposition under this Act, and the commodities and quantities thereof which may be included in the negotiations with each country.

"Sec. 402. The term 'agricultural commodity' as used in this Act shall include any product of an agricultural commodity. Subject to the availability of appropriations therefor, any domestically produced fishery product (not including fish concentrate until approved by the Food and Drug Administration) may be made available under this Act.

"Sec. 403. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act including such amounts as may be required to make payments to the Commodity Credit Corporation, to the extent the Commodity Credit Corporation is not reimbursed under sections 104(j) and 105, for its actual costs incurred or to be incurred.

"Sec. 404. The programs of assistance undertaken pursuant to this Act shall be directed toward the attainment of the humanitarian objectives and national interest of the United States.

"Sec. 405. The authority and funds provided by this Act shall be utilized in a manner that will assist friendly countries that are determined to help themselves toward a greater degree of self-reliance in providing enough food to meet the needs of their people and in resolving their problems relative to population growth.

"Sec. 406. (a) In order to further assist friendly developing countries to become self-sufficient in food production, the Secretary of Agriculture is authorized, notwithstanding any other provision of law—

"(1) To establish and administer through existing agencies of the Department of Agriculture a program of farmer-to-farmer assistance between the United States and such countries to help farmers in such countries in the practical aspects of increasing food production and distribution and improving the effectiveness of their farming operations;

"(2) To enter into contracts or other cooperative agreements with, or make grants to, land-grant colleges and universities and other institutions of higher learning in the United States to recruit persons who by reason of training, education, or practical experience are knowledgeable in the practical arts and sciences of agriculture and home economics, and to train such persons in the practical techniques of transmitting to farmers in such countries improved practices in agriculture, and to participate in carrying out the program in such countries including, where desirable, additional courses for training or retraining in such countries;

"(3) To conduct research in tropical and subtropical agriculture for the improvement and development of tropical and subtropical food products for dissemination and cultivation in friendly countries.

"(4) To coordinate the program authorized in this section with the activities of the Peace Corps, the Agency for International Development, and other agencies of the United States and to assign, upon agreement with such agencies, such persons to work with and under the administration of such agencies: *Provided,* That nothing in this section shall be construed to infringe upon the powers or functions of the Secretary of State;

"(5) To establish by such rules and regulations as he deems necessary the conditions for eligibility and retention in and dismissal from the program established in this section, together with the terms, length and nature of service, compensation, employee status, oaths of office, and security clearances, and such persons shall be entitled to the benefits and subject to the responsibilities applicable to persons serving in the Peace Corps pursuant to the provisions of section 612, volume 75 of the Statutes at Large, as amended; and

"(6) To the maximum extent practicable, to pay the costs of such program through the use of foreign currencies accruing from the sale of agricultural commodities under this Act, as provided in section 104(i).

"(b) There are hereby authorized to be appropriated not to exceed $33,000,000 during any fiscal year for the purpose of carrying out the provisions of this section.

"Sec. 407. There is hereby established an advisory committee composed of the Secretary of Agriculture, the Director of the Bureau of the Budget, the Administrator of the Agency for International Development, the chairman, the vice chairman and the two ranking minority members of the House Committee on Agriculture, and the chairman, the next ranking majority member and the two ranking minority members of the Senate Committee on Agriculture and Forestry. The advisory committee shall survey the general policies relating to the administration of the Act, including the manner of implementing the self-held provisions, the uses to be made of foreign currencies which accrue in connection with sales for foreign currencies under title I, the amount of currencies to be reserved in sales agreements for loans to private industry under section 104(e), rates of exchange, and interest rates, and shall advise the President with respect thereto.

"Sec. 408. The President shall make a report to Congress with respect to the activities carried out under this Act at least once each year.

"Sec. 409. No agreement to finance sales under title I and no programs of assistance under title II shall be entered into after December 31, 1968.

"Sec. 410. The provisions of section 620(e) of the Foreign Assistance Act of 1961, as amended (referring to nationalization, expropriation, and related governmental Acts affecting property owned by United States citizens), shall be applicable to assistance provided under title I of this Act."

Sec. 3. (a) Section 9 of the Act of September 6, 1958 (7 U.S.C. 1431b), is amended, effective January 1, 1967, by deleting the symbol "(1)," by changing the semicolon to a period and by striking out all of the language in the section after the semicolon.

(b) Section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a–1) is amended, effective January 1, 1967, by striking out "foreign distribution."

(c) Section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), is amended, effective January 1, 1967, by striking out the following: "and (4) to donate any such food commodities in excess of anticipated disposition under (1), (2), and (3) above to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government and intergovernmental organizations for use in the assistance of needy persons and in nonprofit school lunch programs outside the United States"; and "and (4) above"; ", in the case of commodities made available for use within the United States, or their delivery free alongside ship or free on board export carrier at point of export, in the case of commodities made available for outside the United States"; and "The assistance to needy persons provided in (4) above shall, insofar as practicable be directed toward community and other self-help activities designed to alleviate the causes of the need for such assistance."

(d) Section 8 of Public Law 85–931 (72 Stat. 1792) is amended by amending the proviso to read as follows: "*Provided,* That only those products may be financed in which the raw cotton content accounts for a substantial portion of the sales price."

(e) (1) Notwithstanding any other provision of law, in order to assure a continuous and adequate and stable supply of food and fiber to meet all domestic and export requirements at fair and reasonable prices, the Secretary shall in the formulation of any voluntary adjustment program for any such commodity provide for the production of an adequate supply of such commodity. Such production shall be not less than that needed to assure that at the end of the marketing year the carryover of such commodity will not be less than 25 per centum of the total estimated requirements for such marketing year.

(2) Section 407 of the Agriculture Act of 1949, as amended, is amended by striking the period at the end of the third sentence thereof and adding the following: ":*Provided,* That whenever the Secretary of Agriculture determines that the carryover at the end of any marketing year of a price supported agricultural commodity for which a voluntary adjustment program is in effect will be less than 25 per centum of the estimated export and domestic consumption of such commodity during such marketing year, the Commodity Credit Corporation shall not sell any of its stocks of such commodity during such year for unrestricted use at less than 115 per centum of the current price support loan plus reasonable carrying charges."

Sec. 4. The amendments made by this Act shall take effect as of January 1, 1967.

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. Albert) having assumed the chair, Mr. Moorhead, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to extend their remarks on the bill, H.R. 14929.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

NORTHERN NEW MEXICO DEVELOPS ITS RESOURCES

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. WALKER of New Mexico. Mr. Speaker, I am continually impressed with the steady progress in better care and development of soil, water, and related resources in New Mexico. This Congress has wisely provided programs of assistance through the years that foster encouragement and acceleration of this important work, yet reserve to the local people the responsibility for the work itself, for the initiative and a share of the funds needed for the job.

Nearly three decades ago the local soil conservation districts came into being, and proved that local resource leaders can effectively carry out the conservation job. Since then several tools have been provided by the Congress to further aid these local leaders. The small watershed program and the Great Plains conservation program have been of particular benefit in my State.

Where conservation has been put on the land, and particularly in the 13 watershed projects completed in New Mexico, greater benefits have accrued than we could have anticipated: They reach beyond direct improvements in farming and ranching and protection from floods to broader economic improvement in entire communities. It is experiences like these across the Nation that I am sure led to the new concept of resource conservation and development projects which the Congress authorized on a pilot basis in 1962.

New Mexico has one of the first 10 of these projects, the northern Rio Grande R.C. & D. project. Its objective is to improve income, expand employment, and provide new economic opportunities for the people in parts of four counties by speeding up the conservation, improvement, and use of the area's natural resources.

More than 150 specific project proposals have been made to develop recreational potential of the area. As of last month, 32 project measures had been completed, and 24 others were being installed. The work done has provided 36,500 man-days of employment, and increased dollar income by $398,000. When all measures are completed, they are expected to increase employment in the area by nearly 2,000 man-years, and bring an estimated $7.5 million in added income a year.

I am well pleased with the rapid progress that the project is making in such a short time. The R.C. & D. idea provides a vehicle for coordinating the efforts of programs and agencies already at work, to make a highly effective team. Success in the northern Rio Grande is due to the initiative and hard work of the 25 sponsors, including the 4 counties, 3 municipalities, 5 soil and water conservation districts, 7 State agencies, the Northern Indian Pueblos Association, 4 rural areas development associations, and the State of New Mexico.

These sponsors have been aided by effective technical and financial help of many government agencies. The Soil Conservation Service of the U.S. Department of Agriculture, assigned leadership for R.C. & D. projects, has coordinated all these efforts exceptionally well. This is evident in the USDA Superior Service Award that is being presented to the SCS staff assisting in our project:

> For inspiring local leadership to an exceptional level of human endeavor resulting in marked social, economic, and cultural betterment of the northern Rio Grande (R.C. & D.) project area.

I congratulate Ralph Bell, Phil Lavato, Lawrence K. Sandoval, and Coy Garrett on receiving this second highest award the Department offers.

I think what Pablo Roybal, chairman of the steering committee, said in his 1965 report sums up the project well:

> Despite the vast potential of northern New Mexico, the area has not enjoyed the economic development of other areas for many reasons. It has long been felt that this region could more fully benefit from its natural endowments of good climate, diverse resources and splendid scenery—through research, appropriate planning and cooperative effort—but, most importantly, from local initiative, action and guidance by its people.
>
> The R.C. & D. project is making this possible—people working together to better themselves, to improve their community—making it a better place in which to live and work—for themselves and for their children.

I heartily commend all who are involved and wish them continued success. What they are doing is important to all of us.

JAMES MEREDITH

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, an American of quiet courage and fierce determination, James Meredith, rests in a Memphis hospital, the victim of a cowardly and dastardly attack from ambush. How many more attacks motivated by racial hatred, how many more acts of racial violence, are we to endure? The roll of martyrs in the cause of Negro freedom is hallowed, but it is long enough.

It is time for Congress to exercise its full legislative power to make racial violence an explicit Federal crime. The administration's Civil Rights Act of 1966 does this explicitly in title V. My bill H.R. 14972 does so. Let us pass this legislation without further delay. It is ironic that it takes wanton acts of murder and near murder to arouse the country to the necessity for civil rights legislation. However, that is the story of the Civil Rights Act of 1964, the Voting Rights Act of 1965 and now 1966.

Mr. Speaker, yesterday along with six of my colleagues, the gentleman from Michigan [Mr. Conyers], the gentleman from New York [Mr. Dow], the gentleman from New York [Mr. Kupferman], the gentleman from New York [Mr. Reid], the gentleman from New York [Mr. Rosenthal] and the gentleman from New York [Mr. Wolff] I visited James Meredith in the John Gaston Hospital in Memphis. I was relieved to see that his physical condition seemed reasonably satisfactory after his ordeal. I was inspired by his courage and his determination to lift the climate of fear that enslaves Mississippi Negroes. I was deeply disturbed by his description of the circumstances surrounding the shooting and the apparent lack of protection which he had at the time.

James Meredith asked:

> Did the State of Mississippi set me up to be shot down?

Mr. Speaker, his question must be answered. The Nation is entitled to know.

About 15 minutes before the attack, James Meredith told us, he sensed danger and felt something was about to happen. Up to that time marked cars of the State highway patrol and the county sheriff's office had been conspicuously present, regularly passing him as he walked along. Then they disappeared and were not present at the point of the ambush.

Before firing a shot, the attacker, whom Meredith recognized as having been in the crowd earlier along the line of the march, stood up, pointed his gun, and shouted "I'm going to get Meredith." He waited about 30 seconds, allowing time for Meredith to motion to his companions to get out of the way, before firing.

According to James Meredith, there were Federal and local law enforcement officers near him, but they did not react and did not fire at the attacker. He then came out of the woods and surrendered promptly.

Mr. Speaker, James Meredith's account of events is confirmed by an eyewitness story written for the Washington Daily News of June 7 by Mohammed Rauf Jr. He wrote:

> A white man emerged from the woods on our side of the road. He was carrying a shotgun. He was neatly dressed in well-creased gray pants and white open-collar, short sleeved shirt. His hair was well-combed.
>
> He calmly aimed the shotgun. Mr. Crittendon shouted: "James, look out."
>
> Everyone in the party hit the dirt and fell over each other. Mr. Meredith leaped over the highway, and was hit as he crawled toward shelter on the other side.
>
> Deputies, who at this point were not more than 20 yards away, seemed to make no attempt to stop the firing of the shotgun.
>
> They did not draw their own revolvers. They did nothing until after the man had fired.

Mr. Speaker, I have called upon the Attorney General to conduct a thorough and searching investigation into this wanton shooting. The man who actually fired is known and in custody. But that cannot be the end of the investigation. We must know whether there was any complicity on the part of State or local officials. We must know why there was not greater protection. We must know why the law enforcement officers on the scene did nothing before the shooting.

We must have an answer to James Meredith's question:

> Did the State of Mississippi set me up to be shot down?

HILL-BURTON TYPE PROGRAM PROPOSED FOR CORRECTIONAL INSTITUTIONS

Mr. BENNETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT. Mr. Speaker, for almost 150 years our Nation has mostly just "put away" its criminals and violators of the law placing them behind thick walls and metal bars. In this way they have been said to pay their debt to society.

Thousands of men and women who have been confined in this manner and who have paid their debt to society end up where they started from: Right back behind bars. There is a new awakening to this problem today across the Nation. It has been keynoted by President Johnson in his March 8, 1965, message on crime to the Congress:

> We cannot tolerate an endless, self-defeating cycle of imprisonment, release, and reimprisonment which fails to alter undesirable attitudes and behavior. We must find ways to help the first offender avoid a continuing career of crime.

One of the reasons the first offender finds himself returning to crime is because he lacks adequate education and training to find and hold a job. Statistics tell us that 70 percent of adult offenders are school dropouts lacking basic education and vocational skills, while some 85 percent of all prisoners in institutions have no skills to sell the employer upon release.

To help correct this lack of education among the 400,000 inmates in correctional institutions across the country, I have introduced H.R. 14341, a bill to establish a broad and continuing program of education and vocational training in correctional institutions and in parole and probation agencies. This bill has been endorsed by the Secretary of Labor and has had a hearing before the House Select Labor Subcommittee. It is supported by the American Correctional Association, over 25 States, many organizations, and correctional officials across the country. I am hopeful for early passage of this legislation, which I believe will help turn the tide among those 50 percent of Federal and State prisoners who resort to a falling back into prior criminal habits.

A second reason that we have crime repeaters who are tax users and not taxpayers is that many of our penal and correctional institutions are practically antiquated museums and go back as far as the 1820's, when our Nation was beginning to get into the prison business.

These age-old prisons and penal institutions have a basic characteristic: they have maximum security. The walls are 3 to 4 feet thick and 40 or 50 feet high. Consequently the men behind these walls look at their transition from prison to society as a jump from the top of one of these walls 40 feet high to the ground. The jump is too great for any man. He is released with a new suit and $10 in his pocket one day. Not too long from that time he returns to the same gloomy place because he cannot make it on the outside.

What the offender needs to do today is what the underwater diver does to reach the top; he decompresses at a slow rate until he is able to move to the top.

Basic education and vocational job training will help the offender reach the top. In some cases construction of more adequate buildings and physical facilities can also aid the reform processes.

A program to provide for grants to State and local governments for the construction or modernization of certain correctional institutions, including prisons, penal institutions, juvenile training centers and county and city jails can in fact be an important part of the answer to help stem the rising crime rate, which costs our Nation $27 billion annually.

Mr. Speaker, today I am introducing legislation to establish such a program, along the lines of the Hill-Burton hospital plan, which will be primarily directed at prisons and correctional institutions on the State and local level.

A recent Stanford University report estimates that $410 million must be spent in the next decade on new prison facilities, largely to replace many antiquated units now in use. This compares with $255 million spent on prison construction in the last 10 years. The maintenance costs of the old buildings demand large new capital expenditures for the overall economy standpoint.

The costs of modern prison replacement and building will not rival the comparative cost of the 40-foot-wall prison. The majority of the prison building replacement will not duplicate the massive bastille-type construction we started with in the 1800's. Modern devices make such castles unnecessary. Emphasis can be placed on rehabilitation.

We need safe and healthful places in which to confine securely our lawbreakers where they can pay their debt to society and also learn enough to make them good citizens and part of productive society, rather than a drain on our democracy.

Mr. Speaker, I believe the legislation I am introducing today, along with the companion measure, H.R. 14341, will lift the criminal and reform him into a good and proper place in our life. I am hopeful for favorable departmental reports and an early hearing on my bill to provide for a program of grants to State and local governments for the construction or modernization of certain correctional institutions.

FREE ELECTION IN THE DOMINICAN REPUBLIC

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GONZALEZ. Mr. Speaker and fellow Members, exactly a week ago today it was my privilege to be one of the observers officially designated by the Organization of American States to the Dominican Republic's election, which took place on June 1. There was a total of 41 OAS observers plus an estimated number of close to 100 unofficial private citizen observers from various countries. This election was an exemplary case of orderliness with law-abiding citizens going about the democratic process. To attempt to impute untoward influences is completely wrong. Any such imputation was completely dispelled. There is not anyone that I know of who can challenge that this was a free election at least insofar as the capital city itself is concerned. The question of the free exercise of the democratic process by the Dominican citizens was clear, because the secrecy of the ballot was absolutely safeguarded. In fact, the people themselves demonstrated a great degree of sophistication. I was very privileged to travel from one end of the capital to the other. I personally visited and went into 51 of the polling places in the Dominican Republic's capital, from the richest to the poorest sectors. I went to the so-called heavily populated revolutionary sector in the old downtown section. I think the significant thing about this election was that a country went about its business in an orderly, methodical, law-abiding way when less than a year ago it was involved in a fratricidal fight that taxed everybody's ingenuity in the attempt to try to solve it.

I think the United States of America and more particularly the President of our country as well as the people and the leadership of the Dominican Republic are owed a very serious debt of gratitude by every democracy-loving, liberty-loving citizen, not only in the New World but through the entire world.

Mr. Speaker, I may also say this: It was my clear conclusion that the people of the Dominican Republic sincerely desire stability and peace. They are sick and tired of any disorder. If their leaders, with the abiding understanding of our country, which has a far greater influence than you and I can imagine for good, will show the tolerance and understanding of good friendship, this will not be a problem in the Caribbean.

DOUBLETALK FROM BIG LEAGUE BASEBALL

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, the willingness of big league baseball to flout all attempts at regulation in the public interest is well known.

At this moment the National League stands in contempt of a Wisconsin court order directing that the Braves baseball team must play the current season in Milwaukee rather than Atlanta.

A recent article in the New York Times sports section indicates that baseball's current predicament has resulted in some ridiculous doubletalk by its defense lawyers.

Typical of the contradictions which riddle baseball's position is the assertion that the Wisconsin State court has no jurisdiction over baseball because it is in interstate commerce. For years, however, baseball executives have denied that the national pastime is interstate commerce and therefore subject to Federal regulation.

It appears that organized baseball is attempting to create for itself a privileged sanctuary—outside any laws—where it may operate to please itself and continue to disregard public sentiment.

It will not work. It should not work. Within the next 2 years the courts—perhaps the U.S. Supreme Court—will decide the question. I firmly believe that decision will be one which protects the public and disciplines baseball.

In order to acquaint my colleagues further with the doubletalk of major league baseball, I insert at this point, the

Times article of May 29 by Leonard Koppett:

> Unconscious, not subconscious, is the only way to describe some of the statements emanating from the lawyers who are defending baseball in the Milwaukee antitrust suit.
>
> Not long ago the defense—that is, baseball—offered the argument that Milwaukee businesses were actually losing money by having a major league team there. People might go to the ball park and eat hotdogs, the lawyers maintained, instead of spending much more for dinner in a downtown restaurant.
>
> All this came up while the defense was trying to have barred from consideration a book called "Facts," compiled by the Commissioner of Baseball to prove to various communities how much they profit from having a big league baseball team.
>
> This argument was considered a pretty spectacular inversion of logic at the time, but it develops now that the legal department was only warming up.
>
> Judge Roller decided against baseball and ruled that there had been a violation of the Wisconsin antitrust laws in the move of the Braves from Milwaukee to Atlanta. About 10 days ago, baseball appealed this ruling to the Wisconsin Supreme Court.
>
> And one of the grounds for the appeal was that no Wisconsin court had jurisdiction in the case.
>
> "Baseball," declared Earl T. Jinkinson, one of the lawyers valiantly defending the national game, "is an interstate business."
>
> And how, as Mel Allen would say, about that?
>
> Ever since 1922, baseball's admittedly illegal player contracts and territorial arrangements have enjoyed immunity from Federal antitrust prosecution. This immunity has been based on a unanimous decision of the Supreme Court of the United States, handed down by Justice Oliver Wendell Holmes in 1922, that baseball, while a "business," is not engaged in "interstate commerce."
>
> At every opportunity, and at every hint of danger, for 44 years, baseball executives have loudly and publicly invoked this decision. They also misquote it by bringing in the idea that baseball is "a sport, not a business," a point the actual decision specifically refutes.
>
> So now, in trying to escape a state antitrust law, baseball lawyers offer as a defense the very same "interstate business" status they deny to stay clear of Federal antitrust laws.
>
> Brushing aside the ridiculous notion that baseball lawyers are secretly chosen by pro football commissioners, to make baseball look bad, one is left with the following thought: With defenders like these, who needs prosecutors?

WE SHOULDN'T BLAME THE FARMER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PURCELL] is recognized for 30 minutes.

Mr. PURCELL. Mr. Speaker, rising food costs are quite naturally of significant concern to the consumer in America and also to the Congress. As a member of the Committee on Agriculture and the National Commission on Food Marketing, I am particularly interested in digging into the background of any significant change which takes place in the price of the food we eat.

Recent press accounts of Government statistics and surveys made outside the Government have talked about significant food price increases. The most commonly used figure is a 7-percent increase in food prices in the past 14 months.

The average consumer and the average reporter tend to place the blame for these rising costs on the American farmer. After all, he is the fellow who produced the food in the first place.

I think a good look into the background of the problem is in order. What has really happened in the past year or so to food prices? How do these prices relate to the rest of our economy? Is the farmer really gouging the public with unreasonably high prices? The American housewife, who does most of the grocery buying at the consumer level, has a right to know the answer to these questions. And the farmer has a right to have his story told to those who are attacking him today without an adequate knowledge or recognition of the facts.

Food is the best buy an American can get today. In fact, food continues to be a better buy with each passing year. In 1960 Americans spent 20 percent of their disposable income on food. Last year that figure had been reduced to 18.2 percent. This means that Americans have over eight billion dollars more to spend on other things than was the case in 1960.

For an hour's wage today the average U.S. factory worker can buy 10 quarts of milk compared with fewer than 9 quarts 5 years ago—or 12.4 loaves of bread as against 11.1 in 1960. Even with the relatively high meat prices, his hour of labor will buy more round steak today than it would 5 years ago.

Despite somewhat higher farm and food prices this year, it is estimated by reliable sources that continued economic growth will maintain the percentage of disposable income spent for food at or near the low 18.2 percent figure of 1965.

The amazing thing in the face of these figures is that the farmer is improving his lot. The farm economy has strengthened to an almost amazing degree in the past 6 years. I would describe it as probably the healthiest in history, though still not good enough.

Realized net farm income in 1965 totaled $14.1 billion—$2.4 billion, or 20.5 percent, more than in 1960. Farm income this year will climb at least $1 billion more—to the highest level in history except for the postwar years 1947 and 1948.

There is still a significant gap in the income between farmers and other Americans. In 1960, people on farms earned, on the average, only 55 percent as much as nonfarm citizens. This year that percentage will be raised to about 65 percent. 1948 was the last time the farmer came this close to earning as much as his neighbor in the city.

I think we can all agree that, even in light of this very significant progress, most farmers are still badly underpaid for their work and investment.

Rather than be critical of our farmers, we should give them the highest praise. Their progress is the wonder of the 20th century. Despite large acreage and commodity diversions, the total output of U.S. farms increased by almost 10 percent between 1960 and 1965. During this same period production per man-hour has increased almost 30 percent. An average farmer supplied food and fiber for himself and 25 others during 1960. Now he provides for 35 others besides himself.

My esteemed colleague, the gentleman from Texas, the vice chairman of the Committee on Agriculture [Mr. POAGE], related to the House on June 1 some figures that should make us stop and think about farm income.

In 1952, farmers received $4.85 per hundredweight for milk. Milk now brings this farmer $4.33 per hundredweight. The same thing is true of wheat. In 1948, wheat sold at $2.15 per bushel. Cotton has gone from 32 cents per pound in 1948 to 24 cents today. These are the prices consumers pay for these products from the farmer. Even if you add the payment the farmer receives from Government programs, the farmer still gets an average of 3 cents per pound less for cotton and 36 cents per bushel less for wheat. This does not look to me like the farmer is getting an unreasonable price for his product.

The recent press stories have said that meat, however, is the real culprit in the recent increases in the cost of food. How does the farmer fare? Feeder calves are selling now for almost exactly the same price for which they were selling in 1948.

The price of beef and pork does fluctuate, sometimes quite substantially. I do not remember all this hue and cry on the farmer's behalf a couple of years ago when the price of beef fell way below the cost of production.

The fact of the matter is that meat prices operate on the good old American system of supply and demand. There is no Government price support, nor price floor, nor price ceiling to stabilize the price of beef and pork. When they are in excessive supply the prices go down and the farmer loses money. He hopes the price does not stay down too long. When the supply gets low, the farmer can get a better price for his animals. And he hopes it stays up long enough for him to make a little money over the long haul. In a commodity as perishable as meat, which must be marketed when it is ready for market, and which cannot stay on the store shelf, price fluctuation must be expected unless we want Government controls.

I am convinced that the livestock producers in this Nation like our free enterprise system of doing business, and I am on their side. I will take my chances with meat prices in the grocery store and keep the present system of supply and demand in a free and open market.

The farmer must get a decent return on his labor and investment if he is going to continue to improve efficiency, thereby continuing to reduce the percentage of the consumer's income which must go for food. Farming is an expensive business. The new and modern equipment required to efficiently produce food costs a lot of money. A tremendous investment is required for the modern efficient farm. Without this investment and the continued ability to earn enough to invest in new techniques as they are developed, we cannot expect the farmer to continue to improve his methods.

With the tremendous growth in population which this Nation and the world are experiencing, it is a vital necessity that we continue to improve our agricultural capacity and productivity. As this population grows, we will have fewer acres on which to raise our food. This means we must raise more and more each year per acre over the long haul. In order to do this the farmer must have a sufficient return to allow for research, testing, development, and investment in modern machinery.

These figures have been used over and over, but I think they bear repeating here. A large measure of our economic progress in this Nation has been brought about by the release of workers from agriculture to develop other parts of our economy. Today, less than 1 worker in 16 in the United States is engaged in agriculture and we spend only 18.2 percent of our income for food. In France, 1 worker in 5 is involved in agriculture and they spend 30.5 of their disposable income for food. Even more striking is the situation in the Soviet Union where 1 in 3 workers works in agriculture and 47 percent of their income goes for food.

The farmer has done a tremendous job for this Nation, and he continues to do so. We should be proud of him.

While I am talking about food prices, I feel I should comment also on the other segments of the food industry, probably the largest industry in our Nation.

The National Commission on Food Marketing has been delving deeply into the inner workings of the food industry, from the farmer to the consumer, for almost 2 years now. Our final report will be issued soon.

While there is disagreement in the Commission on a number of points, I think we can all agree that this great industry has performed magnificently over the past two decades. Prices have increased, yes, as they have in every industry. But food continues to take a smaller part of our paycheck. In light of the situation in the rest of the world, this is a magnificent accomplishment. Americans should not be complaining about their food bill. We should continually be thankful for the abundance we have at so little cost.

Thank you, Mr. Speaker.

REHABILITATION OF OUR MERCHANT MARINE

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. YOUNGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. YOUNGER. Mr. Speaker, in view of the fact that the rehabilitaion of our merchant marine is one of the current topics before the Congress, I am happy to insert in the RECORD an address made by Daniel D. Strohmeier, vice president of the Bethlehem Steel Corp. in charge of shipbuilding. This address was made on May 23, 1966, before the Chamber of Commerce of Metropolitan Baltimore. His address follows:

TALK BEFORE THE CHAMBER OF COMMERCE OF METROPOLITAN BALTIMORE

(By Daniel D. Strohmeier, May 23, 1966)

Mr. President, members of the Chamber of Commerce and guests.

I am honored to have been asked to participate with you in the opening of Baltimore's World Trade Week. By coincidence or design today is also National Maritime Day, commemorating the first Atlantic crossing by an American steamship. It is therefore appropriate on this occasion to take a look at the ocean shipping services available to us, for without them there could be no world trade. Baltimore is one of the world's great seaports and in a real sense the prosperity of this entire area is dependent on the port. It is too easy to take for granted those natural advantages, the intelligent exploitation of which has provided the robust economy of greater Baltimore.

Not all cities are as fortunate. I am reminded of the time Chauncey DePew went to Denver as guest of honor at some civic function. There were many speeches by local dignitaries in which the central theme was that Denver would easily be the greatest city on earth if only it were a seaport. The guest speaker was finally called upon. As time had long since run out, he discarded his notes and made one of the shortest speeches of his life. He offered the good citizens of Denver a remedy. He said, "Run a pipe line to the Pacific ocean and if you can all suck as hard as you can blow, Denver will be a seaport overnight."

Baltimore needs no such advice from me. The Lord provided a fine natural harbor, but the day of the Baltimore clipper, for which it was admirably suited, is gone. Ships are outgrowing your channels and port facilities and much work will have to be done to maintain your fair share of world trade. Philadelphia is planning a 50′ channel and Baltimore should not be caught napping with less.

A vital concern of the ocean shipping complex serving Baltimore is the American Merchant Marine. I propose to talk about this from a shipbuilder's point of view and so I plead guilty in advance to any charge that I am an interested party. In any event I should warn you that this is a subject fraught with controversy which can be avoided only by the use of the most sickening platitudes.

There are two matters that should concern all of you who have a long-term interest in the availability of shipping services.

One is our almost total dependence on foreign-flag vessels for our foreign trade. At present that reliance is about 91% and rising. This is a pretty sizable chunk to put at the mercy of our competition. My old granny used to tell me that if you put that many eggs in one basket, you should at least get a firm grip on the handle.

The other matter of concern is the massive build-up of the Soviet Merchant fleet. At present Russia is building ships at about 10 times our construction rate. In a few years, if they continue as they have assured the world they will continue, their fleet of cargo ships, bulk carriers and tankers will be far beyond the requirements of their own economy. Obviously, they intend to use this vast fleet as an instrument of their national policy. (After all, what maritime country does not?) In the hands of the Soviets that fleet will be used to break the market on any sea lane in the world at their pleasure. They will be able to destroy the economic basis of the ocean services upon which we are depending for our world trade.

As an instrument of our national policy, our merchant marine does not measure up to our stature as a world power.

We are today facing a crisis in American merchant shipping and American merchant shipbuilding. This crisis has been generated by a combination of national apathy and computer brinkmanship. The statistics tell the story and they are shameful. Today our active merchant fleet consists of about 900 vessels—most of them obsolete—and they are carrying less than 9% of our foreign trade compared with 24% ten years ago. Over the last 10 years our merchant ship yards have been building replacements at less than half the obsolescence rate of even that fleet. This year new ship orders will meet only one-fourth of the obsolescense rate.

The age of the fleet clearly reflects this disgrace. The average age is 18 years. And the average is marching nearly in pace with the calendar. Seven ships out of ten are overage.

As a nation we are used to having the biggest and best of everything. In our merchant fleet, however, we have one of the smallest and worst. Americans should be ashamed of the fact that seven ships out of ten are below the standards set by African Liberia for vessel registry.

One might raise the question: Have we no Merchant Marine policy? The answer is that we do. But it is not being carried out.

In 1936 a national policy was formulated by a Congress and by a President who understood the significance of sea power. That policy was embodied in the Merchant Marine Act of 1936. Its ringing declaration of policy stated that our national defense and commerce require that this country have a merchant marine capable of handling all of its water-borne domestic commerce and a substantial portion of its foreign commerce. It stated further that such a merchant marine should be composed of American-built ships manned by American citizens. It provided the machinery, via subsidy, to implement that policy with Government agency charged with fostering the development of such a merchant marine.

That was the law in 1936, and it is the law in 1966.

If it is our national policy to carry a substantial portion of our foreign commerce in American ships, why are we now carrying less than 9% and why are we now laying down so few new ships that they will support less than half of that 9%?

These are vital questions for everyone concerned with our foreign commerce and for every citizen concerned with our defense capabilities.

I believe these are the principal reasons for the present state of affairs:

First, there is a disposition in Washington today to ignore past experience. We got through World War II right side up only because we could bring the industrial might of America to bear against the enemy. Virtually all of it had to funnel through the stupendous merchant marine created through the expanding efforts of an already healthy shipbuilding industry together with the good luck of a time buffer furnished by England.

Unfortunately, there is today in Washington not one single key official who has any personal experience with what was required to achieve the World War II merchant marine. Furthermore, it appears that there is in Washington today a dearth of understanding of the significance of sea power.

Second, as a nation we are losing a sense of values and a sense of proper national priorities. If a project has glamour, it gets the green light. If it produces votes for the party in power, it is supported. But if it is necessary only for our survival but lacks glamour and votes, it is ignored.

Compare the paltry 400 million dollars a year for the whole merchant marine with 5 billion for space. Of the 400 million for the merchant marine only 85 are for new ships. Compare this 85 with a figure I saw the other day of 820 million to develop vehicles to travel on the moon—after we get there. Now, I thrill to the spectacle of our space exploits, and, after we do get to the moon, I expect to be emotionally intoxicated for a day or two. But really, you wonder about our sense of proportion when we spend 820 million for travel on the moon, where we don't live, and only 85 million for merchant ships to carry vital cargoes on the earth's surface where we do live.

A third reason we are in such a sorry posture at sea is what might be called computer-brinkmanship. Four years ago the Defense Department concluded that we had all the merchant ships we needed for any foreseeable military emergency and that, anyway, most of the men and materiel would be transported by air. The verities of the 1936 Merchant Marine Act were held to be out of date. In 1936 it was obvious that just about all of our overseas transport had to be by ship. But surely, it was held, we have an entirely different situation today. After all, much has happened in the last 30 years. We now have things we did not have 30 years ago: television, radar, lasers, transoceanic airplanes, helicopters, transistor radios, nuclear power, nuclear warheads, ICBM's and earth satellites.

Well, just how different are the logistics of war now from what they were 30 years ago? We don't have to guess. We now have a war on our hands against which to check the output of the computers and, incidentally, the quality of the input. What do we find? We find that for all of our vaunted progress since 1936, 98% of the Vietnam lift—you guessed it—is by ship.

For those of you who like to plot curves and speculate on the future, you might try this exercise. Against the Spanish-American War in 1898 (the last war before the Wright Brothers), show the logistical share by ships as 100 percent. Against Vietnam 68 years later, show the share by ships as 98 percent. Now, with all the imagination you can summon, extend that curve into the future, and see if you can make it fall away fast enough to overtake the dwindling curve of availability of our already overage fleet. Anyone, with knowledge of the facts and ordinary intelligence, could see that those two curves will not cross.

Yet, Washington's computers concluded we had enough ships. Well, we have already found it necessary to break out 108 overage Victory ships from the World War II laid-up fleet. And we are scraping the bottom of the shipping barrel in an undeclared war, that involves no enemy action at sea. I humbly suggest that this is brinkmanship of the most dangerous order.

Now, I do not wish to leave the impression that I alone have the insight to recognize the decline of the merchant marine. Others are concerned and there have recently been signs that some in Washington are becoming aware. Most everyone has a pet panacea, including me, and here is where the yelling begins.

An Interagency Maritime Task Force, consisting mostly of anonymous members from at least six Government departments, has issued a totally defeatist report. The gist of it is that only about ⅓ of 1 percent of our national budget can ever be spared on the merchant marine. Therefore, the way to get a larger merchant fleet under the American flag is to reapportion the pie—by spending less on new ship construction and more on the operating subsidies. An essential ingredient of this plan would be to permit, for the first time, the building abroad of American ships subsidized as to operations. The present Maritime Administration espouses this course in spite of it being charged by law with the promotion of an All-American merchant marine, and in spite of all the balance of payments considerations.

Another group, representing a wide cross section of ship operators, has recently advocated building abroad.

Both groups say they believe in a healthy shipbuilding industry but are content to leave it to the Defense Department. Sort of like sweeping it under the rug.

Still another group, the Presidentially-appointed Maritime Advisory Committee, would retain American shipbuilding and would impose flag-preference on bulk imports.

And the shipbuilders themselves, understandably, take a dim view of opening the flood gates to cheaper foreign-built ships.

It is obvious that the maritime industry in this country is fragmented by divergent views and contradictory opinions. The views of each industry group are expressions of raw self-interest, slightly disguised by an aura of enlightenment.

The subsidized lines, which comprise about one third of the active fleet, see the pie shrinking and, understandably resist admittance of new members to the club. They would like to have nearly all the money for themselves, including most of the funds heretofore set aside for the building of ships in this country.

The American-flag tramp operators have severe problems of their own. Unsubsidized directly, they operate mostly old ships, enjoy preference cargoes and face a serious replacement problem.

The tanker segment wants a minimum of Government interference or restraint.

The American-owned flags-of-necessity fleet, numbering over 400 vessels, is an important adjunct to our potential sea lift. They are engaged almost exclusively in the offshore dry or liquid bulk trades and are under constant bombardment from American labor. They most assuredly oppose suggestions of import quotas by flag-preference.

These divergent industry views are expressed by men of considerable stature, and they deserve attention. But it is obvious that all these views cannot prevail at once. And here is where we find that our leadership is bankrupt. In a field so closely identified with the national interest, that leadership must necessarily be supplied by the Government. When highly placed officials of our Government suggest that we can have a merchant marine to meet national objectives without a corresponding shipbuilding industry, I shudder. That is like trying to run a restaurant without an adequate kitchen.

The issue as I see it is whether we can have adequate sea power with a large and aging fleet in being but without proper replacement capability or with a balance between fleet in being and capability to expand rapidly. Put this way, the question answers itself.

If history is any guide, our next major war will be started by somebody else who will determine the time, the place and the weapons. My judgment is that it will not be a push button war of only a few hours' duration. It will be a war of wearing down—of attrition. It will be either here or abroad—and it had better be abroad. Here is where the merchant marine comes in as an arm of defense.

No nation has ever won a long war with just the hardware on hand at the start. This includes ships. In World War II, allied merchant vessels lost to enemy action totalled 4,786. Early losses averaged nearly 100 per month and this in spite of the fact that Germany began the war with only 47 submarines. Russia today has approximately 500. The probabilities are strong that our existing merchant fleet would be decimated by the end of the first year.

Where would the replacements come from? Surely not from the emaciated domestic shipbuilding industry we will have if the advocates of a build-abroad policy have their way. Then from our friends? Possibly, but is could be fatal to count on it. It is doubtful that their resources could support such an effort. Moreover, with the world in turmoil, the coefficients of international friendships are as variable as the weather. Consider the present state of flux.

SEATO has fallen apart as an effective instrument of defense. NATO is being rocked. The British Empire has ceased to exist as a major world force for peace and Britannia no longer rules the waves.

Our friends, to our discomfort, trade regularly with Cuba and Red China. We are even trying to dissuade some of them from going into Haiphong.

We were born a trading nation, and we are presently the World's greatest trading nation. However, it is too much to expect that today's good overseas commercial friends will be equally good military friends tomorrow. Their national interests and ours are not necessarily identical.

As one who has personal experience with our World War II shipbuilding effort I can say with fair certainty that, if we depart from tradition and build and repair our merchant fleet abroad, we shall no longer have a shipyard industry capable of doing the kind of job that may have to be done.

Now for a couple of the myths that are being circulated to confuse the maritime picture.

It has been fashionable of late, particularly in Washington, to assert that all other industries in this country can compete abroad and, therefore, the shipbuilders should be able to. Well, even our mass-production industries, which should have the best chance of successfully competing, cannot always do so. Instead, many build plants abroad to compete in foreign markets. A ship is not like an automobile, one make of which, Madison Avenue tells us, is spawned every 14 seconds. Of all man's creations it is one of the least susceptible to mass production. John Ruskin once gave some of the reasons for this:

"Take it all in all, a ship is the most honorable thing that man, as a gregarious animal, has ever produced. Into it he has put as much of his human patience, common sense, forethought, experimental philosophy, self-control, habits of order and obedience, thoroughly wrought hand work, defiance of brute elements, careless courage, careful patriotism, and calm expectation of the judgment of God as can well be put into the space of a ship."

I could add with less eloquence that a modern ship also represents the industrial product of our 50 states, from steel and nonferrous metals to electronics, furniture, paint, wood, machinery, equipment and the many thousands of specialty products from every major industry in the country—all purchased by the shipbuilder and incorporated in his final product.

In a modern cargo vessel, all of those products made by others represent about 55% of the cost of the ship. Construction subsidies at present are based on the assumption that the complete ship might be constructed abroad for about 45% of the domestic cost. All of which means that if a ship costs, say, 10 million if built here, it would cost only four and a half million if built abroad. Even if the American shipbuilder could reduce the cost of his shipyard operations to zero—which would be a remarkable performance—he still could not compete with his foreign counterpart, because his purchases alone would cost him five and a half million, or about 20% more than the price of the entire ship abroad.

If this is an indictment of anything, it certainly cannot be laid in the lap of the shipbuilder. It is rather a commentary on the American standard of living.

Another myth currently being circulated by officials in Washington is that our shipbuilding research and technology are laggard and behind the times.

Much of the criticism comes from those newly arrived on the scene. They reveal, without really knowing it, an impatience with the basic disciplines of naval architecture which the sea has dictated to man over countless centuries. Their criticisms would suggest that we should devote our research energies to assaulting the impregnable barriers erected by nature. But are we shipbuilders really unprogressive when we recognize and accept the truths that we know to be immutable?—for instance, that a cubic foot of sea water weighs today just what it did in the days of Noah's Ark?

We are chided by those who should know better that there is little new in ship design in contrast with the spectacular strides in aviation. However, we shipbuilders have not been standing still. We have been exploiting the exploitable just as the aviation industry has. We have for some time been pushing speeds close to the acceptable limits. The aviation industry is newly arriving at them. On the other hand, we have been able to exploit the possibilities of size growth to a greater extent than in aviation. A rough gage of relative progress is a comparison of the growth of speed-weight factors. It may come as a surprise to many of you that since World War II there has been more progress in shipbuilding in increasing speed-weight factors than in aviation. During this period, the adult has grown faster than the child.

Now, back to the main theme of our tottering merchant marine.

What does all this boil down to? Most people who have stood up to be counted agree generally on one point regardless of their disagreement as to details. That is, that our merchant marine is not healthy enough to serve the national interest.

As I see it, if we intend to be a world power, we must act like one. This means facing up to the necessity of spending what we have to spend to carry out the policy of the Merchant Marine Act of 1936, whose principles ring as true today as they did then.

When things are not going well, it is only human nature to seek a scapegoat. To blame the Maritime Administration or the Pentagon for the ills of the Merchant Marine is to oversimplify the matter. In the final analysis, only Congress has the power to deal effectively with the situation and this is where we as responsible citizens must act under our form of government. This is an election year. Anyone concerned with that part of our well-being dependent on foreign commerce might well ask of a candidate: "What are you going to do about the Merchant Marine?"

The cost of not being prepared is many times the cost of foresight. I suggest we wake up while there is yet time and postpone our trip to the moon if necessary to get on with the task of implementing our established national maritime policy.

THE BIG MONEY IS IN POVERTY

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Quie] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. QUIE. Mr. Speaker, in a speech on March 30, 1966, my colleague Congressman William Ayres alerted the Congress that "the big money is in poverty." He reported a burgeoning bureaucracy of civil servants at the Office of Economic Opportunity which is draining money away from programs intended to help the poor. Mr. Ayres made his statement in an attempt to avert the bad leakage of funds.

The plea apparently fell on deaf ears, however. For during the month of April there has been a mad scramble to get on the bureaucracy bandwagon at OEO. From March to April there was a gain of approximately 10 percent in personnel at the Office of Economic Opportunity.

According to the monthly report of the Joint Committee on Reduction of Nonessential Federal Expenditures, the increase of 204 warriors at the Office of Economic Opportunity was one of the largest increases in personnel of any Federal agency that month.

I call on Sargent Shriver to explain this drastic increase in staff. Somewhere this continuous growth of his bureaucracy must stop. I call on him to remember his own words when he was arguing for the passage of President Johnson's war on poverty in 1964:

> There is no contemplated huge new bureaucracy.

MISSOURI LANDOWNERS QUICKEN SOIL AND WATER CONSERVATION PACE

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. Hall] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HALL. Mr. Speaker, I wish to compliment my constituents and all the land owners and operators in my State of Missouri for the diligence with which they are endeavoring to manage and develop soil and water resources.

I think they deserve this compliment because they have adopted a responsibly progressive attitude in regard to managing and developing soil and water resources, through community organizations such as soil conservation districts and small watershed projects.

Missouri is one of the very few remaining States in which soil conservation districts do not cover at least 75 percent of the counties.

Recent developments, however, indicate that Missouri will not long remain in this category. It is gratifying to me that since 1960, 12 counties in my 20-county congressional district have organized soil conservation districts, 2 of them this year.

It is an inspiring trend to which the State legislature recently gave encouragement when for the first time in history it appropriated $30,000 for the Soil Conservation Service to use for Missouri watershed planning in fiscal 1966.

These funds and the funds appropriated by the Congress will help accelerate planning of a backlog in watershed applications filed by Missouri soil conservation district cooperators.

In another significant development, landowners in nine counties in the district I am privileged to represent, filed application for a 3.4-million-acre resource conservation and development project, which, if approved, will be the second and largest R.C. & D. project in Missouri. This project application suggests that my fellow-Missourians recognize the economic potential and the universal benefits implicit in soil and water conservation on an areawide basis.

Awareness of soil and water conservation potential and the increasing demand for outdoor recreation, have stimulated establishment of more than 600 private recreation businesses in the State. Campgrounds, fishing waters, cabins, and natural historic areas are much in evidence in the Seventh Congressional District.

The new surge of interest and activity in Missouri soil and water resource development and use is exciting to see.

I call it to national attention, as a tribute to the soil conservation district cooperators, the district supervisors, and all other landowners in Missouri.

RIGHTS OF SPRING—THE FEDERAL DEBT LIMIT

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Nelsen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. NELSEN. Mr. Speaker, it is June, and time for Congress' annual rites of spring. We can stand on the top of the Hill and watch the panhandling "new economists" of the Great Society skip up the Hill to fetch a pail of money. Like bad children, they have spent all of their allowance and must come to us for another advance.

Yes, it is Federal debt limit raising time again. Since 1960, we have increased the debt limitation by some $35 billion, enough money to finance all U.S. Federal Government expenditures up to Teddy Roosevelt's administration.

Also since 1960, the interest on the national debt has totaled about $77 billion or about three-fourths of the budget for this fiscal year. The annual interest now costs us $12½ billion a year—thus the first $250 that each taxpayer pays this year goes to pay nothing but the interest on the national debt.

And now we are asked to raise the limit another $2 billion. Perhaps we should view this increase as an improvement since the annual debt level has been rising at a rate of over $7 billion a year under the present administration. Yet in view of other budgetary gimmicks dreamed up by the "new economists" this year, there is absolutely no reason for any increase in the limit. Due to several "one shot" revenue-producing "inspirations" such as accelerated tax collections, coin seigniorage earnings, the sales of reserve commodities and strategic materials, and the sale of refinancing of

Government-held loans, the administration has already "found" about $11 billion to play with. These "gimmicks," plus the highest tax intake in our history make this request for a raise in the debt level even more unnecessary and unwise than usual.

The sale of the Government loans under the recently railroaded Sales Participation Act will provide at least a $4.2 billion windfall for the "prudent" bureaucrats. It will also require the average citizen to continue to support his Government by buying long-term Government bonds at 4½ percent interest, while big Wall Street investment outfits would get a higher 5¾ to 6½ percent return for buying these Government I O U's.

This act, which was passed over the unanimous opposition of the Republicans in the House, has taken much of the color out of our rites of spring since it makes the official debt limit meaningless. It provides the way for borrowing money to finance the Great Society's "wars" against "our society" without even referring to the debt limit. There is no restriction in the law against the sale of more Government loans if the administration wants more money to spend. I guess we will have to go back to maypole winding for our rites of spring.

The most important point in relation to a higher Federal debt is the impact it has on the money supply and thus the economy. While the debt limit has been raised by $35 billion and the Federal debt itself has gone up $34 billion since 1960, the cost of living has gone up over 8 percent. We are definitely in a "demand-pull" type of inflation in which we have "too many dollars chasing too few goods." When the Federal Government, through expanded purchases and spending, enlarges the total money supply, it is inevitable that our total purchasing power at current prices will exceed the available supply of goods, and thus the prices will increase in order to absorb the excess purchasing power. In other words, we have a situation in which the Federal Government is forcing too much money into an economy which cannot produce enough goods with the existing facilities to soak up all of the money floating around and so the limited goods will go up in price.

Thus the spending habits of housewives and industries which the President has attacked as inflationary are actually the effects of a money-soaked economy, not the causes of inflation. When the goods that families need cost more, the housewives will have to spend more. There is a direct conflict between the administration's demands for a slowdown in productive expansion and buying which are merely the effects of the Government's spending policies, and the various gimmicks and debt level raises initiated by the administration. The administration is spinning a web around our economy which could well have disastrous consequences.

FAA AND AIRLINE SAFETY

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Cahill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CAHILL. Mr. Speaker, on the 26th of May, I asked for an investigation of the Federal Aviation Agency by the appropriate committee of this House. Since that time, I have received a great deal of correspondence concurring in the views expressed by me on the floor that day.

I am also happy to report that the chairman of the Government Activities Subcommittee, of the Committee on Government Operations, Mr. Brooks, of Texas, has offered the cooperation of his subcommittee for matters within its general jurisdiction. I am also happy to report that several of the airlines have seen fit to contact my office for the purpose of presenting their views and stating their positions. I have, however, heard nothing from FAA. During the interim, my further investigation has suggested many questions which should be answered.

First. What is being done to alleviate the traffic jams and the "stacking" at Washington National Airport?

Second. What efforts are being made to utilize the facilities of Dulles International Airport, particularly for long-range flights between the metropolitan Washington area and other cities of our Nation?

Third. Why is Washington National Airport overcrowded while Dulles International Airport remains relatively inactive?

Fourth. Are, as reported to me, the rates for airlines greater at Dulles Airport than they are at Washington National Airport?

Fifth. If they are, why are they?

Sixth. Are flights over 1,000 miles being scheduled exclusively out of Dulles or are they adding to the already impossible traffic conditions at the National Airport?

Seventh. What studies are being made concerning accommodation of private passenger planes in the Washington area and, indeed, in all large city areas so as to provide for the private plane owner and yet not interfere with the traffic at the busy commercial airports?

For the purpose of discussing this problem in depth, I have asked for information from the Federal Aviation Agency and from the Civil Aeronautics Board and upon receipt of same will obtain a special order for the purpose of bringing these facts to the attention of all the Members.

FREEDOM OF INFORMATION BILL

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. Edwards] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EDWARDS of Alabama. Mr. Speaker, the Committee of Government Operations has given its enthusiastic approval to the freedom of information bill, and many of us look forward to its consideration in the House.

The need for this legislation has been reviewed time and time again. Under existing regulations any Government agency can refuse to divulge almost any information on the basis of its own judgment.

This is a clear invitation to any bureaucrat to withhold information, either in the hope of covering up a mistake, of advancing the interests of his own agency or his own department as against other Government agencies, or of simply giving expression to his feeling that there are many things the public should not know because only Government people are competent to run things well.

Under the freedom of information legislation which has already passed in the Senate, S. 1160, if a request for information is denied the aggrieved person has the right to file an action in a U.S. district court. The court may then order the production of any agency records that are improperly withheld.

In the trial the burden of proof is placed on the agency. This reverses the existing situation in which the burden of proof is on the individual who seeks the information.

It correctly bases its validity on the right of the people to know what their Government is doing. It gets beyond the wrongful assumption that the Government has a right to prevent the people from knowing what the Government is doing.

The bill rightfully excludes from its provisions information vital to the national security. But where other information is involved it would require every executive agency to give public notice or to make available to the public its methods of operation, procedures, rules, policies, and precedents.

The bill is supported by the American Bar Association, legal scholars, and overwhelming numbers of persons and organizations in the business of news gathering and dissemination.

It is also supported by the Republican Policy Committee of the House of Representatives.

The only significant opposition to the measure comes from the Johnson administration and the executive branch of Government. It is my understanding that in the committee hearings, no fewer than 105 Federal Government agencies protested against the passage of such a bill.

I want at this point to present one striking example of how this bill may work to help the cause of good government.

As many of us know, our Committee on Merchant Marine and Fisheries has been genuinely concerned over the past several months with the declining strength of the U.S. merchant marine. We are suffering from bloc obsolescence of our merchant fleet, and, what is worse, we evidently have no policy yet devised to meet the problem.

For that reason, the committee, under the able chairmanship of Representative Edward Garmatz, has been holding hearings all year.

One of the points considered in those hearings was how the shipbuilding subsidy plan is working. This is the plan set forth in the Merchant Marine Act of 1936 designed to encourage activity in U.S. yards. It provides that the Government will make up the difference between the cost of building a particular ship in the United States and building the same ship in a foreign shipyard.

On Tuesday, March 8, our committee heard the views of Capt. John W. Clark, president of the Delta Steamship Line and chairman of the Committee of American Steamship Lines.

In asking Captain Clark's views regarding financing of shipbuilding in the maritime industry, I specifically asked if he would recommend any changes in procedures which might be of help in attaining the goals of the Merchant Marine Act of 1936. The record of the hearings is as follows:

Captain Clark. We have a real problem on this, that in keeping with the act we are supposed to be able to build ships in the United States with benefit of our construction subsidy at the same price that we could build them abroad. It is the belief of our group that we do not achieve that parity. The Maritime Administration's current practices are that they obtain their figures abroad, we obtain our figures, we compare them, we put our figures on the table and we are not permitted to see their figures.

Mr. Edwards. Who doesn't let you see these figures?

Captain Clark. The Maritime Administration. We have repeatedly asked to see the figures that they come up with. There should be some simplified method of computing these differences under the parity concept and there should certainly be full disclosure.

Mr. Edwards. Has there been any reason stated why there should be such secrecy?

Captain Clark. I think the answer that we received, and is received by other companies, is that the current policy is not to divulge these figures.

Mr. Edwards. Does that satisfy you?

Captain Clark. No sir, it does not.

PEARSON IN SPRINGFIELD, ILL.

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Findley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the Prime Minister of Canada, Lester B. Pearson, honors Springfield, Ill., this Saturday by speaking at a dinner sponsored by Federal Union Membership Association.

Like the association, Mr. Pearson is an advocate of Atlantic Union—a proposal for federation of the nations now brought together loosely in NATO.

A comment on Mr. Pearson's visit, written by Clarence K. Streit, editor of Freedom and Union magazine, is reprinted here:

Canada—Left in Limbo by U.S.A.—Can Play a Big Role Now in Atlantic Union

(By Clarence K. Streit)

Canada has apparently become the forgotten neighbor of the U.S.A. This is surely an undeserved fate for a nation so long and rightly known there as the "Good Neighbor." It seems incredible that Washington could ever forget the existence of the vast democracy that lies between it and Soviet Russia—and in so many intangible ways is nearer to the American people than is any other. Yet the State Department has achieved this monumental oversight.

State Department Overlooks Canada. The latest proof is the testimony of its Assistant Secretary for European Affairs, John M. Leddy, at the Senate hearings on the Atlantic unification bills. Not once is Canada mentioned, either in the Q. and A. of Mr. Leddy (see pp. 20–26) nor in his prepared statement, whose text we gave in our April issue. He was concerned solely with the issue's European angles.

"The simple, but decisive fact," he said, "is that our Atlantic allies do not now wish to move toward any type of federal political relationship with the United States, even as an objective." The term, "Atlantic allies," may seem to include Canada—but in his next breath he made clear he meant only the Europeans. The "European" disinterest he found, insofar as it has any basis, results from the Department's long opposition to efforts to explore Atlantic federation. Its opposition, as we have repeatedly pointed out, has convinced many Europeans who prefer Atlantic Union that the only practical way to achieve it is to federate Western Europe first, so as to gain the power needed to get Washington to unite with them. At the same time, it has helped convince General de Gaulle and many anti-Gaullist Europeans that Washington's "internationalism" hides a determination to dominate them. It has thus contributed heavily to the growing disunion.

Mr. Leddy's finding also flies in the face of the continued preference of many Europeans for Atlantic Union which we reported in our April issue—a preference that is reflected in the articles we reprint from *Le Monde* of Paris and the *Courant* of Rotterdam on pages 32 and 17.

European Interest in Atlantic Union. Since the State Department made its findings on European opinion, I have received a number of letters from statesmen there sharply disagreeing. Two were from former Foreign Ministers, especially well informed on NATO and European Union affairs. One of them wrote that though "our efforts have been directed here mainly toward the unification of Europe . . . one must not forget that America has never concretely and actually proposed to Europe a real federation. On the contrary, efforts made in the past by European members of the Atlantic Council to foster the development . . . of the alliance into a true community of peoples have met resistance on the part of the U.S.A." And he then cited in proof of his own experience.

The other statesman, who had been Foreign Minister of another European ally, wrote: "As you well know, I have always believed more in an Atlantic than in a European solution. . . . Unity in Europe in de Gaulle's time is not to be expected. The emphasis therefore should now be on unity in the Atlantic. Your action for Union Now and the proposal for the creation of an Atlantic Union go to the heart of the matter" and are of "major importance." A highly influential European found the Atlantic Union resolution "very wise" and gave warm encouragement to persevere in this "good cause." A French adviser of President de Gaulle wrote that the European situation made the Atlantic Union resolution "more opportune than ever" and warmly hoped that my own testimony at the hearing (given in our April issue) would "in the end open a breach in the fortress."

Had Washington Remembered Ottawa. So much for the alleged European disinterest. What of Canada? Had the Department remembered Ottawa, it would have found that six members of its Cabinet have joined the Advisory Council of the International Movement for Atlantic Union, which involves a commitment in favor of federation. They include the "big three"—Paul Martin, External Affairs; Mitchell Sharp, Finance, and Paul Hellyer, Defense (he joined last January). We reported this in our March issue, and added that Prime Minister Pearson has long been a member of the IMAU Honorary Council. His support of Atlantic Union has been such that he is to get the Atlantic Union Pioneer Award June 11 (see page 5)—a decision reached long before the Senate hearing, though made public thereafter.

What Will Pearson Say? Small wonder that there is lively interest in what he will say at the banquet that night of the Federal Union Convocation, in giving the Canadian view of its general topic: "Freedom's Atlantic House Cannot Stand Divided."

What of Canada in Dumbbell Plan? Washington's strange disregard of the Good Neighbor's existence when reporting that its NATO allies "do not now wish to move toward" Atlantic federation, becomes much more serious when one turns to the other reason why the Department called Atlantic unification "impractical"—its insistence that any such move must be deferred until a European Union is achieved. Its spokesman dangled the hope that thereafter there might be a "partnership" between the proposed U.S. of Europe and the U.S.A.

This is the project which its Departmental fathers originally called "Operation Dumbbell," because this gymnastic weight illustrated its concept of two equal bodies joined by a bar—not because of its slang sense. The latter, however, was always a truer description of the plan; it has grown truer with each of the long years Washington has devoted to it—particularly those since President de Gaulle made clear it could advance only over his dead body . . . if then.

The prolonged and persistent deferment of Atlantic unification for the sake of this Dumbbell goal not merely shows how long the Department has forgotten its Good Neighbor; it is bound to rouse suspicion of something worse. For there is obviously no place for Canada in this concept. Canadians, and Americans, and French and other Europeans have long noted this huge lacuna, and have asked, "What of Canada in this Dumbbell solution?" Washington has given no answer; in its planning it has left Canada's future even vaguer than the nature of the "partnership" it carrots before the workers for its European-Union-to-be.

U.S. Leaves Canada in Limbo—or in U.S.? The best that can be said of the Department policymaking is that it has left the Good Neighbor in limbo—for the dictionary defines *limbo* as the "abode of souls barred from Heaven through no fault of their own." Worse is being said of this policy, of course, by those who suspect that implicit in Washington's Dumbbell partnership with a European Union—in which it seeks to push Britain—is the assumption that Canada, thus left with nowhere to go, will then be absorbed quietly by the U.S.A. . . . in much the same way as the Walrus and the Carpenter absorbed their trusting oysters.

O Wad Some Power the Giftie Gie Us! The American people, of course, have no such slick designs. If, however, they would follow the advice of Robert Burns, and try to see their government as they would were they Canadians or Frenchmen, they would get quite an illuminating jolt. They would suddenly realize that Mr. Leddy and his Department are not the only Americans who forget Canada.

They would note that the pundits of such papers as The New York Times and Washington Post who write editorial after editorial upholding the Dumbbell idea as the "only" alternative to de Gaulle's "delusions of grandeur," never remember the existence of Canada, let alone try to answer where their policy leaves Canada. If our American thinking were not so guided (in this age of scientific—nay, computer objectivity) by the accident that we were born in the U.S.A. instead of in Canada or France, we would also see that none of the Senators, in their long questioning of Mr. Leddy, remembered Canada, and asked what place it had in the partnership policy. We would also readily see that, although the doubts in the Senate Foreign Relations committee regarding Mr. Leddy's picture of European disinterest in Atlantic Union led it to send Senator FRANK CHURCH to Europe on a quick opinion hunt, his itinerary does not include Canada (see page 28).

Quebec in Union and Dumbbell Plans. If merely another "national sovereignty" than the one we were born with governed our thinking we would see many other things in a quite different light. We would see, for example, that the threat of secession by Quebec is a powerful, urgent reason for Ottawa to favor an Atlantic Union in which Canada, and all the other NATO nations, would be members—represented in both its Senate and House in the equitable balance by which the U.S. has solved its own big-state-little-state problems. We would see, too, that the reasons which make Ottawa shy away from a future in which Quebec is an independent nation, would make the U.S.A.—in the world of Operation Dumbbell—no less averse to letting a sovereign French nation sit astride the St. Lawrence outlet of its Great Lake ports, and still more apt to swallow Canada . . . like an oyster . . . in one gulp.

Could Operation Dumbbell Be Operation Dominate? For a final example, with that giftie we Americans would see why the present blindness of the State Department, Senate, press and ourselves to all these facts that are so plain to others—who are as blind to their own faults as we to ours—makes them suspect that Operation Dumbbell is really Operation Dominate, and that our protestations of innocence are but hypocrisy.

Federal Unionists Remember Canada. U.S. Atlantic Unionists remember Canada. They are giving their Pioneer Award to its Prime Minister. He will be their leading speaker at their June Convocation. Lincoln said that, as he would not be a slave, he would not be a master. Nor would we dominate another democracy, or be dominated. We know there is a way to prevent either evil—the Federal Senate-House balance. While the State Department blocks it in Atlantica, we cannot blame de Gaulle. We can respect his resentment of "subordination described as 'integration.'" More easily we respect Prime Minister Pearson's resistance to American absorption of Canada. We understand why he has insisted Canada too must have its flag, though critics as glibly call this narrow nationalism as they ascribe de Gaulle's motives to obsolete chauvinism.

Self-respect makes anyone a better person. Nearly everyone links it to his nation's status. It has suffered an even worse blow for those born French than those born Dutch or Dane. Canada has not been so long an independent nation. But, as Mr. Pearson has sensed, it has a great role to play in constituting our kind of Atlantic Union.

Only Canada has ties of blood and history with Britain, France, the U.S.A., and has tackled federally the issues facing the free on a vaster geographic and a harder linguistic scale than has the U.S.A. It would be tragic for such potentialities to be lost by the U.S. absorbing Canada.

Archimedes, Pearson, Springfield. "Had we a place to stand upon," cried Archimedes when he sensed his lever's power, "we could move the world!" Tom Paine taught me this, after he moved the world from precious little base. Mr. Pearson has built a better place to stand on. No doubt, it still is shaky. Yet on it he can move the world, in the city so appropriately called Springfield—as Lincoln proved.

PERSONAL EXPLANATION

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, yesterday I was excused from attendance and granted a leave of absence for the day, June 7, on account of official business. CONGRESSIONAL RECORD, page 12545.

I had wanted to be here and to support and to vote for the Bail Reform Act of 1966, but with a congressional delegation I went to Mississippi as an observer of the first primary election there with an opportunity for all citizens to vote.

May the RECORD show that if I had been present, I would have voted "aye" at page 12504 of the RECORD on roll No. 128 in favor of the Bail Reform Act of 1966.

SUPPORT FOR IMMEDIATE CIVIL RIGHTS ACTION GROWS

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MATHIAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MATHIAS. Mr. Speaker, I am gratified by the widespread support which has greeted the recommendation, made yesterday by the distinguished gentleman from Ohio [Mr. MCCULLOCH] and myself, that the Congress enact strict Federal criminal sanctions against civil rights crimes at once. The assault on Mr. James Meredith on Monday evening has reemphasized the need for this legislation. I am pleased that many Members of both Houses, including both Members of the other body from my own State of Maryland, have agreed that the passage of Federal penalties against such acts of violence should not be delayed for the sake of any other civil rights proposals now before the Congress.

To underscore our desire for immediate action, a number of Members of the House yesterday introduced, as a separate bill, a slightly modified version of title V, the criminal sanctions title, of the administration's civil rights bill, H.R. 14765. In addition to the gentleman from Ohio [Mr. MCCULLOCH] and the 17 other Members listed on page 12532 of yesterday's RECORD, I have been joined in this effort by the following: Mr. CAHILL, a member of the House Judiciary Committee; Mr. BOW, Mr. BROWN of Ohio, Mr. FRELINGHUYSEN, Mrs. MAY, and Mr. PIRNIE.

Mr. Speaker, my colleagues and I hope that we will gain the full backing of the President for our efforts to enact, without delay, this important title of his own civil rights bill.

GOVERNOR SCRANTON SAYS "NO"

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. JOHNSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, in the fall of 1962, the people of Pennsylvania elected as their Governor an able and visionary young man by the name of William W. Scranton.

On assuming the office he addressed himself to the important job of promoting and improving his native State, particularly in the fields of education, welfare, and business promotion.

He is now nearing the end of his 4 years as Governor and it is generally conceded all over the Nation that he has been Pennsylvania's best Governor since the turn of the century.

This past week he announced at a press conference that he would never again run for a political office. Newspapers all over the Nation have commented and editorialized upon this sudden announcement, and typical of the editorials is that from the Evening Star of Washington, D.C., on Monday, June 6, 1966, as follows:

SCRANTON SAYS "NO"

Governor William W. Scranton's unequivocal announcement that he will never again seek any elective office can only be greeted with regret by all, regardless of party affiliation, who care about honest and able government.

Mr. Scranton has compiled an admirable record during his term as Pennsylvania's governor, bringing a rare combination of idealism and realism to bear on the state's most urgent problems, notably in the fields of fiscal responsibility and civil rights. He will leave the state, when he greets his successor in January 1967, in better condition than he found it.

The most telling thing about Governor Scranton's decision is, of course, that he has removed himself from any consideration for the Republican presidential nomination in 1968. Thus, with each passing week, the options available to the moderate and liberal wings of the Republican party narrow, and Governor Romney of Michigan emerges more and more clearly as their logical choice. An eventual showdown battle between Governor Romney and former Vice President Nixon now seems inevitable.

It is quite possible that despite Governor Scranton's withdrawal from active politics, his proven abilities as an administrator will be available to a future Republican President. Any administration would be fortunate to have his services in a high appointive post.

Governor Scranton was, during the prelude to the 1964 convention, accused by some vacillating and being unable to make up his mind whether or not make the race. Now, in Shermanesque language, he has made it known that he will "not run ever again for public office under any circumstances" including a draft.

This time, unfortunately, the charge of indecision will not stick.

TRIBUTE TO THE HONORABLE CHARLES McC. MATHIAS

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. CHAMBERLAIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, since 1961 the people of the present Sixth Congressional District of Maryland have been privileged to be represented in the House by the Honorable CHARLES McC. MATHIAS, JR. A gentleman of outstanding perception and intelligence, MAC MATHIAS has provided superb representation to this large, diverse, and demanding constituency. He has shown intimate understanding of the needs and problems of all parts of this district, which stretches from suburban Washington to mountainous Garrett County, and his tireless service has won him innumerable friends and admirers throughout the entire Free State.

A special three-judge Federal court in Baltimore has now established for Maryland new congressional districts nearly equal in population. The court's action divided the present Sixth District, presenting Mr. MATHIAS with a painful and difficult choice. After long consideration, he announced last week that he would seek to continue to represent the new Sixth District, which embraces Frederick County, his family's lifelong home.

In a thoughtful editorial on Tuesday, June 6, the Washington Evening Star took note of his decision and the important political precedent which Mr. MATHIAS has established through his performance as the Representative of Montgomery County. The editorial follows:

MAC GOES WEST

Representative CHARLES (MAC) MATHIAS' decision to seek re-election from Western Maryland's new Sixth District is Montgomery County's loss. Since 1961, under the old system of congressional districts, he has given residents of Washington's northern suburbs—along with those of Western Maryland—a superior brand of service. Mr. MATHIAS' promise to retain his active interest in metropolitan area affairs is gratifying.

His choice is entirely understandable. His own roots, as he points out, are more deeply grounded in North and Western Maryland than in Montgomery's new Eighth District. As a practical matter, moreover, the new Sixth has always been the seat of his greatest political strength. His re-election this year, under the circumstances, would appear to be virtually assured.

Mr. MATHIAS' announcement was withheld until the redistricting issue was finally resolved, for there was previously the remote chance that he might have had to run at-large. With his own position now clear, the Eighth District Republican primary race is wide open.

Fortunately for the party, and for the people of Montgomery, able Republicans already have declared for the race or have indicated a strong interest in running. There are also, of course, some rather appalling possibilities. Assuming that Republican voters will be seeking this time the same qualities of moderation and intelligence they found in Mr. MATHIAS, however, there is no reason to suppose they will fail to field an excellent candidate.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1966

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GOODELL. Mr. Speaker, I have introduced today a House concurrent resolution calling for the printing of an additional 5,000 copies of House Report No. 1568, 89th Congress, 2d session, dated June 1, 1966, filed by the Committee on Education and Labor to accompany H.R. 15111, the Economic Opportunity Amendments of 1966.

The war on poverty is a nationwide program of immense import. As one of those who feel that we should launch a new and more effective opportunity crusade to eliminate poverty, I maintain that the membership of the House and the public should have the benefit of every available piece of information on the current proposals.

This committee report helps to meet that need for informing the Congress and the American people.

The Superintendent of the Document Room of the House has indicated that 2,500 copies of the report were printed. I know the demand has been great with requests pouring in from across the country.

I introduce the resolution as a means to help us write better legislation to truly help those who are suffering in poverty.

ELECTION RESULTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, yesterday was election day in widely scattered areas of the United States. The results of those elections are now in and it is evident from them that Democrats have cause for gratification over the attitudes expressed by yesterday's voters, and it is equally evident the Republicans have little cause for hope in this year's congressional elections.

Of particular significance to us in this House was the election in California. On numerous occasions, both in this Chamber and outside of it, we have heard our colleagues on the other side of the aisle indulge in a little wishful thinking about the number of House seats they would capture in this year's elections. Yesterday in California we had the first opportunity to observe the accuracy of the political prophecies of our friends of the Republican Party.

If yesterday's election in the 14th District of California is any indication, and I think it is, our friends on the other side will find that they have been indulging in empty hopes and that the distinguished chairman of the Democratic National Committee will have no trouble in collecting on the wager made with the distinguished Republican leader on the other side of the Capitol.

Yesterday's election saw a Democratic candidate emerge victorious in a district that in 1964 went 64.9 percent Republican, and in 1962 voted 62.9 percent Republican. Jerry Waldie, whom we will soon welcome to this House, has won by a substantial margin in what had been a "safe" Republican district. The results of his victory will be echoed at the polls this November.

Mr. ROYBAL. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from California.

Mr. ROYBAL. I should like to concur wholeheartedly in the remarks made by the distinguished majority leader.

As a result of the passage of the Civil Rights Act of 1964 and the Voting Rights Act of 1965, more Negroes than ever before participated in their respective State elections. The influence of these previously disfranchised voters is properly beginning to be felt at the polls throughout the country.

I had the opportunity of visiting several precincts in my district, and also the opportunity of going to several precincts in the Watts area. I was told by those running the precincts that the turnout at the polls by 3 o'clock in the afternoon was greater than they had ever had before.

I sincerely believe yesterday's showing definitely indicates that the promise of the legislation enacted by Congress in 1964 and 1965 will soon be borne out throughout the country.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. I only wish to say that they are starting early to whistle in a rain water barrel to keep up their courage.

Mr. ALBERT. I would say to my distinguished friend, he is a real authority on what it takes to be courageous about the outcome of an election.

PERSONAL ANNOUNCEMENT

Mr. CHAMBERLAIN. Mr. Speaker, I was not recorded on rollcall No. 123, with respect to H.R. 14050, on Thursday last.

It was necessary for me to be absent. I wish to have the Record show that had I been present I would have voted "yea."

INCIDENTS IN MISSISSIPPI

The SPEAKER pro tempore (Mr. Boggs). Under a previous order of the House, the gentleman from Mississippi [Mr. Walker] is recognized for 5 minutes.

Mr. WALKER of Mississippi. Mr. Speaker, I would say that no Christian American whether white or black would condone such violence as the shooting of James Meredith or any other person in Mississippi, or New York, and I would be the first to demand that the guilty person be brought to justice.

If it were not for incidents like this which just occurred in my home State, I do not know how a few northeast politicians could ever be elected.

Many of the crimes that have been committed in the Southland have implications of outside promotions. I do not believe that James Meredith, and the New York liberals, along with some other "mushy-mouthed" liberals could have planned anything that would have worked out better for James Meredith. Because, until the time of this shooting, the so-called voter registration march was a complete failure. Now with the help of a few "bird shot" from a 16-gage shotgun, this march has taken on national prominence—whether this was planned or not. James Meredith could have asked for nothing better. A few bird shot under his skin, a rest in a hospital, someone else to do his marching for him, and to be given credit for whatever success the drive may produce.

I am very much against crime in Mississippi or in New York, but there is something else that I consider just as demoralizing—this is hypocrisy. The hypocrisy that I am speaking of in this instance is that shown by individuals from New York and Michigan, who felt it would help them politically to venture South, in a Government airplane, paid for by the black and white American taxpayers, supposedly to look for voting irregularities in my State. But really on a publicity-seeking tour.

The Washington Post had an article this morning telling of several Members of Congress going to Mississippi supposedly to observe the election primaries, and the article further stated that they went on an Air Force jet under authority of House Speaker and minority leader, but upon investigation the minority leader informed me that he had nothing to do with the committee trip and took no part in making the arrangements. I seriously question the authority of this self-organized committee to use U.S. Air Force transportation.

These are the same people that go home and tell their voters that they went to Mississippi. To go to Mississippi means more to leftwing liberals than our struggle against communism in Vietnam or the United States. These colleagues literally feed on horrible incidents such as has just happened. I must say, I question the motives of the gentlemen from New York and Michigan. Their interest was not for the welfare of the American Negro, or for the promotion of civil rights, but their only interest was to create as much national publicity for themselves as they possibly could at the expense of the people of my State. Hypocrisy of this nature, whether it might be in my State or the State of New York is the drain that has been created in America to slide us further down the road to communism—dissension is their approach. As long as they can keep Negro-white relations tense in the South, they can successfully keep the public eye from viewing the crime, bitterness, immorality and corruption in their own districts and States.

I would ask the gentlemen from New York how interested in civil rights were they when in July of 1964, riots in New York City and Rochester took 5 lives, injured 494 people, and cost the people of New York $5 million. I wonder why the gentlemen like to visit Mississippi so much when there is so much to see in New York. No one from Mississippi went to New York back 2 years ago when a young lady was attacked and murdered while onlookers watched. Would you not say her civil rights were taken away? It is my understanding that it is still unsafe for people to walk the streets after dark in many sections of New York. Is this not civil rights?

I would ask the gentleman from Michigan where was he when in November of last year a group of about 50 youths from a Federal Job Corps center in his State went on a rampage and attacked police, looted shops, and smashed windows in a nice peaceful community in the State of Michigan. Three police and 12 other persons were injured. I am sure the presence of the gentleman from Michigan would have been welcomed. Did he consider the civil rights of the shopkeepers? The police or the man on the street here?

Is it not hypocrisy for a clan of northern Congressmen to go south screaming civil rights when they have problems of much greater magnitude in their own districts and States?

One other comparison which I feel proves the hypocrisy involved here is the crime ratio of the State of Mississippi, which ranks among the lowest of any State in the Nation in the number of crimes per capita, as compared with the States of New York, ranking 10th in crime among the States, and Michigan which ranks 9th.

This entire incident represents just one of the many examples of how the leftwing press has shown its true colors. This incident was given top news priority over all other news as soon as it happened—and since—even over the history-making space efforts of our astronauts.

In conclusion, Mr. Speaker, I would like to advise my colleagues that I intend to urge the Federal Bureau of Investigation to use every source at its disposal to investigate all facets of the James Meredith shooting, including the possibilities of the incident being staged by civil rights groups in order to get nationwide publicity for the march.

BLACK NATIONALIST THREATS OF VIOLENCE DESERVE INVESTIGATION

The SPEAKER pro tempore (Mr. Albert). Under previous order of the House, the gentleman from Ohio [Mr. Ashbrook] is recognized for 5 minutes.

Mr. ASHBROOK. Mr. Speaker, we all were shocked at the cowardly and criminal act of violence directed against James Meredith on Monday of this week. No thinking American could have anything but contempt for those who brazenly take the law into their own hands. It is all the more reprehensible when hate lies at the roots. We have become hardened to expect crime as it relates to greed or passion, and criminal conspiracies like the Mafia. Another type of crime is less understood. Crime based on hate or antisocial behavior is becoming one of our major problems and it deserves our undivided attention.

Unfortunately, Mr. Speaker, it is all too obvious that we are overlooking hate groups within the American Negro community and because of political considerations turn our heads the other way. This can do nothing but develop an antipathy to law and, in the long run, will damage our moral fabric and undermine the great progress that the overwhelming majority of Negroes have made in this free Nation. The specter of looting, burning, and threats of violence is being countenanced if it comes from Negroes. Threats of blackmail in the Free D.C. Movement have been winked at because they come from Negroes who are flexing their muscles in this era of change.

As the ranking Republican member of the House Committee on Un-American Activities, I am going to formally request a hearing into those Negro hate groups which parallel the Ku Klux Klan in their basic contempt for law and order and their deep hatred for other races. The dossier of evidence to support this investigation is abundant. No better insight into the importance of this pressing problem can be gained, however, than in reading the story "Plotting a War on Whitey" which is carried in this week's issue of Life magazine. As the article clearly points out, young extremists are eager and ready for action and this means killing the white enemy.

The article documents many aspects of the problem. From a legislative standpoint, the clear and pressing need for House Committee on Un-American Activities activity is indicated by the radical leadership of these Negro extremists who speak in unmistakable terms. Take Harlem leader LeRoi Jones who said:

> I don't think it is necessary to make anything clear to the white man except perhaps that most of the people in the world would be better off if the white man didn't exist.

Jones received about $100,000 in taxpayers' money in a questionable poverty grant to his Black Arts Theater which used the funds to dramatize a hate-white racist theme. Other extremist leaders readily acknowledge that they are looking for the day when they can shoot the cursed white man.

I think it is imperative, Mr. Speaker, that we not shirk our responsibilities in this field. It will be a service to the Negro community just as our Klan investigations were a service to the good white people of the South. The Negro seeks equality and no better benchmark can be erected than the clear indication by the Congress that we will treat them exactly like anyone else. Threats of violence and leadership which fosters violence is the type conspiratorial activity we are clearly mandated to investigate and it is my hope that this problem as it relates to an extremist minority of Negro Americans can be faced up to immediately. The Communists have a phrase "Everyone is equal but some are more equal than others." To stand by while any group threatens a race war and has made the plans to carry it out is to treat Americans unequally and to make a mockery of law and order.

The Life magazine article follows:

Plotting a War on "Whitey"—If Negro Leadership Fail, Extremists Are Set and Eager for Violence

(By Russel Sackett)

In a score of major U.S. cities there is a growing cult of Negro extremists who have been storing arms and stoking the anger of the black ghettos. These men, most of them in their 20s and 30s, are counting on the failure of responsible leadership, both black and white, to meet the demands of the Negro in his fight for equality now. They feel that the structure of the civil rights movement in the North is archaic, based on the sweet-jazzy despair of a time when an urban Harlem was a goal of sorts for Southern Negroes, not just another mocking roadblock on the way to a better life. These young "red hots" feel that the white man is being badly misinformed by his Negro plenipotentiaries, the civil rights leaders, most of whom long since have left and lost contact with the ghetto. They are sure—and there is evidence to support them—that extremism is much closer to the mood of the "brothers on the streets" than the establishment leadership is. The white man they insist, quiets his conscience by, say, overtipping his caddie. "What Whitey doesn't know," says one extremist leader, "is that the man he's overtipped not only doesn't love him for it—he may very well *hate* him. He may be wishing he could cut out his fine Judeo-Christian heart."

In secret recesses of any ghetto in the U.S. there are dozens and hundreds of black men working resolutely toward an Armageddon in which Whitey is to be either destroyed or forced to his knees. Their avowed aim is a summer of chaos—"Wattses, lots of them—only worse, much worse." There is no way to measure the extremists's capabiliy for making good on their threat. But reporters surveying the largest black ghettos of the cities are convinced that the potential is there for at least a hideously effective beginning.

The extremist leadership, a secret revolutionary elite scattered in clusters across the country, numbers in the hundreds. Each cluster has its own dedicated followers, numbering into the scores and hundreds. There are groups with weapons caches—sniper rifles, sidearms, shotguns, automatics, even bazookas—dispersed in tenement coalbins, in vacant attics, in the basements of funky bars where three double shots of scalding bourbon cost a man a dollar. There is, too, by common knowledge, a plentiful stockpile of empty soda bottles, rag wicks, funnels and cans of gasoline that convert into instant incendiaries of the type which, at Watts in south Los Angeles last August, leveled more than 200 business buildings and extensively damaged some 400 more.

A white storekeeper in Harlem, overtaking his week's bookkeeping on a Sunday morning, looked out the rear window of his shop and was dumfounded to see 80 to 100 men in the courtyard resolutely going through combat drill with rifles, automatics and dummy demolition charges. When he reported his discovery to precinct detectives, the storekeeper was told that in recent months similar drills had been spotted and reported in northern Manhattan, the southern Bronx and the Bedford-Stuyvesant section of Brooklyn. The police could only keep the would-be guerrillas under surveillance in an attempt to discover the location of their ordnance depot. The merchant, shaken by the backlot maneuvers, took off for his home in Queens and now does Sunday work in his living room.

A distraught mother on Chicago's South Side recently told detectives she had discovered that her 15-year-old son was stealing towels and stripping them for Molotov cocktail wicks. What should she do? The police advised her to keep them informed if possible—but under no circumstances to let her son know she knew, for fear that she would place herself in mortal danger from his associates.

"You can just about bet," said a special investigator from a large metropolitan police department, "that these people have the circuit diagrams of the underground power-cable systems in many of the major cities."

Said a revolutionary, who has a degree in engineering, "These things are quite simple, you know—an idiot could almost do it. You only have to know what cable to cut, or what manhole cover to lift—and where to place the explosives."

In short, the real prospect for rebellion developing from riots—"urban guerrilla warfare," as the extremists choose to call their immediate goal—is something more than the wild hallucinations of a relatively few angry black Napoleons. Indeed, some knowledgeable observers say that the extremists number among them some of the best minds in the Negro community. This makes it even more urgent to evaluate the believers in violence, who they are, what they plan to do, what they are after and who is listening to them.

"I'll give you an opinion," says Bayard Rustin, the eloquent logician of the civil rights movement and one of a limited number of Negro-establishment leaders who works in daily contact with the ghetto. "These fellows have a bigger audience than we like to admit. They are saying, 'Let's *get* Whitey. Let's put his head in the bowl and pull the chain.' This says something to the poor guy on the corner who can only make a living by selling pot. There are too many poor guys like this and we're not doing enough for him. While we're talking about a poverty program, the extremists are telling him how he can be black and still feel like a *man*. I don't agree with their conclusions, but there are a lot of brothers—too many—who think it sounds pretty good. I think we're in for it."

"Almost everyone knows," Lerone Bennett Jr., the senior editor of *Ebony* magazine, has written, "that the white power structure is threatened by the Negro rebellion. What is not noted often enough is that Negro men of power are also on trial . . . not for the battles they lost, but for the battles they did not fight."

What sort of men lead the extremists? A large percentage have attended college—some still are students—and many have advanced degrees. Among them are writers, actors, lawyers, engineers, teachers, ministers, musicians, architects, athletes and poets—some good and some very bad. Some have been Marxists or members of the Mao-admiring Progressive Labor Movement, but now scorn these affiliations—"That's the bag of the white Left; let them live in it while it lasts." Instead of folk singing, they prefer karate. Some are former Black Muslims, some come out of the proliferation of black nationalist movements.

At some point many of them parted company with the separatist concept—a black state, a black nation, back to Africa, a Third World—as cynical and unrealistic rallying cries. They tend to look on the Muslim prophet Elijah Muhammad as just a religious hustler. They see Dr. Martin Luther King in much the same light, only they hate him more—for he is the Negro to whom Whitey turns for answers to racial questions. But Elijah, at least, aims his appeal directly at the ghetto and stresses blackness as a virtue. For many of the same reasons they disdain King, they view the whole civil rights establishment with contempt, in fact, because it speaks not for the black man but for the black bourgeoisie—"boozhies," as they are known in ghetto circles.

"It seems to me," says editor Dan Watts, whose *Liberator* magazine publishes the extremist writings of men like LeRoi Jones, Lawrence P. Neal and Roland Snellings, that whatever big IBM machine decides which Negro is going to make it in his field just isn't working right. *Invariably* it picks the guy who basically hates his own race and wants to play white man." The comment is particularly interesting coming from Dan Watts, who, in the eyes of most Negroes, pretty well had it made in the white world. A gifted architect out of Columbia University, he was associated with one of the Nation's leading architectural firms. He had a key role in executing the designs for the International Arrival Terminal and the First National City Bank building at New York's Kennedy Airport. He resigned from the firm when he became convinced "I would never be judged as an architect, but only as a Negro architect." In 1960 he quit the profession entirely to take up black-activist journalism. He has never been back to a drafting board.

The anger of many extremists is so intense that it completely bars general dialogue:

"I have nothing to say to the West," was one prominent extremist's response to a request for an interview.

"For the most part," Watts says, "that's because the new black revolutionary doesn't believe Whitey really wants to hear what he has to say. The other part is that he's just past talking—there's simply no longer any point to it."

Those revolutionaries who can still be reached for private conversation are apt to speak with staggering candor, a lot of it directed at the fog of irrelevancies through which, they are certain, Whitey sees racial crises.

"When the blowup comes, and it isn't too far off," says one extremist leader, "it'll be at least partly because The Man [Whitey] feels he has kept up on racial matters by having lunch downtown with Whitney Young or Roy Wilkins. He mistakes what the black Anglo-Saxons tell him for the cry of the black masses. So, when the ghetto suddenly blows up, he'll be completely surprised. He barely knows there's a ghetto there."

"What the black man needs," says LeRoi Jones, the brilliant and bitter playwright who is, if not a leader of black extremism, surely one of its most eloquent spokesmen, "is an absolute world of his own values. This is not realistic with the white man alive. I do not think it possible that we can *wish* him away."

An aged Negro lady, nearing death, was trying for one last time to explain her lifelong religious devoutness to her alienated son, an extremist. "Don't you *know* what I've been praying for all these years?" she implored. Her son sighed that he couldn't imagine. "I've been praying," the old lady snapped, "that the good Lord would strike the white man dead."

Her son later said: "It occurred to me right then I didn't really have *everything* figured out."

Extremism as a very generalized sentiment—the death wish for Whitey—is quite easily discernible among the people of the ghettos. But it is difficult to determine the structure of black extremist organizations. They proliferate—under names such as Uhuru, Black Arts, RAM, Black Flag, Black Vanguard—and they overlap, merge, go underground, reappear and reorganize under other names in other locations. The so-called Black Liberation Front, for example, had a brief moment of notoriety when three of its members—an erstwhile engineering student, a settlement house instructor and a college graduate working for the New York Public Library—were caught in a garish plot to blow the head off the Statue of Liberty as a symbol of contempt for the white power structure. The three were imprisoned, and the BLF has apparently vanished and been absorbed by other groups, thereby avoiding this embarrassing legacy of large-scale bungling.

"Give up, baby," needled one avowed revolutionary when asked to describe the relationship between two current revolutionary organizations. "You're trying to make a statue out of a handful of gravy. Crackers [white men] have bigger things to worry about than the names of the specific groups of brothers that's likely to hit them. The thing to very much keep in mind is . . . they're *going to be* hit."

Currently the most influential and feared of the black revolutionary groups is RAM: the Revolutionary Action Movement—or more recently, some insiders insist, the Revolutionary *Armed* Movement. RAM is an umbrella-like fraternity with an estimated 1,000 violence-bent brothers dispersed through the Negro ghettos of the East Coast, where it was formed. Hundreds of other Negroes are actively affiliated with the brothers in virtually every major city in the U.S. RAM had its beginnings among a group of students who went to Cuba in 1964 against State Department wishes and came under the influence of radical activists whom they met there.

The spiritual godfather of RAM is an American who has lived most recently in exile in Cuba and was there when the American students arrived. He is Robert Franklin Williams, a stocky, soft-spoken ex-Marine who once belonged to a white Unitarian church and headed an NAACP chapter in Monroe, N.C. Long before most of the country was aware of Malcolm X, "Rob" Williams was both preaching and practicing armed resistance to white violence in the Klan-infested Union County area.

In late summer 1957, Monroe Negroes, firing from sandbagged gun emplacements positioned by Williams, put a heavily armed auto caravan of robed Klan invaders to screeching retreat from the city's colored section. Williams left the U.S. in August, 1961, just a step ahead of FBI agents pursuing him for jumping a North Carolina kidnaping indictment. The indictment stemmed from his detainment of a white couple in his home during another Monroe racial crisis. The charge was generally regarded as a juridical absurdity, but Williams' reputation as a hell-raiser and as a warm admirer of Fidel Castro scarcely commended him to clemency in Carolina courts. Williams didn't stop until he reached a suburb of Havana, where Castro granted him asylum.

From Cuba, as RAM-ordained "premier of the African-American government-in-exile," Williams has managed to retain a remarkable continuity of communication and influence with U.S. black extremism, broadcasting weekly, until recently, to Negroes of the South over "Radio Free Dixie," steadily bespeaking armed resistance to white oppressors.

In Cuba, Williams also publishes a violent pamphlet called *The Crusader*, which comes into the U.S. by direct mail to individuals, and across the Canadian border by bundle via couriers. It is distributed quarterly—more or less—along the RAM grapevine. The most recent copies to reach New York were dated March of this year.

In person, Williams is a compellingly pleasant man, quite belying the fanatical vehemence of his public statements. It is difficult to assess just how much control or direct influence he has over RAM operations. Exile makes him a handy symbol—his picture is prominently displayed in extremist haunts in the big ghettos—while at the same time preventing his becoming a charismatic nuisance.

Aversion to charisma is a distinctive trait shared by all the revolutionaries—for reasons both practical (fear of the police) and paranoid (fear of being followed, of having secrets monitored, of meeting Malcolm X's fate). Beyond Williams, RAM's leaders are resolutely faceless. The one man to whom inquiries are most frequently referred by Williams and others is a bright 24-year-old wraith named Max Stanford. This poses problems. Stanford, a Philadelphian, is elusive; he slips secretively from city to city as liaison man among the scattered RAM affiliates, and between them and whatever financial supporters the group has—both inside and outside the country. That much of his role can be learned; no more.

Authorities are convinced that RAM gets material support from sources unfriendly to the U.S.—specifically Red China, Cuba and certain of the African republics. However, there is no evidence of affluence among the leadership. "Put it this way," says one of the brothers. "If any of those countries sent bread, you can bet it wouldn't be sent back. We *know* we have their moral support, but that don't buy much."

Interviews, if any, with RAM leaders are arranged through intermediaries, and conversations generally begin circuitously, on the pretext that the interviewee, though knowledgeable, is not himself a member. In view of the subject matter, smacking as it does strongly of sedition, the sophistry is understandable. A sample, from a cautiously arranged midwinter confrontation in a dimly lit chili parlor:

Question. How far do you suppose the brothers might go if the next big riot were to take place, say, in Harlem?

Answer. Well, let's see . . . hmm. What's that first big commuter train to Connecticut after it gets good and dark? The 7:05? Yeah, well what do you suppose all those big Madison Avenue men would do if that train was to be derailed at 125th Street, or just before it came out of the ground at 91st? Stay there in line in the bar car waiting for that drink in a paper cup? Hah! Run? Where to? Call for help? How? Man, wouldn't they make some hostages?

Question. Where would the police be while all this is going on?

Answer. Don't you suppose like the police might be busy several other places just then? Like putting down a big fuss over on Lenox Avenue, yeah, or trying to unsnarl the world's biggest traffic jam on the East River Drive. Maybe the lights might all go out about now. . . ."

Furtive and unreal as such conversations sound to a white society that hasn't yet quite mastered the first verse and a chorus of *We Shall Overcome*, they ring familiarly to students conversant with revolution and guerrilla warfare in the more violent sectors and eras of world history. It is, in fact, a prevailing attribute of RAM members that they are impressively well read in revolutionary literature—from Marat and Lenin to Mao, Che Guevara and Frantz Fanon.

"One of the brothers' real hangups now," said one such scholar, twirling his martini glass in a Brooklyn bar, "is that there's no really definitive book on *urban* guerrilla warfare. I've checked the libraries; it's too new a subject. . . . Maybe," he chuckled in afterthought, "we'll write our own." Q: How would you tell if a man you don't know is an extremist? A: Well, if I was sitting in a really good espionage movie, like—oh—*The Train* or *The Spy Who Came in from the Cold*, and the guy sitting next to me was black and he was taking notes, I'd figure he's probably a brother.

In an issue of *The Crusader*, published a year before the 1965 Watts riot, Rob Williams offered a pretty vivid outline for urban guerrilla tactics: ". . . huddle as close to the enemy as possible so as to neutralize his modern and fierce weapons . . . [diminishing] central power to the level of a helpless, sprawling octopus. By day sporadic rioting takes place and massive sniping. Night brings all-out warfare, organized fighting and unlimited terror against the oppressor and his forces. . . ."

And later that year, in the June 1964 issue: "The weapons of defense employed by Afro-American freedom fighters must consist of a poor man's arsenal. Gasoline fire bombs, lye or acid bombs . . . can be used extensively. During the night hours such weapons, thrown from rooftops, will make the streets impossible for racist cops to patrol . . . gas tanks on public vehicles can be choked up with sand . . . long nails driven through boards, and tacks with large heads are effective to slow the movement of traffic on congested roads at night. Derailing of trains causes panic. Explosive booby traps on police telephone boxes can be employed. High-powered sniper rifles are readily available. Armor-piercing bullets will penetrate oil-storage tanks from a distance. . . . Flamethrowers can be manufactured at home. . . ."

The stormy Williams tract concludes: "America is a house on fire. Freedom now, or let it burn, let it burn!"

The major concern of responsible Negro elements is the speed with which the revolutionaries' message is catching fire among the young in the teeming Negro compounds—the Harlems, Wattses, South Sides and levee districts of the land, where "extremism," before the Watts crisis, was little more than a hot whisper.

"Maybe it first really hits you when you start to shave," muses one thoughtful Negro revolutionary. "You wake up in the morning and the guy in that mirror is black. He's black, and this is no great blessing in this life. There are days when you just don't feel you want to go through this."

It is hard to sell abstract concepts like integration and civil rights to a teen-ager with a ton of homework and no home—not even a quiet corner—he can do it in. Bitter youngsters see in the concept of armed revolution a tangible prospect of striking back at the one incarnate force barring the way to almost everything they ever really wanted: Whitey, The Beast, The Man, The Greys, Crackers, Mister Charley.

"It's this sense of complete alienation," says Dan Watts, "the frustration of being less than a man in his own house. If you say the trouble is the Negro just wants his share of the bread, you're missing the point. Sure, everyone wants the good life, but more than that is just the sense of being a human being. That's where the big appeal is in the warrior aspect of this revolutionary thing, and don't discount it. This—not just bread—is the glue that brings the people together. What good is envy? You've got to make a man accept the fact that he's black, make him proud of it, make him want to fight for it. Putting Weaver in the Cabinet or paying Willie Mays $100,000 a year won't do it. You've got to show him Whitey can be *scared* of him."

Echoing the same train of thought, another man scowled at a group of Negro youths milling on a corner in front of a burned-out tavern in south central Los Angeles.

"Equal opportunity, my sweet obscenity," he said. "The way these kids see it, equality is like Whitey holds you by the belt at the starting line until everyone else is halfway around the track, then gives you a big slap on the rump and says, 'Go, baby, you're equal!' Takes an unusual man to win a race like that. It's easier to shoot the starter."

Not many of the adult revolutionaries seem really concerned with a youth program. "Kids are extremists in their own way," a RAM member explains, "What matters is that they're mad; they don't much care about long explanations of *why* they're mad. The idea of guerrilla warfare—*that* turns them on."

Question. Why don't the revolutionaries pay more attention to kids?

Answer. *Because* they're kids. They aren't ready to be revolutionaries.

Question. Are you saying there's no place for kids in a revolution?

Answer. Man, be serious! Once everything blows up, kids are indispensable. But not in the *planning* stages. They'll probably be the ones who provide the incident that sets it off, and they'll sure as hell keep it going. There's never in history been an armed revolution without a lot of hot kids. But, oh, those baby brothers are bad news when it comes to keeping secrets! Let 'em into the movement and we—ah, the revolutionary brothers—would all be locked up before it started.

Question. Does that mean the brothers do the planning and the kids are the cannon fodder?

Answer. Oh, come *on!* Not cannon fodder. *Reserves.* They'd do it all themselves, but then all it'd be is a riot. RAM can handle planning, preparation, transportation, supplies. Things like that are the difference between a riot and a revolt. But just don't get the idea the brothers are afraid of getting *themselves* killed. I swear, a lot of 'em will feel cheated if they don't.

One of the most striking developments among ghetto teenagers has been the growth of a "super-gang" concept which has made the old lexicon of "turfs" and "rumbles" obsolescent. One such super-gang, known as the "Five Percenters," came to the surface early last fall in New York.

The name Five Percenters stems from a thesis that 85% of Negroes are "cattle," directionless and immobile; that 10% are "Uncle Toms," leading only at the bidding and convenience of the white man; and that the remaining 5% are destined to take over from the Uncle Toms and mobilize the 85% for battle against Whitey.

The Five Percenters frankly terrify most adults who have had any contact with them, and partly for this reason it is difficult to find anyone in a position to discuss them authoritatively. The group embraces an estimated 1,200 youngsters (there is evidence of adult leadership) ranging in age upwards from 14, and they come from all five boroughs of New York City, but principally Harlem and Bedford-Stuyvesant. Its members are great admirers of the RAM brand of extremism, even though they could do without all the intellectualizing. They have their own arsenal and their own creed, based on a pseudo-religious mystique that they borrowed in part from the Black Muslims, which leaps on astrology, numerology and voo-doo. They make a big thing, for example, about not eating pork.

"That's one tipoff," says a juvenile authority. "A kid who's never taken any more interest in dietetics than wanting to know what's for dinner suddenly wants to know whether his mother cooks with oil or with lard. If Mama's hair isn't gray already, that's when it starts turning. Most ghetto adults know that, under the Five Percenters' code, parents are expendable—especially if they're 'working for The Beast.' These kids are so hot that they don't just threaten to leave home or to hit the old man. They threaten to kill him—and some of 'em could do it.

Each Five Percenter is assessed dues of as much as $30 per month. It's any outsider's guess where the money comes from or precisely how all of it is spent. "Wild as it sounds," says one youth counselor, "we're pretty well convinced most of the money goes for the parties—well, you could call them orgies—after their weekly meetings. Pot-smoking is a big part of the group ritual."

Students and teachers have been threatened and beaten by groups of Five Percenters roaming the school corridors and interrupting classes with loud racial insults.

"It's the Superman thing all over again," says a school official. "Somehow being Five Percenters pumps these kids full of their own strength and power, and aims it at what they are sure is the essential evil of white society. They'll tear a school apart for no stronger reason than that it doesn't provide an adequate course in African history."

"It sounds strange to say it after some of the things they've pulled off," says a junior high school teacher, "but most of these are not bad kids. This ghetto life is stacked awfully high against them, and the wonder is that any of them make it at all. How do you reconcile the life of a boy who's a pretty fair student in school and a Five Percenter on the outside? I've asked kids this question, and I've seen them cry, really cry, trying to explain it. Sure, some of the Five Percenters are psychotics and have no business in school, but if they were all as bad as they'd like to have us think, I'm sure we'd all be dead. Something's going to have to be done to help these kids or the place is just going to blow up. It's a failure our society can't afford. I wish I had the answer."

Ultimately, virtually every non-extremist concerned with the crisis of the black ghettos seems agreed on the first step toward a solution: something must be done, and fast, to buy a little time.

Harlem last summer scrambled into an emergency program, underwritten by the federal Office of Economic Opportunity and administered through HARYOU-ACT, Harlem's antipoverty administrative group. Called Project Uplift, it was funded at $3 million and begun within three weeks' time, its chief purpose being to avert a replay of the Harlem riots that had taken place in the summer of 1964. It gave a hint of what might be accomplished by a community-run crash program and provided a checklist of mistakes that can be made.

Livingston Wingate, executive director of Haryou-Act insisted from the beginning that *every* element in the community that wasn't in jail be included in some way in the planning. This brought in churches, civil rights groups, black nationalists of numerous descriptions, the civil rights establishment, Republicans, Democrats, Marxists, Maoists and, ultimately, Five Percenters. Wingate was nearly devoured by his own creature. Right at the start 4,000 youngsters were signed up for a multi-faceted youth program budgeted originally to include 2,500. Bookkeeping collapsed, checks were mislaid or not made out and the youngsters nearly wrecked the Haryou offices before they were cooled off. But Project Uplift zigzagged on through the summer, culminating on a disquietingly hot day, September 11, with a gigantic parade and picnic that involved virtually all of Harlem and wound up in Central Park—and without unhappy incident. It was one month to the day after the Watts rioting had begun in south Los Angeles, which had no summer program.

No extremist today claims credit for such scattered masterminding as evolved during the course of the Los Angeles' Watts riots of 1965; but significantly the claim is that plans are already well in hand for "the next one," whenever and wherever it begins. The hottest prospects at the moment—in addition to Los Angeles—seem to be Oakland, Washington, D.C., New York City and St. Louis.

"Watts was a clear demonstration of how much hell a *little* organization can raise," says a highly involved observer. "It gave these people a chance to see white cops really scared—actually on the run, from *them.* Just think what could happen in a highly organized ghetto, like Harlem or Philadelphia, where streets are narrow and buildings are higher and snipers can control the rooftops. But it could happen anywhere, or everywhere at once. Just watch."

"The mood of this area right now is even uglier than it was before the Watts thing," says Lou Smith, western regional director of CORE, who heads a self-starting neighborhood rehabilitation unit called Operation Bootstrap in south Los Angeles. People here are just *up to their noses,* and they're not taking any more without doing something about it. These folks are not asking for a hell of a lot, just for someone to be concerned. There are tens of thousands of middle-class white folks who are really worried and want to do something. But the government isn't clearing the way for them. I think it's going to blow here and in almost every ghetto across the country."

"A whole lot of it is police," a young Los Angeles extremist leader says quietly. "There's still a man under that blue suit, and he can be just as wrong as anyone else. I've watched beating after beating, and I just got hardened in here [hitting his chest]. A kid caught out by himself sees some cops coming at him and he's gonna run. Alone, in this area, he's gotta fear the police. I saw a boy during the riots—all he had in his hand was a camera. The cops yelled at him and he ran. They blasted right through him with a shotgun.

"I want a *unity* in this town, so that man—that cop— is not going to come down here and snatch *nobody.* I try to tell The Beast, and I'll tell him once more: You're pushin' too hard. We're *with* the brother on the street. Even when the guy's *wrong* we're gonna be with him. This has got to be understood. If nothing's done, I'm sure not going to tell these fellows—ah—not to defend themselves."

"I can't buy the extremist viewpoint," says another young man standing on a Watts intersection where bulldozers had cleared away vestiges of a supermarket and liquor store. "It offers no future, it seems to me, but wiping 'them' out and then sitting around waiting for someone to get us.

"But a lot of folks around here look up to these guys as though they were modern American revolutionists. Maybe they're right. England didn't give any more reasons for revolt in 1775 than there are here right now."

Is there an answer? Not without honest, black-and-white dialogue that penetrates the ghetto wall and addresses itself to the hatred pent up within it.

"It would help enormously in America if there were a 10-year moratorium on the word 'love.' " says Lerone Bennett. "It is not required, finally, that we *love* each other. What is required is something infinitely more difficult—for us to *confront* each other."

The conversation in a dingy tavern had gone on for three hours and become less guarded.

Question. Will the extremists hold together once it all starts?

Answer. Who knows? It's easy, you know, to sit around cafes and shriek "Freedom!" It's a lot colder out on the streets, even in mid-summer, when they're shooting at you.

Question. What is it exactly that the brothers want? Is there anything that would call it off, even temporarily?

Answer. Nothing that Whitey's ready to give.

Question. What's the end of it?

Answer. Man, I don't know. Concentration camps, maybe, like for the Japanese on the West Coast in 1942. Some of the brothers talk about victory, but this is nonsense. It's like all wars. First there's a reason, then an incident—and blooey! We'll fight because there's no choice. There's some satisfaction just in knowing how much hell can be raised while it lasts.

Question. Once a revolt starts, are *all* white men targets?

Answer. Gotta be.

Question. How about the whites who've laid their lives on the line for the Negroes in the South?

Answer. Some of us would like to issue armbands to them—you know, passes, they've earned 'em, God knows—if we thought it would work. But it wouldn't.

Question. You're a civilized, well-educated man. Would you really pick up a gun and man the barricades?

Answer. Baby, *most* revolutionaries are civilized, well-educated men with a cause they think is righteous. I'll be on the line when the time comes.

Question. Do you think *you* want to die?

Answer. I'd *like* to come out *alive*, baby. But y'know, at 4 o'clock in the morning some days I just don't see how. This thing has got to be resolved in my generation.

Question. Why your generation?

Answer. Hmm. . . . Why not?

Question. If I came into your sights, would you pull the trigger?

Answer. Without batting an eye, baby.

ELECTION IN THE DOMINICAN REPUBLIC

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter into the RECORD at this point or during the course of my address.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, I take the liberty and I am rather reluctant to impose upon the Members who still remain in today's session in order to further explain and enlarge and report my observations as an observer for the Organization of American States during the recent election in Santo Domingo, which took place last Wednesday, June 1.

Mr. Speaker, the reason I feel impelled to do so is that this was such an impressive experience and some features of this election have yet to be reported, from what I have gathered from all the known sources, whether the wire services or feature articles that have been written, and I believe that it will in some small way justify the remarks that I want to make at this time.

Mr. Speaker, as I said earlier today, I was 1 of approximately 41 observers that the Organization of American States selected from the various countries that compose the membership of this very valuable organization. I was privileged to be one of three from the United States. This was done upon the request of the provisional President of the Dominican Republic, Dr. Garcia Godoy who requested that the OAS appoint a group of citizens, impartial, to serve as observers during the course of this election and the appointment and selection was to be made by the Secretary General, Dr. Mora of the Organization of American States.

Mr. Speaker, there had been quite a good deal of apprehension that where a country which had been wracked by a civil war, by intervention and occupation, could under these conditions hold an election in the sense that you and I would understand an election, an election that would be free from intimidation, an election that would protect the secrecy of the ballot, and the democratic processes as we understand them and take them for granted in our own country.

Mr. Speaker, I am very happy to say that I was given the opportunity to travel from one end to the other of the Dominican capital. Most of the observers were assigned to areas outside the Dominican capital and out into the countryside. Every nook and cranny of the countryside had an assigned representative.

Mr. Speaker, I was fortunate and was one of four of the team of observers for the OAS who was assigned to the capital sector. As such I started early on election day and visited a number of 51 different polling places which in that country are known as mesas or tables. That is the name derived from the fact that they have an election table. In each one of these precincts there was a presiding judge, with two officials to aid him, and each single party had a poll watcher or what we would call a poll watcher to challenge, if necessary, any voter whose credentials they felt were not in order. The military, which in the Dominican Republic is known as the fuerzas armadas, the armed services, were restricted to their barracks. The policia nacional—which you and I would roughly construe to be the National Guard—was there on duty to make sure that no disorders or any type of physical violence would take place during the course of the election day.

Mr. Speaker, the polls opened promptly at 7 o'clock in the morning and closed at 6 p.m.

Mr. Speaker, if you had been with me you would have been highly pleased to have seen the conduct of this election and the exemplary behavior of the Dominicans during the course of election day.

Mr. Speaker, I can recall no election that I have personally been involved in at home or any other that I have witnessed that could have had more order, better respect for procedure and absolute guarantee of the sanctity of the vote and the secrecy of the ballot.

Mr. Speaker, the military were disenfranchised; that is, no member of the armed services or the national police could vote in the election.

Mr. Speaker, for the period of approximately 36 hours prior to the election day, no type of political activity was permitted, no radio speeches, no type of campaigning or politicking. The candidates had withdrawn to their respective residences.

The candidates had withdrawn to their respective residences and a period of calm and tranquillity prevailed. This, I think, is something that perhaps we could adopt in our own country. In any event the opportunity was there to enter into the polling booth as I did, in each one of these 51 different polling places. I covered an area from across the river, over the bridge as they say there—and went into the poorest sector and I traveled into the center of the city or the old section of the city which curiously enough they call the new city, but in reality it is the old sector where you recall that the heavy fighting took place a little more than a year ago.

Some of the buildings, of course, still have all of the marks of that tragic episode in the Dominican Republic. The thing that impressed me more than anything else was the absolute absence of either covert or overt bitterness, resentment, or hatred on the part of the people. Everywhere I went, and I had the great privilege of being invited into the homes of some of these officials and I also had the additional privilege of having been granted a visit and an interview with two of the principal candidates—the third candidate was not at home when I visited him, that was Dr. Bonnelly and therefore I did not have a chance to visit with him personally. But I did with Dr. Juan Bosch and also with Mr. Joaquin Balaguer who actually apparently has won that election. Both of these men are highly cultured, very eloquent, and articulate gentlemen.

All of the election processes that we who are in politics in the United States identify with a political campaign were present in that election. I feel as a politician that it was interesting to note the losing candidate was the gentleman who did not go out to campaign but rather because of fear of violence had restricted himself to his residence and therefore had not gone out to approach the voters. His opponent who from all appearances had conducted a saturation campaign with all of the techniques such as buttons, ribbons, and brochures won the election.

The only difference here is that their political placards, as we know them, are absent and instead it is open season to write your campaign slogans on anybody and everybody's walls—walls on homes, walls on buildings, and so on. I am sure that the owners of those walls will have to do a complete repainting job.

The spirit of the people—the apparent outlook—and it was more than apparent because it was obvious—the spirit and outlook that was reflected by the citizens who participated in the voting was one that would give us all a great deal of hope and certainly strengthens our belief for those of us who believe in the essential goodness of the democratic processes.

Everywhere I went, once the people let their hair down—and all of our conversations were carried on in Spanish—as I say, everywhere I went once they let their hair down they had no hesitancy in letting their feelings be known.

The people of the Dominican Republic whom I met were warm and demonstrative and courteous at all times. There was a complete absence of resentment, bitterness, or complaint.

I talked to two individuals. One of them had lost an arm. The other person said he had been burned during the conflict and he did show some bitterness, but not the kind of feeling that one would expect an individual to have who had gone through that kind of experience.

Everywhere the feeling was the same. They said:

> We want you to know that whatever impression or image there is of us abroad to the effect that we, the people of the Dominican Republic, are lawless or that we do not want to have the democratic process—all that is a very serious error.

They would also say:

> We are glad that you are interested enough to want to know about these things.

Everywhere I traveled during the course of the election the people were most generous and hospitable. The reaction of everyone, from the individual election official to the voters standing in line, was universally one reflecting gratitude that people outside Santo were interested enough to come to their country to see for themselves that they were law abiding and that they did believe in the democratic processes.

The apparent President-elect, Dr. Joaquin Balaguer, was most gracious and generous in allowing me two interviews: one, on the afternoon of the election day itself, shortly before he went to vote, and the other early in the morning the day after the elections. In fact, I was the first non-Dominican to greet and congratulate the apparent winning candidate. Dr. Balaguer, a quiet and soft-spoken and highly cultured man, very calmly stated that it was his hope and aspiration to help bring about national unity, which he considered the absolute essential in order to restore normalcy to this long-suffering country. He was most conciliatory and stated in my presence, in answer to a question, that he considered his principal opponent a patriot that he would welcome to his Cabinet if he so desired. This, Mr. Speaker, I believe demonstrates that stature of the man.

Also, as I stated, I was privileged to meet with Dr. Juan Bosch, the very personable and popular leader, who consented to see me on the same afternoon of the election. Dr. Bosch did not discuss politics with me, but rather the fact that he was pleased to see a man of my kind, with the ability to converse fluently in Spanish, and then proceeded to reveal his deep and varied erudition, discussing many historical facts of interest both about my native State of Texas, as well as about Mexico. In short, Dr. Bosch is a most intelligent, personable individual, who also revealed his deep love for his country and his desire to contribute to its progress and betterment.

By way of parenthesis, Mr. Speaker, I take this opportunity to mention the obvious great contribution being made by everyone who represents the United States there, all the way from the American Chargé d'Affaires, as well as our military contingent and leadership—all military were restricted to their areas—because quite obviously to me the American military man is not a symbol of hate or dislike, but has, because of the traditional American humanitarianism, established an amazingly successful rapport, as I say; all the way from these diverse components of American symbolism in the Dominican Republic to the American representative to the OAS, Ambassador Ellsworth Bunker.

I sincerely, believe, Mr. Speaker, that the people of the Dominican Republic have given an example to the world of good citizenship and that they are true believers in the processes of democracy. I firmly believe that through a near-miracle everyone of us in the New World interested in good relations, in the government derived by the just consent of the governed, in freedom, and in the promise of the New World—for after all it was in Santo Domingo that the New World we know was born for it was here that Columbus first set foot—yes, we have been given a second chance in Santo Domingo.

God willing, and with a sustained interest on our part to be helpful and friendly, the Republic of Santo Domingo will enter a new and a glorious watershed of development, progress, and peace.

Mr. Speaker, under unanimous consent, I insert into the Record a news report from the Washington Post of June 8, 1966:

> BALAGUER AND BOSCH MEET AS OLD FRIENDS
>
> SANTO DOMINGO, June 7.—President-elect Joaquin Balaguer and defeated presidential candidate Juan Bosch met and embraced last night, reportedly at the home of a mutual friend.
>
> It is not known whether Bosch congratulated Balaguer on his victory in last Wednesday's election, or if he agreed to recognize his government.
>
> Balaguer won the presidential contest with a margin of nearly 250,000 votes. The official results have not been released and Bosch has not publicly conceded. His Party is seeking to establish proof of voting irregularities in order to challenge some of the results.
>
> "It was really a meeting of old friends who have a deep and mutual respect for each other," informed sources said.
>
> In another development, officials of Bosch's Party claimed police and armed forces were persecuting members of their Party. They said some members from the interior were arriving in the capital "for protection." The accusations were denied by officials of the armed forces and Balaguer's Party.

OBSERVERS OF THE MISSISSIPPI ELECTION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. Conyers] is recognized for 1 hour.

Mr. CONYERS. Mr. Speaker, I am delighted to follow my distinguished and able colleague from Texas, Mr. Henry Gonzalez, and to hear his very enlightening and, I think to all of the Members present, encouraging report on the state of political activities from that great area which he recently visited on election day. I think it is quite significant that Members of the House take it upon themselves to determine the nature and the fairness of elections in the various parts of our country and other places, because I think it is important that we lead the world producing, in the candid study and observation of the fairness of the election process, which is in truth the heart and core of any form of a democratic government.

Therefore, Mr. Speaker, it is with a great deal of pleasure that I report to you and to my colleagues that yesterday seven Members of this body were present in the State of Mississippi when a very historic occasion took place. I refer now, of course, to the primary election that was conducted in this State. Seven Members from this body observed that election. I would like to mention their names because I think they deserve not mere nominal mention of their role in the election in passing; I think they deserve the heartfelt tributes and commendations of this entire body.

A bipartisan group of Members from this House joined me in observing the electoral processes that took place in Mississippi yesterday.

I refer now, Mr. Speaker, to our distinguished and able colleagues, Ogden Reid, Benjamin Rosenthal, William Ryan, Ted Kupferman, Lester Wolff, and John Dow, Members who are as busy as all of us are in this 2d session of the 89th Congress, but, when approached by me, joined in a very important mission to the Southland to witness and observe the election process in operation, and to determine whether the great words that were spoken by so many of our colleagues during the passage of the Voter Rights Act of 1965 had been spoken in vain.

I was indeed impressed with the deliberate reflection that they gave to my invitation, because they wanted to know, Mr. Speaker, whether or not such a mission would serve a useful purpose. They wanted to know whether or not a trip by Members of this body into one of our great States would be one that would reflect credit upon this House. They wanted to know what impact, if any, our visit into Mississippi would have upon the election that was in progress yesterday.

I point this out because this was not a hastily contrived mission. Least of all was it a publicity-seeking operation. Nor was it a visit intended to publicize or martyrize some Members of the Congress as opposed to others, because indeed had all of the Members who wanted to join us been able to free themselves of their previous obligations, there would have been over 35 Members of this body that would have joined me in Mississippi for their primary elections in 1966.

They would have joined me for the very simple reason that the elections in Mississippi yesterday were the freest elections that have been conducted in that State—and I say this advisedly—since the Reconstruction period of 1865. We were observing and participating in elections that were being maintained under the watchful and careful scrutiny, for the first time in American history, of Federal registrars and Justice Department observers, and the Federal Bureau of Investigation, and many civil rights organizations, religious organizations, and individual Americans who share with us the continuing concern that 1st-class, as opposed to 2d-, 3d-, or 10th-class citizenship, will become an accepted and ordinary activity, not just in Mississippi but in every one of our 50 great States in the Union.

So I say to you: We went to Mississippi with the same mission of urgency that another great American only the previous day had left en route for that State. We left with the same spirit of good will and desire to bring the highest standards of integrity and fairplay to the democratic election procedures of that State that have concerned every Member in this body since we began passing civil rights legislation in 1957.

It was with a parallel spirit that the two groups of people left for the State of Mississippi: One, a Negro citizen born and raised in that State and a handful of his friends who were going back to give courage to the hundreds of thousands of Negro Americans who are learning—and have yet to learn fully—of the election process, and the other, a mission of seven Members of this distinguished body who were going to observe the election processes as they were actually practiced.

The members of this team, an ad hoc committee, were very thorough and very dedicated in seeking a true and accurate picture of voting practices in Mississippi in this primary conducted on June 7, 1966. They approached this question with an impartiality that would be more suitable for a judicial decision, because they did not identify, Mr. Speaker, with any political party, or with any candidate, or with any particular local or national political affiliation that might have been active in the State of Mississippi. Indeed, they went to great pains to disavow and disconnect themselves from any possible implications.

We had on our committee not one single person who was active or connected with any candidate or political activity that was going on on election day in the State of Mississippi. Indeed, the seven Members of the Congress, Mr. Speaker, bent over backward to make sure that everything they said and did, as they conducted themselves through that State, was fair, impartial, and was serving the greater and broader interests of the House of Representatives.

I am very happy to report back to you, in brief form, some of the exciting and dynamic and encouraging experiences that were our fortune to experience and witness as we talked to Negro and white voters in that State, to people working at the polls and in the elective processes, to the State policemen and officers, to members of the Justice Department, including people who were working there as registrars.

It seemed to me that what we saw and heard and witnessed as we traveled through two of the great commercial cities in Mississippi and their environs was indeed the proof positive that Mississippi is at last at a new and great turning point in this quest for full political rights for every man and woman in that State, regardless of his or her race, color, or creed; because, Mr. Speaker, we saw progress. We saw Negro and white voters lined up quietly in many of the polling places throughout Jackson and Canton, Miss.

We saw and spoke with many people in the voting lines who had never voted before in their entire lifetimes. We saw and talked with local election officials, men and women commissioned by that State to conduct and supervise the voting process.

We were very pleased to note that at least if they were not enthusiastic and overly friendly about the transitions which were taking place in that State they were determined to do their jobs and to discharge their responsibilities with a minimum of emotionalism in as fair a way as they possibly could.

I say we, as the members of this ad hoc committee, were extremely pleased if not surprised by the cordial reception we received. Let me not exclude from this recitation the fact that the State police there acted as our escorts throughout the entire time we were there.

I am not here to tell the Members that the elections in Mississippi were without unusual and unfortunate incidents. I do not come before this body to report that there were not criticisms and complaints and protests of racial discrimination and unfairness which were lodged against quite a number of election officials during the course of yesterday's election.

But what city or what State is totally free from those charges? I know we hear them in Michigan. We have heard them in New York. We have heard them in Illinois and in California.

So I point out that the complaints we speak of, although they are still grave and are still of a very serious nature, were nonetheless in a minority and that, to the best of our knowledge, no actual violence or bloodshed was reported throughout the State of Mississippi on its primary election day held only yesterday.

It seems to me appropriate that I just mention part of an editorial which referred to that great Mississippian who discharged a very great and important and vital responsibility when he determined to join with whoever would come with him down a public highway to help give courage to those brave Negroes in that State who are yet overcoming the fear of many generations in learning to fully participate in the electoral processes in the State of Mississippi.

Providentially, miraculously, the life of Mr. James Meredith was spared. As the Washington Post went on to say:

> ### FREEDOM MARCH
>
> By providential mercy, James Meredith's life seems to have been spared. He offered that life on the altar of freedom as surely as any soldier on a field of battle. In the face of jeers and curses—and freely offered predictions that he was going to be killed—from thugs who lined the rural roadside along which he was walking, he moved steadfastly on his determined way, seeking to set an example of courage for fellow-Negroes in Mississippi, seeking to spark the courage needed there by Negroes to exercise the right to vote.
>
> What happens now to the fanatic or madman who shot Meredith is relatively unimportant; he should be confined, of course, and probably in a mental institution. But what happens to the conditions and attitudes that produced this barbarity is of crucial consequence. Two kinds of action need to be taken.
>
> One kind of action is local. It is clear from the ugly crowds that taunted Meredith and his companions along their route that the would-be assassin's behavior was not singular, save in its extravagance. It was simply an expression of the boundless hostility felt by some ignorant whites in Mississippi toward Negroes who dare to assert rights guaranteed to them by the Constitution of the United States. That hostility is a reflection of the malign leadership that has prevailed in Mississippi; it can be changed by sound leadership. Mississippians who deplore this kind of senseless violence can act to overcome it and prevent it in the future by teaching and preaching the gospel of a common humanity, by insisting upon a respect for civil rights regardless of race.
>
> The other kind of action is Federal. Congress now has before it a comprehensive civil rights bill, one of the specific provisions of which is designed to strengthen protection for civil rights workers and advocates. James Meredith's sacrifice ought to spur congressional concern and move this bill to swift enactment. It ought also to spur Federal authorities to the most vigorous implementation of Federal power. The Department of Justice has even clearer reason to use every device at its command to protect civil rights. James Meredith's private demonstration has demonstrated a great deal.

So, too, Mr. Speaker, the demonstration of seven Members of this body, reflecting the constant interest of many other of their colleagues, demonstrated a great deal. This sojourn to Mississippi, I believe, reflected the sentiments of an overwhelming majority of this body of the Congress, which by virtue of its constitutional creation is nearest to all the people in all the States. Our national conscience resides in the Congress, and we know that we did not misread the mood of scores of millions of Americans who are now again deeply concerned about justice and fairplay in Mississippi. Mr. James Meredith, the epitome of everything that we hold to be decent and just, was once again the target of a paranoid racial hatred. The conscience of the Congress and the mood of revulsion in America against what was done to Meredith made our trip imperative. Against this kind of emotional backdrop, we went to see for ourselves what were the good points, what were the strong points, what were the weak points, how effective in truth was the Voting Rights Act of 1965, which was being soundly tested for the first time in the State of Mississippi.

So, Mr. Speaker, we found there are recommendations concerning the enforcement of the Voting Rights Act that should be made and will be made to the Justice Department. We found that there is, as Mr. James Meredith pointed out, a fear that cannot be corrected, Mr. Speaker, by the enactment of a law or in the course of one election.

We found that generations of violence, coercion, intimidation, and economic reprisals has resulted in effective and massive racial discrimination that has been discussed and revealed in the course of the civil rights bills that have come from this body, in 1957, 1960, 1963, 1964, and 1965, cannot be overcome by merely passing a Voting Rights Act and sending in a mere handful or registrars and telling citizens that now it is all right to register and vote.

Mr. Speaker, we are relieved to report that no other known instances of violence were reported to us in Mississippi yesterday, we do know that that there was the lingering fear of coercion that has been present in that State since post reconstruction days when the Ku Klux Klan and the other reactionary organizations conspired and acted to prevent many hundreds of thousands of citizens from learning how to participate in the voting process.

From the well of this great House, I am very proud to say that there is present today a very real indication that that fear is being turned back in the South. Negro Americans, in ever increasing numbers, are no longer afraid. It is as simple as that. In addition, there is a very real indication that not just Negroes, not just civil rights workers, but white Americans in Mississippi whom we have had the privilege and honor to speak with, have indicated that they are more than willing to help Mississippi take her place in the 20th century along with every other State in the Union and that they too support the fundamental proposition that every American within Mississippi borders who is eligible by Federal and State qualifications be given the full and unrestricted franchise.

But, Mr. Speaker, there were numerous complaints of racial discrimination registered throughout the State, that could not be reported to Federal authorities because the Federal presence in this, the first real test of the Voting Rights Act of 1965 in Mississippi was totally inadequate. There was not even one Federal officer anywhere in the State to accompany the congressional delegation that presented itself in Mississippi on election day. As we talked to the FBI and to the Justice Department and the Federal registrar officials, it was clear that they were too thinly spread out over a small portion of the State to really be of the assistance that was required in our judgment on election day, June 7, in Mississippi.

So, Mr. Speaker, we are going to recommend to the Justice Department that it is appropriate that it announce, as a matter of public policy, as to whether it wants to continue to minimally enforce the 1965 Voting Rights Act and the Civil Rights laws in this Nation, or whether it wants to maximumly enforce those laws, because we have not yet heard, Mr. Speaker, one single request from that Department for additional men or manpower or money or equipment to really send in a moderate Federal presence into not just a few of those counties, but into each of the 82 counties in that State.

Because I join with that great number of the Members of this body, and James Meredith, in questioning the efficiency of our law enforcement agencies that would permit an assailant to rise up within a very close distance of his intended victim in the presence of the FBI, and in the presence of representatives from the Justice Department and of the State police and announce that he is going to shoot an unarmed man, and then to have photographs, Mr. Speaker, of law officers diving for cover instead of protecting the man they were walking down that highway with, raises serious questions.

I think that this kind of situation requires the Members of this House of Representatives to join with me in demanding a complete investigation into this incident. Far more deeply disturbing to me is the question of how meaningful is the protection that is to be afforded to civil rights workers and Negro Americans in the South.

We found that irregularities had been reported and we referred these reports to their appropriate authorities for further investigation and correction. Citizens in Jackson, Miss., told us that some of the polling places were not located in public places as one might normally expect them to be. Instead they were in the homes of white citizens in precincts in which a majority of the voters were Negroes. Whether one recognizes it for what it is or not, is a subtle form of intimidation. These Negro Americans, in the atmosphere of fear that has long been connected with Negroes voting in Mississippi, are not ready yet to walk into somebody's home to vote when there is a public school or a fire station or a police station even or other public building, or even a commercial building—that were readily accessible.

There were complaints in some precincts where as many as 2,000 registered voters were expected to participate effectively in the voting process. Obviously, some of the election machinery in this great State, by the admission of the registrars and the election officials with whom we discussed the matter, and we also discussed this with the county party officials—obviously some of that machinery requires some drastic and immediate overhauling so as to get an up-to-date and speedy election procedure into practice.

So I would refer my colleagues in this House of Representatives to a very profound decision that was in the statement that James Meredith issued to explain to America and to the world what motivated him, a Negro American—a man whom I might point out had never been actively associated with civil rights organizations, to tell the world how his conscience was troubled over the question of whether or not he should carry a weapon on his person when he would go about the country and into the Deep South on these speaking engagements and on other assignments that required him to go there.

James Meredith said:

> For 2½ years I had debated the question of whether or not I would carry a gun with me. Just the night before I went to Mississippi, I made that fateful decision—the decision was to carry a Bible instead of a gun.

So, with only a Bible and a walking cane and wearing a pith helmet, James Meredith has written his name indelibly on the pages of American history in this march down that road which leads to total democracy for all Americans.

James Meredith, as everyone knows, could have very easily defended himself had he been armed against this sick person who dared shoot him in such a dastardly and cowardly manner. But he demonstrated the basic quality that Negro-Americans have demonstrated in their restraint, in their nonviolent activities and protests for full American citizenship. He, too, is one of those who professes to believe in the philosophy of nonviolence, and so walking unarmed into this kind of situation, he put to test a philosophy that I wonder in my heart how many of us, including myself, could have reacted in a similar selfless and courageous a manner.

So what we have seen here in this act, and in the act of Ogden Reid, Ben Rosenthal, William Ryan, Ted Kupferman, Lester Wolff, and John Dow going to this State on election day was a great and noble performance of their duties as Congressmen. What they did and the courage that they gave and shared with thousands of Americans in Mississippi, black and white, will more than make up for any of the inconveniences that were involved in this journey to the Southland.

Mr. Speaker, there is a real urgency for all of us who feel that the time has come not just to talk more, not just to merely pass legislation that says great things and new things, but a time to make every man's rights a reality by effectively enforcing the civil rights laws that are now on the books. Until we do this we are not serving the fullest national interest.

Finally, I am made humble by my six colleagues who, without fear of the criticism that might be theirs, who were unconcerned that they did not have a great number of Negro voters in their district, who were unmindful of the personal element of risk involved in this investigation—to them I offer my deep and sincere gratitude and thanks on behalf of so many more Americans who cannot come into the well of this floor, and say to them, "Godspeed and continued courage for your cooperation. We shall overcome."

Mr. MOORHEAD. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to my able colleague from Pennsylvania.

Mr. MOORHEAD. I thank the gentleman for yielding.

Mr. Speaker, I rise to commend the gentleman from Michigan, not only for his action and the action of his colleagues in going to Mississippi, but also for this very articulate, informative, and gracious report that the gentleman is making to the House today.

Mr. Speaker, I should like to associate myself with the remarks of the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman.

Mr. KUPFERMAN. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. KUPFERMAN. I wanted also to commend the gentleman for the report that he has just made and also for the restraint with which he has analyzed the situation as he found it. I believe it is a quite reasonable statement that you have made.

I was privileged also, and I appreciated the opportunity to travel to Mississippi to meet with James Meredith in Memphis yesterday.

He is a student at the Columbia Law School, of which I am an alumnus, so we had something we could discuss in addition to the problems with which he has been faced.

I wanted also to thank the officials of the State of Mississippi who received us, and especially the highway patrol, who were quite courteous and helpful during our sojourn there.

I know the gentleman from Michigan appreciates the fact that the problem of human rights for all, and of being sure that we have freedom from fear, is a nonpartisan question. In that connection I call his attention to the fact that yesterday—and it is referred to on page 12531 of the CONGRESSIONAL RECORD—a group of Republicans, led by the gentleman from Maryland [Mr. MATHIAS], introduced their version of the Civil Rights Act of 1966, which is the same as the administration's version, in order to protect all people everywhere who are trying to do their best to see to it that everyone has the opportunity to exercise the rights of all American citizens.

GENERAL LEAVE TO EXTEND

Mr. Speaker, I ask unanimous consent that all Members have permission to revise and extend their remarks and include extraneous material in connection with this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CONYERS. Mr. Speaker, I thank my able colleague from New York for his pertinent remarks. But more than that I express my deepest appreciation personally to him, that I have made mention of earlier to those Members of the House who joined me.

It was a bipartisan group, and there was a very fine spirit that prevailed among the members of this ad hoc committee, in which at all times the question of partisanship or political activity was totally submerged in the interest of this great and overriding question that has been a constant challenge before this Congress and, indeed, before this country since the Civil War.

I am very, very pleased to add my additional note of thanks to Congressman KUPFERMAN for joining with us and diligently conducting his own inquiries, which will be submitted in the report, along with all of the recommendations of all of the Members who were in Mississippi, which will be forwarded to the Justice Department.

Mr. Speaker, I include at this point the following material:

MEREDITH STATEMENT TELLS WHY HE WALKED

(MEMPHIS, TENN.—Text of a statement by James Meredith, read by his attorney, A. W. Willis, from the hospital where Meredith was recovering from shotgun wounds.)

There are a couple of things that I consider of paramount importance regarding the events of yesterday in DeSoto County, Mississippi. It had been widely reported that my efforts were being spent in vain because thousands of people were not with me on my mile to mile walk. This was a vastly misleading picture, although I welcomed any able-bodied men to join me who was entirely prepared to be responsible for his own safety or welfare.

I did not want my women and children exposed to any danger, however, and I am proud that none were with me when the shooting occurred.

CROP TIME CITED

The other factor is that I did not want a crowd of people to go into rural Mississippi and become a burden upon Negroes in the area by requiring of them lodging and food. This is crop-planting and tending time in Mississippi and I did not want to interfere with this essential work. The success of my mission was to be judged by the response of people as I passed along the highway near their homes and passed through their towns and villages.

I am afraid the shooting of me might overshadow the most significant event of my walk into Mississippi because it (the event) occurred only a short while before the shooting. This was my reception by the Negroes in the first and unfortunately the only town that I passed through.

Although DeSoto County is sparsely populated, hundreds of Negroes lined the streets and waited to greet me upon my arrival and to express their consent and thankfulness for what I was trying to do for them.

BIBLE CHOSEN

This is the first time in a small rural town in Mississippi that such an event ever took place. The significance and importance of what happened in Hernando a few minutes before I was shot should not be lost in the shooting. Its significance has great implication for what is to come. In this crusade the Negroes in Hernando were men—the day for Negro men being cowards is over.

The question people will no doubt ask me is how do you feel or what were you thinking when the man was shooting you. For two and a half years I had debated the question whether or not I would carry a gun with me. Just the night before I went to Mississippi I made that fateful decision. The decision was to carry a Bible instead of a gun.

What did I think while the man was shooting me? I was thinking that I had made a mistake not to carry a gun with me. How did I feel? I felt embarrassed. Embarrassed because I would have knocked the intended killer off with one shot had I been prepared, but I was not. My father, who lived in Mississippi for 74 years and died there, would have been prepared.

Finally, if all goes well, I shall return and "we will arise."

NEGROES CRITICIZE MISSISSIPPI VOTE—MANY TELL U.S. THEY WERE BARRED FROM ELECTION

(By Martin Waldron)

JACKSON, MISS., June 7.—The Justice Department received scores of complaints today from Negroes, who said they had either been forbidden to vote or hampered while trying to cast ballots in party primary elections in Mississippi.

Five Negro candidates were on the ballot in today's Democratic primary to select nominees for five Congressional districts and one Senate seat.

Attorney General Nicholas deB. Katzenbach sent observers to 14 Mississippi counties to watch the first outpouring of Negro voters in the state since Reconstruction days. Federal voter examiners were on duty in 24 counties to receive complaints.

The Justice Department made no announcement about the nature or number of complaints filed during the day. But late this afternoon, a manager in the Jackson office of the Justice Department said "it's been hectic all day."

CONGRESSMEN OBSERVING

Many Negroes filed complaints stating that voting officials had told them their names were not on the list of registered voters.

The Mississippi Freedom Democratic party, which endorsed the five Negro candidates and one white candidate, compiled a list of complaints and an official of the party handed the list to a group of Congressmen who had flown from Washington to observe the voting.

The Congressmen arrived in Jackson at about 4 P.M.—two hours before the polls closed. They had stopped off in Memphis to visit James H. Meredith, the Negro who was shot marching in Mississippi yesterday.

The Congressmen, including six from New York, were guarded by Mississippi highway patrolmen and Justice Department agents.

Mississippi does not collect voter statistics, but a list compiled for the Federal Government indicated that 132,000 of 675,000 voters in the state are Negroes.

This is a 100,000 increase in Negro voters in two years, and most of them were signed up by Federal voter examiners ordered into Mississippi last year after the passage of the Federal Voting Rights Act.

Reports from around the state indicated a record turnout for a Congressional primary. State officials are not elected this year.

Results will probably not be known until tomorrow. Only one Mississippi county uses voting machines.

NAME FOUND MISSING

No major incidents or clashes were reported, but there were numerous complaints from Negro poll watchers that they were not allowed to stay to watch the polls or that they were required to stay 500 feet from the polls.

In Clay County, there were a half-dozen complaints from Negroes that the name of Dock Drummond was not on the ballot. Mr. Drummond, a 76-year-old Negro, opposed Representative THOMAS G. ABERNETHY for the Democratic nomination in the First Congressional District.

The visiting Representatives, who said they came to see how the Voting Rights Act was working, visited one of the Negro precincts in Jackson late today before driving into north Mississippi for another look.

Representatives OGDEN R. REID of Westchester and WILLIAM F. RYAN of Manhattan said the trip had been scheduled before the ambush attack on Mr. Meredith yesterday.

"We were at Selma," Representative REID said. "And so we came here to be part of the Federal presence to see how the voting rights law is working."

Other Representatives making the trip were BENJAMIN S. ROSENTHAL of Queens, THEODORE KUPFERMAN of Manhattan, LESTER L. WOLFF of Nassau, JOHN G. DOW of Rockland and F. BRADFORD MORSE of Massachusetts, and JOHN CONYERS, JR. of Michigan.

TROOPERS SHOVE GROUP RESUMING MEREDITH MARCH—DR. KING AND OTHERS PUSHED FROM THE HIGHWAY ONTO SHOULDER IN MISSISSIPPI—WALK CONTINUES TODAY—MORE EXPECTED TO JOIN TREK TO JACKSON IN SUPPORT OF VOTE REGISTRATION DRIVE

(By Gene Roberts)

HERNANDO, MISS., June 7.—The Rev. Dr. Martin Luther King Jr. and three other civil rights leaders took up James H. Meredith's march to Jackson today and almost immediately were shoved from the pavement to the shoulder of the highway by Mississippi State Troopers.

Three troopers told the marchers to hike along the side of the road, rather than on the pavement, and began pushing and shoving when the marchers refused.

Cleveland Sellers, project director of the Student Nonviolent Coordinating Committee, was pushed to the ground and Dr. King, chairman of the Southern Christian Leadership Conference, stumbled atop him.

OTHERS ARE JOSTLED

Two other rights leaders—Floyd McKissick, national director of the Congress of Racial Equality, and Stokely Carmichael, chairman of the student commitee—had been marching arm-in-arm with Dr. King and Mr. Sellers and were also jostled by the troopers.

After a brief consultation, the leaders and about 20 of their supporters, resumed marching—this time along the shoulders of United States Highway 51. They marched for two hours, covering three miles, then announced they would continue the 194-mile trek to Jackson tomorrow with a far larger following.

The rights leaders came here today after shotgun blasts wounded Mr. Meredith yesterday and halted his march to Jackson.

PRESS FOR NEW RIGHTS BILL

They said their march would rival last year's Selma-to-Montgomery march and give impetus to their drive for new civil rights legislation.

Their dispute with the patrolman arose when they set off four abreast and arm-in-arm from the site of the Meredith shooting, two miles south of here.

The troopers said that the marchers would have to hike single or double file and off the pavement. And Dr. King countered by saying, "We marched on the pavement from Selma to Montgomery."

"I don't care if you march to China as long as you march on the side of the road," a trooper said.

Another trooper began pushing Dr. King, and said, "Let's get them off the pavement now."

"Can't you stop pushing and ask us?" Dr. King said, as he stumbled.

In their rush to start a new civil rights push in Mississippi, rights workers were literally marching in two directions at once. While Dr. King, Mr. McKissick and Mr. Carmichael took over Mr. Meredith's 194-mile trek to Jackson, Dick Gregory of Chicago, the Negro comedian, and a small band of followers were retracing Mr. Meredith's route back to Memphis, 26 miles away.

It was clear, as the leaders conferred here and in Memphis, that their plans for the Jackson march were more ambitious than those of Mr. Meredith, who desegregated the University of Mississippi in 1962.

Mr. Meredith had six marchers with him when he was wounded. He said he had hoped to dramatize the voter registration and help Negroes "conquer their fear" of white Mississippians.

But the civil rights leaders who rushed here today talked of a march of hundreds and perhaps thousands, and of a variety of goals.

"Mr. Carmichael said one purpose of the march would be "to put President Johnson on the spot."

"We want our rights fulfilled," he said. "We need action and we need it now, through the Federal Government."

Dr. King said he hoped the march would help pass the Administration's pending civil rights bill. The bill provides, among other things, for stiffer handling of persons who injure civil rights workers.

One section of it, its sponsors have said, would have given the Justice Department power to step in and prosecute Aubrey James Norwell, who is accused of shooting Mr. Meredith.

POLICY SHIFT INDICATED

The decision of Mr. Carmichael and his student committee to join the march seemed to represent a change in direction from their recently enunciated policy of increased militancy.

After Mr. Carmichael's election as committee chairman a few weeks ago, Dr. King criticized what he saw as a tendency toward separatism and Black Nationalism on the part of the committee.

Today, he and Mr. Carmichael sat together before television cameras. Dr. King praised the Student Committee for its "Herculean efforts" in Mississippi.

Mr. Carmichael said the committee has had five workers in De Soto County, the scene of yesterday's shooting, for some time. He described the county as a trouble spot.

The three leaders—Dr. King, Mr. Carmichael and Mr. McKissick—said they hoped that the march from De Soto County on into Jackson would be even larger than last year's Selma civil rights movement, which was credited with passing the 1965 Federal Voting Rights Act.

"I am confident that this march will have as great or greater impact than the march from Selma to Montgomery," Dr. King said. "We are going all out to make this the largest march ever held in this section of the country."

REUTHER: "COWARDLY ATTACK"

DETROIT, June 7—Walter P. Reuther, president of the United Auto Workers Union, said today that "the cruel and cowardly attack" on Mr. Meredith "revolted decent people all over the world and has shamed America."

In a statement, Mr. Reuther laid the shooting to "the failure of the Mississippi authorities to maintain law and order."

"Mississippi prosecutors have winked at violence and Mississippi juries have set free civil rights violators," he said, and continued:

"The President's civil rights bill must be strengthened and passed promptly so as to bring to an end these monstrous crimes against our fellow Americans."

KENNEDY SADDENED

STELLENBOSCH, South Africa, June 7 (UPI).—Senator ROBERT F. KENNEDY, Democrat of New York, said today he was shocked and saddened by the Meredith shooting.

Mr. KENNEDY was attorney general in 1962, when Mr. Meredith became the first Negro to be admitted to the University of Mississippi.

Currently on a visit to South Africa, in which he is stressing tolerance and equality, Mr. KENNEDY said he hoped Meredith would recover speedily from his gunshot wounds.

GRAHAM: "GREAT TRAGEDY"

LONDON, June 7 (AP).—The Rev. Billy Graham today termed the shooting of James H. Meredith "a great tragedy."

Mr. Graham, who is conducting an evangelical drive in London, said:

"I pray that he recovers. I feel it is only the beginning of a deeply racially troubled summer."

MEREDITH ATTACK SPURS RIGHTS BILL—SHOOTING ALSO RENEWS CALLS FOR MORE GUARDS—ADA AIDE BLAMES THE FBI

(By John Herbers)

WASHINGTON, June 7.—The shooting of James H. Meredith on a Mississippi highway stirred angry reaction among Washington officials today and increased the pressure for enactment of the Administration's civil rights bill.

The crime also renewed demands by civil rights groups that Federal agents take a more active role in protecting Negroes and rights workers in the Deep South.

"The responsibility for the shooting of James Meredith rests squarely on the doorstep of the Federal Bureau of Investigation," said Joseph L. Rauh Jr., counsel of the Leadership Conference on Civil Rights and vice chairman of Americans for Democratic Action.

CELLER URGES ACTION

But Attorney General Nicholas deB. Katzenbach, questioned by Senators about the shooting, said it was not possible for the Federal Government to guarantee the safety of everyone and he had believed that the presence of F.B.I. agents and local police would deter violence.

Among those deploring yesterday's shooting and predicting it would spur Congressional action on civil rights was Representative EMANUEL CELLER of Brooklyn, chairman of the House Judiciary Committee and a sponsor of President Johnson's bill.

"There are times," he said, "when the civil rights movement has no greater friend than its enemy. It is the enemy of civil rights who again and again produces the evidence to convince this nation that we cannot afford to stand still."

Mr. CELLER, however, used the occasion to speak in unusual candor about "sinister influences among certain Negro groups" that may "sabotage our efforts to pass a forceful and meaningful civil rights bill of 1966."

He said the task of getting the bill passed would be "at best most difficult," especially because of the section banning racial discrimination in the sale or rental of housing.

CRITICAL OF SICK

"But when the Student nonviolent Coordinating Committee, with its fiery chairman, Stokely Carmichael, deprecates integration and demands black nationalism," Mr. CELLER said, "and when others of the same ilk, like the Black Muslims and the Black Panthers and pamphleteers like LeRoi Jones and James Baldwin, accentuate the theory of blacks for black and the devil take the whites and that 'integration is irrelevant,' the task of getting any effective civil rights bill passed at this session of Congress will be thorny, if not impossible."

Mr. CELLER said "sincere civil libertarians" in Congress were "growing impatient and are commencing to wonder whether the game is worth the candle." He said they were saying privately, "Perhaps we should forget about the civil rights bill of 1966."

He also noted that "powerful real estate interests are opposing the housing section of the bill and the Black Nationalists were, in effect, helping the real estate lobby.

Mr. CELLER said it was time for "responsible and moderate" civil rights organizations such as the Urban League, the National Association for the Advancement of Colored People and the Southern Christian Leadership Conference to "come forward and take in tow Carmichael and his followers or at least vigorously disavow their fallacious ideas."

In addition to the housing section the bill would seek to end racial discrimination in state and Federal juries, broaden the Federal laws for prosecuting in the Federal courts those who commit racial violence and give the Justice Department additional authority to initiate lawsuits for school desegregation.

EVERETT MCKINLEY DIRKSEN, the Senate Republican leader, said the shooting of Mr. Meredith was "such a ghastly act on the highway" that it was bound to add "spirit and steam" to the civil rights bill that had been lacking before.

This was apparent when the Senate Judiciary subcommittee on Constitutional Rights opened its second day of hearings on the bill in a room packed with spectators, reporters and television cameras.

Senator SAM J. ERVIN JR., Democrat of North Carolina, the chairman and an opponent of the bill, said the Meredith shooting showed again that Federal action was needed to combat racial violence.

AMENDMENT PROPOSED

He proposed that a constitutional amendment be substituted for that section of the bill making it a Federal crime to threaten or harm persons involved in activities protected by Federal laws, whether or not "state action" is involved.

Mr. ERVIN said he offered the amendment in order to "save the American people from having their Constitution amended by the Supreme Court."

The amendment, however, would have to be ratified by three-fourths of the state legislatures before it could become law. Mr. Katzenbach, testifying for the second day, said he was "delighted" that Senator Ervin acknowledged Federal action was needed.

"It is my belief that the 14th Amendment already gives Congress that authority," he said. "I think in this instance most Congressmen share my view."

Senator Ervin then started a long legal argument with Mr. Katzenbach while Senators Jacob K. Javits and Edward M. Kennedy, anxious to talk about the Meredith case, fidgeted on the sidelines.

Finally, Senator Javits, Republican of New York, edged over to Senator Ervin and whispered in his ear.

"I've been notified by some of my brethren," said Mr. Ervin, peering over his horn rim glasses at the Attorney General, "that they would like to ask you some questions."

Mr. Katzenbach said the crime against Mr. Meredith was covered by the Voting Rights Act of 1965 but if the proposed law had been in force it, too, could be used to bring Federal prosecution.

Senator Kennedy, Democrat of Massachusetts, said if Mr. Meredith had been encouraging school desegregation or another Federal right other than voting, "then effective Federal criminal legislation would be lacking to prosecute and punish his attacker" and thus the administration bill was needed.

In response to questions by Senator Javits, Mr. Katzenbach denied reports that he had told anyone the Meredith march was "not important" enough to receive Federal protection, and Mr. Javits said he was sure the Attorney General was correct.

"I don't believe he [Meredith] asked us for protection," Mr. Katzenbach said, adding that F.B.I. agents were assigned to the march and the local authorities were notified.

FIFTEEN OFFICERS IN AREA

"It is not possible for the Federal Government to guarantee the safety of everyone," he said. "I don't believe we can accompany around every civil rights worker."

He added that there were at least 15 Federal and local officers "within yards" of Mr. Meredith when he was shot and "as a result the person was arrested in minutes." He said "the man was concealed * * * he had been for some time. It is difficult to guarantee safety in these situations."

"The only effective way is to try to deter violence," Mr. Katzenbach continued. "I would have thought that with police protection this would have been effective to deter violence against him."

Mr. Katzenbach said the F.B.I. agents present assisted local police in making the arrest. The Justice Department has said the role of Federal agents at scenes of racial violence is to investigate for violation of Federal law and F.B.I. agents generally do not make on-the-spot arrests.

"We call for immediate congressional investigation of the Federal Bureau of Investigation's wholesale failure in the civil rights area," said Mr. Rauh, speaking for the Leadership Conference, an affiliation of civil rights, labor and religious organizations.

Vice President Hubert H. Humphrey said in a news conference the crime in Mississippi was a "disgrace and a shame" but he was glad to learn that officers had acted promptly in making an arrest.

Meredith Regrets He Was Not Armed

(By Roy Reed)

Memphis, June 7.—James H. Meredith said today from his hospital room that he would never again walk through Mississippi unarmed.

Referring to the white man who shot him in the back yesterday near Hernando, Miss., Mr. Meredith said in an interview:

"I'm sorry I didn't have something to take care of that man. I'll never make that mistake again."

Aside from that regret, Mr. Meredith was smiling and cheerful and seemed to feel reasonably well as he talked with visitors this morning.

John Jay Hooker of Nashville, a candidate for the Democratic nomination for Governor of Tennessee, was one of Mr. Meredith's first well-wishers.

"I'm glad to see you doing well," Mr. Hooker said as he shook the hand of the wounded man.

Mr. Hooker, a friend of the Kennedy family, is opposing former Gov. Buford Ellington, a friend of President Johnson, for the nomination. Both are openly courting the Negro vote.

The shooting of Mr. Meredith, who was armed only with a cane and a Bible, appeared to have inspired a new civil rights demonstration. Civil rights workers from all over the nation converged on Memphis last night and today. Some vowed to continue the march in his place.

His planned 220-mile walk from Memphis to Jackson was cut short after 28 miles when a white man shot him with a shotgun two miles south of Hernando on United States Highway 51.

A suspect arrested a few minutes afterward was identified as Aubrey James Norvell, 40 years old, of Memphis.

Mr. Meredith began the walk to promote Negro voter registration and to find out whether Mississippi Negroes still had reason to fear violence. He has been one of the Negroes most hated by Mississippi whites since he desegregated the University of Mississippi in 1962.

The William B. Bowld Hospital, where he was recuperating from 60 to 70 superficial pellet wounds, buzzed this morning with Negro leaders, policemen, agents of the Federal Bureau of Investigation, reporters and cameramen.

Six Congressmen from New York and one from Michigan arrived to visit the wounded man shortly before noon.

The Memphis police guarded the door to Mr. Meredith's room and refused to allow any visitors except those approved by the injured man. Those seeking to see Mr. Meredith were stopped by a policeman as they left the elevator on the fifth floor of the hospital.

Mr. Meredith asked to see a New York Times reporter. He said he wanted to stress an event that had been obscured by the shooting. He referred to the warm reception given him by Negroes in Hernando.

Between 200 and 300 had gathered on a corner of the town square to greet him as he walked through the little town about 20 minutes before the shooting.

Mr. Meredith had shaken hands with most of them and had urged them to register to vote. The sizable turnout indicated that the Negroes of De Soto County cared about his mission, Mr. Meredith said.

He said he expected to continue his journey as soon as he was able to leave the hospital.

"WE SHALL ARRIVE"

"If all goes well, I shall return and we shall arrive," he said in a prepared statement.

A. W. Willis, a Negro member of the Tennessee Legislature and Mr. Meredith's lawyer since his days at the University of Mississippi, told reporters that Mr. Meredith was in "pretty good physical shape" and expected to leave the hospital "in a couple of days."

Mr. Hooker spent about five minutes in Mr. Meredith's room with a group that included four representatives of the Student Nonviolent Coordinating Committee and three staff members of the Southern Christian Leadership Conference.

Mr. Meredith asked his guests to shake his right hand carefully.

"There's one of those pellets there," he said pointing to a small red spot on his forearm.

The hair had been shaved from the back of his head, exposing about a dozen pellet marks like the one on his arm. The pellets, either No. 4 buckshot or No. 6 birdshot from a 16-gauge gun, also struck him on the neck, back and both legs.

Mr. Meredith said he believed the assailant had fired four shots and that three had struck him. Others at the scene said they heard only three shots.

Witnesses said the man fired from about 100 feet. Mr. Meredith crawled across the two-lane highway and sprawled bleeding on a gravel shoulder after the shooting.

This morning, he lay on his back with his head propped as he spoke to his guests. He wore a white hospital gown.

Recalling the events before the shooting, he said, "I saw 15 or 20 people on the way that might have been thinking of shooting me on down the line."

He reflected on his assailant.

"The calmness—the man knew what he was doing, the way he went about it," Mr. Meredith mused.

"There's something bad, wrong with the society," he concluded, shaking his head.

Mr. Hooker said, "There is no question about it."

Mr. Meredith said he never again would "knowingly expose himself" in Mississippi without protection.

A civil rights worker among his guests remarked with a chuckle, "That's not in keeping with the nonviolent philosophy, Mr. Meredith."

The normally soft-spoken Mr. Meredith replied:

"Who the hell ever said I was nonviolent? I spent eight years in the military and the rest of my life in Mississippi."

At least two of his companions at the time of the shooting have said they saw a police officer stand and watch the shooting and do nothing to prevent it.

Mr. Meredith was asked if he had noticed that. He said he had seen the officer but had been too engaged to observe what the officer did or did not do.

Joseph Crittenden, a Memphis businessman who was one of six men accompanying Mr. Meredith, said this morning that he disagreed with a statement by Claude Sterrett of New York, another member of the party, that the assailant had waved his gun and shouted at the marchers for two minutes before opening fire.

Only a few second elapsed from the time the white man called "James! James!" until he began shooting, Mr. Crittenden said.

LAWMAN WAS PRESENT

He agreed with Mr. Sterrett, however, that a "lawman"—he did not know whether it was a sheriff's deputy or a state police trooper—had "looked straight across the road" at the assailant and had watched him shoot without moving to prevent it.

Mr. Crittenden said he had seen the assailant sitting in a parked car a mile or so before the group arrived at the scene of the shooting.

On a shelf in his hospital room lay two souvenirs of Mr. Meredith's eventful walk, his yellow sun helmet and his ebony and ivory walking cane that had been given to him by a village chieftain on the Nile.

Another shelf contained a vase of red roses and an open Bible. Except for these, the room was as drab as any hospital room.

The day began with Mr. Willis reading a statement, handwritten by Mr. Meredith, to the press.

The statement said that Mr. Meredith had debated for two and a half years whether or not to carry a gun. He said he had decided to carry a Bible, instead, on his walk to Jackson. That was a mistake, he said.

TELLS OF EMBARRASSMENT

He said his first thought when the shooting began was an embarrassment at being unarmed. He said he could have "knocked the intended killer off with one shot if I had been prepared."

"My father, who had lived in Mississippi 74 years and died there, would have been prepared" the statement said.

Mr. Willis announced plans for a mass meeting tonight to protest the shooting and to urge Congress to pass the civil rights bill.

Many of the civil rights leaders who flew in to aid Mr. Meredith were eager and militant activists.

Stanley Branch of Chester, Pa., a representative of Associated Community Teams, said, "These whites have to learn that we mean business."

"If I can't march down a highway in these United States," he said, "then we don't need any United States."

The visiting Representatives were JOHN CONYERS, JR., of Michigan and WILLIAM F. RYAN of Manhattan, OGDEN R. REID of Westchester, JOHN DOW of Rockland, LESTER L. WOLFF of Nassau, THEODORE KUPFERMAN of Manhattan and BENJAMIN S. ROSENTHAL of Queens. All are Democrats except Mr. REID.

"I NEVER GAVE UP"

Although the looks in the eyes of her friends and neighbors led her to believe that her husband was dead, Mrs. James F. Meredith said yesterday, "I never gave up."

Still shaken by the wounding of her husband on a Mississippi highway, Mrs. Meredith met reporters for about five minutes in the lobby of the couple's apartment home at 25 Clermont Avenue. The well-kept turn-of-the-century building is near Columbia University, where Mr. Meredith is a student at the Law School.

The 28-year-old Mrs. Meredith read in a low but composed voice a 300-word statement, but declined to answer questions.

"As you can imagine, last night was indescribable," she said. "The pressures were greatly alleviated by our neighbors and friends from Columbia University who quickly came to our assistance.

"Fortunately, I never heard the erroneous reports of my husband's death," Mrs. Meredith went on. "I did surmise, from the attitudes of some of the neighbors, that the tragedy was final. However, I never gave up."

Mrs. Meredith, who met her husband while they were students at Jackson State College, a Negro institution in Mississippi, said that among those who had called to express their concern were Mayor Lindsay, Attorney General Nicholas deB. Katzenbach and Representative WILLIAM F. RYAN.

She remained under a close police guard—a patrolman is stationed in the couple's fifth-floor apartment—and she said their 6-year-old, John, is staying with unnamed friends.

Jack Greenberg, head of the N.A.A.C.P. Legal Defense Fund, which led Mr. Meredith's successful fight to integrate the University of Mississippi in 1962, said that his organization was gathering "as much hard information as we can" about the shooting.

He criticized law-enforcement officials who had been assigned to accompany Mr. Meredith for falling down on the job.

"The fact is that the police didn't protect him," he said.

BOND SET AT $25,000 IN MEREDITH CASE—10-YEAR TERM TO BE SOUGHT FOR SHOOTING SUSPECT

HERNANDO, MISS., June 7.—Aubrey James Norvell, a 40-year-old former hardware dealer was placed under a $25,000 bond today and arraigned on charges of "assault with a deadly weapon with intent to murder and kill James Meredith."

Prosecutor Ross Franks of De Soto County immediately announced that he would seek the maximum penalty of 10 years imprisonment under the charge.

The "earliest possible date" that the case can come to trial, according to Mr. Franks, is the second Monday in November, the next regular term of Circuit Court in De Soto County.

Mr. Franks said that the shooting of Mr. Meredith, the Negro who desegregated the University of Mississippi in 1962 had "shocked" the county.

"We were very upset about this being committed here," he said. "The people here had nothing whatsoever to do with it."

SECOND DAY OF MARCH

When wounded yesterday, Mr. Meredith was on the second day of a voter registration march from Memphis to Jackson, Miss.

Mr. Norvell was seized at the scene by state and Federal investigators, who found a 16-gauge shotgun in his hand and a "quantity" of beer in his car.

Today, Mr. Norvell shielded his face with sunglasses and a handkerchief as Federal, state and county officers whisked him from the De Soto County Jail to a justice of the peace office, 1,000 yards from the scene of the shooting.

There, Prosecutor Franks called for the $25,000 bond, telling Justice of the Peace Whitley Perriman that "the eyes of the nation are on De Soto County."

Mr. Perriman set the bond, over the protest of Mr. Norvell's attorneys, Boyce Lee Gardner and Edward Lee Whitten, both of Herando.

"We think that's a bit high, Judge," Mr .Whitten said. "He's a war veteran, a holder of the Purple Heart."

"This is not a usual case," Mr. Franks countered. "It's receiving national attention. If there ever was a case where a man might be tempted to jump and run, this is it."

Mr. Whitten said that he would appeal to the Circuit Court of the 17th Judicial District of Mississippi in an effort to reduce the bail. He called it "excessive" and a "violation of his (Mr. Norvell's) constitutional rights."

Twice during the day, officers transported Mr. Norvell to the justice of the peace office, once for the formal reading of the charges against him, and again to fix his bond.

Through his attorneys, whom he hired for the second visit, he waived a preliminary hearing and declined to enter a plea.

THANKS THE JUSTICE

However, Sheriff Walter Lee Meredith said yesterday that Mr. Norvell had confessed to shooting Mr. Meredith.

Except to thank the justice of the peace for turning on an air-conditioner and to say that he served with the Fourth Armored Division during World War II, Mr. Norvell remained silent during both of his appearances before the magistrate.

His silence, according to people who knew him in Memphis is typical of the man.

His neighbors in a subdivision of $15,000 homes on the outskirts of Memphis described him as a soft-spoken man who had little to say. Yesterday, Mr. Norvell, who is unemployed, left his home before 9 A.M. to drive his wife to her job at Sears, Roebuck and Company. The neighbors were amazed late in the day when their radios and television sets reported the news of his arrest.

One of the neighbors, C. N. McClai, said he had never heard Mr. Norvell "even mention the words civil rights."

"I never heard him take a stand for or against anything," added Ray Hamilton Jr., a weekly newspaper editor who knew Mr. Norvell between 1961 and 1964 when Mr. Norvell and his father were operating a hardware store in the Raleigh Section of Memphis.

Mr. RYAN. Mr. Speaker, this morning I spoke of James Meredith, "an American of quiet courage and fierce determination." This afternoon I want to address myself again to the significant events which have taken place in Mississippi in the last 2 days.

One event was the wanton shooting of James Meredith which focused national attention on the climate of fear and intimidation and injustice which Negro citizens have suffered for so long.

The other was the presence of seven U.S. Representatives in the State to observe the primary elections yesterday. This Federal presence helped to promote the conditions under which Negroes in this country may begin to practice the first-class citizenship so long denied.

Our presence represented the continuing interest in justice that is widespread throughout the country and gave great encouragement to many of the individuals whom we encountered. It is a tragic commentary that Negroes in the South still live in fear and need this kind of encouragement to exercise rights that others take for granted. It is beyond belief that in 1966 a Negro has to be a hero in order to vote. But it is a fact. The same requirements for freedom are not placed on other citizens. It is time to see that this travesty is brought to an end wherever it exists in our country.

Mr. Speaker, many improvements have been made in recent years. Witness the tremendous increase in registration of Negro voters during 1966 in Mississippi which has become a dramatic showcase of the difficulties of righting the wrongs that have taken a century to build. Since the Voting Rights Act of 1965, 104,000 Mississippi Negroes have been newly registered to vote. Prior to this time only 26,000 Negroes had registered throughout the State. This makes a total of 130,000 Negroes registered out of 435,000 who are eligible. Although not satisfactory, this is certainly an advance.

I think it is most important to point out the conditions under which this advance has taken place. Under the provisions of the Voting Rights Act of 1965 the Justice Department has assigned Federal registrars to 24 of Mississippi's 82 counties. Half of the increased registration occurred in these 24 counties alone.

Let me give you two specific examples of the dramatic effects of the Federal presence. In Noxubee County, in December 1965, only one Negro was registered to vote. Federal registrars were assigned to Noxubee on April 12, 1966.

By April 23, 1,060 Negroes were registered. In Claiborne County, in December 1965, 251 Negroes were registered. Federal registrars were assigned on April 12, 1966. By April 23, 1,685 Negroes were registered. This is the remarkable effect of an effort, insufficient as it may yet be, to create the conditions in which people may exercise their rights.

I think it is clear that the mere passage of legislation is not a sufficient solution to such deeply imbedded problems. Federal action must insure proper implementation of our Nation's laws. In the case of voting rights this means Federal registrars. Unfortunately, the Justice Department has not yet seen fit to send registrars to every county where inequities still exist. I have urged the Attorney General to send Federal examiners into Sunflower County.

Mr. Speaker, 24 counties out of 82 is not enough. The Federal presence should be in every county. I also learned today that, although Federal observers are allowed under the law at the polls in every county which has had a Federal registrar assigned to it, Federal observers were actually present in only 14 counties and in some cases watching only 3 ballot boxes per county.

Mr. Speaker, this is not enough. The time for procrastination is past. We must not only enact new and necessary legislation that is pending in the area of civil rights. We must make certain that existing legislation is given the power that comes with complete and conscientious enforcement. Without this our legislative record in civil rights becomes an empty exercise in rhetoric.

Mr. Speaker, I wish to call to the attention of my colleagues a very important and dangerous fact. The Wall Street Journal on January 5, 1966, reported that a highly confidential report compiled by Government agents lists 21 "high tension" cities where it is believed that a threat of violence similar to the situation in Watts is now imminent. The report describes the conditions of deprivation that are related to the frustrations and tensions present in these communities.

Mr. Speaker, we can no longer permit a delay in guaranteeing to the Negroes of America that exercise of rights which is not only just but basic to our beliefs. I call on the Justice Department to take an active and leading role, both in investigating the intimidation which Mississippi Negroes suffered through the shooting of James Meredith, and in dynamic and active efforts to see that the Federal presence is so complete and so concerned that conditions of real freedom may be established for all citizens of America regardless of their race or the place in which they live.

THE GREAT WORK BY VISTA IN THE WAR ON POVERTY

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, as an example of the great work being done by VISTA in the war on poverty, as well as of the caliber of people who are serving their country as VISTA volunteers, I refer my colleagues to the story of Edgar Slater, of Brentwood, Mo. Mr. Slater is a VISTA volunteer in Lodge Grass, Mont., assisting the Crow Indians to solve their problems of housing.

The remarkable thing about Edgar Slater's VISTA service is that he is 85 years old, or perhaps I should say 85 years young. In Mr. Slater's words, VISTA is a good idea "for anyone who wants to contribute something."

Mr. Speaker, Edgar Slater exemplifies the spirit of the war on poverty, and is an inspiration for us all. His story recently appeared in an article in the St. Louis Post-Dispatch, and under previous permission I insert the article at this point in the RECORD:

NEW VISTA FOR 85-YEAR-OLD VOLUNTEER: EDGAR SLATER OF BRENTWOOD IS TEACHING INDIANS IN WEST AS A WORKER FOR U.S. AGENCY

An 85-year-old Brentwood man has gone out West to teach Indians some of the white man's skills. He is the oldest member of VISTA (Volunteers In Service To America).

Edgar Slater, a professional engineer, retired some years ago, but found that he "couldn't quit." When VISTA appealed for volunteers to work for a year with slum dwellers, migrant laborers, Indians on reservations and other Americans in need, he was one of those who responded.

Since his wife died in 1949 he had been living intermittently with his son, Raymond E. O. Slater, at 18 York drive, Brentwood. Now the old man has gone to Lodge Grass, Mont., where he is teaching Indians how to read blueprints and build their own homes.

"The most pressing need for the Crow Indian is housing for the poor," Slater reports from Montana. "Next is better training in English, mathematics and subjects that will open up job opportunities."

Slater has worked up a comprehensive manual arts course. "I hope this will make it possible for these people to know and appreciate good building layout and construction," he says. "I also hope it will enable some of them to do their own work. At least two are now building homes for themselves, and three or four more are drawing up plans for their homes."

Slater, born on a Kansas farm in 1881, trained under a German blacksmith, and studied mechanical engineering by correspondence after graduating from a two-year high school in 1896.

He was a student and assistant in the forge shop of the Armour Institute of Technology in Chicago, and eventually was graduated from Iowa State College with a degree in industrial education and engineering. Then he took graduate work at the University of Chicago.

Slater worked at his trade for several years before beginning a long career in industrial education that took him to the public schools of Lakewood, O., as a manual training instructor; to the high school at Springfield, Mo., as supervisor of manual arts, and to Texas A and M College as head of the engineering shops.

In 1921 he took a position with what was then called the U.S. Veterans Bureau. Later he went to Iowa State College to teach machine shop practice. In 1929 he became supervisor of apprenticeship training under the Smith-Hughes Act at Dubuque, Ia.

"I worked with dropouts and misfits," he recalled. "It gave me an opportunity to share in development of a much-needed phase of our educational system."

By 1939 Slater was teaching aircraft engine overhaul and testing at the Fairfax Aviation School. He recalls that he had to obtain a pilot's instructor rating to qualify for the job. Later he taught engine assembly and testing at the Pratt-Whitney plant in Kansas City.

He retired in 1954 from a job as development engineer in Kansas City. "But I couldn't quit," he said, "so I accepted a position with a Dallas firm, spent two years there, and then went to Puerto Rico on a reconstruction job for a year.

"Since then, being in good health and having no family responsibilities, I've been going wherever my training and skill can be useful to others. That's why I'm in VISTA."

In his present work of teaching blueprint reading, Slater said, "My largest problem is lack of equipment to do the accurate work of reproducing the drawings which I'm trying to get into workable form." He would like to reproduce the plans so that they can be kept in looseleaf notebooks by students.

Slater thinks he has won acceptance by his Indian pupils. "At least I've got lots of friends and well wishers," he said, "and some of my friends here are as good as I have ever had."

He has worked with the Crows for about six months. Prior to that he spent a month with the Sioux tribe at Rosebud, S.D. He likes the Crows, describing them as intelligent people who seem to be even-tempered and peace-loving.

"In the tribal council meeting a few days ago," he said, "an important matter was being discussed, and when it came to a vote one tribal father said, 'Now leave your tempers at home.' This man attends the Crow Baptist mission each Sunday, holding a small grandchild on each knee during worship."

Slater considers his age no handicap. "I've got so used to my age that I don't think anything about it," he said. "Therefore I believe it has little effect on my work."

However, he is bothered by a partial deafness which he describes as "boilermakers' ears—it means I've already heard too much noise."

As for VISTA, Slater thinks it's a good idea "for anyone who wants to contribute something."

"The way I look at it, I'm in splendid health, have fair training and a wealth of experience," he says. "Why shouldn't I pass it on to others—and have a good time doing it?"

VISTA is open to men and women who can provide a year of useful service to those in need of help. There are no formal educational requirements, no written examinations. Experience, training, education, character, personality—all are considered in determining whether an applicant has the skills needed for the job to be done.

Volunteers are given six weeks of intensive training. They receive room, board and approximately $75 a month for living expenses—enough to get by in the community where they are to serve. Nine volunteers from St. Louis are enrolled at present.

VISTA recruiters will come to St. Louis tomorrow and spend three days interviewing applicants at the YWCA, 1411 Locust street. A free motion picture about the work will be shown there daily at 2 p.m.

JAMES J. COYLE, OF BUTTE, MONT., A WINNING ANTITRUST LAWYER AND THE SMALL GROCER

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, yesterday June 7, 1966, my good friend Congressman WRIGHT PATMAN, of Texas, entered into the CONGRESSIONAL RECORD a copy of the majority opinion of Justice Black in the most important and recent case in the merger field of antitrust law. I read with interest the opinion and the analysis of the case by Congressman PATMAN. It also must be a great point of pride for EMANUEL CELLER whose bill, the Celler-Kefauver Act of 1950 which was an amendment to the Clayton Act, has reached full and successful fruition with the great decision in the United States against Vons Grocery Co. of May 31, 1966—Supreme Court of the United States.

Montana has always supplied leaders in the fight against monopoly and for the preservation of the private enterprise system which is based on the small businessman. Senator Thomas Walsh from Montana supported and fought for the original Clayton Antitrust Act. Senator Burton K. Wheeler was always a foe of monopoly and Senator James Murray was a noted friend of the small businessman. Senator MIKE MANSFIELD was an ardent backer of the Celler-Kefauver Act of 1950 which amended the Clayton Antitrust Act, and Senator LEE METCALF and myself who support and continue to fight for the small businessman.

However, the contributions which the State of Montana has made to the fight against monopoly and economic concentration has not been confined to the field of legislation. Over the years, young men from our State have come to Washington, D.C., and been responsible for some of the most important antitrust cases brought by the Department of Justice and the Federal Trade Commission.

The first successful merger case—the Brown Shoe decision—brought under the Celler-Kefauver act was filed and successfully tried from the district court to the Supreme Court of the United States by James J. Coyle, a Butte, Mont., boy who has become one of the leading lawyers in the antitrust field in the United States. This same young man filed and tried the Von's Grocery case which Congressman PATMAN discussed yesterday and which case is the most important weapon that the American people have today against monopoly.

I have known the Coyle family for a lifetime, his grandfather was killed in the mines in Butte, and his dad was a leading contractor in the Pacific Northwest. Jim worked on the Capitol Police force while going to law school at George Washington University and he was on the congressional patronage of then Congressman MIKE MANSFIELD. I know how proud MIKE is of Jim today. Jim began the practice of law in Butte, with the firm of McCaffrey & McCaffrey. Later he came to Washington, D.C., and the Antitrust Division.

I know that his fellow townsmen are proud of Jim and I think we in Congress can take pride in the career of a young man who started as a House employee with the Capitol Police force. Therefore, I want to offer my congratulations to Jim Coyle whose victories in court have made us all proud and to my good friend EMANUEL CELLER who has seen his own legislative work in 1950 blossom in the Supreme Court of the United States in 1966.

SELECTIVE SERVICE NEEDS REVISION

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. WOLFF] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOLFF. Mr. Speaker, I believe the entire Selective Service System needs rethinking to insure the best and fairest procedures for filling the Nation's manpower needs.

However, something of a more immediate nature, that I believe can be adopted right away, is deserving of the attention of this body.

I think Job Corps trainees should be deferred from the draft until they complete their course of training.

We defer college students until they have completed their education. The Job Corps is a training program for individuals most of whom cannot afford a college education. Therefore, I believe they fall into the same category and should, as well, be entitled to the same consideration given those in academic institutions.

Deferment of Job Corps trainees could be achieved without congressional action simply by a determination by the Director of Selective Service to extend to Job Corps trainees the same draft deferment now accorded college students. Such a change would be of benefit both to the individuals involved and to the Nation.

BIGOTRY MUST NOT BE PERPETUATED

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. WOLFF] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOLFF. Mr. Speaker, I want to go on record as being totally opposed to the proposal to designate the Veteran's Administration hospital in Jackson, Miss., the John Elliott Rankin Memorial Veterans Hospital.

This individual used the forum of the House of Representatives to promote racial animosities and to attack minority groups. We have just this week seen the fruits of irrational racial hatred in the ambush of James Meredith in Mississippi. It would be both cruel and ironic if our Negro and Jewish servicemen, wounded in the service of the Nation, were sent for treatment to a hospital memorializing a man whose reputation for bigotry remains notorious.

Let us honor only those who honor the democratic principles of our Nation.

RELIGIOUS FAITH

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ADDABBO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ADDABBO. Mr. Speaker, much is said and printed today about the decline in religious faith. I believe more should be said about the progress being made by those who believe in God.

I would like to call to the attention of my colleagues, many of whom I am sure are unaware of it, a most unique trifaith program now underway at the John F. Kennedy International Airport, located in the Seventh Congressional District of New York, which I have the honor to represent here.

At John F. Kennedy International Airport, in the spirit of ecumenism, the three major religious faiths have joined in a cooperative effort in building side by side three airport chapels.

On a 3-acre plot of ground, appropriately called Tri-Faith Chapels Plaza, there stand the first Catholic, Jewish, and Protestant chapels ever built on any airport terminal through public subscription.

Described as more than a glowing symbol of our Nation's commitment to freedom of worship, Tri-Faith Chapels will serve the needs for help, solace, and inspiration of 16 million airline passengers annually, the millions who come to greet them and bid them farewell, and 33,000 airport employees.

The undertaking will give continuous evidence to the world that historically and traditionally America is "one nation under God."

In the eyes of the millions who pass through the airport, Tri-Faith Chapels, located across from the international arrivals building, will represent a notable achievement.

The Chaplains are Rt. Rev. Msgr. Francis X. Fitzgibbon, Catholic Chapel of Our Lady of the Skies; Rabbi Israel Mowschowitz, International Synagogue; and the Reverend Dr. G. Barrett Rich III, Protestant International Chapel.

The sponsors of the undertaking are the Roman Catholic diocese of Brooklyn, the New York Board of Rabbis, and the Protestant Council of the City of New York.

Of the three chapels, the Protestant chapel is the only one now in operation. Until the Catholic chapel is completed, Catholic services are being held in the existing chapel which has been in operation since 1955 and which will be demolished to make way for expansion and progress. The Jewish chapel will be dedicated next October. In the three chapels may be found rare objects of beauty and inspiration.

The chalice and crucifix presented by Pope Paul VI, commemorating his recent visit to the airport, may be viewed at the Catholic chapel. Visitors may worship at the six altars, each representing a continent.

The Jewish chapel, modeled after the first synagogue built in America, will also have an international museum where priceless religious articles, contributed by more than 50 countries, will be displayed. Among them is a 300-year-old menorah presented by the Jewish community in Hungary.

The Protestant chapel now exhibits Zappia's masterpiece of life-sized carved wooden figures portraying Da Vinci's "Last Supper."

A joint fundraising campaign is in progress at this time to raise $1 million to complete the exteriors and interiors of the chapels, and for landscaping and initial operations. The estimated total cost of the complex is $2,765,000.

Heading a committee of business, religious, and airline leaders who are directing the drive is Samuel F. Pryor, campaign chairman, retired vice president of Pan American World Airways.

In addition to the three chaplains, executive committee members include Charles C. Tillinghast, Jr., president of Trans World Airlines; Lester Avnet, of Kings Point, N.Y., president of Avnet, Inc.; and William A. Shea, a New York attorney, after whom Shea Stadium is named.

Mr. Speaker, may I say in conclusion that it has given me great pleasure and satisfaction to say these few words in behalf of this unique trifaith undertaking. The sponsors, the chaplains, and those who have contributed to this worthwhile cause have my best wishes. There is no more appropriate motto for Tri-Faith Chapels Plaza than that which has been chosen, "Faith Shines Equal," taken from "Last Lines," by Emily Bronte.

CONGRESSMAN ALBERT MAKES FUNDAMENTAL OBSERVATIONS

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. STEED] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. STEED. Mr. Speaker, on Memorial Day the distinguished majority leader, the gentleman from Oklahoma [CARL ALBERT] discussed the reasons for our resistance to aggression in Vietnam when he spoke at Ardmore, Okla., the largest city in his district.

The Sulphur Times-Democrat, among Oklahoma's most respected newspapers, commented editorially on the speech, which has received widespread favorable comments. I enter herewith the full text of the Times-Democrat's editorial, which appeared June 2:

BACK TO FUNDAMENTALS

In a Memorial Day address at Ardmore, Congressman CARL ALBERT made some very fundamental observations which we would like to pass along.

"We are in a worldwide fight against Godless Communism and the Communists do not recognize anything except force."

"We are fighting in Viet Nam so that we don't have to fight in California. I think it is as simple as that."

"Our young people who are defying our flag are actually joining with our enemy. Our leaders of tomorrow are those young people who are burning the midnight oil, not those who are burning their draft cards."

"Americans of 1776 fought for our freedom, we Americans of 1966 are fighting to keep our freedom."

"Today, after 190 years, we still stand for life, liberty and the pursuit of happiness, as Americans did in 1776, and we must pledge our lives and sacred honor to the fight as they did."

This is a complicated world in which we are living. Its problems are complicated and the issues are confusing. There are times when doubt creeps in and we wonder whether our course is correct.

In such times, it is leaders such as Congressman ALBERT who can step in and bring us back to the fundamentals. Lest we stand upon these and chart our course upon the rock-ribbed endurance of these principles, we would be lost in the trackless wastes of purpose-less self destruction. History has proven this principle many times.

LEGISLATION NEEDED TO ESTABLISH SEA-GRANT COLLEGES

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. GARMATZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GARMATZ. Mr. Speaker, I am today introducing an amendment to the Merchant Marine Act to establish sea grant colleges. The legislation I am proposing will contribute greatly to the developing new fields of oceanography, ocean engineering, related marine sciences, and studies involving the economic, medical, and legal aspects of the seas.

Nearly a century ago this Nation took a significant step in education with the establishment of land-grant colleges. These colleges have played an influential role in America's agricultural technology. Today the Nation stands at the edge of a new technology related to the exploration and exploitation of the oceans. Just as land-grant colleges of the previous century were vital to agriculture, so are sea-grant colleges vital today for the advancement of "aquaculture" and other technologies linked to the sea.

Mr. Speaker, the United States and the Soviet Union are competing for mastery of the seas. In terms of oceanographers and technicians alone it is estimated that the Soviets outnumber us by three times the number at work now in sea technology in this Nation. The shortage of sea technology manpower could be a major factor on the "wet space race." A program of sea-grant colleges must be initiated to correct any imbalances in America's ranks of marine scientists and technicians.

The legislation which I introduce today will encourage this Nation's scientific, industrial, and educational facilities to accelerate their involvement in marine technology. I urge the Congress to approve such legislation promptly. Mastery of the seas tomorrow hinges on the advancement of maritime education today.

NATIONAL CEMETERY IN THE DELAWARE VALLEY

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BYRNE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, for quite some time I have been concerned about the dwindling space for gravesites for our veterans. Service burials from the Philadelphia area have to go to Baltimore or Arlington, but I understand there is ample Government-owned land available near Beverly National Cemetery, in New Jersey, and at Fort Mott, all within a 40-mile radius of Philadelphia, none of which is in present use.

The Philadelphia Inquirer of Sunday, June 5, carried an article entitled "Philadelphia Veteran Crusades for New GI Cemetery in Area," to which I fully subscribe. I would like to include it in this statement, as follows:

PHILADELPHIA VETERAN CRUSADES FOR NEW GI CEMETERY IN AREA

(By Ward Welsh)

The family of a GI killed in Vietnam who want their boy buried in a National Military Cemetery have to settle today for a grave site in Baltimore, on Long Island or some more distant place.

For there's just no more room at the National Cemetery in West Oak Lane and Beverly, N.J. Hasn't been for several months.

And E. Thomas Cammarota, American Legion commander for Northwest Philadelphia, thinks something ought to be done about it.

In fact, Cammarota is ready to lead a motorcade on Washington if Congress doesn't reverse a well-entrenched policy of phasing out National Cemeteries.

"We've got to stop asking for action on this," he said Saturday. "We've got to go down there and demand it."

"They're spending public money to build golf courses and for the poverty program," he said. "We ought to be able to get a piece of land near the Nation's fourth largest city to bury our war dead."

Cammarota is almost a lone crusader now for a cause that many local veterans and congressmen have all but given up on.

The problem is that the last three Administrations have been looking at the military cemetery situation from a national—rather than a Philadelphia—point of view. And from that angle, Philadelphia looks pretty well off.

For at least 15 States—including all of New England and the Rocky Mountain area—have no National Cemeteries at all. If you live in Maine, Utah or Nevada, you'd have to travel hundreds of miles to find one.

So to provide a cemetery near Philadelphia, which is now within 100 miles of the one in Baltimore, would be to discriminate against all other communities who are further than that from one, Washington reasons.

And to provide near-home burial sites for the 40 million veterans now eligible to be buried in them would be prohibitively expensive, they say.

So the Federal Government hasn't opened a new military cemetery since 1950.

In a 1961 review of this policy, the Kennedy Administration found that "burial benefits such as those now payable by the Veterans Administration * * * are far preferable to the furnishing of interment facilities by the Government."

Veterans today enjoy the right to be buried in any national cemetery at no cost. And their wives and minor children may also be with them.

Or the Government will pay $250 of the costs and provide a headstone for burial in a private cemetery. In this case, of course, next-of-kin have to make arrangements for family grave.

One basis for the government's phase-out policy was a study that showed:

Of the 1 million veterans and their dependents buried in National Cemeteries, 870,000 lived within 50 miles of the cemetery. This tended to show that the cemeteries were serving only those who live near them, not all veterans.

Only about 100,000 of those buried in National Cemeteries—or 10 percent—are actual war casualties or their families.

Fewer than 15 percent of the bodies of American servicemen returned from overseas during the Second World War and Korea were buried in National Cemeteries, by request of survivors.

Most Vietnam War victims have been buried in private cemeteries, too.

Chester E. Goodwin, chief of the U.S. Bureau of National Cemeteries, said this week that most area families who have sought National Cemetery graves for veterans in recent months have chosen sites at either the Baltimore National Cemetery, in Catonsville, Md., or the Long Island National Cemetery at Farmingdale, N.Y., which is about 40 miles out on Long Island.

The only active National Cemetery in Pennsylvania today is at Gettysburg. And grave sites here are almost filled too, Goodwin said.

The National Cemetery at Limekiln pike and Haines st. in West Oak Lane section of Philadelphia has been filled for about 20 years. The Beverly Cemetery closed early this year. Both these cemeteries, however, will still open graves to bury the next-of-kin of veterans or their wives already interred there.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RIVERS of Alaska, for 1 week, on account of trip to Alaska for business with constituency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SMITH of California, for 30 minutes, on June 13.

Mr. GONZALEZ, for 10 minutes, today.

Mr. WALKER of Mississippi (at the request of Mr. BROYHILL of North Carolina), for 5 minutes, today; to revise and extend his remarks and include extraneous material.

Mr. ASHBROOK (at the request of Mr. BROYHILL of North Carolina), for 5 minutes, today; to revise and extend his remarks and include extraneous material.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. ZABLOCKI and to include extraneous matter.

Mr. TEAGUE of Texas.

Mr. EVINS of Tennessee.

Mr. MILLS and to include certain tables in his remarks during general debate today on the bill H.R. 15202.

Mr. CURTIS and to include additional materials during general debate today on the bill H.R. 15202.

(The following Members (at the request of Mr. BROYHILL of South Carolina) and to include extraneous matter:)

Mr. GUBSER.

Mr. BOW.

(The following Members (at the request of Mr. MOORHEAD) and to include extraneous matter:)

Mr. MORRISON.

Mr. FARNUM.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and joint resolution of the Senate of the following titles was taken from the Speaker's table and, under the rule, referred as follows:

S. 2412. An act to terminate use restrictions on certain real property previously conveyed to the city of Kodiak, Alaska, by the United States; to the Committee on Interior and Insular Affairs.

S.J. Res. 29. Joint resolution to authorize and direct the Secretary of the Interior to conduct a survey of the coastal and freshwater commercial fishery resources of the United States, its territories, and possessions; to the Committee on Merchant Marine and Fisheries.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 706. An act to amend the Railway Labor Act in order to provide for establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referable to the National Railroad Adjustment Board, and to make all awards of such Board final.

ADJOURNMENT

Mr. MOORHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 9 minutes p.m.) the House adjourned until tomorrow, Thursday, June 9, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2478. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), transmitting a report of the location, nature, and estimated cost of two armory projects proposed to be undertaken for the Army National Guard, pursuant to the provisions of 10 U.S.C. 2233a(1), and to the authority delegated by the Secretary of Defense; to the Committee on Armed Services.

2479. A letter from the Deputy Assistant Secretary of the Interior, transmitting a report of a proposed concession contract to provide accommodations, facilities, and services at the Callville Bay site in Lake Mead National Recreation Area, Nev., pursuant to the provisions of 70 Stat. 543; to the Committee on Interior and Insular Affairs.

2480. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to repeal the prohibition upon the fixing or collection of fees for certain services under the navigation laws; to the Committee on Merchant Marine and Fisheries.

2481. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of June 3, 1966 (Public Law 89-441, 80 Stat. 192), relating to the Great Salt Lake relicted lands; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. S. 2267. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance; without amendment (Rept. No. 1619). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 8760. A bill to amend the provisions of the Oil Pollution Act, 1961 (33 U.S.C. 1001–1015), to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes; without amendment (Rept. No. 1620). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 15557. A bill to strengthen State and local governments, to provide the States with additional financial resources to improve elementary and secondary education by returning a portion of the Federal revenue to the States; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 15558. A bill to provide for a program of grants to State and local governments for the construction or modernization of certain correctional institutions; to the Committee on the Judiciary.

By Mr. BERRY:

H.R. 15559. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. McFALL:

H.R. 15560. A bill to provide cash benefits to the survivor or survivors of an officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, or the White House Police force, whose death was the direct result of the performance of active duty; to the Committee on the District of Columbia.

By Mr. MARTIN of Massachusetts:

H.R. 15561. A bill to provide that the flag of the United States of America may be flown 24 hours of each day aboard the battleship U.S.S. *Massachusetts;* to the Committee on the Judiciary.

By Mr. RACE:

H.R. 15562. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 15563. A bill to authorize appropriations for the Department of Commerce to be available until expended or for periods in excess of 1 year; to the Committee on Interstate and Foreign Commerce.

By Mr. ABBITT:

H.R. 15564. A bill to authorize the Secretary of the Interior to acquire Appomattox Manor, a historic property in Hopewell, Va., for addition to the Petersburg National Battlefield in Virginia, to provide for a revision of the boundaries of the battlefield, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 15565. A bill to provide for a revision of the boundaries of Petersburg National Battlefield, Va., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL:

H.R. 15566. A bill to amend the act of June 3, 1966 (Public Law 89-441, 80 Stat. 192), relating to the Great Salt Lake relicted lands; to the Committee on Interior and Insular Affairs.

By Mr. CLARK:

H.R. 15567. A bill to amend title II of the Merchant Marine Act, 1936, to create the Federal Maritime Board-Administration, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FRELINGHUYSEN:

H.R. 15568. A bill to guarantee equal justice under law; to the Committee on the Judiciary.

By Mr. GARMATZ:

H.R. 15569. A bill to amend title II of the Merchant Marine Act, 1936, to authorize the establishment and operation of sea-grant colleges and certain education, training, and research programs; to the Committee on Merchant Marine and Fisheries.

By Mr. HENDERSON:

H.R. 15570. A bill to amend section 1310 of the Supplemental Appropriation Act, 1952, as amended; to the Committee on Post Office and Civil Service.

By Mr. LONG of Maryland:

H.R. 15571. A bill to amend section 704 of title 18, United States Code, to prohibit the manufacture, sale, wear, or reproduction of military insignias; to the Committee on the Judiciary.

By Mr. MONAGAN:

H.R. 15572. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for the disposal of certain medical materials and supplies whenever the remaining storage or shelf life of such materials or supplies is too short to justify their retention, and for other purposes; to the Committee on Government Operations.

By Mr. ASHBROOK:

H.R. 15573. A bill to amend the Internal Revenue Code of 1954 to restore the provisions permitting the deduction, without regard to the 3-percent and 1-percent floors, of medical expenses incurred for the care of individuals 65 years of age and over; to the Committee on Ways and Means.

By Mr. JENNINGS:

H.R. 15574. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. GARMATZ:

H.R. 15575. A bill to amend the Shipping Act, 1916, as amended, to authorize exemption from the provisions of the act; to the Committee on Merchant Marine and Fisheries.

By Mr. WELTNER:

H.J. Res. 1162. Joint resolution to impose a temporary emergency ceiling on rates of interest paid on time deposits by insured banks; to the Committee on Banking and Currency.

By Mr. CONTE:

H. Con. Res. 683. Concurrent resolution to reaffirm the support of Congress for a United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. FLOOD:

H. Con. Res. 684. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. HALPERN:

H. Con. Res. 685. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. MOSS:

H. Con. Res. 686. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. SWEENEY:

H. Con. Res. 687. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. GOODELL:

H. Con. Res. 688. Concurrent resolution to provide for printing additional copies of House Report 1568, 89th Congress; to the Committee on House Administration.

By Mr. PICKLE:

H. Res. 886. Resolution to amend the Rules of the House of Representatives with respect to the consideration of appropriation bills; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DELANEY:

H.R. 15576. A bill for the relief of Filippo Badalamenti; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 15577. A bill for the relief of Ljubica and Zorka Stipcevic; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 15578. A bill for the relief of Antonio Gonzalez-Mora, and his wife, Natalia Sandoval Gonzalez-Mora; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 15579. A bill for the relief of Giovanni Crisanzio; to the Committee on the Judiciary.

H.R. 15580. A bill for the relief of Sebastinano Sarra; to the Committee on the Judiciary.

By Mr. REINECKE:

H.R. 15581. A bill for the relief of Shalom Shafik Kassab and Evelyn Kassab; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 15582. A bill for the relief of Roger Stanley, and the successor partnership, Roger Stanley and Hal Irwin, doing business as the Roger Stanley Orchestra; to the Committee on the Judiciary.

By Mr. SICKLES:

H.R. 15583. A bill to confer jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon certain claims of certain civilian guards at the U.S. Naval Academy; to the Committee on the Judiciary.

By Mr. CLEVELAND:

H.R. 15584. A bill for the relief of Mrs. Marta Cychol Mitrosz; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

397. The SPEAKER presented a petition of the Panama City Board of Realtors, Panama City, Fla., relative to a property owner's freedom of contract to sell, rent, or lease residential structures, which was referred to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 8, 1966

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, through the lowly gateway of penitence we would enter the inner chamber of peace where the harsh noises of the clamorous world are hushed and in quietness of spirit we face ourselves and Thee. Take us as we are with impulses, strivings, longings, so often frustrated and thwarted, and even with what is broken and imperfect make Thy dreams for Thy children come true. In the midst of confusions and perplexities of these days in which we are called to serve, help us to be—

> "True to all truth the world denies,
> Not tonguetied by its gilded lies,
> Not always right in all men's eyes;
> But faithful to the light within."

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 7, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on June 3, 1966, the President had approved and signed the act (S. 265) to authorize conveyance of certain lands to the State of Utah based upon fair market value.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Elmer J. Taute to be postmaster at Amoret, Mo.; which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 2393) to authorize additional GS–16, GS–17, and GS–18 positions for use in agencies or functions created or substantially expanded after June 30, 1965, with amendments in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1407. An act for the relief of Leonardo Russo;

H.R. 3078. An act for the relief of Lourdes S. (Delotavo) Matzke;

H.R. 4437. An act for the relief of Bryan George Simpson;

H.R. 11227. An act to authorize the Honorable Eugene J. Keogh, of New York, a Member of the House of Representatives, to accept the award of the Order of Isabella the Catholic;

H.R. 11251. An act for the relief of Hubert J. Kupper;

H.R. 13651. An act to avoid unnecessary litigation by providing for the collection of claims of the United States, and for other purposes;

H.R. 13822. An act to provide for an additional Assistant Postmaster General to further the research and development and construction engineering programs of the Post Office Department, and for other purposes;

H.R. 14182. An act to provide for judgments for costs against the United States;

H.R. 15089. An act to authorize the Secretary of Agriculture to estimate parity price for 1966; and

H.R. 15456. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1967, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 706) to amend the Railway Labor Act in order to provide for establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referable to the National Railroad Adjustment Board, and to make all awards of such Board final.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 1407. An act for the relief of Leonardo Russo;

H.R. 3078. An act for the relief of Lourdes S. (Delotavo) Matzke;

H.R. 4437. An act for the relief of Bryan George Simpson;

H.R. 11251. An act for the relief of Hubert J. Kupper;

H.R. 13651. An act to avoid unnecessary litigation by providing for the collection of claims of the United States, and for other purposes; and

H.R. 14182. An act to provide for judgments for costs against the United States; to the Committee on the Judiciary.

H.R. 13822. An act to provide for an additional Assistant Postmaster General to further the research and development and construction engineering programs of the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 15089. An act to authorize the Secretary of Agriculture to estimate parity price for 1966; to the Committee on Agriculture and Forestry.

H.R. 15456. An act making appropriations for the Legislative Branch for the fiscal year ending June 30, 1967, and for other purposes; to the Committee on Appropriations.

H.R. 11227. An act to authorize the Honorable Eugene J. Keogh, of New York, a Member of the House of Representatives, to accept the award of the Order of Isabella the Catholic; to the Committee on Foreign Relations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Mansfield, and by unanimous consent, the Subcommittee on Constitutional Rights of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, despite the unanimous-consent agreement entered into last week, there be a period for the transaction of routine morning business not to extend later than 1 o'clock.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, before making this unanimous-consent request, I discussed the matter with the distinguished acting minority leader, the senior Senator from New Hampshire [Mr. Cotton]. It meets with his approval. The order for the vote at 4 o'clock still holds.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Construction of Projects for Army National Guard

A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), reporting, pursuant to law, on the construction of projects for the Army National Guard at Starke, Fla., and Manti, Utah; to the Committee on Armed Services.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on review of the military assistance program for India, Department of Defense (with an accompanying report); to the Committee on Government Operations.

Amendment of Act Relating to the Great Salt Lake Relicted Lands

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of June 3, 1966 (Public Law 89–441, 80 Stat. 192), relating to the Great Salt Lake relicted lands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Proposed Concession Contract at Lake Mead National Recreation Area, Nev.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract at the Lake Mead National Recreation Area, Nev. (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"Assembly Joint Resolution No. 21—Relative to Development of the Los Angeles-Long Beach Harbors

"Whereas, The Port of Los Angeles and the Port of Long Beach have been the leading West Coast ports for more than 40 years; and

"Whereas, The people of the City of Los Angeles have a $120 million equity in the port and a present four-year development program is adding another $24 million in improvements to the port; and

"Whereas, The Port of Long Beach has port facilities valued at $172 million, with a five-year development program adding another $50 million in improvements; and

"Whereas, The Boards of Harbor Commissioners of the City of Los Angeles and the City of Long Beach each have adopted long-range port development programs and the objective for the future is to develop complete, operable and integrated port facilities capable of accommodating commerce and shipping activities for a good many years in the future; and

"Whereas, The United States Corps of Engineers, at the request of the Port of Los Angeles and the Port of Long Beach, initiated a Review of Reports two years ago—the main items for study being: area deepening of the harbor, the creation of new facilities and the conducting of hydraulic model studies of San Pedro Bay; and

"Whereas, Modest appropriations by Congress have permitted a consideration of the overall project and the preparation of a schedule of work by the local district engineer's office; and

"Whereas, In reviewing the budget for the federal year 1967 now before Congress, it appears that an increase in the requested appropriation for the Review of Reports to $300,000 could allow an advancement of one year in the completion date of the very necessary study; and

"Whereas, The Port of Los Angeles and the Port of Long Beach greatly desire that the contemplated physical model of the harbors be constructed and retained locally, so that it will be available for future model studies as they become necessary in future harbor planning and in furtherance of this the Board of Harbor Commissioners of the City of Los Angeles has offered, if desired, to furnish land to accommodate the model; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President of the United States, the Director of the Bureau of the Budget, and Congress to include in the budget for the federal fiscal year 1967 an appropriation of $300,000 to the Corps of Engineers to complete the Los Angeles-Long Beach Harbors Review of Reports at an accelerated rate to enable the early completion date of the review study; and be it further

"*Resolved,* That the United States Corps of Engineers is respectfully requested to construct and retain the contemplated physical model of the Los Angeles-Long Beach Harbors in the Los Angeles-Long Beach Harbor area; and be it further

"*Resolved,* That the Chief Clerk of the Assembly shall transmit copies of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, each Senator and Representative from California in Congress, the Director of the Bureau of the Budget, and the United States Corps of Engineers."

A resolution adopted by the Board of Directors of the National Guard Association of California, favoring the enactment of House bill 14556, relating to retirement benefits for certain technician employees of the Army and Air National Guard; to the Committee on Armed Services.

A resolution adopted by the Panama City Board of Realtors of Panama City, Fla., remonstrating against the enactment of House Bill 14765, relating to interference with a property owner's freedom of contract to sell, rent, or lease residential structures to whomsoever he desires; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, without amendment:

S. 2104. A bill for the relief of Harriet C. Chambers (Rept. No. 1211).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 5984. An act to amend sections 2275 and 2276 of the Revised Statutes, as amended, with respect to certain lands granted to the States (Rept. No. 1213).

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, without amendment:

H.R. 11748. An act to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to or from a Veterans' Administration facility or other place, in connection with vocational rehabilitation or counseling, or for the purpose of examination, treatment, or care (Rept. No. 1214).

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with an amendment:

S. 1199. A bill to liberalize the provisions of title 38, United States Code, relating to automobiles for disabled veterans (Rept. No. 1216).

By Mr. WILLIAMS of New Jersey, from the Committee on Labor and Public Welfare, with an amendment:

H.R. 7042. An act to amend section 402 (d) of the Federal Food, Drug, and Cosmetic Act (Rept. No. 1217).

By Mr. ROBERTSON, from the Committee on Banking and Currency, without amendment:

S. 3368. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury (Rept. No. 1215).

By Mr. LONG of Louisiana, from the Committee on Finance, without amendment:

H.R. 3177. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases (Rept. No. 1218);

H.R. 9961. An act to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children (Rept. No. 1219); and

H.R. 12676. An act to amend the Tariff Schedules of the United States to provide that certain forms of copper be admitted free of duty (Rept. No. 1220).

COMPREHENSIVE REVIEW OF NATIONAL WATER RESOURCE PROBLEMS AND PROGRAMS—REPORT OF A COMMITTEE—ADDITIONAL VIEWS

(S. REPT. NO. 1212)

Mr. JACKSON. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 3107) to provide for a comprehensive review of national water resources problems and programs, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the additional views of Senators Allott, Kuchel, Simpson, and Fannin.

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Washington.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LONG of Louisiana, from the Committee on Finance:

Glenn W. Sutton, of Georgia, to be a member of the U.S. Tariff Commission.

By Mr. RANDOLPH, from the Committee on Public Works:

William M. McCandless, of Oklahoma, to be Federal Cochairman of the Ozarks Regional Commission.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MILLER:

S. 3478. A bill to amend title 38 of the United States Code to provide cost-of-living increases in certain pensions payable thereunder; to the Committee on Finance.

S. 3479. A bill for the relief of Col. Dwight R. Dinsmore, U.S. Air Force; to the Committee on the Judiciary.

By Mr. METCALF:

S. 3480. A bill to amend title II of the Social Security Act to provide for the equitable disposition of benefits thereunder which are due, but unpaid, to an individual at the time of his death; to the Committee on Finance.

S. 3481. A bill for the relief of John Wight; to the Committee on the Judiciary.

By Mr. TOWER:

S. 3482. A bill to enlarge the home mortgage purchase authority which the Federal National Mortgage Association may exercise in its secondary market operations by increasing the amount of perferred stock which such association may issue for delivery to the Secretary of the Treasury; to the Committe on Banking and Currency.

(See the remarks of Mr. Tower when he introduced the above bill, which appear under a separate heading.)

By Mr. MILLER:

S. 3483. A bill to amend the Internal Revenue Code of 1954, as amended, to provide an exemption for disability; to the Committee on Finance.

By Mr. JACKSON:

S. 3484. A bill to amend the act of June 3, 1966 (Public Law 89-441, 80 Stat. 192), relating to the Great Salt Lake relicted lands; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Jackson when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF NATIONAL HOUSING ACT, TO ALLOW ENLARGEMENT OF THE HOME MORTGAGE PURCHASE AUTHORITY

Mr. TOWER. Mr. President, I introduce for appropriate reference, a bill which would give authorization to the Secretary of the Treasury to subscribe, for the secondary mortgage market operation to an additional $110 million of preferred stock of the Federal National Mortgage Association.

As I am sure my colleagues know, FNMA through its secondary market operations provides a secondary market for FHA and VA home mortgages.

FNMA was designed and has of course operated only to supplement private home mortgage lending.

FNMA can under present limitations borrow up to 10 times the amount of its capital and surplus with which to obtain funds for home mortgage purchases. Under the bill I am introducing today, an additional $1.1 billion of borrowing authority would be made available to FNMA. Added to the preferred stock subscription, this will provide an additional mortgage purchase authority of $1.2 billion.

Under present authority and at the present rate, FNMA will have to curtail its operations within several months. This bill, in providing additional mortgage purchase authorization, would extend FNMA operations for another year, thus affording sufficient time for any further congressional review which may be necessary.

FNMA has proven its value indeed in providing home mortgage funds in periods of tight market conditions.

Although other suggestions to increase the borrowing authority of FNMA have been made, I feel this bill represents the soundest approach.

Congress has increased previously FNMA's borrowing authority, and no adverse reaction resulted in the ability of FNMA to borrow funds in the private market. The method I am proposing has worked well before, and I believe much preferred to any of the alternative proposals.

I ask unanimous consent that this bill be printed at this point in the RECORD, and that the bill lie on the table for 7 days for cosponsors.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and without objection, the bill will be printed in the RECORD, and lie on the desk, as requested by the Senator from Texas.

The bill (S. 3482) to enlarge the home mortgage authority which the Federal National Mortgage Association may exercise in its secondary market operations by increasing the amount of preferred stock which such Association may issue for delivery to the Secretary of the Treasury, introduced by Mr. TOWER, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 3482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 303(d) of the National Housing Act is amended by striking out "$115,000,000" and inserting in lieu thereof "$225,000,000".

SEC. 2. The second sentence of section 303(e) of such Act is amended by striking out "$115,000,000" and inserting in lieu thereof "$225,000,000".

AMENDMENT OF ACT OF JUNE 3, 1966, RELATING TO GREAT SALT LAKE RELICTED LANDS

Mr. JACKSON. Mr. President, I introduce, for appropriate reference, a bill to amend the act of June 3, 1966, relating to the Great Salt Lake relicted lands.

Enactment of this measure will, hopefully, finally resolve the problem of the relicted lands around the Great Salt Lake. Last Friday the President signed into law S. 265, the bill Congress passed relating to these lands. However, upon approving that legislation, the President specifically requested the prompt enactment of an amendment which would protect the interest of the Federal Government in the unlikely event the State of Utah subsequently decided not to purchase these relicted lands after executing leases on them on its own terms, thus leaving the United States heir to encumbrances on its own lands, the terms of which had not been approved by any responsible official of the Federal Government.

Therefore, enactment of this legislation would provide for renegotiation of such leases in the event title to these lands reverted to the United States.

Mr. President, I ask unanimous consent that the text of the proposed legislation together with a letter from the Secretary of the Interior submitting and explaining the bill be printed at this point in my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 3484) to amend the act of June 3, 1966 (Public Law 89-441, 80 Stat. 192), relating to the Great Salt Lake relicted lands, introduced by Mr. JACKSON, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 3484

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Act of June 3, 1966 (Public Law 89-441, 80 Stat. 192), is amended by deleting ", shall be deemed permits, licenses, and leases of the United States and shall be administered by the Secretary in accordance with the terms and provisions thereof" and by substituting "shall not be binding on the United States unless within 90 days they are renegotiated to include such modified terms and conditions as the Secretary of the Interior deems appropriate."

The letter presented by Mr. JACKSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 8, 1966.
Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "To amend the Act of June 3, 1966 (P.L. 89-441, 80 Stat. 192), relating to the Great Salt Lake relicted lands."

We recommend that it be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The June 3 statute provided for the sale to the State of Utah of the federally owned relicted lands around the Great Salt Lake. During the interim between the conveyance to the State and the payment of the purchase price, the State is allowed to lease the lands, and if the title should revert to the United States because of a failure to pay the purchase price the United States would take the title subject to the State leases.

When the President approved the enrolled bill he asked for the prompt enactment of an amendment providing that if title to the land should revert to the United States the State executed leases would not be binding on the United States unless they are approved by the United States.

The enactment of the enclosed bill will carry out the President's request by providing for a renegotiation of such leases at the time the title reverts to include such modified terms and conditions as the Secretary of the Interior deems appropriate.

The Bureau of the Budget has advised that the enactment of the bill would be in accord with the President's program.

Sincerely yours,
STEWART L. UDALL,
Secretary of the Interior.

STRENGTHENING ADAPTIVE RESEARCH IN OUR FOREIGN ASSISTANCE TO AGRICULTURE

AMENDMENT NO. 587

Mr. MONDALE. Mr. President, I submit, on behalf of myself, and Senators BURDICK, MCGOVERN, and PELL an amendment to S. 2859, the bill to amend further the Foreign Assistance Act of 1961.

Since I came to the Senate last year, no problem has concerned me more than the threat of human hunger in the poor countries of the world. In my first major speech to the Senate last July, I expressed my fear that the developing countries were losing the race between population growth and food supply, and becoming increasingly unable to feed their growing numbers of people. I urged that our food-for-peace program, magnificent though it has been, be reshaped in several fundamental ways.

In the 11 months since I delivered that speech, we have read, in our newspapers, reports from India which have borne out the worst of our fears. Through a combination of a disastrous drought and accumulated shortfalls in production, India faces the need to at least double the food assistance she receives from the United States and the other food surplus countries, if millions of her people are not to starve. And even then, the average Indian will have to cut back on his already meager diet.

Both Houses of the Congress recognized the dire situation when they voted unanimously to support President Johnson's proposal to ship at least 3½ million extra tons of food grains to India this year.

But if the problem has grown, Mr. President, so also has our awareness of it.

Led by the distinguished Senator from South Dakota [Mr. MCGOVERN], Senators and Congressmen, farm organizations, church groups representing all of our major faiths, and literally hundreds of other concerned individuals and organizations have stirred public opinion. Their efforts have brought about a nationwide recognition of the magnitude of the problem we are confronting.

And on February 10 of this year, President Johnson proposed to the Congress that "the United States lead the world in a war against hunger." He added, "there can be only victors in this war."

The President proposed that the Congress enact a landmark Food for Freedom Act, which would base our food assistance programs not on the negative principle of surplus disposal, but upon recognizing the extent of world needs and producing enough to play our part in meeting these needs.

This act further proposes that we increase our emphasis on self-help in developing countries, realizing that American efforts alone cannot hope to avert worldwide famine, but that the main effort to win out over hunger must be made by the developing countries themselves.

Hearings have been held on this bill in both Houses of Congress, and the

House Agriculture Committee has just reported out the Food for Freedom Act, which recognizes both important departures in our food assistance policies.

A particularly encouraging step forward is the realization that we must help poor countries increase their food production. When I spoke to the Senate last year, I said:

> Strange though it may seem, it is only through improving their own agriculture that these countries can, in the long run, grow into major dollar importers of American farm products.

There has been a fear that by helping others increase farm output, we would be reducing the demand for our own products. But today there is widespread recognition that as peoples' incomes increase, their demand for food products, particularly higher quality food products, also increases.

A recent study indicates that for every 10 percent the less developed countries have increased their income level, they have expanded their dollar purchases of our farm products by about 16 percent.

As Secretary Freeman said in his testimony before the Senate Agriculture Committee in March:

> Agricultural development in the poor and hungry nations offers to us the best opportunity for expanding exports of the products of our farms and factories.

I was impressed, in the Senate Agricultural Committee hearings, with the virtual unanimity of opinion among Senators on the need to do all we can to encourage self-help in agriculture in developing countries.

Now that we have unprecedented agreement on the need to help develop agriculture overseas, we must turn to the specific programs needed to accomplish this end. I offer my amendment to bring about one such improvement in our foreign aid program.

My amendment would express the conviction of the Congress that:

> In any developing countries or areas where food production is not increasing enough to meet the demands of an expanding population, or diets are seriously deficient, a high priority shall be given to efforts to increase agricultural production, particularly the establishment or expansion of adaptive agricultural research programs designed to increase acre-yields of the major food crops.

It would further provide that:

> Such research programs, to the greatest extent possible, should be based on cooperative undertakings between universities and research institutions in the developing countries and United States universities and research institutions.

President Johnson has exercised impressive leadership in urging increased emphasis on agricultural assistance in our foreign aid program. In his foreign aid message to Congress on February 1, he proposed that "the Agency for International Development increase its efforts in the field of agriculture by more than one-third, to a total of nearly $500 million."

But our past programs have erred not only in giving insufficient attention to agriculture as a whole; they have also seriously neglected the emphasis on practical, adaptive agricultural research which was essential to our achievements here in the United States.

In testimony before the House Agriculture Committee, the distinguished economist, Prof. Theodore W. Schultz of the University of Chicago said:

> Although we have developed an outstandingly productive agriculture in the United States, we have not done well as builders of agriculture abroad. We have long been hampered by what I would call the *extension bias*, and as a consequence, agricultural research has been postponed, put off, and grossly neglected. When research has been undertaken, altogether too little attention has been given to the development of viable agricultural research centers. . .
>
> Consider the record of government. After two decades, starting with the Point Four Programs, when about a third of the aid funds for Latin America were allocated to agricultural development, and large amounts since then, *there is not a single first-class agricultural research center in Latin America to show for it.* Why? Latin American governments have not vetoed such research. The reasons are predominantly of our own making; namely, (1) crash programs, (2) the agricultural extension bias, and (3) selling agriculture short in economic development, especially after the Point Four period.

Another expert, Dr. F. F. Hill, consultant on international programs for the Ford Foundation, said in testimony before the House Agriculture Committee:

> What is needed at this time is a special and vigorous effort, perhaps limited at first to basic food crops in food crisis countries, to speed the development in these countries of greatly improved production technology tested for local suitability in all important food producing areas in which it is recommended for use. Progress in developing improved production technology in less developed countries is being made, but it is not being made fast enough.

We have been far too inclined to believe we could help agriculture overseas with limited funds, short-term crash programs, and by simply transferring techniques proved effective here in the United States. We now know that this type of approach will not work.

We must recognize past mistakes in this field, and make substantially increased investments in overseas agricultural research as part of a comprehensive, long-term effort to help developing countries solve their food problems. As one possibility, Dr. Hill proposes the organization of highly competent and adequately financed food-crop research teams.

An example of what adaptive research can accomplish is provided by an article reprinted May 7 in the Washington Post, which I would ask be included in the RECORD at the close of my remarks. In the village of Bandri, in the Deccan highlands of India, the staple grain is a sorghum called jawar. A young Indian in his thirties introduced a new hybrid strain of jawar, developed through research, and the result was beyond belief to the villagers—a yield 10 times as great as the old strains had produced.

Unfortunately, this grain can only be used in a limited part of India. But while improvements of this magnitude are exceptional, we know from our American experience the importance of sustained efforts in agricultural research to bring about substantial increases in yields.

Just as particular seeds and farm methods cannot be transferred from one area of the United States to another, so too they cannot simply be transferred from the United States to other parts of the world and be expected to work. What is needed is practical, adaptive research, to take seeds, fertilizers, pesticides, and mechanical equipment from elsewhere and adapt them to different conditions.

In the United States, we recognize that adaptive research is one of the essential elements in agricultural progress, along with active extension work and first-rate agricultural education. We know how indispensable our land-grant colleges have been in carrying out all three of these roles.

If we look south, toward Mexico, we see that adaptive research there, supported to a considerable degree by our Rockefeller Foundation, has made possible a 3.3-percent annual increase in wheat yields over the past 25 years, as large as any in the world.

Yet in our foreign assistance programs in general, we have not given anywhere near the emphasis on agricultural research overseas which is needed.

Mr. President, for the past several years AID has been spending $1 to $1½ million contracting for university assistance in the field of agriculture in Pakistan. This is only a fraction of 1 percent of the total economic assistance furnished Pakistan during this time. Of this university assistance probably not more than 5 to 10 percent has gone to expanding adaptive research directed to increasing the acre-yields of the major food crops.

By far the most of the university assistance is for institution building and the improvement of the sciences and educational programs relating to agriculture. This assistance has been valuable and has strengthened the institutions' ability to carry on significant research and educational activities. It should be continued at least for a few more years. Yet, in view of the country's serious food shortages, too few resources are being devoted to adaptive research designed to increase the yield of Pakistan's major food crops.

In India, where food shortages are so severe at the present time, in the 10 years ending in 1963, AID financed university assistance programs averaging a little over $1 million a year. Since that time the university assistance program carried on by seven U.S. universities contracting with AID has averaged over $2 million a year. Approximately an equal value of rupees earned by sales of food under Public Law 480 have been utilized each year to strengthen Indian universities and research institutions.

This is excellent, but it is again only a fraction of 1 percent of the total economic assistance given India in recent years. And, I am told that virtually none of these university assistance activities have been devoted directly to expanding adaptive research programs to increase acre yields of India's major food crops.

Only now are we making a serious effort to help India expand her food production research activities. I commend AID for this much-needed shift in program emphasis. But, India is a tremendous country with more than 20 times as many farmers as the United States and great variations in her agricultural regions, and I believe an even higher proportion of our economic assistance to India should be in the form of expanding adaptive food production research programs.

It is disturbing that Chancellor John T. Caldwell, chairman of the International Foods Committee of the National Association of State Universities and Land-Grant Colleges, testified before the Senate Foreign Relations Committee last month that:

> We have long sought to include a research component in university foreign assistance contracts, with only limited success.

There are important signs that we are beginning to give more adequate recognition to this need. In a recent speech to the National Academy of Sciences, David Bell, Administrator of the Agency for International Development, said that he feels that the need to build a strong base for applied research and continuing technical progress in the agricultural field is the most important long-range problem faced by developing countries in their efforts to expand food production. It is a problem, he added, which "we do not think we are handling satisfactorily at the present time," although he cited impressive evidence of increased concern over this problem in our aid programs.

But despite the real progress that has been made in recognizing the importance of research overseas, we have not made, to my knowledge, a hard commitment to the kind of comprehensive, thoroughgoing approach in this area that is vital to success in the war against world hunger. My amendment is designed to express the will of Congress that such a program be carried out.

My amendment would call upon our universities—particularly our land-grant colleges—to play a major role in improving agriculture overseas, as they have done so well here.

Already our universities have played major parts in our AID program, in a wide variety of areas, including agriculture. But they need assistance to strengthen their capacity to develop the resources—particularly capable professional personnel—needed to carry out technical agricultural research assistance programs with maximum effectiveness. They have been hampered by the tendency of the AID agency to follow the restrictive contract approach in funding university foreign assistance activities, rather than providing grants which could allow greater flexibility. They have been limited by short-term financial commitments imposed by our annual foreign aid authorizations, making it difficult for universities to plan operations in particular countries on a long-term basis and therefore secure top-quality staffs.

To overcome these shortcomings, Senator McGOVERN introduced last year an excellent bill, S. 1212, aimed at applying our experience in agricultural development through our universities here at home to the problems overseas.

The President proposed this year the International Education Act, to strengthen the competence of universities in international affairs in general. The administration also included a provision in S. 2859 to allow technical cooperation and development grants to be made available to research and educational institutions in the United States to strengthen their capacity to carry on foreign assistance programs in cooperation with AID.

This authority, if granted by the Congress and forcefully implemented by the executive branch, would make possible the type of program that Senator McGOVERN has been advocating. But it makes no specific provision for expanding agricultural research in the countries being helped. My proposal would remedy this ommission .

Here at home, I have joined with many of my colleagues in fighting against the Budget Bureau's proposal to reduce funds for agricultural research. I recognize the need for continuing this program at its full strength, for it has been the foundation of our agricultural progress in the past, and must continue to be so in the future.

But I have been disturbed to learn that the number of American agricultural specialist working overseas is only about 1 percent of the number we have at home. And only a small percentage of those overseas, perhaps 10 percent, are engaged in research activities.

My proposal would provide a means for substantially increasing the number of seasoned, experienced American agricultural specialists working in agricultural research overseas, and help to train specialists in foreign countries as well, by indicating the will of Congress that such research be substantially expanded.

It is my hope, Mr. President, that this session of the Congress, through its amendments to the foreign aid bill and passage of a strong Food for Freedom Act, can provide the foundation for a massive American effort to help poor countries solve their most fundamental development problem—that of improving food output. In such an effort, it is my hope that our Department of Agriculture and our Agency for International Development will call upon our land-grant universities; our farmers, researchers, and extension workers; and our major farm organizations and cooperatives to make major contributions to this vital phase of the war on hunger. Such an effort, I am convinced, would go a long way toward building a world, so easy to talk about, yet so hard to achieve, where no man need go to bed hungry.

Mr. President, I ask unanimous consent that an editorial from the Des Moines Register of April 21, 1961, entitled "Improving Our Foreign Aid," be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and appropriately referred; and, without objection, the article and editorial will be printed in the RECORD. The amendment (No. 587) was referred to the Committee on Foreign Relations.

The article and editorial presented by Mr. MONDALE are as follows:

[From the Washington Post, May 7, 1966]

FOR INDIAN HUNGER A SEED OF HOPE

(By Godfrey Hodgson)

BANDRI, DECCAN.—India has about five years to solve her long-term food problem, said Indira Gandhi, announcing her decision to go to the State of Orissa, as a sequel to allegations that starving people there are selling children. According to the planners and the experts in Delhi, that means that the production of food grains, which was under 75 million tons last year—admittedly a year of monsoon failure—has got to be bumped up to 125 million tons by 1971.

In Delhi, that sounds almost hopelessly optimistic. Here, in a remote and hungry corner of the South Indian back of beyond, there is a glimmer of rational hope.

The village of Bandri is in the stony Deccan highlands. It is a scruffy place, even by the standards of a parched and backward region. The 2600 villagers must live off what they can grow on 2000 acres; and of that, only 200 acres are irrigated land. This is a brilliant green against the dun landscape; tiny splashes of green round each of the 17 wells, and two bigger patches below the village's two tanks. The tank nearest the village irrigates 23 tiny plots. Each of them either belongs to the cultivator or is rented by him from a village shopkeeper or money-lender.

The plots average one acre and they give a clue to how India's 500 million can be fed. For this year, for the first time, they have been sown with new hybrid seed, fertilized properly, and protected with insecticides. Next month, when the crop is harvested, each acre will yield anything from 15 to 20 quintals of grain, where before it has yielded two or three quintals.

The government is pinning its hopes of solving the long-term food deficit on these new hybrid strains of seed, which can take heavy doses of fertilizer. The plan is to sow 32 million acres with them by 1971. There are new strains of wheat from Mexico which yield two to three tons to the acre, against 700–1000 pounds with traditional seed, and new strains of rice from Formosa, whose yields are as good.

But what has happened here has little to do with anything that has happened in Delhi. It has everything to do with the common sense and initiative of one young man in his 30s. His name is M. Y. Ghorpade, and until 1947 his father was the reigning Maharajah of the tiny State of Sandur in these hills. Ghorpade read economics at Cambridge with Professor Guillebaud and he represents Bandri and several dozen other villages in the Mysore state legislature.

Last year he decided to experiment by planting a few acres of his own—he is not a big landowner—with a new hybrid strain of *jawar*, the sorghum which is the staple grain in this part of India. To the villagers who came and stared at his crop growing, the result was almost miraculous. The new seed yielded 26 quintals to the acre, exactly 10 times the yield of traditional strains.

Ghorpade saw that there would be little difficulty in persuading his neighbors to use the new seed, but he insisted that they must follow his instructions to the letter—to sow when told, to put down fertilizer and to spray.

The *jawar* was planted in February and the experiment had its share of troubles, but now the farmers beam with pleasure as they look at the *jawar* standing thick and tall, with heavy ears of seed.

The villagers can afford to pay. On a one-acre holding last year, a man might raise three quintals and sell it for 50 rupees a quintal. This year, because of the shortage, *jawar* is fetching 80 rupees; and Mr. Somappa, for example, who has the acre nearest to the village and wears a green bath towel as a turban, is going to get at least 20 quintals to the acre. That is an economic revolution.

Next year, the villagers mean to plant all their irrigated land with hybrids, probably rice. The village council is discussing it eagerly. After that, if Ghorpade can work out insurance cover against monsoon failure, they talk of borrowing enough to plant hybrids on the whole 2000 acres, rain-fed as well as irrigated land. Once they do that, Bandri will move out of the bullock-cart economy.

But the effect of what has happened in Bandri is not only economic. "This has completely changed the economy of this village," Ghorpade told me. "This used to be the most hopeless, useless, quarrelsome village in the *taluk* (county)."

The villagers grinned sheepishly; in South India quite a few villagers speak English. "Look at them now. Now they have hope."

[From the Des Moines Register, Apr. 21, 1966]

IMPROVING OUR FOREIGN AID

The United States is in the throes of revising its foreign aid program. After several years of almost automatic renewal of the same kind of program, in roughly the same amount, Congress is taking a hard look. So is the Administration. President Johnson proposed substantial changes this year.

When the Marshall Plan for recovery of Europe ended in 1953–54, U.S. economic aid dropped sharply—from around $3.5 billion to $1.5 billion per year. In 1958–59 the rate of spending was stepped up to about $2 billion a year, where it has held since. Instead of priming the pump of industrialized areas devasted by war, the U.S. turned to long-range development of the revolutionary, unstable countries of Asia, Africa and South America.

The results have been uneven—and downright disappointing in some areas. Consequently, both Administration and Congress have been searching for more effective ways and means. For some time now, the Administration has been trying to funnel aid to countries which prove they can make better use of it—and to slow it down or withdraw it from places where ineffective or uncooperative governments misuse the grants and loans. Also, the program has been making more loans and giving fewer grants.

J. WILLIAM FULBRIGHT (Dem., Ark.), chairman of the Senate Foreign Relations Committee, feels that unilateral aid ties the U.S. into dangerous political situations such as the war in Vietnam. He advocates switching aid toward the United Nations and other multi-nation organizations.

This has been advocated by many experts in development—not only on the ground FULLBRIGHT argues but also on the ground that recepient countries prefer the international mechanisms. No country likes to feel it is a ward of the rich and mighty United States. The World Bank and its subsidiary institutions often have been more effective in accomplishing development goals than the U.S. acting alone.

Another much-debated issue concerns the uncertainty of annual extensions of foreign aid. The Administration has proposed a five-year commitment. Actually, Congress has come through each year with a continuation of the program, without a sudden cutoff. But planners in both the U.S. Administration and other countries have been unable to make positive development plans for several years ahead—as they could in the highly successful four-year Marshall Plan.

Perhaps more important than any of these proposed changes is the Administration proposal for greater emphasis on agricultural development. Experience and new knowledge have shown that progress has lagged where agriculture has been neglected. Countries eager to jump into the Twentieth Century of industrialization have unwisely concentrated on factories, dams, buildings and other glossy projects, while failing to improve production of food.

In recent years U.S. economic assistance funds for agriculture and agri-business development have amounted to about 15 per cent of the total programmed by the Agency for International Development. In the new proposal, funds for agri-business are about one-half larger than in 1965–66. This will still be only 18 per cent of the total.

This is a step but not far enough.

The Administration and Congress should greatly increase the emphasis on agricultural development This will require that embassy and foreign and mission staffs be "beefed up" with more able and well trained men in food and agriculture.

In recent years food shipped in the Food for Peace program has been four to five times the value of the technical and economic assistance in agricultural development. This is out of proportion. Free food may cause some governments to neglect their own agricultural development. However, food aid often can be effectively used to further development. It will take more capable staffs in handling the food aid and in administering farm development projects to accomplish this.

The resources of the United States Department of Agriculture and of the Land Grant agricultural colleges still are not being mobilized sufficiently for the job that must be done. One of the greatest needs is for adaptive research, in cooperation with local governments, to develop crop varieties and improve livestock.

Research teams from the U.S. should be given the assignment of developing varieties and production practices which will raise yields by 50 percent or more. This can be done, and we have waited too long to make a major effort in farm research adapted to local conditions.

Congress this year ought to chart a new course in foreign aid, with these improvements:

1. Long-range commitments and long-range planning.
2. Greater effort to work through international organizations.
3. Greater emphasis on helping those who help themselves.
4. Primary attention to agriculture and related business development.
5. Recruiting the American agricultural scientists and technicians necessary for this program.

AMENDMENT OF NATIONAL HOUSING ACT—AMENDMENTS

AMENDMENT NO. 588

Mr. DOUGLAS submitted amendments (No. 588) intended to be proposed by him, to the bill (S. 3215) to amend the National Housing Act to provide mortgage insurance, and authorize direct loans by the Housing and Home Finance Administrator, to help finance the cost of constructing and equipping facilities for the group practice of medicine or dentistry, which was referred to the Committee on Banking and Currency, and ordered to be printed.

FAIR PACKAGING AND LABELING ACT—AMENDMENTS

AMENDMENT NO. 589

Mr. COTTON submitted an amendment, intended to be proposed by him, to the bill (S. 985), to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 590

Mr. DIRKSEN. Mr. President, section 4(a)(2) of S. 985, the so-called truth-in-packaging bill, is presented to this body as a new step in regulating the packaging practices of our country's manufacturers of consumer commodities. This section purports to set a new standard for the listing of contents on packages offered for sale. It proposes that the appropriate Government agency or department shall issue regulations which will require that—

> The net quantity of contents (in terms of weight, measure, or numerical count) shall be separately and accurately stated in a uniform location upon the principal display panel of that label.

Section 403 of the Food, Drug, and Cosmetic Act presently provides:

> A food shall be deemed to be misbranded—
>
> (c) if in package form unless it bears a label containing . . . (2) an accurate statement of the quantity of the contents in terms of weight measure, or numerical form . . .
>
> (f) if any word, statement, or other information required by or under authority of this chapter to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

Pursuant to this same law the Secretary of Health, Education, and Welfare has promulgated specific regulations which the proponents of S. 985 tell is a necessary part of this pending bill. Section 1.8 of the FDC regulations, part I, reads as follows:

> (e)(1) The statement of the quantity of the contents shall reveal the quantity of food in the package, exclusive of wrappers and other material packed with such food.
>
> (2) The statement shall be expressed in the terms of weight, measure, numerical count, or a combination of numerical count and weight or measure, which are generally used by consumers to express quantity of such food and which give accurate information as to the quantity thereof. But if no general consumer usage in expressing accurate information as to the quantity of such food exists, the statement shall be in terms of liquid measure if the food is liquid, or in terms of weight if the food is solid, semisolid, viscous, or a mixture of solid and liquid; except that such statement may be in terms of dry measure if the food is a fresh fruit, fresh vegetable, or other dry commodity.
>
> (f)(1) A statement of weight shall be in terms of the avoirdupois pound and ounce. A statement of liquid measure shall be in terms of the United States gallon of 231 cubic inches and quart, pint, and fluid ounce subdivisions thereof, and, except in case of frozen food which is so consumed, shall express the volume at 68° Fahrenheit (20° centigrade). A statement of dry measure shall be in terms of the United States standard barrel and its subdivisions of third, half, and three-quarters barrel. However, in the case of an export shipment, the statement

> may be in terms of a system of weight or measure in common use in the country to which such shipment is exported.
>
> (2) A statement of weight or measure in the terms specified in subparagraph (1) of this paragraph may be supplemented by a statement in terms of the metric system of weight or measure.
>
> (3) Unless an unqualified statement of numerical count gives accurate information as to the quantity of food in the package, it shall be supplemented by such statement of weight, measure, or size of the individual units of the foods as will give such information.
>
> (g) Statements shall contain only such fractions as are generally used in expressing the quantity of food. A common fraction shall be reduced to its lowest terms; a decimal fraction shall not be carried out to more than two places.
>
> (h)(1) If the quantity of food in the package equals or exceeds the smallest unit of weight or measure which is specified in paragraph (f) of this section, and which is applicable to such food under the provisions of paragraph (e)(2) of the section, the statement shall express the number of the largest of such units contained in the package (for example, the statement on the label of a package which contains one quart of food shall be "1 quart", and not "2 pints" or "32 fluid ounces"), unless the statement is made in accordance with the provisions of subparagraph (2) of this paragraph. Where such number is a whole number and a fraction, there may be substituted for the fraction its equivalent in smaller units, if any smaller is specified in such paragraph (f) (for example, 1¾ quarts may be expressed as "1 quart 1½ pints" or "1 quart 1 pint 8 fluid ounces"; 1¼ pounds may be expressed as "1 pound 4 ounces"). The stated number of any unit which is smaller than the largest unit (specified in such paragraph (f) contained in the package shall not equal or exceed the number of such smaller units in the next larger unit so specified (for examples, instead of "1 quart 16 fluid ounces" the statement shall be "1½ quarts" or "1 quart 1 pint"; instead of "24 ounces" the statement shall be "1½ pounds" or "1 pound 8 ounces").
>
> (2) In the case of a food with respect to which there exists an established custom of stating the quantity of the contents as a fraction of a unit, which unit is larger than the quantity contained in the package, or as units smaller than the largest unit contained therein, the statement may be made in accordance with such custom if it is informative to consumers.
>
> (i) The statement shall express the minimum quantity, or the average quantity, of the contents of the packages. If the statement is not so qualified as to show definitely that the quantity expressed is the minimum quantity, the statement shall be considered to express the average quantity.
>
> (j) Where the statement expresses the minimum quantity, no variation below the stated minimum shall be permitted except variations below the stated weight or measure caused by ordinary and customary exposure, after the food is introduced into interstate commerce, to conditions which normally occur in good distribution practice and which unavoidably result in decreased weight or measure. Variations above the stated minimum shall not be unreasonably large.

I have read that very lengthy portion of the regulations to impress upon this body the extent of the coverage of existing law and the existing regulations. If that were not enough section 1.9 of the same regulations deals with the prominence of the words or statements required or permitted to be printed on the label. This very detailed regulation lays out some demanding requirements:

> Section 1.9: Food; labeling; prominence of required statements. (a) A word, statement, or other information required by or under authority of the act to appear on the label may lack that prominence and conspicuousness required by section 403(f) of the act by reason (among other reasons) of:
>
> (1) The failure of such word, statement, or information to appear on the part or panel of the label which is presented or displayed under customary conditions of purchase;
>
> (2) The failure of such word, statement, or information to appear on two or more parts or panels of the label, each of which has sufficient space therefor, and each of which is so designed as to render it likely to be, under customary conditions of purchase, the part or panel displayed;
>
> (3) The failure of the label to extend over the area of the container or package available for such extension, so as to provide sufficient label space for the prominent placing of such word, statement, or information;
>
> (4) Insufficiency of label space (for the prominent placing of such word, statement, or information) resulting from the use of label space for any word, statement, design, or device which is not required by or under authority of the act to appear on the label;
>
> (5) Insufficiency of label space (for the prominent placing of such word, statement, or information) resulting from the use of label space to give materially greater conspicuousness to any other word, statement, or information, or to any design or device; or
>
> (6) Smallness of style of type in which such word, statement, or information appears, insufficient background contrast, obscuring designs or vignettes, or crowding with other written, printed, or graphic matter.

I have read these quite lengthy regulations lest any of us in this body have not become familiar with them during the past 5 years during which time, the so-called truth-in-packaging legislation has been before us.

Some critics of the existing laws have pointed to the fact that presently there is no requirement that the statement of contents must be on the front panel of the package. Well this question does raise some difficulties. We received testimony to the effect that reasonable people may disagree as to which side is the front or side or back of a given package. Since this question does give so many people trouble let me say this. I intend to introduce a measure at some time in the future which would amend section 403 (e)(2) so that it would require that the statement of quantity be displayed upon the front, main, or principal panel of the package and in a type size not less than a given point type.

It would appear that if we have a special problem which we can isolate, let us deal with that problem directly. Wise and helpful legislation should be aimed directly at the problem areas. Charging pellmell into the area of Federal regulation over consumer commodity marketing is neither wise nor constructive. Real and tangible aid to the consumer, in terms of lower prices should be the objective, not just an all-fronts skirmish conducted under the mislabeled banner of "consumer interests."

I offer the amendment which I sent to the desk.

The **ACTING PRESIDENT** pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 591

Mr. **DIRKSEN**. Mr. President, I am offering an amendment which would strike out all of section 4(a)(3) including subsections (A), (B), (C), and (D). This is a mandatory section which would direct the appropriate department head or agency head to issue regulations which would provide the following:

> ### REQUIREMENTS AND PROHIBITIONS
>
> SEC. 4(a) No person subject to the prohibition contained in section 3 shall distribute or cause to be distributed in commerce any packaged consumer commodity unless in conformity with regulations which shall be established by the promulgating authority pursuant to section 6 of this Act and which shall provide that:
>
> (3) The separate label statement of net quantity of contents appearing upon or affixed to any package—
>
> (A) if expressed in terms of weight or fluid volume, on any package of a consumer commodity containing less than four pounds or one gallon, shall be expressed in ounces or in whole units of pounds, pints, or quarts (avoirdupois or liquid, whichever may be appropriate);
>
> (B) shall appear in conspicuous and easily legible type in distinct contrast (by typography, layout, color, embossing, or molding) with other matter on the package;
>
> (C) shall contain letters or numerals in a type size which shall be (i) established in relationship to the area of the principal display panel of the package, and (ii) uniform for all packages of substantially the same size; and
>
> (D) shall be so placed that the lines of printed matter included in that statement are generally parallel to the base on which the package rests as it is designed to be displayed.

To the extent that this provision parallels existing law it is redundant and therefore unnecessary. To the extent that it goes beyond existing law it is potentially dangerous. Section 403(f) of the Food, Drug, and Cosmetic Act presently providing:

> A food shall be deemed misbranded if in any word, statement, or other information required * * * this Act to appear on the label * * * is not prominently placed thereon with such conspicuousness * * * and in such form as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

Section 1.9(c) of the Food and Drug Administration regulations under the Food, Drug, and Cosmetic Drug Act states:

> Information required by * * * the Act to appear on the label may lack that prominence and conspicuousness required by section 403(f) of the Act by reason * * * of smallness or size or type in which such * * * information appears. * * *

Yet another law, section 5(a)(1) of the Federal Trade Commission Act provides:

> Unfair methods of competition in commerce, and unfair and deceptive acts in commerce, are hereby declared unlawful.

As one witness before the Senate Commerce Committee pointed out:

> If the lack of prominence of the net quantity statement resulted in an unfair or misleading deceptive act, this provision of the Federal Trade Commission Act could be utilized in prohibiting such act.

Certainly the proponents of this bill, S. 985, cannot deny that to a great extent the present law already covers most of the area which S. 985 is advertised as reaching. The real danger then lies in those areas where S. 985 goes beyond existing law. Advocates of this bill assert that their intent is only to reach the small segment of industry which utilize deceptive practices. But this particular section of S. 985 opens a brandnew area for Federal administrators to exercise what may be devastating control over large areas of our economy.

The testimony of Mr. Harrison F. Dunning, president of Scott Paper Co., was very well received by the Senate Commerce Committee, and the marketing practices of his company received praise from many proponents of this bill. In his testimony he referred to the question of existing legislation in the following remarks:

> I would remind this committee also that Commissioner Larrick of the Food and Drug Administration and Commissioner Dixon of the Federal Trade Commission, in their earlier testimony before the Subcommittee on Antitrust and Monopoly, both made it very clear that there is sufficient law on the books today to prevent any clearly deceptive practice in labeling or packaging and that they have ample power under present law to deal with such activities. They claimed they need the support of this bill to help them to eliminate confusion and thereby be able to prosecute their activities without the delays of formal rulemaking, or the necessities of case-by-case prosecution, or the necessity for judicial reviews on the record.
>
> In other words, both of these agencies left the implication that they would like to be able simply to halt a practice solely on the basis of their judgment and wisdom and without the company involved having the privilege of making an issue of the matter. If this grant of arbitrary power to governmental agencies is the concept of the America that is to be, then it will be a dramatic departure from the principles that have made this country great.

As section 4(a)(3) (A), (B), (C), and (D) are worded the provision is mandatory and the fears of Mr. Dunning appear to be well founded.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 592

Mr. DIRKSEN. Mr. President, section 4(b) of S. 985 reads as follows:

> No person subject to the prohibition contained in section 3 shall distribute or cause to be distributed in commerce any packaged consumer commodity if any qualifying words or phrases appear in conjunction with the separate statement of the net quantity of contents required by subsection (a), but nothing in this subsection or in paragraph (2) of subsection (a) shall prohibit supplemental statements, at other places on the package, describing in non-deceptive terms the net quantity of contents: Provided, That such supplemental statements of net quantity of contents shall not include any term qualifying a unit of weight, measure, or count that tends to exaggerate the amount of the commodity contained in the package.

Apparently this section is aimed at a practice which certain individuals feel is a deceptive practice. This includes the use of such statements as "jumbo gallon" or "giant quart." Whether or not the use of such phrases has a tendency to confuse the customer may be debatable.

Again let me refer to existing legislation. Section 403(a) of the Food, Drug, and Cosmetic Act provides:

> A food shall be deemed to be misbranded—if its labeling is false or misleading in any particular.

Section 5(a)(1) of the Federal Trade Commission Act provides for nonfood consumer commodities:

> Unfair methods of competition in commerce, and unfair and deceptive acts in commerce are hereby declared unlawful.

Certainly this provision could be used to curtail the use of qualifying statements which are deceptive to the point of being regarded as unfair competition.

One witness developed the following information for the Senate Commerce Committee:

> All packaged commodities are covered by the requirement of the model State weights and measures regulations, which require that "In no case shall a declaration of quantity be qualified by the addition of the word 'when packed' or any words of similar import nor shall any unit of weight, measure, or count be qualified by any term (such as 'jumbo,' 'giant,' 'full,' or the like) that tends to exaggerate the amount of the commodity. (Sec. 3.9 of the Model State Weights and Measures Regulations.)

This model law has been adapted in 15 States and is being considered in others.

Primarily this section is one more example of pushing forth a mislabeled piece of legislation in an attempt to let the consumer think he is getting more than he really is. It is much like putting all of the matadors and the entire afternoon's roster of bulls in the ocean at the same time while encouraging the public to attend the melee by advertising the event as one of dramatic skill.

If there is a need to curtail the use of qualifying words attached to statements of net quantity of statements let us work with the laws that we have now. I suggest that we amend section 403 of the Food, Drug, and Cosmetic Act. This could be done by adding a subsection (n) to that section wherein we could prohibit the use of such qualifying statements.

I offer the amendment which I send to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 593

Mr. DIRKSEN. Mr. President, I would at this time like to introduce an amendment to S. 985 as reported by the Senate Commerce Committee. This amendment would eliminate from the proposed bill a section which when read together with other sections of the bill, would serve absolutely no purpose if its intent is as the authors state.

The particular section to which I refer is section 4(a)(1) which is found on page 16, lines 10, 11, and 12. This particular provision in S. 985 provides that in connection with section 6 of S. 985, regulations may be promulgated by either the Secretary of the Department of Health, Education, and Welfare or the Chairman of the Federal Trade Commission which would control certain aspects of the labeling of various commodities. It is aimed specifically at the placement of the identity of the commodity and the name and place of business of the manufacturer, packer, or distributor.

Perhaps I may be so naive as to read a portion of section 403 of the Food, Drug, and Cosmetic Act which is found in title 21 of the United States Code at section 343:

> SEC. 403. MISBRANDED FOOD—
>
> A food shall be deemed to be misbranded—
>
> a. If its labeling is false in any particular
>
> b. If it is offered for sale under the name of another food
>
> e. If in package form unless it bears a label containing—
>
> (1) the name and place of business of the manufacturer, packager or distributor—

Does S. 985 have some hidden mystic which can improve on that? Is not the language perfectly clear? The Secretary of Health, Education, and Welfare certainly must have understood it. Located in title 21 of the Code of Federal Regulations, chapter I, subchapter A, part I, are the regulations which he has issued for the purpose of amplifying that law. Pertinent to the listing of the manufacturer, packer, or distributor is a portion of section 1.8:

> Food: Labeling; required statement; when exempt.
>
> a. Where a food is not manufactured by the person whose name appears on the label, the name shall be qualified by a phrase which reveals the connection such person has with such food, such as "Manufactured for and Packed by ____," Distributed by ____," or other similar phrase which expresses the facts.
>
> b. The statement of the place of business shall include the street address, if any, of such place, unless such street address is shown in a current city directory or telephone directory.
>
> c. If a person manufacturers, packs, or distributes food at a place other than his principal place of business, the label may state the principal place of business in lieu of the actual place where each package of such food was manufactured or packed or is to be distributed, if such statement is not misleading in any particular.
>
> d. The requirement that the label shall contain the name and place of business of the manufacturer, packer, or distributor shall not be considered to relieve any food from the requirement that its label shall not be misleading in any particular.

Unless there is some heretofore unexplained reason for its inclusion, I can see no justification for it. Only excess verbiage could result—with confusion its byproduct. I, therefore, submit this amendment to withdraw section 4(a)(1) from S. 985.

Existing law adequately covers this area. The manufacturer, packer, or distributor is presently required to identify the product. The label now must accurately represent the contents. It is considered to be misbranded if it provides a label which is a "false or misleading representation with respect to another food or a drug, device, or cosmetic." (FDC regulations, pt. I, sec. 1.7(a).)

Furthermore, the present regulations issued by the Secretary of Health, Education, and Welfare provide that—

> The labeling of a food which contains two or more ingredients may be misleading by reason (among other reasons) of the designation of such food in such labeling by a name

> which includes or suggests the name of one or more but not all such ingredients, even though the names of all such ingredients are stated elsewhere in the labeling. (F.D.C. Regs. Part I, Section 1.7(b).)

Why this should be considered insufficient is beyond me. I would therefore urge that this provision be deleted from S. 985 as reported.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 594

Mr. DIRKSEN. Mr. President, section 5(c)(1) permits the Secretary of Health, Education, and Welfare and the Federal Trade Commission to use wide discretionary powers in regulating the packaging of consumer products:

> (1) establish and define standards for characterizing the size of a package enclosing any consumer commodity, which may be used to supplement the label statement of net quantity of contents of packages containing such commodity, but this paragraph shall not be construed as authorizing any limitation on the size, shape, weight, dimensions, or number of packages which may be used to enclose any commodity.

This permits those agencies to issue "commodity-by-commodity" regulations. If the appropriate agency determines that there is "significant variation" in the use of descriptive terms which identify size between competing products, a new standard may be established. To quote the majority report:

> The authority could establish uniform standards for "small," "medium," and "large" packages in that commodity line.

Apparently, the authors of S. 985 feel that people are being misled by statements such as "family size," or "economy size." What unsettling doubts pervade the minds of our housewives when they encounter a mammoth soap package described as "laundry size." Making these packages standard will not lighten her household chores, will not decrease the amount of dirty clothes she must wash, and most important of all, will not save her any money. She makes her choice on the basis of personal preference, need, and perhaps, shelf space. Perhaps our next legislative effort will be to set standards for the cabinetmakers to follow in providing adequate accommodations for the larger packages.

Let us look at the present law. Section 403(a) of the Food, Drug, and Cosmetic Act reads as follows:

> A food shall be deemed to be misbranded if its labeling is false or misleading in any particular.

A similar provision covers the labeling of cosmetics and drugs. Section 5 of the Federal Trade Commission Act provides:

> Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are hereby declared unlawful.

As one witness before the Senate Commerce Committee commented:

> Present law does not authorize the Federal agencies to define the label terms that may be used to describe the quantity of the package, but if the terms which are used are misleading or deceptive the use can be prohibited under existing law.
>
> This provision in S. 985 would transfer the authority to designate descriptive terms to be used from the individual manufacturer to the governmental body. It would seem logical that industry should not be restricted to the point that they cannot designate names for their own packages, even though those names be completely legal and fair.

If a package of soap, for example, is marked "family size" and would provide sufficient volume to be adequate for the average 4- to 5-member family, the labeling would not seem to be at all misleading. If however, the housewife with 12 or more children considers her family to be of average size no amount of labeling control will help her.

Therefore, Mr. President, I submit this amendment which would delete section 5(c)(1).

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 595

Mr. DIRKSEN. Mr. President, consistent with their attack on the use of any descriptive terms used in packaging which may have different meanings to different people, the authors of S. 985 want to control the use of the word "serving." Section 5(c)(2) would allow for the issuance of regulations which would standardize the amount that could be called a "serving":

> (2) establish and define the net quantity of any commodity (in terms of weight, measure, or count) which shall constitute a serving, if that commodity is distributed to retail purchasers in a package or with a label which bears a representation as to the number of servings provided by the net quantity of contents contained in that package or to which that label is affixed.

Supposedly our country's manufacturers and packers are either dishonest in such designations or they are incapable of determining just what amount of a given product would constitute a serving.

If they are unscrupulous and dishonest, how could they be stopped now? Section 403(a) of the Food, Drug, and Cosmetic Act states:

> A food shall be deemed to be misbranded if its labeling is false or misleading in any particular.

Section 5 of the Federal Trade Commission Act provides that:

> Unfair methods of competition in commerce are hereby declared unlawful.

Presently, neither one of these provisions authorizes the agencies to define serving sizes, but both could be used to prohibit false or deceptive label statements of the number of servings. But we hear that the manufacturers are not dishonest but merely so inconsistent within each commodity line that the housewife is confused.

And how do we eliminate such confusion? How do we standardize what may constitute a serving for a given product? Aaron S. Yohalem, senior vice president of Corn Products Co., gave before the Senate Commerce Committee this explanation of the "serving" determination:

> The best that can be done is to provide a guide for the consumer. Based on the experience of our home economists, we indicate a reasonable average serving or use. But we leave it to the housewife to decide what a "serving" is when her husband eats two 6-ounce bowls of soup, while her daughter eats only 3 ounces. She is used to making these "guesstimates"; she had to do the same thing when she bought the raw ingredients themselves.
>
> We do not believe we can regulate the size of "servings", and we do not think the Government should try to either. It has to be an estimate based on consumer surveys and the results of the work in our test kitchens. The work we do must lead to the acceptability by the housewife. However, since the housewife is going to hold us responsible in any event, we believe we should have the right to use our best judgment, rather than being forced to use the estimate of the Federal Administrator.

Now, however, if we should pass S. 985, Federal agencies will be our test kitchens and administrators will be our home economists. And when enough housewives are dissatisfied with the "servings" listed on a company's products, the vice president in charge of marketing will lose his job while the Government home economist will rest serenely in his civil service easy chair.

Imagine the drama unfolding as the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the head of the Food and Drug Administration, and the Chairman of the Federal Trade Commission sit down to test the servings of spinach as prepared by the Special Assistant to the President for Consumer Affairs. When spiced with vinegar, the two Secretaries and the Food and Drug Administrator devour 6 or 7 ounces while the Chairman of the Federal Trade Commission only nibbles at 3 ounces and that only for the vitamin content. When covered with melted butter, the proportions consumed may be quite different—in keeping with attempted diets.

All of this, of course, will not be of any assistance to the housewife whose four subteenage boys have not yet become acquainted with the beneficial attributes of that fine vegetable.

Miss Dunham, a vice president of the General Foods Corp., in her testimony before the Senate Commerce Committee pointed out the futility in this type of Government regulation stems from the fact that "serving" indications on a label are not at all for price comparisons. She also indicated, quite appropriately, that not very humorous effects of such regulations may result.

Miss Dunham stated:

> We are opposed on both practical and empirical grounds to the provisions of the bill which attempts to standardize . . . servings. Let me assure you that there can be no such thing as a standard serving. As a guide to the homemaker, we do indicate on many of our packages that she can expect a yield of so many portions of such-and-such a size—a half a cup or so many ounces.
>
> But the concept of what constitutes a serving varies so widely among families that any attempt to set a national standard would be, in our judgment, wholly impractical. There are light eaters and heavy eaters, teenagers with insatiable appetites, and older persons on diets. Physical laborers need large portions, and office workers don't. The suggestion that somebody can decide in Washington what constitutes a serving of each of the thousands of food products in the supermarket has on Orwellian quality.

> The inclusion of this in the bill, even as a discretionary provision clearly reflects a misunderstanding of the purpose of label information relating to number of servings or yield. Such information is not designed to provide the consumer with a basis for comparing prices at the time of purchase. Her basis for price comparison is provided rather by a combination of the net weight or net volume or yield plus her experience as to the difference in quality among various brands.
>
> Having made her decision on that basis, she then turns to the serving information, much as she would to a cook book, as an aid in preparing her meals. Government dictation of serving size thus would not only be a completely unnecessary and futile exercise; it would seek to attach to serving information a significance which it was never intended to have.

Because of the dangers and the confusion inherent in section 5(c)(2), I respectfully suggest that it be eliminated from the bill and I offer an amendment for that purpose.

The **ACTING PRESIDENT** pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 596

Mr. **DIRKSEN**. Mr. President, among the discretionary powers which S. 985 grants, is the power to closely regulate the label representations that the product is being sold at lower than ordinary price:

> SEC. 5(c)(3). Regulate the placement upon any package containing any commodity, or upon any label affixed to such commodity, of any printed matter stating or representing by implication that such commodity is offered for retail sale at a price lower than the ordinary and customary retail sale price or that a retail price advantage is accorded to purchasers thereof by reason of the size of that package or the quantity of its contents; and

This would in effect severely restrict the manufacturer from printing a "cents off" announcement on the package or the label. It also inhibits the use of such label designations as "economy size" or other phrases which indicate a lower price per unit cost to the purchaser.

Section 403(a) of the Food, Drug, and Cosmetic Act presently provides that—

> A food shall be deemed to be misbranded if its labeling is false or misleading in any particular.

Section 5 of the Federal Trade Commission Act states:

> Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are hereby declared unlawful.

The Department of Health, Education, and Welfare brought proceedings in 1962 against a manufacturer for falsely labeling a package as the giant economy size. They alleged that this was misbranded because the smaller sizes sold for a lower price per ounce. The defendant corporation entered into a consent decree and agreed to discontinue the use of such labeling.

The Federal Trade Commission has completed investigational hearings in the area of cents-off labeling in the coffee industry. An announcement is expected to be forthcoming from that agency in the near future. Presumably, any company which continues in a practice which runs counter to the expected guidelines will be subject to a complaint procedure brought under section 5 of the Federal Trade Commission.

Miss Dunham, a vice president of the General Food Corp., voiced her opposition to the prohibition:

> Legislation that prevents the manufacturer from attempting to bring about a lower retail price even for a short period can hardly be considered in the consumer's interest. As was brought out in earlier hearings, research shows that the vast majority of consumers favor cents-off promotions, and only a very small minority—less than 10 percent of those surveyed—feel that they should be prohibited as deception. Studies which we have conducted indicate that the great majority of retailers do indeed price our products so that the savings on the label are realized by consumers.
>
> We oppose prohibition of "cents-off" labeling not only because the practice is beneficial to consumers but also because it is a legitimate marketing device which is very important to food manufacturers. The committee should realize that companies like ours compete, in many cases, with retail grocery organizations which pack their own products. The power to price rests with these retailers—our products as well as theirs. If the manufacturer who seeks to achieve price reductions on his product at the retail level is legally prevented from doing so, the result can hardly be advantageous for either the manufacturer or the consumer. This is especially true if no similar prohibition applies to the retailers who pack competing products. It may well be that intensive price competition sometimes confuses the consumer. But it is an irrefutable truth that price competition lowers prices, and lower prices are one of the things the consumer looks for in the marketplace.

Mr. Lee S. Bickmore, the president of the National Biscuit Co., expressed the same feeling in regard to this matter:

> Another provision of this bill would prohibit cents-off promotions by manufacturers.
>
> Again, as a salesman and businessman I feel strongly that the cents-off promotion is a legitimate and ethical selling tool. I say this in spite of the fact that in my company we use this type of promotion only on a few minor items. I am opposed to outlawing its legitimate use merely because it may be abused by a few unethical manufacturers or retailers. The provisions of existing law provide ample authority for taking action against label statements as to retail-price savings which are found to be false or deceptive.
>
> The question commonly asked by proponents of this legislation is cents off what? It seems to me that the answer to this question is cents off the regular price normally charged for the product by the retailer, and most packages say so clearly. The manufacturer who marks his package 5 cents off makes a corresponding reduction in the price of his product so that the retailer can sell it at a price that is 5 cents less than his regular price. The manufacturer's purpose is to get people to try his product in the hope that—once they have tried it—they will like it and continue to buy it.
>
> Such promotions are relatively inexpensive for the manufacturer because the cost can be calculated in advance and the package on the shelf is easily perceived by the housewife. Small manufacturers thus can compete on the shelf with a sampling opportunity even though they might not be able to approach the advertising impact of their larger competitors. I think prohibition of cents off would hurt the small businessman much more than large corporations.
>
> Testimony submitted to the Senate Antitrust and Monopoly Subcommittee by the Association of National Advertisers indicated conclusively that housewives like the cents-off promotion and prefer it to other types of offers of a similar nature. They take advantage of opportunities to try other brands at less than usual cost. The results of that survey are contained in the record of the previous hearings before the Judiciary Committee.

It has been indicated upon the very occasion of misuse of cents-off labeling, existing law has been adequate. To go to the extremes which S. 985 does would be to deprive the consumer of beneficial savings. I personally think that is going too far and thus introduce this amendment to delete section 5(c)(3) from S. 985.

Attached is a 20-page memo on cents-off which can also be used herein, if needed, which reads as follows:

> As reported by the Senate Commerce Committee, S. 985 contains a provision which relates to "cents-off" appearing on the label of any commodity which falls under the bill. Sec. 5(c)(4) contains authority for either the Secretary of Health, Education and Welfare or the Chairman of the Federal Trade Commission to issue regulations which may severely curtail or possibly eliminate the use of "cents-off" promotions printed on the label by the manufacturer.
>
> When this bill was before the Senate Antitrust and Monopoly Subcommittee in the form of S. 387, this provision was not discretionary, but mandatory. Even though it is now discretionary this long established practice is in danger. The Individual Views of Senator EVERETT MCKINLEY DIRKSEN which accompanied the Report of that subcommittee were directed at the mandatory provision, but are just as appropriate when directed at the discretionary provision contained in S. 985 as reported. It was there stated by Senator DIRKSEN:
>
> "Why the sponsors of this bill are so adamant in insisting on this provision is difficult to fathom. Their explanation that the manufacturers cannot assure that cents-off discount will be passed on to the consumer does not stand up in the face of the overwhelming testimony of the people who are in a position to know. The only inference that one can get from those who are opposed to permitting the present legal practice of cents-off promotions is that they do not have sufficient faith that the retailers of America will pass to the consumer the cents-off discount price. The evidence is overwhelming in favor of the trustworthiness of the retailers and I have faith in them. The evidence is emphatic that the consumer benefits under the cents-off promotion."
>
> Quoted in those individual views was the testimony of Mr. Irston Barnes, professor of political economy, Graduate School of Business, Columbia University. His testimony was presented March 21, 1963, and appeared at page 385 in Part I of the Antitrust and Monopoly Subcommittee Hearings on S. 387. He stated as follows:
>
> "I would, therefore, strongly recommend elimination of subparagraph (4) from paragraph (c). I think that the cents-off promotion has a legitimate place in contemporary competition. (a) It is an effective means by which the manufacturer, having made the consumer aware of his product, is able to induce the consumer to change her buying habits and try this product. (b) The alternative to the cents-off promotion as a device for inducing new consumers to experiment with a product is the use of couponing and door-to-door sampling, both of which are extremely expensive, one might almost say economically wasteful, and neither of which reaches the whole market in the way

in which a cents-off promotion can reach all consumers who can be interested. (c) To prohibit cents-off promotions would be to impose a serious obstacle on the promotional activities of the smaller competitor, who frequently can afford this form of price competition, where he cannot afford either couponing, sampling, or extensive advertising on a basis which will give him a fighting chance against his larger and well established rivals. (d) Finally, I would urge that cents-off promotions are a form of genuine price competition, that they are used periodically as a special sale to increase turnover and volume, and that they are beneficial to the consumer, who is able to use the cents-off promotion to stock up on the product. (e) The cents-off promotion may also be a means of sparking a permanent reduction in prices, particularly where the product is one with a relatively elastic demand. Through use of the cents-off promotion, a manufacturer may discover that he has a larger and more profitable market at a lower price than he has with his former higher price. This kind of probing of the market should be encouraged; it will not be encouraged by a prohibition of cents-off deals.

"I am not deeply concerned about the possibilities of deception inherent in the use of cents-off promotions. Wherever this does become a problem, it can be dealt with effectively by the Federal Trade Commission employing the precedents created in its successful campaign against fictitious pricing in general. I see no need for a mandatory prohibition of this sort in paragraph (c)."

Also quoted in these individual views was Mr. E. Scott Pattison, Secretary and Manager of the Soap and Detergent Association. His testimony was given to the same subcommittee on April 24, 1963, and appeared at page 598 of part II of those printed hearings. He felt that present law adequately covered any false "cents-off" labeling. His remarks regarding this subject were as follows:

"Now, my third point has to do with 'cents-off' labeling, which S. 387 would specifically restrict. In a previous statement before the committee, Mr. A. N. Halverstadt of the Proctor & Gamble Co. testified to the effect that retailers do pass on to the consumer the 'cents-off' reductions which the producer makes possible from time to time as one of his competitive tools. But more significant than a manufacturer's opinion, or certainly of my opinion, is that cents-off provision was opposed by a strong proponent of the present bill. Mention was made this morning of reading the testimony of Dr. Irston R. Barnes, economist of the Graduate School of Business of Columbia University.

"I am glad to say I did read Mr. Barnes' testimony, and he said in regard to this cents-off provision: 'I would strongly recommend elimination of subparagraph (4) from paragraph (c) * * * I would urge,' said Dr. Barnes, "that cents-off promotions are a form of genuine price competition * * * and that they are beneficial to the consumer.'

"I will not repeat Dr. Barnes economic arguments in full—but would note that he feels any deception arising out of the improper use of cents-off promotions can be adequately met by existing laws against fictitious pricing."

The general counsel of the Association of National Advertisers, Mr. Gilbert Weil, appeared to testify against this provision in S. 387 on April 25, 1963. His testimony which appears on page 647 of Part II of the printed hearings was as follows:

"This is so crucial to responsible deliberation upon the bill that I must take an additional moment to illustrate the pitfalls of personal impressions by one specific example. You have heard what must seem to you an overwhelming expression of consumer antipathy toward 'cents-off' promotions; so much, in fact, that you may believe that consumers generally dislike them. But that's because relatively few of the people who are satisfied with something as it stands become vocal on the subject. It is normal that you, as legislators, should hear from people who want things changed more than from those who are content to leave them as they are.

"With that in mind, consider the report by Alfred Politz Research, Inc., which Mr. Greene has just presented to you. That survey made among principal women shoppers showed that of such women 61.7 percent like cents-off promotions best, and only 2.8 percent liked them the least. One-half of this 2.8 percent felt that way because they didn't believe the representation was true in whole or in part. You will see the point I am coming to.

"Given the fact that there are roughly 52 million principal women shoppers in the country, your subcommittee could have heard complaints that 'cents-off' labels are phony from as many as 720,000 women and still have been within that small minority of 1.4 percent of the total population of principal women shoppers. I don't have any idea as to how many such complaints you may actually have, but I would be surprised if they came anywhere near 7,000, much less 700,000.

"Now, of course, even 720,000 women should not be left unhappy, if it is not necessary to do so. But it does not seem sound legislative policy to bow to their dissatisfactions at the expense of the 31,876,000 women shoppers (61.3 percent) who like 'cents-off' promotions best of the special promotions (and who presumably do not find them phony); or to go counter to the views of the 33,176,000 women shoppers (63.8 percent) who believe that Congress should not pass a law prohibiting the 'cents-off' promotion."

Equally disturbed by the inherent attack on "cents-off" promotions as contained in S. 387 was the Vice President of Procter & Gamble Co., Mr. Albert Halverstadt. He stated his objections and a very interesting colloquy between Mr. Halverstadt and Senator HART resulted:

"The last mandatory regulation I would like to discuss is the one prohibiting manufacturers from using cents-off packages. The principal reason for this provision of the bill, as we understand it, is that when a manufacturer sells a price-off pack he, the manufacturer, has no absolute guarantee that the retailer will, in turn, pass that saving on to the consumer.

"On this point, we would like to be quite clear. We think this provision of S. 387 is harmful. We are convinced that the effect of this provision would be diametrically opposed to the interest of the consumer in that it would cost her more money. We would suggest that any action which increases their weekly grocery bills is certain to be unpopular with housewives.

"We believe that the reasoning used in support of this proposal is based on unwarranted fear or incomplete information.

"We readily admit that the manufacturer does not control the retail price of his product—except to the extent that fair trade legislation may allow for the setting of a minimum price. It is our experience that retail price control by the manufacturer is not necessary to insure the savings to the housewife that the cents-off promotion promises. The manufacturer merely reduces the price of this product to the retailer so that the retail merchant can pass the reduction on to his customers without sacrificing any of his normal unit profit. The key issue here seems to be whether retailers do, in fact, pass on the cents-off savings to their customers. We know from years of experience that the retail trade consistently passes on to the consumer the savings of our special promotion packs. If a retailer normally sells an item for 34 cents and a package is marked 5 cents off, the retailer almost universally drops his price to 29 cents.

"I have here advertisements for grocery stores which have appeared in newspapers all around the country in recent months. These have been selected at random from thousands of such ads which have featured one or more of our price-off offers. In every instance, these ads show that the retailer has reduced the price of the product by at least the amount of the cents-off reduction. In several instances, the retailer has elected to lower his retail price of the promoted product by more than the cents-off reduction in order to have an attractive traffic-building feature item in his store.

"These are a few examples (indicating). These are reductions greater than the amount specified on the price-off pack.

"Senator HART. They will be made a part of the file.

"(The documents referred to will be found in the files of the subcommittee.)

"Mr. HALVERSTADT. Yes, sir. I would be pleased to have that.

"I might say in some cases where there is a 5-cents off marked on the pack, the retailer, for example, will reduce the price to an amount that is as much as 15 cents off the regular shelf price. The particular features that I mentioned in connection with this exhibit are marked in red pencil. The printed price and the 5 cents off or 3 cents off, whatever the amount is, that is mentioned and we have also penciled in what the retail shelf price normally would be on that item in the store through the check made at the same time.

"Senator HART. Thank you.

"Mr. HALVERSTADT. Here are reductions which are exactly the same amount as specified on the package.

"(The documents referred to will be found in the files of the subcommittee.)

"Senator HART. For clarity, is the first batch——

"Mr. HALVERSTADT. They are marked.

"Senator HART (continuing). Instances where the reduction was even greater than the other? Is that the reason you made the comment?

"Mr. HALVERSTADT. Yes.

"Senator HART. About the second batch?

"Mr. HALVERSTADT. We cannot believe that the money savings which result are anything but welcomed by the American housewife.

"The examples I have just given you are from our own experience. I think, however, that our experience is not unlike that of other grocery product manufacturers. We think it stands to reason that manufacturers would not incur the expense of such promotions if the money savings were not passed on to consumers.

"We recognize, of course, that there may be some instances where a manufacturer might put cents-off labels on virtually all of his products in order to imply a cost reduction which does not actually exist. We would readily agree that such a practice is deceptive and that it should be and can be stopped under existing laws."

Yet another quote from the individual views of Senator DIRKSEN was a statement made by Mr. J. Arnold Anderson, Vice President of Safeway Stores, Inc.:

"Misuse of 'cents off' promotions: We do not condone misuses or abuses of 'cents off' promotions. The raising of a 'regular' price for the purpose of accommodating a cent-off deal is obviously a misrepresentation.

"We may interject that existing law is sufficient under FTC Act to punish offenders of misrepresentation in 'cents off'.

"However, we recognize that certain cents-off promotions do tend to move products—very often to a greater extent than a special or regular price reduction of the same amount. * * *

"Generally, we are not favorably inclined toward cents-off promotions, but we are not overly concerned by them. We believe their widespread use at present is but a transitory phase of the more or less cyclical rise and fall of such promotional techniques, similar to the use of couponing so much in vogue some time ago. It is inherent in our competitive system that new merchandising ideas arise from time to time, to continue until their benefits are exhausted and they are replaced by other devices—but with the consumer the ultimate arbiter of what are actual improvements in value."

Mr. Lloyd E. Skinner, President of the National Small Business Association and President of the Skinner Macaroni Company, Omaha, Nebraska, stated during hearings held by the Antitrust and Monopoly Subcommittee at page 739, Part 2, April 26, 1963, as follows:

"As an afterthought I added this, perhaps I should add that even though originally I was not going to say anything about the cents-off merchandising on packages, I believe on its face it is not a deceptive merchandising device. There are probably a few who keep a continuous cents-off package and a complaint by the distributor, I am talking about the chain or the independent retailer, to regulatory agencies concerned could certainly bring an end to this abuse by investigation and showing they never have established a previous price.

"Now, there was a reason for these cents-off packages coming into being, and I might just as well mention it.

"At times the manufacturer feels that if he can reduce the price, he can get Mrs. Consumer to try his quality and his product and see the way it is made.

"Now, naturally they gave a deal to the wholesalers and the jobbers. Generally, the chains cooperated but with some of the wholesalers and the—and I don't mean this against them—they didn't always pass this down to the independent retailer, and so the manufacturer went to the other device or preprinting it on the package, and then giving them the deal and, of course, this forced it all the way down to your retailer, you see.

"Senator HART. I am glad that you decided to say something about this because this is the first explanation of its kind we have had.

"Mr. SKINNER. Nobody wants to say anything about anybody else in their business and certainly not all the jobbers did this but when there are hundreds and thousands of items they look for an opportunity to make money and they may feel that maybe this time they don't have to pass this down, you see, and this is how cents-off promoting got started as a merchandising device.

"Actually, I don't think there is anything wrong with it if it is not abused except as you have pointed out, I believe, in continuous use. If the distributor wants to report that to the regulatory authorities—he is the one who would know whether it was really a cents-off or not, because he has been selling it at a certain price. Some distributors probably don't always play fair, either.

"Senator HART. There is always this problem of what would my relations be tomorrow if I talk today.

"Mr. SKINNER. That is right. That is right.

"Senator HART. Sir, thank you very much."

Mr. William R. Tincher, Vice President and Special Assistant to the President, Purex Corp., Ltd., Lakewood, California, states as follows on page 729, Part 2, April 26, 1963:

"Another awesome inconsistency appears in S. 387. From what I read, supporters of this bill believe that any competition other than straight price competition is bad and wasteful and that all possible price advantages must be given to the consumer.

"Yet this bill would outlaw packaging being used to reflect cents-off sales and other price-reduction techniques widely used by manufacturers today. Gentlemen, these techniques are price competition. These methods of the producer reaching the consumer directly with price reductions are to the consumer's benefit. If they are outlawed, the consumer is hurt. It is as simple as that.

"And, if they are outlawed, the small and the potential new competitive entity will be hurt far worse than the larger producers—a result diametrically opposed to our antitrust philosophy, history, and practice. Existing laws prohibit, and correctly so, any other avenue a producer might utilize to guarantee the passing on of price reductions through the retailer to the consumer." Paul S. Willis, President, Grocery Manufacturers of America, Inc., New York, N.Y., Page 232, Part 1 of the Packaging and Labeling Hearings on March 19, 1963, stated:

"While there may be instances where cents-off promotions could cause confusion, such instances must be very isolated. We say that because this type of promotion is very popular with consumers everywhere as is evidenced by their continued purchases and expressed preferences. Cents-off promotions provide a quick way for manufacturers to offer their products to consumers at a reduced price.

"The popularity of any promotion is measured by its consumer acceptance. Cents-off deals have proven their popularity, and the homemakers who like them are entitled to have them. Freedom of choice is basic to our free enterprise system and a great American privilege which must be preserved. Any attempt to outlaw legitimate promotions such as cents-off would surely meet with mass consumer resentment.

"This industry, as you know, has enjoyed a fabulous growth. In the last 20 years it has grown from $16 to $80 billion annually. Promotions which are very popular with American consumers, have contributed much to this growth.

"Certainly we do not condone any misuse of promotions, and where it occurs corrective action should be taken.

"Pursuing further this matter of cents-off promotions which some people apparently don't like, undoubtedly there are others who do not like premiums, or coupons, or prizes or deals. What is to stop them from asking Congress to outlaw those promotions? Where do we stop? Any prohibition of the use of legitimate and ethical promotions is contrary to our American system of free enterprise which has made possible our world famous high standard of living."

Mr. Willis continued on page 241:

". . . Mr. Chairman, that often times people form a personal opinion based on something rather, but the controlling factor in this country is the mass consumers. Any time you go contrary to what the mass consumers like, you will be hurt.

"In Connecticut not long ago, for some time there was a resentment by some members of the trade about the use of trading stamps. Somebody was influential enough to get a legislator to introduce a bill to outlaw trading stamps. When word spread about that effort, the women organized a mass meeting of protest and that was the end of that proposed bill. Similar action was taken in Tennessee and in Colorado.

"Anytime anybody goes against why mass consumers desire and will buy, they are going to find an uprising. The same thing applies to cents-off deals. So long as they are popular with the consumer, the manufacturer will use them, and the retailers will handle them. These promotions come and go. Maybe the bloom will be off the cents-off deals and something else will come along, but they are a part of the family of promotional tools, and I am opposed to outlawing a promotional tool which is a part of our free enterprise system of doing business. If there are abuses, let's correct the abuses."

Mr. Harrison F. Dunning, President, Scott Paper Company, pages 307–308, Part 1 of the Packaging and Labeling hearings on March 20, 1963, testified as follows:

"Senator RIBICOFF draws the conclusion that we take a position similar to that taken by this committee, and so we do with respect to one particular item: Cents off the label, but for quite different reasons. You will note that in our pledge to our customers that we will not indulge in that kind of activity on our regular established products, we did reserve the right to use such a merchandising procedure, following the initial introduction of a new product or when offering a vastly improved old product. We made this reservation because in such circumstances consumer sampling is a requisite to consumer knowledge of a product or product improvement and cents off the label is an effective instrument in encouraging shoppers to try a new or improved product at least once. She then makes her own judgment of its value for the purpose of future purchases.

"But it is here that we have to take leave of Senator RIBICOFF's position, because we reached the conclusion that we would no longer indulge in cents off the label, coupons or unrelated premiums on our established product line for entirely different reasons than those which he imputes to us, and I would like to make this point crystal clear to this committee at this time.

"The real reason why we disapprove of this kind of merchandising is not because we think the consumer is deceived by it, but because our experience and our research have convinced us that such merchandising tactics on an established brand do not lead to permanently increased sales but only alter temporarily the competitive division of the volume of business that already exists for that type of product.

"With tremendous unused capacity in our industrial setup and with almost 5 million people back to work.

"I can't help but say, despite our own disapproval of the cents-off the label technique, that eliminating this one practice by law is not the sound approach if you think a problem exists. It is here that we begin to find ourselves at odds with this bill, for if you are bent on this one elimination, do you stop with that? Do you also eliminate contests with prizes? Why should a lot of people, in effect, pay for the prizes only a few receive? Do you eliminate the premiums? How does a customer know if she sends in two box tops and $1 that she is getting full value received: Do you eliminate the coupons? Do you know—and does the customer know—that an additional 2 cents or so has to be paid to the retailer for the processing each coupon, a 2 cents that just has to ultimately find its way into the cost of the product? Do you eliminate stamps in retail grocery stores? These stamp plans can increase the overall cost of grocery store purchases by as much as 2 percent to 3 percent. How does a customer know that the premiums she gets for her stamps are worth the price she has paid for those stamps?

"So you see, it isn't as simple as eliminating cents off the label, as your bill proposes. Even if you eliminated all these other merchandising promotions, which I don't think you should do, new ones you never even thought of would appear almost overnight."

When S. 985 was before the Senate Commerce Committee various government department heads submitted comments. Among them Secretary Freeman of the Department of Agriculture submitted a letter dated April 27, 1965. In this letter he stated that "The requirements of S. 985 are not materially different than the existing regulations under the Food, Drug and Cosmetic Act governing the labeling of food. . . ." His letter also points out that his department currently is involved with the "cents-off" practices and it would appear that his letter is self explanatory:

"There are two provisions of the bill which would constitute a significant difference from the Federal meat and poultry inspection acts and the regulations issued thereunder. These provisions, not present in the meat and poultry acts, are the mandatory prohibition of cents-off labeling by the manufacturer and the administrative authority to establish reasonable weights or measures by which a commodity shall be distributed for retail sale.

"We have handled on a case-by-case basis the cents-off labels submitted for approval by manufacturers of meat and poultry products. Relatively few such labels have been submitted for approval. They have been approved when the manufacturer submitted satisfactory evidence that there was no change in the product formula and quality, and when the labels showed the base price to which the 'cents off' would apply. Only temporary approval (6 months limitations) is given to a cents-off label. We are currently reviewing the matter to determine if further safeguards or limitations, within the scope of the meat and poultry inspection acts, should be adopted."

The Department of Justice also submitted its comments. At the time the "cents-off" provision was mandatory. While Justice's suggestion was merely to make the provision discretionary, the suggestion itself illustrates that department's concern with the anticompetitive effects of such regulations:

"Section 3(a)(5) would flatly prohibit 'cents-off' labels. In our view such a prohibition is inadvisable for price competition is certainly a desirable factor in the market place. It is therefore suggested that this provision of the bill be deleted and in its place section 3(c) be amended to add a paragraph '(7)' authorizing the promulgation of regulations to deal with the 'cents-off' question. In the exercise of such an authority, the Secretary of Health, Education and Welfare on the Federal Trade Commission, as the case may be, could permit the use of such labels under circumstances which would assure against consumer deception and pursuant to appropriate safeguards."

We contend that the same dangers which Justice saw in a mandatory provision would be inherent in the discretionary provision.

Mr. Banzhaf, Vice President of Armstrong Cork Company, appeared before the Commerce Committee on April 29, 1965, as a spokesman for the Chamber of Commerce of the United States. His exchange with the committee points out the popularity of "cents-off" promotions with the consumer.

"Mr. Banzhaf. Senator, I believe that there are many studies that show—good validated studies that show the consumers do think they are getting a bargain from a cents-off promotion, and it is very popular. I think that the previous testimony given on the predecessor bill has been quite well demonstrated if you examine the testimony. I think Opinion Research Corp. has testified, or Alfred Politz, to that effect. There have been a number of studies that have been made, demonstrating that a great preponderance of the consuming public likes them and they believe they do represent a value.

"Senator Neuberger. It is getting to the point where they have no choice. It is awfully hard to go to a grocery store and find something that does not have 'cents-off' on it.

"Mr. Banzhaf. I think if you look very carefully you find that is not true."

Mr. Peter W. Allpont of the Association of National Advertisers submitted a letter dated April 29, 1965, to the Senate Commerce Committee in which he referred to a survey conducted by Alfred Politz Research, Inc., as to the popular acceptance of "cents-off" promotion. In it he stated:

"The hearings on S. 387 showed clearly that there is no popular demand for additional legislation in the consumer area. The series of consumer conferences sponsored by the Federal Government and reported upon in detail by Mrs. Esther Peterson, special assistant to the President for consumer affairs, also showed clearly that consumers in general are well satisfied with the wide choice and the high quality of package goods which they purchase daily in the marketplace.

"One of the most valuable research efforts to determine consumer preferences is 'Women Shoppers' Opinions of Special Offers,' a survey conducted for ANA by Alfred Politz Research, Inc., in 1963. The techniques employed by the Politz organization in arriving at these results are the ones used by the Federal Government, including the Bureau of the Census, the Department of Interior, and the Internal Revenue Service, all of which have employed the Politz organization. The results of that survey showed that women shoppers overwhelmingly prefer cents off to any other type of promotion device.

"In response to questions, the replies were:

	"Percent
"Like cents-off sales 1st or 2d best	80.3
Like coupons	57.2
Like premiums	42.3
Like contests	6.6
Like cents-off sales 1st, 2d, or 3d best	90.7
Like coupons	84.9
Like premiums	83.9
Like contests	17.8

"Women shoppers were asked whether or not Congress should pass a law prohibiting cents-off promotions. Their opinions were:

	"Percent
Think Congress should not pass such a law	63.8
Think Congress should pass such a law	8.9
No opinion	27.1
Not reported	.2

"A copy of the survey together with the explanatory testimony of Mr. Jerome Green, of the Politz organization, is attached herewith. We have taken the liberty of sending copies of this survey to all members of the Commerce Committee in the hope that it might be of some value to them.

"Without belaboring the point, it must be clear that this study and the other studies undertaken by individual manufacturers, by magazines, and other associations overwhelmingly support our position that S. 985 would serve no useful purpose. On the contrary, there is voluminous testimony in the record that the bill will tend to increase rather than decrease the prices of many commonly produced consumer items. Earlier hearings brought out that rigid enforcement of the proposed regulations governing package sizes and shapes will require heavier investment and raise the prices of many items at the retail level. It would deny a careful and thrifty housewife the advantage of cents-off promotion, and as we have seen, this is the one type of promotion which such women shoppers prefer.

"To summarize, the ANA believes that S. 985, despite the evident good intentions of its sponsors, would be an unnecessary law since there is little if any evidence of the widespread abuses which it proposes to check, and where there are such abuses, Federal and State laws are already broad enough to deal with them. The proposed law would be costly to the consumer, costly to the producer, and costly to the Federal Government.

"For these reasons we respectfully request that the Senate Commerce Committee withhold its approval of the proposed legislation."

In concluding his views on "cents-off" promotions and viewing the drastic effect S. 387 would have had, Senator Dirksen stated:

"Many others gave excellent reasons why the 'cents off' promotion is definitely an advantage to the consumer in getting a price discount. The record reveals that any consumer who is purchasing a cents-off product can easily determine if the product is really being sold at a discount price. Most retail stores have a price tag of the original price plus the discount price, and further the consumer can compare two competing products, both selling originally at the same price, with one carrying the 'cents off' showing the discount price, and the other without a cents off showing its regular price.

"But more important to us is the fact, and it has been stated many times, that any retailer who attempts to cheat the consumer on a 'cents off' promotion will be caught in the act by the consumer who averages two trips to the market place per week."

While S. 985 has changed the provision from a mandatory one to discretionary the same dangers appear. The effect on the consumer would be the same—a loss of a legitimate promotional activity which saves the housewife money.

The ACTING PRESIDENT pro tempore. The amendment will be received, and will lie on the table.

AMENDMENT NO. 597

Mr. DIRKSEN. Mr. President, under section 5(c)(4) the Food and Drug Administration and the Federal Trade Commission are authorized to adopt regulations for particular commodities to:

> (4) require (consistent with requirements imposed by or pursuant to the Federal Food, Drug, and Cosmetic Act, as amended) that information with respect to the ingredients and composition of any consumer commodity (other than information concerning proprietary trade secrets) be placed upon packages containing that commodity.

Presently, the Food, Drug, and Cosmetic Act provides:

> Section 403(1)(2) A food shall be deemed to be misbranded . . . unless its label bears . . . the common or usual name of each . . . ingredient.

In the event that a particular food has been "standardized" under section 401 of the Food, Drug, and Cosmetic Act, the manufacturer may declare only those ingredients which are specified in the established "standard." This provision seems to wisely acknowledge the fact that perhaps all ingredients need not be listed while still maintaining nondeceptive label. That section 403(1)(2) is adequate law in relation to food goes without saying.

Besides the fact that existing law is adequate, one of the witnesses before the Senate Commerce Committee pointed out two other drawbacks in this provision of S. 985. For one thing, the nonfood commodities should not be placed in the same restrictive category as food items. The listing of ingredients in most cases would be so technical as to be of no value or interest to consumers. The other point was as follows:

> This subsection goes substantially beyond existing law, for the agencies could require that additional information about the ingredients be stated on the label in order to facilitate comparison of competing products. Such additional information (for example, origin of ingredients, their relative amounts in the product, or their purpose in the product) would be extremely costly, if not commercially impossible, to declare on the label and would freeze products to that formulation declared on the label. Any consumer benefit would be minimal or nonexistent and product development would be seriously curtailed.

Mr. Murphy, president of Campbell Soup Co., appeared before the Senate Commerce Committee. In his prepared statement Mr. Murphy expressed his very strong sentiments against this particular provision:

> This is an almost complete blank check for administrative control of labeling. There is no limit to what an imaginative administrator might require to be placed on the label, so long as there is consistency with Food and Drug regulations and proprietary trade secrets are protected.
>
> He might conclude that the consumer would be interested in the percentage of each ingredient present, the identity of spices, the particular variety of each ingredient, the geographical origin of ingredients, the procedures by which ingredients have been processed, et cetera.
>
> He would have complete control over the position and prominence in which such information would have to appear on labels.
>
> Very little has been said about this section of the proposed bill, but I regard it as potentially one of the most dangerous.
>
> I might add we do not find too much solace in the phrase protecting proprietary trade secrets. This is desirable of course, but we can foresee countless arguments as to what is a trade secret.

The advocates of S. 985 say that the manufacturers have nothing to fear; the people given authorization under this bill will not issue any regulations which would be damaging. The Government offices are staffed with reasonable men. Well, I might say that to the extent these reasonable men issue reasonable regulations they will only be duplicating existing law in this area. It is the extended authority, which the proponents say will not be used, that presents the problem. What a contradiction. "Give the FTC and the FDA the authority—but of course they won't use it," say the backers of S. 985. This is just not a very intelligent way to approach the regulation of an important segment of our economy.

We have here another example of the lack of understanding of the problem. The proponents of S. 985 say on the one hand that the consumer can no longer rely on the "if not friendly at least familiar face" behind the counter. On the other hand they point to the housewife who does not have time to spend reading complete labels on the various items in a large supermarket. No mention is made of the differences in shopping time or the difference in the ease of shopping these days as opposed to yesteryear. But more pertinent to this particular section is a very basic misapprehension as to the "average consumer." They assume that when the man with the "familiar face" held up a hand full of green beans the prospective purchaser, knew what she wanted and had past experience in preparing green beans for her family. No such assumptions are made for the supermarket shopper, however. The advocates of S. 985 appear to consider every trip to market as the first one, with the consumer bringing no prior buying or cooking experience.

I am not claiming that they consider the average consumer something of a moron. I am asserting, however, that they view the act of purchase in a supermarket as a brandnew experience with absolutely no indication of prior experience or personal preferences or special needs. The occasion of purchase and sale does not take place in the test laboratory of the Senate Commerce Committee, or in the purified atmosphere of our Federal agencies.

Because section 5(c) (4) has absolutely no purpose which it can serve beyond its contribution of confusion to the regulatory field, I propose by amendment that it be eliminated.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 598

Mr. DIRKSEN. Mr. President, under the name of "truth in packaging," S. 985 is presented to us as the protective shield for consumer interests. As in a crusade the forces are rallied under banners which proclaim "truth" and "honesty" for the marketplace. With a burning desire to save the housewife from trickery and fraud at the supermarket, the proponents of S. 985 stand shoulder to shoulder stripped of all but zeal, to uphold standards of honesty and integrity.

Now, this is a very good battle tactic. Who dares to oppose honesty? Where is the man who is so ruthless that he would not rush to the assistance of our lovely housewives? We will certainly have a difficult time trying to find the person who will take a stand to perpetuate fraud or who will encourage dishonest practices which drain the housewives' grocery funds in clandestine fashion.

In an effort to insure "truth in packaging" perhaps we should begin with the popular title of this bill. How is it going to save the consumer any money? How will it aid the shopper in choosing between competing brands? How will it encourage competition to creatively serve the consumer?

Section 5 of S. 985 provides for hearings which will determine just how difficult it is for the consumer to compare prices on a per ounce or per unit basis. Should the agency decide that the computation is too difficult then regulations are to be issued which would standardize the size of packages for the particular product line.

Section 5(e) plays a part in this standardizing process. After the appropriate authority announces, pursuant to 5(d) (2) that regulations will be issued, the members of the industry have 60 days in which to come forward and "volunteer" to agree upon standards. So you see we now have two very fine platitudes. First, in the consumers' interest we are going to correct manifest confusion, and second, in very fair fashion we will let the manufacturers set voluntary standards. It is my contention that this procedure will not help the consumer at all and that the voluntariness is highly suspect.

Once the proper authorities decide that standards must be set, how voluntary will the resulting regulations be? It is my feeling that the manufacturers will be faced with a governmental mandate. They must develop standards which the Government will approve of. This is much like the drill sergeant asking for volunteers to dig a trench.

But more important, what would their voluntary product standards do for the consumer? In terms of making price comparison easier, these standards would have absolutely no effect. The housewife would still be faced with fractions and equations dealing with something other than whole numbers.

In the area of greatest concern, prices, this process of product standardization would have its greatest effect. Manufacturers would face incredibly high costs in retooling and re-equipping their plants in order to comply with standardization. The president of the Kellogg Co. presented some pertinent facts and figures in his testimony before the Senate Commerce Committee:

> In the testimony in 1961-63 hearings, the economies made possible by packing a number of different products in the packages of the same size were discussed. Products which were mentioned were biscuits, crackers, canned peaches, spaghetti, and others. The same economies are available in cereals.
>
> Kellogg Co. uses one size package for 6½ ounces of Special K, high-protein cereal; 10 ounces of Sugar Frosted Flakes; 10 ounces of Pep Wheat Flakes, and 14 ounces of Raisin Bran. But putting a number of different cereals in the same size package, we are able to make one package line do the work of many, without making changes in the machinery between runs, on different products. The economies are considerable.
>
> We estimated in 1963 it would require an additional $3 to $6 million to produce the same volume cereals depending on the standardized weights or volume prescribed by the regulation. We now estimate that we would have to spend $4,360,000 in capital equipment and incur an additional operating cost of $2,050,000 a year, not counting the added depreciation, to achieve compliance with a standardizing regulation.
>
> This is why net weight comes out occasionally in fractional ounces. For instance, if we want to take advantage of the economies to use the package size for Special K, we can either label it 7 ounces, in which case we are going to regularly have short weight packages which is both illegal and bad business; or we can label it 6 ounces and pack 6 ounces, which would make us guilty of slack-filling which is illegal and bad business; or we can label it 6 ounces, fill the package and underclaim the contents, which would be a misrepresentation; or we can honestly label it 6½ ounces. We think this last choice—the honest one—is the only way.
>
> Another package size is used for seven different products ranging from 5 ounces of our newest product, Corn Flakes and Bananas, to 18 ounces of Bran Buds. I brought along one of the carton board sheets on which we have printed cartons. As you can see we have printed cartons for 8½ ounce Cocoa Krispies, 18-ounce Bran Buds and 1-pound All-Bran—all in one operation. Because the cartons are all the same size, the cartons fit together with a minimum of waste. By putting three different cereal cartons on this sheet we are able to get longer runs on our presses which is necessary to efficient operation.
>
> We have had some experience in other countries which indicates the effect of a requirement that all packages be of specified standard weights.
>
> We have subsidiary companies operating in both South Africa and Mexico. Both subsidiaries were organized about the same time. Each operates a cereal plant, both of which were built and put into service around 1952.
>
> The plants are roughly comparable in size, and the packing facilities in the two plants, with two packing lines for family-

size packages in each plant, have the same capacity and are essentially the same.

A South African law requires cereal to be distributed at retail only in packages of certain specified weights. Mexico does not. As a result, while in Mexico it takes only 3 different package sizes to put out 9 different product sizes for family cereal packages, it takes 6 different package sizes to put out 12 different product sizes in South Africa.

We are able to keep the number of package sizes to 6 in South Africa only by packing one product in a package which is too small and which causes undesirable crushing of the product in distribution, and by packing other products in packages which are too large for the quantity of cereal packed in them. There are many more occasions in South Africa when the line is down while changes are made to run a different package size. Each time the line is stopped, efficiency suffers and productivity decreases.

For example, in 1964, it took 89 man-hours of packing room labor at the Mexican plant to pack 1,000 cases of 24 packages each. To accomplish the same thing at the South African plant took 134 manhours of packing room labor, or 51 percent more. Requirements of mechanical labor in the South African packing room were much higher also. A substantial proportion of this is attributable to the need for a greater number of packing line changes. The South African plant required 4.89 man-hours of mechanical labor to produce 1,000 pounds of food, while the Mexican plant required only 1.41 man-hours of mechanical labor—less than one-third of that required by the South African plant—to produce the same volume of cereal.

These higher costs to the manufacturer must of necessity be passed along to the consumer in terms of higher prices. Many examples could be given where producers testified to this effect.

Another harmful effect of these product standards will be the discouragement of competitive innovation which usually results in benefits to the consumer. Once the standard for a product has been set, the introduction of a new size to meet a change in demand will be impossible without the innovator losing the advantage of being the first one to gamble on a change. One witness gave the example of paper lunch bags. If the stand was set to allow for 25-, 50-, 75-, and 100-bag packages, not even a demand for a higher count package would draw one on to the shelves of the stores without a Federal agency hearing. The producer who first sensed the demand would lose all of his legitimate competitive advantage because he would have to go to market through the cumbersome Federal machinery.

The consumers of the United States would lose all benefits of competitive innovation. They may in a few instances be able to save a few cents by easier price comparisons but would pay out those savings and more for the higher price of the goods.

This section must be eliminated because it ignores the real interests of the consumer; it will have a discouraging effect on product improvement and innovation; and because it is based on a viewpoint which refuses to accept the idea that consumer costs will be increased as a result.

I submit an amendment for that purpose.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 598

Mr. DIRKSEN. Mr. President, I offer an amendment to the fair packaging and labeling bill, S. 985, and ask that it be printed. This amendment would require that all newly made up packages of imports prepared in the United States to be plainly marked in English with country of origin of the contents.

Mr. President, one of the purposes of the amendment is to combat the unfair and misleading marking practices of importers who package imports in the United States by not designating in the English language the country of origin of the contents, thus, misleading the purchasers into the belief that the contents are products that are made in the United States of America.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTION

Mr. HART. Mr. President, I ask unanimous consent that at the next printing of the bill, S. 3035, to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes, the name of Senator DANIEL B. BREWSTER, of Maryland, be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY of Massachusetts. Mr. President, at its next printing, I ask unanimous consent that the names of Senators CLARK, MORSE, NEUBERGER, PELL, YOUNG of Ohio, and WILLIAMS of New Jersey, be added as cosponsors of the bill (S. 3384) to limit Federal financial assistance otherwise available for the construction or operation of nursing homes to nursing homes in States which have in effect a program which provides for the licensing of the operators of such homes and which meets certain requirements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Kansas [Mr. PEARSON] be added as a cosponsor of the bill (S. 3473) to amend the Internal Revenue Code of 1954 so as to allow an additional income tax exemption for a dependent who is mentally retarded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY of Massachusetts. Mr. President, at its next printing, I ask unanimous consent that the name of the senior Senator from Massachusetts [Mr. SALTONSTALL] be added as a cosponsor of the bill (S. 3477) to provide for the establishment of the Plymouth Rock National Memorial.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Iowa [Mr. MILLER] be added as a cosponsor of the resolution (S. Res. 270) authorizing an investigation of premature disclosure of information relating to increased production of soybeans or other agricultural commodities.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at its next printing, the name of the senior Senator from Hawaii [Mr. FONG] be added as a cosponsor to the bill (S. 112) to authorize the Secretary of Agriculture to make real estate mortgage loans on leased lands in Hawaii.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to, and is now pending before, the committee on the Judiciary:

Alvin Grossman, of New York to be U.S. marshal, western district of New York, term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in the above nomination to file with the committee, in writing, on or before Wednesday, June 15, 1966, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 1170, S. 2366, and continuing with the following measures in sequence.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REFORMING METHOD BY WHICH UNIVERSITY OF ALASKA MAY ACQUIRE LAND FOR ITS SUPPORT

The Senate proceeded to consider the bill (S. 2366) to reform the method by which the University of Alaska may acquire land for its support, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That sections 3, 4, 5, 6, and 7 of the Act of January 21, 1929 (45 Stat. 1091), as amended, are hereby repealed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to repeal certain provisions of the Act of January 21, 1929 (45 Stat. 1091), as amended."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1204), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill, S. 2366, would authorize exchange and make less restrictive provisions for sale of lands conveyed to the University of Alaska where this would be of benefit to the institution. The lands in question are 100,000 acres of public land which were granted to the then Territory of Alaska for the use and benefit of a State university by the act of January 21, 1929.

NEED

The act of January 21, 1929, provides that these lands cannot be sold or leased except pursuant to the conditions set forth in the act. Some of these are cumbersome and outmoded. Examples are a prohibition against encumbrances; minute details in the procedures for the sale or lease of selected lands, and restrictions on the use of income from the State fund. Most of these provisions were enacted in 1929, when Alaska was a Territory. At that time they may have been reasonable, but with the advent of statehood, these unduly restrictive conditions are an impediment, and not necessary. The State needs to be allowed to manage and control of the assets of the university in a manner that would carry out the objectives of the 1929 act without these conditions.

The bill, as introduced, had as its purpose authorization of land exchanges by the university, and, second minor revisions of specific requirements of the 1929 law as to advertising of sales in Alaska newspapers. The Department of Interior recommended that, in lieu of the provisions of S. 2366, legislation be enacted to repeal all restrictive provisions of the 1929 act. The committee reports the bill with these amendments.

COMMITTEE RECOMMENDATION

The Senate Committee on Interior and Insular Affairs reports favorably, as amended, S. 2366, and urges its enactment.

PENNSYLVANIA AVENUE HISTORIC SITE COMMISSION

The Senate proceeded to consider the joint resolution (S.J. Res. 116) to provide for the administration and development of Pennsylvania Avenue as a national historic site, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out the preamble and all after the resolving clause and insert:

That the Congress hereby finds and determines—

(a) that it is in the national interest that Pennsylvania Avenue and the area adjacent to it between the Capitol and the White House be developed, used, and maintained in a manner suitable to its ceremonial, historical, and physical relationship to the executive and legislative branches of the Government; and

(b) that the work of reviewing, programing, and coordinating proposals for the proper development, use, and control of Pennsylvania Avenue and the area adjacent to it between the Capitol and the White House should be continued, with the maximum possible use of private enterprise in carrying out the development plan.

SEC. 2. The designation on September 30, 1965, by the Secretary of the Interior of Pennsylvania Avenue between the Capitol and the White House and certain areas adjacent thereto as a national historic site under the name "The Pennsylvania Avenue National Historic Site" is hereby ratified and confirmed. The boundaries of said historic site are as follows:

beginning at a point on the southwest corner of the intersection of Fifteenth Street and Constitution Avenue Northwest, easterly along the south side of Constitution Avenue to the southwest corner of the intersection of Constitution Avenue and Pennsylvania Avenue;

then easterly along the south side of Pennsylvania Avenue to and including the outer circumference of First Street Northwest which forms an arc around Peace Monument;

then westerly along the north side of Pennsylvania Avenue to the northeast corner of the intersection of Third Street and Pennsylvania Avenue Northwest;

then northerly along the east side of Third Street to the northeast corner of the intersection of Third Street and E Street Northwest;

then westerly along the north side of E Street to the northeast corner of the intersection of E Street and Fourth Street Northwest;

then northerly along the east side of Fourth Street to the northeast corner of the intersection of Fourth Street and G Street Northwest;

then westerly along the north side of G Street Northwest to the northwest corner of the intersection of G Street and Fifth Street Northwest;

then southerly along the west side of Fifth Street to the northwest corner of the intersection of Fifth Street and E Street Northwest;

then westerly along the north side of E Street to the northeast corner of the intersection of E Street and Seventh Street Northwest;

then northerly along the east side of Seventh Street to the point on Seventh Street being the intersection of the north side of G Street with the east side of Seventh Street Northwest;

then westerly from that point along the north side of G Street to the point being the intersection of the north side of G Street with the west side of Ninth Street Northwest;

then southerly from that point along the west side of Ninth Street Northwest to the northwest corner of the intersection of Ninth Street and F Street Northwest;

then westerly along the north side of F Street to the northeast corner of the intersection of F Street and Eleventh Street Northwest;

then southerly along the east side of Eleventh Street to the northeast corner of the intersection of Eleventh Street and E Street Northwest;

then westerly along the north side of E Street to a point approximating what would be the northeast corner of E Street and Thirteen and a Half Street if the latter were extended north across Pennsylvania Avenue;

then northerly from the point along a line forming a perpendicular to F Street to the intersection of said line with the north side of F Street;

then westerly along the north side of F Street to the northeast corner of the intersection of F Street and Fifteenth Street Northwest;

then northerly along the east side of Fifteenth Street to the southeast corner of the intersection of Fifteenth Street, New York Avenue, and Pennsylvania Avenue Northwest;

then westerly along the south side of Pennsylvania Avenue to the southwest corner of Pennsylvania Avenue and East Executive Avenue;

then southerly along the west side of East Executive Avenue to a point which would be the southwest corner of the intersection of East Executive Avenue and E Street;

then easterly along the south side of E Street to the southwest corner of the intersection of E Street and Fifteenth Street Northwest;

then southerly along the west side of Fifteenth Street to the point or place of beginning.

SEC. 3. There is hereby established a Commission on Pennsylvania Avenue (hereinafter referred to as "the Commission"), which shall be composed of (a) not more than seven members appointed by the President who are not officers or employees of the executive branch of the United States Government or of the government of the District of Columbia and who, in the judgment of the President, are especially qualified to serve thereon by virtue of their knowledge and experience in one or more of the fields of history, architecture, city planning, and government, and (b) the following Government officials: the Secretaries of the Interior, Treasury, Commerce, and Housing and Urban Development, the Attorney General, the Administrator of the General Services Administration, the President of the Board of Commissioners of the District of Columbia, the Secretary of the Smithsonian Institution, the Architect of the Capitol, the Chairmen of the Commission of Fine Arts and the National Capital Planning Commission, and the Director of the National Gallery of Art. One of the members shall be designated by the President as Chairman of the Commission.

SEC. 4. (a) The Commission shall review and refine the development plans heretofore prepared for Pennsylvania Avenue and the area within the Pennsylvania Avenue National Historic Site; shall from time to time, in consultation with other interested agencies of the Federal Government and the District of Columbia, make such modifications therein as may be necessary; shall coordinate the plans, programs, and activities of agencies of the Federal Government and the District of Columbia which affect the area within the said national historic site; and shall take such action as may be necessary to insure that such plans, programs, and activities are not inconsistent with plans developed for the said national historic site, the comprehensive plan for the National Capital, and any other related plans prepared or developed by the National Capital Planning Commission or other appropriate authority.

(b) In addition to consulting with agencies of the Federal Government and the District of Columbia, the Commission shall consider the views of other public, quasi-public, and private organizations having a proper interest in the Pennsylvania Avenue area. The Commission shall also consider the views of owners and occupants of private property whose interests may be affected by any plans, programs, or actions of the Commission or the agencies whose activities are coordinated by the Commission and, for this purpose, shall, to the extent it deems feasible, conduct public hearings on those plans, programs, and activities. The Commission shall make every effort to minimize any harmful effects of such plans, programs, or activities on owners or occupants of private property in or adjoining the area affected thereby.

(c) The Commission, in carrying out its functions, shall utilize the services and facilities of other agencies of the Federal Government and the District of Columbia to the maximum extent possible. Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the Department of the Interior, for which payment shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Secretary of the Interior: *Provided*, That the regulations of the Department of the Interior for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46e) shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Secretary for the administrative control of funds (31 U.S.C. 665(G)) shall apply to appropriations of the Commission: *Provided further*, That the Commission shall not be required to prescribe such regulations.

(d) The Commission shall report to the President and the Congress annually and shall make such other reports as the President shall direct or as the Commission shall deem desirable. Such reports shall include recommendations for such further legislation as the Commission may consider appropriate for the proper performance of its functions or for the development of the national historic site in other respects.

(e) The Commission shall present a final report to the President and the Congress not later than July 1, 1971, and shall thereafter cease to exist. All of its records and papers shall thereupon be turned over to the custody of the Secretary of the Interior for his use and for proper disposition.

SEC. 5. (a) No agency of the Federal Government or of the District of Columbia shall conduct, consent to, or approve any project or program (1) relating to urban renewal, land redevelopment, or public housing within the area of the Pennsylvania Avenue National Historic Site, or (2) involving permanent construction, improvements, or facilities of a type designed to change the character of said area, without the approval of the Commission while it is in existence: *Provided*, That this prohibition shall not be effective if the President, notwithstanding of the views of the Commission shall approve such project or program: *Provided further*, That this section shall not be applicable to land under the jurisdiction of the Architect of the Capitol.

(b) During the three years immediately following the Commission's submission of its final report, no agency of the Federal Government or of the District of Columbia shall conduct, approve, or consent to any project or program of the types described in subsection (a) of this section which, in the judgment of the Secretary of the Interior, is inconsistent with the development of the area within the Pennsylvania Avenue National Historic Site proposed in said final report unless, before the expiration of said three-year period, the plans therein proposed are disapproved by Act of Congress or are modified by such Act, and in the latter case the project or program may be conducted, approved, or consented to only if it is not inconsistent with the plans as so modified.

SEC. 6. (a) Members of the Commission who are officers or employees of the Federal Government or of the District of Columbia government shall receive no additional compensation by virtue of membership on the Commission. Other members of the Commission shall receive compensation at the rate of not to exceed $100 per diem when engaged in the performance of duties for the Commission. Each member of the Commission shall be reimbursed, as authorized by law (5 U.S.C. 73b–2), for travel and subsistence and other necessary expenses incurred by him in the performance of his duties for the Commission.

(b) The Commission is authorized to employ such personnel as may be required for the performance of its functions, and may procure the services of experts and consultants by contract or otherwise, but at rates not in excess of $100 per diem for individuals.

SEC. 7. There are hereby authorized to be appropriated such sums, but not more than $800,000 in all, as may be necessary for the Commission to carry out the duties and responsibilities imposed on it by this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The ACTING PRESIDENT pro tempore. The preamble will be appropriately amended.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1205) explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF JOINT RESOLUTION

Senate Joint Resolution 116 would give the recognition of the Congress to the concept of rehabilitation of Pennsylvania Avenue and adjacent areas between the White House and the Capitol for development, use and maintenance as a national thoroughfare appropriate to its ceremonial, historical, and physical relationship to the executive and legislative branches of the Government of our Nation. Along this segment of Pennsylvania Avenue travel our Chiefs of State on the days of their inauguration. Along it in death have traveled six Presidents and a number of our other national leaders in state funerals. Along it have marched processions commemorating the conclusions of four major wars and other major events in the history of our Nation.

Action to make this area symbolic of the majesty and power of the American people and illustrative both of the unity among the three branches of Government and of our historic separation of powers doctrine was initiated by the then President Kennedy in 1961 and has been carried forward by President Johnson. However, the project is a continuation of the work on the Federal Triangle begun in the later 1920's under the sponsorship of President Hoover and Secretary of the Treasury Andrew Mellon. In turn, the Federal Triangle project was based on the McMillan plan, proposed at the beginning of the century by a Senate committee headed by Senator James McMillan, of Michigan, in the administrations of Presidents McKinley and Theodore Roosevelt. Again, the McMillan plan drew its inspiration from and was in furtherance of the fundamental spirit of the plans for the Capital of the United States conceived by Major L'Enfant in the administration of President Washington.

Thus, the concepts and plans with which Senate Joint Resolution 116 is concerned are deeply rooted in our history and are truly bipartisan in character.

The current phase of action to create a great national symbolic thoroughfare in the area was given formal legal status by the designation on September 30, 1965, of Pennsylvania Avenue between the White House and the Capitol as a national historic site under National Historic Sites Act (49 Stat. 666; found in 16 U.S.C. 461 et seq.) by Secretary of the Interior Stewart Udall, with the concurrence of the President. The text of the order and the provisions of the act are set forth in the appendix to this report.

By Senate Joint Resolution 116, Congress would confirm and ratify the designation of this area as a national historic site, with a specific delineation of its extent by streets and avenues.

The measure also establishes a Commission on Pennsylvania Avenue to assure that the plans, programs, and activities for the creation of such a national ceremonial way are carried forward in an orderly and effective manner as a unified concept, with maximum possible use of private enterprise.

The Commission, to be composed of not more than 21 persons, will not have "operative" functions so to speak, in that it will not itself implement plans for construction or reconstruction. Rather its responsibilities would be, in the words of the proposed legislation, to "review and refine" plans, to consult with other agencies, organizations, and individuals, and to coordinate all activities concerning the program.

The Commission would report to the President and to Congress, submitting a final report not later than July 1, 1971. Congress specifically reserves the right to disapprove or modify any of the plans, and although no specific times for submitting interim reports are fixed in the legislation, the committee expects that the Congress will be advised and kept currently informed of all major decisions and developments.

THE COMMITTEE AMENDMENTS

At the public hearings on Senate Joint Resolution 116, several objections were heard, both as to the substance and to the mechanics of the measure. These objections were voiced primarily by spokesmen for private property owners in the area.

The committee is keenly aware of the interests, rights, and equities of such private owners, in addition to their entitlement to just compensation, and has written provisions into the proposed legislation specifically requiring the Commission not only to consider the views of owners and occupants of private property that might be affected and directing public hearings to the extent feasible, but also to "make every effort to minimize any harmful effects of such plans, programs, or activities on owners * * *."

The proposed legislation itself states that the development should be carried out "with the maximum possible use of private enterprise."

The committee in its substitute bill also adopted a number of other provisions designed to meet many of the objections voiced to the original measure. Thus, the substitute text sets forth the following new provisions:

(1) A precise definition, by streets and avenues, of the area subject to the Commission's jurisdiction;

(2) Provision for congressional review of Commission-approved plans, or, more accurately, opportunity for such review in that the new section 5 limits certain activities for a period of time within which Congress may disapprove or modify the plans and programs that must be submitted to it;

(3) The composition of the Commission is set forth and qualifications of the Presidential appointees laid down;

(4) The Commission must give consideration to the views of private property owners, and hold public hearings on plans and activities, to the extent the Commission deems feasible;

(5) A time limit is set for the life of the Commission—it must terminate not later than July 1, 1971;

(6) An overall ceiling of $800,000 on appropriations of Federal funds for the operations of the Commission during its life is provided, instead of an "open end" authorization;

(7) For "housekeeping" purposes, the Department of the Interior is to render fiscal and administrative services to the Commission, on a reimbursable basis, as recommended by the Bureau of the Budget and the Interior Department.

THE COMMISSION

As stated, the committee amendment specifies the composition of the Commission on Pennsylvania Avenue, and makes more definite and certain its duties, powers, and responsibilities, especially with respect to private property owners or occupants. The membership shall not exceed 21. Of these 21, the President shall appoint not more than 7 persons who are not officers or employees of the executive branch of the Federal Government or of the government of the District of

Columbia and who, in the judgment of the President, are expecially qualified to serve thereon by virtue of their knowledge and experience in one or more of the fields of history, architecture, city planning, and government. The following Government officials are Commission members by office: The Secretaries of the Interior, Treasury, Commerce, and Housing and Urban Development, the Attorney General, the Administrator of the General Services Administration, the President of the Board of Commissioners of the District of Columbia, the Secretary of the Smithsonian Institution, the Architect of the Capitol, the Chairmen of the Commission of Fine Arts and the National Capital Planning Commission, and the Director of the National Gallery of Art.

The Chairman of the Commission will be designated by the President from among the members.

This Commission would be a successor to the Temporary Commission on Pennsylvania Avenue established by Executive Order 11210 signed by President Johnson on March 25, 1965. The Temporary Commission, in turn, is a successor to the President's Council on Pennsylvania Avenue, appointed by President Kennedy in 1962, which submitted its final report to President Johnson in April 1964, with plans for the avenue to "provide a working basis for further action." This report has been published and is available from the Superintendent of Documents, Government Printing Office.

President Johnson's Temporary Commission undertook a review of the recommendations of the Advisory Council and has initiated plans and programs to implement certain of them. Both the Advisory Council and the Temporary Commission included in its membership leaders and persons of outstanding attainment in the fields of planning, architecture, urban design, and metropolitan studies. Without necesarily approving their plans and recommendations, which are not yet formally before the Congress, the committee wishes to express its commendation and appreciation to these public-spirited citizens for their work in initiating the creation of an area and national thoroughfare worthy of its historic role.

NEED FOR LEGISLATION

The committee believes that the need for rehabilitation of Pennsylvania Avenue is so obvious to anyone who has driven or walked along it as to require no elaboration. Much of the north side can be described only as a quasi-slum area.

The Ad Hoc Committee on Federal Office Space reported to President Kennedy that—

"Pennsylvania Avenue should be *the* great thoroughfare of the city of Washington. Instead, it remains a vast, unformed, cluttered expanse at the heart of the Nation's Capital.

"The north side presents a scene of desolation: block after block of decayed 19th century buildings, many of which are vacant above the first story, only rarely interspersed by partially unsuccessful efforts at modernization. The roadway, sidewalks, lampposts and other features of the avenue have been sorely neglected. Increasingly the Capitol itself is cut off from the most developed part of the city by a blighted area that is unsightly by day and empty by night."

Although the need for and desirability of rehabilitating the White House-Capitol segment of Pennsylvania Avenue is self-evident, the question that concerned the committee was whether another commission, appointed by and reporting directly to the President need be established for the purpose.

At the hearings, witnesses pointed out that there were presently a large number of agencies with existing responsibilities, jurisdiction and authority for differing activities, Federal and District, in the area. Also, a number of private and quasi-public bodies and individuals had legitimate interests that should be considered. The very number of existing agencies, each with its own program and responsibilities, as well as the requirements that nongovernmental views be heard, emphasizes the need, in the committee's judgment, for a single, overall coordinating agency to assure that the separate plans, programs, and activities would be in harmony with the whole concept. In regard to this particular issue, the committee cites with approval the conclusion of the President's Advisory Council in its final report:

"We plead that this 'grand axis of the Nation' cannot be remade by breaking it up territorially into small fragments or administratively into scattered assignments. To fulfill these proposals will require an administrator, an authority or agency, with power to enforce local regulations as well as the architectural and planning principles integral to this plan. Therefore, we stress the integrity of the approach even while recognizing that its fulfillment will require phased development and flexible means adapting to continual change. Likewise, these proposals assume special standards of maintenance and landscaping not characteristic of most urban development."

SUMMARY AND RECOMMENDATION

The committee wishes to stress the fact that approval of Senate Joint Resolution 116, as amended, does not constitute approval of any specific plan or part thereof respecting Pennsylvania Avenue. In fact, as has been pointed out, no such plans are before Congress for consideration.

What the committee is doing in reporting favorably on the resolution as amended, is (1) approving congressional recognition of the designation of Pennsylvania Avenue and related adjacent areas as a national historic site of interest and moment to all of the people of the United States, and (2) recommending the establishment of an overall commission to coordinate plans and views for creation in the area of a truly symbolic National Ceremonial Way illustrative of the unity and separation of the executive and legislative branches.

For these purposes, the committee recommends prompt approval of Senate Joint Resolution 116 as amended.

AMENDING RECREATION AND PUBLIC PURPOSES ACT PERTAINING TO LEASING OF PUBLIC LANDS

The bill (H.R. 6646) to amend the Recreation and Public Purposes Act, pertaining to the leasing of public lands to States and their political subdivisions, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1206), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill, H.R. 6646, will permit the Secretary of the Interior to enter into leases for a period of 25 years under the Recreation and Public Purposes Act, and thereby permit States and local units of government to plan and develop Federal lands under lease to them with Federal participation as provided in the Land and Water Conservation Fund Act.

NEED

Section 5(e)(2) of the Land and Water Conservation Fund Act of September 3, 1964 (78 Stat. 897), authorizes the Secretary of the Interior to provide financial assistance in certain instances where Federal lands are under lease to States or their political subdivisions for a term of 25 years or more. However, section 2 of the Recreation and Public Purposes Act of June 14, 1926, as amended (43 U.S.C. 869–1), authorizes the Secretary of the Interior to issue leases on public lands "for a period up to 20 years, and, at the discretion of the Secretary, with a privilege of renewal for a like period." This provision has been interpreted by the Secretary of the Interior as precluding him from issuing a 20-year lease with a firm right of automatic renewal in the lease.

Thus, lessees of public land are precluded from obtaining the benefits of the Land and Water Conservation Fund Act; H.R. 6646 will remedy this situation.

The bill also makes it clear that a new lease for a term not exceeding 25 years may be entered into in place of an existing lease, and that it is not intended that the 25-year lease provision shall be prospective only.

COST

Budgetary requirements would not be increased by H.R. 6646.

COMMITTEE RECOMMENDATION

The Senate Committee on Interior and Insular Affairs favorably reports and recommends enactment of H.R. 6646.

REQUESTING THE PRESIDENT TO CREATE THE ROANOKE ISLAND MEMORIAL COMMISSION

The concurrent resolution (S. Con. Res. 39) requesting the President to create the Roanoke Island Memorial, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to appoint a commission of five persons, to be known as the Roanoke Island Memorial Commission, whose duty it shall be to formulate a proposal which will enable this country to commemorate in a more complete manner the episode of its spiritual birth; and be it further

Resolved, That the Roanoke Island Memorial Commission be invited especially to study in what manner the religious, political, cultural, social, and economic life of Elizabethan England, which initiated the drama of English colonization on American soil, can be portrayed in its true historical significance and natal splendor for the instruction and inspiration of generations to come; and be it further

Resolved, That the Roanoke Island Memorial Commission, moreover, be asked to investigate the proper relationship of its proposed program to the existing activities of the Fort Raleigh National Historic Site already on Roanoke Island; and be it further

Resolved, That the Roanoke Island Memorial Commission be requested to report its findings and recommendations to the Congress of the United States in order that this body may take appropriate action to establish at Roanoke Island a memorial worthy of the enduring importance of this event, which led to the founding of the United States of America.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1207), explaining the purposes of the concurrent resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of Senate Concurrent Resolution 39 is to request the President to appoint a commission of five persons to be known as the Roanoke Island Memorial Commission.

EXPLANATION

Roanoke Island in North Carolina is the site of the first attempted English settlements within the confines of the United States. Followers of Sir Walter Raleigh attempted to establish settlements in 1585 and again in 1587. The second of these was the famous "lost colony."

The settlements on Roanoke Island, therefore, represent our Nation's connecting link with the court of Queen Elizabeth and the golden age of the English renaissance. In addition to Sir Walter Raleigh, two of the great adventurers of Elizabethan England, Sir Francis Drake and Sir Richard Grenville, were involved directly in the history of these settlements. Also, in 1587 on Roanoke Island, Virginia Dare became the first child of English parentage to be born in the New World, a prophetic symbol of the rise of a new English-speaking nation beyond the seas.

The proposed Commission would be assigned the task of studying how the religious, political, cultural, social, and economic life of Elizabethan England might best be commemorated on Roanoke Island. The resolution suggests that the education of our people in the basic values of American culture could well be enhanced by the erection of an architectural square containing a church to symbolize religion; a governmental building to interpret politics; a replica of the Globe Theatre to represent literature and reproduce Shakespearean plays; a Tudor hall to provide facilities for conferences, lectures, and music relating to the epoch; a library to encourage research and study of 16th century England; a museum to exhibit art and artifacts of the period; guild houses to demonstrate its master crafts; and statutes to venerate the memory of its leaders.

The Commission would be asked specifically to investigate the proper relationship of its proposed memorial program to the activities of the Fort Raleigh National Historic Site, which was designated in 1941 to preserve and interpret the sites of the 1585 and 1587 settlements. The National Park Service would expect to work closely with the Commission, and within limits of available funds, to cooperate wherever possible in its study.

The Department of the Interior presented no objections to the adoption of the resolution. The Bureau of the Budget questioned the need for it in view of the capability of the National Park Service to develop a representative program on Roanoke Island and to procure such advisory services as it finds advisable.

The proposed Commission would report its findings and recommendations to the Congress, which could then take appropriate action to establish a memorial at Roanoke Island.

No Federal expenditures would result directly from the adoption of the concurrent resolution.

The committee recommends the enactment of Senate Concurrent Resolution 39.

AUTHORIZING THE ESTABLISHMENT OF THE FORT UNION TRADING POST NATIONAL HISTORIC SITE

The bill (H.R. 3957) to authorize establishment of the Fort Union Trading Post National Historic Site, N. Dak., and Mont., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I wish to take this occasion to extend congratulations to the distinguished junior Senator from North Dakota [Mr. Burdick] and to my colleague, the distinguished Senator from Montana [Mr. Metcalf], for the part they both played in initiating and furthering this piece of legislation. It will mean a great deal to the people of the northwestern part of Montana and North Dakota. It will bring about the creation of a historical site which will be of immense value to the people of the two States, and to the country as a whole.

The chief credit for this measure belongs initially to the distinguished Senator from North Dakota [Mr. Burdick], and additionally to my own distinguished colleague, the junior Senator from Montana [Mr. Metcalf].

Mr. BURDICK. Mr. President, I would like to thank the majority leader for his kindness. He too contributed greatly to the passage of this legislation, which preserves our western history on a part of North Dakota and Montana real estate.

Today is a great day for the people of North Dakota and especially the community of Williston. Passage of the bill to authorize acquisition and maintenance of the old Fort Union Trading Post along the Missouri River south of Williston is the climax of years of hard work and sacrifice by several public-spirited citizens. Today their efforts come to fruition.

The Lewis and Clark Expedition of 1803–6 into the Great American Northwest brought back reports of rich fur-bearing regions near the headwaters of the Missouri River. Trappers and fur traders went there in response to the growing demands for furs on the European Continent and in 1828 the American Fur Co., built a post named Fort Floyd at the confluence of the Missouri and Yellowstone Rivers. Two years later the name was changed to Fort Union.

As a fur-trading center, Fort Union served as an important means of transmitting the white man's culture to the Indian. The fort became a stopping place for nearly every important explorer, frontiersman, trader, soldier and traveler, particularly after the first steamboat reached there in 1832. The visitors included Jim Bridger, trapper; Prince Maximilian of Wien, scientist; John J. Audubon, naturalist; Jedediah Smith, fur trader; Father Pierre-Jean De Smet, missionary; and George Catlin and Charles Bodmer, artists.

As the demand for the beaver pelt declined, so did the importance of Fort Union. In 1865, it was sold to the Northwestern Fur Co. A year later, the Army established Fort Buford nearby, and in 1867, purchased Fort Union to provide building material for the new Army post.

Fort Buford played a role in the various Indian campaigns, culminating in the Battle of Little Big Horn in 1876. Many Indian prisoners passed through Fort Buford and it was there that Sitting Bull surrendered in 1881.

The States of North Dakota and Montana have endeavored to preserve and restore the confluence area, but they cannot do a complete job without the technical assistance of the National Park Service. My bill carries an endorsement from the Park Service, as well as the Interior Department.

This bill would develop the site and historic remains of Fort Union, to interpret the fur trade and the relationship of the white settlers and the Indians. The Secretary of the Interior has already declared the fort a national historic site and the Interior Department has included it as a site in the national trails system it has proposed to Congress. This comes as a result of the recommendation of the Lewis and Clark Trail system to appropriately mark and include along the Lewis and Clark Trail, all sites of historical significance. North Dakota has made a good deal of progress in developing its section of the Lewis and Clark Trail and our scenic highway along the Missouri River is nearly complete. Fort Union will provide tourists along this scenic route with an excitingly historical climax to their journey through the upper Great Plains.

Upon enactment, the Interior Department will pursue over a 5-year period a variety of tasks designed to make the Fort an attractive tourist center. This will include an archeological excavation of the fort area, construction of a modest visitor center, administration facilities and roads, suitable markets and exhibits and possibly other projects as studies progress.

Two parcels of land will be acquired to preserve adequately the site of the fort and its environs. The first parcel of about 220 acres includes the 10-acre site of the fort, which is owned by the North Dakota Historical Society. These 10 acres would be donated to the Federal Government by the historical society. The first parcel also includes a strip of Missouri River bank and benchland above and below the fort site. The second parcel of about 160 acres is about one-fourth mile northeast of the first and would provide an area for development as a scenic overlook.

Mr. President, Fort Union, as the principal fur-trading post of the upper Missouri River, had national significance. The recognition provided in my bill would enhance understanding of the American past.

Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1208), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

NEED

Fort Union is clearly of national historic significance. It possesses many attributes to make it a logical addition to the national park system. The Advisory Board on National Parks, Historic Sites, Buildings, and Monuments has recommended establishment of the Fort Union National Historic Site, citing its exceptional value in illustrating and commemorating the history of the United States.

For almost four decades following its construction in 1828, Fort Union was the principal fur trading post for the Northern Plains region. Located strategically on the upper Missouri River, the tributaries of which reach into this once beaver-rich region, the historic fort was established by the so-called Upper Missouri Outfit, a branch of the western department of the American Fur Co. The Upper Missouri Outfit resulted from a merger between two previously bitter rivals in the highly competitive frontier trade, the American Fur Co. and the Columbia Fur Co.

The early fur traders were the white man's trailblazers to the West, and the Northern Plains region was a rich new source of pelts for the many rival trading companies.

In 1828, when Fort Union was established, it was a 220-foot square, surrounded by a 16-foot-high timber picket palisade. It had two 30-foot-high masonry bastions at opposite corners that projected 12 feet in both directions from the walls of the square fort. From this post, trade was carried on with Blackfeet, Crow, Assiniboin, Cree, and Chippewa, and from its subsidiary posts downstream with the Arikara, Mandan, and Sioux. In 1832, the first steamboat, the *Yellowstone*, reached Fort Union which for many years afterward was the head of navigation on the Missouri.

Almost every important western explorer, frontiersman, trader, soldier, and traveler of the early 1800's stopped at the confluence of the Yellowstone and Missouri Rivers and at Fort Union.

The decline in the beaver pelt trade prompted sale of the fort to the Army in 1871. The Army dismantled its structures for building materials at new Fort Buford nearby. The great house once occupied by fur trader Kenneth McKenzie, so-called King of the Missouri, was torn down.

Today, the visible evidences of Fort Union include only remnants of its past. The establishment of the Fort Union Trading Post National Historic Site would portray the role of the fur traders in opening the West and the impact of this trade on the Indians and the countryside of our Nation.

The archeological remains at Fort Union, it is expected, will be extraordinarily rich. Enactment of this legislation will enable the Department of the Interior to conduct a careful and thorough archeological examination of the fort site and its immediate environs.

H.R. 3957, authorizes the Secretary of the Interior to acquire not more than 400 acres of land or interests in land in Williams County, N. Dak., and Roosevelt County, Mont., as he may deem necessary to accomplish the purposes of the legislation. Upon acquisition of such required lands and interests in land, the Secretary of the Interior will establish such area or areas as the Fort Union Trading Post National Historic Site.

It is anticipated that the 10 acres of the Fort Union site which are now owned by the North Dakota State Historical Society will be donated to the Federal Government if this legislation is enacted. Two other parcels of land, aggregating approximately 380 acres, are needed to preserve adequately the Fort Union site and its environs. The confluence of the Missouri and Yellowstone Rivers, together with the sites of Fort William and Fort Mortimer nearby, provide an excellent *interpretive opportunity for portrayal of the* Fort Union story. The contemplated developments will consist of a modest visitor center, administrative facilities and roads, along with reconstruction of part of the stockade, and the exhibit of features and artifacts uncovered in archeological excavations.

COST

The estimated cost for the acquisition of lands and interests in land and for the development of the Fort Union Trading Post National Historic Site is $613,000, of which $48,000 is for land acquisition and $565,000 is for development. Administrative costs after the historic site is in full operation will be about $74,000 a year, given current price and wage levels. The land and water conservation fund will be available for appropriations for land acquisition, and receipts from admission and user fees charged in connection with the Fort Union Trading Post National Historical Site will be paid into that fund.

SUPPLEMENTING THE ACT ESTABLISHING THE LEWIS AND CLARK TRAIL COMMISSION

The Senate proceeded to consider the bill (H.R. 6515) to supplement the act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, after line 2, to insert a new section, as follows:

Sec. 2. The Act of October 6, 1964 (78 Stat. 1005), is amended by revising section 9 to read:

"Sec. 9. There is authorized to be appropriated annually, through the Department of the Interior and related agencies appropriation Acts, not to exceed the sum of $35,000 to carry out the provisions of this Act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1209), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 6515 is to add Illinois to the list of States entitled to representation on the Lewis and Clark Trail Commission which was established by the act of October 6, 1964 (78 Stat. 1005) and to direct the Commission to take due account of the location of Lewis and Clark's headquarters and training camp near Wood River, Ill.

NEED

The Lewis and Clark Trail Commission Act, cited above, provided for a 27-man commission, 10 of the members of which represent the States of Missouri, Kansas, Iowa, Nebraska, South Dakota, North Dakota, Montana, Idaho, Washington, and Oregon. It failed to include Illinois among the States represented. *Since Illinois provided a head*quarters for the Lewis and Clark Expedition the winter before the expedition set out on its arduous trip, that State has an obvious legitimate interest in the work of the Commission. Enactment of H.R. 6515 is needed to correct the defect in the basic legislation.

HOSPITAL AND NURSING CARE IN ALASKA AND HAWAII

The Senate proceeded to consider the bill (S. 562) to amend section 601 of title 38, United States Code, with re*spect to the definition of the term* "Veterans' Administration facilities," which has been reported from the Committee on Labor and Public Welfare, with an amendment on page 1, after line 7, to insert a new section, as follows:

Sec. 2. Subsection (a) of section 620 of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "Any veteran who is furnished care by the Administrator in a hospital in Alaska or Hawaii may be furnished nursing home care under the provisions of this section even if such hospital is not under the direct and exclusive jurisdiction of the Administrator."

So as to make the bill read:

S. 562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (iii) of section 601(4) (c) is amended to read as follows. "(iii) for veterans of any war in a State, Territory, Commonwealth, or possession of the United States not contiguous to the forty-eight contiguous States, but authority under this clause (iii) shall expire on December 31, 1975."

Sec. 2. Subsection (a) of section 620 of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "Any veteran who is furnished care by the Administrator in a hospital in Alaska or Hawaii may be furnished nursing home care under the provisions of this section even if such hospital is not under the direct and exclusive jurisdiction of the Administrator."

The amendment was agreed to.

Mr. BARTLETT. Mr. President, once again the veterans of Alaska have cause to be grateful to the senior Senator from Texas [Mr. Yarborough], the chairman of the Senate Veterans' Affairs Subcommittee of the Labor and Public Welfare Committee. Because of his leadership and concern we are today considering my bill, S. 562, which has been favorably reported with amendments from his committee.

I urge Senate adoption of this bill.

The bill has two sections: The first, would provide for the restoration of hospitalization benefits which Alaska and Hawaii veterans enjoyed before statehood. It would give the Administrator of the Veterans' Administration the authority to contract with private hospitals for the care of veterans with non-service-connected disability. The bill provides that this particular authority, which now extends to noncontiguous territories of the United States, would be extended once again to Alaska and Hawaii. This will expire in 10 years' time. At that time Congress could determine whether the services provided by this bill and which are now so badly needed are still warranted.

The second purpose of this bill would be to permit veterans hospitalized under VA jurisdiction in Alaska and Hawaii the same opportunity to be transferred to nursing homes as veterans in other *States now have.*

Under present law the VA is authorized to transfer veterans needing extended care to public or private nursing homes. Such transfers reduce the costs for caring for the patients, insures him the care he needs before being returned *to a normal life and provides an addi*tional hospital bed. In the act authorizing these transfers it is specified that they may be made only from hospitals under the exclusive jurisdiction of the Administrator. This lets Alaska out. This lets Hawaii out. There are no VA hospitals in Alaska or Hawaii.

In Alaska, veterans with service-connected disability are treated at the Army hospital at Fort Wainwright, the Air Force hospital at Elmendorf Air Force Base, and various small hospitals run by the Department of Health, Education, and Welfare for the Alaska natives.

These hospitals are obviously not under the direct jurisdiction of the VA and, thus inadvertently, Alaska veterans are unable to obtain nursing home treatment. This is also true for veterans in Hawaii and the Philippines. The bill before the Senate today would correct this oversight and would give to Alaska, Hawaii, and Philippine veterans the same standard of treatment as that accorded to veteran residents in the 48 States.

The VA contracts for a small number of beds in the federally owned Government hospitals of Alaska. These beds are the only medical facilities provided for the more than 22,000 veterans living in Alaska. These beds, I am told, are fully utilized. The veteran who lives near one of these Government hospitals, and who, I might say, is fortunate enough to have a service-connected illness, will receive proper treatment. If the illness is not service connected it is difficult for him to receive proper treatment. Far more than half the beds in VA hospitals in the lower 48 States are occupied by veterans with non-service-connected illnesses. Such men in Alaska, however, receive VA care only if there is a bed available in the leased space.

Alaska is a vast land. There are few roads and the principal means of transportation is by air. This is expensive and, if illness is involved, sometimes dangerous.

Before statehood the costs and the dangers were recognized by the Congress. It authorized the care of veterans in the closest available private hospital. The costs of this care were paid by the VA. The justification for such a provision was explained by Administrator Gleason in a letter to the senior Senator from Alabama [Mr. HILL] dated March 12, 1963. Gleason explained why the VA supports giving such care to veterans living in the noncontiguous territories. He said the distance from the mainland, the difficulty in transferring patients to the States, and the relatively small volume of patient demand made such provision acceptable to the Administration.

These conditions not only pertain to the territories, they also pertain to the two noncontiguous States, Alaska and Hawaii.

On the basis of simple justice, I, therefore, urge the Senate to give this measure its approval and I again would like to thank the senior Senator from Texas for his continued interest and concern for the welfare of Alaska veterans. All Alaska veterans are appreciative of his efforts.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend title 38, United States Code, with respect to the definition of the term 'Veterans' Administration facilities,' and to eliminate certain requirements for the furnishing of nursing home care in the case of veterans hospitalized by the Veterans' Administration in Alaska and Hawaii."

Mr. BARTLETT. Mr. President, in explanation of the bill, section 1 of the bill amends the definition of the term "Veterans' Administration facilities" contained in section 601(4)(C), title 38, of the United States Code, to include private contract facilities for a veteran of any war when such veteran is in a State not contiguous to the 48 contiguous States.

Bills of similar intent have been considered in several earlier Congresses. The bill is identical in purpose to S. 625, which passed the Senate in the 88th Congress; to S. 801, which was reported from the Labor and Public Welfare Committee in the 87th Congress; and to S. 2201, which passed the Senate during the 86th Congress.

Under the present law, war veterans with non-service-connected disabilities are entitled to hospitalization in VA hospitals when they themselves are unable to pay the costs, and when space is available in such hospitals. Further, they are entitled to hospitalization in private contract facilities, but only in a "Territory, Commonwealth, or possession of the United States."

Alaska and Hawaii are the only States in which the Veterans' Administration maintains no hospitals, and the veterans in these States do not have the advantage of hospitalization in facilities devoted entirely to the care of veterans.

Before statehood, private contract facilities were used in these areas to provide hospital care to veterans with non-service-connected injuries. When Alaska and Hawaii became States, however, the Administrator of Veterans' Affairs lost the power to contract there for private hospital facilities, and it is to this problem that section 1 of the present bill is addressed. In practical effect, this section of the bill merely restores the situation which existed prior to the time Alaska and Hawaii achieved statehood, and they are the only States affected by this legislation.

At the present time, hospital care for veterans with non-service-connected disabilities is provided in Alaska and Hawaii through other Government hospitals. In Alaska, beds are allocated for veterans in hospitals of the Department of Defense and the Department of Health, Education, and Welfare. In Hawaii, the Department of Defense has allocated beds in the Army's Tripler General Hospital. Under the appropriate conditions, veterans may go to these hospitals if beds are available. But with the present increases in the demands on Department of Defense hospitals, it is possible that space will be less available than before. Also, travel in the remote regions of Alaska and the outlying islands of Hawaii is difficult, and there is a need to allow the veteran to be hospitalized in private hospitals near his home.

Section 2 of the bill is identical to H.R. 13187, the 89th Congress, as passed by the House of Representatives.

When Public Law 88-450 was enacted authorizing among other things the furnishing of nursing care in Veterans' Administration operated nursing homes and in community nursing homes, there was no provision made for the furnishing of such nursing care in the States of Alaska and Hawaii. One of the basic provisions of Public Law 88-450 is that in order for an individual to be placed in a privately operated or community nursing home for temporary care at VA expense the patient must first have been in a Veterans' Administration hospital and reached a medical condition which warranted a transfer to a nursing home installation. This provision, in view of the absence of Veterans' Administration facilities in Alaska and Hawaii, prevented the furnishing of nursing care in these two States.

The purpose of section 2 of this bill is to permit the furnishing of nursing care in Alaska and Hawaii where such care is found to be warranted.

The Veterans' Administration did not give cost estimates in their report on S. 562 (sec. 1 of the amended bill). They indicate in their report that the cost of this portion will be "relatively small," and that precise figures involve too many contingencies to be accurately calculated. The best information available, however, indicates that the cost will be about $500,000 per year.

The Veterans' Administration estimates that the annual cost of H.R. 13187, without regard to section 1 of the instant bill, will be approximately $22,000.

THE CONTINUING UNFAVORABLE BALANCE OF PAYMENTS—A GROWING DANGER

Mr. SYMINGTON. Mr. President, year after year since 1945, in order to strengthen the forces of freedom around the world, the United States has expended an average of over $8 billion annually for foreign aid and military support payments.

In 1965, for example, our total Government payments abroad were $8.5 billion, including $4.3 billion in foreign economic aid and $2.8 billion in offshore military expenditures, plus $1.4 billion in service payments.

A statistical tabulation was presented by General Lemnitzer in testimony before the House Committee on Foreign Affairs. This testimony included a comparison of U.S. defense expenditures in relation to the size of our economy with comparable figures for other NATO countries, for the period between 1947 and 1963. The testimony, once and for all, dispels any illusion that the United States is not carrying the major burden of defense for the free world.

The figures of General Lemnitzer show that the United States spends annually for defense close to 10 percent of its gross national product; whereas France spends 6 percent, the United Kingdom about 5 percent, Germany and the Netherlands 4.5 percent, and Belgium and Italy 3.5 percent.

In other words, U.S. defense expenditures abroad are more than twice as large, in relation to gross national product, as are the expenditures of most of our NATO allies.

The United States has now become the world's major debtor nation, owing abroad, primarily to the foreign central banks, over $29 billion in liquid liabilities; with its dwindling gold stock now standing at less than $13.6 billion.

In addition, recently it has been reported that the United States had a balance-of-payments deficit of $582 million in the first quarter of 1966. At an annual rate, this would make the year-end deficit $2.4 billion, far above last year's reported deficit of $1.3 billion.

As the size of our Vietnam commitments increase, U.S. offshore military expenditures are bound to rise; and the strain now being placed on our domestic economy can only cause a continuing rise in our imports.

It is now clear that, if we are to remain internationally solvent, we must stop financing our current expenditures abroad on Government account by borrowing from abroad; and also reexamine carefully the magnitude and direction of our foreign aid, along with our overseas military expenditures.

The United States continues to spend $1.5 billion a year in Europe for military presence alone; at the same time, it continues to lose a substantial portion of its gold to that same Europe.

An article in the New York Times June 6 contains the following statement:

> There are alternatives, and Bonn insists they can be made to work. One is a Defense Payments Union in NATO, which the Johnson Administration is about to propose, mainly to ease Britain's coming sterling crisis. American and British troops in Germany, Italy and Belgium then would pay in scrip, and it would be the host country's responsibility to spend it for arms purchases or to accumulate useless paper.

Mr. HART. Mr. President, will the Senator yield briefly?

Mr. SYMINGTON. I am happy to yield to the Senator from Michigan.

LIMITATION ON STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. HART. Mr. President, the majority leader, since he left the Chamber, has indicated that, in obtaining unanimous consent for a morning hour, he failed to request that statements during the transaction of routine morning business be limited to 3 minutes. I ask unanimous consent that statements be so limited.

Mr. SYMINGTON. Mr. President, under the prior unanimous-consent agreement, I asked permission from the distinguished acting minority leader [Mr. COTTON] to continue for 5 minutes. It was agreeable with him, and I was hopeful that it would be with the majority leader.

Mr. HART. Indeed it is. The request to limit statements during the morning hours is not applicable to the Senator from Missouri.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. SYMINGTON. I thank the Senator from Michigan. In conclusion, Mr. President, scrip is now recommended, and a crisis shortly in British currency taken for granted. One has the right to ask how long can this go on without a reckoning?

(At this point Mr. CANNON assumed the chair.)

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the able and distinguished Senator from Indiana.

Mr. HARTKE. I wish to compliment the Senator from Missouri for calling to the attention of the Senate this very important matter which is coming up. I was going to say crisis. It evidently is going to be a crisis as far as Britain is concerned and it could be for the United States. I thank the Senator from Missouri for performing a valuable service in bringing these matters to the attention of the Senate.

Mr. SYMINGTON. I am grateful to the senior Senator from Indiana who, as a member of the Committee on Finance, is an authority on the subject which I have presented this morning.

(At this point Mr. HARTKE assumed the chair.)

THE COST OF VIETNAM

Mr. SYMINGTON. Mr. President, upon returning from South Vietnam last January, it appeared to me that this country should either move forward in that area against more meaningful military targets, or move out; and I so reported to the Senate.

It was not possible to perceive the advantage, net, of long drawn out military action in which our major effort was conducted where the enemy is strongest—on the ground—instead of where we are supreme—sea and air.

Later, upon return from Europe last April, this conclusion was reaffirmed, not only because of the great and growing cost, but also because of conviction this country is now over-committed as the result of our steadily increasing involvements, in men as well as money, over the past 20 years.

Since April there have been new developments, especially in South Vietnam, where there is now serious internal dissension between various elements, all of whom we are presuming are anti-Communist. And it is becoming steadily more difficult for me to understand how this Nation can successfully defend a people who are constantly fighting among themselves.

The problem is emphasized in the following news report published earlier this week:

> Vietcong ambushers killed a detail of six U.S. Air Force men in an area where political turmoil has diverted South Vietnamese troops from normal campaigning against the Communists. The Americans, members of a survey team from a radar installation, were trapped in a truck 15 miles south of the border with the North.

In any case, most discussions about Vietnam center on either diplomatic or military problems, with relatively little consideration of the great and growing economic problems this Vietnam involvement is now giving our Government.

There was an interesting letter to the Washington Post on June 7, entitled "The Cost of Vietnam." I ask unanimous consent this letter be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COST OF VIETNAM

> Despite the millions of words in newsprint about the Vietnam war, very little has been written about its economic aspects. Our avowed humanitarian aims are looked upon by many peoples of the world with suspicion or outright disbelief. It is even doubtful if the bulk of the South Vietnam people are convinced. The notion of humanitarian motive for an expensive war is entirely foreign to their habit of thought. The acceptance of the idea depends on social consciousness, which on a national level hardly exists in most of Asia and has reached only rudimentary development in many other regions of the world. If our avowed purposes are not accepted as the truth our actions breed distrust.
>
> In the beginning, economic factors must have seemed insignificant. The initial cost of our involvement was little more than the pay and allowances of a few thousand men. That undoubtedly seemed worth the venture. But we didn't win and from then on we reacted like the hapless gambler trying to recover his losses by increasing the stakes with the result that each successive stake became worse than the first. Now that we have already expended $5 or $10 billion and have had three of four thousand fatal battle and nonbattle casualties, we must ask ourselves, "Is the venture still worth it?"
>
> There has been no Pearl Harbor, our national security is under no immediate threat, we have not committed ourselves to an all-out war and we have so far expended only a small part of the resources which an all-out war would call for. Should we commit these resources?
>
> If, for example, the estimates (and these are conservative estimates) suggest that the war and occupation will last 10 years, that we will suffer 30,000 fatal casualties, and that the monetary cost will be in the order of $100 billion, Congress will be in a position to determine whether this is a reasonable price for making South Vietnam safe for some distant future democracy or whether we should spare the 30,000 men and begin searching for some less costly ways of containing communism.
>
> With a $100 billion purse this should be easy.
>
> H. SCHULZE.
>
> NEW YORK CITY.

Mr. SYMINGTON. I do not know the author, but do know he is right when he says his estimates of this tremendous cost could well be conservative. These costs are growing. To them must be added the billions apparently we plan to expend in effort to salvage our position in Europe.

In the meantime our gold reserves continue to dwindle, mostly to Europe; and current U.S. Government liabilities redeemable in gold and owned abroad, primarily by the foreign central banks, continue to increase.

If our policies and programs continue to necessitate this heavy price, and our 17-year unfavorable balance of payments continues unfavorable, there must be a reckoning in the not too distant future.

SECRETARY RUSK IS WRONG

Mr. YOUNG of Ohio. Mr. President, Secretary of State Dean Rusk should cease and desist his reprehensible and highly contemptible references to Communist China. He invariably publicly displays his contempt for the Chinese and for the leaders of mainland China. He publicly terms the capital of that nation "Peiping" instead of by its historic and proper name, "Peking." A Secretary of State of the United States should be supposed to exercise some degree of tact and restraint in public statements. The contrary has been the rule.

Under direction of Secretary of State Rusk, officials of the State Department, the U.S. Information Agency, and other Washington officials have been issued instructions to refer to the capital of mainland China as "Peiping," the terminology that Chiang Kai-shek applied to it, and must not refer to it as "Peking," the historic name and the name adhered to by Mao Tse-tung's Communist regime.

The meaning of the word "Peking" is "northern capital." Peking was the recognized capital of the Manchu dynasty and historically the capital of China. Even Secretary Rusk should know that the Chinese for thousands of years had a great history and noble tradition and that they have reason to be proud of their culture. Yet, due to technological superiority and weapons of war, European nations throughout the 19th century conquered vast areas of the Chinese mainland.

The English set an example of oppressing Chinese nationals. They and other Europeans came to regard Chinese as an inferior, low-grade people and over the years constantly humiliated them. In fact, in the 1840's England fought a war of aggression against the Chinese because Chinese officials, to save the lives of their own people, tried to suppress the opium traffic which was extremely lucrative to English merchants. To the shame of the British Empire, this war has been termed the "Opium War." It resulted in the seizure of the island of Hong Kong and other areas that had been Chinese for thousands of years. This lush territory, homeland of the Chinese, was taken either outright or under the guise of 99 year leases.

Throughout the 19th and the early 20th centuries, officials of European governments and even the United States frequently treated Chinese scholars and statesmen with contempt, regarding them as people to be exploited by the great powers such as Great Britain, France, Germany, and Russia.

When liberty-loving Chinese rose in revolt in what was termed the "Boxer Rebellion," even our own Armed Forces joined with other powers to crush the rebellion.

Shortly thereafter the Manchu dynasty was overthrown and a period of anarchy followed with various Chinese warlords fighting one another with their private armies. The great powers took further advantage of this internal weakness and seized additional territory and privileges in China.

In 1928 Chiang Kai-shek overcame other warlords, and to downgrade those he had beaten and to demonstrate his contempt, he moved the capital to Nanking and changed the name "Peking" to "Peiping" which, translated, means "pacified capital."

Following the time the Communist forces chased Chiang Kai-shek from mainland China, they in 1949 reestablished the capital at Peking. From that date to the present time Peking has been the capital of Communist China.

Nevertheless, on instructions from officials of the State Department, many U.S. officials continue to use the term "Peiping." This is an unnecessary irritant to the people and rulers of Red China. Without a doubt this exercise of bad judgment, in fact stupidity, on the part of Secretary of State Dean Rusk, causes the Chinese leaders to be more inflexible in their intransigence.

In 1814, in the course of our war with England, termed the "War of 1812," a small English army under General Ross with some marines and sailors under Admiral Cockburn routed American militiamen at Bladensburg and captured Washington. These raiders burned the President's house in retaliation for Americans burning the then capital of Canada, York, earlier in that war. President Madison barely escaped capture. Immediately following the capture of Washington and burning the President's house, the English withdrew. This was in 1814.

How would the people of the United States have liked it if a Prime Minister of England, around 1832, contemptuously referred to Washington as "pacified capital" instead of referring to our capital by its correct name, Washington?

Secretary of State Dean Rusk would be well advised to discontinue the use of this insulting word, "Peiping," unless he is utterly lacking in sincerity in his claim that he is offering the olive branch of coexistence and peace.

Claiming that our puppet Chiang Kai-shek, whose forces fleeing from the Chinese mainland slaughtered some 18,000 unarmed citizens of Formosa, including women and children, in establishing his rule there and claiming that his government in Taiwan, the name he gave to Formosa, is the only legitimate Government of China, is fakery as statesmen of the world know.

Our proper policy would be to continue the recognition of the government of Taiwan and then go ahead seeking a more flexible trade policy with China, continuing, of course, the ban on strategic materials but permitting the export to Communist China of whatever the Chinese may wear, eat, drink, or smoke and, in return, buying the products and handicraft of the Chinese.

We should offer diplomatic recognition to Communist China which has maintained a government in mainland China for nearly 20 years. Were we to have an embassy in Peking with an Ambassador and staff we would have an open window and listening post in China. Because ours is an open society, China would have less to gain in opening an embassy in Washington.

Mr. President, I shall continue to condemn and denounce State Secretary Rusk if and whenever he indulges in the use of the contemptible and insulting term "Peiping," aping the language of Chiang Kai-shek.

PERMITTING THE PLANTING OF ALTERNATE CROPS ON ACREAGE WHICH IS UNPLANTED BECAUSE OF A NATURAL DISASTER

Mr. ELLENDER. Mr. President, do I understand correctly that the conference report on H.R. 15151 is at the desk?

The PRESIDING OFFICER. The Senator is correct.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. Do I understand correctly that the Senate is now operating under a unanimous-consent agreement?

The PRESIDING OFFICER. Yes. As soon as morning business has been transacted, which is also under unanimous consent, the Senate will then be operating under a unanimous-consent agreement.

Mr. ELLENDER. Then, in order to take up this conference report, it would, in effect, require unanimous consent; is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ELLENDER. Mr. President, I understand that the Senator from Delaware [Mr. Williams] is very much interested in debating this issue and, of course, I presume that he would object to taking up the bill because of the fact that we are acting under a limitation of debate at this time.

Therefore, I give notice that as soon as the pending amendment is voted on, I shall make an attempt to call up this conference report.

Mr. SYMINGTON. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. SYMINGTON. I respectfully commend my able colleague, the Senator from Louisiana, for his deep interest in the cotton farmers of this country. I ask the Senator, Do I correctly understand that the amendment proposed by Senator Cotton to the Fair Packaging and Labeling Act would not be voted on before 4 o'clock?

Mr. ELLENDER. The Senator is correct.

Mr. SYMINGTON. So that therefore the conference report will not be taken up until after 4 o'clock?

Mr. ELLENDER. That is, if I can get the floor to take it up, I presume after the vote on the Cotton amendment—that is, the amendment of the Senator from New Hampshire [Mr. Cotton]—because it is a privileged matter.

Mr. SYMINGTON. I thank the Senator from Louisiana for his information.

THE 25TH ANNIVERSARY OF BRIG. GEN. FRANCIS L. SAMPSON, DEPUTY CHIEF OF CHAPLAINS, AS A ROMAN CATHOLIC PRIEST

Mr. MUNDT. Mr. President, this week, out in Sioux Falls, S. Dak., Monsignor Francis L. Sampson, who is officially known as Brigadier General Sampson, Deputy Chief of Chaplains, will offer up a solemn mass of thanksgiving on the 25th anniversary of his ordination to the priesthood. He will celebrate this mass in the Church of Christ the King.

Thousands of GI's from all over this Nation will be interested in this because, as a chaplain in the airborne divisions of our Army, Monsignor Sampson was a friend and counselor to them. Chaplain Sampson is a real man among men. He jumped with the troops, he went through battles with the troops, and he was captured and suffered the indignities of a prisoner of war camp with other American soldiers.

I have just finished reading the story of his experiences in his book, "Look Out Below." It is a fascinating book, but I suspect that the story he tells of himself is overly modest. Nevertheless, it is possible to surmise the hardships of Army life, and especially the difficulties which fall to a chaplain who must endure the dangers but who must never defend himself.

I think the comment of Gen. James Gavin is especially apt. He said of Monsignor Sampson and the others who served as chaplains:

> It follows that the padres themselves must be unusual men. They must not only be physically courageous, but inspiring in their spiritual leadership. Chaplain Sampson was one of these and one of the very best, and his book "Look Out Below" is well worth the reading.

I thought, as I read the book, how comforting it must be to parents and relatives of our fighting men, to see the soldier as Chaplain Sampson saw him. In his book, he says:

> It is impossible to foretell with one hundred per cent accuracy what any one man will do under the tension and stress of fire. There are too many undetermined factors and considerations to which the prophet has no access. Chief among these considerations, of course, is the free will. But it stands to reason that the habit of self-control and self-discipline must be already strongly entrenched in a man's character if he is expected to make the honorable choice between duty and self-preservation. Religion alone possesses motives powerful enough to make a man persevere in his efforts at self-control and self-discipline. In other words religion is the indispensable support of those qualities of heart and mind so necessary for a good soldier. Good soldiers are necessary for a strong army. A strong army is necesary for the preservation of those God-given and inalienable rights which can be lost through weakness. It necessarily follows then that our American rights are dependent upon the strength of our religion.

Chaplain Sampson could detect the Christ-like qualities in the men with whom he served. His many descriptions of men who went to battle, spiritually prepared, are deeply inspirational.

The testimony to his personal bravery under fire is best expressed by reciting the list of awards and decorations which he received from the time he was given his commission in 1942. These are: Purple Heart, Bronze Star Medal, Dutch Lanyard, Belgian Fourragere, Distinguished Service Cross, Distinguished Unit Emblem with Oak Leaf Cluster, European African Mediterranean Emblem, American Defense Service Medal, Korean Service Medal, United Nations Service Medal, National Defense Service Medal, Commendation Ribbon with Master Parachutist Badge, Army Commendation with First Oak Leaf Cluster.

Father Sampson not only served in World War II, he was also recalled to go to Korea, where he jumped with the troops from 1954 to 1956.

He has been given honors by the armed services of this country, and by his church. He has been made a Domestic Prelate to the Holy See with the title of Right Reverend Monsignor. He was invested with the robes of this office by His Eminence Francis Cardinal Spellman in Heidelberg, Germany, in 1963.

And, of particular interest to me, since it used to be my favorite sport, is his participation in tennis tournaments while serving with the Army Parachute Troops. During his service he has won 7 championship matches, the latest being Senior Champion of the 7th U.S. Army in 1963.

I join with my fellow South Dakotans—and with the men who served with Chaplain Sampson—in wishing him much joy on the occasion of his anniversary. We are proud to have him back in South Dakota, proud of the job he has done for our men in the military, proud of the record he is making in his new assignment.

I ask unanimous consent to have printed in the RECORD an article written by Herb Bechtold, entitled "Roundrobin," in the Sioux Falls, S. Dak., Daily Argus-Leader.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Sioux Falls Argus-Leader, Feb. 8, 1966]

HERB BECHTOLD'S ROUNDROBIN

The Army's famous jumping padre of World War II fame, who attended Cathedral High School in Sioux Falls, has been promoted to the rank of brigadier general and has been named deputy chief of chaplains.

Monsignor Francis L. Sampson thus becomes the second highest ranking chaplain in the Army. Maj. Gen. Charles E. Brown, chief of chaplains, is the only other Army chaplain holding the rank of general.

Monsignor Sampson, 53, a native of Cherokee, Iowa, lived at several towns in the Midwest while his parents were operating hotels. At one time he lived at Pipestone, Minn. He came to Sioux Falls to live while he attended high school. His legal residence is 821 W. 6th St., home of his aunt, Mrs. Mildred Coffey and the late Gertrude Ryan, also an aunt. He is also a nephew of Mr. and Mrs. Frank J. Ryan, 821 S. Phillips Ave., Mr. and Mrs. Walt Sullivan, 408 E. 8th St.

In his new job, Gen. Sampson will assist with assignment of chaplains throughout the world and serve as an adviser to the Army on matters relating to morals and religion. He will assume his new duties Monday, replacing Brig. Gen. William J. Moran, who retired to serve as an auxiliary to Cardinal Francis Spellman, who serves as vicar for all the armed forces.

Chaplain Sampson has been serving at Fort Monroe, Va., as Continental Army Command chaplain. He was also there as deputy chaplain from 1959 to 1962. Prior to that he served in Europe, first as deputy chaplain for the U.S. Army forces in the European area and second as chaplain for the 7th Army.

In addition to being a master parachutist, the much-decorated chaplain has written two books on his experiences with airborne troops, "Paratrooper Padre" and "Look Out Below."

Chaplain Sampson jumped into Normandy with the 101st Airborne Division on D Day, was captured by the Germans but escaped after three days. Later he parachuted into Holland. In the Battle of the Bulge, he was captured by the enemy again and spent the last eight months of the war in a German prison camp. He also parachuted into Korea with combat troops.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESSAY CONTEST: CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?

Mr. McGEE. Mr. President, this has been the annual "week that is," during my annual tenure in the Senate. I say "the week that is," because each year we conduct in the State of Wyoming a statewide contest among the graduating seniors of all Wyoming high schools. The theme of the contest is "Can Democracy Keep up With the Space Age?" The purpose of the contest is an attempt to focus attention on updating and upgrading the democratic processes, so that they shall continue to be effective in these modern times.

Visting my office this week are the two statewide winners of the contest. The winners spend a full week learning the ropes, so to speak, of congressional conduct and activity, and other processes of the Federal Government in Washington.

The reason why I take this time today is to call the attention of Senators to the essays that the two winners have contributed. The two students are Miss Jeanne Hankins, of Greybull High School, Greybull, Wyo., and John David Atkins, of Riverton High School, Riverton, Wyo.

Their accomplishments are many. They are both outstanding students, keenly interested in the policies of the world. Their contributions are constructive, and emphasize that there is indeed every reason to believe that we can more than keep pace with the changing times.

The substance of their essays is not political. It is not partisan politics. I suppose that everything is politics. As a matter of fact, the students participating in this contest come from all political persuasions. That makes the point clear once more that neither party happens to have a monopoly on all good ideas, on all that is right, or on all good people.

The dialog concerning democracy contributes to the warp and woof of American political ideas.

Mr. President, I ask unanimous consent that the essays of Jeanne Hankins and John David Atkins be printed in the RECORD.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

Can Democracy Keep Up With the Space Age?

(By Jeanne Hankins, Greybull, Wyo.)

Democracy is government by the people. This means, in short, that those who govern us must yield to the will of the people. Frequent elections are held to assure this. The two major political parties also aid in this area. For, to gain the votes of a majority of the people, the parties must conform to the wishes of the people. Thus one party balances the other. This is the reason a two political party system has existed throughout the history of democratic America. This same reasoning is the basis for the argument against unification of the parties. The age we are living in now—the rapidly developing, rapidly changing Space Age—presents problems never faced before. The problems range from birth control to nuclear disarmament. Naturally this requires a better informed public.

Democracy depends not so much on the problems and the conditions of the world, but more on the people. Apathy is the main danger. If the public no longer cares, democracy, as we now know it, will disappear. We must learn to support those who uphold our beliefs as well as protest against those whose ideas are contrary to democratic government. We must never be derelict in our duty, for corruption slips in like a thief, unknown and too often undiscovered until too late. We must never leave it up to the "other guy," for he is protecting his interests not ours. We must defend our freedoms diligently. Voting is the tool, but we must know how to use it properly for it to be effective. This involves knowing the facts and circumstances. Each of us must make this his own personal responsibility.

Protest demonstrations have spread over a wider area affecting more of the public. Protest helps to build a stronger America when aimed in the right direction, which is against those who desire to use the government for their personal gain. Protest must be accompanied by patriotism to be constructive.

Support is the key word in democracy. This means we must join with those elected officials who are trying to keep America free and strong. The people must actively engage in politics to assure their future and the future of their children. Pride in community, pride in state, and pride in country are the reasons each citizen does take an interest in politics and therefore in the welfare of his own country, state, and community.

Race discrimination is becoming a thing of the past. Equal opportunities await each and every American. Not only are laws changing, such as the Civil Rights Law just passed, but the people are changing. Despite widely publicized Ku Klux Klan raids and similar anti-Negro demonstrations, the general public are casting aside their prejudices and learning to live as one people. Freedom for the minority is not being forced; it is being given us their inborn right.

Education is the road to a stable free government. Certain areas of the government are becoming more technical and require greater understanding and a fuller knowledge. Unbiased news reports are the best source. From these we get the up-to-date, accurate information on government policies and actions. If we do not know the facts surrounding an issue we can do nothing to remedy the situation. If more attention were paid to our various news media a better informed, more responsible public would result. Knowledge must also be expanded on communistic and tyrannical propaganda approaches. The public must be informed on how to discriminate between the honest proposals of democratic leaders and subversive tactics of communistic infiltrators.

Prestige is of major importance in international relationships. While American boys are fighting for freedom in South Viet Nam our prestige is rising in countries who value liberty. There is now positive proof that America holds firm in her beliefs. In those countries who seek to suppress the people's will our prestige is also rising, but in a different manner. To these countries the United States is a power to be feared for Viet Nam is definite evidence that the United States will even wage war to secure freedom.

To keep up with the Space Age the people must grow. They must grow outward toward their fellow man, and inward to secure a permanent place for the ideals we hold so precious now—the ideals of individual freedom and international co-operation. We must be strong enough to cast away those beliefs we held true yesterday if today they are proven false. We must be ready to change, but we must be sure of which direction the change will guide us.

Democracy can keep up with the Space Age if the people continue to grow. Decisions will be harder to reach, problems will be more complex, but since the beginning of time the world has become more complex. That democratic government exists in America—the most developed and advanced country on the earth—is nearly proof enough that democracy *can* keep up. If we refuse to be content we will continue to advance and democracy will advance too, and, hopefully, spread to other nations. If we have pride in our country and government other nations will follow. Our growth and active interest in our own democratic government will secure a place for democracy in the Space Age.

Can Democracy Keep Up With the Space Age?

(By John David Atkins, Riverton, Wyo.)

Here in the year of 1966, we are certainly dwelling in the Space Age. Men of our time will soon be walking on the moon, curing diseases and ailments that have plagued all others before us, traveling around our globe in a measure of hours, and even enjoying freedoms of a democracy. Yet, at the same time, men are starving to death every day, fighting and killing each other, enslaving one another, and plotting against humanity in general. Certainly the Space Age is the Age of the Two Extremes. The extreme of previously unattained progress and genius, and the extreme of age-old misery and inhumanity. If the concept of democracy, a very positive extreme in the story of man, is to survive and flourish, it must be fully applied to the Space Age. We must dedicate the genius of existing democracy, in addition to its assets of sincere people, to the improvement of man's conditions the world over, if democracy is to keep pace.

Since our consideration then applies to all men, we must approach it realistically. A great deal of the accomplishments and progress the world now enjoys results from the United States and its democratic society. The atmosphere of freedom directly corresponds to positive progress. Realistically, however, most of the world's citizens far from enjoy basic freedoms and rights, the majority of these people are not prepared to appreciate and guard such rights, and a sizable portion of these people exist in conditions unfriendly to them. If democracy is to expand and flourish the world over, let alone keep up with our modern age, such conditions must be changed. Democracy will not be given an opportunity among these people unless they and their living conditions are made ready for it.

In order to introduce, maintain, and insure democracy anywhere, guarantees of basic rights and human dignity must be present. No true progression to the positive extreme can be observed unless the people involved are in an atmosphere of initial freedom. This is one of the fundamental lessons of man's struggles against oppression and inhumanity. Today, the contrasts of living standards between democratic nations and nations of totalitarianism are living testimony to this. How can a man truly be an asset to his society if fear and oppression are blights on his hope for the future? How can a man seek to improve his life and that of those around him if he has been stripped of his individuality? A human being void of basic freedom and dignity is trapped in a spell of the status quo and the only progress for him and his society is backward.

It is obvious then that the future successes and development of democracy lie, at least partly, in world-wide expansion of fundamental rights. There are presently too many people in the world who are denied these essential possessions, and only in gaining them, will they be able to contribute to the Space Age's positive extreme. If more or less ignored in their current state of affairs, these people will impede democracy's progress. This cannot be allowed to happen! We, who enjoy democracy's gifts, must be prepared to share them with those who are denied them, and be willing to expand these gifts through education and humanitarianism. If this could be accomplished, perhaps a frame of mind or attitude would be created, which would be conducive to democracy. If the inherent human desires for freedom and dignity could be achieved, then the task of expanding and developing democracy would be well on its way to realization.

However, there is one major hindrance in achieving world-wide democracy. That is the fact that millions of the people to whom we are attempting to present democracy's opportunities, are not prepared for them and are surrounded by conditions unsuitable for democracy. It is quite obvious, largely through previous experience, that democracy is a responsibility which the starving, sick, ignorant, uneducated, and deprived are not prepared or able to accept. All too often we can sit back and observe a situation where democracy (at least, so-called) has been more or less forced upon a people who are incapable of maintaining and developing it, and soon we have no choice but to acknowledge an unnecessary failure. We must first approach the root of the problem. It is established that the weaknesses and plights in which many of the world's citizens are trapped, have to be altered. These people need education, health services, and nourishing food. They need the chance to live a life characteristic of the Space Age; and we, the products and foundation of democracy's genius, must help them to achieve this.

Essentially, though, it must be kept in mind that such a task has been the dream of men since early civilization, and to accomplish this means doing something that has never been done before. This task or quest must be approached realistically, for it is mammoth in stature. We must be prepared to carry it on for years, perhaps, before it is realized. We must utilize the progressive spirit and immense faculties of the Space Age in a truly pioneer fashion. If at least a constructive effort is made toward uplifting men and their conditions, a definite improvement will be noted and the dream of democracy for all will be somewhat closer to reality. One thing is certain though. Democracy, especially in this complex era of ours with its staggering problems, carries no guarantee of perpetual existence. It must be protected, developed, and continually sought for.

We, who are leading enjoyable lives in the Space Age are subject to numerous opportunities and responsibilities. We have the opportunities of fantastic technological progress, great social advances, and a democratic society. Likewise we have the responsibilities of maintaining our progressions, helping those who are denied such advantages, and preserving our democracy. It is obvious that the Space Age is primarily dependent upon democracy, therefore, the further development and expansion of this ageless concept is a necessity. If the Space Age is to continue at its present rate towards the positive extreme, then democracy must keep pace, and this has to be the goal of us who now possess it. For the achievements of the Space Age to be world-wide, democracy must be world-wide. Yes, if we desire, democracy can keep up with the Space Age.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSMAN CULVER TESTIFIES FOR PROXMIRE SCHOOL MILK BILL

Mr. PROXMIRE. Mr. President, among the many individuals and organizations testifying in behalf of my bill to make the school milk program permanent and increasing Federal funding for the program during hearings held May 12, was Representative John Culver, of Iowa.

Representative Culver correctly emphasized the nutritional aspects of the program in stating:

> At a time when we are increasingly stressing the vital significance of educational excellence and physical fitness, it is certainly most necessary to insure that this successful program is continued. It was designed as a nutritional program, not a welfare one, and I am convinced that this emphasis should not now be changed.

Unfortunately the administration proposes to apply a means test to recipients of school milk which spotlights financial need while completely disregarding nutritional need. This is essential if the administration is to limit the program to a mere 3 million of the 18 million boys and girls now participating in the program. However it overlooks the fact that nutritional shortcomings are observable in children from all classes of our society and that these shortcomings have an adverse effect not only on the ability to learn but on the future effectiveness of America's lifeblood—its children.

Mr. President, I ask unanimous consent that Representative Culver's statement be included in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Hon. John C. Culver, Representative in Congress From the Second Congressional District of Iowa

Mr. Chairman, I wish to thank you and the distinguished members of the subcommittee for affording me this opportunity to submit testimony on the importance of the special school milk program.

At a time when we are increasingly stressing the vital significance of educational excellence and physical fitness, it is certainly most necessary to insure that this successful program is continued. It was designed as a nutritional program, not a welfare one, and I am convinced that this emphasis should not now be changed.

Since these programs were first established, we have not only been feeding our school children, but we have been establishing sound and lasting nutritional habits as well. Longer school days, longer bus routes, and the employment of mothers away from home make the role of the school milk and lunch programs more important than ever before.

I was therefore deeply disturbed by the budget bureau's proposed reduction in funds for the special milk program by almost 80 percent for the coming fiscal year, and at that time I introduced legislation in the House of Representatives to extend the program with an adequate appropriation to assure the continued availability of milk at a moderate price for consumption in our Nation's schools.

During fiscal year 1964, over 50 million half-pints of milk were served to students in the State of Iowa under this program. Last year, in Cedar Rapids alone almost one million half-pints were served through the special milk program, and in one month more than 26,800 half-pints were distributed to school children in Dubuque.

The effect of the proposed cuts would almost certainly impose further strains upon already overburdened property taxes and local school budgets, as well as increasing the cost of milk to our school children. Officials of the Iowa school lunch program have predicted that such action would result in many school administrators dropping the special milk program altogether.

I am pleased that the House of Representatives has seen fit to provide $103 million to the school milk program in the agricultural appropriations bill which we passed last month, and I am hopeful that the Senate will take similar action in the immediate days ahead.

It is, however, equally important that we consider this extremely successful and popular program on a long-term basis so as to eliminate the confusion which came about this year with the recommended budget cuts which threatened the continuation of the whole program.

I therefore urge your favorable consideration of legislation in this area so that in the coming years school children will continue to receive the benefits of this highly successful program, which has been so important to our overall educational effort.

TRIBUTE TO CYRUS S. CHING

Mr. MONDALE. Mr. President, recently, Mr. Cyrus S. Ching, who has rightly been called the Nation's most highly esteemed management-labor relations counselor, celebrated his 90th birthday. That he has reached this age without diminution of his insight, intelligence, and commonsense is evidenced by his remarks in a recent interview in the Washington Post. I wish that I had had the opportunity to work with this man personally. The Vice President has had such an opportunity, and has spoken glowingly to me of his esteem for Mr. Ching, and of their close friendship. I now ask unanimous consent to insert that article in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, May 15, 1966]

The Old Labor Peacemaker Finds Both Sides Bobbling

(By Alfred Friendly)

At 90, Cyrus S. Ching has become perverse. He declines to utter the billowing words of advice and the honored cliches that are commanded for a birthday interview, itself one of journalism's most monumental cliches.

By right and tradition, as he faces nonagenarian status Saturday, Ching should declare that compared to the way things used to be, things now are either (1) going to hell in a hack or (2) simply wonderful. In fact, however, he thinks things are about as they have always been and are likely to remain that way.

Perhaps this is because Ching himself is as he has always been and is equally likely to remain that way. A little arthritis in the legs, to be sure, which makes locomotion, a nuisance, but for the rest, no change. The stature is still 6-feet-7, the weight an unvarying 230 pounds, the grip of the huge ham of a hand—scarred when he took the full current of the Boston elevated railway system through his body—as strong as ever.

He eats everything, sleeps like a baby and his only concession to the years is to have weeded down "slightly" a pipe collection that once numbered 138. The hundred or so left still permit application to tobacco during all waking moments.

A lifetime devoted to the impossible art of making people get along with each other, a lifetime in which he became America's most famous, skillful and esteemed mediator of disputes between labor and management, has left Cy Ching with few illusions about either. He is not cynical, but neither is he romantic.

Ching tends to agree with the current lament that the labor movement is no longer the source of the scintillating new social and economic philosophy and theory that it was in the New Deal, 30 years ago.

The reason, he suspects, is that labor leaders now have such vested interest in their jobs, and members are so exclusively concerned with a monetary quid pro quo for their dues—a "nickel-in-the-slot mentality," Ching calls it—that dedication to a cause has become a thing of the past. As a result, unions do not enjoy the public esteem they once had.

"I'm afraid the labor movement doesn't have the impact on society it used to," Ching observes. "When the AFL and the CIO were in competition, it led to some effervescent thought. Their merger was a good thing, but now that they go along the same line, something has been lost."

For the future, Ching sees a hard row for unions to hoe. The number of factory production workers tends to decline even as production itself increases with more mechanical and technological improvements. Where the labor force grows is in the service trades, which are much more difficult to organize.

"Somehow management has taken better care of the white-collar workers," Ching argues. "It's therefore harder to organize them. Besides, they don't seem to want to jeopardize that monthly pay check by having a fight. The blue-collar workers were more courageous."

Not that Ching is in favor of strikes. Far from it; he thinks there are too many today, even though there are fewer than there used to be. As Ching sees it, this is what has happened:

Modern institutions much improved over the past, are able to cope with what used to be the difficult problems—fights over basic economic issues, such as wages and hours. Moreover, the plaguing question of union security is largely solved; union fear that management will destroy their organizations has virtually disappeared.

Testimony to the efficacy of unions and management acceptance of them, comes from the relative ease of labor relations in the new industries that have developed in the atomic age since the war.

"It's pretty terrifying to visualize what might have happened if there hadn't been the stabilizing influence of the unions," Ching says.

But today's problems are different and are not being very skillfully dealt with either by labor or by management. The issue is job security under the pressure of technological labor-saving developments—automation, sybernetics, what-have-you.

"The idea of forcing industry to freeze people on the job regardless of company investment in improved production machinery is shortsighted on the part of labor. But management's unwillingness to face the problem that, in the short run, new machinery is going to cost the jobs of a certain number of employes—and that something has to be done for those who are hurt—is equally shortsighted.

"What's needed a realization on the part of both labor and management that they have to live together.

STILL SOME ANACHRONISMS

"Sure, big industry is dealing with labor in a much more civilized way and unions are smarter in not pulling off every strike that they threaten. But you still have a lot of labor unions that preach enmity; you still have a lot of hard-nosed people on the management side who want to punish somebody for something.

"Trouble is, if you had them swap places—labor for management and management for labor—each would act just like the other does. Human nature hasn't changed in 3000 years, and I don't see any problems now that weren't present 50 years ago."

So how to work toward a solution? Ching's answer, not unnaturally, takes the form of a commercial for the institution of the mediator.

"A lot of unions have lost prestige in feeling that every time they have a dispute, they have to strike. But in modern days, the strike method is often outdated.

"Mind you, I wouldn't have strikes outlawed. But there are other ways of solving disputes. For instance, contracts should be written to provide arbitration as a terminal point to disagreement.

"And more and more, the parties should bring in mediators during the dispute. The parties should select two or three impartial outsiders to come in and give them advice and counsel while the dispute is going on, before the bitter end, when tempers are boiling and positions are frozen.

"A lot of marriages have been saved by the marriage counselor."

THE 1912 SALVAGE JOB

In principle. Ching should have hung up his hat long years ago and devoted the rest of his life to salmon fishing, which he adores. Heaven knows he plowed in the vineyards for a long time.

It began in 1912, after the disastrous Boston Elevated Railway strike, when the defeated company promoted Ching to labor adviser in the hope that he could salvage something from the ruins. He did, and went on to do the same for United States Rubber, and in the process became the Nation's most highly esteemed management-labor relations counselor.

Still representing management, he went on the National Defense Mediation Board in 1941 and then to the War Labor Board. But after the war, he graduated to being not management's man but the public's man, and became the director of the Federal Mediation and Conciliation Service. That labor accepted a former management man in that position was testimony enough to his reputation for impartiality.

He left the job in 1952, but he was back in harness the next year as the impartial director of a Government board to handle disputes in the atomic energy industry. As late as 1961, he pulled off a sensational settlement of a dispute at the Hanford, Wash., atomic plant.

He is still on the job. With his apartment as office, he works anywhere from a few hours to a full day, five days a week, as labor relations consultant. His clients are from management.

"I'm mostly in disagreement with them," Ching growls amiably, "but you'd better not say that."

HARD DECISIONS

Mr. BREWSTER. Mr. President, I want to call attention to an editorial in the Washington Daily News which emphasizes this certainty about our stand in Vietnam: We cannot flinch.

The News cites President Johnson's statement that our job, and the job of the South Vietnamese, is hard and frustrating. It agrees with him that there can be no easy or instant solutions. Dissension among elements of the South Vietnamese make the fact more obvious.

Yet, the newspaper tells us, there have been recent signs that the situation may not be as difficult as it has seemed. And the editorial reminds us that the problems that would result if we dared to withdraw from Vietnam would be far more dangerous than the risks posed by our presence.

We did not flinch when the Japanese swept across the Pacific, the newspaper declares. And we cannot flinch now, because the stakes are the same.

I ask unanimous consent that the Daily News editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Washington Daily News, May 23, 1966]

Hard, Hard Decisions

President Johnson Saturday said this:

"The South Vietnamese are trying to build a nation. They have to do this in the teeth of communist efforts to take the country over by force. It is a hard and frustrating job and there is no easy answer, no instant solution, to any of the problems they face."

Mr. Johnson easily could have paraphrased that statement from our own point of view:

We are trying to help the South Vietnamese build a nation in the teeth of communist aggression, terrorism and all-out war. That, in itself, is hard and frustrating, for us and for the South Vietnamese. It is much harder and much more frustrating because of the riotous dissension among the South Vietnamese themselves.

Obviously, there are no easy answers, no instant solutions, either to the problem of communist aggression or to the turmoil among the South Vietnamese.

This means infinitely hard decisions to be made in Washington—and in Saigon.

The natural reaction to recent developments in Viet Nam is to think: Well, if the Vietnamese, who have the most at stake, can't unite in fighting their own war, why should we not come home; withdraw our troops?

The Buddhist rebellion evidently has hampered the war. Surrender of the Da Nang Buddhists may end the rebellion, at least for a while. If it should go on to become a full-scale conflict, it could be suicidal. The United States and other allies might have no choice except to pull out.

But the time for that decision is not yet. Already there are signs—small ones, yes, but reported by competent newsmen—that the situation may not be quite as impossible as it has seemed. Bluster and foment may be evidence of the ambition of the Buddhist trouble-makers, but not necessarily of their lasting strength.

The risks of continued U.S. presence in Viet Nam patently are hazardous. But the problems which would follow withdrawal would be far more dangerous. We cannot desert Thailand, or Malaysia. The price of yielding to communist aggression is either more yielding or a greater war.

It is hard, frustrating, and costly. So it was when the Japanese swept the Pacific. We did not flinch then. We cannot flinch now, because the stakes, in the long run, are the same.

THE CHURCH VERSUS POLLUTION

Mr. BOGGS. Mr. President, an editorial in the June 7 issue of the Morning News of Wilmington, Del., makes the point that churches have found pollution of our air and water relevant to the 1,500-year-old tradition of praying for a bountiful harvest.

The comment which the editorial cites indicates how widespread is the national concern for cleaning up air and water pollution.

This national concern is also reflected in the sincere efforts of the Special Subcommittee on Air and Water Pollution to provide the best possible tools to deal with the problem.

Because of its relevance, I ask unanimous consent that the editorial entitled "The Church Versus Pollution" be inserted at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Wilmington Morning News, June 7, 1966]

The Church Versus Pollution

One of the favorite words in religious circles nowadays is "relevant." Churchmen are constantly telling each other that if they want anybody to listen, they must make the church's message relevant to modern times.

Now there has come to our desk a church pronouncement that seems about as relevant as a church announcement can get.

It comes from Fortress Press and it was designed for use as the back page of congregational bulletins on Rogate Sunday about three weeks ago.

First it tells how that particular Sunday became an occasion of prayers for a bountiful harvest, a tradition that dates back to the year 452. Then it proceeds to make the 1,500-year-old tradition relevant:

"Since that time, man has improved his stewardship of the soil, and we stand blessed today with abundant harvests. But what of the rest of man's God-given environment—land, air, water and their natural beauty?

"Across the nation, wells are running dry, reservoirs are depleted, fish are dying, beaches are unsafe for bathing and communities ration water. Yet man heedlessly dumps over a million gallons of waste every second into the nation's waterways.

"This irresponsible stewardship has succeeded in polluting every major river system and earned the caricature of 'a man worried about water, standing knee-deep in sewage and shooting rockets at the moon.' As the crisis intensifies, let us heed the call to prayer, join the effort to remove waste and restore to natural purity the abundance of water God wishes to provide for all."

Some people who believe the church should stay out of political issues may react unfavorably, but others will be happy to see a moral issue drawn on a subject where communities too often drag their feet.

We happen to believe the word-picture of modern man standing knee-deep in sewage is overdrawn, and that it is an over-simplification to describe every imperfect sewage system as irresponsible stewardship. But we share the desire for unpolluted water systems as a national goal and welcome the interest of religious leaders in this national problem.

OMBUDSMAN FOR THE DISTRICT OF COLUMBIA

Mr. LONG of Missouri. Mr. President, for several months, the Senate Subcommittee on Administrative Practice and Procedure has been studying the operation of a most fascinating office: the ombudsman. As I have informed my colleagues on many occasions, the ombudsman is a form of citizens' defender; he is the man who fights city hall. Often, the cases and complaints which come to the ombudsman are trivial, but justice is never a trivial matter.

Several weeks ago, I complimented the Evening Star's "Action Line" column and said that this column is today the nearest thing the District has to an ombudsman. I also stated that I intend to propose a bill which would create an official ombudsman for the District of Columbia. This bill is very near completion.

WTOP radio and television has recently run a number of editorials urging the creation of an ombudsman here in the District of Columbia. Jack Jurey, speaking for WTOP, calls the ombudsman a "public protector." I support and shall introduce a bill to create such an ombudsman, the public protector that WTOP refers to. It should be made perfectly clear, however, that an ombudsman is not a substitute for local self-government for the District of Columbia. I voted for the Senate-passed home rule bill and will continue to support principles of local self-government.

I ask unanimous consent to insert at this point in the Record the editorials referred to.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[This editorial was broadcast on June 2 and 3, 1966, over WTOP radio and television]

DISTRICT OF COLUMBIA PUBLIC PROTECTOR—I

This is a WTOP Editorial.

Since about two out of three people who live in the District weren't born here, the residents of this community need all the help they can get in dealing with their municipal authorities. Even a native-born Washingtonian has trouble understanding how this city runs.

What we have, of course, is a board of overlords appointed by the President; a federal judiciary with many independent ideas; a school board which apparently is responsible to no one; an astounding proliferation of boards, agencies and commissions, many of which never meet; various and sundry congressmen who are enmeshed in District affairs for one reason or another; and, helping support the whole structure, a DC bureaucracy consisting of thousands of employes who have come to understand that, under the present scheme of things, what the ordinary Washington citizen may want has very low priority.

It is asking entirely too much to expect that ordinary citizen to grapple with the mechanism of local DC government. Too many officials don't really care about his problems; too many functionaries are out to lunch; too much paper is shuffled too rapidly for any constructive assistance. The only solution we can see—short of an elected local government under which the individual would mean something—is a Public Protector. This would be a man, paid from public funds, who would have the authority to receive and act on citizen complaints of official abuses and transgressions. The Public Protector idea is nothing new—there have been such individuals in Scandinavia since about the beginning of the nineteenth century. Because Washington, D.C., has a local government with a nineteenth century flavor, now seems a good time to adopt the Public Protector concept.

This was a WTOP Editorial, Jack Jurey speaking for WTOP.

[This editorial was broadcast on June 3 and 4, 1966, over WTOP radio and television]

DISTRICT OF COLUMBIA PUBLIC PROTECTOR—II

This is a WTOP Editorial.

Question: Who speaks for the citizens of the District of Columbia?

Answer: Nobody. Not really and officially.

The resident of this beleaguered enclave of authoritarianism quickly learns several lessons if he attempts to deal directly with District of Columbia government. First, that it is always difficult and sometimes virtually impossible to reach the official directly involved in a citizen's complaint. Second, that the official, if he is finally located, is too often unresponsive to some of the normal pressures of public office.

In any other American city, a taxpayer may call his mayor or councilman and place a detailed, specific complaint about some error of commission or omission. That taxpayer may be sure that his complaint will receive attention because there is a vote involved. Nothing moves a politician quite so quickly as the prospect of gaining or losing a vote.

In the District there are the District of Columbia Commissioners, two civilians, one military. These gentlemen are estimable, no doubt, but are not chosen by Washington citizens. They are appointed by the President, not elected by the people. Consequently the District Building's response time to the wishes of Washingtonians is lethargic. Indeed, one of the Commissioners' prime functions is to close their doors and lower their window shades so as to make basic decisions concerning this city well away from the scrutiny of the inhabitants most directly concerned.

At the White House, the President's District of Columbia adviser has an office, but is only fleetingly in touch with day-by-day operations of District government. On the Hill, the congressional panjandrums are, for the most part, aloof from run-of-the-mill District of Columbia problems.

Meantime, the District of Columbia bureaucracy grinds along—making decisions and issuing orders, shielded by platoons of secretaries and assistants.

There is little help for Washington residents there—which is why this city, perhaps more than any other on the North American continent, needs a Public Protector to help safeguard the little guy from a big city, nonrepresentative government.

This was a WTOP Editorial, Jack Jurey speaking for WTOP.

[This editorial was broadcast on June 5, and 6, 1966, over WTOP radio and television]

DISTRICT OF COLUMBIA PUBLIC PROTECTOR—III

This is a WTOP Editorial.

We've been talking the last several days about the need to establish a Public Protector's office in the District of Columbia.

What is a Public Protector? In those countries where the concept has been tested—including Sweden and New Zealand—a Public Protector (or Ombudsman) has various definitions. He is a "guardian of the rights of citizens in their relation with the public authorities." He has "a healthy preventive influence upon officials who might tend to be high-handed, arrogant, negligent or forgetful of the limits of their powers."

Each public protectorship must be tailored to circumstances and Washington, D.C., with a unique lack of self-determination, would have to establish its own ground rules.

To our way of thinking, the District of Columbia Protector ought to have a broad grant of authority.

He should have an office in some central location, probably the District Building.

He should have a staff adequate to handle the load of complaints and investigations.

He should be a free agent. He should not be under anyone's thumb. He should have access to any official of District government on any matter relating to that official's duties. He should have the right to recommend to the Commissioners any changes and reforms he thinks necessary.

He should have the right to examine official DC records and make whatever inquiries he thinks necessary.

He should be free to publicize whatever he thinks necessary in the performance of his duties.

This Public Protector, in short, would be a powerful and effective intermediary between the people of the District and their present unrepresentative government. Lacking home rule, the residents of this city at least would have a champion of their own, not a series of disinterested appointees.

This was a WTOP Editorial, Jack Jurey speaking for WTOP.

[This editorial was broadcast on June 6 and 7, 1966, over WTOP radio and television]

DISTRICT OF COLUMBIA PUBLIC PROTECTOR—IV

This is a WTOP Editorial.

Sometime within the next several days Senator Edward Long of Missouri will introduce a bill calling for the creation of a District of Columbia Ombudsman. Ombudsman is a Swedish word meaning representative, in this case a person assigned to represent individuals in their dealings with bureaucracy. We prefer the term Public Protector, which we've been using in our editorials of the last several days.

Under the terms of the Long bill, the DC Public Protector—or Ombudsman—would be appointed by the President for a three-year term and would receive a salary of $25,000 a year.

His duties would be to receive complaints from DC residents about the operations of their government, investigate whether those complaints are justified and do what he can to correct matters. He could make specific recommendations to the DC commissioners or to Congress and could publicize any of his findings.

This, in effect, is a way for the ordinary man to communicate with and make an impression on those who conduct the DC government. As we all know, that government is now immune to many citizen pressures because the District is governed by autocracy, not democracy. If any city needs a Public Protector for its local citizenry, Washington is it.

The Public Protector bill will go either to the Senate District Committee or to the Administrative Practices and Procedures Subcommittee, of which Senator Long is chairman. Either way, we'd like to have hearings held to see if the public supports the Public Protector idea for Washington.

This was a WTOP editorial, Jack Jurey speaking for WTOP.

VIETNAM

Mr. SALTONSTALL. Mr. President, when we hear so much criticism of our efforts to help the South Vietnamese maintain their independence, it is gratifying to see evidence of support for our position there. The communicants of the Aldersgate Methodist Church in Chelmsford, Mass., have expressed their feelings in a most heartening affirmation of belief in the principles for which we are fighting. This statement of position appeared in the Lowell Sun on May 11 and I call it to the attention of my colleagues. It expresses very well I think the essence of why we are in Vietnam and I ask unanimous consent to have it printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement on Position: Methodists Take Stand on Viet Nam

(*From the Aldersgate Methodist Church*)

Chelmsford.—We believe that communism, as practiced in the world today, is a categorically evil thing: a godless ideology based upon the subjugation of the will of each individual to an all-powerful totalitarian state. We believe that present-day communism is diametrically opposed to Christianity, and that the two have always been and are now totally incompatible.

We believe that a fundamental and unchanging goal of the Communist party is the establishment of a worldwide Communist society, and that the Communist party is using every means at its disposal—psychological, economic and military—to further this goal. We believe that the Viet Cong and the military forces of North Viet Nam are instruments of this international Communist conspiracy, dedicated to the establishment of a Communist state in South Viet Nam against the will of the South Vietnamese people.

We believe in the morality of the Truman Doctrine of Containment; we believe that the United States government has not only a moral right but a moral obligation to counter the forces of Communist aggression anywhere in the world when it is apparent that the local government is unable to prevent its overthrow through its own efforts, and that the United States is fully justified in using military force if necessary to prevent Communist takeover of a non-Communist country.

We believe that only the presence of United States military forces in South Viet Nam now prevents an imminent Communist takeover of that country. We believe that United States withdrawal from South Viet Nam would in effect deliver the lives of millions of Vietnamese people into the hands of the international Communist conspiracy, and we believe that such action would be grossly immoral.

We believe in the United States government's stated objectives in Southeast Asia. We believe that the Vietnamese people must be protected against a Communist takeover of their country. We believe that it is imperative that the people of South Viet Nam be free to determine their own form of government. We believe that the course of action being followed by our government in Viet Nam is necessary to prevent the strengthening of the Communist position in Southeast Asia.

We do not condemn the actions of our government in Viet Nam. Rather, we thank God that our leaders have the insight to recognize the dangers of the international Communist conspiracy and the determination to prevent the addition of one more acre of land or one more human life to the sphere of Communist domination.

A MAYOR TELLS HOW TO MODERNIZE AMERICA'S CITIES

Mr. MUSKIE. Mr. President, Mr. Herman W. Goldner, mayor of St. Petersburg, Fla., has written a thought-provoking article on the fiscal problems of American cities in the April issue of Nation's Business. Titled "A Mayor Tells How To Modernize America's Cities," the article has some interesting observations regarding Federal, State, and local responsibilities for metropolitan problems and alternative suggestions for meeting those problems.

Mayor Goldner is a member of the Advisory Commission on Intergovernmental Relations and of the Board of Trustees of the U.S. Conference of Mayors. He is a businessman-attorney, now serving his third term as mayor of St. Petersburg. His article deserves the attention of Members of Congress and State and local leaders. I ask unanimous consent that it be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Nation's Business, April 1966]

A Mayor Tells How To Modernize America's Cities

President Johnson wants "a massive program," to attack the problems of America's cities including "demonstration cities" in slum sectors and model communities in the suburbs, teacher corps in slum areas, rent subsidies and anti crime and anti pollution programs for urban areas. This is all in addition to an array of existing programs.

Against this background, Nation's Business presents the views of an authority who feels federal efforts are best devoted to enabling localities to solve their own problems.

Too many of our ailing cities today are calling for massive doses of federal aid as a cure-all, complaining bitterly that they do not have the resources to heal their own maladies.

They are wrong. They have potential cures at hand if they will honestly seek them out.

Most of our urban areas are stopped tantalizingly near to solutions by archaic laws and equally out-of-date thinking. They need not only more money but new systems and tools—from super-cities to computers—to help meet people's needs.

If most of the nation's municipal governments were private corporations, they would be out of business when the next payroll comes due because they cannot build the fiscal and organizational resources needed to carry on.

No sane businessman would dream of structuring a corporation which has obligated itself to provide millions of dollars in services, maintenance and capital improvements without adequate income.

No sane businessman would consider forming a corporation which must rely upon its "competitors" for revenue.

Yet municipal governments, as they exist today, are comparable to private firms which have gone into business without the ability to sustain their endeavors financially.

Our cities and urban areas must rely primarily upon sources of income already tapped by their "competitors" in government—the county, state and federal systems.

And when our cities find they cannot function fiscally, they begin to call loudly for help and too often the first call is for federal cash and lots of it.

Our cities, often neglected in the past by unsympathetic state legislatures, expect some return on the federal taxes paid by their citizens.

Massive federal aid, however, can mean an atrophying of municipal self-reliance. It causes a breakdown in planning to meet future needs; the feeling is that "if we run into trouble we can always go to Washington and hook onto some program or other."

It leads, furthermore, to a distortion in allocation of local resources on a sound priority basis. The temptation is great to concentrate local spending on projects for which federal grants are available, regardless of need.

Urban problems must be solved at the urban level. The federal government should lend financial assistance only in those areas meeting basic criteria, the most important being that an honest local effort has failed.

This is not to deny Washington's responsibility, which exists if only because federal spending ultimately taps the same till as local government. But straight substitution of federal programs for local programs is wrong.

The true federal responsibility, it seems to me, is to create an environment wherein the cities can better solve their own problems with their own resources.

Municipal officials, myself included, jump at the opportunity to testify before congressional committees and point out that the 220 Standard Metropolitan Statistical Areas (SMSA's) as defined by the Bureau of the Census contain over three fourths of our people. We emphasize that in these areas occur most of the poverty, delinquency and traffic congestion in the country and that these are national problems requiring financial aid in large doses.

However, there are some other shattering facts about these SMSA's and their own financial potentials which we mayors fail to mention:

They account for three quarters of our bank clearings.

They account for four fifths of all value added by manufacture.

They contain four fifths of all bank deposits.

And most important of all, at least 80 per cent of all federal personal income taxes are collected from people within their boundaries. The personal income tax is the major source of federal revenue from which federal grants-in-aid are financed.

Of course, the difficulty is that within the SMSA's the problems (poverty, crime, etc.) are not in the same jurisdiction as the fiscal resources. Combined action by state and local governments is essential to meet these disparities. One of the questions we in municipal government must honestly begin to ask ourselves is:

Are federal funds too often taken by local governments simply because they are available?

We must soon seek the establishment of realistic criteria for the giving and receiving of federal funds by local governmental units. I suggest some of the points to be considered are:

1. Is there a real need for federal funds for the particular local program for which they are sought? How urgent is that need and what is the honest ability of the local government to meet that need?

2. What realistic formula can we agree upon to indicate the amount of local effort

being brought to bear upon the particular problem for which federal funds are sought?

3. Can this formula include an honest appraisal of the tax base in use by the local unit and can it determine the extent to which the local unit is taxing, or otherwise seeking to raise money, to meet its needs?

In addition, I believe we must have some hard and fast guidelines outlining the scope of federally funded local programs. When do they begin, how broad an area do they encompass and—most importantly—when do they end?

As one of four mayors serving on the President's Advisory Commission on Intergovernmental Relations and now nearing my fifth year of service in a metropolitan city, I find myself becoming increasingly aware of some municipal facts of life.

My fellow members in the U.S. Conference of Mayors, I find, also are becoming more aware of these facts.

NEEDED: COURAGE

Most of us have the revenue potential to enable us to survive without massive federal aid. Few of us have the political courage sincerely to use this potential.

This revenue potential is available to us in the form of state or municipal personal income taxes. It is almost the only local level tax which can grow with the economy. It can be a revenue source to supplant, in part, massive federal aid.

The federal government—if it is sincere and honestly means what it seems to say about assisting urban areas to meet their problems—must provide a realistic tax break to enable these state and local governments to consider some form of personal income tax to finance programs.

Such a cutback, or refund to persons in areas in which local governments are levying an income tax, would permit greater use of what is almost the only really untapped tax source left to the lower echelons of government.

It also would permit local governments, in effect, to levy taxes for greater local use. And, conversely, it would permit greater taxpayer control over expenditure of tax dollars.

Without a reduction in federal income tax rates to those taxpayers contributing to state and local income levies, the individual burden would be oppressive and grossly unfair.

This is the only approach that recognizes the facts of political life. The taxpayer, who feels that he has little or no control over federal spending levels, is hardly to be blamed if he votes down a local bond issue or opposes a local tax increase. Doing so he feels he can exercise direct influence on spending for public purposes.

Now, with federal taxes levied for urban programs, it is hard for the local official confronted with real needs to resist pressure to ask for his "share."

With creative administration, local governments can solve a good part of their problems. Proper zoning can, in many instances, ease the need for massive urban renewal programs; proper housing code enforcement, more often than not, can lessen the crises of slum clearance; sensible taxing practices can permit a return of investment and risk capital to our central city core areas.

In any event, we must not—indeed, we cannot—increase the tax burden upon real estate or land.

In most urban areas, and particularly in the heart of the city, land taxes must be reduced.

High land taxes in these older central city areas actually cause blight and decay, in many instances. Because of a prohibitive tax structure, owners of older properties there are reluctant to keep up, or improve, existing buildings.

This tends to encourage blight and decay—the very things most of us are seeking to halt, and usually are seeking Federal funds to help us halt it.

A recent study by the Advisory Commission on Intergovernmental Relations showed these changes and reductions are necessary because historically the federal government's intensive use of the personal income tax is the single most important deterrent to its expanded use by states and cities.

Our research showed that between 1937 and 1960 not a single state adopted a personal income tax. During this period 13 states did adopt general sales taxes.

A relative handful of the nation's cities are given a share of state income taxes for their needs.

JOB FOR STATES

In addition, however, to making additional levies other than property taxes available to local governments, the states must take revolutionary action to remedy the vast disparities of resources between individual jurisdictions in metropolitan areas. Among these possibilities are:

Generous state financial assistance to urban areas in such fields as sewage treatment, improvement of schools and mass transportation.

Imposition of a special state income tax upon the residents of metropolitan areas and rebating the tax to the metropolitan areas on the basis of population or other formulas.

Creation by the state of area-wide tax authorities to finance the most expensive urban services—including elementary and secondary education, vocational training, public health and law enforcement.

Important as they are, finances are but one part of the fight to save our cities.

Cities are more than a conglomeration of physical facilities feeding upon tax dollars. They are great, sprawling, teeming areas filled with an intellectual and cultural vitality which must live on.

We recognize that urban needs and problems do not stop at the city limits. However, our cities are deprived of the authority to offer services and seek revenues by these artificial geographic boundaries.

They create a broad "no man's land" around the periphery of our cities.

One answer is annexation of adjoining areas. It has some merits as a stopgap. More land area provides a broader base for real estate taxes, more geographay on which to base general obligation bond issues. A larger service area can mean a lower per capita cost for such things as sewage disposal, garbage, and trash pickups and water supply. Unchecked annexation, of course, can create as many evils as it attempts to solve. It can create straggling "strip cities" without enough revenue to provide services, or to keep pace with population growth.

The 212 metropolitan areas in the nation in 1962 (the latest official figure) had 18,442 local governments; 310 counties, 4,142 municipalities, 2,575 townships, 6,004 independent school districts and 5,411 other special purpose districts.

A way to end this duplication and overlapping of function and tax sources could be the creation of "corporate cities" under a regional boards of directors. These supercities could have the authority to override archaic tax laws, the flexibility to expand and contract physical boundaries within the region to match population movements and full recognition by other governmental units.

They could absorb all of the functions of the governmental units within their boundaries.

In this way, each city and local government could retain its individuality, yet have a functioning unit through which it could try realistically to meet the needs of its citizens.

The 1965 Utah Legislature approved a somewhat similar concept. It provides for an amendment to the state constitution subject to voter approval.

If the amendment is approved by Utah voters this year, it will establish a procedure enabling a defined metropolitan area to take over the powers and functions of existing *governmental units within its outlined district.*

PARING COSTS

In 1962 I conceived a plan setting up "regional substates" in an effort to provide authority and ability to meet growing urban problems and to remove the increasing duplication of services and consequent taxation.

Under my plan, Florida would have been districted into five regional areas of comparable population. The regions would have been so geographically defined as to preserve the basic integrity of rural and urban areas.

Each of my five substates would have an elective head, a cabinet and a legislature.

This would permit each region the authority and local lawmaking ability to meet needs quickly as they arose.

There are, of course, alternatives to this plan.

Consolidation of services and authority within county rather than city limits is an attractive alternative. This, in great part, can eliminate duplication of services, taxation and governmental authority.

Nashville-Davidson County in Tennessee and my own state's Dade County are embarked upon a comparable endeavor to streamline and make most efficient their governmental practices. These two units are simply and basically reorganized county governments supporting urban area needs.

One of our most recent sister states, Alaska, has seen fit to grant home rule to boroughs and cities by giving them the authority to "exercise all legislative powers not prohibited by [state] law or by charter."

Massachusetts voters recently gave their state legislature power to grant certain home rule powers to cities and towns.

A recent revision of Michigan's constitution provides for metropolitan government to avoid a proliferation of governmental units but permit maximum city self-rule.

Over the nation there is a growing awareness of the need for a reduction in local governmental units and functions, an excision of overlapping authority and an elimination of the "one-job" authorities and districts.

Reapportionment of our unfairly apportioned state legislatures is a legal fact. Followed to the letter of the law, reapportionment can provide great, nonfederal impetus to problem-solving at the local level.

Reapportionment must not be viewed as a cure-all. It is fine—as far as it goes—but urban leaders must continue to strive to see that our state legislatures are constantly upgraded.

We must seek to have our legislators fairly and adequately paid, and in return we must expect greater service from them.

We must seek to do away with unrealistic state legislative schedules, such as meetings only every two years.

Urban areas—like private corporations—must find and use the best administrative procedures they can.

They must look increasingly to private business as the leader in streamlining administrative and service techniques. They must become increasingly aware of what their "market area" is and how best to serve it.

One intriguing potential, for instance, is provided by computers.

COMPUTERS FOR PLANNING

If we can predict the outcome of a national election upon the basis of returns from a single area because of its past voter patterns, then we can certainly predict future municipal needs and methods of best meeting these needs.

With this as an invaluable planning tool—much as it is used in industry today—the ebb and flow of municipal overdemand and oversupply can be smoothed, whether for new schools, new streets or whatever.

It is not too visionary in view of today's rapidly expanding knowledge and technological ability to foresee a central city computer feeding information to satellite areas. This is now done in private banking facilities and branches are kept abreast of developments in the main facility.

A centralized operation could service all areas of urban consumption and use on an anticipated demand basis rather than a reactive basis. If central computers predicted a demand for mass transportation facilities at a particular time and place, for instance, the needed equipment could be easily diverted to absorb the need without depriving other areas.

I understand that in San Jose, Calif., for instance, traffic flow is controlled by computers anticipating the needs and making the necessary corrections and decisions in diverting vehicular movement.

Businessmen cannot ignore this progress in their own fields of endeavor, and should not ignore it in municipal and urban government. They must become increasingly aware of the problems of their local governments and must commit themselves to finding solutions.

President Lyndon Johnson has recognized the urgency in the search for solutions to urban problems by the creation of a Department of Housing and Urban Development.

It is of no value unless the states take up the challenge and work with the federal government to bring help to our urban segments, for no federal activity alone can save our cities.

COMMERCIAL FISHERY RESOURCES

Mr. TOWER. Mr. President, I wish to commend the Committee on Commerce in reporting legislation to authorize and direct the Bureau of Commercial Fisheries, in the Department of the Interior, to prepare a report on the status of our marine and fresh water commercial fishery resources in the United States.

I was happy to be a supporter of this legislation.

There are known to be vast and underutilized marine resources in this country and off our coasts. It is known that yearly enormous quantities of fish of both edible and industrial-use types, are wasted through under-utilization of this valuable resource. The reason for this seems to be, to some extent, due to a lack of significant and trustworthy scientific data on the migratory habits of the various species of commercial fish.

Quoting the committee's report on this legislation:

> The potential annual catch of fishery resources in U.S. coastal waters has been recently estimated to be approximately five times the present domestic catch.

It is pointed out that if we do not take advantage of this harvest which awaits us virtually right at our doorstep, then others will.

It is well known, for instance, that foreign fishing vessels, primarily Russian and Japanese, are taking advantage of this situation and have been making regular set within 50 miles of our coasts.

It is hoped that this legislation, which passed yesterday anthorizing the expenditure of certain funds—will enable the Bureau of Commercial Fisheries to produce a report which will better enable our domestic fishermen to take advantage of our enormous marine resources.

HUMANE TREATMENT OF ANIMALS IN MEDICAL RESEARCH

Mr. MONDALE. Mr. President, the infighting carried on between animal humane treatment groups has been bitter, and disturbing. It has prevented positive, constructive action to solve problems that everyone acknowledges. The picture is different in Minnesota, where the leaders of the three largest animal welfare groups have joined with responsible scientists in endorsing a reasonable and effective approach to the cessation of dognaping and the adoption of humane care in research laboratories consistent with the needs of medical research. It includes adoption of the Poage bill, as passed by the House, and adoption of S. 3332 to improve the standards of animal care in laboratories. I ask unanimous consent that an article entitled "Animal Aid Groups Join With Scientists," written by Victor Cohn, as well as an editorial entitled "Lions, Lambs, and Medical Research," both published in the Minneapolis Tribune be printed in the Record.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

[From the Minneapolis (Minn.) Tribune, May 28, 1966]

Animal Aid Groups Join With Scientists

(By Victor Cohn)

Minnesota's three largest animal welfare groups joined the nation's scientists Friday to try to halt dognaping and enforce humane care of research animals.

Scientists and some national humane groups have been warring for months over animals control bills now before Congress.

The scientists have charged that several proposed bills would cripple medical progress.

The Minnesota agreement on what its signers call a joint, "positive" program is the first of its kind.

Signers are J. Donald Fruen, board president, Animal Humane Society of Hennepin County; Richard A. Grayson, president, St. Paul Humane Society; Dr. Stanley King, president, Minnesota Society for the Prevention of Cruelty, and (for the scientists) Dr. Maurice B. Visscher, University of Minnesota physiology head and president of the National Society for Medical Research (NSMR).

The NSMR represents U.S. biological scientists in trying to improve animal care while staving off laws they think would hurt research.

The joint statement yesterday said:

"All of us are anxious to see all animals treated humanely, but we oppose measures which would hamper important scientific research and teaching.

"We unanimously endorse the intent of the Poage bill (by Representative W. R. Poage, Democrat, of Texas, passed by a House vote of 352 to 10) and strongly urge passage by the Senate of an identical measure." (The Poage bill, as passed by the House April 28, would control acquisition, transportation and care of dogs and cats destined for research laboratories.)

"We further enthusiastically support and urge legislation which would direct the Surgeon General to promulgate and enforce standards for humane housing and care" of laboratory animals, and endorse S. 3332, sponsored by Senator Lister Hill, Democrat, of Alabama, as "a sound bill."

"We would propose one addition"—grants-in-aid to help train more and better animal care technicians and veterinarians specializing in laboratory animal medicine.

The fight over animal control bills is now centered in the Senate.

What the Minnesota signers say in effect is that they oppose efforts to make a laboratory-control bill out of the Poage bill.

These efforts come largely from Senators Warren Magnuson, Democrat, of Washington and Mike Monroney, Democrat, of Oklahoma. Magnuson heads the Senate Commerce Committee which has been holding animal-procurement bill hearings.

Magnuson, Monroney and others would also put animal control measures in the hands of Agriculture Department officials who, complain the scientists, know nothing about medical research.

The Minnesota signers instead back Senator Lister Hill's new Administration bill. Hill has been the main author for years of Congressional health research legislation.

He would put lab supervision in the hands of the surgeon general, not the Agriculture Department, which says it does not want the job. He would direct the surgeon general, starting in 1968, to restrict government funds to labs "accredited" as humane and comfortable for their animal helpers.

The accrediting would presumably be done by the nongovernment American Association for Accreditation of Laboratory Animal Care, which Visscher helped form in 1965,

It is designed to do the same job for animal "patients" that the non-government Joint Commission on Accreditation of Hospitals does for human hospital patients.

Hill has been joined in authorship by 12 other senators, including Walter Mondale, Democrat of Minnesota, and both Robert and Edward Kennedy.

"The whole thing is very much undecided," Visscher said yesterday. "The animal-procurement bill before the Senate Commerce Committee still carries what we consider to be objectionable amendments.

"Sen. Magnuson as Commerce Committee chairman has a good deal of power. Hill in his own Labor and Public Welfare Committee faces a fight from Sen. Joseph Clark, Democrat, of Pennsylvania, who has his own, very restrictive control bill.

"What we as scientists are seeking is not only the chance to do our own policing but help in in-service training of animal caretakers and training of veterinarians.

"This is where the real problem is in giving animals good care—in getting and training people."

King, a veterinarian and manager of the Animal Humane Society of Hennepin County, agreed.

"We in Minnesota do feel there are some deficiencies now in animal procurement and that some research facilities could stand improvement," he said.

"In addition, there is a tremendous need for the right kind of people. The attitude of the animal caretaker is the most important thing of all in giving an animal proper care."

[From the Minneapolis (Minn.) Tribune, May 31, 1966]

Lions, Lambs, and Medical Research

For too many years a useless, illogical, often emotional battle has been sputtering over animals used for medical research. The animal lovers were absorbed in humane protection of the creatures, and the scientists were mainly concerned with the animals' great potential contribution to the knowledge of how to cure human disease and save human lives.

Not everybody wanted to fight—though it sometimes seemed that way to onlookers.

Scientists certainly did not favor cruelty to animals, though some of the steps in obtaining and handling them did not concern all researchers. Likewise, not all advocates of humane treatment of animals were categorically opposed to use of animals for scientific research, but stories of petnaping and poor laboratory practices got their dander up.

The results have been too much suspicion and contention, and wasted time and effort which might better have been directed to solving the problems.

So it is welcome news that the three major Minnesota groups concerned with animal welfare—the Animal Humane Society of Hennepin County, the St. Paul Humane Society and the Minnesota Society for the Prevention of Cruelty—have joined forces with the state's main animal-medical research groups, represented by Dr. Maurice B. Visscher, head of physiology at the University of Minnesota and president of the National Society for Medical Research.

Together, all these groups will work constructively for better federal legislation to further all the interests involved. We applaud the leaders who have taken this important step for sensible co-operation and intelligent, progressive action.

MILTON PEARL ADDRESSES SOUTH DAKOTA GROUP

Mr. MUNDT. Mr. President, last Friday, it was my privilege to attend and address briefly a joint luncheon of the South Dakota Stockgrowers' convention and the Rapid City, S. Dak., Kiwanis Club. It marked the occasion of the 75th anniversary of the South Dakota Stockgrowers Association.

The main speaker at this significant occasion was Milton A. Pearl, of our National Capital, Director of the Public Land Law Review Commission. Mr. Pearl delivered a most informative and interesting address crammed full of facts concerning the history of the public lands development in the United States and plans for its future utilization.

Milton Pearl, who formerly served a committee of the House of Representatives with distinction, combined a highly impressive style of delivery with subject matter appropriately designed for the purpose in making a memorably impressive address. It is good to know that men of the ability, knowledge, and skills of Milt Pearl are playing a significant role in studying and utilizing the great public land resources of the United States—an asset for the people which is unparalleled and unprecedented in any other country in the world.

Mr. President, I ask unanimous consent that the entire text of the Pearl address appear in the CONGRESSIONAL RECORD at this point in my remarks and I commend it seriously to the reading of the country and the Congress.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF MILTON A. PEARL, DIRECTOR, PUBLIC LAND LAW REVIEW COMMISSION, AT THE SOUTH DAKOTA STOCKGROWERS ASSOCIATION CONVENTION, STOCKGROWERS-KIWANIS JOINT LUNCHEON, RAPID CITY, S. DAK., JUNE 3, 1966

It gives me great pleasure to be in western South Dakota today. In the 1950's I became acquainted with the central part of your State in connection with the great reservoir projects that turned the old Muddy Mo into clear lakes. That association makes me all the more mindful that the acquisition of lands for Army Corps of Engineers projects is of vital concern to you and all the people of South Dakota.

Let me dwell for a moment on some public land history as it is reflected here in the State of South Dakota.

In many ways, the public lands of South Dakota offer a capsule of the study being made by the Public Land Law Review Commission. The history of your State is, in fact, so closely entwined with the public land policies of the Nation that it would be difficult to recall one without the other.

As this audience knows, nearly all of South Dakota was public domain by virtue of the purchase of the Louisiana Territory from France in 1803. This was part of the Dakota Territory, and by the time South Dakota became a State, in 1889, her public land history was already a rich heritage. Dakota Territory and the other vast area of the Louisiana Purchase became a part of the United States when the country was in serious financial straits. It was only natural that, in their search for a means of raising revenue, our Founding Fathers, and their immediate successors, turned to the largest surplus asset available: the public domain. Until well into the 19th century, the policy with respect to the public domain was one of selling the public lands for the revenue they could produce.

Beginning with a "strictly-cash" policy, Congress gradually softened the terms and even instituted installment buying to accommodate the land-hungry and cash-poor settlers. Then, in 1841, came the general preemption law which protected those who had moved onto the public lands in advance of survey crews by permitting them to buy their claims in units up to 160 acres. Lands settled in the Dakotas by cash sales at the time of South Dakota statehood, including mine sales, amounted to more than 8 million acres.

Prior to South Dakota statehood, the United States entered upon another era of the westward movement and development. This era was characterized by the overall philosophy that settlement and development were more important than procurement of direct revenue. In the midst of a war between the states that threatened our survival as a Nation, the Federal Government embarked on a series of programs to assure the development of the west.

The outstanding vehicle selected for individual settlement was the Homestead Act of 1862. Also in 1862 the Federal Government founded the Land Grant College System. Here again, the purpose was social and economic rather than immediate revenue production.

In exchange for a commitment to establish schools for education beyond the level of secondary education, the United States gave land to each state. The various laws providing for grants to the railroads followed.

In the subsequent years, among the most significant laws, were the Mining Laws of 1866 and 1872. The custom also arose of granting to each state, upon its admission to the Union, a portion of the public domain within its boundaries.

For the record, I note that there were and are no public domain lands in the 13 original states nor, quite naturally, in the states that were subsequently created within the territory of those 13 states; nor were there any public domain lands in the States of Texas or Hawaii. The first public domain came into being as a result of cessions to the Central Federal Government from among the original 13 states as part of the agreement to form the Federal Union. As already indicated, the next major acquisition was the Louisiana Purchase. The expansion of the public domain continued as the country grew, with the last acquisition being the Alaska Purchase in 1867.

Of the various development laws, the one that is probably best known is the Homestead Act. Throughout the land, in the east as well as in the west, there is perhaps no other era in history so revered in the hearts of the American people as is the day of the homesteader. But, the lands were misnamed. They were called "free lands", which was substantially correct in terms of cash required, but before "proving up" on his acreage, every homesteader paid for his 160 acres with many years of the hardest possible toil. It was a matter of survival of the fittest and many would-be landholders did not make it.

Out of more than 3 million original homestead entries filed with the Federal Government between 1863 and 1965, final entries have totalled less than 1,500,000, or roughly half the number who started out. Some of the lands that were abandoned became part of the dustbowl of the 1930's. The pioneers of the Dakotas must have fared at least as well as the average homesteader, however, because 5 million acres were patented in Dakota Territory under the Homestead Act and another 16 million acres have been "proved up" in South Dakota since 1889. This means that fully one-third of the state's 48.8 million acres were settled under this law, making South Dakota one of the most important homestead states in the Union. It also attests to the quality of your soil, the productiveness of your people.

As the settlement era progressed, Congress made various attempts to adapt public land laws to the character of the remaining unappropriated lands of the west. Among these were the desert land acts. South Dakota settlers participated in this program with more than 180,000 acres being patented in the state under these laws. These acts provided for the sale of public lands to those who were successful in irrigating them. Then, in 1894, Congress passed the Carey Act, which offered one million acres to each arid state which could provide for the reclamation and occupation of the lands by individuals. This, of course, was the forerunner of the National Reclamation Act of 1902, whereby the Federal Government assumed the responsibility of reclaiming public and other lands, with costs to be borne by the landowners. Some 46,000 acres in South Dakota today are managed as reclamation lands under the supervision of the Federal Government.

The next important public land legislation was the Stock Raising Homestead Act—another attempt to modify the public land laws to accommodate conditions of the west. Passed in 1916, this law provided for homesteads up to 640 acres on those lands determined to be suitable only for grazing livestock. An important aspect of this law is that it provided for retention of all mineral rights by the Federal Government. Within this state, nearly 1.5 million acres went to patent under the Stock Raising Homestead Act. Overall, the United States still retains some mineral estate in 1.7 million acres of land in South Dakota where the surface is in non-Federal ownership and presumably being utilized for some productive purpose. One of the specific obligations of the Commission I represent here today is to recommend a policy regarding these reserved interests, some of which have risen to plague landowners and the Government alike.

A recapitulation at this point should be helpful as background for the relationship between the Public Land Law Review Commission and the people of South Dakota. There remain in South Dakota 1.6 million acres of public domain lands which, together with 1.5 million acres of lands that have been acquired for specific Federal projects, gives the Federal Government ownership of 3.1 million acres of land. The bulk of these lands are in the National Forests (1.1 million acres) with approximately 280,000 acres under the Bureau of Land Management. Percentagewise, this is 6.5 percent of the total acreage of the state. Approximately the same amount of land, 3.4 million acres, was granted to the State of South Dakota for various purposes, primarily the development of the common schools. As an aside, it is interesting to look at a map and note that while a wide swath of Federal land grants for railroads cuts across each of your sister states of North Dakota to the north and Nebraska to the south, no railroad grants cross South Dakota.

The Public Land Law Review Commission is required by the Act establishing it to make recommendations relative to only some of the federally-owned lands, i.e., in addition to the public domain, reservations, other than Indian reservations, created from the public domain, all national forests, all wildlife refuges and ranges, and the resources of the public lands. However, we have concluded that in order to make our study meaningful, and the Commission's recommendations of greatest import, it is necesary that we review management practices and utilization of federally-owned lands concerning which the Commission is not required to make recommendations but which have characteristics similar to, or are managed in conjunction with, those lands which the Commission is required to submit recommendations.

To you in the State of South Dakota this means that we will, for example, review all National Grasslands. At the Commission meeting in March, Governor Boe's representative, Ingebert Fauske, called to the attention of the Commission and its components the importance of studying lands that have been acquired under the Bankhead-Jones Farm Tenant Act.

We all know that for many reasons conservation was not practiced on many lands in the period immediately after World War I. In tackling the depressed agricultural situation the Federal Government in 1931, among other things, held a National Conference on Land Utilization. As an outgrowth of that conference, there was created the National Resource Board, which was largely responsible for planning the acquisition and development of submarginal farm lands. Under the provisions of the Emergency Relief Act, the Industrial Recovery Act, and the Bankhead-Jones Farm Tenant Act—all enacted in the depression-ridden 1930s—11.3 million acres of land in 45 states were put into 250 land utilization projects. The relocation of families, the rehabilitation of land, proceeded in a generally successful program.

Today these lands are in National Forests, National Grasslands, and Bureau of Land Management Grazing districts. And, as this audience probably knows, counties where the lands are located, receive for the support of schools and roads 25% of the revenue obtained from their use.

Although we recognize, in the words of a Department of Agriculture report, that these projects "give people a chance to observe good land use practices and efficient management of forests, grasslands, and recreational and wildlife areas", and that "The projects are proving grounds for social, economic, and educational programs", we must also recognize the similarity between the Taylor Grazing Act and the emergency legislation under which the land utilization program was initiated during the depression.

By its very terms, the Taylor Act is a temporary piece of legislation, leaving to a later date an ultimate determination of what we should do with our public lands. We, for our part, assure you that our examination of Bankhead-Jones Act lands, Land Utilization Project Lands or, if you will, National Grasslands will be with the same degree of interest and depth as that attached to any other part of our work.

Since our March meetings, taking into consideration all the suggestions that have been made, we have developed an overall program paper setting forth the objective, functions, and operations of the Public Land Law Review Commission. This past Wednesday, after the paper had been reviewed by all concerned, I forwarded copies to the Chairmen of the respective Committees on Interior and Insular Affairs of the Congress for their information.

The program is designed as an overall blueprint for the entire work of the Commission, thereby providing a guide to the planned activities of the Commission staff. In turn, it provides a set of guidelines for the staff to develop detailed studies. In other words, any study on which we embark must fit into the overall program and must be tested against specific requirements set forth in the program before the study can proceed.

It is my own opinion that this program paper may be our single most important effort: without a firm plan we will flounder in a quagmire. Some matters can receive a general approach, some can be taken on a case-by-case or problem basis, but some things must be planned and planned carefully.

The maze of public land law that has been built up since the Constitution was adopted, and the distinctions that have been made in the management and disposal of varying categories of federally owned land, have increased the complexities of our particular review. In seeking an orderly approach, we have established a series of fields of study into which we are grouping, at this time, all possible studies. These fields of study we have identified as (1) commodities, defined for this purpose to include all land uses and services; (2) governmental transfers and transactions, defined for this purpose to include all Federal-state-local relationships within which are embraced in-lieu taxes and revenue-sharing questions; (3) regional and local lands use and patterns of growth; (4) governmental control and administration; and (5) historical development.

We think we have a workable plan. We recognize that the program paper, in its attempt to project activities for a period of approximately three years, will probably require refinement and revision as we proceed. This we will do when necessary. In the meantime, we have built into our program an assurance that there will be close coordination every step of the way with members of the Advisory Council and with the Governors' Representatives. With their cooperation and with your cooperation, we believe we can provide for the Commission the data necessary on which to give the American people an acceptable report.

SUPPORT FOR THE ELECTION REFORM ACT OF 1966

Mr. PELL. Mr. President, for more than 40 years, since the passage of the Federal Corrupt Practices Act, we have been struggling with the problem of what to do about the steadily rising cost of political campaigns and the evils inherent in some of the devices employed to meeting those costs.

As everyone in this House is only too well aware, the present legal ceilings on campaign expenditures are totally unrealistic. And because they are unrealistic, they are largely ignored. Every election sees a proliferation of groups and committees supporting one or another candidate and spending on his behalf far more money than he could legally spend on himself.

The proposed Election Reform Act, which President Johnson has just sent to us for consideration and which has been introduced by Senator CLARK will correct that situation. It will close the loopholes which have defeated the spirit, if not the letter, of our present laws governing political campaigns. At the same time, by allowing a tax deduction for modest contributions to political campaigns—up to $100—it will help to broaden the voter participation in our elective process. It will do this both in the campaigns and in the primaries, and for State and local offices as well as Federal.

This is long overdue. I do not know a single Member of either House of the Congress who does not feel uncomfortable about the rising cost of political campaigns and about the methods which must be used to meet those costs in the age of television. I do not know a single Member who would not prefer many relatively small contributions to a few very large contributions. This bill can greatly improve a situation which has long been recognized as totally unsatisfactory, and which has been getting steadily worse.

I believe that the proposed Election Reform Act suggests very reasonable standards. It requires only that those who serve in the Legislature shall, while they continue to so serve, annually report all gifts of over $100 received by themselves, their wives and minor children, and all income from personal services received by such Member or on his behalf.

Such reports, appearing annually, cannot help but reassure the voters that their chosen representatives are working primarily for their interests and not for some particular special interest which may be attempting to influence votes through calculated generosity.

There are many other equally desirable proposals in the President's message. I know that all of us are in complete accord with the President's desire to effectuate these much needed reforms. And I believe that after due consideration, the overwhelming majority of us will want to support this legislation.

RESPECT FOR LAW

Mr. TOWER. Mr. President, for too long we have watched our Nation drift into a position where certain elements in the population have begun to feel that law is not binding on those who do not agree with it. Order, civilization and progress are best achieved in a society whose members respect the rule of law.

With respect for law goes respect for those who uphold the law. For too long we have heard lawlessness blamed not on lawbreakers, but on law enforcement officers.

Recently, Mr. President, the provost marshal of the Army, Maj. Gen. C. C. Turner, addressed himself to these rather serious questions. The occasion was the graduation ceremonies of the 77th session of the National Academy of the Federal Bureau of Investigation.

I ask unanimous consent that General Turner's excellent and very thought-provoking remarks be made a part of the RECORD at this point. They are most worthwhile reading and deserve the attention of all persons concerned with instilling respect for law in our citizenry.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Gen. C. C. Turner at the FBI National Academy, May 25, 1966

Thank you, Mr. Hoover.

I am not really short, Mr. Hoover. It's just that my legs are not very long. Fortunately, they are long enough to reach the ground.

Do not misunderstand our regulations concerning minimum height prerequisites for assignment to the Military Police Corps. We don't insist that our policemen be at least 5' 9" because we think big men are better than little men—no indeed—it's just that big men don't have to prove it so often.

Mr. Vice President, Mr. Hoover, ladies and gentlemen, and those who have not yet found a parking place for their automobiles.

Receiving Mr. Hoover's kind invitation to speak to the 77th Session of the FBI National Academy on the occasion of its graduation ceremony came as a delightful surprise. I must confess that I was flattered and proud because no greater honor has ever been bestowed upon me. I hope you will forgive me this brief period of self-admiration—it didn't last very long because I turned the mirror to the wall—it's not hung very high—when I realized that I couldn't just stand here and smile—I would have to say something.

Realizing that my audience would have just completed a course of instruction during which they have been exposed to the professional wisdom and technical proficiency of the world's finest investigative agency it was clear that I dare not address my remarks to technical matters, lest my modest knowledge be exposed to the world. I had not yet recovered from the thought of this frightening possibility when I learned that I was to be permitted to share the platform with the world renowned orator, the distinguished Vice President of the United States Mr. Hubert Humphrey.

The prospect of being found out professionally and overwhelmed oratorically almost caused me to earn the dubious distinction of being the first general officer in the history of the United States Army—who went AWOL.

Now that I am here before you—my brief period of pompous pride long dissolved—and with the visible signs of anxiety reasonably controlled by tight bindings about my knees I am overcome by another emotion.

I stand here before Mr. Humphrey, the strong right arm of our beloved President Johnson, and Mr. Hoover, the world's most distinguished member of the law enforcement profession and most significant of all before a graduating class composed of police officers who have been carefully selected from police agencies all over the free world whose selection was largely predicated on their obvious potential for enlightened leadership during the challenge laden years that lie ahead. Gentlemen of the 77th Session of the FBI National Academy, in your presence, and mindful of the import your personal contributions will have on the law enforcement futures of the many agencies and countries you represent I am overwhelmed with profound humility.

You, the members of this class, your predecessors and those who will follow you as participants in the sessions to come, together with your contemporaries who may not be privileged to attend the Academy are the men charged with the responsibility of leading law enforcement into the hallowed halls of true professionalism. Your responsibility is a weighty one, your challenges will be many and complex, your obstacles will emerge from unexpected quarters, you will not always receive support from those whose support you deserve, you will be disappointed by the attitudes and reactions of those whom you serve, you will be attacked without justification and criticized without fault but with a combination of courage, knowledge and dedication you will succeed.

You, with the cooperation of the Executive, Legislative and Judicial branches of the governments you represent, will raise law enforcement to the level of a profession in the most distinguished and dignified meaning of that word.

The challenge inherent to the complexity of enforcing the law in our modern world deserves the application of professional talent and professional attitudes. Raising the law enforcement occupation to the level of a profession has been the worthy ambition of many police leaders for many years. There is an ever increasing public clamor for improved and more sophisticated police service. There are those who insist—and with some basis in fact—that our companions in the field of administration of criminal justice—specifically the judiciary, the legal profession the penologists—have progressed in their fields more rapidly than have we policemen.

At any rate, we have come a long way from the mid-nineteenth century when law enforcement in this country was largely characterized by lawless violence. No longer is the lawman, contrary to the popular TV western portrayal, a hired killer who carried his warrant and his penal code in a holster. In those not so golden days, a miscreant was fortunate to survive his arrest. If he did, he could only look forward to representation by a so-called lawyer of dubious training and ethical standards that would have nauseated a crocodile, when he appeared before an unlettered judge whose wisdom was not diluted by annoying considerations of evidence and justice.

Those in the legal profession, the penologists and those concerned with extra-institutional correction embraced by parole and probation concepts, having solicited public support by a determined program of public education, and making their view known at every proper opportunity, now wear the mantle of professionalism when viewed by the public eye.

We, the police, who deal with the criminal in the cold light of his depredation and violence, have not yet received total acceptance as truly professionals, nor do we always give the public the benefit of our experience by making known our views on controversial issues.

We, too, must educate the public to an appreciation of our contribution to our society. We must speak out and give our citizens a knowledge of our views. While our position may not always parallel those of the jurist and the penologist, the legislators, and the citizens they represent, deserve the meaningful advice and counsel generated by our firsthand knowledge of crime and the criminal.

We can properly be heard because we, too, have been moving forward over the years and have increased our stature in terms of knowledge and understanding.

After a slow start and a number of alarming setbacks, we have moved rapidly since the early part of this century in the direction of police professionalism.

In their dramatic battle with, and victory over, the gangsters of post-prohibition days, agents of the Federal Bureau of Investigation—G-Men, in the vernacular of the day—made abundantly clear to the public conscience that spirited enforcement, by men of both qualification and integrity, responding to inspired, determined and courageous leadership, was an essential ingredient of any stable social structure. The FBI example was, in my considered opinion, the catalyst that stimulated, and sustained public insistence on police reform. The FBI National Academy and the complementary local training programs of the Bureau were largely responsible for satisfying public demand for additional technical competence and inspired the emergence of professional training for policemen.

Today, we are in an era when the enforcement of the law can be cloaked with the dignity of the word "profession."

We have proceeded systematically toward our goal. We are ready for added responsibilities inherent to a "profession." This word is ordinarily applied to only those pursuits which require substantial study and training. We have moved progressively in the direction of academic preparation. The public deserves to know more of our accomplishments in this area.

The term "professional" implies that one has undergone certain tests of his fitness and has given proof of his qualifications.

A hallmark of a profession is a code of ethics—a way of life embracing a worthy body of moral principles. This code is being defined in ever increasing clarity by men at all levels of responsibility for its final emergence. Speak out, tell the community of our standards and principles and its need to understand our position.

Finally, and perhaps most important "professional" implies devotion to loftier than material goals. It incorporates obligations to others within and without the profession to society as an entity.

As professional policemen, we have, as our common goal, the betterment of our communities, our nation, our civilization. We devote ourselves to this end. You as police leaders instill in your subordinates an appreciation of personal dedication to principle not mere compliance with regulations.

Our obligation, and the obligations of our subordinates, does not begin at the onset of the working day and terminate when we leave the office in the evening. We evidence, in both our personal and our official lives, an obvious dedication to the furtherance of the philosophy which defines our professional goals. Professionalism is not a garment that one puts on in order to adhere to acceptable standards of dress for a particular occasion. No, it is our way of life, a code of conduct with which we live.

On the surface, the police role in the administration of criminal justice is clearly defined. The legislators enact the laws. We, the police, gather evidence of violation. The prosecutor presents evidence to the court. The judiciary interprets the law as it applies to specific circumstances and persons. The penologists and their associates in the field of extra-institutional correction have the responsibility for treatment and, to a large degree, ultimate disposition of convicted offenders.

All of us—the police, the prosecutors, the judiciary, and the penologists are part of a team. The attitudes and posture of any single member of this team have a direct and recognizable effect on every other member.

The post-World War II years have been characterized by increased concern over—yes, even almost preoccupation with—the rights of the accused person in his relations with the police.

I am in no way opposed—indeed, I favor—limiting the authority and prerogatives of policemen in order to assure that each of our citizens can enjoy a measure of privacy and protection commensurate with the inherent dignity of man. But we must not embark upon a path leading to a hateful circumstance where the legitimate interests of the law abiding elements of our communities are subordinated to the selfishly dangerous, personal interests of the deliberate criminal offender. Almost daily we learn of interpretations which further restrict the prerogatives of law enforcement officials. While these restrictions are sometimes presented to the public as advantages to everyone they may be, in fact, of practical benefit only to those persons who can apply them to the concealment of their criminal guilt. Reasonable and prudent control over evidence collection procedures is a necessary safeguard, it is properly the subject of legislation. Legislators, charged with the heavy burden of accepting or rejecting, proposed laws—and the public these legislators represent—have a right to thorough explanation by professional policemen of the reasonably expected impact of any proposed law, on law enforcement in the community and its contribution to, or dilution of, public order.

As professionals, we are obligated to present our views in a manner calculated to promote and extend public understanding of public problems. We are obliged to recommend promulgation of laws which we recognize to be in the public interest and we should not hesitate to sound the clarion cry of warning when the public interest is threatened.

Another problem facing police agencies today, and, unless a remedy is found, will be an increased burden in the future, is the unnecessary and imprudent release on the community at large of convicted offenders whose criminal behavior pattern is unchanged or, indeed, even treated.

I am alarmed and dismayed at the frequency with which criminals who have repeatedly demonstrated their inability to conform to our standards or obey our laws, are permitted to return to their criminal pursuits after only a modicum of treatment in custody, or, in many instances, without any confinement at all.

Multi-syllable words explaining their behavior notwithstanding—failure to remove the criminal from opportunity to commit crime, and to remove him for adequate periods when adequate periods have been prescribed by the courts—make, in my opinion, a substantial contribution to the high incident rate of crime which confronts our society today.

If you consider my views to be wrong or ill founded I urge you to speak out. If you consider my views to be of substance I urge you to lend your voice to mine.

Time permitting, I could enumerate dozens of subjects amenable to enlightened discussion by experienced policemen, dozens of controversial issues on which we as policemen are entitled to an opinion and should make our informed views known to those who defray the costs of our salaries.

I am not, of course, inviting undisciplined public airing of capricious, ill considered, dissident philosophies. I am, instead, urging law enforcement officials with substantive appreciation of social problems to make known their views and recommendations in a dignified and objective manner under circumstances appropriate to their being heard.

Our President, Mr. Johnson, has made public his deep concern over criminality in our beloved Nation. His own affirmative action in appointing a Presidential Commission to study the problem is clearly indicative of his concern and is an invitation for thoughtful contribution by all of us. I am happy to tell you that three United States Army Military Police Corps officers are on full-time duty with that commission. I hope they will be privileged to make some small contribution to the wisdom of its findings.

Mr. Hoover, it has been a never-to-be-forgotten privilege to address this illustrious assemblage. I am deeply grateful. I would like to take this opportunity to thank you on behalf of General Harold K. Johnson, Chief of Staff, United States Army, for permitting the attendance of our Military Police Corps officers at your distinguished National Academy. I only wish you conducted courses more frequently and could accept a larger number of our officers as students—we want so desperately to learn that which you have to teach.

To you gentlemen of the 77th Session, I say, have courage and may God bless you and guide you as you meet the challenges ahead.

THE CITY IS A TEACHER

Mr. DOUGLAS. Mr. President, on May 13, 1966, Harold Howe II, U.S. Commissioner of Education, Department of Health, Education, and Welfare, made a splendid address entitled "The City Is a Teacher" before the City Club of Chicago's annual civic assembly held by the Chicago Bar Association. He not only discussed one of the most pressing problems of our times, but did it with a combination of scholarship and realism that has a tremendous impact on his audience. So that other Members of the Senate may share this perceptive statement, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE CITY IS A TEACHER[1]

(An address by Harold Howe, II, U.S. Commissioner of Education, Department of Health, Education, and Welfare)

The city is a teacher, Plutarch said, and everyone who has lived in a city knows why. Within its few square miles of glass, steel, and concrete are concentrated the greatest works of commerce, art, government, and entertainment. Its boundaries—particularly in the case of the American city, with its roots in a hundred different Nations—encircle the cultures of an astonishing variety of national, religious, and ethnic groups.

Each of these facets of a city offers its own lesson. But the kind of lesson you learn depends on where in the classroom you sit.

To some of us, the metropolis represents excitement, a sense of being where the action is. The mingled majesty and mystery to be found in a view of the East River, of Capitol Hill, of Michigan Avenue, or the Golden Gate remind us that despite the normal quotient of tedium and trial in each of our lives, life in an urban setting can be exciting.

But the metropolis teaches a different lesson to those who sit in the back of the room. Removed from the scenes of splendor, excitement, and romance that beguile the rest of us, they see only the squalid, the depressing, and the dangerous. And they conclude—rightly—that the city is a prison.

Jane Addams of Chicago's Hull House called these prisoners "the city's disinherited." They are the Americans who have not shared in the great American success story . . . the story that describes how generations of Irish, of Italians, of Germans and Poles labored, prayed, fought, and hoped until they escaped from the immigrants' ghettoes to a more generous life.

It is in one way surprising that the Americans in today's ghettoes have not completed the trip to Wilmette or South Shore, LaGrange or Lake Shore Drive. For they arrived in the United States decades before many of the other new Americans who have since been naturalized by our melting pot.

I refer, of course, to the American Negro. He was poor, ignorant, and without hope 200 years ago. By modern American standards, he remains poor, ignorant, and without hope today. He was a slave in the South 200 years ago; and he remains a slave to unemployment, to poverty, and to despair in the North today.

I have not come to preach a sermon, for sermons have proven notoriously ineffective in bringing about major changes in society. In any case, I think we must concede that the most effective statements on civil rights in our time have not been made from pulpits, but in the streets of Montgomery and Selma, Watts and a dozen other cities less celebrated in headlines but equally effective as object lessons.

I have come, rather, to discuss the educational aspect of the poverty that flourishes in the inner city; to point out that no matter where you sit in the city's classroom, you pay the tuition for the kind of education it dispenses . . . and whether that education is good or bad, its cost is very high; and finally, to discuss some measure for improving education in the city ghetto, whether its residents be white paupers or Negro paupers.

In his message to the Congress urging stronger civil rights legislation, President Johnson pointed out that though segregation takes several forms, it nevertheless comprises a sociological unity. He said:

"It is self-evident that the problems we are struggling with form a complicated chain of discrimination and lost opportunities. Employment is often dependent on education, education on neighborhood schools and housing, housing on income, and income on employment. We have learned by now the folly of looking for any crucial link in the chain that binds the ghetto. All the links—poverty, lack of education, underemployment, and now discrimination in housing—must be attacked together."

I suspect that most white people feel a generalized sympathy with the Negro in his struggle for equality. They may object to some methods used by the civil rights groups, and even favorably disposed whites probably believe—after some spectacular incident—that the Negro is trying to go too far, too fast.

But I suggest that it is a good deal easier to counsel restraint in the attainment of a goal when you have already achieved that goal yourself. Moreover, I believe, every white man has a stake in seeing to it that the Negro progresses just as far as he can, just as fast as he can. For, leaving entirely aside the moral issue and restricting myself to pragmatic matters, I would argue that our experience has shown that every one of us pays in a number of ways to maintain the Negro in his subordinate position.

Secretary of Labor Willard Wirtz has estimated that every drop-out costs the Nation about $1,000 a year while he is unemployed. To this expense must be added the waste of individual talent to the Nation, and the loss of personal income to the individual. We pay for poor education and for poverty in other ways: in crime rates, in military service rejection rates, in social problems springing as much from lack of dignity, lack of hope, and lack of possibilities for family life as from the flawed human nature which we all share.

And such expenses of spirit and matter diminish, finally, the quality of all our lives as citizens of a city . . . a modern city, moreover, whose boundaries do not stop at the red lines on the maps. Delinquency draws no lines at Howard Street. The North Shore pays rent on the South Side slums; like it or not, we all help maintain the chain of poverty that binds the ghetto.

The education link in this chain of social slavery is the segregated, inferior ghetto school.

What are some of the characteristics of the ghetto school? Why is it failing in its mission to shape free, responsible, capable adults from children who have the normal statistical potential for brilliance, mediocrity, and failure?

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[1] Before City Club of Chicago's annual Civic Assembly, Chicago Bar Association, Chicago, 6 p.m. Friday, May 13, 1966.

First, the ghetto school is underfinanced. Contrary to our American oversimplification, the public schools are not free. They are paid for with taxes; they depend first of all on the incomes of the community's adults.

The ghetto community simply does not have the funds to support schools as educators know they should be supported. It is for this reason that cities need special financial assistance from the State taxing power and from the Federal Government.

Further, the children who attend ghetto schools walk in the door suffering from handicaps that do not hinder their counterparts in suburban schools. They come from homes in which their parents read little and write less. Although many of them share the universal culture provided by TV, there is more than a little question of its value, both in content and stimulation.

The educator's jargon for these children is "disadvantaged." The term means that they will start slower than children from middle-class homes and that they will not run as fast. It implies that they will in all likelihood, not pursue their educational journey as far, unless they receive special help.

Third, the ghetto schools usually have the least experienced teachers; other things being equal, one's teaching, like one's tennis or golf or five-card stud, improves as you do more of it.

The reason for this situation is not necessarily planned discrimination by the school board. Often it is simply understandable human preference. As a teacher gains tenure through years of service, he frequently gains the right to ask for another assignment. And it is entirely to be expected that a teacher with this choice would want to serve in the more attractive neighborhoods. Hence year after year, the ghetto schools must replace vacancies on their staffs with brand-new graduates from the schools of education. It is fortunate indeed that a hard core of able, experienced teachers have made these schools their life work. We need more of them.

Finally, it is characteristic of the ghetto school that it has little community understanding or support. Why should parents—many of whom are themselves undereducated or even illiterate—understand what their sons and daughters do every day from nine to three? They are incapable of judging the quality of the education their children receive, even if they are interested in doing so. How can they frame their questions, how can they articulate their hopes and doubts?

They cannot, and the ghetto school continues to limp along without the material and spiritual support that has made some suburban Chicago schools the finest in the Nation.

Why? Is it because the children who attend New Trier township high school are natural geniuses, the happy product of superior genes?

Not at all. It is because they attend a school in a community where adults care about education, and where adults pay for education. And meanwhile, twenty miles to the south, the children of poor whites and poor Negroes in the inner-city schools are being trained for lives of dependency because they did not exercise better judgment in their choice of parents.

One of the finest treatments I have seen of the problems of the ghetto school appared in the May 7 issue of the New Yorker magazine. The article was mainly an extended interview with Dr. Elliott Shapiro, principal of a public school in central Harlem. Here is one of the things Dr. Shapiro had to say about the relation between a child's innate ability, his academic performance, and his home environment:

". . . It is after the first grade that the great disparities between our children and the children of the middle class start showing up. As our children grow older, their lives get worse and, simultaneously, their responsibilities increase. They have more younger brothers and sisters to take care of, and their mothers are forced to become more distant as their problems increase. In the fifth and sixth grades, there are more children of broken families than there are in kindergarten and the first grade. It gets harder and harder for the fathers to find employment that will bring in enough money and will also keep their egos intact. And precisely because the fathers *do* have self-respect, they begin to disappear. I remember that during the Depression, a lot of us didn't know what to do with ourselves. The Negro male in a neighborhood like this is in a permanent depression, much worse than anything we went through in the nineteen-thirties."

What can be done about the ghetto schools?

The Congress of the United States has already made a major start. In the last three years alone, it has passed 24 pieces of legislation touching every aspect of education from pre-kindergarten to post-graduate. One of the most impressive is the Elementary and Secondary Eduction Act of 1965. Title I of that Act is aimed specifically at schools in low-income areas, whether in the city or rural districts. It pumps a billion dollars a year into special educational programs for the children of poverty. It recognizes what school administrators have always known: poverty and ignorance go together. And it is giving them the resources to break up that sad association.

Closely allied in spirit to Title I is a program that we are just now getting off the ground—the National Teacher Corps. This Corps will be composed of teams of young teacher-interns led by experienced, career teachers. At the invitation of local school systems, and under the supervision of local school boards, they will bring their dedication, talent, and spirit into classrooms that can now afford precious little of any of those commodities. At the end of their service in the Teacher Corps they will be ready for careers among children of the poor.

All in all, the U.S. Office of Education is responsible for about 100 major programs. But not all the education news is taking place in Washington; there are laudable advances at the local level.

Chicago deserves tremendous credit for absorbing a great in-migration of under educated and relatively unemployable newcomers. I understand that the city has within it more Mississippi Negroes than Mississippi does. The city might well have been stunned by the enormous tasks of housing and educating poor whites and Negroes from the South without the tax losses caused by the exodus of middle class whites.

But Chicago's efforts to serve the children who are harder to serve—and indeed the efforts of other cities in similar circumstances—may well be futile unless every citizen accepts this problem as his own . . . especially those citizens who, like the members of this group, are in a position to do something about it.

What can you and your city do about it?

First, we must recognize that the ghetto school needs not just as much financial support as the suburban school, but much more. We must realize that it must provide special services that were considered educational frills just five years ago . . . such services as counseling and guidance; small classes; remedial instruction; the latest teaching methods and equipment; psychological, medical, and dental aid.

We must change inner-city schools from nine-to-three-o'clock citadels where all human life vanishes with the dismissal bell, into highly visible neighborhood resources that teach parents as well as children. The inner-city school must create community where there is no other focal point for a common life and shared interests. We must staff our ghetto schools so that they can remain open from morning to late evening, offering adult instruction in everything from reading to making the most of the shopping dollar.

And in this newly involved institution, we must above all create the opportunity for, and the expectation of, performance by the children of the poor. Cultural disadvantage need not foreshadow poor academic achievement, as Operation Headstart demonstrated. Children sense a school's lower expectations and grow to demand less of themselves because the school demands so little of them. Schools are not custodial. Children are there to learn, not just to be kept off the streets.

They will learn best if they are taught by specially trained teachers. Beyond expressing our national need for more teachers of every description, we have done little to focus upon a kind of teacher preparation which is necessary to serve the children of the poor. In general, our colleges and universities train teachers for ideal classrooms, and although the classrooms in the slums may be in some cases excellent in their buildings and equipment, their human environment cries out for special attention of every kind.

A share of the guilt for this irrelevant teacher education must be borne by the profession itself. Somehow the idea of service to those who need it most has been obscured by the drive for better teaching salaries and conditions.

Further, city school systems must adopt assignment policies that will guarantee slum schools their share of experienced, able teachers. We must counteract the tendency of experienced teachers to choose more pleasant schools as soon as their years of service entitle them to transfer. We must also change the policies of schools and teacher organizations which tend to confront the slum child with the inexperienced, uncertificated and impermanent teacher.

In addition to more and better teachers, slum schools need volunteers and paid teacher-aides to supplement the work of the fully trained teacher. Added personal attention from adults who really care about the child can do as much as any other service to lift the potentialities of the children of the poor.

These are some of the immediate steps that can be taken to improve the ghetto school. But I believe that more drastic measures will be needed over the long run.

For example, traditional school district boundaries often serve education badly and may have to be changed. New York and New Jersey surrendered State prerogatives to form the Port of New York Authority in the interest of improved transportation. If we can make such concessions for transportation, I suggest that we can make them for education.

We could, for example, alter political boundaries to bring the social, economic, and intellectual strengths of the suburbs to bear on the problems of the city schools. Building programs for the future could be planed so that new schools break up, rather than continue, segregation of both the racial and economic sort. The Office of Education will provide Federal planning funds for such efforts right now . . . and, if I have my way, the Office will provide construction funds before long.

We have recently been considering financial support for a comprehensive study of a system of educational parks to be established within the inner city. We visualize each of these centralized school complexes as educational centers that would provide classes ranging from pre-kindergarten through junior college.

And we are particularly interested in finding one or two great American cities that are adventurous enough to join us in planning the educational park of the future. These entities will house 20,000 or more pupils, and will cut across all geographic, economic, and social boundaries to draw students. While such a park would deny the neighborhood school, it would express the vitality, the imagination, and the cultural mix that every vigorous city exemplifies. Students in such a facility would attend a genuine city school in the deepest sense . . . rather than going to school in one section of the city which is untouched by the broader influences of metropolitan life as a whole.

Altering political boundaries or consolidating the educational facilities of a large city would involve major organizational changes . . . major educational surgery. But I believe that major surgery is required if we are to liberate the children of the slums.

To reach that goal, we will require money; but money is not enough. We will need teachers; but teachers are not enough. We will need research, and educational research is already giving us new teaching techniques, new methods of evaluating academic progress, and a host of additional helps to educate the slum child. But research is not enough.

What is enough?

Perhaps the answer to that question will emerge only when every American recognizes that educating the slum child as a way of breaking the chain of poverty is in his own immediate, direct interest. For this is one of the lessons that your city and all the cities of the United States teach: that, as John Donne said, no man is an island . . . that his well-being, his safety, the very quality of his life and that of his children are bound up with the lives of countless other men whom he will never know and may never see.

The city is indeed a teacher, and it has been teaching us that the ghetto school perpetuates a poverty, an injustice, and a weakness that daily saps all our lives.

It is time we learned our lesson and put it to use.

CONTRIBUTION OF THREE BALTIMORE-AREA FIRMS TO RECENT GEMINI SPACE FLIGHT

Mr. BREWSTER. Mr. President, I should like to bring to the attention of my colleagues the significant contribution made by three Baltimore-area firms to the recent Gemini space flight.

The Titan rocket which put the two astronauts into orbit was built and tested by the Martin Co. at their Middle River complex.

Bendix, of Baltimore, was responsible for the tracking system, the means by which we heard the astronauts' voices.

Westinghouse designed and made the radar sets which astronauts Stafford and Cernan used to pick up the target vehicle.

These highly commendable accomplishments by Maryland industries were enumerated in an article in the June 7 Baltimore Sun. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

I.T. & T. Unit Aids Gemini View—Martin, Westinghouse, Bendix, and Comsat Gear Play Roles in Flight

Millions of television viewers had all the advantages of a grandstand seat for the dramatic recovery of Astronauts Stafford and Cernan yesterday following the splashdown of Gemini 9 in the South Atlantic Ocean.

This was made possible by a transportable earth communications terminal engineered and designed by a division of International Telephone and Telegraph Corporation.

The terminal, located aboard the aircraft carrier U.S.S. Wasp, transmitted the recovery operations live to the Early Bird international satellite system for beaming into millions of homes.

CLOSE COOPERATION NOTED

I.T. & T. World Communications, Inc., with the approval of the Federal Communications Commission, operated the terminal with the assistance of I.T. & T. Federal Laboratories, Nutley, N.J., designers of the equipment.

In addition to far-flung, Maryland-chartered I.T.T., three of the Baltimore area's biggest employers—Martin, Bendix and Westinghouse—had important roles in the Gemini 9 space flight.

The Titan launch vehicle which put the two astronauts into orbit was built and tested at Martin's Middle River complex, where a total of ten of these boosters now have been completed.

FINAL STAGE STARTED

Number 10 already has arrived at Cape Kennedy and will be used for the next space flight, now scheduled for mid-July. Martin, which has contracted to build and test a dozen of them, now has Number 11 in its vertical test facility and Number 12 is at a stage called "green pad assembly," indicating that the final stage is under way.

Bendix, which has about 1,200 persons scattered around the world handling related work directed from Baltimore, is in charge of the engineering, operation and maintenance of the National Aeronautics and Space Administration's tracking system.

As Bendix says in its ads, "When you heard the astronauts' voices, that was Bendix at work."

Westinghouse, makers of the sensitive radar equipment which picked up the target vehicle at a distance of 130 miles away during Gemini 8, designed and made the radar sets used by astronauts Stafford and Cernan in this most recent flight.

ARTHUR GOLDBERG: GREAT CHAMPION OF FIRST AMENDMENT FREEDOMS

Mr. YARBOROUGH. Mr. President, U.N. Ambassador Arthur Goldberg, Monday night spoke to the American Booksellers Association Convention here in Washington about freedom of speech and of the press.

For a free society there can be only one safe rule—

Ambassabor Goldberg said.

Every presumption must be in favor of free expression in every form. * * * A democratic government that depends upon the consent of the governed has the elementary obligation to listen at all times to the voices of its citizens. And the citizens, if their attachment to the First Amendment is genuine, also have the elementary obligation to respect the right of free speech by and for all, not excluding, let me say, government spokesmen.

Each American should read and understand the important truth which Ambassador Goldberg has so eloquently set forth.

I ask unanimous consent that Ambassador Goldberg's speech to the American Booksellers Association on June 6, 1966, be printed at this point in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Ambassador Arthur J. Goldberg, U.S. Representative to the United Nations, to the American Booksellers Association, Shoreham Hotel, Washington, D.C., June 6, 1966

One of the world's great historians noted about 1800 years ago that "rare is the felicity of the times when you can think what you like and say what you think."

In this nation of ours, this felicity is nothing less than the source of our greatest strength. It has, in fact, shaped this country from its beginnings and stands exalted as the supreme law of the land.

The words of the First Amendment to the Constitution which specifically forbid any other laws "abridging the freedom of speech, or of the press" are the constant guardians of our freedom.

Indeed, I am sure that all of you are familiar with Thomas Jefferson's classic statement:

"The basis of our government being the opinion of the people, the very first object should be to keep the right; and were it left to me to decide whether we should have government without newspapers, or newspapers without a government, I should not hesitate to prefer the latter."

I would add that when we speak of newspapers and the press, we speak in broad terms for the entire field of publishing, and what Jefferson said, to my mind, applies equally to books.

And I would paraphrase him just a bit more to say that while we cannot have a free government without a free press, we cannot have a free press and free publications without a free government. Both ancient and modern history teach that the first step of a regime moving toward autocracy is restraint of speech and press and all other forms of publishing. This is invariably the beginning of the destruction of all other liberties.

Freedom of expression, in brief, is the protector and promoter of all the rights and liberties of Americans. It is a freedom not only to be cherished dearly, but to be defended jealously at all times.

We more or less take it for granted today that the right of free expression, divorced from unlawful conduct, extends into the entire political area.

For us it would be unthinkable that books could be banned or authors prosecuted as in the Soviet Union for writing works deemed to challenge the political ideology of those in authority.

Yet we must not be too self-righteous in our condemnation—although condemn it we must and should. In our own history the notorious Sedition Act of 1798 permitted just such prosecution of writers in our country.

Jefferson was so outraged by the Sedition Act, that he pardoned all those who had been convicted and declared the act to be a nullity. And as the Supreme Court of the United States has noted, even though it was never tested in the Court, the attack upon its validity has carried the day in the court of history.

The mere fact, however, that such a law could have come into being in a nation in which, in Justice Cardozo's words, "freedom of expression is the matrix, the indispensable condition of nearly every other form of freedom," proves how conclusively eternal vigilance is the price of liberty.

Freedom of expression on public questions is a political, if not patriotic, duty, for as the Court also said just a little more than two years ago in its ruling in the case of *The New York Times* v. *Sullivan,* our First Amendment freedoms could not survive in an atmosphere in which the pall of fear and timidity is imposed upon those who would give voice to public criticism.

The only limitation recognized by the Court is if the criticism is known to be deliberately false or is made with reckless disregard. As is clear from the concurring opinion I filed at the time, I would have gone further because, as I said:

"The vigorous criticism by press and citizen of the conduct of government of the day by the officials of the day will soon yield to silence if officials in control of government agencies, instead of answering criticism, can resort to friendly juries to forestall criticism of their official conduct."

But if it has become increasingly clear that writers have a sweeping and all embracing right to express themselves on political matters in the press and in books, their right in the area of books dealing with the subject of sex and the problems of obscenity, as is apparent from the decisions of the Supreme Court in this difficult area, is still a moot one.

The difficulty persists even though as Justice Brennan has pointed out:

"The portrayal of sex in art, literature and scientific works is not itself sufficient reason to deny material the constitutional protection of freedom of speech and press. Sex, a great and mysterious motive force in human life, has indisputably been a subject of absorbing interest to mankind through the ages; it is one of the vital problems of human interest and public concern."

I do not, because of my former position, believe it appropriate for me to comment on the various constititutional legalities of the subject. I wish only to make some very general observations.

In so doing, I turn back to the question of political writing, for in this area there would be a justified outcry if the writer did not have the freedom to express himself as he desired.

It is difficult to divorce political and nonpolitical writing. Certainly, some of our greatest works of literature are deeply political in nature.

The examples are many and obvious: Swift and *Gulliver's Travels;* Dickens and *Oliver Twist;* Upton Sinclair and *The Jungle;* John Steinbeck and *The Grapes of Wrath;* Boris Pasternak and *Dr. Zhivago.*

The same rules, I believe, apply to all other subjects that the writer wishes to explore. There is scarcely any subject of human interest which is not a legitimate matter for self-expression, and which society, such as ours, with its traditional devotion to free expression, should not afford maximum protection.

For a free society there can be only one safe rule: Every presumption must be in favor of free expression in every form, and the heaviest burden is imposed on every governmental restraint or censorship that impairs or abridges the right to publish.

Benjamin Franklin once said: "Abuses of freedom of speech ought to be repressed, but to whom dare we commit the power of doing it?" We must continuously ask this question with regard to the freedom to publish.

My strong conviction that freedom of expression must be unfettered in literature extends fully to the field of foreign affairs in which I am now engaged.

And let me say that one of the most vital aspects of any nation's foreign policy is formed by the principles that guide it domestically. These must inevitably shape its attitudes and relations with other nations.

Indeed, the best guide of a nation's respect for the rights of people in other lands is the extent of its respect for the rights of its own people.

The tradition for vigorous and healthy discussion in our country is an old one—with its roots in the history of our own revolution.

During my service on the Supreme Court, I had occasion to write about the role of dissenting opinion on the work of the Court. If you will forgive me for quoting myself again, I said at the time:

". . . I profoundly believe that in the long run the Court benefits, and certainly the people do, by the free expression of dissenting views. They educate and sometimes eventually prevail, and they always demonstrate that our judicial air, like the air of American life, is, and God willing, will remain free."

I have not changed my mind in my present position, and what I said about the work of the Court, I would now paraphrase to include the work of our government.

A democratic government that depends upon the consent of the governed has the elementary obligation to listen at all times to the voices of its citizens. And the citizens, if their attachment to the First Amendment is genuine, also have the elementary obligation to respect the right of free speech by and for all, not excluding, let me say, government spokesmen.

It is in this spirit that Americans today—on the campus, in our newspapers, on television, in various citizens forums and in the Congress—should debate the vital aspirations of American foreign policy—the aspirations directly related to our quest for peace.

In my mind, this debate is a matter of the highest priority for our nation and vital to the role we play as a world leader.

It is also vital that freedom of expression exist within the government as well as outside of it. Perhaps the greatest danger of McCarthyism was the threat to stifle within government the free discussion which is so vital to informed and responsible decision making.

In our system of checks and balances, it goes almost without saying that the legislative branch must always be free to discharge its responsibility and to express its agreement or disagreement with the executive openly and for all the public to witness.

Congressional dissenters may at some time be inconvenient for those in the executive branch but our constitutional scheme does not serve the cause of convenience; it serves the cause of freedom and liberty. For those in the executive branch, however, the discussion must of necessity be intramural, for in that branch—except in the most exceptional instances—there can only be a single executive voice. The very word executive implies this.

In sum, the best defense of liberty here and abroad, in my view, is the fullest freedom of expression for every man. And where any question arises, the doubt should be resolved in favor of that freedom.

This creed I am proud to share with that great Yankee from Olympus, Justice Oliver Wendell Holmes, who once told us:

". . . When men have realised that time has upset many fighting faiths, they may come to believe even more than they believe the very foundations of their conduct that the ultimate good desired is better reached by the free trade in ideas—the best test of truth is power of the thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes safely can be carried out. That, at any rate, is the theory of our Constitution."

And that should be the only practice in this free nation.

BIG BROTHER

Mr. LONG of Missouri. Mr. President, a most interesting distinction is being drawn in the invasion of privacy area. Wire taps are illegal, but mere listening devices—according to the Department of Justice—are perfectly permissible.

It is of concern, that the Justice Department and other Government agencies are now relying on this legal distinction to continue to electronically invade the privacy of our American citizens. An editorial in the Clayton, Mo., Watchman Advocate, dated May 31, 1966, points out that "Government agencies are still pursuing their merry course of invading individual privacy when they desire to do so."

I ask unanimous consent to insert at this point in the Record the following editorial:

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Where Did It Go?

Last summer after the White House had expressed concern over the repeated invasion of privacy by Federal agencies, primarily through wire-taps and other listening devices, the Justice Department launched a survey to determine just how extensive the practice had been.

Almost a year has elapsed and nothing more has been heard of the study although the cases of eavesdropping continue to pop up, the latest of these being an admission by Solicitor General Thurgood Marshall to the Supreme Court last week that the FBI had placed a wire-tap in the hotel room of a Washington lobbyist. This is the second time within recent months that the Justice Department has admitted to the Supreme Court that it has violated an individual's privacy by electronic snooping. And still hanging fire is a Justice Department answer to a $3 million invasion of privacy suit filed by Las Vegas hotel executives against FBI agents who allegedly "bugged" their hotel room.

The Justice Department excuses its action in most of the cases by contending that the listening devices were not wire-taps and therefore, did not violate Federal laws in this regard.

Just the same, the admissions thus far indicate that despite the White House concern and the study that supposedly was to ensue, Government agencies are still pursuing their merry course of invading individual privacy when they desire to do so. Perhaps another prod from the White House is needed to get to the bottom of how extensive the practice is and what must eventually be done to put a stop to it.

AIRCRAFT ACCIDENTS

Mr. BREWSTER. Mr. President, on Monday my colleague, the senior Senator from Oklahoma, received unanimous consent to add my name as a cosponsor of S. 3434.

Aircraft accidents have long been a problem and will continue so to be with technology ever advancing. Solutions to the cause or causes of these accidents will usually, over a period of time, be determined and remedial action taken.

One cause of aircraft fatalities that has defied solution over a long period of years has been aircraft sabotage. Research and development have not provided a way to prevent a saboteur from taking a bomb aboard an aircraft or prevent a passenger from carrying a gun aboard with him. From the information that I have, such preventive measures seem a long way off. If we cannot then prevent the means of mass murder in the air, it seems only logical to me that we should, if possible, remove the motive or motives instigating such horrible crimes.

Aircraft sabotage and the resulting wanton waste of human life has been a known problem in this country since 1933. The last case of known aircraft sabotage in this country occurred on May 7, 1964, when a Pacific Airlines F–27 crashed near San Ramon, Calif., killing all 44 passengers aboard. The investigation, as result of this accident, revealed that the 44 passengers and crew of 3 died as a result of the pilot and the copilot being shot while in the performance of their duties. This investigation further disclosed that one of the passengers had purchased $105,000 of air trip insurance, that he was heavily in debt, and was having other problems.

It has also come to my attention that this past year on July 8, 1965, a Canadian-Pacific DC–6 was sabotaged, resulting in the death of 52 people. Here again a check was made by the investigating authorities of the purchase by several of the passengers of extraordinarily large amounts of air trip insurance and my information discloses that here again also huge amounts were purchased by a passenger in financial and other difficulties.

Since 1955, Mr. President, 210 people have been wantonly murdered in this country as a result of known or suspected aircraft sabotage. I most sincerely believe that it is time that Congress take a hard, serious look at the problem of air trip insurance. I believe that it is imperative that any corrective measures be taken prior to the activation of the larger aircrafts which will carry up to 900 passengers. It seems to me incredulous that anyone, with no questions asked, can purchase up to $300,000 of insurance when utilizing the safest mode of transportation in the country today.

Again I thank the President and my colleagues for the opportunity to cosponsor what I consider a most important measure along with the Honorable Senator MIKE MONRONEY, my colleague from the great State of Oklahoma.

TRIBUTE TO HOWARD E. HAUGERUD

Mr. MONDALE. Mr. President, recently, the Secretary of State has disclosed the previously unpublicized operations of the Office of the Inspector General, usually called IGA. The public has been informed for the first time of the remarkable accomplishments of Mr. Howard E. Haugerud, the Deputy Inspector General for Foreign Assistance. Mr. Haugerud, who, I am proud to say, was born in Harmony, Minn., has, since 1963, had the job of policing all foreign assistance, including military, economic, Peace Corps, and food for freedom. Both the effectiveness and the magnitude of his work can be judged by two recent articles in the Twin Cities press by two reporters themselves distinguished: Mr. Charles W. Bailey, of the Minneapolis Tribune, and Mr. Albert Eisele, of the St. Paul Pioneer Press. I ask unanimous consent that both of those articles be printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Tribune]

HE PROBES AROUND THE WORLD—MINNESOTA NATIVE IS U.S. SLEUTH

(By Charles W. Bailey, Minneapolis Tribune staff correspondent)

WASHINGTON, D.C.—Some people are born with a silver spoon, but Howard E. Haugerud had to wait 40 years and travel halfway around the world to acquire his.

Haugerud's spoon, of course, is not the kind that would fit handily into a baby's mouth. It's an oversized, unadorned, heavyweight model, somewhat crudely finished, with this unromantic inscription on the back: *"To H. E. Haugerud, From Director for Special Projects, USAID, Viet Nam, Silver Nitrate Case, 1966."*

But regardless of aesthetic failings, the spoon is a cherished souvenir to the stocky, cigar-chewing Harmony, Minn., native. For it symbolizes one of the signal successes in two years of dogged but unpublicized sleuthing all over the world in pursuit of mismanagement, waste and corruption in the handling of U.S. foreign assistance programs.

Haugerud, who came here in 1956 to join the staff of the then-Sen. HUBERT HUMPHREY, has served since 1963 as deputy inspector general of foreign assistance in the State Department.

In that job he has played a key role in dozens of investigations of everything from sloppy bookkeeping to the disappearance of 24,000,000 bushels of wheat.

Most recently, Haugerud and his boss, J. Kenneth Mansfield, have been instrumental in prodding military and civilian officials to crack down on abuses in Viet Nam—including black-marketeering in post exchange supplies, currency manipulation, profiteering by Vietnamese merchants and theft or other diversion of U.S. goods shipped to the Asian nation.

The silver spoon is the symbol of one such case, exposed when Mansfield and Haugerud started asking questions about large shipments of silver nitrate to Viet Nam, purportedly for industrial use by local businessmen.

Since the chemical is used primarily for coating mirrors, making photographic film and in some medical supplies, the large shipments seemed odd.

An on-the-scene probe by the inspector general's men revealed that Vietnamese buyers were melting down the compound to get pure silver—a "money-maker" because they bought the silver nitrate at a favorable pegged rate of exchange and wound up with inflation-proof pure silver, which is actually more valuable in the shadowy world of Asian commerce than Yankee dollars.

A similar catch—and one with even more urgent bearing on the war effort in Viet Nam—grew from a Mansfield-Haugerud investigation of unusually large shipments of a rubber-like chemical compound supposedly going to Viet Nam for use in making rubber-soled tennis shoes.

They noticed a 50-ton shipment in a mixed cargo already en route to Saigon, and after a fast calculation of how many thousand pairs of sneakers could be made from that much of the compound, ordered the shipment stopped.

Tests by the Naval Ordnance Laboratory—requested by the inspector general—revealed that the compound, called "Unicel", is almost as powerful an explosive as TNT.

Since controls over the end use of such commodity shipments to private Vietnamese buyers have been all but nonexistent (another item pointed up by the inspector general's reports), it had to be assumed, that much of the Unicel would have wound up in Viet Cong hands.

As a result of these and other checks in Viet Nam, the Agency for International Development (AID) has vastly stepped up its audit and inspection programs in Saigon. Shipments of silver nitrate and Unicel have suspended—on Mansfield's recommendations—and other programs and projects are getting closer looks.

Although the inspector general's office has received almost no public attention since Congress established it in 1961, it has sweeping powers and has, in the words of Secretary of State Dean Rusk, saved "many millions of dollars."

The "IG" has authority—written specifically into law—to "suspend all or any part of any project or operation" under foreign aid, military aid, Peace Corps or Food-for-Peace programs after conducting an investigation.

The suspension remains in force until either the IG or the Secretary orders resumption of the project.

Thus the work of the office involves not only after-the-fact sleuthing, such as that which has so far led to recovery of over $800,000 from those responsible for diversion of Food-for-Peace wheat shipments to Austria, but also preventive action.

For example, the IG stopped AID from signing a $418,000 contract to study "the effect of motivation training" on economic growth of underdeveloped nations.

It "found" a million-dollar communications cable laid under the Mediterranean in 1956 as part of a NATO project, but never used.

Investigators from the IG office have repeatedly prodded U.S. officials to use the huge stocks of foreign currencies built up, but usually left idle, under Food-for-Peace programs. The result: Savings in new appropriations which would otherwise have been required.

In another case, the IG discovered that containers of food going to Turkey were marked in several languages, including Greek—but not in Turkish. Now the markings are in the language of the people getting the food.

A shipment of 3,600 pairs of boots, sent to Mali under a military aid program, was discovered lying unused. Result: The shoes are now being issued and are on feet instead of in crates.

For Haugerud, an Army pilot with service in World War II and Korea, his job has meant thousands of miles of travel—more than 150,000 miles, at last count, in the past year.

It hasn't all been by air. He rode canoes and horses to visit Peace Corps projects in Borneo and Ceylon, traveled by submarine and snowmobile to inspect military aid projects in far northern Norway, and has ridden with GIs in Viet Nam on repeated trips there.

The nearest thing to a narrow scrape, Haugerud says, came once in Viet Nam when the plane he was riding in started to land at an airstrip—only to find itself in the middle of a firefight between U.S. and Communist forces.

When he can get away from his $27,000-a-year post here, Haugerud likes to head for the family cabin in northern Minnesota, on the Kawishiwi River near White Iron.

[From the St. Paul Pioneer Press, May 29, 1966]

STATE DEPARTMENT UNWRAPS IGA—HARMONY MAN KEEPS U.S. FOREIGN AID IN TUNE

(By Albert Eisele, Pioneer Press Washington bureau)

WASHINGTON.—The folks around Harmony, Minn., knew that Howard Haugerud had gone pretty far in the world since leaving their town to fight in the war back in 1942.

They knew he had an important job with the state department in Washington and some of them even knew he had something to do with checking up on America's foreign aid.

But until last week, when the state department decided to take the wraps off a little-known investigative agency, there weren't many people—not even in Washington—who knew just what Haugerud did.

Now they know. His title is deputy inspector general of foreign assistance and for the last three years he's been traveling all over the world finding how billions of American taxpayers' dollars are being spent.

Haugerud, who holds the rank of assistant secretary of state and reports directly to Secretary of State Dean Rusk, and Inspector General J. K. Mansfield, has the job of policing all foreign assistance including military, economic, the peace corps or food for freedom.

Last week, at the urging of Congress, Rusk released the first rundown of the heretofore secret operations of the office of inspector general—commonly called IGA.

IGA investigations in some 85 countries uncovered some startling facts. The report showed that since it was formed three years ago, IGA has, among other things:

Caused cancellation of a 40-million-dollar loan for a dam project in Nationalist China;

Discovered a submarine communications cable built in the Mediterranean in 1956 for nation and since forgotten;

Questioned plans by the defense department and the agency for international development to build a telecommunications system in Korea, resulting in elimination of a project estimated to cost 7 million dollars;

Arranged for 5 million dollars in U.S.-owned German marks, which were lying idle in Libya, to be put into interest-bearing bank accounts;

Made an analysis of counter-insurgency food shipments to Vietnam which resulted in elimination of almost 5 million dollars of unnecessary commodities.

These were just the more sensational items in the report, and according to Haugerud, represent only "the tip of an iceberg." But taken together, the IGA's power to investigate and even stop entire foreign aid programs has saved millions of dollars, and more importantly, has helped more of our foreign aid to accomplish the purpose for which it was intended.

Haugerud, whose father still farms near Harmony and whose brother Neil is sheriff of Fillmore county, personally uncovered many of the abuses cited in the report.

To do his sleuthing, he estimates he traveled about 150,000 miles last year, and expects to travel as much this year. But travel is nothing new to him.

The 41-year-old Haugerud left Harmony when he was 17, joining the army air corps. After the war, he went to Kansas State College for two years, got married to a Kansas girl, and then went back in the army when the Korean conflict broke out.

After spending three years in Europe and the Far East, he returned to his home state and decided to finish college. He went to the University of Minnesota and studied political science and journalism, graduating in 1955.

While working for the DFL party in Minneapolis during his college years, Haugerud met then-Sen. HUBERT HUMPHREY, who asked him to join his staff when he graduated. Haugerud stayed on HUMPHREY's staff until 1959, then became a staff member of the government operations subcommittee.

He finally got back to the army in 1961 when he became deputy undersecretary for international affairs. He joined the inspector general's office in 1963.

Even though he has uncovered many abuses in the foreign aid program, Haugerud still believes deeply in the program.

"Most people who administer our foreign assistance program in the field are good, dedicated Americans trying to do a good job under pretty adverse circumstances," he feels.

"They try to do what's right and they take great pride in their jobs. Sure, you find some exceptions as in any organization, but generally, they're pretty outstanding.

"Sometimes I think we expect too much of our foreign aid. We can't expect it to be our foreign policy although it certainly can aid it. The peace corps is one outfit where out foreign aid dollar is being very well spent, and the other areas are being tightened up considerably."

In the summer, Haugerud and his family spend a few weeks at a lake near Ely, Minn., where he can enjoy his only hobby, fishing.

His oldest son, Mark, 19, attends Mankato State college. His other children are 13, 9 and 4 months.

SMALL BUSINESSES GO TO THE MOON WITH SURVEYOR AND ON THE SPACE WALK WITH CERNAN

Mr. SPARKMAN. Mr. President, this past week has been a momentous and highly satisfactory one for our Nation's progress in the fields of space technology and exploration. I am sure my colleagues were as thrilled as I was to see the photographs transmitted from the surface of the moon by the cameras of Surveyor I. And I am sure all of us hung by our radios or television sets on Sunday to listen to the progress of Eugene Cernan's walk in space.

As an Alabamian and a resident of Huntsville, I have long had a natural interest and pride in the accomplishments of the brilliant scientists and technicians at the Marshall Space Center in my hometown.

In addition, as chairman of this body's Small Business Committee, I have found the successful collaboration of large corporations, small businesses, and Federal agencies in the space effort exciting evidence of the potentialities of the American free-enterprise system.

At least four highly skilled independent businesses played significant roles in the past week's drama in the skies. I know there are others, but these four companies are firms which received financial help from SBIC's at crucial stages of their development into suppliers of space hardware.

General Electrodynamics Corp., of Garland, Tex., manufacturers of a number of electron optic devices, built the vidicon tube which has been transmitting those magnificent pictures of the moon's surface. This company also manufactured the vidicon tubes used in Mariner IV which sent back the pictures of Mars several months ago, as well as earlier transmissions of the moon taken by the Ranger IX moon probe. General Electrodynamics has made tremendous strides forward since it received approximately $700,000 in equity capital and long-term funds from Electronics Capital Corp., a small business investment company, back in November 1959.

Going along with astronauts Stafford and Cernan in Gemini 9 were the products of at least two SBIC-aided small businesses. Memorex, of Santa Clara, Calif., supplied the tape on which the comments of the Gemini travelers were recorded during the 3 days of the latest mission. Memorex is still a relatively small firm in a field dominated by giants, but it has the ability to compete with the biggest and turn out the best product. It was started 5 years ago with the help of a $100,000 investment by Small Business Enterprises, an SBIC wholly owned by the Bank of America. An insurance company and a private investor put up another $500,000 back in 1961 to get the company started. Sales last year went over the $13-million mark—not a bad mark for a 5-year-old enterprise.

The visors in the Gemini 9 astronauts' helmets were developed and manufactured by Texstar Plastics, a small business based in Grand Prairie, Tex. After the Gemini 3 visors were shattered during splashdown, NASA asked Texstar to find a stronger material with good optical properties. The firm immediately went into three-shift operations and came up with the improved protective visor worn by our first walker in space, Ed White, in Gemini 4. Last week, Stafford and Cernan both wore Texstar visors in their pressure suits, as well as the Texstar protective visor. At a crucial stage in its corporate development, Texstar was assisted by a major financing from Capital Southwest, an SBIC located in Dallas.

Not up in the air with the Gemini 9 astronauts, but contributing to the success of their mission was a small-business firm headquartered in my home town of Huntsville. Space Craft, Inc., provided various telemetry systems on earlier Titan shots which paved the way for our most recent space missions. This small firm has grown substantially since it started in 1962. An SBIC, Virginia Capital Corp., of Richmond, was an early investor in Space Craft, Inc.

As I said earlier, I am sure many other small businesses contributed their unique skills and services to our spectacular space successes of the past 7 days. I have taken this time to give these four specific cases, however, since they give irrefutable evidence that there is still a significant place in our economy for the ambitious and talented entrepreneur and his partners in new and growing business firms.

I have also cited these examples, because they prove the worth of the SBIC program which has been willing to run risks to advance funds to start up businesses, to highly venturesome situations, and to the exotic and sophisticated scientific firms of the 1960's. As a sponsor of the legislation which brought about the establishment of the SBIC program, I am proud of the success stories they are now writing.

AMBASSADOR EDWARD CLARK, ENVOY TO AUSTRALIA

Mr. YARBOROUGH. Mr. President, one of our effective Ambassadors and a fine Texan is here in Washington at this time for consultations, and he has been honored during his stay for his excellent work. That person is my good friend Ed Clark, U.S. Ambassador to Australia.

Edward Clark has been our Ambassador to Australia for almost a year now, having taken up his duties there on August 15, 1965. His career before his appointment to his present position was a distinguished one. Before World War II, Ed Clark served in Texas county and State government for 10 years, including several years as assistant attorney general of Texas and a term as secretary of state of Texas. He served his country during World War II as a captain in the Army. After the war, he returned to the private practice of law, and became senior partner in the law firm of Clark, Thomas, Harris, Denius, & Winters in Austin. He has served on the board of regents of Texas Southern University at Houston.

Ambassador Clark has a broad understanding of the country to which he is posted. I might add that, as many Senators know, he is also a fine host, as was evident when some of us recently attended the Interparliamentary Union meetings in Australia.

During the Ambassador's present visit to the United States, Southwestern University in Georgetown, Tex., one of the two oldest institutions of higher learning in the State of Texas, conferred upon him an honorary doctorate of law degree, and the Ambassador delivered the commencement address at Southwestern University on May 25. On June 1, Ambassador Clark received an Honor Certificate Award from the Freedoms Foundation of Valley Forge, Pa., for his April 20, 1965, speech on "The Meaning of Law Day," presented to the student body of Texas Southern University Law School. The Honor Certificate Award was presented to the Ambassador by Mr. Justice Clyde E. Smith, Associate Justice of the Supreme Court of Texas.

In closing his Southwestern University commencement speech, Ambassador Clark called particular attention to the importance of religious ideals for public life, and one sentence of his address is of particular merit:

> If you take out of our public and political life the religious ideals of individual human worth, protection of the individual from exploitation, equality of opportunity for all and equal liberty for each citizen, every one of which stems from and draws its life from the Christian faith, you will see our nations rapidly sink back into medieval government by autocratic tyranny or communist control.

Mr. President, so that all may have the opportunity to read the Ambassador's fine speech, I ask unanimous consent to have it printed at this point in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address Given by Ambassador Edward A. Clark at Commencement Ceremonies at Southwestern University, May 29, 1966

To be asked to speak here today is a great honor and also a great challenge. It is an honor to be thought worthy of such a task, and I can only believe that you are not honoring only me personally, but also the great Nation I serve, the great Nation in which I represent you and the great President who chose me for this service.

It is a great privilege for me to be present today at the 126th Commencement Ceremonies at Southwestern University, and to join you as an alumnus of this University. "Commencement" means a beginning, but there I am one step ahead of you, because I "commenced" a new career about nine months ago as Ambassador of the United States to Australia, while you are just beginning on your new careers—some to the professions, some to continue your higher education and to obtain advanced degrees, some to begin to work for private industry or the government, and some to other aspects of the complex society in which we live.

The new careers and new lives you will shortly be entering will certainly look, at first sight, much like the old familiar world. But I suggest you reflect on how much that world has changed in your lifetimes. For most of you, memory begins with World War II and continues through the opening of the nuclear age with its smiling promises of the enrichment of human life coupled with terrible threats of massive slaughter and destruction. Then you may recall the advent of our beloved country to a place of world power and responsibility; the "Cold War", now expanded to embrace the whole globe; the annihiliation of space and time on earth, by the development of jet aircraft; the beginnings of the conquest of outer space and the abyss of our oceans.

While there has been no period in human history when change has been so rapid and profound as during the past 25 years, it is equally impressive to consider the constant factors. Human beings remain creatures made in the image and likeness of God, yearning for peace, yearning for a decent life, yearning for an opportunity to live and to bring up their children to a better future. Americans share these yearnings. We are more fortunate only because Divine Providence has given us a land full of wealth and resources, which our ancestors developed wisely and at the same time spread benefits among many people. Ours is not a perfect society. However, as our great President said at Johns Hopkins University in April, 1965, "Man has now the knowledge—always before denied—to make this planet serve the real needs of the people who live on it . . . We have the power, and now we have the opportunity to make that dream come true . . ."

But while we live in the security of our mighty country, protected to a significant degree by broad oceans, and strengthened by the resources of our soil, we know that other peoples are far less fortunate.

As we look across the Pacific Ocean which washes our western shores, we see millions of human beings—unlike us in some very superficial ways and far less fortunate—they live in dread of tomorrow. Still they can dream dreams as mighty as ours, and in this age of rapid air transport, they are near neighbors. San Francisco to Saigon is only 20 hours by a jet—just a little longer than an auto drive across Texas. Soon supersonic transports will reduce the same trip to five or six hours—less time than a motor trip between Dallas and Galveston.

Consider with me the events of the past 25 years in the world of the Pacific. World War II, the Korean War, rapid transport, and expanding world trade make us aware of the deep involvement of the United States there. Statehood for Hawaii and Alaska, our United Nations trusteeship in the Pacific Islands, our security commitments to freedom-loving countries of the Western Pacific—all have brought us even closer into developments throughout the Pacific Basin. These developments are not the cause of our involvement—they are the consequence of our involvement. Even if we would, we cannot turn off the rest of the world, as we do our television sets at the end of the evening.

On the rim of the Western Pacific, some 8000 miles from San Francisco, is the little land whose name is engraved on our hearts. Viet-Nam symbolizes U.S. involvement in world affairs in general, and in Pacific affairs, in particular.

It also symbolizes the problems of all small nations, especially those in the Western Pacific. The question is: Can a small power in this area maintain its independence in the face of emerging Communist China. History and geography make Viet-Nam the spot which is currently crucial. Earlier it was Korea, in 1950, when Communist leaders of North Korea sought to conquer South Korea. Local autonomy in Tibet was lost to the Chinese Communists finally in 1959. The 1958 bombardment of the islands of Quemoy and Matsu and the 1962 Chinese Communist war of aggression against India were attacks which have been contained or thrown back, but still the outward surge of Chinese Communist power makes itself felt in the Western Pacific.

In the case of Viet-Nam the specific details of the Communist-led aggression are different. In the case of Viet-Nam the Communist authorities in North Viet-Nam are attempting to take over South Viet-Nam by aggression and subversion, and to unite the country under Communist control.

What is the heart of the matter in Viet-Nam?

First, there is the fact of aggression.

The aggression of North Vietnam against South Vietnam did not begin in 1959. It began in 1945 when the Communists established the so-called "Democratic Republic of Viet-Nam" in Hanoi in 1945. The Geneva Accords of 1954 were a pause in the Communist march to power.

From 1956 to 1959 over 1000 civilians were assassinated or kidnaped by the Vietnamese Communists, the Viet Cong.

The attack expanded in 1959 when the Communists began to introduce large numbers of trained guerrilla soldiers into South Viet-Nam. By 1960, Hanoi had infiltrated over 4500 men. The next year another 6000 infiltrated. Since 1964, the soldiers infiltrated into South Viet-Nam have increasingly been natives of North Viet-Nam, and, more and more, regular soldiers of North Viet-Nam's "People's Army of Viet-Nam", as they call themselves.

But the North Vietnamese Communists do not allow their actions only to speak for them. They have made explicit their intention to take over South Viet-Nam by force. Hanoi in September, 1960, adopted a resolution which I quote, ". . . to liberate South Viet-Nam from the ruling yoke of United States Imperialism and its henchmen in order to achieve national unity . . ." (unquote)! This is Communist jargon, but stripped to its essentials, it means that the Communist leaders of North Viet-Nam are prepared to inflict endless suffering, death, and destruction on the peace-loving people of South Viet-Nam.

The Government and people of South Viet-Nam have chosen to resist the aggression from the North. Since 1959, the armed forces and other people supporting the Government of Viet-Nam have suffered over 125,000 casualties. This is proportionately more than the losses which we suffered during World War II. Still both the government and people of South Viet-Nam fight on with enormous courage and determination.

Having dealt with the fact of aggression, I turn to the second aspect; the fact of the U.S. Commitment.

It is a clear and direct commitment guaranteeing the security of South Viet-Nam against external attack. It is based upon bilateral agreements between the United States and South Viet-Nam, upon the treaty which created the Southeast Asian Treaty Organization ("SEATO")—Far East parallel of N.A.T.O. Annual actions by our Congress providing aid to South Viet-Nam confirm the policy by demonstrating Congressional agreement. Also solemn declarations were made by Presidents Eisenhower, Kennedy and

Johnson. Not only is South Viet-Nam at stake, nor only Southeast Asia; also at stake is the integrity of a U.S. Commitment of extreme importance to peace right around the globe.

The struggle which the people and government of South Viet-Nam want to undertake, and the struggle the United States would prefer to support is that the people and government of South Viet-Nam may get on with the great tasks of social development, education and health, a communications system, stepped up agricultural production, and at least a modest program of industrialization.

But the fruitful works of peace cannot be fully realized so long as the struggle continues. President Johnson said in New York on February 23, 1966, the climate for social betterment ". . . cannot be created where terror fills the air. Children cannot learn, and men cannot earn their bread, and women cannot heal the sick where the night of violence has blotted out the sun . . . (The) struggle is to end the violence against the human mind and body, so that the work of peace may be done and the fruits of freedom may be won . . ." (Unquote).

So while American fighting men carry on the war against Communist agression, side by side with the valiant civilians and soldiers of Viet-Nam and others in the Pacific who desire freedom, we have actively searched for a peaceful settlement. It should be clear, however, that moves toward a peaceful settlement have come only from our side, or from third parties. Yet since 1959 Hanoi has unremittingly declared that only a total Communist victory would be acceptable to the North. While our people and the government of South Viet-Nam cannot accept this, we keep earnestly and carefully reviewing what actions we may take to the achievement of peace.

But as the fight goes on, as the Vietnamese people continue their effort to build, we are periodically reminded that nation-building is not always a neat, orderly process. Until a national Vietnamese consensus is well-developed on the general form of political, economic, and social institutions, we should not be surprised that the stability of the government has sometime been shaken by differences which are not directly related to the battle with the communists.

Such a period marked by extensive street demonstrations against the present leadership of the government, and nearly marked by tragic civil disturbances has just been passed. Out of this time of tension has come an accord among the contending political groups to hurry along the promised plan to hold national elections and to move toward replacing existing military government with a civilian one. Carrying out a national election in South Viet-Nam today will be very difficult. It will tax the good sense and ingenuity of the Vietnamese people and government.

Though the situation is difficult, we can still hope that the forthcoming national elections will elect a more broadly-based central government than the one which now holds power in South Viet-Nam. With greater popular support, it should be better able to prosecute the war against the Communists as well as the programs of economic and social development.

So the struggle in South Viet-Nam continues. On the military side, there has been a marked improvement. There is every prospect of further improvement before the end of this year. Civilian economic and social developments have begun to move ahead. The people of South Viet-Nam have better prospects for the future.

If the defense of the Republic of Viet-Nam against Communist Aggression is successful—we may have high hope for international peace in the Pacific. The United States has provided support to South Viet-Nam. It will continue to do so until aggression has been defeated.

The great lesson here is that God will be heard. The fact is that Christianity is irrevocably and totally committed to the ideals of social justice and the common good at the expense of unbridled privilege for a few and it is to the shame of the Christian nations that they have been so slow to establish those ideals among their foremost aims in any massive action. Australia, where I live and work, is, of course, a Christian nation. And the American nation is Christian in that it was established without question upon ideals derived from the Christian training and the Christian convictions of the Founding Fathers. Our Declaration of Independence, our Constitution and our Bill of Rights are all strong evidence of this. It makes no more sense to talk about keeping religion out of the politics than it does to talk about keeping religion out of the government. If you take out of our public and political life the religious ideals of individual human worth, protection of the individual from exploitation, equality of opportunity for all and equal liberty for each citizen, every one of which stems from and draws its life from the Christian faith, you will see our nations rapidly sink back into medieval government by autocratic tyranny or communist control. And the Christian nations must move strongly ahead to do their part in the urgent advocacy and strengthening of social justice throughout the world lest they be left stranded and useless and repudiated even by God who will raise up a new agency for His purpose. Christian Theology always has been completely interwoven with concern for the social order as well as for the individual. "God So Loved the World that He Sent His Son." God loves the world with all its complexities and enterprises and institutions. He has a purpose and use for all manner of movements and institutions and organizations other than the Church. Although His purpose for the Church and His intended use of the Church are very great and very significant, He will not be confined to the Church nor will He allow the sins and shortcomings of the Church to thwart Him. "God So Loved the World that He Sent His Only-Begotten Son." And it is the world which He sent His Church to serve and redeem. He is not content just to preserve and to enlarge His Church. Governments and nations must also strive to do His work toward a better world. Yes, the world can be made better and in His good time, it will be made better and in the meantime, we are called to heed, to obey and labor with all our might in the service of the cause of social righteousness, leaving the final outcome and the final triumph in His loving and merciful hands.

REMARKS MADE BY SENATOR TALMADGE OF GEORGIA TO THE SENATE PRAYER BREAKFAST GROUP

Mr. JORDAN of North Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of the remarks made by the junior Senator from Georgia [Mr. TALMADGE] to the Senate prayer breakfast group on June 8, 1966.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TEXT OF REMARKS OF U.S. SENATOR HERMAN E. TALMADGE TO THE SENATE PRAYER BREAKFAST GROUP, WEDNESDAY, JUNE 8, 1966

My friends, the world in which the American people find themselves today is more complex, troublesome, and dangerous than perhaps at any other time in history.

The problems with which our people must contend are not given to quick and easy solutions. International emergencies are almost daily occurrences.

The world is virtually in a state of disarray. It is torn by a frustrating war in Southeast Asia, political strife in other areas which at any time could erupt into armed conflict; and the insidious threat of Communism. People in foreign lands are ravaged by poverty and famine that is beyond our comprehension.

Hanging over everyone's head, and sometimes, we think, by a very slender thread indeed, is a Damocles sword of nuclear holocaust. Miscalculation, misunderstanding, or downright rash stupidity all too quickly could cause it to fall.

The present world situation is not one to bring cheer to the hearts of free and peace-loving men.

Perhaps never before in the history of mankind has there been a more overpowering need for all people of all nations to heed the exhortation of the Prophet Isaiah:

"Come now, and let us reason together, saith the Lord: though your sins be as scarlet, they shall be as white as snow; though they be red like crimson, they shall be as wool.

"If ye be willing and obedient, ye shall eat the good of the land.

"But if ye refuse and rebel, ye shall be devoured with the sword." (Is. 1: 18–20).

Americans are rightly concerned about the state of affairs throughout the world. They fear for the preservation of freedom and peace.

This morning, I would like for us to think together on what I believe to be just as great a threat to the preservation of freedom and peace. Here, within the confines of our own shores, the American people are plagued by a problem which I am convinced is equally as perilous and more important to the American way of life than strife and discord in other parts of the world. This is a thing that can eat the heart out of America and so weaken the fabric of our society within, as to render us vulnerable to those who would destroy us from without.

I refer to the increase of crime and lawlessness in the United States, and the cancerous spread of disrespect for vested authority and law and order. The course of events which are propelling this nation farther down the road of blatant lawlessness must be reversed. The strength and unity of our people already have been dissipated. The forces of hatred, distrust, and fear roam the land.

The prophet Ezekiel, speaking of the final desolation of Israel, uttered a lament which I find sadly appropriate. "Make a chain," said Ezekiel, "for the land is full of bloody crimes, and the city is full of violence." (Ezek. 7: 23).

The President told us in a message to Congress this year that "the fact of crime and the fear of crime mark the life of every American."

For too long now, most of the people have been indifferent to the fact of crime. In the past decade, we have seen crimes of violence increase 40 per cent, and crimes against property rise 61 per cent, although our population growth was only 10 per cent.

There is a forcible rape every 26 minutes * * *.

A robbery every five minutes * * *.

An aggravated assault every three minutes * * *.

A car theft every single minute * * *.

A burglary every 28 minutes * * *.

Although the American people for the most part have been apathetic toward shocking crime statistics, which increase by leaps and bounds year after year, they are very much aware of the fear of crime.

The policeman's lot is further confounded by courts which are more concerned with legal technicalities than the administration of justice to the guilty and protection of innocent citizens. As the American Bar Association Journal stated editorially: "Courts of law are courts of justice, not courts of mercy."

It is my unalterable feeling that the flames of crime have been fanned by the preachments of the advocates of an ill-advised philosophy that there is a moral obligation only to obey some of the laws perhaps some of the time, but not all of the laws all the time. This of course is an open invitation to violate laws with which one does not agree or in effect to take the law into one's own hands.

Such a philosophy is repugnant to a society of free men who, in a nation such as ours, are the law-givers and must be the law-abiding.

An outgrowth of the practice of this philosophy has been a great division throughout the land. At a time when national unity is of the utmost importance, there is instead dissension and in some instances even bitter hatred. Civil strife and so-called civil disobedience have severely threatened domestic tranquility. Segments of our society and sections of the country have been driven apart.

Great wounds have been opened in recent years, and no time has been allowed for them to heal. In fact, salt is poured into them and they are inflamed even more. Even today, many of our large metropolitan areas—including Los Angeles where tragedy in the form of mob violence already has struck several times—are threatened with another summer of agitation and force.

The ultimate effect of such action was well-described in 1964 by Justice Black of the Supreme Court, when he said:

"Force leads to violence, violence to mob conflicts, and these to rule by the strongest groups with control of the most deadly weapons."

When citizens take the law into their own hands and violate laws put on the books for the protection and well-being of everyone, this is not civil disobedience, but criminal disobedience.

Ours has almost literally become a nation of burglary bars and pocket-sized tear gas guns. The fairer sex has found it necessary to master the art of self-defense and the use of firearms.

Such is the fear of crime that in many parts of the country people are afraid to leave the security of their homes after dark, or to use the public parks even by day. This fear unfortunately is well-founded. The risk of being robbed or assaulted on the streets of our cities is greater today than ever before.

Suburban dwellers have no cause for complacency. Crime in the suburbs has consistently risen at a rate considerably higher than the overall national average.

The cost of crime in America is approximately $27 billion a year, almost half the entire United States defense budget. This is indeed a sorry commentary for a nation that is the most free and the most prosperous of any on the face of the earth. It makes a travesty of the fact that opportunity abounds in our land as in no other.

The problem of crime in the United States is further worsened by the shocking tendency of supposedly law-abiding citizens to turn their heads and look the other way while the helpless victims of beatings, robberies and rapes scream in terror.

What has happened to the moral climate in America when people refuse to go to the assistance of fellow human beings in dire distress? Are we now to shrug and ask ourselves, "Am I my brother's keeper?"—as did Cain after he had slain Abel.

Without a doubt, a disrespect for the law has been generated in America. There has developed a scorn for all established authority, whether it be embodied in the word of God, in written law as found in the Constitution, or on state and federal statute books.

To certain elements, the policeman on the corner has almost become an object of ridicule. On many occasions, mobs have set upon officers of the law and aided criminals about to be arrested.

When people are allowed to trample upon the rights of others, it will eventually follow that the rights of everyone will be rendered meaningless.

Under our system of government and jurisprudence, where for every wrong—real or imagined—there are ample avenues for a redress of grievances, no one is above the law. No one is authorized by the Constitution or by any mystic powers to judge for himself which laws are good and which are bad.

With increasing frequency we hear apologists excuse lawlessness on the grounds of poverty, poor housing, unemployment, or alleged social injustices. As deplorable as these conditions are, none are sufficient for taking the law into one's own hands or for putting entire communities under mob rule.

Simon Peter cautioned the people against "using liberty as a cloak of maliciousness." (I Peter 2:16) and Jesus, in the Sermon on the Mount, had this warning:

"Therefore all things whatsoever ye would that men should do to you, do ye even so to them; for this is the law and the prophets.

"Enter ye in at the strait gate, for wide is the gate, and broad is the way, that leadeth to destruction, and many there be which go in thereat:

"Because strait is the gate, and narrow is the way, which leadeth unto life, and few there be that find it.

"Beware of false prophets, which come to you in sheep's clothing, but inwardly they are ravening wolves.

"Ye shall know them by their fruits. Do men gather grapes of thorns, or figs or thistles?

"Even so every good tree bringeth forth good fruit; but a corrupt tree bringeth forth evil fruit.

"A good tree cannot bring forth evil fruit, neither can a corrupt tree bring forth good fruit." (Matt. 7:12–18)

Thus spoke Jesus to his followers, and its lesson has a very meaningful present-day application.

It is my feeling that there is a need today for peace and understanding among men. This need cannot be ignored much longer by the people of America.

There is a compelling need for less demanding and less use of force and coercion. There is a great need to cease putting more emphasis on rights than on duty and responsibility. In his great work, "The American Commonwealth," James Bryce declared:

"Democracy is more than liberty; it is responsibility."

The rapidly growing idea of something for nothing must be cast down. What is not earned, is too often given, and if it is not given in large enough portions, then there has developed a feeling that it is all right to take.

The wounds of our nation will be closed when reason and common sense are allowed to prevail. Jonathan Swift said that it was useless to attempt to reason a man out of a thing he was never reasoned into.

But we must try.

Regardless of differences and discord among our people, regardless of how imbedded they are or how deep they run, a common meeting ground must be sought and found.

As did the Prophet Isaiah, the people must say to one another:

"Come now, and let us reason together."

A CLEAN POTOMAC RIVER

Mr. BREWSTER. Mr. President, during the past 15 months, since President Johnson called for a plan to make the Potomac River a model for the entire Nation, there has been extensive discussion about what such a plan should include.

Everyone is agreed that the Potomac should be cleaned up. How clean should it be, how should it be done, how much will it cost, and who will pay for it, are some of the important questions which are now being asked. The answers have not yet been found.

The Governors' Advisory Committee on the Potomac has established a subcommittee which is exploring what kind of government organization is needed to make the necessary decisions and implement them. Unfortunately, not enough public attention has been given to this important question of organization.

Until the establishment of the Federal Inter-Agency Task Force and the Governors' Advisory Committee on the Potomac, there was an almost total lack of coordination between various Federal, State, and local agencies concerned with one or more aspects of the river. This has been a serious roadblock to the creation of an overall public policy for the Potomac.

I believe that governmental machinery to create a model Potomac should be organized in an exemplatory fashion. It should be the result of a careful study and evaluation of the successes and failures of existing river basin organizations. Further, it should seek to overcome the deficiencies in the existing approaches to the problems of the Potomac River Basin. It is these deficiencies that have made many of the Potomac's problems insoluable in the past.

The machinery to be established must take into account both the existing political and geographical structure of the basin. Its scope should be sufficient to deal comprehensively with the problems of the Potomac River Basin while its authority should be adequate to deal effectively with them.

There appears to be general agreement that the governmental machinery for the Potomac should be basinwide in nature. It should, therefore, be capable of dealing with the problems of both the upper basin and the tidal estuary. If it is to be politically representative of the river basin, it must involve not only the Federal Government but also the governments of Maryland, Virginia, West Virginia, Pennsylvania, and the District of Columbia. In addition, provisions should be made for county and municipal government participation; organized perhaps on the basis of subbasin districts or local watersheds.

If the problems of the Potomac are to be solved, decisions will have to be made. Therefore, it is essential that the governmental machinery created have the ability to arrive at decisions and the power to carry them out. If these decisions are to be representative of the desire of the basin's population, then responsive political leaders will be required to direct the organization's policies and actions. Such responsible leadership could be achieved by placing a representative of the President of the United States on a policy board together with the Governors of the several States and the Chairman of the District Commissioners. While many routine business matters might be transacted by appropriate alternates, the ultimate responsibility would and should clearly rest with the chief executives of the governments involved.

The governmental machinery established to deal with the Potomac should have an identity of its own. This could be accomplished by establishing a compact organization such as a River Basin Commission—an organization with a special purpose. At present, there is no existing organization capable of general planning and program coordination for the entire river basin.

How broad a scope should a Potomac River Basin Commission have? Naturally, the river basin is being selected as a planning and program area because of the common denominator of water resources. Today, however, it is recognized that water resource problems cannot be dealt with in isolation. The problems of soil and water and the effect of man upon them are closely interrelated and must be dealt with accordingly.

A Potomac River Basin Commission should have general regional planning authority. This should not be viewed so much as the creation of an entirely new plan, but rather as an effort to coordinate and supplement Federal, State, and local planning efforts as they affect the water and related natural resources of the basin.

Such a commission should review and comment upon applications by State and local governments and private parties for Federal loans and grants as to their effect on the water and related natural resources of the basin. This would certainly include many programs administered by the Departments of Agriculture; Housing and Urban Development; Commerce; Health, Education, and Welfare; Interior; and Defense. It should also review Federal activities as they pertain to the Potomac.

Another important task that should be assigned to such a commission is the development of uniform water quality standards and the enforcement of uniform water pollution regulations for the entire Potomac and its tributaries. But more than regulations and enforcement are needed to protect the basin's water and related natural resources. The proposed Commission should have adequate authority to regulate both the withdrawal of water and the dumping of waste into the basin's rivers, streams, and underground water supplies by municipalities and industries.

The Commission should provide a formal arena for the resolution of differences and disputes that may arise between its members from time to time. It should control the construction of all reservoirs in the basin, appropriately proportioning the costs of financing them. In addition, it should regulate such factors as reservoir drawdown.

The Commission should also have responsibility for flood plain zoning. This is a power which few political jurisdictions in the basin are currently able to exercise. It is a power essential for the conservation of the Potomac River Basin's land and water resources.

The proposed Potomac River Basin Commission should derive its financial support from a variety of sources. Each member government should contribute to its operation on the basis of a negotiated formula. In addition, the Commission should be eligible for 701 planning funds, Land and Water Conservation Act funds, and funds from other appropriate Federal grant and loan programs. The Commission should have authority to sell bonds to assist in financing needed water supply and sewage systems within the basin. Serious consideration should also be given to the possibility of the Commission being given authority to levee water use and waste disposal fees on both public and private water companys and waste disposal operations. The funds thus collected could be the prime means of financing a comprehensive program of land and water resource conservation in the Potomac River Basin.

I believe that the most carefully prepared plans to create a model Potomac will fail to be realized unless an effective organization, adequately financed, is established.

Undoubtedly, there are many projects that can be successfully undertaken at the local or State level. I could cite many such programs currently underway. However, there is a continuing need for aggressive leadership and closer cooperation on basinwide problems. The sooner we begin to resolve these problems the less costly it will be for everyone concerned.

VISTA IN NEW YORK CITY

Mr. JAVITS. Mr. President, on May 25 Mayor John V. Lindsay asked VISTA, the domestic peace corps in the antipoverty program, to increase the numbers of volunteers in New York City. Mayor Lindsay's statement underlined the city's enormous needs and the valuable contributions being made by the 104 VISTA volunteers now working there, to help meet those needs. I join in commending these volunteers and in urging the Office of Economic Opportunity to increase their number in New York City.

I ask unanimous consent that the mayor's statement be inserted in the Record at this point in my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

> Mayor John V. Lindsay announced today that he will ask VISTA to increase substantially the number of Volunteers in Service To America in New York to bring a new and vital dimension to the city's fight against poverty.
>
> Mayor Lindsay made the announcement to a meeting of the 104 VISTA Volunteers already working in New York. The meeting was held at the Board of Estimate chamber at City Hall.
>
> He urged the Volunteers who are now working in New York to consider making the city their permanent home after their year of service is up. He said that he would welcome them as members of the city's own war on poverty.
>
> The Mayor said that the enthusiasm of his Administration for "the work of the VISTA Volunteers came from our personal involvement in the VISTA program in New York." He pointed out that Commissioners Ginsberg and Ramirez had personally helped to initiate the VISTA program in New York City and that he had received detailed requests for VISTA Volunteers from Commissioner Hoving and others of his staff, which he said indicated a "strong personal enthusiasm" for the VISTA program. He also stressed his strong desire to place more VISTA's in neighborhood-based programs where their talents and energy can best serve as a community-wide resource.
>
> "In your ability, your desire and your willingness to spend long hours with an individual or a family lies the true value of VISTA," Mayor Lindsay said. "For you are not there from 9 to 5 and gone into the night when you may be needed most. You have chosen to spend a year of your life 24 hours a day among the poor, living as they live, where they live. You have taken up residence among them, and by this simple and very important act you have crossed one of the highest barriers between those without hope for the future and those who would help them to find it."
>
> He stressed that "the problems of this city and its poor are tremendous. They are big problems that must be attacked in a big way. Therefore, based on the tremendous needs of this city and on the substantial record of achievement already written by those Volunteers now serving New York City, I am requesting that several hundred more VISTA Volunteers like you be assigned to New York City."
>
> Noting that 75 New Yorkers are working as VISTA Volunteers across the nation, Mayor Lindsay said: "New York needs more people with this kind of training and with the kind of commitment to service which it represents. In many ways, I find myself jealous of each and every Volunteer who comes from New York or is trained here and goes elsewhere in the nation. For New York needs each and every one of you and hundreds more besides."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FAIR PACKAGING AND LABELING ACT

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Senate will proceed to the consideration of S. 985 which the clerk will state by title.

The Legislative Clerk. A bill (S. 985) to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes.

The PRESIDING OFFICER. All time beginning now will, under the unanimous-consent agreement previously entered into, be under the equal control of the Senator from New Hampshire [Mr. Cotton], the sponsor of the amendment, and the Senator from Washington [Mr. Magnuson].

The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, I yield myself 20 minutes.

Mr. President, I think that the Record should show exactly what the amendment upon which the Senate will be called to vote upon at 4 o'clock provides. As a preface, I should like first for the Record to show what the amendment is not.

I read in some reports that the so-called Cotton amendment is labeled as a manuever to defeat the so-called truth in packaging bill. It certainly is not a maneuver to defeat the bill. Indeed, I think that I am justified in asserting that the purpose of the amendment and the effect of the amendment, should it be adopted, would be to insure the passage of the bill.

In the first place, it is my distinct impression, as a member of the Committee on Commerce, that that committee was practically unanimously in favor of the bill, with the exception of those provisions that would be stricken out by the amendment I have offered. If that impression be correct, it would mean that the bill as so amended would pass the Senate, probably without any determined or substantial opposition.

In the second place, while it is always impossible to predict and perhaps improper to speculate upon the attitude of the other body, it is my opinion that if this bill were passed with the provisions stricken out that would be stricken out by my amendment, its passage by the House of Representatives and its becoming law promptly would be insured.

So much for the suggestion that this is in any sense a maneuver either to delay or to defeat the bill.

It was asserted today in an editorial in the morning newspaper, which I hold in my hand, that my amendment would strike from the bill its qualities of truth in packaging, and would promote deception. Mr. President, it might be well at this point to consider for a moment what is in the bill, and what was in it when it came to the Committee on Commerce.

I should like to say first that in the years that I have served in the Senate, and in the years that I have served on the Committee on Commerce, I have rarely if ever seen a more constructive, careful or workmanlike job done on a piece of legislation by a committee than has been accomplished by the Committee on Commerce on this measure. The bill was gone over carefully, section by section and item by item. It was discussed in a spirit of cooperation. It was improved immeasurably.

In my opinion, this is a good bill. In my opinion it is a necessary bill. The Senator from New Hampshire is exceedingly desirous of voting for the bill. It has, in my opinion, one fatal flaw; and that is the flaw to which the amendment is directed.

When one speaks of truth in packaging, as a matter of fact the title of the bill—not intentionally, I am sure—since the bill has been revised and improved and refined, has itself become misleading and deceptive. The title of the bill reads: "To regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes."

Mr. President, when this bill came before the Committee on Commerce in its original form, it contained some provisions on clarity in labeling, but most of its provisions—and its important provisions—were to confer upon the Secretary of the Department of Health, Education, and Welfare and the Federal Trade Commission the power to regulate and to dictate, not only the size and number, but the shape and form of all packaging and bottling of commodities that we commonly refer to as consumer goods.

That authority has been removed from the bill by the Committee on Commerce, with the exception of the power to regulate the size and number or the weight, quantity and number of packages and of bottles.

Whatever the intent of its framers may have been, this bill was not pointed against deception; it was pointed against confusion. And in the early stages of the consideration of the bill, the thing that we heard about constantly was the confusion of the customer, in purchasing goods in the supermarkets and from the shelves of stores, by the many shapes and sizes of packages.

Mr. President, there is ample law at the present time—and let this be clearly understood—to deal with deception in either the advertising, the labeling, or the packaging of commodities. No additional law is necessary to deal with deception.

There is certain merit to this bill which is very real merit, and it lies in this fact. Under the present law either the Federal Trade Commission or the Food and Drug Administration, depending on whether there is involved food or medicines, or nonfoods, such as soaps detergents or paper products, may proceed against any manufacturer that in the opinion of either the Federal Trade Commission or the Food and Drug Administration is packaging or bottling his product in a manner which might deceive or tend to deceive the purchaser.

Now, there is involved some delay. There is some merit to conferring upon the Secretary of Health, Education, and Welfare and, indirectly, of course, the bureaus under him, the power to promulgate regulations to prevent certain practices because it does not then involve a long drawnout proceeding in the courts to prove a violation. There is some merit in that.

But the merit in that should be carefully guarded because when the Congress delegates its power in that manner, and there is conferred an arbitrary power on an official downtown to move in place of court procedure, it should always be done carefully, jealously, and in such a manner as to make sure that we are not making undue use of naked Federal power.

Generally speaking, the matter of deception is taken care of by present law. In the course of all consideration of this bill in the committee we sat at the table and proponents of the bill, as well as other members of the committee, brought in innumerable quantities of sample packaging and bottles of products and spread them out on the table before the committee.

This demonstrated that there are many sizes, and many containers. I noted carefully that there was not one single instance of any commodity, or any package, bottle, or container brought before the committee where the smaller package contained a larger quantity than the larger.

In other words, the idea which has been rather subtly promulgated that the housewife walks along the aisles in the supermarket and finds on the shelf a package that is big and a package that is small and the smaller package contains more quantity than the bigger package, was not once substantiated. There was shown to be only a multiplicity of packaging.

There was shown something else which was very impressive: The labeling as to quantity on packages in the markets was not clear.

I hold here—I will not mention the manufacturer of this commodity because it may constitute a plug, or perhaps a charge—two packages of the same commodity. It is floor wax. The smaller package contains 27 ounces. The larger one contains 46 ounces. But when I try to find out exactly the quantities, I look at the smaller one and I find on the front of it, at the bottom, "1 pint, 11 ounces." Then, I look at the larger one and there is nothing that indicates the contents on the principal panel, but I turn it around and look at the back and I find at the bottom of the back of the receptacle "1 quart and 14 fluid ounces."

I believe that the proponents of the proposed bill are justified and I am in accord with them that the housewife is at a disadvantage when she walks down the aisle of a supermarket perhaps with a squalling child in one hand, leading another, and pushing a cart with the other hand, while her husband is outside the door in an automobile blowing the horn for her to hurry up. She is confronted with quite a proposition when she has to hunt from one side to the other of these packages, and then when she has to compute a pint and 11 ounces as against a quart and 14 fluid ounces.

So I offered an amendment to the proposed bill to strengthen it in the spot where it is most important, in my opinion: That the proposed bill provide that upon the principal panel of every package and every bottle in the stores there shall appear in the same spot—and that would be parallel to the bottom in large and conspicuous letters; and the Secretary is given the power to prescribe the size and the color of the lettering—the exact amount and quantity in every package. It further provides that this information shall be phrased, except where it is an even pound or an even quart in commodities such as butter or milk sold in those quantities only, so that it appears in ounces.

I doubt if there is a housewife or anybody else, regardless of how many packages there are on the shelf, that, if given the opportunity at a glance to see how many ounces there are in this package, and how many ounces there are in that package, who cannot satisfactory compare between 27 and 46 ounces, or between 14 and 18 ounces, or between 10 and 11 ounces. Therefore, it would be in ounces, in the same measurement, in the same spot, and there could be no other information in that particular line. There could be no qualifying words. There could be no such language as 14 "good" ounces, or 14 "red" ounces, or 14 "effective" ounces. It would have to be exactly the measurement that is in the bill. That provision was strengthened, by the proposals I offered in the committee.

Let us see what else the bill provides. In most cases, the provisions were strengthened. The Secretary, under the bill, is given power and authority to establish and define standards for designating the relative size of packages, such as "small," "medium," and "large." He is given power over the use of words to designate the number of servings. Frequently we read on packages that there are so many "servings." Perhaps a serving for me might have to be larger than a serving for my distinguished friends across the aisle, or vice versa. Usually Republicans get small servings and Democrats large servings. But "serving" is not necessarily an accurate, definitive term.

The **PRESIDING OFFICER.** The time yielded to himself by the Senator from New Hampshire has expired.

Mr. COTTON. I yield myself an additional 10 minutes.

So, Mr. President, the bill vests in the Secretary of Health, Education, and Welfare complete power. He may forbid, he may eliminate, the use, even, of "small," "medium," and "large"; or he may permit them if he believes their use is clear and is not misleading or confusing. He may establish rules as to whether a package shall or shall not use the word "serving."

Furthermore, he is given complete power to regulate printed label representations to the effect that commodities are being offered, in retail sales, at cents off the regular price—in other words, "cents off" promotions. When one sees an attractive package which states "Trial package; 10 cents off," the question arises, 10 cents off what? Under the law at present, of course, the producer or wholesaler cannot dictate or establish the price that a retailer shall charge.

So that the Secretary, if he thinks that "cents off" labels are deceptive, or make it more difficult for the housewife to compare prices, he can forbid them, he can regulate them. He will have that power under the bill which has been reported. He also would have the power to require disclosure on labels of relevant ingredient information—that is, he may prescribe rules so that ingredients labeling necessary to facilitate price comparisons may be required, within certain limits.

Now all of those provisions are in this bill and some of them were greatly strengthened by the committee. I support them and I think the vast majority, if not all, of the committee also support.

Now we come to the further question. The bill in its original form would have empowered the Secretary of Commerce to dictate to the manufacturer the size and shape of his packages or bottles, and even the pictures that would appear on the labels.

The committee did not accept that. The committee did not accept it because it appeared to be the opinion of the majority that it was unnecessary, that in the course of selling merchandise, the manufacturer of the merchandise has the right—so long as he does not indulge in deception, and if he does he is already violating the law—to design the shape and appearances of the packages which enclose his product. The majority of the committee agreed on that.

Thus, that provision was modified. In place of it, the bill contains a section which would give the Secretary of Health, Education, and Welfare full power to say to any manufacturer just what quantities or weights he can put out, and just how many sizes.

The Secretary of Commerce can say to the manufacturer—for example, of this floor wax which I hold in my hand—that it shall be put out in pint and quart sizes, and that is all they can put out, they cannot even put out a half-gallon size if they wish to do so; they cannot even put out a 4-ounce size.

No matter how clearly on his label the manufacturer has indicated the size, the Secretary would have the power to say that Company A, Company B, and Company C making the same product must put out their product in exactly the same sizes and in the same quantities. That means standardization, because, by and large, if the manufacturer is restricted on the matter of size, he would lose one element in his ability to make a distinctive packaging of his product.

Let us see what that would do to the consumer. This bill is supposed to be, should be, and is, with the exception of this provision, a consumers bill. What would it do to the consumer?

The argument advanced all the time is that the Secretary will be reasonable, that he will not exercise this power except in rare instances and then only on extreme occasions; that he will be most obliging and accommodating and cooperative. No doubt he would be.

However, if my 20 years of service in Congress has taught me one thing, it has taught me more than anything else not to place arbitrary power in the hands of an individual official of this Government on the assumption that he and his successors will use that power wisely, discreetly, carefully, and considerately.

What would happen, suppose the Secretary said to several large manufacturers, "You must put your commodity out in pints and quarts, or half pounds and pounds only."

Well, we had testimony before the committee that the new machinery and equipment necessary to make the change, as if the manufacturer who puts out 27-ounce and 46-ounce bottles of floor wax were told that he had to put out a pint and a quart size, would cost, in many instances, more than $1 million—possibly as much as $2.5 million, according to the evidence—in new equipment.

Who would pay for that new equipment?

There is not a Member of the Senate who is so naive as to believe that the manufacturers will pay for it and take the loss.

Of course, the consumer will have to pay for it. Every additional dollar that the manufacturer has to pay to change his equipment, to change his machinery, to change his style of packaging, will be reflected in higher prices to the consumer. That is no favor to the housewife.

Next, what would it do to the new, small operator who is entering the business?

We hear a great deal about how we should take care of the small fellow. We hear a great deal about the dangers of having all the business in any particular commodity or line vested in two or three big companies. The small fellow that wants to get his product on the market, if he is compelled to put that product out in exactly the same size and the same amount—and he could not vary his size greatly.

The **PRESIDING OFFICER.** The time of the Senator from New Hampshire has expired.

Mr. COTTON. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The **PRESIDING OFFICER.** Without objection, the Senator from New Hampshire is recognized for 5 additional minutes.

Mr. COTTON. A half a pound is half a pound, and if it is put out in a package that looks like a pound, and it has a lot of empty space in it, then the manufacturer is already in violation of the law, which provides against deception. A large package with a small amount in it is deception, and could properly be found to be deception and moved against.

It is the new manufacturer who is trying to break into the field who is going to be put under a handicap. The provision is not going to hurt the big corporations. It will hurt the new fellow who is trying to break in.

So, in the first place, this provision can be costly to the consumer. I do not say it will be. It depends on the good grace of the Secretary. It can militate to the advantage of those large establishments that are already well entrenched in business and that have gotten their trade names known, because the provision will prevent someone else from coming along and using imagination, initiative, and ingenuity in presenting a product in a new and different size, attractively packaged, to try to get his share of the consumers in the market.

So, to the consumers and small business, this provision is bad. And it adds very little to the bill, because—and as I close this statement I want to return to where I started—what was needed, and what is needed, in the form of legislation by the Congress, is not truth in packaging. What is needed is clarity in labeling.

I am inclined to doubt that the consumers are as confused as has been asserted. Of course, that word was dropped as the committee went into the consideration of the bill, and it developed a new phrase—the consumer's impaired ability to make price per unit comparisons.

That is ridiculous, because it is the retailer who establishes the prices, who bunches so many packages for so much. So the bill can hardly accomplish that purpose. But the purpose was to avoid confusion, so it was said. Confusion was what was talked about.

At the present time, according to statistics, a comprehensive study of the buying habits in supermarkets showed that the average shopper sweeps past the 8,000 products found in the store and buys 32 items in 15 to 18 minutes.

That hardly indicates that the housewife is an imposed upon, naive, unskilled creature.

Furthermore, the housewife has a weapon. Once she makes a purchase and finds that that package is not satisfactory, that it does not contain what she thought it should contain, and was not the size she thought it should be, she never buys it again. Any manufacturer in business and in competition knows that fact, and is influenced by it.

The pending bill, with this provision, will stifle competition. Anything that stifles competition, no matter how it is spelled, no matter whether one says pound or anything else, no matter how one prints it, is harmful to the consumer.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. I yield myself 2 additional minutes.

It is competition that keeps the price down. It is competition in the winning of the confidence of the consumer that people do business on.

So there is presented a bill that is 90 percent good. It has provisions against practices, like the use of words such as "family size," "economy size," "giant size," "long pound," and other such labels. It has provisions to make sure the commodity on the shelf is clearly labeled, prominently, where it can be seen very easily and quickly, and its contents ascertained. Then to add to such a bill a provision vesting arbitrary power in the Secretary to standardize the packaging is not only unnecessary, but in the opinion of the Senator from New Hampshire, is exceedingly harmful.

Without that provision, it is a good bill. With it, it has that fatal flaw.

Mr. President, I reserve the remainder of my time.

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the Senator from Nevada [Mr. CANNON].

Mr. CANNON. Mr. President, the minority of the Commerce Committee has objected strongly to sections 5 (d), (e), (f), and (g) of the fair packaging and labeling bill. In the committee report, it argues that the discretionary powers of the Federal Government to regulate the weights and quantities of consumer commodities can be arbitrarily invoked against "the law-abiding, conscientious producer."

That argument is made not only in the minority views contained in the report; it has been made also by the Senator from New Hampshire here on the Senate floor.

The minority attempts to prove its premise by showing how a company that produces potato chips in a 12-ounce package could be forced out of business if the bill were administered in its present form.

I would like to discuss the minority views paragraph by paragraph so that my colleagues may see how the destructive consequences predicted by Senator COTTON and the minority could not possibly materialize under the reasonable legislation reported by the Commerce Committee.

The minority argument begins as follows, and I read from page 40 of the report:

> One example will illustrate the baleful potential. We have carefully chosen as reasonable and realistic an example as we could. Company A produces potato chips. It has a good product. It is reasonably priced. It is honestly and fairly marketed. Its big seller is a 12-ounce package, a size chosen after unhappy experiences with other sizes, and on the basis of extensive research in its marketing area. The package has found a good market. It has loyal customers. Many prefer it because they like the 12-ounce size. It provides enough so the housewife is not always running out, but not so much they get stale.

Obviously, no disagreement could be registered with a company for producing a package size that suits the consumer's convenience, particularly when the label clearly designates 12 ounces.

But let me return to the minority argument:

> Now comes a Federal agency, in this case the Food and Drug Administration, intent on rescuing the American housewife from a sea of confusion. It "determines," under section 5(d), that potato chips are being marketed by all producers in so many different sizes that they "are likely to impair the ability of consumers to make price per unit comparisons."

This reasoning is fallacious because subsection 5(d) does not allow a Federal agency to arbitrarily determine that many sizes of potato-chip packages "are likely to impair the ability of consumers to make price-per-unit comparisons." Before the promulgating authority—the Department of Health, Education, and Welfare—the Food and Drug Administration—or the Federal Trade Commission—can articulate any judgment at all; it is required by subsections 5 (c) and (d) to ascertain after hearings that deception or the confusion of the consumer actually exists. Only after such a determination can the Department of Health, Education, and Welfare or the Federal Trade Commission even publish this determination in the Federal Register. And, then, producers and distributors may participate with consumers in the development of voluntary product standards.

Moreover, it is not likely that a 12-ounce package could be considered confusing. Subsection 5(g) requires that due regard be given by the promulgating authority to: First, the probable effect of the availability of any product in a reasonable range of package sizes to serve the consumer's convenience; and second, the weights and measures customarily used in the packaging of the affected product. If potato chips, at the time of such a ruling, were still marketed in 71 different quantities under 3½ pounds—as they have been recently—the 12-ounce package could be singled out as a model of reasonableness for the entire potato-chip industry. The companies marketing potato chips in 2¼ or 4⅝ ounces would be the target of Federal regulation, because such sizes are unreasonable—unreasonable because they involve many complicated calculations before the consumer can make price comparisons.

The minority views continue:

> Thus, it invokes the procedures of section 5 (e), (f), and (g). The "voluntary" nature of some of these procedures—the product standard procedures of the Department of Commerce—is illusory for they can be readily converted into mandatory Federal regulations.

Again, it should be noted that the 12-ounce potato-chip package could hardly be considered, by reasonable standards, to impair the consumer's ability to make price comparisons. However, for purposes of illustration, let us assume that the promulgating authority did invoke subsections 5 (e), (f), and (g) after determining the likelihood of the consumer's inability to make a rational price comparison of potato-chip packages.

In contrast to the minority misrepresentations, the product standards procedure cannot be readily converted into mandatory Federal regulations because of the safeguards contained in the procedure defined by the Secretary of Commerce. In this procedure, the commodity industry affected by the promulgation of any regulation may request the Secretary of Commerce to establish a Standard Review Committee consisting of "adequate manufacturer, distributor, and consumer representation." The committee is then given from 12 to 18 months to approve a product standard by a three-fourths vote.

The distinguished Senator from New Hampshire stated last Thursday that a one-third consumer representation could readily be chosen by the Secretary of Commerce from consumers predisposed toward mandatory Federal standards. He declared that such a representation could defeat the voluntary standard and thus encourage the Federal Government to impose an arbitrary, mandatory standard.

May I suggest to the distinguished Senator that the same voting power is invested in manufacturers and distributors—and that the composition of the Standard Review Committee thus contins built-in checks and balances?

Just as the manufacturers on the committee will have the incentive to originate voluntary standards in order to avoid the imposition of mandatory standards, so will the consumers have the incentive to agree to the voluntary standards in order to avoid waiting for lengthy delays in the promulgation of mandatory standards. Moreover, the retailers—who are virtually unopposed to this bill—will also have the incentive to agree to voluntary standards in order to avoid any further inconvenience in shelving the multitude of odd sizes and shapes of packages about which they now complain.

Does the Senator from New Hampshire honestly believe that the reasonable men and women on the committee—men and women of good will acting in good faith—cannot come together to discuss problems of mutual concern without respecting mutual needs?

It appears to me that the Senator's statement repudiates the best of American tradition in representative government. Since the inception of our Nation, Americans have been working together to explore and preserve differing viewpoints, with the purpose of achieving an equitable solution to mutual problems. Certainly, the Standard Review Committee in this legislation is an extension of that noble and time-tested principle.

Let me remind the Senator that the vote of the committee, important as it is, nevertheless is not the terminal step in the voluntary standards procedure. Once a standard is voted from the committee, it is distributed to producers, retailers, consumers, testing laboratories, and relevant State and Federal agencies. To become effective, this standard must be supported by a consensus—defined as general concurrence, with no substantive objection deemed valid by the Department of Commerce. And, even then, the standard is subject to revision and withdrawal.

The only occasions justifying the imposition of mandatory standards by the Federal Government are the following:

First, should there be a failure by the Standard Review Committee after 18 months to determine any voluntary product standard; second, should industry fail to arrive at a consensus; and third, should industry fail to comply with the standard.

Even if the third occasion transpired neither the Department of Health, Education, and Welfare nor the Federal Trade Commission could immediately promulgate mandatory standards. The only immediate action that the Government could take is to initiate a proceeding for the establishment of mandatory standards. Furthermore, such a mandatory standard could not vary in substance from the voluntary standard. As the distinguished Senator from Michigan pointed out last Thursday, layer upon layer of procedural safeguards are built into the process of establishing voluntary standards. Clearly, the purpose of such scrupulous care is to prevent the arbitrary imposition of standards by the Federal Government.

I read again from the minority views:

> The clearly possible result of the agency's efforts could be a regulation requiring potato chips to be packaged in 4-, 8-, 16-, and 24-ounce sizes—and in no other sizes. The 12-ounce package would then be banned.

This portion of the minority argument fails to recognize that the promulgating agency is required by subsection 5(g) to give due regard to the probable effect of the cost of packaging, the availability of a reasonable range of product sizes, the material used in packaging the affected product, the weights and measures customarily used in the packaging of the affected product, and the competition resulting from containers made of different types of packaging material.

If the promulgating authority could not show that it had judiciously considered every one of these factors and had based its judgment on abuses that actually exist, any regulation that it might issue could be challenged in the courts and invalidated.

The consumer is especially protected by the requirement that the promulgating authority take into consideration the availability of any product in a reasonable range of package sizes to serve consumer convenience.

If a consumer demand for the 12-ounce package is established—and, according to the minority, that demand has already been established because that was the reason for the particular manufacturer in the example cited going to that size—the 12-ounce package would undoubtedly be considered reasonable, and any ruling to the contrary could be subject to the charge of being arbitrary.

Still another related safeguard occurs in subsection 5(f), which permits the use of any package of particular dimensions or capacity customarily used for the distribution of related commodities of varying densities, such as baby food. This same subsection also permits the continued use of returnable or reusable bottles in use when this legislation becomes effective.

I continue to read from the minority views:

> In this "voluntary" way, company A would have to discontinue its successful 12-ounce package and switch to an 8- or 16-ounce package. It would have to convert its packaging line and machinery to the new sizes—at an appreciable cost (one witness testified that a new packaging line could cost up to $400,000).

And, according to the statement of the distinguished Senator a few moments ago, this cost could run as high as $2.5 million.

I continue to read from the minority views:

> And the cost inevitably would be reflected, in some measures in the price of the product.

Aside from the remote possibility that the hypothetical potato-chip company would have to discontinue its 12-ounce package, this argument is weak because the regulating agency is required by subsection 5(g) to consider the cost of packaging the products affected.

Surely, it is only fair to assume that this legislation will be interpreted and administered by reasonable men who will understand the problems of both the manufacturer and the consumer. It therefore seems extremely unreasonable for the minority to throw up a smokescreen by suggesting that the interpretation and administration of this bill will imperil the existence of manufacturers.

Moreover, the minority's prediction of prohibitive manufacturing costs is an intangible guess, not documented evidence. As demonstrated in committee testimony by a survey made by the Consumers' Cooperative of Berkeley, Calif., within 1 month changes were made in the packaging of eight different brands of cereal by several manufacturers. Manufacturers simply do not make changes of this kind if they entail prohibitive costs; they make them to enhance the competitive value of their products in the marketplace. And they often make these changes economically because their packaging equipment is adjustable.

However, even if equipment conversion should involve expense, I want to emphasize that this bill allows manufacturers to work out accommodations to use up their existing stocks of packages before they change to meet new standards.

I refer again to the minority views, which read as follows:

> Furthermore, the firm would now have to compete against the 8- and 16-ounce packages of other producers who have been building markets and customer loyalty at these weights for years. Thus, it must seek sales on terms chosen by its competitors, but with the added handicap of higher costs and higher prices imposed by Federal regulation. It is not hard to foresee that company A could be severely, if not fatally, damaged, through no fault of its owners, managers, or employees. This is the potential harm which the language of the bill can inflict on producers in many fields.

It seems to me that this argument sells short our competitive system, because healthy and honest competition does motivate manufacturers to improve their products. To capture the consumer's attention, the manufacturer uses labeling and package design to express the difference of his product from those of his competitors. If one manufacturer uses a distinctive package or label, his competitors tend to imitate his innovation.

However, many manufacturers are attempting to avoid price competition through an excessive degree of product differentiation: by placing commodities in odd-size packages, these manufacturers make it so difficult for the consumer to compare prices, that the consumer is forced to choose the commodity on the basis of brand names or other factors, not value. It is these manufacturers, as shown by the committee testimony of the Commissioner of Food and Drugs and the Chairman of the Federal Trade Commission, who can force honest competitors to adopt unethical packaging practices to remain in business.

This bill will close the loopholes that permit this kind of negative competition. In doing so, this bill will thus promote positive competition by simultaneously applying regulations—with a minimum of Government control—on an industry-wide basis, so that no particular industry will be at a competitive disadvantage.

The packaging of liquor in pints, fifths, and quarts neither stifles imaginative packaging, nor forces manufacturers out of business. At least, it has not done so up to this time. It therefore seems hardly reasonable to assume, as does the minority, that potato-chip manufacturers will be "severely, if not fatally, damaged" by this section of the bill.

I refer again to the minority views, which read as follows:

> The consumer who preferred the 12-ounce package of potato chips—because it contained the right amount, or because the package fit conveniently on her kitchen shelf, or for whatever rational or irrational

> reason—is out in the cold. She must forgo her desires. She must accept the size her Government thinks is best.

Once more, there is little doubt that the homemaker would be delighted to see a plain and unqualified size designation of 12 ounces—as opposed to 2¼ ounces or 4⅚ ounces. If consumer demand is established, 12 ounces would not be unreasonable, deceptive, or confusing. Nor would it be the size deemed arbitrarily best by the Federal Government.

The purpose of this legislation is not to decide for the homemaker what she can buy. It is to enlarge her opportunity to make a meaningful free choice—and informed choice. Twenty years ago, the homemaker had only 1,500 promotionally designed packages competing for her dollar; now she is confronted with over 8,000, including potato-chip packages of deceptive and confusing fractional ounces. With this legislation, the homemaker will be provided with the opportunity to make quick, accurate price comparisons on the basis of clear, precise quantitative designations. Not until quantitative common denominators are available to the homemaker can she have the freedom to make qualitative comparisons.

I refer again to the minority views, which read as follows:

> These provisions of the bill are a fuzzy, foolish, and futile attempt to help the housewife, who does not need the Government to decide for her what size packages she can buy.
>
> It is an approach that regards our people, particularly the housewife-consumer, as childlike and helpless; so confused that she requires the benevolent but firm guidance of a wise government in Washington. This approach is demeaning, and in relation to business, morbid. We reject it wholly.

The naivete of the minority position can be illustrated by a recent study conducted by Monroe Friedman, professor of psychology at Eastern Michigan University. In this study, 33 young, university-educated Michigan homemakers were instructed to select the lowest priced package of 20 supermarket products—ranging from canned peaches to toothpaste.

To select each product, the shopper was allowed from 1 to 4 minutes, depending upon the number of packages in that product category. She took, on the average, 2.35 minutes—3 times as much as the average shopper spends in reaching her decisions. Three times as much, Mr. President.

According to Professor Friedman, these young women, because of their "considerable education" and their "strong interest in economy," performed more effectively than the average supermarket shopper.

Yet these young homemakers made mistakes in 43 percent of their 660 decisions. And they spent 9 percent more than if they had been able to select the lowest priced package.

I wish to point out to the minority that these mistakes did not occur because the 33 young homemakers—volunteers from the American Association of University Women—were "childlike, helpless, and confused," as defined in the minority report. These mistakes occurred because the volunteers encountered fractional and awkward weight quantities that virtually defied rational price comparisons.

None of the 33 chose the lowest priced detergent. Only one chose the lowest priced bleach. Only three selected the lowest priced paper towels. And only six chose the lowest priced cola. On the other hand, none of the 33 made errors in selecting granulated sugar or solid vegetable shortening. Why? Because sugar is sold in 1-, 5-, and 10-pound packages. And shortening comes in standard 1- and 3-pound cans.

As the distinguished Senator from Michigan stated last Thursday, packaging that deceptively disguises diminished contents is actually inflationary. If these young homemakers were to consistently spend for one year on these 20 items alone the 9 percent extra that they spent in this survey, their mistakes would cost them about $11 per year.

What does this mean in terms of the American economy? The average American family spent $1,500 per year in supermarkets, 60 percent of which is spent for packaged products similar to the 20 items covered in Friedman's survey. On the basis of these 33 young, well-educated, homemakers, the average American family, then, wastes about $81 per year, and the Nation as a whole wastes $4½ billion per year because of packaging confusion and deception. Therefore, if the American homemaker can be given the opportunity to determine product value more effectively so that she can save that 9 percent, we will have provided our economy with a powerful anti-inflationary weapon.

Mr. President, the reasonable manufacturer has nothing to fear from the fair packaging and labeling bill. He realizes that his best advertisement is a package clearly and accurately labeled. But the American housewife has reason to fear the Cotton amendment, which would vitiate the intent of this legislation.

If the minority is not interested in protecting the American homemaker from deception and confusion, let it vote for the Cotton amendment. If the minority is not interested in averting inflationary trends, let it vote for the Cotton amendment.

But if the minority wishes to assist the American homemaker and the American economy, let it join with the majority who believe, with the President, that the consumer's interest is the American interest.

I thank the distinguished Senator from Washington for yielding to me.

Mr. COTTON. Mr. President, I yield as much time as he may require to the distinguished Senator from Kentucky.

Mr. MORTON. Mr. President, I have followed with great interest the remarks of my distinguished colleague on the committee, the Senator from Nevada. I signed the minority report, and I stand behind it. I wish to make one point abundantly clear: We want clarification in labeling. There is no objection to that whatsoever. It is a question of how we are to achieve that beneficial result.

Mr. President, the full philosophy of this bill, the whole basis of it, is that the American housewife is dumb, that she does not know what she is doing, that she goes into a grocery store and she is confused.

I was in the grocery products business for a good many years, and I think the housewife is about the smartest buyer in the United States, or in the world, for that matter. I do not think you fool her. I think you can sell her one time a package of soap flakes or something else that is half full; but you will not fool her twice.

With the costs of advertising, the costs of merchandising, the costs of introducing new products, nobody wishes to make just that first sale in the grocery store. Perhaps with an automobile or something else the situation is different; but in a grocery store, you have got to get repeat business. You have to sell the item 10 or 12 times to the same customer before you get your original nickel back after the costs of research, promotion, and development of the particular product. And you are not going to do it by fooling the American housewife, because she is not that easily fooled.

We have heard a great deal about potato chips, and about the fact that a 4¾ ounce package is confusing, or a 5.6 ounce package is confusing.

Some people like thin potato chips, others like them a bit thicker. Most people want a package they can conveniently put on a pantry shelf or in a cupboard of some kind; and they are interested in the quality and texture of the potato chip, and some just want a 29-cent package—not whether the package contains 4.5 ounces or 6.4 ounces. They know what they want, and they buy accordingly.

We had a whole chamber of horrors during the committee hearings on this bill. We brought in all kinds of packages, and had them there on the table in the committee. One example that I remember was floor wax. We had one container that said 1 pint, 10 ounces; another container said 1 quart, 12 ounces. Actually, the 1-quart, 12-ounce package cost more per ounce than the smaller package.

This was not the manufacturer's business. I went to the trouble of finding out, and I saw a copy of the invoices, which proved that the larger size was cheaper per ounce when it left the control of the manufacturer. But by the time it got through the wholesale and retail distribution system, by the time it reached the consumer, it had been marked up in such a way that the larger package was more expensive per ounce.

Here we are dealing with a bill that has nothing to do with that situation. It puts it back on the manufacturer, who has no control over the retail selling price.

I asked this manufacturer, "Why in the world are you trying to confuse the people? Why do you designate your sizes as 1 pint-10 ounces, or 1 quart-12 ounces? Why do you not just put the number of ounces on there, so that anybody can understand it?" I will admit that any housewife could be confused in having to translate from pints and quarts back to ounces.

I was told, "We do not want to do this. We do it because the Federal Government requires us to do it."

"Who?"

"The Food and Drug Administration." The people who would be granted the authority, under this bill, to further confuse the American public.

If this is the way you want to do it, all right. Give them more power. They have the situation so confused now because of their crazy regulations, just give them that much more power. That is what this bill would do.

The amendment that has been suggested by the minority leader on the committee, the distinguished Senator from New Hampshire, solves much of this difficulty. I think it is a good amendment. I think it will help to give us a bill that clarifies, not just to the American housewife, but to these bureaucrats downtown—who are today issuing these confusing regulations—just what we want done. And once we clarify that, I think there will be no problem at the marketplace.

Many centuries ago, a fellow in Rome—I think his name was Juvenal—wrote a line, "De gustibus non est disputandum." And this saying applies, really, at the marketplace today. Most people buy things because they want them, not because they are contained in a certain kind of package with a certain conformity to it.

The point has been raised that today in a supermarket you have literally tens of thousands of items, where 20 or 30 years ago we had 1,500, and 40 years ago we probably had 40 items.

Why is this? It is because the American housewife wants it and is demanding it. The drudgery that used to take place in the kitchen 50 years ago has been transplanted today and has moved into the processing plants of America.

I can remember as a child that we had flour in 196-pound wooden barrels. We lived in the country. Today if flour were sold like that it would take a piano mover to move the flour.

I looked in my kitchen the other night and I found a package about the size of a saltshaker with flour in it. This was unheard of 50 years ago.

Are we going to have uniformity in this industry or are we going to have some bureaucrat, who is confusing the housewife today by regulations, given the authority to say that a product must be in a package of 7 ounces or in a package of 14 ounces, and take away from the housewife this choice?

I think that is absurd. I think that great progress has been made in the food field, and in the distribution of food products and grocery products, and it is because of the demands by the intelligent American housewife to have the services rendered by her that she, her mother, or her grandmother had to perform in a hot, unairconditioned kitchen.

I remember, for example, that we used to sell a product in our company in New Orleans for 10 cents. It was a small package of self-rising flour. It was sold for 10 cents. We had to sell it at about 90 cents a dozen to the trade to make it a 10-cent seller. The prices of wheat changed, and the cost for packaging materials changed, as well as other costs, so the weight varied. But we made it a 10-cent seller. That is what the housewife wanted. She wanted a 10-cent item and we kept it as a 10-cent seller.

In other words, it might be sold sometimes as a pound and sometimes as a pound and a half, but it was a dime, whether we had a good wheat crop in Illinois or not. Now, it is going to be made 9 cents 1 year, and 11 cents the next year. The housewife wanted a 10-cent seller. We did not like changing our produce line in accordance with the fluctuations in the price of wheat. But we knew the housewife of New Orleans wanted a 10-cent seller and we gave them a 10-cent item.

I think that if we are going to let some bureaucraft who probably has never been in a kitchen, much less a grocery store, decide what every package is going to be and how it is going to conform, we will be putting a terrible weight on the free enterprise and initiative that has built this business.

Some people talk about the food industry as an industry of four or five people. The grocery products industry, those who sell to the grocery store, is the most diversified industry in the Nation today by far. In one segment only is there concentration: breakfast cereals and breakfast foods. Eighty percent of the business is in the hands of five companies. But beyond that one narrow field it is highly diversified and much more so than automobiles or steel or any other of our great industries. If they are to be put under the control and regulation—arbitrary regulation—of those who today are making the rules, rules that confuse, I cannot see that we are accomplishing anything.

As a matter of fact, in this particular area we have in this Nation the best bargain in the world: the grocery store. We talk about India, and we talk about countries with a per capita income of $80, $100, $120. However, they pay more for their food per unit than we do, and we are the richest Nation on earth. Why is that so? Because we have this intensely competitive system, and with this absolute freedom of choice by the one who makes the price, the housewife, who goes into the grocery store. She may get fooled once or twice, but she does not get fooled very often. The fact that she gets fooled means that she does not come back and buy there again. Any manufacturer or any processor of food products or grocery products knows that he must have repeat business, followup business, in order to not only meet his payroll but to pay such dividends as necessary to stay in business.

I hate to see us give to theoretical economists the complete yea and nay over this great industry.

Much has been said about the fact that the industry itself would have to come along and say, "Oh, yes, we approve of this standard." As the Senator from New Hampshire [Mr. COTTON] stated so well, a new fellow coming into the business could be frozen out because of those on the committee who would require certain standards and certain packages. This could stop the incentive to build a better mousetrap. That is really what we have grown on: the idea that I have a better product than you have, I can go out and tell the world about it, the people buy it and like it, and therefore I am giving people work. This is what has made our food industry so great in this country.

Finally, the pending bill does not touch the retailer or wholesaler. No matter what they are, the prices of these articles are set by the retailer, influenced by the wholesaler and, of course, by the manufacturer. But he loses control of it long before it ever gets to the housewife.

If we want to go to the heart of this problem and see that Mrs. America always gets the best for her nickel, let us apply something to the retail level and the wholesale level. There is a danger in this bill that it is a step toward national Federal grading, quantitative as well as qualitative.

We have an interesting example in the case of applesauce. The Federal Government for some reason decided to grade applesauce. They have No. 1, No. 2, and No. 3 applesauce. The armed services have to buy No. 1 applesauce. The soldiers and sailors do not like it but they must eat No. 1 applesauce. They prefer No. 3 applesauce. That does not affect the downtown boys, the bureaucrats, who want to be sure that they eat No. 1 applesauce.

We are getting into the same thing here. I can remember during World War II I was out in the Pacific. The ship I then commanded went in to pick up some supplies and we picked up a roll of lamb from Australia. The lads on the ship did not like lamb. I happen to like it. They preferred pork or beef. I had to put a quartermaster on duty to keep them from throwing the lamb overboard. It was the only thing we could give them or they would not have had anything to eat.

We are not going to change the tastes of the people. When you straitjacket an industry that has done more than any other industry to lower the prices of food to the consumer, with some bureaucratic mish-mash, such as is in this bill today, I do not think that we are rendering a service to the American housewife. I know they want to serve her interests. I wish them well but I happen to disagree with them.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. The Senator from Ohio [Mr. LAUSCHE] wishes to present an amendment. I yield such time as he needs.

Mr. LAUSCHE. Mr. President. I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER (Mr. INOUYE in the chair). Is the amendment an amendment to the Cotton amendment?

Mr. LAUSCHE. It is not.

The PRESIDING OFFICER. The amendment of the Senator from Ohio is not then in order at this time.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Senator from Ohio——

Mr. COTTON. Mr. President, reserving the right to object, how much time will be consumed in the consideration of the amendment of the Senator from Ohio?

Mr. MAGNUSON. It will be on my time.

Mr. COTTON. Very well.

Mr. MAGNUSON. Mr. President, I now yield to the Senator from Ohio from the time under my control as much time as he may need. He may discuss his amendment; and after the amendment of the Senator from New Hampshire [Mr. COTTON] has been disposed of, one way or the other, the Senator from Ohio may present his amendment.

Mr. LAUSCHE. Mr. President, section 5(c)(4) provides that regulations promulgated thereunder must be consistent with requirements imposed by or pursuant to the Federal Food, Drug, and Cosmetic Act, as amended.

It is important that that language be clarified so that it will be clear that section 5(c)(4) will in no way change or supersede the rules and procedures for the listing of the ingredients and the composition of a food for which there is a definition or a standard of identity prescribed by the Federal Food, Drug, and Cosmetic Act.

Should subsection 5(c)(4) of which I have been speaking be interpreted otherwise, the intent of the protection insured to consumers by section 401 of the Food, Drug, and Cosmetic Act would be defeated.

My amendment merely contemplates making it clear that the provisions of the Food, Drug, and Cosmetic Act dealing with the subject shall not in any manner be changed by this act.

The amendment does nothing more than clarify what is the purpose of the pending bill.

Inasmuch as the declared purpose of the Fair Packaging and Labeling Act is to protect consumers from unfair or deceptive methods of packaging or labeling of consumer commodities, it is vitally important that interests of consumers be not hindered, but benefited by the provisions of S. 985. The Fair Packaging and Labeling Act will supplement a host of existing congressional enactments which safeguard the health and welfare of American consumers, and, consequently, great care must be taken to insure that the provisions of S. 985 are not detrimental to existing Federal regulations which benefit consumers.

In this respect, questions have been raised regarding subsection 5(c)(4) which authorizes the Secretary of Health, Education, and Welfare to require that information with respect to the ingredients and composition of any consumer commodity be placed on the package containing that commodity. According to the committee report on S. 985 (S. Rept. 1186), the committee, in suggesting this subsection, "is primarily concerned with the ability of consumers to make price comparisons among competing products with varying proportions of active or costly ingredients." The report further states that—

> Regulations promulgated under this section must be consistent with the requirements of the Federal Food, Drug, and Cosmetic Act and may not require the disclosure of information concerning proprietary trade secrets.

It must be made clear that the problem sought to be corrected by subsection 5(c)(4) has, for some foods, been corrected by Congress under section 401 of the Federal Food, Drug, and Cosmetic Act and other acts of Congress. Under section 401 regulations may be promulgated by the Secretary of Health, Education, and Welfare to establish for any food a definition or standard of identity with the objective of promoting honesty and fair dealing in the interest of consumers. Similar definitions have been prescribed by statute. In prescribing such a defintion or standard of identity, optional ingredients may be permitted by the Secretary, which, if used, must be named on the label.

It was the intent of Congress in enacting section 401 of the act as well as other statutes which establish definitions for certain foods, to protect consumers from the evil of economic adulteration by which less expensive ingredients were substituted, or the proportion of more expensive ingredients diminished, so as to make the product, although not in itself deleterious, inferior to that which the consumer expected to receive.

It is this same objective which lies behind subsection 5(c)(4) of the Fair Packaging Act. However, the remedy chosen by the Congress in the case of the Food, Drug, and Cosmetic Act and other acts of Congress was not the requirement of informative labeling, but rather the authority to promulgate definitions and standards of identity under which the integrity of food products could be effectively maintained and to require informative labeling only where no such standard had been promulgated, where the food did not purport to comply with a standard, or where the regulations permitted optional ingredients and required their mention on the label. In order to protect the consumer and to absolutely insure him that competing products would not have varying proportions of active or costly ingredients the Congress substituted, in place of informative labeling, standards of identity by prescribing some ingredients, including some which are optional, and excluding all others, rather than by requiring the listing of the number, names, and proportions of ingredients.

While subsection 5(c)(4) provides that regulations promulgated thereunder must be consistent with requirements imposed by or pursuant to the Federal Food, Drug, and Cosmetic Act, it is important that this language be clarified so that it is clear that subsection 5(c)(4) in no way changes or supersedes the rules and procedures for the listing of the ingredients and composition of a food for which there is a definition or standard of identity prescribed by the Federal Food, Drug, and Cosmetic Act or by statute. Should subsection 5(c)(4) be interpreted otherwise the intent of the protection insured consumers by section 401 of the Food, Drug, and Cosmetic Act would be defeated. Requiring labeling of ingredients and composition of foods for which there is a definition or standard of identity prescribed by Federal regulation would only serve to increase costs to consumers since the evils of unfair methods of packaging, labeling or composition have already been corrected by the Congress. Therefore, it is essential that subsection 5(c)(4) of the Fair Packaging and Labeling Act be clarified so that there is no conflict between it and other protective legislation.

Mr. MAGNUSON. Would the Senator from Ohio, give, for the purposes of the RECORD, an example of the products he means in this particular field? I believe that what the Senator is talking about are dairy products; is that not correct?

Mr. LAUSCHE. Yes, they are dairy products which, under regulations of the Pure Food and Drug Act, have prescription of what the ingredients shall be which measure up to the requirements of the Pure Food and Drug Act. All that my amendment would do would be to make sure that the pending bill would not alter the definitions of what the ingredients shall be under the Pure Food and Drug Act.

Mr. MAGNUSON. I think the Senator's amendment is a perfecting one that would clear up any confusion of interpretation of the bill. For instance, there has been a Federal regulation on the books for years that ice cream shall contain so much butterfat.

Mr. LAUSCHE. The Senator is correct.

Mr. MAGNUSON. And also as to the labeling of ice cream. We have no reason to suggest any change in the present procedures. For establishing standards of identity, so that at the proper time the chairman would be prepared, with the consent of members of the committee, to accept the Seantor's amendment.

Mr. LAUSCHE. Mr. President, will the Senator from Washington yield further?

Mr. MAGNUSON. I yield 5 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, I contemplate voting for the Cotton amendment because I believe that it contains provisions which are needed to protect the housewife as she proceeds to make her purchases of foods, drugs, and other commodities which are sold in our merchandise stores.

With respect to the subject of fraudulent acts by merchants, in my judgment, there is adequate law now to protect the housewife and to bring violators before the bar of justice either through criminal proceedings or through a court of equity which is asked to provide injunctive relief.

We now have on the statute books the Federal Food, Drug, and Cosmetic Act. I should like to call the Senate's attention to the provisions of that act.

That act provides that it shall constitute a fraud, first, if a merchant labels his goods in a false or misleading manner; second, if he offers for sale one food under the name of another food; third, if the article which he offers for sale is so packaged as to appear to be an imitation of another food; fourth, and this is the important aspect of what I am talking about, and I wish Senators would pay particular attention to it—if the goods are placed in a container that is so made, formed, or filled as to be misleading.

To interpret that provision of the act, if a merchant uses a container that is so formed or filled as to be misleading, his act shall constitute fraud.

The bill we have before us aims particularly at protecting the housewife against packaging which is in such a form as to be misleading.

For instance, if there is liquid in a bottle which is so constructed that it is mainly of glass or if the bottom of it is punched so as to reduce the quantity of the liquid contained in it, which makes it appear that the size of the package is larger than it is, it constitutes a fraud.

The discussions in the Commerce Committee revolved mainly about giving another agency of Government the power to control packaging as to size and otherwise.

The language may not be exactly the words which I have used, but that is its purpose.

My query is: Is not this language adequately clear that if a package is so constructed or so formed or filled as to be misleading, the seller of that package is subject to criminal prosecution or to proceedings in a court of equity, in which injunctive relief can be asked to prohibit him further from the sale of that package?

There appeared before the committee a lady who has charge of protecting the consumers of Pennsylvania. She told of a 3-month investigation to ascertain whether packaging was mislabeled and did not contain the contents which the label indicated.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **LAUSCHE**. May I have 5 additional minutes?

Mr. **COTTON**. I yield 5 additional minutes to the Senator from Ohio.

The **PRESIDING OFFICER**. The Senator from Ohio is recognized for 5 additional minutes.

Mr. **LAUSCHE**. At the close of her testimony I asked her:

> Now, you allege you have found these abuses among the merchants of Pennsylvania.

She said, "Yes."

I asked her:

> Are you familiar with the Pure Food and Drug Act?

She answered:

> Generally.

I then read the provisions of the Federal Food, Drug, and Cosmetics Act. I asked her:

> Did you call the attention of the officials who administer the Pure Food and Drug Act to what you found?

Her answer was:

> I did not.

I then asked her:

> Are you familiar with the Federal Trade Commission?

She said:

> Generally.

She testified that one merchant had been selling ladders which were labeled, in big, bold type, "14-foot length," when the ladders in truth were only 12 feet in length.

I then asked her:

> Did you call the attention of the Federal Trade Commission to that violation?

She said she had not.

I then asked her:

> Do you not have laws in Pennsylvania that make such advertising a crime?

She said they did.

I ask her:

> Did you do anything about prosecuting the vendor of those ladders?

Her answer was:

> No.

Thus we have a situation in which she was asking for the passage of this proposed law in spite of the fact that there were three existing laws under which relief could have been provided.

My position is that under the present law strengthening of the law can be had through the Cotton amendment, rather than to prescribe with greater effectiveness and severity how the labeling shall be made. It is all we need.

Mr. President, I shall vote for the Cotton amendment. I shall reserve judgment as to how I shall vote on ultimate passage of the bill.

I repeat that we have adequate laws on the books now. One might ask, If we have adequate laws, what is wrong with passing another law? My answer is that when we enact another law, we create another bureau, we hire new employees, we extend the bureaucracy of the Federal Government, at a time when the laws on the books are adequate to achieve the objective.

I yield to no person in my desire to protect the housewife, but I do not subscribe to the idea of adding new laws to the statute books if we have adequate laws already.

Mr. **COTTON**. Mr. President, will the Senator yield for a question, if I yield him another minute?

Mr. **LAUSCHE**. I yield.

Mr. **COTTON**. Is there not another reason why there should not be another law added to the statute books, and that is that under the present law, by the move of the Federal Trade Commission and the Food and Drug Administration officials, those matters are judged by the courts, but under the proposed law the size of packages is to be proclaimed by a bureaucrat downtown?

Mr. **LAUSCHE**. Yes; I concur completely in that statement.

The amendment offered by the Senator from New Hampshire contains provisions which will remedy some abuses which have been practiced, as I understand—that is, labeling a package as "jumbo" size, or "10 cents off," for example.

Mr. **MAGNUSON**. That is in the bill.

Mr. **LAUSCHE**. It is in the bill.

So the weaknesses in the proposed law are being attended to by the amendment offered by the Senator from New Hampshire.

Mr. President, in conclusion, while I voted in favor of reporting S. 985, the Fair Packaging and Labeling Act, to the full Senate, I reserved at that time the right to oppose the bill on the floor of the Senate.

I wish to point out that I want to protect the consumer in the fullest degree against any deceptions practiced by the manufacturers or distributors of packaged articles. There is no issue with me about the need of such protection. The issue is whether or not, under existing Federal laws, the executive branch of the Government has already been vested with coercive powers adequate to protect the consumer and make the manufacturer or distributor answerable to criminal prosecution and injunctive relief favoring the consumer by ordering a complete cessation of practices that are deceptive.

At present, the Federal laws contain two acts which are intended to protect the consumer:

First. The Federal Food, Drug, and Cosmetic Act.

Section 403 of this act states that food shall be deemed to be misbranded (a) If its labeling is false or misleading in any particular; (b) if it is offered for sale under the name of another food; (c) if it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word "imitation" and, immediately thereafter, the name of the food imitated; (d) if its container is so made, formed, or filled as to be misleading.

This section of the act also requires (a) That labels show an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count; and further (b) that all information required by the act to appear on the label must be prominently placed thereon with such conspicuousness and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

While the foregoing major provisions apply only to foods under this act, similar provisions are contained in the act relating to drugs and cosmetics.

It should be further noted that general regulations were issued by the Food and Drug Administration, section 1.9 (1) through (6) amplifying existing law which takes into consideration smallness or style of type, insufficient background, contrast, obscuring designs, and so forth.

Second. The Federal Trade Commission Act.

Section 5 of this act declares unlawful "unfair methods of competition in commerce, or unfair or deceptive acts or practices in commerce."

Section 12 of this act arms the Federal Trade Commission with additional procedural weapons to combat practices of false advertising of food, drugs, devices, and cosmetics, thus giving these broad provisions coverage over all unfair or deceptive packaging and labeling and advertising practices relating to all products in commerce.

It has been my opinion that under these two acts, the Federal Government is vested fully with the power to bring criminal prosecution against manufacturers or distributors who in any manner practice deception in the packaging of their goods and also vests the Federal Government with the power to go into a court of equity and procure injunctive relief against any manufacturers or distributors who indulge in such practices.

In addition to the two foregoing acts of the Federal statutes, each State has laws which subject individual manufacturers or distributors engaged in fraudulent practices in the sales of their goods to criminal prosecution and many States have laws giving the State government the right to seek injunctive relief to procure a remedy against fraudulent practices.

During the Commerce Committee's consideration of this bill, I supported the proposal which requires manufacturers or distributors of packaged goods to print on the outside of such packages in clear, understandable, conspicuous lettering the weight, measure, or numerical count of the pieces contained in the package, and if the content is not in pieces but in weight, then the weight contents should not be identified in pounds and ounces but in ounces alone to simplify the housewives' task in making comparisons.

My interest in protecting the buyer is just as deep as the interest of anyone else, but I do not subscribe to the policy of passing new laws on a given subject when existing laws are adequate to reach the desired objective.

Every time you pass a new law of this type, you create new bureaus with their plethora of public employees bringing about a scandalous, indefensible expansion of public workers duplicating the work that is already authorized under existing law.

I am grateful to the Senator for affording me the time to make these remarks.

Mr. MAGNUSON. Mr. President, I yield 4 minutes to the distinguished Senator from Oregon.

TRUTH IN PACKAGING—WHEN THE CHIPS ARE DOWN

Mrs. NEUBERGER. Mr. President, the amendment before the Senate today would eliminate section 5 (d), (e), (f), and (g) of the pending truth in packaging bill. These provisions have been labeled by their opponents with attributes that would make a patent medicine salesman blush. We are told that these provisions give the Federal Government power that is "excessive, arbitrary, far-reaching, unique, fuzzy, foolish, harmful, demeaning, morbid, extraordinary, and unrestrained." If I have left out any of the terms in the catalog of supposed sins, I apologize.

Subsections (d) through (g) establish procedures for the development of standards of weights of consumer products. What are these "arbitrary, unrestrained, and morbid" procedures about which we have been warned today?

They are outlined on pages 7 and 8 of the report. I ask unanimous consent that that part of the report be printed at this point in the RECORD.

There being no objection, the excerpt from the report (Report No. 1186) was ordered to be printed in the RECORD, as follows:

> A weights or quantities standard proceeding is triggered by the determination of the promulgation authority (HEW or FTC), after hearing, that the weights or quantities in which any consumer commodity is being distributed for retail sale are likely to impair the ability of the consumer to make price per unit comparisons.
>
> Within 60 days of the publication of such determination in the Federal Register, any affected producer or distributor may request the Secretary of Commerce to participate in the development of a voluntary product standard for such commodity, in accordance with the voluntary product standards procedures established by the Secretary of Commerce.
>
> The current voluntary product standards procedures, reproduced in an appendix to this report, provide for the establishment of a standard review committee made up of—"qualified representatives of producers, distributors and consumers, or users, of the product for which the standard is sought and any other appropriate general interest groups."
>
> The bill expressly requires that the voluntary product standards procedures provide "adequate manufacture, distributor and consumer representation," as is presently required under these procedures. In selecting consumer representation, the Secretary may utilize the President's Committee on Consumer Interests and the Consumer Advisory Council, the Food and Drug Administration and the Federal Trade Commission, labor and consumer organizations, and also distinguished private citizens not affiliated with any affected industry.
>
> The committee reviews proposed standards and, upon a vote of three-fourths of all its members, may recommend acceptance of the standard. The Department thereupon distributes the proposed standard to a list of acceptors compiled by the Department, representative of "producers, distributors, users, consumer, appropriate testing laboratories, and interested State and Federal agencies, and to any others upon request."
>
> The Department analyzes responses from the list of acceptors and "if such an analysis indicates that the recommended standard is supported by a consensus, then it will be published as a product standard by the Department. (For the purpose of these procedures, consensus means general concurrence with no substantive objection deemed valid by the Department.)"
>
> The procedures also provide for continuing review and for revision or amendment of any standard if "the standard or any part of it is being used to mislead consumers or is found to be against the best interest of consumers."
>
> Where industry is unable to develop a voluntary product standard within 12 months from the filing of a request with the Secretary of Commerce for the development of such standard (or within 18 months, at the discretion of the promulgating authority, where the Secretary of Commerce certifies to the promulgating authority that there are grounds for belief that a voluntary product standard will be published within a reasonable time), the promulgating authority may establish a standard of reasonable weights or quantities, and fractions or multiples thereof, in which the commodity shall be distributed for retail sale.
>
> Where a voluntary product standard promulgated by the Secretary of Commerce is in effect but is not being complied with, the promulgating authority may initiate a proceeding for the establishment of a mandatory standard. However, such standard may not vary, in substance, from the voluntary standard.
>
> Subsection 5(f) (2) precludes the establishment of any weight or measure in any amount less than 2 ounces and subsection 5(f) (3) prohibits the establishment of any weight or quantity standard which would preclude the use of any package of particular dimensions or capacity customarily used for the distribution of related products of varying densities, such as baby foods, except to the extent it is determined that the continued use of such package for such purpose is likely to deceive consumers.
>
> Subsection 5(f) (d) provides that no weight or quantity standard established under the act shall have the effect of precluding the continued use of particular dimensions or capacities of returnable or reusable glass containers for beverages in use as of the effective date of the act. A large proportion of reusable bottles are designed for use in vending machines and the committee included this provision to assure the soft drink industry that nothing in the act could require the redesign of all vending machines.
>
> Subsection 5(g) also requires that the promulgating authorities give due regard to the probable effect of regulations imposing weight or quantity standards upon—
>
> (1) The cost of the packaging of the products affected;
>
> (2) The availability of any product in a reasonable range of package sizes to serve consumer convenience;
>
> (3) The materials used for the packaging of the affected products;
>
> (4) The weights and measures customarily used in the packaging of the affected products; and
>
> (5) Competition between containers made of different types of packaging material.

Mrs. NEUBERGER. The public hearings, the 18-month delays, the producer-oriented standard review committees, the exemptions for several industries, and the restrictions on regulating authority specifically enumerated in 5(g) make the charge of "excessive power" against these sections appear ludicrous.

Additionally, the supporters of the amendment before us have chosen as champion of true-blue American marketing efficiency the potato chip manufacturers. If the case against these provisions is to rise or fall on the strength of potato chips, we are in pretty good shape. Let us dip into the case of potato chips further.

The minority views attached to the report have predicated a situation where the enforcing agency of this bill has determined under provisions of 5(d) that potato chips are being marketed by all producers in so many different sizes that "they are likely to impair the ability of consumers to make price per unit comparisons." Invoking the other procedures in section 5, the result would be a reduction in the number of weights by which potato chips are sold. To quote from the minority views:

> In this "voluntary" way, company A would have to discontinue its successful 12-ounce package and switch to an 8- or 16-ounce package. It would have to convert its packaging line and machinery to the new sizes—at an appreciable cost (one witness testified that a new packaging line could cost up to $400,000). And the cost inevitably would be reflected, in some measure, in the price of the product.

A more inept illustration I could not imagine. Potato chips are sold at the present time in 71 different weights. No one has forced the industry to package chips in 71 different weights. No one can say that this situation has been brought about by consumer demand.

Where is the Senator who will stand here today and declare the American consumer has demanded that she be confronted with 71 different package weights in the same product when she enters the market? Using the argument of the minority views, it appears that the potato chip industry has spent up to $28 million converting its packaging line and machinery to turn out 71 different sizes, and to quote from the minority views, "the cost inevitably would be reflected, in some measure, in the price of the product." In other words, what section 5 would do as far as potato chips are concerned, is to allow the manufacturers to save millions of dollars in packaging, retooling, and design, and to gain consumer good will by passing on that saving to the consumer.

The PRESIDING OFFICER. Who yields time?

Mr. HART. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield time to the Senator from Michigan.

Mr. HART. Mr. President, the arguments made earlier today by the able Senator from Nevada [Mr. CANNON], and now by the gentlewoman, the Senator from Oregon [Mrs. NEUBERGER], persuasively have established the desirability that we reject the Cotton amendment.

I am tempted to ask the Senator from Oregon whether she regards herself as a stupid woman or a smart woman, to lay a predicate for an additional question as to whether we are protecting the stupid woman or the brilliant woman in the proposed legislation.

Mrs. NEUBERGER. That is an unfair question.

Mr. HART. In my book, there is no mind in the Senate more acute, more discerning, or more appraising than that of the Senator from Oregon. I am grateful that the Senator from Oregon, at least, will defend those of us who have long supported the bill from the charge that it is predicated on the assumption that the American housewife is dull-witted.

I have lived with a brilliant woman for 23 years, and every night she reassures me that what is said about the bill simply is not true; that it is a good bill. She attempts to do her shopping economically, but being confronted with fewer fractions in some of these situations would be of enormous value to her.

The Cotton amendment would deny us the opportunity to reduce some of the fractional problems that give rise to the concern that the bill seeks to alleviate.

Senator COTTON's amendment would remove the core from this legislation. Why the core? Because in today's marketplace, the package is the new weight and measure; and essential to an informed shopping choice are weights and measures which facilitate price comparisons. The hearings have established conclusively that in some product lines there are so many differing weights and measures—often a jumble of fractional ounces—that rational price comparisons are almost impossible. Clear labels alone cannot solve this problem.

No matter how smart the housewife, to compare prices she must have comparable weights. Comparing pounds, half pounds, quarter pounds, and so forth, involves easy calculations. Trying to determine the best price as between a 6⅓-ounce container and an 8⅔-ounce container is something else. And where there are no comparable weights, she must calculate a lowest common denominator. Even an Einstein could not work out the simplest mathematical equation given only numerators. To find that common denominator she must divide the total price of the product by the ounces in the package to determine price per ounce—the lowest common denominator. She must do this for every package of that product competing for her dollar—when competing package weights are not comparable. I repeat, clear labels are of little help with this problem. Such massive calculation should not be required. Yet, because so often it is required, valuable purchasing power is being wasted. I think that some of the figures that Senator CANNON earlier described as having been developed by the Eastern Michigan University analysis clearly support this conclusion.

I ask unanimous consent to have printed at this point in the RECORD a table indicating the magnitude of the calculations involved.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Size	Given			Required	
	Pounds	Ounces	Price	Ounces	Price per ounce (cents)
Large	1	4	$0.33	20	1.650
Giant	3	1¼	.79	49¼	1.604
King	5	3¾	1.31	83¾	1.564
Home laundry	16	1	3.99	257	1.553

Method of calculation king size

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 16 Ounces
× 5 Pounds
 ——
 80 Ounces
+ 3.75          $ .01564+=Price per ounce
 ————           ——————————
 83.75         |$1.3100000
———————————————  −8375
                ———————
                  47250
                 −41875
                ————————
                   53750
                  −50250
                  ———————
                   35000
                  −33500
                  ———————
                    1500  remainder
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Mr. HART. Mr. President, States weights and measures officials were aware of this problem long before Congress. Through their collective voice, the National Conference of Weights and Measures, these State officials pointed out at its 48th annual conference:

> The consumer is best served and true competition exists when it is possible to make easy price comparisons. To facilitate this, the consumer must be able to make comparisons based on packages of like commodities packed in standard units.

This subsection is also aimed at the practice of reducing contents slightly without making the change clear to the consumer. Harrison Dunning, president of Scott Paper Co., pointed out that there is room for improvement in the field of package weights where there are slight changes made in content without their being readily discernible to the consumer. He suggested as an answer that when there was a change in net contents, it be large enough to be discerned—not large enough in print alone, but also large enough in weight.

This practice also has been referred to as "concealed inflation," because in many instances the price is actually raised on a per unit basis, although the consumer thinks the price has been, in fact, lowered. The reason is that the package looks either the same size or larger and the total price is somewhat lower than the old price.

When the bill was originally introduced, it authorized the Administrator to prevent the distribution of packages of sizes, shapes, or dimensional proportions which are likely to deceive retail purchasers as to the net quantity of contents. This feature has been removed and the committee substitute gives no control over the size or shape of the package. However, because this subsection was removed, it becomes even more important that the provision which the Cotton amendment would strike, remains in the bill. The provision which was removed would have dealt with the slack-filled container in which the consumer is paying for space in addition to product. It was concerned with those packages wherein the dimensional proportions are so distorted as to deceive the buyer as to the amount inside and it would have dealt with deceptive shapes.

The argument has been made that prominent net weight would lessen the need for such a provision. The same argument, of course, has been made against the reasonable weights and measures provision which Senator COTTON would have removed from the bill.

But the point has also been made that the inclusion of the weight marking should not be a license to permit the manufacturer to cheat the consumer by manipulating the size, weight, and shape of the package.

Because of the difficulty, if not impossibility, of computing price per unit because of some of the practices I have mentioned, the ordinary purchaser is guided to a considerable degree by a visual appraisal of size by comparative dimensions of a package. J. L. Littlefield, chief, foods and standards division, Michigan Department of Agriculture, has said:

> Manufacturers appear to be capitalizing on this knowledge of consumers' purchasing habits by utilizing containers which apparently enhance the size and hence the value of the commodity. Buying by container size, the consumer feels she is getting the most of a product. However, a small package right beside it may hold more product at a cheaper cost per unit.

The removal of the provision which was contained in the bill as introduced by several Senators would have authorized regulations with respect to the shape and size of the package.

The effect on the consumer of removing that provision would be that consumer buying would be mitigated by the emphasis that the pending bill places on the clear presentation of unit weight on the face of the package, provided the pending amendment is rejected. Shapes, size, and oversize containers become less important as an element to confuse and mislead the buyer once reasonable weights and measures are established.

I have always had the conviction that the proposal we are now considering in the pending bill has had the welcome and enthusiastic support of the supermarket shoppers of this Nation. But how would the passage of the pending bill affect industry? From an historical point of view, reasonable weights and measures certainly have not injured the liquor industry. The purchaser of liquor, for instance, knows that no matter what shape or size the package, he is still buying a pint, fifth, or quart, and he can readily compare prices between competing fifths. It has been suggested that the housewife buying soap flakes at the supermarket should have the same protection against unfair packaging practices as are now given her husband when he buys whisky at the liquor store.

And certainly industry itself has recognized in many areas the advantages of standardization. President Herbert Hoover, when Secretary of Commerce in 1926, pursued an active program within the Department of Commerce which has established with industry cooperation hundreds of commodity standards. At hearings, Department of Commerce spokesmen have described the many advantages of its standardization program to producer, manufacturer, jobber, wholesaler, retailer, and consumer alike.

However, to assess the impact of this provision on industry, we must first take a look at how the program would operate under this bill and the exemptions which have been carved out to meet certain apparently valid industry objections.

First—as to procedures—a standard could be established only on a product line basis. The reason is that it makes no sense across the board. Different commodities present different problems and in many, there is no problem at all.

The product line is selected in the first place by the promulgating authority. Can it do this on an arbitrary basis? Not under this act. It must hold formal hearings pursuant to the Administrative Procedure Act and establish that a standard is necessary because existing weights impair the ability to make price-per-unit comparisons. If the agency cannot establish this fact, the entire procedure stops at that point. Once a necessity is established, can the promulgating authority then act in an arbitrary manner? Not by a long shot. If a member of the affected industry desires, he has 60 days to request the Secretary of Commerce to develop a voluntary standard under procedures of the Department of Commerce. The Department of Commerce has been developing such standards since 1921 and industry has never considered itself threatened by Department of Commerce activity in this area. Once a request has been made, the Department of Commerce, with industry participating, has from 1 year to 18 months to develop a standard.

If it is successful, that is it. No FTC or FDA standard could ever vary from a standard voluntarily arrived at and adopted by virtue of Department of Commerce procedures. In fact, industry need not wait for a finding of necessity to be made. It could at any time ask that a standard be set and the promulgating agencies will be bound by that standard. The bill goes further; all existing standards are grandfathered in by this bill.

But suppose a voluntary standard cannot be arrived at. What does the promulgating authority have to do then? At this point, if requested by any affected person, another formal hearing must be held to determine the content of the standard. In determining content, the authority is directed by the bill to consider, among other factors, the following in regard to the affected commodities:

First. The cost of the packaging affected by the proposal;

Second. The availability of any commodity in a reasonable range of package sizes to serve consumer convenience;

Third. The materials used for the packaging affected commodities;

Fourth. The weights and measures customarily used in the packaging; and

Fifth. Competition between containers made of different types of packaging material.

After this second set of hearings, a standard may be established. If anyone considers it arbitrary and capricious, he has available as watchdog the appropriate circuit court of appeals.

I have gone to some length to detail these procedures to make clear that the "excessive power" argument of Senator Cotton just does not make sense in view of the actual provisions of the bill. My own experience is that most administrators tend to be reasonable and receptive to congressional intent. But, assuming the most arbitrary, capricious, wild-eyed administrator possible, this legislation has encircled him with enough procedural fences to assure that any final result must make good business sense.

However, procedure is only part of the story.

The bill makes certain that the administrator will not even have a shot at many of the prevailing methods of packaging—many of which have been used as strawmen to attempt to convince Congress why this bill should not be passed.

First, practically all products packed in cans will be exempt from this legislation, including all soups packed in cans. Why? Because almost all commercial can sizes now in use are covered by a Department of Commerce commodity standard. As I have explained, these can sizes—the Nos. 2, 303, and so forth—are grandfathered in.

Second, many commodities not packaged in cans cannot be forced to give up their present containers under another specific exemption in the bill, 5(f)(3). If an industry uses a standard container for packaging related products of differing densities, the promulgating authority cannot upset the weights these packages hold. Spices, jams and jellies, cookies, and detergents, among other products, may fall into this category.

Practically all arguments as to the cost to the manufacturer if this bill is passed ignore this provision. It has been pointed out that in cookies or spices, for instance, a single packaging line may be built for a specific standard container. This packaging line fills that container with different kinds of cookies or spices having different densities so that the weight in the container varies. We have been told that if weights were standardized in multiples of 2 ounces, for instance, a separate packaging line would have to be established for each kind of cookie or spice. This is nonsense, and this exemption I have discussed has been put into the bill to insure that such a result cannot occur.

Third, no weight can be established under 2 ounces, (5)(f)(2). This prevents the administrator from dealing with trifles and, incidentally, takes care of the problems relating to candy bars and vending machines which the candy manufacturers have been concerned about. Practically all candy bars and, indeed, standard lines of spices, are exempted from the establishment of weights and measures by this provision.

Finally, the problems of bottlers using returnables or reusable glass containers has been responded to in (5)(f)(d). All such containers have been grandfathered in and no administrator can preclude their use.

This legislation has gone through change after change to meet those industry objections which appear reasonable and to guard against any abuse of authority by an administrator. S. 985, as amended, is now a "barebones" bill. The Cotton amendment would trim off the principal remaining strong bone. The manufacturers have received the procedural safeguards and exemptions to which they are entitled. Now, at long last, let us focus on the consumer.

The American shopper is also entitled to something. What she is entitled to is the fair packaging and labeling bill, without any further watering-down amendments.

I regret that the Senator from Ohio had to leave the floor to atend a committee meeting. But anybody who thinks that existing law is adequate should first go to a supermarket; or second talk to ladies who do visit supermarkets two or three times a week.

The existing law is premised on the theory that it outlaws conscious deception behind some practice. This requires proof of specific intent, and it moves on a case-by-case basis.

But the consumer, faced with a shopping decision, is seeking a means readily to identify the per unit cost—not whether a manufacturer set out consciously to deceive her or not. This bill does not seek to move against a field that has been sown with confusion in order to deceive. This bill seeks to enable the shopper to make what is really the most basic judgment essential to a rational buying decision—and that is to identify the cost per unit.

The Senator from New Hampshire contributed importantly—in fact, was the principal contributor—toward strengthening the label information feature of the bill. But as I suggested at the outset, I believe that this alone will not respond to the problem of proliferation in a product line on the supermarket shelf; and it is for that reason that I hope very much that the Senate will reject the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. COTTON. I yield 5 minutes to the distinguished Senator from Colorado.

Mr. DOMINICK. Mr. President, I am delighted to obtain time to speak on this bill, particularly on the pending amendment, and I take this opportunity because I happen to be one of those who supported the Cotton amendment in the committee. I signed the minority views, I signed the individual views with the distinguished Senator from Vermont, and I voted to report the bill to the floor. So this gives me, I think, a pretty broad scope, particularly in view of the extensive consideration which the chairman of the committee and the other members gave to the bill in the executive sessions of the committee.

I think it is interesting that, by and large, this bill is called and was called from the very beginning "truth in packaging." It is a nice slogan. It sounds delightful.

But I would say that in like manner, it might be appropriate to call the Cotton amendment "freedom of choice in the marketplace," because that would be the effect of passage of the amendment. It would give the consumer the right to determine for herself which products she wanted to purchase in the marketplace, free from having the packages preselected and predigested by the Secretary of Commerce, before the consumer ever gets to the marketplace.

It should be kept in mind, I think, that the bill deals with the manufacturers' packages. It does not deal in any way with the retail price of those packages; and that is why we have had tremendous difficulty in trying to put the bill in workable form.

For example, if a retailer should decide to take a package and mark it up by 50 percent over what the manufacturer charged, there is nothing in the bill that would prevent him from doing so. The only way that we would have any control would be by requiring that the contents of the packages be prominently displayed, and thereby give the consumer the right to determine, on a per ounce basis, the cost of the product within that package.

We originally had some suggestions that we should, wherever we had a pictorial representation on a package, make sure that what was in the package conformed to what was in the picture. But as was pointed out to the distinguished chairman of the committee, the Senator from Washington [Mr. MAGNUSON], that would mean that if you had a picture of a tuna fish on a can of tuna, you would have to have the whole fish in the can; otherwise you could not sell it; or if you had a picture of a bull on a package of Bull Durham tobacco, presumably the bull would have to be in the package before you could sell it. Many other illustrations could be listed; and after discussing the matter at length, we eliminated that provision from the bill entirely.

It seems to me that was the first step in solving the problem that the Senator from New Hampshire is trying to reach, once again, with his amendment. That is, we were trying to provide a mechanism for the consumer by which he or she can make a fair estimate of the contents of a package, and from that estimate, be able to determine what the per unit price is.

We were also trying to retain for the consumer the right of freedom of choice. If we put into the hands of the Secretary, as we have in sections 5 (d), (e), (f), and (g), the power to preselect what units can be distributed in a market, we have thereby, it seems to me, exercised by executive operation in Washington a form of censorship over advertising and a form of predigestion of what products can be marketed in the marketplace.

It is for that reason, because I do not believe that the Government should be injected into that phase of the market place, that I have supported the Cotton amendment from the very beginning. It does not seem right to give a Secretary the power to regulate the manufacturers as to what type of unit or package they can present to the public.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. COTTON. Mr. President, I yield 4 minutes to the Senator from Colorado.

The ACTING PRESIDENT pro tempore. The Senator from Colorado is recognized for 4 minutes.

Mr. DOMINICK. It does not seem right to me to give a Secretary the power to go to any one of the manufacturers that one can think of and to have the Secretary say to him, "You can only package in 4-, 8-, or 12-ounce packages."

This is nothing more than a form of censorship over advertising, which is essentially what packaging of products is, and I find it objectionable. Under the phraseology we have in the pending bill, Congress is giving the Secretary, perhaps for one of the first times in history, the power of censorship over the method of distribution of packages and over the advertising which comes from it.

I think that is going beyond what the bill really is designed to do. The bill really is to enable both the manufacturer and the consumer to determine what is in a package and to do it readily and easily when they go into the marketplace.

Mr. President, if we get rid of what I think are fairly obnoxious provisions in the pending bill, it strikes me that at that point the committee will have accomplished a major job in decreasing some of the problems the ordinary consumer has in the marketplace now, and we will have required, through the assistance of the Senator from New Hampshire [Mr. COTTON], as well as the majority party, a clear, unequivocal statement on the front panel of the package, as to the amount of ounces in the package. We will have said: "You cannot have denominations such as 'jumbo,' 'large,' 'full' or 'amplified' quart or other adjectives that have an effect on the quantity in the package."

But these things would be coupled with severe restrictions in the marketplace unless we adopt the Cotton amendment. Unless we adopt the Cotton amendment, Congress, for the first time, will be getting into the censorship of advertising, interference with free play of the market, and the method of distribution of goods in our retail establishments.

I thank the Senator.

Mr. MAGNUSON. Mr. President, how much time does the Senator from New Hampshire [Mr. COTTON] have remaining?

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire has 19 minutes remaining.

Mr. MAGNUSON. How much time does the Senator from Washington have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Washington has 29 minutes remaining.

Mr. MAGNUSON. Mr. President, may the Senate be informed again of the unanimous-consent agreement on the Cotton amendment?

The ACTING PRESIDENT pro tempore. The clerk will read the unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That on Wednesday, June 8, 1966, the Senate proceed to vote at 4 o'clock p.m. on the amendment offered by the Senator from New Hampshire (Mr. COTTON), No. 572 to S. 985, a bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes.

Ordered further, That on that date, during further debate on the amendment (No. 572) the time between noon and 4 o'clock p.m. be equally divided and controlled by the Senator from New Hampshire (Mr. COTTON) and the Senator from Washington (Mr. MAGNUSON), or their designees. (*June 2, 1966.*)

Mr. MAGNUSON. The vote will be at 4 o'clock; is that correct?

The ACTING PRESIDENT pro tempore. The vote will be at 4 o'clock, unless the unanimous-consent agreement is modified.

Mr. MAGNUSON. Mr. President, I yield myself such time as I may need for the purpose of a short statement.

Mr. President, the opponents of the sections which have been discussed here today, 5 (d), (e), (f), and (g), have in some very fierce and eloquent prose, denounced S. 985, if this section remains in the bill, as a "vicious bill," a "dangerous and arbitrary bill," as a "harmful bill to consumers," a bill that will "reduce competition, infringe on the consumer's freedom of choice," a bill that would, with provisions 5 (d), (e), (f), and (g), "increase costs and prices" and "confer on Federal officials virtually unrestrained power over critical aspects of trade."

Mr. President, is it "vicious" to give the consumer some hope of making price comparisons among competing products without having to make three-place calculations on a slide rule or hiring a certified public accountant as a consultant?

Is it "dangerous and arbitrary" to put some life into the voluntary products standards procedures of the Department

of Commerce, instituted by then Secretary of Commerce Herbert Hoover in 1926, as the basic framework within which to encourage the development of reasonable weight and quantity standards by industry?

Will the committee bill, which eliminates from the original bill all regulation of the shapes and dimensions of packages, "confer on Federal officials virtually unrestrained power over critical aspects of trade"?

I have had great difficulty recognizing, among all these phrases, the measure that the Commerce Committee reported by a majority of 14 to 4. It strikes me that the bill which the minority report assails, has never existed except in the imaginings of the opponents of the bill.

With the exception of sections 5 (a), (e), (f), and (g), the committee, as I recall, was in fair agreement, and probably would have been in unanimous agreement had not these sections been in the bill. All of us—the entire committee—have said on many occasions that this is a step in the right direction and is a good consumers' bill.

Nevertheless, the members of the Committee on Commerce were genuinely concerned that the bill as originally introduced might have involved substantial direct Federal intervention in the manufacturers' free choice of package, shapes, and dimensions. Although those provisions were ringed around by many procedural safeguards, the committee as a whole—in fact, I believe, again almost unanimously—was reluctant to impose restraints on innovation in package design. Therefore, the bill as reported, eliminated from the bill as originally introduced by myself, the Senator from Michigan [Mr. HART], and many other Senators who were cosponsors, subsequent revisions and sections, one providing for the regulation of shapes and dimensions, another providing for the regulation of label illustrations, and third, providing for the imposition of standards of measurement other than quantities such as ergs of cleaning power for detergents, for instance. Fourth, prohibitions against fractional ounce designations on labels. At the same time, the committee was disturbed by evidence that the proliferation of awkward and fractional weights and quantities—such as illustrated in the Senate today by the Senator from New Hampshire—in many product lines left the consumer really helpless in calculating the simple, basic cost per ounce which would enable her to make price comparisons.

The committee believed—and still believes—that the consumer is entitled to make price comparisons among competing products. Here is the point which the Senator from Ohio, in his statement a few moments ago in support of the Cotton amendment, sort of missed. We could still have a product with a truthful label, so truthful that the Food and Drug Administration could not move against it. But packaging practices among competing producers could be very confusing to the housewife.

So the committee believed that the consumer is entitled to make price comparisons among competing products, so long as this end can be achieved without impairing the basic freedoms of the market place, and without turning the bureaucracy loose in any supermarket.

It was for these very reasons that the committee turned to the voluntary product standard procedures of the Department of Commerce. Although these procedures provide consumer representation as a safeguard, the initiative in proposing such a standard comes from the industry itself. If there is—and a lot has been said about this today in the Senate—a legitimate consumer demand for any particular weight or quantity, such as a 12-ounce size package of potato chips, or any other size package, manufacturer and distributor representatives on the standards setting committee will surely recognize and honor such a demand.

On the other hand, if there exists a bona fide customer demand for only 10 or 12 or 20 different weights, instead of 71 or 100, then the industry may well adopt on its own accord a voluntary standard limiting any product or any package to these sizes.

As for the newcomer to the market who seeks to develop a distinctive package with which to differentiate his new product, nothing in the committee bill that I can see—and we have gone over it over and over, literally scores of times—there is nothing in the committee bill which would prevent him from utilizing the full resources of the packager's art to develop the most attractive and distinctive package on the shelf.

The minority views assert that a voluntary standard developed under the bill, "can be readily converted to mandatory regulations," but the bill recognizes that no standard can be established without a hearing and the opportunity for judicial review, and that the Secretary must take into consideration, in setting such standards, the cost of packaging the products affected, the availability of any product in a reasonable range of package sizes to serve consumer convenience, the materials used for the packaging of competitive products, the weights and measures customarily used in packaging competitive products, and competition between containers made of different kinds of packaging material.

Thus, Mr. President, S. 985, with sections 5 (d), (e), and (f), is a bill which will stimulate and not "reduce" competition, which will promote and not "infringe on" the consumer's freedom of choice, which will decrease and not "increase" costs and prices, and which will confer upon Federal officials, in my opinion, a narrowly restrained and not anywhere close to "virtually unrestrained" power.

Now, Mr. President, I am convinced that the fair packaging and labeling bill, which the Committee on Commerce has reported, will serve the compelling needs of the consumer while preserving the basic freedoms of the American marketplace. The Committee on Commerce has taken just pride in this legislation. It represents painstaking and extended efforts by the committee and many hours of hearings and executive sessions. I am therefore hopeful that the product of that effort will be legislation which will mark the 89th Congress as history's "Consumer Congress."

Mr. President, the pending bill is necessary and prudent legislation. I believe—and I have said before and I believe that Members of the Senate will agree—that no single piece of legislation of recent years has so engaged the interest and the support of the American homemaker. It is to the American homemaker, to prevent the needless harassments and confusions which she meets in trying to shop for her family needs, that the proposed legislation is directed.

Mr. President, as I said last Thursday, this is probably the most important piece of legislation to come before Congress in the so-called consumer category in many, many years. It is the culmination of many consumer bills which the Senate Committee on Commerce has worked on and successfully passed in Congress. The Senator from New Hampshire and I have worked and cooperated—as well as the rest of the members of the committee—on a "Truth in Fabrics" bill which requires the labeling of what is in textile products. That became confusing as technological advances proceeded in mixing cloth—natural wool or cotton—with synthetics.

The Commerce Committee worked long and hard to establish what the "Fur Labeling Act," which was almost as complex in that field as the subject is in this field. It was considered by the committee and by Congress, was passed by Congress, and is now the law of the land.

I heard at that time some of the same arguments now being made about harassing merchants in the fur and clothing business, but I find that most of the reputable people in the fur and clothing business are thankful. Surely, the consumers are.

We had some problems in that connection with respect to labeling synthetics by the generic names of an animal. There were purple minks, blue minks, white minks. We had labels of "mink-like" which were advertised. There were all kinds of names for muskrat furs. I think there were 89 different labels for muskrat furs.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me finish my remarks on furs first.

Mr. COTTON. Go right ahead.

Mr. MAGNUSON. As I recall, there were 89 different types of muskrat furs. It made the muskrat inhabiting Louisiana feel very important. It seemed that he had earned a great many elegant names. However, the fur labeling bill was passed.

Again, as we must in the modern world, we ran into another problem. The Senator from New Hampshire and I both were active on the Hazardous Substances Labeling Act. Many deaths had been caused as a result of failure, not necessarily to label substances, but to label them in such a way as not to injure or cause the death of people.

We went into another consumer problem. We had to investigate how iceboxes were made. Children were getting into iceboxes or refrigerators, closing the doors behind them, and were then unable to get out.

So there has been a long history of consumer legislation since the Wool Labeling Act.

Only 3 weeks ago we reported to the Senate from the Commerce Committee another consumer item, the Tire Safety Act, in which it is demanded—and we hope the bill will be passed in the House in this manner—that tires be accurately graded. Like the housewives in the consumer market, most Americans who buy tires are confused as to what kind of tires they are buying or whether they are the right tires for the cars they are driving.

We are in process in the committee of considering a complete automobile safety bill which will certainly be in the consumer's interest.

So I think the bill before us is not radical. There are many precedents for Congress to go into the consumer field. There are ample precedents for the "Fair Packaging and Labeling Act." It is a step in the direction not only of protecting the American consumer, but of seeing to it that he gets a dollar's worth for a dollar spent.

No one suggests that, in the food or package field, the American wife does not get good products. She probably gets the best buys in the world.

As a matter of fact, we Americans have no trouble obtaining a plentiful supply of food. The percentage of the housewife's budget spent for food is a much lower percentage than that of any other country in the world.

Even though we have achieved that condition under our great American free enterprise system, which has produced remarkable results, we want to go further and make sure that when a housewife buys products, she knows what she is getting, and gets a dollar's worth for every dollar spent, that she gets a good product, and that she will have the ability to pick out the product she wants in her busy day.

This is the most important piece of consumer legislation the Commerce Committee has had before it, and it has had many bills before it. We are proud of those bills, and we take great pride in the one pending before the Senate.

The only controversy involved in this bill—and we gave serious thought to it—is with respect to section 5 (d), (e), (f), and (g), which is the subject of the amendment of the Senator from New Hampshire.

I hope the amendment will not be adopted, because I think it will seriously hinder and handicap the whole purpose and spirit of the bill, and we want to achieve the objective we set out to achieve.

Mr. COTTON. Mr. President, will the Senator yield? I shall be glad to take this time out of my time.

Mr. MAGNUSON. I yield.

Mr. COTTON. I should like to say to the distinguished Senator from Washington, chairman of the Commerce Committee, that he is eminently correct when he says it was the overwhelming opinion of the committee that this is a good and a needed measure.

I would call attention to the fact, and let the RECORD show, that the vote of the committee in reporting the bill, 14 to 4, was not a significant vote so far as my amendment is concerned. The vote on my amendment was, I believe, 14 to 11.

However, I should like to join in commending the distinguished Senator from Washington, chairman of the committee. The work done by the Commerce Committee on the bill, as I have already said, was very constructive, very able.

The bill as it came to our committee was, in many respects, in my opinion, an impossible measure. It was molded into a very effective and practical measure in almost all respects. The distinguished Senator from Washington, chairman of the committee, in conducting both the hearings and the deliberations of the committee, was fair and considerate, as he always is, and constructive in the way he handled the entire problem.

I join in commending him for that, and I join my friends on the other side in expressing the opinion that 90 percent of this measure is good and constructive.

I shall take the last few minutes of my time to simply summarize why I feel the portion of the bill covered by the Cotton amendment is not constructive and would not be beneficial, but I certainly want to commend the distinguished Senator from Washington, chairman of the committee.

(At this point Mr. HART assumed the chair as the Presiding Officer.)

Mr. MAGNUSON. Mr. President, I yield to the distinguished Senator from Montana as much time as he may desire.

Mr. METCALF. As a longtime supporter of truth-in-packaging legislation, I happen to be one of those who think that the American housewife can make very effective use of the kind of information that S. 985 will provide. I thought I had heard most, if not all, of the scare arguments which the opponents had been able to concoct. At an early date we were warned that passage of this measure would mean that supermarket shelves would be lined with khaki-colored packages. That was so preposterous that even those who want to continue deceiving the consumer pretty much abandoned that story. Then we heard a lot of generalized tales of manufacturers' woe. Truth in packaging, the doom and gloom specialists from Madison Avenue told us, would take a nasty crack at the American way; it would interfere with basic rights, such as the right to confuse and mislead; it would send us down the road to something or other. Well, most of these arguments were so patently absurd that all they did was supply a few laughs.

In the last few weeks, however, the fiction-writing experts who oppose truth in packaging have gone back to their typewriters, and now we are beginning to hear some fresh tales of horror.

One of the most intriguing of the new tales is told by the authors of the minority views in the Senate report on the Fair Packaging and Labeling Act. The tale concerns a rather interesting company which has been packaging and selling potato chips in nothing but 12-ounce bags. It has, we are told by the writers of this gripping saga of business history, found the support of "loyal customers" who appear to be addicted to potato chips when they come in 12-ounce bags but who rebel at the thought of buying chips in 8- or 14- or 16- or 24-ounce bags. As the minority views authors envision it, this specialized company could be driven from business by the truth-in-packaging bill. Forced to put their chips in 8- or 16-ounce bags, the company, we are told, will resist, choosing to go out of business. Result: calamity.

However gripping this tale may be, it is, of course, pure fiction. And unlike some fiction, this story does not conform to reality. The Fair Packaging and Labeling Act provides ample protection for just the kind of situation with which the imaginative Senators who submitted the minority report are so deeply concerned. Section 5(g) of the bill specifically requires that in making determinations about the weights or quantities in which consumer commodities may be distributed, the promulgating authority must take into account the effect of his regulations on the cost of the packaging of the commodities affected, the availability of sufficient package sizes to serve consumer convenience, and the weights customarily used in the packaging of the affected commodities. If the 12-ounce potato chip bag has been so widely accepted as the minority report indicates, the promulgating authority would be unable to avoid this fact in setting reasonable product package standards. But even if the popularity of the 12-ounce size could not be clearly established, the ability of the hypothetical company to shift from the sale of chips in 12-ounce bags to 8- or 16-ounce bags can safely be assumed. Time and again American businessmen have demonstrated their ability to adjust their packaging designs and sizes to meet new market conditions. It is preposterous to think that the company which has been given center stage in this drama is so inflexible that it could not readily adapt to the challenge of selling its product in a slightly different bag size.

Deceptive, misleading efforts to defeat truth in packaging demonstrate how unpersuasive are the arguments against the bill. The consumer needs better information in making intelligent purchase decisions. S. 985 provides that help and it should be passed, and it should be passed today.

I thank the Senator from Washington for yielding me this time and giving me this opportunity to speak.

Mr. MAGNUSON. Mr. President, I yield 3 minutes to the Senator from Texas [Mr. YARBOROUGH] and I reserve 1 minute to myself.

Mr. YARBOROUGH. Mr. President, I rise to speak in support of the Fair Packaging and Labeling Act, S. 985. In my humble judgment, this is a most conservative and practical bill, designed to bring greater competition in the marketplace. Competition—truly free competition—is based upon the notion that the individual purchaser can make a rational judgment between purchases that he makes. More than 8,000 promotionally designed packages now confront the housewife, more than 5 times the number available two decades ago. The shopper today takes even less time to shop than she did at that time. Too many of our packagers today design their packages in the most confusing manner possible so that the consumer will not be able to comparison shop in the short time in which she has to shop.

Here are some of the difficulties reported by various groups and individuals:

> Potato chips now come in 74 different size packages—Consumers League.
>
> The Oil, Chemical and Atomic Union News—April 26—reported: Two "giant size" detergent packages are in identical size boxes, but one actually contains approximately 33% less weight.
>
> The San Francisco Chronicle columnist "Our Man Hoppe" reported the following: "Did you know you can't buy 1 lb. of rice? Not in my supermarket you can't. You can buy 14 oz. for 29c, 12 oz. for 25c, 1 lb. 12 oz. for 35c, 1 lb. 8 oz. for 47c, or 2 lbs. 10 oz. for 59c."
>
> Secretary of State (Pennsylvania) Genevieve Blatt, reported the following: Soap variations in liquid detergent in one supermarket: 1 pt. 6 oz. 62c, 8c off; 12 oz., 35c, 5c off; 28 oz., 52c, 15c off; 1¼ qts., 59c; 1 qt. 4 oz., 71c, 7c off; 1 pt. 3 oz., 36c, 3c off; 15 Fl oz., 29c, 10c off.

These are a few examples of the many that have been reported to the Committee on Commerce. The reason that this matter has come to the attention of Congress at this time is because of the great increase in prepackaged goods in our supermarkets. The Consumers Union estimates that 85 percent of the goods in supermarkets are prepackaged. Formerly, if there was a problem as to the contents or the product, the consumer could bring it up with the store owner and the matter could be rectified or explained.

Today, when a matter of packaging or contents is brought to the clerk at the checkout stand, the clerk says, "Yes, I know. Gee, isn't it terrible?" But neither he, the local manager, nor the small independent grocer can have any impact on the packaging process. Consequently, the store owner, store manager, and clerk are asked to handle merchandise and packages which many of them feel are not correct or ethical, but these retailers are powerless to do anything about the obscurity in packaging.

Today, more than $2 million a year is spent in food advertising, including over $1 billion in conventional advertising plus $200 million for advertising allowances paid out to retailers. Over $100 million is spent for TV food advertising alone. The most conservative estimate is that the average consumer loses about 10 cents out of every dollar that he spends on food and food products.

Mr. David Haven, chairman of United Associated Grocers Co-op Co., stated in his testimony that the manufacturers' chief, and perhaps only, aims are to grab shelf space. He said:

> Companies keep coming out with more and more sizes when 2 or 3 are enough. Corn flakes are boxed in 5 sizes—4 or 5 sizes for detergents, and cokes come in 5 sizes.

When I was a boy you would go into the store and order 1 pound of this and one half pound of that, and all you would have to worry about was that the scales were not rigged or that a spare thumb was not on the back side. We have passed laws to insure that weights and measures are correct, but none that packaging accurately reflect the correct weights and measures. Too many packages package the consumer.

Today, most of our packaging is not even done in the same State as the store in which sold, but it is processed, weighed, and packaged in a factory and shipped almost anywhere in the country.

In 1790, George Washington, our first President, expressed his deep concern for uniformity in the currency, weights, and measures of the United States. The packaging industry now, in effect, sets the weights and measures as to food, and therefore this matter is of concern to the Federal Government. Our Food and Drug Administration, with the legislation already on the books, has simply been unable to cope with the volume and the type of violations and problems emerging in the packaging industry.

This spring, the farmer has been blamed for increased food prices. A strong argument can be made that the increase that the consumer has felt is more related to the increased amounts of money put into packaging and advertising and merchandising than to the price paid to the farmer. Bread is a good example: Last year the bread companies told us that giving a little bit more to the farmer would raise the cost of bread by 2 cents. Congress reacted by increasing the income of the wheat farmer, without any resulting increase in the cost of grain to the baker or bread company. The price still went up 2 cents a loaf. In 17 years the average cost of bread has increased about 10 cents a loaf. Out of this increased cost, the farmers have received none of the increase, and the marketing system has received the dime.

It is very interesting to note that in the past year there has been a great increase in variety and style in packaging, some of which has been good and some of which has caused confusion for the consumer. Some studies have shown that the average housewife goes into the supermarket with plans to buy 4 items, and ends up with 14. Packaging is an important aspect of sales. While the opponents of this bill indicate that the housewife is smart enough to decipher the prices, compare fractions of ounces and come up with the best buy, I here plead for the man also, the husband who stops by the store to pick up a few items for his wife and perhaps does a little impulse shopping. I urge protection for this helpless man who does not often realize that the 10 cents off on the label does not mean 10 cents off the market price, or that the large size of one brand may be actually smaller than the middle size of another brand. He may forget that the "big 15-ounce giant size" may be actually less than the regular quart size.

Recently, two friends of mine went shopping in a major supermarket and purchased 14 different types of products. Being inquisitive males, they stopped to compute on paper which were the best buys. Fortunately, this supermarket was open all night, because although they started right after dinner, they did not complete their shopping until almost 11 o'clock. It was difficult for these two men to figure the differences between 11¾ ounces compared with 15⅝ ounces compared with 21.09 ounces. We only ask that packages be labeled and packaged in the same manner as the canned goods and liquor industries have done for several generations.

I have been told that any man can go in and pick up a fifth of bourbon from among many brands without using a slide rule or computer, and that the bottles are creative in design and packaging. Canned goods are similar: You know that a No. 10 can is a No. 10 can. While many efforts have been made to establish standards in other food products, they have not succeeded. If we are to have standard weights and measures in the food industry, we must have compulsory standards enforced by adequate government controls. On behalf of the millions of men who make the pilgrimage to the supermarket to pick up a few items for their wives, as well as the women who do most of the shopping, I urge the passage of S. 985, the fair packaging and labeling bill, without amendments.

Mr. COTTON. There are 10 minutes remaining. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire has 12 minutes remaining, and that is the time that is left.

Mr. COTTON. I yield 4 minutes to the Senator from Nebraska. I have 12 minutes. That will leave me 8 minutes.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire has 12 minutes, and the Senator from Nebraska is recognized for 4 minutes.

Mr. HRUSKA. Mr. President, as to this bill, I wish to observe that for 3 years it was pending before the committee on Judiciary and the Subcommittee on Antitrust and Monopoly, of which I am a member. Later on, there was a little shopping done, and the bill went to another committee, the Committee on Commerce. But, in essence, the bill stayed very much the same.

My position generally was that the laws presently on the book are adequate for virtually all of the purposes to which the bill allegedly aspires, with the exception of the area that would be eliminated by agreement to the Cotton amendment.

That part of the bill in my judgment goes too far into the management and control of industry. For that reason, it is very objectionable to the Senator from Nebraska in its present form.

I spoke of one other aspect in debate last week. That aspect was the antitrust implications of the bill. In my judgment the bill should be referred for the purpose of having the Committee on the Judiciary consider its implications in the field of antitrust law in order to avoid that which could be very harmful to industry and to consumers.

If the Cotton amendment were agreed to, I shall find it possible to vote for the bill under certain circumstances. Thus, I understand that if the amendment is agreed to other amendments will be proposed relating to other portions of the bill. I shall be guided in my vote on the bill by the disposition of those amendments and by the granting of sufficient consideration to the antitrust implications of the bill.

It is for that reason that I strongly support the amendment offered by the Senator from New Hampshire.

I yield back whatever time I might have remaining.

Mr. COTTON. Mr. President, I yield 1 minute to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 1 minute.

Mr. TOWER. Mr. President, the bill as it presently stands is just another harassment of American industry.

I do not note any great consumer demand for this measure. I am a little concerned about all the crocodile tears that we are shedding here for the great American consumers. To begin with, the bill assumes that the housewife is dumb and does not know what she is doing.

If we want to do anything for the American consumer, why do we not stop all Government spending policies, including deficit spending which is robbing the consumer of his spending power?

I am hopeful that the very fine amendment offered by the distinguished Senator from New Hampshire will be agreed to.

Mr. COTTON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Hampshire has 7 minutes remaining.

Mr. COTTON. Mr. President, I remind the Senate, before we vote, exactly what this amendment is and what it means.

This is a good bill. It was made a good bill. It came to the Committee on Commerce, I think, as an impossible measure, and it was infinitely improved.

There is presently in the bill, with the approval of, I think, every member of the Committee on Commerce, an ironclad provision that on the principal panel of every package, bottle, and receptacle on the shelves of our grocery stores there shall be in large print—and the size and color of the print is in the control of the Secretary of Health, Education and Welfare—the exact amount in ounces of the contents in those packages so that as the housewife goes down the aisle, perhaps leading her squalling child by the hand, and pushing a gocart, with her husband waiting outside in the automobile for her, she can see at a glance how many ounces are contained in the package. She can then tell whether this package contains 14 ounces and this one 18 ounces. She does not have to compute the content of the package or make any elaborate comparisons.

This is a clarity-in-labeling provision. In addition, the committee agreed to confer upon the Secretary the power to regulate the use of the words: "small," "medium," "large," "the family size," or "the economy size." Whatever and whenever the Secretary finds that such words have a tendency to deceive or impair price comparisons, he shall have the power to prohibit or to control the use of such words so as to eliminate the deception and facilitate price comparisons.

The bill also contains power for the Secretary to regulate the use of the word "servings." Furthermore, the Secretary would have the power to control the use of the so-called cents-off labels on packages and bottles.

To this point it is a good bill. It is a fair labeling bill. It is a clarity-in-labeling bill. The provision would make the content of the packages perfectly plain to everyone shopping in the stores. People could see exactly how much is contained in a package. There would be no confusion. There would be no misleading terms.

The one objectionable feature left in the bill is the power of the Secretary—and we can sugarcoat it all we want with the various preliminary agreements—the end result is the power to say that the manufacturer can put his product out only in a certain size package, a half pound or 1 pound. The Secretary of the Department of Health, Education, and Welfare can prescribe how many sizes can be produced. The bill would permit that. I do not say that the Secretary would necessarily do it in every case. However, it is not wise for Congress, in my humble opinion, to vest in official downtown Washington the power to standardize packages in American industry.

What would this do to the consumers? It would cost the consumers more because if a company is obliged to spend $1 million to change its machinery and equipment, who would pay the $1 million? Do not tell me that the company would pay it. They would charge the amount back to the consumers. It would also penalize small business and new business, the fellow who is trying to get a place in the market. That man wants to devise some kind of standard size, attractive package to get into business. Under the pending bill, he would have to put his product in the same size package that is standard for other products. That would mean that the big corporations, the established corporations, which have been in business for years would have the advantage, and the new corporations would not.

With this provision contained in the bill, it is not a consumer bill. It is not a fair bill. It would be exceedingly dangerous.

Without this provision, the bill would be a good bill.

If my amendment is agreed to, there can be no question of the bill having the endorsement of the Senate. While I have no right to conjecture or speculate, I do have reason to believe, and do believe, that if the bill is passed by the Senate and goes to the House of Representatives without this provision which my amendment would knock out, the bill would meet with the speedy endorsement of the House of Representatives.

My amendment would expedite the bill. It is not a maneuver to defeat it. That is the story of the Cotton amendment. I hope the Senate will adopt it.

Mr. MAGNUSON. Mr. President, have I 1 minute remaining?

The ACTING PRESIDENT pro tempore. The time of the Senator from Washington has expired.

Mr. COTTON. Mr. President, I will yield 1 minute to the Senator from Washington; but, first, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, without laboring what the Senator from New Hampshire has said, most of the members of the committee do not believe that this section will do what he says it will. If the great fears of the Senator from New Hampshire were to materialize in some instance, that instance would be highly extraordinary.

The imposition of any mandatory standards would have to arise from the failure by the Standard Review Committee, after 18 months, to develop an acceptable voluntary standard.

The reason this provision is included in the bill is to stimulate voluntary industry action, in case some unusual situation arises.

I hope the amendment of the Senator from New Hampshire will be rejected.

Mr. COTTON. Mr. President, I yield back the remainder of my time, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

All time having expired, the question is on agreeing to the amendment of the Senator from New Hampshire. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLELLAN (when his name was called). On this vote I have a pair with the junior Senator from Maryland [Mr. TYDINGS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore I withhold my vote.

Mr. MANSFIELD (when his name was called). On this vote I have a pair with the Senator from Colorado [Mr. ALLOTT]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Indiana [Mr. BAYH], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from New York [Mr. KENNEDY] and the Senator from South Carolina [Mr. RUSSELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr.

Bass], the Senator from Indiana [Mr. Bayh], the Senator from Alaska [Mr. Gruening], the Senator from New York [Mr. Kennedy], the Senator from New Mexico [Mr. Montoya], and the Senator from Utah [Mr. Moss] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott] is absent on official business, and his pair has been previously announced.

The Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Kuchel], and the Senator from Wyoming [Mr. Simpson] are necessarily absent.

On this vote, the Senator from Hawaii [Mr. Fong] is paired with the Senator from Wyoming [Mr. Simpson]. If present and voting, the Senator from Hawaii would vote "nay" and the Senator from Wyoming would vote "yea."

The result was announced—yeas 32, nays 53, as follows:

[No. 89 Leg.]

YEAS—32

Bennett
Boggs
Carlson
Cooper
Cotton
Curtis
Dirksen
Dominick
Eastland
Ervin
Fannin
Griffin
Hickenlooper
Holland
Hruska
Jordan, N.C.
Jordan, Idaho
Lausche
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Saltonstall
Scott
Stennis
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—53

Aiken
Anderson
Bartlett
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Clark
Dodd
Douglas
Ellender
Fulbright
Gore
Harris
Hart
Hartke
Hill
Inouye
Jackson
Javits
Kennedy, Mass.
Long, Mo.
Long, La.
Magnuson
McCarthy
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Morse
Muskie
Nelson
Neuberger
Pastore
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Smathers
Smith
Sparkman
Symington
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—15

Allott
Bass
Bayh
Fong
Gruening
Hayden
Kennedy, N.Y.
Kuchel
Mansfield
McClellan
Montoya
Moss
Russell, S.C.
Simpson
Tydings

So Mr. Cotton's amendment was rejected.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, the Senator from Ohio [Mr. Lausche] has an amendment which he presented 2 minutes ago. It was technically out of order because we were discussing the Cotton amendment under the unanimous-consent agreement.

If the Senator from Ohio [Mr. Lausche] would present his amendment now, the committee could accept the amendment.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the amendment be stated.

The **PRESIDING OFFICER** (Mr. Harris in the chair). The amendment will be stated.

The legislative clerk read as follows:

> Beginning with line 1, page 20, strike out all to and including line 7, page 20, and insert in lieu thereof the following:
>
> "(4) require that information with respect to the ingredients and composition of any consumer commodity be placed upon packages containing that commodity, except that (A) each such regulation shall be consistent with requirements imposed by or pursuant to the Federal Food, Drug, and Cosmetic Act, as amended, (B) no such regulation shall apply to any consumer commodity for which a definition or standard of identity has been established and is in effect pursuant to a regulation promulgated under that Act, and (C) no such regulation promulgated under this paragraph may require the disclosure of information concerning proprietary trade secrets."

Mr. LAUSCHE. Mr. President, the essence of my amendment is that the Administrator of the program embodied in the bill pending before the Senate shall be obliged to accept the definitions that are now in existence, as promulgated by the Pure Food and Drug Administrator. That means that definitions such as ice cream, promulgated by the Administrator of the Pure Food and Drug Act, describing what the contents of ice cream shall be, shall be controlling upon the Administrator of the program embodied in the bill.

It would apply to all other definitions that are now in existence, as issued by the Pure Food and Drug Administration.

Mr. MAGNUSON. Mr. President, the pending bill is not intended to disturb these criteria that have been set up. I believe that the language would clarify the matter. The criteria for dairy products would be so far beyond and above what might happen in the pending bill that it would not be disturbed in any way, and might clarify it.

If other Senators who are members of the committee have no objection, I would be glad to accept the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. Lausche].

The amendment was agreed to.

Mr. MONRONEY. Mr. President, I send to the desk an amendment and ask that it be stated.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

> On page 24, line 15, before the period, insert: "or the orderly disposal of packages in inventory or with the trade as of the effective date of the regulation."

Mr. MONRONEY. Mr. President, I have discussed my amendment with the distinguished chairman of the committee and the author of the bill [Mr. Hart].

My proposed amendment would write into S. 985 a limited measure of protection for distributors and retailers of consumer commodities and will put into the law what I believe is the actual intent of the committee.

On page 5 of the committee report it is stated that—

> No regulation under the mandatory or discretionary sections of the bill should take effect until the manufacturers involved have had full opportunity to effect any necessary packaging or labeling changes, and to allow reasonable time for the disposal of existing stocks and inventories.

It is not absolutely clear that the distributors and retailers would be afforded protection and there is nothing in the bill itself to cover this contingency.

My amendment would apply only to those packages with respect to which regulations have been promulgated and would permit distributors and retailers to dispose of packages which were in inventory or with the trade prior to the effective date of the regulation.

The language is needed in the bill itself, because I understand that the Food and Drug Administration declared that it could not issue a regulation exempting merchandise on distributors' and retailers' shelves covered by the hazardous substances law, because there was no specific statutory authority permitting it to do so.

I do not believe the administration has any objection to my amendment. It would clarify what I believe the committee intended and would provide protection for distributors and retailers that will certainly be needed, considering the millions of dollars worth of merchandise which will be covered by this bill.

There is bound to be a great deal of merchandise in the pipelines at the time of promulgation.

I hope that the chairman will accept the amendment.

Mr. President, I ask unanimous consent that the Senator from Pennsylvania [Mr. Scott] be added as a cosponsor of the amendment.

Mr. SCOTT. Mr. President, the Senator from Oklahoma has asked unanimous consent that I be added as a cosponsor of the amendment.

I have discussed the amendment with the Senator from Oklahoma, and I support the amendment.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MAGNUSON. I shall be glad to accept the amendment. I do not think it is needed. We assume that the Secretary's order would not affect products that are in the pipeline. We intended that.

Mr. President, I wish to insert in the Record following my remarks the material that appears in the first paragraph on page 5 of the report.

> It is, of course, intended that no regulation under the mandatory or discretionary sections of the bill should take effect until the manufacturers involved have had full opportunity to effect any necessary packaging or labeling changes, and to allow reasonable time for the disposal of existing stocks and inventories.

I thank the Senator from Oklahoma. The amendment would clarify the matter. If the committee has no objection, I shall be glad to accept it.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. Monroney].

The amendment was agreed to.

Mr. BYRD of West Virginia. Mr. President, I wish to announce my support for Senate bill 985, the truth-in-packaging bill.

I have just returned from my State of West Virginia, and, in talks with my people, I find great concern with the rising prices of food. The men and women who have retired and are living on social security benefits and others who are living on fixed incomes are finding it more difficult to purchase their food within their incomes.

Although this bill is not designed to roll back the cost of food, I must agree with Mrs. Esther Peterson, Assistant Secretary for Labor Standards, that it will greatly assist the shopper in selecting better bargains. The provisions of this measure will clarify the size, quality, and cost of products. This, alone, will be of service to the shopper.

The bill has the interest of the shopper at heart, and it will provide her with information that will help her to get the most for a shopping dollar. It will help to make comparisons without forcing the shopper to be a walking digital computer.

HOW MUCH IS THAT PRETTY RED CATSUP?

Mr. KENNEDY of Massachusetts. Mr. President, I for one—and no doubt I speak for the majority of my colleagues—am almost awed by the ability of American women when it comes to discovering bargains on shopping trips.

They seem to possess the best qualities of a computer, bird dog, statistician, home economist, quality analyst, and the proverbial budget-conscious Scotsman.

Therefore, when I am confronted with an academic study which proves that these indomitable shoppers are unable to find the best buys in our supermarkets I am dumfounded.

Recently I spent some time pondering a heady study done by Monroe Peter Friedman of Eastern Michigan University. Wading through the algebraic formulas, quotients and confusion ratios, I realized that our American women are so handicapped in the supermarket today.

The only conclusion I can come up with is that there is something wrong with the system.

In the study, 33 college-educated women were given a list of 20 common items to buy at a supermarket. They were asked to perform one seemingly simple task: To buy the most economical package of each of the 20 products, that is, to get the largest quantity for the lowest price.

Of the 660 buying decisions these women made, 43 percent were wrong. On the average, the women spent 11 cents more out of each shopping dollar than they needed to. If this extra expenditure were extended over the course of a year, it would mean that the budgets of these women would be increased 9 percent.

Certainly, this does not sound like the women shoppers I know—especially like one I know very well. But the study has the facts down in black and white.

Several of the product areas where the women did most poorly are worth noting. For example, only one chose the most economical laundry bleach. None chose the correct detergent. Three selected the correct paper towels. And at least 20 of them failed to make the right choice in potato chips, cola, toilet tissue and toothpaste.

This rather unimpressive record of achievement was accomplished even though the shoppers were allowed three times as much time for each decision as the average woman spends.

And why all the trouble?

Because the shoppers did not have the information truth in packaging would assure them.

Mr. Friedman also noted that his college-educated study group should be the least disadvantaged of American women shoppers. Indeed, this is a valid conclusion and a reason for us to react most favorably to the truth in packaging bill.

If our most educationally privileged consumers all within an age bracket where eyesight and stamina are best run into such problems with supermarket packages today, what is happening to the ones without these advantages?

How, then are our poorly educated and our senior citizens doing?

Obviously we must conclude they are doing worse. And unfortunately they are exactly the ones who can ill afford to lose the pennies and dollars these mistakes add up to.

Mr. President, I ask unanimous consent that the tabulation of the results of the Eastern Michigan University study be inserted at this point in the RECORD. It lists the 20 products purchased, the number of shoppers making errors in each product, the magnitude of the error as a percentage of the unit price of the most economical package and the total number of dollars involved, per package and over a year.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Confusion values and estimated consumer expenditures for 20 supermarket products

Product	Confusion [1] measure 1 (total errors)	Confusion measure 2 (percentage error)	Confusion [2] measure 3 (weighted error)	Estimated annual [2] consumer expenditures
Canned peaches	8.0	2.0	$0.06	$3.10
Canned peas	5.0	5.0	.20	4.10
Catsup	23.0	13.0	.28	2.40
Evaporated milk	2.0	0.0	0	6.60
Family flour	6.0	2.0	.13	6.70
Frozen orange juice	6.0	6.0	.36	6.40
Granulated sugar	0.0	0.0	0	10.70
Instant coffee	11.0	10.0	.92	10.10
Liquid bleach	32.0	32.0	.70	2.90
Liquid detergent	8.0	4.0	.24	6.20
Liquid shampoo	14.0	63.0	1.01	2.70
Mayonnaise	8.0	16.0	.46	3.30
Paper towels	30.0	12.0	.48	4.50
Peanut butter	7.0	2.0	.06	3.20
Potato chips	22.0	1.0	.05	5.30
Powdered detergent	33.0	24.0	2.13	11.00
Soft drinks (cola)	27.0	17.0	2.01	13.80
Solid shortening	0.0	0.0	0	5.50
Toilet tissue	22.0	5.0	.37	7.70
Toothpaste	22.0	16.0	.69	5.00
Sum			10.15	121.20
Mean	14.3	11.5	.507	6.06

[1] *N*—33.

[2] Based on a total annual supermarket expenditure of $1,000.

CLEVER IS NOT ENOUGH

Mr. NELSON. Mr. President, those who criticize the truth in packaging bill on the basis that it is unneeded by the clever American woman who shops our supermarkets should spend a little time studying a study done in California.

The survey was done by the consumer counsel to the Governor of California, Mrs. Helen Nelson. She reported on it during Senate hearings on this bill.

Five housewives—three of them college graduates and two with 2 years of college—were recruited to go to a supermarket and attempt to make the most economical buy of 14 products on a shopping list.

The women spent varying lengths of time—all considerably more than the average consumer has available—ranging from 25 to 60 minutes. A DePont survey reports that the average shopper buys 13.7 products on each trip to the store and spends 27 minutes—including checkout time. From the comparison of these figures, I would surmise that many of our American women long ago gave up in frustration the hopes of ever deciding the less expensive of the products on their list.

And well they might. For, consider how the survey shoppers did.

With only 1 of the 14 products did all five shoppers succeed in identifying the lowest cost item. That product was Cheddar cheese—in random weight packages but priced by the pound.

In no other case did all succeed.

With 2 of the 14 products—rice and toilet soap—every shopper was baffled. Two could not find the least expensive can of solid-pack tomatoes.

In total, they succeeded 36 times and failed 34. They spent an average of 45 minutes in the effort—not counting checkout time—over 50 percent more than the average shopper.

None of the shoppers made a lucky guess in toilet soap—partly because, of course, present law does not require quantity designations on soaps. Of the 25 different toilet soaps in that store only 5 carried a weight designation.

Why did they have so much trouble with rice—a staple in most households? Of the 14 choices available, not one was a pound package.

One might ask—based on the assumption that competing products generally fall into the same price range—why such careful scrutiny of prices would be necessary, or even desirable.

The California survey answers well why a housewife who feels a need to watch the budget would go through just such calculations:

For example, in the supermarket that day there were six possible choices of salt. The price range was 5 cents to $1.46 a pound—but, of course, none of the six were packaged in pound units.

The price spread for pancake mix was 400 percent—from 12.8 to 47 cents per pound.

The major problem for the survey shoppers, of course, was that so few of the packages came in half-pound, or pound units—not even staples such as rice.

This is due—at least in some part—because manufacturers believe in "packaging to price." Therefore, they will take out a half-ounce or ounce or three ounces rather than raise the price. Such changes, of course, demand new packaging. And who pays for these new packages which look as if they contain as much as the old but do not? The consumer.

Mr. President, all the truth in packaging bill would do is require that these packages—for which the consumer is paying—serve to tell that consumer how much of what she is buying.

It sounds like a reasonable request to me—and a reasonable bill.

Mr. President, I ask unanimous consent that the results of the California survey be inserted at this point in the RECORD.

There being no objection, survey was ordered to be printed in the RECORD, as follows:

Product	Number succeeding	Number failing
Rice	0	5
Canned solid-pack tomatoes	3	2
Hot cereal	4	1
Cheddar cheese	5	0
Tuna	2	3
Salt	2	3
Imitation maple syrup	3	2
Pancake mix	3	2
Peanut butter	3	2
Liquid detergent for dishwashing	3	2
Liquid shampoo	1	4
Toilet soap	0	5
Toilet tissue	4	1
Canned dogfood	3	2
Total	36	34

CONSUMERS BENEFIT FROM FAIR PACKAGING

Mr. BARTLETT. Mr. President, it is seldom that we have introduced in Congress bills that have such widespread benefits as S. 985, the Fair Packaging and Labeling Act. Every American consumer stands to gain immeasurably with passage of this act, and I feel privileged to have been a cosponsor. The distinguished senior Senator from Michigan deserves great credit, not only for his introduction of this bill but for his persistent and effective campaigning for its passage.

For many years, the American housewife has been a confused and perplexed buyer—not, Heaven knows, because of any inability or inadequacy on her part, but because she could just not keep up with the mental arithmetic needed to do the fine job of comparison buying for which she and all Americans take pride.

Yankee ingenuity is a term of endearment to most of us. It is an aspect of Americanism we cherish, and it should apply to the customer's skill in finding a bargain just as much as to the manufacturer's skill in making the item at a lower cost. It does not imply any license to take advantage of buyers through contrived deception—and protection of the entire public from such practices is the simple and basic essence of the Fair Packaging and Labeling Act.

The bill is intended to accomplish two things—to inform consumers adequately of the quantity and composition of packaged commodities, and to promote packaging practices that will provide consumers a better basis for comparing prices of competitive products. These objectives would be achieved by requiring that package labels bear direct, easily understood information concerning the manufacturer, the ingredients and the net quantity of the contents in standardized units without misleading words. When circumstances prove it necessary, the bill also authorizes the government to prescribe the exact meanings for often used, vague words such as "small," "medium," "large" and "individual serving" and to require manufacturers to distribute and market their products in standardized, reasonable weights or quantities so as to prevent flooding the marketplace with a senseless and confusing number of choices.

Opposition to this bill has stemmed largely from businesses with varying packaging and net quantity requirements, and it is to the credit of the members of the Commerce Committee and many other concerned members that all such considerations were carefully reviewed. The bill, as reported, goes far to meet the objections of the manufacturers, yet still protects the interests of the American consumer.

The Senate Commerce Committee held 10 days of hearings on S. 985 and, in addition, reviewed five volumes of testimony taken over the previous 5 years on this broad subject. The committee held seven executive sessions to weigh the many facts and wrote and rewrote the bill many times to insure that, in language and intent, this final bill will not unduly hamper innovation or progress in the many industries concerned.

I believe we have produced in this legislation minimum interference of American business consistent with the high purposes of protecting the American public. I am proud to have contributed to it.

I urge all Members to support S. 985.

EVERYONE IS PROTECTED

Mr. MONDALE. Mr. President, in order to allay the fears of some Members of the Senate that S. 985 would create a situation where a runaway administrative agency would be in a position to subjugate the rights of citizens, I should like to explain the procedural safeguards which the bill contains. The regulatory responsibility for promulgating regulations under this act is divided between the Secretary of Health, Education, and Welfare and the Federal Trade Commission. The Department of Health, Education, and Welfare would have jurisdiction over the packaging and labeling of all consumer commodities which are foods, drugs, devices, or cosmetics within the scope of the Federal Food, Drug, and Cosmetic Act. The Federal Trade Commission would have jurisdiction over all other consumer commodities.

If the promulgating authority has reason to believe that the weights or quantities in which any consumer commodity is being distributed for retail sale are likely to impair the ability of consumers to make price-per-unit comparisons, this authority must, under section 5(d) of the bill, conduct a hearing in compliance with section 7 of the Administrative Procedure Act in order to make such a determination. Section 7 of the Administrative Procedure Act sets out the rules governing such hearings. It provides that a presiding officer shall sit with authority to administer oaths, issue subpenas, rule upon offers of proof and receive evidence, regulate the course of hearings, make decisions or recommend decisions, and take any other action authorized by agency rule. This section further provides that the proponent of a regulation shall have the burden of proof. It provides that every party shall have the right to present his case or defense by oral or documentary evidence and to conduct cross-examinations. Certainly this procedure affords every right and opportunity to one whose practices are being challenged, but this is only the start as far as the promulgating authority is concerned. If as a result of this hearing the promulgating authority decides to promulgate regulations, it must publish such determination in the Federal Register. Within 60 days after the publication, any producer or distributor affected may request the Secretary of Commerce to participate in the development of a voluntary product standard for such commodity.

Once this request is made, members of a Standard Review Committee have 12 months in which to propose a standard. A 6-month extension would be permitted if the Secretary of Commerce believes that a standard will be published within a reasonable time. If no voluntary standard is reached, the promulgating authority then may promulgate regulations pursuant to and subject to judicial review under the provisions of subsections (e), (f), and (g) to section 701 of the Federal Food, Drug, and Cosmetic Act. These sections provide for the authority to promulgate regulations.

Section (e) provides that any action for the issuance of any regulation shall be begun by a proposal made by the Secretary or any interested party. The Secretary then shall, by order, act upon such proposal and shall make such order public. This order shall become effective at such time as the Secretary specifies but not prior to such time as is allowed for objections. Section (e)(2) provides that any person who will be adversely affected by such order may file an objection on or before the 30th day after the date on which the order was entered. Further, that such objection shall operate to stay the effectiveness of those provisions of the order to which the objections are made. The Secretary thereupon, after the time for filing objections has expired, shall publish a notice in the Federal Register, specifying those parts of the order which have been stayed and if no objections have been filed, state that fact.

Section (e)(3) provides for the holding of public hearings. It provides that any interested person may be heard in person or by representative and that, after the hearings, the Secretary shall, by order, act upon such objections and make such order public.

Section (f) provides for the filing of a petition with the circuit court of appeals by any person who will be adversely affected by the Secretary's order. This section also provides for hearings and gives jurisdiction to the court to affirm or to set aside the order.

Section (g) provides for the furnishing of copies of the transcript to any interested party and further provides that such transcript shall be admissible in certain other proceedings.

Under these procedures, then, a party has the right to two administrative hearings in which he can present evidence and cross-examine, and so forth. He can avail himself of the voluntary proceedings of the Department of Commerce. Finally, any regulations promulgated are subject to judicial review by the circuit court of appeals.

It seems to me that the rights of parties are adequately protected by this proposal. I submit that many industries will wish to avail themselves of the voluntary standards section of the bill. Certainly if industry disagrees with any proposed regulations which the Federal Trade Commission or the Department of Health, Education, and Welfare contemplates, it will have ample opportunity to make these objections known by judicial procedures. Certainly no arbitrary regulations will be issued under the bill.

PRESENT LAW IS NOT ADEQUATE

Mr. DOUGLAS. Mr. President, it has been suggested that S. 985 is not needed because present law is adequate. Nothing could be further from the truth. It is clear that both the Food and Drug Administration and the Federal Trade Commission are empowered to move against commercial practices that are of a false and misleading nature. But it must be shown by a preponderance of evidence that the practice is likely to deceive the purchasing public.

The Fair Packaging and Labeling Act, on the other hand, is aimed not so much at practices that are false and misleading—although admittedly certain false and misleading practices are covered by the bill—but at practices which deny the consumer the opportunity to make a rational determination as to the actual cost of varying sizes of packages, and the amount contained within the package.

As an example, section 4(a)(2) of the bill requiring that the net quantity of contents shall be separately and accurately stated in a uniform location upon the principal display panel, is aimed at correcting a practice that could not be reached under present law. If there was a deliberate misstatement of the net quantity which was untrue, then such a practice could be reached under present statute.

However, if the statement was correct but not prominent because it blended in with the color of the package, then the burden of proving that this was false or misleading or deceived the purchasing public would indeed be a tremendous one to carry. This is of little comfort to the consumer, however, who cannot find the net contents on the package. The same may be said in regard to the other mandatory requirements which deal with the readability of the content statement. Neither can present law prohibit the qualifying words or phrases by which the consumer could be led to believe that he is getting more than is actually in the package.

Those portions of the bill dealing with the necessity of stating net quantity in ounces or in whole units of pounds, pints, quarts and the authority to standardize packages, are aimed at the elimination of proliferation of weights. Under the present situation, the consumer just cannot intelligently determine what size is the best buy for the money. But this practice is probably not false and misleading and therefore not covered by present law.

It is admitted that certain practices covered by S. 985 could probably be attacked on an individual basis under present statutes. But many of these practices are so widespread as to render the task of a case-by-case attack extremely difficult, if not impossible.

Under present statute, the Commission could hold a trade practice conference and promulgate rules thereunder in cooperation with industry. But adherence to the rules would be voluntary and not mandatory. Under S. 985 the regulations promulgated by the Federal Trade Commission or Health, Education, and Welfare would be mandatory and have the effect of law. A violation of this regulation would be a violation of law.

Representatives of both the Food and Drug Administration and the Federal Trade Commission have offered testimony to the effect that they cannot cope with these problems under present law. One has only to look on the supermarket shelves to see that indeed the problem is not being met. Congress cannot shirk from its responsibility to see that the consumer has the benefits of this bill.

INTERNAL REVENUE SERVICE RULINGS

Mr. GORE. Mr. President, for some time I have been interested in Internal Revenue Service rulings. Due to the rather complicated nature of our tax laws, containing as they do many exceptions to the general rule that all income is subject to tax, it is impracticable if not impossible to legislate in the detail which would be required to cover all possible cases. Rulings, then, become important—sometimes as important in practical effect as the law itself.

It has long been my view that publicity and public disclosure would go far toward eliminating favoritism in rulings and in seeing to it that rulings do not stray from the intent of the Congress in enacting a given statute. For this reason I have introduced a bill, S. 2047, which would require the publication of all IRS rulings involving large revenues. My interest was prompted somewhat, although not altogether, by the rather mysterious negotiations which preceded the modifications made in the rulings governing the Du Pont-General Motors divestiture.

But, important as it is to maintain integrity and equity in rulings affecting a limited number of taxpayers involved in a given transaction, it is perhaps more important to see to it that correct rulings are issued when those rulings may set a precedent which will be followed in succeeding similar cases. From time to time, we must stop and examine these precedential rulings and see whether we are on the right track.

What particularly concerns me today is a request for rulings which would allow the notorious ABC scheme, which has long been popular in the oil and gas industries, to be applied to a particularly large coal operation. It seems to me that a reexamination of this entire line of rulings is needed.

Last fall, the financial press reported that Consolidation Coal Co., one of the largest coal producers in the country, was to liquidate. This liquidation was to be accomplished by, among other things, selling the coal properties and related assets of Consolidation to Continental Oil Co. In order to make the sale attractive to all concerned, the ABC type of transaction was to be used.

Heretofore, the ABC transaction has been largely confined to oil and gas, which are, of course, favored industries. But I see no reason to compound inequity by allowing the ABC transaction to spread to other industries. Indeed, I would hope that this Consolidation Coal-Continental Oil transaction might spur Treasury and IRS officials to hand down new rulings for future oil and gas ABC cases.

The ABC transaction is a tax dodge, pure and simple. Taxation is the principal reason for setting it up.

An ABC transaction essentially is the equivalent of selling a property subject to a mortgage which the buyer does not personally assume and agree to pay. Assume that A sells an operating business to B—the business may be an oil well, or it may be an apartment building. However, assume that A retains the right to a production payment—a payment equivalent to the current price of a specified number of barrels of oil—or in the case of the apartment building, a mortgage, which is not much different from the production payment. Then suppose that A sells the production payment or mortgage to C.

From A's standpoint, the two transactions are treated the same—they both result in a capital gain—or loss—to A depending upon his cost or other basis whether it is the apartment building or oil well which is being sold.

However, the similarity between the oil well and the apartment building ends here. In the case of the apartment building, all of the rental income after ordinary expenses and depreciation is taxable income to B and he must pay off the mortgage out of "after tax" dollars.

In the case of the oil well, however, B is not considered as receiving the production payment at all—which, in the typical case, may well amount to as much as 85 percent of the income from the well. Thus, in this case B is, in effect, paying the production payment out of "before tax dollars." Certainly, this privilege of paying off capital interests out of tax-free dollars is not a privilege accorded ordinary taxpayers. At the same time B, in the case of the oil well, claims the right to take the operating expenses for the entire well against his share of the income with the result he is likely to have hardly any taxes to pay while he is acquiring a full interest in the oil well.

At the same time B is paying little or no tax in the case of the oil well, C who is receiving the production payment is receiving cost depletion on this payment. Thus, he is amortizing his entire cost over the period he receives his payments.

The C who has the mortgage on the apartment house fares no better than his counterpart with the production payment despite the special advantages of the B with the oil well. The C with the mortgage can spread his cost over the period of the mortgage but, presumably, any excess he receives is interest income and, therefore, ordinary income.

The crucial difference between the ABC transaction in oil and the mortgage for the apartment, therefore, lies in the treatment of B and the fact that in the ABC transaction B can amortize C's capital interest out of tax-free dollars rather than the "after tax dollars" he must use in the apartment case.

In the proposed ABC transaction involving the coal mines of Consolidation Coal, the buyer of the coal properties, Continental Oil, will pay over to C—the buyer of the production payment reserved by Consolidation Coal—$460 million of the profits derived from Continental Oil's operation of the coal mines. Continental Oil will pay no tax on the $460 million of profits. It will be buying the coal mines with untaxed profits. And, neither Consolidation Coal nor C—the buyer of the production payment—will pay a tax on the $460 million of profits.

Consolidation Coal Co. has now spelled out in some detail in its proxy statement dated May 16, 1966, just how its transaction is to work. Certain favorable rulings must be obtained from IRS. Since the stockholders' meeting which is to approve the transaction has been scheduled for June 21, I would assume that Treasury and IRS officials are under some pressure to issue the necessary favorable rulings within the next few days.

In order to save Senators' time I shall not read the proxy statement which details this transaction, but I ask unanimous consent to insert in the RECORD at this point that part of the proxy statement which details this transaction.

There being no objection, the proxy statement was ordered to be printed in the RECORD, as follows:

CONSOLIDATION COAL CO., INC.,
Pittsburgh, Pa., May 16, 1966.

To the Shareholders:

There is now being transmitted to you proxy material which describes in detail the terms of our proposed transaction with Continental Oil Company originally announced last October and the action you are being asked to take at the Special Meeting of Shareholders scheduled to be held on June 21, 1966. The proposed transaction involves the sale of a Production Payment reserved from our coal properties for $460 million in cash and the sale to a subsidiary of Continental Oil Company of the balance of our interest in coal properties and certain other assets in return for 1,000,000 shares of Continental's Common Stock and the assumption by Continental of certain of Consol's liabilities.

After completion of these two sales your Company will liquidate by distributing to its shareholders all of its assets (after provision for remaining claims and liabilities), which will consist of $460 million in cash received from the sale of the Production Payment, the 1,000,000 shares of Continental's Common Stock received from Continental, the 3,500,000 shares of Common Stock of Chrysler Corporation presently owned by the Company, and cash and miscellaneous securities which will be sold or distributed in kind. As indicated in the Proxy Statement, shareholders will receive a liquidating distribution or distributions which, on the basis of May 6, 1966 market prices, would have an estimated total value of approximately $72.50 per share. During the nine calendar months preceding the announcement of the proposed transaction with Continental in early October the market value per share of the Company's stock ranged from a low of 46⅜ to a high of 56⅜.

The program as outlined will permit the Company to distribute its Chrysler stock to shareholders without payment of a corporate tax by the Company on the $77,755,000 of unrealized appreciation in the value of Chrysler stock as of May 6, 1966. If the total market value of the stock and cash received by a shareholder on the day of distribution exceeds the tax basis of his Consol shares, the gain to such shareholder (assuming the shares are capital assets in his hands) will be taxed as a capital gain.

As originally announced, consummation of the proposed sales and liquidation is subject to various conditions, including shareholder approval and the receipt by the Company of a satisfactory ruling from the Internal Revenue Service. The Company has applied for such a ruling and if it is not received prior to the meeting, consideration of the program by shareholders may be postponed until a satisfactory ruling is forthcoming by adjourning the meeting to a later date, or, if appropriate, calling a new meeting for a later date.

The management and Board of Directors of the Company believe that these proposals are in your best interests, and urge that you signify your approval by voting "for" the proposals on the enclosed proxy. Please sign and return the proxy in the postage-prepaid envelope provided.

Very truly yours,
GEORGE H. LOVE,
Chairman of the Board.
G. A. SHOEMAKER,
President.

SALE OF COAL PROPERTIES

The Agreement provides that on the Closing Date (defined therein) Consol will sell and transfer to Continental's Subsidiary, subject to the Production Payment, all of Consol's then existing assets and business as a going concern, except the assets listed in Appendix A to the Agreement (the "Excluded Assets") but including the outstanding capital stock owned by Consol in certain of its subsidiary and affiliated corporations, and Consol's rights to the use of its name. The assets to be sold will include, without limitation, all assets (except the Excluded Assets but including all other cash and securities) reflected in Consol's consolidated July 31, 1965 Balance Sheet, with such changes therein as shall have occurred in the ordinary course of business between such date and the Closing Date and such other changes as shall not have been prohibited under the Agreement. In consideration therefor, Continental will deliver to Consol 1,000,000 shares of Continental's Common Stock and Continental's Subsidiary will undertake to assume (the performance of which undertaking will be guaranteed by Continental) all of Consol's liabilities except those referred to in Appendix B to the Agreement (the "Excluded Liabilities").

The Excluded Assets consist of the Production Payment (and the proceeds of its sale) and certain cash and securities, including 3,500,000 shares of the Common Stock of Chrysler Corporation. The Excluded Liabilities include, among others, certain of Consol's long-term debt, liabilities accruing subsequent to July 31, 1965 with respect to or relating to the sale or exchange of any of the Excluded Assets, taxes (other than documentary, transfer and certain other taxes) imposed upon Consol or any of its shareholders arising out of Consol's performance of the Agreement costs or expenses in connection with Consol's dissolution and liquidation or required by reason of the exercise of rights of dissenting Consol shareholders, and liabilities for any borrowings incurred by Consol to discharge any other liabilities specifically not assumed by Continental's Subsidiary. At December 31, 1965, the net book value of Consol's assets to be sold to Continental's Subsidiary before giving effect to the Production Payment aggregated $280,571,000. The closing sale price of Continental's Common Stock on the New York Stock Exchange on May 6, 1966 was $63.875 per share.

The Agreement contains certain representations and warranties of Consol and certain covenants by Consol concerning the conduct of its business and other matters pending the Closing Date. Consol is obligated, among other things, to conduct its business only in the ordinary course and not to pay dividends in excess of an amount fixed by the Agreement (see "Dividends" herein). Continental has agreed to pay or assume Consol's reasonable expenses in connection with the transactions contemplated under the Agreement (other than expenses of dissolution and liquidation and certain other expenses included in Excluded Liabilities) provided that such transactions are consummated.

In accordance with the Agreement, Consol will take such steps as may be necessary in order that Continental's Subsidiary may use Consol's name after the Closing. Consol has also agreed that after the sale and transfer of its assets and business pursuant to the Agreement, it will distribute to its shareholders, *pro rata*, the shares of Continental's Common Stock received by Consol under the Agreement.

It is expected that the Closing Date for the sale and transfer of assets contemplated by the Agreement will be June 30, 1966, but Consol and Continental each has the right, upon notice to the other, to postpone the Closing to a date not later than September 30,

1966. If the Closing is not consummated on or before September 30, 1966, either Continental or Consol may thereafter terminate its obligations under the Agreement by notice to the other.

Consummation of the Agreement is conditioned, among other things, upon the approval by Continental's stockholders of the purchase of Consol's assets as contemplated by the Agreement and upon the adoption of the * * * and the approval of the sale of Consol's assets and related matters by Consol's shareholders. Each party's obligation to consummate the Agreement is subject to various other conditions, including the receipt of rulings from the Internal Revenue Service as to certain tax consequences of the transaction, opinions of counsel with respect to various matters, and the absence of any proceeding seeking to prevent or invalidate the consummation of the Agreement, any investigation that might eventually in any such proceeding, or any claim or demand, which renders it inadvisable to consummate the Agreement. It is contemplated that these conditions will be complied with before the Closing, but either party may waive any condition to its obligations under the Agreement.

The Agreement may be amended by action of the Board of Directors or authorized committee or officers of each company without further action by the shareholders, except that no amendment shall change the number of shares of Continental Common Stock to be issued pursuant to the Agreement, and no amendment shall change, in any manner which would materially and adversely affect the rights of Consol's shareholders, the provisions with respect to the transfer of certain of Consol's assets to, and the assumption of certain of its liabilities by, Continental's Subsidiary and the distribution to Consol's shareholders of the Common Stock of Continental received by Consol. Under the Agreement, Consol and Continental, by mutual consent of their Boards of Directors and without further action by the shareholders, may terminate the Agreement at any time prior to the Closing without liability of any kind on the part of either Continental or Consol. In the event any of the conditions to the obligations of Consol or Continental under the Agreement are not fulfilled prior to or on the Closing Date, Consol or Continental, as the case may be, may elect to terminate its obligations under the Agreement without further shareholder action.

SALE OF PRODUCTION PAYMENT

The coal properties to be sold to Continental's Subsidiary will be subject to a reserved Production Payment in the primary amount of $460,000,000, which Consol will simultaneously sell to William Coal Corporation ("William"). The capital stock of William is owned by Lehman Brothers, an investment banking firm and certain of its key employees and members of their families. William proposes to borrow the amount necessary to purchase the Production Payment from a group of institutional lenders headed by First National City Bank, New York, such loan to be secured by a mortgage and deed of trust on the Production Payment.

The properties to be subject to the Production Payment will include all of Consol's coal reserves existing as of the Closing Date (except certain specified properties) and all of Consol's future royalty income from such reserves. The coal leased by Consol to four companies in which it has an interest (Mathies Coal Co., Harmer Coal Co., Bishop Coal Co., and Itmann Coal Co.) will be among the reserves excluded from the Production Payment, but the royalties received under the leases to these companies will be subjected to the Production Payment. Also excluded from the Production Payment are all non-coal operations and receipts under installment sale contracts.

After its sale of the Production Payment for $460,000,000 Consol will have no further interest in the coal properties subject thereto, and will not be obligated to make, or entitled to receive, any payments in connection therewith.

William, as successor to Consol's interest in the Production Payment, will receive, during the entire term of the Production Payment, 100% of all the net income from the royalties dedicated to the Production Payment. In addition, William will receive during the first month 22.175% of the gross proceeds from coal produced from the mines operated by Continental's Subsidiary in the coal reserves subjected to the Production Payment (Subject Mines). Thereafter, the basis of payment to William will change to 87% of the "Net Mine Revenue" attributable to the coal mined and sold from each of the Subject Mines. "Net Mine Revenue" consists of the gross proceeds from such coal mined less all direct operating costs and expenses related to the production and processing of the coal, depreciation, royalties, ad valorem and similar taxes, selling expenses and an allocation for administrative overhead.

Included in the document creating the Production Payment will be a schedule showing the balance of the primary sum of the Production Payment which would be outstanding on the first day of January and July of each year, commencing with the year 1968, assuming the Production Payment were to be liquidated over a period of fifteen years. If on the first day of January or July in any year the unliquidated balance of the primary sum is greater than that specified in the schedule for such date, then William will thereafter receive for the coal mined during each month from the Subject Mines the greater of:

(i) the sum of all the amounts determined by multiplying the gross proceeds from coal produced from each of the Subject Mines for such month by the percentage for such mine which, had it been in effect during the preceding month, would have resulted in the receipt by William of $0.90 per ton for the coal produced from such mine during such preceding month; or

(ii) an amount equal to 100% of Net Mine Revenue, plus depreciation, attributable to all coal produced from all of the Subject Mines during such month.

Thereafter, if on or before any subsequent January 1 or July 1 the unliquidated balance of the primary sum of the Production Payment shall be less than the amount specified on the schedule for that date, the basis for payment to William will again become 87% of the Net Mine Revenue.

Consol's coal production for 1965 was approximately 40,222,000 tons. Had the Production Payment been in effect during 1965, the revenues accruing to it would have been approximately $44,162,000. If it is assumed that revenues accruing to the Production Payment would not increase from the 1965 level, application of this amount to the Production Payment each year would liquidate it in approximately 16 years, and the total payments to William would be approximately $706,000,000. However, new long-term contracts have been negotiated or are being negotiated, and Continental's Subsidiary will be obligated (which obligation will be guaranteed by Continental) to increase the productive capacity of Consol's mines each year to a maximum of 55,700,000 tons annually by 1971. The total cost of the capital expenditures for new mines and new mine expansions during the period January 1, 1966 to December 31, 1968 is estimated by Continental to be approximately $60,000,000. Operating costs, of course, cannot be predicted with certainty; however, assuming production is increased to the capacities to which Continental's Subsidiary will be obligated, and assuming there are no changes from the 1965 level of price realizations and unit costs, the Production Payment would be liquidated in a significantly shorter number of years, and the total payments to William would be lower.

The amount of coal required to discharge the Production Payment will depend upon the rate of production and Net Mine Revenue. If the Production Payment should be liquidated in 16 years, at that time approximately 84% of the coal reserves subjected to the Production Payment would remain. If the Production Payment should be liquidated in a lesser number of years, a slightly higher percentage of such coal reserves would remain.

For financial purposes, Continental plans to capitalize annually, so long as any portion of the Production Payment remains outstanding, the costs of mining, net of related income taxes, attributable to the production of coal dedicated under the Production Payment agreement and to amortize the aggregate net capitalized mining costs over Continental's share of the estimated tonnage to be produced in a 30-year period, including the period during which the Production Payment is outstanding. For income tax purposes, such costs will be deducted as incurred. Reference is made to Note B to the Pro Forma Combined Condensed Statement of Income of Continental elsewhere herein for an indication of the effect of the capitalization of mining costs, net of current year amortization, on pro forma net income for the year 1965. The maximum accumulation of capitalized mining costs during the period of the Production Payment, net of related amortization, is estimated at approximately $128,000,000 and, based thereon, the amortization in the final year of the Production Payment is estimated at approximately $8,000,000.

Consummation of the sale of the Production Payment will be subject to various conditions, including the receipt of appropriate rulings from the Internal Revenue Service, opinions of counsel with respect to various matters, the absence of certain litigation, and the completion of the borrowings by William to finance the purchase of the Production Payment.

PLAN OF COMPLETE LIQUIDATION

Under the Plan, after approval by shareholders of the foregoing sale of coal properties and reserved Production Payment and approval and adoption by shareholders of the Plan, Consol is to go forward with the sales and reduce to cash all of its remaining assets (consisting solely of securities and cash) except for securities to be distributed in kind, pro rata, to shareholders. At the present time, it is contemplated that the only securities which will be distributed in kind to shareholders will be the 3,500,000 shares of Common Stock of Chrysler Corporation currently held by Consol and the 1,000,000 shares of Continental Common Stock to be received pursuant to the Agreement. However, under the Plan, the Board of Directors of Consol may direct the distribution in kind of any other securities owned by Consol. If for any reason the sale of the coal properties and certain other assets pursuant to the Agreement and the sale of the Production Payment are not consummated, Consol will not proceed with the Plan.

After payment or provision for the payment of all debts and liabilities of Consol (see the Excluded Liabilities listed in Appendix B to the Agreement), the remaining cash and securities will be distributed to Consol's shareholders. Except for a reserve for contingencies, such distribution must be completed within the 12-month period beginning with the date of the adoption of the Plan by Consol's shareholders and will be made in complete cancellation or redemption of all of Consol's outstanding shares of Common Stock. The liquidation of Consol will be affected in one or more distributions with the major portion of its assets being distributed as soon as practicable after the sale to Continental pursuant to the Agreement and the sale of the Production Payment. Consol will thereafter be formally dissolved at an appropriate time.

On the basis of closing market prices (or estimated values where market prices were unavailable) on May 6, 1966, the assets of Consol immediately after consummation of the proposed sales would have an aggregate value of approximately $742,577,000, consisting of 1,000,000 shares of Continental Common Stock at $63,875,000, or $63,875 per share, 3,500,000 shares of Chrysler Common Stock at $157,500,000, or $45 per share, other securities at $39,686,000 and cash or cash items in an aggregate amount of $481,516,000. From these assets provision will be made for the payment of long-term debt and the other Excluded Liabilities and a reserve will be set up for other possible contingencies. Based on these values and Consol's present estimate of an appropriate provision for such liabilities and contingency reserve, each shareholder would receive upon liquidation for each share of Common Stock of Consol a distribution or distributions having a total value of approximately $72.50, consisting of approximately $^{10}/_{100}$ of a share of Continental Common Stock, $^{35}/_{100}$ of a share of Chrysler Common Stock and the balance in cash. If any other securities are distributed in kind, the amount of cash distributed will, of course, be correspondingly reduced. The value of the ultimate distribution and the cash included therein will be affected by fluctuations in market value of the securities involved, by increases in Consol's earnings not paid out as dividends as permitted by the Agreement and expenses and liabilities of Consol not assumed by Continental's Subsidiary. In accordance with its established practices, the New York Stock Exchange may suspend the trading in Consol's stock upon payment of the liquidating distribution.

No fractional shares of the stock distributed in kind will be issued and shareholders entitled to fractional interest in these securities will receive cash in lieu thereof based on market prices of such securities on the record date fixed for the liquidating distribution. Shareholders of Consol will be advised at a subsequent date of the procedures to be followed in order to receive the liquidating distribution to which they are entitled.

CHANGE OF NAME

Under the Agreement, Consol is obligated to take such steps as may be necessary in order that Continental's Subsidiary may use Consol's name after the Closing. In order to permit such use, it may be necessary for Consol to amend its Articles of Incorporation to change its name prior to or at the time of the Closing. The Board of Directors recommends to shareholders that the proposed amendment, which would change the name of Consol to "Consol Liquidation Corporation" be adopted and that if it becomes necessary to change the name of Consol in order to permit Consol to fulfill its obligations under the Agreement, the officers of Consol be directed to execute and file an appropriate amendment to the Articles of Incorporation with the Secretary of State of Pennsylvania prior to or at the time of the Closing.

FEDERAL TAX RULINGS

Continental is requesting rulings from the Internal Revenue Service to the effect that for Federal income tax purposes (i) the income attributable to the reserved Production Payment will be excluded from the taxable income of Continental or Continental's Subsidiary and (ii) mining costs and mine development expenditures incurred on and after the date of purchase will be allowed as deductions in computing taxable income of Continental or Continental's Subsidiary.

Consol is requesting rulings from the Internal Revenue Service to the effect, among other things, that no gain or loss will be recognized to Consol under Section 337 of the Internal Revenue Code upon consummation of the sale of its assets and the Production Payment, and that the shareholders of Consol in whose hands the stock of Consol is a capital asset will realize only capital gain or loss on the distributions made to them upon the liquidation of Consol.

The foregoing requests are now pending.

Continental and Consol have furnished certain information and documents to the Antitrust Division of the Department of Justice with respect to the legality of the proposed acquisition under the antitrust laws. Following completion of such submission, Continental and Consol have received informal indications from the Department of Justice that it has no plans to oppose consummation of the transaction. In addition, Continental and Consol have received satisfactory legal opinions from independent counsel that the proposed acquisition does not violate the antitrust laws.

Mr. GORE. Mr. President, I have read the proxy statement in vain for any explanation—other than the avoidance of Federal income taxes—as to why management is recommending the liquidation of Consolidation Coal. Consolidation Coal is a prosperous company. It is the world's largest coal company in terms of sales.

The proxy statement points out that on the liquidation the Company can distribute its 3½ million shares of Chrysler Corp. stock without the payment of a corporate tax on the unrealized capital gain of approximately $77 million. No explanation is given as to why the coal company in past years purchased the 3½ million shares of Chrysler stock instead of paying to its shareholders profits not needed in the coal business. The avoidance of a surtax under section 531 on unreasonable accumulations of earnings may be one of the unannounced reasons for the liquidation.

The proxy statement advises that the liquidation will not go through unless the Internal Revenue Service rules that section 337 will apply to their situation so that no tax at all will be paid at the corporate level on the gain—in excess of $300 million—which the company will receive on the sale of the production payment for $460 million.

While Consolidation Coal will pay no taxes on the liquidation, some capital gains may be realized by shareholders on the liquidation. But it should be noted that approximately one-fifth of the outstanding shares of Consolidation Coal have a tax basis of more than $64 a share as a result of the distribution last December of those shares on the liquidation of M. A. Hanna Co.—a holding company dominated by the family of George Humphrey, former Secretary of the Treasury. Very little capital gain will be realized on those shares on the liquidation of Consolidation Coal. And, I do not know how many shares of Consolidation Coal are held by tax-exempt organizations nor how many shares *having a low tax basis will be contributed* for income tax purposes before the liquidation to tax-exempt family foundations. In any event, the capital gain taxes imposed on shareholders will be small in comparison to the income taxes avoided at the corporate level if favorable tax rulings are received from the Service on the proposed plan of liquidation.

The keystone to the entire plan of liquidation is the proposed ABC transaction—a sophisticated tax gimmick. The proxy statement informs that Continental Oil will capitalize on its books "the costs of mining, net of related income taxes, attributable to the production of coal dedicated under the production payment." That is, the company will treat part of the mining costs as the purchase price of the coal reserves it is buying from Consolidation. Thus, on Continental Oil's books, if 20 percent of the proceeds of the coal mined goes to reduce the production payment, 20 percent of the costs of mining will be capitalized. By the time the production payment has been paid for in full, the books of the company will show approximately $128 million as the cost of the approximately 4.6 billion tons of coal remaining in the ground. The actual costs of mining the coal to pay off the $460 million will be greater than the balance of $128 million since the 128 million is "net of related income taxes."

While Continental Oil will treat part of the mining costs as a cost of acquiring the coal reserves, the proxy statement says that Continental Oil, for income tax purposes, will deduct all of the mining costs. It is asking the Internal Revenue Service for a ruling that all of the mining costs will be allowed as current deductions.

I do not know of any basis on which the Service can rule that all of the mining costs in an ABC transaction are deductible. The Internal Revenue Code does allow the deduction of capital expenditures in developing a mine, but the code does not allow the deduction, as an expense, of the cost of acquiring mineral properties. Under the code the costs of acquiring mineral properties are recovered through the depletion allowance—cost or percentage depletion.

If Continental Oil were required to capitalize the portion of the mining costs which go to pay off the production payment, it would be entitled to deduct those costs through cost depletion over the life of the coal properties. But if it claims cost depletion, it cannot also have percentage depletion. Since percentage depletion will be much greater than the cost depletion, the company will elect to deduct percentage depletion instead of cost depletion. Continental Oil is asking the Service to rule, in effect, that it can have both cost depletion and percentage depletion.

The proposed liquidation is dependent upon the receipt of favorable rulings from the Internal Revenue Service. If the Service rules adversely, or refuses to rule, I cannot see that the public interest will be injured in any manner. No economic or social goal is accomplished by the liquidation of a prosperous coal company.

If the Service were to give a favorable tax ruling on the proposed ABC transaction, in my opinion it would be allowing a deduction for a capital expenditure in acquiring mineral properties which is not allowed by the Internal Revenue Code nor by any court decision.

Although the proxy statement to which I have alluded does not touch on this point, the purchaser of the production payment, "C"—William Coal, the front for the investment bankers in this case—can probably show a bookkeeping loss on the transaction for the first 5 or 6 years through the magic of depletion. The production payment can then be sold again and the new purchaser can go through the same process of avoiding taxation on interest income.

Although I do not want to get into another favorite tax dodge scheme at this time, I would just point out that the insiders at Consolidation Coal last year, when this liquidation scheme was under active consideration, voted themselves large stock options, thus defrauding the general taxpayer and their own noninsider stockholders.

Mr. President, I shall follow this case closely. I hope the type of rulings which have been issued in the past will be tightened, if not reversed altogether. Taxpayers engaged in these operations are not paying their fair share of the tax burden. It is high time we put a stop to the ever-increasing shift of the tax burden to those who must pay taxes on wages and salaries. For this latter group there is no way of escape and avoidance. They can only hope that the day will come when all taxpayers will be treated more nearly alike so that their rates can be reduced without a catastrophic loss of needed Government revenues.

AN APPROACH TO PEACE THROUGH DISARMAMENT — AN INDIAN POINT OF VIEW

Mr. DOMINICK. Mr. President, I have had the opportunity and honor since I have been in Washington of talking to and getting to know Hon. Dr. Purnendu Kumar Banerjee, Minister from India, who recently delivered a commencement address in one of the very fine institutions in Colorado, Western State College, at Gunnison, Colo., on Friday, June 3, 1966.

I have had the privilege of reading this address and I must say that although it is extremely well delivered and well oriented, it is another point of view—which I believe is the easiest way of saying it—because I do not particularly agree with its thesis.

Nevertheless, it is of sufficient importance with respect to our own relationship with India and other countries, particularly with the disarmament negotiations which are now going on at Geneva, that it should be printed in the Record.

One of Dr. Banerjee's theses is that we should go ahead with a nonproliferation treaty, even unilaterally. I think that there is room for considerable discussion on this point. This is, at least, an Indian point of view, and I therefore ask unanimous consent to have the commencement address printed in the Record as a speech of interest to all Senators and to many people in the United States.

There being no objection, the address was ordered to be printed in the Record, as follows:

An Approach to Peace Through Disarmament

(Commencement address by the Honorable Dr. Purnendu Kumar Banerjee, Minister, Embassy of India, at Western State College of Colorado, Gunnison, Colo., Friday, June 3, 1966)

I consider it a great privilege and honour to be here this afternoon. I cannot but sense the mystery of nature, listen to its music, enjoy its beauty, and draw inspiration from it. The magnificent woods, the pure limpidity of the lakes, the splendour of the snowy mountains, the happy murmur of the Black Canyon provide the idyllic backdrop for ideal education. It can be said of Colorado that nature decorated it in complete leisure and with painter's skill. To me, studying in the midst of nature brings nostalgic memories of the "Shantiniketan," where Poet Rabindranath Tagore sought in India to recreate the international educational institutions of ancient India. You have had in your surroundings, and I am sure in your faculty, a perfect combination to achieve your motto: Competence, Conscience and Creativity. These, in turn, will enable you, as you enter society as its participants, to attune your accomplishments and your attitudes to your aspirations.

The community in which you will play an active role is full of problems. But no problem is more onerous than the burden of peace. Both India and America, as the two largest Democracies, have to bear a larger share in achieving it. Together we must, with patience, perseverance, and persistence, toil to extend what Secretary of State Rusk called, 'the period of peace.' I therefore wish to say a few words on a subject of immediate importance to the survival of mankind. In conquering the atom, man has yet to conquer intolerance. In the nuclear age in order to live we have to let live; to survive we have to suffer ephemeral ideas; to exist we have to co-exist. This is all the more meaningful to young graduates like you because you are entering an atomic world and the space age. Your responsibility therefore is all the more great and your scholastic preparation is all the more important.

Peace today is more than the absence of war. For in a nuclear age war is unthinkable, though there are some who do not share this view. The weapons that are at the disposal of man provide him with an armoury of destruction, which is sometimes patriotically called defense. But it is patent that after a nuclear war there is nothing left to defend and none left to protect. The new technology of warfare has made the use of force unnecessary both conceptually and practically. Force can destroy peoples and culture, but may not win politically relevant objectives. It is, therefore, the duty of every one of us to take innovative initiatives to extend the period of peace. I agree that we should not compromise with evil. Nuclear weapons, not nuclear energy, are evils. I do not, on the other hand, subscribe to the theory of demonology—the division of nations and peoples into good and evil—in international relations. I wish to speak today on the problem of Disarmament and India's role, which is as significant as it is substantial.

As far as India is concerned, the drama of disarmament negotiations has a prologue. That explains our special position in the negotiations. We do not demand of other nations what we ourselves refuse to undertake. Our precepts are solidly supported by our practice. We have preferred international interests to our own narrow national interests. It is obvious that we are, more than any other nation, immediately threatened by a nuclear Power. China has again exploded her third and much bigger nuclear device on May 9, 1966. It is generally believed to be more advanced technically than the earlier two. Defense Secretary Robert McNamara has repeatedly warned the United States about the Chinese menace. Recently testifying before the Joint Congressional Committee on Atomic Energy, he said that China would have, within four years, the delivery capability for nuclear warheads to attack any area within a radius of 500 to 700 miles. Many of the Indian cities are well-within that range. Yet we have denied ourselves the nuclear bomb, which India could admittedly assemble within a period of six to eighteen months.

This is not a theoretical claim. Let me present the facts. India is the only country besides the existing nuclear powers, which has got a chemical separation plant in operation, producing kilogramme quantities of plutonium. If any country wishes to embark on a nuclear weapons programme, it must have a chemical separation plant or a gaseous diffusion plant. India has this facility. Senator Robert F. Kennedy pointed out in a Senate speech the other day that "India already possesses weapons-grade, fissionable material and could fabricate an atomic device within a few months." Yet, successive Prime Ministers of India have repeatedly declared their determination not to manufacture a bomb. We want to harness the nuclear energy for peaceful purposes. But the world, especially the nuclear powers, should not take our self-abnegation as a part of our duty and their right. We should be assured of reasonable hope that an agreement on disarmament will be signed and signed soon. If the nuclear powers fail to agree to both non-dissemination and non-proliferation, India may be forced to reconsider her decision. Being a democratic society, the Indian Government will have to bow to public demand. It can postpone a decision but cannot avoid it. For, unlike dictatorships, we cannot ride roughshod over public sentiment. Being members of democratic society you may not only understand our position, but also appreciate it. Where the security of India is involved, India cannot rely on the goodwill of a nuclear power alone. We are willing to accept a multilateral guarantee by the nuclear powers through the United Nations. Nevertheless, this can be only an ad hoc arrangement. It is no substitute for disarmament. Security is not synonymous with protection, irrespective of the might or the sincerity of the protector. Real security, we believe, lies in the elimination of the threat rather than in offering aid to the victim of aggression. In a nuclear attack there may not be enough time for rescue. It is no solace to the victim of aggression that the aggressor has been later punished by the nuclear powers.

There is another danger. Nuclear explosives are relatively cheap. As the late Dr. Homi Bhabha, Chairman of India's Atomic Energy Commission, once explained, a ten kiloton explosive—that is, one equivalent to 10,000 tons of TNT—would cost only $350,000.

Such an explosive would be of the same order as the Hiroshima bomb. Nuclear explosives are thus some twenty times cheaper and thermonuclear explosives more than 500 times cheaper than conventional explosives of equivalent force. Thus there is always a danger of nations harnessing nuclear energy for explosives ostensibly for digging a tunnel and later using them as weapons. It is therefore imperative that we control this deadly weapon while the nations with nuclear potential are few and still manageable.

There is another school which believes in the dictum that "a conventional armaments race produces instability, whereas a nuclear armaments race produces stability: the reason is that one conjures up a picture of possible victory, whereas the other increases the certainty of mutual destruction." This view has been advanced by General d'Armee Andre Beaufre, the director of the French Institute of Strategic Studies, in his book "Deterrence and Strategy." Dr. Hermann Kahn, a noted American expert, thinking of the unthinkable, has expressed the view that it is possible for America to survive a nuclear war. Thus there are influential exponents who believe that nuclear weapons are a stabiliser of peace.

This may be a tranquillizer to peace and not the remedy for the disease—and even stability, I submit, is a relative concept. If it is true that conventional armaments offer no stability, then it is equally true of nuclear weapons. It cannot be said, even today, that nuclear weapons are the last word in weapons sophistication. The nuclear bomb is only a part of a whole complex of the modern armoury, which includes such inhuman refinements as lethal and incapacitating gases and killer germs—the so-called Bacteriological and chemical weapons. The invisible laser beam is already being put to industrial uses and may be soon tamed and employed by the military. It could, as a weapon, kill human beings without destroying human creations like buildings and monuments. It could possibly reduce even the nuclear weapons to the status of another conventional weapon. The burden of my song today is that the refinement of weapons is unending and India strongly rejects the view that nuclear weapons are a stabilizing factor in the promotion of world peace.

An idealist like Mahatma Gandhi would perhaps say that we are fighting the wrong battle. We should not fight the bomb, but the psychological factor behind it, the idea of violence as an arbiter of disputes among nations. The world today still subscribes to the notion of dependence on armaments for survival of mankind. The arms race, he would have perhaps told us, is a narrow one-way street. Since there is no U-turn, we would be certainly courting disaster. So he would have insisted on a unilateral disarmament. But we, as realists, realize that such soaring idealism would fall on deaf ears in a country like China, which has flouted with impunity the combined will of the world community. We have not sought unilateral action by any of the nuclear powers. But in keeping with the spirit of Gandhian idealism we have pleaded in the Disarmament Commission that "since there has been further technological progress in the field of detection and verification and if at all, our conviction has grown stronger that it is desirable for the nuclear powers to take a bold decision, and for the sake of argument, some theoretical risks in order to achieve one more significant landmark in our path of progress towards disarmament."

This is not a novel plea. President Kennedy took such a risk when he announced in one of his great speeches at the American University in Washington that the United States would not conduct nuclear tests in the atmosphere so long as other States did not do so. "Such a declaration", he declared, "is no substitute for a formal binding treaty—but I hope it will help us to achieve it." He did achieve it. The Test Ban Treaty is a consequence of President Kennedy's wisdom and vision. There were theoretical risks. Today we need a repeat performance of such acts. We trust that the nuclear powers will follow the same high-minded pattern and achieve a similar and satisfactory agreement. For these is a danger that any distraction and delay may only give false excuse to the chauvinists among us who glorify war and to whom peaceful coexistence is a crime.

We are conscious that disarmament cannot be achieved here and now. India seeks an extension of the underlying spirit of the Test Ban Treaty. In a memorandum placed before the Disarmament Commission, India said:

"We consider it imperative that all underground tests should be discontinued immediately, either by unilateral decisions based on the policy of mutual example or in some other appropriate way, while the negotiations are going on for reconciling the differences between the nuclear powers."

India further suggested that the nuclear powers may enter into another partial treaty for the cessation of tests above a limited threshold and that this threshold could be lowered subsequently as a result of scientific and other data and of appropriate negotiations. The scientific exchanges were suggested for the specific purpose of lowering the initially agreed threshold. Thus we do not consider any effort to achieve any agreement, however limited in its scope, as too picayune in the cause of peace.

Two basic issues: non-dissemination and non-proliferation are taxing the talents of the Disarmament Commission today. Non-dissemination involves the non-transfer of nuclear technology and/or nuclear weapons by nuclear powers to non-nuclear countries, aligned or unaligned. We feel that non-dissemination should form an important element in any future non-proliferation treaty. We do not accept the threefold classification offered by some of the nuclear Powers—nuclear powers, allied non-nuclear Powers and unaligned non-nuclear powers—as the basis of such a treaty. We recognize only two groupings—those who are in the nuclear club and those who are not. The latter would also include the allies of the nuclear powers. It would be improper for a non-nuclear ally to have access to nuclear weaponry, which a non-aligned non-nuclear power is denied by the treaty.

We insist that a non-proliferation treaty be signed. But we consider it unrealistic to ask the non-nuclear countries to foreswear, forever, a programme of nuclear weapons production, when the existing nuclear powers are allowed to hold on to their awesome arsenals. United Nations Secretary-General U Thant echoed this thought when he said:

"Those who have already embarked upon nuclear weapons development continue to perfect and increase their stockpile of nuclear weapons. On the other hand, a growing number of States capable of nuclear weapons development will be faced with extremely grave decisions in this area which will have profound repercussions. Responsibility and restraint are needed on the part of both the nuclear and non-nuclear States. Decisions in the field of nuclear weapons development have a contiguous and cumulative effect whether in curbing or in the broadening of the nuclear arms race."

Mr. William C. Foster, Director, U.S. Arms Control and Disarmament Agency, seemed to agree with him. In a thought provoking and lucid article in the Foreign Affairs, he wrote:

"In stressing that such measures as reductions in Soviet and American nuclear capabilities are important if we are to succeed in dealing with nuclear proliferation, it should be made clear that it is not a question of our setting a good example, a factor of regrettably little influence in international affairs, but rather the fact that we would, by negotiating such measures, be giving evidence of our determination to reverse the arms race and move towards a world order in which the role of nuclear weapons would be diminished. Lacking at least reasonable prospects of movement in this direction, it is hard to see how, in the long run, we can hope to put any limits on the membership in the nuclear club."

Besides, a non-proliferation agreement is basically an agreement to be entered into by the nuclear powers not to proliferate nuclear weapons. A prohibition to proliferate applies firstly to those who possess weapons and therefore are in a position to proliferate and only secondarily to those who may subsequently attain such a position. No international treaty is rational that prohibits the acquisition of nuclear weapons only by non-nuclear powers. This is therefore unacceptable to India. Nuclear powers cannot tell those who are outside the nuclear club not to enter the club. It would be like a smoking parent advising his son not to smoke. There should be some tangible progress of the intentions of the nuclear powers to reduce their stockpile and freeze their production. For the disarmament of unarmed countries would not assure peace. The treaty of non-proliferation should be non-discriminatory.

A resolution adopted by the General Assembly of the United Nations on 19th November 1965, embodied the hopes and aspirations of the international community. It declared that an international treaty to prevent proliferation of nuclear weapons should be based on certain specific principles such as an "acceptable balance of mutual obligations of nuclear and non-nuclear Powers." A sense of equality based on mutual respect should be the keynote of any negotiating forum and more so in the case of disarmament. A spirit of participation should pervade the negotiations. For the developing countries like India, there is a link between disarmament and availability of capital and technological resources for economic advancement. Disarmament, then, means more than a matter of survival for us.

This part was beautifully expressed, in his memorable speech, by President Eisenhower when he said "Every gun that is made, every warship launched, every rocket fired, signifies—in the final sense—a theft from those who are hungry and are not fed, who are cold and are not clothed".

We have naturally developed a passion for peace.

But all this problem of development is beyond disarmament. We have to achieve the first step—the destruction of death-dealing weapons the torturing traps of mankind. Mankind can and shall achieve this goal. Amazing is the spirit of man. "In spite of innumerable failings," Jawaharlal Nehru wrote in "The Discovery of India," "man, throughout ages, has sacrificed his life and all he holds dear for an ideal, for truth, for faith, for country and honour. That ideal may change, but that capacity for self-sacrifice continues, and, because of that, much may be forgiven to man, and it is impossible to lose hope for him. In the midst of disaster, he has not lost his dignity or his faith in the values he cherished. Plaything of natures mighty forces, less than a speck of dust in this vast universe, he has hurled defiance at the elemental powers, and with his mind, cradle of revolution, sought to master them." Man shall never be a slave of the machine, the human spirit, I submit, shall ultimately prevail over the atom bomb.

Mr. DOMINICK. Mr. President, I was interested in this speech because immediately after reading it, which certainly talks about the part of disarmament and the peace that would come from it, I read in the Washington Evening Star yesterday an article entitled "India Getting 600 Tanks From Reds, Pakistanis Say."

In view of the fact that this offsets some of the implications of Mr. Banerjee's address, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

India Getting 600 Tanks From Reds, Pakistanis Say

(By David Van Praagh)

Rawalpindi.—Pakistani military sources say India is in the process of acquiring 600 tanks from the Soviet Union and Czechoslovakia.

The alleged tank shipment, following last fall's Indo-Pakistani war, are cited as the reason why Pakistan says it must rearm—if necessary with Communist China's help—against what it feels is an inevitable Indian attack.

Experienced Western observers in this sun-baked interim capital agree, insofar as they believe that it is not a question of whether, but when hostilities between India and Pakistan will be resumed.

Estimates range from four months to two years. While high military quarters on each side claim that its army is already back to pre-war strength, the best military guess is that neither Pakistan nor India expects full-scale fighting for at least one year.

It is clear in Pakistan, however, that the Tashkent Declaration and its spirit of peaceful Indo-Pakistani relations is virtually dead, if they ever existed at all as more than a scrap of paper signed by President Mohammed Ayub Khan and the late Prime Minister Lal Bahadur Shastri in Soviet Uzbekistan Jan. 10.

"IN STATE OF ALERT"

Ayub recently reiterated in an address to his old battalion, the Sherdils, that Pakistan wanted peace with its neighbors, including India.

But he added that because of India's military preparations, "Pakistan will have to, of necessity, remain vigilant and in a state of alert."

Gen. Mohammed Musa, the army commander, used words more typical of recent Pakistani statements when he told officers of the Pakistan Ordnance Factory at Wah near here that only the armed forces stood between Pakistan's "independence and slavery."

It is this mood that is expected to pervade the current session of Pakistan's National Assembly here. A budget will be presented Saturday that will indicate where cuts considered necessary in economic and welfare spending will be made to permit greater military spending.

Pakistani sources do not confirm or deny Indian reports that Pakistan's army is being expanded by three divisions to 10 or 11, and that Pakistan has received 45 to 50 medium tanks of Soviet design and two squadrons of MIG 19 fighter planes from China.

Last March, five T59 tanks and four MIG 19s were displayed in the Pakistan Day parade here. It is not known whether Peking is giving or selling tanks and MIG's to Pakistan.

U.S. AID CUTOFF

What is painfully known to Pakistani officers is that there is no present prospect for the resumption of U.S. military aid. Since 1954 to its cutoff last September, U.S. aid provided the bulk of the equipment for the Pakistani army and air force.

Although U.S. refusal to extend more aid causes bitter resentment at what is considered favoritism to India, it is stressed that Pakistan's armed forces would prefer to continue reliance on U.S. rather than Communist weapons.

Pakistan also intends to remain a member of the Western-backed Central and Southeast Asia Treaty Organizations and sees no inconsistency in receiving arms from the Chinese Communists at the same time. One high officer said, "The United States is blind to our requirements."

Pakistani sources do not say how many of the 600 Soviet and Czech tanks they say will be delivered to India have already been unloaded. But they report some have been seen on Calcutta docks—which conceivably could block unloading of U.S. wheat for Indian famine areas—along with Soviet-supplied heavy artillery.

They say the Czechs will supply 225 T54 medium tanks and the Russians will supply 225 T55 medium tanks—both earlier than the T59—and that India also will receive 150 amphibious tanks.

The Pakistanis also say that the Indian army will be built up to 30 divisions after the present strengthening to 22 or 23 divisions, started before last fall's war, is completed soon.

It is an open secret in New Delhi that India is receiving Soviet-bloc arms but it is insisted that they are being paid for, a contention that the Pakistanis do not dispute.

SUFFERED LOSSES

If the supply of arms, however, approaches 600 tanks and related hardware—the tanks alone could cost $300 million—it would make the Indian army a far more powerful force than it is now. Unless Pakistan keeps up the present proportion of the two countries' armed forces, this could give India a decisive edge.

Each country started last fall's war with about 1,000 tanks. Losses suffered by each, depending on whose military claims are accepted, ranged from 100 to 250, with Pakistani losses reliably believed closer to the latter figure.

For medium tanks, India has depended largely on British-built Centurions although it has recently reported to be starting to build its own medium tank.

India has received far less U.S. military aid since 1962 to counter the Chinese than Pakistan has received, so last fall's cutoff hurt it less. Since 1962 India has received an undetermined number of MIG21 fighters and other military hardware from the Soviet Union.

While Pakistan charges Moscow with undermining the Tashkent spirit it inspired by providing fresh arms to India, it does so quietly and may have asked a high-level Soviet parliamentary delegation visiting here recently for arms. Pakistani military sources say limited arms have been obtained from Iran, Turkey and Saudi Arabia, which all receive U.S. military assistance. They readily acknowledge that Pakistan will take arms wherever it can find them to meet the alleged Indian military buildup.

TO PERMIT THE PLANTING OF ALTERNATE CROPS—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 7, 1966, p. 12478, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, the conferees on the part of the Senate were faced with a very unusual situation on this conference. We were advised by the Department of Agriculture that, because of another provision in the law, the Senate amendment would not accomplish its purpose. Furthermore, it would prevent the entire bill from achieving the purpose the Senate intended, and would require drastic change in the 4-year cotton program approved by the Congress and the President last year.

Last year, Congress enacted section 103(d)(12) of the Agricultural Act of 1949, the so-called snapback provision, which provides for cotton price supports through loans and purchases if the Secretary is unable to make available to "all" cooperators the "full" amount of price support to which they would otherwise be entitled under sections 103(d) (2) and (3) of the 1949 act. The Senate amendment, by limiting the amount of payments that could be made to any cooperator under section 103(d)(3) of the 1949 act, as amended by H.R. 15151, does prevent the Secretary from making the "full" price support available to "all" cooperators.

The Department of Agriculture has advised that in its opinion the Senate amendment would bring this snapback provision into effect and require very substantial changes in the cotton program. The letter from the Department's General Counsel reads in part, as follows:

> . . . Obviously, producers affected by the Williams' Amendment would not be getting price support to which they would "otherwise be entitled" but for that amendment. It is clear from the wording of paragraph (12) quoted above that the cotton price support program is to be operated on an "all or none" basis as between loans and payments and loans and purchases. Thus, there is no authority to operate both types of support programs at the same time.
>
> For these reasons the Williams' Amendment would seem to require a return to the outmoded two-price cotton program which the Congress has so recently abandoned. . . .

I ask unanimous consent that the entire letter may be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of Agriculture,
Office of the General Counsel,
Washington, D.C.

Hon. Harold D. Cooley,
Chairman, Committee on Agriculture,
House of Representatives,
Washington, D.C.

Dear Mr. Chairman: You have asked for my views as to the effect of the Williams' Amendment to H.R. 15151 passed by the Senate yesterday. This bill would amend the provisions of the cotton, wheat and feed grain programs to permit price support payments with respect to these crops in instances where they were not planted because of a natural disaster and some other income-producing crop not under marketing quotas or a voluntary adjustment program was substituted therefor.

The Williams' Amendment added a section to H.R. 15151 reading as follows:

"Payments made pursuant to this Act shall not exceed $10,000 to any one producer."

We interpret this language to mean that any price support payment which could not be made except pursuant to amendments added by H.R. 15151 ("this Act") cannot exceed $10,000 to any one producer. If the producer participates in the cotton, wheat and feed grain programs, such payment would be limited to $10,000 for all three crops.

It seems clear that the Williams' Amendment may mean the end of the one-price cotton program enacted in the Food and Agriculture Act of 1965. Section 103(d)(12) of the Agricultural Act of 1949, as added by section 402 of the Food and Agriculture Act of 1965, provides in pertinent part as follows:

"Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton, (A) price support to cooperators shall be made available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate; * * *."

This so-called "snapback" provision was designed to require that cotton be supported by loans and purchases instead of by loans and payments if, because of limitations with respect to price support, the Secretary "is unable to make available to *all cooperators*" (*emphasis supplied*) the full amount of price support to which they would otherwise be entitled under loans (paragraph (2)) and payments (paragraph (3)) authorized by amendments enacted in the 1965 legislation. Obviously, producers affected by the Williams' Amendment would not be getting price support to which they would "otherwise be entitled" but for that amendment. It is clear from the wording of paragraph (12) quoted above that the cotton price support program is to be operated on an "all or none" basis as between loans and payments and loans and purchases. Thus, there is no authority to operate both types of support program at the same time.

For these reasons the Williams' Amendment would seem to require a return to the outmoded two-price cotton program which the Congress has so recently abandoned. Moreover, this would establish a dangerous precedent, as it would be but the first step to undermine the farm programs so carefully worked out by the last session of Congress. The Department strongly recommends the elimination of the Williams' Amendment in conference.

Sincerely yours,

JOHN C. BAGWELL,
General Counsel.

Mr. ELLENDER. Mr. President, from the portion of the letter I have quoted, it is clear that the Department feels it could not make any cotton price support payments at all if the Senate amendment became law. This would defeat the entire purpose of the bill, since its purpose is to permit payments to producers who, having been prevented from planting cotton because of a natural disaster, plant their permitted cotton acreage to other income-producing crops.

Under existing law, a producer who plants cotton on his permitted acreage is entitled to price support payments. If some disaster prevents his making a crop, he can replant his land to another commodity without losing his cotton price support payments.

Existing law further provides that a producer who is prevented from planting cotton because of a natural disaster is entitled to cotton price support payments, but in such case he gets his payments only if he does not plant another income-producing crop on his permitted cotton acreage.

There is, of course, very little difference between the producer who planted his cotton just before the flood or other disaster and the farmer who had bought his seed, plowed his ground, and done everything but plant. There is also no advantage to the Government in prohibiting the latter producer from planting some other crop that is not subject to marketing quotas or a voluntary adjustment program. Such economic waste accomplishes no good for anyone. The entire purpose of the bill, therefore, was to permit such a farmer who had been prevented from planting his permitted cotton acreage—or his permitted feed grain or wheat acreage—to plant some other crop not subject to an adjustment program and still obtain his price support payment.

The Senate amendment, under the Department's interpretation, would have prevented any payment at all from being made to the cotton producer the bill was intended to benefit, that is, the one who was prevented from planting cotton at all.

It would also prevent any payment to the producer who had planted cotton that was destroyed, and would prevent price support in the form of payments to any cotton producer at all.

This was not the purpose of the amendment. It was designed to permit up to $10,000 in payments to producers who had been prevented from planting cotton and who planted other crops as permitted by the bill. It was not designed to affect any other payments.

The Senator from Delaware in explaining the amendment stated:

> This amendment does not affect payments under the price support program as provided under existing law . . .

That is the basis on which the amendment was offered and acted upon. It was only after the Senate had acted and the Senate amendment had been studied and interpreted by the Department that the effect I have described became known.

If the House had been receptive to the objectives of the Senate amendment I am sure that with adequate time we could have worked out suitable language to achieve the Senate's objectives. However, the House conferees were absolutely opposed to it, and the nature of the bill required prompt action if it were to accomplish its purpose.

The intended effect of the Senate amendment would have affected very few producers. The House conferees felt that the principal effect of the amendment would be to establish a precedent for price support payment limitations, and they were unalterably opposed to establishing such a precedent. Under the cotton, feed grain, and wheat programs, the producer receives a part of his price in the form of payments. If payments were to be prohibited on a substantial part of the production, the producers would be deprived of a substantial part of the price for their commodity, and the program would have to be changed. The House conferees were therefore unalterably opposed to establishing that precedent; and pressed upon the Senate conferees the need for immediate action on the bill.

The House conference committee members and many Senators feel that there is a clear inequity in existing law regarding the treatment of farmers who have planted and those who have not had an opportunity to plant where both have been struck by disaster. The existing law is clear as regards those farmers who have been lucky enough to get their seed in the ground. These producers are entitled to the payments under the law and can plant soybeans or any other income producing crops without penalty. On the other hand, the producer who may have plowed his field, fertilized, bought the pesticides and seed, but who was not permitted to plant because of disaster, is in the position where his payments would be lost if he were to plant soybeans or other income producing crops. In other words, this second farmer is forced by law to plant cotton or leave his land idle. And, as all of you know, no good farmer ever wants to leave land idle. It goes against his nature to see a resource go to waste. Therefore, fully expecting to make less than a good crop, he would go ahead and plant his fields to cotton.

Under such circumstances, it seems to me to be ridiculous that the Government is paying this farmer to divert acres from the production of cotton, and at the same time forcing him to plant a crop that is not needed. As a matter of fact, the report of the Commodity Credit Corporation, as of April 30, shows that the Government has $2,267,619,000 invested in 15,145,000 bales of cotton. To force farmers to plant cotton, a commodity that is not needed, is especially ridiculous when everyone knows that this Government has done all it can to encourage the production of soybeans, a crop that is very necessary, and a crop that is in short supply.

It would be good sense, indeed, to agree to this conference report solely on the basis of savings to the Government. With Government cotton stocks as high as they are, we should do what we can to reduce them. Every bale of cotton produced would in effect prevent the Government from reducing its stocks by selling a bale in the market and, with the support loan set at 12 cents per pound, would cost the Government an average of $105 a bale.

It is true that this bill was not referred to the Senate Committee on Agriculture and Forestry. It is true that Senate hearings were not held. However, the only reason for the hasty action taken by the Senate was the very nature of the emergency facing producers in 6 or 7 States.

During our conference with the House, the Senator from Kentucky [Mr. COOPER] made what I consider to be a very good suggestion. He recommended that the Senate Committee on Agriculture and Forestry keep a watchful eye on the results of this legislation. As a result, it is my intention to ask the Secretary of Agriculture to provide the committee with a full report on the action taken by the Department with regard to this legislation. This would include, of course, the number of producers who avail themselves of the opportunity, the number of acres involved, and the possible savings or cost to the Government. The Senator from Kentucky [Mr. Cooper] further suggested, and I agree with him, that the committee ought to look into this problem again next year after the results are in, in order to determine whether or not the 4-year life of the bill is entirely justified, and whether or not any inequities develop under this program, and whether any changes ought to be made. It would seem to me that this could be accomplished readily and that the committee would be in a very good position to determine precisely what additional steps might be needed in order to strengthen the law with respect to disaster situations.

I move that the conference report be adopted.

Mr. WILLIAMS of Delaware. Mr. President, first I want to point out that the adoption of my amendment to the bill does not in any way affect the price support program. The letter of the Department of Agriculture is one of the most fuzzy interpretations I have ever seen. It was written by the general counsel. One would think that a man in his position would have sense enough to understand and to say what the amendment does. Instead, he says "if" the amendment does this it "may" do thus and so, and then he says it "would seem to require" a return to the two-price system for cotton. This is a peculiar, fuzzy position or interpretation from a man in his position.

The Department knows that price supports would not be covered by my amendment. Yet all we received is a fuzzy letter, which in effect says nothing except that the Department wants to protect the large corporate farms. I challenge anyone to show how my amendment affects price supports or how there would be a return to the two-price system.

This letter is just an attempt by the administration to assure payments to the big farmers. They do not have the guts to come out and say so.

The Secretary has already said that if any reduction or limitation was put in the bill he would recommend a veto. The President backs him up. I can understand why. They want to protect the payments to the big farmers. They are usually good contributors.

As an illustration of how the farmers are affected, in Texas there are 167,208 cotton farmers. Only 5,180 will be affected by this limitation. Over 160,000 will not be affected at all.

In the State of Tennessee there are 55,655 farmers, and of that number only 99 would be affected by the $10,000 limit.

In the State of Florida not a single farmer would be affected out of the total number of 6,574 cotton farmers of that State.

We may as well get the record straight. My amendment does not affect price supports. It does not have anything to do with a return to the two-price system and the Department knows it. The opposition reflects the determination of the administration to keep up the lavish payments to large farmers who instead of planting cotton want to plant soybeans.

The Department's letter has already been placed in the Record by the Chairman.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MORTON. While the Senator is giving the names of States, would he mind including Kentucky?

Mr. WILLIAMS of Delaware. In Kentucky, out of 1,001 farmers listed by the Department, only one farmer would be affected by the adoption of my amendment limiting these payments to $10,000.

Mr. MORTON. And he has not even written a letter to me.

Mr. WILLIAMS of Delaware. It is interesting to note that the only two communications I have received in opposition to my amendment are one from a man who was dealing in soybeans, who had sold short, and who wanted to see the acreage increased, and the other was from a textile manufacturer. This limitation does not affect 99 percent of the farmers at all. It does affect the big corporate-type operators, who have been drawing these large subsidies. And why not?

ADDITIONAL COSPONSOR OF S. RES. 270

Mr. MILLER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. Inasmuch as soybeans seem to be a big element in the bill, I understand the Senator introduced a resolution, Senate Resolution 270, to investigate premature disclosure of information by the Agriculture Department with respect to soybeans.

I wonder if he would be good enough to have me join that resolution as a cosponsor.

Mr. WILLIAMS of Delaware. I would be delighted to have the Senator join as a cosponsor.

Mr. President, I ask unanimous consent that the name of the Senator from Iowa may be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, inasmuch as soybeans seems to be a strong element in this matter, and my State is a large producer of soybeans, I point out that this administration appears to have embarked on a course where facts have become nonfacts.

What may be true one day is not necessarily true the next under this policy. A statement issued one day is not necessarily what is said the next.

This "when it suits our purpose" policy is never more evident than in the area of agricultural policy, as recent developments show.

The extent of what I mean is demonstrated in a series of articles by two of Washington's top investigative reporters—Clark Mollenhoff and Nick Kotz of the Des Moines Register-Tribune bureau here.

In these very thorough articles, they have focused public attention on the statements and misstatements, facts, and nonfacts, actions and nonactions which underscored the Department of Agriculture's approach to reduction of pork purchases by the armed services and the matter of soybean transactions on the commodity market.

They have raised some pertinent questions related to the inconsistency of official statements and actions which should be answered by the Secretary of Agriculture. The questions should be answered because current statements are at variance with records, orders, and policy procedures of the past.

In particular, the Secretary of Agriculture should release his original letter to Secretary of Defense Robert McNamara in regard to the proposed order to cut pork purchases. I believe its release would shed much light in the darkness created by the statements of certain officials.

I ask unanimous consent that this series of articles, appearing in the Des Moines Register for June 3, 4, and 7, and a section of Secretary Freeman's press conference of last Friday be placed in the Record. I feel that a careful reading of both the articles and the text of the press conference will stimulate the interest of my colleagues in attempting to get to the bottom of these actions and serve warning that the public's right to know should be fully respected by this administration.

I refer to articles appearing in the Des Moines Register for June 3, 4, and 7.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Des Moines Register, June 3, 1966]

URGES PROBE OF MARKETS, U.S. DECISIONS—INQUIRY SOUGHT ON FARM PRODUCTS

(By Clark Mollenhoff and Nick Kotz, of the Register's Washington bureau)

WASHINGTON, D.C.—Senator JOHN J. WILLIAMS, Republican, of Delaware, Thursday asked for a "full and complete" congressional investigation of speculation in soybeans and other agricultural commodities.

WILLIAMS introduced a resolution in the Senate aimed at obtaining an investigation of the manner in which the Johnson administration has handled announcements on soybeans, pork prices, cattle, hides, and a wide range of other agricultural commodities.

NO ACCUSATIONS

WILLIAMS made no accusations against President Johnson, Agriculture Secretary Orville Freeman or any commodity speculators.

He simply told the Senate that reports on an Agriculture Department investigation of soybean purchases prior to a February speech by President Johnson "raises questions that should be answered."

The Delaware senator, formerly a grain dealer in Millsboro, Del., is one of the most knowledgeable members of the Senate on agricultural commodities.

The Agriculture Department currently is conducting its own investigation of the activity in the soybean market in the period just prior to Mr. Johnson's Feb. 10 "Food for Freedom" speech in which he said the administration would take action to expand soybean production.

The Department of Agriculture press office said Thursday that the investigation under Inspector General Lester P. Condon is not yet completed. The investigation is expected to be completed within a few days.

The department's investigation has been limited to the period of time a few hours prior to the speech by Mr. Johnson. Advance copies of the speech were given to newspaper reporters at 10 a.m., and stories based on the advanced speech text were on the news wires before 11 a.m.

"NO UNUSUAL ACTIVITY"

Some Agriculture Department officials argue that the fluctuation in the soybean futures market was only a little more than 2 cents in the period prior to the speech, and that consequently it can be reasoned that there was no unusual activity.

Williams contends that there must be a complete investigation outside of the Agriculture Department itself and his resolution asks a determination of the following questions:

1. Whether there was "an unauthorized and premature release or disclosure of information with respect to the decision of the President to call for an increase in the production of soybeans or other agricultural commodities."

2. Whether any such "release or disclosure enabled any person or persons trading in soybeans or other commodities to make substantial profits."

3. Whether "subsequent decisions of the Department of Agriculture of any officer or agency thereof have been influenced or affected as a result of such release or disclosure."

4. Whether "there has been any illegal or improper activity on the part of any officer or employe of the United States or any other person in connection with such release or disclosure."

Williams and others in Congress and in the Agriculture Department have been concerned over a pattern of unusual activity in handling highly sensitive information concerning agricultural commodities.

Normally there is the tightest security on crop reports or other announcements that may influence the markets, but there have been notable deviations from this tight security in recent months. In some instances the security has been most casual.

In his Feb. 10 message to Congress calling for an expanded overseas food aid program, the President also made several announcements affecting domestic production of rice, soybeans, and dairy products.

To meet the total needs of overseas aid, domestic consumption, commercial exports, and adequate emergency reserves, the President stated with regard to soybeans:

"The demand for soybeans has climbed each year since 1960. Despite record crops, we have virtually no reserve stocks. To assure adequate supplies at prices fair to farmers and consumers, the secretary of agriculture will use authority under the 1965 act to encourage production of soybeans on acreage formerly planted to feed grains. Feed grain stocks are more than sufficient."

NOON RELEASE

This presidential message was scheduled for noon release to Congress, but the press was briefed about 2 hours earlier.

Wire services carried stories about an hour before the noon release time, but cautioned that the information was not to be printed or broadcast until noon. Numerous persons in the commodity business take a wire service.

Shortly after noon, the Agriculture Department issued an order implementing the President's statement on soybeans.

The department said that farmers could plant soybeans instead of feed grains on acreage signed up in the feed grains program and still receive their direct payments for feed grains.

In other words, the farmer would receive a direct payment as if he were growing feed grains, but wouldn't actually grow them. To the extent farmers took advantage of this option, the administration reasoned there would be less of a feed grains surplus and more soybean production.

The effect of the presidential announcement and Agriculture Department order would be to lower the price of long-range soybeans futures—that is soybeans to be delivered at a later date.

SUPPLY GREATER

The reasoning for a commodity market reaction of lower future prices would be that supply would be greater, thus prices would go down.

During the day of Feb. 10, long-range soybeans futures on the Chicago commodity market dropped in price.

Futures contracts for delivery in November, 1966, dropped four cents a bushel to close at $2.67½, and January, 1967, futures dropped 4½ cents a bushel to close at $2.70½.

The Agriculture Department is investigating whether speculators made profits in the futures market by having advance information of the government action.

A speculator with advance information would "sell short" with the expectation that he would make a profit covering his sales after the price dropped.

In other words, the speculator would sell soybeans he did not own; then buy soybeans to cover his sales after the price had dropped.

An Agriculture Department official said the decision to encourage soybean planting on feed grain acres was made at least several days prior to the President's announcement.

This official said that a number of Agriculture Department officials knew about the impending decision at least the weekend before the Feb. 10 announcement.

The Agriculture Department official said it is possible that a knowledgeable speculator could have found out or guessed the soybean message was forthcoming.

But the official said the department did not feel that the announcement would have a very substantial effect on the market.

The official said that the Agriculture Department—following its normal procedures—would not make public information affecting the commodity markets during the course of a trading day. He said an announcement would be made either before the market opened in the morning or after it closed in the afternoon.

The Agriculture Department announced Thursday that it would purchase butter at above the support price for the school lunch program. This announcement was made after the markets closed. An informed source said the department was about to announce the butter decision two weeks ago, but pulled it back because of fears that a news leak would give speculators an advantage.

The Agriculture Department official said that President Johnson and other presidents before him have sent messages to Congress and made other announcements during the trading day.

Representative **Ancher Nelsen**, Republican, Minnesota, in a House speech Tuesday noted that a Defense Department decision to reduce its pork purchases earlier in the year was handled in a manner which could have given certain speculators and advantage.

The Defense Department decision to reduce its pork purchases by 50 per cent was not made public generally until seven weeks after it was reached. But persons in the meat packing business had no trouble learning of the decision.

The pork purchasing decision has now been reversed.

There also has been speculation in some commodity trading circles that insiders gained early information of a Commerce Department decision reducing hide exports. This order has since been modified, again following protests from farmers.

In the cases of soybeans, pork or hides, a speculator theoretically could have made money by betting that the eventual public announcement would result in lower market prices.

[From the Des Moines Register, June 4, 1966]

LIMITED PROBE OF SOYBEAN LEAK

(By Nick Kotz and Clark Mollenhoff, of the Register's Washington bureau)

Washington, D.C.—Agriculture Secretary Orville Freeman Friday said a "limited" investigation was conducted of allegations of a "leak" of information on government plans to increase soybean production.

The investigation, limited to the soybean market in a few hours on February 10, resulted in a report that there was "no mishandling of information on the part of any government employee."

Senator **John J. Williams**, Republican of Delaware, said he still wants a "full and complete" investigation by the Senate Agriculture Committee.

He added that to be conclusive the investigation would have to cover an extended period of time before and after Feb. 10 when President Johnson made a "Food for Peace" speech in which he announced the administration policy to encourage soybean production.

Williams said that an investigation limited to Feb. 10 "would be inadequate."

He has filed a resolution with the Senate asking for a full investigation of soybeans and other agricultural commodity speculation, and the handling of information by the Johnson administration.

Representative H. R. **Gross**, Republican, of Iowa, declared that there has been evidence of "loose handling" of commodity information that might be beneficial to speculators. He said there should be "a complete investigation by Congress."

NOTES ESTES LAXITY

"I don't believe that the Agriculture Department's investigation of itself should be the final word," **Gross** said. "Freeman was noticeably lax in the handling of the Billie Sol Estes matter, and I don't believe Congress should let this matter drop on the basis of some limited investigation."

Freeman said the investigation was limited to Feb. 10 because the complaint to the Agriculture Department had involved allegations of premature release of information from President Johnson's message on that date that had resulted in profitable soybean speculation.

The one-page press release on the investigation by Inspector General Lester P. Condon stated: "There was normal, widespread advance dissemination of the (President's) message to the news media for release at 12 noon Feb. 10, 1966."

"CUSTOMARY ADVANCE"

The report stated that articles based on the message text were disseminated "in a customary advance 'hold for release' manner by news wires services and other media."

However, the Agriculture Department report admitted that in the period prior to the President's speech there would have been the possibility of widespread dissemination of information that would have been valuable for soybean speculation.

Other agriculture department sources had told The Register that there were drafts of the President's message and the policy position on soybeans circulated throughout the Agriculture Department the weekend before Feb. 10, which would have been as early as Feb. 4 and 5.

Freeman acknowledged that there had been wide circulation of policy papers and drafts of the soybean message several days before the Feb. 10 speech. He said he did not know the details of this because he was out of the country, but added that this would not have violated the strict security that covers department crop reports and other commodity decisions.

Freeman discounted the possibility of any commodity speculators making a killing on information on the contents of the message in which the President announced he had directed the Secretary of Agriculture to encourage the production of soybeans on land formerly planted to feed grains.

Freeman said the drafts by the Agriculture Department were not important because they might be changed in the White House. He said he did not know when this specific decision became final, but that he "would suspect only at the very last minute as is usually the case."

"There would have been no one who could have said with any assurance that that section would be in that message until it was actually released by the President and he gave his go-ahead," Freeman said.

Freeman referred most questions on the soybean investigation to Inspector General Lester Condon.

After the press conference, Condon indicated that the complaint of a "leak" involved only a limited time period on Feb. 10, and that his investigation involved only a limited time and a few possibilities.

Condon offered the following explanation:

An official in the Grain Trade in Chicago, Ill., complained to the department that someone had made money in the soybean futures market on Feb. 10 by having advance information that the President was going to announce action encouraging more soybean production.

PERSON NOT NAMED

This complainant, who Condon declined to name, did not name the person who supposedly had made the profits.

Condon's staff deduced there was only one person in the market who could have made substantial profits on Feb. 10 by operating on advance information, early in the day.

One man, whom Condon identified only as an experienced large commodity trader who lives in the deep south, sold about 1.2 million bushels of November, 1966, soybean futures in the period between 11:24 a.m. and 12:30 p.m.

This man was the only trader selling large amounts of soybean futures that morning.

The theory of profit taking would be that the trader "sold short" that morning when the price was $2.71 a bushel and then took his profit by buying late in the day or in the succeeding few days after the price had dropped to $2.67 per bushel.

Market analysts said at the time that the price of November and January futures dropped as a result of the President's order which would encourage more soybean production.

Condon said that his office did not check what large transactions the trader from the deep south made in the few days prior to Feb. 10 and did not check on what transactions he made after he sold 1.2 million bushels the morning of Feb. 10.

Thus, Condon acknowledged that his investigation did not have information to show whether the trader actually had taken his profit by buying at the cheaper price later to cover his 1.2 million bushel sales on the morning of Feb. 10.

Condon's point was that the trader's transactions took place between 11:24 and 12:30 at a time when hundreds of other persons also knew about the President's forthcoming order.

Anyone with a ticker from the two wire services would have known that the order was forthcoming after 10:15 a.m., Condon said. Many trading firms as well as communications media have the wire service.

He said that the story was placed on the wires following a White House briefing at 10 a.m. to prepare reporters for the President's noon message to Congress.

Condon stressed that the investigation was limited to the complaint that sales were made that morning with advance information.

The investigation did not take into account any of the possibilities of profit-taking movements made earlier or after the morning of Feb. 10, either by the suspected trader or by anyone else.

Neither Freeman, Condon, nor other Agriculture Department staff members could answer the question of when the President gave final approval to the soybean section of his Food for Peace message.

But, Agriculture Department officials acknowledge that the soybean directive was not changed by the White House from the form in which it was drafted by the department at least five days or so earlier.

Freeman's point was that a trader could not have been certain with advance information, because the President often changes messages and orders at the last minute.

Freeman also was questioned over possible speculative advantage taken when the Defense Department cut its pork purchases by 50 per cent earlier this year. The order now has been rescinded.

Senator WILLIAMS has called for inquiry into possible information leaks and resultant speculation in pork belly futures.

Freeman said he did not think that the pork order had any effect on the market, and thought that information on that order was handled satisfactorily.

The first general news story on the order appeared seven weeks after the order became effective.

[From the Des Moines Register, June 7, 1966]

FREEMAN IN BID TO SHIFT PORK "HEAT"—HE DEPARTS FROM ASSUMED FACTS

(By Nick Kotz, of the Register's Washington bureau)

WASHINGTON, D.C.—At his press conference last Friday, Agriculture Secretary Orville Freeman departed from the known record in his latest explanations of why the Defense Department temporarily cut its pork purchases.

Seeking to explain Freeman's departure from previous assumed facts on at least six points, a Freeman aide said that the issue was now a completely political one in which facts have become irrelevant.

Another Freeman aide said Freeman spoke as he did because the decision actually was made by the President and Council of Economic Advisers. Freeman had no choice, said the aide, except "to play a game."

Nevertheless, reporters who have written about the pork purchasing decision, repeatedly shook their heads in puzzlement as Freeman answered about 15 questions on the subject.

AT VARIANCE

Freeman's explanations Friday are at variance with Defense Department and Agriculture Department records, orders, letters, and policy practices on such questions as:

Why the Defense Department cut its pork purchases by 50 per cent? What effect this decision had on the market? At what time was the decision announced to the public? What is the department's policy on information involving large government purchases? What was the Agriculture Department's role in formulation of the original decision to cut pork purchases?

The Defense Department on Feb. 17 reduced by 50 per cent for a six-month period its purchases of prime pork products.

The order generally became known after news stories seven weeks later on Apr. 6. The order was reversed May 7 following a month of protests from farmers and farm state congressmen.

At the time the order became public, top executives in both the Agriculture and Defense Departments said the cut was designed as an anti-inflationary measure.

These officials said the decision was made at the White House level with the Agriculture Department recommending the decision to Defense, the Council of Economic Advisers and others present.

RECOMMENDED ACTION

Although the Agriculture Department refuses to make public the text of the letter, Freeman in a "Dear Bob" letter to Defense Secretary Robert McNamara on Jan. 22 recommended exactly the action taken on Feb. 17 cutting pork purchases.

Freeman recommended cutting pork purchases and several other products ". . . to help keep domestic food prices in line."

According to authoritative accounts never denied by the Agriculture Department, Freeman also wrote in the letter:

"As you know the President wants us to help minimize the price impact of Defense Department food purchases. With hog and cattle marketings down, retail food prices will continue to provide serious price stabilization problems over the next several months."

ONLY 2 PERCENT

Freeman wrote that even though Pentagon food purchases are only 2 per cent of the U.S. total "the timing and composition of purchases can be important to price stability."

Although the Defense Department still refuses to make public the text of its resultant order cutting pork purchases, The Register has obtained copies of the Feb. 17 order and the Jan. 19 and Feb. 4 general memorandums on the subject of Defense Department influence on consumer prices.

The order and the two memorandums, all sent by Assistant Defense Secretary Paul Ignatius to the various armed services, stress that the reason for reducing pork purchases was to "minimize the impact of its food purchases on consumer prices." Ignatius notes Defense is following the recommendations of the secretary of agriculture.

Freeman contended Friday, however, that the Agriculture Department played little or no role in the decision and had nothing to do with consumer prices.

The following exchanges at the press conference are relevant:

Question: "Isn't that something you are involved in very much, I mean the purchase policy in the Defense Department of this magnitude?"

Answer: "No, really not."

Question: "It isn't?"

Answer: "No. The Defense Department buys in the market according to the requirements, where they can maximize their dollar and meet their nutritional requirements."

Question: "Was that the point here?"

Answer: "Sure."

At this point a Freeman aide interjected: "The Defense Department did it."

CONSULTED

Freeman continued: "They did it; we didn't."

Question: "No co-ordination?"

Answer: "They consult with us about what the market is likely to be and prices are likely to be, but it is exclusively a Defense Department decision."

Question: "They weren't interested in affecting the market at all with this matter?"

Answer: "No, not at all—no involvement whatsoever, and it didn't affect the market any that I know of."

A few questions later, any knowing listener realized Freeman's entire account varied with his answer to another question.

Asked whether he had not two weeks before the initial decision, recommended it in detail to McNamara in a letter, Freeman simply replied "Yes."

SOMEONE ELSE

At another news conference on Apr. 15, Freeman had said that he didn't personally have anything to do with the decision.

A high Agriculture Department official offered the explanation for Freeman that someone else in the department other than Freeman had written the "Dear Bob" from "Orville" letter.

Then Freeman said that the issue "got ballooned out of proportion as if it was going to have a major effect and was a major agricultural price-depressing situation" and added that "it got to be a *political issue* which a number of people started playing games with."

Freeman said: "The truth of the matter is they weren't buying some bacon and weren't buying some other things, but they were buying other things, hams instead of bacon."

LOWER-PRICED ITEMS

However, the Defense Department order to reduce prime pork purchases, was interpreted by both Agriculture and Defense to mean "bacon, ham and pork chops."

The order instructed substitution of lower-priced items such as "poultry, eggs, sausage, turkey, seafood and selected beef items."

Agriculture Department officials and Democratic congressmen have complained that news stories failed to mention that farmers would be benefited by substitution of these other products for prime pork.

On other questions concerning the pork order, Freeman's answers did not jibe with generally accepted facts.

Several congressmen have pointed out that the Defense Department's handling of the pork order would have permitted certain individuals to have "inside information" while the general public did not know about it.

The first general news story on the order was carried by the Associated Press on Apr. 6, seven weeks after it was issued. But Defense Department officials acknowledged that supply personnel were routinely informing meat packing firms of the decision.

Questioned about a resolution by Senator JOHN WILLIAMS, Republican of Delaware, requesting an investigation of information on handling of the pork order and other orders affecting soybeans and hides, Freeman replied:

"No, I don't know myself where the complaint about allegedly not making information available on the pork thing is concerned, because it was available. It was known and announced, and it was given unusual attention.

"We don't normally announce that information. Changes in purchase policies are made according to exigencies of the marketplace, and are known after the fact, not before the fact.

"And in this case, this was followed, and subsequently there was all kinds of attention on it, and I have never been able myself to understand where the complaint came from that information was being withheld."

NO LAXITY?

Question: "Well, it is your position as of now, then, that all of this was handled with the proper security and with *no laxity* at all?"

Answer: "There were no market implications on the pork thing anyway. That had no effect on the market."

This comment seems inconsistent with Freeman's letter to McNamara recommending the order as a means "to help keep domestic food prices in line," as a means "to help minimize the price impact of defense food purchases" and as a significant means of affecting prices.

Freeman became vaguer on details when questioned again about when the Defense Department order became public.

PURCHASE POLICIES

Question: Mr. Secretary, on that pork, was it not true that the information got out many weeks later after the decision was made?"

Answer: "I don't know exactly. Let me repeat again that purchase policies are not something that we make much of."

Yet on Thursday, the day before the press conference, the Agriculture Department was making much of its purchase policies and how information handling about them can possibly affect the market.

The department specifically waited until after the markets closed Thursday to announce that it would take bids to buy butter at above price support levels for the school lunch program.

The department had started to issue the order two weeks earlier but pulled it back, because it feared that a premature "news leak" had given a market advantage to some persons.

FREEMAN PRESS CONFERENCE, JUNE 3, 1966

Question: Mr. Secretary, has your Inspector General's soybean investigation been completed? Do you have anything to tell us about that?

Secretary FREEMAN. Yes, the report has been completed, and it will be released possibly today, or certainly the first part of next week.

Question: I have a question to ask you concerning the investigation—concerning the nature of the complaint: Did a person or persons in the grain trade complain that another person in the trade had taken unfair advantage of him due to having advance information of the February 10 order?

Secretary FREEMAN. That is two questions. I can answer the first one. I am informed that yes, a complaint was made, that one had information. As to whether that person was identified, and the nature of what he did, I have not read the report in detail, and I don't know the answer to that question. I am sure that information will be available when the report is released.

Question: Is there anything in this soybean speculation limitation as to time? My understanding is it was limited to that February 10 date.

Secretary FREEMAN. That is my understanding.

Question: To February 10 itself?

Secretary FREEMAN. To the complaint that was registered that reviewed the circumstances and conditions around that complaint.

Question: Was there no effort then made to look into the circumstances several days earlier, a week or so earlier, and information I understand would have been available in the Department relative to what the decision was?

Secretary FREEMAN. I would have to check the report on that. You could talk to the Inspector General, which I think you have done.

Question: I just wondered what your situation——

Secretary FREEMAN. I don't know.

Question: What you know about it, and whether there was an effort made to limit this thing to the one day when you had information floating around here. As I understand it, over the weekend prior to that——

Secretary FREEMAN. I don't recall too much, but I don't think there was any information floating around, Clark, because a decision had not been made as to what would be in that message. I was out of the country.

Question: There were no memoranda floating around the Department the weekend prior to that?

Secretary FREEMAN. There were all kinds of memoranda and all kinds of speech drafts, but the decision on it was made over on Pennsylvania Avenue, and those decisions are usually not made too far ahead of time, as you are well aware. I was not here. I was in Vietnam.

Question: It is a pretty good indication—the drafts, if you have those ahead of time, which we once in a while run into, are pretty good indicators of where things are going.

Secretary FREEMAN. Quite the contrary. I would be forced to disagree with you. I have found sometimes they are pretty good indications of what is not going to happen. [Laughter.]

Question: Have you got a couple of good examples you want to tell us about?

Secretary FREEMAN. Let's you and I go and have a cup of coffee sometime. I don't want to be publicly exposed. [Laughter.]

Question: Mr. Secretary, your dairy action of yesterday, to offer to purchase butter under 709, the new law—this didn't work so well not so long ago. How far are you going to go into it before you go into support increases?

Secretary FREEMAN. I'm afraid we'll have to say, "We'll see." The amount we will buy will depend on what they are willing to take at a fair price.

Question: Would you be willing to go a little higher than before?

Secretary FREEMAN. I guess a little higher, or we wouldn't have tried again.

Question: Mr. Secretary, getting back to the February 10 soybean decision, to your knowledge when was this decision finally firmed up by the White House? On what day?

Secretary FREEMAN. I don't know, Nick, but I would suspect only at the very last minute, which is usually the case. The President reads these messages and meditates over them, and it is quite usual they will be changed minutes before the announcement. In this case, this was an area in which it was subject to change, and we all knew that, because it was an area that had some implications, budgetwise, had some implications in terms of prices, and it was obvisiously quite sensitive.

So, I repeat, I was not here, but if this pattern—and we can read the Inspector General's report when it comes out—but there would have been no one who could have said with any assurance that that section would be in that message until it was actually released by the President and he gave his go-ahead. And, as I say, I don't know precisely where that is, but I think the report will probably show it.

Question: Senator WILLIAMS yesterday put a resolution in asking for an investigation of this whole area, the whole soybean matter, and I guess it is considerably broader than that, relative to the subject of release of information in these commodity areas.

Have you found any problem yourself in the release of information? The hides field—there has been some complaint—the decision in Defense on pork. By hindsight, do you see there was anything that was done——

Secretary FREEMAN. No, I don't know myself where the complaint about allegedly not making information available on the pork thing is concerned, because it was made available. It was known and announced, and it was given unusual attention. We don't normally announce that information. Changes in purchase policies are made according to the exigencies of the marketplace, and are known after the fact, not before the fact. And in this case, this was followed, and subsequently there was all kinds of attention on it, and I have never been able myself to understand where the complaint came from that information was being withheld.

Question: Well, it is your position as of now, then, that all of this was handled with the proper security and with no laxity at all?

Secretary Freeman. There were no market implications on the pork thing anyway. That had no effect on the market. The soybeans, of course, are a sensitive thing in the market.

I think I can answer your question by saying we take very stringent and strong measures here in the Commodity Credit Board and in the release of information, as you are well aware, on the crop reports and estimates. We have a highly developed and very sophisticated security system on the crop reports, which are the most sensitive.

Question: You feel that the others lived up to that same high standards in the handling of these other matters, including the soybeans and pork and other things—they have all retained that same high quality?

Secretary Freeman. As far as I know, yes, as far as I know.

Question: Mr. Secretary, on that pork, was it not true that the information got out many weeks later after the decision was made?

Secretary Freeman. I don't know exactly. Let me repeat again that the purchase policies are not something that we make much of.

Question: From time to time, when you end a purchase program, you announce it ahead of time here.

Secretary Freeman. Well, I don't know what their policies are in connection with it. I really can't answer the question.

Question: Mr. Secretary, isn't that something you are involved in very much, I mean the purchase policy in the Defense Department, of this magnitude?

Secretary Freeman. No, really not.

Question: It isn't?

Secretary Freeman. No. The Defense Department buys in the market according to the requirements, where they can maximize their dollar and meet their nutritional requirements.

Question: Was that the point here?

Secretary Freeman. Sure.

Staff Member. The Defense Department did it.

Secretary Freeman. They did it; we didn't.

Question: No coordination?

Secretary Freeman. They consult with us about what the market is likely to be and prices are likely to be, but it is exclusively a Defense Department decision.

Question: They weren't interested in affecting the market at all with this matter?

Secretary Freeman: No, not at all—no involvement whatsoever, and it didn't affect the market any that I know of.

Question: Mr. Secretary, just as a matter of history, can you tell us now why it was that Mr. Vance wrote a letter on a Monday saying that the pork purchase policy would remain in effect until September, and it was just a day later that your exchange of letters with Secretary McNamara occurred turning this thing around.

Secretary Freeman. I don't know. It would be conjecture on my part, because I am not Mr. Vance, and I haven't discussed it with him, but perhaps what happened to him is something that sometimes happens to me, that I get something from someone that seems to have credence, and something the next day that contradicts it. Then I get angry and try to find out who sent me misleading memoranda so I don't know.

Question: Mr. Secretary, on the pork purchases, isn't it a fact that about two weeks before the initial decision to cut purchases by 50 per cent, under your signature there went out a "Dear Bob" letter to Secretary McNamara, recommending in detail exactly what he did, cutting pork purchases 50 per cent?

Secretary Freeman. Yes.

Question: What was your purpose, to take care of the Armed Services and their budget?

Secretary Freeman. To cooperate with my colleague who is trying to run as frugal a Department as he can.

Question: Mr. Secretary——

Secretary Freeman. That is a laudable objective, don't you think, Bill?

Question: It sounds that way.

[Laughter.]

Question: Was your letter written at the direction of the President?

Secretary Freeman. No, no.

Look, let's not play games. This is a sensitive thing. The Defense Department, because prices of pork went up, cut back on their purchasing. This then got ballooned out of proportion as if it was going to have a major effect and was a major agricultural price-depressing situation.

The truth of the matter is they weren't buying some bacon and weren't buying some other things, but they were buying other things, hams instead of bacons. There were all sorts of adjustments that were perfectly normal and perfectly usual. This then got to be a political issue which a number of people started playing games with.

As a part of that, we took a look, and by that time the prices of pork were going down. It was perfectly consistent that pursuant to long-standing policy the Defense Department now would go back into buying some of these items that now cost less. At that point I talked to my colleague and squash partner, Mr. McNamara, and said, "Look, here's the situation in connection with it, and I wish you'd take a look at this and if you can do this, this will be just generally helpful. It will help to meet some of these charges that just aren't true."

And he said, "Drop me a note in connection with it, and I will look into it."

I came back and wrote him what has been called a "Dear Bob" letter, and a lot has been read into this.

It is just that simple. Some people started playing politics with the fact the Defense Department wasn't buying pork for a while because it cost too much. When the price dropped, I said, "Please buy some because we can meet these political charges that are phony."

He said, drop me a note," and he checked with the purchasing people and thought he could buy some, and that is what he did.

Question: In connection with the political business, how do you feel about Horace Godfrey's letters out to the State committees? Do you think that was a good thing to do?

Secretary Freeman. I don't see anything political in it. I think it is a matter of informing some of these committeemen who had written in and asked about it. He is now sending out some briefs.

Question: You don't see anything political about it?

Secretary Freeman. No.

Question: That is interesting, too. Thank you, Mr. Secretary.

(Whereupon, at 10:43 a.m., the press conference was adjourned.)

Mr. MILLER. Mr. President, I supported the amendment offered by the Senator from Delaware, which was accepted by the Senate, relating to the $10,000 maximum payments to be made under the bill. I cannot understand why it was rejected in the conference report.

My recollection is that the distinguished Senator from New Mexico [Mr. Anderson], a former Secretary of Agriculture, strongly supported this amendment. It seems to me that since we are dealing primarily with disaster-type legislation, in which no differentiation is made between the farmer who has incurred the expenses of cultivating and planting a crop and the farmer who has not, some limitation certainly ought to be placed in the bill.

I hope that the Senate will insist on the amendment which was eliminated by the committee of conference.

Mr. MAGNUSON. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MAGNUSON. I should like to ask if the Senator from Louisiana and the Senator from Delaware can approximate how much time their discussion will require. Many Senators have asked me about the status of the pending bill. Could the Senator from Delaware advise me?

Mr. WILLIAMS of Delaware. I can promise that I shall keep my remarks as brief as possible. I cannot estimate the time because I really do not know how much time will be necessary.

Mr. ELLENDER. I have finished.

Mr. MAGNUSON. The problem is that an amendment ought to be pending, and that Senators may know whether the bill will go over until tomorrow or whether they should remain in attendance in anticipation of a vote on the truth in packaging bill.

Mr. COTTON. Should not an amendment be pending?

Mr. WILLIAMS of Delaware. Really the discussion of this conference report is germane to the pending bill, because the bill before the Senate relates to truth in packaging and I am trying to get a little truth in Government. This is appropriate. Therefore, the discussion on the conference report is germane, even if it has to go over until tomorrow. I am only trying to outline the truth concerning this give-away proposal.

Mr. MAGNUSON. I am merely trying to get some truth as to how long the Senator from Delaware will speak.

Mr. WILLIAMS of Delaware. I shall take whatever time I believe is necessary to do the job.

Mr. MAGNUSON. Very well.

Mr. WILLIAMS of Delaware. I am not going to try to delay the matter, but I am not going to be under any restricted time, either.

The Senator from Iowa mentioned the fact that last week I offered a resolution requesting the Agriculture Committee to investigate a leak which developed in connection with an announcement made by the President concerning the soybean program. The President has recognized that a leak occurred, and according to the press he has asked the Inspector General to investigate the matter.

The Agriculture Committee should also investigate the matter, because leaks such as this affect markets and hurt the American farmers.

Since offering the resolution, however, I have found out substantially what happened.

In the past, when the Department of Agriculture has been about to make a major announcement affecting prices, the custom always has been to make such an announcement after the market closes and before it opens in the morning.

In this instance, the President felt that this announcement would be favorable to the farmer, and so he issued instructions that instead of the announcement being made that night it be held over until his next press conference, which was scheduled for the next day at noon, so that he could make this politically popular announcement himself.

I understand that in order to obtain broad coverage of this announcement, a mimeographed statement was prepared for the press, and it was marked "not to be released before 12 o'clock."

With this background they do not have to do a great deal of investigating to find out who leaked this premature announcement.

Announcements affecting markets should be made by the Departments involved after the market closes and not held over for the President's press conference. All announcements should be made by the agency involved as soon as the determination is made and before the market is opened in the morning.

So long as these announcements are held up, as in this instance, to give the President an opportunity to make a grandstand speech, the next day markets will be affected.

Although we know how the leak developed in this instance, we should now learn who made the extra money as a result of knowing in advance that the favorable announcement was to be made.

Someone with this inside knowledge could have made a fortune.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MURPHY. Has it not been the custom to release these notices after the close of business that day, in order to prevent the possibility of anyone trading in futures in the commodities affected?

Mr. WILLIAMS of Delaware. Not only that has been the custom, but also the men in the Department who worked on the compilation of the statistics from which the decision would be made would go into a room on a certain day to compile and analyze these statistics. They would be locked in the room and would not be allowed to leave until the market had closed. They would then hand their decision to the Secretary, and it would be immediately released to the press. The announcement would be made so that all American citizens would have it before the markets opened the next day, and no one would have an opportunity to cash in on inside information.

In this instance the decision had to be sent to Pennsylvania Avenue so that by announcing it the President could receive credit. I now give him the credit for announcing it, but I also give him the credit for the leak.

FAIR PACKAGING AND LABELING ACT

The Senate resumed the consideration of the bill (S. 985) to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes.

Mr. COTTON. Will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COTTON. It is for the purpose of asking unanimous consent.

Mr. WILLIAMS of Delaware. Yes.

Mr. COTTON. Mr. President, in order that there may be an amendment pending on the packaging bill, is it in order to ask unanimous consent to present an amendment to be pending without the consideration of the conference report?

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Senator may do so, with unanimous consent of the Senate.

Mr. COTTON. I ask unanimous consent to be permitted to call up and have pending the amendment offered by the Senator from Kentucky [Mr. MORTON] No. 576.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the amendment.

Mr. COTTON. It is a fairly long amendment, and I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is on page 25, between lines 16 and 17, insert the following new section:

SEC. 8. In order to prevent certain unfair practices that deprive manufacturers and retailers of the protection they should enjoy on the basis of fair competition and to protect consumers by guaranteeing fair prices and quality goods and to assist consumers in making price comparisons, and for other purposes, section 5(a) of the Federal Trade Commission Act, as amended, is further amended by adding at the end thereof the following new paragraphs:

"(7) The owner of a brand, name, or trademark shall be deemed to retain his property rights therein, and in the trade and public good will symbolized thereby, regardless of any sale or transfer of the goods to which such brand, name, or trademark relates, and no such sale or transfer shall be deemed to diminish or extinguish any such rights.

"(8) Any person who resells goods identified by a distinguishing brand, name, or trademark, either on the label, container, or dispenser thereof, may rightfully employ such brand, name, or trademark, but only in effecting the resale of such goods and subject to the following provisions of this paragraph. If goods usable for the same general purpose are available to the public from sources other than the owner of such brand, name, or trademark, and are in free and open competition therewith, the right of any person to employ such brand, name, or trademark in effecting resale of goods so identified may be revoked for a period not exceeding one year by the owner of such brand, name, or trademark, subject to the provisions of paragraph (10) of this subsection, on written and dated notice of revocation, if, within ninety days prior to the date of the written notice of revocation—

"(A) such person has employed goods bearing such brand, name, or trademark in furtherance of bait merchandising practices;

"(B) such person, after written notice given by such owner of such owner's currently established resale price or price range, has advertised, offered for sale, or sold any such goods, acquired by such person after he has been given such notice, at a price other than such currently established resale price or at a price not within such currently established resale price range; or

"(C) such person, with intent to deceive purchasers, has published a misrepresentation or misrepresentations concerning such goods.

The owner of a brand, name, or trademark who avails himself of the provisions of paragraphs (7) to (17) of this subsection for the purpose of establishing a resale price or price range shall thereby subject himself, without respect to the amount in controversy, to the jurisdiction of the district court, of the United States for any district in which goods identified by such brand, name, or trademark are offered for sale, but such jurisdiction shall apply (i) only for the adjudication of issues involving the goods covered by such paragraphs (7) to (17), and (ii) only if the owner of such brand, name, or trademark is not subject to process in the courts of the State in which such purchaser acquired such goods.

"(9) Notwithstanding revocation pursuant to paragraph (8) of this subsection of the right of a person, in reselling goods, to employ the brand, name, or trademark which identifies such goods—

"(A) such person may, in the regular course of his business and within a reasonable time after the date of such revocation, sell all such goods of which, on such date, he is possessed: *Provided*, That in such sale he shall commit none of the acts described in subparagraphs (A), (B), and (C) of such paragraph (8); or

"(B) if such person, promptly upon such revocation, shall have supplied to the owner of such brand, name, or trademark a correct itemized listing of the inventory of such goods with a statement of the price paid per item and the total price (including transportation costs) paid therefor, together with a firm offer to sell and deliver all such inventory to such owner at any time within ten days thereafter upon payment of such total price plus the cost of transportation to the owner in the manner directed by such owner, then such person, upon expiration of the ten-day term of such offer without acceptance may so sell such goods in such inventory, in the regular course of his business and within a reasonable time thereafter, without restriction as to price, in which event each advertisement of, or offer to sell, such goods, shall state plainly that the right of the reseller, offering such goods, to employ in any way the brand, name, or trademark carried by the goods has been revoked as to any such goods not in that reseller's possession at the time of such revocation.

"(10) Any person whose right to employ a brand, name, or trademark has been revoked by the owner thereof pursuant to the provisions of paragraph (8) of this subsection, and who thereafter, except as authorized by paragraph (9) of this subsection, resells goods identified by such brand, name, or trademark, or who otherwise employs such brand, name, or trademark in effecting resale of such goods or any other goods, shall be liable in a civil action for damages and injunctive relief by the owner of the brand, name, or trademark, to prevent and restrain further violations of paragraphs (7) to (17), inclusive, of this subsection. Such owner may sue in any district court of the United States in the district in which defendant resides or does business or in which the alleged violation occurred, without respect to the amount in controversy, and shall be entitled to (i) recover the amount of any damages sustained, (ii) injunctive relief to prevent and restrain further violations of paragraphs (7) to (17), inclusive, of this subsection, whether or not specific money damages are established, and (iii) recover the cost of suit. Any injunction granted under clause (ii) of this paragraph shall remain in effect for not more than one year from the date it is granted unless it is the second or a subsequent such injunction issued against the same defendant in favor of the same plaintiff in which case it may be a permanent injunction; except that any such injunction, upon petition of such plaintiff, may be vacated unconditionally by the court granting it.

"(11) In any proceeding under paragraph (10) it shall be a defense for the defendant (A) to establish that the plaintiff has not used due diligence to effectuate observance or enforcement of plaintiff's rights under paragraphs (7) to (17), inclusive, of this subsection against other persons who are in substantial competition with the defendant and who are known to plaintiff to be violating the same subparagraph of paragraphs (8) of this subsection on which revocation of the defendant's right to employ the brand, name, or trademark was based or (B) to establish that the plaintiff has sold the same kind of goods of like grade and quality as the goods involved in such proceeding to aonther person similarly situated under terms more favorable or at lower prices than those under which the plaintiff offered such goods for sale to the defendant.

"(12) No action pursuant hereto shall preclude remedial action otherwise available for wrongful use of a brand, name, or trademark.

"(13) Paragraphs (7) to (17), inclusive, of this subsection shall apply to all acts and transactions of the character referred to therein, in or affecting commerce, which Congress may lawfully regulate, but where the owner of a brand, name, or trademark avails himself of any right or remedy provided in paragraphs (7) to (17), inclusive, of this subsection, such action shall not cause any act or transaction not otherwise in, affecting, or related to, commerce to be an activity or transaction in, affecting, or related to, commerce. If any State, by any provision of its constitution adopted, or by any law enacted, after this paragraph takes effect, prohibits resale price maintenance in such State through the exercise of paragraphs (7) to (17), inclusive, of this subsection, then, while such provision or law is in effect, such paragraphs shall not authorize the establishment or enforcement of any resale price or resale price range with respect to any resale in such State of any goods if such goods so resold are to be delivered from a place in such State to a purchaser in such State and are not to be resold again for delivery to a purchaser outside of such State.

"(14) As used in paragraphs (7) to (17), inclusive, of this subsection—

"(A) The term 'person' means any individual, partnership, association, or corporation.

"(B) The term 'goods' means goods, wares, and merchandise.

"(C) The term 'currently established resale price' means the price for goods identified by a brand, name, or trademark specified by written notice invoking paragraphs (7) to (17), inclusive, of this subsection given by the owner of such brand, name, or trademark to the person reselling such goods.

"(D) The term 'currently established resale price range' means all prices including and between the minimum and maximum resale prices for goods identified by a brand, name, or trademark, specified by written notice invoking paragraphs (7) to (17), inclusive, of this subsection given by the owners of such brand, name, or trademark to the person reselling such goods.

Each such currently established resale price and resale price range shall be uniform at each level of distribution, except for reasonable marketing costs. Such owner of the brand, name, or trademark may so establish, for resale of a combination of two or more items of goods, a resale price or price range different from the sum of the currently established resale price or price ranges for the items when sold individually. Such owner of the brand, name, or trademark may also engage in other promotional activities not made unlawful by any other statute.

"(15) All rights and remedies provided in paragraphs (7) to (17), inclusive, of this subsection, to owners of a brand, name, or trademark, shall be also available to any owner of a brand, name, or trademark who, in the sale of goods identified by such brand, name, trademark, shall compete, at any level of distribution, with any reseller offering such goods: *Provided*, That such owner shall sell such identified goods, at whatever level of distribution, only at the price or within the price range currently established by such owner for that level of distribution.

"(16) The following transactions shall be exempt from paragraphs (7) to (15), inclusive, of this subsection—

"(A) Sales of bulk commodities when sold without wrappers or containers.

"(B) Sales by any officer acting under the orders or authority of any duly constituted court; or sales by any person in mitigation of damages or enforcement of a lien or other secured interest in said goods, when such person is not primarily engaged in the distribution of goods for resale.

"(C) Sales of damaged, deteriorated, defaced, or secondhand goods, when plain notice of the condition of the goods is given to the public.

"(D) Sales of drugs, medicines, and devices for which either Federal or State law or regulations requires a prescription from a physician, dentist, or such other persons as the various States may authorize to prescribe such items.

"(E) Sales to or by the Federal, State, or municipal governments or their political subdivisions or agencies.

"(F) Sales to charitable, educational, medical, and religious organizations, for their own use and not for resale.

"(17) If any provision of paragraphs (7) to (17), inclusive, of this subsection or the application of any such provision to any person or circumstance shall be held invalid for any reason it is the intention of the Congress that the remaining provisions thereof shall not be affected but shall remain in full force and effect."

Mr. MAGNUSON. Mr. President, if the Senator from Delaware will allow me, I ask unanimous consent——

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. WILLIAMS of Delaware. I yield.

Mr. MAGNUSON. I ask unanimous consent for the yeas and nays on final passage of the Fair Packaging and Labeling Act.

The yeas and nays were ordered.

TO PERMIT THE PLANTING OF ALTERNATE CROPS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

Mr. WILLIAMS of Delaware. Mr. President, it would be well to outline what the bill before us seeks to accomplish and then what the amendment which I added to the bill would accomplish.

Under existing law if the farmers—we speak first of cotton farmers—plant their crops and the crops are destroyed by an act of nature because of drought or because of extremely wet weather—they can collect payments from the Federal Government of 9 to 10 cents a pound for their average yield of cotton. This amounts to approximately $50 per bale of cotton. Assuming a 1-bale acreage yield they can collect $50 per acre. If it is a 2-bale acreage yield they can collect $100. As the Senator from New Mexico pointed out the other day, with a 4-bale yield in his area they can collect as much as $200 per acre. In addition, after this crop loss they can then plant soybeans. That is the existing law, and this situation is not affected at all by the rejection or acceptance of the proposed bill or the proposed amendment.

A second provision of the existing law concerns the farmer who has a cotton allotment and who was going to plant cotton but it rained or was too dry, and he did not plant his cotton. That man under existing law can still collect as much as $50 per bale for every bale produced, which averages from $50 to $100 and sometimes goes up to $200 per acre, but he cannot plant an income-producing crop on this acreage. The payment he receives under existing law is for a crop which he has never planted. Remember this farmer has had no cost whatsoever for seed, fertilizer, or labor.

The pending bill provides that this same individual, who has not planted his crop and who because of an act of nature found conditions were not suitable for the crop to be planted, could still collect the payments as provided under existing law—that is, $50 per bale for the previous production and in addition be allowed to plant soybeans on this same acreage. The bill as originally reported gives him a right, in addition to collecting these payments, to raise a crop of soybeans on the same land. The amendment I offered would limit payments in this latter case to $10,000 per producer.

The amendment I offered dealt not with price supports at all. It merely provided that if the farmer elected to raise a crop of soybeans on the land, which he had not plowed or planted, the maximum payment he could collect would be $10,000. My amendment had nothing whatever to do with his payments on diverted acres or with price supports. That was very clear.

If Senators will read the letter which the chairman of the committee has submitted I think it will be admitted that that letter from the General Counsel does not say that they would so interpret the amendment. It merely says that the Williams amendment "may" mean the adoption of a one-price cotton.

Then, continuing, he said that "if" it relates to price supports it "would seem" to do certain things. This is a fuzzy way of writing a letter. It is interesting to note that this letter is signed by Mr. John C. Bagwell, General Counsel of the Department of Agriculture.

That name seemed familiar to me when I saw it. I began to wonder where I had heard the name before. Mr. Bagwell has been with the Department for quite a while.

For some reason the name rang a bell. I looked in the files and found that the competency of Mr. Bagwell had been questioned before the Government Operations Committee. Mr. Bagwell is the same man who wrote the fuzzy rulings that said Billie Sol Estes' activities were legal. He is the same man who wrote the rulings and who testified before the McClellan committee. At that time he was strongly censored by the McClellan committee for his confusion in trying to justify the illegal acts of Billie Sol Estes by declaring them legal under the regulations of the Department.

I have no confidence in any man who considered Billie Sol Estes' activities to be proper, and as far as I am concerned Mr. Bagwell represents nothing more than an administration rubberstamp.

Mr. Bagwell was strongly criticized by the McClellan committee as to his competence.

I shall read just one sentence of their report:

> Bagwell said that the renegotiations could be supported as a legal matter.

Mr. Bagwell was referring to Mr. Billie Sol Estes' activities. This is the man who in 1961 gave the Department a ruling which said it could declare all the activities of Billie Sol Estes to be legal.

That is the man who is now trying to interpret this amendment. No wonder there is confusion. I realize that Billie Sol Estes is out of business now. However, it is interesting to note that if Mr. Bagwell had had his way and Billie Sol Estes had been able to continue his operations, his payments would be limited by this amendment.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. Mr. President, what is the date of the letter from Bagwell?

Mr. WILLIAMS of Delaware. June 2.

Mr. MILLER. To whom was that letter directed?

Mr. WILLIAMS of Delaware. To Mr. Cooley.

Mr. MILLER. Was that letter written for the purpose of obtaining the Department's position on the bill as amended in the Senate for the purpose of the consideration of the conference committee?

Mr. WILLIAMS of Delaware. The Senator is correct. It was written to the conference committee in an effort to persuade them to reject an amendment on which the Secretary of Agriculture had said in a press conference the day before he would have to recommend a veto if it were accepted. The administration is opposed to any limitations. They want to protect these large operators.

Mr. MILLER. May I ask the Senator to repeat what he said in the letter? As I understand, he gave no definite opinion. He merely conjectured that it might be this and it might be that.

Mr. WILLIAMS of Delaware. The letter is in the RECORD, but I shall read two interesting sentences:

> It seems clear that the Williams amendment may mean the end of the one-price cotton program enacted into the Food and Agricultural Act of 1965.

Mr. MILLER. Did he say why?

Mr. WILLIAMS of Delaware. No, and he only said, "may." I continue to read:

> We interpret this language to mean that any price support payment which could not be made except pursuant to amendments added by H.R. 15151 ("this Act") cannot exceed $10,000 to any one producer.

In the last paragraph he said:

> For these reasons the Williams amendment would seem to require a return to the outmoded two-price cotton program.

He said that it "may" do certain things and if so it "would seem." This vagueness is what aroused my interest. His name seemed familiar. I recalled after I read this fuzzy language that it was the same man who had written the fuzzy interpretation concerning Billie Sol Estes' activities and had said that in his opinion they would be legal.

Mr. MILLER. It concerns me that the conference committee knocked out the amendment that the Senate put in the bill. The conference committee seems to have done this on the strength of a legal opinion which does not sound very definitive to me.

During the debate on this measure—and my friend, the Senator from Louisiana, was not present the other day—it was emphasized that time was of the essence. I offered an amendment to refer the bill to the Committee on Agriculture and Forestry. I even offered to do it for a time certain, to have the bill reported back today. I knew that the Committee on Agriculture and Forestry was going to meet this morning.

All that I heard from the Senator from Tennessee and two or three of his colleagues was that time was of the essence and that all kinds of catastrophies would occur if the bill were not passed at that time.

A week later we are still fighting over the bill. If my motion had been agreed to, I believe that the Committee on Agriculture and Forestry would have acted on the bill this morning and perhaps made the bill a very sound and meaningful one. The bill would be before us now ready to be passed, instead of having all the uncertainties and doubts about the measure.

I think that it is most unfortunate. However, it does demonstrate one rule that I think all of us have learned and should have adhered to a long time ago. That rule is that haste in the Senate does make waste. I said to my friend, the Senator from Missouri, the other day, that all of the haste was something of a shibboleth because we are not going to get good legislation when we rush legislation through the Senate. This demonstrates what will result.

It is too bad that the Williams amendment was not agreed to by the conference committee. I understand that the bill without it does lay the groundwork for some very large windfalls.

We have been subject to considerable criticism in the press for passing legislation which has given rise to abuse. This occurred in the Billie Sol Estes case.

I continually receive letters from people who are very aggravated about the fact that, under some agricultural legislation that we passed, there appeared to have been excessive windfalls.

We are now setting up the groundwork for more windfalls.

That is the reason that the Senator from New Mexico supported the Williams amendment last week.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COOPER. I voted for the Williams amendment. I do not accept the idea that this legislation would provide a windfall for someone.

This is a part of the regular price support program. There are no exceptions in it. So far as I know, there is no limit on any price support program with respect to the total payment.

The Senator from Iowa knows that because he fought hard for feed grain programs which are so important to his State. The Senator knows that the principle applies to the feed grain and wheat programs just as it does to cotton.

No windfall would be provided by the bill. What the Senator from Delaware [Mr. WILLIAMS] tried to do—and I respect him for it—was what he has tried to do time after time on legislation, to impose a limit.

The Senate voted for a limit. The measure went to conference with the House. I made the arguments of the Senator for him in the conference committee, but the House refused to yield and the measure is back in the Senate.

I wanted to make it clear that this legislation provides no windfall.

Mr. WILLIAMS of Delaware. I appreciate the position of the Senator from Kentucky.

I want the amendment considered on its merits. I think the Senator from Kentucky, as one of the conferees and as a member of the Committee on Agriculture and Forestry, will agree with me that the acceptance or rejection of the amendment does not have anything to do with whether we would have a one or a two-price system on cotton.

The payments that I restrict under the amendment are payments made only to the farmers who would elect to plant their unplanted allotted acreage in soybeans.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I shall yield to the Senator from Missouri, but I shall yield first to the Senator from North Dakota.

Mr. YOUNG of North Dakota. I am no attorney, but I would agree with the Senator from Delaware's appraisal of his amendment. He never intended to change the program; he merely intended to limit the amount of payments a farmer could receive.

Of course the conferees were faced with this letter from the General Counsel of the Department of Agriculture, over which we had no control; and, faced with this and the possibility of changing the whole cotton program, I, for one, then signed the conference report to delete the Senator's amendment.

Mr. WILLIAMS of Delaware. I appreciate the Senator's position. This letter is signed by the same man who likewise ruled that Billie Sol Estes' activities were legal. That is all I can say for his competence. Of course, Billie Sol Estes is now in jail, or at least he was.

All that this amendment does is to limit the payments not to exceed $10,000 to any one producer. As the Senator from New Mexico pointed out in the debate, he knew of one farmer who had a thousand acres of cotton allotment on which he had about a 4-bale yield and that without this amendment that man could collect over $200,000. Assuming that he was in a disaster area and declared eligible he could collect this $200,000 check from the Federal Government on his thousand allotted acres of land to which he had never put a plow, and he could then go on and raise a thousand acres of soybeans, collecting price supports on the soybeans.

All that my amendment does is, if this farmer wishes to elect to put the land in soybeans he could only collect up to $10,000; but if he does not wish to put the acreage in soybeans he would not be affected under my amendment. The amendment would impose a limit only if he put his acreage in soybeans. Why should there not be such a limit?

That same formula is true with corn and with wheat; and that raises another question. The letter to which I have referred deals only with cotton. Apparently Mr. Bagwell did not know that the bill as it passed the Senate also embraced wheat and corn, so will he now say we are going to have a "two-price system" on wheat and corn as well. To be right charitable I do not think Mr. Bagwell had ever read the bill.

(Several Senators address the Chair.)

The PRESIDING OFFICER. Will the Senator yield?

Mr. WILLIAMS of Delaware. I yield first to the minority leader.

Mr. DIRKSEN. Mr. President, I have questioned the majority leader about the possibility of termination of the session, since a good many Senators have already left the Hill this evening, and whether this matter might go over until tomorrow morning. If we came in at 11 o'clock tomorrow, I respectfully suggest, and had 2 hours of debate, we could vote at a time certain, namely, 1 o'clock, if that would be agreeable to the Senator from Delaware and the Senator from Louisiana.

Mr. WILLIAMS of Delaware. I have no objection to finishing this tonight or to carrying it over until tomorrow. I shall be guided by the wishes of the leadership. I can give assurance that we shall not take long tomorrow. I want to get the matter to a vote.

The trouble with a unanimous-consent agreement to vote at 1 o'clock is that usually most will stay out until 1 o'clock, and until that time there are but two or three present on the floor, and nobody will know what it is about. I think we would have more interest in the matter if we do not know just when we are going to vote.

We should recognize that what we are doing here is establishing a precedent in the agriculture program—something that has never been heard of before. Several years ago former Secretary of Agriculture Henry Wallace proposed that we destroy pigs and pay the farmers for the pigs that were killed. People were shocked at that. But what we are doing here is the same as paying farmers for pigs that never were born; we are paying farmers for crops they do not plant. We are paying the farmer, here, for a crop he only thought he might want to grow, paying him up to $200,000 for thinking about growing a cotton crop, and then, after he changes his mind and decides to grow a soybean crop we pay him over again.

The Congress ought to recognize what we are doing. Let me cite one further example of how this would work. I know of one farmer in the State of Arizona who is renting his land from the State of Arizona—and I have a letter here from the Governor's office to that effect—for $3.60 to $4.50 an acre. That farmer can collect, based on the production average figures, up to $51.70 an acre on this land that he is renting from the State of Arizona; and if this bill passes he can turn around and raise a soybean crop on the same acreage getting price supports.

Is that what Senators want to do?

Mr. DIRKSEN. Well, no, because——

Mr. WILLIAMS of Delaware. I know the Senator from Illinois does not. I should not ask the question. But I want to know if that is what the Senate wishes to do.

I have much respect for farmers. I come from a farming area. But this is not a bill for regular farmers. In the State of Texas, for instance, there are 167,208 cotton farmers—and I respect all of them. But 162,000 of these farmers are not affected by the limitation. I do not think the 5,180 who would be affected by this amendment are going to the poorhouse. Particularly that one farmer who would collect over $200,000 for a crop he had never planted.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DIRKSEN. On this matter, we have had six roll calls on amendments offered by my distinguished friend from Delaware. I gave him a vote on every one of them. I was merely trying to find out, if the yeas and nays have been ordered, whether we can let this go over until tomorrow. I am not particularly concerned about voting at a time certain. I just wanted to make sure that those who wished to do so would be able to vote.

Mr. WILLIAMS of Delaware. I am perfectly willing to let it go over. I will say to the minority leader that we can have an early vote. I will add that I am planning to make a motion that we postpone consideration on this conference report until June 15. I intend to suggest this for the purpose of letting the Agriculture Committee do what it should have done before; that is, get the Department officials down here to testify and not settle for some fuzzy letter which in effect says nothing except that they are against any limitations. Let them find out what is in this bill. I would think that the members of the Agriculture Committee themselves should be interested in this information.

It is interesting to note that we are dealing here with a bill that has never, as yet, been to the Agricultural Committees of either the House or the Senate. It was introduced as a clean bill in the House of Representatives and passed the same day that it was reported by the committee. The bill was stopped at the desk here in the Senate and has never been to the committee.

Any measure this important should be given some consideration. I would hope the chairman of the committee would go along with that suggestion. I respect his committee; I served on that committee a number of years. I have respect enough for that committee to believe that if they take this measure to the committee, they can then find out what is in the bill. I think it would also be well to have the general counsel who wrote this letter present, either to testify—and I am not too sure I am interested in his testimony—or at least to have him sit as an observer, because it is just remotely possible that he, too, could learn something. At least I will say this: There is room for his enlightenment.

Mr. DIRKSEN. Mr. President, may I ask the majority leader whether he proposes to come in at 11 tomorrow?

Mr. MANSFIELD. Yes, indeed; and I think that under the circumstances, it might be best not to seek to vote at a time certain. I am quite sure the Senator from Delaware will keep his word, as always.

Mr. WILLIAMS of Delaware. I assure the majority leader that it will not take me long on this matter, but I do hesitate about setting it for a vote at a time certain for the reason that most Senators do what I do on occasion:

They figure, "Well, we will be there for the vote."

I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, the Senator has just pointed out exactly why I say this bill lays the foundation for a windfall. Anybody who can say, when a farmer has not even planted or cultivated his land, that he ought to be entitled to receive full payment in exactly the same amount as the farmer who has planted and cultivated his land, and then be able to turn around and plant a soybean crop, and get Government price supports on it, without calling that a windfall, I must say does not have the same concept of a windfall that I do.

But I do know this: The general public read stories of these cases, and they do not like it. They have the impression that farmers are getting some unusual consideration which they should not receive. I do not know of very many farmers who want to have windfalls. They are perfectly willing to work hard to get what they get. They do want fair prices in the market place.

But to come along and have this hastily considered legislation passed, to lay a foundation for hastily considered windfalls of this nature, seems to me to be wrong.

The Senator from Delaware has stated examples, not only this afternoon but during the debate the other day, of how we could be, by passage of this bill, permitting awfully high payments; and that was the reason for the Williams amendment.

Mr. WILLIAMS of Delaware. That was the reason, and I repeat what I have said time and again—there was no intention to put a control on the amount that farmers could be paid under the price support program by means of my amendment. The amendment was directed very clearly only to those payments that would be made under this particular act, payments made to those farmers who would elect to use this unplanted cotton acreage to plant soybeans.

Those restricted payments are made to farmers who would elect this choice. I said a moment ago that we are dealing with a lot of money. Do not misunderstand. There are millions involved in these payments. In fact, the bulk of the money is paid out to these large farmers.

The Commonwealth of Virginia has 5,679 farmers who produce cotton. Not a single one would be affected by the adoption of this amendment. Not a single one comes under the limitation of the amendment.

The State of Tennessee would have 99 out of 55,655 farmers affected. The State of Alabama, with 96,100 farmers, would have only 229 farmers who could come under the $10,000 limitation of the amendment.

All of this is assuming that they have the average yield of one bale per acre. I concede that there are some with better and some with lower yields, and those figures could be changed somewhat.

The State of Arizona, with 3,965 farmers, would have 481 farmers who could come under this amendment.

The State of Kentucky, with 1,001 farmers, would have but 1. The State of Iowa is not affected at all. They do not have cotton.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. Did the Senator give the figures for the State of Tennessee?

Mr. WILLIAMS of Delaware. Yes, but these are only figures as to cotton production.

Mr. MILLER. I understand.

Mr. WILLIAMS of Delaware. In the State of Tennessee there are 55,655 farmers producing cotton, and only 99 have acreage in excess of 200 acres, which is the cutoff figure as far as the amendment is concerned.

Mr. MILLER. The Senator is saying that there are very few farmers who could be benefited by this bill as opposed to the Senate bill. I take it that he is suggesting some of that very few can reap very large payments.

Mr. WILLIAMS of Delaware. There are many farmers who could be benefited under this bill, but very few who could get in excess of $10,000 plus reaping the benefits of the bill.

Mr. MILLER. I appreciate the Senator's clearing that up.

Does the Senator have an estimate as to how large these benefits can be?

Mr. WILLIAMS of Delaware. The Senator from New Mexico [Mr. ANDERSON], the former Secretary of Agriculture, cited one specific case that he knew of where a farmer had 1,000 acres with a yield of 4 bales per acre. In that particular instance that man—assuming this bill passes without the amendment—could collect $200,000 from the Federal Government on this 1,000 acres of land. We are assuming he never put a plow in the ground, did not plant, but just intended to plant, and he would collect $200,000 from the Federal Government. On top of that he would be able to plant the 1,000 acres in soybeans and get price support.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COOPER. He could collect $200,000 without this amendment.

Mr. WILLIAMS of Delaware. But he could not raise soybeans on this same acreage and collect price supports. Under existing law if he raises soybeans he loses all of his payments.

Does the Senator know what this has done to the soybean farmers since the Secretary has said that the administration would knock this amendment out? I do not know what happened today but in other days the market has been off 7 cents or 8 cents.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COOPER. My State has one cotton farmer——

Mr. WILLIAMS of Delaware. It has only one affected by the amendment.

Mr. COOPER. One cotton farmer who could, in some future year although not this year, be affected by the Senator's amendment. Furthermore, I voted for the amendment of the Senator. In addition, I voted to make it a 1-year provision, as the original purpose of the bill was to meet an immediate situation.

But the reason I have entered into this debate is because I think it is the very kind of statements made here today that contributes to talk about the farm programs.

I do not like to hear a kind of argument which is not wholly on the facts and leads to such talk.

For example, a statement that was made a moment ago that gives the impression that this bill would permit someone to collect—the Senator said $200,000. I am sure that two price support payments that large could be received on some farms. However, to give the impression that because of this bill——

Mr. WILLIAMS of Delaware. Oh, no.

Mr. COOPER. The truth is——

Mr. WILLIAMS of Delaware. They collect it as a result of the bill passed last year, which I opposed at the time, but it is the law. What we are dealing with here is an expansion of that law.

Mr. COOPER. That should be made clear, because we know that under the omnibus bill passed last year if a cotton producer, or a feed grain producer in Iowa, or a wheat producer, planted his crop and it was washed out, he would get every bit of the program benefits—for diversion payments and for production payments. The feed grain farmer in Iowa would get it. The wheat farmer would get it. The cotton farmer would get it.

I think that should be made clear in this debate, and that is the reason I am speaking at this time.

The argument of the Senator is giving the impression that the bill before us today provides for that kind of payment. But they were provided in the Food and Agriculture Act of 1965, and the reason those payments are permitted is because the objective of that act is to withdraw acreage from production.

The purpose of the bill before us today is to place the man who has not been able to plant his cotton in the same position as the man next door who had been able to plant his cotton—simply providing that both could sow some soybeans if they had been blotted out by a flood. That is it.

Last week in the Senate the argument was made that one man would have spent more than another; but this is no insurance program. I agree that it superimposes another crop they could grow; that is the reason I voted for the amendment of the Senator.

I have entered into the discussion at this time because some are getting the impression that this bill permits the price support payments, and that is not correct.

Mr. WILLIAMS of Delaware. Mr. President, I outlined the difference between the existing law and the present proposal before I started. I shall do so again. If anyone has the wrong impression it is because we have a bad law.

Under the existing law, passed last year, in the case of the farmer who plants his cotton crop which is destroyed as a result of drought or excessive rainfall, that farmer can collect these benefits to which we refer, and, in addition, under existing law, he can plant soybeans.

Neither the bill before the Senate nor the amendment I had presented in any way affects that phase of the program. I said that in the beginning.

There is a second step in the existing law. The farmer who has these acreage allotments but who has not been able to plant through an act of nature—either too dry or too wet—that farmer under existing law can collect these payments, as the Senator from Kentucky has pointed out, but he cannot plant any income-producing crops on that acreage. That is the existing law.

Mr. COOPER. To boil it down, all this bill does is to let a fellow sow soybeans. Is that not correct?

Mr. WILLIAMS of Delaware. That is not correct. This bill would allow him to collect those payments for a crop he has not planted and then put in an income-producing crop such as soybeans, barley. Under the pending bill he could grow those crops and still collect his money. My amendment merely limits the amount he could collect in this second instance.

As the Senator from New Mexico [Mr. ANDERSON] pointed out, without the amendment one individual could collect as much as $200,000 on his 1,000 acres and then, never having put a plow in the ground, plant soybeans on that same acreage. My amendment would provide that if this farmer wanted to grow soybeans he could still do it, but he would forfeit all of his payments except $10,000—that would be the maximum. Under existing law he would forfeit all of his payments if he uses the acreage for any income-producing crop.

Mr. ELLENDER. That is, under existing law he loses his payments if, not having planted his cotton, he plants some other income-producing crop; is that not correct?

Mr. WILLIAMS of Delaware. That is correct.

Mr. ELLENDER. But under the bill, if he is prevented from planting cotton, he may plant some other commodity which is not subject to an adjustment program and still receive his payments; is that not correct?

Mr. WILLIAMS of Delaware. The Senator is correct. Thus, what we are dealing with is, we allow those farmers to collect up to $10,000 on payments that they would get under existing law.

Just how that limitation can be interpreted into a two-price system for cotton is something which takes a man with a great deal of imagination to come up with. Only a man who believed that Billie Sol Estes had been doing business legally would be able to come up with such an interpretation, and even he was not sure.

Mr. MILLER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. If I could have the attention of the Senator from Kentucky; he was asking about the difference in treatment under this bill from present law. I do think that he tread rather lightly upon the fact that what this bill would do would give a man who had not gone to the expense of plowing, planting, and cultivating, the same treatment as the man who had.

I am sure the Senator from Kentucky knows that a great deal of expense can be incurred in plowing, planting, cultivating, putting in fertilizer, paying for the labor costs, and the gas and oil. This can run into a great deal of money. Under this bill, we are making absolutely no differentiation between the farmer who has incurred all of these expenses and the farmer who has incurred none. That is the reason why I offered my amendment last week which, I am sorry to say, was not accepted but which would have said, "Well, if you want to have some benefits, we will give you one-half of the payments and then you can turn around and grow soybeans, or you take all the payments and you cannot grow soybeans."

What we have done is to overload the bill. That is why the Senator from Kentucky and other Senators supported the Williams amendments. I do not know how we can get out of this thing, but I like to think that if we had this still before the Agriculture and Forestry Committee, and had had people down from the Department for a hearing, we might have been able to devise a sound bill, because I believe that there are some inequities which should be covered. I believe that all of us are sympathetic with farmers who have not been able to get any seed in the ground because of events over which they have no control, such as natural disasters and the like, and that they should have some coverage if they get their seed in the ground.

We have gone much too far in this thing. We have set up a basis which, in the public mind—and this is what counts—will be considered a windfall to some farmers, and I do not believe that the Senate should lay that kind of foundation.

Mr. WILLIAMS of Delaware. I thank the Senator from Iowa. The Senator points out that this has been put through as an emergency measure to cover a great disaster, but, yet, on a rollcall vote the Senate rejected the proposal to limit this to 1 year and again rejected a proposal to limit it to 2 years. But the sponsors and the Department insist that it be a full 4-year program. In other words, they are determined that they are going to have 4-year disaster and an emergency so long as they stay in public office.

How anyone can foresee that it will be either too wet or too dry in certain areas of the country 4 years from now is going a little far afield, in my judgment.

I think that had it been really an emergency measure the committee would have reported the bill on a 1-year basis to deal with this emergency. The Senate will be in session next year. Just how anyone can justify a payment of $200,000 to a man owning a thousand-acre farm who has not planted a crop on it and then allow him to plant that thousand acres in soybeans, I do not understand. I do not understand how we can justify paying a man $50 an acre for cotton that he does not plant, on land he had leased from the State of Arizona, at $3.50 to $4 an acre. I just do not understand it.

We hear much about the poverty program, but I do not think that this can come under that program. Only the Great Society could have ever thought of such a proposal as this.

Mr. MILLER. Another statement was made that this is not an insurance program. I am wondering why we should not have an insurance program in preference to this. I do not know how we could possibly pay for insurance with premiums, or find enough money to pay the premiums for the kind of benefits we are legislating here.

It seems to me that this would certainly discourage people from carrying insurance on natural disasters. What would it profit them to carry insurance if they would be able to reap such a reward as they would here?

In other words, they could just sit back, and when the disaster hit they would not have to worry because they would not have to plant anything—they would get their payments and then they would turn around and grow a big crop of soybeans.

To me, this is not right. It is not treating farmers equitably among themselves, because the farmers who have incurred all of the expenses of plowing, planting, and cultivating their land will be treated in exactly the same way as the farmer who has incurred no expense at all.

I believe it is bad legislation. I wish there were some way to defer consideration of this until the Committee on Agriculture and Forestry can have an opportunity to sit down and consider it. I think that if it has merit, we should pass it quickly, and the House should agree with it, if there is an emergency. Whether there is an emergency is a good question, because as the Senator from Delaware has pointed out, out of all the farmers in Tennessee—I believe the Senator from Tennessee was one of the proponents—only 99 would be eligible for such benefits under this bill; is that not correct?

Mr. WILLIAMS of Delaware. Ninety-nine; yes. Only 99 farmers in Tennessee would be affected—at least from the figures I received from the Department—and that is out of 55,655 cotton farmers in that State. Yet the Senator from Tennessee said that he would rather see the bill defeated than have this limitation.

In whom are we interested, the 55,655 small farmers, or the 99 large operators?

In the State of North Carolina, 64,759 farmers plant cotton, yet only 50 of them would be affected by the $10,000 ceiling.

In the State of Georgia, there are 65,046 farms on which cotton is grown, yet only 173 would be affected by this amendment.

Therefore, let us get this matter straight. What this whole argument is about is whether we want to provide—some do not want to call them windfalls—they do not want to call them gifts—well, let us call it the Great Society's gravy train for the large farmers. Any man who has a thousand acres of land that has not been plowed, planted, or cultivated and on which he has not spent one dime, for him to receive from the Federal Government a $200,000 check and told, "You take that money and grow a crop of soybeans on your land, and we will give you $2.50 per bushel support on all the beans you produce" must think that he has received a windfall—unless in the past his payments have been so large that he does not even look upon them as windfalls any more.

Mr. MILLER. Let me add this to what the Senator has said. The Senator has referred to the very few farmers who would be affected by this $10,000 limitation. I think most of us are sympathetic with those who are hurt the most by any disaster, those who do not have any particular capital and who have nothing to fall back on. That was the rationale behind this $10,000 limitation, something like insurance in a way, say, that we are going to cover this with a ceiling.

If they want to have more than $10,000 insurance, they will have to go elsewhere, but not come to the Federal Government for it.

As a result of the action taken by the conferees, we now have an open-end proposition which allows public misinformation that many farmers, rather than a few, are getting windfalls.

Mr. WILLIAMS of Delaware. Unless this boondoggle giveaway is stopped the agricultural program is going to sink because the American public will repudiate it. This bill is supposed to be an emergency bill. There are 762,257 cotton farmers in America according to the latest estimates I have received. Out of that total of 762,257 in the whole Nation only 10,470 are affected by this amendment containing the $10,000 ceiling. But with respect to this $10,000 limitation the opponents say that if we cannot take care of the big ones, let the little ones go broke.

Mr. **MILLER**. The Senator from Delaware pointed out the drop in the soybean commodity market on the day of the announcement by the Secretary of Agriculture that if Congress passed this bill, the Secretary would recommend a veto. Did I understand the Senator correctly?

Mr. **WILLIAMS** of Delaware. The market dropped 7 cents since the Secretary made his announcement. It may have risen today I do not know.

Mr. **MILLER**. Since the Secretary made his announcement?

Mr. **WILLIAMS** of Delaware. Yes.

Mr. **MILLER**. Does the Senator know whether the market dropped the day of the announcement?

Mr. **WILLIAMS** of Delaware. I did not see the announcement until that night. I do not know when he made it. But the market dropped the next few days. There may have been but little connection, but it is a fact that the market operators and large planters were the interested parties.

Mr. **MILLER**. This is another example of how the market fluctuates based on statements made by certain Government officials. We have had some indications that there may have been some abuses on information. Certainly there is suspicion in the minds of many people who read the newspapers and watch the newscasts that some persons have obtained information known as inside information. This area revolves around certain actions and statements made by some of our Government officials.

I think it is a bad thing that the Secretary of Agriculture has undertaken to make such a statement in this instance. It seems to me he could have waited until the Congress had acted one way or the other, and then announced that he would recommend a veto. But to say, ahead of time, that if Congress passed the bill, he was going to recommend a veto places the idea in the minds of some people that, no matter what Congress does, if it is passed it is going to be vetoed. Then there will be speculation on the futures market.

Mr. **WILLIAMS** of Delaware. In fairness to the Secretary of Agriculture, I think it should be pointed out that he made the announcement too late to be effective on the market of that day. So if he was going to make such an announcement that would be the proper way to announce it to the American people. It would be well known, and the market would not be affected until the next day.

Mr. **MILLER**. I am referring to the announcement that the Secretary would recommend a veto of the bill.

Mr. **WILLIAMS** of Delaware. The Secretary's statement was that he would recommend a veto if the amendment stayed in, but the announcement was not made in time to affect the market that day, and it was made publicly. There was no leak involved here.

I respect the right of the Secretary to express his opinion for or against a bill. In this particular instance I think he made his announcement properly; namely, after the market could be affected that day. But that is different from the previous announcement which was the basis of the resolution that I sent to the desk.

Mr. **MILLER**. I did not understand——

Mr. **WILLIAMS** of Delaware. There were two different announcements.

Mr. **MILLER**. The Senator was referring to the announcement at noon——

Mr. **WILLIAMS** of Delaware. Yes.

Mr. **MILLER**. And the announcement that the Secretary would recommend a veto. I think the Secretary has a right to express his opinion, but I think the Secretary should be aware that the market is responsive to statements made by public officials, and should not have made the statement when he did that he would recommend a veto if the bill passed, based on the legal opinion which the Senator has put in the RECORD, which, of course, is rather superficial at best.

That seems to me to have been a premature statement of what the recommendation would be. It seems to me the time for him to have said that would have been after Congress had acted. If Congress had passed the bill, he could have said, "I am going to recommend a veto." But before the conferees acted, for him to make the statement seems to me to have been premature, especially in light of the rather superficial legal opinion to which the Senator has referred.

Mr. **WILLIAMS** of Delaware. I appreciate the remarks of the Senator from Iowa. As I said, I think to be fair, the Secretary, as I understand, made the announcement properly and at the proper time. Heretofore the Secretary has announced decisions after they had been made behind closed door meetings, after the market had closed. The trouble developed when the announcement was carried over, awaiting a favorable opportunity when it could be announced on television. It was during that interval that a leak developed. Too many people knew what the decision was, and it was impossible for them to keep it secret. The announcement of these decisions should be promptly made after the market closed.

MOTION TO POSTPONE FURTHER CONSIDERATION OF CONFERENCE REPORT

Mr. President, I send to the desk a motion that further consideration of the conference report be postponed until June 15. That is 1 week from today. The clerk should state it. The motion will be pending on when the Senate convenes tomorrow.

The **PRESIDING OFFICER**. The motion of the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. The Senator from Delaware [Mr. WILLIAMS] moves that further consideration of the conference report be postponed until June 15.

Mr. **WILLIAMS** of Delaware. Mr. President, the reason I make that motion is to give the committee an opportunity to get the department officials before the committee to discuss the far-reaching aspects of this proposal and to determine from them an estimate of its costs. Let there be no maybe's on how it may be interpreted. The committee should have done this earlier. There are some of us who think that this will not be a 4-year disaster but will disappear after the election in 1968.

THE ECONOMY OF PRICE-SUPPORT PAYMENTS

Mr. **TALMADGE**. Mr. President, the whole question of Government payments to farmers has come up again. Questions are being raised about limiting payments themselves as if they were welfare contributions or a handout.

I assure you the payments are not a handout. They are payments for services rendered. Rendered by farmers toward stabilizing our national economy.

Diversion payments, as my honored colleagues well know, are designed to help maintain a balance between production and the quantities of farm commodities needed to meet requirements here at home and commitments abroad. Such payments are made under acreage diversion programs for cotton, feed grains, and wheat as well as cropland adjustment, cropland conversion, and conservation reserve programs.

Mr. President, through acreage diversion, we use land itself as our food reserve instead of bulging warehouses where storage costs and even spoilage reach deep into taxpayers pockets.

Such a forward-looking approach as acreage diversion not only helps prevent needless waste of surplus production and of our soil resource, but it also promotes the economic interest of our entire country.

However, when a farmer diverts or reduces his crop acreage, he also reduces his income. To help offset a farmer's loss from diverting acreage into conserving uses, the Government pays him a diversion payment to partially replace the value of what he could have grown on the land.

But the Government has not only asked the farmer to reduce his acreage in order to cut down on surpluses and conserve the soil, it has also—as in the case of cotton and wheat and some other crops—asked him to take a lower price-support loan to enable his product to compete more favorably abroad as well as help stop the dollar drain.

For example, the price-support loan on cotton, as Senators know, is now down to 21 cents a pound, some 8 cents less than a year ago. This is expected to increase our cotton exports as soon as old stocks in the foreign free world are further reduced.

To help compensate the farmer for this additional loss of income the Government is paying him a price-support payment based on the projected yield of cotton grown within his domestic allotment. Again, this is not a handout, but a payment for services rendered. And what should be generally recognized and appreciated is the fact that this payment as a price support device is more economical and more effective than the old higher price-support loan. Without this new approach, the cost of the program would be considerably higher.

Mr. President, I do not expect this small contribution to the clarification of an issue to put the question to rest, but I did want to explain to my distinguished colleagues why I am for the price-support payment system—and against any limitation on the amount paid to individual farmers.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAIR PACKAGING AND LABELING ACT—UNANIMOUS-CONSENT AGREEMENT

The Senate resumed the consideration of the bill (S. 985) to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate takes up the truth in packaging bill there be a time limitation of 1 hour, to be equally divided between the chairman of the committee and the cosponsor of any amendment, that there be 3 hours on the bill itself, and also that the rule of germaneness apply to the unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection?

Mr. LAUSCHE. Mr. President, reserving the right to object, has the issue on the conference report that has just been discussed on the Senate floor been decided?

Mr. WILLIAMS of Delaware. This vote will go over until tomorrow, but I assure the majority leader and the minority leader, as I did earlier today, that so far as I am concerned the Senate can proceed promptly to a vote tomorrow. I have no intention of repeating the arguments that I have made today.

While I prefer not to agree to a time limitation I assure the Senate that the vote will come promptly. I see no reason why the debate tomorrow should take too long.

Mr. LAUSCHE. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? None is heard, and it is so ordered.

The unanimous-consent agreement, subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That during the further consideration of the bill (S. 985), to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from Washington [Mr. MAGNUSON]: Provided, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: Provided, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. WILLIAMS of Delaware. Mr. President, I shall ask for the yeas and nays on my motion tomorrow.

Mr. MANSFIELD. The Senator from Delaware will obtain the yeas and nays.

COMMITTEE MEETING DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services may meet tomorrow morning until 12 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move, under the previous order, that the Senate adjourn until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 41 minutes p.m.) the Senate adjourned until tomorrow, Thursday, June 9, 1966, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 8, 1966:

IN THE NAVY

Lt. Cmdr. Eugene A. Cernan, U.S. Navy, for permanent appointment to the grade of commander in the Navy in accordance with article II, section 2, clause 2 of the Constitution.

IN THE AIR FORCE

The following Air Force officer for appointment as permanent professor, U.S. Air Force Academy, under the provisions of section 9333(b), title 10, United States Code:

Wallace E. Fluhr, FR28972.

The following persons for appointment in the Regular Air Force, in the grades indicated under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be prescribed by the Secretary of the Air Force:

To be captains, USAF (Medical)

Regis C. Kohring, FV3166703.
Charles H. Raine, Jr., FV3124471.
David S. Russell, FV3165411.

To be first lieutenants, USAF (Medical)

David L. Hemsell, FV3141130.
Theodore S. Mathews, FV3092632.

To be captains, USAF (Dental)

James F. Bigalke, FV3125303.
James L. Bloss, FV3125792.
Harold W. Nichol, FV3089137.
Ralph H. Smith, Jr., FV3075165.

To be first lieutenants, USAF (Dental)

John T. Cooper, FV2206457.
Maurice W. Donnelly, FV3166465.
John C. Hoerath, FV3053736.
Henry J. Verwayen, Jr., FV3165734.

The following persons for appointment in the Regular Air Force, in the grade of captain, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

Abbott, Wayne T., FV3080491.
Abbott, Wilfred K., FV3081739.
Adams, Dale C., FV3080381.
Adams, James H., FV3074652.
Agniel, David B., FV3056608.
Aho, Douglas D., FV3084989.
Aird, Donald W., FV3087548.
Akerlund, Edward T., FV3080994.
Albrecht, Ronald L., FV3083108.
Aldrich, Richard C., FV3087549.
Allen, Harold L., FV2224917.
Allen, James R., FV3080858.
Allen, William N., FV3087588.
Amtmann, Neal H., FV3072606.
Andrews, William R., FV3081727.
Anzalone, Samuel L., FV3029014.
Armstrong, Eugene F., FV3101085.
Armstrong, Henry W., FV3081451.
Armstrong, Michael R., FV3072147.
Astorino, Loring R., FV3081192.
Atwell, Glen D., FV3081364.
Aunan, Wallace N., FV3071219.
Austin, Lowell M., FV3080996.
Austin, Randall R., FV3080674.
Autry, Donald W., FV3087698.
Averill, David M., FV3081432.
Bache, Ronald H., FV3082677.
Bachem, Fritz M., FV3080334.
Bachmann, Richard E., FV3081663.
Bailey, Paul D., FV3080141.
Bainter Jack J., FV3087764.
Baird, Orville B., FV3084385.
Baker, John H., FV3081193.
Baker, Thomas A., FV3071315.
Bane, Raymond, FV3087769.
Barbera, Richard V., FV3087679.
Barckhoff, Richar L., FV3082679.
Barger, James S., FV2236156.
Barnes, John C., FV3081062.
Barnes, Kenneth C., FV3087582.
Barnes, Thomas B., FV3074202.
Barnett, Paul W., FV3080239.
Barnt, Pat E., FV3087693.
Bartlett, Russell H., FV3081132.
Basel, Gene I., FV3080775.
Bass, Jesse J., Jr., FV3085020.
Bates, John A., FV3073216.
Baughman, Harry H., FV3070996.
Beaver, William R., Jr., FV3080613.
Bellamy, Charlie E., FV3040925.
Belt, Robert K., Jr., FV3073520.
Bennett, Willi R., Jr., FV3072991.
Bergman, Erwin, FV3080798.
Bernert, George W., FV3080589.
Bettencourt, William E., FV3087936.
Biddle, Peter B., FV3049339.
Bilyeu, Lowell D., FV3080776.
Blackburn, Robert H., FV3080882.
Blackshire, Richard H., FV3080997.
Blaisdell, Maurice A., Jr., FV3081617.
Blankenship, Jess L., FV3080262.
Blevins, Edward A., FV3087643.
Blood, Richard E., FV3080677.
Blore, Walter E., FV3074083.
Blount, James C., FV3087905.
Bobbitt, Ernest L., Jr., FV3087940.
Bohan, Walter, FV3092468.
Boschian, Remo A., FV3057198.
Bowen, Phillip K., FV3080641.
Bowie, Donald A., FV3080391.
Brannon, Robert T., FV3072189.
Brantingham, Fred L., FV3081565.
Bratcher, Raymond E., FV3087760.
Brecher, James D., FV3028894.
Broadway, Joe E., Jr., FV4044413.
Brown, Louis S., FV3080224.
Brown, Richard A., FV3073783.
Brown, Wallace E., FV3052454.
Brubaker, Howard J., FV3068898.
Bruess, Leslie L., FV3080998.
Bruno, Donald J., FV3052060.
Buckley, James D., FV3084112.
Buddi, John F., Jr., FV3080612.
Burchfield, Hartsill R., FV3087788.
Burer, Arthur W., FV3087646.
Burke, Garry L., FV3087795.
Burke, James E., FV3074530.
Burton, Richard L., Jr., FV3087765.
Bush, Kenneth, FV3080926.

Bush, Luther C., Jr., FV3081546.
Bustle, James A., FV3025355.
Butcher, Oscar J., FC3081264.
Butler, Gregory J., FV3080884.
Butler, Kenneth D., FV3101040.
Cacciamani, Benja J., FV3101042.
Camillone, Nicholas A., Jr., FV3070127.
Carlson, Loren D., FV3072477.
Carney, Jack L., FV3080283.
Carolus, Howard E., FV3068900.
Carr, Richard A., FV3087766.
Carroll, Charles B., Jr., FV3084197.
Carroll, George M., FV3080781.
Carroll, James T., Jr., FV3084772.
Casleton, Harold D., FV3083838.
Caughell, Thomas G., FV3021551.
Cegielski, Rudolph J., Jr., FV3081729.
Chamberland, John A., FV3101048.
Chambers, Jerry L., FV3087650.
Chapman, Earl E., Jr., FV3081454.
Charles, Cecil M., FV3083008.
Clapp, Alvin J., FV3087819.
Clark, Ruth L., FV3060744.
Cleland, Vinson O., Jr., FV3087822.
Coleman, Charles E., FV3087654.
Connors, Dennis J., FV3081547.
Cook, Thomas A., FV3083255.
Cooke, Ralph M., FV3087767.
Cooley, Robert B., FV3023489.
Cooter, Doyle D., FV3101057.
Corbett, James A., FV3028975.
Corona, Rodney B., FV3080530.
Counts, Ben, FV3101058.
Craig, James T., Jr., FV3080053.
Crawford, Richard M., FV3082883.
Cribb, Donald R., FV3080076.
Croft, Eldred C., FV3006809.
Culbertson, Earle G., FV3082906.
Cummings, Paul, FV3087771.
Curtis, Billy A., FV3087772.
Dabrowski, Charles T., FV3083393.
Damonte, Carlton R., FV3081244.
Daniels, Charles F., FV3087660.
Darfler, Curtis E., FV3101061.
Dascalos, Christopher P., FV3081680.
Davis, Hugh W., FV3081542.
Davis, John C., FV3081245.
Davis, John W. M., FV3081585.
Davis, Marian J., FV3060251.
Davis, Robert J., FV3080865.
Debbaut, Francis J., FV3072286.
Demarco, Peter J., Jr., FV3081473.
Dennehey, Joseph J., Jr., FV3087663.
Dewitt, Charles E., FV3025903.
Diaz, Charles A., FV3012466.
Dill, Charles B., FV2217874.
Dooley, Thomas J., FV3082758.
Doolittle, James P., FV3084666.
Dougher, Joseph, FV3087915.
Drexel, Anthony J., IV., FV3080532.
Duboise, Daniel R., FV3081277.
Duggan, William Y., FV3080959.
Dunbar, Richard O., FV3080409.
Dunn, Alden D., FV3080244.
Dupont, Joseph, Jr., FV3074411.
Durban, Irvin W., FV2205847.
Eden, Thomas D., FV3087666.
Edmundson, Johnny H., FV3080622.
Edwards, Robin W., FV3074258.
Egel, Robert W., FV3072391.
Eikenberry, Joseph W., FV2250776.
Elander, William J., Jr., FV3084657.
Engelken, Martin J., FV3081298.
English, Robert E., FV3081436.
Evans, Donald W., FV3081493.
Fackenthal, James B., FV3072781.
Faseler, Marion C., FV2225765.
Feibelman, James A,. FV3070191.
Fisch, Charles T., FV3067264.
Fisher, John D., FV3080412.
Fisher, Robert B., FV3080533.
Forshag, Donald E., FV3083676.
Frick, Glenn E., FV3080960.
Fridley, Charl I., Jr., FV3048081.
Friedlander, Morton, FV3087757.
Fuhrman, Richard, FV3080339.
Fuller, Charles M., FV3083395.
Fussell, Thomas R., FV3081052.
Gaines, Richard L., FV3081695.
Gamble, Wayne W., FV3080657.
Garcia, Edward N., FV3101075.
Garneau, Armand J., FV3087792.
Garrett, Robert E., FV3087858.
Gentry, Joe D., Jr., FV3084816.
Gerber, Gerald A., FV3080890.
Gerry, John A., FV3101078.
Gibeau, Edward J., FV3085098.
Gibson, Jimmie A., FV2245453.
Gibson, Roger M., FV3080625.
Giesler, Richard P., FV3071723.
Gilbert, Mary C., FV3060358.
Gilchrist, William E., FV3081180.
Golly, Robert T., FV3070055.
Gordon, Glenn A., FV3080534.
Griffith, Robert M., FV3084709.
Grom, William J., Jr., FV3074617.
Guertin, Joseph R., FV3101081.
Gugliotta, Samuel, FV3101087.
Gustafson, Doris W., FV3060376.
Haloostock, Frank T., FV3081379.
Halsted, Benjamin D., FV3101089.
Hamilton, Everett H., FV3087903.
Hammons, John M., FV3080871.
Harkey, Robert M., FV3087921.
Harrison, Bronwood, FV3080893.
Harrison, Joe J., FV3073879.
Hartmann, Henry R., FV3087808.
Hastings, Dan K., FV3071826.
Hatten, David L., FV3081457.
Havard, Robert N., FV3087809.
Hawkins, Richard C., FV3081496.
Hawks, Edwin T., Jr., FV3081278.
Hayes, John R., FV3101093.
Heinemann, Horst R. H., FV3071588.
Heitman, John H., FV3080552.
Helms, Howard E., FV3087685.
Henderson, Charles D., FV3080634.
Hibbard, Robert R., FV3029218.
Hicks, Donald E., FV3074272.
Hietpas, Gerald J., FV3084537.
Highley, Robert L., FV3081380.
Hill, Robert J., FV3081551.
Hillard, Lee A., FV3081531.
Hilton, Jimmy J., FV3101099.
Hine, Robert D., FV3087774.
Hines, William C., FV3083397.
Hirth, Richard M., FV3051538.
Hoff, Thomas S., FV3029830.
Hooppaw, James D., FV3085050.
Hoose, Thomas C., Sr., FV3081742.
Hostetler, Connie M., FV3083583.
Houck, Duane R., FV3081552.
House, John S., FV3101102.
Houston, Albert C., Jr., FV3087686.
Houston, Mack A., FV3101103.
Hughes, Robert, FV3080418.
Hull, James W., FV3085355.
Hunter, Lester J., FV3101105.
Huston, Richard C. Jr., FV3081029.
Ibbiotson, Donald G., FV3085266.
James, Gobel D., FV3006133.
Jaramillo, John G., FV3085108.
Jenkins, Matt N., FV3087937.
Jenkins, Robert B., FV3059055.
Johnson, Donald E., FV3057054.
Johnson, James L., FV3101109.
Johnson, Walter F., FV3087943.
Jones, Carl D., FV3034636.
Jones, Gene L., FV3085046.
Jones, Milton B., FV3087691.
Judkins, James F., Jr., FV3081743.
Kearney, Terrance J., FV3072398.
Keating, James S., FV3081225.
Keeler, David R., FV3081461.
Keen, Robert I., FV3087692.
Keene, Robert E., FV3081478.
Kekuna, George L., FV3087941.
Keller, George B., FV3068127.
Kelliher, Donald H., FV3032433.
Kendrick, John N., FV3084324.
Kennedy, Neil D., FV3074522.
Kent, James E., FV3101115.
Kezar, Merle A., FV3101117.
Kielcheski, Carlin J., FV3071449.
Kime, Arnest A., FV3013759.
Klein, Carl A., FV3087821.
Klein, Robert G., FV3081592.
Knight, Gary L., FV3081554.
Laifer, Frank L., FV3026773.
Lamb, Clendon V., FV3087948.
Lane, William J., FV3101122.
Langer, Peter E., Jr., FV3087700.
Lapine, James E., FV3080640.
Larcher, Thomas F., FV3025227.
Larsen, Bent E., FV3087702.
Larue, Carl A., FV3080907.
Last, Jonathan A. G., FV3087949.
Layne, Clyde E., FV3073458.
Lee, Robert E., FV3087584.
Lewis, Donald R., FV2211807.
Lieske, Ronald L., FV3087952.
Lippold, Jack R., FV3080594.
Little, Rollie J., FV3087961.
Loignon, Philip G., FV3081593.
Loose, Val A., FV3081498.
Lopes, George A., FV0590974.
Lowden, Ralph J., FV3081030.
Lowe, Robert L., FV3081416.
Lucas, William J., FV3084943.
Lumsdon, John T., FV3080937.
Lytle, Stephen J., FV3085034.
Malaney, James C., FV3080421.
Mann, Russell H., FV3071296.
Marks, Samuel J., FV3087712.
Martin, Allen R., FV3084328.
Marx, James R., FV3101127.
Mays, Glenn E., FV2204705.
McElhaney, James W., FV3081417.
McGrew, George D., Jr., FV3080809.
McInelly, Chan E., FV3073922.
McKee, Louis M., FV3070430.
McKenna, John P., FV3080536.
McKinney, George W., FV3055826.
McLaughlin, Von H., FV3081071.
McLendon, Larry F., FV3084646.
McNeal, Alfred J., FV3087710.
Meade, Donald E., FV3074192.
Mecham, Norman D., FV3070258.
Menne, Wayne L., FV3101131.
Merry, John G., Jr., FV3080993.
Michael, Glen A., FV3073331.
Miles, Richard A., FV3081736.
Mishou, Edward C., Jr., FV3080765.
Mize, Lawrence E., FV3080940.
Moentmann, Norman W., FV3069334.
Moles, Gary O., FV3087968.
Montgomery, Monte D., FV3068031.
Monti, Louis A., FV3087833.
Moon, Robert H., FV3087894.
Moore, Jack L., Jr., FV3081362.
Morgan, Charles E., FV3087970.
Morris, Troy R., FV3071377.
Moschella, Samuel R., FV3087912.
Moser, Donald D., FV3057230.
Mullen, Lloyd B., Jr., FV3068793.
Mullins, Donald W., FV3080291.
Murphy, Richard J., Jr., FV3082771.
Murray, Thomas E., Jr., FV3074525.
Nagel, Richard A., Jr., FV3087719.
Navarro, Lloyd T., FV3080425.
Nelson, Robert D., FV3050470.
Nichols, Joseph P., FV3070097.
Nicoli, Remo J., FV3074433.
Nolen, James E., Jr., FV2211038.
Nyberg, Donald W., FV3080560.
Oberdieck, Donald R., FV3087838.
Offill, Donald O., FV3080265.
Ohlemiller, Franc L., FV3080305.
Ohsann, David E., FV3081595.
Oliva, Robert J., FV3081421.
Olivier, Joseph I., FV3087840.
Orean, Richard E., FV3080326.
Orf, Paul E., FV3080599.
Orr, Nathan J., FV3101138.
Oswald, Francis L., FV3100974.
Othling, Willi L., Jr., FV3073775.
Outlaw, Ted E., FV3030198.
Owen, Lewis M., FV3081073.
Ozgo, Thomas W., FV3081502.
Palipchak, John H., FV3081389.
Pandel, Michael, FV3031650.
Parris, Bill E., FV3083063.
Parton, Paul D., FV3087721.
Pasalevich, John A., FV3081371.
Pekowski, Edward G., FV3081280.
Perkins, Carl R., Jr., FV3083087.
Petruzzelli, Mario M., FV2248570.
Pettit, Robert I., FV3087846.
Pharaoh, Edward E., Jr., FV3081251.
Phillips, Paul M., FV3048794.
Pittard, David H., FV3072696.
Pollard, Gordon M., FV3081074.
Porter, David J., FV3087847.

Powell, David H., FV3081449.
Pratt, Edward B., FV3080267.
Prince, Neil E., FV3003366.
Prudot, Elmer J., FV3071260.
Prushinski, Albert A., FV3080692.
Raczkowski, Joseph T., FV3081737.
Radeke, Ronald R., FV3081611.
Rasins, Robert C., FV3085099.
Rask, Niels C., FV3072336.
Reim, Theodore D., FV3081060.
Reynolds, Clarence C., FV3085350.
Richter, Paul M., FV3083567.
Ridge, William B., FV3100985.
Ripper, Tommy J., FV3080946.
Robertson, We L., III, FV3082648.
Robinson, Thomas W., FV3083228.
Robinson, Victor G., FV3081236.
Rochelle, Herbert R., FV3080518.
Rockel, Robert H., FV3080484.
Roddahl, Vern A., FV3101150.
Rodgers, Joe C., FV3027314.
Rollman, George J., FV3101151.
Rosenberg, Larry B., FV3034470.
Rouse, Richard E., FV3087892.
Rousseau, Donald F., FV3101153.
Ruark, Robert W., FV3080519.
Rudasill, Charles W., Jr., FV3087855.
Ruehrmund, Paul R., FV3087105.
Ruf, Francis J., FV3081560.
Runge, Norman H., FV3039414.
Rushworth, Ralph, FV3080986.
Sadlowski, Edward J., FV3080430.
Sandelin, Thomas E., FV3080832.
Sawyer, Theodore L., FV3101156.
Sawyer, William T., FV3100992.
Scanlan, Lambert R., FV3100993.
Schamens, Maurice J., FV3085166.
Schlosser, John A., FV3080759.
Schlosser, Martin G., FV3082745.
Schreiner, Edward E., FV2230284.
Schroeder, Edzard E., FV3057895.
Schwalm, C. Rickard, FV3082543.
Scott, Jesse E., FV3081752.
Seech, John R., FV3080644.
Sentman, Lyle A., FV3080767.
Sessions, Jerry L., FV3083954.
Sexson, Richard W., FV3080834.
Shannon, Fred., FV3100995.
Sharples, Russell E., FV3080349.
Shaw, Robert T., FV3081352.
Shaw, Russell E., FV3087860.
Showers, Jack R., FV3101164.
Shull, Thomas H., Jr., FV3081169.
Sims, Bobby J., FV3087729.
Singer, Richard M., FV3081255.
Sipes, Robert R., FV3087863.
Slatcher, James R., FV3080694.
Sleeper, Edward B., FV3081602.
Smith, Carl D., FV2225147.
Smith, Cecil N., FV3080850.
Smith, Clarence R., FV3087732.
Smith, Donald C., FV3087866.
Smith, James S., FV3080947.
Smith, Leonard H., FV3087733.
Smith, Odell F., FV3087869.
Smith, Thomas B., FV3080668.
Smith, Travis M., FV3020003.
Smith, Wilburn J., FV3023649.
Smith, William K., FV3080522.
Snead, John R., FV2211723.
Sneeder, William H., FV3085267.
Soderberg, Adolph D., FV3074183.
Solana, Frank J., FV3084517.
Soltesz, James F., FV3070558.
Sorensen, Orville M., FV3101001.
Sorenson, Carl D., FV3101167.
Spatz, Kenneth, FV3071063.
Squires, John C., FV3080604.
Stacy, Juanita, FC3060405.
Stallard, Glenn R., FV3101169.
Stammerjohn, Howard N., FV3081038.
Starks, Charles F., FV3101004.
Stedman, Nancy J., FV3087736.
Sterling, William S., FV3101005.
Stewart, James A., FV3081040.
Stigers, William D., FV3056948.
Stillwell, Nicholas, FV3080433.
Stmarie, Alan K., FV3080814.
Stoeckmann, Robert J., FV3081257.
Stratmann, Wilhelm, FV3081258.
Straubinger, Robert J., FV3081394.
Strickland, Angus L., Jr., FV3058717.
Stringer, Harvie L., FV3080816.
Strohman, John P., FV3081488.
Stubbe, Albert G., Jr., FV3073394.
Stuck, John G., Jr., FV3080852.
Studt, Emmitt E., FV3101172.
Stutzman, Melvin F., FV3080917.
Suiter, William P., FV3087738.
Swenson, Lester C., FV3081016.
Swiderski, Donald L., FV3080311.
Sykes, Teddie E., FV3101175.
Tate, Harlan W., FV3080853.
Tatina, Carl A., FV3101177.
Taylor, Kenneth G., FV3080487.
Telander, Silas R., FV3081718.
Telford, Joe W., FV3046482.
Testas, Leon J., Jr., FV3074516.
Texter, Joseph C., FV3080950.
Thomas, John A., FV3080351.
Thompson, Ewing M., Jr., FV3101178.
Thompson, Harry C., FV3080951.
Thompson, Ian B., FV3080918.
Thweatt, Luther E., FV3052516.
Tiffault, Raym J. Jr., FV3080647.
Tobias, Richard L., FV3081042.
Torchia, David F., FV3049887.
Townsend, Charles B. Jr., FV206248.
Trask, John H., FV3087882.
Tressler, Jay G., FV3101011.
Tri, Harvey L., FV3101009.
Trimmell, Norman L., FV3080377.
Trombley, Donald E., FV3073298.
Tucker, John H., FV3080378.
Turner, James P., FV3083249.
Turner, Norman M., FV3080919.
Uyeyama, Terry J., FV3085365.
Vance, Jerry D., FV3080837.
Vandiver, Charles H. Jr., FV3061050.
Vaneaton, William G., FV3101014.
Vary, Elbert J., FV3101184.
Vaughan, David E., FV3081428.
Vincent, Alfred W. Jr., FV3087744.
Vincent, Oakley G., FV3101015.
Vinsant, Robert D., FV3087885.
Volz, David E., FV3085251.
Wagnon, Bobby D., FV3085299.
Walker, Donald C., FV3016423.
Walker, George J. A. Jr., FV3080314.
Walker, John S., FV3082673.
Walker, Thomas E., FV3080818.
Wallis, William N., FV3101016.
Walters, John R., FV3080274.
Wayland, Henry T., Jr., FV3084301.
Weekley, John F., FV3081430.
Weeks, David L., FV3081620.
Wegner, Allen D., FV3101193.
Weishuhn, William H., FV3080524.
Wierman, Frank S., FV3080953.
Wilhelm, Charles F., FV3081719.
Williams, Charles S., FV3071916.
Williams, Evans C., FV3083036.
Williams, James L. Jr., FV3083937.
Willis, Lee E., FV3101024.
Wilson, James W., FV3073870.
Wise, Glenn E., FV3027219.
Wise, Roger L., FV3081722.
Witzel, James E., FV3080442.
Woner, James M., FV3081282.
Wood, George A. Jr., FV3081375.
Wood, Harry F. Jr., FV3080574.
Woodfork, Raymond E., FV3101025.
Woods, Edwin P. Jr., FV3101201.
Wyant, Fred O., FV3101026.
Yonteck, Frederick, FV3080490.
Young, Joe F., FV3081079.
Zalnis, Raymond P., FV3101205.
Zalud, Robert J., FV3101029.
Zamkoff, Leonard J., FV3053327.
Ziegler, Allen A., FV3015039.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR PERMANENT PROMOTION

To be medical directors

John H. Waite
Edward L. Kuff
Robert L. Brutsche
Frank W. Mount
Jarvis E. Seegmiller
Dorothea B. Chapman
Merlin L. Brabaker
Lyman C. Wynne
Mark S. Beaubien
William L. Ross, Jr.
Clifford H. Cole
De Armond More
Simon P. Abrahams
Charles A. Monroe
William J. Zukel
Kehl Markley III
Phyllis Q. Edwards
George F. T. Mattern
Carl F. Essig, Jr.
Philippe V. Cardon, Jr.
Harry W. Wise
Margurite L. Candler
Charles R. Sharp
H. Wayne Glotfelty
Jean M. Poitras
Maurice F. Herring, Jr.
Louis Moreau
George R. Adam

To be dental directors

Robert L. Lathrop
Robert W. Bonds

To be sanitary engineer directors

Grover L. Morris
Frank W. Noble
Jack H. Fooks
Vernon R. Hanson
Guy L. Hubbs
Henry C. Steed, Jr.
Robert W. Jones III

To be senior assistant sanitary engineer

Hubert D. Harvey, Jr.
Richard S. Kramkowski
Allen G. Leary
Daniel A. Stock
Chester L. Tate

To be senior pharmacists

Ernest S. Lentini
Edwin W. Bohrer

To be senior assistant pharmacist

Robert L. Ashmore

To be scientist directors

Herbert T. Dalmat
George J. Burton

To be sanitarian directors

C. Bradley Bridges
Loyal C. Peckham
Reuel H. Waldrop
Robert B. Carson
Stephen Megregian
Peter Skally
Harvey B. Morlan

To be senior sanitarians

Morgan S. Seal
John H. Fritz

To be veterinary officer directors

James N. Shively
James Lieberman
Lauri Luoto
Francis R. Abinanti

To be nurse directors

Jesaie N. Scott
Mary M. Bouser
E. Josephine Strachan
Ovelia Winstead
Bernadette T. Mesi
Cornelia V. Lancaster

To be senior nurse officers

Marjorie E. Myran
Ava S. Dilworth
Catherine E. Berkheimer
Katherine B. Holland
Doris D. Day
Irma F. Monlux
Marie H. Van Son
Evelyn A. Eckberg
Mabel E. Hoksina
Mary L. Mills
Anne J. Lello
Meral J. Loewus

To be senior dietitian

Genevieve L. Casalaspro

To be therapist director

Vida J. Niebuhr

To be health services directors

Philip P. Simon
Edward S. Weiss
Rachel S. Simmet
Albert E. Rhudy
Barbara A. Murphy
Emma M. Wiest

To be senior health services officers

Viola L. Cunningham
Joseph A. Staton
Maria Zalduondo

To be senior assistant health services officer

Stanley J. Kissel, Jr.

U.S. ATTORNEY

Lloyd P. LaFountain, of Maine, to be U.S. attorney for the district of Maine for the term of 4 years vice Alton A. Lessard, resigned.

WITHDRAWAL

Executive nomination withdrawn from the Senate, June 8, 1966:

The nomination sent to the Senate on April 20, 1966, of Elmer J. Taute to be postmaster at Amoret, in the State of Missouri.

EXTENSIONS OF REMARKS

Protection for UHF Television Stations Against the "Blackout" Practice Prohibiting Them From Broadcasting Nearby Professional Athletic Events

EXTENSION OF REMARKS
OF

HON. FRANK T. BOW

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1966

Mr. BOW. Mr. Speaker, the gentleman from Ohio [Mr. KIRWAN] and myself have introduced legislation which would provide reasonable protection for UHF television stations against the "blackout" practice by which many of them are now prohibited from broadcasting nearby professional athletic events. The Kirwan bill is H.R. 15424 and my bill is H.R. 15460. My purpose today is to call attention to the need for this legislation and enlist the interest and support of our colleagues.

The recommended legislation would prohibit professional sports leagues from arbitrarily blacking out television broadcasting of sports events on UHF television stations which are located more than 40 miles from the main post office of the game site on a day when a contest is being conducted at that site. No other change is made or proposed in the existing law and the sports leagues, with antitrust immunity, could continue to impose limitations on VHF stations whose signals penetrate within 75 miles of the game in question.

The legislation, therefore, would recognize the established differences between the signal strengths of UHF and VHF stations. This differential was confirmed by the authoritative professional engineering study known as the TASO Report. This report, after defining "critical distance" as that distance after which television service deteriorates very rapidly, revealed these significant differences in UHF and VHF coverage:

Frequency range	*Channel range*	*Critical distance—miles*
Low VHF	2–6	65
High VHF	7–13	55
Low UHF	14–40	40
Medium and high UHF	41–83	30

The plain fact of the matter is that UHF stations located more than 40 miles from a game site will have no effective coverage within that market. A lower separation standard is fully justified for UHF stations.

The need for this proposed legislation is manifest. Attached to this memorandum is a recent statement from David Steel, a communication consulting engineer, which enumerates the UHF channels in those areas between 40 and 75 miles of major league cities housing football, baseball, basketball, or hockey teams. This statement establishes clearly that there are 73 UHF channels allocated within such areas. Of these, there are 11 operating and licensed stations. In addition, seven construction permits have been awarded for the construction of UHF stations and there are 14 applications pending before the Federal Communications Commission. Several UHF stations within these areas were on the air, but had to quit telecasting.

This significant grouping of stations—under existing legislation—could face television blackouts simply by the arbitrary whim or caprice of the sports leagues. CBS and the National Football League are to be commended in voluntarily eliminating the television blackout for the vulnerability of these stations to future risks. The relief afforded by this current action could be temporary. However, the agreement does not cover future rights for football contracts with the National Football League after 1967. Moreover, the agreement is limited to professional football while the basic legislation is concerned with baseball, basketball, and hockey as well.

Questions of broad public policy as are involved with the blackout of professional teams sports events on television must not be left to the individual vicissitudes of the negotiating table, but must be reserved for congressional action. To hold otherwise would mean that the professional sports leagues could on a combined pooled basis make independent determinations of the "needs of the listening audience" and deprive substantial portions of the public of their opportunity to witness important sports events.

As only one example, all of the television stations in Youngstown, Ohio, are UHF stations. These Youngstown stations are located more than 40 miles but less than 75 miles from Cleveland and Pittsburgh, two National Football League cities. WKBN–TV, Youngstown, is a CBS affiliate. During the 1964 season there were 22 National Football League football games which were carried by the Columbia Broadcasting System. Of these 22 games, there were 5 doubleheaders; that is, 2 games on a particular day played from different sections of the country. Of the 22 games—which included the doubleheaders—WKBN–TV could only carry 10 games. Of the 10, there were 2 doubleheaders. The balance of the games were legally blacked out.

During the 1964 season WKBN–TV was blacked out whenever there was a game at home in Cleveland or Pittsburgh. In the interim, if the home team played in Cleveland but Pittsburgh was away, the powerful VHF signals from Pittsburgh, Pa., or Steubenville, Ohio, were able to beam those same games into the Youngstown territory. Similar results occurred when Pittsburgh was at home and Cleveland was on the road.

Moreover, additional competition to the UHF television stations is being developed from CATV systems. These CATV systems would be able to bring into local areas sports programs which are eliminated on UHF television broadcasts because of the blackout rules.

THE GROWTH OF UHF

The proposed legislation is in accord with the established congressional intent to foster the development of UHF television broadcasting as a means for creating a truly nationwide and competitive broadcasting system. By Public Law 87–529, the Congress amended the Communications Act of 1934 to grant to the Federal Communications Commission the authority to require that all television sets shipped in interstate commerce contain all available television channels including both UHF and VHF. The aim of this legislation was designed to improve the competitive position of UHF television stations so that there could be an effective intermixed system of both UHF and VHF within the United States—Senate Report No. 1526, May 24, 1962, title 1, United States Code, Congressional & Administration News, 1962, page 1879.

Moreover, this proposed legislation would support the Federal Communications Commission action in recently revising the UHF–TV assignment table. The FCC stated:

> Revision paves the way for more and wider dispersion of TV service over UHF channels—now the only avenue for TV broadcast expansion. (Public Notice 79741 as released by the FCC on February 9, 1966.)

Mr. Speaker, I include in the RECORD a list of the UHF channels that are affected by this proposed legislation:

UHF channels in areas between 40 and 75 miles of major league cities (football, baseball, basketball, and hockey)

City and State	UHF channels allocated	CP's or licenses
Los Angeles:		
San Bernardino, Calif.	18 30	1 CP (KITR) and 1 application pending for San Bernardino.
Ventura, Calif.	16	
San Francisco-Oakland:		
Modesto, Calif.	17	KLOC–TV (CP).
Sacramento, Calif.	15 40	2 applications pending for Sacramento.
Santa Rosa, Calif.	50	KHCD (CP).
Stockton, Calif.	19 58	
Denver:		
Colorado Springs, Colo.	21	
Fort Collins, Colo.	22	
Atlanta:		
Athens, Ga.	34	
Macon, Ga.	24 41	1 application pending for Macon.
Rome, Ga.	14	

UHF channels in areas between 40 and 75 miles of major league cities (football, baseball, basketball, and hockey)—Continued

City and State	UHF channels allocated	CP's or licenses
Chicago:		
South Bend, Ind	16	WNDU-TV (license).
	22	WSBT-TV (license).
	46	
Racine, Wis	49	
Boston:		
New Bedford, Mass	28	
Concord, N.H	21	
Manchester, N.H	50	
	60	
Portsmouth, N.H	17	
Providence, R.I	16	WNET (quit air in 1955).
	64	
Detroit:		
Jackson, Mich	18	1 application pending for Jackson.
Port Huron, Mich	44	
Toledo, Ohio	24	WDHO-TV (CP).
	54	Application, Rustcraft Broadcasting Co.
	60	
Minneapolis: St. Cloud, Minn	19	
	41	
Kansas City:		
St. Joseph, Mo	16	
	22	
Topeka, Kans	29	2 applications pending for Topeka.
	58	
Buffalo:		
Jamestown, N.Y	26	2 applications pending for Jamestown.
Rochester, N.Y	31	
	61	
New York City:		
Bridgeport, Conn	43	
New Haven, Conn	59	2 applications pending for New Haven.
Waterbury, Conn	20	WATR-TV (license).
Patchoque, N.Y	67	
Riverhead, N.Y	55	
Cleveland:		
Ashtabula, Ohio	15	WICA-TV (CP).
Canton, Ohio	17	WJAN (CP).
	23	1 application pending for Canton.
Sandusky, Ohio	51	
Youngstown, Ohio	21	WFMJ-TV (license).
	27	WBKN-TV (license).
	33	WYTV (license).
	45	Application, Dynamic Broadcasting Co.
Cincinnati:		
Dayton, Ohio	16	
	22	WKEF-TV (license).
Springfield, Ohio	26	WSWO-TV (CP).
Philadelphia:		
Atlantic City, N.J	53	WHTO-TV (quit air in 1954).
Wildwood, N.J	40	WCMC-TV (license).
Allentown, Pa	69	WLEV-TV (quit air in 1957).
Bethleham, Pa	60	
Lancaster	15	WLYH-TV (license).
Lebanon, Pa	59	
Reading, Pa	51	
York, Pa	43	WSBA-TV (license).
	49	
Pittsburgh:		
Johnstown, Pa	19	WARD-TV (license).
Fairmont, W. Va	66	
Wheeling, W. Va	14	
	41	
Dallas: Sherman, Tex	20	
Houston: Beaumont, Tex	21	
Green Bay:		
Fond du Lac, Wis	34	
Sheboygan, Wis	78	

Mr. Speaker, in conclusion I include the text of H.R. 15424 and H.R. 15460 in my remarks, as follows:

H.R. 15424

Be it enacted by the Senate and House of of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes", approved September 30, 1961 (15 U.S.C. 1292), is amended to read as follows:

"SEC. 2. Section 1 of this Act shall not apply to any joint agreement described in section 1 of this Act which prohibits any person to whom such rights are sold or transferred from televising any games within any area, except within the home territory of a member club of the league on a day when such club is playing a game at home: *Provided, however,* That the last exception shall not apply in the case of an ultrahigh frequency television broadcasting station the transmitter of which is located more than forty miles from the main post office of the city of the game site."

H.R. 15460

Be it enacted by the Senate and House of of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes", approved September 30, 1961 (15 U.S.C. 1292), is amended to read as follows:

"SEC. 2. Section 1 of this Act shall not apply to any joint agreement described in section 1 of this Act which prohibits any person to whom such rights are sold or transferred from televising any games within any area, except within the home territory of a member club of the league on a day when such club is playing a game at home: *Provided, however,* That the last exception shall not apply in the case of an ultrahigh frequency television broadcasting station the transmitter of which is located more than forty miles from the main post office of the city of the game site."

Risks in Aeronautics and Space

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1966

Mr. TEAGUE of Texas. Mr. Speaker, the tragic accident today with experimental supersonic aircraft, the XB-70, serves to focus our attention on the fact that with all of the sophistication and vast technical skills available that risk is inherent in our attempt to expand man's horizons.

Joseph A. Walker, NASA, Alvin S. White, North American Aviation, and Maj. Carl S. Cross, U.S. Air Force, are among those valiant men who take these risks to assure that our Nation will be second to none in the air and in space. The Nation shares with Mr. Walker's and Major Cross' families and friends the grief of their death in this accident knowing that the work which they have pioneered must continue. We only can hope that Al White soon will recover and continue the outstanding work that has marked his career a leader in aeronautics.

This accident must serve as a reminder to the American public and to the world that all of the potential hazards of aircraft and space flight can never be entirely eliminated from our experimental program. The phenomenal success of our manned space flight programs Mercury and Gemini and the remaining flights of Gemini and the flights of Apollo which will start soon share the risk that Walker, White, and Cross faced each time they flew to test the XB-70.

In the face of such possible adversities, I am confident that if a similar tragic accident should occur in our space effort that America will gain strength from the example set by Walker, White, and Cross and push on to develop our capabilities to cope with and utilize the hostile environments which they challenged. Our national security and progress depend on these men who face such risk as a part of their daily life. Let us all face future possible situations of this kind with the candor of these men in the realization that leadership often entails great sacrifice whether it be on the battlefield, in the air, or in space.

The Current Campaign of Vilification of the American Farmer

EXTENSION OF REMARKS
OF
HON. CHARLES S. GUBSER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1966

Mr. GUBSER. Mr. Speaker, the current campaign of vilification of the

American farmer, and particularly the California farmer who pays about the Nation's highest agricultural wages, seems intent upon showing the farmer as a ruthless profiteer, adding to his own wealth by exploiting the miseries of the poor. Many persons say the consumers would pay a "few pennies per can" more if the farmers would raise wages.

The truth is that farm wages have been going steadily upward but that prices received by farmers and net income have gone steadily downward.

The California Council of Growers recently pointed out that U.S. Department of Agriculture figures show that if the prices received by farmers had increased proportionately to prices of all other products since 1952, American housewives would have spent $7 billion more for food than they did in 1965. In fact the council says prices received by farmers in 1965 were 14 percent lower on the average than they were in 1952.

According to Mr. O. W. Fillerup, executive vice president of the council, cost of food, in relation to average family income, is still lower today than 5 years ago.

Measured against income, Americans spend less on food than do people anywhere else on earth.

True—

Says Mr. Fillerup—

> growers of some, but not all, products are receiving more today than last year. But gross income by itself is meaningless. It's net income that counts. And, in 1965 net income per farm in California was roughly 3.5 percent lower than in 1964, because production costs rose faster than prices received by the growers.

Mr. Speaker, it is suggested that those who vilify the farmer consider his problem. Apparently it isn't so easy for him to get his share of those "few pennies per can."

Tribute to Ed Carney, Faithful Employee of the House

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1966

Mr. EVINS of Tennessee. Mr. Speaker, permit me to pay a brief but sincere tribute to my friend, Ed Carney, whose untimely passing is a great shock to all who knew him. We will miss Ed Carney immensely.

He was a faithful, devoted employee of the House of Representatives—a fine gentleman with a congenial personality—a man we will miss.

I extend my deepest sympathy to his family in their bereavement.

Socrates V. Sekles

EXTENSION OF REMARKS

OF

HON. BILLIE S. FARNUM

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1966

Mr. FARNUM. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues in this House, the fine work of an outstanding citizen from my district in Michigan.

My good friend, Socrates Sekles, has done an astounding amount of work on behalf of Greco-American relations. His humanitarian endeavors have been felt by many in our State and around the country.

This outstanding man, Socrates V. Sekles, came to America as a young man from Thessaly, Greece. He came to this country, adapted to its ways, and became a prominent businessman in his area. He has since worked long and hard, cementing relations between the two countries. In this spirit, he founded the Hellenic Community in Pontiac. He has always been active in civic affairs there, undertaking many philanthropic activities, in and around that city.

With Sam Pappas, a fellow Greek-American, he established the Pontiac branch of AHEPA, the American Hellenic Educational Progressive Association. This group is dedicated to increasing mutual understanding between the two countries. He has served the AHEPA organization from chapter president right up to chairman of the board of trustees.

Years of his work, aimed at holding an AHEPA convention in Greece itself, were realized this last August, when no less than 15,000 people went from our country to Athens. There were many eminent Americans among them, including Senator PHILIP HART and Gov. Pat Brown. All who attended this week-long convention, enjoyed a display of Grecian cultural events, and, in turn, were able to answer all the questions their Greek hosts put to them about our American way of life. This cultural exchange could not help but bring the two nations closer together, and this enormous program was due, almost solely, to the untiring efforts of Socrates Sekles.

AHEPA has been his labor of love in this country, but in Thessaly, his birthplace, he had another. In memory of his mother, Socrates was able to establish and see in operation, a waterworks for the whole city. For this he has been recognized by the Greek nation. He received, from the King of Greece: The Commander of the Royal Order of King George the First. It is the highest award the King can bestow upon a non-Greek citizen.

He was also honored by the Patriarch of Istanbul, with the Order of Great Archon Referentharlou of the Greek Orthodox Church. This again is the highest possible award that can be given a layman. In our own country, President Johnson has honored him with a luncheon invitation during the last visit of the Greek Prime Minister.

Socrates Sekles has always been especially proud of what he considers a winning combination: being a son of Greece, and a citizen of America. He has kept alive the ancient Hellenic tradition that is his, by never forgetting the heritage he received at birth. As the Romans borrowed from Greek learning, so our own country, at its very foundation, borrowed from the wisdom of the Greek classics to shape our government. Men like Socrates Sekles, by not forgetting the past, have kept this spirit of exchange alive. This exchange can only strengthen the fabric of our world community.

Mr. Speaker, I would like to salute his efforts on behalf of all Greek-Americans. My personal admiration for his meritorious service is best expressed from the page of a Greek citizen who lived 2,700 years ago, our world's first poet. Homer says it like this, when he refers to men of Socrates Sekles' stature: "Always to be best, and distinguished above the rest."

Philippine Republic Independence

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1966

Mr. ZABLOCKI. Mr. Speaker, as you know, on Sunday, June 12, the Philippine Republic will observe the 20th anniversary of its independence and freedom. Together with other Members of this House I am pleased to note this occasion and extend my congratulations to the people of the Philippines and their distinguished President, Ferdinand Marcos.

Beyond the significance of the commemoration itself to Filipinos there is added meaning in this event for all of us. Against the background of ferment which runs throughout so much of southeast Asia today it is reassuring for us to see this one great democratic system flourish. With special gratitude Americans should take particular satisfaction that the Philippine people with whom we feel such deep kinship have enjoyed the blessings of freedom and individual dignity.

In a few weeks it will be my privilege to make an official visit to the Philippines as a member of the Joint Philippine-United States Commission for the Study of Philippine Veterans' Problems. Those very veterans whom this Commission is dedicated to help, however, were among those members of the Philippine National Legislature who recently approved renewed mutual cooperation with the United States in agreeing to send troops to Vietnam. Once again, therefore, Filipinos will stand beside Americans in the defense of a neighbor against Communist aggression.

This record of mutual interest and cooperation between the United States and the Philippines is one in which we can be justly proud. It is within that spirit that I once again express by warmest congratulations to the Republic of the Philippines on its 20th anniversary of independence.

Welcome Back, Congressman Ed Willis

EXTENSION OF REMARKS

OF

HON. JAMES H. MORRISON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1966

Mr. MORRISON. Mr. Speaker, it is indeed a pleasure to join with my colleagues in welcoming Congressman Ed Willis back after his illness. His talents and indefatigable energies have been sorely missed, and his return to the job he loves so much is a cause for rejoicing. Ed has worked tirelessly for the people of his district, State, and Nation and is certainly one of the most effective and well-liked Members of Congress. I know that I speak for the entire membership of this body in welcoming him back. Ed, you look great and it's great to have you back.

SENATE

THURSDAY, JUNE 9, 1966

The Senate met at 11 o'clock a.m., and was called to order by the Acting President pro tempore (Mr. Metcalf).

Rev. Robert L. Alderman, minister, Liberty Baptist Church, Appomattox, Va., offered the following prayer:

Our Father, we are grateful for Thy promise, that if Thy people, which are called by Thy name, would humble themselves, and pray, and seek Thy face, and turn from their wicked ways, then You would hear from Heaven, forgive their sins, and heal their land.

Grant that our Nation shall have the wisdom and the courage to meet the conditions of this promise.

Grant that in our prosperity we shall possess true humility, that in our progress we shall follow Thy guidance, that in our weakness we shall find Thy strength, and in Thy strength we shall turn from our wicked ways.

In the name of our Saviour we pray. Amen.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 8, 1966, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2267) to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 10431) to declare that certain federally owned land is held by the United States in trust for the Minnesota Chippewa Tribe.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1357. An act to revise existing bail practices in courts of the United States, and for other purposes; and

S. 2307. An act for the relief of certain civilian employees and former civilian employees of the Bureau of Reclamation at the Columbia Basin project, Washington.

The message also announced that the House had passed a bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, was read twice by its title and referred to the Committee on Finance.

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore announced that on today, June 9, 1966, the Vice President signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 2421. An act to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon;

S. 2469. An act amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans; and

H.R. 706. An act to amend the Railway Labor Act in order to provide for establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referable to the National Railroad Adjustment Board, and to make all awards of such Board final.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be permitted to meet until 12 o'clock noon today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

On request of Mr. Mansfield, and by unanimous consent, the following committee and subcommittees were authorized to meet during the session of the Senate today:

The Committee on Foreign Relations; the Subcommittee on Air and Water Pollution of the Committee on Public Works; and the Subcommittee on Constitutional Rights of the Committee on the Judiciary.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to consider executive business, for action on nominations.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of the executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Edward L. Shaheen, of Louisiana, to be U.S. attorney for the western district of Louisiana;

Gerald E. Murch, of Maine, to be member of the Board of Parole;

Roland S. Mosher, of Arizona, to be U.S. marshal for the district of Arizona;

Collins J. Seitz, of Delaware, to be U.S. circuit judge, third circuit;

John J. Hickey, of Wyoming, to be U.S. circuit judge, 10th circuit; and

Joseph F. Novak, of Delaware, to be U.S. marshal for the district of Delaware;

By Mr. HART, from the Committee on the Judiciary:

Cecil F. Poole, of California, to the U.S. attorney for the northern district of California;

Antonio C. Baza, of Guam, to be U.S. marshal for the district of Guam; and

Almeric L. Christian, of the Virgin Islands, to be U.S. attorney for the Virgin Islands.

By Mr. BYRD of West Virginia, from the Committee on Armed Services:

Daniel V. James (cadet, West Point), for permanent assignment in the Navy;

Richard L. Martens, and Kenneth B. Mills, midshipmen (Naval Academy), for permanent assignment in the Navy;

Fred P. Knust (Naval Reserve Officers' Training Corps candidate), for permanent assignment in the Navy;

William C. Heschl, and Grant W. Smedley III, graduates from the Navy enlisted scientific education program, for permanent assignment in the Navy;

John F. Begg, and sundry other Naval Reserve officers, for permanent assignment in the Navy;

Rodney H. Brown, Michael R. Kanne, and Eric P. Visser, for permanent assignment in the Marine Corps;

Chandler C. Crangle, and Robert E. Dzialo, graduates from the Navy enlisted scientific education program, for permanent appointment in the Marine Corps; and

Claude E. King, and Earl F. Smith (Army Reserve Officers' Training Corps candidates), for permanent appointment in the Marine Corps.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. INOUYE. Mr. President, from the Committee on Armed Services I report favorably the nominations of 83 flag and general officers in the Army, Navy, Marine Corps, and Air Force. I ask that these names be printed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, placed on the Executive Calendar, are as follows:

Maj. Gen. Ivan Hardesty, and sundry other officers of the Army National Guard, for permanent promotion as Reserve commissioned officers of the Army;

Maj. Gen. Benjamin Joseph Butler, and sundry other officers of the Army Reserve, for permanent promotion as Reserve commissioned officers of the Army;

Maj. Gen. James M. Masters, Sr., U.S. Marine Corps, for commands and other duties determined by the President;

Lt. Gen. William Jonas Ely, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of lieutenant general;

Rear Adm. Francis J. Blouin, U.S. Navy, for commands and other duties determined by the President;

Lt. Gen. Richard M. Montgomery (major general, Regular Air Force), U.S. Air Force, and Lt. Gen. William O. Senter (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of lieutenants general;

Maj. Gen. Marvin L. McNickle, Regular Air Force, and sundry other officers, to be assigned to positions of importance and responsibility designated by the President, to serve in the grade of lieutenants general;

Lt. Gen. Charles Breckinridge Duff, Army of the United States (major general, U.S. Army), to be placed on the retired list, in the grade of lieutenant general;

Maj. Gen. Ferdinand Joseph Chesarek, Army of the United States (brigadier general, U.S. Army), to be assigned to a position of importance and responsibility designated by the President, in the grade of lieutenant general while so serving;

Gen. John Knight Waters, Army of the United States (major general, U.S. Army), to be placed on the retired list, in the grade of general;

Lt. Gen. Charles Hartwell Bonesteel III, Army of the United States (major general, U.S. Army), and sundry other officers, to be assigned to positions of importance and responsibility designated by the President; and

Percival W. Jackson, and sundry other officers, for temporary promotion to the grade of rear admiral in the Navy.

Mr. INOUYE. Mr. President, in addition, I report favorably 587 nominations in the Air Force in the grade of lieutenant colonel and below. Since all these names have already been printed in the Congressional Record, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that the list be ordered to lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

James W. Mangum, and sundry other persons, for appointment in the Regular Air Force;

Paul E. Braden, and sundry other distinguished officers training school graduates, for appointment in the Regular Air Force;

Hugh McFarland, and James R. Cicarelli, for reappointment to the active list of the Regular Air Force, in the grade of lieutenant colonel and major, respectively; and

Conan J. Conaboy, and sundry other persons, for appointment in the Regular Air Force.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

U.S. TARIFF COMMISSION

The Chief Clerk read the nomination of Glenn W. Sutton, of Georgia, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1972.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

OZARKS REGIONAL COMMISSION

The Chief Clerk read the nomination of William M. McCandless, of Oklahoma, to be Federal Cochairman of the Ozarks Regional Commission.

Mr. HARRIS. Mr. President, that region of America which is included in the Ozarks Regional Development Commission, namely eastern Oklahoma, western Arkansas, and southern Missouri, is one of the most beautiful spots in the world and has almost an unlimited potential for economic development.

With proper planning and the channeling toward common goals of our private and local, State, and Federal Government efforts in the region, through the vehicle of the newly established Ozarks Regional Development Commission, I am confident we can move more rapidly toward realizing that great potential.

The President has appointed W. M. "Bill" McCandless of Oklahoma City to head up that Commission as its Federal Cochairman. Mr. McCandless, a native Oklahoman, is the ideal man for this position. He was, until this appointment, principal owner and manager of a wholesale furniture firm in Oklahoma and a furniture manufacturing firm in Arkansas.

Mr. McCandless is a man of tremendous ability, a good friend of mine and a proven administrator. He did not seek this job, but the job sought him.

No person I know is better equipped and qualified to accept the important challenge of this position than is Mr. McCandless. I am especially honored and pleased to recommend that the Senate advise and consent to his appointment.

Mr. MONRONEY. Mr. President, the long and close association which my distinguished colleague, Senator Harris, has enjoyed with our mutual friend, Mr. William M. McCandless, is eloquent evidence of Mr. McCandless' qualifications to be Federal Cochairman of the Ozarks Regional Commission. Mr. McCandless and Senator Harris have been close friends for many years because both have been interested in good government and both have been devoted to the highest standards of public service. Because of my personal knowledge of this nominee's record of citizenship and close association with my colleague, I was proud to have an opportunity to support his nomination after it had first been advanced by his good friend, Senator Fred R. Harris.

The regional development program for which Mr. McCandless will have primary executive responsibility deserves the highest priority because this area offers the same challenges and the same growth potential that Congress recognized to exist in the Appalachian region.

Mr. McCandless' extensive and highly successful experience in business and commerce in the Ozarks area qualifies him on an exceptional basis for this very important new task.

Fully as much can be done to improve the economic growth of the Ozarks as is planned for Appalachia, providing leadership skills are made available to this heartland area of the Nation which includes portions of my State and portions of Missouri and Arkansas. Mr. McCandless has the training and experience and the proven leadership skills to make this regional commission program meaningful and effective in the shortest time possible.

I heartily second all of the remarks made on his behalf by Senator Harris, and recommend his confirmation without reservation.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

On request of Mr. Mansfield, and by unanimous consent, the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

Establishment of Organization Empowered To Provide Facilities in the National Capital Region

A communication from the President of the United States, transmitting a draft of proposed legislation to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact to establish an organization empowered to provide transit facilities in the National Capital Region and for other purposes and to enact said amendment for the District of Columbia (with an accompanying paper); to the Committee on the Judiciary.

Repeal of Prohibition of Fixing of Fees for Certain Services Under the Navigation Laws

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to repeal the prohibition upon the fixing or collection of fees for certain services under the navigation laws (with accompanying papers); to the Committee on Commerce.

Report of Secretary of the Treasury

A letter from the Secretary of the Treasury, transmitting, pursuant to law, his report on the State of the Finances, for the fiscal year ended June 30, 1965 (with an accompanying report; to the Committee on Finance.

Proposed Concession Contract in Yellowstone National Park, Wyo.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract in Yellowstone National Park, Wyo. (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

The petition of Wendell E. Clardy, of Gainesville, Fla., relating to tight mortgage money and the local economy in Gainesville; to the Committee on Banking and Currency.

The petition of J. N. Anderson, of Gainesville, Fla., relating to tight mortgage money and local economy in Gainesville; to the Committee on Banking and Currency.

The petition of Betty Jane Kyburz, of De Soto, Mo., relating to the use of prayer in public schools and the freedom of religion; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Armed Services, without amendment:

H.R. 13366. An act to authorize the disposal of aluminum from the national stockpile (Rept. No. 1225);

H.R. 13768. An act to authorize the disposal of celestite from the supplemental stockpile (Rept. No. 1221);

H.R. 13769. An act to authorize the disposal of cordage fiber (sisal) from the national stockpile (Rept. No. 1223);

H.R. 13770. An act to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile (Rept. No. 1224); and

H.R. 13773. An act to authorize the disposal of opium from the national stockpile (Rept. No. 1222).

By Mr. DIRKSEN, from the Committee on the Judiciary, without amendment:

S.J. Res. 150. Joint Resolution to provide for the designation of the month of April 1967, as "Federal Land Bank Month" (Rept. No. 1227);

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week" (Rept. No. 1228);

S.J. Res. 161. Joint resolution to designate the third Sunday in June of each year as "Father's Day" (Rept. No. 1229);

H.J. Res. 1001. Joint resolution to provide for the designation of the month of May 1966 as "Steelmark Month" (Rept. No. 1230); and

H. Con. Res. 597. Concurrent resolution relating to the centennial year of Prospect Park of the city of New York, Borough of Brooklyn (Rept. No. 1226).

By Mr. KENNEDY of Massachusetts, from the Committee on the Judiciary, without amendment.

H.R. 13935. An act to give the consent of Congress to the State of Massachusetts to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the act of November 1, 1965 (79 Stat. 1157) (Rept. No. 1232).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment.

H.R. 3692. An act for the relief of William F. Kuhlman (Rept. No. 1268);

H.R. 10133. An act for the relief of Fritz A. Frerichs (Rept. No. 1231);

H.R. 10838. An act for the relief of certain employees of the Post Office Department at Eau Gallie, Fla. (Rept. No. 1269); and

H.R. 12396. An act for the relief of Elton P. Johnson (Rept. No. 1270).

By Mr. LONG of Missouri, from the Committee on the Judiciary with amendments:

S. 1336. A bill to amend the Administrative Procedure Act, and for other purposes (Rept. No. 1234); and

S. 1522. A bill to remove arbitrary limitations upon attorneys' fees for services rendered in proceedings before administrative agencies of the United States, and for other purposes (Rept. No. 1233).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2491. A bill for the relief of Dr. Juan Federico Antonio Lamas y Parra (Rept. No. 1236);

S. 2529. A bill for the relief of Dr. Felix Hurtado Perez (Rept. No. 1237);

S. 2640. A bill for the relief of Dr. Guillermo Rodriguez (Rept. No. 1238);

S. 2647. A bill for the relief of Dr. Mario Guillermo Martinez (Rept. No. 1239);

S. 2702. A bill for the relief of Dr. Angel Montero-Novoa (Rept. No. 1240);

S. 2751. A bill for the relief of David R. Slemon (Rept. No. 1241);

S. 2761. A bill for the relief of Dr. Julio Sanguily, Jr. (Rept. No. 1242);

S. 2771. A bill for the relief of Hazel Louise Schuman Strunk (Rept. No. 1243);

S. 2796. A bill for the relief of Dr. Rafael Anrrich (Rept. No. 1244);

S. 2800. A bill for the relief of George Joseph Saad (Rept. No. 1245);

S. 2801. A bill for the relief of Helena Gilbert Maddagiri and Heather Gilbert Maddagiri (Rept. No. 1246);

S. 2853. A bill for the relief of Abraham Presser (Rept. No. 1247);

S. 2854. A bill for the relief of Dr. Gottfried R. Kaestner (Rept. No. 1248);

S. 2865. A bill for the relief of Dr. Alfredo Hernandez (Rept. No. 1249);

S. 2869. A bill for the relief of Dr. Jose Enrique Diaz (Rept. No. 1250);

S. 2884. A bill for the relief of Dr. Manuel A. Zuniga (Rept. No. 1251);

S. 2945. A bill for the relief of Dr. Jaime E. Condom Valera (Rept. No. 1252);

S. 2946. A bill for the relief of Dr. Mario V. Mashado Espinosa (Rept. No. 1253);

S. 2957. A bill for the relief of Wing Yuen Wong, also known as Wing Yuen Gee (Rept. No. 1254);

S. 3249. A bill to consent to the interstate compact defining the boundary between the States of Arizona and California (Rept. No. 1255);

H.R. 1233. An act for the relief of Lee Chung Woo (Rept. No. 1257);

H.R. 2290. An act for the relief of Charlotte Schulz (Rept. No. 1256);

H.R. 3774. An act for the relief of Wanda Olszowa (Rept. No. 1258);

H.R. 5003. An act for the relief of Evangelia G. Latsis (Rept. No. 1259);

H.R. 5533. An act for the relief of Kuniki Nagano Zwiefelhofer (Rept. No. 1260);

H.R. 8219. An act for the relief of Cho Myung Soon and Cho Myung Hee (Rept. No. 1261);

H.R. 8833. An act for the relief of Sarah Antoinette Cappadona (Rept. No. 1262); and

H.R. 9643. An act for the relief of Haider Raza and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza (Rept. No. 1263).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 777. A bill for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado (Rept. No. 1264);

S. 2838. A bill for the relief of Irene Snyder (Rept. No. 1266);

S. 2663. A bill for the relief of Dinesh Kumar Poddar (Rept. No. 1265); and

H.R. 2270. An act for the relief of the Moapa Valley Water Co., of Logandale, Nev. (Rept. No. 1267).

LIMITATION ON STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. Mansfield, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

PROTECTION AND CONSERVATION OF NORTH PACIFIC FUR SEALS—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1235)

Mr. BARTLETT. Mr. President, from the Committee on Commerce, I report favorably, with amendments, the bill (S. 2102) to protect and conserve the North Pacific fur seals, and to administer the Pribilof Islands for the conservation of fur seals and other wildlife, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed together with the individual views of the Senator from Ohio [Mr. Lausche].

The PRESIDING OFFICER (Mr. Young of Ohio in the chair). The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Alaska.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. METCALF (for himself and Mr. Gruening):

S. 3485. A bill to amend section 3 of the act of July 23, 1955, ch. 375, 69 Stat. 368; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Metcalf when he introduced the above bill, which appear under a separate heading.)

By Mr. MILLER:

S. 3486. A bill to establish a Presidential Commission to study and make recommendations for improvements in the Selective Service System; to the Committee on Armed Services.

(See the remarks of Mr. Miller when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY of Massachusetts:

S. 3487. A bill for the relief of Jose Soares Figueiredo; to the Committee on the Judiciary.

By Mr. ROBERTSON (for himself, Mr. Eastland, Mr. Byrd of Virginia, Mr. Brewster, and Mr. Tydings):

S. 3488. A bill to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact to establish an organization empowered to provide transit facilities in the National Capital Region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. NELSON:

S. 3489. A bill for the relief of Nunzio Germanotta; to the Committee on the Judiciary.

By Mr. HART:

S. 3490. A bill to permit the city of Garden City, Mich., to count expenditures in connection with the Florence Primary School as a local grant-in-aid to the Cherry Hill urban renewal project; to the Committee on Banking and Currency.

By Mr. WILLIAMS of New Jersey:

S. 3491. A bill to amend title VII of the Housing Act of 1961 to authorize Federal grants under the open-space land program for the development and redevelopment of existing open-space land; to the Committee on the Banking and Currency.

(See the remarks of Mr. Williams of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. DOMINICK:

S. 3492. A bill to amend the Internal Revenue Code of 1954 to treat a ward of a taxpayer as his child for purposes of the dependency exemption; to the Committee on Finance.

(See the remarks of Mr. Dominick when he introduced the above bill, which appear under a separate heading.)

By Mr. PEARSON:

S. 3493. A bill to provide assistance to the State of Kansas for the reconstruction of areas damaged by recent tornadoes; to the Committee on Banking and Currency.

(See the remarks of Mr. Pearson when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

TO PRINT AS A SENATE DOCUMENT A COMPILATION ON THE HISTORY OF THE SENATE COMMITTEE ON COMMERCE

Mr. MAGNUSON submitted a resolution (S. Res. 272) to print as a Senate document a compilation on the history of the Senate Committee on Commerce, which, under the rule, was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. Magnuson, which appears under a separate heading.)

AMENDMENT OF THE COMMON VARIETIES ACT

Mr. METCALF. Mr. President, I send to the desk, for appropriate reference, a bill which I am introducing on behalf of myself and the Senator from Alaska [Mr. Gruening] to amend Public Law 167, 84th Congress, which is variously known as the Common Varieties Act, the Materials Act, and the Multiple Purpose Act. This law is found in title 30 of the United States Code, beginning with section 601.

As many Members of both Houses of Congress know, the Common Varieties Act has been subject to harsh, burdensome interpretation by the executive branch in recent years. It was initially enacted, under the sponsorship of the senior Senator from New Mexico [Mr. Anderson], who had been Secretary of Agriculture, to prevent abuse and misuse of the mining laws, particularly in our national forests. The mining laws, the basic statute of which is that of 1872, permit anyone to go out on the public lands of the United States to look for minerals. If by dint of a great deal of hard work, privation, and much luck, he makes a discovery of a valuable mineral in place, he may make a location on the site of his discovery. Thereupon the deposit he has discovered becomes his property, and he may develop it without ever going through the process of obtaining fee simple title, or he may comply with certain statutory requirements and become the owner of the land in which the deposit lies.

It is stating a historical truism to say that it was this law, the mining law of 1872, that had a key role in the winning of the West, and in making the United States what it is today. However, as land became more and more scarce, this historic law became a vehicle by which certain unscrupulous persons—persons who were not miners or mining men—were obtaining valuable tracts of publicly owned lands for purposes other than mining.

Spurious mining claims were being filed as a means of getting free public land for summer homes, private hunting preserves, commercial enterprises or for surface values. Many people were making such filings under color of the discovery of sand, stone, gravel, pumice, pumicite, or cinders, all of which are minerals within the meaning of the Federal mining laws.

It was to halt this bad faith, nonmining use of Federal mineral lands by nonmining men, that Public Law 167 was enacted. Section 3 of this act removes from mineral location the materials shown to be the chief sources of abuse, namely "common varieties" of "sand, stone, gravel, pumice, pumicite, or cinders." An exception was written into section 3 which permitted the mineral location of such common materials if the deposits were valuable because it had some property giving it "distinct and special value."

The legislative history makes clear that the remedy provided by section 3 to prevent the misuse of the public land mining laws, was in no way to impair the rights and interests of bona fide mineral prospectors and mining operators. Senate Report No. 554, 84th Congress, 1st session, after noting that the objective was to halt the abuse of the mining laws goes on to state:

> At the same time, the measure faithfully safe-guards all of the rights and interests of bona fide prospectors and mine operators. In no way would it deprive them of rights and means for development of the mineral resources of the public lands of the United States under the historic principles of free enterprise and private ownership of the present mining laws.

Unfortunately, in recent years the administrative agencies have construed and administered section 3 of the 1955 act so as to defeat in substantial measure the intent to safeguard and protect the rights and interests of bona fide mineral prospectors and mining operators.

The Forest Service and the Bureau of Land Management have imposed standards, requirements, and tests never intended by the Congress. "End use"—that is, the purpose for which a product is to be used, not whether it has a "distinct and special value," as the law requires, is one administrative criterion. Under this test, if a highly rare and valuable travertine, for example, which is very like the finest of Italian marbles, is to be used to decorate the lobby of a building, it forthwith becomes a "common variety" of stone and is subject to the common varieties act, with its requirements for competitive bidding and short-term leases.

Even more basic is Interior's insistence that the word "common" does not have its usual, normal meaning—that is, that a type of stone, for example, is found in abundance in many different places and has no "distinct and special value." This is the definition the Members of the 84th Congress thought they were writing into Public Law 167.

But this is not the test Interior applies. Interior's test is whether a particular kind of stone is common within its own category. For example, neither travertine, which I have mentioned, nor limestone is common stone. But Interior insists that the test is whether a particular deposit of travertine is a common variety of travertine, or whether a particular deposit of limestone is a common variety of limestone, not whether each is a common variety of stone. On this basis Interior essentially has construed section 3 as if it barred mineral locations of any kind of stone and has rejected bona fide mining claims held by substantial mine operators for years in which very substantial sums have been invested in good faith.

So great and widespread have been complaints against narrow, bureaucratic interpretation and administration of the Common Varieties Act that the Minerals, Materials and Fuels Subcommittee of the Senate Interior Committee held public hearings last June in my State of Montana—hearings in which I was privileged to participate along with the distinguished subcommittee chairman [Mr. Gruening]—and again in Washington.

At these hearings, a number of specific instances were presented to the committee showing that interpretation and administration of the law was reaching results never intended by Congress.

This situation needs correction. It is a product of the administrative failure to carry out the expressed intent of Congress to safeguard the interests and rights of bona fide mineral prospectors and mining operators. This bill I am introducing is designed to insure that the administrator will carry out that intent.

On behalf of large numbers of citizens of Montana and other Western States who are suffering hardship and loss of their property, I urge prompt consideration and favorable action on this bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3485) to amend section 3 of the act of July 23, 1955, ch. 375, 69 Stat. 368, introduced by Mr. Metcalf (for himself and Mr. Gruening), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

PRESIDENTIAL COMMISSION TO STUDY AND MAKE RECOMMENDATIONS FOR IMPROVEMENT IN THE SELECTIVE SERVICE SYSTEM

Mr. MILLER. Mr. President, I send to the desk a bill to establish a Presidential Commission to study and make recommendations for improvements in the Selective Service System, and ask that it be appropriately referred and printed in the Record at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3486) to establish a Presidential Commission to study and make recommendations for improvements in the Selective Service System, introduced by Mr. Miller, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the Record, as follows:

S. 3486

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT OF THE PRESIDENTIAL COMMISSION

Section 1. (a) There is hereby established a Commission to be appointed by the President of the United States for the purpose of studying and making recommendations for improvements in the Selective Service System.

(b) Service of an individual as a member of the Commission, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of Title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

MEMBERSHIP OF THE COMMISSION

Sec. 2. (a) Number and Appointment.—The Commission shall be composed of twenty-seven members, appointed by the President, without regard to political party affiliation except as specified in this Act, as follows:

(1) One member from each political party from the Senate Armed Services Committee.

(2) One member from each political party from the House Armed Services Committee.

(3) One member from each political party from the Senate Labor and Public Welfare Committee.

(4) One member from each political party from the House Education and Labor Committee.

(5) The Director of the Selective Service System.

(6) The Commissioner of Education.

(7) The Assistant Secretary of Defense (Manpower).

(8) One member each from the Army, Navy, Air Force and Marine Corps.

(9) Three members from organized labor.

(10) Three members from management in private industry.

(11) One member of the Civil Service Commission.

(12) One member from public higher education.

(13) One member from private higher education.

(14) One member from the National Education Association.

(15) One member from the American Medical Association.

(16) One member from the American Bar Association.

(b) Vacancies.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) Continuation of Membership Upon Change of Status.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (a) of this section shall not affect his membership upon the Commission.

ORGANIZATION OF THE COMMISSION

Sec. 3. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

Sec. 4. Fourteen members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

Sec. 5. (a) Members of Congress.—The Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members From the Executive Branch.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members From Private Life.—The members from private life shall each receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

Sec. 6. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

EXPENSES OF THE COMMISSION

Sec. 7. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

DUTIES OF THE COMMISSION

Sec. 8. (a) Study and Recommendations.—It shall be the duty of the Commission to study and to make recommendations for improvements in the Selective Service System which will insure maximum equity in selection consistent with the needs, best interests and effective use of the Nation's manpower resources.

(b) Report.—The Commission shall report its findings and recommendations to the President, with copies to the Speaker of the House of Representatives and the President Pro Tem of the Senate, as soon as practicable and in no event later than December 31, 1966. The Commission shall cease to exist sixty days following the submission of its final report.

POWERS OF THE COMMISSION

Sec. 10. (a) Hearings and Sessions.—The Commission or, on the authorization of Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpoenas may be issued over the signature of the Chairman of the Commission, or such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

(b) Obtaining Official Data.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Mr. MILLER. Mr. President, the procedures involved in selecting youths for the military under the Selective Service System have become very much a matter of controversy in recent months.

Although a poll by Louis Harris in the Washington Post last December 20 showed that the draft is favored by 90 percent of the public, there is rising concern, perhaps general distrust, of the methods and inequities involved in the draft.

I would suggest that there is not one who is entirely satisfied with the draft as presently operated.

That there are inequities, few would deny. New York Times Columnist James Reston, on May 22, gave as good a summation of these as anyone. He wrote:

> A bright boy working as a clerk in a hotel may be drafted, while an equally bright boy going to the hotel management school at Cornell is exempt. One draft board may run out of single men and start calling up married men, while another draft board may still have plenty of bachelors loose on the town.
>
> The inequities are obvious. It pays to be stupid under the present system and it pays to be smart and rich. Of the 1,850,000 18-year-olds who will become eligible for the draft this year, about 600,000 will fail to pass the Selective Service tests. This means that a third of them cannot measure up to a ninth-grade level.
>
> A boy of average intelligence may rank in the top quarter of his class in an inferior college and thus be exempt, while a boy of equal intelligence may rank in the bottom quarter of his class in a really good university and be drafted. The ranking systems clearly discriminate against the boy who cannot afford to go to college and the Negroes who manage to get to college but are not quite able to overcome inferior early education and stay high in the grade ranking system.

> At the other end of the scale, one bright student may spend 2 years of Peace Corps service in a jungle in Nigeria and be drafted when he comes home, while his twin brother may avoid the draft by writing monographs on jungle life in Nigeria at Harvard or Wisconsin.

While Mr. Reston's examples may or may not be typical, they demonstrate that inequities exist and that they are of concern to the public.

The complaints can be classified in three major areas:

First. Interpretations of the rules are as many and varied as there are 4,000 local draft boards.

Second. There are too many deferred, for apparently no sound reasons.

Third. Draft calls produce light quotas in some areas, heavy quotas in others.

I know that the Pentagon has undertaken a study of the system—but the report is yet to come, even though the promised delivery of June 1, 1966, is past.

I know that the House Armed Services Committee has scheduled hearings to look into the situation.

And while these undoubtedly will add to the knowledge, I do not think the assessment will be adequate.

Therefore, Mr. President, I am introducing today a bill to establish a 27-member blue-ribbon Presidential Commission to study and make recommendations for improvements in the Selective Service System. The Commission will be mandated to report to the President and the Congress on or before December 31 of this year with recommendations designed to iron out the inequities and bring about reforms sufficient to remove the label of "antiquated," which has been applied to the present system.

If the Congress had seen fit to consider and put into effect a bill (S. 2432) which I cosponsored in April of 1964—CONGRESSIONAL RECORD, volume 110, part 6, page 7931—perhaps nothing would have been needed now. But no action was taken then, and it is even more imperative that something be done now.

The objective of my proposal is to have the Commission make recommendations which will insure maximum equity consistent with the needs and best interests of effective utilization of the Nation's manpower resources.

To insure that the study will have the broad base required, the Commission will be composed of a good cross section of the principal groups which are concerned with the draft.

It would include: one representative each from the Army, Navy, Air Force, and Marine Corps; the Director of the Selective Service System; one member from each party from the House and Senate Armed Services Committees; one member from each party from the House Education and Labor Committee and the Senate Labor and Public Welfare Committee; the Commissioner of Education; three representatives from organized labor; a member of the Civil Service Commission; the Assistant Secretary of Defense for Manpower; one representative each from public higher education, private higher education, and the National Education Association; three representatives from private industry management; and a representative each from the American Medical Association and the American Bar Association.

The Commission should and must be nonpartisan and that is the reason why the membership from Congress is so designated as to include members of both major political parties.

I believe this Commission can perform a valuable service in clarifying and pinpointing the issues involved in the present Selective Service System. Such a Commission is long overdue, and I hope that quick action will be taken to establish it so that it can go to work immediately and resolve the problems which are a matter of such controversy today.

FEDERAL GRANTS FOR DEVELOPMENT AND REDEVELOPMENT OF EXISTING OPEN-SPACE LAND

Mr. WILLIAMS of New Jersey. Mr. President, the importance of open space as a Federal policy has been acknowledged by Congress in the many conservation programs it has established and fostered throughout its history. Until recently open space denoted broad expanses of land in its natural state, situated in remote areas of our country and accessible only to those who had the means and the inclination to travel many miles to enjoy the panorama of nature. Then a new movement came into being that advocated the preservation and acquisition of open space in and around cities so that city dwellers might find relief from urban congestion and a spot to relax and refresh their spirits only minutes away from their homes.

The first Federal law to aid State and local governments to acquire open-space land in order to curb urban sprawl and shape urban development was enacted in 1961. I had the privilege of introducing this legislation, which was enacted as title VII of the Housing Act of 1961, and was gratified by the support it received from my distinguished colleagues. Under the open-spaces program, Congress authorized $50 million in grants to encourage communities to acquire, in a planned and orderly fashion, land for scenic enjoyment and outdoor recreational activities.

This principle was carried still further in 1965 when title VII of the Housing Act was amended to provide, among other things, assistance for the development, for open space purposes, of land acquired under the open-space land program. The Federal grant covers up to 50 percent of the cost of the urban open-space land acquisition and development. This was a most important determination because developmental costs for land acquired can be so high that communities in many instances might have to forgo use of these lands through lack of funds.

As farsighted as this legislation is, and as much as has been accomplished under the provisions of this act—115,000 acres have been acquired with $65 million of open space funds—practical experience has demonstrated that it needs to go a step further. Federal assistance for developing lands under this program can only be obtained if the lands were originally acquired under the open-space land program. Under the provisions of this law, only a small percentage of our 18,000 cities and 3,049 counties are eligible to use open space moneys for needed facilities since they have acquired their open-space land or will acquire land in the future from other sources such as gifts, purchase, or from other governmental agency grants. We have found this to be a restrictive regulation since, in many cases, it will deny assistance to those communities that are most in need. It also negates the spirit of the open-space program which is to acquire and develop the greatest amount of land, within the confines of practicability, in our urban areas.

I, therefore, wish to offer today an amendment to title VII of the Housing and Urban Development Act of 1965 to permit the Department of Housing and Urban Development to make development grants for open-space land projects if the lands were acquired from other than open-space land grants and if the projects meet the other requirements of the open space program. I am hopeful that this amendment, which will provide a far more equitable arrangement for developing open-space lands, will be acceptable to Congress and enacted into law as expeditiously as possible.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3491) to amend title VII of the Housing Act of 1961 to authorize Federal grants under the open-space land program for the development and redevelopment of existing open-space land, introduced by Mr. WILLIAMS of New Jersey was received, read twice by its title, and referred to the Committee on Banking and Currency.

TREATMENT OF A WARD OF A TAXPAYER AS HIS CHILD FOR PURPOSES OF DEPENDENCY EXEMPTION

Mr. DOMINICK. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 to treat a ward of a taxpayer as his child for purpose of the dependency exemption. This bill would relieve the inequities of those few scattered cases in which a taxpayer is unable to claim a dependency exemption for a child who is not his natural or adopted child but, rather, his legal ward.

Under the present law a taxpayer may claim an additional exemption of $600 for his child if he is a full-time student or has not attained the age of 19. However, this exemption is allowed only if the child is the natural or adopted child of the taxpayer.

It seems inequitable to me to deny this same exemption to a taxpayer who is the legal guardian of a child and contributes to his support and well-being. In denying an exemption to such a taxpayer, I think that we are drawing legal niceties which are not in keeping with the spirit of the present exemption. Such a guardian-ward relationship is generally a mutually warm and socially beneficial one, and I do not think it should be penalized in any way. My bill would insure that this would not happen, and, therefore, I urge its adoption at the proper time.

The **PRESIDING OFFICER.** The bill will be received and appropriately referred.

The bill (S. 3492) to amend the Internal Revenue Code of 1954 to treat a ward of a taxpayer as his child for purposes of the dependency exemption, introduced by Mr. DOMINICK, was received, read twice by its title, and referred to the Committee on Finance.

ASSISTANCE FOR RECONSTRUCTION OF AREAS DAMAGED BY RECENT TORNADOS IN KANSAS

Mr. PEARSON. Mr. President, continuing reports confirm that the damage and destruction caused by the approximately 15 tornados which struck Kansas last evening is of truly massive proportions.

In the city of Topeka alone the mayor estimates that losses will run at least $100 million. Many smaller communities have also been visited with massive destruction.

Speaking from the floor earlier today, I stated that existing disaster relief programs might not be adequate to provide the variety of needed and speedy relief required by this disaster. I believe that recent reports confirm this. I have already received indications that emergency loan funds are insufficient to meet the pressing demand.

Therefore, Mr. President, I introduce at this time a bill which will provide special relief and assistance to the State of Kansas and to the hundreds of individual families and businesses which have suffered because of these tornados.

The **PRESIDING OFFICER.** The bill will be received and appropriately referred.

The bill (S. 3493) to provide assistance to the State of Kansas for the reconstruction of areas damaged by recent tornados, introduced by Mr. PEARSON, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT TO THE ELEMENTARY AND SECONDARY EDUCATION ACT—AMENDMENTS

AMENDMENT NO. 600

SPREADING THE WORD ABOUT EDUCATIONAL INNOVATIONS

Mr. YARBOROUGH. Mr. President, I submit an amendment, intended to be proposed by me, to S. 3046, the Elementary and Secondary Education Amendments of 1966, which would authorize a program of dissemination of the latest information on educational innovations and advancements to educators throughout the land. I ask unanimous consent that the amendment be printed at this point in my remarks.

The **PRESIDING OFFICER.** The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 600) was referred to the Committee on Labor and Public Welfare, as follows:

On page 22, between lines 12 and 13, insert the following:

"PART F—DISSEMINATION OF INFORMATION

"SEC. 161. Title VI of the Elementary and Secondary Education Act of 1965 is amended by inserting at the end thereof a new section as follows:

" 'DISSEMINATION OF INFORMATION

" 'SEC. 606. (a) For the purpose of carrying out more effectively the provisions of this Act and title II of Public Law 874, Eighty-first Congress, the Commissioner—

" '(1) shall prepare and disseminate to State and local educational agencies and other appropriate agencies and institutions catalogues, reviews, bibliographies, abstracts, analyses of research and experimentation, and such other materials as are generally useful for such purpose;

" '(2) shall upon request provide advice, counsel, technical assistance, and demonstrations to State or local educational agencies or institutions of higher education undertaking to initiate or expand programs under this Act or such title in order to increase the quality or depth or broaden the scope of such programs, and shall inform such agencies and institutions of the availability of assistance pursuant to this clause;

" '(3) shall prepare and disseminate to State and local educational agencies and other appropriate agencies and institutions an annual report setting forth developments in the utilization and adaption of projects carried out pursuant to this Act and such title; and

" '(4) may enter into contracts with public or private agencies, organizations, groups or individuals to carry out the provisions of this section.

" '(b) There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this section.' "

On page 22, line 13, strike out "Part F" and insert in lieu thereof "Part G".

On page 22, line 14, strike out "SEC. 161" and insert in lieu thereof "SEC. 171".

Mr. YARBOROUGH. Mr. President, during this first year of the Elementary and Secondary Education Act approximately $937 million will have been spent on improving the education of America's children. Broken down by titles, we find the following expenditures: $775 million for the education of deprived children under title I, $100 million for library materials under title II, $45 million for supplementary educational centers under title III, and, $17 million to strengthen State departments of education.

Over the years, as our population has grown and as America has moved into a new world of affluence created by our phenomenal economic growth, a chasm has been created between those who share in this modern affluence and those who lag behind.

The Elementary and Secondary Education Act was conceived as an educational program to narrow and eventually to close that chasm.

In the short space of 5 months since funds first became available, the impact of this program has been enormous. A great need existed for it, and thus we can explain the enthusiasm with which it has been greeted in all parts of the country. Long dormant hopes and enthusiasms are coming alive now that there is the means to bring them to fruition.

In the midst of this enthusiasm we must face the hard fact that in many of the most educationally deprived school districts of the country the teachers, the superintendents, and the school board members—those who must do the planning—are out of touch with much modern thought in education. Through the accumulated inaction occasioned by years of poverty and a tradition of subsistence education they are not ready to take full advantage of the opportunities now open to them. A whole new world has been thrust upon them and it takes a while to adjust.

My amendment is designed to help them make this adjustment. It would authorize the Commissioner of Education, upon the request of a State or local educational agency or institution of higher education, to provide advice, counsel, technical assistance, and demonstrations to assist them in initiating or expanding programs under the Elementary and Secondary Education Act. The Commissioner shall make every effort to inform such agencies that this help is available, so that the local officials can find out where to get assistance if they desire it.

The program is entirely voluntary. An agency would participate only if it wanted to and would follow the advice offered only if it wanted to.

The assistance would be carried out in a manner tailored to the individual situation. The Commissioner would be authorized to enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the informational programs.

In addition, the Commissioner is authorized to prepare and publish catalogs, reviews, bibliographies, abstracts, analyses of research and experimentation, an annual report, and such other materials as are generally useful in the encouragement and most effective use of the act.

Last year Congress provided the funds to start elementary and secondary educational improvements rolling. A necessary companion to last year's bill is a program to provide advice and counsel to those who want guidance in determining how best to improve their educational efforts. This amendment authorizing dissemination of information to those who wish it is necessary to round out the potential of the already existing programs.

AMENDMENT NO. 601

AN AMENDMENT TO AID IN CORRECTING INEQUITIES IN THE ELEMENTARY AND SECONDARY EDUCATION ACT

Mr. President, I submit an amendment, intended to be proposed by me to the Elementary and Secondary Education Amendments of 1966, S. 3046, and ask that it be printed in the RECORD.

As originally enacted last year, title I of the Elementary and Secondary Education Act provided to each school district an amount equal to one-half the average per pupil expenditure in the State in which the district is located multiplied by the number of children in that district from low-income families. This provision was enacted over heated opposition, both in the Senate and in the House. Opposition was aroused because the formula is unfair and unwise. The wealthier States can afford to spend more on education; they therefore have better educational systems. But, ironically, under the formula of the Elementary and Secondary Education Act, they also get more Federal money for each poor child, even though they are in a better position to pay their own way.

Thus a low-income child is considered by the reasoning embodied in this act to be worth almost twice as much in Westchester County, N.Y., one of the richest counties in the country, as he is in a poor county in Mississippi. New York spends $607 per pupil compared to Mississippi's $273. So Westchester County, with 7,692 low-income children, was eligible for $2,812,502 this year. This amount was greater than any county in Mississippi.

Bolivar County, Miss., with 10,947 low-income children, was eligible for only $1,326,776. And Hinds County, Miss., with 11,244 low-income children could receive only $1,362,772.

To compound the injustice, Mississippi is trying harder than is New York to finance its educational system. Last year Mississippi spent 5.34 percent of its personal income on elementary and secondary education compared to New York's 4.84 percent. This is not an isolated example. The same story is repeated many times over, all across the country.

To reduce this injustice my amendment would allocate funds based upon one-half the average per pupil expenditure in the State or one-half the national average per pupil expenditure, whichever is greater.

Thus those States which are able to support elementary and secondary education at a rate in excess of the national average would be rewarded for doing so. And those States which because of low incomes find themselves below the national average would be assisted in coming up to the national average.

The justice of this approach is obvious. The Federal Government should not be a party to any scheme to freeze in a static position those States which are currently lagging far behind the average level of prosperity in this Nation. For the health of the Nation as a whole, we must set our policy to eliminate these differences rather than perpetuate them.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the Record.

The amendment (No. 601) was referred to the Committee on Labor and Public Welfare, as follows:

On page 7, strike out all in lines 1 and 2, and insert in lieu thereof the following:

"ELIGIBILITY FOR GRANTS; AMENDMENTS WITH RESPECT TO AVERAGE PER PUPIL EXPENDITURE"

On page 7, between lines 17 and 18, insert the following:

"(b) Paragraphs (2) and (5) of section 203(a) of such Act are each amended by inserting after 'average per pupil expenditure in that State' a comma and the following: 'or in all States if greater,'."

On page 7, line 18, strike out "(b)" and insert in lieu thereof "(c)".

AMENDMENT AND EXTENSION OF LAWS RELATING TO HOUSING AND URBAN DEVELOPMENT—AMENDMENT

AMENDMENT NO. 602

Mr. CLARK. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 2978) to amend and extend laws relating to housing and urban development, to enable the Department of Housing and Urban Development to conduct a comprehensive program of research, studies, surveys, and analyses to improve understanding of the environmental conditions necessary for the well-being of an urban society, and for the intelligent planning and development of viable urban centers.

As more and more of our citizens live in an urban milieu it is imperative that we understand the complex relationship between man and his city environment. My amendment is designed to facilitate studies which may lead to such an understanding. It is essential, in my judgment, that this basic research be performed if we are to succeed in making our cities better places in which to live.

The ACTING PRESIDENT pro tempore. The amendment will be received and appropriately referred.

The amendment (No. 602) was referred to the Committee on Banking and Currency.

NOTICE OF HEARINGS BY PARKS AND RECREATION SUBCOMMITTEE OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. BIBLE. Mr. President, I take this opportunity to announce several hearings scheduled before the Parks and Recreation Subcommittee of the Interior and Insular Affairs Committee.

On June 13 and 14, 1966, the committee will conduct a field hearing on the Sawtooth National Recreation Area in the State of Idaho.

On June 16, 1966, hearings will be held in Salt Lake City, Utah, on the bill to provide for the Salt Lake National Monument.

June 17 and 18, 1966, have been set aside to take testimony in Crescent City, Calif., on S. 2962, the Redwoods National Park bill, as well as on the amendments that have been proposed thereto.

Further hearings on all of these measures will be held in Washington at a date to be announced later.

As a result of an understanding between the committee and the Oregon Senators, I have scheduled further hearings on S. 250 and a similar measure, H.R. 7524, to establish the Oregon Dunes National Seashore in the State of Oregon for June 22 and 23, 1966. Anyone interested in testifying on this proposal should immediately request time from the committee to present their views on the measure.

HEARINGS ON INTERSTATE LAND SALES FULL DISCLOSURE ACT

Mr. WILLIAMS of New Jersey. Mr. President, I would like to announce that the Securities Subcommittee of the Banking and Currency Committee will hold hearings on June 21 and 22 in room 5302 on the Interstate Land Sales Full Disclosure Act, a bill to regulate certain types of subdivisions sold in interstate commerce.

This bill was introduced by myself and Senators Neuberger and Mondale on October 19, 1965. Since that time my staff has held extensive discussions with the SEC, which will have regulatory authority, with officials of the various State regulatory agencies and with industry representatives. As a result of these discussions, I have developed some amendments which I think substantially improve the bill. I have had an amended bill printed as a committee print. For the benefit of prospective witnesses, I ask unanimous consent that the text of this committee print be printed in the Record at the conclusion of my remarks. I hope that statements on the bill will be directed to the language in the committee print. In this version, the definitions and exemptions have been made clearer, the relationship with State authorities given greater emphasis, and the requirement that individual agents register with the SEC has been deleted. It was felt that the language in the fraud provisions of the bill give adequate power to move against unscrupulous agents. It is also the intention of the bill to supplement and not to preempt regulatory action by the individual States and this principle is clarified in this amended bill.

Persons desiring to testify or to submit statements should contact Mr. Matthew Hale, chief of staff of the Banking and Currency Committee, room 5300, New Senate Office Building.

There being no objection, the committee print was ordered to be printed in the Record, as follows:

S. 2672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Interstate Land Sales Full Disclosure Act".

DEFINITIONS

Sec. 2. For the purposes of this Act the term—

(1) "Commission" means the Securities and Exchange Commission;

(2) "Person" means an individual, firm, partnership, association, corporation, trust, or estate;

(3) "Subdivision" and "subdivided lands" means any land which is divided or proposed to be divided into twenty-five or more lots, parcels, units or interests, whether contiguous or not, for the purpose of offer, sale, or lease as part of a common promotional plan;

(4) "Developer" means any person (i) who, having an interest in land, causes it, directly or indirectly, to be divided into a subdivision, or who acquires an interest in a subdivision, and (ii) who, directly or indirectly, sells or leases, or offers to sell or lease, or advertises for sale or lease any interest, lot, or parcel in such subdivision;

(5) "Agent" means any person who represents, or acts for or on behalf of, a developer in selling or leasing, or offering to sell or lease, any interest, lot, or parcel in a subdivision; but shall not include an attorney at law whose representation of another person consists solely of rendering legal services;

(6) "Blanket encumbrance" means a trust deed, mortgage, or any other lien or encumbrance, including an option or contract to sell or trust agreement, affecting a subdivision or affecting more than one lot or parcel offered within a subdivision; except that such term shall not include any lien or other encumbrance arising as the result of the imposition of any tax or assessment by any public authority;

(7) "Interstate commerce" means trade or commerce among the several States, or between the District of Columbia or any possession of the United States and any State or other possession, or between any foreign country and any State, possession, or the District of Columbia, or within the District of Columbia;

(8) "Investors" means actual and prospective purchasers or lessees of any interest, lot, or parcel in any subdivision;

(9) "Prospectus" means a written brochure or circular meeting the requirements of section 8 of this Act;

(10) "Offer" includes every inducement, solicitation, or attempt to encourage a person to acquire an interest in a subdivision;

(11) "Sale" or "sell" means any contract of sale or disposition for value of an interest in a subdivision.

EXEMPTIONS

SEC. 3. (a) The provisions of this Act shall not apply to—

(1) the sale or lease of real estate not pursuant to a common promotional plan to offer or sell 25 or more parcels of subdivided land.

(2) the sale or lease of any improved land on which there is a residential, commercial, or industrial building, or to the sale or lease of land under a contract obligating the seller to erect a dwelling thereon within a period of two years.

(3) the sale of real estate under or pursuant to court order;

(4) the sale of evidences of indebtedness secured by a mortagage or deed of trust on real estate;

(5) the sale of securities issued by a real estate investment trust regulated under any State or Federal statute;

(6) offers to sell or dispositions by any government or government agency;

(7) offers to sell and dispositions of cemetery lots or interests;

(8) any interest, lot, or parcel which is a part of a subdivision within, and offered and sold only to persons resident within, a single State or territory, where the developer of such subdivision is a person resident and doing business within, or, if a corporation, incorporated by and doing business within, such State or territory.

(b) The Commission may from time to time by its rules and regulations, and subject to such terms and conditions as may be prescribed therein, exempt from the provisions of this Act any interests in a subdivision, if it finds that the enforcement of this Act with respect to such interests is not necessary in the public interest and for the protection of purchasers by reason of the small amount involved or the limited character of the public offering; but no interests shall be exempted under this subsection where the aggregate amount at which the lots, parcels, or interests within the subdivision are to be sold or leased exceeds $300,000.

PROHIBITIONS RELATING TO THE SALE OR LEASE OF INTEREST IN SUBDIVISIONS

SEC. 4. (a) It shall be unlawful for any developer or agent, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce, or of the mails, to sell or lease, or offer to sell or lease any interest, lot, or parcel in any subdivision unless a registration statement with respect to such interests, lots, or parcels is in effect in accordance with section 7 of this Act.

(b) While a registration is in effect with respect thereto it shall be unlawful for any developer or agent, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce, or of the mails, to sell or lease, or offer to sell or lease, any interest, lot, or parcel in a subdivision unless a prospectus is furnished by such developer or agent to the investor sufficiently before any contract or agreement for the sale or lease of such interest, lot, or parcel becomes binding on the purchaser to afford him a reasonable opportunity to examine it; but in no event shall the time be less than forty-eight hours.

REGISTRATION OF INTERESTS IN SUBDIVISIONS AND SIGNING OF REGISTRATION STATEMENT

SEC. 5. (a) Any interest, lot, or parcel in a subdivision may be registered with the Commission under the terms and conditions hereinafter provided, by filing a registration statement in triplicate, at least one of which shall be signed by each developer, its principal executive officer or officers, and the majority of its board of directors or persons performing similiar functions (or, if there is no board of directors or persons performing similar functions, by the majority of the persons or board having the power of management of the developer). Signatures of all such persons when written on the said registration statements shall be presumed to have been so written by authority of the person whose signature is so affixed and the burden of proof, in the event such authority shall be denied shall be upon the party denying the same. The affixing of any signature without the authority of the purported signer shall constitute a violation of this Act. A registration statement shall be deemed effective only as to the interests, lots, or parcels specified therein as proposed to be offered.

(b) At the time of filing a registration statement the developer shall pay to the Commission a fee of one-fiftieth of 1 per centum of the maximum aggregate price at which such lots, parcels, or interests are proposed to be offered, but in no case shall the fee be more than $1,000.

(c) The filing with the Commission of a registration statement, or of an amendment to a registration statement, shall be deemed to have taken place upon the receipt thereof, but the filing of a registration statement shall not be deemed to have taken place unless it is accompanied by payment of the fee required by subsection (b).

(d) The information contained in or filed with any registration statement shall be made available to the public under such regulations as the Commission may prescribe and copies thereof, photostatic or otherwise, shall be furnished to every applicant at such reasonable charge as the Commission may prescribe.

INFORMATION REQUIRED IN REGISTRATION STATEMENT

SEC. 6. (a). The registration statement shall contain the information and be accompanied by the documents specified hereinafter in this section:

(1) the name and address of each person having an interest in the subdivision and, the extent of such interests and the purchase price thereof;

(2) a legal description of, and a statement of the total area included in, the subdivision together with a map showing the division proposed and the dimensions of the interests, lots, or parcels to be registered, the topography of the subdivision, and its relation to existing streets and roads;

(3) a statement of the condition of the title to the land comprising the subdivision, including all encumbrances thereon;

(4) a statement of the terms and conditions, including the selling price or rent at which it is proposed to dispose of the interests in the subdivision;

(5) a statement of the present condition of access to, and sewage disposal facilities and public utilities (including water, electricity, gas, and telephone facilities) in, the subdivision and the proximity of the subdivision to cities, towns, or villages, and of improvements to be installed by the developer and his schedule for completion;

(6) in the case of any subdivision or portion thereof against which there exists a blanket encumbrance, a statement of the consequences for an individual investor of a failure by the person or persons bound to fulfill obligations under the instrument or instruments creating such encumbrance and the steps, if any, taken to protect the investor in such eventuality;

(7) a copy of its articles of incorporation, with all amendments thereto and of its existing bylaws or instruments corresponding thereto, whatever the name, if the developer be a corporation; (b) copy of all instruments by which the trust is created or declared, if the developer is a trust; (c) a copy of its articles of partnership or association and all other papers pertaining to its organization, if the developer is a partnership, unincorporated association, joint stock company, or any other form of organization, or if the purported holder of legal title is a person other than developer, copies of the above documents for such person;

(8) copies of the deed or other instrument establishing title to the subdivision in the developer or other person and copies of any instrument creating a lien or encumbrance upon the title of developer or other person;

(9) a copy of the opinion or opinions of counsel in respect to the title to the subdivision of developer or other person, or a copy of the title insurance policy guaranteeing such title;

(10) copies of all forms of conveyance to be used in selling interests, lots, or parcels to investors;

(11) copies of instruments creating easements or restrictions or other incumbrance;

(12) such certified or uncertified financial statements as the Commission may by rule or regulation require; and

(13) such other information and such other documents as the Commission may by rules or regulations require as being necessary or appropriate for the protection of investors.

(b) If any engineer, or appraiser, or any person whose profession gives authority to a statement made by him, is named as having prepared or certified any part of the registration statement, or is named as having prepared or certified a report or valuation for use in connection with the registration statement, the written consent of such person shall be filed with the registration statement. If any such person is named as having prepared or certified a report or valuation (other than a public official document or statement) which is used in connection with the registration statement, but is not named as having prepared or certified such report or valuation for use in connection with the registration statement, the written consent of such person shall be filed with the registration statement unless the Commission dispenses with such filing as impracticable or as involving undue hardship on the person filing the registration statement.

TAKING EFFECT OF REGISTRATION STATEMENTS AND AMENDMENTS THERETO

SEC. 7. (a) Except as hereinafter provided, the effective date of a registration statement shall be the thirtieth day after the filing thereof or such earlier date as the Commission many determine, having due regard to the public interest and the protection of investors. If any amendment to any such statement is filed prior to the effective date of such statement, the registration statement shall be deemed to have been filed when such amendment was filed; except that an amendment filed with the consent of the Commission, prior to the effective date of the registration statement, or filed pursuant to an order of the Commission, shall be treated as a part of the registration statement. When the subdivider registers additional lands to be offered for disposition, he may consolidate the subsequent registration with any earlier registration offering subdivided land for disposition under the same promotional plan. At the time of consolidation, the subdivider shall include in the consolidated registration statement any material changes in the information contained in the earlier registration statement.

(b) If it appears to the Commission that a registration statement is on its face incomplete or inaccurate in any material respect, the Commission may, after notice by personal service or the sending of confirmed telegraphic notice not later than ten days after the filing of the registration statement, and opportunity for hearing (at a time fixed by the Commission) within twenty days after such notice by personal service or the sending of such telegraphic notice, issued an order prior to the effective date of registration refusing to permit such statement to become effective until it has been amended in accordance with such order. When such statement has been amended in accordance with such order the Commission shall so declare and the registration shall become effective at the time provided in subsection (a) or upon the date of such declaration, whichever date is the later.

(c) If, at any time subsequent to the effective date of registration, a change shall occur affecting any material fact required to be stated in the registration statement or which makes any such fact misleading, the developer shall promptly file an amendment thereto. An amendment filed after the effective date of the registration statement, if such amendment, upon its face, appears to the Commission not to be incomplete or inaccurate in any material respect, shall become effective on such date as the Commission may determine, having due regard to the public interest and the protection of investors. Upon receipt of any such amendment, the Commission may, if it determines such action to be necessary or appropriate in the public interest or for the protection of investors, suspend the registration until the amendment becomes effective.

(d) If it appears to the Commission at any time that the registration statement includes any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, the Commission may, after notice by personal service or the sending of confirmed telegraphic notice, and after opportunity for hearing (at a time fixed by the Commission) within fifteen days after such notice by personal service or the sending of such telegraphic notice, issue a stop order suspending the effectiveness of the registration statement. When such statement has been amended in accordance with such stop order the Commission shall so declare and thereupon the stop order shall cease to be effective.

(e) The Commission is hereby empowered to make an examination in any case in order to determine whether a stop order should issue under subsection (d). In making such examination the Commission or any officer or officers designated by it shall have access to and may demand the production of any books and papers of, and may administer oaths and affirmations to and examine, the developer, any agents, or any other person, in respect of any matter relevant to the examination. If the developer or any agents shall fail to cooperate, or shall obstruct or refuse to permit the making of an examination, such conduct shall be proper ground for the issuance of a stop order.

(f) Any notice required under this section shall be sent to or served on the developer.

INFORMATION REQUIRED IN PROSPECTUS

SEC. 8. (a) A prospectus relating to interests, lots, or parcels in a subdivision shall contain the information contained in the registration statement, but need not include the documents referred to in paragraphs (6) to (11), inclusive, of section 6 of this Act and shall contain such further information as may be contained in amendments filed pursuant to and declared effective under section 7(c) of this Act. A prospectus shall also contain such other information as the Commission may by rules or regulations require as being necessary or appropriate in the public interest or for the protection of investors.

(b) The prospectus shall not be used for any promotional purposes before registration becomes effective and then only if it is used in its entirety. No person may advertise or represent that the Commission approves or recommends the subdivided lands or sale thereof. No portion of the prospectus shall be underscored, italicized, or printed in larger or bolder type than the balance of the statement unless the Commission requires or permits it.

COOPERATION WITH STATE AUTHORITIES

SEC. 9. (a) In enforcing this Act the Commission shall cooperate with State authorities charged with the responsibility of regulating the sale of interests in subdivisions which are also subject to this Act and may accept for filing under section 5 of this Act and declare effective as a registration statement, if it finds such action to be appropriate in the public interest or for the protection of investors, material filed and found acceptable by such authorities.

(b) Nothing in this title shall affect the jurisdiction of the real estate commission (or any agency or office performing like functions) of any State or territory of the United States, or the District of Columbia, over any subdivision or any person.

CIVIL LIABILITIES ON ACCOUNT OF FALSE REGISTRATION STATEMENT

SEC. 10. (a) In case any part of the registration statement, when such part became effective, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein, or necessary to make the statements therein not misleading, any person acquiring such interest, lot, or parcel in a subdivision (unless it is proved that at the time of such acquisition he knew of such untruth or omission) may, either at law or in equity, in any court of competent jurisdiction, sue—

(1) every person who signed the registration statement;

(2) every person who was a director of (or person performing similar functions) or partner in, the developer at the time of the filing of the part of the registration statement with respect to which his liability is asserted;

(3) every person who, with his consent, is named in the registration statement as being or about to become a director, person performing similar functions, or partner; and

(4) every engineer, or appraiser, or any person whose profession gives authority to a statement made by him, who has with his consent been named as having prepared or certified any part of the registration statement, or as having prepared or certified any report or valuation which is used in connection with the registration statement, with respect to the statement in such registration statement, report, or valuation, which purports to have been prepared or certified by him.

(b) Notwithstanding the provisions of subsection (a) no person, other than the developer shall be liable as provided therein who shall sustain the burden of proof—

(1) that before the effective date of the part of the registration statement with respect to which his liability is asserted (A) he had resigned from or had taken such steps as are permitted by law to resign from, or ceased or refused to act in, every office, capacity, or relationship in which he was described in the registration statement as acting or agreeing to act, and (B) he had advised the Commission and the developer in writing that he had taken such action and that he would not be responsible for such part of the registration statement; or

(2) that if such part of the registration statement became effective without his knowledge, upon becoming aware of such fact he forthwith acted and advised the Commission, in accordance with paragraph (1), and in addition, gave reasonable public notice that such part of the registration statement had become effective without his knowledge; or

(3) that (A) as regards any part of the registration statement not purporting to be made on the authority of an expert, and not purporting to be a copy of or extract from a report or valuation of an expert, and not purporting to be made on the authority of a public official document or statement, he had, after reasonable investigation, reasonable ground to believe and did believe, at the time such part of the registration statement became effective, that the statements therein were true and that there was no omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and (B) as regards any part of the registration statement purporting to be made upon his authority as an expert or purporting to be a copy of or extract from a report or valuation of himself as an expert, (i) he had, after reasonable investigation, reasonable ground to believe and did believe, at the time such part of the registration statement became effective, that the statements therein were true and that there was no omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) such part of the registration statement did not fairly represent his statement as an expert or was not a fair copy of or extract from his report or valuation as an expert; and (C) as regards any part of the registration statement purporting to be made on the authority of an expert (other than himself) or purporting to be a copy of or extract from a report or valuation of an expert (other than himself), he had no reasonable ground to believe and did not believe, at the time such part of the registration statement became effective, that the statements herein were untrue or that there was an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that such part of the registration statement did not fairly represent the statement of the expert or was not a fair copy of or extract from the report or valuation of the expert; and (D) as regards any part of the registration statement purporting to be a statement made by an official person or purporting to be a copy of or extract from a public official document, he had no reasonable ground to believe and did not believe, at the time such part of the registration statement became effective, that the statements therein were untrue, or that there was an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that such part of the registration statement did not fairly represent the statement made by the official person or was not a fair copy of or extract from the public official document.

(c) In determining, for the purpose of paragraph (3) of subsection (b) of this section, what constitutes reasonable investigation and reasonable ground for belief, the standard of reasonableness shall be that required of a prudent man in the management of his own property.

(d) The suit authorized under subsection (a) may be to recover such damages as shall represent the difference between the amount paid for the interest, lot, or parcel (not exceeding the price at which it was offered to the public) and (1) the value thereof as of the time such suit was brought, or (2) the price at which such interest, lot, or parcel shall have been disposed of in the market before suit, or (3) the price at which such interest, lot, or parcel shall have been disposed of after suit but before judgment if such damages shall be less than the damages representing the difference between the amount paid for the interest, lot, or parcel in a subdivision (not exceeding the price at which it was offered to the public) and the value thereof as of the time such suit was brought: *Provided*, That if the defendant proves that any portion or all of such damages represents other than the depreciation in value of such interest, lot, or parcel resulting from such part of the registration statement, with respect to which his liability is asserted, not being true or omitting to state a material fact required to be stated therein or necessary to make the statements therein not misleading, such portion of or all such damages shall not be recoverable. In any suit under this or any other section of this title the court may, in its discretion, require an undertaking for the payment of the costs of such suit, including reasonable attorney's fees, and if judgment shall be rendered against a party litigant, upon the motion of the other party litigant, such costs may be assessed in favor of such party litigant (whether or not such undertaking has been required) if the court believes the suit or the defense to have been without merit, in an amount sufficient to reimburse him for the reasonable expenses incurred by him, in connection with such suit, such costs to be taxed in the manner usually provided for taxing of costs in the court in which the suit was heard.

(e) All or any one or more of the persons specified in subsection (a) shall be jointly and severally liable, and every person who becomes liable to make any payment under this section may recover contribution as in cases of contract from any person who, if sued separately, would have been liable to make the same payment, unless the person who has become liable was, and the other was not, guilty of fraudulent misrepresentation.

(f) In no case shall the amount recoverable under this section exceed the price at which the interest, lot, or parcel was offered to the public.

CIVIL LIABILITIES ARISING IN CONNECTION WITH PROSPECTUSES AND COMMUNICATIONS

SEC. 11. Any developer or agent who—

(1) offers, sells, or leases an interest, lot, or parcel in a subdivision in violation of section 4 of this Act, or

(2) offers, sells, or leases an interest, lot, or parcel in a subdivision by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by means of a prospectus or other communication, written or oral, which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading (the purchaser not knowing of such untruth or omission), and who shall not sustain the burden of proof that he did not know, and in the exercise of reasonable care could not have known, of such untruth or omission, shall be liable to the person purchasing such interest from him, who may sue either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such interest with interest thereon, less the amount of any income received thereon, upon the tender of such interest, or for damages if he no longer owns such interest.

INELIGIBILITY OF CERTAIN PERSONS

SEC. 12. (a) It shall be unlawful for any person to act as developer or agent who within ten years has been convicted of any felony, misdemeanor, or is subject to a stop order, or permanent injunction involving the purchase or sale of any interest in land, or of any security, or arising out of such person's conduct as a developer, or agent, or as an underwriter, broker, dealer, or investment adviser as defined in title 15, United States Code, or involving embezzlement, fraudulent conversion, or misappropriation of funds, securities, or interests in land, or involving the violation of sections 1341, 1342, or 1343 of title 18, United States Code, or who has been found by the Commission to have willfully violated any provision of any Act which it administers or who has been found to have been a cause of such violation.

(b) Any person who is ineligible, by reason of subsection (a), to act as developer or agent, may file with the Commission an application for an exemption from the provisions of that subsection. The Commission shall by order grant such application, either unconditionally or on an appropriate temporary or other conditional basis, if it is established that the prohibitions of subsection (a), as applied to such person, are unduly or disproportionately severe or that the conduct of such persons has been such as not to make it against the public interest or protection of investors to grant such application.

COURT REVIEW OF ORDERS

SEC. 13. (a) Any person aggrieved by an order of the Commission may obtain a review of such order in the Court of Appeals of the United States, within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order, a written petition praying that the order of the Commission be modified or be set aside in whole or in part. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Commission, and thereupon the Commission shall file in the court the record upon which the order complained of was entered, as provided in section 2112 of title 28, United States Code. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission. The finding of the Commission as to the facts, if supported by evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The jurisdiction of the court shall be exclusive and its judgment and decree, affirming, modifying, or setting aside, in whole or in part, any order of the Commission, shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (28 U.S.C. 346–347).

(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Commission's order.

LIMITATION OF ACTIONS

SEC. 14. No action shall be maintained to enforce any liability created under section 10 or 11(2) unless brought within three years after the discovery of the untrue statement or the omission, or after such discovery should have been made by the exercise of reasonable diligence, or, if the action is to enforce a liability created under section 11(1), unless brought within three years after the violation upon which it is based. In no event shall any such action be brought to enforce a liability created under section 10 more than five years after the sale of all the interests, lots, or parcels which are the subject of a particular offering (other than any as to which the offering has been withdrawn), or under section 11(2) more than five years after the sale.

CONTRARY STIPULATIONS VOID

SEC. 15. Any condition, stipulation, or provision binding any person acquiring any interest, lot, or parcel in a subdivision to waive compliance with any provision of this title or of the rules and regulations of the Commission shall be void.

ADDITIONAL REMEDIES

SEC. 16. The rights and remedies provided by this Act shall be in addition to any and all other rights and remedies that may exist at law or in equity.

FRAUDULENT INTERSTATE TRANSACTIONS

SEC. 17. It shall be unlawful for any developer or agent in the offer or sale or lease of any interests, lots, or parcels in any subdivision by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, directly or indirectly—

(a) to employ any device, scheme, or artifice to defraud, or

(b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or

(c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the investor.

INVESTIGATIONS, INJUNCTIONS AND PROSECUTION OF OFFENSES

SEC. 18. (a) Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this Act, or of any rule or regulation prescribed thereunder, it may, in its discretion, bring an action in any district court of the United States, or the United States District court for the District of Columbia to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices to the Attorney General who may, in his discretion, institute the appropriate criminal proceedings under this Act.

(b) The Commission may, in its discretion, make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this title or any rule or regulation thereunder, and may require or permit any person to file with it a statement in writing, under oath or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated. The Commission is authorized, in its discretion, to publish information concerning any such violations, and to investigate any facts, conditions, practices, or matters which it may deem necessary or proper to aid in the enforcement of the provisions of this title, in the prescribing of rules and regulations thereunder, or in securing information to serve as a basis for recommending further legislation concerning the matters to which this title relates.

(c) For the purpose of any such investigation, or any other proceeding under this title, any member of the Commission or any officer designated by it is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memorandums, or other records which the Commission deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

(d) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memorandums, and other records. And such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memorandums, and other records, if in his power so to do, in obedience to the subpena of the Commission, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than one year, or both.

(e) No person shall be excused from attending and testifying or from producing books, papers, contracts, agreements, and other records and documents before the Commission, or in obedience to the subpena of the Commission or any member thereof or any officer designated by it, or in any cause or proceeding instituted by the Commission, on the ground that the testimony or evidence, documentary or otherwise required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in *so testifying.*

HEARINGS BY COMMISSION

SEC. 19. All hearings shall be public and may be held before the Commission or an officer or officers of the Commission designated by it, and appropriate records thereof shall be kept.

UNLAWFUL REPRESENTATIONS

SEC. 20. Neither the fact that the registration statement for interests, lots, or parcels in a subdivision has been filed or is in effect nor the fact that a stop order is not in effect with respect thereto shall be deemed a finding by the Commission that the registration statement is true and accurate on its face or that it does not contain an untrue statement of fact or omit to state a material fact, or be held to mean that the Commission has in any way passed upon the merits of, or given approval to, such interests, lots, or parcels. It shall be unlawful to make, or cause to be made, to any prospective purchaser any representation contrary to the foregoing provisions of this section.

PENALTIES

SEC. 21. Any person who willfully violates any of the provisions of this title, or the rules and regulations promulgated thereunder, or any person who willfully, in a registration statement filed under this title, makes any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined not more than $5,000 or imprisoned not more than five years, or both.

RULES, REGULATIONS, AND ORDERS

SEC. 22. The Commission shall have authority from time to time to make, issue, amend, and rescind such rules and regulations and such orders as are necessary or appropriate to the exercise of the functions and powers conferred upon the Commission elsewhere in this Act. For the purpose of its rules and regulations the Commission may classify persons and matters within its jurisdiction and prescribe different requirements for different classes of persons or matters.

JURISDICTION OF OFFENSES AND SUITS

SEC. 23. (a) The district courts of the United States, the United States courts of any territory, and the United States District Court for the District of Columbia shall have jurisdiction of offenses and violations under this title and under the rules and regulations promulgated by the Commission in respect thereto, and concurrent with State and territorial courts, of all suits in equity and actions at law brought to enforce any liability or duty created by this title. Any such suit or action may be brought in the district wherein the defendant is found or is an inhabitant or transacts business, or in the district where the offer or sale took place, if the defendant participated therein, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (28 U.S.C. 225, 347). No case arising under this title and brought in any State court of competent jurisdiction shall be removed to any court of the United States. No costs shall be assessed for or against the Commission in any proceeding under this title brought by or against it in the Supreme Court or such other courts.

NOTICE CONCERNING THE NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Marion Mathias Hale, of Texas, to be U.S. marshal, southern district of Texas, term of 4 years—reappointment.

Robert I. Nash, of Texas, to be U.S. marshal, northern district of Texas, term of 4 years—reappointment.

Tully Reynolds, of Texas, to be U.S. marshal, eastern district of Texas, term of 4 years—reappointment.

Louis C. LaCour, of Louisiana, to be U.S. attorney, eastern district of Louisiana, term of 4 years—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in the above nominations to file with the committee, in writing, on or before Thursday, June 16, 1966, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 9, 1966, he presented to the President of the United States the following enrolled bills:

S. 2421. An act to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon; and

S. 2469. An act amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans.

U THANT'S COUNSEL

Mr. YOUNG of Ohio. Mr. President, the American people have every reason to be distressed over the intensity of the civil war in which this administration has involved us in Vietnam. Recent events point up the terrible extension of this fighting and slaughter which has been going on for years in Vietnam. The immolation of Buddhists in the insurrection and revolt against Prime Minister Ky is becoming increasingly terrifying.

It seems unfortunate now that at Honolulu our President embraced Ky. Very definitely, when Ky talks of bringing democracy to South Vietnam, his record is very much against his statements. It has been a year since 10 generals, in a coup, overturned the civilian government at Saigon and installed Ky as Prime Minister. Instead of carrying out land reforms which had been inaugurated some years previously, this militarist regime has canceled what little progress has been made.

Vietnam is of no strategic or economic importance to the defense of the United States. Yet, our involvement there with armed forces of more than 300,000 men has turned this Vietnam civil war into an American war. The growing intensity is terrifying. We should embrace and not reject efforts made by U.N. Secretary General U Thant to bring about an armistice.

When Prime Minister Ky talks about elections in South Vietnam, he is in fact not talking about fair elections. It is reported that a condition laid down is that no member of the National Liberation Front may vote. Also, he has laid down the condition that no neutralist may vote. He is rigging the elections before making any definite plans for such elections. The International Control Commission, consisting of representatives of

Poland, India, and Canada, set up in the Geneva agreements, is without a doubt the best body to supervise any elections if they are willing to undertake the task.

In the search for peace we should seek immediate deescalation of the war. Our first step should be to halt the bombings of North Vietnam and to offer to negotiate for settlement if representatives of Hanoi agree to consider a conference on the basis that delegates representing the four parties involved in this Vietnam civil war participate. There should be no objection on our part for the Hanoi and Saigon governments to be represented by the same number of delegates and these delegates to meet with an identical number of delegates representing the Vietcong, or National Liberation Front, and the United States. Such a conference should be arranged to convene in some Asiatic city.

Without a doubt, no armistice agreement could be successful and binding except with the support of international guarantees through the reconvening of the Geneva conference or under the authority of the International Control Commission. A drawback, perhaps, to having international guarantees supervised through the United Nations is that to this good hour Communist China has not been admitted into the United Nations.

This administration certainly should take the initiative in sounding out leaders of Asiatic nations regarding some realistic method of ending this bloodshed. For every Vietcong who has been killed and for every soldier of the so-called friendly forces of Vietnam, ARVN, undoubtedly more civilians—men, women, and children—have been killed, many by our napalm bombing. It has been estimated that four times as many civilians have had their lives snuffed out than combat soldiers in the course of this fighting. U Thant's counsel should be followed by our leaders. If it is followed it seems probable that the tragic depopulation of Vietnam and loss of American lives will be brought to an end. Let us hope that such a conference will result in the neutralization of Vietnam and bring tranquility to southeast Asia. Unfortunately, it has been rejected in the past.

The simple truth is entirely different than the propaganda which has been fed to the American people. In this connection, I ask unanimous consent that a recent editorial in the St. Louis Post-Dispatch entitled "U Thant's Counsel" be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch]

U THANT'S COUNSEL

Truth, as U Thant once observed, is one of the first victims of war. His words were confirmed once again this week as Secretary of State Rusk and Vice President HUMPHREY once again proclaimed the Administration's dedication to the search for peace in Viet Nam. Mr. Rusk repeated his offer to go to Geneva whenever anybody was there to negotiate with. Mr. HUMPHREY detailed anew the various peace offensives of the past and devoutly adopted U Thant's "prayer and wish" for peace as our own.

What is the simple truth? It is that the Administration spurned peace talk feelers repeatedly in 1964 and 1965. It is that U Thant's own efforts to arrange talks have been repeatedly and roughly rejected. It is that while publicly taking no sides in South Viet Nam's political turmoil the Administration has thrown every resource into the undercover support of a Saigon military junta whose first article of faith is an utter rejection of peace negotiations. It is that while paying lip-service to U Thant's "prayer and wish" the Administration obstinately refuses to heed U Thant's realistic counsel on the steps necessary to make peace.

The Secretary General of the UN renewed that counsel in his moving address to the Amalgamated Clothing Workers this week. Military methods, he said, will not restore peace; President Johnson once agreed with that. "This war must be stopped," said U Thant, "on the initiative of the participants, lest it get out of hand." And he repeated what he has often said, that the necessary conditions for peace include a return to the Geneva agreements, which were based on the principle of military neutralization of all Viet Nam; a prior scaling down of military operations (which would include an end to the bombing of North Viet Nam); and an agreement to negotiate with the actual combatants—in other words, the National Liberation Front as well as North Viet Nam.

These steps are reasonable if peace is genuinely the objective. So long as the United States rejects U Thant's counsel, which expresses the conscience of the world organization to which we so often pay verbal tribute, our verbal reiteration of peaceful intentions will fall on unbelieving ears throughout the world.

Some Americans, in bitter frustration, feel that the strands of history have become so hopelessly entangled that nothing can now be done to unravel an unwanted war. This seems plausible only in the context of the Administration's present policy, which is to back the Ky government's violent suppression of popular yearnings for peace and to continue escalation of the war.

If the basic decision were made to accept a negotiated settlement instead of chasing the illusion of military victory; if we supported the Viet Namese forces that favor reconciliation, rather than an armed dictatorship which opposes it; if we adopted as our policy the establishment of a compromise, neutral government permitting our ultimate withdrawal, instead of trying to establish an anti-Communist government that could only exist under our permanent military protection—in *this* context, many doors to peace and mediation would open.

No vital national interest of ours keeps the doors closed. It is pride and arrogance and illusion—the illusion that we are engaged in a holy ideological war. U Thant is right in saying that the somber course of events has probably left to the Viet Namese people no ideology at all except a passion for national identity or even survival. He is right in saying that no government or people is "likely to lose in stature or dignity or worldly advantage" from coming to terms with the world in which we actually live. He is right in calling upon those who have the power and the responsibility "to search objectively and without rancor for ways to end this historic tragedy."

RESIDUAL OIL QUOTAS

Mr. PASTORE. Mr. President, I am in receipt of a letter from the New England Council under date of May 31, 1966, which I think will be of considerable interest to my fellow Senators who have been concerned with the residual oil quota situation over the past several years.

The letter reads as follows:

THE NEW ENGLAND COUNCIL,
Washington, D.C., May 31, 1966.

Hon. JOHN O. PASTORE,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PASTORE: You will be pleased to know that directly as a result of your efforts in securing removal of residual oil quotas last month, the cost of residual oil to the consumer in New England has been restored to normal levels.

Quotations last week were down 35 cents a barrel from the period immediately before quotas were removed. There is now little, if any, difference between the world market price and the price charged to the New England consumer. In other words, the premium which the controls and the ticket system had added to the price of oil has disappeared.

It was our contention while the rigid quotas were in existence that the New England consumer was paying at least a 30 cent per barrel premium because of the controls. It would appear that this was a conservative estimate. Based upon our experience with what has happened over the past several weeks, it is reasonable to project that New England consumers will be saved over $30 million this year alone.

You certainly have reason to be proud of this accomplishment.

Best personal regards.

Sincerely yours,

COLSON.

I do not think that this credit belongs to me. I do not think that this credit belongs to any group of individuals. I think it belongs to everyone who has been in this fight, particularly the Secretary of the Interior, Stewart Udall, who has been in the vanguard of this crusade, and his brilliant assistant, J. Cordell Moore, Assistant Secretary of the Interior.

Mr. President, we have said right along that if this artificial system of distribution of tickets was reckoned with then the price would go down for the consumer. That is exactly what happened, and this is satisfying and encouraging news. I wish to compliment everyone who had anything to do with it.

(At this point, Mr. YOUNG of Ohio assumed the chair.)

FOREIGN AID PROGRAMS—ADDRESS BY HON. EUGENE BLACK

Mr. AIKEN. Mr. President, on June 3, the Honorable Eugene Black delivered the commencement address at Wellesley College.

It carried a proposal which, I think, should be considered most seriously by the Congress.

Mr. Black called attention to the fact that the State Department has now become an operating body to such an extent that its policy developing functions have become seriously impaired.

He points out the competitive situation which exists among U.S. agencies which deal in foreign aid programs and other affairs.

As a remedy—or at least a partial remedy—he suggests that foreign aid programs be conducted to a greater extent through private channels, such as foundations, universities, and even private corporations.

Although I realize that hazards are involved in turning over our foreign aid operations to private concerns, to which public funds would be contributed, yet, I have long observed that these private and nonprofit institutions have performed infinitely more efficiently than our Government agencies, often operated by well-meaning, but unqualified personnel.

It is my understanding that Mr. Black's address is in keeping with the thinking of the White House and I strongly recommend that the Members of Congress read this very practical suggested approach and then do something about it.

I ask unanimous consent that Mr. Black's address be printed in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

Commencement Address, Wellesley College, by Eugene R. Black, Special Adviser to the President on Southeast Asia Economic and Social Development, Wellesley, Mass., June 3, 1966

Miss Clapp, Members of the Board of Trustees, Ladies and Gentlemen of the Faculty, Ladies of the Graduating Class, distinguished guests and alumnae. . . .

Miss Clapp's career provides me with an admirable launching pad for my subject today. As a scholar, she resurrected for posterity a fascinating figure from our political and diplomatic history—John Bigelow. As an administrator, she added to the lustre of excellence which is attached to the name of of this college. And now, she has found the courage to make a third career as president of a still-new college in India—a country where men are, and have been, rather less nervous about women's rights than in the countries in the west. Here is accomplishment.

Miss Clapp's career, in a way, parallels the history of our nation in her lifetime. In the depression we examined critically the basic premises of our society as we had not done since the Civil War. And we found premises wanting and set out to change them—partly by experimenting with new forms of social legislation which are still evolving, and partly by looking inward and discovering new sources of strength and example from our past. During World War II we became managers of the affairs of most of the world—making decisions, such as to manufacture the atom bomb, which forever ended any possibility of innocence in our relations with other nations. And since the end of World War II, in the process of developing our style as a world power, we have come to extend the ancient art of diplomacy to embrace a broader range of activity than has ever been attempted by a great nation in the past. And it is diplomacy—the art of getting along with other nations—to which I want to address myself.

It is as a nation of builders and doers that we have approached the problems of diplomacy since World War II. Perhaps we can say it all started with a commencement address delivered by Secretary of State George Marshall at a "college for young men" in these parts—an address which gave birth to the Marshall Plan. Since that day the activities which have gone on under the tent of our diplomacy have expanded steadily. President Truman's famous Point Four lead to a more or less permanent foreign aid program, and to the Peace Corps. President Eisenhower's alliances to protect weak and threatened nations on the borders of the Communist empires, were followed by President Kennedy's Alliance for Progress—to help our neighbors to the South help themselves achieve modern living standards. We have undertaken to tell America's many stories abroad through a vast agency of our government, and brought to our shores thousands of students and leaders from other lands. Our negotiations with other nations have been more ambitious than any ever before attempted—negotiations which range from a desperate search for some controls on the spread of armaments to building a foundation of law into our exploration of outer space.

Diplomacy in our time has become a reflection of our energies, our enthusiasms and our courage—an often formless agglomeration of activities, carried on with a candor that would have shocked Machiavelli and been the despair of Metternich and Tallyrand. But even if we had not achieved so very much in world affairs over the past twenty years, we had little choice but to carry our native impulses into our diplomacy; we could never have agreed among ourselves to follow any other course.

Writing in *Foreign Affairs* magazine last year, the provost of Columbia University, Jacques Barzun, described the strength of our national character in world affairs this way: "We are", he wrote, the most unassuming, unclassified, miscellaneous . . . people (who ever made up a great nation) . . . What masquerades as our imperialism is (our fascination with acomplishment, with building things)." And, as Barzun goes on to say, those who interpret our enthusiasms as gross materialism are gravely wrong. We are a nation, he observes, "whose citizens seek popularity (in world affairs) more than any other kind of success." We like to believe that our society represents what much of the rest of the world will be like in the future, if only we do not destroy ourselves in the meantime. And in a way we are probably right—for what passes for commonplace tastes here today will be commonplace tastes elsewhere tomorrow—as we see happening on a grand scale already in Western Europe. Furthermore, much of what we would accomplish in the world can be accomplished in large part by energy and technical skills alone. Again, as Barzun writes, "It is remarkable that there is, in fact, no need of intellectual or political systems to set up power plants or to get rid of malaria."

We have, since World War II, developed the beginnings of our own diplomatic style as a great world power. It is a style distinguished for its courage and its confidence. Still, one does not have to join the ranks of the professional critics of foreign policy to acknowledge that our style is still not fully developed. In adding to traditional diplomacy those many manifestations of our best impulses, we have not devised either a substitute for, or a modern interpretation of, the more traditional concerns of that art.

We have not been able to do away with the hard business of routine, political negotiation among governments on which the preservation of world peace must depend. We have not yet fully grasped the fact that, in diplomacy, it is not the wisdom of our advice and policy that counts, but our ability to persuade others to accept wise advice and policy. And to do this we must develop a much better understanding than we now have of how others see themselves in the world. For without such an understanding, we cannot expect to be very effective in our negotiations—despite all our good works and despite our protestations that our motives are disinterested.

It is only as we understand better how others see themselves that our diplomatic style will be more effective in the future. We are no longer the all-powerful victor in a world devastated by war. We can no longer get by, even with our staunchest friends, by assigning roles to them in adventures in which we take a common interest for granted. While we are still incomparably strong, we have to learn to combine strength with an ability to "parley" as Churchill used to say. We have to learn to let others share in the making of decisions which affect the security and welfare of the world—their world as well as ours. Perhaps most important, when we advocate change—even where change is desperately needed for the welfare of people and the maintenance of peace—we must accept the fact that we will appear to others in an aggressive role. Given our great power, we should not expect our official presence to make us popular. All these facts are bound to test our enthusiasm and our zeal for accomplishment in the future as diplomacy has not tested us before.

I have visited Southeast Asia twice in the past year and let me illustrate in a very general way how these facts seem to apply in that part of the world. How do the incredibly varied people there see themselves today; how do they see us who have become so intimately involved in their future?

One need only visit cities like Bangkok and Singapore and Manila to see for oneself how many of the material trappings of life, commonplace to us, are becoming commonplace there too. In these cities one cannot help but feel a ferment of desire for the fruits of modern life, nor fail to appreciate how much of that desire is due to the impact of western achievements. And, of course, it is those who have had closest contact with western ways and western education—particularly students and government leaders—who want change most and who are most impatient with the habits and attitudes of their countrymen which stand in the way of change.

But, I think it is a grievous mistake to conclude from these limited observations either that there is any widespread understanding of what change involves or that there is any widespread desire among these people to model themselves on our own economic and social institutions. We understand much too little about them to base our policies on simple generalizations.

Our culture, our heritage infuses each new generation with great anticipations and expectations about the future—about the new things the future will bring. We have a "revolution of rising expectations" built into our culture, if you will. But this is true of none of the older cultures of the world. To the millions who still live according to the ancient, and often very comfortable, traditions of Hinduism, Buddhism, and Confucianism, the prospect of change still usually excites more fear than enthusiasm. And the advocates of change are much more likely to be feared than welcomed. This we should understand. For what has happened to these people is that they have lost their traditional expectations, and their experience has not led them to any tolerable substitute. The peace of their traditions has been shattered by the impact of the population explosion and by the multiple intrusions of foreign rulers, foreign commerce and foreign wars. They may sense the possibility of a better life, but we are courting disillusionment—if not worse—if we think we can manipulate the social and economic problems of these societies with a prospect of practical achievement comparable to the prospect we have in manipulating our affairs here at home.

The people of Southeast Asia, far more than we were even in our frontier days, are proud of their place in the sun and have been taught by experience to be suspicious of all outsiders. Even today in most of Asia and Africa loyalty does not often extend beyond the village or the province to embrace national governments—much less to embrace what we would call a respect for the rule of law. National government appears to millions still as the outsider, or at best as the temporary rallying point for those united only by resentment and animosity against real or imagined subjugation in the past. And why should we be surprised? Until recently government has been the province of the foreigner in most of these places. Just as the "revenue man" was once fair game in the hills of Appalachia, so all government, outside the village or the province, is fair game for millions in Asia and Africa today.

It seems to me the real threat of Communist China, with its atom bomb and its vast population, is grounded in the fact that Mao's government is the first since the fall of the Manchus to establish its authority throughout mainland China. And we know so little about how this came to pass. If it did not, perhaps entail converting the masses to communism, as communist propagandists would have us believe, it did, it seems, involve overcoming much traditional fear and hatred of remote government. And it did involve making good the promise of some material improvement. Our diplomacy in the future is going to have to accept these facts and, next to the spread of nuclear weapons among nations, these are probably the hardest facts your generation will have to live with.

We know that to escape the predicament of their poverty and to survive in the modern world the people of Asia and Africa are going to have to increase their productivity—with all the changes in habits and attitudes which that awkward exhortation implies. Nobody knows this better than those leaders in Asia and Africa who are desperately trying to provide some escape. Yet the word "productivity" commands little meaning or understanding in these parts of the world. The rude and impersonal disciplines of modern factory and farm life are no welcome alternative to the personal security that used to be provided in a traditional life on the land or in an inherited trade. In these circumstances to imply that a "revolution of rising expectations" exists here and now among the populations of Asia and Africa does harm to our understanding of how these people see themselves.

The impact of our heritage on these people is profound; our involvement in their future is inevitable and irreversible. But little in our experience or in the experience of other western—including Communist—nations provides reliable guidance about the course which their current transformation will take. Only as we learn more about them will we be able to exert a more constructive influence and offer more effective help.

It is for these kinds of reasons that the peace of the world in your time is going to depend, as much as anything, on a diplomacy which is informed by a much greater knowledge than we now have about how others see themselves. It is lack of such knowledge which flaws our diplomatic style today—not, I think, insufficient generosity, not a lack of imagination, not an unwillingness to use our power, and not, I think, an arrogant use of our power. But our lack of knowledge about how others live is a serious shortcoming, and one which I think should inhibit our official actions more than it does.

It may be unbecoming for a commencement speaker to urge on a graduating class a little less enthusiasm, a little less activism, than those who went before, yet I am constrained to do just that as far as official diplomacy is concerned. If I were to make one general recommendation to you, it would be to look on diplomacy more as a profession, and less as a business. It is a matter of style, if you will—how we do things, not just what we do. Much of the substance of diplomacy is style.

Today, as a result of our period of unchallenged power after World War II, the diplomat at home and abroad spends more time being a manager and an administrator than he spends nourishing the knowledge and skills necessary to be a good political analyst and advisor, and a good advocate of our interests. The labor of diplomacy has become so subdivided with official programs and official activities, which compete for the time and attention of diplomats, that the professional man often takes a back seat in favor of the administrator. This is a dangerous situation. Because our diplomacy has come to embrace so much official business, we are too often surprised by events in the world which should not surprise us. We are too often forced to take action in haste—action which we might not have taken had our diplomatic machinery been working more professionally. We tend to substitute "crisis management" for diplomacy simply because it seems so difficult to do all we want in the world and at the same time take into account how others see their interests and are likely to react to our initiatives.

We need to rescue the art of diplomacy from this dilemma. Without diminishing our help or surrendering the initiative, we need to relieve the diplomat from some of his newly-acquired administrative duties to allow him to cultivate better his professional skills. And one way to do this is to try to do more through regional and international organizations abroad and private or nongovernmental organizations at home—and rather less through official agencies of our government. I know President Johnson is thinking along these lines. The leaders of American business and American education should put on their thinking caps to see how they can help him.

It is not the activities themselves I question. It is the degree of official management and of official responsibility in the conduct of foreign operations which I would moderate. For example, we should acknowledge, I think, that too much official presence in our foreign aid and information programs can seriously cramp our diplomatic style. The way we justify these programs, both within the government and before the Congress, often, unnecessarily I think, burdens the conduct of foreign affairs.

The process of official self-justification often forces us to claim credit publicly and officially for our actions overseas, when to do so can only thwart the ends of our diplomacy. Our procedures often force us to detail results and accomplishments long before we have any right to promise results and accomplishments at all. They often force us to spell out our plans in detail, before we have a chance to negotiate with others who might be persuaded to share in the burdens and responsibilities of those plans. Our procedures often force us to demand changes from others, when to be effective those demands for change must come from others, and not from us.

In these ways we encourage dangerously unrealistic expectations among people abroad and sow the seeds of disillusionment here at home. At the same time our procedures add considerably to the size and visibility of our official presence abroad. Considering that it is naive to expect this kind of official presence to be popular for long, it would seem only prudent to search for other ways of doing what we must do—ways which would improve our diplomatic style, and not impair it.

And I think we can do this without sacrificing any of our proud record as a nation which places public accountability first, even in the conduct of foreign affairs. I think that we must do this to prevent our official diplomacy in the future from fostering too many resentments abroad and too much disillusionment at home.

Part of the problem simply involves drawing a line between official diplomacy, and those official activities overseas which are at best subdivisions of labor under diplomacy. For many years it will probably be wise and important for the United States to provide finance for development in the poor countries of the world. We can certainly afford this; we can afford more than we are spending on development now. But this is as much the business of banking as it is the profession of diplomacy. What we cannot afford is to so mix up the two that both suffer in the process. I am afraid we are doing that too often now. The time has come, I think, to make out of our foreign aid agency a real bank, and to leave the problems of representation overseas to the State Department, where they belong. Bankers and diplomats can get along very well provided the one is not asked to assume too much responsibility for the work of the other.

At the same time, where we can, I think we should make more use of international and regional organizations. In Southeast Asia, for example, I believe that in the long run our participation with the governments of the people there in a number of regional and international organizations will best serve our diplomatic ends. One such organization is the Asian Development Bank whose charter I was privileged to sign on behalf of the United States Government last December. Nineteen Asian nations contributed 65% of the billion dollars in capital with which the new Bank will be provided. The United States, and those European governments which have seen fit to join in this adventure are minority shareholders.

There are some important advantages in this kind of arrangement. Our official contract is not with governments themselves, but once removed. Our contract is with an organization which has a good measure of public accountability built into its charter—after the fashion of the World Bank. Our contract is with an organization whose reputation will depend upon its ability to invest money wisely for the benefit of the largest number of people and not upon anything else. Our commitment was contingent on the willingness of other contributors to match our contributions—and they did so in an impressive way. Perhaps most important, our commitment is contingent on the willingness of those we want to help to commit a measure of time, talent and resources of their own to specific projects. In this way we are directly encouraging self-determination, and this is not always so when we "go it alone" in foreign aid. In fact, if the U.S. Government officially prescribes for other governments in too much detail what their needs are, we come close to denying the possibility of self-determination.

We cannot now foresee the time when international and regional organizations will be strong enough to do all the work that needs to be done. What we can do is to redress the balance of our efforts in this direction—as far as others are willing to go along. And perhaps if we did not assert our official responsibility over quite so broad a range of activities, others would be willing to share more of the burden than is now the case.

Finally, I think, we ought to look for ways of leaving more of the responsibility for managing our own overseas operations to corporations, foundations, and universities, which are the main sources of technical talent in this country. I think we should review carefully the many programs now conducted by the State Department, the Agency for International Development, and the United States Information Agency—among others—to see if some tasks would not be better performed without official management and responsibility—even granted that public funds would still be needed to finance them.

This is not, I think, an impossible puzzle. For example, I would like to propose to the leaders of some of our large corporations and foundations that they consider suggesting to the Congress and to the Administration the establishment of an American Council for education and the industrial arts. The function of this Council would be to manage some of those overseas programs which now bear an official label. I would hope that the founders of such a Council would offer to match with private funds at least some of the public funds which would be needed.

The object would be to substitute technical management for bureaucratic management, and private contracts for official contracts. I think we would get better results if more of those who were giving technical help or training to foreign governments were under direct contract to those governments—and not under contract to an official agency of the U.S. Government. I think there would be more continuity in the long run—a better chance that those giving help could stay on the job, get it done and then go home—if more of the managers were technicians, following their professions, and less wore the badge of diplomatic immunity. I think there would be less misunderstanding if more of those who were called on to justify the use of public monies were drawn from the sources of technical talent—from the universities, from the foundations and from our corporations—and less from the ranks of the civil service.

I wonder, too, if some of America's many stories would not be told more effectively abroad if fewer were told by those with official status and more by Americans and American institutions acting in their normal, unofficial capacity. The diplomats can and should be on tap always with guidance and advice—and perhaps with the power of veto. But do they have to be on top of all these activities? Can they do so and still perfect the art of diplomacy in our time?

I lay these matters before you because we face the prospect in the immediate future of a serious division in our country over the conduct of foreign affairs—the first such division since the 1930's. There are those, in fact, who see the issue in the terms of the 1930's—in terms of isolationism and involvement. But this is not the issue. The profound impact of western civilization on the world, coupled with the fact of our great power, has eliminated the possibility of isolationism for all but the timid and the despairing. What you have to decide is how we can use the instruments of our power and influence to better preserve the peace and to more effectively help others to escape their historical predicament into a future more hopeful, more marked by accomplishment. This is the real issue all Presidents have to wrestle with these days.

And you will help to decide; your opinions will count whether they are informed or not. As you go about finding what you are good at, whether working for wages or in the process of raising a family, the world will be with you as it was with no American generation in the past. There will be more rewarding opportunities for women in your class to serve your country overseas than have ever existed before. There ought to be many in your class, who like Miss Clapp, will set out to disarm others abroad with a sense of the importance of accomplishment—of building things and training people for a life of accomplishment. I hope there will be a few, too, who will be among that vitally important handful in any educated society who are willing to make a career abroad in professional diplomacy. And these will be among the elite of your generation, even more than they are in mine.

But all of you have a part to play. It is not just that in matters of style—even diplomatic style—women have so much of value to contribute. Talented women today are sought, even by the President of the United State, for positions of the highest responsibility. You have achieved equality among the leaders of this country. In the conduct of foreign affairs, which is certain to dominate the politics of your time, it is up to you to make sure your opinion is informed. For only as you can add to the great power of this nation a deeper understanding of how others see themselves—only that way will your generation be able to preserve the peace and maintain the balance of hope in your time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the distinguished majority leader.

Mr. MANSFIELD. I am delighted that the senior Senator from Vermont [Mr. Aiken], the ranking Republican, has made these remarks and that he has inserted the address of the Honorable Eugene Black in the Record.

While the Senator was speaking the thought struck me that the AID program plays a vital role in our foreign policy; but it is disturbing to me that the program's monetary appropriations are six times greater than the appropriations for the State Department, even though the State Department, in the final analysis, is responsible for all of the functions of the foreign policy laid down by the President.

I think it is apparent that on the basis of these enormous expenditures—some $3 billion more annually to the Agency for International Development, compared with approximately $500 million to the State Department—the AID program is given far too important a position in the field of foreign policy.

Most of the State Department funds, I understand, are for administration personnel, international conferences, U.N. operations, and the like. But in a country where an AID program is established I would assume that the money, used by the program alone gives the AID agency too important a position there and abnegates and lessens the degree of significance and importance which rightfully should be attached to the State Department.

I make these remarks only because I believe more attention and consideration should be given to the Department charged with the primary function of carrying out foreign policy. It disturbs me that there is such a difference in the allocation of funds between the State Department and the Agency for International Development.

Mr. AIKEN. I thank the Senator from Montana. I realize the large amount of Federal aid funds is very tempting to some elements of the State Department but, on the whole, the administrative requirements of this money very likely impair the development of foreign policy and the conduct of our normal diplomatic relations with other countries.

I think that Mr. Black covered this situation very adequately and effectively. He points out the rivalry between different agencies of the United States; how we announce the wonderful things we are going to do for a country and, then they do not materialize; that sometimes, when we have a program, we announce wonderful things which we have done, which never happened; and the consequence is that instead of increasing the cordial relations with another country these things sometimes have the opposite effect.

As I have said, I know that there are hazards in relying on private industry to carry out these programs, but there is no question that private industry, on the whole, is infinitely more efficient and knows more about economic practices than do the people of the State Department, no matter how well meaning they are and how much they have been qualified by the Civil Service Commission.

Nevertheless, we should give this proposal earnest thought. I am sure that, in many instances, they could do much more for less money and bring about better relations with other countries than we are developing now through our aid programs.

REPORT OF THE EMERGENCY AIRLINES DISPUTE BOARD

Mr. MORSE. Mr. President, the Presidential-appointed emergency board, which the President appointed on April 21 to hold hearings, and on the basis of the record made before the board by the parties, to make recommendations to the President for what the board considers to be fair proposals for settlement of the issues in dispute on the merits, made its report to the President on June 5, as required by the law.

On June 7, the board met with the President to discuss the recommendations with the President and clarify any recommendation that might not be clear.

I am happy to report that the board was exceedingly pleased to observe in its conference with the President that he was completely knowledgeable with the contents of the report and expressed his approval to the board of the recommendations made.

I ask unanimous consent to have printed in the Record a public statement that the President released at the close of his conference with the board on June the 7th, in which he expressed his approval of the report. In my opinion, the heart of the President's statement is found in the sentence:

> Those recommendations form the framework for a just and prompt settlement, which is in the national interest.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks by the President Upon the Receipt of the Report of the Emergency Airlines Dispute Board

Five weeks ago, I appointed an Emergency Board to investigate the dispute between five major domestic airlines and the Union. That Board has now submitted its report to me.

The dispute between the airline companies and the Union threatens to cripple the vital flow of people and products across America. These airlines fly six out of every ten domestic passenger miles. Over 35,000 airline employees are involved—from mechancis to flight deck personnel.

The issues are complex and important. Eight national issues involved all of the companies; 40 local issues involved four of the companies. The recommendations of the Board reflect the highest order of judgment, imagination, and wisdom.

I appreciate the work that this Board has done. Its three members, Senator Wayne Morse of Oregon, Professor Richard Neustadt of Harvard University and David Ginsburg, a Washington attorney, have unselfishly taken time from their busy lives to devote to this case.

Together, these men worked many long days patiently gathering and analyzing the evidence. They heard testimony from all of the parties, presented with great conviction and skill. A record of almost 2,000 pages has been compiled. On this record, this independent and able Board arrived at its recommendations.

Those recommendations form the framework for a just and prompt settlement, which is in the national interest.

Without such a settlement, there would be a disruption of the movement of men and materials needed to support our commitments to freedom's cause throughout the world. Hundreds of thousands of citizens who depend on rapid, convenient airline service will have to go without it.

I do not believe that either labor or management wants this.

Ever since the day I became President, I have asked Labor and Management to work together with me to improve the lives of every American. They have responded to this call. Today, they have another opportunity—and obligation—to show the Nation the progress that can come from mutual trust and cooperation.

Mr. MORSE. I ask unanimous consent to have printed in the RECORD the report of the President's Emergency Board in the airline case, together with a summary of the report.

There being no objection, the report and summary were ordered to be printed in the RECORD, as follows:

REPORT TO THE PRESIDENT BY THE EMERGENCY BOARD NO. 166, WASHINGTON, D.C., JUNE 5, 1966.

(Appointed by executive order 11276 dated April 21, 1966, pursuant to section 10 of the Railway Labor Act, as amended to investigate and report its findings to the President of unadjusted disputes between Eastern Air Lines, Inc., National Air Lines, Inc., Northwest Air Lines, Inc., Trans World Air Lines, Inc., and United Air Lines, Inc., and certain of their employees represented by the International Association of Machinists, AFL–CIO, a labor organization, (NMB Case No. A–7655))

LETTER OF TRANSMITTAL

WASHINGTON, D.C.,
June 5, 1966.

THE PRESIDENT,
The White House

DEAR MR. PRESIDENT: The Emergency Board which you appointed by Executive Order 11276, pursuant to Section 10 of the Railway Labor Act as amended, has the honor to report herewith.

You charged this Board to investigate the labor dispute between five major airlines and the International Association of Machinists. We have done so. In the course of our inquiry we held hearings for eight days to take testimony from these parties. Throughout our hearings the conduct of the parties was exemplary. Both Carriers and Union cooperated fully with the Board and with each other to provide us expeditiously an explanation of all issues in dispute. We acknowledge their cooperation gratefully.

During our hearings and subsequently in executive sessions we had unstinting service from an able staff. We take this opportunity to thank our counsel, John Bruff, and his staff associates, Beatrice Burgoon and Lily Mary David, for their contributions to our work during this period.

Your charge to us included the requirement that we report our findings to you. These are enclosed. They include our recommendations for a settlement of the dispute, on terms which we believe will serve the interests of the public and the parties alike.

Respectfully,

WAYNE MORSE, *Chairman.*
DAVID GINSBURG, *Member.*
RICHARD E. NEUSTADT,
Member.

EXECUTIVE ORDER NO. 11276

Creating an Emergency Board to investigate disputes between the Carriers represented by the Five Carriers Negotiating Committee and certain of their employees.

Whereas disputes exist between the air carriers represented by the Five Carriers Negotiating Committee, designated in List A, attached hereto and made a part hereof, and certain of their employees represented by the International Association of Machinists and Aerospace Workers, AFL–CIO, a labor organization; and

Whereas these disputes have not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

Whereas these disputes, in the judgment of the National Mediation Board, threaten substantially to interrupt interstate commerce to a degree such as to deprive the country of essential transportation service:

Now, therefore, by virtue of the authority vested in me by section 10 of the Railway Labor Act, as amended (45 U.S.C. 160), I hereby create a board of three members, to be appointed by me, to investigate these disputes. No member of the board shall be pecuniarilly or otherwise interested in any organization of airline employees or in any air carrier.

The board shall report its findings to the President with respect to the disputes within thirty days from the date of this order.

As provided by section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the board has made its report to the President, no change, except by agreement, shall be made by the carriers represented by the Five Carriers Negotiating Committee, or by their employees, in the conditions out of which the disputes arose.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *April 21, 1966.*

List A: Eastern Air Lines, Inc., National Airlines, Inc., Northwest Airlines, Inc., Trans World Airlines, Inc., United Airlines, Inc.

I. HISTORY OF THE EMERGENCY BOARD

This Emergency Board, designated by the National Mediation Board as Emergency Board No. 166, was created by Executive Order 11276 of the President issued April 21, 1966, pursuant to Section 10, of the Railway Labor Act, as amended, to investigate and report its findings of unadjusted disputes between Eastern Airlines, Inc., National Airlines, Inc., Northwest Airlines, Inc., Trans World Airlines, Inc., and United Airlines, Inc., and certain of their employees represented by the International Association of Machinists and Aerospace Workers, AFL–CIO, a labor organization.

The President appointed the following as members of the Board: WAYNE MORSE, United States Senator from Oregon, Chairman; David Ginsburg, an Attorney from Washington, D.C., Member; and Richard E. Neustadt, Professor of Government at Harvard University, Member. The Board met for organizational purposes on April 26, 1966, in Washington, D.C. Public hearings were held for eight days between May 6 and May 27 at Washington, D.C. During these hearings the parties to the dispute were given full and adequate opportunity to present evidence and argument before the Board. The Board also made itself available for any informal meetings requested by the parties; in the event, none was requested.

The parties to these proceedings were identified to the Board as follows: The International Association of Machinists and Aerospace Workers by—

P. L. Siemiller, International President.
Joseph W. Ramsey, General Vice President.
Frank Heisler, Airlines Coordinator.
Robert E. Stenzinger, Grand Lodge Representative.
William Schenck, Grand Lodge Representative.
Elton Barstad, General Chairman (Dist. 143).
John Burch, General Chairman (Dist. 145).
Julius B. Wilhelm, General Chairman (Dist. 100).
Fred Spencer, General Chairman (Dist. 142).
Robert T. Quick, General Chairman (Dist. 141).

The five Carriers by—

William J. Curtin, Chairman, Five Carriers' Negotiating Committee, Morgan, Lewis & Bockius.
Charles M. Mason, Sr., Vice President—Personnel, United Air Lines, Inc.
Paul Berthoud, Manager, Industrial Relations, United Air Lines, Inc.
J. M. Rosenthal, Vice President—Industrial Relations, National Airlines, Inc.
Robert A. Ebert, Vice President—Personnel, Northwest Airlines, Inc.
Ralph H. Skinner, Jr., Vice President—Industrial Relations, Eastern Airlines, Inc.
John P. Mead, Staff Vice President—Industrial Relations, Eastern Airlines, Inc.
David J. Crombie, Vice President—Industrial Relations, Trans World Airlines, Inc.

The record of the proceedings consists of 1,968 pages of testimony and exhibits and 9 separate appendices of exhibits primarily relating to local issues. During the proceedings, the Board made it clear to the parties that its report to the President would be based upon the record established by the parties to this dispute.

Since the creation of the Board, the parties by stipulation, approved by the President, have agreed to extend the time within which the Board must report its findings to the President until June 5, 1966.

II. BACKGROUND OF THE DISPUTE

The airline carriers in this dispute are five of the eleven domestic trunk airlines operating in the United States. They represent over 60% of the domestic trunkline industry as measured by passenger miles. The IAM represents 35,399 (March 1966) of their employees involved in this dispute. These employees are primarily employed in mechanic, ramp and store, flight kitchen, dining service, plant protection and related classifications.

The Carriers and Union entered into an agreement dated August 9, 1965, establishing a procedure for joint negotiation of the dispute between the parties. This agreement provided that each Carrier and the Union should be limited to 15 proposals for changes in the existing agreements between each Carrier and the IAM, and that the following eight items, which are identical to all Carriers, should be the subject of joint bargaining:

(a) Rates of pay and progression steps.
(b) Vacation allowance.
(c) Holiday provisions.
(d) Health and welfare (insurance programs).
(e) Overtime rules.
(f) Pension plans.
(g) Hours of service.
(h) License requirements and premiums.

On October 1, 1965, the Carriers and the Union served upon each other the notices required by their August Agreement and by Section 6 of the Railway Labor Act. The Union chose to submit seven notices for each individual Carrier, and the eight items common to all Carriers. The Carriers served over 70 notices, all on local issues. The parties then entered into individual and joint negotiation on these notices. Negotiations proceeded for two months.

Thereafter, on January 11, 1966, the parties jointly applied to the National Mediation Board for mediation service. The case was docketed by the NMB and referred to Board Member Howard G. Gamser for handling. He began his efforts on February 1, 1966, and continued until March 10. His mediation led to the exchange of proposals and counterproposals, but the parties failed to reach a final agreement.

On March 18, 1966, the NMB proffered arbitration, which the Carriers accepted and the Union declined. Under the provisions of the Railway Labor Act, the NMB then formally terminated its services. However, on April 14 it made a final effort to mediate the dispute. This effort was unsuccessful and the Union set a strike deadline for 12:01 a.m., local time, April 23, 1966. The NMB then notified the President that in its judgment this dispute threatened to substantially interrupt interstate commerce so as to deprive the country of essential transportation service. The President promptly created this Emergency Board. The Union then withdrew its strike notice.

The August 9 agreement provided among other things that none of the parties should execute an agreement until all of the parties had reached agreement in final settlement of all issues.

III. THE ISSUES

The original notices required by Section 6 of the Railway Labor Act and by the August 9 Agreement included eight issues common to the Union and all Carriers. These are called "national issues." The notices also included over 100 other issues, each relating to an individual Carrier. These are called "local issues." None of the eight national issues was resolved by negotiation or mediation. Of the local issues, 40 remained unresolved at the time of our hearings. The Board took testimony and heard cross-examination on all 48 outstanding issues. Each has been subjected by the Board to careful inquiry.

IV. THE NATIONAL ISSUES: FINDINGS AND RECOMMENDATIONS

A. General wage rates and related issues

The Union has proposed substantial percentage increases in the rates of pay over a three year period beginning January 1, 1966, coupled with the elimination of all but one progression step and the introduction of a cost-of-living adjustment allowance. The Carriers have offered hourly rate increases in three groups of classifications over a three year period, have sought to justify all rate progression schedules now in effect and have rejected the concept of a cost-of-living adjustment allowance. In addition, instead of January 1, 1966, the Carriers would delay any pay increases until the pay period next commencing after the date upon which they receive written notice from the Union of the ratification of the new agreement.

1. Effective date and duration of the contract: The most recent agreement between these parties was due to expire at midnight on December 31, 1965. During the last five months of 1965 the five Carriers and the Union established a procedure for joint negotiations of the disputes between the parties; identified and defined both national and local issues; served on each other the section 6 notices required by the Railway Labor Act and began individual and joint negotiations. The bargaining progress thus begun continued throughout the first quarter of this year, with the services of the National Mediation Board, and although final agreements were not reached a large number of local issues were disposed of, and the remaining issues were sharpened and in some instances modified. Since August 1965, therefore, the parties have been seeking to resolve their differences and reach agreement for purposes of a successor contract.

The Board considers that the maintenance of close contact and communication between Union and Carriers and the utilization in good faith of the procedures of the Railway Labor Act and the services of the National Mediation Board furthers the interests both of the parties and the public and recommends, as in the 1963 settlement, retroactivity to the expiration date of the last settlement.

The Board must also consider how long the new contract should continue. The parties themselves have suggested a three year period. As a consequence of section 10 of the Railway Labor Act, unless the parties otherwise agree, the provisions of the old agreement will have governed the rights of the parties through the first half of 1966. In these circumstances the Board recommends that the new agreement run prospectively for three years from July 1, 1966, so that the agreement will be effective for a period of forty-two months, from January 1, 1966, through June 30, 1969.

2. Safeguarding real wages: The Union is concerned that increases in the cost of living may erode the gains employees have made in real wages and has proposed an escalator clause as its preferred way of safeguarding those gains. The particular clause would provide that quarterly, throughout the term of the agreement, all hourly rates should be increased by 1¢ per hour for each 0.3 increase in the consumer price index (1957–1959 base).

The Carriers point to a trend away from the use of escalator clauses and oppose them on various grounds ranging from the added difficulties under such clauses of cost calculations to the added dangers of perpetuating a price-wage spiral.

The Board has given extensive consideration to this question. The trend away from escalator clauses is marked although increases in the cost-of-living have revived interest in them. In our view the danger they present to the economy in this case is real. In the past, moreover, many of these clauses have operated two ways so that when the cost of living goes up wages are increased, but when the cost of living turns down, wages are reduced. Here the Union has proposed a one-way clause.

Although we recommend against the use of an escalator clause we believe that the effort of the Union to devise a means to safeguard the economic position of the employees particularly in respect to the protection of their real wages is warranted. We therefore recommend that the Union be given the right to re-open the wage rate provisions of the contract if, by December 1967, the cost of living since December 1966 has increased one percent or more over the average annual increase in the consumer price index during the five-year period, 1962 through 1966. The re-opener right would be limited to the basic wage rates of the new agreement.

The Board wishes to stress that the basic wage re-opener right would be triggered only in case of a sharp or persistent increase in the consumer price index of not less than one percent over the average annual increase during the five-year period from December 1961 through December 1966.

The procedure to be followed would be simple and completed within a maximum of six weeks.

On February 1, 1968, the Union, if it so decides, would serve on the Carrier its notice of intention to re-open the wage rate issue; the necessary statistical data regarding cost of living changes in December 1967 should be available to the Union about January 20. Thereafter, the parties would have thirty days within which to arrive at an agreement. If they cannot agree on wage adjustments the issue would be submitted to final and binding arbitration under procedures determined by the parties themselves. If the parties cannot agree on such procedures the Secretary of Labor shall determine them and, within one week after the thirty-day period, submit to the parties a list of seven arbitrators from which the Union and the Carriers in joint conference shall each strike alternately two names. The remaining three arbitrators shall then determine the issue and make their award within two weeks.

In arriving at their decision the arbitrators shall consider, as did this Board, the public interest in the maintenance of a stable economy as well as increases in living costs and all other relevant factors including comparative wages, competitive conditions, labor shortages, ability to pay, job content and overall and specific increases in productivity.

3. Wage progression schedules: The Union contends that progression schedules merely provide a means to permit the Carriers to pay less than the job rate; that lengthy progression steps for each classification are unnecessary because very little training is required and no additional responsibilities or duties are assumed at each step in the classification. The Union emphasizes that the number of progression steps has been reduced in past bargaining and that single rates have been achieved in lead classifications but that further reductions are needed.

The Carriers argue that progression is the standard method of wage payment on domestic trunk carriers and that progression steps have always existed. They say that they are hiring rapidly and that new employees are not fully productive immediately; that training is required for the equipment of each carrier and that the progression scale fairly reflects growth in efficiency during training.

The Board has examined the wage progression schedules for each Carrier and recommends that the entry rate in each classification be eliminated as of January 1, 1967, and that the rate just before the final rate be eliminated as of January 1, 1968. There is merit in the contention that some on-job training is needed, but it is apparent to the Board that in many classifications the number of progression steps is excessive.

The Board's recommendation is designed to permit a reduction in the number of progression steps in any new contract, returning to the parties for their joint study and determination in future negotiations the more basic question of the means by which the Carriers shall organize and finance on-job training.

4. Wage Rates: Under previous agreements, employees represented by the IAM have been paid hourly rates established under two categories, Groups A and B, which broadly distinguished higher from less skilled classifications. In the most recent contract, the mechanic rate (at the top of regular progression steps) has been $3.52 per hour, and this figure has been used in testimony by both parties to the dispute as the basic rate for discussion purposes.

The Board follows this practice of the parties, using the mechanic rate illustratively. It is the standard practice in wage cases to use as the frame of reference a key rate, which in this instance is the mechanic rate. We wish to note, however, that the average job rate for all job classifications covered by both groups has been estimated at $3.25. We use the mechanic rate for purposes of clarity, but emphasize that it is not an average for all employees. That average will, in every case, be lower.

The testimony before us shows that both parties have proposed substantial increases in pay rates for the new contract period.

The Carriers have offered annual increases in hourly rates for each year of a proposed three-year contract, the amounts ranging through three rather than two groups of skill classification as follows:

	Cents
Group I:	
1st year	12
2d year	12
3d year	12
Group II:	
1st year	8
2d year	8
3d year	8
Group III:	
1st year	7
2d year	7
3d year	7

For the mechanic rate this offer has the following effect:

Past	$3.52
1st year	$3.64
2d year	$3.76
3d year	$3.88

The Union, by contrast, has proposed percentage increases across the board to all skills amounting to five percent the first year, five percent the second year, and four percent the third year. For the mechanic rate this proposal has the following effect:

Past	$3.52
1st year	$3.70
2d year	$3.88
3d year	$4.04

The differences between the two proposals are narrow. In reviewing them and the record made before us, we are struck by the fact that neither party accepts the other's view of the appropriate method for reflecting skill differentials in the application of general increases. Thus the Union rejects the three-group classification offered by the Carriers, while the Carriers suggest that a percentage increase applied across-the-board would deepen alleged inequities in present classifications.

Faced by disagreement between the parties on this point, we have concluded that in equity we should use the last classification scheme on which they have in fact agreed, namely the two-group classification of earlier contracts, and should recommend for each group a fixed amount of wage increase.

After careful review of the record before us, considering the evidence submitted on conditions in the national economy and in the air transport industry, on labor market prospects, comparative wage rates, company earnings, productivity increases, trends in the cost of living, and other relevant matters, we conclude that both parties to this dispute, and national policy as well, would be served by a settlement which incorporated the following wage increases in our proposed forty-two month contract:

Group A:	
1st 18 months	18
Next 12 months	15
Last 12 months	15
Group B:	
1st 18 months	14
Next 12 months	10
Last 12 months	10

For the top mechanic rate this recommendation would have the following effect:

Past	$3.52
1st 18 months	3.70
Next 12 months	3.85
Last 12 months	4.00

From the standpoint of the Carriers, the evidence before us suggests that over the life of the contract prospective productivity gains make these wage increases supportable without net addition to costs.

From the standpoint of the users of the airlines, the evidence before us suggests that over the life of the contract, if company earnings continue at anything like their present rate, these wage increases would be no bar to continued reduction in transportation charges to the public, if other criteria warrant.

From the standpoint of the employees, the evidence before us suggests that over the life of the contract these wage increases would continue the past trend of wage gains made by workers in this industry, and would maintain the competitive position of the industry in bidding for increasingly scarce skills.

From the standpoint of the general public, the evidence before us suggests that wage increases in the amount we have proposed, combined with the additional fringe benefits we recommend, constitute a genuinely non-inflationary settlement of this dispute—a settlement which will contribute to the twin objectives that the President has put before the country: stability and growth.

In this industry, as applied to these workers at the present time, the average cost of labor, taking wages and fringes together, is estimated by the best available sources at about $4.50 per hour. When this estimate of present cost is compared with the incremental cost of all our recommendations, the outcome, in our judgment, is distinctly noninflationary. This remains the case even after wage increases are reflected in fringe benefits accruing once new wage rates take effect.

Moreover, in our recommendations to the parties for settlement of their outstanding local issues, we at once have proposed elimination of numerous, costly practices and have withheld approval from numerous demands which would create new elements of cost. Thus, our disposition of the local issues buttresses the noninflationary cast of the whole settlement, with results which vary somewhat from carrier to carrier.

In conclusion, we offer the considered judgment that our proposed terms of settlement, taken together, protect the interests of all parties in this dispute, the Carriers, the Union, and the public.

B. Vacation allowances

Under the most recent contract, the Carriers have provided paid vacations to these employees on the following formula: two weeks of vacation after one year of employment; three weeks after ten years; and four weeks after twenty years. The Union currently seeks a modification of this formula to provide three weeks of vacation after eight years on the job, and four weeks after fifteen years.

Weighing this request against the evidence presented to us on prevailing practice elsewhere, we have come to the conclusion that a good case can be made for liberalizing vacation pay accruing to long-service employees. We find that there has been a trend in this direction throughout American industry. While relatively few contracts in this country now provide four weeks of vacation after fifteen years, the Board thinks that liberalization is justified in an industry which needs stability of service from the skilled men represented by this Union and which requires from the men a special devotion to duty in the interest of the traveling public.

Accordingly, we recommend four weeks of paid vacation after fifteen years of service.

C. Health and welfare programs

In this area the Union proposed that the entire cost of the individual Carrier Health and Welfare plans shall be borne by the Carrier and that all plans shall be liberalized to provide full coverage for employees and dependents. The Union emphasized that Eastern has already assumed the full cost of these programs and that the Union recommendation is supported by the prevailing practice in industry generally.

The Carriers contended that current benefits under their plans exceed those typical of industry generally but nevertheless offered to make an additional contribution of 3¢ per hour in the second year of the contract against premiums for dependents coverage under presently existing group insurance plans. The Carriers stated that with this addition the average cost to the Carriers of current plans would be 17.4¢ per hour compared with an average employee contribution of 2.6¢ per hour.

The Board has taken note of these facts and others in the record and recommends against any increase in Carrier contributions at this time. The Union has not proposed and the Carriers have not offered an improved plan or additional benefits. Since the scope and coverage of the plans would remain unchanged an additional Carrier contribution of 3¢ per hour beginning the second year would simply result in an increase in employee compensation by this amount. The Board believes it is in the interests of both parties at this time to deal with increased cash compensation in connection with wage rate adjustments and has done so under paragraph 4 of Section A, above.

D. Pension plans

The pension plan of National Airlines is already non-contributory and the Union requested that the other four Carriers assume the full cost of their plans.

The Carriers rejected the request emphasizing that although a majority of pension plans in industry generally are non-contributory, they usually provide a lower level of benefits. They point out that the Carriers' plans provide an average earned benefit of $8.68 per month as compared with a median industrial benefit earned of $2.75 per month; and which exceed average earned benefits under non-contributory plans in the automobile industry ($4.25), the aerospace industry ($4.24 to $4.75), and the steel industry ($5.00).

Here, as in the case of Health and Welfare benefits, the Board has studied the competing considerations stressed by the parties, but directs attention to the fact that the issue as presented does not relate to employee benefits under the plan but solely to the means of financing them. The Union proposal to transfer the cost of four plans to the Carriers is thus a request for additional compensation equal to the cost of the plan. Since we have already responded to the request for higher wage rates we recommended that this request be withdrawn.

E. Overtime rules

The Union has proposed a sharp upward adjustment of pay for overtime work. Where existing rules call for time-and-a-half, the Union now would substitute double-time. Similarly, where double-time applies, the Union now proposes triple-time.

The record before us offers no specific reasons for these changes except references to trends in other industries and general allegations of the need for severe penalties to minimize the use of overtime. We find it hard to square the stress on penalties with several of the local issues put before us, where the interest of employees in working overtime was demonstrated. We find it harder to follow the comparisons with other industries.

The evidence available to us suggests that in this industry, above most others, overtime work is necessarily an adjunct of regular operations. Variations in weather, equipment changes, enforced delays in service, rescheduling of flights, are common features of airline operations in the present stage of technological development. Overtime work for service employees is an inevitable and frequent result. While we accept the notion that the Carriers, like other employers, should be discouraged from misuse of overtime, we cannot accept the contention that they should be penalized severely for resorting to this means of meeting their undoubted obligation to the public.

Accordingly we recommend that the overtime proposals by the Union be withdrawn.

F. Holiday provisions

The Union has proposed an increase in the number of holidays from seven to eight, the eighth to be Good Friday. In addition, for work on holidays the Union requests holiday pay plus double time for all hours worked, with a minimum of eight hours' pay; if more than eight hours are worked on holidays, the excess is to be paid for at triple time rate.

The Union introduced several foreign flag carrier agreements to show that they provide for more than eight paid holidays. Northeast Airlines, the railroad companies and many other major industries already have eight paid holidays.

The Carriers rejected an eighth holiday and, in particular, rejected Good Friday because on this day there is no significant decrease in airline traffic and in most instances employees would be required to work. The Board notes, in passing, that one of the existing paid holidays, Washington's Birthday, has even less of a decrease in traffic than Good Friday. The Carriers further argue that seven paid holidays is in accord with domestic trunk airline practice.

The existing contracts require that the Carriers compensate employees who work overtime on holidays at double time rates. The Union position is that employees should not be required to work overtime on holidays and that the double time provision is not a sufficient deterrent to prevent the Carriers from deliberately scheduling such overtime.

The Carriers reply that there is no scheduled overtime on holidays; that overtime is required only because of scheduling difficulties; that a heavier penalty would only increase airline costs without reducing overtime requirements.

The record clearly supports the existence of a trend to more liberal holiday provisions; Good Friday is observed as a religious day by many employees; Good Friday is accepted in other agreements as a suitable vacation day. The Board is unable to endorse the Union proposal for penalty holiday overtime first, because this is a 'round-the-clock industry with 24-hour commitments to its customers; second, because this underlies the contract between the parties; and third, because this fact is well known to and accepted by all airline employees.

The Board recommends that an eighth holiday, Good Friday, be granted by the Carriers and that the Union proposals for penalty holiday overtime be withdrawn.

G. Hours of service

The Union has proposed that the thirty-minute meal period now taken without pay as a break in each eight-hour working day, be compensated and treated henceforth as a portion of the hours worked.

The effect of this proposal would be to reduce the time of each shift from eight and one-half hours (including an uncompensated half-hour) to eight hours (fully compensated). The further effect would be to eliminate the overlaps between incoming and outgoing shifts which now occur during the last half-hour each outgoing shift spends on the job.

The Union has contended in the hearings that elimination of shift overlaps would aid efficiency. The Carriers disagree. They argue that these overlaps are vital to assure effective personnel transmission of job information, tools, and work directives between shifts. It is the view of the Board that the Carriers' position was the sounder one on this issue.

Beyond this issue we perceive another which becomes decisive in our view, namely that a growing and regulated industry, faced by increasing competition for skilled personnel should not be asked to put into effect a shorter work week. We recommend, therefore, that this proposal by the Union be withdrawn.

H. License premiums

The Union originally proposed that any employee required to have or use—later modified to any "mechanic" and "have and use"—any license issued by the FCC or FAA should receive additional compensation in the amount of 10¢ per hour for each license required.

This proposal was based primarily upon the alleged additional responsibility of the license holder in releasing aircraft or signing for aircraft work.

The carriers rejected the Union proposal both because of its cost and because there is little or no additional responsibility for the license holder. The Carriers argued that a mechanic who signs maintenance releases does not vouch for airworthiness; that a mechanic may be fined by the Federal Aviation Agency for personal failures whether or not he holds a license; that no domestic trunk carrier currently pays such a license premium.

In treating the wage issue this Board provided substantial pay differentials for mechanics and higher classifications; the license holders are all within this group. Since the added exposure to disciplinary action relied on by the Union is neither diminished nor remedied by a pay premium requirement, we recommend that the Union's proposal for license premiums be withdrawn.

V. LOCAL ISSUES[1]

A. Eastern Airlines and district 100

1. Carrier Proposals

(a) Eastern Proposal No. 1: The Carrier has proposed a change in the overtime provision, Article 14(c), to provide system overtime to replace local rules.

It also proposes to eliminate the present by-pass penalty pay provision in the agreement.

The 1963 collective bargaining agreement between Eastern Airlines and District 100 provided that the parties should meet to agree on system overtime rules. The Carrier contends that since that time agreement in principle has been reached on a series of system overtime rules but the final language has not been settled. The principal point still in contention between the parties is the Carrier's request for elimination of by-pass penalty pay.

The Carrier contends that the current rules foster a great number of grievances; it has introduced evidence that overtime grievances have increased from 8 percent to 26 percent of all grievances between 1960 and 1965. The Carrier urges that system rules be agreed upon to permit standard administration of overtime. It is the Carrier's position that, under the present system, errors are difficult to avoid, particularly in emergency situations, and that the proposed system rules would decrease the likelihood of mistakes and disputes.

The Union's primary objection is to the elimination of the by-pass penalty. The penalty has been in the collective bargaining agreement since 1961. The Union contends that problems arise under it because supervisors fail to offer work to the right man. The Union agrees that there are many grievances on overtime issues but contends that the fault lies with management.

The record is clear that the existing overtime provision on Eastern Airlines gives rise to an excessive number of grievances. The Board believes that this situation necessarily tends to strain the grievance machinery and constitutes a handicap to good relations between the parties. The Carrier's proposal retains the principle of equalization of overtime and has not had a negative response from the Union except for the matter of by-pass pay. The Board notes that by-pass penalty pay has been a part of this collective bargaining agreement during the past two contract periods. The Board is reluctant to disturb conditions arrived at through collective bargaining without compelling reasons. The new rules proposed by the Carrier are designed to correct the source of past problems. It is to be expected, therefore, that the number of grievances will be reduced and the number of instances in which by-pass penalty pay is required will drop substantially.

Recommendation: That the system overtime rules proposed by Eastern Airlines be adopted but that the present provision for by-pass pay not be disturbed.

(b) Eastern Proposal No. 2: The Company proposes to add a new paragraph to Article 20 of the agreement in order to permit the employment of part-time workers in the classifications of cleaner, ramp-servicemen and stock clerk.

The Carrier argues that fluctuations in peak work loads in the airline industry justify the employment of part-time workers, for three or four hour periods in order to utilize employees effectively. Eastern contends that the jobs of present employees would not be jeopardized because, under its proposal, no employee would be displaced by part-time workers.

The Union points out that the Eastern Airlines-IAM agreement once provided for part-time employees, but, through earlier negotiations, this provision was removed from the contract. The Union argues that, during negotiations, the Carrier offered no proof of a need for workers for three or four hours a day.

It is inherent in the transportation industry that accommodation to the needs of the traveling public will result in peaks and valleys of activity at airline stations. The Carrier now has considerable flexibility in scheduling the shifts of its regular employees. The Board believes that the existing flexibility in shift arrangements should be adequate to permit management to resolve its problems within the framework of its regular work force. Moreover, the Board notes that two of the classifications for which the Carrier seeks part-time employees are those for which management testified, on the national issues, that relatively long progression training periods are required.

Recommendation: The Board recommends that the proposal of the Carrier be withdrawn.

(c) Eastern Proposal No. 3: The Carrier proposes to eliminate the present option in Article 10 which permits an employee scheduled to work on a holiday to elect either to receive double time pay or to receive straight time and add one day to his vacation. In addition, the Carrier would require an employee to work the day before and the day after a holiday to be eligible for holiday pay, if he is scheduled to work on those days.

The present option was made a part of the agreement when Eastern's operations had marked seasonal differences. Now operations are spread more evenly over the year. The existing provision thus causes a problem in vacation scheduling, along with an increasing economic effect. To require that employees work the day before and after a holiday is warranted, according to the Carrier, because these days usually are peak travel days and scheduled employees are needed for efficient operations.

The Union made no comment on the Carrier's proposal to remove the option of an added vacation day or premium pay for holidays. It argued, however, that requiring employees to work days before and after a holiday was unnecessary because the Union knew of no abuses of this nature.

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[1] For convenience the Board has numbered each of the Carrier and Union proposals consecutively. The substance of each proposal will enable the parties to relate this numbering system to the numbering and lettering system used by the parties in the transcript of the hearing.

The Board recognizes that conditions may change over a period of years and that such changes may require adjustments in earlier contract provisions. In this case no economic loss to an employee would result from the Carrier's proposal since he would continue to receive premium pay for holidays worked. Moreover, improvement in the vacation provision for long-service employees has been recommended by the Board.

A provision requiring that all employees who are scheduled to work on the days before and after a holiday must report as scheduled in order to be eligible for holiday pay, is in accord with general industry practice. Further, such a provision is consistent with the needs of this industry in view of the service it must provide on peak travel days. The Board concludes, therefore, that the Carrier's proposal for changes in Article 10 are reasonable.

Recommendation: That the proposal be adopted.

(d) Eastern Proposal No. 4: The Carrier proposes to eliminate the classification, Ground Communications Technician, which includes about 20 employees. Formerly, Eastern maintained its own radio system to communicate with its pilots in flight, while all of the other carriers were with Arinc, which provided a joint service for them. Since the last negotiations, Eastern has sold its facilities and joined Arinc. The Carrier now wishes to eliminate this classification and restore the 20 employees to the general mechanic category from which they originally came. In the mechanic category, the Carrier indicated, the employees could be better utilized and would gain more employment opportunity.

It is clear from the record that the work formerly performed by Ground Communication Technicians no longer exists on Eastern. Formerly, these employees were included in the general category of mechanics; their pay rates are the same as those of mechanics. There appears to be no reason to continue to maintain a separate classification for them.

Recommendation: That the proposal be adopted.

(e) Eastern Proposal No. 5: The carrier proposes that the procedure for bidding shifts and days off be changed to require an employee to submit his written preference seven calendar days after the supervisor issues the bid sheet. At the present time, both the bidding process and the assignment of shifts are conducted in order of seniority. This slows the bidding process so that a period of two or three weeks may elapse before assignments can be made. The proposed procedure would mean that all bids would be submitted simultaneously; the shifts would then be assigned according to seniority preference.

The Union raised no objection to this proposal in the course of the hearing.

On the basis of the testimony submitted, the Board finds the Carrier proposal reasonable.

Recommendation: That the proposal be adopted.

(b) Eastern Proposal No. 6: The Carrier proposes to add to Article 24—Sick Leave, the qualification that sick leave provisions will not apply to a day upon which an employee is not scheduled or required to work a regular shift.

The Carrier points out that all of its employees except those covered by the IAM contract receive pay for sick leave only when they are unable to work on scheduled work days due to sickness or injury. Until an arbitration award in 1963, the IAM sick leave provision was administered in the same manner. As a result of this award the employees under the contract receive sick leave pay even though they would not have worked on the particular day. Thus, according to the Carrier, IAM employees receive this benefit under circumstances in which no other Eastern employees would receive such pay. The purpose of this proposal is to restore the uniform administration of sick leave for all of Eastern's employees.

The Union pointed out that a sick leave provision had been in the contract for many years, but did not question the facts cited by the Carrier with respect to the change in interpretation of the clause since the last negotiations. No reason was shown for an administration of sick leave different for IAM employees from other employees.

Sick leave pay is provided in labor agreements to protect employees from loss of income when they are unable to work because of sickness or injury. The purpose is to make the employee whole, not to pay him more than he would have earned had he been able to work. This purpose governs practice in industry generally, on other airlines, and for all Eastern employees except those organized by IAM. The Board believes that uniformity in the administration of sick leave pay should be restored at Eastern.

Recommendation: That the proposal be adopted.

(g) Eastern Proposal No. 7: The Carrier proposes a modification of the active service provision in Article 20(g) to incorporate current practice into the contract. The Carrier alleged that this proposal is largely a technical adjustment which had not been settled primarily because the same contract article was being held open by the Union on a different issue.

The Union made no comment on the Carrier proposed change in the active service clause except to express opposition. The Union stood on the language of the present agreement.

The Board notes that the language provided by the Carrier for a new Article 20(g) is substantially different from the language in the present Article 20(g), as shown by Carrier Exhibit 34. For instance, the proposed language of the Carrier for a new Article 20(g) eliminates the language of the present article referring to "periods of illness or injury not in excess of ninety (90) days" in connection with the definition of active service.

Recommendation: It is the opinion of the Board that the Carrier failed on the record to sustain its burden of proof on this issue. Therefore, the Board recommends that the proposal be withdrawn.

(h) Eastern Proposal No. 8: Eastern proposes certain changes in Article 19, System Board of Adjustment, in order to streamline the grievance procedure. The parties have agreed on an expedited procedure using a five-man panel of arbitrators. They have been unable to agree, however, upon a procedure to select the members of the panel.

Recommendation: That, if the parties have not agreed on the five members of the panel by the time the contract is signed, the National Mediation Board be asked to supply a list of 15 arbitrators and to outline a procedure by which the parties will select five names from the list.

2. Union Proposals

(a) District 100 (Eastern) Proposal No. 1: District 100 proposes an amendment to Article 2(B) defining the scope of the agreement. The Union contends that the Carrier has been contracting out work which properly comes under the jurisdiction of its IAM employees and that a change in the scope statement is required to protect the job security of the employees it represents. It points out that in the arbitration of grievances on this issue, arbitrators have held that such contracting out by unilateral company action does not violate the terms of the present scope statement. In support of its position, the Union presented substantial evidence of work currently being performed by employees of other companies.

The Carrier argues that acceptance of the Union proposal would force major changes in its operations. It would create problems in handling specialized work for which Eastern lacks the facilities; it would require assignment of employees to perform maintenance work at stations where there is insufficient work to justify their full-time employment. Further, the Carrier points out that there is a shortage of skilled employees at the present time and that there has been a steady increase in the employment by Eastern of workers in categories represented by the IAM. The Carrier also cites the fact that it performs a great deal of work on contract for other companies, work which is performed by employees in District 100. The Carrier asserts that greatly increased costs would result from the Union proposal in terms of unneeded capital investment and unnecessary employees.

Federal regulation of the Carriers is directed toward the welfare and convenience of the traveling public. In fulfilling that obligation a Carrier sometimes must maintain at least limited service at certain points. At such stations it may be more efficient to utilize some of the services of other Carriers, if there is insufficient work to maintain full-time employees in all categories.

In the opinion of the Board, the Union proposal in its present form would lead to a decline in the efficiency of operations and would not enhance the job security of IAM-represented employees. Moreover, there is clear evidence that both parties to these proceedings desire to achieve more nearly uniform conditions throughout the industry. They have negotiated in the past toward an equalization of rates of pay. They have agreed to bargain economic issues jointly in this case. The Board desires to support the parties in their efforts in this direction. Evidence has been presented that one of the five Carriers in this proceeding has negotiated a settlement of this issue, with another District of the IAM, which modifies the current contract language to meet the Union's objections. It appears in the interest of both parties generally to conform the settlement of this issue on Eastern with the agreement reached by National.

Recommendation: That the parties adopt in principle the settlement between National Airlines and IAM, District 145, modified as necessary to take account of differences under their respective agreements.

(b) District 100 (Eastern) Proposal No. 2: District 100 proposes that leads in the various classifications shall make all work assignments to the employees assigned to their lead crews. The Union contends that historically assignments have been made by the leads but that Eastern recently changed its procedures so that the planner or foreman makes assignments, bypassing the lead. This practice, in the Union's view, is an infringement on its work jurisdiction.

The Carrier contends that the Union proposal would prevent any supervisor other than the lead from assigning work and thus would limit the production planning procedures of the Carrier, would require a lead on all assignments including temporary relief, and would interfere with management's right to control assignments. It is the position of the Carrier that the function of the lead is to direct performance, not to determine assignments.

The record does not show any recent decrease in the number of lead jobs or that the function of directing work has changed.

Evidence presented does show that Eastern has developed production planning procedures through which a planner decides assignments in accordance with the overall needs of production. Clearly it is an exercise of management prerogative to establish the flow of work and to allocate responsibility for its direction. The Union proposal could limit the effectiveness of management planning for efficiency in operations.

Recommendation: That the proposal be withdrawn.

(c) District 100 (Eastern) Proposal No. 3: District 100 proposes an amendment to Article 20(G) to provide that an employee will not lose active service benefits as long as there is an employer-employee relationship or the employee remains on the seniority list. By this amendment the Union seeks to restore active service credits that employees lost during the strike of another union in 1962.

The Carrier points out that the IAM International did not support the strike and that the employees who lost active service credits could have retained them by reporting to work in accordance with the position of the International.

It is clear from the evidence that the active service credits here involved were lost because the employees participated in an unauthorized strike. The Board finds no basis for accepting the proposal.

Recommendation: That the proposal be withdrawn.

(d) District 100 (Eastern) Proposal No. 4: District 100 proposes an amendment in Article 24 to provide that absences due to legitimate use of injury and/or sick leave not be charged against an employee's attendance record or used by the Carrier in support of discipline or discharge for absenteeism.

The Union protests the present Carrier policy of using sick leave or injury leave absences to build up a record of unsatisfactory attendance leading to disciplinary action. There are safeguards in the contract, the Union points out, against abuse of sick leave. The Union urges that neither sick nor injury leave, nor other absence authorized by management, should be made part of an employee's attendance record.

It is the Carrier's position that an unsatisfactory attendance record increases its costs of production, whatever the cause, and that the employee is protected by his right of recourse to arbitration. The Carrier contends that its attendance control program is fairly administered.

The Board recognized the Carrier's need to maintain control of the attendance of employees. Further, it is an accepted principle of industrial relations that persistent absenteeism is cause for discipline, including discharge, and that such determinations usually are based on cumulative records. On the other hand, Eastern's attendance control program appears to consist solely of demerits, with no counterbalancing credit given for periods of good attendance records. It is the opinion of the Board that the counterproposals made by the Carrier on this issue move in the direction of accomplishing such a balance. The Board suggests that they go one step further by providing for redress of the employee's record when such action is supported by review of his record.

Recommendation: That the counterproposals of the Carriers be adopted with an additional provision for redress of the employee's record when warranted by review.

B. Northwest Airlines, Inc., and District 143

1. Carrier Proposals.

(a) Northwest Proposal No. 1: The Carrier has proposed elimination of the 20-minute paid lunch period provided for flight kitchen employees under the agreement.

The Carrier states that this amendment would make the flight kitchen personnel provision consistent with mechanic and plant protection agreements. Further, among the four domestic airline trunk carriers which operate flight kitchens, Northwest is the only carrier currently providing a paid lunch period. The Carrier maintains that the overlap available with an unpaid lunch period provides better continuity of work programming and reduces overtime requirements.

The Union claims that the paid lunch period actually benefits the company because it is scheduled during slack times, whereas the 30-minute unpaid lunch must be regularly scheduled. The Union denied that there would be any saving on overtime. The Carrier admitted that much of the overtime would be due to illness, weather, flight scheduling, et cetera.

This 20-minute paid lunch period for flight kitchen personnel is a provision of long standing on Northwest. At one time it was of benefit to the Carrier and, according to the Union, still is a convenience to the Carrier.

It is the view of the Board that contractual rights which exist in the present agreement, and which are the result of previous collective bargaining negotiations, should not be modified by the Board in the absence of a clear justification by the proponents. The 20-minute paid lunch period provided for flight kitchen employees under the present agreement is a long-standing contractual provision. It is the view of the Board that the Carrier, on the record, failed to sustain its burden of proof on this issue.

Recommendation: That the proposal be withdrawn.

(b) Northwest Proposal No. 2: The Carrier proposed to revise the fixed starting time rule at line stations under Mechanic and Related Personnel agreements to permit the establishment of times which meet the needs of the service.

The Carrier claims that the purpose of this proposed change is to eliminate arbitrary and costly shift starting-times at line stations. These times are presently unrelated to the work-load generated by flight schedules. The Carrier's witnesses and exhibits established the fluctuation in the demands of service. These demands do not correspond to standard mandatory shift schedules now set in the contract. Further, the majority of domestic airlines trunk carriers have rules which permit starting times limited only by the needs of the service. Of the remaining carriers in this case, only TWA has a rule as restrictive as Northwest.

The National Airlines Agreement on this issue provides that the starting times of shifts should be established in accordance with the needs of the service at each base.

The Eastern Air Lines Agreement provides that the starting times of shifts shall be established in accordance with the needs of the service at each station provided that there shall be no more than 6 shifts each with a single starting-time within a 24-hour period for any classification of employees involved.

The United Air Lines Agreement provides for not more than five starting-times within a 24-hour period.

Only Northwest and TWA have detailed restrictive clauses in their agreements as to starting-times on these two carriers which have given rise to the disputes over this issue.

The Board was impressed by the showing of the Carriers that some reasonable control of shift starting-times should be within the prerogatives of management. It is the view of the Board, moreover, that some reasonable modification of Article VI, Section C, of the Northwest Agreement, would result in more efficient operation which in the long run would be of benefit to the Carrier, consumers and employees.

Recommendation: That the parties modify their present agreement so as to include a provision, "That there shall not be more than five (5) starting times within a twenty-four (24) hour period for any classification of employees for a work area of a line station."

(c) Northwest Proposal No. 3: The Carrier proposes to amend the hours of service rule to provide that employees will not be required to report for work on a scheduled day off for less than four hours work or pay.

The Carrier testified that the purpose of this proposal is to modify the present eight-hour guarantee, providing what management considers a reasonable minimum of four hours of work or pay for an employee called to work or to train on a day off. Northwest is the only trunk carrier under contract with IAM which is required to pay a minimum of eight hours.

The present provision in the contract providing for an eight-hour guarantee is one of long standing. As noted by the Board previously in this report, it is the view of the Board that contractual rights established through prior collective bargaining should not be modified by the Board in the absence of justifying proof from the proponents. The eight-hour guarantee, as it stands, presumably was considered a fair settlement by the Carrier when it accepted the provision in the first place. Acceptance at the time undoubtedly was considered favorably in light of other provisions agreed to by the parties in the give-and-take which produced the present agreement.

The Board believes, on the basis of the record before it, that the carrier controlling the scheduling of work hours should continue the negotiated provision in the present contract.

Recommendation: That the proposal be withdrawn.

(d) Northwest Proposal No. 4: The Carrier proposed a limited seasonal student employment program at locations where no regular employees are laid off.

The purpose of this proposal is to enable the Carrier to expand its program for seasonal student employment. The proposed rule would be subject to these qualifications: first, that no regular employee be displaced; second, that no student be employed at any location when regular employees in the classification are laid off; third, that preference for seasonal student employment be given to children of regular employees; fourth, that student employees present evidence of their intent to continue their education at an institution of advanced study; fifth, that seasonal positions will not exceed 90 days duration, will not be subject to the bulletin procedure, and will not establish seniority.

The Union favored the program but raised several objections. The Union felt that there were not sufficient regular employees in the classifications open to seasonal student employees. The Union also desired to continue the bulletin provisions for positions to be filled by such students.

The Board believes the company should be encouraged in continuing this program.

The students who would benefit from seasonal employment are children of the employees. The employees and the Carrier have a mutual obligation to resolve any problems created by the program. The primary objection of the Union is that all the students normally are assigned to the day shift while employees with substantial seniority must work on less desirable shifts.

The Board recognizes that the Carrier can use the students most effectively in groups and that in some instances the type of work they can perform may not be available except on the day shift. The Board believes, however, that the Union's objection could be overcome substantially if the Carrier would, to the extent practical, distribute student employees throughout all shifts.

Recommendations: That the proposal be adopted with a proviso that, where suitable work is available, the students be assigned to all shifts.

(e) Northwest Proposal No. 5: The Carrier proposes that standard work clothing required by the Carrier shall be sold at cost to the employees but shall be maintained by them.

The present agreements provide that all standard uniforms, caps, and coveralls, which mechanics are required to wear, shall be furnished by the Carrier without cost to the employee, including the expense of laundering and cleaning. The Carrier does not require uniforms for plant protection employees. The Carrier points out that in the bargaining prior to the appointment of the Emergency Board the Union had a proposal on this same issue which would have required the company to provide and maintain standard work clothing for all employees at no cost to them. The Carrier offered its proposal as a reasonable compromise.

At the hearing before the Emergency Board the Union withdrew its request that the Carrier provide and maintain standard work clothing for all employees.

It is the opinion of the Board that the Carrier failed to sustain its burden of proof in support of its proposal for a change in the present agreement.

Recommendation: That the Carrier withdraw its proposal.

(f) Northwest Proposal No. 6: The Carrier proposes to eliminate the foreign service bonus, foreign vacation accrual, and the Anchorage housing, effective January 1, 1967, for approximately 11 employees hired in the States and stationed in Alaska before Alaska attained statehood.

In June 1964 Northwest was first certified to operate over the North Pacific route to the Orient. Because of the shortage of foodstuffs, household goods, and housing at Anchorage, the Carrier had difficulty staffing these stations. The so-called "foreign service addendum provision" was then negotiated into the contract to provide employees represented by the Union with certain additional benefits and/or compensation to offset the then existing hardships and undesirable living conditions. The Carrier is proposing to eliminate certain of these items; all other compensations provided for in the addendum would still be paid to the 11 employees.

The Union emphasized that employees hired in Alaska receive many additional benefits in overtime, holidays and vacations, as well as in hourly rates of pay.

It is the view of the Board that the contractual commitment made by the Carrier in the first instance to these 11 employees should be recognized as continuing for the length of their employment in Alaska. The Board believes that with regard to any new employees, the proposal of the Carrier is reasonable.

Recommendation: That the proposal be withdrawn as to the 11 employees and accepted as to new employees.

2. Union Proposals

(a) District 143 (Northwest) Proposal No. 1: The Union proposes that the Carrier furnish two positive annual passes for use over the Carrier's system during the term of office of the Union's president/general chairman and the general chairman. Use would be limited to flights in connection with Union business.

The Union now receives one positive annual pass which is used by the president/general chairman. Other Union representatives receive space-available passes, including the general chairman.

The Carrier argues that a space-available pass is sufficient. The Union's position is that reduced fares are given to certain youths, families, servicemen, et cetera, all of which have preference over space-available passengers.

Although the second positive annual pass would be an additional expense to the Carrier, the Board believes the proposal of the Union is justified.

A great amount of travel is required in order to conduct necessary Union business for airline employees stationed at widely-separated points. It is not unreasonable that two officials of the Union should be provided with transportation on the Carrier's planes to conduct that business.

In view of the uncertainty which now so often attends travel on a space-available basis, the Board believes that positive transportation should be provided for the general chairman as well as the president/general chairman.

Recommendation: That the proposal be adopted.

(b) District 143 (Northwest) Proposal No. 2: The Union proposes that newer and more efficient foul weather equipment and light-weight winter clothing for ramp personnel be furnished by the Carrier, laundering and cleaning costs to be borne by the Carrier.

The Union originally proposed that the Carriers provide and maintain standard work clothing for all employees at no cost to them. This proposal was withdrawn prior to the appointment of the Emergency Board and, therefore, was not before the Board for decision.

The final proposal of the Union involved issues similar to the proposal of the Carrier regarding standard work clothing. The Board understands that the Union and Carrier have discussed this matter and that the Carrier is aware of the type of foul weather equipment and light-weight winter clothing desired by the Union.

Although the Board feels that the selection and requirement of standard clothing is primarily a decision for the Carrier, the request of the Union is reasonable.

Recommendation: That the Carrier furnish newer and more efficient foul weather equipment and light-weight winter clothing as the Carrier's present stock of such clothing requires replacement, with laundering and cleaning costs to be borne by the Carrier.

C. Trans World Airlines, Inc., and District 142:

1. Carrier Proposals

(a) TWA Proposal No. 1: The Carrier proposes that the Union enter into a letter of agreement which would insure that the IAM-covered employees continue to render their services to flights operated by the Carrier for U.S. military establishments even though the Carrier and the Union are involved in a strike or withdrawal of services by the Union in commercial operations.

TWA believes this proposal is in the national interest. The Department of Defense desires such an agreement between the Carrier and the Union. Lack of this agreement would have an impact on the Carrier's ability to obtain military contracts in which the employees also have a vital economic interest.

The Carrier submitted exhibits showing that the Union has entered into such agreements with United Air Lines, Northwest Airlines, Braniff Airlines, Continental Airlines. TWA has such agreements with other employee groups. Since military contract revenues represent only one to two percent of the Carrier's total system revenues, this proposal would not substantially reduce the Union's right to self help.

The Union stated that flight engineers were not included in the letter of agreement on this issue. However, the Carrier claimed that the Flight Engineer's Union president had verbally agreed to this proposal.

The Board finds the provision requested by the Carrier clearly in the interest of national security.

Recommendation: That the proposal be adopted.

(b) TWA Proposal No. 2: The Carrier proposes that the scope clauses in the three agreements be amended to eliminate any ambiguity as to the Carrier's right to subcontract work not directly performed by the Carrier on its property.

The Carrier's position is that it presently possesses the right to subcontract work not directly performed on its property. It desires specific language because of the large number of allegedly unwarranted grievances filed by employees under the present agreement. The Union has an agreement including such language with Braniff Airways, Continental Airlines, and United Airlines. Similar language is contained in agreements between the Transport Worker's Union and American Airlines, and Pan American World Airways.

The Union's position is that this proposal would give the Carrier the unilateral right to contract out work not performed on the property.

The Carrier's proposal is not designed to reduce any present work opportunities available to its own employees in the bargaining unit, nor does it seek to dilute the Union's present work jurisdiction.

Recommendation: That the Carrier's proposal be adopted.

(c) TWA Proposal No. 3: The Carrier proposes that its mechanics and guards agreement be amended to permit the establishment of whatever number of shifts, at whatever starting times, operations and needs of the service require and that the requirements of Article VII(f) (that shifts in excess of three be confined to station crews serving flights) be eliminated. The required overlap of one-half hour between standard present shifts would no longer be mandatory.

The Carrier is presently limited to the establishment of three shifts at its major stations, the first shift not to start earlier than 6:30 a.m., or later than 8:00 a.m. Each shift is of eight hours duration, exclusive of one-half hour for lunch. The second and third shifts are subject to a 30-minute overlap requirement.

Article VII(f) permits two additional shifts but restricts the additional shifts to station crews servicing flights; this would be in the terminal or station area. Additional shifts would not be utilized at the hanger and the air freight warehouse.

The Carrier established fluctuations in the demands for service which do not correspond with standard mandatory shift schedules now set out in the contract. Further, the majority of the domestic airline trunk carriers have rules which permit starting time limited only by the needs of the service. Of the remaining carriers, only Northwest Airlines has a rule as restrictive as TWA.

The National Airlines Agreement on this issue provides that the starting times of shifts should be established in accordance with the needs of the service at each base.

The Eastern Airline Agreement provides that the starting times of shifts be established in accordance with the needs of the service at each station provided that there shall be no more than six shifts each with a single starting time within a 24-hour period for any classification of employees involved.

The United Airlines Agreement provides for not more than five starting times within a 24-hour period.

On the other hand, Northwest and TWA agreements have the detailed restrictive clauses which have given rise to this dispute.

The Board was impressed by the evidence presented by the Carrier that reasonable control over shift starting times should be within the prerogative of management. It is the view of the Board, moreover, that reasonable modification of the hours of service section relating to shift starting time and Article VII of the agreement would result in more efficient operation which in the long run would be of benefit to the Carrier, consumers and employees.

Recommendation: That the parties modify their present agreement so as to include a provision, "That there shall not be more than five starting times within a 24-hour period for any classification of employees for a work area of a line station."

(d) TWA Proposal No. 4: The Carrier proposes to amend Article XIV(b), to eliminate the prohibition against suspension of an employee pending investigation by a safety committee for refusal to work on a job which is allegedly unsafe.

The Carrier testified that the adoption of this amendment would result in fewer attempts by employees to raise questionable health and safety issues. It also stated that the Safety Committee is not always readily available to pass upon safety issues.

The Union testified that even if the Safety Committee is not always available, IAM stewards are instructed to handle such problems until the Safety Committee becomes available. It further states that TWA has refused to participate in a system safety provision.

Recommendation: That the Carrier withdraw its proposal and that the contract be modified to permit IAM stewards and TWA foreman jointly to investigate such allegations if a Safety Committee is not readily available.

(e) TWA Proposal No. 5: The Carrier proposes to make permanent work assignments for ramp servicemen.

The Carrier testified that under the present agreement the ramp servicemen classification encompasses numerous duties involved in the handling of food and mail service, loading and unloading of mail, express and freight cargo handling, baggage handling and, at some stations, cleaning and fueling of aircraft.

The Carrier seeks a letter of understanding which would permit assignment of ramp servicemen to a particular work assignment for the purpose of permitting specialization and more efficient service. There was also some indication that overtime could then be worked by experienced personnel instead of requiring that it be available to all ramp servicemen in the general classification.

The Union replied that this proposal would, in effect, create departmental groups within the classification of ramp servicemen, establishing departmental seniority which the Union has opposed.

The Board is of the opinion that this proposal would result in more restrictive classifications.

Recommendation: That the Carrier withdraw its proposal.

2. Union Proposals

(a) District 142 (TWA) Proposal No. 1: The Union proposes to amend Article II(c) to require two ramp servicemen at all Carrier domestic stations, if there are two flights at the station within an eight-hour period.

The Carrier stated that only six of its 39 domestic stations are not staffed with ramp servicemen and that at these stations the activity is too light to warrant such staffing. Further, that no other carriers have a minimum staffing requirement.

The Board is convinced that there is not sufficient work at all stations to justify the minimum staffing proposal of the Union.

Recommendation: That the Union proposal be withdrawn.

(b) District 142 (TWA) Proposal No. 2: The Union proposes that the Carrier be prohibited from using legitimate sick and/or injury leave in certain cases for the purpose of discharging employees for excessive absenteeism.

The Union contended that legitimate absence for illness or injury should not be a basis for discharge.

The Carrier position is that management has a right to require regular attendance and to discharge for persistent absenteeism, including legitimate illness or injury. Numerous arbitration decisions are cited in support of the Carrier's position.

This issue is similar to Union issue No. 4 on Eastern Airlines. The Board finds no basis for disagreeing with the decisions of arbitrators that excessive absenteeism may justify discharge of an employee. For this reason as well as the reasons stated in District 100 (Eastern) Proposal No. 4, the Board cannot support the Union's proposal. The Board suggests that the Carrier provide for redress of the employee's record when such action is supported by review of it.

Recommendations: That the Union withdraw its proposal, and that the Carrier provide for redress of the employee's record, when warranted by review of it.

(c) District 142 (TWA) Proposal No. 3: The Union proposes that the Carrier be required to return employees' pass privileges to the status existing January 1, 1964, when a surcharge was imposed on first-class travel. The contract provides that this pass privilege is within the discretion of the Carrier.

In the agreement between the parties, the Carrier had provided pass privileges to all their employees. A small service charge is levied to cover costs. In the case of first-class travel, there is a surcharge which is the charge complained of here. The Union position is that this pass privilege is an important fringe benefit and that the employees should not be required to pay a surcharge for first-class travel in addition to the service charge.

The Board considers the Carriers' employee pass privileges a liberal provision in the contract. It does not believe the surcharge imposed on first-class travel is an unreasonable charge.

Recommendation: That the Union proposal be withdrawn.

D. United Airlines, Inc. and District 141

1. Carrier Proposals

(a) United Proposal No. 1: The Carrier proposes to amend the agreement to provide that passenger service employees may operate jetways. The Carrier argues that passenger agents performed this duty until an arbitration award granted ramp men the exclusive right to it. It is the position of the Carrier that passenger agents in any case are required to stand at the point where jetway controls are located, while ramp servicemen must be brought from one floor below, where their other duties are performed. The Carrier contends that the current procedure adds to its costs; that the change it has proposed would not result in layoffs, only in reassignments.

The Union argues that under the contract terms the "operation of automotive and ramp equipment for service aircraft" is by definition within the scope of the ramp servicemen's work jurisdiction. It points out that, if the Carrier's proposal to assign the operation of jetways to passenger agents were accepted, it would take work away from bargaining unit employees and give it to workers who are not organized. Further, the Union points out that at the busier airports where jetways usually are located, there is sufficient work for a full-time employee to be assigned to this function.

The contract provision involved in this issue has been in the collective bargaining contract for many years. The Union's claim to the work under that provision has been sustained in arbitration. Evidence presented by the Carrier on this issue appears to the Board to be insufficient to warrant changing a long standing negotiated contract clause.

Recommendation: That the Carrier proposal be withdrawn.

(b) United Proposal No. 2: The carrier proposes that ramp servicemen be permitted to receive and dispatch planes. The Carrier argues that none of the duties of receiving or dispatching aircraft requires the skill of a mechanic. At stations where no mechanics are assigned, station agents perform this function, while at four other stations, by agreement with the Union, either utility men or ramp servicemen perform the duties. At 22 larger stations only mechanics may receive or dispatch planes. The Carrier wishes to assign these mechanics to mechanics work and to permit ramp servicemen to receive and dispatch planes at those stations. They state that no mechanics would be displaced.

The Union argues that it has been the practice for many years to use mechanics to perform this function at stations to which they are assigned. It insists that mechanics could be expected to observe conditions which might create safety problems a ramp servicemen is not trained to observe. Further, the Union argues that the Carrier is trying to get mechanic's work done by a lower pay classification and that this proposal will have the ultimate effect of removing a number of mechanics.

The testimony in the case showed that there are no FAA regulations requiring a mechanic to perform this function, as a matter of safety. Moreover, there is a shortage of mechanics at the present time to perform work for which a mechanic's skills are required. Since both parties agree that at many stations these duties are performed by personnel other than mechanics, the Board is persuaded that a mechanic's skills can be better utilized in other assignments.

Recommendation: That the proposal be adopted.

(c) United Proposal No. 3: the Carrier proposes to amend Article IV(H) to permit either utility employees or ramp servicemen to do interior through-cleaning and cabin set-up. It is the Carrier's position that historically there was a difference between through-cleaning and turnaround cleaning which no longer exists. Ramp servicemen have performed a minimum amount of through-cleaning as an incidental part of their basic duties. Now there is little difference between through and turnaround flights. The Carrier therefore is seeking to use specialized utility crews to do all cleaning at larger stations.

The Union contends that, by this proposal, the Carrier is attempting to assign to lower paid employees work that formerly was performed by ramp servicemen.

There is no allegation either that ramp servicemen will be displaced under this proposal or that cleaning ever was more than a minimal part of their work. The Carrier's proposal would appear to lead to increased efficiency and improved service to the public. The Board believes that no ramp service employees would be adversely affected by adoption of the Carrier's proposal.

Recommendation: That the proposal be adopted.

(d) United Proposal No. 4: The Carrier proposes an amendment to Article VII(F) to provide that an employee may be excused by his supervisor from working overtime if the needs of the service permit. The existing clause states that an employee will not be required to work overtime against his wishes. The Carrier contends that there have been instances where the employees engaged in a concerted refusal to work overtime to force concessions from management either in negotiations or at other times.

The Union states that the International has intervened to stop mass refusals to work overtime but that men cannot be forced to work overtime.

The Board cannot agree with the Union that employees have no obligation to work overtime. It is generally accepted industrial practice that reasonable amounts of overtime may be required by an employer. Moreover, in this industry, a mass refusal of overtime could adversely affect the service the Carrier is obligated to provide. More importantly, the safety of the public could be involved.

Recommendation: That the proposal be adopted.

(e) United Proposal No. 5: The Carrier proposes to eliminate the current provision in Article VII(I) which provides that employees be given four hours notice of contemplated overtime. United urges that under present operating conditions management itself frequently does not know four hours in advance that overtime work will be required.

The Union indicated that, if the Carrier would make a satisfactory adjustment on overtime distribution, it would accept the Carrier's proposal.

The Board has indicated in certain of its other recommendations that it recognizes and supports the efforts of the parties to move toward greater uniformity in working conditions in this industry. In the contracts of two other airlines, parties to this case, a similar contract provision includes exceptions to the rule specifying four hours notice of overtime. The Board therefore suggests a similar provision here.

Recommendation: That employees shall be given four hours notice of contemplated overtime work, except in cases of emergency and at line stations where interruptions of flight schedules make a four hour notice impossible.

(f) United Proposal No. 6: The Carrier seeks to amend Article X(A-2) and (I) to permit the extension from 30 to 90 days of the time limit within which jobs higher than mechanic can be filled without being bulletined. United argues that fluctuating workloads result in a need to make temporary reassignments for periods in excess of 30 days. To replace a lead for a temporary period, the Carrier contends, creates a chain reaction of vacancies which later must be reversed by lay-offs.

It is the Union's position that the present contract provision requiring the bulletining of vacancies in excess of 30 days is current practice. The Union rejects any change.

Provisions that vacancies in excess of 30 days must be bulletined are common in labor agreements generally as well as in this industry. Testimony presented by the Carrier fails to demonstrate any handicap to its operations as a result of the present contract clause which would warrant departure from this widely accepted practice.

Recommendation: That the proposal be withdrawn.

2. Union Proposals

(a) District 141 (United) Proposal No. 1: The Union proposes that Article IV(A) and V(A) be amended to provide that all assignments be made by the lead to his crew except that, when he is not readily available, the foreman or supervisor shall make such assignments. Further, the Union proposes that a lead shall be on duty when three or more employees are on duty and no lead shall direct the work of more than eleven employees. The Union agreed that these ratios are generally maintained by United but cited instances where no lead is employed.

The Carrier contends that flexibility is necessary in permitting supervisors to give assignments and in determining whether there is need for a lead.

The Board believes that the Union proposal could lead to restrictions on the Carrier's operations which would handicap efficiency. Moreover, such a clause in the contract places an unwarranted limitation on the Carrier's prerogative to manage its operations.

Recommendation: That the proposal be withdrawn.

(b) District 141 (United) Proposal No. 2: The Union proposes that Article IV(B) be amended to restore the right of mechanics to receive and dispatch aircraft at the four stations where, by agreement in 1961, the work was assigned to ramp servicemen.

The Carrier contends that such a restriction would require assignment of mechanics to work in which their skills could not be utilized.

For the same reasons given in its decision to permit the use of ramp servicemen to perform this function at other stations (United Proposal No. 2), the Board finds no basis to limit assignment of this function to mechanics.

Recommendation: That the proposal be withdrawn.

(c) District 141 (United) Proposal No. 3: The Union proposes that system overtime rules be adopted which would include provision for equalization of overtime and pay for by-pass. It contends that local agreements which govern the distribution of overtime have functioned unsatisfactorily and that many grievances have resulted from overtime by-pass. The Union insists on pay for by-pass and on assignment on the second day off if the same employee is still the low man.

The Carrier has agreed to a uniform set of system overtime rules. It opposes by-pass pay, contending that existence of the penalty does not eliminate errors. Overtime assignment on the second day off is opposed because pay would be at double time rather than time and one-half as it would be if assigned to another employee.

The Board finds that the parties are in substantial agreement with respect to new system overtime rules, except for by-pass pay and second-day-off assignment. The purpose of an equalization of overtime provision is to insure all employees a fair opportunity to work at premium rates. Generally, such clauses provide that the opportunity should be equalized over a specific period such as 30 or 90 days. An opportunity missed is not lost; it may be deferred. But if an employee is consistently bypassed he has a remedy through grievance machinery. Moreover, the obligation of the employer under an equalization of overtime clause is normally not as restrictive as under a seniority clause. The Board, therefore, finds no basis to recommend instituting bypass pay where it does not now exist.

As to the second day off at double pay, the same arguments generally apply. Labor organizations typically have sought an increased overtime penalty to discourage seven day assignments. It cannot then be argued that having achieved inclusion of the penalty rate in the contracts, employees must be assigned on the seventh day. There is no basis for imposing a penalty on the employer because the same employee is still low man on the overtime list. The employee is not thereby entitled to extra premium pay, or the employer subject to the extra penalty, so long as over a fixed span of time overtime work opportunities are offered as equally as possible to all employees. The Board finds no support in general industry practice for this penalty provision.

Recommendation: That the system overtime rules proposed by the Union on which general agreement has been reached be adopted, but that the rules should not include by-pass pay or assignment on the second day off if the same employee is still low man.

(d) District 141 (United) Proposal No. 4: The Union proposes that the present point seniority provision be replaced by system seniority. The Carrier has agreed to the Union proposal except that it includes two conditions which are unsatisfactory to the Union. The Union insists that every vacancy be bulletined as it occurs, while the Carrier desires permanent bids. The second condition that the Union rejects is a provision that the Carrier would not be required to accept bids for vacancies created by employees voluntarily transferring by bid. The Union contends that both of the Carrier's conditions would prevent reasonable application of seniority preference.

The Carrier supports its first condition by pointing out that the Ramp and Stores agreements now have permanent bid procedures which are less time consuming and costly than the current Mechanics agreement procedure of bulletining each bid. With system seniority, transfers would be likely to increase and to cause new problems unless a permanent bid procedure is adopted. Because the Carrier anticipates a substantial increase in transfers with an accompanying high cost of training on different equipment, it has proposed the second condition as a deterrent to an excessive number of transfers.

The testimony indicates that permanent bids are now the accepted practice for other United employees organized by IAM. It is in accord with the parties' general approach toward greater uniformity of working conditions that the same practice should be incorporated in the proposed system overtime rules for mechanics. The Board finds, further, that the effect of widespread chain-bumping, which could occur under system seniority, would be to impose a burden of high costs on the Carrier. The Carrier has agreed to the Union's proposal on seniority; that their agreement should also require the assumption of unnecessary costs appears to be unreasonable.

Recommendation: That the Union's proposal be adopted and that the two conditions of permanent bids and no requirement to accept bids on vacancies created by voluntary transfers be included in the contract provision.

VI. CONCLUSION

The Board is grateful to the representatives of the International Association of Machinists and Aerospace Workers and the five Carriers for their diligence, good will, candor, and objectivity. The Board is impressed with the obvious sincerity of the parties and with their desire to present the facts as they saw them; this they have done without the bitterness or resentment which might unduly delay eventual agreements.

Their cooperation has assisted the Board in the performance of its duties; we in turn sincerely hope that the Board's recommendations will help them to reach prompt settlements. With 60 percent of our air transport industry involved, any delays would threaten the welfare of the country and the convenience of many Americans.

The parties have provided the Board with a good record to which the Board has given full consideration.

The Board strongly believes that in the public interest the disputes submitted to it should be settled in accordance with its recommendations.

Respectfully submitted.

WAYNE MORSE, *Chairman.*
DAVID GINSBERG, *Member.*
RICHARD E. NEUSTADT, *Member.*

SUMMARY

The following is a summary of the major recommendations of the Presidential Emergency Board appointed to make recommendation for the settlement of the pending dispute on five major airlines.

The dispute is between the International Association of Mechanics and Aerospace Workers and five airlines (Eastern, National, Northwest, Trans World, and United).

There are 40 local issues in the case which need not concern you. There are national issues, however, and these are the recommendations of the Board:

1. The Board recommends a 42-month contract, from January 1, 1966, to July 1, 1969.

2. The Board recommends a wage reopener on January 1, 1968, if the Consumer Price Index has risen during Calendar 1967 by more than the average annual increase of that Index over the last five years plus one per cent. (This would probably mean the Consumer Price Index would have to rise by over 2.9 per cent.) Under this provision, the parties would get 30 days to work out

a new wage scale. If that failed, the Secretary of Labor could appoint arbitrators whose decision would be binding. There would be no right to strike. In arriving at their decision, the arbitrators shall consider the public interest in economic stability, competitive factors, labor shortages, the ability to pay, job content, productivity, and the cost of living. The Union wanted a cost of living escalator, which the airlines opposed. The recommendation of the Board is novel and will probably receive a lot of attention in labor-management circles.

3. The Board recommends elimination of two wage progression steps—one on January 1, 1967, and one on January 1, 1968. The Union wanted total elimination of all wage progression (there are 4 to 7 steps, depending on the job). The airlines wanted no change.

4. At the highest category (presently receiving $3.52), the wage recommendations of the Board are:

1st 18 months	$3.70
Next 12 months	3.85
Last 12 months	4.00

The Board's recommendations end at $4.00. The Union wanted $4.04; the companies, $3.88.

5. The Board recommends four weeks of vacation after 15 years of service. At present, 20 years of service are required. This grants the Union demand, although the Board rejected a Union request for three weeks vacation after 8, rather than 10 years.

6. The Board recommends no change in the current contribution system on health and welfare plans and pensions plans. This rejects a Union demand.

7. The Board denied overtime demands of the Union (for triple time on holidays).

8. The Board recommends an extra holiday on Good Friday. This goes with the Union. Presently, there are seven holidays observed: New Year's Day, Memorial Day, Washington's Birthday, Labor Day, Thanksgiving, Armistice Day and Christmas.

9. The Board recommended a continuation of an 8½ hour day, including a ½-hour unpaid lunch period. The union wanted an 8-hour day with a paid ½-hour lunch period.

10. The Board rejected premium pay for mechanics who are licensed by the F.A.A.

11. The Board rejected Union make-work demands as infringements on management rights. It largely supported legitimate economic demands of the Union.

TRIBUTE TO WEST POINT VOLUNTEERS FOR VIETNAM SERVICE

Mr. LONG of Louisiana. Mr. President, there appeared in the Washington Post this morning an article entitled "West Point to Vietnam." The article concerned the young West Point graduates of this year.

I note in the article that more young West Point seniors have volunteered to go to Vietnam than the service finds appropriate to send there.

As a U.S. Senator, I should feel extremely proud if one of those young men were my son, and so should every one else.

The Nation should also feel very proud that these young men have dedicated their lives to our country and have volunteered for service far beyond the Nation's immediate needs to go to the point of greatest peril.

I ask unanimous consent that this article may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, June 9, 1966]

West Point to Vietnam—98 of 580 New Graduates Draw Combat Assignment

West Point, N.Y.—Of the 580 young men in this year's graduating class of the U.S. Military Academy, 98 will go on first assignment to Vietnam.

Graduation exercises Wednesday marked the climax of June Week. Most of the 580 received commissions as second lieutenants in the Army.

All are "very aware" of the Southeast Asian condition.

How do they face the prospect? Generally, with maturity, confidence in their leadership potential, professional eagerness to learn what combat is about, and dedication, plus a curiosity: Am I really suited to be a soldier?

Many more volunteered for immediate Vietnam duty than could go.

The Army allocated 98 vacancies, by branch—infantry, 43; artillery, 23; engineer, 15; signal, 5; armor, 12. Selection was by general order of merit within the branch each cadet had chosen to enter—that is, in descending order of class standing until the quota was filled.

A reporter talking to a few of them finds a common motivation for volunteering for Vietnam.

"Sir," said Cadet Sfc Richard E. Hood, 21, of Winter Haven, Fla., who chose the infantry, "I took the military as my profession, and the ultimate test of our profession is the defense of our country's interests in combat. I just don't feel right otherwise. I'd like to be a part of that challenge.

"I've been trying to read on Vietnam but on the issues. Every man in my platoon will be wondering why he is there thousands of miles away from home. He should have a motivation."

MATURE EARLIER

Maj. Gen. Donald V. Bennett, the Academy's superintendent, said:

"I've taken the opportunity to talk to almost every member of the class. Without exception, the operations in Southeast Asia have caused the class to mature a little earlier than normal. There's a complete awareness of the responsibilities that are going to come. They want to be sure they are ready.

"The greater awareness includes complete acceptance of requirements in the nonmilitary side of their activities—the languages, the economic background of the countries, the religious aspects. This part of it, they've been getting in large part in their electives."

One such elective is titled simply "Revolutionary War," dealing with operations in less-than-sophisticated areas and taught by a colonel who has had South Vietnam duty. Next fall, a course in speaking and reading Mandarin Chinese will be offered.

Last year, about 25 officers returned from Vietnam to teach at the Point. Brig. Gen. Richard P. Scott, Commandant of Cadets, points out that about one-third of the instructors in tactics now have had Vietnam experience. Vietnam-bound graduates keep them busy with questions.

MORE SCHOOLING

Those assigned to Vietnam will go to ranger school for nine weeks, then to airborne training three weeks, then to a U.S.-based combat unit for four months—and maybe start to Vietnam in February.

West Point buddies who are already in Vietnam write back with all kinds of advice. As Cadet Sfc. John A. Fera, 21, of Danvers, Mass., says: "Some of them say you really shouldn't have volunteered because you'll be in command of a platoon and you won't know what you are doing. Others say you'll learn right away. I know it'll be hard. We'll bone up all summer on tactical pamphlets."

Two brother cadet captains, Dennis D. Loftheim, 21, and John W. Loftheim, 22, of Largo, Fla., are among the graduates going. Why did they volunteer?

"It's a moral obligation," said Dennis. "I think I owe something to the service—and that's where I belong. And, for a more selfish reason, I'd like to see if I'm suited for it. You don't really know how the army functions until you get out and deal with men awhile."

And Arthur V. Grant, Jr., 21, of Drexel Hill, Pa., said he was anxious to go right away "because I feel our national prestige is at stake and any little bit I can do, I should; also if the Communists' basic premise is that they can't succeed until capitalism has been destroyed, I'd rather stop them out there than in my back yard."

INDIANA'S HARTKE VOICES STRONG SUPPORT FOR SCHOOL MILK PROGRAM

Mr. PROXMIRE. Mr. President, a number of my colleagues in the Senate have testified before the Agriculture Subcommittee of the Senate Appropriations Committee in support of adequate funding for the special milk program for schoolchildren. As we all know the administration has proposed an 80-percent cut in the program.

One of the most cogent statements of support for the program was made by Senator Vance Hartke, of Indiana. Senator Hartke pointed out that the proposed cutback would result in a 3-cent increase in the cost to the child of a half-pint of milk. Nineteen Indiana counties estimate that a price increase of this magnitude would cause 7,600 children to terminate their participation in the school milk program.

Mr. President, I ask unanimous consent that this excellent statement be inserted in the Record at this point:

There being no objection, the statement was ordered to be printed in the Record, as follows:

Senator Vance Hartke's Statement on School Lunch and School Milk Budget Cuts to the Senate Subcommittee on Agriculture Appropriations, April 11, 1966

For fiscal 1967, the Bureau of the Budget has recommended cuts of $101,000,000 in the School Lunch and School Milk Programs—two programs with which we are all concerned.

Since announcement of the cuts, I have received over 600 letters from school officials, parents of school age children, children themselves and school tax payers protesting the strangulation of these two programs.

In answer to a questionnaire which I sent them, Indiana county school Superintendents say that they will have to charge the children as much as three cents more per half-pint of milk. Some schools will charge six cents, others eight cents or even ten cents. Nineteen of our counties estimate a total dropout of 7,600 children from school milk participation.

The announced cut of $19,000,000 in school lunch cash reimbursements and commodity distribution means that these school administrators will be forced to raise the price of the lunches. Some increases will be only five cents while others will increase on the average of ten cents per lunch. Some will have to charge as much as twenty cents more.

Although a nickel or dime increase sounds small, it amounts to 40 cents a day for a family with four children in school, or $2.00 a week. The intent of the program was to provide a hot lunch to children who might not get this at home and for those children living too far away from school to go home for lunch. I fear that if the Congress adopts the budget cuts, many children will not have a hot lunch.

The alternative to the school lunch and school milk programs is, as I understand it, to provide these services on a reduced cost basis or free to children proven-needy. This may sound like a reasonable proposal, but does this mean that little children will have to carry a form to school from their parents describing their degree of need? Will they have to expose their poverty in a humiliating way to qualify for hot lunches or two half-pints of milk a day? We have fought this battle before in the Congress, and I do not believe that we ever intended to change either of these programs so drastically.

I urge that the Committee appropriate funds needed to keep this program so that the parents of school children not be asked to pay a disproportionate share of the costs of the war in Vietnam in fiscal 1967. Otherwise it is yet another instance of those who can least afford it being asked to pay the most.

THE CIVIL RIGHTS BILL MUST REMAIN INTACT

Mr. JAVITS. Mr. President, considerable discussion has occurred in Congress about splitting up the pending civil rights bill by extracting title V, dealing with crimes against civil rights workers, or by watering down title IV, dealing with housing discrimination, as the price for getting the bill passed.

It is rather early for this kind of talk, but we have run into it before in civil rights legislation. It should be resisted now, for it will fractionalize the civil rights effort and the civil rights proponents, and will fail to measure up to our responsibilities to give the Nation a body of law which will inspire respect in the citizen discriminated against and to give the needed tools to the great majority of our people who want the Constitution obeyed and implemented in respect to civil rights.

Obviously, we cannot legislate specifically in reaction to the outrageous Meredith shooting. But this incident shows the insufficiency of our laws affecting civil rights workers in States where their safety and rights are seriously jeopardized, and where past experience has indicated that individuals inclined to racist criminal acts are not deterred by the fear of punishment under law enforcement.

I am very sympathetic to the enactment of legislation to protect civil rights workers. But I ask my friends who advocate action on the protection section alone to note that the entire measure could go down the drain or be considerably deferred, thereby losing much that is vitally needed in the struggle for civil rights, if we accept passage of only part of the bill now.

To those who would water down the housing title in the hope that this would help to get the bill passed, I say it would be far more pertinent to ask the President to expand President Kennedy's Executive order on discrimination in housing. Such action, which would cover 80 percent of all available housing, should be taken now, as insurance against defeat of the housing title of this bill. The President should not be allowed to shift this responsibility to Congress, where there always is the possibility that Congress would have to accept much less than the President could require by the stroke of a pen. For all these reasons, I urge that we go forward with the entire bill.

I beseech my colleagues in the other body to pass as effective a bill as they have before and to send it to us promptly. As in 1957 and 1964, I believe the best practice will be to intercept the House-passed bill at the Senate door and begin action on it in the Senate within a week or 10 days after it comes over. I am confident that we will pass an effective bill under these circumstances, for the overwhelming sentiment of the Senate has now been shown on enough occasions—both on cloture votes on civil rights bills and on their substance—to justify this confidence. We are responding to the ills of the Nation; therefore, I believe we should look to our experience in passing the Civil Rights Acts of 1957, 1960, 1964, and 1965 as justifying our confidence in proceeding with the administration's entire bill now—rather than taking counsel of our fears.

THE INDO-AMERICAN BINATIONAL FOUNDATION

Mr. MONDALE. Mr. President, as a strong supporter of the Indo-American Binational Foundation as proposed by President Johnson during Mrs. Gandhi's recent visit, I have been an interested reader of the many articles which have appeared in the Indian press, expressing both favor and concern. I ask unanimous consent that several of these articles be printed in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Times of India, June 5, 1966]

Indo-U.S. Foundation—A New Challenge

(By J. D. Sehti)

The manner in which the Government has accepted in principle the project for an Indo-U.S. Educational Foundation has caused a great deal of confusion. I do not think anybody is seriously worried either about the spread of American ideas, which can be easily transformed and absorbed, or about the importation of the American way of life, which ironically both the supporters and opponents of the project in the universities would very much like to have a full taste of.

The critics of the project do not seem to be worried about the romantic and unreal hypothesis of stringless foreign aid. They are worried about the threat to inter-university and intra-university hierarchies and to their monopoly of the cream of foreign educational programmes, against the pernicious effects of which "they take," as one commentator has aptly remarked, "good care to absorb an annual preventive dose of virus in its breeding grounds in America and Europe at least once a year."

They are afraid of intrusion on a large scale of the unimmunized lower castes into places reserved so far for the twice-born. The good men of the Establishment in the universities keep up benign postures of liberalism. They are liberal in the most classical sense of allowing a free inflow of foreign "ideas", unembodied in human beings. In the true classical liberal educational tradition, they want to set up what T. H. Huxley called the great educational ladder, the bottom of which shall be the gutter and the top of which shall be the university professional Establishment. Paradoxically, they can at once be both to the left of Marx and to the right of Macaulay.

I do not know whether it is part of their liberalism that they are so painfully opposed to the presence of any Indians on the governing body of the proposed Foundation. Their anguished plea is that Indians, presumably given to pelf and false kudos, would act more American than the Americans themselves. Alfred Marshall said, "Ideas, whether those of art and science or those embodied in practical appliances, are the most real of the gifts that each generation receives from its predecessors." One of the ideas the Establishment surely wants to leave for the next generation is: never trust your fellow Indians! This is followed by a dramatic, magisterial claim that the Establishment alone has the experience, the power and the honesty to deal directly with the Americans or apply an antiseptic to American foundations.

DIGRESSION

This digression was necessary to bring it out that behind the polite fiction of worrying and attitudinising on the part of the Establishment lies a deep fear that its members may lose their overlordship of the university and closed shop departments. In short they find it impossible to live with foundations and apparently impossible not to live with them. There is no denying the fact that the university administration in India, including the U.G.C., despite vast funds at its disposal, is answerable to no one for the fast deteriorating standards in teaching and research. Probably, a cold blast of realism from abroad may wake it up from its slumber.

The fear, cause for worry, if any, is whether the purchase of Indo-U.S. Foundation (I call it a purchase because the actual expenditure, after all budgeting and accounting has been done, would be met by printing new currency notes) is an isolated act of retreat, a calculated risk or a tactical move (whatever one may choose to call) on the part of the Government or part of a new policy. If the Government's policies on fertilisers, Vietnam, the World Bank's preconditions for aid, etc., have any common link, it is what *The New York Times* calls its amenability to external pressures.

This does not imply that the changes in policy suggested by the foregoing are not sound; in fact most of them are intrinsically valuable. It was the American economists who first drew attention to the bizarre arbitrariness of our Plans and also correctly forecast our foreign exchange food and other crises. What is annoying is the incapacity of our planners and economists to make the desired policy changes in proper time, and the tendency to react violently when suggestion for the necessary changes come from outsiders. If we ever lose our independence of action it would not be due to foreigners' advice, but to our own self-deluding stubbornness in hugging to the deadweight of the past.

It is amazing that it should have suddenly dawned on the educational Establishment, after fifteen years of large inflow of economic aid from the U.S. that it is ideologically biased. Is the import of ideology bad in education and good in economic development? Or does the Establishment expect the U.S. to have a neutral foreign policy? And which government has not used ideology as in instrument of its national policy? Ideology has become a second order priority, the first being the defence of national interests.

The men of the Establishment still appear to live in the cold war atmosphere of a bipolar world when foreign aid could be incorporated in our plans as a gigantic dole. It should not be difficult to see that the U.S. demand on our economic policies and the U.S.S.R.'s deliberate high costing on Bokaro are part of the new strategy of the two world powers of giving aid only on the basis of *quid pro quo*. There is no such thing as neutral foreign assistance. We must stop looking at aid-giving agencies as an instrument only for the transfer of resources and learn to deal with them as means of building up desirable and mutually satisfying relations between two sides. At a time when the world balance of power is in flux, the superpowers have shifted their strategy from long-term policy aims to short-term political and economic bargaining. Unless we give up our romantic ideas on foreign aid, educational and otherwise, we will be in for more shocks.

The keepers of our educational conscience have not cared to protest against the drastic reduction in expenditure on education from Rs. 180 crores in 1965–66 and Rs. 98 crores in 1966–67. The adverse effects of this cut may be more serious than those emanating from the release of blocked American money. It is also worth noting that over Rs. 100 crores has already been distributed from PL 480 funds for schemes and projects for primary education, craft training, medical institutes, etc. Nobody from the Establishment ever protested against that, despite poor results, because it pampered the sheltered handful at the top of the pyramid. Besides, is it not known to them that Indians sit on the local governing boards of some of the existing foreign foundations?

We have reached a turning point in the course of our political and economic development. There are only two major courses left for us to remedy the situation. First, if the choice is for an open society in the sense of our allowing foreign ideas, men and money to flow freely on acceptable terms and permitting their full impact within the purview of our laws, we would need tremendous resilience, flexibility, receptivity and organisational capacity to stand up to the relentless pressures of other highly modernistic societies.

If this condition is fulfilled, the inevitable friction and conflict in education and other fields resulting from foreign influences would be no more than what Thomas Schelling calls "the necessary overhead cost of close relationship." Not only would the setting up of an eductional Foundation be a welcome challenge but a frank dialogue with the Americans on planning objectives, criteria and procedures would not appear as a surrender. Reference to C.I.A. in connection with the proposed Foundation is irrelevant because this agency will operate fully irrespective of the Foundation. A distinction must clearly be drawn between the challenge of imperialism and that of modernisation.

But no one can claim that Indian society today has all these virtues or even shows clear trends or movements towards attaining them, though it has been suggested on behalf of the supporters of the proposed Foundation that its likely effect would be precisely to challenge the fat pigeons of the educational Establishment to live up to their responsibilities.

The second choice is the more difficult one, and though it is heard in subdued tones, an increasing number of people are showing sympathy for it. If the fabric of Indian society has become extremely weak and its economic development has reached a trough, then the only choice left is to insulate the society against foreign influences and to give it a chance to raise itself by its own bootstraps. This outward closing of society does not preclude any political experimentation.

To borrow an analogy from biology, the present Indian society has become dysfunctional in its vitals. Every living organism contains and produces a number of poisons which are necessary for the normal healthy functioning of a system, but if they are produced in excess, the system can become dysfunctional or even destroyed. A healthy, self-reliant society can absorb outside influences as the Europeans did in the case of the Marshall Plan.

There is a strong case for a reappraisal, with painstaking rationality and without ideological sanction of our foreign economical actions in terms of the changing strategy of the big powers.

THE FOUNDATION THROUGH INDIAN EYES

(By Nandan Kagal)

Now that the Prime Minister has returned to the relative calm of New Delhi after a ten-day tour which mildly shook Paris, Washington, London and Moscow it must be hoped that she and her colleagues will take a hard and searching look at President Johnson's proposal to set up an Indo-American Foundation for the promotion of learning. Sudden access to 300 million dollars worth of counterpart rupee funds should not blunt the critical faculties of those in authority.

We are told that the Foundation idea had been considered by both sides through diplomatic channels before Mrs. Gandhi's visit to Washington. The initiative in this matter was taken by Mr. Chester Bowles whose friendship for India is as genuine as it is firm. The American Ambassador's enthusiasm for India's development is vast and infectious and one can be certain that whatever suggestions he makes are impelled by the best of motives. Nevertheless, in the very nature of things he must see Indian problems through American eyes. It is for other in New Delhi to examine his suggestions in the light of Indian interests.

Fortunately it is not too late to do this since Mrs. Gandhi has accepted the Foundation idea only in principle. The details have yet to be worked out and the whole scheme is subject to approval by the US Congress on the one hand and the Indian Government and Parliament on the other. When these details are negotiated, the job should not be entrusted to the kind of people who rushed into the Voice of America transmitter deal apparently without realizing its full implications.

INDEPENDENT BODY

President Johnson has suggested that the Foundation should be organized as "an independent institution—with distinguished citizens of both countries on its board of directors." He has further proposed that the new Foundation be given "a broad charter to promote progress in all fields of learning—to advance science, to encourage research, to develop new teaching techniques in farm and factory, to stimulate new ways to meet age-old problems." When the American President refers to an "independent institution" what he apparently has in mind is a Foundation which would have the power to allocate funds to educational institutions for general or specific purposes without reference to the Ministry of Education or the University Grants Commission.

Mrs. Gandhi and Mr. Chegla would do well to consider whether it is advisable as a matter of public policy to allow the proposed Foundation to have such unfettered powers in the vital fields of education and research. As the University Grants Commission has observed in its latest report, fragmentation in the field of higher education and division of responsibility between various agencies is not desirable for academic and other reasons. The report goes on to recall the Sapru Committee's recommendation that in addition to higher education in arts, science and commerce, professional education should also be within the purview of the UGC.

UGC'S ROLE

The Americans might think that the University Grants Commission already has more work than it can handle and that, in any case, the introduction of an element of competition will have a tonic effect both on the UGC and the institutions which it serves. But this is a view which can hardly be shared by those who are familiar with the real problems of education in this country. What is required is not less but more centralisation of authority in the educational field if better standards of teaching and research are to be achieved. The UGC is doing an excellent job under the most difficult conditions. The funds at its disposal are extremely meager and these have to be spread over an increasing number of universities and technological institutes, many of which are set up by State Governments without its prior consent. In Indian conditions the most sensible way to promote progress in all fields of learning is to strengthen the UGC both financially and in other ways. The danger is that the creation of an independent Indo-American Foundation would weaken the hands of the UGC. Professor Galbraith's concept of countervailing power cannot be usefully applied to Indian education.

How the proposed Foundation's initial fund of almost Rs 150 crores is to be invested is a question which has yet to be settled. It is a reasonable assumption that the funds will be invested in Government securities of one kind or another and it can also be assumed that the Foundation will have a recurring annual income of some six crores of rupees if not more. Even if the Foundation's overhead expenses are extremely high it will still have at least five crores of rupees at its disposal every year for aiding educational institutions and promoting research.

This would be a much higher sum than what is available to the University Grants Commission for similar purposes. In 1964–65 the UGC was able to give grants of Rs two crores for the development of scientific education and research, Rs one crore for the development of education and research in the humanities and social sciences, and a similar sum for the development of engineering and technological education. However, this money had to be spread over a very large number of institutions and a good part of it was spent on the construction of laboratory buildings and other structures. It is possible to suspect that the funds available for actual research projects were very meager indeed.

The Indo-American Foundation on the other hand will be in a much happier position. It will be able to give funds on an effective scale for research and other projects of its choice. While the effective promotion of research is all to the good, Mrs. Gandhi's Government should consider some of the other consequences. Almost every department in every university and other institutions of higher education will start looking to the new Foundation rather than the UGC for aid and guidance. Scholars who are enthusiastic about a project and are starved for funds are not greatly concerned where the money comes from. They are understandably anxious to get things done and when they weigh their chances of getting the necessary funds they will almost inevitably turn toward the Foundation. The Foundation in turn will decide what project or which institution deserves its assistance. It is not difficult to foresee that within a few years the Foundation would come to occupy the commanding heights of the educational and research scene.

OTHER PROGRAMMES

At the moment the foreign aid programmes at the university level are operated by the University Grants Commission in collaboration with the relevant Union Ministry. This is true not only of the programmes assisted by UNESCO, the Soviet Union and Britain; it is also true of the programmes financed from PL-480 counterpart funds which have already been set aside for research projects in agricultural, physical and biological sciences. But judging from what President Johnson has said, the proposed Foundation would be treated on a very different footing.

It is not enough to have distinguished citizens of both countries on the Foundation's board of directors. It is additionally desirable to ensure that the board is mainly composed of Indian representatives who while having a modern outlook see the country's educational and research needs through Indian eyes. This apart, two other things are equally necessary. Firstly, the UGC must be actively associated with the Indo-American Foundation in such a way as to ensure the Commission's overall control in the field of higher education. Secondly, the funds at the disposal of the UGC itself should be increased sufficiently to enable it to promote research and development as effectively as the Foundation. That the Indo-American Foundation can do a great deal of good is obvious enough. Some of its disturbing possibilities might be less obvious, but they should not be overlooked on that account. They should be recognized and removed as far as possible when the details of the agreement are negotiated. It might be thought that all this is unnecessarily alarmist. But in a vital field such as education no country can afford to let the initiative pass into alien hands.

Fears About Indo-U.S. Foundation Unfounded

New Delhi, April 12.—Dr. John Hope Franklin, the visiting U.S. historian feels the Delhi University teachers' criticism of the proposed Indo-U.S. education foundation was premature and a little presumptuous.

"The underlying assumption seems to be that the proposed foundation was meant to benefit India alone," he said in an interview today. "I should like to think it might benefit Americans as much."

The fears expressed in the teachers' criticism were based on conjecture. "We don't know anything about the shape it will take. Suppose," Dr. Franklin said, "500 American teachers were to be financed by the scheme to come and learn Indian history here; who would benefit? Naturally the Americans. It has got to be a two-way affair."

Visiting India for the fourth time, Dr. Franklin is reviewing the working of the Fulbright programme. This is in his capacity as vice-chairman of the Board of Foreign Scholarships, Washington, to which he was appointed by President Kennedy. "But I am not a Government servant," he added with a meaningful smile.

He attaches great importance to exchange programmes at the intellectual level. It was a pity, he said that the average American was not as knowledgeable about India as an average literate Indian was about the United States.

And he explained it as though he were in his classroom in the University or Chicago. For various reasons, historical and otherwise, the Americans were so engrossed in their own affairs that they did not pay any attention to Europe, "leave alone Asia."

"It was only after the Second World War that America became a global country; the result was that we have a lot to make up," he said.

Dr. Franklin's answers to questions on Vietnam and racialism in his country were true to his name. "I hate war, have hated it from my childhood, and I know it is not the way to solve anything, but then I am not clear on the alternatives. I wish I knew the way out," he said.

CIVIL RIGHTS

How far had the anti-segregation laws been implemented in the United States, and to what effect? A sudden change took place in the smiling face. The question seemed to have touched the Negro in Dr. Franklin. But this lasted a moment. The affable professor took over again.

"This has two planks to it: the Civil Rights Law of 1964 and the Voting Rights Act of 1965," the professor said and explained the substantial impact the legislation has had on the segregationists. But the problem had deep roots. Discrimination in employment and housing in a handful of major cities which contained one-third of the Negro population was still an acute and serious problem. It was strange, Dr. Franklin agreed, that a country so advanced and affluent should be so backward emotionally. It was equally strange, he further agreed, that Negroes with all their contribution to American arts, music and sports should still be fighting for civil rights.

Dr. Franklin felt the problem of civil rights would find full and complete solution within this generation. As for a change in the feelings and attitudes of the White Supremacists, "it is difficult to predict anything in the field of human failings," he said, paused and then added: "You can't tell when people would stop hating each other." And there was again a far-away look in his eyes.

[From the Times of India, Apr. 8, 1966]

Mrs. Gandhi Allays MPs' Misgivings—Indo-American Education Foundation

New Delhi, April 7.—The Prime Minister, Mrs. Indira Gandhi, assured the Executive Committee of the Congress Parliamentary Party today that the proposed Indo-American Education Foundation was in the best interests of the country and there was no basis for any misgivings on this score.

She and the Education Minister, Mr. M. C. Chagla, explained the objects of the foundation after critical references to it by two senior members who asked for further details.

The Prime Minister is understood to have taken strong exception to doubts expressed by one member about American intentions. She remarked that such an attitude created misunderstanding and difficulties. If doubts were expressed about the intentions of countries giving aid, they could also entertain similar doubts about the recipient country.

GOVERNMENT'S APPROVAL

The proposal to have such a foundation had been under consideration for some time and was approved by the Government last year. It would be administered in a manner consistent with India's interests and all its schemes and programmes would be subject to the approval of the Indian Government. No money would be spent without prior sanction.

Mr. Chagla sought to remove the wrong notion that the foundation might influence the Indian way of life and culture. He said that no effort would be made to influence the educational system.

Critics of the foundation were reported to have argued that involvement of a foreign government in matters affecting the country's educational system might lead to serious consequences. Since the foundation was to be run by a joint board, there was nothing to prevent interference by the donor country. It might like to utilise the funds for spreading the American way of life and culture. In the absence of more details, it would be difficult to accept the proposal, they said.

IMPROPER AND UNFAIR

One member felt that it was highly improper and unfair to doubt American intentions. India was extremely backward in the field of education and was in urgent need of technical knowhow. The U.S. Government had shown a great gesture by deciding to invest Rs. 142 crores in the foundation. He had no doubt that if the same proposal had come from the Soviet Union, it would have been readily accepted by the critics.

Misgivings were also expressed about the proposal to route the Western foreign aid through the World Bank. Some members asked whether this would not give the aid a private sector orientation since the World Bank was a private investment agency.

A reference was also made during discussions to the protocol in Britain where the visiting Prime Minister of a Commonwealth country was received at London airport not by his counterpart in Britain but by the Commonwealth Relations Secretary. It was suggested that the Indian Prime Minister should not go to the airport to receive the British Prime Minister when he visited India. The protocol in this matter should be on a reciprocal basis.

TEENAGE SMOKING

Mrs. NEUBERGER. Mr. President, who would not be shocked to pick up the morning paper and see a stark black headline—"One Million Teenagers Dying From Lung Cancer?"

The magazine Oregon Education, in its May issue, reports the effects of smoking on young people and bases its shocking statement of the effect of smoking on teenagers on a recent report of the American Cancer Society.

Mr. President, I ask unanimous consent that the article entitled "The Immediate Effects of Smoking on Young People" be printed at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Immediate Effects of Smoking on Young People

(By Charles Starr and Wade B. Patterson)

The American Public Health Association has stated that one million school-age children today are expected to die of lung cancer before they reach the age of 70. Others have also predicted that 4,000,000 to 5,000,000 more will die from other diseases relating to smoking such as cancer of the bladder, emphysema, and cardiovascular diseases.

These predictions startle us and we realize that we must redouble our efforts to educate young people on the effects of smoking and change their attitudes so that they may be better prepared in dealing with the smoking question. In accomplishing this objective, we may well stress the immediate effects as well as the long range effects of tobacco usage. The immediate effects of smoking on young people can be broken down into the external physical effects, the internal physical effects, the economic effects, and the social effects.

EXTERNAL EFFECTS

Any person who smokes cigarettes regularly is going to have characteristic external effects that become part of his personality. Among these are bad breath, which is seldom improved by eating life-savers; a smell of smoke on the clothes, the hair and the body, and a yellowish-brown stain on the fingers and often on the teeth.

INTERNAL EFFECTS

The internal physical effects are less known, but more dramatic in their serious consequences.

We know, for example, that cigarette smoke contains compounds such as ammonia which irritate the throat and nasal passages. Tobacco irritants cause a progressive paralysis of the cilia and an increased secretion of mucus in the presence of foreign particles. The paralysis of the cilia and the increased mucus cause the need for coughing to relieve irritation in the bronchial passages. This coughing may become persistent and open the way for bronchitis and other respiratory problems.

Cigarette smoking is known to cause constriction of arteries, increased pulse rate (10–15 beats per minute) and increase in blood pressure. The exchange of gases in the air sacs in the lungs is less efficient. As a result, there is an extra demand on the heart to increase the flow of blood to supply enough oxygen to the cells. This factor, along with carbon-monoxide displacement of oxygen in red blood cells, hinders the performance of athletes in strenuous sports. Dr. Milton Brinton reports that the smoker's lung capacity is 30 per cent less than the non-smoker. Cigarette smoke slows down digestion and may cause dizziness, decreases appetite and may affect the diet, increases the chances for ulcers. It also weakens the taste buds on the tongue, thus food is less tasty.

Statistics show that smoking increases the chances of a young woman giving birth to a premature and undernourished baby. Premature birth rate for non-smokers, in a study conducted on nearly 3,000 Baltimore women was 11.2 per cent as opposed to 22.9 per cent for heavy smokers. The death rate of children from smoking mothers was 15 out of every 1,000 births whereas, the non-smoking mothers only lost 6 children per 1,000 births, or less than one-half the babies lost by the mothers that smoked.

Thirty-six per cent of the women who smoke have menstrual disorders compared with 13 per cent in non-smokers.

ECONOMIC EFFECTS

Cigarette smoking has economic effects on the individual, both long range and immediate. A person who smokes only one pack of cigarettes a day for one year will have spent around $100, depending on the state in which he lives. This can add up fast, especially if he increases his habit to two or three packs a day.

The cost of cigarette smoking, according to the Spokane Public Schools, is as follows:

Packs smoked per day	Savings if money put in bank		
	5 years	10 years	15 years
1	$610	$1,327	$2,160
1½	915	1,990	3,240
3	1,830	3,981	6,480

The average teen-ager could save over $10,000 (interest included) in a life-time, plus living a healthier life if he would choose not to smoke.

Another important economic effect is the cost of smoker's carelessness in fire loss every year. In Oregon alone, smokers cause about $2,000,000 in fire loss every year. This, of course, does not include the harm to the person and loss of life oftentimes involved.

One national life insurance company has a 5 per cent discount in cost for non-smokers. Actually the insurance companies could offer a bigger discount since it is reported that 50 per cent more heavier smokers are hospitalized than non-smokers.

SOCIAL EFFECTS

What does a teen-ager look like when he or she has a cigarette hanging out of the side of the mouth? What about the teen who puts on an air of sophistication or glamour? Does he become more—or less—attractive and acceptable, to his fellow students?

In the Hazelwood Senior High School, Missouri, the school has created the climate that "It's Smart Not To Smoke." This attitude was established through the efforts of the school staff and students after an intensive campaign designed to inform the students about smoking hazards. Many students stopped smoking through social pressures. Others have been convinced that it's smart not to start. Campaigns such as this can eventually establish a cultural pattern that smoking will make one less popular with his fellow classmates.

The social effects of smoking on young people can also be pointed out by citing some findings of a study of Portland high school pupil smoking habits conducted in 1959 by the American Cancer Society. Researchers discovered in this study that smokers were less successful in social activities; they didn't take part in clubs or social groups. They found that the smokers were also less successful in athletic activities and showed a significant lack of scholastic achievement and initiative.

George E. Coraker, a teacher from Eastridge High School, Rochester, compared non-smokers and smokers of similar age, grade, and I.Q. Coraker states that, "Smoking tends to create disorders of personality which causes disorders of memory." Of those students starting to smoke in high school, 68 per cent showed decreases in grades of 10 per cent to failure. The non-smokers had better grades and took tougher subjects than the smokers.

Teens who are particular, may prefer dates who do not smoke. As one teen-ager in Spokane, Washington, stated, "Nothing cools love's flame faster than the sickening odor of cigarette breath."

From a social point of view, most teen-agers have an effect on their fellow students. Their habits and attitudes concerning smoking may influence others not to start, to start, or to stop. The American Cancer Society's Annual Report (1964) states that the Gilbert Youth Research, Inc., survey in 1958 showed that 33 per cent of the American high school students said they smoked cigarettes. A second survey carried out in 1963, showed that the percentage of teen-agers who said they smoked had dropped to 29 per cent. A 1964 survey indicated a still further drop in high school smoking. Only 17 per cent of the teen-agers said they then smoked.

Apparently those who once started to smoke continue; but beginning to smoke is far less fashionable. An immediate school social effect could be that as time passes on, people who are tempted to start smoking will get the reputation that they live dangerously, that they are not using their intelligence to the best of their ability. In other words, it's smart not to start, or it's smart not to smoke.

When we add to this list of effects of smoking, the results of a study in England that showed that 80 per cent of the smokers who tried their first cigarette in their teens were habituated within two years, we soon realize that smoking definitely has some very profound and immediate effects, even on the young. We must therefore, elaborate and emphasize these immediate effects as well as the long range effects as we attempt to improve the situation and reduce the prediction of the American Public Health Association of 1,000,000 teen-agers dying from just lung cancer before age 70 to none.

OUR ALLIES IN SOUTHEAST ASIA

Mr. McGEE. Mr. President, one of the questions we hear repeatedly in connection with this Nation's commitment in southeast Asia is, "Where are our friends, our allies?"

Richard Wilson, writing in yesterday's Evening Star, has given a large part of the answer. Britain, he points out, has succeeded to large degree in protecting the State of Malaysia by the commitment of about 50,000 troops and $600 million in its defense funds. I would add that other allies, too, are contributing in various ways. Thailand, of course, is holding its own on its own territory. Korea, Australia, New Zealand, and others are contributing to the efforts in Vietnam. And the British, as Mr. Wilson has reminded readers, are doing a vital job of stabilizing the course of events in yet another vital area of southeast Asia. I ask unanimous consent, Mr. President, that his column in the Evening Star on British firmness in southeast Asia be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

BRITISH FIRMNESS PAYS OFF IN SOUTHEAST ASIA

(By Richard Wilson)

All the while, and longer, that the United States has been deeply involved in Viet Nam, the British have been committed to holding the line in another part of Southeast Asia. About 50,000 British troops and $600 million in British defense funds have been involved.

The average American has probably never heard of this commitment. If he had heard of it he may have considered it a ragged remnant of Britain's once proud colonialism, the last gasp of empire, as did the political left wing in England.

The news about Britain's last stand is that it has succeeded. This success causes quiet satisfaction in the Johnson administration in Washington, and it is not hard to see why.

The dogged British have demonstrated that a Western power's determined resistance to Communist-aligned expansion in Southeast Asia can pay off. The calculated use of strength, and, above all, persistence and stubbornness, can have a decisive effect on events and on leaders and governments whose policies may be forced to change.

When the infant state of Malaysia was created three years ago Indonesia's China-oriented dictator, Sukarno, took measure of its weakness and decided to lop off part of it in Northern Borneo. The larger part of Borneo is Indonesian. A "confrontation" followed that drew down Britain's commitment to protect the independence of the infant state and hold the line against Communist expansionism in Southeast Asia.

Last week the new leaders of Indonesia, who had brought down Sukarno in an anti-Communist blood bath estimated to have taken the lives of 300,000 people, brought the "confrontation" to an end in a quick agreement with Malaysia that left Malaysia with its portion of North Borneo. The "confrontation" was simply costing too much, and the Indonesian generals had no heart for it in view of Britain's stubbornness.

With this agreement some current myths suffered a bad beating. One of these myths is that the West "can't win" in Southeast Asia because it is white man confronting brown man. The Indonesian generals didn't care about that, and the Malaysians, like the South Vietnamese, had invited the protection of the white man.

Another myth is that the Westerners no longer can have any influence in Asia unless they get out. The British stayed.

It will not be easy for Malaysia in the future. This federation already has lost one of its important components, Singapore. Nor is it necessarily true that what happened in the southern island reaches of Southeast Asia will be repeated in the northern mainland area adjacent to China.

But the Malaysian experience does help to allay the sense of hopelessness about a Western intervention that has as its only aim the prevention of expansionism in the Chinese and North Viet Nam Communist style. The British experience shows that the line may be held by limited military methods, and that what President Johnson is talking about is not just belated justification for an ill-considered act.

The British experience effectively refutes the argument that the way to exercise power in Southeast Asia is to withdraw to the sea. If Britain had done that Sukarno would have been in North Borneo long since, and if we had done it in Viet Nam, Ho Chi Minh by now would have been in Saigon. The way to contain Chinese-style expansionism obviously is to remain on the scene.

Hardly any of the non-Marxist opponents of the Johnson Viet Nam policy oppose the containment of China. Most of them consider this to be necessary. The argument is over how best to do it within practical limitations.

The settlement in Malaysia also should make it easier for Britain to continue to exercise its power for stability in the Indian Ocean "east of Suez" by remaining ready to give aid to threatened countries there, as it did for Malaysia.

These questions are much to the fore now, both in Washington and London. The problems involved are vital to American policy, for there is no desire in Washington to shoulder any burdens in the Indian Ocean area which Britain, or Britain's left wing, may wish to lay down.

It would be strange if, Britain having shown the way in Malaysia, we were now to abandon a policy proven wise.

WARSAW PACT STUDY

Mr. JACKSON. Mr. President, today the Subcommittee on National Security and International Operations, which I have the honor to chair, released an up-to-date study of the role of the Warsaw Pact in Soviet bloc affairs. I want to take this occasion to bring this study to the special attention of my colleagues.

In its current inquiry into alliance operations and the Atlantic Alliance, our subcommittee thought it would be helpful to look closely at the Warsaw Pact, communism's counterpart to NATO. The 11-year-old Warsaw Pact is in a state of flux and ferment, and this timely study puts in perspective the dissident role of Rumania and the changing political scene of Eastern Europe.

This subcommittee study offers evidence that the Warsaw Pact is one of the few remaining effective devices available to Moscow for holding the Soviet bloc together at a time of growing economic pragmatism and more nationalistically oriented policy stands by the East European regimes. The East European governments, for their part, seem to regard the pact as surety that the U.S.S.R. will continue to underwrite their Communist regimes and safeguard their national boundaries.

On the military side, as the study indicates, the pact's East European armed forces have been modernized and standardized by the Soviets since 1961, and "meaningful military coordination among the armies of the signatories has advanced, so that Eastern European armed forces are a more useful adjunct to Soviet military power."

The subcommittee study offers further evidence, however, that the Soviet Union confronts some real problems with its East European allies. As the study indicates, these problems include:

Difficulty in persuading some allies to accept proportionate financial and other burdens entailed in Warsaw Pact commitments or to undertake larger pact commitments.

Difficulty in overriding dissenting members like Rumania by political pressure, since even countries willing to follow the Soviet line are reluctant to join in isolating more independent members in case they too should one day wish to pursue a path of their own choosing.

Pressure by East European members to have a greater voice in pact decisions, especially as a safeguard against involuntary involvement in nuclear war.

Disagreements over current pact organization and chain of command, and objections to Moscow's occupancy of all the major command posts under the pact.

Questions of reliability of forces of East European regimes under some circumstances if called upon to fight with the Soviet Union.

I believe this timely study can contribute to greater understanding of developments in the Soviet bloc and will be of special interest to officials of the government and private citizens concerned with problems of the Atlantic Alliance.

GENERAL HERSHEY SUPPORTS STEP PROGRAM

Mr. NELSON. Mr. President, I ask unanimous consent that an article published in the Milwaukee Journal of June 7, containing an interview with Gen. Lewis Hershey, Director of the National Selective Service, be printed at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD. (See exhibit 1.)

Mr. NELSON. Mr. President, earlier this week I introduced S. 3470, a bill which would provide special educational training and physical rehabilitation programs for men not now able to qualify for military service.

In the interview, General Hershey states:

> We ought to make some who are unfit, fit. We ought not to put a premium on ignorance.

I wish to commend the general for supporting this measure. There are thousands of boys wanting to join the service, boys who are basically qualified to serve, but who are now rejected due to minor educational defects. It is estimated that between 11,000 and 15,000 men a year would benefit by this program.

These young men who want to volunteer would make excellent soldiers. They are highly motivated and would in all probability remain in the service as career soldiers. I am glad to know that the Director of the Selective Service agrees that something should be done to enable these young men to qualify for service.

ARMY SHOULD DRAFT, TRAIN UNFIT, GENERAL HERSHEY SAYS

BALTIMORE, MD.—The educational standards for acceptance in military service "are too high for our long range needs," Gen. Lewis B. Hershey, national selective service director, said Monday.

"We ought to make some who are unfit, fit," he said. "We ought not to put a premium on ignorance."

Hershey advocated that the military services accept more illiterates and educate them.

"Do you mean the schools have failed?" Hershey was asked in an interview.

"Well, we are now turning down two and one-half million a year because they can't pass a simple test," he replied.

Hershey said in his opinion there were far too many exemptions from selective service. "How are you going to have democracy and fairness in a country where half of the people are not accepted?" he asked.

As for whether a military draft is necessary, Hershey said: "I never thought we had much choice. How can you survive in this world with your hands folded? A human being has to exert himself to survive.

INCREASE IN IMPORTS OF BUTTERFAT-SUGAR PRODUCTS

Mr. MONDALE. Mr. President, in the past several months there has been an alarmingly rapid increase in imports of butterfat-sugar products, containing 44 percent butterfat, 55 to 56 percent sugar, and possibly a trace of vanilla. This situation is hinted at in the May 1966 dairy situation report issued by the Department of Agriculture. But more recent information indicates that the situation is becoming serious.

Such mixtures, known under a variety of trade names such as Junex, Lorex, Ernex, and Grapex, have been imported for many years. More recently, 2.5 million pounds were imported in 1961, and 4.1 million pounds in 1962. But the levels have never been higher than that. There were no imports at all of this product during the 1963–64 or 1964–65 import years. But from July, 1965, through February of this year, 6 million pounds were imported. Since February the rate of increase has been sharp and rapid—3.1 million pounds were imported in March of 1966; 8.1 million pounds in April; and 19.5 million pounds in May. All told, through May of this year, imports of butterfat-sugar product has totaled roughly 36.6 million pounds. It is my understanding that in the first week of June about 1 million pounds came into the United States.

These imports constitute direct and serious competition with domestic sources of sugar and butterfat, and may be handled under existing law. If these imports are damaging the effectiveness of our price support programs for manufacturing milk and butterfat, or the attainment of the objectives of the Sugar Act, machinery exists to do something about it.

I have asked the Department of Agriculture today to intensify their examination and assessment of the situation with respect to these imports, in cooperation with other agencies that may be concerned. The Department of Agriculture is aware of the growing rate of imports. But I believe the situation is serious enough to justify full-scale review, together with beginning such action as may be warranted.

Since August of 1951, the United States has imposed import quotas on certain dairy commodities in order to protect the domestic price support programs for manufacturing milk and butterfat from excessive import interference. Among the specific dairy products subject to import limitations under section 22 of the Agricultural Adjustment Act are butter, dry milk, and Cheddar cheese.

In recent months, imports in products outside quota restrictions have been increasing. Among these ex-quota products are fresh-frozen cream, Colby cheese, and the "junextype" products containing less than 45 percent butterfat. Beginning in 1962, agreements between the United States and leading dairy export nations had limited trade in such commodities, but all of thes agreements expired on June 30, 1965.

A number of complex and interrelated factors are causing these increases in butterfat-sugar product, principally the high domestic price of butterfat and growing dairy supplies in other nations.

Under section 206 of the Sugar Act, the Secretary of Agriculture has the authority to limit importation of sugar-containing products if the importation will or does substantially interfere with the attainment of the objectives of the Sugar Act. It is hardly necessary to note that one of the fundamental purposes of the Sugar Act has been to promote within the United States the ability to produce a substantial portion of our sugar requirements—for defense and strategic reasons, as well as consumer protection. Sugar is a vital food needed by American consumers, and the world supply of sugar has alternately been in very short supply or in surplus. Our sugar program has been intended to stabilize what have been very drastic changes in supply and demand, mostly in the last few years.

However, should action not be appropriate under section 206 of the Sugar Act, there is ample authority to proceed under section 22 of the Agricultural Adjustment Act. That section provides that when the Secretary of Agriculture has reason to believe that any article imported into the United States will render or tend to render ineffective, or materially interfere with price support programs, he may recommend to the President that the U.S. Tariff Commission proceed to determine the existence of facts establishing the interference.

Interestingly enough, action has already been taken under this section. On April 15, 1957, President Eisenhower placed limitations, by Executive order, on the importation of butter substitutes, including butter oil, containing 45 percent or more of butterfat. This restriction would apply today to the butterfat-sugar product imports, except that the importers are careful to limit the amount of butterfat to 44 percent or less, thus escaping the quota. President Kennedy exercised this authority with respect to certain cotton products in September of 1961.

This situation is serious for Minnesota, since in both 1964 and 1965, Minnesota has led the Nation in the production of creamery butter, and has ranked among the three leading States in production of all milkfat.

Our dairy industry accounts for 22 to 23 percent of total cash receipts from farm marketings—about $340 million annually. It is possible that our dairy industry, now suffering from an unusual decline, could be further crippled if the rate of increase in imports of butterfat-sugar products continues.

I intend to follow this situation closely, and cooperate closely with the Department of Agriculture in making the quickest possible assessment of the situation and in taking action if intensive investigation warrants placing some restrictions on these imports.

THE WAR ON POVERTY

Mr. McGOVERN. Mr. President, it is difficult for me to understand why some of our colleagues manifest such a critical attitude toward the newly launched war on poverty. From recent charges, one would conclude that this is the most ill-conceived program ever enacted for our citizens. Furthermore, Sargent Shriver, the distinguished former Director of the Peace Corps and now the Director of the war on poverty, has been subjected to unfair personal attacks. In my opinion, and I am certain others in this body share similar views, Mr. Shriver is one of the most distinguished, dedicated, and inspired public servants ever to serve the U.S. Government.

Let us be fair in our evaluation of the war on poverty and recognize that it has been in existence less than 2 years. And, second, let us be fair in giving cognizance to several of its major accomplishments in this limited period of time.

It is remarkable that the Office of Economic Opportunity has approved over 3,850 grants to community action agencies covering over a third of all the counties in the United States; involved over 775,000 preschool children in Project Headstart, with an additional half million children scheduled to participate this summer; provided basic education and job training to 44,000 young men and women through the Job Corps; gained the participation of over 550,000 teenagers in the Neighborhood Youth Corps; selected, trained, and assigned over 2,100 VISTA volunteers to 278 rural and urban projects; benefited more than 120,000 unemployed adults through the work experience program; and has established other antipoverty measures, including adult basic education, rural loans and small business development loan programs, for groups chronically affected by the ravages of poverty.

Mr. President, instead of decrying every imaginary or legitimate shortcoming of this growing and dynamic program, I suggest that we should commend the Office of Economic Opportunity for the establishment of exciting, innovative concepts and programs—known to millions of Americans as Project Upward Bound, the legal services program, foster grandparents, medicare alert, and others—which have already produced gratifying results. The Headstart program has proved so popular that demand for local projects far exceeds available funds. Also significant are the special programs extended to long-forgotten groups such as migratory agricultural workers and American Indians which will enable them to join the mainstream of American life.

Admittedly, there have been problems, controversies, and occasional failures. But who could expect otherwise from the daring, new approaches to overcome the root causes of poverty in this Nation. Is it possible to embark upon such an approach, which permeates all levels of government and affects heretofore forgotten groups, many of whom are in the midst of great social unrest, without some difficulties arising? And is it possible to imagine a meaningful war on poverty, 18 months after its inception, being easy and comfortable and unanimously popular? Poverty has afflicted some portions of our society for generations. It is not likely to disappear in a single generation. But let us beware of those who would run up the white flag of surrender almost before the first shot has been fired in the poverty war.

The opponents of the war on poverty use the well-worn allegation of "waste." I wonder if the parents of Headstart children would agree. I wonder if the young men and women who have found hope through Neighborhood Youth Corps projects and Job Corps training would agree.

The demands of the poor and their representatives for greater financial resources to expand current poverty programs would appear to refute this charge. Moreover, I believe it is often easier to speak of waste in the abstract than with reference to the millions of disadvantaged citizens who are being reached and are benefiting from the war on poverty. Let us have concrete evidence of so-called waste—not the vague generalities that have been made to date before we condemn this new program.

To those who deplore the cost and waste in the effort to eradicate poverty, I ask, What about the waste and the cost to society of letting neglected children drift into lives of chronic unemployment, delinquency, and crime? What is the cost to society of undeveloped minds, idle hands, and depressed spirits—the byproducts of a society that gives up the battle against poverty and neglect?

These opponents of the war on poverty also speak darkly of politicians "getting fat" on antipoverty funds. Who are these mysterious politicians? Why have they not been exposed and brought to account? If corruption is so rife, let the critics have the courage to name the guilty. I consider these charges largely groundless, considering the thousands of dedicated public officials and volunteer workers engaged in this concerted drive to defeat poverty.

The opponents of the war on poverty use another generality in their criticism of this activity; they contend that the poor are not being reached.

But, Mr. Critic, how do you "reach" a poor person? By the critics interpretation, Headstart children and their parents apparently fail to qualify. Nor can Neighborhood Youth Corps and Job Corps participants, or Upward Bound Students, or adult basic education and work experience participants, or migrants, or Indians, or the hundreds of thousands of people being benefited and strengthened through community action and VISTA projects, qualify as being "reached." What does being "reached" mean? Does it mean a quick handout? The war on poverty is attempting to overcome the hand out aproach to the problems of the poor. The Economic Opportunity Act of 1964 is not a blueprint for hand-outs, but an aid to human development that enables the poor and indolent to contribute to society rather than surviving as a drag on society.

Mr. President, in the relatively short period of time the war on poverty has been in operation, the Office of Economic Opportunity has moved rapidly in my State of South Dakota. All but 2 of the State's 66 counties have some type of OEO activity. Particular attention has been directed to two counties in my State which number among the 182 poorest counties in the Nation. These are Shannon and Todd Counties, with per capita median incomes of $675 and $732, respectively. At the present time the services of VISTA, Neighborhood Youth Corps, community action programs, and the rural loan programs are available to the people of Shannon County. In Todd County, the people benefit from the services of VISTA, Headstart, community action programs, and the Neighborhood Youth Corps.

Among the chronically poverty stricken groups in my State who have responded enthusiastically to the OEO programs are the Indian people on reservations. They were among the first in the State to avail themselves of the services offered by OEO. In addition, several firsts have been attained by OEO in its work with the Indians in South Dakota. The Cheyenne River Reservation with a population of 5,000 was the first reservation in the country to have a legal service program, and the first to establish a small business development center.

I believe Mr. Frank Ducheneaux, chairman, Cheyenne River Reservation, in his telegram to Sargent Shriver following the announcement of the approval of the Swiftbird Job Corps Camp, echoed the general feeling of poor people everywhere regarding the war on poverty.

The telegram reads:

> We thank you for your confidence in our support of your programs. The Swiftbird Camp, coupled with your generous grants of Community Action Programs and Neighborhood Youth Corps Programs are giving our people new-found ambition and stature in American life. It is a new age, and we appreciate it immensely.

Several of the most experienced Indian leaders in my State have told me that they regard the OEO programs as models of rehabilitation and development that should serve as a hopeful new formula for older agencies of the Government.

And so, Mr. President, I have little patience with the empty charges that have been levelled at this creative new program. I have never considered the war on poverty to be a partisan program, but rather as a community effort deserving of the support of all Americans. I believe it to be far too crucial an undertaking to be the target of unfair political sniping. Let us place the needs of the poor and disadvantaged citizens of the Nation above election year press conferences and give this program the bipartisan support it richly deserves.

ANTICRIME LEGISLATION

Mr. BREWSTER. Mr. President, last year I introduced legislation, S. 2910, to raise the salaries of law-enforcement officers in the District of Columbia. It is my hope that higher salaries would attract the finest men available to law-enforcement careers.

Naturally, I was very much pleased and encouraged by President Johnson's crime message last March. Among other things, the President proposes greatly increased Federal support for local police programs. The crime message, of course, involves much more than this; it is no less than an all-out declaration of war on crime.

On March 11, 1966, Newsday of Long Island printed a short, forthright editorial describing and praising the President's anticrime drive.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Long Island (N.Y.) Newsday, Mar. 11, 1966]

THE ANTICRIME DRIVE

President Johnson has taken the leadership in the war on crime, an increasing worry in the country and the suburbs as well as in the cities.

He has proposed a variety of programs: (1) an increase from $7,200,000 to $13,700,000 in federal support for local programs to improve police training; (2) a total revision of federal criminal laws by 1968, based on the recommendation of an outstanding commission; (3) the creation of clinics to train local officials in narcotics problems; (4) the outlawing of mail-order gun sales and (5) among other things, an increase in the types of cases in which immunity can be granted to government witnesses. The program also would send to college for special anti-crime courses 3,000 policemen per year, but the details of this particular project have yet to be spelled out.

All in all, a valuable program, and one that Congress should approve. The war against crime must go on unabated, for crime eventually affects all of us.

FOREIGN AID SHOULD BE AUTHORIZED FOR MORE THAN 1 YEAR

Mr. McGEE. Mr. President, both the majority of Congress and of the American people have come to accept foreign aid as a necessary ingredient of our foreign policy to promote a peaceful, stable community of free nations. I think it is also fully accepted that economic development is a long-term undertaking, requiring years, in order to promote a better life for the millions of people of the underdeveloped nations.

Like domestic development programs, the foreign aid program must look ahead, plan ahead, and commit its resources through a number of years for the results to be a success. But unlike domestic programs, foreign aid presently must attempt to do this with a year-by-year legislative commitment.

In the past 5 years Congress has made strides in placing the foreign aid program on a long-term basis, voting development loans and Alliance for Progress loans long-term authority. Last year, the Senate voted a 2-year authorization for the rest of the foreign aid program, which unfortunately was deleted in the final version of the bill. In support of the Senate position, the chairman of the Foreign Relations Committee wisely said a year ago:

> Congress should cease its annual review of foreign aid and place the program under long-term authorizations. The case for doing so is both familiar and persuasive, and just about everybody involved with foreign aid agrees to it—except Congress.

The case is equally as familiar and persuasive in 1966. This year the 5- and 4-year authorizations for development loans and Alliance for Progress loans expire. To renew these programs with anything less would be a drastic step backward. To authorize the rest of the foreign aid program on a long-term basis would be in keeping with the past endorsement of the Senate and in the full interest of our Nation and foreign policy.

I invite the attention of the Members of the Senate to a paper giving reasons for a multiyear authorization, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY THE FOREIGN AID PROGRAM SHOULD BE AUTHORIZED FOR MORE THAN 1 YEAR

As someone put it, "The foreign aid program is trying to do a 50-year job in 10 years with five-year plans and a one-year authorization."

Why has Congress been asked to approve a long-term authorization for the foreign aid program? There are a number of reasons, but the first and most important is that foreign aid is no longer a one-year proposition. In earlier years, before the magnitude of the problem became apparent, foreign aid was thought of as a temporary, short-term expedient. Now it is generally accepted that foreign aid, like domestic programs aimed at producing basic improvements in life, requires years of patience and persistence. Recognition of this fact by Congress in the form of an authorization for more than one year would mark acceptance by the United States of this responsibility.

This would be in keeping with Congressional action providing long-term authorization for various aspects of the foreign assistance program:

1. In 1961 Congress approved a five-year authorization for the development loan part of the foreign aid program.
2. In 1962 Congress approved a four-year authorization for the Alliance for Progress loan program under the foreign aid program.
3. At various times Congress has approved long-term authorizations for U.S. subscriptions to the World Bank, the International Development Association (a subsidiary of the World Bank), the Inter-American Develop-

ment Bank, and the Asian Development Bank.

4. Congress has also approved long-term authorizations for the Food for Peace Program, and a request for a five-year program for the Food for Freedom program is now pending.

It would also be commensurate with requirements which the U.S. makes of countries receiving foreign aid. To qualify for major U.S. assistance, the recipient nations are required to draw up long-range development plans to insure they make the most efficient use of their resources and of the resources received by the United States. They are expected to initiate difficult measures of internal economic and social reforms aimed at reaching goals 5–10–15 years away. The United States, for its part, needs to be able to give them assurance that we will support these efforts more than a year at a time. As the 1961 Senate Foreign Relations Committee report stated: "We can scarcely expect the poorer countries to commit themselves to comprehensive development plans in the absence of reasonable assurances that foreign exchange requirements will be met and that programs undertaken will be supported through completion. The element of continuity is essential to all growth, including economic."

"The five-year authorization would add a measure of psychological stability to a foreign aid program too often characterized in the past by year-to-year uncertainty. The five-year authorization begins to recognize the desirability of choosing long-range goals and building programs toward their achievement." Chancellor John T. Caldwell of North Carolina State University, representing the National Association of State Universities and Land-Grant Colleges, before the House Foreign Affairs Committee, 1966.

PUTTING FOREIGN AID ON A SOUND BUSINESS BASIS

The AID program must have the same assurance of continuing resources and authority that any business enterprise needs in order to operate effectively. Only with this assurance can we expect increased activity in foreign assistance of our private investors, universities, volunteer agencies and full cooperation with multi-lateral institutions.

The trend in U.S. private business, especially among the larger corporations, has been toward longer-term planning. Based on improved forecasting, major business commitments extending years into the future are now standard practice. It makes good business sense to apply these same methods to the foreign aid program.

"No one could operate a commercial bank effectively without knowing a year ahead what his resources were likely to be, or whether he was going to be in business at all." Douglas Dillon, prominent business figure then Deputy Under-Secretary of State for Economic Affairs, before the Senate Foreign Relations Committee in 1957.

As Secretary of State John Foster Dulles said before the House Foreign Affairs Committee in 1957: "We cannot afford to exhaust ourselves by spasmodic programs designed to meet ever-recurring emergencies. We cannot operate on a day-to-day, hand-to-mouth basis. Instead, we must think in terms of policies and programs that we can afford to live with for what may be a long period of years."

NEED FOR LONG-RANGE PLANNING RECOGNIZED BY CONGRESS

Congress has long recognized the need for long-range authority for important domestic programs. All departments of the Government and most agencies are authorized permanently. In addition, most other U.S. programs have multi-year authorizations. An interesting domestic parallel, which dramatizes the difficulties of an annual authorization, is the 10-year U.S. interstate highway program, requiring years of planning and implementation. It would be hard to imagine the results of our intricate interstate program if each year Congress had required new authority to continue our national system. Yet AID is engaged every day in programs as integrated and long-range as our interstate highway system.

BIPARTISAN SUPPORT FOR LONG-TERM AUTHORIZATION

Every administration since the inception of foreign assistance has agreed on the need for long-term authorization of the program.

President Truman, under whose administration the Marshall Plan began and author of the Point 4 Program: "It is well known that one-year authorizations for development programs are wasteful and inadequate. Countries that are planning their development ahead . . . are kept in doubt and are unable to move ahead with confidence. The authorization clearly should be for 4 or 5 years, as in the case of the Marshall Plan."

President Eisenhower, who proposed the Mutual Security Program and under it the Development Loan Fund: "I believe our common objective can best be accomplished through a long-term authorization of appropriations in reasonable amounts, together with the concurrent enactment in one appropriation bill of appropriations for each of the years for which the program is authorized . . ."

President Kennedy, who proposed the present Foreign Assistance Act and with it the Alliance for Progress: "Long-term authorization, planning and financing are the key to the continuity and efficiency of the entire program. If we are unwilling to make such a long-term commitment, we cannot expect an increased response from other potential donors or any realistic planning from the recipient nations . . . No other step would be such a clear signal of our intentions to all the world . . . No other step would do more to help obtain the service of top-flight personnel. And in no other way can we encourage the less-developed nations to make a sustained national effort over a long-term period."

President Johnson, who has directed the program toward new initiatives: "To signify the depth of our commitment to help those who help themselves, I am requesting five-year authorizations for our military and economic aid programs. For development loans and loans under the Alliance for Progress, this is merely a reaffirmation of the principle adopted by the Congress in 1961 and 1962. It will not impair the ability or the duty of the Congress to review these programs. Indeed, it will free the Congress from the burden of an annual renewal of basic legislation, and provide greater opportunity for concentration on policy and program issues."

As a result, the Marshall Plan became a four-year program of successful recovery for Western Europe. President Eisenhower, who in 1957 proposed a "continuing" authorization for the development loan fund, technical cooperation and military assistance, succeeded in putting the fund and military aid on a long-term basis. In 1961 and 1962, the Development Loan Fund and the Alliance for Progress became five-year and four-year authorized programs respectively.

CONGRESSIONAL CONTROL WILL BECOME MORE EFFECTIVE

Congressional control has been maintained over both foreign and domestic programs with permanent or long-term authorizations, including Development Loans and Alliance for Progress loans which represent approximately half of the economic aid program.

A long-term authorization does not bypass the normal procedures of Congress. Rather, it applies the same form of control exercised over all agencies and programs which have been authorized for more than one year.

First, authorizing legislation is recommended by the committees and debated on the Floor of each House of Congress. The resulting statute will provide a clear guide for administration, programming and financing a stated number of years. Congress can, of course, amend this authorizing statute at any time before the expiration of the authorization.

Second, the authorizing committees would exercise continual scrutiny over the operation of the program, and require periodic auditing and reporting. Freed from the annual authorization process, much of which required repetitive presentation and review, the authorizing committees could examine the entire aid program or selected aspects in greater depth and detail than before. At the end of the authorization period, Congress would be in a better position to make a broad judgment of the program and to determine constructive changes in future legislation. The Executive Branch would benefit similarly from a longer period of time between presentations of the program.

To facilitate continuing review by the authorizing committees, the President has requested an amendment to Section 634(d) of the Act to provide for a full and detailed annual presentation of the program to the House Foreign Affairs Committee and the Senate Foreign Relations Committee if it is requested.

Third, during the years when the program is already authorized, annual appropriations would continue to be required. These, together with continuing review by the authorizing committees, would insure Congressional control over the foreign aid program—control which because it can be more selective will be more effective.

In the debate on Congressional control over the long-range authority of the Development Loan Fund in 1961, former Congressman Walter Judd of the House Foreign Affairs Committee pointed out: "The Executive wants assurance of continuity, and rightly so, because we cannot solve long-range problems with short-range solutions—we have to have long-range solutions. We want to give him continuity, but we want, and can at the same time maintain proper supervision by the Congress, which is our duty under the Constitution; and which I believe will also guarantee better operations . . ."

And on the Senate side that same year, Senator JACOB JAVITS exemplified Congressional controls over the program: "We have the control of the Government Corporation Control Act, which gives to the Appropriations Committee the power at least on an annual basis to control the program . . . Second, there are reports which are made to the Congress . . . We can completely investigate anything we wish to investigate. Third, there is the Comptroller General . . . the Inspector General . . . the General Accounting Office (which) makes most detailed audits. Finally, and even more important than any of the others, is the concurrent resolution technique . . . We can actually vote to do what we wish, with majority vote of the House and the Senate, and it does not require Presidential concurrence . . ."

SEA GRANT COLLEGE ACT WOULD AID FISHING AND OCEAN RESOURCE INDUSTRIES

Mr. BARTLETT. Mr. President, the 89th Congress is setting an enviable record of accomplishment in a field that has been too long ignored. We have introduced and are acting on a variety of bills which can play a significant role in the development of our marine resources, and we can be justifiably proud of the benefits that undoubtedly will accrue to our Nation and the world at large when these bills become law. Our actions, however, have not been very expeditious.

As a Nation, we are just beginning to realize that the mere passage of time will uncompromisingly bring us to a world of too many people and too few resources. Our efforts to meet this situation are still rather feeble, but those of us who comprehend the urgency and the immensity of the task facing us are intent on being heard, and we have hope that a concerted national understanding will enable us to make adequate preparations for the future.

In the midst of plenty it is difficult to plan for famine, but plan we must, for the familiar resources on land will not sustain us indefinitely. To meet the needs of the future we must turn to the sea. Our national and international commitments will soon outgrow our present, limited production.

Although our attention is focusing on the plight of underdeveloped nations, it is nevertheless a paradox that we in the United States point with pride at our huge programs of foreign aid and at our sincere desire to help mankind—to feed the undernourished masses of the world—and at the same time fail to take the necessary steps to provide adequate knowledge and manpower to accomplish the job of properly utilizing our marine resources.

Despite all reason, it seems we must always have a Sputnik to urge us on. It is truly unfortunate that our image compared with Russia is the driving factor in so many of our decisions. And yet I find that even our oceanographic and marine science programs are being expanded—not just because our scientists and engineers say it is economically advantageous to the United States to do so; not just because of our moral obligation to help mankind by finding new food sources—but in large measure because of the Russians.

We have remained static in our fishing catch for the past generation; the Russians are increasing their catch by one-half million tons each year. We rely primarily on old, small coastal vessels; the Russians have huge, modern factory ships that process the catch while acting as mother ships for whole fleets of ocean-roving fishing vessels. We have 1,000 qualified oceanographers; the Russians have 1,500. We have dropped from second to fifth place in world fishing; the Russians have moved up to fourth place.

How many of us can even name the first-, second- and third-place fishing nations?

If we can indeed benefit from such comparisons, let us take special note of the scientific and engineering techniques utilized by the Russians to gain fourth place, and let us carefully appraise our own techniques. We have much to learn, and if we are to keep our fisheries from ultimate starvation in the world market, and if we intend to maximize our development of ocean resources under the 1958 Geneva Convention on the Continental Shelf which offers exclusive rights to those who first demonstrate the capability of exploiting the resources, we must significantly increase our production of marine scientists, engineers and technicians; we must step up our basic and applied research in oceanography; and we must adopt a meaningful system whereby the benefits of our learning can be transferred to the fishing and resource development industries.

S. 2439, the National Sea Grant College and Program Act, will provide the mechanism we need. It is the necessary and logical sequel to many of the bills we are considering: S. 2720, to encourage the development of fish protein concentrate; Senate Joint Resolution 29, to authorize a survey of the U.S. fishery resources; S. 2218, to protect our coastal fishery resources by establishing a 12-mile contiguous zone; and S. 944, to expand and coordinate our national oceanographic programs and to encourage the development of our marine resources.

In essence, S. 2439 is designed to encourage a national interest in and capability for developing and managing our marine resources. By amending the National Science Foundation Act, the bill authorizes and directs the Foundation to support the establishment, development, and operation of sea grant program of education, research, and advisory services. With the use of Federal funds the Foundation would initiate and support programs at colleges and other qualified institutions and bodies for the purposes of training marine scientists, engineers, and technicians and conducting research relating to marine resource development. To insure prompt dissemination of useful information, the bill also charges the Foundation with encouraging and developing marine advisory programs to give practical assistance to industry and the public—similar in purpose to our agricultural extension service.

Just as our land-grant colleges contributed immeasurably to our eminence in the field of agriculture and animal husbandry, S. 2439 will significantly encourage our wise and full use of the abundant oceans around us. We simply do not have sufficient manpower or national interest to enable us to attack the many problems effectively without such an act as this.

The junior Senator from Rhode Island is to be congratulated for his understanding of the many problems facing our fishing and marine resource development industries, and for his wisdom in preparing the National Sea Grant College and Program Act to meet those problems.

I heartily endorse S. 2439.

FOOD PRICES IN PERSPECTIVE

Mr. MONDALE. Mr. President, there has been a great deal of legitimate concern recently about increases in the prices housewives are paying for food. But at the same time, there have been a number of exaggerated reports, together with unfortunate statements blaming the farmer for these food price rises and giving the totally false impression that the farmer is now living on easy street.

I was most gratified, therefore, to read the editorial in the Washington Post last week commenting on a recent survey by the Associated Press on food prices. The Post recognizes that food prices have risen, but it criticizes the AP survey and attributes a considerable proportion of the price increases to "recurrent imbalances between supply and demand." Also, in a point that cannot be emphasized enough, it states the undisputed truth that "in relation to its income, the American family is spending less for better food than at any time in history." I might add here also that American families are spending less of their incomes for food than the families of any other nation today.

I ask unanimous consent that this editorial from the Washington Post be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, June 2, 1966]

FOOD PRICES IN PERSPECTIVE

As guardians of the family budget, American housewives are never for long silent when food prices are rising, and perhaps that is as it should be. But harm is done when resentment is fueled by exaggerated or inaccurate reports. Consider the Associated Press's recent survey of food prices in 12 cities by a "budget brigade of housewives."

The AP survey, based on the cost of a 40-item market basket in March, 1965, and March, 1966, concludes that "the cost of feeding a meat-eating household" rose by approximately 7 per cent in the 12-month period. But the reader is never told just what a "meat-eating household" is, how much beef, pork or poultry the average household consumes. Without that information, it is difficult to know just what the 7 per cent increase in the cost of feeding a carnivorous family means.

Objections must also be made to the manner in which the price data were obtained. The AP housewives surveyed three supermarkets in each city on a single day, March 10. But how representative were their samples? The Bureau of Labor Statistics in preparing the official Consumer Price Index surveys all major supermarkets and a probability sample of smaller stores during a three-day period. The food component of the CPI rose by 6.5 per cent in the year ending in March, 1966, and by only 6.2 per cent in the year ending in April.

It is true, as the AP survey concludes, that meats and meat substitutes are the "culprits" in the recent advance of food prices. But it is not generally understood that meat prices are a subject to recurrent imbalances between supply and demand. Take, for example, the case of sirloin steak. In 1962, its average retail price was $1.108 per pound. Between 1962 and 1964, the very sharp increase in the production of beef drove the price down to $1.063. With wholesale prices so low as to be unremunerative, cattlemen reduced their output, and as a consequence the retail price of sirloin rose to a peak of $1.198 in July, 1965. Since then the price has leveled off. Sirloin was $1.189 a pound in April and further declines are expected as beef production continues to increase.

In relation to its income, the American family today is spending less for better food than at any time in history. That fact does not cancel the recent increases in food prices, but it should serve to place them in proper perspective.

GEORGE WASHINGTON CARVER

Mr. SCOTT. Mr. President, I recently received a most extraordinary letter from the father of our nuclear navy, Vice Adm. Hyman G. Rickover. Written at sea aboard the Polaris nuclear submarine U.S.S. *George Washington Carver,* it tells the story of the remarkable scientist for whom this 37th Polaris submarine was named.

With feeling and quiet eloquence Admiral Rickover has writen of the child of slaves who became one of our greatest botanists and chemurgists, of the boy who was exchanged for a $300 horse, and the man who was the friend of Edison, Henry Ford, and Theodore Roosevelt.

I ask unanimous consent that this inspiring story of one great American, written by another great American, be inserted in the Record.

There being no objection, the story was ordered to be printed in the Record, as follows:

We have just successfully completed the first sea trials of our 37th Polaris nuclear submarine. The USS *George Washington Carver* was built by the Newport News Shipbuilding and Dry Dock Company, Newport News, Virginia. We also have in operation 22 attack type nuclear submarines, making a total of 59.

This ship is named for George W. Carver, a botanist and chemurgist renowned in the annals of American scientific agriculture. The child of slaves, he did not know the day of his birth. Even the year is not certain, but he thought it was 1860. Where he was born, however, is not in doubt. In 1943, shortly after he died at Tuskegee Institute, Alabama, both houses of Congress passed, without a dissenting vote, a bill authorizing erection of a national monument at his birthplace in Diamond Grove, Missouri. In fourscore years, George W. Carver had come a long way and accomplished a great deal.

None of it had come easy. His start in life was most inauspicious. A sickly infant, orphaned before he was a year old, it seemed unlikely he would survive. He lost his father in an accident and was soon after kidnaped, together with his mother and sister, by marauding nightriders. Those were lawless times. Stealing slaves for sale to plantations in the Deep South was not uncommon. But George Carver was such a puny baby that the kidnapers had no use for him, and so his master was able to get him released in return for a race horse valued at $300. Of mother and sister nothing was ever heard.

Hard as it was to be a slave child without kith or kin, by a great good fortune his master Moses Carver (from whom he took his surname) was not a typical planter but a plain farmer, one of the so-called "Black Republican abolitionist Germans," or "lop-eared Dutch," as they were contemptuously called, who had migrated to Missouri in the 1830's. He was opposed to slavery, but he and his wife were childless and middle-aged; they needed help and servants were not to be had. So Moses bought a slave girl from a neighbor for $700. After she had been abducted, he took it upon himself to raise her small son. Slavery ended when the boy was 4 years old but he remained with the Carvers and was treated much as any other farm boy. There was a lot of work to be done and George was expected to do his share. He was an especially apt pupil in all the domestic chores around the house and showed early that he had a way with growing things. People called him "plant doctor" for he could cure any ailing plant; he seemed to know intinctively what it needed in order to grow.

The boy was born with a keen mind, fantastically clever hands and so great a thirst for knowledge that no obstacle could bar him from obtaining an education. Of rebuffs he suffered many, but he was also often given a helping hand. The free school nearby was barred to him, whereupon Mrs. Carver gave him an old blue-back Speller and with her help he taught himself to read and write. Thereafter he was hardly ever without a book in his hand. He would prop it up while he washed and ironed, these being some of the chores that earned him a living while he gradually accumulated school credits.

At 10 he decided he must find a school and so he left the Carvers, all his possessions in a small bundle over his shoulder. Thus began an Odyssey that was to take him in short stages northward geographically and upward educationally. At several critical times during his 30-year quest for an education, luck or his pleasing personality, or perhaps a combination of both, brought him into contact with warmhearted childless couples who gave him the concern and care usually found only in one's own family. With a few he stayed but he was never a burden. He earned his keep for he was a prodigious worker, determined never to accept charity.

George Carver literally inched himself up the educational ladder, working his way not just through college but through grade and high school as well, working all the time to support himself. He was 20 before he got to high school, 25 when he graduated. Highland University accepted his credentials but when he presented himself, he was told Negroes were not admitted. He was 30 when he finally entered Simpson College in Iowa. A year later, he entered Iowa State University, graduating with a Bachelor of Science degree in 1894. Invited to become a member of the staff in charge of systematic botany, the bacteriological laboratories and the greenhouse, he continued his studies and received a Master of Science degree in 1896. That year, he was invited by Booker T. Washington to organize and direct a new agriculture department at Tuskegee Institute in Alabama. There he remained the rest of his life.

From earliest childhood, Carver had the habit of rising at four and walking about the countryside for an hour or two. Soil, plants and trees interested him intensely; he wanted to know how they were put together, what made them fruitful. Nature was both a consolation and a challenge. In Tuskegee, he found the land exhausted from one-crop cotton culture, robbed of its mineral content, eroded from lack of plant cover, treeless and sun parched. The campus was bare earth, dusty in dry weather, a sea of mud when it rained. He went about looking for ways to restore the overworked earth and found it in green manure and the growing of nitrogen-producing legumes—pod bearers such as vetch, peas, clover, peanuts—plants which enriched the soil. Crop rotation which European peasants had practiced for a thousand years had to be relearned by Southern tenant farmers who knew no other crop but cotton. Carver went among them preaching diversification. He urged them to grow peanuts and sweet potatoes; those who heeded his advice rode out the disastrous invasion of the boll weevil.

On the experimental farm he developed at Tuskegee, he evolved a cross between the short-stalk and the tall-stalk cotton known as "Carver's Hybrid," besides three other new strains. With green manuring, he grew enormous potatoes, cabbages, onions, watermelons and cantaloupes. He instituted a visiting day each month for neighboring farmers to show what could be grown with scientific methods. They were most impressed with his new cotton strain which carried 275 huge bolls on a single bush, and yielded nearly a bale and a quarter per acre, in contrast to the usual one-third of a bale most tenant farmers produced.

To bring the message of scientific agriculture to those who could not come to Tuskegee, Carver loaded a wagon with tools, boxes, jars and packages of seed and set out every Friday evening after class to give demonstrations to meetings of farmers. In 1906, with money donated by Morris K. Jesup, a member of the Slater Foundation, he designed the so-called Jesup Wagon which served as a movable farmers school and was adopted in other countries.

Carver's skill as soil scientist and plant breeder was to him but a means to help raise the standards of the Southern farmer, not just in productivity, but in his whole way of life. It was obvious to Carver that the prevalent diet of pork, meal and molasses lacked the vitamins and minerals necessary for good health and stamina. So he urged farmers to grow more vegetables and fruits, showed them that many common weeds, properly cooked, were edible and nutritious, taught their women how to prepare them. His own boyhood had been spent on a multipurpose farm where everything the family needed was grown and processed, only sugar and coffee being bought. He called this "living at home" and preached it throughout the land. By avoiding store purchases, a little could be saved each week and eventually a piece of land bought. This, he said, was the way out of poverty. Tenant farmers lived in drab cabins. Noticing the beautifully colored clay in which Alabama abounded, Carver developed a simple method for making color wash and demonstrated how much even the shabbiest cottage could be improved by a paint that cost not a penny.

Carver is best known as a pioneer "chemurgist"—a word, coined by Dr. William J. Hale in 1934, which means chemistry at work. In his book "Pioneers of Plenty," Christy Borth called Carver "the first and greatest chemurgist." Carver made paper from Southern pine "at least a quarter of a century before Dr. Charles H. Herty tackled the problem," and synthetic marble from wood shavings "years before a rocklike plastic made from wood waste became a chemurgic promise." He saw promise in the peanut when it was still a lowly weed growing along fences and tolerated by farmers only because their children liked its taste. From the peanut and the sweet potato, Carver developed more than a hundred different products, including plastics, lubricants, dyes, medicines, ink, wood stains, face creams, tapioca and molasses. He developed these in his laboratory at Tuskegee which he had put together out of odds and ends salvaged from scrap heaps.

When he first arrived to take up his post, he discovered there was no money to equip a laboratory. In the course of his life, necessity had made him a genius at making do out of nothing. He and his students made the rounds of the rubbish heaps on campus and in town. They collected bottles, cut their necks off evenly and turned them into beakers. A thick, chipped teacup became a mortar, a piece of pipe the pestle. An old ink bottle with a wick made of string stuck through a cork became a Bunsen burner. Pieces of tin were punched and became sifters. Reeds served as tubes to transfer liquids. Carver had brought with him the one indispensable and costly thing not to be found on scrap heaps: a microscope. It was a parting gift from colleagues at Iowa State.

The products of his laboratory made his name known and brought him tempting offers of positions in industry, and checks for advice that had been sought from him. He politely declined the positions and returned the checks. He had no interest whatsoever in money and could not be bothered with the problem of marketing his inventions. His head was too full of ideas for new products. Advice, he thought, should always be free. He hoped it would reflect favorably on people's attitude toward his race, if he helped others with their problems. His own needs were minimal. Indeed, out of a salary of

$1,500 a year at Tuskegee, he saved $33,000 which he donated to the Carver Foundation for creative research in chemistry.

Many people from all over the world sought out this shy and retiring man, wanting to talk to him and to observe his work. Edison, Henry Ford, Theodore Roosevelt and other important men became his friends. Honors and honorary degrees came his way. One was the Roosevelt Medal for distinguished service in the field of science (1939). He was introduced to the dinner guests in Theodore Roosevelt's New York home with these words which are a summing up: "I have the honor to present not a man only, but a life, transfused with passion for the enlarging and enriching of the living of his fellowman."

TRIBUTE TO MAYOR RICHARD J. DALEY AND SUPERINTENDENT OF POLICE O. W. WILSON, OF CHICAGO

Mr. DOUGLAS. Mr. President, I ask unanimous consent that an article published in the Wall Street Journal praising the good work of Mayor Richard J. Daley, of Chicago, and Superintendent of Police O. W. Wilson, be printed in the CONGRESSIONAL RECORD.

The article shows that Mayor Daley meant it when he said:

> Good government is good politics, and good politics is good government.

I hope this article from a highly conservative journal which is widely read will serve to put Chicago's record in a correct light before a national audience.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 9, 1966]

TOUGH CHICAGO POLITICS AID CRIME FIGHT

(By Robert L. Bartley)

(NOTE.—Cities that try: This is one of a series on how—despite the failure of many cities to rise to the challenges they face—some metropolitan areas have been able to mount vigorous attacks on specific urban problems.)

CHICAGO.—"It can get pretty embarrassing," Patrolman Richard Whelton confides in his clipped Chicago accent, "Tourists keep mistaking our cars for cabs. Last night I had two beautiful women step right into the back—'Take us to the Palmer House, Please.' "

Patrolman Whelton swears he's not kidding, and Chicago's shocking-blue and white police cars are indeed dazzling enough to be taken for taxis. Police Superintendent Orlando W. Wilson wants them conspicuous, "to create an impression of police omnipresence." And reflecting on the scandal he was brought in to clean up six years ago, he adds, "Beyond that, the bright cars gave us a new look to the public. That was part of the problem—creating a new image for the Chicago policeman."

By most indications, Mr. Wilson has done remarkably well with all parts of his problem. Last year the crime rate in Chicago plunged 12%, while nationally it rose 5%. Chicago's statistics, which if not beyond question are at least systematically gathered, also showed reductions of 5% in 1964 and 3% in 1963, when most large cities experienced increases.

As a lesson in the techniques of curbing crime in the street, Chicago's record is a tribute to the professional competence of Mr. Wilson, former dean of the School of Criminology at the University of California. And as a lesson in municipal leadership—surprising though it may be to anyone with a civics-book conception of city government—it is also a tribute to the tough political credo of Mayor Richard J. Daley and his often criticized Cook County Democratic machine.

Many of Superintendent Wilson's innovations are more impressive than merely new paint for the cars. The dispatching center for the department's new $2.5 million communications system, for example, looks like a movie producers' notion of Strategic Air Command headquarters: Three rows of officers wearing radio-telephone headsets sit before consoles with illuminated maps, taking messages, shuffling color-coded IBM cards and even typing inquiries at keyboards connected to a computer.

When a Chicago resident calls the special police number, PO 5-1313, his call goes automatically to a dispatcher controlling his district. The dispatcher checks map lights signifying the available cars, and can switch back and forth between telephone and radio to send a car while the complainant is still on the line. He fills out an IBM card on the complaint, and drops it in the car's slot to darken its ready light. When the car's mission is complete, the card is collected for use in record-keeping and crime analysis.

Or, a policeman can call his dispatcher for a "hot-cold" check on a suspicious auto. The dispatcher transmits the license number to a computer, and receives an immediate answer on whether the car has been reported stolen. Similarly, he can check a name against the computer's list of outstanding arrest warrants.

Such elaborate hardware advances the department's philosophy of "aggressive preventive patrol." Superintendent Wilson explains, "The job is to deploy our patrol force in such a way that the policeman is in the area when the criminal is likely to strike."

Thus, accumulated IBM cards are fed to a computer which compiles crime statistics for each individual city block. On the basis of these figures, the department revises car assignments twice a year to keep about one-third of each car's time free for independent patrol, and to concentrate police protection in areas of greatest need. Beat 219 in a South Side slum, for example, is only a quarter-mile square. Beat 1604, in a northwest Chicago area of $35,000 homes, stretches over nine square miles.

To increase patrol frequency, Superintendent Wilson has provided police cars for practically all beats. The patrol force has been augmented by consolidating district stations and otherwise relieving uniformed men from clerical duties; instead of clumsily typing out reports, patrolmen now phone them into central headquarters where they are recorded and transcribed by civilian typists.

UPGRADED SUPERVISION

Mr. Wilson also has sharply upgraded command and supervision. Formerly each district had only one captain; now each has a commander and three captains. Promotions have been speeded, and exams are given every two years. When Mr. Wilson took office, promotions to sergeant were still based on an exam list posted 13 years earlier.

Control of all detectives has been centralized at headquarters. The central office also controls the daily deployment of the "task force" used for such purposes as saturating an area showing a sudden upsurge in crime in the daily computer reports. It can even seek a particular criminal whose likely time and place of operation has been predicted by the crime analysis section, which pores over reports looking for tell-tale modes of operation for certain types of crime.

Discipline has also been strengthened. The final say on disciplinary firings has been given to a five-man board appointed by the Mayor instead of an employee-oriented civil service board. Superintendent Wilson organized an Internal Investigations Division, known not to be squeamish about tactics such as planting fake drunks to trap dishonest cops. The tight discipline has stirred controversy, and some bad policemen still turn up. But few if any Chicago residents any longer bother with the once-established practice of paperclipping a $5 bill to their drivers' licenses.

Not all problems, of course, have been squelched. Despite a Human Relations Section and special "community workshops" to ease police-citizen tensions, complaints of police brutality are voiced in Chicago, though probably less often and vociferously than in many cities. Rioting broke out in the West Garfield Park neighborhood last summer, but through decisive action, preparation or luck, it was suppressed with no deaths and fewer than 100 injuries.

A notorious gangster headquarters during and since prohibition, Chicago is still a place where persons of shady reputation are gunned down in the street or found as corpses in auto trunks at O'Hare Field. Superintendent Wilson says legalized wiretapping may be the only way to convict top syndicate leaders, but he thinks his department is making headway at "drying up the seed-beds of organized crime—gambling, prostitution, narcotics, liquor law violations and loan rackets."

Such progress at curbing crime or almost any other municipal problem seems likely only when technical know-how is backed by political acumen or luck. Police reform became politically possible in Chicago under a double irony. It probably would not have happened except for the most blatant police scandal in the city's checkered history. And it probably would have been nowhere near as successful if Mayor Daley were not the boss of what many call the last of the old-time political machines.

In 1959, the department was rocked by Richard Morrison, then 24, who soon acquired the moniker of "the singing burglar" for revealing that police in the Summerdale district acted as lookouts and shared the loot when he and accomplices committed burglaries. Coming after years of rumor about cover-ups of police corruption, the scandal forced the resignation of Commissioner Timothy O'Connor, an honest cop but, in the words of one close observer, "a creature of the police brotherhood."

In a typically quick-footed response, Mayor Daley decided on a blue-ribbon board to pick a new commissioner, and set out looking for an academic expert as chairman. He was attracted to Mr. Wilson because he had not only academic prominence but practical experience as police chief in Wichita, Kan. "He said he would come," the Mayor relates, "but he wanted it thoroughly understood he was not interested in the job."

JOB A CHALLENGE

Yet as the committee inconclusively interviewed nominees, Mayor Daley continues, "It became apparent to many people, including me, that the choice, if he would take it, was O. W. Wilson." Superintendent Wilson says he came to look on the Chicago position as a challenge, "an opportunity to apply the principles I had developed and expounded throughout my career."

Mr. Wilson makes it plain, though, that he was not interested in going into just any city under any circumstances. The clincher, he says, was the Mayor himself, though "I didn't even know the name of the Mayor of Chicago when he first called me."

As the selection committee conferred with Mayor Daley, Mr. Wilson says, "I was impressed by his sincerity. I was impressed by the way he dealt with problems presented to him. I became aware of his administrative ability. I became aware of his political competence. I felt in this position, with the backing of Mayor Daley, I would be given a chance to demonstrate what might be done."

There is no indication Mr. Wilson's confidence was misplaced. The Mayor has boosted the police budget, for instance, to $103 million in 1966 from $73 million in 1960. The department has the go-ahead, moreover, to expand the force to 11,751 members by 1969 from 10,251 now.

Mayor Daley also stuck by his new Superintendent in all of several political spats. Consolidation of district stations to 21 from 48 proved unpopular. "People seemed to have the idea that the station was a fortress, and they needed a fortress to protect them," Mr. Wilson recalls. To make the situation even more touchy politically, the previous districts had been drawn largely along ward lines. One high police official comments, "Some of the ward committeemen thought they owned the stations."

The most outspoken opposition to any reform, though, came from the policemen themselves, when jurisdiction on firings was taken from the civil service board. Some 6,000 patrolmen gathered at a mass rally to protest, and roughed up a mayor's aide sent to present the case for the change. A meeting of 55 of the 70 police captains also unanimously opposed the change.

Though they compromised on certain details, Superintendent Wilson and Mayor Daley succeeded in eliminating civil service review. And the Superintendent slapped a 60-day suspension on Patrolmen's Association President Frank T. Carey, who refused to answer questions by the force's internal investigations squad. Mr. Wilson says, "The opposition came as no surprise at all, and this resistance has gradually diminished."

POLITICAL RISKS

Mayor Daley allows that some of his confidants saw political risk in unequivocal financial and political backing of police reform. Commissioner O'Connor had vainly requested higher appropriations, the Mayor remembers, but "now when we had this incident, this was the time to put your house in order." As for offending policemen or voters in some neighborhoods, the Mayor says he "never worried much about" losing office.

Perhaps not, considering that Mayor Daley can count on the vote production of efficient ward and precinct organizations, and has won three elections by margins ranging from 56% to 70% of the vote. For that matter, the Mayor himself far from disputes the suggestion that he could afford to take such risks because of his relative political security.

"This idea of being non-partisan, to me, is nonsense," he says. "A mayor has to be a political leader to be a good mayor." That's why, Mayor Daley explains, he decided to keep his post as Cook County Democratic chairman when he became Mayor, despite warnings this would stigmatize him as a political boss. With the double-barreled influence of city and party posts, he adds, he could pass reforms where other mayors had failed.

Even stranger to tell, standing up to disgruntled interests doesn't seem to be such bad politics for a mayor. "At least the people will say he makes up his mind and sticks by his decisions," Mayor Daley philosophizes. One high-ranking police officer agrees: "Politically, backing Wilson was a tough decision for the Mayor. There were people in comfortable positions who were hurt. This committeeman's friend or that alderman's friend might be hurt. But I think it was the smartest political move he ever made. It's made him a much bigger man among the citizenry."

Mayor Daley has something of a name for platitudes, and it's said his favorite is "good government is good politics." Chicago's Police Superintendent knows how to make good government show visible benefits. And its Mayor is willing to provide him unflinching support. In the area of law enforcement, at least, they seem to be making that platitude work.

TEXAS HIGH SCHOOL STUDENTS WIN TRIP TO WASHINGTON, D.C., IN REA-SPONSORED ORATORICAL CONTESTS

Mr. YARBOROUGH. Mr. President, in 1966, the Texas Electric Cooperatives have again brought the "cream of the crop" of Texas youth to the Nation's Capital. There were 82 winners in the statewide oratorical contests sponsored by these Rural Electrification Administration cooperatives, accompanied by 15 chaperones and sponsored by 38 participating cooperatives.

The year 1965 brought to the electric cooperatives of Texas its first Government-in-Action Youth Tour. It was praised without exception by the 28 participating cooperatives as one of the most effective and rewarding activities ever attempted in a cooperative venture.

While the youth tour concept is not new, 1965 was the first time that electric cooperatives of Texas participated. Through oratorical contests sponsored by participating cooperatives, 63 youth leaders of Texas won the opportunity of visiting their Nation's Capital in 1965.

The idea of the REA's sending young people to Washington was originated by President Johnson in the early 1950's, when as a Senator, he selected outstanding young people and offered them the chance to visit Washington, D.C.

In 1958, the first statewide contest was initiated by the Iowa Electric Cooperative Association. From 1955 until 1965, the group grew from a mere handful to more than 700 young people. They gathered in Washington to learn more about their Government and to see it in action. Last year's visit and this year's visit by the Texas group included points of interest in Washington, along with a congressional breakfast with the Texas delegation, and a special visit with President Johnson in the rose garden of the White House.

We cannot begin to measure the public and community relations value of such a project. With color slides of their trip in hand, the 63 Texas participants last year have completely blanketed their cooperative area with program talks concerning their visit and also talking of the sponsorship of their electric cooperative.

The REA cooperatives are one of the finest examples of democracy in action.

I ask unanimous consent that the names of those who took part in the Texas REA 1966 Government in Action tour to Washington, D.C., be printed at this point in the RECORD.

These statewide winners are the leaders of our State in the future; their presence in Washington is worthy of note.

There being no objection, the list of names was ordered to be printed in the RECORD, as follows:

CHAPERONES

Ken Loyd, Youth Tour Coordinator, Texas Electric Cooperatives, Inc., Post Office Box 9248, Austin, Tex.

Mrs. Nell Mays, Official Photographer, Swisher Electric Cooperative, Post Office Box 67, Tulia, Tex.

Mrs. June Reid, Registered Nurse, Post Office Box 612, Stanton, Tex.

Mr. Carl Shaw, Chaperone, Deep East Texas Electric Cooperative, Post Office Drawer N, San Augustine, Tex.

Mr. and Mrs. Albin Petter, Chaprones, Brazos Electric Power Cooperatives, Inc., 2404 La Salle, Waco, Tex.

Mr. and Mrs. Bob Bunting, Chaprones, J-A-C Electric Cooperative, Post Office Drawer B, Bluegrove, Tex.

Mr. and Mrs. George Mechler, chaperones, Medina Electric Cooperative, 2308 18th Street, Hondo, Tex.

Mr. and Mrs. Don Waddell, Chaperones, Midwest Electric Cooperative, Post Office Box 517, Roby, Tex.

Mr. and Mrs. Danny Swafford, Chaperones, San Patricio Electric Cooperative, Post Office Box 668, Sinton, Tex.

Miss Jan Brown, Miss National Rural Electrification, Harper, Tex.

SPONSORS AND YOUNG PEOPLE

Bailey County Electric Cooperative: D. B. Lancaster, manager, Post Office Drawer N, Muleshoe, Tex.; Miss Carol Haire, Route 2, Muleshoe, Tex.; Mr. John Gulley, Route 2, Box 60, Muleshoe, Tex.

Bluebonnet Electric Cooperative: Henry M. Umscheid, Business Manager, Post Office Box 240, Giddings, Tex.; Miss June Henslee, Post Office Box 182, Lockhart, Tex.; Mr. Ronald Troutman, 901 South Pecan Street, Luling, Tex.

Brazos Electric Power Cooperative: Hollis A. Dalton, Manager, 2404 La Salle, Waco, Tex. Miss Margaret Walsworth, 2721 Herring Avenue, Waco, Tex.; Mr. Howard Gray III, 2901 Old Robinson Road, Waco, Tex.

Cap Rock Electric Cooperative: O. B. Bryan, Manager, Post Office Box 158, Stanton, Tex.; Miss Brenda Dyson, Post Office Box 631, Stanton, Tex.; Mr. Mike Springer, Post Office Box 38, Lenorah, Tex.

Central Texas Electric Cooperative: W. C. McWilliams, Manager, Post Office Box 553, Fredericksburg, Tex.; Miss Rebecca Hopson, Valley Spring Route, Llano, Tex.; Mr. Stephen Mutschink, Post Office Box 628, Mason, Tex.

Coleman County Electric Cooperative: C. L. Newton, Manager, Post Office Box 860, Coleman, Tex.; Miss Linda Kasbert, Post Office Box 124, Miles, Tex.; Mr. Ronnie Droll, Route 1, Box 92, Rowena, Tex.; Miss Cheryl Beck,[1] Post Office Box 296, Valera, Tex.

Comanche County Electric Cooperative: W. J. Parks, Manager, Post Office Box 553, Comanche, Tex.; Miss Martha Fanning, 1100 North Houston St., Comanche, Tex.; Mr. Troy Lee Hatcher, Jr., Post Office Box 292, Moran, Tex.

Deaf Smith County Electric Cooperative: Leo Forrest, Manager, Post Office Box 753, Hereford, Tex.; Miss Joyce Bezner, Route 1, Hereford, Tex.; Mr. Jerry Alberant, Post Office Box 105, Nazareth, Tex.

Deep East Texas Electric Cooperative: D. N. Beasley, Manager, Post Office Drawer N, San Augustine, Tex.; Miss Susann Ramsey, Post Office Box 00, San Augustine, Tex.; Mr. Boyer Taylor, Post Office Box 135, Tenaha, Tex.

Denton County Electric Cooperative: Bill R. Collins, Manager, Post Office Box 699, Denton, Tex.; Miss Bobby Ann Thompson, Post Office Box 392, Frisco, Tex.; Mr. Jack Highfill, Post Office Box 194, Valley View, Tex.

DeWitt County Electric Cooperative: Fain McDougal, Manager, Post Office Box 231, Cuero, Tex.; Miss Claudia Arnold, Route 4, Yorktown, Tex.; Mr. Charles Mueller, Route 2, Box 25, Yorktown, Tex.

Dickens County Electric Cooperative: Lloyd Hindman, Manager, Post Office Box 1104, Spur, Tex.; Miss Gloria Moerno, Route 1, Box K1, Spur, Tex.; Mr. Larry Powell, Post Office Box 235, Spur, Tex.

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[1] Miss Beck jointly sponsored by Group IV Managers.

Fayette Electric Cooperative: John F. Luecke, Manager, Post Office Box 298, La Grange, Tex.; Miss Barbara Miller, 1230 East Eblin Street, La Grange, Tex.; Miss Glenda Zappe,[3] 123 Kroschell Street, Halletsville, Tex.; Mr. Robert Fikac,[3] Route 1, Box 187, Shiner, Tex.; Mr. Marvin L. Moerbe, Route 1, La Grange, Tex.

Fannin County Electric Cooperative: J. W. Cunningham, Manager, Post Office Drawer 250, Bonham, Tex.; Miss Raylene Warnell, Route 1, Bonham, Tex.; Mr. Terry Brent, Route 2, Wolfe City, Tex.

Farmers Electric Cooperative: Joe Lytle, Manager, Post Office Box 1037, Greenville, Tex.; Miss Shirley King, 512 Lee Street, Sulphur Springs, Tex.; Mr. Danny Bonner, Jr., 914 N. Davis Street, Sulphur Springs, Tex.

Guadalupe Valley Electric Cooperative: O. W. Davis, Manager, Post Office Box 118, Gonzales, Tex.; Miss Jane Jahns, Route 2, Box 152, Marion, Tex.

Hall County Electric Cooperative: J. W.. Coppedge, Manager, Post Office Box 1020, Memphis, Tex.; Miss Linda Simpson, 717 N. 16th Street, Memphis, Tex.; Mr. Royce Pigg, Star Route, Quitaque, Tex.

J-A-C Electric Cooperative: James E. Fields, Manager, Post Office Box Drawer B, Bluegrove, Tex.; Miss Suzanne Lindeman, Post Office Box 24, Windthorst, Tex.; Mr. David Murray, Post Office Box 86, Byers, Tex.

Jasper-Newton Electric Cooperative: Troy Mitchell, Manager, Post Office Drawer 430, Kirbyville, Tex.; Miss Betty Fillyaw, Post Office Box 81, Newton, Tex.; Mr. Rodney Van Horn, Route 3, Box 180, Kirbyville, Tex.

Lighthouse Electric Cooperative: Melvin Henry, Manager, Post Office Box 965, Floydada, Tex.; Miss Anne-Marie Conner, Route 3, Plainview, Tex.; Mr. Jerry Bigham, Post Office Box 813, Lockney, Tex.

Lone Wolf Electric Cooperative: James T. Hull, Manager, Post Office Box 793, Colorado City, Tex.; Miss Linda Wiggins, Route 3, Box 106, Snyder, Tex.; Mr. Dennis Grizzle, Post Office Box 224, Ira, Tex.

Lyntegar Electric Cooperative: Garland Pennington, Manager, Post Office Drawer A, Tahoka, Tex.; Miss Maria Bray, Post Office Box 638, Tahoka, Tex.; Mr. Richard White, Post Office Box 96, Tahoka, Tex.

McCulloch Electric Cooperative: B. C. Broad, Manager, Post Office Box 271, Brady, Tex.; Miss Vicki Gamblin, Route 1, Placid, Tex.; Mr. Terry Traweek, 900 North Bridge Street, Brady, Tex.

Magic Valley Electric Cooperative: Lee R. Gandy, Manager, Post Office Box 267, Mercedes, Tex.; Miss Claudia Bagley, Post Office Box 42, Rio Hondo, Tex.; Mr. Alan L. Johnson, Route 1, Santa Rosa, Tex.

Medina Electric Cooperative: James N. Myers, Manager, 2308 18th Street, Hondo, Tex.; Miss Jewelretta Keswick, 1415 North 7th Avenue, Crystal City, Tex.; Mr. John M. Seifert, Box 208, Route 1, Hondo, Tex.; Mr. Lyle Thomas Stein, Route 1, Box 66, Hondo, Tex.

Mid-South Electric Cooperative: Curtis F. Maynard, Manager, Post Office Box 822, Navasota, Tex.; Miss Becky Floyd, Route 2, Box 100, Navasota, Tex.; Mr. Jimmy Weaver, 204 Rotello Street, Navasota, Tex.

Midwest Electric Cooperative: Johnny Ammons, Manager, Post Office Box 517, Roby, Tex.; Miss Dinah Lovett, Route 1, Rotan, Tex.; Mr. William Deknight, 2203 45th Street, Snyder, Tex.

Tri-County Electric Cooperative: W. C. Casparis, Jr., Manager, 600 N.W. Parkway, Azle, Tex.; Miss Gwendol Wood, Route 1, Box 111, Azle, Tex.; Mr. Charles Lewis, Route 1, Box 91H, Keller, Tex.; Mr. Russell Cotton, Route 1. Box 303, Mineral Wells, Tex.

Wharton County Electric Cooperative: K. A. Crawford, Manager, Post Office Box 911, El Campo, Tex.; Miss Michele Gibson, Post Office Box 1252, El Campo, Tex.; Mr. Arthur Keinarth, 310 Blue Creek Road, El Campo, Tex.

Wood County Electric Cooperative: V. B. Shaw, Manager, Post Office Box 398, Quitman, Tex.; Miss Quita Russell, Post Office Box 1802, Hawkins, Tex.; Mr. Steve Lacy, 404 North Pacific St., Mineola, Tex.

North Plains Electric Cooperative: Earl Waide, Manager, Post Office Box 550, Perryton, Tex.; Mr. Tom Zenor, Post Office Box 36, Higgins, Tex.

Pedernales Electric Cooperative: Mr. Tom Hutchinson, Assistant to President, Post Office Box 9032, Austin, Tex.; Miss Beth Barton, Post Office Box 236, Bertham, Tex.; Mr. Eric McKinney, Post Office Box 157, Johnson City, Tex.

Rita Blanca Electric Cooperative; Mr. R. L. Elliott, Jr., Manager, Post Office Box 990, Dalhart, Tex.; Miss Uszanne Dixon, Post Office Box 37, Morse, Tex.; Mr. Tommy Nisbett, 1405 Peach Avenue, Dalhart, Tex.

San Bernard Electric Cooperative: Mr. G. R. Schumann, Manager, Post Office Box 158, Bellville, Tex.; Miss Sandy Criswell, Post Office Box 254, Sheridan, Tex.; Miss Elizabeth Ilse, Route 2, Box 408, Columbus, Tex.; Mr. Francis Hagendorf, Post Office Box 275, Sheridan, Tex.

THE COMMERCIAL IMPORT PROGRAM IN VIETNAM

Mr. MONDALE. Mr. President, there have been a number of newspaper articles recently about the problems which have developed in our commercial import program in Vietnam, carried out by our Agency for International Development. A particularly perceptive series has been written by Charles W. Bailey, correspondent for the Minneapolis Tribune and the Des Moines Register.

As Bailey points out, the objective of this program is to fight against rapid inflation in Vietnam, which can threaten stability, particularly in the cities, in a very serious way. Our increased involvement in Vietnam has inevitably generated unprecedented demands on the economy there, and by shipping a large number of goods there for commercial sale we hope to soak up excess buying power and keep prices down.

As one might expect in a program of this magnitude, there have been very serious problems. Chuck Bailey's analysis of these problems is worthy of the attention of the entire Senate, so I ask unanimous consent that several of his articles be printed at this point in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Minneapolis Tribune, May 7, 1966]

Czar Will Probe PX Black Market in South Vietnam

(By Charles W. Bailey, Minneapolis Tribune Staff Correspondent)

Washington, D.C.—The Defense Department, increasingly concerned over widespread black marketeering of military Post Exchange goods sent to South Viet Nam, has named a "czar" to investigate and where necessary clean up the situation.

Thomas D. Morris, assistant secretary of defense, has been named "Mr. Black Marketeer"—in the words of a Pentagon spokesman Friday—in an effort to clamp down on a problem that could cause the administration considerable embarrassment.

The thriving black market in PX goods is the most highly visible, though probably not the most serious, symptoms of the theft, diversion and lack of control which have plagued United States military and foreign aid shipments to Viet Nam.

Diversion and theft of United States aid shipments, including goods purchased by Vietnamese businessmen with United States financing under the so-called Commodity Import Program (CIP), is under intensive investigation by civilian authorities, who have dispatched several dozen investigators to Saigon, South Viet Nam, in recent weeks.

Ironically, the Defense Department appointment of its own black market "czar" follows by less than three months the naming of a similar official by the South Vietnamese government at the insistence of President Johnson and other top U.S. leaders during the Honolulu conference.

It has been no secret in Saigon that the influx of PX supplies for U.S. troops has fed a thriving black market. Sidewalk vendors there offer radios, liquor, canned food, cigarettes, clothing, bedsheets and other items—many bearing Post Exchange price tags—for sale in hundreds of open-air booths.

The PX black market drew fire this week from Senator J. William Fulbright, Democrat, of Arkansas, chairman of the Senate Foreign Relations Committee and a persistent critic of the war in Viet Nam.

Fulbright said that "30,000 containers of hair spray were sent to Viet Nam in March . . . it seems reasonable to suppose that this item has found its way to the black market."

Anyone walking down Saigon sidewalks can confirm that hair spray is a popular item in the open-air black market. But Fulbright, according to highly knowledgeable official sources, seriously understated the magnitude of the shipments.

Shipments of hair spray to South Viet Nam—destined for PX counters but often diverted to sidewalk stalls—have been running at a level of more than 140,000 containers a month for the past four or five months, these sources say.

There are fewer than 800 women in all of South Viet Nam authorized to purchase goods in U.S. Post Exchanges, the sources say—nurses, dependents of non-government U.S. personnel with PX privileges, and a handful of Vietnamese dependents of military men.

Thus the monthly consignments of hair spray would provide close to 200 cans of hair spray per month for each woman authorized to obtain it. The fact is that hair spray is a standard gift for GIs to give to their Vietnamese girl friends.

A Defense Department spokesman confirmed yesterday that Morris had been given the black market "czar" assignment by Deputy Defense Secretary Cyrus Vance. The spokesman said that Vance acted after receiving "some reports" on the situation following his recent inspection trip to Vietnam.

The spokesman said Vance also has ordered each service secretary—Army, Navy and Air Force—to give him a monthly report on actions taken by them to curb black marketeering, currency dealings, and similar illegal activities.

Morris, who is assistant secretary of defense for manpower, was chosen by Vance because his responsibilities cut across interservice lines, the spokesman said.

[From the Des Moines (Iowa) Register, May 10, 1966]

Team Seeks To End Viet Misuse

(By Charles Bailey, of the Register's Washington bureau)

Washington, D.C.—Foreign aid officials, spurred by evidence of major misuse of American aid to South Viet Nam, are hastily increasing their efforts to control the nearly $500 million worth of U.S.-financed goods shipped each year to Saigon.

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[3] Co-sponsored by Fayette, Guadalupe Valley and San Bernard Electric Cooperatives.

An entire new 27-man "special projects team" has been set up in the U.S. aid mission headquarters in Saigon, along with extra auditors and inspectors, in an effort to prevent further diversion of aid shipments by profiteering merchants or agents of the Communist Viet Cong.

The stepped-up policing efforts of the Agency for International Development (AID), which handles economic assistance programs, parallel the action of the Defense Department, which has appointed a "czar" to crack down on black marketing in military post exchange goods and currency.

The military and civilian enforcement drive apparently resulted, at least in part, from investigations conducted in recent weeks by the Inspector-General's office of the State Department. This office has formal policing authority only over the AID programs, but in addition has pointed up black marketeering activities in military PX supplies as well.

It was the curiosity of an official in the Inspector-General's office that resulted in the interception of 50 tons of a highly-explosive chemical compound bound for Saigon. The compound had been purchased by a Vietnamese importer—Purportedly for use in making rubber-soled tennis shoes—under a program financed by AID.

COMPLICATED NAME

The inspector's curiosity as to the apparent huge demand for tennis shoes, plus the complicated chemical name of the compound, led to his initial inquiry, subsequent tests by the Naval Ordnance Laboratory showed the compound—trade-named "Unicel–100" and known chemically as "dinitrosopentamethalene tetramine"—to be almost as powerful as TNT.

A similar, though less lethal, item recently turned back from its Saigon destination was $1 million worth of silver nitrate. It was questioned, and then canceled, because it seemed likely to have been purchased as a "money maker"—a nonessential import designed solely for the enrichment of the importer.

Silver nitrate can be melted down—"in the back of any shack," as one official put it—and it yields half of its original weight in pure silver.

Because the financing arrangements under the U.S.-backed Commodity Import Program (CIP) allow a Vietnamese importer to buy goods at an exchange of 60 piastres to the dollar, instead of the going black-market rate of 180 to 200 piastres per dollar now prevalent in Saigon, the potential for profit in such a manipulation is large.

Even if half the silver nitrate is lost in the conversion process, the importer would be left with a tidy profit when he sold his solid silver, in the form of ashtrays or spoons, on the Saigon market.

In addition, conversion of the unstable piastre into something as "hard" and thus stable as silver, particularly at a low pegged piastre price, gives a Vietnamese a chance to enrich himself in real, inflation-proof terms.

TARGET OF DEMANDS

According to an AID spokesman, the agency has been the target in the last few days of demands from both Congress and the White House for details of past losses and future control plans. The White House inquiries, the spokesman said, had become especially insistent, and he added: "There seems to be a real flap over this."

As for Congress, a House subcommittee headed by Representative JOHN MOSS, Democrat of California, arrived in Saigon last weekend to look into the diversion problem. It carries a special agreement giving it authority to probe military as well as AID programs.

The AID agency Monday was unable to provide specific information on the new tougher program of "end-use" auditing—that is, the checking of goods sent to Viet Nam under the CIP program to determine whether they have been used for the purposes stated in the import application.

But an AID spokesman did provide this run-down on the new control measures being instituted:

A "special projects team," consisting of 20 AID officials and seven experts from the U.S. Bureau of Customs, has been set up in Saigon to see what happens to shipments after they arrive. This team will be strengthened by another 10 men within two months.

Two additional "management inspectors"—empowered to call for records on any transaction—have been assigned to Saigon to join the two already there.

Five additional staff auditors have been assigned to the Saigon AID Mission to join the 13 already there, and another 17 auditors are to be added "as soon as possible."

The AID spokesman added that one or the other of the two top officials of the Inspector-General's office—Director Kenneth Mansfield and his deputy, Howard E. Haugerud—has been in Saigon "most of the time" in recent weeks, investigating the situation.

Since there are about 375 employees in the U.S. AID Mission in Saigon, the current 47-man complement of inspectors, investigators and auditors amounts to about one person in eight in the mission. When the additional policing personnel now planned arrive, the proportion will be nearly one in five—a measure of the gravity with which the problem is now viewed.

[From the Des Moines Register, May 14, 1966]

FEAR REDS GOT U.S. EXPLOSIVE—SEE POSSIBLE USE BY VIET TERRORISTS—CHEMICAL WAS SENT TO PRIVATE FIRMS

(By Charles Bailey, of the Register's Washington bureau)

WASHINGTON, D.C.—At least 100 tons of a highly explosive chemical compound were delivered to private merchants in South Viet Nam under U.S. aid programs before suspicious investigators discovered its potential value to Communist terrorists.

The agency for International Development, (AID), which administers the economic assistance program under which the chemical was shipped, is now trying to find out whether the compound—purportedly imported to Saigon for use in making rubber-soled tennis shoes—was diverted to the Viet Cong. It is suspected that it was.

AUDIT ORDERED

An "end-use" audit has been ordered on the 100 tons of Unicel-100 and Unicel-DN—two variants of the same compound. They were shipped before State Department inspectors learned of the compound's explosive properties last month.

In addition to the 100 tons, an AID spokesman said Friday that undetermined additional amounts were purchased by Vietnamese merchants, with U.S. financing, from manufacturers in Japan and Formosa.

Tests of Unicel-100, made after an official of the State Department Inspector-General's Office questioned a 50-ton shipment, revealed the compound to be nearly as powerful an explosive as T.N.T. A single pound, packed into a bicycle hand-pump and simply fused, could wreck a building, officials said.

(The most recent terrorist blast in Saigon reportedly was caused by a bomb attached to a bicycle.)

The 50-ton shipment of Unicel was stopped in mid-ocean. But the 100 tons shipped under earlier authorizations already had arrived in Saigon and had been picked up by the merchants who bought it under the AID Commodity Import Program, which finances purchases—at a favorable rate of exchange—by Vietnamese businessmen.

The program subsidizes the import of goods, with the aim of providing materials needed to strengthen the economy of South Viet Nam without feeding the inflation that recently has become a major problem there.

But recent investigations, such as the one that turned up shipments of Unicel so large they obviously were not for the stated purpose of making tennis shoe soles more flexible and springy, have indicated widespread misuse and diversion of U.S.-financed goods.

Such misuse involves not only diversion of goods to the Communists—as suspected in the case of the Unicel and such other materials as drugs, steel and cement—but also its conversion in "Money-making" projects—such as the melting down of silver nitrate into pure silver for hoarding or resale.

AID spokesmen said Friday that the list of specific "end-use" audits ordered in the current crackdown is classified because the agency does not want it known which items are being checked. But they said that both Unicel and silver nitrate are among the commodities being checked.

A spokesman said he was "sure" that no more Unicel would be authorized for shipment to South Viet Nam regardless of the audit findings. As for silver nitrate, he suggested that the current stop order would be maintained until investigations are complete.

The discovery of such incidents as the Unicel shipment, plus increasing congressional concern over the operation of the Commodity Import Program, have resulted in a drastic step-up in auditing and policing procedures.

But the task of checking the $420 million in goods shipped under the program in the last two years, and of preventing misuse of the equal amount programmed for the next 12 months, will keep auditors busy for weeks or even months, officials say.

Special emphasis will be put on checks of so-called "critical" goods—materials which would be of special use to the Communists. In addition to drugs—especially antibiotics—this list includes chemicals, small hand tools and such machine tools as lathes which can be used in making arms.

Of the $370 million in goods being shipped this year under the Commodity Import Program, almost $71 million is industrial machinery and equipment. Chemicals and pharmaceuticals account for another $43 million. Iron and steel products shipped this year are valued at $72 million, while motor vehicles and parts are listed at $18 million.

[From the Minneapolis Tribune, May 14, 1966]

INFLATION COULD WIPE OUT ALL GAINS IN VIETNAM

(By Charles W. Bailey, Minneapolis Tribune staff correspondent

WASHINGTON, D.C.—Behind the furore over black marketeering, currency manipulation and diversion of United States financed aid in Viet Nam lies one central concern: The fear that rampant inflation could wipe out every bit of dearly-bought economic and political progress in that shaky nation.

Inflation is traditionally a problem for developing nations, where each economic advance may trigger a rise in demand that outstrips the capacity to meet it. It is doubly troublesome in Viet Nam because of the huge impact of American military and war-connected spending there.

The piastre, South Viet Nam's currency unit, has so weakened in recent months that it is now valued on the free market in Saigon at more than 180 to the dollar—compared to official exchange rates ranging down to 60 to the dollar for some American-financed official transactions.

The big United States build-up has made an already bad situation worse. American contractors pay wages to construction workers well above local scales. American military personnel, diplomats, correspondents and others bid up the scale of rents in Saigon.

Hundreds of thousands of dollars in United States military pay is dumped each month into the economy, sending consumer goods prices sky-high for already hard-pressed Vietnamese.

Not all the inflation can be traced to United States spending. The build-up of Vietnamese armed forces required bigger government outlays—without comparable revenue increases.

Transportation and communications were cut back by the war, thus hindering production at the very time when more was needed. A manpower shortage brought repeated wage increases as employers bid for scarce help.

With the piastre thus reeling under the impact of American spending, it is not hard to see why some Vietnamese businessmen find it attractive to manipulate United States aid programs.

A merchant who can buy a dollar's worth of silver nitrate for a "pegged" price of 6 piastres, melt it down and sell the resulting silver for upwards of 200 piastres has an automatic profit, even after the shrinkage involved in processing.

And if he chooses to hold onto the silver, he has an inflation-proof asset which can be sold for hard currency at any time—whether in Saigon or in some other country to which he has taken his silver in the form of spoons or bullion.

The political effects of inflation can also be disastrous. Saigon's middle class population—the civil servants, teachers and professionals who must be counted on to play a major role in any real national government—is progressively impoverished by inflation.

Their fixed salaries are worth less each month. They must not only compete for decent living space with the Americans but must pay more and more for it as prices go up. The cost of food, clothing, fuel, transportation—of everything—goes up.

The best simple measure of the impact of inflation is one statistic: In 1965, after some years of relative stability, consumer prices rose about 40 per cent in one year. And in some remote areas and refugee-crowded centers, prices doubled during the year.

Fighting this inflation has a high priority in the Johnson administration's over-all economic aid program for Viet Nam. The United States is financing $370 million worth of commodity imports this year and will pay for another $420 million worth in the coming fiscal year.

But some officials here believe that even these massive efforts are not enough. "I spent time in China after World War II," one expert said, "and I watched inflation wreck that country's economy. I'm afraid the same thing could happen in Viet Nam, and wash out everything we've done or hope to do."

This official, and some others like him, believe the ambitious plans for social and economic development which grew out of the Honolulu conference, while certainly desirable, may not be necessary as immediate objectives—at last not imperative in comparison with the greater need to choke off inflation.

The attempt to produce the "social revolution" proclaimed at Hawaii, some officials suggest, is like "trying to attach a garden hose to a fire hydrant" because Saigon's resources of time, energy and export manpower are so limited that it cannot fight a war, curb inflation and also carry out the added new tasks.

It is certain that the inflation problem is at the heart of many of this week's meetings between Ambassador Henry Cabot Lodge and his Washington superiors. It is also at the root of the stepped-up effort to control the ultimate use of the millions of dollars worth of U.S. goods being sent to Saigon.

[From the Minneapolis Tribune, May 20, 1966]

VIETCONG GETS SOME MATERIAL—U.S. BOOSTS GUARD OVER AID GOODS

(By Charles W. Bailey, Minneapolis Tribune staff correspondent)

WASHINGTON, D.C.—The head of the United States foreign aid program conceded Thursday that controls over shipments to Viet Nam have been "inadequate" and that some supplies have wound up in the hands of the Communist Viet Cong.

David Bell, administrator of the Agency for International Development (AID), said in an interview that the administration has "added greatly" to the number of officials in Saigon charged with overseeing the AID program and will "more than double" existing watchdog personnel.

As a result of newly revealed evidence of major misuse of United States-financed goods sent to South Viet Nam, an entire new 27-man "special projects team" has been set up in Saigon. Another 25 or more inspectors and auditors are to be added to this force soon, AID spokesmen said.

The stepped-up policing of AID shipments—sent to Saigon under a commodity import program now running at a $420 million annual level—parallels action by the Defense Department, which recently appointed a "czar" to crack down on black marketeering in post exchange goods and currency.

The degree of the military crackdown remained unclear yesterday despite Defense Department statements that 41 servicemen and 70 civilians have been punished or investigated for black marketing.

A defense spokesman said that the totals cover an 18-month period, and he said that the civilian cases "remain under investigation" with no punitive action taken so far.

Bell's comments in a television interview gave only a partial picture of the step-up in AID policing activity. He said that 18 Americans are working "full-time" to oversee the program in Saigon, and that this number will be more than doubled.

Bell thus appeared to be referring only to auditors, who are primarily engaged in following through on delivery records to determine what happened to goods sent to Saigon under a program in which the U.S. government finances imports by changing Vietnamese piastres into U.S. dollars at a pegged rate of 60 to 1, far below the free-market exchange rate of 180 to 1.

Actually, the auditors—many of them newly assigned to Saigon—are only part of the check-up team sent there since recent investigations by State Department inspectors focused attention on abuses.

In addition, the 27-man "special projects team," including seven experts from the U.S. Bureau of Customs, has been put to work on the problem, and two additional "management inspectors" with broad investigatory power have been assigned to the Saigon AID mission.

AID spokesmen say that another 10 men are to be added to the "special projects" group within two months, while at least 17 more auditors are scheduled to be dispatched to Saigon as soon as they can be recruited.

Bell explained the possibility of diversion of United States-financed goods to the Communists in this way:

"When the goods have been delivered to the businessman to whom they were supposed to go open and aboveboard, then they are available in the markets, in the shops, in the stores in Saigon and other parts of Viet Nam.

"Then they may be purchased by someone who is really acting for the Viet Cong and they may be smuggled through the lines, so to speak—as you know, there isn't any front line in Viet Nam—out to the Viet Cong in their jungle bases."

Bell conceded that "to some extent" charges that United States-financed concrete was being used by the Viet Cong to build tunnels in its jungle redoubts were true.

Cement, he said, could be purchased in Saigon by a Viet Cong agent and smuggled into the jungle. "We haven't adequate data to answer the question of how much of this there is," he said.

To counter this diversion, Bell said, a "major police program," including road blocks, control points on waterways and other checkpoints is being developed.

[From the Des Moines Register, May 24, 1966]

HOW U.S. AID FOR VIET GOES TO RED TAXES—REVEAL HEAVY LOSS OF GOODS

(By Charles Bailey, of the Register's Washington bureau)

WASHINGTON, D.C.—State Department investigators have uncoverd substantial losses of U.S. foreign aid goods being shipped to out-lying points in Viet Nam—apparently through outright theft by haulers or in the form of taxes exacted by the Communist Viet Cong.

The losses—which include cement, aluminum sheet roofing and food—ranged from 16 to 42 per cent of shipments leaving central depots in Saigon, according to spot checks made in seven South Vietnamese provinces.

This latest disclosure of trouble in massive American aid to Viet Nam came in an unpublicized report by Secretary of State Dean Rusk to the Senate Foreign Relations Committee.

The report also cited a number of other examples of problems in Viet Nam which have been brought to light by the department's inspector general's office. These included black marketeering, currency manipulation, opium smuggling and questionable administration of a variety of aid programs.

CHECKS BY U.S.

While previous revelations have pointed up the losseness of controls in programs involving private Vietnamese merchants who receive goods under U.S. aid programs, the details of intransit losses revealed Monday indicate similar problems in direct government-operated aid efforts as well.

More than a year ago, the inspector general's office—charged with overseeing all U.S. aid programs—ran checks on commodities being shipped from Saigon to provincial towns under the so-called counter-insurgency program.

Rusk reported to the Senate committee that the probers "developed figures showing apparent significant discrepancies between the amounts of commodities leaving Saigon and the amounts arriving in the provinces."

Specific figures, not included in Rusk's report, tell the story more vividly.

Investigators checked records to find out how much cement, aluminum sheeting, wheat and vegetable oil were shipped in one year from central warehouses in Saigon to An Xuyen Province, in the Mekong Delta near the Cambodian border.

REVEAL LOSSES

They then checked provincial records in An Xuyen to find out how much was delivered, allowing for truck and barge shipments known to have been captured outright by the Communist Viet Cong between the national and provincial capitals.

The results of the check showed these figures:

Of 9,000 bags of cement shipped and not seized by the Viet Cong outright, only 7,367 bags reached the provincial warehouse—a loss of 1,633 bags, or 18.1 per cent.

Of 26,793 gallons of vegetable oil shipped from Saigon, only 15,446 gallons were checked into the provincial warehouse—a loss of 11,347 gallons, or 42.3 per cent, with a value of $24,800.

Of 8,020 bags of wheat that left Saigon, only 6,363 reached the An Xuyen warehouse—a loss of 1,657 bags, or 20.7 per cent, with a value of $18,740.

Of 7,938 sheets of aluminum roofing material shipped from Saigon, only 6,843 arrived in the province—a loss of 1,445 sheets, or 18.2 per cent.

Officials said that similar spot-checks in six other provinces yielded comparable statistics. There are 43 provinces in South Viet Nam, so the total loss through this kind of diversion was obviously substantial.

Those familiar with the investigation said Monday that two factors undoubtedly accounted for most of the losses between Saigon and the provinces—either outright theft or taxes by the Viet Cong as the price of allowing the transporters to proceed in safety.

[From the Des Moines Register, May 25, 1966]

Bid To Build Viet Brewery With U.S. Aid—But Official Blocked $4-Million Plant

(By Charles Bailey, of the Register's Washington bureau)

Washington, D.C.—U.S. officials in Saigon sought to finance the operations of a private Vietnamese brewery with $4 million in American funds under a foreign aid program intended to provide only "essential" goods, official reports revealed Tuesday.

The proposed transaction was stopped by the State Department's inspector general, who refused to allow the use of U.S. dollars for importing malt and hops to be used in making beer.

Details of the case, obtained by The Des Moines Register Tuesday, provide new examples of the confusion and lack of controls which have plagued U.S. aid efforts in Viet Nam.

The malt-hops case also illustrates another problem plaguing U.S. foreign aid programs—the difficulty of persuading American aid officials to seek ways of utilizing the huge and still-growing amounts of local currencies piled up in various nations as payment for American food shipments.

The Vietnamese malt-hops issue arose in 1965 when officials in the U.S. aid mission in Saigon asked Washington for a waiver of rules limiting the outlay of aid funds under the so-called Commodity Import Program (CIP) to "essential" goods.

ARTIFICIALLY LOW

[Under the CIP, private Vietnamese businessmen receive goods purchased here with government dollars. They pay for the goods with Vietnamese piastres, at an artificially low rate of exchange.

[The piastres are then used in Viet Nam on joint U.S.-Vietnamese government projects, so the cost of the goods shipped under CIP is fully borne by U.S. public funds.]

The inspector general's office, in the State Department—charged with checking the operation of all overseas U.S. assistance programs—questioned the waiver application on several grounds.

First, it saw no reason to waive the essential-goods-only rule for a project involving the production of beer.

Second, it found the proposal objectionable on the ground that malt and hops were commodities which have to be imported into the U.S. to meet the full needs of brewers here. Thus the transaction would have further increased net import requirements in the United States and would thus tend to worsen our balance-of-payments problem.

FIVE-MILLION-DOLLAR CREDIT

Third, the inspector general pointed out that South Vietnamese officials already had available a $5 million credit from West Germany, an exporter of the desired goods, but had not drawn on that credit.

Fourth, the inspector general pointed out that the United States owned about $250 million worth of Yugoslavian currency, as a result of Food-for-Peace sales to that nation, and that this might be used to purchase the malt and hops, since Yugoslavia is an exporter of the commodities.

Official sources here said Tuesday that the inspector general sought to persuade aid officials in Washington to explore these alternate methods of financing, but that the aid officials refused and continued to press for a waiver that would permit use of U.S. dollars under CIP.

But the inspector general again refused the waiver, and this time provided the required written notice to the secretary of state which made the refusal final.

The upshot, informed sources said, was that the Vietnamese financed the malt-hops imports out of their own foreign exchange resources rather than using U.S. aid funds to pay for them.

According to official sources here, the case—despite the action of the inspector general in preventing a $4 million U.S. outlay to pay for beer production—points up several problems.

INDIANA'S SECOND NATIONAL MEMORIAL—GEORGE ROGERS CLARK AT VINCENNES

Mr. HARTKE. Mr. President, I would like to call attention to my bill, S. 2886, the George Rogers Clark Memorial bill, upon which the Senate Interior Committee has concluded hearings. June 7 the House unanimously passed H.R. 9599, the companion bill introduced by my own Congressman WINFIELD K. DENTON, Democrat, Eighth District, Indiana.

I ask unanimous consent to include my testimony on S. 2886 in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Statement of Senator Vance Hartke on S. 2886, George Rogers Clark Memorial, Senate Interior Committee, June 8, 1966

Mr. Chairman, I am very pleased to appear before your Committee. I want to express my appreciation for your willingness to act so swiftly for the creation of Indiana's second National Memorial.

We Hoosiers have great pride in our historical heritage which includes the names of George Rogers Clark, William Henry Harrison and Abraham Lincoln, as well as many others.

S. 2886 authorizes the Secretary of the Interior to accept from the State of Indiana the George Rogers Clark Memorial at the historic site on the Wabash River, now the city of Vincennes, and enter into cooperative agreements with the owners of other historical buildings.

One of these properties is the two-room frame building which served as the first capitol of the Indiana Territory and as the seat of the territorial court from 1800–1813 where many decisions on land policy, Indian relations and military affairs were determined.

Another of the properties is the Francis Xavier Catholic Church. The present building dates from 1824–1834 and is the same tract of ground on which, in 1749 was erected the first rough log cabin church to serve the French and Spanish settlers when Vincennes was the western outpost of our country. At that time, this western outpost was Fort Sackville, a British Fort until 1779 when Lt. Colonel George Rogers Clark captured and renamed it Fort Patrick Henry.

Grouseland, the home of William Henry Harrison, is the third property which we had hoped to include. It is owned by the Daughters of the American Revolution, who, I am informed, do not wish it to be part of the National Memorial. However, they have assured the House Committee by telegram that the building will remain open to the public and that the D.A.R. will continue to maintain it. I would like for their telegram to become part of this record.

I urge that the Committee favorably consider S. 2886 so that the area of Vincennes, which is so beautifully depicted by Maurice Thompson's novel, Alice of Old Vincennes, can be elevated as it should be, to national recognition. I appreciate the overwhelming passage by the House of Representatives of the George Rogers Clark Memorial bill, and congratulate my own Congressman, WINFIELD K. DENTON, for his fine work in guiding the measure through the House.

I would like to say a few more words about Vincennes, in Knox County, Indiana.

The George Rogers Clark Memorial is a domed structure supported by 17 Doric columns. It contains a bronze statute of Clark and murals depicting his career and the history of the old Northwest Territory. This Memorial was first dedicated by President Franklin Delano Roosevelt in 1936.

It was at Vincennes that the Lincoln family, with young Abe, crossed over the Wabash River into Illinois. Vincennes is the point at which the proposed Lincoln Trail National Parkway crosses into Illinois toward Springfield. This proposed National Parkway originates at the Lincoln birthplace in Hodgenville, Kentucky, and passes through the Lincoln Boyhood National Memorial in Spencer County, Indiana. I mention the Lincoln Trail National Parkway for I am certain the Interior Department, as well as other members of the President's Advisory Council on Recreation, is interested in these national parkways as access routes to scenic and historic sites to promote tourist travel in the United States. I would like to point out to the members of this Committee that a National Memorial at Vincennes would fit well into the plans for tourism development and the preservation of such sites in the Midwest.

I hope that the members of this Committee will favorably report Indiana's George Rogers Clark National Memorial so that we can begin our work on it before this year is out.

RESOURCE RESPONSIBILITY

Mr. BARTLETT. Mr. President, DeWitt Gilbert, editor of Pacific Fisherman magazine and a member of the International Pacific Salmon Commission, recently talked with members of the Chamber of Commerce of Astoria, Wash., about resource responsibility.

Mr. Gilbert spoke of the great number of nations which have established 12-mile territorial fishing zones.

Mr. Gilbert spoke of international agreements designed to protect fish resources against shortsighted overexploitation. He noted some of the attitudes that both made such agreements necessary and possible.

And finally, he concluded:

> And I find myself coming back to the individual and his part in "resource responsibility" I feel that the individual's responsibility does not end with buying a fishing license, and using it only in season, and taking no more than the limit. I find myself feeling that every intelligent, thoughtful, earnest individual can find compensation in keeping aware of his "resource responsibility," and in meeting its demands on his soundness as a citizen.

Mr. President, while Mr. Gilbert's discussion was made in terms of fish, he moved into a wider and most important area when he spoke of attitudes and of the individual's resource responsibility.

His words have meaning for all persons whose actions might in any way run counter to resource responsibility, from thoughtless persons who start forest fires by dropping a match, to the industrialists who would damage one natural resource to develop another, to leaders of nations who refuse to recognize the need for international conservation agreements.

Mr. President, I ask unanimous consent that Mr. Gilbert's remarks be printed in the Record so that they may reach a wide audience.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

RESOURCE RESPONSIBILITY

This is like coming home to me, for Astoria was my home for 22 years, from 1906 until 1928. I earned my first dollar here; and I fished on the river for six seasons developing the interest in fish which has consumed me ever since; and from which has come much of what I have to say in talking with you today.

Please note that I said talking with you, for that is just what I want to do—to talk with you, not to you—and certainly not to make a "speech". So let's talk together for a few minutes about "Resource Responsibility".

Primarily we'll be talking about fishery resources—and on a broad scale. But, I believe much of what I have to say applies equally to other resources; and that the responsibilities extend to the relations between the users of different resources. They apply also to the individuals, companies, states, and nations developing the resources—for along with the privilege of use must go responsibility for conservation, wise use.

I picked this subject of "Resource Responsibility" after Pete Cosovich called me and asked me to talk with you today because there are at the present so many instances of this kind of responsibility, the need for it, and for an understanding of the inter-relationship of the problems at issue.

A good many of these subjects are controversial, but I'm seeking to keep out of the controversies, and merely to discuss with you some of the complications they entail, and their demand for understanding as well as responsibility.

The fishery resource is distinctive because, fundamentally, fish are the property of no one until they are caught. Moreover, the resource is a renewable one. Properly used, it can last forever. Irresponsibly used, and it can be destroyed in a decade.

We can all recognize the "Resource Responsibility" of the individual—but because some men do not, the states have had to enact laws which require it. For the moment let's leave individual responsibility to the individual conscience, and the state police. However, I shall want to return to the individual before I close.

What of state responsibility toward the states' own fishery resources? Oregon and Washington and their Columbia River compact are prime examples of intelligence and equity in the management of shared resources. Some of you perhaps can remember, as I can, when this compact did not exist; when there was armed conflict on the drifts; and the two states were scuffling over Sand Island, and the taxes from traps in Baker's Bay.

Happily, reason eventually prevailed and the states moved responsibly to joint management of the fishery resources of the Columbia.

The "Twelve-Mile Fishing Limit" is a common topic today—and almost everyone is in favor of it often without understanding some of the problems. It is a serious question for the states.

For example, if the United States should assert its jurisdiction for fisheries to 12 miles, who is to exercise that extended jurisdiction? The states? Or the Federal government?

The governors of the Pacific States recently asked the national government to declare a 12-mile limit for fisheries. When Uncle Sam declares extended jurisdiction, doesn't the Department of the Interior usually take charge? I wonder if the governors thought that one through fully.

Even if the states should get jurisdiction to a 12-mile limit, there would be serious problems. For example, the limit would be 12 miles from where? The coastline? Or the limit of territorial waters? Or from a line drawn from point-to-point? And if so, how far between points may that distance be?

Again, on the Atlantic Coast, where states may be small and close together, wouldn't their claims conflict? How about New York, Connecticut, Rhode Island and Massachusetts trying to share the same sea? What about the Chesapeake Bay complex? And New Jersey and Delaware?

But, the tide runs strongly toward a 12-mile limit for fisheries. Right now there are 12 nations in the world which claim only a 3-mile limit for their fisheries jurisdiction, and a very few between 3 and 11 miles.

How many claim 12 miles? Fifty-four; and 10 others go far beyond that to as much as 200 miles in the case of six.

Before we leave the Twelve-Mile Limit, let's recognize that it can accomplish little or nothing so far as conservation is concerned with a few exceptions, such as crabs and inshore bottom fish. Without international responsibility and compassion for the coastal state, the Twelve-Mile Limit can provide only narrow coastal protection. This is not enough.

When today's technology and high seas fishing fleets can overfish the salmon resources of the North Pacific 12 hundred miles from the coast, of what protection is a 12-mile limit?

International "Resource Responsibility" can be divided into several categories—involving two countries; more than two; multilateral; and hemispheric, even global. Let's take a look at some current examples in that order:

Bi-lateral, between two nations—The prime instance to me at least is the International Pacific Salmon Treaty between the United States and Canada. Under it the two nations undertake to conserve and manage the fisheries of their southern boundary waters and the entire Fraser River basin in British Columbia. This is a subject of intense interest to me because by chance I am a member of the international commission charged with this task, this responsibility.

The Fraser is a great river, roughly three-fifths the volume of the Columbia where each breaks through the mountain barrier. It is a stream supporting all species of salmon, with the runs of Sockeye and Pinks as the most important. Every inch of its course lies in Canada, where its salmon are spawned and reared.

You may ask why Canada shares with the United States the responsibility for this resource which originates in Canada and returns to Canada.

The answer is that, by a trick of fate, a foible of fish instinct, these salmon en route from the sea to the Fraser pass through many miles of inland salt water within the territory of the United States. Thus in boundary waters they are subject to the fisheries of two competing nations, either of which could destroy the runs—if they did not rationally recognize "Resource Responsibility". For almost 30 years now these two neighbor nations have shared and saved this salmon resource in their common interest.

However, times change, technologies develop, men find new means and places of fishing, and treaties must be reviewed. This week, in Seattle negotiators of Canada and the United States have been considering questions which have arisen involving this international enterprise.

This subject of the Fraser River brings up a point with respect to Corporate Resource Responsibility and I'd like to turn to that subject for a moment before going on with International Responsibilities.

A few years ago it became apparent to the Salmon Commission that industrial development involving the enormous timber resources of the Fraser watershed was inevitable. Canada's study of the region indicated that 10 large kraft pulp mills could be supplied with timber indefinitely.

Then the stream above tidewater was free from pollution in any respect. What would be the effect of pulp mill operation on the salmon resources?

At that time almost nothing was known of the effect of kraft—notice I said "kraft"—pulp mill discharge on salmon in fresh water. This was particularly true of Sockeye and Pink Salmon. Here were some of the perplexing questions:

What is the effect of dilute kraft liquor on the salmon in a river up which they must swim for as much as 700 miles?

As Pink salmon spawn in large numbers in the main stem of the Fraser, what is the effect of dilute kraft mill waste in the water which flows over the eggs as they lie in the gravel for months, incubating?

What is the effect of kraft waste in the river on the fry and fingerlings which must swim down it to the sea—a few miles, or a few hundred miles?

Finally, what is the effect on the tiny organisms on which the fingerlings and migrating fry depend for food en route to sea?

There were no answers to these questions when the commission's staff began its research. Now, about three years later, the information is rather well in hand—and the first pulp mill is operating.

Where does the "Resource Responsibility" come in? Just here: The pulp companies almost from the start recognized their responsibility, to the resource, and to Canada. They cooperated fully in the research, and when the commission was able through the Canadian Department of Fisheries to present scientific data supporting its specifications for pollution control, they conformed to these requirements at the cost of millions.

Now we have good grounds to hope that development of one resource will not be destructive of another.

Another example of industrial recognition of "Resource Responsibility" is found in Southeast Alaska, where for years the logging industry has supported and cooperated in a scientific study of the "Effects of Logging on the Productivity of Salmon Streams."

I would not have you think that the forest industries are alone in their recognition of "Resource Responsibility"; or that the fishing industry is remiss in its responsibility. The record here is ample, and very plain.

Years ago the Columbia River Fishermen's Protective Union affirmed, and since has followed scrupulously, a policy that it would support conservation measures based on scientific findings of the research staffs of the fisheries departments of Oregon and Washington. This is the kind of responsibility about which we are talking.

In 1947 the Alaska salmon industry came to feel that the research being done in Alaska was inadequate. Raising funds by voluntary private subscription among forward-looking companies, it set up and supported the Fisheries Research Institute of the University of Washington. The industry since has provided $2,750,000 of private funds for this Institute, whose research is known and respected throughout the world.

Then there are the men from all levels of the industry who spend days and weeks and endless hours in travel and meetings as advisors or commissioners. This is unpaid, selfless service, rendered for the common good, and in recognition of "Resource Responsibility" on the part of the corporations, unions, and associations which these men serve; as they also serve the public interest.

Let's return now to International Responsibility, of 3 or 4 nations. The International North Pacific Fisheries Convention between the United States, Canada, and Japan is a case in point, although its effectiveness has fallen short of the full objective. The North Pacific enterprise started out bravely enough in very foggy knowledge. As our facts came into focus we found the treaty as written was far from adequate to serve the purpose for which it was conceived—international conservation of fishery resources—and was subject to disagreements as to interpretation which had the effect of emasculating it.

This year a fourth effort is being made to negotiate a more effective treaty. The negotiations must succeed, for if this treaty fails it will threaten all the salmon and halibut resources the United States and Canada have struggled for a generation to conserve and administer, on a sustained yield basis.

If this treaty had not been in effect for the past 12 years, these resources might well be gone today.

If the Japanese can fish haddock and cod profitably off Boston; and bream and squid off the Canary Islands—and they can, and do—don't you think they would find the salmon fisheries attractive off the Columbia River, the Strait of Juan de Fuca, Queen Charlotte Sound; and the halibut grounds productive all the way from Stonewall Bank to Unimak Pass?

Only day before yesterday there came to my attention a translation from the authoritative publication "The Japan Economist". This is not a fisheries publication, but the leading business and economic review of Japan.

Translation of its article includes these significant statements:

"It has been the cherised desire of the Japanese concerned with northern Pacific fisheries to revise this 'unequal treaty' which bans Japanese fishing for American salmon and salmon-trout across the 'voluntary restraint line' (abstention line).

"The Japan-U.S.-Canada Fisheries Treaty reflects the viewpoint that 'the salmon which are bred in American or Canadian rivers, always belong to these two countries, regardless of wherever they move.' Needless to say such a view contravenes freedom of the high seas.

"The American salmon resources still leave considerable room for further exploitation.

"All Japanese circles concerned hold unanimously that the only outlet from the present deadlock of northern Pacific fisheries, especially salmon, is the revision of the Japan-U.S.-Canada fisheries treaty in favor of the release of the northeastern Pacific fishing grounds as a new 'frontier' for salmon fisheries. It is not permissible, of course, for Japan to catch at random the salmon from Bristol Bay where the United States and Canada have been attempting conservation of resources over a long period. If reasonable and appropriate catches, however, are permitted to Japan, the blow to be dealt the Japanese by the decrease in Asian salmon catches due to the Japan-Soviet fisheries will be minimized."

The problems of "Resource Responsibility" extend to the highest of the high seas, for the tunas range to the extremities of the world's warm ocean—and into some which are not so warm. A few years ago it hardly seemed possible that the tunas of the endless leagues of the Pacific Ocean could be over-fished. However, just to be on the safe side, the United States and several of the Latin countries of the Americas entered into a treaty under which they would exercise their "Resource Responsibility" in advance of actual need. They wanted to study the resource so any danger of depletion could be detected in advance of damage and restraint applied if necessary.

William Holmstrom of Gearhart is a new member of the tuna commission. He, and you, may be proud of the fact, for it is a duty and responsibility of the highest order, which Gordon Sloan and Bob Jones have borne before him.

For some years now the Inter-American Tropical Tuna Commission has detected incontravertible evidence that the Yellowfin tuna population of the eastern tropical Pacific is being over-fished; and is threatened with depletion. Thus far regulation has not been attainable, due to failure of some nonmember nations to cooperate with the international commission; and to overexacting requirements of the United States law applying the commission's recommendations to American fishermen. However, it appears that this year it may prove possible to apply regulations designed to re-build the Yellowfin population over a period of three years.

Now let's turn for a moment to "Resource Responsibility" on an hemispheric scale. This takes us to the Atlantic, but because it involves tuna it also concerns Astoria and Astorians.

Until recently the tuna fisheries of the Atlantic Ocean were relatively insignificant, confined to minor operations by French and Spanish vessels in the vicinity of Dakar and along the Moroccan coast. It is only a few years ago that the true scope and richness of the Atlantic tuna resource was discovered. By whom? Actually by the Japanese, who had come half-way around the world on a gamble, to fish where they felt tuna must be—and where they were. The Japanese miss few bets when it comes to fishing.

So here in the Atlantic is a vast resource, newly brought under exploitation, and available to the fleets of many nations. Experience has shown the inevitable result, and in this case thoughtful men of some 40 nations went to work on the problem of bringing reason and responsibility to bear before the resource could be seriously damaged. They were men from industry, and men from governments including the United Nations, and its agency on matters of food and nutrition, the Food and Agriculture Organization—FAO. They were men from Atlantic countries and, understandably, from Asia.

A provisional treaty was drawn, and for the first two weeks of this month of May the representatives of these 40-odd nations wrestled in Rio de Janeiro with the task of harmonizing the ideas of all in a convention, which will go to the governments for ratification.

Here is a problem in fishery resource responsibility as wide and as long as the Atlantic, and half as stormy. It has as many facets as there are nations interested, and the prospects are that the pioneering 40 may increase eventually to 60 signers, each a sovereign nation interested in fishing Atlantic tuna.

How do you cope with such complication? There is no clear answer to that question today. To those who have devoted much time and thought to the riddle it appears that FAO offers the best hope for success, working together with a system of national groups specially interested in specific aspects of the overall enterprise. There will be an international commission, and an executive committee, working with and through FAO.

This is very complicated, even "sticky", and not everyone likes the FAO device. However, the method seems to be the only one offered which can hope to be successful in so involved a problem—

And the need is great.

I'm about through, and you are asking: "Is he getting anywhere?"

I'm wondering about that myself—and I find myself coming back to the individual and his part in "Resource Responsibility". Admittedly, this is a long stride from the hemispheric problem of the Atlantic.

But I feel the individual's responsibility does not end with buying a fishing license, and using it only in season, and taking no more than the limit.

I find myself feeling that every intelligent, thoughtful, earnest individual can find compensation in keeping aware of his "Resource Responsibility", and in meeting its demands on his soundness as a citizen.

Thank you.

CATHOLIC DAUGHTERS COMMEND SENATOR MUNDT'S FIGHT AGAINST OBSCENE MATERIALS

Mr. MUNDT. Mr. President, I was gratified and complimented to receive, from the South Dakota State Court of the Catholic Daughters of America, a resolution adopted by their convention on April 17, 1966, which urged that attacks be made on the traffic in obscene literature and which was kind enough, also, to commend me for the efforts I have made on this problem. I ask unanimous consent that the resolution be printed in the Record at this point.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Catholic Daughters of America,
Sioux Falls, S. Dak., June 6, 1966.

Hon. Karl Mundt,
Senator from South Dakota,
U.S. Senate,
Washington, D.C.

Dear Sir: The South Dakota State Court of the Catholic Daughters of America in convention assembled in Brookings, South Dakota on April 17, 1966 adopted the following resolution:

"Whereas the Catholic Daughters are greatly concerned about the increasing amount of obscene literature that is being distributed to the public and that this literature is affecting the physical and mental welfare of society, and

"Whereas Senator Karl Mundt of South Dakota has worked diligently and persistently to discontinue the transportation of this obscene literature through our mail service and to eliminate the sale of this same literature from our newsstands;

"Therefore be it resolved that the South Dakota State Court of the Catholic Daughters of America extend its gratitude to Senator Karl Mundt and to his committee for their grave concern and concentrated efforts in this great work for society."

We have the honor to remain,
Yours very truly,
Veronica Cummings,
State Regent.
Marie Fitzgerald,
State Secretary.

Mr. MUNDT. It is apparent there is still a great need for legislation to cope with the flow of obscene and pornographic materials that permeates the marketplaces. I continue to believe that the legislation which I introduced, and which has twice passed in the Senate—known in this session as S. 309—provides a sensible approach to the problem.

The Supreme Court struggled with the question of trying to define obscenity under the present laws and found itself entangled in a legal snare. No one is satisfied that present laws can do the job, but there is no clear road ahead to help law-enforcement officers, the courts, or offended parents strike back at the peddlers of filth.

The Sioux Falls, S. Dak., Argus Leader carried a significant editorial on March 1, this year, in which it called for action on S. 309. I ask unanimous consent that this editorial be included in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEFINITION OF SMUT NEEDED

The U.S. Supreme Court decision on obscene material is significant because it does suggest that there are legal means of stemming the current tide of pornographic literature.

What the decision said in essence was that the purpose in the issuance of material warranted consideration. This means that if a book or magazine was printed and promoted primarily on the basis of its obscene appeal, then its distribution could be blocked.

But, as Sen. KARL MUNDT pointed out logically in his newsletter this week, the decision in itself didn't provide a guideline or definition. He goes on to explain that it only serves to emphasize the need for a federal commission to draw up a format that could be utilized by enforcement authorities throughout the nation in determining what should be classified as illegally obscene. Therefore, as the senator explains, the decision demonstrates the need of the measure he has promoted to provide for a federal commission to clarify and explain obscenity.

Surely such a commission could and would serve a useful purpose. It would do much to reduce the confusion that now exists and the constant contradiction in the rulings of various courts.

Certainly something should be done to place under control the flow of smut throughout the nation. The Mundt bill should be made into law as promptly as possible.

Mr. MUNDT. Mr. President, much has been written to show clearly the problems created by the almost undisturbed surge of smut that creeps into the home of America. Another thoughtful article on this problem of finding a workable definition for obscenity, which preserves traditional freedoms, but which cracks down on those who feed the prurient appetites and pander to the perverse, has been written by John Leo, in the April 13, 1966, issue of the National Catholic Reporter. I believe that many people will be interested in this interpretive material and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THINKING IT OVER; OBSCENITY RULING

(By John Leo)

The Supreme Court has just demonstrated that it is just as confused on the subject of obscenity as all the rest of us. In upholding the conviction of Ralph Ginsburg, an apprentice pornographer of no known social utility, it split by a vote of 5–4. In the three cases recently ruled upon, it brought forth no less than 14 official opinions, all of which leave us no less confused than we were before.

Nothing has been settled here. Obscenity has still not yet been adequately defined. No guidelines have been produced that are likely to be meaningful and lasting. No solution has been found to prevent every controversial work (and now its advertising as well) from the tiresome and expensive trek through the judicial system to the Supreme Court, where it will continue to exact a heavy toll of the time and attention of the nine justices.

The Court has merely performed its customary function of reflecting a national consensus—or, in this case, the lack of one. One reason why the courts look so perplexed in obscenity questions is that we are currently between consensuses. The old one—Puritanical, repressive, and more than a little hypocritical—has clearly broken down. Forty years ago there was a nationwide furor over the first discreet deodorant ad (no pictures). Twenty years ago, Norman Mailer didn't feel secure enough to include in his novels a rather common four-letter word that no current Mailer work would be without, and the Legion was condemning *The Moon is Blue* because it used words like "virgin."

The great openness, which has come upon us rather abruptly and which now has broad national support, is making possible the development of healthier sexual attitudes. It is also bringing in its wake a great financial exploitation of sex by publishers, advertisers, Hugh Hefners, Ralph Ginsburg and so-called hard-core pornographers. But there is absolutely no consensus over what sort of social controls, if any, should be set in this new era.

Justice Douglas, our most doctrinaire liberal, insists on no controls at all. The vigilante groups—the inheritors (and victims) of the old Puritanism—would snatch away virtually anything that could not be read aloud at a D.A.R. convention. Most of us are wandering around somewhere in the middle: surely there are some controls an open society can reasonably set within the constitutionally protected rights of free speech and free publication.

The question that bothers a lot of people who cherish our constitutional protections—as the vigilants do not—is simply this: Is there *no* way at all for a free society, acting as a society, to protect its youth from the current flood of pornography? Our leading liberal opinionmakers, who are trustworthy on almost every other issue, customarily belittle or evade this question in a variety of sophisticated ways—usually by arguing that pornography is boring, that people who worry about it are all sexually disturbed, or that pornography has no influence at all on behavior.

Only the latter argument is the slightest bit respectable—it is true that sociologists and psychologists are dubious about a casual relationship between pornography and so-called anti-social behavior. But while this question is up in the air, I think we must proceed on the common-sense assumption that what one reads can directly influence behavior, particularly in the area of sex. (To say that perverse pornography, let us say a sadism fantasy, cannot awaken very latent sadistic tendencies in a young reader seems to me to be simply doctrinaire.)

In all the confusion surrounding the current Court decisions, I think the justices have given an answer of sorts to the question framed above. In the *Fanny Hill* case, they leaned over backward to protect any book with the least semblance of literary value. But in the Mishkin and Ginsburg cases, they upheld convictions where evidence showed no other motive but pandering. It seems that the Court is signalling, in a confused and tentative way, that free speech is not a total answer, and that the country—or at least the Court—is not made impotent by the Constitution to deal with the social problem of pornography. It is the indication that many people have been looking for: that the Court does not intend to eventually abolish all social controls over pornography.

To arrive at this position, the Court had to erect a new jerrybuilt structure, most noticeable in the radical decision to consider the advertising and promotion surrounding a controversial work. This has drawn the wrath of the liberals, and I am a bit dubious about it myself. We shall have to see exactly where the Court is heading. (I would say in passing, however, that the distinction is not unreasonable. To decide whether anything is obscene, we must enter a grey, subjective area where we are judging motives as well as products, and advertising is *one* bit of evidence as to what sort of product the publisher thinks he has on his hands, though not necessarily a decisive one.)

After the decisions, I. F. Stone, dean of the old radical left, wrote "Pandering risks a popular revulsion, among the plain people in this country, of a kind on which Fascist movements have fed in the past. How maintain respect for the First Amendment and the Court if they are associated in the public mind with protection of pornography? I hate to see their moral capital squandered." This is an interesting reaction, particularly since it comes from a tenacious civil liberties champion. Perhaps the Court is thinking along the same line. If so, we can expect from a Court a more nuanced balance between freedom and social control instead of a headlong rush to cloak every pornographer in the mantle of Thomas Jefferson.

PRIZE-WINNING SPEECH OF GREGORY LONGACRES, ELKHORN, NEBR.

Mr. CURTIS. Mr. President, the closing of another school year calls our attention to the importance of today's good student in the shaping of a better America tomorrow. We should never lose sight of this recognition for those students who work diligently through the years to prepare themselves to become productive citizens.

With this in mind, Mr. President, I am presenting herewith the text of a speech which won first place in district competition conducted by the American Legion in Nebraska.

Gregory Longacres, a junior at St. John Vianney Seminary High School, Elkhorn, Nebr., wrote and delivered the address. He has a special message which should be of interest to all of us. I ask unanimous consent to have it printed in the CONGRESSIONAL RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WE THE PEOPLE UNDER GOD ARE GUARDIANS OF FREEDOM

(By Gregory Longacres, St. John's Seminary, Elkhorn, Nebr.)

In Congress July 4, 1776, the independence of the Colonies was declared. In the beginning of the declaration we find these lines: "We therefore, the representatives of the United States of America, in general Congress assembled appealing to the Supreme Judge of the World"—and finally, we read, "and for the support of this declaration, with a firm reliance on the protection of Divine providence, we mutually pledge to each other our lives, our fortunes and our sacred honor."

(The Supreme Judge of the World) (Protection of divine providence), these lines from the declaration of independence bear witness to the fact that our constitution was written by men who believe that religion is the discipline necessary for free government. Today we must still recognize that a climate for freedom and a workable democracy which the belief in God gives to the individual and thus to a Country, is necessary if we are to be guardians of Freedom.

If we are going to be guardians of freedom in the world:

First, we must not allow our enemy the Communists citizenship in America.

Second, we must reestablish and maintain a climate for democratic action.

Third, we must recognize law and order under God and the guidance of our Constitution.

The Communists are at work debasing, enslaving, destroying all the ideals and objectives of free men everywhere. They invented brainwashing, built the Berlin Wall, and made Concentration camps show places of brutality, perpetrated mass murder and raised spying and infiltration to the status of a profession. This has been going on for nearly 50 years, and yet as recognized avowed enemies of freedom and our form of government we have allowed card carrying Communists citizenship in the U.S.

Treason against the United States consists of levying war against us or in giving aid and comfort to our enemy. The American troops are fighting in Vietnam against a regime aided and supported by communistic governments. Not only are these governments enemies of the United States but they threaten the peace of the world. We tolerate communist organizations in this country and many Americans who are not actually members of the Communist party are sympathizers. This aid and comfort causes rejoicing in Communist countries and encourages further acts of hostility against us.

There are certain steps that we must take. It is imperative to reject all avowed communists as citizens of America. They do not pledge allegiance to the United States. They should live in the country which retain their loyalties. Congress must outlaw the communist party—must reject citizenship to the Communists.

While our boys are giving their lives fighting to keep South Vietnam from becoming Communistic we have 10,000 card carrying Communists in this country with 10 state of the mind Communists for every card carrying one and you or I never know when we might be used as a transmission belt in their program.

By allowing Communists citizenship in America we have destroyed the climate for a democracy and thus we find it necessary for much central government control.

When all citizens have the same goal—that which is good for their country over and above his interests, then we have a climate for democracy. All opinions are talked out and ideas are compromised for the good of the country.

But when the Communists citizens have as their goal the destruction of America we have two opposite forces, one to build America the other to destroy. This produces disaster and revolution and destroys the climate for democratic action. We have a disintregation of our Constitution and a disregard for the laws of God and Man. The Constitution of the United States specifically defines the giving of "aid and comfort" to the enemy as an act of treason. This can be and should be punished by explicit provisions of law.

How was it possible that one of the world's highly talented men, in a democratic country, in a position of trust and affluence and calling himself a liberal, how could he hand himself over body and soul to the international conspiracy of Communism? This question could be asked not only of the United States presidential assistant, Alger Hiss, it could be asked not only of the Senior Editor of the Time Magazine Whittaker Chambers, but it could be asked of thousands of brilliant young men and women throughout the World who call themselves liberals. Liberalism, holding nothing as true, and trying to remake the world with science. These men and women basically generous, were betrayed by liberalism. The world was betrayed by liberalism because it handed millions over into the hands of the Communist slave state.

Young men and women throughout the world were being indoctrinated in materialistic universities that there is no God, that religion is a racket, and that the world needs to be remade. It was then that they heard the words of Karl Marx, the founder of modern Communism. "Workers of the world unite, you have nothing to lose but your chains," and being atheistic liberals they accept atheistic Communism. Such was the history of Whittaker Chambers—he was a dedicated liberal and he became a communist agent.

Liberalism fails not because it wants to make all men free, but because it thought it could make men free without God and the inalienable rights of man which God alone can underwrite.

It is interesting to note that Karl Marx said that Communism begins where Atheism begins and Whittaker Chambers did not give up his Communism until he gave up his atheism. Chambers knew that Communism had enslaved millions of working men in concentration camps, had undermined the living standards of whole nations, had deprived one-quarter of the world of their basic political and religious rights—but he did not give up his communism and atheistic liberalism until through his experience with his new little daughter. He realized she could not be created by a chance coming together of atoms in nature but that she could have been created only by an immense design—Design presupposed God and thus he said he could no longer be an atheist or a communist.

Communism fails because it is based on the lie that there is no God.

It is our Constitution's protection of the individual and his opportunities that has produced our glowing standard of living. It is the struggle for human values which has been our strength. It marks the essential differences between freedom and slavery, not materialism but individualism which is the opportunity and the freedom under God for human self-fulfillment.

And when the Declaration of Independence and the Constitution were drafted, they were reviewed and reshaped and adopted by the people, who were the final authority. They were not shoved down people's throats or brain-washed into people's minds.

These documents guaranteed popular rights, not merely privileges, for the individual to find his own way. They established a climate for the pursuit of happiness, knowing that it was not happiness itself but the pursuit of it that invigorated the soil in which freedom could grow.

In summary then:

Never was there a time in history when it was so necessary for the God loving American citizens to defend our Constitution for today Communists American citizens are sabotaging our Constitution and our hope of freedom.

The world moves on rapidly giving to each generation its own sense of justice. The key to unity, be it economic, social, or political is in the hearts and minds of the individuals who live in the United States today.

We are allowing enemies of our form of government to be citizens and to carry on subversive activities to undermine our government. The climate for democracy is ruined when a common goal for the welfare of the United States does not exist among the citizens. The Constitution is being disintegrated when it is interpreted for the protection of our enemies.

Since our constitution is adaptable for each generation its effectiveness is destroyed by our enemies from within.

Therefore we must not allow communists to be citizens of the United States. We must maintain a climate for democratic action under the laws of God if we the people are to be guardians of freedom.

ST. LOUIS POST-DISPATCH EDITOR ROBERT LASCH'S PULITZER PRIZE EDITORIALS

Mr. McGOVERN. Mr. President, one of the most respected editorial pages in the Nation is edited by Mr. Robert Lasch of the St. Louis Post-Dispatch. Mr. Lasch has recently won the Pulitzer Prize for distinguished editorial writing. His profound editorials on U.S. foreign policy and especially the Vietnam crisis have attracted nationwide attention. The Pulitzer Prize judges cited three editorials in particular by Mr. Lasch which appeared in the Post-Dispatch on January 17, 1965, November 26, 1965, and December 19, 1965. The first two editorials dealt with the U.S. involvement in Vietnam and the third one centered on United States-China relations.

I ask unanimous consent that these three editorials be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Post-Dispatch, May 9, 1966]

THE CONTAINMENT OF IDEAS

(NOTE.—The three leading editorials on this page were cited by the Advisory Board on the Pulitzer Prizes, Columbia University, in awarding the Pulitzer Prize for distinguished editorial writing in 1965 to Robert Lasch, Editor of the Editorial Page of the Post-Dispatch.)

Coming events in South Viet Nam promise for many Americans a profound psychological shock, which a foresighted Administration would be preparing to offset. When the day comes for American forces to leave Viet Nam after 10 years of vain effort to build an anti-Communist bastion there, not only will our national pride be hurt, but some basic assumptions of our postwar foreign policy will be called into question. As fresh thinking is always more painful than mouthing shibboleths, this is going to cause a certain degree of anguish.

Unpleasant as it may be, the time for reappraisal has come, and thoughtful Americans should resolve to be realistic about it. The first step is to cast off the illusion of omnipotence, under the spell of which many of us have for years assumed that our mission in the world is to contain, roll back, destroy or otherwise combat Communism.

After World War II, the Soviet Union sought to expand its national power wherever possible. The United States, as the leader of the free world, was thoroughly justified in undertaking to contain that thrust, and it was contained. Only where the Red Army stood on land taken from the Nazis—which is to say, only in Eastern Europe—were the Russians able to impose their national will on other peoples; and the passage of time has indicated that even there, subjugation is most likely temporary. National identities have survived and are persistently asserting themselves. There could be no better evidence that the Communists are not going to rule the world, and neither are we. Aspirations for independence, self-respect and self-government are too universal and too powerful to be subdued by any ideology.

In the meantime, however, American policy increasingly has tended to confuse the containment of Russian (and later Chinese) national power with the containment of Communism. We undertook to apply the methods appropriate to a national power struggle—the methods of diplomatic maneuver, armed confrontation and in some cases war itself—in a realm where they are totally ineffective Communism as an idea cannot be contained by such methods, but only by a better idea.

It is not the American function to combat revolution everywhere—to stand as the universal, all-embracing guardian of the *status quo*. This is an odd role, by the way, to be thrust upon a nation that was itself born of revolution less than two centuries ago. More important, it is a role that lies beyond the capabilities of any nation. Change is the law of life. Social change will sometimes take revolutionary forms in some countries, no matter what the United States or any other nation thinks about it. A wise foreign policy begins with recognition of this fact.

American foreign policy is in deep trouble in Africa, in Asia, in Latin America precisely because we have let ourselves be pushed into a counter-revolutionary posture. Wherever oppressed masses struggle toward a better life millions of persons look upon the United States as their natural enemy, which means that they inevitably look elsewhere for friends.

Ours is not a revolutionary society, and we should not try to behave as if it were. But we can behave like a mature nation which knows that it has no right and no power to decide for the people of Cuba, Viet Nam or central Africa what form of revolution they should have. We can behave like a nation which is prepared to accept change, even in forms unpalatable to it, and is ready to work with peoples of any political faith for a peaceful world of diversity.

It is often said that we must hang on in Viet Nam, even to the point of an escalated war, because the effects of defeat there would be so damaging elsewhere in Asia and Africa.

Unfortunately it is true that if we got thrown out of Viet Nam, millions of people would be delighted. That is one reason why our Government would be wise to encourage a political settlement through negotiation before we are thrown out—unless it is already too late. Whatever happens in Saigon, however, the American cause will not be damaged thereby half so much as it is already being damaged by the growing conviction that our power and influence are dedicated to the suppression of social revolution and political change wherever they occur.

We shall improve our position with the developing nations and the world at large not by proving that we can wage endless war in Viet Nam, but by showing, through actual conduct, that the CIA is not enfranchised to swagger around the world setting up governments and knocking them down; that we do not undertake to dictate the form and pace of political change anywhere; that we are prepared to accept revolutions even when we do not approve of them; and that we have enough faith in the ideas of freedom to entrust to them, rather than to arms, the task of containing the ideas of Communism.

JANUARY 17, 1965.

A QUESTION OF AIMS IN VIET NAM

It is now four months since President Johnson announced to the country a great buildup of ground troops in Viet Nam.

Major engagements have been fought, vast tonnages of bombs dropped, thousands of enemy casualties reported, yet, we are told the Viet Cong and North Viet Namese are more numerous than ever. Inevitably, pressure is mounting for even more American troops and even more bombs; the military and its claque are straining at the leash to attack Hanoi itself.

Before yet one more fatal step is taken, a review of the national objectives would be in order. In July the President defined the military objective as a limited one: "to convince the Communists that we cannot be defeated by force of arms." How long does it take to establish that postulate? We would say that if it has not been established by now then another stage of escalation will not do it. The Viet Cong's monsoon offensive has been stopped and some limited gains reported from Saigon. A further expansion of the war can be justified only by abandoning the stated objective and adopting another. If that is going to be done, the President has a solemn duty to tell the people why.

In July the President declared our second objective to be a peaceful solution of the conflict; we stood ready, he said, "to begin unconditional discussions with any government at any place at any time." But as our military position has strengthened, the outlines of the settlement we would be willing to accept have hardened to the point where there is little visible incentive for the adversary to negotiate. Washington policy makers now insist that a settlement must bar any political status or territorial base for the National Liberation Front, which means simply that the Viet Cong must accept total defeat and melt away.

Under these conditions it is surely no mystery that the Communists show little present disposition to "come to the table."

President Johnson in July spoke vaguely of a settlement carrying out the purposes of the 1954 Geneva agreements, which were based upon the concept of a militarily neutral Southeast Asia allied to neither the Communists nor the West. But at other times he seems to be pursuing a quite different objective—the unilateral establishment of a puppet state of South Viet Nam under American military protection if not outright occupation.

The nature of the long-term American objective in Viet Nam thus is the key to peace or war. If it is to set up a neutral buffer zone in Southeast Asia—which in our opinion would best serve the national interest, improve our relations with the ex-colonial world, comply with international agreements and offer the best barrier to Chinese national expansion—then a peaceful solution should be possible. If the objective is, instead, to maintain a military base on the mainland of Southeast Asia, to set up a forward position intended to contain China not through the forces of indigenous nationalism but by our own military power, then we are not likely to gain our ends by negotiation.

The attempt to gain them by force, furthermore, means a commitment to years of armed struggle, with the outcome in doubt even if a major war with China or Russia is avoided. It means acceptance of a neo-colonial status that will damage the American cause everywhere in the underdeveloped world. It means continued violation of the United Nations Charter, the continued substitution of our own national will for the rule of law.

President Johnson owes it to the country to ponder very deeply before sliding further into this morass. The assumption that nothing can be done except what has been done is nonsense. Once the basic decision were made that a policy of deepening military commitment does not serve our best interests then a dozen ways of advancing the President's stated desire for a peaceful solution would open up.

To mention only one way, the United Nations could unquestionably play an active role in advancing a peaceful solution if the United States objective were one which other nations could support in compliance with their treaty obligations. The President has called on members of the UN and the Secretary General to help arrange peace, but he has never done what the Charter plainly obligates him to do—permit the whole issue to come before the Security Council. If he is willing to talk peace "with any government any place," why not with the members of the Security Council at UN headquarters?

The Charter says: *"All members shall refrain in their international relations from the threat or use of force."* It says *"The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression, and shall make recommendations or shall decide what measures shall be taken . . . to maintain or restore international peace and security."* It says *"No enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council."*

When Britain and France undertook armed intervention in the Arab-Israeli conflict, the United States insisted that they give way to the UN. President Eisenhower stated: "The United Nations is alone charged with the responsibility of securing the peace." When India and Pakistan went to war over Kashmir, President Johnson insisted upon intervention by the UN. How can there be one rule for other nations, and a different one for the United States?

The question is our aims in Viet Nam. If our aims were in harmony with the UN Charter and the 1954 Geneva pacts, the UN could act, and its first act undoubtedly would be to call for a cease-fire.

NOVEMBER 26, 1965.

ALL OVER AGAIN WITH CHINA?

Having gone through a 20-year cold war and arms race with the Soviet Union at great cost and danger, must the United States now face an equally irrational cold war and arms race with Communist China? Secretaries Rusk and McNamara sounded as if they thought so when, in Paris recently, they undertook to scare the NATO powers with visions of a (some day) nuclear-armed China embarked on a course of world conquest.

The fright treatment will not work, we think, in Europe. The important question is whether it will work in the United States. Sober reflection on the history of the cold war to date ought to convince Americans that it would be greatly to our advantage if we avoided making with China the same mistakes we made with Russia.

There is little doubt that the cold war had its origins in the long effort of the United States and other powers, beginning in 1918–19, to throttle or isolate Soviet Russia.

At the end of World War I the United States, Britain, France and Poland sent troops into Russia on a mission that could only be interpreted, inside Russia, as an attempt to overthrow the Communist revolution. When armed intervention failed, the United States for 16 years refused to recognize Red Russia, treating the new regime as an outcast from the world community and declining to enter into meaningful diplomatic or economic relations with it. (Interesting note: For just 16 years now we have been declining to recognize Communist China, treating that government as an outcast from the world community and declining to enter into meaningful diplomatic or economic relations with it.)

The Russians, of course, never forgot the Western World's hostility to their revolution. They were further embittered when the West at Munich sacrificed Czechoslovakia to Hitler, in the hope of directing Nazi aggression against Russia to save itself. Hitler wound up fighting both the West and Russia, and their wartime alliance gave birth to hopes of a new era of cooperation.

It was not to be. Almost overnight, President Truman reversed the Roosevelt policy and set out to "contain" Communism by interposing American influence and military power in Eastern Europe, the Balkans and the Middle East. Then, as now with China, the assumption was that Russia was bent on world conquest. What Russia was bent on, it has become clear, was protecting her borders while she rapidly developed her own society. In general, Russia succeeded. And it is now also clear that the strongest barrier to Russian national expansion is the national identity of neighboring states which, even under Communist governments, resist absorption and seek peaceful relations with both East and West.

One frequently hears that the United States is doing in Viet Nam what it did in Greece under the Truman Doctrine—building a barrier of armed power against a Communist tide rolling on toward world conquest; and it is assumed that our stand in Greece triumphed. The truth is we might be engaged there yet had not Tito closed the Communist supply route after falling out with Stalin. In other words, what saved Greece was not primarily our military and economic power but the indigenous nationalism of Communist Yugoslavia.

The one great lesson of the cold war with Russia is that national interests, and not Communist ideology, are controlling on both sides. The Russians, like the Chinese, have talked a lot about their revolution some day embracing the world, but at the critical points they have invariably acted in behalf of Russian interests rather than of Marxist dogma.

National interests can be accommodated, when the will to reconcile them exists on both sides. By and large, the United States and Russia have learned after 20 years of cold war that their conflicts must be reconciled—that in the nuclear age neither can undertake an ideological war against the other. Only the Viet Nam issue stands in the way of a steady improvement in relations that would, in effect, end the cold war with Russia.

Can we not apply these lessons of the past to our future with China? Must we go through another period of ideological conflict in which vast portions of our national energies are devoted to military power at the expense of our social and cultural development?

We must now possess, many times over, the military power necessary to defend ourselves and to deter overt aggression anywhere. It would be a national tragedy if, nevertheless, we embarked on a new nuclear arms race and a series of peripheral wars designed to "contain" Chinese Communism by military encirclement. Ideas cannot be so contained. Revolutions cannot be permanently suppressed with guns. Not all revolutions are against our national interest. We cannot impose our will everywhere, and we defeat our purposes by trying. The way to meet Communist boasts of coming world revolution is not to believe them, but to help free peoples create the conditions that make Communism impossible.

Just as we have learned at great cost and hazard to live at peace with Russia, we shall some day have to make up our minds to accept Red China's existence, to respect her legitimate interests, to meet her challenge by other means than military containment. It would be the part of wisdom to make this decision before, rather than after, another 20 years of cold war and arms race. Mankind may not get a second chance to avoid nuclear suicide.

DECEMBER 19, 1965.

FISCAL BRINKSMANSHIP IN VIETNAM

Mr. HARTKE. Mr. President, as the war in Vietnam grows in scope and complexity, and as more and more of our national treasure is spent every day to maintain our position in that troubled country, we find ourselves calling upon the elder statesmen of our Nation for their views on the U.S. involvement in Vietnam.

None of these is more able or proven than Ferdinand Eberstadt. A man who served his country well during the dark days of World War II and the postwar period, Mr. Eberstadt was recently asked his opinion of the American position in Vietnam by the New York economist and columnist, Eliot Janeway.

Mr. Eberstadt's comments are frank and to the point, and offer two alternative courses of action the United States can take in Vietnam. I think his views are well worth the consideration of the Senate. Therefore, I ask unanimous consent that Mr. Janeway's interview of Ferdinand Eberstadt may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago (Ill.) Tribune, Apr. 21, 1966]

POINT OF VIEW—JANEWAY EXAMINES TWO STICKS TO TRY IN VIETNAM

(By Eliot Janeway)

NEW YORK, April 21.—Clearly, American opinion can't remake the map of Asia in its own image. Recent Washington dogma about Asia is at a discount. Pragmatic approaches are at a premium. Accordingly, this column consulted one of America's elder statesmen, financier Ferdinand Eberstadt. It was he who fathered World War II's definitive plan of industrial mobilization; who collaborated with the late great James Forestal in modernizing our defense apparatus; and who chaired the Hoover commission task force on national security.

Eberstadt began by reading from this early cold war report: "Victory by bankruptcy may be the Machiavellian aim of the Kremlin. Whether or not any such deliberate campaign can be attributed to Moscow, it is absolutely clear that the United States faces in the immediate future no sudden relaxation of tension, but a continuation of recurrent crises. If this be so, the fiscal dangers of tomorrow are clearly visible."

JANEWAY. Has the crisis in Viet Nam involved us in an exercise in fiscal brinkmanship?

EBERSTADT. Definitely—and it's beginning to get ahead of us. When you use money for productive purposes, you don't get inflation. You get inflation when you use money unproductively—as in war. Then everybody's costs go up and real earnings and savings go down.

JANEWAY. Can emergency taxes and controls hold the line?

CAN TAXES HELP?

EBERSTADT. Not for long. But when once a society puts a stop to unproductive expenditures, the inflationary fever cures itself.

JANEWAY. Will the fiscal score be toted up by the way we play the game in Viet Nam?

EBERSTADT. I'm just a stuffed shirt Wall street Republican, and L. B. J. is a master politician from Main street. But I hate to see him try to climb up the side of a fog bank. That's what we've been doing out there—and with no social structure to grasp onto. The way things are now, if we should win, we lose as white imperialists; while if we are beaten, we are just plain punks.

JANEWAY. How do we work our way out of this bind?

EBERSTADT. To make the other fellow sit down and talk, you must show him that he has something to lose if he doesn't. Now, the enemy has nothing to lose. We have committed ourselves not to threaten the big fellows on the other side. Why should they negotiate? Our policy is exhausting our own resources. The other side has made pretty good progress with its plan or we wouldn't be talking about inflation today.

WHAT'S OUR STICK?

JANEWAY. Before you can get a mule to do what you say, you must first catch his attention with a stick. What's our stick?

EBERSTADT. We have two. The first is Gen. James M. Gavin's enclave idea. We dig in to our readily defensible positions on the mainland: let the present political fuss settle down; and sit in what the late Secretary John Foster Dulles used to speak of as "a situation of strength." Enclaves would free us from the charge of being white imperialists. We could use waiting time, as Senator RICHARD RUSSELL (D., Ga.) says, to make an agonizing reappraisal of the difference between "face" and our own national interest. The basic objective of our national interest is the security of our people—not a world-wide crusade for democracy in behalf of nonbelievers.

JANEWAY. You suggested another stick.

EBERSTADT. It's riskier than the enclave idea, but less risky than what we're doing now and it's waiting for us in Formosa. Chiang Kai-shek is certainly no worse than those fellows we have on our hands in Viet Nam. Ever since he lost China, we have been giving him our best and most advanced fighting equipment. We have offered to arm other allies who shun us. We have already armed this satellite. Members of Congress of both parties and all points of view have been voting billions for Formosa: Let's find out if this is a satellite we can't use, or who won't play. It is easier to cut Formosa out of the budget than money for the youngsters' hot school lunches or for hospitals. If there is any disaffection on the mainland, one way to find out might be to bring a study group from the Formosa war staff over to Saigon to "study the situation." That's all the blueprint they will need in Hanoi, Peking, and Moscow to show them we mean business about making the most of what we have to fight with.

THE LESSON OF THE MEREDITH CASE

Mr. NELSON. Mr. President, the Mississippi shooting of James Meredith showed the need for stronger Federal legislation to protect people exercising their constitutional rights.

I have been advocating such legislation since April 1, 1964 when I introduced a bill to make it a Federal offense to murder a person exercising his civil rights.

Since then a number of similar bills have been introduced. I am a cosponsor of a bill by Senator DOUGLAS which would broaden Federal offenses in the area of civil rights. Under this bill, for instance, the killer of a civil rights worker could be charged in Federal court with the crime of murder, rather than merely with depriving someone of his constitutional rights.

I am also cosponsoring the administration's omnibus civil rights bill, one section of which would make racial violence an explicit Federal crime.

All the rights granted Americans by the U.S. Constitution, and all the Supreme Court decisions carefully defining and protecting these rights, can be nullified by would-be assassins such as the one who gunned down James Meredith. This kind of terror nullifies the rights of every American citizen.

The U.S. Congress cannot allow this to continue.

The fundamental American rights granted by the Constitution must be backed up by Federal law. There have been a great number of tragedies over the years to demonstrate the need for Federal legislation protecting those who merely seek to exercise their American rights. The Meredith case is the latest example. I hope it shocks the American public and the Congress sufficiently to enable us to pass this long overdue legislation.

VISTA VOLUNTEERS

Mr. BARTLETT. Mr. President, I should like to share with my colleagues a letter a member of my staff received from two VISTA volunteers serving in the small, remote Eskimo village of Kwigillingok, Alaska.

VISTA volunteers in Alaska are called upon to perform their duties under circumstances few of them could have visualized before their service began. They are performing them well. Indeed, their fame preceded them for before the program was enacted, the native people of Alaska had requested volunteers. Alaska native people had followed the progress of the Peace Corps closely and when a similar organization was proposed to serve with the country, they were among the first to endorse it.

From time to time I have received letters from volunteers in various Alaska villages. I have been impressed with all of them for each demonstrated a concern for and an understanding of the needs and aspirations of the native people.

Miss Judy Anderson and Miss Chattye Cornelius were assigned to the village of Kwigillingok, located on the barren tundra of the delta formed between the Kuskokwim and Yukon Rivers. Their description of what life offers them in the village should be encouraging to all of us for it demonstrates that VISTA has chosen its volunteers wisely and that we were right in enacting the program.

I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 15, 1966.

DEAR MISS NORDALE: Well, here it is Sunday night in Kwigillingok. We're sitting here in our "living room" writing by candlelight, eating Swedish coffee bread sent from home and drinking coffee. This weekend's been a good one, we've gotten a lot accomplished and it's just now that we've gotten a chance to sit down and write a few letters.

We thank you very much for having replied to our letter as quickly as you did. You can be assured that we are encouraging our people to continue their planning on the proposed move. The people know that Senator BARTLETT will do his best for them and your letter fortified their convictions.

As for life in the village spring has certainly brought Kwig out of its winter's hibernation. We can see every day the men coming back from the ocean with their sleds loaded with seal and walrus. The women then are busy preparing the seal, stretching and drying the skin which is to be sold or sewn and then blown up to be used as containers for seal oil (which are eventually put in the ground to be stored for winter's use).

Aside from our normal work in the village we have our interesting side-lines too: one of our neighbors is going to show us, on Tuesday afternoon, how to use the "ooloo" to skin seal—*if*, in return, we'll show her how to make the cheese souffle she saw us making the other day!! (You should have seen her face when it came out of the oven—you should have seen ours too—didn't think it would turn out too well as it was our first!)

As for our work day in the village our schedule has been lengthened as the daylight now lasts until 10 p.m., soon to last even longer. Our nursery school, 9–11, five mornings a week is doing fine, now including three-year-olds as well as the four- and five-year-olds. Eskimo children are certainly not much different from children in the "Lower 48"—there are devils and angels everywhere!

In the afternoon our house is flooded with little kids, some days there being game hours and others being reading time or story hour.

Our Brownies and Jr. Scouts are doing fine and are now all excited about their past rummage sale (held last Saturday). We gave them a few hints about pricing but they did the majority of the work—and were very proud to report that they had earned $104.76! (We feel like proud mother hens!) (And we were very pleased to find a native girl who has now taken over leadership of the Jr. Scouts.) The girls are now getting excited about the forthcoming July Fourth celebration. Kwig's first parade and Memorial Service to the men in Vietnam.

So, this summer certainly holds a lot in store for us including egg hunting, berry picking and our town council president is even loaning us his kayak so we can practice paddling on the lake!

Don't know whether we told you or not but we had a red fox as a pet till it got away—but now have another pet—this time caught by a villager at the ocean: a pet baby seal! Thought we'd be able to cuddle it but it snaps like a dog and won't let us within five feet of it! So, we now have a "guest" on our porch!

Well, Miss Nordale, we're running out of space and the candles are flickering so as we have a busy day tomorrow (nursery school, Brownies tutoring) we had better sign off now. Our regards to Senator BARTLETT.

Love,

JUDY and CHATTYE.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

TO PERMIT THE PLANTING OF ALTERNATE CROPS—CONFERENCE REPORT

Mr. PASTORE. Mr. President, I move that the Senate proceed to the consideration of the conference report on H.R. 15151.

The PRESIDING OFFICER. The clerk will report the conference report for the information of the Senate.

The LEGISLATIVE CLERK. Report of the committee of conference on the disagreeing votes of the two Houses on the amending of the Senate to the bill (H.R. 15151) to permit the planting of alternate crops and acreage which is unplanted because of a natural disaster.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN FORMS OF COPPER

Mr. PASTORE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1186, House bill 12676. I understand that this bill has been cleared by the leadership on both sides of the aisle.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12676) to amend the tariff schedules of the United States to provide that certain forms of copper be admitted free of duty.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1220), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

H.R. 12676 suspends temporarily, for the period February 9, 1966, to June 30, 1968, the duties applicable to unwrought copper (except nickel silver), copper waste, and scrap, and copper articles imported to be used in remanufacture by melting. The bill would also suspend for the same period the duties applicable to the copper content of certain copper-bearing ores and materials. The duties that would be suspended by the bill would in each case amount to 1.7 cents per pound of pure copper which may be commercially obtained from the imported article, except that in the case of nickel silver waste and scrap the rate is 1.7 cents per pound of the commercially recoverable copper content plus 10 percent ad valorem.

GENERAL STATEMENT

Copper is a metal that is of vital importance to the Nation's defense and nondefense needs. It is used in the electrical industry in the manufacture of generators, motors, locomotives, telephone and telegraph equipment, light and power transmission lines, and numerous other items. It is consumed by the copper-base alloy industry in the manufacture of products used in building construction, principally plumbing and the production of ammunition, and for a roofing materials, and in the manufacture of automobiles and trucks, in shipbuilding, in wide variety of other purposes.

In 1965 the United States consumed about 2 million tons of refined copper, about 90 percent of which was domestically produced. The balance of approximately 200,000 tons was imported. Chile supplied about 100,000 tons of such imports, while approximately 40,000 tons came from Canada and 60,000 tons from Peru. Despite substantial increments in recent years in the domestic production of copper, such output has not been sufficient to satisfy increased domestic consumption requirements.

In midautumn of last year, it became increasingly apparent that world demand for copper exceeded world supply. The short supply has been reflected in pressure on copper prices both at home and abroad. The U.S. producers' price for refined copper, which until March 1964 had remained constant at 31 cents a pound for about 3 years, experienced three increases in the space of little more than 1 year, going from 31 to 32 in 34 cents and then to 36 cents per pound in May 1965. After consultations and conferences with representatives of the Federal Government, domestic producers have endeavored, on a voluntary basis, to maintain the 36-cent-per-pound producers price for domestic copper in the U.S. market. These producers have continued to maintain this price level to the present time.

The prices for copper outside the United States, however, have ranged in recent months from a minimum of 42 cents per pound to a maximum of about 90 cents per pound. The spot price of copper on the London Metal Exchange on May 3 was about 70 cents per pound. On April 14, 1966, Chile (which sets the price for its copper may be sold) announced that the price for its copper would be increased, effective July 1, 1966, to 62 cents per pound from 42 cents.

The administration has taken several steps to prevent similar sharp increases in the price of copper in this country and to safeguard U.S. supplies of copper for U.S. consumers. It (1) released about 200,000 short tons from the national stockpile in November 1965; (2) tightened export controls through its export licensing authority on November 24, 1965, December 14, 1965, and January 20, 1966; (3) requested the Commodity Exchange to increase margin requirements on copper futures from 10 percent to about 70 percent in an effort to curb speculation; (4) authorized an additional 200,000 tons of copper to be released from the national stockpile during 1966; (5) is attempting to expand domestic output through subsidy payments; and (6) has entered into agreements with the governments of copper-producing nations to hold a United Nations conference in an effort to stabilize production and prices. These actions are part of a four-step program announced November 17, 1965, to maximize the supply of copper in the United States to provide for stabilization of the domestic market, and to maintain a noninflationary price level for copper. The copper program, as well as an arrangement with Chile to insure that the quantity of copper it previously exported to this country will continue to be available to U.S. consumers at the lower U.S. price, is described in a letter addressed to the chairman of the Committee on Ways Means by the Under Secretary of State. This letter appears in the appendix of this report.

H.R. 12676 would lower the cost of imported copper to U.S. consumers by the amount of the U.S. import duty and to that extent would help prevent a rise in the U.S. price of copper during the present shortage. However, so long as the world price for copper is far higher than the U.S. price (as it is today), eliminating the 1.7-cent duty will attract little foreign copper to the U.S. market. On the other hand if the price differential narrows the duty suspension provided by this bill could make a significant contribution to our efforts to assure adequate copper supplies at reasonable prices.

As stated above, H.R. 12676 provides for a temporary suspension of duty on copper raw materials and copper scrap, for the period February 9, 1966, to June 30, 1968, both dates inclusive. Your committee notes that similar legislation has been favorably reported by your committee and enacted by the Congress for periods in the past when the available supply of copper was insufficient to meet demand and pressure on prices existed. The periods covered by such prior enactments are as follows: April 30, 1947, to the close of March 31, 1949 (Public Law 80–42, approved April 29, 1947); April 1, 1949, to the close of June 30, 1950 (Public Law 81–33, approved March 31, 1949); April 1, 1951, to the close of June 30, 1958 (Public Law 82–38, approved May 22, 1951, as extended by Public Law 83–4, approved February 14, 1953; Public Law 83–452, approved June 30, 1954; and Public Law 84–91, approved June 21, 1955).

The suspensions of duty provided under H.R. 12676, as reported by your committee, would be inapplicable during any period in which the price of electrolytic copper in standard shapes and sizes, delivered Connecticut Valley, is below 24 cents per pound as determined pursuant to headnote 5, subpart 2C, schedule 6, of the Tariff Schedules of the United States. It would also be inapplicable to copper from Communist countries.

Your committee has received favorable reports on H.R. 12676 from the Departments of State, Treasury, and Commerce, as well as an informative report from the U.S. Tariff Commission. Your committee recommends expeditious enactment of this legislation.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TO PERMIT THE PLANTING OF ALTERNATE CROPS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amending of the Senate to the bill (H.R. 15151) to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

Mr. SYMINGTON. Mr. President, frequently during the extended consideration given on the floor of the Senate to H.R. 15151, a bill primarily designed to give emergency assistance to cotton producers who have been suffering from natural disaster this spring, there has been complaint that this bill has not received adequate consideration. Actually, it has received a great deal of consideration since its introduction and that of other similar measures both in the House and the Senate some 3 weeks ago.

Because of the almost unprecedented heavy rainfall in the cotton counties of Missouri and other cotton-producing areas of the Mississippi Valley—Arkansas, Tennessee, Kentucky, Mississippi, Louisiana, and Texas—on May 19 I joined with a number of other Senators in cosponsoring S. 3382 to permit planting of soybeans in lieu of cotton on cotton acreage not planted because of this natural disaster, without loss of cotton equalization payments or diversion payments for participating farmers.

On the preceding day, May 18, several similar bills, including H.R. 15151, had been introduced in the House by Members of that body from these affected areas.

There was some discussion yesterday that this bill had not gone to the House committee. That was not correct. Actually the bill was considered in two separate meetings.

On Friday morning, May 20, members of the House Agriculture Committee met for a hearing on this bill and on Tuesday morning, May 24, that committee met again, acted on the bill introduced by the Honorable PAUL C. JONES of Missouri. At this meeting on May 24, the committee agreed unanimously to amend the bill so that it would "permit the planting of alternate crops on acreage which is unplanted because of a natural disaster" not only for cotton but also for feed grains and wheat.

The House, recognizing the emergency, accepted the amendment and passed the bill that same day, Tuesday, May 24, and sent it to the Senate.

Also recognizing the emergency, the able and distinguished chairman of the Senate Agriculture Committee on Thursday, May 26, requested that the bill remain at the desk so that it could be taken up immediately. He had consulted with the majority leader and the minority leader and those interested in the bill and there was no objection whatever to taking it up.

Subsequently, however, despite requests from a number of Senators interested in immediate consideration, the senior Senator from Delaware [Mr. WILLIAMS] did voice objection and asked that H.R. 15151 go over for consideration until after the Memorial Day recess. The bill was placed on the calendar and was put over until the next week.

On Wednesday, June 1, there ensued a lengthy debate filling some 10 pages in the RECORD. The junior Senator from Tennessee [Mr. BASS] acted as an able floor manager. There were five record votes. Three amendments offered by the Senators from Delaware [Mr. WILLIAMS] and Iowa [Mr. MILLER] were defeated and one amendment offered by the Senator from Delaware [Mr. WILLIAMS] was accepted.

During this debate in the Senate the Senator from Tennessee [Mr. BASS] made it clear that he objected to any amendments because they would only further delay this bill. Frequently during the discussion the Senator from Tennessee pointed out that once passed to meet the immediate need, amendments to the law could later be considered in the normal way.

The bill then went to conference on Monday afternoon, June 6. The results of that conference appear in the CONGRESSIONAL RECORD of the House on Tuesday, June 7, page 12478, and were reported in the Senate yesterday by the Chairman of the Senate Committee on Agriculture [Mr. ELLENDER].

Because they knew the bill as amended by the Senate would be vetoed, the House members of that committee refused to accept the Senate amendment and the Senate conferees receded.

Without a single dissenting vote, recognizing the importance of this problem to many farmers, some of whom already are going bankrupt as a result of the natural disaster in their area, the House once again promptly passed H.R. 15151 and sent it to the Senate.

As Members of the Senate know, yesterday afternoon the bill was again taken up in the Senate, as reported in the RECORD starting on page 12690, and once again the provisions of the bill were discussed at considerable length, some 12 pages in the RECORD.

THE MERITS OF H.R. 15151

Now there has been considerable discussion about the merits of this bill. There have been charges that the enactment of this measure would provide a windfall to certain farmers. There have been allegations that this bill would cost the Government substantial sums of money. There have been charges that someone is trying to slip something over on the Senate.

The able Senator from Kentucky [Mr. COOPER] answered this charge of slipping something over more effectively than I could this morning.

I dispute all of these charges. First, I want to point out in no uncertain terms that the only purpose of this bill is to remove an inequity that came about and was unforeseen when the Food and Agriculture Act of 1965 was enacted into law.

Senators will recall that the cotton provisions enacted last year established a domestic allotment. That law also provided for price-support loans for cotton at not more than 90 percent of the world price. The loan rate for 1966 was set at 21 cents per pound. This was done in order to provide our domestic mills the opportunity to purchase cotton at world prices. Then in order to provide our domestic producers with some price and income protection the Congress authorized a price-support payment which in 1966—this was for the producer—was set at 9.42 cents per pound.

Under the 1965 act cotton producers hit by a disaster are eligible for the price-support payments of 9.42 cents per pound whether they had actually planted or not. But the producer who was lucky enough to get his seed in the ground before the disaster was permitted, under the 1965 act, to subsequently plant his cotton acreage to other crops, including soybeans, without penalty. This farmer can plant soybeans and still receive his cotton price-support payments.

On the other hand, the poor farmer who had gone to all the expense of preparing his land for planting, had purchased seed and fertilizer, but was prevented from the actual planting of the seed by the disaster, under the 1965 act, is in the unfortunate and inequitable position of being penalized by the loss of his cotton price-support payments if he were to do as his neighbor did, and plant soybeans. This unfortunate farmer must either let his land be idle, or plant to cotton fully knowing that he will make a poor crop.

This then is the inequity that this bill tries to correct. We are only trying to put both of these farmers on the same footing. We are only trying to permit both of these farmers to plant soybeans without penalty. We are only trying to give the unfortunate farmer the opportunity to plant a crop that this country needs rather than to force him to plant cotton, a crop that is neither needed nor desirable at this time.

Under no circumstances can this be referred to as a windfall, for, as I have shown, the fact is that all cotton producers hit by disaster are eligible for price-support payments under the 1965 act whether they had planted or not.

This will not cost the Government any additional money. As a matter of fact, it may well save the Government substantial sums, for the fact is that soybeans are in very short supply, while the Government has huge stocks of cotton in its warehouses. As of April 30, the Government had $2.3 billion invested in 15.1 million bales of cotton.

It would seem to me that it makes much sense for the Senate to do all that it can to reduce the stocks of cotton and, on the other hand, to make possible the production of larger amounts of soybeans which are today in great demand. This year the best estimates indicate that cotton production will be less than our requirements; therefore, the Government will be able to reduce its stocks.

This bill would further the reduction in Government stocks by not limiting cotton farmers who had suffered disaster only to the production of cotton. I repeat, Mr. President: This bill would further the reduction in Government stocks by not limiting cotton farmers who had suffered disaster only to the production of cotton. With the loan value at 21 cents per pound, each bale of cotton sold by the Government would put about $105 or more into the Treasury. This makes good sense.

Let us not be misled to believe that farmers will let land lie idle. Farmers who have been hit by a disaster will plant cotton unless this bill is approved; and even if they do not make an average crop, additional unnecessary cotton will be produced. This practice would not be wise from the standpoint of the Government.

But notwithstanding these good arguments, I return to this matter of equity. One farmer who was unfortunate enough not to be able to plant his cotton, should be permitted to have the same opportunity as the farmer who was able to plant, before the natural disaster. All of us from farm areas know that not all farmers proceed on a schedule set from above. Neighboring farms may have land conditions, or drainage problems quite different from each other. Other factors enter in also, but, without question, one farmer can and does plant before another. We also know that farmers cannot decide on the spur of the moment to buy cotton seed and fertilizer. In most cases, these arrangements are made much in advance of the actual planting. A farmer must have seed available when the field is ready to be planted, and plans must be made far in advance of planting. Farmers are businessmen, and without plans they would not last.

I can see no justification for a payment limitation. I can see no justification for treating one farmer different from another. I believe that all farmers should be treated alike. Some Senators may not be aware that under the 1965 act, feed grain producers—disaster or no disaster—are permitted under certain conditions to substitute soybeans for feed grains and still receive the feed grain price support payments.

While I do not have the figures, many knowledgeable people feel that there will be substantial substitution of soybeans for feed grains this year. In my opinion, it is only equitable that we permit cotton farmers, under even more controlled circumstances, to substitute another crop for cotton.

Mr. President, I hope this conference report will be approved today by the Senate, and I yield the floor.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ELLENDER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the motion of the Senator from Delaware [Mr. WILLIAMS] to postpone consideration of the conference report on H.R. 15151 to June 15.

Mr. ELLENDER. Mr. President, I should like to set the record straight.

As I understand the situation, the distinguished senior Senator from Delaware [Mr. WILLIAMS] said that the bill was introduced in the House on one day, taken up on the next day, and acted on without hearings.

The RECORD shows that the bill was introduced in the House—and I have a copy of it here—under date of May 18, 1966, and that it was referred to the House Committee on Agriculture and Forestry.

The committee considered the bill and held hearings on May 20 and May 24. The bill was reported to the House on the day that the hearings were concluded. The bill was reported with amendments, considered, and passed. This was all done by unanimous consent.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. GORE. Mr. President, the motion to postpone action on the conference report to June 15, would, in fact, nullify the very purpose of the bill and the conference report.

I hope that the Senate will recognize that, if this motion is adopted, the effective date would be postponed until after the planting season. It would therefore kill the bill. Is that not correct?

Mr. ELLENDER. It would kill the effect on the bill. That is correct. That is what I desire to point out.

When the bill was sent to the Senate prior to May 26, I had an understanding that the bill would remain at the desk until such time as I could obtain consent from the majority and minority leaders to take the measure up without referring the House bill to the Senate Committee on Agriculture and Forestry.

We had before us an identical bill, and I checked with the committee. There was no opposition to the measure at all, and no hearings were ordered to be held.

Mr. President, I should like to read excerpts from the RECORD of Thursday, May 26, 1966.

I read from page 11559.

> Mr. ELLENDER. Mr. President, there is at the desk H.R. 15151. I requested that that bill remain at the desk so that we may be able to take it up this morning.
>
> I have consulted with the majority leader and the minority leader and those who are interested in the bill. There was no objection to taking it up today.

> However, I have learned in the last few minutes that there is objection. There will be objection urged by the Senator from Delaware [Mr. WILLIAMS].
>
> A Senate bill similar to this bill—H.R. 15151, which has been enacted by the House of Representatives—is before the Committee on Agriculture and Forestry.
>
> I have consulted many members of the committee, and there is no objection to it.
>
> My purpose this morning is simply to ask unanimous consent that this bill be considered, and since there will be objection, I ask unanimous consent that the first and second reading be dispensed with and that the bill be placed on the calendar so that we might be able to take it up tomorrow.
>
> The ACTING PRESIDENT pro tempore. Is there objection?
>
> Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object, I would object to its being taken up that quickly. If it is desired to put the matter on the Senate Calendar, to be taken up after the Memorial Day recess, I have no objection.

When I discussed the matter with the Senator from Delaware [Mr. WILLIAMS], there was no idea of holding hearings on the measure. The Senator never suggested it. All that he desired was a little time in which to look into the bill.

I read further from page 11559, the statement of the Senator from Delaware:

> I wish to point out one matter. This bill was introduced in the House of Representatives on Tuesday of this week and passed the same day it was introduced.

That statement is incorrect. As I have just indicated, the bill was introduced on May 18. Hearings were held on May 20 and May 24. The bill was reported on May 24 to the House and passed by the House.

I continue to read from the statement of the Senator from Delaware on page 11559:

> It never appeared on the calendar of the House of Representatives. It never appeared on the calendar of the Senate. Now it is being asked that the bill be passed without going to the Senate committee.
>
> I think that the least we can do is to put it on the calendar and let it go over for a couple of days so that those who are interested can understand what is being done and those who have objection may have an opportunity to examine the bill.
>
> If the bill is going to be put on the Senate Calendar with the understanding that there will not be any effort to bring it up for consideration until next week. I have no objection to the unanimous-consent request. Otherwise, I do object.
>
> Mr. ELLENDER. Mr. President, we have no recourse, I assume. We consent to that reluctantly.

I had in mind that this was an emergency bill, and that it should have been taken up before the Memorial Day recess. However, I reluctantly consented to having the measure placed on the calendar.

I continue to read from my statement on page 11559.

> Mr. President, I renew my unanimous-consent request.
>
> The ACTING PRESIDENT pro tempore. Is there objection?
>
> Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object, I understand that the request now is that it go direct to the Senate Calendar with the understanding it will not be motioned up until next week.
>
> Mr. ELLENDER. The Senator is correct.
>
> Mr. WILLIAMS of Delaware. No objection.

Mr. President, following that debate, I had placed in the RECORD a full explanation of the bill together with other matters pertaining to the measure.

When the matter was debated in the Senate, the Senate did agree to the $10,000 limitation. The bill was then passed and sent to conference, and the conferees met. The House was adamant in behalf of its version. The matter now before the Senate is for us to vote up or down what the conferees did.

Of course, as was pointed out yesterday, the House would not go along with the $10,000 limitation, and since the House would not agree, since it was adamant, the Senate conferees bowed to the wishes of the House, and the matter before us now is to vote this conference report up or down.

As was pointed out by the distinguished Senator from Tennessee, if the motion of the Senator from Delaware is agreed to, it will simply mean another delay until after June 15th. All of that delay, Mr. President, will simply mean that it will be too late for farmers to plant soybeans in lieu of cotton where disaster struck. Mr. President, I was surprised at the action taken by the Senator from Delaware. I thought when the Senate met before the holiday, all he wanted was time to look into the matter. But I find now that he wishes to kill the bill. In my opinion, that is exactly what he wishes to do.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ELLENDER. The Senator from Delaware has always been against farm bills; I do not know the last time he voted for one. Senators will recall that during the debate on the enactment of the 1965 farm bill, the distinguished Senator from Delaware tried on at least three or four occasions to limit the payments, and the Senate would not agree to that. Not only at that time, but on previous occasions the Senator from Delaware has tried to limit the payments to farmers.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ELLENDER. With always the same result; that is, that Congress went against him.

I yield to my junior colleague.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The junior Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, my senior colleague may recall that just a few weeks ago, the Senator from Louisiana was handling a measure on the floor and the Senator from Delaware opposed it very vigorously. He did not prevail, but it went to conference and we brought back a conference report that should have been more to his liking than the bill we passed. But the Senator made a very vigorous fight, and delayed the conference report for a few days, fighting the same battle all over again.

I admire the consistency and sincerity of the Senator, and his determined effort to defeat something he does not agree with. But I suggest that if every Senator were to insist on being so diligent in opposing measures with which he did not agree, we could be here until this time next year, passing bills that could have been passed in half that time.

Mr. ELLENDER. Mr. President, I wish to say further that I believe this bill has received due consideration. The only purpose of this bill is to correct an inequity that came about with the implementation of the Food and Agriculture Act of 1965.

Under that law a producer who plants cotton on his lawfully permitted acreage is entitled to price support payments. If some disaster prevents his making a crop, he can replant his land to another commodity without losing his cotton price support payments.

Existing law further provides that a producer who is prevented from planting cotton because of a natural disaster is also entitled to cotton price support payments, but in such case he gets his payments only if he does not plant another income producing crop on his permitted cotton acreage.

There is, of course, very little difference between the producer who planted his cotton just before the flood or other disaster and the farmer who had bought his seed, plowed his ground, and done everything but plant. There is also no advantage to the government in prohibiting the latter producer from planting some other crop that is not subject to marketing quotas or a voluntary adjustment program. Such economic waste accomplishes no good for anyone. The entire purpose of the bill, therefore, was to permit such a farmer who had been prevented from planting his permitted cotton acreage to plant some other crop not subject to an adjustment program and still obtain his price support payment.

The House conference committee members and many Senators feel that there is a clear inequity in existing law regarding the treatment of farmers who have planted and those who have not had an opportunity to plant where both have been struck by disaster. The existing law is clear as regards those farmers who have been lucky enough to get their seed in the ground. These producers are entitled to the payments under the law and can plant soybeans or any other income producing crops without penalty. On the other hand, the producer who may have plowed his field, fertilized, bought the pesticides and seed, but who was not permitted to plant because of disaster, is in the position where his payments would be lost if he were to plant soybeans or other income producing crops. In other words, this second farmer is forced by law to plant cotton or leave his land idle. And, as all of you know, no good farmer ever wants to leave land idle. It goes against his nature to see a resource go to waste. Therefore, fully expecting to make less than a good crop, he would go ahead and plant his fields to cotton.

Under such circumstances, it seems to me to be ridiculous that the Government is paying this farmer to divert acres from the production of cotton, and at the same time forcing him to plant a crop that is not needed. The report of the Commodity Credit Corporation, as of April 30, shows that the Government has about $2.3 billion invested in 15.1 million bales of cotton. To force farmers to plant cotton, a commodity that is not needed, is especially ridiculous when everyone knows that this Government has done all it can to encourage the production of soybeans, a crop that is very necessary, and a crop that is in short supply.

It would be good sense indeed to agree to this conference report solely on the basis of savings to the Government. With Government cotton stocks as high as they are, we should do what we can to reduce them. Therefore I urge that the motion to postpone further action until June 15th be rejected.

Mr. MILLER. Mr. President, I support the motion of the Senator from Delaware, and I wish to say this: Last week when we were debating this bill, it appeared to me that the bill had been rather hastily considered, that it had not been thought through as completely as it should have been, and that there was some inequity present in the bill.

But when I sought to offer on the floor an amendment to work what I considered equity in the bill, I was immediately met by the reply that no amendments would be considered at all, that this was emergency legislation, and that if the bill did not pass just right then and there, there would be no need for it at all. I believe the Record will bear that out.

However, somewhere along the line an amendment to the bill was in fact adopted, and here we are, a week later; and, if we are to believe the statement of the manager of the bill at the time, it is already too late for the bill to do any good; otherwise there would have been no reason not to consider the amendments that were sought to be offered to try to make this into a better bill.

I personally thought that we were rushing it too much, but the manager of the bill did state that that bill had to pass right then and there, or else there would be no need to have it. So I do not believe that the motion of the Senator from Delaware will harm it any more than it has been harmed already, because the Senate did see fit to agree to an amendment, and that has resulted in about a week's delay.

I regret that there was not some opportunity for a hearing to be held on this matter—even a rather perfunctory hearing. I originally moved to refer the bill to the Committee on Agriculture, hoping that that could be done, and that the Committee on Agriculture could have a rather rapid hearing.

That was objected to. I even offered to negotiate a time certain on it. That was objected to. The whole atmosphere was that the bill had to be passed on that day, or else it would not be of any use at all.

Mr. BASS. Mr. President, will the Senator yield to me?

Mr. MILLER. Yes, indeed.

Mr. BASS. I made no such statement. I think I am the Senator to whom the Senator refers, and I made no such statement, that if it were not passed that day, it would not do any good.

I made the statement that it was an emergency, and was needed at that time.

Mr. MILLER. That is correct.

Mr. BASS. If the Senator will permit me, let me add this: The longer the bill is delayed, the less effective it will be, and the poorer crop the affected farmers can produce. That is the statement I made. But if the Senator from Iowa can find anywhere in the Record that I said that if it was not passed that day, it was not needed, I wish he would point it out.

Mr. MILLER. I am sure that the tenor of the Senator's remarks was that it was an emergency, and that action at once was vital, and that that was why he would object to any amendment whatsoever. Any amendment at all was just out, as far as the Senator from Tennessee was concerned.

I can understand the Senator's attitude, if this was an emergency and it was so vital that great damage would be done if the bill failed of immediate passage.

But the damage presumably has already been done. The damage was done when the Senate did agree to an amendment and it went to conference. That was a week ago. So I suggest that the motion of the Senator from Delaware is not designed to do any more harm to the bill than has been done by the delay that has already occurred.

Mr. President, my friend, the junior Senator from Tennessee [Mr. Bass] has questioned what I said about certain remarks made on the floor on June 1. In order that the Record may be absolutely clear on this point, I wish to quote from the Record of June 1, page 12009:

> Mr. Williams of Delaware. They will be. I am wondering whether the Senator from Tennessee would not recognize the merits of the proposal and be willing to accept the $5,000 limit on these payments?
>
> Mr. Bass. I could not accept the amendment even if I thought it had merit, for reasons which I have been explaining all afternoon; namely, that this is an emergency measure. The farmers have had a disaster——
>
> Mr. Anderson. Where?
>
> Mr. Bass. If they do not get this pending legislation and get the privilege of planting this crop within the next 5 days, the time will be gone.

That colloquy occurred on June 1, 1966. It is now 8 days later. If the time was "gone" on June 6, according to the manager of the bill, I wish to repeat that I do not believe that the position of the Senator from Delaware [Mr. Williams] for the adoption of an amendment and the subsequent conference activities, is designed to do any more damage than has resulted already.

Mr. WILLIAMS of Delaware. I thank the Senator from Iowa.

The Senator's statement is correct. This motion to delay the matter until the Committee on Agriculture and Forestry can find out what they are doing is not out of order.

Much has been said about dealing with emergency legislation and that this must be dealt with in the next few days. That argument of urgency has prevailed throughout the debate, and it is a farce. We are acting on a 4-year program. This bill lays out the formula for the next 4 years. The proponents of the legislation vigorously objected to, and were successful in defeating, a proposal that this be limited to the 1966 crop. No; they wanted a 4-year plan on the basis that once they got their hands in the Federal Treasury there would be an emergency for 4 years.

As to the manner in which this proposal was handled, it is true that a bill was introduced on May 18. I mentioned that in my remarks. But the bill of May 18, as it was introduced, dealt only with cotton. It is not the same as the bill before us now. The bill which was reintroduced on May 24 and reported by the House committee on the same day it was reintroduced included not only cotton but also feed grains—corn, wheat, and other controlled crops—and it was permanent legislation instead of 1 year. That bill was introduced in the House of Representatives and was reported as a clean bill on the 24th. It was voted on by the House of Representatives on the same day, before any copies of it were made available to Members of the House. Only one copy was at the desk when the House voted on the bill.

The bill came to the Senate. The Senator from Louisiana [Mr. Ellender] asked that it be stopped at the desk and brought up for immediate consideration. At that time I made the point that again only one copy of the bill was available—only one copy. I said that surely the emergency was not so great that the matter could not go over until the bill was printed. It was carried over, and the bill was printed, as I suggested.

During the debate a couple days later, we offered amendments, and we were successful in placing a limitation of $10,000 on the maximum payment which any one farmer could receive for a crop which he had never planted.

Remember that this bill deals with payments to farmers on crops which they have not planted, which will never be planted, and which they only intended to plant, and then the bill will allow them to use the same acreage to plant soybeans or some other crop under price supports. That is what we are dealing with in this legislation. As to the need for a $10,000 limitation, the Senator from New Mexico [Mr. Anderson], a former Secretary of Agriculture, who is certainly not considered to be antifarmer, joined in supporting that amendment and pointed to one particular example of a farmer he knew with a 1,000-acre cotton allotment and an average production of four bales per acre. This was in an area that was a so-called disaster area. Conceivably this man could collect $200,000 from the Government for 1,000 acres of cotton which he had not planted and then could on that same acreage plant a crop of soybeans and get price supports from the Government.

My amendment would limit the payment to that individual, or to any other individual, to $10,000. It was stated that on the basis that this amendment was adopted by the Senate the President would veto this legislation, and the bill would therefore be lost.

Why would the President veto this legislation? This limitation is in accord with his own proposal.

In his message to Congress the President of the United States, Lyndon B. Johnson, advocated and recommended regulations or limitations on payments, thereby confining the benefits to the small farmers.

None of the supporters of this legislation have accused President Johnson of being a political hypocrite or indicated that he did not mean it. Yet, now that the Senate has passed a limitation, we are told he would veto the bill because it affected some large Texas farms.

I certainly am not making any such accusation against our President. The President in his message to Congress—this Congress—the one which is in session now—advocated restrictions on payments to large farmers. Yet, we are told that now that the Senate has carried out his request he did not mean it, that he will veto such a bill.

Let me quote another statement the President made the year before, in 1965, in his message to Congress:

> I have instructed the Secretary of Agriculture to lead a major effort to find a new approach to reduce the heavy cost of the farm program and direct more of our efforts to the small farmers who need the help most.

We are now told that a limitation will be vetoed. Had the proponents of this legislation not been so determined to take care of the large farms—corporate farmers—who have not planted their crops and who would get in excess of $10,000, had they not been so interested in taking care of these large farmers, the bill would have been on the desk of the President last Thursday and could have been signed. But, no, it is held up. It is still in the Senate today. Why?

Because they are more interested in protecting the larger farmers than they are the small farmers.

The Senator from Tennessee [Mr. BASS] said much about being interested in this bill and wanted to get it passed quickly.

In the State of Tennessee there are 55,665 cotton farmers, and only 99 would be affected at all by the limitation on the amendment which was adopted in the Senate. Yet we are told that if we cannot take care of the 99 large operators in Tennessee, then the other 55,000 and more can do without.

In Texas, there are 167,208 cotton farmers, but only 5,180 affected at all by this limitation.

In the State of Louisiana there are 29,538 cotton farmers, and yet only 415 would be affected by the limitations in the amendment.

Mr. President, this is a case of the administration's determination to take care of a small number of large farmers that we are here debating today—whether we pay these $150,000 or $200,000 payments to these corporate type operations which are not planting cotton, or whether they should be limited to $10,000. Remember that this is not a payment on a crop that is destroyed after it has been planted. These are payments to farmers for something that they will say they intended to do, but because of weather they are going to plant other crops. They want their large payments for not planting and their permission to plant the same acreage in another crop.

Mr. President, much was said in criticism of Henry Wallace a few years ago for advocating a program of killing pigs and paying farmers for plowing under every third row of cotton. Henry Wallace was a rightwing conservative compared to this administration. Here, in the pending conference report, they are proposing to pay for pigs which have never been born. The Federal Government under this bill will pay a man $200,000 just for thinking about planting cotton provided he changes his mind before he plows his field. Afterward he can plow the land and plant a soybean crop, but he keeps his payments.

We will be paying farmers for cotton acreage, corn, and other crops solely because they are thinking about planting; then they raise soybeans instead.

This is a wrong program in the first place even with limitations, but if the Congress is going to go ahead and pass it, surely we can keep it limited to the small farmer and not be so concerned about the large payments.

Yesterday, I cited an example of a large operator in the State of Arizona. This gentleman is renting his land from the State of Arizona. I have a letter here from the Governor's office stating that he is paying them an average of $3.60 to $4.50 per acre for this land that he is renting from the State.

The Department of Agriculture has confirmed that this same land has been planted in cotton, for which they are paying him as high as $51.70 per acre under this program.

Under the provisions of the pending bill he can get $51.70 per acre for the cotton that he considered raising on this land, then he can raise a crop of soybeans on the same land and get price supports on that crop. Is this the Great Society?

Just where are we going to stop? Are we going to start paying unemployment insurance to the man who holds a job on the side? Are we going to allow him to draw both checks? There is just as much merit in that proposal as to allow any farmer to draw two Government checks on the same acreage, particularly with no limitations as to the amount that he can draw.

An attempt was made yesterday to advance the argument that, Well, they have a letter from the general counsel interpreting the bad effect this limitation would have on the entire program. Significantly, that argument was dropped this morning. I commend those supporting the bill that it has been dropped because it was the most ridiculous argument and fuzziest interpretation I have ever seen put out by any man who holds a responsible public office.

I was very much amazed to see such a fuzzy ruling until I recognized the name of the man who wrote the letter.

I discovered in looking at the record further that the same Mr. Bagwell who wrote yesterday's fuzzy ruling on the Department's position is the same Mr. Bagwell who on April 11, 1962, wrote an equally fuzzy ruling and stated that all of Billie Sol Estes' activities had been legal and that there was nothing for the Department to be concerned about. Later Billie Sol Estes went to the Federal penitentiary. That shows what the court thought of this general counsel's ruling, and my opinion of the man's ability is even lower.

He is just a convenient rubberstamp, ready to issue any ruling needed to fit the occasion.

My own personal opinion is that this gentleman should be put out out of office—perhaps we should put him on a farm and then he would learn something about farming. I do not really want to put him on a farm in our area because I have too much respect for our farmers, and none as to what this man's knowledge of either farming, law, or the agricultural program in general is.

There are 762,257 farmers producing cotton in the United States.

Out of that number, only 10,470 are affected by the $10,000 limitation. The administration forgets the 250,000 small farmers and concentrates on taking care of these 10,000, all of whom will get in excess of $10,000, some as high as $200,000, solely for thinking about raising a crop, never putting a plow to the ground, never putting a pound of fertilizer or seed in the ground, but still drawing as much as $200,000 merely for thinking about raising cotton crops—then they raise soybeans instead.

If that is what Congress wants then we should accept the conference report. If that is not what the Senate wants then let us adopt this motion, delay this matter until next week, get the Department down before the committee, and find out whether the present administration meant that we should confine this help to the small farmer or whether the President was merely making a political stump speech.

I am going to support a limitation, as the President advocated, by voting for the limitation in the bill; the alternative would be to assume the President was being a political hypocrite.

Mrs. NEUBERGER. Mr. President, I have been listening to the argument of the Senator from Delaware with a great deal of interest. I pride myself on being a small farmer, but I also pride myself on being for the consumers of America. It struck me as a contradiction when the Senator made his argument for his proposal, because, if he substituted the word "consumer" for "small farmer," the Senator would have cast a different vote yesterday than he did. The Senator voted against millions of consumers yesterday when he supported the private marketing group by voting for the cotton amendment. So I think he is not consistent.

Mr. WILLIAMS of Delaware. I appreciate that statement, and I would like, if the Senator wishes, to go into debate on that question of consumer interest. I have had great respect for the Senator from Oregon. I have always admired her and respected her. I respect her now even more because she is now indicating an ability to read other

Senator's minds. This is something that few people can do.

Sure I am interested in the consumer. There may be a difference of opinion as to how best to serve the interest of the consumers. I am glad, however, that the Senator mentioned the consumer in this instance, because the consumers do have a vital interest in this act. Consumers are taxpayers. The consumers are the ones who will have to pay the taxes to make the $200,000 payments to these large farmers. I only hope the Senator from Oregon will join me in saving the consumers as taxpayers this amount of money. I hope she will join me.

In addition, it is a fact that these large corporate operations subsidized by the Government are not in the interest of the consumer or the small farmer. I do not think the consumers are interested in seeing that these large payments are made to large, corporate farmers; therefore I suggest that the consumers check the roll call vote on this proposal here today.

As to whether soybeans should be put in one size package or whether there should be a change in the way they are now measured in bushels is a matter of opinion on which there may be a difference of opinion, but surely there is no possible difference of opinion in the Senate that we want to save money for the taxpayers that is, if we really are interested in protecting the consumers.

The program before us has been recommended on the basis that it would save the Government money. That is utterly ridiculous. This is a multimillion dollar Great Society Give-Away, with the bulk of the benefits going to the largest operators.

No one really believes that it will save money. The fact is that it will increase costs and taxes to the taxpayers, each of whom is a consumer. They will have to pay for the program, and this program will surely cost money. Money is what we are dealing with in this program. Surely anything that increases spending on such programs costs the consumer money and represents that much more in taxes that the consumer has to pay.

One other factor involved is the inflationary effects of these deficit spending programs. As a result of the high cost of these Great Society programs the deficit of the present administration has exceeded $36 billion in the last 5 years. In the last 5 years the Great Society administration, the one that is now in power, has spent over $36 billion more than it has taken in. That is at the rate of $500 million a month in the red.

That is inflationary. That is the reason why the consumers of America are having a job making both ends meet, particularly the aged. This administration has done more to pauperize the aged and retired people than has any administration in the history of America.

I thank my friend from Oregon for having reminded me of this fact. In the interest of the consumer I should have mentioned it earlier. I welcome the opportunity to mention this oftimes forgotten group now, because the aged are the ones who are most affected by the inflationary policies of this administration.

I am disturbed by the continually expanding policy of deficit spending of this Great Society—planned deficit spending, as we were told in the Finance Committee by the Secretary of the Treasury and the Director of the Bureau of the Budget. They actually boasted that they were planning these deficits and now the result is this inflation. Now they are reaping the whirlwind of the inflation. They have started it, but do not know how to stop it. The only way to stop it is to stop these big spending programs, and the administration just will not do that.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mrs. NEUBERGER. Will the Senator tell me what I said that made him think I was trying to read his mind?

Mr. WILLIAMS of Delaware. I got the impression that the Senator from Oregon was trying to interpret my vote of yesterday. The Senator should realize that there may be a difference of opinion in the way we approach these problems.

Mrs. NEUBERGER. I think that is true on a great many of our votes.

Mr. WILLIAMS of Delaware. Some people forget that consumers are taxpayers. Farmers are taxpayers. The independent farmers and business men are taxpayers. I do not think we can deal with one without considering the other.

To continue with what I was saying on behalf of the consumers as taxpayers this administration has been wasteful in the matter of spending, and I am not unmindful of the fact that since 1900 the Democratic Party when in office has spent $314 billion more than it has taken in. Of our national debt 93 percent has been created by the Democratic Party. On only five occasions since 1900 has there been a surplus under the Democratic Party, and two of those surpluses were during the Republican controlled 80th Congress. We balanced the budget during those 2 years and also cut taxes—both achievements over the veto of a Democratic President, Mr. Truman.

Tax, spend, and elect has been the motto of the freewheeling spenders of this Great Society.

Those are facts which should concern every consumer in America. It is this extravagant record that I am trying to stop here today when I ask the Senate to place a limitation upon the amount of subsidy paid to each producer. When I vote for this limitation I am only carrying out what the President said he would support. Yet, now we are told that if we do approve the limitation, as he told us he wanted done, he will veto the bill.

Has the Senate no more faith than that in the sincerity of the man in the White House?

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mrs. NEUBERGER. For some reason, the people like the Democrats, because they seem to vote for the Democrats rather than for the Republicans.

This interchange has brought out one statement by the Senator from Delaware that I wanted to hear, and that was that consumers are being hard put to make both ends meet.

Mr. WILLIAMS of Delaware. I point out that it is going to get even harder for the consumers unless we stop this pyramiding of spending programs, and if we can get a program of "Truth in Government" there may be a change in election results.

FAIR PACKAGING AND LABELING

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Ohio.

Mr. LAUSCHE. As a consequence of the discussion which has just been had and in view of the discussion of yesterday concerning the present law dealing with packaging, I feel I should refer to the fact that word has been sent throughout the country that we have no laws adequate to deal with honest packaging on the law books today.

The fact is that what was in the packaging bill yesterday is now in the laws of the United States.

I want to point out that the Federal Food and Drug Act provides, in section 403, that food shall be deemed to be misbranded and falsely labeled if its container is so made, formed, or filled as to be misleading.

The Cotton amendment yesterday gave recognition to the law which is now on the books. The law now in existence gives the U.S. Government the power to institute criminal prosecution against any merchant who sells his goods in packages that are so formed, made, or filled as to be misleading.

The present public officials have not used the laws which they have available. But the argument has been made that we need a new law. A new law, in all certainty, will be enacted; but the only result will be the creation of a new bureau, the hiring of new investigators and new lawyers, and the appointing of new administrators in a new department to do a job that can be done under existing law by the Food and Drug Administration.

Mr. WILLIAMS of Delaware. The Senator from Ohio is correct. The present law is adequate. What is needed is the enforcement of existing laws, and not more laws. The real purpose for requesting from Congress a new law is, as I see it, to take the Department off the hook or to excuse the present officials for their lack of enforcement in protection of the consumer. They have adequate authority, and if they have not been using it, they should be replaced, rather than having a new agency set up to do what they have failed to do.

I agree completely with the remarks of the Senator from Ohio.

Mr. LAUSCHE. I subscribe to one phase of the packaging bill that was before the Senate for consideration yesterday; that is, the requirement that the labels be so designed and printed as to make it simple for the housewife to understand what the quantity in the package is, whether fluid ounces or solid ounces. That is a provision that the bill contains, and I am certain that the Senator from New Hampshire [Mr. COTTON] and other Senators who voted for the Cotton amendment yesterday subscribe to that provision.

But I repeat: If it is desired to enforce fair packaging because a container is fraudulently designed, all that is necessary is to examine the Pure Food and Drug Act. A law already exists, and it is adequate. That law has not been used. No one has answered the argument I have made. No one has established that a law for this purpose does not exist. There is a law. All that is necessary is to use it.

I thank the Senator from Delaware.

Mr. **WILLIAMS** of Delaware. I thank the Senator from Ohio.

The bill before the Senate yesterday was labeled "truth in packaging." What I am insisting on here is truth in government. The American people have a right to know the truth about what is being spent by this administration.

The bill before the Senate is pictured as an emergency measure to take care of a disaster. What disaster? It is nothing of the kind. This is a 4-year bill. It will be on the statute books for 4 years. The sole purpose of the bill is to make payments to farmers for crops they only thought about producing, having never put a plow into the ground. After receiving the payments of $50 to $200 per acre based on their previous yields and after receiving payments sometimes as high as $200,000 per farmer they would then be allowed to raise a crop of soybeans or some other income-producing crops on the same acreage and receive price supports. This bill should be labeled the "Great Society Gravy Train."

I say again that the only question before us today is, Are Senators interested in taking care of the 760,000 small farmers in America, or are Senators more determined to take care of just the large operators merely because the latter happen to have a little more political influence?

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Delaware [Mr. Williams] to postpone action on the conference report until June 15. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **LONG** of Louisiana. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Idaho [Mr. Church], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from New Mexico [Mr. Montoya], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from New York [Mr. Kennedy], the Senator from Rhode Island [Mr. Pell], and the Senator from South Carolina [Mr. Russell] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. Church], the Senator from New Mexico [Mr. Montoya], the Senator from New York [Mr. Kennedy], and the Senator from South Carolina [Mr. Russell] would each vote "nay."

Mr. **DIRKSEN**. I announce that the Senator from Colorado [Mr. Allott], the Senator from Kansas [Mr. Carlson], the Senator from New Jersey [Mr. Case], and the Senator from Vermont [Mr. Prouty] are absent on official business.

The Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Kuchel], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Idaho [Mr. Jordan] is absent on official committee business.

On this vote, the Senator from New Jersey [Mr. Case] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from New Jersey would vote "yea" and the Senator from Texas would note "nay."

On this vote, the Senator from Idaho [Mr. Jordan] is paired with the Senator from California [Mr. Kuchel]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 24, nays 59, as follows:

[No. 90 Leg.]

YEAS—24

Aiken
Bennett
Boggs
Brewster
Cotton
Curtis
Dirksen
Dominick
Fannin
Griffin
Hickenlooper
Hruska
Javits
Lausche
McIntyre
Miller
Morton
Murphy
Pearson
Saltonstall
Scott
Simpson
Smith
Williams, Del.

NAYS—59

Bartlett
Bass
Bayh
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Cooper
Dodd
Douglas
Eastland
Ellender
Ervin
Fulbright
Gore
Harris
Hart
Hartke
Hill
Holland
Inouye
Jackson
Jordan, N.C.
Kennedy, Mass.
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
Metcalf
Mondale
Monroney
Morse
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Smathers
Sparkman
Stennis
Symington
Talmadge
Thurmond
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—17

Allott
Anderson
Carlson
Case
Church
Fong
Gruening
Hayden
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Montoya
Pell
Prouty
Russell, S.C.
Tower
Tydings

So the motion of Mr. Williams of Delaware was rejected.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. **ELLENDER**. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. **MANSFIELD**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **LAUSCHE** subsequently said: Mr. President, the Senate today approved what is called an emergency and disaster agricultural subsidy bill. It is to be operative for a period of 4 years. The bill as originally adopted placed a $10,000 limitation on the amount that could be paid to a single farmer in a single year. The bill, as adopted by the House of Representatives, and today by the Senate, removed the $10,000 limitation and now creates a situation where cotton growers will be eligible to be paid in excess of $10,000. One of them will be paid $250,000.

The bill was offered to deal with a disaster of cotton growers facing them in this year of 1966.

The purpose to deal with the disaster of 1966 by adopting a 1-year program has resulted instead in a 4-year relief program.

The injustice against the general taxpayer is further aggravated by the unbelievable fact that the cotton grower will become entitled to disaster payments by showing not that he planted cotton which was destroyed by disaster, but by only showing that he intended to plant cotton which, if planted, would have been destroyed.

After the grower establishes his rights to receive disaster payments in many instances, the payments being in excess of $10,000—and at least in one instance of $250,000—such grower will be permitted to plant other products; for instance, soybeans, and on this planting to receive another price support payment.

What we are doing in the Congress in giving away taxpayers' money is unbelievable, indefensible, and shockingly against every concept of decency. Senator John Williams of Delaware is to be commended for his persistence in disclosing to the Senate the weakness of this program. The President of the United States should veto the bill.

TOLLS FOR SHIPPING IN THE ST. LAWRENCE SEAWAY MUST NOT BE INCREASED

Mr. **YOUNG** of Ohio. Mr. President, hearings are now being conducted in Chicago by the St. Lawrence Seaway Development Corp., with regard to increasing the tolls on the St. Lawrence Seaway by as much as 10 percent. I understand that officials of the Port of New York Authority, the Maryland Port Authority, the North Atlantic Ports Association, the Association of American Railroads, the National Committee for a Non-Subsidized Seaway, so-called, and the New York-New Jersey Committee for a Self-Supporting Seaway are appearing to urge increased tolls. Most of these parties are honest enough not to mask their identities under such flagrantly misleading labels as committees for a nonsubsidized seaway. Nonetheless, the purposes of all are clear.

It appears that the old opponents of the St. Lawrence Seaway are once again out to scuttle it—this time by increased costs. They want charges raised, and other impediments placed in the path of this growing artery of transportation so that it can never achieve the purposes for which it was built. Present tolls are already highly restrictive. A ship traveling the 316 miles from Montreal to Lake Erie traverses some 185 miles of manmade channels and locks with an effective depth of 27 feet. When loaded with 15,000 tons of general cargo, this ship now pays seaway tolls and transit charges amounting to more than $14,000. However, to travel comparable distances in the manmade channels of the Hudson River, 32 feet deep, the Delaware River, 40 feet deep, or the Mississippi River, 36 feet deep—the same ship with the same cargo would pay not one cent in tolls.

As a Senator from a State bordering the Great Lakes, I am dedicated to the growth of the seaway and the expansion of the ports on the Great Lakes, especially those in Ohio such as Cleveland, Toledo, Ashtabula, Conneaut, Fairport Harbor, and Lorain. I shall do my utmost to assure that the seaway ports can compete with ports on other coasts on a fair and equitable basis, especially with regard to access to the sea.

Mr. President, products manufactured in Ohio and in other Great Lakes States can now be shipped more economically by the St. Lawrence Seaway directly to the ports of Europe and other continents instead of being taken by truck or train to eastern seaports, unloaded, and then loaded on oceangoing vessels. The St. Lawrence Seaway holds tremendous potential for Ohio and for all the States in the Midwest and every effort must be made to encourage its use. Increasing toll rates would only work to destroy the effectiveness of the seaway.

Every dollar which our Government has spent to construct our share of the seaway project is a borrowed dollar on which 3½ percent interest is being paid. Both principal and interest must be returned from toll revenue derived from all shipping within a 50-year period. There is absolutely no need whatsoever to increase tolls at this time when every effort should be made toward encouraging greater use of this important seaway.

I cannot, and will not, stand idly by while eastern interests, whose ports have enjoyed a steady increase in traffic since the St. Lawrence Seaway opened, undertake to cripple or further disadvantage the Great Lakes ports.

Should tolls on the St. Lawrence Seaway be increased, I intend to ask that the Senate Committee on Public Works critically review Federal expenditures for future improvements of entrance channels leading from the oceans to our U.S. ports with a view toward placing all entrance channels on the same self-liquidating basis as the St. Lawrence Seaway. All of this Nation's seaports, including the Great Lakes ports, should be placed on the same economic footing with equal rights of access to the oceans of the world.

Very definitely tolls for shipping using the great St. Lawrence Seaway should not be increased. Let us encourage and not discourage more and greater use of this seaway so important to the prosperity of the Middle West.

I yield to the senior Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. Mr. President, several days ago I made a statement on the floor of the Senate dealing with this subject. At that time I pointed out that a special committee of the Committee on Commerce, of which I was chairman, made a study of the operation of the St. Lawrence Seaway.

One of the conclusions reached was that an increase in tolls, instead of producing increased revenue would produce diminished revenue.

When the tolls were fixed it was assumed that the channel in the Great Lakes would be dug to a depth of 27 feet throughout the entire system of the lakes. That depth has not yet been reached.

Therefore, it can be justly said that the St. Lawrence Seaway has not yet been completed in accordance with the intention of the promoters at the time the legislation was adopted authorizing its construction.

We also have the situation that the cargo of the U.S. Government—which is the largest shipper of merchandise—because of the failure of ships carrying the American flag going into the Saint Lawrence Seaway, is not being carried out of the inland ports.

I concur strictly with the statement made by my colleague from Ohio that it would be a mistake to increase the toll. Greater tests should be made. We should wait until the entire channel is dug to a depth of 27 feet. We should wait to see that the Government begins carrying cargoes out of the inland ports, and not have them carried by rail to the Atlantic coast and then transferred into the flagships on the Atlantic coast.

I wish to commend my colleague for the position he has taken. I believe it is absolutely sound.

Mr. YOUNG of Ohio. Mr. President, I wish to thank my distinguished colleague.

He has made a most convincing statement. In addition, several days ago he made a very convincing statement in this Chamber that the tolls should not and must not be increased.

FAIR PACKAGING AND LABELING ACT

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 985) to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes.

The PRESIDING OFFICER. Under the unanimous-consent agreement, debate on each amendment is limited to 1 hour, to be equally divided and controlled by the mover of any such amendment and the Senator from Washington [Mr. MAGNUSON]; and on the question of final passage of the bill, the time will be limited to 3 hours, to be divided equally and controlled by the majority and minority leaders.

AMENDMENT NO. 576

Mr. MAGNUSON. Mr. President, last evening, before we took up the conference report, the Senator from Kentucky had proposed an amendment to the bill. Is that amendment now pending?

The PRESIDING OFFICER. The Senator is correct. The pending amendment is the one offered by the Senator from Kentucky [Mr. MORTON].

The amendment is: on page 25, between lines 16 and 17, insert the following new section:

SEC. 8. In order to prevent certain unfair practices that deprive manufacturers and retailers of the protection they should enjoy on the basis of fair competition and to protect consumers by guaranteeing fair prices and quality goods and to assist consumers in making price comparisons, and for other purposes, section 5(a) of the Federal Trade Commission Act, as amended, is further amended by adding at the end thereof the following new paragraphs:

"(7) The owner of a brand, name, or trademark shall be deemed to retain his property rights therein, and in the trade and public good will symbolized thereby, regardless of any sale or transfer of the goods to which such brand, name, or trademark relates, and no such sale or transfer shall be deemed to diminish or extinguish any such rights.

"(8) Any person who resells goods identified by a distinguishing brand, name, or trademark, either on the label, container, or dispenser thereof, may rightfully employ such brand, name, or trademark, but only in effecting the resale of such goods and subject to the following provisions of this paragraph. If goods usable for the same general purpose are available to the public from sources other than the owner of such brand, name, or trademark, and are in free and open competition therewith, the right of any person to employ such brand, name, or trademark in effecting resale of goods so identified may be revoked for a period not exceeding one year by the owner of such brand, name, or trademark, subject to the provisions of paragraph (10) of this subsection, on written and dated notice of revocation, if, within ninety days prior to the date of the written notice of revocation—

"(A) such person has employed goods bearing such brand, name, or trademark in furtherance of bait merchandising practices;

"(B) such person, after written notice given by such owner of such owner's currently established resale price or price range, has advertised, offered for sale, or sold any such goods, acquired by such person after he has been given such notice, at a price other than such currently established resale price or at a price not within such currently established resale price range; or

"(C) such person, with intent to deceive purchasers, has published a misrepresentation or misrepresentations concerning such goods.

The owner of a brand, name, or trademark who avails himself of the provisions of paragraphs (7) to (17) of this subsection for the purpose of establishing a resale price or price range shall thereby subject himself, without respect to the amount in controversy, to the jurisdiction of the district court, of the United States for any district in which goods identified by such brand, name, or trademark are offered for sale, but such jurisdiction shall apply (i) only for the adjudication of issues involving the goods covered by such paragraphs (7) to (17), and (ii) only if the owner of such brand, name, or trademark is not subject to process in the courts of the State in which such purchaser acquired such goods.

"(9) Notwithstanding revocation pursuant to paragraph (8) of this subsection of the right of a person, in reselling goods, to employ the brand, name, or trademark which identifies such goods—

"(A) such person may, in the regular course of his business and within a reasonable time after the date of such revocation, sell all such goods of which, on such date, he is possessed: *Provided*, That in such sale he shall commit none of the acts described in subparagraphs (A), (B), and (C) of such paragraph (8); or

"(B) if such person, promptly upon such revocation, shall have supplied to the owner of such brand, name, or trademark a correct itemized listing of the inventory of such goods with a statement of the price paid per item and the total price (including transportation costs) paid therefor, together with a firm offer to sell and deliver all such inventory to such owner at any time within ten days thereafter upon payment of such total price plus the cost of transportation to the owner in the manner directed by such owner, then such person, upon expiration of the ten-day term of such offer without acceptance may so sell such goods in such inventory, in the regular course of his business and within a reasonable time thereafter, without restriction as to price, in which event each advertisement of, or offer to sell, such goods, shall state plainly that the right of the reseller, offering such goods, to employ in any way the brand, name, or trademark carried by the goods has been revoked as to any such goods not in that reseller's possession at the time of such revocation.

"(10) Any person whose right to employ a brand, name, or trademark has been revoked by the owner thereof pursuant to the provisions of paragraph (8) of this subsection, and who thereafter, except as authorized by paragraph (9) of this subsection, resells goods identified by such brand, name, or trademark, or who otherwise employs such brand, name, or trademark in effecting resale of such goods or any other goods, shall be liable in a civil action for damages and injunctive relief by the owner of the brand, name, or trademark, to prevent and restrain further violations of paragraphs (7) to (17), inclusive, of this subsection. Such owner may sue in any district court of the United States in the district in which defendant resides or does business or in which the alleged violation occurred, without respect to the amount in controversy, and shall be entitled to (i) recover the amount of any damages sustained, (ii) injunctive relief to prevent and restrain further violations of paragraphs (7) to (17), inclusive, of this subsection, whether or not specific money damages are established, and (iii) recover the cost of suit. Any injunction granted under clause (ii) of this paragraph shall remain in effect for not more than one year from the date it is granted unless it is the second or a subsequent such injunction issued against the same defendant in favor of the same plaintiff in which case it may be a permanent injunction; except that any such injunction, upon petition of such plaintiff may be vacated unconditionally by the court granting it.

"(11) In any proceeding under paragraph (10) it shall be a defense for the defendant (A) to establish that the plaintiff has not used due diligence to effectuate observance or enforcement of plaintiff's rights under paragraphs (7) to (17), inclusive, of this subsection against other persons who are in substantial competition with the defendant and who are known to plaintiff to be violating the same subparagraph of paragraphs (8) of this subsection on which revocation of the defendant's right to employ the brand, name, or trademark was based or (B) to establish that the plaintiff has sold the same kind of goods of like grade and quality as the goods involved in such proceeding to another person similarly situated under terms more favorable or at lower prices than those under which the plaintiff offered such goods for sale to the defendant.

"(12) No action pursuant hereto shall preclude remedial action otherwise available for wrongful use of a brand, name, or trademark.

"(13) Paragraphs (7) to (17), inclusive of this subsection shall apply to all acts and transactions of the character referred to therein, in or affecting commerce, which Congress may lawfully regulate, but where the owner of a brand, name, or trademark avails himself of any right or remedy provided in paragraphs (7) to (17), inclusive, of this subsection, such action shall not cause any act or transaction not otherwise in, affecting, or related to, commerce to be an activity or transaction in, affecting, or related to, commerce. If any State, by any provision of its constitution adopted, or by any law enacted, after this paragraph takes effect, prohibits resale price maintenance in such State through the exercise of paragraphs (7) to (17), inclusive, of this subsection, then, while such provision or law is in effect, such paragraphs shall not authorize the establishment or enforcement of any resale price or resale price range with respect to any resale in such State of any goods if such goods so resold are to be delivered from a place in such State to a purchaser in such State and are not to be resold again for delivery to a purchaser outside of such State.

"(14) As used in paragraphs (7) to (17), inclusive, of this subsection—

"(A) The term 'person' means any individual, partnership, association, or corporation.

"(B) The term 'goods' means goods, wares, and merchandise.

"(C) The term 'currently established resale price' means the price for goods identified by a brand, name, or trademark specified by written notice involving paragraphs (7) to (17), inclusive, of this subsection given by the owner of such brand, name, or trademark to the person reselling such goods.

"(D) The term 'currently established resale price range' means all prices including and between the minimum and maximum resale prices for goods identified by a brand, name, or trademark, specified by written notice invoking paragraphs (7) to (17), inclusive, of this subsection given by the owners of such brand, name, or trademark to the person reselling such goods.
Each such currently established resale price and resale price range shall be uniform at each level of distribution, except for reasonable marketing costs. Such owner of the brand, name, or trademark may so establish, for reseale of a combination of two or more items for goods, a resale price or price range different from the sum of the currently established resale price or price ranges for the items when sold individually. Such owner of the brand, name, or trademark may also engage in other promotional activities not made unlawful by any other statute.

"(15) All rights and remedies provided in paragraphs (7) to (17), inclusive, of this subsection, to owners of a brand, name, or trademark, shall be also available to any owner of a brand, name, or trademark who, in the sale of goods identified by such brand, name, trademark, shall compete, at any level of distribution, with any reseller offering such goods: *Provided*, That such owner shall sell such identified goods, at whatever level of distribution, only at the price or within the price range currently established by such owner for that level of distribution.

"(16) The following transactions shall be exempt from paragraphs (7) to (15), inclusive, of this subsection—

"(A) Sales of bulk commodities when sold without wrappers or containers.

"(B) Sales by any officer acting under the orders or authority of any duly constituted court; or sales by any person in mitigation of damages or enforcement of a lien or other secured interest in said goods, when such person is not primarily engaged in the distribution of goods for resale.

"(C) Sales of damaged, deteriorated, defaced, or secondhand goods, when plain notice of the condition of the goods is given to the public.

"(D) Sales of drugs, medicines, and devices for which either Federal or State law or regulations requires a prescription from a physician, dentist, or such other persons as the various States may authorize to prescribe such items.

"(E) Sales to or by the Federal, State, or municipal governments or their political subdivisions or agencies.

"(F) Sales to charitable, educational, medical, and religious organizations, for their own use and not for resale.

"(17) If any provision of paragraphs (7) to (17), inclusive, of this subsection or the application of any such provision to any person or circumstance shall be held invalid for any reason it is the intention of the Congress that the remaining provisions thereof shall not be affected but shall remain in full force and effect."

Mr. MORTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORTON. Do I correctly understand that under the unanimous-consent request, 1 hour of debate is allowed on each amendment?

The PRESIDING OFFICER. One hour on each amendment, to be divided equally. The Senator from Kentucky will have 30 minutes under his control, and 30 minutes will be under the control of the Senator from Washington.

How much time does the Senator yield himself?

Mr. MORTON. I yield myself 5 minutes. Mr. President, the rationale for the enactment of S. 985, the so-called truth in packaging bill, is contained in the declaration of policy:

> Informed consumers are essential to the fair and effective functioning of a free market economy. Packages and their labels should enable consumers to obtain accurate information as to the quantity of the contents, and should facilitate price comparisons.

With this there is no quarrel in either the minority or the majority report. There has been agreement, especially among members of the Senate Commerce Committee, that section 4 of the bill, requiring rules and regulations for packaging consumer commodities, would buttress existing Federal and State laws in providing the general public with protection against unfair and deceptive trade practices.

Equally important, the provisions of section 4 should enable the consumer to have the necessary label information to compare the prices of competing commodities in a product line.

If we consider it important to guarantee the consumer protection against unfair and deceptive packaging, and to enhance his ability to compare prices or compare produdcts, I believe it is imperative that Congress extend this consumer protection to consumers with respect to fair prices and quality of products. To this end, I have offered this amendment, to carry out the provisions of what is known as the quality stabilization bill, of which I am happy to have been a cosponsor.

I also had the privilege of cosponsoring S. 774 in the 88th Congress, when the Vice President, the then Senator from from Minnesota, introduced the bill in the Senate.

Knowing his long and ardent interest in this important legislation, and his inability as Vice President to participate in debate on the floor in the introduction of a bill, I offer this amendment and I urge its adoption.

I believe it is only fair that we who are here today who had the high privilege of serving with the Vice President for many years should take up the cudgels now and amend the bill in the form for which he fought for 18 years. I urge that we give this matter careful consideration.

The bill before us applies only to manufacturers. Actually, the markup is made at the retail level or the wholesale level. I think, for that reason, that we should get the retailers into this act.

I had the privilege of cosponsoring this bill with the present senior Senator from Minnesota [Mr. McCarthy]. He certainly is knowledgeable in this field.

I think that we should, in deference to our former colleague, the Vice President, and the present senior Senator from Minnesota [Mr. McCarthy] give serious consideration to this matter. I hope the amendment will be adopted.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. McCARTHY. Mr. President, I think that we should extend this to other Members of the Senate who sponsored legislation through the years. I would have preferred to have the committee give this matter careful consideration and report it on the merits. Since this has not taken place over the years I think it is in order to offer it at this time since Senators are familiar with what was formerly known as quality stabilization but more recently as truth in pricing.

I do not believe the truth in packaging means much unless we can move to the ultimate point upon which people make their decision as consumers, namely, truth in pricing.

Therefore, I support the amendment of the Senator from Kentucky.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MORTON. I yield to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, I support the amendment of the Senator from Kentucky.

I was also a cosponsor of a number of bills in the other body and in the Senate dealing with quality stabilization, now more properly referred to, as the Senator from Minnesota said, as truth in pricing.

The truth-in-packaging bill is a mislabeled bill. It has many good features in it. A number of features were added in the committee. The minority report itemizes some of the improvements in the bill. All members of the committee sought diligently to improve the bill to secure a better bill.

I supported the Cotton amendment because I believe it removes the objectionable, overly onerous regulatory features and at the same time preserves the intent of the bill, so that the ultimate consumer, usually the housewife, is able to make her judgments based fairly on honest and fair statements on the product itself.

That is why the net contents of the product are required to be stated in every case, clearly, and in a certain position on the package.

As the Senator from Kentucky has said, there is no provision in the bill which gets down to any sort of regulation of retailers. In the cents-off provision, the manufacturer is to be limited, and I think properly so, whenever it is not clear that the housewife is saving any money. At the same time the retailer can place the cents-off designation himself by putting a big sign over the shelf. The retailer may do a number of things which are prohibited to the producer, and widespread evasion is possible under the bill.

I believe, to bring this matter closer to the retailer, we should adopt the truth-in-pricing feature.

Now that this body did not see fit to adopt a clarity of labeling amendment—but it was a good proposal—we should seek clarity in dealing with the housewife, so that she will know the items are not only packaged correctly——

The PRESIDING OFFICER. The yielded time of the Senator has expired.

Mr. SCOTT. Mr. President, will the Senator yield additional time to me?

Mr. MORTON. I yield 3 additional minutes to the Senator from Pennsylvania.

Mr. SCOTT. But the pricing of the article is also in keeping with fairplay. The general import of the entire bill is that the housewife shall understand what she is buying, and buying at a fair price, which will enable the small businessman, the small druggist, and others like him, to maintain themselves in business against competition of the very large enterprise, which is increasing in this country.

Moreover, I have some sentimental reason for supporting the pending amendment since it was so long sought by the former distinguished Senator from Minnesota and now the Vice President of the United States. I believe that the desires of the Vice President, so often expressed in this regard, should be voted upon by the amendment of the Senator.

I thank the distinguished Senator from Kentucky for yielding to me.

Mr. MORTON. Mr. President, I yield myself 1 minute.

I will not burden the Record by inserting these very eloquent remarks, but I call to the attention of Senators the hearings on the quality stabilization bill in the 88th Congress, S. 774, beginning at page 74. They went to about page 94.

These are very eloquent remarks and a far more erudite argument for this bill than I could possibly give, made by the then-senior Senator from Minnesota [Mr. Humphrey]. I would like to have Senators refer to these hearings. I will not burden the Record by including them.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MORTON. Mr. President, I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I yield to the Senator from Rhode Island [Mr. Pastore].

Mr. PASTORE. Mr. President, I shall vote against the amendment. I think it is stretching it a bit to say that this is truth in pricing. To use that appellation, I think, is dealing in the well known Trojan horse technique. This is price fixing.

We are here today discussing a bill dealing with truth in packaging to protect the consumer. This amendment is intended to gouge the consumer. I am against it.

Mr. MAGNUSON. Mr. President, I yield such time as is necessary to the Senator from Michigan.

Mr. HART. Mr. President, the Senator from Rhode Island [Mr. Pastore] with his usual eloquence, stated precisely the reason that each of us has to vote against this amendment.

Price fixing, even with a Government representative present, is something we do not customarily encourage. Price fixing in private, which this bill would permit, is what we should oppose for the small businessman in this country.

Let us think what this amendment would accomplish. I hope that those who shall vote on it will ask themselves whether in good conscience they really want to respond to the charge that we are vesting in some of the biggest corporations in this country the power to maintain prices for the American consumer and how much that will cost the consumer in the long run.

For these reasons I shall vote to reject the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I yield to the Senator from Louisiana [Mr. Long].

Mr. LONG of Louisiana. Mr. President, I know that the Senator from Michigan [Mr. Hart] is chairman of the Subcommittee on Antitrust and Monopoly Legislation, the principal legislative committee on the subject.

I very much oppose this amendment because it does tend to create a monopoly and denies public pricing competition.

This amendment, in large measure, would make a complete futility out of that section of the bill which would require that there be certain standardization of sizes so that the housewife can do her shopping better. Under this amendment, it would then be possible for everyone to say, in regard to coffee, "We will use the 8-ounce size, maybe 10 ounces." That will mean that coffee will be exactly the same price and the Federal Government will see to it that no one cuts the price.

Thus, what would be the use of working out standardization sizes for the housewife to compare prices, when we would put into the bill the requirement that prices be identical?

Mr. MORTON. Mr. President, I yield myself 2 minutes.

The **PRESIDING OFFICER.** The Senator from Kentucky is recognized for 2 minutes.

Mr. **MORTON.** Mr. President, the argument which has just been made by my good friend the Senator from Louisiana I do not believe quite carries through. What we would be doing in this bill would be to attempt, as I understand it, to discount confusion and eliminate it. I am for that. We are all for that. There is no question about that. The point is, we are not putting any restriction on the retailer. The retailer can well sell 1 quart and 10 ounces at more per ounce than 1 pint 5 ounces. The bill does not touch that. The amendment, at least—which has been carefully studied and pushed for years by many eminent Members of this great body—does get the retailer into the act through control of the trademarked brand. I think that this is a necessary and vital part of the problem we are dealing with today.

Mr. **MAGNUSON.** Mr. President, I yield myself 1 minute.

The **PRESIDING OFFICER.** The Senator from Washington is recognized for 1 minute.

Mr. **MAGNUSON.** Mr. President, I was about to introduce a resolution commemorating the 150th anniversary of the Senate Committee on Commerce. "Fair trade" legislation has not been in the committee for that long a period of time, but it has been there for quite a few of the years of the committee's 150-year tenure.

I have appointed I do not know how many subcommittees to hold hearings and report to the full committee on this bill, and I have always found a great reluctance on the part of members of the committee, first, to serve on the subcommittee; second, to report a bill; and third, to make public what they might think about it.

Mr. **PASTORE.** Mr. President, will the Senator from Washington yield at that point?

Mr. **MAGNUSON.** I yield.

Mr. **PASTORE.** Especially in an election year. [Laughter.]

Mr. **MAGNUSON.** But it is what the Senator from Kentucky says it is. It is a serious matter in the retail trade, and it is a highly controversial matter.

We have a library full of transcripts of hearings on this bill. It was originally known as the fair trade bill. Then the name was changed and it was called the Quality Stabilization Act. It is a little like the political party I know of that whenever they had a slight recession it was called a "rolling readjustment."

Mr. **PASTORE.** Mr. President, will the Senator from Washington yield?

Mr. **MAGNUSON.** I yield.

Mr. **PASTORE.** This afternoon we have added to its nobility by calling it the "truth in pricing" bill. [Laughter.]

Mr. **MAGNUSON.** Mr. President, the fact is, I am quite sympathetic. I have tried and tried and tried in committee, over the years, to see if we could not arrive at a consensus. But, it does not belong in this bill. We have not had any hearings on the merits of the change. I think that the so-called quality stabilization bill was even a better piece of legislation than the others were, but I also think that to put that in this bill would be disastrous for the consumers whom we are trying to protect.

Mr. **MORTON.** If the Senator from Washington will yield a moment, he has just stated that we have not had any hearings and then he refers to a roomful of hearing transcripts.

Mr. **MAGNUSON.** I mean on the new bill.

Mr. **MORTON.** It is the same bill.

Mr. **MAGNUSON.** They keep making changes all the time, so we call it a new bill. I am hoping that the Senate, regardless of how it feels about this particular matter—because it is a serious, highly sensitive and controversial matter—will vote not to put it in this bill.

Mr. **LONG** of Louisiana. Mr. President, will the Senator from Washington yield?

Mr. **MAGNUSON.** I yield.

Mr. **LONG** of Louisiana. Let me state that we have had some experience with this fair pricing proposal for quality stabilization—or whatever we wish to call it—and I can say with confidence, at least in Louisiana, that every time we had something of this sort connected with any commodity, its price went up. We put a fair price on whisky and we promptly paid 50 percent more.

Mr. **MAGNUSON.** That is too bad.

Mr. **LONG** of Louisiana. And so on, with other commodities. I would like to check on the hearings and compare the prices where there has been a question of fair prices for what we could pay for the necessary commodities. I believe that the record will show, almost without exception, that wherever a fair price on a commodity has been set, the price has gone up twice as much.

Mr. **MAGNUSON.** Some States have repealed such a law and some States have adopted it. I think the wisest thing for Congress to do some day—and I am perfectly serious and honest about this—is to pass a law with some guidelines in this field and allow the States either to accept it or not to accept it. But that is something which will require long hearings and a great deal of study and consultation as well.

Mr. **SCOTT.** Mr. President, if the Senator from Washington will yield for an observation, I believe that we should assure all Members of this body that any truth-in-packaging bill will really not affect the price of whisky at all; so they can all relax.

Mr. **MAGNUSON.** I am not worried about the price of alcoholic beverages as much as I am worried about the prices of ordinary household goods for which the housewife is already paying enough in many respects.

Now, Mr. President, in order that we may put this matter in some perspective—I am not suggesting that this is a vote on this particular proposition—I therefore move to table the amendment.

Mr. President, I yield back the remainder of my time.

Mr. **MORTON.** Mr. President, I yield back the remainder of my time.

Mr. **SCOTT.** Mr. President, on that motion, I ask for the yeas and nays.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Washington [Mr. Magnuson] to lay on the table the amendment of the Senator from Kentucky [Mr. Morton].

All time on the amendment has now been yielded back.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **LONG** of Louisiana: I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Idaho [Mr. Church], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from New Mexico [Mr. Montoya], the Senator from Georgia [Mr. Russell], and the Senator from Maryland [Mr. Tydings], are absent on official business.

I also announce that the Senator from Tennessee [Mr. Gore], the Senator from Indiana [Mr. Hartke], the Senator from New York [Mr. Kennedy], the Senator from Rhode Island [Mr. Pell], and the Senator from South Carolina [Mr. Russell], are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. Church], the Senator from Alaska [Mr. Gruening], the Senator from New York [Mr. Kennedy], the Senator from New Mexico [Mr. Montoya], the Senator from Rhode Island [Mr. Pell], and the Senator from Maryland [Mr. Tydings] would each vote "yea."

Mr. **DIRKSEN.** I announce that the Senator from Colorado [Mr. Allott], the Senator from Kansas [Mr. Carlson], the Senator from New Jersey [Mr. Case], and the Senator from Vermont [Mr. Prouty] are absent on official business.

The Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Kuchel], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Idaho [Mr. Jordan] is absent on official committee business.

On this vote, the Senator from New Jersey [Mr. Case] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from Hawaii [Mr. Fong] is paired with the Senator from Idaho [Mr. Jordan]. If present and voting, the Senator from Hawaii would vote "yea," and the Senator from Idaho would vote "nay."

The result was announced—yeas 51, nays 29, as follows:

[No. 91 Leg.]

YEAS—51

Bartlett
Bass
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Dodd
Douglas
Eastland
Ellender
Ervin
Fulbright
Harris
Hart
Hill
Holland
Inouye
Jackson
Jordan, N.C.
Kennedy, Mass.
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Randolph
Ribicoff
Robertson
Saltonstall
Smathers
Sparkman
Stennis
Symington
Talmadge
Thurmond
Williams, N.J.
Yarborough
Young, Ohio

NAYS—29

Aiken
Bayh
Bennett
Boggs
Cooper
Cotton
Curtis
Dirksen
Dominick
Fannin
Griffin
Hickenlooper
Hruska
Javits
McCarthy
McGovern
Miller
Mondale
Morton
Mundt
Murphy
Nelson
Pearson
Proxmire
Scott
Simpson
Smith
Williams, Del.
Young, N. Dak.

NOT VOTING—20

Allott
Anderson
Carlson
Case
Church
Fong
Gore
Gruening
Hartke
Hayden
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Montoya
Pell
Prouty
Russell, S.C.
Russell, Ga.
Tower
Tydings

So Mr. MAGNUSON's motion to lay on the table Mr. MORTON's amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. COTTON. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 22, line 21, after the word "packaging," insert "and the cost to consumers."

Mr. COTTON. Mr. President, I yield myself 5 minutes.

Mr. President, before I explain the amendment, I ask unanimous consent that the word "total", in the phrase that reads "the total cost to consumers", be stricken.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Senator has a right to modify his amendment accordingly.

Mr. COTTON. Mr. President, this is a clarifying amendment, which is offered to make the bill more effective.

On page 22, the bill provides:

> In the promulgation of regulations under subsection (d)(2) of this section, due regard shall be given to the probable effect of such regulations upon—

Then, in line 21:

> (1) the cost of the packaging of the commodities affected;

My amendment simply adds, after the reference to packaging, that consideration shall be given to the cost of packaging and the cost to the consumer of the commodities affected.

The aim of the amendment is to broaden the consideration which must be given to costs when the agency fixes the size or weight in which commodities may be packaged or bottled. The bill at present requires that consideration be given to "the cost of the packaging," but this does not cover the total cost to the consumer, which of course should be taken into consideration in establishing size or weight regulations. Changes in packaging sizes may affect costs in a number of ways. Such changes may require extensive changes in dispensing machines, in vending machines, in packing cases or shipping cases, or in countless other ways which should be given due regard by the agency.

The amendment would simply require that these other costs, where applicable, be given due regard.

I hope that this amendment will be acceptable to the chairman.

Mr. MAGNUSON. I believe that the elimination of the word "total" from the amendment indicates that no rulings would have to be made which would prove burdensome to the consumer. Whenever the agency desires to promulgate regulations, the cost to the consumer should be borne in mind.

I am glad to accept the amendment.

I yield back the remainder of my time.

Mr. COTTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hamp-

The amendment was agreed to.

shire [Mr. COTTON].

AMENDMENT NO. 575

Mr. COTTON. Mr. President, I call up my amendment No. 757.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 27, line 1, beginning with the words "for consumption" strike out all down to the period in line 5 and insert in lieu thereof the following: "and which when offered for retail sale customarily is enclosed in a package."

Mr. COTTON. Mr. President, I yield myself 5 minutes.

Mr. President, the purpose of the amendment is to clarify and also extend to some degree the scope of the commodities covered in the bill.

The Hart bill, S. 985, as reported, seems to apply to products consumed by individuals or used by individuals for personal care or in the performance of services ordinarily rendered within the household, where the product is usually consumed or expended.

This is a narrow definition and could apply only to products sold in grocery stores and supermarkets. It would not, in general, apply to products sold in department stores or hardware stores or to many items sold in drug stores.

Why should these other products be excluded? Should not clear labeling apply universally? The President's state of the Union message said:

> We must also act to prevent the deception of the American consumer, requiring *all* packages to state clearly and truthfully their contents; . . .

The President did not limit his plea only to packages sold in grocery stores, or only to packages of foods and soaps. He specified all packages.

We should not single out grocery products. As a matter of fact, it is in the non-food items that the largest number of labeling problems are likely to occur. This is because the Federal Food, Drug and Cosmetic Act contains specific labeling requirements. No such specific requirements, however, are found in the Federal Trade Commission Act, which generally applies to products which are not foods, drugs, or cosmetics.

It, therefore, is especially desirable in the consumer's interest, to make sure that the provisions of the bill apply to all retail products, to all products which the consumer may buy, and not merely to some of them. That is the purpose of the amendment.

The adoption of my amendment No. 575 would make clear and distinct the coverage of the bill—S. 985—instead of leaving many products in a state of acute indecision as to whether or not they fall under the provisions of the bill.

I shall list items which would clearly be required to comply with the full labeling and packaging provisions of the bill, if Cotton amendment No. 575 is adopted. It is not clear whether such items are included in the bill as it now reads. The items are—

First, stationery and writing supplies—should the consumer not be informed as to the number of sheets of paper she gets in a package of stationery?

Second, gift wrapping paper, and other gift wrapping items.

Third, paints, varnishes, floor waxes, and all similar types of products. Many paints, in addition to standard pints and gallons, are now sold in special aerosol spray cans for household use. Clearly, they should be fully and truthfully labeled and packaged.

Fourth, clothespins. The housewife should know how many she is getting.

Fifth, string, clothesline rope, ribbons—in all these cases, she is entitled to clear, uniform labeling, as required in the bill. That means when they are packaged, not when they are cut off and sold in bulk.

The sixth is a group consisting of other items generally: Bottles of ink, glue and paste, nails, safety pins, straight pins the housewife buys to sew with.

Many of these items, such as nails and other products, have been disbursed in bulk and by weight through the years. Now they are packaged and sold in general stores, 5 and 10 cent stores, and hardware stores. These items are all packaged.

I can see no reason that the same requirement of clear labeling and packaging should not apply, in the good judgment of the Secretary, to these items.

As the bill presently reads, the two cans of floor wax that the Senator from New Hampshire used as illustrations were used constantly in the committee hearings. The wording of the definition is not entirely clear as to whether they would even be included under the act.

The amendment would simply include these other items at the discretion of the Secretary.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I yield to the Senator from Michigan such time as he may desire.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Mr. President, the bill is the culmination of a long and serious effort to solve a marketplace problem that has occurred as a result of the prepackaging revolution of the past decade.

The bill recognizes that the package has become the unit of measure in certain merchandising areas. We are seeking to make that measure meaningful to the consumer. This bill is aimed at facilitating the computation of price per quantity. In the packaged commodities with which this legislation is concerned, this is a serious problem. It is not a serious problem with hammer or a pair of shoes.

The amendment would make the bill apply to any commodity which, when offered for retail sale, is customarily enclosed in a package.

Coverage would be extended to thousands of items, I assume, not now included. It would bring within the purview of the statute durable goods, hard goods, textiles, hardware, and innumerable items sold in variety stores. The bill presently does not include such items in its coverage.

The bill is specifically concerned with practices developed in the course of this great growth in the prepackaging of consumable items during recent years. A great number of varying goods and items have been taken off the scale and put into a package during this period. As a result, the package and not the product has become the measure of comparison.

It is important that the package present the basic quantity offered in a way that will facilitate per unit comparison and make readily apparent on a per unit basis the price that a person is paying. The bill will facilitate the making of price comparisons.

But we would go too far if we were to place all consumer items under the bill. One shirt is one shirt. It is not necessary to compute the price per thread in order to know how much a person is buying.

The amendment would enlarge the scope of the bill without giving any of the new industries which would be affected an opportunity to explore their own particular problems with the Committee on Commerce. That fact, perhaps more importantly than anything else, persuades me that expansion of the coverage of the bill in this regard is not wise at this time.

If it is believed that other industries produce the kind of problems that are sought to be covered by the bill, that, because of the limited definition are not now covered, then those industries should have their day in court.

I think, for that reason, that it would be prudent to defer extension of the broader coverage until we have had some experience under the bill.

Mr. COTTON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. COTTON. Mr. President, I am really surprised at the remarks of my good friend the Senator from Michigan. I did not dream that this amendment would be opposed.

The amendment does not bring a single article under the bill unless the Secretary in his discretion finds that it is necessary for it to be covered. Even the mandatory provisions in the beginning of the bill give the Secretary authority to exempt any articles or commodities that he feels should be exempted and do not require any supervision.

Many of these articles, as the distinguished Senator from Michigan just said, are not consumable in the house. They are bought off the counters of stores. They consist of articles such as hardware and other things which have now been universally packaged.

All that the amendment would do would be to permit the Secretary to use his discretion. The other day when the Senator from New Hampshire was objecting to the granting of arbitrary power to the Secretary, my friends, the sponsors of the bill, were insisting that the Secretary should be entrusted with these powers. The amendment is in the interest of the consumer.

As the bill now stands, I do not assert that it is true, but it is apparently true that there are articles that are purchased in packages, by the housewife, which do not happen to be found in grocery stores, the labeling of which might well be covered; and this amendment simply extends that power to the Secretary. It does not compel him to go anywhere or label any article when he does not consider the interests of the consumer are involved. I am truly amazed that there is opposition to it.

The 1964 report of Senator Hart's Judiciary Subcommittee contains a discussion of the sponsor's intent as to coverage. I read this report with some interest. It indicates that any commodity intended for "adornment, maintenance or repair of any structure or part thereof" is excluded from coverage of the bill.

That would clearly exclude floor wax and household paints from the bill. They should certainly not be excluded. If it is not necessary to cover them, if there is no question of content, if there is no question of too many sizes, if there is no question of clear labeling, the Secretary has full power to exclude them; and why, when we are legislating for the consumer, we should take away from the Secretary the control of all packages, not just some packages, is beyond my comprehension.

If this amendment is to be opposed, I feel that I shall have to ask for a rollcall. I doubt whether there are enough Senators present now so that I can ask for it. I therefore ask unanimous consent to suggest the absence of a quorum, without the time being taken from either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, being informed that there are enough Senators present for a sufficient second, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, if the distinguished Senator from New Hampshire will yield back the remainder of his time, I yield back the remainder of mine.

Mr. COTTON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New Hampshire. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Idaho [Mr. Church], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Massachusetts [Mr. Kennedy], the Senator from New Mexico [Mr. Montoya], the Senator from Oregon [Mr. Morse], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from Tennessee [Mr. Gore], the Senator from Indiana [Mr. Hartke], the Senator from New York [Mr. Kennedy], the Senator from Rhode Island [Mr. Pell], and the Senator from South Carolina [Mr. Russell] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. Church], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Alaska [Mr. Gruening], the Senator from Massachusetts [Mr. Kennedy], the Senator from New York [Mr. Kennedy], and the Senator from New Mexico [Mr. Montoya], the Senator from Oregon [Mr. Morse], the Senator from Rhode Island [Mr. Pell], and the Senator from Maryland [Mr. Tydings] would each vote "nay."

Mr. COTTON. I announce that the Senator from Colorado [Mr. Allott], the Senator from Kansas [Mr. Carlson], the Senator from New Jersey [Mr. Case], and the Senator from Vermont [Mr. Prouty] are absent on official business.

The Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Kuchel], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Idaho [Mr. Jordan] is absent on official committee business.

The Senator from Illinois [Mr. Dirksen] and the Senator from Iowa [Mr. Hickenlooper] are detained on official business.

If present and voting, the Senator from New Jersey [Mr. Case], the Senator from Hawaii [Mr. Fong], the Senator from Idaho [Mr. Jordan], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 7, nays 69, as follows:

[No. 92 Leg.]

YEAS—7

Aiken
Bennett
Cotton
Jordan, N.C.
Morton
Murphy
Simpson

NAYS—69

Bartlett
Bass
Bayh
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Cooper
Curtis
Dodd
Dominick
Douglas
Eastland
Ellender
Ervin
Fannin
Griffin
Harris
Hart
Hill
Holland
Hruska
Inouye
Jackson
Javits
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale

Monroney
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—24

Allott
Anderson
Carlson
Case
Church
Dirksen
Fong
Fulbright
Gore
Gruening
Hartke
Hayden
Hickenlooper
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Montoya
Morse
Pell
Prouty
Russell, S.C.
Tower
Tydings

So Mr. COTTON's amendment was rejected.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The bill is open to further amendment.

AMENDMENT NO. 589

Mr. COTTON. Mr. President, I call up my amendment No. 589 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 19, after line 17, add the following paragraph:

"(3) regulate the terms, conditions, and redemption value of trading stamps or other premiums offered in connection with the sale of any consumer commodity. The provisions of section 3(b) shall not apply to regulations promulgated pursuant to this paragraph."

Renumber succeeding paragraphs.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized. How much time does the Senator yield to himself?

Mr. COTTON. Mr. President, I yield myself 5 minutes.

Mr. President, this amendment relates to trading stamps. It should be clearly understood that it does not prohibit trading stamps. It merely places trading stamps, along with other promotions that are included in this bill, under the supervision and inspection of the Secretary of the Department of Health, Education, and Welfare.

One of the major features of the bill as reported is a provision conferring on Federal officials new authority to regulate cents-off promotions and other representations that the commodity is offered at a price other than the ordinary and customary retail sales price.

This is a feature of the bill which has drawn general support from more members of the committee. I believe it is generally agreed by all of us that if there is not now there should be sufficient authority in the Federal agencies to police deceptive pricing devices such as phony cents-off promotions.

That is the function of section 5(c)(3) on page 19. The cents-off provision of the bill is now limited in concept and does not deal with a large number of other promotional devices which may be deceptive and misleading, and which assuredly do not facilitate price comparisons as to consumer commodities. Indeed, these promotions clearly handicap the consumer in making price comparisons.

One of the major areas in this connection is trading stamps. There is not a Senator within the sound of my voice, nor was there a member of the committee, who is not aware that the giving of trading stamps and the giving of prizes and premiums for trading stamps is very popular with the housewife.

No Senator on the committee or in the Senate in his right mind, I suspect, would vote to deprive the housewife of the opportunities of those who like to save trading stamps. I could foresee that I would have great difficulty with some of my own friends if that happened. The amendment does not even suggest that those opportunities be prohibited. But it does seem that if the bill is to be thorough and careful in order to protect consumers from deceptive and misleading practices, and also from fraud, the Secretary should be given the power to inspect and control the issuance of trading stamps, just as it would give him the power to inspect and control the so-called cents-off promotions.

The pending bill would not prohibit cents-off sales. It would merely give the Secretary the power to see to it that they are fair and not deceptive.

Now there are all kinds of trading stamp projects in the country. Some of them are operated by retailers, some by individual stores, some by big department stores, and some are great national firms.

So far as I know, in most cases, the prizes given are not shoddy and are of reasonable value, but that does not mean that it is always so.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. COTTON. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 5 additional minutes.

Mr. COTTON. Certainly the giving of trading stamps, or the failure to give trading stamps by individual merchants is something that can be readily abused and is often reflected in higher prices to the consumers. This higher price reflected to the consumer is something which deserves attention.

Now, Mr. President, I must confess that I was deeply disappointed that I was so overwhelmingly defeated by the last vote. I am not, never have, and never shall—because I hold Members of the Senate in too high regard and too profound respect—challenge anyone's motives, but we have been listening, all through the deliberations of the committee and all through debate in the Senate, to pleas in behalf of the consumers.

The pending bill is one to protect the consumers. Anyone who dares to raise his voice against the bill is therefore considered by many to be against the consumers and for the big, heartless corporations.

Let me say this, Mr. President—and I say it with some knowledge—that in many instances there has been lobbying on the bill absolutely contrary to the laws of this country—lobbying by members of the executive department. There has been a good deal of talking out of both sides of the mouth about what the bill would cover. In one instance, I know of the paint people who were told that paint was not covered by the bill so therefore they need not worry.

However, Mr. President, as the bill now stands, I venture to suggest that it does cover paints and varnishes used in the house.

I know of another instance where it was suggested that floor wax was not covered by the bill. That was the reason I offered an amendment to clarify not what had to be regulated but what the Secretary could regulate.

Mr. CURTIS. Mr. President, will the Senator from New Hampshire yield at that point?

Mr. COTTON. I am happy to yield to the Senator from Nebraska.

Mr. CURTIS. What commodity comes under this bill which is not subject to the discretion of the Secretary?

Mr. COTTON. None. Every commodity comes under the discretion of the Secretary.

Mr. CURTIS. Then the Secretary will regulate them?

Mr. COTTON. If the Secretary can find that any commodity should not come under the bill, even in the mandatory provisions at the outset of the bill, he may exempt that commodity which, in his judgment, he believes should be exempt.

Mr. CURTIS. By class, or individual.

Mr. COTTON. Well, a commodity is a class, I would assume. I do not mean that the Secretary could exempt manufacturer A, and not manufacturer B, but he can exempt a type of commodity that one or two or more manufacturers may be producing.

Mr. CURTIS. Then the Secretary could decide what commodities were covered by the bill. He would write the regulation and then decide on the penalty for violating a regulation.

Mr. COTTON. The penalty would be a cease-and-desist action, or other civil remedy. The committee took out any criminal penalty or criminal prosecutions under the bill.

In other words, the Secretary would be given complete latitude—if we give him complete latitude, and if we trust him with the authority that he would have under the pending bill.

Mr. President, is there any particular reason other than the fear that some of the women in this country might feel that the Senate is trying to deprive them of privileges which they like. Many women like cents-off sales. But the cents-off promotion, under the regulations, would not be prohibited. That would come under the regulation of the Secretary.

As this matter of trading stamps is so universal and is, really, a factor in comparing prices and determining the choice of customers, I can see no reason why, when the Senate is debating the proposed legislation, that they should not be subjected to the same scrutiny, investigation, and watchful care to which the other promotional practices are subjected. I repeat, the amendment would not prohibit them in any sense, but would merely bring them under the purview of the Secretary along with other promotional practices.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. COTTON. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 additional minute.

Mr. COTTON. Mr. President, I believe the bill to be a good bill. I did not like that section in it which I strove so hard to have stricken yesterday, but I believe that 90 percent of the bill is good. I think that fair, clear labeling of products in the marketplace is necessary. This is a constructive bill. However, I see no reason why the Senate should legislate the bill and not make it complete in the fields it proposes to cover. Thus, I offer my amendment.

Mr. MAGNUSON. Mr. President, I yield myself 2 minutes.

I am sorry always to seem to be resisting any amendment offered by my friend the Senator from New Hampshire, because he contributed so much to make this bill what he termed a "good bill," during the lengthy hearings and markup sessions he had in the committee.

The only problem with his amendment is that I do not recall that we had any testimony on stamps, in the first place. If we had, it is not in the record. There may have been some testimony on it, but I do not recall it.

Second. I do not recall discussing trading stamps in the committee.

So the amendment deals with another phase in the consumer complex. It deals with the phase of pricing, and not with contents or truth in packaging. For that reason I hope the amendment does not carry.

Third. I have been a member of the State legislature, as have many Members of this body, and I think there is no greater lobbying activity in States that do not have trading stamp laws than that done by the trading stamp people. So there must be a great bonanza involved.

I know housewives like to get trading stamps. They think they are getting something for nothing. But the cost of the stamp is computed according to the amount of gross revenue, and the cost of the stamp must be reflected in the price of the products.

Trading stamps may be a good thing. The housewives seem to like them. Perhaps a profit is realized in the fact that many people do not redeem the stamps.

In addition, there is a great timelag between the time the stamps are paid for and the consumer redeems them.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MAGNUSON. I yield myself 2 additional minutes. Use of trading stamps is a part of our American enterprise system, and I suppose it is a good one, but I would like the committee to examine it fully before a provision relating to trading stamps is placed in the bill.

Many States have established the prerogative of regulating the use of trading stamps in their States and consider it a State matter. There are laws regulating trading stamp operations in certain States. Many States have refused to allow the use of trading stamps. In those cases States have used their prerogatives.

I was hoping the amendment would not be offered to the bill, because it does not involve truth in packaging. It involves the question whether or not, when a consumer goes to the store and obtains stamps, she is able to redeem them and get something later, a bicycle or whatever it may be, and whether that is a fair exchange. That is a different matter than that now before the Senate.

I hope the amendment will be defeated.

Mr. COTTON. Mr. President, I yield 2 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 2 minutes.

Mr. MORTON. My only point is, as the Senator from New Hampshire has so well pointed out, what is the difference between a cents off label and getting trading stamps? What is the difference between 2 cents off on the product one buys and getting 2 cents' worth of stamps at the counter after one buys the product?

I cannot follow the logic of the distinguished chairman on this point, because I think the two are absolutely commensurate. I cannot see any difference between a "2 cents off" label and the housewife receiving an equal amount of 2 cents from the cashier in the form of stamps.

Mr. MAGNUSON. The difference is that in one case something is given free and in the other case a price is involved. However, it is a question that the committee should look into. I hope we will be able to look into it and have hearings on it.

Mr. COTTON. Mr. President, I yield myself 2 minutes.

I was interested in the comments of the distinguished chairman of the committee. I do not know whether he was present or happened to be in conference and did not hear all that was said during the long deliberations of the committee, but I can say the matter of trading stamps was touched upon by the committee, and that the comments made on it were to the effect, "Don't touch it. Don't touch it. It's dynamite." I doubt that there would have been any opportunity to get such a provision included to be looked at by the Secretary.

I offered this amendment simply because I felt that, as a matter of record, it should be made clear that when we are giving the Secretary of Health, Education, and Welfare powers to scrutinize, inspect, and watch over promotional practices and packaging and sales promotion and labeling of goods in this country, if we are to meet the issue squarely we should make the field of jurisdiction we are trying to give to him complete.

I frankly thought my other amendment was perfectly reasonable and logical and improved the bill.

I offered this amendment simply to find out something, I have found it out, and I withdraw the amendment.

The PRESIDING OFFICER. The Senator withdraws his amendment.

The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, the Senator from Wisconsin had an amendment to propose. I do not see him present.

Mr. CURTIS. Mr. President, I wonder if I may be recognized.

Mr. MAGNUSON. No amendment is pending, and there is no time on an amendment that can be given to the Senator.

Mr. COTTON. Mr. President, I assume, in the absence of the minority leader, that I may yield 5 minutes on the bill to the Senator from Nebraska.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I rise for the purpose of asking the manager of the bill two questions. One is, How much will the bill reduce the cost of living for consumers, and how is that figure tabulated?

Mr. MAGNUSON. The bill does not deal with that question. The bill deals with packaged commodities. Some articles are exempted from the provisions of the bill. There is reference to commodities of under 2 ounces, spices, for example.

Mr. CURTIS. It is asserted this bill is to be for the benefit of the consumers. My question is, How many dollars are the consumers to be saved and benefited as the result of passage of this bill, and how has that figure been arrived at?

Mr. MAGNUSON. We did not talk about dollar figures. We wanted a housewife to know she was getting the dollar's worth of goods that she thought she was buying and paying for.

I do not know how much the bill will reduce the cost to that housewife. It might reduce costs considerably if there were not such a variation in the packages of commodities. If there were more conformity in the sizes of packages, it would reduce costs.

However, we are not discussing prices in the bill. The retailer is not included in the bill.

Mr. CURTIS. If the bill was for the benefit of the consumer, I assumed it would save him money.

Mr. MAGNUSON. We hope it will save the consumer money, but we have not made a tabulation of it.

Mr. CURTIS. How many additional employees will be needed to enforce the provisions of the bill?

Mr. MAGNUSON. It is estimated by the departments that it will cost $1.5 million.

Mr. CURTIS. $1.5 million?

Mr. MAGNUSON. Yes; that is the estimate.

Mr. CURTIS. I thank the Senator.

Mr. MAGNUSON. I wish it clearly understood that the purpose of the bill is to make sure that when the housewife spends a dollar to buy a product, she will get a dollar's worth of the product that she thinks she is buying. Prices of retailers are not involved. The manufacturers and packagers are involved.

Mr. CURTIS. There is no assurance that consumers will be protected by a floor with respect to prices?

Mr. MAGNUSON. If anyone could give anybody any assurances as to whether prices would go up or down, I am sure it would not be in a piece of legislation. If we can talk ourselves into a recession, I know a certain number of people would like to do it.

Mr. CURTIS. I am not in favor of that.

Mr. MAGNUSON. The Senator from Michigan [Mr. HART] has some figures which indicate the estimated savings to the consumer, although these savings cannot be guaranteed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MAGNUSON. I yield the Senator from Michigan 5 minutes.

Mr. HART. Mr. President, I believe none of us would undertake to guarantee any figure, because we are projecting in a very foggy field.

If every American consumer were able to make a price-per-unit comparison of every item in the supermarket, how much would he save? We do not know. We do not know how many consumers will use the beneficial effects of the bill intelligently.

However, a careful survey of this matter was discussed in the Senate yesterday by Senator CANNON. The survey was conducted by Eastern Michigan University—33 young married women, all college trained, were given a list of 20 products which one normally buys for kitchen use, and the young women were sent to the local supermarket. I say all of them were college trained. They all had had at least 1 year of college. All the women were familiar with the products, and, indeed, most of them regularly shopped at that supermarket.

A controlled analysis of that survey showed that on those 20 items alone, each year the shoppers were spending 9.1 percent more than they would have spent if they had been able successfully to identify the lowest cost per unit of the 20 items selected.

Mr. CURTIS. What prevented them from identifying it?

Mr. HART. You say what percentage?

Mr. CURTIS. No. What prevented them from identifying it?

Mr. HART. The kinds of practices that this bill is aimed at controlling, if not eliminating.

I think it would be helpful to put the survey in the RECORD at this point, and I ask unanimous consent that it be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

TRUTH IN PACKAGING: SOME BEHAVIORALLY BASED MEASURES AND THEIR APPLICATION IN A SUPERMARKET SETTING

(Summary by Monroe P. Friedman, Eastern Michigan University)

The matter of truth in the packaging and pricing of products in the American marketplace has been a subject of public controversy in recent years. This study attempts to define the issues in this controversy more objectively by treating "truth" or "confusion" as points on an underlying psychological dimension. Three behaviorally based, quantitative measures of confusion in unit price information for packaged products were developed and applied in a supermarket setting.

Thirty-three young married women were instructed to select the most economical package for each of twenty products on display at a local supermarket. All of these subjects had attended college for at least one year. All were familiar with the products on sale at the supermarket; indeed most of them shopped there regularly.

The twenty products employed in the study were selected on the basis of six criteria. Products selected included canned peas, paper towels, solid shortening, and powdered detergents.

The testing of the thirty-three subjects took place over a two-day period. Each of the thirty-three subjects was tested on all twenty products. Controls were introduced for order effects in the presentation of the products and also for the decision time permitted the subjects for the determination of the most economical choice for each product. Two days after the thirty-three subjects were tested thirteen of them were retested, thus permitting the determination of test-retest reliability coefficients for the three measures of confusion. Validity coefficients for these measures were ascertained from correlations with the subjects' pre-test rankings of the twenty products with regard to the estimated difficulty a typical shopper would have in determining the more economical of two packages for each of the twenty products.

The results indicate that all three measures of confusion on unit price information have substantial validity (rank correlations of .58, .62, and .70) and reliability (rank correlations of .91, .93, and .91).

A brief description of the three measures and some significant results of their application to the experimental data are as follows. The first measure, which simply counts the number of subjects who made correct choices for each of the twenty products, indicated the minimum possible variation; no subject could determine the most economical package of powdered detergent, yet all thirty-three could select the most economical can of solid shortening. The second measure, which calculates for each product the average per cent increase in unit price for the subjects' selected packages when compared with the unit price for the most economical package, indicated an overall average increase of 11.5 percent for the twenty products. For the third measure, which employed data from a trade magazine studies concerning the total volume of sales for each of the twenty products, it was found that over a constant time period, say a year, the overall average increase in unit price for the subjects' selections, when compared to the most economical, would be estimated as 9.1 percent.

TRUTH IN PACKAGING IN AN AMERICAN SUPERMARKET [1, 2]

The matter of truth in the packaging and pricing of products in the American marketplace has been a subject of public controversy in recent years. Much of the current attention stems from the introduction in the 87th Congress of the so-called Truth-in-Packaging Bill by Senator PHILIP A. HART of Michigan. The Senate hearings associated with this proposed legislation have stimulated nationwide interest, which has found expression in the mass media in the form of numerous newspaper and popular magazine articles.

Three basic assumptions of the Truth-in-Packaging Bill are as follows:

1. A state of consumer confusion exists in the United States with regard to the true contents and prices of many common retail products.
2. This confusion has resulted from improper packaging and labeling practices by American manufacturers and packagers of consumer products.
3. The remedy for these improper practices is a change to the federal law by which greater authority would be given to the Food and Drug Administration and the Federal Trade Commission in the regulation of packaging and labeling practices.

These assumptions are supported by the testimony of many witnesses in the Senate hearings concerned with packaging practices. As might be expected the hearings also produced testimony of witnesses who challenged one or more of the basic assumptions of the bill.

The current study attempts to objectively define the issues in the truth-in-packaging controversy by treating consumer confusion as a psychological variable capable of measurement. It is believed that this approach to the problem will permit an empirical evaluation of the first two of the three stated assumptions of the Truth-in-Packaging Bill.

METHOD

Subjects: Thirty-three young married women who were either students or the wives of students at Eastern Michigan University served as subjects (*Ss*). All *Ss* had attended college for at least one year and in addition had been married for one or more years. The *Ss* were tested in a local supermarket with which they were familiar through previous shopping; indeed most *Ss* were regular customers of the store. Recruitment of *Ss* took the form of personal requests of the *Ss* through visits to their homes (mostly apartments in the married student complex of Eastern Michigan University). The *Ss* were paid for their time.

Procedure: The *Ss* were instructed to select the most economical (largest quantity for the price) package for each of 20 products on sale at the selected supermarket. A time limit was enforced for each product decision, a limit based on the number of packages on display for the product. More specifically, 10 seconds was allowed for each of the packages in the product category, unless either (1) there were less than six packages to a product class, in which case a one-minute time limit was used, or (2) there were more than 24 packages to a product class, in which case a four-minute time limit was employed.

In addition to stating which package she believed to be the most economical for each of the 20 products, each *S* reported to the experimenter (*E*) accompanying her, the information which she used in making her decision.

Each of the 20 products employed in the study had the following characteristics:

1. Two or more different size packages of the product were on sale at the supermarket.
2. Two or more different brands of the product were on sale at the supermarket.
3. The two or more brands for each product appeared to be comparable with regard to the nature of their contents. Thus dry cereals was not selected as a product since corn flakes and raisin bran do not appear to be comparable; on the other hand the different brands and varieties of family flour were considered comparable.
4. The products appeared to be widely used by American families.
5. The products were significant contributors to total supermarket sales. Thus table salt, which qualifies on the basis of the

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[1] This research was supported in part by a grant from the College of Arts and Science of Eastern Michigan University. Volunteers from The Ypsilanti, Michigan Chapter of the American Association of University Women, together with two students, Alice Gretzler and Margaret Keck, assisted in the data collection phase of the research.

[2] A briefer version of this paper was presented at the 1965 annual meeting of the American Psychological Association.

first four criteria was not used in the study since it represents only about .1% of total supermarket sales.

Finally, a characteristic not of any one product, but of the whole group of 20, was that the set of products appeared to be a balanced representation of the packaged products available at American supermarkets.

The testing of the 33 *Ss* took place over a two-day period. To aid in the testing a map of the supermarket was constructed with a specified route which touched upon the location of each of the 20 products. *Ss* were then tested in groups of five to ten. Each member of a group was randomly paired with an *E* and the two were randomly assigned to one of the 20 product locations as their starting point in the test sequence. After *S* had responded to *E's* questions at the first location, the two proceeded along the route to the next product location, and continued in this manner until *S* had been tested at all 20 product locations. This experimental design not only permitted the testing of many *Ss* simultaneously but also allowed the effects of a variety of product sequences (20 in all), to be reflected in the results of the study.

Thirteen of the 33 *Ss* were retested two days after their original testing, thus permitting the determination of test-retest reliability coefficients for the experimental measures employed in the study. Concurrent validity coefficients for the measures were ascertained from correlations with the *Ss'* pretest ratings of the 20 products. The pretest considered of a brief story about a housewife who is undecided which of two packages of a particular product to purchase. The two packages are equally appealing to her on a number of grounds, such as appearance and quality of contents. She finally decided to purchase the package which gives her more of the product for the price. It was pointed out to the *Ss* that the housewife's task of determining which of the two packages is more economical would vary in difficulty for the 20 products. The *Ss* were instructed to rank the 20 products, using an alternation ranking procedure, with respect to the estimated difficulty the housewife would have in determining the more economical of two packages containing the product.

As the time the pretest was administered the Ss were asked to indicate which of the 20 products were not usually found in their household.

Measures: Three behaviorally based, quantitative measures of confusion in unit price information are used in the analysis of the data. The first, Confusion Measure 1, simply indicates the number of Ss who made incorrect choices for each of the 20 products. Confusion Measure 2 calculates for each product the mean percentage increase in unit price for the Ss selected packages compared with the most economical package. Confusion Measure 3, which employs data from a supermarket trade magazine study dealing with the total sales for each of the 20 products, provides an estimate of the increase in price which an economy-minded household unit with a specified budget would pay over a constant time period, say a year, if its purchases reflected the values found for Confusion Measure 2.

The rationale behind Confusion Measure 1 is reasonably clear. We want to know whether Ss are able to select the most economical package for each of the 20 common products; indeed, the number of Ss who fail in this task should be an indication of the degree of confusion associated with consumer attempts to purchase supermarket products on the basis of economy. The second measure of confusion simply reflects the magnitude of the selection errors expressed for each product as a percentage of the unit price of the most economical package. It is assumed that the larger the value found for a particular product, the greater the error which an economy-minded consumer would be expected to make when purchasing the product.

The last measure to be considered, Confusion Measure 3, represents an interaction of the estimated consumer expenditures for a supermarket product and the percentage error, given by Confusion Measure 2. This third measure of confusion provides for each product a dollar-and-cents estimate of the additional expenses which an economy-minded shopper would bear due to errors in package selection. To give substance to this measure it is necessary that the actual records of consumer expenditures or estimates of such expenditures be available for processing. A search by the writer for a detailed product-by-product breakdown of the supermarket expenditures for some statistically average, or otherwise well-specified household unit, proved to be unsuccessful. Indirectly relevant data were found, however, in the Progressive Grocer Colonial Study (1963), which reports the percentage contribution to total sales made by each of several hundred products for six supermarkets in the southeastern United States. The six markets were members of a larger chain called the Colonial Stores.

It seems clear that the results of the Colonial Study do not reflect American supermarkets or consumers as a whole. The study was conducted over an eight-week winter period within a single chain of supermarkets in one region of the country. Thus there are seasonal, regional, and probably socio-economic reasons for suspecting differences. However, in the absence of any suitable national data dealing with either supermarket sales or consumer expenditures on an individual product basis, the results of the Colonial Study are employed in the analysis of the Ss' responses of the present study. The reader is cautioned that the Colonial Study results serve only as an estimate, with strongly suspected biases, of the corresponding national data.

The percentage contributions to total supermarket sales for the 20 products of the present study are perhaps made more meaningful when applied to a consumer's annual budget of say, $1,000 for supermarket expenditures. Thus the Colonial Study figure of 1.1% for powdered detergents assumes a value of $11.00 for this hypothetical budget. For this budget, Confusion Measure 3 is simply the portion of the individual product expenditure which can be assigned to error in package selection. The actual amount assigned would depend upon the value of Confusion Measure 2. Thus a household unit with economical shopping habits and a $1,000 annual supermarket budget might spend $11.00 for powdered detergents. Given a value of 24% for powdered detergents on Confusion Measure 2, we would find 24/124 of the $11.00, or $2.13, as the amount over and above the minimal amount of $8.87 which our economy-minded household unit would pay if it always succeeded in purchasing the most economical package of powdered detergent. For this case then the value for powdered detergent on Confusion Measure 3 would be $2.13.

Values for other products were found in a manner similar to that described above. One first constructs a ratio consisting of the value of Confusion Measure 2 over an expression made up of the Confusion Measure 2 value plus 100. The next step is to multiply this ratio by the estimated consumer expenditure for the product. To find the value for a total supermarket expenditure different from the base of $1,000 employed here simply construct a ratio of the new total expenditure over the base of $1,000 and multiply the Confusion Measure 3 value by this fraction.

RESULTS

Of the total of 660 decisions made by the 33 Ss, 47 represented products which the Ss stated were not usually found in their homes. Since the proportion of errors for these 47 decisions did not differ significantly from the corresponding proportion for decisions involving more familiar products, the two classes of selections (familiar and unfamiliar) were pooled for the purposes of analysis.

The three measures of confusion in unit price information were applied to the 20 products employed in the study and were found to have substantial validity when correlated with the experimental pretest (Spearman rank correlations of .58, .62, and .70 for Confusion Measures 1, 2, and 3 respectively). Likewise substantial reliability coefficients were found (Spearman rank correlations of .91, .93, and .91 for the three numbered measures). These reliability values may be somewhat too high, reflecting the unavoidably short interval of two days between first and second testings. The complete list of 20 products and their associated values on the three confusion measures are presented in Table 1. Also presented in Table 1 are the estimated consumer expenditures for the 20 products for a hypothetical consumer budget of $1,000.

TABLE 1.—*Confusion values and estimated consumer expenditures for 20 supermarket products*

Product	Confusion [1] measure 1 (total errors)	Confusion measure 2 (percentage error)	Confusion [2] measure 3 (weighted error)	Estimated annual [2] consumer expenditures
Canned peaches	8.0	2.0	$0.06	$3.10
Canned peas	5.0	5.0	.20	4.10
Catsup	23.0	13.0	.28	2.40
Evaporated milk	2.0	0	0	6.60
Family flour	6.0	2.0	.13	6.70
Frozen orange juice	6.0	6.0	.36	6.40
Granulated sugar	0	0	0	10.70
Instant coffee	11.0	10.0	.92	10.10
Liquid bleach	32.0	32.0	.70	2.90
Liquid detergent	8.0	4.0	.24	6.20
Liquid shampoo	14.0	63.0	1.01	2.70
Mayonnaise	8.0	16.0	.46	3.30
Paper towels	30.0	12.0	.48	4.50
Peanut butter	7.0	2.0	.06	3.20
Potato chips	22.0	1.0	.05	5.30
Powdered detergent	33.0	24.0	2.13	11.00
Soft drinks (cola)	27.0	17.0	2.01	13.80
Solid shortening	0	0	0	5.50
Toilet tissue	22.0	5.0	.37	7.70
Toothpaste	22.0	16.0	.69	5.00
Sum			10.15	121.20
Mean	14.3	11.5	.507	6.06

[1] *N*=33.

[2] Based on a total annual supermarket expenditure of $1,000.

Examination of the values for Confusion Measure 1 reveals extremely wide variation for the set of products, with a tendency for food products to have lower values than non-food products. Significant differences were found for the set of 20 products on Confusion Measure 1 (Cochran Q=283, P <.001). The mean value of 14.3 yields an error rate of 43% for the 33 *Ss*. Significant differences were also found for the set of ranked product values on Confusion Measure 2 (Friedman $X^2r=214$, P<.001) and Confusion Measure 3 (Friedman $X^2r=242$, P<.001). It is of interest to note that of the total estimated annual consumer expenditure of $121.20 for the 20 products the sum of $10.15 can be accounted for by errors in consumer selections. Thus, if it were possible for an economy-minded consumer with a $1,000 supermarket budget to always select the package giving her the largest quantity of a supermarket product for the money, she would pay an estimated $121.20 minus $10.15, or $111.05. It is estimated then that a more typical economy-minded shopper, who makes her selections in conformance with the *Ss'* selections in the current study, would spend $10.15 more than the errorless figure of $111.05, or in other words, she would spend 9.14% more than the hypothetical consumer who was always able to select the most economical package.

DISCUSSION

It is important to note that the plan and procedures of this study deal not at all with the day-to-day purchases of American consumers. It may be that economy plays a small role in many of these purchases. However for the purposes of this study the question of what actual criteria are employed by consumers at large in their supermarket shopping is largely an irrelevant one. The question of concern is the following:

Is it possible for consumers to select, within a reasonable period of time and without the aid of paper and pencil or of computing devices, that package of a particular supermarket product which offers the largest quantity of the product for the money?

If large numbers of consumers can not make correct selections when so instructed, and particularly if their errors are large, it would seem that the task is a confusing one. If in addition their errors are costly, there is real reason for concern.

Of course it does not necessarily follow that a confusing task results from improper packaging practices. However for the present study significant differences were found for the act of 20 products on all three measures of confusion, and it seems unlikely that these differences can be attributed in any large part to factors other than the differences in package characteristics. For example the possible influences of warm-up or fatigue effects were off-set by the experimental variations in order of product presentation. Also level of illumination appeared to be fairly constant for the 20 product locations. In addition, in several instances packaging practices were identified which required calculations which could not be performed without great difficulty, if at all, in one's head. For example the quantity of paper towels was presented in terms of number of sheets but the size of a sheet was not standard across brands. Indeed in the current study they ranged from a small of 7.5 by 11 inches to a large of 11 by 11 inches. Furthermore the number of sheets in a roll varied from 75 to 200. And finally, some rolls were packaged singly and others two to a package. Liquid bleach was a second product characterized by difficulties which were apparently influenced by packaging practices. In particular one brand of this product which formerly was made up with the commonly employed 5.25 percent concentration of sodium hypochlorite, the active ingredient in bleach, had been reduced in concentration to 3.25% a short time before the data were collected; the selling price of the product however, had not been reduced, nor for that matter had there been a change to the label or package in any manner other than the listing of the new concentration on the back of the bottle. Since most of our *Ss* were regular shoppers at the supermarket employed in the study it appears that rather than examining the bottle closely, they assumed the concentration had not been changed. With the original 5.25%, concentration of sodium hypochlorite this bottle would have been the most economical selection; however with the change in concentration this was no longer the case.

Since the results of this study were influenced in no small way by the time allotted for each package selection it might be well to explain the basis for selecting the unit of 10 seconds. Since the S's task was considerably more demanding than day-to-day supermarket shopping it was felt that time should be provided above and beyond the normal shopping time. A recent study (Fitzimmons and Manning, 1962) found that it takes a shopper approximately one minute to select an item in a supermarket. This one minute period includes walking time in the store but not time at the check-out counter. The Ss of the current study were given an average of 2.35 minutes at each product location; with the addition of walking time they had available about three times as much time as they would be expected to take for their supermarket shopping.

It is of interest to inquire what generalizations might be made from the present findings to other Ss and other settings. First with regard to the Ss of the study it seems clear that they represent a combination of qualities that should make for extremely low confusion scores. As a group they are characterized by considerable education and by the financial strains usually associated with young married college couples. These two ingredients suggest not only strong interest in economy as a criterion for supermarket shopping, but also considerable success in meeting this criterion. It would seem then that other individuals in general, and less educated individuals in particular, would not perform as well as the Ss of the present study.

Although superfically it might appear that the results of this study would transfer readily to other supermarket settings there are differences between markets which should be considered. Although many markets carry the major brands for common products they differ in the extensiveness of sizes available, and in the particular store brands which they carry.

Also differences in shelf space and position for a product might well influence the ease with which a shopper could make comparisons. Problems arise too when one attempts to generalize the results for the 20 products employed here to other supermarket products. That sweeping generalizations are clearly inappropriate is indicated by a Colonial Study finding that about 30% of the consumer's supermarket expenditures are allocated to meat and produce, two foods which are not packaged beyond a simple brown bag or cellophane wrapper. With regard to more typically packaged supermarket products, again problems arise. The selection criteria for the 20 products employed in the present study have provided us with a clearly nonrandom sample of packaged products. A particularly strong bias was introduced by selecting products with a record of relatively high total sales, which would imply relatively high familiarity among shoppers.

Two natural next steps of research are suggested by the data. The first would be a systematic study of what factors make for confusion in consumer selection. For example, packaging practices which are frequently claimed by consumer spokesmen to be confusing include the following:

1. Poorly presented information concerning both the nature of the contents and the quantity of contents. These deficiencies in display may take many forms; e.g., too small print, weak contrast between the printed information and the background, and failure to present the information at a prominent location on the package.
2. Misleading information concerning both the nature of the contents and the quantity of contents. "Giant quart" is a typical example of the latter practice.
3. Misleading information concerning price. Often cited here is the so-called cents-off specials. Representatives of consumer groups claim that these "specials" are often not acknowledged by supermarket managers in their pricing policies.
4. The use of unnatural numbers to indicate quantity. An example here would be the use of fractional or mixed numbers instead of whole numbers.

With a larger number of products than the 20 of the current study, regression analyses could be performed to determine which, if any packaging characteristics serve as good predictors of the confusion measures.

A second potentially valuable research step would involve the development and evaluation of training guidelines for consumers. With a larger and more heterogeneous group of Ss than the one employed here one could attempt to identify the distinguishing package information employed by high-scoring (as compared to low-scoring) Ss in their performance of the experimental task. A natural application of the results of such a study would be to consumers at lower-socio-economic levels.

CONCLUSIONS

Within the confines of the particular experimental setting employed, the following conclusions appear to be in order.

1. The three measures of confusion in unit-price information have substantial validity and reliability.
2. The 20 products differ significantly on all three measures of confusion.
3. There is reason to believe that these differences reflect, at least in part, differences in packaging practices.

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Mr. HART. Generally, they failed to identify successfully the lowest cost per unit of about half of these items. As a result of the difficulty in making conversions to the lowest cost per unit from the shelf figures, they were overspending 9.1 percent of their food dollar.

Mr. CURTIS. Was anything involved besides the cost per unit?

Mr. HART. No. That was the only purpose of the test.

Mr. CURTIS. For instance, some people believe that a certain kind of coffee tastes better than others.

Mr. HART. Indeed, yes. That is a quality judgment. Until you know the difference in cost between the competing brands, one is not able to determine whether the quality preference is justified by the cost difference.

Mr. CURTIS. What is sought is a more uniform size of packages and labels.

Mr. HART. No. What we seek is the information that the Senator from New Hampshire [Mr. COTTON], the Senator from Washington [Mr. MAGNUSON], and virtually all of us agree should be on the front of the package—information clearly stating the quantity that it contains, and preferably free of fractions. Once that information is obtained, these 20 women would have a fighting chance to determine what the cost per unit is.

Mr. CURTIS. If that is all that is sought, why is it not done by statute, instead of delegating to the Secretary of Health, Education, and Welfare the authority to that by regulation?

Mr. HART. One answer is that we have difficulty enough persuading the Senator from Nebraska that we ought to do it on an item-by-item basis, after study.

Mr. CURTIS. There would not be too much difficulty with me if Congress would write the law. I hesitate to delegate to the Secretary of Health, Education, and Welfare the writing of law.

Mr. HART. On the supermarket shelf are 8,000 items. We shall be in for a long summer.

The conclusion of the survey is that on the basis of these 20 items, if the normal purchase of those 20 items were projected over the year, a saving of $12 per individual would be accomplished. Senator CANNON concluded yesterday that this phenomenal figure could be developed and projected from this analysis, that the average American family wastes about $81 per year because of this difficulty, and the Nation as a whole wastes $4.5 billion because of the confusion.

Mr. CURTIS. What will protect the consumer from inferior quality?

Mr. MAGNUSON. I suppose by experience.

Mr. CURTIS. You may control how the package shall be arranged, but that does not necessarily protect the consumer, if there is a free range to dilute the quality or anything else.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MAGNUSON. I yield myself 1 minute.

The matter of quality would police itself, because if a housewife finds that she is not getting in quality what she thought she was getting, she would not buy the product again.

Mr. CURTIS. I think that applies to all shopping activities.

Mr. MAGNUSON. The food business is highly competitive, and the people in that business are aware of this fact.

I should like to correct something I said to the Senator from Nebraska earlier, when he asked me a question. HEW estimates that the bill will require $1.5 million in additional funds, and the Trade Commission says it would need an additional $250,000. That totals $1.7 million.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. COTTON. I yield 10 minutes to the Senator.

Mr. HRUSKA. Mr. President, S. 985, as reported, contains provisions which in the short and long run will have one most prominent effect—higher prices for the consumer. Section 5 allows the Federal Trade Commission and/or the Department of Health, Education, and Welfare to determine whether or not packaging practices in any product line might tend to cause difficulty in price per unit comparisons. Once such a determination has been made, the members of the industry, distributors, and consumer representatives get together to standardize the product containers. While this will be labeled a "voluntary product standard," the voluntariness is considerably discounted by the fact that the governmental department issues the mandate.

The ramifications of such a provision point to one thing—higher costs and thus higher prices. A producer who has over many years built up public acceptance for a particularly sized container may be forced to discontinue that size container and develop another. His past efforts in gaining public acceptance will go for nought. More important, his expenses necessitated for a radical change may drive him out of business. If he can make the change, his added costs must be passed along to the consumer in the form of higher prices.

For the past several years that the present legislation has been discussed, we have been warned of the adverse effects of product standardization. Many of the statements were made before the provision was more attractively peddled with the deceptive label of "voluntary product standards," but any attempt at "truth-in-labeling" will indicate that the effects will be the same.

When this bill was known as S. 387, Mr. Paul S. Willis, president of Grocery Manufacturers of America, Inc., in his testimony on March 19, 1963, before the Antitrust and Monopoly Subcommittee, stated:

> Bill would increase costs and prices; Before stating our technical opposition to the proposed legal control features of the bill, I want to discuss the practical effects of some of your other proposals, especially the one relating to standardization of weights and sizes. This proposal is utterly impractical from many standpoints. If adopted, it will slow down production, it will idle much of our present production facilities, it will require manufacturers to spend several hundred million dollars for new buildings and equipment for costly part-time use, it will raise unit production costs, et cetera, and without producing compensating benefits to anyone. Naturally, these legally required additional expenses and resulting higher prices to the consumer for the identical products she buys today. We are sure that she doesn't want this to happen. Neither do we.
>
> We will give you some examples to support our above statement. Our members have naturally studied the impact which your proposed bill would have on their operations and they are greatly disturbed with their findings. For example, one manufacturer now has 19 packaging machines for handling 50 items.
>
> To adopt your proposed standards would require the purchase of at least 20 additional machines at a cost of about $4 million. Additionally, there would be the cost of extra buildings to provide the necessary space for the machines. But that is not all.
>
> To comply with your proposal would likely mean part-time operating schedules for each machine, in contrast with present schedules where each machine is fully utilized to pack numerous items. This situation applies generally to manufacturers who pack a variety of products, and most of them do.
>
> You may recall the testimony presented at your hearing in 1961 by one of the manufacturers, a part of which I shall quote, and I can identify him. It was Mr. Lee Bickmore of the National Biscuit Co.:
>
> "Suppose we were required to pack each of our four varieties to a standard weight of 8 ounces. We would need three additional sizes of packages. Each different size would require a separate line of packaging equipment * * * it would cost us over $1 million for each set of packaging machines to handle these four varieties * * * packaged as full as practicable to a standard of 8 ounces.
>
> "What would happen to our costs? They would go way up. If we had four packaging machines, only 25 percent of our total packaging equipment and plant would be productive at any one time. Because of the time involved in shifting our employees from one to another, our costs would be further increased by additional startup and shutdown expense.
>
> "All of these added costs have to be reflected in higher prices. If consumers refused to buy the products at the higher prices, we would have to stop producing them. As a result, both the freedom of choice and the production output would have been curtailed. This could become a widespread curtailment among manufacturers resulting in increased unemployment, lower earnings, and reduced tax payments to the Government."

Mr. Albert N. Halverstadt, general advertising manager of Procter & Gamble Co., gave an excellent commentary on the practical effects of product standardization when he stated:

> . . . However, industry investment in manufacturing equipment already in use is quite heavy. For instance, we have estimated the cost to change packing equipment for four of our brands to three theoretical sizes based on weight. This would cost about $8 million and would not cover even our whole detergent line. If such changes were made throughout industry, it would run into many, many millions of dollars. Such expenditures would have to be reflected in prices, thereby giving the consumer less value than is presently received.

Commenting further, Mr. Halverstadt dealt more fully with this point regarding establishing the weights or quantities in which a commodity is to be distributed for sale:

> The detergent cartons I have here are examples of the volume standardization which we now have, the entire point being that although these are three quite different purposes and of quite definitely varying weights, the cartons are identical in size.
>
> Now, these other cartons which I will show vary in size. They are examples of cartons that are standardized in weight. This is a 1-pound weight. These are just simply two examples of a 1½-pound size package. I made no attempt whatever to get correlation of the products. These are just, for instance, the present standard-size package we run in this size, some 1-pound packages, some 1½-pound packages.
>
> As I pointed out, because detergents vary in density, it is necessary to vary the size of

> the cartons to pack a standard weight in each, and this presumes a sensitivity of the State weights and measures laws prohibiting slack fill.
>
> Now, this difference doesn't appear to be large, but it would be very important to present packing machinery which cannot accept varying sizes, and as I believe was pointed out in our previous testimony, the cost to modify our packing machinery, high speed modernization packing machinery for only four brands in our company alone would total $8 million for changed parts and the expense for changeovers in 1 year; $2 million of this $8 million would be a continuing yearly expense caused by constantly changing the machinery to run different sizes, and by the added costs of buying cartons in the variety of sizes required.

In 1962 Mr. Lee S. Bickmore, president of the National Biscuit Co., approached the question of standardization in his testimony. His treatment of such a proposal follows:

> We sincerely feel this proposal is utterly impracticable for the baking industry and, with your kind permission, I would like to demonstrate this to the Committee. Since 1935 we have packed one of our most popular crackers in which we call our No. 99 carton. This carton was designed in 1935 to hold 8 ounces of this particular cracker.
>
> At the present time we are packing 12 other crackers in this carton. Only 1 of these additional 12 varieties reaches the same level to fill at 8 ounces as does the cracker originally packaged in this box. For the remaining 11 products, it takes more than 8 ounces to reach the same level of fill. The declared net contents of those other 11 varieties are:

Number of varieties:	*Net weight* (*ounces*)
1	8¼
2	8½
1	9¼
3	9½
2	10
1	10½

> Theoretically, any one of our more than 50 ovens could be adapted to bake all of these varieties. In actual practice, however, only those ovens serviced by a No. 99 packaging line can bake them because there is no point in baking them if we can't pack them.
>
> One such packaging line represents an investment in plant and equipment of several hundred thousand dollars, about $350,000, and requires a building area of approximately 4,800 square feet. We can't afford to make an investment of this size unless we can keep it fully productive.

Mr. Bickmore testified again on May 3, 1965, this time before the Commerce Committee on S. 985. Again, he warned of the higher costs which would result from any product standardization:

> I should like to concentrate on the proposed authority to regiment consumer commodities in a way never before undertaken in this country.
>
> This bill would do so by authorizing regulations controlling the weight or quantity in which any product could be packed, and prohibiting the distribution of any product in a package of a size, shape or dimension which some administrative official might conclude is likely to make difficult rational comparison with respect to price or other factors.
>
> There is little doubt about the purpose of these provisions. They aim at standardization by weight. Let me quote from Coronet magazine for April 1965 where on page 13, Senator Hart writes:
>
> "Instead of competing brands selling for example in 13½, 14½, and 17½-ounce packages, it would be easier for the housewife to figure her best buy if more standard sizes were offered, 1 pound, a half-pound, and so on."
>
> The fractional ounce, by weight, seems to be a particular target. The supporting suggestion of the proponents that liquid products are usually sold in standard pints or quarts is both shortsighted and inapplicable. Our products are sold by weight, as are many others in the food industry.
>
> You can standardize either by weight or by volume. You cannot do both. Any proposal to standardize weights is utterly impracticable for the baking industry. Modern methods have led us to standardize many packages by volume, allowing the weight to vary according to the density, shape, and other characteristics of the particular product. Let me briefly—and I hope vividly—demonstrate.
>
> Here is an 8-ounce package of Ritz Crackers. It was originally designed in 1935 for that product. While it has been modified slightly, we now use it to package 15 other varieties of crackers. We call it the No. 99 package.
>
> Only two of all of these varieties fill the package at 8 ounces. For the remaining 14 products, it takes more than 8 ounces to reach the same level of fill. Accordingly, there are nine different weights packed in the same size package. The proper weight is dropped automatically into the top of the package. It then moves on to other machinery which folds and seals the inner glassine paper, then closes and glues the top flaps of the carton itself. All this happens on our new oven at the rate of 81 to 130 packages per minute, depending on the variety.
>
> Here are four transparent packages of the exact inside dimensions of our No. 99 package. The black line represents the level of fill to which the marked weights comes. The space above that line is required for the machinery which reaches in to close the package.
>
> Suppose we were required to package only in 8-ounce units?
>
> As you look at these, the contents of each transparent package is exactly 8 ounces. You can see what would result—unless we deliberately slack filled these packages, new package sizes would be required.
>
> I doubt very much that the advocates of standardization would permit slack fill to any such degree. In fact we pack now to the black line. Nor would National Biscuit Co. want to do otherwise. We try to play fair with our customers and consumers, whether legally required or not.
>
> With a number of new package sizes required—and it could be as many as seven—to pack each of these to 8 ounces, we would sacrifice the economies of mass production because each new size at any one oven would require its own separate line of packaging equipment to handle it.
>
> Just one such new packing line requires investment in plant and equipment of almost $400,000 and a building area of approximately 4,800 square feet.
>
> I asked our people for a preliminary estimate of the number of new packaging lines we would need based on our present bakery schedules. It was twenty-four! Even if we could cut the required number to 12, we would have to invest an additional $5 million.
>
> If we were to make that investment, what would happen to our costs? They would go way up.
>
> If we had four packaging lines per oven, only 25 percent of our investment in packaging equipment—and plant required to house it—would be productive at any one time. Even if only one additional line were required for some particular oven, it would be idle half of the time. Because of shifting from one line to another our efficiency would be hurt by additional startup and shutdown expense. Our overhead would increase because of additional real and personal property taxes, insurance and maintenance costs, and the other expenses that would flow from this additional investment. All of these added costs would have to be reflected in higher prices. If consumers refused to pay the higher prices, we could not make these products. The variety of products available to consumers would thus be reduced. Freedom of choice and production would both have been curtailed.
>
> I have talked about several of our products. This bill authorizes regulations for any consumer commodity. We simply do not know whether each variety of cracker is a separate commodity—or whether all crackers are the same consumer commodity. No one has been able to tell us thus far.

Mr. Harrison F. Dunning, president of the Scott Paper Co., appearing before the Antitrust and Monopoly Subcommittee in 1963 cut through to the heart of the matter. His testimony shows the real concern of the producer at the same time that it illuminates aspects of marketing which the proponents of such legislation fail or refuse to recognize. On March 13, 1963, he stated:

> Well, Senator Hart, my basic concern with this is the emphasis that this committee puts on price. Price is not the sole matter that an intelligent buyer has to consider in making a purchase. You want to emphasize the price and content feature. Somebody has 12 ounces at a price, and somebody right beside has 10 ounces at the same price. Well, the 10 ounces might be substantially better, a substantially better, a substantially better product.
>
> There are quality differences in almost any kind of product that you want to name, and it just seems to me that you give all out-of-proportion emphasis to the price aspect of this thing. This came up this morning in the testimony time and again.
>
> I think that a bargain is a balance of quality and quantity to make a value, and it just seems to me, first that it is wrong then to spend so much time and effort. You heard Chairman Dixon say what it would take for him to police a law like this, more people, new buildings, and everything else. This is going to cost money and it is going to come from the taxpayers.
>
> You have heard other manufacturers say that if you standardize on the numbers of ounces, let us say, that you are going to obsolete their equipment. I have heard of one who has estimated that the passage of this law would require them to spend $3,800,000 for new machines, and they probably do not have $3,800,000.
>
> Senator Hart. Did you ask them how?
>
> Mr. Dunning. How?
>
> Senator Hart. Where in this bill they would be required to do it?
>
> Mr. Dunning. Standardization of sizes which won't necesarily fit the equipment that they now have.
>
> Senator Hart. But the bill does not obligate a regulation to be issued.
>
> Mr. Dunning. It does not obligate it, sir, but makes it possible.

Mr. Edward Brown Williams, counsel for the National Association of Frozen Food Packers, delivered a statement on March 10, 1963. His comments were specifically directed at the provisions of S. 387, but their relevance to S. 985 is apparent:

> We are forced to recall that this committee has heard expounded the economic theory that many industry packaging practices are wasteful and unduly costly to industry and consumer alike, that government should curb such practices, and that it is bad for one firm to be permitted to market a package which is allegedly uneconomic and, because

consumers are attracted by it—to force other members of the industry to engage in a similar endeavor.

There were references to containers which give a "billboard effect, an advertising effect." We must ask, what is wrong with this? Billboards and advertising and more expensive containers are not deceptive because they sell a product. If they, or a container, are in fact deceptive, present law can deal effectively with them.

If, regardless of deceptiveness, a container could be prohibited because it has a "billboard" or "advertising" effect, what about non-deceptive advertising outside the store? We wonder whether there will perhaps be another bill which would curb this also on the ground that it effectively plugs a product at a cost higher than that for which it would be possible to market the product and is therefore uneconomic and contrary to the best interest of consumers. We are apprehensive that the concept of deception and unfair competition is being so broadened by this bill, read in the light of its legislative record, that legitimate and heretofore clearly lawful business operations and policies will be subjected to government control.

Let me just remark here that the impetus to buy may arise, not because a cute, tall, thin, bottle is deceptive but because the purchaser likes it and would rather have an attractive bottle than a drab one.

If, for example, a packer of frozen concentrated citrus juices should find it feasible and attractive as a business proposition to market his product in a curvaceous container instead of in a container with the simple lines of the traditional tin can, we think that he is entitled to do it so long as he is not deceiving the consumer.

Some individuals deplore as uneconomic the additional costs which they say are involved in the building of a package beautiful. It seems at least doubtful whether their economic theory is so sound that they can demonstrate that, instead of hiking costs, such innovations do not sell more goods and, in the long run reduce costs. If, as we believe, this doubt exists, surely restricting legislation is not appropriate—again, when there is deception, there is already applicable legislation.

Section 3A(g) of S. 387 would require each packer or distributor to submit to FDA upon its request "a true and correct sample of each package and label used or to be used by that producer or distributor for or in connection with the distribution in commerce of any particularly described consumer commodity. . . . This apparently means that the filled package containing the food product must be submitted. In the case of some manufacturers this could mean the transmission of hundreds of packages and, it may be added, nothing is said about payment for the commodity.

However this may be, the provision in question amounts to a premarketing clearance requirement, since its language reads "each package and label used or to be used." If a standardizing or other packaging regulation is already in effect, amendment of the regulation would frequently be required before a new package or label "to be used" could be marketed and the agency could exercise an effective veto upon the new package or label simply by refusing to amend its regulations. If no applicable regulation is in effect prohibiting the sale of the new package a warning to the manufacturer that such a regulation would be established would be an effective veto upon the use of the new package.

This provision, then, coupled with the rule-making authority delegated under other provisions, would effectively hand over to a federal agency the power to control marketing policies and practices of industry in the packaging field. Not only is FDA unequipped to make such basic business judgments but the enormity of the job of dealing with the thousands of products which would come under its jurisdiction would mean necessarily that some established packages would be marketed without control while others, in a different category but competing with the unregulated ones, would be made subject to restrictive regulations. This inevitably selective process would itself result in an unfair competitive situation—and this could be done by discretionary agency rules, without hearing or other procedural safeguards.

No new product could be marketed if FDA didn't approve of it. The expense of formulating the new product and its packaging would be wasted if approval were withheld and, in any event the delays always incident to administrative action may fairly be expected to develop upon a grand scale. To what extent these artificial brakes and prohibitions would discourage innovation by industry can only be a matter of speculation. It can safely be assumed that discouragement would be widespread and substantial.

We know from experience that FDA, under present law, has effectively curbed new products which resemble or may be used in lieu of traditional foods. It matters not that the labeling of the new product is honest and that the consumer knows what he is getting. This is not a history which is conducive to confidence that the right to innovate will not suffer far greater encroachments than it has in the past. The power would be there and the fact—as we believe—that the bill goes beyond traditional concepts of misbranding and deception adds to our misgivings.

I have here a container for frozen concentrated lemonade which is now on the market. It is a widely known brand. It is in the shape of a tetrahedron. It has four sides although you may have to look closely to come to that conclusion. It contains 6 ounces and, as stated on the container, will make 1 quart when its contents are combined with 4 cans of water.

If a regulation standardizing shapes or dimensional proportions of containers for frozen concentrated lemonade had been in effect when this tetrahedron-shaped container first came to the attention of the producer of the product, he could not have marketed it without first submitting the product in its proposed new container to FDA and obtaining an amendment of the regulation.

If no such regulation had been in effect the packer could have been required to submit the container to FDA for clearance, under the provisions of the bill. In either case the fate of the new departure in packaging would be speculative and, as I have noted, the delay incident to a negative or affirmative decision by the agency is not a matter upon which a business organization can look with equanimity.

Now, perhaps you will as, as I did when I found this unusually shaped container at the Frozen Food Exhibition in Dallas last week, why did the packer want to use this container?

I am informed that there are three economic advantages to its use: Savings in raw material costs, savings in space for packaging material, and freight savings because of lighter weight. Thus, in quantities of 1 million units the savings in purchase price per dozen over the aluminum and foil cans would be $0.055 cents, or more than $4500 for the 1 million units. The freight savings would be $0.004 cents per dozen over the foil can, or a total for 1 million of $333. The corresponding savings on purchase price and freight over the tinplate can would be more than $6100 and $740, respectively. In quantities of 5 million units the savings on the purchase price would be, over the foil can $25,830 and over the tin can, $33,749. In the larger quantities in which containers are frequently purchased, savings are greater. The figures quoted are for the six ounce can.

Obviously, this is but one of numerous instances in which the right to innovate and the benefits frequently derived from innovation, could be seriously curtailed under the pending legislation, to the disadvantage of industry and consumers alike.

I have referred to the fact that the kind of competition at which the bill is aimed has been called "nonprice competition". That is a catchy term, but what does it mean? The purpose of competition is to sell a product and make a profit in the process. Competition by the use of deceptive practices is unfair competition. It is immaterial whether the deceptive practice is directly related to price or is primarily a function of format and design of packages. I have noted that competition based on packaging or advertising practices can be either fair or unfair depending upon its nature. When, however, it is authoritatively said by the chief sponsor of the bill that an aim of the bill is "that the spirit and substance of the antitrust laws be extended to the relatively new form of nonprice competition represented by packaging" we fear that all competition in packaging not directly a function of price may be prohibited, whether or not it is deceptive. We find it difficult to believe that this exceedingly broad authority is intended yet the legislative background of the bill is such and the scope of the discretion which would be granted to FDA is so broad, that we have been forced to the conclusion that the bill could be construed to grant such authority.

The complexities of product marketing and the effect that product standardization would have on costs and prices was graphically brought to light in the following colloquy in the course of the hearings conducted by the Antitrust and Monopoly Subcommittee in October of 1961:

Mr. Chumbris. . . . Let us say we had a 303 can and that is a standard can as I understand it. It is your point here that if you put one product such as peas in it, that you may get a certain weight, and you are not assured whether it would be 13 or 14 or 16 ounces; it may 14¾. And if you put cranberry sauce in it you may get another weight that could be with a fraction on it.

Mr. Andrews. (TOPCO Associates, Inc.)—That is correct.

Mr. Chumbris. And if you try to tailor cans to each different product, it would increase the cost of the product to the consumer?

Mr. Andrews. That is correct. Supplier A may wish to introduce their new product into a very competitive market of 32 ounce products. Because of special packaging, such as a reusable container, plus the high cost of advertising and promotion required to establish a new product in the market, company A may have to select a 28-ounce contents package to provide for the moneys required to put their product over and yet remain competitively priced. To require 32 ounce contents would prohibit this new—and possibly better—product entry into the market.

In the Appendix to the Department of Commerce comments on the cost to industry of complying with product standardization several factors were noted. These comments were made in 1963 and thus dealt with S. 387, but have applicability to the possible effects of S. 985:

The case of plastic containers, for example. Any change in the size and shape of the package would, of course, require a change in the surface printing, which in all likelihood would require new design, new plates, etc., at the average cost figures noted above under discussion of the mandatory provisions of the bill.

Beyond that, a change in the size or shape of the package would also involve changes in the packaging line, which includes the machinery for sorting, weighing, measuring, filling, package forming, closing, sealing, labeling, and packing into shipping cases.

Where the packaging line is set up for a large volume operation, the line is specifically designed to serve a specific package. The machinery is adaptable to other packages, but the changeover may well require 2 or 3 days downtime and it may involve a cost of $12,000 to $15,000 per packaging line. The impact of this change would, of course, be lessened if it were done in connection with a change which the manufacturer was planning to make in any case for reasons of his own, including product modification, new promotions, new advertising appeals, etc.

Mr. Edward J. Heckman, president of United Biscuit Co., appeared before the Senate Commerce Committee to give his views on S. 985. Regarding costs, Mr. Heckman was quite specific.

Since present laws already ban deception in any form with no exceptions, the inclusion of this provision in the bill has only one obvious purpose—to clearly define the authority of the Federal Government to establish weights and quantities in which such products as cookies and crackers may be sold. It assumes that a package weighing 9½ ounces, although clearly labeled, could inherently be considered deceptive because of its weight alone.

To emphasize, if a weight is used deceptively, it is already prohibited by existing law. Standardization, then, and not deceptive practices, is the clear objective of the proposed bill.

Stated in question form, the issue before us under this proposed provision is: When value and variety conflict with a goal of standardized weights, which will prevail?

In the dramatic strides made in improved packaging in the last 30 years, if there was a conflict of value and variety with standardized weights, the value-variety considerations for the customer have always won out.

Today, the victory of value and variety over standardization is in question. I do not want to imply that the two considerations are necessarily and always incompatible. Forty-seven percent of the packaged items we distribute for sale through grocery stores are packaged in quarter-pound multiples, most of them in half-pound or pound sizes. These account for approximately two-thirds of our sales.

Obviously, the company I represent is not avoiding standardized weights. Two-thirds of our business is done that way.

It is the remaining one-third which is imperiled by this bill. That remaining one-third represents the jobs of many people in the aggregate. This is the one-third of our business where, when faced with the choice of giving the consumer maximum value and variety, rather than standardized weight, the consumer has received what she obviously wants—value and variety.

There are 24 items in our line which are packed in fractions of ounces. These account for approximately $14,700,000 in annual sales.

In addition, there are 28 more items in our packaged-goods line for which whole-ounce weights are used, but in which these weights are not conveniently expressed as fractions of a pound.

Seven ounces, for example, while an obviously easy-to-understand weight, comes out at 43.75 percent of a pound.

Such packages in our line account for total sales of approximately $24 million a year.

These two groups of items, representing almost $39 million in annual sales and the jobs of many people in our company, are jeopardized by this legislation.

Why are these packed this way, rather than in multiples of quarter-pound weights?

There are three reasons, all of them rather directly tied in with the quest to give the consumer maximum value and variety for her cookie and cracker dollars. First, because of available equipment.

I am sure other witnesses will also have testified regarding the implications of this legislation as it would relate to additional equipment required in their food plants.

My testimony concerns our bakeries and the probable impact of this legislation on our sales and our employees.

We have spent many millions of dollars in our bakeries to provide efficient packaging equipment. All of you are familiar with a longtime household favorite, the 1-pound carton of graham crackers. To manufacture this item, we have invested more than $500,000 in specialized packaging equipment. This packaging equipment is designed to accommodate the capacity of a modern oven to produce 5,000 pounds, or 2½ tons, of graham crackers an hour. By making this type of investment, we have been able to produce a graham cracker which in quality of product and packaging has been improved over the years while the cost to consumer in constant dollars has gone down.

With this equipment and carton available, we were able to develop a very popular companion product known as Cinnamon Crisp. However, because of the unique formulation of Cinnamon Crisp, and the technical difficulties in controlling the total volume of this type of cracker, the finished package weight in the graham cracker carton is 14¼ ounces.

If we were required to package this product, at its present quality standards, in a 12 or 16 ounce package, completely new and duplicated lines of packaging equipment would have to be developed alongside the $500,000 in equipment developed primarily for graham crackers.

Additional bakery space would have to be provided. Additional sanitation personnel would have to be made available. Additional inventories of packaging materials would have to be carried. Maintenance and upkeep costs, such as for heat and light, would be increased.

All of this would result only in an increase in price for Cinnamon Crisp without in any way increasing the value of the product. To increase price with no increase in value cannot mean anything other than lowered sales. Lowered sales means lower employment, primarily in the bakery cities where this product is made.

I have chosen this item to illustrate for you the problems we are likely to face under the terms of this legislation because it is a product that perhaps is familiar to many of you. In addition, it also happens to be the largest selling item we have which is marketed in a fractional-ounce weight. By contrast, using the same packaging equipment and the same carton, we market a product called Waldorf Salt-Free Crackers. To my knowledge, this is the only product of its type available in grocery stores. Understandably, the market for this product is very limited. Its users are primarily those on restricted diets. I can assure you that few would eat this product if not on such a diet.

By contrast with the 16 ounces of graham crackers and the 14¼ ounces of Cinnamon Crisp, the finished weight of this package in the same carton is 13 ounces. No other present package in our line would accommodate this product so that it could be marketed in 4, 8, 12 or 16 ounces.

There would be no course open to us, if standardized weights were imposed, but to discontinue this item. Personally, I would not be affected as a consumer. Maybe none of you would either. The loss in sales would affect the earnings of our sales people in a minor way. Only a relatively few of our production people would lose their jobs. The maze of choices facing the consumer would, most certainly, be reduced by one.

I have used just one illustration from many which I could have used. Another important point, however, which should not be overlooked, is that there would not have been a Waldorf Salt-Free Cracker on the market if standardized weights were in effect at the time this product was developed. In our consideration of new varieties of cookies and crackers, the additional costs for equipment for such items has strongly influenced our decision whether to market the item or not. Standardized weights would seriously limit our ability to introduce new items. I am sure Cinnamon Crisps, which directly or indirectly now provides jobs and earnings to hundreds of persons, and pleases millions of consumers, would not now be on the market. As we have previously noted, this would more seriously affect the smaller companies in our industry, those companies which are even less able than we to gamble on large expenditures for equipment for untried new products.

One of the reasons, as I said, for present weights on our packages, is availability of equipment. Any legislation which would force changes in weights dictated by equipment we have would result either in increasing prices of many items with no increase in value or in dropping many items from our line that people need or want. Either alternative would reduce employment.

I certainly hope I have made it clear, as forcefully as I can, that in considering this leigslation Congress should also be prepared to take the responsibility for explaining to America's consumers why prices are increased, why products like salt-free crackers are discontinued and why employees' jobs are eliminated.

The second reason for marketing our products is weights not conveniently expressed as fractions of a pound is the quality of the product itself.

One of the products like this is our Deluxe Grahams. It is marketed at a weight of 14½ ounces.

If this present product were to be marketed at either 12 or 16 ounces, the same equipment changes noted earlier would have to be made.

However, I am frank to state that with this product, as with others in our present line, there would be an alternative. In its present package, by tampering with the quality of this item, we could reduce the weight of this product to 12 ounces. As anyone with baking experience can tell you, it would be possible with many products to meet standardized weights if product quality is a secondary consideration.

For example, by increasing the thickness of the graham wafer in this product, we could expand the volume of the finished piece so that 12 ounces of product would adequately fill this present package.

This is one example of many which I could cite in which the quality of the product itself dictates the weight of the finished package. If the quality of the product were unchanged, the cost to provide new equipment for packaging would be reflected in a higher price to the consumer with no increase in value; if the package weight were adjusted to meet a predetermined standard, the quality of the product would suffer. Either alternative would result in lower sales and fewer jobs at our bakeries, while depriving the consumer of quality products.

I have given two of the principal reasons why our products are marketed at present weights.

A third reason for varying weights is that we attempt to offer a broad line of our products to our customers at identical wholesale prices. When we offer products at the same price, in almost every case these products are offered for sale at identical retail prices. Since we can in no way influence the pricing policies of retailers, these retail prices may vary from store to store but within any one store comparable products are usually offered at identical prices.

This tendency to tailor package sizes so that a broad line of products can be sold at identical prices with varying weights is, I realize, a point at which the food industry is supposed to be particularly vulnerable. I will defend and support it.

The tendency to achieve uniformity has given the consumer instant recognition of comparative prices. Let's take two competing items that retail at 35 cents—product A at 15 ounces and product B at 15½ ounces. The consumer can see at a glance that she gets slightly more weight for her money in product B. Now comes weight standardization—12 ounces or 16, but not 15 and 15½.

The maker of product B sees immediately that if both went to 16 ounces, his product would sell for 36 or 37 cents, perhaps 2 cents a pound less than his competitor's product. At 12 ounces, he sees, there is a likelihood that both could sell for 28 cents. He immediately decides to take the surest competitive edge—up to 16 ounces.

Meanwhile, the maker of product A sees that by reducing his size to 12 ounces, he runs the least risk. There is every likelihood, he feels, that if his competitor does the same the price could be 28 cents for both. At the 16 ounces, he sees too, his product would certainly be priced 1 cent higher and perhaps even 2 cents higher than product B.

The happy day arrives. The consumer is faced with 12 ounces of product A at 28 cents and 16 ounces of product B at 37 cents. Unless we had pencil and paper, few of us could help her out and explain which product gives her more weight for her money. If we tried, we would have to point out that product B still costs a little less, but mysteriously now costs more per ounce than it used to.

I submit that nobody could prove to her, with or without pencil and paper, that this helped her out of the confusion she used to have when comparing 15 ounces and 15½ ounces at the same price.

This is not just a hypothetical example. This points up a real problem posed by this proposed legislation.

Let's look at two of our best-selling products—Cocoanut Chocolate Drop cookies and Pecan Sandies. The first has 16 ounces; the second 15 ounces.

Although the retail prices of these products do vary from store to store, in any one store they are almost always priced the same at retail since the wholesale price is identical. Let's assume for the sake of this illustration that the price on both packages is 49 cents.

A housewife can tell at a glance that she gets 1 ounce more for her money by buying Cocoanut Chocolate Drops. At a glance, she knows that Pecan Sandies are slightly more expensive.

Now let's assume that a regulation were issued that the 15-ounce weight of Pecan Sandies was not reasonable, that it should be sold in multiples of quarter-pounds. The result would be to reduce the Pecan Sandies package to 12 ounces.

The new price structure would probably be Cocoanut Chocolate Drops, 16 ounces, at 49 cents; Pecan Sandies, 12 ounces, at 39 cents.

Whereas in the existing market the price difference is clear, under the new price structure the difference has become obscure. There are few of us who could determine readily the difference in value based on price alone. Actually, 12 ounces at 39 cents sounds almost deceptively like a lower price than 16 ounces at 49 cents, instead of 6 percent more.

Price comparison, where prices are identical and weights vary even by minute amounts are simple to interpret. Weight standardization, blessed as we are with a system that has 16 ounces in a pound, would produce nothing but confusion where understanding now prevails.

If standardization of weights is sought to remove confusion, I suggest it would not only fail in this but also introduce confusion where there is now what I would call instant understanding through price comparison.

It is obvious from testimony and published statements of the proponents of this type legislation that they believe confusion exists in the marketplace.

I submit that when a manufacturer embarks on a course such as we have in marketing these various cookie items, offering a great many varieties at varying weights but at identical prices, the result is that the decisionmaking process required of the housewife is made quite simply.

She is offered a great many varieties, not only by us but by many others, at identical prices. One has but to go into the cookie and cracker departments of modern stores, where many varieties are on display on stands as long as 40 to 50 feet, to notice how many of the cookie varieties are sold, in varying weights, at identical prices.

On the same day and on the same subject, Mr. Lyle C. Roll, president of Kellogg Co. gave his estimates of the costs which would be incurred as a result of product standardization under S. 985:

Section 3(c) authorizes the Secretary to promulgate regulations establishing reasonable weights in which cereal is to be distributed. In the testimony in 1961 and 1963 hearings, the economies made possible by packing a number of different products in packages of the same size were discussed. Products which were mentioned were biscuits and crackers, canned peaches, spaghetti and others.

The same economies are available in cereal. Kellogg Co. uses one size of package for six and one-half ounces of Special K high protein cereal, ten ounces of Sugar Frosted Flakes, ten ounces of Pep Wheat Flakes, and fourteen ounces of Raisin Bran.

By putting a number of different cereals in the same sized package, we are able to make one packing line do the work of many without making changes in the machinery between runs on different products. The economies are considerable.

In 1963, we estimated it would require an additional $3 to $6 million to produce the same volume of cereals, depending on the standardized weights or volumes prescribed by the regulation. We now estimate that we would have to spend $4,360,000 in capital expenditures and incur additional operating costs of $2,050,000 a year, not counting the added depreciation, to achieve compliance with a standard net weight regulation.

This is why net weights come out occasionally in fractions of ounces. For instance, if we want to take advantage of the economies of using this package size for Special K, we can either label it "7 ounces," in which case we are going to regularly have short-weight packages which is both illegal and bad business; or we can label it "6 ounces" fill the package and underclaim the contents, which would be a misrepresentation; or we can honestly label it "6½ ounces." We think this last choice, the honest one, is the only way.

Another package size is used for seven different products ranging from 5 ounces of our newest product, Corn Flakes and Bananas, to 18 ounces of Bran Buds. I brought along one of the carton board sheets on which we have printed cartons and made the cuts and creases necessary for forming the cartons.

As you can see we have printed cartons for 8½ ounce Cocoa Krispies, 18 ounce Bran Buds, and 1 pound All-Bran—all in one operation. Because the cartons are all the same size, the cartons fit together with a minimum of waste. By putting three different cereal cartons on this sheet we are able to get longer runs on our presses which is necesary to efficient operation.

We have had some experience in other countries which indicates the effect of a requirement that all packages be of specified standard weights.

We have subsidiary companies operating in both South Africa and Mexico. Both subsidiaries were organized about the same time. Each operates a cereal plant, both of which were built and put into service around 1952. The plants are roughly comparable in size, and the packing facilities in the two plants, with two packing lines for family-size packages in each plant, have the same capacity and are essentially the same.

A South African law requires cereal to be distributed at retail only in packages of certain specified weights. Mexico does not. As a result, while in Mexico it takes only 3 different package sizes to put out 9 different product sizes for family cereal packages, it takes 6 different package sizes to put out 12 different product sizes in South Africa.

We are able to keep the number of package sizes to six in South Africa only by packing one product in a package which is too small and which causes undesirable crushing of the product in distribution, and by packing other products in packages which are too large for the quantity of cereal packed in them.

There are many more occasions in South Africa when the line is down while changes are made to run a different package size. Each time the line is stopped, efficiency suffers and productivity decreases.

For example, in 1964 it took 89 man-hours of packing-room labor at the Mexican plant to pack 1,000 cases of 24 packages each. To accomplish the same thing at the South African plant took 134 man-hours of packing room labor, or 51 percent more.

Requirements of mechanical labor in the South African packing room were much higher also. A substantial proportion of this is attributable to the need for a greater number of packing line changes.

The South African plant required 4.89 man-hours of mechanical labor to produce 1,000 pounds of food, while the Mexican plant required only 1.41 man-hours of mechanical labor, less than one-third of that required by the South African plant—to produce the same volume of cereal.

EFFECT OF STANDARDIZATION OF PACKAGES

We believe that the standardization of package sizes and shapes inhibits the development of improved packaging.

Our new bowl package for individual servings, which consists of a plastic disposable bowl with a removable top, is an example of this. I have a few here. You can see the convenience. All you have to do is take off the top and there's your cereal ready in a disposable bowl. We have great hopes for this package among users such as airlines and campers where convenience is paramount.

If standard shapes had been required, the standard shape of the cereal package would probably have been rectangular. Before introducing this new shape package we would have had to persuade the Secretary to change the regulations. With notice in the Federal Register, hearings, and the other usual preliminaries we would have incurred considerable expense involving time, and more seriously, publicity before the legal path for this different package shape could have been cleared.

> All of our competitors would have had a clear idea of what our plans were. Consequently, whatever advantage we might have gained from a desirable innovation would have been greatly reduced and, perhaps, lost altogether.
>
> This assumes that the Secretary will allow such a package. It is possible that the Secretary, applying the "rational comparison" test of section 3(c), would allow no deviation from the standard package. The risks of package development would greatly reduce the incentive for any cereal company to improve its packaging.
>
> In my earlier comments, I described the wide variation in cereal products, even though the cereal industry encompasses a relatively narrow spectrum of products as compared with the canned fruit and vegetable industry or the bakery industry.
>
> Even so, writing standards for package sizes and shapes, for servings, for net weight statements, for package size designations, and for illustrations on cereal products is a tremendous task to ask of any agency.

Under S. 985, as reported, the bottlers of soft drinks who distribute their products in returnable bottles, according to the bill's proponents, are exempted from the effects of product standardization. This is presumably because of the vast amount of capital tied up in returnable bottles. While the case of soft drink bottlers may be unique it does show what will happen to other segments of the food industry. Mr. John R. Strachan of the Albany Pepsi Co., Inc., expressed his views thusly:

> Soft drinks are now distributed in many size returnable bottles. This development has been the result of consumer demands and resulting competitive pressures for varying size packages, depending on circumstances, whether a desire for a single drink from a vending machine, or for a bottle which will hold many servings for thirsty children at home. In my own plant, for instance, there are no less than six size bottles in which the various products handled in my plant are bottled.
>
> If regulations were promulgated specifying the sizes in which my bottles could be bottled, from and after a certain date, my investment in all nonconforming bottles would be forthwith destroyed and I would have on short notice to replace them with new bottles, or other sizes, not to mention making necessary adjustments or replacements at considerable expense to my machinery and my trucks and my vending machines, and the cost of the new cases and cartons I would have to purchase.
>
> It is hard to know how much that loss would amount to. That it would be substantial is obvious: that it might even throw me in bankruptcy would be a real possibility.
>
> The total investment in my plant in Albany is around $1,100,000 of which approximately 43 percent is an investment in returnable bottles.
>
> My business, as you will appreciate, is a highly seasonable one, which necessitates a large inventory of bottles to take care of demand during the hot summer months. I am budgeting the purchase of approximately $100,000 this year for new bottles for replacement purposes and to take care of increased sales.
>
> I do not want unduly to belabor the point, but if, on top of these expenditures, I had to replace even one-third or one-half of my bottle stock at one time, I doubt if my business could stand the strain, and I might feel that total liquidation of my business at a substantial loss from what it is now worth, would be the only prudent course.
>
> Even if, should the bill become law, the Secretary does not immediately promulgate any such damaging regulation, the threat thereof would always remain, and this would have the undoubted result of making it more difficult to find money for investment in a business subject to such a threat of unpredictable and costly action.

Mr. President, I yield the floor, and yield back such time as I may have remaining.

AMENDMENT NO. 590

The PRESIDING OFFICER. The Senator from Illinois is recognized. How much time does the Senator from Illinois yield himself?

Mr. DIRKSEN. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. President, I call up amendment No. 590, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 16, line 13, delete all of said lines 13, 14, 15, 16.

Mr. DIRKSEN. Mr. President, section 4(a) (2) of S. 985, the so-called truth-in-packaging bill is presented to this body as a new step in regulating the packaging practices of our country's manufacturers of consumer commodities. This section purports to set a new standard for the listing of contents on packages offered for sale. It proposes that the appropriate Government agency or department shall issue regulations which will require that:

> The net quantity of contents (in terms of weight, measure, or numerical count) shall be separately and accurately stated in a uniform location upon the principal display panel of that label.

Section 403 of the Food, Drug, and Cosmetic Act presently provides:

> A food shall be deemed to be misbranded—
>
> (c) if in package form unless it bears a label containing . . . (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical form . . .
>
> (f) if any word, statement, or other information required by or under authority of this chapter to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

Pursuant to this same law the Secretary of Health, Education, and Welfare has promulgated specific regulations which the proponents of S. 985 tell is a necessary part of this pending bill. Section 1.8 of the food, drug, and cosmetic regulations, part I, reads as follows:

> (e) (1) The statement of the quantity of the contents shall reveal the quantity of food in the package, exclusive of wrappers and other material packed with such food.
>
> (2) The statement shall be expressed in the terms of weight, measure, numerical count, or a combination of numerical count and weight or measure, which are generally used by consumers to express quantity of such food and which give accurate information as to the quantity thereof. But if no general consumer usage in expressing accurate information as to the quantity of such food exists, the statement shall be in terms of liquid measure if the food is liquid, or in terms of weight if the food is solid, semisolid, viscous, or a mixture of solid and liquid; except that such statement may be in terms of dry measure if the food is a fresh fruit, fresh vegetable, or other dry commodity.
>
> (f) (1) A statement of weight shall be in terms of the avoirdupois pound and ounce. A statement of liquid measure shall be in terms of the United States gallon of 231 cubic inches and quart, pint, and fluid ounce subdivisions thereof, and, except in case of frozen food which is so consumed, shall express the volume of 68° Fahrenheit (20° centigrade). A statement of dry measure shall be in terms of the United States standard barrel and its subdivisions of third, half and three-quarters barrel. However, in the case of an export shipment, the statement may be in terms of a system of weight or measure in common use in the country to which such shipment is exported.
>
> (2) A statement of weight or measure in the terms specified in subparagraph (1) of this paragraph may be supplemented by a statement in terms of the metric system of weight or measure.
>
> (3) Unless an unqualified statement of numerical count gives accurate information as to the quantity of food in the package, it shall be supplemented by such statement of weight, measure, or size of the individual units of the foods as will give such information.
>
> (g) Statements shall contain only such fractions as are generally used in expressing the quantity of food. A common fraction shall be reduced to its lowest terms; a decimal fraction shall not be carried out to more than two places.
>
> (h) (1) If the quantity of food in the package equals or exceeds the smallest unit of weight or measure which is specified in paragraph (f) of this section, and which is applicable to such food under the provisions of paragraph (e) (2) of the section, the statement shall express the number of the largest of such units contained in the package (for example, the statement on the label of a package which contains one quart of food shall be "1 quart", and no "2 pints" or "32 fluid ounces"). Unless the statement is made in accordance with the provisions of subparagraph (2) of this paragraph. Where such number is a whole number and a fraction, there may be substituted for the fraction its equivalent in smaller units, if any smaller is specified in such paragraph (f) (for examples, 1¾ quarts may be expressed as "1 quart 1½ pints" or "1 quart 1 pint 8 fluid ounces"; 1¼ pounds may be expressed as "1 pound 4 ounces"). The stated number of any unit which is smaller than the largest unit (specified in such paragraph (f)) contained in the package shall not equal or exceed the number of such smaller units in the next larger unit so specified (for examples, instead of "1 quart 16 fluid ounces" the statement shall be "1½ quarts" or "1 quart 1 pint"; instead of "24 ounces" the statement shall be "1½ pounds" or "1 pound 8 ounces").
>
> (2) In the case of a food with respect to which there exists an established custom of stating the quantity of the contents as a fraction of a unit, which unit is larger than the quantity contained in the package, or as units smaller than the largest unit contained therein, the statement may be made in accordance with such custom if it is informative to consumers.
>
> (i) The statement shall express the minimum quantity, or the average quantity, of the contents of the packages. If the statement is not so qualified as to show definitely that the quantity expressed is the minimum quantity, the statement shall be considered to express the average quantity.

(j) Where the statement expresses the minimum quantity, no variation below the stated minimum shall be permitted except variations below the stated weight or measure caused by ordinary and customary exposure, after the food is introduced into interstate commerce, to conditions which normally occur in good distribution practice and which unavoidably result in decreased weight or measure. Variations above the stated minimum shall not be unreasonably large.

I have read that very lengthy portion of the regulations to impress upon this body the extent of the coverage of existing law and the existing regulations. If that were not enough section 1.9 of the same regulations deals with the prominence of the words or statements required or permitted to be printed on the label. This very detailed regulation lays out some demanding requirements:

Section 1.9 Food; labeling; prominence of required statements. (a) A word, statement, or other information required by or under authority of the act to appear on the label may lack that prominence and conspicuousness required by section 403(f) of the act by reason (among other reasons) of:

(1) The failure of such word, statement, or information to appear on the part or panel of the label which is presented or displayed under customary conditions of purchase;

(2) The failure of such word, statement, or information to appear on two or more parts or panels of the label, each of which has sufficient space therefor, and each of which is so designed as to render it likely to be, under customary conditions of purchase, the part or panel displayed;

(3) The failure of the label to extend over the area of the container or package available for such extension, so as to provide sufficient label space for the prominent placing of such word, statement, or information;

(4) Insufficiency of label space (for the prominent placing of such word, statement, or information) resulting from the use of label space for any word, statement, design, or device which is not required by or under authority of the act to appear on the label;

(5) Insufficiency of label space (for the prominent placing of such word, statement, or information) resulting from the use of label space to give materially greater conspicuousness to any other word, statement, or information; or to any design or device; or

(6) Smallness of style of type in which such word, statement, or information appears, insufficient background contrast, obscuring designs or vignettes, or crowding with other written, printed, or graphic matter.

I have read these quite lengthy regulations lest any of us in this body have not become familiar with them during the past 5 years during which time, the so-called truth-in-packaging legislation has been before us.

Some critics of the existing laws have pointed to the fact that presently there is no requirement that the statement of contents must be on the front panel of the package. Well, this question does raise some difficulties. We received testimony to the effect that reasonable people may disagree as to which side is the front or side or back of a given package. Since this question does give so many people trouble let me say this. I intend to introduce a measure at some time in the future which would amend section 403 (e) (2) so that it would require that the statement of quantity be displayed upon the front, main, or principal panel of the package and in a type size not less than a given point type.

It would appear that if we have a special problem which we can isolate, let us deal with that problem directly. Wise and helpful legislation should be aimed directly at the problem areas. Charging pellmell into the area of Federal regulation over consumer commodity marketing is neither wise nor constructive. Real and tangible aid to the consumer, in terms of lower prices should be the objective, not just an all-fronts skirmish conducted under the mislabeled banner of "consumer interests."

I am attempting to direct attention to the number of regulations under the existing law. Why the producers, manufacturers, and fabricators must be burdened with more and more regulations is a little more than I can see. It is for that reason that I have offered amendment No. 590.

I yield 2 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 minutes.

Mr. HRUSKA. Mr. President, it has been a contention of many witnesses during the course of lengthy hearings on the bill, both before the Committee on the Judiciary and the Committee on Commerce, that the present law and regulations are more than adequate to take care of virtually all the situations dealt with in the pending measure.

Witnesses have repeatedly stated that both the Federal Trade Commission and the Food and Drug Administration have ample authority under existing law.

I believe that it would serve a good purpose if I were to insert at this point in the RECORD, not the material to which the Senator from Illinois has referred, but other statutory provisions and regulations dealing with misbranding, deception, misrepresentation, mislabeling, and other similar practices.

I ask unanimous consent that a memorandum containing a discussion of various statutory sections and regulations be printed in the RECORD.

There being no object, the memorandum was ordered to be printed in the RECORD, as follows:

FOOD AND DRUG ADMINISTRATION AUTHORITY UNDER PRESENT LAWS

Throughout the hearings before the Senate Antitrust and Monopoly Subcommittee on S. 287 in the previous Congress and before the Senate Commerce Committee on S. 985 in this Congress, witnesses have repeatedly stated that both the Federal Trade Commission and the Food and Drug Administration have ample authority under existing laws. It would do well at this time to cite the present FDA Act and some of the regulations which are pertinent to the present bill, S. 985:

"SEC. 403. A food shall be deemed to be misbranded—

"a. If its labeling is false or misleading in any particular.

"b. If it is offered for sale under the name of another food.

"c. If it is an imitation of another food, unless its label bears, in type of uniform size and *prominence, the* word *'limitation'* and, immediately thereafter, the name of the food imitated.

"d. If its container is so made, formed, or filled as to be misleading.

"e. If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided,* That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"f. If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"g. If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 401, unless (1) it conforms to such definition and standard, and (2) its label bears the name of the food specified in the definition and standard, and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food.

"h. If it purports to be or is represented as—

"1. a food for which a standard of quality has been prescribed by regulations as provided by section 401, and its quality falls below such standard, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard; or

"2. a food for which a standard of standards of fill of container have been prescribed by regulations as provided by section 401, and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard.

"i. If it is not subject to the provisions of paragraph (g) of this section unless its label bears (1) the common or usual name of the food, if any there be, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings without naming each: *Provided,* That, to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the Secretary."

The Food and Drug Administration issued general regulations for the enforcement of the Federal Food, Drug and Cosmetic Act, which regulations are amended from time to time. Pertinent regulations pertaining to food can be found in sections 1.7, 1.8, 1.9, and 1.10. Excerpts from these regulations would be of interest at this point:

"1.7 Food; labeling; misbranding.

"a. Among representations in the labeling of a food which render such food misbranded is a false or misleading representation with respect to another food or a drug, device, or cosmetic.

"b. The labeling of a food which contains two or more ingredients may be misleading by reason (among other reasons) of the designation of such food in such labeling by a name which includes or suggests the name of one or more but not all such ingredients, even though the names of all such ingredients *are stated elsewhere in the labeling.*

"1.8 Food; labeling; required statements; when exempt.

"a. *Where a food is not manufactured* by the person whose name appears on the label, the name shall be qualified by a phrase which reveals the connection such person has with

> such food, such as "Manufactured for and Packed by ----," "Distributed by ----," or other similar phrase which expresses the facts.
>
> "b. The statement of the place of business shall include the street address, if any, of such place, unless such street address is shown in a current city directory or telephone directory.
>
> "c. If a person manufactures, packs, or distributes a food at a place other than his principal place of business, the label may state the principal place of business in lieu of the actual place where each package of such food was manufactured or packed or is to be distributed, if such statement is not misleading in any particular.
>
> "d. The requirement that the label shall contain the name and place of business of the manufacturer, packer, or distributor shall not be considered to relieve any food from the requirement that its label shall not be misleading in any particular.
>
> "e. (1) The statement of the quantity of the contents shall reveal the quantity of food in the package, exclusive of wrappers and other material packed with such food."

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. DIRKSEN. I yield back the remainder of my time.

Mr. MAGNUSON. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was rejected.

AMENDMENT NO. 591

Mr. DIRKSEN. Mr. President, I call up my amendment No. 591, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 16, line 17, delete all of said line 17, to and including page 17, line 11.

The PRESIDING OFFICER. Who yields time?

Mr. DIRKSEN. I yield myself 5 minutes.

Mr. President, this amendment would strike out all of section 4(a) (3) including subsections (A), (B), (C), and (D). This is a mandatory section which would direct the appropriate department head or agency head to issue regulations which would provide the following:

REQUIREMENTS AND PROHIBITIONS

> Sec. 4. (a) No person subject to the prohibition contained in section 3 shall distribute or cause to be distributed in commerce any packaged consumer commodity unless in conformity with regulations which shall be established by the promulgating authority pursuant to section 6 of this Act and which shall provide that:
>
> (3) The separate label statement of net quantity of contents appearing upon or affixed to any package—
>
> (A) if expressed in terms of weight or fluid volume, on any package of a consumer commodity containing less than four pounds or one gallon, shall be expressed in ounces or in whole units of pounds, pints, or quarts (avoirdupois or liquid, whichever may be appropriate);
>
> (B) shall appear in conspicuous and easily legible type in distinct contrast (by typography, layout, color, embossing, or molding) with other matter on the package;
>
> (C) shall contain letters or numerals in a type size which shall be (i) established in relationship to the area of the principal display panel of the package, and (ii) uniform for all packages of substantially the same size; and
>
> (D) shall be so placed that the lines of printed matter included in that statement are generally parallel to the base on which the package rests as it is designed to be displayed.

To the extent that this provision parallels existing law it is redundant and therefore unnecessary. To the extent that it goes beyond existing law it is potentially dangerous. Section 403(f) of the Food, Drug, and Cosmetic Act presently providing:

> A food shall be deemed misbranded if in any word, statement, or other information required * * * this Act to appear on the label * * * is not prominently placed thereon with such conspicuousness * * * and in such form as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

Section 1.9(c) of the Food and Drug Administration regulations under the Food, Drug, and Cosmetic Act states:

> Information required by * * * the Act to appear on the label may lack that prominence and conspicuousness required by section 403(f) of the Act by reason * * * of smallness or size or type in which such * * * information appears * * *

Yet another law, section 5(a)(1) of the Federal Trade Commission Act provides:

> Unfair methods of competition in commerce, and unfair and deceptive acts in commerce, are hereby declared unlawful.
>
> As one witness before the Senate Commerce Committee pointed out:
>
> "If the lack of prominence of the net quantity statement resulted in an unfair or misleading deceptive act, this provision of the Federal Trade Commission Act could be utilized in prohibiting such act."

Certainly the proponents of this bill, S. 985, cannot deny that to a great extent the present law already covers most of the area which S. 985 is advertised as reaching. The real danger then lies in those areas where S. 985 goes beyond existing law. Advocates of this bill assert that their intent is only to reach the small segment of industry which utilize deceptive practices. But this particular section of S. 985 opens a brand new area for Federal administrators to exercise what may be devastating control over large areas of our economy.

The testimony of Mr. Harrison F. Dunning, president of Scott Paper Co., was very well received by the Senate Commerce Committee, and the marketing practices of his company received praise from many proponents of this bill. In his testimony he referred to the question of existing legislation in the following remarks:

> I would remind this committee also that Commissioner Larrick of the Food and Drug Administration and Commissioner Dixon of the Federal Trade Commission, in their earlier testimony before the Subcommittee on Antitrust and Monopoly, both made it very clear that there is sufficient law on the books today to prevent any clearly deceptive practice in labeling or packaging and that they have ample power under present law to deal with such activities. They claimed they need the support of this bill to help them to eliminate confusion and thereby be able to prosecute their activities without the delays of formal rulemaking, or the necessities of case-by-case prosecution, or the necessity for judicial reviews on the record.
>
> In other words, both of these agencies left the implication that they would like to be able simply to halt a practice solely on the basis of their judgment and wisdom and without the company involved having the privilege of making an issue of the matter. If this grant of arbitrary power to governmental agencies is the concept of the America that is to be, then it will be a dramatic departure from the principles that have made this country great.

As section 4(a) (3) (A), (B), (C), and (D) are worded, the provision is mandatory and the fears of Mr. Dunning appear to be well founded.

I believe that when this measure goes to the House of Representatives for further consideration, they will have before them a body of data from which they can work, and certainly can work their will on it; and if we need a bill of this character at all, at least it will be a good bill, and not an onerous piece of legislation to fall with such burdensome effect upon the business fraternity of the country.

The PRESIDING OFFICER. Does the Senator yield back his remaining time?

Mr. DIRKSEN. I yield back the remainder of my time.

Mr. MAGNUSON. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Illinois.

The amendment was rejected.

AMENDMENT NO. 592

Mr. DIRKSEN. Mr. President, I call up my amendment No. 592, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 17, line 12, delete all of said lines 12 through and including line 24.

The PRESIDING OFFICER. Who yields time?

Mr. DIRKSEN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. President, section 4(b) of S. 985 reads as follows:

> No person subject to the prohibition contained in section 3 shall distribute or cause to be distributed in commerce any packaged consumer commodity if any qualifying words or phrases appear in conjunction with the separate statement of the net quantity of contents required by subsection (a), but nothing in this subsection or in paragraph (2) of subsection (a) shall prohibit supplemental statements, at other places on the package, describing in nondeceptive terms the net quantity of contents: *Provided,* That such supplemental statements of net quantity of contents shall not include any term qualifying a unit of weight, measure, or count that tends to exaggerate the amount of the commodity contained in the package.

Apparently this section is aimed at a practice which certain individuals feel is a deceptive practice. This includes the use of such statements as "jumbo gallon" or "giant quart." Whether or not the use of such phrases has a tendency to confuse the customer may be debatable.

Again let me refer to existing legislation. Section 403(a) of the Food, Drug and Cosmetic Act provides:

> A food shall be deemed to be misbranded—if its labeling is false or misleading in any particular.

Section 5(a)(1) of the Federal Trade Commission Act provides for nonfood consumer commodities:

> Unfair methods of competition in commerce, and unfair and deceptive acts in commerce are hereby declared unlawful.

Certainly this provision could be used to curtail the use of qualifying statements which are deceptive to the point of being regarded as unfair competition.

One witness developed the following information for the Senate Commerce Committee:

> All packaged commodities are covered by the requirement of the model State weights and measures regulations, which require that in no case shall a declaration of quantity be qualified by the addition of the word "when packed" or any words of similar import nor shall any unit of weight, measure, or count be qualified by any term (such as "jumbo," "giant," "full," or the like) that tends to exaggerate the amount of the commodity. (Sec. 3.9 of the Model State Weights and Measures Regulations)

This model law has been adapted in 15 States and is being considered in others.

Primarily this section is one more example of pushing forth a mislabeled piece of legislation in an attempt to let the consumer think he is getting more than he really is. It is much like putting all of the matadors and the entire afternoon's roster of bulls in the arena at the same time while encouraging the public to attend the melee by advertising the event as one of dramatic skill.

If there is a need to curtail the use of qualifying words attached to statements of net quantity of statements let us work with the laws that we have now. I suggest that we amend section 403 of the Food, Drug, and Cosmetic Act. This could be done by adding a subsection (n) to that section wherein we could prohibit the use of such qualifying statements.

Mr. President, what I am seeking here, since in the light of existing law and the regulations that now abound in great quantity these provisions would not be necessary, is that this authority should not be granted.

I yield back the remainder of my time.

Mr. MAGNUSON. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Illinois.

The amendment was rejected.

AMENDMENT NO. 593

Mr. DIRKSEN. Mr. President, I call up my amendment No. 593, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 16, line 10, delete all of said lines 10, 11, 12.

The PRESIDING OFFICER. Who yields time?

Mr. DIRKSEN. Mr. President, I yield myself 5 minutes.

Mr. President, I wish to place this amendment before the Senate to S. 985 as reported by the Senate Commerce Committee. It would eliminate from the proposed bill a section which when read together with other sections of the bill, would serve absolutely no purpose if its intent is as the authors state.

The particular section to which I refer is section 4(a)(1) which is found on page 16, lines 10, 11, and 12. This particular provision in S. 985 provides that in connection with section 6 of S. 985, regulations may be promulgated by either the Secretary of the Department of Health, Education, and Welfare or the Chairman of the Federal Trade Commission which would control certain aspects of the labeling of various commodities. It is aimed specifically at the placement of the identity of the commodity and the name and place of business of the manufacturer, packer, or distributor.

Perhaps I may be so naive as to read a portion of section 403 of the Food, Drug, and Cosmetic Act which is found in title 21 of the United States Code at section 343:

> Section 40—*Misbranded Food*
>
> A food shall be deemed to be misbranded.—
>
> a. If its labeling is false in any particular
>
> b. If it is offered for sale under the name of another food
>
> c. If in package form unless it bears a label containing
>
> (1) the name and place of business of the manufacturer, packager or distributor;

Does S. 985 have some hidden mystic which can improve on that? Is not the language perfectly clear? The Secretary of Health, Education, and Welfare certainly must have understood it. Located in title 21 of the Code of Federal Regulations, chapter I, subchapter A, part I, are the regulations which he has issued for the purpose of amplifying that law. Pertinent to the listing of the manufacturer, packer, or distributor is a portion of section 1.8:

> Food: Labeling; required statement; when exempt.
>
> a. Where a food is not manufactured by the person whose name appears on the label, the name shall be qualified by a phrase which reveals the connection such person has with such food, such as Manufactured for and Packed by ______, Distributed by ______, or other similar phrase which expresses the facts.
>
> b. The statement of the place of business shall include the street address, if any, of such place, unless such street address is shown in a current city directory or telephone directory.
>
> c. If a person manufactures, packs, or distributes food at a place other than his principal place of business, the label may state the principal place of business in lieu of the actual place where each package of such food was manufactured or packed or is to be distributed, if such statement is not misleading in any particular.
>
> d. The requirement that the label shall contain the name and place of business of the manufacturer, packer, or distributor shall not be considered to relieve any food from the requirement that its label shall not be misleading in any particular.

Unless there is some heretofore unexplained reason for its inclusion, I can see no justification for it. Only excess verbage could result—with confusion its byproduct. I, therefore, submit this amendment to withdraw section 4(a)(1) from S. 985.

Existing law adequately covers this area. The manufacturer, packer, or distributor is presently required to identify the product. The label now must accurately represent the contents. It is considered to be misbranded if it provides a label which is a "false or misleading representation with respect to another food or a drug, device, or cosmetic." (F.D.C. Regs., part I, section 1.7(a).)

Furthermore, the present regulations issued by the Secretary of Health, Education, and Welfare provide that:

> The labeling of a food which contains two or more ingredients may be misleading by reason (among other reasons) of the designation of such food in such labeling by a name which includes or suggests the name of one or more but not all such ingredients, even though the names of all such ingredients are stated elsewhere in the labeling. (F.R.C. Regs. Part I, Section 1.7(b)).

Why this should be considered insufficient is beyond me. I would, therefore, urge that this provision be deleted from S. 985 as reported.

Mr. President, I wish to include in the RECORD a statement made by Gale P. Gotschall, who is presently the assistant general counsel for Federal-State cooperation, Federal Trade Commission.

This is an address made under the title of "Protection of Consumers From Deceptive and Other Unfair Business Practices." It was made to the Council on Consumer Information, 12th annual conference, at the Sheraton-Jefferson Hotel, St. Louis, Mo.

Mr. Gotschall sets forth with some eloquence and not without little pride, what they have done in this field and the authority they have to exercise wide discretion in this entire field.

I think that the statement should be printed in the RECORD along with my remarks on the amendment, to be sure that the entire body of literature will be complete with respect to the bill.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

PROTECTION OF CONSUMERS FROM DECEPTIVE AND OTHER UNFAIR BUSINESS PRACTICES

(Remarks of Gale P. Gotschall, Assistant General Counsel for Federal-State Cooperation, Federal Trade Commission, Before Council on Consumer Information, Twelfth Annual Conference, Sheraton-Jefferson Hotel, St. Louis, Mo.)

With six months of experience behind me as the Federal Trade Commission's Assistant General Counsel for Federal-State Cooperation, I am gladdened by this opportunity to talk with you about what we have accomplished thus far, and what our hopes and aspirations are, in this office. The views expressed are my own and not necessarily those of the Commission.

It is a particular pleasure to be here, reporting to a great national organization devoted to the consumer interests. Since you are a non-profit organization serving consumers through conferences, newsletters, and informative pamphlets, and guided by the highest traditions of public service, we have many things in common.

The Federal Trade Commission probably has the broadest consumer protection responsibilities of any agency of government. Because our responsibilities are so broad, and our legislative mandate is very general in scope, we sometimes get criticized. We get criticized both by the businessmen who say we are doing too much; and we get criticized by consumers and consumer organizations such as yours because, they say, we are not doing enough. Perhaps when we hear those criticisms coming at us in about equal intensity, we are most nearly "on course." In other words, we expect and we invite criticism. We need to know from you, firsthand, what you deem at any given time to be the most pressing consumer problems. We want to consider and discuss with you whether everything that can be done is being done to alleviate those problems, and we want your help in defining those unmet problems which may call for the Commission to recommend the enactment of new legislation, either at the Federal or the State level.

Because the consumer's voice is sometimes weak and inarticulate, we are particularly attentive when we confer with a group such as yours, a group which devotes its life to the consumer interest.

We who are gathered here today have a vital interest in protecting consumers from false advertising and other deceptive practices which would victimize them in the marketplace. But we have a broader interest.

We are concerned with maintaining high levels of employment and income. We know that many consumer problems can be alleviated by adequate income. And adequate consumer income is inextricably intertwined with business prosperity. We must have an economic environment in which the businessmen can expect to reap fair profit through providing the goods and services which we need, an environment which will encourage him to continue his extraordinary accomplishments in providing us with an ever-widening range of consumer goods. We want him to continue inventing, creating demand for, and educating us to the use of, consumer products that we have not even heard of today.

In other words we all are interested in preserving and strengthening the competitive system of free enterprise which has made America great. We know that competitive enterprise, restrained only as necessary to protect the interests of the general public, holds greatest promise for continued progress toward achieving our hopes and aspirations as a great Nation.

As Chairman Paul Rand Dixon recently said, we at the Federal Trade Commission are not experts in telling businessmen how they should run their business. We rely on their ingenuity to create the types of goods and services which will meet our needs as consumers. Our job is the less glamorous one of establishing the guideposts of what methods of competition are unfair, and what practices are unfair or deceptive to consumers. To eliminate such methods and practices, by persuasion, by education and if necessary by enforcement action, is the purpose of the Commission.

Unheralded is the vast majority of businessmen who run an honest shop and treat their customers and competitors fairly. Their self-discipline is the strength of our free enterprise system. But unfortunately there are others who will take advantage of them and of the consumer. To discuss that problem is the purpose of our being here today.

The Federal Trade Commission has a broad mandate to prevent all those unfair methods and deceptive acts or practices which would injure the businessmen or the consumer. But the Commission's authority, by and large, extends only to those acts or practices used in interstate commerce.

Now we are hoping, through our office of Federal-State Cooperation, to encourage and aid the State Governments to take action against such practices. Our purpose is to aid local initiative in meeting rising demands from the public for more adequate protection against unfair and deceptive business practices. If such practices can be stopped at the State or local level, before they grow into problems of interstate or national significance, the need for federal action will be minimized. And judgments about what constitutes unfair or deceptive practices will so far as possible be decentralized to the people who are most directly affected.

We are engaged in three principal lines of cooperative effort: First, we are endeavoring to achieve widespread dissemination of information about what types of practices have been declared unfair or deceptive. We hope consumer information specialists such as yourselves, and officials of State and local government, will have comprehensive knowledge of the types of practices which, if used in interstate commerce, should be brought to the attention of the Federal Trade Commission for corrective action.

If you have clear knowledge of our functions, and the public services available from us, then you will know when to call on us and we can be of greatest service to your constituency.

As the second step in our cooperative effort, when we encounter unfair or deceptive practices that are beyond the Commission's jurisdiction because they were used only in a single state and not in interstate commerce, we bring them to the attention of State or local officials.

I might say that complaints of that character come to us not only from consumers; they come also from businessmen who would prefer to operate on a higher level of ethics than the level to which they are being forced by local competition. And they come to us from operators of interstate businesses who by complying with federal law are losing trade to intrastate concerns which divert trade to themselves by use of false advertising or other misleading or unfair practice.

The problem is that many of the States do not have adequate laws to deal with unfair or deceptive trade practices. The Commission will, upon invitation, cooperate with those States in the drafting of legislation. This is the third step in our program of cooperation.

It is our hope that the States will enact legislation, as nearly uniform as possible, to prohibit the types of unfair and deceptive practices which would be unlawful if coming within the interstate jurisdiction of the F.T.C. Adoption of uniform state legislation would facilitate trade and commerce and consumer understanding of business practices in our highly mobile society, and would establish minimum standards to prevent unfair competition and deceptive or monopolistic practices.

Speaking of mobility, I read recently that 3.3% of our people move from State to State each year. This suggests that over a period of ten years, as many as ⅓ of all the people will take up residence in a State other than their present one. Think of the confusion and misunderstanding which can be avoided if minimum standards of ethical business conduct can be invoked to aid these people as they move about, and how far this would go to stimulate healthy competition and facilitate consumer purchasing in our economy.

If the States will adopt language paralleling the Federal Trade Commission Act to prevent "unfair" and "deceptive" acts and practices, they can draw upon fifty years of experience of the Commission and the federal courts in interpreting similar language. This is a great reservoir of legal precedent, and of "consumer information" if you will, which should be of inestimable aid in furthering protection of the consumer and the businessman.

Another advantage of delineating the prohibited areas of conduct by use of the general terms "unfair" and "deceptive" is that these terms encompass all lines of business, the sale of goods as well as services, and all types of practices which may be detrimental to competition or injurious to consumers. This language includes, but is not limited to, practices such as "bait" advertising, deceptive guarantees, fictitious pricing, oral misrepresentation by house-to-house salesmen, misbranding, sale of reconditioned products as new, false claims as to quality or performance of products, agreements among competitors to fix prices or restrict competition, and conspiracies to eliminate a competitor.

Such general language not only deals with unfair or deceptive practices as they now exist; it is flexible enough to cope with novel practices, or variations on old practices, which sharp operators constantly are inventing in their ceaseless efforts to eliminate competition unfairly or to cheat the public.

To shield the administering official from pressure to become involved in matters of private controversy, such as alleged trade name infringements or determinations of rights or obligations under private contracts, he would be authorized to institute action "when in the public interest", similar to a provision in the Federal Trade Commission Act. It is doubtful that you, as taxpayers, would be willing to provide legal service, at public expense, to every person, whether he be businessman or consumer, who thinks he has been treated unfairly or unjustly in a business dealing. Only where it appeared that appreciable numbers of the public had an interest in the matter, would the public official intercede.

We would suggest that the public official be authorized to obtain injunction, similar to the Federal Trade Commission's cease-and-desist order, to halt a violation. As long ago as 1924 the U.S. Supreme Court held that public action is warranted to halt an unfair practice which injures competition by deceiving consumers, and that in such a case, under the Federal Trade Commission Act, the burden of avoiding such practice is on the businessman. It is not necessary to prove that the businessman acted wilfully or with intent to mislead. This thesis was spelled out even more specifically by a U.S. Court of Appeals in 1941 when it said: "Whether or not the advertiser knows the representation to be false, the deception of purchasers and the diversion of trade from competitors is the same. The purpose of the statute is protection of the public, . . ." (Federal Reporter, Second Series, Volume 116, page 578).

We would propose that for violation of a court injunction against unfair or deceptive practice, the violator be subject to civil penalties collectible on behalf of the people by the enforcement official. Under the Federal Trade Commission Act, such penalties are in amounts up to $5,000 for each violation, and for each day of violation.

The administering official for such a statute would need investigative authority to determine when a violation had occurred or was about to occur, similar to the authority of the Commission under the Federal Trade Commission Act.

Statutes of this character which I just described already have been enacted in the States of Washington and Hawaii.

Consideration is also being given to proposals that the States would enact legislation to regulate or control the activities of hearing aid fitters and dealers, and persons engaged in the sale of correspondence and vocational courses of instruction. Since fitters and sellers of hearing aids commonly are engaged only in local commerce, within a single State, we think regulation of them at that level is appropriate. The regulation could be similar to that applicable to occupations and professions such as that of watch repairmen, barbers, optometrists, podiatrists, plumbers, etc., with representatives of consumers or the general public to be included in the regulatory or administering agency.

The need to assure minimum quality standards for correspondence and vocational courses becomes more acute in view of the number of such courses being offered to train persons in occupations related to public health, such as medical technician and practical nurse. And the States have a vital interest in making sure that poor or other disadvantaged persons who seek to improve their occupational skills are not victimized by sharp operators who lack adequate training, experience or physical facilites to teach what they purport to teach. Thus we would be willing to cooperate with the States in closer regulation and control of activities of correspondence and vocational schools.

These are some of the subjects which have been concerning us in our office for Federal-State Cooperation. We welcome your comments, advice and suggestions in regard to these or any other matters which you think should have our attention.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield 5 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, during the consideration of this type of legislation—and again I say, for about 3 years it was before the Committee on the Judiciary—there was testimony given as to the applicable statutes to situations that are covered by the language which the Senator, by his amendment, seeks to delete.

Those witnesses to whom I wish to refer include George P. Larrick, who was at that time Commissioner of the Food and Drug Administration, a career employee of great distinction during his many years of service in the Food and Drug Administration.

The witnesses also included Paul Rand Dixon, Chairman of the Federal Trade Commission.

Mr. President, I ask unanimous consent that excerpts of their testimony pertinent to this particular amendment be inserted in the Record at this point.

The PRESIDING OFFICER (Mr. Lausche in the chair). Without objection, it is so ordered.

The excerpts are as follows:

Testimony of Commissioner George P. Larrick, Food and Drug Administration, Department of Health, Education and Welfare, beginning on page 795, Part 3 of the Printed Hearings, "Packaging and Labeling Practices", March 20, 1962.

"The Federal Food, Drug, and Cosmetic Act, enacted on June 25, 1938, is fundamentally a consumer measure. In addition to requiring that foods be clean, sound, and wholesome, it has provisions designed to inform the consumer about the food in the package and thus permit her to make intelligent selections at the marketplace.

"The law has, for example, a provision for the establishment of standards of identity, quality, and fill of container. In establishing any such standard there is a clear-cut requirement that such action must be one which will promote honesty and fair dealing in the interest of the consumer.

"In addition to prohibiting false or misleading statements in the labeling of foods—and this includes all written, printed and graphic matter accompanying food when shipped interstate and when held for sale afterward, not just the label on the package—the law contains several provisions for supplying positive information. I would like to discuss some of these which have been of previous interest to this committee.

"They include the requirement for declaring an accurate statement of the quantity of the contents; a prohibition against deceptive packaging; the requirements for declaring ingredients, including artificial flavors, artificial colors, and chemical preservatives; and requirements dealing with foods for special dietary use.

"All of these are designed to give the consumer a great deal of information about the food in the package, and there is a provision which states that any information required by the law to appear on the label must be so printed, conspicuously, as to be likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"Back in 1938, when the law was passed, we had the idea that this requirement of conspicuousness, as set forth in section 403 (f) of the act, meant that all required statements should be printed in easily readable type on the main display panel of the label, right along with the brand name and the name of the food, and that if the package label was so made that there were two such main panels the required information should be set forth on each one.

"Our very first regulation in this area provided that the required labeling information may lack that prominence and conspicuousness required by the law by reason, along with other reasons, of—

" 'The failure of such word, statement, or information to appear on the part or panel of the label which is presented or displayed under customary conditions of purchase.'

"This, of course, is not a positive requirement for front-panel labeling, and we were met with the argument that there were other ways of achieving the objectives of the statute. * * *

"We should, of course, make it plain that a very high percentage of the food packages are made up properly and one might conclude that there is no immediately obvious reason why food products should not all be honestly and clearly labeled and packaged, since the law calls for truth in packaging and violators are subject to its penalties. It is obvious, however, that these requirements as they apply to food products are but one part of the entire Food, Drug, and Cosmetic Act and when funds are insufficient to cover all areas where there are problems, that they cannot have that degree of priority which is warranted by matters involving health and safety, or those involved in the production of foods from unfit raw materials or under insanitary conditions.

"It should, we believe, be remembered that the law, while requiring a statement of ingredients on the labels of fabricated foods other than certain items for which standards of identity have been established, does not contemplate that the label declaration of ingredients shall have any bearing on the safety of those ingredients. All food ingredients are required to be safe, and the fact that an unsafe ingredient might be used with a truthful label declaration of its presence would not mitigate against a charge of adulteration against that food.

"Thus, in our enforcement activities, we have applied the funds appropriated to us so that all of the time and funds necessary to deal with matters involving the public health are given first priority. Next come those involving filth and insanitation. What little time was left was to be devoted to the so-called economic class of violations. It is no secret that for a number of years the appropriations available to the Food and Drug Administration, coupled with the problems in the first two categories I mentioned, have left very little time to be devoted to this third, or economic, category.

"We have read the testimony of those who stated that the consumer doesn't really care about labeling of foods. With this view we do not agree. Thoughtful and prudent shoppers do care; in many instances they make their views known by writing, not only to us, but to Members of Congress as well.

"We have regretted our inability to deal adequately with violations in this area and have long expressed the hope that we could have the funds to let us do a real job to correct the many violations we believed to warrant attention, even under the terms of the present law.

"With additional funds available last year, we were able to institute an active program and this has been resumed during the present calendar year. Assuming that the appropriation requested in the President's budget for fiscal year 1963 is approved by the Congress, we will be in a position to devote enough attention to this area to see that there is no opportunities for retrogression from the corrections already made and which are being made. Our 1961 work on short weight and inconspicuous and inadequate labeling disclosed, as might be expected, there were those who had taken advantage of our preoccupation with other violations and we did find a significant number of violations. These resulted in seizure actions as outlined in the attached table A, which I would like the subcommittee to enter in its record. * * *

"The statute includes a provision which classes a food as misbranded if its container is so made, formed, or filled as to be misleading. When this provision became effective in 1940, there were, of course, many products which were properly filled just as there are today. We did proceed by way of seizure action against a substantial number of flagrantly deceptive packages and these actions were terminated either by default or consent decree of condemnation which did not involve any contest of the Government's charges. Concurrently, we held a number of meetings at the instigation of various industries looking toward just how some packages, objectionable under this section, might be made legal. Included in these groups were the spice industry, the toothpaste industry, the macaroni industry and the manufacturers of chocolate coated cherries—which must be very carefully packed to avoid breakage. In each case, it was possible to work out formulas so that, if followed, the packages would not be deceptive. In some cases, this resulted in reduction in the size of the package and in others, in increase in the amount of food filled into the package. This is just another example of how industries, working together with Government, can solve problems.

"We believe there should be much more of this. Unfortunately we cannot say that in all cases over the years the packages met exactly the formulas which were so carefully and precisely worked out.

"While every legal action which we have brought under this section where the owner of the goods has elected to contest our action has resulted in a verdict against the Government, we did, last year, obtain from the Court of Appeals in Philadelphia, a ruling which gives promise of greatly helping to improve this situation . . . .

"The law authorizes the establishment of fill-of-container standards and we have applied this in a limited way to canned oysters and shrimp and to a few canned fruit and vegetable items. . . .

"We have no illusions that actions by the Food and Drug Administration alone will correct all of the problems in this area of short weight and inconspicuous labeling. Responsible industry must do its part."

Upon completion of Mr. Larrick's testimony and under the questioning of the witnesses there are certain quotes by FDA officials showing the extent of their authority under existing law. (Pages 806–808.)

"Mr. Goodrich (William W., Asst. Gen. Counsel, FDA). They were that the statement which appeared there was in such conspicuousness as to render it likely to be read and understood under ordinary conditions of purchase and use. This kind of language is not the epitome of exactness of where this label statement appears and how big it is. * * *

"Mr. GOODRICH. One way to provide it is by rulemaking to specify where the statement appears and, also, its relationship to other information on the package. This is a question of whether you can do it by rules or whether we need additional law from the Congress. * * *

"Mr. GOODRICH. We are not advocating any change at this time. As the President's message said, we are trying to see what we can do under existing law and with our existing facilities. * * *

"Mr. GOODRICH. What we should do is promulgate a regulation interpretive of section 403 of the conspicuousness requiring a certain point of placement. We are going to get a big legal argument on that, but we are prepared to take that step all the way down the street here, if necessary, and we are confident that we can make at least some of that stick. * * *

"Mr. GOODRICH. * * * we have a Supreme Court case, United States versus Antikamnia Chemical Company which was decided some years ago, which holds that where you issue one of these interpretive regulations carrying out the purposes of the law it will be given the effect of law. We recently took that same point to the second circuit on our authority to cancel some certificates for coal tar colors after we found they were dangerous, with no expressed authority in the law, and the court of appeals again upheld the validity of that type of regulation where it was calculated to carry out the purpose of the law. This is the basic interpretation under the hazardous substances provision and this is what we have said we are prepared to take all the way if it becomes necessary. I have confidence that we can make those regulations stick."

Chairman Paul Rand Dixon, Federal Trade Commission, appeared before the subcommittee on March 28, 1962, and these are his quotes:

"How does the Federal Trade Commission fit into this picture?

"At this point, let me digress a moment to present some background information on the scope of possible jurisdiction of the Federal Trade Commission in the fields of packaging and labeling.

"Under section 5 of the Federal Trade Commission Act, as amended by the Wheeler-Lea Act of 1938, 'Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce,' are declared unlawful. The primary purpose for the amendment to section 5 of our act was to counteract, the decision in Federal Trade Commission v. Raladam (283 U.S. 643 (1931), wherein the court held that the Commission could not proscribe false obesity cure advertising where no substantial competition, present or potential, was shown to have been injured or clearly threatened by the false advertising. The Wheeler-Lea Act amendments were, however, not limited to this provision. That act also added section 12 to the Federal Trade Commission Act, prohibiting false advertisements of food, drugs, devices, and cosmetics, and armed the Commission with additional procedural weapons to combat the forbidden practices.

"At this point, Mr. Chairman, prior to 1938 the Federal Trade Commission Act merely prohibited unfair methods of competition. As can be seen in the Raladam case, in order to sustain the burden of proof it was necessary to allege and to prove that competition had been injured. There was no reference to the injury that might occur to the consuming public. When the words were added, 'unfair or deceptive acts or practices,' this cut both ways, both against competition and those things that affected the consuming public.

"It is interesting to note that the Wheeler-Lea Act and the Federal Food, Drug and Cosmetic Act of 1938 were enacted during the same legislative session of Congress. The latter statute entrusted to the Food and Drug Administration of the Department of Agriculture—now transferred to the Department of Health, Education, and Welfare—the authority to take action with respect to misbranded and mislabeled foods, drugs, cosmetics, and devices. Specifically, section 403 of that act declares that a food shall be deemed to be misbranded—

"(a) If its label is false or misleading in any particular; or

"(b) If its container is so made, formed, or filled as to be misleading.

"Additional requirements to insure against misbranding or the misleading labeling of food are spelled out in subsections (e) and (f) of this section of the statute. If that statute is fully copied, you will find like language in the drug section of the law, and, I think, and perhaps as to cosmetics.

"Congress thus provided a plural approach to consumer protection in the field of food, drugs, cosmetics, and devices.

"Again digressing, when sections 12, 13, 14, and 15 were added to the Federal Trade Commission Act, these specific powers of the Commission in the act were extended to food, drugs, and cosmetics. This is with respect to the Federal Trade Commission's power, but it also pertains to advertising of these products.

"This choice by Congress was deliberate and considered. It retained to the Federal Trade Commission the jurisdiction it had over false and deceptive advertising of foods, drugs, cosmetics and devices, as well as all other commodities. At the same time, Congress sought to preserve the advantages accruing from the experience gained by a specialized agency in direct proceedings against impure or misbranded foods and drugs. Accordingly, the Food and Drug Administration was given strengthened authority over the misbranding and mislabeling of such products. The intention of Congress in enacting section 403 of the Federal Food, Drug, and Cosmetic Act of 1938 was clearly expressed by the following language in the reports of the Senate Committee on Commerce:

"'This is intended to reach abuses which have arisen in the packaging of food through the use of deceptively shaped, formed, or colored containers. It is likewise intended to reach deceptive methods of filling—particularly those known as slack filling—where the package is only partly filled and, despite the declaration of quantity of contents on the label, creates the impression that it contains more food than it actually does.'

"The decision in favor of a plural approach on food and drugs, we believe, has been amply vindicated. It has not caused overlapping of effort, undue harassment of the industries regulated, or constant jurisdictional quarrels. Mutual cooperation has existed between the affected agencies. The Federal Trade Commission and the Food and Drug Administration have long worked to eliminate all of these possible dangers. In 1954, after many years of operation under an informal understanding, the two agencies entered into a formal working agreement which is still in effect and which sets forth the primary responsibility of each agency, areas of sole jurisdiction, policy as to the avoidance of duplication of proceedings, and the establishment of permanent liaison between the two agencies. * * *

"Then if the Commission challenges this and can sustain the burden of proof as is outlined from the statute, the basic statute, it can after an adversary proceeding issue a cease and desist order which is an injunction in its most effective form, it is a permanent injunction, if you please, against the practice which would become effective if not appealed within 60 days. If it is appealed in 60 days it would become effective only when the court has reviewed it and made our order its order and commands obeyance to it.

"There we acquire the title quasi-judicial. We are a commission, quasi-legislative with the power of the Congress, quasi-judicial when the court stamps its approval upon it.

"The Commission has had considerable experience in protecting the consuming public from false and deceptive practices, accomplished by various means and practices. The Commission also has had occasion in a few cases to pass on false and deceptive packaging of various products, including those for foods, drugs, cosmetics, and devices, which, since the agreement of 1954, is the responsibility of the Food and Drug Administration.

"The Trade Laboratories, Inc., et al, (25 F.T.C. 937 (1937)), respondents, engaged in the sale and distribution of shoe polish, shaving, dental, and suntan creams, and other toilet articles, were found to have been placing the tubes or containers of their products in cartons of a capacity and size greatly in excess of that required to house the various tubes. The Commission noted that 'when the purchasing public makes a purchase of a product of the type manufactured and packed by the respondent, not being able to see the inside of the carton or container or able to examine it before purchase, it expects and usually does receve a tube or an amount of the product commensurate with the size of the pasteboard carton or container in which the product is packed for sale.' The Commission directed the respondent to cease and desist from 'representing, by the use of any of said products in greatly oversized cartons or containers, or in any other manner, that a substantially larger quantity or amount of such product is therein contained than is actually the case.'

"This was prior to the Wheeler-Lea amendment, you will note. The only power in the law that any agency had to proceed against such practices was that in the Federal Trade Commission.

"You will note, also, there was a specific respondent, the proceeding was only against one party.

"Much the same situation was presented in Marlborough Laboratories, Inc., et al., 32 F.T.C. 1014 (1941), where the evidence showed that some of the shaving creams and toothpastes made and sold by the respondents were packaged in ordinary-sized tubes and then enclosed in much larger cartons.

"Now, we come here to 1941, after the Food and Drug Administration Act had gone into effect. Here we have two powers, the power of the Federal Trade Commission to proceed as well as the power of the Food and Drug. But subsequently we worked out a very good liaison, and we both proceeded without any conflict.

"This method of filling, the Commission found, 'misleads and deceives purchasers of such products into the belief that they are securing a greater quantity of such products than they would receive in the ordinary package or containers. The packaging of products in such a manner is known in the trade as slack filling, a practice which misleads and deceives the purchasing public and is unfair to honest competitors.'

"Our basic law had been extended now not only to unfair competition, but unfair and deceptive acts and practices. The Commission issued an order against the continuation of such practice.

"Another example of the Commission acting against so-called slack filling is found in Burry Biscuit Corporation, et al., 33 F.T.C. 89 (1941). Here again—this is 1941 again—the Commission directed the respondent to cease and desist from offering for sale or selling any of its products in a container or package which is substantially larger in size or quantity than that required for packaging the quantity of product contained therein.

> "In a more recent case, U. S. Packaging Corporation,, et al., 53 F.T.C. 1174 (1957), the respondents, by consent order, were prohibited from packaging snowmaking chemicals—now, you will see here this snowmaking chemical, it is not food or drug device or cosmetic; if anyone can approach it under the law, it must be Federal Trade—snowmaking chemicals in pressurized oversized containers only partially filled, for sale mainly during the Christmas season, and to cease representing falsely in advertising and counter displays that because its containers were larger than those of competitive brands a large amount of artificial snow would be produced.
>
> "However, the Commission has not had many cases of this type and none in which the Commission has issued an order requiring specific affirmative disclosure of the ingredients of a package, or an order forbidding the use of deceptive shapes of packages, or an order requiring that the contents of a package be expressed in such terms and figures as would enable a housewife to make comparative costs of packages of different sizes for the same product.
>
> "There can be no doubt that the Commission's general powers under existing law would authorize it to issue such orders when false or misleading packaging or labeling result in consumer deception. As the Supreme Court held in *United States* v. *Morton Salt Company,* 338 U.S. 632, 647–648 (1950):
>
> 'The fact that powers long have been unexercised well may call for close scrutiny as to whether they exist; but if granted, they are not lost by being allowed to lie dormant, any more than nonexistent powers can be prescripted by an unchallenged exercise. We know that unquestioned powers are sometimes unexercised from lack of funds, motives or expediency, or the competition of more immediately important concerns.'
>
> "However, it is equally clear that additional legislation could serve a useful function."

Mr. HRUSKA. The language which the amendment seeks to strike is as follows:

> (1) The commodity shall bear a label specifying the identity of the commodity and the name and place of business of the manufacturer, packer, or distributor;

The opening part of Commissioner Larrick's testimony is as follows:

> The Federal Food, Drug, and Cosmetic Act, enacted on June 25, 1938, is fundamentally a consumer measure. In addition to requiring that foods be clean, sound, and wholesome, it has provisions designed to inform the consumer about the food in the package and thus permit her to make intelligent selections at the marketplace.
>
> The law has, for example, a provision for the establishment of standards of identity, quality, and fill of container. In establishing any such standard there is a clear-cut requirement that such action must be one which will promote honesty and fair dealing in the interest of the consumer.
>
> In addition to prohibiting false or misleading statements in the labeling of foods—and this includes all written, printed and graphic matter accompanying food when shipped interstate and when held for sale afterward, not just the label on the package—the law contains several provisions for supplying positive information. I would like to discuss some of these which have been of previous interest to this committee.

Chairman Dixon, after citing the cases in which FTC and FDA have been successful, and also after pointing out that "there can be no doubt that the Commission's general powers under existing law would authorize it to issue such orders when false or misleading packaging or labeling result in consumer deception," still wanted additional legislation which in effect would cause Congress to abrogate its legislative function to the FTC and authorize the FTC to make its own rules and regulations which would have the effect of law.

Chairman Dixon noted that Congress gave FTC additional power in the wool labeling and several other labeling acts, but the factual situation in those labeling acts were entirely different, as was admitted by Senator Hart in his colloquy with Mr. Dixon. Also, Senator Magnuson's statement was inserted in the Record which showed that industry was in favor of those four enumerated labeling acts and actually initiated those measures in the first place, whereas, under this labeling bill the packaging industry is almost 100 percent against it, because it would bring about the great harm that we have set forth in great detail.

Principally, it would be harmful to the consumers, to the workers, to the industries and to the general economy of our country. There is no judicious comparison between the packaging and labeling bill before us and the four labeling acts mentioned by Chairman Dixon. Their objectives were in entirely different directions.

In conclusion, on this point, we believe that the testimony of Commissioner Larrick and of Chairman Dixon in 1962, which position they did not refute in their 1963 testimony, indicates that existing law if properly enforced is sufficient to meet the problems in the marketplace and there is no need for Congress to pass this far reaching and destructive proposed legislation. The evidence by witnesses, who would be seriously affected by this bill, is overwhelmingly against the bill.

I yield the floor.

Mr. DIRKSEN. Mr. President, I yield myself 5 minutes. Let us get to the truth and the core of the so-called truth-in-packaging bill, otherwise referred to as the fair packaging and labeling bill. Everybody wants to help the consumer but many go about it in a very strange way. The consumer, said President Johnson in his message to Congress on the so-called truth-in-packaging bill, has a right to a dollar of stable purchasing power.

Indeed, the threat of inflation and a shrinking consumer dollar is among the foremost domestic problems facing the country today. The consumer's right to a dollar of stable purchasing power is being eroded each day, and the greatest victims of this fiscal erosion are those millions of Americans living on nominal or fixed incomes—the very same people for whom the President only last week recommended increased social security benefits.

The Presidential message on truth in packaging was sent to the Senate in March, 2½ months ago. At almost the same time, an independent Associated Press survey of food prices was taking place in 12 key cities across the country.

The results of that survey were released only last week. They bear out an alarming increase in food prices during the past year—an increase of nearly 7 percent.

Moreover, as spring moves into summer 1966, this escalation in the cost of food has shown no sign of abating. Thus, while the truth-in-packaging proposal has been making progress through committee, the American consumer's right to a stable purchasing dollar has been losing ground.

Well might the Nation's consumers wish that the administration's high-pressure effort to move S. 985 through Congress were matched with concomitant action to put a lid on the spiral of inflation in food costs.

Unfortunately, this has not been the case.

True, the President has expressed his concern over the steady increase in food prices. He has wrung his hands. He has counseled the American housewife to carry a sharp pencil to the market. But avuncular words are not enough. What is needed is tangible, affirmative administration action to protect what the President correctly calls the consumer's right to a dollar of stable purchasing power in the Nation's food market.

How then does S. 985 affect this right? Obviously, in his March message, the President intended to convey the idea that enactment of truth-in-packaging legislation would lead to increased purchasing power in the marketplace—that is, more bang for the consumer buck.

But the legislative content of S. 985 does not live up to the glowing Executive words with which it was submitted to the Congress.

Or put another way, where inflation and soaring food costs are concerned, the truth-in-packaging bill itself has not been truthfully packaged and labeled for congressional and public consumption.

It has been attractively wrapped and boldly labeled as a bill to stabilize and strengthen the consumer's purchasing power. Yet all the testimony and evidence which I have seen on this subject prove quite the opposite. For in fact—in truth—every economic projection and indicator points to the conclusion that should S. 985 be enacted, it will mean increased costs of manufacturing and processing in the food industry which usually result in even higher food prices for the consumer.

If then we are to see the so-called truth-in-packaging bill become the law of the land, consistency alone would seem to require that the administration not turn it loose upon the country under any false or misleading label.

Mr. President, let us call it what it is—a bill with an inflationary time bomb—an inflation bill, pure and simple. And let us insist that the administration and congressional supporters of this legislation tell the American consumer the truth about the potential escalating effect of truth-in-packaging regulations on food prices.

The sponsors of this legislation have advertised this bill as one which would give the consumer an opportunity to compare products and prices in the supermarket. Very well then, let the supporters of truth in packaging give the Nation's consumers the same right to compare the purported benefits of this bill with the price they will have to pay for it. Is it a legislative bargain—or an inflationary boobytrap?

In short, let us tear off the deceptive wrapping and fill in the inflationary details on the truth-in-packaging label. Let the American consumer know the truth—and how truth in packaging will mean higher food prices and a shrinking purchasing dollar.

Nor is this loose conjecture of speculation. It is a projection made on the basis of economic facts spread plain upon the record, there for the administration's experts to read and digest

The warning signs are up. The amber caution light is blinking.

S. 985 means higher food prices.

Mr. President, S. 985 means inflation—and yet more inflation—in the marketplace.

What is misnomered truth in packaging is a legislative package with a high price tag for the Nation's consumers.

Why then, we may ask, does not the administration candidly and truthfully tell the food consuming public that if we are to have truth in packaging we are also going to pay more money for the groceries we buy?

Is not the consumer entitled to know the truth about truth in packaging? Let it be the consumer who decides, on the basis of the evidence, whether the nebulous claimed benefits of S. 985 are worth the certain increase in food prices which enactment of this bill will bring about.

Let the administration open the record then, so that the consumer can see and judge for herself what this law is going to mean in terms of increased production costs for food manufacturers and higher prices for food in the supermarket.

Let the American consumer herself—not the administration's statistical experts on consumerism—be the judge.

And indeed, should this inflation-producing bill labeled S. 985 be made into law, there may very well be a sharp judgment come November for all those would-be friends of the consumer who fail to consider the inevitable cost-price chain reaction that truth in packaging will set off.

Let the consumer—and those who would represent the true interests of the consumer—judge and reflect upon the estimate submitted by one leading food manufacturer that passage of S. 985 would necessitate the expenditure of approximately $11½ million in additional capital outlay and operating costs in order to conform to the eventual requirements of the new law.

This added outlay by itself—not taking into account other production expenses required by the need for new package standardization—would mean a 2½ percent increase in the cost of manufacturing the company's food product. And that is the estimated increase in costs at the factory only. It does not take into consideration the increased costs which will accrue in transporting food product from the factory to the wholesaler, to the jobber, and finally to the supermarket shelf.

What would these added costs mean to the consumer? Let the administration admit the truth of the matter.

Higher costs of manufacturing can only mean higher food prices.

There is no evading or avoiding this simple economic truth. There is no ignoring it, shunting it aside, covering it up under the all-encompassing euphemism of truth in packaging. To repeat:

Higher costs of manufacturing—costs made necessary by new truth in packaging regulations and requirements—can only lead to higher food prices for the American consumer.

Thus, another leading food manufacturer estimates that the change which would be required in packaging operations under the terms of S. 985 would mean added company manufacturing costs of at least $10 million for 11 popular items they manufacture.

And who will pay? The consumer will pay.

Again, a major soap manufacturer has submitted a realistic projection of a $10 million increase in cost of manufacturing, along with an estimated $2 million continuing expense to meet the new standards which would be set by S. 985.

And who will pay? The consumer will pay.

A cracker company estimates increased costs of manufacturing in the amount of approximately $3 million per oven for four varieties of its products.

And who will pay? The consumer will pay.

Mr. President, there are other examples—all in the record which truth-in-packaging proponents prefer to ignore—and all pointing inexorably toward ballooning costs of manufacturing for which, in the end, the consumer will pay.

Nor, as I have pointed out, are these seat-of-the-pants guesses. Rather, they are calculated economic projections made by those most familiar with and experienced in the workings of the American food market and its cost-price exigencies.

In the face of such testimony and evidence, what then is the administration's answer to the No. 1 problem facing the American consumer today—the problem of rising food prices?

If it is S. 985 and the higher food prices which this legislation will generate, then the Nation's consumers might well conclude that with friends like the administration's truth-in-packaging lobby, they do not need enemies. For what will it profit the American housewife if she is provided the administration's approved version of truth in packaging, to the tune of higher prices for the package itself?

The consumer, to repeat the President's March message to the Senate, has a right to a dollar of stable purchasing power.

Let me submit, therefore, that on the basis of the facts of the marketplace as they exist this summer of 1966, the administration could take no better action to promote this consumer right than to reassess its position on S. 985.

For if the administration insists on high-pressuring this legislation through Congress—and if it suceeds—the food purchasing power of the dollar may well shrivel near the danger point of an inflation such as the Nation has not known in two decades.

Truth in packaging, at this economic juncture, can only exacerbate an already serious inflationary trend. Let the administration therefore stop, look, and listen to what is going on in the Nation's marketplace, and above all, let it be candid in its dealings with the consumer. For the cost of doing otherwise—in terms of the national economy and the true interests of the American consumer—may well be disastrous.

Mr. President, at a later time I shall discuss in more detail from the testimony of the hearings the additional costs to manufacturers and the resulting increased prices to the consumer if S. 985 should become law. I will also discuss at that time the testimony in the record that it would cost the Commerce Department an estimated $20,000 per product standard if they were to adopt the procedures suggested in section 5, subsections (d), (e), (f), and (g).

With an estimated 8,000 products now on the retail store shelves with a proposed increase of some 20,000 in the future, it would run to a minimum of $150 million additional costs to the Commerce Department alone if they followed the procedures set forth in S. 985 for each product. This does not include, of course, the business expenses of the companies which will have to pursue the matter before the Government agencies, which business expenses are tax deductible and could cost the Government a minimum of $100 million in loss of taxes. Also, at a later time, I shall discuss the loss to the general economy, due to less innovated products as a result of the provisions in S. 985. This loss will come in the form of loss of wages, loss of taxes resulting therefrom. The President has repeatedly said that we must be alert that there will not be a sag in our economy. Economists have warned of certain dangers, and the passage of S. 985, as noted above, will add to those economic dangers. This is no time for the Federal Government to intrude into business management which has given us a fine system of production and distribution of packaged goods. I urge all Senators to vote to delete section 5 (d), (e), (f), and (g), as requested by Senator Norris Cotton's motion.

Mr. President, I yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the amendment offered by the Senator from Illinois [Mr. Dirksen].

The amendment was rejected.

AMENDMENTS NOS. 594 AND 595

Mr. DIRKSEN. Mr. President, since amendments Nos. 594 and 595 relate generally to the same subject matter, I ask that these two amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be stated.

The legislative clerk read as follows:

> On page 18, line 22, delete all of said lines 22 through 25 and lines 1 through and including page 19 line 10.
>
> On page 19, line 11, delete all of said lines 11 through and including 17.

Mr. **DIRKSEN**. Mr. President, I direct attention to the fact that section 5(c)(1) permits the Secretary of Health, Education, and Welfare, and the Federal Trade Commission to use wide discretionary powers in regulating the packaging of consumer products.

I shall read from the text of the bill.

> (1) establish and define standards for characterizing the size of a package enclosing any consumer commodity, which may be used to supplement the label statement of net quantity of contents of packages containing such commodity, but this paragraph shall not be construed as authorizing any limitation on the size, shape, weight, dimensions, or number of packages which may be used to enclose any commodity.

This permits those agencies to issue commodity-by-commodity regulations. If the appropriate agency determines that there is "significant variation" in the use of descriptive terms which identify size between competing products a new standard may be established. To quote the majority report:

> The authority could establish uniform standards for "small," "medium," and "large" packages in that commodity line.

Apparently, the authors of S. 985 feel that people are being misled by statements such as "family size," or "economy size." What unsettling doubts pervade the minds of housewives when they encounter a mammoth soap package described as "laundry size." Making these packages standard will not lighten her household chores, will not decrease the amount of dirty clothes she must wash, and most important of all, will not save her any money. She makes her choice on the basis of personal preference, need and perhaps, shelf space. Perhaps our next legislative effort will be to set standards for the makers to follow in providing adequate accommodations for the larger packages.

Let us look at the present law. Section 403(a) of the Food, Drug and Cosmetic Act reads as follows:

> A food shall be deemed to be misbranded if its labeling is false or misleading in any particular.

A similar provision covers the labeling of cosmetics and drugs. Section 5 of the Federal Trade Commission Act provides:

> Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are hereby declared unlawful.

As one witness before the Senate Commerce Committee commented:

> Present law does not authorize the Federal agencies to define the label terms that may be used to describe the quantity of the package, but if the terms which are used are misleading or deceptive the use can be prohibited under existing law.
>
> This provision in S. 985 would transfer the authority to designate descriptive terms to be used from the individual manufacturer to the governmental body. It would seem logical that industry should not be restricted to the point that they cannot designate names for their own packages, even though those names be completely legal and fair.

If a package of soap, for example, is marked "family size" and would provide sufficient volume to be adequate for the average 4 to 5 member family, the labeling would not seem to be at all misleading. If, however, the housewife with 12 or more children considers her family to be of average size no amount of labeling control would help her.

Therefore, Mr. President, I submit this amendment which would delete section 5(c)(1).

Mr. President, amendment No. 594 would eliminate from the proposed bill a section which when read together with other sections of the bill, would serve absolutely no purpose if its intent is as the authors state.

The particular section to which I refer is section 4(a)(1) which is found on page 16, lines 10, 11, and 12. This particular provision in S. 985 provides that in connection with section 6 of S. 985, regulations may be promulgated by either the Secretary of the Department of Health, Education, and Welfare or the Chairman of the Federal Trade Commission which would control certain aspects of the labeling of various commodities. It is aimed specifically at the placement of the identity of the commodity and the name and place of business of the manufacturer, packer, or distributor.

Perhaps it may be so naive as to read a portion of section 403 of the Food, Drug, and Cosmetic Act which is found in title 21 of the United States Code at section 343.

> SEC. 403. MISBRANDED FOOD.
>
> A food shall be deemed to be misbranded—
>
> a. If its labeling is false in any particular
>
> b. If it is offered for sale under the name of another food
>
> c. If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packager or distributor;

Does S. 985 have some hidden mystic which can improve on that? Is not the language perfectly clear? The Secretary of Health, Education, and Welfare certainly must have understood it. Located in title 21 of the Code of Federal Regulations, chapter I, subchapter A, part I, are the regulations which he has issued for the purpose of amplifying that law. Pertinent to the listing of the manufacturer, packer, or distributor is a portion of section 1.8:

> Food: Labeling; required statement; when exempt.
>
> a. Where a food is not manufactured by the person whose name appears on the label, the name shall be qualified by a phrase which reveals the connection such person has with such food, such as Manufactured for and Packed by ———, Distributed by ———, or other similar phrase which expresses the facts.
>
> b. The statement of the place of business shall include the street address, if any, of such place, unless such street address is shown in a current city directory or telephone directory.
>
> c. If a person manufactures, packs, or distributes food at a place other than his principal place of business, the label may state the principal place of business in lieu of the actual place where each package of such food was manufactured or packed or is to be distributed, if such statement is not misleading in any particular.
>
> d. The requirement that the label shall contain the name and place of business of the manufacturer, packer, or distributor shall not be considered to relieve any food from the requirement that its label shall not be misleading in any particular.

Unless there is some heretofore unexplained reason for its inclusion, I can see no justification for it. Only excess verbiage could result—with confusion its byproduct. I, therefore, submit this amendment to withdraw section 4(a)(1) from S. 985.

Existing law adequately covers this area. The manufacturer, packer, or distributor is presently required to identify the product. The label now must accurately represent the contents. It is considered to be misbranded if it provides a label which is a "false or misleading representation with respect to another food or a drug, device, or cosmetic" (F.D.C. Regs. pt. I, sec. 1.7(a)).

Furthermore, the present regulations issued by the Secretary of Health, Education, and Welfare provide that:

> The labeling of a food which contains two or more ingredients may be misleading by reason (among other reasons) of the designation of such food in such labeling by name which includes or suggests the name of one or more but not all such ingredients, even though the names of all such ingredients are stated elsewhere in the labeling. (F.R.C. Regs. pt. I, sec. 1.7(b)).

Why this should be considered insufficient is beyond me. I would therefore urge that this provision be deleted from S. 985 as reported.

Mr. President, consistent with their attack on the use of any descriptive terms used in packaging which may have different meanings to different people, the authors of S. 985 want to control the use of the word "serving." Section 5(c)(2) would allow for the issuance of regulations which would standardize the amount that could be called a serving:

> (2) establish and define the net quantity of any commodity (in terms of weight, measure, or count) which shall constitute a serving, if that commodity is distributed to retail purchasers in a package or with a label which bears a representation as to the number of servings provided by the net quantity of contents contained in that package or to which that label is affixed.

Supposedly our country's manufacturers and packers are either dishonest in such designations or they are incapable of determining just what amount of a given product would constitute a serving.

If they are unscrupulous and dishonest, how could they be stopped now? Section 403(a) of the Food, Drug, and Cosmetic Act states:

> A food shall be deemed to be misbranded if its labeling is false or misleading in any particular.

Section 5 of the Federal Trade Commission Act provides:

> Unfair methods of competition in commerce, are hereby declared unlawful.

Presently, neither one of these provisions authorizes the agencies to define serving sizes, but both could be used to prohibit false or deceptive label statements of the number of servings. But we hear that the manufacturers are not dishonest but merely so inconsistent within each commodity line that the housewife is confused.

And how do we eliminate such confusion? How do we standardize what may constitute a serving for a given product? Aaron S. Yohalem, senior vice president of Corn Products Co., gave before the Senate Commerce Committee this explanation of the serving determination:

> The best that can be done is to provide a guide for the consumer. Based on the experience of our home economists, we indicate a reasonable average serving or use. But we leave it to the housewife to decide what a "serving" is when her husband eats two 6-ounce bowls of soup, while her daughter eats only 3 ounces. She is used to making these "guesstimates"; she had to do the same thing when she bought the raw ingredients themselves.
>
> We do not believe we can regulate the size of "servings", and we do not think the government should try to either. It has to be an estimate based on consumer surveys and the results of the work in our test kitchens. The work we do must lead to the acceptability by the housewife. However, since the housewife is going to hold us responsible in any event, we believe we should have the right to use our best judgment, rather than being forced to use the estimate of the Federal Administrator.

Now, however, if we should pass S. 985, Federal agencies will be our test kitchens and administrators will be our home economists. And when enough housewives are dissatisfied with the "servings" listed on a company's products, the vice president in charge of marketing will lose his job while the Government "home economist" will rest serenely in his civil service easy chair.

Imagine the drama unfolding as the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the head of the Food and Drug Administration, and the Chairman of the Federal Trade Commission sit down to test the servings of spinach as prepared by the Special Assistant to the President for Consumer Affairs. When spiced with vinegar, the two Secretaries and the Food and Drug Administrator devour 6 or 7 ounces while the Chairman of the Federal Trade Commission only nibbles at 3 ounces and that only for the vitamin content. When covered with melted butter, the proportions consumed may be quite different—in keeping with attempted diets.

All of this, of course, will not be of any assistance to the housewife whose four subteenage boys have not yet become acquainted with the beneficial attributes of that fine vegetable.

Miss Dunham, a vice president of the General Foods Corp., in her testimony before the Senate Commerce Committee pointed out the futility in this type of Government regulation stems from the fact that "serving" indications on the label are not at all for price comparisons. She also indicated, quite appropriately, that not very humorous effects of such regulations may result:

Miss Dunham stated:

> We are opposed on both practical and empirical grounds to the provisions of the bill which attempts to standardize servings. Let me assure you that there can be no such thing as a standard serving. As a guide to the homemaker, we do indicate on many of our packages that she can expect a yield of so many portions of such-and-such a size—a half a cup or so many ounces.
>
> But the concept of what constitutes a serving varies so widely among families that any attempt to set a national standard would be, in our judgment, wholly impractical. There are light eaters and heavy eaters, teenagers with insatiable appetites, and older persons on diets. Physical laborers need large portions, and office workers don't. The suggestion that somebody can decide in Washington what constitutes a serving of each of the thousands of food products in the supermarket has an Orwellian quality.
>
> The inclusion of this in the bill, even as a discretionary provision clearly reflects a misunderstanding of the purpose of label information relating to number of servings or yield. Such information is not designed to provide the consumer with a basis for comparing prices at the time of purchase. Her basis for price comparison is provided rather by a combination of the net weight or net volume or yield plus her experience as to the difference in quality among various brands.
>
> Having made her decision on that basis, she then turns to the serving information, much as she would to a cook book, as an aid in preparing her meals. Government dictation of serving size thus would not only be a completely unnecessary and futile exercise; it would seek to attach to serving information a significance which it was never intended to have.

Because of the dangers and the confusion inherent in section 5(c)(2), I respectfully suggest that it be eliminated from the bill and offer an amendment for that purpose.

Mr. President, I ask for a vote on the amendments, and I yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc offered by the Senator from Illinois [Mr. DIRKSEN].

The amendments (Nos. 594 and 595) were rejected.

AMENDMENT NO. 598

Mr. HRUSKA. Mr. President, I call up amendment No. 598.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 20, line 21, delete all of said lines 21 through and including lines 1, 2, 3, 4, 5, 6, 7, 8, 9, of page 21.

Mr. HRUSKA. Mr. President, I yield myself 5 minutes.

Mr. President, the pending business is the consideration of S. 985, the Fair Packaging and Labeling Act. It has been announced that in due time a motion will be made to refer this bill to the Judiciary Committee for consideration of its antitrust aspects and implications.

Last week, I discussed some of the reasons which seem to me compelling and persuasive why such action would be sensible and essential in order to avoid future problems. This bill does have serious antitrust implications. In this regard, my remarks last week were addressed primarily to procedures for developing the so-called voluntary product standards. Members of an industry which participate in such procedures run the risk of violating existing antitrust laws by doing so. It is our legislative duty to clarify this aspect of the bill. This can best be done by referral to Judiciary.

The provisions relating to "voluntary product standards" are subsections (d), (e), (f), and (g) of section 5. Senator COTTON's amendment (No. 572) would have stricken these provisions, but was defeated yesterday.

My purpose today is to express my strong disapproval of these provisions and, accordingly, my reservations about S. 985 itself. There are many reasons why these controversial provisions are harmful in the extreme. They substitute bureaucratic authority for the forces of a free market. The consumer is a free market force. These odious provisions do not protect the interests of the consumer; on the contrary, they eliminate those interests.

In addition, testimony shows that increased manufacturing costs caused by the bill could be horrendous. Who will absorb these costs? The bureaucrat? No, it will be the consumer.

These and other reasons have been fully developed on this floor. It is my purpose now to cite several particulars which illustrate the confusion and harm that will be wrought by these provisions.

My points are two:

First. Regardless of any assurances by the bill's proponents to the contrary, once voluntary product standards are published, there is nothing in the bill that would prevent a promulgating authority, the Federal Trade Commission or the Secretary of Health, Education, and Welfare as is applicable, from immediately taking steps to make the standards mandatory, even though the standard is adhered to by the industry. Allow me to repeat; a voluntary product standard may be made mandatory even though it is being adhered to by the industry, as I read the bill.

Second. Despite assurances of its sponsors that this bill contains protections so that those industries which use returnable or reusable glass containers for beverages will not be required to redesign bottles and vending machines, I suggest to you that, under the bill, capacities and dimensions of reusable glass containers could be changed by a published voluntary product standard and by mandatory regulation.

My first point was that there is nothing in the bill to prevent a promulgating authority from taking steps to make a voluntary product standard mandatory, regardless of whether the industry is adhering to such standards.

The report of the Commerce Committee states at page 8:

> Where a voluntary product standard promulgated by the Secretary of Commerce is in effect but is not being complied with, the promulgating authority may initiate a proceeding for the establishment of a mandatory standard. However, such standard may not vary, in substance, from the voluntary standard.

I have searched the language of the bill itself for something which requires the promulgating authority to find that the standard "is not being complied with" before it promulgates regulations. The search was a futile one.

Section 5(d) provides that whenever the promulgating authority determines that the weights or qualities of a commodity are likely to impair the ability of consumers to make price comparisons, it shall, first, publish such determination in the Federal Register; and second, promulgate, subject to subsections (e), (f), and (g), regulations establishing weight or quantity standards.

Subsection (e) allows any producer affected by the published determination of comparison impairment to request the Secretary of Commerce to participate in the development of a voluntary product standard. Commerce notifies the promulgating authority of such request.

In essence, subsection 5(f)(1) provides that no regulation promulgated pursuant to 5(d)(2) may vary from any voluntary product standard published within 12 months from the filing of the request to participate in its development—or 18 months from the date of request under certain specified circumstances.

No mandatory regulation can be promulgated while the procedures for a voluntary product standard are being followed. But there is absolutely nothing in subsections (e) or (f) of section 5 which would prohibit the promulgating authority to initiate proceedings for a mandatory regulation immediately after the voluntary product standard was published. This can be done regardless of whether the industry is complying with the voluntary standard.

The proponents of this bill say one thing—but the bill, which obviously controls, does not so provide.

Subsection (g) likewise does not prevent this. It simply relates some factors which must be considered in promulgating regulations and does not include any reference to a necessary finding that the voluntary standard is being ignored by the industry.

What new definition is being given to the word "voluntary" by S. 985's proponents? This bill contains about as much voluntariness as it does authority to construct a unicorn.

There is no question of interpretation here that would send a court to legislative history. The four corners of the bill are perfectly clear and under the tenets of statutory construction that is where a court's inquiry stops. This bill, quite simply, under the guise of voluntariness, allows a promulgating authority to make voluntary standards mandatory, even though affected businessmen are following the standards to the letter.

The difference between a mandatory regulation and a voluntary standard needs no extended discussion. The affect on a businessman's ability and freedom to respond to market forces is obvious. This new version of S. 985 is no different from its predecessors which only provided for mandatory regulations.

It is easy to see what this means. A businessman may be attempting in all good faith to comply with a voluntary standard, but for one reason or another slips on one occasion. Under a voluntary standard, assuming he realizes the error, he can take steps to prevent a reoccurrence.

If the voluntary standard were made mandatory, which can be done immediately on publication as I have shown, he has violated the law. He can be made subject to a criminal prosecution. Section 7(a) of S. 985 states that any consumer commodity under the jurisdiction of the Federal Food, Drug, and Cosmetic Act which is placed in commerce in violation of a regulation issued under section 5(d)(2) is misbranded. The penalties of section 303 of the Food and Drug Act (21 U.S.C. 333) are applicable. This section provides in part that this is a misdemeanor and the guilty party "shall on conviction thereof be subject to imprisonment for not more than 1 year, or a fine of not more than $1,000, or both such imprisonment and fine."

How can anyone be in favor of such an unfair and harsh result? S. 985 allows it.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HRUSKA. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 additional minutes.

Mr. HRUSKA. Mr. President, the second point is that if this bill is supposed to protect certain industries from the requirement that returnable glass bottles and vending machines be redesigned, it fails. Under the bill, voluntary standards could be published and regulations could be promulgated changing the dimensions and capacities of such bottles.

The Commerce Committee report states at page 8 that section 5(f)(4):

> Provides that no weight or quantity standard established under the act shall have the effect of precluding the continued use of particular dimensions or capacities of returnable or reusable glass containers for beverages in use as of the effective date of the act. A large proportion of reusable bottles are designed for use in vending machines and the committee included this provision to assure the soft drink industry that nothing in the act could require the redesign of all vending machines.

The committee refers to the soft drink industry, and for purposes of example, so shall I. Does section 5(f)(4) protect that industry? It does not. That part of S. 985 reads, as is relevant, as follows:

> SEC. 5. * * *.
>
> (f) No regulation promulgated pursuant to subsection (d)(2) with respect to any consumer commodity may—
>
> * * * * *
>
> (4) preclude the continued use of particular dimensions or capacities of returnable or reusable glass containers for beverages in use as of the effective date of the Act.

The first thing that must be noted is that the protection of subparagraph (4) only refers to a "regulation." The Department of Commerce rules in paragraph 10.7 state:

> A standard published by the Department under these procedures is a voluntary standard and thus by itself has no mandatory or legally-binding effect. Any person may choose to use or not to use such a standard.

A published voluntary product standard is simply not a regulation. Thus, a voluntary standard could be established and published which changes the dimensions or capacities of glass bottles. The bill does not prevent it. Is this an unreasonable fear? I think not.

A standard review committee for development of voluntary product standards calls for "qualified representatives of producers, distributors, and consumers or users of the product * * * and any other appropriate general interest groups." This is paragraph 10.3 of the Commerce Department's procedures which also makes the Department responsible for the committee's organization. Section 5(e) of S. 985 calls for "adequate manufacturer, distributor, and consumer representation." The committee report at page 7 says that in selecting consumer representation, the Secretary of Commerce may utilize the "President's Committee on Consumer Interests and the Consumer Advisory Council, the Food and Drug Administration and the Federal Trade Commission, labor and consumer organizations, and also distinguished private citizens not affiliated with any affected industry."

Who is to say that as a mere part of this representation the soft drink industry, for example, will be able to make its views carry sufficient weight? Senators may ask: How could such an unreasonable standard ever be published in view of the great and grand safeguards of the Commerce Department's procedures and those of S. 985 itself?

The answer is that stranger things have happened. The answer is that there were no fear that dimensions of glass bottles could be changed pursuant to S. 985, why write in the protection in the first place?

I submit to the Senate that the proponents were concerned that reusable bottles could be affected by this legislation and that the concern was well placed. I fear this, too, among many other things, and I assure the Senate that my fears are not allayed by the present bill.

Earlier, I said that bottle dimensions of returnables could be changed not only by voluntary product standards but also by mandatory regulation. As has been shown, the only protection extends to regulations promulgated under S. 985, not to voluntary standards.

What about mandatory regulations? Under my reading of this bill, that too is possible. A court could very easily construe S. 985 to only protect bottles already on the market and could hold that regulations may require different dimensions or capacities in the future.

My reasoning is as follows: Assume that a voluntary product standard for the soft drink industry has been published which changes dimensions or capacities of returnable or reusable glass containers for the future. As has been demonstrated, this is not a farfetched assumption—there is a real danger of it occurring.

The promulgating authority, the Secretary of Health, Education, and Welfare in this case, since it is an article used for drink, could then initiate proceedings to make the standard mandatory. For purposes of my example, it makes no difference whether the Secretary does it immediately after the standard is published even though industry adheres to it, as the bill would allow, or after it is found that industry is not following the standard.

So, the voluntary standard has been published and the Secretary of Health, Education, and Welfare is promulgating regulations pursuant to section 5(d)(2). Section 5(f) states that "No regulation promulgated pursuant to subsection (d)(2) with respect to any consumer commodity may—" and then it lists certain restrictions.

The first restriction, subparagraph (f)(1), provides that no regulation may "vary from any voluntary product standard in effect." Therefore, the regulation must retain the provisions in the voluntary standard regarding changes in bottle dimensions or capacities. Otherwise it would vary from such standard and this is prohibited. Certainly this would be a substantial variance.

The fourth restriction, subparagraph (f)(4), states that no regulation may "preclude the continued use of particular dimensions or capacities of returnable or reusable glass containers for beverages in use as of the effective date of the act."

This could mean one of two things:

First. A regulation cannot preclude the continued use of dimension or capacities of bottles in use at the effective date, but it can preclude such continued use of dimensions for bottles not then in use; or

Second. A regulation cannot preclude the continued use of bottle dimensions or capacities in use at the effective date. Thus, the industry could never be prevented from continued manufacture and use of new bottles which followed the old dimensions.

If the second construction were deemed controlling, the promulgating authority would be on the horns of a dilemma. Subparagraph (f)(1) of section 5 requires the inclusion of the changed dimensions, whereas subparagraph (f)(4) would prevent this. How is this to be resolved?

It seems to me, that to avoid such inconsistency, a court could easily hold that the first construction is the proper one. Thus, bottles in use as of the date of the act could continue to be used, until not usable because of breakage, loss and the like, but new bottles would have to conform to the changed dimensions and capacities.

Apart from the fact that this construction avoids inconsistency, there is still another reason for this interpretation. That reason is based on the reading of subparagraph (f)(4) with another provision in S. 985 dealing with the same subject matter. I refer to paragraph (d) of section 6. That provides as follows:

> No regulation adopted under this Act shall preclude the continued use of returnable or reusable glass containers for beverages in inventory or with the trade as of the effective date of this Act.

That provision is perfectly clear. It has nothing to do with dimensions or capacities. It simply refers to bottles and provides that bottles in inventory or with the trade at the time of the act are protected. It says nothing which would prevent the change of dimensions for other bottles not in use at the effective date.

A court could find that internal consistency can be given the act by reading 5(f)(4) and 6(d) together, so as to authorize a regulation which includes the new dimensions or capacities set forth in a voluntary product standard which does not prohibit the continued use of bottles in use at the act's effective date.

My example was based on a voluntary product standard first making the changes. But the same reasoning applies when such a standard is not in effect and a regulation is promulgated demanding the change.

The effect of this regulation on vending machines is all too clear. You would have to use old machines to vend bottles in use or inventory, or lose this investment, and develop a new machine to handle the new size bottles.

I have discussed in detail only two of the unwholesome possibilities inherent in merely a part of S. 985, the misnamed "voluntary product standard" provisions.

I find it impossible to support this bill because of these provisions. If they were removed, the question would be a different one.

Mr. President, I yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment.

The amendment (No. 598) was rejected.

AMENDMENT NO. 596

Mr. DIRKSEN. Mr. President, I call up my amendment No. 596.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The legislative clerk read the amendment, as follows:

> On page 19, line 18, delete all of said lines 18 through and including line 25.

Mr. DIRKSEN. Mr. President, among the discretionary powers which S. 985 grants is the power to closely regulate the label representations that the product is being sold at a lower than ordinary price. I read:

> (3) regulate the placement upon any package containing any commodity, or upon any label affixed to such commodity, of any printed matter stating or representing by implication that such commodity is offered for retail sale at a price lower than the ordinary and customary retail sale price or that a retail price advantage is accorded to purchasers thereof by reason of the size of that package or the quantity of its contents; and

This would in effect severely restrict the manufacturer from printing a cents-off announcement on the package or the label. It also inhibits the use of such label designations as "economy size" or other phrases which indicated a lower price per unit cost to the purchaser.

Section 403(a) of the Food, Drug and Cosmetic Act presently provides:

> A food shall be deemed to be misbranded if its labeling is false or misleading in any particular.

Section 5 of the Federal Trade Commission Act states:

> Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are hereby declared unlawful.

The Department of Health, Education, and Welfare brought proceedings in 1962 against a manufacturer for falsely labeling a package as the "Giant Economy Size." They alleged that this was misbranded because the smaller sizes sold for a lower price per ounce. The defendant corporation entered into a consent decree and agreed to discontinue the use of such labeling.

The Federal Trade Commission has completed investigational hearings in the area of cents-off labeling in the coffee industry. An announcement is expected to be forthcoming from that agency in the near future. Presumably, any company which continues in a practice which runs counter to the expected guidelines will be subject to a complaint procedure brought under section 5 of the Federal Trade Commission.

Miss Dunham, a vice president of the General Food Corp., voiced her opposition to the prohibition:

> Legislation that prevents the manufacturer from attempting to bring about a lower retail price even for a short period can hardly be considered in the consumer's interest. As was brought out in earlier hearings, research shows that the vast majority of consumers favor cents-off promotions, and only a very small minority—less than 10 percent of those surveyed—feel that they should be prohibited as deception. Studies which we have conducted indicate that the great majority of retailers do indeed price our products so that the savings on the label are realized by consumers.
>
> We oppose prohibition of "cents-off" labeling not only because the practice is beneficial to consumers, but also because it is a legitimate marketing device which is very important to food manufacturers. The committee should realize that companies like ours compete, in many cases, with retail grocery organizations which pack their own products. The power to price rests with these retailers—our products as well as theirs. If the manufacturer who seeks to achieve price reductions on his product at the retail level is legally prevented from doing so, the result can hardly be advantageous for either the manufacturer or the consumer. This is especially true if no similar prohibition applies to the retailers who pack competing products. It may well be that intensive price competition sometimes confuses the consumer. But it is an irrefutable truth that price competition lowers prices, and lower prices are one of the things the consumer looks for in the marketplace.

Mr. Lee S. Bickmore, the president of the National Biscuit Co. expressed the same feeling in regard to this matter:

> Another provision of this bill would prohibit cents-off promotions by manufacturers.
>
> Again, as a salesman and businessman I feel strongly that the cents-off promotion is a legitimate and ethical selling tool. I say

this in spite of the fact that in my company we use this type of promotion only on a few minor items. I am opposed to outlawing its legitimate use merely because it may be abused by a few unethical manufacturers or retailers. The provisions of existing law provide ample authority for taking action against label statements as to retail-price savings which are found to be false or deceptive.

The question commonly asked by proponents of this legislation is cents off what? It seems to me that the answer to this question is cents off the regular price normally charged for the product by the retailer, and most packages say so clearly. The manufacturer who marks his package 5 cents off makes a corresponding reduction in the price of his product so that the retailer can sell it at a price that is 5 cents less than his regular price. The manufacturer's purpose is to get people to try his product in the hope that—once they have tried it—they will like it and continue to buy it.

Such promotions are relatively inexpensive for the manufacturer because the cost can be calculated in advance and the package on the shelf is easily perceived by the housewife. Small manufacturers thus can compete on the shelf with a sampling opportunity even though they might not be able to approach the advertising impact of their larger competitors. I think prohibition of cents off would hurt the small businessman much more than large corporations.

Testimony submitted to the Senate Antitrust and Monopoly Subcommittee by the Association of National Advertisers indicated conclusively that housewives like the cents-off promotion and prefer it to other types of offers of a similar nature. They take advantage of opportunities to try other brands at less than usual cost. The results of that survey are contained in the record of the previous hearings before the Judiciary Committee.

It has been indicated upon the very occasion of misuse of "cent-off" labeling, existing law has been adequate. To go to the extremes which S. 985 does would be to deprive the consumer of beneficial savings. I personally think that is going too far, and thus introduce this amendment to delete section 5(c) (3) from S. 985.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an extract from page 891 of the hearings.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

EXTRACT FROM PAGE 891, HEARINGS, PACKAGING AND LABELING

IRSTON BARNES, professor, Columbia University. I would, therefore, strongly recommend elimination of Subparagraph (4) from Paragraph (c). I think that the cents-off promotion has a legitimate place in contemporary competition. (a) It is an effective means by which the manufacturer, having made the consumer aware of his product, is able to induce the consumer to change her buying habits and try his product. (b) The alternative to the cents-off promotion as a device for inducing new consumers to experiment with a product is the use of couponing and door-to-door sampling, both of which are extremely expensive, one might almost say economically wasteful, and neither of which reaches the whole market in the way in which a cents-off promotion can reach all consumers who can be interested. (c) To prohibit cents-off promotions would be to impose a serious obstacle on the promotional activities of the smaller competitor, who frequently can afford this form of price competition, where he cannot afford either couponing, sampling, or extensive advertising on a basis which will give him a fighting chance against his larger and well established rivals. (d) Finally, I would urge that cents-off promotions are a form of genuine price competition, that they are used periodically as a special sale to increase turnover and volume, and that they are beneficial to the consumer, who is able to use the cents-off promotion to stock up on the products.

(e) The cents-off promotion may also be a means of sparking a permanent reduction in prices, particularly where the product is one with a relatively elastic demand. Through use of the cents-off promotion, a manufacturer may discover that he has a larger and more profitable market at a lower price than he has with his former higher price. This kind of probing of the market should be encouraged; it will not be encouraged by a prohibition of cents-off deals.

I am not deeply concerned about the possibilities of deception inherent in the use of cents-off promotions. Wherever this does become a problem, it can be dealt with effectively by the Federal Trade Commission employing the precedents created in its successful campaign against fictitious pricing in general. I see no need for a mandatory prohibition of this sort in Paragraph (c).

Mr. DIRKSEN. Mr. President, as reported by the Senate Commerce Committee, S. 985 contains a provision which relates to "cents off" appearing on the label of any commodity which falls under the bill. Section 5(c) (4) contains authority for either the Secretary of Health, Education, and Welfare or the Chairman of the Federal Trade Commission to issue regulations which may severely curtail or possibly eliminate the use of cents-off promotions printed on the label by the manufacturer.

When this bill was before the Senate Antitrust and Monopoly Subcommittee in the form of S. 387, this provision was not discretionary, but mandatory. Even though it is now discretionary this long-established practice is in danger. My individual views which accompanied the report of that subcommittee were directed at the mandatory provision, but are just as appropriate when directed at the discretionary provision contained in S. 985 as reported. It was there stated by me:

> Why the sponsors of this bill are so adamant in insisting on this provision is difficult to fathom. Their explanation that the manufacturers cannot assure that cents-off discount will be passed on to the consumer does not stand up in the face of the overwhelming testimony of the people who are in a position to know. The only inference that one can get from those who are opposed to permitting the present legal practice of cents-off promotions is that they do not have sufficient faith that the retailers of America will pass to the consumer the cents-off discount price. The evidence is overwhelmingly in favor of the trustworthiness of the retailers and I have faith in them. The evidence is emphatic that the consumer benefits under the cents-off promotion.

Quoted in those individual views was the testimony of Mr. Irston Barnes, professor of political economy, Graduate School of Business, Columbia University. His testimony was presented March 21, 1963, and appeared at page 385 in part I of the Antitrust and Monopoly Subcommittee hearings on S. 387. He stated as follows:

> I would, therefore, strongly recommend elimination of subparagraph (4) from paragraph (c). I think that the cents-off promotions has a legitimate place in contemporary competition. (a) It is an effective means by which the manufacturer, having made the consumer aware of his product, is able to induce the consumer to chance her buying habits and try his product. (b) The alternative to the cents-off promotion as a device for inducing new consumers to experiment with a product is the use of couponing and door-to-door sampling, both of which are extremely expensive, one might almost say economically wasteful, and neither of which reaches the whole market in the way in which a cents-off promotion can reach all consumers who can be interested. (c) To prohibit cents-off promotions would be to impose a serious obstacle on the promotional activities of the smaller competitor, who frequently can afford this form of price competition, where he cannot afford either couponing, sampling, or extensive advertising on a basis which will give him a fighting chance against his larger and well established rivals. (d) Finally, I would urge that cents-off promotions are a form of genuine price competition, that they are used periodically as a special sale to increase turnover and volume, and that they are beneficial to the consumer, who is able to use the cents-off promotion to stock up on the product. (e) The cents-off promotion may also be a means of sparking a permanent reduction in prices, particularly where the product is one with a relatively elastic demand. Through use of the cents-off promotion, a manufacturer may discover that he has a larger and more profitable market at a lower price than he has with his former higher price. This kind of probing of the market should be encouraged; it will not be encouraged by a prohibition of cents-off deals.
>
> I am not deeply concerned about the possibilities of deception inherent in the use of cents-off promotions. Wherever this does become a problem, it can be dealt with effectively by the Federal Trade Commission employing the precedents created in its successful campaign against fictitious pricing in general. I see no need for a mandatory prohibition of this sort in paragraph (c).

Also quoted in these individual views was Mr. E. Scott Pattison, secretary and manager of the Soap and Detergent Association. His testimony was given to the same subcommittee on April 24, 1963, and appeared at page 598 of part II of those printed hearings. He felt that present law adequately covered any false cents-off labeling. His remarks regarding this subject were as follows:

> Now, my third point has to do with cents-off labeling, which S. 387 would specifically restrict. In a previous statement before the committee, Mr. A. N. Halverstadt of the Procter & Gamble Co. testified to the effect that retailers do pass on to the consumer the cents-off reductions which the producer makes possible from time to time as one of his competitive tools. But more significant than a manufacturer's opinion, or certainly of my opinion, is that cents-off provision was opposed by a strong proponent of the present bill. Mention was made this morning of reading the testimony of Dr. Irston R. Barnes, economist of the Graduate School of Business of Columbia University.
>
> I am glad to say I did read Mr. Barnes' testimony, and he said in regard to this cents-off provision:
>
> "I would strongly recommend elimination of subparagraph (4) from paragraph (c). * * * I would urge," said Dr. Barnes, "that cents-off promotions are a form of genuine price competition * * * and that they are beneficial to the consumer."
>
> I will not repeat Dr. Barnes economic arguments in full—but would note that he

> feels any deception arising out of the improper use of cents-off promotions can be adequately met by existing laws against fictitious pricing.

The general counsel of the Association of National Advertisers, Mr. Gilbert Weil, appeared to testify against this provision in S. 387 on April 25, 1963. His testimony, which appears on page 647 of part II of the printed hearings, was as follows:

> This is so crucial to responsible deliberation upon the bill that I must take an additional moment to illustrate the pitfalls of personal impressions by one specific example. You have heard what must seem to you an overwhelming expression of consumer antipathy toward cents-off promotions; so much, in fact, that you may believe that consumers generally dislike them. But that's because relatively few of the people who are satisfied with something as it stands become vocal on the subject. It is normal that you, as legislators, should hear from people who want things changed more than from those who are content to leave them as they are.
>
> With that in mind, consider the report by Alfred Politz Research, Inc., which Mr. Greene has just presented to you. That survey made among principal women shoppers showed that of such women 61.7 percent like cents-off promotions best, and only 2.8 percent liked them the least. One-half of this 2.8 percent felt that way because they didn't believe the representation was true in whole or in part. You will see the point I am coming to.
>
> Given the fact that there are roughly 52 million principal women shoppers in the country, your subcommittee could have heard complaints that cents-off labels are phony from as many as 720,000 women and still have been within that small minority of 1.4 percent of the total population of principal women shoppers. I don't have any idea as to how many such complaints you may actually have, but I would be surprised if they came anywhere near 7,000, much less 700,000.
>
> Now, of course, even 720,000 women should not be left unhappy, if it is not necessary to do so. But it does not seem sound legislative policy to bow to their dissatisfactions at the expense of the 31,876,000 women shoppers (61.3 percent) who like cents-off promotions best of the special promotions (and who presumably do not find them phony); or to go counter to the views of the 33,176,000 women shoppers (63.8 percent) who believe that Congress should not pass a law prohibiting the cents-off promotion.

Equally disturbed by the inherent attack on "cents-off" promotions as contained in S. 387 was the vice president of Procter & Gamble Co., Mr. Albert Halverstadt. He stated his objection and a very interesting colloquy between Mr. Halverstadt and Senator HART resulted:

> The last mandatory regulation I would like to discuss is the one prohibiting manufacturers from using cents-off packages. The principal reason for this provision of the bill, as we understand it, is that when a manufacturer sells a price-off pack he, the manufacturer, has no absolute guarantee that the retailer will, in turn, pass that saving on to the consumer.
>
> On this point, we would like to be quite clear. We think this provision of S. 387 is harmful. We are convinced that the effect of this provision would be diametrically opposed to the interest of the consumer in that it would cost her more money. We would suggest that any action which increases their weekly grocery bills is certain to be unpopular with housewives.
>
> We believe that the reasoning used in support of this proposal is based on unwarranted fear or incomplete information.
>
> We readily admit that the manufacturer does not control the retail price of his product—except to the extent that fair trade legislation may allow for the setting of a minimum price. It is our experience that retail price control by the manufacturer is not necessary to insure the savings to the housewife that the cents-off promotion promises. The manufacturer merely reduces the price of this product to the retailer so that the retail merchant can pass the reduction on to his customers without sacrificing any of his normal unit profit. The key issue here seems to be whether retailers do, in fact, pass on the cents-off savings to their customers. We know from years of experience that the retail trade consistently passes on to the consumer the savings of our special promotion packs. If a retailer normally sells an item for 34 cents and a package is marked 5 cents off, the retailer almost universally drops his price to 29 cents.
>
> I have here advertisements for grocery stores which have appeared in newspapers all around the country in recent months. These have been selected at random from thousands of such ads which have featured one or more of our price-off offers. In every instance, these ads show that the retailer has reduced the price of the product by at least the amount of the cents-off reduction. In several instances, the retailer has elected to lower his retail price of the promoted product by more than the cents-off reduction in order to have an attractive traffic-building feature item in his store.
>
> These are a few examples (indicating). These are reductions greater than the amount specified on the price-off pack.
>
> Senator HART. They will be made a part of the file.
>
> (The documents referred to will be found in the files of the subcommittee.) * * *
>
> Mr. HALVERSTADT. Yes, sir. I would be pleased to have that.
>
> I might say in some cases where there is a 5-cents off marked on the pack, the retailer, for example, will reduce the price to an amount that is as much as 15 cents off the regular shelf price. The particular features that I mentioned in connection with this exhibit are marked in red pencil. The printed price and the 5 cents off or 3 cents off, whatever the amount is, that is mentioned and we have also penciled in what the retail shelf price normally would be on that item in the store through the check made at the same time.
>
> Senator HART. Thank you.
>
> Mr. HALVERSTADT. Here are reductions which are exactly the same amount as specified on the package.
>
> (The documents referred to will be found in the files of the subcommittee.)
>
> Senator HART. For clarity, is the first batch——
>
> Mr. HALVERSTADT. They are marked.
>
> Senator HART (continuing). Instances where the reduction was even greater than the other? Is that the reason you made the comment?
>
> Mr. HALVERSTADT. Yes.
>
> Senator HART. About the second batch?
>
> Mr. HALVERSTADT. We cannot believe that the money savings which result are anything but welcomed by the American housewife.
>
> The examples I have just given you are from our own experience. I think, however, that our experience is not unlike that of other grocery product manufacturers. We think it stands to reason that manufacturers would not incur the expense of such promotions if the money savings were not passed on to consumers.
>
> We recognize, of course, that there may be some instances where a manufacturer might put cents-off labels on virtually all of his products in order to imply a cost reduction which does not actually exist. We would readily agree that such a practice is deceptive and that it should be and can be stopped under existing laws.

Yet another quote from my individual views was a statement made by Mr. J. Arnold Anderson, vice president of Safeway Stores, Inc.:

> Misuse of cents off promotions: We do not condone misuses or abuses of cents off promotions. The raising of a regular price for the purpose of accommodating a cents-off deal is obviously a misrepresentation.
>
> We may interject that existing law is sufficient under FTC Act to punish offenders of misrepresentation in cents off.
>
> However, we recognize that certain cents-off promotions do tend to move products—very often to a greater extent than a special or regular price reduction of the same amount * * *.
>
> Generally, we are not favorably inclined toward cents-off promotions, but we are not overly concerned by them. We believe their widespread use at present is but a transitory phase of the more or less cyclical rise and fall of such promotional techniques, similar to the use of couponing so much in vogue some time ago. It is inherent in our competitive system that new merchandizing ideas arise from time to time, to continue until their benefits are exhausted and they are replaced by other devices—but with the consumer the ultimate arbiter of what are actual improvements in value.

Mr. Lloyd E. Skinner, president of the National Small Business Association and president of the Skinner Macaroni Co., Omaha, Nebr., stated during hearings held by the Antitrust and Monopoly Subcommittee at page 739, part 2, April 26, 1963, as follows:

> As an afterthought I added this, perhaps I should add that even though originally I was not going to say anything about the cents-off merchandising on packages, I believe on its face it is not a deceptive merchandising device. There are probably a few who keep a continuous cents-off package and a complaint by the distributor, I am talking about the chain or the independent retailer, to regulatory agencies concerned could certainly bring an end to this abuse by investigation and showing they never have established a previous price.
>
> Now, there was a reason for these cents-off packages coming into being, and I might just as well mention it.
>
> At times the manufacturer feels that if he can reduce the price, he can get Mrs. Consumer to try his quality and his product and see the way it is made.
>
> Now, naturally they gave a deal to the wholesalers and the jobbers. Generally, the chains cooperated but with some of the wholesalers and the—and I don't mean this against them—they didn't always pass this down to the independent retailer, and so the manufacturer went to the other device of preprinting it on the package, and then giving them the deal and, of course, this forced it all the way down to your retailer, you see.
>
> Senator HART. I am glad that you decided to say something about this because this is the first explanation of its kind we have had.
>
> Mr. SKINNER. Nobody wants to say anything about anybody else in their business and certainly not all the jobbers did this but when there are hundreds and thousands of items they look for an opportunity to make money and they may feel that maybe this time they don't have to pass this down, you see, and this is how cents-off promoting got started as a merchandising device.

Actually, I don't think there is anything wrong with it if it is not abused except as you have pointed out, I believe, in continuous use. If the distributor wants to report that to the regulatory authorities—he is the one who would know whether it was really a cents-off or not, because he has been selling it at a certain price. Some distributors probably don't always play fair, either.

Senator HART. There is always this problem of what would my relations be tomorrow if I talk today.

Mr. SKINNER. That is right. That is right.

Senator HART. Sir, thank you very much.

Mr. William R. Tincher, vice president and special assistant to the president, Purex Corp., Ltd., Lakewood, Calif., states as follows on page 729, part 2, April 26, 1963:

Another awesome inconsistency appears in S. 387. From what I read, supporters of this bill believe that any competition other than straight price competition is bad and wasteful and that all possible price advantages must be given to the consumer.

Yet this bill would outlaw packaging being used to reflect cents-off sales and other price-reduction techniques widely used by manufacturers today. Gentlemen, these techniques are price competition. These methods of the producer reaching the consumer directly with price reductions are to the consumer's benefit. If they are outlawed, the consumer is hurt. It is as simple as that.

And, if they are outlawed, the small and the potential new competitive entity will be hurt far worse than the larger producers—a result diametrically opposed to our antitrust philosophy, history, and practice. Existing laws prohibit, and correctly so, any other avenue a producer might utilize to guarantee the passage on of price reductions through the retailer to the consumer.

Paul S. Willis, president, Grocery Manufacturers of America, Inc., New York, N.Y., page 232, part 1 of the packaging and labeling hearings on March 19, 1963, stated:

While there may be instances where cents-off promotions could cause confusion, such instances, must be very isolated. We say that because this type of promotion is very popular with consumers everywhere as is evidenced by their continued purchases and expressed preferences. Cents-off promotions provide a quick way for manufacturers to offer their products to consumers at a reduced price.

The popularity of any promotion is measured by its consumer acceptance. Cents-off deals have proven their popularity, and the homemakers who like them are entitled to have them. Freedom of choice is basic to our free enterprise system and a great American privilege which must be preserved. Any attempt to outlaw legitimate promotions such as cents-off would surely meet with mass consumer resentment.

This industry, as you know, has enjoyed a fabulous growth. In the last 20 years it has grown $16 to $80 billion annually. Promotions which are very popular with American consumers, have contributed much to this growth.

Certainly we do not condone any misuse of promotions, and where it occurs corrective action should be taken.

Pursuing further this matter of cents-off promotions which some people apparently don't like, undoubtedly there are others who do not like premiums, or coupons, or prizes or deals. What is to stop them from asking Congress to outlaw those promotions? Where do we stop? Any prohibition of the use of legitimate and ethical promotions is contrary to our American system of free enterprise which has made possible our world famous high standard of living.

Mr. Willis continued on page 241:

Mr. Chairman, that often times people form a personal opinion based on something rather, but the controlling factor in this country is the mass consumers. Any time you go contrary to what the mass consumers like, you will be hurt.

In Connecticut not long ago, for some time there was a resentment by some members of the trade about the use of trading stamps. Somebody was influential enough to get a legislator to introduce a bill to outlaw trading stamps. When word spread about that effort, the women organized a mass meeting of protest and that was the end of that proposed bill. Similar action was taken in Tennessee and in Colorado.

Anytime anybody goes against why mass consumers desire and will buy, they are going to find an uprising. The same thing applies to cents-off deals. So long as they are popular with the consumer, the manufacturer will use them, and the retailers will handle them. These promotions come and go. Maybe the bloom will be off the cents-off deals and something else will come along, but they are a part of the family of promotional tools, and I am opposed to outlawing a promotional tool which is a part of our free enterprise system of doing business. If there are abuses, let's correct the abuses.

Mr. Harrison F. Dunning, president, Scott Paper Co., page 307–308, part 1 of the packaging and labeling hearings on March 20, 1963, testified as follows:

Senator RIBICOFF draws the conclusion that we take a position similar to that taken by this committee, and so we do with respect to one particular item: Cents off the label, but for quite different reasons. You will note that in our pledge to our customers that we will not indulge in that kind of activity on our regular established products, we did reserve the right to use such a merchandising procedure, following the initial introduction of a new product or when offering a vastly improved old product. We made this reservation because in such circumstances consumer sampling is a requisite to consumer knowledge of a product or product improvement and cents off the label is an effective instrument in encouraging shoppers to try a new or improved product at least once. She then makes her own judgment of its value for the purpose of future purchases.

But it is here that we have to take leave of Senator RIBICOFF's position, because we reached the conclusion that we would no longer indulge in cents off the label, coupons or unrelated premiums on our established product line for entirely different reasons than those which he imputes to us, and I would like to make this point crystal clear to this committee at this time.

The real reason why we disapprove of this kind of merchandising is not because we think the consumer is deceived by it, but because our experience and our research have convinced us that such merchandising tactics on an established brand do not lead to permanently increased sales but only alter temporarily the competitive division of the volume of business that already exists for that type of product.

With tremendous unused capacity in our industrial setup and with almost 5 million people back to work.

I can't help but say, despite our own disapproval of the cents-off the label technique, that eliminating this one practice by law is not the sound approach if you think a problem exists. It is here that we begin to find ourselves at odds with this bill, for if you are bent on this elimination, do you stop with that? Do you also eliminate contests with prizes? Why should a lot of people, in effect, pay for the prizes only a few receive? Do you eliminate the premiums? How does a customer know if she sends in two box tops and $1 that she is getting full value received: Do you eliminate the coupons? Do you know—and does the customer know—that an additional 2 cents or so has to be paid to the retailer for the processing of each coupon, a 2 cents that just has to ultimately find its way into the cost of the product? Do you eliminate stamps in 'retail grocery stores? These stamp plans can increase the overall cost of grocery store purchases by as much as 2 percent to 3 percent. How does a customer know that the premiums she gets for her stamps are worth the price she has paid for those stamps?

So you see, it isn't as simple as eliminating cents off the label, as your bill proposes. Even if you eliminated all these other merchandising promotions, which I don't think you should do, new ones you never even thought of would appear almost overnight.

When S. 985 was before the Senate Commerce Committee, various Government department heads submitted comments. Among them Secretary Freeman of the Department of Agriculture submitted a letter dated April 27, 1965. In this letter he stated:

The requirements of S. 985 are not materially different than the existing regulations under the Food, Drug and Cosmetic Act governing the labeling of food.

His letter also points out that his department currently is involved with the cents-off practices and it would appear that his letter is self explanatory:

There are two provisions of the bill which would constitute a significant difference from the Federal meat and poultry inspection acts and the regulations issued thereunder. These provisions, not present in the meat and poultry acts, are the mandatory prohibition of cents-off labeling by the manufacturer and the administrative authority to establish reasonable weights or measures by which a commodity shall be distributed for retail sale.

We have handled on a case-by-case basis the cents-off labels submitted for approval by manufacturers of meat and poultry products. Relatively few such labels have been submitted for approval. They have been approved when the manufacturer submitted satisfactory evidence that there was no change in the product formula and quality, and when the labels showed the base price to which the "cents off" would apply. Only temporary approval (6 months limitation) is given to a cents-off label. We are currently reviewing the matter to determine if further safeguards or limitations, within the scope of the meat and poultry inspection acts, should be adopted.

The Department of Justice also submitted its comments. At the time the cents-off provision was mandatory. While Justice's suggestion was merely to make the provision discretionary, the suggestion itself illustrates that Department's concern with the anticompetitive effects of such regulations:

Section 3(a)(5) would flatly prohibit cents-off labels. In our view such a prohibition is inadvisable for price competition is certainly a desirable factor in the market place. It is therefore suggested that this provision of the bill be deleted and in its place section 3(c) be amended to add a paragraph "(7)" authorizing the promulgation

> of regulations to deal with the "cents-off" question. In the exercise of such an authority, the Secretary of Health, Education, and Welfare or the Federal Trade Commission, as the case may be, could permit the use of such labels under circumstances which would assure against consumer deception and pursuant to appropriate safeguards.

We contend that the same dangers which Justice saw in a mandatory provision would be inherent in the discretionary provision:

Mr. Banzhaf, vice president of Armstrong Cork Co., appeared before the Commerce Committee on April 29, 1965, as a spokesman for the Chamber of Commerce of the United States. His exchange with the committee points out the popularity of cents-off promotions with the consumer:

> Mr. BANZHAF. Senator, I believe that there are many studies that show—good validated studies that show the consumers do think they are getting a bargain from a cents-off promotion, and it is very popular. I think that the previous testimony given on the predecessor bill has been quite well demonstrated, if you examine the testimony. I think Opinion Research Corp. has testified, or Alfred Politz, to that effect. There have been a number of studies that have been made, demonstrating that a great preponderance of the consuming public likes them and they believe they do represent a value.
>
> Senator NEUBERGER. It is getting to the point where they have no choice. It is awfully hard to go to a grocery store and find something that does not have cents off on it.
>
> Mr. BANZHAF. I think if you look very carefully you find that is not true.

Mr. Peter W. Allpont, of the Association of National Advertisers, submitted a letter dated April 29, 1965, to the Senate Commerce Committee, in which he referred to a survey conducted by Alfred Politz Research, Inc., as to the popular acceptance of cents-off promotion. In it he stated:

> The hearings on S. 387 showed clearly that there is no popular demand for additional legislation in the consumer area. The series of consumer conferences sponsored by the Federal Government and reported upon in detail by Mrs. Esther Peterson, special assistant to the President for consumer affairs, also showed clearly that consumers in general are well satisfied with the wide choice and the high quality of package goods which they purchase daily in the marketplace.
>
> One of the most valuable research efforts to determine consumer preferences is "Women Shoppers' Opinions of Special Offers", a survey conducted for ANA by Alfred Politz Research, Inc., in 1963. The techniques employed by the Politz organization in arriving at these results are the ones used by the Federal Government, including the Bureau of the Census, the Department of Interior, and the Internal Revenue Service, all of which have employed the Politz organization. The results of that survey showed that women shoppers overwhelmingly prefer cents off to any other type of promotion device.
>
> In response to questions, the replies were:
>
> | | Percent |
> |---|---|
> | Like cents-off sales 1st or 2d best | 80.3 |
> | Like coupons | 57.2 |
> | Like premiums | 42.3 |
> | Like contests | 6.6 |
> | Like cents-off sales 1st, 2d, or 3d best | 90.7 |
> | Like coupons | 84.9 |
> | Like premiums | 83.9 |
> | Like contests | 17.8 |
>
> Women shoppers were asked whether or not Congress should pass a law prohibiting cents-off promotions. Their opinions were:
>
> | | Percent |
> |---|---|
> | Think Congress should not pass such a law | 63.8 |
> | Think Congress should pass such a law | 8.9 |
> | No opinion | 27.1 |
> | Not reported | .2 |
>
> A copy of the survey together with the explanatory testimony of Mr. Jerome Green, of the Politz organization, is attached herewith. We have taken the liberty of sending copies of this survey to all members of the Commerce Committee in the hope that it might be of some value to them.
>
> Without belaboring the point, it must be clear that this study and the other studies undertaken by individual manufacturers, by magazines, and other associations overwhelmingly support our position that S. 985 would serve no useful purpose. On the contrary, there is voluminous testimony in the record that the bill will tend to increase rather than decrease the prices of many commonly produced consumer items. Earlier hearings brought out that rigid enforcement of the proposed regulations governing package sizes and shapes will require heavier investment and raise the prices of many items at the retail level. It would deny a careful and thrifty housewife the advantage of cents-off promotion, and as we have seen, this is the one type of promotion which such women shoppers prefer.
>
> To summarize, the ANA believes that S. 985, despite the evident good intentions of its sponsors, would be an unnecessary law since there is little if any evidence of the widespread abuses which it proposes to check, and where there are such abuses, Federal and State laws are already broad enough to deal with them. The proposed law would be costly to the consumer, costly to the producer, and costly to the Federal Government.
>
> For these reasons we respectfully request that the Senate Commerce Committee withhold its approval of the proposed legislation.

In concluding his views on cents-off promotions and viewing the drastic effect S. 387 would have had, I stated:

> Many others gave excellent reasons why the cents off promotion is definitely an advantage to the consumer in getting a price discount. The record reveals that any consumer who is purchasing a cents-off product can easily determine if the product is really being sold at a discount price. Most retail stores have a price tag of the original price plus the discount price, and further the consumer can compare two competing products, both selling originally at the same price, with one carrying the cents off showing the discount price, and the other without a cents off showing its regular price.
>
> But more important to us is the fact, and it has been stated many times, that any retailer who attempts to cheat the consumer on a cents off promotion will be caught in the act by the consumer who averages two trips to the marketplace per week.

While S. 985 has changed the provision from a mandatory one to discretionary the same dangers appear. The effect on the consumer would be the same—a loss of a legitimate promotional activity which saves the housewife money.

To summarize, Mr. President, here again are restrictions upon innovation, upon merchandising methods, which, in my judgment, are entirely uncalled for and will only add to the burdens of industry, and certainly develop no special benefit for the consumer.

Mr. President, I yield back the remainder of my time, and ask for a vote.

Mr. MAGNUSON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the amendment of the Senator from Illinois [Mr. DIRKSEN].

The amendment (No. 596) was rejected.

Mr. DIRKSEN. Mr. President, I yield myself 4 minutes to make statements on two other amendments.

Mr. President, section 5(d) of the so-called truth-in-packaging bill (S. 985) is going to require that certain Government officials conduct a hearing to determine the "ability of consumers to make price per unit comparisons" in a given product line.

> (d) Whenever the promulgating authority determines, after a hearing conducted in compliance with section 7 of the Administrative Procedure Act, that the weights or quantities in which any consumer commodity is being distributed for retail sale are likely to impair the ability of consumers to make price per unit comparisons such authority shall—
>
> (1) publish such determination in the Federal Register; and
>
> (2) promulgate, subject to the provisions of subsections (e), (f), and (g), regulations effective to establish reasonable weights or quantities, and fractions or multiples thereof, in which any such consumer commodity shall be distributed for retail sale.

Subsection 5(d)(2) provides for the issuance of standards and is amplified by succeeding subsections. Since I intend to introduce a separate amendment dealing with that subject I will not discuss that aspect here.

The task referred to in section 5(d) is at best a difficult one. American law in the future will have a new concept. "The mathematical capabilities of the average consumer." I do not take the position that price per unit comparisons are always easy, or even always calculable. My contention is that we can be in no position to say that manufacturers may not use a certain size container. Nor can we delegate authority to any agency which can determine that a manufacturer is selling his product in the wrong size container.

Stop and think about the nature of the hearings which are authorized by this section. Is the ability to compare in any way impaired? In other words, do some people find it difficult to make the computation? This is not a happy fact, but we can always find some people who would not be able to make the computation under any circumstances. Will they be invited to testify? Does the agency hear the otherwise intelligent person who has a mental block against mathematical computations? And for the others, are they entitled to use pencil and paper? And if not, why not? If saving money is so important, as it is for many of us, why not use a pencil and paper in the market? Is that too much to ask? After all, the housewife now uses a pushcart and her hands are free. She does not have to carry a bag or baskets as in the days of the "familiar, if not always friendly face."

How demanding are other aspects of our lives? Our income tax system is not simple. Of course, the wage earner is privileged to employ an attorney to be certain that he takes full advantage of his allowable deductions. But that costs him money which is in effect effort spent at his job to earn it. I can see no difference in expecting the housewife to carry a pencil and paper to market to determine where she can save some of her hard-earned money.

If there should be a determination that the comparison is too difficult, new regulations must be promulgated. These would standardize the packages and the manufacturers would, under the threat of penalty, have to comply. Because I deal with the effects on industry and the resulting increased price of goods to consumers with another amendment we can set that aside for a moment. But what would happen to the ease of unit price comparison after the new regulations are in force?

Suppose that new standards were set for a given product whereby the manufacturers were commanded to sell 12-, 14-, and 16-ounce packages. Then, because of our antiprice maintenance laws the retailer puts his own price on the competing products of two manufacturers. He sells three of producer A's 14-ounce packages for 29 cents and two of producer B's 16-ounce package for 23 cents. Which is the better buy?

Another very unsettling problem will arise when, under section 5(d), the Federal Government conducts these hearings. How will like products be matched, one against the other, if they are each designed to serve divergent tastes. A popular brand of coffee advertises that it can make excellent coffee while using only half the amount of coffee grounds. On what basis, and in accordance with whose tastes is the comparison made?

While this piece of legislation is supposedly a necessary effort of relief for our Nation's consumers, one can, with a little thought, see that it is no such thing.

I see absolutely no justification for authorizing a Federal agency to determine what constitutes too difficult a computation. We cannot authorize that agency to tell a producer that his price for a certain sized item is illegal purely on the ground that it results in an awkward mathematical computation. Or is it the other way? The size of the package is illegal because the common denominator for the price and weight is not a whole number. How preposterous. How absurd. How grotesque.

I propose that this section be deleted.

I ask that this amendment be printed in the RECORD.

There being no objection, the text of the amendment was ordered to be printed in the RECORD, as follows:

On page 18, line 1, delete all of said lines through and including line 6 on page 23, thus deleting section 5 entirely from said S. 985.

Mr. DIRKSEN. Mr. President, with reference to the second amendment, we firmly believe that a careful and unbiased analysis of the testimony presented during the course of the hearings on S. 985, dealing with packaging and labeling, would come to this unescapable conclusion:

First. That Congress is asked in this bill to give almost a blanket check to the Food and Drug Administration and the Federal Trade Commission to legislate its rules and regulations that would have the full force and effect of law in the packaging and labeling industry which would be detrimental to the manufacturers and to the consumers and would not be in the best interest of the public.

Second. That Members of Congress are becoming more and more concerned and are voting against specific measures because of this creeping system of Congress delegating to a Federal agency Congress's constitutional power to legislate.

Third. That if S. 985 were passed it would handcuff initiative, ingenuity, individualism in the packaging and labeling industry and would have a most disturbing and depressing effect on the ability of the small businessman to inovate new products and new methods of packaging and the distributing of those products. This would lead to less competition and perhaps fewer competitors rather than increasing competition, which is the intent of the antitrust laws.

Fourth. (a) The record is replete with testimony from competent witnesses, not from biased witnesses, that S. 985 is not needed; (b) no effective showing has been made that it is either needed or would aid the consumer; (c) that the bill is attempting to legislate against confusion without defining what confusion is; (d) that it is attempting to make the FDA an antitrust agency—this was opposed by Chairman Paul Rand Dixon, the Chairman of the Federal Trade Commission; (e) that both the mandatory and permissive of S. 985 would cause so many hardships to manufacturers that it would be the small manufacturer and the consumer who would have to pay in the long run, just to satisfy the complaint of a few that are confused at the retail store when they purchase packaged goods.

Fifth. Mr. President, when we consider legislation affecting agriculture, we place great weight on the testimony of the farmers and farm groups who would be affected by such legislation; when we consider legislation dealing with labor unions, we place great weight on testimony of the people—such as labor leaders—who would be affected by such legislation; and on the same basis, when we discuss legislation affecting the manufacturer or producer, we must place great weight on the manufacturer and producer who would be affected by said legislation. The industry representatives dealing with packaging and labeling are almost unanimous to vigorous opposition to S. 985. Even the representatives of the FTC and FDA, after testifying the successful cases in which they could proceed under existing law, added that they would like to have S. 985 enacted because it would give them the same legislative rulemaking power that was given to them in the Textile Labeling Act of 1958. The major difference is that in the Textile Labeling Act, Chairman MAGNUSON stated:

I believe everyone agreed to the fundamental objectives of the bill.

Whereas, in S. 985 there has been vigorous opposition to the objectives.

At the first day of hearings, the Senator from Nebraska [Mr. HRUSKA] and I made it clear by our statements and by our colloquy that the existing FDA and FTC laws, if vigorously enforced by the agencies, are competent to meet complaints that have been registered during the course of these hearings. The fact that an agency wants additional authority, which is understandable of a Federal agency, does not mean that Congress should give them that blanket authority. It may be noted that in recent legislation before the Senate, we have Senators from both sides of the aisle who vigorously opposed the slow but surely granting away to Federal agencies its constitutional power to legislate. If we are ever going to keep the constitutional separation of the legislative, executive, and judiciary from becoming inoperative, we have got to begin now before we have gone too far in the direction of abdication of our legislative power both in legislation and in the appropriation of funds.

I ask unanimous consent that supporting data and excerpts from the testimony of witnesses be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF ADVERTISING AGENCIES, INC.,
New York, N.Y., May 10, 1963.

HON. JAMES O. EASTLAND,
Chairman, Senate Judiciary Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR: The American Association of Advertising Agencies, whose 346 member advertising agencies place nearly three-fourths of all national advertising in the United States, wishes to go on record in opposition to some of the provisions of S. 387, Senator PHILIP HART's "Truth in Packaging" bill.

We have no quarrel with the bill's intent, nor with those of its provisions which would prohibit deceptive packaging and labeling and misleading merchandising practices, provided they do not prohibit practices in these areas which are neither deceptive nor misleading. These abuses do exist, and some sort of regulation may be needed both for the protection of the consumer and for the maintenance of fair competition. We are, however, opposed to those provisions which curtail and, in some instances, prohibit legitimate merchandising practices by all manufacturers in order to halt abuses by a few. Most of the provisions of S. 387 would penalize the honest manufacturer along with the dishonest.

This was not the original intent of the bill as described by its sponsor. Senator HART said the bill's aim was to prohibit unfair and deceptive packaging and labeling. This bill goes far beyond that aim.

Section (c)(4) of the bill would prohibit conventional merchandising practices like "cents off" promotions, 1c sales and "2-for-1" sales. Witnesses before the Subcommittee testified that some manufacturers have misused these sales promotion tools and that the results have been misleading or deceiving to consumers.

Valuable and legitimate merchandising practices which effect savings for the consumer and do not deceive or mislead her should not, in our opinion, be banned. This section of the bill, however, makes no distinction between misleading promotions and those which are not misleading in any respect. We believe that this provision should be rewritten so as to prohibit *only* those manufacturers' promotions which are found to be deceptive or misleading.

This Section and the provisions of Sections (e)(1) and (3) and (g) would make sampling and test marketing of new and innovated products difficult, if not impractical. Present security in marketing new products would be made much more vulnerable. As a result, the development of new products and innovations in existing products would be inhibited considerably.

A recent study reveals that only 8% of all new consumer products survive. The Hart bill could reduce the incidence of success to a point that would make product research and development unfeasible for many manufacturers.

We do not believe that this is what you and your colleagues mean when you say "consumer protection." We do not believe that the consumer wants or needs "protection" which would erase her savings on product purchases and impede the development of new products and new packaging innovations that make her life easier and more pleasant.

We are also opposed to the provisions in Section (e) of S. 387, which would put the right to draft additional regulations into the Federal Trade Commission and the Food and Drug Administration.

The language of this Section is sweeping. It permits the establishment of rigid controls on packaging and labeling practices, but it offers little or no specific direction to those who are charged with the responsibility of writing and enforcing regulations. For example, Section (e) says, in part, that whenever FTC or FDA determines that additional regulations are necessary "to make rational comparison with respect to price and other qualities, or to prevent the deception of consumers," they shall: (1) establish "reasonable weights or quantities"; (2) prevent sizes and shapes of packages which "may deceive"; (3) require "sufficient information"; (4) place information in a "prominent position."

These words offer little in the way of specific instruction, leaving to the whims of the promulgators the determination of precise definition of "reasonable," "sufficient," "prominent," and others. This is a dangerous precedent.

We believe that this Section and others should more accurately and specifically reflect the intent of Congress. The bill should in our opinion, precisely define the areas in which Congress wishes FTC and FDA to function. In its present form, it is a "blank check" made out to the two agencies.

Finally, we urge you and your Committee to reassess the packaging and labeling legislation and regulations already in effect. An examination of existing statutory provisions indicates that FTC and FDA now have ample power to control and eliminate the deceptive practices with which this bill is concerned. Most vigorous enforcement of existing laws and regulations should provide the protection proponents of Senator HART's bill are seeking.

To summarize, A.A.A.A. is opposed to those provisions of S. 387 which would:

(1) impede legitimate merchandising practices which do not mislead or deceive the consumer;

(2) increase product costs to consumers by prohibiting legitimate sales promotion practices;

(3) tend to inhibit the development of new products and product innovations;

(4) give FTC and FDA almost undefined and unlimited powers over product labeling and packaging; and

(5) unnecessarily duplicate regulations already in the statutes.

We therefore respectfully urge that your Committee amend S. 387 so as to remove the above-mentioned faults on—this being impractical—report unfavorably on the bill in its present form.

Sincerely,

JOHN CRICHTON,
President.

(cc: Members of the Senate Judiciary Committee.)

Brief of Statement of Milan D. Smith, Executive Vice President, National Canners Association, Washington, D.C.

From articles in the Ladies' Home Journal, "Little wonder, then, that the canning industry has been called the 'industry which legislates for itself'. Never does this industry forget that it is dealing with food—with food, the thing of such vast consequence to the little family circle of the American home. In a very real way it realizes its responsibility and in a very real way it faces its responsibility."

Mr. Smith briefly summarizes the National Canners Association—"the principal objections which combine to support our conviction that S. 387 with respect to canned foods is unnecessary, will not serve the best interest of the consumer, will threaten to disrupt programs developed over decades of sincere industry effort, and may well greatly retard further improvement and development of the products of our industry."

Beginning at page 63, Part 1, March 7, 1963, Mr. Smith states as follows:

"In the first place, there is no evidence that it is necessary in the case of canned foods to grant this vast new authority for expanded and rigidly detailed regulations. The voluntary canning industry programs outlined in detail in our testimony a year ago have provided an effective framework for the packaging and labeling of canned foods that places primary emphasis on informing consumers as to the nature and quantity of the product.

"Our second objection to the bill is that existing laws are adequate to control any abuses that may arise. To say that enforcement of these adequate, existing laws is handicapped by proceeding on a case by case basis is, we believe, unwarranted.

"In the case of foods, there is authority for the establishment of detailed standards of identity, standards of quality, and standards of fill of container. As we explained last year, there are a great many canned foods already standardized on the basis of proposals made by the canning industry.

"Such standardization is available in accordance with detailed procedures which permit prompt promulgation based on Government-industry agreement, and reasonable procedural safeguards for the resolution of any controversy.

"As to other areas of label control—such as the prohibition of any false or misleading label statement, the prohibition of deceptive containers, and the requirement of prominence in the label statement—the present law is pointed, adequate, and enforcible."

Mr. Smith then discusses, section by section, the bill showing where existing law is sufficient. He uses this quotation:

"Compulsory standardization would unnecessarily inhibit the competitive development of improved container sizes, shapes, and materials that provide significant consumer benefits and permit the rapid adjustment to changing trends in consumer tastes and preferences in various parts of the country. We cannot conceive of a compulsory standardization program that could on the one hand satisfactorily reconcile the complicated and interrelated factors bearing on container sizes and shape, and on the other hand permit the necessary degree of flexibility and change."

He also discusses the lack of procedural safeguards.

Commissioner Larrick's quotes on the canning industry, page 796, Part 3, March 20, 1962:

"Our very first regulation in this area provided that the required labeling information may lack that prominence and conspicuousness required by the law by reason, along with other reasons, of 'the failure of such word, statement, or information to appear on the part or panel of the label which is presented or displayed under customary conditions of purchase.'

"This, of course, is not a positive requirement for front-panel labeling, and we were met with the argument that there were other ways of achieving the objectives of the statute.

"About 20 years ago, for example, following meetings with representatives of the National Canners Association and label manufacturers, there was worked out a formula whereby, on a cylindrical can, the label could be made up in three parts; the main display panel and a rear panel using 40 percent each of the label space and an intermediate panel to be known as the consumer panel just to the right of the main display panel. This would take up 20 percent of the lable and would contain the net·weight, the name of the product, the list of ingredients, if required, and the name and place of business of the manufacturer, packager, or distributor.

"We have accepted labels which were made up following this formula but we have objected where the so-called consumer panel contained other wording if that served to minimize the conspicuousness of the required information.

"The canners association published a booklet for wide distribution to outline just what should be done to comply with the terms of the law, including those involving labeling. As a result, it is rare to encounter a canner's own label which does not meet the several requirements of the statute. Obviously, the formula which works so well for a cylindrical can would not be equally acceptable with packages of other shapes and probably would not work for most other types of packages. There is no reason why, if the facts justify however, other industries could not try to work out a way for the whole industry to meet the requirement of conspicuousness."

Brief of Statement of D. Beryl Manischewitz, Chairman, the B. Manischewitz Co., Newark, N.J., and Chairman, Marketing Committee, National Association of Manufacturers

Beginning at page 553, Part 2, April 24, 1963, Mr. Manischewitz states as follows:

"These regulations would prescribe not only the nature, size, and location of the printed and pictorial matter appearing on labels, but go further to enable the regulation of package sizes, shapes, volumes and, ultimately, we believe, the nature of the product itself which manufacturers may offer to consumers.

"While some have been designated as mandatory upon the enforcing agencies, and others as permissive, the enabling power is present and our marketing people have no illusions as to the sweep of market controls intended under the bill. To give vitality to the act, the so-called permissive regulations must be used—for there is no other way in which the enforcing agencies can serve the purpose of the bill. * * *

"We feel it necessary to enter this point because we have noted flamboyant and inaccurate statements that when goods are offered in varying quantities, the unit price 'half the time' is the same regardless of package sizes.

"One witness has charged that producers faced with higher costs reduce the quantity rather than the prices of their products 'for the sole purpose of misleading the consumer.'

"Extreme statements of this type find their way into published reports and are themselves a deception. They not only damage consumer confidences in all our commercial institutions, but induce demand for Government controls which will prove, in our opinion, far more damaging to the consumer and to the economy than any abuses which may now exist.

"From a legal point of view, the bill offers the consumer no broader protection from false and misleading matter than that now supplied by both the Federal Trade Commission and the Food and Drug Administration, and is therefore a needless proliferation of Federal laws.

"It does, however, change the whole nature of our antitrust laws. We find it is not a law to prevent 'deception,' not at all, but to prevent alleged 'confusion' of shoppers in choosing from a variety of consumer goods.

"From an economic point of view, we believe that the proposed regulations in the long run will lessen competition, increase the cost of distribution and inhibit technological innovation and national growth.

"From the standpoint of efficient production and marketing, the manufacturer and marketer will find compliance with the bill not only prohibitive in cost, but in some cases, technically impracticable to apply.

"For the consumer, who has an interest in all these viewpoints, enactment of the proposals can be expected to reduce the number, variety, and quality of the goods he buys. It will tend to increase prices both immediately and in the long run.

"Laws like these, in fact, not only would fail to help the consumer make a wise choice of goods, but would act to regiment consumer choice. * * *

"While the power of the statutes of both the FTC and the FDA are clear as to false, misleading, and deceptive practices, we offer in further substantiation the concise and forthright testimony of the chief officers of those regulatory agencies.

"On March 28, 1962, Chairman Paul Rand Dixon of the FTC cited specific instances of his agency's experience in protecting the consuming public from false and deceptive packaging practices, and made this unequivocal statement:

" 'There can be no doubt that the Commission's general power under existing law would authorize it to issue such (cease and desist) orders when false or misleading packaging or labeling result in consumer deception.'

"More recently, the Commission Chairman has said he nevertheless welcomes the passage of this bill because at present 'the Commission must, based upon reliable, probative and substantial evidence, find that the practice is likely to deceive the public.'

"Under this bill, no such evidence is required. We submit that, to the contrary, Government agencies should not be empowered to hold a business practice wrong without being required to prove it so.

"As all know, the Federal Trade Commission Act broadly and fully empowers the Commission to prevent 'unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce.'

"Under this act, the FTC has successfully moved to prohibit an almost limitless range of commercial practices—from fraudulent warranties to television commercials. In these cases, some practices were subjected to court review and of these some were curbed, but under this bill, they would have received no review by the courts.

"On April 3, 1962, Commissioner George P. Larrick, of the Food and Drug Administration, testified: 'The Federal Food, Drug, and Cosmetic Act, enacted on June 25, 1938, is fundamentally a consumer measure. In addition to requiring that foods be clean, sound, and wholesome, it has provisions designed to inform the consumer about the food in the package and thus permit her to make intelligent selections at the marketplace.'

"Commissioner Larrick further spelled out the more specific requirements of the Food and Drug Act as to identity, quality, and fill of containers; as to location of printing and graphic matter; as to deceptive packaging; as to legibility of the disclosures, and other requirements. We observe that while Commissioner Larrick has also endorsed this bill, he rests his testimony likewise upon the difficulty of proceeding in the courts on a case-by-case basis.

"Again we state our belief that the Congress should pause before delegating to administrative agencies not only more of its own powers, but the power to abrogate the rights of citizens to a fair trial based upon the law and the truth.

"The difficulty of case-by-case enforcement is not a justification for this new law. The fact that the Government has lost several cases distorts the true picture—since the record is clear and indicates that thousands of FDA complaints are settled by consent or without litigation at all. * * *

"In sum, with the adoption of this bill we can look forward to an era of confusion within both Government and business. The FDA not only will be sharing antitrust responsibilities with the FTC, but it will be administering a completely new antitrust concept based upon terminology which is also not only new, but indefinable. * * *

"This language would set up as a Clayton Act test, the phrase 'reasonable opportunity to make rational comparisons' to supplant that of a 'substantial lessening of competition' or a 'tendency to create a monopoly.'

"We believe it would be many years before the courts arrive at understandable interpretations of such new terminology.

"Finally, in certain other rules the basic standard of 'deception' is introduced, as in the case of (c)(6) relating to a pictorial matter, and also (e)(2) controlling sizes and shapes of containers themselves. We believe it significant that the most ardent proponents of this type of legislation, under questioning, sought to justify their views by falling back upon the key concept of 'deception'.

"It is difficult to understand why the test of 'deception' was introduced into some, but not all, of the sections of the bill.

"We believe the Congress also should consider the testimony of another major witness, Mr. J. Lyle Littlefield, chief of the Foods and Standards Division of the Michigan Department of Agriculture. Mr. Littlefield, with great experience in consumer protection, responded to questions concerning inadequate labeling of the contents of packaging, which is at the heart of this bill, as follows:

" 'Well, we have to rely on this term "conspicuously labeled" and this becomes a matter of opinion as to what is conspicuous. And maybe you can see it a foot away and maybe I can see it 2 feet away, and this becomes one of these decisions that finally has to be resolved in some court. And we have had one of these cases where one of the witnesses said, "Well, I cannot see this," and the judge said, "I cannot either." And in this case he said it was not conspicuous. But I think each case has to stand on its own merits.'

"Our statement has added the emphasis to this final conclusion of Mr. Littlefield because we agree also that in matters where the issue is deception, each case must stand on its own merits, as now required in existing law. * * *

"Even so, we find the issue of price competition versus nonprice competition a false economic issue. The critics of 'confusion' assume that 20 competing varieties, sizes, and shapes of a standard household product are all manufactured and displayed on a supermarket shelf to appeal to the individual customer.

"The fact is, our product and our package diversification are not designed to appeal to one 'typical' consumer. The purpose, as any marketer knows, is to appeal to 20 highly individualistic consumers, each with differing ideas of the values he wants. * * *

"Contrary to testimony regarding any exceptions before this committee, producers of volume packages are simply offering more goods at smaller unit prices to appeal to those who seek maximum savings. We do not understand how this can be considered in any light other than pure, hard, price competition. * * *

"If costs of production and distribution were excessive or growing because of wasteful packaging, unwise use of resources occasioned by irrational buying, or monopoly forces, it is not evidenced in the price-wage ratios of our national statistics. The fact is that—with increased quantity, quality, safety, convenience, esthetics, and other values we receive—we as a nation are spending less of our total wages on food than any people in history, and it is declining. * * *

"Controls inevitably bring more controls. During World War II, it was deemed desirable to impose price control. But price control could not work without corresponding control of wages, a major ingredient of price. And wage control could not work without production control and manpower control. In the end, we had forbidden the free movement of our citizens.

"Today, in a peacetime market, the Congress is being asked to place the force of the Federal Government behind a drive to promote net quantity over any other value of the package. It is idle to debate whether this sustained emphasis will not influence the character and composition of the contents themselves. * * *

"Thus, as in our wartime experience with price controls, we will have a pattern for control of the American market.

"You cannot control the label without controlling the package.

"You cannot control the package without controlling the quantity.

"You cannot control the quantity without controlling the composition of the contents.

"You cannot control the contents without controlling the allocation of the resources of our society, and limiting consumer choice.

"Lastly, we ask you to remember that the restrictive rules will be imposed upon small manufacturers as well as large. Large concerns have no monopoly on ingenuity, particularly in the merchandising field. In fact, our experience is that the small producer or marketer relies more heavily upon innovation than the large company for maintaining his market or entering a new one.

"In this situation we can think of nothing the Government could do which would lead more surely to the supremacy of leading manufacturers in national markets, and the disappearance of their smaller competitors. * * *

"We find this bill is not a truth-in-packaging bill. It is a compulsory standardization bill. It has been admitted that the bill is not directed at untruthful labeling. Standardized packages mean standardized products and standardized quality, and we believe no housewife wants that. Regimentation of the product is regimentation of the housewife. * * *

"As we have seen, the Federal Trade Commission and the Food and Drug Administration, in addition to programs for voluntary compliance, are fully empowered to outlaw any deceptive package. The FDA may even seize such packages to prevent their sale.

"These are not the only police powers of government. The Columbia Law Review has stated that in the Federal Government alone 21 agencies are involved in policing advertising. Nearly every municipality has its sealer of weights and measures. Every State has controls in this area, and 43 or more have adopted the famous 'printers' ink' statute of 1911 prohibiting deceptive statements. In every State, too, there are common law remedies against deceit, fraud, and breach of contract or warranty."

Brief of Statement of E. Scott Pattison, Secretary and Manager, the Soap & Detergent Association, New York City

Mr. Pattison at page 597, Part 2, April 24, 1963, states as follows:

"The first point that I would like to make is that the buyer of soap and detergent products is already fully protected from any significant economic loss from deceptive packaging or labeling:

"Now, the reason for this is that in every soap and detergent package there is one unfailing built-in protection against the economic cheat. That is, no producer can build a successful business on a one-time or first-time sale.

"Unlike the snake-oil man who comes into town and gets out, the soap manufacturer has to be back on the shelf talking to his customer again and again. Repeat business, the act of coming back for more, is the key on which products and their packages must justify themselves. A housewife may be spending $100 a year on such products, but does so in increments of 50 cents or so per unit. A product or package which fails to deliver goods value, however, conspicuously labeled as to weight, is headed for failure. Nothing can be gained by marketing a product which gets action at the store, but reaction at the sink. When the housewife says 'never again,' the producer has been disciplined by a force more potent than the FTC.

"When it comes to a truly rational comparison between competing products in the soap field, the housewife must be standing at the sink or washer, not in the store. A comparison between weight or volume of brand A detergent and brand X detergent is meaningless. The cleaning satisfaction per dollar is a highly individual thing, depending not only on product composition but on individual habits of use.

"I might point out here that our products are generally jointly used with other things. For example, you use a detergent product in a particular type of washer, with a particular water temperature, particular type of soil or clothes. * * *

"Now, my second point for particular emphasis is this: * * * the cleanliness value per dollar being delivered to the housewife today is greater than ever * * *.

"Third point has to do with 'cents-off' labeling and at that point he quotes Dr. Irston R. Barnes, Economist of the Graduate School of Business of Columbia University that 'cents-off' promotions are valid * * *.

"My fourth point, and I think one that should be of great concern to this committee is this:

"Many features of this bill will be particularly damaging to the smaller or newer producer who must depend on innovation in his product or package to get his business going—as compared to the mass production economies of a large, well-established competitor.

"Here, I would like to quote briefly from one of our members who was a small company until just a few years ago, and has now substantially enlarged his household soap and detergent business:

" 'Disallowing "price-off" labels or other price promotions, standardizing packages and packaging language, standardizing what constitutes a serving of a product, and standardizing other quantitative standards for products, would serve as a real deterrent to new entries into the competitive arena and to small concerns already struggling to achieve a foothold.

" 'The new firms and the small firms must, if they are to survive, innovate, offer improvements in package and/or product, and they must extensively promote their wares. This proposed legislation would practically emasculate such efforts as it would require the new and the small producer to standardize and this, in most instances, is the exact opposite of innovation and giving the customer something new, different, and exciting. Thus, the incentive for new and small concerns would be drastically reduced.'

"This is a statement from a company that over the past 7 or 8 years has gone exactly through this stage of development.

"Note, too, that Dr. Barnes, who was previously referred to, cites cents-off promotions as giving a smaller competitor 'a fighting chance against his larger and well established rivals.'

"My fifth and concluding point is simply this:

"It would appear that S. 367 is not motivated by any substantial evidence of consumer losses, or deprivation resulting from such losses, so far as cleanliness products are concerned. Rather, it is motivated by a theoretical economic philosophy that promotional competition—involving differentiated products, and a deliberate differentiation of products, and packages—is somehow 'impure' competition and disadvantageous to the buyer.

"Here we must come to grips with the faulty economic concept behind this bill. Back in the 1930's a Harvard economics professor theorized that standard, or virtually identical products, competing on a direct price-per-pound basis, would somehow be best for the customers' interest. This, in contrast to the kind of competition that operates through product differences, products improvements, and the promotion of these exclusive benefits to the users."

Brief of Statement of Thomas F. Baker, Executive Vice President and General Manager, American Bottlers of Carbonated Beverages, Washington, D.C.

Mr. Baker, beginning at page 604, Part 2, April 24, 1963, states as follows:

"The soft drink industry consists of approximately 4,300 independent businessmen who manufacture and package a food product. These enterprises are local in nature and small in size. They are to be found in some 1,800 communities across this country, and, as determined by the 1958 Census of Manufacturers, 75 percent of these plants employ 20 or fewer employees. Combined, they annually add more than $1½ billion in wholesale value to the U.S. economy. At retail, the value of their yearly volume is in excess of $2 billion. * * *

"* * * the first and most significant fact which must be considered is that the industry, our industry, employs a reusable container; that is, a container filled by the bottler and distributed through the retailer to the consumer, and then returned through the retailer to the manufacturer for refilling and reuse. The single trip, disposable container was unknown to soft drinks for both technical and cost considerations, generally speaking until 1954. * * * 95 percent of this industry's volume today still remains in a returnable, reusable container. There are many reasons for adherence to a uniform type of package in our industry, among which are product recognition, invested capital in manufacturing and material handling equipment, established distribution methods, and requirements of containing protecting, and displaying the product; but perhaps the primary reason can be found in the final cost of the finished product. * * *

"* * * At the present time, the soft-drink industry has an estimated stock of more than 28 million gross reusable bottles and cases in inventory, representing an investment in excess of a quarter of a billion dollars. * * *

"Section 3A(e) (1) of the proposed legislation, as now written, would empower a Government agency with the authority to wipe out a considerable segment of that investment, we believe, with a regulation establishing quantities not necessarily representing those container sizes in float.

"This industry does not claim to know the ideal quantity in a one-drink package, a multiple drink package, or a party size container. In fact, quite the contrary is apparent in that each manufacturer believes he has a better answer than does his competitor. But after generations of experience, hundreds of thousands of dollars invested in consumer studies and research, and with one-half billion dollars in capital equipment riding on our judgment, we do believe we know more about the collective consumer preference in soft drink sizes than any other source in being. A satisfying amount to be consumed from a vending machine by a truck driver is not the same as the amount desired by a housewife during afternoon cards. * * *

"Subsection (e) (2) is alarming in that it would seem to enable a Government agency to restrict package size, shape, and dimensional proportion if unspecified conditions of deception are present. We do not quarrel with the legislative intent of this section, but we are seriously concerned with the unbridled authority it would create. Whether a package may convey some element of deception, considering the requirements of containing the product, technical requirements of filling and handling, and despite the desirable and necessary properties of distinction, appeal, and attractiveness, is clearly difficult to determine. * * *

"Although we do not believe that section 3A(e) (3) would work serious injury at this time to the soft drink industry, we express concern over its provisions as it would attempt to establish a Government censor. We profess not to know the difference among 'giant size,' 'king size,' 'large size,' and 'super size.' We do not believe the Federal Government is any more qualified to designate how large 'large' is, or should be, or must be, than it is to categorically define a 'stately' home, a 'luxury' automobile, a 'fast' horse, or a 'beautiful' view. * * *

"Section 3A(c), requiring mandatory regulations, is undesirable almost in its entirety. Subparagraph 1 of that section ignores completely the question of how hundreds of millions of reusable packages in the industry are to be recalled and relabeled. * * *

"We confess not to know which is the front panel on many of this industry's products which are displayed under varied circumstances. If a bottle is offered to the consumer in an open-top cooler, the crown or bottle cap is generally the only surface exposed to the purchaser. * * *

"Subparagraph 2 contains the same basic doctrine of punishing the many for the convenience of catching the few. * * *

"Mr. Cohen. * * * In other words, its flexibility, the necessity of the administrator, first of all, to show necessity; second, the compulsory consultation, so that your technical problems are taken into consideration; third, the use of the Administrative Procedure Act provisions under the bill and as Senator Hart has indicated, the possibility of formal hearing procedures at least insofar as a few of these provisions are concerned? Don't you think this flexibility, these safeguards would pretty much take care of the expressions of concern that you express to this subcommittee?

"Mr. Baker. I do not really believe so, Mr. Cohen.

"I believe, first, you have got to show a need for the legislation, and I do not believe that has been demonstrated, in our industry's opinion.

"Certainly, if such legislation does, in fact, become the law of this land, then it must necessarily take into consideration the various relief, special cases that exist.

"I think it was Mr. Cohen with Food and Drug, who, during these hearings when commenting on the necessity for a hearing under these various areas, indicated that they would not, in their opinion, in every case, find it necessary to hold a hearing or review when developing a standard for a product or package. We believe a regulator views his job under any regulation as a requirement to regulate and in many cases despite qualifying remarks, criteria, or exemptions, his action would appear to go beyond the intent of the legislative requirement.

"Mr. Cohen. If the formal hearing procedures were to be written into the bill, at least insofar as (e)(1) and (e)(2) were concerned, would this help to assuage the concern you have over this bill?

"Mr. Baker. I believe the consumer is entitled to know that he is not going to be taken advantage of or deceived. I do not believe again, in all sincerity, that the need for the legislation has been established, and just by picking at various areas here and saying if we do that would it make it acceptable, I do not believe the bill itself is acceptable. So any language that you put in there I do not believe makes it any more acceptable. * * *

"Senator Hruska. Of course, however you dress it up, Mr. Baker, the provisions here with reference to consultation before regulations are put into the law, regardless of how you dress it up, it is still the Food and Drug Administration legislating, is it not?

"Mr. Baker. That is absolutely right.

"Senator Hruska. And it is a little bit hard for some people to understand why a legislative process in such a very important area involving so many things should be vested in a Bureau, the members of which, and the administrators of which, are not responsible to the people of the United States. They never have their names on ballots, do they?

"It is a chastening proposition to have a name on the ballot now and then. It amounts to saying to the electors, does it not, 'Boys and girls, how am I doing?' Sometimes they say, 'No, we don't think you are doing any good,' and we do not have this factor here.

"The langauge in the bill is that persons who would be affected should have reasonable opportunity 'for consultation.' It does not say hearing, does it? A hearing is different from consultation, is it not, Mr. Baker, in your opinion?

"Mr. Baker. This is what concerns us. We do not know what criteria will be set down.

"Senator Hruska. If you received a letter from the Administrator of Food and Drug, and he says, 'We are proposing to limit all bottle sizes to 6 ounces or 8 ounces and 16 ounces, please give me your views, or wait 5 days for an answer,' have you been consulted in that area?

"Mr. Baker. No.

"Senator Hruska. Certainly not to an effective degree, have you?

"Mr. Baker. We have not been consulted at all if the letter is the first evidence that they are even thinking of that.

"Senator Hruska. They ask you for your views.

"Mr. Baker. Oh, yes. No, we have not been consulted.

"Senator Hruska. I suppose that could be changed to hearing but the books are full of those things on administrative law and, of course, many of us know that far too often by the time the hearing stage is reached the thinking of the bureau or the agency or the administrator has become pretty well crystallized and it is very difficult to overturn.

"On page 2 of your statement you get into this matter of reusable containers. You say that there are great investments in capital, manufacturing, material, handling equipment, distribution methods and so on, and those would all be put in potential jeopardy by vesting in a bureau the idea that that can say, 'we want this kind of a package or that kind of a package.'

"Could you elaborate on that a little bit?

"Mr. Baker. Yes, sir.

"Senator Hruska. As to the things that are involved.

"Mr. Baker. The whole manufacturing, inventorying and distribution system in the carbonated beverage industry is tied into the container. The speed of your filling line is geared to the size of the package, the bottle, the length of time it takes go go through the washer, the number of washing compartments in your washer, is a gage as to how fast you can run your filling equipment, and how many people or what type of equipment you are going to have at the discharge and of the filling line; whether you have an automatic packer or whether you work from a scrambling table with employees or whether you employ materials-handling trucks, lift trucks, to take the palletized product and store it in the inventory area or if you take and load it directly on your trucks. The truck itself, the truck body, is designed for that type of container. Whether it is a number of decks or whether it takes a whole pallet at one time, all of this is geared to our package, and if you change the size, then you are going to affect our whole line and our entire manufacturing and distribution procedures and equipment.

"Senator Hruska. Of course, you would have to start in a factory that makes the bottle, wouldn't you??

"Mr. Baker. That is right. The factory that you buy the bottles from.

"Senator Hruska. They would have to change their molds, their machines, and a host of the things which are very expensive equipments and which somebody would have to pay for, I presume.

"Mr. Baker. We generally end up paying for those molds and those screens and things of that nature. They are part of the cost of the bottle.

"Senator Hruska. And, of course, even the size of iceboxes would be affected, wouldn't it, refrigerators?

"Mr. Baker. The vending machines, for example have pockets in them. The automatic dispensing devices that are triggered with your nickel or dime or quarter, they are designed for a certain size bottle within a limit. If you were to change this or decree that it will only be that size bottle, then conceivably you could place into jeopardy thousands of dollars in these vending machines that are sitting around at every type of conceivable location.

"Senator Hruska. A little bit later in your statement you refer to this idea of maybe there might be prohibited pictorial matter on your labels or on your bottles. You mean to suggest maybe we will no longer be favored with the label portraying the land of sky blue waters, for example? On the idea that there is no land involved or no sky, no blue water? Do you suppose that is conceivable?

"Mr. Baker. I think maybe you have in mind a competing product, but perhaps they might not be able to talk about the land of the sky blue waters.

"Senator Hruska. Of course, if that picture or that phrase would bring confusion into the minds of the customer, the man who makes that product might be pretty much on the defensive, might he not? It depends on who is construing the confusion. * * *

"Senator Hruska. Of course, in your own field, the pause that refreshes has some familiarity and maybe somebody might say, the way people drink Coca Cola, there isn't any pause, they just take it on the run. Therefore, we should not have the slogan 'The Pause Refreshes.' Would that make sense?

"Mr. Baker. No. Not at all.

"Senator Hruska. All right.

"Mr. Baker. Nor 'Twice as Much for a Nickel', too, that this industry originated."

Brief of Statement of R. Allan Hickman, Vice Chairman, All-Industry Packaging Advisory Committee, Dow Chemical Co., Midland, Mich.

Mr. Hickman at pages 136 and 137, Part 1, March 12, 1963, cites specific conclusions and notes five rules by Modern Packaging magazine, and makes the following comments:

"The All Industry Packaging Advisory Committee does feel that the bill as drafted could bind industry too tightly to fit the regulations, and it could lose the flexibility needed in order to best serve the consumer. We understand that this legislation may make possible regulations which would establish standards of weights, of quantity, and of size of package. This is a major concern."

On page 139 he refers to the study made by Good Housekeeping Magazine—by Howard Trumbull of National Family Opinion.

When standardization of sizes is economically justified, it will come about without legal dictation. When it isn't so justified it can only result in serious disruption of the marketing process. Rigid standardization of size and weight is not in the public interest.

"Because of differences in bulk and specific gravities of products sold for the same purpose, standardization of both weight and of package size is impossible to achieve without rescinding the slack fill prohibition and we believe this last provision is a key one which should be enforced within the practical limits created by products settling after filling."

He quoted Mr. Lee Bickmore of National Biscuit Company, as follows:

"You can have standardized size or you can have standardized weight—but you can't have both."

He quoted Miss Madeline Holland, Associate Food Editor of the Chicago Tribune, who said that housewives did not complain about deception, even though they did complain about other things. At page 144 he quoted Miss Holland, as follows:

"She walks down an aisle, making a decision from thousands of products, some of which were not there yesterday. When they reach her shelf at home, if they do not meet up with her mental conception of the quality that they are intended to have within the package, are not properly packaged, or labeled, this product will not stay on the supermarket shelf any length of time. In the end, despite any legislation, the housewife is the final arbiter.

"Shelf space is too expensive in today's supermarket. The profit and turnover is too low for any mislabeled or deceiving package that does not sell to last very long on supermarket shelves. We feel that existing laws are ample to take care of the situation providing funds are made available to the responsible departments within the Government to handle these."

The colloquy between Counsel Cohen and Mr. Hickman indicates a strong conflict as to what the bill, S. 387, will do. Mr. Hickman says:

"I am sure it is very possible that it could be reasonable. I think, however, Mr. Cohen, that one of the things that would be reasonable to me or reasonable to you, if you were running a detergent factory might not be reasonable to another person, because we are

> committed to machinery that makes a certain sized package, and, therefore, if my investment had to be doubled in order to meet what the industry said was not a reasonable size, I might think that that was very unreasonable."

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the text of this amendment be also printed in the RECORD.

There being no objection, the text of the amendment was ordered to be printed in the RECORD, as follows:

> On page 20, line 8, delete all of said lines 8 through and including line 20.

Mr. DIRKSEN. Mr. President, that brings us down to the end of the line. While we suffer defeat, we go down in glory, and I believe we have made a record which it will pay House Members to peruse when they come to consider the bill. I hope they will do so. I wish to make a few other comments, but before I do so, perhaps I ought to first make my motion, in order to be in order.

Mr. President, I move that the bill be referred to the Committee on the Judiciary for further consideration.

The PRESIDING OFFICER. The question is on agreeing to the motion to refer the bill to committee.

Mr. DIRKSEN. Mr. President, I wish to be heard on that motion.

Mr. President, Senator ROMAN L. HRUSKA and I have participated in the packaging and labeling hearings since June 28, 1961, when the investigative hearings on packaging and labeling were initiated by the Senate Antitrust and Monopoly Subcommittee under the acting chairmanship of Senator PHILIP A. HART. We have lived with this issue in the Antitrust and Monopoly Subcommittee and have been following it very, very closely when the subject matter was referred to the Senate Commerce Committee during the 89th Congress. It is apparent from the vote yesterday that extensive debate on this issue will not sway too many Members of this body. However, if there ever was a bill that has been mislabeled and misinterpreted and misunderstood, it is the pending bill, misnomered as the "truth-in-packaging" bill. Mr. President, I feel certain that thus far, considering the failure of the Senate last year to refer this bill to the Judiciary Committee for its antitrust aspects and the failure of the Senate yesterday to approve the Cotton amendment which would have deleted the standardization and regimentation provisions of the bill known as section 5 (d), (e), (f), (g), the Senate's action is an indication that not only do the Members of Congress have to be educated on both the apparent and hidden dangers of S. 985 but also the general public. I add the general public because rarely have I seen a bill that has had so much commotion without just cause from the administration and from several groups who have sponsored this bill but so little response from the public itself as to the need for such a bill that it has become apparent to me that the consumer public should be educated to the fact that this bill is going to cost the consumer in higher prices for the packaged products he buys at the marketplace. We have prepared several special memorandums on this subject alone which will be made a part of the record in the debate of this bill. We hope that the consumer public will read it very carefully because we cite documented statements to prove the point and not just cliches.

Mr. President, I would like to warn the Members of the Senate who still have an opportunity to vote to send this bill back to the Judiciary Committee and to the Members of the House of Representatives, who will have to tackle the intricacies and complexities resulting in great dangers to the consumers and the manufacturers, that this bill will come back to haunt the Members of Congress if it is passed into law. Let me give a precise example. In 1956 the Members of the House of Representatives had before it a bill which was entitled "Equality of Opportunity" type of bill and the Members of the House obtained the sufficient number of signatures to bypass the Rules Committee and bring it to immediate attention in the Chamber of the House and the Members of the House proceeded to vote 393 for the bill and only 3 against the bill. Luckily, time ran out in that particular Congress and a new bill had to be introduced the following year. When the Senate Antitrust and Monopoly Subcommittee began hearings on a similar bill in 1957, several Members of Congress who were among the 393, who voted for that bill, came before our subcommittee and begged us to defeat the bill because it was a bad bill; that they were hoodwinked as to its impact; and they did not realize the many hidden dangers in said bill. Mr. President, that bill never became law because the Members of the Senate and the House then realized that a good sounding name bill, in many instances, is a very dangerous bill for Congress to pass.

Briefly, Mr. President, we have prepared memorandums on the specific issues of the bill which we believe will help educate Members of the House of Representatives and the general public. They are as follows:

First. The cents-off promotion is a cash savings to the consumer.

Second. S. 985 will add hundreds of millions of dollars a year additional cost to the manufacturer which necessarily must be passed on to the consumer.

Third. A memorandum showing that the consumers have been misled that this is a consumers' bill whereas the consumer will have to pay higher prices.

Fourth. Memorandum showing that the Food and Drug Administration and the Federal Trade Commission by their own quotes have sufficient authority under existing law.

Fifth. That there are antitrust implications in the bill and that the bill should be referred to the Judiciary Committee and its Antitrust Subcommittee.

Sixth. Conflicting and hidden meanings and interpretations of the packaging bill.

Mr. President, there have been memorandums submitted in the RECORD in the past 2 days and some will be added today, dealing with the overall subject matter as to why S. 985 is bad for the consumer, bad for our economy, bad for the worker in the field of packaging and labeling, and bad for the manufacturer. Senator HRUSKA and I submitted our individual views starting at page 36 through page 103 in the report of the Antitrust Subcommittee on S. 387, the predecessor bill to S. 985. Also, many editorials, letters, and telegrams have been inserted into these reports which we hope will be fully digested by the Members of Congress and the general public.

Mr. President, some of us have tried today to warn the Congress and the public. At least, we have fulfilled our obligation in this matter.

I firmly believe that the bill should be referred to the Committee on the Judiciary, because with the powers and the authority incorporated in the bill, and the possibility of making various agreements, a rather consistent course ought to be plowed.

Early this year, when the President was seeking to enlarge the cooperative effort among banks and money lenders, in the hope of more effectively solving our balance-of-payments problems, he said, in his state of the Union message:

> I request the Congress to grant a statutory exemption from the antitrust laws to make possible the cooperation of American banks in support of our balance-of-payments objectives.

The same Subcommittee on Antitrust and Monopoly Legislation which has avoided S. 985 thus far, held hearings on the administration bill S. 1240 and H.R. 5280 with Chairman PHILIP HART presiding. Under Secretary of the Treasury, Joseph W. Barr, testified as follows:

> At the present time, the Federal Reserve guidelines are of quite a general type. The situation could arise, however, where more specific guidelines seem desirable and where some explicit agreement among banks to observe them also appears desirable. Such an agreement in the absence of the requested exemption would put the banks in jeopardy of violating the law.
>
> The banks and the other nonbank financial institutions have had considerable experience with the operation of the antitrust laws particularly in connection with mergers. They are quite sensitive to the risk of violating the law, even inadvertently. Therefore, their full cooperation in the voluntary program could be blunted in situations which they think might expose them to charges to antitrust violation.
>
> A foreign applicant for a loan facing a series of refusals from a number of banks in the same community might charge them with a violation of the antitrust laws. Banks naturally do not want to expend time and money in having to defend themselves against such suits. Hence, while their inclination might be to refuse the loan within the spirit of the voluntary cooperation program, they might hesitate to take such action if it might possibly be construed as the result of an interbank understanding.

Deputy Attorney General Ramsey Clark, also testified, stating:

> It was recognized by the President that, in the case of the financial community, something more than individual action might ultimately be necessary. Because of the factor of joint participation in large foreign loans, caution dictated the availability of authorization, on a standby basis in case of need, for a voluntary program of joint discussion and joint action by financial institu-

> tions to insure that the President's objectives will be carried out. Since such a program could have antitrust implications, the need for the antitrust exemption embodied in this bill is evident.

If President Johnson can urge and Congress enact a law to protect the banking and lending industry from possible antitrust prosecution and/or implications because of their participation in a voluntary program on balance of payments, certainly the U.S. Senate can show the same fairplay and protect all manufacturers—big and small—from possible antitrust violations for participating and cooperating in a voluntary program to meet the requirements of section 5 (d), (e), (f), and (g) of S. 985, by referring S. 985 to the Senate Antitrust Subcommittee for study and possible amendments to give them the necessary protection from antitrust violations.

Mr. President, one may ask for documentation of possible antitrust implication in the provisions of section 5 of S. 985. On page 11 of the Fair Packaging and Labeling Act report, May 25, 1966, Deputy Attorney General Ramsey Clark stated as follows:

> We note that section 3(c)(1) authorizes the promulgation of regulations to establish reasonable weights or quantities in which commodities shall be distributed for retail sale. *Since standardization could, in some instances, have an anti-competitive factor*, the provision appropriately confers a discretionary authority which, in its exercise, may take into account the impact of any such regulations on competition. (Emphasis ours).

However, Mr. President, we should refer this—antitrust—anticompetitive factor in standardization to the Senate Antitrust and Monopoly Subcommittee for full study and a possible exemption from the antitrust laws laws written into S. 985. As recognized by some antitrust cases participation and/or cooperation in an industrywide standardization of products could facilitate price uniformity, thus giving credence to an inference of price collusion in violation of the antitrust laws. In the case of *Milk and Ice Cream Can Institute* v. *FTC* at page 482 the Court said:

> Much is said by petitioners concerning their claim that milk and ice cream cans are a standardized product. From this it is argued that uniformity of price was a natural rather than an artificial result. An argument of this kind has some merit as to certain products, such as sugar, salt, oil, etc., where the product from its nature is standard. We doubt, however, if there is any merit in the contention that a can is in such a category. We think it is true that they were standardized in the instant situation, but this was the result of the activities of the Institute and its members. In fact, there was a continuing effort and urging on their part that the cans be manufactured in uniform classifications. It may be, as argued, that much of this effort was to comply with various governmental regulations and for health purposes, but the fact still remains that it was easier to reach the goal of uniform prices on a standard product than on one which was not. The meticulous effort disclosed by the record by which petitioners standardized their products is also a strong circumstance in support of the Commission's finding that their activities were the result of an agreement.

In *C-O-Two Fire Equipment Company* v. *U.S.* (197 Fed. 2d 489), page 493 the Court said:

> The standardization of product among the four defendant corporations named in the indictment is pointed to by appellee (The Department of Justice) as another plus factor in the chain of circumstances that points to the conspiracy alleged.
>
> * * * * *
>
> It is the contention of appellants that this standardization and substantial identity of product serves to explain the admitted price uniformity in the industry during the pertinent period. We think, however, that such standardization of product that is not naturally standardized facilitates the maintenance of price uniformity. See Milk and Ice Cream Can Institute v. Federal Trade Commission, 7 Cir., 152 F. 2d 478, 482. The appellants seek to rebut such conclusion and any inference of combined action that may arise therefrom with the testimony of their witness, Allen, that "we are required to meet standards set up by the Underwriters Laboratories in this respect, that we are required to put out certain sizes in order to obtain certain ratings. * * *.

The two above quotes, especially the one in the *Milk and Ice Cream Can Institute* v. *FTC* case, gives a clearer understanding of the possible danger of antitrust implications in voluntary programs to standardize products. During the investigative hearings the Chairman of the FTC, Paul Rand Dixon, had the following colloquy with Chairman HART:

> Senator HART. Does the Trade Practice Conference that you mentioned provide a means whereby this could be achieved without antitrust complications?
>
> Mr. DIXON. It does, unless we serve as a vehicle and become particeps criminus to a price-fixing arrangement, *and there is a danger in that*. [Emphasis ours.]

Thus, we believe that the Senate should refer S. 985 to the Subcommittee on Antitrust and Monopoly Legislation so that Chairman Paul Rand Dixon may appear and more fully explain the danger he referred to in the above quotation. Also, Deputy Attorney General Ramsey Clark should appear before the subcommittee as he did in the hearings on the balance-of-payments program and further explain the above referred to quote on standardization and on antitrust implications which may result therefrom and whether a specific exemption should be written into S. 985. This later point becomes more significant since in section 11 of S. 985 it is clearly stated that the bill does not repeal, invalidate, or supersede any Antitrust Act. We say that in order to be fair as we were in the balance-of-payments bill a specific exemption from the antitrust laws should be studied at this moment by the Senate Antitrust and Monopoly Subcommittee and report its findings to the Senate for appropriate action.

We ask support on the referral motion on a bipartisan basis, irrespective of the individual views of each Senator on the merits of the fair packaging bill.

Mr. President, last year during the debate on a motion to refer the packaging bill to the Judiciary Committee, the distinguished chairman of the Senate Antitrust and Monopoly Subcommittee, Mr. PHILIP HART, had this to say on February 4, 1965:

> It is conceivable that the Commerce Committee in its analysis of the bill and in its determination, would report a bill which should go to one or more of the antitrust laws. In that case, clearly it should go back to the Judiciary Committee.

On February 19, 1965, he stated:

> Mr. HART. Mr. President, several weeks ago, when the bill was introduced, and the question first developed, I indicated that I felt that at this juncture it would be inappropriate and indeed undesirable to direct the reference of this bill to any committee other than the Committee on Commerce. It may well be that in the form reported, if at all reported, by the Committee on Commerce, the bill could be referred to some other committee, including the Committee on the Judiciary.
>
> * * * * *
>
> The Committee on Commerce would not in any wise undertake to amend any of the antitrust laws. Clearly, the bill at the table is a subject for consideration of the Committee on Commerce. The worst that could be said for the precedent, I suggest, is that proposed packaging and labeling legislation, which everyone agrees should go to the Committee on Commerce, should also be referred to some other committee afterwards because it may have some secondary implications.

Mr. President, certainly S. 985 as reported by the Senate Commerce Committee has those secondary—primary as well—implications Senator HART referred to above. S. 985 has been amended in section 5 by the Commerce Committee to provide for a voluntary program of voluntary product standards. This amendment definitely has antitrust implications as noted in the earlier portion of this memorandum citing specifically the President's and the Attorney General's views that possible antitrust implications can result in the voluntary program on the balance of payments. That same principle can be applicable to a voluntary program on product standards. We reiterate that the Department of Justice and the Federal Trade Commission consider standardization and nonprice competition as factors relating to antitrust law violations.

Joseph E. Sheehy, Director of the Federal Trade Commission Bureau of Restraint of Trade, on December 11, 1964, stated:

> Standardization of product by industry action may "fit into a trade restraining pattern that brings it within the ambit of the law."

Mr. President, it would set a very bad precedent in the Senate if the Senators did not favorably vote to send S. 985, the Fair Packaging and Labeling Act, to the Subcommittee on Antitrust and Monopoly Legislation and its parent Committee on the Judiciary for a thorough ventilation of the many antitrust aspects of the so-called Fair Packaging and Labeling Act.

If there is one rule among our Senate rules that is sacred, that one rule is that a committee of the Senate should have an opportunity to study and debate major issues within its jurisdiction, and in this case, there is the issue of antitrust aspects.

It is known that in the past, attempts have been made to bypass the Judiciary Committee on certain civil rights proposals, but some of us in the Senate, even though we may have been in favor of the proposed legislation, debated and voted to send said civil rights bills to the Judiciary Committee so that the rules of the Senate would not become a shambles and a mockery in this respect. The request of those of us who believe that it is absolutely necessary in the protection of the public interest that the antitrust aspects of S. 985 be thoroughly examined by the Senate Antitrust and Monopoly Subcommittee is based upon many good reasons and upon established precedent in other legislative proposals in the past. It should be noted that under the rules of the Senate, the Judiciary Committee and its Antitrust and Monopoly Subcommittee is the appropriate forum to deliberate upon and report to the Senate on an issue which either affects specific antitrust laws or has antitrust aspects and implications attached thereto. It was on that premise that the Senate Antitrust and Monopoly Subcommittee on June 28, 1961, inaugurated its hearings on packaging and labeling practices. I quote from page 1 of said hearings, where Senator HART stated as follows:

> Today we are beginning hearings on packaging and labeling practices of food and household products as they affect consumers. The consumer has a right to be able to find out what he is buying, how much he is buying, what it is costing on a per unit basis.

Senator HART, in order to establish appropriate jurisdiction for the Senate Antitrust and Monopoly Subcommittee to look into this matter, stated as follows:

> This Subcommittee was authorized, as outlined in Senate Report 14, and I quote: "To examine, investigate, and make a complete study of the nature and extent of trade practices affecting consumers in a manner which tends or may tend to restrain competition * * * with particular reference to deceptive, misleading, fraudulent, or unfair practices in the production, processing, packaging, labeling, branding, advertising, statement of prices, and other conditions of sale, marketing, and furnishing of goods and services to consumers."

Senator HART continues:

> The importance of this subject matter is rooted in our free enterprise system itself. * * * In view of its effect on free competition, a trade practice may be unfair without being so intended. We are concerned with the impact of these practices on the consumer and, necessarily, on healthy competition in the marketplace.

Mr. President, throughout the course of these original hearings on the investigative end of packaging and labeling practices, they are innumerable references to antitrust aspects. Some of the leading antitrust lawyers of this Nation have testified during the course of these hearings as to those antitrust aspects and implications.

When Senator PHILIP HART introduced the first packaging and labeling bill, entitled "Truth in Packaging, S. 387" and again in his opening statements in the hearings on said bill, he stated as follows:

> What does this bill attempt to do? It is an effort to bring up to date the antitrust laws by recognizing the emergence of a relatively new form of nonprice competition, packaging, and labeling.

Again, in Senator HART's majority report on S. 387 from the subcommittee to the full committee among other things he stated:

> This bill (S. 387—now S. 985) then is in the tradition of the antitrust laws.

Further, he repeated:

> This bill would bring the antitrust laws up to date insofar as the nonprice form of competition represented by packaging and labeling is concerned.

Mr. President, these are the very words of the sponsor of both S. 985 and the predecessor bill, S. 387. Other than certain minor changes, as most witnesses testified to, S. 985 proports to do what S. 387 was intended to do in the area of packaging and labeling. Then would it not be reasonable that there is sufficient issue of antitrust law in S. 985, irrespective?

Mr. President, when the chairman, his counsel, and several of the proponents of the said packaging bill reiterated that nonprice competition is the heart of the packaging and labeling bill and that it has antitrust law characteristics, then would it not be reasonable that there is sufficient antitrust law issue in S. 985 to warrant jurisdiction for the Judiciary Committee and its Antitrust Subcommittee to deliberate and resolve the antitrust aspects of said bill?

Mr. President, it would be well to define nonprice competition at this point through quotations from the testimony of Dr. Irston Barnes, a Columbia University professor, formerly of the Antitrust Division and the Federal Trade Commission, and a leading exponent of the nonprice competition theory and the antitrust laws, where he stated beginning at page 370 of the printed hearings, "Packaging and Labeling," March 30, 1963, as follows:

> S. 387 (now S. 985) is directed to the correction of the competitive practices associated wtih the packaging of consumer products. Nonprice competition, with which the committee has been concerned, is a natural outcome of the development of supermarkets with an emphasis upon preselling. * * * Nonprice competition refers to all those forms of rivalry which are primarily concerned with diverting patronage from one seller to another without thereby increasing the advantages accruing to buyers * * *. A principle form of nonprice competition is product differentiation. Packaging is an important aspect of product differentiation and of nonprice competition. Packaging is essentially an extension of the advertising and promotional campaign. * * * The Federal Government's responsibility for maintaining the integrity of markets is more fully asserted with respect to the antitrust laws, which are directed to three purposes, all of which in some measure be furthered by the proposed truth-in-packaging bill.

Mr. President, according to Dr. Barnes, not one, not two, but three purposes of the antitrust laws will in some measure be furthered by the packaging and labeling bill. Whether Dr. Barnes' statement is challenged or not, the antitrust issue is there in the packaging bill which issue can only be resolved by the appropriate committee having jurisdiction over antitrust laws; namely, the Judiciary Committee.

During the hearings, the record was replete with statements by Chairman HART, his majority counsel, and certain witnesses that nonprice competition went to the very heart of S. 387. In Senator HART's opening statement on S. 387 he said at page 5:

> What does this bill attempt to do? It is an effort to bring up to date the antitrust laws by recognizing the emergence of a relatively new form of nonprice competition, packaging, and labeling. We do this by amending the Clayton Act to provide a procedure by which guides can be established to prevent such restraints.

The fact that the new packaging bill, S. 985, has dropped the Clayton Act as its forum does not change one iota the major premise of Senator HART's bill which, we repeat:

> Is an effort to bring up to date the antitrust laws by recognizing the emergence of a relatively new form of nonprice competition, packaging, and labeling.

Mr. President, when the chairman of the House Judiciary Subcommittee, Congressman CELLER, and Congressman GILBERT and MULTER reintroduced last year a similar packaging-and-labeling bill in the House, which bill was referred to the House Judiciary Committee, then would it not be reasonable that there is sufficient issue of antitrust law in S. 985 to require that the Senate also give jurisdiction to the Senate Judiciary Committee after the Senate Commerce Committee completes action on said bill?

Mr. President, it is not the reference to the Clayton Act that is controlling in the referral to committee, but the substance of the proposed law is most important in determining if antitrust matter is in the bill.

Mr. President, briefly I cite five additional references why Senate Judiciary Committee jurisdiction should be given.

First. Regulations promulgated by FDA and FTC under S. 985 fixing sizes and quantities of packages and product contents, on an industrywide basis, may raise problems of antitrust violation by industry members cooperating in such standardization. See speech by Joseph E. Sheehy, Director of FTC Bureau of Restraint of Trade, on "Pricing Problems," pages 7–8, December 11, 1964, standardization of product by industry action may "fit into a trade restraining pattern that brings it within the ambit of the law". Such antitrust conflicts are within the jurisdiction of the Judiciary Committee.

Second. The Department of Justice, in its report, recognized the anticompetitive effects of the standardization provisions in S. 985.

Third. S. 985's revised provisions in paragraph 4(b) as to hearing procedures under provisions of the Administrative Procedure Act for some but not all of the authorized regulations raises problems of administrative practice and interpretations of the Administrative Procedure

Act which would normally be supervised by the Judiciary Committee which originated and reported on the Administrative Procedure Act in 1945. Senate Report No. 752, 79th Congress, 1st session, 1945; House Report No. 1980, 79th Congress, 2d session, 1946.

Fourth. The enforcement provisions of S. 985 which could impose penalties on business firms violating a final order of the Federal Trade Commission, paragraph 5(c), see 15 U.S.C. 45(1), require affirmative enforcement action by local U.S. attorneys and the U.S. Department of Justice, which are under the jurisdiction of the Judiciary Committee.

Fifth. S. 985's provisions for product standardization entails an interplay among various executive departments and agencies, including the Department of Justice, the Food and Drug Administration of the Department of Health, Education, and Welfare, and the Federal Trade Commission which warrants consideration by all committees with proper jurisdiction, and in particular by the Judiciary Committee. In a comparable instance, questions as to the amenability of food processors and grocery chains having meatpacking operations to various FTC and antitrust provisions were resolved by a statutory amendment considered by the Judiciary Committee as well as the Agricultural Committee of the Senate in 1957 and 1958. See Senate Report 1564, 85th Congress, 2d session, April 22, 1958, joint report of Agriculture and Forestry and Judiciary Committees.

Mr. President, in view of the above citations and the memorandum submitted, is it not reasonable to conclude that there are sufficient issues of antitrust law and matters affecting the Judiciary Committee and its subcommittees to warrant Judiciary Committee jurisdiction over S. 985? Let the Senate vote for such jurisdiction.

Let us now cite several examples of bills that were considered by one Senate committee and then referred to another Senate committee for action and vote before being permitted to be debated and voted upon by the Senate.

First. The communications satellite bill was referred to the Senate Aeronautical and Space Sciences Committee which, upon completion of its action on said bill, referred it to the Senate Commerce Committee. The Senate Antitrust and Monoply Subcommittee, under the chairmanship of Estes Kefauver, requested permission to hold hearings on the antitrust aspects of the communications satellite bill which subcommittee held 9 days of hearings beginning March 20 through April 19, 1962, covering 757 pages of testimony and exhibits. Previous to that time the Subcommittee on Monopoly of Select Committee on Small Business of the U.S. Senate held 6 days of hearings from August 2 through the 11 of 1961 on space satellite communications covering 543 pages of testimony and exhibits. After this bill was reported to the Senate Calendar several Senators engaged in extended debate and at the end of which the Senate agreed to permit the Senate Foreign Relations Committee to study the communications satellite bill also. Thus, the Senate Space Committee, the Commerce Committee, Small Business Committee, Senate Antitrust and Monopoly Subcommittee, and finally the Senate Foreign Relations Committee—five separate and distinct Senate committees held hearings on the communications satellite bill. The communications satellite bill was an important bill. If five committees could hold hearings on that issue, certainly the Members of this august body who believe in extended debate and full deliberation can approve a referral of the packaging and labeling bill to the Senate Antitrust and Monopoly Subcommittee to study these serious antitrust implications noted above and hereafter referred to.

Second. In 1957 there was an amendment to the Meat Packers Act which would require that any chainstore that gained 25 percent interest in a meat packer firm would be subject to the jurisdiction of the FTC as well as the Agriculture Department. In the House of Representatives that bill was referred to the House Agriculture Committee, however, the Senate bill was referred to the Senate Antitrust and Monopoly Subcommittee because of the antitrust implications in the bill. After the Senate Antitrust and Monopoly Subcommittee completed its hearings and it was reported from the Senate Judiciary Committee, it was debated in the Senate. During the course of debate, Senators became aware that there was also a serious issue affecting jurisdiction of the Agriculture and Forestry Committee and the Senate voted that it should be referred to the Agriculture Committee for further hearings.

After the hearings in the Agriculture Committee were completed, the bill was further amended and returned to the Senate, which passed the bill. There are two significant points: First, the Senate recommended to the Agriculture Committee that hearings be held on that bill; second, the Agriculture Committee held those hearings and placed in the bill an amendment which the Committee felt was necessary because of its expert knowledge in this matter. The amendment was accepted by the Senate.

We feel that the Senate should refer the packaging and labeling to the Antitrust and Monopoly Subcommittee for its expert advice on the antitrust aspects of the packaging and labeling bill.

Third. In several Congresses there was a bill that would grant a moratorium in the approval of mergers among railroad companies by the Interstate Commerce Commission. The Committee on Commerce agreed with the Judiciary's Antitrust Subcommittee that both should conduct hearings and have jurisdiction over said bill.

Fourth. There have been several instances when the Commerce Committee asked the cooperation of the Judiciary Committee to hold concurrent jurisdiction over several bills that the Commerce Committee was very much interested in but also come within the jurisdiction of the Judiciary Committee beacuse of interstate compacts.

Fifth. There are many instances when a bill would be before one Senate committee and after hearings had been held and deliberations taken, it was decided to relinquish its jurisdiction to another Senate committee who would then proceed to hold hearings and take appropriate action on said bill.

The Senate has always been most cooperative in sharing with its committees jurisdiction over bills so that each committee could exercise its expert knowledge on the issues within the bill that would normally come before that committee. We say that the same courtesy should be given to the packaging and labeling bill. We who have lived with the packaging and labeling issue since June 28, 1961, until the present time know that it is a very bad bill for many, many reasons which, throughout the debate of this issue, will be brought home most forcefully. But in order that Senators may fully understand all of the very bad effects of the packaging and labeling bill, we believe that they must have the advantage of the expert knowledge of the Antitrust and Monopoly Subcommittee on the antitrust implication of the bill.

Mr. President, some of us have put our serious objections to the packaging and labeling in writing. For example, in a committee print of the Truth and Packaging Report of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, 88th Congress, 2d session, my individual views appear at pages 36 through page 85, and the individual views of ROMAN L. HRUSKA begin at 86 through page 103, making a total of 75 pages of arguments why the packaging and labeling bill is bad for the public, bad for consumers, bad for the workers, bad for the businessman, bad for the Government, and bad for the economy.

When we deal with the voluntary agreements that are authorized and made permissive under the terms of the bill, we come full tilt abreast of the antitrust statutes. For that reason, it occurs to me that the Committee on Judiciary should have a further look at this measure. So, on the motion to refer to the Judiciary Committee, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, I yield myself 1 minute.

Many points could be discussed in the Senate on the question of jurisdiction of the bill. But whenever the matter of jurisdiction of the Committee on Judiciary has been argued, the distinguished Senator from Nebraska [Mr. HRUSKA] has concentrated on the antitrust implications of the voluntary standardization procedures.

However, the bill now before the committee does not grant new authority for the development of voluntary standardization. The bill simply suspends FDA and Federal Trade Commission mandatory standard-setting authority for a 12- to 18-month period, to enable industry to take advantage of the voluntary standards procedures of the Department of Commerce authorized by an act of 1901, establishing the Bureau of Standards.

I believe this information clears up some of the discussion regarding the new antitrust implications of the voluntary standards procedures.

I also quote what the distinguished Senator from New Hampshire [Mr. COTTON] said yesterday:

> In the years that I have served in the Senate, and in the years that I have served in the Committee on Commerce, I have rarely if ever seen a more constructive, careful or workmanlike job done on a piece of legislation by a committee than has been accomplished by the Committee on Commerce on this measure. The bill was gone over carefully, section by section and item by item. It was discussed in a spirit of cooperation. It was improved immeasurably.

This statement has been confirmed by the statement of the distinguished Senator from Illinois [Mr. DIRKSEN] that the bill has received a great deal of attention over the years.

This is what the committee did in submitting the bill.

Mr. President, I yield back the remainder of my time.

Mr. HRUSKA. Mr. President, will the Senator from Illinois yield me 3 minutes?

Mr. DIRKSEN. I yield 5 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, this issue was discussed in detail in February 1965 when reference of the bill was made to the Committee on Commerce. For 3 years prior to that time, the bill had been before the Antitrust Subcommittee, for very obvious reasons.

At that time one of the justifications for the Antitrust Subcommittee's appropriation of over $400,000 was this: The subcommittee plans to continue to examine, investigate, and make a complete study of the nature and extent of trade and commercial practices affecting consumers in a manner which tends, or may tend, to restrain competition in interstate commerce and fraudulent or unfair practices in the production, processing, packaging, labeling, branding, advertising, statement of prices, and other conditions of sale, marketing, and furnishing goods and services to consumers.

For 3 years we labored with this bill, because inherently it involves antitrust features. The citations of cases on that point are legion.

Unquestionably, antitrust implications are inherent in the bill. We can best appreciate that by reading statements of the bill's proponents that packaging and labeling is an important form of nonprice competition. Standardization could be an anticompetitive factor. This is what the proponents of the bill have told us, and it does not matter whether we agree with the theory or not. The matter boils down to this: antitrust issues have been raised in connection with the legislation.

In February of 1965, Senator HART said that in that event the Commerce Committee reported "a bill which should go to one or more of the antitrust laws, clearly it should go back to the Committee on the Judiciary."

It seems to me that to take a completely reverse position on the matter, now that we have completed the commerce aspects of the bill, is incongruous and inconsistent. More important, however, the committee that has expertise in the field of violation of antitrust statutes is denied a crack at it.

Mr. President, I hold in my hand a statement containing portions of the testimony and the argument made in February 1965, on this subject, plus other material and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

We have a riddle. When is a Senate bill that has antitrust implications not a Senate bill that has antitrust implications for the purpose of determining Antitrust Subcommittee jurisdiction? We hope that the answer is never, but that is the issue here. We urge that the Senate refer S. 985 to the Senate Judiciary Committee and its Antitrust Subcommittee for action.

During the hearings before the Senate Antitrust Subcommittee this colloquy took place:

"Senator HART. Does the Trade Practice Conference that you mentioned provide a means whereby this could be achieved without antitrust complication?

"FTC Chairman DIXON. It does, unless we serve as a vehicle and become particeps criminus to a price-fixing arrangement, *and there is a danger in that.*" (Emphasis mine.)

Chairman Dixon did not fully explain the quote "and there is a danger in that." Certainly the Antitrust Subcommittee should now study this danger in view of the changes in S. 985 in executive session by the Commerce Committee. This is especially true in regard to Section 5, dealing with so-called voluntary programs, which has not been subject to public hearings.

This point becomes even more crucial when we recall the precautions voiced when President Johnson urged Congress to pass legislation providing for voluntary programs by banking and lending institutions to aid the "Balance of Payments" program.

The antitrust implications of such programs were stressed by the proponents. Senator DIRKSEN in his comments refers to the testimony given before the Senate Antitrust Subcommittee on the "Balance of Payments" bill and quotes the President's message, the statements of Under Secretary of Treasury Joseph W. Barr, and Deputy Attorney General Ramsey Clark. It would be pertinent to repeat Mr. Clark's statement:

"It was recognized by the President that, in the case of the financial community, something more than individual action might ultimately be necessary. Because of the factor of joint participation in large foreign loans, caution dictated the availability of authorization, on a standby basis in case of need, for a voluntary program of joint discussion and joint action by financial institutions to insure that the President's objectives will be carried out. Since such a program could have antitrust implications, the need for the antitrust exemption embodied in this bill is evident."

Deputy Attorney General Clark is also quoted in the report on the Fair Packaging Bill, S. 985, where he said:

"Since standardization could, in some instances, be an anticompetitive factor, the provisions appropriately confer a discretionary authority which, in its exercise, may take into account the impact of any such regulation on competition."

These authorities make my point: voluntary programs can have antitrust implications, standardization can be an anticompetitive factor. The committee charged with responsibility in this area—the Judiciary Committee through its Antitrust Subcommittee—should be allowed to examine these possibilities.

It was agreed in the arguments on February 18, 1965 on referral of S. 985 that if anticompetitive issues arose, the bill would be referred from the Commerce Committee to the Senate Antitrust Subcommittee for study of the antitrust implications. Mr. Clark's statement demonstrates that this condition precedent has occurred.

I quote Senator HART on this point from the CONGRESSIONAL RECORD, volume 111, part 3, page 3236:

"The worst that could be said for the precedent, I suggest, is that proposed packaging and labeling legislation, which everyone agrees should go to the Committee on Commerce, should also be referred to some other committee afterwards because it may have some secondary implications."

And earlier on February 4, 1965, when he introduced S. 985 he said:

"It is conceivable that the Commerce Committee in its analysis of the bill and in its determination, would report a bill which should go to one or more of the antitrust laws. In that case, *clearly it should go back to the Judiciary Committee.*" (Emphasis mine.)

I say that this is the case, and the bill clearly should go back to the Judiciary Committee and its Antitrust Subcommittee.

Some of us, who have lived with the Packaging and Labeling Bill since 1961, are aware of the bill's many antitrust aspects. The fact that S. 387, which was subject to hearings by the Senate Antitrust Subcommittee, was changed slightly in the drafting of S. 985 to the extent that its sponsors now refrain from calling it an antitrust bill and have ceased to urge it as an amendment to the Clayton Act, does not alter the conclusion that the bill still is essentially an antitrust measure.

Only by a close analysis of the contents of the proposed legislation can we determine what type of a measure it is and what committee or committees should have jurisdiction of it under our Rules and the precedents of the Senate.

In February, 1965, an extensive debate occurred in this body, with some Senators urging jurisdiction for the Senate Judiciary Committee and others urging jurisdiction for the Senate Commerce Committee. This debate occurred when the bill was just introduced and the Senators on the Commerce Committee were striving to uphold the prerogatives of their Committee and the Senators on the Judiciary Committee fought to uphold the prerogatives of the Senate Judiciary Committee. I might add that it was a bipartisan approach.

However, today the issue is different. The rules provide that more than one committee can claim jurisdiction. The Senate Commerce Committee has completed its action on the bill. Now the sole issue is whether the Senate Judiciary Committee and its Antitrust Subcommittee should have the right and the privilege, provided by the Senate Rules, to claim its jurisdiction over the Packaging Bill and take such action as deemed necessary and proper.

The arguments made by the members of the Senate Commerce Committee in February, 1965, that the Senate Commerce Committee was the proper committee, is no longer applicable because that issue has been settled. We reiterate that Senator HART's statements on February 19, 1965, demonstrate persuasively that the Judiciary Committee should now have jurisdiction.

"The worst that could be said for the precedent, I suggest, is that proposed packaging and labeling legislation, which everyone agrees should go to the Committee on Commerce, should also be referred to some other committee afterwards because it may have some secondary implications."

If Senator Hart now states that S. 985, with its many antitrust aspects, does not have primary or secondary implications to refer it to another committee, then I say that Senator Hart is precluding antitrust jurisdiction over a number of subject matters that he, as Chairman of the Antitrust Subcommittee, has urged for his Subcommittee. This includes primary jurisdiction for new matter and secondary jurisdiction for bills previously acted upon by other Senate committees or subcommittees.

How can my Antitrust Subcommittee Chairman contend that there is no secondary antitrust implications in S. 985 when the entire premise of the bill has been said to be based on a theory of nonprice competition? Senator Hart, in introducing the original Packaging and Labeling Bill said:

"What does this bill do? It is an effort to bring up to date the antitrust laws by recognizing the emergence of a relatively new form of nonprice competition—packaging and labeling."

Senator Hart, his staff and several proponents of S. 387 and S. 985 asserted that this nonprice competition is at the heart of the Packaging and Labeling Bill and further, that this gives it antitrust aspects.

In this regard, it is illuminating to examine the testimony of Dr. Irston Barnes, Columbia University professor and formerly of the staff of the Antitrust Division, Department of Justice and the Federal Trade Commission. Dr. Barnes, who appeared at the invitation of Senator Hart to discuss S. 387, defined nonprice competition in his testimony as follows:

"Packaging is an important aspect of product differentiation and of nonprice competition. Packaging is essentially an extension of the advertising and promotional campaign by which the manufacturer secures for his product a place on the shelves of the supermarket. Packaging affords an opoprtunity for the manufacturer to reinforce the product image which he has sought to create by his advertising. While packaging is necessary to contain the product, to protect its contents, and to implement the self-service character of the supermarket, the package is also, from the point of view of the manufacturer, his 'salesman' at the point of sale. His extensive expenditures for adevrtising and promotion will result in little benefit to him unless his product is so packaged that the consumer can readily identify it, preferably without being previously diverted to examine the offerings of his rivals. The manufacturer is thus necessarily alert to any opportunity to use packaging in such a way as to create a differential advantage for his product, and in seeking this differential advantage, he may engage in practices which lose sight of the requirements of the buyer seeking to make a rational choice among the multitude of competing products.

". . . If we seek to preserve a competitive economy, we must be prepared to have business rivals act as competitors. We must expect that they will compete with any means which are legitimate in terms of the mores of the market. Such competition can produce unwanted results, as it has in the form of false and misleading advertising and unfair methods of competition. It is not surprising that packaging has developed some dubious practices; indeed, it is surprising that there have not been more instances of deceptive packaging. A recognition of the origins and inherent nature of the problem, as developed in the hearings of the subcommittee, lays a firm foundation for corrective action."

"Packaging is an important aspect . . . of nonprice competition." "Standardization could . . . be an anticompetitive factor." ". . . New form of nonprice competition—packaging and labeling." Now this is what the proponents have said. This is what we have been told. It does not matter whether you agree with this theory or not. Quite simply it boils down to this: Antitrust issues have been raised in connection with this legislation. "In that case, clearly it should go back to the Judiciary Committee." The last sentence was Senator Hart speaking on February 4, 1965 when he objected to Senator Dirksen's unanimous consent that S. 985 be referred to the Judiciary Committee.

Yet we are once again faced with the argument that since commerce is involved, the Commerce Committee has exclusive jurisdiction.

If the argument used to sustain the initial reference to the Commerce Committee were to be further applied so as to deny jurisdiction to the Judiciary Committee, the Antitrust and Monopoly Subcommittee would have no jurisdiction whatsoever. To contend that because legislation involves commerce, the Commerce Committee should have jurisdiction to the exclusion of all other committees is a startling position. If this be the applicable principle under the precedents, the Antitrust Subcommittee has no function, for everything it handles deals with goods in commerce.

Throughout the years, the subcommittee has held extensive hearings on almost everything that moves in the stream of interstate commerce: steel, automobiles, bread, drugs, hearing aids, roofing materials, insurance and library books. This is only a partial list. But it proves the point. These subjects are inextricably conected with commerce.

Perhaps this reasoning which is advanced by some Senators should carry the day. Perhaps it might be wise to leave the Antitrust Subcommittee with nothing to do. Our budget is substantial. The federal government's demand for money is insatiable. Perhaps the appropriation for this subcommittee, an appropriation which amounts to half a million dollars, could be given a home elsewhere. The Committee on Commerce might make use of it in handling these subjects.

Like the packaging bills introduced in the 87th and 88th Congress, and like S. 985 itself as introduced in the 89th, the present bill is replete with antitrust ramifications and implications. Basically, the purposes of all these bills are the same. But whereas the earlier measures were considered, without objection or question, by the Antitrust Subcommittee, we are now told something is different. But there is still the granting of power to the Secretary of Health, Education, and Welfare and the Federal Trade Commission to promulgate regulations relating to certain policies which relate to price. There is still promulgating power in the hands of a federal agency concerning regulations governing packages.

We have noted testimony stressing that packaging practices are a form of competition. Who is to investigate and measure these statements that competition could be affected by this bill? And what about the effect of packaging regulations not on the maker of the packaged product but on the packaging industry itself? What is the effect of the bill on competition in that aspect of our economy? Whose duty is it to ascertain such effect? Is it the Commerce Committee or the Antitrust Subcommittee of Judiciary?

The Commerce Committee has performed its function. The Antitrust Subcommittee has not and it is sound legislative policy that it be given the opportunity to examine the antitrust issues that remain. It is my submission that these antitrust aspects are of primary significance.

The issue, of course, is whether the bill has been cleansed of its antitrust implications. This can be determined only by examining the substantive provisions in the measure. "The sponsors may call their bill anything they like, hang on it any label they please. However, this body is not interested in how a bill is described or where the codifiers may station it. This body is concerned with substance and what a bill will do if enacted." I said the foregoing on February 19 of last year and suggest that it is equally applicable today.

It strikes me as significant that much of what was said during the February debate on the original reference to Commerce, retains its relevance today. I quote further from a portion of my statement then:

"The referral of the packaging bill involves serious practical considerations. The Antitrust Subcommittee has labored nearly 4 years with this legislation. It literally has heard thousands of words of testimony. It has listened to carefully prepared and well reasoned arguments of experts from both business and Government. It has gained a knowledge of the contents and mechanics of the packaging bill that no one else in the Senate shares. It has considered the bill many times in executive session and painstakingly prepared a report which presents in detail the several points of view regarding the merits of this bill.

"Now the proponents of S. 985 ask the Senate to proceed de novo. They ask this body to strike off in an entirely new direction and to ignore and disregard all the expertise and experience that has been acquired. In short, they ask the Senate to be a party to a waste of knowledge, experience, time, energy, dedication, and diligence.

"It is contended that since the packaging bill relates to 'goods in interstate commerce,' the Commerce Committee logically has exclusive jurisdiction. Certainly that committee has a vital interest in many subjects involving commerce. However, I doubt that any of its members would seriously contend that the mere mention of the word commerce in a bill automatically vests their committee with plenary jurisdiction. Were this the case, the Antitrust Subcommittee would become a useless and unneeded arm of the Senate.

"Virtually all legislation coming before the Antitrust Subcommittee involves commerce in one way or another. In the past, this subcommittee has probed into many areas of the economy.

"This is not to imply that the Commerce Committee is totally without jurisdiction in these areas. The point is that the phrase 'interstate commerce' is not a magical expression. Indeed, standing alone, it is meaningless. A wise judgment regarding jurisdiction simply cannot be made without a precise understanding of the contents of a bill; how those contents will be put into action and by whom.

"As I have said, the language and history of S. 985 clearly reveal it to be an antitrust measure. The proponents already have acknowledged their bill is loaded with antitrust implications. Their view is shared by others, many of whom are antitrust experts.

"In a speech last December, Mr. Joseph Sheehy, Director of the Bureau of Restraint of Trade of the Federal Trade Commission made this pertinent comment regarding the relationship between product standardization as called for in the packaging bill, and the antitrust laws. He said that standardization of products by industry might 'fit into a trade restraining pattern that brings it within the ambit of the law.' In other words, the packaging bill would compel producers to adopt patterns of business that presently are probably outlawed by the antitrust statutes. Can anyone deny that a bill that actually requires conduct violative of the antitrust laws, is not pregnant with antitrust considerations and implications.

"Certainly, this body does not want to be a party to any act, such as denying the Judiciary Committee jurisdiction over this bill, that is grounded upon such specious and twisted and ironical reasoning that is the essence of the proponents' case.

"In sum, the jurisdictional claim of the Judiciary Committee in this matter is well founded. It rests upon sound logic and reason. It is supported by ample precedent.

"By any name, the bill at hand is an antitrust measure. It is the product of antitrust thinking by antitrust experts. It requires antitrust enforcement.

"The position that has been taken by the proponents of the packaging bill in seeking to deny the Judiciary Committee jurisdiction puts them at war with all their previous words and actions in this matter.

"As recently as January 15, Chairman HART of the Antitrust Subcommittee in his letter to Chairman EASTLAND of the Judiciary Committee justifying his appropriations request for the coming year said:

" 'The subcommittee plans to continue to examine, investigate, and make a complete study of the nature and extent of trade and commercial practices affecting the consumers in a manner which tends or may tend to restrain competition in interstate commerce and fraudulent, or unfair practices in the production, processing, packaging, labeling, branding, advertising, statement of prices, and other conditions of sale, marketing and furnishing goods and services to consumers.'

"If the chairman of the subcommittee is sincere in his plans to conduct these inquiries, he has placed himself in the curious position of claiming jurisdiction over packaging and labeling in one instance and denying it in another. Now is the time to determine which line of thinking is to prevail. Certainly, if the chairman of the subcommittee stands ready to quitclaim all right to matters involving commerce that fact should be known. If the Antitrust Subcommittee is getting out of the business of matters affecting the Nation's commerce, its budget demands certainly will be diminished.

"Mr. President, I urge that the Judiciary Committee not be denied its rightful claim of jurisdiction in the matter at hand."

There is a quite recent and very valuable study which strongly suggests that the role packaging plays in the competitive market place is very important. This impartial statistical survey was conducted by Arthur D. Little, Inc. and titled "The Role of Packaging in the U.S. Economy." It was prepared for the American Foundation for Management Research, a nonprofit affiliate of the American Management Association.

I ask unanimous consent to quote certain parts of this report. It is relevant to the voluntary product standards of section 5 of S. 985. The aim of the report was to present the importance of packaging in the U.S. economy. It states the following about packaging material sales volume:

"According to estimates by the Department of Commerce and the Bureau of the Census, the total volume of packaging materials shipped in 1963 amounted to $13.2 billion up 53 percent from the $8.7 billion estimated for 1954 and 23 percent over the $10.8 billion estimated for 1958 (see Table 2). The government figures reportedly included the operations of forty different 'industries' engaged in the manufacture of containers and packaging.

"Over the years, the relative market share for different types of packaging materials as reported in the government statistics has shifted only slightly; the primary change has been in the decline in importance of textile and wood containers in favor of plastics. The distribution of the Department of Commerce sales estimates is as follows:

[In percent]

Item	1954	1958	1963
Metal	25.2	25.4	24.4
Glass	7.3	7.8	7.4
Plastic	2.7	3.7	5.8
Paper and paperboard	51.4	52.3	52.3
Wood, textiles, and miscellaneous	13.4	10.8	10.1
Total	100.0	100.0	100.0

The slow change in relative market share is undoubtedly attributable to two factors: 1) the heavy dependence of packaging on food products, for which innovations in basic package forms are generally slow to be accepted, and 2) the very broad use of paper and paperboard packaging materials throughout all sectors of the economy. Thus, while intense competition between packaging materials has lead to a steady series of package innovations, the relative importance of the three primary packaging materials (metal, paper and glass) has actually changed very little during the period from 1954 through 1963.

The effect of the present legislation on such a large and competitive industry should be considered. In a chapter entitled "Packaging and the Economy," it is reported:

"Packaging directly affects economic growth in the following way: basically, a cost saving to the consumer from packaging increases his real disposable income and this additional income can then either be spent on other goods, services, and leisure, or saved. Indirectly, where packaging makes possible new products, or improvements in existing products, there is an increase in corporate investment which in turn creates further economic growth. As management becomes increasingly aware of how to incorporate packaging into the total corporate strategy, the impact of packaging on economic growth will be even greater than it has been.

"The highly competitive market for packaged consumer products has focused continued attention on the need for new products. Packaging is an inexpensive and easily distinguished way to achieve product differentiation. Therefore, packaging is one of the areas of competition and one of the tools used to secure entry of new firms or products. Packaging thus contributes to increased competitive vigor. These competitive pressures have given rise to many processing-packaging innovations that have reduced the costs of production, distribution and retailing, and, in the long run, have resulted in substantial savings to the consumer. The development of self-service merchandising has also made packaging a key factor in the corporate marketing program. Every package on the shelf must now compete, either directly or indirectly, with every other package. Very little help is provided by the store; the best that a manufacturer can hope for is that his product will be accorded a favorable shelf position. Therefore, the package is now the primary salesman at the point of purchase. One must pay for a salesman's services; so the manufacturer must pay for the merchandising capabilities of the package. Yet the cost to both the manufacturer and the consumer is justified if it brings with it the economies of mass production, distribution and communication.

"Packaging works to stimulate economic growth on both the demand and supply side of the growth equation:

"1) *On the demand side,* packaging provides a means for product differentiation, which, in turn, reduces the risk of market entry and enhances the sales effort with new products. In addition, packaging is a primary advertising media and as such acts to intensify the promotional efforts at the point of purchase and at the time of use. This in turn stimulates future demand for the same product.

"2) *On the supply side,* packaging reduces costs, and thus improves return on investment and enhances the environment for new investment. To the extent that these savings are reflected in lower retail prices, packaging is reducing the consumer's out-of-pocket costs, and thus allowing for shifts in spending patterns, which in turn lays the groundwork for new investment."

In a chapter called "Packaging and the Corporation," the point is made that "while there are many possible ways to define corporate success, from the standpoint of economic growth, it can best be defined as the developing and maintaining of a competitive edge." It is the examination and study of the methods utilized in obtaining such an "edge" that is the concern of the Antitrust Subcommittee, at least so we are told. I quote further from this chapter in response to any suggestion that voluntary procedures relating to packaging standardization may not have anticompetitive effects:

"In seeking out or defending a competitive advantage, a company has within its control only three strategic market variables—price, product, and promotion—subject to a wide range of possible combinations. Packaging is unique in that it is intimately associated with each of these strategic variables.

"*Price*—Packaging is an element in price because it is a key cost factor as well as a mechanism for offering the consumer a range of prices based on different package sizes. As an element of cost, packaging provides a product variable which can increase or reduce the final cost per unit of the item to the manufacturer. As a cost, its variance will affect the price of the product either through marginal cost pricing, target-rate-of-return pricing, or markup pricing.

"*Product*—Packaging is also an element of the product and therefore can functionally enhance the item or improve its subjective appeal. For example, it can provide convenience in use, improved quality maintenance, and/or esthetic appeal. The extent to which this is accomplished will affect the value of the product to the consumer.

"*Promotion*—Finally, the package is a key element in promotion. Packaging expenditures are not usually regarded as part of the promotional budget, but a package which does not effectively carry the manufacturer's message to the point of purchase and into the home is a waste of money and considerably reduces the impact of advertising and other promotional activities."

This is a very detailed and interesting report. It finds that packaging has a long-term beneficial effect on this country's general economic health in that it reduces production and marketing costs, increases consumer demand for products and accelerates the rate of market entry and penetration. Any legislation which effects packaging must be examined for anticompetitive implications. The proponents of S. 985 have themselves raised these questions. The Antitrust Subcommittee has been charged with the responsibility of assessing such implications.

I repeat what was earlier said: The Commerce Committee has performed its function. The Judiciary Committee should now be told to do its job.

But the obvious fact that S. 985 has raised the question of possible anticompetitive effects on the packing industry is only a part of the reason the measure should be examined by the Antitrust Subcommittee.

Provisions of S. 985 also appear to create potentially serious antitrust risks for industry members seeking to comply with the proposed legislation. This I mentioned in a general way earlier. Its exploration in detail persuasively demonstrates that substantial issues under the antitrust laws are raised in this regard.

If the promulgating authority determines "that the weights or quantities in which any consumer commodity is being distributed for retail sale are likely to impair the ability of consumers to make price per unit comparisons such authority shall— . . . (2) promulgate . . . regulations effective to establish reasonable weights or quantities, and fractions or multiples thereof, in which any such consumer commodity shall be distributed for retail sale." § 5(d).

"[Any producer or distributor affected by the above provision] may request the Secretary of Commerce to participate in the development of a voluntary product standard for such commodity under the procedures for the development of voluntary product standards established by the Secretary pursuant to section 2 of the Act of March 3, 1901." No regulation as to weights or quantities may vary from any voluntary product standard. § 5(e), (f).

"Nothing contained in this Act shall be construed to repeal, invalidate, or supersede—the Federal Trade Commission Act or any statute defined therein as an antitrust Act." § 11.

* * *

These provisions, when considered together, may raise serious questions of potential antitrust liability for those who participate in the development of voluntary product standards, as shall be shown below.

As a matter of sound legislative procedure, therefore, S. 985 should be considered by the Senate Judiciary Committee and the Antitrust and Monopoly Subcommittee.

As recognized by numerous antitrust decisions, a voluntary standard would bring about an industrywide standardization of products which could facilitate price uniformity and price matching supporting an inference of price collusion or price conspiracy in violation of the antitrust laws.

Accordingly, if the voluntary standardization aspects of S. 985 are desirable, the bill should contain a specific antitrust exemption covering industry members' participation in the development of voluntary product standards.

At the very least, the Committee with experience and jurisdiction in these matters, the Judiciary Committee, should evaluate the need for such an antitrust exemption, and formulate the text of an appropriate exemption.

Significantly, the Justice Department, in its comments on S. 985, has correctly recognized that "standardization could, in some instances, be an anticompetitive factor." Letter of Deputy Attorney General Ramsey Clark, reprinted at S. Rep. No. 1186, 89th Cong., 2d Sess., p. 11 (1966).

This express recognition by the Justice Department matched with the clear language of § 11 that the bill does not "repeal, invalidate, or supersede . . . any . . . antitrust Act," clearly demonstrates that this bill should now have its antitrust implications reviewed and evaluated by the Judiciary Committee.

There are several reported antitrust cases which hold that product standardization programs by industry groups become vulnerable under the antitrust laws as an element of a conspiracy to restrain trade:

In *Milk and Ice Cream Can Institute* v. *FTC*, 152 F. 2d 478, 482 (7th Cir. 1946) it was held that a product standardization program was part of an antitrust conspiracy to restrain trade, held to be in violation of the Federal Trade Commission Act. As the Court noted:

"Much is said by petitioners concerning their claim that milk and ice cream cans are a standardized product. From this it is argued that uniformity of price was a natural rather than an artificial result. An argument of this kind has some merit as to certain products, such as sugar, salt, oil, etc., where the product from its nature is standard. We doubt, however, if there is any merit in the contention that a can is in such a category. We think it is true that they were standardized in the instant situation, but this was the result of the activities of the Institute and its members. In fact, there was a continuing effort and urging on their part that the cans be manufactured in uniform classifications. *It may be, as argued, that much of this effort was to comply with various governmental regulations and for health purposes, but the fact still remains that it was easier to reach the goal of uniform prices on a standard product than on one which was not.* The meticulous effort disclosed by the record by which petitioners standardized their products is also a strong circumstance in support of the Commission's finding that their activities were the result of an agreement." 152 F. 2d at 482 (emphasis supplied).

Similarly in *C-O-Two Fire Equipment Co.* v. *United States*, 197 F. 2d 489 (9th Cir.), *cert. denied*, 344 U.S. 892 (1952), the court found a price fixing conspiracy for fire extinguishers, violating Section 1 of the Sherman Act, involving the element of product standardization.

The Court of Appeals declared:

"The standardization of products among the four defendant corporations named in the indictment is pointed to by [the Department of Justice] as another plus factor in the chain of circumstances that points to the conspiracy alleged.

* * * * *

"It is the contention of [defendants] that this standardization and substantial identity of product serves to explain the admitted price uniformity in the industry during the pertinent period. We think, however, that such standardization of a product that is not naturally standardized facilitates the maintenance of price uniformity.

"The [defendants] seek to rebut such conclusion and any inference of combined action that may arise therefrom with the testimony of their witness, Allen, that 'we are required to meet standards set up by the Underwriters Laboratories in this respect, that we are required to put out certain sizes in order to obtain certain ratings. . . .' This evidence may well explain the artificial standardization in regard to size. But we can well understand why the trial judge was unable to accept Mr. Allen's testimony as a satisfactory explanation for the similarity in color and other physical characteristics among the extinguishers manufactured by the different corporate defendants. [Defendants] make no effort to explain why these products, although manufactured by different companies, and formed of components manufactured by different companies, were indistinguishable save for their respective labels." 197 F. 2d at 493.

Again, in *Bond Crown and Cork Co.* v. *FTC*, 176 F. 2d 974, 977 (4th Cir. 1949), an FTC finding of a conspiracy in restraint of trade by manufacturers of bottle caps was affirmed, including supporting evidence of a product standardization program.

Thus, the Court declared:

"In the opinion of the Commission, there is a direct connection between this understanding and the admitted efforts of the respondents to standardize their products to such an extent that a prospective purchaser would have no choice in the realm of coloring, lettering, and decorations as between the products of any two manufacturers." 176 F. 2d at 977.

Product standardization programs were also found to constitute elements of illegal price fixing conspiracies in restraint of trade in *Association of Coupon Book Manufacturers*, 45 F.T.C. 219 (1948) (trade association setting of uniform prices and standardized products for tickets, checks, and coupons), and *Electrical Alloy Section of National Electrical Manufacturers Association*, 36 F.T.C. 336 (1946) (trade association fixed uniform prices and standardized products for electrical alloy resistance wire).

In light of these cases, any procedure which involves industry-wide efforts by firms aimed at product standardization inevitably faces potentially serious antitrust risks *unless it is specially exempted from the antitrust laws.*

This is not to say that *every* product standardization effort *will* be condemned as an antitrust violation. Rather, the point is that such industry-wide standardization efforts create a *degree of antitrust risk* to which business firms seeking to comply with one aspect of S. 985 should not be gratuitously exposed.

In sum, if S. 985 is considered by the Judiciary Committee, that body's long experience with the problems of antitrust would enable it to evaluate the nature of the antitrust problems inhering in the bill, and to draft whatever provisions are necessary to deal with the situation fairly.

Such a proper consideration of the antitrust dangers inhering in the Packaging Bill is no less essential for the affected industry members in *this* industry than for the members of the banking industry who received a special antitrust exemption for assisting in the President's international balance of payments program.

When President Johnson, on February 10, 1965, proposed a program calling for members of the banking community voluntarily to limit their lending abroad, he commented:

"Cooperation among competing banking interests could raise problems under the antitrust laws and, if extended beyond measures essential to our balance-of-payments objectives, would damage our competitive system.

"Therefore, I request the Congress to grant a statutory exemption from the antitrust laws to make possible the cooperation of American banks in support of our balance-of-payments objectives. I request also that the legislation require that the exemption be administered in ways which will not violate the principles of free competition." 1965 U.S. Code Cong. & Ad News, 3062.

As a result the Congress passed public law 89-175, September 9, 1965, which now expressly provides:

"When the President finds it necessary and appropriate to safeguard the United States balance of payments position, he may request persons described in section 1 to discuss the formulation of voluntary agreements or programs to achieve such objective. When such a request is made, a notice shall be promptly published by the President in the Federal Register, listing the persons invited to attend and the time and place at which the discussion is to be held. If the President makes such a request, no such discussion nor the formulation of any voluntary agreement or program in the course of such discussion shall be construed to be within the prohibitions of the antitrust laws or the Federal Trade Commission Act of the United States." § 2(b).

This statute also provides procedural safeguards whereby meetings are presided over by a government official and a verbatim transcript is kept.

Thus, in the case of the banking industry, where government asked for industry participation in connection with the balance of payments problem, it was thought necessary to have an antitrust exemption for the activity.

S. 985, in an important part of its regulatory scheme, also contemplates industry participation in the development of voluntary product standards.

However, S. 985 establishes no antitrust safeguards, and expressly provides that nothing in the Act is to supersede or avoid the application of the antitrust laws.

It is clear that this raises substantial issues under the antitrust laws.

For that reason the Senate should not act on this bill until the Judiciary Committee has had an opportunity to consider its antitrust implications.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. Mr. President, supplementing what has been stated by the distinguished Senator from Nebraska the Senator from Michigan when the first packaging bill was introduced, number S. 387, asked the question:

> What does this bill attempt to do? It is an attempt to bring up to date the antitrust laws by recognizing the importance of a new form of nonpriced competition packaging and labeling.

That is the milk in the coconut, so to speak. We tried to make that clear.

We have not for a moment contested the jurisdiction of the Committee on Commerce, for when they brought this in as an amendment to the Clayton Act, we recognized that they had jurisdiction. We do not for a moment deny that there is a Bureau of Standards and that that bureau can set standards. However, that is not the issue.

The issue is nonprice competition, and that is what we are receiving here. It is clear, as the distinguished Senator from Michigan said, that the measure is in the tradition of the antitrust laws.

He stated:

> This bill would bring the antitrust laws up to date insofar as the nonpriced form of competition represented by packaging and the labeling is concerned.

So, we rest our case there.

Mr. President, I believe that the yeas and nays have been ordered, and I suggest the absence of a quorum.

Mr. HART. Mr. President, will the minority leader withdraw his suggestion of the absence of a quorum?

Mr. DIRKSEN. Mr. President, I withdraw my suggestion of the absence of a quorum.

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. HART. Mr. President, I think the essential facts on which an objective jurisdictional decision should be based in any piece of legislation are rather clear.

Before suggesting these facts, I remind the Senate that investigations and hearings are often held under jurisdiction covering a broad, general area. However, clear responsibility for legislative action very often lies with other committees.

What are the two factors that ought to determine jurisdiction in the debate on any pending piece of legislation?

First, what is the impact of the legislation on other legislation? Does this amend the antitrust laws? That is the specific question to be applied here. This bill as now written neither amends nor affects any antitrust legislation now on the books.

Second, what are the dominant features of the bill? The dominant features involve the packaging and labeling practices of consumer goods in an area in which the Committee on Commerce has traditionally legislated.

The bill is a packaging and labeling bill and is clearly a subject matter for commerce, unless we want to suggest, as we could do, that virtually every piece of legislation that affects business activities has some anticompetitive implication. I suppose that perhaps the Mann Act inhibits the freedom of hotel operation. Yet no one would seriously label that act an antitrust measure.

Yet this bill has less antitrust implication.

It is true that hearings have been held in the Antitrust Subcommittee due to the fact that an earlier bill, S. 387 in the 88th Congress, sought to amend the antitrust laws.

I had drafted that earlier bill as an amendment to the Clayton Act. Senator DIRKSEN argued convincingly that the bill was entirely unrelated to the Clayton Act and many witnesses at the early hearings supported his view.

Senator DIRKSEN has won his point. He and other witnesses were convincing that the truth-in-packaging bill was, indeed, inappropriate as an amendment to an antitrust law. He won another point, the bill was considered by the Commerce Committee where he argued that it belonged.

This legislation has been fully considered by the Commerce Committee. It is now appropriate to have it voted on.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, I contemplate voting for the motion of the Senator from Illinois because I think this issue ought to be decided here today. I do, however, want to utter a few words respecting this object of honest labeling.

I think a closer study of the measure before us would demand the conclusion that there is some question about the honest labeling of the bill that we are presently considering. A close study will, in my judgment, disclose that the bill before us is in some degree mislabeled.

I believe that two phases of the bill should be considered. These phases pertain to the housewife who goes to a merchandiser and buys articles.

The first is the prohibition of fraud.

The second is the labeling of merchandise so that the housewife will have a reasonable ability—without confusion—to interpret what the package contains.

With regard to the first item, I submit to my colleagues that we now have ample laws on the statute books of the United States to protect against the perpetration of fraud.

I have spoken on this subject heretofore on the Senate floor. There were very few Senators present when I spoke before. There are more Senators present now.

The Federal Food, Drug, and Cosmetic Act contains this language:

> A food shall be deemed to be misbranded (a) if its labeling is false or misleading in any particular. It shall be deemed false or misleading if its container is so made, so formed, or so filled as to be misleading.

The essence of the arguments which we have made on the floor in the last 2 days has dealt with the subject of containers.

The Cotton amendment contemplated eliminating from the bill the language dealing with the size of containers, and, though he did not emphatically argue it, he did indicate that the present law is adequate.

To those in the gallery especially, I want to repeat what that part of the law provides. It shall be a fraud by a merchant to sell goods in a container so made, so formed, or so filled as to be misleading.

What clearer language do we require? Ponder about it. I do not believe, if we search our minds, that in all honesty we can say this language is not sufficiently clear.

In connection with the Federal Food, Drug, and Cosmetic Act, a further provision deals with the adoption of regulations. That provision reads as follows:

> Whenever in the judgment of the Secretary such action will promote honesty and fair dealing in the interest of consumers, he shall promulgate regulations fixing and establishing for any food under its common or usual name, so far as practicable, a reasonable definition of a standard of identity, a reasonable standard of quality, and/or reasonable standards of fill of container.

The statute dealing with regulations gives the Secretary, under the Federal Food, Drug, and Cosmetic Act, authority to adopt regulations fixing containers. I submit to my fellow Senators that from the standpoint of protecting the housewife against fraud, the existing law is ample.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The time of the Senator has expired.

Mr. MAGNUSON. I yield 5 additional minutes to the Senator from Ohio.

Mr. LAUSCHE. The law provides that a merchant who misbrands falsely his product shall be subject to criminal prosecution, and subject to an action in equity for the imposition of a restraining order prohibiting the future sale of goods under the fraudulent practice.

We now come to the second phase of the argument, and that is the need of protecting the housewife against confused but honest labeling. That is where you have a label on the package and in big, black, conspicuous type it has a lot of puffing, but in small type it states the ounces contained in the package, and the housewife is forced to look all over the package, trying to find out how many pieces it contains or what the liquid or solid ounce content of the package is, and she has difficulty.

On this latter aspect of the bill, I completely concur with the Senator from Michigan [Mr. HART], the Senator from Washington [Mr. MAGNUSON], and the other proponents of the measure. I think labels should be prominently displayed on the container that will enable the purchaser clearly and quickly to identify the quantity of its contents.

So from my standpoint, the first problem is: Do we need a new department to protect the consumer against fraud? I believe the answer is "no." The answer is "no" because, in the creation of a new department, there would be hired new administrators, new clerks, new stenographers, new secretaries and new lawyers. There is adequate implementation in the Government now to perform that function, if there is an honest wish to perform it.

With reference to the second phase of the discussion, I believe this law is sound. I believe it should be adopted. That being the case, I have this decision to make: Are the positive and proper aspects of the law of sufficient weight to overpower the weak aspects of it? My answer is that they are. Therefore, I shall vote for the measure.

I shall vote against the submission of this measure to the Committee on the Judiciary, because I believe we have spent ample time on it. It has been fully discussed pro and con, and the bill, as submitted, represents the composite judgment of how many committee members? Fifteen?

Mr. MAGNUSON. Eighteen.

Mr. LAUSCHE. Of 18 members of the committee.

I commend the Senator from Michigan [Mr. Hart], who, with his serene, subdued approach, has moved the bill through the committee, with the aid of the Senator from Washington [Mr. Magnuson], who, in a humorous way, manages to keep everybody in a good state of mind.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. I yield back the remainder of my time.

Mr. DIRKSEN. I do not believe there are any other demands for time; therefore, I yield back the remainder of my time, subject to a short quorum call, to alert the Senators. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Clark in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time having been yielded back, the question is on referring the subject matter of the bill to the Committee on the Judiciary. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Idaho [Mr. Church], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from New Mexico [Mr. Montoya], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from Louisiana [Mr. Ellender], the Senator from New York [Mr. Kennedy], the Senator from Rhode Island [Mr. Pell], and the Senator from South Carolina [Mr. Russell] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. Church], the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from New York [Mr. Kennedy], the Senator from New Mexico [Mr. Montoya], the Senator from Rhode Island [Mr. Pell], and the Senator from Maryland [Mr. Tydings] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott], Senator from Kansas [Mr. Carlson], the Senator from New Jersey [Mr. Case], and the Senator from Vermont [Mr. Prouty] are absent on official business.

The Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Kuchel] and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Idaho [Mr. Jordan] is absent on official committee business.

On this vote, the Senator from Idaho [Mr. Jordan] is paired with the Senator from New Jersey [Mr. Case]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from New Jersey would vote "nay."

On this vote, the Senator from Texas [Mr. Tower] is paired with the Senator from Hawaii [Mr. Fong]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Hawaii would vote "nay."

The result was announced—yeas 19, nays 64, as follows:

[No. 93 Leg.]

YEAS—19

Bennett
Cotton
Curtis
Dirksen
Eastland
Fannin
Hickenlooper
Hruska
Miller
Morton
Mundt
Murphy
Pearson
Russell, Ga.
Saltonstall
Scott
Simpson
Williams, Del.
Young, N. Dak.

NAYS—64

Aiken
Anderson
Bartlett
Bass
Bayh
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Cooper
Dodd
Dominick
Douglas
Ervin
Fulbright
Gore
Griffin
Harris
Hart
Hartke
Hill
Holland
Inouye
Jackson
Javits
Jordan, N.C.
Kennedy, Mass.
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Pastore
Proxmire
Randolph
Ribicoff
Robertson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—17

Allott
Carlson
Case
Church
Ellender
Fong
Gruening
Hayden
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Montoya
Pell
Prouty
Russell, S.C.
Tower
Tydings

So Mr. Dirksen's motion was rejected.

Mr. MAGNUSON. Mr. President, the Senator from Wisconsin [Mr. Nelson] has a question he wishes to ask concerning one of the provisions in the bill. For the benefit of all Senators present, let me say that so far as I know, that is all we will have before a yea-and-nay vote on final passage in just about 4 or 5 minutes from now.

The PRESIDING OFFICER. The Chair inquires of the Senator from Washington who yields time to the Senator from Wisconsin?

Mr. MAGNUSON. I yield such time on the bill as the Senator from Wisconsin desires.

Mr. NELSON. I should like to ask the Senator from Washington as to section 4(a), subsection (b), which reads as follows:

> Sec. 4. (a) No person subject to the prohibition contained in section 3 shall distribute or cause to be distributed in commerce any packaged consumer commodity unless in conformity with regulations which shall be established by the promulgating authority pursuant to section 6 of this Act and which shall provide that:

I skip to 2(b), as follows:

> (B) shall appear in conspicuous and easily legible type in distinct contrast (by typography, layout, color, embossing, or molding) with other matter on the package;

Glass bottles used to contain milk are made from a mold using the specifying "pint," and so forth. Some States, I understand, have required some other labeling method or some other way of interpretation.

My question is: Would the definition supplied here permit glass bottles containing milk to be molded, identifying the quantity in the same fashion it has always been? This has been the recognized method for a good many years, and there are literally millions of glass bottles in current supply. If this provision did not contemplate using this method it would require the manufacture of new molds, and so forth, would it not?

Mr. MAGNUSON. The committee was conscious of that fact. Let me say for the record, first, that all returnable and reusable containers—which means bottles or anything of that kind—are "grandfathered" by the bill. They would not be affected. The words "embossing and molding" added to section 4(a), 3(b), to make it clear that the contrast can be made by embossing and molding, as well as by other methods, such as coloring. We added the words "embossing and molding" deliberately.

Mr. NELSON. For that specific purpose?

Mr. MAGNUSON. Yes. Therefore, for the record, there is no intention by the sponsors to require any change in the method by which bottles of milk have traditionally been marked. There is nothing in the printed bill which would require any necessity or authorize any change here.

Mr. NELSON. I thank the Senator for his information.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. MAGNUSON. Mr. President, I yield 3 minutes to the Senator from Connecticut.

Mr. DODD. Mr. President, in his congressional message on consumer problems, President Johnson called for packaging and labeling legislation to assure the American consumer access to information regarding quantity, quality and price which will enable him to "make a rational choice among competing products."

Mrs. Esther Peterson, Chairman of the President's Commission on Consumer Affairs, told me recently in a television interview that she considers truth-in-packaging legislation one of the most important measures before Congress this year.

Speaking as the expert in this field, Mrs. Peterson said that today's marketplace requires a package which tells the buyer the complete story just as the store clerk used to tell the story in the old days.

And, speaking as a homemaker and shopper herself, she said:

> I don't like these products that are called "new" when the only thing new about them is a reduction in contents and no decrease in price!

I think everyone who has spent time mulling over the multitude and variety of packages on our supermarket shelves, trying to select the best buy, will agree that it is time that we consider the welfare and best interests of the consumer.

Presently, he is confronted by a bewildering array of sizes, shapes, and quantities in packages.

I believe that S. 985 will help solve this problem by simplifying shopping, and I am certainly pleased that this bill is finally out of committee and before us on the Senate floor.

I have in previous years cosponsored and in other ways worked for packaging and labeling legislation, and several years ago I voted for an earlier, stronger bill in the Antitrust and Monopoly Subcommittee. Unfortunately, the proposal got no further in the Judiciary Committee.

The revised, streamlined measure before us today reflects a great deal of work. I think the important changes which have been made have served to remove any valid objections to the proposal.

Over the past 6 years there have been extensive hearings and volumes of testimony on this subject, before both the Judiciary and the Commerce Committees.

Certainly this has afforded ample opportunity for the presentation of all views and for thorough consideration of the proposal.

The intent of the manufacturer is not the issue at hand here. The problem is the confusion which results from current packaging practices.

This measure would set reasonable standards for fair weights and measures and for clear, precise labeling of packages. In granting important voluntary and discretionary authority to industry, I believe that this bill has established a fair balance between the manufacturer and the consumer.

The voluntary standards procedure of the Commerce Department was established some 40 years ago. Since that time, uniform standards have been developed and have proved quite successful, the outstanding example being the standardization of can sizes as the Commerce Committee notes in its report.

I cannot accept the old argument that the housewife and shopper, who would be most directly affected by S. 985, does not want or need this legislation.

I cannot believe that any woman really enjoys the mental slide-rule feat of trying to compute the price difference between the jumbo-family 27-ounce size for 49 cents and the 1 quart 3-ounce giant economy size for 70 cents.

I remember going to the grocery store once myself with explicit instructions to pick up frozen vegetables for our family of eight for dinner. Not being the most experienced supermarket shopper, I came home with two packages, only to be admonished by my wife and sent back in a hurry for more. I learned the hard way that while these packages may say they contain servings for four, I should have known that it takes three packages for eight people. This failure of my multiplication tables was sufficient to prompt my early interest in fair packaging legislation.

The housewife and frequent shopper has for too long been forced to accept this confusion. Many adjustments and computations must be made with regard to servings, super-jumbo designations, label pictures which bear little resemblance to the contents, and the vague cents-off promotion. This need not and should not be the case.

Surely, it takes only one trip through our stores to demonstrate the need for a fair packaging legislation. The bill before us is a good bill, thoroughly considered and carefully drawn. I am convinced that it will permit the consumer to make a valid decision in buying many commodities, without resorting to the mental gymnastics required of shoppers now.

I strongly support its approval, without weakening amendments, and without any further procedural maneuvering designed only to prevent its passage or to delay its implementation.

Mr. MAGNUSON. Mr. President, I yield 3 minutes to the Senator from Wisconsin.

NOBODY LIKES IT BUT THE PEOPLE

Mr. PROXMIRE. Mr. President, some would have us believe that the truth-in-packaging bill before us today is not of any great interest to American consumers. On the face of it, that argument strikes me as spurious. Certainly, I have attempted shopping in the supermarket enough to understand the problems which face our consumers daily.

However, fortunately I do not have to rely on my own reactions to determine just how much in demand this bill is among American consumers.

The legislative record of this bill—which is already lengthy—supplies ample testimony to the support for the bill among consumers.

A brief look down the list of supporters reveals that organizations representing 43 million consumers have gone on record in support of the bill. Consumers Union, which publishes Consumers Reports, relates that it has received more mail on this bill than on any other issue in its 30-some year history.

Mr. President, I ask unanimous consent that a partial list of supporters be inserted in the Record at the conclusion of my remarks, but here I would like to comment on some of the names on that list.

The significance of various of the supporters, it seems to me, is particularly interesting.

Naturally, we would expect to find consumer groups—such as the Cooperative League of the United States which represents 15 million family-owners of stores throughout the United States on the list. But also included is the National Federation of Independent Businesses—whose 190,000 members operate small stores.

A poll of their membership revealed they largely supported the bill. Thus, the men who day-by-day meet consumers—and listen to their shopping problems—agree that Truth in Packaging would help solve some of the problems.

Another body of experts in this field—State directors of weights and measures departments—voted 81 percent for the bill.

The Kansas Home Economists Association, an organization of 700 home economists, adopted a resolution in support of the bill—unanimously.

And, perhaps the greatest testimony to the grassroots support for the bill are the hundreds—indeed thousands—of letters Members of this Congress have received from housewives themselves urging enactment of the bill.

Many of these letters not only urge support for the bill—but offer detailed explanations of experiences which testify to its need.

Mr. President, it seems the need for this bill has been abundantly demonstrated both by testimony in committee and by the impressive list of supporters. Some may have thought that the earlier bill contained serious drawbacks which would have unduly harassed industry—a fact that would have outweighed the advantages of the bill. While I do not subscribe to that theory, certainly it is beyond me how any one could apply that criticism to the bill before us.

Frankly, the safeguards for industry are such that I suspect the adamant consumer groups might be wondering if anything will be accomplished at all. I think it will. I think the Commerce Committee has put before us a very good bill which will help the consumers—without hurting industry. In my opinion we should move to approve this bill forthwith.

Supporters of truth in packaging:

AFL–CIO, 13 million.

Cooperative League of the United States, 15 million.

Rural Electric Cooperative Association representing 4,715,462 member owners of 979 electric systems.

National Council of Senior Citizens, 2 million.

National Retired Teachers Association and American Association of Retired Persons, one-half million.

National Council of Negro Women, 3,850,000.

Michigan Credit Union League, 1 million.

National Farmers Union, 750,000.

National Grange, 700,000.

National Federation of Business and Professional Women's Clubs, 175,000.

National Council of Jewish Women, 123,000.

American Veterans Committee, 25,000.

National Consumers League, 15,000.

Other organizations which, while smaller in some instances, rate special attention because their membership is especially qualified to judge this bill include:

The Council of Economic Advisors.

The President's Advisory Council on Consumer Interests.

The Special Assistant to the President for Consumer Affairs.

The Secretary of Commerce.

The Food and Drug Administration Commission.

The Federal Trade Commission.

National Federation of Independent Businesses.

State directors of weights and measures departments, 81 percent who were in favor of the bill in a poll conducted by the Weights and Measures Research Center.

Executive Committee of the National Association of State Department of Agriculture.

Kansas Home Economists Association, an organization of 700 home economists who at a convention unanimously adopted a resolution in support of the bill.

Federation of Homemakers, a national organization with membership in all States.

Consumers Cooperative of Berkeley, Maryland Consumers Council, Association of California Consumers and the Harlem Consumers Education Council.

Colorado House of Representatives, which adopted a House Memorial in favor of the bill.

New York State Joint Legislation Committee on Consumer Protection which after intensive study is recommending adoption of a similar bill.

Mr. MAGNUSON. Mr. President, I yield 2 minutes to the Senator from Virginia.

LABELS IN AN ADULT WORLD

Mr. ROBERTSON. Mr. President, we are voting today on a bill concerning packaging—a bill to regulate labels on packages. It is frequently called the truth-in-packaging bill.

It seems to me appropriate at this point to stop for a moment and consider labels in an adult world. Let us look at what we are doing and saying and what the press and the public are doing and saying. Are we and our opponents engaging in exactly the sort of labeling practices which we are trying to regulate?

For example, I am voting for S. 985. I am doing so because I think it is a good bill, a sound bill, a workable bill, and one which will help to solve a problem in a responsible and a sensible fashion. I voted against Senator COTTON's amendment because of this view, and I intend to vote for the bill because of this view.

I am not voting for the bill because of its label—the truth-in-packaging bill. I would not have voted for the original bill considered in previous years by the Judiciary Committee which was given the same title—the truth-in-packaging bill—because that was a very different bill. The substantial amendments which the Commerce Committee has made to the bill have changed it from an unreasonable and unworkable bill to a reasonable and workable bill. So, though the label truth in packaging is still the same, the contents of the package have changed, and I now intend to vote for the bill instead of against the bill.

I am entertained to see that my vote in favor of S. 985 is a surprise to some who thought that because I oppose a so-called truth-in-lending bill pending before the Banking and Currency Committee, I must, therefore, oppose any and every bill labeled truth in packaging, no matter what is in the bill. It so happens that I do oppose the so-called truth-in-lending bill. I do not think that particular bill is the right way to bring about truth in lending. In fact, I do not think any Federal legislation is the right way to bring about truth in lending. I also agree with the Federal Reserve Board, the Federal Trade Commission, and the Department of Justice that the particular bill pending before the committee is in any event unworkable and impracticable in its present form.

But I am not influenced in my judgment on the so-called truth-in-lending bill by its label any more than I am influenced in my judgment on the so-called truth-in-packaging bill by its label. I prefer instead to look at the contents of the package and see whether I think the contents are desirable and appropriate. I think that, as responsible legislators, it is our duty to look at the contents of the legislative packages presented to us and exercise our judgment with respect to the merits of the contents, and not to avoid responsibility and mental effort by concerning ourselves only with labels.

Mr. MAGNUSON. Mr. President, I yield 3 minutes to the Senator from Wyoming.

DOWN TUMBLES THE BOGEYMAN THAT TRUTH IS EXPENSIVE

Mr. McGEE. Mr. President, as responsible legislators, certainly none of us would like to pass a bill which, no matter how noble its purpose, had the end result of inflicting harm.

This is what it has been said we would be doing if we enacted the truth-in-packaging bill. Even some who say they admire its intents claim that they cringe at its effects. We are told that, while trying to provide the consumer with sufficient information for shopping decisions which would save money, we would increase manufacturers' costs greatly—costs which the budget-watching consumer would ultimately have to pay.

It seems proper, then, to examine these charges.

Two sources of reliable information are available: The bill itself—S. 985, as amended by the Commerce Committee—and an estimate of probable costs prepared by the Department of Commerce.

The only provisions of the bill which would affect all products within its realm are the mandatory sections. These all refer to the package label. Under the truth-in-packaging bill, all labels affected must:

First. Identify the commodity and the name and place of business of the manufacturer, packer, or distributor.

Second. State the net contents in ounces or in whole units of pounds, pints, or quarts if under 1 gallon or 4 pounds.

Third. State net contents in conspicuous, easily-legible type in a size to be established in relationship to label size and generally parallel to the display base.

Fourth. Carry no modifying words before the net quantity statement.

These basic information requirements, then, are the only ones affecting all products covered by the bill.

And what would be their costs? The Department of Commerce, in their estimate prepared in 1963, said of these requirements:

> For those packages not already complying with these provisions, it is conceivable that many of them could achieve compliance by slug changes which would be made on the printing plates presently being used. While the cost of these slug changes would vary widely and depend upon the package involved, in most cases it can be expected that the cost would be no more than $100 per package type.

Mr. President, this $100 would be amortized over thousands of packages of each type. Further, as the Department of Commerce pointed out, label changes are so common in the industry as to be routine. And, of course, if the changes necessary to comply with this bill were incorporated with a label change done for another reason, truth in packaging would add no costs to the manufacturer.

Other changes could be required of manufacturers when the Food and Drug Administration or the Federal Trade Commission, depending on the product, determined at a hearing that changes "are necessary to prevent the deception of consumers or to facilitate price comparisons."

Again, the bulk of these changes are on the label. Thus the agencies could:

First. Establish standards for terms such as "family size," "small," or "large" on a product line basis.

Second. Define how much of a product constitutes a "serving" if the label carries a representation as to the number of servings.

Third. Regulate when cents off deals could be printed on the label.

Fourth. Require ingredient information.

As I said, these all concern the label and thus fall into that $100 estimate of the Department of Commerce.

Only one section of the bill remains: establishing of reasonable weights and measures in various product lines. Here is where most of the criticism and claims of exorbitant costs zeros in.

Various manufacturers have claimed that this provision could cost various numbers of millions of dollars. Even if the weights and measures established were arbitrary, I find it hard to believe the costs could be so high. However, the bill requires that these weights and measures be reasonable—and spells out five areas for the administrators to give special attention.

Leading the list is "the cost of the packaging of the products affected." Clearly if during the extensive negotiation, hearings and discussion required under truth in packaging industry made a case against any weight or measure as exorbitant in cost, the agency could not adopt it.

Further, under the provisions added to this bill by the Commerce Committee, the industry itself has first crack at drawing up the weights and measures standards under the Department of Commerce voluntary product standard provisions. They are the experts. They know the problems. They surely could be expected to promulgate standards which would work little hardships on themselves.

As to just how great the threat of hardship is, let us turn once more to the Department of Commerce report:

> A change in the size or shape of the package would also involve changes in the packaging line, which includes the machinery for sorting, weighing, measuring, filling, package forming, closing, sealing, labeling and packing into shipping cases.
>
> Where the packaging line is set up for a large volume operations, the line is specifically designed to serve a specific package. The machinery is adaptable to other packages, but the change-over may well require 2 or 3 days downtime and it may involve a cost of $12,000 to $15,000 per packaging line.
>
> The impact of this change would, of course, be lessened if it were done in connection with a change which the manufacturer was planning to make in any case for reasons of his own, including product modifications, new promotions, new advertising appeals, etc.

In other words, Mr. President, this kind of shutdown is not unusual—in fact, it is common today and the consumer today is paying for these changes. Thus, under these circumstances, we should anticipate no additional charges passed on to consumers.

However, let the Department of Commerce continue:

> The cost of adapting the packaging line is comparatively low per package because it is amortized over a large volume of packages.

So, Mr. President, if the shutdown were merely to conform to the bill, it would result in negligible cost per package. Further, the Commerce Department continues:

> In the case of a low-volume product, the packaging line is less complex and it is not profitable to design it for use with that one package alone. Therefore, the machinery is adjustable, and with some types of packaging machinery the adjustment can be made by hand in a matter of a few minutes. Here the change-over in the machinery from one package to another would cost almost nothing.

Mr. President, I think we should not lay to rest concern that, with passing the truth-in-packaging bill, we are putting any financial burden on manufacturers—or consumers.

It seems to me that it should be clear that the advantages of this bill clearly outweigh the disadvantages, and I support its early adoption.

Mr. DIRKSEN. Mr. President, the Senator from Texas [Mr. Tower] has requested that his statement concerning the truth-in-packaging measure, along with certain related material, be printed in the Record prior to the final vote. I ask unanimous consent that his statement and material be so included in the Record.

There being no objection, the statement and material were ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR TOWER

Certainly I believe that all consumer products should be honestly labeled, in order that the consumer can determine contents without encountering difficulties. However, I am concerned, as others have expressed here, that the authority and control which would be placed in the hands of federal officials by this measure may seriously hamper manufacturers, raise consumer costs, and restrict freedom of choice. Amendments to the bill which, in my opinion, would have limited this vast discretionary authority without impairing other meaningful and perhaps wise provisions of the bill were, unfortunately, rejected.

Numerous consumer protection activities of various federal departments and agencies are, of course, currently performing activities for the protection of consumer interests. Several hundred activities are being performed directly or indirectly in the protection or advancement of consumer interests. Thousands of federal employees are involved in behalf of, and millions of dollars annually are expended in support of, consumer interests.

The federal controls called for in this measure may add materially to consumer costs, through higher packaging costs.

As I have noted previously during the debate, I have seen little consumer demand for this measure. Industry itself has largely recognized that one of its primary responsibilities has always been to provide proper packaging and labeling for its goods. I think industry is continuing Low and will continue in the future to be responsive to consumer desires.

In the final analysis, it is the consumer desires and wishes which should and must be met.

Reporter Bob Lee of the Houston Post has prepared and had published a very detailed and "in-depth research" series of articles concerning the bill. The pros and cons are, I believe, presented well, and I submit them for the Record.

[From the Houston (Tex.) Post, May 15, 1966]

CONSUMER—CHAMP OR CHUMP? SHOPPER FACING MANY PITFALLS

(By Bob Lee, Post reporter)

The Houston housewife—like her counterparts all over the United States—enters a modern-day world of Alice in Wonderland when she walks into a supermarket these days.

Never before has she had a more kaleidoscopic array of sunrise products to choose from—some 4,300 in 1954, more than 8,000 now—all screaming for her attention.

But never before—because of modern merchandising practices—have there been so many pitfalls on the road to the best buy.

In an effort to determine whether the consumer is being dazzled with the glitter and claims on containers at her expense, The Houston Post took a look at the display shelves of several independent and chain-operated supermarkets in Houston.

This five-part series will tell what a reporter found; what chemists found; examine the Truth-in-Packaging Bill; and present the pros and cons of it.

Food prices are up 14 per cent over 1962, and yet in many cases, the housewife is getting less for what she pays.

She has to be quick and wary . . . if she is going to stretch her budget dollar as far as it can be stretched.

For in this flash and fancy wonderland of the supermarket, what "seems to be" is not always "what is."

In short, the housewife is enjoying a "selective feast," but if she is not careful, a "value famine."

The container is the thorn on the flower stem.

There are those who argue this is the way she wants it, that the container offers attractiveness, selectivity and, most of all, convenience.

There are those who argue she does not want it this way at all, that she has been ensnared in a merchandising booby trap designed to deceive her . . . and to cheat her.

President Kennedy noted that "consumer choice is influenced by mass advertising utilizing highly developed arts of persuasion."

He said that the consumer has no way to determine whether the large "economy size" is truly a bargain. A close look reveals too often that it is the reverse.

President Johnson also sees perplexities confronting the average consumer.

On Oct. 15, 1965, in a message to the Consumers Advisory Council, he said:

"Informed consumer choice among increasingly varied and complex products requires information concerning price, quantity and quality."

There is a piece of legislation, the Truth-in-Packaging Bill, which was approved by a Senate committee Friday.

It will now go to the floor of the Senate for a vote.

The bill, authored by Sen. Philip A. Hart, D-Mich., with 28 other House and Senate sponsors, has a good chance of passage, a Hart aide told the Post.

The bill would tighten government controls over packaging.

Is the bill actually needed?

The editors of "Consumer Reports" had this to say about it:

"Everybody, it appears, is against the Truth-in-Packaging bill except the people."

Max Banzhaf, vice president of Armstrong Cork, which among other things produces baby food containers, said that if manufacturers are forced to change packaging machinery, it could cost consumers 30 percent more in compensation price hikes.

Civic groups and trade unions with a total membership of 42 million have endorsed the Hart bill.

Three of the biggest guns against it are the National Association of Manufacturers, the Grocery Manufacturers of America, and the U.S. Chamber of Commerce.

The philosophies of the opposing factions seem to be well defined.

The outcome of the struggle should be decided within the next few weeks.

That outcome will affect an $80 billion-a-year industry—and you, as the consumer.

The Post's check of supermarket shelves revealed several things—the most significant of which is that the American consumer is paying a high price for the container—metal, plastic, paper, fabric, glass and otherwise—his products are packaged in.

The container represents a $20 billion industry and some experts predict that outlays may rise by half again as much in the next five years, according to "It's What's Inside That Counts," a publication distributed by the Industrial Union Department, AFL–CIO.

In Houston, the Post reporter found:

Short weights in sacks of potatoes, oranges and other goods; what was pictured on the outside was not always what was inside.

The "serves-so-many" designations on some frozen entrees, and other packaged goods often meant, but never said, "for people with very light appetities";

Many of the claims on the packages simply were not true—no matter how you looked at them;

Chocolate cookies without chocolate; frankfurters that contained little meat; cheese that was packaged like cheese, next to cheese containers which, in reality, contained little cheese;

Boxes of soap with lots of "slack fill," usually known as "empty space."

The reporter found that the housewife had to be a mathematical whiz kid to figure out how much she actually was paying for a product.

Next: A computer would have helped.

[From the Houston (Tex.) Post, May 16, 1966]

Consumer—Champ or Chump?—Tiny Computer Would Be Valuable Shopper's Aid

(By Bob Lee)

A pocket-sized computer—or at least a slide rule—would have been a big help on my shopping spree of Houston independent and chain-operated supermarkets.

But they do not yet make a pocket-size computer (as far as I know) and slide rules are for engineers . . . not consumers.

Even with the able assistance of a wife (with 10 years' experience in such things and a bachelor of science degree in marketing) the going was tough . . . when I tried to determine which was actually the best buy.

I was not always sure of the contents of a package, even after carefully reading labels . . . because we did not have a chemist's dictionary.

I went, I saw, I bought—which is exactly what any healthy American would do in a beautifully stocked supermarket selling everything from caviar to Batman capes.

Some of our purchases were later analyzed by two Houston chemists, weighed and tested to see if the contents were as the label said.

We will go into these chemists' reports later.

I got my first awakening when I reached for a package of chocolate cookies.

"Not those," my wife said. "They don't have any chocolate in them. Read the fine print on the back."

In the long and confusing list of ingredients, there was no mention of chocolate, only coloring.

I pick out a package of chocolate almond cookies and started looking for the weight to determine if the price was a good or a bad buy.

It took five minutes to find the weight.

Should a person have to search for net weight?

Passing the soap shelves, I automatically reached for an 82-cent container of "Dove" because it said "13 cents off regular price" on it.

"There's a bargain," I remarked, a little proud of myself. "Saved 13 cents. It says so right there."

The wife, again calling on the know-how of 10 years of close study, asked:

"Thirteen cents off what?"

"Off the price," I told her. "See? Right there."

She only smiled. I noticed that other soaps made similar claims. "Bold," 10 cents off, "Dash" with a net weight of nine pounds, 13 ounces on the box, "30 cents" off emblazoned across it.

I selected a 79-cent "giant size" (three pounds one ounce) of "Fab" that had 10 cents off printed on it.

When I tried to get that "10 cents off" the regular price at the counter, the checker looked at me with a tolerant, matronly smile.

"The price we marked includes the 10 cents off," she said.

It took a moment, but then it came clear. The "savings" on the box was put there by the manufacturer . . . and he has no say-so about what the retail price will be.

During that first day, I learned a lot of things about sizes also.

There are all kinds of sizes, "king size," "giant size," "regular size," and "economy size"—all in different containers, of a variety of shapes, all carrying fractional weights that would have taken a slide rule to figure quickly, for the purpose of comparing prices.

As a fast one for you, Del Monte green lima beans, net weight one pound, one ounce (Serving three to four persons) for 35 cents.

Then two smaller cans, two for 43 cents, each containing eight and a half ounces.

I settled for the 35-cent can, of course, when I figured two eight and a half-ounce cans have the same total weight as the one-pound, one-ounce can.

Dental cream presented an interesting situation.

"Colgate" has a regular size in the familiar red-and-while lettering-box containing 3.25 ounces.

The price was 57 cents.

Immediately adjacent to this box was a "special," red, black, white and blue-with-pale green box of Colgate. This one is called "Electrix," tooth paste, or for "electric toothbrushes."

This larger box contains the same amount, 3.25 ounces, but the cost was 87 cents—or 30 cents more than the other.

The active ingredients on both read "Sodium N-Lauroyl Sarcosinate," although the "Electrix" claimed "special concentrated cleaning power."

Well, it might have contained "special concentrated cleaning power."

Although the kids own an electric toothbrush, I did not think the "special cleaning power" was worth 30 more cents.

I began to understand why there are groups of people all over the country seeking a Truth-in-Packaging bill which establishes standard weights, and prohibits deceptive packaging.

There was a study at Eastern Michigan University in 1965, in which 33 college-educated wives were given a list of 20 common items to buy at their supermarkets.

They were asked simply to buy the most economical packages of each—that is, get the most for their money.

Out of the 660 buying decisions they made, 43 per cent were wrong. On the average, the women spent 11 cents more out of each shopping dollar than was necessary.

If this 11 cents more per dollar were extended over the course of a year, it would mean that the budgets of these women would be increased 9 per cent.

The cost of food is already 14 per cent higher than it was in 1962.

There were interesting sidelights on my shopping spree—for example, Gerber's baby food labels that tell you what the ingredients are, but which do not specify the amounts of each ingredients.

Canned cat food on the other hand that had the amounts of ingredients listed, along with some dog foods, which brings up another aside:

To my dismay, I discovered why my German Shepherd has lost a lot of weight recently. We have been feeding him canned "horsemeat" that actually contains only the juices of horsemeat.

True, the truth was buried in complicated wording in the label.

But should a shopper be forced to read every label before he buys?

Can he not trust the wording of a brand name, or the pictured contents?

I bought two-for-49 "Swanson" beef pies U.S. inspected, purely because the picture on the container was enticing.

It showed an open-faced beef pie crowded with big luscious chunks of beef.

I found two sugar cube-sized pieces of meat in the beef pie I bought. The rest was:

"Beef broth, enriched wheat flour, animal and vegetable shortening, water, potatoes, tomatoes, carrots, beef fat, modified food starch, salt, peas . . ." and other things—including caramel coloring.

The "beef" in this particular beef pie was in the same league as the amount of "pork" in some pork 'n beans.

The business of shopping apparently goes back to a basic philosophy of business itself: Caveat emptor, or—"Let the buyer beware."

But as the store manager shrugged when I later called it to his attention: "Who can complain when it's a two-for-49 buy?"

The American shopper might have reason to complain . . . Either by accident, or intent—He is being had . . . as our chemists' reports indicated.

Next: Packaged meat or cereal?

[From the Houston (Tex.) Post, May 17, 1966]

Consumer—Champ or Chump? United States, Texas Packaging Law, Full of Holes

Would the truth-in-packaging bill kill or cure the consumer?

There are strong arguments on both sides.

One side contends the bill would hurt the economy, increase consumer costs, and put scientific progress in food processing into a deep freeze of regulations administered by a bureaucratic packaging czar.

The other contends it would help the economy, make shopping easier, reduce unfair trade practices which hurt food manufacturers as well as consumers, and make "shopper" spell "champ" instead of "chump."

The last two parts of this series will be devoted to the pros and cons of the truth-in-packaging bill, authored by Senator Philip A. Hart, D-Mich.

The bill was approved by the U.S. Senate Commerce Committee last Friday.

Chances are, it will now come to a vote in the Senate, if it does not flounder in a storm of amendments.

Here are the main points:

Require net weight or net content statements or both be clearly stated on the front part of packages and labels.

Prohibit qualifying words or phrases regarding net weight or content.

Set minimum standards for the location of net weight or contents statements.

Set standards of type size and face in which weight or content statements are printed.

Prohibit the packager or distributor from printing on the packages a price (or savings) which is below the regular retail price, or imply a savings is being given the purchaser because of the size or quantity, when it actually is not.

Make allowances for exceptions because of the nature, form, or quantity of the product.

Prohibit use of deceptive pictures or illustrations on packages and labels.

These are only a few of the provisions of the bill, but they appear to be of most interest to the consumer. Because of the limitations of space, it would be impossible to print the bill in its entirety here.

Senator Hart said that the bill would not, as is maintained by some critics:

Standardize all packages and make shopping uninteresting.

("The fact that whisky comes in fifths has not made whisky bottles unimaginative," he said.)

Cost industry so much that consumer prices would rise.

("Packages and labels are continually changing anyway, as all shoppers know," he said. "Industry cost estimates have been exaggerated.")

Stifle innovation and development of new products.

("Competition will always motivate businessmen to improve their products," he said.)

President Johnson has asked for truth-in-packaging legislation three times in 1966:

In his State of the Union, Economic and Consumer messages to Congress.

In his Economic Message, he said:

"The consumer must have access to clear, unambiguous information about products and services available for sale. This will enable him to reward with his patronage the most efficient producers and distributors, who offer the best value or the lowest prices."

He went on:

"We should wait no longer to eliminate misleading and deceptive packaging and labeling practices which cause consumer confusion."

During the Post look on the food market shelves in Houston, several cases of deceptive packaging, labeling practices which cause consumer confusion, and short weights were found.

That there is some need for change was clear.

State officials in Texas—as in most other states—believe there is a need for a truth-in-packaging bill.

Robert T. Williams, chief of consumer protection division, Texas Department of Agriculture, told The Post:

"That bill (the truth-in-packaging) is about the best thing that could happen to the consumer. There is a big need for it."

Texas, like several other states, has laws against deceptive packaging, obscure weight designations, etc., but again like other states, there are holes in them.

For example: There are no provisions for multiple package sizes; packaging to price; odd-sizes (which makes a price comparison almost impossible); use of misleading art on packages; misleading quantity terminology such as "big jumbo size," or "king economy size," and "large economy size."

Travis Edwards, in charge of policing weights and measures in District 4, which includes Houston, said that his office must "stress the things we can do something about."

Edwards—who runs an extremely active weights and measures policing division—has 10 inspectors. There are 7,555 gas pumps in Houston to keep track of, 3,600 scales, and about 2,000 grocery stores.

He said that under the existing law, it is extremely difficult to prove intent in short weight cases.

But there are four cases pending court action against manufacturers.

Federal weights and measures agencies have as difficult a time policing under existing laws, which critics of the bill say are ample.

Existing federal laws for the most part have been in force for half a century .

Most of them were written in the days before prepackaged foods took charge of the market shelves.

State and local weights and measures inspectors were aware many years ago that the laws they administered were obsolete.

They tried to do something about it in 1939.

The National Conference on Weights and Measures at which state officials gather each year in Washington, asked Congress for new laws to provide some orderly way of establishing the quantities in which basic products might be packaged. This was to insure the buyer's right to compare prices.

Yet it was not until 1966 that a bill that would preserve the buyer's right to compare prices got anywhere near a vote.

The truth-in-packaging bill was in the Senate committee almost a year before it was passed out to the Senate.

Hearings were held in March and April of 1963 for the forerunner of the present bill.

Next: The "cons" of the truth-in-packaging bill.

[From the Houston (Tex.) Post,
May 18, 1966]

Consumer—Champ or Chump? Food Industry Sees Need for Bill To Protect Buyer

The housewife is not alone in hoping that something can be done about truth in packaging. Both wholesale and retail grocers favor it to protect the consumer.

"Our entire existence as a company depends upon consumer approval," said Albert N. Halverstadt, vice president for advertising of the Procter and Gamble Company, in testimony before a committee hearing reports on Senate bill 387, the truth-in-packaging bill.

Halverstadt said, "Protecting the consumer is an objective we share with the sponsors of this bill; in fact, the reputation of our company depends upon our consistently accomplishing this objective."

Halverstadt, and most other industry representatives who testified, were opposed to the bill because "it duplicates the authority and functions of existing bills and regulatory agencies and will only add cost to food packaging—a cost that will have to be passed on to the consumer."

Grocery retailers value a protected customer as a pleased and repeat customer.

However, "the bill proposes much more than the regulation of deceptive packaging and labeling referred to in its title," said F. T. Dierson, general counsel for the Grocery Manufacturers Association, in his committee testimony. "Powers granted by the bill are so broad and its anti-trust purpose so restrictive that in actual operation it is likely to work serious injury to consumers, to industry, and to the national economy," he said.

Food costs, up 14 per cent over 1962, still represent an expenditure of only 19 cents for every dollar of take-home pay in the United States today compared with 26 cents in 1947–49, grocerymen say in giving an example of the efforts the industry (an $80 billion one) has made to hold the price line.

Locally, retailers report that supermarket prices are 20.8 per cent below the national average.

Retail reports show that today's average factory worker works only 37 hours monthly to pay his grocery bill while in 1947–49 it took him 60 hours.

Food industry representatives, before the committee considering the bill and in private conversations, claimed that existing laws and "self-regulation" by the industry have in the past given the consumer more for his dollar and will continue to do so in the future.

Some practices by manufacturers, however, are disliked by retailers and for this reason some sections of the proposed legislation are looked upon favorably.

The "cents off" promotion by manufacturers, for example, creates problems for retailers.

Supposedly the "cents off" markers on a product mean the retailer paid that much less for the item. He can then either mark the item with its regular price and deduct the "cents off" at the cash register or he can mark the item that many "cents off" on the regular retail price.

The first method is a confusion factor to checkers and the second method confuses the customer. The premarked reduction is usually used in Houston stores.

"This one thing has cost us a great deal of goodwill," one Houston grocer said. A shopper has to either be familiar with the regular price of the item to know whether the reduction was passed, or have faith in the integrity of his grocer, the retailer said.

The retailer prefers to schedule his own "specials" rather than have them pre-labeled by the manufacturers.

"Pre-labeled 'cents-off' packages force us to remove all our 'regular' items from the shelves and restock with the reduced packages," a representative of one Houston chain said. He said the move was necessary to meet competition and it meant holding 'regular' items in storage until the manufacturer completed his special.

"These specials cost us money out of an already small profit margin," he said.

Retail grocers, according to statements by chain and independent representatives, operate on an average 1 per cent profit margin. Some speciality items, of course, are sold at much higher nets, but some items, particularly staples such as sugar and flour are frequently carried at a loss.

Procter & Gamble makes eight different brands of soap and packages them all in the same size box (standardization to cut cost). Since different densities are involved the weights and packed bulk vary. Halverstadt said that the labels, in accordance with existing government regulations, state these exact quantities.

"But," he said, "if the government ordered the firm to pack its detergents in, say one, three and five-pound boxes the result would be our having to spend $10 million for different packing equipment, or modification."

Food industry representatives believe that although some instances of control necessity exist the pending bill is too general and will be more of a confusion factor than a help to either the consumer or the industry.

One representative said that the "standard governmental approach to the problem with additional departments and manpower will, in the long run, increase not only wholesale and retail food prices but taxes as well—to support a new bureaucracy."

Barron's National Business and Financial Weekly said the bill was proposed because American housewives have too much to choose from. "At least 10,000 different items line supermarket shelves—every colorful package serving as self-salesman, calling for attention as best it can," said Barron's.

"The food industry," Barron's said, "depends upon repeat sales—and trying to cheat the U.S. housewife doesn't pay."

Industry and the housewife can provide, according to most observers, adequate "policing" without governmental control.

Mr. MAGNUSON. Mr. President, the labor and effort involved in bringing this major legislation through its long committee life of hearings and executive sessions required strenuous effort and resourcefulness on the part of the committee's staff counsel for trade regulation, Michael Pertschuk, the chief counsel, Gerald Grinstein, and the assistant chief counsel, Jeremiah Kenney. The committee also benefited greatly from the assistant and counsel of both the chief counsel of the Antitrust and Monopoly Subcommittee, Jerry Cohen and the senior legislative counsel, John Herberg. I want to express now the committee's gratitude for such able counsel.

Mr. HART. Mr. President, in only a few years, Chairman Magnuson has transformed the Senate Commerce Committee from its traditional role as a passive arbitrator of industry disputes into a bold innovator of consumer protection legislation.

In the last several weeks alone, the committee, under his leadership, has produced the tire safety and grading bill, which he authored. And only yesterday morning, Senator Magnuson called the committee into executive session to hammer out strong and meaningful automobile safety legislation, while in the afternoon, he led the successful floor fight to stave off the challenge of weakening amendments to the packaging bill.

He deserves the heartfelt thanks of all who are concerned with the cause of the American consumer.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. HRUSKA. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 3 minutes.

Mr. HRUSKA. Mr. President, the pending bill has had a long legislative history. It has some splendid, declared objectives. I think that they are very worthy ones. However, I cannot vote for the bill. There are several reasons for that decision based primarily on the standardization procedures of section 5.

First. The present law, regulations, and powers of our regulatory bodies are already adequate for achieving and attaining the declared objectives of the bill.

Second. The cost to consumers will be substantially increased.

Third. The novelty and innovation in areas covered by the bill will be affected and will be substantially impaired. There is an undue, excessive, and unwise delegation of powers to administrative authorities, in section 5 of the bill particularly. This delegation of powers is in the legislative, the administrative, and the judicial fields.

For these reasons, among others, I shall vote in opposition to the bill.

Let me say that with the deletion of section 5, which the amendment proposed by the Senator from New Hampshire would have accomplished, the bill would then have been in a shape for favorable consideration by me. It would have contained surplusage, in many instances and in many respects, but not so harmful as to call for a negative vote.

However, because of the inclusion of section 5, and all the trouble that I am afraid it will eventually bring, it is my intention to oppose the bill and therefore to vote in the negative. In my opinion, the bill in its present posture will not assist those it purports to assist, the American consumer. Indeed, it will have the opposite effect and will work to the consumer's detriment.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the bill has now been yielded back. The bill having been read the third time, *the question is, Shall the bill pass?*

On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DIRKSEN (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Colorado [Mr. Dominick]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. LONG of Louisiana. I announce that the Senator from Idaho [Mr. Church], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from New Mexico [Mr. Montoya], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from Louisiana [Mr. Ellender], the Senator from New York [Mr. Kennedy], the Senator from Rhode Island [Mr. Pell], and the Senator from South Carolina [Mr. Russell] are necessarily absent.

I further announce that, if present and voting the Senator from Idaho [Mr. Church], the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from New York [Mr. Kennedy], the Senator from New Mexico [Mr. Montoya], the Senator from Rhode Island [Mr. Pell], and the Senator from Maryland [Mr. Tydings] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott], the Senator from Kansas [Mr. Carlson], the Senator from New Jersey [Mr. Case], and the Senator from Vermont [Mr. Prouty] are absent on official business.

The Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Kuchel], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Idaho [Mr. Jordan] is absent on official committee business.

The Senator from Colorado [Mr. Dominick] is detained on official business, and his pair has been previously announced.

If present and voting, the Senator from New Jersey [Mr. Case] the Senator from Hawaii [Mr. Fong], the Senator from Idaho [Mr. Jordan], the Senator from California [Mr. Kuchel], and the Senator from Vermont [Mr. Prouty] would each vote "yea."

On this vote, the Senator from Colorado [Mr. Allott] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 72, nays 9, as follows:

[No. 94 Leg.]

YEAS—72

Aiken
Anderson
Bartlett
Bass
Bayh
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Cotton
Dodd
Douglas
Ervin
Fulbright
Gore
Griffin
Harris
Hart
Hartke
Hill
Holland
Inouye
Jackson
Javits
Jordan, N.C.
Kennedy, Mass.
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Monroney
Morse
Moss
Mundt
Murphy
Muskie
Nelson
Neuberger
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—9

Bennett
Cooper
Curtis
Eastland
Fannin
Hickenlooper
Hruska
Morton
Simpson

NOT VOTING—19

Allott
Carlson
Case
Church
Dirksen
Dominick
Ellender
Fong
Gruening
Hayden
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Montoya
Pell
Prouty
Russell, S.C.
Tower
Tydings

So the bill (S. 985) was passed.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HART and Mr. MORSE moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the Senator from Washington [Mr. Magnuson] has demonstrated time and again his skillful talents, his effective abilities, and his varied and sincere interests. Time and again through his many outstanding years as Chairman of the Committee on Commerce he has achieved success on a vast number of noble causes he has championed. And always his advocacy has been vigorous, his devotion unswerving. For his many triumphs all America is immensely grateful. Today is no exception.

For the success on truth in packaging clearly marks another triumph for Warren Magnuson. Like so many others it was achieved by capacities unmatched and by courage undaunted. There is no question that he has won the well deserved allegiance of the American housewife; indeed of all Americans, for whom he has worked so hard.

But equally in the Nation's debt for today's success is the senior Senator from Michigan [Mr. Hart], a chief sponsor of truth in packaging. The sincere and cool wisdom which he brought to the discussion of the measure served more than anything to assure its overwhelming approval by the Senate. Indeed, Phil Hart is to be commended highly for his strong and abiding leadership in the Senate's quest for truth in packaging. His articulate advocacy on the measure was indispensable to its endorsement.

To the distinguished ranking minority member of the committee, the senior Senator from New Hampshire [Mr. Cotton], we similarly are grateful. His able support coupled with his typically generous cooperation assured, in the final analysis, a decisive victory.

And to the distinguished minority leader goes high commendation for his selflessness and for his splendid cooperative efforts which are so characteristic. He truly is unequalled in his selfless approach to all legislative matters. His leadership today proved no exception.

Of course, other Senators are to be thanked for their strong and articulate support, without which today's achievement would not have been a reality. The junior Senator from Nevada [Mr. Cannon] is an outstanding example. He and others are to be commended for urging their clear and convincing positions which assisted this victory immeasurably. And the cooperative efforts of the Senator from Nebraska [Mr. Hruska], the Senator from Kentucky [Mr. Morton], and the Senator from Colorado

[Mr. DOMINICK] were exemplary and essential to efficient and orderly action.

Finally, to the Senate as a whole I personally am deeply grateful for the outstanding manner in which this measure was handled. Its efficient disposition is a tribute to this entire body.

TO PRINT AS SENATE DOCUMENT COMPILATION ON THE HISTORY OF THE SENATE COMMITTEE ON COMMERCE

Mr. MAGNUSON. Mr. President, it is very appropriate, after the fine work of the Senate Commerce Committee on the bill which has just passed, that I submit a resolution for the compilation of materials relating to the history of the Senate Committee on Commerce in connection with the 150th anniversary and that there be printed for the use of that committee 5,000 additional copies of such document.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 272), submitted by Mr. MAGNUSON, was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document a compilation of materials relating to the history of the Senate Committee on Commerce in connection with its one hundred and fiftieth anniversary (1816–1966); and that there be printed for the use of that committee five thousand additional copies of such document.

VALIDITY OF MATCHING GRANTS FOR CONSTRUCTION OF HIGHER EDUCATION FACILITIES TO PRIVATE COLLEGES

Mr. MORSE. Mr. President, earlier this month, the Court of Appeals of Maryland handed down a decision which is of great interest to the educational community, and of particular import to the higher education community.

I refer to the so-called Maryland case, more properly the Horace Mann League of the United States of America, Inc., et al. against Board of Public Works of Maryland et al., decided June 2, 1966.

The suit was brought to test the validity under both the Federal and Maryland Constitutions of four statutes which provided matching grants for construction of higher education facilities to four private colleges. The original action was dismissed, the plaintiffs appealed and the opinions, majority and dissenting, on the appeal have been most kindly made available to me by the Association of American Colleges.

In passing, may I say I am very proud of the fact that the new president of the association, Dr. Richard Sullivan, was chosen for this position of responsibility from Oregon, where he served as president of Reed College in Portland, Oreg.

In view of the interest in this case on the part of Senators and the public, I ask unanimous consent that the opinions to which I have alluded be printed at this point in the RECORD.

There being no objection, the opinions were ordered to be printed in the RECORD, as follows:

IN THE COURT OF APPEALS OF MARYLAND—THE HORACE MANN LEAGUE OF THE UNITED STATES OF AMERICA, INC., ET AL., *v.* BOARD OF PUBLIC WORKS OF MARYLAND, ET AL.—No. 356, SEPTEMBER TERM, 1965

(Prescott, C. J., Hammond, Horney, Marbury, Oppenheimer, Keating, Thomas J., Jr. (specially assigned), Powers, Ralph W. (specially assigned), JJ.)

(Opinion by Prescott, C. J., Hammond, Horney and Marbury, JJ., dissent in part. Filed: June 2, 1966.)

After dismissal of their bill of complaint, which challenged the validity, as violating the Federal and Maryland Constitutions, of four separate statutes, providing outright, matching grants, totaling $2,500,000, for the construction of buildings, to four private colleges, the plaintiffs appealed. The four colleges and appropriate public officials were named as defendants; injunctive relief and a declaration to the effect that the grants were unlawful were prayed.

The questions involved have been briefed and argued with signal care, skill, and ability by counsel for the respective parties.

The appellees contend that appellants lack standing to invoke the jurisdiction of the courts. The principal issue, of course, is whether any one (or more) of the statutes violates the First and Fourteenth Amendments to the Federal Constitution, or Articles XV, XXIII, or XXXVI of our Declaration of Rights. Appellants concede that some degree of relationship to church or religion may exist in an educational institution without rendering it "sectarian"; they contend, however, that when such a relationship is "substantial," it renders the institution sectarian and grants of public funds may not constitutionally be made to it. Four of the appellees state that the colleges involved "are admittedly related in varying degrees to particular religious denominations," but urge that there is no constitutional proscription against a state granting "public funds to a sectarian college, nor is there anything in either constitution which forbids grants for educational purposes to colleges which bear a substantial relation to a church." We think the orderly and efficacious sequence in which to consider these issues is first to determine the question of standing, for if the appellees prevail thereon, it will control the entire appeal; next to decide the test to be applied to the statutes in determining whether they are constitutionally permissible or impermissible under the First Amendment; then to apply that test to the facts in the record pertaining to the individual colleges; and finally to consider whether the grants violate the named sections of the Maryland Constitution.

THE STANDING OF THE PARTIES PLAINTIFF

The Chancellor held that the Horace Mann League of the United States of America, Inc., lacked standing. We agree. It is a non-profit educational and charitable Maryland corporation organized, as claimed by it, for the purpose of fostering and strengthening the American public school system.

It argues that the Chancellor "took an unduly restrictive view of the status in modern jurisprudence of organizations formed to protect the public interest * * *," asks us to compare several Federal cases in which the N.A.A.C.P. participated as a party, and to consider several law-review articles relative thereto. We have considered the same, but find nothing therein which would warrant our departing from the former rulings of this Court. The Chancellor was correct in his ruling. *Citizens Committee* v. *County Commissioners*, 233 Md. 398; *Bar Association* v. *District Title Co.*, 224 Md. 474.

The appellee challenge the standing of the individual appellants on two grounds: (a) "the miniscule dimensions of the plaintiffs' financial stake in the challenged programs * * *"; and (b) that if Maryland were required to educate the Maryland students who now attend the appellee colleges, the cost would be much greater to the State than the grants under consideration.

(a) Most of the appellees, rightly we think, concede that the recently decided case of *Murray, Etc.*, v. *Comptroller*, 241 Md. 383, fatally undermines their argument here. Having so recently considered and enunciated our conclusions on the question, it would be a useless gesture to elaborate further thereon. We hold that *Murray* is controlling on this point, and the individual appellants do not lack standing for the reasons there assigned.

(b) There are a number of answers to this contention. We shall name but two. All of the parties agree that the issues here presented are of great public interest and concern. When this is the case, the necessary interest or injury to sustain standing to institute a taxpayer's suit is "broadly comprehensive" and may be "slight." In *Baltimore Retail Liquor Stores Ass'n* v. *Liquor License Comm'rs*, 171 Md. 426, this Court stated its opinion on the merits, even though the plaintiffs lacked technical standing. For other cases wherein there were similar holdings or the principle recognized see *Citizens Committee* v. *County Comm'rs, etc., supra; Hammond* v. *Lancaster*, 194 Md. 462; *Dutton* v. *Tawes*, 225 Md. 484. We agree with the parties that the issues are of general and urgent public interest, and they are of sufficient importance and magnitude to invoke the above principle, if the factual situation rendered it necessary to do so.

However, we do not find it necessary to base our conclusion that the individual appellants have standing on the above theory alone. In *Berghorn* v. *Reorganized School District No. 8*, 260 S.W. 2d 573 (Mo.), taxpayers' standing to sue to prevent expenditures of state funds for religious schools was attacked on the ground that the challenged expenditure would cost plaintiffs less than the taxes they would be required to pay if the students at such religious schools were educated in the public schools. In sustaining plaintiff's standing and granting relief, the court stated:

"In determining a taxpayer's pecuniary injury resulting from the unlawful expenditure of public funds, we may not weigh lawful expenditures against unlawful expenditures, because no legal injury results from the lawful expenditures of public funds."

We agree with the Missouri Court. Also compare this Court's holding in *McKeldin* v. *Steedman*, 203 Md. 89, wherein the same principle was applied, although no religious issue was there involved, and *Abington School Dist.* v. *Schempp*, 374 U.S. 203, n. 9.

Further on the question of standing, appellees argue that if the suit had been instituted in a Federal court, appellants would have lacked standing to attack the grants as being impermisible under the United States Constitution; hence the Maryland courts should not permit them to challenge state statutes as being violative of the Federal Constitution in the state courts. Again, the *Murray* case, *supra*, supplies the quick answer, wherein Judge Oppenheimer, for the Court, said:

"When the validity of a state statute is attacked in a state court, it is the duty of that court to determine all the constitutional issues involved, federal as well as state. If the statute is held valid under the state law, but invalid under the federal Constitution, the state court must give the complainants the relief they pray. * * *. If they have standing under the law of Maryland to bring suit, it is irrelevant that the result might have been different had the action been instituted in a federal court." 241 Md. p. 392.

We hold that the Chancellor was correct in ruling that the individual appellants had standing.

THE TEST TO BE APPLIED

It should be noted at the outset that nothing in this opinion is intended as a criticism of, or a boost to, any religion, sect, or schism, or lack of religion. Our task is to decide a constitutional issue. We proceed to do just that, and that alone.

For our present purposes, it will be unnecessary to include an extended historical background of the First Amendment[1] (which, of course, is likewise pertinent, in large measure, to Article XXXVI of our Declaration of Rights). However, it seems appropriate to set forth a sketchy outline of some of the facts which the Framers of our Federal Constitution and the First Amendment thereto had in mind when the Amendment was added. In about 112 A.D., Pliny wrote to the Roman Emperor Trajan to inquire whether he was dealing out exact justice to Christians who had done nothing in violation of the law. He stated that he asked thrice if the person charged (man, woman, or child) were a Christian. If the person answered in the affirmative 3 times, he or she was executed. Trajan answered, "My Pliny—you have taken the method which you ought * * *."[2] The persecution of the Christians by the heathens continued (by throwing them to the lions, etc., as every school child is taught) until about A.D. 313, when Emperor Constantine embraced their belief; and later in the 4th century Christianity became the official religion of Rome.

After Christianity became the established Church of Rome and the Church gradually increased in wealth and power, there constantly developed disputes in the various provinces between the Roman bishops and the civil authorities as to their respective authority. In time, the Church became so rich and influential that certain of the Popes felt free to assert their authority as being superior to that of the reigning Sovereigns. This, naturally, developed angry and deep-rooted conflicts and controversies between the Papacy and some of the nations, and also between nations, themselves, depending upon whether or not they agreed with the Papacy.

The religious Crusades (about 1096 to 1270) are also subjects which are still taught to nearly every school child. They engaged, off and on for some 200 years, practically all of the continental European nations and England in costly and cruel warfare in attempts to capture and to hold the Holy Land. In these conflicts, not only reigning monarchs and nobility participated in actual combat but also Church bishops and clerics. A fact concerning the Crusades, not so generally known as the above, is that two of them were armies of about 30,000 and 20,000, respectively, composed of small boys and girls, many of whom, quite naturally, died.[3]

We pass over a short period of time, in which the unbridled fervor and fanaticism of the Church grew and expanded, to the origin of the Spanish Modern Inquisition (about 1481). Frequently this fervor vied with secular authority and caused most important incidents such as the murder of Saint Thomas à Becket, the Roman Catholic Archbishop of Canterbury, while at vespers, in 1170 A.D.[4] Because of his opposition to royal authority, Henry II is reputed to have said in the presence of his knights: "Have I not about me one man of enough spirit to rid me of a single insolent prelate?" Four knights immediately accepted the "commission," and carried out the king's expressed desire. Another important event occurred shortly thereafter (about 1208). Pope Innocent III commanded a delegation of the monks at Canterbury to select Stephen Langdon archbishop in place of a person whom King John had compelled them to elect. The King refused to permit Langdon to land in England. After trying other measures, the Pope "deposed" John and ordered King Philip of France to seize the English Crown. In the end John was forced to accept Langdon, and in addition to promise to pay a tax of some $64,000 (in current money) a year for permission to keep his crown.

We need not dwell long on the horrors and perfidies of the Inquisition, but to understand the intensity of feelings motivating the persecutions of this era, it is necessary to know the teachings of the Church at that time and what the law of the civil authorities authorized. We quote a few excerpts from authorities relative thereto:

"Acts of intolerance are to be discerned from the earliest period in which Christianity became the established religion of the Roman Empire. But they do not seem to have flowed from any systematized plan of persecution, until the papal authority had swollen to a considerable height."

* * * * *

"In the present liberal state of knowledge [about 1837], we look with disgust at the pretensions of any human being, however exalted, to invade the sacred rights of conscience, inalienably possessed by every man."[5]

"But, to judge the action fairly, we must transport ourselves to the age when it happened. The difficulty that meets us in the outset is, to find a justification of the right of conquest, at all. But it should be remembered, that religious infidelity, at this period, and till a much later, was regarded—not matter whether founded on ignorance or education, whether hereditary or acquired, heretical or pagan—as a sin to be punished with fire and fagot in this world, and eternal suffering in the next. This doctrine, monstrous as it is, was the creed of the Romish, in other words, of the Christian Church,—the basis of the Inquisition, and of those other species of religious persecutions, which have stained the annals, at some time or other, of nearly every nation in Christendom. Under this code, the territory of the heathen, whereever found, was regarded as a sort of religious waif, which, in default of a legal proprietor, was claimed and taken possession of by the Holy See, and as such was freely given away by the head of the Church, to any temporal potentate whom he pleased, that would assume the burden of conquest. Thus, Alexander the Sixth generously granted a large portion of the Western hemisphere to the Spaniards, and of the Eastern to the Portuguese. These lofty pretensions of the successors of the humble fisherman of Galilee, far from being nominal, were acknowledged and appealed to as conclusive in controversies between nations."[6]

We move on to a later date (around 1500) and see the conflicts and controversies between Church and State continuing.

"We shall conclude this Chapter by a melancholy truth which obtrudes itself on the reluctant mind; that even admitting * * * all that history has recorded * * * on the subject of martyrdoms, it must still be acknowledged that the Christians in the course of their internal dissensions, have inflicted far greater severities on each other than they had experienced from the zeal of the infidels. * * *. In the Netherlands alone more than 100,000 of the subjects of Charles V are said to have suffered by the hand of the executioner."[7]

The protracted controversies between Henry VIII and the Papacy, with attendant executions, were, and are, well known. They resulted in a series of enactments of Parliament which severed the great financial, legal, and administrative ties which had joined the English state with Western Christendom, and the English Church with the Holy See. The Act of Supremacy declared Henry the head of the Church of England and the inheritor of the jurisdiction of the Bishop of Rome. After the knowledge of several "judicial murders" in England reached Rome, the Pope issued a bull which excommunicated Henry, delivered his soul to Satan, and his kingdom to the first invader. The King replied by sequestering and, after pillaging, destroying a large number of religious houses[8] (reputed as 645 monasteries, 2374 chapels, 90 collegiate churches and 110 charitable institutions).

Six years after the death of Henry, his daughter Mary ascended the throne. She was a devout Roman Catholic, and did everything she could to re-establish that Church in England. She resumed old relations with the Pope, and to accomplish her objectives in supporting her religion, she resorted to the arguments of the dungeon, the rack and the fagot, and, when her bishops slackened their work of persecution and execution, she urged them not to stay their hands.[9] The penalty for reading the English Scriptures or offering Protestant prayers was death.[10] Montgomery, *op. cit.* in footnote 8, at p. 209, says that Mary's state of mind was the same as all who then held strong convictions, and "each party believed it a duty to convert or exterminate the other, and the alternative offered to the heretic was to 'turn or burn.'"

Elizabeth I (1558–1603) succeeded her sister Mary on the throne, and we are now approaching the period when the first permanent English colonies were to be established on this continent. Her ascension was followed by the repeal of many of the religious laws enacted in Mary's reign, the enactment of a new Act of Supremacy, and an adoption of a revised version of the religious beliefs of the English Church, formulated under Edward VI (1547–1553). Commenting on these and other enactments, Montgomery, *op. cit.* at p. 214, states: "The reason for these stringent measures was in that age Church and State were everywhere considered to be inseparable. No country in

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[1] Those interested in pursing this aspect of the case further will find interesting, instructive, and rather comprehensive treatments of the subject in Justice Black's opinion in Everson v. Board of Education, 330 U.S. 1, in Justice Frankfurter's opinion in McCollum v. Board of Education, 333 U.S. 203, in Justice Clark's opinion in Abington School Dist. v. Schempp, supra, Justice Rutledge's dissent in Everson, supra, and in 2 Cooley's Constitutional Limitations pp. 960–965.

[2] 1 The Genuine Works of Flavius Josephus (dissertation), pp. 63–65.

[3] 3 World Book Ency., p. 928.

[4] 3 The World Book Ency. p. 150. A pilgrimage from London to Canterbury, where the Saint was buried, is, of course, the theme of Chaucer's famous "Canterbury Tales."

[5] 1 Prescott's Ferdinand and Isabella, pp. 230, 231.

[6] II Prescott's Conquest of Mexico, pp. 30, 31. Lea, A History of the Inquisition in the Middle Ages.

[7] II Gibson, The Decline and Fall of the Roman Empire, (Smeaton ed.) pp. 197, 198.

[8] Montgomery, The Leading Facts of English History, pp. 197, 198.

[9] Montgomery, op. cit., p. 200.

[10] Benjamin Franklin, one of the Framers, gives an interesting account in his autobiography of how one of his ancestors circumvented this proscription.

Europe—not even in Protestant Germany—could then conceive the idea of their existing independently of each other. Whoever refused to support the established form of worship, *whatever that might be*, was looked upon as a 'rebel' against the government." (Emphasis added.)

The number of Puritans, Protestants who did not believe that the tenets of the Established Church of England went far enough in "purifying" that Church from Roman influences, grew by leaps and bounds in the last half of Elizabeth's reign. Before James I was crowned (1603), they presented a great Petition to him requesting certain rights and privileges. The requests were denied and James avowed he would make all conform to the Established Church or leave the country. In despair but with firm determination, a band of these Puritans, not being able to obtain a royal license to go to America, emigrated (about 1608) to Holland where they remained for 12 years. Finally James granted them permission to go to America, so in 1620 (just 2 years after the beginning of the devastating religious war in Europe called the Thirty Years' War, and 29 years before the Puritans beheaded King Charles I) our Pilgrim Fathers set sail for this country, being the first Englishmen to flee from religious persecution, seeking an asylum in this country where they could worship according to the dictates of their consciences.

We shall narrate, briefly, two other events that occurred in Europe, and do so because of their importance to, and influence over, the colonies of this country as they developed. We mentioned above the Thirty Years' War (1618–1648); it began as a civil war between the Protestants and the Roman Catholics in the German States, but before it was over nearly all of the nations of Europe became involved. One authority gives the following account of the results thereof:

"Germany was in a pitiable condition by the time the war finally ended. *More than half the people had been killed*. Those who survived saw nothing but ruin wherever they looked. Whole cities, villages, and farms had disappeared, *and two thirds of all the property had been destroyed*. Art, science, trade, and industry languished. It took about two hundred years for Germany to recover from the effects of [this war]. *Thousands of persons left Europe, especially Germany, and went to America to build a new life*." [11] (Emphasis added.)

Finally, we mention the fate of the Huguenots in France. They were French Protestants, who grew into sizable proportions in the 1500's and 1600's. A civil war broke out between them and the Roman Catholics. Without going into the sad details of that unfortunate conflict, the Huguenots, after much bloodshed and many deaths, were given freedom of worship in about 75 towns and cities by the Edict of Nantes (1598), but they again lost the same in 1685, when Louis XIV repealed the Edict. Again we find:

"Thousands of Huguenots fled France to new homes in England, Germany, Holland, and America. *Many settled and prospered in South Carolina, Virginia, Massachusetts, and New York* [emphasis ours]. Among such Huguenots were the Legare, Petigru, Maury, Revere, Jay, and DeLancey families." [12]

We shall not discuss in detail the complexities that arose concerning Church and State in each of the Colonies. It seems obvious that our revered Pilgrim Fathers, who had come here to seek religious freedom, were not in a mood to grant complete religious freedom of thought to all others. We all know of the banishment of Roger Williams. It also is apparent that Maryland's vaunted Toleration Act of 1649 granted religious tolerance only to Christians, and it is entirely possible that it was prompted, at least in part, by expediency. The Puritans had taken over the government in the Mother Country in the early part of that year, and the Lord Proprietor, in order to strengthen his position with the Home Government had issued invitations to settle here to the New England Puritans and those of Virginia, where Governor Berkeley, in spite of the Puritan successes in England, remained a Royalist and an adherent of the Anglican Church. Andrews, *The Founding of Maryland*, Ch. XII. We close our remarks concerning the colonies with the observation that at least 8 of them had Established Churches before the Revolution; and Virginia, after a struggle lasting about 7 years had defeated a Bill which would have permitted taxation to support religions and had enacted Jefferson's Bill for Establishing Religious Freedom, in 1786. (For an instructive and more comprehensive treatment of the situation in the Colonies, see Justice Black's opinion in *Engel* v. *Vitale*, 370 U.S. 421.)

Thus it is seen that the Framers knew man's difficult-to-suppress (and still unextinct) desire to persuade, and failing in persuasion, to compel others to adopt and believe his religious views, and man's unswerving determination to select the religious views most appealing to him individually and his quest to believe those views and to worship without fear or favor had been potently divisive forces ever since the deeds of mankind had been recorded. So great had been the impact of the latter determinants that neither dungeons, mortally bleak winters in far-distant colonies, plain executions, wholesale burnings at the stake, nor the prolonged and "exquisite" agonies produced by the tortures of machinations developed by the most ingenious minds of the ages (i.e. "persecution in perfection") had dissuaded man in his pursuit of religious freedom and religious equality.

Even though the above is but a sketchy outline of the subject involved (as we stated above), we have set the same forth at some length to demonstrate that the problem to be considered and solved when the First Amendment was proposed was not one of hazy or comparative insignificance, but was one of blunt and stark reality, which had perplexed and plagued the nations of Western Civilization for some 14 centuries, and during that long period, the union of Church and State in the government of man had produced neither peace on earth, nor good will to man.

In an attempt to prevent recurrences of many of the unfortunate evils mentioned above (and those mentioned in the opinions named in footnote 1) our forebears decided it was best for Government, best for Religion and best for mankind that the two be kept separate and apart. In order to effectuate this goal, the First Amendment was adopted which provides that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof * * *." [13] A narrow and literal reading of the same might cast some doubt as to whether our present factual situation presents any question relative to an "establishment" of religion, but we shall point out below that the Supreme Court has not construed the Amendment in such a narrow fashion as to exclude the issues here raised from its purview. See, for example, *McCullom v. Board of Education, supra*, 333 U.S. at p. 213.

Before considering the Supreme Court decisions, we shall dispose of two subordinate arguments advanced by the appellees. Under the heading of Legislative Practice, they set forth large and imposing grants made by Congress to various institutions and programs sponsored by governmental agencies and departments. The actions of the Legislative Branch are, of course, entitled to consideration and respect, *Murray, Etc. v. Comptroller, supra*, 241 Md. at p. 400; but they are not controlling in the determination of a direct and specific constitutional attack on an individual statute. *Schempp, McCollum*, and *Engel*, all *supra*, and *Torcaso v. Watkins*, 367 U.S. 488, wherein the Supreme Court uprooted long-standing and established practices sanctioned by legislative and state constitutional provisions.

They also argue that if the grants herein be invalidated, that no state grant to any educational institution could be sustained, unless every vestige of officially sponsored religious observances be entirely divorced from the institution. The appellants label this "appellees all-or-nothing argument." The argument loses sight, we think, of the fact that there is a constitutional difference between a sectarian institution and a secular one, which may officially sponsor one or more religious observances. We shall point out the test to be applied below.

This brings us to a consideration of the Supreme Court decisions bearing on the questions here involved. The parties on both sides of the controversy have carefully analysed the same in their briefs. Justice Clark did likewise in his opinion in *Schempp, supra*, as to the decisions preceding it. However, we do not deem it necessary or desirable to take up each of these decisions and analyse them in detail, for this Court has very recently stated their rationale in *Murray, Etc., supra* (241 Md. at pp. 398 and 401, involving church exemptions from taxation), where Judge Oppenheimer, for the Court without dissent, said:

"In our reading of the opinions, however, we find broad guide lines which form the frame within which the case before us is to be considered. We are a religious people and recognize the effect religious institutions have on human activity. The First Amendment was designed to erect 'a wall of separation between church and State.' Mutual independence, under our Constitution, is deemed best for the State and best for religion. *The State cannot forbid nor can it perform or aid in performing the religious function. Like other broad constitutional concepts, the meaning of 'separation' is to be ascertained in the application of the principle to specific cases.* A state cannot pass a law to aid one religion or all religions, but state action to promote the general welfare of society, apart from any religious considerations, is valid, even though religious interests may be indirectly benefited. If the primary purpose of the state action is to promote religion, that action is in violation of the Amendment, *but if a statute furthers both secular and religious ends, an examination of the means used is necessary to deter-*

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[11] 17 The World Book Ency., p. 200; see also 2 World's Best Histories, Germany, Part XVIII; 22 Encyclopedia Brittanica, pp. 136 et seq.

[12] 8 World Book Ency., p. 375. For a rather detailed account of the trials and tribulations of the Huguenots, and the extreme provisions of the Resolution revoking the Edict of Nantes—demolition of all chapels, interdiction of any assembly or worship, all ministers to leave the kingdom within 15 days, all schools closed, new-born babies to be baptized by the parish priests, Huguenots forbidden to leave the kingdom on pain of galleys for the men, and confiscation of person and property for the women, etc.—see IV The World's Best Histories, France, Ch. XLVII.

[13] At this late date, it requires no citation of authority to assert that the same proscription applies to the states through the Fourteenth Amendment.

mine whether the state could reasonably have attained the secular end by means which do not further the promotion of religion." (Emphasis added.)

* * * * *

"As *McGowan* makes clear, even though the exemption had an unmistakenly religious origin, if the present purpose and effect of the exemption is primarily secular, *and if those* secular purposes could not reasonably be deemed achievable without an incidental benefit to religious organizations, the 'establishment' clause is not violated."[14]

There are two celebrated passages in the opinions of the Supreme Court relating to the provisions concerning religion in the First Amendment: the first is in *Everson;* the other is in *Schempp*. Justice Black, for the Court, in *Everson,* said:

"The 'establishment of religion' clause of the First Amendment means at least this: Neither a state nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another. Neither can force nor influence a person to go to or to remain away from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or non-attendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a state nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and *vice versa*. In the words of Jefferson, the clause against establishment of religion by law was intended to erect 'a wall of separation between church and State.' *Reynolds v. United States, supra* at 164."

Justice Clark wrote the opinion in *Schempp*. In part, it stated:

"The test may be stated as follows: what are the purpose and the primary effect of the enactment? If either is the advancement or inhibition of religion then the enactment exceeds the scope of legislative power as circumscribed by the Constitution. That is to say that to withstand the strictures of the Establishment Clause there must be a secular legislative purpose and a primary effect that neither advances nor inhibits religion. *Everson v. Board of Education, supra."*

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[14] The above rationale is supported and emphasized by so many statements in the Supreme Court's decisions that one is at a loss to know where to start and where to end in naming them. We set forth a few. "These words of the First Amendment reflected in the minds of early Americans a vivid mental picture of conditions and practices which they fervently wished to stamp out * * *." "These practices [the collection of taxes and tithes to sustain government-sponsored churches] became so commonplace as to shock the freedom-loving colonials into a feeling of abhorrence. * * *. The people there [in Virginia], as elsewhere, reached the conviction that individual religious liberty could be achieved best under a government which was stripped of all power to tax, to support, or otherwise to assist any or all religions * * *." After quoting from the celebrated "Virginia Bill for Religious Liberty," 12 Hening, Statutes of Virginia (1823) 84, originally drafted by Jefferson, stating that "Almighty God hath created the mind free; that all attempts to influence it by temporal * * * burthens * * * tend only to beget habits of hypocrisy and meanness * * *," and "that to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves, is sinful and tyrannical * * *," the Supreme Court "* * * recognized that the provisions of the First Amendment * * * had the same objective and were intended to provide the same protection against governmental intrusion on religious liberty as the Virginia statute." * * *. "New Jersey cannot consistently with the 'establishment of religion' clause * * * contribute tax-raised funds to the support of an institution which teaches the tenets and faith of any church." All from the majority opinion in Everson, supra.

"With Jefferson, Madison believed that to tolerate any fragment of establishment would be by so much to perpetuate restraint upon that freedom [general freedom]. Hence he sought to tear out the institution not partially but root and branch, and to bar its return forever."

"In no phase was he [Madison] more unrelentingly absolute than in opposing state support or aid by taxation. Not even 'three pence' contribution was thus to be exacted from any citizen for such a purpose." Memorial and Remonstrance against Religious Assessment. [The Memorial is set forth in Appendix, 330 U.S. pp. 63 et seq.] * * *. "Their objection was not to small tithes. It was to any tithes whatsoever. * * *. Not the amount but the 'principle of assessment was wrong.'" * * *. "In view of this history no further proof is needed that the Amendment forbids any appropriation, large or small, from public funds to aid or support any and all religious exercises." A few excerpts from Justice Rutledge, with whom Justices Frankfurter, Jackson, and Burton concurred in Everson, supra, dissenting.

In McCollum, supra, interested members of the Jewish, Roman Catholic, and some of the Protestant faiths formed a voluntary association. They obtained permission from a Board of Education to offer classes in religious instruction in the public schools. "The foregoing facts * * * show the use of tax-supported property for religious instruction * * *. The operation of the State's compulsory education system thus assists and is integrated with the program of religious instruction * * *. This is beyond all question a utilization of the tax-established and tax-supported public school system to aid religious groups to spread their faith. And it falls squarely under the ban of the First Amendment * * *." "The State also affords sectarian groups an invaluable aid in that it helps to provide pupils for their religious classes through use of the State's compulsory public school machinery. This is not separation of Church and State." From the Court's opinion in McCollum, supra.

Justice Frankfurter, with whom Justices Jackson, Rutledge and Burton agreed in his concurring opinion in McCollum, supra, said:

"Illinois has here authorized the commingling of sectarian with secular instruction in the public schools. The Constitution of the United States forbids this."

* * * * *

"Separation means separation, not something less. Jefferson's metaphor in describing the relation between Church and State speaks of a 'wall of separation,' not of a fine line easily overstepped."

In Engel, supra, it was stated:

"They knew the anguish, hardship and bitter strife that could come when zealous religious groups struggled with one another to obtain the Government's stamp of approval from each King, Queen, or Protector that came to temporary power."

"When the power, prestige and financial support of government is placed behind a particular religious belief, the indirect coercive pressure upon religious minorities to conform to the prevailing officially approved religion is plain."

Among many other cogent statements in Schempp, we find the following:

"There is no answer to the proposition * * * that the effect of the religious freedom Amendment to our Constitution was to take every form of propagation of religion out of the realm of things which could directly or indirectly be made public business and thereby be supported in whole or in part at taxpayers' expense * * *."

* * * * *

"It was to create a complete and permanent separation of the spheres of religious activity and civil authority by comprehensively forbidding every form of public aid or support for religion."

* * * * *

"The wholesome 'neutrality' of which this Court's cases speak thus stems from a recognition of the teachings of history that powerful sects or groups might bring about a fusion of governmental and religious functions or a concert or dependency of one upon the other to the end that official support of the State or Federal Government would be placed behind the tenets of one or of all orthodoxies."

* * * * *

"Applying the Establishment Clause principles to the cases at bar we find that the States are requiring the selection and reading at the opening of the school day of verses from the Holy Bible and the recitation of the Lord's Prayer by the students in unison. These exercises are prescribed as part of the curricular activities of students who are required by law to attend school. They are held in the school buildings under the supervision and with the participation of teachers employed in those schools. None of these factors, other than compulsory school attendance, was present in the program upheld in Zorach v. Clauson. The trial court in No. 142 has found that such an opening exercise is a religious ceremony and was intended by the State to be so. We agree with the trial court's finding as to the religious character of the exercises. Given that finding, the exercises and the law requiring them are in violation of the Establishment Clause."

"The conclusion follows that in both cases the laws require religious exercises and such exercises are being conducted in direct violation of the rights of the appellees and petitioners."

* * * * *

"Further, it is no defense to urge that the religious practices here may be relatively minor encroachments on the First Amendment. The breach of neutrality that is today a trickling stream may all too soon become a raging torrent and, in the words of Madison, 'it is proper to take alarm at the first experiment on our liberties.'"

Justice Douglas stated in his concurring opinion:

"The most effective way to establish any institution is to finance it; and this truth is reflected in the appeals by church groups for public funds to finance their religious schools. Financing a church either in its strictly religious activities or in its other activities is equally unconstitutional, as I understand the Establishment Clause. Budgets for one activity may be technically separable from budgets for others. But the institution is an inseparable whole, a living organism, which is strengthened in proselytizing when it is strengthened in any department by contributions from other than its own members." (Emphasis in the original.)

Probably much of this language would have been included in the majority opinion, had a direct grant, or direct expenditure, of money been involved.

The first quotation was repeated in *McCollum, supra,* and portions thereof were likewise repeated in *McGowan v. Maryland,* 366 U.S. 420, and *Torcaso v. Watkins,* 367 U.S. 488. In *Zorach v. Clauson,* 343 U.S. 306, the Court upheld the constitutionality of a "released time" for religious instruction program (there being no expenditures of public funds or use of public buildings), stating, however, "government may not finance religious groups nor undertake religious instruction nor blend secular and sectarian education * * *." And in *Engel, supra,* as stated in footnote 14, the Court said when "the power, prestige and financial support of government is placed behind a particular religious belief," the Establishment Clause is violated.

The Chancellor read the *Schempp* opinion as setting forth a new and comprehensive test to apprehend what was constitutionally permissible and impermissible under the Establishment Clause. We do not read the opinion in that manner. We do not read it as establishing a completely new test, nor one that can be applied in all cases as a final and determinative one. *Schempp* did not involve a direct expenditure nor a direct grant of money.[15] We read the test therein mentioned as being sufficient to decide the issues there involved, and, as the factual situation showed that the statutes could not even pass the test named, no more was needed to be said or added thereto. In other words, the statutes there involved clearly showed that their "purpose and primary effect" was the advancement of religious exercises. If either their "purpose" or "primary effect" were such advancement, the statutes were unconstitutional, and, as they offended in both aspects, that determined the issue; so why add hypothetical tests attempting to cover all conceptual factual situations, such as where secular and sectarian exercises are fused or commingled, etc.?

It is inconceivable to us that *Schempp* was intended *sub silentio* to overrule or supersede *Everson* and the other Establishment cases preceding *Schempp*. On the contrary, *Everson* is cited in the opinion, with approval, some half dozen times. (In fact, *Everson,* is cited as the authority for naming the test.) At one point, after quoting, with approval, from *Everson;* from Justice Jackson's dissent therein to the effect that the First Amendment "was to take every form of propagation of religion out of the realm of things which could directly be made public business and thereby be supported in whole or in part at taxpayer's expense * * *"; from Justice Rutledge's dissent therein which declared, "but the object was broader than separating church and state in this narrow sense, [i]t was to create a complete and permanent separation of the spheres of religious activity and civil authority by comprehensively forbidding every form of public aid or support for religion"; the Court went on to say (in *Schempp*) "the same conclusion has been firmly maintained ever since that time [citing *McCollum, McGowan* and *Torcaso,* all *supra*]." (Emphasis added.)

After a consideration of all of the Supreme Court decisions and our statement of their rationale, quoted above, we have reached the conclusion that, insofar as the issue of the First Amendment is concerned, we should apply the following standards in measuring the statutes under consideration.

As it is claimed that First Amendment liberties have been infringed upon, we must closely scrutinize and carefully consider the issues presented. *McGowan, supra,* 366 U.S. at p. 449. Each case must be determined on its particular facts. *Murray, Etc., supra,* 341 Md. at p. 398. We must examine each of the statutes and decide whether it can be demonstrated that its purpose—as evidenced either on its face, in conjunction with its legislative history, or in its operative effect—is to use the State's coercive power to aid religion. *Schempp, supra,* 374 U.S. 203, and Justice Frankfurter's opinion in *McGowan,* 366 U.S. at pp. 466, 467. "If the primary purpose (as contradistinguished from an incidental one) of the state action is to promote religion, that action is in violation of the Amendment, but if [the operative effect of] a statute furthers both secular and religious ends, an examination of the means used is necessary to determine whether the state could reasonably have attained the secular end by means which do not further the promotion of religion." *Murray Etc., supra.* cf. *McGowan, supra.* No tax, in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called or whatever form they may adopt to teach or practice religions. *Everson, supra,* 330 U.S. at p. 16. Although a state cannot "contribute tax-raised funds to the support of an institution which teaches the tenents and faith of any church," it cannot exclude individuals, because of their faith or lack of it, from receiving the benefits of valid public welfare legislation. *Everson, supra,* (a case wherein the Court stated the factual situation "verged" upon the impermissible). When the power, prestige and financial support of government is placed behind a particular religious belief, the indirect coercive pressure upon religious minorities to conform to the prevailing officially approved religion is plain. *Engel, supra,* 370 U.S., at p. 431. We are unable to accept appellees' contention that every religious observance by an institution sectarianizes the same, but feel that the question of sectarianization depends upon a consideration of the observances, themselves, and the mode, zeal, and frequency with which they are made. These principles are sufficient, we think, to determine our present issues, and we shall apply them in considering the four statutes involved.

We have comparatively little difficulty with such cases as *Bradfield* v. *Roberts,* 175 U.S. 291, *Quick Bear* v. *Leupp,* 210 U.S. 50, and *Cochran* v. *Louisiana, etc.,* 281 U.S. 370, all cited by the appellees. We shall make but a short analysis of the same. Justice Brennan, in his concurrence in *Schempp, supra,* said: "A scrutiny of several earlier cases [including the three cases named above] * * * shows that such cases neither raised nor decided any constitutional issues under the First Amendment." We agree.

And we find no great difficulty in distinguishing *McGowan* v. *Maryland, supra,* wherein the validity of the Maryland Sunday-closing laws were upheld. There, general "public welfare legislation" was upheld because its then "present purpose and effect" was "to provide a uniform day of rest for all citizens," even though religion might have been affected or benefited in a purely incidental manner. It was much the same holding, in principle, as *Everson, supra,* wherein the Court observed that the legislation "verged" upon being impermissible. As we have stated above, it is a question of degree as to how far all religions or a specific religion may be benefited by State action without the State stepping out of its role of complete "neutrality," and such action losing its character as being incidental to lawful general welfare legislation.

APPLYING THE STANDARDS TO THE INDIVIDUAL COLLEGES

There is little controversy over the facts in any of the cases; rather the dispute is as to the legal effects of the facts.

The experts on both sides are in general accord that the following factors are significant in determining whether an educational institution is religious or sectarian: (1) the stated purposes of the college; (2) the college personnel, which includes the governing board, the administrative officers, the faculty, and the student body (with considerable stress being laid on the substantiality of religious control over the governing board as a criterion of whether a college is sectarian); (3) the college's relationship with religious organizations and groups, which relationshp includes the extent of ownershp, financial assistance, the college's memberships and affiliations, religious purposes, and miscellaneous aspects of the college's relationship with its sponsoring church; (4) the place of religion in the college's program, which includes the extent of religious manifestation in the physical surroundings, the character and extent of religious observance sponsored or encouraged by the college, the required participation for any or all students, the extent to which the college sponsors or encourages religious activity of sects different from that of the college's own church and the place of religion in the curriculum and in extra-curricular programs; (5) the result or "outcome" of the college program, such as accreditation and the nature and character of the activities of the alumni; and (6) the work and image of the college in the community.

With these criteria and the standards we named above in mind, we consider the schools individually. In setting forth the facts relevant to each, we have followed, in considerable measure, appellants' brief with reference to some of the schools, after carefully checking the same with the evidence.

Hood College

Chapter 88 of the Acts of the General Assembly of 1962 grants to Hood College $500,000 to help erect a dormitory and a classroom building.

According to the College Bulletin issued in 1963, Hood is "an independent liberal arts college for women," and it "is church related through its affiliation with the United Church of Christ [U.C.C.], but welcomes students of all religious faiths." It is listed in a Tabulation of the Danforth Foundation of Institutions Associated with Religious Bodies as "reflecting religious orientation." It is a small college, limited to an enrollment of about 650 students, and is governed by a Board of Trustees consisting of 35 members. Seven of these are elected by agencies of the U.C.C.; 22 by the Board itself; and 6 by the Alumnae Association from its membership. The President is selected by the Board, and the President, after screening by appropriate college officials, selects the administrative personnel. Faculty members are usually located by the chairman of the department where a vacancy occurs. They are selected upon an analysis of their academic credentials, qualifications, and earned degrees, and their "character and congeniality." There are no sectarian requirements for members of the faculty; the President thought that Hood had "virtually all shades of religious affiliations represented [thereon] and non-religious affiliation." In the year 1963–1964, there were 7 Episcopalians, 2 of the Jewish faith, 3 Lutherans, 6 Methodist, 1 with no affiliation indicated, 13 Presbyterians, 2 listed as Protestant but non-denominational, 5 Roman Catholics, 3 members of the Society of Friends, 3 Unitarians, and 10 members of the U.C.C., a rather heterogeneous faculty for a sectarian school.

There is no requirement that any member of the officers of administration be of any particular religious denomination, and, in fact, the officers of administration do not represent any particular church or religious body. Included among these are Baptists, Lutherans, Methodists, Presbyterians, one Roman Catholic and one Unitarian, and 7 members of the U.C.C.

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[15] Justice Douglas was the only member of the Court who felt that even though the public expenditure was minuscule, it was sufficient to invalidate the statutes involved.

There is no requirement that the Chaplain, who supervises, generally, the religious lives of the student body be of any particular denomination, although the present one is a member of the U.C.C.

The student body is primarily selected according to educational records supplied by the students and by the schools from whence they come; there is absolutely no requirement based on race, creed, color, or sectarian affiliation in the student body. An examination of their religious affiliation for the year 1963-64 shows a diversification that it would unduly prolong this opinion to include them all. Among a student body of some 675 students were included 146 Episcopalians, 29 Jewish students, 83 Methodists, 72 Roman Catholics, 108 Presbyterians, and 89 members of the U.C.C.

The college confers only two earned degrees; the A.B. degree, which is, of course, a liberal arts degree; and the B.S. degree in Home Economics. It has a department of religion and philosophy; the courses taught therein are conducted in the same manner as the courses in other departments. These courses are not geared to aiding the Protestant religions or any other; they are primarily historical studies in religion and "there is absolutely no attempt at indoctrination in any way." The President was emphatic in stating that he believed proselytizing had no place in higher education. The professors in the religious field are not confined to members of the U.C.C. or to Protestants. In addition, there is no attempt by the U.C.C., or any other group, to select texts or to offer suggestions as to which texts should be used, and there are no courses in religion or philosophy, or anywhere else in the curriculum, which are designed to train for the ministry or religious work. The requirements for attendance at chapel (indeed, if they may be termed requirements from the evidence) do not call for frequent services, with the student being allowed generous "cuts" without excuse. On the Wednesday evening services, of which there are approximately 15 per semester, clergymen of various demoninations come in and talk to the students. These include Protestants, Roman Catholics, Jewish Rabbis, and a Humanist (the President of Hood, after listening to him, being unable to state what his religious preference was). This same general pattern is followed for the Sunday evening services, but not to the same extent as the services on Wednesday evenings. The students are encouraged to maintain ties with the churches of their own denomination while at the college, and each Sunday morning they are released for the purpose of going to such churches in the locality.

In the year mentioned above, the U.C.C. contributed 2.2% of the college's total operating budget; but contributed nothing in the way of capital gifts, with the exception of one gift in the amount of $10,000 for endowed scholarships.

The college has a "very loose relationship" with the Council for Higher Education of the U.C.C., all of the church-related colleges related to the U.C.C. automatically becoming members of the Council.

During the summers the college permits various civic and religious groups to utilize their campus for programs for which modest charges are made. The school has no control over the programs, and, as far as the record discloses, the programs are not confined to church affairs or to any particular denominations.

The facilities to be housed by the grant herein involved will be a new academic building and a dormitory; no religious activities will be conducted therein.

The above summarization, we think, discloses that Hood, although it is a church-related school, may constitutionally receive the money mentioned in the Bill. No challenge under this heading is made against the Bill's permissibility other than its alleged violation of the Establishment Clause of the First Amendment.

Applying the criteria we named above, we are unable to say that the College is sectarian in a legal sense under the First Amendment, or to a degree that renders the grant invalid thereunder. The College's stated purposes in relation to religion are not of a fervent, intense, or passionate nature, but seem to be based largely upon its historical background. The College was established in 1893, when a great number of private schools were church-oriented, and it was then related to the Reformed Church of the United States. After two church mergers, one in 1933 and one in about 1962, the present sponsoring church is the newly created U.C.C. The Church does not have control over the governing body and certainly the college personnel shows no serious attempt to proselytize, or to require certain religious beliefs to become a member thereof. The financial assistance of 2.2% of the operating budget given by the Church is a moderate percentage. The only physical structure of a religious character seems to be the Chapel, and it is open to all. Religion in the curriculum and in extra-curricular programs is at a minimum for any church-related school. We do not find that religion occupies a dominant place in the College's program, the record clearly showing that students are not required to attend and participate in many religious observances. It is, of course, accredited. The record does not disclose any great activity among the alumnae of a religious nature, and, although the image of Hood in the community is that of a good, sound, and efficient college, there is no showing that it is considered to be religiously slanted. Under the above circumstances, it is obvious that neither the U.C.C. nor any other religion is running the institution, or has control over it.

We hold, therefore, that the primary purpose of the grant here involved was not to aid or support religion; that there is nothing on the face of the bill or its legislative history to demonstrate that its purpose was to use the State's coercive power to aid religion; and that its operative effect is not to aid religion (as we read the record, we see no aid to religion here; if there be any it assuredly is incidental and very remote in nature), but to promote the educational facilities for women. Consequently, the Bill does not violate the First Amendment.

Western Maryland

Chapter 546 of the Acts of the General Assembly of 1963 grants $500,000 to Western Maryland College for the purpose of aiding in the construction of a science wing and dining hall.

The stated purposes include religious objectives to a considerable extent. The college characterizes itself as a "religiously oriented institution" and "make[s] no bones about the fact that our philosophy at Western Maryland is a Christian philosophy."

One more than one-third of the members of the governing board are required by its Charter to be Methodist Ministers, so as to give the clergy the veto power over any change inimical to the interests of the church. The required percentage "binds the college very closely to the church." The board is heavily Methodist, and nearly all Protestant, although quite a number of denominations are represented thereon. All the presidents have been Methodist Ministers. The administration is almost entirely Protestant, although, again, quite a number of denominations are represented.

Care is taken to obtain a faculty committed to the Christian philosophy of life, and an atheist would not be employed. Almost half of the faculty is Methodist, and almost all Protestant. Approximately 40% of the student body is Methodist, and almost all Protestant. The large number of Methodists is due to greater likelihood of acceptance of Methodist "borderline cases * * * because they seem part of the constituency of the college," and to the large number of Methodist students who become familiar with the college during church conferences on the campus. The college has a significant number of Methodist preministerial students. Some of these are given scholarships ranging from ½ to full tuition. And the children of Methodist Ministers are charged only half tuition.

The church provides "financial support of considerable value," both operational and capital, the operational contribution being between 2 and 3% of the budget. The college is affiliated with, and supports, denominational educational associations.

The college campus is very heavily used by Protestant religious groups (some at actual cost), and "logically and naturally, there have been of course more of the Methodist program here than any of the other denominations."

The college fosters a religious program, under the direction of a Methodist minister. Participation in Protestant religious services is required of all students. The requirement is publicized so that if anyone has conscientious scruples about attending such services "he should know that before he comes."

The college makes a conscious effort to ingrate religion, and specifically Christianity, with the curriculum and extracurricular life. Because Methodism does not have the wide range of dogma that one, or more, religions have, there is less specific religious restriction in regard to curriculum, but the school endeavors to provide a religious motivation.

We quote briefly from material contained in documents issued by the college: "Many [of the students] become seriously interested in religion for the first time [while attending the college]."

Under the heading "What Has the College Done for the Church," after listing what we have named above, we find the following:

"The principal contribution the college is making to the church is in accordance with its [the college's] basic purpose: to provide the best in higher education *within the framework and atmosphere of the verities and values of our Christian faith.*" (Emphasis addded.)

The college is accredited by the Middle States Association of Schools and Colleges and the University Senate of the Methodist Church. It is proud of the number of its alumni who enter the Christian, and particularly the Methodist ministry. The image of the college in the community is strongly Methodist.

Applying the criteria and principles of law we named above to this college, we reach the conclusion that it is sectarian in a legal sense under the First Amendment, and may not constitutionally receive the grant named in the Bill. Whether or not an educational institution is sectarian in such a legal sense is a rather elusive matter, being somewhat ephemeral in nature. Hence, we have deliberately made no attempt to enunciate a hard, fast, and intractable rule in regard thereto, preferring, as indicated above, to decide each case upon the totality of its attendant circumstances.

Here, the stated purposes of the college have a distinctly religious "flavor," and they clearly indicate a considered resolution to promote religious activities and exercises. The board of trustees consists of 27 Methodists in a membership of 40, with virtually all of the remainder being Protestants. And, of course, at least one more than one-third must be Methodist ministers, which "binds the college very closely to the church." The administrative officers are almost entirely

Protestant; and the full-time faculty consists of 30 Methodists in a membership of 51.

We shall not repeat all of what we said above concerning the College's activities. We find nothing on the face of the bill or its legislative history to demonstrate a purpose to use the State's coercive power to aid religion, but a careful consideration of all the facts impels us to the conclusion that the operative effect will be such, if the grant be effectuated. As stated in footnote 14, "The most effective way to establish any institution is to finance it * * *. Financing a church either in its strictly religious activities or in its other activities is equally unconstitutional * * *." When it is conceded that all the Presidents have been Methodist ministers, that many of the students become seriously interested in religion for the first time, that limited scholarships are given to the children of the ministers of one denomination, that scholarships are awarded to pre-ministerial students of one denomination, that its campus is made available, at cost, to organizations belonging to one faith, that preference is given to "borderline cases" of one denomination in student-body selection, and that the "basic purpose" of the College is to provide the best in higher education "within the framework and atmosphere of the verities and values of *our* (emphasis ours) Christian faith," et cetera, how can it seriously be argued that a grant of tax-raised funds to such an institution would not be "to support * * * religious activities or institutions, whatever they may be called or whatever form they may adopt to teach or practice religion"?

Moreover, the College has made no attempt (possibly due to the fact that the opinion had not been filed when the testimony herein was taken) to comply with the requirement set forth by this Court in *Murray, Etc., supra, i.e.*, "if a statute furthers both secular and religious ends, an examination of the means used is necessary to determine whether the State could reasonably have attained the secular end by means which do not further the promotion of religion." The appellants suggest that the State could have accomplished the secular purpose desired, without the question of religious activities becoming involved, by making the same grant to any one of several non-sectarian educational institutions in the State.

Without laboring the question further, we hold that Chapter 546 transgresses the proscriptions of the Establishment Clause, consequently, it is unconstitutional and invalid.

Notre Dame

Chapter 66 of the Acts of the General Assembly of 1962 grants $750,000 to this College to aid in the construction of a science building.

Notre Dame's stated purposes are deeply and intensely religious. The theory of Catholic education is that Prayer, Holy Mass and the Sacraments represent "the Unifying forces," and "the instructional program interlocks with the non-instructional program; objectives with methods and means, and all to an essential, interwoven unity." "All of [the College's] objectives are implemented in some degree in every department." The institution's "whole life is lived in the Catholic atmosphere, which assumes that earthly life is to be lived * * * in terms of a preparation for the future life with God," and to that end, it "harmonizes" its entire "program with the philosophy and theology of the Catholic Church." The entire program of the College is so ordered "that [the student's] life and study and the atmosphere of the college are *permeated, motivated, enlarged and integrated by the Catholic way of life* as developed and expressed in the daily prayer, liturgy, Sacraments and Holy Mass of the Church." (Emphasis ours.) "And Outward Grace * * *. Since the Christ-thought, the Christ-word and the Christ-deed are the norms of community living in a Catholic college for women, intimations of this presence should be found everywhere: In the Chapel—[and] in the Class Room * * *." "This expresses our aim to have the spiritual support and vivify the whole college atmosphere." Extracts taken from Exhibits in evidence. "God bless you and your apostolate in the home, classroom, laboratory, business office, etc. Gratefully in Our Lady." (Sentence from a letter of Sister Miriam to the Girls of 1961.) "Make your payment a Christmas Gift this year. Help meet the $750,000 Matching Grant for the Science Building [the building involved in the grant under Chapter 66]. * * *. And you know that your gift to the College is a gift to God for the furtherance of his work. May the Christ Child bless you for your generosity * * * ." (Letter from Sister Miriam dated December, 1962).

If erected, each class in the new science building will open with a prayer.

The governing board is controlled by a Catholic religious order whose members are completely committed to Catholic discipline and educational philosophy. The administration is almost entirely religious. The faculty are predominantly nuns who are appointed by the Provincial Superior of the religious order (who is Chairman of the governing board), in consultation with the the President, who is also a member of the order. Administration and faculty are chosen on the basis of commitment to the college objectives and ideals, and are overwhelmingly Catholic. Ten per cent of the students are candidates for a religious order and more than 97% of the whole student body are Catholic. This percentage cannot be deemed coincidental.

The college is owned and has been given heavy financial assistance by the religious order. It is officially a member of, and supports, a number of distinctly Catholic associations and institutions. It makes its campus available for use by the Catholic Church and related groups, but not to non-Catholic organizations. It has close ties with the Archdiocese of Baltimore.

Catholicity permeates the college program: the physical surroundings; the rich variety of college-sponsored, exclusively Catholic observances, many of which are compulsory for Catholic students, if not for the entire student body; the curriculum; extracurricular activities; and the student advisory and counseling program.

The college and the accrediting agencies report a high level of success in achieving the religious objectives of the institution. The alumnae, individually and as an organization constituting "an integral part" of the college activity, are deeply engaged in the promotion and defense of Catholicism and the Catholic Church.

The college provides supplemental programs of strong Catholic religious content for nuns teaching in parochial schools and in its Adult Institutes for the community at large. Its image in the community, as expressed in its publications, constituencies, relations with the Archdiocese, ceremonies, and way of life in general, is distinctly and intensely Catholic.

As the situation presented by the facts relating to St. Joseph College are so analogous to those regarding Notre Dame, we set forth St. Joseph's fact picture before stating our holdings with reference to Notre Dame.

St. Joseph College

Chapter 545 of the Acts of the General Assembly of 1963 grants to St. Joseph College $750,000 to assist in erecting a science building.

Since the evidence relating to this institution is so similar to that regarding Notre Dame, we curtail, somewhat, our analysis thereof.

The stated purposes of St. Joseph College seem to be even more strongly religious than Notre Dame's. The religious order of dedicated nuns has complete control of the government and administration. The nuns have taken and abide by vows of strict obedience. The faculty is chosen with a view to achieving the religious ideals of the college, both by precept and example, and preference is given to Catholics; it, as a whole, is sympathetic to the Catholic philosophy of education. The majority of the faculty are Catholic priests or nuns, and there are but a small number of non-Catholic members. The student body includes candidates for the religious order, and has consistently been virtually 100% Catholic; approximately 90% of the students are graduates of Catholic parochial high schools. The Catholic character of the student body is achieved by design.

The religious order owns the college through the corporate form and has provided virtually 100% of the financial assistance needed over and above operating income.

The college is affiliated with, and supports, distinctly Catholic associations and institutions, and, like Notre Dame, is a certified affiliate of the Catholic University of America. The supplementary uses of the campus have been exclusively by Catholic religious groups.

The physical surroundings are strongly religious. Religious observance is strongly Catholic, richly textured, and extensively participated in: "In general, the Theocentric orientation of a Christian student's life is encouraged."

The accrediting agencies have specifically found St. Joseph to be accomplishing its religious objectives. The alumnae, individually and as an organization, are distinguished by the number of members of religious orders, the high percentage of active Catholic workers, and the devotion to the alumnae association's objectives: "to promulgate the principles and ideals of Catholicism * * * defending and promoting the interest of the Church, in promulgating Catholic education and in supporting the Church and its activities."

The supplementary instructional programs are strongly Catholic, as in the image of the college in the community. If erected, the new science building will house crucifixes, "maybe" statues, and "very likely" waterfonts.

Again, we find nothing on the faces of the above two Bills or in their legislative histories to demonstrate a purpose to use the State's coercive power to aid religion, but a consideration of the totality of attendant circumstances impels a conclusion that their operative effect (if the grants be effectuated) demonstrates such a purpose. It must be remembered that here involved are direct grants of tax-raised funds to the educational *institutions*, themselves, which will become the sole owners of the buildings if erected. If appellees' contention that there is nothing in the Establishment Clause which proscribes direct grants to aid and support sectarian educational institutions were correct, it seems that *Everson, supra*, would have been decided quite easily and without dissent, even though no direct grant was there involved. The funds here involved are entirely different from those in such cases as *Board of Education* v. *Wheat*, 174 Md. 314, and *Everson, supra*. In *Everson*, the Supreme Court ruled that a State could constitutionally finance bus transportation of children to parochial as well as public schools, on the ground that involved was "public welfare legislation" (protecting *all* children from traffic hazards and dangers), and under the provisions of the First Amendment no State could exclude individuals, *because of their faith*, from receiving the benefits of such legislation. In *Wheat*, this Court ruled constitutional a statute which required the

Board of Education (under limitations as to distance, etc.) to carry parochial students to and from their schools upon the same conditions that public-school students were carried, on the ground that the statute protected the safety of the children while en route to and from schools. No direct grants of money or property to any educational institution were involved in either case, but the Supreme Court split 5 to 4 and this Court 5 to 3 on the issues, with vigorous dissents being filed in each case.

In basing its holding in *Everson* on public welfare legislation, the Supreme Court was careful to say:

"New Jersey cannot consistently with the 'establishment of religion' clause of the First Amendment contribute tax-raised funds to the support of an institution [directly involved therein were students in parochial educational schools—no church, or institution set aside especially for religious worship, was involved] which teaches the tenets and faith of any church."

And "no tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to preach or practice religion."

We do not deem it desirable to add materially to what we have already said with reference to Western Maryland. The facts relating to Notre Dame and St. Joseph speak for themselves. We think they clearly show that the operative effect of the Bills (if the grants are permitted to be made) demonstrates, in a legal and constitutional sense, a purpose to use the State's coercive power to aid religion; that the grants, if made, would constitute a contribution by the State of tax-raised funds to support institutions which teach the tenets and faith of a particular church; and that the taxes levied to raise the funds for the grants would be levied to help support religious activities and religious institutions.

We agree with Neil J. McCluskey, S.J., in his work *Catholic Viewpoint on Education*, p. 168, wherein he stated: "The Catholic laity and clergy are fully aware that direct basic support by the government to parochial schools is out of the question" because "the U.S. Supreme Court would interpret such action as a contravention of the Federal Constitution."

We, therefore, hold that both Notre Dame and St. Joseph are sectarian in a legal sense under the First Amendment, and neither can constitutionally receive the grant made to it; hence Chapter 66 of the Acts of 1962 and Chapter 545 of the Acts of 1963 are unconstitutional and invalid.

THE MARYLAND CONSTITUTIONAL CLAIMS

Under some circumstances, it would be unnecessary to consider these contentions after our holdings above, but, should we find that the grants violated the Maryland Constitution, the Supreme Court might assume a different attitude with reference to reviewing our conclusions than if we decide to the contrary; so we deem it desirable to answer the same.

Article 23 of our Declaration of Rights provides, *inter alia*, that no man should be deprived of his life, liberty, or property except "by the judgment of his peers, or by the Law of the land." Appellants point this out and call attention to the fact that we have held the phrase "Law of the land" herein is the equivalent of "due process of law" as used in the Fourteenth Amendment to the Federal Constitution. They then argue, "for the same reasons, and on the same authorities, as the grants violate the Fourteenth Amendment's guarantees of due process of law, which have been construed to include *the prohibition against an establishment of religion contained in the First Amendment* (emphasis ours), the grants violate Art. 23 * * *."

It is quite true that we have equated the phrases "Law of the land" and "due process of law." See for example *Matter of Easton*, 214 Md. 176. But the argument loses sight of the fact that the First Amendment is not included in the Maryland Constitution, and we do not have a Court of higher authority than the Court of Appeals to construe our Constitution, which, of course, is not the case when the Federal Constitution is involved. We have found no Maryland case denying the right of the Legislature to make a grant to a private institution provided the money is appropriated and expended for a public use. Cf. *Johns Hopkins Univ.* v. *Williams*, 199 Md. 382; *Saint John's College* v. *Maryland*, 15 Md. 330; *St. Mary's Industrial School* v. *Brown*, 45 Md. 310; *Board of Education* v. *Wheat, supra; Adams* v. *St. Mary's County*, 180 Md. 550. The grants here under consideration (if effectuated) are clearly ones to be expended for public uses: to assist in educating our citizens. Cf. *Johns Hopkins Univ.* v. *Williams, supra*. We, therefore, hold that none of the statutes involved violates Article 23.

What we have just said answers appellants' contentions in regard to Article 15. It is true that under this Article the Legislature is inhibited from imposing taxes other than for public purposes. *Baltimore & E.S.R.R. Co.* v. *Spring*, 80 Md. 510. It is also true that it has been said that what is public purpose for which tax funds may be expended is not a matter of exact definition; it is almost entirely a matter of general acceptation. *Finan* v. *M. & C. C. of Cumberland*, 154 Md. 563. But at least since the *Johns Hopkins Univ.* case, *supra*, it cannot be doubted that gifts to private educational institutions to aid in the construction of school buildings are expenditures for public purposes. In the above case it was not even argued that the gift was not an expenditure for a public purpose.

We hold that none of the Acts violates Article 15.

This brings us to a consideration of the final contention to be answered: do the grants violate Article 36, which, in part, provides: "nor ought any person to be compelled to frequent, or maintain, or contribute, unless on contract, to maintain, any place of worship, or any ministry."

Appellants call attention to the similarity of the language just quoted to that in Jefferson's famous Bill passed in Virginia, *supra* (see it also as Document 10, Am. Jur. 2d, Desk Book), cite several out-of-state cases that are rather closely in point, and claim the grants herein violated Article 36. In the light of the history and reasons for the separation-of-church-and-State provisions and the broad scope given the First Amendment by the Supreme Court cases beginning with *Everson, supra*, it cannot be said that the contention is entirely lacking in force, and if it were presented to us as an entirely new proposition, it might raise some doubt as to how it should be answered. Although there does not seem to be any previous decision of this Court directly in point, we think an examination of how, why, and when the provision first came into our Constitution, the changes therein subsequently made, and the decisions of this Court bearing in some degree on the meaning of the provision compel a conclusion that Acts herein involved do not violate Article 36.

Our first Constitution was adopted in 1776, 10 years before Jefferson's Bill referred to above and 11 years before the adoption of the Federal Constitution. This first Constitution granted religious tolerance to all those of the Christian faith; and, with reference to compelling support therefor had substantially the same provision as our current one. Prior to 1776, it had been the practice in Maryland to levy taxes for the support of the Christian religion and also to support the clergy of the Church of England. Article XXXIII of our first Declaration of Rights (the precursor of the present Article XXXVI), after granting tolerance to those who professed the Christian religion, as we pointed out above, provided that no person ought to be compelled to frequent, maintain, or contribute to maintain any *particular* place of worship or any *particular* ministry. Immediately following, it stated that the Legislature could lay a "general and equal tax for the support of the Christian religion," with the right in the individual taxpayer of "appointing over" the money paid by him "to the support of any particular place of worship or minister * * *." It further provided that the Acts, lately passed, for collecting monies for building or repairing particular churches or chapels should continue in force, and that every encumbent of the Church of England should be entitled to receive "the provision and support established by the act, entitled, 'an act for the support of the clergy of the church of England, in this Province.'"

Notwithstanding the passage of Jefferson's Bill establishing religious freedom and preventing taxation to support any "religious worship, place or ministry" in Virginia in 1786 and the adoption of the First Amendment in 1791 (which at that time did not apply to the states), it was not until 1810 [16] that the people of Maryland saw fit to take away the authority of the Legislature to tax to support churches or ministers by amendment of the Constitution. This amendment provided "that it shall not be lawful for the general assembly * * * to lay an equal and general tax, or any other tax * * * for the support of *any religion*." (Emphasis added.) The Constitution of 1851 granted tolerance and religious liberty to "all persons," and changed the provision under consideration from "any particular place of worship, or any particular ministry" to "any place of worship or any ministry," as it is today.

We have given this brief background of Article 36 to show that Maryland was obviously in no great hurry to prevent taxation to support certain religions or to grant religious tolerance to all persons, no matter what might be their faith or lack of faith. We indicated above that there are several decisions of this Court that have some bearing upon the issue now under consideration. We shall name some of them. *Wheat, supra*, involved free transportation of children to parochial schools on public-school buses. The Act was challenged as being one that levied taxes for a private purpose, and as being violative of Article 36. After finding that the Act was sustainable under the police power as providing for the safety of children and aiding in enforcing the law requiring children of certain ages to attend school, the Court stated, "this conclusion * * * renders it unnecessary to consider separately the objection that a religious institution is aided. Art. 36 * * *. The institution must be considered as aided only incidently, the aid only a by-product of proper legislative action." This, by implication, was a strong indication that the Court did not consider the Act to violate Article 36, for the Legislature, even in the exercise of the State's police power, cannot transgress specific constitutional inhibitions; hence, had the Act violated Article 36, it would not have been constitutional legislation.

Then there are the cases of *St. John's College* v. *State*, 15 Md. 330, *St. John's College* v. *Purnell*, 23 Md. 629, *Allegany County School* v. *Maffit*, 22 Md. 121, *St. Mary's Industrial*

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[16] Four of appellees stated: "It was not until the Constitution of 1851 that the authority of the Legislature to tax for the support of the Christian religion was eliminated." This apparently is in error. See Niles, Maryland Constitution Law, p. 379; 1 Poore, Charters & Constitutions (1878), 832.

School for Boys v. *Brown,* 45 Md. 310, 335, 336, *Clark* v. *Maryland Institute,* 87 Md. 643, *Baltimore* v. *Keeley Institute,* 81 Md. 106, *Finan* v. *M. & C. C. of Cumberland,* 154 Md. 563, and possibly others. We shall not analyze the holdings in each of these, for we think Judge Parke, for the dissenting members in *Wheat, supra,* correctly summarized them. He stated:

"Thus appropriations by the General Assembly of public funds are customarily made and paid to various bodies and institutions through the state, which are privately owned and managed, and which are, in many instances, of sectarian origin and character. It will be found, upon examination, that this employment of public funds has not been for a private purpose but for a public one. It is upon this ground that this employment of public moneys has been sanctioned by the decisions of this court. If an incidental or direct benefit result to the recipient, this resultant advantage becomes immaterial and negligible because of the paramount public and essential nature of the service rendered and of the further factor that the State has either not undertaken or not fully assumed the performance of the public service or function involved. [citation]. *The validity of such grants, when so limited, is not affected by any sectarian circumstance,* [citation] Thus, *grants to educational institutions* which supply instruction and training in learning and mechanical, industrial, agricultural and other arts of which the State does not offer or undertake to afford universal service [there is no contention that Maryland has ever adopted universal public instruction at the college level] are freely made without reference to whether the recipient be denominational or otherwise. [citation of Maryland cases and legislative grants] Similarly, the grants in aid of the hospitalization of patients for care and treatment in sickness, injury and disease, [citation] for chronic alcoholism, [citation] for homes for the aged and infirm, for orphans, for children, for the blind, for crippled children, for reformatories and for other purposes which are within the functions of the State as conducive to the welfare of its inhabitants, and pursuant to the mandate of the Declaration of Rights: 'That the Legislature ought to encourage the diffusion of knowledge and virtue, the extension of a judicious system of general education, the promotion of literature, the arts, sciences, agriculture, commerce and manufactures, and, the general amelioration of the condition of the people.' Article 43.

"In these grants the State advisedly *makes no distinction between denominational and non-denominational institutions,* nor has it limited its appropriations to race or color. The grants so made for special public purposes find at once their justification and vindication in the promotion of the general welfare in those matters of public concern in respect of which the government had not theretofore undertaken completely to perform. In short although paid to a private person, the money is appropriated and expended for a public use." (Emphasis supplied.)

We also see some relationship to our present issue in the holdings in *Baltzell* v. *Church Home,* 110 Md. 244 (upholding a bequest to the Church Home & Infirmary of Baltimore City, at a time when the Constitution required legislative sanction for gifts, with certain exceptions, to any "religious sect, order or denomination.") and *Mt. St. Mary's College* v. *Williams,* 132 Md. 184, wherein the College was held not to come within the purview of being a religious sect, order or denomination. Both of these cases followed the lead of *Speer* v. *Colbert,* 24 App. Cas. (D.C.) 187, aff'd 200 U.S. 130, wherein Georgetown College, which was an educational institution under the control of a religious order, known as the Order of Jesus, was held not to be a sectarian institution or a religious sect, order or denomination. This last case has especial significance, for the law in the District of Columbia was then the same as in Maryland, and the opinion was one of the last of its then Chief Justice Alvey, who had formerly been a most distinguished Chief Judge of this Court and was thoroughly familiar with Maryland law.[17]

Thus it is seen that grants to educational institutions at a level where the state has not attempted to provide universal educational facilities for its citizens have never, in Maryland, been held to be impermissible under Article 36, even though the institutions may be under the control of a religious order. And we see no reason to hold otherwise now. We, therefore, hold that none of the grants violates Article 36.

This conclusion is bolstered by the fact that all of the states, except Maryland and Vermont, have explicit provisions prohibiting the appropriation of public money to schools controlled by religious organizations. See Note 50 Yale L.J. 917 for 46 of them, and we are informed that the Constitutions of Alaska and Hawaii have explicit provisions also. Had the people of Maryland desired to change its practice relative to such grants, it certainly would be likely that they would have made similar provisions after so many states had done so.

Also, the Department of Health, Education and Welfare Misc. Doc. No. 28, *The State and Non-Public Schools,* pp. 16–17 filed as Plaintiffs' Ex. 113, cites Maryland as having no specific provisions against grants to religious schools.

Decree affirmed in part, and reversed in part; and cause remanded for the entry of a decree in accordance with this opinion. The costs to be paid ¼ by the appellants, ¼ by Western Maryland College, ¼ by St. Joseph College, and ¼ by Notre Dame College.

In the Court of Appeals of Maryland—The Horace Mann League of the United States of America, Inc., et al *v.* Board of Public Works of Maryland, et al.—No. 356, September Term, 1965

(Prescott, C. J., Hammond, Horney, MarBury, Oppenheimer, Keating, Thomas J., Jr. (specially assigned), Powers, Ralph W. (specially assigned), JJ.)

(Dissenting Opinion in part by Hammond, J. in which Horney and Marbury, JJ. concur. Filed: June 2, 1966.)

Hammond, J., dissenting:

I agree with my brethren of the majority that the individual appellants have standing and that the capital grants under review do not offend or violate Art. 15, Art. 23 or Art. 36 of the Maryland Declaration of Rights. I cannot agree with their conclusions that the grants by the State of Maryland to Western Maryland College for buildings to be used as a science wing and a dining hall and to St. Joseph College and the College of Notre Dame of Maryland for science buildings, amount to the establishment of religion by the State contrary to the mandate of the first amendment to the Constitution of the United States, made binding on the states, under the decisions of the Supreme Court, by the fourteenth amendment.

There can be no rational doubt from the evidence in the record and facts that properly can be judicially noted, of the following:

(1) that the State of Maryland has for over a hundred and eighty years followed a general, systematic and non-discriminatory pattern of financial assistance to private institutions furnishing a higher secular education. In 1784 the Legislature granted an annual sum of 1250 pounds for the use of St. Johns College (Ch. 37). By Ch. 107 of the Laws of 1798 there was authorized an annual grant to Charlotte Hall School (which had been founded by the established church before the Revolution). In *Johns Hopkins Univ.* v. *Williams,* 199 Md. 382, 399–400, Chief Judge Marbury, for the Court, listed capital grants by the State to institutions of higher learning in Maryland from 1904 to 1937.[1]

(2) that under both Maryland law and federal constitutional standards such grants are for a public use and purpose. The Maryland Declaration of Rights provides in the opening sentence of Art. 43:

"That the Legislature ought to encourage the diffusion of knowledge and virtue, the extension of a judicious system of general education, the promotion of literature, the arts, sciences, agriculture, commerce and manufactures, and the general melioration of the condition of the People."

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[17] And, incidentally, he was also a member of the Constitutional Convention which adopted the Constitution of 1867.

[1] "Thus, in 1904, nearly fifty years ago, a public building loan in the amount of $1,625,000 was authorized by Chapter 228 of the Acts of that year. Of that amount $57,000 was for the purpose of constuction and completion of buildings for the Maryland Agricultural College, which was the collegiate predecessor of the University of Maryland at College Park. At that time, the Maryland Agricultural College was a semi-public institution, having both public and private stockholders, and one-half of it property was owned by the State, so that the appropriation to it is not, perhaps, a perfect legislative interpretation. However, in the same act, $5,000 was given for the construction of buildings at Charlotte Hall School, a privately owned institution, $5,000 for construction of St. Mary's Academy, a similar institution, and $175,000 for the purchase of a lot of ground in Baltimore for the Maryland Institute, also a private institution, and for the construction of a building thereon. This was followed in 1912 by Chapter 90 of that year, which provided for the issuance of $600,000 worth of the State's bonds, the proceeds of which were to be paid to the Johns Hopkins University for the erection of a technological school. That act also included an annual appropriation for maintenance, and provided for scholarships, and it might possibly be argued that the scholarships constituted a consideration. However, in 1922, by Chapter 464, a general construction loan of $1,750,000 provided for a gift from the proceeds of $20,000 to St. John's College for a new heating plant, and $30,000 to Washington College for and on account of its indebtedness. In 1924, there were four acts passed. Chapter 274 authorized a St. John's College loan in the amount of $110,000, the proceeds of which were to pay the present indebtedness of the college. Chapter 280 created a state debt of $2,460,000, and of the proceeds $100,000 was given to St. John's College for equipment and necessary construction purposes. By Chapter 366, the Western Maryland College loan of $125,000 was created, to be turned over to the Board of Trustees of Western Maryland College for the construction and equipment of a science building. By Chapter 369, a state debt of $100,000 was authorized, proceeds to be given to the Board of Visitors and Governors of Washington College for equipment and construction. In 1927, by Chapter 666, the Morgan College loan of $125,000 was created, the proceeds to be used for the construction and equipment of an industrial science building at Morgan College, then a private institution, but later acquired by the State. In 1937, by Chapter 487, a general bond issue of $9,052,000 was authorized, of which $162,000 went for the construction of buildings at Bowie Normal School, and $25,000 for the construction of an improved water supply at the Maryland Training School for Boys. In 1929, by Chapter 263, a state debt of $50,000 was created, to be used for the payment of the deficit in constructing and equipping the new buildings at Charlotte Hall School. All of these recipients were private non-profit corporations."

In his dissent in *Board of Education v. Wheat,* 174 Md. 314, 335–37, Judge Parke well summarized practice and law in a discussion, as to the correctness of which, there can be no real disagreement. He said:

"Neither the payment of money by the State to a private person, whether corporate or otherwise, nor the nature and occupation of that person, is determinative of the purpose of the payment. Thus appropriations by the General Assembly of public funds are customarily made and paid to various bodies and institutions throughout the state, which are privately owned and managed, and which are, in many instances, of sectarian origin and character. It will be found, upon examination, that this employment of public funds has not been for a private purpose but for a public one. It is upon this ground that this employment of public moneys has been sanctioned by the decisions of this court. If an incidental or direct benefit result to the recipient, this resultant advantage becomes immaterial and negligible because of the paramount public and essential nature of the service rendered and of the further factor that the State has either not undertaken or not fully assumed the performance of the public service or function involved. *Clark v. Maryland Institute,* 87 Md. 643, 41 A. 126; Article 43 of the Declaration of Rights. The validity of such grants, when so limited, is not affected by any sectarian circumstance. *St. Mary's Industrial School for Boys v. Brown,* 45 Md. 310, 335, 336. Thus, grants to educational institutions which supply instruction and training in learning and mechanical, industrial, agricultural and other arts of which the State does not offer or undertake to afford universal service are freely made without reference to whether the recipient be denominational or otherwise. *St. John's College v. State,* 15 Md. 330; *St. John's College v. Purnell,* 23 Md. 629; *Allegany County School v. Maffit,* 22 Md. 121 * * *.

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"In these grants the State advisedly makes no distinction between denominational and non-denominational institutions, nor has it limited its appropriations to race or color. The grants so made for special public purposes find at once their justification and vindication in the promotion of the general welfare in those matters of public concern in respect of which the government had not theretofore undertaken completely to perform. In short, although paid to a private person, the money is appropriated and expended for a public use."

In *Everson v. Board of Education,* 330 U.S. 1, 7, 91 L. Ed. 711, 719, Justice Black, for the majority of the Court, found New Jersey constitutionally could tax A to reimburse B for the cost of transporting B's children to a church school. He said:

"It is much too late to argue that legislation intended to facilitate the opportunity of children to get a secular education serves no public purpose. *Cochran v. Louisiana State Board of Education,* 281 U. S. 370 * * *."

(3) the four donee colleges here involved all furnish a secular liberal arts education comparable to that furnished by other first rank liberal arts colleges in the United States and are accredited by standard accrediting agencies. The courses taught in the four donee colleges are taught in substantially the same manner as at other similar colleges, for example, Johns Hopkins or Goucher, and are not used as vehicles for religious indoctrination; the text books are chosen by the individual teachers for their merit in supplying knowledge of the course and are not chosen for their religious orientation or because of the religion of the author and, in most instances, are the same texts that are used at other public and private colleges. No doctrine, dogma or other teaching of any church enters into or interferes with the teaching of the secular subjects that are taught. Graduates of the four donee colleges go on to take graduate studies and obtain degrees on an equal basis with graduates of other public and private colleges at universities offering the best post graduate courses, such as Johns Hopkins and Columbia. There are no religious requirements, oral or written, for admission of students to the donee colleges and, finally, the buildings to be erected with the funds granted will be places which will further the secular training offered by the colleges and not used for religious ceremonies or instruction.

(4) the factors of (a) a rapidly expanding population of the State and the Country, (b) an increasing proportion of that part of the population of college age which attends college, and (c) an ever more complex society which requires ever more highly developed skills of more people in order to supply individuals competent to conduct the affairs of government and the private economy and furnish professional and scientific services, have strained college facilities, physical and human, to the limit, if not beyond, and will combine to require more and more such facilities. Private colleges furnish a most significant help in offering the collegiate and graduate training now available. It is said that there are some 2000 private institutions of higher learning in the Country, of which 800 are church-related. See 109 Cong. Rec. 18406 (daily ed. Oct. 11, 1963). If they are to continue to do their part and bear the new load of increased enrollments, they must have new facilities and, since private colleges traditionally have financial problems which limit their expansion, much of the cost of new facilities must come from government, if it is to come at all. The State of Maryland, as has been noted, has recognized this since early times and the federal government likewise has been aiding institutions of higher learning since the passage of the Morrill Land Grant Act of 1862. Federal funds which go to colleges and universities, a number of them sectarian, for research contracts, loans and outright grants currently exceed two billion dollars a year.

It is in this setting and with this background that the constitutionality of the grants made by the Maryland Legislature to Hood, Western Maryland, Notre Dame and St. Joseph Colleges should be considered and determined. The decisive issue cannot be said to be simple, but it is narrow—does State financial assistance to the secular educational facilities of a college which is sponsored or controlled by a church or a religious order and in which there is a religious atmosphere amount to the establishment of religion within the meaning of the words of the first amendment as those words have been construed recently by the Supreme Court. The case of *Everson v. Board of Education,* 330 U.S. 1, 91 L. Ed. 711, which accasioned the dicta by Justice Black as to what the State cannot do lest it breach the "wall of separation" between church and state, which he repeated in *McCollum v. Board of Education,* 333 U.S. 203, 92 L. Ed. 649, and *Torcaso v. Watkins,* 367 U.S. 488, 6 L. Ed. 2d 982, and Chief Justice Warren quoted in *McGowan v. Maryland,* 366 US. 420, 6 L. Ed. 2d 393, which both the appellants and the majority of the Court heavily stress and rely on, *held* that the furnishing of money by the state to reimburse parents for the cost of transporting their children to parochial schools did not violate the provision of the first amendment that no law shall be made "respecting an establishment of religion." *McCollum* is not in point since it dealt with the action of a public school administration in relation to public sponsorship of religious exercise or instruction in the public schools.

Torcaso, as I read it, held that the Maryland prerequisite of an oath of belief in God to becoming a notary public was invalid because it employed an essentially religious, although non-sectarian, means to achieve a proper secular goal—worthy notaries public—to which the means had no reasonable relation. *McGowan* held that Sunday Closing Laws as presently written and administered "bear no relationship to establishment of religion as those words are used in the Constitution of the United States," since they serve a proper secular purpose and the aid they give to religion is incidental.

Following the decision of the Supreme Court in *Engel* v. *Vitale,* 370 U.S. 421, 8 L. Ed. 2d 601, which held that the organized recital in New York public schools of the so-called Regent's prayer violated the establishment of religion clause, public frustration and resentment with the Court's views and interpretation of that clause increased and there was widespread criticism of decisions on the point, ranging from the reasoned and tempered suggestions of Professor Sutherland in *Establishment According to Engel* in 76 Harv. L. Rev. 25 that the reasoning and result of *Engel* were unsound to ill-advised and intemperate comments, often based on a misunderstanding of the basis and effects of the decisions. In deciding *Abington School Dist.* v. *Schempp,* 374 U.S. 203, 10 L. Ed. 2d 844, which held that the reading, without comment, at the opening of each school day, of verses from the Bible and recitation in unison of the Lord's prayer, violated the establishment clause, the Court, in the traditional way of courts, did not acknowledge error and adhered to its views but was particularly careful in its opinion to in effect answer criticism by specifying just what had been held before and was being held then, and to say, with words chosen even more carefully than usual, just what the law was. For this reason I ascribe great weight to *Schempp* as a guide to what will and what will not offend the establishment rule the Court has drawn.

Justice Clark, for the Court, pointed out that religion consistently has been identified with our history and government and that religious freedom is imbedded in our public and private life. He then reviewed the prior cases and their holdings and dicta, and said:

"As we have indicated, the Establishment Clause has been directly considered by this Court eight times in the past score of years and, with only one Justice dissenting on the point, it has consistently held that the clause withdrew all legislative power respecting religious belief or the expression thereof. The test may be stated as follows: what are the purpose and the primary effect of the enactment? If either is the advancement or inhibition of religion then the enactment exceeds the scope of legislative power as circumscribed by the Constitution. That is to say that to withstand the strictures of the Establishment Clause there must be *a secular legislative purpose and a primary effect that neither advances nor inhibits religion. Everson* v. *Board of Education, supra; McGowan* v. *Maryland, supra,* at 442." (Emphasis supplied.)

Murray, Etc. v. Comptroller, 241 Md. 383, 398, upheld the validity of tax exemptions (equated to direct grants which indubitably benefitted the recipient religious group) to religious organizations and in its opinion by Judge Oppenheimer synopsized the Supreme Court decisions as holding that:

"If the primary purpose of the state action is to promote religion, that action is in violation of the Amendment, but if a statute furthers both secular and religious ends, an examination of the means used is necessary to determine whether the state could reasonably have attained the secular end by means which do not further the promotion of religion."

I think that the four grants under consideration were made pursuant to long-established practice to further a secular public purpose and that any aid or benefit flowing from them to religion would be slight, vague and purely incidental. The grants will supply added facilities which will help the secular educational activities of religious groups and will aid students who now and hereafter attend the institutions and the people of the State of Maryland by increasing the number of those who can receive a college education and the quality of the education that the increased number will receive. The grants will not aid religion or a religious group; those who attend college are or are not at that age religiously inclined and if they are, have, in almost all cases, become attached to a particular faith. Students are not proselytized at any of the four donee colleges. It will not aid religion or the Catholic Church for more students, mostly Catholic, to be able to attend St. Joseph or Notre Dame, or the Methodist Church for more students, largely Methodists, to attend Western Maryland College (and in both cases to receive perhaps a better education because of the grants) to a degree greater than it will society in general. The benefit to religion or a religious sect is as small and as incidental as was the benefit to religion and most church groups in *McGowan* and to the parochial schools in *Everson*—more students were enabled to attend parochial schools by reason of the grants aproved in *Everson*. If it be delicately suggested that perhaps *Everson* might not be decided in 1966 or thereafter as it was in 1947, there are at least two answers. One, the suggestion makes it only one of a relatively large number of cases and judges of a rank below the Supreme Court should not indulge in judicial speculation as to what that Court will do. Two, *Everson* has not yet been overruled and the Supreme Court in 365 U.S. 299, 5 L. Ed. 2d 688, dismissed the appeal in *Snyder v. Town of Newton* (Conn.), 161 A. 2d 770 (which upheld a Connecticut law authorizing transportation by a town of children to a parochial school) "for want of a substantial federal question," and *Everson* was cited with approval in *Schempp*.

There is no reasonable alternative to State aid to private institutions of higher learning Theoretically, the State might enlarge State colleges enough to care for all actual and potential students or create new public colleges to do so. Tremendous sums would be required in either case and, what is more important, available physical facilities and faculty and administrative staffs could not be produced for years. In the Note, *Constitutionality of Federal Financial Aid to Church-Related Colleges*, 77 Harv. L. Rev. 1353, 1358, the author points out that of the 2,000 institutions of higher learning in the United States 800 are church-related, and says:

"To exclude these 800 institutions of higher learning from federal aid would seriously hamper the effort to increase enrollment capacity to the point where colleges will be able to handle the expected demand of 1970 and distort the present educational allocation of students between denominational and nondenominational schools. * * * Such pragmatic considerations would be irrelevant if the command of the Constitution were clear; the remedy would then be a constitutional amendment. However, the lack of an effective alternative should be highly relevant when a plausible constitutional defense can be made and where, in an area of church-state overlap, criteria can be formulated which minimize governmental intrusion into religious concerns without paralyzing governmental attempts to cope with urgent national problems."

On the question of constitutionality, the author, at pp. 1356–57, says:

"On the other hand, the opinions of Justices Clark and Brennan in *Schempp* indicate that federal aid to education would be considered constitutional. For example, Justice Clark enunciated the test of constitutionality to be a secular legislative purpose and a primary effect that neither advances nor inhibits religion. Similarly Justice Brennan would draw the line at legislation employing the organs of government for essentially religious purposes or using essentially religious means to serve governmental ends where secular means would suffice. Under either test, the act would appear to be free from constitutional flaws"

and indicates his view that state aid to church-related colleges is constitutional.

As did Judge Duckett below, I think the grants should be declared valid. Early federal and state cases which, in addition to authorities already cited, support this view include, in Maryland: *Blatzell* v. *Church Home*, 110 Md. 244 (the home was affiliated with and supported and controlled by the Episcopal Church, and the Court found a gift to it needed no legislative sanction as required for a gift to any "religious sect, order or denomination"); *Mt. St. Mary's* v. *Williams*, 132 Md. 184 (holding the Catholic college not to be a religious sect, order or denomination). See also *St. John's College* v. *State*, 15 Md. 330 (St. John's was then closely related to St. Anne's Church in Annapolis); *St. Mary's Indus. School* v. *Brown*, 45 Md. 310; *Finan* v. *M. & C. C. of Cumberland*, 154 Md. 563 (part of proceeds of a bond issue went to Sisters of Charity of the Catholic Church for their hospital); and *Board of Education* v. *Wheat*, 174 Md. 314, referred to earlier.

Federal cases include *Colbert* v. *Speer*, 24 App. D.C. 187, *aff'd Speer* v. *Colbert*, 200 U.S. 130, 50 L. Ed. 403 (Georgetown College, run by an Order (Society of Jesus) of the Catholic Church, was held not to be a sectarian institution or a religious sect, order or denomination); *Bradfield* v. *Roberts*, 175 U.S. 291, 44 L. Ed. 168 (Commissioners of the District of Columbia paid a Catholic hospital—run by the order which runs St. Joseph College—out of funds appropriated by Congress—so much per poor patient. It was held that neither the appropriation nor the payments violated the first amendment); and *Cochran* v. *Board of Education*, 281 U.S. 370, 74 L. Ed. 913 (it was held constitutional for the State to furnish free textbooks to all students, including those used by students in parochial schools).

Judge Horney and Judge Marbury concur in the view herein expressed and, as would I, would affirm.

TORNADOES CAUSE DEATH AND MASSIVE PROPERTY DAMAGE IN KANSAS

Mr. PEARSON. Mr. President, last night tornadoes struck Kansas with vicious fury, bringing death and massive property destruction to several communities. The State capital, Topeka, was hardest hit. Incomplete reports indicate that at least 13 persons were killed and upward of 500 were injured. Four hundred homes were destroyed, and the central business district was severely damaged. Washburn University, reportedly, has been virtually demolished. Property damages will be in the millions of dollars.

The mayor of the city now estimates that the damages will approximate $100 million. The city of Manhattan was also hit, with at least 50 homes damaged.

I have been in contact, as has the senior Senator from Kansas [Mr. CARLSON], with the Red Cross and all Federal and State Government agencies which have responsibilities in natural disasters such as this. Apparently, all emergency relief steps presently authorized under current law are being taken.

The full extent of the destruction is not yet known. However, it appears that the destruction is of such massive proportions that the various disaster relief programs authorized by present law will not be sufficient to provide the relief that is necessary. If complete reports indicate that additional relief is needed, I am prepared, together with the senior Senator from Kansas, to submit special legislation that is required in this type of situation.

It is moments such as this that forcibly dramatize the need for immediate enactment of the Disaster Relief Act of 1965 (S. 1861), which was introduced by the able and distinguished Senator from Indiana [Mr. BAYH], and of which I am a cosponsor.

The enactment of this bill would provide more extensive, efficient, and speedy relief programs than is now possible under existing authority, and would make it unnecessary for the enactment of special legislation every time a major disaster of this type occurs. This bill passed the Senate last year, but the House has not yet acted on this vital piece of legislation.

Mr. President, I am also forcibly reminded of the urgency of implementing the proposal by the Science Services Administration for a nationwide natural disaster warning system. On the first of June I recommended this proposal to the consideration of my colleagues and urged their support. The events in Kansas last night add a real urgency to the implementation of this proposal.

Mr. President, in this connection, I ask unanimous consent to have printed in the RECORD an article that appears in the Washington Daily News of June 9, 1966.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Daily News, June 9, 1966]

TORNADO RIPS TOPEKA—12 KILLED, 425 INJURED; TWISTER WAS ONE OF 15 THAT LASHED KANSAS DURING THE DAY

TOPEKA, KANS., June 9.—This prairie state capital was ripped open by a tornado which slashed through the city "like 40,000 trucks" last night, killing at least 12 persons, injuring more than 425 and leaving hundreds of homes and businesses in shambles.

The twister, one of 15 to lash Kansas during the day, cut a half-mile wide, 15-mile path of destruction thru residential neighborhoods and the business district, heavily damaging the Washburn University campus and knocking down three luxury apartment buildings.

Repeated Tornado warnings saved perhaps thousands.

NO BUSES

City bus service was discontinued indefinitely because officials said "buses are stacked like cordwood."

The twister left its unusual markings on the city: not a blade of grass left in a park, a car cradled in a tree and roofs wrapped around phone poles.

> Rescuers began searching for more victims in the debris of this city of 120,000.
>
> Hospitals and make-shift medical facilities in Topeka treated more than 425 injured. Most were released after treatment.
>
> Residential neighborhoods were devastated. Hundreds were left homeless.
>
> Bill Bibert, who owns a filling station, was headed for his station when he heard the tornado.
>
> "It sounded like 40,000 trucks," he said.
>
> DOWNTOWN HIT
>
> The 10-story National Reserve Life Building was reported tottering after the tornado passed. Police rushed onlookers away from the structure.
>
> Washburn University, with an enrollment of 4000 during the school year, will have to be rebuilt. McVicker Hall, Rice Hall and the Thomas Gymnasium were destroyed and there was major damage to the Stover Science Hall, Carruth dormitory and all four sorority houses.
>
> Eighteen planes were strewn about the municipal airport, leaving twisted wreckage near the hangars and runways.
>
> The twister passed within 50 yards of the U.S. Weather Bureau at the airport. Personnel had to duck under desks for protection.
>
> At the Ken Foster residence, 14 persons huddled in the basement as the tornado hit.
>
> FLOATING HOUSES
>
> Mrs. Foster said she looked out the window and saw "walls of houses floating in the air like tissue paper caught in a draft."
>
> The tornado which struck Topeka was one of 15 reported in Kansas yesterday.
>
> One twister hit tiny Jarbalo, a community about 30 miles to the east. Several buildings were destroyed.
>
> Another twister smashed buildings at Wakefield and destroyed at least two farms.
>
> At Manhattan, the wind also toppled the KSAC radio tower, a landmark which city officials said was the tallest self-supporting tower in Kansas. Radio station KMAN's transmitting tower also was felled by the wind.

Mr. MAGNUSON. I think the Senate should express to the Senators from Kansas the hope that the Federal agencies concerned will do all that is necessary in connection with this catastrophe. I am certain that I express the feeling of every Senator when I say that if we can be of any assistance to him and to the senior Senator from Kansas, we shall be happy to do so.

Mr. PEARSON. I thank the distinguished Senator from Washington, in behalf of the people of Kansas and also in behalf of Senator CARLSON, who departed for Kansas some hours ago.

Mr. MANSFIELD. Mr. President, I should like to associate myself with the remarks of the distinguished senior Senator from Washington. If there is any way in which we can be of assistance, the Senators from Kansas should call upon us. Indeed, I am confident the entire Senate would be eager to cooperate in an effort to assist this grave situation.

Mr. PEARSON. I thank the majority leader.

Mr. COTTON. Mr. President, in the absence of the minority leader, I voice his desires, I am sure, in joining Senators in assuring the distinguished Senator from Kansas of our complete cooperation. We commend him and the senior Senator from Kansas on their prompt action in this matter.

Mr. PEARSON. I thank the Senator from New Hampshire.

Mr. DIRKSEN. Mr. President, when I was in Topeka last winter, I heard what may seem to be a playful term when they spoke about "tornado alley" as applying to that particular area. But it is not an alley when a tornado strikes. I have seen winds lash the ocean and the deserts, but a tornado compresses all its fury in small scope. I can imagine the havoc that exists in Kansas, where, as reported by the press, 475 people have been injured and 13 or 14 have been killed. Washburn College has been virtually demolished. That is real tragedy visiting a community.

I am sure every Member of the Senate desires to be helpful to the distinguished Senator from Kansas in helping to provide relief at the earliest possible date.

Mr. PEARSON. I thank the distinguished Senator from Illinois.

S. 1592—DO THE STATES WANT THIS KIND OF HELP?

Mr. HRUSKA. Mr. President, S. 1592, the administration's controversial firearms control bill, has been reported favorably from the Juvenile Delinquency Subcommittee and will be considered by the full Senate Judiciary Committee in the near future.

This bill has evoked a storm of criticism, much of it coming from sportsmen's and conservation groups. However, the protest is not limited to these groups by any means. On the contrary, my mail—and this Senator is sure that the mail of other Senators also—reflects an outpouring from across the Nation from citizens who are rightly alarmed at the prospects of S. 1592 being enacted.

Such a letter was received recently by my good friend, the distinguished Senior Senator from Idaho [Mr. JORDAN]. Senator JORDAN thoughtfully provided me with a copy of the letter, and with his permission I am pleased to call it to the attention of the Senate.

The letter was from the Governor of the State of Idaho, the Honorable Robert E. Smylie. It makes several significant points that are worthy of thoughtful study and consideration.

The Governor makes a strong plea that any legislation in this field should "be based on calm, thoughtful reasoning and judgment rather than to be conceived in hysteria and founded on emotion." This, of course, is counsel which has much broader application than firearms legislation, but it is particularly applicable to this subject.

The Governor also advises:

> . . . it would be quite unrealistic and foolhardy to believe that a man bent upon assassinating the President could be effectively deterred by any statute regulating or prohibiting the purchase and possession of lethal weapons.

In support of this position he cites Mr. Justice Douglas' most appropriate passage: "Fear of assassination often produces restraints compatible with dictatorship, not democracy."

A resolution of the Michigan State Bar Association opposing some of S. 1592's restrictive features receives the Governor's concurrence. The resolution states in part:

> It is the view of the State Bar of Michigan that any law restricting rights granted under the Second Amendment is not a function of Congress but that any necessary regulation should be made by State statute under the police power which rests in the states and not in the federal government.

Mr. Smylie then offers a meaningful criterion that any Federal firearms control legislation should serve: "to strengthen existing, and, in most cases, adequate State laws" and suggests this can be done by broadening the provisions of the Federal Firearms Act of 1938 so that it would be a violation of the act for any persons to sell or ship firearms in interstate or foreign commerce in violation of any State firearms statute.

The present law is narrower in that the Federal sanctions now apply only to persons who ship or sell in violation of State permit law.

He properly contends that the destructive devices such as antitank guns, bazookas, and the like should be regulated as machineguns are now under the provisions of the National Firearms Act of 1934.

This is the approach of S. 1591, a bill introduced by the distinguished Senator from Connecticut [Mr. DODD] now pending in the Senate Finance Committee. Although there are minor problems of definition, it is a measure that this Senator supports in principle. Its approach to the problem is much better than the sections of S. 1592 which deal with the subject. S. 1592 would require prior police approval before a sale or transfer of a destructive device could be made to an individual, whereas S. 1591 would extend the provisions of the National Firearms Act which call for registration of such devices. No prior police clearance is necessary.

Governor Smylie comments with clarity and perception on the right of the people to keep and bear arms under the terms of the second amendment to the Constitution. He says:

> Our founding fathers thought the right to bear arms so important that it was incorporated in the Bill of Rights directly after the First Amendment protecting freedom of speech and religion. In view of the close historical connection between the weapons used by the militia and those kept by private citizens, the framers of the Second Amendment must have felt that every citizen should have the absolute right to keep and bear arms, not only to defend his country, but also to defend his person and possessions and for other lawful reasons. If Congress legislates with respect to this subject under the commerce clause, it should do so in such a fashion as not to infringe unreasonably on the exercise of that right by the citizenry.

The Governor then endorses S. 1965 with some minor amendments. The bill, introduced by the distinguished Senior Senator from Iowa [Mr. HICKENLOOPER]; would impose reasonable restrictions on interstate mail-order sales of handguns and otherwise strengthen existing Federal law to assist the States in the exercise of their police powers.

He concludes that this alternative to S. 1592 "would be both effective as to its provisions and also acceptable to our citizens, particularly our western people."

Mr. President, I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF IDAHO,
OFFICE OF THE GOVERNOR,
Boise, May 20, 1966.

Hon. LEN JORDAN,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR JORDAN: I understand that some action may be taken in the near future by the Senate Committee on Judiciary relative to S. 1592, more commonly known as the Dodd Bill, as proposed by the Senate Subcommittee to Investigate Juvenile Delinquency.

Supporters of this legislation claim that the ease with which firearms can be acquired "is a significant factor in the prevalence of lawlessness and violent crime in the United States . . ." and that "there is a casual relationship between the easy availability of firearms and juvenile and youthful criminal behavior" and they further claim that the importation of surplus military weapons has "contributed greatly to lawlessness and to the nation's law enforcement problems . . ."

As a member of Congress, you are well aware that the monstrous assassination of President Kennedy triggered an immediate review of existing and pending enactments as to the adequacy of federal gun control laws; that the subsequent pace and particular direction of congressional efforts in the interest of crime prevention were greatly intensified and otherwise influenced by the impact of this highly emotional situation.

Sufficient time has passed since that tragic occurrence that it should now be possible to view the problem, causative factors and proposed remedies from a more objective viewpoint. It would seem that any action now taken could and should be based on calm, thoughtful reasoning and judgment rather than to be conceived in hysteria and founded on emotion. The nature of a democratic government is such that it may be temporarily dominated by crises which inflame the popular mind, and too often it is erroneously thought at the moment that all the ills can be cured by some kind of restrictive legislation. But "it would be quite unrealistic and foolhardy to believe that a man bent upon assassinating the President could be effectively deterred by any statute regulating or prohibiting the purchase and possession of lethal weapons."

A remark that seems appropos was made by Justice Douglas of the United States Supreme Court as part of a 1963 statement on the Bill of Rights: "Fear of assassination often produces restraints compatible with dictatorship, not democracy."

Even though S. 1592 (Dodd Bill) has been amended following hearings held during the first session of the 89th Congress, it still retains many features that are objectionable to westerners and particularly so as to Idaho's share of the more than fourteen million law abiding citizens of the nation who purchase hunting licenses each year, plus those people who use guns for other hobby and recreational purposes. The additional fact that provisions of this bill would place unnecessary bookkeeping and administrative burdens on small firearms dealers is also a matter warranting consideration.

I concur with a resolution adopted by the State Bar of Michigan in opposition to some of the restrictive features of such proposed federal enactments. That resolution pointed out that Michigan (in our case, Idaho), being a leader in the sale of hunting licenses, might lose considerably because such restrictions, if adopted, would tend to discourage persons desiring to engage in this extensive and salutary form of recreation. The resolution further stated that "It is the view of the State Bar of Michigan that any law restricting rights granted under the Second Amendment is not a function of Congress but that any necessary regulation should be made by State statute under the police power which rests in the states and not in the federal government."

I also suggest that any federal legislation contemplated should preferably serve to strengthen existing, and, in most cases, adequate state laws. This could be done by amending the Federal Firearms Act whereby it would be unlawful to sell or ship firearms to any person in violation of any state firearm statute. The proper federal approach would also include encouragement to those states lacking effective laws to adopt measures which would provide uniform enactments at that level throughout the country.

Beyond those already mentioned, there are a number of additional aspects of S. 1592 that are of great concern to many people. It is felt that the legislation should be aimed only at such destructive contrivances as anti-tank guns, bazookas, machine guns, silencers and similar unconventional devices. This could be done quite simply and easily by amending the National Firearms Act, which already covers machine guns, rather than by amending the Federal Firearms Act which deals primarily with sporting arms and ammunition. Legislating against such dangerous and unconventional weapons rather than sporting firearms which are used daily by tens of thousands of people would demonstrate a definite intention to protect society from a recognized menace. Such an amendment to the National Firearms Act would not infringe upon or unreasonably restrict the legitimate right of personal or public defense or the sport and recreational use of firearms and would be within the reasonable and constitutional exercise of police power to curb crime. It would not result in extreme restrictions relative to the purchase or use of arms which, by common opinion and usage of law abiding people are proper and legitimate. Any legislative proposals should not restrict or require a license or permit to purchase or possess a firearm ordinarily used for recreation or defense of person and property nor should it leave the right to possess such a firearm dependent upon the whim or will of a public officer. "Our founding fathers thought the right to bear arms so important that it was incorporated in the Bill of Rights directly after the First Amendment protecting freedom of speech and religion. In view of the close historical connection between the weapons used by the militia and those kept by private citizens, the framers of the Second Amendment must have felt that every citizen should have the absolute right to keep and bear arms, not only to defend his country, but also to defend his person and possessions and for other lawful reasons. If Congress legislates with respect to this subject under the commerce clause, it should do so in such a fashion as not to infringe unreasonably on the exercise of that right by the citizenry."

I feel compelled to point out that, if the body of law abiding citizens subject themselves to being legally disarmed, it follows that they are thereby deprived of the means of defense against a lawless minority which is always able by some means to supply itself with lethal instruments. If anything, the disarming of the populace would encourage the criminal in his activities, knowing that he would be dealing with an unarmed and defenseless citizenry.

In an attempt to legislate more against the use and user of an object rather than the object itself, more consideration should be given to prohibitions relative to the purchasing, use or carrying of weapons by certain classes of people such as the blind, felons, and persons non compos mentis or dissolute in habits.

It is notable that the National Rifle Association, the National Wildlife Federation, the Wildlife Management Institute and other conservation organizations have taken stands in opposition to the several objectionable features of the Dodd bill. I have been advised that an excellent review made of the pros and cons of this overall matter by Senator HRUSKA of Nebraska was entered on pages 5973–5980 of the CONGRESSIONAL RECORD on March 15, 1966.

As a reasonable and realistic alternative means of attaining substantially the same principal objective of controlling mail order purchases of firearms by such people as the mentally unstable, juveniles and convicted felons, I would recommend enactment of S. 1965, following such minor amendments as those proposed by Senator HRUSKA. This alternative bill would then be both effective as to its provisions and also acceptable to our citizens, particularly our western people.

Sincerely,

ROBERT E. SMYLIE,
Governor.

Copies to Senator FRANK CHURCH, Congressman COMPTON I. WHITE, JR., and Congressman GEORGE V. HANSEN.

Mr. HRUSKA. Mr. President, this letter underscores a major shortcoming of S. 1592 in its present form. The bill purports to assist the States to control firearms commerce within their respective borders. But there is strong evidence that many States do not want this kind of preemptive interference from the Federal Government. In fact a substantial number of State legislatures have gone on record by formally passing resolutions in opposition to S. 1592. My information is that, as of this date, 14 such resolutions have been passed. Included on this list are the States of Alabama, Arizona, Arkansas, Louisiana, Michigan, New Hampshire, New Mexico, Ohio, Oklahoma, Texas, Vermont, Washington, and Wisconsin, as well as my own State of Nebraska.

As Governor Smylie's letter suggests, and as the actions of a substantial number of State legislatures attest, S. 1592 is a bill that is unwanted, unnecessary, and unwarranted.

Mr. President, I ask unanimous consent that the texts of some of these resolutions be printed in the RECORD at this point.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

ARIZONA SENATE MEMORIAL NO. 1

A memorial urging the Congress of the United States to oppose the Dodd bill or any other Federal legislation relating to regulation and registration of mail order firearms sales

To the Congress of the United States:

Your memorialist respectfully represents:

Whereas, since the unfortunate and untimely death of President John F. Kennedy, considerable impetus has occurred for the passage of the Dodd Bill relating to regulation and registration of mail order firearms sales; and

Whereas, the Dodd Bill (S. 1592), if enacted, will prohibit citizens from purchasing a firearm by mail, and give the United States Treasury Department such broad regulatory powers it could subject such citizens to police investigation and harassment and lead to registration of said firearms; and

Whereas, such requirements will cause an inconvenience, and an undue burden on, law abiding people of this Country, particularly in rural areas, and such legislation will open the door for the Treasury Department to regulate who may buy firearms; and

Whereas, the Bill of Rights of the Constitution of the United States and Article 2, Section 26 of the Constitution of the State of Arizona guarantee to its citizens the right to keep and bear arms, and the Dodd Bill, if enacted, will be in direct violation of such guaranteed rights; and

Whereas, responsible organizations such as the National Rifle Association, National Wildlife Federation and others have no objection to workable laws that will prevent the misuse of firearms by increasing penalties for crimes committed with firearms; and

Whereas, the Dodd Bill, if enacted, will seriously hamper small industries that build fine custom rifles for mail order trade throughout the Nation; and

Whereas, any restrictive legislation should be directed to merely requiring that shipments of firearms in interstate commerce be made in compliance with the laws of the State of destination; and

Whereas, since practically all States have laws regulating sale of firearms to juveniles, convicted felons, and incompetents and against carrying concealed weapons, and since there are already Federal laws which make it a crime for a convicted felon to transport firearms across State lines, no Federal law for regulation and registration of mail order sales of firearms is necessary.

Wherefore your memorialist, the Senate of the State of Arizona, prays:

1. That the Congress of the United States take positive action leading to the defeat of the Dodd Bill (S. 1592).

2. That the Congress of the United States carefully examine and oppose any other Federal legislation relating to registration and regulation of firearms which restricts the rights of law abiding citizens and usurps the police power of the States to control firearms, and that it urge the State Department to exercise more control under the Munitions Control Act of imports of cheap foreign pistols and military surplus.

3. The Secretary of State is directed to transmit copies of this Memorial to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each member of the Arizona Congressional delegation.

Note.—A similar memorial, House Memorial No. 3 was passed by the Arizona House on February 4, 1966

Arkansas House Concurrent Resolution No. 4–X

A concurrent resolution urging Congress to defeat the Dodd anti-gun law

Whereas, much concern has been expressed in Arkansas concerning the proposed anti-gun legislation introduced by Senator Dodd in the National Congress; and

Whereas, the right to bear arms is a traditional right long enjoyed by the people of this Nation and guaranteed to them under the Bill of Rights of the Constitution of the United States; and

Whereas, although this legislation is for the purpose of limiting the mail order sale of firearms, its obvious long range purpose is to establish a precedent whereby the future right of citizens of this country to bear arms, as guaranteed to them by the Constitution, can and will be further limited by Congressional action; and

Whereas, although the announced purpose of this legislation is to reduce crime, the primary impact of the legislation will be upon the loyal citizens and sportsmen, and will not in any way deter the ability of a potential criminal from obtaining firearms; and

Whereas, it is the considered opinion of the General Assembly of the State of Arkansas that this legislation establishes a totally unwarranted and unneeded precedent detrimental to the constitutional liberties guaranteed to the people of this country; and

Whereas, it is the further considered opinion of the General Assembly of the State of Arkansas that if the sponsors of this legislation are sincere in their effort to retard crime, they should assist in enacting laws to provide additional funds and federal assistance to state and local law enforcement officers for the suppression of crime; now, therefore

Be it resolved by the House of Representatives of the First Extraordinary Session of the sixty-fifth General Assembly of the State of Arkansas, the Senate concurring therein:

That the Congress of the United States is hereby respectfully urged to defeat the Dodd anti-gun law in order that constitutional liberties guaranteed the people of this country might be preserved.

Be it further resolved that upon adoption hereof a copy of this Resolution shall be mailed to the President of the United States, the Speaker of the House of Representatives and President of the Senate of the Congress of the United States and to each member of the Arkansas Congressional Delegation.

Louisiana Senate Concurrent Resolution No. 27

A concurrent resolution to place the Louisiana Legislature on record as opposing passage of S. 1592, proposing amendments to the Federal Firearms Act by placing unreasonable and unwarranted restrictions on the sale, possession and use of firearms by sportsmen and other reputable citizens

Whereas, a bill has been introduced in the United States Senate by Senator Thomas J. Dodd of Connecticut (S. 1592) which would prohibit all mail order sales of firearms to individuals, and would permit such sales only between licensed importers, manufacturers and dealers, and place severe and unreasonable restrictions upon reputable citizens who wish to order recreational firearms by mail, and

Whereas, the Dodd Bill (S. 1592), if passed and written into law, would give the Secretary of the Treasury, or his agent, virtually unlimited authority to regulate the sale of firearms by dealers, which could result in the institution of stringent controls and prohibitions over such sales, and

Whereas, the founders of the United States of America, in the very first Amendment to the Constitution, provided assurance for freedom of religion, of speech, of the press and of peaceable assembly, and in the second Amendment they made it possible to defend these freedoms by providing that the rights of people to keep and bear arms shall not be infringed. and

Whereas, any firearms legislation at the federal level restricting the purchase of firearms by responsible citizens would be a dangerous infringement of these articles of the Bill of Rights and could lead to administrative decisions imposing such a burden on the sale, possession and use of firearms for legitimate purposes as to completely discourage and eventually exclude the private ownership of all guns and firearms of any kind whatsoever, and

Whereas, such restrictive regulations as are contained in the Dodd bill (S. 1592) against firearms sales could have a crippling effect on the economy of the multimillion dollar a year sales and service business associated with recreational use of firearms in the state of Louisiana, and would only result in further loss of American Liberty, add to the work load and responsibility of our law enforcement and police forces and inconvenience, and penalize law-abiding citizens, and

Whereas, easy accessibility of firearms does not contribute significantly to the crime problem of the United States, and the target for preventative legislation should be the crime, not the tool used by perpetrators of crime, and

Whereas, federal excise taxes on sales of firearms and other forms of revenue from special licenses and stamps for recreational hunting provide many millions of dollars annually for the conservation and preservation of wildlife of all kinds, and

Whereas, if honest citizens should be required to register every gun, regardless of the purpose for which it is to be used, it would provide the federal government with a national inventory of privately owned firearms which inventory would be under the control of and in the possession of a very small group of officials, and

Whereas, the passage of S. 1592 would greatly curtail the use of firearms by the youth of our nation for recreational and sporting purposes and thus prevent many of the young people of the nation from learning the use of firearms under supervision and control thereby creating a dangerous situation in later years whereby there would be a great number of inexperienced adults using firearms, and

Whereas, it is in the great interest of the national defense against enemy invasion that the people of the United States be familiar with and accustomed to the use of firearms, and

Whereas, history has shown that in some areas it was partially through such registration of weapons and the control of all such weapons by a very small percentage of the populous that the democratic form of government was lost, and

Whereas, public hearings on S. 1592 will be held May 19–21, 1965 by the Senate Subcommittee to investigate Juvenile Delinquency, of which the author of the bill, Senator Thomas J. Dodd, is the chairman, and

Whereas, there is an increasing agitation in Washington, D.C. to pass bills to control the ownership, possession and use of firearms, which are cardinal rights of citizens of the United States of America.

Therefore, Be It Resolved by the Senate of the Legislature of the state of Louisiana, the House of Representatives concurring, that the Louisiana Legislature does hereby go on record as opposing the passage of S. 1592, (the Dodd bill), and urges and requests that each and every member of the Louisiana delegation in the Congress of the United States actively oppose and vote against the passage of the said S. 1592.

Be It Further Resolved that the Secretary of Senate shall transmit, without delay, copies of this Resolution to the President of the United States, the presiding officers of each of the two Houses in the Congress of the United States, the chairman of the Senate Subcommittee to investigate Juvenile Delinquency, the chairman of the Senate Judiciary Committee and to each member of the Louisiana Delegation in Congress.

Michigan House Concurrent Resolution No. 115

A concurrent resolution memorializing the Congress of the United States regarding the antifirearms bill

Whereas, The anti-firearms bill currently before the Congress of the United States propose Federal control of firearms in the hands of civilians, and as currently written, constitute violation of the Second Amendment to the United States Constitution that ". . . the right of the people to keep and bear arms shall not be infringed."; and

Whereas, Admittedly, controls are necessary due to irresponsible or criminal elements in society illegally using firearms.

That such controls should be the prerogative of state and local agencies of government, that such controls properly should not be a matter for Federal control are acknowledged and forthrightly stated by the Nation's foremost experts in government, including opinions publicly stated by men of the caliber of Mr. J. Edgar Hoover; and

Whereas, The consensus of expertise in this field is that state and local laws imposing harsh and certain punishment for crimes committed while armed, combined with the effective law enforcement, and firmly supported by no-nonsense courts and juries, provide the most certain combination for adequate control; and

Whereas, As to statutes: Laws should prohibit sale of firearms to felons, drug addicts, habitual drunkards, juveniles and mental incompetents; laws should invoke strict penalties against the possession of firearms by criminals and irresponsible persons. Laws should permit responsible, law-abiding adults to own and use firearms for legal purposes; laws should not require law-abiding adult citizens to register shotguns and rifles; and laws should not grant authority to any jurisdiction, police or otherwise, at any government level, to prohibit the purchase or ownership of firearms by law-abiding and responsible citizens; and

Whereas, In Michigan, alone, more than one and a half million sportsmen would be adversely affected by legislation proposed and now before the Congress—a figure that applies substantially to most of the other states of the Union; now therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Michigan Legislature respectfully memorialize the Congress of the United States to not pass the currently proposed anti-firearms legislation of S. 1592; and be it further

Resolved, That copies of this memorial be transmitted to the President of the United States, to the President of the Senate, the Speaker of the House of Representatives and to each member of the Michigan delegation to the Congress of the United States.

NEW HAMPSHIRE SENATE RESOLUTION NO. 1

A resolution relative to control of firearms

Whereas, there is an increasing agitation in Washington to pass bills to control the ownership and use of firearms, which are cardinal rights of citizens of the United States of America, and

Whereas, a new bill has been introduced into the United States Senate by Senator THOMAS J. DODD of Connecticut (S. 1592) which would prohibit all mail order sales of firearms to individuals, and permits such sales only between licensed importers, manufacturers and dealers, and places such severe and unreasonable restrictions upon reputable citizens who wish to order recreational firearms by mail, and

Whereas, this bill, if passed and written into law would give the Secretary of the Treasury, or his agent, virtually unlimited authority to regulate the sale of firearms by dealers which could result in the institution of stringent controls and prohibitions over such sales, and

Whereas, the founders of the United States in the very first Amendment to the Constitution provided assurances for freedom of religion, of speech, of the press, and of peaceable assembly, and in the second Amendment they made it possible to defend these freedoms by providing that the rights of people to keep and bear arms shall not be infringed, and,

Whereas, any firearms legislation at the Federal level restricting the purchase of firearms by responsible citizens would be a dangerous infringement of these articles of the Bill of Rights and which could lead to administrative decisions imposing such a burden on the sale, possession and use of firearms for legitimate purposes as to completely discourage and eventually exclude the private ownership of all guns, and

Whereas, such restrictive regulations as contained in the Dodd bill against firearms sales could have a crippling effect on the economy of the multi-million dollar a year sales and services business associated with recreational use of firearms in the State of New Hampshire, and would only result in further loss of American liberty, add to the work load of our law-enforcement and police forces, and inconvenience and penalize law-abiding citizens, and

Whereas, federal excise taxes on sales of firearms and other forms of revenue from special licenses and stamps for recreational hunting provide many millions of dollars annually for the conservation and preservation of wildlife of all kinds, and

Whereas, caution and prudence must be observed to protect the constitutional rights of the law-abiding citizen from the possibility that legislating against the delinquent and the criminal does not result in legislating against the citizen of good repute, therefore be it

Resolved, that the ownership of firearms must not be denied reputable American citizens so long as they continue to use them for lawful purposes.

Resolved, that each accessibility of firearms does not contribute significantly to the crime problem of the United States, and that the target for preventative legislation should be the crime, not the tool used by perpetrators of crimes, and that the members of the New Hampshire Senate go on record as opposing passage of the Dodd bill which appears to be aimed at outlawing firearms rather than punishing the criminal who uses them for illegal purposes. That this Dodd bill could seriously impair the recreational economy of the state and nation, infringe on the Constitutional rights of United States citizens, damage essential wildlife conservation programs, and intrude further federal authority on powers reserved to the States, and be it further

Resolved, that any proposed new regulations should be carefully studied to see if they can accomplish a worthwhile purpose and not just result in further regimentation and inconvenience to responsible citizens, and that the clerk of the Senate be instructed to forward copies of this resolution to the members of the New Hampshire Congressional Delegation.

NEBRASKA LEGISLATIVE RESOLUTION NO. 50

A resolution

Whereas, anti-firearms legislation now being considered by the Congress if adopted will seriously impair the right of legitimate hunters and target shooters to enjoy their chosen sports; and

Whereas, the history of such legislation is that the criminal and psychotic elements are little affected thereby; and

Whereas, the second amendment to the United States Constitution sets forth the rights of citizens who have not lost their civil rights to keep and bear arms; and

Whereas, tight controls on firearms as attempted in New York and Puerto Rico have not deterred the criminal classes but have only served to disarm the law-abiding citizen; and

Whereas, a situation in which our law-abiding citizen would become effectively disarmed by administrative action of governmental bureaus or by the necessity of complying with complicated and obtuse administrative procedure would be intolerable in these United States; and

Whereas, control of crime and misuse of firearms is best accomplished by a combination of effective and stringent law enforcement and justice directed against the criminal himself; not the weapon, coupled with education and alleviation of the known factors that cause crime, and

Whereas, no nation in modern times has fallen to tryanny without first imposing upon itself a strict system of firearms controls and registration: now therefore,

Be it resolved by the members of the Nebraska Legislature in Seventy-Fifth Session assembled:

That this body, (1) is opposed to federal legislation which interferes with the rights of our law-abiding citizens under the second Amendment to the United States Constitution or which interferes with the rights of such citizens to transport sporting arms and ammunition in interstate commerce. (2) favors enforceable legislation at the federal level which provides stringent and enforceable penalties against the criminal misuse of firearms and ammunition shipped in interstate commerce.

The legislature directs the clerk of the legislature to spread this resolution upon the journal of this body and to furnish suitably prepared copies thereof to the President of the United States, the President Pro-tem of the United States Senate, the Speaker of the United States House of Representatives, to the Chairman of the Senate Judiciary Committee, to the Nebraska Congressional delegation, and to Senator THOMAS DODD of Connecticut.

OKLAHOMA HOUSE RESOLUTION NO. 669

A resolution expressing the position of the House of Representatives of the thirtieth Oklahoma Legislature regarding regulation of firearms; and directing distribution of this resolution to members of the Oklahoma congressional delegation

Whereas, the second amendment to the Constitution of the United States plainly states that "—the right of the people to keep and bear arms shall not be infringed"; and

Whereas, one of the first acts of Adolph Hitler was to disarm the citizens of Germany and clear the way for the establishment of a fascist dictatorship; and

Whereas, the law of the land has long included the right of self-protection and the means to be safe and secure in the home: Now, therefore, be it

Resolved by the House of Representatives of the Thirtieth Oklahoma Legislature:

SECTION 1. That the House of Representatives of the Thirtieth Oklahoma Legislature hereby expresses its hope that the Congress of the United States will not enact any regulatory legislation regarding guns or firearms.

SEC. 2. That duly authenticated copies of this Resolution be prepared and presented to each member of the Oklahoma Congressional Delegation.

VERMONT SENATE JOINT RESOLUTION NO. 17

Whereas, a bill has been introduced into the United States Senate by Senator THOMAS J. DODD of Connecticut (S. 1592) which would affect all mail order sales of firearms to individuals, permitting such sales only between licensed importers, manufacturers and dealers, and placing restrictions upon responsible citizens who wish to order recreational firearms by mail, and

Whereas, the right "to keep and bear arms" as provided in the United States Constitution and the Constitution of the State of Vermont implies the right to purchase arms and ammunition for lawful purposes, now therefore be it

Resolved by the Senate and House of Representatives, That this Legislature urge the Vermont Congressional delegation to oppose any restriction on the sale of firearms, as proposed in S. 1592, that would have the effect of nullifying any rights of citizens as provided or implied in Article II of the amendments to the Constitution of the United States, and Article 16 of the Vermont Constitution, and that would place unreasonable or prohibitive restrictions on the sale and purchase of firearms and materials by responsible dealers or citizens; and be it further

Resolved: That the Secretary of State is directed to forward copies of this resolution to members of the Vermont Congressional Delegation.

MODERNIZING LOCAL GOVERNMENT: A PRIORITY FOR LOCAL AND STATE LEADERSHIP

Mr. MUSKIE. Mr. President, over the past few years our population growth and technological advancement have generated dramatic increases in governmental activities and services at all levels. Two trends have been especially marked during the sixties; the Federal Government, by the grant-in-aid route, has become involved in many functions formally performed either by State and local government or not at all. Second, State, and local governments have been increasing their activities, outlays, and payrolls at a record pace.

The first of these trends is well known to all citizens. It has been in the center of national attention and domestic debate since the end of World War II. The second trend is not so well known; it surprises many people that State and local spending for domestic affairs is increasing more rapidly than Federal outlays for this purpose despite the mass of domestic legislation enacted by the last two sessions of the Congress. However, not a small part of the State and local activities is financed through Federal grants—about 20 percent at the present time.

Today Americans stand at the crossroads in shaping their position on the role of government in the late 20th century. We are faced with a certainty: government at all levels is bound to expand because we are going to have more people, our material world is going to be more complex, and as our living standards increase, citizens are going to demand more and more services and amenities from local government, and business will more and more need sound decisions by local government to help promote a strong, vibrant, and growing business community.

State and local government machinery today is creaking and straining with the new and unexpected loads being placed upon it. Governmental structure in our metropolitan areas is growing more and more complex. New municipal incorporations are being permitted and special districts are multiplying. The costs and benefits to individual jurisdictions of increasingly areawide programs, such as air pollution, mass transit, water pollution control, water supply, do not match.

Social and economic disparities—of race, income, and age—between central cities and suburbs and among suburban jurisdictions themselves are significant and—based on incomplete information—are growing. The need for services by residents of these local governments and the ability of local governments themselves to provide these services are drifting apart.

In the face of all of these problems State constitutional and statutory restrictions on local government authority to act and to reorganize are removed slowly in some States and not at all in most. There is a paucity of areawide political leadership.

Too often in the past, citizens have viewed with apathy or even hostility attempts to modernize and revitalize our State and local governments fearing that this would only make them grow and consume more tax dollars. Unfortunately, many of our State and local governments have been unable or unwilling to meet their responsibilities in full in recent years, with the result that increased demands have been placed upon, and acted on by, the Federal Government.

Today State and local leadership must decide what it is going to do about revitalizing local government in the United States. If State citizens leave it alone, and if the States continue to ignore it, they must reconcile themselves to Federal action of dominant proportions.

If, on the other hand, State citizens join forces to secure—through State constitutional amendments, legislative changes, and local citizen action—effective and responsive local government, they can help preserve the diversity upon which rests our present form of government in this country.

I was delighted to learn, therefore, from an item in the April 22, 1966, issue of Washington Report, published by the Chamber of Commerce of the United States, that the chamber is undertaking a program to explore the problems, possibilities, and paths to effective local government. At this point I ask that the statement of the chamber's executive vice president be placed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NEW PROGRAM WILL HELP LOCAL GOVERNMENTS BE MORE EFFECTIVE

A new national chamber program to help modernize local and state governments was announced this week by Executive Vice President Arch N. Booth.

"The welfare of the business community is directly connected with the existence of strong, vigorous, and self-reliant local government, operating under broad standards set by state governments," Mr. Booth said.

"Local governments are best able to meet the needs of their citizens because they are closest to them and best understand their problems. Local governments must not become mere appendages of the Federal Government."

Under the new program, the National Chamber will supply leadership, ideas and coordination at the national level. State and local chambers of commerce will have the responsibility at state and local levels.

Mr. Booth stressed that the Chamber would cooperate fully with the Council of State Governments, the United States Conference of Mayors, the National League of Cities, the National Association of Counties, the International City Managers Association, the National Association of School Boards, the Advisory Commission on Intergovernmental Relations, and all other national organizations which have the objective of developing sound and effective local and state government.

He said that action programs should and must be developed, agreed upon and implemented by state and local citizens.

The immediate aim is to help chambers of commerce work in unison with local and state government officials and interested citizens to improve state laws and constitutions so that local and state governments can get to work solving problems and grasping opportunities.

In several states, local and state chambers are ready to start programs. To kick them off, one-day forums will be held (in cooperation with the National Chamber) for business leaders, state and local chamber officers, political scientists, and local and state government leaders.

They will discuss the obstacles to modernizing local government existing in their state and the steps necessary to overcome them.

"Many local governments are trying to solve space-age problems with Nineteenth Century laws," Mr. Booth asserted.

"Because of unnecessary restrictions on their activities, some local governments no longer can provide their citizens with the best in educational programs, the best in transportation facilities, and the many other things necessary for the well-being and economic growth of a community.

"Business leadership today must decide what it is going to do about local governments. If it doesn't, we can be assured that the Federal Government will dominate local government.

"If, on the other hand, we join forces with other citizens to help secure the needed state constitutional and legal changes, we can go on to preserve and restore effective and responsible local government."

Mr. MUSKIE. Mr. President, I am told that this is not an "efficiency and economy" program even though local government modernization would undoubtedly reduce waste. The chamber believes that modernization requires making local government responsible—with authority to borrow, to spend, to regulate and to work with neighbors—in coping with the burgeoning problems of urban and rural areas.

Solving these problems at home will not come cheap; progress will not be easy. Traditional attitudes of "doing business as usual," political and economic interests, and citizen apathy are all tremendous obstacles to be faced and overcome. But overcome they must be if State and local governments are to survive as viable partners in our governmental system.

EXPORTING TALENT

Mr. BYRD of West Virginia. Mr. President, we in West Virginia have long known that our biggest problem has been a loss of young, skilled and ambitious people to other areas. Mr. Miles C. Stanley, president of the West Virginia Labor Federation and assistant to the president of the AFL–CIO, reviewed this problem recently during a commencement address at the West Virginia Institute of Technology at Montgomery, W. Va.

Editorial comment on this address has been made by the Sunset News-Observer of Bluefield, W. Va., which concluded:

At the heart of the matter of West Virginia's future lies the problem of holding on to its bright young men and women.

I believe Mr. Stanley and the Sunset News-Observer have both performed a great service to West Virginia to urge our young people to seek opportunities at home. We have the natural resources—all we need are new ideas, new skills and imaginative people to bring them together.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

HEART OF THE MATTER

Miles C. Stanley, president of the West Virginia Labor Federation and assistant to the president of the AFL-CIO, made some telling points in the commencement address he delivered to the graduating class of West Virginia Institute of Technology at Montgomery.

"Unfortunately," he said, "West Virginia's principal export has been talent. Many of our most promising and enterprising young people have moved away in search of greater rewards."

It is certain that this fact must be recognized, and reckoned with, in the state's efforts to ensure a better future.

It is a basic ingredient in what Stanley, a knowledgeable voice on the state scene, terms the state's "lack of leadership in depth" in government, in business and industry, in the professions, in labor—"the bright young idea men who challenge the established order and create constructive turmoil" in science, industry, government, the arts.

We agree that "we have too few of them in West Virginia."

But Stanley's point to the graduates was not to bemoan what has happened in the past. On the contrary, he pointed to the new opportunities at hand.

He could well have been addressing all graduates of state colleges when he said that they owe a great deal to West Virginia—for one thing, "it paid most of your way through college."

But in urging them to stay in the state he did not appeal to their sense of gratitude or obligation. He based his plea, instead, on "the immeasurable opportunity offered by a state that is about to expand almost like the frontier territory of a hundred years ago."

That is the way constructive and forward-looking leaders are beginning to think and talk all over the Mountain State, and we are all for it.

The pride of many West Virginians was hurt, as Stanley said, when the presidential primary of 1960 and other revelations held the state up before the nation as a distressed area. But "the results have been worth the cost of a few bruised feelings."

"A century of stagnation has ended in all the backwaters of America," he said. State and federal incentives and programs are coming in, along with "private investment and the genius of American industry," to open the way to a better day.

"Massive injections of federal funds cannot in themselves create a renaissance in West Virginia," he said. Prideful West Virginians do not want their state to be forever standing on Capitol Hill with its hand out.

The federal programs are only "an opportunity for us to help ourselves"—the sort of thing we have seen in operation here in Mercer County, where local initiative has sparked progressive undertakings ranging from watershed dams to urban renewal.

In this situation—and it is being repeated all over West Virginia—we need to develop "all the native talent" we can get, and Stanley urged the graduates, "to give consideration to opportunities here in West Virginia even if the starting rate is a few dollars a week or a few hundred dollars a year less" than they might get elsewhere.

Those who do, he said, "will be getting in on the ground floor of what is sure to be a growing proposition."

These are things that need to be said—over and over. They need to be impressed on parents and adult leaders, as well as young people. At the heart of the matter of West Virginia's future lies the problem of holding on to its bright young men and women.

ADDRESS BY VICE PRESIDENT HUMPHREY AT GRADUATION EXERCISES OF U.S. MILITARY ACADEMY

Mr. KENNEDY of Massachusetts. Mr. President, on May 3, Senator McGovern and I addressed the Senate on the question of our policies toward China. We called for the formation of a blue-ribbon commission to study our present policies and make suggestions for the improvement of communications with Communist China. Most importantly, the work of this Commission would bring to the American public the information we need to gain a better understanding of what has been taking place in mainland China during the last 20 years, and the bearing these events will have on future policy decisions. The interest which has been expressed in this effort and the support which has come forth from so many sources is most gratifying.

In this connection I want to call the attention of the Senate to the address by the Vice President yesterday before the graduating class at the U.S. Military Academy. In his fine speech he emphasized the need to widen our contacts with Communist China and the Communist states in Asia and pledged continuing efforts toward this end. I want to commend the Vice President for so thoughtfully expressing the hopes held by all of us who feel that we cannot afford to spare any effort in working for better relations with the people of China and their Government.

I ask unanimous consent that the text of the Vice President's remarks appear at this point in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

REMARKS, VICE PRESIDENT HUBERT HUMPHREY, U.S. MILITARY ACADEMY, WEST POINT, N.Y., JUNE 8, 1966

Gentlemen, I salute you. You have completed four years of rigorous training—of mind, of body, and of spirit. You have done well.

But I congratulate you even more on what lies ahead—for the lives of service to your country and to your fellowmen which you begin here today.

The demands on you will be great—greater than on any previous generation of the "Long Gray Line" that has passed proudly through this great institution.

Never before has your country been so deeply linked with every part of a rapidly shrinking and changing world.

Never before has the power available to men been so awesome.

Yet never before have men everywhere been so aware that power alone cannot solve their most urgent problems nor satisfy their deepest needs.

You are soldiers. There will be times when your courage, your coolness, and your command of the military arts will be required in full measure.

But you will have to be more—much more—than fighting men.

You will have to be builders.

You will have to be diplomats and psychologists, engineers and politicians, advisers, educators, and friends.

For, in the years ahead, the peace and security of the human family will be threatened by aggressions far more subtle than those of armed regiments moving across national frontiers.

World peace and security will be threatened by propaganda, subversion and agitation . . . by economic warfare . . . by assassination of honest and able leaders . . . as well as by the naked use of armed force.

World peace and security will be threatened, above all, by the very existence, for two-thirds of mankind, of conditions of hunger, disease and ignorance.

We must learn that the simple solutions of times past will not meet the present-day challenges, and new forms of aggression, we face.

Our "doves" must learn that there are times when power must be used. They must learn that there is no substitute for force in the face of a determined enemy who resorts to terror, subversion and aggression, whether concealed or open.

Our "hawks" must learn that military power is not enough. They must learn, indeed, that it can be wholly unavailing if not accompanied by political effort and by the credible promise to ordinary people of a better life.

And all of us must learn to adapt our military planning and actions to the new conditions of subversive warfare—the so-called wars of national liberation.

We must learn to meet and defeat our enemy on all, not just one, of the battlefields. We must use the techniques of politics, of economic development, of information and social advancement—and of coordinating all these efforts in a rational and effective total effort.

We are linked to all parts of a complex and changing world. I want to turn now to one part—but a most important part—of that world. It is a part of the world that I know is much on your minds. I speak of Asia, and of America's role there.

In this Spring of 1966, we urgently need perspective on Asia—on its history and the history of our relationship. That perspective can give us guidelines for wise choices—and a solid base for realistic hopes.

I believe the ingredients of perspective can be found in the answers to three questions: Who and what is Asia? How did we get involved with Asia? And, finally, can we achieve sensible goals in Asia?

Who and what is Asia?

Asia means people—more than half of mankind.

Asia means civilizations—venerable, inventive, artistic, and deeply rooted cultures.

Asia means religions—the great compassionate religious and ethical systems of Hinduism, Confucianism, Buddhism, Islam, and Christianity.

Asia means problems—the age-old afflictions of poverty, illiteracy, disease, exploitation, and oppression.

And in the modern era—the past hundred years or so—Asia means revolution.

It was a revolution that was long in coming but inevitable once West met East with full force.

Revolution is seldom peaceful, never easy. For Asia the period of Western impact—and the transformation it produced—has been often turbulent, bitter, and humiliating.

Take three major ingredients of modern Western history—the spectacular rise of nationalism, capitalism, and science. Bring them to bear on proud older cultures, either through direct colonial rule—as in India, in Indonesia, or Indo-China—or through enclaves and spheres of influence—as in China.

Little wonder the effect would be disruptive on Asian societies, as well as sometimes constructive. Little wonder that the results would engender resistance and resentment among Asian peoples toward the Westerner, as well as curiosity and sometimes friendship.

And little wonder that the history of Asia in the modern era is the history of Asia's response to the West, an unfolding revolutionary process of which the end is by no means in sight.

It is a process that seeks first to expel the foreign colonial master, and has largely succeeded in doing so.

But independence is only a fragile beginning, not an end.

With independence comes the struggle for nationhood in the full sense of the word—the struggle to create national unity out of religious and linguistic and even geographic fragmentation . . . the struggle to create national power, in order to maintain stability within and to deter and resist any would-be aggressors without . . . and the struggle to create both wealth and justice, to create a society of expanding opportunities and hope.

The revolutionary process is turbulent and fraught with dangers. It contains the danger of unbridled competing nationalisms; the lure of false prophets and demagogues; the temptation of illusory short-cuts that lead to new tyranny; the passions aroused by unfulfilled expectations.

Nearly fifty years ago a new specific danger was first added to this process: The doctrines of Marx and Lenin—offered as an explanation of Asia's past, a plan of action for Asia's present, and a blueprint for Asia's future.

Though always a tiny minority, the agents of Marxism-Leninism were able in parts of wartime and post-war Asia to ride the tide of nationalism and anti-colonialism.

With perseverance and discipline, they produced an impact far beyond their numbers.

Today we see in mainland China the tragic result of one Asian revolution that lost its way—a revolution captured by a disciplined Communist minority.

The high price of that tragedy is, for the people of China, a life of isolation in the world's most rigidly totalitarian state, and, for the people of Asia, a profoundly disturbing neighbor.

Today we see in the Indo-China peninsula the tragic result of another Asian revolution that lost its way. The people of Vietnam, who have lived with violence for a quarter of a century, not only find half their country ceded to a Communist minority regime in Hanoi. At the same time they also face a determined effort by that regime to force South Vietnam under Communist rule.

I come to my second question: How did we get involved with Asia?

The question may sound naive. Yet I frequently hear the statement from those who should know better that "America has no business in Asia."

In part this view stems from frustration in the face of Asia's complexity. How much easier to withdraw and let nature take its course.

But in part this view also stems from a misreading of history.

We are all in some degree both heirs and captives of history. And our involvement in Asia is no recent aberration but rather a rooted fact of history.

In one sense, of course, America is simply a something funny that happened to Columbus on his way to Asia.

In a deeper sense, we are and have been a Pacific power from the days of New England's clipper ships in the late 18th century.

Our traders and entrepreneurs soon were joined by our missionaries—not simply evangelists, but doctors and nurses, teachers, engineers and agricultural specialists. By the mid-19th century American ships had opened up Japan, and American citizens were leading participants in what became the greatest export of people and technology ever attempted from one civilization to another—much of it focused on China.

In the process, we became catalytic agents of transformation. In the process, too, we became unwitting participants in Asian history, and in revolution.

America's role in Asia today is a direct product of the century that preceded World War II and of the war itself.

For with the end of that war, the responsibilities of victory imposed on us a stabilizing role in Japan and Korea.

And with the beginning of the Cold War, the Communist victory in China, and the outbreak of the Korean War, American power was the only shield available to fragile and newly independent nations in non-Communist Asia.

This was not a role we had sought. This was not the peace for which we yearned.

Nor is it a role we seek to perpetuate today. But the peace still eludes us. For there are those in Asia who still pursue their objectives by aggression and subversion. And there are others who ask our help in meeting this threat.

I come to my final question: Can we achieve sensible goals in Asia?

What, in simplest form are those goals?

First, we seek to assist free nations, willing to help themselves, in their deterrence of and resistance to all forms of aggression.

Second, we seek to assist free nations, willing to help themselves, in the great tasks of nation-building. We must lead other rich nations in the war on poverty, ignorance and disease in Asia.

Third, we seek to strengthen the forces of regional cooperation on the basis of Asian initiatives.

And finally, we seek and will continue to seek to build bridges, to keep open the doors of communication, to the Communist states of Asia, and in particular Communist China—just as we have to the Soviet Union and the Communist states of Eastern Europe.

The isolation of the Asian Communist states—however caused—breeds unreality, delusions, and miscalculation.

Efforts to break that isolation may, for the time being, provoke denunciation and hostility. But we shall persevere and explore means of communication and exchanges, looking to the day when the leaders of Asian communism—as their former colleagues in Europe—will come to recognize the self-destructiveness and wastefulness of their present bellicose policies.

Prudence and reason, not the slogans of the past, will guide us as we try to reduce the unacceptable risks of ignorance and misunderstanding in a thermonuclear age.

Let me underline what we do *not* seek: We do not seek alignment, except from those who choose it. We do not seek economic privilege. We do not seek territory or military bases. We do not seek to dominate or to conquer.

Our objectives are best served by one result in Asia: The emergence of nations dedicated to their own national independence, to the well-being of their people, and to the pursuit of peace.

I return now to my question: Can these objectives be achieved?

My answer is yes. But much depends on our actions as a nation, and on the understanding that prompts those actions.

In the struggle for a peaceful, strong, and developing free Asia, our assets in the region are great.

In Japan, at one end of Asia's arc, we have a staunch friend, a highly developed nation, our second trading partner, an immense potential force for the development of Asia.

On the South Asian subcontinent, at the other end, we have close friends in India, the world's largest democracy, and in Pakistan. Both nations are dedicated to independence and bravely embarked on programs of development.

And in the Southwest Pacific, completing the triangle, are our friends in Australia and New Zealand who share our commitment to the future of Asia.

Elsewhere—in Korea, Taiwan, the Philippines, Thailand, Burma, Malaysia, Singapore, and Indonesia—we find nations committed in differing fashions to independence and development. We respect their commitment, and we respect their differences. We applaud their leadership.

But what of the states of former French Indo-China?

There, of course, is the present focal point of war and revolution in Asia. And there we are tested as never before. We face a situation of external aggression and subversion against a post-colonial nation that has never had the breathing space to develop its politics or its economy.

In South Vietnam, both defense and development—the war against the aggressor and the war against despair—are fused as never before. Vietnam challenges our courage, our ingenuity, and our ability to persevere.

If we can succeed there—if we can help sustain an independent South Vietnam, free to determine its own future—then our prospects, and the prospects for free men throughout Asia, will be bright indeed.

We know this. Our friends and allies know it. And our adversaries know it. That is why one small country looms so large today on everyone's map of Asia.

But Asia will not disappear with a Vietnam settlement.

Nor will our objectives and responsibilities in Asia disappear.

The peace and development of Asia will be high on our national agenda for the rest of this century.

So will our relations with the nations of Asia—including our relations with mainland China.

President Johnson's address at Johns Hopkins University last year was an historic formulation of American purposes in Asia.

In that speech he said that our commitment to South Vietnam was firm, that our quest for peace would be unremitting, and that our continuing concern with the welfare of the peoples of Southeast Asia could be tested by Asians ready to initiate cooperative ventures of peaceful development. The President pledged 1 billion dollars to projects that might be developed.

In that speech, too, President Johnson envisaged participation by North Vietnam in constructive social and economic arrangements once Hanoi had decided to stop the shooting. And last February, he again appealed to the "men of the north" to stop aggression and to join in helping fulfill the unsatisfied wants of the people of the region.

Termination of war alone would be a major contribution to the process of accelerated social and economic development in Asia.

But there are other basic problems which face most of the countries in the area.

In Asia, incomes are low. Population growth is high. There is a shortage of capital. The need for investment is almost limitless. There is excessive dependence on a limited number of products for foreign exchange earnings.

These problems demand the attention of countries in the area as well as countries outside which are able to help.

But there is promising ferment in free Asia today—ferment that can lead to higher standards of performance on the part of individual countries and a greater sense of community among them.

War is always cruel. But the war in Vietnam should not obscure for us the fact that behind the smoke and uproar is the testing of an issue vital to all of Asia, and indeed the world.

Can independent, non-Communist states not only survive, but grow and flourish in the face of Communist pressure?

In that confrontation, a review of free Asia's achievements should give us solid ground for hope.

Consider South Korea, where exports have increased by 500 per cent in the past three years. Consider Taiwan, which has been transformed from an aid-receiving to an aid-giving country and enjoys a rate of economic growth higher than even that of Japan. Consider Malaysia and Thailand, where ambitious development plans are being launched. Yes, consider Indonesia, where new leaders are determined to see that potentially rich country resume a responsible place in the world community.

All of these developments are striking evidence that, notwithstanding Communist boasts that they represent the wave of the future, the real achievements taking place within Asia have occurred in areas that rely upon independence, competition, and respect for national integrity as the bases for genuine and enduring social and economic progress.

As we Americans strive to deal with the immense problems—and the promise—of a vibrant, modernizing interdependent Asia in the years ahead, we will be called upon to show special qualities of mind and spirit and understanding as a nation.

We will have to learn far more about Asian history and Asian cultures than any of us now know. We need more than nodding acquaintance with the key critical issues that absorb the attention of Asians.

We will have to learn to speak and read Asian languages.

We will have to become more sensitive to the differences among Asian nations as well as their similarities.

We should also be sensitive to the pride, dignity and nationalism of Asian peoples and nations. Like most people, Asians prefer to rule themselves badly than to be well ruled by some foreigner. The same goes for advice and initiatives. Otherwise good ideas inevitably lose some of their appeal if carried through Asia in clearly foreign wrappings.

Asians prefer Asian initiatives, proposed by Asians. So do we.

Finally, we must learn to suppress our national enthusiasm for quick solutions.

Asia's problems are extraordinarily complex and intractable; they will be with us for a long time to come, and we should force ourselves to practice some traditional Asian patience.

It is patience—and perspective—that we will need in the years ahead.

For I have no doubt that we will meet, in Asia as in the rest of the world, time and again with disappointment, disillusionment, ingratitude and frustration.

Yet we must not be deterred.

It is our good fortune to be free citizens of the most prosperous and powerful nation in the history of the earth.

It is the prosperous who can most afford compassion and humility.

It is the powerful who can most afford patience and perspective.

Let us, then, not pursue policies—or judge ourselves—in consonance with the passion of the moment.

Let us pursue those courses of which, in the judgment of history, it can be said: "These were the paths taken by wise men."

STRONGER FEDERAL ROLE IN TRAFFIC SAFETY NEEDED

Mr. RIBICOFF. Mr. President, I feel compelled to comment on the recent action by the Committee on Public Works with respect to S. 3052, a bill to provide financial assistance to the States to accelerate highway traffic safety programs.

I have the greatest respect for the Committee on Public Works and its distinguished chairman, Senator RANDOLPH, of West Virginia. But my deep concern for the cause of traffic safety in this country leaves me no choice but to express my disappointment in the reported results of the committee's action on S. 3052.

Those of us who have been intimately and directly involved in the problem of highway safety over many years have a keen sense of its special timeliness and importance today. The degree to which this vital public issue has come to center stage in the past 12 months is phenomenal. Traffic safety's time has come. Public opinion and the public welfare demand an immediate, effective and continuing Federal program to end the tragic slaughter on our highways.

The automobile has been a significant hazard to the people of this country for 50 years. If this death-dealing instrument had reached us in the form of a virulent new disease, we would long ago have mobilized every resource to wipe it out.

Here, at last, the accumulated sorrow and suffering of 50 years has brought us to that critical point where we in the Congress must act. There is now an opportunity for action that must not be allowed to slip away.

If we act halfheartedly—or hesitantly—we must be prepared to live with the knowledge that we have left the job half done. And the measure of our failure will be written in needless death and injury, and billions in economic loss.

S. 3052, as drafted by the Committee on Public Works, makes a start on the problem. It leaves the first 3-year money authorization unchanged, at $160 million. But it drops the second 3-year money authorization, proposed by the administration's traffic safety bill, which amounted to $260 million.

The administration's bill would have provided $420 million over 6 years for a Federal-State cooperative effort to mount an aggressive and balanced attack on the traffic safety problem.

As I testified before the committee on March 31, this averages out to a Federal investment of about $70 million annually—hardly a large sum when compared with the death and injury rate and the $8.5 billion economic loss incurred each year through highway accidents.

Howard Pyle, president of the National Safety Council, told the committee that the cost of bringing State, county and city traffic safety programs up to minimum standards amounts to nearly $1 billion a year.

This estimate is based on careful investigation and study. Indeed, there seems little justification for the conclusion of the Public Works Committee that our long-delayed attack on traffic safety should begin only with a preliminary 3-year program, followed by further congressional study before approving authorizations for a second 3 years.

We already know how to form a basis for action now and in the future. We cannot afford to stand—like a child in front of a store window—deciding where to spend our money. Every aspect of every safety program has been starved for funds. Mr. Lowell K. Bridwell, Deputy Under Secretary of Commerce for Transportation, listed some of these in a speech at Chattanooga, Tenn., on March 8, 1966. His list, which was cited by John de Lorenzi, managing director of public and governmental relations for the American Automobile Association, in testimony before the Public Works Committee, included:

1. Vehicle equipment.
2. Vehicle performance.
3. Vehicle registration.
4. Vehicle inspection.
5. Driver Education.
6. Driver examination and licensing.
7. Accident records system.
8. Highway design and maintenance.
9. Traffic engineering.
10. Traffic control.
11. Traffic surveillance (to correct potentially hazardous conditions.)
12. Manpower and training.
13. Emergency communications.
14. Emergency medical services.
15. Traffic laws, courts, and police.
16. Uniform rules of the road.
17. Uniform signs, signals, and markings.

We know that vast amounts of money are needed. There is no cheap solution to the traffic safety problem, and we are paying dearly now in death and injury for having ignored the seriousness of the problem for too long.

It is essential that the Governors and other State officials responsible for traffic safety recognize that the Federal Government is now ready to play a meaningful role. They must know that the Federal Government has enlisted in the war against motor vehicle accidents for the duration.

They must know that they can depend on Federal support for at least the full 6 years contemplated by the administration's traffic safety bill. We cannot talk about 3-year authorizations and expect these State officials to have much success in mobilizing the resources and trained personnel required for effective traffic safety programs.

There can hardly be any justification for placing a 3-year limit on authorizations for the research and development programs contemplated under section 403 of the bill. The Federal commitment to research and development must be long range.

There is much in the committee's action that is praiseworthy, especially the provision for a National Traffic Safety Advisory Commission. But we must restore the full 6-year authorization for section 402 and section 403. I will offer an amendment at the appropriate time to accomplish this.

Finally, Mr. President, I must return to the provisions of my own proposals which would authorize additional Federal aid to the States, specifically for driver training and vehicle inspection programs over a 6-year period.

Today only 45 percent of eligible students are enrolled in driver training courses in our secondary schools. To raise that figure to 100 percent, according to the National Educational Association, would require at least $180 million a year. I am convinced that driver training—a proven, tested factor in any traffic safety program—warrants substantial support by the Federal Government. I therefore propose that the Federal Government be prepared to assume part of the cost of training the 3.6 million young people who become eligible to drive each year.

My original amendment authorized $60 million a year for 5 years in matching grants to the States for driver education, or a total of $300 milion added to the original bill. I would now alter the amendment to provide $60 million for fiscal year 1968, $70 million for fiscal year 1969, and $90 million—the full matching amount—for fiscal years 1970, 1971, and 1972—a total of $400 million.

I also recommend a $45 million matching grant program to expand and improve State vehicle inspection programs. The average passenger car in the United States is 6 years old, yet only 20 States and the District of Columbia require periodic inspection of motor vehicles. To encourage the other 30 States to adopt inspection programs, and to enable those which now require inspection to strengthen their programs, the Federal Government should be prepared to offer financial help. I will offer an amendment authorizing $45 million annually for 5 years for this purpose.

We must recognize our responsibility and send the President a strong bill, dealing adequately with all three elements of the traffic safety triangle—the car, the driver, and the road.

For the rising toll of traffic accidents will not be stemmed by attacking only the problems of the car—or only the highway—or only the driver. The rising tolls of traffic accidents will be stopped only through a balanced attack.

My concern, Mr. President, is that the action of the Committee on Public Works will make it more difficult to realize that balanced attack. The committee's action has, in fact, reduced the relative emphasis on the driver and the road—and endangers a truly balanced program. We need to authorize a program greater in dollars and longer in time. It is that simple, but extremely important.

The problem of traffic safety is a complex one—involving the manufacturer, the worker, the car designer—and the traffic engineer and highway commissioner—and the policeman on the street—and the man behind the wheel. The responsibility is not being neglected. Thousands of dedicated people are devoting their careers and their funds to the cause of traffic safety. We are building safer roads. We are training better drivers. We are inspecting more cars. We are making road signs more uniform.

Then why do we need Federal legislation?

Simply because State and local communities need help. They have done what they could do—through licensing, law enforcement, highway construction, and traffic controls—to provide the motorist with the safest possible auto travel. But much more needs to be done. We must do more of what we have been doing—and we must strike out in new directions.

The Federal role should be one of assistance—help to the States to carry out their traditional responsibilities. And the Federal role must also be one of guidance.

I am confident that Congress will recognize its responsibility and send the President a strong bill, dealing with all three elements of the traffic safety triangle: the driver; the road; and the car.

A balanced attack on the traffic toll will require Federal help to broaden the range and effectiveness of driver training programs in our 50 States. Driver training works. It is endorsed by every traffic safety expert in the country. Yet half of the students who could get this training are not getting it—because the money and the programs are not available in their schools. Clearly the Federal Government can and should take the lead to improve the quality and the availability of driver training.

A balanced attack on the traffic toll must include vehicle inspection. No matter how safe the car that comes from the factory, inadequate maintenance and lack of care can result in a car loaded with potential hazards. Like driver training—vehicle inspection works. The Federal role should include help to the States in setting up and improving inspection programs.

All these efforts are vital. And all of them fit within the traditional pattern of traffic safety efforts—better roads, better drivers, safer cars. We must—and we will—do more.

We must—and we will—do also that which we have not done before. We need to follow new directions in meeting the problem of traffic safety.

These are not impossible developments. A nation which spends a billion dollars to assure the safety of three men traveling to the moon can surely afford that amount—over the next 6 years—to protect the lives of 190 million Americans.

For the fact of the matter is that we live in a revolutionary time. Research makes knowledge obsolete overnight. A flash of insight combined with the stroke of an engineer's pen can bring an entire new industry into being. In a world of constant change, we live with one assurance: That the world we wake up in tomorrow will be different from today's.

An era like ours is not an easy one to live in. Questions are complex. Ansswers seem impossible. But we must make some basic decisions.

We must decide that we will rule the environment and that we will control what we have built. We must determine that man will not be the unwilling victim of the technology he develops. Will we, as one observer put it, "live in a heap of garbage shooting rockets at the moon"? Will we live at the mercy of foul air, polluted water, unsafe pesticides, and urban decay? Will we meekly accept 50,000 lives a year as the price we must pay for the automobile?

We have in our hands the tools to change the world for good as well as evil. We need only the foresight and the will to make it so.

Now is the time to enact a truly meaningful traffic safety program—a bold program befitting what the President has termed the Nation's most serious problem—next to Vietnam. This is not the time to cut back, to delay and study. This is the time to act.

NEED FOR PARKS AND PLAYGROUNDS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, within the next few days, tens of thousands of delightful and precious little boys and girls will be leaving their classrooms for a brief respite from their studies, and will not return to school until fall. These thousands of precious boys and girls come from impoverished homes where there is little wholesome activity, and where wholesome recreation is minimal. Consequently, many of these youngsters will find the streets and alleys of Washington their only place to play. Many of these streets and alleys are filthy; many inhabited by rats; many are heavily traveled by automobiles and buses. We would all agree that this is not a proper environment for young boys and girls. But this is a way of life for many young boys and girls in the District of Columbia.

The District and Federal Governments simply do not maintain a sufficient number of parks and playgrounds to serve the needs of the people, particularly children. I have criticized the District of Columbia government time and time again for its willingness to trade land for other uses—land that could be converted to park and recreation use. Believe it or not, the District government has been selling land to private business concerns, instead of keeping it and using it for recreation purposes. I have constantly criticized this practice, and I shall continue to criticize it, for in my judgment, such action could not possibly be found to be more shortsighted.

As we all know, in the past 3 or 4 days, the temperature in Washington has been staying in the vicinity of 90°. It is a time of the year when a dip in a swimming pool would be very refreshing for adults, as well as children. Swimming in the pool would be a delightful treat for youngsters experiencing deprivation in the home. I do not suppose anyone will ever know the thrill and joy that comes into the hearts of these children as they refresh themselves in a cool pool during the long, hot summer months.

In view of all this, Mr. President, it is not pleasant to learn that we have officials in the National Park Service and in the District of Columbia government who appear to be completely insensitive to the urgent need for expanded recreational facilities, especially swimming pools for which funds have already been appropriated.

Mr. President, there are 10 existing public swimming pools in the District of Columbia operated by the District of Columbia Recreation Department. I ask unanimous consent that the list containing the names and locations of these pools, their size, capacity, when they were constructed, whether they are indoor or outdoor pools, be incorporated at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 1, 1966.

Hon. WAYNE MORSE,
Committee on the District of Columbia, U.S. Senate, Washington, D.C.

DEAR SENATOR MORSE: In response to a request made by Mr. Richard E. Judd, Staff Member, we are submitting to you the attached statement containing information about existing public swimming pools in the District of Columbia operated by the Recreation Department.

In September 1963, the Board of Commissioners, D.C., approved a proposal of the Recreation Department to construct fifteen new and replacement outdoor swimming pools—one in fiscal year 1965 and at the rate of two pools each year beginning with fiscal year 1966, provided funds are available. Thus far, funds have been appropriated by the Congress as follows:

McKinley: Lincoln Road and T Street, N.E.; fiscal year 1965, plans and specifications, construction and equipment.

Oxon Run: Mississippi and Valley Avenues, S.E.; fiscal year 1965, plans and specifications; fiscal year 1966, construction and equipment.

Randall: First and I Streets, S.W.; fiscal year 1965, plans and specifications; fiscal year 1966; construction and equipment.

Fort Stanton: 17th and Erie Streets, S.E.; fiscal year 1966, plans and specifications.

The National Park Service is responsible for the construction of the three pools for which all funds required have been appropriated (McKinley, Oxon Run and Randall). We have been informed that because of delays encountered by the Park Service, the McKinley pool will not be completed until the middle of August 1966, and that construction work on the Oxon Run and Randall pools has not yet been undertaken.

The 1967 budget estimates now pending before the Congress include requests for funds for swimming pools as follows:

Fort Stanton: First and I Streets, S.W., construction and equipment.

Fort Reno: Chesapeake and Fessenden Streets, N.W., plans and specifications.

Lengion: 20th and Franklin Streets, N.E., plans and specifications.

Upshur: 14th Street and Arkansas Avenue, N.W., plans and specifications.

Indoor swimming pools are planned for the following school building projects:

Woodson Senior High School: 55th and Eads Streets, N.E. (Funds for construction are included in the 1967 budget estimates pending before Congress.)

Shaw Junior High School Replacement: 7th and Rhode Island Avenues, N.W. (Funds for a site and plans and specifications are included in the 1967 budget estimates pending before Congress.)

Sharpe Health School Addition: 4300 13th Street, N.W. (Funds for plans and specifications and construction are included in the 1967 budget estimates pending before Congress.)

New School for the Severely Mentally Retarded: Fort Totten Drive and Hamilton Street, N.E. (Funds for plans and specifications are included in the 1967 budget estimates pending before Congress.)

If you desire additional information, please do not hesitate to call upon us.

Sincerely yours,
SCHUYLER LOWE,
Director of General Administration.

Attachment.

Existing public swimming pools operated by the District of Columbia Recreation Department

Name and location	Size	Capacity	When constructed	Indoor or outdoor
1. Anacostia: Anacostia Park SE	65 by 130 feet	425	1935	Outdoor.
2. Banneker:[1] 2500 Georgia Ave. NW	75 by 150 feet	635	1934	Do.
3. Cardozo: 13th and Clifton Sts. NW	24 by 75 feet	40-60	1916	Indoor.
4. Dunbar: 1st and N Sts. NW	25 by 60 feet	40-60	1916	Do.
5. East Potomac: East Potomac Park	65 by 164 feet	410	1933	Outdoor.
6. Francis:[1] 25th and R Sts. NW	60 by 150 feet	560	1928	Do.
7. Georgetown: 34th St. and Volta Pl. NW	28 by 75 feet	80	1916 [3]	Do.
8. Kelly Miller:[2] 49th and Brooks Sts. NE	50 by 82 by 80 feet	400	1964	Do.
9. Rosedale: 17th and Gales Sts. NE	28 by 75 feet	80	1916 [3]	Do.
10. Takoma:[1] 4th and Van Buren Sts. NW	75 by 150 feet	635	1934	Do.

[1] In addition, there is a separate wading pool (25 by 75 feet) on the premises.

[2] In addition, there is a separate wading pool (20 by 40 feet) on the premises.

[3] Georgetown and Rosedale pools had extensive renovation in 1948.

NOTES

Hours open:
  Outdoor pools (7 days a week):
    Morning, 9 a.m. to 12 noon for children instruction; afternoon and evening, 1 p.m. to 8:30 p.m., general public.
  Indoor pools (5 days a week):
    Fall, winter, and spring:
      Evening 6 p.m. to 9:30 p.m., general public (from 9 a.m. to 4:30 p.m. during the regular school term the pools are used for the physical education program of public schools).
    Summer season:
      9 a.m. to 6 p.m., general public.
Months in operation:
  Outdoor pools: Opens 1st day after school term ends in June and closes on the 1st Monday in September (Labor Day).
  Indoor pools: Year round.

Mr. MORSE. Mr. President, Senators will note that the Georgetown, Cardozo, Dunbar, and Rosedale swimming pools were built in 1916. The Francis swimming pool was built in 1928. The East Potomac swimming pool was constructed in 1933; the Takoma and Banneker swimming pools were constructed in 1934; and the Anacostia swimming pool in 1935. It was not until 1964 that the Kelly Miller pool was constructed.

You will note in Mr. Lowe's report, which I have just had printed in the RECORD, that all of the required funds have been appropriated by Congress for new McKinley, Oxon Run, and Randall swimming pools. Mr. Lowe points out that the National Park Service is responsible for the construction of the pools for which all funds have been appropriated by Congress. He further advises me that, because of certain delays by the Park Service, the McKinley swimming pool will not be open until sometime in August, and that the National Park Service has not yet undertaken construction work on the Oxon Run and Randall pools.

Mr. President, I can only say that a few pools have been constructed in Washington since the turn of the century. Congress has not been nearly generous enough in appropriating funds for the construction and maintenance of adequate swimming pools. On the other hand, it is unconscionable that National Park Service and District officials do not have swimming pools under construction for which money has been already appropriated. In any other city in America, officials maintaining such an indifferent attitude toward the District's precious little boys and girls would find themselves fired, and the mayor and city council recalled, for the citizens of a community would not allow such a thing to happen twice. If these officials are not qualified to supervise planning and construction of such swimming pools after appropriations have been made, I think, in the interest of good government and in the interest of these small boys and girls, those officials should be removed from such responsibilities at the earliest possible time. The children of this city deserve better treatment than they have received from these officials to date. Can you imagine, Mr. President, setting a construction date deadline for September or October, long after these little children are back in school?

That would not happen if we had passed a home rule bill that we have been trying to accomplish for some years—not a charter bill, but an elected mayor and an elected city council bill, a true home rule bill, for which I have fought for 21 years, and which I have been helpful in having had passed five times in the Senate, only to have it blocked in the House of Representatives.

I close by saying that this, again, buttresses a case for a strong home rule bill for the District of Columbia. If the people themselves and their elected representatives on the city council decided that they wanted swimming pools under a true home rule program, the boys and girls would get the swimming pools. I am convinced that under such circumstances there would be swimming pools, and without such an unconscionable delay as is being experienced in the construction of the swimming pools I have just mentioned.

I urge that all people within the community, including the Federal and District governments, work together in order to provide the maximum of playground and recreational facilities for these children this summer. I know of the intense interest of the Vice President in these problems. I sincerely wish him success and hope that more can be done to provide wholesome facilities for Washington's underprivileged children.

REVISION OF EXISTING BAIL PRACTICES IN COURTS OF THE UNITED STATES

The **PRESIDING OFFICER** (Mr. CLARK in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1357) to revise existing bail practices in courts of the United States, and for other purposes, which were, on page 1, line 4, strike out "1965"." and insert "1966"."; on page 1, strike out line 5; on page 1, strike out line 6 and all that follows down through and including line 3 on page 3, and insert:

SEC. 2. The purpose of this Act is to revise the practices relating to bail to assure that all persons, regardless of their financial status, shall not needlessly be detained pending their appearance to answer charges, to testify, or pending appeal, when detention serves neither the ends of justice nor the public interest.

On page 3, strike out lines 4 and 5; on page 4, strike out lines 1 and 2; on page 4, line 3, strike out "(3)", and insert "(2)"; on page 4, strike out lines 5 and 6; on page 4, line 7, strike out "(5)", and insert "(3)"; on page 4, line 13, strike out "(6)", and insert "(4)"; on page 4, strike out lines 16 and 17; on page 4, after line 15, insert:

(5) impose any other condition deemed reasonably necessary to assure appearance as required, including a condition requiring that the person return to custody after specified hours.

On page 5, line 18, strike out all after "imposed." down through and including "condition." in line 23, and insert:

A person who is ordered released on a condition which requires that he return to custody after specified hours shall, upon application, be entitled to a review by the judicial officer who imposed the condition. Unless the requirement is removed and the person is thereupon released on another condition, the judicial officer shall set forth in writing the reasons for continuing the requirement.

On page 6, line 9, strike out all after "on" down through and including "apply." in line 11, and insert "a condition requiring him to return to custody after specified hours, the provisions of subsection (d) shall apply."; on page 6, strike out line 22, and insert "a condition requiring him to return to custody after specified hours is continued, after"; on page 7, line 21, strike out "waiting", and insert "awaiting"; on page 8, strike out line 21, and insert:

"§ 3150. Penalties for failure to appear

On page 9, line 19, after "person" insert "or court"; on page 9, line 21, after "to" insert "bail or otherwise"; on page 9, line 21, strike out "for", and insert "before"; on page 10, five lines after line 7, strike out:

"3150. Violation of conditions of release."

And insert:

"3150. Penalties for failure to appear."

On page 10, strike out line 8; on page 10, lines 14 and 15, strike out "Any such person shall be given", and insert "The Attorney General shall give any such person"; on page 10, line 16, after "offense" insert "or acts"; on page 10, line 17, strike out all after "was" over through and including "judgment." in line 8, page 11, and insert "imposed."; on page 11, strike out line 14; and on page 12, after line 14, insert:

SEC. 6. This Act shall take effect ninety days after the date on which it is enacted: *Provided*, That the provisions of section 4 shall be applicable only to sentences imposed on or after the effective date.

Mr. ERVIN. Mr. President, this bill was passed some time ago by the Senate, without opposition, and during the past few days the House has passed on the bill, making the four types of amendments. As thus amended, the bill has been passed by the House by an overwhelming vote of 318 to 14.

These amendments do not alter in any respect the fundamental provisions of the bill as passed by the Senate. They merely improve the bill by making improvements in the methods of administering the bill.

I am pleased to inform the Senate that on Tuesday, June 7, the House of Representatives gave overwhelming approval to S. 1357, the Bail Reform Act of 1966. In voting 318 to 14 for this bill, the House of Representatives has expressed its strong conviction that existing bail procedures are ineffective, outmoded, and contrary to the principles of justice. This bill, as I have stated before, is the first significant legislation on bail procedures since the Judiciary Act of 1789. Although we have modernized and improved almost all other areas of the administration of criminal law, for 175 years we have persisted in relying solely upon the financial ability of the accused as the basis for determining his eligibility for pretrial release. Studies and hearings by the Constitutional Rights Subcommittee, which first inquired into the subject in 1961, have demonstrated beyond all doubt the injustice, ineffectiveness, and the expense of relying solely on money bail. Pilot projects across the country have shown that the money bail system "gives the keys to the jailhouse to the bondsman." It is he who decides which accused is free to continue his job, prepare his defense, and live with his family; and it is he who decides which accused remains in jail—still presumed innocent since he has not yet been tried.

The Bail Reform Act, which this body passed unanimously last September, will return bail decisions to the judge, where they rightly belong. If the accused shows sufficient likelihood of returning for trial because of his ties to community and family and employment, he may be released upon his own recognizance, or in the custody of another person, or upon deposit with the court of a 10-percent returnable security. Only if the judge finds that these conditions are inadequate to assure that the accused will be present for trial, may he then set money bail.

I am gratified that the bill has been amended only slightly in the House of Representatives. Most of the changes are technical and only four are of any substance. They are as follows:

First. The provision for pretrial release in the custody of a probation officer has been deleted. This was done in order to remove constitutional doubts in the minds of some members of the House committee.

Second. The condition of release during daylight hours—condition four in the Senate version—has been deleted. In its place the last condition of release has been amended only to include release dependent upon return during specified hours. There are two reasons for this change. First, since condition four involved detention for part of the day, it is better placed following the 10-percent deposit condition, and the money bail condition, both of which allow the accused to be free of pretrial detention entirely; second, restricting the condition of partial release to daylight hours would cause unintentional harm to those who might be working during other hours.

The third change—credit for pretrial confinement against a fine imposed upon conviction—has been removed as unnecessary and inappropriate to a statute concerned with custody.

Fourth. The last change of any substance gives to the Attorney General the administrative responsibility for crediting pre-trial confinement against the prision sentence imposed. This change is salutary because it eliminates any possible confusion as to whether the judge had considered pretrial confinement when he imposed sentence. By making the credit an automatic act of the confinement officer, we remove any possibility of either double credit or none at all.

The remaining changes are technical in nature only.

I ask unanimous consent that these amendments and the explanations thereof be placed in the RECORD at this point.

In sum, the changes that have been made, and in which the Senate is asked to concur, have improved and polished the bill. I would like to express my personal appreciation, and that of the Senate Judiciary Committee, to Chairman CELLER, Representatives WHITENER and MCCULLOCH, and each member of his committee for the expeditious, thorough, and learned consideration given to S. 1357. I would also like to express my thanks to all the witnesses who testified before the Subcommittee, to the Department of Justice representatives who assisted us so competently in drafting this legislation, and to all the other persons whose efforts have produced this much-needed and long overdue reform.

I am gratified that the President, in his March 1966 message to Congress, urged adoption of S. 1357. Since the President included the Bail Reform Act in the administration's program, I am confident that he will sign the measure into law at an early date.

Mr. President, I move that the Senate concur in the amendments.

I ask unanimous consent to have the amendments printed at this point in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1

On page 1, line 4, strike "1965" and insert "1966".

AMENDMENT NO. 2

On page 1, line 5, strike the language "FINDINGS AND PURPOSE".

On page 3, lines 4 and 5, strike "AMENDMENTS TO CHAPTER 207 OF TITLE 18, UNITED STATES CODE".

On page 10, line 8, strike "CREDIT FOR TIME SPENT IN CUSTODY".

On page 11, line 14, strike "TECHNICAL AMENDMENTS".

AMENDMENT NO. 3

On page 1, line 6, strike all the language down through page 2, and through line 3 on page 3, and insert in lieu thereof the following:

"SEC. 2. The purpose of this Act is to revise the practices relating to bail to assure that all persons, regardless of their financial status, shall not needlessly be detained pending their appearance to answer charges, to testify, or pending appeal, when detention serves neither the ends of justice nor the public interest."

AMENDMENT NO. 4

On page 4, strike the language on lines 1 and 2.

AMENDMENT NO. 5

On page 4, strike the language on lines 5 and 6, and reword condition No. (7) to read as follows: "impose any other condition deemed reasonably necessary to assure appearance as required, including a condition requiring that the person return to custody after specified hours."

And renumber the conditions so as to read:

"Strike '(3)' and insert '(2)'.
"Strike '(4)'.
"Strike '(5)' insert '(3)'.
"Strike '(6)' and insert '(4)'.
"Strike '(7)' and insert '(5)'."

AMENDMENT NO. 6

On page 5, lines 18 through 23, strike the language after "imposed." down through the word "condition" and insert in lieu thereof the following:

"A person who is ordered released on a condition which requires that the return to custody after specified hours shall, upon application, be entitled to a review by the judicial officer who imposed the condition. Unless the requirement is removed and the person is thereupon released on another condition, the judicial officer shall set forth in writing the reasons for continuing the requirement."

AMENDMENT NO. 7

On page 6, lines 9 through 11, strike the language beginning with "condition number" and insert in lieu thereof the following: "a condition requiring him to return to custody after specified hours, the provisions of subsection (d) shall apply."

AMENDMENT NO. 8

On page 6, line 22, strike the language and insert in lieu thereof the following: " a condition requiring him to return to custody after specified hours is continued, after".

AMENDMENT NO. 9

On page 7, line 21, strike the word "waiting" and insert the word "awaiting".

AMENDMENT NO. 10

On page 8, line 21, strike the language: § 3150. Violation of conditions of release" and insert in lieu thereof:

"§ 3150. Penalties for failure to appear".

AMENDMENT NO. 11

On page 9, line 19, after the word "person", insert the words "or court".

AMENDMENT NO. 12

On page 9, line 21, insert between the words "to" and "release" the words "bail or otherwise" and strike the word "for" and insert in lieu thereof the word "before".

AMENDMENT NO. 13

On page 10, following line 7, delete "3150. Violation of conditions of release." and insert in lieu thereof:

"3150. Penalties for failure to appear."

AMENDMENT NO. 14

On page 10, lines 14 and 15, delete the words "Any such person shall be given" and insert in lieu thereof the words "The Attorney General shall give any such person".

AMENDMENT NO. 15

On page 10, line 16, after the word "offense", insert the words "or acts".

AMENDMENT NO. 16

On page 10, line 17, insert a period after the word "imposed" and delete the remainder of the section through the word "judgment." on page 11, line 8.

AMENDMENT NO. 17

On page 12, after line 14, insert a new section 6, to read as follows:

"SEC. 6. This Act shall take effect 90 days after the date on which it is enacted: *Provided*, That the provisions of section 4 shall be applicable only to sentences imposed on or after the effective date."

PURPOSE OF THE AMENDMENTS

Amendment No. 1 is a technical amendment to correct the citation of the act so as to be current.

Amendment No. 2 is a technical drafting amendment striking headings as contained in the Senate version. Since the bill contains amendments to title 18, United States Code, which have been codified and enacted into positive law, there is no need for these headings.

Amendment No. 3 deletes the findings as contained in the bill but retains as section 2 of the amended version the purpose of the legislation. It is the opinion of your committee that findings are not necessary but in order to emphasize the legislative intent and to afford adequate quidelines for the administration of the bill, the purpose of the act should be retained.

Amendment No. 4 eliminates as one of the conditions upon which a defendant may be released the placement of the individual under the supervision of a probation officer. Since the probation officer is an arm of the court, who, under normal circumstances, only enters into a case after conviction, your committee is of the opinion that in order to avoid any possibility that any constitutional right of the defendant be invaded this provision should be deleted. It is obvious that if a probation officer assumes the responsibility for a defendant where a case has not yet been disposed of, he would necessarily make inquiry concerning the defendant. In view of condition No. 1, which authorizes the placing of a person in custody of a designated agency or individual, there does not appear to be any need for the use of a probation officer. Moreover, the use of a probation officer would involve additional duties and might require additional personnel.

Amendment No. 5 eliminates the condition No. 4 requiring the return to custody after daylight hours under designated conditions. However, it does permit under condition No. 7 the imposition of any other condition deemed reasonably necessary to assure the appearance as required including a condition requiring that the person return to custody after specified hours. In the opinion of your committee, the phrase "daylight hours" is too general and vague. If the purpose is to release a man from custody so that he may be employed, there is no certainty that his employment would be limited to daytime. Therefore, in order to provide the judicial officer or court fixing the condition of release with greater flexibility and discretion the use of the term "specified hours" is afforded.

The remainder of this amendment is technical so as to conform the numbering of the conditions in accordance with amendments Nos. 4 and 5.

Amendment No. 6 is to conform the language of section 3(d) with the language inserted by amendment No. 5.

Amendment No. 7: This amendment to section 3(e) is to conform the language contained therein as provided in amendment No. 5.

Amendment No. 8 is also technical so as to conform the language of section 3(g) with the language provided by amendment No. 5.

Amendment No. 9: The purpose of this amendment is merely grammatical.

Amendment No. 10: This is a technical amendment rewording the title of the proposed new section 3150 of title 18, United States Code. In the opinion of your committee, the language, "Penalties for failure to appear," is a more precise wording of the substantive provisions of the proposed section than "Violations of conditions of release." This amendment makes no substantive change in the provision itself.

Amendment No. 11 adds to the definition of the term "judicial officer" the phrase "or court". Since the act includes a judge of the District of Columbia court of general sessions in the definition of "judicial officer", it is necessary to add the words "or court" because those judges sit as committing magistrates for felonies to be tried in the U.S. District Court for the District of Columbia.

Amendment No. 12 is a technical amendment to conform the language to include not only bail but to otherwise release a person before trial instead of limiting the language merely to the release of a person for trial. The amendment makes no substantive change.

Amendment No. 13 is a technical amendment to conform with the language inserted by amendment No. 10 so that the chapter analysis will be in conformity with the heading of the new section 3150 of title 18, United States Code.

Amendment No. 14 directs that the Attorney General give a person credit for time served in custody prior to his conviction. Upon imposition of sentence, the convicted defendant is turned over to the custody of the Attorney General and, therefore, from the administrative standpoint the Attorney General should be the individual who would give the credit to the convicted defendant. The purpose of this amendment is to make the direction more specific.

Amendment No. 15 would insert the phrase "or acts" so as to include not only the offense but also acts for which sentence was imposed as a basis for credit toward service of a sentence for days spent in custody. The purpose behind this amendment is to cover a condition where the defendant may have been arrested for a crime but subsequently is convicted of a lesser crime; thus, under the amendment, even though convicted of a lesser crime, he is given credit for the time spent in custody while awaiting trial on the charge of a greater crime. It would also permit the giving of credit for time spent in custody while awaiting trial where a defendant may have been originally arrested and held in custody on a State charge and eventually turned over to the Federal Government for prosecution of a Federal violation.

Amendment No. 16 would eliminate the provision of the act which provided that where a person who has been convicted of an offense and is required to pay a fine, there shall be a deduction from the amount of that fine a sum equal to the wages for an 8-hour workday at the Federal minimum wage, multiplied by the number of days that a person spent in custody prior to conviction and pending an appeal for the offense for which the fine was imposed. Provision is made also that no such credit shall be given if the judge in imposing the sentence of imprisonment or fine takes into consideration the number of days spent in custody in connection with the offense for which such sentence or fine is imposed and so records in his judgment.

This language providing for credit against fines has been eliminated as unnecessary and inappropriate to a statute which is concerned with custody. In addition, the proviso which would withhold credit in any case in which the judge states in his judgment that he has already taken pre-sentence detention into acount is eliminated because the committee believes that full credit for custody should be recorded automatically, as a matter of administrative computation rather than a matter of discretion.

Amendment No. 17 provides an effective data provision to give the courts and others 90 days in which to prepare whatever procedures are necessary to evaluate the statute. In order to avoid the possibility of giving prisoners who were previously sentenced double credit for time spent in custody prior to sentence, a proviso has been inserted requiring credit to be recorded only as to sentence imposed on and after the effective date.

Mr. ERVIN. I move that the Senate concur in the House amendments. So far as I know, there is no opposition to the motion. I have a prepared statement which explains the amendments in detail, and I desire that it be incorporated in the RECORD.

I shall not undertake to specify the amendments unless I am requested to do so by a Member of the Senate, because they are not of a substantial nature, but merely make more workable the administrative features of the bill as passed by the Senate.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. HRUSKA. Mr. President, I take this opportunity to commend the Senator from North Carolina for his labors in connection with this bill. It was my good fortune to have been of some assistance during the hearings on the bill and in the drafting of it, and in consulting with the Senator from North Carolina this afternoon, in regard to the final language of the bill as resulted from the conference.

I agree with the Senator from North Carolina that the changes made in the conference are in some respects improvements over what we had. At any rate, they are acceptable to me, and I support the motion of the Senator from North Carolina.

Mr. ERVIN. I thank the Senator from Nebraska. The Senator from Nebraska merits the thanks of the country for the work he has done in the origination, consideration, and passage of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The motion of the Senator from North Carolina is agreed to.

ORDER OF BUSINESS—ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. DIRKSEN. Mr. President, I wish to ask the distinguished majority leader about the program for the rest of the week and the beginning of next week, if he can advise the Senate at this time.

Mr. MANSFIELD. Mr. President, after consulting with the distinguished minority leader and various other interested parties, it is our intention to take up the unobjected-to items on the calendar.

I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon, Monday next.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. It is anticipated that on Monday the Senate will take up various bills which will be on the calendar, including some 21 private bills reported out of the Judiciary Committee today.

FACTS ABOUT FOREIGN AID

Mr. CLARK. Mr. President, the Agency for International Development has circulated recently an excellent, short pamphlet on the proposed foreign aid program for fiscal year 1967, which I feel is one of the clearest explanations of the programs purposes and of the foreign aid request to Congress for the next fiscal year. The pamphlet has proved to be an especially useful information piece for schools, community groups and other organizations in presenting a concise picture of what the foreign aid program is accomplishing and what it plans to accomplish within the next few years through new initiatives in health, education and agriculture.

It is no secret that the foreign aid bill this year, as every year in the past, is an intensely controversial matter. I have no doubt that debate on the bill will extend for quite a number of legislative days. I find myself in disagreement with parts of the bill.

However, I bring to the attention of Members of the Senate this phamplet, which cogently states the case of AID for the bill. I ask unanimous consent that the pamphlet may be printed in the RECORD at this point.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

FACTS ABOUT THE FOREIGN AID PROGRAM FOR FISCAL YEAR 1967: NEW INITIATIVES IN AGRICULTURE, EDUCATION, HEALTH

(Agency for International Development, March 1966)

THE PRESIDENT'S ASSISTANCE PROPOSAL TO CONGRESS

The President's proposal to Congress for fiscal year 1967, outlined in his message on Foreign Aid of February 1, 1966, will consist of economic assistance administered by the Agency for International Development (AID), an agency in the Department of State, and military assistance administered by the Department of Defense under the policy control of the Department of State.

Separate bills for economic and military assistance have been submitted to Congress and referred to the Senate Relations Committee and the House Foreign Affairs Committee: Foreign Assistance Act (economic), H.R. 12449, S. 2859; Military Assistance and Sales Act, H.R. 12450, S. 2861.

The following is a breakdown of the economic assistance request for fiscal year 1967, with a comparison of appropriations for economic aid for fiscal year 1966:

[In millions of dollars]

Category	Fiscal year 1966 appropriations (includes supplemental request for $415,000,000)	Fiscal year 1967 appropriations request
Development loans	618.2	665.4
Technical cooperation	202.4	231.3
Alliance for Progress:		
Development loans	435.1	455.3
Technical cooperation	75.0	87.7
Supporting assistance:		
General	684.2	197.2
Vietnam	------	550.0
Contingency fund	[1] 239.0	70.0
Contributions to International organizations	144.8	140.4
American schools and hospitals abroad	7.0	11.0
Survey of investment opportunities	------	------
Administration AID	54.2	57.4
Administration Department of State	3.1	3.3
Total	2,463.0	2,469.0

[1] Includes $89,000,000 appropriated in fiscal year 1966 for 1-year special Southeast Asia contingency fund.

NEW INITIATIVES IN FOREIGN ASSISTANCE

"They emerge from a rigorous examination of our past experience."—Foreign aid message.

The foreign aid program for fiscal year 1967 is a result of extensive Executive Branch review. While continuing programs which have proved their worth, the proposed foreign assistance program gives renewed emphasis to those principles which began with the Point IV program of technical assistance under President Truman, and which have continued to this day.

Foremost in the new program is the President's "attack upon the root causes of world poverty," and insistence that "those who do not fulfill their commitments to help themselves cannot expect help from us," as he stated in his Foreign Aid message to Congress. It is a program based on adequate self-help by the recipient countries, and emphasizes important initiatives in agriculture, education, and health in a major effort to combat world poverty.

Greater emphasis also will be placed on the use of private resources, on the concentration of assistance in a limited number of countries, and on greater support of regional and multilateral activities.

The President is proposing a five-year authorization for economic and military aid which will provide continuity for planning and execution of assistance and will strengthen self-help incentives by making clear U.S. willingness to respond to sustained development efforts by recipient countries. Congress will continue full review of the program through annual consideration of appropriations and through presentations to authorizing committees if they so request.

The President has submitted to Congress military assistance programs in order to permit greater understanding of the objectives and functions of each program, and to permit action on each program according to its own merits. The Secretary of State, however, will continue to be responsible for foreign policy supervision and review of the military assistance program, and for its coordination with the economic aid program.

The President's request for economic assistance for fiscal year 1967 is $2,469 million, only $6 million more than new appropriations for FY 1966. It is a minimum request which takes full account of our present efforts in Vietnam. Excluding Vietnam, AID's increased activities in health, education and agriculture will be provided with new appropriations no higher than in 1966.

Foreign aid is not spending at the expense of domestic programs. As the President has said, expenditures for domestic programs, including those enacted in the last session of Congress, will increase this year.

AID's appropriation request represents only .29 percent of the U.S. Gross National Product and 1.9 percent of the Federal budget—or just 2 cents out of each tax dollar.

SELF-HELP

"The United States can never do more than supplement the efforts of the developing countries themselves. They must supply most of the capital, the know-how—and the will to progress. If they do, we can and will help."—Foreign aid message.

For every dollar the United States provides to 20 countries where we maintain major economic aid programs, these nations contribute $6 for their own development. In perspective, their contribution is even larger, for the Gross National Product of these nations averages per capita $120 per year, compared to the U.S. average of more than $3,000 per year.

Today's emphasis on self-help recognizes that successful development is always the product of partnership. It begins at the individual project level with cost sharing, and it extends to mutual country agreement on improvements in overall government policies which will lead to needed reforms and provide a better climate for development.

In the past three years, AID has pioneered agreements under which the United States and its partners in the developing nations spell out in specifics the terms of their partnership: precisely what AID will provide and precisely what self-help the developing partner will undertake.

AID project loans require cost sharing and also a clear commitment on the part of the recipient to provide adequate budgeting, staffing and administration to assure that the facility is properly maintained after completion and that the investment makes sense. AID's program loans are conditioned on the willingness of the recipient nation to initiate tax reform, improve the climate for private enterprise, and undertake other basic reforms to promote the growth of agriculture, industry, and education and health facilities.

The United States, in fact, provides only a small margin of the human and material resources needed for development. The major effort—the will, the leadership, the labor and most of the resources—comes from the recipient nations themselves.

AID played a vital role in the adoption of policies by the Government of Taiwan, where economic aid has ended, under which the private sector flourished in both industry and agriculture. One major loan in 1960 induced the Taiwan Government to adopt measures to encourage savings and investment, establish a capital market, sell industrial enterprises to private investors, adopt fiscal reforms establish a central bank, and liberalize exchange and trade regulations.

A loan to Pakistan was linked to the elimination of rigid import controls, which were slowing the import of needed materials and stifling private sector growth, and to increased import taxes. The change was made, and the result was virtual elimination of a black market on major commodities affected by the new import policy, and a sharp increase in industrial output and use of existing industrial capacity. With greater availability of essential raw materials and equipment, utilization of Pakistan's idle industrial capacity had increased from about 52 percent to 83 percent in six months.

An AID loan to the Bolivian Mining Bank to finance expansion and modernization of the private mining industry provided that no funds would be disbursed pending major reform of the country's mining code, a reorganization of the bank itself, and the passage and enforcement of new mineral export tax laws to encourage investment in mining. The new code is now in effect, the new tax law has been passed, and the reorganization is in process of being carried out.

Proposed commitments under Foreign Assistance Act

[Millions of dollars]

Health:	
1966	114
1967	178
Education:	
1966	109
1967	176
Agriculture:	
1966	393
1967	512

AGRICULTURE

"The problem of hunger is a continuing crisis . . . The solution is clear: an all out effort to enable the developing countries to supply their own food needs, through their own production or through improved capacity to buy in the world market."—Foreign aid message.

The less-developed countries now have a food deficit of 16 million tons of grain annually, met by imports from the developed countries. At the same time, populations are increasing at a rate of 2½ to 3 percent a year. If population and production trends continue and there is only a moderate increase in per capita consumption in the less-developed countries, a food gap of 88 million tons is estimated by 1985. Even with a return of all reserve acreage to production and continuing technological improvement, the United States, after meeting domestic needs and commercial exports, might produce enough to supply up to 75 million tons of the deficit. This would still leave a deficit of about 13 million tons. If this disastrous food shortage is to be averted, there must be a rapid increase in the ability of the less-developed countries to produce their own food.

For next year, AID proposes to increase its investment in agriculture by nearly one-third over fiscal year 1966 and by more than half over fiscal year 1965, to a total of $512 million. These funds will mobilize greater U.S. technology and resources by financing fertilizer imports from the U.S., transferring American farming techniques and equipment to the developing countries, constructing fertilizer plants, establishing more extension services, cooperatives, and credit facilities, and financing research for better and nutritious crops. Country performance in developing food resources will be a priority self-help condition for AID assistance.

In concert with these efforts, the President has proposed a new Food for Freedom program to replace Food for Peace (PL 480), which will be closely integrated with U.S. economic assistance efforts. The new Food for Freedom legislation will increase food aid shipments to fill the food gap while local output is being expanded. Part of the local currency generated under food sales will be re-invested in country agricultural development and food processing industries. The food supplied in many cases will be used as wages in rural development programs to promote self-help. In determinations of food aid, emphasis will be given to each country's efforts to develop its own food capabilities—either through agricultural development or improved capacity to buy in world markets.

Since the beginning of AID assistance in Asia, Africa and Latin America, the training of local agricultural professionals has been a keystone of AID technical assistance activities. AID brings 2,000 foreign agricultural professionals to the United States each year for advanced specialized training. In FY 1965, there were 200,000 students enrolled in AID-supported agricultural schools and colleges overseas.

AID-financed fertilizer exports now provide much of the nutrients in use in the developing countries. AID shipments and assistance to local plants constituted all of the fertilizer used in Laos and Korea in 1965.

AID is assisting 50 water projects which are opening unused land for crops. AID projects are irrigating more than a million acres in India and half a million each in Pakistan and Korea.

AID has brought extension services and agricultural credit to the developing countries, and has multiplied profits and production through improved farm to market roads and efficient farmer marketing systems.

Working with the research, educational, and private enterprise sectors, AID will be supporting development and adaptation of the kinds of food crops people need for diets that will both combat malnutrition and increase ability to work. Technical assistance will be available to help local food processing industries develop methods for using less-costly proteins in domestic oil-seed crops and other sources that should be exploited. AID will continue to give priority consideration to guaranty coverage for private American investment in food processing improvement overseas.

EDUCATION

"Nothing is more critical to the future of liberty and the fate of mankind."—Foreign aid message.

Lack of education is common to nearly all the less-developed countries. Literacy averages about 60 percent in Latin America and the Far East, but only 25 percent in the Near East and South Asia, with half the less-developed world's population, and only 16 percent in Africa. The need for a drastic expansion in opportunities for basic, general education is urgent if the citizens of these nations are to participate effectively in development and self-government. There is an equally urgent need for more people with the advanced technical and professional skills required for a more productive, modern society.

For next year, AID proposes a 50 percent increase in its educational assistance programs, totalling more than $176 million, for financing projects in educational planning, teacher training, curriculum improvement, textbook production, participant training, and the use of new technologies in education. Funds will also be used to expand education for health and agricultural personnel, assist the teaching of English abroad, strengthen American research and educational institutions in support of development programs, and provide special programs for future leaders studying in the United States.

The Department of Health, Education and Welfare will undertake programs for international education that will strengthen AID's efforts and lay foundations for a permanent U.S. involvement in international education activities—an involvement that will continue after the AID program in a country has ended. A Center for Educational Cooperation, within HEW, will serve as a focal point of leadership and coordination of public and private efforts in international education, and an American Education Placement Service will act as an international recruitment bureau for American teachers. A program of incentive grants will strengthen programs in international research and training in American colleges and universities. In cooperation with AID, the Peace Corps will administer school-to-school partnerships between institutions in the U.S. and less-developed nations. An exchange Peace Corps will bring volunteers to our country to prepare for further service in their own country.

Aid to education has accounted for the largest number of AID technicians overseas, and has been a major field of AID technical assistance:

In fiscal year 1965, one out of every five AID experts was working in the field of education. Four out of every five AID financed educators today are staff members from American colleges and universities with which the Agency contracts.

Since the beginning of the Point IV program in 1949, 94,000 foreign technicians and professionals have been brought to the U.S. for advanced education, and another 19,000 have been trained in third countries under U.S. aid programs.

More than 670,000 teachers in developing countries have graduated from AID-assisted colleges and schools.

In FY 1966, there were more than half a million students in AID-assisted colleges and universities in the developing countries, and a like number of students in AID-assisted vocational, technical and normal schools.

HEALTH

"The incessant cycle of hunger, ignorance and disease is the common blight of the developing world. This vicious pattern can be broken. It must be broken if democracy is to survive."—Foreign aid message.

By 1975, there will be almost two billion people in the less-developed countries. At current growth rates their present population will double by the end of this century. The growing gap between food and people is one of the greatest impediments to social and economic development. Today, 60 percent of the people, including 70 percent of the preschool children in the under-developed countries, are malnourished. Each year malnutrition is the major factor in the death of almost half of the children in the underdeveloped nations before they reach the age of six. Of those who survive infancy, malnutrition produces mental and physical retardation in 10–25 percent. Infant mortality rate is five times that of the developed countries. Life expectancy is only 47 years of age, compared with 70 years of age in the developed countries. There is one doctor for every 4,300 people, compared with one doctor for every 800 in the developed nations.

AID will increase its health programs by two-thirds in fiscal year 1967, totaling $178 million, to control and eradicate serious disease, overcome malnutrition, and assist with bringing population growth into better balance. AID's present efforts to strengthen medical and health training institutions will almost triple in fiscal year 1967. In addition, the President has proposed an International Career Service in Health within the Department of Health, Education and Welfare, and expanded Peace Corps recruitment to meet health manpower needs in the developing nations.

A nation plagued by hunger and disease can be permanently robbed of its productivity and creativity:

AID is exploring new ways of getting enriched food supplements to pre-school children, training professionals and technicians in nutritional health and in social services, and encouraging the growth of foods with required nutrients.

The Food for Peace programs administered by AID today reach 70 million children, 10 million under the age of five. The goal of the President's proposed Food for Freedom program is to reach 150 million children annually by the end of the next five years.

More research is required on the relationship between population growth and economic development:

AID plans to expand its research and training programs both at home and abroad.

More advisors will be put into the field to meet the rapid increase in requests for family planning information.

AID provides such assistance only when requested and only to developing nations which have their own family planning program. That program must allow freedom of choice to each family.

The United States has been battling disease around the world on an intensified scale since World War II:

AID is now stepping up the time schedule in this continuing campaign, aiming at total elimination or permanent control of some of the world's most widespread killing and crippling diseases.

Already hundreds of millions of people have been rescued from the debilitating effects of malaria. In 20 years, the annual incidence of new cases has been cut back from 350 million to less than 100 million. One-third of the people who live in malarious areas have been freed from the danger of transmission. In India, because of malaria control, more than one billion man days have been added each year to the economy.

In every country where AID is engaged in raising health standards, local people are being trained to take over the job. AID administers grants to overseas medical and health institutions, assisting both individuals and the institutions themselves through exchange fellowships, consulting and advisory services, technical equipment, teaching and laboratory facilities and local currency support. AID will almost triple its support in FY 1967 to help meet the worldwide shortage of professional and technical medical personnel.

Health statistics: Less developed countries and developed countries

LIFE EXPECTANCY (YEARS, AT BIRTH)

Developed countries	70
Less developed countries	47

INFANT MORTALITY (RATE PER 1,000 LIVE BIRTHS)

Developed countries	25
Less developed countries	125

PEOPLE PER DOCTOR

Developed countries	800
Less developed countries	4,300

CONCENTRATION OF ECONOMIC ASSISTANCE

Economic assistance will be concentrated in countries of priority need and sound self-help performance:

92% of the entire amount is programmed for 20 countries.

84% of the funds for development loans, including the Alliance for Progress, is planned for 8 countries undertaking major development efforts: Brazil, Chile, Colombia, India, Korea, Nigeria, Pakistan, and Turkey.

93% of the supporting assistance programs is planned for 5 countries: Dominican Republic, Jordan, Korea, Laos, and Vietnam. 72% is for Vietnam alone.

65% of all Alliance for Progress funds is planned for 3 countries: Brazil, Chile, and Colombia.

Vietnam will be the largest single recipient of U.S. aid. Proposed economic assistance for FY 1967 includes $550 million of supporting assistance funds (which is 72% of all supporting assistance funds) and approximately $101 million in food aid under the proposed new Food for Freedom program. Supporting assistance will help the Vietnamese economy, reconstruct and develop rural areas, and provide assistance to refugees.

MOST FOREIGN AID IS IN LOANS

Most AID programs are in the form of loans, which must be repaid in American dollars. In turn, these dollars loaned stay in the United States to pay for U.S. goods and services. Most AID loans are made through letters of credit for direct payment to U.S. suppliers, through U.S. banks.

Most AID loans are made at one percent for the first 10 years and 2½ percent for the remaining 30 years, as set by Congress in 1964. Loans of this type are necessary to hasten development and end the aid program in the shortest possible time.

As a country's economic growth and repayment capacity improve, AID raises the interest charges and shortens maturities. For instance, recent loans to Iran and Israel have interest rates of 3½ percent and maturities of 15–20 years.

The repayment record on loans made by AID and predecessor agencies has been excellent. Since the beginning of the Marshall Plan in 1948, AID and its predecessor agencies have lent approximately $7.5 billion. About 57 percent of this amount was loaned in the past four years, reflecting AID's emphasis on loans. The equivalent of almost $2 billion has been collected in repayments on principal and interest. Repayments under the foreign aid program have been as good or better than the repayment record for regular commercial loans.

AID SEES THAT FUNDS ARE USED HONESTLY AND EFFICIENTLY

The excellent lending record of the foreign aid program is due to rigorous standards and procedures applied by AID in making loans. All AID loans must meet standards set forth in the Foreign Assistance Act, as well as additional standards developed by AID to insure effective use of funds and maximum self-help efforts.

The loan application must be supported by a study of the economic and technical feasibility of the project, conducted by a qualified firm with AID approval, to determine the soundness of the project, provision of competent managerial and professional services, timetable for completion, and firm cost estimate.

The loan application is first examined by the AID mission in the country to determine the priority of the project within the local country's own development plan, its priority in relation to the overall U.S. assistance strategy in the country, the capability of the recipient nation to execute, operate and maintain the project, and the ability of the country to improve its own efforts in the field of the proposal.

Before further consideration of a loan proposal, AID ascertains if the project can be financed under commercial credit or the Export-Import Bank, as well as reviews the ability of the country to obtain financing from other free world sources.

Mission recommendations are submitted to AID headquarters in Washington, and if the proposal warrants, a team of experts is assigned to further review the feasibility of the project. Depending upon the proposal, the review might entail an engineering analysis, certification of cost estimates, review of the soundness of the selected site, availability of necessary labor, competence of proposed management, ability of the country to repay the loan, extent the country is being responsive to the vital economic, political and social concerns of its people, and its determination to take effective self-help measures.

Major loans are approved by the AID Administrator and the Development Loan Committee, which includes representatives of the Treasury, Export-Import Bank and the State Department. All loans are reviewed by the inter-departmental National Advisory

Council on International Monetary and Financial Policies established by the President.

Once the loan is approved, a loan agreement is drawn up containing specified conditions. Self-help is a primary condition of all AID loans, thus they have an impact on development progress far in excess of the dollars lent. Often loan funds are released in quarterly segments, and only after careful review, to assure better economic performance by the recipient countries.

Comparable procedures are employed for other forms of aid besides loans to insure the economic soundness of the project, the efficient use of goods and services supplied, and effective performance by the recipient country.

AID MONITORS AND CONTROLS USE OF FUNDS

AID requires that an independent U.S. engineering firm be retained as a consultant to insure that each loan project is soundly engineered and constructed. AID approves each of the U.S. firms selected to supply the goods and services for the project, as well as the terms of each contract. The Agency then authorizes the borrowing country to use letters of credit at U.S. banks in favor of U.S. suppliers. This procedure insures that no funds leave the United States by making loans directly payable from the U.S. Treasury, through U.S. banks, to U.S. business firms.

For every country receiving U.S. aid there is a fully qualified team of specialists to prevent abuses. Primary responsibility for the effective administration and use of aid rests with the AID Mission Director in the recipient country. He is assisted by two offices specifically assigned to monitor and investigate the use of funds. The first, the Controller's office, is primarily preventive. Technical experts at the mission regularly audit the financing and management of projects, make on-site inspections and appraisals of procedures, timing and country performance, and are required to make periodic reports to the Mission Director and to Washington on their findings. Broad scale internal audits also are conducted by teams of professional auditors from the AID Washington Controller's office. In addition, the Management Inspection Staff conducts investigations of suspected violations on the basis of information revealed in the audits. When an investigation yields evidence of a violation, the Management Inspection Staff reports the matter to the AID General Counsel. The Agency takes action for reimbursement and transfers remaining funds to other projects and programs.

In addition to these two offices in AID itself, Congress established a third office in the Department of State, the Office of the Inspector General for Foreign Assistance, who is responsible for directing reviews, inspections and audits of all foreign aid activities. The Inspector General, who reports directly to the Secretary of State, has unlimited power of inspection over the foreign aid program. If necessary, the Inspector General can actually suspend individual foreign aid projects. This has never been necessary, but there is close cooperation between AID and the Inspector General in improving the foreign aid program. Other inspections of foreign aid are made, of course, by Congress and the General Accounting Office, which reports to Congress and has made a number of reviews of the aid program.

MAXIMUM USE OF AMERICAN PRIVATE RESOURCES

AID makes maximum use of American private enterprise and non-profit institutions in overseas development.

American universities, business firms, labor unions, cooperatives and non-profit organizations now provide more than 40 percent of the total number of AID technicians overseas. Currently they hold 1,314 technical service contracts, amounting to $439 million, in 69 countries. Private American engineering, architectural and construction firms are supervising over $4 billion in capital projects in more than 50 countries under AID. Nearly 90 percent of all AID architectural and engineering contracts are held by American firms. More than 80 percent of all educators working overseas in AID programs are contract personnel, coming from 70 American universities and colleges.

MOST AID FUNDS ARE SPENT IN THE UNITED STATES

Eighty-eight percent of AID funds for fiscal year 1967 will be spent in the United States for the purchase of U.S. goods and services, helping to create several hundred thousand American jobs and opening up markets for American business and industry all over the world. AID spent a record $1.7 billion within the U.S. for goods and services during fiscal year 1965. Ninety-two percent, or nearly $1.2 billion, was spent for materials and equipment from American suppliers.

AID-financed purchases accounted for more than one-fourth of *all* U.S. exports of iron and steel, of fertilizer, and of locomotives in calendar year 1964. American shipping lines received over $80 million in shipping AID-financed commodities to their destinations.

AID expenditures abroad, fiscal year 1965

	Million
Total	$411
Less repayments	158
Net AID expenditures	253

AID HELPS U.S. BUSINESS

There has been a rapid growth in programs available to American investors in the developing countries through AID. The number of countries in which AID investment guaranties are available rose from 40 in 1961 to 70 in 1965, and the amount of guaranties have more than quadrupled during that time to nearly $2.6 billion. AID authorized 57 new survey grants to prospective American investors during FY 1965, bringing the total to 146 since the program began in FY 1963. During FY 1965, AID authorized more than $52 million in Cooley loans, and $109 million in direct dollar loans for private American projects in the developing nations.

AID PROMOTES PRIVATE ENTERPRISE IN THE DEVELOPING NATIONS

A key measure of self-help is the willingness of a country to encourage the initiative of its own businessmen and farmers. One of the major goals of the foreign aid program is to stimulate private enterprise in the developing nations.

AID programs have opened new sources of capital at the grass-roots level, through such means as development banks and credit cooperatives, enabling millions to own their own businesses or their own farms. By conditioning assistance on government policy reforms, AID has helped to eliminate rigid import controls and inhibiting tax policies, as well as encouraged land reform.

AID assistance has helped to establish 38 industrial development banks in 23 countries which have made over 3,000 sub-loans for new or expanded industrial ventures.

AID has helped to establish 13 agricultural credit banks in 9 countries which have made more than 70,000 sub-loans to farmers and farmers associations for land improvements, fertilizer, seeds and new equipment.

To make more investment capital available at the grass-roots level, AID programs in the development of cooperatives and thrift institutions have quadrupled over the past three years. Almost non-existent four years ago, there are now 88 savings and loan associations in nine Latin American countries. The savings of 300,000 members have provided $81.5 million from which 32,000 new homes have been financed.

By the end of fiscal year 1965, there were 1,745 credit unions in Latin America with over 500,000 members. $25 in new capital has come from every dollar of aid provided to get them started.

In Taiwan, with help from AID, the number of family farms rose from 118,000 to 725,000; the number of private businesses from 68,000 to 227,000; and the number of business corporations from 1,000 to 11,000. With U.S. encouragement, land reform made entrepreneurs of more than 600,000 additional Taiwan farmers.

AID plans to expand its efforts to increase the role of private initiative and private enterprise, putting into effect many of the recommendations of the Advisory Committee on Private Enterprise in Foreign Aid, encouraging the removal of inhibiting government controls, making greater use of the experience of American businessmen and professional people, increasing the authority to guarantee U.S. private investment in the developing countries, continuing support of the International Executive Service Corps, encouraging the formation of more cooperatives, training labor and business leaders, and creating more credit facilities and advisory services for small and medium-sized farms and businesses.

BALANCE OF PAYMENTS

Because today most of AID's funds are spent here in the United States, the impact of the AID program on the U.S. balance of payments has been drastically reduced over the past several years. Whereas only 41 percent of the economic aid funds were spent in the United States in fiscal year 1961, 88 percent of AID funds for fiscal year 1967 will be spent in this country. In this time, AID reduced its net expenditures abroad from $947 million in fiscal year 1961 to $253 million in fiscal year 1965.

In fact, AID direct procurement and export financing help to boost future U.S. exports, thereby contributing to a reduction in the U.S. balance of payments deficit. As a result of the Marshall Plan and related postwar aid, our exports to Europe have more than doubled and our exports to Japan have more than quadrupled. The developing countries of Asia, Africa and Latin America, which we are aiding today, contain more than a billion people and represent a potential market for American exports many times the size of our present major overseas customers.

Studies indicate that a one percent increase in the Gross National Product of all developing countries results in a 1.4 percent increase in the overall demand for U.S. exports. As the first of the developing countries reach self-support, they are emerging as cash customers for U.S. goods. U.S. commercial sales to Taiwan, where economic aid has ended, doubled in two years time, and commercial exports to Israel, nearing self-support, more than tripled in five years time. These trade opportunities, already opened by the process of development, make it clear that the economic progress of other free world countries is in the direct, long-term interest of our own economy.

AID is now undertaking further measures to minimize the outflow of dollars and to stimulate U.S. exports. Of prime concern to the program is the reduction of the costs of the AID program itself, expansion of U.S. exports and commercial sales abroad, and strengthening procurement policies to assure more AID dollars return to the American businessman and taxpayer.

AID-financed commodity expenditures—major commodities purchased in United States

[Fiscal year 1965–millions of dollars]

Iron and steel	216
Miscellaneous machinery (agriculture and industry)	139
Chemicals	91
Motor vehicles	91
Fertilizer	65
Nonferrous metals [1]	60
Construction equipment	55
Electrical apparatus	51
Petroleum (nonfuels)	40
Generators and motors	35
Railroad equipment	34
Textiles	32
Rubber and products	29
Tractors (including off-the-road)	29
Pulp and paper	28

[1] Mostly copper and aluminum.

CITIES

Mr. CLARK. Mr. President, a recent issue of Architectural Forum contained a brief but highly provocative article on new towns by Eugene Henry Klaber, entitled "Who Needs New Cities?"

Mr. Klaber emphasizes the need for integrating the new satellite cities into an overall plan for the metropolitan area. He points out, however, that the multiplicity of suburban governments—each jealous of its own power, perquisites, and patronage—stoutly opposes any plan which might be of mutual benefit to them and to the core.

He also makes the essential point that the new city must offer a good life to all who use or serve it, from the richest to the poorest. His conclusion is that a Federal new cities program must contain provisions for subsidized housing for those in the community who need it, and that the subsidized housing must not be segregated from the rest of the community, on a racial basis or otherwise.

I ask unanimous consent that the article, entitled "Who Needs New Cities?" be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO NEEDS NEW CITIES?—WE DO, SAYS A VETERAN ARCHITECT AND PLANNER—BUT ONLY IF THEY ARE CITIES OF A NEW KIND

(By Eugene Henry Klaber)

(NOTE.—Mr. Klaber has practiced architecture in New York, Chicago, and Washington; has served as a consultant on planning and redevelopment to the Philadelphia City Planning Commission and Housing Authority and the Baltimore Housing Authority; and has taught housing and planning at Columbia and Pennsylvania and lectured on housing at 14 other universities. He was formerly director of architecture for rental housing in the Federal Housing Authority and chief of the technical staff for housing of the Public Works Authority.)

The nation's population is rapidly approaching 200 million. The optimum population often cited for new communities, such as those that would be encouraged under legislation proposed to Congress last month by President Johnson, is 60,000 to 80,000. Even if 100 new communities are formed—an optimistic goal indeed—simple arithmetic indicates that they will fall far short of solving the problems of overcrowding in our metropolitan areas.

Have new communities—new cities, I prefer to call them—any significant role to play, then, in meeting metropolitan growth? I believe they have, provided that they are also cities of a new kind.

New cities could point the way to the creation of what the President has called a "great civilization." They could offer new patterns of development, which permit a meaningful life for all of their people. They could offer demonstrations of what a 20th century urban society should be.

They could do these things if they avoided the mistakes of the past—if they were properly located and properly planned. By proper planning, I do not mean merely a good physical layout, but planing of the social and governmental structures of the new cities as well.

The legislation which the President has advocated, while entirely laudable in intent, does not offer much inducement to this kind of planning. In its present form, too much is missing, and too much is left imprecise.

This year's legislation is an only slightly refined version of the proposals which Congress rejected in 1965. It increases from $10 million to $25 million the maximum mortgage which the Federal Housing Administration would insure on any single project. It also holds out the promise of other forms of assistance—longer terms, urban planning grants, waiver of population limits for public facility loans—if the project (or community) contains such provisions as adequate housing for those employed in the area and good access to job sources and nearby cities.

A second provision authorizes loans to state or local agencies to acquire land for later sale to private developers. The agencies could then assure the proper planning of development as a condition of the sale.

INADEQUATE ENCOURAGEMENT

As it stands, the legislation is inadequate to encourage development of the kind of new cities that could make a meaningful contribution to the solution of metropolitan problems. Despite the raising of the ceiling on FHA insurance, sponsors of new cities still would have to turn to private sources for the bulk of their financing if they intend to build at community scale. Also, the legislation appears to leave the final determination on the location of new cities to FHA, an organization which is not equipped to offer planning guidance and which, in fact, has actively fostered the suburban sprawl which plagues our cities.

The most serious deficiencies, however, are in the previously mentioned areas of governmental and social structure. Some of the new cities would be satellites of existing urban centers.

It is important to recognize that they are indeed satellites, rather than planets: they are guided in their motion by the core city. Hence, the core city must have some control over the planning and operation of the new community.

Unless there is such control, the satellite will be merely a remote suburb. As we know all too well, suburbs, which owe their very existence to the core city, draw out its wealth and, customarily, give nothing in return. The planning and development potential of the core city is restricted to its legal boundaries. The multiplicity of suburban governments—each jealous of its own power, perquisites, and patronage—stoutly opposes any plan which might be of mutual benefit to them and to the core.

Federal assistance to new satellite communities should not be granted unless there is an explicit agreement to create structural governmental relationships between core and satellites that will redound to the benefit of both. The legislation should state the general principles on which such agreements must be based if the new community is to be eligible for federal aid.

FOR THE POOR: SILENCE

In terms of social structure, the legislation is very nearly silent. Such financial assistance as it offers, in fact, is most likely to be used by private corporations building for upper middle income and wealthy families. Mortgage insurance cannot induce these corporations to provide housing for low and moderate income families as well, especially if offered with no strings attached.

New cities could offer low income families an alternative to the economic and racial ghettos of existing cities. But even apart from this objective, these new cities necessarily will have between 25 percent and 30 percent of their populations in the lower wage categories—workers whose daily services are absolutely essential to the proper functioning of the community. The new city must offer a good life to all who use or serve it, from the richest to the poorest. All must be able to share fully in its life, its advantages and its responsibilites.

RESTON'S WORK FORCE

Who are these essential lower income workers? In Reston, Va. with an ultimate population of 75,000 at least the following will be needed:

1. A police force and fire department;
2. A street cleaning, snow removal and street repair force;
3. Men to service lighting, water supply and sewerage systems;
4. Men for the removal of trash and garbage;
5. Greenskeepers for five golf courses;
6. Personnel to maintain and police recreational areas, playgrounds and tennis courts;
7. Janitors and grounds keepers for 21 schools;
8. School teachers;
9. Stablemen to care for horses;
10. Boatmen at two lakes;
11. Orderlies and cleaners for hospitals;
12. Domestic workers;
13. Landscape gardeners for private grounds;
14. Low paid service and maintenance workers in factories, stores, government buildings, office buildings, theaters, shops and perhaps nearby Dulles Airport.

At every stage in the development of a new city, the probable number of such lower paid workers must be estimated, and provision made to meet their living needs. Otherwise, slums will soon arise in the surrounding areas.

Private enterprise, being organized for profit, cannot and will not provide homes for low-income families. Therefore, the development of new cities must be a joint venture of private industry and government. A federal new cities program must contain provisions for subsidized housing for those in the community who need it. There is no past experience on which to base the form of these provisions, but the following points may suggest a beginning:

The owning corporation would dedicate the land which has been selected as the location of subsidized housing at its actual cost to an ad hoc corporation. Fee to the land and such dwellings as are erected would be vested in the corporation.

The Federal Government would contribute to the cost of the buildings an amount sufficient to lower the rentals to a point where low income families can afford to pay them.

The amount of annual overall city expense charged as fees or taxes to the subsidized housing would be determined in accordance with a prior agreement.

The properties could not be sold without the consent of the Federal Government and, if sale were permitted, preference would be given to associations of tenants desiring to own their own dwellings.

The rentals would yield an agreed return to the parent corporation based only on its actual initial investment in land and buildings.

The initial rentals would not be increased unless the Government finds the increase to be necessary to meet rising operating costs. In such a case, it might be appropriate to consider rent subsidies for those who need them. Per contra, tenants whose income increases beyond a determined amount would pay additional rental, but not in excess of what would be a fair return on their prorated share of the total original cost of their dwelling.

A final essential point is that, to avoid the anarchic growth of the past, the new city must be planned and organized so that its population constitutes a homogeneous unit. The required subsidized housing must not be segregated from the rest of the community. It should be distributed in small clusters throughout the entire city, not only for convenience of access to work, but in order to give the families full opportunity to use nearby schools, shopping, recreation areas, and cultural facilities—in a word, to lead a decent and pleasant life and feel that they are indeed an integral part of the community.

LIMITED PLANNING

In terms of this concept of a city, there has been no city planning in the United States. I do not belittle the splendid pioneering work of men like Olmstead, Henry Wright, Stein, Wurster, Mayer, Whittlesey and Conklin and others who have led the way toward city planning.

What they have done is excellent, but the advances they have made are solely in the techniques of large-scale group planning. This does not imply that they were unaware of the missing elements in what they were able to do. The limitations were inherent in the problems as presented to them. They are equally present in the new communities legislation.

The creation of a new city involves goals and techniques far beyond the point to which anyone has gone in the United States. It also involves a recognition that the days of the wrong side of the tracks are over, in new cities or old.

FEDERAL MAGISTRATES ACT OF 1966

Mr. ERVIN. Mr. President, even though they perform a number of highly important functions in the administration of justice, U.S. commissioners have occupied a little known and long neglected place in the Federal judicial system. Antiquated laws have governed their activities for almost a century.

The considerable significance of many of the commissioner's duties have made it very important to examine the current operation of the system for the purpose of increasing our understanding its operation, pointing out its weaknesses, and to determine what legislation, if any, is required.

As a part of the recent efforts which have been made to strengthen our judicial system, the Subcommittee on Improvements in Judicial Machinery has engaged in a thorough investigation of the operation of the U.S. commissioner system. The hearings and investigations of the Subcommittee on Improvements in Judicial Machinery have shown that the present situation in the U.S. commissioner system is unsatisfactory. In arriving at its legislative recommendations, two approaches were open to the subcommittee: First, to downgrade the system, and second, to work with the system in order to increase its capability to discharge present duties and outline new areas in which the commissioner can improve the administration of criminal justice by performing new functions. Wisely, I feel, the latter course was taken. By improving the position of a Commissioner his performance will allow the judicial system to utilize its judges to a better advantage.

In order to make the work of the U.S. Commissioner a more effective component in a modern system of Federal justice, I am very glad to join Senator TYDINGS, chairman of the Subcommittee on Improvements in Judicial Machinery, and Senator SCOTT, of Pennsylvania, in cosponsoring S. 3475—the Federal Magistrates Act of 1966.

In cosponsoring the proposed legislation, I wish to note that the bill should not be considered as a final solution to the many serious problems found in the present commissioner system. Rather, it is anticipated that the language may be revised and concepts clarified as the Senate deliberates these matters. The substance of the bill, however, is exceedingly important if we are to improve a system which is inadequate to meet the demands of the effective administration of justice.

CHURCH-STATE PROBLEM EXAMINED

Mr. ERVIN. Mr. President, on April 28 I spoke briefly to the Senate about a matter pending before the Subcommittee on Constitutional Rights—the principle of separation of church and state as incidentally examined in hearings conducted on S. 2097. At that time, I placed in the RECORD a very fine article by Mr. William C. Selover, staff correspondent of the Christian Science Monitor, which reviewed these hearings and highlighted the principal problems involved.

Mr. Selover has since made two more excellent contributions to this subject, the first of which is entitled "Church-tied Schools Get U.S. Funds." In it he explores the meaning of "an establishment of religion" and presents evidence that we may now be approaching "multiple establishment" condemned by our forefathers 180 years ago. In the second, entitled "Senators Question Church Aid," Mr. Selover analyzes testimony before the Subcommittee on Constitutional Rights indicating the ominous dangers of churches dependent upon government for support. I am gratified that the Monitor is making it possible for all Americans to understand the importance of this legislation.

I ask unanimous consent that Mr. William C. Selover's articles be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PRACTICE DISPUTED: CHURCH-TIED SCHOOLS GET U.S. FUNDS

(By William C. Selover)

WASHINGTON.—The federal government is building hundreds of classrooms for church-related educational institutions all across the country under the 1963 Higher Education Facilities Act.

Under another federal program, public-school teachers, in some states, are teaching in parochial schools, are paid with United States funds.

These practices could occur in any church-related school, regardless of the religious domination.

And in the administration's "war on poverty," the story is the same.

As director of the program, Robert Sargent Shriver Jr. said last December: "Three or four years ago it was practically impossible for a federal agency to give a direct grant to a religious group. Today, we have given hundreds without violating the principle of separation of church and state."

This is due in large measure to the fact that the Office of Economic Opportunity spreads the funds around to dozens of different religious denominations, according to an inside source. "Who can complain?" they ask. "Everybody gets a cut of the cake."

ASSESSMENTS VARY

What does all this add up to?

Some say it represents a facing up to the realistic educational and welfare needs of this age. They argue that the complexity of today's society demands it.

Others charge it is a very serious violation of constitutional guarantees. Some constitutional lawyers refer to this as "the trend toward multiple establishment." They say the framers of the First Amendment specifically inveighed against such a drift.

Here's what they mean by "multiple establishment":

Not many people today are afraid the federal government will establish a single state church. There is lessening concern that tax revenues will be diverted to one religious denomination.

But, there is considerable and growing fear among some constitutional lawyers, reflected in recent Senate hearings, that it is just as unconstitutional for the Federal government to support a wide cross section of religions through grants to run government programs.

These lawyers argue that the government, in effect, is contributing to the establishment of many church groups. Thus, the term "multiple establishment."

AMENDMENT TRACED

"If there is anything to be settled in the Constitution today," says Prof. Leo Pfeffer, a specialist in the First Amendment, "I believe it is the principle that the First Amendment forbids aid to all religions, no less than it forbids aid to particular religions."

Prof. Pfeffer was testifying at hearings of the subcommittee on constitutional rights of the Senate Judiciary Committee.

Sen. SAM J. ERVIN (D) of North Carolina, subcommittee chairman, repeatedly referred to the history of the First Amendment during the course of the six days of hearings: " . . . The history out of which the First Amendment arises, namely, the struggle in Virginia for the adoption of the Virginia statute of religious freedom, show(s) that what was involved there was a question of whether Virginia would have a multiple establishment."

That is, he explained, "a law under which all recognized religions or denominations would share in the taxes levied for religious purposes, rather than any attempt to establish one church. . . . So the very history of the First Amendment grows out of a struggle to prevent what you might call the multiple establishment of religion."

The administrators of today's education and welfare programs are losing sight of this history, according to the Senator.

PROBLEMS COMPARED

"The executive and legislative branches are moving toward multiple establishment," said a subcommittee lawyer.

Franklin C. Salisbury, attorney for the National Association of Evangelicals, put it this way, regarding the government health, housing, antipoverty, and education programs: "Problems of today have gone right back to the problems that we had in Virginia at that time."

The federal classroom building program open to all religiously affiliated institutions which qualify, can be viewed as symptomatic of this problem.

For 20 years the buildings must not be used for religious instruction. Then the United States Government turns them over completely to the institutions, free.

Its directors can use them for whatever they want—prayers, religious instruction, even convert them to theological seminaries.

The Department of Health, Education, and Welfare argues that the government will have received its full value out of the buildings in 20 years.

POINT OF PROTEST

Senator Ervin, however, points out that the Internal Revenue Service sets 50 years as the life of a building. He protests that ". . . the institution has got a building at the expense of the taxpayers through this grant that it might conceivably use for a hundred years, and it has a free, simple title to it."

This, says the Senator, is a considerable contribution toward support for the religion—raising serious questions about violations of the establishment provision of the First Amendment. But nobody complains because all religions benefit.

Senator Ervin points out that at his alma mater, "the university is still using its oldest building." It was built in 1795.

The antipoverty program for migratory workers is another example:

Recently this newspaper reported that some 12 percent of all grants under the aid to migratory workers program, administered by the Office of Economic Opportunity, went to religious groups. This amounted to at least 14 percent of the funds spent in the program. This is considered a conservative estimate.

Donald M. Baker, Office of Economic Opportunity general counsel, told the Ervin subcommittee that it was impossible to operate its migratory program without funding church groups.

"The only groups you can get who are interested in doing this are church-related organizations," he said. "And if you do not use them, you just wipe that particular migrant community off the map, so to speak, in that state."

Noel H. Klores, director of the migratory workers program, says there have been virtually no complaints about violation of church-state separation.

One knowledgeable source within the Office of Economic Opportunity says that the lack of complaints is easy to explain: the program is careful to fund a wide cross section of religious denominations. Everybody is kept happy.

Senator Ervin's subcommittee hearings, held in March to consider possible needed legislation in this area, may not have solved the question of whether or not today's education, housing, antipoverty, and health programs run by church groups constitute a reappearance of "multiple establishment."

But the Senator, himself, has made it abundantly clear how he feels.

And it is clear that he has put the various departments of the federal government on notice that they must thoroughly justify before Congress all programs administered through religious groups.

Recently, Senator Ervin, a former Supreme Court Justice of North Carolina, told an audience in Nashville, Tenn.:

"Time and again, the Supreme Court has said that neither a state nor the federal government can pass laws which aid one religion, aid all religions, or prefer one religion over another. * * * The present policy of making federal aid available to all nonsecular institutions is in reality a reappearance of an earlier threat to our religious freedom: the principle of multiple establishment so wisely discarded years ago."

And he concluded: "* * * Those seeking to pervert the principle of separation by affording financial assistance to denominational institutions have apparently forgotten this meaning of multiple establishment. * * * They have filed away in the halls of bureuacracy the great truths discovered by those early men. * * * They have overlooked an event in history which presented a clear opportunity for decision on the issue of establishment. This decision laid the foundation of religious liberty in America."

SENATORS QUESTION CHURCH AID

(By William C. Selover)

Washington.—The Senate is concerned about what happens to a church which depends upon government for support.

The findings of a Senate subcommittee point up some ominous dangers.

"When a church becomes dependent on outside funds for its existence it loses the sincerity and services of its own adherents," explained a Senate subcommittee lawyer.

The subcommittee on constitutional rights recently held hearings to assess the effect of laws which presently make available some $5½ billion to church-related organizations through more than 60 federal programs.

"Dependence destroys the vitality," says a legal counsel for the subcommittee, in explaining committee findings.

It may seem unusual that lawyers are concerned with religious "vitality" of a church.

OPINION REPRESENTED

But in this case, they represent a growing body of legal opinion that feels some federal programs are violating the establishment clause of the First Amendment. They are going to great length to point out the historical danger implicit in state-supported churches.

Another lawyer, Prof. Leo Pfeffer, chairman of the department of political science of Long Island University, says: "I do not believe . . . that religious liberty can long last when the government undertakes to finance religious institutions."

Sen. Sam J. Ervin (D) of North Carolina, subcommittee chairman, at the hearings asked Professor Pfeffer: "Don't you agree with me that the whole of history teaches that the worst thing that can ever happen to religion is for religion to be subsidized by public taxes?"

"I could not agree more," replied Professor Pfeffer.

Thirteen years earlier, Professor Pfeffer wrote in his book, "Church, State and Freedom"; "Wherever the church or state seeks to use the other as engine for its own purpose—that is, wherever a state or church pierces the wall of separation between them—religious freedom inevitably suffers."

He cited Italy under Mussolini, the Soviet Union, and Spain as areas where state-supported freedom has been the inevitable victim.

Lawyers, obviously, have no exclusive proprietorship over concern for state-supported religion.

Rabbi Edward E. Klein told the Ervin subcommittee that ". . . it has been this separation which has enabled religion, really, to grow and develop in America free of political control, and the state to flourish free of ecclesiastical control."

The principle of voluntarism was most eloquently defended at the hearings by James Luther Adams, professor of Christian ethics at Harvard Divinity School.

"Religious institutions should derive their support from private, free-will giving," he said. "For us the collection plate in the Protestant Sunday service is an unmistakable symbol of the voluntary and independent character of authentic religion. We pay our own—any compromise of this voluntarism is a reversion toward the tethered 'civic religion' of ancient, pagan Rome, where government and religion were favored."

WHAT CONSTITUTES BREACH?

While most Americans might agree to the virtue of voluntarism—there is little agreement over what constitutes a breach of this ethic.

Mr. Adams feels that acceptance of any funds, for whatever purpose, religious or secular, by a church-related institution, is a contravention of this ideal.

Thus, he views the administration's programs run by church groups as being on very dubious moral grounds.

In some of these programs it is very easy to identify the danger of which Mr. Adams speaks.

For example, one poverty program in Chicago is helping pay off high-rate mortgages on churches to keep them going—to house some of the programs.

In some other programs, it is less easy to identify the direct benefits.

ESTABLISHMENT DEFINED

But in his definition of establishment, William O. Douglas, Associate Justice of the Supreme Court of the United States, says: "An institution is strengthened in proselytizing when it is strengthened in any department by contributions from other than its own members."

Senate lawyers point out the emphasis here is on "any department."

Senator Ervin is afraid that many new government programs are operating at the direct expense of voluntarism.

"Our centralized government is endeavoring to relieve the church membership of the right and responsibility for its own support," he said ". . . despite 180 years of continual remonstrances against establishment."

And the Senator told the 18th national conference on church and state in Nashville last Feb. 22:

"I agree with Mr. Justice Frankfurter [the late Associate Justice Felix Frankfurter] that Elihu Root's phrase bears repetition. He said: '. . . We have staked the very existence of our country on the faith that complete separation between the state and religion is best for the state and best for religion.' It is my firm conviction that this course is not tantamount to a decision against God, as some suggest, but rather a decision supporting the faith and intelligence of all free men."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain nominations favorably reported today.

The PRESIDING OFFICER (Mr. Clark in the chair). Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of executive nominations.

NOMINATIONS IN THE MILITARY, THE NAVY, AND THE MARINE CORPS REPORTED BY THE COMMITTEE ON ARMED SERVICES

The legislative clerk read the nominations as follows:

Daniel V. James (cadet, West Point), for permanent assignment in the Navy;

Richard L. Martens, and Kenneth B. Mills, midshipmen (Naval Academy), for permanent assignment in the Navy;

Fred P. Knust (Naval Reserve Officers' Training Corps candidate), for permanent assignment in the Navy;

William C. Heschl, and Grant W. Smedley III, graduates from the Navy enlisted scientific education program, for permanent assignment in the Navy;

John F. Begg, and sundry other Naval Reserve officers, for permanent assignment in the Navy;

Rodney H. Brown, Michael R. Kanne, and Eric P. Visser, for permanent assignment in the Marine Corps;

Chandler C. Crangle, and Robert E. Dzialo, graduates from the Navy enlisted scientific education program, for permanent appointment in the Marine Corps; and

Claude E. King, and Earl F. Smith (Army Reserve Officers' Training Corps candidates), for permanent appointment in the Marine Corps.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

SUNDRY NOMINATIONS REPORTED BY THE COMMITTEE ON THE JUDICIARY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the nominations reported favorably today by the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the following nominations:

Edward L. Shaheen, of Louisiana, to be United States attorney for the western district of Louisiana;

Gerald E. Murch, of Maine, to be member of the Board of Parole;

Roland S. Mosher, of Arizona, to be United States marshal for the district of Arizona;

Collins J. Seitz, of Delaware, to be United States circuit judge, third circuit;

Joseph F. Novak, of Delaware, to be United States marshal for the district of Delaware;

Cecil F. Poole, of California, to be United States attorney for the northern district of California;

Antonio C. Baza, of Guam, to be United States marshal for the district of Guam; and

Almeric L. Christian, of the Virgin Islands, to be United States attorney for the Virgin Islands.

John J. Hickey, of Wyoming, to be United States circuit judge, tenth circuit.

Mr. McGEE. Mr. President, I should like to address a remark or two to the confirmation of the nomination of J. J. Hickey to the court of appeals. He needs no introduction in any way to the Members of the Senate, since he served as our colleague in a very distinguished manner.

I do think it is appropriate to note that he is another kind of rare article in a very young State. He was not only born there, but also his family was a basic, native Wyoming family. It is rare in public life to have a man rise to high station in life and fill so many significant public trusts along the way.

As far back as the midthirties he served as a city attorney and county official. He served in the armed services during World War II. Then, under President Truman, he was appointed as U.S. attorney.

He served later as Governor of the State of Wyoming. He then served as a U.S. Senator.

I do not know of any finer record that could be possessed by any individual for taking a post on the court of appeals.

I join with others who have expressed themselves in wishing pending Judge J. J. Hickey well. I know that he will serve his country with great credit.

Mr. SIMPSON. Mr. President, I add my voice to that of the senior Senator from Wyoming in asking the Senate to confirm the nomination of J. J. Hickey to be U.S. circuit judge court on the court of appeals.

I have known him for many years. We have engaged in many enterprises together. I have felt his steel. He is a man of unimpeachable integrity. His loyalty to American institutions and ideals is above reproach.

He has a lovely wife who is very active in community and mental health affairs. He has two splendid sons.

I am sure that he will be a credit to the bench, and I join with my senior colleague in asking the Senate to confirm the nomination.

Mr. METCALF. Mr. President, I join with the Senators from Wyoming in commending the Department of Justice and the Committee on the Judiciary and the Senate of the United States for this fine appointment.

I have known Joe Hickey for a brief time as a Governor, a Senator, and a former U.S. district attorney.

He will make a superb circuit judge.

I served for 6 years on an appellate court. I know something about what goes on in the appellate divisions. I feel that Joe Hickey will be one of the finest appellate judges that we could find.

The 10th circuit is very fortunate to have a man of his character, integrity, ability, and learning in the law.

I commend the Senators from Wyoming for this appointment. I feel that our entire judicial system will be benefited by the confirmation of the nomination of this man to the circuit court.

Mr. MANSFIELD. Mr. President, I join with my colleague, the Senator from Montana, and the Senators from Wyoming and strongly endorse what they have said about our former colleague, Gov. J. J. Hickey.

The choice was splendid. He is a man of great integrity and ability. He is a man of sound and good character.

I know that he will be an excellent addition to the appellate bench.

There is no question that everyone whose case comes before Judge Hickey, will be treated fairly regardless of the individual's status in life.

Judge Hickey will honor Wyoming in his judgeship as he has already done as a Governor and U.S. Senator.

I personally am very delighted that this outstanding man has been given such a noteworthy and well deserved appointment.

I only wish that the caliber of judges which Montana and Wyoming always produce would serve as a norm for the rest of the States of the Union.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair joins in the fine speeches made on behalf of our former colleague, J. J. Hickey.

Mr. McGEE. Mr. President, we discovered that there was a great reservoir of very able men who were interested in the position of circuit court judge.

In response to the remarks of the majority leader, as we go around the country, we can supply all the vacancies that turn up in the Nation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate resumed the consideration of legislative business.

AUTHORITY TO SIGN BILLS, RECEIVE MESSAGES, AND FILE REPORTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that during the adjournment of the Senate from the close of business today until noon on Monday next, the Secretary of the Senate be authorized to receive messages from the President of the United States and from the House of Representatives; the President of the Senate and the President pro tempore to sign enrolled bills; and committees to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unobjected-to measures on the calendar be called commencing with Calendar No. 1177.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

HARRIET C. CHAMBERS

The bill (S. 2104) for the relief of Harriet C. Chambers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2104

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to quiet title to the following described tract of land situated within the boundaries of the Shoshone National Forests, Wyoming, and held and claimed by Harriet C. Chambers, of Lander, Wyoming, under a chain of title dating from March 29, 1902, the Secretary of Agriculture is authorized and directed to convey to the said Harriet C. Chambers by quitclaim deed all right, title, and interest of the United States in and to such tract of land, more particularly described as follows: The southeast quarter of the southeast quarter of section 34, township 31 north, range 100 west, sixth principal meridian, Fremont County, Wyoming, consisting of forty acres more or less.

SEC. 2. The conveyance authorized by the first section of this Act shall be made by the Secretary of Agriculture without consideration, but the said Harriet C. Chambers shall bear any expenses incident to the preparation of the legal documents necessary or appropriate to carry out the first section of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1211), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

Bill would quiet title to approximately 40 acres within the boundaries of the Shoshone National Forest in Wyoming, held under a chain of title dating from 1902. Original owner obtained patent under timber and stone entry, then conveyed the tract back to the United States for a forest lieu selection of another tract. Because owner failed to perfect his abstract of title to the offered tract, his deed to the United States was rejected by the General Land Office but the United States never reconveyed the tract to him. Act of July 6, 1960, subsequently confirmed in the United States title to lands which had been conveyed or relinquished to it under the act of June 4, 1897, and for which the grantor had not received a lieu selection or reconveyance as provided by law. Title is thus in the United States.

COMMITTEE RECOMMENDATION

The Interior and Insular Affairs Committee reports favorably S. 2104 and recommends enactment.

NATIONAL WATER COMMISSION ACT

The Senate proceeded to consider the bill (S. 3107) to provide for a comprehensive review of national water resource problems and programs, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 5, after the word "the", to strike out "President." and insert "President, by and with the advice and consent of the Senate."; on page 3, line 12, after the word "advances", to strike out "such as desalting" and insert "including, but not limited to desalting, weather modification"; on page 4, line 17, after "(4)", to strike out "employ and fix the compensation of such personnel as it deems advisable, in accordance with the civil service laws and the Classification Act of 1949, as amended: *Provided,* That not to exceed five persons may be employed and their compensation fixed at salaries not in excess of GS–18, without regard to such laws;" and insert "without regard to the civil service laws and regulations and without regard to the Classification Act of 1949 as amended, employ and fix the compensation of such personnel as may be necessary to carry out the functions of the Commission: *Provided,* That of such personnel no more than five persons may receive compensation equivalent to the compensation established for grade 18 under the Classification Act of 1949 as amended;"; on page 5, at the beginning of line 20, to strike out "Council" and insert "Commission"; and on page 6, line 9, after the word "Commission", to strike out "shall," and insert "may"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Water Commission Act".

THE NATIONAL WATER COMMISSION

SEC. 2. (a) There is established the National Water Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members, who shall be appointed by the President, by and with the advice and consent of the Senate. Members shall serve at the pleasure of the President. No member of the Commission shall, during his period of service on the Commission, hold any other position as an officer or employee of the United States, except as a retired officer or retired civilian employee of the United States.

(c) The President shall designate a Chairman of the Commission (hereinafter referred to as the "Chairman") from among its members.

(d) Members of the Commission may each be compensated at the rate of $100 for each day such member is engaged in the actual performance of duties vested in the Commission. Each member shall be reimbursed for travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(e) The Commission shall have an Executive Director, who shall be appointed by the Chairman with the approval of the President and shall be compensated at the rate provided by law for level IV of the Federal Executive Salary Schedule. The Executive Director shall have such duties and responsibilities as the Chairman may assign.

DUTIES OF THE COMMISSION

SEC. 3. (a) The Commission shall (1) review present and anticipated national water resource problems, making such projections of water requirements as may be necessary and identifying alternative ways of meeting these requirements—giving consideration, among other things, to conservation and more efficient use of existing supplies, increased usability by reduction of pollution, innovations to encourage the highest economic use of water, interbasin transfers, and technological advances including, but not limited to desalting, weather modification and waste water purification and reuse; (2) consider economic and social consequences of water resource development, including, for example, the impact of water resource development on regional economic growth, on institutional arrangements, and on estethic values affecting the quality of life of the American people; and (3) advise on such specific water resource matters as may be referred to it by the President and the Water Resources Council.

(b) The Commission shall consult with the Water Resources Council regarding its studies and shall furnish its proposed reports and recommendations to the Council for review and comment. The Commission shall submit to the President such interim and final reports as it deems appropriate, and the Council shall submit to the President its views on the Commission's reports. The President shall transmit the Commission's final report to the Congress together with such comments and recommendations for legislation as he deems appropriate.

(c) The Commission shall terminate not later than five years from the effective date of this Act.

POWERS OF THE COMMISSION

SEC. 4. (a) The Commission may (1) hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it may deem advisable; (2) acquire, furnish, and equip such office space as is necessary; (3) use the United States mail in the same manner and upon the same conditions as other departments and agencies of the United States; (4) without regard to the civil service laws and regulations and without regard to the Classification Act of 1949 as amended, employ and fix the compensation of such personnel as may be necessary to carry out the functions of the Commission: *Provided,* That of such personnel no more than five persons may receive compensation equivalent to the compensation established for grade 18 under the Classification Act of 1949 as amended; (5) procure services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a) at rates not to exceed $100 per diem for individuals; (6) purchase, hire, operate, and maintain passenger motor vehicles; (7) enter into contracts or agreements for studies and surveys with public and private organizations and transfer funds to Federal agencies and river basin commissions created pursuant to title II of the Water Resources Planning Act to carry out such aspects of the Commission's functions as the Commission determines can best be carried out in that manner; and (8) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions under this title.

(b) Any member of the Commission is authorized to administer oaths when it is determined by a majority of the Commission that testimony shall be taken or evidence received under oath.

POWERS AND DUTIES OF THE CHAIRMAN

SEC. 5. (a) Subject to general policies adopted by the Commission, the Chairman shall be the chief executive of the Commission and shall exercise its executive and administrative powers as set forth in section 4(a)(2) through section 4(a)(8).

(b) The Chairman may make such provision as he shall deem appropriate authorizing the performance of any of his executive and administrative functions by the Executive Director or other personnel of the Commission.

OTHER FEDERAL AGENCIES

SEC. 6. (a) The Commission may to the extent practicable, utilize the services of the Federal water resource agencies.

(b) Upon request of the Commission, the head of any Federal department or agency or river basin commission created pursuant to title II of the Water Resources Planning Act is authorized (1) to furnish to the Commission, to the extent permitted by law and within the limits of available funds, including funds transferred for that purpose pursuant to section 4(a)(7) of this Act, such information as may be necessary for carrying out its functions and as may be available to or procurable by such department or agency, and (2) to detail to temporary duty with this Commission on a reimbursable basis such personnel within his administrative jurisdiction as it may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status.

(c) Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, for which payment shall be made in advance, or by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services: *Provided*, That the regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46e) shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Administrator for the administrative control of funds (31 U.S.C. 665(g)) shall apply to appropriations of the Commission: *And provided further*, That the Commission shall not be required to prescribe such regulations.

APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated such sums as are required to carry out the purposes of this Act.

Mr. **JACKSON**. Mr. President, the bill now before the Senate is S. 3107, a bill to establish a National Water Commission. This important measure was submitted by the Bureau in furtherance and fulfillment of that part of President Johnson's message of February 23, 1966, on preserving our national heritage in which the President called for the establishment of a National Water Commission to review and advise on the entire range of water resource problems. This measure has 49 cosponsors; nearly half the Senate from both sides of the aisle, representing every area of the Nation, have joined me in sponsoring this important legislation.

In recent years we have seen major cities slowly run out of water—we have seen pristine rivers and lakes become contaminated carriers of debris, we have seen sleepy waterways suddenly become raging torrents swiftly destroying everything in their path. Mr. President, our Nation can no longer afford the luxury of its water problems. It is essential that we pass this legislation.

The mandate of this Commission will be to study alternative solutions to water problems without prior commitment to any interest group, region, or agency of Government. The National Water Commission will be charged with the responsibility of objectively reviewing the premises underlying our water resources policy and making recommendations in the light of the broad national interest. The advice and guidance of the Commission will be invaluable to the President and the Congress in developing water resources development proposals which have far-reaching effects.

The Commission will be composed of seven distinguished citizens from outside of the Federal Government having demonstrated ability and a broad range of experience. The Commissioners are to be appointed by the President, by and with the advice and consent of the Senate. The committee amended S. 3107 to provide for Senate confirmation, feeling that this would reflect the deep interest and concern of the Congress, as well as the executive branch in the work of the Commission. The Congress, through the constitutional duties assigned to the Senate, can assist the Commission by insuring that the members have the full benefits that flow from Senate confirmation.

The Committee on Interior and Insular Affairs believes that S. 3107 may be one of the most significant pieces of water legislation to be considered by Congress in recent years. Passage of this vital measure is essential to the proper development of our Nation's water resources and the committee urges its enactment.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1212), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

The text of this measure was submitted by the Bureau of the Budget in furtherance and fulfillment of that part of President Johnson's message of February 23, 1966, on "Preserving Our National Heritage," in which the President called for the establishment of a National Water Commission to review and advise on the entire range of water resource problems.

NEED FOR A COMMISSION

Phenomena such as pollution, floods, and droughts do not respect political boundaries. In recent years almost every region of the country has experienced an acute water problem in one form or another.

The United States has developed to such an extent that water problems and specific water programs proposed to solve these problems have social, political, economic, and ecological ramifications that affect the entire Nation and not just the immediate area or region in which a problem or project is located. The total impact on the country of water programs may vary greatly, depending on the choice made from alternative solutions. The committee recognizes that the problem of water is national in character; that proper solutions must be developed with full attention to the entire range of alterantives and the ultimate consequences of proposed projects. The committee considers the passage of S. 3107 a necessity to achieve a comprehensive and objective evaluation of our Nation's water problems.

MISSION

The mandate of this Commission will be to study alternative solutions to water problems without prior commitment to any interest group, region, or agency of Government. The Commission will be charged with the responsibility of objectively reviewing the premises underlying our water resources policy and making recommendations in the light of broad national interest.

The National Water Commission must critically study past, present, and proposed water programs. It should tell the Nation what it has done right, what it has done wrong, and what it is not doing that it should be doing.

The National Water Commission must come to grips with fundamental policy questions and recommend how this Nation's water resources should be utilized so as to maximize public benefit. The advice and guidance of the Commission will be invaluable to the President and the Congress when making decisions on specific project proposals which have far-reaching affects.

COMPOSITION

The National Water Commission will be composed of seven members from outside the Federal Government appointed by the President by and with the advice and consent of the Senate.

The Commission must be be composed of people with demonstrated ability and a broad range of experience. The two qualifications which each Commissioner must have are: (1) the ability to make an intellectually honest evaluation of our Nation's water problem and policies; (2) the capacity to exercise independent judgment.

AMENDMENTS

On page 2, line 2, after the word "President" insert the following: "by and with the advice and consent of the Senate".

The purpose of this amendment is to provide for Senate confirmation of the members of the Water Commission. Recognizing the importance of this Commission and its broad national range of responsibility, the committee feels that Senate confirmation would reflect the deep interest and concern of the Congress as well as the executive branch in the work of the Commission. The Congress, through the constitutional duties assigned to the Senate, can assist the Commission by insuring that its members have the full benefits that flow from Senate confirmation.

On page 3, line 10, strike the words "such as desalting" and insert in lieu thereof "including, but not limited to, desalting, weather modification".

The purpose of this amendment is to make it clear that the function of this Commission is to review and evaluate all avenues of technological advancement in an effort to develop solutions to our national water problem.

On the suggestion of the chairman of the Senate Committee on Commerce, Senator MAGNUSON, "weather modification" was added as another example of the type of technological development which is within the realm of the Commission's mandate.

On page 4, lines 15 through 20, strike all of item (4) of subsection 4(a), and insert in lieu thereof the following: "without regard to the civil service laws and regulations and without regard to the Classification Act of 1949, as amended, employ and fix the compensation of such personnel as may be necessary to carry out the functions of the Commission: *Provided*, That of such personnel no more than five persons may receive compensation equivalent to the compensation established for grade 18 under the Classification Act of 1949, as amended;".

In accordance with established precedent for a special commission with only a short-term life, this amendment is designed to give the Commission sufficient flexibility in the employment of its staff to secure the most competent people.

On page 5, line 12, strike the word "council" and insert in lieu thereof the word "commission".

The purpose of this amendment is to correct a technical error.

On page 6, line 2, strike the word "shall" and insert in lieu thereof the word "may".

The purpose of this amendment is to give the Commission complete discretion in determining when and to what extent it will utilize the services of existing Federal water resource agencies.

MAJOR PROVISIONS OF THE BILL

The mandate of this Commission is to study alternative solutions to water resource problems without prior commitment to any interest group, region, or agency of government. Specifically, section 3 of the bill as amended by the committee provides that the Commission is directed to:

(1) review present and anticipated national water resource problems, making such projections of water requirements as may be necessary and identifying alternative ways of meeting these requirements—giving consideration, among other things, to conservation and more efficient use of existing supplies, increased usability by reduction of pollution, innovations to encourage the highest economic use of water, interbasin transfers, and technological advances, including, but not limited to, desalting, weather modification and waste water purification and reuse;

(2) consider economic and social consequences of water resource development, including, for example, the impact of water resource development on regional economic growth, on institutional arrangements, and on esthetic values affecting the quality of life of the American people; and

(3) advise on such specific water resource matters as may be referred to it by the President and the Water Resources Council.

The Commission shall consult with the Water Resources Council which was established by Public Law 89-80 regarding its studies and furnish its proposed reports and recommendations to the Council for review and comment. The Commission and the Water Resources Council must cooperate and work together. However, neither is to be subordinate to the other. The Commission, which must establish its own priorities and develop its own program of review, ultimately must make recommendations on the basis of its own independent judgment.

A colloquy during the committee hearings between Chairman Jackson and Secretary of the Interior Udall accurately sets forth the proper relationship between these two bodies.

"The Chairman. You mention in your formal statement the close relationship between the Water Resources Council and the proposed water commission. Do you feel that this close relationship will in any way inhibit independent action by the commission?

"Secretary Udall. I would think that it would not if it functioned the way we envision it because I would think on the one hand the National Water Commission would want to get the benefit of the knowledge and insight of the Water Resources Council and of the agencies that compose it and their expertise. In fact, I think to a great degree in terms of providing data, getting the essential data and facts on which it will base its ultimate judgments, that it would want to use the Water Resources Council and the expertise that it has as at least a major source of its information.

"But I think if the Commission is dispassionate, as I am sure it would be, that would not serve to impair in any way its judgment with regard to the ultimate decisions that it made.

"The Chairman. You see the Water Resources Council playing a cooperative role, I take it, leaving to the National Water Commission, of course, in the last analysis, its right to exercise its own independent judgment.

"Secretary Udall. This I think is the way that the Commission should function. I think you have described it very well."

The members of this committee have a deep and continuing interest in the development of our Nation's water resources. In recent years this committee has considered and the Congress has passed many significant measures, such as the Water Resources Planning Act, the Water Resources Research Act, the Federal Water Project Recreation Act and the several saline water conversion acts. After complete and careful deliberation, this committee believes that S. 3107 which has 48 cosponsors, may be one of the most significant proposals on water legislation considered by the Congress in recent years. Passage of this important measure is essential to the proper development of our Nation's water resources and the committee urges its enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

ELIGIBILITY OF CERTAIN LANDS UNDER SECTIONS 2275 AND 2276, REVISED STATUTES

The bill (H.R. 5984) to amend secs. 2275 and 2276 of the Revised Statutes as amended, with respect to certain lands granted to the States was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1213), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

This bill amends sections 2275 and 2276 of the Revised Statutes, as amended, in order to restore as eligible for indemnity selection lands that were utilized for some other purpose before the title could pass to a State and (2) permit selections of unsurveyed lands to supply deficiencies in lands granted a State.

NEED

As the States entered the Union, the Federal Government granted them certain lands in order to promote the general welfare and, more specifically, schools. These were usually sections 16 and 36, and sometimes 2 and 32. The grants usually took effect on statehood or at the time of the survey, whichever was later. Although it is understood that rectangular surveys of the public land were initiated in each instance prior to statehood, large areas of the public lands are still unsurveyed.

Because the surveys have not been completed, specific land areas were not identifiable and many of the sections that had been "granted" to a State were diverted—through no fault of the State—to other use. The other use may have been by reason of a mining claim on a homestead, or the land may have been set aside as a Federal reservation.

When the matter was brought to the attention of Congress, legislation was enacted to permit the States to select other lands in lieu of the lands that had been granted but lost. These became known as the indemnity selection laws.

The existing law, sections 2275 and 2276 of the Revised Statutes, as amended (43 U.S.C. 851, 852), provides for selection of indemnity lands to replace lands lost "prior to survey." The lieu selections must be made from "unappropriated, surveyed public lands."

There is no reason why a State should not be indemnified and receive the full grant of lands lost through no fault of its own regardless of when the loss took place.

Nor is there reason to restrict selection of land from among those lands that have been surveyed. The survey of public lands is continuing; but many areas remain unsurveyed.

The present choice to be exercised by a State in seeking indemnity lands is limited because of the large acreage which remains unsurveyed. This tends to militate against principles of good land management, particularly in terms of consolidating viable blocks suitable for development.

REJECTION OF AMENDMENT

The Department of the Interior, in its report which is included below, indicated it favored amendment of the bill to include an equal value concept with respect to lands valuable for leasable minerals involved in State selections, in place of the acre-for-acre basis. The Department stated a preference for legislation with this concept, but indicated no objection to the enactment of the bill without it. The Senate committee, believing this issue extraneous to the specific purpose of H.R. 5984, rejected such an amendment. However, the chairman of the full committee has suggested that the administration reexamine its position on the equal value concept, and make specific recommendations on that public land issue.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs reports favorably H.R. 5984, and recommends passage.

PAYMENT OF TRAVEL EXPENSES

The bill (H.R. 11748) to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to and from a Veterans' Administration facility in connection with vocational rehabilitation or for the purpose of examination, treatment or care was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1214), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

EXPLANATION OF THE BILL

Section 111 of title 38, United States Code, authorizes the payment of actual necessary travel expenses, or a mileage allowance in lieu thereof, to any person, to or from a Veterans' Administration facility or other place, in connection with vocational rehabilitation, counseling required pursuant to the war orphans educational assistance programs, as well as for the purpose of treatment, examination, or care. The prepayment of the mileage allowance in lieu of actual travel expenses is authorized by existing law, and this proposal would authorize similar action with respect to (1) round trip local travel expenses, (2) expenses of hiring an automobile or ambulance, (3) the fee authorized a nonemployee attendant.

This bill will authorize the payment of the prescribed expenses and allowances before the individual leaves the Veterans' Administration station. This procedure will relieve the individual from the burden of paying these expenses out of his own pocket pending later reimbursement, and will also eliminate the need for adjudicating and processing the claim by correspondence.

The Veterans' Administration reports that the legislation will result in no additional cost to the Government, but rather anticipates that some savings in administrative costs will occur.

AMENDMENT OF SECTION 14(b) OF THE FEDERAL RESERVE ACT

The bill (S. 3368) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "July 1, 1966" and inserting in lieu thereof "July 1, 1968" and by striking out "June 30, 1966" and inserting in lieu thereof "June 30, 1968."

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1215), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

S. 3368 would extend until June 30, 1968, the present authority of the Federal Reserve banks to purchase securities directly from the Treasury in amounts not to exceed $5 billion outstanding at any one time.

Up to 1935 Federal Reserve banks could purchase Government obligations either in the market or directly from the Treasury. The Banking Act of 1935, however, required that all purchases of Government securities by Federal Reserve banks be made in the open market. In 1942 the authority of the Federal Reserve banks to purchase securities directly from the Treasury was restored, but a limit of $5 billion was placed on the amount outstanding at any one time. The $5 billion authority was granted initially only through 1944, but the Congress has extended it from time to time so as to provide continuous limited direct borrowing authority ever since. The present authority was granted for 2 years and expires June 30, 1966.

The Treasury Department's reasons for the extension of the act may be summarized as follows:

(1) Direct access to Federal Reserve credit provides the margin of safety necessary if the Treasury is to follow its customary practice of allowing its cash balances to fall to exceptionally low levels prior to the large inflow of cash over a tax date.

(2) There may be occasions when Treasury financing operations ought to be postponed for a short period because of market disturbances. The possibility of direct access to Federal Reserve credit increases the Treasury's elbowroom in such a situation.

(3) In the event of a national emergency, which would disrupt financial markets, direct access to Federal Reserve credit would be necessary to continue the functions of Government.

The power extended by this bill is broad and must be used with great care. Its use must not be permitted to have inflationary effects. Its use must be confined within the bounds of the Government's monetary policy. The use of the power up to the present time has clearly been kept within proper bounds. But because of the danger of possible abuse in the future, it is appropriate that the power should be a temporary one, and the committee, therefore, agrees that a 2-year extension should be granted. This authority has not been used for over 8 years. Whenever the power has been used, a record of it has been included in the weekly statement of condition of the 12 Federal Reserve banks, published in newspapers on Thursday of each week and in the daily Treasury statement. This practice should be continued whenever the power is used. In addition, the existing law requires the Board of Governors of the Federal Reserve System to include detailed information with respect to the use of this authority in its annual report to the Congress.

LIBERALIZATION RELATING TO AUTOMOBILES FOR DISABLED VETERANS

The Senate proceeded to consider the bill (S. 1199) to liberalize the provisions of title 38, United States Code, relating to automobiles for disabled veterans, which had been reported from the Committee on Labor and Public Welfare, with an amendment, to strike out all after the enacting clause and insert:

That section 1901(a) of title 38, United States Code, is amended by striking out "during World War II or the Korean conflict", and inserting in lieu theerof "performed during World War II or the Korean conflict or after January 31, 1955".

SEC. 2. Section 1905 of title 38, United States Code, is amended to read as follows:

"§ 1905. Applications

"The benefits of this chapter shall be made available to any veteran who meets the eligibility requirements of this chapter and who makes application for such benefits in accordance with regulations prescribed by the Administrator."

Mr. BYRD of West Virginia. Mr. President, S. 1199 is a bill which I introduced to liberalize the provisions of title 38, United States Code, relating to automobiles for disabled veterans.

This bill, as amended, would authorize the Administrator of Veterans' Affairs to make grants toward the purchase of an automobile for certain veterans of the cold war who suffer serious service-connected disabilities. The grants would be available on the same basis that such grants are now available under chapter 39, title 38, United States Code, to seriously disabled veterans of World War II and the Korean conflict. These grants, which could not exceed $1,600, would be available to any veteran who performed military service after January 31, 1955, and who suffered a service-connected disability which has resulted in one of the following: First, loss or permanent loss of use of one or both feet; second, loss or permanent loss of use of one or both hands; and, third, permanent visual impairment to the degree prescribed.

The benefits of this bill are provided on a permanent basis. The duration of the availability of the grant is not limited to an induction period, but may be utilized at any time in the future when the other requirements are met.

This bill will also remove the time requirements for making all applications, past and present, for the auto grant. Under the present law, application must be made within 5 years of discharge or within 3 years from the time when the disability is established, whichever occurs later. Due to the reluctance of many to admit their disability, particularly in the case of blindness, the benefits of this measure are lost to them. Section 2 of the bill will reopen the auto grant to World War II and Korean conflict veterans who allowed the time for making application to lapse; as to cold war veterans, there will be no time requirement for making application. This portion of the bill will be retroactive to the extent that it reestablishes eligibility for World War II and Korean conflict veterans who had not made timely application, but the provision stipulating that the grant is to be made only once to each veteran is preserved in section 1904 of chapter 39, title 38.

The Veterans' Administration cost estimates on the bill indicate that the first-year cost—covering the period from February 1955 to July 1967—would be $3,072,000, and that the annual cost for each of the succeeding 4 years would be $360,000. While these estimates do not include increases arising from section 2 of the amended bill, the Veterans' Administration has indicated that the additional cost will be nominal.

In the case of veterans disabled due to the loss of one or more extremity, the $1,600 grant is to be made toward the purchase price of the auto, including equipment with such special attachments and devices as the Administrator may deem necessary. As to blinded veterans entitled to the grant, it must be shown that there is a duly licensed driver to operate the car for the veteran.

I wish to express my gratitude to the distinguished senior Senator from Texas [Mr. YARBOROUGH] for the work which he has done in behalf of this legislation. Without his efforts, I feel sure that the bill would not be before the Senate today. I also wish to thank the chairman of the Committee on Labor and Public Welfare, the senior Senator from Alabama [Mr. HILL] for the consideration he has given to the legislation, and I am grateful to all of the members of that committee, especially my colleague, Senator JENNINGS RANDOLPH, for their support of the bill.

I trust that the Senate will act quickly to adopt this measure and that the other body will also act expeditiously in passing this legislation.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1216), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

This bill, as amended, would authorize the Administrator of Veterans' Affairs to make grants toward the purchase of an automobile for certain veterans of the cold war who suffer serious service-connected disabilities. The grants would be available on the same basis that such grants are now available under chapter 39, title 38, United States Code, to seriously disabled veterans of World War II and the Korean conflict. These grants, which could not exceed $1,600, would be available to any veteran who performed military service after January 31, 1955, and who suffered a service-connected disability which has resulted in one of the following:

(1) Loss or permanent loss of use of one or both feet;

(2) Loss or permanent loss of use of one or both hands;

(3) Permanent visual impairment to the degree prescribed.

The benefits of this bill are provided on a permanent basis. The duration of the availability of the grant is not limited to an induction period, but may be utilized at any time in the future when the other requirements are met.

This bill will also remove the time requirements for making all applications, past and present, for the auto grant. Under the present law, application must be made within 5 years of discharge or within 3 years from the time when the disability is established, whichever occurs later. Due to the reluctance of many to admit their disability, particularly in the case of blindness, the benefits of this measure are lost to them. Section 2 of the bill will reopen the auto grant to World War II and Korean conflict veterans who allowed the time for making application to lapse; as to cold war veterans, there will be no time requirement for making application. This portion of the bill will be retroactive to the extent that it reestablishes eligibility for World War II or Korean conflict veterans who had not made timely application, but the provision stipulating that the grant is to be made only once to each veteran is preserved in section 1904 of chapter 39, title 38.

The Veterans' Administration cost estimates on the bill indicate that the first-year cost (covering the period from February 1955 to July 1967) would be $3,072,000, and that the annual cost for each of the succeeding 4 years would be $360,000. While these estimates do not include increases arising from section 2 of the amended bill, the Veterans' Administration has indicated that the additional cost will be nominal.

In the case of veterans disabled due to the loss of one or more extremity, the $1,600 grant is to be made toward the purchase price of the auto, including equipment with such special attachments and devices as the Administrator may deem necessary. As to blinded veterans entitled to the grant, it must be shown that there is a duly licensed driver to operate the car for the veteran.

BACKGROUND OF THE BILL

An automobile or other conveyance was first authorized in 1946 (Public Law 663, 79th Cong.) as a rehabilitation measure and prosthetic aid for World War II veterans who were receiving compensation for the loss or loss of use of one or both legs at or above the ankle. Its total price could not exceed $1,600. In 1950, the law was amended (Public Law 798, 81st Cong.) to permit the purchase of cars costing in excess of $1,600, the Government paying that amount and the veteran paying the difference.

After the start of the Korean conflict, the Congress in 1951 (Public Law 187, 82d Cong.) extended the program to Korean conflict veterans and broadened it to include veterans of both periods of service who had suffered the loss or permanent loss of use of one or both hands or permanent impairment of vision of both eyes to a prescribed degree.

Legislation to extend these benefits to peacetime veterans has been considered by earlier Congresses. In the 87th Congress, S. 3108 was favorably reported from the Labor and Public Welfare Committee. The reported version of this bill allowed the auto grant only when the veteran, while in armed conflict or extrahazardous duty, suffered the loss or loss of use of one or both feet. In the 88th Congress, the Senate passed S. 449, a bill which allowed the auto grant for peacetime veterans suffering the loss of one or both hands, one or both feet, or of eyesight to a prescribed degree. Here, too, the injury must have been contracted in the line of duty as a direct result of armed conflict or while engaged in extrahazardous duty.

NEED FOR LEGISLATION

The committee believes that the benefit in its recommended bill should now be extended to veterans of the present cold war who suffer the requisite disability in service after January 31, 1955. These cold war veterans are undergoing compulsory military service and are engaged in duty which is quite comparable to much of the service rendered during the Korean conflict period.

AMENDMENT OF SECTION 402(d) OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

The Senate proceeded to consider the bill (H.R. 7042) to amend sec. 402 (d) of the Federal Food, Drug, and Cosmetic Act, which had been reported from the Committee on Labor and Public Welfare, with an amendment to strike out all after the enacting clause and insert:

That section 402(d) of the Federal Food, Drug, and Cosmetic Act, as amended, is hereby amended to read as follows:

"(d) If it is confectionery, and—

"(1) has partially or completely imbedded therein any nonnutritive object: *Provided,* That this clause shall not apply in the case of any nonnutritive object if, in the judgment of the Secretary as provided by regulations, such object is of practical functional value to the confectionery product and would not render the product injurious or hazardous to health;

"(2) bears or contains any alcohol other than alcohol not in excess of one-half of 1 per centum by volume derived solely from the use of flavoring extracts; or

"(3) bears or contains any nonnutritive substance: *Provided,* That this clause shall not apply to a safe nonnutritive substance which is in or on confectionery by reason of its use for some practical functional purpose in the manufacture, packaging, or storage of such confectionery if the use of the substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of any provision of this Act: *And provided further,* That the Secretary may, for the purpose of avoiding or resolving uncertainty as to the application of this clause, issue regulations allowing or prohibiting the use of particular nonnutritive substances."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1217), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

H.R. 7042 would allow manufacturers of candy to use ingredients which have been approved as safe by the Food and Drug Administration. It eliminates a requirement, applicable to confectionery alone, that any ingredient, with certain statutory exceptions, must be nutritive or have food value. It does provide that any nonnutritive substance must have some practical functional purpose in the manufacture, packaging, or storage of the confectionery.

LEGISLATIVE BACKGROUND

H.R. 7042 was passed by the House of Representatives on June 7, 1965. In the 88th Congress, a subcommittee of the House Committee on Interstate and Foreign Commerce held a hearing on an identical bill (H.R. 4731) on April 28, 1964, and this bill was passed on August 12, 1964. Time did not allow Senate consideration of this measure in the last session and the House passed it again in this session without further hearings. H.R. 7042 was referred to the Committee on Labor and Public Welfare and a special subcommittee was appointed to consider it and a companion bill, S. 1839, which had been introduced by Senator HARTKE on April 28, 1965. S. 1839 was cosponsored by Senators SCOTT, CLARK, BOGGS, KENNEDY of Massachusetts, DIRKSEN, FANNIN, MCCARTHY, MURPHY, WILLIAMS of New Jersey, MONDALE, HOLLAND, PROUTY, WILLIAMS of Delaware, and JAVITS.

The special subcommittee, composed of Senators WILLIAMS of New Jersey (chairman), PELL, KENNEDY of Massachusetts, JAVITS, and MURPHY, held a hearing on August 24, 1965. Testimony was heard from the Food and Drug Administration, representatives of the confectionery and vending machine industry, and from a consumer group. H.R. 7042 was favorably reported with an amendment, by the special subcommittee on September 16, 1965.

HISTORY

When the Pure Food and Drug Act was enacted in 1906, it contained a provision deeming confectionery to be adulterated if it contained terra alba, barytes, talc, chrome yellow, or other mineral substance or poisonous color or flavor, or other ingredient deleterious or detrimental to health, or any vinous, malt, or spirituous liquor or compound or narcotic drug.

In 1938, this prohibition was expanded so that under section 402(d) of the act confectionery bearing or containing any nonnutritive substance or article, with certain specified exceptions is automatically deemed adulterated.

In 1958, section 409 was added to the Federal Food, Drug, and Cosmetic Act, providing authority for the Food and Drug Administration to regulate food additives. Under this amendment, any substance whose intended use results in its becoming a component or otherwise affecting the characteristics of any food (including confectionery) may not be used except (1) for investigational use or (2) unless "there is in effect, and its use or intended use are in conformity with" a regulation issued by the Food and Drug Administration under section 409.

Notwithstanding the enactment of the Food Additives Amendment of 1958, no change was made at that time in section 402(d) of the Federal Food, Drug, and Cosmetic Act, the provision relating to confectionery.

The bill herewith reported, would amend section 402(d) so as to eliminate those provisions in that section which deem confectionery to be adulterated if it bears or contains any nonnutritive article or substance except authorized coloring, harmless flavoring, or certain harmless resinous glazes. This will place the confectionery industry on the same basis as other segments of the food industry and will permit that industry to use in the manufacture of candy, food additives cleared for safety under the Food Additives Amendment of 1958.

Existing law in this area presents somewhat of an anomaly. Certain additives may be used by the canning, frozen food, baking, bottling, and preserving segments of the food industry—even the baby foods industry—but these substances may not be used in the manufacture of candy.

The committee feels that this discriminatory and anomalous treatment of the confectionery industry is not warranted.

DISCUSSION OF THE BILL

This bill will allow the confectionery industry to take advantage of the advances in modern food technology and to provide better quality candy to the consumer. The bill authorizes the use of preservatives, emulsifiers, and stabilizers which will keep candy fresh and wholesome longer.

In testimony before the special subcommittee, Food and Drug Commissioner Larrick acknowledged that the industry has a legitimate need for nonnutritive ingredients and should be allowed to use them under certain conditions. Commissioner Larrick stated:

"We understand that the confectionery industry merely seeks the right to use safe nonnutritive substances in manufacuring processes when such substances serve a useful technological purpose. We would not object to an amendment to section 402(d) which would allow industry to use safe nonnutritive substances having a technological value in the production of confectionery (Senate hearings, p. 11)."

The committee could see no logic in prohibiting the use of safe food additives in candy when the Congress has permitted their use in baby foods, ice cream, and innumerable other food products. The Food Additives Amendments of 1958 provided for the overall regulation of the safety of food additives and for their safe use. The inconsistency of the special provisions of section 402(d) with the basic purpose of the Food Additives Amendments of 1958 was well stated by Dr. John H. Nair, an expert chemist with 50 years' experience in the food industry, when he said:

"If it is in the public interest to permit the food industry generally to utilize the newer technology built around incorporation of additives, whether nutritive or not, it would appear against the public interest to prohibit the use of certain additives in confectionery, when their addition would be advantageous.

"There is an almost endless list of additives approved for use in processed foods and the list grows longer daily. Many of these are nonnutritive. Some are acceptable because they are generally recognized as safe, or GRAS for short. Many others have been tested exhaustively on different species of experimental animals and the resultant data critically reviewed by the Food and Drug Administration. Only when satisfied as to their safety for humans does the Department certify them for use (Senate hearings, p. 24)."

CONTINUED PROTECTION OF THE CONSUMER

The greater portion of Commissioner Larrick's testimony was not concerned with the question of food additives per se, but was directed to the specific problem of trinkets in candy. The Commissioner felt that H.R. 7042 would eliminate a prohibition against imbedding objects in candy. After the passage of the Food and Drug Act of 1906, certain candy manufacturers had begun the practice of imbedding small toys and trinkets in candy. This practice was obviously a hazard to health, and in 1938 the law was broadened to prohibit it. The committee agreed with the FDA that H.R. 7042, as passed by the House, would have the unintended effect of repealing the prohibition against imbedding objects in candy. In response to the suggestion of the FDA, an amendment to maintain this prohibition was added to the bill by the special committee.

The committee agrees with Commissioner Larrick's observation that "aside from the problem of trinkets, this country's confectionery is largely pure and wholesome" (hearings, p. 11). In 1958 the Congress gave the FDA broad control over all food additives. Any additive used by the candy manufacturers would have to meet the strict requirements as to safety established under section 409 of the Food, Drug, and Cosmetic Act. The provisions of section 409 are printed at the conclusion of this report.

In addition to safety requirements of section 409, the consumer will continue to be protected by the broad language of section 402(b) which says that a food shall be deemed to be adulterated:

"(1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or (2) if any substance has been substituted wholly or in part therefor; or (3) if damage or inferiority has been concealed in any manner; or (4) if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is."

The language of this section is a strict prohibition against the use of fillers or stretchers which debase any food, including candy. The committee intends to allow the confectionery industry to use safe, relatively expensive additives in relatively small amounts in order to improve the quality of their confectionery products.

In its initial agency report on H.R. 7042, the Department of HEW agreed that safe additives should be allowed in the manufacture of confectionery. The Department asked, however, for authority to determine by regulation whether the proposed use of the additive had "technological value in such manufacture, packaging, or storage and is in accordance with good manufacturing practice." Under this language the confectioners would have had to establish and to prove not only that an additive was safe but also that it had "technological value." Unlike other additives, additives to be used in confectionery would be subject to a 2-step regulatory proceeding in advance of their use. In view of the broad powers given to the Secretary of HEW and the FDA in sections 409 and 402(b) it was decided that this special provision, relating to confectionery, was not necessary and placed an inequitable burden on confectionery manufacturers.

The committee recognized the validity of the argument advanced by FDA that some unscrupulous manufacturer might attempt to use a safe, but useless, additive for the purpose of economic adulteration. The FDA contended that the use of such additives in small quantities would result in economic adulteration if the confectioner produced a large volume of candy, but that if it were used in minute quantities in individual candies, the FDA would be unable to prosecute successfully under section 402(b). In order to meet this problem, the committee adopted language stating that confectionery containing a nonnutritive additive would be deemed adulterated unless the additive had "some practical functional purpose in the manufacture, packaging, or storage of such confectionery if the use of such substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of any provision of this Act."

As reported, the bill has the approval of the Department of HEW. It is the belief of the committee that the strong language added to section 402(d) in addition to the broad regulatory power in sections 409 and 402(b) fully protects the consumer against the possibility of buying economically adulterated confectionery.

AMENDMENT OF TITLE 38, UNITED STATES CODE

The bill (H.R. 3177) to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1218), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

The bill, as passed by the House of Representatives and approved by the Committee on Finance, would authorize payment of dependency and indemnity compensation to a widow with children in an amount equal to any greater amount of death pension which would be payable to the children had the veteran's death occurred under circumstances authorizing payment of pension and if the widow were not entitled thereto.

Under the provisions of existing law (38 U.S.C. 412(b)), where the amount of dependency and indemnity compensation payable to a widow with children is less than the amount of death pension which would be payable to her had the veteran's death occurred under circumstances authorizing payment of death pension, she may be paid dependency and indemnity compensation in an amount equal to the greater pension rate. If, however, the widow would be ineligible for pension by reason of excessive income or due to corpus of estate, the greater payment based on such pension rate is not paid.

In certain such cases wherein a widow's income or corpus is excessive, this proposal would afford a new basis for payment of a greater amount of dependency and indemnity compensation. It could affect only cases of a widow with eight or more children. The regular dependency and indemnity compensation rate for a widow with eight children might be only $131 per month. Aggregate death pension payable to eight eligible children where there is no eligible widow is $143 per month. Under this bill a widow could receive such greater amount as dependency and indemnity compensation. H.R. 3177 is an equitable extension of the principle obtained in existing section 38 U.S.C. 412(b). That principle is that service-connected death benefits for a widow should not be less generous than those payable for deaths not due to service.

The bill is recommended by the Veterans' Administration which has advised that its cost would be insignificant.

AMENDMENT OF CHAPTER 15 OF TITLE 38, UNITED STATES CODE

The bill (H.R. 9961) to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1219), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

This bill as passed by the House of Representatives and approved by the Committee on Finance, proposes in the case of the disappearance of any veteran who is receiving a pension under subchapter II of chapter 15 of title 38, United States Code, to grant to the Administrator of Veterans' Affairs authority to pay the veteran's wife and children the pension otherwise payable to the veteran. Such payments could not exceed the amount to which the wife or children would be entitled if the veteran had died of a non-service-connected disability.

Under existing law when a veteran's whereabouts are unknown pension payments are discontinued until a valid current address is received. The resumption of payments are effective on the day following the date of last payment if entitlement is established.

The Veterans' Administration advises that the cost would not be significant.

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader, with the chairman of the Armed Services Committee, and with the ranking minority member, I ask unanimous consent that at this time the so-called stockpile bills reported by that committee, Calendars Nos. 1187, 1188, 1189, 1190, and 1199, be laid before the Senate for immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISPOSAL OF CELESTITE FROM THE SUPPLEMENTAL STOCKPILE

The bill (H.R. 13768) to authorize the disposal of celestite from the supplemental stockpile was considered, ordered to a third reading, read the third time, and passed.

DISPOSAL OF OPIUM FROM THE NATIONAL STOCKPILE

The bill (H.R. 13773) to authorize the disposal of opium from the national stockpile was considered, ordered to a third reading, read the third time, and passed.

DISPOSAL OF CORDAGE FIBER FROM THE NATIONAL STOCKPILE

The bill (H.R. 13769) to authorize the disposal of cordage fiber (sisal) from the national stockpile was considered, ordered to a third reading, read the third time, and passed.

DISPOSAL OF CROCIDOLITE ASBESTOS FROM THE SUPPLEMENTAL STOCKPILE

The bill (H.R. 13770) to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile was considered, ordered to a third reading, read the third time, and passed.

DISPOSAL OF ALUMINUM FROM THE NATIONAL STOCKPILE

The bill (H.R. 13366) to authorize the disposal of aluminum from the national stockpile was considered, ordered to a third reading, read the third time, and passed.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock p.m.), the Senate adjourned until Monday, June 13, 1966, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 9, 1966:

U.S. Tariff Commission

Glenn W. Sutton, of Georgia, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1972.

Ozarks Regional Commission

William M. McCandless, of Oklahoma, to be Federal Cochairman of the Ozarks Regional Commission. (New position.)

Department of Justice

Collins J. Seitz, of Delaware, to be U.S. circuit judge, third circuit, vice John Biggs, Jr., retired.

John J. Hickey, of Wyoming, to be U.S. circuit judge, 10th circuit, vice John C. Pickett, retired.

Cecil F. Poole, of California, to be U.S. attorney for the northern district of California for the term of 4 years. (Reappointment.)

Joseph F. Novak, of Delaware, to be U.S. marshal for the district of Delaware for the term of 4 years, vice Edward J. Hussey, deceased.

Edward L. Shaheen, of Louisiana, to be U.S. attorney for the western district of Louisiana for the term of 4 years. (Reappointment.)

Antonio C. Baza, of Guam, to be U.S. marshal for the district of Guam for the term of 4 years. (Reappointment.)

Almeric L. Christian, of the Virgin Islands, to be U.S. attorney for the Virgin Islands for the term of 4 years. (Reappointment.)

Roland S. Mosher, of Arizona, to be U.S. marshal for the district of Arizona for the term of 4 years. (Reappointment.)

Board of Parole

Gerald E. Murch, of Maine, to be a member of the Board of Parole for the term expiring September 30, 1971. (Reappointment.)

In the Navy and Marine Corps

The nominations beginning Daniel V. James (cadet, West Point) to be a permanent ensign in the Supply Corps of the Navy, and ending Earl F. Smith (Army Reserve Officers' Training Corps candidate), for permanent appointment to the grade of second lieutenant in the Marine Corps, which nominations were received by the Senate, and appeared in the CONGRESSIONAL RECORD on May 23, 1966.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 9, 1966

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. ALBERT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

> THE SPEAKER'S ROOM,
> *June 9, 1966.*
>
> I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.
>
> JOHN W. MCCORMACK,
> *Speaker of the House of Representatives.*

PRAYER

The Chaplain, Dr. Edward G. Latch, D.D., offered the following prayer:

In returning and rest shall ye be saved; in quietness and in confidence shall be your strength.—Isaiah 30: 15.

O God, our Father, the light of the minds that know Thee, the life of the spirits that love Thee and the strength of the souls that live with Thee—in quietness and confidence we lift our hearts to Thee in prayer.

Deliver us from unworthy thoughts, over anxious moods, tense spirits, and may we find rest and peace and joy in Thee.

Forgive our shortcomings, our failure to give Thee right-of-way in our lives, our insistence upon our way rather than Thy way. May we never think of ourselves as sufficient for our responsibilities but may we find our sufficiency in Thee. Strengthen Thou our hands and our hearts this day and use us for Thy glory and for the good of our land. In Jesus' name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3957. An act to authorize establishment of the Fort Union Trading Post National Historic Site, N. Dak., and Mont., and for other purposes; and

H.R. 6646. An act to amend the Recreation and Public Purposes Act pertaining to the leasing of public lands to States and their political subdivisions.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6515. An act to supplement the act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 562. An act to amend title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities," and to eliminate certain requirements for the furnishing of nursing home care in the case of veterans hospitalized by the Veterans' Administration in Alaska and Hawaii;

S. 2366. An act to repeal certain provisions of the act of January 21, 1929 (45 Stat. 1091), as amended;

S.J. Res. 116. Joint resolution to provide for the administration and development of Pennsylvania Avenue as a national historic site; and

S. Con. Res. 39. Concurrent resolution requesting the President to create the Roanoke Island Memorial Commission.

TRIBUTE TO THE HONORABLE EDWIN WILLIS

Mr. STUBBLEFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. STUBBLEFIELD. Mr. Speaker, I want to join my colleagues in the House in expressing my delight that the gentleman from Louisiana, ED WILLIS, is back again with us.

The distinguished majority leader has said that ED WILLIS belongs not only to Louisiana but to the Nation, and this is certainly true. He has demonstrated his leadership ability in the House in a number of areas. He was among my predecessors as president of the Lower Mississippi Valley Flood Control Association and as such has been a force for leadership in the development of the resources of this Nation.

ED WILLIS has a host of friends throughout the lower Mississippi Valley who join me in this expression of gratitude that he once again will take his place among us and will continue to exert a powerful influence in making this a better land in which to live.

SURPLUS FOOD DISTRIBUTION TO SENIOR CITIZENS

Mr. VIGORITO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VIGORITO. Mr. Speaker, today the House of Representatives will vote on a most important piece of legislation—the Food for Freedom Act of 1966. I feel that it will become one of the "milestone" bills which the 89th Congress will consider this session.

However, the reason I rise today is to introduce a new bill for the consideration of the Congress. Its purpose is to allow for a greater and more equitable distribution of our surplus food to our senior citizens.

The passage of the Food for Freedom Act will allow the United States to share with the entire world the bounty of our agricultural produce. I feel that now we should share this surplus food with this country's older people. As our friends in foreign lands deserve our help, so do our needy people here at home.

Many of our older citizens are living on inadequate pensions or on a very limited income. The purpose of my bill is to allow all retired persons 65 and over who are living below a certain low income level to become eligible for surplus food under the Nation's food stamp or direct distribution programs. It will go a long way toward allowing our older citizens to live their lives in dignity and respect. We have sidestepped and neglected our responsibility to them for too long. We owe this to them, and I hope my colleagues will see fit to act favorably on this measure when it comes before them for a vote.

CELEBRATING THE BIRTHDAY OF ROBERT S. McNAMARA, SECRETARY OF DEFENSE

Mr. BENNETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT. Mr. Speaker, today is the 50th birthday of our able Secretary of Defense, Robert S. McNamara. All of America wishes him many happy returns of the day. He is a great American. Everyone knows him to be brilliant, able, perseverant, dedicated, and courageous. He is also warmhearted and kind; and much more interested in the welfare of our country than in his own personal welfare. A quality in him that many have overlooked is his loyalty to the team of the administration, a necessary part of any effective accomplishment.

Leadership requires a man to be worthy of leadership, to perfect in himself such important qualities as honesty and unselfishness. This Bob McNamara has done. Leadership also requires a man to take the initiative and to have goals he believes in; and these requirements have also been met by Secretary McNamara.

Our country is fortunate in having this man as our Secretary of Defense. Members of Congress, including myself, have differed with him on some specific matters of judgment on some occasions. This is of course newsworthy and is hence more known to the public than the vast area of mutual agreement.

HOW DESPOTISM IS BORN

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, in recent months Federal guidelines have been injected more and more prominently into the operation of the Nation's educational program. We now have Federal aid to education at all levels. During the early stages of this program when Federal aid was extended only to impacted areas and at the college level, there was no serious interference in school programs by the Federal Government. Now that Federal aid is general, the heavy hand of bureaucratic control is being felt more and more by local school officials. This is the thing that many of us feared when the Federal aid to education bills were under consideration.

I am told by school officials in the South that frequently they are called daily from Washington with new and more demanding requirements for compliance. From the tenor of these calls and from the demands which are made, it appears that operating efficiency and high scholastic standards are farthest from the minds of those who are enforcing guidelines in the educational program. Their primary concern is race mixing, regardless of the damage done to the school system, to the educational program, or to the pupils themselves.

Here is despotism in the making. This is how despotism is born. This type of control will not stop with race mixing. Unless checked now, it will be continued into the areas of teacher selection, and into curriculum, then into thought processes, and eventually into complete domination of the Nation's school system by the Federal Government.

The stage is set for despotic control of the Nation's school systems. This is one of the most dangerous things that can confront any country. There is a way to avoid this. It is to refrain from dependence upon Federal funds for school operation. Whether or not the people are willing to pay that price now appears questionable.

ANNIVERSARY DAY PARADE OF THE BROOKLYN SUNDAY SCHOOL UNION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, the Brooklyn Sunday School Union, founded on April 8, 1816, is this year celebrating its sesquicentennial. Through the past century and a half, this fine body of men and women, representing all the Protestant denominations of the borough of Brooklyn, has been contributing its unselfish efforts toward the Christian education of youth. The people of Brooklyn are proud of this record, and greet with joy the yearly civic occasion, the anniversary day parade of the Brooklyn Sunday School Union, oldest Sunday School union in the United States. The parade takes place today, and this event, dearly loved by the people of Brooklyn, will be greeted with especial enthusiasm this year, as it constitutes the principal public celebration of the sesquicentennial.

I join the many admirers and well-wishers of the Brooklyn Sunday School Union, in Brooklyn, in all of New York City and State, and throughout the Nation, in congratulating this fine group on its service and achievements through these many years, and in best wishes for the years to come.

PROGRAM FOR THE BALANCE OF THE WEEK AND FOR NEXT WEEK

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I have asked for this time for the purpose of inquiring of the distinguished majority whip as to the program for the balance of this week and program for next week.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, the program for the balance of this week will be concluded upon the adoption of the bill now pending before the House, which will be considered momentarily.

The program for next week is as follows:

Monday is District day, but no bills are scheduled.

We do have scheduled for the consideration of the House H.R. 15225 which increases the amount of bonds that may be issued by the TVA, which comes up under an open rule with 2 hours of general debate.

Also there is scheduled for consideration H.R. 14019, the Foreign Service Building Act amendments, with an open rule, 1 hour of debate, waiving points of order.

For Tuesday there is scheduled for consideration S. 2950, the Defense Procurement Authorization Act for fiscal year 1967, under an open rule with 4 hours of debate and waiving points of order.

For Wednesday and the balance of the week the program is as follows:

H.R. 13431, extension of the Renegotiation Act of 1951, under an open rule with 2 hours of debate;

H.R. 13103, the Foreign Investors Tax Act, under a closed rule with 3 hours of debate and waiving points of order; and

H.R. 14025, to extend the Defense Production Act of 1950, under an open rule with 2 hours of debate.

Mr. Speaker, as usual, conference reports may be called up at any time.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 132]

Ashley
Baring
Blatnik
Bolling
Bolton
Brown, Calif.
Celler
Clausen, Don H.
Clawson, Del
Colmer
Conyers
Dawson
de la Garza
Dent
Denton
Derwinski
Diggs
Dyal
Edwards, La.
Ellsworth
Evins, Tenn.
Flood
Flynt
Fulton, Tenn.
Giaimo
Gubser
Hagan, Ga.
Hansen, Wash.
Hardy
Hathaway
Herlong
Holifield
Hosmer
King, Calif.
Landrum
Long, La.
Long, Md.
McMillan
Matsunaga
Miller
Mills
Minish
Mize
Morris
Morrison
Morton
Moss
Multer
Murphy, N.Y.
Murray
Nix
O'Hara, Ill.
Powell
Pucinski
Race
Rees
Reid, N.Y.
Resnick
Rivers, Alaska
Rivers, S.C.
Robison
Rooney, N.Y.
Scott
Senner
Sickles
Sweeney
Talcott
Teague, Tex.
Thompson, N.J.
Toll
Trimble
Tupper
Utt
Waggonner
Williams
Willis
Wilson, Charles H.
Wyatt

The **SPEAKER** pro tempore. On this rollcall 357 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SUBCOMMITTEE ON FEDERAL-AID HIGHWAY PROGRAM AND THE SUBCOMMITTEE ON ROADS OF THE COMMITTEE ON PUBLIC WORKS

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on the Federal-Aid Highway Program and the Subcommittee on Roads of the Committee on Public Works be permitted to sit during general debate this afternoon.

The **SPEAKER** pro tempore (Mr. Albert). Is there objection to the request of the gentleman from Illinois?

There was no objection.

TRIBUTE TO THE HONORABLE EDWIN E. WILLIS

Mr. TUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. TUCK. Mr. Speaker, I embrace this opportunity to join my colleagues in extending a warm welcome to the distinguished gentleman from Louisiana, the Honorable Edwin E. Willis, who on account of illness has been confined to his home for several months. At the same time, I extend to him my felicitations and good wishes and express the fervent hope that he will have, as I am sure he will, a full, complete, and speedy recovery.

No Member of this body has missed the presence of Ed Willis during his absence from the House more than I have. His valuable and unbounded wisdom is of incalculable value not only to me, but to other Members who have the privilege of enjoying his friendship and who have the benefit of his advice.

I have known and been closely associated with the highly respected and beloved gentleman from Louisiana during my nearly 14 years of service in the House of Representatives. I have served for many years as a member of the House Judiciary Subcommittee, of which he is chairman. Likewise, I have served for more than 10 years with him on the Committee on Un-American Activities, of which he also is chairman. My seat is next to his on both of these committees, and thus I have had the opportunity to observe the dexterous, skillful, and effective manner in which he operates as a patriotic and useful legislator. No Member of the House surpasses him in ability and courage and in devotion to the highest public interest.

He is my warm, personal friend, and I am happy to enjoy these renewed associations. I am confident in the knowledge that the country will benefit by his return to his many and important responsibilities. The Lord has blessed and honored his hand, and may these blessings continue.

COMMITTEE ON RULES

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a privileged report.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE FOOD FOR FREEDOM ACT OF 1966

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from North Carolina.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 14929), with Mr. Moorhead in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN.** When the Committee rose on yesterday, it had agreed that the bill be considered as read and open for amendment at any point.

The Clerk will now report the first committee amendment as printed in the reported bill.

The Clerk read as follows:

> Page 6, line 5, strike out "transactions" and insert "sales agreements."

The committee amendment was agreed to.

The **CHAIRMAN.** The Clerk will report the next committee amendment.

The Clerk read as follows:

> Page 13, line 17, strike out the colon and the balance of the amendment to section 106, through page 14, line 4, and insert a period and the following new sentence:
>
> "In any event such agreement shall be no less favorable to the United States than for development loans made under section 201 of the Foreign Assistance Act of 1961, as amended."

Mr. QUIE. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. WHITENER. Mr. Chairman, will the gentleman yield to me?

Mr. QUIE. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Chairman, I asked the gentleman from Minnesota to yield in order that I might address a question to the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. Cooley].

It is my information that many volunteer agencies have expressed a desire for processed corn products, these products having been tested in many countries and been found to be very nutritional and desirable. The question I would like to ask is this: Is it the gentleman's understanding and the intent of the Committee on Agriculture that under section 203 of this bill that whenever processed corn is found to be suitable and acceptable, the Department of Agriculture shall make such processed corn available to the various voluntary agencies?

Mr. COOLEY. Mr. Chairman, if the gentleman from Minnesota will yield, the gentleman from North Carolina is exactly right; he is correct.

Mr. WHITENER. I thank the gentleman from Minnesota for yielding.

Mr. QUIE. I would say to the gentleman from North Carolina [Mr. WHITENER] that that is my understanding of the bill as well.

Mr. Chairman, I rise in objection to the committee amendment. The committee amendment would permit 40-year financing of the purchase of food by foreign countries under Public Law 480. The long-range financing to date has been on 20-year loans. I think it is going too far if we permit 40-year financing and a 10-year grace period. The food will have been eaten up for 10 years before they have to pay a cent for the food and to have 40 years before they pay the entire cost is putting it beyond the generation of people who are in power at the present time.

This will lead to requests on our Government to cross off the loan. If we are going to give food away, let us give it away and get the credit for it now. Just because AID provides 40-year loans is no reason why we should go into that for food. You can argue and give some reasons for long-term loans up to 40 years on durable goods especially like manufacturing plants, dams, and highways, but for food I think it would be extremely unwise for our committee to do that.

The bill provides also that we will work toward long-term loans rather than sales for foreign currencies. If they are truly loans that the country will intend and should intend to pay back, I could see some good reason for it up to a 20-year loan to bring this about, with a 2-year grace period as the bill provides.

However, when the question comes whether there will be a 40-year loan, I would imagine that every country would want it because they would not have to pay a cent for 10 years for the food which they have purchased. This will let it get entirely out of hand. Just to be in conformity with the AID loans, I think is not a good reason. I think we have to determine ourselves the length of time for which the loans are to be made. I think 20 years is extreme but this is the way we have been operating so far and I think it has been operating quite well. But to open this up it would be a real opportunity to sell food to a country like Yugoslavia with 40 years of financing, I think is extremely unwise.

We do not know what the government will be like in some of the developing countries to which we might make a loan of 40 years. If we are going to keep Public Law 480, which now is to be called Food for Freedom, on a wise and practical basis and one that we can all support in the years ahead, both Democrats and Republicans, as we have in these years since 1954, a 20-year loan should be retained.

So, Mr. Chairman, this is the purpose of my rising to bring this to your attention and to urge that we have a strong vote in opposition to the committee amendment. What this will do is to provide for continuation of 20-year loans with a 2-year grace period rather than a 40-year loan with a 10-year grace period as the committee amendment provides.

Mr. MACGREGOR. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. MACGREGOR. I congratulate my distinguished colleague on his cogent reasoning and on the forceful expression of his views. I associate myself with his remarks and his position 100 percent.

Mr. QUIE. I thank my colleague from Minnesota.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GERALD R. FORD. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. GERALD R. FORD. How have we handled comparable loans under Public Law 480 in the past and how are we doing it at the present time?

Mr. QUIE. In the past and up to the present time, the authority is for 20-year loans and we have operated the program under that provision. But for a country like Poland, a Communist country, they have been limited to 5-year loans.

Mr. GERALD R. FORD. Can the gentleman give us any figure as to the dollar amounts of such loans under existing law?

Mr. QUIE. I could not give it to you right now. I do not have the report in the well with me.

Mr. GERALD R. FORD. I have heard the figure. I wonder if the gentleman could verify that under existing law the aggregate amount for a 20-year loan is in the neighborhood of $1 billion.

Mr. QUIE. I do not have the figure. I would yield to the gentleman from Illinois if he has the information at the desk.

Mr. FINDLEY. Mr. Chairman, if the gentleman will yield——

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. FINDLEY. The committee report, on page 45, does verify that fact.

Mr. GERALD R. FORD. So that under the provision that was reported by the committee the same type of transaction could prevail and could be as successful as the $1 billion in transactions that we have carried out in the past?

Mr. QUIE. The gentleman is absolutely correct.

Mr. Chairman, I yield back the balance of my time.

Mr. ARENDS. Mr. Chairman, I am pleased the gentleman from North Carolina [Mr. WHITENER] made the statement he did as to the real importance of having cornmeal considered as part of this program. The chairman of the committee, the gentleman from North Carolina [Mr. COOLEY], agreed with him as does the gentleman from Minnesota [Mr. QUIE]. In order that there be additional information as to the truly important contribution processed cornmeal can make to this important project, I desire for informative purposes, to include certain detailed facts for the membership of the House to pinpoint why so many feel processed cornmeal should be and must be included by the Department of Agriculture when working out the details of the title II program under this legislation:

STATEMENT BY CORN MILLERS EXPORT INSTITUTE

PROCESSED CORN MEAL [ENRICHED]

For hungry millions of all ages who have no ovens and only the barest minimum of fuel, processed [precooked] corn meal fills vital needs which cannot be met by any other cereal. Its unique characteristic is that when mixed with water it forms a corn dough and is thus ideally suited for those large corn-oriented areas, particularly in Latin America, where grain production has been outstripped by exploding populations.

Of equal importance, processed corn meal is the only cereal acceptable for the widely popular and nutritious corn beverages which are a staple food throughout Latin America where they are known as atol, pinolillo, chicheme, colada, and chicha dulce.

In many areas where the traditional food is of the tortilla or empanada type, processed corn meal was found to fill a basic requirement rooted in the medically proved axiom that "the closer people are to starvation, the more difficult it is to change their food habits."

While industry has for years manufactured products similar to processed corn meal for use in the food and beverage industries, it was not until 1963 that intensive industry-financed acceptability tests of processed corn meal were conducted in more than thirty countries around the world, including ten in Latin America, with uniformly excellent results.

The American Council of Voluntary Agencies, which represents all voluntary agencies engaged in overseas feeding, has asked for processed corn meal under world-wide U.S. donation programs because it fills urgent needs which cannot be met by any other cereal.

CSM

Deriving its name from the initials of corn, soy and milk, CSM is a new food for infants and children, formulated by the United States Department of Agriculture's Agricultural Research Service. It contains a well balanced assortment of necessary nutrients and approaches the optimum desirable cereal-protein ratio. It is specifically designed for infants and children in low-protein status who require prolonged feeding to achieve normal levels of metabolism.

CSM's basic cereal component is processed [precooked] corn meal with added defatted toasted soy flour, non-fat dry milk, calcium carbonate and a vitamin-mineral premix. The result is a 20% protein food with an adjusted protein efficiency ratio of 2.42 to 2.48 and a nutritionally approved amino acid balance. It is virtually bran-free, has a bland flavor and smooth texture. Produced in powder form, it is pre-cooked and ready for infant or child feeding after one-minute boiling. Feed as a gruel, as a beverage or in other forms.

CSM has been tested successfully for acceptability in Southeast Asia and Latin America, and industry is prepared to fill immediate mass needs worldwide.

CEPLAPRO

Ceplapro is a high-protein, enriched corn-based food in kernel form resulting from the ingenuity of corn millers and outstanding nutritionists and providing the answer to specific requirements of President Johnson's new Food For Freedom program.

Ceplapro is of particular interest to areas where rice is a staple in short supply. It is adaptable to the many meat and fish dishes peculiar to Southeast Asian and Latin American eating habits.

It meets rigid specifications to provide an answer not only to hunger but also to malnutrition, particularly among the world's pre-school children whose nutritional requirements are the special concern of the new program.

One hundred thirteen grams per day of Ceplapro will provide one-quarter of a pre-school child's energy needs and approximately half of all of his other nutritional requirements.

Ceplapro is composed of degermed corn meal, durum flour, defatted toasted soy flour, non-fat dry milk, calcium carbonate and a vitamin-mineral premix.

Ceplapro's protein content ranges from 18% to 20% by U.S. Government specification. Its adjusted protein efficiency ratio is in excess of 2.25.

DEGERMED CORN MEAL (ENRICHED)

During the past decade, U.S. food aid programs have brought over 140 million tons of food to hungry people. Degermed corn meal, a basic product of the American dry corn miller, has always been a vital part of this program. It is expected to play an increasingly important role in Food For Freedom scheduling as world demands on total U.S. cereal production require a greater call on American corn.

Enriched corn meal is both economical and nutritious and lends itself to use in hot breads, main dishes and desserts. Extra food values contained in vitamins are added to corn's important natural iron, calcium and protein in this product.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and my colleagues, the question raised by the gentleman from Minnesota is one as to whether or not we should extend to agriculture as favorable terms of trade as we extend to other segments of our economy. It was the thought of the majority of the committee that we should. Entirely apart from the question as to just what the optimum period of time may be, it should be just as favorable for the sale of agricultural commodities as it should be for the sale of industrial commodities or for the purchase of any kind of commodities from our competitors.

Fertilizer is sold for only one purpose, that is to produce crops. The AID program sells fertilizer on 40-year credit. The fertilizer is used up the first year. It is used up before the crop is ever made. But it moves on 40-year credit.

The majority of the committee felt that obviously if we were going to sell fertilizer for use in foreign lands on 40-year terms, it was nothing but right that we should sell the food that may have been produced in the United States on terms just as favorable as we provided to the producer of the fertilizer, and I do not think there is any sound argument against that kind of equality of treatment.

But, the gentleman says, "The foreign aid bill should not have provided for those long terms." He says, "Food is different." He speaks of the more lasting things, such as the establishment of a plant, although long-term credit terms are not confirmed to the establishment of plants.

When I talk about the sale of fertilizer, I am not talking about the sale of a fertilizer plant; I am talking about the sale of fertilizer in bags and in bulk. I am talking about the thing that goes into the ground before the crop is ever made.

Mr. CALLAN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Nebraska.

Mr. CALLAN. Is it not true that in January of this year AID sold $50 million worth of fertilizer to India on 40-year credit terms?

Mr. POAGE. Yes, sir. It is true that AID did sell $50 million worth of fertilizer on 40-year terms, and yet we are told by the gentleman from Minnesota, we ought not to be able to sell wheat on those terms. We should not be able to sell rice on those terms. The gentleman has suggested the reason we should not treat food and fiber as favorably as we treat industrial goods, or the loan of dollars, is, he says, that the wheat or the rice will be eaten up and we will not be able to recapture that down the line in 30 or 40 years. That is perfectly true. And we will not be able to recapture it in 5, 10, or 15 years, either. So there is no difference between a 40-year credit and a 20-year credit so far as the ability to recapture the food item.

But there is no difference between the security offered by a food item and the building of a railroad or the building of a great plant that may be standing there 40 years from now, because, remember, we are talking about credit in a foreign land where the writ of the U.S. courts does not run, and you cannot go to these foreign lands and foreclose your lien as you could in the United States. Any time a foreign government repudiates its debts there is no such thing as a "secured" debt.

The gentleman from Minnesota suggests that the government may change in 40 years—and so it may. It may very well change in 20 years' time. It might change in 20 months' time. He says that then we could not enforce this lien. We cannot enforce this lien against property, whether it is for the most durable product or for the most transitory benefit, if the debt is owed by some foreign land and a hostile government takes charge.

What we are trying to do is to stabilize those governments so that friendly governments will be in charge and we will have someone with whom we can deal—someone who will recognize the obligation of a debt. No foreign debt is any better than the integrity of the government of the country which owes the debt.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Certainly, I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. The gentleman from Texas mentioned that we in the United States have made loans of fertilizer to India to the approximate figure of $40 million.

Mr. POAGE. Fifty.

Mr. GERALD R. FORD. On 40-year and 50-year terms, I assume, with a 10-year grace period. Does the gentleman from Texas think that is a good loan?

Mr. POAGE. Does the gentleman ask if I think it would be repaid? Is that what the gentleman means?

Mr. GERALD R. FORD. Yes, I will ask that question.

Mr. POAGE. I am not at all sure whether we will be able to save the Indian economy or not. If we do, I believe there is no question that the loan will be repaid. If the whole Indian economy collapses and the Indian Government collapses, I am sure it will not be repaid. Neither will any of the other loans be repaid—no matter whether they are for 40 days or 40 years—whether they were for food or for roads.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. POAGE] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. First I would like to observe that when this was considered in the committee, the amendments presented by Mr. QUIE and others were very clear and cogent and convincing to me at the time, so I voted to reduce it to 20 years. But, upon reflection and review, I realized that was wrong and moved to reconsider the vote, and I voted for the 40-year period.

These dollar loans we are making now permit terms up to 40 years for purchase of industrial projects, I think we should be equally generous in the sale of agricultural products.

Mr. POAGE. Mr. Chairman, the gentleman raised an important point. We can under the foreign aid program lend dollars to the countries, and they can take those dollars and buy their food products from a third-party nation, eat them up, and then owe us the dollars, payable 40 years hence.

We believe, if we provide food from the United States, we should be able to provide it on just as favorable terms as we loan money to foreign countries to buy food from third parties and be competitive with foreign countries, who are providing the food while we are furnishing the money.

We are furnishing the money, as the chairman points out. We are making 40-year dollar loans and letting the recipients buy food from third parties, and at the same time saying that if we sell the food produced by American farmers that the credit terms must be much less favorable.

Is that Yankee trading? Is that sound business? Are we trying to get the world's business, or does it seem we are trying to dig a hole and put our heads in the hole?

Mr. COOLEY. Is it not a fact that other countries are selling perishable commodities on long-term loans?

Mr. POAGE. Yes, it is true. The Soviet Union is selling on long-term loans, selling perishable commodities, food commodities. If we are to be competitive in the world market we must provide at least as favorable terms as our competitors provide. Certainly we must provide as favorable terms for the sale of agricultural products as we provide for the borrowing of dollars or for the sale of our industrial products.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and Members of the Committee, this amendment presents a very important question. I rise only for the purpose of shedding, I hope, just a little more light on it. I believe it should be treated with a little more importance than it has been up to now.

First, I want to make it well understood that I am strongly in favor of this legislation. Regardless of what happens to this amendment, I am for this bill. I think it is good legislation. It has been good for our economy. It has been good for those nations where starvation exists. It has been good for our export trade. In general this has been a good program; and this legislation which extends the program for 2 additional years is a good bill.

The 40-year loan business bothers me, and it bothered the members of the committee. The best evidence of that is that the committee first voted very strongly for the 20-year provision. Then the argument was advanced, as my distinguished colleague from Texas just pointed out, that if we are going to make 40-year loans under another act for other purposes, then we ought to make the same types of loans for the sale of our agricultural commodities. That makes for good argument, but not necessarily the best of sense. No two loans are alike. No two borrowers are alike, and neither are the lenders. And the making of unsound loans under one program does not obligate the Congress to the making of unsound loans under any and all programs.

I believe we made a mistake when we set up any kind of a 40-year foreign aid loan. Forty years is a long time. I do not know who is going to be running these countries 40 years from now. As the gentleman from Texas [Mr. POAGE] says, I do not know who is going to be running these countries after 20 years. But I can envisage the situation in these borrowing countries a little better 20 years from now than 40 years from now.

The idea that we must merely copy some other act or some other law does not impress me. We are being urged to duplicate a section of the foreign aid act, a section which in my judgment was bad when it was enacted. It is bad now and it will be bad tomorrow. I do not see why we should duplicate the mistake. We should exercise our best judgment on the measure before us.

The committee first voted down by a very substantial vote the 40-year loan provision. I would hope we would stick with the 20-year provision. Let us not get ourselves overcommitted. I hope you will vote down this amendment.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Minnesota.

Mr. QUIE. Does the gentleman from Mississippi know of any country which provides food on a 40-year loan basis?

Mr. ABERNETHY. No, I do not.

Mr. QUIE. The claim was made that we have to meet competition. I do not know of a country which does that.

Mr. ABERNETHY. I do not, either. The significant thing is that we have gotten along quite well since 1959 without any particular complaint or criticism with a 20-year loan provision. That is correct, is it not?

Mr. QUIE. That is correct.

Mr. ABERNETHY. Then why should we make this change? No good reason has been assigned. Not one.

Mr. QUIE. Mr. Chairman, will the gentleman yield further?

Mr. ABERNETHY. I yield to the gentleman from Minnesota.

Mr. QUIE. If the proponents of the amendment had been able to come here to say that the administration had never utilized the 40-year loan provision for the purchase of fertilizer, perhaps we could leave it to their sound judgment, but the fact is that they say they have a program under the 40-year provision, of $40 million to India, and this indicates they would use the authority for 40 years for food. This makes it even more important that the committee amendment not prevail. Does the gentleman agree?

Mr. ABERNETHY. I agree with the gentleman. I believe the 40-year loan is simply a gift or a grant.

I am not against some gifts or grants. Such are provided in this bill. But I certainly do not want to convert the loan provision into nothing more than a gift or grant, and that is just what a 40-year loan provision will amount to.

I might say that after a period of 20 years, if a nation finds itself in a position that it cannot pay we would no doubt do what we usually do. A negotiation would take place. They would ask for an extension. And the chances are they would get it. They usually do.

Mr. QUIE. I thank the gentleman.

Mr. ABERNETHY. Now, Mr. Chairman, regardless of what happens to this amendment, I am for this bill. I would like to address myself to the bill in a general way.

I count it a privilege to lend my support to the Food for Freedom Act of 1966. This legislation will benefit all Americans, particularly those engaged in agriculture. It will promote the export sale of our products. It will promote the economy in general. It will relieve hunger and famine in many parts of the world.

This is a good bill. It builds on our past experience under Public Law 480 and it takes into account our desires and responsibilities of the future. It is humanitarian but it also is utilitarian and practical. This bill, when it emerges from the Congress, will in my opinion be counted among the most important accomplishments of this 89th session.

There are many good things that can be said about the food-for-peace program as we have known it. Among them I would cite these three:

First. It has helped us build, most successfully, foreign markets for our agricultural products;

Second. It has been a potent force in helping us to move our agricultural surpluses into use;

Third. It has provided food for millions of people who otherwise would have gone hungry.

The new program, which we propose to identify as Food for Freedom, will do these things, and more. For one thing, it will emphasize, strongly and firmly, the absolute necessity that countries now receiving food aid must accelerate their own food production efforts and do a much better job of feeding their own people. It recognizes that our own food aid can only be transitional. We can help now but ultimately the countries now short of food must shoulder the responsibility of feeding themselves. The new program will provide both incentive and helpful means as they tackle this extremely large task.

BUILDING FOREIGN MARKETS

At a time when food shortage is perhaps the world's greatest problem, it may seem incongruous that we would cite the development of commercial foreign markets as one of the accomplishments of our food aid program. This is not at all inconsistent. As a matter of fact, food aid programs and trade development programs are closely interrelated and, when properly administered, are highly compatible. I will go further and say that food aid, properly administered, directly leads to economic development and actually creates new commercial markets. In other words, aid can and does become trade.

I believe that all of us strongly support food aid on a temporary basis—when children are going hungry, when there is earthquake or drought or other disaster, or when unemployment is general and breadwinners are unable to support their families. But food aid can be thought of rationally only as a short-term proposition. I think we all wince when we hear of any of our own American families that have been on relief for years, or even generations. Food aid must be administered with the dual objective of relieving hunger now and at the same time helping create new opportunity for jobs, wages, and ability to buy products commercially in the future. This the new program seeks to do. This I support wholeheartedly.

The Public Law 480 program has been in effect since 1954 and during this period it has made two distinct contributions toward building markets for our agricultural products.

One of these I have mentioned—the support it has given to countries trying to move upward from obtaining our products under aid into a new position of buying them through trade. We have seen notable progress in country after country—Japan, Spain, Greece, Thailand, Israel, and Taiwan are only a few.

Since the 1955–59 period, our cash exports of U.S. farm products to Greece have increased 16 times; to Taiwan, 13 times; to Spain, 10 times; to Israel, 2 times.

These countries, fully or mainly, have progressed from assistance under Public Law 480 to a new healthy ability to stand on their own feet and purchase their requirements on commercial terms. It can be done, and is being done.

The second contribution is in the financing of our market development program. One of the farsighted features of the Public Law 480 program has been its title I requirement that 5 percent of foreign currencies acquired through export sales of farm commodities be set aside for use in promoting commercial export sales of our agricultural commodities. It was my privilege to author and insert this 5-percent export sales provision into the act several years ago. This feature has provided the spark and the energy that has set effective new export promotion machinery into motion.

Ten or eleven years ago, when this market development program was just getting underway, American agriculture was not particularly active in promoting sales of its products in foreign countries. It is true that our cotton and tobacco people had some private promotions going: also, our fruit people were doing some work abroad. For a wide range of other farm products, however, we were doing practically nothing in foreign markets to build our reputation and increase our sales.

With Public Law 480, all this changed. We entrusted the Department of Agriculture with responsibility for setting up and administering a new export development program, financed with title I foreign currencies. The Department of Agriculture, with our support and concurrence, set up a number of cooperative projects with private agricultural and trade groups as a means of carrying out this work. These projects are jointly financed—the Department of Agriculture uses foreign currencies or dollar equivalents in financing its share, the agricultural and trade groups put in private funds coming from their own membership.

As a result of this development, sales of all major U.S. farm products today are being promoted in foreign markets—cotton, soybeans, wheat, feed grains, rice, fruits, vegetables, dairy products, poultry products, lard, tallow, variety meats, processed foods, and a number of others.

A total of 45 U.S. trade and farm groups are working with USDA's Foreign Agricultural Service, in more than 70 countries, in carrying out this joint market development effort.

Under the Public Law 480 market development program, Cotton Council International has been working with the Department of Agriculture in efforts to help cotton maintain and expand its markets in important consuming countries. In 1956–57 when the Public Law 480 market development program first started, world consumption of cotton was approximately 43 million bales whereas in 1964–65 world consumption of cotton was approximately 50 million bales.

Of course, many factors influenced this increase in world cotton consumption, including increase population and higher living standards, but there is no question but that the cotton promotion program that has been carried out by Cotton Council International and the Department of Agriculture in cooperation with the industry groups in the important consuming countries has contributed in some measure toward this increase. This program has helped create a bigger marketing opportunity for American cotton, and this is beneficial to Mississippi cottongrowers.

Cotton is experiencing increasing competition from synthetic fibers. The market development provisions of this legislation will make it possible for cotton and other U.S. agricultural commodities to fight for their export markets through constructive and effective promotion, which is so necessary today if American agricultural commodities are to maintain and improve their positions in the world market.

This export promotion work is paying excellent dividends. New export records are being set, practically every year. During this fiscal year ending June 30, we expect U.S. agricultural exports to reach the alltime new record of $6.7 billion. This will be $600 million higher than last year. It will be twice the level of agricultural exports of the 1951–55 period.

Market development work is helping set the stage for even bigger exports in the future. There is good possibility that we will reach $8 billion agricultural exports by 1970 and $9 billion by 1975.

Furthermore, I would emphasize that the big gains in our agricultural exports are in our commercial sales for dollars. Our dollar exports have been rising much faster than any expansion in our food aid shipments. Out of this fiscal year's expected $6.7 billion, about $5 billion will be dollar exports. This not only represents substantial income for our farm and city people in agricultural areas but also is a big and much-needed addition to our Nation's balance of payments.

These steadily growing agricultural exports have considerable meaning to my own State of Mississippi. During this 1966 fiscal year, we estimate that about $150 million of Mississippi's agricultural income will come from its exports of farm products. Well over half of this income, of course, comes from sales of cotton—which are down somewhat this year but are expected to recover in the year ahead. Mississippi has become a large grower and exporter of soybeans and soybean oil—and this is a rapidly expanding industry with a great future. Our rice is in strong demand overseas. We are having considerable success in selling our poultry products abroad. We are moving fairly large amounts of wheat and feed grains into the foreign market. And we are exporting some rather big amounts of livestock products, including lard, tallow, meats, and dairy products. Furthermore, most of this is commercial.

Mississippi produces many products that are in strong demand. We estimate that about 80 percent of Mississippi's farm exports are regular dollar-earning business.

MOVING AGRICULTURAL SURPLUSES INTO USE

I said earlier that the food-for-peace program has been a potent force in helping us to move our agricultural surpluses into use. Just how potent this force has been is indicated by recent events.

On May 5 the Secretary of Agriculture announced a 15 percent increase in the national acreage allotment for the 1967 wheat crop. He is calling for this increased production for a very practical reason—the wheat surplus that has plagued us for quite a few years is gone.

Earlier, the 1966 acreage allotment for rice was increased by 10 percent. Market demand for rice is very strong. The surplus is gone.

Feed grain growers are being encouraged to plant soybeans on feed grain acreage, which they can do and still remain in compliance with the feed grain program. We still have excess supplies of feed grains but any surplus of soybeans we may have had is gone.

The support price for milk has been raised to encourage greater production. The surplus of dairy products is gone.

These reductions in surplus stocks, as contrasted with 5 years ago, have been dramatic. For example, this July our wheat carryover will be nearly 60 percent lower than it was in July 1961. The Secretary of Agriculture noted recently that our June 30 carryover of wheat will be less than 600 million bushels, for the first time in 13 years. This amount is about 1 year's supply for domestic food consumption and seed. In view of wheat's highly strategic role in today's world food picture, it is clear that we have moved from an uncomfortably large supply of wheat to one that could become uncomfortably small were we not taking these new measures to expand production.

Exports are not the only reason but they are a highly important part of the reason for this virtual disappearance of many of our agricultural surpluses. Wheat and rice are good examples.

During the past 10 years, we have exported 5,826 million bushels of wheat. This is equal to five U.S. wheat crops. And 70 percent of this has been under food for peace.

During this period we have exported the equivalent of 211 million bags of rice—milled basis—or a volume equal to 5¾ U.S. crops. About 57 percent of this has moved under food for peace.

Large quantities of U.S. cotton have been exported under Public Law 480 since its inception nearly 12 years ago.

Approximately 9.4 million bales were exported under title I which provides for sales against payment in local currencies and about 600,000 bales were exported on credit under title IV. Thus exports under these two titles since 1954–55 have averaged about 800,000 bales annually, 18 percent of the total U.S. exports during the period.

Much of this cotton was exported to countries which did not have the financial resources to import adequate amounts of cotton to meet demand. In the absence of Public Law 480 cotton, consumers in these countries would simply have had less clothing and the cotton represented by Public Law 480 sales would not have been consumed.

If this 10 million bales of cotton had not been exported from the United States under Public Law 480, U.S. production would have had to be adjusted downward or the U.S. carryover on August 1, 1966 would be about 26.7 million bales rather than the burdensome 16.7 million now expected.

All States benefited from the Public Law 480 exports of cotton. Since U.S. cotton acreage allotments and marketing quotas are applied across the board to all States, each State benefited by its proportionate share of U.S. production.

Mississippi accounted for 12 percent of the U.S. production during the period; therefore, it was able to market 1.2 million bales more than it would have marketed if the 10 million had not been exported under Public Law 480. This, to Mississippi farmers, meant 100,000 more bales a year, 6 percent of its average production. In addition large quantities of cottonseed and soybean oils were moved under Public Law 480 which meant higher prices for oils and larger soybean acreages.

FEEDING HUNGRY PEOPLE

In discussing Public Law 480, I mentioned first our own self-interest in this program—the better markets it builds and its success in reducing burdensome surpluses. I did this because I believe that this program, despite its great humanitarian impact, could not continue to exist unless it brought benefits to those who give as well as those who receive. The fact that it has continued to exist—for more than a decade and is now before us for renewal—is testimony to its two-way benefits.

Let me speak now of those humanitarian benefits.

We are a nation with a great conscience. We are uncomfortable even at the very thought that people in other lands may be hungry. Through this program we have made available 140 million tons of food to hungry people during the past decade. We have helped to provide school lunches for 70 million children in foreign lands, and for many of them this has been their best meal of the day.

This great outpouring of our agricultural abundance not only is helping to provide food and clothing for millions of people in need but has a number of equally important additional virtues. The presence in less developed countries of our supplies is helping to hold down inflation. Through the title I system of selling our products for foreign currencies, and then putting many of these currencies back into economic development, we are directly stimulating and helping these nations to move ahead. In country after country, we can point to new roads, new power and irrigation works, new schools, and other essential public services that came into being only because there has been a Public Law 480.

There is a serious question today whether the world's greatest crises of the future will come from atomic explosions—which we pray will not happen—or from the population explosion, which already is happening.

At the present rate of increase, world population will increase as much in the next 35 years as it has since the beginning of time—from 3.3 billion now to 6½ to 7 billion by the year 2000. If by the year 2000 the world's people are to be adequately fed, they will require two and one-half times the amount of food being produced now.

What we are shipping needy people under Public Law 480 is large, extremely large. But this, in terms of the astronomical needs of the future, would make only a small dent. The world's people have no choice but to do more for themselves—through population control and through much larger food production. What we have been doing under the food-for-peace program, and what we propose now to do under food for freedom, is to use our supplies in such a way that they avert hunger for now and that they help provide the physical and economic energy these less developed countries require in order to do this future job that they absolutely must do.

In other words, the food-for-freedom program will help buy time and will postpone or, if we are successful, avert that day of reckoning toward which the world is now headed, the day so grimly predicted by Thomas Malthus last century when he foresaw the time when population would outgrow its food supply and starvation would stalk the earth.

Mr. FINDLEY. Mr. Chairman, I rise in opposition to the amendment and move to strike the requisite number of words.

The gentleman from Mississippi made a very excellent statement, and I feel he helped to get the issue on this amendment down to its basic fundamentals. Most of us will question the wisdom of 40-year loans to a foreign government of uncertain future for any purpose, whether it be for fertilizer, food, machinery, or even a dam.

The question then before this body is whether or not we should take the opportunity we have today to try to cut off some of this 40-year fiscal foolishness, as I would call it, or whether we should simply wait for tomorrow when the foreign aid bill comes out of the Committee on Foreign Affairs and make one great big effort then to try to bring the whole package down to a more reasonable level. I say we should take the opportunity now at hand. The length of the loans authorized by the committee amendment is not the only consideration. The interest rate is of tremendous importance. For example, the 10-year grace period authorizes a rate of interest of only 1 percent. Let me illustrate what that means. Let us say that Poland gets a loan under this provision and uses the 10-year grace period at 1 percent and buys $1 million worth of commodities. At the end of that 10-year period, if they paid their interest, they would have paid $104,000 interest. Meanwhile, the taxpayers of the United States would have had to shell out 4 percent interest to help finance their public debt, and at 4 percent interest that same $1 million loan for the 10-year period comes to $480,000. That means the Communist government in Poland would have an advantage at the expense of the U.S. taxpayers worth about $376,000 on this single $1 million transaction. I say that that is nonsense, particularly when we read in the papers, as we did last April 26, that the Polish Government filed a suit against the United States claiming damage to one of its transport ships supposedly damaged by our aircraft in a harbor near Haiphong in North Vietnam.

To me it is just plain nonsense for us to permit legislation to go through this body which would authorize 40-year credit to a government like that and embodying in the terms 10 years at 1 percent interest and the balance at 2½ percent interest.

The Committee on Agriculture is presently considering a bill to establish an electric bank because of rising criticism over the 2-percent interest rate which rural Americans enjoy through electric cooperatives. The bill now before us would authorize a 1-percent interest rate for 10 years even to Communist governments. I do indeed support the gentleman from Minnesota and the others who have said that this is just plain foolishness. At this moment we should strike while we have the opportunity and try to bring these long-term credit arrangements into some kind of sense and balance.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to the chairman of the committee.

Mr. COOLEY. I thought we could compromise this matter in the committee by putting in the language we have on page 14 of the bill, which reads as follows:

> In any event such agreement shall be no less favorable to the United States than for development loans made under section 201 of the Foreign Assistance Act of 1961, as amended.

Is that not a compromise between the 20- and 40-year periods?

Mr. FINDLEY. That is the amendment which the committee did report favorably. That is true.

Mr. COOLEY. That is what I say.

Mr. FINDLEY. But it simply means the interest rate will be on the same level as the interest rate which is provided in the Foreign Assistance Act. I think we should take this opportunity to cut back on the 40-year term because that is what is presently provided by the foreign assistance law.

Mr. COOLEY. But then you still have the Foreign Assistance Act coming up later with a 40-year dollar loan. It would be plain nonsense for you to give dollar loans for 40 years and let them take our dollars and go out to——

Mr. FINDLEY. I hope the gentleman will support an amendment when the foreign assistance bill comes before us at that time to cut the 40 years down.

Mr. COOLEY. Will the gentleman please let me finish my sentence?

Mr. FINDLEY. I will be glad to.

Mr. COOLEY. Do you not think it would be better for us to wait and work on the Foreign Assistance Act first?

Mr. FINDLEY. No; I do not.

Mr. COOLEY. Then, if we reduce it to 20 years, this can be done here, too.

Mr. FINDLEY. Let us do what we can today and then try to complete the job later.

Mr. OLSON of Minnesota. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have left out some important facts here in this debate, and I submit to you it was those facts that changed the mind of the committee. In the first instance I supported the 40-year loan in the committee, and, of course, the committee decided otherwise. As I have pointed out, when the facts were brought to bear on this argument, the committee reversed its position. I want to quote from page 45 of the report to substantiate what has been brought out in the discussion that indeed we have been making loans and have been making them for a 20-year period. And, I quote:

> Thus far, more than 75 long-term government-to-government dollar credit sales have been made to 30 different countries, for an amount in excess of $1 billion, and 40 of these sales have been made on terms more favorable to the United States than the minimum authorized by the law.

Now, Mr. Chairman, the very important point is that the total of these loans under Public Law 480 are in an amount of $1 billion.

Mr. Chairman, the gentleman knows these loans equal only 5 percent of the total past transactions and if he does not know it, it does not take much checking to know that this program has cost over $20 billion since its inception.

Mr. Chairman and gentlemen of the Committee, we are going from a soft currency sale program into a dollar loan program. That is the important fact in this discussion, that we have gone from a giveaway program to a program of emphasizing the value of these products and emphasizing the value of these products to the United States.

Mr. Chairman, defeat of this amendment would indeed be a serious mistake and throw a complete roadblock in our efforts to go to dollar loan programs under this Food for Freedom Act, replacing Public Law 480.

Mr. Chairman, if we made the terms of the law so restrictive that we could not indeed make them operative at all and if we would rather have people going other places with their dollars with which to buy food if it is available—and it might be available in the instance of wheat from Canada, after they have bought fertilizer from us on a 40-year basis, they will go up and get the same favorable credit when they buy their food from whoever it might be available.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. OLSON of Minnesota. I yield to the gentleman.

Mr. FINDLEY. On page 45 the committee report points out that $1 billion in transactions, to which the gentleman refers, all of it was consummated upon terms no more restrictive than what would obtain if this amendment is rejected. In other words, the length of the term was in no case longer than 20 years, and the grace period in all transactions was no longer than 2 years.

Mr. OLSON of Minnesota. I thank the gentleman from Illinois and I think it proves the statement of the gentleman from Minnesota [Mr. QUIE] was incorrect when he tried to infer that because we have made 40-year credit sales of fertilizer, we would make all food sales on a 40-year credit basis. The record indicates, as pointed out, that we have not made all credit sales on as favorable a basis as allowed.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield further?

Mr. OLSON of Minnesota. Yes.

Mr. FINDLEY. Then I would assume the gentleman will agree that this dollar sales operation will continue at a satisfactory pace, even if this amendment is rejected, because we would then be on the same credit-term basis as we have been in recent years?

Mr. OLSON of Minnesota. I would accept the fact that it certainly can continue at the rate of as much as $1 billion or about 5 percent of the program but we are dealing with only 5 percent of the total program. Surely, we do not want to take that kind of a chance in the food-for-freedom program this afternoon.

Mr. FINDLEY. Mr. Chairman, if the gentleman will yield further, have any sales been lost for want of better terms?

Mr. OLSON of Minnesota. They have been getting them in soft currencies, I will point out to the gentleman. They have not been able to consummate the agreements on terms as have been available, thereby pointing out the fact that the terms have not been favorable enough to carry out the intent of the bill, to shift to dollar sales.

Mr. Chairman, we are trying as the gentleman knows from the discussions in the committee, to work away from soft currencies sales. We feel it is more favorable to us to make these sales on a dollar credit basis and have them owing us something for this food.

I believe in the case of the aid that has been given to France over the years that it might be kind of nice to have France owe us a little money.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CALLAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think we can put this in perspective pretty quickly.

This is no life or death matter as far as this food-for-freedom program is concerned. All we are talking about today is whether or not this country wants to allow the producers of agricultural products to sell their products under this Food for Freedom Act on the same terms that we sell tractors and fertilizers and machinery and all these other industrial products. That is about all that is involved here. I do not really believe that anybody thinks whether we sell food with 20-year financing or 40-year financing is really going to make much difference. What the Committee on Agriculture wants to do is to set this program so as to comply with the foreign aid program, and if the foreign aid program is changed, this also will be changed so that we can sell agricultural products on as favorable terms at least as we sell the products of industry. I think this is fair to agriculture. I think the Department of Agriculture and these people who are making these deals are going to make them on the best terms that they can as far as the United States is concerned. So what we are involved in here, it seems to me, is a rather nitpicking operation. This amendment, that is the committee amendment, should be adopted.

Mr. Chairman, I yield back the balance of my time.

Mr. COOLEY. Mr. Chairman, if we can agree on a limitation of time, I ask unanimous consent that debate on this amendment be limited to 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. BELCHER].

(By unanimous consent (at the request of Mr. COOLEY) Mr. BELCHER was granted 1 minute of the time allotted to Mr. COOLEY.)

(By unanimous consent (at the request of Mr. EDWARDS of Alabama) the time allotted to him was granted to Mr. BELCHER.)

Mr. BELCHER. Mr. Chairman, this is about the only controversial part of this bill that is left. The fact of the matter is, I understood the chairman to say a while ago that he understood there was a compromise on this. Well, this is the kind of compromise we had.

First, this 20-year amendment was adopted I think by a vote of 21 to 12. Then later on a reconsideration an amendment was offered by the chairman and that amendment was adopted, the amendment that we are now discussing by a vote of 19 to 15. So the compromise was just about 50–50 on each side.

It has been stated here that it does not make a whole lot of difference whether we have 20- or 40-year loans. I agree that the chances are we are not going to get any money out of it anyway. It is more or less academic because it is just as it says in the report here—the chances are they are going to owe us this money forever rather than beat us out of it. But we are giving away $800 million worth of food as an absolute gift. Then we are selling $2½ billion worth of soft currency from which we get very little in return.

Now, at a time when we do have an opportunity to get a few dollars out of some of these commodities, we are going to give them 40 years in which to pay their grocery bill. That is exactly what this amounts to. It is their grocery bill. When we sell tractors and equipment of that nature, from which they can supply themselves, we at least have given them some self-help. But when we give them 40 years in which to pay their grocery bill, I would imagine that possibly some of those people 40 years from now would object to paying the grocery bill of people who lived 40 years prior to their particular time.

But, in addition to all of that, some of us who live in more or less closely divided districts—and mine is not so closely divided; it is about 2 or 3 to 1 Democratic, and I have to run on the Republican ticket—it is necessary for me to go home and explain to our taxpayers some of the merits of some of these bills, and it is going to be a little hard to explain why this Government would now pay 5½ percent interest on money and then buy commodities and sell those commodities to foreign nations on terms under which, first, they would not pay a single penny of the principal for 10 years, then only 1 percent interest for 10 years, and then they would pay 2½ percent interest. They would be given 40 years to pay the balance. It is going to be hard for me to explain to my taxpayers that if this is a sale, why should we pay 5½ percent on money and at the same time turn around and loan that money to foreign countries at 1 percent interest.

There is a great deal of sentiment for taking care of these starving people. We are spending $800 million to do that. We are spending $2.5 billion to sell commodities on terms of their own soft currency. Certainly it would look to me like that was enough of a charitable proposition under this bill without attempting then to sell the commodities that we have some opportunity to sell on a 40-year basis of this kind. I would rather go home and say we are going to give these commodities to people who cannot afford to pay for them, because they are going to starve if we do not give it to them. But to go home and try to defend a sale at 5½-percent money to our Government to them for 10 years at 1 percent, I would think my taxpayers would think I am a darned poor businessman. It would be better to give them the commodities.

Mr. OLSON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Minnesota.

Mr. OLSON of Minnesota. You have already been in the situation in which you have had to go home and explain to your taxpayers that we were making these sales for soft currencies. We are making a transition from a program that is worse than no sale at all, and now finally we are reaching an understanding for a credit sale that is of more benefit to us, to the United States, and we can impose more of an incentive on the recipient nations to do more for themselves by going to dollar sales. This we have had to explain all the time.

Mr. BELCHER. Yes, I have had to explain why we give these commodities away for foreign currency, but I think a great many of the church organizations and humanitarian organizations support this bill on the theory that it provides food for peace. We are taking care of these foreign nations that cannot afford to buy stuff for dollars. But then to go home and say that when you do have a chance to get dollars we allow them to owe us forever, it will not cut down the $2.5 billion at all on these 40-year sales. It would not cut down the expense of $800 million.

Mr. OLSON of Minnesota. The gentleman raises a very important point in the conversation here. It is intended that the dollar loan replace the program of soft currency sales. I have no argument with you at all, if it were not that we intend to replace the soft currency sales, and we have set a deadline for doing it at 5 years, as the gentleman knows. The committee cut the bill to a 2-year extension, and we will still make all the effort we can to make the transition from soft currency sales to dollar loans.

Mr. BELCHER. We are not going to make a transition from soft currency to dollar loans to countries that cannot afford to pay on soft currency, I hope, so I do not believe there will be any cutdown in the amount of giveaway programs we have.

We will have to go home and defend the sale. It is bad enough to defend the 20-year sale with a 2-year grace period, rather than a 40-year sale with a 10-year grace period. If the gentleman can explain that to his taxpayers, it is all right with me. I would like to have him come and explain it to some of mine.

Mr. OLSON of Minnesota. Again the gentleman is saying that we are not going to be able to make dollar sales, if our restrictions are such that we insist they have to stay on soft currency sales. That is the whole point of the argument.

Mr. BELCHER. I cannot kid my taxpayers that a 40-year loan is very much of a sale. They will think I am a dummy.

The **CHAIRMAN.** The Chair recognizes the gentleman from Wisconsin.

Mr. STALBAUM. Mr. Chairman, I rise in support of the amendment for one very simple reason. I do not want to see our American farmers made into second-class citizens. That is obviously what those who oppose this amendment are attempting to do. They come before us and say it is perfectly all right to give 40-year terms for anything bought from American industry, but anything bought from the American farmer, must be paid for in 20 years.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. STALBAUM. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Chairman, I do not say that. I say the 40-year loan was wrong to begin with.

Mr. STALBAUM. Does the gentleman admit that the 40-year loan is all right for American industry products?

Mr. ABERNETHY. I do not. When that was considered I was outvoted. Such a loan is absolutely unsound.

Mr. STALBAUM. The gentleman has been outvoted several times, because we set up the 40-year terms for industry long ago.

Now the gentleman wants to say that in spite of the 40-year loans for industry, agriculture shall be limited to loans for 20 years. That is precisely the argument before us this afternoon. They use the argument that industrial loans are for industrial plants and hard goods. We have talked about fertilizer. Let us add petroleum and textiles and pulp and paper products to that list, because those can be bought on 40-year terms too. It is all right to buy these perishables on 40-year terms, but it is wrong to buy food on that basis.

It is as if a buyer came to a bank and, as a foreign nation, says "I want money for food." The banker says "Fine, we will let you have it for 20 years to buy American food." But the purchaser can go to the next window and say "Let us have money for 40 years." The banker says "Fine, we will let you have money for 40 years to go out and buy food any place else in the world but in America."

No, I am not going to stand here today and vote to make the American farmer a second-class citizen.

The **CHAIRMAN.** The Chair recognizes the gentleman from Iowa.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Oklahoma.

Mr. BELCHER. Mr. Chairman, the gentleman who addressed the House a few minutes ago intimated it is terrible to make these countries pay their grocery bills within 20 years. Does the gentleman know of any place in the United States where an American citizen can buy his groceries on 20 years' time?

Mr. GROSS. I certainly do not.

Mr. BELCHER. I do not.

Mr. GROSS. Let me inform the gentleman from Wisconsin [Mr. STALBAUM] that I am another Member of the House who has never voted for 40-year so-called loans to foreigners. I was surprized to hear the gentleman from Nebraska [Mr. CALLAN] say a few minutes ago that we are nitpicking in trying to limit loans to foreigners to 20 years instead of 40 years. It is difficult for me to believe that anyone in the House of Representatives today would say that this is nitpicking in view of the fact that American taxpayers are now holding the bag for billions of dollars in loans long since due and payable.

Yugoslavia seems to be doing very well at this trough of bargain price food, according to the committee report. Yet, according to the newspapers of June 7, 1966—and that was only a couple of days ago—Tito assailed the United States for continuing what he called an "injurious and inhumane aggression" in Vietnam.

Is it nitpicking to say to Tito, "You pay up in 20 years instead of 40 years"? It is nitpicking to give him anything at all under the circumstances.

Much has been said about the 1-percent interest rate in the first 10 years, during the so-called grace period. How much is being charged to administer these so-called loans? What is the carrying charge? I do not believe we are getting any interest at all in the first 10 years. If I remember correctly the State Department figures that at least three-fourths of 1 percent is required to administer the loans, so I do not believe we are getting even 1-percent interest.

Then, for the remaining 30 years it is to be 2½ percent. It is unconscionable to ask the American public to support a bill of this kind. The time to stop this kind of business is now—today.

A few moments ago some one asked the gentleman from Texas [Mr. POAGE] the question as to whether India would ever pay, and he said he very much doubted that India would do so. Of course he is right.

I am sure the gentleman from Texas, because he votes against foreign aid bills, opposed the 40-year loan provision in the Foreign Assistance Act, and I am surprised that he is here today trying to justify 40-year loans for this so-called Food for Freedom Act.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. The gentleman from Wisconsin [Mr. STALBAUM] and I believe the gentleman from Texas [Mr. POAGE] said that other countries were making 40-year terms for the sale of perishable food products. I ask the gentleman from Wisconsin, what country is making loans for the purchase of their perishable food stocks on 40-year terms? I should like to have the name of the country. I specifically ask that he supplies the information to the committee.

Mr. GROSS. Mr. Chairman, the gentleman from Michigan is not likely to get an answer to that question now or later for the record is clear that no other country supplies perishable food products to be paid for 40 years from now, if ever.

I will probably support this bill, but I serve notice on the record that unless the foreign aid bill, which is to be considered shortly by the House, is drastically reduced in terms of money and the 40-year loan provision in the foreign aid bill is also drastically reduced, I have provided my last vote for this program.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The Chair recognizes the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, I rise in support of the amendment.

I should like to point out a matter which I am sure we are all familiar with; that is, that one of the biggest problems we have in the administration of this program is the accummulation of foreign currencies.

I had the pleasure of being a member of the great Committee on Agriculture for 10 years. Most of that time I was a member of the Subcommittee on Foreign Agricultural Operations. I repeat that in my opinion one of the most perplexing problems is the accummulation of these foreign currencies or soft currencies, as they are commonly called.

If the Members will look on page 11 of the report, they will find a tabulaton as to the accummulation of these currencies. It is over $10 billion. They will also note on page 11 that we are moving over now into sales of these commodities for dollars. We are making progress.

I would say that the most important reason, in my opinion, why we should support the amendment which is being offered is that it moves in the direction of away from soft currencies into the direction of sales for dollars.

What can we do with those currencies? The uses are limited, as Members well know. We do get some little good from them.

A couple of years ago, when we voted on the so-called Nasser amendment, what we did in the House was to say we could not sell our commodities under title I, Public Law 480, for the foreign currency of Egypt, but we could keep on with the other parts of the program.

I voted against that amendment because it would take away from us a title out of which we were getting some good. We can pay for some costs of our embassies and for other costs, too, that we have in these countries where the foreign currency is accumulated.

Mr. Chairman, I repeat again and again that one of the biggest single problems with this great piece of legislation—and it is a great piece of legislation—is the accumulation of foreign currencies. If you vote for this amendment, in my opinion, you are voting for a more businesslike, sound approach to this problem of selling these commodities. It may be difficult to explain, my colleagues, but surely it would not be hard to point out that it would be better to take a chance with the American dollar than with an Indian rupee. That is exactly what we are trying to do when we present this amendment. Also, if you vote for this amendment and it passes, it gives more flexibility in the operation of this program. I have been among those who have felt when you set the ground rules in matters of foreign policy, you must have a little bit of flexibility for those in authority to decide exactly when the "i" should be dotted and when the "t" should be crossed. So it is my opinion that if we pass this amendment, it will give to this program a flexibility that is sorely needed.

Again I repeat it seems to me this is a good amendment. It points the way for dollar sales, yes, maybe on a long-term basis but certainly on a basis which would put the program on a sounder basis than the sale now for foreign currencies.

I think that this adds flexibility to the program, and I hope the amendment will be passed.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, Members will recall when we have our agricultural appropriation bill up before the House usually the biggest item in that bill is one for the restoration of the capital impairment of the Commodity Credit Corporation. This year this item came to $3.5 billion.

Today we are talking a lot about loans. One would get the impression that when you make a loan to a country that eventually you are going to get repaid. That is well and good. But I would remind the Members regardless of what kind of machinations go on here in the disposal of these surplus commodities, we are going to get the bill to pay for these so-called loans a year or a year and a half after the transaction has been completed. This will come, of course, in the form of a request by the Agriculture Department for so many hundreds of millions—yes billions to restore the capital impairment of CCC.

Now let me ask a question of the chairman. Mr. Chairman, do I understand that this is a 2-year program and the total amount of authorization here then would be the $3,333 million over a 2-year period?

Mr. COOLEY. Oh, no. It is $3.3 billion each year for 2 years, making a total of $6.6 billion.

Mr. MICHEL. Now might I ask this question: What is the consideration as to whether or not we enter into a dollar loan or a local currency loan? Who makes the determination as to whether we are going to sell or dispose of these commodities by way of a dollar or a local currency loan.

Mr. COOLEY. That is an administrative determination that will have to be made. We are talking about loans, not gifts. You will recall—and I am not trying to be political about it—Mr. Dulles felt that Poland was not a country which was dominated by the Soviets. We have been trading with Poland and trading with Yugoslavia under the Eisenhower administration.

We gave India 42½ percent of the cost of a $2.2 billion sale and we loaned them 42½ percent. I do not know when that will be repaid. But we did that to relieve suffering in India at that time.

Mr. MICHEL. As a matter of fact, does not the Polish agreement require a repayment in some percentage in dollars?

Mr. COOLEY. All of that will be paid back in dollars.

Mr. MICHEL. All right.

Mr. COOLEY. We have had some profitable trade with Poland, and also with Yugoslavia.

Mr. MICHEL. So, this is going to be strictly an administrative determination on the part of our negotiators, as to whether or not we obligate ourselves to local currency or a dollar loan.

Mr. COOLEY. If the gentleman will look at page 3, line 5, there is this language: "take steps to assure a progressive transition from sales for foreign currencies to sales for dollars at a rate whereby the transition can be completed by December 31, 1971."

Mr. Chairman, that is what the purpose will be, and under this bill we will aid the countries who are trying to aid themselves.

Mr. MICHEL. I would hope, Mr. Chairman, that our negotiators in these loan agreements would be hard-nosed. I know for a fact that in the past we could have had an agreement in dollars, but settled for local currency with one of our neighbors to the south. I simply want to serve notice on those who will be doing the negotiating of these agreements in the future, that I intend to have the specifics of these agreements included each year in our agriculture appropriation bill hearing record. I suspect it may be quite revealing.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Minnesota [Mr. QUIE] for approximately 4 minutes.

Mr. QUIE. Mr. Chairman, there was some question, as was mentioned by the gentleman from Florida in his comments, as to the accumulation of soft currencies around the world and this caused us many problems.

However, with these 40-year loans what we would do is accumulate the paper on the loans. We would not see as much return on this venture as we would with the use of soft currencies. We at least have the opportunity to use this money twice under foreign currency sales. First the countries get the food, then we can lend their money to them or give them grants for further improvement of their country.

Mr. Chairman, if the purpose of the amendment is to improve food production in the recipient countries, we can use the soft currencies to do it. The loan paper could not be used to increase food production after the loan is made. We could not even require them to pay back before 10 years, as they could have a 10-year grace period.

Mr. Chairman, I do not believe this in any way makes the farmer a second-class citizen. I believe that limitation to 20-year loans is a practical judgment on the part of the Congress. If the AID has not used proper discretion by providing 40-year loans for consumer items, then that is their mistake and we ought to take this up when the foreign aid bill comes up for consideration.

But, Mr. Chairman, to claim that two wrongs make a right, flies in the face of everything that I have learned in the past.

Mr. Chairman, if we believe it is wrong to have a 40-year fertilizer loan or a 40-year loan on any consumer items, why should we further set the precedent by providing a 40-year loan on agricultural products.

Mr. Chairman, I do not know of a country in the world that extends that type of credit on consumer products and for us to begin this with respect to food on the part of the United States is an unwise action.

Mr. Chairman, if we are going to keep Public Law 480 a good law, one to which we can point with pride in years to come and one which has been proven in the test of time, we must make it a 20-year loan program, and no more.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY] for approximately 3 minutes to close debate.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I thank the gentleman from North Carolina.

Mr. Chairman, I believe in order to put this thing in the proper perspective, if the Members will turn to page 45 of the report and read this language in section 106, the amendment about which we are talking now merely permits and does not require that credit terms shall be as liberal as those authorized in the Foreign Assistance Act.

I am referring to page 45 of the committee report:

> On the contrary, the controlling provision in this section reads: "Payment by any country for commodities purchased for dollars on credit shall be upon terms as favorable to the United States as the economy of such country will permit." Under the existing provisions of Public Law 480, dollar credit sales are for a maximum of 20 years with an interest rate not less than that provided in section 201 of the Foreign Assistance Act.
>
> Thus far, more than 75 long-term government-to-government dollar credit sales have been made to 30 different countries, for an amount in excess of $1 billion, and 40 of these sales have been made on terms more favorable to the United States than the minimum authorized by the law.

At the time this was up, I had an amendment to this bill. I said then that what I wished we could do, but of course it was impossible for the Committee on Agriculture to amend the Foreign Assistance Act—I said that and I think we would have considerable support for it, that when the foreign assistance bill is up we will have an opportunity to amend that. That is where the amendment should be.

I will go along with the 20-year payment there. Let us get it down. But the way we have it now if we do not adopt this amendment, we are going to find ourselves in the position of being forced into making some loans with 20-year payments.

Then the Foreign Assistance Administration and the State Department will come along and say, "We will give you dollars for 40 years."

This is a protective thing and if you people who are so interested in preserving this, will when the foreign aid bill comes up, will try to bring that down and the gentleman from Iowa a minute ago was talking about it but got a little off the subject—and I am in favor of what he is trying to do, but at the same time being a member of the committee—if the gentleman will help us there and bring this foreign aid loans down to 20 years, I will go with you all the way on that.

Mr. GROSS. Why wait until tomorrow or sometime in the future to do what we ought to do today?

Mr. JONES of Missouri. But this is only affecting one segment of it. What you are doing here is putting agriculture in a different category and imposing some requirements there that will adversely affect the agricultural community. When your foreign aid bill comes up, I will go with you to bring it down to 10 years so far as I am concerned. I want to see us get it down, but all we are doing here is saying that it would be on terms no less favorable to the United States. My amendment would provide that it would be no more favorable to the borrower. I think that would be just putting it in the negative rather than in the positive. I am in favor of bringing it down but let us do it when the foreign aid bill comes up. If you are as unified on that as you appear to be today on that side, I think we can do it.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. QUIE), there were—ayes 58, noes 47.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> On page 15, line 7, strike out the word "to" and insert "be".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> On page 25, line 15, strike out "and interest rates" and insert "interest rates, and the terms under which dollar credit sales are made,".

The committee amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

> Committee amendment offered by Mr. COOLEY: On page 16, line 2, strike out "-03(e)" and insert "103(e)".

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. COOLEY

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. COOLEY: On page 7, line 21, strike out the period and insert a colon and the following: "*Provided*, That the Secretary of Agriculture may release such amounts of the foreign currencies as set aside as he determines not to be needed, within a reasonable period of time, for such purposes."

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes in support of the amendment.

Mr. COOLEY. Mr. Chairman, the intention of the committee was to include in section 104(b)(1) of this bill all the substantive provisions of section 104(a) of existing law, relating to market development.

The language in this amendment was added to that subsection by Public Law 89-106, approved August 4, 1965, but was inadvertently omitted in drafting H.R. 14929.

This is, therefore, a technical amendment to correct that drafting error.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FINDLEY: On page 4, line 3, strike the words "for foreign currencies".

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his amendment.

Mr. FINDLEY. Mr. Chairman, I would like to review the effect of the committee amendment just accepted—that is, the first amendment which was under discussion. It will permit 40-year loans with a 10-year grace period at 1 percent and 2½ percent on the balance beyond the 10-year period. It is one thing to authorize fancy credit terms like that for countries that are supposedly friendly—like, for example, Pakistan, India, Brazil, African countries, and the South American countries—but it is quite another thing, it seems to me, to authorize those fancy terms for a Communist country. Under present law Poland is in effect limited to 5-year credit terms; Yugoslavia, to 20 years. The effect of this bill, as it now stands, is to extend that period to 40 years for both countries, and to provide a 10-year grace period, with interest at only 1 percent.

The Treasury Department is, of course, presently paying somewhere around 3 to 4 percent on money it borrows to keep refinancing our Federal debt, and our deficit financing seems to go on endlessly. It seems to me incredible that we should ask the American taxpayers to authorize the Treasury to borrow money at 4 percent and in turn extend credit at 1 percent to Communist governments.

The effect of my amendment would be simply to shut off Yugoslavia and Poland from having access to those fancy credit terms. It would not deny the President the authority, if he saw fit in an emergency, to send donations of food to meet disaster conditions, an outright gift to those countries, but it would deny to those two countries the opportunity to profit from cut-rate credit financed by the American taxpayers.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. I think, if the gentleman is in agreement, we could say that in one instance when Yugoslavia was struck by a catastrophe, American aid was forthcoming.

Mr. FINDLEY. Indeed it was.

Mr. HARVEY of Indiana. That it was very effective in relieving the distress in that particular instance. So I do not think that the amendment, which I am supporting, will preclude us from either helping Yugoslavia or Poland in the event a real emergency or dire need should be evidenced.

Mr. FINDLEY. The gentleman from Iowa [Mr. GROSS] just quoted Marshal Tito, the Communist ruler of Yugoslavia, as having said just 2 days ago that we are following an "inhuman" course. He referred to our "inhuman aggression" in Vietnam and, of course, we have had some rather strong indication that the Polish Government is trading with North Vietnam.

Another provision of this bill, of course, would provide for a cutoff of all advantage in concessional sales if we can prove that these Communist countries are trading with the enemy in North Vietnam.

But to me it seems unwise for us to authorize cut-rate credit to either Communist government even if we cannot prove they are trading with North Vietnam.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

I mentioned a moment ago something about Yugoslavia and Poland. We have had some profitable trading with both these nations.

The national interest of this country would be hurt by the proposal to ban dollar credit to Communist countries under the Food for Freedom Act.

Such a restriction would hamper the efforts of the United States to make some Communist countries less dependent on the Soviet Union or Communist China.

Such a restriction would also close expanding foreign markets to a substantial flow of soybeans, soybean oil, wheat, cotton, tobacco, and many other farm products.

Yugoslavia is an excellent example of a country in which wise and constructive use of dollar credit is giving us both political and economic plusses.

Yugoslavia, though a Communist country and one of those to which the proposed ban would apply, continues to move farther away from the Soviet Union. It has not been a part of the Soviet bloc since 1948, when it refused to accept Soviet guidance in its internal affairs. Instead, it has maintained its national independence, resisting various efforts of Russia to regain influence in Yugoslav affairs.

There are other signs that Yugoslavia is independent of Soviet control. For example, it is not a member of the Warsaw Pact military alliance. It has, on the other hand, participated for a number of years in many Western-oriented organizations, such as the OECD, IMF, GATT, and numerous subsidiary organizations of the U.N. that have been boycotted by the Soviet Union.

Today, more than 70 percent of Yugoslav foreign trade is with the non-Communist world. This trade, much of it based on credit, is in line with U.S. policy, which has been to decrease Yugoslavia's dependence on its big neighbor.

Other countries of Eastern Europe are becoming restive under Soviet control. The list includes Poland, Rumania, Bulgaria, Czechoslovakia. In these countries, as in Yugoslavia, it is to the advantage of the United States that contacts with the West be strengthened. One way that policy goal can be reached is through trade. And dollar credit is an important factor of the overall trade pattern.

American agriculture has a great stake in the markets that dollar credit helps to create.

Yugoslavia has used the title IV, Public Law 480, credit program to buy $308 million worth of soybeans, soya products, wheat, cotton, tobacco, tallow and others. Yugoslavia is having an economic boom; growth increased 64 percent between 1958 and 1964; there is every prospect that these credits will be repaid promptly and in full. To date, $18 million has been repaid on the title IV principal amount and over $6 million in interest.

Poland offers a sobering contrast to Yugoslavia.

Under Public Law 480, Poland is not eligible for the long-term credit that Yugoslavia enjoys. Public Law 480 limits its credit to Poland to a maximum of 5 years. Poland, under pressure of converting zlotys to dollars under its title I purchases, has not found it possible to make use of the limited 5-year credit. Shipments of farm products to Poland reflect the difference in treatment. In calendar year 1965 our Public Law 480 shipments to Poland amounted to only $7.6 million, as compared with about $75 million the previous year. And dollar sales—primarily under CCC short-term credit—amounted to less than $1.5 million, as compared with $7.8 million in 1964.

Authority to grant dollar credit to Communist countries gives the United States flexibility in both political and economic arenas. It can be used; or it can be withheld. Taking away the authority, however, denies our country even the chance to use a tool which has been used—as in Yugoslavia—wisely and effectively.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. They are using our money to buy, are they not?

Mr. COOLEY. No. They pay with their own dollars.

Mr. GROSS. When? Of course they are using our money.

Mr. COOLEY. I do not know the dates, but they have paid $18 million on principal and $6 million on interest.

Mr. GROSS. This is the same country that says we are waging injurious and inhumane war in Vietnam?

Mr. COOLEY. Yes. I am not arguing with the gentleman about that. I am telling the gentleman what happened. I tell you right now, we have in foreign currency—in zlotys, as I believe they call is—over half a billion dollars piled up.

We will not use it ourselves. We will not permit them to use it. They owe us money. They want to pay back in dollars, but they cannot pay back in dollars and buy our agricultural commodities on short term at the same time.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New Jersey.

Mr. JOELSON. To keep the record straight, we ought to indicate that in the same statement in which Tito criticized us very strongly the surprising thing was that he also criticized the North Vietnamese very strongly for being unwilling to negotiate. I believe this shows that our policy is beginning to break Tito away from the Red Chinese and the Communist bloc. We should encourage this type of behavior.

Mr. COOLEY. Mr. Chairman, I ask that the amendment be defeated.

Mr. TEAGUE of California. Mr. Chairman, I move to strike the requisite number of words.

I should like to point out that the amendment of the gentleman from Illinois [Mr. FINDLEY] would not prohibit commercial trade with Yugoslavia or with Poland. It would, however, prohibit subsidizing the interest rates and the terms and conditions at the expense of the American taxpayer for such trade. That is all it would do. It would prohibit allowing credit terms with a preferment, with 1 or 2 percent interest, at the expense of the American taxpayer, on Government borrowings at 4 or 5 percent.

As I understand the amendment, that is all it would do. It would not prohibit commercial trade with Yugoslavia or with Poland.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from North Carolina.

Mr. COOLEY. I believe that is the purpose of the amendment. I thought the author said that. Now Yugoslavia and Poland can have only 5 years to pay back in dollars. They want a longer term.

Mr. TEAGUE of California. I know the chairman of the committee understands the amendment, but I want to be sure that the membership understands it. It is not to prohibit commercial trade with Poland or with Yugoslavia.

Mr. COOLEY. The author of the amendment is on the floor. He can make a statement.

Mr. TEAGUE of California. I shall be glad to ask the author.

As I understand the amendment, it is to prohibit subsidized interest to Communist countries. Is that correct?

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Illinois.

Mr. FINDLEY. Private trade with Poland or with Yugoslavia could continue, as presently conducted. If they have cash or can obtain credit through some private source, the trade will continue.

The only effect of the amendment will be to protect the American taxpayer from being required to subsidize the interest rate to a terrific extent.

Mr. COOLEY. What would be the term of the loan under the gentleman's amendment? Would it be 5 years, 15 years, or what?

Mr. FINDLEY. Poland and Yugoslavia would not have access to long-term credit terms backed by the U.S. taxpayer, if my amendment prevails.

Mr. COOLEY. Would they have 5 years?

Mr. FINDLEY. They would not.

Mr. COOLEY. The gentleman would cut them off completely?

Mr. FINDLEY. From the dollar sales subsidized interest-rate provision of this title; that is correct. That is the way it ought to be. I do not see why the taxpayers should finance the Communists in any degree.

Mr. COOLEY. They buy these commodities for dollars and they repay in dollars. What is wrong with that?

Mr. FINDLEY. If they have the dollars to pay and want to buy, trade of course will continue even if my amendment is adopted.

Mr. COOLEY. They do not have the dollars today, or tomorrow, but they will have the dollars as soon as they can make their arrangements.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Iowa.

Mr. GROSS. Let them go to the British to borrow money to pay for agricultural products. The British make loans to other governments and charge interest on the basis of the cost of obtaining the money.

Why do we not "get smart" and put our foreign loan business on the same basis?

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Chairman, I am not at all sure that the comments I make at this point are out of order, but for safety's sake I have taken the precaution to ask unanimous consent to speak out of order.

Today we have been talking about interest rates, interest rates that we are making available to foreign countries. A few weeks ago this body approved, over our Republican objection, the Participation Sales Act. I think it might be apropos at this point, Mr. Chairman, to read the contents of a statement just released by the Republican members of the House Committee on Banking and Currency. This statement reads as follows:

> Today Federal National Mortgage Association (FNMA) breaks new ground. It is making its first offering of participations under the Sales Participation Act which the Congress passed three weeks ago.
>
> This is a notable event. Under this financing program FNMA is setting a new high in the cost of government agency credit—5.75% interest on participation maturities due in 1968, 1969, 1970, and 1971. Think of it—a 5.75% interest cost on what, in effect, is U.S. Government credit.
>
> That tops the Federal Reserve's Regulation Q 5½% interest ceiling on bank certificates of deposit (CDs). Bank 5½% CDs are pulling savings from thrift institutions and hence from the home mortgage market. FNMA 5.75% participations not only will pull funds from the thrift institutions and the tight mortgage market, they will also pull funds from the 5½% bank CD market. The problem is being compounded.
>
> Making matters worse, this rate to big savers discriminates against those patriotic citizens who invest in Series E Treasury Savings Bonds with a yield of 4.15%. We are now embarked upon a Federal "split-level" interest rate policy. If you're wealthy enough, you qualify for high interest rates, but if you're a member of the Bond-a-Month or payroll savings programs, you take the low, discriminatory rate.
>
> When the Sales Participation Act was under consideration in the House, we were told by advocates of the legislation that this was an efficient method of financing government-held assets. The Congress was misled.
>
> Instead of costing only ¼% to ⅜% more than direct Treasury financing, as was claimed by the Administration, the spread in interest cost on this new participation deal is over ¾% more than the Treasury financing. Today Treasury 5% notes due in 1970—sometimes referred to as Johnson 5s—are quoted 100 9/32 bid and par 13/32 asked to yield 4.9% to maturity at the offered price. That is a spread of 85 basis points or approximately ⅞%.
>
> Those who supported the Sales Participation Act must share the blame for high interest costs. That Act should be renamed the High Interest Act of 1966.

Mr. RESNICK. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, it seems to me that whenever we go out of our way to single out two countries for a discriminatory action we are treading on very, very dangerous ground. Why stop at Yugoslavia and Poland? Why not include Rumania and Bulgaria? Why not let us go on the other side of the political fence? Why not include the Union of South Africa? Why not include Spain and Portugal? For while they are not Communist, surely they must be considered if not Fascist on the verge of being Fascist. Why not consider the United Arab Republic, because after all, the United Arab Republic—Egypt—bills itself as a socialist republic, which is exactly what these other Communist countries call themselves?

So, Mr. Chairman, if we are going to discriminate, if we are going to pick out countries that we do not like and those who are in charge of them at the particular moment and the manner in which they are running their countries, the list could probably include 50 or 60 countries.

Mr. Chairman, this amendment reminds me of the two Quakers talking to one another. One says to the other, "The only ones that are perfect in this world are me and thee, and I am not so sure about thee."

Mr. Chairman, this is exactly what we have got under consideration here.

I believe we have seen the progress of Yugoslavia and Poland from outright Communist dictatorship, to the point where they are acting as the middle ground and, hopefully, some day there will be a meeting of the minds in these countries like Poland and Yugoslavia, which will ultimately be the bridge between the East and the West.

Mr. Chairman, I believe if we were to go ahead and point our finger at "you" and say, "You in particular, we do not like your form of government; therefore, we are going to discriminate against you," I believe it would represent a setback in our relationships with them, a setback to the cause of world peace.

I hope my colleagues will join me in voting down this very, very bad amendment.

Mr. HARVEY of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe the record should be clear on this particular point. Actually, this is not a discriminatory amendment, as has been indicated.

Mr. Chairman, it just so happens that under the present provisions of the law the two countries that have been under discussion are the only ones that can, under the present statutes, partake of the long-range, easy-credit terms. This simply puts them in the same category as the others.

Further, Mr. Chairman, I believe from that standpoint it is certainly a justifiable amendment. I hope our committee will support these amendments and extend equity instead of discrimination—extend equity in our treatment of all those who are under Communist domination.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, through the years I have insisted that American agriculture must be permitted to produce, that its production is essential to the producer, where volume is as important to total income as price. It is to volume that other business people must look. It is volume which keeps the wheels of industry turning with the industrial workers employed.

Only by producing and keeping on hand more than enough of farm commodities can we be sure of providing adequate supplies for the American consumer. Only with surpluses can we be sure to keep the cost of farm commodities reasonable—though cost of processing and handling are the chief elements in the cost of living.

I opposed last year's farm bill because it ignores these factors. Under that law the Department has cut back production to the point where our reserves are inadequate in many areas. As I pointed out in handling this year's appropriations bill, despite the surplus quantities of certain commodities in this country in recent years due to the efficiency of agricultural production, it should be noted that supplies now on hand and expected to be on hand at the end of the current marketing year in the United States are down substantially from previous years. For certain perishable commodities we are looking more and more to the rather undependable Mexican production to meet our needs. In view of our present situation in Vietnam, and our heavy commitments to India and certain other food-deficit countries, this decreasing supply of food available to feed American consumers—and foreign populations to the extent possible—is a factor to be given most serious attention by those responsible for agricultural planning and financial support.

Statistical data supplied the committee by officials of the Department of Agriculture indicate that carryover stocks of wheat have been reduced from around 1,400 million bushels in 1961 to 819 million bushels as of July 1, 1965, due to limitations on wheat output and expanded utilization, particularly for export and domestic feed use. The official estimate of wheat carryover at the end of the next marketing year indicates a supply of about 610 million bushels, a further reduction of 208 million bushels. This is sufficient to meet domestic and export needs for only 5 months. Large shipments to India will further reduce our ability to meet U.S. needs in the event of a national emergency.

Further, these officials point out that the supply of feed grains was reduced from nearly 85 million tons in 1961 to about 55 million tons in 1965. During the same period, corn supplies declined from around 2 billion bushels to about 1.2 billion bushels. The estimates of carryover at the end of the next marketing year represent a 3 months' supply of corn and barley, a 4 months' supply of oats, and a 9 months' supply of grain sorghum.

The situation is much worse for dairy products, as the number of dairy farmers decreases each year and as milk production decreases accordingly. Today's press is filled with articles showing the number of dairy farmers who are selling out their holdings as land values for industrial and residential purposes offer more opportunity for profits than dairy farming.

A recent article in the Washington Post—March 15, 1966—contained the following statements:

> Dairy farmers who ship milk to Washington are selling their herds and going out of business at the rate of nearly 100 a year.
>
> Rising costs and Federally-set bulk milk prices that have not risen significantly since the controls went into effect in 1958 have caught the dairymen in the profit squeeze in which only the most efficient can survive.
>
> Other factors blamed in the reducing number of dairy farmers in the Washington area include drought conditions that have lasted for 4 years and the increasing value of farm land for housing developments under the pressure of urban expansion. Many of the farmers—whose average age is well over 50—have decided that they may as well retire.

The supply of dairy products on hand is now at the lowest point in recent years. As of June 30, 1965, we had 5,300 million pounds of milk and milk products on hand. The supply is expected to reduce further to 3,200 million pounds at the end of the present marketing year, a reduction of 2,100 million pounds. This represents only about a one-third month's supply for normal domestic purposes.

Now, Mr. Chairman, if we produce as we need to, we must have a regular method of selling our surplus in world trade for dollars, for the American producers are dependent, in most cases, for regular, export for dollar, markets.

We provided for such sales in establishing the Commodity Credit Corporation by giving to it unlimited authority to sell for dollars in world markets.

Our Appropriations Committee virtually forced the use of these provisions of low some years ago, and we finally had to pass a law requiring the sale of cotton in world markets competitively, a law which departmental witnesses admitted they have not been carrying out, but which they promise now to do.

Now, Mr. Chairman, I know we need some bill similar to that before us, both as an escape valve when we overproduce, and for other reasons, but, Mr. Chairman, we must not let the present bill in any way restrict the Commodity Credit Corporation in regular sales for export for dollars.

Mr. Chairman, at this time I would like to address a question to the distinguished chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY], if I may.

On pages 27 and 28 of the bill, in the next to the last paragraph, there is provided the following:

> (2) Section 407 of the Agriculture Act of 1949, as amended, is amended by striking the period at the end of the third sentence thereof and adding the following: ": *Provided*, That whenever the Secretary of Agriculture determines that the carryover at the end of any marketing year of a price supported agricultural commodity for which a voluntary adjustment program is in effect will be less than 25 per centum of the estimated export and domestic consumption of such commodity during such marketing year, the Commodity Credit Corporation shall not sell any of its stocks of such commodity during such year for unrestricted use at less than 115 per centum of the current price support loan plus reasonable carrying charges."

Mr. Chairman, I repeat, the Commodity Credit Corporation was set up as a corporation so that it would have an unlimited right to buy and to sell. That was the purpose in making it a corporation in the first instance.

Mr. Chairman, under the charter it has the unrestricted right to sell in world trade for whatever the market will pay.

Mr. Chairman, under the Eastland Act of 1956, the CCC is required to keep cotton moving in world trade at competitive prices to the point of our fair share of world markets.

My point, Mr. Chairman, is that the words "unrestricted use" could mean merely "use".

I want to be certain that this language in this bill does not in any way either limit the right of the Commodity Credit Corporation to sell its commodities which are surplus to our domestic needs in world trade for dollars on a competitive basis; and further that it does not in any way restrict or modify the existing law which requires the Commodity Credit Corporation to keep cotton moving in world trade at competitive prices.

Mr. COOLEY. If the gentleman will look at the bill on page 28, line 2, he will see that we are talking only of a voluntary adjustment program and cotton certainly is not included in that voluntary adjustment program.

Mr. WHITTEN. I agree that that is true about cotton. Here you are pointing out to me that this only has to do with certain programs. What I am pointing out to you is that the corporation is a corporation with no restriction on sales in world trade at competitive prices. So anything that would require any limitation to be put on any type of commodity or type of program, it strikes me, might be held to modify existing law and thereby restrict the right of that corporation to discharge its corporate authority.

Mr. COOLEY. The gentleman has been here a long time and I am certain he knows and realizes under the cotton program for many, many years we have had the same provision there that it could be sold for less than 115 percent of the price-support program, plus reasonable carrying charges.

Mr. WHITTEN. That is on the domestic market.

Mr. COOLEY. That is as I said.

Mr. WHITTEN. On the domestic market.

Mr. COOLEY. Yes, that is what we are talking about.

Mr. WHITTEN. In other words, these words "unrestricted use" to you mean that it cannot be sold on the domestic market for domestic use but can be sold on world markets.

Mr. COOLEY. That is right.

Mr. WHITTEN. And it is your opinion as chairman of the committee that this would in no way limit the right of the corporation or the duty of the corporation in some cases to sell commodities that are in surplus in world trade for what the market will bear for dollars?

Mr. COOLEY. That is exactly right.

Mr. WHITTEN. I thank the gentleman.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. QUIE. I think it should also be pointed out that the positioning of this amendment in the third sentence in section 407 brings it before the exceptions that enable the Secretary of Agriculture or the Commodity Credit Corporation to sell or to trade and sell in the export market, and therefore the gentleman from Mississippi is correct. It will not in any way cover the sales out of the country or overseas sales and only limit sales on the domestic market.

Mr. WHITTEN. May I say to the gentleman, I do not want to leave the RECORD to indicate that the right to sell in world trade is a matter of amendment or statute giving that corporation the authority. The corporation under its original charter has that authority.

Mr. QUIE. That is right.

Mr. WHITTEN. The gentleman assures me that this does not restrict or repeal the law which either authorizes or requires the Commodity Credit Corporation to sell these commodities?

Mr. QUIE. The gentleman is correct. It does not restrict it in any way.

Mr. WHITTEN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FINDLEY].

The question was taken; and on a division (demanded by Mr. FINDLEY), there were—ayes 43, noes 85.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. QUIE: On page 27, line 25, after the word "That" insert the words "notwithstanding any other provision of this Act or any other Act,".
>
> On page 28, line 3, strike out the words "25 per centum" and insert the words "50 per centum".
>
> On page 28, line 9, strike the period and quotation marks and insert the words ", or 80 per centum of the current parity price for such commodity plus reasonable carrying charges, whichever is the higher."

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes in support of his amendment.

Mr. QUIE. Mr. Chairman, the language in the bill regarding the resale formula, to which the gentleman from Mississippi was referring a few moments ago, is not effective. It would not trigger the increase in the resale formula from 105 percent to 115 percent for wheat as it may appear in the bill. Also, there would be no increase in the resale formula for feed grains under any circumstances. The resale formula for feed grains is the loan level rather than 105 percent and the 115 percent would not apply to feed grains even if carryover should reduce below 25 percent of utilization. At the present time the carryover of wheat amounts to 45 percent of utilization, feed grains to 28 percent. What the bill does is to require the Secretary of Agriculture to keep a carryover of at least 25 percent, and only if against the wishes of the Secretary of Agriculture it goes to less than 25 percent will the 115-percent resale formula increase come about and then only for wheat.

The reason the bill does not raise the effective resale formula on feed grains is because it is under the Soil Conservation and Domestic Allotment Act when the resale formula on feed grains is the loan level. This bill only amends the act of 1949. On corn the resale price is a dollar because of the voluntary program we have had so far, and the Department of Agriculture has on hand the feed grains that reflect the certificates.

So my amendment would make this proposal effective. In the first part it includes all feed grains and wheat by adding the words "notwithstanding any other provision of this act or of any other act," which means the act of 1949, which is this one, and the Soil Conservation and Domestic Allotment Act, section 16(i). The second part of the amendment increases the triggering level from 25 percent to 50 percent so that effective immediately would be the increased resale formula for wheat and feed grains. Lastly, it would put a minimum on that resale formula of 80 percent of parity because now the loan is at extremely low levels. The present effective resale prices as a percentage of May parity price on the various commodities are as follows:

For corn it is 63 percent of parity. That means that the Secretary of Agriculture can hold corn prices down to 63 percent of parity.

On wheat it is 51 percent of parity. That means that while the Secretary of Agriculture is going to permit the increase of production by 15 percent next year, he can still hold prices down to 51 percent of parity.

On oats it is 72 percent of parity; on rye it is 77 percent of parity; on barley it is 63 percent of parity; on grain sorghum 60 percent of parity; soybeans 82 percent of parity.

What this would mean is that on commodities which have a carryover of less than 50 percent of total utilization, the resale formula would be increased to 80 percent of parity.

Feed grain and wheat—1966 parity prices, price supports, CCC release prices, and comparison of CCC release price at 80 percent of parity price

Commodity	May 1966 parity price	1966 price support	Effective CCC release price under present law [1]	CCC release price at 80 percent of parity price [1]	CCC release price at 125 percent of loan [1]	Present release price as percentage of May parity price
1. Corn	$1.58 bushel	$1 loan, 30 cents payment	$1.00	$1.26	$1.25	63
2. Wheat	$2.57 bushel	$1.25 loan, $1.32 certificate	[2] 1.25	2.05	1.56	51
3. Oats	87 cents bushel	60 cents loan	[2] .60	.70	.75	72
4. Rye	$1.40 bushel	$1.02 loan	[2] 1.02	1.12	1.28	77
5. Barley	$1.28 bushel	80 cents loan, 20 cents payment	.80	1.02	1.00	63
6. Grain sorghum	$2.53 hundredweight	$1.52 loan, 53 cents payment	1.52	2.02	1.90	60
7. Soybeans	$3.18 bushel	$2.50 loan	[2] 2.50	2.54	3.12	82

[1] Plus carrying charges.

[2] Plus 5 percent.

How can we deny a farmer anything less than 80 percent of parity? This would have an effect on wheat, which would increase the resale formula by 74 cents from $1.31 per bushel to $2.05 per bushel plus reasonable carrying charges. It would have an effect on corn by raising it by 26 cents from $1 to $1.26 per bushel plus reasonable carrying charges. It would not have any effect on soybeans, because it is not subject to voluntary adjustment programs and the resale formula is already 82 percent of parity. It would not have any effect on cotton, because the carryover on cotton is 130 percent of the annual disposal.

It would not, as the gentleman from Mississippi indicated earlier, have any effect on the authority to sell for foreign export or dispose of that which is going out of condition.

I should point out that the Secretary of Agriculture, in his concern that he has been cast in the image of wanting farmers' prices down, said this:

> The facts of the matter are that farm prices are not inflationary. The fact of the matter is that farm prices today are 14 percent below what they were in 1952. Let me say that again: farm prices are 14 percent below what they were in 1952.

He went on to say:

> Now wages, every workingman knows, are up. Profits are up. Cost-of-living is up. But farm prices are 14 percent below what they were in 1952.

We who are interested in the welfare of the American farmer have been deeply distressed when Gardner Ackley, Chairman of the President's Council of American Advisors and the President's Chief

Economic Advisor, has said, "farm and food prices have been the center of this price increase we have had and they are responsible for about half of that rise in the past year in the consumer price index."

He went on to say in an interview with Ray Sherer, NBC's White House correspondent, "We are trying to hold down the price of corn."

My purpose, Mr. Chairman, for offering this amendment is to prevent the executive branch of the Federal Government from ramming down farm prices in a time when the farmer shares neither in a parity price or parity of income.

The **CHAIRMAN**. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. QUIE was allowed to proceed for 3 additional minutes.)

Mr. QUIE. There has been a great deal of talk of parity of income for the farmer. Where does the farmer stand today? Again, according to the Secretary of Agriculture:

> On a per-capita base, farmers still get only 65 pecrent of what the nonfarm segment of our economy gets.

The nonfarm segment of our economy—the wealthy people, the middle class, and the poverty-stricken people—all wrapped up together, had an income way above the farmer. The farmer gets only 65 percent of what the nonfarm segment of our economy gets.

How can anybody be in opposition to this amendment which would prohibit the Secretary of Agriculture from dumping Government stocks for less than 80 percent of parity?

The farmer today, in this time of affluence, ought to have 100 percent of parity in the marketplace. At least, he should not have the Government competing against him to drive the prices down below 80 percent of parity.

The Secretary of Agriculture again said:

> An hour's pay today buys more food than it did in 1960, and it buys double the food it bought 30 years ago.

So the consumer will not be abused by an improvement in farm income. I would like to point to what Robert C. Liebenow, president of Corn Industries Research Foundation, said. He talks of the 93 percent of the American people who are nourished by the crops produced by the farmers. He says of farmers that:

> We as a nation do owe them an equitable marketing system which can offer remuneration more in keeping with the advances achieved by others.

He said also that consumers would suffer a "rude awakening" if the guidelines employed by the administration in industry also were reflected in the prices received by farmers. He said:

> Our marketing system, of course, subjects the farmer to supply and demand and we cannot guarantee him continuing price advances. But, by the same token, we should not relegate him to a permanent economic status below that of labor and industry.

This is what I have been crying about for years and years. The operation of laws which permit the Secretary of Agriculture to dump Government held grains onto the market for as little as 51 percent of parity have relegated farmers to a permanent economic status way below labor and industry.

This I am opposed to and I will not relent until the farmer is protected from his worst competitor, the U.S. Government. Adoption of my amendment would give farmers hope for a higher income.

Mr. CALLAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, during the discussion of the Agriculture Act of 1965, the resale prices were discussed at great length. I am not going to use a lot of time on this matter today.

Actually, what is involved here is whether or not the successful, voluntary feed grain and wheat program that we have had in the past is going to be allowed to operate and function. What happens here is, when we raise this resale price, the producer of this commodity then has a tendency to go away from a volunteer program.

If we are not careful we may wind up where we were in 1960. In 1960, as a result of some programs that were unwise, we accumulated a billion and a half bushels of wheat. We had 85 million tons of feed grain supplies, and we now have 14 million bales of cotton on hand. During the last 6 years, we have been able to reduce the wheat carryover so that by the end of this marketing year it may be down to 350 million bushels.

The feed grain supplies are down to about 55 million tons.

We have started work on the cotton program.

What will happen here today, if we should adopt the high resale formula? All of us who come from farm areas want to see farm income improved. The fact is it is greatly improved. If we will give these programs time to work, farm income will go to the goal we are after, 100 percent of parity.

What we are talking about here is 80 percent. Most of us know that is not good enough. We will not get 100 percent of parity in 1 day or 1 year. What we are talking about, down the road, is 100 percent.

I urge the committee to reject the amendment.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word.

I believe the Members ought to be fully aware that if one believes in the principle of having a reserve of feed grains and of wheat for the purpose of protecting the farmer's market and also for the purpose of protecting the consumer against shortages, one would have to be against this amendment.

I believe firmly that we do need a reserve and that the reserve should not be for sale for the ordinary going market price. I think it would have been better to set the resale price at 115 percent of the average market price rather than 115 percent of the loan rate that the Secretary happens to set and could change. The bill provides for resale at no less than 115 percent of the loan rate, but this amendment would place the price for that reserve high enough that it would be mostly a boon for the big storage people. This grain would be placed into storage bins, and then storage would be paid on it almost forever and when it could be sold without depressing above normal prices. Therefore, that grain would not be used for a reserve, but merely held in storage at Government expense. Not making those sales would also lose an opportunity for farmers to increase acreage to replace the grain sold from the reserve.

The amendment, in respect to wheat, for example, would provide it not be sold for less than $2.06 a bushel exclusive of certificates, and so forth. That is not using the reserve wheat for the purpose for which it should be used. We should sell that wheat out at a little above the ordinary market price whenever we have a sale for it so people will have food as needed and farmers will have an opportunity to raise more to replace that sold from the reserve. That is what the reserve is for. Under the provisions of the bill, it would be for sale at about $1.45. That is about 20 cents per bushel more than its value in comparison to feed grains, and that is adequate to make certain that the reserve will not be used unless and until needed, but at the same time to insure that it will be used when needed.

I say that we are not helping the farmers and we are hurting the consumers if we adopt the amendment. The formula in the bill is a much more workable and practical formula which will let the voluntary farm programs work.

If any Member wants to represent only the big storage people, they might vote for this amendment to replace the formula in the bill; but, to vote the interests of both the farmers and consumers, one would oppose this amendment.

Mr. NELSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I wish to point out that our farm organizations, the Farm Bureau, the Farmer's Union, and the NFO, have protested repeatedly the practice of the Department of Agriculture through the Commodity Credit Corporation, of selling surplus grains at price depressing levels.

When it is said that the defeat of this amendment would protect the farmer, that is rather ridiculous to me. I happen to be a farmer. Time after time I have seen the Commodity Credit Corporation selling grain to the big operators, to the big grain companies, at prices below the cost of production to the family farmer. They in turn sell it back to the farmers at high prices. It surprises me that someone would arrive at the conclusions expressed during debate on this amendment.

If we are to give authority to the Commodity Credit Corporation to hold prices down by depressing the market as they have been doing recently, the result will be to drive the farmers off the farms. Too many already have left. More will leave if present economic conditions continue.

Earlier this year in my own State of Minnesota the Commodity Credit Corporation sold 47 million bushels of corn in 2 days. This was five times as much as was sold in all markets during the month of December last year. The closing prices of corn futures after these 2 days were from 6⅜ to as much as 10 cents below the prices 2 weeks earlier.

The most disturbing aspect of these sales was the manner in which the CCC handled the transaction. Contrary to the CCC Charter, the "usual and customary channels, facilities, and arrangements of trade" were not used. The local country elevators have traditionally supplied feed grains to the local livestock growers. But on these loading out orders the CCC gave the local country elevators no option to buy the Government corn which they were storing. The corn had to be delivered to the terminal markets to satisfy the large corporate buyers. Thus, the feed-deficit areas were not given the usual "ship-or-buy" option in regard to these stocks. Now the local growers are forced to buy from the terminal markets at much higher prices than they would have paid if the corn had remained at the country elevators.

So here we see how the CCC is using its authority. In one operation the CCC succeeded in lowering the prices received by the corn farmers by dumping huge quantities onto the market while at the same time they raised the livestock growers' production costs by removing the much needed feed stocks from the local areas.

For goodness sake, let us give the farmer an opportunity to have a price rise, if the demand is there. Under this business of giving the Commodity Credit Corporation continued authority, in my judgment, we will do vast damage to the agricultural segment of our economy.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman.

Mr. FINDLEY. Would it be proper to call this the antidumping amendment? Would that be an accurate description?

Mr. NELSEN. It certainly would.

Mr. FINDLEY. Thank you.

The CHAIRMAN. The question occurs on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken; and on a division (demanded by Mr. ARENDS) there were—ayes 46, noes 70.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. CALLAN

Mr. CALLAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CALLAN: On page 24, line 23, strike out "$33,000,000 during any fiscal year" and insert "$5,000,000 for each of the fiscal years 1967 and 1968 and not to exceed $33,000,000 for any fiscal year thereafter".

Mr. CALLAN. Mr. Chairman, in section 406 of this bill there is a new provision which sets up a so-called farmer-to-farmer corps or a bread-and-butter corps. Many of us on the committee thought this had some merit, and we still believe it does. However, there are many problems involved. If you look at the legislation, you will find that the provisions there are very vague. What is envisioned here is that we pick up the farmers or people who are agriculturists from all over the country and send them into foreign lands so as to try to help the farmers there help themselves. I believe the language is so vague that one thing we may do is set up another agency in the Department of Agriculture. I believe the recruitment of these people who are going to be required may be difficult. The people who might want to go and who represent the farm areas are in areas where we are already short of this type of individual. This could cause a lot of problems.

The second reason for this proposal was that it would better coordinate these different agencies, which include the Extension Service, the State Department, 4-H Clubs, and the Peace Corps. So I think we have another problem here.

This training is at the present time in the land-grant colleges. There are very few colleges in the United States that I know of that are equipped to teach people to go out in rice paddies and help these people raise rice or teach them how to operate with a hoe and a rake.

So, Mr. Chairman, all we are suggesting here is that for the next 2 years, instead of a $66 million authorization, for the years 1967 and 1968, we authorize $5 million each year, which will allow the U.S. Department of Agriculture and the land-grant colleges to work out a program. If this program looks like it will accomplish its objectives and if we can recruit the people, then, we authorize the full amount of money that is contained in the bill?

So, Mr. Chairman, I suggest if we adopt this amendment and allow the USDA and the colleges to work out a good workable program and if it works, then we will go ahead with this farmer-to-farmer program which I believe has merit. However, I do not believe we want to invest $33 million in a program that we do not know whether or not it will be effective.

Mr. Chairman, I yield back the balance of my time.

Mr. GATHINGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this provision that was written into this legislation by the gentleman from Kansas [Mr. DOLE] is the heart of the legislation.

Mr. Chairman, the deliberations in the Committee on Agriculture was to the effect that this $33 million was needed and that really more money was actually required to do this job in the manner in which it ought to be done, rather than to cut down this $33 million figure as is anticipated by this amendment.

Now, Mr. Chairman, we have here a program that contains many phases.

First of all, it provides for food being made available to hungry peoples. We do have an excess supply of food, and we can move some of this food to these deficit areas. But we cannot supply the great need for food throughout the underdeveloped areas of the world, as they might require, but only a small part of the actual need.

The next thing, Mr. Chairman, is that these areas need fertilizer and insecticides to produce food for their exploding populations. Now, this is the vehicle that will offer the technical and practical assistance. The program will be carried on by the Department of Agriculture. No new agency is created whatsoever. Our land-grant colleges will do this work. They will recruit farmers to be sent to these various food scarce countries to aid them in increasing food production.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I gladly yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. Mr. Chairman, I want to support the gentleman in his statement, because, in my opinion, there is no better approach to the problem of helping to solve the world hunger situation than this approach.

Mr. Chairman, I believe it is certainly the most practical method that I can conceive to bring about this solution. The amount of money appropriated or authorized to be appropriated in this respect is modest enough indeed.

Mr. GATHINGS. Mr. Chairman, I agree with the gentleman, and without this provision, we would have a vehicle with no motor in it. We would have a carriage without a horse.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Mr. Chairman, based upon what the gentleman is saying, I gather that the gentleman subscribes to the theory that if you give a man a fish, you feed him for a day. Teach him how to catch fish, and you feed him for a lifetime.

Mr. GATHINGS. That is a very good and pertinent illustration that the gentleman from Oklahoma made.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Texas.

Mr. POAGE. If I understood the gentleman from Arkansas correctly, I understood the gentleman to say that this would not cost anything, because the land grant colleges were already doing the work. That is what was said, was it not?

Mr. GATHINGS. I did not say that at all.

Mr. POAGE. What did the gentleman say?

Mr. GATHINGS. I said that the testimony before the committee was to the effect that $33 million was needed for this program, each year, for the net 2 years.

Mr. POAGE. Mr. Chairman, if the gentleman will yield further, what did the gentleman say about it not costing anything, because the land grant colleges were doing the work?

Mr. GATHINGS. I said that we do not create a new agency, under this provision.

Mr. POAGE. Mr. Chairman, if the gentleman will yield further, if we do not create anything new why do we need $33 million a year? All the Callan amendment proposes to do is cut down the amount of money involved. All the Callan amendment does is to cut down the amount of money. It does not cut down the amount of money. It does not cut down the program. It simply reduces the amount of money to $5 million.

Mr. GATHINGS. We understand that. That is the argument I am making and you do not agree with me.

Mr. POAGE. Do you think we need $33 million?

Mr. GATHINGS. You supported this legislation carrying this $33 million item when we voted this legislation out of the committee, even though you may not have approved the Dole amendment.

Mr. POAGE. Do you think we need $33 million?

Mr. GATHINGS. All but two members voted to report the legislation out of the committee.

Mr. POAGE. Do you think we need $33 million?

Mr. GATHINGS. Yes; we do need $33 million. We do need it in order to provide these people who are knowledgeable in agriculture and who know something about farming and home economics. Then they can go out and do the job of helping these people to produce food. They do need a great deal of leadership and counsel. The evidence showed that. We had before us quite a number of outstanding witnesses who came from various colleges and universities over the country. Their testimony was that we do need the technical services of farmers who can go out in these areas and teach them how to produce more food crops on their land.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas [Mr. Gathings] may proceed for 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman.

Mr. HAYS. I just want to say, knowing how close and how conservative the gentleman is with the taxpayer's dollar, if he is for more money—I am with him.

Mr. GATHINGS. I appreciate that and I am grateful to the gentleman. This money will go to a fine purpose.

The farmer-to-farmer amendment is one of the most significant provisions in the food-for-freedom legislation. It calls for the use of the existing facilities of the Extension Service. During the course of the hearings, the committee heard outstanding and provocative statements from quite a number of specialists in the field of nutrition and consultants on international programs and experts in the field of dealing with the problem of population explosions in underdeveloped countries. These witnesses were Dr. Irene B. Taeuber, senior research demographer, Office of Population Research, Princeton University; Dr. Roger Revelle, professor of population policy and director, Center for Population Studies, Harvard University; Dr. Max F. Millikan, director, Center for International Studies, Massachusetts Institute of Technology; John James Haggerty, vice president and research director, Agri Research, Inc.; Dr. J. G. Harrar, president, the Rockefeller Foundation; Dr. F. F. Hill, consultant on international programs, the Ford Foundation; Don Paarlberg, Hillenbrand professor of agricultural economics, Purdue University; Dr. W. H. Sebrell, Jr., R. R. Williams, professor of public health nutrition and director of the Institute of Nutrition Sciences of the School of Public Health and Administrative Medicine of Columbia University; Dr. Raymond Ewell, vice president for research at the State University of New York; and Dr. Theodore W. Schultz, professor of economics and chairman, Economics Department, University of Chicago.

Emphasis was placed upon providing food for those areas of the world and countries whose people are trying to improve themselves, particularly in obtaining adequate food production to meet the needs of their people. The real need is to augment the production or yield capacity. It is axiomatic that America cannot supply even a goodly percentage of the food and fiber needs of short-supply areas of the world. We should not encourage this thought in any way. The farmer-to-farmer amendment which was introduced in the form of bills provided originally for a "bread and butter corps." Representatives Dole, Poff, and Talcott were the authors. Before final adoption by the committee the bills were amended. Under the mechanics of this provision existing agencies of government would foster and promote the farmer-to-farmer system between our country and other countries whom we would assist in increasing their food production and distribution systems.

This program calls for the making of contracts or agreements and grants to higher institutions of learning—land-grant colleges and universities—to bring together persons who are fitted by training and education and experience and who have the know-how in connection with agricultural pursuits and home economics and make them available for service abroad. The farmer-to-farmer program would encompass the carrying on of research in tropical and subtropical agriculture. It would coordinate its activities with the Peace Corps, together with the Agency for International Development.

Such a program as contained in the farmer-to-farmer provisions of H.R. 14929 is greatly needed in view of the expanded population trend in those parts of the world which are now suffering from an inadequate supply of necessary foods, malnutrition, and undernutrition.

I am attaching here a table taken from hearings on this legislation, volume 1 page 4 showing projections with respect to world population growth by area:

Area	Annual percent increases	Years to double
World	2.1	33
More developed areas	1.3	54
Europe	.8	88
Northern America	1.6	44
Oceania	1.7	41
Less developed areas	2.5	28
Mainland middle America	3.8	18
Tropical South America	3.7	19
Southeast Asia	3.0	23
Middle South Asia	2.6	27
West Africa	3.3	21
Polynesia, Micronesia	4.0	17

In India alone the population of 432.7 million in 1960 is expected to grow to 1,233.5 million by the year 2000, which virtually triples India's present population numbers. Birth control, food from the U.S. production capacity, as well as greatly expanded production in grain in the years ahead, are vitally needed to prevent the starvation of millions of people. In addition, distribution and marketing systems are antiquated which has resulted in great losses in many countries by spoilage of perishable and other food items. The proper application of water and fertilizer and scientific use of lands are other needs in so many areas where there is inadequate food supply. I trust the amendment of the gentleman from Nebraska will be voted down.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOLE. Mr. Chairman, I move to strike out the last word, and rise in opposition to the amendment offered by the gentleman from Nebraska.

Mr. Chairman, it is rather strange that the gentleman from Nebraska who said that we were nitpicking about the difference between 20- or 40-year credit sales a while ago would now try to gut the farmer-to-farmer program by reducing the annual appropriation authorization from $33 to $5 million.

I had no knowledge of this amendment. I thought the gentleman from Nebraska indicated to me earlier that he had no amendments to offer to this section. This is a very important section. I would call the attention of the committee to page 53 where it says:

> To finance the program established by this section, the committee has included as an authorized use of local currencies generated by the sale of agriculture commodities, the payment of expenses incurred by persons serving in this program while outside the United States. This is intended to include travel expenses. The committee intends that to the maximum possible extent the expenses incidental to the program be paid in local currencies, but recognizes that all such expenses cannot be met in this manner. Accordingly, section 406 authorizes the annual appropriation of an additional $33 million per year (or 1 percent of the level of expenditures allowed by the bill) to finance the cost of the program. As the program proceeds, Congress through the appropriations process will be able to provide a continuing annual review of expenditures and results.

This is a sound program, a total spending of $3.3 billion per year in this program. It is a very conservative figure—$33 million—to implement the farmer-to-farmer program.

I have letters from many land-grant colleges in America supporting the farmer-to-farmer program.

It is a sound program and was adopted by a voice vote in our committee. No such amendment was offered then by the gentleman from Nebraska, a member of the committee.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. DOLE. I am happy to yield to the gentleman.

Mr. COOLEY. Did not every witness who appeared before us in our committee urge that we send technicians to these developing countries to teach them how to produce crops and to feed themselves?

Mr. DOLE. Yes, and very emphatically.

Mr. COOLEY. Of course, we cannot do that just with popcorn and peanuts—we have to have money to do that.

Mr. DOLE. This amendment was supported by the National Grange, the National Farmers Union, the National Council of Churches, and the National Farm Bureau Federation, just to name a few. As the chairman stated, nearly every witness who came before our committee indicated two things were needed—food aid and an expanded technical assistance program. That is what section 406 is. It is an expanded technical assistance program, it is necessary. I regret the gentleman from Nebraska does not agree.

Mr. STALBAUM. Mr. Chairman, will the gentleman yield?

Mr. DOLE. I yield to the gentleman.

Mr. STALBAUM. Mr. Chairman, I rise in full support of the position of the gentleman from Kansas [Mr. Dole] and in opposition to this amendment.

I feel, as did the gentleman from Arkansas, that this is the very heart of the bill. As the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. Cooley] has pointed out, every expert we had before the committee pointed out that we need more trained technicians in these countries throughout the world to help them develop their own agriculture.

But I should also like to point out that in this section 406 in a part of this appropriation, we have provided money, too, for tropical research, as the gentleman from Kansas well knows, and if we were to cut this to $5 million I am fearful that tropical research would be cut to virtually nothing.

Mr. DOLE. I might point out to the gentleman that that is the amendment of the gentleman from Hawaii [Mr. Matsunaga]. That is a good amendment and the gentleman from Hawaii offered that amendment.

Mr. STALBAUM. Yes; and would you not agree that by cutting this back to $5 million you would be virtually eliminating any effort for tropical research at this particular time.

Mr. DOLE. Yes; in my opinion.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I recognize that I come as "a voice crying in the wilderness" because I know what the House is going to do. This Dole amendment has a nice name on it. Whether you call it the Dole amendment or the "bread and butter corps," it sounds real good. The name indicates a great many things that the amendment does not do.

The chairman of our committee just got through telling us that every witness said that we needed more technically trained advisers. This Dole amendment does not provide for one technically trained adviser. It provides only that you recruit such farmers who because they cannot make a living farming or for some other reason want to join one of the multitudinous "do good" corps, and send them off to some other country, at Government expense, all in order that we may have another kind of U.S. financed program in foreign nations.

Now, I think our Peace Corps has been doing a good job in most places. I do not know of any reason for raising the age of the Peace Corps or raising the wages of those who are going abroad. Most of these Peace Corps men and women sign up because they feel they will be contributing something to the world and most of them do.

What this bill will do will be to change the character of the Peace Corps from boys and girls who have been out working for a better world to the old men and women who all too often simply want a job. There will, of course, be dedicated individuals who are willing to sacrifice, but there will be far more who do not have a job at home. This bill will recruit too many of this class to go abroad at Government expense to engage in a program for which they are not well fitted and not trained in spite of their farm background. The bill does not require the technical training which has been referred to. You cannot take a farmer off the farms of western Kansas, a farmer who has been plowing with an eight-row tractor, and make him an expert on handling a wooden plow in north India in the time that you are going to keep him there. You are going to send a bunch of misfits. You are going to break down the program of good will which the United States has built up.

Now, I know you like the name and I know you will vote for the name, because the American people are strong on any kind of symbol or name or trademark, and you are going to vote for this one because the label is good. Maybe this is an example of the need for a "Truth in Labeling" law.

I can only take advantage of this opportunity to warn you now that down the line this thing is going to be a boondoggle that every one of us will be ashamed of. I do not have my name on it, and I do not want it. I want to be associated with the gentleman from Nebraska, who says, "At least spend a couple of years on a small program. Spend $10 million." We may waste $10 million under his amendment to prove what we already know, but do not waste $33 million a year, as this amendment proposes to do.

Now, all of us who believe in saving the Government's money should go on record now as voting against this waste of $33 million in order to pick up every farmer who cannot get a job at home and send him off somewhere into a kind of agriculture with which he is not familiar and about which he does not know a single thing in the world, and let him then take over out there to represent the United States of America. This will hurt our image abroad and will do nothing at home except to expand the Government payroll. I think it is high time we better begin to think of reducing rather than expanding our various "corps." The best we can hope for is to avoid outright scandals and I fear that there is very little foundation for even that slight hope.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word. I shall be very, very brief. But I do wish to say to the House that we had the finest group of witnesses I have ever seen in our committee room, and every witness, without a single exception, urged us to provide technical assistance for these backward, emerging nations. We know we cannot feed the world. We should not lead the world to believe that we can feed them. But we can relieve their situation by teaching them something. We had Ph. D.'s, agronomists, and everyone else of that type in the committee room speaking in behalf of this bill, and they all agreed that it would be foolish to send Ph. D.'s, agronomists, and even college graduates, but we have 50 land-grant colleges in this country, and I think every one of them has a short course. I know my college in Raleigh does. In 6 weeks you can take some intelligent farm boys who are willing to go abroad and who know how to handle tools on the farm and teach them what is necessary.

In some of the countries of the world they do not have plows, hoes, rakes, or shovels. They do not even know about these simple tools.

They have nothing to eat. We could teach them how to farm and use their own land to produce the food they need. That is what we have in mind here. It is not a boondoggle of any kind. These boys or men will be selected. They are willing to go. They can go for a short time.

I hope this amendment will be defeated.

Mr. OTTINGER. Mr. Chairman, I move to strike the last word.

I will be brief, but I want to let the Committee know that the Peace Corps is very concerned about this provision. I will offer an amendment shortly to give the President the authority to assign these functions to such agencies as may be appropriate, rather than exclusively to the Department of Agriculture. The Peace Corps has an established program with agricultural people, which is of the kind indicated here. The Peace Corps has a screening program to assure that people who are not qualified will not be selected. I believe that the scope of this proposed program under the Department of Agriculture should be limited and I support the gentleman from Nebraska.

Mr. DOLE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DOLE. Mr. Chairman, I strongly support H.R. 14929, though am hopeful the committee amendment providing 40-year credit sales will be rejected. As stated in the report, on page 101, our committee initially adopted by a 21-to-12 vote an amendment to continue long-term dollar credit sales on the same terms and conditions as are now in effect under title IV of Public Law 480. These maximum terms and conditions allow 20-year repayment periods, 2-year grace periods, and interest rates not less than 2½ percent per year after the grace period, and not less than 1 percent during the grace period. These terms are most liberal, though rather than extend the repayment period to 40 years, with a 10-year grace period, it would have been better to keep the 20-year repayment period and extend the grace period from 2 years to 5. This suggestion was made by a number of persons knowledgeable in this area.

I support strongly also the amendment offered by the gentleman from Minnesota [Mr. QUIE], and understand that his amendment will be a part of the motion to recommit. Basically the Quie amendment will strengthen the market price and improve farm income without cost to the American taxpayer.

The amendment adopted by the committee, which appears on page 27, commencing on line 11, is meaningless and will offer no protection to the farmer from the dumping practices of this administration. This provision is discussed in detail on pages 102, 103, 104, and 105 of the committee report.

Finally, Mr. Chairman, I would like to comment briefly on the development of and the reasoning behind the technical assistance provision in section 406 of the bill.

Last fall, after returning from the Food and Agricultural Organization's 20th Anniversary Conference in Rome, Italy, where it was my privilege to serve as a congressional adviser representing the House, I began to explore the feasibility of expanded U.S. technical assistance in the area of agricultural production and distribution. I talked with many people in and out of government on this problem and, when the committee began its hearings with 10 outstanding public witnesses, their comments stressed the need for increased technical assistance. Meanwhile, I wrote to each State extension director and president of every land-grant college to solicit their comments and suggestions on how to best meet the growing world food problem. As a result of these contacts and the advice from my colleagues, on both sides of the aisle in the Committee on Agriculture, I introduced H.R. 13753, a bill to establish a "bread and butter corps" on March 17, 1966. Similar proposals were later introduced by Congressman RICHARD POFF of Virginia and Congressman BURT TALCOTT of California. My proposal was considered at length by the committee. It was revised, amended, and finally included as sections 406 and 104(i) of H.R. 14929.

One need only look at the arithmetic of world population growth to get part of the answer. In 15 years, by 1980, present population trends indicate an increase in world population of 1 billion people. By the beginning of the 21st century, only 34 years from now, world population is expected to double. In Latin America, Asia, and Africa, the growth rate is much more rapid, and in a number of countries in these areas, their populations will double within 20 years.

In 1850 there were 750 million people in the world; in 1900 there were 1.5 billion; in 1960 there were 3 billion. In 2000, if present trends continue, there will be 7.5 billion.

Continuation of present trends in India will mean a population increase from 432.7 million in 1960 to 1,233.5 billion by the year 2000 (in other words, nearly triple). If India's birth rate is cut in half, her population by the year 2000 is expected to more than double to 908 million.

The hearings also revealed the cold, brutal, and realistic fact that the United States and other developed countries will not be able to feed and clothe the unborn millions who are destined to populate the earth in the next few decades. Therefore, the clear mandate exists that we must do everything within our power to assist these people to help themselves meet their own basic needs if world peace and stability is to be maintained.

Another reason the technical assistance "know how" and "show how," self-help effort should be expanded is that when one looks to what currently is being done in this area, it shapes up as being really quite modest. For example, the FAO of the United Nations carries on a technical assistance program throughout the world. As you may know, there are some 112 nations that belong to FAO, but do you have any idea how many people, how many actual individuals are in the field working in these projects? The fact is there are about 250. In other words, about 2 people per country, or put another way—the 250 people that FAO has in the field could easily get lost getting off the boat in Calcutta, India. When it comes to the AID technical assistance activities, testimony in our committee indicated that there are in the aggregate about 1,000 such persons. Looking again at the massive scope of the problem and the size in populations of the nations which need this assistance, the present thousand people represent virtually a drop in the bucket in this effort. Finally, the Peace Corps, which carries a heavy emphasis on young people who are idealistically motivated, does not possess the agricultural expertise and knowledge that is of practical and substantive assistance in getting the results that are required if a world food and population crisis is to be averted.

Finally when expressed in just dollars and cents, the allocation of a small portion—1 percent under the bill—of our financial resources to self-help and local agricultural improvement programs will, in my opinion, prove to be a very good investment in the long run. It certainly will be less expensive to American taxpayers if India, for example, is able to meet most of her own food needs, rather than relying on the United States indefinitely for outright food gifts or quasi-gifts made under title I local currency and long-term dollar credit sales agreements.

There are two basic innovations in this technical assistance program. The first is better coordination. The second is structuring of the program through land grant colleges and other universities.

The coordination effort proposed by section 406 is directed first at the U.S. Department of Agriculture itself. The technical assistance program would be located in and under the direction of the Department of Agriculture. The Department would have the responsibility of coordinating the activities of the Federal Extension Service which includes the 4–H Club program, the Federal-State Cooperative Research Service, and the Foreign Agricultural Service, together with other useful and appropriate agencies. Second, the legislation contemplates the coordination of this type of technical assistance within the framework of the U.S. Government. The Secretary of Agriculture would be directed to consult and cooperate with the Director of the Peace Corps, the Administrator of AID, and the Secretary of State. In establishing this line of coordination, it is contemplated that any personnel who are trained and prepared for overseas service could be made available to agencies other than the USDA (or vice versa) if the President thought their services would be more valuable with some other agency. Also, the legislation is directed toward preserving the traditional responsibility and authority for the conduct of the foreign affairs of this country to continue to be lodged in the hands of the Secretary of State.

Thus, the first point is coordination. Coordination, I have found, is weak in some areas at the present time. Coordination within the Department of Agriculture and within our Government will, I hope, more efficiently and effectively channel the export of our most valuable commodity—American agricultural genius.

The second part of this proposal, which is new, is the structuring of the major responsibility through land-grant colleges, such as Kansas State University, and other institutions of higher learning. On a contract or grant basis, these colleges would have three responsibilities. The first would be to train or retrain people who are either skilled in agricultural science and have a formal education in agriculture or home economics or to prepare practical farmers, farm wives, or others who have a workable knowledge of farming and home economics for service overseas.

This effort, as I contemplate it, would be conducted by the colleges themselves and would not require the Federal Government to establish expensive new facilities or hire faculties or instructors to perform these educational services.

The second function would be to establish agricultural institutes—more like short courses in practical agriculture—both here in the United States and overseas. These specialized agricultural institutes would be directed toward the training of persons who serve as volunteers in this program and foreign nationals. To the maximum extent possible, foreign currencies generated by the sale of farm commodities would be earmarked for the payment of expenses incidental to the conduct of these activities.

The third function would be to conduct selective research activities in conjunction with the agricultural institutes, emphasizing tropical and subtropical agriculture. During the hearings, one of the points made by several of the expert witnesses the committee heard was that there is a real lack of first-class localized research facilities in tropical and subtropical areas. Many times the technology of the North Temperate Zone of the globe is not readily and feasibly transferred to a tropical area. Again, using local currencies as much as possible, it seems feasible to concentrate on localized conditions and then demonstrate to the agricultural industry in the recipient country the value of this new technology.

I trust all efforts to make the farmer-to-farmer program ineffective will be rejected.

Mr. Chairman, my colleague, the Honorable CHESTER MIZE has requested me to have inserted in the RECORD the following statement which he had intended to make in person.

Mr. MIZE. Mr. Chairman, it was my intention to be on the House floor Thursday to support the passage of the Food for Freedom Act. However, the seriousness of the tornado damage in Topeka, Kans., Manhattan, Kans., and other areas in my district made it necessary for me to return to my home State by the quickest means possible.

Although I could not be present to vote on this important legislation I did want to go on record in favor of the extension and expansion of this program which shares our productivity with the less developed nations and undernourished peoples around the globe.

I am impressed by some of the fresh new approaches which have been incorporated into this year's bill. Ever since my colleague, the gentleman from Kansas, Congressman DOLE, outlined his proposal to recommend a "bread and butter corps" to provide more and better technical assistance in the countries where more food is needed, I have felt that this is one area where we could get down to the "nuts and bolts" of solving the world food shortage by helping people help themselves. I was pleased when the House Agriculture Committee agreed that this provision should be included in the bill. I am confident that everyone who learns more about it will also be enthusiastic about it.

The experts who would be going into the countries to provide what Congressman DOLE calls "know-how" and "show-how" would be trained at our land-grant colleges. Kansas State University in Manhattan has long been a center of excellence in turning out some of the best agricultural research in the country. From Kansas State University and the other land-grant colleges will come some of the most knowledgeable and skilled personnel to carry out the on-the-spot requirements of this section of the bill.

Although this Nation has accomplished miracles in producing an abundance of food and fiber, the world's population explosion is of such dimensions that even our highest productivity now and in the future could not provide all of the food needed to rout the specter of hunger in other lands. We will need to show these people how to produce from their own land and resources. The "bread and butter corps" to further implement our food-for-freedom efforts is the ideal vehicle for accomplishing this goal.

Mr. Chairman, as we help others, we help ourselves. The Food for Freedom Act is important in so many ways—economic, diplomatic, humanitarian—and in the promotion of world peace. It is the type of endeavor which ideally characterizes the compassionate and generous spirit of the American people who seek peace and progress for others as well as themselves. We do ourselves proud when we legislate in this manner. I am pleased to be counted on the side of this great program.

Mr. DOLE. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. TALCOTT] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. TALCOTT. Mr. Chairman, there is much to be said regarding the so-called Food for Freedom Act of 1966; however, I will touch upon only a few aspects.

I commend the committee for improving the hastily drawn administration proposals. The idea and central goal of the bill are good—even noble. The forerunner of this plan, the food-for-peace program of the Eisenhower administration, was designed to sustain human beings who were not able to sustain themselves.

Our lofty objective is not likely to be achieved by simply giving away our surplus goods—especially if done indiscriminately. We can make mendicants of foreign peoples just as we can our own citizens by continually giving them things. We can make enemies by giving inequitably. We can cause resentment when the gifts are withdrawn or discontinued—which well they must at some time.

The gift of food, or any need, in time of emergency is wholly justified—but we are not legislating solely for this emergency purpose now.

Food for peace did not provide peace.

Food for freedom will not provide freedom.

These are misnomers which merely glamorize and exalt in our own eyes what we are attempting to do.

World hunger, even famine, will not be ended, or even assuaged appreciably, by the give-away portion of this legislation.

We just do not have sufficient arable land to feed the entire world, despite the greatest farm productivity and most advanced agricultural technology.

Some of the most significant new farming techniques have been developed by the farmers and agriculture scientists in my district—in seed and plant hybridization; soil and fertilizer development; planting, cultivating, and harvesting procedures; preserving and freezing processes; packaging, transportation and storage methods; product innovation.

We have been able to produce more per acre that any other area in the world—in numerous products. We supply many parts of the United States, and the world, with fruit and vegetables—in spite of fierce competition from other farm areas with lower costs for labor, materials, taxes, and transportation.

But, even our farmers and scientists cannot hope to feed the world—even below cost—even with immense Federal subsidies—because of our limited arable land area.

Although we cannot produce the necessary food products in adequate amounts, we do have the ideas and the technology to eliminate famine.

In the United States, only 1 worker in 12 is engaged in agriculture. They feed the rest of us very well—better, actually, than our needs require. No other farm economy anywhere in the world is so productive.

Most other countries have adequate arable land area, water, climate, and labor. In fact, almost all countries could feed their populations—if they had the know-how.

We should be exporting ideas, rather than giving away surplus commodities. Ideas would be more appreciated. Ideas would be more helpful. Ideas can make other countries self-sufficient. Continual gifts of surplus goods can only thwart self-sufficiency by delaying adoption of the measures necessary to attain it.

We have ideas. We have technology. We have practical experience. We have personnel with ability to teach others the skills we have learned.

Not only do we have the most advanced farm technology in the world, but we also have the most effective means of disseminating agricultural knowledge—including the Agricultural Extension Service, our many great agricultural colleges, and our farmers themselves.

The section of the "Food for Freedom Act of 1966" which offers the greatest potential for the practical solution of food production problems in underdeveloped countries is the "Bread and Butter Corps" idea which was proposed by the gentleman from Kansas [Mr. DOLE], in his bill, H.R. 13753, and by me in my companion bill, H.R. 14301.

I am very pleased that the "bread and butter corps" concept of exporting and sharing our agricultural knowledge with foreign countries—now designated as the "technical assistance program"—is included in the committee bill.

Mr. Chairman, I have been asked by many of my colleagues to express to the House, and to the gentleman from Kansas [Mr. DOLE], their praise and appreciation for his outstanding leadership and diligent efforts which led to adoption of the "technical assistance program."

I congratulate the gentleman for this and his many other valuable contributions to the vital work of the Committee on Agriculture.

It has been a great privilege for me to work with him in developing this highly promising plan for helping others in great need to help themselves.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. CALLAN].

The amendment was rejected.

AMENDMENT OFFERED BY MR. LATTA

Mr. LATTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LATTA: On page 23, after line 21, insert a new paragraph (3) as follows:

"To consult and cooperate with private non-profit farm organizations in the exchange of farm youth and farm leaders with developing countries and in the training of farmers of such developing countries within the United States or abroad."

Renumber the remaining paragraphs in the Section accordingly.

Mr. LATTA. Mr. Chairman, I have discussed this amendment with the chairman of the committee and with the ranking minority member of the committee. They are both in full accord with it.

The amendment fills a gap in this legislation and provides that our farm organizations shall receive the cooperation of the Department in their exchange of farm youth and farm leaders with underdeveloped countries and in the training of farmers of such underdeveloped countries within the United States or abroad.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. What this amendment would do, as I understand it, is encourage the Secretary of Agriculture to cooperate with certain agricultural exchange programs, sponsored by groups such as Farmers and World Affairs, in using counterpart funds to bring farmers here from other nations for agricultural training here, and to take the American farmers abroad to teach methods of agricultural production abroad. Is that correct?

Mr. LATTA. That is correct. Furthermore, I think that this will encourage the exchange of farm youth. In past years, such exchange programs have contributed much to a better understanding among the people of the various countries of the world.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. LATTA].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. PIKE: On page 22, lines 6 to 8, after "fishery product" strike "(not including fish concentrate until approved by the Food and Drug Administration)".

Mr. PIKE. Mr. Chairman, I have discussed this amendment also with the chairman of the committee. I hope he is not opposed to it.

This is perhaps not an earthshaking amendment, but we are concerned with the problem of feeding the people of the world. We have faced in the report the fact that the population of the earth is growing by leaps and bounds. In the bill we very wisely include in the definition of agricultural commodities certain fishery products.

We are looking not only to the land but also to the sea for the purpose of feeding the hungry of the world.

I just do not believe it makes any sense at all to single out the most efficient source of protein food we can produce, fish flour, and to say that this we cannot use in the food-for-freedom program. To me it does not make any sense at all to single out fish flour, the most efficient antidote we could have for the real malnutrition which plagues the people of the earth and to say, "This we cannot use."

The Russians are producing it and selling it abroad. The Scandinavians are producing it and selling it abroad. It is being produced and sold abroad in South America.

For 15 cents a day we can prevent malnutrition caused by protein deficiency in 100 children. If Members are interested not only in a little bit of charity but also in economy and in the fishing industry of America, which can use the help this amendment would give, I hope the amendment can be accepted by the Committee.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment.

When fishery products were included, they did not include fish concentrate because that had not been approved by the Food and Drug Administration.

I do not believe it would be wise for us to pawn off on people of other countries food we do not permit to be sold to the people in our country. I do not believe we ought to sell fish concentrate to people of other countries until the Food and Drug Administration determines it is acceptable for human use.

What this amendment would do is, by legislative intent, to say that fish concentrate, which includes all parts of the fish, could be sold under the Public Law 480 program. What would happen if it should be found that these fish products for some people in other countries caused some diseases of even death, and the Food and Drug Administration had not approved it? That would surely redound to the discredit of the United States.

We in the United States demand that every food product which is sold for human consumption have the approval of the Food and Drug Administration. Until fish concentrate can get that approval, I believe the language ought to remain in the act. For that reason I am opposed to the amendment. I believe it would be terribly unwise for the Congress to remove the language.

This is not insignificant; it is extremely important. An interest in the fishing industry is not enough. We have the same problems with respect to other industries. Other commodities are subjected to certain economic difficulties because they cannot sell their product for a period of time. Cranberries had that difficulty a little while ago.

Unless we are certain the product is healthful, that it will not create harm, we have denied to the industry the opportunity to sell it in this country. I rise in opposition to the amendment which would permit the dumping of fish concentrate on unsuspecting people in developing countries when the Food and Drug Administration still feels it is unfit for human consumption.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Iowa.

Mr. GROSS. Speaking of alleged injurious products, I note that under the food for peace and food for freedom export program this Government has exported tobacco, including cigarettes. Is tobacco supposed to be nourishing and noninjurious? What is the story with respect to the export of tobacco, including cigarettes, under this program which is supposed to benefit hungry and starving people?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from North Carolina.

Mr. COOLEY. I can certify they are not injurious to health, if that is what the gentleman wants.

Mr. QUIE. They just burn up.

Mr. COOLEY. I am inclined to agree with the position the gentleman from Minnesota has taken, because I fear if we take out this language it would be an indication we are not concerned about whether the food is wholesome.

Mr. QUIE. That is right.

Mr. COOLEY. If it is wholesome, it can be handled under existing law, but this would be a clear indication that we are not interested in whether it is wholesome food or not.

Mr. QUIE. Mr. Chairman, I appreciate that the chairman of the committee does not support the amendment, either.

Mr. KEITH Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEITH. First of all, Mr. Chairman, cranberries were the subject of some criticism just a few moments ago. As a veteran of that battle, I would like to remind the Committee that the Food and Drug Administration was in error when they challenged the wholesomeness of cranberries. They may possibly in error with reference to tobacco, but I am not an expert on that subject as I am on the subject of cranberries. I am however, fairly knowledgeable about fish protein concentrates.

I am grateful that fish products as distinguished from fish protein concentrates, are contained in this legislation. It was not in the message sent over by the executive branch, and so I am grateful to the chairman of the committee for including them. But I regret that the bill specifically excludes fish protein concentrates until they are approved by Food and Drug. That agency has been slow in approving this product. It is regrettable. I hope that the remarks made here today by those who are concerned with helping undeveloped nations who have undernourished will have some effect upon Food and Drug.

Mr. Chairman, I have seen children in Peru and Mexico and other South American countries suffering from kwashiokor. This is the disease that comes when the second baby arrives and it can no longer be nursed at his or her mother's breast. These children must have animal protein and by this amendment we may help to make it possible for them to have it. Mr. Chairman, a process of manufacturing fish protein concentrate out of whole fish has been approved by the Bureau of Commercial Fisheries but is not yet accepted by the Food and Drug Administration. I am hopeful that some action will be taken soon which will make this question we are now discussing a moot point.

Mr. HALL. Mr. Chairman, I rise in strong support of this amendment.

I can think of nothing more absurd than waiting for the Food and Drug Administration to approve a food-from-the-sea concentrate which we are going to use around the world in a food-for-peace program when they cannot even approve the drugs that are being submitted by legitimate and ethical pharmaceutical manufacturers of the United States of America. Presumably this bill is to provide from our largess, emergency relief for starving people who could not care less as to approval of any agency as long as they are fed. The people of southeast Asia are living on a pure protein derivative decanted from fish crops sauted in seaweed, known as "Nom Hoc", which is not only succulent but excellent as a salad or rice paper dressing, or with any other food that is available. Indeed, it has made those people as graceful, supple, and strong of body as anyone in the world without the benefit of any administration's approval. If we are to furnish from our Continental Shelf or otherwise any concentrate in the form of food, it is doubly paradoxical and equally absurd to include over $830 million worth of death-dealing tobacco in the form of cigarettes and other forms of tobacco, under a title of this bill as shown on page 13 of the committee report itself. This is especially true when we are literally mining our soils on a basis of seven parts nutriments removed for every two replaced. To stand on a discrepancy and an unavailable, just recently reorganized, administration appointive office to approve food from the sea while all of the "bleeding hearts" are worried about all of the people dying around the world is something I cannot understand. I am in strong support of the amendment of the gentleman from New York [Mr. PIKE].

Mr. HAYS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I was undecided about this amendment, but the preceding speaker made up my mind for me when he started condemning the Food and Drug Administration and apologizing for the drug companies, who for example, foisted thalidomide off on the unsuspecting public and caused something like 40,000 deformed babies in the United States alone. That is enough for me. I think I know how to vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PIKE].

The question was taken; and on a division (demanded by Mr. PIKE) there were—ayes 48, noes 31.

So the amendent was agreed to.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RYAN: On page 4, line 11, strike the period and insert: ", or (4) for the purposes only of sales under title I of this Act the United Arab Republic, unless the President determines that such sale is in the national interest of the United States. No sales to the United Arab Republic shall be based upon the requirements of that nation for more than one fiscal year. The President shall keep the President of the Senate and the Speaker of the House of Representatives fully and currently informed with respect to sales made to the United Arab Republic under title I of this Act."

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. Mr. Chairman, I would like to say that from the standpoint of the minority, we have no objection to the amendment.

Mr. RYAN. I thank the gentleman from Indiana very much. I am happy to have his support and the support of the other members of the minority.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. Mr. Chairman, I would like to say that the amendment is almost word for word and is similar to existing law. I believe that is what the gentleman from New York has in mind, is it not?

Mr. RYAN. That is correct, Mr. Chairman.

This, in effect, writes into the new bill H.R. 14929 the law as it presently exists in Public Law 480.

Unfortunately, the Agriculture Committee retreated from the existing language and deleted the last paragraph of section 107 of Public Law 480, as amended in the conference report of 1965, which reads:

> No sale under title I of this Act shall be made to the United Arab Republic unless the President determines that such sale is essential to the national interest of the United States. No such sale shall be based on the requirements of the United Arab Republic for more than one fiscal year. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and currently informed with respect to sales made to the United Arab Republic under title I of this Act.

Although I believe the House should totally prohibit sales to the United Arab Republic, the least we must do is to maintain the present policy which prohibits such sales unless the President makes an affirmative finding that they are in the national interest.

By adopting this amendment, the House will make clear its intent that Nasser should not be the beneficiary of this program.

I urge the administration to follow the purpose of my amendment and cut off all aid to the United Arab Republic in the future.

Mr. Chairman, I fully support and applaud the goals of food for freedom. I believe that America has a great opportunity—as well as a great responsibility—to share our agricultural abundance with millions of hungry people throughout the world.

However, I do not believe that the food-for-peace program or our economic aid program should be used to subsidize aggression by nations which receive our aid. For instance, it should not permit the United Arab Republic to divert its economy to the production of goods which are bartered for arms. Yet this has happened. Since 1954, Egypt has received over $1 billion in Public Law 480 shipments, freeing it to grow cotton which has been traded to Russia for over $1 billion worth of the most sophisticated and lethal weapons under the arms-for-cotton deal of 1955.

We have debated the question of aid to the United Arab Republic on numerous occasions. I have always opposed aid to Nasser, who is determined to destroy the State of Israel.

After much debate in 1964 and 1965, we set the policy in the House and wrote it into Public Law 480. It was this: sales to the United Arab Republic were banned unless the President found such sales to be in the national interest.

That is the law; that is the will of the House; that is U.S. policy which was designed to make Nasser understand that the United States does not approve of his conduct.

I do not understand why the committee decided to change the policy by deleting this language which was hammered out on this floor. But that is what was done.

If you look at page 74 of the report which compares Public Law 480 and the present bill, you will see what the committee did. It retreated. Nasser will see this retreat as an open invitation to extend his aggression—to continue in his purpose to destroy Israel, to continue to wage war in Yemen, to follow through in his threats to invade Saudi Arabia. Just a few weeks ago, he warmly welcomed Soviet Premier Kosygin for talks on further Soviet arms assistance for the United Arab Republic's aggressive designs.

Do we want to encourage his belligerency? If we do, leave the bill alone; let the world see that we are turning our heads and softening the firm stand which we adopted in 1965.

As far as I am concerned, as long as Nasser continues on his course of conduct, I do not think he should be the beneficiary of this program. The United Arab Republic is not a friendly country under any definition, and the purpose of the bill is to provide agricultural commodities for friendly countries.

Mr. Chairman, I urge support for this amendment. While I would prefer an outright ban, I am happy to have the support of the minority and the understanding of the chairman for my amendment.

In this effort, I am also pleased to have the active support of my colleague, Congressman HERBERT TENZER of the 5th District of New York, who joined me in discussing my amendment with the distinguished chairman of the Committee on Agriculture and helped to obtain bipartisan support for it. Congressman TENZER has also frequently spoken out against any shipment or sale of agricultural products to the United Arab Republic except under the circumstances and exceptions outlined in the terms of the amendment.

I thank my able colleague from Nassau County, N.Y. [Mr. TENZER] for his strong support.

Mr. Chairman. I urge all Members to join in making clear that Nasser's aggression shall not be rewarded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc and voted upon separately.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

> Amendments offered by Mr. OTTINGER: On page 24, line 15, strike "persons serving" and all of lines 16 and 17, and insert "Peace Corps volunteers or Peace Corps volunteer leaders pursuant to the Peace Corps Act (75 stat. 612); and".
>
> On page 23, line 3, strike "Secretary of Agriculture" and insert "President".
>
> On page 23, line 5, immediately after "to establish and administer through existing" insert "departments or".
>
> On page 23, line 6, strike "of the Department of Agriculture".
>
> On page 24, line 23, strike "$33,000,000" and substitute $7,000,000".

Mr. OTTINGER. Mr. Chairman, the first amendment is just a technical change requested by the Peace Corps and I think the chairman will accept it.

The second group of amendments is designed to permit the President to determine which of these programs that are enumerated under section 406 are properly within the jurisdiction of the Peace Corps and which should go under the Department of Agriculture. With the exception of the decrease in the amount authorized, they are submitted with the blessing of the Peace Corps. They would permit the farmer-to-farmer assistance program to be carried out by either the Department of Agriculture or other appropriate U.S. agencies such as the Peace Corps which is already performing very similar functions.

They would permit the President to make this allocation to avoid duplication, waste, overlapping and inefficiency that would very likely arise from the way the present language of the statute is written.

The bill already recognizes the clear relationship between the proposed farmer-to-farmer program and the activities of other U.S. Government agencies in agriculture overseas.

Section 406(a)(4) explicitly provides coordination of this program with the Peace Corps and with the Agency for International Development and other agencies of the United States.

Section 406(a)(5) explicitly provides that a person serving in the farmer-to-farmer assistance program would serve under the same terms and conditions as Peace Corps volunteers or Peace Corps volunteer leaders.

The Peace Corps effort in agriculture is already very significant. In India alone by the end of 1966 the Peace Corps plans to have 1,200 Peace Corps volunteers working in agriculture and in related fields. This will be nearly 10 percent of the total number of Peace Corps volunteers worldwide at that time.

In order to meet this goal, the Peace Corps has mounted an intensive agricultural recruiting plan effort.

Jack Vaughn, the director of the Peace Corps, has recently met with heads of the Future Farmers of America, the 4-H Foundation, the National Grange, the National Farmers Union, the Agricultural Extension Service, and the American Home Economics Association.

Representatives of the Peace Corps have visited 46 State extension directors and major agriculture and home economics university departments throughout the country.

The Peace Corps has mailed over a half million pieces of informational material in this campaign including direct mailings to interested agriculture and home economics graduates, university deans and home economics department chairmen and almost 10,000 vocational agriculture teachers and 47,000 grain and machinery dealers.

Special news releases and radio sponsored programs are planned to keep the public fully informed.

As you can see, this program of the Peace Corps virtually duplicates the program sought to be set up in this new farmer-to-farmer section in many of its aspects—but not all of its aspects.

The purpose of this amendment is to permit the President to allocate to the Peace Corps those functions in which it is already performing with distinction and to allocate to the Department of Agriculture those new functions that are provided for in this section and which the Peace Corps is not already performing.

I strongly urge support of both amendments.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to my distinguished colleague from New York.

Mr. BINGHAM. I would like to commend the gentleman for his amendment and express my support of it. I ask the gentleman whether it is not true that his amendment would also make sure there would be coordination between the farmer-to-farmer program in the Department of Agriculture and the technical assistance programs in the agricultural field now carried on under AID, Mr. Bell's agency.

Mr. OTTINGER. It would assist with that but there is already a provision in this statute which provides for such coordination.

What we are afraid of though is that that will not be sufficient. The Department of Agriculture—given this new department—will pick up and run with the ball in a way that will be duplicatory to the existing Peace Corps and AID programs as you quite rightly point out. The result will be wasteful and will be competitive in certain respects and damaging to the overall effort which I think we all fully support.

Mr. BINGHAM. Is it the intent of this amendment to give this power to coordinate to the President rather than to the Secretary of Agriculture?

Mr. OTTINGER. That is right. It would prevent the mandating by Congress that this program be set up under the Department of Agriculture and give the President the discretion to determine which parts of the program will go to which agency or department. It also cuts down on the size of the program since it does duplicate existing programs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will not take much time but would call the attention of the Members again to the committee report on page 52 which discusses very specifically the coordination that we hope to have under this program.

I would also call the committee's attention to page 24, section 4, of the bill, which specifically states that this farmer-to-farmer program should be coordinated with the activities of the Peace Corps, with AID and with other U.S. agency programs. What we are trying to do in this program, as the chairman indicated a few moments ago, is to develop a practical farmer-to-farmer program. What we envision is experienced farmers and specialists in home economics who, because of training or practical experience, are qualified to go to land-grant colleges, for specialized training, and then to go to free world countries to assist in improving their agricultural technology.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. Is it not correct that the age of the average American farmer is about 58?

Mr. DOLE. I think that is about correct, yes.

Mr. CLARENCE J. BROWN, JR. We may face at a future date a need in this country to expand and to expand quickly the agriculture production of our Nation. The young people who would be used in this program would be the guts of that kind of program to increase production in this country; is that not correct?

Mr. DOLE. That is right. I would add that we have had land-grant colleges in this country for over 100 years. We have had the Departments of Extension for about 50 years. They know what they are doing and I have confidence in them. This program is to help develop agriculture technology and it should be under the jurisdiction of the USDA.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield further?

Mr. DOLE. I yield to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. Would it make as much sense to put the program under the Peace Corps as to put the Extension Service under the Job Corps?

Mr. DOLE. Yes, or to put the Department of Navy under the Department of the Army.

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. POAGE. Mr. Chairman, a few moments ago I expressed opposition to the Dole bread and butter corps on the ground that it was duplication, that it was attempting to do the same thing that is very well being done by the Peace

Corps at the present time, that it would result in bringing in a great many people who are not qualified to do the job, and would doubtless lessen the prestige of the United States and probably open all kind of irregularities at home.

I think that the fact this amendment was offered proves everything that I said about the issue. I think that this amendment proves that the author feels just as I do, that this is a duplication of work that is now being done by the Peace Corps now, but having established an unsound policy—and I think we have a very unsound policy with this so-called bread-and-butter corps, and I have said so from the very beginning; but the House having approved this program, it seems to me that we would achieve nothing by now compounding the felony now and destroying any possibility of this thing doing any good by mixing it up with other agencies and by trying to convert an agricultural program, which, if it has any merit in the world—and I do not think it has much—but if it has any merit in the world, it is what the gentleman from Kansas claims. He claims that he is bringing somebody with practical knowledge—not the technical knowledge the Chairman referred to—but somebody with practical knowledge out on the farms. I just do not think that practical knowledge on the farm in Illinois is the kind of practical knowledge we need on a farm in Bolivia. I think there is quite a difference.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Ohio.

Mr. HAYS. I would say to the chairman of the subcommittee that has legislative oversight over the Peace Corps that I do not know what they are doing any great shakes in agriculture. I have been around and asked to see a lot of their projects. I have never seen any projects in agriculture. I think the gentleman from New York really killed his own amendment when he went down here and said that the Peace Corps opposes this. Who is the Peace Corps or any other establishment of Government to come up here and say they oppose an amendment to an Agricultural Act, except that it is a jurisdictional matter? They want to grab all of it in their hands.

I agree with you that if there is any merit—and I happen to disagree; I think there is something to it—it ought to be handled by farmers and not by some kid—and I am for the Peace Corps; they have good motives—who may or may not know anything about agriculture in any way, shape or form whatever.

Mr. POAGE. At least, if we are going to have an agriculture program of this kind, let us leave it in the hands of the Department of Agriculture instead of mixing it up with a number of other agencies.

Mr. STALBAUM. Mr. Chairman, I rise in opposition to the amendment. I am pleased to join my distinguished colleagues in their comments in opposing this amendment.

First, I want to tip my hat to the gentleman from Kansas [Mr. Dole] on the way he handled his material in getting section 406 into the bill. All of us on the committee know that he willingly made many concessions to have this incorporated.

I am pleased, too, to have been an early sponsor of similar proposals. While Congressman Dole referred to his as a "bread and butter corps," I was referring to mine as a "rural Peace Corps." Both of us appeared on a panel at a program here in Washington early this year, and I doubt that there ever has been more agreement between members of opposing political parties on an item than he and I expressed that afternoon.

On January 27, when speaking on the House floor under a special order, on the day in which I introduced H.R. 12375, I said:

> It is in this area that the establishment of a rural Peace Corps becomes basic to the program. This program, patterned after the well-known Peace Corps, would assist farmers in their efforts to improve their own techniques. This, in my opinion, is of major importance, because it has been pointed out that the rapid technical growth and the need for professional agricultural workers, especially those needed to do adaptive research in the less developed regions, may result in a worldwide shortage of these trained people in the near future. Recognizing that there are not going to be enough technicians as such coming from colleges and universities to provide all of the needed assistance, the establishment of a rural Peace Corps becomes most logical. We will, of necessity, have to rely on others who have had practical experience and who have been willing to give of their knowledge and their time for projects of this sort. Such people, enlisted in a rural Peace Corps, can perform extremely valuable services in assisting and developing the technical knowledge of the farmers of these other nations.

The CHAIRMAN. The question is on the first amendment offered by the gentleman from New York [Mr. Ottinger], on page 24, line 15.

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. GERALD R. FORD. Mr. Chairman, as I understood the request that was made, on the amendments offered by the gentleman from New York, he asked unanimous consent that they be considered en bloc. If he did that, does not the Committee have to vote on those amendments en bloc?

The CHAIRMAN. The Chair will advise the gentleman from Michigan that the unanimous-consent request was that the amendments be considered en bloc but voted upon separately. There was no objection.

Mr. GERALD R. FORD. Did the gentleman from New York make that specific request?

The CHAIRMAN. That is correct.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the amendment may be reported again.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Clerk will report the first amendment offered by the gentleman from New York.

The Clerk read as follows:

> Amendment offered by Mr. Ottinger: On page 24, line 15, strike "persons serving" and all of lines 16 and 17, and insert "Peace Corps volunteers or Peace Corps volunteer leaders pursuant to the Peace Corps Act (75 stat. 612); and".

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. Ottinger) there were—ayes 31, noes 89.

So the amendment was rejected.

The CHAIRMAN. The question is on the second amendment offered by the gentleman from New York [Mr. Ottinger].

The question was taken; and on a division (demanded by Mr. Ottinger) there were—ayes 23, noes, 90.

So the amendment was rejected.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time, since I understand all the amendments have been acted on, to explain the motion to recommit. It will have two parts. I will explain one part and I will let the gentleman from Illinois [Mr. Findley] explain the other part.

One part of the motion to recommit will be to change the resale formula section, which will do three things.

First, it will include feed grains, which are not actually included now because of the exemptions provided in other laws.

Second, it will trigger the increased resale formula whenever supplies get below 50 percent of total utilization.

Third, it will not permit the resale formula to be less than 80 percent of parity.

The purpose it to make certain that the U.S. Government will not be dumping grains on to the market at less than 80 percent of parity, that it will not be driving farmers' prices down below 80 percent of parity.

I believe if we are going to enable the farmers to secure a little better income, to get a little closer to parity of income than now, at 65 percent, we ought to adopt the motion to recommit to bring that about.

I now yield to the gentleman from Illinois [Mr. Findley].

Mr. FINDLEY. Mr. Chairman, as I understand the motion to recommit, it will also include a provision which would have the effect of denying to Communist governments access to the very attractive credit terms which would be available under the dollar sales provision of title I. In effect, it would protect the American taxpayer from financing sales to the Communists.

As now written, the title I provision would authorize 40 years' credit for Poland and Yugoslavia to repay loans. The first 10 years could be at a rate of interest as low as 1 percent, and the remainder as low as 2½ percent. Both of these figures are of course far below the rates the American taxpayers are being forced to pay to refinance the public debt.

It seems to me it is one thing to help out countries such as Brazil and Pakistan, with attractive credit terms, but quite another thing to help out a Communist country like Yugoslavia whose ruler only 2 days ago criticized U.S. action in North Vietnam as "inhuman aggression."

Mr. QUIE. I thank the gentleman from Illinois.

Mr. COOLEY. Mr. Chairman, I move to strike the requisite number of words.

I shall be brief. I should like to ask the gentleman from Minnesota [Mr. Quie] a question.

The motion to recommit will provide for the approval of the Findley amendment and the Quie amendment?

Mr. QUIE. That is correct.

Mr. COOLEY. Both which were fully debated, and both of which were defeated.

Mr. QUIE. I might say to the gentleman from North Carolina that there was not a very large group on the floor at the time, and I should like all to have the opportunity of a vote on it.

Mr. COOLEY. The gentleman had better send out a whip notice, then.

I just want to make it clear for the membership that the motion to recommit will have the Findley amendment and the Quie amendment in it.

Mr. QUIE. I plan to ask for a rollcall on the motion to recommit so a whip notice is not necessary.

Mr. COOLEY. Yes. As I say, the motion to recommit will provide for the amendment offered by the gentleman from Minnesota and the one by the gentleman from Illinois, both of which were defeated.

Mr. QUIE. That is correct.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Illinois.

Mr. ARENDS. I have some question in my mind as to whether the amendments were fully understood at the time they were debated. It is very easy to walk up the aisle or to stand and vote. This time there will be a Record vote, and I think this will meet with the approval of many Members.

Mr. COOLEY. That is right. We shall be glad to have a record vote.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

I rise to say very briefly, that I will vote against the motion to recommit and I will vote for this bill, but I shall do so with grave reservations.

As one who has been associated with foreign aid programs in the past, I believe there are serious flaws in this bill.

First, I seriously doubt whether it will be practicable or desirable to move toward sales in the form of dollar loans, even though the terms may be relatively easy ones. These loans will add to the severe foreign exchange problems the developing countries already have.

While the accumulation of local currencies acquired under the Public Law 480 program represents a problem also, in any judgment this is a manageable problem.

Second, I believe the provisions of section 103(d) are impractical and unduly restrictive. I hope they will be made more flexible at a later stage.

Thirdly, I have serious question as to whether we should add to the already too great multiplicity of agencies operating in the technical assistance field. Yet that is what the so-called farmer-to-farmer program under the Department of Agriculture will do.

Mr. LATTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to ask a question of the chairman of the committee, the gentleman from North Carolina [Mr. Cooley]. As I understand it, the way this bill now stands a commodity need not be in surplus supply to be eligible for export under this program. Is that a fair statement?

Mr. COOLEY. I think that is a fair statement.

Mr. LATTA. That would mean the Soft Red Winter wheat we produce in Ohio and a number of other States east of the Mississippi River would now be eligible for export under this program. Is that true?

Mr. COOLEY. I am not certain about that. I suppose the gentleman knows what he is talking about. If somebody wants to buy it, I am sure it will be available.

Mr. LATTA. I am sure the chairman realizes that there has not been any exporting of Soft Red Winter wheat to speak of under Public Law 480 in the last couple of years by the Department of Agriculture. We have contacted the Department of Agriculture about this from time to time but for reasons unknown to me—other than a lack of a surplus—the Department has failed to program this type wheat under the program. The way this bill now reads it need not be in surplus to be eligible for export. I would hope, therefore, that the Secretary of Agriculture would now give our Soft Red Winter wheat farmers some consideration and start exporting some of their type wheat.

Mr. HARSHA. Mr. Chairman, I want to join my colleague the gentleman from Ohio [Mr. Latta] in urging the Secretary of Agriculture to give Soft Red Winter wheat equal treatment with other wheat in this program. Heretofore, under Public Law 480, Soft Red Winter wheat has been discriminated against, and the growers of this type of wheat have had a great deal of difficulty having it included in this export program.

Ohio, Indiana, Illinois, and Pennsylvania are the major producers of Soft Red Winter wheat. This is used primarily for cake and pastry flours in the United States but some foreign countries also use it for bread flour. Soft Red accounts for about 15 percent of all wheat produced in the United States and Hard Winter about 50 percent. Soft Red wheat accounts for about 8 percent of Ohio's cash farm income.

For establishing price supports, setting acreage allotments, and administering the wheat program, the USDA considers wheat, wheat. However, when it comes to programing wheat for Public Law 480 a distinction is made between classes. Soft Red has been programed only intermittently. Soft Red was not eligible for Public Law 480 programing during the latter half of 1962; only small amounts were programed during the latter half of 1963 and first 9 months of 1964; and programing of Soft Red was again discontinued in the fall of 1965 and is still ineligible for shipment under Public Law 480.

In the last 5 years half our Hard Winter wheat crop has been shipped under Public Law 480. During the same period only 10 percent of our Soft Red production has been programed. Many of the recipient countries would have preferred Soft Red rather than Hard Winter had the Soft been authorized. During the 1963–64 marketing year, the price of No. 2 Soft Red in St. Louis averaged 7.5 cents per bushel less than the price of No. 2 Hard Winter at the same market. In 1964–65 the difference was 8.5 cents per bushel.

Between January and March of this year, the average price of No. 2 Soft Red in Toledo dropped 12 cents while the price of No. 1 Winter—ordinary protein—in Kansas City slipped only 2 cents.

The policy to program Soft Red only intermittently discriminates against Soft Red producers and undoubtedly accounts for some of the price weakness. If Soft Red were programed under the same conditions as other wheat regardless of CCC stocks or carryover, it would provide for substitution in the foreign as well as in the domestic market. This would reduce the historic price differentials and it would be fairer to farmers regardless of regions in which they live. Also, it would allow the marketplace to tell farmers more accurately what our domestic and foreign customers want.

To reduce these inequities, I recommend that Soft Red wheat be given equal treatment and that programing of Soft Red be authorized immediately. In subsequent years, programing should be authorized throughout the year whenever possible, but in all cases after January 1 of the marketing year in order to assure Soft Red producers access to the foreign demand the same as Hard Winter producers and to prevent the large price difference between Soft and Hard that has existed under intermittent programing.

By the end of December Soft Red Winter wheat millers have purchased almost all the wheat they are going to from that year's crop. Therefore, programing Soft after January 1 would not cut into domestic needs and would allow foreign demand—commercial and Public Law 480—to bolster price during the period when very little Soft Red is moving into domestic channels.

It would seem only fair, Mr. Chairman, that inasmuch as Soft Red Winter wheat is treated as other wheat under the administration's farm program, it would be given the same treatment under the Food and Freedom Act of 1966 since this is merely an extension, and in some cases, an expansion of Public Law 480 as originated under the Republican administration.

Mr. STALBAUM. Mr. Chairman, H.R. 14929 is a proposal which I wholeheartedly endorse and support. I am pleased to have been one of the earliest spokesmen in the 89th Congress on this type of legislation.

For it was on September 26 last year that I first presented a talk titled

"Plenty in the Midst of Starving" here in Washington, D.C.

Later, the same remarks were given at the annual meeting of the Dairy Society International in Montreal, Canada, in October.

At that time, while I noted the problem which prevailed in the world—the problem of starvation and malnutrition which are mentioned in our committee report and which were touched upon by our distinguished chairman, my major emphasis was on the use of American agricultural production to play a part in meeting this problem of starvation and malnutrition.

I questioned the desirability of continuing a domestic farm program of restricted production when such conditions existed throughout the world. I pointed out that as we had given food under the food-for-peace program to many nations, they ultimately became good customers of ours as their economy improved. Listed were those countries which I am pleased to see have been cited as illustrations on page 9 and 10 of the committee report—Japan, Italy, Greece, Taiwan, and Israel.

I must admit that I gave little emphasis at that time to our efforts to develop the agriculture of other nations. However, as I studied the problem further and prepared additional material on it with the thought of introducing legislation early in the 1966 session, it became apparent to me that the greatest need was not necessarily that of how best to fully utilize our American agriculture and to get these foodstuffs to nations which could use them, but rather on how we might best assist other nations in developing their own agriculture in order that they could assume the major role in feeding their own people. For it was apparent that if we utilized our agricultural plant in America to the maximum practical extent that we would merely scratch the surface in fighting world starvation.

I was pleased that Senator McGovern, of South Dakota, who had been interested in this same problem, saw fit to place these remarks of mine in the Congressional Record on October 19. During the 1965 session, only Congressman Mackie, of Michigan and I had seen fit to introduce legislation in this regard. However, as the session was drawing to a close, it became evident that others of more seniority were becoming interested in this problem. My distinguished colleague on the Agriculture Committee, the gentleman from Texas [Mr. Purcell], during the last days of the 1965 portion of the 89th Congress, had material in the Congressional Record pointing out the need for such programs.

On December 9, there was held here in Washington a meeting at which time the Committee on the World Food Crisis was organized. At that meeting, a discussion was held in which I was privileged to participate along with many distinguished spokesmen, including the chairman of this committee, the Honorable Harold Cooley, of North Carolina. It was gratifying that he indicated at that time that he would hold hearings early in 1966 in conjunction with the renewal of the food-for-peace program to attempt to develop the far more broad program to meet this challenge.

Mr. COOLEY. Will the gentleman yield?

Mr. STALBAUM. I am pleased to yield to the chairman of my committee at any time.

Mr. COOLEY. I am pleased that the distinuished gentleman from Wisconsin [Mr. Stalbaum], has given us this background on the role which he played in calling the attention of the Congress to the need for legislation of this type. I well recall the meeting on December 9 at which he and I were panelists at which time it became evident that he had given much thought to the particular problem and the need for us to face up to it. During the sessions of the committee, he has offered valuable suggestions on the preparation of this bill. I am pleased to commend Congressman Stalbaum, who in his first term, has done much in this area of developin programs to meet the problem of world hunger.

Mr. STALBAUM. I certainly want to thank my chairman, the gentleman from North Carolina [Mr. Cooley], for those very complimentary remarks. In doing so, I want to pay full credit to him for using his position as chairman to call together some of the most outstanding experts in America on this problem and to give them all of the time they needed and desired to present their views. I am sure that it was this leadership on his part on bringing to the committee these many spokesmen who supported the idea of America assuming leadership in feeding the hungry that resulted in the nearly unanimous vote that was given to this legislation when it left the committee.

Working separately from the chairman, on January 27, I introduced a bill, H.R. 12375, for consideration in this area and at that time spoke under a special order for 30 minutes on what it was intended to do. At that time, I said "My bill is offered basically as a starting point for consideration of legislation. If it so serves, and if its introduction along with these remarks will have prompted Congress to move toward advancing our efforts to assist underdeveloped nations in developing their agricultural potentials, then this effort will have been worthwhile."

In my remarks, I quoted from an old Chinese proverb: "Give a man a fish, and he will eat for a day. Teach him how to fish, and he will eat for the rest of his life." I repeat the proverb here because to me it sums up so well what we are not attempting to do by this legislation.

Emphasizing the fact that many nations had failed to develop the agricultural sector of their economy, and that we in our foreign assistance programs had often not given the emphasis to these which should have been given, my bill was intended to cover four main areas.

First of these was capital agricultural development, pointing out that fertilizer plants, storage facilities, and other similar items were vitally needed to assist nations in developing their own agriculture.

The second of my major areas of legislation was to be the improvement of production methods in the underdeveloped nations. Fundamentally, this involved education of the farmers, many of whom are illiterate. At that time, I said also that it is in this area that the establishment of a rural Peace Corps becomes basic to the program. This program, patterned after the well-known Peace Corps, would assist farmers in their efforts to improve their own techniques. This, in my opinion, is of major importance because it has been pointed out that the rapid technical growth and the need for professional agricultural workers, especially those needed to do adaptive research in the less-developed regions, may result in a worldwide shortage of these trained people in the near future.

Recognizing that there are not going to be enough technicians as such coming from colleges and universities to provide all the needed assistance, the establishment of a rural Peace Corps becomes most logical. We will, of necessity, have to rely on others who have had practical experience and who are willing to give of their knowledge and time for projects of this sort. Such people, enlisted in a rural Peace Corps, can perform an extremely valuable service in assisting in developing the technical knowledge of the farmers of these other nations. I am pleased to give recognition to my colleague the gentleman from Kansas, Congressman Dole, for the leadership he has given in this area. Section 406 of this bill is virtually what I had in mind when I made my remarks last January.

My third major area was related to research, particularly those which would apply to tropical agriculture. This I am pleased to note as section 406(a)(3).

And my final point was that our programs be coordinated and effectuated in cooperation with other agencies, a point which is covered by section 406(a)(4).

Without taking more time of the committee, permit me to summarize by saying that every major objective which I had outlined at that time has been incorporated into this bill. Most important of these, of course, was the requirement that our food assistance to nations be based upon their own efforts to solve their food problems.

And so it is gratifying for me today to make these remarks in which I can state that nearly all of the recommendations, as well as many I had not even thought of or considered, in my bill, have been incorporated into bill H.R. 14929, as it comes before us for consideration on this floor.

Mr. POFF. Mr. Chairman, I support the extension of Public Law 480 which I supported when it first was enacted in 1954. This is the law that became the cornerstone of the food-for-peace program. It has meant the difference between life and death for millions of people in a world where much of the population is engaged in a race between food production and population growth.

I commend the amendments added in committee that improve this legislation. These amendments would provide continuing congressional review of the operation and administration of the program by limiting the extension to 2 years; retain the basic definition of "friendly countries"; help to halt the supplying of hostile Communist regimes in Cuba and North Vietnam; improve the Joint Congressional-Executive Advisory Committee; insist upon a 5-percent cash payment in title I sales agreements; place stronger emphasis upon agricultural self-help by earmarking at least 20 percent of certain foreign currencies generated by title I sales for this purpose; require the identification of food sold for foreign currencies as being provided through the generosity of the American people; and include a revised version of the "bread and butter" brigade; a technical assistance farmer-to-farmer program similar to the bill I introduced, H.R. 11173.

While H.R. 14929 now represents a distinct improvement over the original proposals, it should be further amended and changed to make the food-for-peace program even more effective.

It is regrettable that during committee consideration of this bill, the Johnson-Humphrey administration labored so hard to discard the statutory concept of "friendly" countries that has been in Public Law 480 for many years. Under this concept, such countries have obtained subsidized sales from our Government. I feel that any nation that either sells or furnishes or allows ships or aircraft under its registry to carry any equipment, supplies, or commodities to or from North Vietnam or Cuba should not be deemed to be a "friendly" country entitled to subsidized sales. Any nation now carrying on commercial activities with Hanoi and Havana need only refrain from doing so if it wishes to acquire U.S. farm products for its own currency or on a long-term dollar credit basis. Certainly, when we are asking Americans to fight and die in the defense of freedom, nations receiving special treatment from this country should not trade with our enemies.

We oppose the long-term dollar credit sales being made for 40-year repayment periods with grace periods of up to 10 years. The impact on the balance-of-payments problem, the distinction between loans for food and loans for permanent structures, and the uncertainty of any substantial repayment of such long-term loans all demand that the present law which limits dollar credit sales to 20 years with 2-year grace periods be retained.

I am pleased that H.R. 14929 does not contain the provisions that would have given the Secretary of Agriculture new and unprecedented authority to manipulate market prices for a host of agricultural commodities. The granting of such power is both unwise and unnecessary. Unfortunately, the bill contains a completely ineffective and inoperative provision relating to Government sales of grains into the domestic market. An amendment was offered which would prevent large-scale dumping of grains by the Secretary of Agriculture in order to depress market prices for corn, sorghum, other feed grains, and wheat. However, it was rejected.

Land-grant colleges about the country have proven their ability to effectuate the "bread and butter brigade"—farmer-to-farmer—concept. Virginia Polytechnic Institute, located at Blacksburg in our congressional district, already has underway a program in a Latin American country coordinated with a private foundation aimed at developing techniques and procedures to improve the nutritional status of that country. Agricultural and nutritional experts from Virginia Tech are teaching the people of this land to exploit native foods to improve their diets and to show the people that they can locally overcome severe protein and calorie deficiencies. Dr. T. Marshall Hahn, Jr., president of Virginia Tech, has given effective guidance to this program and has demonstrated his interest in international programs in agricultural production, food storage, marketing, distribution, and home economics. Dr. Wilson B. Bell, dean of the Virginia Tech Colleges of Agriculture, sees in this farmer-to-farmer program many opportunities and lasting benefits.

There is a growing world food and population crisis. This crisis has a vital impact on American agriculture and the American people. A program to meet the challenges and needs of the future must be enacted. With appropriate amendments, H.R. 14929 is a right step in the right direction.

Mr. HELSTOSKI. Mr. Chairman, I rise in support of the legislation pending before the House which would establish a food-for-freedom program. Under Public Law 480, the program was known as food for peace, but President Johnson in his message of February 10, 1966, referred to this program as food for freedom.

This program promises a bold, imaginative, and realistic attack on a problem which is surely one of the greatest our, and other countries, will have to face in this century.

The growing menace of hunger throughout the world has made it clear that strong action is needed. Through his message, President Johnson has indicated and made it clear that our country will meet whatever need is necessary to declare a world war on hunger.

The program of self-help is emphasized which will help poor countries improve their own farm production. Through this program of self-help we can make a broad attack on the hunger problems of the world. Our additional help can put back into work the idle farmland so that we can meet our worldwide commitments.

History has taught us some valuable lessons, which we should not forget and cannot forget. These memories of food shortages are still fresh in the minds of many Americans.

After World War I, Herbert Hoover organized our facilities and carried food to the hungry people. His efforts avoided a worldwide catastrophe. More recently, after World War II, that great champion of people and human rights, Fiorello La Guardia, was given the task of obtaining food for starving Europe. Both efforts to feed the hungry were successful and this program, which we hope to adopt will not be doomed to failure. For if it does succeed, and I am sure it will, it can be the change of the political thinking of many people of the world.

A hungry person does not give much thought to communism, socialism, or capitalism. He wants to know what he is going to eat on any given day. He wants to know where he can get food for his family.

Hungry people understand food—and they will understand us, if they become aware of our food-for-freedom approach to world hunger.

The great need is here now and we must do whatever we can to lessen that need. We cannot prolong our debates on this legislation, for each day's delay in furnishing food to the hungry of the world means millions of deaths from starvation in food-short countries. The crisis is doubly acute when it is the small child who suffers most. With hands outstretched he pleads for food, but none is available. This the child cannot understand. We, with this program can help the heads of families in these undernourished countries and the child will understand as he continues to grow without hunger pangs.

Mr. Chairman, I commend the House Committee on Agriculture for the prompt action they have taken in reporting this measure to the House floor for congressional action. I also hope that we do not attach amendments to this bill which would weaken it in any way. Prompt and favorable action is necessary so that this matter can be put into effect at once.

While we have been making rapid strides in the advancement of health programs which have added years of life to the peoples of the world, we must now take action to feed those who have received this medical treatment so that they do not die from hunger—as opposed to death from disease.

Under this legislation we are undertaking a vast project—but we have met this food crisis in the past and we can meet it again.

Mr. Chairman, I favor this approach to feed the hungry of the world and am eagerly awaiting a vote on this measure so that I can vote "yes" and prevent additional loss of life because of the lack of proper sustenance to a hungry body.

With the passage of this legislation we can put back the idle lands into productive status and challenge the world to put their efforts into the production of food for the hungry. This is a world problem and must be dealt with by the world, but we can be the first to undertake a war on hunger—a war that is welcome to every segment of our civilzation.

Mr. WHITENER. Mr. Chairman, the Food for Freedom Act of 1966, which we are now considering, is one of great importance to the underprivileged who will be the recipients of the surplus agricultural products of our farmers. It represents a high degree of altruism on the part of the American people as they seek to feed the stomachs of their less fortunate brothers abroad.

While this altruistic spirit is noteworthy, I think that we should not lose sight of the fact that this legislation will also be of great benefit to the American people. It should strengthen our agricultural economy and improve the lot of the American farmer. This will come about because it will provide for an orderly disposal of surplus farm commodities which we have today. These surpluses may become necessities if we are to feed the growing population of the United States in the very near future, hence in helping keep a vibrant agricultural economy we are serving our own interest for the future.

I am also impressed with the provisions of section 3(d) of title IV of the bill. Under this new provision, Public Law 480 cotton textiles may be financed under title I of the act if the raw cotton content accounts for a substantial portion of the sales price of the cotton textile product. In effect, this language will permit sales of cotton textile products on long-term credit arrangements and is combined with the authority for sales for foreign currencies.

This should have a very salutary effect upon the domestic cotton textile industry and will at the same time facilitate the disposition of the surplus cotton now in stock of the commodity credit corporation. In creating this new outlet for cotton and cotton textiles our Government will have taken steps which will permit the cotton farmers of the Nation to produce more cotton and will at the same time assure to the American textile worker greater opportunities for employment.

Mr. Chairman, I again commend the distinguished chairman of the Committee on Agriculture, the Honorable HAROLD D. COOLEY, my colleague from North Carolina, for his continuing insistence that the welfare of the American cotton farmer and the American textile worker is a mutual interest. Mr. COOLEY deserves the commendation of all Americans for his great wisdom and leadership in meeting the clear and present needs of our agri-business economy. He is deserving of the support of all of the people as he furnishes leadership to us in the important area of the jurisdiction of his committee.

As the representative of America's greatest textile manufacturing district, I know that I reflect the views of both labor and management in that industry when I express to Chairman COOLEY and his committee my deep gratitude for their inclusion of this new and important amendment to Public Law 480.

Mr. SHRIVER. Mr. Chairman, the world war on hunger legislation, H.R. 14929, is one of the most important bills before this session of Congress. The program we enact may well determine whether or not the decades ahead will make progress in meeting the critical problem of world food shortages.

In studying the testimony of agricultural and population authorities before the House Committee on Agriculture, it is clear we must provide humanitarian short-term assistance coupled with long-term planning emphasizing self-help.

Yesterday my colleague from Ohio [Mr. LATTA], in opening debate on the rule, appropriately pointed out that we are not creating a new program. We are enlarging and improving the highly successful food-for-peace provisions of Public Law 480 which was enacted during the Eisenhower administration in 1954.

Our abundance has been made available outside commercial markets through Public Law 480 shipments. Food for peace has done more than any other U.S. program to attack hunger and malnutrition throughout the world. It also has been effective in creating markets for American agricultural products.

Although donations make up a smaller part of the total than do goods exported for sale, I am pleased that title II of this bill provides for a continuation of this worthwhile program. This bill will enable voluntary organizations to help meet the emergencies of famine, malnutrition, disaster, and the basic needs of the poverty-stricken.

About 100 million people including 70 million children, in over 100 countries, have benefited from donations of wheat, flour, grain sorghums, corn, cornmeal, nonfat dry milk, beans, and other commodities. These foods have been distributed in school lunch programs, giving at least one good meal a day to undernourished children, in maternal feeding programs, in refugee feeding and to provide relief following droughts, floods, hurricanes, and earthquakes.

These humanitarian efforts speak louder than words, and even money, in proclaiming our desire to help those less fortunate than ourselves.

The only way the war on hunger can be won is by encouraging and assisting the people in underdeveloped areas to increase their own agricultural production and distribution capacity. A beginning is made by sending seeds and handtools by organizations such as CROP, Christian Rural Overseas Program.

This legislation will help supplement the work of voluntary organizations. One of the significant actions taken by the committee was the inclusion of the proposal by my colleague the gentleman from Kansas [Mr. DOLE] for a "bread and butter corps." We will be providing technical assistance to those nations who are prepared to help themselves on a farmer-to-farmer and technician-to-technician basis. We will be sharing our know-how which will enable farmers in other lands to join effectively in the war on hunger.

We cannot expect to be able to feed all the world's hungry. Testimony before the Committee on Agriculture pointed up that we could not even if we wanted to. Our own production, even at a peak based on using the acres now diverted and allowing for increased productivity due to improved technology, will eventually be outrun by the population explosion. Our own population will continue to expand and will require an increasing share of our food production.

Nor is it good for aid programs to be based entirely on the principle of giveaway. Some underdeveloped nations have declined a part of the free food offered them by our Government. They have done so in the belief that to accept too much would not be in their best interests. They are, of course, concerned about the impact upon their local farm economies.

The best way we can combat world hunger is to use our assistance to help others help themselves. Great increases in the total world food supply and greater production by the needy countries themselves are the only long-range solutions to avoid the specter of world famine.

Mr. Chairman, the challenges of this war on hunger are tremendous. The consequences of losing such a war are terrifying. We consider this legislation at a time when two-thirds of the world is undernourished. Thousands of persons die each day as the result of malnutrition. In most of the food-deficit countries today, the population explosion is compounding the problem.

As we move toward passage of this vital and bipartisan legislation, let us remember that standing on the frontline of this "war" is the American farmer. It has been his genius, his courage, his willingness to stand against the elements which have made American agriculture the greatest success story in all the world.

We can fully appreciate today that the word "surplus" is not a dirty word. It is a blessing to America and to our people. In recent years we have seen that surplus of wheat dwindle because of increasing exports and foreign aid shipments. Three years ago we had almost 1,400 million bushels of wheat reserves. We are told that we may soon be down to approximately 350 million bushels, which is about 250 million bushels the Department of Agriculture has said is absolutely necessary to protect us against short supplies in this country.

Only last week the Secretary of Agriculture was quoted in news dispatches stating that the Government would limit shipment of wheat abroad should that become necessary to assure ample domestic supplies.

Various crop reports from the State of Kansas indicate that this year's wheat crop will be below expectations because of crop damage from drought and spring frosts.

On May 27, 1966, the Secretary of Agriculture reported that at least one-fourth of the U.S. wheat crop will go to India this year under the food-for-peace program. It is my understanding we have agreed to ship a total of approximately 10 million tons of food grains to India under present agreement.

This would mean approximately 330 million bushels of wheat which would take all of the Kansas harvest this year plus almost 100 million bushels of additional grain.

Mr. Chairman, we must guard against hitting bottom in our reserves as we launch this war on hunger. Congress properly is providing in this bill for continuing congressional review of the operation and administration of the program by limiting the extension of this legislation to 2 years.

The administration and the Secretary of Agriculture, in particular, have the responsibility of keeping close tab on our grain stocks as they administer this program.

Recently, the President belatedly announced an increase in acreage allotments for 1967 by 15 percent. This was merely a first step in the right direction. More idle land should be placed in production. The administration should give immediate consideration to relaxing further its controls on wheat farmers.

Finally, I support those provisions in this legislation which provide for assistance to "friendly nations" and restrict our aid to certain Communist nations and those countries which actively assist North Vietnam or Cuba. Last year, I tried to keep the same restrictions which the House had included in the 1966 foreign assistance appropriations bill, but the administration was successful in turning back this effort when the conference report came back for a vote.

Mr. Chairman, I commend the Committee on Agriculture for the thorough consideration it has given this legislation. The extensive hearings which were conducted have contributed immeasurably to the drafting of a bill with bipartisan support. This legislation properly administered will be a major step toward winning the war on hunger.

Mr. SPRINGER. Mr. Chairman, as one of the original congressional authors of Public Law 480 enacted under President Eisenhower's leadership in 1954, I commend the Committee on Agriculture for bringing out this legislation extending Public Law 480 for another 2 years.

On the whole this is a splendid bill and reflects the bipartisan support which the food-for-peace program, as authorized by Public Law 480, has received over the years.

We Americans look upon ourselves as a peace-loving people. Yet the semantics of the present administration seem to require us to use warlike terms for what we are trying to do.

We are being asked today to vote for a war on hunger. I suppose there is nothing wrong in the use of this phrase. It should be emphasized however that the war on hunger began 12 years ago with the enactment of Public Law 480 by a Republican Congress under a Republican President.

The use of the phrase "war on hunger" and the change in the popular name for the program from "food for peace" to "food for freedom" signifies no fundamental change in Public Law 480.

In fact, the members of the Agriculture Committee, on both sides of the aisle, are to be commended for resisting the administration's effort to change the basic concept of this program. They proved themselves to be no rubberstamps for the executive branch of the Government.

As the gentleman from Ohio [Mr. LATTA] has said, this is not another new Great Society program. It is our old, tried and true Public Law 480 with only such revisions as were considered necessary by the committee to meet the changing conditions at home and abroad.

One of the revisions will permit our farmers to produce food for the express purpose of feeding people throughout the world. Until now shipments under Public Law 480 have been limited to surplus food and fiber accumulated under Government price-support programs. The bill before us will allow "available" as well as surplus commodities to be included in those shipments.

Through this bill we also place emphasis on aid to friendly countries willing to help themselves toward a great degree of self-reliance in producing sufficient food to meet the needs of their people.

I am pleased that the committee incorporated in the bill several amendments offered from the minority side. These Republican sponsored amendments—

Provide continuing congressional review of the operation and administration of the program by limiting the extension of Public Law 480 to 2 years;

Retain the basic concept of "friendly countries" banning subsidized sales to Communist countries and to countries who sell supplies to Cuba or North Vietnam, or allow their ships and planes to engage in such trade;

Improve the effectiveness of the Joint Congressional Executive Advisory Committee;

Place stronger emphasis on agricultural self-help by earmarking at least 20 percent of foreign currencies under title I sales for this purpose; and

Require, so far as practicable, the identification of food sold for foreign currencies as being provided through the generosity of the American people.

I am particularly pleased that a revised version of the gentleman from Kansas' [Mr. DOLE] proposal for a "bread and butter corps" will be authorized by this legislation. The provision setting up this farmer-to-farmer program calls for better coordination of the technical assistance activities which we have engaged in for many years under various governmental programs. The land grant colleges, such as the University of Illinois, as well as other institutions of higher learning in this country will have a major role in furthering this effort to improve agricultural production and distribution in the underdeveloped areas of the world.

Mr. Chairman, I represent one of the richest agricultural areas of the world. The 22d Illinois Congressional District grows more corn and soybeans than any comparable area in the world. Our farmers have an important stake in world trade. They are aware of the fact that the food production from one out of every four acres of farm land in the United States goes overseas.

As President Johnson said more than a year ago:

> The food-for-peace program is one of the most inspiring enterprises ever undertaken by any nation in all of history.

It has prevented famine. It has helped alleviate hunger and malnutrition. At the same time this program has proved to be a boon to American farmers. While we have shipped some $14.5 billion in surplus commodities under this program in the last 12 years there has also been a tremendous increase in exports of farm productions through regular trade channels. Our total agricultural exports increased from $5 billion in 1962 to $6.2 billion in 1965. The proportion of surplus shipments actually declined from 30 percent of the total in 1962 to 23 percent in 1965.

Populations are growing and incomes are rising throughout the world. As a result, the worldwide demand for our farm products will continue to rise. The Corn Industries Research Foundation has made possible food for peace and exports will hit $7 or $8 billion in the next few years.

The production genius of the American farmer has not been fully appreciated in recent years. His technical achievements seemed overshadowed in the public mind by the problem of managing the surpluses his skills built up. But now the picture has changed. The burdensome surpluses have vanished and markets for the farmers' goods are rapidly expanding. The emphasis in this bill is not on crop curtailment. It is on production.

The American farmer is coming into his own. American farm production has made possible food for peace and food for freedom.

Mr. PEPPER. Mr. Chairman, I supported the amendment offered by the able gentleman from New York [Mr. RYAN] precluding any sales to the United Arab Republic unless the President determines that such sale is to the national interest of the United States. However, that was not the language in the bill which the able gentleman from New York [Mr. RYAN] and I wanted to see adopted. He had an amendment at the desk absolutely forbidding any benefits under this bill to the United Arab Republic. I had an amendment ready to offer to the same effect in the following language:

AMENDMENT TO H.R. 14929, AS REPORTED
OFFERED BY MR. PEPPER

On page 28, after line 9, insert the following new section:

"SEC. 4. Because it appears that the United Arab Republic under the leadership of Premier Gamal Abdel Nasser is preparing to wage aggressive war against Israel which would plunge the Middle East into war, no agreement shall be entered into with, no program of assistance shall be made available to, and no other benefits shall be made available to, the United Arab Republic under this Act or any Act amended by this Act."

And renumber the following section accordingly.

I think we should have prohibited in this bill Nasser's receiving any benefits under it. But the amendment of the able gentleman from New York [Mr. RYAN] which was adopted, seemed the best that we could get at this time. The able gentleman from New York [Mr. RYAN] and I and others who share our sentiments about Nasser, while we would have preferred a flat prohibition of sales to Nasser, are pleased this amendment strengthens the bill as reported by the committee in this respect in that it does forbid any sales to Nasser unless the President determines that such sale is to the national interest of the United States.

I am sure President Johnson will look with closest scrutiny at the conduct of Nasser and will be satisfied that he is abandoning his threat of aggression against Israel and ceasing his efforts to destroy Israel before he finds him to be eligible for sales under this act.

Mr. BELL. Mr. Chairman, I rise in favor of the Food for Freedom Act of

1966, H.R. 14929. I favor its passage because it extends in essence the successful agricultural aid program carried out under Public Law 480; and, of more important, it brings to this program a new and vital emphasis on initiative and self-help among recipient nations.

United States surpluses, under Public Law 480, have helped feed 100 million people in 100 nations since enactment in 1954.

Still, two-thirds of the world today is undernourished, largely because the people cannot grow food needed to keep pace with burgeoning population. The U.S. Department of Agriculture reported more food than ever produced throughout the world in 1965. But while food production rose 1½ percent, population increased by 2 percent.

The United States may have abundance to share, but can it keep up with a world population surging far ahead of world food supply? In most of Asia, Latin American and the Middle East, and in parts of Africa, population grows so rapidly it has been estimated that doubled food supplies by the end of this century will merely keep most people there at the same malnourished level as today. Even now, 10,000 people there die every day because they have not been able to get enough to eat. Half the children born in these areas will die of starvation in infancy. Seven out of every ten that live will suffer lifelong physical or mental disability because of inadequate nourishment.

Without Public Law 480, conditions would have been considerably worse. We now have the opportunity to make conditions considerably better. The broad expansion and new objectives of H.R. 14929, which amends Public Law 480, will constitute a worldwide war on hunger. Enactment of this legislation will enlist the active participation of other countries. Successes thus far under Public Law 480 will be immeasurably increased. For we will be sharing more than surplus food—we will be sharing advanced farming techniques we have been fortunate enough to develop. We will be helping especially those countries that show willingness to learn so that in time they may help themselves and become self-reliant.

The Food for Freedom Act of 1966 is landmark legislation in that it accords official recognition to the complexity of a world food shortage that cannot be solved by increased production alone. It contains important sections concerning voluntary activities dealing with the problems of population growth and family planning in recipient countries.

American industry and agriculture will benefit too. Agricultural production will expand to help meet world requirements. New markets will be created for all the materials that go into the production of crops and livestock.

We have not hesitated to share our abundance. But we cannot share it forever, and even now it is not enough. It is more important to share technical knowledge and to encourage a worldwide agricultural and health revolution. The alternative is massive famine and political revolution. Freedom from hunger is the fundamental freedom that can, in the end, determine all others.

Mr. SICKLES. Mr. Chairman, the Food for Freedom Act of 1966 is a far-reaching and important piece of legislation because it makes a positive, forthright commitment on behalf of the United States to help the less fortunate people of the world who do not have enough to eat.

The measure expands and extends the existing food-for-peace program through which hundreds and millions of hungry people in nations all over the world have received food surplus to American needs. Whereas the food-for-peace program is designed only to utilize surplus agricultural commodities accumulated under various farm programs, the food-for-freedom program is designed to permit deliberate production of crops which will be used to feed hungry people throughout the world. Whereas under the existing program, the United States spends $2 billion a year, the Nation's commitment under the proposed program would be increased to $3.3 billion annually.

The Food for Freedom Act, however, goes further than merely providing food for hungry people throughout the world—it is designed to encourage the recipient nations to develop the means by which they can produce sufficient food to meet their own needs. The legislation recognizes—for the first time as a matter of U.S. policy—the relationship between the expanding world population and the shortage of food in the world.

Consequently, the proposed law requires that the President, in determining the aid that each country should receive under this program, consider the efforts of the countries to meet their population problems. Furthermore, the United States will be committed to helping countries—where they request help—in dealing with problems of population growth and family planning and stipulates that foreign currencies generated by the sale of U.S. agricultural commodities may be used, when requested by the recipient countries, to finance programs related to the problems of population growth.

The emphasis of the proposed legislation would mean two things to the American economy: First, it would open the opportunity to bring back eventually from retirement much of the 60 million acres of American farmland now bedded down under various farm programs so that we will be able to produce enough food for the starving areas of the world while they are raising their own agricultural production levels; and second, it would open up new opportunities for business and industry by increasing farm exports. With farm production up, there would, of course, be a greater demand at home for more fertilizer and machinery, and as other countries develop their own agriculture they will be seeking imports of this equipment.

Both of these developments will have an impact on Maryland's economy which relies so heavily on agricultural production and the activities of the Port of Baltimore. As a result of this program, Maryland's agricultural production can be expected to rise above its present level of approximately $300 million annually and the Port of Baltimore can be expected to expand its foreign shipments beyond the present level of about $1.6 billion.

The food-for-freedom program is badly needed. As the report of the Committee on Agriculture so dramatically points out:

> Two-thirds of the world is undernourished. Thousands of persons die each day as a result of malnutrition. The specter of famine and mass starvation, in the near years ahead, hangs over great areas of the world where populations are exploding. Hunger blocks the path to world peace.

It is particularly appropriate, therefore, that the United States, which is part of that one-third of the world which is well-fed, should make this commitment to the two-thirds of the world that is going hungry. I strongly urge adoption of this legislation.

Mr. RODINO. Mr. Chairman, there is probably no problem of greater immediate concern to millions of people on this earth than the threat of human hunger. Recently we have all become aware of the life and death race between population growth and food supplies, and even though the underdeveloped nations must face this growing crisis daily, the well-being and security of all nations is at stake. The Food for Freedom Act, which strengthens and realistically improves Public Law 480 gives me confidence that we are on the right track, and that we are capable of adjusting our efforts to meet and effectively deal with disturbing changes that seem to occur ever more frequently in our crisis ridden age. Even though we have sent 140 million tons of food to hungry people overseas during the last decade, the American farmer has yet to be challenged to demonstrate the extent of our capacity. Our strength, then, is a mighty tool that, with compassionate employment and thoughtful diplomacy, ought to hearten us all in hopefully looking toward a solution to the age-old menace of hunger and security. This legislation combines the best traditions of American humanitarianism with an enlightened and pragmatic recognition of our national interest, I fully support this measure.

Mr. FASCELL. Mr. Chairman, I consider it a privilege to have this opportunity to present a brief statement in support of H.R. 14929, the Food for Freedom Act of 1966. First of all I wish to compliment the Members of the House Committee on Agriculture and committee chairman, the Honorable HAROLD D. COOLEY, on the comprehensive scope of the hearings held on this bill and for reporting favorably on legislation which will open the way for an effective "World War on Hunger."

For more than a decade the food-for-peace program, carried out under provisions of Public Law 480, has provided food assistance to needy people in at least 100 nations throughout the world. This proposed Food for Freedom Act of 1966, provides for a broad expansion of America's food-for-peace program and places emphasis on aid to those friendly nations helping themselves toward a greater degree of self-reliance in providing sufficient food to meet the needs of their own people.

The broadened concept of H.R. 14929, would permit deliberate production of food in the United States for feeding hungry people in other nations, whereas heretofore such food assistance has been limited primarily to surplus food accumulated under various farm production adjustment programs. The new act provides for a wider variety of commodities that may be made available to recipient nations. It includes any agricultural commodity or product thereof and domestically produced fishery products—except fish concentrate until approved by the Food and Drug Administration for U.S. consumption.

This proposed Food for Freedom Act recognizes for the first time the world population explosion relationship to the world food crisis. The new program will encourage and assist those activities undertaken by recipient countries related to the problem of population growth.

This proposed Food for Freedom Act retains, strengthens, and expands provisions of the current food-for-peace law which restrict food aid to Communist countries. New provisions are added to deny food sales for local currencies or long-term dollar credit to nations which sell or furnish, or use their ships or aircraft, to supply North Vietnam or Cuba with equipment, materials, or commodities.

Mr. Chairman, in view of the great need for food in the numerous food deficit areas of the world, it is my hope that this bill will be enacted into law at the earliest possible date.

Mr. WOLFF. Mr. Chairman, I most wholeheartedly support the food-for-freedom program and our Government's participation in this type of program. We, the richest nation on earth, have a moral responsibility to help those people in the world who are still deprived of even the most basic needs—adequate food, shelter, and health care. That responsibility is clearly recognized in the food-for-freedom program which President Johnson presented to Congress, proposing that "the United States lead the world in a war against hunger." He also said, "There can only be victors in this war." I completely support this view. We have heard much talk about "guns or butter." If we marshal our forces behind the kind of "butter" proposed by the food-for-freedom bill, in my opinion we will eventually have no need for "guns."

The food-for-freedom program follows in the tradition of many programs of aid to needy nations which began with the proclamation of the four freedoms of mankind by President Franklin D. Roosevelt. We have come a long way since then. The Marshall plan gave Europe the assistance needed to accomplish the miracle of reconstruction and recovery that has taken place since World War II. President Kennedy's Alliance for Progress instituted a comparable effort for the countries of Latin America. Over the past 10 years alone we have provided through the USDA over 140 million tons of food to hungry people. Yet, as President Johnson stated, "the problem of world hunger is more serious today than ever before."

It has become increasingly clear that direct food aid alone will never provide the final solution to this problem of world hunger. The productive capacity of all the helping nations cannot keep pace with the dramatically increasing food needs of a world population in constant growth.

The final elimination of want will only come if that aid is accompanied by the continuing development of the economic productivity of the nations receiving our assistance. This goal cannot be achieved unless the dependent nations are committed to a program of self-help in the development of their own economic self-reliance. It is this kind of self-reliance and freedom for developing nations which is, and must always be, the ultimate goal of our aid programs.

I regard, therefore, as one of the most significant aspects in the food-for-freedom bill—and one also emphasized by the President—that provision which would make "self-help" on the part of recipient nations an integral part of our food aid program.

The decision to incorporate the "self-help" concept as an essential part of the food-for-freedom program came after careful analysis by the Department of Agriculture of the anticipated food needs of recipient nations in the years up to 1975 and beyond as they relate to the potential productive capacity of the United States and to a continuation of present trends in grain production in the developing countries. The conclusion was clearly stated by Secretary of Agriculture Orville Freeman in his testimony before the House Agriculture Committee. He indicated that by 1985, even if the total productive capacity of the United States were called into play, food aid alone could not supply world food needs, and there would be a disastrous gap between need and available supply if the rate of production in developing countries does not sharply increase between now and 1985. This is why the food-for-freedom program places the highest emphasis on self-help and why I so strongly endorse this particular aspect of the proposed program.

It ought to be made clear that the self-help area of the food-for-freedom bill will be implemented by making both technical and capital assistance available to those countries which embark on effective programs to increase their own food-producing ability.

Parenthetically, I would like to state that my support of this self-help concept is based strongly on my own experience as a businessman and my service as a member of President Kennedy's Economic Trade Mission for Underdeveloped Countries. In that capacity I participated in the initiation of programs based on the self-help concept and designed to assist small businessmen in a number of countries in the Far East to set up and sustain their own businesses. This program was eminently successful in the Philippines, Taiwan, Malaysia, and other countries. I pursued this idea last November when, as a Member of Congress, I led a group of American small businessmen on a trip to Vietnam to explore the possibilities of a joint venture program, designed to find a way to bring a beginning of stability to the Vietnamese economy by establishing equal partnership arrangements between American and Vietnamese businessmen in the establishment of small business ventures in Vietnam.

It has been my firm belief that every attempt to encourage self-help on the part of developing countries in every area of their life and economy can have only positive results in the efforts to arrive at a world both peaceful and free from want.

The second new feature which I regard as important in the Food for Freedom Act is the provision which would eliminate the surplus requirement for food aid. In the past, commodities available for aid have been limited to large degree by the kind held in surplus stocks. Under the new program this will no longer be true.

The new bill provides that the Secretary of Agriculture take into account the food-for-freedom needs in projecting our domestic farm programs. He will determine both the kind and quantities of commodities available, using five criteria listed in title III, section 301, of the food-for-freedom bill, H.R. 12785, which require that he take into account "productive capacity, domestic requirements, farm and consumer price levels, commercial exports, and adequate carryover" in his determinations with regard to commodities and quantities to be included in negotiations with each country.

The significance of the elimination of the surplus requirement is quite clear. It will make it possible in the future to gear the kind of commodities sent abroad as aid measures to the needs of the countries involved, most specifically the nutritional needs, which the President has stressed as so crucial a factor in the promotion of the health and progress of developing countries.

In conclusion, may I reaffirm my support for the food-for-freedom bill and my enthusiasm for the particular sections I have discussed above. I would like to state, too, that the ultimate success of this or any aid program will rest strongly on how successfully we bring the benefits of such programs directly to the people of the recipient nations. Only as the people benefit quickly and directly from assistance—whether it be food, health care, or education—we hope to stimulate the kind of incentive and determination for self-help which will be the foundation for the progress and productivity in developing countries necessary to permit them to take their place as contributing members of a peaceful world society free from hunger and want.

Mr. HARVEY of Indiana. Mr. Chairman, I want to take this opportunity to thank my colleagues on the Agriculture Committee for the very kind treatment and consideration I have enjoyed during the years it has been my privilege to serve in the Congress.

Public Law 480 has had one unique distinction in that it is one of the few acts that has come to be known by its assigned number. When it was first enacted in 1954, very few people, even the most optimistic supporters, could have anticipated the impact it would have upon the affairs of the world.

Not only has this program had a pronounced effect upon commercial, political, and humanitarian affairs of the world, but it has been a tremendous weapon in the struggle for freedom against the forces of Communist domination.

The acknowledgment by our Government that we had a role to play in attempting to alleviate hunger of other nations which were not so blessed with abundances was a new and revolutionary concept. To be sure, our Nation has historically responded to humanitarian calls and we have willingly used our food resources to alleviate hunger during and following wars, but this program was and is designed to provide assistance where hunger has been endemic.

Two paramount motives were set forth in the legislative intent of the original Public Law 480 program: one was market development and, two, surplus disposal. With regard to the first of these objectives, we have had really substantial results. Foreign markets for our farm products have increased so materially that we are now expecting them to exceed $6 billion for the fiscal year just closing. Our agriculture imports will approximate $4 billion for this same period, so we have a definite favorable balance of trade in this program which is sorely needed to alleviate the alarming gold drain which is a great concern to us.

The other purpose of the act, having to do with surplus commodity disposal, has been given much attention in recent years. In many instances the countries we were attempting to help deprecated our good intentions and insisted we were not really motivated by humanitarian intentions. Nothing could be farther from the truth, and I am confident history will record this as a fabrication of the facts.

As a matter of public knowledge many recipient nations even today feel that they are doing us a favor by taking commodities off our hands. This we are not only de-emphasizing because of diplomatic overtones, but we are also doing it for the simple reason that we no longer have these commodities in surplus, at least not in the quantities as of yore.

No doubt some of the criticisms directed at this program have some merit. I would like to say that our committee has endeavored, along with the administrators of the program, to improve the operation continuously. One of the largest of the many nations we have tried to assist is India. This overpopulated country has experienced starvation almost constantly since we have had any knowledge of the area. In an effort to help the hundreds of millions comprising India's states, we mounted a massive long-range program of assistance which I am sorry to say has not been nearly as successful as we had hoped. Possibly it was a more complicated problem than we anticipated and perhaps we expected to much to soon from a people who had just recently acquired their own independence. It takes time to shake off centuries of lethargy and neglect and India is no exception.

Regardless of how we may choose to interpret this particular program, in all fairness it should be pointed out that three different Chief Executives have found it in the national interest to support the purposes of this act. As a result we have accumulated more than a billion dollars which for all practical purposes is frozen in the respective recipient countries banks. Often this money which is not redeemable in dollars is referred to as counterpart funds.

During Madame Ghandi's recent visit to the United States, she and President Johnson agreed upon a plan to utilize a portion of India's contribution for the establishment of an educational institution there. This is in keeping with the basic purposes of the act and it is in fact a step that should have been initiated much earlier.

In view of our diminishing surpluses, however, recipient nations should be impressed with their own responsibilities of self-help. If the participating nations are given a clearer and firmer understanding of their own responsibilities, plus our obligations to the people of our Nation, I am confident the program will grow and become an even greater tool for the welfare of mankind.

I want to commend our able chairman of the House Agriculture Committee for the time provided interested citizens to appear and register their views on this important legislation. I believe adequate time was afforded for the committee's drafting of the legislative language of the bill in executive session. It has been tremendously inspiring to note the interest that has been aroused throughout the world in the Public Law 480 program, and the hundreds of pages of testimony taken by the committee are certainly evidence of the widespread concern that people have for the problems connected with feeding a hungry world.

Obviously, in any effort so far reaching and important, there are bound to be differences of opinion as to the content of this measure. However, I can report to you that we bring this legislation to the Committee today with an almost unanimous report. Bypartisan action such as this is further proof of the conscientious effort that has been displayed by the leadership as well as by the entire membership.

There will undoubtedly be some amendments offered on the floor; my suggestion is that they be given as objective consideration as possible, bearing in mind the extremely fine screening the bill has already had. We do not come to the floor today with an ill-considered or hastily approved proposal.

Now as to the actual content of H.R. 14929, I will review briefly some of the outstanding features for the benefit of the Committee of the Whole. It will extend the act for 2 years and be known as the Food for Freedom Act of 1966. It authorizes an expenditure of $3.3 billion, a goodly portion of which should eventually return to the Treasury.

Two-thirds of the world is undernourished. Thousands of persons die each day as the result of malnutrition. The specter of famine and mass starvation, in the years ahead, hangs over great areas of the world where populations are exploding. Hunger blocks the path to world peace.

H.R. 14929—the new Food for Freedom Act—sets in motion a policy and a program which in times to come, with the active participation of other nations, may be heralded as one of history's greatest steps forward. This is a world war on hunger. Its aim is to deal with the oldest and severest agony of mankind. Victory would save more lives than have been lost in all the wars of history. It is a war in which all nations and all peoples may join.

Its new objectives are as follows:

First, permits deliberate production of food in the United States to feed hungry people in other nations. Heretofore our food shipments under the food-for-peace program have been limited to surpluses accumulated under various farm programs;

Second, places emphasis particularly on aid to those friendly countries helping themselves toward self-reliance in producing sufficient food to meet the needs of their own people;

Third, recognizes for the first time, as a matter of U.S. policy, the world population explosion relationship to the world food crisis, providing that the new food-for-freedom program shall make available resources to promote voluntary activities in other countries dealing with the problem of population growth and family planning;

Fourth, takes into account the need for clothing among impoverished peoples, by authorizing the shipment through this program of textiles where raw cotton accounts for a substantial portion of the cost;

Fifth, established a farmer-to-farmer program by which the Department of Agriculture would administer in cooperation with the various land-grant and other colleges the use of American farm "know-how and show-how" to help developing countries meet rising food needs, commonly called the "bread and butter corps;"

Sixth, protects normal trade and commerce; and

Seventh, strengthens provisions of the present food-for-peace law restricting aid to Communist dominated countries.

A very important provision in this bill refers to the Public Law 480 program as a free world, free enterprise undertaking. Food sales for local currencies or long-term dollar credit would be denied those nations which sell or furnish, or permit ships or aircraft under their registry to supply North Vietnam or Cuba with any equipment, materials or commodities. These concessional sales would also be denied nations which have expropriated property of American citizens without payment of just compensation or have not taken appropriate action upon a judgment in favor of such U.S. citizens.

The new program will encourage the development of free enterprise in the recipient developing countries. It expands the Cooley loan program through which foreign currencies accumulated under the program are made available for loans to U.S. firms and their affiliates for business development and trade expansion in the recipient countries.

Basically, H.R. 14929 amends Public Law 480, under which the food-for-peace program supplies food to hungry peoples, first, through sales for the currencies of other nations; second, long-term dollar credit sales; and third, by donations. Public Law 480, as amended, is extended for 2 years, to December 31, 1968.

Expenditures amounting to $3.3 billion annually would be authorized for the new program. Approximately $2 billion now is being expended under the food-for-peace program.

In conclusion I would just like to say a hungry world is a dangerous world. It is a world fruitful to communism. But communism cannot feed the people it enslaves. Communism can offer the underdeveloped world only hunger and starvation. The genius of America's farmers and the American system of free enterprise can save mankind from famine and mass starvation, if implanted and accepted in the far corners of the earth.

We are planning a new war, a new kind of war.

The President has said there should be only victors, no vanquished. In this undertaking it will be well to remind from time to time the recipient governments and peoples that the United States of America, not many years ago, as measured by the span of time, was an underdeveloped country, and that, under free enterprise by a free people, this underdeveloped land has become the most prosperous and most powerful nation on earth.

One witness during the committee's public hearings recalled that in the early history of our country 1 million American Indians lived marginally, in mean circumstances, on the land embraced in the continental United States, while today almost 200 million Americans eat well from the same land, and have food to share with others throughout the world.

Mr. DAGUE. Mr. Chairman, I rise in support of H.R. 14929. This bill extends and amends Public Law 480, a landmark law enacted by the Republican 83d Congress a dozen years ago and extended on a bipartisan basis on a number of occasions since. This bill is in that bipartisan tradition and during the 4 months that it has been considered in the committee, many changes and improvements have been made. Amendments and suggestions were made from both sides of our committee aisle in an effort to strengthen this valuable program which is of such great importance to millions of people, both here at home and overseas.

Naturally, I suppose, none of us feel that all the amendments that were adopted are desirable or that the committee acted wisely in rejecting some suggestions. I personally have serious reservations about the committee amendment which permits repayment periods on long-term dollar credit sales to run as long as 40 years. Others in the committee and in this House may question other provisions in the bill, but by and large the entire membership of the committee has worked diligently to bring forth a bill which has overwhelming support.

Throughout the testimony presented to the committee there was one common, and I might add, ominous theme. That theme was and is the very real likelihood of a serious food shortage in many parts of the world within the next few decades. This shortage of food is growing more and more acute each year as a result of exploding populations and less than adequate world food production.

In my opinion H.R. 14929 is a recognition of this problem. It also offers three constructive approaches toward doing something about this ever-growing world food gap.

First, this legislation calls for expanded U.S. agricultural production which will either be donated to needy people throughout the world or will be sold to them on very generous terms.

Second, this bill, for the first time in my recollection, recognizes the problems of population growth and provides ways and means to implement family planning in those parts of the world which desire this type of necessary assistance.

Third, this bill places heavy emphasis, both in policy and in execution, upon self-help activities designed to expand world food production and distribution.

The goal of this bill is not to see each nation entirely self-sufficient in food. Rather it is to help friendly developing nations achieve the economic ability to finance their own needs, either at home or by hard currency purchases of food and fiber from the United States. Or to put it another way, the market development aspects of this new law, the Agriculture Trade Development and Assistance Act of 1954, are still retained and emphasized by H.R. 14929.

The one amendment to this bill which I do oppose is the committee amendment to permit dollar credit sales to be extended for periods of 40 years with 10-year grace periods during which no principal will be repaid.

These terms, in my opinion, make the program overly generous and not in the interest of U.S. taxpayers who must foot the bill. Interest rates, at 1 percent per year for 10 years and 2½ percent per year thereafter, are well below the cost of money to the Treasury. Ten-year grace periods, in my opinion, can only aggravate the balance-of-payment problem. Forty years is too long a time to expect repayment for perishables. The grandchildren of today's grandfathers who ate that food may not wish to, nor be able to, pay for this food two score years later.

It must also be borne in mind that title IV of the present statute limits dollar credit sales to 20 years with 2-year grace periods. The committee voted 21 to 12 to retain present law, but later reversed itself on the committee amendment which should be rejected by the House.

There are two provisions in this bill, which were not in the legislation recommended by the administration, that I would like to comment upon.

The first is the provision which extends this program for 2 years. The administration had sought a 5-year extension. The committee wisely chose the shorter extension in order to give Congress a continuing review and a better grasp of this $3.3 billion a year program.

It is important that Congress retain this review authority because this program, unlike the regular foreign aid program, is all wrapped up in one package. There is no authorization with a subsequent appropriation under this program. The money is spent by the Commodity Credit Corporation which then is later reimbursed by the Congress. Therefore, a 2-year extension gives the Committee on Agriculture and the House an effective opportunity to examine and review the policies and the administration of the program, rather than remaining, from a practical standpoint, powerless to do so for a period of 5 years.

Another provision in this bill which has received considerable attention is the so-called North Vietnam-Cuba amendment. The committee bill carries what, in essence, this House approved by a 3-to-1 margin several weeks ago, as an amendment to the 1967 agricultural appropriations bill.

This amendment does not punish the hungry in any country of the world because it applies only to the concessional sales program under title I. In other words, it does not affect food donations made under title II of the act.

This amendment does not impose any burden upon anyone. It simply offers a choice to any nation which seeks our help under the concessional sales program embodied in Public Law 480. That choice is to either carry on commerce with Havana and Hanoi or enjoy local currency sales and long-term dollar credit sales of U.S. farm commodities under this program. The amendment is not an ex post facto amendment. It applies only to the present, and once a nation ceases its commerce with our enemies in North Vietnam and Cuba it becomes eligible once again for these very generous sales agreements with the United States.

This amendment has been discussed at length together with the various other "friendly" nation provisions in the bill, and I for one would certainly urge the House to support the Committee's actions on the North Vietnam-Cuba provision.

In conclusion, Mr. Chairman, let me say that in the absence of substantial changes being made by the House, I expect to vote for H.R. 14929 on final passage. I believe, however, that the rejection of the committee amendment allowing 40-year dollar credits would further improve the bill. Likewise any amendments to weaken the "friendly nations" provisions of the bill should also be rejected.

Mr. CALLAN. Mr. Chairman, the bill now provides that the Secretary of Agriculture shall formulate voluntary adjustment program—wheat, feed grains, cotton—to provide production to meet requirements and assure a carryover at the end of the marketing year of at least 25 percent of annual requirements.

As you know, the Agricultural Advisory Commission has recommended reserve stocks levels for major agricultural commodities to the Department of Agriculture. Secretary Freeman has testified that while the matter of reserve levels is under constant study in the Department, they have tentatively stood on these recommendations. The pertinent figures relating to the Advisory Commission recommendation and carryover figures provided in this bill are as follows:

	Wheat	Cotton	Feed grains
Approximate current annual requirements (domestic plus total export)	*Million bushels* 1,500	*Million bales* 15.0	*Million tons* 170.0
25 percent of annual requirements	400	3.8	42.5
Advisory Commission reserve level	630	6.2	45.0

The carryover figures based on the provisions of this bill match fairly well with those presently accepted by the Department. For wheat and cotton a carryover equivalent to 25 percent of annual requirements represents a reasonable minimum carryover. Certainly, programs for these commodities should not be formulated to purposely reduce the commodity carryover below this level. Actually for both wheat and cotton, a slightly larger carryover should be the goal in order to successfully implement the ever-normal granary concept of adequate supplies and price stability.

For feed grains carryover stocks equivalent to 25 percent of current annual utilization will provide an adequate and desirable carryover level. As with any desirable carryover goal, this level is sufficient to allow substantial short-run deviation resulting from unforeseen or unpredictable circumstances.

A requirement to maintain a carryover level for wheat, feed grains, or cotton equivalent to 50 percent of annual requirements is completely unreasonable. Such a carryover level would be more than required under set conditions so adverse as to be unrealistic.

Carryovers at this level would largely be carried by CCC which would mean large storage, handling, and transportation expense. There would be no benefits to producers and the market price softness resulting from the presence of such excessive stocks would in the long run have a decided adverse effect on farm prices and income. There can be no question but that a requirement to maintain carryover stocks at anywhere near 50 percent of annual requirements would be a backward step—back toward the costly surplus situation which we inherited. Such a carryover requirement can hardly be regarded as anything other than permanent return to the agricultural dark ages of the 1950's.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having resumed the chair, Mr. MOORHEAD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes, pursuant to House Resolution 878, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

Mr. HARVEY of Indiana. Mr. Speaker, I demand a separate vote on the second committee amendment.

The **SPEAKER** pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put the remaining amendments en gros.

Mr. HARVEY of Indiana. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state it.

Mr. HARVEY of Indiana. I would ask the chairman to make sure that that is the committee amendment dealing with the period of credit extended to Communist countries.

The **SPEAKER** pro tempore. Will the gentleman advise what page the amendment to which he refers is found on?

Mr. QUIE. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state it, but the Chair is trying to ascertain where in the bill the amendment is located to which the gentleman makes reference.

Mr. QUIE. Page 13, line 17, according to the committee report.

Mr. HARVEY of Indiana. That is correct. Page 13, line 17.

The **SPEAKER**. The question is on the remainder of the amendments.

Mr. QUIE. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state it.

Mr. QUIE. To make certain, this is the amendment that provides for a 40-year loan and a 10-year grace period, is it not?

The **SPEAKER** pro tempore. The Chair is unable to construe the amendment. The amendment appears in the bill as indicated by the gentleman.

Mr. QUIE. I would say that that is the intention.

The **SPEAKER** pro tempore. The Chair is endeavoring to put the question on the adoption of the remaining amendments en gros. The question is on the remaining amendments.

The amendments were agreed to.

The **SPEAKER** pro tempore. The Clerk will report the amendment on which a separate vote is demanded.

The Clerk read as follows:

Page 13, line 19, strike out the language beginning with *"Provided,* That payment shall be made", down through and including line 5 on page 14, and insert "In any event such agreement shall be no less favorable to the United States than for development loans made under section 201 of the Foreign Assistance Act of 1961, as amended."

The **SPEAKER** pro tempore (Mr. ALBERT). The question is on the amendment.

Mr. COOLEY. Mr. Speaker——

Mr. HARVEY of Indiana. Mr. Speaker, on that I ask for the yeas and nays.

The **SPEAKER** pro tempore. The Chair is unable to hear two Members speaking at the same time.

Mr. COOLEY. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state his parliamentary inquiry.

Mr. COOLEY. Mr. Speaker, I understand that it is to strike out the language which appears in the bill at page 14 thereof, beginning with line 1 through line 8.

The SPEAKER pro tempore. Page 13, beginning on line 19 with *"Provided,"* and continuing on page 14 into line 5 and inserting in lieu thereof the new language.

The question is on the amendment.

On that the gentleman from Indiana [Mr. HARVEY] demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 193, nays 165, not voting 73, as follows:

[Roll No. 133]

YEAS—193

Addabbo
Albert
Anderson, Tenn.
Annunzio
Ashley
Aspinall
Bandstra
Barrett
Beckworth
Bennett
Bingham
Boggs
Boland
Brademas
Brooks
Burke
Burton, Calif.
Byrne, Pa.
Callan
Carey
Celler
Chelf
Clark
Clevenger
Cohelan
Conyers
Cooley
Corman
Culver
Daddario
Daniels
Delaney
Diggs
Dingell
Donohue
Dow
Dulski
Duncan, Oreg.
Edmondson
Edwards, Calif.
Evans, Colo.
Farbstein
Farnsley
Farnum
Fascell
Feighan
Fisher
Fogarty
Foley
Ford, William D.
Fountain
Fraser
Friedel
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Hagen, Calif.
Halpern
Hamilton
Hanley
Hanna
Hansen, Iowa
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Henderson
Hicks
Holland
Howard
Hull
Hungate
Huot
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kee
Kelly
King, Calif.
King, Utah
Kirwan
Kluczynski
Kornegay
Krebs
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
McVicker
Machen
Mackie
Madden
Mahon
Matthews
Meeds
Mink
Moeller
Monagan
Moorhead
Morgan
Murphy, Ill.
Natcher
Nedzi
O'Brien
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pike
Poage
Price
Purcell
Randall
Redlin
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.
Rodino
Rogers, Colo.
Ronan
Roncalio
Rooney, Pa.
Rosenthal
Rostenkowski
Roybal
Ryan
St Germain
St. Onge
Scheuer
Schisler
Schmidhauser
Shipley
Sickles
Sisk
Slack
Smith, Iowa
Staggers
Stalbaum
Steed
Stratton
Stubblefield

Sullivan
Taylor
Tenzer
Thomas
Thompson, Tex.
Todd
Tunney
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Watts
Weltner
White, Idaho
Whitener
Wright
Yates
Young
Zablocki

NAYS—165

Abernethy
Adair
Adams
Anderson, Ill.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ayres
Bates
Battin
Belcher
Bell
Berry
Betts
Bow
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Burton, Utah
Byrnes, Wis.
Cabell
Cahill
Callaway
Cameron
Carter
Casey
Cederberg
Chamberlain
Clancy
Cleveland
Collier
Conable
Conte
Corbett
Craley
Cramer
Cunningham
Curtin
Curtis
Dague
Davis, Ga.
Davis, Wis.
Derwinski
Devine
Dickinson
Dole
Dorn
Dowdy
Downing
Duncan, Tenn.
Dwyer
Edwards, Ala.
Erlenborn
Everett
Fallon
Findley
Ford, Gerald R.
Frelinghuysen
Fulton, Pa.
Fuqua
Gathings
Gettys
Goodell
Gross
Grover
Gurney
Haley
Hall
Halleck
Hansen, Idaho
Harsha
Harvey, Ind.
Horton
Hutchinson
Ichord
Johnson, Pa.
Jonas
Keith
King, N.Y.
Kunkel
Laird
Langen
Latta
Leggett
Lipscomb
McClory
McCulloch
McDade
McEwen
MacGregor
Mackay
Mailliard
Marsh
Martin, Ala.
Martin, Mass.
Martin, Nebr.
Mathias
May
Michel
Minshall
Moore
Morse
Morton
Nelsen
O'Konski
O'Neal, Ga.
Passman
Pickle
Pirnie
Poff
Pool
Pucinski
Quie
Quillen
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Roberts
Robison
Rogers, Fla.
Rogers, Tex.
Roudebush
Roush
Rumsfeld
Satterfield
Saylor
Schneebeli
Schweiker
Secrest
Selden
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Va.
Springer
Stafford
Stanton
Stephens
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Tuck
Tuten
Walker, Miss.
Walker, N. Mex.
Watkins
Watson
Whalley
White, Tex.
Whitten
Widnall
Wilson, Bob
Wolff
Wydler
Younger

NOT VOTING—73

Abbitt
Ashmore
Baring
Blatnik
Bolling
Bolton
Brown, Calif.
Clausen, Don H.
Clawson, Del
Colmer
Dawson
de la Garza
Dent
Denton
Dyal
Edwards, La.
Ellsworth
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gilligan
Gubser
Hagan, Ga.
Hardy
Harvey, Mich.
Hébert
Herlong
Holifield
Hosmer
Keogh
Kupferman
Landrum
Lennon
Long, La.
McMillan
Macdonald
Matsunaga
Miller
Mills
Minish
Mize
Morris
Morrison
Mosher
Moss
Multer
Murphy, N.Y.
Murray
Nix
O'Hara, Ill.
Pelly
Powell
Race
Rees
Rivers, Alaska
Rivers, S.C.
Rooney, N.Y.
Scott
Senner
Sweeney
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Utt
Waggonner
Williams
Willis
Wilson, Charles H.
Wyatt

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Talcott against.

Mr. Rooney of New York for, with Mr. Pelly against.

Mr. Holifield for, with Mr. Hosmer against.

Mr. Dent for, with Mr. Fino against.

Mr. Lennon for, with Mr. Ellsworth against.

Mr. Minish for, with Mr. Hagan of Georgia against.

Mr. Miller for, with Mr. Utt against.

Mr. Rivers of Alaska for, with Mr. Don H. Clausen against.

Mr. Multer for, with Mr. Del Clawson against.

Mr. Evins of Tennessee for, with Mr. Gubser against.

Until further notice:

Mr. Matsunaga with Mr. Wyatt.
Mr. Gilligan with Mr. Mize.
Mr. Race with Mr. Harvey of Michigan.
Mr. Morris with Mrs. Bolton.
Mr. Hébert with Mr. Mosher.
Mr. Morrison with Mr. Tupper.
Mr. Long of Louisiana with Mr. Kupferman.
Mr. Murphy of New York with Mr. Mills.
Mr. Macdonald with Mr. McMillan.
Mr. Sweeney with Mr. Scott.
Mr. Senner with Mr. Colmer.
Mr. Ashmore with Mr. Herlong.
Mr. Blatnik with Mr. Landrum.
Mr. Brown of California with Mr. Dawson.
Mr. Denton with Mr. Nix.
Mr. O'Hara of Illinois with Mr. Willis.
Mr. Trimble with Mr. Waggonner.
Mr. Charles H. Wilson with Mr. Williams.
Mr. Toll with Mr. Thompson of New Jersey.
Mr. Dyal with Mr. Flynt.
Mr. Fulton of Tennessee with Mr. Edwards of Louisiana.
Mr. Hardy with Mr. Baring.
Mr. Rivers of South Carolina with Mr. de la Garza.
Mr. Moss with Mr. Powell.
Mr. Rees with Mr. Abbitt.
Mr. Flood with Mr. Murray.

Mr. **ADAIR** changed his vote from "yea" to "nay."

Mr. **FOUNTAIN** changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The **SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

MOTION TO RECOMMIT

Mr. **WALKER** of Mississippi. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER** pro tempore. Is the gentleman from Mississippi opposed to the bill?

Mr. **WALKER** of Mississippi. Mr. Speaker, I am, in its present form.

The **SPEAKER** pro tempore. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WALKER of Mississippi moves to recommit the bill H.R. 14929 to the Committee on Agriculture with instructions to report the same back forthwith with the following amendments:

Page 4, line 3, strike the words "for foreign currencies".

Page 27, line 25, after the word "That" insert the words "notwithstanding any other provision of this Act or any other Act,".

Page 28, line 3, strike out the words "25 per centum" and insert the words "50 per centum".

Page 28, line 9, strike the period and quotation marks and insert the words ", or 80 per centum of the current parity price for such commodity plus reasonable carrying charges, whichever is the higher."

The **SPEAKER** pro tempore. Without objection, the previous question is ordered.

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion to recommit.

Mr. **GERALD R. FORD.** Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 157, nays 200, not voting 75, as follows:

[Roll No. 134]

YEAS—157

Abernethy
Adair
Anderson, Ill.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ayres
Bates
Battin
Belcher
Bell
Bennett
Berry
Betts
Bow
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Burton, Utah
Byrnes, Wis.
Cahill
Callaway
Carter
Cederberg
Chamberlain
Clancy
Cleveland
Collier
Conable
Cramer
Cunningham
Curtin
Curtis
Dague
Davis, Ga.
Davis, Wis.
Derwinski
Devine
Dickinson
Dole
Dorn
Dowdy
Downing
Duncan, Tenn
Dwyer
Edwards, Ala.
Erlenborn
Findley
Fisher
Ford, Gerald R.
Fountain
Fulton, Pa.
Fuqua
Goodell
Gross
Grover
Gurney
Haley
Hall
Halleck
Halpern
Hansen, Idaho
Harsha
Harvey, Ind.
Horton
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Keith
King, N.Y.
Kornegay
Kunkel
Kupferman
Laird
Langen
Latta
Lipscomb
McClory
McCulloch
McDade
McEwen
MacGregor
Mahon
Mailliard
Marsh
Martin, Ala.
Martin, Mass.
Martin, Nebr.
May
Michel
Minshall
Moore
Morton
Natcher
Nelsen
O'Konski
O'Neal, Ga.
Passman
Pirnie
Poff
Pool
Pucinski
Quie
Quillen
Redlin
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Robison
Rogers, Fla.
Rogers, Tex.
Roudebush
Rumsfeld
Satterfield
Saylor
Schneebeli
Schweiker
Secrest
Selden
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Va.
Springer
Stafford
Stanton
Steed
Stephens
Taylor
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Tuck
Vigorito
Walker, Miss.
Walker, N. Mex.
Watkins
Watson
Whalley
Whitener
Whitten
Widnall
Wilson, Bob
Wydler
Younger

NAYS—200

Adams
Addabbo
Albert
Anderson, Tenn.
Annunzio
Ashley
Aspinall
Bandstra
Barrett
Beckworth
Bingham
Boggs
Boland
Brademas
Brooks
Burke
Burton, Calif.
Byrne, Pa.
Cabell
Callan
Cameron
Carey
Casey
Celler
Chelf
Clark
Clevenger
Cohelan
Conte
Cooley
Corbett
Corman
Craley
Culver
Daddario
Daniels
Delaney
Diggs
Dingell
Donohue
Dow
Dulski
Duncan, Oreg.
Edmondson
Edwards, Calif.
Evans, Colo.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Fogarty
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Gallagher
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Hagen, Calif.
Hamilton
Hanley
Hanna
Hansen, Iowa
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Henderson
Hicks
Holland

Howard
Hull
Hungate
Huot
Irwin
Jacobs
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kee
Kelly
King, Calif.
King, Utah
Kirwan
Kluczynski
Krebs
Leggett
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
McVicker
Machen
Mackay
Mackie
Madden
Mathias
Matthews
Meeds

Mink
Moeller
Monagan
Moorhead
Morgan
Morse
Murphy, Ill
Nedzi
O'Brien
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Poage
Price
Randall
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.
Roberts
Rodino
Rogers, Colo.
Ronan
Roncalio
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal

Ryan
St Germain
St. Onge
Scheuer
Schisler
Schmidhauser
Shipley
Sickles
Sisk
Slack
Smith, Iowa
Staggers
Stalbaum
Stratton
Stubblefield
Sullivan
Tenzer
Thomas
Thompson, Tex.
Todd
Tunney
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vivian
Watts
Weltner
White, Idaho
White, Tex.
Wolff
Wright
Yates
Young
Zablocki

NOT VOTING—75

Abbitt
Ashmore
Baring
Blatnik
Bolling
Bolton
Brown, Calif
Clausen,
  Don H.
Clawson, Del
Colmer
Conyers
Dawson
de la Garza
Dent
Denton
Dyal
Edwards, La.
Ellsworth
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gilligan
Gubser

Hagan, Ga.
Hardy
Harvey, Mich.
Hébert
Herlong
Holifield
Hosmer
Keogh
Landrum
Lennon
Long, La.
McMillan
Macdonald
Matsunaga
Miller
Mills
Minish
Mize
Morris
Morrison
Mosher
Moss
Multer
Murphy, NY.
Murray
Nix

O'Hara, Ill.
Pelly
Powell
Purcell
Race
Rees
Rivers, Alaska
Rivers, S.C.
Rooney, N.Y.
Scott
Senner
Sweeney
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Utt
Waggonner
Williams
Willis
Wilson,
  Charles H.
Wyatt

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Talcott.

Mr. Rooney of New York with Mr. Pelly.

Mr. Holifield with Mr. Hosmer.

Mr. Dent with Mr. Fino.

Mr. Lennon with Mr. Ellsworth.

Mr. Minish with Mr. Hagan of Georgia.

Mr. Miller with Mr. Utt.

Mr. Rivers of Alaska with Mr. Don H. Clausen.

Mr. Multer with Mr. Del Clawson.

Mr. Evins of Tennessee with Mr. Gubser.

Mr. Matsunaga with Mr. Wyatt.

Mr. Gilligan with Mr. Mize.

Mr. Race with Mr. Harvey of Michigan.

Mr. Morris with Mrs. Bolton.

Mr. Hébert with Mr. Mosher.

Mr. Morrison with Mr. Tupper.

Mr. Long of Louisiana with Mr. Mills.

Mr. Murphy of New York with Mr. McMillan.

Mr. Macdonald with Mr. Scott.

Mr. Sweeney with Mr. Colmer.

Mr. Senner with Mr. Herlong.

Mr. Ashmore with Mr. Landrum.

Mr. Blatnik with Mr. Dawson.

Mr. Brown of California with Mr. Nix.

Mr. Denton with Mr. Willis.

Mr. O'Hara of Illinois with Mr. Waggonner.

Mr. Trimble with Mr. Williams.

Mr. Charles H. Wilson with Mr. Thompson of New Jersey.

Mr. Toll with Mr. Flynt.

Mr. Dyal with Mr. Edwards of Louisiana.

Mr. Fulton of Tennessee with Mr. Baring.

Mr. Hardy with Mr. de la Garza.

Mr. Rivers of South Carolina with Mr. Purcell.

Mr. Moss with Mr. Powell.

Mr. Rees with Mr. Conyers.

Mr. Flood with Mr. Murray.

Mr. JOHNSON of California changed his vote from "yea" to "nay."

Messrs. ROGERS of Texas, HALPERN, and MACGREGOR changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 333, nays 20, not voting 79, as follows:

[Roll No. 135]

YEAS—333

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson,
  Tenn.
Andrews,
  George W.
Andrews,
  Glenn
Andrews,
  N. Dak.
Annunzio
Arends
Ashbrook
Ashley
Aspinall
Ayres
Bandstra
Barrett
Bates
Battin
Beckworth
Belcher
Bennett
Berry
Betts
Bingham
Boggs
Boland
Bow
Brademas
Bray
Brock
Brooks
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Burke
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Callan
Carey
Casey
Cederberg
Celler
Chamberlain
Chelf
Clancy
Clark
Cleveland
Clevenger
Cohelan
Collier
Conable
Conte
Conyers

Cooley
Corbett
Craley
Cramer
Culver
Cunningham
Curtin
Daddario
Dague
Daniels
Davis, Wis.
Delaney
Derwinski
Devine
Diggs
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Edmondson
Edwards, Calif.
Erlenborn
Evans, Colo.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Findley
Fisher
Fogarty
Foley
Ford, Gerald R.
Ford,
  William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Gallagher
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Grabowski
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths

Gross
Grover
Gurney
Hagen, Calif.
Hall
Halleck
Halpern
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Iowa
Hansen, Wash.
Harsha
Harvey, Ind.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Henderson
Hicks
Holland
Horton
Howard
Hull
Hungate
Huot
Hutchinson
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
King, Calif.
King, N.Y.
King, Utah
Kirwan
Kornegay
Krebs
Kunkel
Kupferman
Laird
Langen
Latta
Leggett
Lipscomb
Long, Md.
Love
McCarthy
McClory
McCulloch
McDade

McDowell
McEwen
McFall
McGrath
McVicker
MacGregor
Machen
Mackay
Mackie
Madden
Mahon
Mailliard
Marsh
Martin, Mass.
Martin, Nebr.
Mathias
Matthews
May
Meeds
Michel
Mink
Minshall
Moeller
Monagan
Moore
Moorhead
Morgan
Morse
Morton
Murphy, Ill.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike

Pirnie
Poage
Poff
Price
Pucinski
Purcell
Quie
Randall
Redlin
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Resnick
Rhodes, Pa.
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Ronan
Roncalio
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Rumsfeld
Ryan
Satterfield
St Germain
St. Onge
Saylor
Scheuer
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Shipley
Shriver
Sickles
Skubitz
Slack

Smith, Calif.
Smith, Iowa
Smith, Va.
Springer
Stafford
Staggers
Stalbaum
Stanton
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thomas
Thompson, Tex.
Thomson, Wis.
Todd
Tuck
Tunney
Tuten
Udall
Ullman
Vanik
Vigorito
Vivian
Walker, N. Mex.
Watkins
Watts
Weltner
Whalley
White, Idaho
White, Tex.
Whitener
Whitten
Widnall
Wilson, Bob
Wolff
Wright
Wydler
Yates
Young
Younger
Zablocki

NAYS—20

Buchanan
Callaway
Cameron
Carter
Corman
Davis, Ga.
Dickinson

Edwards, Ala.
Haley
Ichord
Martin, Ala.
O'Neal, Ga.
Passman
Pool

Quillen
Reuss
Rhodes, Ariz.
Van Deerlin
Walker, Miss.
Watson

NOT VOTING—79

Abbitt
Ashmore
Baring
Bell
Blatnik
Bolling
Bolton
Brown, Calif.
Clausen,
  Don H.
Clawson, Del
Colmer
Curtis
Dawson
de la Garza
Dent
Denton
Dyal
Edwards, La.
Ellsworth
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gilligan
Gubser

Hagan, Ga.
Hardy
Harvey, Mich.
Hébert
Herlong
Holifield
Hosmer
Keogh
Kluczynski
Landrum
Lennon
Long, La.
McMillan
Macdonald
Matsunaga
Miller
Mills
Minish
Mize
Morris
Morrison
Mosher
Moss
Multer
Murphy, N.Y.
Murray
Nix

O'Hara, Ill.
Pelly
Powell
Race
Rees
Rivers, Alaska
Rivers, S.C.
Rooney, N.Y.
Scott
Senner
Sikes
Sisk
Smith, N.Y.
Sweeney
Talcott
Thompson, N.J.
Toll
Trimble
Tupper
Utt
Waggonner
Williams
Willis
Wilson,
  Charles H.
Wyatt

So the bill was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Talcott.

Mr. Rooney of New York with Mr. Pelly.

Mr. Holifield with Mr. Hosmer.

Mr. Dent with Mr. Fino.

Mr. Lennon with Mr. Ellsworth.

Mr. Minish with Mr. Hagan of Georgia.

Mr. Miller with Mr. Utt.

Mr. Rivers of Alaska with Mr. Don H. Clausen.

Mr. Multer with Mr. Del Clawson.

Mr. Evins of Tennessee with Mr. Gubser.

Mr. Matsunaga with Mr. Wyatt.

Mr. Gilligan with Mr. Mize.
Mr. Race with Mr. Harvey of Michigan.
Mr. Morris with Mrs. Bolton.
Mr. Hébert with Mr. Mosher.
Mr. Morrison with Mr. Tupper.
Mr. Long of Louisiana with Mr. Mills.
Mr. Murphy of New York with Mr. McMillan.
Mr. Macdonald with Mr. Scott.
Mr. Sweeney with Mr. Colmer.
Mr. Senner with Mr. Herlong.
Mr. Ashmore with Mr. Landrum.
Mr. Blatnik with Mr. Dawson.
Mr. Brown of California with Mr. Nix.
Mr. Denton with Mr. Willis.
Mr. O'Hara of Illinois with Mr. Waggonner.
Mr. Trimble with Mr. Williams.
Mr. Charles H. Wilson with Mr. Thompson of New Jersey.
Mr. Toll with Mr. Flynt.
Mr. Dyal with Mr. Edwards of Louisiana.
Mr. Fulton of Tennessee with Mr. Baring.
Mr. Hardy with Mr. de la Garza.
Mr. Rivers of South Carolina with Mr. Abbitt.
Mr. Moss with Mr. Powell.
Mr. Rees with Mr. Curtis.
Mr. Flood with Mr. Bell.
Mr. Sikes with Mr. Smith of New York.
Mr. Sisk with Mr. Kluczynski.

Mr. CARTER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 12676. An act to amend the Tariff Schedules of the United States to provide that certain forms of copper be admitted free of duty.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15151) entitled "An act to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster."

ADJOURNMENT OVER

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CALENDAR WEDNESDAY BUSINESS DISPENSED WITH

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule on Wednesday next may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

FATHER'S DAY

Mr. RESNICK. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 873.

The Clerk read the resolution, as follows:

H. RES. 873

Resolved, That the third Sunday in June of each year is hereby designated at "Father's Day". The President is authorized and requested to issue annually a proclamation calling on the appropriate Government officials to display the flag of the United States on all Government buildings on such day, inviting the goverments of the States and communities and the people of the United States to observe such day with appropriate ceremonies, and urging our people to offer public and private expressions on such day to the abiding love and gratitude which they bear for their fathers.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. RESNICK

Mr. RESNICK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Page 1, line 1, strike out "each year" and insert "1966".

Page 1, line 3, strike the word "annually".

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

VIETNAM AND PRESS COVERAGE

Mr. HULL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HULL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared recently in the St. Joseph, Mo., News-Press:

VIETNAM AFFAIR AND PRESS COVERAGE

Every administration in Washington sooner or later shoots at the press for its own shortcomings. It was true of Theodore Roosevelt who invented an Ananias Club to which he consigned reporters who printed the truth, news not colored as T.R. wanted it. It was true of Herbert Hoover who shied away from all publicity after his gorgeous honeymoon wrecked confidence in his administration over the world depression. It was most surely true of Franklin D. Roosevelt, perhaps most of all. (Remember his satirical gesture awarding an Iron Cross to a White House correspondent who dared print the truth?)

And so it is with the Lyndon B. Johnson administration. The President himself stays in the background but very recently a White House secretary spoke of "inexperienced reporters" and "headline type of coverage" as to Viet Nam. Another aide spoke of "distorted reports from Viet Nam."

Fortunately, we the press of America, have a top newspaper man who knows news. He happens to be Wes Gallagher, general manager of the Associated Press. He is a man who has come up through the ranks, having been with that famed, and leading newsgathering organization since 1937. Wes is sick and tired of the sniping from the Palace Guard of the President. He defies AP and all news gathering detractors in words that are worthy to be read by the general public.

"The fact is" says Wes Gallagher, "the press always has been attacked in wartime because its reports frequently clash with government views and with the image government would like to present. And reporters too must bring unpleasant, confusing and discouraging reports to the public which reacts, as all people do, with irritation."

Mr. Gallagher correctly states that criticism of the press by the government rises in direct proportion to the amount of adverse news printed which may not be in line with government policy.

The inexperience charge is totally untrue. Men covering the Viet Nam war are far more experienced in fair, impartial reporting than are government yes men who hop, skip and jump at the brow-lifting or finger-twirling of that man from Texas who succeeded John F. Kennedy, as our President.

The present Associated Press staff in Viet Nam ranges in age from 61 to 25 with experience in reporting as follows: 35 years, 28 years, 23 years, 18 years, 14 years, 13 years, 11 years, 8 years and 7 years. Three have covered World War II and the Korean "police action."

The News-Press and Gazette are proud of the wholesome coverage the Associated Press is giving our readers as to Viet Nam. Last year your Associated Press spent three-quarters of a million dollars on staff and communications.

Let this be said and we defy successful contradiction from anyone in Washington:

Newspaper reporting from Viet Nam has been more accurate than the official statements, whether via the Pentagon, the field, the State Department, or the White House inner circle.

The Associated Press is covering a war, not a political hullabaloo, even if some in Washington think otherwise. This war, and do not fool yourself, this is war in Viet Nam, has presented the most confusing and controversial in all American history. There are the world of imponderables, the huge gaps between the South and the North Vietnamese, between the hawks and the doves, by those for and those against the war.

American correspondents in Viet Nam as a whole, report all correctly, to the dismay at times alternately of the hawks and of the doves, and always of the pressure men called White House press aides.

How lovely it would be to Washington if the press reported only the good news from Viet Nam. But that is not good newspapering. That is deceit, unworthy of the Fourth Estate.

The function of the press is to present the news, good or bad, fairly and without slightest bias. Let critics cry. The people want truth.

A PERMANENT U.N. PEACEKEEPING FORCE

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCHWEIKER. Mr. Speaker, 49 of my colleagues and I are today introducing a resolution calling for the establishment of a permanent United Nations peacekeeping force.

Particularly at this time of international tension, it would seem to me that the United States, as one of the leading member nations of the U.N., ought to continue its attempts to help strengthen that important world body.

Earlier this year, efforts were made to bring the Vietnam conflict before the Security Council for discussion. In my view, these efforts were both necessary and desirable and should continue at the earliest possible date. For it is through such efforts that the United Nations will continue to perform its important role in world affairs.

By the same token, such actions as we are calling for in this resolution today can add immeasurably to the United Nations' effectiveness in dealing with crises in any sector of the globe.

Almost 8 years ago, during the summer of 1958, the Congress passed a resolution expressing the sense of Congress that the United Nations General Assembly should immediately consider making permanent arrangements for a U.N. observation and patrol force for use in situations threatening international peace and security.

It was envisioned that this force would be along the same lines as the one in use in the Middle East that year, and that no member of the Security Council would contribute manpower to the force.

Other similar proposals have been made subsequently, but with the heightening of international fears over the war in Vietnam, I think that the Congress, speaking for the Nation, ought at this time and in this manner to emphasize our interest in peace and in strengthening the organizations which might help to achieve peace.

I believe that we should let the world know that our objective is to improve and strengthen the United Nations so that it can share the burdens of leadership in crises of this type.

It is important also to point out to the world that the American eagle holds an olive branch as well as a sheaf of arrows and that we want to do everything possible to strengthen the peacekeeping operations of the United Nations. And while this may be a distant goal, we should make clear to all nations of the world as well as our own citizens our intention to pursue this objective.

One proposal to accomplish this is the creation of a permanent U.N. peacekeeping force. It is particularly appropriate at this time for the Congress to consider anew the value of such an expression of its views in this important area.

Mr. Speaker, the text of my resolution follows:

H. Con. Res. 690

Concurrent resolution to provide for a permanent United Nations peacekeeping force

Whereas Congress has urged that the United Nations should develop permanent organization and procedures to "enable the United Nations promptly to employ suitable United Nations forces for such purposes as observation and patrol in situations that threaten international peace and security" (H. Con. Res. 373, 85th Congress, 2d Session); and

Whereas the need for such a force appears likely to continue; and

Whereas a United Nations force, established on a permanent basis, could be an important instrument for the maintenance of international peace and security: Therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress reaffirms its support for a permanent United Nations peacekeeping force and urges the United States delegation to the United Nations to present a plan to the Twenty-first General Assembly for the establishment of such a United Nations "World Peace Force" on a permanent basis and for rules to govern the proper and effective use of such a peacekeeping force and provisions to train, equip, and finance it.

In view of our involvement in Vietnam, it is more important than ever that we continue our search for peace. That is why, in the past, I have supported legislation providing funds for the United Nations—such as the U.N. bond issue—and the establishment of and funding for the U.S. Arms Control and Disarmament Agency.

Mr. Speaker, joining with Mr. Moorhead and me today are the following of our colleagues: Mr. Adams, Mr. Ashley, Mr. Barrett, Mr. Cahill, Mr. Clark, Mr. Cohelan, Mr. Conte, Mr. Daddario, Mr. Dingell, Mr. Dow, Mr. Ellsworth, Mr. Farbstein, Mr. Fraser, Mr. Friedel, Mrs. Green of Oregon, Mr. Green of Pennsylvania, Mr. Halpern, Mr. Harvey of Michigan, Mr. Hathaway, Mr. Hechler, Mr. Hicks, Mr. Horton, Mr. Johnson of Pennsylvania, Mr. Johnson of Oklahoma, Mr. Kupferman, Mr. Leggett, Mr. Long of Maryland, Mr. McDowell, Mr. Mackay, Mr. Mathias, Mr. Morse, Mr. Multer, Mr. Olsen of Montana, Mr. Olson of Minnesota, Mr. Ottinger, Mr. Pepper, Mr. Race, Mr. Reid of New York, Mr. Reuss, Mr. Rodino, Mr. Rosenthal, Mr. Ryan, Mr. St. Onge, Mr. Schmidhauser, Mr. Smith of New York, Mr. Vivian, Mr. Watkins, and Mr. Wolff.

Mr. Speaker, I also wish to point out that the resolutions introduced by Messrs. Ellsworth, Horton, Mathias, Morse, and Reid of New York call, in addition to the plan for the peacekeeping force itself, for "an unqualified offer of 1,000 technical and noncombatant personnel from the American Military Establishment to serve as a permanent unit subject to call by the United Nations in the event of an international emergency."

I was pleased this week to learn that former President Eisenhower, while attending a tribute to the United Nations in Kansas City, called for the establishment of a U.N. peacekeeping force that could "move in with power" to prevent war.

Mr. Speaker, I take this opportunity to express my hope that the Congress, in these difficult days of international tension, will again and soon express their concern over this matter, and I call upon other Members of this body to join us in this effort and to give their thoughtful consideration to other methods by which the United Nations may be further strengthened.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. SCHWEIKER. I yield to the gentleman.

Mr. CONTE. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Pennsylvania. I have filed a similar resolution and wish to compliment the gentleman for his forwardlooking message here today.

It has long been clear to me that our cold war confrontations around the world can only be solved successfully and satisfactorily through multilateral action. The intervention of a single country against the aggressions and invasions of the Communist world are not sufficient to bring an end to such aggressions, short of all-out war.

The United Nations must be supported in all its goals and capacities. And, as a forum for collective action by all the nations of the world, it can and will reduce the commitment and obligations of any one nation. Perhaps our problems in Vietnam would be considerably less critical if the United Nations could have taken a stronger hand.

A PERMANENT U.N. PEACEKEEPING FORCE

Mr. HORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, I am honored to join with Mr. Robert F. Ellsworth, of Kansas; Mr. Charles McC. Mathias, of Maryland; Mr. E. Bradford Morse, of Massachusetts; and Mr. Ogden R. Reid of New York led by Mr. Schweiker and Mr. Moorhead, in submitting a concurrent resolution to set up a permanent peacekeeping apparatus within the United Nations. In the resolution which I submitted, I have incorporated an amendment which, in addition to seeking the submission of a plan for a peacekeeping force by our U.N. delegation, offers a concrete proposal for American participation in the U.N. peacekeeping establishment.

The amendment to this resolution, which my colleagues, Robert F. Ellsworth, Charles McC. Mathias, F. Bradford Morse, and Ogden R. Reid are cosponsoring with me, provides for the unconditional offering by the United States of 1,000 technical and noncombatant military personnel to serve as a permanent unit subject to call by the United Nations in the event of an international emergency.

By taking the lead in offering a concrete contribution of manpower to a permanent peacekeeping U.N. force, we will be surrounding the plan we propose in the General Assembly with an atmosphere of sincerity and urgency it would not possess without an offer of men and action.

As a peace-loving people, we are frequently puzzled when citizens of other lands question our motives and actions in the international arena. The goal of the American people is peace, and at a time when world tensions are high and when our motives are doubted, we must give even higher priority to our peaceful ambitions, and their fruition throughout the world. The priority that must be given to this goal has been recognized by the more than 40 Congressmen who have submitted this resolution today.

We can demonstrate the urgency of our desire for an effective peace by offering a permanent and workable plan for a U.N. peacekeeping force when that body convenes in the fall.

Those of us who have joined in this amendment believe that any question or doubt that is raised about our motives in proposing such a plan will be fully and resolutely answered if the United States accompanies its proposal with an unconditional offer of personnel to help implement the permanency of the peacekeeping apparatus.

A year ago, the proposal to offer 1,000 American personnel for U.N. call was conceived by those of us who support it today. At that time, we called the plan the First Brigade—Forces for International Relief on Standby.

Let the First Brigade stand as the first step toward establishing a permanent facility for policing and containing the crises which have prevented the hot wars of this century from cooling to the point of true peace.

A PERMANENT PEACEKEEPING FORCE FOR THE UNITED NATIONS

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Speaker, I am introducing a resolution today, along with more than 40 of our colleagues, calling for a permanent United Nations peacekeeping force.

The resolution urges the U.S. delegation to the United Nations to present such a plan at the next session of the General Assembly and to propose rules for the proper and effective use of such a peacekeeping force.

There can be little question that in its 21 years the United Nations has played an important role as a peacemaker and a peacekeeper. Its presence has limited conflicts in the Congo and the Middle East, in Kashmir, and on Cyprus. Its presence has undoubtedly prevented conflicts between other nations in many areas of the world.

But the U.N.'s peacekeeping force has been much like a volunteer fire department. Its effectiveness has depended largely on the availability and willingness of its members to participate. For an organization charged with the momentous responsibility of maintaining international peace and security, a more permanent and dependable arrangement is urgently needed.

The fact of the matter is that the General Assembly has been unwilling to use its powers to require every member to share in financing the costs of past peacekeeping operations.

We are further frustrated by the ability of even a single member to prevent the United Nations from acting in its capacity to keep or to restore peace.

This situation must not be allowed to continue. If peace is an overriding necessity of mankind—which I fervently believe it is—then a more reasonable and realistic approach to peacekeeping is required.

A standby U.N. force would go a long way toward meeting this objective. It would be a far more effective means of insuring an international presence where and when it is required.

It should have appeal to large and small nations alike, for brushfires can spread, and peace in an interdependent world is indivisible.

It is practicable, furthermore, as is made clear by the expressed willingness of 10 nations to date to earmark forces for the United Nations.

Mr. Speaker, the financial structures of the United Nations also requires urgent attention. It is not healthy for a world organization to depend repeatedly on one, or even a few of its members, for financial relief. I would hope that action to make the U.N. financially self-sufficient would be acted on in concert with efforts to strengthen its peacekeeping capacity. Both are essential if the United Nations is more effectively to discharge its responsibilities and to fulfill the hopes held by so much of mankind.

LANHAM "TEX" CONNOR, FORMER DEAN OF OFFICIAL REPORTERS TO HOUSE COMMITTEES

Mr. GEORGE W. ANDREWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GEORGE W. ANDREWS. Mr. Speaker, I would like to take this opportunity to say a few words in behalf of Lanham Connor, whom we affectionately call "Tex." As many of you know, Tex retired recently after many years of faithful service as an Official Reporter to House Committees. In fact, for the past 8 years he has been dean of Official Reporters to House Committees.

Tex hails from the State of Texas. He is the nephew of the late Fritz Lanham, who served in the U.S. House of Representatives for many years. His grandfather, S. W. T. Lanham, served two terms as Governor of the State of Texas and then was elected to the U.S. House of Representatives where he served 25 years with distinction.

Tex came to Washington in 1939 as a free lance reporter, and did not begin working for the House of Representatives until 1942, when the late Speaker Sam Rayburn appointed him to the corps of Official Reporters to House Committees. I understand he has "reported" every Defense Subcommittee appropriations bill for the past 24 years. That is quite a record. As a member of that subcommittee I am well aware of the fine job he has done.

During the hearings before the Legislative Subcommittee of the House Appropriations Subcommittee tributes were paid to Tex. I had left the committee room to answer a rollcall and was not present, but I am pleased to include the remarks made by my colleagues:

TRIBUTES TO TEX CONNOR

Mr. SLACK. The record will show at this point that Tex Connor, who I understand was the dean of official committee reporters, has just recently retired. He has been a very loyal and faithful reporter to the committees, and particularly to the Committee on Appropriations, and we certainly wish Tex and his wife many happy years to come.

Mr. STEED. Mr. Chairman, I would like to add my word of commendation to our old friend, Tex Connor, and to join in wishing him a very profitable and enjoyable retirement. I know that he has well earned this retirement and we hope he has many years to enjoy it.

We will miss him. He is quite an individual. We all came to appreciate him more than as just one of the helpers around here. He became a very good personal friend and we certainly will miss him.

We hope that in his pursuit of his favorite hobby of fishing that he will find some time to come back and renew old acquaintances when it suits him.

I certainly believe he is one man whose devotion to duty and efficiency and all around good personality endeared him to every member of the Appropriations Committee, or any other committees that had occasion to work with him.

Mr. LANGEN. Mr. Chairman, permit me to add my good wishes to those already extended by the chairman and my colleagues on behalf of Tex Connor. We certainly hope that the future holds for him a wealth of comfort and satisfaction. I am sure that the Congress will benefit for a good many years from the criteria that he has established in the way of caring for the services and the needs of Congress, and that he might well serve as an example to many of us in the kind of dedication and untiring efforts that are needed to carry on the business of legislating.

Mr. STEED. I might say, Mr. Chairman, that all any new chairman who was a little bit in doubt about how he should proceed had to do was to have a cup of coffee with Tex and he would become well educated.

Mr. REIFEL. Mr. Chairman, other than joining in the commendation and commendatory remarks made about Tex, which I heartily join, I have no other questions.

Mr. Speaker, when the time comes for a person to retire, there is no greater personal satisfaction he can have than that of knowing he has performed the duties of his position to the best of his ability. The service Tex has rendered has been outstanding, and it gives me much pleasure to join his many friends by offering my personal congratulations and best wishes for much happiness and contentment in his years of retirement.

Recently Tex came by my office for a visit. He told me he would not take anything in the world for the experience he had while serving as an official reporter; that he loved every minute of it.

HORTON SEEKS SWEEPING STUDY OF GREAT LAKES

Mr. HORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, today I have proposed legislation authorizing a comprehensive study of water resources in the Great Lakes with emphasis on Lakes Ontario and Erie. This measure calls on the Army Corps of Engineers to survey all the Great Lakes facts relevant to water supply, pollution abatement, navigation, flood control, hydroelectric power, and related water resources development and control.

Water quality is deteriorating in the Great Lakes. It is absolutely essential that we move now to improve, protect, and develop these water resources. We must halt this alarming deterioration of water quality in the Great Lakes and evolve a comprehensive plan for long-range development of water resources.

In recent years adverse changes in water quality have been recorded in Lake Ontario waters. The deterioration of Lake Ontario is not so advanced as in some other areas of the Great Lakes but there is substantial evidence that the rate of deterioration is accelerating.

These adverse changes in the quality of Lake Ontario waters are clearly caused by the addition of waste products from the watershed. The bacteriological, chemical, and biological changes induced by these wastes have a deleterious effect on the water quality.

It is alarming to note that algal growths, which reflect the cumulative load of pollution and decomposition of organic waste products, are gaining a wider foothold in Lake Ontario.

Algal growths curtail commercial fishing and recreational activities, impart obnoxious odors, impair filtering operations of industrial and municipal water treatment plants, lower waterfront property values, interfere with the manufacture of many industrial products, and ultimately could result in the destruction of the lake as a valuable water resource.

It is the clear-cut responsbility of the present generation to preserve and develop the water resources of Lake Ontario.

The availability of water of high quality will continue to be one of the most important factors in the development of the Lake Ontario region.

The discharges of municipal and industrial wastes threaten the health of the people, interfere with municipal and industrial water supplies, recreation, fish and aquatic life. These wastes discolor the lake waters, and produce foul odors and algal growths.

On the U.S. side of Lake Ontario, municipal wastes from a population of 1.8 million are discharged into the lake. About 25 percent of these wastes receives secondary treatment, 72 percent primary treatment only, and 3 percent no treatment. On the Canadian side, waste from a 2.5 million population goes into the lake. Eighty-two percent receives secondary treatment, 17 percent primary treatment, and 1 percent no treatment.

ELECTION REFORM LEGISLATION

Mr. CONABLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CONABLE. Mr. Speaker, amendments to the Federal Corrupt Practices Act are currently of great interest to Members of Congress for a number of reasons: the ineffectiveness of efforts to control this field has long been a matter of general concern; the forthcoming congressional elections of 1966 show indications in some quarters of the most extravagant efforts to purchase or protect congressional seats that this country has known; the bill recently proposed by the administration represents a major effort to attack this problem, yet leaves something to be desired in its comprehensiveness.

Every election provides a test of representative Government. The theory of representative government is that we select a neighbor, someone whose community judgment we respect and whose integrity is demonstrated, to journey to some distant seat of government to make decisions in our name. As our country has grown, personal knowledge of the representative by those represented becomes more and more difficult. Each of us in Congress now represents close to half a million people, and polls tell us that in the typical congressional district less than 30 percent of our constituents know our names. In short, for most practical purposes, the electorate has had to substitute public image for personal individual knowledge as the main criterion used in the selection of a congressional representative.

Sadly enough, public image is more closely related to the massive expenditure of money in use of the mass media than it is to individual character. Thus, the candidate with unlimited resources at his command, whether personal or sponsored, has a tremendous advantage over the worthy candidate of limited means. It may be difficult to control this trend, but the integrity of our public institutions requires that an effort be made.

For 3 months my office has worked on amendments to the Federal election laws and I am today filing the end result of those labors for the consideration of the Congress. Admittedly, this bill is not a panacea for all the assaults which big money can make on the selection of worthy representatives. I do think the comprehensiveness of this legislation, as compared to the present law and to some other proposals, is indicated by the following list of provisions.

First. Realistic limitations are placed on contributions and expenditures by persons and committees for all candidates for Federal office, including President and Vice President, and violation would be subject to stiff penalties. The limitation on expenditures would be arrived at by multiplying the population of the represented area by 10 cents. Individual contributors would be limited to $5,000 to any one candidate for an election to Senate or House and $10,000 for President and Vice President.

Second. Primaries are covered by this bill and limitations are imposed on expenditures and contributions for primaries, as well as general elections.

Third. All committees contributing to Federal election campaigns would be required to report, not just those operating in more than one State. Proliferation of committees would be checked by requiring that committees be authorized by the candidate and their expenditures included within his campaign limitations. The candidate has the responsibility for obeying the limitations, and so has more incentive to have the law obeyed.

Fourth. "Contributions" are redefined to require the putting of a value on certain loans, and services and materials not previously covered. This bill also necessitates disclosure of a third party paying for a candidate's campaign material or loaning employees in support of a candidate.

Fifth. Reports must be filed with the Comptroller General, who must examine the reports to check compliance with the law. Apparent violations are reported to the Justice Department and the Congress. The Comptroller General would make the reports more readily available to the public than is the case today.

Sixth. This bill provides fewer dates on which committees and candidates must report, but these dates have more direct influence on elections, because of their nearness to election day.

Seventh. All contributions over $100 must be reported, including dinners, advertising, campaign books, and so forth. Individual expenditures over $25 must be itemized. Names and addresses of contributors and vendors receiving expenditures must be reported.

Eighth. The definition of what constitutes a "candidate" is revised to prevent the advancement of unannounced candidates.

I hope this bill will be considered together with another bill which I previously submitted permitting a tax credit and/or tax deduction for political contributions. My tax proposal is designed to broaden the base of political contributions and to encourage participation by the small contributor.

I believe Congress should consider not only these bills, but the whole framework of election laws affecting the election of Congressmen and President and Vice President. Our responsibility to the institution of which we are members requires that we apply our best creative efforts to the protection of the integrity of the elective process. I hope that my colleagues will join in the improvement of our campaign practices, sharing the vast reservoir of experience in the elective process which our membership represents.

PUNISHMENT BEFORE DECISION

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Wall Street Journal carried an excellent article regarding one of the pronounced trends in the NLRB. I need not comment on it other than to point out that I am sure it will be of interest to the Members of the House. It follows:

Punishment Before Judgment

> There is something decidedly high-handed about organized labor's plan to seek a Presidential order requiring Federal contracts to be withheld from firms charged with violating the National Labor Relations Act. For it goes contrary to all established legal principles.
>
> This proposal, by the American Federation of Labor-Congress of Industrial Organizations, ostensibly is designed to strengthen penalties against employers charged with illegally obstructing union organizing efforts. Actually, however, it represents a new and especially vindictive method of applying economic pressure to a manufacturer.
>
> Moreover, were President Johnson to accede to the AFL–CIO proposal, the result would be to add still another weapon to the arsenal already heavily loaded in organized labor's favor.
>
> For instance, does a union always need to win a secret ballot election to gain the right to represent employes in collective bargaining? No, it doesn't. All an organizer often has to do is to obtain the proper number of signed "pledge cards" from employes, and the union may be certified as bargaining agent. That many employees may think they are signing a card simply to permit the holding of a secret ballot election is, to the organizer, immaterial.
>
> And may an employer always decline to turn over to the union the names and addresses of workers eligible to vote in a representation election? No, he may not. The union is empowered freely to communicate with employes, but the National Labor Relations Board carefully restricts the employer's freedom to do so.
>
> Now the plan to deprive companies charged with labor act violations of Federal contracts plainly has been inspired by the case of J. P. Stevens & Co., a large textile producer, which after being found guilty by the NLRB of obstructing a union organizing drive, won a Government contract of more than $20 million. Though the company is appealing the NLRB ruling, the AFL–CIO figures an immediate threat of contract withdrawal would persuade the firm to give the union what it wants.
>
> What the AFL–CIO is really seeking, then, is the power to impose punishment before final judgment, a concept wholly contrary to accepted legal process. How, it might be asked, would the AFL–CIO like it if union members found guilty of violating the labor act summarily were fired without the right of appeal?

THE CRISIS IN CREDIBILITY

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, an excellent research job has been done by the Republican National Committee. It deals with a subject with which I have a great deal of familiarity—managed news. The game of semantics has been played time and time again in an effort to cloud issues. Voluntary programs are really compulsory, reciprocal trade is not really reciprocal at all, programs which profoundly proclaim they are without control bristle with controls under other names such as standards and criteria. This has been one phase of the effort to bring about a control state with welfare fringes while at the same time endeavoring to show big government as benevolent big brother. There is an even more important crisis in credibility, however.

No free nation can remain free without an informed citizenry.

A poorly informed citizenry can lead only to the deteriorating democracy, and the inevitable and dangerous growth in the power of the central authority.

In our society, the citizens are the governors. Blind citizens mean blind governors. And blind governors always end up being governed.

That is why history will find that the freedom of information measure before Congress today is extraordinarily important.

A similar bill passed the Senate in 1964, and failed in the House, due to a notable lack of interest on the part of Democratic leaders.

It was passed again by the Senate in 1965, and now has been reported favorably to the House by its Committee on Government Operations.

It is of fundamental importance to our democracy that this freedom of information bill be promptly enacted into law.

Here is why.

First. In recent years, there has been an ever-accelerating Federal trend toward denying more and more public information to the citizens, and to their eyes and ears, their press. This has assumed most foreboding proportions under the Johnson-Humphrey administration.

Second. Attempts by the Johnson-Humphrey administration to delude the public have reached astonishing proportions in the last year—and the situation is worsening as the autumn elections near. These statements are amply documented later.

Third. Government has grown to such massive proportions that it is becoming involved in more and more aspects of every citizen's personal and business life, thus, the access to information about how Government is exercising its trust has become increasingly important.

Fourth. As Congressman Donald Rumsfeld, Republican, of Illinois, has so cogently pointed out:

> Our Nation faces a communication crisis. With the ever-expanding scope of government and with the tremendous demands on a person's time, it is becoming increasingly difficult to keep informed of government activities. Our system of government depends on the people. Without government secrecy it is difficult for a citizen to have sufficient information for exercising his citizenship responsibilities thoughtfully. With government secrecy, it is impossible.

These are the reasons Republicans in Congress have given such strong support to the freedom of information bill.

Enactment of the freedom of information bill is not enough. The House should pass this measure and the President should sign it. Yet, today these remain both open questions in view of previous reluctance on the part of the Johnson-Humphrey administration and the strong reaction against the measure from within the Federal bureaucracy.

But, even if the measure is enacted, the new law will be only the beginning step in our citizens' enforcement of their "right to know."

While the measure will give citizens and their press the right of access to public information a year after the President's signing of the law, it will give the citizens and the press no information whatsoever.

When the law becomes effective, it will be up to the citizens and their press to enforce their right to know what the Federal Government is doing with their tax money.

All the law would do, in essence, is transfer what might be very broadly termed "the burden of proof" from the citizen to the bureaucrat.

If the law passes the bureaucrat will have to make a case on why the citizens and their press should not have the information. Now, it is the other way around. Citizens who can, or have, established their right of access to public information are few and far between—and rapidly growing fewer.

Strong implementation needed. If this law is to be effective, two things are needed:

First. The Executive must issue clear, firm, and unequivocal instructions that the law is to be carried out.

Second. Both Houses of Congress must establish "watchdog subcommittees" to hear complaints and make sure that the law is carried out.

Republicans would also hope that the eyes and ears of the citizenry, their press, will not only insist on the measure's enactment, but also set up its own appropriate instrumentalities to share the "watchdog" function of the Congress.

I. GENERAL COMMENT ON THE CREDIBILITY GAP

There appeared on the front page of the Wall Street Journal, on April 15, 1966, the following:

> A Treasury (Department) memo to Rep. Patman (D–Texas) inadvertently carried an internal note that confessed "you'll note we have purposely not answered the question except in a very indirect way."

While not of great significance in itself, the internal note which was most certainly not intended for Congressman Patman's eyes is symptomatic of what is coming to be called the "credibility gap." Some, like Congressman Gerald Ford, Republican of Michigan, have said that the appellation "credibility canyon" is a more accurate description of the Johnson-Humphrey administration's approach to the dissemination of information.

The distinguished newscaster Walter Cronkite, managing editor of "CBS Evening News," was even more explicit when he told the Inland Daily Press Association on February 21, 1966:

> The political lie has become a way of bureaucratic life. It has been called by the more genteel name of "news management." I say here now, let's call it what it is—lying.

What Mr. Cronkite said is not really new, for the practice of lying to the American people was publicly announced—and defended—by a high-ranking official of the current Democratic administration. On December 6, 1962, Assistant Secretary of Defense for Public Affairs Arthur Sylvester said:

> It's inherent in government's right to lie to save itself when it's going up into nuclear disaster. This seems to be basic—basic . . .
>
> When the Administration is on the defensive under our political system, I would always be suspicious of what it said.
>
> I do not expect virtue to come out of men—complete virtue—or even 75 percent virtue. If any of us are virtuous 51 percent of the time in life, it's a good record and in politics an amazing record.

The manipulation and distortion of newsworthy facts by officials of Government is not new but it has, during the current administration, taken on some unique aspects and has been practiced, according to most political commentators, to a degree heretofore unthought of.

The same Arthur Sylvester gave elucidation to his attitude at a press conference in July 1965, and reported in a publication of The Overseas Press Club of America entitled, "Dateline 1966—Covering War":

> Look if you think any American official is going to tell you the truth, then you're stupid. Did you hear that?—Stupid.

Very recently, Deputy White House Press Secretary Robert H. Fleming put it succinctly by saying that "hiding the full truth is sometimes in the interest of national policy"—The Washington Post, May 15, 1966.

Doris Fleeson—"irreparable injury here at home": Writing in the Washington Evening Star on May 5, 1965, Doris Fleeson said, in part:

> News management in the Nation's Capital is currently more deliberate and sweeping than it ever was during World War II or the Korean period . . . Before the wellsprings of public discussion are further damaged or dried up, the Johnson Administration urgently needs to recognize that there is no point in trying to win the world while doing irreparable injury here at home.

Clayton Fritchey—"zeal for managing the news": The situation deteriorated over the ensuing year to the point where, in the March 1966 issue of Harper's, Clayton Fritchey, a special assistant to the late Ambassador Adlai Stevenson and former public relations director, Democratic National Committee, was able to author an article entitled "The Leakiest Winter on Record," which describes in some detail the "Johnson administration's zeal for managing the news."

James Reston—"Hocus Pocus"; James Reston of the New York Times, on January 18, 1966, wrote on the subject "White House Hocus-Pocus," and felt compelled to tell his readers that "the 'crisis of confidence,' which White House Press Secretary Bill Moyers vowed to end, is still with us, and the events of the last few weeks have actually made it worse."

Ambassador Goldberg—"We have a great problem here": Reston suggests that Ambassador Arthur Goldberg put his finger on the crux of the matter when he told the press:

> There has been great concern as to whether we really are pursuing what has been said is a path to peace. We have a great problem here maintaining our credibility with our own people.

Secretary McNamara—"our credibility was destroyed": So, too, has Defense Secretary McNamara acknowledged existence of the problem. As reported by the Chicago Sun-Times' Thomas B. Ross on December 5, 1965:

> The Secretary has offered an unusually frank explanation of why the United States is having such difficulty winning friends for the Vietnamese policy: "The trouble is our credibility was destroyed."
>
> McNamara was referring specifically, in an interview last week, to the disclosure that the United States, despite repeated denials, had rejected a peace feeler by Communist North Vietnam in the fall of 1964.
>
> The United States, as this reporter recently learned during an extensive trip through Africa and the Middle East, is suffering from a crisis of credibility.

II. "OUR CREDIBILITY WAS DESTROYED"

In almost every department of the Federal executive there are myriad examples of the manipulation of newsworthy fact under the current administration. Some are relatively minor infractions against the people's right to honesty from their government officials.

In the New Republic, January 29, 1966, James Deakin notes the following example of a White House misstatement regarding the 1965 excise tax reduction:

> When the Washington Post reported that Mr. Johnson would ask for an excise tax cut of $4 billion, the President spread the word that this was false; George Reedy, then press secretary, said "that figure bears no relationship to any decision that has been made." A few months later, Mr. Johnson asked Congress to cut excise taxes by $3.964 billion.

And he goes on to point out another regarding the 1964 Federal pay raise:

> When the Washington Star reported that the President would recommend a three-percent average pay increase for federal workers, Mr. Johnson complained that the story was erroneous. A short time later, he proposed a three-percent average pay increase for federal employees.

Although it may be said that these were merely "white lies" and of little consequence to the survival of the Nation, reporter Deakin, who covers the White House for the St. Louis Post-Dispatch, queries, "what happened to 'no comment'?" And, Mr. Deakin notes,

> The essential veracity of an American government has seldom been a prolonged cause of doubt. This is why persistent charges of a "credibility gap" in the Johnson administration merits examination.

III. ARE THESE JUDICIOUS WAYS TO IMPROVE OUR PRESTIGE ABROAD?

Several international incidents have led to the serious challenge to the veracity of our Government.

Retaining the confidence of General de Gaulle? In July of 1965, a U.S. spy plane was detected in an overflight of French atomic installations. The administration denied that such flights had been made. Confronted with evidence, it was forced to retract the denial, and apologize to General de Gaulle's government.

Yes, they do have tape records in Singapore: In the late summer of 1965, the Prime Minister of Singapore, Lee Kuan Yew, charged that some years earlier a CIA agent had offered him a $3.3 million bribe. This brought an immediate denial from the U.S. Ambassador to Malaysia, James D. Bell, followed within hours by an official denial from State Department spokesman Robert J. McCloskey, who said:

> First, we are surprised at these statements attributed to Prime Minister Lee. With respect to allegations of a C.I.A. involvement, we deny that allegation.

This prompted Prime Minister Lee to produce a letter of apology for the incident from Secretary Rusk, dated April 15, 1961, 4½ years earlier, which said in part:

> I am deeply distressed to learn that certain officials of the United States Government have been found by your government to have been engaged in improper activities in Singapore. I want you to know very much that I regret this unfortunate incident had occurred to mar friendly relations between our two governments.

Whereupon, on September 1, 1965, according to the New York Times the following day, Mr. McCloskey corrected himself as follows:

> Those who were consulted yesterday were not fully aware of the background of the incident which occurred 4½ years ago.

Were those marines sent to fight or not to fight? In his New Republic article, James Deakin discusses the "policy gyrations" of June 1965, on the role of U.S. troops in Vietnam:

> Two battalions of Marines had been sent to DaNang in March, Secretaries Rusk and McNamara said they would be used only for "local, close-in security" and, in McNamara's words, would "not tangle with the Viet Cong." Two months later, a U.S. military spokesman in Saigon said these troops would "render combat support, which includes, if necessary, fighting." State Department spokesman Robert McCloskey confirmed this on June 8, and Department officials said an order to this effect had gone out to the U.S. commander, General William Westmoreland, within "the past several weeks."
>
> The White House was furious at McCloskey's statement and issued a denial that there had been any change in the mission of U.S. ground forces in Vietnam in recent days or weeks. The Administration apparently wasn't ready to have it known that it was escalating.
>
> Then, in an amazing sequence, the White House denied that the President had sent any recent order of this kind to Westmoreland, but added in the next breath that the U.S. commander had had "discretionary authority" to use his troops in combat from the very beginning, Rusk and McNamara, who had said it was not the mission of the Marines to go out and fight the Viet Cong, were left at the end of the limb, to find their way back as best they could.

Should elections delay peace feelers? Writing in Look magazine for November 30, 1965, Eric Sevareid related information given him by Adlai Stevenson, shortly before the latter's death. Stevenson said that during the presidential campaign of 1964:

> U.N. Secretary-General U Thant had privately obtained agreement from * * * North Vietnam that they would send an emissary to talk with the American emmissary, in Rangoon, Burma. Someone in Washington insisted that this attempt be postponed until after the Presidential election. When the election was over, Thant again pursued the matter; Hanoi was still willing to send its man. But Defense Secretary Robert McNamara, Adlai went on, flatly opposed the attempt.

In his New York Times column for November 17, 1965, James Reston notes that the State Department at first denied the Sevareid charge, then admitted its truthfulness. Reston says that the real importance of the Stevenson revelation lies in the fact that the administration had "consistently given the impression that Hanoi was never prepared to talk."

President Johnson insisted at a news conference on July 13, 1965, that there had been no overtures from Hanoi. July 13, interestingly, was the day after Stevenson had made his startling revelation—and the day before he died. Said the President:

> I must say that candor compels me to tell you that there has not been the slightest indication that the other side is interested in negotiation or in unconditional discussions, although the United States had made some dozen separate attempts to bring that about.

Reston says that the Hanoi offer had been made directly to President Johnson and Secretary of State Rusk by U Thant in August 1964—50 weeks earlier.

Bombs away? On January 17, 1966, a Strategic Air Command B-52 bomber and KC-135 tanker collided while refueling over Palomares, Spain. Eight American airmen were killed and four "nuclear devices" were lost, although three were soon recovered. The fourth eventually was recovered, although as The Nation reported in its March 14, 1966, issue:

> For forty-four days, Washington kept the incident wrapped in a blanket of impenetrable secrecy during which Department of Defense officials engaged in colloquies with newsmen such as the one quoted by Ted Szulc in the New York Times (February 4):
>
> "Reporter. Can you tell me whether you've located the missing bomb?
>
> "Briefing Officer. I don't know of any missing bomb but we have not positively identified what I think you think we are looking for."

Elsewhere in the same issue, The Nation notes editorially that:

> Give him the benefit of every doubt, and the fact remains that with all the secret information at his disposal, McNamara has been misleading the public for more than six years.

Buying back the $1.70 bombs: Since March 1963, the United States has been disposing of many excess 750-pound bombs, apparently to be used in the production of West German fertilizer. Several thousand such bombs were sold to a German corporation as surplus at $1.70 each. In April 1966, House Minority Leader Gerald R. Ford stated that there had been mismanagement at the Pentagon which led to a shortage of bombs for Vietnam. At a press conference called to rebut the charges, Secretary McNamara came "armed with a mass of statistics showing that the inventories and planned production of bombs were more than adequate to meet the growing bombing operations in Vietnam"—the New York Times, April 17, 1966. Not only was the Defense Department forced to acknowledge that the United States is repurchasing from the German firm the bombs it had sold that firm 2 years ago, it also had to admit that we are paying that same firm $21 for each bomb repurchased—the New York Times, April 17, 1966.

The Times on May 4 quoted Senator Ernest Gruening, Democrat, of Alaska, as charging the Defense Department with systematic fraud and deception "in its policy of disposing of still useful military equipment. Predictably, the Defense Department denies the charge."

Why did we act unilaterally in the Dominican Republic? There was also a "credibility gap" regarding news on the uprisings in the Dominican Republic. To cite a brief example: In April 1965, the administration defended the dispatch of U.S. military forces to the island nation, first to protect lives and then to prevent a Communist takeover. Subsequently, the President sought, and obtained, the approval of an OAS peace force to patrol the island. This "after the fact" procedure produced ill-will throughout the hemisphere. Yet, the President explained that the crisis had erupted so rapidly as to preclude calling together the OAS. In a press conference of June 1, 1965, however, the President admitted that danger signals had been building up for some time:

> Many months ago we became aware of the increasing tensions there—the Dominican Republic—and the difficulties that would likely confront us.

Even today the facts regarding the unilateral U.S. intervention in the crisis are shrouded in secrecy and almost all information on the matter has been suppressed.

Peaceniks—Why not Congressmen? It may be that the credibility gap as it applies to our foreign operations is captured in the following sequence of reports:

THE NEW YORK TIMES

First. Describing the remarks of Congressman Richard L. Ottinger, Democrat, of New York, upon his return from Vietnam, the New York Times on March 31, 1966, reported:

> Congressmen returning from South Vietnam reported they had been "badly misled" by United States officials who had shown them around. He said that information indicated that Congressmen who visited South Vietnam were shown and told only things that made the United States look good. Mr. Ottinger said the reports strengthened his belief that top Government officials were misinforming the public on other vital issues besides the Vietnam War.

Second. Two days later, on April 2, 1966, the Times reported:

> The Administration ordered a postponement today of all Congressional trips to South Vietnam. The Administration's underlying concern was brought into the open by the imminent plan of a House Government Operations Subcommittee, headed by Representative John E. Moss of California, to go to South Vietnam to investigate the aid program.

Third. On April 29, 1966, the House Committee on Government Operations announced that the situation was more stable and that our Government would "welcome" the Moss subcommittee.

On April 21, 1966, the New York Herald Tribune had carried the following dispatch:

> Saigon.—Six American pacifists—who had flown more than 10,000 miles from New York on more than $10,000 of their supporters' contributions—were attacked with eggs, tomatoes and called Communists at a press conference yesterday in Saigon's city hall.
>
> Early today, Vietnamese police prevented the group, sponsored by the national Committee for Non-Violent Action, with headquarters at 5 Beekman Street, New York, from marching on the United States Embassy in Saigon.
>
> The Vietnamese authorities, who had ordered the pacifists out of the country by midnight today, put them into police wagons and drove them to the capital's Tan Son Nhut Airport.

This occurred during the time Congressmen were banned from Saigon. Apparently the peaceniks had little trouble getting there.

Shipping to North Vietnam: In their syndicated column "The Washington Merry-Go-Round," on May 14, 1966, Jack Anderson and Drew Pearson charged that U.S. intelligence reports:

> Tell a different story of free-world shipments to North Vietnam from the one the Defense Department has been putting out.
>
> The secret figures, given in the intelligence reports, were more than double those released by the Defense Department. The true but secret figures show that 44 free-world ships made stops in North Vietnam in October, November and December of last year. Of these, 35 were British vessels. And 36 ships put into North Vietnamese ports in January, February and March of this year. Of these, 29 were British.
>
> The Defense Department, which has repeatedly been caught lying to the public, is still shading the truth.

A question of credibility: An editorial in the Los Angeles Times, May 30, 1966, entitled, "A Question of Official Credibility," points up succinctly both the general problem and two recent incidents:

> Last week the U.S. government belatedly acknowledged, if only implicitly, two serious incidents involving Communist countries which the U.S. public regrettably learned of first from Communist sources.
>
> The first was the shooting of a Cuban infiltrator by a U.S. guard at Guantanamo naval base, initially reported by Cuban authorities and immediately denied by the Pentagon. Later in the week, however, the Pentagon changed its mind and came forward with an admission that the shooting had in fact taken place.
>
> The second incident was a Red Chinese claim that U.S. planes had shot down a Communist plane over Chinese territory. U.S. authorities in Vietnam, while confirming the air battle, insisted it had taken place

> over North Vietnam. Then, days later, a State Department spokesman, confronted with "authoritative reports" which tended to back up the main Chinese charge, refused to make any denial. This implied the Chinese claim was true.
>
> As a result of initial U.S. responses in each of these cases, later in effect retracted, the credibility of the American government has again been called into question, both at home and abroad.
>
> Whether the government set out intentionally to lie about these matters is a question that can't be answered. Intentionally or not, however, the plain fact is that by its confused and distorted handling of these incidents the government has managed to enhance their propaganda value to the Communists, while at the same time casting doubt on its own believability.
>
> No one maintains that it is necessary for our government to be the first to publicize every cold war incident. In fact, many things take place which no one ever hears of because neither side chooses to make issues of them. But there are also incidents which, very often predictably, the Communist side will try to use to maximum political advantage. In such cases the U.S. government should tell its story quickly, accurately, and as fully as possible.
>
> This didn't happen in the Cuban and Chinese incidents. Instead the American people first learned of events involving their nation from Communist sources. And when the American government did speak up, its initial response was what the charitable might call misinformation.

THE LACK OF CREDIBILITY—ON THE DOMESTIC FRONT

Others have discussed at length the propensities of President Johnson toward secrecy, and the point will not be labored here. Indeed, it is often said that the best way to "kill" a Presidential appointment is to rumor it in advance. Only the day before announcing the appointment of Abe Fortas to the Supreme Court, Johnson said he had not yet even begun to think about the appointment of anyone to the vacancy.

If nothing else, the President's attitude on relatively minor matters sets the stage for news manipulation and needless secrecy in more important matters by others in the administration. Nor has this gap been created only recently by the Johnson-Humphrey administration. One of the most revealing domestic examples occurred in 1962:

FALSE UNEMPLOYMENT FIGURES ON THE EVE OF THE 1962 ELECTIONS

Six days before the November 1962 election, Labor Secretary W. Willard Wirtz announced that unemployment had reached a 3-year low during October and that the number of unemployed had declined by 2 million since the Kennedy administration took office. The Washington Post, on November 3, 1965, editorialized that this looked like election-eve partisan politics.

After the election, Wirtz admitted to reporter James McCartney that his statement had contained "invalid" statistical comparisons because the figures were not seasonally adjusted—Chicago Daily News, December 13, 1962. More people are always employed in October than in January and, according to seasonally adjusted statistics, the actual decrease in unemployment was not 2 million but 784,000.

Wirtz also said that "4,500,000 more Americans have jobs than when this administration took office in January of 1961." Again, an error of omission was made. The seasonally adjusted, and therefore valid, figure was later shown to be only 1,224,000. But the corrections were not made until well after the election. This is distortion at its worst because of the great difficulty a reporter—or the public—would have in attempting to learn the correct figures and put the achievements of the administration in their proper perspective.

ARE SUMMER JOBS IN THE POST OFFICE TOP SECRET?

One of the most blatant cases of withholding information occurred in 1965 when the Postmaster General refused to divulge the names of persons who were hired by the Post Office Department as summer employees. As it turned out, Members of Congress had great difficulty in convincing the Postmaster General that the names of public employees were in the public realm. Through the diligence and perseverance of Republican Congressman ALBERT H. QUIE of Minnesota, the names of these employees were finally made available to the public, but only locally on request.

Over the years a leading proponent of the freedom of information has been Sigma Delta Chi, the national journalistic society. That organization's advancement of freedom of information committee, chaired by Julius Frandsen, United Press International bureau chief in Washington, issued a strong condemnation of the Post Office Department's policy of secrecy. This section of their 1965 report should be read in full as a case study of the crisis in credibility of the current administration:

> The Post Office Department was responsible for one of the most unjustified cases of Government secrecy in years. The Department refused to make public names of summer employees hired in a program which the Department mishandled in violation of a Presidential order.

See the appendix to this report for further data from the statement of Sigma Delta Chi.

Blatant deception on aluminum prices: On October 29, 1965, several major aluminum producing corporations announced a price increase which, according to a White House source, made President Johnson "sputtering mad." On November 5, the White House called this description "inaccurate." On November 1, however, a conference of top level administration personnel met to discuss what was described by the White House as a discussion of "the possibility of disposing of a surplus of stockpile aluminum." The White House officially said that there was "no connection whatsoever" between the price increase—which was soon to be rescinded—and the conference. James Reston said:

> The number of people who believe in this extraordinary coincidence could be gathered together comfortably in any Washington telephone booth.

How to deceive people on civil rights: Some aspects of the "credibility gap" seem designed solely to make the President appear to be "all things to all people."

At a news conference, April 27, 1965, President Johnson was asked what he thought of the poll tax generally. He replied:

> I have always opposed the poll tax. I am opposed to it now . . . For that reason, while a Member of Congress, I initiated and supported a constitutional amendment to repeal the poll tax in Federal elections.

In 1948, as a candidate for the U.S. Senate from Texas, Lyndon Johnson said:

> I have voted against the anti-poll tax law . . . every time it has come up in Congress. Personally I think the poll tax . . . and similar legislation are proper matters for the states—not the Federal Government—to decide. Johnson Journal (LBJ campaign pamphlet) August 1948.

Prior to 1957, Johnson voted on six different occasions against abolition of the poll tax. On March 9, 1949, in a speech on the Senate floor, he said:

> I believe that the proposed anti-poll tax measures . . . is (sic) wholly unconstitutional and violates the rights of the states guaranteed by section 2 of article 1 (sic) of the Constitution. Believing that, I think I have the right to use my freedom to speak and stand on the floor of the Senate as long as I have the will, the determination, and the breath to oppose such a measure.

Senator Johnson did not initiate a constitutional amendment to repeal the poll tax. That measure was first proposed in 1949. Ten years later, Johnson joined 66 other Senators in cosponsoring Senator HOLLAND's constitutional amendment to prohibit the poll tax as a requisite to voting in Federal elections.

SUBVERTING AN INDEPENDENT AGENCY

Even the General Accounting Office—GAO—has documented cases relating to the government information problem. In a report dated June 3, 1964, the Comptroller General of the United States testified:

> In our examination into the accuracy and reliability of selected information pertaining to the accelerated public works program we found that the reports contained significant over-statements of the number of jobs estimated to be created by accelerated public works projects. We found also that the reports contained over-statement with respect to the number of actual man-months of work created by Community Facilities Administration approved projects already under construction.
>
> A comparison of the estimated 21,814 man-months of work reported by the Area Redevelopment Administration for the 190 projects included in this review with the 9,533 on-site man-months actually worked on these projects shows that the estimates were overstated by 12,261 man-months, or about 128%. If what we found in the 190 projects is true for the other Community Facilities Administration projects, the 55,300 on-site man-years of work estimated for the 2,842 projects approved by the Community Facilities Administration as of Nov. 1, 1963, would appear to be overstated by about 31,000 man-years of work. The total number of man-years of work estimated to be created by all projects approved by the various participating departments and agencies as of Nov. 1, 1963, was 93,400. Our examination also disclosed that the 50,853 on-site man-months reported as having actually been worked on 497 Community Facilities Administration projects were overstated by

> 23,008 man-months, or about 83%. Projecting this percentage of overstatements to that agency's 1,228 projects under construction at Nov. 1, 1963, indicated that the reported man-months of work were over-stated by about 60,000 man months.

Although final action has not yet been taken, there is a strong likelihood that the "teeth" will soon be taken out of the GAO, which, for 45 years, has been the "watchdog" of the U.S. Treasury. The GAO has for years exposed countless cases of extravagance, inefficiency and occasionally fraud in the spending of public funds.

Although the GAO is independent of the Executive, and the Comptroller General is chosen for a 15-year term, the agency is subject to the House Government Operations Committee, which has recently written a report critical of GAO.

The committee approved a report of its military operations subcommittee, headed by Representative CHET HOLIFIELD, Democrat, of California, strongly suggesting that GAO reduce both the number and the harshness of its future defense audits. GAO, through its acting chief, Frank J. Weitzel, Jr., apparently agreed to such restriction. Weitzel served as acting Comptroller General during the 7 month vacancy caused by the retirement of Joseph Campbell (who was noted for his harsh reports). Scripps-Howard writer Jack Steele—Washington Daily News, March 28, 1966—said that Mr. Weitzel made these concessions and others to the committee "in a letter dated March 4—the same day Elmer B. Staats, former Deputy Budget Director, was confirmed by the Senate to take over his job." Several members of the committee, Republicans and Democrats alike, have filed dissents from the majority report. Among them, Congressman JACK BROOKS, Democrat, of Texas, has said that the recommendations of the committee "will deter rather than encourage improvement in GAO audit procedures. Hence, I do not believe that fewer GAO reports, giving less emphasis to deficiencies, constitutes an improvement."

As a matter of fact, such a subversion of the function of GAO could easily destroy one of the few avenues the taxpayers have to find out the facts about the operation of their Government.

The people don't trust their Government: Perhaps because of public revelation of incidents like those described above, the American public is rapidly coming to distrust its Government's pronouncements. In late 1965 the Opinion Research Corp. took a poll for the Columbia Broadcasting System. One of the questions concerned the truthfulness of U.S. Government statements on the war in Vietnam. The results:

Government statements on Vietnam are always truthful: 15 percent.

Government statements on Vietnam are sometimes truthful: 67 percent.

Government statements on Vietnam are almost never truthful: 13 percent.

THE FREEDOM OF INFORMATION ACT

As noted above, the Senate has passed, and the House will shortly consider legislation known as the Freedom of Information Act—S. 1160. One of the leading proponents of this legislation is Representative DONALD RUMSFELD, Republican, of Illinois, who said in a speech to the Inland Daily Press Association in Chicago on February 21, 1966:

> During the last session of Congress, practically every measure proposed became law—except those proposals aimed at the question of the public's right-to-know. The only conceivable reason for this legislative failure is the well-known and well-publicized White House opposition.
>
> I believe strongly that the public's business must be conducted in public if our system of government by the people is to continue.
>
> This legislation (S. 1160), sponsored by more than 40 Members of Congress, passed the Senate in 1965 without apparent opposition.
>
> The purpose of the proposed law is to require agencies of the Federal Government to "make all records promptly available to any person" and to provide for court action to guarantee this right of access, with the exception of certain specified categories of sensitive government information which would be exempted from the disclosure requirements.
>
> Hearings in the House were completed in April, 1965. Every witness who testified supported the legislation, except for every single witness sent to testify by the President on behalf of the Executive Branch of the Federal Government.
>
> This White House opposition resulted in a stalemate in the House of Representatives for the remainder of the year.
>
> The Executive Branch has been working for a complete revision of the bill, which would amount to a total concession to the Executive by codifying Congressional support for Executive secrecy under the concept of Executive privilege.

The administration's objections, however, did not prevail for, on April 27, the House Government Operations Committee reported the Senate-passed bill to the House.

In general, the bill says that all nondefense information must be made promptly available to any citizen asking for it. A Federal agency withholding information must justify its action, and Federal suits are authorized to force disclosure of the information. The proposal lists nine exempt categories, which cover such areas of information as defense secrets, income tax returns, criminal investigations, trade secrets and the like. Also exempted are business and financial data where the release would injure the competitive position of a private firm. Included specifically as an exemption is geological data in the oil and gas industry.

While none of the proposal's sponsors would hold that its enactment would close the credibility gap, it is most certainly a step in the right direction. While officials will be able to withhold information for good and sufficient cause, they will have to give better reasons than General Services Administrator Lawson B. Knott who said, when he was asked the appraised value of two missile fuel plants sold by his agency at an apparent loss of $45 million:

> We just don't let it (such information) out (because) we don't want to make people look stupid. (Washington Daily News, May 12, 1966.)

The Freedom of Information Act may also be interpreted as a bipartisan reminder from Congress to the executive branch that in a democracy the people have an inherent right to know the truth about the activities of their Government.

APPENDIX—PARTIAL STATEMENT OF SIGMA DELTA CHI ON POST OFFICE JOBS

There was no manner in which it could be claimed that "national security" or any specific law authorized the Post Office Department officials to withhold this information from the Congress or the press. It was an arbitrary action based on a regulation drawn for the convenience of the postal officials.

Carrying its secrecy practice to a point which Representative JOHN MOSS, of California, termed "absurd and ridiculous," the Department sent out postal inspectors to investigate how two Iowa newspapers obtained the names of several youths hired in the program.

Moss, chairman of the House Subcommittee on Government Information, pointed out that the Government secrecy could not even be remotely justified on grounds of Government security, and that the Department's secrecy regulation had no valid basis in law.

This secrecy issue arose after the Washington bureau of the Des Moines Register and Minneapolis Tribune revealed that the Post Office Department was distributing as congressional patronage thousands of jobs in the President's youth opportunity campaign. The President and Civil Service Commission had ordered in May that the jobs be given to economically and educationally disadvantaged youth selected through the employment service.

However, ranking officials of the Post Office Department and a White House aid immediately started distributing the jobs on a quota basis to Democratic Congressmen. After the initial newspaper story in early June reported how the Department was handling the jobs, postal officials announced that all Congressmen—Republicans as well as Democrats—were being asked to recommend youths for the jobs.

After the youths had been hired, various newspapers began learning and reporting names of youths with prominent political connections who had obtained the jobs on congressional recommendations. Many of those hired included relatives of Senators and Representatives and in Huron, S. Dak., the two youths hired were the nephew of the Vice President and the nephew of the State Democratic chairman.

At this point, more newspapers asked the Post Office Department for the names of the youths recommended by political figures and hired. The Department refused on grounds of its regulation 744.44 which states that the names, salaries, and other information about postal employees should not be given to any individual, commercial firm, or other non-Federal agency. The regulation states that other Federal agencies may obtain the information when the need justifies it.

COMMUNIST DICTATORSHIPS AND OUR FOREIGN POLICY

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, the misdirection of administration foreign policy, especially as it applies to Eastern Europe, is one of the great tragedies of our time, and I am most disturbed at the persistence of this administration in attempting to appease, subsidize, and give legitimacy to the Communist dictatorships of Eastern Europe. To dramatize the facts of life in Eastern Europe, I insert in the RECORD at this point as part of my remarks two articles by columnist Dumitru Danielopol:

[From the Joliet (Ill.) Herald-News, May 24, 1966]

BUILD BRIDGES TO EASTERN EUROPE OR LET REDS FIGHT IT OUT

(By Dumitru Danielopol)

WASHINGTON.—In foreign policy, rash statements can have disastrous consequences.

I recall one time in the early Free Europe. We received a directive to prepare a program that would encourage Bulgaria to go "Titoist."

Yugoslovia's President Tito had just been thrown out of the Soviet fold and there were signs that his Communist regime was a little less ruthless than that of other satellite countries.

The chief of Radio Free Europe's Bulgarian desk, an old friend from wartime BBC days in London, called me in to see him.

I was working in the planning division. He showed me the directive and expressed misgivings.

I agreed. I had been named coordinator of the scheme, and I asked for a policy meeting.

In front of each member's chair I placed a short memorandum.

Point one said:

"In case our plan succeeds and the Bulgarians break away from Moscow, and the Russians send troops from Romania to crush them; how many divisions have the Americans ready to counter the Russians?"

The program died right there.

Considering the result of the 1956 Hungarian uprising, it was just as well. Many observers have said that the Hungarians had been encouraged in their fight for freedom by the Eisenhower campaign slogan: "We will roll back the curtain."

It was designed to appeal to Americans of Eastern European ancestry, but it was heard in Europe, too.

When the United States failed to act while the Russians sent in their tanks, American prestige suffered a mighty blow.

I recall all this now because we could face a very similar position.

President Johnson's plan to "build bridges" to Eastern Europe has never been fully explained.

Some officials suggest that these trade aid proposals will encourage the satellites to break with Moscow.

Has anyone thought what the United States should do if the plan succeeds?

I don't think so.

My question is the same one I put to Radio Free Europe:

"Supposing we succeed, how many divisions is the United States prepared to bring into any country that breaks with Moscow?"

My question is even more pertinent today. The situation in Eastern Europe is explosive. The 20-odd years of mismanagement in the Soviet-imposed regimes have left the people ready for anything.

Czechoslovakia has been showing open disgust with its leaders.

Romanian boss Nicolae Ceausescu is showing signs that he may be straining at Moscow's leash.

These challenges to Soviet leadership are not as dramatic as the Hungarian revolt of 1956, but the roots go just as deep.

It does not seem to be a situation in which Moscow would counter with tanks—unless the Kremlin decides that its own economic situation is so precarious that it cannot afford to lose its satellites' resources.

But what if they do?

Do we have a policy to back up the "building of bridges" with tanks?

I doubt it.

And if we don't, it might be better to stop talking about wooing East Europe away from Moscow. It might be better to let these Communists fight it out among themselves.

We may save lots of lives that way.

[From the San Diego Union, May 23, 1966]

CAN RUSSIAN REGIME BE DESTROYED?

(By Dumitru Danielopol)

"Russia is breeding the bards of revolution," said Valeriy Tarsis when he recently addressed American newsmen at the National Press Club in Washington.

"I am happy that I, together with my friends, were the first swallows of an approaching spring."

Tarsis, 61, left his native Russia a few months ago and described his world as a place where people have been "brutally deceived by cheats and oppressors."

Tarsis, a journalist, writer and poet, says he has been disenchanted with the Communist regime for a long time. But it wasn't until his book, "Bluebottle," was smuggled out of Russia in 1961 and published in London that he came to the attention of the West and drew the anger of the Kremlin.

"When I looked around and saw the cruelty, bestiality, corruption and lies which, like a cobweb, enveloped Russia ever tighter and tighter, I felt I could no longer follow the path of the kow-towing servile Soviet writers . . . ," he told American newsmen.

He had to tell the truth of the terrible years; he said, when millions of Russia's best people were suffering in jails and concentration camps.

"During the bloody purges of 1937 more people died in one month than throughout the whole 250 years of the (Spanish) Inquisition," he said.

Tarsis faced a skeptical audience. But in 30 minutes he seemed to convert much of the room, at least to respect, if not complete agreement.

The newsmen's skepticism is understandable.

Here is a man whose books indict the Soviet system. Here is a man who was thrown into a lunatic asylum, then released, then suddenly allowed to leave Russia. Why?

Tarsis credits the protests of Western writers and newsmen—men like Bertrand Russell and Arthur Miller. He credits the Soviet's concern over the impact of his books in the West and on young Russians. And he credits the fact that even in Russia, a declared "lunatic" can't be tried in court.

Too neat a story, said some newsmen.

But when Tarsis had finished, doubts were being replaced by puzzlement.

His indictment of the Communist Party as "a degenerate gang of hypocrites, careerists, lackeys and police spies" was damning.

One began to wonder if he might be right in his repeated claim that the Russian people are fed up with Communists, that they may soon tear down the party.

"Russia is ripe for drastic changes," he said.

He talked of riots, strikes and demonstrations at Novocherkassk, Tbilisi, the Dombass. He spoke of disorders in Odessa, Moscow, Leningrad and other cities.

"The regime cannot change," he said, "it is too rotten. It has to be destroyed. No compromise with this regime is possible."

Can Tarsis be right?

Mr. Speaker, it is my hope that the public will commence to exercise legitimate pressure on the administration to change the tragic trend of our foreign policy. Appeasement and coexistence are not the answer to the Communist threat. What we require is U.S. leadership to rally the free world behind a concerted economic, propaganda, and political drive so that true freedom might be restored to the people suffering under the misrule of communism.

U.S. DOLLAR BLOCKADE OF CUBA

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. LANGEN. Mr. Speaker, earlier this year I expressed my amazement that a United Nations agency had approved over $3 million for the benefit of Castro's Communist regime in Cuba. This was in reference to a decision by the United Nations Development Program's Governing Council to spend $2,096,500 of Special Fund moneys to assist the faculty of technology at the University of Havana, along with a prior grant of $1,157,000 for expansion of a Santiago agricultural research station.

I asked then, and now question again: How much longer can we tolerate American tax dollars being donated to the U.N. Special Fund only to find this agency using its resources to subsidize the training of Communist youths in electronics, radar, and military communications 90 miles from our shores? How much longer will we be able to combat communism in Vietnam, while our tax dollars are being funneled into a Communist training program in our own hemisphere?

To be sure, the fact that the United States contributes 40 percent of the money to the U.N. Special Fund indicates the laudable extent of our desire to help this agency accomplish its stated purpose of assisting less developed countries in their efforts to make economic and social progress. But when the American contribution amounts to 10 times that of the entire Soviet bloc, the least we should insist on is a prohibition of financial aid to a Cuban university staffed by Russian and Cuban military personnel. After all, our share of these Special Fund projects in Cuba is the equivalent of $1.2 million.

Considerations of this nature prompt me to introduce today a bill to provide that the United States shall make no payments or contributions to the United Nations for furnishing assistance to Communist countries.

Other factors such as the delinquency of Cuba in U.N. dues point up the need for enactment of my bill. According to a House Foreign Affairs Committee print on "United Nations Financial Situation," Cuba is more than $380,000 behind in regular dues and $490,000 in arrears on assessments by the U.N. Emergency Force and Congo account. How then can the United States continue its contributions to the Special Fund at a time when Cuba, for many years a recipient of U.N. aid, is getting further into debt with the parent organization?

As I stated earlier in the year, the Communist Tricontinental Congress on subversion was held in Cuba and was formally designated as the headquarters of Communist subversion in Latin America, Asia, and Africa. Thus, if we fail to stop this and other similar U.N. project awards in Communist countries, we will have abetted the very subversion we seek so vigorously to eliminate.

The United Nations development program, of which the Special Fund is a constituent agency, supposedly has a ground rule that such projects shall not be approved or rejected for political reasons alone. However, I say the United States of America ought to establish a ground rule of its own that would require that none of our tax dollars would be used, directly or indirectly, to entrench a Communist regime anywhere, let alone 90 miles from our national shores.

Mr. Speaker, I renew my plea that we keep the tax dollars of our citizens from flowing into the hands of the Castro regime via the United Nations. And while our Nation's soldiers are fighting Communists in southeast Asia, let us at home not fail to direct every effort at keeping our national contributions to United Nations agencies from fortifying Communist Cuba. Passage of my bill would be in the best interests of national security and our role as leader of the free world.

FEDERAL WORK FORCE THREATENED

Mr. **EDWARDS** of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. **NELSEN**. Mr. Speaker, Joseph Young of the Washington Evening Star reported in his Federal Spotlight column last night on a trip he took to the west coast. He found, he said, "Federal and postal employees are getting more involved in partisan politics all the time" and he reported "In many cases the Hatch Act is being ignored or merely paid lip-service." He calls some of the methods being used as "borderline and suspect ones."

There is little question in my mind if this Congress does not soon take steps to get proper enforcement of the Hatch Act, the nonpartisan merit system for Federal employees will become nonexistent. I cannot believe any Member of this body would willingly permit our public employees to become the political wardheelers of the party in power. The thought that some citizens because of their political beliefs might be denied public services supported by their own tax dollars, or provided with substandard, unfair treatment by so-called public servants is utterly appalling to me. But it could happen here if we permit the Federal merit system to degenerate into one featuring spoils, favoritism and political bigotry.

I appeal to all the Members of Congress to join with Republicans in combating the steady, relentless effort by some to destroy the nonpartisan Federal Civil Service and to use that public work force for political ends.

I again renew by request, as chairman of the Republican Federal Civil Service Merit System, for immediate hearings on the measure we have introduced to strengthen the Hatch Act protecting the Federal work force from political contamination.

I include the Young report at this point in my remarks:

POSTAL AND GOVERNMENT EMPLOYES' TREND TO PARTISAN POLITICS FOUND

(By Joseph Young)

Federal and postal employes are getting more involved in partisan politics all the time.

Just returned from a West Coast trip, this reporter was frankly surprised at the amount of political activities engaged in by postal and federal workers and their unions there.

All this represents a strong new feeling on the part of postal and federal employe leaders that their strength in dealing with Congress in Washington depends to a great degree on their strength at the local levels. Strong participation at the local level in congressional races will immeasurably improve the chances of government workers for beneficial legislation in Congress, union leaders feel.

Although postal and federal employe unions shy away from any alliance with one political party, it's estimated that about 90 percent of their activities are on behalf of Democratic candidates. But Republican members of Congress with good records on behalf of government employe legislation do receive support.

And in Democratic primaries where pro-Johnson candidates are being opposed by anti-Johnson factions critical of administration policies in Viet Nam, the pro-Johnson candidates are being supported by government employes.

In many cases the Hatch Act is being ignored or merely paid lip-service.

These activities in various congressional primary races will be stepped-up during next fall's regular elections.

The policy seems to be to help government employe friends in Congress and defeat their enemies.

In some instances, federal employes in California have openly distributed leaflets on behalf of a congressional candidate.

For the most part, however, employes and their union leaders are more circumspect. It should be emphasized that despite the Hatch Act, there are perfectly legitimate ways for federal and postal workers to help their congressional friends.

These methods are being used as well as borderline and suspect ones.

Postal and federal employe union locals are buying more tickets to political fund-raising dinners for candidates of their choice, furnishing publicity to candidates in their union and employe publications which stress the candidates' accomplishments on behalf of government employes, as well as exhortations at union meetings to federal and postal workers to be sure to vote for selected candidates on election day.

In addition, the unions are making greater use of their women's auxiliaries for political action purposes. Since the wives, sisters and mothers of postal and federal workers are not subject to the Hatch Act, the women's auxiliaries in many instances are in the thick of political campaigning.

In some instances, political guidance is being furnished by the AFL-CIO nongovernment unions working with the federal and postal employe groups.

BILL TO LIMIT IMPORT OF MILK AND DAIRY PRODUCTS

Mr. **EDWARDS** of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. **GOODELL**. Mr. Speaker, I am today introducing legislation designed to limit the import of milk and dairy products which have depressed the price received by American dairy farmers.

The Secretary of Agriculture recently announced his recommendation that cheese import quotas be greatly increased. The administration has not used section 22 of the Agriculture Adjustment Act to control these imports.

Unless steps are taken, the family dairy farmer will be forced out of business. I believe one of the steps we can take is to enact this legislation which would limit the imports of milk and dairy products to the average annual amount which was admitted for consumption between 1961 and 1965.

My proposal would give the average dairy farmer some assurance that the Congress and the Nation are interested in protecting his livelihood.

Mr. Speaker, the month of June is recognized as "Dairy Month" and I can think of no better way to observe it than to help keep the dairy farmer in business. He has served the American people well for centuries. It is time we took action to help him.

INEQUITIES AND THE NEED FOR A MAJOR OVERHAUL IN THE SELECTIVE SERVICE SYSTEM

Mr. **EDWARDS** of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. **KUPFERMAN**. Mr. Speaker, a six-part series of statements has been issued in the past week by 24 of our colleagues and myself—CONGRESSIONAL RECORD, June 2, 1966, pages 12178–12184—demanding a general inquiry of the selective service system and a determination on the need for its overhaul.

On June 1, 1966, my colleagues and I stated, among other things, that the system seems illogical and unfair where the main determinant is the efficiency or inefficiency of the local boards.

> States with efficient draft boards will have examined and made available more men than States with inefficient boards. And the result is that more men will be drafted from States with efficient boards than from States with inefficient boards." (CONGRESSIONAL RECORD, June 2, 1966, p. 12183.)

My information with particular regard to overdrafting or underdrafting in my State is as follows: New York State has 9.3 percent of the Nation's population. At the same time, New York's share of male population under the age of 35 is only 8.5 percent.

Inasmuch as the total New York draft call during the period of July 1, 1964 to June 30, 1965 was 10.25 percent of the national draft call, it can be seen that New York appears to be contributing slightly more than its fair share of the draft, when compared to the national male population under 35 years of age.

It seems to me that this is just one more instance of the inequity involved in the present administration of the draft. This question is of extreme concern to every American family. It deserves the attention of the Congress—now.

ABOLISH CAPITAL PUNISHMENT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KASTENMEIER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I am introducing a bill today to abolish the death penalty under all laws of the United States.

The death penalty, one of the oldest of all punishments, has long been under attack. Returning to the days of ancient Greece, we find that Thucydides' "Peloponnesian War" records a debate on the utility of the death penalty. Enlightenment philosophers, such as Montesquieu and Voltaire, were critical of such a punishment. Cesare Beccaria, the Milan criminologist and economist, published, in 1765, his influential essay, "On Crimes and Punishments." Beccaria, the first modern writer to subject the death penalty to fundamental criticism, envisioned present day criminological advances in the treatment of crime. He condemned the savage criminal procedures and penalties of his day, and asserted that prevention of crime is of greater importance than its punishment. Beccaria advocated the abolition of capital punishment, replacing it with life imprisonment.

The world trend today is toward abolition of capital punishment, either by law or custom, and application in capital punishment countries is declining. Execution as a punishment for crimes is becoming increasingly rare in the United States. Nine States, Alaska, Hawaii, Iowa, Maine, Michigan, Minnesota, Oregon, West Virginia, and Wisconsin have abolished capital punishment by law. Four other States, New York, North Dakota, Rhode Island, and Vermont, retain capital punishment for either a second-time murder, or the slaying of a police officer or murder by a lifer. During the past two decades, disuse of the death penalty has virtually abolished capital punishment in many States in which the law still allows it. From the peak year of 1935, when 199 persons were executed, the number of executions has dramatically been reduced.

1962	47
1963	21
1964	15
1965	7

The death penalty is seldom used in Federal cases. Only one Federal prisoner has been executed since 1957. Federal penal institutions maintain no means of carrying out the death sentence and State facilities are used whenever necessary. In our Armed Forces, the last execution in the Army took place on April 13, 1961. The last such execution in the Navy was held on December 1, 1842. The offender was the son of the Secretary of the Navy.

Yet, the debate between opponents and defenders of punishment by death continues unabated and, at times, highly emotional. J. Edgar Hoover voiced his belief that:

> A great many of the most vociferous cries for abolition of capital punishment emanate from those areas of our society which have been insulated against the horrors man can and does perpetrate against his fellow beings. The savagely mutilated bodies and mentally ravaged victims of murders, rapists, and other criminal beasts beg consideration when the evidence is weighed on both sides of the scales of justice.

It is recognized that the desire to "get even" is a natural human tendency and that it exists in almost everyone, but we must inquire about the extent to which this feeling should influence our actions against the offender. Should we, however, be content with a mere execution? Why not torture the criminal first by reviving some of the more popular forms of torture as practiced by the Spanish Inquisition? If it is pain that is wanted, why should we not make sure that we get as much as possible? As a matter of fact, however, the tendency in capital punishment has been to make the method of execution as swift and as painless as possible. The trend away from hanging, for example, and to electrocution is due largely to evidence that hanging may cause a slow and painful death.

Deputy Attorney General Ramsey Clark, in July 1965, gave the Department of Justice's views on capital punishment when he said:

> We favor the abolition of the death penalty. Modern penology with its correctional and rehabilitation skills affords greater protection to society than the death penalty which is inconsistent with its goals. This Nation is too great in its resources and too good in its purposes to engage in the light of present understanding in the deliberate taking of human life as either a punishment or a deterrent to domestic crimes.

Supporters of the death penalty cling to the claim that it has a specific deterrent effect. That is to say, if there were no capital punishment, more people would commit violent crimes. Belittling this hypothesis, former Premier John Diefenbaker, in a debate in the Canadian House of Commons once declared that if society really believed the death sentence was a deterrent, "then we should have public executions." The claim that the penalty prevents murder is a belief, however, not a fact. The inference drawn from statistical data that the death penalty is inconsequential as a deterrent is born out by case studies and expert opinion. Karl F. Schuessler, professor of sociology at Indiana University has stated that the death penalty has little if anything to do with the relative occurrence of murder. The alleged deterrent influence of the death penalty, Professor Schuessler maintains, is contradicted by the following recurrent case study data:

> The fear of death is relative to the situation, consequently, the death penalty may appear on reflection to be a necessary though unfortunate sequel to murder.
>
> Certain cultural circumstances (underworld, marital) often make murder imperative thereby nullifying the supposed deterrent effect of the death penalty.
>
> The relation between murder and victim is usually primary, hence, one that is likely to be suffused with emotionality.

Other studies have shown that when comparisons are made between contiguous States with similar populations and similar social, economic, and political conditions—some of the States lacking and others retaining capital punishment—homicide rates are the same and follow the same trend over a long period of time, regardless of the use or nonuse of capital punishment. Further research concluded that the abolition, introduction, or reintroduction of this penalty is not accompanied by the effect on homicide rates that is postulated by the advocates of capital punishment. Even in communities where the deterrent effect should be greatest because the offender and his victim lived there and trial and execution were well publicized, homicide rates are not affected by the execution. Also, the rate of policemen killed by criminals is no higher in abolition States than in comparable death penalty States.

A British Royal Commission on Capital Punishment made an exhaustive examination of capital punishment and concluded that:

> Whether the death penalty is used or not, both death penalty and abolition states show homicide rates which suggest that these rates are conditioned by other factors than the death penalty.

The Commission's findings went on to say that:

> The general conclusion which we have reached is that there is no clear evidence in any of the figures we have examined that the abolition of capital punishment has led to an increase in the homicide rate or that its re-introduction has led to a fall.

In November 1965, the British Parliament abolished capital punishment on an experimental basis for a period of 5 years, despite the fact that 79 percent of the

British polled either opposed abolition or were uncertain.

> We don't—

However, remarked Sidney Silverman, the leading M.P. in the movement to abolish capital punishment—

> in matters of life and death, think it is right to decide what is just or unjust by a spot, unconsidered reaction taken on the street corner or in a club or pub.

The question as to whether the individual who commits a capital crime considers the death penalty before he acts and whether the fear of death is sufficient to prevent murder is answered by Professor Schuessler:

> In the events preceding murder, the murderer is usually preoccupied to the point that reflection over future consequences is virtually impossible.

In any event, we know this much, that the threat of death has failed to stop the number of murders committed each year. "While crime is punished," observed the Roman philosopher Seneca, "it yet increases." Echoing similar sentiments some 2,000 years later, the late Albert Camus, Nobel Prize winning author and journalist, wrote, "it [capital punishment] forbids, but it prevents nothing." The FBI estimates that there were 9,250 murder victims in 1964. The fact that there were so many deaths through violent means obviously shows that the man who kills has not been deterred by the threat of the death penalty.

Aside from the obvious lack of evidence that fails to prove that the fear of death is a powerful deterrent to the act of committing murder, let me introduce another reason for opposing captial punishment—that being the probability of human error. This fallibility in man prompted Voltaire to write:

> It is better to risk saving a guilty person than to condemn an innocent one.

The death penalty is so horribly final. Once it has been carried out, mistakes cannot be corrected. Mistakes, however, have occurred and many persons have been put to death, only to have their innocence later proven. Of all crimes, murder is mostly likely to produce a violent emotional public reaction, a demand for vengeance, a feeling that the accused deserves to be put to death. The emotional drive to punish someone for an atrocious murder frequently plays an important part in conditioning a jury for believing the evidence which proves the guilt of the accused. Thomas Jefferson recognized such human limitations and maintained that:

> Until I shall have been convinced of the infallibility of human judgment, I shall always oppose the penalty of death.

The tragic impossibility of correcting such errors in human judgment is a powerful reason to oppose capital punishment.

The moral objections to capital punishment are obvious. Human life is sacred and deliberately destroying it is as much a crime for the State as for the individual. A large number of the wardens and prison chaplains who witness executions are against capital punishment because of their revulsion against such exhibitions of the cold and calculated snuffing out of human life.

Capital punishment laws, are, in effect, a subtle form of class legislation.

> What kind of people do we execute?

Asked Gov. Pat Brown.

> For the most part they are the poor, the friendless, the products of social, economic and educational disadvantage, and, in disproportionate numbers, minority group members.

The late Lewis B. Lawes, onetime warden at Sing Sing, remarked that:

> The defendant of wealth and position never goes to the electric chair or to the gallows. Juries do not intentionally favor the rich, the law is theoretically impartial, but the defendant with ample means is able to have his case presented with every favorable aspect, while the poor defendant often has a lawyer assigned by the court * * * Thus, it (seldom happens) that a person who is able to have eminent defense attorneys is convicted of murder in the first degree, and very rare indeed that such a person is executed.

Statistics and records clearly establish that it is mostly the poor, the uneducated, the unskilled and the nonwhite who pay the extreme penalty under capital punishment.

While studies indicate no pronounced difference in the rate of murders or other violent crimes between States which have capital punishment and States which do not have it, statistics do show, however, that the 13 abolitionist or semiabolitionist States have a lower murder rate per 100,000 inhabitants than the average U.S. rate.

Capital punishment—Number of murders and maximum penalties in the United States, 1964

Jurisdiction	Maximum penalty for murder [1]	Murders Per 100,000 inhabitants, 1965 [2]
Alabama	Electrocution	9.3
Alaska	Life imprisonment	10.4
Arizona	Lethal gas	5.2
Arkansas	Electrocution	7.6
California	Lethal gas	4.1
Colorado	do	4.2
Connecticut	Electrocution	1.8
Delaware	Hanging	4.3
Florida	Electrocution	8.6
Georgia	do	11.7
Hawaii	Life imprisonment	2.1
Idaho	Hanging	4.0
Illinois	Electrocution	5.5
Indiana	do	3.0
Iowa	Life imprisonment	1.3
Kansas	Hanging	3.4
Kentucky	Electrocution	5.2
Louisiana	do	8.3
Maine	Life imprisonment	1.5
Maryland	Lethal gas	6.7
Massachusetts	Electrocution	2.0
Michigan	Life imprisonment	3.3
Minnesota	do	1.4
Mississippi	Lethal gas	10.1
Missouri	do	5.4
Montana	Hanging	2.7
Nebraska	Electrocution	2.3
Nevada	Lethal gas	7.8
New Hampshire	Hanging	.9
New Jersey	Electrocution	3.1
New Mexico	Lethal gas	5.4
New York	Life imprisonment [3]	4.6
North Carolina	Lethal gas	7.6
North Dakota	Life imprisonment [3]	.9
Ohio	Electrocution	3.5
Oklahoma	do	4.5
Oregon	Life imprisonment	1.8
Pennsylvania	Electrocution	3.3
Rhode Island	Life imprisonment [3]	1.2
South Carolina	Electrocution	8.1
South Dakota	do	1.3
Tennessee	do	5.9
Texas	do	7.5
Utah	Shooting or hanging	1.5
Vermont	Life imprisonment [3]	0.5
Virginia	Electrocution	6.8
Washington	Hanging	2.4
West Virginia	Life imprisonment	3.7
Wisconsin	do	1.5
Wyoming	Lethal gas	5.5
U.S. Government	Death [4]	
Average U.S. rate		4.8

[1] Except for special cases such as those listed below, all jurisdictions have abolished the mandatory death penalty for murder, leaving the decision between death or life imprisonment to the discretion of the jury or the court:

Alabama: Murder by a life term prisoner.

Massachusetts: Murder during the commission of rape.

Ohio: Killing a Federal or State chief of state.

Rhode Island: Murder by a life term prisoner.

[2] Source: Federal Bureau of Investigation, Uniform Crime Reports for the United States, 1964. Murder statistics as reported by the FBI include nonnegligent manslaughter. The FBI notes that the rates are based on the Bureau of the Census provisional estimate as of July 1, 1964, and are subject to change.

[3] The death penalty is retained for murder by the following States only for the special cases indicated:

New York: Killing a peace officer acting in the line of duty, and murder committed by a prisoner under sentence of life imprisonment.

North Dakota: Murder in the 1st degree committed by a prisoner already serving a sentence for murder in the 1st degree.

Rhode Island: Murder committed by a prisoner under sentence of life imprisonment.

Vermont: Second conviction of murder, provided the 2 cases are not related, and 1st degree murder of a police officer or prison guard who is on duty.

[4] See the State in which the execution occurs; the U.S. Government does not maintain its own facilities for execution.

Former Ohio Gov. Michael Di Salle, who staffed the Ohio executive mansion with convicted murderers during his term of office, eloquently summed up the reasons for abolishing capital punishment:

> The death penalty solves nothing. It treats symptoms, ignoring the disease, the primary causes of crime. It eliminates the possibility of rehabilitation. Capital punishment becomes merely a communal expression of vengeance—a debasing passion in any society that calls itself civilized.

To execute a man in the name of the law is not the solution to the problem of crime. Not only is it ineffective, it also cheapens the human life. It brings a false sense of security to the community by leading people to think that the death chamber guarantees their protection. The problem is much deeper. The protection of society lies partially in the rehabilitation of the criminal as well as in the prevention of crime. The death penalty accomplishes neither of these objectives.

BILL TO GRANT A NATIONAL CHARTER TO RECOVERY, INC.

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST GERMAIN] may extend his remarks at this point in the RECORD and include extraneous matter

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, most people in America are fully aware of the tension generated by our fast pace of life and the increasing amount of mental strain and subsequent nervous breakdowns occurring among our population.

The effects of such illnesses are not confined to the individual involved, rather they greatly affect the people with whom the individual lives and pose a serious threat to the overall health and well-being of our society.

In many cases nervous breakdowns occur among those who were at the top of the productivity ladder in America, thus depriving us of their talents and contributions to the economy for extended periods of time. Rather than being independent productive members of society they assume the role of highly despondent members of society.

For many, this condition lingers for a long time and for all of those who have experienced a nervous breakdown, help is needed to regain their status as healthy, productive members of our society and to maintain this status.

Though most of us are aware of the growth of this problem in America, few have done anything to overcome it. One of the organizations that is doing something about it and, consequently, is making a valuable contribution toward the good health and productivity of our society is Recovery, Inc.

This organization, founded in 1937 by the late Dr. Abraham A. Low for the purpose of preventing relapses in former mental patients and chronicity in nervous patients is currently making a most significant contribution in the realm of mental health and is worthy of all the support that we can render toward its further development.

Recovery, Inc. is a self-help organization operated, managed, supported, and controlled by patients and former patients trained in the Recovery method to prevent relapses and chronicity by a system of self-help aftercare.

Let me quote what one of my constituents has to say about this program:

> I suffered a nervous breakdown 15 years ago and over the years I gradually became more and more depressed and withdrawn from almost everyone. I had been in 7 hospitals and attended by 30 doctors during that time. . . . I finally was directed to Recovery, Inc. . . . This was in 1963; since then I feel better and am again interested in things outside of myself. I am not completely well but feel that I have found the answer and, with patience and training, I can live a normal and adjusted life. In 1965, I became a Recovery leader in Woonsocket, Rhode Island, and have since helped 15 people in this city gain better mental health.

The system of self-help aftercare established by Recovery, Inc., has, in effect, transformed the weak into the relatively strong. It has transformed those members of society who have been weakened by mental disorders into strong contributors of society.

Let me quote from another self-help success story in which the individual found Recovery, Inc., at the end of a long, lonely, and vacillating trial:

> At this point I found Recovery, Inc. At the very first meeting I heard other nervous patients relate their own painful experiences, identical or similar to mine, and tell how they now faced life with self-confidence gained through their training in Recovery. Needless to say, my skepticism received quite a blow. I decided to give Recovery a good try.
>
> Later I discovered that a "good try" in Recovery meant total effort on my part. I must attend the meetings week after week for a long period; I must read and study the Recovery literature; I must work hard at changing habits of thinking and reacting; and most of all, I learned that I must deal with setbacks that bring on discouragement from time to time and that I must work toward and wait patiently for the final goal of sustained health. . . . I am now equipped with a systematic method which can help me over the rough spots in the future. I have not had a setback for 8 years. I lead a very active, full life, spontaneously enjoying my marriage, children and friends. The Recovery method has truly helped me to prevent the chronicity of my nervous ailment.

Mr. Speaker, there are now approximately 10,000 people attending Recovery meetings in 548 groups in 34 States. The success realized has been great but if this highly significant organization is to realize its full potentiality it must have the help of the Congress.

This organization had its origin in the State of Illinois where it is incorporated as a voluntary nonprofit corporation. Of the 34 States in which it is now operating, Recovery has had to qualify individually for a charter in 10 of these States. The difficulties, great amount of money and work entailed in gaining corporate protection in the remaining States are such that I feel we in the Congress should lend our support of this organization by granting a national charter in view of the national scope and significance of its work.

Therefore, Mr. Speaker, in view of the proven success of Recovery, Inc., and the national need of its services, I would like to introduce at this time a bill to nationally incorporate Recovery and call upon the support of my colleagues in gaining a national charter for this most significant organization.

NATIONAL SERVICE AND THE DRAFT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. GILLIGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. GILLIGAN. Mr. Speaker, the complaints rising in every corner of this country concerning the present operation of the Selective Service System simply reflect the fact that the system was designed almost 30 years ago to provide for a universal military service. The manpower requirements of our armed services today, despite our commitments in Vietnam and around the rest of the world, actually do not require that every young man give a portion of his life to military service, and it is when we begin to exempt great numbers for various reasons that inequities arise.

It is particularly disturbing that in the operation of this system today, it would seem that those who cannot afford to continue their education beyond the high school level provide a disproportionately large share of the men actually being called into military service. Thus it would seem that our Nation has, quite inadvertently and quite unintentionally, developed a system of military service in which a young man's contribution to the national welfare and security may be determined by his family's economic status and his own educational background rather than on other criteria. This certainly presents a prospect which is repugnant to all Americans.

I have therefore, in company with several of my colleagues, today introduced a resolution providing for the establishment of a Joint Committee on National Service and the Draft composed of 7 Members of the Senate and 7 Members of the House of Representatives, which committee shall study policies and operations of the Selective Service System; methods of insuring that our Armed Forces have sufficient manpower available to meet any national requirements; the educational value of national service; the nonmilitary needs of the United States, domestic and international, which could be met by a reserve of manpower acting through Government or private organizations; the responsibility of the United States to educate and make use of the talents of citizens who cannot pass the mental or physical tests of the Armed Forces.

Mr. Speaker, I sincerely hope that the Congress will give prompt consideration to, and approval of, the resolution authorizing such a study.

PERSONAL ANNOUNCEMENT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. GILLIGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. GILLIGAN. Mr. Speaker, on rollcall vote No. 131, I was absent, attending to congressional duties for my home district. Had I been present I would have voted "aye" on that rollcall.

CONSENT LEGISLATION FOR WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY COMPACT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. SICKLES] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. SICKLES. Mr. Speaker, as you, my colleagues know, I have been an active participant, since its inception, in the interstate program to provide improved and expanded mass transit facilities and service for the National Capital region. These efforts have been carried on by the Joint Transportation

Commission, the name by which the interstate negotiating commission, composed of representatives of Maryland, Virginia, and the District of Columbia, is known. I have had the honor of serving as a representative of Maryland on that Commission since its creation in 1954 and as its Chairman since 1962.

You will recall that in 1954, the Congress initiated the program for improve transit in the National Capital region by appropriating $400,000 to the National Capital Planning Commission and the National Capital Regional Planning Council. The Joint Transportation Commission worked closely with those agencies on the project which produced the 1959 Transit Plan. That plan established that the transportation problem in the Washington Metropolitan area is regional in scope and that remedial action must be taken on a regional basis.

There was, however, no existing agency of government, Federal or State empowered to deal with mass transit on a regional basis. A major recommendation of that plan, after considering various organizational alternatives, was that an interstate agency to be created by compact between Maryland, Virginia, and the District of Columbia would provide the most suitable organizational arrangement.

This recommendation has been adopted as the policy of Congress. The States, as a first step in achieving a regional orientation, negotiated the Washington Metropolitan Area Transit Regulation Compact for the regulation of the privately owned carriers. That compact has been consented to and approved by the Congress—Public Law 86-794, September 15, 1960, 74 Statutes at Large 1031 as amended by 76 Statutes at Large 764—and the Washington Metropolitan Area Transit Commission, which was created by that compact, has been regulating service by the private carriers on a regional basis since 1960.

With respect to the proprietary function of furnishing necessary rail transit facilities, Congress, in the National Capital Transportation Act of 1960—Public Law 86-669, July 14, 1960, 74 Statutes at Large 537—authorized Maryland, Virginia, and the District of Columbia, in cooperation with a representative of the United States to be appointed by the President, to negotiate a compact to provide an interstate organization capable of providing improved transit facilities in the National Capital region. Pending the creation of such an interstate agency, Congress, in that act, created the National Capital Transportation Agency as an interim organization to proceed with the detailed planning and development of the required facilities.

In accordance with that congressional authorization, the Joint Transportation Commission has been working diligently since early 1962 in the development and negotiation of a suitable interstate compact. Numerous novel and complex legal, political, and practical problems had to be faced and were resolved. The compact, known as the Washington Metropolitan Area Transit Authority Compact, was enacted by Maryland in 1965 and by Virginia in 1966 and, I am advised, that the Board of Commissioners of the District of Columbia favor the enactment of the compact as a law for the District of Columbia.

The compact is the last, but only one of four pieces of State legislation, which has been enacted to provide an interstate mechanism for the administration of transit in the National Capital region on a regional basis. The first piece of legislation was the Washington Metropolitan Area Transit Regulation Compact, mentioned above. Technically, the new compact is an amendment to the original compact, adding a title III thereto.

The Maryland and Virginia legislatures also have enacted legislation creating transit districts in each State to cooperate with the authority created by the interstate compact and with the District of Columbia in the planning and development of the regional mass transit system. The Virginia agency is known as the Northern Virginia Transit Commission and the Maryland agency is known as the Washington Suburban Transit Commission. These State transit districts are in being and at work.

Thus, Maryland and Virginia have now enacted all legislation required to carry out the congressional policy as declared in the National Capital Transportation Act of 1960 and as reaffirmed in the National Capital Transportation Act of 1965—Public Law 89-173, September 8, 1965, 79 Statutes at Large 663. It is, therefore, with a sense of achievement and great pleasure that I take the privilege of introducing legislation transmitted by the President for the consent of the Congress to the new compact and for the enactment of that compact as a law for the District of Columbia. In view of the importance of this legislation to the area of Maryland involved and the widespread public interest in the legislation, I am extremely pleased that my colleagues, the Honorable Hervey G. Machen and the Honorable Charles McC. Mathias, Jr., will also introduce this legislation.

The legislation which I am introducing today may be briefly summarized as follows:

CONSENT LEGISLATION FOR THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY COMPACT—WHAT THE CONSENT LEGISLATION DOES

First. Grants the consent of Congress pursuant to article I, section 10 of the Constitution, to the States of Maryand and Virginia to enter into the compact.

Second. Enacts the compact as a law of the District of Columbia.

Third. In accordance with the provisions of section 301(b) of the National Capital Transportation Act of 1960, provides for the transfer of the functions and duties of the National Capital Transportation Agency to the Washington Metropolitan Area Transit Authority. Under the consent legislation the transfer of functions and duties shall take place on September 30, 1967.

Fourth. Pending the transfer of functions and duties, authorizes the National Capital Transportation Agency fully to cooperate with and assist the Authority in the development of plans for the extensions, new lines, and related facilities required to expand the basic system authorized by the National Capital Transportation Act of 1965 into a regional system.

Fifth. Subsequent to the effective date for the transfer of functions and duties from the National Capital Transportation Agency to the Authority, authorizes appropriation to the Department of Housing and Urban Development, for payment to the Authority any unappropriated portion of the authorization specified in section 5(a)(1) of the National Capital Transportation Act of 1965. Similar provision is made for the appropriation to the District of Columbia out of the general fund of the District of Columbia for payment to the Authority any unappropriated portion of the authorization specified in section 5(a)(2) of such act.

Sixth. Confers jurisdiction upon the U.S. district courts, concurrent with the courts of Maryland and Virginia.

Seventh. Amends all laws of the United States and of the District of Columbia inconsistent with the provisions of the new compact to the extent necessary to eliminate such inconsistencies and to make applicable all laws and reorganization plans of the United States to the extent necessary to carry out the provisions of the consent legislation and the compact.

Eighth. Repeals section 202 of the National Capital Transportation Act of 1960—Public Law 86-669, 74 Statutes at Large 537—as amended by section 7 of the National Capital Transportation Act of 1965—Public Law 89-173, 79 Statutes at Large 666. These provisions create and provide for the composition of the Advisory Board of the National Capital Transportation Agency.

I would also like to point out several salient features of the compact, for which the consent of the Congress is now sought, and to delineate the interrelationships between the Compact Authority and the National Capital Transportation Agency.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY COMPACT—WHAT THE COMPACT DOES

Creates the Washington Metropolitan Area Transit Authority, as a common instrumentality of the District of Columbia, Maryland, and Virginia, with power to plan, finance, construct, and develop a regional mass transit system for the Washington metropolitan area transit zone which embraces the District of Columbia, Montgomery and Prince George's Counties in Maryland, and Arlington and Fairfax Counties, and the cities of Alexandria, Falls Church, and Fairfax City in Virginia.

LEGISLATIVE AUTHORIZATIONS

First. The compact was negotiated pursuant to the consent of Congress granted in section 301(a) of the National Capital Transportation Act of 1960—Public Law 86-669, July 14, 1960, 74 Statutes at Large 537.

Second. The consent was granted to implement the congressional finding that an improved transportation system was required for the National Capital region and that such a system should be developed cooperatively by the Federal, State, and local governments of the National Capital region, with the costs of such facilities to be financed, as far as possible, by persons using or benefiting from such facilities and the remaining costs to be shared equitably among the Federal, State, and local governments. This policy was declared in section 102 of the National Capital Transportation Act of 1960 and reaffirmed in section 2(b) of the National Capital Transportation Act of 1965—Public Law 89-173, September 8, 1965, 79 Statutes at Large 663.

Third. The compact was enacted in Maryland in 1965—Annotated Code of Maryland, 1957, Article 41, section 317-1 et seq.

Fourth. The compact was enacted in Virginia in 1966—chapter 2, 1966 acts of assembly.

THE COMPACT AND THE BASIC SYSTEM

The approval of the compact will not cause any interference with the development with the basic District of Columbia system. Until the transfer of functions and duties from the NCTA to the Authority occurs, NCTA will continue its work on the basic District of Columbia system. Section 3(b) of the consent legislation provides that after the transfer of functions, any unappropriated portion of the $150 million of authorization specified in section 5 of the National Capital Transportation Act of 1965 shall be used only for the purposes for which such authorization was originally made.

AREAS OF RESPONSIBILITY OF NCTA AND THE AUTHORITY

First. Pending the transfer of functions and duties from NCTA to the Authority, NCTA will continue to develop the basic District of Columbia system.

Second. The Authority will plan and develop extensions, new lines, and related facilities and any necessary enlargement of the basic District of Columbia system.

Third. In order to assure that the basic District of Columbia system and the facilities in Maryland and Virginia are compatible parts of a single integrated system, the consent legislation authorizes NCTA to perform planning and engineering services for the Authority on a reimbursable cost basis.

Fourth. Continuity of policy and concept is assured during the transitional period by the service arrangement between the Authority and NCTA and, thereafter, by the fact that the Authority, as a practical matter, would take over the NCTA staff.

PRESENT NEED FOR COMPACT

First. The transportation problem of the District of Columbia and of the entire National Capital region cannot be solved solely by the District of Columbia basic system but the solution requires a regional mass transit system.

Second. Present and foreseeable needs of the National Capital region require that a regional system be operational at the earliest possible date. Plans for the regional system cannot be developed until the Authority is in being.

Third. In order to achieve the objective of a single compatible integrated regional transit system and in order to avoid possible losses of substantial economies, the development of the basic District of Columbia system must be done in the context of planning for the regional system. The Authority is the only agency authorized to plan for such a regional system.

Fourth. Bond financing for the entire regional system, including the basic District of Columbia system, should be done by the Authority. Separate financing on parts of the system is not feasible. If the public debt for the basic system is funded by a Federal or District of Columbia agency, such bonds would have to be redeemed, and a substantial redemption premium paid, before the Authority could sell a single bond issue to cover the entire regional system.

Fifth. Under the present NCTA schedule, bond money will be required in 1968. The Authority must be created now to be able to provide such funds by that time.

THE APPROVAL OF THE COMPACT DOES NOT IMPOSE ANY FINANCIAL OR OTHER OBLIGATIONS ON THE UNITED STATES AND THE DISTRICT OF COLUMBIA

First. The action of the Congress in approving the compact does not create or impose any obligations on the United States or the District of Columbia. Approval will, however, establish an Authority which can negotiate such financial contributions and commitments with the local political jurisdictions and the Federal Government as may be needed to build and operate a regional system.

Mr. Speaker, I will not take the time of the House to give a detailed explanation of the provisions of the compact but I am submitting a section-by-section analysis of that law with the request that this analysis be printed in the CONGRESSIONAL RECORD as part of my remarks.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY COMPACT SECTION ANALYSIS, TITLE III

ARTICLE I

1. Definitions.

ARTICLE II—PURPOSE AND FUNCTIONS

2. Purpose: The purpose is to create a regional instrumentality, as a common agency of each signatory party, to plan, develop, finance and cause to be operated improved transit facilities in the National Guard Region, called the Zone, and to coordinate the operation of the public and privately owned or controlled transit facilities.

ARTICLE III—ORGANIZATION AND AREA

3. Washington Metropolitan Area Transit Zone: Creates the Washington Metropolitan Area Transit Zone which embraces the District of Columbia, the cities of Alexandria, Falls Church and Fairfax and the counties of Arlington and Fairfax and political subdivisions of the Commonwealth of Virginia located within those counties and the counties of Montgomery and Prince Georges in the State of Maryland and political subdivisions of the State of Maryland located in said counties.

4. Washington Metropolitan Area Transit Authority: Creates the Washington Metropolitan Area Transit Authority, as a body corporate and politic, to administer the affairs of the Zone.

5. Board Membership: (a) Provides for a Board of six Directors consisting of two Directors for each signatory. The Directors for Virginia shall be appointed by the Northern Virginia Transportation Commission; for the District of Columbia, by the Commissioners of the District of Columbia; and for Maryland, by the Washington Suburban Transit Commission. Also provides for the method appointment and removal of Directors and for the appointment of an alternate for each Director.

(b) Provides that an oath or affirmation shall be taken by each Director and alternate before entering upon the duties of office.

6. Compensation of Directors and Alternates: Directors and alternates shall serve without compensation but may be reimbursed for necessary expenses.

7. Organization and Procedure: Provides for the annual organization of the Board by the election of a Chairman and a Vice Chairman. Frequency of meetings of the Board is left to the determination of the Board and the Board is required to keep minutes of its meetings and to adopt rules and regulations governing its meetings, minutes and transactions.

8. Quorum and Actions by the Board: (a) Four Directors or alternates, consisting of at least one Director or alternate from each signatory, shall constitute a quorum. With the exception to be noted, actions by the Board shall be by a majority, which majority shall include at least one Director or alternate from each signatory. The exception is that a plan of financing or mass transit plan may be acted upon by the unanimous vote of the Directors representing any two signatories. This exception is designed to assure that any plans favored by at least two jurisdictions will be made available for public consideration and review. The adoption by the Board of such plans, however, does not bind any signatory or impose any obligations upon any signatory. Financial commitments are made only in the manner specified in section 18, below.

(b) Actions by the Board shall be expressed by motion or resolution. Except for actions dealing solely with internal management, which shall become effective when directed by the Board, all other actions shall become effective after thirty days. Provision is made for acceleration of actions by the Board.

9. Officers: (a) The officers of the Authority, none of whom shall be members of the Board, shall consist of a general manager, a secretary, a treasurer, a comptroller and a general counsel and such other officers as the Board may provide. The Board is authorized to appoint and remove all officers, to specify the duties and functions such officers shall perform and to fix and determine the compensation to be paid to all officers. Except for the general manager, who shall be a full-time employee, all other officers may be full or part-time and may be compensated on a salary or fee basis and, except for the office of general manager and comptroller, the Board may consolidate any of such other offices in one person. The general manager is empowered to appoint and remove all employees and such officers as the Board may designate under such rules of procedure and standards as the Board may determine.

(b) The general manager shall be the chief administrative officer of the Authority, subject to policy direction by the Board.

(c) Specifies the duties of the treasurer and the procedure for making disbursements.

(d) Provides that all appointed officers shall take and subscribe to an oath of office.

(e) Provides for the bonding of Directors, officers and employees, as specified by the Board.

10. Conflict of Interest: (a) Specifies conduct prohibited to Directors, officers or employees.

(b) Provides for forfeiture of office or employment, in the discretion of the Board, for willful violation of (a).

(c) Provides that any contract or agreement made in contravention of section 10 may be declared void by the Board.

(d) Preserves all applicable federal or state law to any violation.

ARTICLE IV—PLEDGE OF COOPERATION

11. Pledge of Cooperation: Each signatory pledges to each other faithful cooperation in the achievement of the purposes and objects of this Title.

ARTICLE V—GENERAL POWERS

12. Enumeration: (a) through (m) sets forth the general powers of the Authority, which are in addition to other specific powers and duties prescribed in the Title.

ARTICLE VI—PLANNING

13. Mass Transit Plan: (a) Authorizes the Board to develop and adopt, and from time to time to review and revise, a mass transit plan for the immediate and long-range needs of the Zone and specifies what shall be included in such a mass transit plan.

(b) Directs the Board to make full utilization of all data, studies, reports and information available from the National Capital Transportation Agency and from any other agencies of the Federal Government, and from signatories and the political subdivisions thereof.

14. Planning Process: (a) Directs that the mass transit plan shall be coordinated with other plans and programs affecting transportation in the Zone, with the general plan or plans for the development of the Zone and with the development plans of the various political subdivisions embraced within the Zone.

(b) Directs that each member of the Board shall serve as liaison between the Board and the body which appointed him to the Board and provides for regional participation in the planning process through the creation of technical committees to be composed of representatives of the local governments within the Zone.

(c) Specifies the matters which must be taken into consideration in the preparation, revision, alteration or amendment of a mass transit plan and requires that the Board shall cooperate with and participate in any continuous, comprehensive transportation planning process established in conformance with the Federal-Aid Highway Acts and shall cooperate with the planning agencies in the Zone and other agencies concerned with transit.

15. Adoption of Mass Transit Plans: (a) Provides that before a mass transit plan is adopted, altered, revised or amended, the Board shall transmit the proposed plan for comment to the Commissioners of the District of Columbia, the governing bodies of the counties and cities embraced within the Zone, the Northern Virginia Transportation Commission, the Washington Suburban Transit Commission, the highway agencies of the signatories, the Washington Metropolitan Area Transit Commission, the several planning agencies within the Zone, to the private transit companies operating in the Zone and to the Labor Unions representing the employees of such companies and employees of contractors providing service under operating contracts. In addition, it is required that information with respect to the plan shall be released to the public and a hearing held thereon.

ARTICLE VII—FINANCING

16. Policy. Provides that, as far as possible, the payment of all costs shall be borne by the persons using or benefiting from the facilities and services and any remaining costs shall be equitably shared among the Federal, District of Columbia and participating local governments. The allocation of such remaining costs among such governments shall not be imposed by the Board but shall be allocated by agreement among the governments concerned.

17. Plan of Financing: (a) Directs the Authority to prepare and adopt a plan for financing the construction, acquisition and operation of facilities and provides that such plan shall specify the facility to be constructed or acquired, the cost thereof, the principal amount of revenue bonds, equipment trust certificates and other evidences of debt proposed to be issued, the principal terms and provisions of all loans and underlying agreements and indentures, estimated operating expenses and revenues and the proposed allocation among the Federal, District of Columbia and participating local governments of remaining costs and deficits, if any.

(b) Provides that such a plan of financing shall constitute a proposal to the interested governments which will not impose any obligation on any such government and that such obligation shall be created only as provided in section 18, below.

18. Commitments for Financial Participation: (a) Provides that financial commitments on behalf of the portion of the Zone located in Virginia shall be by contract between the Authority and the Northern Virginia Transportation District or directly between the Authority and the local governments embraced within that District. The contracts shall provide for contribution for grants and for meeting expenses and obligations incurred in the operation of the transit facilities. The Authority is authorized and designated as the agency to plan for and provide transit facilities and services for the area of Virginia encompassed within the Zone as contemplated by Article I, Section 3(c) of the Transportation District Act of 1964 (Ch. 631, 1964 Acts of Virginia).

(b) Financial commitments on behalf of the portion of the Zone located in Maryland shall be by contract between the Authority and the Washington Suburban Transit District.

(c) With respect to the District of Columbia and the Federal Government, the financial commitments shall be created by appropriation or in such other manner, or by such other legislation, as the Congress shall determine. Provision is also made for contractual arrangements between the Authority and the District of Columbia in the event legislation is enacted by the Congress granting home rule powers to the District of Columbia.

19. Administrative Expenses: Provides that the expenses of the Authority, prior to the time the Authority has receipts from appropriations and contracts as provided in section 18, for administration and for preparation of a mass transit and financing plan, including all engineering, financial, legal and other services, shall, to the extent funds for such expenses are not provided through grants by the Federal Government, be borne by the District of Columbia, by the Washington Suburban Transit District and the component governments of the Northern Virginia Transportation District. Such expenses are to be allocated among such governments on the basis of population.

20. Acquisition of Facilities from Federal or Other Agencies: (a) The Authority is authorized to acquire, by any means other than condemnation, any facilities, properties or assets, located within the Zone, whether in operation or under construction, from the Federal Government, the District of Columbia or Maryland or Virginia or any political subdivision or agency thereof. The acquisition shall be made upon such terms and conditions as may be agreed upon between the Authority and the government or governments concerned.

(b) In connection with any such acquisition, the Authority is authorized to assume all liabilities and contracts relating or pertaining to such properties acquired.

21. Temporary Borrowing: Provides that the Board, in anticipation of receipts, may borrow for any purposes of this Title, including administrative expenses, from any signatory, the Washington Suburban Transit District, the Northern Virginia Transportation District, or any component government thereof or from any lending institution. The terms of any such loans are limited to not to exceed two years and rate of interest not to exceed 6%.

22. Funding: The Board is prohibited from constructing or acquiring any facilities or properties or from making any commitments or incurring any obligations with respect thereto until funds are available therefor.

ARTICLE VIII—BUDGET

23. Capital Budget: Provides for the adoption annually of a capital budget.

24. Current Expense Budget: Provides for the adoption annually of a current expense budget for each fiscal year.

25. Adoption and Distribution of Budgets: (a) Provides that the general manager of the Authority shall transmit certified copies of the capital and expense budgets to the principal budget officer of the Federal Government, the District of Columbia, the Washington Suburban Transit District and the component governments of the Northern Virginia Transportation Commission at such time and in such manner as may be required under their respective budgetary procedures.

(b) Each budget shall indicate the obligation of the Federal Government, the District of Columbia, the Washington Suburban Transit District and the component governments of the Northern Virginia Transportation District, determined in accordance with the commitments made pursuant to section 18 of this Title.

26. Payment: Provides for the payment by the participating governments of the amount certified to each of them as set forth in the budgets.

ARTICLE IX—REVENUE BONDS

27. Borrowing Power: Authorizes the Authority to borrow money for any purposes of this Title and to issue its negotiable bonds and other evidences of indebtedness in respect thereto and provides that all such bonds and evidences of indebtedness shall be payable solely out of the properties and revenues of the Authority.

28. Funds and Expenses: Specifies the purposes for which the Authority may exercise its borrowing power.

29. Credit Excluded; Officers, State, Political Subdivisions and Agencies: Provides that the Board shall have no power to pledge the credit of any signatory party or political subdivision or agency thereof but may pledge the contracts of such governments and agencies executed pursuant to section 18. This section further provides that the bonds may be underwritten in whole or in part as to principal and interest by the United States, or by any political subdivision or agency of any signatory. Excludes the directors from any personal liability in connection with the bonds.

30. Funding and Refunding: Provides the Authority with broad powers to fund and refund the outstanding bonds and other obligations of the Authority.

31. Bonds; Authorization Generally: Deals with the technicalities of authorizing and issuing bonds and other indebtedness of the Authority.

32. Bonds; Resolutions and Indentures Generally: Provides the Board with broad authority to enter into indentures and to determine the covenants and other provisions of such indentures.

33. Maximum Maturity: Provides for a maximum maturity of fifty years.

34. Tax Exemption: Exempts all bonds and other evidences of debt issued by the Authority, and the interest thereon, from all taxation by or under authority of any signatory, except the transfer, inheritance and estate taxes.

35. Interest: Provides a maximum rate of interest of 6% per annum.

36. Place of Payment: Provides that the Board may provide for the payment of principal and interest of bonds at any place or places within or without the signatory states.

37. Execution: Specifies the manner of execution of the bonds.

38. Holding Own Bonds: Authorizes the Board to purchase its own bonds and to hold, cancel or resell such bonds.

39. Sale: Authorizes the Board to fix terms and conditions for the sale or other disposition of the bonds and specifies that the bonds may be sold in such manner, either at public or private sale, as the Board shall determine. Bonds may be sold at less than their par or face value, provided the net interest cost to the Authority shall not exceed 6% per annum according to standard tables of bond values.

40. Negotiability: Provides that all bonds issued under the provisions of this Title are negotiable instruments.

41. Bonds Eligible for Investment and Deposit: Makes the bonds issued by the Authority eligible investments for all public officers and public agencies of the signatories and their political subdivisions and for all banks, trust companies, savings & loan associations, investment companies, insurance companies, administrators, other executors, guardians and trustees and other fiduciaries. This section also makes the bonds of the Authority eligible for deposit with any officer of any signatory, or of any agency or political subdivision of any signatory, for any purpose for which deposit of bonds or other obligations of such signatory is now or may hereafter be authorized by law.

42. Validation Proceedings: Provides for the institution of special validation proceedings to determine the legality of the bonds prior to their issuance.

43. Recording: Provides that the indenture issued by the Authority to secure its bonds need be recorded only in the office of the Board and that the pledge of revenues under the indenture shall take effect forthwith irrespective of the date of receipt of such revenues by the Board or the indenture trustee and without regard to physical delivery of the revenues to the Board or to the indenture trustee.

44. Pledged Revenues: The payment of principal and interest is declared to constitute a first, direct and exclusive charge and lien on all revenues of the Authority and all such revenues, together with the interest thereof, are declared to constitute a trust fund for the security and the payment of outstanding bonds. The revenues of the Authority, however, to the extent provided for in the indenture, may be used for the payment of the expenses of the Authority, including administration, operation, maintenance, improvements or extensions of facilities.

45. Remedies: Provides remedies for the holders of bonds.

ARTICLE X—EQUIPMENT TRUST CERTIFICATES

46. Power: Empowers the Board to execute equipment trust certificates, leases and other agreements for facilities and equipment.

47. Payments: Payment for such equipment trust certificates, leases, etc., are to be made from the operating revenue of the transit system, including such sources as grants, loans and appropriations.

48. Procedure: Provides the mechanics for setting up the security arrangements.

49. Agreements and Leases: Provides for the acknowledgment of agreements and leases and authorizes the Board to enter into appropriate covenants and conditions in such agreements and leases.

50. Law Governing: Provides that equipment trust certificates issued by the Board shall be governed by the laws of the District of Columbia.

ARTICLE XI—OPERATION OF FACILITIES

51. Operation by Contract or Lease: Prohibits the Authority from performing transit service and requires that transit service and all related functions, such as maintenance of equipment and right-of-way, be performed under contract or contracts with private transit companies, private railroads, or other persons. Authorizes the Authority to directly operate any facilities and properties not used in performing transit service. All operations by the Authority and by its contractors and lessees is limited to the Zone.

52. The Operating Contract: Sets out the important provisions to be contained in the operating contract and provides, among other things, that operating personnel shall be employees of the contractor and not of the Authority, that the contractor shall comply in all respects with the labor policy set forth in Article XIV of this Title, gives the Board exclusive authority over rates, routes and service and limits the operating contract to a term of five years and renewals. It is also provided that the operating contracts shall be subject to termination by the Board for cause only.

53. Compensation for Contractor: Provides that compensation to the contractor may, in the discretion of the Board be in the form of 1) a fee paid by the Board to the contractor for services, 2) a payment by the contractor to the Board for the right to operate the system, or 3) such other arrangement as the Board may prescribe. Provides, further, that the compensation shall bear a reasonable relationship to the estimated cost for direct operation by the Authority and may include incentives for efficient and economical management.

54. Selection of Contractor: Provides that the Board shall enter into an operating contract only after formal advertisement and negotiation with all interested and qualified parties.

ARTICLE XII—COORDINATION OF PRIVATE AND PUBLIC FACILITIES

55. Declaration of Policy: Declares that the public and private segments of the regional transit system shall be operated, to the fullest extent possible, as a coordinated system without unnecessary duplicating service.

56. Implementation of Policy: Provides for the attainment of this policy objective through the following means:

(a) The Authority—

(1) is prohibited from performing bus service directly or through a contractor, except as provided in paragraph (d) below;

(2) is required, in cooperation with the private carriers and WMATC, to bring about a coordination of the schedules and service of the public and privately owned facilities; and

(3) is directed to enter into agreements with private carriers for through routes and joint fares and a division between the Authority and the private carriers of such fares.

(b) The WMATC is empowered to—

(1) direct private carriers to coordinate their schedules and service with the Authority;

(2) direct private carriers to improve or extend any existing services or provide additional service over additional routes;

(3) authorize a private carrier to establish and maintain routes and joint fares with the Authority, if the WMATC finds that such routes and joint fares are required by the public interest; and

(4) direct any private carrier, even in the absence of an agreement with the Authority, to establish and maintain through routes and joint fares with the Authority, if the WMATC finds that such service and joint fares are required by the public interest.

(c) WMATC is prohibited from requiring a private carrier to render any service which does not provide a reasonable return, unless the carrier is currently earning a reasonable return on its operation as a whole.

(d) Provides that if WMATC is unable to effectuate the requisite coordination of operations and service between the private carriers and the Authority, the Authority may render the necessary service through its contractor. In order to encourage the private carriers to render all bus service, the Authority is authorized to make reasonable subsidy payments to any private carriers.

57. Rights of Private Carriers Unaffected: Preserves the rights and remedies, if any, any private carrier may have against the Authority as a result of acts done or actions taken by the Authority under the Compact. Provides that any judgment awarded by a court to any private carrier for infringement of rights shall constitute a lien against the assets and property of the Authority.

58. Financial Assistance to Private Carriers: (a) Authorizes the Board to accept grants and enter into loan agreements with the Housing and Home Finance Administrator, pursuant to the provisions of the Urban Mass Transportation Act of 1964 (78 Stat. 302) for the purpose of rendering financial assistance to private carriers.

(b) Provides that any application by the Board for any such grant or loan shall be based upon and supported by a report from WMATC.

(c) Provides that any equipment or facilities acquired with the proceeds of such grants or loans shall be owned by the Authority and made available to private carriers only by lease or other agreement which contain provisions acceptable to the HHFA.

ARTICLE XIII—JURISDICTION; RATES AND SERVICE

59. Washington Metropolitan Area Transit Commission: Provides that, except as specified herein, this Title shall not affect the functions and jurisdiction of WMATC, as established in the Washington Metropolitan Area Transit Regulation Compact, and expressly negates any jurisdiction by the Authority over any transportation or persons subject to the WMATC.

60. Public Facilities: Provides that the Authority shall have sole jurisdiction over the service and rates and fares of the public facilities and negates any jurisdiction by WMATC with respect thereto or with respect to any contractor of the Authority. Provides further that the determinations of the Board with respect to service and fares shall not be subject to judicial review nor to the processes of any court.

61. Standards: Provides that the Board, insofar as practicable and consistent with the provisions of adequate service at reasonable fares, shall fix the rates, fares and service so as to provide revenues—

(a) to pay the operating expenses and provide for repairs, maintenance and depreciation of the transit system;

(b) for payment of debt service and to meet all other fund requirements;

(c) for the financing the acquisition of the rolling stock; and

(d) for other necessary purposes.

62. Hearings: (a) provides that the Board shall not make or change any fare or rate or establish or abandon any service except after holding a public hearing.

(b) Provides a complaint procedure with respect to fares and service.

(c) Provides notice and publication requirements for any hearings set by the Board.

(d) Provides that the Board shall make available for public inspection prior to holding a hearing any reports prepared or filed relating to the hearing.

63. Reference of Matters to WMATC: To facilitate the attainment of the public policy for a coordinated system without unnecessary duplicating service, the Board, prior to calling the hearings provided for in section 62,

(a) shall refer to WMATC for its consideration and recommendation any matter affecting the operation of the public and privately owned or controlled transit facilities;

(b) WMATC is required to give preference to such referred matter; and

(c) provides that reports submitted by WMATC to the Board shall consider the effect of the proposal upon passenger movements, fare structures, service, the impact on the revenues of both the public and private facilities and upon the operation of the publicly and privately owned facilities as a coordinated regional system.

ARTICLE XIV—LABOR POLICY

64. Construction: Provides that laborers and mechanics employed in construction by or on behalf of the Authority shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5) and every such employee shall be paid time and a half for overtime. The administration and enforcement of these provisions are delegated to the Secretary of Labor.

65. Equipment and Supplies: The Walsh-Healey Public Contracts Act (41 U.S.C. 35 et seq.), is made applicable to all contracts for the manufacture or furnishing of materials, supplies, articles and equipment.

66. Operations: The labor standards of Section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c)) are made applicable to any contract or other arrangement for the operation of the transit facilities of the Authority.

ARTICLE XV—RELOCATION ASSISTANCE

67. Relocation Program and Payments: Provides that the standards of Section 7 of the Urban Mass Transportation Act of 1964 shall be applicable to individuals, families, business concerns and non-profit organizations displaced from real property by actions of the Authority.

68. Relocation of Public or Public Utility Facilities: Provides that any highway or other public facility or any facilities of a public utility company which will be dislocated by reason of a project of the Board shall be relocated, if such facilities are devoted to a public use, and the reasonable cost of relocation, if substitute facilities are necessary, shall be paid by the Board.

ARTICLE XVI—GENERAL PROVISIONS

69. Creation and Administration of Funds: (a) Provides the standards and procedures for handling and disbursements of funds.

(b) Provides that the Authority may invest its funds in bonds or other obligations of the United States, Maryland, Virginia, or the political subdivisions or agencies thereof, or in securities guaranteed as to interest and principal by such governments.

70. Annual Independent Audit: (a) Provides for an annual audit by independent certified public accountants and for the audit report to be distributed to all interested governments, including the Governors of Virginia, Maryland, the local governments in the Zone, the Northern Virginia Transportation Commission and the Washington Suburban Transit Commission.

(b) Provides that the financial transactions of the Board shall be subject to audit by the United States General Accounting Office.

(c) Requires Directors, officers and employees of the Board to give all required assistance and information to the independent certified public accountant selected by the Board upon penalty, in the discretion of the Board, of forfeiture of office.

71. Reports: Provides that the Board shall make and publish an annual report on its operations and activities and for the broad dissemination of this report.

72. Insurance: The Board is given discretion over the form and amounts of insurance to be carried, subject to requirements of any loan agreement, and it is authorized to purchase insurance or set up a self-insurance program.

73. Purchasing: Provides that construction contracts in excess of $10,000 and contracts for the purchase of supplies, equipment and materials in excess of $2,500 shall be advertised and let upon sealed bids to the lowest responsible bidder. Provides further for governing procedures and standards and for exceptions to the bidding requirements.

74. Rights-of-way: Provides limitations upon the use by the Board of streets, highways, freeways, bridges and other vehicular facilities, and parkways or park lands.

75. Compliance with Laws, Regulations and Ordinances: Provides that the Board shall comply with all laws, ordinances and regulations of the signatories and the political subdivisions and agencies thereof with respect to the use of streets, highways and all other vehicular facilities, traffic control and regulation, zoning signs and building codes.

76. Police: Provides that the Board may employ watchmen, guards and investigators to protect its properties, personnel and passengers and, when authorized by any jurisdiction within the Zone, such persons may serve as special police officers in any such jurisdiction.

77. Exemption from Regulation: Exempts the Authority and its contract operator in the transportation rendered by the transit facilities owned or controlled by the Authority from all laws, rules, regulations and orders of the signatories and of the United States, except that laws, rules, regulations and orders relating to inspection of equipment and facilities, safety and testing shall remain in force and effect. The Board is also authorized to promulgate regulations for the safety of the public and employees not inconsistent with the applicable laws, rules, regulations or orders of the signatories and of the United States.

78. Tax Exemption: Declares that the creation of the Authority and its purposes are for the benefit of the people of the signatory states and is for a public purpose and that the Authority and the Board will be performing governmental functions. Provides further that the property, activities and revenues of the Authority and of the Board shall be exempt from all Federal, State, District of Columbia, municipal and local taxation.

79. Free Transportation and School Fares: Makes applicable all laws of the signatories with respect to free transportation and school fares.

80. Liability for Contracts and Torts: Provides that the Authority shall be liable for its contracts and for its torts and for those of its Directors, officers, employees and agents committed in the conduct of any proprietary function but shall not be liable for any torts occurring in the performance of a governmental function. Provides that suit against the Authority shall be the exclusive remedy for any such breach of contracts and torts.

81. Jurisdiction of Courts: Provides for concurrent jurisdiction by the United States District Courts and the Courts of Maryland and Virginia for all actions brought by or against the Authority and to enforce subpoenas issued under this Title. Provides also for removal of any action initiated in a State Court to the appropriate United States District Court.

82. Condemnation: (a) Empowers the Authority to acquire by condemnation any real or personal property necessary or useful for a transit system, except property owned by the United States, by a signatory, or a political subdivision thereof, or by private transit companies.

(b) Provides that proceedings for the condemnation of property in the District of Columbia shall be governed by existing statutes in that jurisdiction. Condemnation of property located in the States will be governed by the condemnation statutes governing condemnation by the highway agency of the State, unless a Federal statute is applicable.

(c) Provides that the Authority shall pay any award or compensation for the taking of property and that no signatory nor any agency, instrumentality or political subdivision thereof shall be liable for the payment of any award or compensation.

83. Enlargement and Withdrawal; Duration: (a) When advised in writing by the Northern Virginia Transporation Commission or the Washington Suburban Transit Commission that those Districts have been enlarged, the Board, upon such terms and conditions as it may deem appropriate, shall enlarge the Zone to embrace the Area.

(b) Provides that the duration of this Title shall be perpetual but that any signatory may withdraw upon two years' written notice to the Board.

(c) Provides that the withdrawal of any signatory shall not relieve such signatory, any transportation district, county or city or other political subdivision thereof from any obligation to the Authority created by contract or otherwise.

84. Amendments and Supplements: Provides that amendments and supplements to this Title shall be made by legislative action concurred in by all the signatory parties.

85. Construction and Severability: Provides a construction and severability clause.

86. Effective Date; Execution: Provides the Compact shall be adopted by each signatory in the manner provided by law and shall be signed and sealed in four duplicate original copies. Provides further that the Compact shall become effective ninety days after the enactment of concurring legislation by or on behalf of the District of Columbia, Maryland and Virginia and consent thereto by the Congress and all other acts or actions have been taken, including the signing and execution of the Compact by the Governors of Maryland, Virginia and the Commissioners of the District of Columbia.

PRESERVATION OF HUDSON RIVER

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Dow] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DOW. Mr. Speaker, I call attention to my bill, H.R. 9868, which was entered on June 15, 1965, to preserve, develop, and make accessible a portion of the Hudson River. This bill was different from any of the other Hudson River preservation bills in that it was the first to provide for joint action by the Secretary of the Interior and the Governors of the States in New Jersey and New York which would be affected.

It was the first bill to call for a study of the river program in advance of setting up an elaborate mechanism of administration. It was the first bill emphasizing the industrial, commercial, transport, and residential considerations in addition to the scenic. It was the first bill to give consideration to a Federal-State compact as a possible vehicle for administering the Hudson Riverway. These features of the bill are mentioned because they are the bases on which most of the discussion for a Hudson riverway program is centered now a year later.

At this time, Mr. Speaker, I am submitting a bill that is very much the same. My new bill is merely for the purpose of effecting technical amendments in the wording. Among these is a change in section 2 of the bill that would permit the construction of the Consolidated Edison power project at Storm King Mountain. My original bill was written to do this, but the decision of the Federal courts in striking down the first finding by the Federal Power Commission to authorize construction left a question open in my first bill, H.R. 9868 on whether it permitted construction of the Consolidated Edison power project.

The new bill offered today is worded to give this permission. I take note with much satisfaction that the Consolidated Edison Co., is planning to bury the plant essentially in total. This should eliminate criticism that the plant would mar the scenic character of Storm King Mountain in any way.

UNITED NATIONS PEACEKEEPING FORCE

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Fraser] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. FRASER. Mr. Speaker, I join many other colleagues in both parties in introducing House Concurrent Resolution 702, which supports a permanent United Nations peacekeeping force.

We have seen, in repeated trouble spots around the world, that armed forces under U.N. jurisdiction have been necessary to restore order when violence has erupted or been threatened.

Yet we have no permanent means of dealing with crises. A U.N. peacekeeping force would be the most effective means I know of. I have supported such a force for several years and sincerely hope that the 21st General Assembly of the U.N. will give careful consideration to this proposal.

A standing U.N. army would be made up of troops from many nations, large and small, so that the force could not be accused of colonialism or of being the tool of any great powers. The force could be thought of as a sort of international fire department, prepared to extinguish brush fires before they flared into major conflagrations.

MAYOR RICHARD J. DALEY'S FIGHT AGAINST CRIME

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Rostenkowski] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, in today's Wall Street Journal there appeared an article highlighting Chicago's fight against crime. This is one of a series on how—despite the failure of many cities to rise to the challenges they face—some metropolitan areas have been able to mount vigorous attacks on specific urban problems.

The article pays deserving tribute to Mayor Richard J. Daley, of Chicago, for his action to reduce the city's crime rate. As reported by the Journal:

> Last year the crime rate in Chicago plunged 12 percent, while nationally it rose 5 percent.

With permission I would like the article printed in the Record at this point, and call it to your attention:

TOUGH CHICAGO POLITICS AID CRIME FIGHT

(By Robert L. Bartley)

Chicago.—"It can get pretty embarrassing," Patrolman Richard Whelton confides in his clipped Chicago accent, "Tourists keep mistaking our cars for cabs. Last night I had two beautiful women step right into the back—'Take us to the Palmer House, Please.' "

Patrolman Whelton swears he's not kidding, and Chicago's shocking-blue and white police cars are indeed dazzling enough to be taken for taxis. Police Superintendent Orlando W. Wilson wants them conspicuous, "to create an impression of police omnipresence." And reflecting on the scandal he was brought in to clean up six years ago, he adds, "Beyond that, the bright cars gave us a new look to the public. That was part of the problem—creating a new image for the Chicago policeman."

By most indications, Mr. Wilson has done remarkably well with all parts of his problem. Last year the crime rate in Chicago plunged 12%, while nationally it rose 5%. Chicago's statistics, which if not beyond question are at least systematically gathered, also showed reductions of 5% in 1964 and 3% in 1963, when most large cities experienced increases.

As a lesson in the techniques of curbing crime in the street, Chicago's record is a tribute to the professional competence of Mr. Wilson, former dean of the School of Criminology at the University of California. And as a lesson in municipal leadership—surprising though it may be to anyone with a civics-book conception of city government—it is also a tribute to the tough political credo of Mayor Richard J. Daley and his often criticized Cook County Democratic machine.

Many of Superintendent Wilson's innovations are more impressive than merely new paint for the cars. The dispatching center for the department's new $2.5 million communications system, for example, looks like a movie producer's notion of Strategic Air Command headquarters: Three rows of officers wearing radio-telephone headsets sit before consoles with illuminated maps, taking messages, shuffling color-coded IBM cards and even typing inquiries at keyboards connected to a computer.

When a Chicago resident calls the special police number, PO 5–1313, his call goes automatically to a dispatcher controlling his district. The dispatcher checks map lights signifying the available cars, and can switch back and forth between telephone and radio to send a car while the complainant is still on the line. He fills out an IBM card on the complaint, and drop it in the car's slot to darken its ready light. When the car's mission is complete, the card is collected for use in record-keeping and crime analysis.

Or, a policeman can call his dispatcher for a "hot-cold" check on a suspicious auto. The dispatcher transmits the license number to a computer, and receives an immediate answer on whether the car has been reported stolen. Similarly, he can check a name against the computer's list of outstanding arrest warrants.

Such elaborate hardware advances the department's philosophy of "aggressive preventive patrol." Superintendent Wilson explains, "The job is to deploy our patrol force in such a way that the policeman is in the area when the criminal is likely to strike."

Thus, accumulated IBM cards are fed to a computer which compiles crime statistics for each individual city block. On the basis of these figures, the department revises car assignments twice a year to keep about one-third of each car's time free for independent patrol, and to concentrate police protection in areas of great need. Beat 219 in a South Side slum, for example, is only a quarter-mile square. Beat 1604, in a northwest Chicago area of $35,000 homes, stretches over nine square miles.

To increase patrol frequency, Superintendent Wilson has provided police cars for practically all beats. The patrol force has been augmented by consolidating district stations and otherwise relieving uniformed men from clerical duties; instead of clumsily typing out reports, patrolmen now phone them into central headquarters where they are recorded and transcribed by civilian typists.

UPGRADED SUPERVISION

Mr. Wilson also has sharply upgraded command and supervision. Formerly each district had only one captain; now each has a commander and three captains. Promotions have been speeded, and exams are given every two years. When Mr. Wilson took office, promotions to sergeant were still based on an exam list posted 13 years earlier.

Control of all detectives has been centralized at headquarters. The central office also controls the daily deployment of the "task force" used for such purposes as saturating an area showing a sudden upsurge in crime in the daily computer reports. It can even seek a particular criminal whose likely time and place of operation has been predicted by the crime analysis section, which pores over reports looking for tell-tale modes of operation for certain types of crime.

Discipline has also been strengthened. The final say on disciplinary firings has been given to a five-man board appointed by the Mayor instead of an employe-oriented civil service board. Superintendent Wilson organized an Internal Investigations Division, known not to be squeamish about tactics such as planting fake drunks to trap dishonest cops. The tight discipline has stirred controversy, and some bad policemen still turn up. But few if any Chicago residents any longer bother with the once-established practice of paperclipping a $5 bill to their drivers' licenses.

Not all problems, of course, have been squelched. Despite a Human Relations Section and special "community workshops" to ease police-citizen tensions, complaints of police brutality are voiced in Chicago, though probably less often and vociferously than in many cities. Rioting broke out in the West Garfield Park neighborhood last summer, but through decisive action, preparation or luck, it was suppressed with no deaths and fewer than 100 injuries.

A notorious gangster headquarters during and since prohibition, Chicago is still a place where persons of shady reputation are gunned down in the street or found as corpses in auto trunks at O'Hare Field. Superintendent Wilson says legalized wiretapping may be the only way to convict top syndicate leaders, but he thinks his department is making headway at "drying up the seed-beds of organized crime—gambling, prostitution, narcotics, liquor law violations and loan rackets."

Such progress at curbing crime or almost any other municipal problem seems likely only when technical know-how is backed by political acumen or luck. Police reform became politically possible in Chicago under a double irony. It probably would not have happened except for the most blatant police scandal in the city's checkered history. And it probably would have been nowhere near as successful if Mayor Daley were not the boss of what many call the last of the old-time political machines.

In 1959, the department was rocked by Richard Morrison, then 24, who soon acquired the moniker of "the singing burglar" for revealing that police in the Summerdale district acted as lookouts and shared the loot when he and accomplices committed burglaries. Coming after years of rumor about cover-ups of police corruption, the scandal forced the resignation of Commissioner Timothy O'Connor, an honest cop but, in the words of one close observer, "a creature of the police brotherhood."

In a typically quick-footed response, Mayor Daley decided on a blue-ribbon board to pick a new commissioner, and set out looking for an academic expert as chairman. He was attracted to Mr. Wilson because he had not only academic prominence but practical experience as police chief in Wichita, Kan. "He said he would come," the Mayor relates, "but he wanted it thoroughly understood he was not interested in the job."

JOB A CHALLENGE

Yet as the committee inconclusively interviewed nominees, Mayor Daley continues, "It became apparent to many people, including me, that the choice, if he would take it, was O. W. Wilson." Superintendent Wilson says he came to look on the Chicago position as a challenge, "an opportunity to apply the principles I had developed and expounded throughout my career."

Mr. Wilson makes it plain, though, that he was not interested in going into just any city under any circumstances. The clincher, he says, was the Mayor himself, though "I didn't even know the name of the Mayor of Chicago when he first called me."

As the selection committee conferred with Mayor Daley, Mr. Wilson says, "I was impressed by his sincerity. I was impressed by the way he dealt with problems presented to him. I became aware of his administrative ability. I became aware of his political competence. I felt in this position, with the backing of Mayor Daley, I would be given a chance to demonstrate what might be done."

There is no indication Mr. Wilson's confidence was misplaced. The Mayor has boosted the police budget, for instance, to $103 million in 1966 from $72 million in 1960. The department has the go-ahead, moreover, to expand the force to 11,751 members by 1969 from 10,251 now.

Mayor Daley also stuck by his new Superintendent in all of several political spats. Consolidation of district stations to 21 from 38 proved unpopular. "People seemed to have the idea that the station was a fortress, and they needed a fortress to protect them," Mr. Wilson recalls. To make the situation even more touchy politically, the previous districts had been drawn largely along ward lines. One high police official comments, "Some of the ward committeemen thought they owned the stations."

The most outspoken opposition to any reform, though, came from the policemen themselves, when jurisdiction on firings was taken from the civil service board. Some 6,000 patrolmen gathered at a mass rally to protest, and roughed up a mayor's aide sent to present the case for the change. A meeting of 55 of the 70 police captains also unanimously opposed the change.

Though they compromised on certain details, Superintendent Wilson and Mayor Daley succeeded in eliminating civil service review. And the Superintendent slapped a 60-day suspension on Patrolmen's Association President Frank T. Carey, who refused to answer questions by the force's internal investigations squad. Mr. Wilson says, "The opposition came as no surprise at all, and this resistance has gradually diminished."

POLITICAL RISKS

Mayor Daley allows that some of his confidants saw political risk in unequivocal financial and political backing of police reform. Commissioner O'Connor had vainly requested higher appropriations, the Mayor remembers, but "now when we had this incident, this was the time to put your house in order." As for offending policemen or voters in some neighborhoods, the Mayor says he "never worried much about" losing office.

Perhaps not, considering that Mayor Daley can count on the vote production of efficient ward and precinct organizations, and has won three elections by margins ranging from 56% to 70% of the vote. For that matter, the Mayor himself far from disputes the suggestion that he could afford to take such risks because of his relative political security.

"This idea of being non-partisan, to me, is nonsense," he says. "A mayor has to be a political leader to be a good mayor." That's why, Mayor Daley explains, he decided to keep his post as Cook County Democratic chairman when he became Mayor, despite warnings this would stigmatize him as a political boss. With the double-barrelled influence of city and party posts, he adds, he could pass reforms where other mayors had failed.

Even stranger to tell, standing up to disgruntled interests doesn't seem to be such bad politics for a mayor. "At least the people will say he makes up his mind and sticks by his decisions," Mayor Daley philosophizes. One high-ranking police officer agrees: "Politically, backing Wilson was a tough decision for the Mayor. There were people in comfortable positions who were hurt. This committeeman's friend or that alderman's friend might be hurt. But I think it was the smartest political move he ever made. It's made him a much bigger man among the citizenry."

Mayor Daley has something of a name for platitudes, and it's said his favorite is "good government is good politics." Chicago's Police Superintendent knows how to make good government show visible benefits. And its Mayor is willing to provide him unflinching support. In the area of law enforcement, at least, they seem to be making that platitude work.

UNITED NATIONS FORCES TO KEEP INTERNATIONAL PEACE

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Edwards] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, I rise to join and commend my distinguished colleague the gentleman from Pennsylvania [Mr. Moorhead], in introducing a concurrent resolution to enable the United Nations to employ forces necessary to keep the international peace.

I have long urged that we lend our strong, consistent support to the United Nations and to settling the disputes which arise between nations without national outbursts of violence and emotional crusades. Such a campaign means death and destruction, today possibly annihilation. Conflicts between nations develop a momentum of their own—once begun the barrier to clear thinking and rational alternatives becomes higher and higher and ultimately, I fear, insurmountable.

If we expect the United Nations to succeed, we must give it our actual in addition to our verbal support, and we must give it the requisite tools. One such tool is a permanent U.N. peacekeeping force. Also, we must be willing to commit ourselves to the use of the U.N. The Charter of the United Nations declares that any conflict between nations—or any civil war which might endanger the international peace—must be referred to that body for settlement. We have signed this charter but we have not lived up to it.

I am very glad that we have this occasion to emphasize these principles. We should stop to think for a moment of the consequences and implications of unilateral military intervention as a sovereign right of each nation-state. The United States can, as one of the leading and most powerful nations in the world, make a substantial contribution to changing such a course. The Congress can begin by adopting this resolution to create a peacekeeping force for the United Nations.

NATIONAL SAFETY PROGRAM

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. Mackay] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MACKAY. Mr. Speaker, daily I encounter evidence that the citizens of this country in all walks of life grasp the urgency for action by Congress to legislate a national safety program to curb the losses on our streets and highways.

Capt. Richard J. Selman, U.S. Navy, legal officer for the Sixth Naval District, recently delivered the following speech which is impressive in its comprehension of the traffic safety problem.

I commend it to all who seek to gain a better understanding of the elements of the problem and the action which must be taken to build a safer traffic environment.

The speech follows:

The Lotophagi Play Russian Roulette

(An address by Capt. Richard J. Selman, U.S. Navy, Sixth Naval District legal officer at Georgia Department Convention, Reserve Officers Association, Atlanta, Ga., May 28, 1966)

Good morning, Gentlemen. I am most pleased and honored to appear before you this morning.

In the Odyssey, a peoples called "Lotophagi" subsisted on the fruit of the lotus and lived in dreamy indolence, forgetful of home and friends.

I have chosen as my topic this morning, "The Lotophagi Play Russian Roulette," with the thought in mind that I might be able to focus your attention on a situation which is a national disgrace, and is one which you, as Naval Reserve, Marine Corps Reserve, and Coast Guard Reserve Officers, and as leaders in your several communities *can* do something to correct.

This national disgrace to which I refer confronts every one of us and every time we leave our homes. It is one which is in the news today and it has to do with the needless slaughter of men, women, and children on our highways.

The statistics are, no doubt, all too familiar and frightening to you. During 1965—alone, 49,000 Americans lost their lives in automobile accidents, and property damage amounted to approximately 8 billion dollars. As a means of comparison, approximately 2,500 United States military personnel have been killed in South Vietnam since American troops were first sent there.

During this same period, however, 7,500 military personnel were killed in traffic accidents, 85% of which occurred while the personnel were *off duty* and *off* military installations.

Every time an airplane crashes, people are shocked and thorough investigations are conducted in order to determine the cause of the crash. However, more people would be killed annually on the American highways than die in airplane crashes, even if a large jetliner were to crash daily, each with a full load of between 125 and 130 people.

Since the automobile was first invented, more people have been killed on the American highways than in all the wars of the United States combined. Gentlemen, these graphic comparisons help to illustrate how alarming the situation has become.

What is being done to remedy this disease? . . . For it is a disease, one that is taking more American lives than any disease; one that causes more permanent injuries than any disease, and also, one that can be prevented. I would like to discuss briefly with you just what has been done; and also to present to you a few thoughts on the matter.

First, I would like to discuss generally what the Armed Forces have done in an effort to solve this useless slaughter. The state of mind of the driver is very important. A motto which illustrates action taken by the Navy to help mold the proper state of mind is seen on a sign just inside a naval installation. "Driving of a privately owned vehicle on a military reservation is a privilege, and not a right."

A recent article in the family magazine of Navy Times discussed efforts made by the military to promote traffic safety. In 1956, the Armed Forces began a driver educational program by setting up traffic safety workshops. Since then, great strides have been made in this area. Today, for example, almost all naval bases have traffic safety workshops with the avowed purpose of promoting highway safety of naval facilities and also on public highways. The Charleston Naval Base Safe Driving Council is a good example. It consists of delegates from all afloat and shore base naval facilities in Charleston. The Council meets once a month, and its primary purpose is to encourage safe-driving practices of naval personnel and dependents in the Greater Charleston Area. One of the programs the council sponsors is the Champion Spark Plug Safety Program. The Champion Company sends Indianapolis race car drivers to various military facilities in the United States, and they present their views on safe-drive practices. Also, they show films which depict some of the most obvious vehicle violations.

In addition to the Champion Program, the Council sponsors a safe driving improvement course which is conducted under the direction of the Fleet Training Center, which provides training for all naval afloat and shore commands in the Charleston Area. These courses are mandatory for all enlisted men under 25 years of age who have not completed a recognized driver's education program, and also, for everyone who is convicted of a moving traffic violation on the base. The course consists of approximately ten hours of lectures on safe-driving practices.

The Council has the further responsibility of recommending improvement of traffic conditions: such as the placing of traffic signs, determining what areas will be designated as parking areas, routing traffic, etc. As you can see, the Council does a thorough job of promoting safety.

The results of these programs can be illustrated by comparing military highway fatalities of 1965 with 1964: Air Force casualties in 1964 were 437 and dropped to 354 in 1965; Army fatalities decreased in 1965 by 53; the Marine Corps had 151 casualties in 1964 and 142 casualties in 1965, a decrease of 9, despite the fact that in 1965 there were 15% more men in the Corps; and the Navy casualties were 426 in 1964 and dropped to 419 in 1965. In the Sixth Naval District, Navy and Marine Highway fatalities were 85 in 1964 and 89 in 1965. In South Carolina, however, fatalities fell from 16 in 1964 to 14 in 1965. As of today, there have been 4 highway fatalities in South Carolina in 1966, and 36 in the Sixth Naval District, 22 of which occurred in Florida. However, most military highway fatalities result from off-base accidents. As Major General G. H. Nickerson, Jr., Commanding General, Marine Corps Base, Camp Lejeune, North Carolina, has pointed out: During 1965, Camp Lejeune (with 52,500 personnel and 28,000 automobiles) had one fatality and 17 disabling injuries within the limits of the base. However, 31 men were killed as a result of off-base accidents and 162 men suffered disabling injuries. These statistics show that the steps taken by the military have been effective in preventing accidents on base, but not so good off base. I think they show that military personnel are not as careful off base as they are on base.

Also, I think traffic regulations are better enforced on base than off base and of course, the authorized speed limit is much lower on base than off base.

Next, I would like to discuss briefly the steps taken by the United States Government in an effort to promote highway safety. However, first I would like to mention a book—written towards the end of 1965—which has created a panic among automobile manufacturers, and which may well have been instrumental in galvanizing Congress into action. I refer to the book written by Ralph Nader, entitled "Unsafe at any Speed: The Designed-In Dangers of the American Automobile." This book is devastating in its effect, because it tears away the facade behind which Nader claims the automobile manufacturers have been hiding for many years.

Nader contends that the cause of many automobile accidents lies squarely at the feet of the automobile manufacturers. First, he claims that many of the inherently dangerous features of automobiles are placed in the automobile deliberately—i.e., designed-in-dangers. For example, he refers to the use of tinted windshields, which are very popular in today's automobile. The manufacturers claim that this helps vision, while in fact, it actually cuts down on the vision, especially at night. In fact, the tinted windshields do not cut down on glare nearly as much as is claimed.

Second, Nader claims, the manufacturers have at their fingertips many improvements which would in fact greatly decrease the inherent danger of the automobile, but which they refuse to incorporate, even though it could easily be done. In this group he refers to the gear shift on automotive transmission cars made by one manufacturer from 1954 until 1964. The standard gear shift had drive, low, and reverse gears side by side. It is very easy for a driver to accidentally shift into reverse gear from drive. For a number of years, automotive experts urged that the reverse and forward gears be separated by neutral gear. The manufacturer constantly made excuses, or either ignored the requests. It was not until the General Services Administration indicated that this might be a requirement in all new cars they purchased for the Government that the company finally gave in.

Another example is the use of seat belts. Automobile manufacturers fought against them for a number of years, until legislation finally required seat belts on all new cars. What is the reason behind all this? Profit.

Nader points out that the profit motive is foremost in the minds of all automobile manufacturers—anything which may cut down on profit is to be ignored. Therefore, naturally, they fight against safety innovations.

Nader points to a test run on 1963 model cars, at random, by the Consumers Union. They tested 32 cars, and all 32 cars displayed troubles of some kind within the first 5,000 miles. This is even more significant when it is remembered that this does not include the defects which would come out only with continued use.

Another charge which Nader levels at the automobile industry is that the "Stylist"—the designer of today's car—is the most important man, the man who has final say-so. The "Engineer" who designs the mechanical workings, must give in. A classic example is a particular sports car which the designers completely designed before the engineers were allowed to design the motor. It was up to them to fit the motor to the body. As the magazine "Road Test" described the car: "It has inadequate brakes, poor handling, and marvelous promotion."

Apparently, never a thought about safety entered the designer's mind.

One study, conducted by John Swearingen at the Civil Aeromedical Research Institute, concluded that the following features should be incorporated in the inside of an automobile:

1. No portion of the dashboard panel should be less than 10 inches in radius of curvature, and a flat surface would be the best.

2. The dashboard panel must be entirely covered with at least one-inch thick, firm, slow-return padding (the token padding adopted by the automobile industry has been almost totally ineffective);

3. The thickness of the metal in the dashboard panel should not exceed .030 inches;

4. There should be no metal bracing within three inches of the inside surface of the panel;

5. The glove compartment along with its rigid frame should be eliminated;

6. All knobs, controls, etc., should be eliminated from the middle and right dashboard sections; and

7. Heavy instruments, such as the radio, speedometer, and clock must be recessed at least three inches with lightweight yokes connecting them to the instrument panel.

Mr. Nader concludes that many injuries could be avoided if the automotive industry would take the steps necessary to make the automobile—an inherently dangerous instrumentality—safer. However, he contends, the manufacturers will not take this step willingly. It will be up to Congress to prod them into action.

The first step was taken in 1964 by Congress when Congress passed an act giving the General Services Administration power to devise detailed safety requirements for all automobiles purchased by the United States Government.

These requirements, set for 1967 models, provide for a number of added safety features—such as improved seat belts, anchorages, and standardized gear shifts. As a result of this act, the automobile companies began to include these safety features in their 1966 models.

In 1968, the General Services Administration is going to have additional requirements, including lights or reflectors to help make automobiles more visible from the side at night.

As a result of these requirements, General Motors has already indicated that in 1967, collapsible gear columns are going to be standard on all their automobiles, and further, they are going to have optional front seat shoulder harnesses, which have proved to be more effective than seat belts as they prevent the upper part of the body from pitching forward when a collision occurs. Engineers are working on a number of other possible safety features; brakes which won't lock; more visible tail lights; radically rebuilt instrument panels; and greatly strengthened passenger compartments. There is also a possibility that in the near future control knobs and cigarette lighters will be recessed in order to prevent injuries as a result of striking the protruding objects.

These changes in automobiles may well come about without legislation in an attempt of the automotive industry to remain one step ahead of the GSA. Even though they are not required to incorporate these safety features, the automobile manufacturers naturally want the Government's business, and also want to prevent any legislation requiring more safety features. No doubt, these safety features are influenced in some degree by a study conducted by Seymour Schwimmer and Robert A. Wolf, of the Cornell Aeronautical Laboratory.

I think their findings are quite interesting and also significant; it was determined, for example, that 11% of all injuries resulted from being thrown out of a car. Also, this accounts for 36% of all fatalities. 21% of injuries result from contact with the steering wheel and column; and 15% from coming in contact with the windshields.

On 3 February 1966, the Senate Government Operation Subcommittee on Executive Reorganization was shown a prototype automobile which would prevent 75% of automobile fatalities and injuries at 50 miles per hour, prevent 75% of injuries in slide collision, prevent 90% of injuries in rollovers, and prevent 90% of injuries in rear-end collisions. This shows what can be done if the automotive industry will take the necessary steps.

There are at the present time three bills before Congress, all with the prime motive of promoting highway safety. One of these is a bill which would require tire manufacturers to follow certain safety and performance standards in the manufacture of tires. This bill was introduced in 1965, but was never passed. It was reintroduced this year, and is now in the Senate Public Works Subcommittee.

At the present time there is no way to know exactly what the strength and capabilities of a particular tire are. In a recent Committee Hearing, Mr. Nader said that the average price of automobile tires purchased by the automotive industry is $2 per tire, and that, as a result of this low price, the tire manufacturers often have to furnish inferior quality tires. Naturally, the claim was sharply denied by the spokesman for the automobile manufacturers.

Tests have indicated that the strength of tires should be made up to 37.5% greater. The above-mentioned act, if passed, would require that the standards be set by 31 January 1967, and would require that all tires show: (1) *tensile strength;* (2) *endurance* and wearing quality; and (3) labels to show buyers what uses the tires are designed for (e.g., the size car, number of passengers, and type of driving the tire is suited for). Furthermore, these rules would be tightened by 31 January 1969, and tires would be graded.

A second proposal sent to Congress by the President this year calls for the establishment of a cabinet-level transportation department. This would be one of the larger governmental departments, with 100,000 employees, and a budget of $6 billion in 1967. It would combine 11 different agencies in the Government which are now under different departments, and included in the Department of Transportation would be the Coast Guard. Safety has been designated as the proposed department's prime concern.

Another act, which presupposes the existence of the Transportation Department, is the Traffic Safety Act of 1966. If passed, it will put into effect a $700 million six-year safety program. The proposals are broken down into three titles: Title I would give the Secretary of Transportation, authority to review existing public and private standards of motor vehicle safety; with power to establish and enforce uniform federal motor vehicle standards if he should determine (two years after the passage of the bill) that standards were inadequate, or compliance was lax. Furthermore, the Secretary could promote research, and conduct testing and inspection necessary to aid in enforcement of the federal standards.

Title II of the Act would provide for the conduct of research, development and testing. Title III would provide for grants to assist the individual states in establishing their own highway safety programs, with a peak to be reached in 1972 when $100 million is scheduled to be allocated to the States.

If these bills are passed, it will be a great step in the right direction. In the final analysis, however, the major cause of automobile accidents is the driver. The culprit, when an accident occurs, must be either (1) the vehicle; (2) the highway; or (3) the driver. Very seldom does an automobile run away by itself—very seldom is the automobile solely responsible for an accident—very seldom is the highway itself the cause of an accident. I feel that all of these steps which are being taken to make an automobile safe would be, for the most part, unnecessary if all drivers were prudent and careful. Most safety features incorporated in an automobile are put there to lessen injuries and damage after the driver has gotten himself into danger. They are necessary because of poor driving habits. I am reminded of a statement I saw recently on a military installation billboard, "What's the use of having a tiger in your tank, if you have a jackass at the wheel?"

The first thing that can be done is to change the attitude of the American driving public. As Governor Frank G. Clement of Tennessee stated in an address before the Traffic Safety Workshop in Chattanooga, Tennessee: It is time to crack down—time to get tough.

Many people, when they get behind the wheel, assume there is nothing criminal in their acts. If they get a traffic ticket, it can easily be fixed. It is something to be laughed at and shrugged off.

I think an analogy used by Governor Clement in his speech was very appropriate. He compared an automobile to a loaded gun, saying that most people consider it very serious and also a crime for one person to shoot at another with a gun; however, when the same person gets in an automobile, and points his two to three-thousand pound weapon at another and strikes and injures him, this is not looked upon as a crime by many of our citizens.

The Public must be made to realize that when they commit a traffic offense, they will have to pay for it.

The system of traffic courts makes matters worse. Last year, for example, 30 million summonses were issued for motor vehicle violations. 98% of the people to whom these summonses were issued pleaded guilty. Many people, when they are cited for a traffic offense, assume that they are automatically guilty, and do not fight for what they believe is right. I join many other people who have made the plea that the fee system of traffic courts be abolished, as this puts too much of a premium on a guilty conviction. It breeds disrespect for the administration of justice as a whole.

Supreme Court Justice Byron R. White has said: "We cannot run traffic courts for revenue rather than for the purpose of influencing behavior."

Lewis B. Scott, Director of Research for the Automobile Club of New York, recently suggested that traffic violations be assigned to a tribunal which would treat an offense as a civil breach, in which informal hearings would be conducted, not only with an eye towards giving the motorist a full and ample opportunity to express his side of the story, but also with an eye toward receiving constructive ideas about how to correct dangerous practices and situations.

Therefore, my next proposal would be that traffic courts in general be reorganized. By this method, people could be made to realize the import of their traffic violations and also would not look upon traffic courts with contempt as a result of the "presumed guilty" attitude. It has been proposed—and as I mentioned, it is one of the suggestions under the President's Highway Safety Act—that a uniform system of automobile laws be passed for the states. As matters now stand a motorist who travels between various states is faced with a myriad of laws—many of them contradictory. It is understandable that if a person breaks traffic laws it may well be because he does not know what they are.

My third proposal is that there should be conducted an extensive educational program, similar to the one now being conducted by the Navy. At present, numerous states stress (and even require, e.g. Connecticut) driver's education for young, beginning drivers, often with a decrease in the legal driving age (e.g., Colorado and Idaho), and also, a decrease in the insurance rate if the course is completed. However, I feel that this is not—by any means—going far enough, as these driver's education courses only cover a small percentage of the driving population. I strongly feel that it is necessary to educate all drivers—some of whom have many years of experience. These so-called "experienced" drivers may well have developed dangerous driving practices which have become a habit and need to be corrected.

The matter of driver training is further complicated by the fact that some states do not require a driver to take either a written or road test when going for a driver's license renewal. I feel this is a mistake. Every driver, regardless of age, and/or driving experience, should be required to take a comprehensive written test, and also a complete driving test when trying for a license renewal.

Furthermore, a renewal should be required at least once every two years. It might even be a good idea to require all drivers to take a course in traffic safety each time they seek a renewal.

Also, I think that each person who drives should be given a physical examination by checking his eyesight, his hearing, and especially his physical reactions. This would prevent many people who are now incompetent drivers from ever getting on the highway and becoming a menace.

Some would suggest that these drastic measures are not warranted until a person has been involved in an accident, or has been given a traffic citation. However, I feel that we should not wait to train or examine properly drivers until after an accident has occurred or a citation is issued, by then it's too late.

What is the purpose of requiring driver's education after the driver has already been involved in a serious automobile accident? The education should come *before* an accident.

One of the most important features of driver's education should be to put stress on the use of seat belts. A recent New York Times article indicated that while there was a 50% increase in the number of seat belts in 1965, still only 30% of all cars are equipped with them. However, the alarming point made in the article was that only approximately 50% of the people who have safety belts use them, i.e., only 15% of all drivers use them.

Of the 400,000 people surveyed, 44% indicated that they use their seat belts when they are driving within 25 miles of home, while 67% of them use the belts on long trips.

The National Safety Council has discovered that ¾ of all accidents occur within this very 25 miles of home—and that more than half of all accidents occur at less than 40 M.P.H. Also, it seems that as the availability of seat belts increases, the use decreases. People must be made aware of this danger. Thirty states now require that seat belts be installed in new cars, but this is no good if people will not use them.

The most common excuse given is: by using a seat belt I may not be able to escape from the car if it catches on fire, or rolls into water. However, studies have indicated that, almost without exception, a person is much safer remaining in an automobile, as only 1% of all automobile accidents involve fire or submersion in water. In the other 99% of accidents, the use of seat belts reduces the chance of injuries by 35%. As I have pointed out earlier, approximately 36% of all fatalities come about as a result of being thrown out of a car, and 21% of all injuries result from a collision with a steering column or steering wheel. Also, the chances of being killed increase by five times when one is thrown from an automobile. I think these statistics clearly show that the American public must be made to understand the necessity of having and using seat belts.

My fourth suggestion is that there be a national law requiring stringent motor vehicle inspection. Only a small number of accidents are caused or made worse by faulty automobiles: However, most of these could be prevented by a stiff, well-enforced motor vehicle inspection act.

Of the states in the Sixth Naval District, only North Carolina and Georgia have a compulsory inspection act. Tennessee has a permissive law which allows each city to decide for itself whether they desire an inspection. Florida allows spot checks, and inspections are required in some cities. However, Alabama, Mississippi and South Carolina have no inspection laws.

My proposal is that there be a national law, passed by Congress, requiring in all states, a thorough stiff inspection of all vehicles (both new and old) every six months, by state-approved inspection centers. The inspection should include as a minimum: Tires; brakes; lights; turn signals; front wheel bearings; tie rods and steering wheel linkage; windshield wipers; windshield and other glass; and exhaust system including muffler and tail pipe.

A recent article in the New York Times on motor vehicle inspection pointed out that 30 states, and the District of Columbia, now have a motor vehicle inspection law of some kind. However, only four of these states, Pennsylvania, Virginia, Colorado, and Texas, have an inspection system which can catch such hidden dangers as worn wheel bearings. Most states require an inspection which, at best, is only cursory. Moreover, in the states which do require the inspection, 55% of all cars fail the test for one reason or another. This gives you an indication the number of dangerous automobiles which must be on the highways of the other twenty states. In Texas, for example (before the state had a motor vehicle inspection law) 15% of all accidents occurred as a result of defective vehicles. Since they passed a stringent motor vehicle inspection law, only 5% of all accidents occur as a result of defective vehicles. Also, in New Jersey, fatal accidents dropped 32% the first year a motor vehicle inspection act was in force. As can be seen from these statistics, a motor vehicle inspection act would prevent many accidents.

Another suggestion I have is to change the American concept of liability insurance. It is time that all states have compulsory liability insurance. At the present time, only three states. New York, North Carolina, and Massachusetts have compulsory liability insurance laws. South Carolina has what purports to be compulsory insurance. In order to get a license plate, the person applying for the license must show that he has a minimum amount of liability coverage. However, this law is emasculated by the added provision that if a person does not have liability insurance, he can pay twenty dollars and get a license anyway.

The South Carolina Legislature has just now passed a bill which would increase the amount from $20.00 to $50.00. This will help, but it does not solve the problem.

The three states which do have compulsory liability insurance require that there be insurance on the *car*. They do not require insurance on the person—the driver, personally.

As most liability coverage is now written, the coverage is primarily on the car, not the driver. Almost all reputable insurance companies also have extended coverage, under which anyone who drives the insurance car with the owner's consent is also protected. Furthermore, some policies will cover the owner of the car while he is driving another person's car, if the owner of the other car does not have insurance.

However, in the final analysis, primary coverage runs to the car. One idea which I have been considering for some time, and one which would prevent any possibility of a person driving without liability insurance of some kind is as follows: Why not change the entire liability insurance concept—make the principal coverage run to the *person*. Write all policies without any regard to the car—insure the person. A policy should be written so that the person is covered whether he drives his own car or another person's car—with or without the other person's consent. Also, to prevent the uninsured motorist from being on the highway, make it a condition precedent to getting a driver's license to show by documentary proof—that they do have this minimum *personal* insurance.

I can give you an example of problems which might not arise if this were the law: A policeman is riding along and spots a car weaving in and out of traffic. He stops the car, and discovers that the driver is a young man of 17 years of age, with a driver's license. The car is not his own. There may well be insurance on the car, but there is no indication whether the driver is driving with the consent of the owner, and no indication whether the young man has any insurance of his own which would cover any possible injuries. However, if my proposal were adopted, it would be readily evident, simply from the fact that the young man had a driver's license—that he *did* have liability insurance, which would cover him, regardless of what car he is driving.

All military installations require as a condition precedent to getting a base pass for your car, that you have minimum liability insurance on your *car*. Why not require liability insurance on the car and on everyone who has a driver's license? Let's get irresponsible people off the highways.

In this same line, I would suggest that the type of coverage be changed. As you know, the present types of coverage are broken down into a maximum amount for injuries caused to one person, a maximum amount for injuries caused to all injured persons, and a maximum amount for property damage. The French and Canadians have adopted what I consider to be a good system—one blanket coverage for all injuries and property damages. The French require a lump sum $105,000.00 insurance. With this amount, for example, if personal injuries amounted to $100,000.00 and property damage to $5,000.00, the policy would pay this amount. If property damage amounted to $100,000.00, and injuries $5,000.00, it would also pay the total injuries and damage. However, under the property damage liability insurance coverage generally written in the United States, there could be a situation in which there were no personal injuries, but extensive property damage, and the limits paid for the property damage would be the same as if extensive personal injuries had been involved. As of today, there is no insurance company in America which, to the best of my knowledge, offers the type of insurance coverage required in France and Canada. However, I feel that this type of insurance would be much more preferable than the type of coverage generally written in the United States.

In conclusion: Much has been said about making the highways safer; making the automobiles safer by requiring better tires, having recessed knobs, and many other safety innovations. However, the important thing that must be done is to educate and train the driver. If the driver is properly educated and drives safely, I'm sure that the number of automobile accidents would decrease very drastically, and the problem of highway safety would cease to be one of the major concerns that it is today.

Let us stop acting like the Lotophagi.

Let us stop playing Russian Roulette on our highways with the lives of our families and ourselves.

Let each of us as Naval Officers, Marine Corps Officers and Coast Guard Officers resolve:

I will try to improve—
Driver attitude.
Traffic courts.
Driver education and licensing.
Vehicle safety and inspection.
Liability insurance requirements.

CONGRESSMAN SICKLES—A MAN OF INTEGRITY

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, one of our colleagues, Representative CARLTON SICKLES, is running for Governor of his State of Maryland. As one who has served with the gentleman from Maryland [Mr. SICKLES], generally in the House and even more closely on the Education and Labor Committees, I know how devoted he has been to social programs and to social justice.

Mr. SICKLES has recently issued a statement on civil rights which not only reflects his own commitment to equality of opportunity, but which is also a reflection of his own commitment to principle.

Mr. Speaker, I believe that our colleagues and other readers of the Congressional Record may find his statement as inspiring as I did. Therefore, under unanimous consent I include the statement of Representative Sickles at this point in the Record:

Statement of Congressman Carlton R. Sickles, Issued June 6, 1966

A courageous man, it is said, is not a man without fear, but a man who acts even though he may be afraid. James Meredith is a courageous man by this and any other standard.

It seems to me that this sneak attack must say to all of us that the man who only watches the fires of hatred and bigotry is little better than the man who feeds them.

I have been counselled by wise political heads to speak softly about inequalities and racial problems in Maryland. I have been told, "everyone who cares knows how you feel and you can do more for the cause of brotherhood by being elected first and acting on your beliefs later." But I cannot be still simply to help win an election when others were not willing to be still even when it was their lives that were at stake. I believe that the time to act against hatred was yesterday. I cannot accept the counsel of moving slowly when the price of delay is human life and human dignity.

I not only have supported Federal Legislation to protect the civil rights of our minorities but I have supported such legislation on the state level, and if I am elected governor I will initiate and support legislation and programs designed to substitute understanding for hatred and to guarantee real—not token—equality of opportunity in all branches of the state administration and judiciary, and in all walks of Maryland life.

It seems to me that when our children go to school together, when our wives shop in the same supermarkets, when our friends work in the same factories and offices, we can change the whole pattern of fear and hatred. I believe this and it is to this end that I will work.

I offer no apologies for my stand. I do not even apologize to my supporters, who feel that I might compromise my campaign. To them I can only say that I think they understand that I cannot permit myself the luxury of silence when others offer their lives.

IN DEFENSE OF COLORADO RIVER BASIN PROJECT ACT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. Udall] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. UDALL. Mr. Speaker, I rise today to express shock and indignation at the dishonest and inflammatory attacks made in Washington and New York newspapers this morning against the Colorado River Basin Project Act, a bill I have introduced along with 36 of my colleagues from Arizona and California. While I have a high regard for many of the people who comprise the Sierra Club, the sponsor of these advertisements, I must say that I have seldom, if ever, seen a more distorted and flagrant hatchet job than this.

First off, Mr. Speaker, I should like to comment on the phony photograph appearing in these ads. It shows a scene of the Colorado River with art work depicting waters backed up behind the proposed Hualapai Dam. The caption identifies the scene as Grand Canyon. This is extremely misleading.

I am certain, Mr. Speaker, that the average reader looking at that picture will imagine that he is looking down on Grand Canyon National Park. The prospect of filling even the lower reaches of it with a lake would be disturbing, to say the least. But this impression, which I am sure the Sierra Club wants you to get, is based on a falsehood. This is not Grand Canyon National Park. It is not even Grand Canyon National Monument. It is Lake Mead National Recreation Area, on the one side, and the Hualapai Indian Reservation on the other side. If they had turned their camera downstream instead of upstream, you would have seen Lake Mead itself. Clearly, this is not the Grand Canyon, and to so describe it along with headlines about "flooding the Grand Canyon" is deliberately and flagrantly misleading. I hope my colleagues will not miss the significance of this last-resort tactic of opponents to the Colorado River Basin project. Obviously, with their legitimate arguments answered, they have had to reach to the bottom of the barrel for those of another kind.

An indication of this may be found in a letter to me from David Brower, executive director of the Sierra Club, published in the Sierra Club Bulletin last December. In that letter Mr. Brower denied that his organization was the source of the notion, reflected in much congressional mail, that the Grand Canyon would be flooded by this project. He said in that letter:

> Where do you find such an implication? No adversary of the dams, to the best of our knowledge, has ever suggested that the Canyon (or even the inner gorge) would be flooded from rim to rim by the proposed reservoirs. This preposterous idea is attributed to adversaries of the dams by their proponents, who seem to take pleasure in demolishing an argument that no one ever made.

Mr. Speaker, I submit that these ads today give exactly that impression, and I believe that is the impression Mr. Brower intended to give. What does his headline say? It reads:

> Now Only You Can Save Grand Canyon From Being Flooded . . . For Profit

And what is the final punchline in one of these ads? It reads:

> This time it's the Grand Canyon they want to flood. The Grand Canyon.

I ask my colleagues whether they think Mr. Brower intends to give the American public a true or false impression with these inflammatory words.

These advertisements—there were actually two of them, published in different editions—are so replete with falsehoods and distortions that I should like to deal with them, point by point.

The statement is made that these dams would put an end to the "wild, running Colorado River." Now, I submit that either the river is wild and running now or it isn't. Apparently the Sierra Club is taking the view that it is wild and running. However, I do not believe they can have it both ways. One time they tell you that building a dam upstream of Grand Canyon will regulate the flow and destroy its freeflowing course. Another time they tell you, as they do here, that it is freeflowing now. The trouble with these arguments, of course, is that Glen Canyon Dam already exists upstream of Grand Canyon, and it regulates the flow of the river just as much, or as little, as will Marble Canyon Dam a few miles downstream from it.

Of course, they do not mean just this. They also refer to the "dead water" that will be formed in Grand Canyon. Well, there will be a lake, that is true. It will be the lake behind Hualapai Dam, starting 80 miles downstream of the park and extending for 13 miles along its western boundary. You can call that "dead water," if you like, and the term sounds pretty horrible. However, that lake will enable millions of Americans to see for the first time some of the most remote and inaccessible reaches of the Colorado River and to look up upon thousands of feet of cliffs comprising some of the most awe-inspiring scenery any of us have ever seen. In view of the great interest this area will attain because of the lake, I think a better term for it would be "living water," not "dead water."

A further point. Mr. Brower, with his sweeping language, leaves the impression that the heart of Grand Canyon would lose its "wild, running" nature and become a lake. This is false. The natural river, dropping thousands of feet as it flows through the canyon, will remain untouched for 104 miles, including all of the interior of Grand Canyon National Park, an area larger than the State of Rhode Island. The only effect of any kind on the park would be a backing of the lake for 13 miles along the park's western boundary in an area never seen or visited by the general public, and seldom seen even by hardy outdoorsmen.

Joseph Wood Krutch, one of our great conservationists and a good friend of mine, is quoted in one of these ads as describing something as: "the most revealing single page of the earth's history."

This is a wonderful description of the grandeur of the Grand Canyon, but I do not believe Mr. Brower is playing the game fair and square when he applies this quotation to the reaches of the Colorado River affected by the proposed reservoirs. Dr. Krutch was describing the Grand Canyon as a whole when he wrote those words—not specifically the structure of Bridge or Marble Canyon.

I suppose if we had no people in this country, we could leave everything in its pristine purity. We wouldn't turn a spade of earth to build a single highway. We certainly would not build a single dam—on the Colorado, the Columbia, or the Arkansas. But we do have people to serve in this country, and compromises must be made. What is proposed here is a modest compromise that leaves untouched the great heart of the canyon and preserves for all time the geological history revealed in its thousands of feet of depth.

Mr. Brower says in one of these ads that the new artificial shoreline would fluctuate on hydroelectric demand, leaving acres of mud when the waterline drops. This is false. Both of these dams are to be operated at constant levels.

Perhaps one of the more fascinating phrases in these ads is the term "commercial power." Another is "for profit." Mr. Brower says that this is the purpose of the dams. Of course, the dams will produce power. That power will be sold for a profit. But, I ask my colleagues, what would be the purpose of generating power that couldn't be sold commercially for profit? All power is commercial power. And any powerplant designed to build up a fund for some purpose obviously has to make a profit. Is this bad?

These dams often are referred to as "cash registers" to finance reclamation works for seven Western States. He suggests that this use of river power to finance reclamation projects is evil and a threat to all national parks. I would simply point out to my colleagues that this principle has been working for more than half a century, and it has been endorsed by every President of the United States since Theodore Roosevelt. I don't see that as too grave a threat to the parks of this country. In fact, during the same period that this reclamation idea has been operative we have created most of the national park system we know today, including Grand Canyon National Park.

What is more, if what Mr. Brower suggests were made public policy, we would no longer have reimbursable reclamation projects, such as this one, repaying 90 percent of its cost, including interest, to the Treasury. Instead, we would have the taxpayers paying 100 percent of the cost of all future reclamation projects—or abandon reclamation altogether.

In fact, I suspect that this may well be the unstated intention of many advocates of the Sierra Club point of view. It is shocking to me to see how often the suggestion is made, as it was in a New York Times letter the other day, that the West simply ought to "stop growing." There you have what I regard as the main thrust of the argument being used against us—in capsule form.

Next we come to an argument that these dams simply would produce "auxiliary power" for industry. Is industry bad? Who buys most of the power produced in this country? And by "auxiliary" does Mr. Brower mean to suggest it is unneeded? Well, if he does, I am a bit puzzled by language used in his second ad, addressed to the Secretary of the Interior. In that one he says this additional power will satisfy the Southwest's "growing appetite for power" for only 3 years, if that. Either this power is needed, or it is not. He cannot have it both ways. And, in any case, I do not quite see what the relevance is to our plan of using power revenues to finance aqueducts to the parched regions of the Southwest.

In any case, I would call Mr. Brower's remarks to the attention of any colleague wondering if there will be a market for this power once it is generated. It may be "auxiliary," but we will need even more in 3 years.

This brings us to perhaps the most wonderful argument of all. The Sierra Club tells us that we would have more water for Arizona if there were no dams because of evaporation losses from the surface of the lakes. This is like saying that we would have more wheat by not harvesting it because some of it will be lost in cutting, threshing, and transporting it to the elevator. Let there be no misunderstanding. Without these revenue-producing dams there will be no aqueducts for Arizona or California. There will be no financing of future water imports or desalinization plants. There will be no reclamation. We may have more water, but it will be out there in the river—not on our farms or in our city water systems.

Incidentally, if this is a reason for not building dams, the same argument applies to Hoover Dam, Bonneville Dam, and all the other great reclamation dams in this country.

The Sierra Club tells us there are "far more efficient power sources" available right now. This is not true. The best engineers in the country assure us it is not true. And the clincher can be found in the fact that opponents of these dams have yet to introduce an amendment to our bill to provide any alternative type of powerplant to finance this reclamation project.

The truth is that neither the Sierra Club nor opponents of these dams in the Congress have any thought that this Nation is about to embark on the construction and operation of steam powerplants for any purpose whatever in competition with the private utility industry. This argument is not offered as a means of improving the bill, but of killing it.

Mr. Brower says the dams will cost more than they can earn. This is a baseless charge. The truth is that this project would not only pay for the dams but the construction and operation of aqueducts and other reclamation facilities as well. It is true that about 10 percent of the cost of the total project—not just the dams—would go to recreation and other uses not subject to repayment. But to say that the dams will cost more than they earn is ridiculous.

Reading on, I see that the Sierra Club has the idea that the National Park Service and possibly other bureaus of the Department of Interior have been muzzled by the Secretary of that Department. What you are not told is that provision for a dam at Bridge Canyon was made in the very act establishing Grand Canyon National Park in 1919. And the National Park Service was on record in support of such a dam as early as 1933—about the time the present Secretary of the Interior and I were starting to think of ourselves as basketball players in St. Johns, Ariz. I frankly doubt that he could have influenced the statement of Horace Albright, Director of the National Park Service, who in that year wrote:

> As I see it the Bridge Canyon project is in no way affected by the Grand Canyon National Monument proclamation; we have had it in mind all the time, the Bridge Canyon project.

Furthermore, I might point out that the position of the National Park Service on this immediate legislation is a matter of public record, available to all. I think it is significant that the Sierra Club has no quotes to give us supporting this charge of muzzling.

In the second of his ads Mr. Brower urges the Secretary of the Interior to stop the Bureau of Reclamation from "ruining" the Grand Canyon. Here again we see the use of wild distortion and inflammatory language to create a false impression in the minds of the public.

He sees the Bureau of Reclamation as a power-hungry giant bent on destroying all our national parks and wild rivers. He writes:

> Mr. Secretary, suppose you let your Bureau ruin Grand Canyon with dams. What would the Bureau do for an encore?
>
> Projections show that the dams would satisfy the Southwest's growing appetite for power for only three years, if that. Let's imagine Grand Canyon dammed and its river dead; your fellow Arizonans would have to look right away for new sources of power.

Once again he misses the point. No one suggests that these dams are proposed as the final answer to power needs in the Southwest any more than one who establishes a trust for education expects that it will provide scholarships for all students in all future generations. The only important point is that there is a market for the power, and this market will provide revenues to finance desperately needed reclamation projects.

Mr. Brower speaks of "blind planning." I do not know what kind of seat he occupies to provide him with such omniscience. This project is no harebrained scheme recently concocted by an academy of fools. It is the product of 30 years or more of engineering studies. It has been the subject of exhaustive hearings in several Congresses, and in its original form was passed twice by the U.S. Senate. In this past year the Members of Congress, Governors, and water leaders of seven Western States have devoted thousands of man-hours to drafting, redrafting, and improving this legislation. Call that "blind planning" if you like, I believe it represents more intelligent effort by a hundredfold than has gone into this position by Mr. Brower and the Sierra Club.

And this brings me to a statement in this second ad that Glen Canyon was "destroyed" by the construction of Glen Canyon Dam. I hope Mr. Brower does not try to make that statement to any Member of Congress who has visited the incredibly beautiful lake behind that dam. Known as Lake Powell, it is providing thousands of Americans each year with sights never before imagined. If that is what he means by "destruction," I think he is using a very narrow meaning of the word.

I'm not saying that Glen Canyon Dam should have been constructed just to create that beautiful lake. Glen Canyon was a very beautiful canyon, seen by a handful of adventurers and outdoorsmen, before the dam was built. But while some of that beauty has been lost in the lower depths of the canyon, new beauty has been created, and now for the first time people can get in there to see it. This, I repeat, is not what most of us would call "destruction."

Mr. Brower refers to a statement of President Theodore Roosevelt which is supposed to be an argument against any dams anywhere around the Grand Canyon. I do not believe that is what President Roosevelt meant at all. Of course he was an advocate of the setting aside of Federal lands for national parks. But he also was the first President to come out strong for reclamation, and evidence of this can be found in my own State of Arizona, where Theodore Roosevelt Dam set the pattern for all other reclamation dams in the West.

Again, we see the use of inflammatory language when Mr. Brower says these dams will "invade the National Park System." Well, let us remember that one of these dams is 13 miles upstream of Grand Canyon National Park and cannot possibly invade it. The other is 80 miles downstream, and its reservoir extends along the boundary of the park 13 miles in a remote area never seen by the public. I would say this is less of an invasion than a "border skirmish."

Mr. Speaker, as my colleagues will note, I have been incensed by these charges. I am no enemy of conservation, and my 36 colleagues joining me in this bill are no enemies of conservation. I, for one, fought long and hard for the Wilderness Act. I devoted great time and effort to the Land and Water Conservation Act. I am working right now for passage of the Indiana Dunes National Lakeshore bill. And I shall continue to work for conservation and park legislation as long as I am in the Congress. To have legislation I have sponsored attacked in this irresponsible manner is highly offensive to me, and I have wanted my colleagues to have the benefit of a prompt reply from me to these attacks on my bill.

What is proposed in the Colorado River Basin project bill is a solution to part of the immediate water needs of Arizona and California and the financing of future water imports or other works to meet the needs of five other Western States.

I hope my colleagues will note that nowhere does the Sierra Club say that the water will be auxiliary or unneeded. It is needed desperately. Our populations are growing in the West, and people need water. It is not going to solve the problem merely to tell people to stay home in Wisconsin or Pennsylvania. They are going to come because this Nation is growing, and our population is moving. We cannot tell the West to "stop growing"; it is going to grow whether the Sierra Club likes it or not.

Instead of attacking this legislation as ruining the Grand Canyon the Sierra Club ought to praise the people who have drafted it because it gives such great respect to Grand Canyon National Park and Grand Canyon National Monument. Far from ruining the canyon these dams will insure that no serious and damaging incursions will occur in the future. The job will be done, and it will be done right.

In my judgment, Mr. Speaker, this legislation marks a great beginning in the long fight to solve this Nation's mounting water crisis. In years past we have always dealt with our water problems on a local, piecemeal basis. For this reason Arizona and California were at odds for years, and we went to the Supreme Court to settle our dispute. Now we are on the same side, working together. I do not think you could find greater evidence of the statesmanship involved in this legislation, or of the significance of what we are attempting to do. What we propose is a regional solution of major water problems. What we succeed in doing here can set the pattern for other regions of the country to follow, and through these acts of water statesmanship we can come to grips at last with the myriad of water problems facing so many of our States.

Mr. Speaker, I have attempted to answer each of the charges made by the Sierra Club in these ads. I hope and trust my colleagues will rest easier knowing that these sweeping charges are either false, misleading, or both. And I can assure my colleagues that neither I nor the 36 cosponsors of my bill would endorse legislation meeting the descriptions applied to it by the Sierra Club today.

Before concluding I should like to refer to a recent statement by Laurence Rockefeller, Chairman of the White House Conference on Natural Beauty, who said:

> Conservationists have had to do some rethinking, too. For most conservationists, development had long been an anathema: they have been interested in nondevelopment, and to them the natural foe has been the bulldozer and the builder—indeed, some conservationists would go almost so far as to include people.
>
> Unswerving hostility to development, however, condemns the conservationists to a rear guard action, and more and more of them are coming to recognize that this is defeatist. If conservation, as I believe, involves the wise use of our renewable resources, those who wish to see better environment for our people must work with the future. Whether one likes it or not, many more houses are going to be built, many more bridges and highways, and the important question is not if, but how.

Mr. Speaker, I believe Mr. Rockefeller is right and the Sierra Club is wrong in this instance. I would hope the Sierra Club would reconsider before proceeding further with this ill-conceived attack on a sound and constructive solution to the water problems of the Southwest. I certainly do not believe it has anything constructive to offer when it concludes one of these ads with this statement:

> In five years your Reclamation engineers can close the Grand Canyon show—the essence and excellence of it—end it for all our civilization's time.

I trust all who have stuck with me through this rather lengthy speech will understand now how false—how utterly and completely false—is that statement. The Grand Canyon show is not coming to an end. It is going to go on for the rest of time. And a lot more people are going to see it than ever before.

U.S. CAMERAMEN AND REPORTERS WORK UNDER EXTREMELY HAZARDOUS CONDITIONS IN VIETNAM

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House the gentleman from Delaware [Mr. McDOWELL] is recognized for 30 minutes.

Mr. McDOWELL. Mr. Speaker, on May 25, 1966, I addressed the House on the subject of certain wire service photos and reports published in various newspapers regarding recent events within Da Nang's besieged Tinh Hoi pagoda in Vietnam.

I called attention to the discrepancies between the AP and the UPI pictures and captions and a story filed by Richard Critchfield, Asian correspondent for the Washington, D.C., Evening Star, and I simply requested a clarification.

I now submit for the RECORD the replies to my request for clarification of these discrepancies which I received from the UPI, AP, and the Washington, D.C., Evening Star, and I commend them and their staff photographers and reporters in South Vietnam for their prompt and candid response to my request of May 25.

I especially commend to my colleagues and the American public the expanded reply of Richard Critchfield whose honest reporting has been confirmed by the replies I have received, and which was highly commended editorially by the Chicago Tribune on May 26, 1966. His factual reporting is in the highest tradition of our free press, and adds significantly to our understanding of the tragic events in Vietnam.

It may be helpful to emphasize a point I made in an interview published in the June 4, 1966, issue of Editor & Publisher, that—

> Editors should certainly look into the matter if questionable pictures of this nature continue to crop up. They owe it to their readers to see to it that propaganda masked as news is not allowed to infiltrate our newspapers.

For, as I pointed out in my floor remarks on May 25:

> If one single picture or one single major news story can be questioned for accuracy and factual background, then the American public should know this so that they may judge their newspapers accordingly. We expect propaganda in the Communist press. Certainly our own free press should not be subject to such a charge.

The replies I have received from UPI, AP, and the Washington, D.C., Evening Star, as well as the lead editorial from the Chicago Tribune to which I referred earlier, follow:

NEW YORK, N.Y.,
May 26, 1966.

Representative HARRIS B. McDOWELL, JR.,
House Office Building,
Washington, D.C.:

In the spirit of fairness, the United Press International requests you take equal time on the floor and set the record straight concerning your charge yesterday that we misled the public with a picture from Saigon Sunday of a wounded woman and baby.

The fact is that the woman and the baby were wounded in the civil conflict near a Buddhist pagoda in Da Nang. The fact is that they lay wounded on a stretcher in the courtyard of the pagoda when reporters and staff photographers of various U.S. news media arrived, including UPI Staff Photographer Steve Van Meter. The fact is that there were about 30 staff correspondents and news photographers of U.S. media at the scene. They testify at length that they did not feel they were trapped in the pagoda by the Buddhists, but moved freely as gunfire permitted. The fact is that the head monk, Thich Minh Chieu, had called a news conference at the pagoda. The fact is that the woman was alive, not dead, and we state that on the testimony of several correspondents, and on the basis of a sequence of still newspictures.

The fact is there were many other wounded and dead, including more than 30 bodies in one room and another wounded woman on a stretcher in the courtyard near the woman and baby. The fact is that the pagoda was the nearest place with a dispensary not a hospital, but more than a first aid station. The woman and baby apparently were injured by mortar fire and were brought to the pagoda by Boy Scouts.

The fact is the woman and baby picture was not (repeat not) set up or staged by any representatives of the U.S. media. The question then is whether the Buddhists had staged the scene prior to arrival of photographers and newsmen. Our representatives and several other do not think so. The wounds were fresh, as if they had just been brought in. The fact is that Richard Critchfield of the Washington Star said in Saigon yesterday that he did not (repeat not) see anyone prop the baby up beside the woman, nor did he see the woman and the baby brought in. "Maybe these were not staged," he said, "but there were so many other things that were going on that you had to realize that these things were being staged. For instance, the bodies of two monks draped on the steps of another pagoda. The Buddhist Boy Scouts who ran out under fire and dragged the bodies back into the pagoda—just so they could claim their wounded. Some of them they wounded themselves."

Other newsmen disputed the charge against the Boy Scouts. Leon Daniel, UPI staff correespondent, said "I felt they were heroic. I certainly don't think they were risking their lives that way for propaganda purposes." Sean Flynn, a free lancer for several large publications, said: "I've pictures of those kids. I'll fight Critchfield on that point." The fact remains that a civilian woman and baby were injured in civil strife and it was a legitimately newsworthy picture. If the Buddhists called a news conference to use the U.S. media it was used no more than by any other individual or group which calls news conferences to present views. The UPI has experienced newsmen and photographers in Vietnam and all of us are dedicated to objective, accurate reporting. The final fact is that we strive for that every day.

Sincerely,

Charles McCarty,
Assistant General Manager,
UPI Newspictures.

[From the Washington (D.C.) Evening Star, May 27, 1966]

AP, UPI Deny Charge Viet Photo Was Posed

The Associated Press and United Press International, responding to a congressional challenge, have denied that their photographs of a Vietnamese woman and baby, taken during the recent civil strife at Da Nang, were posed.

In separate statements, the news agencies replied to earlier remarks in the House Wednesday by Rep. Harris B. McDowell, D-Del. McDowell had said there was an apparent discrepancy between photographs transmitted by both AP and UPI and a news dispatch from Richard Critchfield, Asian correspondent of The Star.

The news services each distributed a photograph of a woman lying wounded on a stretcher, with a baby beside her, taken Sunday night inside the courtyard of a pagoda. Newsmen had been summoned there by Buddhists opposing the Saigon government for an announcement.

Critchfield, in his dispatch Tuesday, reported the newsmen had been "enticed inside for a fictional urgent announcement, then were told it was too dangerous to leave for the remainder of the night after Buddhist forces provoked a heavy fire fight with surrounding paratroopers and tanks."

He contended the entire incident had been staged as a propaganda show for the American reporters and photographers. He wrote, "perhaps the most cynical and outrageous touch was a wailing baby someone had propped against the body of a dead woman for the photographers' benefit."

McDowell, said that either AP and UPI photographers or Critchfield were guilty of "inaccurate and irresponsible" reporting.

The wire services, in their statements, yesterday, said picture sequences clearly established the woman their photographers pictured was not dead. They said their men had not posed the photograph, and did not think it had been posed.

Critchfield, replying from Saigon, conceded the woman may have been alive as "I did not feel the woman's pulse," but defended his reporting of the entire episode in the pagoda as accurately portraying the scene.

"Congressman McDowell's contention that it was either a question of inaccuracy by the photographers or myself—if, indeed, we are discussing the same woman and baby—is open to question. The photographer's job is to take pictures of what exists. A reporter's job is to try to and tell what is happening as best he can.

"A wounded or dead woman lay on the ground with a wailing baby by her side. That is a news photograph by any standard. But the circumstances and the setting surrounding her were equally important to convey. That is the reporter's job: To describe what he sees and to place the event in context and proper perspective.

"What I attempted to point out was that when we (some 40 newsmen) walked into that pagoda, an array of wounded and dead bodies—including a woman and a child—were lying around in an apparently-staged display. That was the immediate impression of those newsmen around me.

"The wounded badly needed medical attention and the Buddhist monks there had the ability to get them out if they wanted, as they later demonstrated."

Critchfield went on to recount what he called the "nightmarish experience of being temporarily trapped within the pagoda." When the newsmen arrived, he said, it was almost dark.

Once inside the pagoda gates, they saw youths and women swathed in bloody bandages lying about the courtyard. Four women lay on stretchers on the ground just before the pagoda steps. Off to the side was a woman with a baby.

"The woman's eyes were closed and she appeared to be dead," Critchfield continued. "A very small baby—perhaps less than 1 year old—apparently had been placed by her side near the waist. It was crying and held its arms toward us and did not appear to be injured. I did not feel the woman's pulse.

"From the nearby classroom came the stench from 26 bodies, many of them putrescent."

He added:

"A number of reporters voiced fears we had walked into a trap and others voiced disgust at the display of the wounded."

REPORTER WOUNDED

The AP, in its statement written after checking its Saigon office, said one of its reporters, Robert Poos, said that the woman in question "was not dead nor was the picture posed. The picture sequence taken by an AP staff photographer showed the mother's arms in three different positions."

Poos was wounded in the chest as he left the pagoda grounds.

UPI, in a statement by Charles McCarty, assistant general manager of UPI news pictures, urged McDowell to "set the record straight concerning your charges yesterday that we misled the public with a picture from Saigon Sunday. . . ."

McCarty also said:

"The fact is the woman and baby picture was not set up or staged by any representative of the U.S. media. The question then is whether the Buddhists had staged the scene prior to arrival of photographers and newsmen.

"Our representatives and several others do not think so. . . . If the Buddhists called a news conference to use the U.S. media it was used no more than by any other individual or group which calls news conferences to present views."

Critchfield does not say the photographers staged the picture. He does contend that the Buddhists summoned the newsmen to the pagoda after staging a scene to elicit sympathy—and support—for their position.

Report of Richard Critchfield, Asian Correspondent for the Washington Evening Star, on Pagoda Pictures and Stories

(Associated Press, New York—Washington Star special)

Saigon, May 28.—Saigon Vietnamese newspapers this morning published statements from both American press Services made in response to charges by Rep. McDowell concerning newspicture taken in Danang last Sunday night.

McDowell cited article by this reporter written Tuesday contending propaganda scene had been staged within Pagoda deliberately to picture South Vietnamese military forces as slaughtering innocent women and children.

He quoted one scene in my Tuesday dispatch "Perhaps the most cynical and outrageous touch was a wailing baby someone had propped against the body of a dead woman for the photographers' benefit."

Though McDowell did not refer to it I also had written in previous story Monday "the Pagoda precinct itself covering about a fourth of city block, was a grisly nightmare scene. Twenty-six corpses some packed in salt and others badly decomposed and covered with buddhist flags swarming with flies gave whole area sickening stench. Stretchers of wounded women and teenage boys wrapped with bloody bandages lay about the courtyard as if they were on display for the foreign press. This tragic spectacle included one dead woman with a wailing baby."

The controversial story was written following day in effort to put this scene in more perspective. It was intended as analysis. As I have pointed out while AP photograph does not entirely resemble what I remembered it is possible I was mistaken.

It all happened quickly—we were invited to pagoda, fired at as we entered, milled about in semidarkness and confusion, a rebel youth grabbed me by shoulder to see what he said was example government repression and I saw woman who to all appearances was dead. Have vivid impression of black hair bloody bandages and baby visibly terrified and crying raising its arms to be taken away. Moments later heavy firefighting erupted and bullets sprayed courtyard and I did not see woman and baby again. I understand AP is trying to trace her.

Associated Press statement which was accurate and fair quotes this reporter as saying I did not mean to imply specific picture of woman and child were "posed and set up as a fake" by foreign newsman. I have known some of photographers involved for two years and they are brave skilled newsmen dedicated to objective accurate journalism.

What I did, however, intend was to interpret entire spectacle at Tinh Hoi as I and some of the other newsmen present saw it: A flagrant example of stagemanaging by a extremely skillful propaganda apparatus.

Whether rebels intended to hold us hostages to ensure their own protection or involve American Marines or simply to play on our sympathies matter of speculation. But that certain aspects of scene contrived for calculated effect I had no doubt whatsoever.

Since some newsmen present then remained in Danang and others returned to Saigon and elsewhere and civil strife has continued have had no opportunity to canvass everybody present. APS Robert Poos yesterday confirmed I had quoted him accurately as saying the "Buddhists had trapped us in the pagoda and then opened fire when we tried to go."

Ruben Salazar of Los Angeles Times confirms Thich Minh Chieu chief Monk in pagoda told newsmen he had invited them there for express purpose of witnessing government attack he expected either that night or early morning.

Simon Petrie a French correspondent for Paris Match and other publications whose Danang home was ransacked by government troops two days before said yesterday he shared my belief spectacle of wounded staged for our benefit.

Francois Sully of Newsweek Magazine reported his subsequent research in Danang substantiated what I had written.

Dale Minor of WBAR New York who recorded most of the sounds in pagoda on his taperecorder said yesterday he was convinced government troops had twice "raked the courtyard" with machine gun fire while we were there and wounded lay exposed in open.

Ronald Nessen of NBC and William Stout of CBS who shared same ditch during first heavy firefight both expressed conviction at time rebels had provoked government fire to trap us in pagoda. No rebel ever expressly forbade us to leave. But several told me after firefight roughly same message "it is too dangerous now for you to leave before morning."

David Kelly of London Economist who left Danang Sunday afternoon said yesterday he had seen considerable evidence of rebel stagemanaging events during his two day stopover in Danang.

Kelly felt controversy produced "a healthier situation". Kelly said while he felt monks at Tinh Hoi had shown respect for dead by arranging bodies and observing traditional ceremonies, two monks found sprawled dead in pagoda entrance Friday morning had definitely staged appearance and had not been decently cared for.

He also noted as I did that although pagoda reportedly defended by rebel battalion which I had actually seen day before there was only one dead soldier's body in evidence.

UPI in its statement asked McDowell to set record straight and enumerated list of facts. It contended thirty reporters on scene "can testify at length that they did not feel trapped in the pagoda by the Buddhists but moved freely as gunfire permitted."

This testimony should be recorded and publicized to set the record straight. Most of the other newsmen I talked to shared Poos belief we had been enticed into pagoda to trap us. Through most of the episode newsmen were in three separate groups. I was with what appeared to be two television teams, NBC and CBS.

Two tracer bullets were fired straight over our heads from pagoda gate as we approached pagoda. At this point Neil Sheehan of New York Times and one other newsman near rear of group turned back to American Press camp.

About dozen of us were too close to pagoda by then to feel could safely retreat but from that moment all of us felt frightened and uneasy if not trapped. Others already inside possibly felt easier in their minds.

Within minutes however six or seven newsmen although urgent announcement had not yet been made—and never was—attempted to leave pagoda, were fired upon and wounded by grenade fragments. One photographer I saw voiced real panic. Another a vietnamese handed his camera over to his American employer and said no matter what he was getting out.

Everyone I saw with exception of one heroic voice who shouted across courtyard "I am staying all night" was either angry or frightened and many could be accurately described as terrified.

UPI mentions pagoda was nearest place with dispensary which was true. But a heavily armored battalion had surrounded its rear at five o'clock triggering heavy firefight and rebels later triggered another between seven and eight when we were inside pagoda. According to APS investigation woman and baby were mortar fire victims and had been found hiding and brought by Buddhist boyscouts near house some two hundred yards away to pagoda compound. This was during daylight since darkness fell only when we reached the gate. During daylight hours ambulances and other vehicles had been coming and going from pagoda all day.

When we arrived rebels voiced fears of imminent government attack. These included apparent leader Thich Minh Chieu.

My contention was that wounded could have been carried away from pagoda to safety and helped down the street since only four government tanks on that side. My contention was that to bring them to pagoda endangered their lives both from lack of medical care and exposure to incoming bullets since they were left lying in exposed courtyard.

Friday afternoon Kenneth Harbidge of Philadelphia one of two American businessmen sharing house two blocks away from pagoda told me it was his impression most of wounded civilians in area has been hit by rebel fire whether rescued by Buddhist boyscouts or not.

Harbidge a former Army major said he had seen rebels laying boobytraps in streets and small boys running back and forth with grenades under their shirts.

His house was hit with mortar wounding landlady and a servant blown up by streetmine. Harbidge put blame for both on rebels.

UPI noted I had said I had not seen anyone prop up baby nor had I seen woman or baby brought in. This is true. But woman I saw dead or alive was in no condition to look after that child and somebody would have had to prop it there which was what I reported.

There was also testimony Buddhist boyscouts had acted heroically rescuing wounded under fire. I agree one hundred percent. My belief was that like highschool girls and others in pagoda the boyscouts were being used as unconscious instruments of a cynical propaganda apparatus involving only a handful of leaders. One of topmost Buddhist leaders told me Thursday that "romantic idealistic" youths made best agitators. My experience in Danang was that many rebel soldiers, boyscouts, highschool girls and others took part out of good faith in what felt was good cause. Brig. Gen. Du Quoc Dong in interview expressed much same view as his national rank and file of rebels should not be punished.

What really happened during those confused moments in Tinh Hoi could probably be accurately determined by interviewing each of newsmen involved, Marine officers at press camp and most of several hundred Vietnamese wounded during the entire week. A careful study could be made of rebel propaganda apparatus. This would require United States government resources since newsmen must go on and report continuing daily events. The issue is profoundly important one in Vietnam and should not be lost in secondary matter of whether picture was faked. Of course it was not and this reporter never meant to imply it was. The stagemanaging was done on much vaster scale and this propaganda apparatus is what should be investigated and accused, not the press services. End Critchfield

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[From the Chicago (Ill.) Tribune, May 26, 1966]

THE SCALES FELL FROM THEIR EYES

One of the most significant news stories of the Viet Nam war was written by Richard Critchfield, a distinguished Washington Star correspondent, distributed by the Associated Press, and published by The Tribune yesterday.

Mr. Critchfield's dispatch is conclusive evidence that some of the reporting from Viet Nam has been the worst in our history, which is a major reason why the American people are so confused about it.

The story recounts the horrible experience of 40 American and foreign newsmen who were lured into Da Nang's Buddhist Tinh Hoi pagoda, besieged by government troops, by revolutionary monks who promised them an important statement. When they arrived the newsmen were told that it was too dangerous for them to leave, and they soon realized that the treacherous monks had enticed them into the pagoda as hostages. Either their presence would deter government troops from assaulting the pagoda or, if it should be stormed, the surviving newsmen would put the blame for the attack on military forces loyal to Premier Ky.

Mr. Critchfield describes the experience of the newsmen as "a kind of shock treatment that stripped bare the almost incredible cynicism of Buddhist monks and rebel political commissars toward human life." The incident, he says, exploded the myth that the Buddhists represented "a just but repressed popular cause." He says the "scales fell from the eyes" of the naive newsmen who had helped to propagate this myth.

Despite the risk of being shot in the back by the Buddhist rebels, the newsmen, as Mr. Critchfield says, decided to "stand up for human decency." They turned their backs on the monks, marched out, waving handkerchiefs and undershirts, and three of them were injured by rebel snipers and a grenade.

Mr. Critchfield has a reputation for honest, objective reporting. Unlike many others in Viet Nam, he has not distorted facts to support some ideological predilection. But he is an idealist, and he had sincerely believed that the Buddhist insurrection was a popular movement. He was the closest American correspondent in Viet Nam to Gen. Nguyen Chanh Thi, deposed former commander of the 1st corps area and political ally of the infamous Thich Tri Quang, leader of the Buddhist rebels. Thus his account of the revelation in the Tinh Hoi pagoda is a confession of immense significance.

The Buddhist tactics described by Mr. Critchfield are characteristically communist and wholly incompatible with the self-denying ascetic, and gentle attitudes of Buddhism. They debased their own religious sanctuary, refusing to bury their dead on the pretense that government troops would not let them out of the pagoda, when trucks flying Red Cross flags were coming and going with arms and ammunition. They armed Boy Scouts and induced them to fire and throw grenades at government troops, who could not return the fire without killing children and creating martyrs for the Buddhists.

Marshal Ky has said that Tri Quang is certainly a communist sympathizer and probably a communist. It is known from captured enemy documents that the rebellious Buddhist groups were infiltrated and strongly influenced by the Communists. The antigovernment and anti-American slogans used in all Buddhist demonstrations were dictated by the Communist party.

All these facts have been reported by the Tribune.

STRUGGLE TO PROTECT OUR ENVIRONMENT FROM POLLUTION ENLISTS TALENTS OF ABLE MEN FROM MANY DIFFERENT PROFESSIONS

The SPEAKER. Under previous order of the House the gentleman from Rhode Island [Mr. Fogarty] is recognized for 10 minutes.

Mr. FOGARTY. Mr. Speaker, the struggle to protect our environment from pollution has enlisted the talents of able men from many different professions. I would like to take occasion to pay tribute to a man who represents, with honor, that group of skilled and sophisticated engineers who have done so much in recent years to make this a healthier nation in which to live.

This week Mr. Harry G. Hanson, Associate Chief for Environmental Health and an Assistant Surgeon General of the U.S. Public Health Service is leaving that organization after nearly 25 years of dedicated service.

Many Members of this Congress have become increasingly aware of the importance of combatting pollution of the environment as a menace to human health, as well as to important aesthetic and economic values. As a member and chairman of the subcommittee of the Committee on Appropriations which deals with the annual budget of the Public Health Service, I have been impressed with the tremendous task we confront in combatting a multitude of pollutants. I have also come to respect the engineers who were among the first of the professional groups to realize the signifiance of the problem and to devise methods of containing it. Among these pioneers in a new and complex area of modern life, Mr. Hansen has filled an important role.

As director of the Robert A. Taft Sanitary Engineering Center in Cincinnati, Ohio, from 1954 to 1960 he contributed to the strength of that facility and helped make it a pivotal resource in all our environmental health efforts to the point that it became internationally famous. As Associate Chief for Environmental Health since 1960, he has earned respect for his professional ability and his personal integrity.

Mr. Hanson has not only served well the people of this Nation. He has shared knowledge and skill and carried a message of hope to the people of other countries. On two occasions Mr. Hanson served as adviser to U.S. delegations of the World Health Organization, Geneva, Switzerland, and he has ably represented our country in other international conferences.

I am confident his experience and skill will serve this Nation well when Mr. Hanson assumes his new post as Regional Adviser for Sanitary Engineering with the Pan American Health Organization.

On my own behalf and for Mr. Hanson's many other friends in Congress, I extend best wishes to Mr. Hanson for success in his new endeavors. I would also add our thanks and appreciation for his significant contributions to the furtherance of public health, as he has unremittingly devoted himself to the health of people and their environment over a quarter century of public service.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Flynt (at the request of Mr. Gray), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Dorn, for 1 hour, on June 16.

Mr. Moeller, for 15 minutes, on June 13.

Mr. Conte (at the request of Mr. Edwards of Alabama) for 15 minutes, on June 14; to revise and extend his remarks and include extraneous matter.

Mr. Ashbrook (at the request of Mr. Edwards of Alabama), for 5 minutes, today; to revise and extend his remarks and included extraneous matter.

Mr. McDowell (at the request of Mr. Boggs), for 30 minutes today; to revise and extend his remarks and include extraneous matter.

Mr. Fogarty (at the request of Mr. Boggs), for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. Howard (at the request of Mr. Boggs), for 30 minutes, on June 13; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Adair and to include extraneous matter.

Mr. Reuss.

Mr. Quie to include extraneous matter with his remarks made in the Committee of the Whole today.

Mr. Arends (at the request of Mr. Edwards of Alabama) following the remarks of Mr. Quie in Committee today and to include certain detailed information.

(The following Members (at the request of Mr. Edwards of Alabama) and to include extraneous matter:)

Mr. Gubser.

Mr. MacGregor.

Mr. McClory.

Mr. Cramer.

Mr. Bob Wilson.

(The following Members (at the request of Mr. Boggs) and to include extraneous matter:)

Mr. Powell.

Mr. Rosenthal.

Mr. Vivian.

Mr. O'Brien.

Mr. Farnum and to include extraneous matter, notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost $364.

SENATE BILLS, A JOINT RESOLUTION, AND A CONCURRENT RESOLUTION REFERRED

Bills, a joint resolution, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 562. An act to amend title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities," and to eliminate certain requirements for the furnishing of nursing home care in the case of veterans hospitalized by the Veterans' Administration in Alaska and Hawaii; to the Committee on Veterans' Affairs.

S. 2366. An act to repeal certain provisions of the act of January 21, 1929 (45 Stat. 1091), as amended; to the Committee on Interior and Insular Affairs.

S.J. Res. 116. Joint resolution to provide for the administration and development of Pennsylvania Avenue as a national historic site; to the Committee on Interior and Insular Affairs.

S. Con. Res. 39. Concurrent resolution requesting the President to create the Roanoke Island Memorial Commission; to the Committee on Interior and Insular Affairs.

ADJOURNMENT

Mr. BOGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until Monday, June 13, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2482. A communication from the President of the United States, transmitting a draft of proposed legislation to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia (H. Doc. No. 452); to the Committee on the Judiciary and ordered to be printed.

2483. A letter from the Secretary of the Treasury, transmitting the annual report of the Secretary of the Treasury on the state of the finances, for fiscal year ended June 30, 1965 (H. Doc. No. 320); to the Committee on Ways and Means and ordered to be printed with illustrations.

2484. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract under which the Yellowstone Park Co. will be authorized to provide accommodations, facilities, and services for the public in Yellowstone National Park, Wyo., pursuant to the provisions of 70 Stat. 543; to the Committee on Interior and Insular Affairs.

2485. A letter from the Assistant Secretary of the Interior, transmitting a project proposal received from the Salmon River Canal Co., of Hollister, Idaho, pursuant to the provisions of section 4(c) of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on Rules. House Resolution 884. Resolution authorizing the Committee on Agriculture to conduct studies and investigations relating to certain matters within its jurisdiction; without amendment (Rept. No. 1621). Referred to the House Calendar.

Mr. BINGHAM: Committee on Interior and Insular Affairs. House Joint Resolution 1030. Joint resolution to provide for the administration and development of Pennsylvania Avenue as a national historic site, and for other purposes; with amendments (Rept. No. 1622). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 15585. A bill to amend section 3402 of title 38, United States Code, to provide for the recognition by the Administrator of Veterans' Affairs of the Italian American War Veterans of the United States for the prosecution of veterans' claims; to the Committee on Veterans' Affairs.

By Mr. ASHLEY:

H.R. 15586. A bill authorizing the Secretary of the Army to make a study of water resources of the Great Lakes, particularly Lake Ontario and Lake Erie; to the Committee on Public Works.

By Mr. BATES:

H.R. 15587. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 15588. A bill to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H.R. 15589. A bill to provide for the preservation and extension of Independence National Historical Park, Philadelphia, Pa.; to the Committee on Interior and Insular Affairs.

By Mr. CONABLE:

H.R. 15590. A bill to amend the Federal Corrupt Practices Act, 1925, and for other purposes; to the Committee on House Administration.

By Mr. DERWINSKI:

H.R. 15591. A bill to declare the Illinois & Michigan Canal abandoned as a navigable waterway of the United States of America, and to quitclaim any interest the United States of America may have therein to the State of Illinois to remove or prevent clouds upon land titles, and for other purposes; to the Committee on Public Works.

H.R. 15592. A bill to provide a system for the return of Federal income tax revenues to the States to be used exclusively for educational purposes; to the Committee on Ways and Means.

By Mr. DOW:

H.R. 15593. A bill to direct the Secretary of the Interior to study the action that should be taken to preserve, develop, and make accessible for public benefit a portion of the Hudson River and related lands in the States of New Jersey and New York, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GREEN of Pennsylvania:

H.R. 15594. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired law enforcement officers shall not be subject to the income tax; to the Committee on Ways and Means.

By Mr. HORTON:

H.R. 15595. A bill authorizing the Secretary of the Army to make a study of water resources of the Great Lakes, particularly Lake Ontario and Lake Erie; to the Committee on Public Works.

By Mr. LANGEN:

H.R. 15596. A bill to provide that the United States shall make no payments or contributions to the United Nations for furnishing assistance to Communist countries; to the Committee on Foreign Affairs.

By Mr. McCARTHY:

H.R. 15597. A bill to amend title 38 of the United States Code to provide that monthly social security benefit payments shall not be considered as income in determining eligibility for pension under that title; to the Committee on Veterans' Affairs.

By Mr. MacGREGOR:

H.R. 15598. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MACHEN:

H.R. 15599. A bill to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 15600. A bill to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. MORRIS:

H.R. 15601. A bill to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records; to the Committee on Government Operations.

By Mr. ST GERMAIN:

H.R. 15602. A bill to incorporate Recovery, Inc.; to the Committee on the Judiciary.

By Mr. SICKLES:

H.R. 15603. A bill to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 15604. A bill to establish and maintain orderly marketing conditions for processing plums grown in California; to the Committee on Agriculture.

By Mr. VIGORITO:

H.R. 15605. A bill to authorize certain retired persons 65 years of age or over to participate in the food stamp and direct distribution programs; to the Committee on Agriculture.

By Mr. CORMAN:

H.R. 15606. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. DOW:

H.R. 15607. A bill to amend section 4339 of title 10, United States Code; to the Committee on Armed Services.

H.R. 15608. A bill to eliminate unsound competition for funds and to provide for the liquidity of the commercial banking system; to the Committee on Banking and Currency.

By Mr. DOWDY:

H.R. 15609. A bill to amend the Communications Act of 1934 to abolish the renewal requirement for licenses in the safety and special radio services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 15610. A bill to amend section 659 of title 18, Criminal Code and Criminal Procedure, of the United States Code, 1952 edition, to include thefts from pipelines or pipeline facilities; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 15611. A bill to amend (7)(A)(i) of Public Law 89–389, and for other purposes; to the Committee on Ways and Means.

By Mr. GOODELL:

H.R. 15612. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 15613. A bill to amend the tariff schedules of the United States to provide, as a substitute for the existing requirement of production before 1830, that antiques may be imported free of duty if they exceed 100 years of age at the time of importation; to the Committee on Ways and Means.

By Mr. HATHAWAY:

H.R. 15614. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 15615. A bill to abolish the death penalty under all laws of the United States, and authorize the imposition of life imprisonment in lieu thereof, and for other purposes; to the Committee on the Judiciary.

By Mr. MACKAY:

H.R. 15616. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. OLSEN of Montana:

H.R. 15617. A bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STRATTON:

H.R. 15618. A bill to repeal the manufacturers excise tax on fishing rods, creels, reels, and artificial lures, baits, and flies, and to make conforming adjustments in the provisions of law relating to appropriations for fish restoration and management projects; to the Committee on Ways and Means.

By Mr. WHALLEY:

H.R. 15619. A bill to provide that where the entitlement of a veteran, a widow, or child to a pension from the Veterans' Administration is based upon the veteran's having served in World War I, the beneficiary shall if otherwise eligible have the right to elect payment of pension under either the provisions of title 38 as in effect on June 30, 1960, or as amended by the Veterans' Pension Act of 1959, whichever provides the greater benefit; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of California:

H.R. 15620. A bill to abolish the death penalty under all laws of the United States, and authorize the imposition of life imprisonment in lieu thereof, and for other purposes; to the Committee on the Judiciary.

By Mr. CELLER:

H.J. Res. 1163. Joint resolution to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H.J. Res. 1164. Joint resolution to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. REID of New York:

H.J. Res. 1165. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MOORHEAD:

H. Con. Res. 689. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. SCHWEIKER:

H. Con. Res. 690. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ADAMS:

H. Con. Res. 691. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ASHLEY:

H. Con. Res. 692. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. BARRETT:

H. Con. Res. 693. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. CAHILL:

H. Con. Res. 694. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. CLARK:

H. Con. Res. 695. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. COHELAN:

H. Con. Res. 696. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. DADDARIO:

H. Con. Res. 697. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. DINGELL:

H. Con. Res. 698. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. DOW:

H. Con. Res. 699. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ELLSWORTH:

H. Con. Res. 700. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. FARBSTEIN:

H. Con. Res. 701. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. FRASER:

H. Con. Res. 702. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H. Con. Res. 703. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mrs. GREEN of Oregon:

H. Con. Res. 704. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. GREEN of Pennsylvania:

H. Con. Res. 705. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HALPERN:

H. Con. Res. 706. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HARVEY of Michigan:

H. Con. Res. 707. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HATHAWAY:

H. Con. Res. 708. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HECHLER:

H. Con. Res. 709. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HICKS:

H. Con. Res. 710. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HORTON:

H. Con. Res. 711. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Pennsylvania:

H. Con. Res. 712. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Oklahoma:

H. Con. Res. 713. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. KUPFERMAN:

H. Con. Res. 714. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. LEGGETT:

H. Con. Res. 715. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. LONG of Maryland:

H. Con. Res. 716. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. McDOWELL:

H. Con. Res. 717. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. MACKAY:

H. Con. Res. 718. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. MATHIAS:

H. Con. Res. 719. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. MORSE:

H. Con. Res. 720. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. Con. Res. 721. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. OLSEN of Montana:

H. Con. Res. 722. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. OLSON of Minnesota:

H. Con. Res. 723. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. OTTINGER:

H. Con. Res. 724. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. PEPPER:

H. Con. Res. 725. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. RACE:

H. Con. Res. 726. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. REID of New York:

H. Con. Res. 727. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. REUSS:

H. Con. Res. 728. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. RODINO:

H. Con. Res. 729. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ROSENTHAL:

H. Con. Res. 730. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. RYAN:

H. Con. Res. 731. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ST. ONGE:

H. Con. Res. 732. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. SCHMIDHAUSER:

H. Con. Res. 733. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. SMITH of New York:

H. Con. Res. 734. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. VIVIAN:

H. Con. Res. 735. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. WATKINS:

H. Con. Res. 736. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. WOLFF:

H. Con. Res. 737. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. GILLIGAN:

H. Con. Res. 738. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. HANSEN of Iowa:

H. Con. Res. 739. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. JACOBS:

H. Con. Res. 740. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. JOELSON:

H. Con. Res. 741. Concurrent resolution to encourage free elections in South Vietnam supervised by an international tribunal; to the Committee on Foreign Affairs.

By Mr. WOLFF:

H. Con. Res. 742. Concurrent resolution favoring free elections for Vietnam; to the Committee on Foreign Affairs.

By Mr. EDWARDS of California:

H. Con. Res. 743. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. RHODES of Pennsylvania:

H. Con. Res. 744. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ROONEY of Pennsylvania:

H. Con. Res. 745. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. WHALLEY:

H. Con. Res. 746. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. ADDABBO:

H. Con. Res. 747. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. CORMAN:

H. Con. Res. 748. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. EDWARDS of California:

H. Con. Res. 749. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. UDALL:

H. Con. Res. 750. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. VIVIAN:

H. Con. Res. 751. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 15621. A bill for the relief of Rosa Di Giovanna; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 15622. A bill for the relief of Nachman Bench; to the Committee on the Judiciary.

By Mr. DELANEY:

H.R. 15623. A bill for the relief of Joseph Charles Mechaly; to the Committee on the Judiciary.

By Mr. HATHAWAY:

H.R. 15624. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Eugenie II*, owned by J. C. Strout, of Milbridge, Maine, to be documented as a vessel of the United States with full coastwise privileges; to the Committee on the Merchant Marine and Fisheries.

By Mr. JARMAN:

H.R. 15625. A bill for the relief of certain individuals; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 15626. A bill for the relief of Betty Duprey; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 15627. A bill for the relief of Stefanos Papadopoulos; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania:

H.R. 15628. A bill for the relief of Nick Bonis; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Knickerbacker Kennedy Korps

EXTENSION OF REMARKS

OF

HON. LEO W. O'BRIEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. O'BRIEN. Mr. Speaker, I learned with awe and happiness some days ago that the memory of John F. Kennedy still burns brightly among the young people of our country and that at least some of the pledges of renewed dedication which followed his death are being kept.

I learned it on a quiet street in Troy, N.Y., where the students of the Knickerbacker Junior High School dedicated a monument. It was a simple ceremony and a simple monument, on which was carved:

> Ask not what your country can do for you, ask what you can do for your country.

When John Kennedy was struck down, the boys and girls of that school grieved deeply, as did we all. But they did more. They acted. They formed the Knickerbacker Kennedy Korps for the sole purpose of doing good things for their community, their school, and the poor.

They donate their leisure hours to cleaning up yards and streets and they give of their slender means to help the neglected.

This, then, is the little story of nice kids, of youngsters who have captured and kept a spark from the eternal flame.

As I stood to address those boys and girls I had a lump in my throat and pride in my heart.

For just a fleeting moment, I could imagine a tall figure, with wind-swept hair, looking out at those youngsters and, with his little half smile and a twinkle in his eyes, saying: "Nice going, kids."

Department of Commerce Study Program To Cost Taxpayers $125,000

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. GUBSER. Mr. Speaker, today the Department of Commerce announced a study program which will cost the taxpayers $125,000 and is designed to help the State of California develop its full potential for tourism and recreation.

Mr. Speaker, it is the height of irony when centralized government in Washington seeks to study the thriving tourist trade of California when hundreds of thousands of tourists who flock to Washington each year must be warned not to swim in the polluted and federally controlled Potomac River, the stream which waters the very roots of American history.

When are we going to stop this ridiculous outpouring of money for purposes like this study in California? We in California do not need Federal help, and I respectfully suggest that this money might be used to clean up the Potomac for the Federal Government's own tourists or perhaps hire a few more policemen so that visitors to the Nation's Capital can be safe on its streets.

And, before closing, Mr. Speaker, let me say a word for the poor suffering taxpayer. This is his money which he earned, and it should not be tossed around so foolishly.

Smithsonian Institution Receives Bust of Mary Baker Eddy

EXTENSION OF REMARKS

OF

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. McCLORY. Mr. Speaker, in a simple ceremony recently at the Smithsonian Institution, which coincided appropriately with the observance this year of the centennial of the discovery of Christian Science, officials of the U.S. Government accepted a privately donated gift of a bust of Mary Baker Eddy, discoverer and founder of Christian Science.

The bust was presented to the Smithsonian Institution by Mrs. Frances Thompson Hill who, together with her late husband, Calvin C. Hill, acquired this famous likeness of Mrs. Eddy and looked forward to the day when it could be presented to the American people, in recognition of Mrs. Eddy's life and great religious discovery.

It is reported that the bust of Mrs. Eddy was done in 1889, and was sculptured from life by the celebrated American sculptress, Mrs. Leulla Varney Serrao, when Mrs. Eddy was living at 385 Commonwealth Avenue in Boston, Mass. The sculptress set up her studio in a room next door where for 1 or 2 hours every day except Sunday for 3 weeks Mrs. Eddy sat for the modeling. It is further reported that during these sittings Mrs. Serrao was healed of a long-existing condition of impaired eyesight.

In addition to the donor, Mrs. Hill, and Mr. Clayton Bion Craig, member of the Christian Science board of directors, other prominent guests at the presentation were Mr. Charles Nagel, director of the National Portrait Gallery, and Dr. Leonard Carmichael, former secretary of the Smithsonian.

This presentation ceremony also afforded recognition to Mrs. Serrao, who produced busts of Theodore Roosevelt, Julia Ward Howe, Susan B. Anthony, Mark Twain, and other prominent public figures of that era.

Results of Public Opinion Poll of Fourth Indiana District

EXTENSION OF REMARKS

OF

HON. E. ROSS ADAIR

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. ADAIR. Mr. Speaker, a short time ago I sent a questionnaire to the people of my congressional district—the Fourth Indiana. The response to this was heartening in that it was unexpectedly large. I have received upwards of 20,000 replies, many of the cards being accompanied by explanatory letters. It seems to me that indicates a high level of interest in governmental matters among our citizens.

The results were tabulated by an independent organization, Control Data Corp., and they have provided me with the following percentage breakdown on the various questions:

Results of Public Opinion Poll of Fourth Indiana District Conducted by E. Ross Adair, Member of Congress

[Answers in percent]

1. What course should we follow in Vietnam?

a. Intensify our efforts to win the war?
Yes 56.9 No 7.9 No answer checked 35.2

b. Maintain present efforts?
Yes 11.1 No 13.5 No answer checked 75.4

c. Withdraw?
Yes 28.5 No 13.4 No answer checked 58.1

2. In view of the developing world food shortage, do you think government controls on agriculture should be lifted?
Yes 79.3 No 15.5 No answer checked 5.2

3. Do you feel inflation has become a serious threat to your family budget this year?
Yes 72.2 No 23.6 No answer checked 4.2

4. Should additional tax credits or deductions be allowed parents of college students?
Yes 55.4 No 39.3 No answer checked 5.3

5. Do you favor a constitutional amendment to restore prayer in public schools ?
Yes 81.2 No 16.0 No answer checked 2.8

6. Do you favor changing the term of the House of Representatives from 2 to 4 years?
Yes 47.2 No 48.4 No answer checked 4.4

By way of further comment, it was interesting to me to note that three subjects, not included in the questions submitted, were frequently mentioned in communications accompanying many of the cards. These subjects were: What should we do about Castro, The high rate of taxes at all levels of government, and the general problem of farm income. These comments, of course, made the poll more illuminating and valuable.

By all odds, however, the greatest interest was shown, as was to have been expected, upon the first question, "What course should we follow in Vietnam?" A number of people checked both 1(a) and 1(c) on this question and many others wrote on their cards, "either win or get out."

In summary, I am tremendously pleased at the response to this questionnaire and feel that the results will be of interest to others.

Salute to Republic of the Philippines Independence Anniversary

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. POWELL. Mr. Speaker, on June 12, the people of the Philippine Republic will celebrate their independence anniversary. I am proud to extend my congratulations and warm felicitations to His Excellency Ferdinand E. Marcos, President of the Philippines; and to His Excellency Oscar Ledesma, the Philippine Ambassador to the United States.

The Republic has always been a source of inspiration to me because since it was granted its freedom from the United States in 1946 the Filipino people have upheld the faith and hope that we in America had in them. They have also remained in high esteem as trusted friends of the American people. The dedication and hard work and sacrifice of such famous Filipino heroes as Emilio Aguinaldo, Manuel Luiz Quezon, Sergio Osmeña, and Ramon Magsaysay have borne fruit in a thriving and prosperous Philippine Republic.

During the Spanish-American War the United States gained control over the Philippines. It was long our intention to encourage the growth of truly democratic institutions and popular government in the territory. The people learned their lesson well, and on July 4, 1946, our beloved stars and stripes were lowered and the flag of the independent and sovereign Philippine Republic was hoisted. The Republic now recognizes June 12 as its independence anniversary, and each yearly celebration finds the people that much richer and fuller in the experience of directing their own affairs.

America and the Philippines have long enjoyed warm relations and those ties have drawn even closer as a result of fighting together against the Japanese during World War II and against the Communist forces in Korea. Stability in areas such as southeast Asia depends largely on the success or lack thereof registered by countries like the Philippines. It is my fervent hope that the Philippines, entering a new year of independence, will continue to register the achievement and progress it so earnestly seeks.

I am very proud to extend best wishes to the Government and people of the Philippines and congratulate them on their anniversary.

America and Apartheid

EXTENSION OF REMARKS

OF

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. ROSENTHAL. Mr. Speaker, under leave to extend my remarks in the Congressional Record, I would like to set forth an editorial which appeared in yesterday's New York Times on "America and Apartheid"; and a copy of my letter to the editor of the New York Times, dated June 9.

The editorial and letter follow:

[From the New York Times, June 8, 1966]

AMERICA AND APARTHEID

South Africa's restrictive racial policies drive that Government steadily into greater isolation from the community of nations. There is danger in such isolation. For the long run, a major danger is that South Africa will miscalculate the state of United States sentiment.

Many supporters of Prime Minister Verwoerd believe instability, violence and a threat of communism in new African nations, plus racial troubles here at home, will eventually persuade Americans to condone or embrace *apartheid*—to conclude that South Africa has been right all along.

It was therefore important for President Johnson in his first major speech on Africa to say: "We will not permit human rights to be restricted in our own country. And we will not support policies abroad which are based on the rule of minorities or the discredited notion that men are unequal before the law."

It was important for Senator Robert F. Kennedy at the University of Capetown to declare: "We must recognize the full human equality of all our people. . . . And this must be our commitment outside our borders as it is within."

South Africans may say both statements were motivated by American political considerations, but the fact is that the United States is now committed irrevocably to building a nonracial society. Neither President nor Senator was smug about South

Africa's problems; neither underplayed the enormous distance the United States still must travel to reach its goal.

Wise South Africans will recognize that both men spoke for America.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 9, 1966.

The EDITOR,
The New York Times,
New York, N.Y.

DEAR SIR: I was troubled by your recent editorial, "America and Apartheid",—more for what it failed to say than for what it said. You speak of "the major danger that South Africa will miscalculate the state of United States sentiment". Yet it is quite clear by now that South Africa, like any practical nation, bases its policies not on the state of American sentiment, but on American willingness to translate sentiment into action. Here their view that we are not about to take steps to bring down apartheid seems to me quite calculated and very realistic indeed, at least from what I have learned of American policy as a member of the Subcommittee on Africa of the House Committee on Foreign Affairs, which has been holding extensive hearings on South Africa.

It is on matters of action, then, that predictions about miscalculations are relevant—whether right or wrong. And when the question of American action against South Africa is considered, the relevant miscalculation seems to be ours. For the failure of sentiment to produce positive action is viewed by South Africa as weakness, and by the rest of the continent as hypocrisy. This seems to me the important issue regarding America and Apartheid. Your editorial, in other words, missed the point.

Sincerely yours,

——— ———.

Doctor of Laws Degree Conferred on Congressman Clement J. Zablocki

EXTENSION OF REMARKS
OF

HON. HENRY S. REUSS

OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1966

Mr. REUSS. Mr. Speaker, I should like to call to the attention of the House the honor paid to one of our distinguished colleagues, my friend and neighbor from Milwaukee, Congressman CLEMENT J. ZABLOCKI.

On Sunday, June 5, Congressman ZABLOCKI was awarded the degree of doctor of laws by his alma mater, Marquette University of Milwaukee.

This is a tribute richly deserved. Congressman ZABLOCKI is one of the most able and dedicated members of the House. His outstanding service on the House Foreign Affairs Committee and as chairman of its Subcommittee on the Far East and the Pacific has won for him an enviable reputation. Through his diligence and his expertise, he has made countless contributions to American foreign policy.

CLEM ZABLOCKI is a leader of whom Milwaukee, Wis., and the Nation are proud. I am delighted to be able to point out the recognition accorded him for his many accomplishments.

Questionnaire Results

EXTENSION OF REMARKS
OF

HON. WILLIAM C. CRAMER

OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1966

Mr. CRAMER. Mr. Speaker, earlier this year I mailed my annual legislative questionnaire to every household in my congressional district which embraces the larger cities of St. Petersburg and Clearwater.

The questionnaire returns which were substantial in number were tabulated by Research Services, Inc., an independent research organization in Washington.

I am inserting the results of the questionnaire into the RECORD at this point in the belief that they will be of interest to the Members of this body.

The questionnaire and the results follow:

FINAL TABULATION OF CONGRESSMAN CRAMER'S 1966 ANNUAL LEGISLATIVE QUESTIONNAIRE

1. Do you favor restoring excise taxes on automobiles and telephone service? ($1 billion annually): Yes, 29%; No, 71%.

2. Do you favor increasing the amount of tax withheld from weekly paychecks as LBJ has called for? ($400 million): Yes, 38%; No, 62%.

3. If cease-fire efforts fail, check any of the following alternatives you prefer with regard to the Vietnam war:

(A) Bombing seaports and strategic manufacturing and military installations in North Vietnam: 64%.

(B) Blockading seaports in North Vietnam: 64%.

(C) Bombing supply lines in North Vietnam: 70%.

(D) No bombing outside South Vietnam: 5%.

(E) Continue to increase U.S. military personnel in South Vietnam: 33%.

(F) End U.S. aid to and trade with nations trading with North Vietnam: 70%.

(G) A negotiated settlement only if the communists get out of South Vietnam: 48%.

(H) A negotiated settlement giving communists one-third voice in South Vietnam (as in Laos): 15%.

(I) Complete withdrawal: 10%.

(J) None of the above: 2%.

4. If the U.S. involvement in Vietnam increases, would you prefer—

(A) Less Government spending at home: Yes, 91%; No, 9%.

(B) Continued deficit spending and no cuts at home: Yes, 14%; No, 86%.

5. In his State of the Union Message, LBJ called for eliminating tariffs and easing other restrictions on trade with the Soviet Union and other East European countries. Do you favor the proposal?: Yes, 32%; No. 15%.

6. Do you favor amending the Taft-Hartley Act to prevent strikes or walkouts by—

(A) Employees of public utilities and services (such as occurred in New York among transit employees): Yes, 85%; No, 15%.

(B) Employees engaged in National Defense projects (such as occurred at Cape Kennedy and at an armament factory supplying material to our soldiers in Vietnam): Yes, 88%; No, 12%.

7. Do you favor the repeal of Section 14(b) of the Taft-Hartley Act which presently permits States to pass right-to-work laws?: Yes, 20%; No, 80%.

8. Do you favor a National Teacher's Corps assigned to "poverty" areas with Federal standards for teacher training and teaching?: Yes, 36%; No, 64%.

9. Do you agree with LBJ that Members of the U.S. House of Representatives should run every four years concurrent with the Presidential term?: Yes, 36%; No, 64%.

10. Check which, if any, of the following proposals you favor as a necessary answer to unemployment and poverty—

(A) Men's and Women's Job Corps: 8%.

(B) Youth Training Camps similar to old CCC Camps: 32%.

(C) Job Retraining: 52%.

(D) Pre-Kindergarten "Headstart" youth training program: 24%.

(E) Tax incentives and tax reductions for industrial expansion: 44%.

(F) Increased Public Works Projects (ARA, APW, EDA, etc.): 12%.

(G) None of the above: 21%.

11. With unemployment at an all time low, do you agree with LBJ that Congress should "not only continue, but speed-up the war on poverty."? Yes, 21%; No, 79%.

12. Do you favor Federal Laws to—

(A) Require sales and rentals of housing to anyone without discrimination: Yes, 17%; No, 83%.

(B) Set non-discriminatory standards for State and Federal jury selection: Yes, 61%; No, 39%.

(C) Set more severe penalties for obstructing public and private efforts to secure civil rights (Attorney General presently authorized to bring suits): Yes, 37%; No, 63%.

13. Do you agree with LBJ's policies on—

(A) The Dominican Republic: Yes, 46%; No, 54%.

(B) Cuba: Yes, 40%; No, 60%.

14. If the election for President were held today, for whom would you vote? (This question need not be answered)

Richard Nixon	40%.
Lyndon Johnson	12%.
George Romney	19%.
Hubert Humphrey	.5%.
Nelson Rockefeller	3%.
William Scranton	5%.
Barry Goldwater	11%.
Robert Kennedy	2%.
Other Candidates	7.5%.

Congressman Bob Wilson Poll Results

EXTENSION OF REMARKS
OF

HON. BOB WILSON

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1966

Mr. BOB WILSON. Mr. Speaker, since mid-1964 when American ships sank two torpedo boats in the Gulf of Tonkin, our people have been analyzed, surveyed and polled by countless organizations and individuals whose stock in trade is public opinion sampling, but whose studies and reports are far too often akin to public opinion molding. Our voters have been asked—so many times that it may seem redundant to repeat it now—whether or not they support this administration's policies in southeast Asia.

To most of us, such a question merely afforded an opportunity to voice support of our historic refusal to be trod upon, particularly by an arrogant and insignificantly small group in a far-off corner of the world whose repeated threats of bringing down upon us the disfavor of Communist China somehow do not sound like the portent of nuclear holocaust they are supposed to convey.

An overwhelming majority of us supported what our forces did in the Gulf of Tonkin, and, since the incident obviously had the sanction of the administration, the surveys and polls I have mentioned brought a resounding vote of confidence in President Johnson. Then, our planes began to bomb North Vietnam, defoliate the forests and do all sorts of things that we had been warned Mr. Johnson's opponent in the past election would do if elected.

Within a short period of time, it became evident that a vote of confidence for the President was synonymous with a declaration in behalf of firmness in Vietnam. Certainly the pollsters neglected to mention the subject in any other terms. Indeed, Mr. Speaker, those who profess to be expert at sampling public opinion continue to question the people in the same trite manner.

We have been asked, in oversimplification, whether we support President Johnson's Vietnam policies, no matter what they happen to be at the moment or how much any of us are told about them.

The man in the street has been asked this question, as I have pointed out, over and over. But he has not often been asked whether he supports our bombing of North Vietnam, as we have done frequently, or the halting of such aerial attacks for long periods of time, as also has been done. He has not been asked whether he thinks we should pursue a Korean-type strategy, under which our enemies would be allowed sanctuary beyond a certain line of demarcation and supply lines beyond that boundary are held to be sacrosanct, or whether we should bomb such military arteries and pursue enemy planes back across and into Communist territory, both of which have been enunciated as administration policy at different times.

Americans somehow have not been asked whether their sympathies lie with the "hawks" or the "doves," if I may borrow these terms from the liberal lexicography for a moment, but rather how they feel about the policies of an administration which is akin to neither, but more properly may be said to resemble the "dawk," a bird that flies away from combat while seeking victory, and into it with beak bared in an effort to negotiate. Nor have our pollsters been any more specific in questioning our people about the other doings of this administration in national and international affairs. We have not been asked whether we think turning out the lights in the White House constitutes economy when it is done by the man who has justly earned the title of the biggest spender in world history. Nor have we been asked whether we should impose sanctions on free world nations that trade with our enemies and at the same time seek to lift sanctions we now impose on members of the Soviet bloc who ship arms and munitions to the North Vietnamese, both of which policies appear to have the full support of the Great Society.

Throughout it all, Mr. Speaker, our people are beginning to become aware that the conflicting programs of this administration have been so concealed, befogged, and camouflaged that few, if any of us, know just who is doing what to whom and for what.

In my own congressional district, the people long have resented such vague polling practices and, no matter what their individual sentiments, they prefer to speak out on specifics. Because of this, I recently mailed out to district residents—Democrats, Republicans, and Independents—a questionnaire in which the issues involved in the Vietnamese conflict were more clearly defined. I have received upward of 22,000 returns to this questionnaire, and would wish, at this time, to cite some of the results obtained.

This questionnaire poses questions concerning eight specific areas of decision in the Vietnamese war and the response to these should afford us some indication of public sentiment—at least insofar as my own constituency is concerned—on the posture our Federal Government should assume in that conflict.

I am aware, of course, that constituency polls long have been looked upon by professional pollsters as something less than accurate as a means of determining public sentiment, largely because they are drawn from districts whose people are known to lean in one direction or another politically.

In my own questionnaire this year, however, I have included several profile indicators, which afford an opportunity for projection of results on a national basis.

The questionnaire contained in my sampling had 10 numbered questions, one of which includes 6 subquestions, or a total of 15 in all, concerning issues before the public. As I said earlier, eight of these deal with the Vietnamese war. The remaining seven concern other national issues.

In addition, the questionnaire form contains on the reverse side profile identification questions through which the recipient may identify himself or herself as to sex, age, income, and political affiliation. These are the questions which allow statisticians to project findings nationally. Obviously, projections from a single congressional district could not be expected to produce the accuracy which could be drawn from similar questions similarly asked in a wide range of selected geographical and political areas, but I have been informed that they do afford a far more reliable basis for national projection than do questionnaires where no profile categories are established.

I should add, before proceeding with my citation of results, Mr. Speaker, that these questionnaires have been processed on the most modern electronic data processing equipment and have not been subjected to the tedious and error-prone methods of tabulation sometimes followed in congressional offices in the past.

And now, if I may, I will proceed with the findings of the questionnaire about which I speak.

The first question asked, and one which I believe is at the root of all others but somehow has been overlooked in the majority of public opinion polls, particularly those which appear in our daily newspapers, was: "Should the United States have sent troops to Vietnam in the first place?"

Overall, 64.1 percent of the respondents answered affirmatively and 28.3 percent negatively. Only 7.6 percent of those responding declined to express an opinion on the subject.

I believe, it is interesting to note, Mr. Speaker, that on the first vital question there was less than a 2-percent variance in response by Republican, Democrat, and Independent voters. The results also show that support for this Nation's choice to enter the Vietnamese conflict in the first place in an attempt to thwart the colonialistic aspirations of the Communists was heaviest among the middle and high income groups and lowest among those the administration classified as "underprivileged."

The pattern of response received in reply to the first question also was reflected on all others relating to the undeclared war in Vietnam, Mr. Speaker.

The second question posed, for instance, was: "Did you favor the stopping of bombing of North Vietnam by U.S. planes which the administration put into effect for 1 month in December 1965 and January 1966?"

A mere 28.2 percent of the respondents favored the halt in bombing, while 69 percent replied negatively to the question. Only 2.9 percent failed to offer an opinion.

The third question, which also pertained to the Vietnamese conflict, was broken down into six subquestions, and asked "If a satisfactory peace in Vietnam cannot be secured by negotiation in the foreseeable future, which of the following courses of action do you favor?" The subquestions and the response to them are as follows:

Question	*Percentage*
(a) Withdrawal of U.S. forces even though this means a Communist takeover in South Vietnam	8.4
(b) Increase of U.S. ground troops to whatever size is needed to clear out most of South Vietnam from Communist control	37.2
(c) A holding operation by U.S. forces aimed at making secure the areas now controlled by the South Vietnamese Government, but not aimed at winning back parts of South Vietnam controlled by the Communists	4.2
(d) No increase in U.S. ground forces but wider use of American air and sea power against North	
(e) A U.S. attack on Communist	
Vietnam	32.2
China	4.1
(f) None of the above	6.3

Only 7.6 percent of those who responded failed to answer any of these six questions.

The fourth question on the questionnaire, Mr. Speaker, although it relates to the administration's censorship of information generally, perhaps is particularly significant because of the handling of news concerning Vietnam, our defense readiness and our political goals and programs for southeast Asia. Residents of my district were asked: "Do you believe that our Government gives the people enough reliable information about what it is doing?"

Affirmative response amounted to only 22.2 percent, while 73.2 percent felt that Government censorship is denying them vital information the public should have. Of those questioned, only 4.6 percent failed to respond to this question.

The remaining five questions deal exclusively with domestic issues, but reflect widespread dissatisfaction with administration programs and their effects. The questions and the responses received are as follows:

Question	Percentage		No answer
	Yes	No	
5. Have you felt the effects of an increase in the cost of living over the past year?	85.9	9.9	4.2
6. Do you think the war on poverty has been successful so far in improving the condition of poor people?	10.4	81.3	8.3
7. Is the Congress dominated too much by the President?	72.5	22.8	4.7
8. Should the States be allowed to apportion 1 branch of their respective legislatures on some basis other than population?	53.5	35.1	11.4
9. Do you favor an improved military retirement program similar to the contributory system now enjoyed by civil service workers?	57.1	27.9	15.0
10. Do you believe that the medicare law should be rewritten as a voluntary rather than a compulsory program?	68.1	25.2	6.7

I should point out that the breakdown of profile questions posed shows that Democrats, with a single exception, took the same position on these issues as did Republicans. Those who classified themselves as "independent" agreed completely with the overall conclusions, the exceptions being only ones of degree. The following table of response will bear me out:

Question	Republican		Democrat		Independent	
	Yes	No	Yes	No	Yes	No
1. Should the United States have sent troops to Vietnam in the first place?	63.8	28.3	65.2	29.5	65.9	28.7
2. Did you favor the stopping of bombing of North Vietnam by U.S. planes which the administration put into effect for 1 month in December 1965 and January 1966?	18.8	72.0	40.9	55.4	31.8	65.5
3. If a satisfactory peace in Vietnam cannot be secured by negotiation in the foreseeable future, which of the following courses of action do you favor:						
(a) Withdrawal of U.S. forces, even though this means a Communist takeover in South Viet Nam	7.1		11.2		11.7	
(b) Increase of U.S. ground troops to whatever size is needed to clear most of South Vietnam from Communist control	36.3		40.1		30.0	
(c) A holding operation by U.S. forces aimed at making secure the areas now controlled by the South Vietnamese Government but not at winning back parts of South Vietnam controlled by the Communists	5.2		6.1		5.8	
(d) No increase in U.S. ground forces but wider use of American air and sea power against North Vietnam	38.2		26.7		30.9	
(e) A U.S. attack on Communist China	4.4		3.7		4.9	
(f) None of the above	5.5		9.6		4.9	
4. Do you believe that our Government gives the people enough reliable information about what it is doing?	14.8	80.7	38.9	58.7	33.2	65.5
5. Have you felt the effects of an increase in the cost of living over the course of the past year?	89.6	7.0	80.7	16.3	81.2	17.5
6. Do you think the war on poverty has been successful so far in improving the condition of the poor?	4.7	88.4	25.9	65.0	13.0	78.5
7. Is the Congress dominated too much by the President?	83.1	11.5	47.7	46.7	59.2	37.7
8. Should the States be allowed to apportion 1 branch of their respective legislatures on some basis other than population?	50.2	28.6	39.1	51.3	52.0	40.4
9. Do you favor an improved military retirement program similar to the contributory system now enjoyed by civil service workers?	58.5	24.9	52.8	36.2	58.8	30.5
10. Do you believe that the medicare law should be rewritten as a voluntary rather than a compulsory program?	76.1	16.3	48.9	47.2	61.9	31.8

The results also reveal a striking similarity of opinion among all income groups, again the difference being only one of degree.

These results reflect a growing and refreshing refusal to walk the path down which we are being led by an administration that apparently talks about, but is not in the least concerned with, consensus.

Results of Legislative Opinion Poll Held Throughout Second District of Michigan

EXTENSION OF REMARKS

OF

HON. WESTON E. VIVIAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. VIVIAN. Mr. Speaker, earlier this year I mailed out a legislative opinion poll to over 100,000 homes and businesses in the Second District of Michigan, the district which I am privileged to represent in this distinguished body.

Under unanimous consent I include in the CONGRESSIONAL RECORD on this date the report which I have recently distributed to my constituents, relating and discussing the tabulated results of the over 8,000 responses to this poll:

1. Major Issues: I selected for your consideration a list of some of the most pressing problems facing this country today. The order that you ranked these problems was found to be:

A. Domestic Issues: (1) Education, (2) Inflation, (3) Water pollution control, (4) Balancing the budget, (5) Civil rights, (6) Poverty.

B. International Issues: (1) Strengthening the U.N., (2) Communist subversion, (3) Assist developing nations, (4) Arms control and disarmament, (5) Balance of payments deficit, (6) Increase U.S. military strength.

2. Viet Nam: You were asked—

A. Do you generally approve of the policy the United States has followed up until now in Viet Nam?

[Results in percent]

Yes	60
No	40

B. Which of the following suggested courses of action for the future most closely corresponds to your views?

[Results in percent]

The United States should continue to maintain the present level of military pressure while searching for an acceptable political solution	41
Same as above, but cease bombing of North Viet Nam	9
The United States should seek a total military victory as speedily as possible and toward that end should raise the level of attack against the Communists in both North and South	35
The United States should withdraw its military forces from Viet Nam as rapidly as possible	15

C. In seeking a settlement of the Viet-Nam conflict, the United States should:

[Results in percent]

Insist on excluding the Viet Cong from any representation in a future South Vietnamese government	19
Allow minority Communist participation in a provisional government	6
Let internationally supervised free elections within South Viet Nam determine the make-up of the government	69

The complexity of the situation in Vietnam is clearly reflected in these results, I believe. Some 60 percent of the respondents say that they generally approve of the present U.S. policy in Vietnam, while only 40 percent checked this course, in part B. Thus I have to assume that there was a good deal of confusion as to what current policy was.

With regard to the question of free elections, you may be interested to know that I made a speech in the House of Representatives on April 15, in which I stressed the urgency of holding free national legislative elections in South Vietnam at the earliest possible date, and restated the importance of having our Government make clear that we will abide by the results of any fair elections.

I personally prefer that elections be held under international supervision, under the auspices of the United Nations.

3. Right-to-work: Do you favor state "right-to-work" laws:

[Results in percent]

Yes	71
No	29

8. Union-Management negotiations: If a company and a union negotiate a contract in which they voluntarily agree that all employees represented by the union in the plant should become members of the union, should State laws be allowed to prohibit this agreement?

[Results in percent]

Yes	54
No	46

Many of you noted that these two questions treated the same subject: whether or not States can prohibit union shop labor-management contracts. I have long sensed that a great many voters who support or object to many a proposed law do so in part because a catchy "label" has become attached to that law. The label "right-to-work" is a classic example. The label "right-to-work" was concocted by proponents to advertise State laws prohibiting the negotiation of union contracts between company managements and whichever unions the workers have selected to represent them in a given plant. If all who responded to my questionnaire had clearly understood the meaning of the label, presumably everyone who answered clearly-stated question 8 with "yes" would also have said "yes" to question 3; and vice versa. Actually, nearly a quarter of all responding to these two questions answered "yes" to one and "no" to the other. This seems to show that the term "right-to-work" did not really identify for them what such laws actually say.

If you would like to know the reasons why I oppose such laws (which, in the first place, have nothing to do with anyone's right to work) please write to me and I will be pleased to send you a copy of a statement setting forth my position on the subject, and my supporting reasons.

4. Economic Opportunity: Last year, Congress appropriated $1.5 billion for the War on Poverty. Do you think this year's appropriations should be:

[Results in percent]

More	19
Less	28
About the same	35
Nothing	17

Summarizing the results on this question, slightly over one-half of those responding (54 per cent) supported the economic opportunity program at about the same, or increased, levels of spending; while slightly under half favor either reducing the spending level or terminating the program.

In addition, many persons noted on their questionnaire that they were concerned about the day to day administration of the present program. I share their concern, and have urged that a good deal more attention needs to be paid to the screening of proposed projects, and to tighter supervision of their operation.

Fortunately the youth job training and school programs appear to have proceeded quite well; these ought to be continued without delay. But stronger local community interest and involvement is required before the more complex programs can succeed. The Congress will, I anticipate, cut back on funds until the quality of these programs can increase significantly, as more experience is gained in them.

5. Farm Program: Our present farm program aims at maintaining farm income and avoiding crop surpluses by encouraging farmers to limit their production and by rewarding those who comply with minimum crop price guarantees. Do you believe:

[Results in percent]

The present farm program should be scrapped as soon as possible and the government should get out of agriculture, allowing supply and demand to control prices and production	51
The present farm program should be replaced by a program which provides minimum annual incomes to farm families; this program would be scheduled to disappear gradually over a period of years	26
The approach of the present farm program is generally acceptable and should be retained	24

Over three-quarters of those responding were in favor of termination of the present farm price support program—either as quickly as possible, or over a period of time, with scheduled reductions.

From personal observation, I can say that immediate cancellation of the crop supports would lead to economic disaster in many a farm area; but some scheduled continuing reduction of Federal participation is sorely needed. Unfortunately, few, if any, responsible courses of action have been developed.

6. Food-for-Peace: An increasing number of nations abroad are encountering food shortages. Should the present Food-for-Peace Program of shipping U.S. food surpluses to hungry nations abroad be extended?

[Results in percent]

Yes	88
No	12

I am particularly pleased at the widespread, humane, and farsighted support found in the Second District for the new Food-for-Peace program, which will aid the many food-short nations of the world who desire to improve their own farm efficiency and productivity.

You will be interested to know that countries receiving food under the Food-for-Peace program now will be permitted and encouraged to secure release of funds for population control education programs, using funds earned from past sale in these countries of U.S. surplus farm products. A worldwide, crash program to bring the world population explosion under better, more rational control, is desperately needed.

7. Space Expenditures: This year the U.S. will spend approximately $93 per each family in the nation on peaceful exploration of space. Do you believe this amount ($5.3 billion):

[Results in percent]

Is about the right amount	45
Should be increased	15
Should be decreased	40

The fact that almost half of those responding favor decreasing the amounts spent on space exploration is most significant. As a Member of the House Science and Astronautics Committee, which supervises the work of the National Aeronautics and Space Administration, I have emphasized, again and again, that there must be more meaning and content to our space efforts than simply a race for prestige. In my opinion, the potential benefits of the expensive, highly-publicized manned space programs have been vastly overemphasized, when compared to the benefits which we can expect from the less popular, less expensive, and more objective scientific program.

I have also emphasized, in meetings of the Science and Astronautics Committee, the need for this nation to take more aggressive steps to encourage joint funding of major international space exploration efforts.

In this decade, the United States and the Soviet Union will each spend $30 billion, to place men on the moon. Presumably, if we had found means to cooperate with the Russians in this effort (such as through the United Nations), we would jointly have had tens of billions of dollars left over to speed research on the killer diseases of the world; support the United Nations peacekeeping efforts; or support any of a number of other worthwhile projects.

While both nations can afford to continue this kind of duplicate expenditure, we do so only at great cost to other, often more important, human needs.

9. Finally, do you favor your Representative asking your views on important issues facing the Congress.

[Results in percent]

Yes	99
No	1

It is most encouraging to find such overwhelming enthusiasm for this District-wide Legislative Opinion Poll. Numerous respondents wrote in very worthwhile criticisms and suggestions for improving the questionnaire. I shall attempt to incorporate as many of them as possible into future polls. It is my hope that the Second District Opinion Poll can become a new tradition for residents of our District.

Gov. G. Mennen Williams

EXTENSION OF REMARKS

OF

HON. BILLIE S. FARNUM

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. FARNUM. Mr. Speaker, in March of this year, a great servant of the American people left the post of Assistant Secretary of State for African Affairs after more than 5 years in that office. I refer to my good friend, the former Governor of the great State of Michigan, G. Mennen Williams.

During my years of service in Michigan government, I came to know Mennen very well and learned how completely selfless and dedicated he is to advancing the welfare of the people of Michigan. Prior to his election as Governor, his other posts in Michigan were those of assistant attorney general, deputy director of the office of price administration, and a member of the Liquor Control Commission.

Elected Governor in 1948, he was reelected in 1950, 1952, 1954, 1956, and 1958, the first Governor in American history to be elected for six consecutive terms. During his years as our Governor, he provided Michigan with outstanding leadership in the fields of civil rights, education, mental health, conservation, social and labor legislation, traffic safety, highway construction, and in the building of our mighty Mackinac Bridge, which makes our two peninsulas, one.

To me, one of Mennen's great contributions to our society has been his total commitment to equal rights for all Americans. Long before other officials began to advocate progress in civil rights, Mennen was a champion of such progress. He has kept true to his beliefs over the years.

He led Michigan to enact a State fair employment practices law. As our Governor, he appointed to his cabinet the first Negro in the country to hold such a position since the Reconstruction era, and he appointed the first Negro ever to hold the office of judge in the Michigan circuit court. Under his leadership, Negroes were for the first time elected to the governing boards of State universities and colleges.

As a fuller expression of his philosophy of equal rights for all men, I would like, with your permission, to place in the RECORD, Governor Williams' remarks on the occasion of Brotherhood Week at St. Stephen's African Methodist Episcopal Church in Detroit on Sunday, February 13, of this year:

ADDRESS BY HON. G. MENNEN WILLIAMS, ASSISTANT SECRETARY OF STATE FOR AFRICAN AFFAIRS, AT ST. STEPHEN'S AFRICAN METHODIST EPISCOPAL CHURCH, DETROIT, MICH., SUNDAY, FEBRUARY 13, 1966

When Maceo Williams asked me to join you in celebrating Brotherhood Week, I was only too happy to accept. I have had warm and friendly relations with the African Methodist Episcopal Church and St. Stephen's for a good many years, and I am honored to have this opportunity to meet with you. I am especially happy to talk on brotherhood and human rights because those subjects have been close to my heart all my life.

It has been my pleasure to work with you and other men of good will to pass Fair Employment legislation—among the first in the nation. We worked together to see that Negro Americans shared the responsibility of our community life, as exemplified by a Negro in my Cabinet, by the largest Negro legislative delegation in the United States and by Negroes taking their just place in the Michigan judiciary. We worked together with President Kennedy to write a history-making 1960 Democratic Platform. Since that time, it has been my pleasure to serve as Equal Employment Policy Officer in the State Department under Presidents Kennedy and Johnson. I know that in addition to the Civil Rights Act of 1964 and the Voting Rights Act of 1965 these great Presidents have sought every opportunity to advance the enjoyment of equal human rights.

Never before have men sought individual and group dignity more fervently than they do today; and never has the attainment of that dignity by all men been more essential to the preservation of human society.

In recent years, millions of people in developing areas of the world have emerged from decades of colonial rule, and others are still on their way to freedom. Today, those people are moving to a central position on the world stage. They are making their aspirations known to the older, more-developed countries in ever-more-insistent tones, and their voices are having a definite impact in international councils.

In this country, millions of Negro Americans are struggling for the attainment of their full and just rights as citizens of this democracy. They proclaim that a gradual end to discrimination and "separate, but equal" rights is neither moral nor any longer adequate to their needs. Their leadership has been revitalized and coordinated, and the new dimensions of the civil rights movement in this country are having a strong impact in every corner of our land—north and south, east and west.

The pressing task now before all men of good will—in this country and abroad—is to move swiftly and decisively to create a genuinely golden age of brotherhood.

If we Americans truly desire and hope to achieve a world of peace, order and prosperity for the generations who will follow us, all of us are going to have to work tirelessly and sacrifice uncomplainingly to meet the many challenges of building a better life for ourselves and others. Perhaps most importantly, we are going to have to re-dedicate ourselves to those moral and spiritual values which are the heritage of each of us. Those values have played a great part in moving the peoples of the developing world to a vigorous assertion of their human rights.

Africa, certainly, is moved by three great moral and spiritual forces:

First, the desire to be independent to consolidate that freedom and to establish governments with the consent of the governed;

Second, the desire to be free from disease, hunger, ignorance and poverty; and

Third, the desire to be equal, individually and collectively, with all other men.

These are aspirations which give Africans a spiritual affinity with America's Founding Fathers. Africans find inspiration for their goals in our own Declaration of Independence, which says: "That all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among them are Life, Liberty, and the pursuit of Happiness."

As Secretary of State Dean Rusk has said before Congress: "The primary reason why we must attack the problems of discrimination is rooted in our basic commitments as a nation and a people. We must try to eliminate discrimination due to race, color, religion, not to make others think better of us but because it is incompatible with the great ideals to which our democratic society is dedicated."

If we are to mature as a society, Americans must respect the equality of every man in his essential dignity as a human being. And to do this, the artificial barriers to equality of opportunity that have been erected in our country must be removed completely. Ours is a time of great challenge but also of great opportunity. I am confident that this country, in President Lyndon B. Johnson, has the type of leadership that will inspire all of us to advance the day of brotherhood and mutual good will.

Mennen was elected a vice chairman of the Democratic National Committee and served in that capacity from 1955 to 1961, and he was a founding member of that body's advisory council, on which he served from 1957 to 1961. His interest in the affairs of the many nationality groups that go to make up our State is well known, and he was appointed chairman of the Democratic National Committee's Nationalities Division, in September 1954, a post he held until January 1961.

In his work at the State Department, I have seen him apply the same degree of zeal and energy to the many problems he faced there, that he had employed in Michigan affairs. As Assistant Secretary of State for African Affairs, Mennen traveled nearly half a million miles on official trips, visiting virtually every area of that enormous continent. Wherever he went, he obtained firsthand knowledge of African countries and explained U.S. policies to the people of Africa.

Mr. Speaker, Ebony magazine covered Mennen Williams' first official trip to Africa in 1961, and I would like to insert this article from that magazine's June 1961 issue. It gives an excellent portrait of the way Governor Williams put himself wholeheartedly into his African duties:

FACTFINDING AND GOODWILL MISSION TAKES KENNEDY AID TO 16 COUNTRIES

A major and certainly a most controversial undertaking of the historic first 100 days of the Kennedy Administration was the sending of Assistant Secretary of State for African Affairs G. Mennen Williams on a combination goodwill-fact-finding survey mission to Africa. President Kennedy's selection of big, amiable generous-hearted "Soapy" Williams to head the State Department's Bureau of African Affairs was significantly his first major appointment following his election and indicated the importance his administration attaches to Africa.

Williams' economic-political-diplomatic safari carried him through 16 African countries, starting with the Sudan and ending in the Upper Volta Republic. Williams made the journey to see Africa for himself (he had paid two brief previous visits to African countries) and to learn. A principal objective of the trip was to interpret Africans to Americans and to increase understanding of that swiftly-changing continent among the people of the U.S. Sometimes bewildered by Africa's complexity and contrasts, frequently fatigued by the gruelling pace and demands of his schedule, Williams was moved by the warmth of his reception in all countries.

Time was the only serious enemy of "Soapy" Williams' multi-purpose mission: too much was attempted in a limited period. Williams made the trip to get acquainted with Africa's new leaders, to see their countries and meet their peoples and gain an on-the-spot grasp of their desires and problems. His principal interests were U.S.-African political and economic relations and how American aid programs were working, particularly in terms of education.

Williams and his staff took a good, hard critical look at U.S. embassies and consulates in the new countries of Africa. Wherever he stopped he found time to meet and talk with Americans resident in these lands, whether missionaries, businessmen, educators or Foreign Service folk. In wooing Africans, Williams effectively used his tried and tested political campaign techniques. He grinned broadly, laughed heartily, slapped backs, and warmly greeted all those who ventured within hand-shaking distance. Williams' warm, friendly personality made a fine impression on Africans everywhere. He vigorously stumped for goodwill for his country, covering nearly 14,000 air miles in Africa. It was aggressive, all-out campaigning waged by a seasoned, sturdy politician whose stamina, style and record had won him six terms as Michigan's governor. "Soapy is hitting the campaign trail again," cracked a Detroit newsman accompanying the party.

Despite his rugged all-American fullback physique, G. Mennen Williams is a gentle man possessed of old-fashioned dignity and unquestioned compassion for his fellow man. His strong, consistent record in defense of the Negro's civil rights made him an ideal choice to represent President Kennedy in Africa. As the administration's chief promoter of African-American understanding he regards intercontinental goodwill as a two-way street. Under pressure on the U.S. race problem from African journalists, Williams earnestly, patiently conceded inequalities still exist but listed the gains Negroes have made and stressed that the U.S. government is committed to desegregation. When he wasn't explaining the U.S. to Africans he sought enlightenment on how Africans felt toward Americans and American policies. At one stop, in a masterpiece of understatement, he admitted: "Our understanding of Africa in the United States is something less than complete."

Soapy switched with ease from tropical weight suits to formal dress as the occasion demanded, but he was most comfortable in an open-necked sports shirt, slacks and loafers. Whether meeting dignitaries at an ambassador's reception, browsing through native villages or being grilled at news conferences, his demeanor remained unchanged. To emperors and presidents, beggars, and millionaires, left wingers and conservatives he was the same Soapy—calm, courteous and as unpretentious as an old shoe. His Midwestern drawl charmed many and his rugged good looks won him hordes of female admirers. On the people-to-people level Williams' tour was a distinct success. "Too often the U.S. has sent us stuffed-shirt diplomats," one African leader observed. "Williams is a refreshing change, direct, honest and real."

Soapy's safari began at Rome's new Fiumicino Intercontinental Airport where a special Air Force C-54 Skymaster, sent down from Frankfurt, picked up his party of 16 and flew across the Mediterranean, crossing the eastern edge of the Sahara and made the first stop at Khartoum, Sudan. Addis Ababa, Ethiopia's ancient 8,000-feet high capital, was next on the itinerary, followed by steamy Mogadiscio, capital of the year-old Somali Republic fronting the sultry Indian Ocean. A rapid swing through British East Africa included visits to Uganda, Tanganyika, Kenya and Zanzibar. The eight-hour flight from Dar-es-Salaam to Leopoldville branded forever on Williams' mind the vastness and variety of Africa. The rest of the furious West African schedule consisted of stays of varying duration in ex-French Congo, Cameroon, Nigeria, Togo, the Ivory Coast, Liberia, Ghana. Last stop of the tour was at arid Ougadougou in the Upper Volta Republic which Williams calls "my favorite new frontier," and where President Maurice Yameogo threw a lavish luncheon for Soapy and his guests which was climaxed by the serving of four complete barbecued lambs washed down with the best French champagne.

Each country presented Williams with new challenges and fresh adventures, not all of them pleasant. Pickets carrying signs reading "American imperialists go home!" greeted him in torrid Zanzibar one quiet Sunday afternoon. At Nairobi airport a European reporter threw him a loaded question about President Kennedy's reported support of a policy of "Africa for the Africans"; subsequent misquotations and distortions made headlines around the world and drew the ire of racists and conservatives in Africa and abroad. In Dar-es-Salaam, Tanganyika, two representatives of the South African United Front, a coalition of five anti-apartheid African and Indian organizations, presented him with a memorandum asking for U.S. support of a boycott of South African products and sanctions against that country.

Soapy Williams' African survey had its grim and sticky moments, but for the most part of it was a sunny journey marked by growing understanding and goodwill on all sides. Mainly it took the form of a shrewd and purposeful diplomat successfully making contacts with friendly and hospitable peoples. Williams showed a ready facility to adapt to the exigencies of changing situations. In Ethiopia he conversed in French with Emperor Haile Selassie. In Tanganyika he playfully beat a native drum while girl students at a Catholic mission school whooped with delight. In Uganda he was visibly discomfited when a native musician kissed his feet, insisted on shaking hands instead. He drove 180 miles upcountry into the Liberian interior to be made an honorary tribal chief in a colorful ceremony.

Williams has reported on his tour's findings to President John F. Kennedy and significantly announced that U.S. financial aid to African countries will total $250 million for the fiscal year ending June 30. His African tour taught him that Africa has a great destiny that can be shaped only by what Africans proudly refer to as "the African personality," that all Africa wants to be freed from colonialism, that Africans desire and demand racial equality and that the new African states do not intend to become embroiled in the East-West power struggle.

Last January, he was called upon by President Johnson to serve as the President's special envoy to 14 African nations in 7 days to discuss the President's views on Vietnam with African leaders. He has devoted much attention to reporting on his findings in Africa to the American people.

Mennen brought great reservoirs of understanding, drive and determination to the conduct of our relations with the new and emerging nations of Africa. During his tenure of more than 5 years, he developed warm friendships with African leaders and rapport of a kind rarely found in diplomacy. He envisaged this country's African policy as one founded on freedom, dignity, equality, peace and progress, and he devoted himself to those goals with unflagging vigor.

During these crucial years in Africa, he guided U.S. policy through several major crises, and he has set the tone for American actions in the still-troubled areas of southern Africa. Ten African nations have been born during his term of office, and several others are in the process of achieving their independence.

His great sense of humanity has made him an invaluable interpreter of America to Africa, and Africa to America. The ties he has established will endure for the lasting benefit of the peoples of both lands.

Under Mennen's wise leadership, the African Bureau has grown into an elite corps of diplomats second to none in their expertise, contracts, and knowledge of this formerly little-known continent.

It is noteworthy that there has been no Communist satellite established on the African continent and that many African countries have specifically denounced communism during the past 5 years. Furthermore, in this last 5 years, most African countries have made outstanding strides in advancing the well-being of their people.

It seems to me that one mark of his career in the State Department was his ability to maintain a close working relationship with the two great Presidents he served: John F. Kennedy and Lyndon B. Johnson. Mr. Speaker, I would like to insert two documents into the Record at this point. Two documents that bear testimony to that warm relationship. One is President Kennedy's statement appointing Mennen Williams to office, the very first appointment of our late President made; and the other, an exchange of letters between President Johnson and Mennen Williams, at the time of the Governor's resignation.

The documents follow:

STATEMENT BY SENATOR JOHN F. KENNEDY, DECEMBER 1, 1960

I have asked Governor Williams to accept a position of responsibility second to none in the new Administration—Assistant Secretary of State for Africa.

African countries make up one quarter of the nations in the General Assembly of the United Nations. The continent of Africa is now a giant testing ground to determine whether freedom can be maintained in conditions where great masses of people live on the marginal edge of existence struggling against illiteracy, disease, malnutrition and civil divisions. The fate of Africa which is now the object of a giant Communist offensive will affect vitally the security of every citizen of the United States. As Chairman of the Sub-Committee on Africa of the Senate Foreign Relations Committee I have come to know the importance of this continent in the world today.

I have asked Governor Williams to serve as Assistant Secretary of State for African Affairs in the new Administration. He brings to that position long experience, energy, compassion, imagination and a devotion to the future of his country. This is the first appointment I have announced and I am proud that Governor Williams has accepted this responsibility.

EXCHANGE OF LETTERS BETWEEN THE PRESIDENT AND THE HONORABLE G. MENNEN WILLIAMS, ASSISTANT SECRETARY OF STATE

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: After more than five years as Assistant Secretary of State for African Affairs, I submit my resignation effective on or about March 23 so that I may be a candidate for the United States Senate from my State of Michigan.

Your confidence in me, demonstrated by your requesting me to remain on following President Kennedy's assassination has been a source of great personal satisfaction to me, and I have done my best to prove worthy of that confidence. Your sympathetic understanding of the exceedingly difficult problems experienced by the new nations which have emerged in Africa has, together with the attention and wise counsel of Secretary Rusk, enabled the United States to establish excellent relations with these dynamic new countries. It is gratifying to me to note the progress that has been made in these nations in promoting freedom, national development and peace in Africa. I believe it is particularly noteworthy that during this period not a single Communist satellite has emerged in Africa and that Communistic efforts at dominating African countries have been curtailed.

The single assignment I found most challenging and rewarding during my service in the State Department was the opportunity to serve as one of your Vietnam "peace offensive" envoys, together with the Vice President, Ambassador Goldberg, Governor Harriman and Under Secretary Mann. The United States should be proud of the warmth with which this effort was received by the 14 very different African countries I visited and by the confidence those governments expressed in your 14-point agenda for a fruitful dialogue aimed at bringing peace in Vietnam.

I will forever be grateful to you, Mr. President—as I know the Nation will—for your remarkable role in leading us through the shatttering and dark days following the tragic and senseless assassination of President Kennedy.

Your commitment to achieving a peaceful world and a nation that is militarily strong, economically growing and striving for the nobler aspects of life has been an inspiration to me and I am grateful for the opportunity I have had to participate in your Administration. Please be assured that I will be available to perform any particular assignment for which my experience and background qualify me. And, of course, you have my very best wishes for continued good health and success in leading the nation.

Respectfully,

G. MENNEN WILLIAMS.

THE WHITE HOUSE,
March 7, 1966.

HON. G. MENNEN WILLIAMS,
Assistant Secretary of State,
Washington, D.C.

DEAR "SOAPY": I have your letter of March 1 advising me of your decision to resign from your position as Assistant Secretary of State for African Affairs.

Despite the fact that your decision rests upon your reasonable and understandable desire to serve the public in elective office once more, I am nevertheless deeply regretful that we will not have your fine and steadying hand in the critical assignment which you have discharged so well and faithfully, under the leadership of both President Kennedy and myself.

Your service—and I believe it is longer than that of any other Assistant Secretary of State in recent history—has occurred during a most critical period in the history and development of the African continent. You have every right to be proud of the excellent relationships that exist between this nation and the many countries of Africa. You have earned the respect and admiration of all who have worked with you and you will be sorely missed.

As you leave Washington, you go with the thanks and good wishes of a grateful nation and a grateful President.

Sincerely,

Lyndon B. Johnson.

Mr. Speaker, no tribute to Governor Williams would be complete without some mention of his intense concern with agriculture and farm problems at home and abroad. Therefore, I ask permission to insert his remarks to the annual conference of the Michigan Agricultural Stabilization and Conservation Service held at Grand Rapids on February 16 of this year. The speech, "Food for Freedom and Michigan," is a thoughtful look at how America's farm production can help fight the war on world hunger:

Food for Freedom and Michigan

(Address by the Honorable G. Mennen Williams, Assistant Secretary of State for African Affairs, at the annual conference of the Michigan Agricultural Stabilization and Conservation Service, Grand Rapids, Mich., Wednesday, February 16, 1966)

Last week, President Lyndon B. Johnson announced his "Food for Freedom" doctrine in a farsighted message to the Congress. James Reston of the New York Times said of it:

> ". . . When the history of this postwar generation is written, the quiet and generous policies of the American Government are likely to stand out even above its military exploits, and nothing illustrates the point better than President Johnson's new efforts to relieve world hunger."

That President Johnson is determined to enlist the resources of the United States in the war against hunger is something to which I can attest from personal observation. I have heard him at the White House speak to official and non-official observers of concentrating our AID programs in this area—a step which commands the wholehearted support of the American people and which calls into play our most effective talents.

Under the Food for Peace program—Public Law 480—we have sent more than $14 billion in U.S. farm products abroad in the past decade. That amounts to three to five shiploads of food a day every day for 10 years.

More than 85 million people are benefitting from programs administered either by voluntary agencies or by the Agency for International Development. Of that number, some 70 million are children. I know what the presence of Food for Peace means in Africa. I have seen and talked with Congolese in lines covering an area the size of a football field waiting for their ration. I have seen Algerians by the hundreds waiting for food depots to be opened so they could get food that would carry them for the next week or two. There is no question about their appreciation of the food, for without it life would have been difficult, if not impossible. More poignantly I can remember school youngsters lined up for their daily cup of milk and the look of gratitude they gave to Mrs. Williams when she helped ladle it out. And I will never forget the glee with the children in the mission at Sona Bata in the Congo received their portions of powdered milk—they couldn't wait to have it mixed with water, but pushed it into their mouths and all over their faces in its raw powdered state.

American food is also used in food-for-work programs, in which some nine million persons throughout the world receive food as partial wages for self-help development projects. This program has proved especially valuable in North Africa. I visited a reforestation project in eastern Algeria right after that country got its independence and saw previously unemployed Algerians working with satisfaction and dignity.

Significantly, Food for Peace has not only been an expression of American humanitarianism, it also has proved to be an important market development tool.

In the ten years of the Food for Peace program, we have seen commercial exports of American argicultural products more than double. The Department of Agriculture has pointed out that when per capita incomes in less-developed nations rise 10 percent, dollar sales of American farm products rise 21 percent, or twice as fast.

President Johnson's Food for Freedom program represents both a tremendous challenge and a vast opportunity to America's agricultural community to carry forward the good work done under the Food for Peace program. It will give the American farmer the chance to do what he knows best and likes best to do, which is to help carry out the Lord's injunction to "Love thy neighbor as thyself," to help feed the hungry, to help make friends for the United States and to help stabilize their political situations and enhance the opportunities for peace.

Although the President's program has many far-reaching aspects, basically it envisages greater American farm production to produce food sufficient to meet all of our domestic and foreign requirements. It gives farmers a chance to produce increased crops in a coordinated program designed to put every food product to good use in the war against hunger instead of into surplus storage facilities. It will enable some unused farm land to be put back into production as needed and give rural Americans greater purchasing power which, in turn, will keep the wheels of industry moving and our economy expanding. It offers rural America a chance to renew its strength and to halt the drift of farm youth to the cities in large numbers.

Abroad, the President's food program will give new hope, new heart and new health to millions of underfed peoples. For every well-fed person on this earth today, there are two persons who are poorly fed, and the situation is worsening. The gap between the rich nations and the poor nations continues to grow. Where average per capita income today is $3,000 in the United States and $120 in the world's 40 poorest nations, by 2000 A.D. those figures are expected to rise to $4,500 in this country but only to $150 in the others. Such disparity does not augur well for future world stability. Clearly, there is a need for such a program as the President envisages.

Although Africa is relatively well off in terms of basic, subsistence foods, even there some Africans have been experiencing famine conditions. From late 1964 through the summer of 1965, Somalia was hit with a severe drought that threatened famine for one-third of its population. The United States provided grain, milk and flour under the Food for Peace program, as well as emergency medicines and a medical task force that saved thousands of lives. The East African country of Kenya also suffered from drought in 1965, and the United States arranged to expedite half a million bags of corn to avert famine. In turning over the first shipment, American Ambassador William Attwood said, "The United States stands ready to help your government make sure that no one in Kenya goes hungry."

Currently, the southern end of Africa is facing the worst drought conditions in 75 years. Cattle are dying and crops have dried up from Zambia to South Africa, and the United States is helping several of the area's countries to avoid famine. In Bechuanaland, a country of 530,000 people, it is estimated that more than 100,000 persons are presently destitute and that the figure will go above 350,000.

American help in time of need is very much appreciated. For example, in 1962, thousands of people in Tanzania were endangered by famine and the U.S. Air Force worked around the clock to set up an aid drop of corn and dried milk for the affected areas. The United States not only received many official expressions of gratitude, but there were letters of appreciation from individuals and village groups, and one particular tribe presented President Kennedy with a handsome canoe and stuffed baby crocodile.

The President's program also contemplates helping the underdeveloped countries of the world improve their agriculture so that they can more nearly meet their needs. This is vitally important and will not in the long run materially affect the necessity of full American agricultural production because, as the President warned, "The time is not far off when all the combined production, on all of the acres, of all of the agriculturally productive nations, will not meet the food needs of the developing nations—unless present trends are changed."

The American farmer today produces enough food for himself and thirty other people. With less than 10 percent of all Americans in agriculture we are able to produce numerous reserves of food far beyond our consumers' needs. Even such a former food exporting nation as the Soviet Union cannot meet its own people's needs any longer, even if one-half of its people works the land. A UN report indicated that African agriculture on the whole is only 4 percent as efficient as American agriculture.

Michigan has its part to play in the great Food for Peace effort of the United States. I know it not only from statistics, but in Algeria I witnessed the direct welfare distribution of Michigan beans and saw mountains of bags of Michigan beans in their dockside storehouses.

In a recent year, Michigan's total cash receipts from all farming activity amounted to $792 million. Of that total, $116.1 million came from agricultural exports, of which $39.2 million moved under the Food for Peace program. Foreign exports, then, accounted for nearly 15 percent of Michigan's total agricultural sales, and Food for Peace alone amounted to about 5 percent of the grand total.

Although milk is Michigan's largest agricultural product, wheat is Michigan's biggest export by far. Wheat accounted for $64 million in total agricultural sales, and approximately three-fourths of that wheat—$47.8 million—went into export programs. And more than half of Michigan's wheat exports—$27.4 million—was shipped under the Food for Peace program.

The U.S. Department of Agriculture estimates that there are a total of 206,000 farmers and farm workers in Michigan, of whom 15,700, or 3.1 percent of the total, owe their jobs to foreign export markets. To that total can be added many other workers, including those who have contributed to the processing, shipping and storing of farm exports from Michigan.

Thus, just as Michigan farm products are vital to our goals overseas, so are Food for Peace and commercial export sales vital to the economy of this great State.

To sum up, then, the problem of world hunger is as acute today as ever before. Famine, malnutrition and starvation—unchecked—can only lead to conditions of crisis and instability. And these, in turn, can open the way to inroads by communism, which breeds upon mankind's distress and disaster. Therefore, much of the future peace and security of the world will depend on how well we and the other more-developed nations of the world meet the challenge of man's ancient enemies of hunger and want.

That fact underlies President Johnson's call for a vigorous Food for Freedom program. That program, as the President put it, "proclaims our commitment to a better world society—where every person can hope for life's essentials—and be able to find them in peace."

In developing that program, however, we must keep in mind these key assumptions:

1. World food needs are going to increase, regardless of how effective current family planning programs turn out to be. The people who will be hungry tomorrow have already been born.
2. World food needs cannot now be met solely through commercial markets, even though world agricultural trade is at record-breaking levels.
3. U.S. surplus stocks have been reduced and will diminish further as we reach a balance of production and utilization.
4. U.S. productive capacity will continue to expand.
5. Nutritional deficiencies and quality of diet will assume new importance in the future.
6. Self-help measures must be taken by less-developed nations if world hunger is to be averted.

From these assumptions, it is clear that the President's new program has a great deal of work cut out for it. But with your help, and that of the Michigan argicultural community, the United States will be better prepared to make that program a success. Working together, Americans can make a major contribution toward an eventual solution to mankind's problems of hunger and malnutrition and can help speed the day of development of the world's new and emerging nations. This is a desirable goal for all people interested in world peace and stability.

Mennen Williams has left Washington, but the friends he made on the international scene are legion. Certainly one of his strongest points has always been his personal charm and winning ways with people. This quality of Mennon's and of his vivacious wife, Nancy, is clearly reflected in the farewell remarks last fall of Ambassador Jacques Kuoh of the Federal Republic of Cameroon. I have permission, Mr. Speaker, to have part of those remarks inserted at this point in the RECORD.

FAREWELL REMARKS OF AMBASSADOR JACQUES KUOH OF THE FEDERAL REPUBLIC OF CAMEROON

The American Government in its generous lucidity could find the suitable man to whom it could confide the direction of its diplomatic mission in Africa, a man who knows how to put into each act a little bit of personal recognizable effort. This man is Governor G. Mennen Williams.

You know well that Africa is "sentimental," as the poets say. How then can we be surprised at the success of Governor Williams if we judge it by the personal friendship to which all our leaders are witness? I would add to this that the actions of this man are seconded by the graciousness and refinement of his companion, a person who only this country knows to produce. She is Mrs. Mennen Williams, in whom our wives recognize all the qualities of understanding and a pleasing willingness to serve.

G. Mennen Williams has left an indelible mark on the history of our State and of our country. It is with deep personal feeling I salute his meritorious past, and with eager anticipation, look forward to his continuing career in that magnanimous service he has always given to his countrymen.

The Urban Challenge

EXTENSION OF REMARKS

OF

HON. CLARK MacGREGOR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1966

Mr. MACGREGOR. Mr. Speaker, the gentleman from Massachusetts, Congressman F. BRADFORD MORSE, a member of the House Republican task force on urban-suburban affairs, gave the keynote address on April 15 before the Massachusetts Institute of Technology Intercollegiate Conference on "The Urban Challenge."

Mr. MORSE's address is a significant statement on the conference topic; it should be read by a wide audience. Congressman MORSE is an articulate authority on the urban question so vitally important today, and his address deals effectively with the proper jurisdiction and structure of government to cope with America's growing urban problems.

I am pleased to insert his address in the RECORD:

KEYNOTE ADDRESS OF CONGRESSMAN F. BRADFORD MORSE, REPUBLICAN, OF MASSACHUSETTS, BEFORE THE M.I.T. INTERCOLLEGIATE CONFERENCE ON "THE URBAN CHALLENGE"

The speakers you have had before you for the past two days represent as impressive a line-up of experts on "The Urban Challenge" as I have ever seen. A glance at the program indicates that they have provided you with an almost complete news story: the who, what, where, when, and why of urban problems. I am afraid that the difficult task of the politician is to help with the how.

How much we organize our government to effect the kinds of programs we need to cope with the immense problems of urban life?

The *who* of this story are the 70 per cent of the American people who now live in urban areas and the 31.5 million people who live here in the Easten Megalopolis. The *what* is the substance of our urban problems: housing, transportation, pollution, crime, education, employment, poverty and health. The *where* is the three major urban belts: the megalopolis that reaches from Portland, Maine to Norfolk, Virginia, the middle urban belt that centers along the Mississippi River, and the cities of the Pacific Coast. The *when* is yesterday. We are already far behind our needs. The *why* is obvious to each of you who has attended the sessions of the past few days. Inaction is simply not a viable alternative to vigorous and imaginative action for our cities.

It is the how that is the special responsibility of the politician. Whether we serve in Congress or the State House, we need the advice of architects, educators, planners, builders and scientists. But we are the ones who must bear ultimate political responsibility. And the *how* of our urban story is essentially a political problem.

Even if we knew what programs and techniques could solve our urban problems, there is serious doubt that we are prepared, as a government, to organize and implement them.

It has become a truism to say that urban problems do not respect state boundaries. Inevitably there is a federal role in this area that cannot be overlooked. The question remains whether the federal government—through its executive or legislative branches—is properly equipped to play this role. There is also the related question regarding the adequacy of our concepts of government to which I hope to turn in a few moments.

In my judgment, federal government participation in efforts to meet the urban challenge is deficient in coordination and in efficiency. Last year when the Congress considered the Administration proposal for a new Cabinet-level Department of Housing and Urban Development, we were told that this new body would coordinate the entire federal urban establishment. This just wasn't so. When we analyzed what the new Department would do, we found that it would do little more than elevate to Cabinet status, the old Housing and Home Finance Agency, with its constitutent agencies dealing with public housing, urban renewal and community facilities. It would not touch the more than 60 other federal programs which have a direct bearing on urban problems. In fact, the new Department would not even incorporate two of the agencies which administer more than half of the federal housing programs—the Veterans' Administration and the Federal Home Loan Bank Board.

As an alternative, a number of minority Members of Congress proposed an Office of Community Development in the Executive Office of the President that could provide true one-stop service for state and local officials interested in bringing their communities into the federal programs. This proposal was the subject to a motion to substitute the Executive Office for the new Department. The motion failed but the wisdom of this position has, I think, already been demonstrated. A few of the programs over which the new Department has no jurisdiction include the federal highway program, the food stamp program and airport planning. This in spite of the fact that the new agency does govern the mass transit program, that the food stamp program is of principal benefit to urban residents and that need for a coordinated approach to all forms of urban transportation is vital. There is still no means to coordinate such programs as education, public health and welfare and civil rights, all of which have direct bearing on the the conditions of urban life.

The Administration itself has acknowledged the inadequacy of the new Department. It has been proposed that the Community Relations Service, established by the Civil Rights Act of 1964, be transferred from the Department of Commerce, not to the Department of Housing and Urban Development, but to the Department of Justice!

The essential point we tried to make last year is simply that our urban problems are too big, too complex and too varied to be encompassed within a single Department. Therefore, we need a coordinating body to do this job, to ease the way for community officials in search of information and to be sure that we are not working at cross purposes. We still need an Office of Community Development.

Every Member of Congress and every Senator has seen the problems faced by communities in their efforts to deal with the federal government. Not only must an official go from the Department to Department in search of information, but he must also frequently go from bureau to bureau within those departments. The agencies do little to ease the burdens of these local officials. Recently, my office collected the information and application forms needed by urban officials to apply for federal grants or loans. The size of the pile is staggering. The community applying for a senior citizens housing project, for example, must wade its way through a fact sheet on the program, the regulations governing its administration, an explanation of the form that must be submitted to assure compliance with the regulations, the assurance of compliance form, another explanation of the form for the loan, and the loan form itself, a pamphlet on guides for project design, a supplemental information sheet, information on fallout shelter requirements, instructions on how to apply for organizational and development expenses, and model forms of incorporation and bylaws. Then we come to the supplemental forms: the statement of housing demand, the official certification of authority, the statement of community interest, project characteristics data, engineering data, site data, financial data, legal data—all this for a single program! We also found that the manuals and materials needed by a community to file an application for a Head Start program under the Office of Economic Opportunity weighed 5½ pounds! Furthermore the economic data required is not systematic or uniform. Similar but related calculations must be performed over and over again.

But if the Executive Branch has failed in its responsibilities for coordination, the Congress has done little better. At the present time, there are no less than eight standing committees of the House of Representatives with jurisdiction over urban programs. The Committees on Agriculture, Banking and Currency, the District of Columbia, Education and Labor, Government Operations, Judiciary, Interstate and Foreign Commerce and Public Works all have significant areas of jurisdiction over urban problems. Given this wide dispersal of authority, coordination is practically impossible. In some instances our Committees may even be working at cross purposes. For example, while the Public Works Committee is considering legislation to build more highways to bring cars into the central city, the Housing Subcommittee of the House Banking and Currency Committee may be working on mass transit legislation designed to keep the cars out.

Water pollution is another example. The Banking and Currency Committee has jurisdiction over programs funded by the Community Facilities Administration of the Department of Housing and Urban Development for new sewage systems, while the Public Works Committee has jurisdiction over water pollution control programs, which funds the construction of water treatment facilities. The relationship between these two urban functions is far closer in fact than this jurisdictional arrangement would suggest. The present system makes it impossible to consider the interrelationships between housing and education, between transportation and pollution, or between highways and open spaces.

The wise response to this confused situation would be to create a Committee of the House of Representatives on Urban Affairs. Since I entered the House in 1961, I have been introducing resolutions calling for a select or standing Committee on Urban Affairs. As federal involvement in urban affairs grows, so does interest in these proposals and I am hopeful that action can be obtained in the relatively near future.

The value of such a committee has been demonstrated clearly this year. The President has recommended a Demonstration Cities Act that would encompass such programs as transportation, housing, urban renewal, welfare and economic opportunity. House consideration of this proposal could be much more meaningful if an Urban Affairs Committee, benefiting from the expertise of Members from the eight Committees now charged with responsibility in this field could have brought their mutual wisdom and understanding to the consideration of this major new legislation. Here, it seems to me, is an opportunity for the Congress to do the coordinating job the Administration is not doing.

The point of this discussion of administrative arrangements is that there are a number of immediate steps that can be taken in the short run to smooth the relationships between urban areas and the federal government. In the long run, however, we must look beyond the easy administrative shortcuts to a whole new concept of government. Nowhere is this more evident than right here in Megalopolis. As Professor Jean Gottman points out in his detailed study, the concept comes from the Alexandrian philospher Philo Judaeus who referred to "megalopolis" as a great city of ideas which could predetermine and command the material world. We have never needed ideas so badly.

Any consideration of the government of urbanization comes down to two basic questions: what is to be the jurisdiction and structure of government? Who is to govern?

It is clear that local governments are hard pressed to cope with the pressures of urbanization. The traditional view of the community as the center of work and play, or public and private life has undergone drastic revision. No longer do many of our people live and work in the same place. Our suburbs have been the site of a tremendous influx of population bringing with it demands for services, schools and recreational facilities. The industrial base that could help finance these needs has not come so quickly. By the same token, the increase in commuting has brought a greater devotion of central city land to parking lots and garages which generate less revenue for essential city services. Even when industry begins to follow the flight to the suburbs the revenue balance cannot be righted.

In large part the financial crisis of both city and suburb results from the reliance of these governmental units on the property tax as the principal source of revenue. We have already noted the weakness of this base. We should also note that in the City of Boston, for example, more than 36% of the land is exempt from property taxation.

We also see local governments competing for external sources of revenue. States compete for the revenue generated by residents whose place of employment is located outside the state. Cities compete with suburbs and up-state areas for their share of state revenue. And all of this takes place within the framework of increasing federal contributions to the solution of urban problems. Many communities have found that the federal matching grant programs restrict their freedom to budget because they feel they must earmark available funds to programs that will generate federal dollars even though other more pressing needs should be met.

It is becoming increasingly clear that our cities must either receive considerably more help from other levels of government, or be granted power to raise additional revenue on their own.

One possible source of assistance immediately comes to mind. As the Heller Plan for the sharing of federal revenue with the states has appeared to lose favor with the Administration, it has gained support in Congress. With a number of my Republican colleagues in the House and Senator JAVITS in the Senate, I have introduced legislation authorizing the return of one per cent of federal income tax revenue to the states. The funds, which would amount to about $2.5 billion in the first year, could be used for a broad range of health, education and welfare purposes. These might include pollution control, mental health and retardation prevention and treatment, expanded programs of special and supplementary education—the list is endless. There would be a minimum federal control; funds would be allocated among states according to a careful formula reflecting population and need; and essential direction and execution would remain at the local level.

In my judgment, this approach could lessen federal administrative costs, permit greater flexibility in programming, and allow the allocation of funds more promptly and selectively.

We are undergoing a vast revolution in the representative character of our state governments. If the governments which result from this revolution more accurately represent the interests of their people and if they approach their task with freshness and vision, they will be better able to develop and administer their own programs. If we give these strengthened governments better tools to work with, the benefits for metropolitan development become even more evident.

We cannot talk about local government without assessing the revolution that has already overtaken it. The geographic boundaries and historic charters that once created obvious administrative divisions are no longer of central importance. Rivers, bays and mountains are no longer barriers to communication, nor does their presence automatically create a community of interest. What are some of the factors that bind communities together? Functional interests have already been the foundation for hundreds of new governmental units: agencies and boards to run airports and ports, to administer reservoirs, to build highways and to educate children. The resident of Boston is governed not only by the city government, but by the Massachusetts Port Authority, the Metropolitan District Commission, the Massachusetts Bay Transportation Authority and a plethora of other boards and commission. It is questionable whether the overlay of additional government units on top of traditional local government is an incentive or a barrier to sensible regional development. How can we combine community of interest with ease of administration?

It is arguable, for example, that the 21 towns that include portions of the Route 128 complex within its boundaries is less able to govern that area than some sort of functional administrative unit. No doubt the 574 firms and their 54,500 employees have a great deal in common, perhaps more so than with other members of their present geographic communities. But by the same token, these firms and individuals share but one basic interest. There are others which they share with members of their present communities, perhaps to a greater degree. It is here, it seems to me that the concept of functional government breaks down.

We must seek the proper mix between functional and geographic limits in the assignment of responsibility for urban government and administration. The alternatives for local government are at least three. The first is anexation. A city can simply keep acquiring land and welding it into a single administrative unit. This cannot go on indefinitely however, particularly in an areas as large as megalopolis, where appropriate administrative divisions cross state boundaries.

The second alternative is delegation of governmental power to specific administrative units. This approach has tremendous utility as we have seen with the New York Port Authority and the MBTA, but it presents serious problems of integration with other functional and administrative units.

A third approach is the development of truly metropolitan government. This appears to be working successfully in Dade

County, Florida and should be carefully studied for possible application elsewhere.

Whatever the advantages of strong central coordination, I think that our experience over the past three decades demonstrates that the problems of our urban society are too complex and too imminent to be susceptible of central operation. We can ease the administrative difficulties through the application of the techniques of modern management to urban problems. The genius of systems technology is its ability to bring order out of tremendous numbers of diverse elements and factors—order that not only stabilizes but creates the conditions for progress as well. These concepts, developed so brilliantly right here in Eastern Massachusetts, are already being put to use on public problems. The State of California contracted with four aerospace firms for studies on crime, transportation, pollution and information control. Computers will govern the scheduling and repair of trains in the new Bay Area Rapid Transit system in San Francisco. Experiments are now going forward in Toronto and Chicago with the use of computers to regulate traffic. There is enormous room for greater efforts here. It is at this point that our technology most directly confronts the urban challenge.

Implicit in everything I have said about strengthening governmental institutions below the national level is the essential validity of government close to the people. One of the failures of our approach to urban problems thus far is the inability of programs of concrete and granite to transform the lives of people. This failure goes to the heart of the second question I raised a few minutes ago. Who is to govern?

The historic ideal of the town meeting where each citizen of the community could speak his piece and influence the decisions of the government closest to him is simply not feasible in a city of millions. What we must strive for is a system of metropolitan government that will give people the sense of participation and involvement envisioned by the town meeting. This will not be achieved simply by establishing quotas of representation on city boards and agencies of "the poor" or any other category of citizen. I am convinced that the consistently low turnout in elections conducted by the Office of Economic Opportunity reflects the inability of the citizens involved to believe that their representation would really make any difference. People will seek redress in the streets until they believe they can find it in the voting booth. One of my former colleagues in the House is making an exciting attempt to restore the confidence of people in government in New York City. We can only wish him well and hope that his example will be repeated elsewhere in the nation.

In discussing with you some of the elements in the urban challenge that concern me as a Member of Congress, I fear I have raised more questions than I have answered. Those of us who must operate within the confines of existing geographic and administrative divisions look to those of you with the freshness and imagination to develop new forms of government suitable to the age, yet consistent with our tested principles.

It is an awesome challenge, but one from which we cannot turn away. In confronting it, we might reflect upon our history. Almost two hundred years ago the people living on the Atlantic Coast of this continent came together to govern a great nation; it is our challenge here today to come together to develop new and fresh approaches to the government of great cities.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 13, 1966

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

My presence shall go with thee, and I will give thee rest.—Exodus 33: 14.

Our Father in heaven and on earth, who hast given us life and the promise of life eternal, on every hand we see evidences of Thy spirit and of Thy goodness to us. For the beauty of the earth, for the glory of the skies, for the love which from our birth over and around us lies, Lord of all to Thee we raise this our prayer of grateful praise.

We thank Thee for Thy presence in our hearts making us strong, giving us confidence, and helping us to live in good will with our fellow man. We thank Thee for our country—this land of the free and the home of the brave. May we now and always play our full part in keeping the flag of freedom forever flying over our land and ultimately over the whole world.

We thank Thee for these men and women in Congress, for their devotion to our country and their dedication to Thee. May Thy presence go with them all the day long. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 9, 1966, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 31, 1966:

H.R. 10366. An act to establish the Mount Rogers National Recreation Area in the Jefferson National Forest in Virginia, and for other purposes;

H.R. 10998. An act to continue for a temporary period the existing suspension of duty on heptanoic acid;

H.R. 11653. An act to make permanent the existing suspension of duty on certain natural graphite;

H.R. 12262. An act to continue until the close of June 30, 1969, the existing suspension of duty on certain copying shoe lathes;

H.R. 12463. An act to extend until June 30, 1969, the suspension of duty on crude chicory and the reduction in duty on ground chicory;

H.R. 12657. An act to continue the suspension of duty on certain alumina and bauxite;

H.R. 12864. An act to make permanent the existing duty-free treatment of personal and household effects brought into the United States under Government orders;

H.R. 12997. An act to extend until July 15, 1968, the suspension of duty on electrodes imported for use in producing aluminum; and

H.R. 14215. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1967, and for other purposes.

On June 8, 1966:

H.R. 10476. An act to retrocede to the State of Kansas concurrent jurisdiction over Haskell Institute.

On June 9, 1966:

H.R. 12264. An act to declare that 99.84 acres of Government-owned land acquired for Indian administrative purposes is held by the United States in trust for the Apache Tribe of the Mescalero Reservation; and

H.J. Res. 763. Joint resolution authorizing the President to proclaim the week in which June 14 occurs as National Flag Week.

On June 11, 1966:

H.R. 10451. An act to authorize the Secretary of the Interior to transfer certain lands in the State of Colorado to the Department of Agriculture for recreation development, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3177. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 5984. An act to amend sections 2275 and 2276 of the Revised Statues, as amended, with respect to certain lands granted to the States;

H.R. 9961. An act to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children;

H.R. 11748. An act to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to or from a Veterans' Administration facility or other place, in connection with vocational rehabilitation or counseling, or for the purpose of examination, treatment, or care;

H.R. 13366. An act to authorize the disposal of aluminum from the national stockpile;

H.R. 13768. An act to authorize the disposal of celestite from the supplemental stockpile;

H.R. 13769. An act to authorize the disposal of cordage fiber (sisal) from the national stockpile;

H.R. 13770. An act to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile; and

H.R. 13773. An act to authorize the disposal of opium from the national stockpile.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7042. An act to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1357. An act to revise existing bail practices in courts of the United States, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 985. An act to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes;

S. 1199. An act to liberalize the provisions of title 38, United States Code, relating to automobiles for disabled veterans;

S. 2104. An act for the relief of Harriet C. Chambers;

S. 3107. An act to provide for a comprehensive review of national water resource problems and programs, and for other purposes; and

S. 3368. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury.

DISPLAY OF FLAGS IN STATUARY HALL

Mr. **CRALEY**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. **CRALEY**. Mr. Speaker, during Flag Week, this week, we are fortunate to have a display of historical American flags in Statuary Hall. The 26 flags trace the critical periods of American history, from the 1605 English flag with its cross of St. George, to the present 50-star flag of the United States.

Many of the flags are from an important but frequently neglected period of American history, those 1st two centuries, the 17th and 18th, when the colonists settled the New World and then began to demand freedom from their colonial master.

Particularly interesting and significant are the numerous flags of liberty which appeared in many colonies just before the Revolution. The early Stars and Stripes—the so-called Betsy Ross flag—is in this group, as well as some original Army and Navy standards.

Mr. Wilfred C. Clausen planned this exhibit. The Hanover, Pa., Area Historical Society and the Patriotic Order Sons of America helped in its origination and display. Mrs. Elizabeth Botterbusch is responsible for the detailed and exact stitching of these beautiful hand-sewn flags of American liberty.

I sincerely hope that many of you, as well as your constituents will be able to take advantage of this memorable opportunity.

I include the following:

A NEW CONSTELLATION

When Freedom from her mountain height
  Unfurled her standard to the air,
She tore the azure robe of night,
  And set the stars of glory there.

—JOSEPH RODMAN DRAKE, "The American Flag."

Originating in the local custom of a Wisconsin country schoolhouse, Flag Day was formally proclaimed by President Woodrow Wilson in the midst of dissent preceding American entrance into the First World War. June 14, 1966, we celebrate the 50th anniversary of the national observance. We also join in "special exercises" to "demonstrate to all the world" that "vital union in sentiment and purpose" in the spirit of President Wilson's request.

This historical flag display is appropriately placed in Statuary Hall, the old Hall of the House of Representatives, long since a museum of heroic Americans. The flags as well as the statues tell the story of the nation's progress through critical periods of history.

For this pageant we are indebted to the careful planning and authentication of Mr. Wilfred C. Clausen. We are grateful for the combined efforts of the Hanover (Pennsylvania) Area Historical Society and the Patriotic Order Sons of America, Mrs. Elizabeth Botterbusch is responsible for the detailed and exact stitching of these beautiful hand-sewn flags of American Liberty.

Display courtesy of the Honorable JOHN W. MCCORMACK, Speaker, House of Representatives; Honorable J. George Stewart, Architect of the Capitol.

Arranged by the Honorable N. NEIMAN CRALEY, JR., U.S. Representative, 19th District, Pennsylvania.

FLAGS ON DISPLAY

1. England, 1605: Flag of the English nation with its red cross of St. George.

2. Great Britain Union Jack, 1606: Symbol of the union of England and Scotland effected by the coronation of James Stuart of Scotland, King of England. Red cross of St. George now joined with the white cross of St. Andrew of Scotland. Flag of England was used by the colonists for over a hundred years.

3. American Navy Jack, 1775: Hoisted by Esek Hopkins to the main mast of the *Alfred* December 5, 1775 at the time Lt. John Paul Jones raised the Grand Union Flag. Snake spread over red and white stripes.

4. South Carolina Navy Ensign, 1776: The Southern colonies favored the device, "Don't Tread on Me," often used at this time. South Carolina adopted red and blue stripes with crawling serpent for armed ships.

5. Betsy Ross Flag, 1777: Designed by resolution of Congress, June 14, 1777, the Stars and Stripes contained alternate red and white stripes, 13 in number, and 13 stars in a blue field, representing a new constellation, situated in a circle to represent their equality. Popularly known as the Betsy Ross flag this is probably the oldest national flag in existence with the exception of Denmark's.

6. Washington's Cruisers, 1775: A white background containing a large pine tree, a design adopted frequently by the colonists to symbolize their struggles with the wilderness of a new land. This was carried by cruisers in the early formation of an American navy.

7. John Paul Jones Starry Flag (12 stars), 1779: This flag was rescued from the sea during the battle of *Bonhomme Richard* and the *Serapis* in the Revolutionary War. At this time Jones is reputed to have said: "I have not begun to fight."

8. Liberty flag (8 Pointed Stars, Red and Blue Stripes), 1765–77: Colonists just before the Revolution would hoist flag poles in the center of the town square in defiance of the English taxation policy. English soldiers often cut these down.

9. Liberty Flag Canton Union Jack, 1775: Small union Jack in its canton (corner), indicating continued loyalty to the Crown, often with American watchword, Liberty across lower part of the field. Such a flag was hoisted on a liberty pole at Taunton, Massachusetts.

10. Bunker Hill Flag, 1775: Tree on upper left arm of a red cross on white background corner of a blue field. This was recognized as the emblem of the Americans at the Battle of Bunker Hill, June 17, 1775.

11. Continental Army Flag, 1776: Symbol of Massachusetts Bay Colony. The frequent custom of the colonists as they grew toward independence was to use a pine tree symbol. This was in place of the crosses of St. George and St. Andrew.

12. Bennington Flag, 1776: Bearing the date of Independence, this flag was borne by Ethan Allen's Green Mountain Boys at the Battle of Bennington, August 16, 1777. Contains alternate red and white stripes, a blue field with 13 stars surrounding the figure "76." Early indication of what would become the American flag.

13. Gadsden Flag First Marine Flag, 1775: A distinctive flag, this one shows a coiled rattlesnake on a yellow background. It was carried on the *Alfred* in 1775, later presented to the Continental Congress by the South Carolina delegate, Christopher Gadsden. An historic naval emblem.

14. Grand Union Flag, 1775–76: Immediate predecessor of the Stars and Stripes, this flag was carried on ships of the colonial fleet and a similar flag was raised by General George Washington at Cambridge as the standard of the Continental Army. 13 stripes, alternately red and white, represent the 13 colonies, with a blue field in the upper left hand corner bearing the crosses of St. George and St. Andrew—a significant sign of continued feeling for England.

15. Liberty Tree Flag, 1776: This flag bears upon a white background the green pine tree of liberty, often the inscription "An Appeal to Heaven." General Gage ordered the tree under which the Sons of Liberty met in Boston cut down. Thereafter this symbol appeared frequently on colonial flags. The Massachusetts Council adopted this flag in April of 1776.

16. Massachusetts Navy Ensign, 1775: Vessels bearing this flag had a commission from the Continental Congress at Philadelphia. It bears a pine tree and a rattlesnake coiled at its roots with the motto "Don't Tread on Me."

17. American Merchants and Privateers, 1776: Ordered to raid British shipping by the Continental Congress, American privateers were also commissioned to carry a flag with 7 red and 6 white stripes as a national flag to prevent their seizure as pirate ships. This flag became the symbol of gallant deeds at sea.

18. Fort Moultries, South Carolina, 1776: The first distinctive American flag displayed in the South. This one flew over a fort on Sullivan's Island, near Charleston, South Carolina, when Britain attacked, June 28, 1776. The garrison under Colonel William Moultrie withheld the British thereby saving the South from invasion for another two years.

19. Beaver Flag, New York, 1775: Carried by armed ships of New York and copied after the seal of New Netherland, the Dutch colony to which New York had formerly belonged.

20. Oliver Hazard Perry, 1813: Perry's Flag was unfurled at the Battle of Lake Erie, September of 1813. It bore the inscription "Don't Give Up the Ship."

21. Fifteen Stars and Stripes, 1794–1818: Adopted by resolution in 1794 after the admission of Kentucky and Virginia, this remained the flag until 1818. It was the inspiration for Francis Scott Key's "Star-Spangled Banner" in the War of 1812. The Hanover Company fought at the battle of North Point, near Baltimore bearing this flag.

22. Stars and Bars, Confederate States of America, 1861: This was flown during the first battle of Manassas.

23. Bonnie Blue Flag, Confederate States of America, 1861: Confederate flag especially identified with the State of Virginia.

24. World War I, 1914–18: 48-star flag after the admission of Arizona and New Mexico 1912.

25. World War II, 1941-45: Such flags were used as casket flags for servicemen slain in the First and Second Wars. This was the flag that flew over the United States Capitol when we went to war in 1941. This same flag went with President Roosevelt to Casablanca, Yalta and other historic places, and flew over conquered cities, as well as the first United Nations meeting in San Francisco in 1945.

26. Today, 1966: Present-day flag, 50 stars, indicating the admission of Alaska as the 49th state in 1959 and Hawaii as the 50th state in 1960.

PROGRESS IN AUTOMOBILE DEVELOPMENT

Mr. FARNSLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. FARNSLEY. Mr. Speaker and my colleagues, I was told that a wise man once stated that when a freshman has something to say, he will know it. Up until now I have talked to you for 10 seconds to congratulate Mr. Arbogast on the occasion of his 35th anniversary with the Associated Press.

Today I would like to tell you that the American automobile industry, working in conjunction with the industry in Great Britain, has produced a car that, for all practical purposes, is safe at any speed. On Union Memorial Day at Indianapolis 14 of these cars stacked up at something over 125 miles an hour and no one was injured except a man who hurt his hand climbing a fence.

My friend, Dr. William Keller, head of the psychiatry department at the University of Louisville and head of the medical department at the track, with his colleagues, has worked long and hard to help design these automobiles. As late as 2 years ago, if this accident had taken place, many men would have been killed.

The chief gain lately has been a gasoline tank that will not spew out gasoline but will only leak, when ruptured.

REORGANIZATION PLAN RELATING TO THE NATIONAL ZOOLOGICAL PARK IN THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 453)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 4 of 1966, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for a reorganization relating to the National Zoological Park located in the District of Columbia.

Today, all responsibilities for the administration of the Park are vested in the Smithsonian Institution with one exception—the function of preparing plans and specifications for the construction of buildings and bridges at the Zoo. That statutory responsibility is now conducted by the Board of Commissioners of the District of Columbia.

Under the accompanying reorganization plan, the responsibility for the preparation of these plans and specifications would be transferred from the D.C. Board of Commissioners to the Smithsonian. The complete administration of the Park would then be vested in one agency—the Smithsonian Institution. This will allow the more efficient and effective development and management of the Park.

In 1912, the functions to be transferred were vested in the Municipal Architect of the District of Columbia and in the Engineers of the Bridges of the District of Columbia. In 1952, they were transferred to the Board of Commissioners.

When the 1912 Act was passed, the District of Columbia shared the costs of capital improvements in the National Zoological Park. In 1961, it ceased sharing these costs, and the Federal Government assumed complete responsibility for financing the improvements. Accordingly, the District Government retains no capital improvement responsibilities for the National Zoological Park except those functions relating to construction plans and specifications for buildings and bridges, as specified in the 1912 statute. Upon the transfer of these remaining functions to the Smithsonian Institution, the administration of the National Zoological Park will, at last, be fully centered in one agency. It is not practicable at this time, however, to itemize the resulting reduction in expenditures.

I have found, after investigation, that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in Section 2(a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *June 13, 1966.*

CALL OF THE HOUSE

Mr. MORRIS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 136]

Abernethy
Addabbo
Andrews, George W.
Annunzio
Ashbrook
Ashley
Ashmore
Baring
Barrett
Boland
Bolling
Bolton
Bow
Brock
Brooks
Brown, Clarence J., Jr.
Cabell
Cahill
Callaway
Carey
Cederberg
Celler
Chelf
Clark
Clausen, Don H.
Colmer
Conyers
Cooley
Curtis
Daddario
Daniels
Dawson
Delaney
Derwinski
Diggs
Dole
Donohue
Dorn
Dow
Downing
Dulski
Duncan, Oreg.
Edwards, La.
Ellsworth
Erlenborn
Evins, Tenn.
Farbstein
Farnum
Findley
Fino
Flood
Flynt
Frelinghuysen
Gallagher
Giaimo
Gilbert
Grabowski
Gray
Green, Oreg.
Gubser
Hagan, Ga.
Halleck
Hanley
Hanna
Hardy
Harvey, Ind.
Hébert
Herlong
Hosmer
Huot
Jennings
Johnson, Pa.
Jones, Mo.
Kee
Keogh
King, Utah
Kluczynski
Kornegay
Krebs
Kupferman
Laird
Long, La.
McCarthy
McDowell
McEwen
McMillan
Mackay
Martin, Mass.
Matsunaga
Meeds
Minish
Mosher
Moss
Multer
Murphy, Ill.
Murray
Nix
O'Brien
O'Hara, Ill.
Olsen, Mont.
O'Neill, Mass.
Ottinger
Pepper
Philbin
Pool
Powell
Pucinski
Quillen
Redlin
Rees
Reid, Ill.
Reifel
Rhodes, Ariz.
Rivers, Alaska
Rodino
Ronan
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roudebush
St. Onge
Saylor
Scheuer
Scott
Senner
Sickles
Sikes
Smith, N.Y.
Springer
Stafford
Staggers
Stalbaum
Sweeney
Thompson, N.J.
Toll
Trimble
Tuck
Utt
Vigorito
Vivian
Walker, Miss.
Whalley
White, Idaho
Williams
Willis
Wright
Wyatt
Zablocki

The SPEAKER. On this rollcall 282 Members have answered to their names, a quorum.

AUTHORIZATION FOR APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FOR RESEARCH AND DEVELOPMENT

Mr. MILLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14324) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California?

The Chair hears none, and appoints the following conferees: Messrs. MILLER, TEAGUE of Texas, KARTH, HECHLER, DADDARIO, MARTIN of Massachusetts, FULTON of Pennsylvania, and MOSHER.

TVA BOND ISSUE INCREASE

Mr. YOUNG. Mr. Speaker, on behalf of the distinguished gentleman from Florida [Mr. PEPPER], by direction of the Committee on Rules, I call up House Resolution 883 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 883

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15225) to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority.

After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER.** The gentleman from Texas is recognized for 1 hour.

Mr. **YOUNG.** Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California [Mr. Smith] pending which I yield myself such time as I may require.

Mr. Speaker, House Resolution 883 provides an open rule with 2 hours of general debate for consideration of H.R. 15225, a bill to increase from $750 million to $1,750 million the amount of revenue bonds which may be issued by the Tennessee Valley Authority.

The original authority allowing TVA to issue revenue bonds became public law in 1959 and since that time it has proved to be a most successful arrangement. TVA has fulfilled its commitments to the Federal Treasury, and it has met its obligations to investors. The basic bond resolution adopted by the Board of TVA constitutes a contract with present and future bondholders and contains appropriate covenants for their protection. The bonds have found a ready market and have received the highest ratings awarded by Moody's and by Standard & Poor's, the principal rating agencies. The record is excellent. For its performance TVA should be commended.

There is now a need for further increasing the ceiling in the amount of revenue bonds the TVA may issue because of the growing demand for power in the TVA area and for the full-scale development of the entire region. According to present estimates the additional $1 billion in authorization will provide for the system growth anticipated over a 6-year period. It will permit the homeowners and the business enterprises of the region to plan for the future confident that their power supply will continue to meet their demands.

Mr. Speaker, I urge the adoption of House Resolution 883 in order that H.R. 15225 may be considered.

Mr. **SMITH** of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my esteemed colleague, the gentleman from Tennessee, the Honorable James H. Quillen, was scheduled to handle this bill. Due to the death of his father-in-law he is unable to be present today. I take this opportunity to express my sincere sympathy to Congressman Quillen and his family.

In the absence of my colleague, the gentleman from Tennessee, Mr. Speaker, I ask that I be permitted to present his statement immediately following my remarks in the Record.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

Mr. **SMITH** of California. Mr. Speaker, I find myself in complete agreement with the statements of the gentleman from Texas. I associate myself with those remarks.

The only thing additional I will say is that I am informed this will not be at any cost to the Government. I am further informed that the particular bill was reported unanimously by the Committee on Public Works.

I know of no objection to the rule, and I urge its adoption.

Mr. **GROSS.** Mr. Speaker, will the gentleman yield?

Mr. **SMITH** of California. I yield to the gentleman from Iowa.

Mr. **GROSS.** Mr. Speaker, since this is an open rule it marks an unusual procedure in the House of Representatives. I think it should be noted that we have at least gotten a fully open rule before the House.

I thank the gentleman for yielding.

Mr. **SMITH** of California. I thank the gentleman for his statement.

I will say to the gentleman that the next rule is not an open rule. It waives points of order. I suggest the gentleman get ready for that one.

Mr. Speaker, I have no further requests for time.

Statement by Mr. Quillen

I am from the TVA area, and the additional authorization, which would be granted to TVA by the passage of H.R. 15225, is badly needed.

Increasing TVA's bond authority from $750,000,000 to $1,750,000,000 will not add to our national debt or place any financial burden on the Federal Government, as bonds and interest are paid out of the proceeds realized by TVA from sales of power.

There are many reasons for increasing the amount of bonds which may be issued by TVA. Primarily, the demands for additional electric power in the area served by TVA continue to grow, and this continual growth is of utmost importance to the people of the Valley territory. TVA cannot now neglect its responsibilities to the farms, towns, and cities that it serves. More than 15 municipalities and cooperatives have invested large sums in electric distribution facilities on the strength of their contracts with TVA and on the assurance that TVA will continue to supply the power which their customers require.

The area has made great strides in the past 30 years, raising the economic life of the area, which in turn have benefited the entire Nation.

I recognize the great part that TVA has played in maintaining our national defenses and the superb way in which it has successfully operated since its beginning. I also realize what TVA represents to the world, an example of outstanding regional resource development.

I wholeheartedly support TVA, and take great pride in it as an example of how our Federal Government and private enterprise cooperate for the betterment of our people. I, therefore, urge that H.R. 15225 be passed.

Mr. **YOUNG.** Mr. Speaker, I have no further requests for time, and I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FOREIGN SERVICE BUILDINGS ACT AMENDMENTS OF 1966

Mr. **YOUNG.** Mr. Speaker, on behalf of the distinguished gentleman from Florida [Mr. Pepper], and by direction of the Committee on Rules, I call up House Resolution 876 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 876

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14019) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed one hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER.** The gentleman from Texas [Mr. Young] is recognized for 1 hour.

Mr. **YOUNG.** Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois [Mr. Anderson], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 876 provides an open rule, waiving points of order, with 1 hour of general debate for consideration of H.R. 14019, a bill to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes.

The principal purpose of H.R. 14019 is to authorize an appropriation of $27,610,000 for the purchase, construction, major alteration, and long-term leasing of buildings overseas that are necessary for the effective operation of the Department of State in its 275 posts. This sum will permit the Department to carry out a building program for the next 2 fiscal years. Included in this sum is $1,600,000 to permit the construction of a chancery in Saigon larger than that planned last year and for which the Congress authorized and appropriated $1 million. The enlarged structure will more adequately accommodate the enlarged staff now assigned to that post. The bill also authorizes the appropriation of $25,350,000 over the next 2 fiscal years for the operational activities of the building program such as maintenance, repair, and furnishings.

The bill amends existing law to allow the acquisition of property by exercise of options to purchase contained in short-term leases, applying to the purchase price all or part of the prepaid rents without reimbursement to the appropriation funding the rent payments. It also contains provisions relating to the disposal of property, the acceptance of settlements for damages to property of the Department abroad, and the acceptance of gifts of property.

The Office of Foreign Buildings of the Department of State administers the office requirements and some of the housing needs of other civilian Government agencies and military attachés abroad. Thus the sums contained in the bill are intended to meet the requirements of many agencies other than the Department of State. Specific sums are authorized separately for USIA and Defense and Agricultural attachés. Office space and living quarters are included for commercial, labor, science, mineral, and fisheries attachés and their staffs. Subject to the availability of Government-owned space, provision is made for office space for all other U.S. Government agencies represented abroad such as Veterans' Administration, Immigration and Naturalization Service, Customs, FBI, General Accounting Office, and the American Battle Monuments Commission. Office space in Embassy buildings for key staff personnel of the Agency for International Development is also provided. Special requirements for office space and housing for AID personnel are included in AID's own program request.

Mr. Speaker, I urge the adoption of House Resolution 876 in order that H.R. 14019 may be considered.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. YOUNG. I am glad to yield to the gentleman from Missouri.

Mr. HALL. I wonder if the gentleman would explain why the Rules Committee, in its wisdom, has again reverted to waiving points of order for consideration of H.R. 14019.

Mr. YOUNG. Mr. Speaker, I would advise the gentleman from Missouri it was my understanding that the waiver of points of order was necessary because of the treatment of funds in this bill, involving donated funds, which will be used in connection with the construction of the various buildings.

Mr. HALL. Mr. Speaker, would the gentleman elaborate on that a little further? Was this requested by the chairman of the Committee on Foreign Affairs?

Mr. YOUNG. It was requested by the chairman of the Subcommittee of the Committee on Foreign Affairs.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's answer. Simply the handling of donated funds for foreign service buildings would not require a waiver of points of order and a restriction of the rights of the individually elected Members of the House of Representatives, in respect to authorizations for the origin of tax, tariff, or levies; which constitutionally must originate in the House, and not permitting the Members to work their will.

I wonder if the gentleman could explain further the wisdom of the Committee on Rules. I realize the gentleman is speaking for another member of the Committee on Rules, and I do not wish to embarrass the gentleman from Texas at all.

Mr. YOUNG. Mr. Speaker, I appreciate the inquiry. I share the gentleman's concern about these matters. I will advise him to the best of my ability. It is my understanding that matters involving appropriations or moneys expended in the line of appropriations do require a waiver of points of order. That is why they have been waived. If we are in error, we will stand corrected.

Mr. HALL. Could the gentleman quote the House rule which necessitates the waiver under this unusual circumstance?

Mr. YOUNG. Not offhand, Mr. Speaker. I shall be glad to consult with the authorities on parliamentary procedure and furnish the gentleman such information, if he considers it of sufficient importance.

Mr. HALL. I would appreciate it. I believe it is.

As the gentleman knows, we are compiling a list of bills on which points of order are waived which to my mind do not allow an open rule; although I realize that the gentleman refers only to the amendment process and the 5-minute rule as being "open."

There is no reference in the report that I can find as to the necessity for waiving points of order on the rule on this bill.

Mr. YOUNG. I should be very happy to obtain the information for the gentleman.

Mr. HALL. I thank the gentleman.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I should like to continue the colloquy conducted between the gentleman from Missouri and the gentleman from Texas. I believe the answer to the question of the gentleman from Missouri [Mr. HALL] can be found on page 8 of the report.

As I understand it, there is a single word in the bill which might subject it to a point of order. That is in the language found on lines 20 and 21 on page 4, where reference is made, as the gentleman from Texas [Mr. YOUNG] said, to "proceeds derived from dispositions, payments, or gifts."

As I understand it, what we would do by this bill, which is being handled today, is amend the Foreign Service Buildings Act, which was orginally passed in 1926.

There is no authority under that act to use funds that may be authorized and appropriated pursuant to that act for operational expenses or improvements. It is the desire of the committee, I believe, to be able to use any gifts that may be received by the U.S. Government from time to time and use them without any hindrance either for operational purposes or for improvements to property presently owned. I think that the language on page 8 of the report makes that clear.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Is that the last paragraph on page 8?

Mr. ANDERSON of Illinois. No. I am referring to the first full paragraph at the top of page 8 of the committee report.

I think the gentleman from Texas [Mr. YOUNG] has already amply explained the purposes of this bill. In addition to authorizing $27 million for construction, major alteration, and long-term leasing, it is my understanding that it also authorizes an additional amount of $25,350,000 over the next 2 fiscal years for maintenance, repair, and furnishings. This, of course, is a considerable sum of money, but you have to bear in mind that not only do we have 275 separate posts operated by the Department of State, but they also have the administrative or housekeeping responsibility for providing quarters and office space for a great number of other agencies, such as AID and labor and agricultural attachés. A great many agencies of the Government are conducting overseas operations. So this bill would fund space requirements not only of the Department of State but of these other agencies as well.

Now, Mr. Speaker, I note in the report, and I think the subcommittee of the Committee on Foreign Affairs should be commended for the fact that they did reduce the original request received from the executive branch by slightly more than $7 million as a result of hearings they held over a number of months. Their report indicates in acting on this departmental request they have acted in accordance with the criteria established by the committee back in 1952 for the construction of housing and office space for our various overseas facilities.

In summary, then, the purposes of the bill are: to authorize $27,610,000 over the next 2 fiscal years for the construction, major alteration, and long-term leasing of overseas buildings necessary for the operation of the Department of State in its 275 posts; and to authorize $25,350,000 over the next 2 fiscal years for the maintenance, repair, and furnishing of such buildings. The bill also contains provisions relating to the disposal of overseas property, acceptance of gifts of such property, and for settling damage claims to U.S. property.

The funds authorized will be used to construct housing for many Government agencies besides State. Specific, separate funds are earmarked for USIA and the Defense and Agricultural attachés. Other agencies who will benefit under these authorizations include AID, the Customs Service, and the Immigration and Naturalization Service. State is charged, as part of its overseas operations, to provide office space for agencies working abroad.

In its consideration of the projects proposed by the administration, the Committee on Foreign Affairs followed these criteria: First, to provide consolidated office space for the Foreign Service and other agencies. Second, to assure a maximum degree of security, particularly in problem areas. Third, to provide Government-owned, furnished residences for all ambassadors and ministers. Fourth, to provide Government-owned, furnished residences for officers in charge of consular posts and senior officers at the principal diplomatic missions. Fifth, to provide Government-owned, furnished quarters for the substantial part of the American staff at posts where special problems exist. Under normal circumstances the committee has opposed Government-owned apartment buildings which make the staff an American island apart. It favors dispersing Americans throughout the community so that they can become a part of it.

The bill increases the authorization for the Saigon chancery by $1.6 million to insure a structure large enough and secure enough to meet present needs.

In addition to specific sums within the authorization for Defense and Agriculture attachés, the authorization is broken down into five geographic areas. For each of these areas the funds authorized are: Africa, $5,485,000; American Republics, $5,720,000; Europe, $3,310,000; Far East, $3,150,000; and Near East, $6,930,000. The total authorization is about $10 million less than requested.

There are no minority views.

Mr. Speaker, there was no opposition in the subcommittee to this bill. It was reported unanimously by the full Committee on Foreign Affairs.

Mr. Speaker, I recommend the adoption of the rule.

Mr. YOUNG. Mr. Speaker, I have no further requests for time.

I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RELATING TO ECONOMIC OPPORTUNITY ACT FUNDS

Mrs. MINK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Hawaii?

There was no objection.

Mrs. MINK. Mr. Speaker, on Wednesday, June 8, this body was told that $8,000 in Economic Opportunity Act funds had been used to fly Job Corps trainees from Honolulu to the San Francisco Bay area via United Air Lines to harvest asparagus.

I undertook an immediate investigation of this matter and the statement was completely untrue. Not only were no Job Corps trainees flown from Hawaii to work in California, but at the time of the alleged incident there were not even as many Job Corps trainees in Hawaii.

Further, I have checked with the Hawaii State director of the economic opportunity program and have been advised that no funds whatever were used for transporting student hire for asparagus or any agricultural harvesting in California. Unconfirmed reports advise me that inquiries for student hire have been made by private companies.

I am in receipt of the following statement issued by the OEO also refuting this claim:

OEO DENIES GUBSER ALLEGATION

OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C., June 9, 1966.

The statement by Representative CHARLES S. GUBSER, of California, that the Office of Economic Opportunity spent "at least $8,000" to fly 40 workers from a Job Corps center in Hawaii to pick asparagus in the San Francisco Bay area was completely in error.

Dr. Franklyn A. Johnson, Director of Job Corps, said that no Job Corpsmen have been flown from the Hawaiian center, Koko Head. "A group of 14 young men, who formed the cadre for the center, were the only ones at the center on May 15, when the trip allegedly was made," Dr. Johnson said.

"The first contingent of trainees, approximately 30 of them, arrived at the center on May 20th," he said.

A check with the state OEO coordinator in Honolulu revealed that no anti-poverty program personnel or participants in any of the OEO programs participated in such a flight.

Airline representatives reported that on May 7 a group of 50 farm workers flew from Honolulu to San Francisco, destination Stockton, to help harvest crops. The trip was privately sponsored.

Rep. GUBSER also referred to a grant of $267,000 to the National Farm Workers Association, which is now on strike. An OEO spokesman emphasized that no funds have been released to the Association. The Association President, Caesar Chavez, requested that no funds from the OEO grant be made available while the strike continues.

INCREASING THE AMOUNT OF BONDS ISSUED BY THE TVA

Mr. JONES of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15225) to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15225, with Mr. FULTON of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Alabama [Mr. JONES] will be recognized for 1 hour and the gentleman from Florida [Mr. CRAMER] will be recognized for 1 hour.

The Chair recognizes the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill, H.R. 15225, amends section 15d of the Tennessee Valley Authority Act of 1933, as amended, to increase the amount of bonds which may be issued by the Tennessee Valley Authority from $750 to $1,750 million.

This bill was reported without objection from the House Public Works Committee following hearings May 31, 1966.

Under the amendments to the original Tennessee Valley Authority Act of 1933 passed in 1959 as Public Law 137 of the 86th Congress, the Tennessee Valley Authority was granted authorization to issue bonds in the amount of $750 million for the construction of generating and transmission facilities. That authority has been well used. The TVA has been able to plan and proceed with electric facilities to meet the ever-growing needs for power in the area. But the $750 million is at the point of exhaustion.

As the report of the Committee on Public Works points out, H.R. 15225 has a very simple objective. It will raise by $1 billion the amount of bonds TVA is permitted to have outstanding to finance the facilities required to meet the growth of power use in the region it serves.

No other change is recommended in the revenue bond financing legislation adopted by the Congress in 1959. Then the TVA Act was amended to provide an additional source of capital for investment in power facilities. It was a milestone in the life of TVA, permitting the agency to go to the private money market for capital to supplement that available from proceeds and from appropriations by the Congress.

Consideration of that major amendment was prolonged. Hearings were extensive, discussions and debates were lengthy, and out of all the study, the hearings and debate, came a durable and effective measure. The pioneering years have demonstrated that Congress acted with wisdom and with foresight and that the management of TVA has used the authority of the legislation with intelligence and skill. As a member of the committee which reported the bill to the House in 1959 it is with some pride that I report that no substantive change need be recommended now.

The bonds to be issued in the future, like those outstanding now, will not be guaranteed by the Government, but secured solely by the revenues of the power system. They will not be tax exempt. I am confident that like earlier issues they will receive the highest ratings and find ready acceptance by the public.

Today TVA's outstanding borrowings total $345 million—$145 million in long-term bonds, $200 million in short-term borrowings. To complete construction already under way issuance of another $155 million will be required. This leaves only $250 million of the original authorization of $750 million to take care of future growth, and more than that amount will be required to purchase two units on which bids have already been received. One of these units is scheduled for service in the fall of 1970, the other a year later. At the present time the huge generating units installed by TVA must be ordered 4 or 5 years in advance of the time of their initial service. This is why the Committee on Public Works brings before you for approval today a bill to increase the bond authorization by $1 billion.

Uncertainty in power supply is intolerable in the modern world. The defense establishments supplied by TVA, the NASA Marshall Space Flight Center at Huntsville, Ala., the Air Force Wind Tunnel Research Center at Tullhoma, Tenn., AEC facilities at Oak Ridge, in Tennessee, and Paducah, in Kentucky, and other Federal installations must not have anxieties about power supply to impede their future planning.

Chemical and metallurgical industries must be confident that energy will be available to permit them to respond to the demands of America in peace or in war. The homes and farms of the area, all the small businesses and commercial establishments, must be certain that their power supplier will never fail to provide the electricity they need. The 158 locally owned distributors to which TVA sells power at wholesale must be able to expand their facilities without qualms with respect to the ability of their supplier to meet their growth.

This is the objective of the pending amendment. It will not increase capital investment this year. It will simply make certain that the TVA, like every power system in the United States, can plan ahead to meet the requirements of the area which depends upon it for power supply, an area of about 80,000 square miles, where more than 5 million people live.

Increasing the authorization by a billion dollars will, according to present estimates, provide the bond proceeds required to finance the addition of facilities for an additional period of something over 6 years. About 10.5 million kilowatts of additional capacity will be needed during the period of 6 or 7 years and the investment of $2 billion for generating and transmission facilities will be required. Power revenues available for reinvestment after expenses, debt service and Treasury payments are estimated at $800 million. This means that borrowings of about $1.2 billion will be required to meet the power needs of the region.

The sum cannot be forecast with exactness. If prices continue to rise, the cost of facilities will go up. Operating expenses may be higher than now estimated, leaving a smaller amount for reinvestment. The period during which the additional billion dollars will be adequate may be shorter. At this time, however, the estimate represents the best judgment of those most competent to judge the growth of capacity and its cost.

Enactment of the pending bill will permit TVA, its power distributors, all electricity consumers, to make plans for the future, assured that funds will be available to finance expected growth. As I stated earlier, nothing else in the basic bond legislation will be changed. TVA's payments from power proceeds to the Treasury will continue under the same schedules.

Two kinds of payments are made each year. One is in reduction of the appropriation investment in power facilities. The amount is fixed in the statute. For 5 years, beginning with fiscal 1961, $10 million was repaid. This year, fiscal 1966, $15 million will be paid and that amount will be received for 4 more years. Payments will then increase to $20 million and remain at that figure until the appropriation investment has been reduced by $1 billion.

To this amount is added every year, a dividend to the Government as owner, a return on the appropriation investment. It is calculated by applying to the remaining appropriation investment the average cost of money to the Government at the beginning of the fiscal year. For fiscal year 1966, for example, the current year, TVA will pay $43,873,084 as a return.

Together with the reduction of appropriation investment, payments from TVA power proceeds this year alone will reach $58,873,084. Total cash payments under the two schedules since the bond financing legislation was adopted in 1959 will be $308,528,074 by the 30th of this month, the end of fiscal 1966. These payments will continue. They are not affected by the bill before us today.

I would not want to leave the impression that TVA had not made cash payments to the Treasury prior to the adoption of the 1959 amendment. Payments had been made under different schedules, and TVA has met every commitment. The total is impressive. From the beginning of its life to the end of this fiscal year TVA will have paid $558,659,593 to the Treasury from power proceeds.

Those payments to the Treasury are only a small share of the national benefits of this power system created by Congress and managed by TVA. Its achievements cannot and should not be counted in dollars. It was not created to provide the largest possible income for the Government, its owner. It was created to serve the people, to stimulate the economy of a great region, and to show for all the world to see what happens when electricity is made abundantly available to all the people at reasonable cost, when it is used as a weapon to fight poverty, to raise the quality of life.

The TVA's contribution to the Nation has been immense, stimulating to see and to report. It has given a demonstration of the results of a low-cost, high-use pricing policy, and proved beyond a doubt that at reasonable rates the consumer's appetite for electricity is almost limitless, that unit costs go down with increasing use, and income rises. To maintain low rates in the face of rising costs has been a challenge, and TVA has responded by adopting new and better equipment, larger and more efficient generating units, higher voltage lines. Its experience is available to power systems everywhere.

Incidentally, the TVA has entered into mutually advantageous agreements with neighboring private power companies. These agreements enable the TVA systems to exchange large blocks of power at times of heavy seasonal demand due to the differences in peak load requirements among various regions. This means that both the TVA and the private firms can avoid installation of costly generating capacity which would be idle during off seasons. Both are able to make most efficient use of their generating investments.

Every year the Federal Treasury saves millions of dollars because Government installations are served by TVA, and every year jobs are created, profits are realized, tax collections increased in other areas of the United States because power use in the TVA area is growing. During its life, through fiscal 1965, TVA has bought almost $1.5 billion worth of equipment, much for power requirements, in States outside the Tennessee Valley. This represented 76 percent of all expenditures for manufactured articles. Those purchases will continue. In the same way the 158 distributors purchase much of their equipment outside the region, and since the end of World War II electricity consumers themselves have spent nearly $4 billion for the appliances whose use is reflected in the statistics of increased electricity consumption. Almost all have been fabricated in States remote from the area where they are used.

The benefits of the TVA power system are shared throughout the Nation. They will grow. Enactment of the bill before us now will guarantee that the record of service continues unbroken.

Mr. Chairman, I hope the Committee will receive this bill favorably.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the distinguished member of the Public Works Committee, the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, the gentleman stated, did he not, that this bill does not make any substantive change in the 1959 act other than increasing the amount of the bond issue?

Mr. JONES of Alabama. The gentleman is absolutely correct.

Mr. CRAMER. So the bill does not involve itself with the territorial limitations that were written into the 1959 act. They remain?

Mr. JONES of Alabama. They remain as they were written in the act of 1959.

Mr. CRAMER. Mr. Chairman, I understand further that these bonds are sold on the public market?

Mr. JONES of Alabama. That is true.

Mr. CRAMER. They have been drawing between 4.4 and 4.7 percent interest; have they not?

Mr. JONES of Alabama. That is correct for the long-term bonds sold on the public market.

Mr. CRAMER. The repayment schedule which was set out in the 1959 act remains, and the repayments have been, under that schedule, in excess of approximately $300 million of principal and interest since 1959; have they not?

Mr. JONES of Alabama. That was brought out in response to an inquiry the gentleman propounded to Mr. Wagner when he appeared before the committee. It was estimated that by June 30, 1966, there will have been payments from power proceeds of $309 million under the 1959 legislation.

Mr. CRAMER. Also we went into the question of the Buy American Act. We went into that pretty well at the hearings. It does not change. It has been fully applied by the Commissioner. Is that correct?

Mr. JONES of Alabama. That is true.

Mr. CRAMER. It is true, also, that the repayment schedule, as set out in the 1959 act, will continue to be in full force and effect—relating to principal and interest on the former, that $1.2 billion of investment—as between TVA and the Federal Government?

Mr. JONES of Alabama. The schedule of payments was established in the 1959 act, and has been maintained.

Mr. CRAMER. Can the gentleman give me additional assurance? There have been some rumors by some sources to the effect that, should this bill get to the other body, there would be possibly an amendment proposed to increase the territorial limitation set out in the 1959 act. As I understand it, the gentleman would oppose any such effort; would he not?

Mr. JONES of Alabama. I would feel compelled to stay with the position of the House, I will say to the gentleman from Florida.

Mr. HALL. Mr. Chairman, will the gentleman yield for a single question?

Mr. JONES of Alabama. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate that the distinguished chairman of the subcommittee has yielded for this purpose. I would like to know if either under the old law or this amendment proposed by H.R. 15225, which I understand the committee brought out unanimously, there will be any sale of bonds to the public?

In other words, would the Government purchase any? After this was thrown on the open market, for individual subscription by the public, if any of it were picked up by the Government, through the branches of Government—FNMA or others—would that be eligible for participation under the recently passed Participation Sales Act?

Mr. JONES of Alabama. No, sir; they would not be eligible.

Mr. HALL. I thank the gentleman.

Mr. CRAMER. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN of Tennessee. Mr. Chairman, on April 6, 1966, I introduced a bill to amend the Tennessee Valley Authority Act of 1933, as amended, to remove the $750 million limitation entirely on the authority of the TVA to issue bonds to finance its power program, and for other purposes. That bill H.R. 14316, was referred to the Committee on Public Works.

Subsequent to the introduction of H.R. 14316, the President recommended that the TVA Act be amended by increasing the bond limitation from $750 million to $1,750 million. Subsequently enabling legislation was introduced, the bill now being considered H.R. 15225. Although many of us would liked to have seen the limitation removed entirely, I introduced a companion bill, identical to H.R. 15225, providing for the increase to $1,750 million. This legislation is a "must" for the some 5 million people who live in the area whose power needs are supplied by this agency.

Since 1933 the Tennesee Valley has risen from an economically starved area to a revitalized industrial region providing a balanced economy. Three decades ago its people were living on incomes less than half of the national average.

Today the Valley is an area of growing strength—achieving spectacular economic growth. This phenomenal economic growth can be attributed primarily to the Tennessee Valley Authority and its many beneficial programs.

If the area is to meet economically the future's challenge, it must respond to change. In my opinion favored action on increasing of this bond limitation will assist in producing these desired objectives—stimulating the economic growth and development of the area.

But TVA is far more than a supplier of power to an important area of the country. Its power program represents just one part—though a very important part—of a regional resource development program which has captured and held the imagination of the world.

Many visitors from all parts of the free world come to the Tennessee Valley, and to Knoxville, to see and to hear about this world-famed agency.

And one thing that these visitors are deeply impressed with is the capable and dedicated personnel of TVA. In my opinion, one of the real secrets of TVA's success has been its continued ability to attract talented, enthusiastic employees, and to maintain a working spirit that is inspiring. Time after time, I have heard visitors of varying backgrounds and beliefs express their praise of TVA's highly competent staff.

It is certain that TVA's power program, and the other portions of its multiple-purpose activities, will be efficiently administered by a staff of high quality and dedication.

Last year more than 3,000 foreign visitors came to study TVA. These visitors came from an amazing number of countries—from 93 nations of the free world. Yes, in 1 year, representatives of 93 nations journeyed to the Tennessee Valley to study and observe TVA in action.

These study visitors were seriously interested in learning more about TVA, probably so they could apply the knowledge to their particular job in their own country. This is a special TVA contribution—supplying vital and much-needed technical information to specialists from the less wealthy nations, and serving as a symbol of how our country develops its resources on a comprehensive basis for the Nation's benefits.

The bill under consideration deals only with the electric power part of TVA—an important part of the total TVA program, and a portion which is growing rapidly. TVA must have the authorization to continue to go into the private money market to borrow funds for power growth.

This method of financing TVA power facilities—through revenue bonds, backed by TVA's revenues from the sale of electricity—was recommended by former President Dwight Eisenhower. The plan has worked well, and I support its continuation.

Passage of the legislation now being proposed is essential in order that a vital part of the TVA regional resources development program will go forward and the integrity of the program as a whole will be preserved.

Mr. CRAMER. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. MARTIN].

Mr. MARTIN of Alabama. Mr. Chairman, I am a cosponsor of this legislation to remove the existing bond ceiling of $750 million which is now imposed on the Tennessee Valley Authority. It is imperative that this ceiling be removed so that the power needs of the valley may be adequately met in the future.

Thinking of the gigantic growth in the southern part of the country both in the Tennessee Valley Authority area and the area served by private power, I am reminded of the tremendous strides the Alabama Power Co. has made in extending its facilities in meeting the growing needs of the people in an area where we have had a tremendous industrial expansion. I have watched that fine company proceed with its program to expand its facilities to meet its needs and I think all of us are aware that the Tennessee Valley Authority must be permitted the same area in which to grow and expand, because this part of the country is moving forward very rapidly.

TVA has $345 million in revenue bonds outstanding at the present and another $155 million committed on present and proposed construction. Bids were taken on new generating facilities on April 28 and awards to be let, which will probably include two generating units because of the economies involved, will probably total some $230 million. This will leave only some $20 million of bond authorization. Since 3 to 5 years' leadtime is needed to provide additional generation and transmission, you can see the necessity of additional authorization now.

A ceiling on TVA's bond authorization provides no useful purpose. TVA is limited geographically under restrictions imposed in 1959 amendments to approximately the area it served in July 1957. Therefore, future growth can only take place within this area. No threat exists to other power entities adjacent to TVA.

TVA bonds carry the very highest market rating. No danger exists in TVA selling more bonds than it can retire. The investors who purchase the bonds are the best insurers of the bond fidelity of TVA. Of course this is true in the bond issuings of any company. Congress continues to review the actions of TVA and will always be in a position to know the exact status of the authority at all times. Removal of the bond ceiling will allow the TVA Board to operate free of restrictions that are not present in other businesses.

TVA and its distributors have a good record of holding down costs and rates in the past. If rates must be adjusted upward in the future, which we certainly hope they will not, these adjustments will be as a result of continually increasing costs in all areas and not because more facilities must be constructed.

Mr. JONES of Alabama. Mr. Chairman, I yield such time as he may require to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I wish to commend the gentleman from Alabama who has done such a fine job with this bill, as he has with many others in the past, not only for the Tennessee Valley Authority but for public works generally.

Not only has our colleague, BOB JONES, done a fine job in presenting the bill; but for months he has done a splendid job of getting the provisions of this bill understood by the Members of the Congress and the general public. No one has done a greater service for his area than BOB; nor has there been a better friend of this Nation's public works and public welfare. His work for the TVA region and for a sound operation of the TVA is unsurpassed.

I support the present bill on its merits, and feel that due to the spadework done by our colleague the entire membership recognizes its soundness. Mr. Speaker, I would like to present to the Congress the testimony before the Appropriations Subcommittee for Public Works, of which I have the honor to be a member. This testimony appears on pages 859–862, part 2 of the hearings for fiscal 1967, and clearly demonstrates the need for the pending legislation.

I quote:

TVA FINANCING

I have followed with interest the justifications and the questions and answers.

As I stated earlier, through the years I have worked rather closely with the TVA because much of my own district has always been part of the TVA power service area. During that period we have had many ups and downs so far as enabling TVA to supply the power needs of the area where it is the sole supplier.

Mention was made of the earlier payments. I was on the Government Corporations Subcommittee when that formula was worked out. There was a tremendous pressure to take out of the TVA till, in my opinion, more funds than you would have found it possible to live without. It was then that we wrote this formula where over a period of 40 years you return to the Treasury all of the power investment, with the right to return 25 percent in any 10-year period. This gave you the latitude to take advantage of the ups and downs in power revenues.

I think I made the closing argument when we had the fight about the new Johnsonville plant, when in response to the first request funds were not made available by appropriations. On another occasion, at Mr. Cannon's request I cooperated with him in the report which affirmed TVA's right to use power revenues for investment in power facilities.

As I have pointed out earlier, in recent weeks six additional counties in the Tennessee Valley area have been added to the district I have the honor to represent.

BONDING LIMITATION

The Chairman has developed the requirements that you are going to have for additional power, and the fact that you have under existing law a limitation of $750 million on the bonds that you can issue. I would like to pursue that a little further.

As I stated earlier, we deal, on the Appropriations Subcommittee, with the Rural Electrification Administration. As fewer and fewer people are engaged in agriculture, or as we come up with these new and better methods of production with less and less manpower, we have learned it takes considerable additional power. The demand for electricity under the development that we are having, both agriculturally, industrially, and for domestic use is almost unbelievable.

In connection with that, the figures show we have only about 7 percent of our people back on the farm. All of the crowd that has left the farm has been substituted by machinery or some other means of power. Your industrial plants, of course, in turn use it. The record shows we are having an increase of 3.5 million people per year. So, if everybody just uses the same amount of electricity, with a 3.5 million people per year increase, we can see where it is leading us. In fact, the year 2000 we expect we will have 340 million people instead of 240 million.

REGION SERVED BY TVA

Now I come to this: You are the sole supplier of how big a region?

Mr. WAGNER. 80,000 square miles.

Mr. WHITTEN. And under the law you are limited as to the region TVA can serve?

Mr. WAGNER. That is correct.

Mr. WHITTEN. So there is no danger, then, of TVA expanding into other areas under the existing law?

Mr. WAGNER. The law prohibits it.

Mr. WHITTEN. Within the area, if I understand the record you have, with all the fine things that you have done, the average income still is only about 69 percent of the national average.

Mr. WAGNER. That is correct.

ISSUANCE OF BONDS

Mr. WHITTEN. So, if the Congress does not permit you to issue such bonds as may be required to increase your power supply to meet the needs of this region, this region, inferentially, would lag behind or start dropping back in meeting its growing needs.

Mr. WAGNER. That is correct.

Mr. WHITTEN. In the event that the $750 million will not meet your needs, and you have about reached that limit, then you would have no alternative but to come to the Congress and ask for appropriations?

Mr. WAGNER. That is correct.

Mr. WHITTEN. That is the only alternative unless you would fail the needs of the area.

INCREASED POWER USAGE

I am trying to show you are no different from the rest. You may have to supply the exact figures for the record, but I would like a rough estimate at this time, subject to correction, of what has been the increasing power use in this country for the last convenient period for which you have records. Can you give us some estimate about the growing use?

Mr. WAGNER. I would like these figures to be corrected, if necessary.

It is about 7 percent per year nationally, I believe, and closer to 10 percent in our area.

Mr. WHITTEN. You can correct the record.

What about the power companies you have adjoining you? I think the record shows that they prospered because TVA was effective in providing for maximum use and large use at lower rates instead of higher rates and less use. What has been the record of investment by the power companies that surround you or are in the general area? Haven't they been expanding about as rapidly as you have?

Mr. WAGNER. Yes, sir, that is correct. The power companies around us have generally reduced their rates, or held their rates lower than in the country as a whole. Their profits have risen much faster than utilities in general, and power use in the areas they serve has grown rapidly.

Mr. WHITTEN. Now the company investment in enlarging their production facilities has been keeping apace with you, too, has it not?

Mr. WAGNER. Yes.

Mr. WHITTEN. Could you supply other detailed information along that line?

Mr. WAGNER. Yes.

(The information follows:)

Adjoining power companies

	Installed capacity end of year (1,000 kilowatts)		Loads (billion kilowatt-hours sales)		Average residential rate (cents per kilowatt-hour)	
	1953	1963	1953	1963	1953	1963
Alabama Power Co.	1,130	2,461	6.0	12.9	2.05	1.77
Arkansas Power & Light Co.	524	1,099	3.4	5.8	3.21	2.82
Carolina Power & Light Co.	599	1,653	3.3	7.8	2.18	1.84
Georgia Power Co.	1,148	2,423	6.2	14.2	2.14	1.84
Kentucky Utilities Co.	306	792	1.7	2.7	3.04	2.80
Mississippi Power Co.	148	469	.7	2.1	2.98	2.24
Mississippi Power & Light Co.	447	646	1.8	2.9	3.39	2.40

Source: "Statistics of Electric Utilities in the United States" (1953 and 1963) by Federal Power Commission.

NEED FOR ADVANCE PLANNING

Mr. WHITTEN. And now we come back to this: How much advance planning and commitment do you have to do? You can't build one of these dams or one of these big steam plants and then get the money afterward. You have to have the money before you can start construction. How much lag is there between the time you can see a need and have to commit your money and the time you can have that unit in your system supplying the power?

Mr. WAGNER. Normally we have to count on at least 4 years.

Mr. WHITTEN. So, if you get up to the bond limit before some remedy is given you, you could have a 4-year lag there which would put the people in this area, where you are the sole supplier, in a terrible fix?

Mr. WAGNER. That is correct. We will need to award a contract for a large generating unit about a year from now, which will, as near as we can tell, require more funds than the $750 million ceiling on borrowings will provide us.

NEED FOR PRIOR CONGRESSIONAL ACTION

Mr. WHITTEN. You are talking about your immediate situation. I am trying to project this further in the future. The point is that Congress is going to have to act 4 years in advance of your actual demand for the power or else you will have that 4-year lag.

Mr. WAGNER. Yes, that is what I meant.

Mr. WHITTEN. Whenever it runs out.

Mr. WAGNER. We have to have it before next spring because the unit we start next spring has to be on the line 4 years hence.

Mr. WHITTEN. Along with your colleague, Frank Smith, who is one of your directors, I am familiar with the passage of this law, in which he participated to a great degree. But, for the record, the bonds you issue are sold on the open market, are they not?

Mr. WAGNER. Yes, sir.

Mr. WHITTEN. They are not guaranteed by the Government, and you have to pay those bonds out of revenues?

Mr. WAGNER. Yes, sir; out of power revenues.

Mr. WHITTEN. And you have to charge enough for power not only to pay those bonds but to make your repayments to the Government?

Mr. WAGNER. That is correct.

Mr. WHITTEN. So if Congress gives you the right to meet the needs of the area where you are the sole power supplier, the investing public would run no risk and the repayments to the Government required by law would not in any way be jeopardized, would they?

Mr. WAGNER. That is correct.

QUESTION OF BONDING CEILING

Mr. WHITTEN. The thing that disturbs a lot of people is the question whether some arbitrary limit should be put on how many bonds you can issue. From what you say it seems to me that it is self-limiting in that the buying public would look to see what your earning capacity was and your power needs were. The bond buyer would have to be satisfied that new power facilities and the earnings therefrom would pay the interest on and repay any bonds TVA proposed to sell. These facts would act as a limitation on the amount of bonds that could be issued.

You have a string around your area, that is one limitation, and the bonds you issue must go to the money market where business tests would be applied. That is another. It looks as though the interests of the investor and the Government as owner are protected, and that the region can be sure of power supply if the present bond legislation is continued but without a ceiling on the amount to be issued.

Mr. WAGNER. That is correct. We can't sell more bonds than the earning capacity of the system will support.

Mr. EVINS. Do you consider this one of the items of highest priority of TVA in the immediate future?

Mr. WAGNER. Yes, sir; the highest.

Mr. EVINS. Mr. Davis.

Mr. GROSS. Mr. Chairman, will the gentleman from Alabama yield for a question?

Mr. JONES of Alabama. Mr. Chairman, I yield myself 2 minutes for the purpose of answering the queries addressed to me by the gentleman from Iowa.

I now yield to the gentleman from Iowa for that purpose.

Mr. GROSS. Mr. Chairman, I thank the gentleman from Alabama for yielding. Unfortunately, I had to answer a long-distance telephone call and was not here when the gentleman was previously questioned concerning these bonds.

Do I understand that there is no obligation on the Federal Government with respect to the bonds that would be issued?

Mr. JONES of Alabama. They are not general revenue bonds in that sense. They do not have the full faith and credit of the Government as the normal bonds issued by the Secretary of the Treasury do.

Mr. GROSS. But the Federal Government does not guarantee these bonds. Is that correct?

Mr. JONES of Alabama. That is correct.

Mr. GROSS. Was there some reference made to the interest rates that these bonds will carry?

Mr. JONES of Alabama. Yes.

Mr. GROSS. Was that 4½ or 4¾ percent?

Mr. JONES of Alabama. Within that range.

Now, Mr. Chairman, in addition to the interest on the bonds, TVA pays to the Treasury a return on the investment of appropriated funds. In addition to that it is repaying under a schedule in the 1959 law $10 million for the first 5 years and $15 million for the second 5 years, and then $20 million thereafter for the retirement of $1 billion of the appropriated investment.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, if certificates are sold under the Sales Participation Act at 5½ percent interest, does the gentleman think that these bonds can be sold at a considerably less rate of interest?

Mr. JONES of Alabama. Well, they have had a raise, and they have been well received.

As I pointed out to the question that was asked of me by the distinguished gentleman from Missouri, the certificates that the Treasury buys are in the form of notes.

Now, section 15(e) provides that notes can be purchased by the Secretary of the Treasury and they are short-term notes.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 1 additional minute.

The CHAIRMAN. The gentleman from Alabama is recognized for 1 additional minute.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, of course, we have had no Sales Participation Act to compete with bonds of this nature in the past, insofar as I know.

Are these bonds actually tax exempt?

Mr. JONES of Alabama. No; they are not tax exempt.

Mr. GROSS. And the gentleman thinks that it is reasonable to assume these bonds can be sold even in competition with the Sales Participation Act?

Mr. JONES of Alabama. They have been purchased since 1959. Therefore, there is no reason to suspect that they will not be well received by the purchasing public.

Mr. GROSS. I thank the gentleman from Alabama.

Mr. HALEY. Will the gentleman yield?

Mr. JONES of Alabama. I yield to the distinguished gentleman from Florida.

Mr. HALEY. Will the gentleman from Alabama inform the House as to the percentage of energy generated throughout the TVA system that is generated by other than waterpower?

Mr. JONES of Alabama. Well, the thermal generation has increased by leaps and bounds, because the waterpower has been exhausted.

My recollection is that around 70 percent of the total amount of power generated by TVA is thermal generation.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 1 additional minute.

Mr. HALEY. Mr. Chairman, if the gentleman will yield further, would it be right to say or am I correct in this that today with the new techniques of transmitting power the TVA program and all of these other great systems now can transmit power probably 10 times farther than they did when the TVA was originally established?

Mr. JONES of Alabama. That is exactly a fact and it has been pointed out not only in TVA but the other power systems.

Mr. Chairman, the capability of transmitting power has almost trebled in the distance at which it can be transported. There has also been almost the same amount of increase in load factors with reference to transmission.

Mr. Chairman, we are talking in terms of 500-kilovolt transmission at the present time.

Mr. HALEY. Mr. Chairman, if the gentleman will yield further, with no limitation as to the delivered areas as far as the TVA is concerned—and I understand that is true; that they have no limitation as far as marketing areas are concerned—we could transmit power and build plants all over the Nation?

Mr. JONES of Alabama. No; that is a mistaken idea.

I will say to the gentleman from Florida [Mr. HALEY], that under the 1959 act we limited the points to which TVA could transmit power.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 1 additional minute.

The CHAIRMAN. The gentleman from Alabama is recognized for 1 additional minute.

Mr. JONES of Alabama. Mr. Chairman, the only exception we made was that TVA could continue to exchange power with the utilities with which they had arrangements prior to the 1959 act.

Mr. HALEY. I thank the gentleman from Alabama.

Mr. HUTCHINSON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Michigan.

Mr. HUTCHINSON. Is it intended that this billion dollars worth of additional bonds is to be issued rather immediately?

Mr. JONES of Alabama. As the gentleman heard me say in my general statement, I pointed out that this bonding arrangement would take care of the power generation and distribution requirements for the next six or seven years and, consequently, the TVA would not issue bonds until there was a requirement to do so.

Mr. HUTCHINSON. My concern arises out of the fact of the present tightness of the money market and so on, and I am just wondering what the effect of issuing such a large amount of bonds in the immediate future might be.

Mr. JONES of Alabama. I would point out to the gentleman that in the 1959 act, that is one reason why we stipulated in the act that the bonds could be sold on the market or could be purchased by the Secretary of the Treasury on such terms as he thought would not be contrary to the best interests of the Government.

Mr. HUTCHINSON. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman.

Mr. WHITTEN. As a matter of fact, this fixes a limit on the total amount that can be outstanding at any one time.

For that reason, it does not indicate in any way that this would be done in any hurried fashion or that any large amount would be issued at one time, but it sets the limit that can be outstanding at any one time. Is that not correct?

Mr. JONES of Alabama. That is correct.

Mr. ANDERSON of Tennessee. Mr. Chairman, the authors of the Tennessee Valley Authority Act of 1933 wisely included as a purpose of the act, "to provide for the national defense." The wisdom and foresight of this purpose was eminently demonstrated by TVA's unprecedented contributions to the Nation's efforts in World War II and during the Korean conflict.

The national need for electric power during World War II was tremendous. To meet this need the TVA broke world records in the construction of power generating facilities. Working on pressing emergency schedules, TVA swelled its electrical generating capacity from 2 billion to 12 billion kilowatt-hours between 1939 and 1945. Approximately 75 percent of the TVA power output went into war production during this period.

This electricity was a vital element in the production of aluminum so critically needed for aircraft and other defense equipment.

It was essential for the development of the Manhattan project facilities at Oak Ridge, Tenn., where atom bomb materials were first produced. Having this needed power available was vital. But having it available at the lowest possible cost to the Government is also important. If the AEC had to pay merely 1 mill more per kilowatt-hour, the Government's power bill would increase more than $40 million a year.

TVA's great power supply was also tapped during World War II to help meet the Nation's needs for copper; phosphorus for tracer bullets, incendiary bombs and smokescreens; calcium carbide for synthetic rubber; ammonium nitrate and gun cotton; airplanes, antiaircraft guns and many other items. The TVA chemical plants at Wilson Dam, Ala., which are of course operated with TVA power, are used for the production of new types of fertilizers in times of peace, but are readily convertible to production of munitions when necessary. During World War II, those plants supplied more than 60 percent of all the elemental phosphorus required by our Armed Forces, in addition to large quantities of anhydrous ammonia, ammonium nitrates, and calcium carbide.

The Nation, under defense mobilization conditions, looks to all segments of the economy for extra efforts and it receives that extra effort. But the Nation cannot ask, and cannot expect, the private sector to provide an extra margin of reserve capacity such as can be provided by the TVA for rapid expansion in times of crisis. This ability to provide large blocks of power in a hurry, if the need arises, has proven itself in World War II. This national bonus through improved defense potential is of immense value in times of emergency.

It is thus essential from the national defense standpoint that the TVA power system be maintained as a strong, well operated system. This requires that it add new facilities as required to meet constantly increasing power requirements in the area. The legislation now proposed will make this possible. I urge its adoption.

Mr. WRIGHT. Mr. Chairman, I rise in support of H.R. 15225 introduced by my colleague and chairman of the Flood Control Subcommittee of the Committee on Public Works, the gentleman from Alabama [Mr. JONES].

This bill has a simple purpose. Its enactment will increase from $750 to $1,750 million the amount of revenue bonds which TVA may have outstanding to finance additions to its power system. There will be no increase in the service area covered by TVA or its territorial jurisdiction. This I want to make very clear.

However, this is not the point to which I address myself this afternoon. I would like instead to bring out some facts concerning the navigation benefits for the Tennessee River as an illustration of what is going to happen on another major river in this country. This is the Trinity River which rises in my district and flows southerly through the heartland of Texas to the Gulf of Mexico.

Although navigation was conceived of many years ago on the Trinity, it was not until last year that we broke the final barrier and secured authorization of the complete navigation project within the framework of the comprehensive development of the river basin. This authorization was contained in the Omnibus River and Harbor and Flood Control Act of 1965. There is overwhelming evidence that the movement of goods and commodities on the Trinity River will open up a vast new field for economic development and will, I am positive, produce the same beneficial results from cheaper transportation that have been of such outstanding value in the navigation project on the Tennessee River.

Let me give you some official figures on the commercial statistics for the calendar year 1963, the latest available for the entire United States. The Tennessee River during that year carried 14,432,708 tons of commerce. The total ton miles of this commerce amounted to 2,218,133,000. This has increased tremendously over the commerce which was estimated during the time and in the early years of the navigation development. It is interesting to compare the commerce of the Tennessee River in 1963 with the commerce reported in 1943. At that time the total tons carried were 2,869,218, and the total ton-miles were 206,568,000. It should be noted that this was a war time year where the commerce could be expected to be above a long-term peacetime average. The increase in the commerce on the Tennessee River was, therefore, almost precisely 5 times with respect to tonnage, and slightly over 10 times with respect to ton-miles.

This indicates dramatically how a navigation improvement on a major river can have a tremendous impact on the economic development of the basin. To show that this is not an isolated example, the commerce on the Ohio River from Pittsburgh to the mouth increased from 36,610,000 tons in 1943 to 88,828,000 tons in 1963, and this was on the main stem of the entire Ohio River system which had been improved for a great many more years than the Tennessee River.

Returning to the navigation development of the Trinity River Basin, even the Army Corps of Engineers, notoriously conservative in their estimates, predict that the annual tonnage, using the developed river basin, should reach nearly 7 million tons during the first year's use; a total of 8.8 million tons by 1970; 22.9 million tons by 2020, and 72 million tons by 2070.

Independent outside agencies contend first-year use should measure at least 13.9 million tons. Using the conservative multiples of the corps you can project an astronomical series of figures for 1970, 2020, and 2070.

Together the Trinity and Tennessee Rivers navigation systems are equally essential to the inland waterway network and add tremendously to the economic growth of the entire Nation.

This bill is needed. I am for this bill and I urge you also support it.

Mr. STUBBLEFIELD. Mr. Chairman, in enacting the TVA Act in 1933, Congress looked upon low-cost electric power as an important means of stimulating the economy of the region in which TVA was to operate—a region which was then sometimes referred to as the Nation's No. 1 economic problem. Congress accordingly directed TVA to encourage the widespread use of electricity at the lowest possible rates.

In accordance with this congressional directive, TVA established low-wholesale rates, generally, and contracts between TVA and its municipal and cooperative distributors have provided, similarly, for resale of power by these distributors at low-retail rates. The low-power rates in the valley region are based on the principle that low rates result in greater electric power sales, which in turn lead to economies in production and to lower unit costs. This high-volume, low-cost principle was not new; Henry Ford had made it famous as applied to the production and sale of automobiles, and other segments of American industry had also applied it successfully.

The pricing policy established by TVA has proved an outstanding success. Use of electricity in the homes of the region immediately moved ahead of the national average. Today, the average home in the region uses about 11,000 kilowatt-hours of electricity per year—about 18 times as much as the average in the region in 1933, and more than double the present national average. Moreover, the number of residential consumers in the region has increased since 1933 by some 600 percent. The combined effect of a much larger number of consumers each using much larger amounts of electricity has caused total home use of electricity in the region to multiply by more than 130 times. The effect in raising living standards can hardly be calculated.

The effects of TVA's low-price, high-use policy have extended also to other areas. Nearby private utilities have also reduced rates, and have found that in their areas, too, low rates result in higher use and also in favorable financial results. Home heating by electricity—a field in which TVA pioneered—is now becoming commonplace in many other sections of the country. TVA's low-rate, high-use policy has brought widespread benefits not only to the area it serves but to other areas as well.

The power demands in the Tennessee Valley increase at about 12½ percent a year. Thus TVA must have the authority requested in the bill in order to meet future demands.

Mr. EVERETT. Mr. Chairman, I strongly support H.R. 15225, to increase the limitation on the authority to issue bonds to finance TVA's power program. In fact, I am the sponsor of an identical bill, H.R. 15232, and I am proud to support this important proposal to amend the TVA Act.

As a member of the Public Works Committee, it was my privilege to attend the hearings at which Mr. Aubrey J. Wagner, Chairman of the TVA Board of Directors, testified concerning the need for this legislation.

Mr. Wagner spoke of the effect on rural living of the power generated by TVA. He said:

> Refrigeration and food freezing is one of the important blessings of electrification, and particularly of rural electrification. Most of us take refrigerators for granted, but in 1933 some of you at least will remember that refrigeration on a farm was provided by a springhouse or a dirt cellar, uncertain in its preservation of food, and promoting poor health in rural areas particularly.

The TVA Board Chairman said that rural people were enjoying better living, and that "this is what Senator Norris, Senator McKellar, and others instrumental in passing the original TVA legislation, had in mind—that electric power should be used, taken from nature's bounty to relieve the burdens of the families of the area."

In 1933, when TVA began, only 3 percent of the farms were electrified. Today, almost all of the farms in the area have electricity, and are served by some 120,000 miles of powerlines built by the local distributors.

One of the programs underway in the area is the electrofarm program, carried on jointly by the local electric utility distribution systems, the State agricultural extension services, and TVA. The basic purpose of the program is to help individual farm families use electricity as a tool to save time and labor, and increase farm efficiency. More than 260 electrofarms are now in operation, and long-range plans call for some 500.

Electricity has meant a lot to the farm folks in my area. And TVA has helped the farmer in many other ways, too—through improved farming methods, through the demonstration fertilizer program, and through the broad multiple-purpose resource development program for which TVA is so widely known.

TVA has used its revenue bond financing authority well. It should continue to be able to finance its needed power facilities through borrowing funds, with the bonds not being guaranteed by the U.S. Government.

Mr. GRIDER. Mr. Chairman, the industrial growth in the Tennessee Valley area since 1933, as in the other parts of the Nation, has been impressive. The availability of electric power has been important in this growth and will continue to be a vital part of the general improvement of the economy.

The pending legislation, to authorize the Tennessee Valley Authority to issue additional revenue bonds, is imperative to the continued growth and prosperity of the area.

Our Nation has experienced dramatic changes in the past 30 years. These changes also have been at work in the TVA area. In 1933, 62 percent of the labor force in the valley was engaged in agriculture; 12 percent was engaged in manufacturing. In 1965, the valley's labor force included 16 percent in agriculture and 30 percent in manufacturing.

This great increase in the manufacturing employment has been of great value in lifting the economy of the valley. The increasing economic position has meant that the people of the area have been able to purchase more consumer goods, many manufactured outside the area.

But the important thing to remember about the industrial growth of the Tennessee Valley is that the overwhelming bulk of the new plants and industrial expansions have represented new production based on available resources, markets, labor, transportation, and other basic economic considerations. Chemical plants in amazing variety, basic aluminum plants, the electronics industry, synthetic fiber production, and space industries—all represent completely new production, plants, and processes starting from scratch. None of these plants moved into the valley from other areas, they were established here from their start.

It is a point worth noting that such industries as aluminum and chemicals produce materials that are sent all over the country for further processing and use, thus creating more jobs and adding to the wealth of other regions.

In our dynamic society there always seems to be some movement of industry. But examination of the industrial changes in the valley indicate plant relocation from other areas has been a negligible factor in the area's development.

Despite striking gains in many sectors of the economy of the Tennessee Valley area, the region is still a third below the national average in income, unemployment is excessive in parts of the area, and the out-migration of people continues.

Solving the problems is going to require increasing development. This requires increasing electric power supplies.

To meet this need, the pending legislation will provide the means for orderly increases in the TVA's electric power supplies.

As the economy of this region grows and develops, economic benefits will accrue to the entire Nation. I urge passage of this bill.

Mr. DAVIS of Georgia. Mr. Chairman, one of the most significant effects of the TVA program, not only for the TVA region itself but for the entire Nation, has been in the increased purchasing power of the people of the area since 1933. No one would contend that the TVA program has been solely responsible for this development. But neither would any fairminded person who has observed that program at first hand deny that it has played a major role.

TVA's activities, by providing low-cost water transportation, low-cost electric power, and various kinds of research directed at better utilization of the region's resources, has helped make the region an important and rapidly expanding industrial area. In the 201 counties which lie within the Tennessee River watershed or are supplied with TVA power, employment in manufacturing expanded between 1929 and 1964 by 156 percent, as compared with an increase nationally of 62 percent. As a result of this industrial growth, along with a similar growth in trade and service industries, the people of the area have enjoyed more and better paying job opportunities. This has led, in turn, to a sizable increase in incomes and purchasing power.

Between 1929 and 1964, total income received by individuals in the Tennessee Valley region rose from $1,566 million to $11,272 million, an increase of 620 percent, as compared to an increase in the Nation as a whole of 473 percent.

The increased income and purchasing power of the people of the region have, of course, enabled them to enjoy a better kind of life. In so doing, they have become a much more important market for products of every section of the country. For example, the region is one of the country's most important and fastest growing markets for electric appliances of all kinds. The Tennessee Valley region leads the Nation in the proportion of all-electric homes. Of its 1,631,000 homes, more than one-fourth use electric heat. Over half a million homes also have partial or complete summer air conditioning. Electric equipment is also being used to an increasing extent in public housing projects, in schools, and in commercial and industrial establishments.

Much of the electrical equipment being used to an ever-increasing extent in the Tennessee Valley region is produced in other parts of the country. The same is true of many other types of products for which a greatly increased demand exists—automobiles, petroleum products, and grains, to mention only a few. The increased prosperity of the people of the region thus contributes directly to increased prosperity elsewhere in the country as well.

Similarly, TVA, by contributing directly and importantly to these results, has benefited not only the region in which it operates but the whole country. It is not merely a regional but a national asset.

Mr. ABERNETHY. Mr. Chairman, the need for additional revenue bond authority for the Tennessee Valley Authority is clear. This Federal agency has been of tremendous service to the region and the Nation.

The TVA power system is, as Congress has directed, a self-supporting one. And in the fiscal year ending June 30, TVA payments in lieu of State and local taxes will total nearly $10.5 million. This is an increase of about $1.4 million over last year's payments, and a 61-percent increase in the past 5 years.

The TVA payments relate to the agency's wholesale power operations. In addition the 156 municipal and rural cooperative electric systems that distribute TVA power are paying an estimated additional $18 million in taxes or tax equivalents to State and local governments this fiscal year.

Combined total payments from the wholesale and retail power operations in the TVA area will be about $28.5 million for the year, or about 7½ percent of the power bills paid by the users of TVA electricity. Comparable State-local tax ratios for private power companies serving surrounding areas range from about 5 to 11 percent of their customers' power bills.

Incidentally, these payments do not include taxes imposed directly on power users, such as the sales taxes on electricity bills in several Tennessee Valley States.

The TVA, as President Johnson stated in his letter of May 20 to the Speaker, "is paying back the original U.S. investment in power facilities, with interest, and is making payments to State and local governments in lieu of taxes."

To meet the growing demands for power in the TVA service area, TVA needs additional authority to borrow funds. I urge adoption of this needed legislation.

Mr. EVINS of Tennessee. Mr. Chairman, I want to commend my colleague the gentleman from Alabama, Representative ROBERT E. JONES, for bringing this bill to the floor. He has worked long and hard on this essential and needed legislation, and I associate myself with him in urging prompt passage of this bill.

Mr. Chairman, two great forces—our people and the Tennessee Valley Authority—have converged in our area to lead the South to new levels of progress.

We have now reached the point that another major step must be taken to assure this continued growth and progress. I refer to H.R. 15225, a bill to increase by $1 billion the amount of bonds which may be issued by the Tennessee Valley Authority to finance capital improvements.

Our area is dependent upon TVA for power supply, and this legislation will assure an orderly, sustained program of facilities expansion to meet the demands of our cities and towns and communities for electric power.

Electric power is the lifeblood of our economy. Abundant electric power has breathed new life into the Tennessee Valley area. Since the Tennessee Valley Authority came into being in 1933, more than 300,000 jobs have been created in plants and factories in the seven-State area which it serves.

The TVA power system generates more than 70 billion kilowatt-hours of electricity a year to serve 2 million families and other users.

TVA must add roughly a million kilowatts of new generating capacity every year—with the necessary new transmission facilities—to keep pace with growing power demands.

This means a better life for our people—and a better market for the Nation.

These increased demands mean that homeowners and farmers in the Tennessee Valley are installing new electric appliances and bending electricity to their needs in an ever-increasing volume. And as the barometer to growth and progress in the valley rises, its contribution in the general growth and prosperity of the Nation rises accordingly.

Under existing law, TVA can issue only $750 million in revenue bonds outstanding to finance needed new power generating and transmission facilities. This authorization was made in legislation enacted in 1959.

At that time it was generally recognized and acknowledged that this authorization was a temporary measure—that within a few years additional authority for bond financing would be needed.

This additional authority is now needed. The passage of this legislation is essential to the growth and progress of our area and I urge the passage of the pending legislation.

Mr. FULTON of Tennessee. Mr. Chairman, this bill to increase the authorization for TVA to borrow funds to meet the Tennessee Valley region's power requirements is a necessity. For a third of a century, the TVA has been in existence, and during most of that time it has been the primary supplier of electric power in the Tennessee Valley.

The importance of electricity was well stated last month in an address by Aubrey J. Wagner, Chairman of the TVA Board of Directors, before the American Public Power Association annual conference in Boston. Mr. Wagner said:

> Electric power is imbued with a public interest greater than almost any other product of our modern society. The massive public dependence on this single source of energy redoubles the concern to the consumer for its cost and the reliability of service.
>
> Our efficiency as a great producing Nation, searching out markets in a vigorously competitive world, depends on effective use of electric energy. Our military defenses, from rifles and chemicals to atomic weapons, depend on the effective use of electric power. Thus, we must be constantly aware of the national importance of our task.
>
> At the same time, we must have equal concern for its impact on the life of the individual.

Mr. Chairman, in today's modern society, an ample supply of electricity is essential to community life and growth. In the Tennessee Valley, TVA must have this additional authority to borrow money, with its revenues from the sale of electricity to back up the borrowing.

Electricity in the Tennessee Valley is distributed at retail by 106 municipal electric systems, 50 rural electric cooperatives, and 2 privately owned systems. These locally owned utilities purchase power at wholesale from TVA.

The growth in the use of electricity by these local retail distributors of TVA power is remarkable. Their total kilowatt-hour sales multiplied 10 times in the 20-year period from 1945 to 1965, during which time the number of local distributors increased by a small percentage.

My city of Nashville has more completely electrically heated homes than any other community in the United States, with some 65,000 homes being electrically heated. Nashville's municipally owned electric utility last year purchased some 4 billion kilowatt-hours of electricity at wholesale from TVA, for retail delivery to nearly 150,000 consumers.

The need for this legislation is clear. I support this increase in TVA's revenue bond authority, so this efficient agency can continue to provide wholesale power supply to a growing region.

As the sponsor of a bill identical to H.R. 15225, I urge prompt passage of this important measure.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

H.R. 15225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (a) of section 15d of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n-4), is amended by striking out "$750,000,000" and inserting in lieu thereof "$1,750,000,000".

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. FULTON of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 15225) to amend section 15d of the Tennessee Valley Authority Act of 1933, to increase the amount of bonds which may be issued by the Tennessee Valley Authority, pursuant to House Resolution 883, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN SERVICE BUILDINGS ACT AMENDMENTS OF 1966

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14019) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes.

The **SPEAKER**. The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 14019 with Mr. Fulton of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN**. Under the rule, the gentleman from Ohio [Mr. Hays] will be recognized for 30 minutes and the gentleman from Indiana [Mr. Adair] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. **HAYS**. Mr. Chairman, H.R. 14019 is a 2-year authorization act for the State Department for the acquisition of buildings abroad and the maintenance and repair of those we already own. Before I outline briefly what the bill contains, I wish to thank the members of the subcommittee, the gentlewoman from New York [Mrs. Kelly], the ranking member, and the gentleman from Indiana [Mr. Adair], the ranking minority member, and all other members of the committee for their diligence in attending and for helping to get this bill in shape without a long series of hearings.

Mr. Chairman, we examined every project in detail that the executive requested. The Deputy Under Secretary for Administration, Mr. Crockett, is mindful of our interest in this program and has cooperated fully with us in developing the information we sought. The new Director of the Foreign Buildings office, Mr. Ralph Scarritt, a Foreign Service officer, and his Deputy, Mr. Orlan C. Ralston, have demonstrated that they have a good grasp of the situation. This is the more commendable since they assumed their present positions after the hearings were well underway. They have made some recommendations on their own initiative for the deletion of projects in which the committee was happy to concur.

The bill authorizes $27,610,000 for acquisition of buildings by purchase or construction and $25,350,000 for maintenance and repairs. The executive branch requested an open-end authorization for maintenance and repairs which would mean that it need never come back to the committee. The committee did not grant the request. We put in a figure which the executive estimates is sufficient for 2 years, so that at least in each Congress it will have to come back to justify to the legislative committee the amount of money needed for maintenance and repairs as well as for new construction.

The original executive branch requests for acquisition, purchase, and construction was $36,065,000. The subcommittee cut that amount to $26,010,000, a reduction of about 25 percent. This is to carry out the program for the next 2 fiscal years.

During consideration of the bill the executive department requested an additional $1,600,000 for the Chancery in Saigon. This was added at my suggestion. I was in Saigon and I saw that the building that they requested last year and which the Congress granted in an emergency measure, you may remember, was not going to be sufficient. Given the growing size of our staff we would have to have a second building, and possibly a third building. This would entail three sets of guards in the street, three sets of pillboxes around the building, and three sets of people manning them, three sets of security people in three buildings. It seemed to me, in addition to paying a high rental, this was nonsense, since we are building a much more secure building, putting it back from the street, and placing a high wall about it. It seemed to me it made sense to construct a building capable of accommodating all these people, and that would need one set of guards, one set of pillboxes, and provide maximum protection.

The executive branch said it would be only too happy to build it if Congress concurred. So the subcommittee put it in and it raised the total sum. We did screen out a number of questionable projects, including plans for apartment houses. Mr. Scarritt and Mr. Ralston deserve some credit for the elimination of apartments because the department originally asked for a whole bunch of apartment houses, specifically in Hong Kong, Bangkok, and Tokyo.

I visited these places myself. Mr. Ralston visited them separately. He wrote a report which I did not read after I visited them. He and I independently arrived at the decision they did not need these.

How did I arrive at that decision? The people in the field including our ambassadors said, "We do not need them and do not want them." Somebody in the department thought they ought to have them and put them in.

So we took them out, because in Bangkok, and especially in Hong Kong there are plenty of apartments to be had on the open market. Our people would prefer to live in them rather than in an American ghetto.

We did take out $10 million, which we believe will be of benefit to the taxpayers.

There are other amendments which deal with the overall administration. I will mention several.

There is one applying to the acquisition of property by the exercise of option to purchase, in leases of less than 10 years. We found in Africa that many times the only way we can get a building quickly is to lease one. Many times we can get an option to purchase, and the amount we pay in lease money can be applied to the purchase price. We found this would save the Government a lot of money. In other words, if we kept the lease 10 years, we would pay for the building anyway, and we would have nothing but a lot of rent receipts. Many times we can use, and we do require the Department to use, local currencies that we own and which can be converted to a valuable asset through the purchase of buildings we need.

In all of these hearings we have urged the Department to use these local currency funds. With some exceptions they are being used. For instance, when we build in some countries we must import plumbing, air conditioners, and electrical appliances. In such cases we have urged that these be brought in from the United States.

Some years ago we found the Department was buying silver, china, and glassware in foreign countries. We called in Mr. Crockett, who had just been appointed a week or two before, as Deputy Under Secretary of State for Administration. We told him we thought this was absurd. He immediately issued administrative orders. Not all such supplies are being bought in the United States, and being bought as cheaply as anywhere else. This provides some work for people in this country and saves on the dollar drain. Further, it demonstrates the quality of American design and craftsmanship.

Mr. **WAGGONNER**. Mr. Chairman, will the gentleman yield?

Mr. **HAYS**. I yield to the gentleman from Louisiana.

Mr. **WAGGONNER**. Mr. Chairman, I express my appreciation to the gentleman from Ohio [Mr. Hays] for having done his usual good job in using a rather sharp pruning knife in limiting to the bare necessities the authorization for construction of these buildings abroad. If I remember correctly, 3 years ago when we considered this same authorization, we really pared to the bone the requests of the State Department for these foreign buildings.

I especially like this year the attitude which the committee has adopted with regard to the purchase options, whereby we utilize for a while the leased buildings. I believe the committee is to be commended for its insistence on the use of the local currency funds, which really gives us the maximum benefit from these funds. The committee has done a splendid job and the Congress is indebted to it for the diligence it has shown.

Mr. **HAYS**. Mr. Chairman, I thank the gentleman very much.

Mr. Chairman, we put in the bill authority for the Department to use the money it receives in compensatory payments for damages to repair or replace the property.

Under the present law such payments go into the Treasury. The Department must secure appropriations in order to repair the property which was damaged. Believe it or not, in a great many of these cases we get fairly prompt compensation.

As an example, I saw one building in Cairo, Egypt, which had been damaged. They did not have money to repair it. There it stands, deteriorating even more. It seemed to the subcommittee to make sense to permit the Department to use compensatory payments to repair the building without going through the appropriation procedure. We have included legislation to this end.

Mr. **GROSS**. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke to me earlier about an amendment to the bill. Would he explain that briefly?

Mr. HAYS. I was just coming to that. It has been brought to our attention by the Foreign Buildings Office—and they have been cooperative in bringing these things to our attention—that we were going to have to find new quarters in Bogotá, Colombia, and that the lease arrangements we would have to make there would be, in my opinion, extremely expensive. Therefore, I have prepared an amendment, and I have cleared it with the gentleman from Indiana [Mr. ADAIR], and others on the other side, to authorize money to build a building in Bogotá.

We have the land. We have deferred the building. At the moment, the lease offered to us involves money which would pay for a new building in something like seven and a fraction years. The building would be completely amortized, including land, in not more than 10 years.

It did not seem to me to be necessary that we be penny wise and pound foolish, and have at the end of 9 or 10 years nothing but a bunch of rent receipts, when we already have the land. We can build the structure according to our specifications. We will not be in a part of building with security problems. We will have a building we can amortize over 50 years.

If we stayed there and rented space for 50 years, we would have to pay something like 8 times the amount of money, as I figure it, compared to what this will cost us.

There are times, it seems to me, when it is necessary to do something of this kind. We talked it over, and we believe this is the thing to do.

Mr. GROSS. I wish to commend the committee for what I believe is a good job on this bill. I hope the committee will go slow in authorizing construction of buildings in some places in Africa. The way things are going over there I wonder how many governments will be in existence in a few years.

Mr. HAYS. I am not sure how much we discussed this in these hearings, but I recall that 2 years ago over and over and over I cautioned the Buildings Office about this. I recall that the gentleman from Indiana [Mr. ADAIR] did; and I recall that the gentlewoman from New York [Mrs. KELLY] did. We cautioned about doing that very thing.

I appreciate the gentleman's bringing this point up.

That is exactly why we put in the lease-purchase agreements. We can lease the buildings. Then we can see the situation. If conditions look stable, we can convert to a purchase, and if they do not, we have the lease and the other fellow has the damages.

Mrs. KELLY. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentlewoman from New York.

Mrs. KELLY. I should like to bring to the attention of the Members of the Committee the fact that the original Executive request for Africa was $6,525,000, and the committee cut that to $5,485,000.

Mr. HAYS. I thank the gentlewoman.

Mr. ADAIR. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I share the attitude of the chairman of our subcommittee in saying that this subcommittee performed a splendid job in considering this bill that is before us today.

The gentleman was kind enough to mention some members of the subcommittee. I believe all of us would want to say that the chairman did an outstanding job in leading our consideration of this program. Not only did his interrogation of witnesses develop a great deal of valuable information and contribute much to the final form of the bill, but also he has, upon occasion, very wisely, I believe, traveled here and there in the world. As a result of observations made on the spot—and some others of us have tried to do that also—we have been able to make changes in this program which I believe have generally been for the benefit of the program and of our State Department and its activities.

Mr. Chairman. It is a matter of personal regret, shared I am certain by all my colleagues on the subcommittee, that the gentlewoman from Ohio [Mrs. BOLTON] is not able to contribute to the debate today. She is unfortunately slightly ill. She has been most faithful in her attendance at our hearings and brings to this subject a vast amount of knowledge and commonsense.

In considering this bill we have for several years been confronted with a problem of how we can make available necessary amounts of money and reasonably limit these amounts to certain geographic areas without unduly tying the hands of the Department. Several years ago we hit upon the device of authorizing sums by major geographic areas. This was found to be successful and the bill before you continues that approach. The major geographic areas in the world are authorized lump sums. It is anticipated that these amounts will be used for specific projects which were justified to, and approved by, the committee. However, as we are all very much aware, conditions are changing so rapidly in some parts of the world that it is impossible to predict today what conditions will be 1 year or 2 years hence. Therefore, there is flexibility within the areas in the use of this money. We have found this to be a successful method of retaining congressional control in the past.

Among other problems which we have looked into in considering this bill was not simply the matter of the authority to expend money to acquire and maintain real estate for our 275 posts abroad, but the subcommittee took advantage of the hearings to make inquiry as to the number of people that are stationed at these posts. If we felt that there were too many people assigned to a particular post, we made our views known to the responsible authorities and asked for a justification of their presence or suggested cuts. We think this is a proper and useful part of our function.

As the chairman has pointed out, we did bring before the House today a measure which is some $10 million less than the original proposals. The subcommittee is principally responsible for this reduction but some credit must be given to the Executive, which did propose a number of places where cuts could properly be made.

Mr. Chairman, on the whole, our buildings program has been successful through the years. The sum total of the value of the buildings which we now have is far in excess of the figures at which they are carried on the official records. With very few exceptions in the world the value of the properties which we have acquired has risen rather steadily.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADAIR. Mr. Chairman, I yield myself 2 additional minutes.

As a result of that, if these properties were to be sold, which, of course, they will not be, the Treasury would realize a sum far in excess of that which we have invested in them.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I am glad to yield to the chairman of the committee.

Mr. HAYS. Mr. Chairman, I do not want to mention the name of the country in which the United States recently bought a new residence for our ambassador. I know the gentleman from Indiana [Mr. ADAIR] knows about this matter. I was out there and saw it just after we purchased it. If you look at the price in dollars, it looks pretty high, but you are looking at a price converted at a very artificial rate of exchange from that country's currency into ours. In addition, we bought it with local currency funds, of which we own a large amount. Although the price looks high, in fact we obtained that property for about 20 cents on the dollar of what it is really worth. Mr. Chairman, this is why I believe we ought to use as much of our local currency holdings as we can, because in many countries inflation is reducing its real value even though we may continue to acquire more of it.

Mr. Chairman, would the gentleman from Indiana agree with that statement?

Mr. ADAIR. I certainly would agree. As was pointed out earlier, we have not only written into the law that local currencies are to be used to the extent possible, but we have constantly encouraged responsible authorities to do just that.

Mr. Chairman, we have brought before the Committee today a bill which represents and carries in it a substantial reduction, but it is a bill which has received most careful scrutiny over a period of weeks and months and one which is designed to meet our immediate requirements in the next 2 years.

Therefore, Mr. Chairman, I would strongly urge the passage of this bill.

Mr. HAYS. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. KELLY] the ranking majority member of the subcommittee.

Mrs. KELLY. Mr. Chairman, I am happy to speak in support of H.R. 14019. The Subcommittee on State Department Organization and Foreign Operations, under the chairmanship of the gentleman from Ohio [Mr. HAYS], has discharged its responsibilities in considering this bill. The hearings will bear me out. We had nine sessions during which executive witnesses appeared. The printed version covers 256 pages. In addition, we had a series of markup sessions. Quite clearly, this is not a hastily drawn bill. I want to pay tribute not only to the chairman of the subcommittee but to all of its members who devoted so much time and effort to drafting a bill that came out of the subcommittee and the committee unanimously.

Frequently I find there is a lack of a clear understanding on the part of members of this body and the public as to the reasons for a bill of this kind and magnitude. Before I talk about what is contained in this bill, I want to sketch briefly the considerations that our committee take into account before acting on the buildings bill.

While this bill amends the Foreign Service Buildings Act, its provisions cover many agencies of Government other than the Department of State. The Department administers the office requirements and some of the housing needs of other civilian Government agencies and military attachés abroad. Office space and living quarters are included for commercial, labor, science, mineral, and fisheries attachés and their staffs. Subject to the availability of Government-owned space, provision is made for office space for all other Government agencies represented abroad such as the Veterans' Administration, the Immigration and Naturalization Service, Customs, Federal Bureau of Investigation, the General Accounting Office, and the American Battle Monuments Commission. Office space in Embassy buildings is also provided for key staff personnel of the Agency for International Development.

To meet the needs of our civilian personnel stationed overseas the committee over the years has developed specific objectives to be achieved by the buildings programs. These are:

First, to provide representative consolidated office space for the Foreign Service and other agencies of the U.S. Government operating in cooperation with the Foreign Service except where leasing arrangements are more advantageous.

Second, to assure through the consolidation, particularly of office facilities, a maximum degree of security with minimum expense to the Government. I need hardly add that in some areas of the world the problem of security is much more difficult to handle than in other areas.

Third, to provide Government-owned furnished residences for our ambassadors and ministers.

Fourth, to provide Government-owned furnished residences for officers in charge of consular posts and for senior officers at the principal diplomatic missions, including the attachés of the Defense Department and other agencies.

Fifth, to provide Government-owned furnished quarters for a substantial part of the American staff at posts where special housing problems exist, such as health, security, long-term housing shortages, and so forth, where no practical alternative to Government housing can be found.

In this latter connection the committee is mindful of the fact that our civilians overseas can best perform their representational functions by living in the local community rather than in a compound or an apartment inhabited only by Americans. Over the years the committee has been insistent that only special circumstances such as security or health are sufficient to justify concentrating our personnel in a single site or structure.

There are two principal purposes set forth in H.R. 14019. The first authorizes an appropriation of $27,610,000 for the purchase, construction, major alteration, and long-term leasing of buildings abroad that are necessary for the effective operation of the Department of State and the agencies which it serves in their space requirements. This is more than $10 million below the executive request. The heaviest reductions were made in the Far East and the Latin America areas. Our judgment was determined by unsettled conditions in some countries, abnormally high costs in others, the availability of adequate accommodations at reasonable rental rates, and the desire to cut down expenditures and dollar outflows as much as possible. This figure, I should add, is intended to cover acquisition costs for the next 2 fiscal years.

The second purpose of the bill is to authorize an appropriation of $25,350,000 for the operational activities of the building program such as maintenance, repair, and furnishings for the next 2 fiscal years. The United States currently has long-term lease agreements or owns the following improved properties: 242 office buildings, 171 residences for ambassadors and other principal officers, 377 residences for other officers and attachés, 290 other single or duplex residential buildings, 260 apartment buildings with an aggregate of 1,967 apartments, and 151 other buildings such as warehouses and garages. These buildings are capitalized at about $250 million and their current market value greatly exceeds this amount. With a worldwide investment of this magnitude it is clearly in our interest to maintain these buildings in the best possible condition.

Mr. Chairman, it is important that the House understand that the committee has stressed that excess local currencies be used to the maximum extent possible. I have constantly urged the executive to seek every available use of these currencies for our various programs overseas. Since 1926 more than $257 million have been appropriated for use in the Foreign Service buildings program as against $49 millions in U.S. currency. Thus more than 80 percent of the funds that Congress has appropriated have been in local currencies. In my judgment this is a constructive utilization of our large foreign currency holdings.

The committee is mindful of the necessity of congressional scrutiny over a program of this type. Immediately after World War II the practice was to authorize large sums without regard to details of the structures. Over the past decade the chairman of our subcommittee, the gentleman from Ohio [Mr. HAYS], has insisted that that practice be ended. At the same time, he and all the members of the subcommittee recognize that in a rapidly changing situation it would be unwise for us to authorize in law each particular structure. So we have worked out an approach which combines congressional oversight with executive flexibility. We have authorized sums on a geographic basis. The sums in this bill for each geographic area are the total of the various requests made and justified by the executive and recommended by the committee. They are not picked out of the air. As a further recognition of the need for some element of flexibility, provision is made for a 10-percent transfer between area sums.

The committee recommends the following amounts for the various areas of the world:

Africa	$5,485,000
American Republics	5,720,000
Europe	3,310,000
Far East	3,150,000
Near East	6,930,000
Subtotal	24,595,000
USIA	615,000
Agricultural and Defense attaché housing	800,000
Total	26,010,000

During our consideration of the bill in subcommittee, it was brought to our attention that the $1 million that Congress voted last year for a new chancery in Saigon would not permit the accommodation of our enlarged staff. We were of the opinion that security was paramount at that post and any structure we built should be adequate to provide office facilities in a single building. Accordingly the Department submitted an estimate of $1,600,000 as an additional amount that would make possible an enlarged single structure. The subcommittee and the committee approved this amount and added it to the bill.

As chairman of the subcommittee on Europe, I am understandably interested in all that affects that area. Most of the projected structures for Europe are scheduled to replace inadequate, overcrowded, insecure and outmoded buildings now owned or leased by the United States. The maintenance and operating costs of these buildings now runs at about $107,000 a year. The Department estimates that approximately $30,000 of this amount will be saved annually through the replacement of these buildings with larger and more modern, efficient buildings. In addition, the rental now being paid annually for six of the buildings to be replaced will represent a further savings to the Government of about $85,000 a year.

Mr. Chairman, based upon lengthy hearings during which the subcommittee discussed each of the projects and supported by my own observations during the course of my studies abroad, I think this is a meritorious bill that deserves the support of every Member. I urge the unanimous passage of H.R. 14019.

Mr. HAYS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would not want to conclude this debate without paying a compliment to the gentlewoman from Ohio, my distinguished colleague [Mrs. Bolton], who is slightly indisposed and is unable to be here today.

Mr. Chairman, I believe that the gentlewoman from Ohio [Mrs. Bolton] attended every meeting of the subcommittee. She has a vast knowledge of our foreign buildings program, having seen a great many of them in person. She has contributed a great deal to this program.

Mr. Chairman, all of us are sorry that she is not here to participate in this debate today.

Mr. OTTINGER. Mr. Chairman, I was one of only three members to vote today against the Foreign Service Building Act Amendments of 1966, H.R. 14019; yet I feel strongly that there are very serious objections to these amendments.

A large part of these funds is allocated to providing Government-owned furnished residences to U.S. employees overseas—and not just to ambassadors, but to a wide variety of officials including ministers, consular officers, "senior officers at principal diplomatic missions," "attachés of the Defense Department and other agencies," and any other American staff wherever a finding is made that local housing is not adequate.

By this time, we should have learned the great detriment to our overseas endeavor from having our officers live in fancy Government-furnished quarters, apart from the communities in which they serve. They waste their overseas experience, both to themselves and their country, living so far apart from and financially above the people with whom they work. We should put an end to these practices.

Furthermore, even if this construction has been deemed necessary or desirable by us, the provision of these quarters cannot but be described as a luxury. To spend $127 million on such utilization at a time of great inflationary pressures and at a time that our boys are making the ultimate sacrifices for their country in Vietnam, seems outrageous.

If we are serious about cutting unnecessary expenditures, this is certainly an ideal place to start.

I suppose the reason that the bill got such wide Republican support was because of the small item for construction of an enlarged chancery in Vietnam. I am sure that this need could have been met handsomely from existing authorizations and appropriations.

Mr. Chairman, I think this bill perpetuates an unfortunate housing practice that vastly reduces the effectiveness of our overseas officials. It is wasteful at a time when we should be exercising meaningful frugality in Federal spending. It should have been defeated.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 295, is amended—

(1) by striking out the last three sentences of subsection (d);

(2) by striking out "$1,000,000" in subsection (e) and inserting in lieu thereof "$2,600,000"; and

(3) by adding at the end of such section the following new subsections:

"(f) In addition to amounts authorized before the date of enactment of this subsection, there is hereby authorized to be appropriated to the Secretary of State—

"(1) for acquisition by purchase or construction (including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums—

"(A) for use in Africa, not to exceed $5,485,000, of which not to exceed $1,885,000 may be appropriated for the fiscal year 1967;

"(B) for use in the American Republics, not to exceed $5,720,000, of which not to exceed $1,385,000 may be appropriated for the fiscal year 1967;

"(C) for use in Europe, not to exceed $3,310,000, of which not to exceed $785,000 may be appropriated for the fiscal year 1967;

"(D) for use in the Far East, not to exceed $3,150,000, of which not to exceed $560,000 may be appropriated for the fiscal year 1967;

"(E) for use in the Near East, not to exceed $6,930,000, of which not to exceed $1,890,000 may be appropriated for the fiscal year 1967;

"(F) for facilities for the United States Information Agency, not to exceed $615,000, of which not to exceed $430,000 may be appropriated for the fiscal year 1967;

"(G) for facilities for agricultural and defense attaché housing, not to exceed $800,000, of which not to exceed $400,000 may be appropriated for the fiscal year 1967;

"(2) for use to carry out the other purposes of this Act, not to exceed $12,600,000 for the fiscal year 1968 and not to exceed $12,750,000 for the fiscal year 1969.

"(g)(1) Sums appropriated under authority of this Act shall remain available until expended. To the maximum extent feasible, expenditures under this Act shall be made out of foreign currencies owned by or owed to the United States.

"(2) Beginning with the fiscal year 1966, not to exceed 10 per centum of the funds authorized by any subparagraph under either paragraph (1) of subsection (d), or paragraph (1) of subsection (f), of this section may be used for any of the purposes for which funds are authorized under any other subparagraph of either of such paragraphs (1)."

Sec. 2. The first section of the Foreign Service Buildings Act, 1926 (22 U.S.C. 292), is amended by inserting "(a)" immediately after "That" and by adding at the end thereof the following:

"(b) Payments made for rent or otherwise by the United States from funds other than appropriations made under authority of this Act may be credited toward the acquisition of property under this Act without regard to limitations of amounts imposed by this Act."

Sec. 3. Section 9 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 300), is amended to read as follows:

"Sec. 9. (a) The Secretary of State is authorized—

"(1) to sell, exchange, lease, or license any property or property interest acquired under this Act, or under other authority, for use of diplomatic and consular establishments in foreign countries,

"(2) to receive payment in whatever form, or in kind, he determines to be in the interest of the United States for damage to or destruction of property acquired for use of diplomatic and consular establishments abroad, and the contents of such buildings, and

"(3) to accept on behalf of the United State gifts of property or services of any kind made by will or otherwise for the purposes of this Act.

"(b) Proceeds derived from dispositions, payments, or gifts under subsection (a) shall, notwithstanding the provisions of any other law, be applied toward acquisition, construction, or other purposes authorized by this Act or held in the Foreign Service Buildings Fund, as in the judgment of the Secretary may best serve the Government's interest: *Provided*, That the Secretary shall report all such transactions annually to the Congress with the budget estimates of the Department of State."

Mr. HAYS (during reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point. It is a short bill and I believe everyone has had an opportunity to read it.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT OFFERED BY MR. HAYS

Mr. HAYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hays: On page 2, beginning in line 12, strike out "$5,720,000, of which not to exceed $1,385,000" and insert in lieu thereof "$7,920,000, of which not to exceed $3,585,000".

Mr. HAYS. Mr. Chairman, this is the amendment about which I spoke. It provides, in the Latin American area an additional amount of money. We have an understanding with the department as to the planning and construction of an office building in Bogotá.

I believe I have sufficiently explained the reasons and have mentioned the substantial savings over a long period of time to the taxpayers.

If there are any questions, I would be glad to answer them, but I did sum it up in the presentation.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I am glad to yield to the gentleman from Indiana.

Mr. ADAIR. I wish to say to the Committee, this amendment has been discussed with us on the minority side, and we have given consideration to it. We think it is a good amendment and ought to be adopted.

Mr. HAYS. I thank the gentleman and ask for the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Hays].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Fulton of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 14019) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, pursuant to House Resolution 876, he reported the bill back to the House with an amendment adopted in the Committee on the Whole.

The **SPEAKER.** Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The **SPEAKER.** The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The **SPEAKER.** The question is on the passage of the bill.

The question was taken.

Mr. **HALL.** Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 290, nays 3, not voting 138, as follows:

[Roll No. 137]

YEAS—290

Abbitt
Adair
Adams
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashley
Aspinall
Ayres
Bandstra
Barrett
Bates
Battin
Beckworth
Belcher
Bell
Bennett
Berry
Betts
Bingham
Blatnik
Boggs
Brademas
Bray
Brock
Broomfield
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Callan
Cameron
Carey
Carter
Casey
Chamberlain
Chelf
Clancy
Clawson, Del
Cleveland
Clevenger
Cohelan
Collier
Colmer
Conable
Conte
Corman
Craley
Cramer
Culver
Cunningham
Curtin
Curtis
Dague
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dent
Denton
Devine
Dingell
Dole
Dowdy
Duncan, Tenn.
Dwyer
Dyal
Edmondson
Edwards, Ala.
Evans, Colo.
Everett
Fallon
Farnsley
Fascell
Feighan
Fisher
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Garmatz
Gathings
Gettys
Gibbons
Gilligan
Gonzalez
Goodell
Green, Pa.
Greigg
Grider
Griffiths
Gross
Grover
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halpern
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Iowa
Harvey, Mich.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Henderson
Herlong
Hicks
Holifield
Holland
Horton
Howard
Hull
Hungate
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Jonas
Jones, Ala.
Jones. N.C.
Karsten
Karth
Kastenmeier
Keith
Kelly
King, Calif.
King, N.Y.
Kornegay
Kunkel
Landrum
Langen
Latta
Leggett
Lennon
Lipscomb
Long, Md.
Love
McClory
McCulloch
McDade
McFall
McGrath
McVicker
Macdonald
MacGregor
Machen
Mackay
Mackie
Madden
Mahon
Mailliard
Marsh
Martin, Ala.
Martin, Nebr.
Mathias
Matthews
May
Michel
Miller
Mills
Mink
Minshall
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morrison
Morton
Natcher
Nedzi
Nelsen
O'Hara, Mich.
O'Konski
Olson, Minn.
O'Neal, Ga.
Passman
Patman
Patten
Pelly
Perkins
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price
Purcell
Quie
Race
Randall
Reid, N.Y.
Reinecke
Resnick
Reuss
Rhodes, Pa.
Rivers, S.C.
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rosenthal
Roush
Roybal
Rumsfeld
Ryan
St Germain
Saylor
Schisler
Schmidhauser
Schneebeli
Schweiker
Selden
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Staggers
Stanton
Steed
Stephens
Stratton
Stubblefield
Sullivan
Talcott
Taylor
Teague, Calif.
Tenzer
Thomas
Thompson, Tex.
Thomson, Wis.
Todd
Tunney
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Waggonner
Walker, N. Mex.
Watkins
Watson
Watts
Weltner
White, Tex.
Whitener
Whitten
Widnall
Wilson, Bob
Wilson, Charles H.
Wolff
Wydler
Yates
Young
Younger

NAYS—3

Harsha
Ottinger
Secrest

NOT VOTING—138

Abernethy
Addabbo
Annunzio
Ashbrook
Ashmore
Baring
Boland
Bolling
Bolton
Bow
Brooks
Brown, Clarence J., Jr.
Cabell
Cahill
Callaway
Cederberg
Celler
Clark
Clausen, Don H.
Conyers
Cooley
Corbett
Daddario
Daniels
Dawson
Derwinski
Dickinson
Diggs
Donohue
Dorn
Dow
Downing
Dulski
Duncan, Oreg.
Edwards, Calif.
Edwards, La.
Ellsworth
Erlenborn
Evins, Tenn.
Farbstein
Farnum
Findley
Fino
Flood
Flynt
Fogarty
Frelinghuysen
Gallagher
Giaimo
Gilbert
Grabowski
Gray
Green, Oreg.
Gubser
Halleck
Hansen, Wash.
Hardy
Harvey, Ind.
Hébert
Hosmer
Huot
Johnson, Pa.
Jones, Mo.
Kee
Keogh
King, Utah
Kirwan
Kluczynski
Krebs
Kupferman
Laird
Long, La.
McCarthy
McDowell
McEwen
McMillan
Martin, Mass.
Matsunaga
Meeds
Minish
Morse
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Nix
O'Brien
O'Hara, Ill.
Olsen, Mont.
O'Neill, Mass.
Pepper
Philbin
Powell
Pucinski
Quillen
Redlin
Rees
Reid, Ill.
Reifel
Rhodes, Ariz.
Rivers, Alaska
Rodino
Ronan
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roudebush
Satterfield
St. Onge
Scheuer
Scott
Senner
Sickles
Sikes
Smith, N.Y.
Springer
Stafford
Stalbaum
Sweeney
Teague, Tex.
Thompson, N.J.
Toll
Trimble
Tuck
Utt
Vigorito
Vivian
Walker, Miss.
Whalley
White, Idaho
Williams
Willis
Wright
Wyatt
Zablocki

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Martin of Massachusetts.

Mr. Keogh with Mr. Cahill.

Mr. Rooney of New York with Mrs. Bolton.

Mr. Wright with Mr. McEwen.

Mr. Addabbo with Mr. Utt.

Mr. Gilbert with Mr. Whalley.

Mr. Rees with Mr. Ashbrook.

Mr. Fogarty with Mr. Laird.

Mr. Edwards of Louisiana with Mr. Quillen.

Mr. Toll with Mr. Kupferman.

Mr. Annunzio with Mr. Derwinski.

Mr. Cooley with Mr. Callaway.

Mr. Dulski with Mr. Cederberg.

Mr. Multer with Mr. Fino.

Mr. Murphy of New York with Mr. Smith of New York.

Mr. O'Neill of Massachusetts with Mr. Morse.

Mr. Philbin with Mr. Mosher.

Mr. Donohue with Mr. Halleck.

Mr. Rivers of Alaska with Mr. Gubser.

Mr. Daniels with Mr. Frelinghuysen.

Mr. Rodino with Mr. Stafford.

Mr. Minish with Mr. Clarence J. Brown, Jr.

Mr. St. Onge with Mr. Walker of Mississippi.

Mr. Senner with Mr. Wyatt.

Mr. Sickles with Mr. Reifel.

Mr. Sikes with Mr. Roudebush.

Mr. Trimble with Mr. Findley.

Mr. Thompson of New Jersey with Mr. Corbett.

Mr. Stalbaum with Mr. Erlenborn.

Mr. Williams with Mr. Dickinson.

Mr. Daddario with Mr. Don H. Clausen.

Mr. Zablocki with Mrs. Reid of Illinois.

Mr. Matsunaga with Mr. Springer.

Mr. Krebs with Mr. Johnson of Pennsylvania.

Mr. Giaimo with Mr. Rhodes of Arizona.

Mr. Kluczynski with Mr. Bow.

Mr. Moss with Mr. Hosmer.

Mr. O'Brien with Mr. Harvey of Indiana.

Mr. White of Idaho with Mr. Duncan of Oregon.

Mr. Downing with Mr. Dow.

Mr. Long of Louisiana with Mr. Cabell.

Mr. Boland with Mr. Kee.

Mr. Kirwan with Mr. Rostenkowski.

Mr. Edwards of California with Mr. Conyers.

Mr. Evins with Mr. Farbstein.

Mr. Flynt with Mr. Olsen of Montana.

Mr. Teague of Texas with Mr. Sweeney.

Mr. Meeds with Mr. Dawson.

Mr. Vigorito with Mr. Diggs.

Mr. Satterfield with Mr. Huot.

Mr. Ashmore with Mr. Baring.

Mr. Brooks with Mr. Celler.

Mr. Clark with Mr. Dorn.

Mr. Gray with Mrs. Hansen of Washington.

Mr. Pucinski with Mr. Powell.

Mr. Willis with Mr. Vivian.

Mr. McDowell with Mr. Tuck.

Mr. King of Utah with Mr. Murphy of Illinois.

Mr. Pepper with Mr. O'Hara of Illinois.

Mr. Gallagher with Mr. Grabowski.

Mr. Hardy with Mrs. Green of Oregon.

Mr. Abernethy with Mr. Redlin.

Mr. Farnum with Mr. Murray.

Mr. Flood with Mr. Ronan.

Mr. Nix with Mr. Roncalio.

Mr. Rooney of Pennsylvania with Mr. Scott.

Mr. McMillan with Mr. Scheuer.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. **HAYS.** Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed.

The **SPEAKER.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week"; and

S.J. Res. 161. Joint resolution to designate the third Sunday in June of each year as "Father's Day."

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS, THE OFFICE OF THE PRESIDENT AND CERTAIN INDEPENDENT AGENCIES FOR THE FISCAL YEAR ENDING JUNE 30, 1967, AND FOR OTHER PURPOSES

Mr. STEED. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14266) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1967, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? The Chair hears none and appoints the following conferees: Messrs. Steed, Passman, Addabbo, Cohelan, Yates, Mahon, Conte, Robison, and Bow.

FILING CONFERENCE REPORT ON H.R. 14266

Mr. STEED. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow, Tuesday, June 14, 1966, to file a conference report on the bill H.R. 14266, making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GAS INDUSTRY WEEK

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate joint resolution (S.J. Res. 160) to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Mr. Speaker, reserving the right to object, I trust this is not going to cost us any money?

Mr. ROGERS of Colorado. We have taken care of this so it will not cost anybody and at the same time you can still expand the gas industry in every direction.

Mr. GROSS. I thank the gentleman.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, because of Pennsylvania's reputation as a coal producer and as the birthplace of the Nation's oil industry, the State's importance as a source of natural gas has been too easily overlooked. With the advent of Gas Industry Week, June 13–19, it is in order that the Record contain some reference to our contributions in making available the fuel that has brought convenient living into so many American homes.

As early as 1872 a 2-inch iron pipeline extending 5½ miles from Newton to Titusville, Pa., was completed to transport gas for household purposes. The State thereupon took a place among the leading producers of natural gas and—through the years of development of rich fields in the Southwest—retained a prominent position in the new industry. As late as 1942 our State's output was approximately 15 percent of national production, with the present 22d Congressional District counties accounting for almost 30 percent of the State's total.

As long-distance pipelines were constructed during and after World War II to carry natural gas from the South and Southwest, Pennsylvania's share of the markets dwindled steadily, yet the industry has remained an important part of the State's economic structure. Estimated proved reserves of natural gas in Pennsylvania are approximately 1½ trillion cubic feet, with considerably more expected to be discovered as exploration methods are improved.

Whatever Pennsylvania's future in the gas industry, Mr. Speaker, we are aware that companies engaged in searching for and producing and distributing this commodity have played a vital role in America's progress, not only because they have made life easier for householders but also because of the business that they have created for other industries. As a producer of steel and other equipment used by the gas industry, Pennsylvania is quick to recognize these benefits.

I salute the natural gas industry on this important occasion.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 160

Whereas the first gas company in the United States was founded in Baltimore, Maryland, on June 13, 1816; and

Whereas June 13, 1966, marks the one hundred and fiftieth anniversary of the founding of the gas industry in this Nation; and

Whereas the gas industry is the sixth largest industry in the United States, with thirty-six million six hundred thousand customers served by one thousand four hundred and forty utility companies throughout the fifty States of the Union and other areas of our Nation; and

Whereas the gas industry is making a major contribution to the health and well-being of millions of Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period beginning June 13, 1966, and ending June 19, 1966, is hereby designated as "Gas Industry Week". The President is authorized and requested to issue a proclamation inviting the governments of States and communities and the people of the United States to join in the observance of such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FATHER'S DAY

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate joint resolution (S.J. Res. 161) to designate the third Sunday in June of each year as Father's Day, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. Rogers]?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the third Sunday in June of 1966 is hereby designated as "Father's Day". The President is authorized and requested to issue annually a proclamation calling on the appropriate Government officials to display the flag of the United States on all Government buildings on such day, inviting the governments of the States and communities and the people of the United States to observe such day with appropriate ceremonies, and urging our people to offer public and private expressions on such day to the abiding love and gratitude which they bear for their fathers.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POPULARITY POLLS RECORD DECLINE IN CONFIDENCE IN OUR LEADERSHIP

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Bob Wilson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, recent popularity polls records an ominous decline in confidence in our leadership. This can be dangerous nationally in time of war.

Part of this, of course, is caused by squabbling within the administration, but a good part is caused by the glaring spectacle of social highjinks in the White House.

In one headline Americans read that 18,000 more American troops are being sent to fight, and possibly die, in the deep jungles of southeast Asia; in another that some 2,200 are to attend a formal White House wedding for one of the President's daughters.

In one news story, we read of men so desperate in battle that they call down phosphorous bombs on their own positions from their own planes; in another of administration officials dancing the watusi and the frug at Washington gatherings.

LET'S PUT MERGERS IN PERSPECTIVE

Mr. **ANDREWS** of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. YOUNGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. **YOUNGER**. Mr. Speaker, Mr. Glen McDaniel, senior vice president of Litton Industries, Inc., delivered an address at the annual Businessmen's Day luncheon of the School of Business Administration on March 23, 1966, at Southern Methodist University in Dallas, Tex., on the subject "Let's Put Mergers in Perspective." In view of the fact that the question of mergers is constantly before the Congress, as well as the question of protecting small business, his address not only seems to be of current interest but he speaks from a wealth of information because Litton Industries has resulted from many mergers. His address follows:

LET'S PUT MERGERS IN PERSPECTIVE

(A significant address by Mr. Glen McDaniel, senior vice president of Litton Industries, Inc., at the annual businessmen's day luncheon of the School of Business Administration, Mar. 23, 1966, Southern Methodist University, Dallas, Tex.)

FOREWORD

It is always a matter of pride to any campus when one of its distinguished graduates returns to participate in one of its important functions. It is even more so when that graduate decides to use the forum of his old school to launch some thought-provoking ideas.

The School of Business Administration of Southern Methodist University invited Mr. Glen McDaniel, Senior Vice President of Litton Industries, Inc., in Beverly Hills, California to be its principal speaker for its annual Businessmen's Day Luncheon, March 23, 1966.

On that occasion, he chose to speak on the subject of "Let's Put Mergers in Perspective." We think what he said deserves to be read widely, considered well by those who read it, and perhaps be treated as a valuable reference by individuals, agencies, departments and libraries to which we send it with our compliments.

The School of Business Administration takes particular pleasure in doing this at the time of our May, 1966 Commencement, since it represents the Fiftieth Anniversary of the University and a part of that exercise has been the award to Mr. Glen McDaniel of an Honorary Doctor of Laws degree.

AARON QUINN SARTAIN,
Dean, School of Business Administration, Southern Methodist University, Dallas, Texas.

Why am I speaking on mergers today?

One reason is that Mr. Donald F. Turner, the recently appointed head of the Antitrust Division of the Department of Justice, has said that he intends to formulate guidelines that will give businessmen a basis for determining what kinds of mergers the Antitrust Division will take action against. Mr. Turner has said he will invite industry comment on these guidelines—and I think industry should participate actively in the discussion of his guidelines.

Another reason is that there has recently been a heavy barrage of criticism of mergers by a small but vocal band of economists and members of Congress. These economic theorists claim mergers should be stopped merely because they lead to larger business entities which these economists assume are bad from a socio-economic theoretical point of view. They denounce "super concentration"; and since "super concentration" results, they say, from mergers, they argue that mergers are bad and should be stopped.

These economists base their approach partly on broad statistical studies which were made twenty or thirty years ago. They fail to take into account the present realities of business, the flood of new technology, or the present and prospective benefits of mergers.

Strangely enough, these attackers are making their loudest noise against conglomerate mergers. In reality these mergers are the most beneficial and, because by definition they invlove companies in different fields, they have the least potential for harming competition.

We cannot assume that the noise being made by these theorists is to be dismissed as just so much smoke, because they have advanced legislative proposals that illustrate the seriousness of their attack. One of these, the Adams proposal, would apply the Public Utility Holding Company Act of 1935 to all conglomerate companies that control ten per cent or more of the market for any product or service, or that own or control assets or securities valued in excess of $25,000,000. Under this proposal, the Securities and Exchange Commission would be empowered to limit the size of such companies by dissolution or divestiture. Dr. Walter Adams, professor of economics at Michigan State University, justifies this proposal with the charge that the conglomerate company has no advantages of specialization, economies, specialized skills or know-how which are conducive to research, invention and innovation, that the conglomerate company is the "least conscionable form of economic power" and is the "least defensible form of private *socialism* in America."[1]

However, this high-powered name calling does not answer the question, "What is wrong with mergers?"

For one thing, the attackers have not proved that super concentration exists. Donald F. Turner, Assistant Attorney General in charge of the Antitrust Division, in an article last year, concluded, "There is *some* evidence that the concentration of assets in the hands of the largest business firms has risen somewhat over the past several decades."[2] He cited some studies indicating perhaps an increase of five percentage points in the share of assets of all industrial corporations held by the 100 largest firms between 1909 and 1958. But he also cited other studies indicating that the degree of concentration has remained relatively stable since 1935.

But regardless of the concentration ratio, the important consideration is the opportunity for small business to form and flourish. On this question, Mr. Turner concluded, ". . . there is little or no indication that any relative decline in the opportunities for small businesses has occurred. Almost any way that one defines 'small businesses', their absolute number has risen steadily and substantially over the years, and the relative number of small firms to large ones appears to have remained remarkably stable; indeed, from 1945 to 1956, the last year for which statistics seem to be available, the relative number of small firms increased slightly."[3] Mr. Turner noted that this stability has been present even in the manufacturing sector, where, because of the tremendous investments in assets required, one would think small business would play a less important role.

Not only have these critics failed to prove "super concentration" exists, they also have not proved that mergers are bad. The fact is that the vast majority of mergers are good for the economy. Mr. Turner's predecessor at the Antitrust Division once said that one reason the Government challenged less than 1% of the mergers occurring each year is that "so few of them are illegal." I will have more to say on that in a moment.

But one of the things I would like to drive home today is that it is time for businessmen to speak out clearly and forcefully in support of those who are advocating reason and logic amid the furor and confusion. And there are many advocating reason and logic.

The minority members of the Senate Antitrust Subcommittee studying economic concentration are doing an excellent job keeping the record straight. Also, Mr. Turner himself has stated on several occasions that he intends to move slowly against conglomerate mergers—at least until he understands better their economic consequences.

Mr. Turner deserves high praise for this realistic approach and for his forthrightness and courage in calling for a full appraisal of conglomerate mergers in the face of the attack by the loud band of socio-economic absolutists. But businessmen, who are closest to the subject, cannot leave the whole burden to others.

As I said a moment ago, the critics of mergers have not shown that mergers are bad. They have failed to do this because, in fact, most mergers are beneficial to the economy and to the public.

But before we get into that, we had better define our terms.

There are three generally recognized types of mergers:

(1) The horizontal merger—the acquisition of a direct competitor,

(2) The vertical merger—the acquisition of a company standing in a supplier or customer relationship, or potential supplier-customer relationship, with the acquiring company, and the

(3) Conglomerate merger—the acquisition of a company in a different field and which is neither a competitor, a customer, nor a supplier.

Section 7 of the Clayton Act, which deals with corporate mergers, provides that no corporation engaged in commerce shall acquire the whole or any part of the stock or assets of another corporation also engaged in commerce where, in any line of commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition or to tend to create a monopoly.

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[1] *Hearings Before the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary*, 88th Cong., 2d Sess. pt. 1 at 249, 251 (1964).

[2] Turner, *Conglomerate Mergers and Section 7 of the Clayton Act*, 78 Harv. L. Rev. 1313, 1327 (1965).

[3] *Ibid.*

Now, I'm sure that at first blush, most of us would agree that the merger of two healthy and substantial competitors would raise the probability of a substantial lessening of competition. Of course, such a merger would lessen competition between the two companies. In fact, it would eliminate it. But would *that* necessarily raise the probability of a substantial lessening of competition *generally*—i.e., among *all* companies—in that market?

I submit that there is wide room for mergers between healthy competitors where, over-all, the procompetitive effects outweigh the anti-competitive effects. For example, by giving the merging companies greater resources or facilities, such a horizontal merger may sharpen competition by forcing the other companies in the market to work harder, or by enabling the merged companies to offer greater competition against larger companies in the market, such as where the merging companies are relatively small and face competition from large entrenched companies.

As an illustration, some years ago the Antitrust Division approved the merger of Hudson and American Motors and Studebaker and Packard. Interestingly, antitrust enforcement agencies appear to have followed this principle only where there are no companies smaller than the merging companies. For example, the government apparently felt it was all right for Hudson and American Motors and Studebaker and Packard to merge in order to better compete against General Motors, Ford and Chrysler, but felt it was not all right for Bethlehem Steel and Youngstown Sheet and Tube to merge in order to better compete against U.S. Steel.

Also, where the acquired company, even though it is healthy and of more than insignificant size, is lethargic, has ineffective management, and is therefore supplying little or no competitive vigor in the market place, its acquisition by a competitor would not seem to raise the probability of a substantial lessening of competition. Many factors could account for its lethargic and ineffective condition: Meager profits for a number of years; obsolescent and inefficient facilities; old and thin management; the company may be part of a larger company which is a disinterested owner and desirous of selling; the market may be overpopulated or in a declining trend.

Some illustrations of such mergers are these: (a) General Dynamics' acquisition of Bethlehem Steel Company's Quincy, Massachusetts shipyard—just thirty miles away from General Dynamics' own shipyard at Groton, Connecticut—with no government opposition; (b) the Antitrust Division's approval of Firestone Rubber Company's recent acquisition of Seiberling Rubber Company's tire manufacturing facilities; (c) the Antitrust Division's approval of General Electric's acquisition of the Universal-Landers Frary and Clark Division of the J. B. Williams Company.

Now Mr. Turner is quoted in the press as saying, "We will attack any merger between substantial and healthy competitors in almost any industry," and he says this while acknowledging that this *per se* approach will prevent some mergers that would increase competition.[4]

I doubt that Mr. Turner means this literally, because that would require him to attack the mergers of Firestone and Seiberling, of General Electric and Universal, and the others I have mentioned.

I submit that there are many instances where mergers between substantial competitors will do more to promote competition than to hinder it, and I am sure Mr. Turner will look carefully at such mergers before condemning them out of hand.

Of course, of all types of mergers, conglomerate mergers offer the greatest opportunity for providing beneficial effects and this is where those who blindly attack mergers are farthest off base.

Conglomerate mergers may strengthen competition and promote innovation in many ways. Take the case of a substantial company acquiring a small company in a market dominated by giants. The entry of the large company can infuse new ideas, spur innovation, promote enterprise and increase efficiency in the oligopolistic market.

In fact, the acquisition of a dull competitor by a large, well-run company can increase competition in almost any market by the infusion of new management, money and skills. But whether the small, acquired company is a dull competitor or not, a large company can aid it by furnishing specialized, professional assistance, such as in dealing with banks, marketing products, recruiting and retaining key personnel, training new employees, etc. Such expert assistance by the acquiring corporation can free the owners or managers of the small business from many tasks, thus enabling them to devote their time to the work in which they excel, such as administration, research, or selling.

Conglomerate mergers also can increase research and development activity—of course, horizontal and vertical mergers can have the same effect—by combining the resources and facilities of the merging companies. Many fields are now becoming so technically oriented, and our technology is mushrooming so quickly, that research and development in many industries require complex laboratory equipment, highly trained technicians and scientists and obviously, great amounts of money.

It has been estimated that during the next 10 years our technological advancement will be more than double that of the last 20 years.

There has been a great deal of talk recently about the "deep pocket" or "rich parent" theory which seems to hold that a large company acquiring a small company in a market consisting of a number of small companies may so upset the structure of the small-company market that the merger should be held unlawful. Obviously this theory, if overzealously applied or blindly followed, could produce unfortunate results.

The leading case espousing this theory arose out of the acquisition by Procter & Gamble, one of the country's leading producers of soaps, detergents and cleansers, of the Clorox Company, the leading producer of liquid household bleach. This acquisition was held unlawful by the Federal Trade Commission because of Procter's large size and the close compatibility between Procter's and Clorox's products. The general principle announced by the Commission was that a large company cannot acquire a small company which is the leader in a market composed of small companies and where the products and operations of the acquiring company are so compatible or complementary to those of the acquired company that the intrusion of the large company into the small company market would give the merged company a decisive advantage over its competitors.

On Mar. 18th, however, a very important development occurred in this case. The decision was unanimously reversed by the Sixth Circuit Court of Appeals in Cincinnati. As the court saw it, the real motivating factor for the Trade Commission's denunciation of this merger was the mere size and success of Procter & Gamble, and the Commission's theories based on Procter & Gamble's "deep pocket" were merely a rationalization to justify its decision. After noting that there was no significant change in Clorox's share of the market in the four years following the merger, the court stated that the Federal Trade Commission had engaged in "conjecture, possibility or suspicion" in basing its findings of illegality on "hypotheses" which never took place.

This may turn out to be a landmark decision. It certainly warns us not to get lost in theory, but to look at the facts.

This decision is of great importance to all those companies which think in terms of research and development. Consider the situation where a large corporation acquires into a market dominated by small companies. The market is a new market, based on a recent technological discovery which has promise for great development, but due to the highly technical nature of the field, such development will require tremendous research and development money and facilities. If a large company moves into the field by acquiring one of the small companies, and provides sufficient R&D money which makes possible some new development or a significant breakthrough, is the merger to be condemned? Is innovation in this manner to be stifled merely because it results from a large company acquiring a small one?

Another important factor that must be kept in mind when considering whether mergers are good or bad is the opportunity for entrepreneurs to sell their businesses and capitalize on their industry and inventiveness. Free transferability of capital assets provides incentive to the formation of new businesses, while restrictions on the sale of businesses reduce those incentives.

Our tax laws wisely encourage the formation of new companies by permitting tax-free mergers with larger companies. The resulting benefits to the economy have been tremendous.

Last year a friend of mine, a distinguished Swedish businessman, said to me: "You don't know how fortunate you are to live in America where the tax laws are designed to encourage business growth. If you are lucky enough to build up a company in Sweden you can't sell it without devastating tax consequences. One of the results of this is that it is very difficult to raise private capital in Sweden to form new companies because the investors look ahead and see the difficulty of eventually selling what they have built up."

If antitrust enforcement becomes so doctrinaire that it discourages the formation of new companies it will be defeating not only this wise United States tax policy but also one of the basic aims of antitrust itself.

My point is that the government and the courts should weigh all factors involved in a merger—whether it be a horizontal, vertical, or conglomerate merger. If we fail to consider all factors, we are likely to hold all companies in a market down to the level of the underdeveloped companies. This is like holding a class of school children down to the level of the slow learners. Our educators have recognized this problem in our schoolrooms, and we should hope that our antitrust enforcers will recognize the problem in industry and not condemn out-of-hand mergers that produce beneficial results.

Most importantly, our enforcers should avoid making doctrinaire or preemptory judgments of mergers. This gives me some concern in connection with the proposals for formulating industry guidelines to indicate to businessmen when they can and cannot effect mergers. The Federal Trade Commission has proposed guidelines applicable to specific industries, while the Antitrust Division has proposed guidelines applicable across all industries.

I think the guideline approach must be viewed with caution. I seriously doubt that guidelines to be applied generally across all industry are practical. It is impossible to reduce all of the complex interplay of competitive forces to simple universal rules. A few individual industries might be susceptible to merger guidelines, such as stable, nontechnical industries wherein competitive forces follow long-established, unvarying and easily recognizable patterns. But certainly there are few such industries in our American economy.

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[4] *Interview with Donald F. Turner*, U.S. News and World Report, February 21, 1966, page 76.

I also question whether such guidelines are necessary. While businessmen certainly need all the clarification they can get, it is very true that a relative handful of decided cases set forth sufficient rules so that any businessman desiring conscientiously to follow merger principles can obtain effective guidance by consulting his antitrust lawyer.

For example, the Supreme Court has held, as I have already indicated, that a company cannot acquire a substantial direct competitor. The Supreme Court has further held that where the acquired and acquiring company together would have more than 30% of the market, the acquisition would be presumed to be unlawful.[5] The Supreme Court will rule probably this fall on whether a merger of two companies that together would have 9% of a market is unlawful.[6] The Supreme Court already has held that a merger combining 5½% of a market can be unlawful.[7]

Two other points must be kept in mind. For companies to be direct competitors their products do not have to be identical—it is sufficient if their products, even though different, are used for the same purposes so that, as the economists phrase it, there is cross-elasticity of demand between the products. For example, the Supreme Court has held unlawful the acquisition of a bottle manufacturer by a can manufacturer on the ground that cans and bottles are directly competitive for some packaging purposes.[8]

The concept of direct competitors also includes potential competition. Thus, the merger of two companies that are not presently competitors may be unlawful if, because of logical future growth patterns, based on past growth trends, it is reasonably likely that one of the companies would move into the other's market in the future. The two companies would be held to be potential competitors.[9] This, incidentally, is a relatively recent principle that is going to require clarification. Any company eventually *might* enter *any* market, but how *likely* is it to enter a given market? As one Federal District Judge said recently, "'Potential competition' would seem to escape any quantitative measurement because so much is conjectural and so little rests upon any firm foundation for economic analysis." [10]

Another rule is that a manufacturer cannot acquire a customer where the effect may be to give the manufacturer the power to foreclose competing manufacturers from a substantial share of the market for a product. The corollary is that a customer cannot acquire a supplier where the effect may be to give the customer the power to foreclose competitors from a substantial share of the supply of a product.[11]

In the area of conglomerate mergers, the rule has been espoused that a large company cannot acquire the leading small company in a market of small companies where the products of the two companies are closely complementary, so that a decisive advantage is the result. This is the "deep pocket" theory of the *Procter & Gamble case*, which I have already discussed.

The Supreme Court has also held that a conglomerate merger is unlawful where it creates such an opportunity for reciprocal dealing that there is a reasonable probability that competition would be substantially lessened. The theory here is that where one of the companies is a substantial purchaser or seller of a product, and its vendors or customers use a product made by the other company, the first company may grant or withhold its purchases or sales in order to force its vendors or customers to use the product of the other company.

These rules sound simple enough, but it is their *application* that is difficult. What makes a company a substantial competitor? a potential competitor? How much competition must be lessened before there is a substantial lessening? When is it reasonably probable that competition will be substantially lessened?

These are crucial questions, because one thing is certain—if these rules are applied too woodenly, they will result in stifling more competition than they will promote. For that reason, and because of the complexities of the modern interplay of competitive factors, full economic analysis is required in the application of these rules. Yet, we are hearing statements by antitrust officials that the economic analysis in merger cases should be shortened.

For example, under this short-hand approach, we are told that a simple showing of market shares can establish a presumption that a merger is unlawful. This is giving market structure sole consideration. But as one noted economist who has devoted considerable study to mergers, Dr. Irston Barnes, has said, change in market structure itself does not constitute a change in competition; a change in structure merely causes changes in incentives and tactics used by other companies in an industry, and it is *these* changes that affect the competitive relationships in an industry. Thus, it is these changes in the *competitive forces* that must be analyzed in determining whether a merger is lawful or unlawful. Sheer reliance on changes in structure will not suffice. This is particularly true in our present day economy which is so characterized by complex technology and fast technological change.

Another pitfall our courts and enforcement officials must avoid is guessing, or unduly speculating, as to the effects of a merger on the basis of incomplete and misleading facts. To hold a merger unlawful, the law requires a finding that the merger *probably* would result in a substantial lessening of competition or in a tendency to monopolize. This means you must look into the future and conclude what the economic effects probably will be, based on current facts.

This analysis of economic probabilities must not become a guessing game. There is a big difference between guessing or speculating, based on a superficial factual analysis, and projecting into the future on the basis of a sound knowledge of existing behavior. And a shorthand analysis is liable to overlook important behavioral patterns, thus producing an erroneous conclusion.

A good example of this erroneous thinking is highlighted in that recent decision in the *Procter & Gamble case*. The Federal Trade Commission appeared to assume that after acquiring Clorox, Procter & Gamble would divert huge sums from its regular advertising budgets to the Clorox product and thereby damage competition. There were no facts to support this assumption. The court said such an assumption was mere conjecture. This clearheaded statement by the court comes, however, after 9 years of protracted and expensive litigation in which this assumption was indulged in by the Federal Trade Commission.

I think you could summarize what I have been saying by one sentence from the Supreme Court's opinion in its *Brown Shoe* decision: "Taken as a whole, the legislative history [of Section 7 of the Clayton Act] illuminates congressional concern with the protection of *competition* not *competitors*, and its desire to restrain mergers only to the extent that such combinations may tend to lessen competition." It seems to me that to apply this test, we must weigh the pluses and minuses of an acquisition—if it shows five pluses, we should not condemn it out of hand because it shows one minus.

In conclusion, I think it is obvious that the health, vigor and dynamism of our economy is the answer to those who decry mergers and advocate stringent new curbs.

Present laws dealing with mergers are adequate—the rules of the cases are clear and simple—it is the application of the rules that is not simple. As our technology expands and the number of new businesses increases, the appraisal of the competitive effects of mergers becomes more difficult, and short-hand presumptions become more apt to stifle rather than promote competition and technological advance. In our present day economy, what is required more than anything is careful application of the law by the enforcement agencies and realistic interpretation of the law by the courts.

If I have seemed overly critical of our antitrust laws or their enforcement, let me hasten to deny any such intention. Our antitrust laws have been the charter of freedom for the market place since 1890, and our country has grown and prospered and experienced the greatest era of invention, technological development, and consumer benefits of any nation in the world. We at Litton—as I am sure every thinking person does—firmly believe in the antitrust laws. We have an extensive internal preventive program and we make an antitrust appraisal of all acquisitions. In fact, we like to think that we illustrate, to some degree, the benefits of our antitrust laws. Without them and their enforcement, a young company like Litton would not have been able to enter the markets it has, for those markets would have been in the power of monopolists.

A HELPING HAND FOR TOPEKA, KANS.

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. MIZE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MIZE. Mr. Speaker, I wish to report to my colleagues that the residents of Topeka, Kans., and other areas in Kansas are recovering as best they can from the destruction wrought by a killer tornado last Wednesday night.

For those who lost loved ones, their homes, and belongings, there is no easy way to the normal life they enjoyed prior to the time they found themselves in the tornado's path, but they have made a start because of the responsiveness of others. Thousands of helping hands have been extended to provide shelter, medical attention, food, and financial assistance. Individuals, organizations, and governmental agencies are working together to help Topeka and its people recover from the worst disaster in their memory.

I returned to Topeka as soon as I could after Wednesday's storm, not because I could do anything more than was already being done, but because I felt that

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[5] *U.S.* v. *Philadelphia National Bank*, 374 U.S. 321 (1963).

[6] *U.S.* v. *Von's Grocery Company, probable jurisdiction noted* 382 U.S. 806 (1965).

[7] *Brown Shoe Company* v. *U.S.*, 370 U.S. 294 1962).

[8] *U.S.* v. *Continental Can Co.*, 378 U.S. 441 (1964).

[9] *U.S.* v *El Paso Natural Gas Co.*, 376 U.S. 651 (1964).

[10] *U.S.* v. *Loew's Inc.*,—F. Supp.—(S.D.N.Y. 1966).

[11] See, e.g., *Brown Shoe Company* v. *U.S.*, 370 U.S. 294 (1962).

I should be there and should make myself available as I was needed. I was met at the Kansas City airport and was flown to Topeka by a National Guard plane, which flew me over the city so that I could see the destruction from the air.

The best way I can describe the devastation is to say that you would have to see it to believe it. You would have to do as I did, fly over the tornado's path which cut across the capital city of Kansas and see how it demolished homes, ripped up trees, flattened buildings, and crushed automobiles and airplanes and left almost a score dead and hundreds injured.

Later I was driven through the residential and business districts which suffered from the storm's violence. I saw the apartment buildings which had been flattened, the homes torn from their foundations and demolished, the parks with uprooted trees and defoliated shrubbery. I saw what happened to Washburn University where practically every building on the campus was damaged or demolished. I visited the business district; saw the smashed windows and the piles of rubble and damaged cars. I went to the airport where every plane on the ground suffered damage—many of them literally turned into balls of twisted metal.

In the face of this disaster of major proportions, my conferences with Federal and State officials assured me that the necessary steps were being taken to provide assistance to the homeless families, the wrecked businesses, and the disrupted utilities. I was impressed by the leadership being provided by Gov. William Avery and his staff, the mayor of Topeka, Charles Wright, the Kansas National Guard, and the officials of Federal agencies already on the scene.

The White House moved quickly to survey the damage and to put in motion the disaster relief forces which are channeled through the Office of Emergency Planning. I was gratified to see the Corps of Engineers, the General Services Administration, the Federal Aviation Agency, the Federal Housing Administration, the Bureau of Public Roads, the Small Business Administration, the Veterans' Administration, and the Department of Agriculture ready to move ahead with the type of specialized assistance for which each agency is responsible.

Special mention should be made of the on-the-scene aid given by the American Red Cross, the Salvation Army, and the officers and men at Forbes Air Force Base. Doctors, nurses, policemen, firemen—all responded to provide the assistance most needed at the moment.

It should be noted also that many lives were saved because there was some prewarning. People in homes and apartments had time to get in basements and shelters. Kansans know they live in "Tornado Alley." They know the suddenness with which such a storm can strike at this time of year. They are always prepared to a degree and they act quickly when the alarm is sounded. The warning system can be improved, however, and I am anxious to see the nationwide natural disaster warning system—nadwarn—developed to its full capability just as quickly as possible.

The Weather Bureau reported a total of 12 confirmed tornadoes in Kansas last Wednesday from 3 in the afternoon until 9 at night. Manhattan, Kans., and especially Kansas State University, suffered damage which may run at high as $3 million. At least 25 homes and business places in Leavenworth, Kans., also suffered damages from the tornado activity in the State.

The damage to property in Topeka is expected to run well over $100 million with an estimated $6 million in damage occurring to Washburn University alone.

Kansans in these affected areas will do as much as they can for themselves, but in the face of a death, a serious injury, a demolished home, a wrecked business, a damaged automobile, the needs are so great that they must look to others, and especially to their Government to help them get on their feet again. It means a great deal to know that all those who can help have not been found wanting. For my constituents, I express grateful thanks.

Mr. Speaker, there has been nationwide coverage of this disaster in Kansas. The newspapers, radio, and television have done yeoman service in reporting fully in words and pictures all the various aspects of the damage, the destruction, the places, and the people involved. It is unfair to single out any one story or picture as being better than any others, but I do want to call attention to a story giving some eyewitness accounts of the storm and its fury. It was written by Phillip S. Brimble of the Kansas City Star and is worth reading because it is a narrative of the storm slashing through Topeka as seen through the eyes of people who lived through it. The article follows:

A Legend Belied in Twister's Fury

(By Phillip S. Brimble)

Topeka.—There is an old Indian legend here that Topeka is safe from tornadoes, being in the Kaw river valley, protected by Burnett's Mound at the south and Calhoun bluff at the north.

Persons here wouldn't buy that legend today. Not after last night. Not after a whirling killer of a tornado swooped down and smashed millions of dollars in property and snuffed out at least a dozen lives.

The legend-buster did just what persons are told they do it came from the southwest and it went northeast.

Tom Lux, 22, was driving south on Gage boulevard when a policeman waved him to the side of the road, just beneath the I-470 overpass.

"I thought it was a license check," Wux said. "But then I saw it coming around Burnett's Mound. The policeman, five other people, Jim Russell, my passenger, and I crawled up in the wedge where the overpass met the ground.

"I closed my eyes and buried my head. Jim said he wanted to see it, that he had never seen a tornado. He kept his eyes open until the wind and dust burned them too much. I kept yelling that we were going to get killed. He was more interested in seeing it.

CAR THROWN 30 FEET

"I've been in 80-mile-an-hour winds but this was much worse. It must have passed right over us. After it died down, I looked around and the others were sprawled over the hill. One man had a broken back. Our car had been thrown 30 feet onto the patrol car."

The tornado moved across the highway and across the Gage, right into an apartment complex.

Leo Holzhuter, 57, was outside his home five blocks away, watching.

"Those apartments exploded," Holzhuter said. "They didn't fall. They exploded."

Holzhuter joined his wife and daughter and small grandson in the basement of the house.

"It hit us three times," Holzhuter said. "The first time it threw my Cadillac through the house. Thirty seconds later it hit again. You've heard the twisting, screeching noise when a bulldozer tears into a building. That's what it sounded like from the basement.

STILL HAS HIS FAMILY

"I don't feel bad about this at all. Some people are cussing. Not me. I've got my family. I'll rebuild right here. "If it hadn't been for my wife I wouldn't have gone to the basement. I'd go now. Thank God for our recreation room.

"You know what the Indians used to say. Time after time she has come to Burnett's Mound and turned off. She didn't this time."

The tornado left only Holzhuter his family when it moved on.

Jerry Jorgensen, associate director of Stormont-Vail hospital, was on the phone when Holzhuter's house disappeared.

"I was giving instructions to the nursing supervisor," Jorgenson said. "I heard it coming so I hung up. I ran to a storm shelter down the block. We had 20 people in a cellar 10 feet square.

DESCRIBES WHIRLING CLOUD

"I watched it coming through a tiny window. It was a black, gray and green cloud whirling around in seemingly unorganized directions. But sometimes it almost seemed like the sun was shining through.

"As far as you could see into the sky there were bushes, trees, boards, television aerials. It was over us in a minute. The people in the cellar were saying the Lord's Prayer in unison. One of the women started off. Hell yes, I prayed too.

"I grabbed a doctor across the street and we headed for the hospital. Everything was blocked so I got out at Twenty-first street and ran 10 blocks to the hospital.

"All along the streets people were crying, looking around, stunned, trying to find their family or a neighbor. They didn't know which way to turn. They weren't able to comprehend what had happened.

"I actually saw one man out hosing the mud off his house 20 minutes after the tornado went through his neighborhood."

TELLS OF HYSTERIA

At Stormont-Vail eight bodies were identified, 27 persons were admitted, and more than 200 persons were treated. There were cases of hysteria. There was a young woman who was told her mother was killed. There was a man with no face. There was a 5-year-old girl who swore the X-rays were "goofed up," that she had a broken arm. It turned out she had a broken toe.

"The injured weren't as difficult to contend with as those waiting to see about their relatives," Jorgensen said.

The tornado missed Jorgensen's house and the hospital.

It didn't miss Washburn university.

"I was driving across campus when I turned a corner and saw it," said Harold Holden, manager of the campus book store temporarily located in Benton hall, a girls' dormitory and one of the first major school buildings hit.

RUNS FOR THE BASEMENT

"My wife grabbed the baby and we ran for the basement of Benton. By the time we got to the door the debris was hitting the ground behind us. There were 25 girls in the basement, here for a 3-day twirling institute. Batons. Know what I mean.

"It got loud. You know how tornadoes are. It got very, very dark. That's my car there."

He pointed to a wrung-out piece of metal bent around what used to be a shade tree.

In MacVicar chapel on the Washburn campus a flute recital was going on. Just before the room and upper half of the walls caved in and the windows blew out, the audience found the basement.

And the tornado moved on.

ANNOUNCER GIVES WARNING

Mrs. Charles Sterba's two youngest sons, Phillip, 15, and Charles, 7, were watching a television show called "Lost in Space," in her basement apartment when the announcer cut in and said take cover, the funnel was heading downtown.

"I told the boys to pull the blinds and open the windows," Mrs. Sterba said. "Then we got under the kitchen table. The couple from the third floor came down and joined us.

"There was this terrific pressure inside. You had to close your eyes and open your mouth to relieve it. I could hear things cracking everywhere. Then it was quiet, I'm Catholic and I was saying Hail Marys and Our Father.

"When we went outside there wasn't any third floor. A woman on the first floor was trapped under her bed. The ceiling fell on it. Across the street they pulled a man from an apartment but he died before the ambulance arrived. I didn't cry. I'm a nurse's aide and used to pain. I was willing to help the poor man but there just wasn't any help for him."

WIND BLOWS DEBRIS

North of the downtown area Robert Goodson, 31, of Battle Ground, Wash., was driving on I-70, on his way home from vacation in Tennessee, when his son Robert, 11, asked what all the stuff flying in the air was.

"That's just wind following the rain," Goodson said. Then he took another look. The debris was too big for just a wind. It must be a tornado, he thought, and pulled up under the Tenth street overpass.

"I told the kids to get out," Goodson said, referring to Robert, his other son, Steven, 8, and his niece, Jill Nauman, 9. "I started to turn the car around but didn't because sometimes tornadoes turn around too.

"We got under the overpass where it met the ground. I told them to keep their heads covered. The first thing I remembered was the dirt clods hitting me in the head. I grabbed two of the kids and the other one grabbed me."

Goodson is a millwright. He weighs 245 pounds. He figured himself a good anchor for three children.

LASTS FOR FIVE SECONDS

"I kept feeling like I was about to rise up," Godson said. "I hollered to hang on. When it was over, and it only lasted about five seconds, I felt for the youngest boy. He was covered with debris but he said he wasn't hurt.

"The other boy was all right. The girl had a splinter about two inches long stuck between her scalp and skull. I flagged down a car and he took us to Santa Fe hospital. We were their first customers. They couldn't have been nicer."

The funnel went northeast and smashed some airplanes. Then it went over Calhoun bluff, the northern protective boundary of the Kaw river valley where the Indian legend has it no tornado shall strike.

NATIONAL STUDENT COUNCIL WEEK

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. WIDNALL. Mr. Speaker, in June of last year I introduced House Joint Resolution 507, requesting the President to proclaim the last week of October as National Student Council Week.

At that time, I noted that my own State of New Jersey was the first to proclaim a statewide Student Council Week, and that the New Jersey Association of High School Student Councils had been given the responsibility of promoting the National Student Council Week project by the annual national convention. The New Jersey association has been particularly active during the past year, and has made the results of its extensive research project available to Members of Congress.

I am pleased to note that the various member councils of the association in New Jersey have also been active in the National Student Council Week project. Last week I received a petition compiled by students at Washington High School and Blairstown High School of Warren County, N.J., containing the names of more than 1,200 of my constituents in that area supporting the establishment of such a week. Petitions of this type require a considerable amount of work, and the successful completion of this task is a tribute to the determination and concern of the students involved, and to the leadership of Blairstown High School Student Council President Michael Malczewskyj, and the council's faculty adviser, Fred T. Ehrgood.

The student councils in secondary schools serve the cause of good citizenship well. They provide a forum for the expression of student opinion and a training ground for students who will be the future leaders of the Nation. I urge my colleagues in both Houses of Congress to join me in supporting the establishment of National Student Council Week.

CHINA IN INDIA AND PAKISTAN

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. WIDNALL. Mr. Speaker, the late Sir Winston Churchill once described Soviet Russia as "a riddle wrapped in a mystery inside an enigma." There are times when our scholars studying Communist China must feel that an appropriate description for that land as well. Certainly the influence of Communist China, and her intentions in Asia, are matters of grave importance for the United States and the rest of the free world. We must continuously seek to learn more in this area.

One particularly qualified observer of the role of China in the Far East is Dr. Purnendu K. Banerjee, Minister at the Embassy of India in Washington. Prior to his present assignment, Dr. Banerjee served as India's Minister and Chargé d'Affaires in Peking from 1961 to 1964. He has also served with the Indian delegation to the United Nations, and as Deputy High Commissioner for India in East Pakistan.

At the third annual China conference held at Harvard University on March 26, 1966, Dr. Banerjee spoke on the subject of China in relation to both India and Pakistan. I believe his comments are of considerable importance, and I would urge their careful evaluation by anyone concerned with developments in Asia.

The speech follows:

CHINA IN INDIA AND PAKISTAN

(By the Honorable Dr. Purnendu Kumar Banerjee, Minister, Embassy of India, Washington; formerly Indian Minister and Chargé d'Affaires in China, 1961–64)

I consider it a privilege to be given this opportunity to speak before this learned audience and to share the platform with such distinguished scholars. I wish to speak today on China in India and Pakistan. The fast changing mosaic of the Chinese relationship with these states does not permit me to evaluate fully the implications of the situation, for the discernible pattern, at the most, provides us with a pointer. Besides, this is perhaps one of the most intricate issues in international relations, for it has the complection of a situation which is akin to what a literary critic would call dramatic irony. We will be discussing a Western ally, a Communist State and a non-aligned country. Among them, they represent the unhappy division of the world.

China's foreign policy can roughly be divided into four parts. I would like to emphasize that this is a rough division, for we cannot be categorical about such a classification. Following the civil war, China was naturally pre-occupied with the problem of consolidation. Having established themselves on the Mainland of China, the present Chinese leaders were emboldened to change their tactics. Between 1953–57, as elsewhere, there was a partial thaw in China's relationship with the rest of the world. This was followed by a period of "variable weather", slowly and progressively disclosing China's real intentions on the sub-continent. This period also witnessed the growing but concealed rift within the International Communist movement. The Sino-Soviet conflict drifted perhaps to the point of no return and October 1962 marks the beginning of the "freeze-up". The hegemonial tension between China and the Soviet Union has not abated, despite the change in the Soviet leadership. The militant China is pressing hard the hesitant, and increasingly mellowing, Soviet Union to give up the leadership of the Communist Parties in Asia and Africa if not of the world. Some observers have ventured to suggest that China's attitude towards the sub-continent is conditioned by her relations with Russia.

During the period of consolidation, for obvious reasons, China was fearful of the rest of the world. It was a natural fear of a group of partly dedicated and partly fanatical individuals seeking to establish their power and gain admittance into the international community. Both India and Pakistan accorded recognition to the new regime in China but both received similar rough treatment from the Chinese leaders. Mao Tse-tung, *for example, speaking of India on October 19, 1949,* said: "I firmly believe that relying on the brave communist party of India and the unity and struggle of all Indian patriots, India will certainly not remain long under the yoke of imperialism and its collaborators. Like free China, free India will one day emerge in the Socialist and People's Democratic family; that day will end the imperialist reactionary era in the history of mankind."

While the people of India had already adopted the democratic constitution, the Chinese leader thought that India still needed to be "liberated."

Pakistan fared no better. She was called a stooge of Anglo-American imperialism. In November 1951, when the Ambassador of Pakistan presented credentials of Mao Tse-tung, the latter said: "I have great pleasure in receiving the letter of credentials of the King of Great Britain, Ireland and British Dominion beyond the seas, presented by you."

There was no mention of the fact that the Ambassador was representing Pakistan.

In India, as well as in Pakistan, in the early fifties, China attempted subversion to overthrow then existing governments. The Indian Communist Party, allegedly encouraged mainly by China, employed violence to convert Telangana into an Indian Yenan. It was an unsuccessful attempt. The Pakistan Government discovered a plot to overthrow it in March 1951. It was suspected to be inspired by China, involving senior army officials, including a Major-General. When those involved in the conspiracy were arrested and prosecuted, the Government of Pakistan was citicised by the Chinese for "the persecution of peace-fighters".

Both countries on the sub-continent followed, however, broadly similar policies towards China. Both India and Pakistan had openly admitted that North Korea was the aggressor but both refused to support the resolution branding China as the aggressor in Korea. While India actively promoted the cause of admission of China into the United Nations, Pakistan maintained diplomatically correct relations. In March 1953, China and Pakistan signed a trade agreement. A trade delegation from China visited Pakistan and received a friendly welcome. During the last years of the period of consolidation, China muted her criticism of the countries on the sub-continent, and sometimes displayed sweet reasonableness.

As the Chinese foreign policy made its foray into the second period, it became outwardly more flexible. The hostility towards India almost disappeared and the slogan "Hindi-Chini Bhai Bhai" represented the mood that enabled the two countries to sign the Agreement on Trade and Intercourse between Tibet and India on April 29, 1954. Mr. Chou En-lai paid a State visit to India in June 1954. Within three weeks of this event, China laid her claim, for the first time, to Barahoti by protesting the presence of Indian troops there. India protested to China when her officials attempted to cross into Barahoti on August 27, 1954. China played down these events through verbal assurances and diplomatically employed her persuasive powers to declare these incidents as "petty problems". Mr. Chou En-lai, during his visit to India in November 1954, indicated that he would, as in the case of Burma, recognize the McMahon Line. China availed herself of the good offices of Mr. Nehru to cultivate Asian leaders at the Bandung Conference behind the facade of friendship for all. In the following month, Mr. Krishna Menon visited China and after some discussion the Chinese announced the release of four American prisoners. Thus India was given a tangible proof of China's confidence in her. But continued protests by India against the border incursions were ignored by China. Then, in July 1956, China overtly claimed Barahoti as her territory.

Thus, during the period of partial thaw, China successfully concealed her real intentions towards India. It is clear, perhaps retrospectively, that China had all along marked India as her real enemy both ideologically and at some future date militarily. Her policy towards India's immediate neighbours revolved around this axis. Her strategy was continuously focussed on this aspect. Having secured all she could from India at Bandung, China perhaps thought she could change her tactics. This aspect of China's policy becomes more clear when we analyse her attitude towards Pakistan during the same period.

Basically, China never slammed the door on Pakistan, for, as Burke said, "Conduct is the only language that rarely lies". China has given enough proof to Pakistan, while publicly criticizing her that China could understand, if not appreciate, Pakistan's actions. When Pakistan signed the Mutual Defence Treaty in May 1954 with the United States, China blamed the U.S. *The People's Daily* held the United States responsible for dragooning Pakistan "to unify her aggressive strength extending from West Asia to South East Asia." It was even said that such a step was detrimental and against the wishes of peace-loving people of Pakistan.

Pakistan apparently grasped the subtlety of this approach. When she signed the SEATO Pact, in September 1954, she secured the omission of the qualifying word "communist" from the clause on aggression in the treaty. This was done, it was pointed out, to avoid any offense to China. The United States however, in an addendum to the treaty entitled "understanding of the United States of America" made it clear that by "aggression" she meant communist aggression.

China continued to follow an ambivalent policy. Despite the SEATO Treaty, Mr. Chou En-lai was reported to have sent a message, through Pakistan's Ambassador in Peking when he was transferred in November 1954, assuring China's friendship towards Pakistan. The pro-Western stance of Pakistan resulting from her alliance, was considered to be a consequence of American intrigue. Pakistan, then, joined the Baghdad Pact. China felt that this was "dangerous" and an action difficult to reconcile with Pakistan's expressed desire to maintain friendly relations with China. This was proffered as advice, rather than admonition. Unlike the Soviet Union, China refrained from denouncing Pakistan.

China moved perceptibly closer to Pakistan and sought to wean her away from her allies. Pakistan obsessed with Kashmir, often appeared to acquiesce in this, for China did not fail to exploit Pakistan's weakness. When the Soviet Union publicly accepted the Indian position in Kashmir, China remained conspicuously silent. Madam Soong visited Pakistan in January 1956 and was hailed in Pakistan as a great lady from China, a country with which Pakistan aspired to be "on the friendliest terms."

In March 1956, China sent an official delegation to Pakistan to attend the inauguration ceremony of the new Republic. In Peking, Mr. Chou En-lai, attending a banquet given on the occasion, emphasized the growing friendship between the two countries.

Later, Mr. Suhrawardy, the Prime Minister of Pakistan, visiting China in October 1956 stressed the existing cordial relationship between the two countries. Despite Mr. Suhrawardy's avowal of friendship towards China, Pakistan voted against the unseating of Nationalist China in the United Nations.

This public behaviour of Pakistan, betraying the gap between profession and practice, did not dissuade Mr. Chou En-lai from visiting Pakistan and making anti-Western speeches. By withholding his endorsement of Indian position in Kashmir, Mr. Chou En-lai acted as if he was making a concession to Pakistan. This was a great achievement for Pakistan. Then at a press conference, Mr. Chou En-lai stated that the Kashmir situation needed a more "detailed study". In February 1957, the joint communique of Mr. Chou En-lai and Mr. Bandaranaike stressed the need to settle the 'Kashmir dispute' peacefully thereby recognizing the existence of a dispute. China thus laid the foundation, as later events indicated, for widening the existing wedge between India and Pakistan.

The diplomacy of China was further complicated by her internal situation. The policy of "let a hundred flowers blossom together" initiated in May 1956, coupled with the "rectification" campaign encouraging self-criticism and criticism naturally brought into the open submerged mass discontent. The trend of events took a fearful turn and the leadership skillfully channeled "rectification" in the 'anti-rightist' drive. A gigantic programme of economic activity was taken up. Aid from the Soviet Union had been progressively reduced from 1,657 million Yuans in 1955 to 23 million in 1957. Increasing economic difficulties at home were inevitably reflected in Chinese foreign policy during this period. A new harshness and belligerence in China's attitude was evident.

China began to denounce "the imperialist cut-throats and vultures", and revolutionary propaganda and doctrinaire statements received more prominence in the Chinese press. A fresh onslaught was ordered on the Yugoslav "revisionism". India too came under open and heavy attack. In 1957, India was asked to surrender, despite the 1954 agreement, all land used by her in Yatung, Tibet, save the Trade Agency. In the following year, China became progressively aggressive. She attacked both Russia and the United States for granting economic aid to India. She specially accused Russia for offering loans on favorable terms to India. This, China maintained, enhanced India's bargaining capacity. Simultaneously, the Chinese press began reporting news items to corroborate its thesis that India was discarding her policy of non-alignment. India's role in the Tibetan uprising admittedly fell short of Chinese demands, in spite of India's conscious effort not to offend the Chinese susceptibilities. Let me explain this.

The enforcement of Communism on the unwilling Tibetans resulted in a sudden uprising in Lhasa leading to an outbreak of hostilities between the Tibetans and the Chinese forces. Dalai Lama, the spiritual leader of the Tibetans, fled and sought asylum in India. The Indian Government granted asylum but denied Dalai Lama the privilege of political activity while in India. This was objected to by China despite the fact that China had in the past accorded similar shelter to politicians from neighboring countries.

This action of the Government of India became a convenient peg on which to hang Chinese grievances. It was used, through propaganda and other means, to create an atmosphere in which China could make a major military move against India. In September 1959, Mr. Chou En-lai, in a letter to the Indian Prime Minister, laid claim to about 62,000 square miles of Indian territory. India contested this claim and produced copious evidence to support her case. The officials of both Governments produced two separate reports after each had examined the records of the other. The very fact that China, unlike India, delayed the publication of the Report indicated the weakness of her position. By fall 1962, China gave up her silk gloves and initiated the blunderbuss diplomacy. On September 8, 1962, Chinese troops crossed into the North-East Frontier Agency. India was still anxious to settle the question through negotiations and peaceful means. Successive proposals by the Government of India were rejected by the Chinese. On October 20, 1962, China mounted a full-scale attack. All accumulated evidence unmistakably indicated that it was an organized attack well planned and carefully executed. Its immediate aim, it appears, was to force the collapse of the democratic structure of the Indian Government and also to humiliate India by compelling her to give up her non-alignment policy. India refused to submit to force and significantly, Mr. Nehru insisted that non-alignment would continue to be India's foreign policy. Even the States that came to her rescue did not demand it of her. Professor Galbraith was very candid when he said: "The military assistance which the United States is giving to India is not intended to involve in a military alliance or otherwise influence her policy of non-alignment." He has often said, "We accept India's policy in this regard".

It is possible that an aligned India would not have been a victim of aggression, though there is enough evidence today that alignment no longer affords the supposed protective shield. After all, the Chinese know there are many ways to kill a cat. On the other hand, India's policy of non-alignment seeks to have localized the conflict. The failure to achieve the collapse of the Government of India, the unity forged by the rising nationalism of India, and the extended supply line of the Chinese army before the coming of the winter were perhaps some of the factors which caused China to declare unilateral withdrawal of Chinese forces. This was a skillful diplomatic move, based on 'cost-risk' calculations, which enabled the Chinese (a) to maintain the image of the mighty China and (b) to retain their territorial conquests without suffering unacceptable damage. China's attitude to the Colombo Proposals formulated in December 1962 by six non-aligned countries, makes this crystal clear. These proposals though they fell short of the Indian position, were accepted by India *in toto* as a workable base for further negotiations. Incidentally, a study of the Colombo Proposals would indicate that China was asked to withdraw militarily in both the sectors, in the east beyond the McMahon Line, and in the west 20 kilometers demilitarized zone of the actual line of control on 20th October 1962. India, on the other hand, was not asked to withdraw from any of the areas concerned. China, through cleverly contrived conditions, allowed these proposals to languish. The ensuing stalemate seems to be serving the Chinese diplomatic needs.

The Chinese attitude towards Pakistan, during the period 1957–62, was perhaps the easiest task a student of diplomatic history could look to. It followed a predictable textbook pattern.

Being a middle power Pakistan had to be cultivated to balance China's hardening policy towards India. Fortunately, for China, Pakistan had a long catalogue of grievances against India. Perturbed by the suggested Indo-Pakistan joint defense proposals, China quickened the tempo of her diplomatic activity for Pakistan was reminded that China's real enemy was the United States and not the Asian members of SEATO. She even refused, as a concession to Pakistan, to discuss with India the boundary of Pakistan-occupied Kashmir. China and Pakistan affirmed that the boundary between "China's Sinkiang and the contiguous areas (the defense of which is under the actual control of Pakistan) has not been formally delimited." This 'contiguous area' is a part of the State of Jammu and Kashmir. This appeared to be a reciprocal concession by Pakistan for it pulled away a pillar from under India's case against China. The two Governments further agreed that "after the settlement of the dispute over Kashmir between Pakistan and India, the sovereign authorities concerned shall reopen negotiations with the Chinese Government regarding the boundary of Kashmir so as to sign a formal treaty to replace this provisional agreement." When India protested, she was told that China was 'impartial' on the Kashmir situation. All these subtleties were given up after the unabashed aggression against India in 1962.

China's foreign policy, since October 1962, slowly and steadily moved into "freeze-up" zone. The ideological chasm with the Soviet Union was widened and China took diplomacy back to the Bismarckian age, when power was the paramount factor in international relations. China's obduracy increased in proportion to the thaw in the Cold War west of Suez. As a matter of fact, the Cold War moved into the East and the subcontinent was in the midst of it.

China, after 1962, having publicly identified India as an enemy, had no more inhibitions to attack India. She employed every possible means to keep India and Pakistan apart. Circumstantial pressure had brought India and Pakistan in 1962 to a conference table. China could not risk the chance success of these negotiations. She literally pulled Pakistan away from the conference table. China and Pakistan announced an agreement in principle "on the delimitation of the boundary between Sinkiang and the contiguous areas" in Kashmir. And Pakistan was given the responsibility for the defense of these areas. The Chinese capacity for mischief was further revealed by the agreement signed on March 2, 1963, which defined the boundary and also made a provision for setting up a commission to demarcate the boundary. This was profitable to both countries. Pakistan got a Chinese commitment on Kashmir and China secured an outright gift of 3,000 square miles of Kashmir under Pakistan's control. Besides China could easily proclaim to the world India's unreasonableness, for all her neighbors had successfully negotiated their borders with China.

The collaboration between China and Pakistan became still closer and quid pro quo was certainly the accepted basis of their relationship. In CENTO and SEATO meetings, Pakistan absolved China of aggression against India. Mr. Chou En-lai publicly commended Pakistan for her 'bold' stand. The contacts—diplomatic, commercial and cultural—between the two countries increased steeply.

Let me list a few examples to illustrate this:

(1) In July 1963, Mr. Z. A. Bhutto said in the Parliament: "If Pakistan were to be attacked by India, the largest Nation in Asia would come forward to support Pakistan. Attack upon Pakistan by India would be considered as an attack upon the largest nation of Asia as well."

(2) On December 2, 1963, the Chinese Minister of Trade, Mr. Nan Nan-Chen pledged China's support to Pakistan in the event of a war between India and Pakistan.

(3) On March 6, 1965, Marshall Chen Yi, said that China could never forget the support which Pakistan gave to her during the Sino-Indian border conflict in 1962. He assured Pakistan that China would not disappoint her.

(4) On March 22, 1965, China and Pakistan reached an agreement to sign an air-communication agreement.

(5) On March 26, 1965, the two countries signed a cultural agreement and a protocol of border agreement on demarcation of boundary.

(6) In April 1965, China openly supported Pakistan in the Rann of Kutch fighting.

(7) On June 2, 1965, Mr. Chou En-lai stated in Rawalpindi "Strengthening of friendship and cooperation between China and Pakistan is a positive factor in the present international situation."

(8) On June 15, 1965, Pakistan and China signed a banking agreement for regulating transactions under a $60 million interest-free Chinese loan granted to Pakistan in January 1965.

(9) On July 7, 1965, Pakistan troops constructed a ferry-bridge across the river Indus at Skardu (7,700 feet) in the Karakoram mountainous range in collaboration with Chinese engineers.

(10) On July 16, 1965, it was announced that Pakistan would buy goods worth $30 million from China under the Chinese $60 million interest-free loan agreement.

(11) The State Bank of Pakistan authorized five scheduled banks to handle imports of machinery, equipment and goods from China on July 22, 1965.

(12) On August 3, 1965, China assured Pakistan of her support to tide over the difficulties arising from postponement of U.S. aid.

Naturally during the recent Indo-Pakistani fight, as further evidence of collusion began mounting, China threw her weight completely behind Pakistan and even gave the appearance of assisting her actively. The farcical Chinese ultimatum to India at the height of the Indo-Pakistan fighting it appears had twin purpose. First, to force India to relax her fight in the Western border and thus relieve pressure on Pakistani forces.

Secondly, to show the world that China is a force in world affairs, and the glare of publicity must have certainly pleased the Mandarins in Peking. But the bluff was called, and Pakistan may have realized the hollowness of Chinese assurances.

On September 23, 1965, the ceasefire came into operation and that too under the aegis of the United Nations. China could hardly conceal her disappointment and discomfiture. The Tashkent Agreement of January 1966 obviously caused further uneasiness and unhappiness to China. China proclaimed Pakistan as an innocent baby pushed around by the Soviet Union and the United States, who in the words of *Jen Min Jih Pao* "instigated and encouraged the Indian aggressors and brought crude pressure to bear on Pakistan which was acting in self-defense . . ." Certainly, China has, so far, not given up hope of retaining Pakistan's friendship.

For example, Pakistan, on March 23, 1966, displayed, for the first time, five Chinese-built T–59 medium tanks and four Chinese-built MIG–19s during the National Day parade of the armed forces. Chinese armor was paraded alongside two squadrons of American Patton tanks.

Currently, Chairman Liu Shao Chi accompanied by Marshal Chen Yi are on a State visit to Pakistan. Mr. Ghulam Farooq, the Commerce Minister of Pakistan, while opening the Chinese Economic and Trade Exhibition in Karachi on March 15, 1966, said that the trade between two countries has risen from $10.36 million to $58.8 million. On the same day, Mr. Bhutto, speaking in the National Assembly at Dacca, stated that India did not attack East Pakistan out of fear of China. He did not see any incongruity in juxtaposing close relationship with China and the United States.

Pakistan today in the context of military take-overs in Africa and Indonesia, is the only non-communist country that enjoys intimacy with China. How far and where they will together go, is anybody's guess. For India's part, I can assure you, we are very keen to uphold the Tashkent Agreement both in letter and spirit.

China, has, over the years, in my judgment, upset the evolving international system in which persuasion, not power, was slowly and imperceptibly becoming the main tool of diplomacy. Power, because of the nuclear deterrent, was devalued and deflated, if not discarded, by most of the States. But China, by enthroning blunderbuss diplomacy, has put the clock back and has provided proof of an ancient adage that a single rotten fish could pollute the pond. China has compelled the rest of the comity of nations to take cognizance of her militant ideology.

This is unfortunate. China has broken immense barriers, in every field save international diplomacy where she is pursuing policies and programmes of the feudal era. This is, I submit, the outstanding failure of recent times. The Chinese leadership is mainly if not solely responsible for this tragedy.

HONORARY DOCTOR OF LAWS TO THE HONORABLE STANLEY R. TUPPER, OF MAINE

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MORSE. Mr. Speaker, on June 5, our colleague, the gentleman from Maine [Mr. TUPPER] was awarded an honorary degree of doctor of laws from Ricker College in Houlton, Maine.

The citation included Mr. TUPPER's long career of public service, most recently culminating in his appointment as Commissioner General of the U.S. Exhibit at the Montreal World's Fair, 1967, for which he will carry ambassadorial rank.

In addition the citation noted the qualities of which his colleagues here in the House have long been aware: courage and honesty in public life.

I include the text of the citation in the CONGRESSIONAL RECORD:

CITATION FROM RICKER COLLEGE, HOULTON, MAINE, TO STANLEY R. TUPPER, JUNE 5, 1966

Following your law studies, which permitted you to gain admission to the Bar of the State of Maine and later to the Bar of the Supreme Court of the United States, you have demonstrated exemplary progress in shaping a career in public service, both elective and appointive. From being a member and chairman of the Board of Selectmen of your home community of beautiful Boothbay Harbor, you have successively been a member of the State Legislature, Commissioner of Sea and Shore Fisheries of the State, and briefly filled the office of Assistant Attorney General at the State's Capitol.

These activities served as excellent background and preparation for your election in 1960 as Representative in the 87th Congress. The merit of your legislative role was recognized by your constituents through successive elections to the 88th and 89th Congresses. Your membership in the interparliamentary group, where you are ranking minority member of the United States House delegation, clearly confirms the wisdom of the President's nomination of you as Commissioner General of the United States Exhibit, Montreal World's Fair—1967, for which you will gain ambassadorial rank.

For two years during World War II, you served in the United States Navy, and also have been for two periods in your country's service as a member of the Border Patrol.

From friends and political opponents alike you have won praise for your courage and honesty in public life, for your earnest pursuit of ideas, for your readiness—after deliberation—to take and maintain a stand which may be unpopular.

On behalf of Ricker College, I am happy and proud to confer upon you the honorary degree doctor of laws, as attested by this diploma and by the special academic hood which is now placed on your shoulders.

ECONOMIC GROWTH IN THE TVA AREA

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BROCK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BROCK. Mr. Speaker, in 1933, the Tennessee Valley region was economically a depressed area. At that time, the per capita income of its citizens amounted to 45 percent of the national average. This very low figure reflected some hard economic facts: the region's economy was dependent largely on agriculture, with very little manufacturing; and its agricultural products consisted largely of row crops—particularly corn and cotton—which, grown with little knowledge or use of crop rotation and other soil conserving practices, were rapidly depleting the fertility of the area's soil resources.

The TVA program attacked these basic economic problems on several fronts. In agriculture, TVA, in cooperation with the Extension Services, introduced programs making possible a shift from a soil-depleting agriculture based on row crop production to a soil-conserving agriculture emphasizing development of pastures, cattle production, crop rotation, and other conservation practices.

In the manufacturing field, low-cost water transportation, low-cost power, and various research programs sponsored by TVA as a means of stimulating development of the region's resources, have had a tremendous effect. Between 1929 and 1964, in the 201 counties lying within the Tennessee Valley or supplied with TVA power, the number of employees engaged in manufacturing increased by 156 percent, as compared with an increase for the Nation as a whole of 62 percent. Similarly, the number of employees engaged in the trade and service industry increased by 111 percent, as against a national average figure of 84 percent.

These trends are continuing. In calendar year 1965, 210 new industrial operations located in the TVA area, while 364 existing plants in the area announced plans for expansion. These industrial developments during the year created approximately 38,000 new jobs.

The economic shifts within the area have greatly benefited its residents from an income standpoint. Whereas in 1933 average per capita income in the area was only 45 percent of the national average, today it is approximately 70 percent of the national average.

This increase in per capita incomes has been of great benefit not only to the people of the area, but to the country as a whole. The residents of the area represent an improved market for products shipped in from other parts of the country. They are also able to carry a larger percentage of the national tax load. In 1933, only eight-tenths of 1 percent of Federal income tax collections came from people in the 201 counties of the TVA region. In 1964, the figure had doubled to 1.6 percent.

The area has come a long way, but, with its per capita income figure still at only 70 percent of the national average, it has a long way to go. It is to the interest of the whole Nation that it continue in the path of economic progress which it has followed for the past 30 years. Passage of the present legislation enabling TVA to continue to supply the area's power requirements is assurance that the region will progress economically in the future as in the past.

PERSONAL ANNOUNCEMENT

Mr. RYAN. Mr. Speaker, on Tuesday, June 7, I was granted a leave of absence on account of official business. On that date I was in the State of Mississippi with a congressional delegation to observe the primary elections, the first held under the Voting Rights Act of 1965.

If I had been present, I would have voted "aye" on rollcall No. 127 in favor of the legislative branch appropriation bill for 1967, and I would have voted "aye" on rollcall No. 128 in favor of the Bail Reform Act of 1966.

THE ROSE PARADE ON NEW YEAR'S DAY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. SMITH] is recognized for 30 minutes.

Mr. SMITH of California. Mr. Speaker, as a Member of Congress in whose district the world's most beautiful festivity, the Rose Parade, is staged each New Year's Day, I would like to commend the Tournament of Roses Association for giving continuity to an event which has become a part of the American scene. Tribute, in particular, should be given to the men who provide the leadership for this great organization of public-spirited men, who give freely of their time to stage a spectacle of beauty for the enjoyment of millions.

The highest post that a member of the community can attain is the presidency of the Tournament of Roses Association. This is as it should very well be, for it takes many years of climbing up the ladder to reach this pinnacle. When a man is chosen for this coveted position he is most qualified, since it is a matter of decades working on a score or more of committees before he reaches the top. Even after reaching the policymaking executive committee, it is 7 years before a man is placed at the helm.

Attention is called to the record of service of Henry Kearns, president of the 78th annual Tournament of Roses, which will be held in Pasadena on January 2, 1967. He became an association member in 1937, being named as a member of the board of directors in 1948. He has been a member of 32 committees during his 30 years of membership, serving as chairman of 12 planning units. In addition, during his past 6 years on the executive committee, he has been the coordinator for eight committees.

He was named to the executive committee in 1960, serving 4 years as a nonofficer member. Beginning in 1964, he was elected secretary, subsequently proceeding through the offices of treasurer and vice president to his present office, tournament president.

President Kearns is fortified with many years of accumulated experience with his fellow officers—H. W. Bragg, vice president; Gleeson Payne, treasurer; C. Lewis Edwards, secretary; Max Colwell, manager and executive secretary; and the six other members of the executive committee. With all of this qualified leadership, the 78th annual Tournament of Roses promises to be the most beautiful in the event's history.

President Kearns will reach the high point of his 30 years as an association member on January 2, 1967, when he and Mrs. Kearns ride in a rose-covered auto near the front of the world-famous processional.

The parade theme will be "Travel Tales in Flowers," which is most fitting because the man at the tournament's helm has visited the four corners of the earth many times both as a public servant and as an international business executive. He has made many friends for his country as well as himself during his travels. He has been received by heads of state and he has walked with the man in the street. The King of Thailand decorated him with that country's highest award, Grand Knight, Order of the White Elephant. The Kearnses have also personified the spirit of international good will by taking into their home an exchange student from the Orient.

Under the leadership of President Kearns, the 78th annual Tournament of Roses promises to be spectacular. The participation by other countries will probably reach a new high, judging from inquiries already received. The tournament story will be told again and again in many lands with the official parade films being sent abroad by the association and the U.S. Information Agency. It will be a big day in the life of a man who has worked unceasingly for three decades to stage a spectacle of beauty for the enjoyment of many millions around the world.

Mr. **DICKINSON.** Mr. Speaker, Alabama, the Cotton State, recalls with considerable pride one of its greatest eras of athletes, which spanned two decades—1926 through 1946. The Alabama Crimson Tide football teams participated in six Rose Bowl games—1926, 1927, 1931, 1935, 1938, and 1946.

The school and State officials became fully aware of the fine handling of the Rose Bowl game by the Tournament of Roses and its football committee in cooperation with participating conferences. The entire operation is a success story, reflecting the vision, good judgment and skill of the association officials in Pasadena.

I had the pleasure of being in California and seeing the 1946 Rose Bowl Game, which was the last time Alabama played in the bowl. It was shortly therafter that the rules were changed and participation in the bowl was limited to California colleges and the Big Ten. Since this is such an outstanding event in which my alma mater has had the honor to participate to a large extent, I look forward to the time when the rules are changed again to once more allow the Crimson Tide, the Nation's No. 1 football team, to participate in the Rose Bowl.

Mr. **RHODES** of Arizona. Mr. Speaker, Arizona, the Grand Canyon State, with its familiar symbol, the Giant Saguaro Cactus, has recorded the history of American transportation with its barely discernible overland trails of the covered wagons, the hoof-marked cattle trails, the smooth ribbons of concrete for the automobiles, buses and trucks, the railroad tracks of steel and the modern airports that send aloft the cruisers of the skies. With its many points of beauty, Arizona has become a mecca of travelers and tourists.

Therefore, it is most fitting that Arizona pay tribute to California, its friendly neighbor, and the staging of the 78th Annual Tournament of Roses parade in Pasadena on January 2, 1967. The theme of the event will be "Travel Tales in Flowers," which was selected from over 7,000 suggestions sent in from all parts of the United States.

This very appropriate theme will be dramatized in beautiful midwinter flowers next New Year's Day in Pasadena. Each entrant will have an imaginative and unique interpretation of the motif. The 60 floral masterpieces will represent countries, States, cities, schools, associations and civic groups. Ten of the entries, representative of this country's free enterprise system, will be from commercial firms of high standing.

Over 20 of the outstanding bands of the Nation will appear in this traditional New Year's Day event. The various geographical areas of the United States will be represented by fine musical organizations. In 1959, the Grand Canyon State was represented in the fete of flowers by the Phoenix Mission Indian Band, each musician being attired in tribal costume and presenting a colorful appearance.

The world's greatest assemblage of horses and riders is seen on January 1 in Pasadena. Many of the equestrian units hail from Arizona, noted for its many fine breeds and great numbers of skilled and dedicated horsemen.

Mr. **CORMAN.** Mr. Speaker, Pasadena, long known for its beauty on the first day of the year, is known by neighboring communities as a friendly city that extends a floral welcome by extending them invitations to take part in the Tournament of Roses.

About 20 communities of southern California are proud of the fact that they have a long record of participation in the world's most famous floral event. It is with a feeling of close kinship that they join the City of Roses in sending New Year's greetings to the Nation—and the world. The interchange of friendship between the communities takes place throughout the year.

Residents of all of these participating communities send in many ideas for a parade theme during the February contest. The association invites all area residents to the premiere of the official parade film held late in February each year. Four of the neighboring cities were major award winners in the 1966 Rose Parade and received their trophies at the first showing of the film held at the Pasadena Civic Auditorium.

The float associations of all communities celebrate the success of the last parade and begin planning for the next New Year's Day with banquets or social gatherings. Tournament of Roses officers or float committeemen invariably attend, often being the honored guests. Trophy presentations are made to the nonmajor award winners and often the official film is projected. Lasting friendships between the tournament and participants as well as between the cities are the result of these gatherings.

Close contact continues throughout the year as plans are finalized by all entrants as to titles, designs, and construction of floats. The interchange becomes more frequent as the months of the year roll by. In December, participating communities have their officials at the float decorating sites much of the time. On January 1, all join with the host city in the day of beauty.

Many Southland communities have sent bands to march in the parade. This requires no end of coordination and contact. Plans have evolved whereby some nearby communities take turns in sending musical organizations to the biggest show on earth.

Pasadena has proven itself to be a good neighbor by sharing the excitement and beauty of its great festival with the cities close by.

Mr. **LIPSCOMB.** Mr. Speaker, with plans well underway for the staging of the 78th Annual Tournament of Roses on January 2, 1967, recognition is due the organization behind this outstanding event, which has made so many contributions to the State of California.

The Golden State notes with great pride that one of the major awards given winning entries each year is the Governor's Trophy awarded for the best characterization of the romance of California. The winners of this award have depicted some great moment in the colorful history of the fine State. These include the exploration by Cabrillo, the founding of the missions by the padres and the discovery of gold at Sutter's Mill.

It is also noted that a statewide organization that is dedicated to preservation of the historic sites of California, the native sons and daughters of the Golden West, is a longtime participant in the parade. Officials of the group are among the association's honored guests on the day of the parade.

Four institutions of higher learning located within the State's boundaries have taken part in many of the Rose Parades and Rose Bowl games. These are the University of California at Berkeley, the University of California at Los Angeles, Stanford University and the University of Southern California. When serving as the gridiron standard-bearer for the West, they have had floats and bands in the parade as a prelude to the afternoon football game.

Bands marching in the Rose Parade have come from every part of the State—north, south, east, and west.

The Tournament of Roses has given recognition to many of its native sons by naming them to serve as grand marshal—Leo Carrillo, Eugene Biscailuz, Richard Nixon, and Robert Gordon Sproul. It has also paid homage to the State's great entertainment industry by according this high honor to such stars as Mary Pickford, Harold Lloyd, Kay Kyser, Edgar Bergen and Charlie McCarthy, and Bob Hope.

And since the beginning of the event, the Governor of California has had a carpet of red roses rolled out for him in Pasadena on New Year's Day. Therefore, California reaffirms its esteem for the Tournament of Roses, which has done much for the State.

Mr. MAILLIARD. Mr. Speaker, the people-to-people movement of the sister cities affiliation program has been given great impetus by the Tournament of Roses, thus furthering the friendly interchange between the inhabitants of many countries of the world.

On January 1, 1963, Tazio Hasegawa, the mayor of Mishima, Pasadena's sister city, and his wife were honored guests of the Tournament of Roses and the friendly city of beautiful midwinter blossoms. They rode along the processional route in the Pasadena mayor's rose-covered automobile. Later, Mishima rolled out the red carpet of friendship for officials from Pasadena.

Two years later, Burgermeister Hans Kluber of Ludwigshafen, Pasadena's other sister city, accompanied by his wife, attended the events of tournament season, including the rose parade and the Rose Bowl game. Huge crowds were on hand at both their arrival and departure. Earlier in the previous year, Pasadena City Manager Elder Gunter made a visit to Ludwigshafen where he was presented the keys of the city.

During the 1966 parade, Pasadena gave a bouquet to both its sister cities—Mishima and Ludwigshafen. The entry of the Pasadena city schools featured the shields of the two sister cities and had the theme title, "Salute to Sister Cities—Ludwigshafen and Mishima." The entry gave meaning to the parade theme "It's a Small World."

Film footage of the above entry was speedily dispatched by plane and shown throughout Japan over the NHK television network. Official films were dispatched to Ludwigshafen for both TV transmission and projection before audiences.

Several other longtime entrants also gave a floral salute to their sister cities on the first day of 1966. With an imaginative entry, "Mexican Fiesta," Redondo Beach hailed its two sister cities in Mexico—La Paz and Ensenada. St. Paul, Minn., paid tribute to São Paulo, Brazil, with a float designed with a Latin American motif. Monterey Park's "South of the Border" gave a handclasp of friendship to Querétaro, Mexico. San Francisco with an elegant oriental float design paid homage to Osaka, Japan.

In view of the above it would seem the Tournament of Roses is an event that should be taken abroad through the medium of the Voice of America and the Armed Forces radio-television services.

Mr. ASPINALL. Mr. Speaker, the State of Colorado is proud of its scenic beauty as well as its fine institutions of higher learning. One of these is Adams State College located in the beautiful mountain community of Alamosa. The State flower, the columbine, abounds in this area where culture and learning are acquired amid the beauteous surroundings of the State's natural wonders. On January 2, 1961, over 100 musicians of the Adams State College Band marched in the Tournament of Roses parade, serving as the highpoint in the life of many of these musical emissaries.

Considerable interesting history surrounds the participation of bands in the Tournament of Roses. Founded in 1890, records reveal that the initial fete was without music. The next year, the neighboring city of Monrovia sent its town band to march and play in the gala event. This was a first as far as band participation in the rose parade is concerned. Many firsts were to follow.

In 1898, the Whittier High School Band was the first to miss the rose parade due to transportation difficulties. When it came time to hire a horse-drawn livery to transport musicians and instruments, each stable in the area had all units in service.

Early day parades saw the participation of school bands from Pasadena and the surrounding communities. Boy Scout units marched and played in the event during the teens.

The Salvation Army Band made its first appearance in 1920, introducing marching hymnals and playing instruments fashioned by corps craftsmen. Pasadena City College—then junior college—marched as the Official Tournament of Roses Band for the first time in 1930, beginning a tradition that continues through to today.

The University of Illinois was the first Big Ten representative to send a band to Pasadena for its 2 great New Year's events. This was in 1946. Sustained participation of the service bands—U.S. Marine Corps, U.S. 6th Army Band, and the U.S. Air Force Band began shortly after World War II. In 1955, the U.S. Army Cadet School at West Point made its first trip west of the Mississippi to appear in the rose parade. The U.S. Navy Band of Washington, D.C., appeared 2 years later. It was in the early 1950's, the professional Union Band made its first appearance. About the same time, a policy of community band rotation was devised. Soon thereafter, school districts, such as Long Beach and Glendale, selected all-star units from all school musicians.

Mr. McDOWELL. Mr. Speaker, Delaware, the Peach Blossom State, is rich with tradition and history, being one of the Original Thirteen Colonies and the first State to ratify the Constitution of the United States. The State looks forward to tomorrow and the leaders of the future as it gives recognition to excellence of performance on the part of its youth.

With its century-old buildings, New Castle, a Delaware community of 7,000 residents, experienced one of its finest days in its proud history as the De La Warr High School Band took part in the Tournament of Roses on January 2, 1961. The young musicians were the musical ambassadors of New Castle, Del., and Eastern United States. This was a climax to one of the finest community efforts that welded the residents to one common goal—sending the fine band to Pasadena.

The people of New Castle are industrious and hard working, most of whom are employed in one or the other of the two main industries—textiles and steel producing. All have a high level of community pride, which soared to a new peak when the school band received the invitation to march in the Rose Parade. This exciting news galvanized the entire population into action. New Castle, Delaware's first seat of government, became the State's music capital and the band director its Governor. The papers of the area and of the State carried banner headlines, photos and lengthy columnar stories about the De La Warr High School Band and its selection for participation in the Rose Parade. The entire community saluted its 100-plus first citizens—the band members. Residents of all ages and of all walks of life lined the sides of the practice field where the De La Warr musicians put in long hours perfecting their playing and marching formations. Officials of the city, county, and State commended the band and its fine honor with official resolutions. The citizenry turned out en masse when the bandsmen left for the banner appearance on New Year's Day. Millions viewed the band in its finest performance through the magic of television. New Castle greeted their goodwill ambassadors upon their return. New Castle loomed up larger on the map and the people of Delaware had a bigger place in their hearts for these young musicians because of the 1961 Rose Parade themed "Ballads in Blossoms."

Mr. GURNEY. Mr. Speaker, Florida, the Peninsula State, has the very appropriate floral symbol, the orange blossom. It was the bountiful yield in 1866, a century ago, that firmly established the citrus industry in the State. Orlando, the largest inland city and the seat of Orange County, has become the center of the citrus growing and packing activity.

An Orlando-based firm giving great credit and prestige to the citrus industry is the Minute Maid Co., which has been a factor in making Florida orange juice a household item by taking the telecast of the Tournament of Roses parade to many millions across the United States for 15 years.

The prestige of the industry was also reflected by the annual floral entries of Minute Maid in this spectacular event during this same period. Winner of several major awards, the Minute Maid entry has brought repeated favorable comment in letters sent from all parts of the country.

This great business enterprise made a very tangible demonstration of its civic pride by sending the Colonial High School Grenadier Guard Band of Orlando, Fla., to take part in the 76th Annual Tournament of Roses having the motif "Headlines in Flowers." The public-spirited gesture brought many headlines to the school, the community, and the State of Florida. In a further display of sincerity and humility, Minute Maid made no effort to capitalize on their benevolent deed. It was the company's way to show its pride in being a part of Orlando and Florida.

Townsmen gave audible cheers to the fine young musicians representing Colonial High School, Orlando, and Florida. Simultaneously, they offered quiet prayers of thanks and gratitude to Minute Maid for making the visit by the young musicians to Pasadena possible.

On behalf of the people of the State of Florida, I offer thanks to the Pasadena Tournament of Roses for allowing the State to have a part in the great pageant of flowers, also wishing success in the staging of the 78th Annual Tournament of Roses on January 2, 1967, themed "Travel Tales in Flowers."

Mr. HANSEN of Idaho. Mr. Speaker, known as the Gem State, Idaho is a golden land—nuggets were found in abundance during a rich strike in 1859, there are late summer harvests of golden grain, the rich soil yields bumper crops of golden russets and within the boundaries are many golden opportunities.

The Pasadena Tournament of Roses extended an invitation to the Pocatello High School Indian Marching Band to take part in the 1963 Rose Parade. Officials immediately accepted because it was a chance for a wonderful experience by the young bandsmen that would provide them with many golden memories through the years.

Excitement prevailed throughout the State when the acceptance was made public. The people of Idaho hailed the announcement. Congratulations poured in from all corners to the school in the city named after the famous chief of the Bannock Indian Tribe. Further reason for the tribal nickname of the school and its band is seen in the fact that Pocatello is also the county seat of Bannock County which contains a part of the Fort Hall Indian Reservation.

The music of the band never died down after the celebration of the acceptance of the invitation to play and march in the world-famed procession in Pasadena. The young musicians appeared at concerts that would provide funds for the trip to the west coast. In a fine display of community spirit and cooperation, all of the townspeople swung into action to help with the Project Pocatello to Pasadena. The 100-plus band members were the community's first citizens. Local, county, State, and National public officials issued testimonials in their honor as they represented both Idaho and Pocatello. All eyes were on Pasadena as these young emissaries made their finest appearance.

On behalf of the State and its people, I send best wishes for a successful 1967 Rose Parade, which will be observing its 78th year. Idaho will be celebrating the same milestone of its statehood, being born as the 43d State of the Union in 1890, the year the Tournament of Roses began.

Mr. FINDLEY. Mr. Speaker, Illinois, the Prairie State, is the land of beautiful flowers. Countless gardens paint each city, town and village with a splash of color. The State flower, the butterfly violet, provides a carpet of elegant purple for the shady dells, wooded retreats and the moss-strewn river banks.

Therefore, it is easily understood why Illinois looks westward to California on each New Year's Day upon the staging of the Pasadena Tournament of Roses.

A sincere tribute is paid to this great event, which has become a part of the American scene. The Rose Parade has become noted for honoring national heroes, shrines and historic events of this great country. National heroes who have been grand marshal of this pageant of flowers, include Gen. Charles S. Farnsworth, 1931; Adm. William S. Sims, 1934; Adm. William F. Halsey, 1946; Gen. Omar Bradley, 1948; Marine Corp. Robert S. Gray for General Eisenhower, 1951; seven Congressional Medal of Honor winners, 1952; Maj. Gen. William F. Dean, 1954; Capt. Eddie Rickenbacker, 1957; and Gen. Dwight D. Eisenhower, 1964.

There have been a number of patriotic themes through the years, such as "America," 1941; "The Americas," 1942; "We're in To Win," 1943; "Victory, Unity, and Peace," 1946; "Our American Heritage," 1950; and "Symbols of Freedom," 1964. Floats in these processions depicted in flowers leaders, places and events standing out in the glorious history of the United States.

Review of the tournament's files reveal that two of the greatest of Americans, George Washington and Abraham Lincoln, have been portrayed many times. Three floats in the 1964 procession themed "Symbols of Freedom" centered on the most famous native son of Illinois—"Young Abe Lincoln," "Lincoln's Address" and "In God We Trust." Douglas MacArthur was featured on a 1965 entry and the Liberty Bell, Old Glory, Four Freedoms and the shrines of the Nation's Capital—Washington Monument, Lincoln Monument, White House, and U.S. Capitol—have been fashioned in flowers many times in the Tournament of Roses.

On behalf of the State of Illinois and its people, I wish the best of success in the staging of the 78th annual Tournament of Roses on January 2, 1967.

Mr. SPRINGER. Mr. Speaker, all over the United States the Tournament of Roses is almost as much a part of the traditional New Year's celebration as it is in southern California. Families gather around the television set to watch the parade in the morning and the football game in the afternoon. Color television has enhanced the enjoyment of these great spectacles for millions of people from coast to coast.

In Illinois, and particularly in the 22d Congressional District where the University of Illinois is located, the goings-on in Pasadena are of course an even more thrilling attraction in those years when the fighting Illini are playing in the Rose Bowl. There have been three of those glorious occasions since the present series of games between the Western Conference, or Big Ten, and the Pacific Coast Conference started in 1947. At the risk of being accused of boasting I must say that the Illini emerged triumphant from all three encounters with the Pacific Coast's best, defeating UCLA 45–14 in 1947, Stanford 40–7 in 1952, and the University of Washington 17–7 in 1964.

To west coast alumni the sight of the famous University of Illinois marching band on Pasadena's Colorado Boulevard must have brought the same spine-tingling sensation that many Illini in Washington experienced when the Illinois Loyalty Sound resounded in Pennsylvania Avenue during the Eisenhower inaugural parades of 1953 and 1957.

So I am delighted that our colleague from California has furnished this opportunity for me to pay tribute to the Tournament of Roses, now after almost four decades one of the Nation's most enduring festivals.

Great traditions are a part of the American way of life. Outstanding events as the Tournament of Roses have many of these traditions that have become the character and heart of the festivity that began as a community affair and now belongs to the world.

Initially, the Rose Parade was founded as a celebration paying tribute to the beautiful midwinter flowers and the ripening oranges of the southern California locale. Only fresh flowers were used in decorating the early day conveyances in the parade. This is still the case 78 years later as Pasadena once again prepares to send forth its New Year's Day greetings.

In 1905, the Tournament of Roses first paid tribute to young womanhood by choosing a Rose Queen. In the ensuing years, 55 young ladies have presided over the realm of roses. The first grand marshal was named in 1902, and after a lapse of 6 years, was reestablished in 1908 as a part of the tournament tradition, continuing through to the present time. A total of 60 eminent persons—Presidents, Vice Presidents, Senators, men of the military, stars of stage, screen, radio, and TV and well-known public figures have served.

Officers have been elected during each of the tournament's 78 years, the presidency being the highest honor that a member of the community can attain.

The tradition of inviting outside bands to take part in the procession began in the second year as the Monrovia Town Band marched in the parade of 1891. Today, the various geographical areas of the United States—North, South, East, West, and Midwest—are represented by the participating out-of-State musical organizations. Bands now come from other lands.

Each parade has been filmed for several decades, with the multiple film copies being sent to all parts of the world for others to enjoy. It was in 1947 that the tradition of the massed American flags of the Long Beach Mounted Police began.

The annual selection of parade themes began in 1927 following a nationwide poem-writing contest won by Mrs. Francesca Falk Miller, of Chicago, who wrote "Roses Are in Bloom." The words were put to music by Mrs. Carrie Jacobs Bond, the noted composer of the day. Themes have been chosen each year since.

Mr. JACOBS. Mr. Speaker, Indiana, the Hoosier State, is proudly observing 150 years of statehood during the year of 1966. It is a State with a proud past, active present, and a promising future.

Having the motto "The Crossroads of America," Indiana is conscious of the unity of the 50 States of the Union. This can be attributed, in a very large measure, to the friendly interchange between the States afforded by the Pasadena Tournament of Roses. On New Year's Day, the eyes of the Nation—and the world—are on the City of Roses and its beautiful procession of flowers. People go to Pasadena from all States—and many foreign countries—to view the spectacle. Forty of the fifty States have had representation in the Tournament of Roses—a float or a band. A number of States have launched centennial observances, including Indiana, Montana, Wyoming, and West Virginia, in recent years.

When the out-of-State bands, representing the various geographical areas of the United States, are chosen, invariably the State officials and governing bodies designate the unit as an official representative of the entire State.

In most instances of State participation, the top State officials make the trip to Pasadena to witness the great festivity. They meet the officials from other States at the various functions and in the distinguished guests stand on the morning of January 1. This makes for closer ties between the States and the formation of lifelong friendships among the various State representatives.

Further, the horses and riders hail from a number of different States. Two networks telecasting the huge event carried the story of a three-horse group hailing from three widely divergent points—Connecticut, Indiana, and Hawaii. Nearly 100 million people heard this story denoting friendliness and human interest.

Therefore, the State of Indiana sends forth a message of best wishes to California and the Tournament of Roses, which has done so very much in promoting friendship and good will between the States.

Mr. DOLE. Mr. Speaker, Kansas, the Sunflower State, has contributed many chapters to the story of the Old West. It has been the scene of many historic happenings that have been considered by historians as milestones in the winning and development of this vast region.

A friendly sunflower greeting is sent to California to add to its bouquet of golden poppies and the many magnificent midwinter blooms of the Tournament of Roses. Many times the lore and history of the West have been dramatized by the floral masterpieces appearing in the procession. Vignettes of the Old West reproduced in flowers included in recent years "the Battle of the Alamo," "the Overland Trail," "the 49'ers," and "the Pony Express."

In 1910, a special feature of the Rose Parade was Ezra Meeker and his oxcart. This adventuresome man had traversed the Oregon Trail in such a conveyance in 1852 and again in 1906.

It was like a page out of the past in 1958 as the Shawnee Mission District High School Band of Merriam participated in the Tournament of Roses. Wearing 10-gallon hats and attired in western costumes, the Dodge City High School Cowboy Band appeared in the Pasadena parade in 1961 as the official representative of the State of Kansas in its centennial year. The tournament president in his later visit to Dodge City was made an honorary marshal.

Kansas wishes the 78th Annual Tournament of Roses great success in staging the parade on January 2, 1967, themed "Travel Tales in Flowers." The State is the setting for many such tales, being the crossroads for the Pony Express, Oregon Trail, Overland Trail, Mormon Trail, and the Donner Party Trail.

Mr. FARNSLEY. Mr. Speaker, Kentucky, long known as the Blue Grass State, looks forward to 1967 when it will observe its 175th anniversary of statehood. Legends are many of this Commonwealth on whose seal is etched in bold letters its motto "United We Stand, Divided We Fall." This has long been the philosophy of the Union and has become the slogan of friendship and unity of the 50 States.

As a testimonial to the friendship between the States, the goldenrod of Kentucky joins the golden poppy of California, along with the 48 other State flowers, as the Pasadena Tournament of Roses presents its traditional pageant of flowers on January 2, 1967.

Many Kentuckians have viewed this famous event in person, returning with accounts of the beauteous festivity. The magic of television has taken the parade into the homes of untold other residents of the State. Two floats in the 1966 Rose Parade held particular significance to the people of Kentucky. Daniel Boone, one of the State's greatest heroes, was depicted by the famed film star, Fess Parker, on the National Rifle Association entry titled "Land of the Free, Home of the Brave," symbolizing the protection of America's freedom and liberties on the frontier. The Nation's Capitol provided an impressive backdrop for the historic floral tableau.

The entry of Arcadia, headlining one of the greatest of all jockeys, Johnny Longden, paid a tribute to the world of horseracing. The Blue Grass State is known as the home of the great thoroughbreds of the track as well as its famous Churchill Downs. Some of the most dramatic moments of the sport of kings have taken place there during the Kentucky Derby with this great rider up.

It was a proud day on January 1, 1958, in Kentucky when the State was represented by an outstanding group of young musicians of the Louisville Military High School ROTC Band of Louisville. The strains of "My Old Kentucky Home" never sounded better than when played along Colorado Boulevard in Pasadena, Calif.

Mr. WAGGONNER. Mr. Speaker, Louisiana, the Pelican State, presents a mixture of the Old World charm and the vigor of this young hemisphere. The enchantment of the life within its boundaries is further enhanced by the traditional love of beautiful flowers and melodious music by Louisianians.

The State of magnolia blossoms offers best wishes to the great New Year's Day fete in California, the Tournament of Roses. It is recalled that on Janary 1, 1960, the Byrd High School Marching Band of Shreveport took part in the Rose Parade as the official representative of the State. Winner of many awards in band reviews, the unit played flawlessly in Pasadena, capturing the hearts of many on-the-spot viewers as well as many watching the event on television.

The Byrd High School Marching Band made many friends for the State, Shreveport, Byrd High School and themselves. Letters arrived from all parts of the United States praising the young musicians and their outstanding performance. Excerpts from the communications included "the tone quality of the music was excellent," "the bandsmen kept their well-echeloned lines in perfect order" and "the band's repertoire was well chosen. The numbers fitted the occasion." Band leaders across the country queried the director for technical information on band presentation. The Tournament officials wrote the Byrd High School officials that the 100-plus bandsmen were "well disciplined, courteous and cooperative at all times."

Reports continue to filter in pertaining to the band's appearance over 6 years ago. The official films of the 1960 Rose Parade have been shown over 70 times a day in many parts of the world since that time. Some of the letters resulting from the film showing are from Louisianians who write "It made me proud to be a Louisianian when I saw the Rose Parade film showing the fine Byrd High School Band marching and playing."

Louisiana is a hub of transportation—highway, rail, river, sea and air—and so wishes success in the staging of the 78th Annual Tournament of Roses having the theme "Travel Tales in Flowers."

Mr. PHILBIN. Mr. Speaker, Massachusetts, the Bay State, adds a spray of its floral symbol, the Mayflower, to the display of 50 State flowers as a part of the nationwide salute to California and the magnificent New Year's Day event, the Tournament of Roses.

The foundation stones for our freedoms and American way of life were laid in Massachusetts. Therefore, it is significant to note that the Tournament of Roses has practiced the true principles of democracy by including participants of all faiths, races, and nationalities. This was particularly evident during the 1962 Rose Parade having the theme "Around the World With Flowers." Entries for the most part had motifs with an international flavor with such titles as "Youth for World Peace," "Flowers Worldwide," "Liberty Around the World," and "Pathways of Peace Through Sister Cities." Riding many of the floats were people of all origins attired in native costume of the country they represented. Friendship and brotherhood were keynoted as every race, color, and nationality were represented.

Massachusetts was represented by the Fitchburg High School marching band in this parade. It was a memorable occasion for the young musicians to span this country, seeing many other States and areas en route, and perform in the most famous parade of flowers in the world. Probably the most unforgettable aspect of the trip was the spirit of impartiality and brotherhood reflected by the participation of all creeds and colors. Young musicians of Negro, oriental, and Mexican extraction were members of each of the 22 participating bands.

The Mississippi Valley State College marching band from Itta Bena, Miss., comprised entirely of Negroes, has appeared in the Rose Parade as has the Tenri High School Band, of Tenri, Japan. Many of the band members were of the Buddhist faith. The St. Ann's Catholic Youth Organization Band of Gloucester, Mass., took part in the 1966 parade. San Francisco's famed Chinese Girls' Band has taken part in the event on two occasions. In bygone years, a number of churches have had entries. Lutheran Laymen's League still participates as does the Salvation Army with both band and float. The centennial of the Emancipation Proclamation was observed with a Negro association entry in 1964. The group has continued its participation, presenting each year a dignified and beautiful portrayal of the contributions of the Negro to the culture of the United States.

Mr. BROOMFIELD. Mr. Speaker, the great State of Michigan has long been known as an industrial giant, being the capital of the automobile industry. Participation in the Tournament of Roses has been a means of carrying the story of the industrial might and the free enterprise system of the country by large firms of the State to vast numbers of people.

Chrysler Motors Corp. has enthusiastically assumed the sponsorship of the telecast of the Rose Parade over the network facilities of CBS. This was motivated by the desire to be associated with a prestige event and the opportunity of reaching one of the largest special event audiences in the world. The TV transmission on CBS reached more than 50 million people in the United States and Canada.

Evaluation of the exposure led Chrysler to also share the sponsorship of the Rose Bowl game. This telecast over NBC reached 80 million persons on January 1, 1966. The game was taken into 26 million homes having 3 viewers per set, effecting an exposure of unprecedented magnitude. The promotional genius of the industry equals in greatness the capacity for production as made possible by the precision of assembly line methods.

Chrysler Motors Corp. is also one of the 10 commercial entries in the parade. With imaginative design and beautiful floral decor, the firm's entries during the past few years have earned the reputation of being among the best, also being a winner of major awards.

It is significant that the industrial firms, such as Chrysler, are interested in providing pleasure to many millions by taking the two traditional Pasadena New Year's Day events into millions of homes across the land. This is a great public service in itself.

Another highly respected participant is the Chevrolet Division of General Motors Corp. which has sponsored elegant floral entries each year since 1959. The floats of this great concern have won four major awards in 8 years.

Mr. CHAMBERLAIN. Mr. Speaker, Michigan, the Wolverine State, as it prepares to launch its 130th year of statehood in 1967 holds high its State flower, the apple blossom, to wave a greeting of friendship to California and the successful staging of the 78th Annual Tournament of Roses on next January 2. This State is proud of its participation and representation in both outstanding events.

The Rose Bowl game, known far and wide as the grandfather of all postseason intersectional football contests, was born on January 1, 1902, as the University of Michigan met Stanford University on the gridiron at Tournament Park in Pasadena. This was the historic beginning of a great tradition in the annals of intercollegiate athletics, although it was some 14 years until continuity was given to the idea of some farseeing and visionary individuals, including James H. Wagner, the tournament president, who did much of the spearheading of the initial intersectional game.

Some 5,000 football fans viewed that first game as compared to the 100,000 that now fill the famed stadium in the Arroyo Seco. Added to the latter number are the 80 million viewing the game on network telecast and the untold numbers listening to the radio broadcast of the contest.

Some 20 bowl games are played today as an outgrowth of the pioneering of the Tournament of Roses Association and the valiant football players of Michigan and Stanford. Postseason football has become a part of the national scene.

The association officials have wisely insisted upon allowing the officials of the participating conferences and schools to be in the forefront as far as staging the game is concerned. Game management is by the hosting western school coordinating with the visiting school officials. The tournament's football committee serves in a liaison capacity.

The Rose Bowl game is a shrine to college football at its best, making definite recognition of the fine qualities of sports, such as sportsmanship, fairplay, and outstanding performance.

The Rose Bowl Hall of Fame at the stadium records the exploits of the stars, including the following players of the game from our State: Neil Snow, University of Michigan, 1902; Robert Chappius, University of Michigan, 1948; Donald Dufek, University of Michigan, 1951; Billy Wells, Michigan State University, 1954; and Mel Anthony, University of Michigan, 1965.

Mr. KARTH. Mr. Speaker, Minnesota, the Gopher State, would like to make a testimonial on behalf of the Tournament of Roses as an expression of gratitude for its wonderful cooperation with the festivals in this State as well as in other areas.

The St. Paul Winter Carnival has had a very pleasant association with the Tournament of Roses Association for several years. Since 1959, each has had floats in the other's festivity. King Boreas and the Queen of Snows occupy the throne on the St. Paul entry in the Rose Parade. The tournament president and his wife are guests of honor at the winter event in the Minnesota city.

In 1965, the American Legion Indian Band of St. Paul marched at the front of the procession of flowers in Pasadena, presenting a colorful site as the bandsmen wore authentic tribal attire.

In 1961 and 1962, the University of Minnesota was represented by its great band and a float in the Rose Parade and by its football teams in the Rose Bowl game.

The State of Minnesota has had three entries in the Tournament of Roses Parade—1958, 1961, and 1962. The Minneapolis Aquatennial entered a float in 1962 and has brought the festival's Queen of Lakes to participate in the events in Pasadena on New Year's Day. Tournament officials have been hosted at this midsummer festivity in Minneapolis.

Other fiestas with which the tournament association has cooperated are the Portland Rose Festival, San Antonio's Fiesta Flambeau, Los Angeles County Fair, San Bernardino's National Orange Show, Mexico City's Fiesta of Flowers, and the Calgary Stampede.

Royalty from many events across the Nation appear in the New Year's parade, including Miss Rhododendron, Miss Daffodil, Miss Teenage America, America's Junior Miss, Miss Rose Festival, Miss Montana, Miss La Paz, Miss Ensenada, Miss Los Angeles County, as well as a score of queens of participating communities.

Congratulations are in order for the Tournament of Roses for sharing its big day with events across the land and in turn participating in festivities in other locales.

Mr. WHITTEN. Mr. Speaker, Mississippi, the Bayou State, as it prepares to celebrate 150 years of statehood in 1967, sends best wishes to the Tournament of Roses and the staging of its great fete themed "Travel Tales in Flowers" on the second day of January next year.

On two occasions, Mississippi has been represented in the Rose Parade—Picayune High School Band of Picayune in 1959 and the Mississippi Valley State College Marching Band of Itta Bena in 1965. This participation sparked mounting interest in the spectacle by the people of this State, thus bringing into focus the people-to-people aspects of the traditional year-beginning festivity both on a domestic and an international basis.

Flowers in every State as well as every country of the world provide enjoyment with their beauty. Although the species vary as to locale, the beauty of blooms is appreciated everywhere and the language of these creations of nature is understood universally.

Learning that the official tournament films are shown 100 times a day in some part of the world, it is readily understandable why this event has won fame throughout the globe, also becoming important to the people-to-people programs as fostered by the Sister Cities Affiliations Committees of many participating communities. There were six cities paying tributes to their sister cities in other lands with their floats in the 1966 Rose Parade. This has resulted in closer ties and interchange visits of city officials. This in turn helps in the promotion of international understanding.

At one time during a recent check, the official films were being shown in 30 countries of the world. An American Embassy official in Karachi, Pakistan, wrote glowingly of how much the film showings have done to promote friendship with the United States. A mayor of a city in Israel showed the film to 20,000 persons in 1 week. The U.S. Department of State frequently sends urgent requests for film to be shown in Cambodia, Thailand, or Taiwan.

The Tournament of Roses is to be commended for helping to foster better understanding between peoples of many lands through the medium of beautiful flowers.

Mr. CURTIS. Mr. Speaker, Missouri, the Ozark State, with its floral symbol, the Hawthorn, enthusiastically congratulates the Tournament of Roses, which is in its 78th year of staging a pageant of floral beauty to provide enjoyment for others.

The city of St. Louis, beginning in 1953, has been a float participant, winning six national trophies during the 13 years of sponsoring unusually beautiful entries. The most recent entry, "The Golden Coach of the Queen of the Netherlands" prompted a courteous and praising letter from Her Majesty.

In 1960, the Ruskin High School Golden Eagle Band of Hickman Mills was invited by the association to take part in the magnificent procession.

Many are the milestones of the Rose Parade which began on January 1, 1890, as a community festivity. The first band to appear in the parade was from nearby Monrovia. This was in 1891. During the early years, all decorated entries were horse drawn. These included buggies, tally ho's and turnabouts. However, by the turn of the century, the auto age began to chug into the picture. Auto owners tried to get into the 1900 parade, but were turned down. Five autos were finally allowed in the 1901 procession providing they stayed at the rear to keep from frightening the horses. The day turned very warm and the slow-moving gasoline buggies boiled over, so the parade was stopped and they were allowed to go to the front.

C. P. Rodgers, pioneer aviator, flew into Pasadena to conclude his history-making transcontinental flight. He flew his craft above the 1912 Rose Parade and tossed rose petals from the sky. The first parade in which all floats were mechanically propelled was in 1920. The first nationwide radio hookup took the 1927 Rose Bowl game across the land with the Rose Parade being broadcast soon thereafter. The first telecast of the procession was in 1947 with network TV in 1950.

In its 78 years, the Tournament of Roses has reflected the life and times of the United States. Its fame has spread through the improvements of communications—telegraph, telephone, wirephoto, radio, and television. Today, it flourishes in the era of color printing, photography, and television.

Mr. BATTIN. Mr. Speaker, Montana, the Treasure State, the land of the big sky recalls with pride its participation in the Tournament of Roses. In 1964, the State celebrated its centennial as a territory and 75 years of statehood with a float and the Montana Centennial Band. On January 1, 1966, Montana's floral entry won the highest competitive award—the Sweepstakes. This victory was celebrated with a gala banquet in Helena on March 31 of this year.

The story of the leadership of the Tournament of Roses is worthy of telling. Public spirited men from all walks of life in the community join the association to work for nothing, giving freely of their time to stage an event of beauty for others to enjoy. The members begin by working on one of the 30 committees—float, decorating places, post parade, and the like. Several years of hard work and sustained effort result in a committee chairmanship for those who excel. Social status, business prestige, or personal friendship has nothing to do with the chairmanship selections. The choices are based on merit. A bank president might work on a committee having an oil-station attendant as a chairman. About 600 of the 1,300 association members are named to serve on committees.

Twenty men comprise the board of directors, their selection being based upon outstanding and sustained service. The place on the directorate, which is limited to 10 years, is the next step up the ladder. The directors are elected at the annual membership meeting. The long ascendency to the peak hits a very significant summit-approaching milestone which one reaches the executive committee. The 10-man policymaking unit is composed of 4 nonofficer members, secretary, treasurer, vice president, president, and 2 past presidents—immediate and 2 years prior.

The usual single vacancy on the executive committee is occasioned by the past president of 2 years prior moving off the board to life director. The existing executive committee nominates a man from the directorate for the imminent vacancy aproved by members at the annual meeting the third Thursday in January. Once on the executive committee, 8 years hence one will be president. This has followed some 15 years in the lower echelons.

Mr. MARTIN of Nebraska. Mr. Speaker, Nebraska, the Tree Planter State, sends best wishes to the 78th Annual Tournament of Roses that will begin the year of the State's 100th anniversary of statehood. The goldenrod of Nebraska is placed beside the golden poppy of California and the rose symbolizing the internationally acclaimed pageant of flowers in Pasadena.

Nebraska played in the Rose Bowl against Stanford, January 1, 1941. The State has also been represented twice in the Rose Parade—Columbus High School Band of Columbus in 1959 and the Sidney High School Marching Band of Sidney in 1966.

An impressive phase of the huge operation in the City of Roses is the management of the Tournament of Roses offices and staff, which is the nerve center of the total production. Max Colwell is the manager and executive secretary of the association and he has the responsibility of coordinating the efforts of the executive committee and its policymaking function with the work of 30 other committees made up of over 600 members. The work begins on the next parade just as soon as the music of the bands from the last one has died down. Timing and good communications are a must to keep up with this maze of detail.

On the third Thursday in January, the new officers take office. This is the day of the membership meeting and committee reports. The theme contest begins on February 1 with the announcement of the motif chosen on the first day of the following month. The premiere of the official film is held in mid-February. Preparations are made for the presentation of the trophy awards to the 60 floats and the bands from outside California. The arrangements are made for the annual good-will trip of the tournament president. Float titles of the entrants are registered. The audit takes place after the bills are paid.

The tempo and the activity mounts as the days and the months roll by. The float decorating sites are opened early in October. The judging for the Rose Queen begins. Forms are mailed to float entrants, participating bands and equestrians. There are meetings with the TV networks. Publications are planned. Work on the press-TV book begins.

The pace is faster and the days are longer in November. The lights burn late at the tournament offices. The offices are open 7 days a week. Things are at a fever pitch all during December. Deadlines are met and crises are overcome. And, the world's greatest parade of flowers begins to roll at 8:40 a.m. on New Year's Day.

Mr. BARING. Mr. Speaker, Nevada, the Sagebrush State, sends cordial greetings to its neighbor, California, and its famed New Year's fete, the Tournament of Roses, which has done so very much to make the first day of the year a happy one for many millions of people.

In 1965, the State had twofold representation. The city of Reno sponsored an entry that portrayed a number of the scenic and recreational wonders of Nevada and the fine Carson City High School Band made one of its finest performances. With the parade theme being "Headlines in Flowers," bold-faced type told the newspapers in Nevada and across the land about both the floral masterpiece and the fine musical unit.

The construction of the floats seen in the Rose Parade has become an around-the-calendar activity. Of the 60 floats in the procession, about 52 are built and decorated by professional decorators. The balance is done on a do-it-yourself basis by entrants, which include six communities and two schools.

A month-long theme contest is held in February, starting soon after the new officers of the association are named for the coming year. Lovers of floral beauty everywhere are invited to send in suggestions for a fitting motif for the coming parade. Announcement of the theme chosen is made on March 1. Activity on the floats then begins.

Entrants and professional decorators, who in many cases are working together, quickly assemble possible float titles, registering them with the tournament office as a means of avoiding duplication. Artists then begin to turn out pencil sketches. Many changes later, a sketched idea is accepted by entrant from builder. In the case of self-built floats, there must be committee agreement. Color renderings as the entry will appear in the parade are then produced.

Doors of the float-building sites swing open on October 1 with welders' torches blazing away. Steel rods form the ribbed contours of the float, being mounted on chassis. Chicken wire covering is wired to the float frame in early November and 2 or 3 weeks later sprayed with vinyl plastic that hardens into a solid base. The surfaces are painted to the colors of the eventual floral decor. About 3 days before the parade, the floral decoration begins with the hardier blooms being applied first. Many of the rare and precious blossoms are placed in water-filled vials and stuck into foam rubber affixed to the float base. The tempo, pressure, and activity mounts as the time to move the floats into the formation area, beginning about 10 p.m. on New Year's Eve, draws closer. The next day, promptly at 8:40 a.m., the world's largest floral parade begins to move.

Mr. WALKER of New Mexico. Mr. Speaker, New Mexico, the Sunshine State, hails its motto "Crescit Eundo"—It Grows as It Goes—and holds high its State flower, the yucca, in a salute to California and the Pasadena Tournament of Roses, both personifying the slogan just set forth.

In 1965, the State was extremely proud of the fact that it was represented in the Rose Parade by the outstanding Valley High School Viking Band of Albuquerque. With the theme of the event being "Headlines in Flowers," newspapers of this land of clear, blue skies carried many stories of the State's musical emissaries and the great floral spectacle.

A great impression was made on the band officials by the tournament association's precisioned timing based on careful planning. Although this may be a seldom told story, it bears mentioning here because the detailed arrangements and split-second scheduling have been a factor in the event's greatness.

The coordinated planning began months ahead of New Year's Day when the Valley High Viking Band received the tournament's invitation to participate. From that time on there was a steady interchange of communications. Letters, wires, phone calls were exchanged. The school filled out the music and band description forms. The association committee assisted with housing arrangements. The band was also met on arrival in southern California. The directors of the 20 bands were briefed at a breakfast held at Tournament House, given timing schedules and lineup locations, and then taken by bus along the entire 5½-mile parade route. Photo stands, reviewing stands, television cameras and official film locations were pointed out. The directors took the information back to their bandsmen.

Buses arrived before sunrise and took the precise point in the side street band formation, appearing at the appointed hour. Instruments were unloaded and there was a short tuneup. Right to the second as called for on the schedule, the Valley High Viking Band swung into the main procession in the right lineup position. It marched past the cameras, reviewing stands, and throngs, ending at Victory Park, the end of the processional route, within a few seconds of the parade operation timing.

Mr. COOLEY. Mr. Speaker, North Carolina, the second home of the Tournament of Roses, salutes Pasadena and California, and the Tar Heel State extends its felicitations and best wishes for the most brilliant, thrilling, and glorious Rose Bowl Tournament ever, on January 2, 1967.

In 1942, when war had been thrust upon us and involved the West in extraordinary stress and strain, we were proud to welcome the Rose Bowl to the Southland, in our beautiful State of North Carolina.

The great Duke University team of that memorable year was host then to the stalwarts of Oregon State, in the city of Durham.

Though preparations were hurried and constrained by war, this State rolled out a floral carpet of buds and blossoms, in a "Tournament of Flowers and Friendship," to greet the thousands and to welcome the "Rose Bowl" with an abundance of traditional southern hospitality.

The motif of the 1942 parade in Pasadena was to have been "The Americas," but the sudden ravaging of Pearl Harbor changed many things. The west coast was put on an emergency alert. The U.S. Army command in San Francisco issued an ultimatum against congregation of large crowds. The Rose Parade was banned, and the Rose Bowl game appeared doomed.

But Coach Wallace Wade of Duke, the highest scoring team in the Nation, and unbeaten, suggested that the game be played in Duke Stadium at Durham. We were exceedingly pleased when the West came to the South.

The entire operation of changing the game site took place in little more than 2 weeks. The 90,000 Pasadena game tickets were burned and new tickets were printed. Presses rolled day and night to print a new cover for the Rose Bowl programs.

Now, a quarter of a century later, North Carolina, the Tar Heel State, once more exemplifies its motto, "To Be Rather Than To Seem"—"Esse Quam Videri"—by a new expression and demonstration of its friendship and bond for the great State of California and its Tournament of Roses.

I cannot here resist an expression of the hope that once again in a not far away future southern teams will meet the best of the West on the gridiron of the Rose Bowl.

In solemnity, and in memory of conviviality a quarter of a century past, we of North Carolina give a toast on behalf of the only Rose Bowl game outside of Pasadena. We are yet proud to be the second home of this annual event and classic so expressive at once of beauty and the American spirit.

Mr. ANDREWS of North Dakota. Mr. Speaker, North Dakota, the Sioux State, gives meaning to its motto, "Liberty and Union, Now and Forever, One and Inseparable," by paying homage to its sister State, California, and the 78th Annual Tournament of Roses to be held on January 2, 1967, in Pasadena. The State's flower, the prairie rose, is also a member of the floral family to which belongs the American Beauty Rose of the procession of indescribable beauty.

The State was proud to be represented in the great event in 1949 and 1951 by the Grafton High School Marching Band of Grafton. The parade theme, "Joyful Living," received dramatic floral interpretation with such magnificent entries as "Arabian Nights" and "Showboat." North Dakota is also a site of joyful living with a fine system of State parks, recreational areas and historical places.

The State has many beautiful gardens and probably the most famous of these is the International Peace Garden located on both sides of the United States-Canada border as a monument of 100 years of peace between the two countries. There are 880 acres of flowers in the U.S.A. garden near Kelvin north of the Turtle Mountains.

One of the miracles of the Rose Parade is its split-second timing and adherence to schedule. This is a result of accumulated experience and months of careful preplanning. Initially, the association's traffic committee works with the Pasadena city officials and departments in setting the plans for traffic and crowd control. There are over a million people on hand as well as several hundred thousands of automobiles. Thousands of barricades are erected and many thousands of traffic route signs are posted. Parking areas are also designated.

Parade operations is the big responsibility of moving 131 units—floats, bands, and equestrians—5½ miles in 2 hours. This fete must be accomplished down to the last second. This requires a control point with check points along the route with radio and telephone communication between each. Untold numbers of tow units must be stationed in readiness along the way should a float have mechanical trouble. Ambulances must be on the alert along the way and access planned for fire trucks.

The leading-pace auto moves in the forefront at the exact rate of speed decided upon weeks before when all entries were in and the route was traveled time and again with stop watches ticking and notations made at key points. The Pasadena Tournament of Roses is a result of precisioned timing based on detailed planning.

Mr. DEVINE. Mr. Speaker, the great State of Ohio has participated in the Pasadena Tournament of Roses time and again over a long period of years. This beautiful and scenic occasion each New Year's Day is looked upon with a great deal of pride by the people of the Buckeye State.

The Ohio State University first sent a football team to the Rose Bowl game on January 1, 1921, and the team was coached by the late Dr. J. W. Wilce. Although the Buckeye's had a strong team, powerful California was the victor 28 to 0.

Ohio State University's second trip to Pasadena came on January 2, 1950 when the football team, coached by Wesley Fesler, was the Big Ten champions and again playing California, but Ohio State University was the victor 17 to 14, as a result of a dramatic fourth quarter field goal by Jim Hague. The famous Ohio State Marching Band also made the trip and participated in the Tournament of Roses parade.

Again on January 1, 1955, Ohio State University, coached by Woody Hayes, having swept through nine regular season games undefeated, representing the Big Ten at the Rose Bowl, easily defeated the game but outmanned Southern California 20 to 7. The Ohio State Marching Band also made the trip and marched in the parade.

A most rewarding appearance in the Rose Bowl was on January 1, 1958 when Coach Woody Hayes led his Buckeye's to a 10-to-7 victory over Oregon and again the marching band participated in the parade.

Ohio State University qualified again in 1961 and received an invitation from the Tournament of Roses Committee, however, the faculty council declined the bid.

Mr. BELCHER. Mr. Speaker, Oklahoma, the Sooner State, looks forward to 1967 as it observes its 60th birthday. The year will begin with the 78th Annual Tournament of Roses with the overall motif "Travel Tales in Flowers," which is California's New Year's greeting to the world.

Upon three occasions the state has had representation in this great festival of flowers—Henryetta High School of Henryetta, 1956; Ponca City High School Band of Ponca City, 1958; and the Blackwell High School Warriors Marching Band of Blackwell, 1961.

There are many phenomenal aspects to the Tournament of Roses parade, but one that leaves a lasting impression on the visitors is the live audience in the City of Roses on the first day of the year. It is something to behold.

The number of on-the-spot viewers reflects the ever-expanding interest in the festivity. As its fame grew, so did the crowds. Traditional banner headlines on the larger southern California newspapers record in bold type the number of people on the scene to witness the magnificent spectacle. As early as 1920, crowds approaching a quarter of a million gathered along the parade route. Today, the number viewing the event is 1½ million.

The newsmen get the figure from the chief of police, city of Pasadena, who by tradition gets a bird's-eye view of the assemblage, viewing it from above. It must be made known, however, his mission up in the skies is mainly one of crowd and traffic control, directing the efforts of some 1,200 policemen from throughout the Southland. Crowd estimates are made as an accommodation to the press. Newspaper research reveals that the chief has been up in the air on New Year's Day for nearly 3½ decades. Planes and blimps were used alternately, but in recent years, the helicopter has been used for the mission. Pasadena is a sea of people on the day of the parade. The streets are lined with lovers of flowers, music and equestarian magnificence, who come from many parts of the United States of America—and the world.

Mr. WYATT. Mr. Speaker, Oregon is a land of beautiful music, so it is fitting that the State bird is the western meadowlark whose melodious warblings are heard in the green valleys of Willamette, Umpqua, and Rogue Rivers. The rippling brooks and the whispering pines of the Cascades and Siskiyous are the musical strains of the State's natural wonders.

Oregonians everywhere love music, the lilting strains of the ballads, arias, folk songs, and classical airs adding a vigorous cadence and a rhythmic zest to the wonderful way of life in the Pacific Northwest. It began with playing the banjo around the fireside encampments of the first covered wagon trains. Today, Oregon music reverberates throughout the State from the Columbia River in the north down to the Grand Basin. Music is heard in the schools, churches, town halls, and city auditoriums.

It is significant to note that Oregon has shared its musical way of life with the rest of the land and with many parts of the world by sending bands to the Pasadena Tournament of Roses upon 10 different occasions.

The Oregon University Band of Eugene appeared in the Pasadena festivities in 1917, 1920, and 1958. The Oregon State University Band of Corvallis marched and played in the famed floral pageant in 1942, 1957, and 1965.

In 1955, the Grant High School Band of Portland made a banner appearance in the parade and Hillsboro Union High School Spartan Band of Hillsboro appeared in 1962. Two years later, Nyssa High School Band of Nyssa was invited to appear with Klamath Falls Union High School Marching Band of Klamath Falls marching in the 1966 Rose Parade.

Volumes have been written about the beauty of flowers in Pasadena on January 1. However, there is every color in the spectrum represented in the uniforms of the 22 bands comprised of 2,500 bandsmen marching along the processional route. Blending in with the hues of the magnificent blossoms are the tall shakos, striped trousers, and braid-adorned blouses which add to the pageantry of the day. The Oregon motto, "The Union," has been dramatized musically in Pasadena as some two-score State songs have been played in the Rose Parade.

Mr. ULLMAN. Mr. Speaker, Oregon, the Beaver State, offers a floral salute with its blossoms of its State flower, the Oregon Grape, to the 78th Annual Tournament of Roses, which will usher in the year of 1967. This will be a milestone in the State's history—the 125th anniversary of the first immigrant train over the Oregon Trail which hastened the occurrence of statehood 17 years later.

This State has a sister floral event, the Portland Rose Festival, which has been an annual float entrant in the Rose Parade since 1912. The Tournament of Roses has reciprocated with entries in our great event and the two host the officials of the other. Each June, the tournament president is knighted as a Royal Rosarian. The queens of the Rose Parade and Rose Festival have exchanged visits through the years.

The tournament association is to be congratulated upon the float entry policies, which are a product of many years of experience accumulated during nearly eight decades. These same policies are the result of the official action of the tournament's executive committee.

First, it has been found that 60 is the magic number as far as float entry maximums are concerned. The magic of television has something to do with this, in that network schedules must be met. And equally important is the matter of sustained viewer interest, this pertaining to both TV and on-the-spot parade watchers.

The major prize awards are: Sweepstakes, Grand Prize, Theme Prize, President's Trophy, Queen's Trophy, International Trophy, National Trophy, Governor's Trophy, Grand Marshal's Trophy, Anniversary Award, Mayor's Trophy, Judges' Special, and Princess Award.

Competitive classes in which first, second and third prizes are given are: Class AA—nations, class A—States, class A-1 through class A-5 for cities outside of California in various population brackets; class A-6 through class A-18 for cities in California of various population brackets; class A-19 counties; class A-20 combined cities and counties; and class B through class M as follows—Service clubs, veteran's organizations, hotels, business firms, business associations, community organizations, educational organizations, religious organizations, national associations, expositions and fairs, labor organizations, and fraternal organizations. It must be noted, class E—business firms—which has a long waiting list, is limited to 10 entries.

With the ever growing international interest in the Tournament of Roses, the trend toward participation by other countries is growing. The association is loyal to its old friends and some type of plan will be inaugurated, such as rotation, to keep the old standbys a part of the great tradition.

Judging of entries is a most responsible task which has come under study by the association many times. The important decisions are based by the three qualified judges on first, general overall beauty; second, excellence of design and execution of theme; third, originality, and, fourth, use of flowers and color harmony.

Mr. MORGAN. Mr. Speaker, Pennsylvania, the Keystone State, adds its State flower, the mountain laurel, to the bouquet of the States saluting the 78th Annual Tournament of Roses to be held in the beautiful California city of Pasadena on January 2, 1967.

The commonwealth reaffirms its motto "Virtue, Liberty, Independence"as it prepares to observe next year the 180th anniversary of its ratification of the Constitution of the United States. This reaffirmation includes a tribute to the tournament association for its commendable tradition, which began in 1902, of selecting many eminent persons as grand marshal of the internationally acclaimed fete. The choice is made by the tournament president.

An honored Pennsylvania citizen, former President Dwight D. Eisenhower, was accorded the high honor of leading the magnificent procession of 1964, which was themed "Symbols of Freedom." Since this great soldier led the allied armies in defense of freedom in World War II, there is no question he carried out the motif in a personal sort of way, being the world's greatest symbol of liberty and independence.

In 1965, with the theme being "Headlines in Flowers," another resident of the Keystone State was named grand marshal. Arnold Palmer, who began making golf history in Latrobe, his current home, was chosen for the coveted honor because he has made headlines around the world. Pennsylvanians everywhere hailed the choice of the 1966 grand marshal, Walt Disney, who led the parade themed "It's a Small World." His great creations have brought people of the world closer together.

The Mount Lebanon High School Band of Pittsburg took part in the 1954 Rose Parade headed by the Korean conflict hero, Maj. Gen. William F. Dean, who spent many months in an enemy prison. The Academy High School Band of Erie participated in the 1955 event led by Chief Justice of the U.S. Supreme Court, Earl Warren. In 1960, the grand marshal was Richard M. Nixon, Vice President of the United States, and the Uniontown Red Raider High School Band of Uniontown took part in the great festivity. The Abington Township Senior High School Band of Abington helped to provide the musical honor guard in 1962 while Gov. Albert Rosellini of Washington was the grand marshal.

Pennsylvania congratulates the Tournament of Roses and its presidents for the fine choices of the distinguished men to serve as grand marshal through the years.

Mr. ST GERMAIN. Mr. Speaker, Rhode Island, the smallest of the 50 States, has been a giant in this country's history and cavalcade of progress. Although nicknamed "Little Rhody," it was in the year of America's independence, 190 years ago—1776—the longest and largest official name was applied—the State of Rhode Island and Providence Plantations. It also has great aspirations for the future in living up to the State motto, "Hope," and the meaning of its State capital, Providence, which is "foresight" or "forethought."

The State flower, the violet, grows abundantly along the shaded banks of the Taunton, Pettaquamscutt, Providence, and Seekonk Rivers. Little Rhody extends a cluster of its fragrance and purple beauty in a floral salute to the California New Year's Day pageant, the 78th Annual Tournament of Roses parade in Pasadena on January 2, 1967. The objectives of the Roses Parade are many, being equalled in number by its accomplishments.

Pasadena has given a meaning of happiness and beauty to the beginning of the new year by staging its renowned processional of flowers. It has provided joy to untold millions across the land and in Canada and Mexico who see the spectacle through the magic of television. The Tournament of Roses becomes a gathering place for people of all States and many lands on January 1, thus bringing about a friendly interchange. Knowing that people everywhere like holidays, festivals and beautiful flowers, the Association further cements these friendships by sending many copies of the parade film to all parts of the United States and to the four corners of the globe.

Recognition is given to excellence by extending invitations to outstanding musical units to march in the parade. January 1, 1960, was a banner day in the lives of over 100 members of the Warwick Veterans Memorial High School Band of Warwick appearing as representatives of their school, community and State as well as the eastern seaboard.

The Tournament of Roses has done a great deal in presenting a good image of America. This has been recognized by a score of State resolutions, awards by the Freedoms Foundation and approval and favorable comment from the U.S. Department of State and its various departments and staffs. Rhode Island wishes continued success to this beautiful event.

Mr. GRIDER. Mr. Speaker, Tennessee, the Volunteer State, gives a friendly toss of a spray of its State flower, the iris, in a westerly direction toward California as a dramatic tribute to the 78th Annual Tournament of Roses to be held in Pasadena on January 2, 1967.

This State would like to emphasize its endorsement of the 40-year tradition of choosing a theme for each Rose Parade. Beginning in 1927 when the motif was "Songs," the themes have been a center point of float design, basis for selection of the grand marshal and the depiction of the life and times in which the processions are held. As an illustration of the last named, themes in time of economic depression reflect hopes for prosperity and abundance and patriotism has always been keynoted during eras where there is a threat of conflict.

The University of Tennessee had threefold participation in the Pasadena festivities on January 1, 1940—band, float, and team in the Rose Bowl game. The Rose Parade was themed "20th Century" and the progress in science, industry, learning, and the arts was effectively portrayed in beautiful blossoms. Floral likenesses of the following paraded forth: Boulder Dam, the engineering marvel of the era; Mount Wilson Observatory, which was probing the astronomical wonders of the universe with giant telescopes; and Huntington Library, the home of the original works of the masters. With the entertainment world in its heyday, Edgar Bergen and Charlie McCarthy were the grand marshals.

"Memorable Moments" was the theme in 1963 when the Treadwell High School Band of Memphis made a triumphant appearance on behalf of the school, city, and State. Entries depicted "First Love," "Spring," "Flag Raising on Iwo Jima," and "Great Moments in Comedy."

The outstanding Isaac Litton High School Band of Nashville took part in the 1964 parade having the theme "Symbols of Freedom." Each of the 22 bands played music that has helped to record this country's march for freedom, independence, and peace. Some of the floats were titled "The Alamo," "First Symbol of Freedom—Old Glory," "Lincoln's Address," and "The Spirit of '76."

Annually, lovers of flowers everywhere, beginning on February 1, are invited to send in suggestions for an imaginative theme. Newspapers, radio, and TV carry the press stories. The contest ends on the last day of February. The tournament president and the float committee inspect each of the 7,000 cards sent in until a suitable theme is agreed upon.

Mr. CABELL. Mr. Speaker, it has come to my attention that my colleague, Mr. H. ALLEN SMITH, of California, is paying tribute to the Pasadena Tournament of Roses Association.

Since my district, Dallas, Tex., is also very proud of its own Cotton Bowl Association, I would like to join in a statement of respect and tribute to our friendly competitor, the Pasadena Tournament of Roses Association.

The State of Texas has many parades and fiestas that require the art and science of float construction. My colleague from San Antonio, Mr. HENRY B. GONZALEZ, has in his district annually the world renowned San Jacinto Festival. For many years, the Fiesta Flambeau, the world's largest night parade and an adjunct of the San Jacinto event, has been entering floats in the Tournament of Roses.

Another sustaining Rose Parade entrant from Texas is the Dr. Pepper Co. of my district.

We recognize that the Tournament of Roses has developed many of the designs and construction techniques used in float building. The design and construction of floats is something that has evolved through the years and many of the methods conceived and techniques used have originated in Pasadena. As a result, I extend a big Texas salute to the Tournament of Roses Association for its great impact in float construction and staging of parades and festivals throughout the country.

Mr. WRIGHT. Mr. Speaker, Texas, the Lone Star State, demonstrates its State motto, "Friendship," by giving a rousing cheer for the world renowned California fiesta, the Pasadena Tournament of Roses to be held in Pasadena on January 2, 1967. The State flower, the bluebonnet, will offer a striking contrast of color to the California golden poppy and the American beauty rose of Pasadena.

Upon five occasions, Texas has had representation among the bands taking part in the Rose Parade. These were as follows: Southern Methodist University

Band, 1936; St. Mary's Band of San Antonio, 1955; Thomas Jefferson High School Band of San Antonio, 1957; Mesquite High School Band of Mesquite, 1962; and the Castleberry High School Lion Band of River Oaks, 1966.

The people from Texas making the trek to Pasadena are high in praise of the association staging the fete. Pasadena is a haven of friendliness and hospitality, they claim. One particularly big carpet of red roses was rolled out for all Texas and all Texans in 1936. Texas Gov. James V. Allred was the grand marshal and the parade route was lined with visitors wearing ten gallon hats. Southern Methodist University's football team met Stanford in the Rose Bowl game. The Dallas Morning News was so taken with New Year's Day in Pasadena that it had a special edition printed for the Lone Star State entourage of the presses of the Los Angeles Times.

Many were the magnificent floral entries, but one never to be forgotten is the tribute to the beloved Will Rogers, who had met death in an Alaskan plane crash some months before. Reverent applause greeted the entry featuring a riderless horse in memory of the wisecracking humorist and cowboy.

In Pasadena, the bands of Texas strike "Deep in the Heart of Texas." Next New Year's Day, as always, when the great floral spectacle unfolds, it will be "The Eyes of Texas Are Upon You."

Mr. BURTON of Utah. Mr. Speaker, Utah, the Beehive State, hails the 78th Annual Tournament of Roses with its theme "Travel Tales in Flowers" because transportation milestones took place there. One of the historic happenings involving railroads of the United States took place near Promontory in 1859 when the Central Pacific met the Union Pacific to complete the laying the transcontinental line. In 1847, Salt Lake City was founded by Brigham Young and his fellow Mormon pioneers, who had just arrived with an immigrant train.

In 1966, the Carbon County High School Band of Price took part in the Pasadena parade, viewed by 1½ million in person and by 100 million on TV. The theme of the parade was "It's a Small World" and this has since been proven most appropriate many times. Messages have come in from the far corners of the United States to the community and to the tournament from former Price residents stating they had watched the parade and the band.

The people of Utah are hard working. The name Beehive State was given to the land because the early settlers, with few tools and implements but with steady industry, made their living from the natural resources of the region. Thus, the State motto is "Industry." Therefore, Utahans enjoy holidays and fiestas, such as the rose parade, as a respite from their labors. Mention is made of the Pasadena floral fete because it has a number of unusual aspects. It dramatizes the beauty of flowers at a time when most of the Nation, as well as the world, is blanketed with ice and snow. This, of course, makes for the novelty, the inconceivable and the incredible. In addition, there is also something of a magical nature to television. It is both appealing and hard to believe that such a spectacle can be viewed in the warm confines of home when the wintry winds are howling outside.

Further, the fact that it is New Year's Day, a time of new hopes and aspirations, lends itself to the gayety of the occasion. Generally speaking, it is a day of close ties as family gatherings launch the New Year by viewing the rose parade. This, in turn, reflects itself in the higher number of viewers per set as reported by the agencies compiling statistics and figures on the viewing audience. Finally, many areas of the Nation are represented in the great fiesta in Pasadena—floats, bands and equestrians—which promotes localized interest.

Mr. ABBITT. Mr. Speaker, Virginia, the Old Dominion State, takes this opportunity to give praise to the event of worldwide fame, the Tournament of Roses, for its continuous improvement and growth, reflecting the wonders of the various eras. New techniques and improvements in communications—newspapers, telegraph, radio, wirephoto, telephone, and television have contributed to the Rose Parade's ever increasing renown.

The parade began in 1890 as a community affair, but the Los Angeles metropolitan papers began devoting columnar space to the festivity as early as 1894. The large papers of New York, Chicago, Boston, and Philadelphia gave wide coverage to the event in 1899, thus expanding the scope of the January 1 event. Wider coverage brought about an expanding circle of interest with the first outside entries being admitted just before the turn of the century. The big story in 1901 was the appearance of autos for the first time. Five of the vehicles chugged the distance and reporters recorded the first for posterity.

During the decade of 1910–20, newspaper coverage grew considerably. This was due, in a great measure, to an era of opulence in float design introduced by Mrs. Anita McClaughery and the growing number of entries from outside of Pasadena. The parade of 1917 saw the introduction of international flavor with hotels of many cities of the world sponsoring entries. Western Union had its equipment and operators in force at Tournament Park to relay accounts of the postparade activities and football game across country, beginning in 1916 and continuing until the Rose Bowl was erected in 1922.

Radio was a localized venture for both the parade and game until 1927 when the latter was transmitted over a nationwide hookup. This was an historic first. Network broadcast of the procession followed soon thereafter.

Meanwhile, the operations of the wire services—Associated Press, United Press, and International News Service—began to expand. Photo transmission came about in the 1930's. The operations then became worldwide in scope. Many foreign newspapers had staff coverage.

In 1947, the TV transmission of a quickly processed Rose Parade film opened a new era. Network television ushered in the 1950's. Soon two of the major networks elected to telecast the festivity. The 1960's saw the birth of communication satellites and now full-scale transmission of the Rose Parade to other continents is only a matter of time.

Mr. PELLY. Mr. Speaker, Washington, the Evergreen State, offers its State flower, the western rhododendron, as a token of appreciation to California for the opportunity of being associated with the Tournament of Roses and Rose Bowl game on 12 separate occasions.

It was on New Year's Day, 1962, century 21, the State's great World's Fair in Seattle was announced with beauty and pageantry in the Pasadena processional. Washington's Governor, Albert Rosellini, was the grand marshal of the event themed "Around the World With Flowers."

Bellingham High School Band of Bellingham was one of the 20 musical organizations invited for the 1957 parade. Washington State University at Pullman was represented in the parade by a band and float in the 1916 and 1931 parades, the football team taking part in the afternoon contest both years. University of Washington at Seattle had bands and floats in the parade and a team in the Rose Bowl game on the following years: 1924, 1926, 1937, 1944, 1960, 1961, and 1964.

The first intersectional postseason game was played at Tournament Park on January 1, 1902, with Michigan representing the East and Stanford the West. Thereafter, the chariot racing was the feature attraction until January 1, 1916, when Washington State and Brown met to start the series anew. Service teams played in the games of 1918 and 1919. The final New Year's Day game played at Tournament Park was between California and Washington and Jefferson in 1922. The first New Year's clash in the Rose Bowl was between USC and Penn State on January 1, 1923. Notre Dame made its only appearance in the series in 1925, meeting Stanford.

During the two decades from 1926 through 1946, the University of Southern California made Rose Bowl history with seven victories and a lone defeat. Alabama was the standout among the visiting teams with four wins, a tie, and one loss.

In 1947, the Pacific Coast Conference—later changed to the Athletic Association of Western Universities—and the Big Ten joined in a pact to send teams to the Rose Bowl. The agreement has been subsequently renewed. Of the 20 games, 15 games have been won by the Big Ten and with five victories going to the AAWU.

Mr. MOORE. Mr. Speaker, West Virginia is a place where its State motto, "Mountaineers Are Always Free," surely fits the people because within its boundaries the tradition of hardy independence and love of liberty have flourished long and well. Known both as the Mountain State and the Panhandle State, it is said to be the most northern of the Southern States and the most southern of the Northern States.

The State offers a toast to the magnificent New Year's Day floral pageant, the Pasadena Tournament of Roses, which will be in its 78th year on January 2, 1967, with the theme being "Travel Tales in Fowers." A significant, but not widely known, travel tale took place in West Virginia with the founding of rural free delivery of the U.S. mail by Postmaster William L. Wilson, a loyal West Virginian.

It was in 1963 that West Virginia celebrated its 100th anniversary of statehood. The yearlong observance was launched with an elegant float in the Rose Parade in Pasadena, representing a handshake across the Nation. "Memorable Moments" was the processional theme on the occasion West Virginia had one of its finest hours. Representing the State musically that day was the Vinson High School Band of Huntington. In 1960, the Weir High School Marching Band of Weirton was one of the honored bands that took part in the proceedings.

The fairness and friendliness of the association staging the great floral fete are seen in the long established policies with regard to extending invitations to float and band participants.

First, the commercial division, which has a long waiting list, is limited to ten entries. The Tournament of Roses is loyal to its old friends and supporters as attested by the fact that a number of communities have been participants for over 50 years. Sister States are welcomed to Pasadena when they choose to take part. This is particularly the case when special occasions, such as statehood anniversaries, are being celebrated.

With regard to out-of-State bands, five have been chosen in recent years to represent the various geographical areas of the United States—East, West, North, South, and Midwest. These are chosen on the basis of past performance.

California communities send their bands on a rotation basis, the cities in a given area alternating with each other.

Mr. **KASTENMEIER**. Mr. Speaker, Wisconsin, the Dairyland of the Nation, received its name from the Indian word, "Wees-konsan," which means "the gathering of the waters" in description of many small tributaries feeding into the main river stream. Because early day miners burrowed into the earth for ore like badgers, beautiful Wisconsin thus became the Badger State.

Cooperation has long been a byword in the State which has for over a century been the leader in joint marketing techniques of farmers' institutes, dairymen's associations, and cheese-marketing federations. Success and acclaim have also been earned by the Pasadena Tournament of Roses because of putting into practice the word "cooperation."

The Badger State has received the fullest of cooperation from the association staging the Rose Parade during its years of participation. The Oconomowoc American Legion Band of Oconomowoc marched in the 1959 procession. The State of Wisconsin had entries in 1960 and 1963 and the University of Wisconsin was represented by its marching band and a float in the 1953, 1960, and 1963 events with the U.W. football team playing in the Rose Bowl the same years.

The tournament has the wholehearted support of the city of Pasadena, officials, civic leaders, and residents. Many segments of the community begin months in advance in setting the stage for the big event. All city departments are responsible for many of the preparations for the Rose Parade, Post Parade, and Rose Bowl Game.

Since 1930, the musicians of Pasadena City College have marched as the Official Tournament of Roses Band. The city school system and the Huntington-Sheraton Hotel in Pasadena have been longtime entrants. A score of neighboring southern California communities have beautiful floats in the New Year's Day pageant of flowers.

Entries of bands, floats, and equestrians come from 41 of the 50 States of the Union. The following cities outside of California are yearly participants in the event: Dallas, Tex.; Detroit, Mich.; Portland, Oreg.; San Antonio, Tex.; St. Louis, Mo.; St. Paul, Minn.; and Washington, D.C. Adding to the national scope of the procession are many firms, associations, and organizations from across the land having floats in the world's most famous floral parade.

The State of Wisconsin hands California and the Pasadena Tournament of Roses a bouquet of its State flower, the violet, for making cooperation a way of life on New Year's Day.

Mr. **RONCALIO**. Mr. Speaker, Wyoming, the Equality State, has a seal bearing the motto, "Cedant Arma Togae,"—Let Arms Yield to the Gown—in tribute to the right to vote granted to women of the Territory in 1869, slightly more than a half century before they could exercise the privilege generally in the United States.

Statehood was granted to Wyoming in 1890, the same year that the great California pageant of flowers, the Tournament of Roses, had its beginning. Since horses are so inseparably linked with the history of the State, as well as its forward march of progress, it is fitting that Wyoming sends congratulations to the Tournament of Roses as the event featuring the world's greatest assemblage of horses and riders. Equestrian authorities have reported the value of horses and equipment appearing in the Rose Parade approaches $4 million.

In the early years of the event, the horse was predominant. All decorated units were horse drawn. Tournament presidents, and often the grand marshals, were among the mounted units at the outset. The automobile age first made itself felt in the Rose Parade in 1901 when five gasoline-propelled units chugged along the parade route. In 1920, all of the floats were motor driven for the first time.

Keeping alive the era of the horse and the spirit of the Old West were the individual, group and mounted posse equestrian units appearing in the procession each New Year's Day. One of the traditions of the event was the appearance of M. S. Pashgian, noted horseman and Pasadena businessman. An era ended in the late 1920's when he quit riding after appearing in 25 parades.

It was about 1928, the tournament set forth the rigid rules requiring silver tack and equipment on all mounts. Undoubtedly, this was an important milestone as far as upgrading the parade was concerned.

In 1947, tradition of massed colors began with the appearance of the Long Beach Mounted Police. Twenty years later, the 30 riders on matched palominos and holding American flags, appeared in the parade's forefront. The foremost Shrine mounted patrols of the Nation have taken part in this great show. Traditionally, the Rose Parade features 4 mounted patrols of 25 horses and riders each and 150 individual riders grouped according to breed and color of mount.

Mr. **REINECKE**. Mr. Speaker, as a spokesman for the great State of California, I would like to bring attention to the many contributions to international understanding made by the Pasadena Tournament of Roses, which will observe its 78th year on January 2, 1967.

Each year since its founding in 1890, the fame of the Tournament of Roses has spread. First, it was a community undertaking and then neighboring communities began to participate. The message of beautiful flowers crept across this vast land with the result that cities and States began to enter floral masterpieces in the magnificient event. This ever-widening circle of fame was due to the improved techniques of communications and the fact that people across the country and around the globe love the excitement of fiestas and the beauty of flowers.

Through the medium of international wire services, films, tournament programs, brochures and national magazine features the Tournament of Roses story has been taken to all parts of the world. William Lockhart, as a lad in Dublin, Ireland, saw a movie newsreel of the Rose Parade in a theater, causing him to silently vow to go to the wonderful land of such beauty. Following a distinguished record as an officer in the British Army in World War II, he moved to southern California where he is a successful businessman.

In 1960, an elegant entry titled "Splendor of Siam" brought a letter from the King of Thailand requesting a source for a color photograph of the float. Letters come from many lands, usually written in the native language, asking for information on the Tournament of Roses.

The official films of the Tournament of Roses are shown at least 100 times a day in some part of the world. The mayor of Ramat Gan, Israel, exhibited the film for a week to a total audience of 20,000 persons. A member of the U.S. Embassy staff at Karachi, Pakistan, wrote the film was easily the finest presentation of the American way of life that he had ever seen. The U.S. Information Agency, a division of the Department of State, has made priority requests for shipment of the films to such places as Kingston, Jamaica or Pnompenh, Cambodia. Even if the narration on the film is not understood, people in all corners of the earth seem to understand the language of rosebuds and, therefore, enjoy the spectacle to the fullest.

GENERAL LEAVE TO EXTEND

Mr. SMITH of California. Mr. Speakerfi I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject on which I have spoken.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THE RIGHT OF THE AMERICAN PEOPLE TO UNHINDERED ACCESS TO INFORMATION ABOUT THE FEDERAL GOVERNMENT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. HOWARD] is recognized for 30 minutes.

Mr. HOWARD. Mr. Speaker, complete and unhindered access to information concerning the functions of the Federal Government would seem so patently to be the right of the American people that neither argument nor legislation should be required in its defense.

Nevertheless, there has been, especially in recent years, a tendency on the part of certain Federal agencies to exercise increasingly strict controls over the disclosure of their records and other information so essential to an informed public.

Democratic government cannot thrive in the dark. The people must be fully informed if they are to govern themselves wisely. The ultimate source of authority in our country is the people. It is the people who decide the nature of the government under which they live. It is to the people that we, as their elected Representatives in Congress, are responsible.

The bureaucracy of the executive branch, although not elected by the people, is no less accountable to them. The sometimes capricious and dogmatic determination by executive officials concerning what information will be released and what withheld cannot be tolerated by a society that depends upon public enlightenment for its very life.

It must in all honesty be conceded that this is not a simple issue. All of us will, I think, agree that no useful purpose can be served by releasing some types of information. Indeed, immeasurable harm could be done, for example, to our national security if every Government file were to be opened for public inspection.

I have no doubt that the sheer magnitude of the Federal Government is partially to blame for the information crisis now confronting us. Considering its great size and complexity and the vast range of its responsibilities, the Federal Government, in my opinion, is on the whole well administered. But there is bound to be overlap and duplication of authority and areas of confusion, misunderstanding, and uncertainty in so vast an enterprise. Communication and cooperation within the Federal Establishment are less than perfect, and no doubt part of the breakdown of the public information process is attributable to all of these factors.

Nor can we hurl an indiscriminate indictment against all Federal officials who are responsible for the information policies of their agencies. The legal mandate upon which they must rely for direction is so vague, so ambiguous, and so general that it defies consistent interpretation and invites abuse. Even the most conscientious official may be hard put to know how to construe the law and is therefore inclined to act in a very conservative way.

The law to which I am referring is section 3 of the Administrative Procedure Act of 1946. Attempts have been made in every Congress over the past 10 years or more to amend this section, but so far the results have been zero.

The other body passed amending legislation in the 88th Congress, but this House failed to act on it. Now, once again, the other body has taken the lead. Last October, after careful hearings, it passed S. 1160 and sent the bill to us.

It is now up to this House to recognize the importance of this measure and to give it prompt and favorable action.

Before we turn our attention to the corrective features of S. 1160, let us see why it is that section 3, as now incorporated in the Administrative Procedure Act, is such an unsatisfactory, even dangerous statute.

When the bill that was to become the Administrative Procedure Act was reported by the Senate Judiciary Committee some 20 years ago, this report said, in part, that:

> The information provisions are in many ways among the most important, far-reaching, and useful provisions. The section has been drawn upon the theory that administrative operations and procedures and public property which the general public, rather than a few specialists or lobbyists, is entitled to know or have ready means of knowing with definiteness and assurance.

On the surface section 3 would appear to meet these criteria and fulfill the hopes of the committee. It requires agencies to publish in the Federal Register the methods whereby the public may obtain information or submit requests and the locations for transacting this business. The agencies must also publish data about their procedures, rules, and statements of general policy or interpretations formulated and adopted by the agency for public guidance.

The trouble is that here and there in this section are certain vague, general phrases that can be interpreted in such a way as to frustrate completely the original objectives of this law. Intended as an instrument for making information available to the people, this section has been used instead in far too many instances as an excuse for withholding this information.

For example, all or any part of the information supposed to be revealed under section 3 may be withheld if, in the agency's judgment, it involves, "any function of the United States requiring secrecy in the public interests."

Agencies are required by the law to open to the public their final opinions or orders on cases they have adjudicated. Exempt from this provision, however, are those opinions and orders "required for good cause to be held confidential."

Finally, we observe in subsection (c) that as a matter of general practice matters of official record shall be made available to "persons properly and directly concerned except information held confidential for good cause found."

Look again at these phrases. Information must be disclosed unless it involves a function "requiring secrecy in the public interest." Information must be disclosed unless "required for good cause to be held confidential." Information will be disclosed to "persons properly and directly concerned except information held confidential for good cause found."

It is the agency that decides what these phrases mean, how they should be interpreted, and to whom they should be applied. There is no definition of these phrases in the law itself nor in its legislative history. There is no acknowledgment anywhere that an American citizen, just because he is a citizen, has a basic right to see the record of actions taken by Federal agencies.

To top it off, under the present law the citizen who has been denied access to this information can do nothing about it. There is no judicial redress available to him.

It is my firm conviction that the enactment of S. 1160 would accomplish the purposes hoped for but never attained under the existing section 3. It has been accurately stated that passage of this bill would make an information disclosure law out of what has become an information withholding law.

How would this be done? In the first place S. 1160 contains clear, logical, and practical standards for deciding what agency information should be available to the public and what should not. It eliminates those vague and undefined phrases, such as "for good cause to be held confidential" and "good cause found." It defines much more specifically what limited classes of information may be held back from public scrutiny.

Second, the measure now before us removes from the agencies their power to decide who shall see official records and who shall not. No one will have to pass the test as to whether he is "properly and directly concerned." The basic assumption of this bill is that the people as a whole have an inherent right to Government information and that the exercise of this right should not depend upon how an agency happens to feel about any particular individual.

Specifically exempted are matters ruled by the President to be kept secret in the interest of national defense or foreign policy, internal agency personnel practices, data protected from disclosure by statute, trade secrets and commercial data, some inter- and intra-agency affairs, personnel and medical files, the opening of which might result in an invasion of privacy, investigatory files, data concerning the supervision of financial institutions, and data consisting of geological and geophysical information.

Another important provision of S. 1160, wholly ignored under the present law, makes available redress in the Federal judicial system to anyone from whom an agency has withheld information. In the Federal court the agency would be required to justify its action against the aggrieved person. The court could enjoin the agency from continuing to withhold the date, and if the agency officials failed to comply with the court order, they could face punishment for contempt.

In a column in the Washington Star, May 16, 1966, Paul Hope wrote that this bill "would establish incontrovertibly the principle that government records are indeed public records and should be available for public inspection unless there is a valid and overriding reason to the contrary."

No one will disagree with the importance of this principle to the health of democracy, and I agree with Mr. Hope that S. 1160 would do much to make a practical reality of this principle.

It is my sincere hope that this House will give its prompt approval to this measure.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the distinguished gentleman from New Jersey.

Mr. PATTEN. Mr. Speaker, the gentleman has talked about access to information. I join with him in his remarks. This matter is often treated loosely. We do not meet the problem as we should.

For instance, if we make a comparison with private industry, an employee in a private bank as part of his training is told not to give out any information to anyone or he will be fired. Employees in any of the industrial plants, whether in the office or any other place, unless it be the topman, may not open their mouths or leak out information or they will be fired.

I should like to make it clear that I have learned from experience in my State as well as here we sometimes fail to get facts and information. This is very frustrating.

I am sure there is no good reason for most of the information to be withheld. It is not secret. It is not confidential. It is not classified. I believe that in some cases our big problem is that people are afraid of those over them.

In my own law office, ever since I can remember, the girl who works there has always been instructed, "Nobody gets anything out of any file without my permission."

That is the only way to run the office. People could not come in and ask for wills and deeds and everything else. Every girl who works there is told very emphatically, "no paper is to be taken out of any file, and you are not to talk about anything that happens in this office."

There are things of that type throughout the State system and the Federal system of Government. It is felt that those who keep their mouths shut stay out of trouble.

Our problem is how to permit people in a position to give out information to feel free to do so. If we can overcome that problem, I believe we will make a great deal of progress.

This has something to do with command, and people under command, and instructions handed out.

The need for the bill is quite apparent. I introduced a bill, along with our colleague from California [Mr. Moss].

I hope we will be successful. Government will be better if the bill is passed.

Mr. HOWARD. I thank the gentleman for his remarks. With such a distinguished cosponsor as the gentleman from New Jersey, I feel certain this enhances the prospects of passage of the bill.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I compliment the gentleman from New Jersey on an outstanding speech. I believe the gentleman from New Jersey has already distinguished himself in this body by his ability and by his dedication. The leadership which he is displaying on this issue is outstanding. I commend him for it, and I commend him for the outstanding record he is making as a Member of the House of Representatives.

Mr. HOWARD. I thank the gentleman. I also thank the gentleman for being a cosponsor of this important bill.

THE EXERCISE OF RELIGIOUS LIBERTY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. MOELLER], is recognized for 15 minutes.

Mr. MOELLER. Mr. Speaker, last week I submitted a joint resolution proposing an amendment to the Constitution of the United States relating to the exercise of religious liberty.

The events of our times cause thoughtful men and women in our Nation to repeat the words of Thomas Jefferson:

> God who gave us life gave us liberty. Can the liberties of a nation be secure when we have removed a conviction that these liberties are the gift of God? Indeed I tremble for my country when I reflect that God is just, that His justice cannot sleep forever.

Freedom is a prized possession not only to be fought for, but one to be sought of Him who alone can finally bestow the gift. The God who gives us life in our time is the God who gives us liberty in our age as well. Throughout our Nation's brief history, statesmen have not hesitated to contend for a tradition that acknowledges God as the giver of our liberty. They have not held that this voice should be raised only in the pulpits of our churches and in the citadels of our homes. The Halls of Congress are accustomed to the sound of voices which hold this to be "one Nation under God."

The rich tradition of our Nation supports the thesis which separates the functions of church and state. There is abundant evidence to embrace the wisdom of that principle. But our tradition has never supported the sterile notion of separation of God and state.

Recent Supreme Court decisions have, I believe, wisely ruled against prescribed forms and regulated practices for prayer and Bible-reading in our schools. I do not take issue, as some do, with the Court's decision that State authorities administering our educational institutions may not prescribe form or content for religious exercises conducted in buildings supported wholly or in part through public funds.

What does deeply concern me and many Americans is an interpretation being given our Constitution which restricts the expression of a freedom guaranteed us by our Constitution. The first amendment states boldly and plainly:

> Congress shall make no laws respecting an establishment of religion, or prohibiting the free exercise thereof.

The first set of words, "shall make no laws respecting an establishment of religion" are matched by another set, "or prohibiting the free exercise thereof." Congress has made no such laws, but I contend that the recent rulings have pointed up a dilemma for the worshiping and nonworshiping Americans which calls for a clarification of this first amendment.

When Americans are engaged in activities required by one law, no other law should be invoked or interpreted to become a restriction or prohibition on them from engaging in the voluntary exercise of their most treasured and respected right, the free exercise of religion. To disengage the individual from this free and voluntary expression while he is required by law to be a member of a group is to do violence to his personal freedoms and interpersonal relationships.

The religion of a man is both personal and interpersonal. By it he expresses his personal relationship to another Being higher than himself, and he also expresses his interpersonal relationships to others who share his personal beliefs. The religious dimension is a vertical and horizontal one. To restrict the individual in his free and voluntary expreession at the level of the horizontal dimension is in my judgment an unrealistic, unwarranted, and unnecessary inhibition not implicit in our Constitution.

The amendment I propose is an amendment which I hope can enjoy the hearty support of all Americans. It is not intended to divide us, but to unite us. It is designed not to limit us, but to enlarge the potentials for religious liberty for us all. It purposefully calls upon the people themselves to safeguard and extend the intent and purpose of the first amendment.

Robert Frost gave a classic definition of freedom when he said:

> You have freedom when you're easy in the harness.

It seems evident that our Nation is not "easy in the harness" on the expression of our religious liberties in our public institutions. Admittedly, there are many horns to this dilemma, but truly free men, if given time, if given patience, and if given purpose, have the capacity to file away these horns and to resolve these dilemmas.

My proposed amendment to the Constitution relating to the exercise of religious liberty reads:

> No provision of the first or fourteenth articles of amendment to this Constitution shall be deemed to prohibit Congress or a

> State from permitting any person voluntarily to exercise his religious liberties while he is engaged in activities required to be performed by law. Neither Congress nor a State may prescribe the form or content of such exercise.

The force and influence of our tax-supported institutions dare never be one-sided and favor that element which favors either religion, nonreligion, or irreligion. But that force and influence dare never place an individual into a situation required by law and then restrict him in either personal or corporate expressions of his liberties as long as they are voluntary and the form and content are not prescribed by authorities administering these activities.

I recognize that what I propose here poses practical problems which will call for patient dialog between free men of good will. It will take time to discover ways and means to make such free exercise of religious liberty possible under these conditions. But it will be worth the time, the effort, the discussion, the debate, and the dissent to assure ourselves that we can be certain that no laws are ever made respecting the establishment of religion, and that no laws are ever interpreted to prohibit any American the free exercise of his religion.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. MOELLER. I shall be glad to yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Speaker, I want to thank the gentleman from Ohio for his remarks and to congratulate him upon his introduction of this proposed constitutional amendment.

Mr. Speaker, as the gentleman has well said, throughout the years of American history, the religious faith of our people has run like a golden thread through the history of this Republic. From the time our pilgrim fathers came to these shores seeking a place in which to live and work and worship in freedom to the present time our Nation has been builded upon the shoulders of people of faith, who have sought through the years to make and keep this a nation under God. Our Founding Fathers, the framers of the Constitution, demonstrated this by their frequent references to Deity and by invoking His divine blessings upon their endeavors.

Mr. Speaker, in the Continental Army there were chaplains to serve the men who were fighting for liberty and for the establishment of this Nation. From that time until this the chaplaincy has been a vital part of our Military Establishment. The Congress itself has its Chaplains of the House of Representatives and the Senate.

Mr. Speaker, we have sought recognition of the religious faith of our people and the desire of so many of us to keep our country a nation under God. Yet, we have also been concerned with maintaining the strict separation of church and state, with maintaining a situation in which the people could have complete freedom of religion, but in which there could be no state religion, no state-prescribed religion or establishment of religion by the Congress or by the several States.

The gentleman from Ohio [Mr. Moeller] in his amendment has sought recognition of these twin necessities in the area of religious liberty; that our interpretation of the principle of the separation of church and state should not take such form that we could in fact circumscribe and limit the free exercise of religion by American citizens.

Mr. Speaker, we do not seek freedom from religion but freedom of religion here in this country.

Yet, Mr. Speaker, the gentleman from Ohio [Mr. Moeller] has specifically included in his amendment the safeguard that neither the Congress nor the State would prescribe forms of religious instruction or the content of any religious exercise.

It seems to me the gentleman is on the right track toward solving a difficult problem, and an important problem in our country in our time. Certainly, this Nation cannot endure unless it remains a nation under God. Surely, we cannot seek freedom from religion in our country. The gentleman would guarantee to Americans free exercise of their faith, and yet protect them from State established or State promoted religious exercises. I congratulate the gentleman and will certainly join in support of his amendment.

Mr. MOELLER. I thank the gentleman for his very fine statement.

I think we must recognize the fact that should an amendment such as this be adopted regardless of what interpretation might be placed on it by school administrators, we at least are safeguarding for those who are engaged in any kind of activity required by law the right to a religious exercise. Most of all it would, as the gentleman has so ably pointed out also, safeguard our military men so far as the services of chaplains in various branches of the military is concerned, as well as also making absolutely sure that the House of Representatives and the Senate should they so choose may at all times have a chaplain for their spiritual ministry.

I appreciate also the gentleman's comment of support. I hope we can generate the necessary enthusiasm in committee and see to it that this amendment might be brought to the floor for consideration.

A MOON TREATY

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. Daddario] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DADDARIO. Mr. Speaker, the spectacular soft landing of our Surveyor spacecraft on the moon focuses attention on the urgent need expressed by President Johnson last month for a treaty on space.

Now the Russians have come to the United Nations with a similar request. In fact, the Soviet proposal is so much like President Johnson's that the Washington Post suggests the U.N. should have no trouble in concluding an international agreement.

The Post says:

> If its value at this point is as much politically symbolic as effectively real, so be it. Let's have a treaty.

I ask that the Post editorial be made a part of the Record.

Toward a Moon Treaty

The Soviet proposal for a peaceful-moon treaty is so much like the three-week-old American proposal that the United Nations should have no trouble making a treaty. The earlier Luna flights and now the Surveyor mission demonstrate the timeliness of international agreement on unrestricted, peaceful exploitation of the moon and other heavenly bodies. No less useful would be the earthbound recognition of common purpose that Soviet-American negotiation of a moon treaty would represent.

Procedural differences exist; one hopes the Russians inserted them merely to draw attention from their tardiness in submitting a draft. Substantively their proposal seems fine, a happy overlap of scientific and political purposes, although it does not pick up President Johnson's suggestions on mutual aid by astronauts and cosmonauts in trouble and on avoidance of lunar contamination. It is a sad commentary on East-West immobility that there hasn't been a treaty before. If its value at this point is as much politically symbolic as effectively real, so be it. Let's have a treaty.

DISTRICT OF COLUMBIA AREA TRANSIT COMPACT

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. Willis] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WILLIS. Mr. Speaker, last Thursday President Johnson sent to Congress an urgent request for the enactment of legislation that would authorize and approve an interstate compact for the establishment of a Transit Authority with power to plan and propose financing for a regionwide transit system for the District of Columbia area. On the same day, the requested legislation was introduced by Chairman Celler, of the Committee on the Judiciary—House Joint Resolution 1163. Similar measures have also been introduced by Judge Smith, House Joint Resolution 1164; Mr. Broyhill, H.R. 15588; Mr. Machen, H.R. 15599; Mr. Mathias, H.R. 15600; and Mr. Sickles, H.R. 15603.

All these measures were referred to the Judiciary Committee and, by it, to Subcommittee No. 3, of which I am chairman.

Recognizing the urgency of a solution to the District of Columbia transit problem, the subcommittee has scheduled a hearing on these measures for June 23, 1966.

HEALTH AND PHYSICAL EDUCATION AMENDMENTS TO NDEA

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Sickles] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SICKLES. Mr. Speaker, since the enactment of the National Defense Education Act of 1958, this far-reaching legislation has been amended and extended to provide, among other things, opportunities for teachers to improve their knowledge and skills through summer institutes.

From the basic act which concentrated on science, mathematics, modern foreign languages, and guidance, we have progressed by including institutes in the equally vital subject areas of English, reading, history, geography, economics, industrial arts, disadvantaged youth, school library personnel, and educational media specialists. Through the establishment of the National Foundation on the Arts and Humanities, the Congress has recognized the importance of these areas of knowledge also, and, of course, since 1918, and more recently since 1963, we have provided assistance, including teacher training, for vocational education in our secondary schools.

The only regular curricular offering of the schools which has not received attention from the Congress is the vitally important area of health and physical education. The bill I am introducing today will correct this serious oversight. The measure is identical to H.R. 12928 introduced by the gentleman from Washington [Mr. Meeds], who deserves great credit for his leadership in this matter.

The inclusion of health, and physical education in titles III and XI of the National Defense Education Act is proposed as basic to achieving the maximum results from the Federal assistance given to the other subject areas presently covered in the act. The ideal of ancient Greece of a sound mind in a sound body is not merely an idle cliche. Socrates repeatedly stressed that grave mistakes in thinking are attributed to poor health. Comenius, the 16th century Czech educator noted "to attain the best results physical exercise must accompany and condition mental training." Rousseau maintained that "an enfeebled body enervates the mind." In more modern studies, Arnold Gesell, Arthur Jersild, and Jean Piaget have determined that the earliest learnings of children are motor and form the foundation for learning.

Health and physical education programs have several basic contributions to make to academic achievement. The development of motor skills, the promotion of physical fitness, the social and emotional development which is basic to sound mental health are basic to the child's motivation to learn. Lewis Terman, the famous psychologist has, through research, discovered that physical weakness is found 30 percent fewer times in children of higher intelligence than in those of lower mental ability. There are hundreds of studies which indicate that physical fitness is due fundamentally to achievement of a child's full academic potential.

In health education classes, where they exist, students not only learn about good nutrition, the basis for good vision, and the importance of personal cleanliness, they also learn about the harmful effects of dangerous drugs, such as LSD, of smoking, and of the use of alcohol. Our modern youngsters, subjected as they are through television, magazine advertising, and movies to the fetish of sexual attraction as the acme of success, need sound instruction in sex education—an area which far too many parents are too embarrassed to approach, and most teachers fearful of attempting.

Action by this Congress to authorize institutes for health and physical education teachers and of matching funds for equipment—not including athletic equipment—for schools to carry out health and physical education programs would indicate to the educators of this Nation that the Congress does believe in a sound mind in a sound body. To fail to enact such a simple, but basic, amendment, on the contrary, will indicate that we are not concerned with our children's health and fitness. I can think of no reason to oppose this legislation—and the reasons for support are myriad, indeed.

HEARINGS HELD IN MINNEAPOLIS ON WAR IN VIETNAM—V

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Fraser] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRASER. Mr. Speaker, after holding the Friday evening session of expert witnesses and discussion with the panel, the Vietnam hearings in Minneapolis continued on Saturday, first with organizational representatives and then with individual citizens.

It is evident to all of us here in Congress that the citizens of our districts and of the Nation have given much careful consideration to our involvement in Vietnam. It is further evident that they have much to contribute to the process out of which our Nation's foreign policy emerges.

Mr. Speaker, I for one am keenly aware of the role which the people can play and the strength which they can contribute to the policymaking process. For it is they who ultimately give energy and direction to our foreign policy. From my point of view, therefore, the purpose of these hearings was twofold: First, to provide a form, a reasonable form, in which a variety of views could be developed and expressed. Second, to help me to have some better understanding of some of the concerns, the points of interest, and the doubts of people in my district and the immediate area.

I think it would be helpful at this point to place in the Record a list of the participants at this conference and a summary of the many ideas expressed on each of five questions I had posed as a focus for the hearings:

PANEL

Congressman Donald M. Fraser, Chairman.

Gary Crawford, Attorney at Law, Minneapolis, Minnesota.

Professor Harold Deutsch, Chairman, History Department, University of Minnesota.

Dr. Abram E. Manell, Department of State (Dec. 8, 1965 only).

Barbara Stuhler, Minnesota World Affairs Center.

EXPERT WITNESSES

(Evening Session, Tuesday, December 7, 1965)

Professor Carl A. Auerbach, Law School, University of Minnesota.

Professor Edward Coen, Economics Department, University of Minnesota.

Professor Rodney C. Loehr, History Department, University of Minnesota.

Professor Charles H. McLaughlin, Chairman, Political Science Department, University of Minnesota.

Professor Wesley St. John, Political Science, Hamline University.

Professor Burton N. Stein, History Department, University of Minnesota.

Professor Romeyn Taylor, History Department, University of Minnesota.

ORGANIZATION WITNESSES

(Morning Session, Wednesday, Dec. 8, 1965)

Colonel Vernal L. Boline, Commander of the Minneapolis Chapter, Disabled American Veterans.

William C. Braatz, Socialist Labor Party.

Erik A. Dundurs, President, Council for Liberation of Captive Peoples from Soviet Domination.

Lynn M. Elling, Chairman, Minnesota Branch, United World Federalists.

Grace Gibas, Minnesota Fellowship of Reconciliation.

Joseph Johnson, Socialist Workers Party.

Howard L. Kaibel, University of Minnesota Young Democrats.

Ronald V. Kenitz, Commander, Department of Minnesota, Veterans of Foreign Wars of the United States.

Robert W. McCoy, President, American Humanist Association.

Stanley Nesheim, American Friends Service Committee of the Minnesota Area.

Vance Opperman, Students for a Democratic Society.

Mrs. Harlan D. Root, Minneapolis League of Women Voters.

Janet Rovick, Minnesota Committee to End the War in Vietnam.

Daniel J. Slater, Chairman, Minnesota Citizens Legislative League.

Professor Harlan Smith, Committee on International Affairs, Minnesota Council of Churches.

Arthur Sternberg, Minnesota Committee for a Sane Nuclear Policy.

Professor Burnham Terrell, Chairman, Committee on Ministry and Counsel, Twin Cities Monthly Meeting of the Religious Society of Friends.

Margaret M. Thompson, President, Minnesota Branch of the Women's International League for Peace and Freedom.

Frank Verrall, Jr., Twin Cities DuBois Clubs.

Denton Wilson, Chairman, University of Minnesota Republican Association.

INDIVIDUAL WITNESSES

(Afternoon session, Wednesday, Dec. 8, 1965)

Professor Henry E. Allen, 1917 James Avenue South, Minneapolis, Minn.

Norton L. Armour, 107 Arthur Avenue Southeast, Minneapolis, Minn.

James S. Beck, 180 Bedford Street Southeast, Minneapolis, Minn.

Mrs. Wright W. Brooks, 5056 Garfield Avenue South, Minneapolis, Minn.

Martha Cohn, 2420 Seabury Avenue, Minneapolis, Minn.

Brian J. Coyle, 421 Cedar Avenue South, Minneapolis, Minn.

Bernard Cullen, 3711 East 40th Street, Minneapolis, Minn.

Wallace F. Doerr, 3408 Zenith Avenue South, Minneapolis, Minn.

Mrs. Orin D. Doty, 3625 2nd Avenue South, Minneapolis, Minn.

John Edie, 4832 Queen Avenue South, Minneapolis, Minn.

J. Merle Harris, 3509 Stinson Boulevard, Minneapolis, Minn.

Ward A. Horton, 3440 Colfax Avenue South, Minneapolis, Minn.

Orville J. Jorgenson, 3440 47th Avenue South, Minneapolis, Minn.

Frank Kent, 1103 Olson Memorial Highway, Minneapolis, Minn.

J. Patrick Kittler, 303 Towle Building, Minneapolis, Minn.

Paul H. Kundzins, 2607½ 7th Street South, Minneapolis, Minn.

David B. Leonard, 4853 Russell Avenue South, Minneapolis, Minn.

Joseph E. Murphy, Jr., 2116 West Lake of Isles Boulevard, Minneapolis, Minn.

William Musolt, 2200 Flag Avenue, Minneapolis, Minn.

Richard Nicholsen, 346 Roslyn Place, Minneapolis, Minn.

Lorraine E. V. Peterson, 4243 44th Avenue South, Minneapolis, Minn.

Martin Pierce, 308 16th Avenue South, Minneapolis, Minn.

Stanley K. Platt, 2002 West Lake of the Isles Boulevard, Minneapolis, Minn.

Larry Seigle, 1819 16th Avenue South, Minneapolis, Minnesota.

Mulford Q. Sibley, Minneapolis, Minn.

Vera Stephens, 3945 Chicago Avenue, Minneapolis, Minn.

Matthew H. Thayer, 717 University Avenue Southeast, Minneapolis, Minn.

Lawrence G. Western, 312 South 8th Street, Minneapolis, Minn.

SUMMARY

QUESTIONS

Witnesses were asked to direct their testimony to one or more of the following specific points:

1. What role might the United Nations play in Vietnam?
2. What more should the United States do to assist the government of Vietnam in the development of stable political institutions?
3. What can be done in the way of economic and social development?
4. What should an acceptable basis be for settlement of the conflict in Vietnam?
5. What lessons should be drawn from a decade of United States involvement in Vietnam?

The questions themselves point up the constructive emphasis which characterize the hearings.

WHAT ROLE MIGHT THE UNITED NATIONS PLAY IN VIETNAM?

The assumption underlying this question was that the United Nations should have a role in Vietnam. The discussion stressed three aspects of the question. First, the proper time and conditions for the United Nations' consideration of and participation in the Vietnamese problem. Second, the consequences of action or inaction by the United Nations. And third, means to strengthen the capacity of the United Nations to bring about a settlement in Vietnam.

One witness stated that the United States should not call upon the United Nations to play any part in an attempt to bring about an end to the Vietnamese conflict, for "it is unrealistic to expect action on the part of the United Nations in support of our position and interests."[1] Another believed that the Communist nations have too much power in the United Nations and that we should not bring the issue to that body.[2] A third declared that the United Nations has no "right to be involved in Vietnamese affairs without the consent of the Vietnamese people."[3]

But on the whole, witnesses favored participation by the United Nations immediately or in the future. Most agreed that the United Nations should take a "central place" in the solution of the conflict in Vietnam.[4]

CONDITIONS FOR UNITED NATIONS INVOLVEMENT

One group of witnesses argued that the United States should place the problem before the United Nations immediately. One person said that the country is violating its obligations under the United Nations Charter and must invite the United Nations to initiate international presence in Vietnam.[5]

A second said the United States must clearly ask for United Nations action because it does not send a task force into a dispute without being invited by at least one of the parties to the conflict.[6] Another believed we bypass the United Nations whenever it suits our own interest;[7] to do so, said another, is to weaken the fabric of the United Nations as a peace-keeping instrument.[8]

The United States, suggested one person, should introduce into the Security Council or the General Assembly a resolution requesting a ceasefire and suggesting that the 1954 Geneva Conference be reconvened with the National Liberation Front present.[9] Beyond these actions, said someone else, the United Nations should be called upon to determine whether acts of aggression have occurred; to monitor the truce to prevent violations, including infiltration of supplies and men from North Vietnam; to supervise any elections resulting from negotiations; and to sponsor and supervise such projects as the Mekong Delta Project for the economic development of the area.[10]

Others doubted the fruitfulness of United Nations participation at the present. The previously mentioned group foresaw a role for the international organization in bringing about a cease-fire and negotiations. These persons believe the United Nations' role can only begin after the end of military operations. Discussion of this question, along with questions two and three, is "tragically irrelevant in the short term while in the long term and with an end to military operations or their drastic reductions, these points become the most important that one could consider," said one witness.[11]

Other views: The United Nations may later play a vital role in a peacekeeping capacity in the supervision of Vietnamese elections and in social and economic development.[12] At the present, however, only diplomatic soundings by the Secretary General should be carried on,[13] and the United Nations should "act as a medium of communication."[14] The United States should not seek to enlarge this present role, nor should the United Nations.[15] Such action might make the situation worse.[16] These witnesses expressed reservations about the reaction of the Soviet Union: She would not dare to support United Nations action because of the danger of losing control of the Communist world to China;[17] her restraining attitude would disappear, and she would be forced to align herself more closely with China.[18]

CONSEQUENCES OF ACTION OR INACTION BY THE UNITED NATIONS

The ability of the United Nations to consider the Vietnamese problem was a matter of concern both to those who urged its immediate involvement and to those who favored action by it at a later time.

The former thought that the longer United Nations action is delayed and denied by American military efforts, "the more damage the United Nations will suffer in its capacity to deal with that matter or any other similar matter."[19] These holding this position believed there existed a lack of consistent support for the world body by its large-nation members.[20]

Those witnesses who urged waiting until a truce is obtained before putting the issue before the United Nations stated that the United Nations "has not yet devised methods by which peace can be maintained in situations where one or more of the major world powers believes that they have overriding interests at stake,"[21] for the great powers have not yet accepted peaceful settlements of disputes of that magnitude as a paramount mutual interest and principle.[22] Faced by an unsolvable problem, the United Nations would be dangerously weakened, according to this thinking.[23]

STRENGTHENING THE UNITED NATIONS

Persons from both groups agreed upon the difficulty of settling the Vietnamese conflict by the United Nations without Communist China's membership.[24] The United Nations, to their thinking, may not even function as "an effective vehicle for discussion" as long as it excludes China,[25] although if the Chinese Communists sat on the Security Council they would be almost certain to veto anything done there.[26] To assume a dispute-settling and peacekeeping process built upon the facilities of the United Nations, they said, representatives of four divided countries—China, Vietnam, Korea, and Germany—should be seated in the United Nations as soon as possible.[27]

Another area of agreement was the need for strengthening United Nations peacekeeping force activities. The military and economic commitment to South Vietnam by the United States is so great that in comparison "the United Nations lacks the resources and the power to guarantee the security of South Vietnam," one man stated.[28] That American troops cannot be withdrawn, according to one witness, until a settlement can be guaranteed by the United Nations, emphasizes the urgency to create within the United Nations adequate machinery to meet peacekeeping needs.[29] An automatic method of financing the United Nations, such as a tax on all international trade,[30] is required to support an international police force, was suggested.[31] Also suggested was the reconstruction of the United Nations Panel of Inquiry and Conciliation with appointments made by the Secretary General.[32]

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[1] Daniel J. Slater, p. 1 (page references are to pages of statements submitted by organization and individual witnesses and to pages of the recorded testimony by expert witnesses.)

[2] Lorraine E. V. Peterson, p. 1.

[3] Frank Verrall, p. 1.

[4] Professor Burton N. Stein, p. 15.

[5] Howard L. Kaibel, pp. 1, 2.

[6] B. J. Merle Marvis, p. 1.

[7] Professor Edward Coen, p. 80.

[8] Norton L. Armour, p. 2.

[9] Arthur Sternberg, p. 4.

[10] Armour, p. 3.

[11] Stein, p. 15.

[12] Edie, p. 1.

[13] Professor Rodney C. Loehr, p. 80.

[14] Ibid., p. 41.

[15] Stein, p. 78.

[16] Edie, p. 1.

[17] Loehr, p. 87.

[18] Edie, p. 1.

[19] Stein, p. 15.

[20] Sternberg, p. 4.

[21] J. Patrick Kittler, p. 2.

[22] Ibid.

[23] Edie, p. 1.

[24] Professor Romeyn Taylor, p. 83.

[25] Larry Seigle, p. 2.

[26] Loehr, pp. 79–80.

[27] Kaibel, p. 1.

[28] William D. Musolt.

[29] Lynn M. Elling, p. 3.

[30] Robert W. McCoy, p.c.

WHAT MORE SHOULD THE UNITED STATES DO TO ASSIST THE GOVERNMENT OF VIETNAM IN THE DEVELOPMENT OF STABLE POLITICAL INSTITUTIONS?

Almost all participants said they appreciated that the problem in Vietnam is by no means military alone and that a great effort to strengthen the political, social, and economic structures of Vietnam and other Southeast Asian nations is needed.[33] Differences arose over the proper means to bring about strong political structures.

WHILE THE WAR CONTINUES

One witness stated that our objective is to have an independent government in South Vietnam which is capable of governing in its own interest. To bring about this independent government, he said, stable conditions must be created by ending the invasion from the north and quelling the insurgency in the south.[34] Although in the short run, it is likely that the peasants of South Vietnam would be better off if the war ended immediately and on any terms, the long-run consequences would be to eliminate true self-determination, said another witness.[35] After the war is won by the present South Vietnamese government, free elections (perhaps supervised by the United States [36]) will be held to establish a constitutional and sovereign government, said others.[37]

Other persons argued that nothing could be done while military actions continues,[38] or there is continuation of aid in any form whatsoever to the Ky regime.[39] Immediate withdrawal is necessary [40] because there is "absolutely no possibility" of the development of stable political institutions in Vietnam "so long as American military forces are present," some said.[41]

STABLE INSTITUTIONS

There was general agreement that the end of war will not necessarily bring democracy or the development of stable political institutions in Vietnam.[42] Most believed that the United States has a role there. Some, however, suggested transfer of our involvement to the specialized agencies of the United Nations,[43] because "the opportunity to build political institutions within Vietnam to a point of livable stability would be greater than trying to 'go it alone'." [44] It was pointed out that in its support of President Diem, the United States had not worked to build a democratic government but rather had created one representing a small minority of the Vietnamese people.[45]

The difficulty of fostering stable political institutions through the central government in Saigon was noted in several ways: They cannot be created by a magic reshuffling of politicians.[46] Over a period of eleven years South Vietnam has had leadership which failed to win popularity in the local communities and villages, and there is a lack of understanding among villagers of the role of the Saigon government.[47]

Indeed, the problem of creating stable institutions is greater than mere unification of religious sects whose leaders are very jealous of their authority and not ready to share it, and tribes of Montagnards who are under the absolute rule of their chiefs and hostile to the Vietnamese people.[48] It is not enough to integrate civilian leaders into the power structure of the government.[49] The problem is more complex than just a struggle between Communists and anti-Communists.[50] The government of South Vietnam today is city-oriented, and a better balance between city and country is needed [51] to bring to the whole of the Vietnamese population a sense of belonging to something worth fighting for.[52]

UNITED STATES ASSISTANCE

Suggestions for United States aid in political development emphasized activity in the villages beyond Saigon. These were some opinions: Of primary importance in creating a stable community is immediate relief for large numbers of refugees.[53] The United States can send professional people to train administrators in rural regions and increase Agency for International Development and Peace Corps personnel in the villages.[54] Political involvement by the peasants can be increased by expanding and extending public forums held in provincial councils, in which government programs are explained and peasants have an opportunity to state their problems. This device has been used in Gia Dinh province.[55] Advisory teams of civilians who are fluent in the language, expert organizers, and able in the primary skills of agriculture, sanitation, and health might be developed.[56]

Long-term programs to bring about increased involvement include leadership training of Vietnamese village leaders by institutes here in the United States,[57] increased school construction,[58] and an international university of students from Southeast Asia.[59]

One piece of testimony suggested that the United States encourage the Vietnamese government to adopt electoral procedures consistent with Vietnam's largely illiterate population and highly fragmented society, and similar to a three-tier system of representation promulgated in Pakistan.

On the assumption that the Pakistanis can best choose representatives from among those with whom they are personally acquainted, villagers elect leaders, who in turn elect the provincial government. The provincial governors elect the national leadership.

WHAT CAN BE DONE IN THE WAY OF ECONOMIC AND SOCIAL DEVELOPMENT?

The problem of fostering economic and social development looms large in Vietnam. A visitor to the country is impressed by a paradox of "fertile land and rich resources, and of suffering and poverty among the people in the villages." [60] For millions of Vietnamese, war has become a way of life.[61] Bombings have hindered social and economic development [62] of the country with the greatest economic potential in Southeast Asia,[63] although international cooperation in the Mekong River Valley has continued with no interruption.[64]

The central thrust of development must fit a rice-subsistence economy.[65] Although there are gains which American Agency for International Development personnel can help bring about, especially in in-country education,[67] "whatever is done must be done in terms of Vietnamese culture and needs and not in terms of American culture." [68] Moreover, some participants said they believed that economic development is best fostered by a leftist, authoritarian government of the sort which we would not favor on ideological grounds and would hesitate to assist.[69] Finally, some said they believed unilateral assistance suggested American imperialism.[70] For these reasons, most persons who spoke to the point favored a multilateral approach to Southeast Asian economic and social development, perhaps through the specialized agencies of the United Nations in cooperation with nongovernmental agencies.[71]

INTERNATIONAL DEVELOPMENT AID

Continued encouragement of the Mekong Development Committee was urged. The four riparian nations, Laos, Thailand, Cambodia, and Vietnam, have shown enthusiasm for the venture and a willingness to cooperate [72] even though they are frequently at odds politically.[73]

In the past half decade, surveys of dam sites, irrigation canals and electric power installations have been done with little interruption by the war.[74] President Johnson stated his commitment to such means of development in his speech at Johns Hopkins University in Baltimore on April 7, 1965.[75] The establishment of the Asian Development Bank with assets of one billion dollars was also viewed as a wise step.[76]

Mekong economic plans can help bring political stability to Southeast Asia. North Vietnam might benefit from the electric power generated by the Mekong River.[77] Inclusion of China in the international planning should be hoped for but if it does not occur, United States-Soviet cooperation should not be delayed, in the opinion of some witnesses. Indeed, this cooperation might reattract North Vietnam from the Chinese orbit and eventually cause the Chinese to join, some think.[79]

WHAT SHOULD AN ACCEPTABLE BASIS BE FOR SETTLEMENT OF THE CONFLICT IN VIETNAM?

This question elicited the most response from those who presented testimony. There was agreement by most participants that the war is now an international conflict rather than one internal to the Vietnamese.[80] The two goals mentioned as the bases for the United States involvement in Vietnam are first, to help the South Vietnamese maintain or obtain a government free from aggression and intervention by North Vietnam and, second, to contain the spread of Chinese Communism in Southeast Asia.[81] Although the assumptions are not necessarily exclusive ones, the acceptance of one or the other governed the terms of settlement proposed by most participants.

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[31] Edie, p. 2.
[32] McCoy, p. 3.
[33] Professor Wesley St. John, p. 27.
[34] Loehr, pp. 41–42.
[35] Denton Wilson, p. 3.
[36] Peterson, p. 2.
[37] Slater, p. 1.
[38] Professor Mulford Q. Sibley, p. 3
[39] Seigle, p. 2.
[40] Vera Stephens.
[41] Seigle, p. 2.
[42] Paul H. Kundzins, p. 1
[43] Professor Burnham Terrell, p. 4.
[44] Elling, p. 2.
[45] Martha Cohn, p. 2.
[46] Terrell, p. 3.
[47] Mrs. Wright W. Brooks, p. 2.
[48] Cohn, p. 1.
[49] Wilson, p. 2.
[50] Loehr, p. 42.
[51] Ibid., p. 42.
[52] Cohn, p. 2.
[53] Terrell, p. 3.
[54] Loehr, p. 43.
[55] Wilson, p. 2.
[56] David B. Leonard, p. 1.
[57] Mrs. Harlan D. Root, p. 1.
[58] Musolt, p. 2.
[59] Ibid., p. a.
[60] Stanley Nesheim, p. 1.
[61] Grace Gibas, p. 2.
[62] Seigle, pp. 2–3.
[63] Nesheim, p. 1.
[64] Elling, p. 2.
[65] Loehr, p. 44.
[66] Musolt, p. 2.
[67] Loehr, p. 44.
[68] Ibid., p. 44.
[69] Taylor, p. 34.
[70] Sibley, p. 3.
[71] Terrell, p. 4.
[72] St. John, p. 28.
[73] Root, p. 2.
[74] Elling, p. 2.
[75] St. John, p. 27.
[76] Musolt, p. 2.
[77] Nesheim, p. 2.
[78] Sibley, p. 3.
[79] Wallace F. Doerr, p. 2.
[80] Harris, p. 1.
[81] Gary Crawford, pp. 101–102.

WITHDRAWAL NOW

Some persons rejected both assumptions and urged immediate withdrawal of all United States troops.[82] Among their statements: For Americans to remain in Vietnam is to reject the right of self-determination upon which our nation was founded.[83] The United States can give nothing but a right-wing dictatorship instead of a left-wing dictatorship.[84] Our nation, therefore, has no position from which to negotiate, and should withdraw immediately, and stop bombing North Vietnam.[85]

The two Vietnams cannot be unified at the present time; the recognition of the two countries is a political reality.[86] The United States must encourage the Saigon Government to explore with the National Liberation Front (Viet Cong) some basis for ending the war, at the cost of having to carry it on themselves, if no agreement is reached.[88]

Our nation should also state its acceptance of the principle of self-determination for the people of South Vietnam by means of free elections and its willingness to see the National Liberation Front included in a coalition government.[89]

END AGGRESSION FROM THE NORTH

To those participants who accepted the assumption that the United States is in Vietnam to help the South Vietnamese people repel aggression from the north, settlement means ridding South Vietnam of North Vietnamese troops and any Chinese advisers who might be there [90] and pacifying local guerrillas.[91] From this viewpoint, the Viet Cong are terrorist agents of North Vietnam, not an indigenous movement,[92] and are opposed by the people of South Vietnam.[93] No coalition government can be accepted.[94] Only after tranquillity is restored can elections be held in South Vietnam.[94] Persons holding this position urged blockading North Vietnamese harbors,[95] bombing of enemy supply lines, [96] more air strikes,[97] and bombing of North Vietnamese missile sites.[98]

CHINA AND THE SETTLEMENT

Others believe the presence of the United States in Vietnam is a consequence of the U.S. goal of containing the expansion of Chinese Communism in Southeast Asia. To some who agree with this assumption, if the United States does not make a stand in Vietnam, it will have to make it elsewhere or give up the whole Southeast Asian mainland to China; and the most favorable relative conditions for such a stand exist in South Vietnam.[99] To others, we should not accept Vietnam as a test case for stopping "wars of national liberation," for "we could have hardly found a worse place on the face of the earth in which to prove our ability to accomplish this." [1] Thailand is greatly different from South Vietnam.[2]

The acceptance of the assumption led other participants to suggest cessation of military operations and withdrawal by both sides of military forces in accordance with an agreed time schedule to be followed by elections supervised by the United Nations for the establishment of a government for all Vietnam.[3] The nationalism of a resulting strong, stable, and independent Vietnam might be a counterpoise to Chinese domination,[4] for historically the Vietnamese and the Chinese have been enemies,[5] according to this reasoning. The United States should then undertake to encourage Vietnamese independence of Peking as it has encouraged Yugoslavia's independence of Moscow.[6]

Still other participants who saw the need to contain Chinese expansion said they believed it could best be accomplished by accommodation and cooperation with Communist China. The states of Southeast Asia need enormous long-term economic assistance, according to this thinking, and such assistance can only be given under a neutralization of the area guaranteed by the United States and China.[7]

Said others: In the short run, a return to the Geneva Agreement of 1954 is necessary.[8] The United States should stop the bombing of North Vietnam and follow immediately with an announcement of willingness to agree to a ceasefire, and, pending such an agreement, with cessation of the bombings in South Vietnam.[9] The United States should declare its willingness to negotiate for the eventual withdrawal of all its military personnel, for a return to the conditions of the Geneva Agreement of 1954, and for the purposes of setting up an economic aid program to a unified Vietnam.[10] Implementation of the Geneva accords would prohibit the presence of foreign troops and foreign military bases in Vietnam, guarantee its independence, unity, and territorial integrity and provide elections to bring about reunification of the two parts.[11]

Withdrawal of troops would be supervised by the International Control Commission and the United Nations.[12] Treaty guarantees of Vietnamese independence would be given by the United States, Russia, China, France and the United Kingdom.[13]

An alternative would recognize North and South Vietnam as independent states to be free of foreign troops. A political convention of South Vietnamese factions—the National Liberation Front, other Viet Cong, the armed forces, the Buddhists, the Catholics, the Bao Dai and the Hoa Hao—would determine a government which would speak for South Vietnam at an international conference similar to the 1954 Geneva Conference. The conference would by treaty guarantee an independent, democratic and federated South Vietnam.[14]

WHAT LESSONS SHOULD BE DRAWN FROM A DECADE OF UNITED STATES INVOLVEMENT IN VIETNAM?

Responses to this question discussed the problem of making foreign policy in a democracy such as the United States and the question of the posture of the United States abroad.

FOREIGN POLICY-MAKING

The testimony which discussed foreign policy formulation indicated misgivings about the processes of reaching decisions governing our involvement abroad. The Vietnam war was given as the prime example.

These were among the thoughts expressed: The original support given by the United States to President Diem and the commitments there were made without congressional hearings and public discussion.[15] The suppression of the facts leading to subsequent decisions about Vietnam [16] resulted in the situation in which in August, 1964, three-fourths of the American people were unaware of our involvement in a war in Vietnam.[17] Furthermore, the mass media never provided a stimulus for a discussion of our policy in Vietnam.[18]

The need for informing and educating the public is complicated by insistence by officers of government upon a united front in foreign policy.[19] The problem is due, first, to a widespread attitude in the nation that, with respect to foreign policy, the executive branch is to be trusted as faultless in its judgment and that neither groups of citizens nor opposition political parties should oppose.[20] Second, the Congress has abdicated responsibility in the area of foreign affairs, as illustrated by passage of the Tonkin Gulf resolution, which gave the President *carte blanche* to wage war in Vietnam.[21] The result is inflexibility by the administration [22] and a hindrance of the best efforts of government officials because of the absence of the stimuli of public scrutiny and ideas.[23]

CONTAINMENT POLICY

The United States policy of containing Communist aggression was criticized as being an over-extension of United States commitments [24] and as inapplicable to many countries of Asia.[25] First, some said, the United States cannot afford to try to police the world [26] and to determine by unilateral action that governments suit us, especially if these governments are unpopular with the majority of their citizens.[27] When peace and human freedom are threatened, however, the President is faced with the dilemma of choosing between multilateral action which is not likely to be effective and unilateral action which invites violent criticism of the United States.[28]

Second, said some witnesses, although containment should be seen as a political, social and economic problem rather than a military one,[29] the practical definition in these terms is different in Southeast Asia today than it was in Europe after World War II.[30] Great infusion of United States capital brought the economic recovery of Europe, without massive social disturbances.[31] The industrialization of non-industrial Southeast Asian countries demands profound change in their culture and institutions. Thus the economic phase of containment necessarily produces very different results there than in Europe.[32] Also, there can be no substitute or creation of indigenous leadership and popular local opposition to Communism.[33]

NATIONALIST MOVEMENTS

Closely related to the policy of containment is the problem of distinguishing between true nationalist movements and Communist-led movements. Some viewpoints: Too often, as in Vietnam, our containment policy develops into a "brutal suppression" of an indigenous nationalist movement.[34] A contradiction results between our alleged devotion to the principle of self-determination and anti-Communism, especially when Communism is no longer considered the monolith it once was.[35] For anti-Communism does not guarantee that a man will be a popular leader dedicated to changing the unjust *status quo*.[36] The United States' excessive fear of Communism has led it to misread the driving force behind the turmoil of the post-colonial world and national movements,[37] and to be identified as a colonial power.[38]

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[82] Matthew H. Thayer, p. 1.

[83] Seigle, p. 3.

[84] Coen, p. 64.

[85] Janet Rovick, p. 1.

[86] Harlan Smith, p. 4.

[87] Armour, p. 6.

[88] Smith, p. 4.

[89] Armour, p. 7.

[90] Loehr, p. 45.

[91] Carl A. Auerbach, p. 72.

[92] Bernard Cullen, pp. 1–2.

[93] Slater, p. 2.

[94] Auerbach, p. 73.

[95] Lawrence G. Western, p. 1.

[96] Ibid., p. 1.

[97] Erik A. Dundurs, pp. 1–2.

[98] Ibid., p. 1.

[99] Loehr, pp. 46–47.

[1] Taylor, pp. 105–106.

[2] Ibid., pp. 109.

[3] St. John, pp. 26–27.

[4] Stein, p. 19.

[5] St. John, p. 26.

[6] Taylor, p. 39.

[7] Stein, pp. 92–93.

[8] Richard Nicholsen, p. 1.

[9] Margaret M. Thomson, p. 1.

[10] Opperman, p. 4.

[11] McCoy, p. 4.

[12] Kaibel, p. 2.

[13] Sternberg, p. 3.

[14] Kaibel, pp. 2–3.

[15] Rovick, p. 2.

[16] Stephens, p. 3.

[17] Rovick, p. 2.

[18] *Ibid.*, p. 2.

[19] James S. Beck, p. 5.

[20] *Ibid.*, p. 4.

[21] Rovick, p. 2.

[22] Western, p. 1.

[23] Beck, p. 4.

[24] Smith, p. 1.

[25] Taylor, p. 31.

[26] Smith, p. 1.

[27] Nicholsen, p. 1.

[28] Elling, p. 3.

[29] Sibley, p. 4.

[30] Taylor, p. 31.

[31] *Ibid.*, p. 31.

[32] *Ibid.*, p. 34.

[33] Stein, p. 95.

Other viewpoints: The United States foreign aid program has reflected our concern for combatting Communism.[38] Aid is overwhelmingly military and funneled through representative leadership and governments.[39] In addition, there has been a neglect of attempts to nurture democratic values and institutions at the local level. Instead, the American political failure in the developing countries is to have attempted to impose our system from the top down, rather than building from the bottom up by means, say, of cooperatives and community action programs.[40]

CONCLUSION

The hearings in Minneapolis forced the participants to look beyond the narrow confines of our South Vietnam involvement and the day-to-day operations there to the broader problems of lasting peace in Southeast Asia, including the long-neglected question of our relations with China and the role which the United States is now playing and will play in the developing nations, of which Vietnam is only one. The hearings also focused attention on the achievement and guarantee of world peace by United Nations action. In this regard, they served their purpose well.

In another sense, that of testing and confirming the strength of democratic procedures here in the United States, the hearings were also successful. They allowed the opportunity for the people to present differing views to their representative in Congress. The hearings, it is hoped, increased public knowledge of and concern about the war in Vietnam and channeled new ideas and interpretations to the policymakers in our government. Most importantly, the hearings effectively demonstrated that free discussion, debate and dissent do not weaken our capacity to maintain democracy in a world in which it is continually challenged but rather sustain and strengthen that capacity. They verified the belief tht the basic strength of democracy in times of crisis derives from continued adherence to the facets of democracy.

UNIVERSITY OF MINNESOTA DEAN TESTIFIES FOR INTERNATIONAL EDUCATION ACT OF 1966

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. FRASER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRASER. Mr. Speaker, the International Education Act of 1966 has been described as the most important piece of education legislation to come before Congress this year. I was gratified by House passage of this important bill last week.

One of the witnesses to speak in support of the bill during committee hearings was an outstanding Minnesotan, Dean Willard W. Cochrane, of the Office of International Programs at the University of Minnesota.

Dean Cochrane's testimony helped to place in perspective the various elements of the bill. In particular, he pointed out the need for sustained funding of the act so that institutions of higher learning can avoid a hand-to-mouth funding relationship with the Federal Government.

Because of the pertinence of this testimony, I commend it to the Members of the House and submit it for inclusion in the RECORD:

STATEMENT BY DEAN COCHRANE

The proposed legislation of the 2nd session of the 89th Congress entitled "The International Education Act of 1966" provides authorization to implement programs of decisive importance to the national welfare. As presently drafted the Bill contains two crucial elements: (1) the recognition of the importance of international education to vital national goals and (2) the importance to these goals of a mutual partnership between government and institutions of higher education. This statement will emphasize these two elements and add further comments concerning their implementation.

Explicit in Section 2 of the draft Bill is the first of these two elements—the recognition of the importance of international education to vital national goals. It emphasizes the importance of strong American educational resources as a base for strengthening relations with other countries, the importance of developing resources for international study and research, the need to assist the progress of education in developing nations and the need to promote mutual understanding and cooperation among nations. To this list could be added other areas of needed emphasis including the importance of an alert and better informed public opinion about foreign policy and international relations. But extending this list would be superfluous. This is a thoroughly documented field and the evidence is clearly and unequivocably in support of the relevance of international education to vital national goals. Its recognition and implementation through this legislation is a pioneering step in educational legislation.

MUTUAL PARTNERSHIP

The second crucial element in the proposed legislation is the recognition of the important mutual partnership that exists between government and institutions of higher education in achieving vital national goals. This is explicit in Sections 3 and 4 of the Act. This mutual partnership is a distinctive American innovation with a solid record of achievement and public acceptance. This record has been won largely in fields of science and technology, but the operating principles contributing to this record of achievement and public approval are equally applicable to other vital national goals including international education. These principles are so important to the International Education Act of 1966 that they are worth reviewing here. Briefly they are as follows:

1. A search for excellence and the provision of incentives to assure its growth. Since universities are the only institutions which produce more high level manpower and research than they consume (that is, they are suppliers to the nation of trained manpower and research findings), it is essential that these supplies be of excellent quality. Thus, this principle of a search for excellence is a most important aspect of the relationship between government and institutions of higher education.

2. A reliance on an advisory system to recommend the awarding of federal grants and contracts. This system has involved many scientists from many different fields and it has been an essential element of the search for excellence.

3. A move from specific to general purpose support. This principle has evolved from an earlier practice which favored the support of an individual professor and his project rather than an institution. *The evolved principle of institutional support is now an accepted one in fields of science. It is illustrated, for example, in the research grants of the NIH for medical schools and in the institutional grants of the NSF.* This principle is an integral part of Sections 3 and 4 of the International Education Act of 1966 and one of its most laudable aspects.

4. The encouragement of large scale programs in the development field. This principle encourages the creation of a "critical mass" of human energy directed toward work on the problems of developing nations. Efforts to deal with development problems often must be interdisciplinary in organization, which means that such research organizations must be relatively large scale. Such efforts are also possible under the provisions of the Education Act of 1966 and also are laudable.

5. The acceptance of the need to provide institutional grants for the support of administrative services. In a sense this is similar to the move from specific to general purpose support. But it is different in that it does not necessarily support specific research projects or specific research objectives. It is illustrated in the support of training programs, library support, fellowship programs and the development of effective administrative systems. This principle also appears to be applicable under Sections 3 and 4 of the proposed legislation.

SUSTAINED SUPPORT

These five principles have provided a climate for success in a variety of programs involving the mutual partnership between government and institutions of higher education. These principles are, however, silent on one important need—the need for continuous international programs and sustained financial support. Such continuity and such sustained support may be permissive under Section 3 of the Act, but it is not insured by the language of the present draft.

The importance of long term sustained support cannot be overemphasized. If the vital national goals expressed in Section 2 of the Act are to be achieved through mutual relationships with institutions of higher education, opportunity must be provided for these institutions to make long term commitments including the hiring of permament faculty and development of long-range research programs. Short term funding is often disruptive and disabling; this is true with respect to both instruction and research programs.

The principles described above point to the need for a durable relationship between government and institutions of higher education in their joint efforts to achieve national goals. Long term support was the key element in the success of agricultural research under the Hatch Act; the technological payoff that we are now experiencing in the United States in the production of food and fiber is the result of 80 uninterrupted years of cooperation between the Federal Government and institutions of higher education in research and development in agriculture. A comparable approach in the implementation of international education under the Act of 1966 must be formulated, if vital national goals in the international area are to be achieved.

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[34] Rovick, p. 3.

[35] Beck, p. 3.

[36] Gibas, p. 2.

[37] Brian J. Coyle, pp. 2–3.

[38] Slater, p. 3.

[39] Kaibel, p. 5.

[40] *Ibid*, p. 4.

IMPORTANT SECTION

Section 3 of the Act has features worthy of special comment and commendation. It contains some of the most imaginative and substantial parts of the Act. The scope and range of activities authorized under this section are basic to the achievement of the expressed purposes of this legislation. Centers for Advanced International Studies, as authorized under Section 3, will produce the research results and the supply of trained manpower needed to implement other sections of the Act.

Section 4 of the Act is a major innovation. It provides an opportunity for smaller colleges and universities to participate fully in the resources available for strengthening international education. Without such provisions, the attempts to reach the vital national goals specified in Section 2 would be thwarted. The emphasis on undergraduate instruction in international studies, exchange programs, strengthening of faculty, and other special programs to strengthen international education are all highly desirable objectives.

In summary, the International Education Act of 1966 takes an important first step in recognizing the relevance of international education to vital national goals. Its implementation through grants establishing centers for advanced international studies and grants to strengthen undergraduate programs are vital to the creation of conditions which will insure that the purposes of the legislation will be achieved. Grants provided by the legislation will also assist institutions of higher education in strengthening international studies and research.

But an important second step must be taken to support those institutions of higher learning that are already deeply committed to international studies and research. A means, or mechanism, must be found to fund on a regular and sustained basis the international activities that have been initiated by grants and contracts from private foundations and existing public agencies. We hope that such a means can be developed and included in the International Education Act of 1966, for until such a means is developed and placed into operation, international activities in institutions of higher learning will be held captive in a "hand-to-mouth" funding relationship. The full promise of the International Education Act of 1966 can only be realized with long-range educational programs funded on a sustained basis.

CONGRESS SHOULD PREVENT CUTBACK IN ELEMENTARY AND SECONDARY EDUCATION ACT TITLE I PROGRAM

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. BANDSTRA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BANDSTRA. Mr. Speaker, in my opinion one of the major legislative accomplishments of the Congress last year was passage of the Elementary and Secondary Education Act.

Title I, the heart of the law, has provided local public school districts throughout the Nation with Federal funds for special programs to meet the needs of pupils from low-income families.

The title I program has been in operation for less than a year. There have been some administrative problems, as is to be expected with any new undertaking. But on the whole I think the program has been a success.

Nevertheless, local public school districts have been placed on notice to expect a cutback in title I funds for the next fiscal year.

In early April, the U.S. Office of Education advised State educational officials that local school districts should expect a cutback of about 15 percent in title I funds for the 1966–67 school year.

In my view, it would be most unfortunate if this cutback became a reality, and I think the Congress should take action to prevent it.

The basic problem is that the administration's budget for fiscal year 1967 does not request enough title I appropriations to continue the program for local school districts at the 1965–66 level.

The overall title I budget request for fiscal year 1967 is $1,070,410,000. For fiscal year 1966, which is roughly the same as the 1965–66 school year, the Congress appropriated $959 million.

On the surface, the new budget request appears to be an increase. In fact, however, it would result in less funds for local school districts, since the title I program probably will be expanded into other areas.

Public Law 89–313, passed by the Congress last year, provides that title I funds can be used for programs to educate handicapped or mentally retarded children in State-supported schools.

In addition, the title I program would be further expanded under provisions of the Elementary and Secondary Amendments of 1966, now pending before the House Education and Labor Committee.

Under this legislation, title I funds could be used to educate Indian children in schools operated by the Bureau of Indian Affairs, children of migratory farm workers and neglected children in State-supported schools.

The utilization of title I funds for these purposes is certainly desirable, since the basic purpose of the program is to aid children with special educational needs, and I think the amendments proposed this year should be enacted into law.

At the same time, I think it would be most unwise to do so at the expense of local public school districts, especially since the title I program is less than a year old.

If the title I program for local school districts is to be continued at the 1965–66 level, it is estimated that the administration's overall title I budget request will have to be increased by about $300 million.

In my view, I think it is essential that the Congress appropriate, at the very least, this additional $300 million.

For many years, there has been a definite need for a Federal aid-to-education program to assist America's schools in providing the best possible education for their pupils. The Elementary and Secondary Education Act was a response to that need.

I think this law, including the title I program for local school districts, is needed just as badly today as it was a year ago, and I am hopeful that the Congress will provide the funds necessary to avoid cutting back the program.

The title I program, as I said earlier, has shown itself to be a success. In this connection, I am including in my remarks a letter I received recently from Mr. Robert L. Clark, principal of the North Tama County Community High School at Traer, Iowa.

As Mr. Clark's letter points out, the title I program at his school has been in operation only since January, but already it has helped provide a much more meaningful education to 81 students.

The letter follows:

NORTH TAMA COUNTY COMMUNITY SCHOOLS,
Traer, Iowa, May 10, 1966.

Congressman BERT BANDSTRA,
Fourth District of Iowa,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR BERT: I would imagine that in the near future the Congress will be holding hearings and rating upon appropriations to finance another year of the Elementary and Secondary Education Act of 1965 (Public Law 89–10). It is upon this subject that I would like to make comment.

I honestly feel that the E.S.E.A. of 1965 is the best thing to happen to education this century. While I hope it is only the first step of a long, long journey, I have already observed enough progress to be very impressed; and we have been involved in a project under Title I of the above act only since January 17 of this year.

Under the formula set up by the Office of Education, we were to identify 81 culturally and educationally deprived students from our High School and to set up a program to best reach these "deprived" students. After identifying the 81 students in our High School, (there were really more, but under the O.E. Formula and money available, we chopped it off at 81) we set up a special program for them. We put these students in special sections of the same courses they had been in all year. In other words, we made sure that they were with students of like ability. Then, in the areas of English, Social Studies, Science, and Math, we proceeded to change our approach entirely to reaching these students. We knew that we were not reaching them with the conventional textbook-teacher lecture method, mainly because most of them were poor readers, poor listeners, and had short attention spans. Instead of the textbook-lecture approach, we decided to make all of these special classes "activity" oriented. In other words, all classes were set up like "labs." Students were to learn by doing rather than listening to lectures and reading books they couldn't understand. The cost of the project was approved for about $21,000, and over $15,000 of this was used to purchase equipment and materials to set up these "lab" type classes in the designated areas.

In addition to the activity during the school day: (1.) Evening Classes were set up on Monday and Wednesday nights where these students could come in on a voluntary basis and get special instruction from teachers in the areas they felt needed the most help. (2.) The library was open and a qualified librarian was on duty. (3.) The Guidance Director and the Principal were on duty and met regularly with students and their parents to help them plan their school and post-graduate programs. (4.) Three teacher's aides were hired to help the teachers in these areas prepare the special materials needed in the program.

Since most of these students were low ability-low achievers who generally disliked school, one would suspect that they would be very reluctant to come to school at night after spending all day at school; but I think the real proof of the success of the program is shown by the fact that between 35 and 40 came to classes every Monday and Wednesday, some from 10 and 15 miles away. A great many of them told me personally, or their parents phoned or wrote, that they felt the program was excellent. Students who sat in classrooms like mummies all their lives suddenly were actively involved in each day's lesson and were anxious to get here for the evening sessions. Students who had never witnessed success of any kind in school were thrilled when they started getting perfect papers or even passing papers back. The teachers themselves, even though it meant much extra work on their part, were equally enthused with the project. Many of the Seniors who had previously been against any post-graduate training, suddenly started meeting regularly with the Guidance Director and many of them have now signed up to go to trade schools, and are eager to do everything possible to prepare themselves for a productive adulthood. If only one or two of these people complete their specialized training and become skilled workers instead of names on unemployed rolls and relief lists, they will more than pay for the entire program; and I am sure that over a period of years, hundreds of these students can become productive adults who are a credit to their country rather than a debit.

We have also set up a program for eight weeks this summer to concentrate on improving the reading skills of the "educationally deprived" students in grades 1 through 11, and a very high percentage of eligible students have enrolled.

I am sure there are many people who are opposed to any kind of Federal Aid to Education. I am sure that these critics will scream that the whole thing is just another "give away" gimmick and another dip toward federal government control of local affairs. These people, frankly, don't know what they are talking about. As the administrator of our local program under Title I of the Elementary and Secondary Education Act of 1965, I want to go on record loud and clear that this law is a good one and I would only hope that Congress would *increase* the appropriations for this year's programs. Since the middle 1600's we have been teaching school with little change; stick the kids between four walls, give them a textbook to read, and let the teacher recite to them what they have already learned by reading the text. The good students are bored to death and completely unchallenged, and the poor students are lost after the first week and many drop out to go to work. The E.S.E.A. of 1965 has opened the door a crack to let us out of that outdated, inadequate, and very dull classroom. With much more of the same, we can really begin to *teach* school rather than just *hold* school.

If you have any doubting Thomases who feel this program is *not* good, refer them to me. If there are other educators who tell you they *don't* approve of the program, it's because it is easier to sit on their hands and do it the old way, and it is easier, but very, very ineffective.

Thank you for your time and consideration in this matter.

Sincerely,

Robert L. Clark,
Principal.

SOVIET DEPORTATION OF BALTIC PEOPLES IN 1940–41

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Speaker, the three Baltic States, Estonia, Latvia, and Lithuania, constitute a distinct unit in Europe, and their citizens are distinguished for their ruggedness and bravery, and for unusual tenacity in clinging to certain lofty ideals. Their time-honored national traditions, their Christian faith, and the spirit of freedom have for centuries been the very sinews for their spiritual sustenance.

These three nations, justly proud of their distinct individuality and of their undying love of freedom, had regained their independence at the end of the First World War and were enjoying their richly deserved freedom in their historic homelands under their chosen forms of democratic governments. During the interwar years, from 1919 to 1939, they worked hard in making their respective countries safe havens for themselves, and in enhancing their material welfare. But the Second World War ushered in a new period of misery and misfortune that has become part of their unenviable lot for more than 25 years.

Very early in the war the Soviet Government took full advantage of the weakness and helplessness of these peoples and imposed its iron will upon them under threat of brute force. First the Governments of these countries were compelled to allow the stationing of Russian garrisons in many strategic places of these countries, and then, in June of 1940 the Red army attacked and occupied these countries. Thus these peoples were robbed of their freedom and independence, and had become prisoners of the Red army in their homelands. Soviet authorities at once placed under arrest tens of thousands of Estonians, Latvians, and Lithuanians, and then deported them to distant parts of the Soviet Union. This unprecedented terror continued until the expulsion of the Red army by the Nazis in mid-1941. Just before their eviction, however, Soviet authorities had intensified their terroristic acts, and on the night of June 13–14, additional tens of thousands of innocent peoples were arrested and deported. In sum, during the first stage of their occupation of these countries, the Soviet Government deported several hundred thousand Baltic peoples whose sad fate is not accounted for to this day. That ruthless and inhuman act constitutes the worst crime committed by Soviet authorities in the Baltic countries.

Today, more than 25 years after the deportation of these peoples from their homes, as we solemnly observe that sad and tragic anniversary, the fate of the survivors is not a happy one. More than 5 million Estonians, Latvians, and Lithuanians still suffer in their homeland under Soviet totalitarian tyranny. In paying due homage to the memory of those who suffered and died for their righteous cause, we pray for the freedom of those who still suffer and endure the abominable yoke of Soviet communism.

THE 25TH ANNIVERSARY OF SOVIET MASS DEPORTATIONS FROM THE BALTIC STATES

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Patten] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PATTEN. Mr. Speaker, the newspapers today are filled with stories of Asians and Africans who, after years of colonial subjugation and domination, are finally in the process of unchaining themselves from tyrannical rule and of setting up free and independent states. When we see this happening, we applaud these actions of self-liberation as steps toward world freedom.

Yet, it is sadly ironic that, while these nations strive for their liberty and independence, there are other states which are still held against their will in unjust and brutal subjugation. The peoples of these states have—in a larger sense—been political prisoners for a quarter of a century; there appears to be no change in their condition of incarceration.

The people of Latvia, Lithuania, and Estonia—after three short decades of fleeting freedom—have been imprisoned under the harsh rule of Communist oppression for 25 years. In that period of time, regardless of changes in the Government of the Soviet Union, persecution has continued unabated in the Baltic States.

On June 14, 1941, tens of thousands of the Baltic peoples were arrested in Gestapo-fashion and were deported to the bleakest areas of Siberia and the Soviet Arctic where they were sentenced to life imprisonment in forced labor camps. Since that day, the people of Estonia, Latvia, and Lithuania have been subjected to the most blatantly outrageous forms of colonialism; they have had to face religious, social, and cultural suppression, economic exploitation and the loss of all political sovereignty.

We in the United States cannot forget the suffering of these battered and bloodied people, captive in the hands of a foreign and unwanted government. Now, 25 years after the first great massive deportation of these people, we must pledge ourselves to the perpetuation of the hopes that the nations of Estonia, Latvia, and Lithuania will again join the worldwide family of free nations.

On three continents, Balts are striving to work for national independence and freedom. There is no doubt that the road will be long and rocky. Yet, if we cooperate and give them cause to feel that the citizens of the world pray for their deliverance; then, the barriers to freedom will be lowered to some measure.

Although the major share of our attention today is directed to another corner, we must not forget this shocking example of brutality and destruction. Hopefully, the voices crying for freedom will soon be recognized.

BUDDHISTS PLAYING FOES' GAME IN BIG LIE TECHNIQUE

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Delaware [Mr. McDowell] is recognized for 5 minutes.

Mr. **McDOWELL**. Mr. Speaker, I submit the following interesting report with respect to the conflict in Vietnam, which appeared in the Washington Post, Thursday, June 2, 1966:

Big Lie Technique—Buddhists Playing Foes' Game

(By William S. White)

The most grisly hoax since the early Nazis leaped to power by burning the German Reichstag and framing the Communists for the crime is being undertaken by a handful of "Buddhist leaders" in South Vietnam.

With a Big Lie technique quite similar in principle to the one Hitler used to seize Germany they are seeking naked power under clouds of fraudulent spiritual motives. Hitler, representing in truth only a small and vicious minority with unlimited capacity for propaganda and violence, exploited the fear and loathing of decent Germans for the Communist terror in order to put in a terror of his own.

The Buddhist extremist politico-clergymen, who speak in truth not simply for only a tiny minority of the Vientamese people as a whole but also for only a minority of their own co-religionists, are exploiting the deep religious tolerance of the Western world to seek the destruction of the regime of Premier Ky.

In the United States as elsewhere in the civilized world the mere suggestion that somebody is being persecuted for his religious belief is enough to turn honest public opinion to his side. This the more bloody-minded Buddhist operators are cleverly using. Add the sick and terrible occasional self-destruction of individual Buddhist dupes who are fanatical and psychotic, and the full evil genius of the Buddhist manipulators of human misery becomes plain.

The simple truth is that the same pseudo-religious Buddhists who brought about the murder of Premier Minh Dinh Diem in 1963 are now seeking the destruction of today's regime under the very ugly cover of a phony religious issue.

To its shame the United States under President Kennedy condoned, at the very least, this moral campaign against Diem. For all his faults he was the most nearly effective national leader against the Communist invaders that South Vietnam to this day has produced. There are many, this columnist among them, who have never believed Mr. Kennedy would ever have tolerated covert American collaboration with the most cynical among the Buddhist monks had he not been tragically mis-advised by other officials. One must suppose that these officials, undoubtedly good and devoted men, were themselves hopelessly misled.

The crucial point is that the frightful hypocrisy of some of those "Buddhist leaders" who at last got Diem never came through to the American people. Nor, it seems, does it come through now that the target is Ky. Reliable American correspondents in Vietnam have reported in detail the ghastly exploitation by such "Buddhist leaders" of the bodies of women and children put on display for American photographers as "proof" of the brutality of the Ky regime. Armed Buddhist revolutionaries had themselves provoked the shooting in which these hapless victims had fallen.

American officials are reluctant to speak of such things, lest their words be twisted into some suggestion that Ky is spotless and, above all, into a lack of sympathy for human suffering and for "free religious expression." Nor are they ready to attribute Communist plots to the worst of the Buddhist politico-clergymen. But does it matter very much? Whose game are they playing here—that of anti-Communist South Vietnam or of the Communist assailants?

They are slandering not merely South Vietnam and, by attempt and by implication, the United States. Most of all they are slandering the vast majority of the true Buddhists of South Vietnam.

The very rock-bottom decencies of the Western world, and of the United States in particular, are being preyed upon by power-grabbing men who at the most generous estimate could never run South Vietnam even if they captured it or continue resistance to the Communist invaders even if they would try.

And it is not being professionally anti-Communist, moreover, to say that some of these men have very close ties, indeed, with other men in North Vietnam who are sworn enemies of South Vietnam.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Matsunaga, for period from June 14 through June 20, 1966, on account of official business in his State.

Mr. Annunzio, for June 13 and June 14, 1966, primary election—Seventh District of Illinois.

Mr. Stalbaum (at the request of Mr. Boggs), for today, on account of official business.

Mr. Pepper (at the request of Mr. Albert), for today, on account of official business.

Mr. McEwen (at the request of Mr. Gerald R. Ford), for today, on account of official business.

Mr. Flynt (at the request of Mr. Boggs), for Monday, June 13, 1966, on account of official business.

Mr. Krebs (at the request of Mr. Albert), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Chamberlain (at the request of Mr. Andrews of North Dakota), for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. McDowell (at the request of Mr. Howard), for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. McFall (at the request of Mr. Howard), for 30 minutes, on June 14; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Andrews of North Dakota) and to include extraneous matter:)

Mr. Mathias.

Mr. Horton.

Mr. Berry.

(The following Members (at the request of Mr. Howard) and to include extraneous matter:)

Mr. Dorn.

Mr. McVicker.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 985. An act to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1199. An act to liberalize the provisions of title 38, United States Code, relating to automobiles for disabled veterans; to the Committee on Veterans' Affairs.

S. 2104. An act for the relief of Harriet C. Chambers; to the Committee on Agriculture.

S. 3107. An act to provide for a comprehensive review of national water resource problems and programs, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3368. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury; to the Committee on Banking and Currency.

SENATE ENROLLED BILLS SIGNED

The **SPEAKER** announced his signature to enrolled bills for the Senate of the following titles:

S. 1357. An act to revise existing bail practices in courts of the United States, and for other purposes; and

S. 2267. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

ENROLLED BILLS SIGNED

Mr. **BURLESON**, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3177. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 3957. An act to authorize establishment of Fort Union Trading Post National Historic Site, N. Dak. and Mont., and for other purposes;

H.R. 5984. An act to amend sections 2275 and 2276 of the Revised Statutes, as amended, with respect to certain lands granted to the States;

H.R. 6646. An act to amend the Recreation and Public Purposes Act pertaining to the leasing of public lands to States and their political subdivisions;

H.R. 9961. An act to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children;

H.R. 10431. An act to declare that certain federally owned land is held by the United

States in trust for the Minnesota Chippewa Tribe;

H.R. 11748. An act to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to or from a Veterans' Administration facility or other place, in connection with vocational rehabilitation or counseling, or for the purpose of examination, treatment, or care;

H.R. 12676. An act to amend the Tariff Schedules of the United States to provide that certain forms of copper be admitted free of duty;

H.R. 13366. An act to authorize the disposal of aluminum from the national stockpile;

H.R. 13768. An act to authorize the disposal of celestite from the supplemental stockpile;

H.R. 13769. An act to authorize the disposal of cordage fiber (sisal) from the national stockpile;

H.R. 13770. An act to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile;

H.R. 13773. An act to authorize the disposal of opium from the national stockpile; and

H.R. 15151. An act to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 706. An act to amend the Railway Labor Act in order to provide for establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referable to the National Railroad Adjustment Board, and to make all awards of such Board final.

ADJOURNMENT

Mr. HOWARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 2 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 14, 1966, at 12 o'clock noon.

REPORT OF EXPENDITURES OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS INCURRED IN TRAVEL OUTSIDE THE UNITED STATES DURING 1965 AS REQUIRED BY THE MUTUAL SECURITY ACT OF 1954, AS AMENDED, BY PUBLIC LAW 86-472 AND BY PUBLIC LAW 86-628

Mr. BURLESON. Mr. Speaker, section 502(b) of the Mutual Security Act of 1954, as amended by section 401(a) of Public Law 86-472, approved May 14, 1960, and section 105 of Public Law 86-628, approved July 12, 1960, require the reporting of expenses incurred in connection with travel, including both foreign currencies expended and dollar expenditures made from appropriated funds.

The required report for travel during 1965 by the Committee on Interior and Insular Affairs is submitted herewith:

Report of expenditure of foreign currencies and appropriated funds, travel authorized by H. Res. 80, 1st sess., 89th Cong., Committee on Interior and Insular Affairs, Subcommittee on Mines and Mining,[1] U.S. House of Representatives, between Jan. 1 and Dec. 31, 1965

Name and country	Name of currency	Date			Per diem rate		Total amount per diem		Transportation		Total	
		Arrival	Departure	Total days	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
JAPAN												
Burton, Hon. Laurence J	Yen	Oct. 31	Nov. 7	8	18,000	50.00	144,000	400.00			144,000	400.00
Travel: Local [2]	do								69,411	192.80	69,411	192.80
Airline [3]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
Burton, Hon. Phillip	Yen	Oct. 30	Nov. 9	11	18,000	50.00	198,000	550.00			198.00	550.00
Travel: Local [2]	do								69,411	192.80	69,411	192.80
Airline [3]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
Edmondson, Hon. Ed	Yen	Oct. 31	Oct. 6	7	18,000	50.00	126,000	350.00			126,000	350.00
Travel: Local [2]	do								69,411	192.80	69,411	192.80
Airline [3]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
Saylor, Hon. John P	Yen	Oct. 31	Oct. 6	7	18,000	50.00	126,000	350.00			126,000	350.00
Travel: Local [2]	do								69,411	192.80	69,411	192.80
Airline [3]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
Skubitz, Hon. Joe	Yen	Oct. 31	Nov. 7	8	18,000	50.00	144,000	400.00			144,000	400.00
Travel: Local [2]	do								69,411	192.80	69,411	192.80
Airline [3]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
White, Hon. Compton I., Jr	Yen	Oct. 31	Nov. 7	8	18,000	50.00	144,000	400.00			144,000	400.00
Travel: Local [3]	do								69,411	192.80	69,411	192.40
Airline [3]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
Leppert Mr. Charles	Yen	Oct. 31	Nov. 14	15	18,000	50.00	216,000	750.00			216,000	750.00
Travel:												
Local [2]	do								69,411	192.80	69,411	192.80
Airline [3]	Deutsche mark[4]								6,449.52	[4] 1,611.99	6,449.52	1,611.99
Shafer, Mr. W. L	Yen	Oct. 31	Nov. 7	8	18,000	50.00	144,000	400.00			144,000	400.00
Travel:												
Local [2]	do								69,411	192.80	69,411	192.80
Airline [2]	Deutsche mark								6,262.00	1,565.11	6,262.00	1,565.11
Total								3,600.00		14,110.16		17,710.16

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$17,710.16

JUNE 2, 1966.

WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs.

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[1] The named Members of Congress and the 2 professional staff members of the Committee on Interior and Insular Affairs were designated by the Speaker of the House and pursuant to H. Res. 80, 89th Cong., as delegates to the meetings of the International Lead and Zinc Study Group at Tokyo, Japan.

[2] Cost of local transportation prorated equally to all 8 members of the delegation.

[3] Amount shown represents cost of round trip airline ticket Washington, D.C., to Tokyo, Japan.

[4] Unused portion of round trip airline ticket Tokyo/Honolulu and Pittsburgh Washington returned with unused portion of excess baggage authorization.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2486. A letter from the Assistant Secretary for Administration, Department of Agriculture, transmitting a report of a violation of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

2487. A letter from the Associate Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting a report on title I, Public Law 480, agreements signed during May 1966, pursuant to the provisions of Public Law 85-128; to the Committee on Agriculture.

2488. A letter from the Archivist of the United States, transmitting a report of records proposed for disposal, pursuant to the provisions of 63 Stat. 377; to the Committee on House Administration.

2489. A letter from the Chairman, Federal Maritime Commission, transmitting a draft of proposed legislation to amend Intercoastal Shipping Act of 1933 to provide for accounting at the expiration of a rate suspension; to the Committee on Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CORMAN:

H.R. 15629. A bill to amend title 32, United States Code, to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. DINGELL:

H.R. 15630. A bill to amend the Migratory Bird Hunting Stamp Act to authorize the Secretary of the Interior to accept certain gifts, bequests, and devises; to the Committee on Merchant Marine and Fisheries.

By Mr. DYAL:

H.R. 15631. A bill to amend the Mental Retardation Facilities Construction Act in order to permit the construction of classrooms under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. FEIGHAN:

H.R. 15632. A bill authorizing the sale of standard silver dollars held by the Treasury; to the Committee on Banking and Currency.

By Mr. FINDLEY:

H.R. 15633. A bill to establish a U.S. Committee on Human Rights to prepare for participation by the United States in the observance of the year 1968 as International Human Rights Year, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FUQUA:

H.R. 15634. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

By Mr. HANLEY:

H.R. 15635. A bill to amend the Federal Water Pollution Control Act in order to improve the programs under such act; to the Committee on Public Works.

By Mr. KEITH:

H.R. 15636. A bill to amend title II of the Merchant Marine Act, 1936, to authorize the establishment and operation of sea grant colleges and certain education, training, and research programs; to the Committee on Merchant Marine and Fisheries.

By Mr. MACKIE:

H.R. 15637. A bill to amend title II of the Social Security Act to provide that in a case where the "family maximum" provisions require a reduction in benefit amounts, benefits payable to stepchildren who are being supported by a natural parent shall be reduced before those payable to other beneficiaries; to the Committee on Ways and Means.

By Mr. MILLER:

H.R. 15638. A bill to provide for the collection, compilation, critical evaluation, publication, and sale of standard reference data; to the Committee on Science and Astronautics.

By Mr. PATMAN:

H.R. 15639. A bill to amend title III of the National Housing Act to increase the authority of the Federal National Mortgage Association to obtain funds for use in its secondary market operations; to the Committee on Banking and Currency.

H.R. 15640. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. REINECKE:

H.R. 15641. A bill to amend title II of the Merchant Marine Act, 1936, to authorize the establishment and operation of sea grant colleges and certain education, training, and research programs; to the Committee on Merchant Marine and Fisheries.

By Mr. RESNICK:

H.R. 15642. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 15643. A bill to amend section 212(a) (14) of the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SICKLES:

H.R. 15644. A bill to amend titles III and XI of the National Defense Education Act of 1958 to strengthen instruction in school health and physical education, and for other purposes; to the Committee on Education and Labor.

By Mr. SMITH of Virginia:

H.R. 15645. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. TALCOTT:

H.R. 15646. A bill to amend the Internal Revenue Code of 1954 to provide a deduction from gross income for contributions for the support of an aged parent or of a divorced mother who is not gainfully employed; to the Committee on Ways and Means.

H.R. 15647. A bill to amend title II of the Social Security Act to provide that workers who become disabled before attaining age 31 may qualify for disability insurance benefits and the disability freeze on the basis of a more appropriate test of substantial and recent employment; to the Committee on Ways and Means.

By Mr. WHITE of Texas:

H.R. 15648. A bill to authorize the International Monorail Corp. to construct, maintain, and operate a monorail service in El Paso, Tex., and across the Rio Grande between El Paso and Ciudad Juarez, Mexico; to the Committee on Foreign Affairs.

By Mr. RESNICK:

H.J. Res. 1166. Joint resolution to designate the third Sunday in June of 1966 as Father's Day; to the Committee on the Judiciary.

By Mr. MORGAN:

H.J. Res. 1167. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. Con. Res. 752. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. BINGHAM:

H. Con. Res. 753. Concurrent resolution establishing a Joint Commmittee on National Service and the Draft; to the Committee on Rules.

H. Con. Res. 754. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. CARTER:

H. Con. Res. 755. Concurrent resolution expressing the senses of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. HALPERN:

H. Con. Res. 756. Concurrent resolution expressing the sense of Congress relative to political developments in South Vietnam; to the Committee on Foreign Affairs.

By Mr. MACKIE:

H. Con. Res. 757. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. BINGHAM:

H. Con. Res. 758. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. CARTER:

H. Con. Res. 759. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. GRIDER:

H. Con. Res. 760. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. McVICKER:

H. Con. Res. 761. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. MATSUNAGA:

H. Con. Res. 762. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. QUIE:

H. Con. Res. 763. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

487. By the SPEAKER: A memorial of the Legislature of the State of California, relative to additional funds to State homes for the care of veterans; to the Committee on Veterans' Affairs.

488. Also, a memorial of the Legislature of the State of California, relative to the deduction for Federal income tax purposes of all medical expenses not covered by insurance; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 15649. A bill for the relief of Eugene Mastropieri; to the Committee on the Judiciary.

By Mr. DENTON:

H.R. 15650. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of the Wasson Coal Mining Corp. against the United States; to the Committee on the Judiciary.

By Mr. KING of California:

H.R. 15651. A bill for the relief of Kentaro Yamamuro; to the Committee on the Judiciary.

By Mr. McCORMACK:

H.R. 15652. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claims of Hubert Ashe against the United States; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 15653. A bill for the relief of Mrs. Saku Hiratsuka; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 15654. A bill for the relief of Nicola Gallo; to the Committee on the Judiciary.

By Mr. WHITE of Texas:

H.R. 15655. A bill for the relief of Guillermo Aguirre-Santini; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

398. The SPEAKER presented a petition of the City Council, Malden, Mass., relative to moderate rental housing for people of moderate income, which was referred to the Committee on Banking and Currency.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

> (b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the fourth calendar quarter of 1965 were received too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, Post Office Box 2169, South Portland, Maine.
D. (6) $27.30. E. (9) $68.80.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C.
D. (6) $5,305.62. E. (9) $5,305.62.

A. Miss Milnor Alexander, 320 Constitution Avenue NE., Washington, D.C.
B. Women's International League for Peace and Freedom, 120 Maryland Avenue NE., Washington, D.C.

A. Allen & Murden, Inc., 1616 H Street NW., Washington, D.C.
B. Committee of European Shipowners, 30-32 St. Mary Axe, London, E.C., England, and Norwegian Shipowners Association, Post Office Box 1452, Oslo, Norway.
D. (6) $4,000. E. (9) $614.16.

A. Allen & Murden, Inc., 1616 H Street NW., Washington, D.C.
B. Informal Committee of Eighteen European and Other Foreign Cruise Ship Lines, 25 Broadway, New York, N.Y.
D. (6) $4,500. E. (9) $598.43.

A. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. American Cancer Society, 219 East 42d Street, New York, N.Y.
E. (9) $6,981.92.

A. American Carpet Institute, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $255. E. (9) $251.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $8,423.82. E. (9) $8,423.82.

A. American Gas Association, Inc., 605 Third Avenue, New York, N.Y.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $11,519.25. E. (9) $11,519.25.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $413.26. E. (9) $13,445.52.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $220.67. E. (9) $23.03.

A. American Nurses Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $10,056. E. (9) $10,056.

A. American Thrift Assembly, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $225. E. (9) $31.95.

A. American Transit Association, 355 Lexington Avenue, New York, N.Y.
D. (6) $45,400. E. (9) $9,051.53.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $10,290.06. E. (9) $15,285.96.

A. American Vocational Association, Inc., 1025 15th Street NW., Washington, D.C.

A. Robert E. Ansheles, 1028 Connecticut Avenue NW., Washington, D.C.
B. Consolidated International Trading Corp., 180 Madison Avenue, New York.
D. (6) $300. E. (9) $71.18.

A. Roy A. Archibald, 1705 Murchison Drive, Burlingame, Calif.
B. National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $200. E. (9) $50.

A. Arkansas Railroad Committee, 1100 Boyle Building, Little Rock, Ark.
B. Class One railroads operating in the State of Arkansas.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Commissioner of Baseball, 680 Fifth Avenue, New York, N.Y.
D. (6) $13,666. E. (9) $120.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Floor Covering Committee Affiliated with the National Council of American Importers, 295 Fifth Avenue, New York, N.Y.
D. (6) $10,000. E. (9) $56.35.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Lever Brothers Co., 390 Park Avenue, New York, N.Y.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.
E. (9) $225.

A. Automatic Car Wash Association, 4432 Connecticut Avenue NW., Washington, D.C.
D. (6) $7,056.63. E. (9) $725.86.

A. Harry S Baer, Jr., 1725 DeSales Street NW., Washington, D.C.
B. National AeroSpace Services Association, 1725 DeSales Street NW., Washington, D.C.
E. (9) $52.

A. Charles B. Bailey, Sr., 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express, and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $3,000. E. (9) $1,158.78.

A. Robert C. Barnard, 224 Southern Building, Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 224 Southern Building, Washington, D.C.

A. Lowell R. Beck, 1705 DeSales Street, Washington, D.C.
B. American Bar Association, 1705 DeSales Street, Washington, D.C.
D. (6) $75. E. (9) $10.

A. Daniel S. Bedell, 1126 16th Street NW., Washington D.C.
B. International Union, United Automobile Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $3,189.06. E. (9) $707.91.

A. Carl H. Berglund, 607 South Pine, Tacoma, Wash.

A. Joel D. Blackmon, 910 17th Street NW., Washington, D.C.
B. International Mailers Union, 2240 Bell Court, Denver, Colo.

A. Mrs. Myron R. Blee, 1447 Marion Avenue, Tallahassee, Fla.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. William Blum, Jr., 1815 H Street NW., Washington, D.C.
B. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.
D. (6) $3,168.31. E. (9) $471.10.

A. Blumberg, Singer, Ross & Gordon, 350 Fifth Avenue, New York, N.Y.
B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $6,250. E. (9) $43.

A. Melvin J. Boyle, 1200 15th Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D.C.
D. (6) $3,328.52.

A. Wally Briscoe.
B. National Community Television Association, Inc., 535 Transportation Building, Washington, D.C.

A. Florence I. Broadwell, 1737 H Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $2,942.34.

A. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $6,962.24. E. (9) $6,962.24.

A. Robert J. Brown, 1735 K Street NW., Washington, D.C.
B. National Telephone Cooperative Association, 1735 K Street NW., Washington, D.C.
D. (6) $15.

A. James E. Bryan, 2000 P Street NW., Washington, D.C.
B. National Association of Blue Shield Plans, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $1,551.75.

A. George B. Burnham, 132 Third Street SE., Washington, D.C.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street, Washington, D.C.
D. (6) $135. E. (9) $135.

A. Charles S. Burns, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $584.50. E. (9) $243.80.

A. George H. Buschmann, 2000 K Street NW., Washington, D.C.
B. Walker Manufacturing Co., Milwaukee, Wis.
D. (6) $6,000. E. (9) $2,000.

A. The Camping Club of America, Inc., 945 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $10.

A. Canal Zone Central Labor Union, Metal Trades Council, Post Office Box 471, Balboa Heights, C.Z.
D. (6) $1,941.05. E. (9) $762.84.

A. Michael H. Cardozo, 1521 New Hampshire Avenue NW., Washington, D.C.
B. Association of American Law Schools, 1521 New Hampshire Avenue NW., Washington, D.C.

A. John B. Carroll, 621 Onondaga County Savings Bank Building, Syracuse, N.Y.
B. United Producer-Dealers of America, Chittenango, N.Y.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y.
B. South African Sugar Association, Post Office Box 507, Durban, South Africa.
D. (6) $19,000. E. (9) $4,367.72.

A. Donald E. Channell, 1705 DeSales Street NW., Washington, D.C.
B. American Bar Association, 1705 DeSales Street NW., Washington, D.C.
D. (6) $300. E. (9) $25.

A. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $39,403.93. E. (9) $93.70.

A. Hal M. Christensen, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. American Dental Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $2,250.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $5,492.82. E. (9) $9,611.81.

A. William F. Claire, 1145 19th Street NW., Washington, D.C.
B. American Paper Institute, Inc., 122 East 42d Street, New York, N.Y.

A. Cleary, Gottlieb, Steen & Hamilton, 224 Southern Building, Washington, D.C.
B. The Colonial Sugar Refining Co., Ltd., 1–3 O'Connell Street, Sydney, Australia.
D. (6) $2,000. E. (9) $258.62.

A. Committee for Time Uniformity, 1101 17th Street NW., Washington, D.C.
D. (6) $900.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $1,375.

A. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $15,737.70. E. (9) $20,887.59.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue, Washington, D.C.
D. (6) $371.37. E. (9) $371.37.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. Bicycle Manufacturers Association, 122 East 42d Street, New York, N.Y.

A. Donald M. Counihan, 1000 Connecticut Avenue NW., Washington, D.C.
B. American Corn Millers Federation, 1000 Connecticut Avenue NW., Washington, D.C.

A. Donald M. Counihan, 1000 Connecticut Avenue NW., Washington, D.C.
B. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton Ohio.

A. Henry Ashton Crosby, 1346 Connecticut Avenue NW., Washington, D.C.
B. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $4,473.36.

A. C. B. Culpepper, Post Office Box 1736, Atlanta Ga.
B. National Conference of Non-Profit Shipping Associations, Inc.

A. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,225. E. (9) $242.89.

A. Michael P. Daniels, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. Debevoise, Plimpton, Lyons & Gates, 320 Park Avenue, New York N.Y.
B. Edward G. Sparrow, 1 East 66th Street, New York N.Y.

A. Ronald W. De Lucien, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington D.C.
D. (6) $250. E. (9) $60.

A. Franklin W. Denius, Post Office Box 1148, Austin, Tex.
B. Texas Electric Service Co., Post Office Box 970, Fort Worth, Tex.; Dallas Power & Light Co., Dallas, Tex., and Texas Power & Light Co., Post Office Box 6331, Dallas, Tex.
E. (9) $1,019.73.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y.
D. (6) $2,535. E. (9) $769.96.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $553.14.

A. Ernest J. Eaton, Washington Building, Washington, D.C.
B. Nebraska Mid-State Reclamation District, Washington Building, Washington, D.C.

A. Ernest J. Eaton, Washington Building, Washington, D.C.
B. Water Conversion Institute, Washington Building, Washington, D.C.

A. Harold E. Edwards, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,370. E. (9) $300.

A. J. C. B. Ehringhaus, Jr., Post Office Box 1776, Raleigh, N.C.
B. Southern Railway System, Post Office Box 1808, Washington, D.C.
D. (6) $4,500. E. (9) $644.83.

A. Warren G. Elliott, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 277 Park Avenue, New York, N.Y.
D. (6) $212.50. E. (9) $17.34.

A. John W. Emeigh, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $528.73. E. (9) $26.10.

A. Arthur S. Fefferman, American Life Convention, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

A. Joe G. Fender, 2033 Norfolk Street, Houston, Tex.
B. National Conference of Non-Profit Shipping Associations, Inc.
D. (6) $915.29.

A. Mello G. Fish, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $2,835. E. (9) $300.

A. Donald G. Fletcher, 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.
D. (6) $4,125.

A. Frederick W. Ford.
B. National Community Television Association, Inc., 535 Transportation Builidng, Washington, D.C.

A. Forest Farmers Association Cooperative, Post Office Box 7278, Station C, Atlanta, Ga.

A. James F. Fort, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $500. E. (9) $63.20.

A. Milton Fricke, Papillion, Nebr.
B. National Association of Soil and Water Conservation Districts, League City, Tex.

A. David C. Fullerton, 1735 K Street NW., Washington, D.C.
B. National Telephone Cooperative Association, 1735 K Street NW., Washington, D.C.
D. (6) $25.

A. William A. Geoghegan, 1000 Ring Building, Washington, D.C.
B. The Soap and Detergent Association, 295 Madison Avenue, New York, N.Y.
D. (6) $1,500.

A. Neal P. Gillen, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Royce L. Givens, 224 Seventh Street SE., Washington, D.C.
D. (6) $5,075. E. (9) $1,552.

A. Robert Gladwin, Fruit Street, Boston, Mass.
B. Massachusetts General Hospital, Fruit St., Boston, Mass.
E. (9) $36.00.

A. Robert Glicker, 1642 South 52d Street, Philadelphia, Pa.
B. International Mailers Union, 2240 Bell Court, Denver, Colo.

A. John A. Gosnell, 1225 19th Street NW., Washington, D.C.

D. (6) $1,833.34.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Harold F. Hammond, 1101 17th Street NW., Washington, D.C.

B. Transportation Association of America, 1101 17th Street NW., Washington, D.C.

A. Robert M. Hampton, 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

D. (6) $3,874.98. E. (9) $186.10.

A. William B. Harman, Jr., 1701 K Street NW., Washington, D.C.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

D. (6) $40.24.

A. L. James Harmanson, Jr., 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

D. (6) $5,749.98. E. (9) $147.90.

A. Redmond Roop Hart, 30 Kennedy Street, Alexandria, Va.

A. Kit H. Haynes, 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

A. Robert B. Heiney, National Canners Association, 1133 20th Street NW., Washington, D.C.

B. National Canners Association, 1133 20th Street NW., Washington, D.C.

D. (6) $875. E. (9) $1,121.71.

A. Noel Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.

B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. Maurice G. Herndon, 801 Warner Building, Washington, D.C.

B. National Association of Insurance Agents, 96 Fulton Street, New York, N.Y. and 801 Warner Building, Washington, D.C.

D. (6) $461.10. E. (9) $461.10.

A. Carey W. Hilliard, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. The National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $528.73. E. (9) $27.35.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D.C.

B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.

D. (6) $4,000. E. (9) $1,000.

A. Harold A. Hosier, 2240 Bell Court, Denver, Colo.

B. International Mailers Union, 2240 Bell Court, Denver, Colo.

A. David P. Houlihan, 1000 Connecticut Avenue NW., Washington, D.C.

B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. Floyd E. Huffman, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. The National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $528.73. E. (9) $31.25.

A. William J. Hull, 1000 Connecticut Avenue, Washington D.C.

B. Ashland Oil & Refining Co., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1000 Connecticut Avenue, Washington, D.C.

B. Ohio Valley Improvement Association, Inc.

A. Everett Hutchinson, 839 17th Street NW., Washington, D.C.

B. National Association of Motor Bus Owners, 839 17th Street NW., Washington, D.C.

A. Meryle V. Hutchinson, 1030 15th Street NW., Washington, D.C.

B. American Nurses Association, Inc., 10 Columbus Circle, New York, N.Y.

D. (6) $2,484.54.

A. Elmer P. Hutter, Post Office Box 2255, Washington, D.C.

D. (6) $5.

A. Elmer F. Hutter, Post Office Box 2255, Washington, D.C.

B. Mrs. Erna H. Schuyler, Costa Mesa, Calif., et al.

E. (9) $212.

A. Illinois Railroad Association, 135 East 11th Place, Chicago, Ill.

E. (9) $2,065.88.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.

D. (6) $300. E. (9) $365.07.

A. International Mailers Union, 2240 Bell Court, Denver, Colo.

A. International Union of Electrical, Radio & Machine Workers, 1126 16th Street NW., Washington, D.C.

E. (9) $532.80.

A. Chas. E. Jackson, 715 Ring Building, Washington, D.C.

A. Glendon E. Johnson, 1701 K Street NW., Washington, D.C.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

D. (6) $92.50. E. (9) $5.83.

A. Willis Johnson, 300 New Jersey Avenue SE., Washington, D.C.

B. Business Information Service, 300 New Jersey Avenue SE., Washington, D.C.

A. Charlie W. Jones, 1120 Connecticut Avenue NW., Washington, D.C.

B. American Carpet Institute, Inc., 350 Fifth Avenue, New York, N.Y.

D. (6) $230. E. (9) $85.

A. L. Dan Jones, 1110 Ring Building, Washington, D.C.

B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.

E. (9) $16.30.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D.C.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $3,125.

A. Howard B. Keck, 1801 Avenue of the Stars, Los Angeles, Calif.

B. The Superior Oil Co., 1801 Avenue of the Stars, Los Angeles, Calif.

E. (9) $300.

A. Charles C. Keeble, 1730 K Street NW., Washington, D.C.

B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.

E. (9) $71.82.

A. Robert H. Kellen, 25 East Chestnut Street, Chicago, Ill.

B. National Preservers Association, 25 East Chestnut Street, Chicago, Ill.

A. Ken Kendrick, 1030 15th Street NW., Washington, D.C.

B. National Association of Wheat Growers.

D. (6) $3,684.29. E. (9) $3,684.29.

A. William F. Kenney, New York, N.Y.

B. Shell Oil Co., 50 West 50th Street, New York, N.Y.

A. Franklin E. Kepner, Berwick Bank Building, Berwick, Pa.

B. Associated Railroads of Pennsylvania, 1022 Transportation Center, Philadelphia, Pa.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D.C.

B. Life Insurance Association of America, 277 Park Avenue, New York, N.Y.

D. (6) $104. E. (9) $3.23.

A. John D. Knodell, Jr., 1730 K Street NW., Washington, D.C.

B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.

E. (9) $716.53.

A. William L. Kohler, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $1,200. E. (9) $449.85.

A. Kominers & Fort, 529 Tower Building, Washington, D.C.

B. Committee of American Steamship Lines, 1155 15th Street NW., Washington, D.C.

A. Kominers & Fort, 529 Tower Building, Washington, D.C.

B. T. J. Stevenson & Co., 60 Broad Street, New York, N.Y.

D. (6) $2,000. E. (9) $16.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C.

B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C.

D. (6) $4,368. E. (9) $868.52.

A. Dillard B. Lasseter, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $1,200. E. (9) $525.

A. John V. Lawrence, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $1,200.

A. Thomas B. Lawrence, 917 15th Street NW., Washington, D.C.

B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.

D. (6) $650.

A. Robert J. Leigh, 1735 K Street NW., Washington, D.C.

B. National Telephone Cooperative Association, 1735 K Street NW., Washington, D.C.

D. (6) $55.

A. Liberty Lobby, Inc., 132 Third Street SE., Washington, D.C.

D. (6) $6,465.48. E. (9) $15,540.58.

A. Life Insurance Association of America, 277 Park Avenue, New York, N.Y., and 1701 K Street NW., Washington, D.C.

D. (6) $2,598.45. E. (9) $2,598.45.

A. John Linnehan, 1625 L Street NW., Washington, D.C.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $3,125. E. (9) $770.62.

A. Harold O. Lovre, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $383.35.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,370. E. (9) $300.

A. William J. McDonald, 3005 Fernside Boulevard, Alameda, Calif.
B. National Council of Naval Air Stations Employee Organizations, 3005 Fernside Boulevard, Alameda, Calif.

A. Clarence M. McIntosh, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $2,021.40 E. (9) $22.20.

A. Ralph J. McNair, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 277 Park Avenue, New York, N.Y.
D. (6) $145. E. (9) $10.62.

A. James D. Mann, 839 17th Street NW., Washington, D.C.
B. National Association of Motor Bus Owners, 839 17th Street NW., Washington, D.C.

A. Edwin E. Marsh, 600 Crandall Building, Salt Lake City, Utah.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah.
D. (6) $3,255. E. (9) $718.03.

A. Arnold Mayer, 100 Indiana Avenue NW., Washington, D.C.
B. Amalgamated Meat Cutters & Butcher Workmen of North America, 2800 North Sheridan Road, Chicago, Ill.
D. (6) $2,900. E. (9) $390.

A. Donald Melvin, 20 E Street NW., Washington, D.C.
B. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $600. E. (9) $174.14.

A. M. Barry Meyer, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $750. E. (9) $896.85.

A. John R. Miles, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C.
D. (6) $250. E. (9) $75.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.

A. Mobilehome Dealers National Association, 39 South LaSalle Street, Chicago, Ill.
E. (9) $2,229.72.

A. M. D. Mobley, 1025 15th Street NW., Washington, D.C.
B. American Vocational Association, Inc., 1025 15th Street NW., Washington, D.C.

A. J. R. Modrall, Post Office Box 466, Albuquerque, N. Mex.
B. Aetna Life Insurance Co. and Aetna Casualty & Surety Co., 151 Farmington Avenue, Hartford, Conn.
D. (6) $2,600. E. (9) $100.

A. J. R. Modrall, Post Office Box 466, Albuquerque, N. Mex.
B. Travelers Insurance Co. & Travelers Indemnity Co., 1 Tower Square, Hartford, Conn.
D. (6) $2,600. E. (9) $100.

A. Willis C. Moffatt, 525 First Security Building, Boise, Idaho.
B. Standard Oil Co. of California, et al., 225 Bush Street, San Francisco, Calif.

A. Harry L. Moffett, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $1,737.50. E. (9) $158.09.

A. Joseph E. Moody, 1000 16th Street NW., Washington, D.C.
D. (6) $625.

A. Mrs. Jennelle Moorhead, Eugene Continuation Center, Eugene, Oreg.

A. Curtis Morris, 1725 I Street NW., Washington, D.C.
B. American Gas Association, Inc., 605 Third Avenue, New York, N.Y.

A. Motor & Equipment Manufacturers Association, 304 West 58th Street, New York, N.Y.
D. (6) $300.

A. J. Walter Myers, Jr., Post Office Box 7278, Station C, Atlanta, Ga.
B. Forest Farmers Association Cooperative, Post Office Box 7278, Station C, Atlanta, Ga.

A. Kenneth D. Naden, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $7,174.98. E. (9) $502.78.

A. National Associated Businessmen, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $985.20. E. (9) $659.30.

A. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.

A. National Association of Blue Shield Plans, 425 North Michigan Avenue, Chicago, Ill.
E. (9) $1,551.75.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $8,791.62. E. (9) $12,661.91.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $440,894.68. E. (9) $16,633.24.

A. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue, Washington, D.C.
E. (9) $9,356.72.

A. National Association of Social Workers, Inc., 2 Park Avenue, New York, N.Y., 1346 Connecticut Avenue NW., Washington, D.C.

A. National Association of Wheat Growers, 1030 15th Street NW., Washington, D.C.
D. (6) $3,684.29. E. (9) $3,684.29.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va.
D. (6) $6,363. E. (9) $2,912.69.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $602,648.96. E. (9) $7,539.41.

A. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.
E. (9) $6,681.12.

A. National Community Television Association, Inc., 535 Transportation Building, Washington, D.C.

A. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Committee for the Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.
D. (6) $609.23. E. (9) $187.70.

A. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $5,677.88. E. (9) $5,676.45.

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.
E. (9) $165.

A. National Council of Naval Air Stations Employee Organizations, 3005 Fernside Boulevard, Alameda, Calif.
E. (9) $35.88.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Central Scientific Co., 1700 Irving Park Road, Chicago, Ill.
D. (6) $900. E. (9) $448.16.

A. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C.
D. (6) $63,598.50. E. (9) $2,778.78.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $93,874.53. E. (9) $11,043.84.

A. National Particleboard Association, 711 14th Street NW., Washington, D.C.
E. (9) $2,775.25.

A. National Preservers Association, 25 East Chestnut Street, Chicago, Ill.

A. National Reclamation Association, 897 National Press Building, Washington, D.C.
D. (6) $11,515.50. E. (9) $13,689.14.

A. National Rehabilitation Association, Inc., 1522 K Street NW., Washington, D.C.
D. (6) $10,162.53. E. (9) $2,278.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $6,004.31. E. (9) $11,762.20.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $2,562.52.

A. National Tax Equality Association, Inc., 1000 Connecticut Avenue Building, Washington, D.C.
D. (6) $8,023.52. E. (9) $7,586.58.

A. National Telephone Cooperative Association, 1735 K Street NW., Washington, D.C.
E. (9) $95.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah.
D. (6) $21,234. E. (9) $7,008.30.

A. Samuel E. Neel, 1707 H Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.

A. Graham T. Northup, 1707 H Street NW., Washington, D.C.

B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $5,425. E. (9) $6,065.

A. Richard T. O'Connell, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $4,050. E. (9) $192.78.

A. John A. O'Donnell, 1616 P Street NW., Washington, D.C.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200.

A. Charles T. O'Neill, Jr., 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 90 Park Avenue, New York, N.Y.
D. (6) $450. E. (9) $15.96.

A. Order of Railway Conductors and Brakemen, O.R.C. & B. Building, Cedar Rapids, Iowa.
E. (9) $5,413.11.

A. John A. Overholt, 10400 Connecticut Avenue, Kensington, Md., and 1106 Munsey Building, Washington, D.C.
B. National Association of Retired Civil Employees, 1909 Q Street NW., Washington, D.C.
D. (6) $1,269.24.

A. J. Allen Overton, Jr., 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $1,200.

A. Leonard H. Pasqualicchio, 724 Ninth Street NW., Washington, D.C.

A. Brig. Gen. J. L. Person, USA (retired), LaSalle Building, Washington, D.C.
B. National Rivers & Harbors Congress, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $6,249.99.

A. Andrew A. Pettis, 100 Indiana Avenue NW., Washington, D.C.
B. Industrial Union of Marine and Shipbuilding Workers of America, GEB, 534 Cooper Street, Camden, N.J.
D. (6) $4,711. E. (9) $1,650.56.

A. Joseph D. Phelan, 485 National Press Building, Washington, D.C.
B. Colorado River Association, 417 South Hill Street, Los Angeles, Calif.
D. (6) $3,000. E. (9) $730.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C.
B. Federal Cartridge Corp., 2700 Foshay Towers, Minneapolis, Minn.
D. (6) $250.

A. Albert Pike, Jr., 277 Park Avenue, New York, N.Y.
B. Life Insurance Association of America, 277 Park Avenue, New York, N.Y.

A. Bruce O. Pike, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,800. E. (9) $7.70.

A. James F. Pinkney, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $195.45.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,500.

A. Ragan & Mason, 900 17th Street, Washington, D.C.
B. The Bermuda Trade Development Board, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Bulk Food Carriers, Inc., 311 California Street, San Francisco, Calif.
D. (6) $900.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Sea-Land Service, Inc., Post Office Box 1050, Elizabeth, N.J.
D. (6) $900. E. (9) $6.40.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. South Atlantic & Caribbean Line, Inc., 250 Park Avenue, New York, N.Y.
D. (6) $200.

A. Edward M. Raymond, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $3,750. E. (9) $123.44.

A. Robert E. Redding, 1101 17th Street NW., Washintgon, D.C.
B. Committee for Time Uniformity, 1101 17th Street NW., Washington, D.C.

A. Robert E. Redding, 1101 17th Street NW., Washington, D.C.
B. Transportation Association of America, 1101 17th Street NW., Washington, D.C.

A. George L. Reid, Jr., 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $799.98. E. (9) $45.49.

A. Peter Regalado, 2519 Southern Avenue SE., Washington, D.C.
E. (9) $403.

A. Reilly & Wells, 1120 Tower Building, Washington, D.C.
B. Printing Industries of America, Inc., 20 Chevy Chase Circle NW., Washington, D.C.
D. (6) $5,400. E. (9) $172.56.

A. Retired Officers Tax Credit Committee, Post Office Box 1965, Annapolis, Md.
D. (6) $875. E. (9) $1,188.72.

A. John Arthur Reynolds, 653 East Cortland Avenue, Fresno, Calif.
B. Western Cotton Growers Association, Post Office Box 512, Fresno, Calif.
D. (6) $312.50. E. (9) $150.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La.
B. Louisiana railroads.

A. Warren S. Richardson, 121 Chestnut Avenue, Washington Grove, Md.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D.C.
D. (6) $10.

A. John J. Riley, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $600. E. (9) $71.75.

A. Gloria Riordan, 1126 16th Street NW., Washington, D.C.
B. International Union of Electrical, Radio & Machine Workers, 1126 16th Street NW., Washington, D.C.
D. (6) $500.

A. John Rippey, 20 E Street NW., Washington, D.C.
B. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $625. E. (9) $68.75.

A. William Neale Roach, 1616 P Street NW., Washington, D.C.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $180.

A. William Neale Roach, 1700 K Street NW., Washington, D.C.
B. International Armament Corp. (Interarmco), 10 Prince Street, Alexandria, Va.
D. (6) $4,000.

A. Rubenstein, Wolfson & Co., Inc., 230 Park Avenue, New York, N.Y.
B. National Independent Coal Operators Association, Pikeville, Ky.

A. J. T. Rutherford, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $383.09.

A. Francis J. Ryley, 519 Title & Trust Building, Phoenix, Ariz.
B. Standard Oil Co. of California, San Francisco, et al.

A. Stanley W. Schroeder, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $300.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C.
B. National Newspaper Association, 491 National Press Building, Washington, D.C.
E. (9) $171.47.

A. Arnold F. Shaw, 503 D Street NW., Washington, D.C.
B. Comite de Productores De Azucar, Lima, Peru.
E. (9) $10.40.

A. Kenneth D. Shaw, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $474.99.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,500. E. (9) $300.

A. Laurence P. Sherfy, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $575.

A. A. Z. Shows, 1700 K Street NW., Washington, D.C.
B. Interarmco, 10 Prince Street, Alexandria, Va.
E. (9) $61.10.

A. Jack C. Skerrett, 717 19th Street South, Arlington, Va.

B. The Camping Club of America, Inc., 945 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $10.

A. T. W. Smiley, 135 East 11th Place, Chicago, Ill.
B. Illinois Railroad Association, 135 East 11th Place, Chicago, Ill.
E. (9) $2,065.88.

A. Carleton D. Smith, 1725 K Street NW., Washington, D.C.
B. Radio Corp. of America, 30 Rockefeller Plaza, New York, N.Y.

A. Frank Kingston Smith, 1346 Connecticut Avenue NW., Washington, D.C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $750.

A. Milan D. Smith, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.

A. Dr. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 712 Dupont Circle Building, Washington, D.C.
D. (6) $4,331.38. E. (9) $2,357.48.

A. W. Byron Sorrell, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. Mobilehome Dealers National Association, 39 South LaSalle Street, Chicago, Ill.
D. (6) $2,025. E. (9) $204.72.

A. Lawrence Speiser, 1101 Vermont Avenue NW., Washington, D.C.
B. American Civil Liberties Union, 156 Fifth Avenue, New York, N.Y.

A. Chester S. Stackpole, 605 Third Avenue, New York, N.Y.
B. American Gas Associates, Inc., 605 Third Avenue, New York, N.Y.

A. Mrs. Alexander Stewart (Annalee), 120 Maryland Avenue, NE., Washington, D.C.
B. Women's International League for Peace and Freedom, 120 Maryland Avenue NW., Washington, D.C.
D. (6) $31,406.75. E. (9) $1,166.90.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. Association to Acquire Compensation for Damages Prior to Peace Treaty, Naha, Okinawa; Association of Landowners of Okinawa.
E. (9) $400.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D. C.
B. Hohenberg Co., Inc., 1431 Broadway, New York, N.Y.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. ICI (New York), Inc., 444 Madison Avenue, New York, N.Y.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. Japan General Merchandise Exporters' Association, No. 2, 3-Chome, Nihonbashi, Muromachi, Chuo-ku, Tokyo, Japan.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, NW., Washington, D.C.
B. Japan General Merchandise Exporters Association and Japan Rubber Footwear Manufacturers' Association of Tokyo, Japan; Miscellaneous Goods Division, Japanese Chamber of Commerce of New York, Inc., and Imported Footwear Group, National Council of American Importers, Inc, New York, N.Y.
D. (6) $5,000. E. (9) $875.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. Japan Steel Wire Products Exporters' Association, 36 Hisamatsucho, Nihonbashi, Chuo-ku, Tokyo, Japan.
D. (6) $245.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. Japan Vinyl Goods Manufacturers' Association, 11, 3-Chome Akasaka-Denmacho, Minato-ku, Tokyo, Japan.
E. (9) $25.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. A. D. Sutton & Sons, 1 West 37th Street, New York, N.Y.
E. (9) $25.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. Toyoshima & Co., Inc., 303 Fifth Avenue, New York, N.Y.
D. (6) $500. E. (9) $150.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. Unione Industriale Prato, Prato, Italy; Maylis Associates, 200 West 34th Street, New York, N.Y.
D. (6) $1,000. E. (9) $1,000.

A. Nelson A. Stitt, 1000 Connecticut Avenue NW., Washington D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,750. E. (9) $201.42.

A. Philip W. Stroupe, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $450. E. (9) $79.20.

A. Richard L. Studley, 1400 20th Street, NW., Washington, D.C.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C.

A. Surrey, Karasik, Gould & Greene, 1116 Woodward Building, Washington, D.C.
B. Associated Sugar Producers of Guadeloupe and Martinique, Boite Postale 175, Pointe-a-Pitre, Guadeloupe.

A. Surrey, Karasik, Gould & Greene, 1116 Woodward Building, Washington, D.C.
B. South Puerto Rico Sugar Co., 5 Hanover Square, New York, N.Y.
D. (6) $4,000. E. (9) $8.61.

A. Sutherland, Asbill & Brennan, 1200 Farragut Building, Washington, D.C.
B. Aetna Life Insurance Co. and Aetna Casualty & Surety Co., 151 Farmington Avenue, Hartford, Conn.
D. (6) $10,000. E. (9) $3,194.90.

A. Sutherland, Asbill & Brennan, 1200 Farragut Building, Washington, D.C.
B. Travelers Insurance Co. and Travelers Indemnity Co., 1 Tower Square, Hartford, Conn.
D. (6) $10,000. E. (9) $3,194.90.

A. Monroe Sweetland, 1705 Murchison Drive, Burlingame, Calif.
B. National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $335. E. (9) $405.72.

A. J. Woodrow Thomas, 1000 16th Street NW., Washington, D.C.
B. Trans World Airlines, 10 Richards Road, Kansas City, Mo.

A. Julia C. Thompson, 1030 15th Street NW., Washington, D.C.
B. American Nurses Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $2,091.50.

A. Eugene M. Thoré, 277 Park Avenue, New York, N.Y.
B. Life Insurance Association of America, 277 Park Avenue, New York, N.Y.
D. (6) $52.50. E. (9) $15.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.
D. (6) $6,228.46. E. (9) $1,625.

A. Dwight D. Townsend, 1012 14th Street NW., Washington, D.C.
B. Cooperative League of U.S.A., 59 East Van Buren Street, Chicago, Ill.

A. Trade Relations Council of the U.S., Inc., 122 East 42d Street, New York, N.Y.

A. Transportation Association of America, 1101 17th Street NW., Washington, D.C.

A. Richard S. Tribbe, 1000 16th Street NW., Washington, D.C.
B. Trans World Airlines, 10 Richards Road, Kansas City, Mo.

A. Paul T. Truitt, 1700 K Street NW., Washington, D.C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D.C.

A. United Cerebral Palsy Association, 321 West 44th Street, New York, N.Y.
E. (9) $1,077.94.

A. United Producer-Dealers of America, Chittenango, N.Y.
D. (6) $1,477.33. E. (9) $2,888.77.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. F. Bourne Upham, III, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $580.

A. Richard E. Vernor, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $87.93. E. (9) $17.20.

A. Volume Footwear Retailers Association, Inc., 51 East 42d Street, New York, N.Y.
D. (6) $4,750. E. (9) $100.15.

A. Harold S. Walker, Jr., 605 Third Avenue, New York, N.Y.
B. American Gas Association, Inc., 605 Third Avenue, New York, N.Y.

A. Paul H. Walker, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 277 Park Avenue, New York, N.Y.
D. (6) $315. E. (9) $6.55.

A. Clarence M. Weiner, 350 Fifth Avenue, New York, N.Y.
B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $6,375. E. (9) $61.50.

A. John Wells, Plano, Tex.
B. National Association of Soil & Water Conservation Districts, League City, Tex.

A. William E. Welsh, 897 National Press Building, Washington, D.C.
B. National Reclamation Association, 897 National Press Building, Washington, D.C.
D. (6) $3,750. E. (9) $95.93.

A. Western Cotton Growers Association, Post Office Box 512, Fresno, Calif.
D. (6) $1,302.15. E. (9) $575.

A. The Wheat Users Committee, 421 New Jersey Avenue SE., Washington, D.C.
D. (6) $5,250. E. (9) $2,693.27.

A. Don White, 3150 Spring Street, Fairfax, Va.
B. National Audio-Visual Associations, Inc., 3150 Spring Street, Fairfax, Va.
D. (6) $768.77. E. (9) $910.68.

A. John C. White, 838 Transportation Building, Washington, D.C.
D. (6) $1,125. E. (9) $86.24.

A. Robert P. Will, 487 National Press Building, Washington, D.C.
B. The Metropolitan Water District of Southern California, 1111 Sunset Boulevard, Los Angeles, Calif.
D. (6) $3,375. E. (9) $777.58.

A. Laurens Williams, 1200 Farragut Building, Washington, D.C.
B. The Variable Annuity Life Insurance Co. of America, Washington, D.C.
D. (6) $500.

A. Kenneth Williamson, 1 Farragut Square South, Washington, D.C.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $1,381.15. E. (9) $381.39.

A. Clay B. Wolfe, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Venlo Wolfsohn, 1729 H Street NW., Washington, D.C.
B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.
D. (6) $300. E. (9) $2.50.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C.
B. National Federation of Federal Employees.
D. (6) $3,692.34. E. (9) $1,075.64.

A. Lester L. Zosel, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1966:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

Note on Item "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) **If This Report Is for an Employer.**—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) **If This Report Is for an Agent or Employee.**—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. Receipts (Including Contributions and Loans):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. \$--------Dues and assessments
2. \$--------Gifts of money or anything of value
3. \$--------Printed or duplicated matter received as a gift
4. \$--------Receipts from sale of printed or duplicated matter
5. \$--------Received for services (e.g., salary, fee, etc.)

6. \$--------Total for this Quarter (Add items "1" through "5")
7. \$--------Received during previous Quarters of calendar year

8. \$--------Total from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. \$--------Total now owed to others on account of loans
10. \$--------Borrowed from others during this Quarter
11. \$--------Repaid to others during this Quarter

12. \$--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ----------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	Total

Note on Item "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) **If This Report Is for an Agent or Employee.** In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. Expenditures (Including Loans) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. \$--------Public relations and advertising services
2. \$--------Wages, salaries, fees, commissions (other than item "1")
3. \$--------Gifts or contributions made during Quarter
4. \$--------Printed or duplicated matter, including distribution cost
5. \$--------Office overhead (rent, supplies, utilities, etc.)
6. \$--------Telephone and telegraph
7. \$--------Travel, food, lodging, and entertainment
8. \$--------All other expenditures

9. \$--------Total for this Quarter (Add "1" through "8")
10. \$--------Expended during previous Quarters of calendar year

11. \$--------Total from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. \$--------Total now owed to person filing
13. \$--------Lent to others during this Quarter
14. \$--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	Total

A. Charles D. Ablard, 1629 K Street NW., Washington, D.C.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y.
D. (6) $2,500. E. (9) $63.92.

A. Francis L. Adams.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
D. (6) $150. E. (9) $22.85.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $250.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C.
D. (6) $5,339.15. E. (9) $5,339.15.

A. Aircraft Owners and Pilots Association, 4650 East-West Highway, Bethesda, Md.
E. (9) $6,200.42.

A. Air Force Sergeants Association, Post Office Box 908, San Antonio, Tex.
E. (9) $300.

A. Air Traffic Control Association, Inc., 525 School St. SW., Washington, D.C.

A. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $3,911.99. E. (9) $3,911.99.

A. Miss Milnor Alexander, 320 Constitution Avenue NE., Washington, D.C.
B. Women's International League for Peace and Freedom, 120 Maryland Avenue NE., Washington, D.C.

A. Mrs. Donna Allen, 3306 Ross Place NW., Washington, D.C.
B. National Committee to Abolish the House Un-American Activities Committee, 555 North Western Avenue, Los Angeles, Calif.
D. (6) $960. E. (9) $1,200.70.

A. Kenneth D. Allen, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Louis J. Allen, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I Railroads in Tennessee.

A. Nicholas E. Allen and Merrill Armour, 444 Shoreham Building, Washington, D.C.
B. Music Operators of America, Inc., 228 North LaSalle Street, Chicago, Ill.
D. (6) $1,575. E. (9) $16.10.

A. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C.

A. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. American Coalition of Patriotic Societies, Inc., 1028 Connecticut Avenue NW., Washington, D.C.
E. (9) $1,455.66.

A. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill.; 425 13th Street NW., Washington, D.C.
D. (6) $27,220. E. (9) $27,220.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
E. (9) $41,469.46.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $4,189. E. (9) $4,090.05.

A. American Federation of Musicians, 641 Lexington Avenue, New York, N.Y.
D. (6) $332,145.39. E. (9) $5,866.58.

A. American Hotel & Motel Association, 221 West 57th Street, New York, N.Y.

A. American Industrial Bankers Association, 1629 K Street NW., Washington, D.C.
D. (6) $1,425. E. (9) $1,425.

A. American Insurance Association, 110 William Street, New York, N.Y.
D. (6) $6,062. E. (9) $6,062.

A. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C.
D. (6) $3,919.31. E. (9) $7,412.38.

A. American Justice Association, Inc., Defense Highway, Gambrills, Md.
D. (6) $2. E. (9) $2.

A. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $88,101.18. E. (9) $35,976.93.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
E. (9) $13,397.45.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $58,411.87. E. (9) $5,443.63.

A. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $10,798.40. E. (9) $10,798.40.

A. American Optometric Association, Inc., % Dr. Melvin D. Wolfberg, 100 West Pine Street, Selinsgrove, Pa.
D. (6) $6,415.52. E. (9) $6,415.52.

A. American Paper Institute, Inc. 122 East 42d Street, New York, N.Y.

A. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $22,668. E. (9) $6,430.

A. American Plywood Association, 1119 A Street, Tacoma, Wash.
D. (6) $2,385.04. E. (9) $2,385.04.

A. American Podiatry Association, 3301 16th Street NW., Washington, D.C.
D. (6) $2498.10. E. (9) $2,498.10.

A. American Pulpwood Association, 605 Third Avenue, New York, N.Y.
E. (9) $1,500.

A. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $1,485.53. E. (9) $1,485.53.

A. American Taxpayers Association, 326 Pennsylvania Building, Washington, D.C.
E. (9) $1,553.17.

A. American Textile Machinery Association, % E. C. Connor, 224 Ellington Road, Longmeadow, Mass.
D. (6) $340.69.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $12,359.79. E. (9) $12,359.79.

A. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Washington, D.C.
D. (6) $2,128.01. E. (9) $2,128.01.

A. Cyrus T. Anderson, 400 First Street NW., Washington, D.C.
B. Spiegel, Inc., 2511 West 23d Street, Chicago, Ill.

A. Jerry L. Anderson, 2000 Florida Avenue NW., Washington, D.C.
B National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Walter M. Anderson, Jr., Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.
D. (6) $243. E. (9) $306.76.

A. George W. Apperson, 900 F Street NW., Washington, D.C.
B. Division 689, Amalgamated Transit Union, 900 F Street NW., Washington, D.C.

A. David Apter, 1145 19th Street NW., Washington, D.C.
B. The Guild of Prescription Opticians of America, Inc., 1250 Connecticut Avenue NW., Washington, D.C.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1000 Federal Bar Building, Washington, D.C.
B. Motor & Equipment Manufacturers Association, 304 West 58th Street, New York, N.Y.
D. (6) $20,000.

A. Carl F. Arnold, 1101 17th Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $3,000. E. (9) $1,255.61.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Margaret Lee Weil, 33 West 67th Street, New York, N.Y.
E. (9) $2.

A. The Associated General Contractors, Inc., 1957 E Street NW., Washington, D.C.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J.

A. Associated Third Class Mail Users, 100 Indiana Avenue NW., Washington, D.C.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $525. E. (9) $525.

A. Association of American Railroads, 929 Transportation Building, Washington D.C.
D. (6) $8,990.66. E. (9) $8,990.66.

A. Association on Broadcasting Standards, Inc., 1741 DeSales Street NW., Washington, D.C.
D. (6) $2,198.98. E. (9) $369.50.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.
E. (9) $220.

A. Association of Western Railroads, 224 Union Station Building, Chicago, Ill.

A. A. V. Atkinson, 1925 K Street NW., Washington, D.C.
E. (9) $3,752.

A. Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.

E. (9) $200.

A. Robert L. Augenblick, 61 Broadway, New York, N.Y.

B. Investment Company Institute, 61 Broadway, New York, N.Y.

D. (6) $100. E. (9) $73.77.

A. Richard W. Averill, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the U.S.A.

A. Michael H. Bader, 1735 DeSales Street NW., Washington, D.C.

B. Association on Broadcasting Standards, Inc., 1741 DeSales Street NW., Washington, D.C.

A. Harry S. Baer, Jr., 1725 DeSales Street NW., Washington, D.C.

B. National AeroSpace Services Association, 1725 DeSales Street NW., Washington, D.C.

E. (9) $67.

A. Douglas B. Bagnell, Fairhope, Ala.

B. Maine Potato Council, Presque Isle, Maine.

A. Charles B. Bailey, Sr., 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway & Steamship Clerks Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $3,250.02. E. (9) $939.02.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C.

B. United Brotherhood of Carpenters & Joiners of America, Washington, D.C.

D. (6) $2,250. E. (9) $450.

A. Donald Baldwin, 1619 Massachusetts Avenue NW., Wahington, D.C.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.

E. (9) $421.95.

A. Ernest L. Barcella, Washington, D.C.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. Robert C. Barnard, 1250 Connecticut Avenue N.W., Washington, D.C.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D.C.

B. National Association of Electric Co., 1200 18th Street NW., Washington, D.C.

D. (6) $725. E. (9) $8.93.

A. Irwin L. Barney, 300 First Street NW., Washington, D.C.

B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.

D. (6) $3,600.

A. A. Wesley Barthelmes, 2133 Wisconsin Avenue NW., Washington, D.C.

B. Insurance Co. of North America and Life Insurance Co. of North America, 1600 Arch Street, Philadelphia, Pa.

D. (6) $390. E. (9) $165.41.

A. James P. Bass, 1101 17th Street NW., Washington, D.C.

B. American Airline, Inc., 1101 17th Street NW., Washington, D.C.

A. Roy Battles, 532 Shoreham Building, Washington, D.C.

B. Clear Channel Broadcasting Service (CCBS), 532 Shoreham Building, Washington, D.C.

A. Mrs. Dita Davis Beard, 1707 L Street NW., Washington, D.C.

B. International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C.

D. (6) $3,500. E. (9) $4,350.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C.

B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

D. (6) $1,050.

A. John H. Beidler, 815 16th Street NW., Washington, D.C.

B. Industrial Union Department, 815 16th Street NW., Washington, D.C.

D. (6) $3,780. E. (9) $557.47.

A. James F. Bell, 1001 Connecticut Avenue NW., Washington, D.C.

B. National Association of Supervisors of State Banks, Munsey Building, Washington, D.C.

D. (6) $750. E. (9) $12.64.

A. J. O. Bellenger, 1909 Q Street NW., Washington, D.C.

B. National Association of Retired Civil Employees, 1909 Q Street NW., Washington, D.C.

D. (6) $1,750. E. (9) $66.11.

A. Ernest H. Benson, 400 First Street NW., Washington, D.C.

B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.

D. (6) $5,250.

A. Reed A. Benson, 1028 Connecticut Avenue NW., Washington, D.C.

B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass.

A. Helen Berthelot, 1925 K Street NW., Washington, D.C.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C.

E. (9) $4,247.17.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor & Congress of Industrial Organizations.

D. (6) $6,480. E. (9) $254.05.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue, NW., Washington, D.C.

B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Robert J. Bird, 918 16th Street NW., Washington, D.C.

B. Paul Revere Life Insurance Co., Worcester, Mass.

A. John H. Bivins, 1271 Avenue of the Americas, New York, NY.

B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

D. (6) $670.

A. Robert W. Blair.

B. New Process Co., Warren, Pa.

E. (9) $660.88.

A. Wm. Rhea Blake, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.

A. C. B. Blankenship, 1925 K Street NW., Washington, D.C.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C.

E. (9) $3,781.77.

A. William Blum, Jr., 1815 H Street NW., Washington, D.C.

B. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.

D. (6) $5,100. E. (9) $782.11.

A. Eugene P. Boardman, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $2,189. E. (9) $5.

A. Fred F. Bockmon, 405 Luhrs Building, Phoenix, Ariz.

B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and the Atchinson, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.

D. (6) $150. E. (9) $17.80.

A. Maurice G. Boehl, 918 16th Street NW., Washington, D.C.

B. National Association of Manufacturers.

A. Eugene F. Bogan, 1000 16th Street NW., Washington, D.C.

B. Investment Company Institute, 61 Broadway, New York, N.Y.

A. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

D. (6) $100. E. (9) $103.75.

A. Lyle H. Boren, Seminole, Okla.

B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

D. (6) $1,800.

A. Robert T. Borth, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $2,000. E. (9) $303.85.

A. G. Stewart Boswell, 620 Southern Building, Washington, D.C.

B. National Council of Agricultural Employers, 620 Southern Building, Washington, D.C.

D. (6) $748. E. (9) $56.09.

A. Samuel E. Boyle, 428 South Avenue, Pittsburgh, Pa.

B. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.

D. (6) $1,291.24. E. (9) $360.

A. Charles N. Brady, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Joseph E. Brady, Cincinnati, Ohio.

B. National Coordinating Committee of the Beverage Industry.

E. (9) $689.57.

A. A. Marvin Braverman, 1001 Connecticut Avenue NW., Washington, D.C.

B. Michael Ladney, Jr., 18125 East Ten Mile Road, East Detroit, Mich.

E. (9) $2.

A. Thomas C. Brickle, 302 Ring Building, Washington, D.C.

B. National Lumber & Building Material Dealers Association, 302 Ring Building, Washington, D.C.

D. (6) $2,000.

A. Parke C. Brinkley, 1155 15th Street NW., Washington, D.C.

B. National Agricultural Chemicals Association.

A. Wally Briscoe.

B. National Community Television Association, Inc., 535 Transportation Building, Washington, D.C.

D. (6) $135. E. (9) $16.50.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y.
D. (6) $65.

A. W. S. Bromley, 605 Third Avenue, New York, N.Y.
B. American Pulpwood Association, 605 Third Avenue, New York, N.Y.

A. Carl Bronn, 897 National Press Building, Washington, D.C.
B. National Reclamation Association, 897 National Press Building, Washington, D.C.
D. 6) $4,250.01. E. (9) $119.79.

A. Derek Brooks, 1025 Vermont Avenue NW., Washington, D.C.
B. National Retail Furniture Association, 1150 Merchandise Mart, Chicago, Ill.
D. (6) $1,500. E. (9) $812.66.

A. J. Robert Brouse, 1030 15th Street NW., Washington, D.C.
B. Animal Health Institute, 1030 15th Street NW., Washington, D.C.

A. J. D. Brown, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $300.

A. Brown, Lund & Levin, 1625 I Street NW., Washington, D.C.
B. American & Foreign Power Co., Inc., 100 Church Street, New York, N.Y.
D. (6) $2,000. E. (9) $28.28.

A. Brown, Lund & Levin, 1625 I Street NW., Washington, D.C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $1,450.50.

A. Robert W. Bruce, 140 New Montgomery Street, San Francisco, Calif.
B. The Pacific Telephone & Telegraph Co., 140 New Montgomery Street, San Francisco, Calif.
D. (6) $476. E. (9) $725.

A. Lyman L. Bryan, 2000 K Street NW., Washington, D.C.
B. American Institute of Certified Public Accountants, 666 Fifth Avenue, New York, N.Y.

A. George S. Buck, Jr., Post Office Box 12285, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $69. E. (9) $3.14.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Canal Authority of the State of Florida, 803 Roselle Street, Jacksonville, Fla.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

A. George S. Bullen.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C.

A. Norman D. Burch, 1317 F Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $67.77.

A. George J. Burger, 250 West 57th Street, New York, N.Y.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N.Y.

A. George J. Burger, 921 Washington Building, Washington, D.C.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C.

A. C. P. Burks, 2000 Massachusetts Avenue NW., Washington, D.C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $562.50.

A. Burley & Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
E. (9) $567.88.

A. Gustave Burmeister, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.
D. (6) $1,531.25.

A. David Burpee, Doylestown, Pa.
E. (9) $249.92.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D.C.
D. (6) $4,000.03.

A. Hollis W. Burt, 1101 17th Street NW., Washington, D.C.
B. National Association of Supervisors of State Banks, 1101 17th Street NW., Washington, D.C.
D. (6) $62.50.

A. Herbert H. Butler, 438 Pennsylvania Building, Washington, D.C.
B. United States Independent Telephone Association, 438 Pennsylvania Building, Washington, D.C.
D. (6) $150. E. (9) $1,370.09.

A. C. G. Caffrey, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $760.20. E. (9) $90.

A. Gordon L. Calvert, 425 13th Street NW., Washington, D.C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $370.

A. Carl C. Campbell, 1200 18th Street NW., Washington, D.C.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $37.50.

A. The Camping Club of America, Inc., 996 National Press Building, Washington, D.C.
E. (9) $10.

A. The Canal Authority of the State of Florida, 803 Roselle Street, Jacksonville, Fla.

A. Canal Zone Central Labor Union-Metal Trades Council, Post Office Box 471, Balboa Heights, C.Z.
D. (6) $2,694.37. E. (9) $278.05.

A. Marvin Caplan, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.
D. (6) $1,482. E. (9) $71.45.

A. Ronald A. Capone, 505 Farragut Building, Washington, D.C.
B. Committee of European Shipowners, 30–32 St. Mary Axe, London E.C. 3, England.
D. (6) $3,750. E. (9) $437.26.

A. Michael H. Cardozo, 1521 New Hampshire Avenue NW., Washington, D.C.
B. Association of American Law Schools, 1521 New Hampshire Avenue NW., Washington, D.C.

A. James R. Carnes, 1825 Connecticut Avenue NW., Washington, D.C.
B. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,250.

A. Braxton B. Carr, 1250 Connecticut Avenue, Washington, D.C.
B. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Washington, D.C.
D. (6) $1,500. E. (9) $311.85.

A. Robert S. Carr, 1220 Pennsylvania Building, Washington, D.C.
B. Hiram Walker & Sons, Inc., 8323 Jefferson Avenue, Detroit, Mich.

A. H. Allen Carroll, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.
D. (6) $135.

A. Blue A. Carstenson.
B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.
D. (6) $923.04. E. (9) $44.27.

A. Eugene C. Carusi, 1629 K Street NW., Washington, D.C.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.
D. (6) $100.

A. Central Arizona Project Association, 1124 Arizona Title Building, Phoenix, Ariz.
D. (6) $44,611.14. E. (9) $32,822.67.

A. Alger B. Chapman, Jr., 11 Wall Street, New York, N.Y.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. Chapman, DiSalle & Friedman, 425 13th Street NW., Washington, D.C.
B. Alaska Pipeline Co., Post Office Box 6554, Houston, Tex.
D. (6) $1,500. E. (9) $36.05.

A. Chapman, DiSalle & Friedman, 425 13th Street NW., Washington, D.C.
B. Asociacion de Comerciantes, en Licores de Nogales, Sonora, Obregon No. 102, Nogales, Sonora, Mexico.
E. (9) $4.

A. Chapman, DiSalle & Friedman, 425 13th Street NW., Washington, D.C.
B. Strohmeyer & Arpe Co., 139–141 Franklin Street, New York, N.Y.
D. (6) $1,506.25. E. (9) $164.29.

A. Chapman, DiSalle & Friedman, 425 13th Street NW., Washington, D.C.
B. Union Nacional de Productores de Azucar, S. A. de C. V., Balderas 36—Primer Piso, Mexico D. F., Mexico.
D. (6) $10.000. E. (9) $303.27.

A. James W. Chapman, 1625 I Street NW., Washington, D.C.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $2,708.50.

A. Charitable Contributors Association, 100 Old York Road, Jenkintown, Pa.

A. George C. Cheek, 1119 A Street, Tacoma, Wash.

B. American Plywood Association, 1119 A Street, Tacoma, Wash.
E. (9) $1,385.04.

A. A. H. Chesser, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Trainmen.
E. (9) $150.

A. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $1,726.70. E. (9) $4,140.13.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $10,704.80. E. (9) $9,213.41.

A. Allen C. K. Clark, 1730 K Street NW., Washington, D.C.
B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. Earl W. Clark.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $1,225. E. (9) $85.

A. Robert M. Clark, 1710 H Street NW., Washington, D.C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.

A. Roger A. Clark, 1730 K Street NW., Washington, D.C.
B. Wine Conference of America, 1100 National Press Building, Washington, D.C.
E. (9) $12.38.

A. Clay Pipe Industry Depletion Committee, Post Office Box 13125, Kansas City, Mo.
E. (9) $894.20.

A. Clear Channel Broadcasting Service (CCBS), 532 Shoreham Building, Washington, D.C.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue N.W., Washington, D.C.
B. The Colonial Sugar Refining Co., Ltd., 1-3 O'Connell Street, Sydney, Australia.
D. (6) $1,000.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
B. A. Gross & Co., New York, N.Y., et al.
E. (9) $13.50.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
B. The Oil Shale Corp., 680 Fifth Avenue, New York, N.Y.
E. (9) $11.02.

A. Earle C. Clements, 919 18th Street N.W., Washington, D.C.
B. The American Tobacco Co.

A. Earle C. Clements, 919 18th Street N.W., Washington, D.C.
B. Brown & Williamson Tobacco Corp.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. Liggett & Myers Tobacco Co.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. P. Lorillard Co.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. Philip Morris, Inc.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. R. J. Reynolds Tobacco Co.

A. Clay L. Cochran, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C.
D. (6) $1,740.36. E. (9) $174.84.

A. Edwin S. Cohen, 26 Broadway, New York, N.Y.
B. Investment Company Institute, 61 Broadway, New York, N.Y.
D. (6) $300. E. (9) $19.81.

A. Joseph Cohen, National Press Building, Washington, D.C.
B. The National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill.
D. (6) $750.

A. Cole & Groner, 1730 K Street NW., Washington, D.C.
B. Task Force of Small American Shipbuilders, 1730 K Street NW., Washington, D.C.
D. (6) $7,125.10.

A. J. I. Collier, Jr., 2000 Massachusetts Avenue NW., Washington, D.C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $217.50.

A. Nicholas S. Collins, 1155 15th Street NW., Washington, D.C.
B. Committee of American Steamship Lines, 1155 15th Street NW., Washington, D.C.
D. (6) $240. E. (9) $11.68.

A. Paul G. Collins, 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 90 Park Avenue, New York, N.Y.
D. (6) $125.

A. Collier, Shannon & Rill, 1625 I Street NW., Washington, D.C.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C.
D. (6) $200.

A. Collier, Shannon & Rill, 1625 I Street NW., Washington, D.C.
B. National Footwear Manufacturers Association, Inc., 342 Madison Avenue, New York, N.Y.
D. (6) $500. E. (9) $94.80.

A. Collier, Shannon & Rill, 1625 I Street NW., Washington, D.C.
B. Tool & Stainless Steel Industry Committee, % The Carpenter Steel Co., Reading, Pa.
D. (6) $750. E. (9) $166.10.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
D. (6) $336.69. E. (9) $336.69.

A. Committee for Automobile Excise Tax Repeal, 900 17th Street NW., Washington, D.C.

A. The Committee for Broadening Commercial Bank Participation in Public Financing, 50 South LaSalle Street, Chicago, Ill.
D. (6) $3,215.

A. Committee for a Free Cotton Market, Inc., 1725 K Street NW., Washington, D.C.
E. (9) $6,036.

A. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.
E. (9) $6,947.68.

A. Committee for Time Uniformity, 1101 17th Street NW., Washington, D.C.
E. (9) $151.44.

A. R. T. Compton, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Paul B. Comstock, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C.

A. John C. Cone, 815 15th Street NW., Washington, D.C.
B. Pan American World Airways, 815 15th Street NW., Washington, D.C.

A. Raymond F. Conkling, 135 East 42d Street, New York, N.Y.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y.
D. (6) $120. E. (9) $74.90.

A. John D. Conner, 1625 K Street NW., Washington, D.C.
B. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. Robert J. Conner, Jr., 1700 K Street NW., Washington, D.C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.
D. (6) $164. E. (9) $30.20.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C.
B. The National Waterways Conference.

A. Edward Cooper.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. J. Milton Cooper, 15th Street and New York Avenue NW., Washington, D.C.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. J. Milton Cooper, 15th and New York Avenue, Washington, D.C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N.C.

A. John Shepherd Cooper, 1725 K Street NW., Washington, D.C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $2,250. E. (9) $2,612.79.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va.
B. Portsmouth-Kittery Armed Services Committee, Inc., Post Office Box 239, Portsmouth, N.H.
D. (6) $3,000. E. (9) $1,151.19.

A. Mitchell J. Cooper, 1625 K Street NW., Washington, D.C.
B. Council of Forest Industries, 1477 West Penden Street, Vancouver, B.C., Canada.
D. (6) $3,000. E. (9) $23.75.

A. Mitchell J. Cooper, 1625 K Street NW., Washington, D.C.
B. Footwear Division, Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N.Y.
D. (6) $5,250. E. (9) $50.45.

A. The Cooperative League of the United States of America Association, Inc., 59 East Van Buren Street, Chicago, Ill.
D. (6) $6,000. E. (9) $1,995.

A. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $21,864.43. E. (9) $24,832.87.

A. Council of Mechanical Specialty Contracting Industries, Inc., 1825 Connecticut Avenue NW., Washington, D.C.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.

B. Bicycle Manufacturers Association, 122 East 42d Street, New York, N.Y.

A. Donald M. Counihan, 1000 Connecticut Avenue, Washington, D.C.
B. American Corn Millers Federation, 1000 Connecticut Avenue, Washington, D.C.

A. Donald M. Counihan, 1000 Connecticut Avenue, Washington, D.C.
B. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,650. E. (9) $54.01.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. American Machine Tool Distributors' Association, 1500 Massachusetts Avenue NW., Washington, D.C.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Lightweight Aggregates Percentage Depletion Committee, Post Office Box 9138, Richmond, Va.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. A. P. Moller, 8 Kongens Nytorv, Copenhagen, Denmark.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. National Machine Tool Builders' Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. National Tool, Die & Precision Machining Association, 1411 K Street NW., Washington, D.C.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Savings and Loan Bank of the State of New York, 60 East 42d Street, New York, N.Y.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. The Wheat Users Committee, 421 New Jersey Avenue SE., Washington, D.C.
D. (6) $500.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. The Wisconsin Corp., 500 Union Street, Seattle, Wash.
E. (9) $109.67.

A. Robert E. Cronin, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.

A. Leo J. Crowley, 702 Majestic Building, Denver, Colo.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
D. (6) $336.69. E. (9) $336.69.

A. J. Steele Culbertson, 1614 20th Street NW., Washington, D.C.
B. National Fish Meal & Oil Association, 1614 20th Street NW., Washington, D.C.
D. (6) $150. E. (9) $21.20.

A. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,705.35. E. (9) $407.43.

A. Joseph F. Cunningham, 1615 H Street NW., Washington, D.C.

A. John T. Curran, 905 16th Street NW., Washington, D.C.
B. Laborers' International Union of North America, 905 16th Street NW., Washington, D.C.
D. (6) $5,250. E. (9) $2,099.92.

A. Francis J. Curry, 1701 18th Street NW., Washington, D.C.
B. Disabled American Veterans, 1425 East McMillan Street, Cincinnati, Ohio.
D. (6) $2,000. E. (9) $110.40.

A. John R. Dalton, 1508 Merchants Bank Building, Indianapolis, Ind.
B. Associated Railways of Indiana, 1508 Merchants Bank Building, Indianapolis, Ind.

A. F. Gibson Darrison, Jr., New York Central Railroad Co., 1010 Pennsylvania Building, Washington, D.C.
B. New York Central Railroad Co., 466 Lexington Avenue, New York, N.Y.

A. John C. Datt, 425 13th Street NW., Washington, D.C
B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.
D. (6) $937.50. E. (9) $18.93.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill.
B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.
D. (6) $687.50. E. (9) $677.10.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. Chicago Bridge & Iron Co., 902 West 22d Street, Oak Brook, Ill.
D. (6) $300. E. (9) $37.45.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.
E. (9) $635.57.

A. Lowell Davis, 601 Ross Avenue, Mart, Tex.
D. (6) $169.62. E. (9) $169.62.

A. Michael B. Deane, 1518 K Street NW., Washington, D.C.
B. Cummins-American Corp., 1925 Glenview Road, Glenview, Ill.

A. Michael B. Deane, 1518 K Street NW., Washington, D.C.
B. Responsive Environment Corp., 21 East 40th Street, New York, N.Y.

A. Tony T. Dechant.
B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo.; 1012 14th Street NW., Washington, D.C.

A. L. E. Deilke, 163–165 Center Street, Winona, Minn.
B. The Interstate Manufacturer's Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. L. E. Deilke, 163–165 Center Street, Winona, Minn.
B. National Association of Direct Selling Co's., 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. James J. Delaney, Jr., 1003 Lancaster Drive, Anchorage, Alaska.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Ronald W. De Lucien, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $325. E. (9) $75.

A. Milton C. Denbo, 1341 New Hampshire Avenue NW., Washington, D.C.
B. Automatic Car Wash Association, 4432 Connecticut Avenue NW., Washington, D.C.
E. (9) $1.50.

A. Max A. Denney, 1629 K Street NW., Washington, D.C.
B. American Industrial Bankers Association 1629 K Street NW., Washington, D.C.
D. (6) $675.

A. Leslie E. Dennis, 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $680.

A. John M. Dickerman, 900 17th Street NW., Washington, D.C.
B. National Lumber & Building Material Dealers Association, 302 Ring Building, Washington, D.C.
D. (6) $7,500. E. (9) $44.45.

A. Cecil B. Dickson, 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,762.50. E. (9) $215.21.

A. George S. Dietrich, 1741 DeSales Street NW., Washington, D.C.
B. Association on Broadcasting Standards, Inc., 1741 DeSales Street NW., Washington, D.C.
D. (6) $60.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.
B. Department of Water Resources, State of California, Post Office Box 388, Sacramento, Calif.
D. (6) $1,683.46. E. (9) $108.46.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.
B. International Engineering Co., Inc., 74 New Montgomery Street, San Francisco, Calif.
D. (6) $245.45. E. (9) $5.45.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.
B. Sacramento Municipal Utility District, 6201 S Street, Sacramento, Calif.
D. (6) $1,082.92. E. (9) $32.92.

A. Disabled American Veterans, National Service Headquarters, 1701 18th Street NW., Washington, D.C.
B. Disabled American Veterans, 1425 East McMillan Street, Cincinnati, Ohio.
D. (6) $9,375. E. (9) $2,638.58.

A. Robert H. Distelhorst, Jr., 812 Pennsylvania Building, Washington, D.C.
B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $375. E. (9) $9.50.

A. District of Columbia Institute of Certified Public Accountants, 710 Pennsylvania Building, Washington, D.C.
D. (6) $1,541.25. E. (9) $1,541.25.

A. District Lodge 44, International Association of Machinists & Aerospace Workers, 400 First Street NW., Washington, D.C.
D. (6) $47,972.90. E. (9) $41,012.92.

A. Division 689, Amalgamated Transit Union, 900 F Street NW., Washington, D.C.

A. James F. Doherty, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $3,510. E. (9) $469.85.

A. Paul R. M. Donelan, 1 Farragut Square South, Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $250.

A. Ronald D. Doremus, 702 H Street NW., Washington, D.C.

B. National Limestone Institute Inc., 702 H Street NW., Washington, D.C.

E. (9) $12.50.

A. J. Dewey Dorsett, 110 William Street, New York, N.Y.

D. (6) $150.

A. Jasper N. Dorsey, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $138.40.

A. C. L. Dorson, 900 F Street NW., Washington, D.C.

B. Retirement Federation of Civil Service Employees of the U.S. Government, 900 F Street NW., Washington, D.C.

D. (6) $2,093.10. E. (9) $104.

A. Leonard K. Dowiak, 777 14th Street NW., Washington, D.C.

B. American Hotel & Motel Association, 221 West 57th Street, New York, N.Y.

D. (6) $125.

A. P. Frederick Dryer, 3911 Madison Street, Hyattsville, Md.

E. (9) $9.58.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y.

B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y.

D. (6) $2,715.44. E. (9) $2,059.28.

A. R. Michael Duncan.

B. Cleary, Gottleib, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Read P. Dunn, Jr., 1200 18th Street NW., Washington, D.C.

B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.

D. (6) $63. E. (9) $72.19.

A. William E. Dunn, 1957 E Street NW., Washington, D.C.

B. The Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. J. D. Durand, 1725 K Street NW., Washington, D.C.

B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.

E. (9) $220.

A. Frederick G. Dutton, 844 Pennsylvania Building, Washington, D.C.

B. The American Society of Composers, Authors & Publisher, 575 Madison Avenue, New York, N.Y.

D. (6) $3,280. E. (9) $750.

A. Walter A. Edwards, 1700 K Street NW., Washington, D.C.

B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.

D. (6) $250. E. (9) $100.

A. James B. Ehrlich, 1000 Connecticut Avenue NW., Washington, D.C.

B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $516.25. E. (9) $220.28.

A. John Doyle Elliott, 808 North Capitol Street, Washington, D.C.

B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.

D. (6) $1,625. E. (9) $79.40.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D.C.

B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Clyde T. Ellis, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Perry R. Ellsworth, 1025 Vermont Avenue NW., Washington, D.C.

B. Retail Jewelers of America, Inc., 1025 Vermont Avenue NW., Washington, D.C.

E. (9) $50.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. American Public Power Association, 919 18th Street NW., Washington, D.C.

D. (6) $2,100.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Basic Management, Inc., Post Office Box 2065, Henderson, Nev.

D. (6) $3,825. E. (9) $10.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Coachella Valley County Water District, Coachella, Calif.

D. (6) $1,200.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Department of Water & Power of the City of Los Angeles, 111 North Hope Street, Los Angeles, Calif.

D. (6) $2,400.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. East Bay Municipal Utility District, 2130 Adeline Street, Oakland, Calif.

D. (6) $1,200.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Imperial Irrigation District, El Centro, Calif.

D. (6) $2,100.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Las Vegas Valley Water District, 3700 West Charleston Boulevard, Las Vegas, Nev.

D. (6) $450. E. (9) $3.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.

D. (6) $2,000.

A. Myles W. English, 966 National Press Building, Washington, D.C.

B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D.C.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y.

D. (6) $864. E. (9) $117.20.

A. Lawrence E. Ernst, 301 East Capitol Street, Washington, D.C.

B. National Star Route Mail Carriers Association, 301 East Capitol Street, Washington, D.C.

E. (9) $816.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C.

B. Veterans of Foreign Wars of the United States.

D. (6) $2,050. E. (9) $37.60.

A. Family Tax Association, 100 Old York Road, Jenkintown, Pa.

A. William J. Fannin, 1615 H Street NW., Washington, D.C.

A. The Farmers' Educational & Cooperative Union of America, 1575 Sherman Street, Denver, Colo.; and 1012 14th Street NW., Washington, D.C.

D. (6) $99,206.93. E. (9) $18,356.

A. Joseph G. Feeney, 1101 17th Street NW., Washington, D.C.

B. REA Express, 219 East 42d Street, New York, N.Y.

E. (9) $600.

A. Bonner Fellers, 1001 Connecticut Avenue NW., Washington, D.C.

B. Citizens Foreign Aid Committee.

A. Maxwell Field, 210 Lincoln Street, Boston, Mass.

B. New England Shoe & Leather Association, 210 Lincoln Street, Boston, Mass.

D. (6) $400.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C.

B. Council of Forest Industries of British Columbia, 1477 West Pender Street, Vancouver, British Columbia, Canada.

D. (6) $6,000. E. (9) $155.

A. William J. Flaherty, 1701 18th Street NW., Washington, D.C.

B. Disabled American Veterans, 1425 East McMillan Street, Cincinnati, Ohio.

D. (6) $3,000. E. (9) $80.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.

D. (6) $1,300. E. (9) $4.30.

A. Florida Citrus Mutual, Lakeland, Fla.

E. (9) $1,200.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

A. William P. Flythe, Jr., 1411 35th Street NW., Washington, D.C.

B. National Right To Work Committee, 1900 L Street NW., Washington, D.C.

E. (9) $600.

A. Frederick W. Ford.

B. National Community Television Association, Inc., 535 Transportation Building, Washington, D.C.

D. (6) $417. E. (9) $18.

A. James W. Foristel, 1 Farragut Square South, Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $1,612.50. E. (9) $91.33.

A. Ronald J. Foulis, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $260.

A. John G. Fox, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $244.80.

A. Charles A. Francik, 1629 K Street NW., Washington, D.C.

B. Corning Glass Works, Corning, N.Y.

D. (6) $420.

A. R. Frank Frazier, 1155 15th Street NW., Washington, D.C.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C.

D. (6) $250.

A. James H. French, 1625 K Street NW., Washington, D.C.

B. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

D. (6) $100. E. (9) $53.75.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C.

B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

D. (6) $600.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $42,825. E. (9) $10,491.

A. Garrett Fuller, 836 Wyatt Building, Washington, D.C.

B. Columbia Steamship Co., 1210 Standard Plaza, Portland, Oreg.

A. George Milan Fuller, 1627 K Street NW., Washington, D.C.

D. (6) $3,000. E. (9) $550.

A. John Baxter Funderburk, National Press Building, Washington, D.C.

B. The National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill.

D. (6) $500.

A. Marion R. Garstang, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $200. E. (9) $2.50.

A. Aubrey D. Gates, 535 North Dearborn Street, Chicago, Ill.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $170.

A. Harry J. Gerrity, 907 Washington Building, Washington, D.C.

B. National Association of Building Owners & Managers, 134 South LaSalle Street, Chicago, Ill.

E. (9) $88.06.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio.

B. International Union of United Brewery, Flour, Cereal, Soft Drink & Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

D. (6) $1,375. E. (9) $182.14.

A. Neal P. Gillen, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Ginsburg & Feldman, 1 Farragut Square South, Washington, D.C.

B. The Meyercord Co., 5323 West Lake Street, Chicago, Ill.

A. Ginsburg & Feldman, 1 Farragut Square South, Washington, D.C.

B. National Association of Tobacco Distributors, 360 Lexington Avenue, New York, N.Y.

E. (9) $182.23.

A. Royce L. Givens, 224 Seventh Street SE., Washington, D.C.

D. (6) $3,149.13. E. (9) $2,677.50.

A. Philip M. Glick, 1725 K Street NW., Washington, D.C.

B. District of Columbia Institute of Certified Public Accountants, 710 Pennsylvania Building, Washington, D.C.

D. (6) $1,541.25. E. (9) $500.

A. Don A. Goodall, 1615 H Street NW., Washington, D.C.

A. Edward Gottlieb & Associates, Ltd., 640 Fifth Avenue, New York, N.Y.

B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich.

A. Government Employees' Council, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $12,618.45. E. (9) $3,088.11.

A. Grain & Feed Dealers National Association, 400 Folger Building, Washington, D.C.

E. (9) $67.97.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Mrs. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C.

B. Citizens Committee for UNICEF, 20 E Street NW., Washington, D.C.

D. (6) $213.75. E. (9) $134.51.

A. Ben H. Guill, 2000 K Street NW., Washington, D.C.

B. National Automobile Dealers Association, and American Zinc, Lead, & Smelting Co.

D. (6) $4,100. E. (9) $1,800.

A. Jerome R. Gulan.

B. National Federation of Independent Business, 15th Street and New York Avenue NW., Washington, D.C.

A. Seymour S. Guthman, Executive Building, Washington, D.C.

B. Syndicat des Distillateurs et Producterurs de Sucre de Madagascar, 282 Boulevard, St. Germain, Paris 7, France.

A. Robert W. Haack, 888 17th Street NW., Washington, D.C.

B. National Association of Securities Dealers, Inc.

A. Hoyt S. Haddock, 100 Indiana Avenue NW., Washington, D.C.

B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $600. E. (9) $74.74.

A. Hoyt S. Haddock.

B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $1,225. E. (9) $82.

A. Harlan V. Hadley, 1710 H Street NW., Washington, D.C.

B. Automobile Manufacturers Association, 320 New Center Building, Detroit, Mich.

D. (6) $625.

A. Hal H. Hale, 421 Transportation Building, Washington, D.C.

B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Randolph M. Hale, 1200 18th Street NW., Washington, D.C.

B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D.C.

A. Andrew G. Haley, 1735 DeSales Street NW., Washington, D.C.

B. Association on Broadcasting Standards, Inc., 1741 DeSales Street NW., Washington, D.C.

D. (6) $231.39.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill.

A. E. C. Hallbeck, 817 14th Street NW., Washington, D.C.

B. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.

D. (6) $6,875.10.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.

B. Comision Nacional Para el Estudio de la Cana y el Azucar, La Paz, Bolivia.

D. (6) $3,000. E. (9) $435.05.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.

B. Lake Carriers' Association, Rockefeller Building, Cleveland, Ohio.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.

B. Tejon Ranch Co., Post Office Box 1560, Bakersfield, Calif.

D. (6) $1,800.

A. Robert N. Hampton, 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

D. (6) $3,958.34. E. (9) $283.33.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D.C.

B. National Association of Manufacturers.

A. Bryce N. Harlow, 1730 K Street NW., Washington, D.C.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio.

E. (9) $154.

A. Mildred B. Harman, 212 Maryland Avenue NE., Washington, D.C.

B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.

D. (6) $797.49. E. (9) $364.

A. L. James Harmanson, Jr., 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

D. (6) $5,916.66 E. (9) $137.81.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.

D. (6) $1,875.

A. R. A. Harris, 38 South Dearborn Street, Chicago, Ill.

B. Railway Progress Institute, 38 South Dearborn Street, Chicago, Ill.

D. (6) $3,750.

A. Burr P. Harrison, Graichen Building, Winchester, Va.

B. Savage Arms, Westfield, Mass., et al.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.

B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Eugene B. Hayden, Jr., 828 Midland Bank Building, Minneapolis, Minn.

B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.

D. (6) $4,125. E. (9) $2,813.52.

A. Kit H. Haynes, 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

A. Hays & Hays, 920 Warner Building, Washington, D.C.

B. Motor Commerce Association, Inc., 4004 Versailles Road, Lexington, Ky.

D. (6) $300.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.

B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. John C. Hazen, 1317 F Street NW., Washington, D.C.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.

E. (9) $53.70.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $300. E. (9) $17.50.

A. Robert W. Healy, 1101 17th Street NW., Washington, D.C.

B. Smith & Pepper, 1101 17th Street NW., Washington, D.C.

A. Kenneth G. Heisler, 1200 17th Street NW., Washington, D.C.

B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C.

D. (6) $1,000.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.

B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.

D. (6) $1,125. E. (9) $862.76.

A. John K. Herbert, 575 Lexington Avenue, New York, N.Y.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y.

D. (6) $191.57.

A. Maurice G. Herndon, 801 Warner Building, Washington, D.C.

B. National Association of Insurance Agents, 96 Fulton Street, New York, N.Y., and 801 Warner Building, Washington, D.C.

D. (6) $190.20. E. (9) $190.20.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.

B. Savage Arms, Westfield, Mass., et al.

A. Hester, Owen & Stone, 432 Shoreham Building, Washington, D.C.

B. United States Brewers Association, 535 Fifth Avenue, New York, N.Y.

D. (6) $5,000. E. (9) $228.67.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.

B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.

A. John W. Hight, 1028 Connecticut Avenue NW., Washington, D.C.

B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C.

A. Hill & Knowlton, Inc., 150 East 42d Street, New York, N.Y.

A. Norman Hill.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.

D. (6) $594.

A. James A. Hirshfield, 305 Rockefeller Building, Cleveland, Ohio.

B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Lawrence S. Hobart, 919 18th Street NW., Washington, D.C.

B. American Public Power Association, 919 18th Street NW., Washington, D.C.

D. (6) $425.

A. Ralph D. Hodges, Jr.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.

E. (9) $46.93.

A. Irvin A. Hoff, 1001 Connecticut Avenue, Washington, D.C.

B. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C.

E. (9) $42.65.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C.

B. Kaiser Industries Corp., Kaiser Center, Oakland, Calif.

D. (6) $1,600. E. (9) $248.34.

A. Hogan & Hartson, 815 Connecticut Avenew NW., Washington, D.C.

B. Society of Independent Gasoline Marketers of America, Clayton, Mo.

D. (6) $3,000. E. (9) $79.25.

A. Lawrence J. Hogan, 1022 15th Street NW., Washington, D.C.

B. Apartment Association of America, Inc., 1022 15th Street NW., Washington, D.C.

D. (6) $2,925. E. (9) $252.

A. Lawrence J. Hogan, 1022 15th Street NW., Washington, D.C.

B. National Council of Specialty Contractors' Associations, Inc., 1022 15th Street NW., Washington, D.C.

D. (6) $670. E. (9) $20.75.

A. Fuller Holloway, 868 17th Street NW., Washington, D.C.

B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N.Y.

D. (6) $5,000.

A. Lee B. Holmes, 829 Pennsylvania Building, Washington, D.C.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

E. (9) $8.

A. Home Manufacturers Association, 1119 Barr Building, Washington, D.C.

D. (6) $500. E. (9) $1,000.

A. Roland S. Homet, Jr.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Edwin M. Hood, 1730 K Street NW., Washington, D.C.

B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.

A. Thomas B. House.

B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.

D. (6) $100.

A. Charles L. Huber, 1701 18th Street NW., Washington, D.C.

B. Disabled American Veterans, 1425 East McMillan Street, Cincinnati, Ohio.

D. (6) $4,375. E. (9) $2,448.18.

A. W. T. Huff, 918 16th Street NW., Washington, D.C.

B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

D. (6) $375.25.

A. Philip A. Hutchinson, Jr., 1735 New York Avenue NW., Washington, D.C.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.

D. (6) $500. E. (9) $75.

A. Elmer P. Hutter, Post Office Box 2255, Washington, D.C.

D. (6) $5.

A. Elmer P. Hutter, Post Office Box 2255, Washington, D.C.

B. Hugo W. Zugnoni, Rochester, N.Y.

D. (6) $1. E. (9) $403.

A. Frank N. Ikard, 1271 Avenue of the Americas, New York, N.Y.

B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. Bernard J. Imming, 777 14th Street NW., Washington, D.C.

B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

D. (6) $1,250.25.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.

D. (6) $8,675.12. S. (9) $8,675.12.

A. Institute of Appliance Manufacturers, 2000 K Street NW., Washington, D.C.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.

D. (6) $300. E. (9) $105.96.

A. International Armament Corp., 10 Prince Street, Alexandria, Va.

E. (9) $1,500.

A. The Interstate Manufacturers Association, 163–165 Center Street, Winona, Minn.

D. (6) $2,975. E. (9) $3.25.

A. Iron Ore Lessors Association, Inc., 1000 First National Bank Building, St. Paul, Minn.

D. (6) $29,839.82. E. (9) $25,899.14.

A. Ives, Whitehead & Co., Inc., 1737 H Street NW., Washington, D.C.

A. Robert C. Jackson, 1120 Connecticut Avenue NW., Washington, D.C.

B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.

D. (6) $3,750. E. (9) $225.20.

A. Walter K. Jaenicke, 1957 E Street NW., Washington, D.C.

B. The Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Ralph K. James, 1155 15th Street NW., Washington, D.C.

B. Committee of American Steamship Lines, 1155 15th Street NW., Washington, D.C.

D. (6) $440. E. (9) $53.21.

A. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.

A. Daniel Jaspan, Post Office Box 1924, Washington, D.C.

B. National Association of Postal Supervisors, Post Office Box 1924, Washington, D.C.

D. (6) $4,374.51. E. (9) $45.17.

A. Joe Jenness, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Robert G. Jeter, Dresden, Tenn.
B. H. C. Spinks Clay Co., Paris, Tenn., et al.
D. (6) $3,366.31.

A. Spencer A. Johnson, 1615 H Street NW., Washington, D.C.

A. Ruben L. Johnson.
B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.
D. (6) $3,092.35. E. (9) $196.90.

A. Ned Johnston, 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.

A. Geo. Bliss Jones, Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. L. Dan Jones, 1110 Ring Building, Washington, D.C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.
E. (9) $39.50.

A. Karelsen, Karelsen, Lawrance & Nathan, 230 Park Avenue, New York, N.Y.
E. (9) $378.34.

A. William J. Keating, 400 Folger Building, Washington, D.C.
B. Grain & Feed Dealers National Association, 400 Folger Building, Washington, D.C.
D. (6) $12.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Los Angeles, Calif.
E. (9) $275.

A. Charles C. Keeble, 1730 K Street NW., Washington, D.C.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $576.17.

A. Eugene A. Kenney, 1616 H Street NW., Washington, D.C.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C.
B. American Machine Tool Distributors' Association, 1500 Massachusetts Avenue NW., Washington, D.C.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C.
B. Pharmaceutical Manufacturers Association.

A. Thomas A. Kelly, 1625 I Street NW., Washington, D.C.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $2,112.50.

A. I. L. Kenen, 1341 G Street NW., Washington, D.C.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C.
D. (6) $180.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C.
B. Marathon Oil Co., Findlay, Ohio.
E. (9) $105.80.

A. James J. Kennedy, Jr., 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $270.28.

A. Peter B. Kenney, 1725 K Street NW., Washington, D.C.
B. National Broadcasting Co., Inc., 30 Rockefeller Plaza, New York, N.Y.

A. William F. Kenney, New York, N.Y.
B. Shell Oil Co., 50 West 50th Street, New York, N.Y.

A. William J. Kerwin, 1200 17th Street NW., Washington D.C.
B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C.
D. (6) $112.

A. Jeff Kibre, 1341 G Street NW., Washington, D.C.
B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $2,697.54. E. (9) $2,143.82.

A. John L. Kilcullen, 910 17th Street NW., Washington, D.C.
B. National Right To Work Committee, 1900 L Street NW., Washington, D.C.
D. (6) $600. E. (9) $50.

A. Edward W. Kiley, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Joseph T. King, 1028 Connecticut Avenue NW., Washington, D.C.
B. Associated Equipment Distributors & Sprinkler Irrigation Association.
E. (9) $798.49.

A. T. Bert King, 812 Pennsylvania Building, Washington, D.C.
B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $750.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $690. E. (9) $74.56.

A. Ernest A. Kistler, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.
D. (6) $400. E. (9) $264.34.

A. Ralph W. Kittle.
B. International Paper Co., 220 East 42d Street, New York, N.Y.

A. James F. Kmetz, 1427 I Street NW., Washington, D.C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C.
D. (6) $4,790.

A. John D. Knodell, Jr., 1730 K Street NW., Washington, D.C.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $700.19.

A. Robert M. Koch, 702 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 702 H Street NW., Washington, D.C.
E. (9) $25.

A. Kominers & Fort, 529 Tower Building, Washington, D.C.
B. Committee of American Steamship Lines, 1155 15th Street NW., Washington, D.C.
D. (6) $4,870. E. (9) $490.32.

A. June Kysilko, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Labor Bureau of Middle West, 1155 15th Street NW., Washington, D.C., and 11 South LaSalle Street, Chicago, Ill.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $8,460. E. (9) $6,605.

A. Laborers' International Union of North America, 905 16th Street NW., Washington, D.C.
E. (9) $9,375.93.

A. Laborers' Political Action League, 905 16th Street NW., Washington, D.C.
D. (6) $7,557.29. E. (9) $100.

A. Richard H. Lane, 1511 K Street NW., Washington, D.C.
B. The Committee for Broadening Commercial Bank Participation in Public Financing.

A. Reed E. Larson, 1900 L Street NW., Washington, D.C.
B. National Right To Work Committee, 1900 L Street NW., Washington, D.C.
D. (6) $200. E. (9) $50.

A. Glenn T. Lashley, 1712 G Street NW., Washington, D.C.
B. District of Columbia Division, American Automobile Association, 1712 G Street NW., Washington, D.C.

A. L. Edward Lashman, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations.
D. (6) $3,562. E. (9) $484.01.

A. J. Austin Latimer, 1001 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,400.

A. George H. Lawrence, 1101 17th Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $312.50. E. (9) $42.90.

A. Thomas B. Lawrence, 917 15th Street NW., Washington, D.C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $650.

A. Warren Lawrence, 1700 K Street NW., Washington, D.C.
B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.
D. (6) $125. E. (9) $76.02.

A. League of Americans Residing Abroad, 910 17th Street NW., Washington, D.C.

A. Robert F. Lederer, 835 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.
D. (6) $36.25. E. (9) $108.

A. Leonard F. Lee, 402 Solar Building, Washington, D.C.
B. Tennessee Gas Transmission Co., Post Office Box 2511, Houston, Tex.
E. (9) $66.50.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $125. E. (9) $178.

A. Legislative Committee, International Economic Policy Association, 1625 I Street NW., Washington, D.C.
E. (9) $66.64.

A. G. E. Leighty, 400 First Street NW., Washington, D.C.

A. E. Leitz, Inc., 468 Park Avenue South, New York, N.Y.

A. Nils A. Lennartson, 38 South Dearborn Street, Chicago, Ill.
B. Railway Progress Institute, 38 South Dearborn Street, Chicago, Ill.
D. (6) $9,249.96.

A. Edith M. Lesser, 2924 Rittenhouse Street NW., Washington, D.C.
B. Washington Home Rule Committee, 924 14th Street NW., Washington, D.C.
D. (6) $1,126.65.

A. Roy T. Lester, M.D., 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $375. E. (9) $13.

A. Morris J. Levin, 1632 K Street NW., Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Morris J. Levin, 1632 K Street NW., Washington, D.C.
B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. Hal Leyshon, 122 East 42d Street, New York, N.Y.
B. American Federation of Musicians, 641 Lexington Avenue, New York, N.Y.
D. (6) $4,999.98. E. (9) $1,165.99.

A. Lightweight Aggregates Percentage Depletion Committee, c/o John W. Roberts, Post Office Box 9138, Richmond, Va.
D. (6) $9,155.82. E. (9) $2,632.12.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C.
D. (6) $162.50. E. (9) $1.

A. Charles B. Lipsen, 1741 DeSales Street NW., Washington, D.C.
B. Retail Clerks International Association, 1741 DeSales Street NW., Washington, D.C.
D. (6) $4,038.45. E. (9) $1,547.76.

A. Zel E. Lipsen, 1925 K Street NW., Washington, D.C.
B. Brotherhood of Painters, Decorators & Paperhangers of America, AFL–CIO, 1925 K Street NW., Washington, D.C.
D. (6) $3,570. E. (9) $3,698.40.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $550. E. (9) $89.54.

A. Basil R. Littin, 30 Rockefeller Plaza, New York, N.Y.
B. Continental Oil Co.

A. John L. Logan, 400 First Street NW., Washington, D.C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $1,412.26.

A. Paul H. Long, 1612 K Street NW., Washington, D.C.
B. Standard Oil Co., 30 Rockefeller Plaza, New York, N.Y.
E. (9) $32.40.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $1,500.

A. Otto Lowe, Cape Charles, Va.
B. Norfolk & Western Railway Co., Roanoke, Va.
D. (6) $600.

A. Scott W. Lucas, 1028 Connecticut Avenue, NW., Washington, D.C.
B. District of Columbia Bankers Association, 1708 Massachusetts Avenue NW., Washington, D.C.
D. (6) $2,000.

A. Scott W. Lucas, 1028 Connecticut Avenue NW., Washington, D.C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1028 Connecticut Avenue NW., Washington, D.C.
B. Western Medical Corp., 415–423 West Pershing Road, Chicago, Ill.
D. (6) $1,000.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $750.

A. John M. Lynham, 888 17th Street NW., Washington, D.C.
B. Charles and Katrushka J. Parsons, 310 Park Avenue, Pasay City, Manila, Philippines.
E. (9) $313.

A. John C. Lynn, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.
D. (6) $2,593.75. E. (9) $35.36.

A. Breck P. McAllister, 25 Broadway, New York, N.Y.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. Robert C. McCandless.
B. International Paper Co., 220 East 42d Street, New York, N.Y.
D. (6) $165. E. (9) $88.40.

A. John A. McCart, 100 Indiana Avenue NW., Washington, D.C.
B. Government Employes' Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $1,682.66.

A. McCarty & Wheatley, 1200 Walker Building, Washington, D.C.
B. Semitropic Water Storage District, 2714 L Street, Bakersfield, Calif.
D. (6) $850.

A. Guy G. McConnell, 1825 Connecticut Avenue NW., Washington, D.C.
B. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,250.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C.
B. American Hotel & Motel Association, 221 West 57th Street, New York, N.Y.
D. (6) $200.

A. Angus H. McDonald.
B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., 1012 14th Street NW., Washington, D.C.
D (6) $8,769.41. E. (9) $181.57.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont.
B. The Montana Power Co., Butte, Mont.
E. (9) $202.87.

A. Benny W. McGehee, Post Office Box 908, San Antonio, Tex.
B. Air Force Sergeants Association, Post Office Box 908, San Antonio, Tex.
D. (6) $300.

A. Paul J. McGowan, Jr., 777 14th Street NW., Washington, D.C.
B. Virgin Islands Legislature, Charlotte Amalie, St. Thomas, Virgin Islands.
D. (6) $3,750. E. (9) $380.

A. Marshall C. McGrath.
B. International Paper Co., 220 East 42d Street, New York, N.Y.
D. (6) $262.50. E. (9) $135.19.

A. F. Howard McGuigan, 815 16th Street, NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,692. E. (9) $154.75.

A. William F. McKenna, 1200 17th Street NW., Washington, D.C.
B. National League of Insured Savings Associations 1200 17th Street NW., Washington, D.C.
D. (6) $34.

A. Marvin L. McLain, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.
D. (6) $2,350. E. (9) $45.15.

A. William F. McManus, 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $450. E. (9) $114.75.

A. C. W. McMillan, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $4,999.98. E. (9) $237.40.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue NW., Washington, D.C.
B. American Optometric Association, Inc., c/o Dr. Melvin D. Wolfberg, 100 West Pine Street, Selinsgrove, Pa.
D. (6) $2,500.

A. John G. Macfarlan, 1101 17th Street NW., Washington, D.C.
B. REA Express, 219 East 42d Street, New York, N.Y.
D. (6) $1,602.50. E. (9) $331.50.

A. Jos. R. MacLaren, 4 Linden Drive, Hudson Falls, N.Y.
B. Potlatch Forests Inc., 320 Market Street, San Francisco, Calif.
D. (6) $1,325. E. (9) $588.80.

A. H. E. Mahlman, 17th Street NW., Washington, D.C.
B. American Optometric Association, Inc., 100 West Pine Street, Selinsgrove, Pa.
D. (6) $812.50. E. (9) $44.27.

A. Don Mahon, 1127 Warner Building, Washington, D.C.
E. (9) $1,943.90.

A. Carter Manasco Co., 5932 Chesterbrook Road, McLean, Va.
B. National Coal Association, Coal Building, Washington, D.C.
D. (6) $5,400. E. (9) $716.53.

A. Robert F. Murphy, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,307.50. E. (9) $86.45.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. William E. Murtha, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Rufus W. Manderson, 1200 18th Street NW., Washington, D.C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D.C.

A. Manufacturing Chemists' Association Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $5,000. E. (9) $3,000.

A. Olya Margolin (Mrs.), 1346 Connecticut Avenue NW., Washington, D.C.
B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N.Y.
D. (6) $2,242.02. E. (9) $167.03.

A. James Mark, Jr., 1427 I Street NW., Washington, D.C.
B. United Mine Workers of America, 900 15th Street, NW., Washington, D.C.
D. (6) $4,790.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue, Washintgon, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $525. E. (9) $1,044.

A. Raymond E. Marks, 65 Market Street, San Francisco, Calif.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.
D. (6) $500. E. (9) $515.54.

A. Robert O. Marritz, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $105.

A. Michael Marsh, 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $396.16.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $120.

A. J. Paul Marshall, 925 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $266.15. E. (9) $225.50.

A. Thomas A. Martin, 1625 K Street NW., Washington, D.C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.
D. (6) $500. E. (9) $100.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.
B. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.

A. Walter J. Mason, 815 16th Street NW., Washington, D.C.
B. Building & Construction Trades Dept., AFL-CIO, 815 16th Street NW., Washington, D.C.
D. (6) $4,615.32. E. (9) $1,390.

A. J. M. Massey, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $496.67.

A. P. H. Mathews, 925 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $707.35. E. (9) $136.77.

A. Charles D. Matthews, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D.C.
D. (6) $100. E. (9) $36.58.

A. Albert E. May, 1155 15th Street NW., Washington, D.C.
B. Committee of American Steamship Lines, 1155 15th Street NW., Washington, D.C.
D. (6) $364. E. (9) $24.07.

A. John S. Mears, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,240. E. (9) $28.50.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,952. E. (9) 213.44.

A. Donald Melvin, 20 E Street NW., Washington, D.C.
B. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $622.80. E. (9) $246.96.

A. Mercantile Trust Co., St. Louis, Mo.
E. (9) $4,061.53.

A. Lawrence C. Merthan, 1735 K Street NW., Washington, D.C.
B. Chas. Pfizer & Co., Inc., 235 East 42d Street, New York, N.Y.
D. (6) $300. E. (9) $130.25.

A. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
E. (9) $1,653.40.

A. Midland Cooperative Dairy Association, Shawano, Wis., and Box 128, Cazenovia, N.Y.

A. John R. Miles, 1615 H Street NW., Washington, D.C.

A. Miller Associates, Inc., 1705 DeSales Street NW., Washington, D.C.
B. Associated Telephone Answering Exchange, Inc., 777 14th Street NW., Washington, D.C.
D. (6) $937.50. E. (9) $90.

A. Capt. A. Stanley Miller, 1629 K Street NW., Washington, D.C.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.
D. (6) $100.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D.C.
B. Mercantile Trust Co., St. Louis, Mo.
D. (6) $3,500. E. (9) $91.55.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Gulf Intercoastal Canal Association, 2211 South Coast Building, Houston, Tex.
D. (6) $2,625.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N.Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.
D. (6) $3,750. E. (9) $982.74.

A. Lloyd S. Miller, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.
D. (6) $436.50.

A. Luman G. Miller, 912 Failing Building, Portland, Oreg.
B. Oregon Railroad Association, 912 Failing Building, Portland, Oreg.
E. (9) $367.64.

A. Jim M. Milligan, 402 Barclay Building, Bala-Cynwyd, Pa.
B. National Water Company Conference, 402 Barclay Building, Bala-Cynwyd, Pa.

A. Othmer J. Mischo, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Missouri Railroad Committee, 906 Olive Street, St. Louis, Mo.
E. (9) $230.88.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.

A. G. Merrill Moody, 925 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $35.31. E. (9) $30.

A. Henry J. Moreschi, 905 16th Street NW., Washington, D.C.
B. Laborers' International Union of North America, 905 16th Street NW., Washington, D.C.
E. (9) $151.01.

A. Morison, Clapp, Abrams & Haddock, the Pennsylvania Building, Washington, D.C.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Motor Commerce Association, Inc., 4004 Versailles Road, Lexington, Ky.
D. (6) $1,600. E. (9) $510.

A. T. H. Mullen, 1145 19th Street NW., Washington, D.C.
B. American Paper Institute, Inc., 122 East 42d Street, New York, N.Y.

A. John J. Murphy, Route 2, Box 113-D, Edgewater, Md.
B. National Customs Service Association.

A. Kenneth D. Naden, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

A. Micah H. Naftalin, 1330 Massachusetts Avenue NW., Washington, D.C.

B. South Potomac Citizens' Crisis Committee, 8701 Riverview Road, Oxon Hill, Md.
D. (6) $2,500.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J.

A. Nation-Wide Committee on Import-Export Policy, 815 15th Street NW., Washington, D.C.
D. (6) $7,050. E. (9) $9,108.95.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C.

A. National Associated Businessmen, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $1,476.90. E. (9) $971.55.

A. National Association of Building Owners & Managers, 134 South LaSalle Street, Chicago, Ill.
E. (9) $296.70.

A. National Association of Direct Selling Co.'s, 163–165 Center Street, Winona, Minn.
D. (6) $15,000. E. (9) $12.75.

A. National Association of Electric Co.'s, 1200 18th Street NW., Washington, D.C.
D. (6) $58,120.03. E. (9) $8,633.34.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $350. E. (9) $350.

A. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.
D. (6) $45,636.52. E. (8) $1,548.70.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D.C.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y.
D. (6) $2,888.92. E. (9) $2,888.92.

A. National Association of Postal Supervisors, Post Office Box 1924, Washington, D.C.
D. (6) $20,000. E. (9) $8,684.56.

A. National Association of Soil & Water Conservation Districts, League City, Tex.

A. National Association of Travel Organizations, 900 17th Street NW., Washington, D.C.
D. (6) $22,896.55. E. (9) $682.50.

A. National Automobile Dealers Association, 2000 K Street NW., Washington, D.C.
D. (6) $14,443.76. E. (9) $14,443.76.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C.
D. (6) $450. E. (9) $450.

A. National Coal Association, Coal Building, Washington, D.C.

A. National Committee To Abolish the House Un-American Activities Committee, 555 North Western Avenue, Los Angeles, Calif.
D. (6) $1,200.70. E. (9) $1,200.70.

A. National Community Television Association, Inc., 535 Transportation Building, Washington, D.C.
D. (6) $586.50. E. (9) $586.50.

A. National Conference of Non-Profit Shipping Associations, Inc., 26 Auburn Avenue, Atlanta, Ga.
D. (6) $5,650.

A. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $21,382.41. E. (9) $21,382.41.

A. National Council of Agricultural Employers, 620 Southern Building, Washington, D.C.
D. (6) $1,647.08. E. (9) $1,647.08.

A. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $7,957.75. E. (9) $8,167.33.

A. National Electrical Contractors, Association, Inc., 1200 18th Street NW., Washington, D.C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y.
D. (6) $924.54. E. (9) $924.54.

A. National Farmers Organization, Corning, Iowa.
E. (9) $1,862.52.

A. National Fisheries Institute, Inc., 1614 20th Street NW., Washington, D.C.

A. National Forest Products, Association, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $1,401.23. E. (9) $1,525.27.

A. National Independent Dairies Association, 1735 K Street NW., Washington, D.C.
E. (9) $522.11.

A. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C.
D. (6) $433,794.10. E. (9) $1,200.58.

A. National Limestone Institute, Inc., 702 H Street NW., Washington, D.C.
D. (6) $1,227.50. E. (9) $1,227.50.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $8,672.51. E. (9) $8,672.51.

A. National Reclamation Association, 897 National Press Building, Washington, D.C.
D. (6) $6,652.50. E. (9) $17,658.96.

A. National Retail Furniture Association, 1150 Merchandise Mart, Chicago, Ill.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $4,995.33.

A. National Right To Work Committee, 1900 L Street NW., Washington, D.C.
D. (6) $11,160. E. (9) $8,600.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
E. (9) $1,023.13.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $372,300. E. (9) $2,524.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $765. E. (9) $765.

A. The National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $2,120.61. E. (9) $2,479.30.

A. Robert R. Neal, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Alan M. Nedry, 888 17th Street NW., Washington, D.C.
B. Southern California Edison Co., Post Office Box 351, Los Angeles, Calif.
D. (6) $2,500. E. (9) $2,149.70.

A. Samuel E. Neel, 1707 H Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $3,750. E. (9) $3,639.

A. Ivan A. Nestingen, 1000 Connecticut Avenue NW., Washington, D.C.
B. GUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $300. E. (9) $33.47.

A. New England Shoe & Leather Association, 210 Lincoln Street, Boston, Mass.
D. (6) $400. E. (9) $400.

A. Sarah H. Newman, 1029 Vermont Avenue NW., Washington, D.C.
B. National Consumers League, 1029 Vermont Avenue NW., Washington, D.C.
D. (6) $1,650.

A. George L. Nichols, 1909 Q Street NW., Washington, D.C.
B. National Association of Retired Civil Employees, 1909 Q Street NW., Washington, D.C.
D. (6) $1,750. E. (9) $58.93.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C.
B. United Federation of Postal Clerks, Washington, D.C.
D. (6) $4,999.98. E. (9) $634.72.

A. Charles M. Noone, 1209 Ring Building, Washington, D.C.
B. National Association of Small Business Investment Co., 537 Washington Building, Washington, D.C.
D. (6) $1,500. E. (9) $278.14.

A. Joseph A. Noone, 1155 15th Street NW., Washington, D.C.
B. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C.

A. O. L. Norman, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Co's., 1200 18th Street NW., Washington, D.C.
D. (6) $600. E. (9) $42.86.

A. Robert H. North, 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.
E. (9) $690.19.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians & Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Graham T. Northup, 1707 H Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $5,300. E. (9) $5,836.

A. E. M. Norton, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $300. E. (9) $74.50.

A. Michael J. Norton, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $200. E. (9) $312.30.

A. Ira H. Nunn, 1155 15th Street NW., Washington, D.C.
B. National Restaurant Association, 1155 15th Street NW, Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.
D. (6) $2,250. E. (9) $250.

A. Seward P. Nyman, 3301 16th Street NW., Washington, D.C.
B. American Podiatry Association, 3301 16th Street NW., Washington, D.C.
D. (6) $650. E. (9) $650.

A. Richard T. O'Connell, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $4,166.68. E. (9) $176.71.

A. William B. O'Connell, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Signalmen, 2247 West Lawrence Avenue, Chicago, Ill.
D. (6) $600.

A. O'Connor, Green, Thomas & Walters, 508 Federal Bar Building, Washington, D.C.
B. American Transit Association, 355 Lexington Avenue, New York, N.Y.
D. (6) $5,000. E. (9) $146.50.

A. O'Connor, Green, Thomas, Walters & Kelly, 508 Federal Bar Building, Washington, D.C.
B. Committee for Government of the People, 733 15th Street NW., Washington, D.C.
D. (6) $10,000. E. (9) $2,098.70.

A. O'Connor, Green, Thomas & Walters, 508 Federal Bar Building, Washington, D.C.
B. El Paso Natural Gas Co., 1 Chase Manhattan Plaza, New York, N.Y.

A. O'Connor, Green, Thomas & Walters, 508 Federal Bar Building, Washington, D.C.
B. Outdoor Amusement Business Association, Box 143, Southfield, Mich.
E. (9) $18.50.

A. O'Connor, Green, Thomas & Walters, 508 Federal Bar Building, Washington, D.C.
B. Upper Mississippi Towing Corp., 7703 Normandale Road, Minneapolis, Minn.
D. (6) $2,500. E. (9) $631.36.

A. R. E. O'Connor, 122 East 42d Street, New York, N.Y.
B. American Paper Institute, Inc., 122 East 42d Street, New York, N.Y.

A. John B. O'Day, 11 East Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 11 East Adams Street, Chicago, Ill.
D. (6) $26,300.41.

A. Jane O'Grady, 815 16th Street NW., Washington, D.C.
B. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y.
D. (6) $1,885. E. (9) $342.42.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $1,904.12.

A. Alvin E. Oliver, 400 Folger Building, Washington, D.C.
B. Grain & Feed Dealers National Association, 400 Folger Building, Washington, D.C.
D. (6) $21.62. E. (9) $2.

A. Samuel Omasta, 702 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 702 H Street NW., Washington, D.C.
E. (9) $5.

A. Charles T. O'Neill, Jr., 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 90 Park Avenue, New York, N.Y.
D. (6) $450. E. (9) $89.60.

A. Harry D. Orr, Jr., 1 North LaSalle Street, Chicago, Ill.
B. Robert O. Anderson, Roswell, N. Mex.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.

A. Kermit Overby, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $185.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa.
B. Campbell Soup Co., 375 Memorial Avenue, Camden, N.J.

A. Walter Page, Box 128, Cazenovia, N.Y.

A. Everett L. Palmer, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.

A. J. D. Parel, 244 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $193.34. E. (9) $193.

A. James D. Parriott, Jr., 539 South Main Street, Findlay, Ohio.
B. Marathon Oil Co., 539 South Main Street, Findlay, Ohio.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $138.50.

A. James G. Patton.
B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.
D. (6) $1,375. E. (9) $356.48.

A. Lynn C. Paulson, 1735 K Street NW. Washington, D.C.
B. National Independent Dairies Association, 1735 K Street NW., Washington, D.C.
E. (9) $121.29.

A. Fred W. Peel, 1001 Connecticut Avenue NW., Washington, D.C.
B. Hecla Mining Co., Wallace, Idaho.
D. (6) $1,535.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. Charitable Contributors Association, 100 Old York Road, Jenkintown, Pa.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. Family Tax Association, 100 Old York Road, Jenkintown, Pa.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. The Pitcairn Co., 100 West 10th Street, Wilmington, Del.
D. (6) $400. E. (9) $102.35.

A. Brig. Gen. J. L. Person, USA (Ret.), LaSalle Building, Washington, D.C.
B. National Rivers & Harbors Congress, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $6,249.99.

A. Peter J. Pestillo, 1155 15th Street NW., Washington, D.C.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.
D. (6) $1,437.48. E. (9) $125.

A. A. Harold Peterson, 500 Minnesota Federal Building, Minneapolis, Minn.
B. National R.E.A. Telephone Association, 500 Minnesota Federal Building, Minneapolis, Minn.
D. (6) $4,500. E. (9) $2,211.64.

A. J. Hardin Peterson, Post Office Drawer BS, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.
D. (6) $1,200. E. (9) $43.50.

A. J. Hardin Peterson, Post Office Drawer BS, Lakeland, Fla.
B. Florida Fruit & Vegetable Association, Post Office Box 20155, Orlando, Fla.
E. (9) $21.58.

A. J. Hardin Peterson, Post Office Drawer BS, Lakeland, Fla.
B. West Coast Inland Navigation District, Court House, Bradenton, Fla.
D. (6) $600. E. (9) $21.

A. Kenneth T. Peterson, 400 First Street NW., Washington, D.C.
B. Hotel & Restaurant Employees & Bartenders International Union, 6 East Fourth Street, Cincinnati, Ohio.
D. (6) $2,499.99.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C.

A. John P. Philbin, 510 Shoreham Building, Washington, D.C.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.
D. (6) $1,125. E. (9) $137.27.

A. Richard N. Philleo, 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,350. E. (9) $81.70.

A. Tom Pickett, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washingtoin, D.C.
D. (6) $110.41.

A. T. E. Pinkston, Kentucky Railroad Association, 101 East High Street, Lexington, Ky.

A. James H. Pipkin, 1001 Connecticut Avenue NW., Washington, D.C.
B. Texaco Inc., 135 East 42d St., New York, N.Y.
D. (6) $700. E. (9) $1,460.

A. The Pitcairn Co., 100 West 10th Street, Wilmington, Del.
E. (9) $445.87.

A. Plains Cotton Growers, Inc., 1720 Avenue M, Lubbock, Tex.
D. (6) $146,134.36. E. (9) $1,350.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.

A. James K. Polk, 522 Fifth Avenue, New York, N.Y.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y.

A. John W. Pompelli, 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,500. E. (9) $72.50.

A. Robert R. Poston, 908 Colorado Building, Washington, D.C.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y.
D. (6) $900. E. (9) $127.01.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C.
B. Investment Co. Institute, 61 Broadway, New York, N.Y.
D. (6) $2,499.99. E. (9) $38.15.

A. William J. Potts, Jr., 1735 DeSales Street, NW., Washington, D.C.
B. Association on Broadcasting Standards, Inc., 1731 DeSales Street NW., Washington, D.C.

A. Richard M. Powell, 1210 Tower Building, Washington, D.C.
B. National Association of Refrigerated Warehouses, 1210 Tower Building, Washington, D.C.

A. William I. Powell, 1110 Ring Building, Washington, D.C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.
E. (9) $21.20.

A. Graydon R. Powers, Jr., 1735 DeSales Street NW., Washington. D.C.
D. (6) $42.90.

A. Marvin J. Powers, 1629 K Street NW., Washington, D.C.
B. American Industrial Bankers Association, 1629 K Street NW., Washington, D.C.
D. (6) $300.

A. William C. Prather, 221 North LaSalle Street, Chicago, Ill.
B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $400. E. (9) $82.

A. William H. Press, 1616 K Street NW., Washington, D.C.
D. (6) $7,500.

A. Forrest J. Prettyman. 730 15th Street NW., Washington, D.C.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C.
D. (6) $150. E. (9) $14.05.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.
B. American Cancer Society, New York, N.Y., et al.
D. (6) $13,349.97. E. (9) $6,740.20.

A. Alex Radin, 919 18th Street, NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $222.20

A. Edward F. Ragland, 6917 Marbury Road, Bethesda, Md.
B. The Tobacco Institute, Inc., 1735 K Street NW., Washington, D.C.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

A. Railway Progress Institute, 33 South Dearborn Street, Chicago, Ill.
D. (6) $6.75.

A. Alan T. Rains, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Donald J. Ramsey, 1625 I Street, NW., Washington, D.C.
B. Silver Users Association, 1625 I Street NW., Washington, D.C.
D. (6) $500. E. (9) $47.63.

A. James A. Ransford, 1701 Pennsylvania Avenue NW., Washington, D.C.
B. Tidewater Oil Co., Los Angeles, Calif.

A. Edward M. Raymond, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $3,833.36. E. (9) $154.45.

A. Sydney C. Reagan, 3840 Greenbrier Drive, Dallas, Tex.
B. Southwestern Peanut Shellers Association, Drawer 747, Durant, Okla.
D. (6) $150.

A. Robert E. Redding, 1101 17th Street NW., Washington, D.C.
B. Committee for Time Uniformity, 1101 17th Street NW., Washington, D.C.
E. (9) $5.

A. Robert E. Redding, 1101 17th Street NW., Washington, D.C.
B. Transportation Association of America, 1101 17th Street NW., Washington, D.C.

A. Otie M. Reed, 1107 19th Street NW., Washington, D.C.
D. (6) $1,150. E. (9) $1,392.08.

A. W. O. Reed, 6254 Woodland Drive, Dallas, Tex.
B. Texas Railroads.
D. (6) $337.50. E. (9) $21.30.

A. J. A. Reidelbach, Jr., 1119 Barr Building, Washington, D.C.
B. Home Manufacturers Association, 1119 Barr Building, Washington, D.C.
D. (6) $200.

A. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $122,133.24.

A. Retired Officers Tax Credit Committee, Post Office Box 1965, Annapolis, Md.
D. (6) $424. E. (9) $1,858.92.

A. Retirement Federation of Civil Service Employees of the U.S. Government, 900 F Street NW., Washington, D.C.
D. (6) $3,474.42. E. (9) $5,923.70.

A. Theron J. Rice, 1710 H Street NW., Washington, D.C.
B. Continental Oil Co., 30 Rockefeller Plaza, New York, N.Y.

A. James W. Richards, 1000 16th Street NW., Washington, D.C.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.
D. (6) $1,133.34. E. (9) $20.02.

A. Dorsey Richardson, 61 Broadway, New York, N.Y.
B. Investment Company Institute, 61 Broadway, New York, N.Y.
E. (9) $112.08.

A. W. E. Richardson, 2633 North Sycamore Street, Arlington, Va.

A. Richard J. Riddick, 1012 14th Street NW., Washington, D.C.
B. Freight Forwarders Institute, 1012 14th Street NW., Washington, D.C.
D. (6) $3,750. E. (9) $229.17.

A. Siert F. Riepma, Munsey Building, Washington, D.C.

A. John Rippey, 20 E Street NW., Washington, D.C.
B. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $782.55. E. (9) $127.

A. William Neale Roach, 1700 K Street NW., Washington, D.C.
B. International Armament Corp., 10 Prince Street, Alexandria, Va.
D. (6) $1,500.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $250.

A. Roberts & Holland, 405 Lexington Avenue, New York, N.Y.
B. Furman-Wolfson Corp., 1440 Broadway, New York, N.Y.
D. (6) $2,000.

A. Roberts & Holland, 405 Lexington Avenue, New York, N.Y.
B. Garden Bay Manor, Inc., 22 West 48th Street, New York, N.Y.
E. (9) $65.50.

A. Roberts & Holland, 405 Lexington Avenue, New York, N.Y.
B. I.O.S., Ltd. (S.A.), 119, rue de Lausanne, Geneva, Switzerland.

A. Austin L. Roberts, Jr., 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
D. (6) $875.

A. Clyde F. Roberts, Jr., 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Kenneth A. Roberts, 423 Washington Building, Washington, D.C.
B. American Optometric Association, 100 West Pine Street, Selinsgrove, Pa.
D. (6) $1,500.

A. Kenneth A. Roberts, 423 Washington Building, Washington, D.C.
B. American Podiatry Association, 3301 16th Street NW., Washington, D.C.
D. (6) $1,200.

A. Kenneth A. Roberts, 423 Washington Building, Washington, D.C.
B. Animal Health Institute, 1030 15th Street NW., Washington, D.C.
D. (6) $3,000.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $185.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C.
B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C.
D. (6) $437.50.

A. Frank W. Rogers, 1700 K Street, NW., Washington, D.C.

B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif.
D. (6) $526.

A. John F. Rolph III, 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 90 Park Avenue, New York, N.Y.
D. (6) $500.

A. Royall, Koegel & Rogers, 1730 K Street NW., Washington, D.C.
B. Ad Hoc Committee of Publishing Cos., 60-62 Fifth Avenue, New York, N.Y.
D. (6) $3,500.

A. Royall, Koegel & Rogers, 1730 K Street NW., Washington, D.C.
B. Pinkerton's, Inc., 154 Nassau Street, New York, N.Y.

A. Royall, Koegel & Rogers, 200 Park Avenue, New York, N.Y., and 1730 K Street NW., Washington, D.C.
B. Power Authority of the State of New York, 10 Columbus Circle, New York, N.Y.
E. (9) $13.90.

A. Rubenstein, Wolfson & Co., Inc., 230 Park Avenue, New York, N.Y.
B. National Independent Coal Operators Association, Pikeville, Ky.

A. John Forney Rudy, 902 Ring Building, Washington, D.C.
B. The Goodyear Tire & Rubber Co., Akron, Ohio.

A. Harland J. Rue.
B. New Process Co., Warren, Pa.
E. (9) $606.98.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $3,420. E. (9) $375.05.

A. William H. Ryan, 400 First Street NW., Washington, D.C.
B. District Lodge No. 44, International Association of Machinists & Aerospace Workers, 400 First Street NW., Washington, D.C.
D. (6) $4,038.44. E. (9) $60.

A. Robert A. Saltzstein, 1300 Wyatt Building, Washington, D.C.
B. American Business Press, 205 East 42d Street, New York, N.Y.
E. (9) $1,089.26.

A. Satterlee, Warfield & Stephens, 277 Park Avenue, New York, N.Y.
B. American Nurses' Association, 10 Columbus Circle, New York, N.Y.
E. (9) $82.01.

A. William H. Scheick, 1735 New York Avenue NW., Washington, D.C.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.
D. (6) $300.

A. Henry P. Schmidt, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) 150. E. (9) $11.

A. Leslie J. Schmidt Associates, 9302 East Parkhill Drive, Washington, D.C.
B. National Beer Wholesalers' Association of America, 6310 North Cicero Avenue, Chicago, Ill.
D. (6) $150. E. (9) $11.

A. Durward Seals, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Hollis M. Seavey, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C.

A. Leo Seybold, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,125. E. (9) $380.25.

A. Alvin Shapiro, 919 18th Street NW., Washington, D.C.
B. American Merchant Marine Institute, Inc., 919 18th Street NW., Washington, D.C., and 11 Broadway, New York, N.Y.
D. (6) $1,275. E. (9) $219.30.

A. David C. Sharman, 1026 17th Street NW., Washington, D.C.
B. American Optometric Association, Inc., 100 West Pine Street, Selinsgrove, Pa.
D. (6) $1,093.75. E. (9) $371.30.

A. Shaw, Pittman, Potts, Trowbridge & Madden, 910 17th Street NW., Washington, D.C.
B. League of Americans Residing Abroad, 910 17th Street NW., Washington, D.C.

A. A. Manning Shaw, 1625 I Street NW., Washington, D.C.
B. Brown, Lund & Levin, 1625 I Street NW., Washington, D.C., and National Association of Electric Cos., 1200 18th Street NW., Washington, D.C.
D. (6) $968.

A. Arnold F. Shaw, 503 D Street NW., Washington, D.C.
B. Comite de Productores De Azucar, Lima, Peru.
D. (6) $7,500.

A. Kenneth D. Shaw, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $474.99.

A. Ira Shesser, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Max Shine, 900 F Street NW., Washington, D.C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D.C.
D. (6) $992.50. E. (9) $20.

A. George Shuff, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I railroads in Tennessee.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill.
D. (6) $800.

A. John Silard, 1625 K Street NW., Washington, D.C.
B. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $120.36.

A. Silver Users Association, 1625 I Street NW., Washington, D.C.
D. (6) $5,120. E. (9) $1,278.87.

A. Gerald A. Simmons, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.
D. (6) $1,437.50. E. (9) $25.25.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $21,375. E. (9) $2,000.

A. Jack C. Skerrett, 717 19th Street South, Arlington, Va.
B. The Camping Club of America, Inc., 945 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $10.

A. Harold S. Skinner, 30 Rockefeller Plaza, New York, N.Y.
B. Continental Oil Co.

A. Carstens Slack, 1625 I Street NW., Washington, D.C.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Harold Slater, 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,462.50. E. (9) $65.89.

A. Stephen Slipher, 812 Pennsylvania Building, Washington, D.C.
B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $3,125. E. (9) $8.25.

A. W. A. Smallwood, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $3,432.30.

A. Smith & Pepper, 1101 17th Street NW., Washington, D.C.

A. E. Stratford Smith, 1101 17th Street NW., Washington, D.C.
B. Smith & Pepper, 1101 17th Street NW., Washington, D.C.

A. Frank Kingston Smith, 1346 Connecticut Avenue NW., Washington, D.C.
B. National Aviation Trade Association.
D. (6) $781.25.

A. Gordon L. Smith, 1145 19th Street NW., Washington, D.C.
B. Edward Gottlieb & Associates, 640 Fifth Avenue, New York, N.Y.
E. (9) $81.55.

A. Harold Arden Smith, 605 West Olympic Boulevard, Los Angeles, Calif.
B. Standard Oil Co. of California, 225 Bush Street, San Francisco, Calif.
D. (6) $200. E. (9) $68.

A. Irvin A. Smith, 418 East Rosser Avenue, Bismarck, N. Dak.
D. (6) $24.20. E. (9) $24.20.

A. Robert B. Smith, 121 Second Street NE., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $150.

A. Dr. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 712 Dupont Circle Building, Washington, D.C.
D. (6) $3,115.50. E. (9) $2,001.25.

A. Wallace M. Smith, 829 Pennsylvania Building, Washington, D.C.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $34.

A. Wayne H. Smithey, 815 Connecticut Avenue, Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,332. E. (9) $612.

A. Lyle O. Snader, 244 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $506.60. E. (9) $280.

A. Thaddeus S. Snell, 134 South LaSalle Street, Chicago, Ill.

B. National Particleboard Association, 711 14th Street NW., Washington, D.C.

A. Frank B. Snodgrass, 1726 M Street NW., Washington, D.C.

B. Burley & Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.

D. (6) $375. E. (9) $192.88.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,904.

A. J. R. Snyder, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railroad Trainmen.

A. Society for Animal Protective Legislation, Post Office Box 3719, Georgetown Station, Washington, D.C.

D. (6) $17,440.74. E. (9) $8,915.05.

A. South Potomac Citizens' Crisis Committee, 8701 Riverview Road, Oxon Hill, Md.

E. (9) $2,532.98.

A. Southwestern Peanut Shellers Association, Drawer 747, Durant, Okla.

E. (9) $150.

A. William W. Spear, 214 Fremont National Bank Building, Fremont, Nebr.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.

D. (6) $729.17. E. (9) $10.98.

A. Mrs. Nell May F. Stephens, Post Office Box 6234, Northwest Station, Washington, D.C.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.

A. Russell M. Stephens, 900 F Street NW., Washington, D.C.

B. American Federation of Technical Engineers, 900 F Street NW., Washington, D.C.

D. (6) $240. E. (9) $20.

A. Mrs. Alexander Stewart (Annalee), 120 Maryland Avenue NE., Washington, D.C.

B. Women's International League for Peace and Freedom, 120 Maryland Avenue NE., Washington, D.C.

D. (6) $27,625.08. E. (9) $7,989.11.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.

B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C.

B. Veterans of Foreign Wars of the U.S.

D. (6) $3,750. E. (9) $177.25.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. The Hualapai Tribe of the Hualapai Reservation, Box 168, Peace Springs, Ariz.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. Laguna Pueblo of New Mexico, Laguna, N. Mex.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. Metakatla Indian Community, Post Office Box 142, Metlakatla, Alaska.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. The Nez Perce Tribe, Lapwai, Idaho.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. Salt River Pima-Maricopa Indian Community, Box 907–X, Route 1, Scottsdale, Ariz.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. The San Carlos Apache Tribe, San Carlos, Ariz.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. The Seneca Nation of Indians, 25 Main Street, Salamanca, N.Y.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.

B. The Tuscarora Nation of Indians, Tuscarora Reservation, Lewiston, N.Y.

A. Ronnie J. Straw, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $4,624.98. E. (9) $279.52.

A. William A. Stringfellow, 6004 Roosevelt Street, Bethesda, Md.

B. National Association of Mutual Insurance Agents, 520 Investment Building, Washington, D.C.

E. (9) $36.80.

A. Norman Strunk, 221 North LaSalle Street, Chicago, Ill.

B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

D. (6) $1,875. E. (9) $206.36.

A. Frank L. Sundstrom, 1290 Avenue of the Americas, New York, N.Y.

B. Schenley Industries, Inc., 1290 Avenue of the Americas, New York, N.Y.

A. C. Austin Sutherland, 1616 P Street NW., Washington, D.C.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C.

A. Ralph L. Tabor, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Charles P. Taft, 1028 Connecticut Avenue NW., Washington, D.C.

B. Legislative Committee, 1028 Connecticut Avenue NW., Washington, D.C.

A. Glenn J. Talbott.

B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.

A. C. M. Tarr, 1909 Q Street NW., Washington, D.C.

B. National Association of Retired Civil Employees, 1909 Q Street NW., Washington, D.C.

D. (6) $2,153.83. E. (9) $226.68.

A. Warren G. Taylor, 605 Central Trust Building, Jefferson City, Mo.

B. Missouri Railroad Committee, 605 Central Trust Building, Jefferson City, Mo.

E. (9) $108.59.

A. Craig L. Thomas, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.

D. (6) $1,712.50. E. (9) $15.14.

A. Wm. B. Thompson, Jr., 244 Transportation Building, Washington, D.C.

B. Association of American Railroads, Transportation Building, Washington, D.C.

D. (6) $305.37. E. (9) $175.

A. John N. Thurman, 1625 K Street NW., Washington, D.C.

B. Pacific American Steamship Association, 635 Sacramento Street, San Francisco, Calif.

D. (6) $1,125. E. (9) $1,121.81.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D.C.

B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D.C.

B. Armed Services Committee, Chamber Commerce, Vallejo, Calif.

D. (6) $147.50. E. (9) $148.60.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C.

E. (9) $1,415.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $3,125. E. (9) $340.71.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.

B. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. David R. Toll, 1200 18th Street NW., Washington, D.C.

B. National Association of Electric Co's., 1200 18th Street NW., Washington, D.C.

D. (6) $112.50. E. (9) $19.28.

A. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.

D. (6) $7,115.33. E. (9) $1,625.

A. Dwight D. Townsend, 1012 14th Street NW., Washington, D.C.

B. Cooperative League of USA, 59 East Van Buren Street, Chicago, Ill.

A. F. Gerald Toye, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $500. E. (9) $62.32.

A. Trade Relations Council of the U.S., Inc., 122 East 42d Street, New York, N.Y.

A. Matt Triggs, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.

D. (6) $2,000. E. (9) $55.60.

A. Glenwood S. Troop, Jr., 812 Pennsylvania Building, Washington, D.C.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $2,107.50. E. (9) $68.75.

A. Joel B. True, 840 New Hampshire Avenue NW., Washington, D.C.
B. The Tobacco Institute, Inc., 1735 K Street NW., Washington, D.C.

A. Galen Douglas Trussell, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Dick Tullis, 307 Maple Terrace, Dallas, Tex.
B. Superior Oil Co., Houston, Tex., and Los Angeles, Calif.
D. (6) $100. E. (9) $75.

A. Joseph P. Tumulty, Jr., 1317 F Street NW., Washington, D.C.
B. Estate of Harry S. Leyman, deceased, care of Frost & Jacobs, 2310 Central Trust Tower, Cincinnati, Ohio.

A. John W. Turner, 400 First Street, NW., Washington, D.C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.

A. William S. Tyson, 821 15th Street, NW., Washington, D.C.
B. Western Range Association, 375 North Fulton Street, Fresno, Calif.
D. (6) $5,000. E. (9) $61.15.

A. Sherman Unger, 2300 Central Trust Tower, Cincinnati, Ohio.
B. Estate of Harry S. Leyman, deceased, care of Frost & Jacobs, 2301 Central Trust Tower, Cincinnati, Ohio.
E. (9) $1,250.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $843.33.

A. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $438,510.05. E. (9) $35,324.60.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C.
E. (9) $209.24.

A. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
E. (9) $28,943.03.

A. Theodore A. Vanderzyde, 400 First Street NW., Washington, D.C.
B. District Lodge No. 44, International Association of Machinists & Aerospace Workers, 400 First Street NW., Washington, D.C.
D. (6) $3,500. E. (9) $15.

A. Mrs. Lois W. Van Valkenburgh, 1673 Preston Road, Alexandria, Va.
B. Citizens Committee for UNICEF, 20 E Street NW., Washington, D.C.
E. (9) $3.

A. L. T. Vice, 1700 K Street NW., Washington, D.C.
B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.
E. (9) $200.

A. The Voice of the People in Action, 621 Sheridan Street, Chillum, Md.
B. Dr. Russell Forrest Egner, 621 Sheridan Street, Chillum, Md.

A. William A. Walton, 820 Quincy Street, Topeka, Kans.
B. Kansas Railroad Committee, 820 Quincy Street, Topeka, Kans.

A. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D.C.
D. (6) $1,393. E. (9) $1,957.87.

A. Waterways Bulk Transportation Council, Inc., 10 East 40th Street, New York, N.Y.

A. Jeremiah C. Waterman, 205 Transportation Building, Washington, D.C.
B. Southern Pacific Co., 205 Transportation Building, Washington, D.C.

A. Weaver, Glassie & Molloy, 1527 New Hampshire Avenue NW., Washington, D.C.
B. The Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.
D. (6) $200.

A. Weaver, Glassie & Molloy, 1527 New Hampshire Avenue NW., Washington, D.C.
B. Eastern Meat Packers Association, Inc., 1820 Massachusetts Avenue NW., Washington, D.C.
D. (6) $5. E. (9) $2.69.

A. Weaver, Glassie & Molloy, 1527 New Hampshire Avenue NW., Washington, D.C.
B. E. Leitz, Inc., 4680 Park Avenue South, New York, N.Y.

A. Weaver, Glassie & Molloy, 1527 New Hampshire Avenue NW., Washington, D.C.
B. The National Independent Meat Packers Association, 1820 Massachusetts Avenue NW., Washington, D.C.
D. (6) $225. E. (9) $32.64.

A. E. E. Webster, 400 First Street NW., Washington, D.C.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $2,948.88.

A. E. Jerome Webster, Jr.
B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.
D. (6) $100.

A. Dr. Frank J. Welch, 3724 Manor Road, Chevy Chase, Md.
B. The Tobacco Institute, Inc., 1735 K Street NW., Washington, D.C.

A. Joseph E. Welch, 1630 Locust Street, Philadelphia, Pa.
B. Wellington Management Co., 1630 Locust Street, Philadelphia, Pa.
E. (9) $187.51.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C.
B. Michael Ladney, Jr., 18125 East Ten Mile Road, East Detroit, Mich.

A. West Coast Inland Navigation District, Bradenton, Fla.
E. (9) $601.30.

A. John C. White, 1317 F Street NW., Washington, D.C.
B. Council of America, Inc., 1317 F Street NW., Washington, D.C.

A. John C. White, 838 Transportation Building, Washington, D.C.
D. (6) $1,125. E. (9) $18.28.

A. Marc A. White, 888 17th Street NW., Washington, D.C.
B. National Association of Securities Dealers, Inc.

A. Donald S. Whyte, 1629 K Street NW., Washington, D.C.
B. American Industrial Bankers Association, *1629 K Street NW., Washington, D.C.*
D. (6) $450.

A. Louis E. Whyte, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

A. Claude C. Wild, Jr., 1120 Connecticut Avenue NW., Washington, D.C.
B. Gulf Oil Corp., Pittsburgh, Pa.
D. (6) $1,000. E. (9) $230.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y.
E. (9) $32.62.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Arapahoe Indian Tribe, Fort Washakie, Wyo.
E. (9) $2.90.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $1.55.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Quinaielt Indian Tribe, Taholah, Wash.

A. Wilkinson, Cragun & Barker, 1616 H Steet NW., Washington, D.C.
B. Spokane Tribe of Indians, Wellpinit, Wash.

A. Albert E. Wilkinson, 202 Investment Building, Washington, D.C.
B. The Anaconda Co., 25 Broadway, New York, N.Y.
D. (6) $1,485. E. (9) $561.30.

A. John Willard, Post Office Box 1172, Helena, Mont.
B. Montana Railroad Association, Helena, Mont.

A. Harding deC. Williams, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue, Washington, D.C.
D. (6) $1,916. E. (9) $92.

A. John C. Williamson, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., 1300 Connecticut Avenue NW., Washington, D.C.
D. (6) $4,250. E. (9) $225.81.

A. Robert E. Williams, Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association of America 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $950. E. (9) $376.04.

A. Wilmer, Cutler & Pickering, 900 17th Street NW., Washington, D.C.
B. Committee for Automobile Excise Tax Repeal, 9th Floor Farragut Building, 900 17th Street NW., Washington, D.C.
E. (9) $96.10.

A. Wilmer, Cutler & Pickering, et al., 900 17th Street NW., Washington, D.C.
B. Government of the Bahamas, Nassau, Bahamas.

A. Clark L. Wilson, 1145 19th Street NW., Washington, D.C.
B. Consultant to the Lead-Zinc Producers *Committee.*
D. (6) $450.

A. E. Raymond Wilson, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,269.

A. Richard W. Wilson, 121 Second Street NE., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $150.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $600. E. (9) $243.33.

A. Morton M. Winston.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. John A. Wise, Jr., 1625 I Street NW., Washington, D.C.
B. Legislative Committee, International Economic Policy Association, 1625 I Street NW., Washington, D.C.
E. (9) $66.64.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.

A. Clay B. Wolfe, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Lawton B. Wolfe, 1132 Pennsylvania Building, Washington, D.C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D.C.

A. Venlo Wolfsohn, 1729 H Street NW., Washington, D.C.
B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.
D. (6) $300.

A. Russell J. Woodman, 400 First Street NW., Washington, D.C.
B. Transportation-Communication Employees Union, 3860 Lindell Boulevard, St. Louis, Mo.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. Signal Oil & Gas Co., 1010 Wilshire Boulevard, Los Angeles, Calif.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Hal J. Wright, 1612 K Street NW., Washington, D.C.
B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

A. J. H. Yingling, 905 16th Street NW., Washington, D.C.
B. First National City Bank, 399 Park Avenue, New York, N.Y.; Manufacturers Hanover Trust Co., 350 Park Avenue, New York, N.Y., and Continental Illinois National Bank & Trust Co. of Chicago, 231 South La Salle Street, Chicago, Ill.
D. (6) $200. E. (9) $25.

A. J. Banks Young, 1200 18th Street NW., Washington, D.C.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $1,080. E. (9) $107.89.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,648. E. (9) $322.54.

A. Gordon K. Zimmerman, Washington, D.C.
B. National Association of Soil & Water Conservation Districts, League City, Tex.

A. Zimring, Gromfine & Sternstein, 1155 15th Street NW., Washington, D.C., 11 South LaSalle Street, Chicago, Ill.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1966:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------- ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◄

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◄

A. Alliance of Independent Telephone Unions, 1422 Chestnut Street, Philadelphia, Pa.

A. Lewis M. Anthony, 4260 East Capitol Street NE., Washington, D.C.

A. Atlantic Development Co., Box 3676, Georgetown Branch, Washington, D.C.
B. Puerto Rico Manufacturers Association, First Federal Building, Santurce, P.R.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C.

A. Baker, McKenzie & Hightower, 815 Connecticut Avenue NW., Washington, D.C.
B. Mrs. Celia Margulis, 50 Belmont Avenue, Sutton Terrace, Bala Cynwyd, Philadelphia, Pa.

A. Baker, McKenzie & Hightower, 815 Connecticut Avenue NW., Washington, D.C.
B. Charles and Katrushka J. Parsons, 1515 Roxas Boulevard, Manila, Philippines.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Mrs. Dita Davis Beard, 1707 L Street NW., Washington, D.C.
B. International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C.

A. Harvey M. Berg, 356 Southeast Second Street, Fort Lauderdale, Fla.

A. Robert W. Blair.
B. New Process Co., Warren, Pa.

A. Mrs. Myron R. Blee, 1447 Marion Avenue, Tallahassee, Fla.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

A. Thomas C. Brickle, 302 Ring Building, Washington, D.C.
B. National Lumber & Building Material Dealers Association, 302 Ring Building, Washington, D.C.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.

A. Carter, Ledyard & Milburn, 2 Wall Street, New York, N.Y.
B. American Express Co., 65 Broadway, New York, N.Y.

A. Edwin Christianson.
B. The Farmers' Educational & Co-operative Union of America, 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.

A. Margaret P. Clamser, 95 East Valley Stream Boulevard, Valley Stream, N.Y.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
B. Synthetic Organic Chemical Manufacturers Association, 261 Madison Avenue, New York, N.Y.

A. Earle C. Clements, 1735 K Street NW., Washington, D.C.
B. The Tobacco Institute.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. North American Association of Alcoholism Programs, 323 Dupont Circle Building, Washington, D.C.

A. J. Steele Culbertson, 1614 20th Street NW., Washington, D.C.
B. National Fish Meal & Oil Association, 1614 20th Street NW., Washington, D.C.

A. Joseph F. Cunningham, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.
B. Guild of Prescription Opticians, 1250 Connecticut Avenue NW., Washington, D.C.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.

A. Jake V. Dennis, 7417 Birch Avenue, Takoma Park, Md.
B. American Federation of Government Employees (14th District), Post Office Box 234, Benjamin Franklin Station, Washington, D.C.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.
B. Department of Water Resources, State of California, Post Office Box 388, Sacramento, Calif.

A. P. Frederick Dryer, 3911 Madison Street, Hyattsville, Md.

A. Frederick G. Dutton, 844 Pennsylvania Building, Washington, D.C.
B. The American Society of Composers, Authors & Publishers, 575 Madison Avenue, New York, N.Y.

A. George V. Egge, Jr., 1250 Connecticut Avenue NW., Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Employee Relocation Real Estate Advisory Committee, Inc., 209 North Michigan, Chicago, Ill.

A. Ethyl Corp., 15th Street NW., Washington, D.C.

A. Federation of Homemakers, 922 North Stuart Street, Arlington, Va.

A. John Baxter Funderburk, National Press Building, Washington, D.C.
B. The National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill.

A. Gadsby, Maguire, Hannah & Merrigan, 729 15th Street NW., Washington, D.C.
B. Cranbar Corp., Ponce, Puerto Rico.

A. Henry E. Gardiner, 1511 K Street NW., Washington, D.C.
B. The Anaconda Co., 25 Broadway, New York, N.Y.

A. Gas Supply Committee, Post Office Box 631, Amarillo, Tex.

A. Gerald Robert Gereau, 610 Fifth Street NW., Washington, D.C.
B. D. S. Mitchell Associates, 610 Fifth Street NW., Washington, D.C.

A. Ginsburg & Feldman, 1 Farragut Square South, Washington, D.C.
B. The Myercord Co., 5323 West Lake Street, Chicago, Ill.

A. Ginsburg & Feldman, 1 Farragut Square South. Washington, D.C.
B. National Association of Tobacco Distributors, 360 Lexington Avenue, New York, N.Y.

A. Jay W. Glasmann & Richard B. Barker, 306 Southern Building, Washington, D.C.
B. Employee Relocation Real Estate Advisory Committee, Inc., 209 North Michigan, Chicago, Ill.

A. Graubard, Moskovitz & McCauley, 720 Shoreham Building, Washington, D.C.
B. American Institute for Imported Steel, Inc., 40 Wall Street, New York, N.Y.

A. James A. Gray, 2139 Wisconsin Avenue NW., Washington, D.C.
B. National Machine Tool Builders' Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. George Gross, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.
B. Tejon Ranch Co., Post Office Box 1560, Bakersfield, Calif.

A. Wiliam E. Hardman, 1411 K Street NW., Washington, D.C.
B. National Tool, Die & Precision Machining Association, 1411 K Street NW., Washington, D.C.

A. Eugene B. Hayden, Jr., 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.

A. Christopher O. Henderson, 341 G Street NW., Washington, D.C.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Football League, 1 Rockefeller Plaza, New York, N.Y.

A. Augustus H. Hewlett, 323 Dupont Circle Building, Washington, D.C.
B. North American Association of Alcoholism Programs, 323 Dupont Circle Building, Washington, D.C.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C.
B. Society of Independent Gasoline Marketers of America, Clayton, Mo.

A. Goro Hokama, 1341 G Street NW., Washington, D.C.
B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.

A. Marion L. Horn, 1422 Chestnut Street, Philadelphia, Pa.
B. Alliance of Independent Telephone Unions, 1422 Chestnut Street, Philadelphia, Pa.

A. Thomas B. House.
B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.

A. Philip A. Hutchinson, Jr., 1735 New York Avenue NW., Washington, D.C.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.

A. Ives, Whitehead & Co., 1737 H Street NW., Washington, D.C.

A. Robert H. Kellen, 25 East Chestnut Street, Chicago, Ill.
B Mayonnaise & Salad Dressings Institute, 25 East Chestnut Street, Chicago, Ill.

A. James J. Kennedy, Jr., 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

A. J. Don Kerlin, 100 Indiana Avenue NW., Washington, D.C.
B. The Reuben H. Donnelley Corp., 235 East 42d Street, New York, N.Y.

A. J. Don Kerlin, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.

A. J. Don Kerlin, 100 Indiana Avenue NW., Washington, D.C.
B. Time, Inc., Publisher, Rockefeller Center, New York, N.Y.

A. Ernest A. Kistler, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.

A. Ralph W. Kittle.
B. International Paper Co., 220 East 42d Street, New York, N.Y.

A. Legislative Committee, International Economic Policy Association, 1625 I Street NW., Washington, D.C.

A. Zel E. Lipsen, 1925 K Street NW., Washington, D.C.
B. Brotherhood of Painters, Decorators & Paperhangers of America, 1925 K Street NW., Washington, D.C.

A. John L. Logan, 400 First Street NW., Washington, D.C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

A. Scott W. Lucas, 1028 Connecticut Avenue NW., Washington, D.C.
B. District of Columbia Bankers Association, 1708 Massachusetts Avenue NW., Washington, D.C.

A. Robert C. McCandless.
B. International Paper Co., 220 East 42d Street, New York, N.Y.

A. Alfred R. McCauley, 720 Shoreham Building, Washington, D.C.
B. Scientific Apparatus Makers Association, 20 North Wacker Drive, Chicago, Ill.

A. Paul J. McGown, Jr., 777 14th Street NW., Washington, D.C.
B. Virgin Islands Legislature, Charlotte Amalie, St. Thomas, V.I.

A. Marshall C. McGrath.
B. International Paper Co., 220 East 42d Street, New York, N.Y.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

A. Mayonnaise & Salad Dressings Institute, 25 East Chestnut Street, Chicago, Ill.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C.
B. Oil, Chemical & Atomic Workers International Union 1840 California Street, Denver, Colo.

A. Jim M. Milligan, 402 Barclay Building, Bala-Cynwyd, Pa.
B. National Water Company Conference, 402 Barclay Building, Bala-Cynwyd, Pa.

A. Moran & Crowley, 1707 L Street NW., Washington, D.C.
B. National Committee for Research in Neurological Disorders, care of Dr. A. B. Baker, University of Minnesota, Minneapolis, Minn.

A. Micah H. Naftalin, 1330 Massachusetts Avenue NW., Washington, D.C.
B. Ethyl Corp., 1155 15th Street NW., Washington, D.C.

A. Micah H. Naftalin, 1330 Massachusetts Avenue NW., Washington, D.C.
B. South Potomac Citizens' Crisis Committee, 8701 Riverview Road, Oxen Hill, Md.

A. National Council of Technical Service Industries, 888 17th Street NW., Washington, D.C.
B. National Council of Technical Service Industries, 888 17th Street NW., Washington, D.C.

A. Ivan A. Hestingen, 1000 Connecticut Avenue NW., Washington, D.C.
B. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.

A. Carl E. Newton, 2 Wall Street, New York, N.Y.
B. Boston & Maine Corp., North Station, Boston, Mass.

A. O'Connor, Green, Thomas, Walters & Kelly, 508 Federal Bar Building, Washington, D.C.
B. Committee for Government of the People, 733 15th Street NW., Washington, D.C.

A. O'Connor, Green, Thomas & Walters, 508 Federal Bar Building, Washington, D.C.
B. Mailorder Association of America, 612 North Michigan Avenue, Chicago, Ill.

A. J. Carter Perkins, Washington, D.C.
B. Shell Oil Co., 50 West 50th Street, New York, N.Y.

A. Joseph D. Phelan, 485 National Press Building, Washington, D.C.
B. Water for the West, 485 National Press Building, Washington, D.C.

A. Philipson, Lyon & Chase, Brawner Building, Washington, D.C.
B. Recovery, Inc., 116 South Michigan Avenue, Chicago, Ill.

A. Milton Plumb, 1629 K Street NW., Washington, D.C.
B. Switchmen's Union of North America, 3 Linwood Avenue, Buffalo, N.Y.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Stimson Lumber Co., Post Office Box 68, Forest Grove, Oreg.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Elizabeth von Oberndorff, 200 East 66th Street, New York, N.Y.

A. Roberts & Holland, 405 Lexington Avenue, New York, N.Y.
B. Garden Bay Manor, Inc., 22 West 48th Street, New York, N.Y.

A. Stephen Philip Robin, 1000 Connecticut Avenue NW., Washington, D.C.
B. International Public Relations Co., Ltd., d/b/a Japan Steel Information Center, 230 Park Avenue, New York, N.Y.

A. James A. Rock, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 1000 Merchandise Mart Plaza, Chicago, Ill.

A. Nathaniel H. Rogg, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.

A. Royall, Koegel & Rogers, 200 Park Avenue, New York, N.Y., and 1730 K Street NW., Washington, D.C.
B. Power Authority of the State of New York, 10 Columbus Circle, New York, N.Y.

A. Harland J. Rue.
B. New Process Co., Warren, Pa.

A. Arthur A. Sandusky, 1000 16th Street NW., Washington, D.C.
B. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.

A. Henry P. Schmidt, 400 First Street, NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Leslie J. Schmidt Associates, 9302 East Parkhill Drive, Washington, D.C.
B. National Beer Wholesalers' Association of America, 6310 North Cicero Avenue, Chicago, Ill.

A. Charles B. Scott, 1422 Chestnut Street, Philadelphia, Pa.
B. Alliance of Independent Telephone Unions, 1422 Chestnut Street, Philadelphia, Pa.

A. John W. Shaughnessy, Jr., 1422 Chestnut Street, Philadelphia, Pa.
B. Alliance of Independent Telephone Unions, 1422 Chestnut Street, Philadelphia, Pa.

A. Alvin V. Shoemaker, 425 13th Street NW., Washington, D.C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D.C.

A. Richard L. Shook, 1815 H Street NW., Washington, D.C.
B. N. C. Miller, 5601 Courtney Avenue, Alexandria, Va.

A. George Shuff, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I railroads in Tennessee.

A. John Silard, 1625 K Street NW., Washington, D.C.
B. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.

A. South Potomac Citizens' Crisis Committe, 8701 Riverview Road, Oxon Hill, Md.

A. Strasser, Spiegelberg, Fried, Frank & Kampelman, 1700 K Street NW., Washington, D.C.
B. Ad hoc group of various publishers.

A. Richard L. Studley, 1400 20th Street NW., Washington, D.C.

B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C.

A. Swidler & Freeman, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. Jackson Purchase Rural Electric Cooperative Corp., 2315 Broadway, Paducah, Ky.

A. Texas Power & Light Co., Post Office Box 6331, Dallas, Tex.

A. David R. Toll, 1200 18th Street NW., Washington, D.C.

B. National Association of Electric Co's., 1200 18th Street NW., Washington, D.C.

A. Sherman Unger, 2300 Central Trust Tower, Cincinnati, Ohio.

B. Estate of Harry S. Leyman, deceased, care of Frost & Jacobs, 2301 Central Trust Tower, Cincinnati, Ohio.

A. Vander Zee & Savage, 1705 DeSales Street NW., Washington, D.C.

B. Legislation for Animal Welfare, Inc., 910 17th Street NW., Washington, D.C.

A. E. R. Wagner, 888 17th Street NW., Washington, D.C.

B. National Council of Technical Service Industries, 888 17th Street NW., Washington, D.C.

A. M. Lauck Walton, 2 Wall Street, New York, N.Y.

B. Boston & Maine Corp., North Station, Boston, Mass.

A. Washington-Baltimore Helicopter Airways, Inc., 817 Warner Building, Washington, D.C.

A. Water for the West, 485 National Press Building, Washington, D.C.

A. E. Jerome Webster, Jr.

B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.

A. John Wells, Plano, Tex.

B. National Association of Soil & Water Conservation Districts, League City, Tex.

A. Laurens Williams, 1200 Farragut Building, Washington, D.C.

B. The Variable Annuity Life Insurance Co. of America, Washington, D.C.

A. John A. Wise, Jr., 1625 I Street NW., Washington, D.C.

B. Legislative Committee, International Economic Policy Association, 1625 I Street NW., Washington, D.C.

A. Mrs. Aileen Gorgas Wrightson, 5430 Connecticut Avenue NW., Washington, D.C.

SENATE

Monday, June 13, 1966

The Senate met at 12 o'clock meridian, and was called to order by Hon. Maurine B. Neuberger, a Senator from the State of Oregon.

Rev. William L. Larson, rector, Christ Episcopal Church, Cody, Wyo., offered the following prayer:

O Lord our Heavenly Father, the high and mighty Ruler of the universe, who dost from Thy throne behold all the dwellers upon the earth; most heartily we beseech Thee, with Thy favor to behold and bless Thy servant the President of the United States, and, remembering especially this day, all others in authority: and so replenish them with the grace of Thy Holy Spirit, that they may always incline to Thy will, and walk in Thy way. Endue them plenteously with heavenly gifts; grant them in health and prosperity long to live; and finally after this life, to attain everlasting joy and felicity; through Jesus Christ our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., June 13, 1966.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Maurine B. Neuberger, a Senator from the State of Oregon, to perform the duties of the Chair during my absence.

Carl Hayden,
President pro tempore.

Mrs. NEUBERGER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 9, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on June 9, 1966, the President had approved and signed the act (S. 2471) to improve and clarify certain laws of the Coast Guard.

REORGANIZATION PLAN NO. 4 OF 1966—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 453)

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States on Reorganization Plan No. 4 of 1966, relating to the National Zoological Park. Without objection, the message will be printed in the Record, without being read, and appropriately referred.

The message from the President was referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 4 of 1966, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for a reorganization relating to the National Zoological Park located in the District of Columbia.

Today, all responsibilities for the administration of the park are vested in the Smithsonian Institution with one exception—the function of preparing plans and specifications for the construction of buildings and bridges at the zoo. That statutory responsibility is now conducted by the Board of Commissioners of the District of Columbia.

Under the accompanying reorganization plan, the responsibility for the preparation of these plans and specifications would be transferred from the District of Columbia Board of Commissioners to the Smithsonian. The complete administration of the park would then be vested in one agency—the Smithsonian Institution. This will allow the more efficient and effective development and management of the park.

In 1912, the functions to be transferred were vested in the Municipal Architect of the District of Columbia and in the Engineers of the Bridges of the District of Columbia. In 1952, they were transferred to the Board of Commissioners.

When the 1912 act was passed, the District of Columbia shared the costs of capital improvements in the National Zoological Park. In 1961, it ceased sharing these costs, and the Federal Government assumed complete responsibility for financing the improvements. Accordingly, the District Government retains no capital improvement responsibilities for the National Zoological Park except those functions relating to construction plans and specifications for buildings and bridges, as specified in the 1912 statute. Upon the transfer of these remaining functions to the Smithsonian Institution, the administration of the National Zoological Park will, at last, be fully centered in one agency. It is not practicable at this time, however, to itemize the resulting reduction in expenditures.

I have found, after investigation, that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

Lyndon B. Johnson.

The White House, *June 13, 1966.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 14324) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. **Miller**, Mr. **Teague** of Texas, Mr. **Karth**, Mr. **Hechler**, Mr. **Daddario**, Mr. **Martin** of Massachusetts, Mr. **Fulton** of Pennsylvania, and Mr. **Mosher** were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1357. An act to revise existing bail practices in courts of the United States, and for other purposes;

S. 2267. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance;

H.R. 3177. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 3957. An act to authorize establishment of Fort Union Trading Post National Historic Site, North Dakota and Montana, and for other purposes;

H.R. 5984. An act to amend sections 2275 and 2276 of the Revised Statutes, as amended, with respect to certain lands granted to the States;

H.R. 6646. An act to amend the Recreation and Public Purposes Act pertaining to the leasing of public lands to States and their political subdivisions;

H.R. 9961. An act to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children;

H.R. 10431. An act to declare that certain federally owned land is held by the United States in trust for the Minnesota Chippewa Tribe;

H.R. 11748. An act to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to or from a Veterans' Administration facility or other place, in connection with vocational rehabilitation or counseling, or for the purpose of examination, treatment, or care;

H.R. 12676. An act to amend the Tariff Schedules of the United States to provide that certain forms of copper be admitted free of duty;

H.R. 13366. An act to authorize the disposal of aluminum from the national stockpile;

H.R. 13768. An act to authorize the disposal of celestite from the supplemental stockpile;

H.R. 13769. An act to authorize the disposal of cordage fiber (sisal) from the national stockpile;

H.R. 13770. An act to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile;

H.R. 13773. An act to authorize the disposal of opium from the national stockpile; and

H.R. 15151. An act to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

HOUSE BILL REFERRED

The bill (H.R. 14929) to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. **Mansfield**, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION TODAY

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Subcommittee on Constitutional Rights of the Committee on the Judiciary be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Committee on Foreign Relations be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Committee on Finance be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSIONS TODAY AND TOMORROW

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Subcommittee on Public Health, Education, Welfare, and Safety of the Committee on the District of Columbia be permitted to meet during the sessions of the Senate today and tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Senate proceed to consider executive business, for action on nominations.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

U.S. AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The Chief Clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. MARINE CORPS

The Chief Clerk read the nomination of Maj. Gen. James M. Masters, Sr., to be a lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. NAVY

The Chief Clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—U.S. AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the U.S. Air Force which had been placed on the Secretary's desk.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

On request of Mr. **Mansfield**, and by unanimous consent, the Senate resumed the consideration of legislative business.

THE CALENDAR

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Senate proceed to the consideration of measures on the Calendar in sequence, beginning with Calendar No. 1193.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered. The clerk will state the first bill.

REMOVING ARBITRARY LIMITATIONS UPON ATTORNEYS' FEES

The Senate proceeded to consider the bill (S. 1522) to remove arbitrary limitations upon attorneys' fees for services rendered in proceedings before administrative agencies of the United States, and for other purposes, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "any", to strike out "attorney's fee which may be charged, contracted for, or received for services rendered for or in connection with any administrative proceeding" and insert "attorneys' fees"; on page 2, line 2, after the word "in", to strike out "such" and insert "any administrative"; in the same line, after the numeral "(2)", to insert "authorizes an agency in its discretion to determine attorneys' fees or to approve attorneys' fees charged for the rendition of such services in any administrative proceeding; or (3)"; in line 6, after the word "attorney", to strike out "at law"; in line 8, after the word "of", to strike out "such"; in the same line, after the word "services", to insert "in connection with any administrative proceedings"; in line 11, after the word "Act.", to strike out "On and after that date, each administrative agency shall allow or pay any such attorney's fee, in accordance with applicable provisions of law, in an amount equal to the reasonable value of the services rendered by the attorney concerned, as determined by such agency under such rules and regulations as it shall prescribe in conformity with the provisions of this Act"; After line 17, to insert:

(b) In any proceedings heretofore subject to any provision of law or rule or regulation referred to in (a) above, an administrative agency may hereafter provide, by published rule or regulation, that an attorney shall, at the conclusion of such proceedings, file with the agency the amount of fee charged in connection with his services rendered in such proceedings.

At the top of page 3, to insert:

(c) After the fee information is filed by an attorney under (b) above, an agency may determine, in accordance with such published rules or regulations as it may provide, that such fee charged is excessive. If, after notice to the attorney of this determination, the agency and the attorney fail to agree upon a fee, the agency may, within ninety days after receipt of the information required by (b) above, petition the United States district court in the district in which the attorney maintains an office, and the court shall determine a reasonable fee for the services rendered by the attorney.

And, at the beginning of line 11, to strike out "(b)" and insert "(d)"; so as to make the bill read:

S. 1522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) to the extent that any provision of law heretofore enacted or any rule or regulation heretofore adopted by any administrative agency (1) imposes upon any attorneys' fees any limitation to a prescribed amount or to a prescribed maximum percentage of any award made in any administrative proceeding, or (2) authorizes an agency in its discretion to determine attorneys' fees or to approve attorneys' fees charged for the rendition of such services in any administrative proceeding; or (3) imposes any penalty or sanction upon any attorney who charges, contracts for, or receives any fee in excess of any such limitation for the rendition of services in connection with any administrative proceedings, such provision of law, rule, or regulation shall have no force or effect after the effective date of this Act.

(b) In any proceedings heretofore subject to any provision of law or rule or regulation referred to in (a) above, an administrative agency may hereafter provide, by published rule or regulation, that an attorney shall, at the conclusion of such proceedings, file with the agency the amount of fee charged in connection with his services rendered in such proceedings.

(c) After the fee information is filed by an attorney under (b) above, an agency may determine, in accordance with such published rules or regulations as it may provide, that such fee charged is excessive. If, after notice to the attorney of this determination, the agency and the attorney fail to agree upon a fee, the agency may, within ninety days after receipt of the information required by (b) above, petition the United States district court in the district in which the attorney maintains an office, and the court shall determine a reasonable fee for the services rendered by the attorney.

(d) As used in this Act—

(1) The term "administrative agency" means any executive department or any agency or instrumentality thereof, any independent administration, board, or commission of the Government, and any wholly owned Government corporation.

(2) The term "administrative proceeding" means any application made to, and any formal or informal proceeding, conference, or meeting conducted by, any administrative agency or any officer or employee thereof for or in connection with the submission, consideration, determination, adjudication, or review of any claim against the United States or any demand or request for any monetary or other benefit or privilege under any statute of the United States.

SEC. 2. This Act shall take effect on the first day of the third month beginning after the date of enactment of this Act.

Mr. COOPER. Madam President, does someone have a short explanation of this bill?

Mr. MANSFIELD. Madam President, S. 1522, as amended, would:

First. Abolish fixed dollar amount, maximum percentage of award, and administrative discretion types of limitation on attorneys' fees in administrative proceedings.

Second. Allow attorneys' fees for services rendered in administrative proceedings to be set initially in the course of normal attorney-client relationships.

Third. Allow agencies in their discretion to establish procedures for the disclosure of attorneys' fees in those cases where existing arbitrary limitations will be abolished.

Fourth. Enable agencies in such cases to challenge any attorney's fee on grounds of its excessiveness and to petition an appropriate Federal district court if agreement on a proper fee within a reasonable time is not reached.

Fifth. Leave unchanged the fee situation in administrative proceedings unaffected by the abolition of arbitrary limitations on attorneys' fees.

Mr. COOPER. I understand. It is correct, is it not, that this bill has been recommended by the American Bar Association and other bar associations?

Mr. MANSFIELD. That is correct.

Mr. COOPER. I have received correspondence from Mr. Herbert D. Sledd, president of the Kentucky State Bar Association on behalf of the board of governors, and Mr. Allen Schmitt, president of the Louisville Bar Association on behalf of that bar association's memberships, urging favorable consideration of this legislation. Does it have the approval of the Attorney General of the United States?

Mr. MANSFIELD. There is no objection from the Attorney General. The Department of Justice agrees with the general approach of S. 1522, in its abolition of across the board limitations on attorneys' fees and services rendered in proceedings before Federal administrative agencies.

Mr. COOPER. Is it the judgment of the majority leader that the bill provides safeguards against any abuses in the assessment of fees against individuals, such as veterans and such claimants against the United States as social security claimants?

Mr. MANSFIELD. The Senator from Kentucky is correct. The bill provides for review of the reasonableness of the attorney fee by the appropriate administrative agency.

Mr. COOPER. I favor the bill, but I want the RECORD to show that no objection was filed by the Attorney General, and that the bill provides safeguards for claimants, pensioners, and veterans, who may be served by attorneys.

Mr. MANSFIELD. That is correct.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The **ACTING PRESIDENT** pro tempore. The bill (S. 1522) is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1233), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

This bill was introduced by Senator McCLELLAN of Arkansas for the purpose of removing arbitrary limitations which are now placed upon attorneys' fees for services rendered before certain administrative agencies of the United States. In a statement on behalf of his bill Senator McCLELLAN said:

"I introduced this bill, S. 1522, to correct what I consider to be inequities in the allowance of attorney fees in proceedings before certain administrative agencies. Many of the existing limitations * * * are a direct outgrowth of the depression years. The maximum amount now allowable reflects the general attitude of that time.

The bill would repeal all existing statutory and agency limitations on attorneys' fees. It would permit attorneys to enter into fee contracts with their client, subject only to subsequent review by an administrative agency of the United States to determine if the fee charged is excessive.

LEGISLATIVE HISTORY

There are many statutes and agency rules and regulations which now impose limitations on attorneys' fees charged clients for services rendered in connection with administrative proceedings. (See p. — for list compiled by the American Bar Foundation.) These limitations can be grouped into three general types:

(1) Fixed dollar limitations—such as a $10 fee for handling certain Veterans' Administration cases;

(2) Fixed percentage limitations—such as the 10-percent limitation for handling claims before the Foreign Claims Settlement Commission; and

(3) Administrative discretion limitations—such as exercised by the Social Security Administration.

The origin of these statutory fee limitations is rooted in the desire of the Congress to protect individual members of the public from unconscionable representatives or agents, whether lawyers or not, and to insure that particular funds made available for special legislative purposes, such as veterans' benefits, social security, or restitution to Indians, are directed toward those purposes with absolute minimum diversion on account of claims of lawyers, agents, or other representatives. Furthermore, the Congress was interested in discouraging champerty. According to Justice Brandeis—"Congress has sought both to prevent the stirring up of unjust claims against the Government and to reduce the temptation to adopt improper methods of prosecution which contracts for large fees contingent upon success have sometimes been supposed to encourage." (*Calhoun* v. *Massie*, 253 U.S. 170, at 173–174, 1920. The Court in this case, and in a series of such cases, held these fee limitation clauses constitutional. It was the opinion of the Court that the Congress has power to attach conditions to the pensions it chooses to award, and thus lawyers were not deprived of due process of law.)

Thus, when Congress enacted a new pension bill early in the Civil War, it included a $5 fee limitation for presentation of a claim. The rationalization for this limitation was on grounds of the rapacity of attorneys and agents, the naivete of the average pensioner, and the simplicity of the administrative procedure involved. Two years later, in 1864, this fee clause was repealed in favor of a provision allowing a maximum fee of $10 for all services rendered in securing a pension.

The legislative history of the various fee limitations which S. 1522, as amended, would remove is significant only by the almost total absence of attention given to the problem in congressional hearings and reports. No doubt, many fee limitation clauses were added as an ad hoc response to evils, or imagined evils, which may not necessarily have existed in the bulk of cases to which the clauses apply. The committee is of the opinion that, in too many instances, the fee rider has been automatically added without debate in Congress and with little, if any, protest from the bar.

Hearings on S. 1522 were held on February 28, 1966, before the Subcommittee on Administrative Practice and Procedure. One dominant theme raised by representatives of the bar was that the existing system of arbitrary limitations on attorneys' fees not only is a breach of normal attorney-client relationships, but also is against the best interests of the claimant himself. Indeed, as representatives of the American Bar Association informed the subcommittee—"The right or privilege of being represented by counsel in a Federal administrative proceeding becomes hollow * * * if the private party is prohibited from paying his attorney other than a subnormal fee. Retaining one's own counsel is a private right which deserves safeguarding in fact as well as in theory."

The committee is of the opinion that, in many instances, the existing limitations on attorneys' fees deprive a claimant of counsel of his own choosing. Abraham Lincoln has said that a lawyer's time and advice are his stock in trade. And representatives of the bar were frank to admit that—except for motives of charity—a lawyer cannot afford to take a case where he may not even be reimbursed for his actual, out-of-pocket expenses.

During the course of the hearing, the Veterans' Administration suggested that S. 1522—"presents the basic question as to whether an individual claiming veterans' benefits should be encouraged to obtain an attorney to present his claim, with the resultant expense, or whether he should be encouraged to utilize the representation alternatives now available to him, which involve no cost on his part."

Meritorious as this statement may appear, S. 1522 as amended is not intended to present a claimant with a choice of alternate remedies. The committee is most cognizant of the excellent representation which the many veteran's organizations provide, and S. 1522 would not be interpreted so as to deprive these organizations of any of their activities. In this connection, S. 1522 is intended merely to remove any existing arbitrary limitations on attorneys' fees so that if legal assistance becomes necessary—and if the claimant so desires—competent counsel can be obtained.

It must also be noted that, whereas in the area of veteran's affairs there are many professional veteran's organizations offering claims assistance, no such similar organizations exist in the many other areas to which S. 1522, as amended, will apply.

During the course of the subcommittee hearings, representatives of the Social Security Administration and the Department of Interior opposed enactment of S. 1522. The committee believes that most objections have been met by the addition of the amendments to S. 1522. Additionally, the Department of Justice, in a letter dated February 28, 1966, informed the committee that it—"agrees with the general approach of S. 1522, in its abolition of across-the-board limitations of attorneys' fees and services rendered in proceedings before Federal administrative agencies."

The committee accordingly is of the opinion that S. 1522, as amended, effects a balancing of the interests of all parties concerned; namely, the individual claimant under a Federal statute, his private lawyer, and the Government itself.

WHAT S. 1522 WOULD DO

S. 1522, as amended, would:

1. Abolish fixed dollar amount, maximum percentage of award, and administrative discretion types of limitation on attorneys' fees in administrative proceedings.

2. Allow attorneys' fees for services rendered in administrative proceedings to be set initially in the course of normal attorney-client relationships.

3. Allow agencies in their discretion to establish procedures for the disclosure of attorneys' fees in those cases where existing arbitrary limitations will be abolished.

4. Enable agencies in such cases to challenge any attorneys' fee on grounds of its excessiveness and to petition an appropriate Federal district court if agreement on a proper fee within a reasonable time is not reached.

5. Leave unchanged the fee situation in administrative proceedings unaffected by the abolition of arbitrary limitations on attorneys' fees.

BILL PASSED OVER

The bill (S. 1336) to amend the Adminstrative Procedure Act, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over, Madam President.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

FRITZ A. FRERICHS

The bill (H.R. 10133) for the relief of Fritz A. Frerichs, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1231), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Fritz A. Frerichs, a retired Navy chief warrant officer, of liability in the amount of $1,507.12, representing the amount he earned as a civilian employee of the Valley Forge General Hospital, which employment was subsequently ruled to have been improper under the Dual Office Act of July 31, 1894.

STATEMENT

The Department of the Army does not oppose the enactment of this legislation.

The House report in reference to the facts on which this claim is based, recites the following:

"Mr. Fritz A. Frerichs retired from the Navy on August 1, 1957, as a chief warrant officer after more than 22 years of naval service. On June 16, 1958, he was employed as a clerk-typist, GS-3, on the basis of a temporary appointment with the Valley Forge General Hospital, Phoenixville, Pa. Mr. Frerichs has advised the committee that prior to being employed, the question of whether he would be barred by the Dual Employment Act was considered. Mr. Frerichs understood it was not applicable because the job was temporary in nature and his officer status was based on temporary rank attained during World War II. The Army report notes that Mr. Frerichs' employment was based on an erroneous determination that he came within the provisions of section 246 of the Armed Forces Reserve Act of 1952 which provides that members of the Reserve not on active duty are not to be considered as holding a Federal office. As is observed in the Army report, the investigation of this matter discloses that there is nothing to indicate that Mr. Frerichs knew his employment was illegal. This committee is satisfied that Mr. Frerichs entered upon his employment with the hospital in good faith and in reliance on the determination of Government personnel that his employment was proper. It is clear that the Government was on notice of Mr. Frerichs' retired status for their determination as to eligibility took that status into consideration.

"On February 3, 1959, the Navy Finance Center informed the Valley Forge General Hospital that Mr. Frerichs' employment had been illegal under the act of July 31, 1894, on the ground that he was regarded as holding two Federal offices because of his status as a retired chief warrant officer. The total amount of overpayment for the period stated in the bill is $1,507.12, and this amount has been repaid to the Government. The Army report notes that the Dual Compensation Act of 1964 (78 Stat. 484) repealed the act of July 31, 1894, but there are no retroactive provisions which will serve to validate an appointment such as Mr. Frerichs' which was made prior to December 1, 1964.

"The Department of the Army in its report to the committee on the bill states that it would not oppose favorable consideration of the bill and in this connection states:

"'There is nothing to indicate that he knew his employment was illegal. As Mr. Frerichs' indebtedness resulted from an administrative error, and the benefits were received in good faith for services performed, the Department of the Army does not oppose the bill.'

"The committee agrees with the conclusions of the Department of the Army concerning the equities of this case, and finds that this is an appropriate matter for legislative relief. Accordingly, it is recommended that the bill be considered favorably."

The Committee, after considering all of the foregoing, concurs in the action of the House of Representatives and recommends that the bill, H.R. 10133, be considered favorably.

BILL PASSED OVER

The bill (H.R. 13935) entitled "An act to give the consent of Congress to the State of Massachusetts to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965," was announced as next in order.

Mr. MANSFIELD. Over, Madam President.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

CENTENNIAL YEAR OF PROSPECT PARK, NEW YORK

A concurrent resolution (H. Con. Res. 597) relating to the Centennial Year of Prospect Park of the city of New York, Borough of Brooklyn, was considered and agreed to.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1226), explaining the purposes of the concurrent resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the concurrent resolution is to provide that the Congress of the United States recognizes the historic importance of Prospect Park in the city of New York on the occasion of the park's centennial year, 1966, and sends its greetings to the citizens of the city of New York in commemorating this event.

FEDERAL LAND BANK MONTH

The joint resolution (S.J. Res. 150) to provide for the designation of the month of April 1967, as "Federal Land Bank Month" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. Res. 150

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1967, is hereby designated as "Federal Land Bank Month" and the President is requested to issue a proclamation calling upon all people of the United States for the observance of such month with appropriate proceedings and ceremonies.

The ACTING PRESIDENT pro tempore. Without objection, the preamble is agreed to.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1227), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the joint resolution is to designate the month of April 1967 as "Federal Land Bank Month."

GAS INDUSTRY WEEK

The joint resolution (S.J. Res. 160) to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. Res. 160

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period beginning June 13, 1966, and ending June 19, 1966, is hereby designated as "Gas Industry Week". The President is authorized and requested to issue a proclamation inviting the governments of States and communities and the people of the United States to join in the observance of such week with appropriate ceremonies and activities.

The ACTING PRESIDENT pro tempore. Without objection, the preamble is agreed to.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1228), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the joint resolution is to designate the period June 13 to 19, 1966, inclusive, as "Gas Industry Week."

JOINT RESOLUTION PASSED OVER

The joint resolution (S.J. Res. 161) to designate the third Sunday in June of each year as Father's Day, was announced as next in order.

Mr. MANSFIELD. Over, temporarily, Madam President.

The ACTING PRESIDENT pro tempore. The joint resolution will be passed over.

STEELMARK MONTH

The Senate proceeded to consider the joint resolution (H.J. Res. 1001) to provide for the designation of the month of May, 1966, as "Steelmark Month," which had been reported from the Committee on the Judiciary with an amendment in line 3, after the word "May", to strike out "1966" and insert "of each year".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The joint resolution was read the third time, and passed.

The title was amended, so as to read: "A joint resolution to provide for the designation of the month of May of each year as 'Steelmark Month'."

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1230), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the joint resolution, as amended, is to designate the month of May of each year as "Steelmark Month," and requesting the President to issue a proclamation calling upon all people of the United States for the observance of such month with appropriate proceedings and ceremonies.

DR. JUAN FEDERICO ANTONIO LAMAS Y PARRA

The bill (S. 2491) for the relief of Dr. Juan Federico Antonio Lamas y Parra, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2491

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Juan Federico Antonio Lamas y Parra shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 22, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1236), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. FELIX HURTADO PEREZ

The bill (S. 2529) for the relief of Dr. Felix Hurtado Perez, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Felix Hurtado Perez shall be held and considered to have been lawfully admitted to the United States for permanent residence on January 22, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1237), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. GUILLERMO RODRIGUEZ

The bill (S. 2640) for the relief of Dr. Guillermo Rodriguez, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Guillermo Rodriguez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 18, 1960.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1238), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Dr. Guillermo Rodriguez as of September 18, 1960. The beneficiary has been a lawful resident since April 14, 1965.

DR. MARIO GUILLERMO MARTINEZ

The bill (S. 2647) for the relief of Dr. Mario Guillermo Martinez, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Mario Guillermo Martinez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 17, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1239), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Dr. Mario Guillermo Martinez, as of July 17, 1961. The beneficiary has been a lawful resident since January 31, 1964.

DR. ANGEL MONTERO-NOVOA

The bill (S. 2702) for the relief of Dr. Angel Montero-Novoa, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2702

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Angel Montero-Novoa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 13, 1959.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1240), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DAVID R. SLEMON

The bill (S. 2751) for the relief of David R. Slemon, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, David R. Slemon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 21, 1957.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1241), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. JULIO SANGUILY, JR.

The bill (S. 2761) for the relief of Dr. Julio Sanguily, Jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Julio Sanguily, Junior, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 13, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1242), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

HAZEL LOUISE SCHUMAN STRUNK

The bill (S. 2771) for the relief of Hazel Louise Schuman Strunk was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hazel Louise Schuman Strunk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 1, 1923.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1243), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. RAFAEL ANRRICH

The bill (S. 2796) for the relief of Dr. Rafael Anrrich was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2796

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Rafael Anrrich shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 3, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1244), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

GEORGE JOSEPH SAAD

The bill (S. 2800) for the relief of George Joseph Saad was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, as amended, George Joseph Saad, the widower of Mary Elizabeth Saad, a United States citizen, shall be held and considered to be within the purview of section 201(b) of the said Act, and the provisions of section 204 of the said Act shall not be applicable in this case.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1245), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to preserve immediate relative status in behalf of the widower of a U.S. citizen.

HELENA GILBERT MADDAGIRI

The bill (S. 2801) for the relief of Helena Gilbert Maddagiri and Heather Gilbert Maddagiri was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, as amended, Helena Gilbert Maddagiri and Heather Gilbert Maddagiri may be classified as children within the meaning of section 101(b)(1)(F) of the said Act, upon approval of a petition filed in their behalf by Wanda Schickling Maddagiri, a citizen of the United States, pursuant to section 204 of the said Act, subject to all the conditions in that section relating to orphans.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1246), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as immediate relatives of two children to be adopted by a citizen of the United States, and a lawful permanent resident of the United States.

ABRAHAM PRESSER

The bill (S. 2853) for the relief of Abraham Presser was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2853

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Abraham Presser shall be held and considered to have been lawfully admitted to the United States for permanent residence on November 22, 1960.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1247), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. GOTTFRIED R. KAESTNER

The bill (S. 2854) for the relief of Dr. Gottfried R. Kaestner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the periods of time Doctor Gottfried R. Kaestner has resided in the United States since his lawful admission for permanent residence on July 17, 1959, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act, as amended.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1248), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. ALFREDO HERNANDEZ

The bill (S. 2865) for the relief of Dr. Alfredo Hernadez was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Alfredo Hernandez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 7, 1960.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1249), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. JOSE ENRIQUE DIAZ

The bill (S. 2869) for the relief of Dr. Jose Enrique Diaz was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jose Enrique Diaz shall be held and considered to have been lawfully admitted to the United States for permanent residence on June 28, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1250), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. MANUEL A. ZUNIGA

The bill (S. 2884) for the relief of Dr. Manuel A. Zuniga was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Manuel A. Zuniga shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 18, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1251), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. JAIME E. CONDOM VALERA

The bill (S. 2945) for the relief of Dr. Jaime E. Condom Valera was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2945

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jaime E. Condom Valera shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 24, 1960.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1252), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. MARIO v. MACHADO ESPINOSA

The bill (S. 2946) for the relief of Dr. Mario v. Machado Espinosa was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Mario v. Machado Espinosa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 23, 1961.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1253), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

WING YUEN WONG

The bill (S. 2957) for the relief of Wing Yuen Wong also known as Wing Yuen Gee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Wing Yuen Wong, also known as Wing Yuen Gee, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1254), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Wing Yuen Wong, also known as Wing Yuen Gee. The bill provides for an appropriate quota deduction and for the payment of the required visa fee.

CONSENTING TO THE INTERSTATE COMPACT DEFINING BOUNDARY BETWEEN STATES OF ARIZONA AND CALIFORNIA

The bill (S. 3249) to consent to the interstate compact defining the boundary between the States of Arizona and California was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the interstate compact defining the boundary between the States of Arizona and California, ratified by the State of Arizona in an act approved by the Governor of such State on April 2, 1963, and by the State of California in an act approved by the Governor of such State on June 11, 1963. Such compact reads as follows:

"INTERSTATE COMPACT DEFINING THE BOUNDARY BETWEEN THE STATES OF ARIZONA AND CALIFORNIA

"ARTICLE I. PURPOSE.

"The boundary between the States of Arizona and California on the Colorado River has become indefinite and uncertain because of meanderings in the main channel of the Colorado River with the result that a state of confusion exists as to the true and correct location of the boundary, and the enforcement and administration of the laws of the two states and of the United States have been rendered difficult.

"The purpose of this compact is to fix by reference to stations of longitude and latitude the location of the boundary line between Arizona and California on the Colorado River from the southern boundary of the state of Nevada to the point on the international boundary which is common to the boundaries of Arizona and California and the United Mexican States.

"ARTICLE II. DESCRIPTION.

"The boundary between the states of Arizona and California on the Colorado River from the point where the oblique boundary between California and Nevada intersects the thirty-fifth degree of north latitude, said point being common to the boundaries of the states of Arizona, California and Nevada, to the point on the international boundary which is common to the boundaries of Arizona, California and the United Mexican States, shall be in accordance with the following description in general terms of 34 points on the boundary:

"GENERAL DESCRIPTION OF BOUNDARY BETWEEN ARIZONA AND CALIFORNIA.—

"Point No. 1. The intersection of the boundary line common to California and Nevada and the centerline of the channel of the Colorado River as constructed by the U.S. Bureau of Reclamation, said point being common to the boundaries of Arizona, California, and Nevada, where the 35th degree of north latitude intersects the centerline of said channel; thence downstream along and with the centerline of said channel to the southerly end of said construction to

"Point No. 2, which is located in the center of the channel of the Colorado River approximately one-half mile northerly from the A.T. & S.F. Railway Bridge at Topock; thence downstream on a straight line to

"Point No. 3, which lies in the Colorado River vertically below the centerline of the A.T. & S.F. Railway tracks at a point midway face-to-face of abutments of the A.T. & S.F. Railway Bridge at Topock, Arizona; thence on a straight line downstream to

"Point No. 4, which lies in the Colorado River vertically below the centerline of U.S. Highway 66 at a point where said centerline intersects the center of the center pier of the highway bridge; thence on a straight line to

"Point No. 5, which lies in the Colorado River vertically below the center of the span of the gas line bridge owned by the El Paso Natural Gas Co. and the Pacific Gas and Electric Co., crossing the Colorado River at Topock, Arizona; thence downstream in a southerly direction through Havasu Lake along a line midway between the right and left shore lines of said lake as they exist at mean operating level (elevation 448.00 above Mean Sea Level) as controlled at Parker Dam to

"Point No. 6, which is the center of the overflow section of Parker Dam across the Colorado River; thence downstream midway between the shore lines on the right and left banks of the Colorado River to

"Point No. 7, which lies in the center of the Colorado River approximately 2,050 feet upstream from the earth fill of Headgate Rock Dam; thence on a straight line to

"Point No. 8, which is the center of the earth fill of Headgate Rock Dam; thence on a straight line to

"Point No. 9, which lies on the centerline of the river approximately 3,625 feet westerly from Point No. 8; thence on a straight line to

"Point No. 10, which lies in the center of the Colorado River at a point where the parallel of 34°10′ north latitude intersects said centerline; thence on a straight line to

"Point No. 11, which lies in the Colorado River vertically below the centerline of Arizona Highway No. 72 midway between the abutments of the highway bridge; thence down the Colorado River midway between the right and left shore lines across islands which may exist between those waterlines to

"Point No. 12, which is at the center of the earth fill section of the Palo Verde Diversion Dam; thence down to the Colorado River midway between the shore lines on the right and left banks to

"Point No. 13, which is vertically below the center of the centerspan of the highway bridge across the Colorado River at Ehrenberg, Arizona (U.S. Highway 60–70), thence down the Colorado River midway between the shore lines on the right and left banks to

"Point No. 14, which is the center of the Cibola Bridge midway between abutments; thence down the Colorado River midway between the shore lines on the right and left banks, ignoring future channelization by the U.S. Bureau of Reclamation to

"Point No. 15, which lies on the centerline of the Colorado River approximately 8,400 feet northward of the center of the overflow section of Imperial Dam; thence on a straight line to

"Point No. 16, which is the center of the overflow section of Imperial Dam; thence on a straight line normal to the longitudinal axis of Imperial Dam to

"Point No. 17, which lies at the intersection of the last described line with a line extending northeasterly from the center of the overflow section of Laguna Dam and normal to the longitudinal axis of the said Laguna Dam; thence southeasterly on a straight line to

"Point No. 18, which is at the center of the overflow section of Laguna Dam; thence on a straight line to

"Point No. 19, which lies on the centerline of the Colorado River approximately 5,800 feet southwesterly of Point 18; thence down the Colorado River midway between the shore lines on the right and left banks, around a curve to the eastward to

"Point No. 20, which lies on the centerline of the Colorado River where said centerline intersects the section line between Sections 4 and 9, Township 8 South, Range 22 West, Gila and Salt River Meridian; thence departing from the river on a westerly course along the extension of the above-mentioned section line about 0.65 mile to

"Point No. 21, which will be the northwest corner of the northeast quarter of Section 8, Township 8 South, Range 22 West, Gila and Salt River Meridian, which shall be resurveyed in establishing this boundary; thence southerly along the centerline of said Section 8 about one-half mile to

"Point No. 22, which is the northeast corner of the southwest quarter of Section 8, Township 8 South, Range 22 West, Gila and Salt River Meridian; thence westerly about one and one-half miles to

"Point No. 23, which is the west quarter corner of Section 7, Township 8 South, Range 22 West, Gila and Salt River Meridian; thence southerly about one-half mile to

"Point No. 24, which is the southwest corner of Section 7, Township 8 South, Range 22 West, Gila and Salt River Meridian; thence westerly about one mile to

"Point No. 25, which is the southwest corner of Section 12, Township 8 South, Range 23 West, Gila and Salt River Meridian; thence southerly about one-half mile to

"Point No. 26, which is the west quarter corner of Section 13, Township 8 South, Range 23 West, Gila and Salt River Meridian; thence westerly about 1.93 miles to

"Point No. 27, which lies on the east shoulder of the north-south road through the Indian School approximately 370 feet due east of the northwest corner of the southwest quarter of the southwest quarter of Section 25, Township 16 South, Range 22 East, San Bernardino Meridian; thence southerly along and with the easterly shoulder line of the said north-south road approximately 700 feet to

"Point No. 28, which lies on the easterly shoulder line of said north-south road due east of the northeast corner of the stone retaining wall around the Indian School Hospital; thence due west to

"Point No. 29, which is the base of the northeast corner of said retaining wall; thence southerly along and with the westerly shoulder of said north-south road to

"Point No. 30, which lies on the westerly shoulder line of said north-south road 330 feet south of and approximately 110 feet east of the northeast corner of Section 35, Township 16 South, Range 22 East, San Bernardino Meridian; thence due west approximately 110 feet to

"Point No. 31, which lies on the east line of Section 35, Township 16 South, Range 22 East, San Bernardino Meridian, exactly 330 feet south of the northeast corner of said Section 35; thence southerly along the east line of said section 35 to

"Point No. 32, which lies at the center of the Colorado River, i.e., midway between the north and south shore lines just downstream from the centerline of the old U.S. Highway 80 Bridge across the Colorado River; thence down the centerline of the Colorado River midway between the shore lines on the right and left banks to

"Point No. 33, which is a point in the Colorado River vertically below the center of the new U.S. Highway 80 Bridge; thence down the centerline of the Colorado River midway between the shore lines on the right and left banks to

"Point No. 34 which is the intersection of the centerline of the Colorado River and the International Boundary Line between California and the United Mexican States, which point is common to the boundaries of Arizona, the United Mexican States, and California.

These points will be marked on existing bridges and dams and where appropriate will be monumented. Between each of these points will be a number of subpoints not monumented. The total number of points and subpoints will approximate 234. The United States Coast and Geodetic Survey will locate the above mentioned 34 points on the boundary by precise geodetic surveys. The Coast and Geodetic Survey will locate the remaining approximately 200 unmonumented subpoints by precise photogrammetric methods and will provide a list of the geographic positions and state coordinate positions (transverse Mercator system for Arizona and Lambert system for California) of each of the 234 points on the boundary. The approximately 200 unmonumented subpoints will be identified on copies of the aerial photographs by the States of Arizona and California to define the boundary; the Coast and Geodetic Survey will then locate the point so identified by analytic aerotriangulation (photogrammetric methods).

"When the survey and boundary description has been completed by the United States Coast and Geodetic Survey and the Boundary Commissions of Arizona and California have each certified that it is in conformity with the General Description of Boundary between Arizona and California set forth herein, it shall be attached hereto and marked Exhibit "A" and made a part hereof as though fully incorporated herein as the permanent description of the boundary between the states of Arizona and California.

"ARTICLE III. RATIFICATION AND EFFECTIVE DATE.

"This compact shall become operative when it has been ratified and approved by the legislatures of the states of Arizona and California, and approved by the Congress of the United States.

"Executed in duplicate this 12th day of March, A.D., One Thousand Nine Hundred and Sixty-three, at Sacramento, California.

"For the State of Arizona

"WAYNE M. AKIN,
"Chairman of the Arizona Interstate Stream Commission, Chairman.
"ROBERT W. PICKRELL,
"Attorney General, Member.
"OBED M. LASSEN,
"State Land Commissioner, Member.

"Attested:

"HOWARD F. THOMPSON,
"Executive Secretary, Colorado River Boundary Commission of Arizona.

"For the State of California

"F. J. HORTIG,
"Executive Officer, State Lands Commission, Chairman.
"STANLEY MOSK,
"Attorney General, Member.
"WILLIAM E. WARNE,
"Director, Department of Water Resources, Member.

"Attested:

"BERRIEN E. MOORE,
"Executive Secretary, Colorado River Boundary Commission of California."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1255) explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to grant congressional consent to a compact between the States of Arizona and California defining their mutual boundary. Such consent is required by article I, section 10, clause 3, of the U.S. Constitution.

STATEMENT

A previous bill, S. 2465, was introduced in the 88th Congress but no action was taken by reason of the fact that the actual boundary markings had not been completed by the U.S. Coast and Geodetic Survey. That survey at the present time has been completed and such survey markings are contained in the files of the committee on S. 3249.

The Department of the Interior and the Department of Justice in their reports have no objection to the enactment of this legislation. This compact has been ratified by both the States of Arizona and California.

The boundary between the two States at a number of locations had been in dispute for many years because of changes in the channel of the Colorado River. Uncertainty as to the exact location of the boundary has caused a good deal of confusion with respect to matters involving the civil and criminal jurisdiction of the two States and has handicapped efficient administration of some of the programs of this Department, particularly those relating to land management and to water development and regulation.

By the act of August 8, 1956 (70 Stat. 1124), the Congress gave its consent to the definition or relocation of the common boundary of the two States and authorized the appointment by the President of a Federal representative to participate in the negotiations. Pursuant to that statute, the President on April 4, 1957, appointed Rear Adm. Leo Otis Colbert, U.S. Coast and Geodetic Survey (retired), as the Federal representative. As shown by his report of April 6, 1964, a copy of which is enclosed, joint meetings of the boundary commissions of the two States were held in December 1957, April 1958, November 1959, February 1961, and February and September 1963. Agreement was reached at the February 1963 meeting on the description in general terms of 34 points on the boundary and arrangements were made to meet in Sacramento for a joint signing of the interstate compact. The compact was signed by the representatives of the two States on March 12, 1963, and was ratified by the States of Arizona and California on April 2 and June 11, respectively.

In September 1963, the representatives of the two States selected 200 subpoints on the boundary that are to be more accurately described. These were marked on aerial photographs which were then forwarded to the Coast and Geodetic Survey to provide a precise description of the location of the points by analytic aerotriangulation. Pursuant to agreement with the two States, the Coast and Geodetic Survey has undertaken to make the necessary surveys to ascertain the precise geographic positions by latitude and longtitude of the 234 points. By the terms of the compact the report of the Survey will be certified by the representatives of the two States and attached to the compact as exhibit A. This exhibit will provide the permanent description of the boundary.

The record should be made clear that it is the intention of the States and of the Congress that the new boundary shall remain fixed irrespective of any subsequent changes in the course of the Colorado River. The confusion which has existed heretofore has arisen because of the shifts in the river channel. The compact seeks to avoid a repetition of this confusion by fixing the boundary location permanently at this time. In view of this purpose, it should be understood by all concerned that where the compact defines the boundary in any given stretch by reference to the river (e.g., "downstream midway between the shorelines on the right and left banks of the Colorado River"), the reference is to the channel of the river at the time the aerial photographs were taken that are being used by the Coast and Geodetic Survey as a basis for ascertaining the precise description; and this boundary line will remain permanently as the common boundary of the States even though in future years the course of the river changes.

Both the States of Arizona and California have passed enabling legislation ratifying the compact as set forth in S. 3249. Copies of the State laws in this regard are contained in the files of the committee.

The Department of the Interior and the Department of Justice, in their reports on the predecessor bill, state that they have no objection to the enactment of this legislation.

The committee, after a review of all of the foregoing and the attached reports, believes that there is extreme merit in this compact which seeks to permanently provide the boundary between the States of Arizona and California along the Colorado River, as provided in the bill. It is, therefore, recommended by the committee that the bill, S. 3249, be considered favorably.

Attached hereto and made a part hereof are the reports submitted by the Department of the Interior and Department of Justice in regard to this legislation.

CHARLOTTE SCHULZ

The bill (H.R. 2290) for the relief of Charlotte Schulz was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1256), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to deem the periods of time Charlotte Schulz has resided in the United States since her lawful admission for permanent residence on July 20, 1955, to meet the residence and physical presence requirements for naturalization.

LEE CHUNG WOO

The bill (H.R. 1233) for the relief of Lee Chung Woo was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1257), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the admission to the United States in an immediate relative status of the alien child to be adopted by citizens of the United States.

WANDA OLSZOWA

The bill (H.R. 3774) for the relief of Wanda Olszowa was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1258), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant immediate relative status to the alien adopted daughter of citizens of the United States.

EVANGELIA G. LATSIS

The bill (H.R. 5003) for the relief of Evangelia G. Latsis was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1259), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide for the filing of an immediate relative petition in behalf of Evangelia G. Latsis, notwithstanding the fact that a prior visa petition was approved based on a marriage determined by the Attorney General to have been entered into for the purpose of evading the immigration laws.

KUNIKI NAGANO ZWEIFELHOFER

The bill (H.R. 5533) for the relief of Kuniki Nagano Zweifelhofer was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1260), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as an immediate relative of the alien son adopted by citizens of the United States.

CHO MYUNG SOON AND CHO MYUNG HEE

The bill (H.R. 8219) for the relief of Cho Myung Soon and Cho Myung Hee was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1261), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to authorize the filing of eligible orphan petitions in behalf of Cho Myung Soon and Cho Myung Hee, notwithstanding the limitation on the number of petitions which may be filed by a U.S. citizen and spouse.

SARAH ANTOINETTE CAPPADONA

The bill (H.R. 8833) for the relief of Sarah Antoinnette Cappadona was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1262), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide for the adjustment of status of the adopted alien daughter of citizens of the United States as an immediate relative.

HAIDER RAZA

The bill (H.R. 9643) for the relief of Haider Raza, and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1263), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Haider Raza and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza, as of May 1, 1961. The beneficiaries have been previously lawfully admitted for permanent residence and the bill, therefore, does not provide for payment of visa fees or for deduction of appropriate quota numbers.

JULIANO BARBOZA AMADO AND MANUEL SOCORRO BARBOZA AMADO

The Senate proceeded to consider the bill (S. 777) for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado, which had been reported from the Committee on the Judiciary, with an amendment in line 3, after the word "of", to strike out "section 203(a)(4)" and insert "section 203(a)(5)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 203(a)(5) of the Immigration and Nationality Act, Leo Barboza Amado, a citizen of the United States, shall be held and considered to be the legitimate half-brother of Juliano Barboza Amado and Manuel Socorro Barboza Amado.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1264), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to deem the beneficiaries to be the legitimate half brothers of a U.S. citizen, thus making them eligible for fifth preference quota immigrant visas. The bill has been amended to conform with the changes made by enactment of Public Law 89-236.

DINESH KUMAR PODDAR

The Senate proceeded to consider the bill (S. 2663) for the relief of Dinesh Kumar Poddar which has been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Dinesh Kumar Poddar may be classified as a child within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by Mr. and Mrs. Bhagwati P. K. Poddar, a lawfully resident alien and a citizen of the United States, respectively, in behalf of the said Dinesh Kumar Poddar pursuant to section 204 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1265), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to facilitate the entry into the United States in an immediate relative status of a child who is to be adopted by a U.S. citizen.

IRENE SNYDER

The Senate proceeded to consider the bill (S. 2838) for the relief of Irene Snyder which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Irene Snyder may be classified as a child within the meaning of section 101(b)(1)(F) of the said Act, and a petition may be filed in behalf of the said Irene Snyder by Sergeant and Mrs. Robert Snyder, a citizen and lawful alien resident, respectively, of the United States, pursuant to section 204 of the said Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1266), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to facilitate the entry into the United States in an immediate relative status of a child adopted by a citizen of the United States and a lawful permanent resident of the United States.

MOAPA VALLEY WATER CO. OF LOGANDALE, NEV.

The Senate proceeded to consider the bill (H.R. 2270) for the relief of the Moapa Valley Water Co., of Logandale, Nev., which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "of", to strike out "$44,760.37" and insert "$56,018.22".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1267), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation, as amended, is to relieve the Moapa Valley Water Co. of Logandale, Nev., of all liability to pay to the United States the sum of $56,018.22, representing the interest accruing prior to January 1, 1966, on three loans made to the said water company by the Farmers Home Administration in the amounts of $199,556.20, $29,980.72, and $20,000.

STATEMENT

Records of the Farmers Home Administration disclose that—

"The Moapa Valley Water Co. is a nonprofit corporation, organized under the laws of Nevada. Membership in the corporation carries with it the right to use water on a water charge basis from a water distribution system serving the rural area of Logandale, Nev., and other rural areas adjacent to the Querton Water District. That district had an existing water system, the water from which was condemned by the State health department. The company and the district entered into an agreement for the joint development of a satisfactory source of water supply and a transmission line to distribution systems of the two entities. The only feasible source of supply was a spring located 17 miles from the area to be served. The Moapa Valley Water Co. was unable to obtain financing for its share of the cost of the joint undertaking and the construction of its own distribution lines from other sources, so obtained loans from the Farmers Home Administration. The district raised its portion of the costs by levy on assessments on property within the district.

"Before the construction of the transmission line was completed and service available therefrom, large sections of the transmission pipe originally installed were washed out by a flash flood. A subsequent loan was made by the Farmers Home Administration to the company for its share of the cost of replacing these sections. After this replacement, it was discovered that the transmission line had split in many long reaches of the line. Whether this failure was due to faulty extrusion of the plastic pipe, to deterioration by sun heat to which it was exposed before it was laid, to excessive weight of the overlay of soil of a type which increased tremendously in weight because of its retention of surface runoff water, combined with the lack of offsetting internal pressure when the flow was cut off due to the washed-out section, or for other causes, was debated between geologists, hydrologists, and engineers for the company, the district, and the pipe supplying company over a period consuming about 3 years. These debates terminated in a compromise under which the pipe supplier furnished replacement pipe of a thicker gage at a below-cost figure and the purchase and installation of stretches of steel pipe in certain reaches of the line. Under this arrangement additional funds in excess of the then existing loan limitation were furnished by the Farmers Home Administration to protect its investment. A part of these advances was to be repayable out of future assessment collections. Some of the necessary funds were also furnished by the State of Nevada. Even with these additional funds, it was necessary for the members of the nonprofit corporation to personally contribute most of the labor for retrenching, relaying, and backfilling the replacement pipe.

"The system is now functioning properly and water charges are being made by the company at the maximum rate which the member users can afford to pay. Nevertheless, the total debt of the company, including the interest which accrued during the time when no water use charges could be made and collected, now amounts to more than the income of the company will retire.

"Since the construction contractor had no assets out of which recovery could be made and the engineering firm was subsequently dissolved and became insolvent, it appeared that recovery, if any, could be anticipated only from the pipe supplier. Because of the disputed character of the liability of that company and its possible counterclaim for the unpaid balance of the original pipe contract, Moapa determined that such litigation would be costly beyond its means and the means of the district. The United States was unwilling to undertake litigation of these claims under a proposed assignment to it as mortgagee of Moapa's interest in the claims."

Moapa subsequently requested the Farmers Home Administration to cancel the accrued interest. That agency responded that it was without authority to cancel that part of the obligation, but offered to reamortize the accrued interest or to continue to carry the loan without interest on the defaulted interest. Thereafter, the bill for private relief was introduced.

Moapa predicates its claim for relief upon the fact that for reasons beyond its control the line was dormant for over a 2-year period and the added financial burden of replacing the line and consequent loss of revenue has seriously impaired the cooperative's ability to carry out the terms of the original loans, let alone pay the accrued interest outstanding. Forgiveness of the accrued interest for this period would enable the cooperative to start paying its way with current revenue from its users.

The cooperative points out that it suffered a net loss in 1963 of $11,768 and in 1964, a net loss of $12,839 and in 1965 a net earning of $3,284. Consequently, repayment of the accrued interest for the period that the cooperative was in debt as a result of the flood and interior pipeline, would impose a financial hardship and seriously impair its ability to pay its full indebtedness.

The committee takes note of Private Law 386, 81st Congress, 2d session, the act of February 14, 1950, an act for the relief of the Alamo Irrigation Co., wherein the Secretary of Agriculture was authorized to waive the collection of interest on a loan made by the Secretary of Agriculture to the Alamo Irrigation Co. for that period for which the company was unable to use the principal amount of the loan.

The Department of Justice, in reporting on the merits of this proposal to this committee, suggests that the Farmers Home Administration consider renewing its offer to carry the loan without interest on the defaulting interest and, in addition, consider offering to defer collection of the accrued interest until a future date. The committee is of the opinion that this suggestion will not alleviate the cooperative's problems. The water system is now functioning properly and water charges are being made by the company at the maximum rate which the member users can afford to pay. Nevertheless, the total debt of the company, including the interest which accrued during the time when no water use charges could be made and collected, now amounts to more than the income of the company will retire. Moreover, the company is faced with the further expense of replacing the remaining thin-walled plastic pipe.

The Department of Agriculture, in its report to the chairman of this committee, states in part as follows:

"* * * it is recognized that the accumulated interest constitutes an indebtedness far in excess of that originally planned by the borrower which it could not avoid, having elected to attempt the thin-wall plastic pipe installation in order to stay within its original debt-paying ability. For these reasons, we do not think that the favorable action on this private bill would have any substantial effect on other similar obligations owing to the Government and recommend that it be passed."

The committee is sympathetic to the plight facing this small cooperative in trying to serve its users and maintain financial stability and pay its indebtedness. Circumstances beyond its control shut down the facility for 2 years with consequent loss of revenue. Had this not occurred, the cooperative would have been able to meet its obligations and would not be here seeking legislative relief.

The committee takes note of Public Law 89–240, the act of October 7, 1965, which act authorizes loans and grants to rural communities to aid in the construction of water supply and other community facilities. If the claimant were just starting out now, it would be eligible for a grant up to 50 percent of its construction cost.

After a careful review of all the evidence presented, the committee concludes that the instant case merits legislative relief. This company should be relieved of paying the accrued interest because the facility was inoperative over a long period of time, thus depriving the cooperative of the use and revenue and creating great financial hardship to the company and its users. Relieving the cooperative from this burden will enable the cooperative to meet its originally planned obligations through the ensuing years.

Accordingly, the committee recommends favorable consideration of H.R. 2270, as amended.

WILLIAM F. KUHLMAN

The bill (H.R. 3692) for the relief of William F. Kuhlman was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1268), explaining the purpose of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation, as amended, is to relieve William F. Kuhlman of Fort Worth, Tex., of liability to the United States of $3,732.95, based upon a determination that the compensation he received from November 4, 1961, through January 26, 1963, while employed at the Fort Worth Army Depot, was partially erroneous due to a failure to withhold the full amount required by section 13 of the Civil Service Retirement Act, representing the amount of his civil service annuity.

STATEMENT

The facts of the case are contained in House Report 1425 and are as follows:

"The Department of the Army in its report to the committee indicates that it has no objection to the bill. The report of the Civil Service Commission similarly stated that the Commission does not object to its enactment, and the Comptroller General in his report on the bill stated that the General Accounting Office would not object to favorable consideration of the bill.

"Mr. William F. Kuhlman is a retired Navy chief petty officer and was placed on the retired list of the Navy on July 1, 1952, after service in the Fleet Reserve. The bill relates to his employment as a civilian at the Fort Worth Army Depot in Fort Worth, Tex., where he was originally employed on October 30, 1961. Prior to his employment at the Fort Worth Army Depot on November 1, 1960, Mr. Kuhlman began receiving a civil service retirement annuity from the Civil Service Commission in the amount of $309. His civil service retirement was based on 37 years of Federal service. In order to receive credit for this number of years, Mr. Kuhlman waived his naval retired pay and had it credited for civil service retirement purposes so that he was given credit for 9 years of civil service and 28 years of military service. Under these circumstances, when he was employed by the Fort Worth Army Depot in 1961, his entire annuity of $309 should have been deducted from his salary; however, only $60.13 was withheld from his salary, and the $248.87 paid him erroneously resulted in a total overpayment of $3,732.95. This amount has now been collected by deductions from his salary.

"The inequity in this case derives from the fact that by electing to revert to his naval retired pay upon his employment with the Fort Worth Army Depot, he could have correctly received the $248.87 as retired pay. When the error was discovered, Mr. Kuhlman did just this. He requested that his civil service annuity be discontinued and that his now retired pay be resumed, and on May 1, 1963, he began receiving $248.87 per month. The situation therefore is that although legally and somewhat technically he is obligated to pay the U.S. Government $3,732.95, he was not actually unjustly enriched by this amount since, as subsequent events have demonstrated, he would have been entitled to receive this amount had he initiated the proper administrative procedure. These are the considerations which have led the Army, the Civil Service Commission, and the Comptroller General to indicate that they have no objection to this bill. This committee agrees that this is a proper subject for legislative relief and recommends that the bill, as amended, be considered favorably."

In agreement with the views of the House of Representatives, the committee recommends this legislation favorably.

RELIEF OF CERTAIN EMPLOYEES OF THE POST OFFICE DEPARTMENT AT EAU GALLIE, FLA.

The bill (H.R. 10838) for the relief of certain employees of the Post Office Department at Eau Gallie, Fla., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1269), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve 32 named employees of the post office at Eau Gallie, Fla., of the amounts shown in the bill H.R. 10838 opposite their names, which they were paid as overtime for work performed on Saturdays and Sundays from April through October of 1964.

STATEMENT

The facts of the case are found in House Report No. 1433, and are as follows:

"Statement

"The Post Office Department in its report to the committee on the bill stated that it favored the enactment of the bill.

The 32 employees named in the bill were employed by the Post Office Department at Eau Gallie, Fla. In the period from April through October of 1964, they were paid on the basis of overtime rates for work performed on Saturday and Sunday. After the employees had been so compensated, the Post Office Department authorities recognized that the correct procedure should have been to grant them compensatory time for the work they performed on Saturdays and Sundays. The result of this history is that the employees have been held to have been overpaid. In its report, the Department states that it recognizes that this situation actually penalizes the employees concerned. Furthermore, the Department received the benefit of the services of these employees, who entered upon their work in good faith and in reliance on the correctness of the Government's action in granting them overtime pay. Under these circumstances, the committee has determined that the most equitable adjustment is to provide for legislative relief which will be applied equally to all of the employees who were affected in this period. The bill, H.R. 10838, provides for such a settlement of the matter, and it is recommended that the bill be considered favorably."

In agreement with the facts of the House report the committee recommends the bill favorably.

ELTON P. JOHNSON

The bill (H.R. 12396) for the relief of Elton P. Johnson was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1270), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay Elton P. Johnson, an employee of the Agricultural Research Service of the Department of Agriculture, $727.10 to reimburse him for amounts paid in settlement of a suit brought against him in a Tennessee State court, as a result of the injuries sustained by a 9-year-old girl when she ran onto a highway and into the side of a Government vehicle operated by him in the scope of his employment as a Federal employee.

STATEMENT

The Department of Agriculture recommends the favorable consideration of the bill.

The facts of the case are found in House Report No. 1438, and are as follows:

"On August 29, 1961, Elton P. Johnson, while operating a Government-owned vehicle in connection with his employment as a livestock inspector of the Agricultural Research Service, was involved in an accident. This accident occurred when Flournette Reynolds, then 9 years old, ran onto the highway and into the side of the Government-owned automobile driven by Mr. Johnson. While jurisdiction is provided for suit against the United States based upon actions of its employees, suit was instituted against Mr. Johnson personally in a State court. The suit was brought by the injured girl's next friend against Mr. Johnson in the circuit court for Davidson County, Tenn. This case occurred prior to the effective date of the Government Drivers' Act (28 U.S.C. 2679(b)), which, after March 21, 1962, requires the substitution of the Government as a party defendant in the place of the individual employee in a suit of this nature.

"In recommending legislative relief as provided in this bill, the Department of Agriculture stated that its investigation had disclosed that there was no willful negligence on the part of Mr. Johnson in this case. Further, it was established that Mr. Johnson was acting within the scope of his employment at the time of the accident and that, therefore, the Federal Tort Claims Act would have applied. If the action had been under the terms of that act, in the event of any award, compromise, or settlement by the Government, the liability of the individual employee would have been discharged. As has been noted, the Government Drivers' Act makes it mandatory under present conditions that claimant proceed only against the Government. The Department therefore concluded that it was unfair that Mr. Johnson be required to bear the burden of this loss.

"This committee agrees that under these circumstances legislative relief should be extended to the Government employee. Accordingly, it is recommended that the bill be considered favorably."

In agreement with the views of the House, the committee recommends favorable consideration of H.R. 12396, without amendment.

FATHER'S DAY

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1200, Senate Joint Resolution 161.

The **ACTING PRESIDENT** pro tempore. The joint resolution will be stated by title.

The Legislative Clerk. A joint resolution (S.J. Res. 161) to designate the third Sunday in June of each year as Father's Day.

The **ACTING PRESIDENT** pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. RANDOLPH. Madam President, I send to the desk two technical amendments and ask that they be considered en bloc.

The **ACTING PRESIDENT** pro tempore. The amendments will be stated.

The legislative clerk read as follows:

> On page 2, line 3, after the word "of", to strike out "each year" and insert "1966", and in line 5, after the word "issue", to strike out "annually".

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the amendments en bloc.

The amendments were agreed to.

Mr. RANDOLPH. Madam President, on May 17, 1966, I introduced in the Senate of the United States a joint resolution—Senate Joint Resolution 161—which would designate the third Sunday in June as Father's Day.

The turbulent nature of our world requires, perhaps more than at any other time in our history, the stabilizing influence of the American home. The home and family are institutions which contribute meaningfully to the physical, intellectual, emotional, and moral growth of the citizens and leaders of the future. And, it is a fact that fathers and fatherhood have a vital role in this process.

In my belief, it is fitting that we give special recognition to the contributions of fathers in preserving the soundness of our society and in molding the lives of our youth. Their devotion and strength have been instrumental in making America what it is today—a family-centered, religion-oriented nation in which men and women can live in harmony under the rule of law. American fathers help to perpetuate the highest ideals and values of our civilization. I propose that we set aside one day during this year when our people can offer appropriate expressions of the abiding love and gratitude which they bear for these selfless men.

Madam President, it is also appropriate that we make mention of the outstanding service rendered by those men who devote their time and energies to providing guidance and counsel in homes where there are fatherless children. In such an environment, where the constructive influence and example of a father would otherwise be absent, the Big Brothers of America seek to meet the need. It is fortunate, and we are grateful, that responsible members of the community have volunteered to assume this obligation toward boys who lack strong guidance from home.

Many Members of the Congress are fathers. We are aware of the heavy responsibilities, as well as the rewards, which fatherhood entails. Likewise, we recall vividly, and continue to experience, the powerful influence of our own fathers in our lives. Truly, they never leave us in spirit or in memory.

It is parenthetically pointed out that Mother's Day was originated by a West Virginian, Anna Jarvis, of Grafton. And, since 1914, the second Sunday in May of each year has been set aside by law—38 Stat. 771—as a tribute to mothers.

For these reasons, Madam President, I suggest to my colleagues that they will wish to act favorably on Senate Joint Resolution 161, a bill to designate the third Sunday in June 1966 as Father's Day.

The **ACTING PRESIDENT** pro tempore. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 161) was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. LONG of Louisiana. Madam President, I ask unanimous consent that the Senate reconsider the vote by which the joint resolution was passed.

The **ACTING PRESIDENT** pro tempore. Is there objection?

There being no objection, the Senate proceeded to reconsider the joint resolution.

Mr. LONG of Louisiana. Madam President, may I ask what is the necessity of Congress passing the joint resolution? It has always seemed to me that Father's Day was for the benefit of merchants rather than for the benefit of fathers. In the last analysis, some of us feel we are pretty well rewarded by our youngsters on our birthdays, at Christmas, remembering our anniversaries, and in various other ways. Why is it necessary to have a national Father's Day?

Mr. RANDOLPH. Madam President, why is it necessary to pass many of the bills that we pass in the Senate, and that are passed in the House of Representatives? This is a question that has many facets. But the distinguished Senator and assistant majority leader from Louisiana [Mr. Long], I am sure, would not want to have invalidated the legislation which created Mother's Day. Would he want that act rescinded now by the Congress?

Mr. LONG of Louisiana. I am not a mother and I do not feel particularly qualified to speak on the subject. As long as the act exists, I am willing to recognize it.

Does the Senator feel it is necessary to have a grant of injunction to require that the youngsters buy something on one additional day? They feel that they have to do it for us at Christmas, on our birthdays, and on our anniversaries.

Would not the Senator agree that the merchants are doing a pretty good job of bringing pressure to bear on the children to buy presents, and to have 1 additional day for fathers?

Mr. RANDOLPH. I know that the Senator from Louisiana is being more or less facetious at this point.

The joint resolution we are considering today was not offered by the Senator from West Virginia so that more merchandise would be purchased. The merchandise is being purchased today, as it was yesterday, and as it will be tomorrow. There are always alert persons within our selling community who see to it that merchandise is sold to mothers, fathers, and children. There is no problem here.

I believe that this joint resolution is in good taste. It is one of propriety. For that reason, I am sure that the Senator from Louisiana [Mr. Long] would not want to say that the joint resolution, if passed, is passed to benefit of the business segment of our Nation.

Mr. LONG of Louisiana. Madam President, inasmuch as I am a father and have something of an interest in this matter, I should like to ask to be excused from voting on it.

Mr. RANDOLPH. Of course, the Senator will vote or not vote as he does on other matters in the Senate. However, regardless of whether he votes or withholds his vote, I consider him a good father. And both of us can agree that the best gift a father gives to his children is time—not money.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1229), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the joint resolution is to designate the third Sunday in June . . . as Father's Day.

STATEMENT

The service rendered to the United States by the American father is a constant source of intellectual and moral strength which helps to perpetuate the highest values of our civilization and our Nation.

The designation of . . . Father's Day would point up the genuine regard, appreciation, and love which fathers earn each day, and should be publicly and specially commemorated.

In conformance with this resolution, the President of the United States is authorized and requested to issue . . . a proclamation calling on the appropriate Government officials to display the flag of the United States on all Government buildings on such day and inviting the governments of the States and communities and the people of the United States to observe such a day with appropriate ceremonies.

The committee believes that this resolution has a meritorious purpose and recalls that the Congress, by the act of May 18, 1914 (38 Stat. 771), has already called attention to the significance that American mothers have contributed to the well-being of the children of our country by designating the second Sunday in May of each year as Mother's Day. The committee, therefore, believes it most fitting to designate the third Sunday in June . . . as Father's Day.

Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 161, without amendment.

The ACTING PRESIDENT pro tempore. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 161) was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S.J. Res. 161

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the third Sunday in June of 1966 is hereby designated as "Father's Day". The President is authorized and requested to issue a proclamation calling on the appropriate Government officials to display the flag of the United States on all Government buildings on such day, inviting the governments of the States and communities and the people of the United States to observe such day with appropriate ceremonies, and urging our people to offer public and private expression on such day to the abiding love and gratitude which they bear for their fathers.

The title was amended, so as to read, so as to read: "Joint resolution to designate the third Sunday in June 1966 as Father's Day."

Mr. RANDOLPH. Madam President, I move to strike the preamble of Senate Joint Resolution 161.

The motion was agreed to.

EXECUTIVE COMMUNICATIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following communications, which were referred as indicated:

Proposed Amendment to the Budget, 1967, for Civil Service Commission (S. Doc. No. 93)

A communication from the President of the United States, transmitting an amendment to the request for appropriations transmitted in the budget for the fiscal year 1967, in the amount of $1,493,000, for the Civil Service Commission (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

Proposed Amendments to the Budget, 1967, for Legislative Branch (S. Doc. No. 94)

A communication from the President of the United States, transmitting amendments to the request for appropriations for the fiscal year 1967, in the amount of $734,975, for the legislative branch (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

Proposed Authorizations for the Sale of Participations in Certain Obligations, Fiscal Year 1967, Together With a Proposed Appropriation (S. Doc. No. 92)

A communication from the President of the United States, transmitting proposed authorizations for the sale of participations in certain obligations, fiscal year 1967, together with a proposed appropriation (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

BILL INTRODUCED

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McGEE (by request):

S. 3494. A bill for the relief of Mrs. Mary Conger; to the Committee on the Judiciary.

ADDITIONAL COSPONSOR OF BILL

Mr. PEARSON. Madam President, I ask unanimous consent that the name of my distinguished colleague, Mr. Carlson, be added as a cosponsor to S. 3493, to provide assistance to the State of Kansas for the reconstruction of areas damaged by recent tornadoes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bills:

Authority of May 25, 1966:

S. 3405. A bill to provide for the sharing of Federal tax receipts with the States for purposes of education: Mr. Allott, Mr. Fannin, and Mr. Scott.

Authority of June 1, 1966:

S. 3435. A bill to revise the Federal election laws, and for other purposes: Mr. Kennedy of New York, Mr. Moss, Mr. Proxmire, Mr. Randolph, and Mr. Scott.

S. 3442. A bill to amend title XIX of the Social Security Act to permit the States to exercise a wider discretion in determining which functions and activities will be assigned to particular agencies of the State in administering State programs designed to carry out the purposes of such title: Mr. Douglas.

Authority of June 6, 1966:

S. 3451. A bill to assist in the provision of adequate housing in areas in which there is a shortage of housing credit as a result of the occurrence of riots and other civil disorders: Mr. Case, Mr. Clark, Mr. Javits, Mr. Murphy, and Mr. Scott.

WYOMING COUPLE BREAKS ROUND-*THE-WORLD SPEED RECORD*

Mr. SIMPSON. Madam President, on June 7 a Wyoming couple, Mr. and Mrs. Robert L. Wallick, of Big Horn, Wyo., set a new record for a round-the-world flight in a light plane. To the cheers of onlookers, they landed at Manila airport 5 days, 6 hours, 16 minutes, and 40 seconds after they left it. This globe-circling flight in a twin-engine Beechcraft Baron cut 3½ days off the previous light plane record set 5 years ago by Max Conrad.

People all over the world who have a respect for courage and tenacity watched the flight of the Wallicks; and among those who understand the difficulties associated with an achievement of this magnitude, there was a renewed respect for this couple who proved once again that records exist to be broken.

Madam President, I ask unanimous consent that press accounts of the flight of Robert and Joan Wallick be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Cheyenne (Wyo.) State Tribune, June 7, 1966]

126 Hours by Air Around World . . . Wyoming Couple Sets Record

Manila (UPI).—A Wyoming couple flew back to Manila today at the end of a record-breaking 126-hour spin around the world in their twin-engine Beechcraft Baron.

Robert L. Wallick and his wife Joan landed their gleaming white aircraft at Manila International Airport at exactly 25 seconds after 2:16 p.m.—11:26 a.m. MST—five days, six hours, 16 minutes and 40 seconds after they took off from the same airport.

The Wallicks, both veteran pilots, emerged from the plane's cockpit beaming and looking none the worse after their 23,629-mile world-circling flight.

"Well, we're back in one piece" said Wallick, 45, of Ford Ranch, Big Horn, Wyo., as he waved to the crowd of cheering onlookers. He was clean shaven and was wearing a long-sleeved shirt and tie despite the sweltering summer heat here.

His wife also looked fresh in a clay-red shirt with white embroidery.

The achievement of the Wallicks was particularly heartening to their Filipino welcomers because their aircraft carried the Philippine flag. It was christened "Philippine Baron" before the flight.

At a news conference held shortly after their arrival, Joan said what she wanted most of all was a shower.

Robert said he wanted a bottle of beer.

"Neither of us could sleep for the first three days," he said.

During the last two days, he and his wife each had four hours' sleep.

Robert reported they encountered no trouble at all with the aircraft throughout the trip except the tiny bulb at the tail which blinked out. He said it was not a vital accessory.

He also said he and his wife both suffered from colds on their way to Athens after a stopover in Santa Maria in the Azores.

The time logged by the Wallicks beat the former record set by flying grandfather Max Conrad in May 1960 for a light aircraft. Conrad, who took off from Miami, Fla., flew eastward aboard a twin-engine Piper Aztec for a distance of 25,946.5 miles and clocked an elapsed time of eight days, 18 hours, 35 minutes and 57 seconds.

The Wallicks' time was certified by Lyle Grace, who was designated as official observer here of the U.S. National Aeronautic Association.

"Our aircraft was absolutely fabulous and it was wonderful to see the propellers turning all the time," said Joan. She said they encountered comparatively pleasant weather all the way except over the Rocky Mountains in the United States.

"We were busy all the time," Robert said. "We had a full-time job planning and flying."

Joan said their average flying altitude was 9,000 feet and the average speed 225 miles an hour. The Wallicks made refueling stops in Tokyo, Wake, Honolulu, Seattle, Boston, The Azores, Athens, Damascus, Bombay, and Singapore.

They planned to spend two more weeks in the Philippines for island-hopping with their plane. Arrangements were also being made for them to meet with President Ferdinand E. Marcos.

[From News Dispatches, June 8, 1966]

U.S. Couple Sets Record on Round-World Flight

Robert and Joan Wallick of Big Horn, Wyo., broke the record yesterday for a round-the-world flight in a light plane. They landed at Manila Airport five days, 6 hours, 16 minutes and 40 seconds after they left it.

This cut three and one-half days off the record set by Max Conrad in 1961.

The Wallicks piloted a twin-engine Beechcraft Baron flying under Philippine colors. They were only 6 minutes, 40 seconds behind schedule at the end of their 23,629-mile flight.

"I'd be happy to be that close on a short flight," Wallick said. He also said, "Boy, I'm glad it's over. We haven't slept for days."

In other round-the-world flights, entertainer Arthur Godfrey and three other pilots left Chitose in northern Japan for Shamya in the Aleutian Islands and Anchorage, Alaska, in a bid to establish 14 speed records. Sheila Scott, an Englishwoman flying alone, arrived at Nandi, Fiji. She leaves today for Pago Pago in American Samoa.

TIME FOR CHANGE

Mr. YOUNG of Ohio. Madam President, administration of the draft law is discriminatory in determining which youngsters serve in our Armed Forces. Deferments, for example, too frequently favor those who can afford to attend college and those whose education qualifies them to enter critical occupation, so-called. Furthermore, young men with financial resources are in a better position to defer themselves from the draft by marrying early and having children. Let us hope that the peacetime draft can be done away with and military needs met by well-trained volunteers. After all, Congress has granted the military pay raise. We should seek to remove uncertainty from the lives of many youngsters now unable to definitely plan their future. During our involvement in Vietnam, it is important that the selective service law operates fairly. Unfortunately, local draft boards frequently demonstrate bad judgment in decisions such as deferments to professional athletes and others. For example, the granting of a deferment to actor George Hamilton who claimed hardship as sole support of his mother who lives in his $500,000 Hollywood home has been frequently referred to by rightwing extremists in Ohio. Do not blame our President for this 1961 deferment—Lynda Bird was 15 or 16 then.

Selective Service, as now operated, no more meets military requirements in this grim war period than would horse cavalry, B-25's of World War II, or Springfield rifles used at the turn of the century. Youngsters in poor families assert that the present system has created a caste system favoring wealthier families and college students. Why not either return to the lottery system of World War II or, better yet, drastically change the present selective service law?

BUS TAXATION PRORATION AND RECIPROCITY FOR STATE OF MASSACHUSETTS

Mr. LONG of Louisiana. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1196, House bill 13935.

The **ACTING PRESIDENT** pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. H.R. 13935 to give the consent of Congress to the State of Massachusetts to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the act of November 1, 1965 (79 Stat. 1157).

The **ACTING PRESIDENT** pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG of Louisiana. Madam President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1232), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to grant the consent of Congress to the State of Massachusetts to enter into a certain agreement providing for bus taxation proration and reciprocity.

STATEMENT

The facts concerning this legislation are contained in House Report 1363 or H.R. 13935, and are as follows:

"By title II, section 201, of Public Law 89-11, approved April 14, 1965, Congress gave its consent to the States of Maine, New Hampshire, Pennsylvania, Maryland, and New York, to enter into a certain agreement providing for bus taxation proration and reciprocity, and by section 203, Congress directed the Board of Commissioners of the District of Columbia to enter into it.

"Under this agreement, party States agree to prorate bus registration fees so that an owner of a fleet of buses may register the buses of that fleet in any compacting State by paying to that State total registration fees in an amount equal to that obtained by applying the proportion of in-State fleet miles divided by total fleet miles, to the total fees that would otherwise be required for regular registration of all the vehicles in the compacting State.

"Public Law 89-11 requires the prior consent of Congress to the entry of additional States into the agreement. By Public Law 89-312, approved November 1, 1965, Congress consented to the entry of Connecticut, Rhode Island, and Vermont into the agreement.

"As appears from the attached certified copy, the Legislature of Massachusetts has enacted legislation entering into the agreement. The committee knows no reason why Massachusetts should not participate in the agreement. H.R. 13935 contains the usual reservation of congressional power to alter, amend, or repeal the consent granted."

The Committee concurs in the action of the House of Representatives on H.R. 13935, and recommends that the bill be considered favorably.

Mr. DIRKSEN. Madam President, I offer an amendment to the bill and ask that it be stated.

The **ACTING PRESIDENT** pro tempore. The clerk will report the amendment.

The LEGISLATIVE CLERK. At the end of the bill insert the following new section:

SEC. 3. (a) Section 206 (a) of title II of the War Claims Act of 1948, as amended (50 U.S.C. App. § 2017e (a)), is amended to read as follows:

"(a) In determining the amount of any award under this title, (1) there shall be added to and made a part of such award an amount of interest computed at a simple rate of 6 percent per annum from the date of the loss or losses with respect to which the award is made to the date of the award, and (2) there shall be deducted all amounts the claimant has received on account of the same loss or losses with respect to which the award is made."

(b) The heading of section 206 of such title II is amended to read as follows: "DEDUCTIONS IN MAKING AWARDS; ALLOWANCE OF INTEREST."

(c) The amendments made by subsections (a) and (b) shall be effective as of October 22, 1962. The Foreign Claims Settlement Commission of the United States shall recertify to the Secretary of the Treasury, in accordance with the provisions of title II of the War Claims Act of 1948 (as amended by subsections (a) and (b)) the amount of all awards certified by it under such title before the date of the enactment of this Act, and the Secretary of the Treasury shall make payments on account of such awards, with interest as herein provided, in the manner and order of priority prescribed by Section 213 (a) of this title.

Mr. DIRKSEN. Madam President, my amendment is intended to correct an oversight in title II of the War Claims Act of 1948 in order to direct the Foreign Claims Settlement Commission to pay interest on awards under title II. The Commission has refused to do so, even though they recognize that interest is a well-established principle of international law, in view of the fact that Congress did not specifically direct the Commission to do so when the act was passed in 1962. I have met with the sponsors and managers of the 1962 law and have been told that the Commission's decision not to pay interest is directly contrary to their intent when title II was enacted.

I have chosen to present this as an amendment to H.R. 13935 for three reasons. First, we are merely seeking to correct an oversight, to make it clear to the Foreign Claims Settlement Commission that they have misinterpreted our silence in 1962. Second, I introduced a similar bill in October of last year and to date there have been no adverse comments or requests for hearings. Third, as this second session wears on, there is less and less time in which to have this simple provision enacted and in my opinion it is unfair to claimants under the War Claims Act to delay any longer making perfectly clear what Congress intended in the statute passed in 1962.

Title II of the War Claims Act provides that American citizens may make claims to the Foreign Claims Settlement Commission for death and personal injury or for loss of property seized or destroyed by Germany during World War II. In the statute, Congress specifically provided priorities for death and injury claims and small business claimants. It was the clear intent of the Congress that these claimants are entitled to full reparation. The Commission itself has recognized that—

> The practice of awarding interest in nationalization and expropriation claims . . . (is) based upon the premise that the claimants were entitled to reparation "for the loss of each claimant's use of the property from the time of taking . . ."

To interpret the 1962 act otherwise is to frustrate the intent of Congress. Indeed it constitutes a gross discrimination, since consistent with all other foreign claim statutes, the Commission has allowed interest on all awards against Italy and Communist Czechoslovakia.

In fact, to disallow interest would be inconsistent with the entire history of war-damage claims and with the well-established principle of international law involved. Going back to the Jay Treaty of 1794 between the United States and Great Britain, in one of the major war-damage awards arising from the treaty, it was stated:

> To reimburse the claimants the original cost of their property and all the expenses they have actually incurred, together with interest on the whole amount, would, I think, be a just and adequate compensation.

U.S. nationals presenting claims to the Commission under title II have every right to expect that their claims will be treated in accordance with accepted doctrines of international law and with all legislative precedents established by the Congress. This amendment, Madam President, should be passed with dispatch.

I ask unanimous consent to have printed at this point in my remarks a brief position paper which I have had prepared containing the rationale for the adoption of the amendment.

There being no objection, the position paper was ordered to be printed in the RECORD, as follows:

HISTORICAL JUSTIFICATION FOR PAYMENT OF INTEREST ON WAR CLAIM AWARDS

A. TITLE II OF THE WAR CLAIMS ACT OF 1948; COMMISSION'S DECISION TO AWARD INTEREST

Under Title II of the War Claims Act of 1948, as amended, Congress has authorized the Foreign Claims Settlement Commission to receive and determine claims arising from the loss or destruction of, or physical damage to, property owned by nationals of the United States and located in specified countries during the period of September 1, 1939 to May 8, 1945.[1] It is provided, however, that the loss, damage, or destruction of the property must have occurred as a direct consequence of either (1) military operations of war, or (2) special measures directed against the property because of the enemy or alleged enemy character of the owner.[2]

Title II thus provides for payment of war claims not previously covered by either the War Claims Act of 1948 or similar legislation.

Unlike other statutes administered by the Claims Commission, however, Title II of the Act does not indicate by express language the intent of Congress with respect to the inclusion of interest on any claim awarded. It has been decided by the Commission that in the absence of Congressional intent, interest could not be allowed, even though the Commission recognized that established principles of international law justified the conclusion that interest *should* be paid.[3] The purpose of the amendment under consideration is to specifically provide for the payment of simple interest at 6% per year from the date of loss, damage, or destruction to the date of award. It is suggested that this amendment brings the Act in accord with the general body of international law applicable to an award of damages in war claims.

The special measures referred to in the Act comprise ". . . claims based on wartime confiscations of property of U.S. nationals which has not been physically and effectively restored to the use of such nationals since the date of original loss or damage, for which compensation has not been provided previously and which are otherwise eligible . . ."[4] By way of example, ". . . if a property located in area of Germany now subject to Communist control and owned directly or indirectly, at the outbreak of World War II by a national of the United States was taken or confiscated by the Germans during the war, and if because of treaty provisions made with reference to political conditions existing in an area now subject to Communist control at the end of hostilities, such plant was never effectively restored to the U.S. national and said has not been paid since the original taking by Germany for the amount of the loss sustained, a claim for the total of such uncompensated loss shall be allowable under this section."[5] These measures are distinguished from destruction or damage sustained by private property as a direct result of or incidental to bombardment or battle, which are grouped under "military operations of war."

B. INTEREST PAYMENTS FOR WAR DAMAGE CLAIMED—A RECOGNIZED PRINCIPLE OF INTERNATIONAL LAW

As a general rule in international law, where an award is made for war damage claims, interest on that award is to be allowed.[6] International commissions and boards have established a wealth of precedent in the application of this general principle to claims arising between countries.[7] The procedure adopted by the Joint Commission in administering claims under the Jay Treaty (1794) between the United States and Great Britain is illustrative:

"Under the [treaty] . . . it was agreed (art. VII) in respect to certain losses and damages sustained by American merchants and other citizens by reason of the illegal or irregular capture of their vessels, or other property, by British cruisers, that 'full and complete compensation for the same will be made by the British Government to the said complainant.' *The Joint Commission established under the treaty allowed interest, it appears, in all instances as a part of the damages awarded.* In the case of the *Betsey,* Furlong master, Dr. Nicholl stated the following rule:

'To reimburse the claimants the original cost of their property and all the expenses they have actually incurred, together with interest on the whole amount, would, I think, be a just and adequate compensation. This, I believe, is the measure of compensation usually made by all belligerent nations . . . for losses, costs, and damages occasioned by illegal captures.' "[8]

One authority has placed the types of claims between governments on which interest is allowed into three general categories:[9]

1. for the breach of a contract;
2. for the illegal seizure and detention of property; and
3. for forced loans.

After the liquidation of sequestered property following World War II, enabling legislation to dispose of the assets was passed by the Congress. With regard to some claims under the legislation, Congress specifically provided for the payment of interest.[10] The Foreign Claims Settlement Commission has acknowledged that interest should be awarded, under the International Claims Settlement Act of 1949, as amended, with regard to those claims arising from the nationalization and expropriation of property, and from the breach of contract and debt claims.[11] The underlying rationale for the allowance of interest in nationalization and expropriation claims has been stated by the Commission:

"The practice of awarding interest in nationalization and expropriation claims . . . [is] based upon the premise that the claimants were entitled to reparation 'for the loss of each claimant's use of the property from the time of taking . . .' "[12]

C. RATIONALE FOR PAYMENT OF INTEREST UNDER TITLE II OF THE WAR CLAIMS ACT OF 1948

Juxtaposed to the position of the Commission in nationalization cases is its refusal to award interest under Title II of the 1948 War Claims Act[13] in cases where the property has been unlawfully seized by the foreign state. It appears that the sole reason for the Commission's action in refusing to award interest under Title II is the lack of specific Congressional direction.

All claims have been filed in accordance with the procedures set forth by Title II. There is sufficient money available in the fund to make full reparation to injured priority claimants. It is important to note that in the 1962 Act[14] Congress adopted a unique provision establishing priority categories for certain claimants. It is clear that Congress intended that personal injury and death claims and small business claims should be afforded full reparation for their losses. It is equally clear from all established precedents that full reparation means the value of the property lost as well as the loss of use of the property from the time of taking. To deny interest, therefore, particularly to priority claimants, is directly contrary to the intent of Congress in establishing priority categories.

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[1] 76 Stat. 1107, Section 201. The countries specified are Albania, Austria, Czechoslovakia, the Free Territory of Danzig, Estonia, Germany, Greece, Latvia, Lithuania, Poland, or Yugoslavia. Also included is property located in territory a part of Hungary or Rumania on December 1, 1937 but not a part of these countries on September 15, 1947.

[2] 76 Stat. 1107, Section 201.

[3] *In the Matter of the Claim of Bruno Adamski,* Claim No. W–1184.

[4] 1962 United States Code Congressional and Administrative News, p. 3829. Since the taking by the foreign government is not required to be pursuant to a public law of that government, the confiscation is not regarded as technically a nationalization of the property.

[5] *Id.,* at page 3830.

[6] "Interest, according to the usage of nations, is a necessary part of a just national indemnification." Moore, *International Law Digest VI,* section 1059. It should be noted in this connection that this general statement applies more particularly to awards based on liquidated losses. Where the losses are indefinite or incapable of definite proof, interest is generally not allowed. See Whiteman, *Damages in International Law III,* U.S. Government Printing Office (1945), page 1990.

[7] Moore, *International Arbitrations,* I, pages 287, 339, 374; II, pages 3734, 4313 et seq.; V. page 4613.

[8] Whiteman, *supra* note 6, at pages 1925–1926. Following World War I, the Mixed Claims Commission, United States and Germany established "Rules Governing Damages In the Nature of Interest." In part, these rules provided: "1. The measure of compensation will include interest 'In all claims for losses wherever occurring based on property taken or destroyed by Germany or her agents during the period of neutrality' and 'during the period of belligerency' ". Administrative Decision No. III, December 11, 1923, *Decisions and Opinions,* page 61 et seq. A similar administrative procedure has been adopted by the Hague Permanent Court of Arbitration. See, Ralston, *The Law and Procedure of International Tribunals.*

[9] Whiteman, *supra* note 6, at page 1913 et seq. It should be again emphasized that the categories encompass interest payments on liquidated claims. For provisions regarding lump sum awards, see Whiteman, at page 1990.

[10] War Claims Act of 1948, as amended, 50 U.S.C.A., App. Sections 2002 et seq. International Claims Settlement Act of 1949, as amended, 22 U.S.C.A., Sections 1623 et seq.; Sections 1641(b) et seq.

[11] See *In the Matter of Claim of Karl Wapiennik,* Claim No. RUM–30,0006, Decision No. RUM–2, January 16, 1957.

[12] *Id.,* citing *Claim of Joseph Senser,* Docket No. Y–1756, Decision No. 633. See also Whiteman, *supra,* note 6, at pages 1935–6: "In numerous instances of wrongful seizure the property has been used either by the respondent or by the person who seized it. However, when interest is allowed in such cases, it is not the use made of the property that is the salient feature but rather the loss of the use of the property by the individual claimant."

[13] *Supra,* note 1.

[14] *Id.*

D. SUMMARY

When an award is made, however, the award should attempt to make full reparation to the injured claimant. Particularly is full compensation compelling where culpability is or can be determined. The concept of interest, as noted above [15] is to compensate the claimant for the loss of the use of his property during the period of unlawful confiscation. The proposed amendment brings this part of the law into accord with international law and decisions of international tribunals.

PROPOSED AMENDMENT OFFERED TO PROVIDE FOR THE PAYMENT OF INTEREST AT THE RATE OF 6 PERCENT PER ANNUM ON ALL AWARDS RENDERED UNDER TITLE II OF THE WAR CLAIMS ACT BY THE FOREIGN CLAIMS SETTLEMENT COMMISSION

Title II of the War Claims Act, passed by Congress in 1962 and presently administered by the Foreign Claims Settlement Commission (adjudication of claims) and the Secretary of the Treasury (payment of awards out of the War Claims Fund), provides for the settlement of claims by certain U.S. citizens who lost their lives or properties or whose properties were damaged by Germany or Japan during World War II. Payment of these claims does *not* involve appropriated funds. Rather, payment is to be made out of the War Claims Fund, which consists of the proceeds of liquidated German and Japanese enemy properties vested by the United States and assigned to the United States, in lieu of reparations, by Germany and Japan after World War II.

When Title II was before the Senate in 1962, its floor manager was Senator LONG of Louisiana, who recently stated that he and all others who sponsored the measure, assumed that interest would be paid on all awards under Title II—just as interest had previously been paid on World War II awards under similar statutory provisions against Italy, and on similar Foreign Claims Settlement Commission Awards against Yugoslavia, Czechoslovakia, and others.

However, on March 25, 1964, the Foreign Claims Settlement Commission rendered one of its first awards under Title II in a case entitled *"In the Matter of Bruno Adamski"*, copy of which decision is annexed hereto as Exhibit A. In the course of its decision, the Commission stated:

"An important question presented in this claim is whether the award should be increased by interest.

"Unlike other statutes administered by the Commission, Title II of the Act does not indicate by express language the intent of the legislature in this respect. Under the Yugoslavian Claims Program, the Commission awarded interest with respect to claims against Yugoslavia for the nationalization or other taking of property relying in part on the provisions of Sections 7(a) and 8(c)(5) of the International Claims Settlement Act of 1949, as amended (64 Stat. 12 (1950); 22 U.S.C. 1626(a) and 1627(c)(5) (1950). Both sections contain directions to the Secretary of the Treasury to pay on account of awards certified by the Commission "accrued interest". Principles of international law, which the Commission was required to apply in making determinations (Section 4(a); 22 U.S.C. 1623(a) (1950)), likewise warranted the conclusion that interest should be allowed on such claims (Whiteman, Damages in International Law, 1913 et seq.). The same considerations militated in favor of granting interest on claims for the taking of property by Poland since such claims are also governed by the same statute. . .

"The directions to the Secretary of the Treasury concerning the payment of awards granted pursuant to the Act hereunder consideration, expressed in Section 213 (76 Stat. 1111 (1962); 50 U.S.C. App. 2017 (1962), omit any reference to interest. Moreover, while Sections 7 (c), (d), (e) and (f) of the International Claims Settlement Act of 1949, as amended, are expressly incorporated by reference, Sections 7(a) and 8(c)(5) of the same Act, which provide for "accrued interest on such awards as bear interest" are omitted . . . Under the rules of statutory construction (II Sutherland, Statutory Construction 412) it is proper to conclude that the failure to incorporate Sections 7(a) and 8(c)(5) or language of similar import necessarily implies that the Congress did not intend that interest should be allowed in any award under Title II of the Act.

"Having fully considered the question pertaining to the awarding of interest, the Commission is constrained to hold that the allowance of interest on claims under Title II of the Act would not conform to the legislative intent. Accordingly, no interest is allowed . . ."

The Commission has treated the Adamski decision as a "pilot opinion," and, in all of its other decisions under Title II, it has simply denied interest, citing Adamski as its authority.

BASIC PURPOSE OF AMENDMENT

Consequently, the basic purpose of this amendment is merely to cure a technical legislative oversight in Title II, as it was passed in 1962, expressly to provide for the payment of interest on those awards in the same manner as the Foreign Claims Settlement Commission allowed interest on its other awards, under similar or almost identical programs provided for in the War Claims Act or the International Claims Settlement Act. This is therefore in the nature of a technical, perfecting amendment only.

OTHER PERTINENT CONSIDERATIONS IN SUPPORT OF THIS AMENDMENT

1. All World War II U.S. citizen awards against Italy were certified by the Commission and paid by the Secretary of the Treasury with interest of 6% per annum. It would grossly discriminate against World War II U.S. citizen claimants against Germany and Japan to deny them any interest at all on substantially the identical type of awards.

2. The Commission has also allowed interest at 6% on all of its awards in favor of U.S. citizens against Yugoslavia, Czechoslovakia and Hungary. Again, it would grossly discriminate against claimants under Title II to deny interest in all cases thereunder.

3. The payment of interest as provided in this amendment does not involve the necessity for any appropriation. Payments would be made from the War Claims Fund in the Treasury, which has a balance of about $300,000,000 for payment of Title II awards.

4. While the Government has been depriving U.S. citizens of interest on awards under Title II, suggesting that the $300,000,000. balance in the War Claims Fund might not be large enough to pay interest on all awards, the Government simultaneously—

(i) released $121,000,000. from the War Claims Fund to Interhandel, a Swiss corporation, which alleged that it, not a former German enemy corporation, was the beneficial owner of General Aniline & Film Corp., and

(ii) paid $17,500,000. from the War Claims Fund into the Internal Revenue Service account in Treasury "for payment of U.S. taxes" in connection with the sale of General Aniline and the release of $121,000,000. to Interhandel.

Clearly, the removal of $138,500,000. from the War Claims Fund for these purposes—both of which are of extremely doubtful legality—should not be employed concomitantly to deprive U.S. citizens, who were forced to wait 20 years after World War II for any compensation at all, of any interest whatsoever on their awards.

A copy of Senate Report No. 1051, 89th Congress, 2d Session (pg. 3) containing references to the payment to Interhandel and the tax deduction, is annexed hereto as Exhibit B.

Mr. LONG of Louisiana. Madam President, as chairman of the Senate conferees on this measure, which the Senator's amendment would amend, my impression is that the legislative history was to the effect that awards under the War Claims Act did include interest on those awards. I believe that the Senator from Illinois, the distinguished minority leader, will remember that conference and that it was our understanding of the law at the time.

As I understand it, there is no objection to the Senator's amendment with the understanding that if the House should not be willing to go along with it, the Senator would not insist on it to the extent of killing the bill which he would seek to amend.

Mr. DIRKSEN. That would be quite agreeable.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. LONG of Louisiana. Madam President, I move that the vote by which the bill was passed be reconsidered.

Mr. DIRKSEN. Madam President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PEARSON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHOOL MILK BILL MAKES SUBSTANTIAL PROGRESS

Mr. PROXMIRE. Madam President, last week the Holland subcommittee of the Senate Agriculture Committee referred my bill to extend the school milk program and increase Federal funding for the program to the full committee. The full committee acting a day later indicated its support for this legislation but decided to postpone final action until hearings were held on Senator ELLENDER's child nutrition legislation.

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[15] *Supra*, note 15. It is interesting to note that interest is considered part of "just compensation" in domestic eminent-domain proceedings. See, for example, *United States* v. *Rogers*, 255 U.S. 163; 45 S. Ct. 211.

This should be heartening news to the housewife and the dairy farmer. It means that the full school milk programs will pass and the program will grow in the future as it has—until recently—in the past.

Furthermore, last Thursday in a speech in Newark, N.J., Secretary Freeman showed an awareness of the problem of low dairy income which hopefully will mean increased efforts by the Department of Agriculture to increase the dairy farmers' income. As I indicated in an earlier speech on this floor the Department's efforts so far—pegging support prices below the market level, allowing an increase in cheese imports, and proposing an 80 percent cut in the school milk program—have done the dairy farmer more harm than good.

Here is what Secretary Freeman said in Newark last week:

> In many respects the food and fiber bargains the American consumer has enjoyed for so many years were made possible by inadequate returns to the farmer . . . In a very real sense the farmer has been subsidizing the consumer and this cannot continue forever. It is not fair to the farmer. And in the long run it is not fair to the consumer.
>
> Let me tell you why.
>
> If the farmer does not receive a fair return, if he is forced to give up farming, our food abundance is certain to diminish. If this should happen, the consumer can expect to pay *much* higher prices for food than he pays today.
>
> The American farmer is entitled to a 100 percent share in our national prosperity.
>
> He isn't getting it.
>
> And if he doesn't get it, if he cannot give his family the same advantages other families enjoy, who can blame him if he looks elsewhere for a better paying job?
>
> Already we are seeing this happen in dairy farming. Milk production thus far this year is 5 percent below what it was a year ago and the number of dairy farmers who are leaving the land has nearly doubled in the past 4 years.

Madam President, I deeply hope that this statement signals a change in the Department's efforts to keep milk prices from attaining a level indicative of today's supply-demand situation. For as Secretary Freeman has said so well, and as I have said on this very floor not so many weeks ago, the alternative is greatly inflated prices as milk shortages mount—in other words, the boom and bust pattern which does so much damage to farmer and consumer alike.

A TRIBUTE TO GEN. JACKSON GRAHAM

Mr. BYRD of West Virginia. Madam President, on July 15 Maj. Gen. Jackson Graham will finish a tour of duty as director of civil works in the office of the Chief of Engineers, U.S. Army. His next assignment has not been announced yet. But I think this is a fitting time to pay tribute to an officer who has done more for his country and for all its people than many of us may realize.

General Graham is not a native of my State. He has never lived there, never been a constituent of mine. I know him only through the good he has done for us. Even on that score, I am no more entitled to acclaim him than are many other Members of this body whose States he has served just as well as he has served West Virginia. I count it a privilege to be one who voices this tribute.

General Graham was born and educated in Oregon. Though he studied to be a civil engineer, he joined the Regular Army when he left college and, for a time, commanded troops in the Philippines. After that, he took postgraduate studies in engineering at the Massachusetts Institute of Technology. Almost immediately after completing these studies, he was drawn into military assignments with combat engineer units, which occupied him throughout World War II and for a period of occupation service in Europe.

Next came service in Brazil with a joint military commission which earned him a decoration from the Government of Brazil; and after that, a civil works assignment on the west coast. In 1951 he was brought to Washington, where he served the Corps of Engineers first as Chief of Military Personnel, and next as chief for all personnel operations.

I will not detail his subsequent assignments, except to say that they provided him with a remarkably varied and distinguished array of experience. He served in Korea, in Germany, and in several parts of the United States in a variety of military construction, military command, and civil works assignments at increasingly high levels.

In 1961 he became division engineer of the corps' Ohio River Division. It was while he was serving in this capacity that I came into contact with him; for the Ohio River Division embraces a large part of my State of West Virginia, along with parts of 10 other States. Here I became acquainted with the combination of energy and tact, of high scientific skill and warm human understanding, which caused him in 1963 to be placed in charge of the Army Engineers' entire national program of water-resource development.

This program is currently operating at about a billion and a third dollars per year. The man in charge of it is one of the Nation's most responsible executives. He must be a soldier of general-officer caliber; and administrator managing the nationwide efforts of some 50,000 people; a businessman entrusted with hundreds of millions of dollars of contracting authority; a diplomat who can work with Congress on the one hand, and with hundreds of local groups and communities on the other; a planner who can foresee and prepare to meet the basic resource needs of a dynamic nation for decades ahead; a scientist who can review in detail the designs and plans for huge and complex engineering structures; a recreation expert; a public speaker; a shipping and transportation authority; and many other things besides.

Gen. Jackson Graham is all these, and something more. Most exceptional men have some quality about them which is hard to define, but which sets them apart. In General Graham's case I would say it is the kindly way in which he gives his full, unhurried attention to everyone who talks to him and every matter he handles, large or small, no matter how busy his day may be. By never allowing himself to be forced or hurried by pressure, he overcomes obstacles that harass the strongest of other men.

General Graham is a man who brings respect, credit, and trust to his service and his Government in everything he undertakes. Whatever his future assignments may be, we can know that they will be handled with distinction.

To replace General Graham as director of civil works, the corps is bringing to Washington the man who succeeded him as Ohio Valley Division Engineer—Brig. Gen. Walter P. Leber. As a Senator from that valley, I am happy and grateful that we have had two such officers to serve us. General Leber was educated to be a mining engineer; but, being taken into military service just before our entry into World War II, he decided to make the Army his career, and has made it a distinguished career indeed. His service includes 3 years with the Atomic Energy facilities at Oak Ridge, Tenn.; a period with the 8th Army in Korea; and a term as Lieutenant Governor of the Panama Canal Zone, along with the more customary Engineer officer assignments with troops, in headquarters, and on civil works missions. In the Ohio River Division he has carried forward the modernization of the Ohio River navigation project, the comprehensive study of the basin's water resources, and many reservoir and other construction tasks, with brilliance and determination. I welcome him to his new duties in Washington.

IMPORTANCE OF COMMUNICATIONS AND ELECTRONICS IN OUR NATIONAL SPACE PROGRAM

Mr. ANDERSON. Madam President, last Thursday Dr. Edward C. Welsh, executive secretary of the National Aeronautics and Space Council, addressed the Armed Forces Communications and Electronics Association here in Washington, D.C. As usual, his address was thought provoking. The central theme of the talk deals with the importance of communications and electronics in our national space program. However, during this address Dr. Welsh had occasion to discuss what our competition is doing in space and how we stand relative to this competition. In doing so he pointed out that it is not so important who is ahead or behind at any given point in time, but how we—the United States—can become further advanced in our space activities and what we should be doing next. Dr. Welsh correctly points out that the fact one country has accomplished something first is not necessarily a basis for concluding who is now ahead, and particularly it is no basis for predicting who will be ahead in the future. Nevertheless, a report on the comparative progress between competitors is always of interest.

Dr. Welsh's comparison points out that the number of U.S. spacecraft launched into earth orbit exceeds the Soviet Union's effort by about 2 to 1; and although the United States has been far less active in launching lunar and planetary spacecraft, we have been considerably more successful. He notes that in manned space flight we are ahead of the Soviet Union by about 3 to 1 in manned flight hours in orbit. In space applications, we have operational systems in navigation, weather, and communications satellites while the U.S.S.R. activities in this area are still in the development stage. In the amount of scientific data he notes that because of the larger number and greater variety of scientific payloads, as well as free and wide distribution of the information we have obtained, the United States may well have added more to the world's knowledge.

He notes that propulsion is the one area where in the past the U.S.S.R. has surpassed the United States, but he says:

> This thrust advantage is much less true today as both countries have in operation and under development larger and more advanced propulsion systems.

Madam President, I feel sure that others will be interested in Dr. Welsh's views, and I, therefore, ask that they be printed in full at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY DR. EDWARD C. WELSH, EXECUTIVE SECRETARY, NATIONAL AERONAUTICS AND SPACE COUNCIL, AT THE ARMED FORCES COMMUNICATIONS AND ELECTRONICS ASSOCIATION INDUSTRIAL LUNCHEON, WASHINGTON, D.C., JUNE 9, 1966

It is a pleasure to be asked to participate in the 20th Annual Convention of this distinguished Association.

I plan to talk with you briefly about aspects of the national space program, some of which are not those of communications or electronics in the specific and technical sense. However, I find it impossible to talk sensibly about space without first acknowledging the basic role of communications and electronics every step of the way.

BASIC ELEMENTS

Communication forms the lifeline, so to speak, between terrestrial managers and equipment on the one hand and our satellites in space on the other. We cannot even build a sophisticated satellite, let alone operate it, without electronics. There is no point in sending a satellite to places or to distances with which we cannot communicate, just as there is little point to having a satellite out in space if it cannot communicate back to earth. Without communications, based on advanced electronics, there would be no extension of man's capacity to sense and control, and satellites would have neither practical nor scientific merit.

Without electronics, our weather satellites would be blind, our communications satellites mute, and our navigation satellites disoriented. In fact, it is inconceivable that we could have even begun the engineering of rockets without electronic sensors to report what was happening inside the test models so that the state of the art could be advanced and necessary design changes made.

Communications and electronics are indeed major controlling factors as to what we can do in space. They are the tools of growth, the instruments of progress, and the competence essential to our whole space program.

As you can see, I do not even need to exaggerate when I emphasize the importance of communications and electronics to this Nation's standing in the field of space.

PERSPECTIVE RE SPACE COMPETITION

Reference as to how we stand in space suggests that we might spend some time building perspective as to what our space accomplishment position is relative to that of the USSR. It is always useful to know how and what your competition is doing. In the field of space, however, it is not easy to answer that question because it is so difficult to measure precisely the accomplishments of either country, although we know rather well what progress has been made both here and abroad.

Before getting more specific in any comparison of the two countries' space achievements, I want to make several observations which should help put such comparison in an understandable light. First of all, I suggest that more attention should be given to how we can become further advanced and what we are going to do next in space than to who is ahead of whom at any given point in time.

In order to weigh properly any comparison of space accomplishments, it is important that we understand and emphasize the principle that this country should be doing most, if not all, of what we are now doing in space even if the USSR or any other countries had no space programs or space competence. We should be doing these things for the practical reason that the space program is a seedbed of invention, a spur to our productivity, a source of insurance for our national security, a stimulus to education, and a worldwide ambassador for peace. In other words, its benefits are manifold and we would indeed be careless of our country's welfare if we did not seek emphatically to obtain those benefits.

I further suggest that it is a matter of judgment, rather than one of mathematical measurement, as to who is ahead in what. Certainly, the fact that one country has accomplished something first is not necessarily a basis for concluding who is ahead now, and particularly it is no basis for predicting who will be ahead in the future.

COMPARATIVE PROGRESS

Now, to be a bit more specific on areas of relative accomplishment, I list the following:

1. *Number of spacecraft*. The United States has placed almost 400 spacecraft into earth orbit and on escape missions, while the USSR has put slightly less than 200 on such missions. In other words, the mathematical ratio is approximately 2 to 1 in favor of the United States. However, some of this differential is offset by the fact that the Soviets have placed each year a greater total weight of payloads into space than has the United States.

2. *Lunar and Interplanetary*. The United States has been far less active but considerably more successful in its interplanetary activities than has the USSR. We have photographed Mars and had a productive fly-by of Venus while the USSR's active interplanetary program has been primarily plagued by failure. In addition, we have taken some 17,000 photographs of the moon and are taking hundreds more by the magnificent Surveyor spacecraft so recently and so successfully soft-landed on the lunar surface. On the other hand, the USSR has also photographed the moon and was first with a soft lander on the moon's surface and a spacecraft placed into lunar orbit.

3. *Manned Fight*. So far as manned space flight is concerned, the U.S. at this time has a distinct lead over the USSR, with about 1500 man flight hours in orbit compared with about 500 such hours for the USSR (3 to 1), with the longest individual flight as well as the longest extra-vehicular activity. Also, the U.S. has had two controlled rendezvous maneuvers, one docking experiment, and considerable manned spacecraft maneuvering experience. So far, the USSR has achieved none of these latter goals.

4. *Space Applications*. The United States has navigation, weather, and communications satellite systems in regular operation, while the USSR is still in the developmental stage in such activities.

5. *Scientific Data*. Both countries have obtained substantial amounts of scientific data from space, with no way of measuring accurately the qualitative lead that one country may have over the other. It is not unreasonable to conclude, however, that the larger number and greater variety of U.S. scientific payloads, as well as the wider and freer dissemination of the information obtained, may well have added more to the world's store of knowledge.

6. *Propulsion*. During most of the space space program's history, the USSR has surpassed the United States in the field of propulsion so far as the amount of thrust is concerned although not in the quality of technology. This thrust advantage is much less true today as both countries have in operation and under development larger and more advanced propulsion systems.

From the brief factual presentation just made, it is reasonable for us to conclude that the space competition is close, with the United States having a current edge in overall space capability. This status has been recently acquired and is not sufficient to form even the slightest basis for complacency since the Soviets have a strong, orderly program and are devoting a bigger percentage of their gross national product to it than we are investing of our GNP to our program.

In concluding this analysis, let me reemphasize the point which I stressed as I began this comparison, and that is that we should have a forward-looking and vigorous space program even if no one else were engaged in such activity.

ELECTRONICS: A CHALLENGE

Now, I return to a few more thoughts about the fields of primary interest to you, as they relate to space.

It is difficult to imagine the proper design of space systems, including their original selection, without a great amount of computer assistance. Sensors on spacecraft and rockets, communications links, command circuits, guidance systems, all represent the difference between an unguided, slow explosion not going anywhere significant and the mechanical equivalent of intelligence functioning in a purposeful way through the application of electronics devices of many different types.

The fundamental question is: Why do we send payloads into space? The factual answer is: to collect information. And information in the mechanistic sense means bits of information which can be handled electronically by the millions and billions, collated, processed, assessed, and presented in meaningful form through the use of or by computers.

Men go into space partly to guide the spacecraft and its equipment so that these vast numbers of bits of information may be gathered. True, they also go to experience personally things that abstract information may not convey the same way. And, more importantly, men go into space to ask the right questions—many of the answers to which can then be obtained by electronics and by other techniques. In any practical sense, it is hard to imagine men apart from an intimate relationship with electronic equipment. As our space effort becomes more complex, the relationship between man and his machines will become even more important.

One of the major constraints on our space operations is the limited capability of onboard electrical power supplies. The present family of spacecraft have been designed around the use of solar cells, batteries, and fuel cells. These are not suited, however, for the high power long life requirements for planetary exploration spacecraft. Also, broadcast type communication satellites, in order to provide economical service, will need reliable long lifetime power supplies of the order of 100 kilowatts or more. The development of nuclear power supplies appears to be our only option in meeting this type of requirement.

Because propulsion is also a limiting factor to space travel, the ingredient of electronics represents a way to overcome limitations of propulsion. The electronics industry can design smaller components, integrated circuits, lighter weight sensors, and clever new control devices. On board computers can supply information permitting more refined uses of propulsion so as to conserve fuel in conducting a rendezvous, or in selecting a reentry corridor. More sensitive electronic devices permit sending higher amounts of data bits for a given expenditure of power, and novel ways of sorting out meaningful information from the "noise" surrounding the desired signal. The electronic industry can also design longer life, reliable systems which will reduce the number of times we have to pay for expensive launch vehicles either to replace operating payloads or to try long range flights which might not work because of low mean-time-to-failure performance on long flights to other parts of the solar system.

These are some of the challenges for your industry, and they are ones which your inventive people have shown a willingness to accept. Yours is an area of fantastic progress. It is indeed a rare month when significant new developments are not being announced. The Nation owes you a great debt, and your unfailing continued efforts will be needed indefinitely. It is fortunate that we build upon the foundations of what we have learned before. For your industry faces ever greater challenges, demanding more imagination and inventiveness all the time. And this added effort builds upon your accomplishments which can only astound even the best informed.

Moreover, yours is an area of endeavor which undoubtedly lead the way in the imaginative conversion of space stimulated developments to the solution of non-space problems, to the production of new products and new or improved services—in other words, to the general benefit of our whole people and to those of other countries as well.

PROGRESS IN COMMUNICATIONS

Before I end this brief commentary, I would suggest that it is time we revised the recently held view that communications satellites would likely develop into a useful supplementary system for international communications. Now, we can revise that to read: a useful primary system for both domestic and international communications.

We can also visualize for the relatively near future direct broadcasting via satellites as well as point-to-point broadcasting. We can certainly see satellite communications becoming a major factor in increased understanding between peoples, increased education of peoples, increased commerce among peoples, and above all, increased security due to decreased misunderstanding and surprise. The communication of weather, navigation, and other information essential to our defense and national security will aid our terrestrial forces and be a source of alertness to our policy makers. Such communications are essential and must be improved, advanced, and made more effective.

Again, I urge that you accept these challenges as you have in the past. Nothing is impossible when it is approached with the enthusiasm and the optimism, so characteristic of this organization and its members.

THE STATE OF OUR FREE SOCIETY—A CALL TO ARMS

Mr. SIMPSON. Madam President, former Senator Barry Goldwater delivered the principal address at the Chicago regional meeting of the Free Society Association last May 17. I ask that his speech entitled "The State of Our Free Society: A Call to Arms," be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE STATE OF OUR FREE SOCIETY: A CALL TO ARMS

(Address by the Honorable Barry Goldwater, Chicago Regional Meeting, the Free Society Association, Sheraton-Chicago Hotel, May 17, 1966)

It is a great privilege to be here tonight and help inaugurate this series of regional meetings of the Free Society Association. I can think of no better place than Chicago, the heartland of America, in which to launch a crusade of unusual gravity and importance—a drive that is aimed literally at the preservation of the free American society.

I hope you'll forgive me tonight if I dispense with some of the humor and pleasantries that usually sprinkle the remarks of a political figure. And I say that because I have come to Chicago on a mission of urgent importance, and I am impatient to get to it as quickly as possible.

In many ways, I regard what I am about to say to you here as one of the most important speeches of my life. It probably will have very little bearing on the future of our way of life. But at least it will permit history the chance to record that an attempt was made, in all honesty and all sincerity, to mobilize a vital segment of American opinion on behalf of American freedom at a particularly crucial time.

My purpose tonight—my mission, if you will—is to issue a loud and ringing *Call to Arms* to American conservatives of all political parties, of all races, colors and creeds, of all stations in life—to *all* Americans who understand that the very foundations of our free society are under attack and who want to join the fight to defend them.

It is my hope that this *Call to Arms* will be heard in every nook and corner of the 50 states It is my hope that it will have meaning in New York's subways and Chicago's slums, as well as in the academic halls of our colleges and universities It is my hope that it will give identical purpose to the men in Wall Street and the men in factories—to the rich, the affluent, and the guy just barely making the grade, as well as to the poor, the disadvantaged, and the victims of discrimination. It is my hope that this message will cross party lines, bridge the differences between management and labor, and reveal the common ties which exist between the bank president and the ditch-digger.

I say we bring to this task a common denominator that cannot be disputed—the precious gifts of individual freedom Like it or not, we are all in this struggle together I don't care whether you travel in a yacht or a third-hand, patched-up jalopy; whether you vacation on the Rivera or Coney Island; whether you earn $100,000 a year or $60 a week The stakes are the same for all of us, and the battle must be waged on every front of American life.

The only difference that can exist between Americans on this fundamental question—when it is truly understood—MUST be on grounds of fundamental *principle*. There are those who want to give full reign to the uniqueness and individuality bestowed on them by God, who want to exercise the option of free choice, to give full play to their individual abilities, skills and capabilities *without the burden of Government control and dictation*. And, on the other side, there are those who want to give up individual effort, sacrifice their dignity and pride, become numbers on computer cards and let an all-powerful centralized government run their lives from the cradle to the grave.

The choice is between freedom and conformity. The former is what our forefathers chose when they came to our shores. They didn't expect, they didn't ask for a bed of roses. All they wanted was the freedom to work and build, to exercise their God-given attributes of initiative, incentive, and thrift—without having to pay tribute to a government or a feudal overlord.

The latter—conformity—is what we're seeing today at the national level, in a relentless drive for more and more executive power. Some call it "consensus"; others call it "paternalism"; still others call it a "welfare state". The primary architects call it a "Great Society". But what it adds up to is the fact that since 1964 the Federal Government has extended its "benevolence"—*and its control*—into a whole host of new areas of private endeavor. In 1965, the United States Congress took greater strides toward the socialization of America than any comparable period in the history of our country. It was a dizzy, headlong plunge, accelerated by cries of "emergency" and accomplished through an executive *insistence* upon consensus.

In this connection, I believe it is fair to ask—what have freedom and "consensus" got in common with legislative arm-twisting? The answer is, nothing at all. And this fact alone should prove that, for all the folksy benevolence emanating from Washington, the objective is control for purposes of political power.

Now, before I go any further, I want to make two things abundantly and unmistakably clear. The first is that I have *no* national political aspirations. The second point is that I am *not* starting or condoning the start of anything like a third political party in the United States.

I speak to all Americans because I believe that every last one of them (as well as their children and their grandchildren) are directly involved in a fast-moving, irresponsible drive in the direction of a nationalizing process that can bring them only frustration, stagnation, loss of individuality, and government-imposed restraints.

I address my *Call to Arms* to conservatives because I believe they are *most* conscious of the dangers that threaten to engulf American freedom and *most* dedicated to the concept of retaining those values that have proved their worth down through the ages of history. I believe the conservative has a sure grasp of the lessons of history and understands how they can be applied today—even as we probe for better, more enduring methods of dealing with rapidly-changing events in a world where all nations literally breathe down each others' necks.

Conservatives, like the members of the Free Society Association, are the natural leaders in any attempt to preserve the best of the past, and make it applicable to the present and assured for the future.

The question is—will they accept the challenge; will they become alive and vocal and active again? Will they forget petty differences over temporary goals and work for the enduring, eternal values which are the foundation stones of the greatest experiment and the most astounding success in the long history of governments—the free American society? These are questions to which I have given great thought and which, I must say, bother me more than a little.

Look, you conservatives. I promise you no rewards, no cushy jobs, no government contracts, no influence in the seats of government power, no public works for the area where you live. I promise you nothing but the satisfaction of knowing that you are working for what is *right*—knowing that if you work long enough and hard enough it will have an effect that will benefit not only you but future generations.

One thing I can promise you is trouble. If you take on a new and vigorous campaign to preserve the American way of life, the freedom of the individual, Constitutional government, and the strength of our nation, you will really be up against it. You'll feel like you're punching a pillow when you tangle with the sincere but misguided dogooder. You'll feel like a calloused, hardhearted thug after you've met the demagogue seeking votes through promises of something for everybody. In a sense, you'll be fighting Santa Claus when you oppose ill-conceived programs of social engineering. It makes no difference if this Santa has a false beard and a bag full of goodies paid for out of the taxpayers' dollar.

And, you'll run into villification from the liberals and New Left. Some news commentators, columnists, editorial writers, and cartoonists will charge you with being reactionary and wanting to turn back the clock on human progress. Others will charge, imply, or insinuate that you have some connection with the "Radical Right."

Every excuse will be used to make you appear bigoted, anti-semitic, or just plain stupid. You'll find that many so-called intellectuals who claim to place a premium on the "right of dissent" and "meaningful dialogue" are quick to foreclose and deny rational debate of any viewpoints which clash with their own.

So why should you bother? Why take on a thankless job? Why let yourselves in for unfounded accusations?

I'll tell you why. *Because you must.* Because the alternative can destroy us. Because those who fight for the principles they believe in have never counted either the odds or the cost. Because, having enjoyed the fruits of American freedom, you owe it to future generations to stand up and be counted.

Let me draw you a picture of what is happening today in our free society. The broad outlines begin with a radical leftist contention that because we live in a rapidly changing world, with instant communications, rapid transportation, and unheard-of scientific advances—that "now is the time to think unthinkable thoughts." So far so good. But the trouble begins when the liberal thinkers of "unthinkable thoughts" begin to expound *and implement* them.

Now let this sink in, because it is very important.

The concept of "unthinkable thoughts" translated into action is the driving force in official life today that demands "change" on the slightest pretext. It galvanized Congress last year into such haste that it may take us a lifetime to overcome the effects of what I like to call "action without thought".

Some bills that ordinarily would have been studied for months in committee before even reaching the floor of the House or Senate were enacted without hearings and with a minimum of debate. Why, the precedent-shattering Higner Education Bill was rammed through the House Education Committee in just nineteen minutes. All it cost, of course, was three billion dollars!

Somewhere along the line, the "unthinkable" became the "acceptable". The idea of change for the sake of change became synonymous with "good".

If you look closely, you'll see a pattern emerging that I believe contains the seeds of the destruction of our free society. The "unthinkable" says automatically that because of "changing times" we not only must alter our old methods of living but we also must change all our previously held attitudes. Thus, you find a vicious and growing attack directed at every tradition, every standard and belief—no matter how fundamental it might be to an ordered society of freedom and justice—that has existed long enough to be regarded as old fashioned.

This concept says that "change" must be made regardless of the laws, the courts, the churches, or any other obstacle. It panders to the current hue and cry, the present so-called "crisis", the newest demands of special groups—all without weighing the consequences, or the good of the greatest number of our citizens, or the fundamentals of human freedom.

Just apply the idea of "unthinkability" to any area of government, society, or religion and you'll begin to see what we're up against.

In foreign affairs, of course, the "unthinkable" is to downgrade the United States while finding virtue and honor in her enemies. It is to urge surrender in Vietnam; to permit a Communist take-over in the Dominican Republic; to stop "isolating" the poor, misunderstood Chinese Communists; and to cut back our military commitments in Europe, to the peril of the Atlantic Alliance.

In military affairs, the "unthinkable" argues for unilateral disarmament, destruction of our nuclear arsenal, virtual abandonment of the Strategic Air Command, and the substitution of judgment by "Whiz kids" and computers for that of experienced and knowledgeable military commanders.

In fiscal affairs, the "unthinkable" goes under a title of its own, the "new economics". Although the trend began many years ago under determined liberal assault, the total, official disregard for fiscal responsibility began with the propaganda deriding "economic myths" and something they called "the puritan ethic". Since then, we have been treated to a steady stream of "unthinkable" and unsound economics.

Almost overnight, constant government deficits became a measure of economic health, and balanced budgets became a danger to an expanding economy. We were told that government had found a formula for sustained prosperity without economic dislocation. The basic ingredient, of course, was government spending as measured as a percentage of the Gross National Product. And today the results are coming in with every new cost-of-living index. Inflation is here, and the complete fallacy of the "new economics" is about to be proven in a way that will burden every American taxpayer with skyrocketing prices and maybe even higher income taxes.

In the field of religion, the "unthinkable" once was a Supreme Court denying school children the privilege of praying in their classrooms. Today, the "unthinkable" says "God Is Dead" and the Ten Commandments no longer have any validity.

In the area of law enforcement, the "unthinkable" (compared with past standards) is the idea of obeying only the laws you consider just. It is the official toleration of civil disobedience so long as the cause is considered righteous. It is the finding of ready, generalized excuses for instances of mass rioting, violence, and vandalism; it is the assumption that most law enforcement agencies are basically "brutal" and unjust. It is the overweening attitude of some groups and judges for the "rights of the accused" to the exclusion of the rights of the community.

Charles E. Whitaker, former Associate Justice of the U.S. Supreme Court, put it bluntly in a recent magazine article when he pointed out that "toleration of some crime encourages all crime." In this country we have been tolerating many kinds of crime in the name of justice. As a result, we have a condition bordering on anarchy in many of our cities—where the safety of law-abiding citizens has virtually disappeared in the flood of murders, rapes, armed robberies, and felonious assaults.

On the college campuses—on one campus in particular—the "unthinkable" took the form of demonstrations for the right to display publicly a filthy four-letter word, all in the name of "free speech."

The advocates of "unthinkability" also make special targets of the built-in instruments of democracy. Many of them argue that the Constitution was designed for use 200 years ago and claim that it is outdated because it places too much restriction on the use of power by the Executive Branch. The same argument has been directed against our historic system of checks and balances as it applies to Congress. The drive, here, is aimed at streamlining the legislative branch of government to do away with the few remaining methods by which a responsible minority can restrain an arrogant, power-hungry majority.

I am struck with the unhappy realization that the concept of "change" as it is being applied and advocated by today's liberals is becoming a sickness. It no longer looks to the consequences. It no longer respects the confines of decency and taste. No institution, be it church, school or the U.S. Capitol, is sacred or even respected. Patriotism is something that the arch-liberal laughs at. He regards love of country and respect for the flag as an example of old-fashioned nationalism—or as a form of disloyalty to the United Nations. He derides what he terms "super patriots" and talks glibly of a "higher patriotism" which calls upon him to oppose his country's policy in a time of war.

Now I realize that I have painted a pretty dismal picture of affairs in these United States. I did it deliberately, to make you realize the urgency of our task. This country needs a genuine revival of interest in the true values in human affairs. It needs a revival of respect for law and order, for the institutions of democracy, for honest patriotism. It needs a spiritual reorientation, and a regeneration of moral concepts.

Yes, it needs these things and needs them badly. But I don't want you to get the idea that we have passed the point of no return. I'm a little tired, frankly, of conservative Americans telling me that the ball game is over and that there is no longer any point in fighting.

Believe me, this is not true. The free American society has been battered. Yes. But there is still a great deal left. This must be preserved and built upon. Too often, we lose sight of the real strength, the real spirit of this great land. I doubt if this can ever be completely stamped out by the centralizers of power and the debasers of values. I *know* it cannot—if we stand up and fight.

I want to remind you now of what you already know, deep down. And that is that the *real* America wants to remain free. The *real* America is a religious America. I'm not talking about any particular church or any one faith. I'm talking about the fact that more than 125 million Americans are members of 325,000 different religious congregations. And I'm talking about the fact that most Americans know themselves to be children of God—a God that lives in the day-to-day affairs, in the conscience and the good works, of millions of men and women and children.

And I am convinced that the *real* America doesn't want the government taking over all the responsibilities of its citizens. Few people realize that more than 3,000 hospitals in this country are privately endowed—that more than half our college people attend schools that are privately supported. Voluntary campaigns like the United Fund and Community Chest raise over half a billion dollars every year—and spend it on the real needs of their own neighborhoods and communities. Private foundations currently hold assets in excess of $15 billion. And all over this country, in every city, town, and hamlet, voluntary organizations work to improve the lot of their fellow man—without interference and control from Washington bureaucrats.

It's in these voluntary and local associations that you'll find America's *real* department of health, education, and welfare, and its constant war on poverty!

There is a tremendous reservoir of individual responsibility left in this land. It all adds up to the dynamic conservatism that has caused this great land of ours to grow and to flourish. It is a measure of the system's strength to realize that it has withstood, successfully, the harassment and the interference and the red tape piled on it from Washington in the last thirty years.

Thus, I say to you that there is reason for some discouragement—real reason. But there is also reason for hope. We must grasp this hope and use it to inspire people to reassert themselves and their faith in the ultimate victory of freedom over conformity.

In closing, let me say that it is your right to question my credentials. You might ask what right has Barry Goldwater to issue a Call to Arms to American conservatives?

My answer is that I have no credentials, except the years I have spent trying to sell the conservative philosophy and the years I have spent fighting for conservative objectives in the U.S. Senate. But, please understand me on this—I do not presume to speak *for* conservatives. I speak *to* them, and to all America.

I feel a responsibility so deep that it is impossible for me to describe. And this feeling won't let me stand by while glib, vote-seeking men attempt to sell out the American Dream for a mess of government-issue pottage.

Just in case there is any doubt, I want to assure you that I stand today just where I did two years ago—committed to the preservation of those principles, standards, traditions, and beliefs that have been tested by time and made our nation greater than any other on the face of the earth.

I stand today, just as I did in 1964, for victory in any war in which American fighting men are asked to fight and die. I stand for the rebuilding of the Atlantic Alliance, and for supplying our troops in Vietnam with the weapons they need to win.

I stand for stemming the tide of inflation through reduced government spending. I stand for an effective campaign to combat crime in the streets. And I stand for civil and criminal obedience, respect for law and order, and for Constitutional government.

Let me remind you, in closing, of something I said to the people of America two years ago. I repeat it, not to re-live the past but to re-state a truth:

"The God Lord raised up this mighty Republic to be a home for the brave and to flourish as the land of the free. We must reaffirm the great truths that have given life and strength to America. *We must set the tides running again in the cause of freedom.*"

HIGH PRAISE DUE AMERICAN DOCTORS IN VIETNAM

Mr. PROXMIRE. Madam President, on occasion, Members of Congress have been as critical of the American medical profession as anyone. But now the time has come to pay credit where it is due, and due handsomely.

As of the first of this month, 112 American physicians were in South Vietnam serving voluntarily for 2 months with no pay other than a $10-a-day living allowance. At great sacrifice to themselves, their families and their practices, these doctors are rendering invaluable service to the 16 million South Vietnamese who have fewer than 400 physicians to tend the civilian population.

This program, called "Project Vietnam," is a joint venture of the American Medical Association and the Agency for International Development. It calls for a total of 192 physicians to serve the voluntary 60 days. Many already have asked to remain longer. The age range for these doctors runs from 27 to 72.

Madam President, I cannot speak too highly of this vital service. South Vietnam not only is wracked by war. It has almost 1 million homeless, jobless refugees. Cholera, tuberculosis and other diseases are endemic.

This type attack on those problems is the very minimum approach we can accept if we are to help the poor and ill learn that they can have an opportunity for a better life.

In addition to working in the provinces, the American doctors are helping develop the University Medical School in Saigon into a valuable institution. They are assisting in the teaching of the basic sciences which are essential to any higher medical learning.

As I said, credit is due handsomely. I am glad to be able to call my colleagues attention to this highly worthwhile work.

OUTSTANDING ESSAYS—"CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?"

Mr. McGEE. Madam President, for several years it has been my good fortune to be able to conduct for the graduating high school seniors in my State of Wyoming the McGee Senate internship contest, which brings back to Washington one boy and one girl for a week of observing democracy in action—here in the Senate and in Washington.

As a part of the contest each student is required to complete an essay on "Can Democracy Keep Up With the Space Age?" and each year I am impressed with the depth of understanding and the dedication to our democratic principles displayed by these young people in their essays. All show real thought and a thorough knowledge of our system of government.

Of course, it would be impossible for everyone to read all of these essays, but I think some of the most outstanding ones selected by an impartial panel of three judges should receive wider circulation, and I ask unanimous consent that two of these essays, written by Miss Monica Jeanne Miller of Cheyenne, Wyo., and Raymond V. Faure, Jr., of Basin, Wyo., which received honorable mention in the McGee Senate internship contest, be printed in the RECORD.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?

(By Monica Miller, Cheyenne, Wyo.)

On October 4, 1957, the Russians took the first definitive step into space by launching Sputnik I. They were followed by the United States on January 31, 1958 with the Explorer I. The space age had begun. With the advent of the space age came an era of confusion and questioning, for the American people are not sure if the conquest of space is worth the billions of dollars spent on it. They are worried about the future and the answer to a question that has been asked many times: Can democracy keep up with the space age?

On June 14, 1942, Franklin Delano Roosevelt read this prayer by Stephen Vincent Benet to the United Nations General Assembly. "Our earth is but a small star in the great universe. Yet of it we can make, if we choose, a planet unvexed by war, untroubled by hunger or fear, undivided by senseless distinctions of race, color or theory . . ." With these words, the reason for the space age is evident. The idea of conquering the heavens is not a new one. It began with the ancients discovering bodies moving through space over two thousand years before Christ. The Mayas and Incas wrote of flights to the moon, the Finnish epic *Kalevala* tells of a trip through the heavens, and Roman and Greek literature are filled with journeys through the sky. Scientists dating from Plutarch, Copernicus and Galileo to men such as Enrico Fermi and Dr. Werner von Braun have devoted much thought and effort to conquering space. Yet, many people still ask why men are interested in the vast emptiness of space. For any explorer, the reasons are simple. As a scientist he seeks knowledge, as an adventurer he seeks new experience and the thrill of conquering the unknown and as an ambitious man he seeks glory and a place in history.

But why should the common man pay for so expensive an adventure? To conquer space we will need a new technology which will improve the general living standards on earth, enable our American business to compete on an international level and increase our national strength. Already this new science has led to new products ranging from better orange juice to long-term blood storage. Not only will the space age lead to better living standards, but the ordinary citizen will share in the adventure of the space explorer. John F. Kennedy once said, "I believe this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to earth. . . . But in a real sense, it will not be one man going to the moon—it will be an entire nation. For all of us must work to put him there." The experience of sharing such a goal will create a sense of national pride and purpose that could previously be obtained only in war. Man in space is a symbol of what can be done by a nation of dedicated people, for it is a continuation of the struggle between East and West, between Russia and the United States, between Communism and Democracy.

Like the conquest of space, democracy also began thousands of years ago in the empires of Greece and Rome. Since that time, hundreds of words have been written in an attempt to explain the meaning of democracy. Men have tried to explain it in everything from a simple phrase to an entire book. Yet, the easiest way to describe democracy is with three words: the people's will. Through the centuries people have fashioned the meaning of democracy, often making grave mistakes and more often achieving startling progress. However, democracy is still an incomplete story, one that cannot be accurately described, for it will continue to grow and change as long as one person will contribute to it.

It is America's open society that has become its greatest asset in the space age. This open society that is willing to share with others the successes as well as the failures, will prove to be a great factor in the struggle for world power, for the sense of elation and pride is lost when, as in a police state, only the successful accomplishments are announced.

Only the people of America can chart the course of democracy. Realizing the need for spatial supremacy, they cannot neglect the needs of our scientists. They must be capable of making the right decisions and of understanding the needs of science. This understanding can only come from one facet of American society: education. Through the dramatization of the accomplishments at Cape Kennedy many young people have been drawn to the fields of science. Now, however, these young people must be educated and taught how to think for themselves and contribute to America's future, thereby keeping democracy alive. In a police state, knowledge is examined and censored before it is available to the people; for uniformity in thinking and dullness in natural curiosity are necessities if the tyranny is to sustain its power. Conversely, the democratic state assumes that no one man can possess truth. Because of this belief our educational system is based on the theory that the only way to approach truth and the more perfect society is to study the mistakes and triumphs of human experience. Not only do the people of America learn in the classroom, but they learn and obtain knowledge by merely existing in the American society with its many individual freedoms. The strength of democracy is education; this conviction is deeply imbedded in our national consciousness, for "Education makes a people easy to lead, but difficult to drive; easy to govern but impossible to enslave."[*]

Just as it is clear that the people determine the course of democracy as well as the advancements of the space age, it is likewise clear that the people benefit from democracy and from the space age. Democracy, provided it is permitted to do so, can and will keep up with the space age. The American people are similar to a farmer guiding his plough. He may continue in a straight line, forming fields of straight and beautiful furrows, or he may curve with the land to obtain the maximum output. Likewise, Americans may adhere to the ideas of democracy held by the ancients or they may bend with the times and their needs to keep up with and obtain the benefits of the space age.

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CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?

(By Raymond V. Faure, Jr., Basin, Wyo.)

Because the meaning of democracy is often lost in a cloud of verbiage, I shall try to explain it in a few words to provide a starting point for this essay. Democracy literally is rule by the people. The Greek philosophers idealized it, wishing it to be a government of small groups of individuals among whom problems could be worked out in open, face-to-face discussion. Because of our huge population and the complexity of our age, this face-to-face democracy is impossible. Instead we have a government of individuals elected *by the people,* giving us a representative democracy. When I speak of democracy during this essay, I will be referring to representative democracy.

This democracy of ours is not perfect—no governmental form yet devised is. Democracy, however, challenges us to find the perfect form of government and to adopt it if a majority so wills.

Democracy will keep up with the Space Age—and possibly be strengthened by the characteristics which make it a space age, just as in the past we have met crisis and change and become strengthened by the effort to overcome the problem.

Education, the sine qua non for democracy, has become more emphasized in recent years. As the public becomes more educated, the democracy becomes stronger; or if there is no democracy, the potential for democracy becomes greater.

Jefferson said that "a democracy cannot be ignorant * * * and free." By virtue of the advanced forms of communication, television especially, knowledge of current happenings in the nation and world is quickly brought to the attention of the people. One notable by-product of the space age, the communications satellites, has done much to speed the dissemination of news from other continents. Improving communication methods have brought greater knowledge to people all over the world.

The specter of atomic warfare has made it necessary for governments to cooperate, if for no other reason than self-preservation. Programs such as the Peace Corps and the Alliance for Progress promote understanding and foster the education requisite to democracy.

Education fosters democracy, but majority rule is democracy in practice. Democratic methods are slow. Although the system is often criticized for this, proponents of the democratic form of government believe that proposals must be subjected to free debate in order for the best ideas to prevail; that the concerted constructive talk and action by many will produce the best laws. The delays caused by democratic procedures tend to preclude the possibility of large error. With the increasing speed of happenings in the space age, a democracy must always be alert to possible occurrences. A little forethought will usually reveal any imminent crises and steps can be made to avert them.

The rights of the individual in a democracy are supreme. I have spoken of majority rule as a feature of democracy, but the protection of the minority against the will of the majority is also an essential characteristic. Voltaire said, "I disagree with what you say, but will defend to the death your right to say it." This must be the belief of all in a democracy. An adherent to democratic principles also realizes that he is not always right; that he must always grant a fair hearing to all sides; and that he must decide an issue on the basis of facts, not prejudices.

Democracy will endure because it is the form of government built on the base of the best in human nature. It is always flexible, since it provides that laws which are detrimental to the good of the people can be modified or abolished. The change is effected, not by violence or revolution, but by reason and compromise. As civilization advances, democracies become more prevalent. Although some are far from being democracies as yet, they are developing, by education and experience, toward that goal.

During the First World War, we fought to make the world "safe for democracy." We stopped the fight, it seems, after the war. Programs like the Peace Corps which foster education are necessary to make the world "safe for democracy;" there is no such thing as a democracy of uneducated people. A democracy never exists by the will of a few—as does a monarchy or dictatorship—it can exist only if there is a concerted effort by all the people to make it operate successfully.

In the life of a democracy, times will come when it seems that the minority, whose views are offensive to the majority, should be silenced. The majority will contend that it would be expedient to silence the minority, for then the country would be able to show a united front to the world. To stifle minority would create a dictatorship of the majority—destroying the democracy.

A democracy is not the most efficient nor cheapest form of government. While it is slow, its slowness allows for thoughtful consideration. Although it is expensive, the better laws it produces justify the expense. It has its shortcomings, but its people are free.

HURTING OUR CHILDREN

Mr. BYRD of West Virginia. Madam President, as a cosponsor of the joint resolution for a constitutional amendment to permit prayers in public schools, I am pleased to offer certain evidence of pertinent sentiments in my State of West Virginia.

An editorial, entitled "Barring Prayer in Schools Disadvantage to Children," appeared in the Huntington, W. Va., Advertiser on June 4, 1966.

I ask unanimous consent to have the editorial printed in the RECORD. There being no objection, the editorial was ordered to be printed as follows:

BARRING PRAYER IN SCHOOLS DISADVANTAGE TO CHILDREN

Militant atheists have waged a persistent and sometimes acrimonious campaign in recent years against the foundation stone of American culture and philosophy resting upon belief in God.

They have received significant assists from the U.S. Supreme Court in such hair-splitting decisions as that which barred prayer from the nation's public schools while the court itself and both houses of Congress appeal to the Deity for guidance.

In their effort to demolish a national cornerstone they have received at least no discouragement from the passive attitude of church leaders toward court decisions.

As asserted here the other day, if the churches had given sufficient support to members of Congress and to state legislatures, a constitutional amendment could have been ratified by this time authorizing voluntary religious devotions in public schools.

But despite this failure, the campaign of the atheists has not yet made a significant dent in the confidence of the American people that a Supreme Being presides over their destiny and that of the world.

The Catholic Digest has reported that its second national poll, along with attitudes disclosed by Dr. George Gallup's Public Opinion Survey, indicated that 97 per cent of adult Americans believe in God.

In view of the current secular drift of the world and of the tendency of an increasing number of rebels to preach that whatever is, is wrong, this is not an alarming decline from the 99 per cent who believed in a Supreme Being 14 years ago.

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[*] Attributed to Lord Brougham.

There was perhaps a little more significance, however, in the drop from 87 to 81 per cent in the number who were absolutely certain there is a God.

The survey showed the strongest believers were Catholics and Baptists.

Only slight differences were evident on the basis of education, but among upper-income groups there was a decline of 13 per cent to 73 per cent in the number who said they were absolutely certain that God exists.

This recalls the lines from Oliver Goldsmith, "Ill fares the land, to hastening ills a prey/Where wealth accumulates and men decay."

We make no attack upon the personal and the constitutional right of athiests to disbelieve. Nor do we consider it the proper function of a newspaper to attempt to propagate religion for religion's sake.

But it is the right and the duty of newspapers and of individuals to oppose any action or movement that they believe to be detrimental to the public and the national interest.

A survey of world and American history will convince any unbiased observer, we believe, that religion is not just a private matter between a man and his Maker but is an influence of vital concern to the welfare of this nation and to all humanity.

Removing the churches and their influence would soon turn the United States into a land of debauchery and savage anarchy in which the culture, the free economy and the entire American way of life would collapse.

In spite of the people's persisting belief in the Deity, a dangerous step has been taken in Supreme Court decisions that will deprive millions of children of any knowledge of religion.

There is an obligation upon the churches, we believe, to help remove this disadvantage.

It is infinitely better for the common welfare that a few children of atheists be exposed to religion than that the darkness of atheism descend upon all the public schools.

SENATOR NELSON STRESSES IMPORTANCE OF ORDERED OUTDOOR RECREATION PLANNING

Mr. PROXMIRE. Madam President, on June 3, more than 200 officials, businessmen and conservationists from a 10-county area in northwestern Wisconsin met with professional planners in Ashland to discuss ways to protect this scenic area from the kind of honky tonk, carnival developments which have ruined too many beautiful outdoor areas.

This conference points up a matter which should be of growing national concern.

Outdoor recreation facilities across the country will be in increasing demand in the years to come. Without careful planning, the sudden increase in traffic in these beautiful, undeveloped areas could invite the destruction of the refreshing qualities we seek in the out of doors.

My colleague, Senator Gaylord Nelson, in speaking at the June 3 conference in Ashland on this subject, outlined what might be done to prevent this in northern Wisconsin. His remarks may well have application to other States with similar beautiful, undeveloped areas.

I ask unanimous consent that his speech and two editorials on this subject be printed in the Record at this point.

There being no objection, the speech and editorials were ordered to be printed in the Record, as follows:

Senator Nelson's Remarks at Northland College, Ashland, Wis., June 3, 1966; Conference Theme: "Development Without Destroying"

(Note.—Senator Nelson will speak after the showing of a 27-minute film.)

This conference today is intended to open a new chapter in the history of northern Wisconsin.

If the spirit of this conference can be spread beyond the group of dedicated people we have had here today, it could mark the beginning of a new era of carefully planned, tasteful development of rural areas not only in our Northland but throughout Wisconsin and much of the Nation.

That is the challenge which we face here tonight.

As we face this challenging new era in the history of northern Wisconsin, I think it is important to review a little recent history.

Northern Wisconsin—whose timber helped to build the American Nation, whose iron mines and ore docks supplied our arsenal of democracy during two World Wars, whose shipyards and railyards and seamen and fishermen and farmers added so much strength to our national economy—this great area has missed out on much of the prosperity which has surged through our State and Nation for the past generation.

I don't need to dwell on this. Every student of Wisconsin knows that the North has faced a succession of serious economic problems, almost without letup since the end of World War I.

A number of us in recent years have determined that this situation should not continue. A determined effort has been under way for several years now to build a new future for northern Wisconsin—to make it what it should rightly be—the *land of opportunity* for the next generation.

Many things have been done. I can mention only a few in the short time allowed.

For one thing, we arranged a three-state conference to be held up here in the fall of 1963, to face directly the special problems of the underdeveloped Northland.

The late President Kennedy accepted our invitation to come and keynote that conference—and to fly along the South Shore in a helicopter and stop here in Ashland for a memorable visit.

Two important results flowed from that conference. *First,* it was agreed that there should be some continuing governmental agency to carry on the special task of trying to make the north the new land of opportunity.

We went back to Washington and turned that dream into reality. We persuaded the Congress and the President to create an Upper Great Lakes Regional Commission on economic development, a joint effort of the Federal government and the states of Wisconsin, Minnesota and Michigan. That commission is now in existence. It will begin its work soon, financed by Federal funds, possibly working out of a headquarters here in Ashland or nearby.

Secondly, President Kennedy's visit and the three-state conference of 1963 pointed up the fact that the greatest hope for a new future of opportunity in the north lines in *recreation.*

Now true as that statement is, each time you say it the temperatures of some people begin to rise. It must be emphasized each time that *no one* believes the North should base *all* its hopes on recreation. No responsible person is trying to turn this vast area into one large, undeveloped park for occasional use by visitors from distant cities.

The point is that the North may have certain handicaps—its distance from population centers, its higher transportation costs, its slight disadvantages in soil and length of growing season—which make it somewhat difficult to compete with other sections of the Nation. But in the field of recreation, it has tremendous *advantages.* Obviously, the hope for the future lies in the wise exploitation of these advantages.

Of course recreation *alone* will not be enough, and we are working every day to develop a balanced economy in this area. Our Economic Development Agency is granting loans to new industry—more than $4 million for a new hardboard plant in Superior is just one example.

We were successful last year in enacting a program to put unemployed adults to work on badly needed, local conservation and recreation projects. It has always seemed ridiculous to me that in rural areas such as northern Wisconsin, we have great numbers of capable men unemployed—while a great amount of badly needed conservation work goes undone for lack of funds and lack of workers. I am delighted to report that under this new program—which the Office of Economic Opportunity is kind enough to call the "Nelson Amendment"—almost one million dollars in Federal funds is already flowing into 11 counties of northern Wisconsin. It will put more than 400 men to work on conservation and recreation projects, game and fish management and forest protection.

There will be many more fine programs to attract industry, improve transportation, and stimulate broadly based economic development once the Upper Great Lakes Commission begins its work.

* * * * *

But our concern here tonight is with the especially exciting opportunity which recreation offers to the North.

This area has a bank of natural resources which can make it rich in the years to come. Its greatest advantage is its vast supply of green forests, fresh air, sparkling water, and scenic, unspoiled landscape. Many of us have enjoyed these special treasures for years. We sometimes fail to realize how truly precious they will be in a few years, to a Nation crowded into cities with snarled traffic, polluted air and water, and an environment of ugliness.

Tourism and recreation already is big business—more than $700 million a year in Wisconsin. By the year 2000, experts calculate that our population will double and the demand for recreation will triple. Tourism and recreation is already conceded to be the third largest industry in America, doing $25 to $30 billion in business each year. Some students of the economy believe it will become our No. 1 business. Each year, our booming population has more money, more leisure time, more mobility, more desire to taste the rapidly vanishing beauties of nature.

You probably are familiar with the tremendous impact which experts anticipate from the planned establishment of an Apostle Islands National Lakeshore in this area. This nationally designated attraction, labeled on maps all across the Nation, tastefully developed by the National Park Service to provide almost every kind of recreation, is expected to draw close to a million visits per year, and to generate as much as $7 million a year in spending.

We have other proposals in the works too—a $6½ million St. Croix National Scenic Riverway, for instance.

They all promise an exciting future for this recreation center of mid-America.

But as responsible community leaders looking forward to this new era, we must stop to ask two things:

1. What will be the long-range effect on the economy and the permanent residents of this area?

2. What will happen to the resource itself—the unspoiled, natural beauty which is the backbone of this new economic opportunity?

The North has experienced booms before—and they have brought only heartbreak, tragedy and economic and governmental chaos.

This must not happen again.

This time, we must not destroy the resource in order to make quick profits for hit-and-run-promoters, who will move on to greener fields once this short-lived boom eases off.

We must not turn this beautiful, unspoiled Northland into the kind of tourist slum which has become so common all across the country—main streets ablaze with ugly and competitive signs, highway approaches lined with hamburger stands, roadside zoos and carnival-type entertainment gimmicks, stores filled with fake souvenirs, scenic beauty smothered with tasteless, so-called "development."

I don't think anyone really wants this. But it happens time after time in resort areas because of the appeal of quick, rather easy profits and because of the lack of intelligent advance planning.

It is especially likely to happen in an area such as northern Wisconsin, which is so largely undeveloped and which is so anxious for any kind of new economic activity.

This conference was designed to set in motion the kind of creative thinking, the vigorous local leadership, the search for specific ideas and tools which can save the natural resources of the North for the permanent recreational enjoyment of the Nation and for the economic enrichment of the permanent residents of this area.

In meeting this challenge we are fortunate that much of the preliminary work has been done for us. Wisconsin has long been a national leader in the field of planning. We have the first and the finest comprehensive state-wide plan in the Nation, with an extremely detailed section on recreation. This was done by our Wisconsin Department of Resource Development with Federal funds.

We are also fortunate in having a five-county Northwestern Wisconsin Regional Planning Commission, which in turn has completed a comprehensive plan for this specific area, also in cooperation with the State Department of Resource Development and the Federal government. If you are not familiar with this comprehensive plan for northwestern Wisconsin, I urge you to study it. Many of the answers to the problems of the future are there.

Of course, the challenge facing this conference is to take a plan such as this, conceived by experts after detailed study, and translate it into reality through enlightened community and regional leadership.

I think we all know of specific things which must be done.

We need a new system of zoning in our rural areas, so that economic growth can be constructively channeled.

We need a strong controlling hand on construction along our lakeshores—so that we do not blight all this irreplaceable land with cottages in back of cottages and fill our lakes with silt and septic tank overflow.

We need new attention, both at the State and local level, to the importance of preserving buildings and other features which are of historical significance.

Most of all, we need strong, local community leadership which is truly dedicated to preserving the best features of this area—the very features which draw tourists here in the first place.

It was this kind of forward looking leadership which led to the establishment of our system of county forests and to the zoning of forest areas—creative steps to which we owe much of our bank of natural resources today.

Now we need new leadership, new ideas, new tools which will work in communities and rural areas throughout our resort regions.

I should think the first step in many communities would be the formation of a citizens committee to consider what the best features of the community are, from the standpoint of authentic flavor and popular appeal, and how they can best be preserved or enhanced. Doubtless there will be questions as to whether such committees should be made up of public officials or private citizens. There will be questions as to what "powers," if any, the committee will have. There will doubtless be arguments over any conclusions which the committee reaches.

But that is the way local leadership works on any issue. Someone must point the way. Someone must stir up local thinking. Someone must figure out what things can and ought to be done, and what kind of assistance is available to do it.

We have many constructive examples to follow.

Mystic Seaport, Connecticut, has been restored and developed as a replica of a 19th Century salt water port—and a tasteful, permanent tourist attraction. Hayward is developing its historical appeal as an old lumber town—of far more lasting value than the conventional curio shops and penny arcade type of places which have lined main streets in many resort towns. Washburn County has established lakeshore protection districts to bar cottages from low, marshy shoreline areas which are valuable as habitat for fish and wildlife. New Glarus, in southwestern Wisconsin, is painting and fixing up its main street to emphasize its rich Swiss heritage. Mineral Point has discovered the broad appeal of its old Cornish cottages. The little town of St. Joseph, Louisiana, was galvanized into restoring its forgotten southern charm when one farmer began planting flowers along the roadside and set off an epidemic.

Specific programs are surely needed, but most importantly we need an attitude . . . an attitude toward our environment which stems from pride in our homes and our communities . . . an attitude which reflects an understanding that the quality of our environment—the appearance of our streets, our yards, our shops—is an essential ingredient in the quality of our lives.

Think of the potential in a community such as Bayfield.

With its priceless setting on a hillside overlooking Chequamegon bay and the Apostle Islands, with its great store of beautiful older homes, with its rich past as a fishing, lumbering, and shipping center, Bayfield could become one of the most appealing resort communities of the Nation. Imaginatively developed, properly preserved, Bayfield could charm tourists for generations to come and attract a permanent settlement of artists, writers, and retired citizens as well as those who would supply services needed by tourists, campers, skiers, boaters, fishermen and sightseers.

Or, on the other hand, Bayfield could be squandered as a cheap, honky tonk. The outcome depends on which features its citizens choose to emphasize.

Consult articles on Bayfield in travel magazines or distant newspapers. What do they cite?

They talk in glowing terms of flame red maples against a blue autumn sky, of white clapboard homes of unusual charm, of fish nets drying in the sun, ferry boats scudding across blue waters, of fishermen and sea captains and ancient history enacted on the islands offshore.

I have never read an article that cited the availability of ice milk cones, or of live bears or pythons displayed in cages, or of genuine Japanese souvenirs—miniature toilet seats and pillows embroidered with the word "mother" on sale in local stores.

I suppose it can be argued that there is a sucker born every minute, and that many tourists *like* to fritter away their time and money in puerile, insipid pointless tourist traps.

However, I don't think that will be as true in the future as in the past. I think in the fierce competitive days ahead, tourists will be drawn to the places which provide a quality experience. And the suckers will be the communities who allow themselves to be turned into honky tonks during an era when wiser competitors are offering the quality that comes from skillful exploitation of truly natural features.

This is the challenge which faces a community such as Bayfield. I think this conference will be rated a success if it leads only to the preserving of Bayfield as a beautiful, authentic Great Lakes village, gateway to the Apostle Islands.

But of course if we succeed with Bayfield, our success will not stop there. It will spread far and wide.

The Northland will soon be a network of charming communities with special architectural themes, with neatly painted buildings, with sensible signs and tasteful attractions. The highways leading in and out of them will be zoned to provide a healthy separation of businesses, industries, and homes. Open spaces and scenic vistas will be preserved. Lakes will be treasured and used for maximum long-range enjoyment.

Tourists who come here from Milwaukee and Minneapolis and Chicago and Detroit will drink deep from the area's natural beauty, its history, its flavor, its genuine charm. The experience will mean something to them—and they will come again.

This is the dream which we have for the northern Wisconsin of the future.

It can come true.

But it must come from within the citizens of northern Wisconsin themselves. It cannot be imposed from the outside. Others can tell you how it has been done elsewhere. But only you can do it here. Only you can determine what features to emphasize, what qualities to preserve, what mistakes to avoid. Because the whole secret of quality development is integrity and authenticity. You cannot succeed merely by copying something or someone else. You must decide what you and your community are—or want to be. And then you must become that.

This is the challenge—to develop without destroying—to preserve, enrich and enhance the North as a quality recreational environment which will delight the tourists of America, who will beat a path to your door for years to come—if you meet this challenge successfully.

ESTHETIC DREAM

In addition to water and air pollution, there is esthetic pollution, fouling of the beauty of our environment.

Concern over the threat of the esthetic pollution of northern Wisconsin resulted in the calling of a one-day conference at Ashland, Wis., by the University of Wisconsin extension division and Northland college on the theme of "Developing Without Destroying."

It is a commonplace to say that northern Wisconsin has a great recreational potential. The question is, how to take advantage of this potential without spoiling it.

It would spoil it, would be committing esthetic pollution if this region of forests, waters, fresh air and scenery were exploited by honky-tonk developers and operators.

A WARNING BY NELSON

As Senator Nelson, Democrat, of Wisconsin, put it in an address at the close of the conference, "We must not turn this beautiful, unspoiled northland into the kind of tourist slum which has become so common all across the country—main streets ablaze with ugly and competitive signs, highway approaches lined with hamburger stands, roadside zoos and carnival type entertainment gimmicks, stores filled with fake souvenirs, scenic beauty smothered with tasteless, so-called 'development.'"

To prevent this sort of thing from happening, and yet to utilize the northland's great recreational potential for the benefit of all, will require, as Nelson pointed out, "strong local leadership . . . truly dedicated to preserving the best features of this area—the very features which draw tourists here in the first place."

What are these magnetic features? They surely include the area's closeness to nature and remoteness from the urban crowds. Its basic appeal is in its minimum of development. It attracts the city dweller as a place to get away from development.

Hence, it would seem that the least development might be the best development for northern Wisconsin. But, if the recreational potential is to be realized, there have to be some man made developments. There must be access roads. There must be places to eat and to sleep. There must be recreational facilities—trails, docks, museums, campsites and the like.

What perhaps should be kept in mind is that the developments should be as unobtrusive as possible and that they should be designed to harmonize with the surroundings.

Nelson envisioned Wisconsin's northland as "a network of charming communities with special architectural themes, with neatly painted buildings, with sensible signs and tasteful attractions. The highways leading in and out of them will be zoned to provide a healthy separation of businesses, industries and homes. Open spaces and scenic vistas will be preserved. Lakes will be treasured and used for maximum long range enjoyment. Tourists . . . will drink deep from the area's natural beauty, its history, its flavor, its genuine charm."

Develop the dream, northern Wisconsin.

[From the Sheboygan (Wis.) Press, June 3, 1966]

TOURIST ATTRACTION

The First Lady of the nation is taking a special interest in the Northern Wisconsin Beautification Conference being held at Ashland today has been disclosed by Sen. Gaylord Nelson. In a note to the Wisconsin senator, Mrs. Lyndon B. Johnson wrote:

"One of the nicest items to cross my desk in recent weeks is news of the anti-blight conference to be held in Ashland, Wis. Our nation has been blessed with a rich scenic heritage, and as our civilization grows, it is up to all of us to have the wisdom to preserve nature's corners of beauty and channel our growth in ways that enhance—and do not diminish—our natural surroundings."

Sen. Nelson, who has been a guardian angel concerning Wisconsin conservation and an ardent foe of pollution in this state, also is a firm believer in preservation of its beauty. It was for this reason that he conceived the idea of the conference last fall. Today it is bringing together people from 10 northwestern counties and conservationists, professional planners, and officials from around the state to discuss plans for preserving the natural beauty of northern Wisconsin during a period of increasing tourism.

In suggesting the conference, he warned that while increasing tourism can mean new economic hope for northern Wisconsin, it could also bring in the honky tonk, carnival developments—garish billboards, souvenir stores, entertainment gimmicks—which have invaded many outdoor recreation areas across the country.

Both Mrs. Johnson and Sen. Nelson stressed an important point in their comments. That is cooperation among counties, which is to be one of the principal aims of the conference. If one county is careless and allows carnival and unsightly developments, it can mar the attractiveness of the entire surrounding areas in the eyes of the tourist.

The Ashland conference is an important step in keeping with this state's motto—"Forward!"

COMMENCEMENT ADDRESS BY DR. BANERJEE

Mr. HARTKE. Madam President, among the distinguished foreign representatives serving their nations in Washington is my good friend, Minister of the Embassy of India, Dr. Purnendu Kumar Banerjee.

Dr. Banerjee on May 29 gave the commencement address at Luther College in Decorah, Iowa, and received on that occasion an honorary doctorate from that school. In line with his longstanding concern for the promotion of international understanding, Dr. Banerjee took as his topic "Education for International Understanding."

I might note that Dr. Banerjee's educational background includes work in this country, in New York, and at Harvard, as well as graduation from the University of Calcutta. He has served with the Indian Foreign Service since 1948 in posts that include Canada, East Pakistan, Japan, and Peking, as well as being an adviser to the Indian delegation to the United Nations General Assembly. As India's Minister and Chargé d'Affaires in Peking, just before assuming his present post, Dr. Banerjee was also accredited to Mongolia. For his work done in China he received the national decoration "Padma Shri" by the President of India in 1963.

Madam President, I ask unanimous consent that the Luther College commencement address by Dr. Banerjee may be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

EDUCATION FOR INTERNATIONAL UNDERSTANDING

(Commencement address by the Honorable Dr. Purnendu Kumar Banerjee, Minister, Embassy of India, at Luther College, Decorah, Iowa, May 29, 1966)

I am deeply grateful to you for having honoured my country by inviting me to give the Commencement Address to the 1966 Graduates of Luther College, this afternoon. I am proud and happy to have received this honorary doctorate degree which makes me a member of your academic community. I am thankful to you for this privilege. It is a great pleasure for me to know that many of your graduates have, because of their keen interest in my country, gone to India to promote a better understanding and thereby to strengthen further the bonds of friendship between our two countries. I also learn, with obvious delight, that some new graduates will be in India during the next academic year.

In these lovely surroundings of hills, trees, limestone bluffs and the humming of the Oneota river, you have the idyllic surroundings to learn about loyalty, democracy and humility. All of you, I am sure, as you join your community as its participants, will reflect Luther's motto, *Soli Deo Gloria* (To God alone the glory). The liberal education you received at the college will enable you, apart from leading a fuller life, to enrich the socio-economic life of your community. I am particularly pleased to note that your curriculum was fashioned to develop a better understanding of various cultures and to dissipate ignorance, prejudice, hate and distrust. I appreciate and applaud your belief that education *is* tomorrow. I subscribe to the theory that education, not in a narrow sense, is the best tool yet available to us to promote understanding. I wish, therefore, to speak today on "Education for International Understanding."

Fellow Graduates, we live today in a world of conflicting national interests, racial and group prejudices, and opposing creeds and ideologies, struggling in a mad, mad scramble for priority and advantage. This struggle was not unknown throughout the ages, perhaps, it was in a different form and on a different key. What makes our age unique and without precedent, is the altered circumstances. This is wrought by man's resolute determination to unravel the mysteries of nature. The discovery of atomic energy has radically changed the international milieu. The nuclear age, coupled with the revolution in mass communications, has brought the territorially divided world technologically together. The universal values, applicable to all men, propounded by philosophers and preachers beginning with Buddha and Christ, are no longer mere metaphysical ideals and biblical tenets. Today they provide answers to many of our practical problems. The interdependence of the world is inescapable and therefore complete. One only has to look around to dispel his doubts.

We have today what Wendell Willkie once called 'One World'. It differs a great deal from what it was a few decades ago. Modern science and means of rapid communication have conquered both space and time. We discuss and debate today the problems of a united world and not a divided world. A war or a famine, an epidemic, or the menace of an atom bomb reveal this interdependence in a striking manner. It is also true in the everyday life of the people. A strike in a distant port by the longshoremen denies morsels to many a mouth in India. The late Mr. Ernest Bevin, British Foreign Secretary, once told English housewives who complained about the fat shortage:

"You complain because you can't get fish suppers in Lancashire? Why can't you get fish suppers? The Fleetwood trawlers are bringing in the fish and there is plenty of potatoes. But the fish fryers can't fry. And why can't they fry? Because there is trouble in Indonesia; because there is a lot of bother in Burma and because we haven't got things straightened out in Siam. And because of all that, India can't get rice from these countries. And because India has to grow more food for its own people, we can't get groundnuts from India. And because we can't get groundnuts from India, the fish-fryers can't get the oil. And you can't get your fish and chips."

This age of interdependence compels us to evaluate our attitudes towards war and peace. They are indivisible. Peace is no longer a mere absence of war, but a constant and conscious nurture of fellow-feeling and of fraternal appreciation of ideas and values of other people and an effort for increasing cooperation between peoples. We can no longer afford to confuse ignorance with stupidity, and a difference in ethical standards with deceitfulness. We do not deride what we do not understand or reject what we do not recognize. We have to realize that the unity of mankind demands scrupulous appreciation of the ideas and ideals of life underlying diverse civilizations, and by developing a world perspective.

It is sometimes presumed that a world perspective necessitates uniformity in civilization, religion and even ideology. Many of the conflicts in the past could be traced to this fallacy. The Crusades fought in the Middle Ages had as their basis the superiority of one religion over the other. But even co-religionists, have fought among themselves. The same religious affiliation did not bring peace to the peoples. Europe, according to many Western historians, went into Asia and Africa to bring to them the boons of civilization. The "civilizing mission" was the cause of many wars in these areas. There is no evidence in history that common civilization prevents war. England, France and Germany, who share what is generally called Western civilization, have fought many bloody battles. India and Pakistan, who share the same heritage, have fought each other. Ideological conformity has not brought peace, as the communists believe. The often violent attempt to spread their ideology has not proved to be a panacea for the ills of mankind. The headlines in the newspapers indicate a trend in the opposite direction. Both the Soviet Union and China swear today by the same Marx and Lenin. Yet each considers that its brand of Communism is superior. The Sino-Soviet ideological rift pulls a pillar from under the edifice of ideological unity as the basis of peace even in the Communist concept.

Diversity, as opposed to uniformity, in thought in cultural accomplishments and in ideology, I submit, has a better answer to our problems. Essentially diversity demands democracy. Democracy seeks unity in diversity and coexistence of various groups, beliefs and ideas. Coexistence of various groups, beliefs and ideas. Coexistence is an extension of democratic ideology in international relations. In the nuclear age it is the only alternative currently available to us. It permits us to exchange ideas and views with those who disagree with us, but not to destroy them. It devalues power as an instrument of policy and insists on serving international interests, as opposed to national interests. Democratic ideology admits that though there cannot be ideological unity in the present world, countries irrespective of ideological orientation or form of government, can certainly join, without losing their identity, in an effort to solve the problems besetting a vast portion of humanity. Many of the differences are not beyond reconciliation; they are mostly attitudinal, rather than basic. It will be a matter of great advancement for peace if countries professing different ideologies live in this world, if not in complete harmony, at least in reasonable mutual accommodation and understanding.

There is one exception to this general rule. Coexistence between the rich and the poor nations is almost impossible. Fortunately, irrespective of our ideological differences, it is agreed that the etiology of the ills of our time is lopsided development, where we are apt to disagree is on its prescription for treatment. We all agree that the essential problem of our time is not the conflict of ideologies but the conditions that affect the majority of humanity, such as poverty, illiteracy, racism, hunger and economic insecurity. These are the real threats endangering peace and humanity because they can lead to catastrophic confrontation between those who are affluent and those who are neglected and exploited. Before this, all other problems pale into insignificance.

The present division of the world into rich and poor countries is a result of several factors. Primarily, we can attribute it to industrialization and colonialization. The economically advanced countries of today should realize that at one time they were in somewhat similar conditions as the developing countries of today.

Anyone having read the novels of Dickens knows the conditions of unbelievable misery and humiliation in which millions of workers lived in England. With industrialization and the fruits of colonialism, the economically advanced countries made great strides. The colonizers prospered at the cost of the colonies. People from the former colonies who have suffered for such a long time, cannot erase the belief that European prosperity was the cause of their poverty. Historical attitudes cannot suddenly adjust themselves to new conditions. The prejudices and suspicions have to be fought patiently but steadily. Economic assistance to developing nations can help to demolish the wall of suspicion and bitterness and also bridge the gap in misunderstanding between the poor and the rich countries.

It is universally recognized today that poverty is not an inevitable condition of life and that it can be removed by deliberate action. This is the basic premise behind the current anti-poverty program in the U.S.A. This is the driving force behind social legislation and equalitarian taxation in all developed and democratic societies today. The world has come to accept the taxation of the rich to help raise the horizons for the poor, in almost all countries today. But what is an acceptable goal within a nation has unfortunately yet to gain acceptance on an international scale. The developed world has yet to formally accept the responsibility—that developed and richer members of their society have accepted within their geographical boundaries—that the smoother and more harmonious existence of the comity of nations can only be possible if the less developed nations are assisted out of their present stage of underdevelopment, by their more affluent neighbors.

Investing in the developing countries, I submit is an investment in peace. There cannot be a world half rich and half poor. Political independence would be meaningless without economic equality. And this has to be achieved speedily. The revolution in the economy of a developing nation has to be telescoped to prevent its violent turn. For the pauperization of a majority of humanity, would exert a kind of pressure that no diplomatic finesse could keep in check. No barriers would then be sufficient to contain it, but only the instruments of mass destruction.

The problems of the underdeveloped countries cannot be handled piecemeal by plugging a hole here and there. Only a universal approach can solve their problems and this requires a kind of concerted approach by the rich countries. It will ultimately ensure not only world peace but great prosperity as well to the developed nations. It is well known that the capitalists of England became much richer than they were after their wealth was shared by their workers. Similarly, the developed countries can become more rich than they are if there were more people in the world with money to buy the surplus goods which modern scientific implements are capable of producing.

On an international level, Europe in the Victorian Age, invested heavily in the United States. The prosperity of the United States did not affect Europe adversely. On the contrary, the United States actively supported and sustained the bulk of the cost of two world wars, and thereafter, single-handedly financed the reconstruction and recovery of post-war Europe through the Marshall Plan and other programs. Western Europe, in its turn, is able today to participate in international aid programs, and contribute to the development of the rest of the world. Economic prosperity when shared, like happiness, proves profitable to all participants and wealth shared in a productive way is wealth increased.

To respect this position, to understand its implications, and to evolve a working arrangement for raising the standard of living of the less developed nations will be a constructive policy for the advanced nations. They will also need a degree of idealism and compassion for the suffering people who lack the rudiments of a good life. This is not a question of a 'white man's burden'. I am reminded of an anecdote about a little boy who was panting up the hill with his younger brother on his back. A passerby asked him sympathetically: "Young man, don't you find the burden rather heavy"? The boy stood still looking at the questioner with astonishment and annoyance. Then he quietly said: "That, Sir, is not a burden; it's my brother."

The present revolution has catapulted man into space and released the unknown power of the atom. It has also brought unprecedented prosperity to economically advanced nations, further widening the gap between the rich and the poor. This sophisticated and well-informed audience need not be told of its causes in detail. Such disparities, I submit, would not be tolerated within the confines of any national community. Existence of a slum in a prosperous community, if not taken care of and remedied in time, is bound to spread and infect the very prosperity of the community and turn it into an extended slum. The Economic Opportunity Program launched by President Johnson attests to this fact. On the international level, we need a similar programme. The per capita income of India when the British left was $60 per year and in 1966 it is $78 per year as compared with $3,000 in the United States. Such a disparity is injurious to the economic health of the world. Political self-determination, in my judgment, must be accompanied by economic independence. This can be achieved only if the international community makes a concerted effort to fight poverty on a grand scale. This would be possible if everyone of us plays an active role. We need today the spirit of Martin Luther. Each of us should echo him and say, "Here I stand. I cannot do otherwise. God help me."

It is not beyond human resources to bridge this gap. Recently in an address at the University of São Paulo, Brazil, the Secretary-General of the United Nations observed:

"Resources are available to match our most imaginative schemes. The truth about the developed economies is that they can have in terms of kind and scale of resources what they decide to have. Defense spending may consume $120 billion annually, but at the same time the developed economies have never had higher living standards. And even after all that wealth is poured into armaments, there is still spare labor, idle capacity, a surplus of food, and vast stockpiles of metals. . . . The means are therefore no longer a limiting factor; the will to use our many and various instruments of change and growth is the only limitation. It is well within the power of modern man to eradicate the vast areas of poverty in a world of plenty".

The realities of our present day world, I submit, must be woven into the texture of our thought and actions. We must either think and act internationally or disintegrate and perish. But we can neither so think nor act until we are trained to feel internationally, for it is emotion which provides the dynamic momentum for all purposive activity. There is need for education for international understanding. But when we speak of "education" in this connection, we are not thinking merely of what goes on in schools and colleges, but of the wider network of influences; the press, the platforms, the books, and the religious services, which reflect ideas and mould feelings of people.

When these educational agencies are so oriented as to train people in the ways of international understanding, education can have a far-reaching effect and decisive influence strengthening in us the sense of interdependence and solidarity of mankind. What is needed today is an intellectual and spiritual awareness of this new responsibility. Ultimately we will succeed in evolving a universal culture. This will not mean a culture of regimentation and conformity but one in which the sharing of our respective cultural activities can enrich us all. This thought was captured in one of the Indian scriptures, 2000 years ago, Upanishad, when it recommended "He who sees all beings in his own self and his own self in all beings, he does not remain unrevealed.

But the process of education leading to training of mental attitudes is slow and the world has not much time to lose. It can be intensified by nations actually collaborating in several fields rather than remaining pitched against one another in a perpetual war with danger of destruction of human life and spirit. The sight that confronts us when we peer down into the state of a strife-torn world is disquieting and frightening but there are still some features which bring a measure of hope and faith and which need to be highlighted. Last year we observed the United Nations International Cooperation Year to endorse and emphasize the idea of Jawaharlal Nehru, that the world depends on cooperation and not on conflict. We endeavoured to learn and understand more about each other. We sought the bonds that united us and not the factors which divided us. With freedom of mind, with reason as our guide, it is entirely possible for us to discover a common ideal. Human civilization can continue, in my judgment, only with our appreciation of the fact that our diversities are the very foundation of a workable international order.

SUBCOMMITTEE ON IMPROVEMENTS IN JUDICIAL MACHINERY: HEARINGS ON THE OPERATION OF THE CALIFORNIA COMMISSION ON JUDICIAL QUALIFICATIONS

Mr. TYDINGS. Madam President, as chairman of the Senate Judiciary Committee's Subcommittee on Improvements in Judicial Machinery, I wish to announce that the subcommittee will hold hearings on June 17 and 20, 1966, on the California system of disciplining and removing unfit State judges.

The June 17 hearing will be held at 10 a.m. in Courtroom No. 10 of the U.S. Courthouse, 19th floor, 450 Golden Gate Avenue, San Francisco, Calif. The June 20 hearing will be held at 10 a.m. in room 229 of the U.S. Courthouse, second floor, 312 North Spring Street, Los Angeles, Calif.

Any person desiring to testify or wishing to present a written statement for inclusion in the record should immediately contact the Subcommittee on Improvements in Judicial Machinery, room 6306, New Senate Office Building, Washington, D.C., 20510.

AUTHORIZATION TO RECEIVE MESSAGES; TO SIGN ENROLLED BILLS; AND FOR COMMITTEES TO FILE REPORTS

Mr. MANSFIELD. Madam President, I ask unanimous consent that during the adjournment of the Senate from the close of business today until Wednesday next, the Secretary of the Senate be authorized to receive messages from the President and from the House of Representatives; the President of the Senate and the President pro tempore, or Acting President pro tempore, be authorized to sign enrolled bills; and committees be authorized to file reports.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADJOURNMENT TO WEDNESDAY

Mr. MANSFIELD. Madam President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 12 o'clock noon Wednesday next.

The motion was agreed to; and (at 12 o'clock and 41 minutes p.m.) the Senate adjourned until Wednesday, June 15, 1966, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 13, 1966:

IN THE NAVY

The following-named officers of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

John S. Cowan
Harry S. Etter
Frank B. Voris

SUPPLY CORPS

Fowler W. Martin
Frederic W. Corle
Joseph L. Howard

CIVIL ENGINEER CORPS

Paul E. Seufer

CONFIRMATIONS

Nominations confirmed by the Senate June 13, 1966:

U.S. AIR FORCE

The following officers to be placed on the retired list, in the grade indicated, under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant generals

Lt. Gen. Richard M. Montgomery FR1025 (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. William O. Senter, FR648 (major general, Regular Air Force), U.S. Air Force.

The following-named officers to be assigned to positions of importance and responsibility designated by the President, in the grade indicated, under the provisions of section 8066, title 10, of the United States Code:

To be lieutenant generals

Maj. Gen. Marvin L. McNickle, FR1721, Regular Air Force.

Maj. Gen. Arthur C. Agan, Jr., FR1759, Regular Air Force.

Maj. Gen. Austin J. Russell, FR1980, Regular Air Force.

Maj. Gen. James W. Wilson, FR1711, Regular Air Force.

Maj. Gen. George S. Brown, FR4090, Regular Air Force.

Maj. Gen. Seth J. McKee, FR4279, Regular Air Force.

U.S. ARMY

The Army National Guard of the United States officers named herein, who presently hold recess appointments, for permanent promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3385:

Major generals

Maj. Gen. Ivan Hardesty, O399704.

Maj. Gen. Luther Elmer Orrick, O357391.

Maj. Gen. Noble L. Schlatter, O408711.

Maj. Gen. Archibald Alexander Sproul, O406823.

Maj. Gen. Paul Robert Teilh, O361063.

To be brigadier generals

Brig. Gen. Ross Ayers, O378526.

Brig. Gen. William Charles Doyle, O1307380.

Brig. Gen. Daniel Kramer Edwards, O401801.

Brig. Gen. Robert Lew Gamrath, O580755.

Brig. Gen. Robert Francis Hassard, O360866.

Brig. Gen. John Vaughn Kean, O1004792.

Brig. Gen. Samuel Odell Robertson, O1634265.

Brig. Gen. Maurice Dana Tawes, O332136.

The Army National Guard of the United States officers named herein, who presently hold recess appointments, for permanent appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier generals

Brig. Gen. Marvin John Evans, O1100975.

Brig. Gen. Clarence Clemens Schnipke, O359322.

Brig. Gen. Vernon Franklin Sikes, O408212.

Brig. Gen. Edward Blaize Thorpe, O337914.

The U.S. Army Reserve officers named herein, who presently hold recess appointments, for permanent promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384:

To be major generals

Maj. Gen. Benjamin Joseph Butler, O407344.

Maj. Gen. John George Cassidy, O309923.

Maj. Gen. Ian MacLeod Davidson, O317046.

Maj. Gen. Robert Paul Schulz, O330078.

Maj. Gen. Robert Cleland Tyler, O282150.

To be brigadier generals

Brig. Gen. Arnold Tracy Barber, O351016.

Brig. Gen. William Howard Booth, O302516.

Brig. Gen. William Wirt Brock, Jr., O314981

Brig. Gen. Edward Joseph Czerniuk, O336420.

Brig. Gen. William Wiant Davis, O357449.

Brig. Gen. Kenneth Louis Dedekind, O518645.

Brig. Gen. Joe Newton Frazar, Jr., O405975.

Brig. Gen. Herbert Robert Hackbarth, O1167014.

Brig. Gen. Martin Richard Krausz, O369198.

Brig. Gen. John Thomas Pegg, O905691.

Brig. Gen. Mackenzie Edgerton Porter, O340870.

Brig. Gen. Andrew Wier Rogers, Jr., O380566.

Brig. Gen. Edward Hill Thomas, O391315.

The following-named officer to be placed on the retired list, in grade indicated, under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. William Jonas Ely, O18974, Army of the United States (major general, U.S. Army).

The following-named officer to be placed on the retired list, in grade indicated, under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Charles Breckinridge Duff, O18438, Army of the United States (major general, U.S. Army).

The following-named officer, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Ferdinand Joseph Chesarek, O21177, Army of the United States (brigadier general, U.S. Army).

The following-named officer to be placed on the retired list, in grade indicated, under the provisions of title 10, United States Code, section 3962:

To be general

Gen. John Knight Waters, O18481, Army of the United States (major general, U.S. Army).

The following-named officers, under the provisions of title 10, United States Code, section 3066, to be assigned to positions of importance and responsibility designated by the President under subsec. (a) of section 3066, in grade as follows:

To be general

Lt. Gen. Charles Hartwell Bonesteel III, O18655, Army of the United States (major general, U.S. Army).

To be lieutenant general

Maj. Gen. Harry Jacob Lemley, Jr., O19756, U.S. Army.

Lt. Gen. John Lathrop Throckmorton, O19732, Army of the United States (major general, U.S. Army), for appointment as senior U.S. Army member of the Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711.

U.S. MARINE CORPS

To be lieutenant general

Maj. Gen. James M. Masters, Sr., U.S. Marine Corps, having been designated, in accordance with the provisions of title 10, United States Code, section 5232, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving.

U.S. NAVY

To be vice admiral

Rear Adm. Francis J. Blouin, U.S. Navy, having been designated, under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving. The following-named officers of the line of the Navy for temporary promotion to the grade indicated, subject to qualifications therefor as provided by law:

To be rear admirals

Percival W. Jackson
James J. Stilwell
Raymond A. Moore
Victor A. Dybdal
George R. Muse
John W. Dolan, Jr.
Roger W. Paine, Jr.
William C. Hushing
James A. Dare
Harry L. Harty, Jr.
James H. Smith, Jr.
James L. Abbot, Jr.
Kenan C. Childers, Jr.
Francis J. Fitzpatrick
Emmett P. Bonner
John P. Weinel
Sheldon H. Kinney
Herman J. Trum III
William R. McKinney
Julian T. Burke, Jr.
George S. Morrison
Roderick O. Middleton
Herbert H. Anderson
Damon W. Cooper
Frank B. Stone
Harold E. Shear
William D. Houser
Raymond E. Peet
Mark W. Woods
Paul L. Lacy, Jr.
James L. Holloway III

IN THE AIR FORCE

The nominations beginning James W. Mangum, to be major, and ending Samuel S. Woodley, Jr., to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 16, 1966.

EXTENSIONS OF REMARKS

Creating an International Buffer Between the Great Powers

EXTENSION OF REMARKS
OF

HON. ROY H. McVICKER

OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1966

Mr. McVICKER. Mr. Speaker, I join many colleagues in both parties in introducing House Concurrent Resolution 702, which supports a permanent United Nations peacekeeping force.

In our uneasy world where a tenuous balance of terror prevails, there must be a buffer between the major power blocs to prevent them from committing themselves precipitately into one of the innumerable brush fires that spring up with such frightening regularity.

For once the great powers are catapulted into a situation and are confronting one another, none dares to be the first to back down. No sane person can contemplate this with equanimity.

Hence the crying need for a multinational force with no ax to grind, ideologically or materially. With such a force in being, able to propel itself into the breach instantaneously, prestige would remain uncommitted, and the raw brush of power against power would be avoided more often then now.

I have supported this idea for several years, and put it forward in resolution form, Mr. Speaker, in the hope that it will become a reality rather than just a good wish.

H. CON. RES. 702

Whereas Congress has urged that the United Nations should develop permanent organization and procedures to "enable the United Nations promptly to employ suitable United Nations forces for such purposes as observation and patrol in situations that threaten international peace and security" (H. Con. Res. 373, 85th Congress, 2nd session); and

Whereas the need for such a force appears likely to continue; and

Whereas a United Nations force, established on a permanent basis, could be an important instrument for the maintenance of international peace and security: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress reaffirms its support for a permanent United Nations peacekeeping force and urges the United States delegation to the United Nations to present a plan to the Twenty-first General Assembly for the establishment of such a United Nations "World Peace Force" on a permanent basis and for rules to govern the proper and effective use of such a peacekeeping force and provisions to train, equip, and finance it.

Increased Marketings Leave No Room for Imports

EXTENSION OF REMARKS
OF

HON. E. Y. BERRY

OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1966

Mr. BERRY. Mr. Speaker, statistics released by the Department of Agriculture reveal that beef marketings are expected to increase greatly this summer. On April 1, there were 9.6 million head of cattle and calves on feed in 32 major feeding States. This is 13 percent more than a year earlier and was a fairly uniform increase throughout the country.

Cattle feeders stated intentions on April 1 to market 4.8 million head of cattle out of feedlots during April–June. This would be 12 percent more than a year earlier, and 4 to 5 percent more than in the first quarter of this year. Corn Belt feeders stated intentions to market 11 percent more cattle during the second quarter than a year earlier, while feeders in Western States planned to market 10 percent more.

What these facts mean, Mr. Speaker, is that the increased marketings leave no room for the increased imports of beef which are sharply increasing above last year's level.

Import restrictions are needed immediately to prevent a bust in cattle prices.

The same cycle of increased marketings hitting the market simultaneously with rapidly increasing imports spelled financial disaster to American cattlemen in 1963. Action must be taken by the Secretary of Agriculture to halt this cycle this year.

Harry P. Snyder

EXTENSION OF REMARKS
OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1966

Mr. DORN. Mr. Speaker, I would like to comment upon the passing of a good friend of mine as well as a good friend to many others here in the Congress. The death of Harry P. Snyder on June 10 is a great loss to me personally and to the textile industry of the United States which he served most ably over the past 10 years as associate director of public relations for the American Textile Manufacturers Institute here in Washington, D.C.

Prior to the time he joined the American Textile Manufacturers Institute he served for about 20 years with the Associated Press, much of which time was devoted to covering matters occurring here on Capitol Hill. Those of us who were privileged to work with this able newspaper reporter will recall the outstanding part which he played in recent years in reporting upon legislative activities which were having a particular impact upon the textile industry.

I also recall most pleasantly the very effective work which Mr. Snyder performed before the Platform Committee of the Democratic National Convention in 1960 when it was brought clearly before that body that significant Government action was required to check the eroding forces which were besetting the domestic textile industry and which threatened the historic role this great industry plays in the economic and military security of our Nation. An outgrowth of the fine work that Mr. Snyder performed before this convention was the seven point program for the textile industry which among other things, culminated in the Congress enacting one-price cotton legislation.

Although Mr. Snyder was a native of Mount Vernon, Ohio, and a graduate of Miami University in Ohio his early newspaper days were spent in Knoxville, Nashville, and Memphis, Tenn., before coming to Washington, D.C. In World War II he served in the U.S. Navy from which he was released as a lieutenant commander.

The textile industry has lost an able and articulate spokesman in the passing of Mr. Snyder and I am conscious of the loss of a fine friend. He was a southern gentleman in the truest sense of the word. In appreciation for our longstanding personal relationship both Mrs. Dorn and I take this opportunity to extend our deepest sympathy to Mrs. Snyder and to their two fine sons Philip and James.

Horton Pays Tribute to Anniversary of Soviet Deportations

EXTENSION OF REMARKS

OF

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1966

Mr. HORTON. Mr. Speaker, I am honored to join my colleagues in a tribute to the memory of the thousands of unfortunate victims of the Russian scheme of genocide in the Baltic States. Twenty-six years have elapsed since that tragic June 13 and 14, 1940, when Russian Army units, after having violated treaties with all three states, began in earnest a program to crush the independent spirit of the people of Estonia, Latvia, Lithuania. Some were fortunate enough to flee their homes, but tragically, all too many fell victim to the Russian plan of execution, imprisonment, or deportation.

During the period of June 13 and 14 the deportations reached a total of approximately 100,000 over a 24-hour period. Included in this figure were men, women, and children from all three states. They were shipped from their countries like so many cattle in railroad cars or other makeshift transport facilities. Families were often separated with parents and children going to different labor camps, collective farms, or other designated points.

By incorporating the Baltic States into the Soviet Union, the Communists attempted to stifle criticism, but to its credit, the U.S. Government has refused to recognize that incorporation Russian-sponsored elections and requests for incorporation are clear examples of intervention, and we have repeatedly stated that we do not intend to accept that as a fate for the Baltic people.

It is a fitting gesture that the Congress has taken some time to reflect on the tragedy which befell the people of the Baltic States in 1940 and again in 1944. However, our task is clear. We must endeavor to inspire continued courage and determination in the Estonians, Latvians, and Lithuanians so that their hope for freedom will not die. We must not be lulled into thinking that the Soviet have relaxed their grip on these people.

Mr. Speaker, I am proud that the House of Representatives has taken the significant step of formalizing its commitment to the Baltic cause by the adoption of House Concurrent Resolution 416 last June 21. As the author of House Concurrent Resolution 290, a measure which parallels the provisions of the House-passed bill, I feel that this request for United Nations consideration of the Baltic question is of the highest priority.

The unfortunate events whose anniversary we observe this month should help us to remember that the hopes and dreams of these peoples also are ours. This should help us strive harder for the peaceful world which may result in their liberation.

Agriculture: "The People's Department"

EXTENSION OF REMARKS

OF

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1966

Mr. MATHIAS. Mr. Speaker, the March–April issues of the Transmitter, the magazine of the C. & P. Telephone Co., included an excellent article describing the activities and aims of the Department of Agriculture. Written by Secretary Freeman, the article is the fifth in a series on the Federal departments. I offer it for inclusion in the RECORD.

YOUR FEDERAL GOVERNMENT IN ACTION—AGRICULTURE: "THE PEOPLE'S DEPARTMENT"

(By Orville L. Freeman, Secretary of Agriculture)

FOREWORD

An executive of one of the nation's largest department stores confided to me that he found the contents of the Department of Agriculture's newest yearbook, *Consumers All*, astounding. His reaction, he said, probably would be echoed many times over among millions of people in a city like New York.

What did he find so astounding? The fact that the activities of the Department, expressed in the book as practical information for consumers, had a direct influence and bearing on the way his family lived—from the breakfast juice to the very merchandise used in his business.

Until then his word picture of the USDA was fairly typical. It represented an impression common to city people whose closest association with agriculture is the supermarket. He related the Department with barns, cows, farmers and surpluses.

Accurate? Yes, but only as far as he went. When Abraham Lincoln established the Department back in 1862, his concept was broader. Lincoln called it "the people's Department." This Department, he said, was to be in direct contact with the people. It has been, through more than a century.

In its service to farmers and ranchers, the Department works to assure an abundance of food, fiber and timber supplies at reasonable prices. It follows that the true beneficiary of our agricultural productivity and abundance—unsurpassed in the history of mankind—is the American consumer. Yet, agriculture's capacity to produce could never have been attained without the Department's contributions in research, education, engineering, credit, technical guidance and other fields.

Because of our efficiency, one farm worker in 1965 produced enough food and fiber for himself and 35 others. In Lincoln's day, a farmer could produce enough for 3 or 4 others. Then more than half of the nation's population was engaged in agriculture; now it occupies 6½ percent of our work force. This efficiency in agriculture has freed the manpower to produce other goods and services essential to our growing economy.

Ironically, a Russian farmer today produces enough food and fiber for only 5 or 6 others, and it takes more than 40 percent of the labor force to do it. The ratio of people in farming in Russia today is not far different from that of Lincoln's time.

The following article highlights some of the many services of the U.S. Department of Agriculture. The Transmitter provides us with an opportunity to tell about them. I appreciate the opportunity.

AGRICULTURE: "THE PEOPLE'S DEPARTMENT"

To say that the exclusive mission of the U.S. Department of Agriculture is to serve only farmers would be like saying a power company serves only those people who turn on their lights. The Department is dedicated to serving all the people—including farmers.

Two of every three dollars the USDA spends are devoted to services of primary benefit to the public at large. Last year only one dollar in three was spent for price support, income stabilization and other programs in which farmers were the primary beneficiaries.

To put it another way, about 90 percent of the man-hours, and over two-thirds of the Department's expenditures are utilized in work that is of greater benefit to business and the general public than to farmers. USDA provides far more direct services to more consumers than any other branch of government.

Consumers profit in many ways from the services and safeguards provided by USDA. Some services are direct, as inspection of our meat and poultry for wholesomeness. Some are indirect, as research to develop more exact knowledge of the kinds and amounts of food Americans need for maximum health and growth. But daily USDA benefits every American in one or more of the 50 areas of consumer service.

USDA inspects 85 percent of all the meat and nearly 90 percent of all the poultry that is sold commercially—insuring a wholesome food supply. It supervises for cleanliness and sanitation the plants in which meat, poultry and other products are processed. It checks the honestly of labels, as well. USDA stamps and labels on food are there to tell the shopper what she is getting.

Less obvious to the average person, and often unknown is that USDA—

Administers the biggest recreation complex in the world.

Operates the biggest fire department.

Sells more timber than the biggest lumber company.

Has photomaps covering nearly 80 percent of the entire U.S.

Developed the aerosol container.

Holds the patent for instant potato flakes.

Lends more money than the biggest bank in the world.

Carries out the biggest emergency feeding programs in the world.

The Department has charge of the biggest outdoor playground in the world—the 186 million acres of National Forests. That's an area as big as all of New England, New York and the other Middle Atlantic States, plus Virginia and most of the Carolinas.

This year the American people will make about 150 million visits to National Forests for camping, boating, picnicking, hunting, fishing and general recreation. There are 199 winter sports areas, financed by private funds and operated under paid permits from the Forest Service.

To safeguard your forests, USDA does have the world's biggest fire department. Utilizing the latest conventional equipment, bulldozers, patrol planes, chemical-carrying air-tankers, helicopters and the world-famous smoke jumpers, it fought last year over 9,000 fires in the National Forests.

As part of its effort to conserve and develop national resources, Agriculture sells more timber than the world's biggest timber company. Last year's harvest was worth $147 million. Almost one-fourth of the wood used for homes, paper, furniture and other products is supplied by the National Forests. The total cut last year was 11 billion board feet—enough to build about 2½ million average size homes or a boardwalk around the world.

Photomaps of some 80 percent of the entire U.S. land area are maintained by USDA. Who uses them? Farmers, of course—but also municipal, county and state governments, as well as builders, architects and engineers.

San Antonio, Texas, a few years ago planned to install a 24-inch steel main along city-owned right-of-way. The bids were high because the route was underlaid by limestone. The Department's soil survey found a route that was free of rock and shorter, besides. Even with the added cost of easements for a new right-of-way, the city saved a considerable amount in construction costs. Now few municipal agencies propose construction without a soil survey as one of their basic tools.

Unfortunately, soil surveys are sometimes called for too late. In Fairfax County, Virginia, a new school was being built. After construction was underway, it became evident that the ground was too unstable to keep the foundation from settling. The foundation had to be strengthened—at an extra cost of $250,000. The soil survey report showed that another site only a few hundred feet away, and still on school grounds, would have been well suited for the building.

Agricultural research plays an important role in modern farming, which has advanced more in the past 50 years than in all prior years of history. The Department's research in laboratories and the market place aims to expand markets for agricultural products.

The aerosol container, which today is used for everything from cream to car wax, was developed by Department scientists. Originally intended as a container for DDT, it was first used by American soldiers to ward off malaria-carrying mosquitoes during World War II. Recently USDA also developed a leech repellent for Viet Nam jungle fighters who are plagued by the bloodsuckers. Prior to that, USDA scientists discovered a way to convert ordinary sugar into the blood plasma extender, dextran. Mass produced by methods developed by the Department, dextran helped save lives of fighting men in Korea, and of countless civilians since. Commercial methods for making penicillin also stemmed from USDA research.

PIONEERED CONVENIENCE FOODS

Convenience foods, which offer homemakers built-in maid service, have long been pioneered by the Department. Instant potato flakes are among the most popular, and at least 10 U.S. companies are producing them under a public patent held by the Secretary of Agriculture. Sweet potato flakes are also popular, but the best known product is frozen concentrated orange juice. "Explosion puffing"—a process similar to that used for breakfast cereals—has created instant blueberries, carrots, turnips, beets, apples and apple sauce. Announced in February was a new peach product—sliced peaches frozen fresh. All came from USDA research.

USDA research that made cotton more lustrous, water repellent, and resistant to rot, wrinkles and flame has now made it stretchable and moldable. Two new processes have produced all-cotton stretch socks that retain their stretch properties after more than 30 launderings.

The Department pioneered in the development of wash-and-wear cotton shirts and blouses, and chemists are working to make the wash-and-wear finishes even better.

A decade ago wool could not be machine washed without shrinking. It can now and this is the "new" story in the woolen mills this year. Wool treated to hold creases and pleats is on the market and several manufacturers are turning out shrinkproof and mat-proof wool apparel. New treatments for leather are reflected in some ultra-stylish leather garments—coats, jackets, trousers, even swim suits.

Remarkable products from wood have also been developed, and some are now in commercial production. A new laminated wood—outstanding in beauty, economy and strength—is ideal for schools, churches, even bridges.

COUNTRY'S LARGEST BANK

To help in the development of our rural resources, USDA's outstanding loans do exceed those of the country's largest bank. These loans finance both farm and non-farm rural housing, community facilities—such as water systems—electric power and telephones in rural areas, and farming activities.

Of timely interest are the Department's recreation loans. Since the Food and Agriculture Act of 1962 authorized the Department to assist farmers in recreation development, it is estimated that more than 28,000 farmers were helped to establish a recreation project on their land. This gives the farmer a new and profitable use for his land—and it helps provide outdoor recreation areas city dwellers and suburbanites want and need.

Under the Cropland Conversion Program, a limited test effort which got underway in 1963, more than 8,000 farmers shifted land out of surplus crop production and into income-producing enterprises—grass, trees and recreation. In the first year, more than 2,800 farmers agreed to convert more than 129,000 acres of cropland. Of these, 123 farmers went into the recreation business, diverting 8,344 acres of cropland to boating, picnicking, riding, golfing, shooting and other recreational uses. For the 1964–65 program, the Department designated 101 counties in 36 states as test areas, with some 5,500 agreements being written to convert more than 435,000 acres of cropland to other uses. This pilot program has provided much valuable experience for administration of the shift of 40 million farm acres into other uses.

Housing needs are extremely critical in rural America, where substandard housing is almost three times that found within city limits. In the last five years, the Department administered nearly $700 million in rural housing loans. This has meant improved housing for some 80,000 rural families—not solely farmers. Credit was not available to these rural families from regular sources.

In recent years special attention has been given to the needs of elderly rural people, many of whom live in dilapidated houses without the basic necessities. In 1962, Congress authorized the Department to make loans so rural people over 62 could buy a home, or a site to build on. Loans were also authorized to finance rental housing for senior citizens.

NO RUNNING WATER

Presently, there are more than 30,000 rural communities without running water. Since 1961, USDA loans have provided systems to bring enough fresh running water to more than 750,000 people.

Take the case of 37 families living near Somerville, Texas, who were forced to haul water from town. In the dry season, the women had to ration water for washing clothes and taking baths. There wasn't enough water to fight a fire. The group formed the "Somerville Rural Water Association," and each family bought a $35 share of stock, and—coupling this with a USDA loan—they built themselves a water system.

Rural electrification and telephones contribute significantly to agricultural progress and better family living. More than 20 million rural people are now served through REA-financed facilities. Last year REA advanced borrowers $400 million for electric and telephone facilities.

Loans are not the only approach used by the Department to reach and assist rural communities. Nationally, more than 100,000 local people are working on 2,100 Rural Areas Development Committees and have created an estimated 410,000 new jobs in rural areas. The RAD Committees bring together local know-how and initiative to revitalize rural areas. They have attracted industrial and commercial development, have stimulated better housing, new educational facilities and other improvements.

Price support loans and programs are probably the most publicized and least understood of all of the Department's activities. Most consumers have an uneasy feeling that such programs exist exclusively for the farmers' benefit at the expense of the non-farm public. Stabilization programs protect the city consumer as well as the farm producer. They have a dual purpose—assuring both ample supplies and reasonable prices.

Directly in the national interest, the Department of Agriculture *does* carry out the biggest emergency feeding programs in the world. A ready network exists and works cooperatively with the states to provide USDA foodstuffs in time of need. Last September when hurricane Betsy left thousands of families hungry and homeless, USDA shipped to Louisiana and neighboring states about 5½ million pounds of food.

Through regular non-emergency food distribution programs designed to make full use of our food abundance, the Department helped improve diets last year of over 40 million Americans—mostly children and the needy who comprise one-fifth of our total U.S. population.

In 1965 nearly 6 million of these people received over one billion pounds of USDA donated foods. Nutritious lunches were made available to some 17 million pupils each school day. Schools received more than 972 million pounds of foods, and $130 million in cash to round out the lunches and add to their substance and variety.

In 1961 the Department initiated the Food Stamp Program, a unique project designed to get more nutritious food into low-income households. By the middle of 1966, the program will reach some 1.3 million needy persons in about 350 areas of 40 states and the District of Columbia. Needy people, judged eligible by local authorities, pay cash equivalent to their normal food budget for food stamps, and get extra bonus stamps to increase their food-buying power.

For example, a West Virginia coal miner was trying to support his family of 11 on $68 a week. Under the Food Stamp Program, he bought $57 worth of food stamps every two weeks and got $28 worth as a bonus. With this he puts on the table three pounds of meat a week instead of only one.

The Food Stamp Program not only serves needy families, but since the coupons are redeemed in local food stores, it also bolsters the community's economy. Food sales have increased about 8 percent in Food Stamp areas.

The output of one out of every five acres harvested in America is for export. Exports of U.S. farm products in 1965 were estimated at a record $6.2 billion. In fighting famine, the Food for Peace program has made a significant contribution to the attack on world hunger. Since 1954 the United States has shipped 140 millions tons of food to more than 100 countries populated by over one billion people.

The U.S. Department of Agriculture is at this time making every effort to help ease the famine in India, and has stepped up its wheat shipments. Our wheat is providing 13 billion loaves of bread a year for India's people.

The hope of countries threatened with famine is that they develop a capacity to help themselves. Application of our knowledge on their land is one answer to this hope. Last year almost 5,000 agriculturalists from 118 nations got technical help and training in the U.S. The Department also sent experts to 26 countries.

The ability to produce is a weapon for world peace. In the words of President Johnson, "Hunger poisons the mind. It saps the body. It destroys the hope. It is the natural enemy of every man on earth."

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 14, 1966

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let the words of my mouth, and the meditation of my heart, be acceptable in Thy sight, O Lord, my strength and my Redeemer.—Psalm 19: 14.

Our Father, who art in heaven, we come to Thee conscious of our shortcomings and our sins, yet confident that Thou art with us and that with Thee sins are forgiven, discouragement gives way to encouragement, fear changes to faith, and a new glory enters human life.

Give us the courage of our convictions—the confidence to say yes to what is right, the courage to say no to what is wrong, and the wisdom and the insight to know the difference. May this spirit enter the hearts of all our people. So shall we be children of Thine serving Thee faithfully all our days. Let the words of our mouths, and the meditations of our hearts, be acceptable in Thy sight, O Lord, our strength and our Redeemer. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 1233. An act for the relief of Lee Chung Woo;

H.R. 2290. An act for the relief of Charlotte Schulz;

H.R. 3692. An act for the relief of William F. Kuhlman;

H.R. 3774 An act for the relief of Wanda Olszowa;

H.R. 5003. An act for the relief of Evangelia G. Latsis;

H.R. 5533. An act for the relief of Kuniki Nagano Zwiefelhofer;

H.R. 8219. An act for the relief of Cho Myung Soon and Cho Myung Hee;

H.R. 8833. An act for the relief of Sarah Antoinette Cappadona;

H.R. 9643. An act for the relief of Haider Raza and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza;

H.R. 10133. An act for the relief of Fritz A. Frerichs;

H.R. 10838. An act for the relief of certain employees of the Post Office Department at Eau Gallie, Fla.;

H.R. 12396. An act for the relief of Elton P. Johnson; and

H. Con. Res. 597. Concurrent resolution relating to the Centennial Year of Prospect Park of the city of New York, Borough of Brooklyn.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H.R. 2270. An act for the relief of Moapa Valley Water Co., of Logandale, Nev.;

H.R. 13935. An act to give the consent of Congress to the State of Massachusetts to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the act of November 1, 1965 (79 Stat. 1157); and

H.J. Res. 1001. Joint resolution to provide for the designation of the month of May 1966 as "Steelmark Month."

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 777. An act for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado;

S. 1522. An act to remove arbitrary limitations upon attorneys' fees for services rendered in proceedings before administrative agencies of the United States, and for other purposes;

S. 2491. An act for the relief of Dr. Juan Federico Antonio Lamas y Parra;

S. 2529. An act for the relief of Dr. Felix Hurtado Perez;

S. 2640. An act for the relief of Dr. Guillermo Rodriguez;

S. 2647. An act for the relief of Dr. Mario Guillermo Martinez;

S. 2663. An act for the relief of Dinesh Kumar Poddar;

S. 2702. An act for the relief of Dr. Angel Montero-Novoa;

S. 2751. An act for the relief of David R. Slemon;

S. 2761. An act for the relief of Dr. Julio Sanguily, Jr.;

S. 2771. An act for the relief of Hazel Louise Schuman Strunk;

S. 2796. An act for the relief of Dr. Rafael Anrrich;

S. 2800. An act for the relief of George Joseph Saad;

S. 2801. An act for the relief of Helena Gilbert Maddagiri and Heather Gilbert Maddagiri;

S. 2838. An act for the relief of Irene Snyder;

S.2853. An act for the relief of Abraham Presser;

S. 2854. An act for the relief of Dr. Gottfried R. Kaestner;

S. 2865. An act for the relief of Dr. Alfredo Hernandez;

S. 2869. An act for the relief of Dr. Jose Enrique Diaz;

S. 2884. An act for the relief of Dr. Manuel A. Zuniga;

S. 2945. An act for the relief of Dr. Jamie E. Condom Valera;

S. 2946. An act for the relief of Dr. Mario V. Machado Espinosa;

S. 2957. An act for the relief of Wing Yuen Wong, also known as Wing Yuen Gee;

S. 3249. An act to consent to the interstate compact defining the boundary between the States of Arizona and California; and

S.J. Res. 150. Joint resolution to provide for the designation of April 1967, as "Federal Land Bank Month."

FLAG DAY, 1966

Mr. DOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DOLE. Mr. Speaker, on June 14, 1777, the Continental Congress passed a resolution that established the Stars and Stripes.

This resolution has an interesting history. General Washington, when the Star-Spangled Banner was first flown by the Continental Army, is said to have described its symbolism as follows:

> We take the stars from heaven, the red from our mother country, separating it by white stripes, thus showing that we have separated from her, and the white stripes shall go down to posterity representing liberty.

The brilliant Henry Ward Beecher said:

> A thoughtful mind when it sees a nation's flag, sees not the flag, but the nation itself. And whatever may be its symbols, its insignia, he reads chiefly in the flag, the government, the principles, the truths, the history that belong to the nation that sets it forth. The American flag has been a symbol of Liberty and men rejoiced in it.
>
> The stars upon it were like the bright morning stars of God, and the stripes upon

it were beams of morning light. As at early dawn the stars shine forth even while it grows light, and then as the sun advances that light breaks into banks and streaming lines of color, the glowing red and intense white striving together, and ribbing the horizon with bars effulgent, so, on the American flag, stars and beams of many-colored light shine out together.

The flag today, June 14, 1966, as we struggle for freedom in Vietnam, is, as it was in World War I, World War II, and the Korean conflict, an emblem of our unity, our power, our thought and purpose as a Nation. Today, as flags fly over our Nation's Capitol, and other places in our country and around the world, we can celebrate the day of its birth. It has witnessed a great history, it was born amid the strife of battle, it became the standard around which a free people struggled to found a great nation. Today to those seeking freedom around the world, it is a "flag of liberation." Yes, the American flag has been and will continue to be a symbol of liberty, and free peoples everywhere should be proud of this symbol of greatness.

PERSONAL EXPLANATION

Mr. DOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOW. Mr. Speaker, I was not present on June 13, when rollcall No. 137, for passage of the Foreign Service Buildings Act Amendments of 1966, occurred. Had I been present, I would have voted "aye."

THE FOREIGN SERVICE BUILDINGS ACT AMENDMENTS OF 1966

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I notice on page 12954 of yesterday's CONGRESSIONAL RECORD, under the rather curious rules we have, that in a speech by the gentleman from New York [Mr. OTTINGER] immediately preceding the vote on H.R. 14019, Mr. OTTINGER starts his speech by saying:

> Mr. Chairman, I was one of only three Members to vote today against the Foreign Service Buildings Act of 1966.

As I say, that is before the vote. He goes on to detail his reasons, which seem to be rather obscure. I would just point out to the House that the gentleman did not ask any questions during the debate. He did not make any speech during the debate. There was no opportunity to refute any of the statements he made.

He made some rather queer statements about the Navy.

He said:

> We should have learned the great detriment to our oversea endeavor from the Navy.

Then he goes on to say:

> Our officers live in fancy Government-furnished quarters—

And so on. He complains about this. The State Department is under the obligation to procure housing for these people. Sometimes they rent them, sometimes they buy them. We try to see that they do it in the most economical fashion.

If the gentleman had asked this question yesterday, I would have pointed out to him that we have cut down the amount they can pay for these houses rather severely and substantially.

CALL OF THE HOUSE

Mr. GUBSER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 138]

Abernethy
Annunzio
Ashmore
Baring
Bingham
Bolton
Bow
Cahill
Callaway
Cederberg
Celler
Clark
Clausen, Don H.
Conyers
Corbett
Corman
Craley
Daniels
Dawson
Derwinski
Diggs
Dingell
Dorn
Dulski
Dyal
Ellsworth
Erlenborn
Evins, Tenn.
Farbstein
Fino
Flynt
Foley
Gettys
Gilbert
Green, Pa.
Hagan, Ga.
Halleck
Hardy
Harvey, Ind.
Jones, Mo.
King, Utah
Krebs
McCarthy
McEwen
McMillan
Madden
Martin, Ala.
Martin, Mass.
Mathias
Matsunaga
Meeds
Morrison
Multer
Murphy, Ill.
Murray
O'Brien
O'Hara, Ill.
O'Hara, Mich.
O'Neill, Mass.
Ottinger
Pool
Powell
Pucinski
Purcell
Reid, N.Y.
Resnick
Rhodes, Ariz.
Rivers, Alaska
Ronan
Roncalio
Rooney, N.Y.
Rostenkowski
Senner
Sikes
Stafford
Sweeney
Taylor
Thompson, N.J.
Toll
Udall
Utt
Waggonner
Walker, Miss.
White, Idaho
Williams
Willis
Wyatt
Young

The SPEAKER. On this rollcall 341 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING DEFENSE PROCUREMENT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 859 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 859

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2950) to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Armed Services now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH], and pending that, to myself such time as I may consume.

Mr. Speaker, this is an open rule, with 4 hours of general debate. Points of order are waived, it is my understanding, because of the inclusion of an amendment which provides for a pay increase for the uniformed services of 3.2 percent, effective July 1, 1966.

Of course, the basic bill is the bill that authorizes procurement for aircraft, missiles, naval vessels, tracked combat vehicles, and so on, and so on, in the Military Establishment. A total authorization is provided in the bill for $17,858,059,000.

Mr. Speaker, I know of no controversy over the rule.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I understand that points of order on this bill are waived because of the inclusion of a pay increase for the military in this bill.

Mr. BOLLING. And that is my understanding.

Mr. GROSS. I am not necessarily opposed to a pay increase for the military, but does the gentleman think this is a good way to legislate, to include a pay bill in this kind of legislation, when ordinarily a pay increase is dealt with separately, and it is then not necessary that points of order be waived?

Mr. BOLLING. I would have to yield to the chairman of the Armed Services Committee for an explanation as to why these points of order are so waived.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Speaker, we had this provision for military pay in our House bill, H.R. 13456. It was therefore germane to the House bill. But in order to save time, our committee took up and acted on the Senate bill S. 2950. The Senate bill did not have a provision for a military pay increase and therefore it is technically subject to a point of order. So rather than run into this possible technical objection, we asked that it be waived. Had we brought in our House bill, there would have been no question about it. This is the reason, because we are acting on a Senate bill, that simple prudence dictated that we make certain that this technicality over which we could have no control would not delay House action on this tremendously important bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, yesterday, by indirection perhaps, I complimented the Rules Committee for bringing out a bill on which points of order were not waived. Apparently I was premature, and I hereby want to amend my commendation that I offered yesterday to the committee.

Mr. BOLLING. Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the distinguished gentleman from Missouri [Mr. BOLLING], House Resolution 859 will make in order a 4-hour open rule from the standpoint of amendments for the consideration of S. 2950.

The rule would waive points of order, because of the reasons stated. It would not be germane in a Senate bill, under our rules, to have the salary increase therein. That could be stricken. That part of the bill we believed should be included.

Mr. Speaker, S. 2950 is the annual authorization bill for weapons procurement and for research and development for the Department of Defense. As mentioned, the bill also contains a title which would grant a pay raise to our uniformed services.

The authority granted by this bill is concededly large but so are the military problems which face our country today. The ratio appears to be a reasonable one.

The bill would authorize appropriations in the amount of $17,858,059,000 which is $931,100,000 more than the original budget figure. The Rules Committee was assured that these additions were made by the Armed Services Committee only after careful study and deliberation. Their hearings were obviously extensive and such portions of the hearings as I have had the opportunity to read indicate the thoroughness with which all elements of the bill were considered.

In very large part, the bill is the same as those which the House has considered year after year. The committee, however, in its obvious constant effort to exercise its responsibilities and to enhance the position of the Congress in the decisionmaking process in military matters has from time to time used this legislation as a vehicle for effecting these ends.

This year two steps were taken by the committee which I believe warrant the consideration and the thanks of the House: first, the Armed Services Committee inserted language in connection with the authorization of nuclear-powered guided missile frigates which will render abundantly clear that Congress expects the will of Congress to be observed and followed within the Department of Defense. The language to which I am referring says that the Secretary of Defense and the Secretary of the Navy "shall proceed with the construction" of these two ships.

The other addition by the committee is that which appears as title IV under the heading "Weapons Systems." Here the committee insists that the Congress be informed of "all pertinent details" relating to any proposed action which would result in a substantial reduction or elimination of a major weapon system prior to the time that this action is taken.

I suggest that both of these provisions are designed and will have the effect of increasing the participation of the Congress in important defense decisions.

Mr. Speaker, the report on this bill is perhaps more comprehensive than any that I have seen relating to this kind of legislation. All items other than those of a classified nature are listed and described. And in all instances the rationale of the committee in supporting the particular authorities is given in a clear and unambiguous fashion. A listing of the contents of the report as its last two pages will easily direct any Member to his particular item or area of interest.

Mr. Speaker, I should like to pay special commendation and tribute today to the staff of this fine committee for the tremendous job they are doing.

I should also like to pay my congratulations and tribute to every member of the committee for the thoroughness with which all have operated—and particularly the distinguished chairman of the committee, the gentleman from South Carolina [Mr. RIVERS], for his tremendous leadership as chairman of this committee.

I say to the gentleman from South Carolina [Mr. RIVERS], I believe he is a great American and I believe the United States and the Congress are fortunate to have him as the chairman. I, for one, salute him.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOLLING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 139]

Abernethy
Annunzio
Ashmore
Baring
Bolton
Bow
Brown, Calif.
Cahill
Callaway
Cederberg
Celler
Clark
Clausen, Don H.
Cleveland
Conyers
Corbett
Corman
Craley
Daniels
Dawson
Derwinski
Dickinson
Diggs
Dingell
Dorn
Dulski
Ellsworth
Erlenborn
Evins, Tenn.
Farbstein
Fino
Flynt
Gathings
Gettys
Gilbert
Goodell
Grover
Halleck
Hansen, Wash.
Hardy
Harvey, Ind.
Harvey, Mich.
Irwin
Jones, Mo.
King, Calif.
Krebs
Long, Md.
McCarthy
McDowell
McEwen
McMillan
Madden
Martin, Mass.
Matsunaga
Meeds
Morrison
Multer
Murphy, Ill.
Murray
O'Brien
O'Hara, Ill.
O'Hara, Mich.
O'Neal, Ga.
O'Neill, Mass.
Pool
Powell
Pucinski
Resnick
Rhodes, Ariz.
Rivers, Alaska
Ronan
Roncalio
Rooney, N.Y.
Rostenkowski
Senner
Sickles
Sikes
Stafford
Sweeney
Taylor
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Toll
Udall
Utt
Waggonner
Walker, Miss.
White, Idaho
Williams
Willis
Wyatt
Young
Younger

The SPEAKER. On this rollcall 336 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SUBCOMMITTEE ON ACCOUNTS OF THE HOUSE ADMINISTRATION COMMITTEE

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Accounts of the Committee on House Administration be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AUTHORIZING DEFENSE PROCUREMENT AND RESEARCH AND DEVELOPMENT, AND MILITARY PAY

Mr. RIVERS of South Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill S. 2950, to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2950, with Mr. DENT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from South Carolina [Mr. RIVERS] will be recognized for 2 hours, and the gentleman from Massachusetts

[Mr. Bates] will be recognized for 2 hours.

The Chair now recognizes the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today happens to be Flag Day. It also happens to be Army Day. Here is what a great American read to his troops, today:

Flag Day—Army Day

> (Statement by Gen. William C. Westmoreland, commander, U.S. Military Assistance Command, Vietnam, and Commanding General, U.S. Army, Vietnam, on the occasion of Army Day, 1966)
>
> June 14, 1966 marks the 191st Anniversary of the United States Army. All of us would be wise to remember the reason for our being.
>
> The United States Army is a force that is respected by our friends and feared by our Nation's enemies. Our existence is essential for freedom.
>
> Some have said that our presence in Vietnam is unwarranted. Their forefathers said that Europe was for Europeans in World War II, and their fathers said Korea was not our concern in 1950. They might well have said that freedom is only for Americans. We know better.
>
> Since 1775, the U.S. Army has been and will continue to be an extension of the arm of freedom. This mighty arm may deliver food to the needy, clothes to the naked, or it can carry—and has carried—a punch that no foe has yet been able to withstand.
>
> We, of all arms and services, will continue the fight, as our forefathers have done in previous years, because we are soldiers and it is our job.
>
> On this, the Army's Birthday, we can all be proud to be members of one of the finest and most dedicated organizations in the Army . . . the United States Army, Vietnam.

That statement was made by a distinguished South Carolinian, my dear friend since his childhood, Gen. William C. Westmoreland.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. Mr. Chairman, I am delighted to yield to my distinguished Speaker.

Mr. McCORMACK. Mr. Chairman, I think this is the appropriate time, before the general debate starts, to make a few remarks that are extremely justified.

The House of Representatives is enriched by the wonderful Committee on Armed Services that we have, and all the members of that Committee on Armed Services, without regard to party. It is a committee that works for the national interest of the United States. It is a committee that has performed its duties in a most outstanding manner.

All of the members of the committee are not only dedicated legislators but also dedicated to the paramount question which should be uppermost in the minds of all of us, the national interest of our beloved country.

As a Member for years, and now as Speaker, I am very proud of the work done by the Committee on Armed Services in connection not only with the present but also the future life and preservation of our country.

The committee is indeed fortunate to have as its chairman the distinguished gentleman from South Carolina [Mr. Rivers]. Throughout his entire service on the Committee on Armed Services he has been a bulwark of strength in the national interest and in the national defense of the United States of America. He is one of the greatest Americans I have ever met, and one of the outstanding legislators of my long period of service in the Congress of the United States. Under his leadership and in cooperation with the other Members of his committee on both sides, Democrats and Republicans, his committee has rendered service to our country which will go down in history as occupying the outstanding pages of the legislative history of our country.

I am proud to call the gentleman from South Carolina one of my close and dear friends.

If I might, I will give a little secret which I believe is pretty well known to the membership of the House. There is the Republican Party and there is the Democratic Party, but there is also a McCormack-crat party, and that party consists of the gentleman from South Carolina [Mr. Rivers], and the gentleman from Massachusetts [Mr. McCormack]. Every once in a while some Member wants to become a member of that party, and I say to him, "I will vote for you, but you have to get Mendel's vote." But they cannot get it, so it is a very exclusive party. It is one which conveys to me the greatest of sentiment. I value very, very much the state of mind occupied by the gentleman from South Carolina in creating this most unique party in the entire history of our country known as the McCormack-crat party.

I see smiling a few of my colleagues who have tried to be admitted as members of that party, but they have not been able to get in yet, because it requires two votes, it being a two-member party, and they have not been able to get the two votes.

That is a little human interest story which I value very much and which will always be a treasured memory of mine so long as I live.

However, I particularly wish to pay tribute to the entire Committee on Armed Services. Our country and the people of the United States are indebted to this committee for the dedicated manner in which it has performed the duties in the national interest and in the national defense of the United States of America.

Leading that committee, enjoying the respect of Members on both sides, is one of the most able and on the other hand one of the most humble gentlemen I have ever met, whom I am proud to pay tribute to on this occasion, the distinguished gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS of South Carolina. Mr. Chairman and my colleagues, I am more than humbled by those undeserved words which you heap on my most unworthy shoulders. I pray each night—and I do pray each night—that I shall always be worthy of your friendship. I also pray that I will merit and have a reason and a right to deserve the confidence and respect of you, my colleagues. You have made me feel wonderful. I want to thank you from the bottom of my heart.

Mr. ALBERT. Mr. Chairman, will the distinguished gentleman yield to me?

Mr. RIVERS of South Carolina. I will be delighted to yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, I know that anything anyone might say following the fine tribute of our distinguished Speaker would be an anticlimax, but I think the McCormack-crat party has spoken and that someone should represent the Democratic and Republican Parties in the House. I will undertake to do that, because we have the same high regard for the gentleman as the members of his own exclusive club.

Mr. Chairman, I want to say that the gentleman from South Carolina has followed in this House during one of the most critical periods in the history of our Nation a man who left the House of Representatives as probably the most renowned committee chairman in all its history, the distinguished, lovable, and effective former Member, the great gentleman from Georgia, Carl Vinson.

However, in this period when great demands are made on this committee and on its chairman, my friend from South Carolina has filled the large shoes of Carl Vinson. He has filled this important position with honor, with distinction, with ability, and with courage and dedication. He is a beloved Member of the House and only a few days ago I had the honor of accompanying the gentleman to his own district. It was heartening to me to find out that those who have been the closest to him all of his life have the same high regard and affection for Mendel Rivers that we have here.

We are glad to have you back, as you preside over one of the most important measures that will be considered by the 89th Congress.

Mr. RIVERS of South Carolina. I want also to thank you, my distinguished majority leader. I agree with you. Both of our parties ought to hang closely together, because there is no reason for us to hang separately. I certainly thank you for those very gracious words.

Mr. HAYS. Mr. Chairman, will the gentleman yield to me?

Mr. RIVERS of South Carolina. Of course I will yield to my distinguished chairman.

Mr. HAYS. Mr. Chairman, I would just like to say that a few years ago the distinguished gentleman from South Carolina, before he reached his present high and eminent position as chairman of the Committee on Armed Services, was placed upon the American delegation to the NATO parliamentarians, of which I have had the honor to be the chairman. There have been many people on that body over the 11 years I have served. There is no one who has been more faithful in his attendance at the meetings, who has showed up more faithfully when the meetings started and stayed until they ended and no one who served on the committee to which he was assigned and went to all of the committee meetings more regularly than the gentleman from South Carolina. It has been a privilege to have him on the committee. He has contributed a great deal of his intimate and detailed knowledge of military affairs. I can tell you that he is held in the same high regard amongst the parliamentarians of the 14 other nations who go to this meeting as he is in this body. And, I have always been proud to have had him on that committee.

Mr. RIVERS of South Carolina. Mr. Chairman, I want to thank the distinguished gentleman from Ohio, because it has been a great privilege and honor to serve with him and with the NATO parliamentarians.

Mr. Chairman, each year the Armed Services Committee comes before the House to present and defend the annual military procurement and research and development bill. I use the word "defend." I think that this year there is little need for defending the bill. The world situation is the defense for this bill.

I might make note of the fact that the committee has at the one time accepted all of the Department's recommendations while adding a very substantial amount to the bill. This has been the subject of criticism. The theme of the criticism appears to be that in accepting the Department's recommendations the committee rubberstamped them, while in adding to the bill it was playing an old game of inserting pet projects in the program.

Although it probably does not warrant answering, I am going to answer it because it is so easy.

The committee accepted the Department's bill because it was a good bill—as far as it went. The committee made the additions that it did because the Department's program did not go far enough. And that is that.

I am not quite sure what a pet project is but it is reasonable to assume that it is one through which the committee or a member might personally benefit in some fashion, or a project which is favored on some unreasonable or idiosyncratic basis.

Now, I will ask this one question. Which of the committee's additions can be placed in either of these categories?

Who benefits from the addition of medical evacuation aircraft? Our sick and wounded from Vietnam, that is who.

Who benefits from the two nuclear-powered guided missile frigates? The people of the United States, that is who.

Who benefits from the addition of $11.8 million to speed along the progress of our follow-on bomber? You benefit, I benefit, and every man, woman and child in the United States benefits.

I think that takes care of the benefit aspect.

Now, which of the additions is pet from the standpoint of being idiosyncratic?

Shall we say that Nike X falls in that category? If so, then we must put the blame where it belongs—on the Joint Chiefs of Staff.

Or shall we say that the advanced interceptor, the F-12 airplane, is one of these? Well, we are in good company again because this, too, is recommended by the Joint Chiefs of Staff and the Department of the Air Force.

That kind of criticism tells a great deal about those who make it and absolutely nothing about the bill we are considering today.

So let me just say this: the bill can be considered to be divided into two parts: the bill as it was presented and the additions which the committee made to the bill. The bill as presented was good but not enough. The additions at least helped to approximate enough. It is that simple.

As you know, normally this legislation covers only the procurement of weapons and research and development. But once in a while we use it for other purposes. Last year, for example, we used it to repeal old, unnecessary tonnage remaining from the Vinson-Trammell Act; to require specific authorization of the Department of Defense's emergency fund; and to change the name of the Military Air Transport Service to the Military Airlift Command.

This year we used it as a convenient vehicle for a military pay raise. This could easily have been in a separate bill but since everyone was so unanimous in agreeing that the pay raise was necessary and since extended hearings were not required, this cut down on our work in committee and your work on the floor. We used it also this year to make sure we do not wake up some morning to find we have lost a major weapons system without the Congress knowing about it. I will speak more about both of these matters later on.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. Of course, I yield to my distinguished whip.

Mr. BOGGS. Unfortunately, I was called out of the Chamber when the Speaker of the House and the majority leader made their remarks, but I would like very much to be associated with those remarks. I have served with the distinguished chairman for many years, and I have the greatest respect and admiration for him.

Mr. RIVERS of South Carolina. I want to thank the distinguished gentleman very much.

Mr. Chairman, I would like to interpolate at this point in my remarks to make reference to Secretary of Defense McNamara. There is, I am afraid, a somewhat wide belief that Mr. McNamara and I are at sword's points, so to speak. Actually, nothing could be further from the truth. I have the greatest respect for one of the most capable and dedicated Cabinet members in the history of our country. He is an indefatigable worker, with a finely tuned and analytical mind. And I mean every word I say.

There have been, of course, occasions, a number of them, where Mr. McNamara and I—and indeed the Armed Services Committee—have been in disagreement. Some of the additions to this bill, perhaps all of them, are manifestations of our and my disagreement with him. But this is what I will call a professional difference of opinion; there is nothing personal in it. I think Mr. McNamara is right most of the time. I do not think he is right all of the time and where there is evidence sufficient for the Armed Services Committee to believe that he is in error we have not hesitated to point this out.

As for the committee report on this bill which the press appears to feel is harsh on McNamara, I will say only this: that the statements which have received wide quotation in the press, if read in full context, it will reveal that the committee is engaging in a merely cautionary activity. The committee is expressing concern that Mr. McNamara—only in the sense that is to some extent true of all of us—is perhaps shortsighted in individual instances.

I talk with Mr. McNamara with great frequency. We counsel with each other and our personal relationship is of the very highest order. I respect Mr. McNamara and I have no reason to believe that he does not return this respect.

We have disagreed in the past. We are in current disagreement, as a matter of fact, as this bill indicates. And we will undoubtedly disagree in the future. But I never intend any more for myself—and I am sure the committee intends no more—than to exercise our responsibilities toward Mr. McNamara as he must exercise his responsibilities toward the Congress. He is a brilliant public servant and I would like once and for all to eliminate from all consideration and discussion the possibility that there is something approximating a personal feud between us. I am not feuding and I know he is not feuding. We will try to do our job here in the Congress and he will continue in the same fashion in the Department of Defense.

It is entirely clear to me that Secretary McNamara is the man appointed by the President of the United States to be Secretary of Defense. I do not forget that and I think that, on the other hand, he is becoming more and more aware of the true function of the Congress. And that is all there is to that.

Mr. Chairman, before going into the procurement, research and development, and pay raise which the bill covers, I want to draw your particular attention to the committee report. Perhaps it is the most comprehensive report ever issued by the Armed Services Committee on this annual bill. You will note that it is 108 pages long and I feel that virtually every question which might arise in your mind is answered in the report. And I will point out that there is at the end of it a table of contents which will lead you to your area of interest with no trouble whatsoever.

Now, to the bill itself.

The bill, not including the pay raise which I will deal with later, totals $17,858,059,000 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and for research and development. The procurement portion of the bill is $10.6 billion and the research and development portion is $7.3 billion. The overall total of the bill that I just mentioned—$17.8 billion—is $931.1 million more than the bill as introduced. Only $19.9 million of the added amount represents an additional request by the Department of Defense.

I will deal with these additions briefly. We added:

AIRCRAFT

For F–12 aircraft, $55 million: This is a version of the A–11 which was unveiled, so to speak, by the President a little over 2 years ago. It travels over 2,000 miles an hour. It was added by the committee because the Joint Chiefs of Staff and the Department of the Air Force have recommended the desirability of producing and deploying a number of these F–12's interceptor aircraft. In essence, the reason for the addition of the funds is to insure that the production line can be kept open. Parenthetically I might mention that the Senate committee added, and the Senate passed, the bill with this same addition.

For CX–2 aircraft, $51.2 million: The matter of aeromedical evacuation of sick and injured members of the Armed Forces has long been one of special interest to the committee. It was disappointing, therefore, to find that no provision had been made in the budget for this capability. I am aware, Mr. BATES is aware, and other members of the committee know from personal investigations that there is a very real need for the replacement of some of the obsolescent aircraft now being used for our sick and injured members of the Armed Forces.

For additional aircraft and electronic equipment for TV broadcasting facilities in Vietnam, $20 million: I might mention that this amendment was offered by Mr. CHAMBERLAIN, a member of the committee who was in Vietnam and who flew on one of the aircraft which is transmitting TV programs to our troops over there.

As you will recall, one or two of these planes were seriously damaged in an attack on the Saigon airfield and I think the least we can do is to provide this kind of entertainment and relaxation for the troops. Actually there will be both AM and FM broadcast facilities, teletypewriter facilities, and other capabilities of a classified nature in these aircraft.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. RIVERS of South Carolina. I am delighted to yield to my distinguished colleague, the gentleman from New York [Mr. STRATTON]

Mr. STRATTON. Mr. Chairman, I would just like to second the statement of our distinguished chairman, the gentleman from South Carolina [Mr. RIVERS], with regard to these aircraft and repeat that a very distinguished member of the subcommittee that made the trip to Vietnam, the gentleman from Michigan [Mr. CHAMBERLAIN] has been a very strong spokesman for this program over the years. He is the gentleman that the chairman [Mr. RIVERS] referred to a moment ago as having made this flight just following the attack by the Vietcong on the airstrip at Tan Son Nhut. As a result of his recommendations, subsequently the subcommittee was persuaded that this program is a very vital one and should have much greater support than it does have. I certainly want to endorse what the distinguished gentleman from South Carolina has said, namely, these planes are a very vital part of this legislation.

Mr. RIVERS of South Carolina. Mr. Chairman, I thank the gentleman from New York very much, and I want to commend the gentleman from Michigan. He took quite a chance; he took quite a chance.

MISSILES

Nike X represents the next addition: We added a total of $167.9 million of which $153.5 is for procurement and $14.4 for research and development. We have long felt that the Department of Defense did not have a proper sense of urgency in the field of the anti-ballistic missile defense system. This added authority could save about 1 year in the time required between a deployment decision and achievement of the first operational capability. I believe in saving this 1 year. Considerable detailed information with respect to Nike X and our rationale in making the addition that we did appear on pages 16 and 17 of the report.

NAVAL VESSELS

We added $258.3 million to the bill for two nuclear-powered guided missile frigates. Actually one of them is a reauthorization of a ship that was in last year's bill and for which $20 million was appropriated but not released by the Secretary of Defense.

I could go on for a very long time explaining this particular addition to the bill but I will say little more than it is the unanimous belief of the committee that we must get started on a nuclear Navy. So far the Department—and I refer to the Department of Defense, not the Department of the Navy—has shown a most unimaginative approach to this vital area of our offensive and defensive capability. As a result of this we find ourselves today in the same position with respect to surface vessels that we found ourselves some years ago with respect to the Polaris submarines. If the Congress had not taken a hand in the case of Polaris, we might still not have them in our fleet.

In this general connection, I will draw your attention to pages 17 and 18 of the committee report which contain a relatively brief statement of our reasons for adding these two nuclear-powered frigates. But another section of the report starting on page 24 and extending through page 59 deals with the subject of nuclear propulsion for ships in a fashion that you will not have seen before. That we should have a nuclear Navy is not only persuasively presented on these pages, it is presented in such a fashion as to make one wonder why we do not have one today. This is a serious area of deficiency in our military posture and one which the whole Armed Services Committee is bending every effort to correct.

After nearly 8 years of having one nuclear-powered aircraft carrier, and of many attempts by the Congress to have the next two carriers—the *John F. Kennedy* and the *America*—also nuclear powered, the Department of Defense has finally requested funds in this bill for a second nuclear-powered aircraft carrier. It is gratifying to see the Department of Defense begin to swing around to the views held so long by our committee and by the Joint Committee on Atomic Energy that our country should have more nuclear-powered aircraft carriers.

The struggle has now moved to another front—the escorts for the aircraft carriers. The Department of Defense has not allowed the nuclear powered frigate for which the Congress authorized $150.5 million last year and for which, as I mentioned, it appropriated $20 million to be built. This ship, together with the *Truxtun*, which the Congress changed in fiscal year 1962 from conventional to nuclear powered, and the *Bainbridge*, which was authorized in 1959, would form three ships out of the four-ship minimum required for a task group to protect the nuclear carrier *Enterprise*. So in order to complete the four-ship escorts for the *Enterprise*, our committee has not only reauthorized the $130.5 million not appropriated last year, but has also authorized an additional nuclear powered frigate at $127.8 million. These four would constitute the first nuclear powered task group in our history. The advantages of having this kind of a group which can move around at high speeds without having to worry about the logistics of a fuel oil supply are, of course, tremendous.

Let me say this about the Joint Committee on Atomic Energy, and I want the gentleman from California to hear this—the Joint Committee on Atomic Energy has done one of the most effective jobs that this country has ever had done by a committee in trying to get for you surface nuclear ships. We have plenty of submarines. But the Joint Committee on Atomic Energy has been working day and night begging the country to wake up. And to the eternal credit of that committee, I want to say they have helped us to persuade the DOD to build a new carrier and we are asking the DOD in terms that I think will be rather explicit to build these two frigates. I will get to that a little more in detail later on.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. Of course, I yield to the distinguished gentleman from California.

Mr. HOLIFIELD. I want to thank the gentleman for his kind remarks about the Committee on Atomic Energy in this particular field that is related so closely to the defense of our Nation.

While I am on my feet—and I would like to have some time later so that I can comment in more detail on this particular point—but I would like to say I have served with the gentleman from South Carolina in this House for 24 years. The gentleman from South Carolina represents a different type of district than I represent. This, I think, is one of the strengths of our House of Representatives—that we can represent our districts as we see fit and as we believe they should be represented and we can differ with each other on many, many different questions, and yet we can be personal friends and we can have respect for each other.

I want the gentleman from South Carolina to know that in my 24 years of service with him, I have considered him as my friend. I am proud to say he is my friend. He has always been friendly toward me and I have tried to be and do the same. I do respect the gentleman from South Carolina and commend him for the fine job he has been doing as chairman of this very important, one of the most important, if not the most important committees—the Committee on Armed Services—our defense committee. He has done a magnificent job. He is following in the footsteps of a great man from Georgia, Carl Vinson, and he has had some big shoes to fill. But I want the gentleman to know I believe, and I believe I express the opinion of most of my colleagues from the State of California, that the gentleman from South Carolina has done a magnificent job. He has worked hard. He has been dedicated to the one thing that we are all dedicated to, and that is the defense of our Nation. I want the gentleman to know publicly of my high regard for him.

Mr. Chairman, with reference to this nuclear matter, I want to say we have either built or are building or there have been authorized about 99 nuclear submarines.

We know that the Soviets have put their naval eggs all in the submarine basket, you might say. They have the greatest fleet of submarines. They have announced that they have more than 400 submarines in the weir. While we do not have that many, as the gentleman well knows, we do have, in the numerous submarines which have been developed over the last 10 or 15 years under the able guidance of Admiral Rickover, we feel, the most efficient and most capable submarine fleet that there is in the world.

They are capable of going uninterruptedly around the world a number of times, if necessary, without refueling. They have a tremendous capacity to launch Polaris missiles. Nuclear warheads stand as a real bulwark between the free world and the slave world today.

The Defense Committee has funded these nuclear-powered submarines and has funded the *Enterprise*, the *Bainbridge*, and the *Long Beach*. Now you are proposing these two frigates should be nuclear powered. I will not go into the reasons why this is a sound conclusion. I agree perfectly with the gentleman that as we move into the field of the defense of our Nation, we cannot afford to have a second best. We must have first best in all items of defense of our Nation.

I want to pay my particular compliments to the gentleman from South Carolina and the members of his committee, and I wish to call the attention of the House to the fact that we have in the ranking men on our committee the gentleman from Massachusetts [Mr. BATES] and the gentleman from Illinois [Mr. PRICE], who are also on the Defense Committee. So we have a very close relationship between those two gentlemen and the balance of the Defense Committee, and we have tried to correlate our information with the Defense Committee in such a way that we can work together toward achieving the best interests of the Nation.

I wish to express my confidence in the gentleman in this nuclear field that he is proposing for surface transportation, and assure him that the Joint Committee on Atomic Energy, every member of it—and there is not a member who is in disagreement—will support to the fullest extent that portion and the other portions of this bill that the gentleman is presenting.

Mr. RIVERS of South Carolina. I wish to thank the gentleman from California. I want to urge the members of the committee and the House to get the report recently released by the Joint Committee on Atomic Energy on the subject of nuclear surface propulsion and nuclear surface ships. It is a masterpiece, and that committee deserves the great and the everlasting appreciation of the Congress.

I want also to thank the gentleman from California for what he said about me. You know and I know I do not deserve it, but it is wonderful of you to say it and I am very grateful to you.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I am delighted to yield to the gentleman from Ohio.

Mr. McCULLOCH. I thank the gentleman. I should like to join my colleague from California, the chairman of the Joint Committee on Atomic Energy, and my good friend from South Carolina in their presentation of this particular subject under discussion, which is so important to our country.

Mr. RIVERS of South Carolina. I want to thank the gentleman very much.

As you know, our committee is nonpartisan, completely nonpartisan.

Now that we have gone to another area of activity in trying to bring to you nuclear-surface ships, I point out, as I have said previously, that last year we approved and authorized $150 million for a nuclear frigate. $20 million was made available for the long leadtime items, and nothing was done about. it. This ship, together with the *Truxton*, which is being built—and I ask you to listen to this—the *Truxton* that is being built is a nuclear ship.

It started off as a conventional ship. Who changed it? The Congress of the United States.

Now this ship, along with the *Truxton* and the *Bainbridge*—the building of which was started in 1959—and the *Enterprise* are all we have. We do not have anything else.

Listen to this. How many nuclear ships do we have? We have four. How many are running? Three. Imagine that. We do not like this. The *Truxton* is being built. We have the *"Big E,"* we have the *Long Beach*, we have the *Bainbridge*, and we have the *Truxton*. This is the inventory. This is so ridiculous, it is ridiculous.

Why do we want to have these surface nuclear ships? I will explain why. We want to have a nuclear task force. We do not have one. Our nuclear task force is comprised of five ships; the carrier and the four escorts. So we have the *"Big E,"* and we have the *Long Beach*—which I would not use for an escort, but if we have nothing else, we have to use it. So we have the *"Big E"* and we have the four escorts. We leave Long Beach, Calif., or San Francisco, Calif., and head west. How would we leave Long Beach or San Francisco? At full speed, wide open. How long will those ships run wide open? For 10 years. That is what a nuclear task force will do.

When the nuclear task force arrives, it will be ready to go, because at every step of the way the airplanes can take off the carrier, and the escorts can perform other duties which cannot be done now. This happened the other day, to a degree, when the *"Big E"* went to the Pacific. When she arrived there, her pilots were ready to go. The minute they got there, they got into the war, they got into the fight.

We want that. We ask the Members to let us give the country these things. We demand that the DOD give us a nuclear task force.

In addition to this, we are willing not only to have a full nuclear task force, but we are willing to have a mixed task force, to have two brandnew frigates and two brandnew conventional frigates, so that we may try it out and see how the mixed force works. We think it wise. Admiral Rickover highly recommends it.

The CHAIRMAN. The gentleman from South Carolina has consumed 1 hour.

Mr. RIVERS of South Carolina. Mr. Chairman, I ask unanimous consent to proceed for an additional 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The gentleman from South Carolina may proceed.

RESEARCH AND DEVELOPMENT

Mr. RIVERS of South Carolina. The research and development budget submitted by the Department of Defense totaled $6.9 billion. Defense witnesses testified that the amount in the budget reflected a reduction of $1.2 billion by the Office of the Secretary of Defense. Of this amount, $791 million is directly research and development effort, with the remainder being taken from appropriations supporting research and development.

During the current fiscal year—1966—the Congress has been asked to authorize and appropriate over $12 billion in supplemental funds to support our efforts in southeast Asia. Included in these supplementals was less than $152 million for research and development.

The Committee on Armed Services feels—and feels strongly—that the budget submitted by the Department of Defense was much too austere in the research and development area. The military departments advised the committee of numerous projects in their current programs which would require additional funds in fiscal year 1967. It was stated that these funds would have to come from available resources, through reprograming actions or through use of the emergency fund.

And you, Mr. Chairman, and all members of the committee, know what it means to use the reprograming procedure or the emergency fund for these essential projects. It means that the direct control of the Congress is very substantially lost when these procedures are used.

In addition, the military departments identified numerous projects that were not included in the budget because the requirements had arisen subsequent to the budget submission to the Secretary of Defense and to the Congress. It was said that these projects also would require funds in the coming year.

Incidentally, I think it very important to note that Dr. Foster, the Director of Defense Research and Engineering—and who acts as Secretary McNamara's principal adviser in this field—informed the committee that many of these projects which were excluded from the budget have his support.

Again, the report deals in considerable detail with the additions in the research and development area and you will find this explanatory material on pages 18 to 23.

Here are the major projects:

First. The manned orbiting laboratory for which $80 million was added.

Second. Nike X, $14.4 million.

Third. The advanced aerial fire support system—AAFSS—$8.8 million.

Fourth. Medium-range air-to-surface guided missile Condor, $26.6 million.

Fifth. Antisubmarine warfare programs, slightly over $50 million.

Sixth. Deep submergence program, $8.6 million.

Seventh. The F-117—TFX—$22.3 million.

Eighth. Rapid response research and development for support of our forces in southeast Asia, $15 million; and last

Ninth. Eleven million eight hundred thousand dollars for the advanced manned strategic aircraft—AMSA.

All of these programs you have heard something about, but I am sure that you are particularly familiar with the advanced manned strategic aircraft since we had extended subcommittee and full committee hearings on the need for a follow-on bomber. And, like the area of nuclear propulsion for our naval surface ships, we are going to press for an advanced bomber, too. It is an old and homely phrase, but the committee all agrees that we do not want all our eggs in a missile basket, and I have the feeling that this Committee is in agreement with that principle.

I will now deal briefly with the program as submitted by the Department of Defense, and I will draw your attention to the table on page 6 of the report which sets out in immediately understandable fashion the amount of authority being granted for the various categories of procurement for the three departments and the amounts authorized for research and development.

The individual programs begin on page 64 of the report where you will find a detailed description of all of the items in the Army program. Each of the aircraft, missiles and tracked combat vehicles are listed and described. The Army program extends to page 70.

It totals almost $1.5 billion.

The Navy program begins on page 71 of the report, and again all of the fixed-wing aircraft and helicopters, the Sidewinder missile, and all the other missiles, both for the Navy and Marine Corps, are listed and described.

It totals about $3.8 billion which, of course, includes $2 billion for ships.

The Air Force program begins on page 77 and, again, contains all of the detail which I have referred to.

It totals about $5.2 billion.

The Department's original research and development program begins on page 82 and extends for 10 pages.

In addition to the money changes that I have dealt with in the bill both in the area of procurement and research and development, I would also like to point out that the committee made a few other changes. For example, on page 5 of the bill you will find that in addition to authorizing the two nuclear-powered guided missile frigates which I dealt with earlier, the committee has added the following language:

> Notwithstanding the provisions of any other law, the Secretary of Defense and the Secretary of the Navy shall proceed with the design, engineering, and construction of the two nuclear powered guided missile frigates as soon as practicable.

The purpose of this language is obvious. It says, in effect, Congress wants a nuclear Navy and we intend that the Department of Defense go ahead and get started on it.

Another change made by the committee was the addition of title IV which appears on page 9 of the bill. The language we added here, simply stated, forbids the Secretary of Defense to reduce or eliminate any major weapons system until he had advised the Congress of all of the pertinent details relating to his proposed action.

You will recall the recent report of the committee which told a rather horrendous tale of a proposal to phase out the B-58 bomber, our only supersonic bomber. Not only did we here in the Congress know nothing about this proposal until we saw it in the press, the Chief of Staff of the Air Force never even heard of it until he saw reference made to it in a draft memorandum from the Secretary of Defense to the President. This is bad business. We cannot allow this kind of thing to go on.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from South Carolina, may yield himself 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Chairman, I have made reference to the excellence of the committee report. We all here on the floor today are members of committees of the Congress. And we know where committee reports come from: they are written by the staff under, of course, the overall supervision of the committee. We are all proud of the fine work done by our counsels and our staff. I trust you will indulge me when I say that on Capitol Hill there is no more dedicated—no more harder working—and no more imaginative—staff than that of the Armed Services Committee of the House. Every one of them is a professional in the highest sense of that word. I think every member of the committee shares my respect for our staff and I want to take this opportunity to commend them, and each one of them.

The House, on April 6, approved H.R. 14122, a bill recommended by the Post Office and Civil Service Committee which would, if enacted, authorize an across-the-board Federal civilian salary adjustment of approximately 2.87 percent. Since this recommendation has been acted upon favorably by the House and is in general accord with the views of the President in which he recommended a direct salary increase of 2.85 percent for Federal civilian employees, the Committee on Armed Services believes that a comparable and equitable increase in the basic pay of uniformed services personnel is fully justified.

As Members of this Committee are aware, last year the Congress authorized a substantial increase in military pay which averaged 10.4 percent. Also included in the pay adjustment made in last year's legislation was an effort by the Congress to overcome serious inequities in the compensation provided military personnel with less than 2 years of service. That group of personnel, officer and enlisted alike, received an average increase of 18 percent in basic pay. Thus, with the enactment of the 1965 Military Pay Act, the committee had established a new and more equitable relationship among the various grades in the military pay structure.

The legislation embodied in this bill providing an increase in uniformed services pay does not alter this grade relationship established in the 1965 pay act since it will provide a flat across-the-board increase of 3.2 percent for all officer and enlisted grades alike.

There was also embodied in the Uniformed Services Pay Act of 1965 a new requirement, section 1088 of title 37, United States Code, which provided that the President would submit to the Congress by January 1, 1967, a detailed report concerning recommended adjustments and changes in the principles and concepts of the compensation system established for members of the uniformed services. An intensive review of these principles and concepts is presently underway within the Department of Defense and should, when completed, provide the Congress with essential background information relative to the desirability of effecting changes in the military compensation system. Therefore, the Committee on Armed Services did not attempt to alter or effect any changes in the uniformed services basic pay structure at this time, and recommended a flat across-the-board increase of 3.2 percent.

The Committee on Armed Services has been advised that the executive branch has no objection to the 3.2-percent increase in basic pay recommended by the committee and embodied in this bill.

The annual cost of this increase in military pay is approximately $356 million.

The effective date of the military pay increase would coincide with that authorized by the House for civilian employees—that is, July 1, 1966.

And that, Mr. Chairman and Members of the House, is the bill. It is a necessarily large and comprehensive bill and, again, I will mention that so is the report that accompanies it. I have tried to deal with the outstandingly important details of the bill, and I hope I have done so to your satisfaction. But I will point out that for those who wish additional and more detailed information, the report will, I believe, satisfy even the most exacting.

The vote on this bill in committee was 33 to 0. The House will make no mistake in voting with the the same preponderance.

This is what we are asking you to do.

Mr. WATSON. Mr. Chairman, will the gentleman yield for a moment?

Mr. RIVERS of South Carolina. I am glad to yield to my distinguished friend, the gentleman from South Carolina [Mr. WATSON].

Mr. WATSON. Mr. Chairman, I am sure that the gentleman from South Carolina [Mr. RIVERS] and I share the same aspirations for this country, especially as they relate to the defense of the country.

I sat back there, Mr. Chairman, with pride, as I listened to the able chairman present this bill, pride as a Member of this great, august body, but most especially pride as a fellow South Carolinian.

Mr. Chairman, I want to say to my colleagues here that certainly the State of South Carolina holds MENDEL RIVERS in the highest possible regard.

The evidence of that is the fact that he does not have either Republican or Democratic opposition in the forthcoming election. Further evidence of that is the fact that South Carolina has honored him as probably we have never honored any man and that is by erecting a monument to MENDEL RIVERS while he is still living, as we did just recently in his home county of Charleston.

We are proud of you, MENDEL RIVERS. While perhaps some might try to make derogatory remarks about you, we of South Carolina are proud of your dedication to duty and your knowledge of the facts, that is probably equaled by no other man. We are proud of you for the long hours that you have worked so hard trying to give our men in Vietnam as well as all our servicemen the best possible equipment in order to defend this country of ours.

So as a South Carolinian and as a Member of this body, we are indeed proud of you. I am proud to claim you as my friend regardless of whether you are a Democrat or an Independent. Above all, you, just as I, try to be loyal Americans and I am proud at this time to commend you in behalf of the people of South Carolina and of this country.

Mr. RIVERS of South Carolina. I want to say this to you, my dear friend, you know the affection I have for you. You will always be my friend and you will never hear me say anything against you because I know of your love for our country, and I know what you mean to your people. Your people think pretty well of you, ALBERT, and so do I and I thank you from the bottom of my heart.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from South Carolina has consumed 1 hour and 17 minutes.

Mr. BATES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to congratulate the distinguished gentleman from South Carolina for his magnificent statement. He has not only said what I had in mind, but has far surpassed it. It has been a real honor and a pleasure for me to serve with him on the House Committee on Armed Services now for some 17 years, but it has been with even greater pride that I have sat by his side during the last 2 years while he has been chairman of the committee.

His work has been unsurpassed. As great as that pleasure has been in the professional sense, I would like to say, Mr. Chairman, in the personal sense my affection for him is as great. I consider him to be a very dear friend. I have traveled with him from the sands of Africa to the icy wastes of the North Pole. He is a dedicated American. He is a man who is informed. He is a man who knows the intricacies of airplanes. He can spell out in detail the master plan of our bases in the most remote parts of the world. The hours that he puts in in his office cannot be equaled by any man in this Chamber, and I would advise my colleagues if sometimes you cannot sleep be it 5 o'clock or 6 o'clock in the morning, call the office of MENDEL RIVERS. You will find him answering that call at his desk in his office.

Mr. Chairman, as the ranking Republican Member of the House Committee on Armed Services, I want to say that our chairman has gone to unprecedented lengths to keep me and the other members of our committee informed so that when a decision is made by our committee, it is not the decision of the gentleman from South Carolina, MENDEL RIVERS, the chairman of the committee, but it is a decision that is responsive to the will and the desires of all the members of the committee.

In brief, Mr. Chairman, it has been a great pleasure for me to serve with the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. BATES. I am glad to yield to my chairman.

Mr. RIVERS of South Carolina. Mr. Chairman, I thank the gentleman from Massachusetts from the bottom of my heart. There is nothing else I can say.

Mr. BATES. Mr. Chairman, I rise in support of this bill.

Mr. Chairman, this bill authorizes appropriations amounting to $17.8 billion, $10 billion of which is for the procurement of ships and missiles, research development, and track vehicles; $7 billion of which is for research and development. So on the one hand we have an expenditure of over $10 billion for all these various items of procurement, and on the other hand almost an equivalent amount for research and development alone.

I think this points out to us the technical world in which we live, where research is almost equivalent to the procurement of the hardware that is contained in this bill. I think it indicates how much time, effort, brains, and money we are putting into research.

In the last generation we have unlocked the secrets of the atom. We have pierced the hidden sanctity of space. We have gone to greater depths in the ocean than man has ever known before, and these developments have cost a great deal of money.

This bill we have before us today is the largest bill of its kind that has ever been presented here on the floor of the House. I should like to address myself to the reasons for it.

First. Whether a person be a housewife or a Member of this body, he or she is aware of the costs of inflation. That has had its impact.

Second. Technological advancements have a high price tag for the development of our weapon systems. During World War II we spent $4 million for a submarine. Today a Polaris submarine costs $150 million.

In World War II a destroyer cost $7 million. Today a destroyer costs $67 million.

During World War II an aircraft carrier cost $55 million; today, without the airplanes on it, it costs a half billion dollars.

So the technological advancements have come high in the price of this bill. But even more importantly than these factors in making this bill a large one is its historical development. When I first came on the committee this bill contained but one item, and that was naval vessels. We thought we ought to have control in the Armed Services Committee over other items of procurement, and in subsequent years we added to ship procurement the procurement of missiles and airplanes and research and development programs. This year for the first time we have included tracked vehicles. So we are getting more control in our committee of the military items, which should properly be under our jurisdiction.

The chairman and the members of the committee propose today and in the future, that, when we report a bill out here on the floor, we want you to know, as far as possible, what is contained in the military bill that you and the taxpayers of the United States must pay.

Mr. Chairman, as I read the newspapers and the periodicals, I observe references to controversies that have developed in respect to our committee and the Secretary of Defense, Mr. McNamara. I have great respect for the ability of Mr. McNamara. He is a prodigious worker. No one in the entire administration works any harder than that man. We are in agreement with him on 95 percent of the items that are contained in this bill, but we do have some differences. Who can speak with absolute finality on the subjects here involved? There are bound to be differences on such complex issues.

But more than that we have a constitutional responsibility. Every 2 years the Members of this body raise their hand and say that they will live up to the Constitution and execute the duties of their office, so help them God. The Constitution states that the Congress, not the Secretary of Defense, and not even the President of the United States, has the obligation and the responsibility to raise and support arms, to provide and maintain a Navy, and to make rules and regulations for the land and naval forces. But I ask you, how can we in the Congress raise an Army, how can we provide for a Navy, if when we authorize and appropriate the money the Secretary of Defense insists that he will not spend it? How can we support an Army, how can we maintain the level of naval forces when, by the stroke of a pen, he can destroy it all?

So it is in this area, where we have differences. We believe we have certain responsibilities. We do not seek power. We do not seek more authority. We have enough work to do. But as long as this responsibility is reposed in the Congress of the United States, certainly as far as I am concerned and as far as the committee is concerned, we will exercise our duties as we see them.

There are four main things we have done in this bill. First, we have added to the budget $931 million of equipment. I will comment just quickly on what these items involve.

Aircraft: $19.9 million for observation helicopters—OH-6A—as requested by the Department of Defense; $20 million for the television planes that had been damaged by Vietcong raids in Saigon—as reported back by our subcommittee that visited Saigon shortly after the raid; $55 million to keep open the production lines of the interceptor aircraft—F-12—as recommended by the Joint Chiefs of Staff and by the Department of Air Force.

It is particularly important at this point to mention that if the Secretary of Defense had followed the mandate of the Congress in 1962 and 1963, when we authorized and appropriated enough money for continuation of the lines of the B-52 and the B-58, we would have a better plane in operation today than the FB-111, on which we are spending so much money now. There would have been no need for the FB-111 if the Secretary of Defense had followed the decisions of the Congress.

Fifty-one point two million dollars to obtain jet transportation—CX-2—for the sick and wounded for their travel within this country. They are returned from southeast Asia by jetplanes, but there are only old propellor planes to distribute them around within this country. Our committee thought this not fair to the men and would authorize the jetplanes for use within this country.

Missiles: $167.9 million for research and development and for preprocurement activities for the Nike X antimissile missile—$153.5 for procurement and $14.4 million for research and development. The committee understands that the Joint Chiefs of Staff unanimously support the preproduction funding of this missile, without making any final decision as to the exact type of missile involved. The committee believes that even a modest anti-missile-missile program can save millions of American lives.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. BATES. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I would like to commend the gentleman for the leadership he has given on the Nike X program, as well as the other members of the committee, and the chairman of the committee. Apparently this is one of the items to which Mr. McNamara objects.

I believe this program is long overdue. This is something that should have been started years ago. As I understand it, Mr. McNamara opposed it 3 years ago.

I wonder whether or not this small amount included here is really going to get the program off the ground?

Mr. BATES. The amounts we have included in here are in accordance with the best estimates of progress that can be made, according to the Joint Chiefs of Staff. This is $167 million.

It might well be that the long run will prove us wrong. We do not know. But this much we do know: The most we can lose is $167 million. But, if the Secretary of Defense is wrong, we can lose this country.

Mr. LATTA. I quite agree with the gentleman. Has not some money already been expended on this program?

Mr. BATES. Yes, indeed. This is an add-on. Over $2 billion has been spent on it already.

Mr. LATTA. This is of great concern to the American people, because we have absolutely no defense against these missiles. Unless this program is developed successfully, we are very vulnerable. Can the gentleman comment on what the Russian position is on this?

Mr. BATES. To the best of my knowledge and understanding, the Russians have an advanced system which they are now installing near Moscow and Leningrad. I do not know how effective it will be, but I do know they are spending money for such purposes.

Regardless of what the Russians do, we must do what we believe is right for the defense of this Nation. It is in that sense and that spirit we have added the $167 million to this bill.

Mr. LATTA. I thank the gentleman. I commend the gentleman and the committee for putting this money in the bill.

Mr. BATES. Mr. Chairman, another item is $130 million for the DLGN nuclear frigate. This merely represents a repetition of what we put in last year. The money was not spent.

Army: $14.4 million for Nike X antimissile-missile research and development has been set forth above; $8.8 million for aerial fire support; $2 million for a heavy lift helicopter; and $37.6 million for other research and development, including antitank weapons, air defense missiles, satellite communications-ground environment, night vision components, the limited war laboratory for research for the southeast Asia war, and others.

Navy: $26.6 million for further work on the medium range guided missile Condor; $8.6 million for deep submergence research—especially to help locate and release men caught in submarines which may have gone down in deep water; and $107.5 million for antisubmarine warfare research as specifically identified by Admiral Martell as essential during the next year.

Air Force: $80 million for funding of the Manned Orbiting Laboratory; $11.8 million to support the contract definition phase of the advanced manned strategic aircraft—supported by the Joint Chiefs of Staff; $22.3 million as requested by the Director of Defense Research and Engineering for further research and development on the F-111A; $3 million for further work on a vertical/short takeoff and land aircraft. These funds will allow the United States to participate in a joint program with the Federal Republic of Germany; $35.6 million for items which the Secretary of the Air Force would otherwise have to fund through reprograming. Since these items can be seen this far in advance, they should be supported by this legislation, rather than go through the reprograming actions; and $15 million for further research and development for southeast Asia.

Second. My feeling and the feeling of the Chairman was that after the substantial increase in pay we provided to the military last year in order to bring them into line with civilian pay, we were hopeful that during this inflationary period, all other persons would exercise restraint in the interest of not throwing gasoline on the fires of inflation. This hope has not come to pass. Therefore, we could not stand by and see the Armed Forces put into a secondary position as it has been so often in the past. Our committee's suggestion of the pay increase has been supported by the Department of Defense speaking through the Honorable Thomas D. Morris, Assistant Secretary of Defense, Manpower.

Third. The committee, after having reviewed at length the unilateral decision of the Secretary of Defense to cut back on our manned bombers, decided that it should be told of any such similar move in advance in the future. Hence, it has suggested that no major weapons system shall be abandoned in the future unless Congress is told all of the facts relating to the decision 90 days before the decision becomes effective. The suggested provision of law would also require the Committees on Armed Services to advise the Secretary of Defense as to the recommendations of the committees on the proposed action within the 90 days.

Fourth—and this is to me a most important part of the bill—the Committee on Armed Services would have the Congress have the Secretary of Defense and the Secretary of the Navy proceed with the design, engineering and construction of two nuclear frigates as soon as practicable. Why is this provision vital? Let me give you the background out of which the provision has been found necessary.

Again, I would remind you of the constitutional power of the Congress "to provide and maintain a Navy."

The Congress decided in 1946 that it wanted to insure that the new powers of atomic energy were developed under strictly civilian control by having an Atomic Energy Commission and a Joint Committee on Atomic Energy in the Congress. It was the Joint Committee that had the Atomic Energy Commission make the first reactors for the first two nuclear submarines—the *Nautilus* and the *Seawolf*. The Department of Defense had nothing to do with the start of the nuclear submarine fleet. Thanks to that congressional leadership, today there are 23 attack nuclear submarines.

Likewise, it was the congressional interest that fostered our nuclear ballistic missile submarine fleet. Today there are 37 Polaris type submarines.

In the authorization bill before you today, there is a provision for five more nuclear attack submarines, as requested by the Department of Defense. This is but a continuation of the program which Congress had to institute in the early 1950's by having the Atomic Energy Commission provide the nuclear reactors for the first two nuclear submarines.

In the authorization bill before you today, there is also a provision for a second nuclear powered aircraft carrier. Our first nuclear powered aircraft carrier, the *Enterprise*, was authorized in 1958. Since that time, two other aircraft carriers have been built by the Department of Defense and despite the strong protestations of the Congress, they have been conventionally powered. The Joint Committee on Atomic Energy made a strong plea in 1963 for the *John F. Kennedy* to be nuclear powered, but without any success. The *America* has also been made conventionally powered. I also made several strong statements on those matters. Now at last, the Department of Defense has come to the realization that nuclear powered aircraft carriers have great advantages—especially of freedom from the fuel oil logistics train—and they now ask for this new one. They plan to ask for others in the future. We are very glad that the Department of Defense at last sees the benefits that the Congress has so long seen in nuclear power.

The importance of having aircraft carriers has been clearly increased in recent days. The attack aircraft carrier is a movable platform from which to launch airplanes from wherever they may be needed and is our prime Navy attack weapon. It and its escorts should be free to the greatest extent possible from any logistics train or logistic depots in foreign countries. Its freedom to go anywhere in the world has been accentuated by the British decision not to defend east of Suez; the French decision to pull out of NATO and have all foreign troops pulled from French soil; and with the increasing problems with rights and overflight.

With each aircraft carrier, there have to be at least four escort ships to provide antisubmarine and antiair protection. It is now in this area that the present battle rages. The *Long Beach*, a nuclear-powered cruiser, was authorized in 1957. The *Bainbridge*, a nuclear-powered guided missile frigate, was authorized in 1959. These are the ships which can properly be the escort of the *Enterprise* now—although the *Long Beach*, as a cruiser is really too large for the job, and can be put to better use elsewhere.

What are the escort ships to come? There is only one so far that is actually being built—the nuclear-powered guided missile frigate, *Truxtun*. This ship was authorized in fiscal year 1962, but was changed from conventionally powered to nuclear powered by the action of our committee. In the next year, we authorized another frigate to be used for escort purposes, but it was canceled by the Department of Defense because the weapons system planned for it was not ready. This means that so far there is only one escort ship which is being built which can be a nuclear escort for either of our nuclear carriers.

But that is not the end of the story. Last year, on the suggestion of the Committee on Armed Services, the Congress authorized a new frigate, and then appropriated $20 million for the long lead time items. In providing only the long lead items, the House Appropriations Committee told the Department of Defense to come back for the balance of the money this year. To this date, not 1 penny of the $20 million has been released. Nor did the Department of Defense seek the balance of the $150.5 million authorized.

Even after the passage of the bills, our committee did not let the matter rest there. Our chairman, the Honorable gentleman from South Carolina [Mr. RIVERS], pursued the matter at length with the Secretary of Defense in extended correspondence. Still not 1 cent of the money has been released. The Secretary of the Navy and the Chief of Naval Operations also requested permission to proceed with the frigate, and still not 1 cent was released.

The amazing part of this story is that the Secretary of Defense testified before our committee:

> There is no sense having a carrier that is nuclear-powered if you don't realize the full potential of the nuclear power in the carrier because you don't have a nuclear-powered escort fleet. I think we have such a fleet. If we don't, I want to have one, because I fully accept the point that we ought to balance off these advantages we paid so heavily for. As I say, I believe we have. If we haven't, I'm quite prepared to change the programs.
>
> Yes, I think that is important, not just one, but I think each carrier that is nuclear-powered ought to be part of a balanced task force. Since we are recommending a nuclear-powered carrier in 1967, we want to have not just the *Enterprise* part of a balanced force, but also this 1967 carrier part of a balanced force.

The Joint Committee on Atomic Energy came out with another powerful report in April of this year, after the testimony of the Secretary of Defense and recommended again that the major surface ships, especially the escort ships of nuclear-powered carriers be nuclear powered. Not a penny of the money authorized and appropriated by the Congress last year has yet been released.

What has been the position of the Navy? In 1963, the Secretary of the Navy and the Chief of Naval Operations decided that it would be Navy policy from then on to have all aircraft carriers nuclear powered and to have all major combatant ships—those over 8,000 tons—nuclear powered. After the Navy found that it was not going to be allowed to get the $20 million appropriated last year, it reclaimed the decision and lost, and then it requested the Secretary of Defense to allow it to ask for a full frigate in the budget under discussion and was denied that permission.

Now the Navy has shifted its position to ask that only two of the four minimum escort ships be nuclear powered—undoubtedly on the theory that only real ships can protect the carrier, not just paper ships. It has used as the basis of this position, one of the cost-effectiveness studies that said it might be true that there was not as much to be gained from making the last two escorts nuclear as making the first two escorts. Now what is the truth of the matter?

The truth of the matter is that of the fuel consumption as shown in southeast Asia, one-third is used for the carrier's propulsion, one-third is used for the escorts, propulsion, and one-third is used for the airplanes. Hence, it is that making both the carrier and the escorts nuclear cuts off two-thirds of the fuel logistics pipeline. In case you wonder whether this makes any difference, let me tell you that in every study, the Chief of Naval Operations has insisted on the importance of having the ships free from this pipeline. This adds a whole new dimension to surface navies—just as being free from the surface added a whole new dimension to submarines when nuclear propulsion came along. In study after study, the Chief of Naval Operations has pointed out that this important element has been omitted from the cost effectiveness analysis.

As recently as April 14 the Chief of Naval Operations made this statement:

> The endurance, tactical flexibility, and greater freedom from logistic support of nuclear warships will give the United States an unequaled naval striking force. Our new warships, which the Navy will be operating into the 21st century, should be provided with the most modern propulsion plants available. To do less is to degrade effectiveness with grave implications for national security.

Admiral Miller, who was in charge of the Carrier Division 3 in southeast Asia, has written a memorandum in which he pointed out the many advantages—both general and from specific instances—of having nuclear-powered ships in combat. Not the least of these is the ability of the escorts to take off after a submarine sounding on a moment's notice. With the great increase in nuclear submarines among other powers in the world, our escorts must be able to leave their station on a moment's notice and follow the submarine without having to worry about running low on fuel. Admiral Miller put the matter in these terse terms when testifying before our committee:

> Well, basically, a nuclear-powered task group can do the job easier, better, and faster, than a conventionally powered task group. Taking the job as a whole, as far as the aircraft carrier is concerned, it launches the strikes, gets them off, gets them back faster and easier than the conventional. The cleaning bill aboard is not as much. We save thousands of hours a year in not having to clean the soot and the residue off the airplanes and the ship internally and externally. It is an easier maintenance job aboard the nuclear carrier. And with the planes that you have aboard a nuclear carrier, the acceleration and the deceleration of your nuclear ships is much more responsive than the conventional ships. You can take every facet of operation, you might say it is easier in a nuclear-powered ship.

Admiral Rickover, who has had the courage to try for nuclear-powered ships over the objections of the Department of Defense for many years, spoke at length about the advantages of nuclear power. His outspoken stand has earned him many enemies within the Department, but he has continued to devote his efforts to get the kind of a Navy he thinks is best for this country. His statements are not only in the hearings, but set forth at length in our report.

Now the objection to having nuclear-powered surface ships has always been that they cost too much. Yet, this does not appear to be true. Remember that the initial cost of a nuclear ship also includes the first nuclear fuel which will last at least 10 years. The initial cost of a conventionally powered ship does not include the cost of the fuel. The memorandum of the Chief of Naval Operations shows that when the cost of the fuel and fuel delivery is included in the cost of operating any conventionally powered ship, the lifetime cost of that ship in a task group is only 1 percent more if it is nuclear than if it is conventionally powered. Therefore, since the Navy is already accepting at least two nuclear-powered escorts, what we are really talking about is only 2 percent of the lifetime cost of the entire nuclear task group. And this is the sum to be spent for full protection of a $1 billion initial investment in a nuclear carrier and its planes. In view of the far greater battle effectiveness of the nuclear-powered ships, this 2 percent is hardly worth mentioning at all.

Remember that it is not until the last of the escort ships is made nuclear that the real importance of the nuclear power of the entire task group can be shown. It is then that the chain is cut, and the task group is freed for far more flexibility and battle effectiveness.

This, then, is the background against which the committee voted to reauthorize the frigate of last year and to include a frigate for this year—the long-standing efforts of Congress to get a nuclear task group for the Navy—the far greater battle effectiveness of the nuclear task group—the almost minimal increase in cost over the lifetime of the task group when it is nuclear.

Despite the constitutional power of the Congress "to provide and maintain a Navy" the Department of Defense has refused to consider the positions which the Congress has set into law. In our opinion, this is a serious matter. As the Chief of Naval Operations has said with respect to nuclear propulsion:

> To do less is to degrade effectiveness with grave implications for national security.

After the deliberate failure of the Department of Defense in not following the program for the Navy as set forth in the statutes, the only answer is to provide that the Secretary of Defense and the Secretary of the Navy shall proceed with the construction of the two frigates as soon as practicable.

This is the real civilian control of the military as envisioned by our forefathers. This is the real exercise of the Congress and its constitutional power to provide and maintain a Navy.

Section 101 of S. 2950, as reported by the Committee on Armed Services, contains, in the section on naval vessels, the sentence:

> Notwithstanding the provisions of any other law, the Secretary of Defense and the Secretary of the Navy shall proceed with the design, engineering, and construction of the two nuclear-powered guided missile frigates as soon as practicable.

In my opinion, this provision is constitutional. The Constitution starts out, article I, section I:

> All legislative powers herein granted shall be vested in a Congress of the United States.

Article II, section I, on the other hand, provides:

> The executive power shall be vested in a President of the United States of America.

What do these words mean? Legislative? Executive? What did they mean when the Constitution was written? The Dictionary of American English, 1940, University of Chicago Press provides some help:

> Legislative: Of or pertaining to a legislature. (Citing instances from 1776 on.)
>
> Legislature:
>
> 1. The body of assembly of constituted representatives of a colony, state, or territory, vested with authority to make laws for the governance of the body politic. (Citing instances from 1729 on.)
>
> 2. The federal Congress. (Citing instances from 1787 on.) Executive department: The, or a, department of government concerned with the proper carrying out of the laws:
>
> 1. Of a State government. (Citing instances from 1776 on.)
>
> 2. Of the U.S. government. (Citing instances from 1787 on.)

Thus it is that by the very terms of the first sections of both article I and article II of the Constitution, it is the function of the Congress to enact the laws of the United States, and for the President to see that those laws are carried into effect. Lest there be any doubt of this, article II, section 3 provides "he shall take care that the laws be faithfully executed."

Under the Articles of Confederation of 1778, there was no executive to carry out the will of Congress—there was only a Congress. This was felt to be a very real drawback. Hence it was that when the Constitutional Convention met in 1787 to try to eliminate some of the shortcomings of the Articles of Confederation, the first proposal put before the Convention, that of Edmund Randolph, included the provision:

> 7. Resolved, that a National Executive be instituted; to be chosen by the National Legislature for a term of ——; to receive punctually, at stated times, a fixed compensation for the services rendered, in which no increase nor diminution shall be made, so as to affect the magistracy existing at the time of increase or diminution; and to be ineligible a second time; and that, besides a general authority to execute the national laws, it ought to enjoy the executive rights vested in Congress by the Confederation. ("The Papers of James Madison, and his Reports of Debates in the Federal Convention, 1840," p. 732.)

The next proposal came from Charles Pinckney, including an article VIII which would provide:

> The executive power of the United States shall be vested in a President of the United States of America, which shall be his style; and his title shall be His Excellency. He shall be elected for —— years; and shall be re-eligible.
>
> He shall from time to time give information to the Legislature, of the State of the Union, and recommend to their consideration the measures he may think necessary. He shall take care that the laws of the United States be duly executed. ("Madison Papers," p. 742)

Beyond the introduction and reference to the Committee on Detail and the Committee on Style, there was little further that happened to the provisions that the President "shall take care that the laws of the United States be duly executed" during the Convention.

There were several powers given to the Congress with respect to military affairs:

> To declare War . . .
>
> To raise and support Armies . . .
>
> To provide and maintain a Navy . . .
>
> To make Rules for the Government and Regulation of the land and naval Forces . . .
>
> To provide for calling forth the Militia . . .
>
> To provide for organizing, arming, and disciplining, the Militia . . .
>
> To exercise exclusive Legislation in all Cases whatsoever . . . and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings.

The extent to which the Congress was intended to have the control over the military is best shown by the special provision in the power to raise Armies:

> But no Appropriation of Money to that Use shall be for a longer Term than two years.

The Founding Fathers were so fearful of having a military imposed on the country that they even wanted to keep the moneys limited so that each Congress would be able to decide how the military would be run.

The reasons for this special provision were given in the debates:

> To the second clause Mr. Gerry objected, that it admitted of appropriations to an army for two years, instead of one; for which he could not conceive a reason; that it implied there was to be a standing army, which he inveighed against, as dangerous to liberty—as unnecessary even for so great an extent of country as this—and if necessary, some restriction on the number and duration ought to be provided. Nor was this a proper

> time for such an innovation. The people would not bear it.
>
> Mr. Sherman remarked, that the appropriations were permitted only, not required to be for two years. As the Legislature is to be biennially elected, it would be inconvenient to require appropriations to be for one year, as there might be no session within the time necessary to renew them. He should himself, he said, like a reasonable restriction on the number and continuance of an army in time of peace.
>
> The second clause was then agreed to, *nem. con.*" ("Madison Papers," p. 1495.)

In the Federalist, No. 24, there was discussion of the exact relation between the Executive and the Congress:

> A stranger to our politics, who was to read our newspapers at the present juncture, without having previously inspected the plan reported by the convention, would be naturally led to one of two conclusions: either that it contained a positive injunction, that standing armies should be kept up in time of peace; or that it vested in the Executive the whole power of levying troops, without subjecting his discretion, in any shape, to the control of the legislature.
>
> If he came afterwards to peruse the plan itself, he would be surprised to discover, that neither the one nor the other was the case; that the whole power of raising armies was lodged in the Legislature, not in the Executive; that this legislature was to be a popular body, consisting of the representatives of the people periodically elected; and that instead of the provision he had supposed in favor of standing armies, there was to be found, in respect to this object, an important qualification even of the legislative discretion, in that clause which forbids the appropriation of money for the support of an army for any longer period than two years—a precaution which, upon a nearer view of it will appear to be a great and real security against the keeping up of troops without evident necessity."

From this discussion, it is obvious that the Founding Fathers were most fearful of a standing army and that they wanted the controls over that Army to be in the Congress, not in the Executive.

It is claimed that the President has full power over the military from his position, given him by article II, section 2:

> The President shall be commander-in-chief of the army and navy of the United States.

This position was first suggested by Mr. Charles Pinckney as part of article VIII of his proposed draft. It was incorporated in all later drafts without discussion.

The relation between the powers of the Congress to raise and support armies and to provide and maintain a navy and the position of the President as Commander in Chief were clearly spelled out in the report of this Committee on the Defense Reorganization Act of 1958:

> RESPONSIBILITIES OF CONGRESS
>
> While the Constitution designates the President as Commander in Chief of the Armed Forces, it places upon Congress the responsibilitiy to provide for the common defense, to raise and support armies, to provide and maintain a Navy, and to make rules for the government and regulation of the land and naval forces. Analysis of these constitutional provisions in comparison with the powers of the British Crown, from which the Colonies wrested their independence, clarifies the origin of the responsibilities placed upon Congress by the Constitution. The King—like the President today—had the power of command over the armed forces of Britain, but he also had the power to raise and regulate armies and navies and to govern them.
>
> In contrast, under the Constitution, the President's powers over military affairs were not allowed to pass to him by implication, rising from his position as the Chief Executive. His military authority was specifically designated as command only. The responsibility to provide for the common defense, to create the forces necessary for such defense, and to make necessary rules for the government of the forces thus created was placed and remains with Congress.
>
> This separation of powers over the military affairs of the Nation was the product of conscious and careful design. It was completely consistent with a fundamental concept upon which our Government was, and is, established; that is, that freedom can thrive only when the basic powers of government are not vested in one man or a small group of men. A firm and distinct separation of power over our military forces was to be expected from men who had experienced the tyranny of a government in which all power over military affairs was vested in one man. Indeed, the abusive employment of military force was a major complaint lodged by the Declaration of Independence against the Crown.
>
> It is apparent that, under the Constitution, the power of Congress over the Military Establishment is, and was intended to be, complete, save for the power to command the forces they create.
>
> Congress has never considered this responsibility to consist merely in providing funds as requested by the executive branch to be used or withheld at its discretion. Under this view, Congress would be unable to discharge its constitutional responsibilities or to insure that the views of the American people, as expressed by their elected representatives, are observed by the executive branch of the Government.
>
> The committee recognizes military power as an instrument of national policy and the necessity for close cooperation between the executive and legislative branches in shaping that policy. If, however, Congress is to perform its constitutional responsibilities and give vitality to the fundamental doctrine of separation of powers, it must retain a meaningful measure of control over the combatant functions of the Armed Forces it creates. Otherwise, the flexibility or rigidity of our military policies will come to rest entirely upon the executive branch of the Government. The legislative branch would thus abdicate its historic responsibility over the design and capabilities of our major instruments of military policy and would renounce its responsibility to provide for the common defense. The Committee on Armed Services is confident, from the testimony of representatives of the executive branch, that this is neither contemplated nor desired by the present incumbents; but it is the responsibility of Congress to insure that the law does not permit such a result.
>
> The committee has made no provision to give the Secretary of Defense increased control over the funds appropriated to his Department. This area of the President's recommendations are set forth in his message of April 3, 1958, was not developed in specific terms by witnesses from the executive branch. It is also an area that will require meticulous examination by Congress.

The executive department has from time to time contended, as early as 1795, that appropriations for military purposes ought to be general or even lump-sum grants to be expended at discretion by the executive rather than specific appropriations. Congress has never accepted this view as being consistent with its responsibility to insure that money is not withdrawn from the Treasury except for a specific object, to an extent, and out of a fund which has been established by law. The relationship of this control over appropriations to the constitutional responsibilities of Congress relating to the Armed Forces, which are enumerated above, is too apparent to necessitate discussion—House Report No. 1765, 85th Congress, 2d session, May 22, 1958.

That this analysis is probably correct is shown by the study made by the Library of Congress, "The Powers of the President as Commander in Chief of the Army and Navy of the United States"—House Document No. 443, 84th Congress, 2d session, June 14, 1956. Of the 117 instances of the use by the President of his powers as Commander in Chief cited therein, none relates to the composition of the fighting force and its equipment. Rather the instances are directed toward the tactical use of the forces and equipment available in specific instances.

That the President is bound by the legislation, in his capacity as Commander in Chief even in wartime, is shown by the message to Congress of September 2, 1942, in which President Roosevelt demanded repeal of a provision of the Emergency Price Control Act, which he felt to be a hindrance to the war effort, although he threatened to use his powers to achieve the same end if the Congress did not act.

The power of the Congress to provide a Navy was first suggested by Charles Pinckney in his proposal:

> Article VI. The Legislature of the United States shall have the power . . . To build and equip fleets. ("Madison Papers," p. 739.)

In the debates this phrase was changed to—

> To provide and maintain a Navy ("Madison Papers," p. 1360) without discussion and without dissent, as a more convenient definition of the power.

After that, the phrase was accepted by the Committee on Detail and the Committee on Style.

While it was not until 1798 that the Congress found it desirable to establish a Department of the Navy—1 Stat. 553, chap. XXXV, April 30, 1798—the Congress in 1794 authorized the President "to provide, by purchase, or otherwise, equip and employ four ships to carry 44 guns each, and two ships to carry 36 guns each."

Not only does the 1794 law provide for the number of guns; it also provides:

> That there shall be employed on board each of the said ships of forty-four guns, one captain, four lieutenants, one lieutenant of marines, one chaplain, one surgeon, and two surgeon's mates; and in each of the ships of thirty-six guns, one captain, three lieutenants, one lieutenant of marines, one surgeon and one surgeon's mate, who shall be appointed and commissioned in like manner as other officers of the United States are. (1 Stat. 350, Chap. XII, March 27, 1794.)

The statute then goes on to provide for the number of warrant officers for each ship, and the number of men in the crews. The pay of all is set forth—"That the pay and subsistence of the respective commissioned and warrant officers be as follows."

Thus, while the Congress authorized the President to obtain the ships, it specified the armament, the manning, the pay for the officers and even the ration.

There was similar legislation in 1797:

> That the President of the United States be and he is hereby empowered, should he deem it expedient, to cause the frigates *United States, Constitution* and *Constellation*, to be manned and employed. (1 Stat. 523, Chap. VII, July 1, 1797)

However, the balance of the law sets forth what the strength in officers and enlisted shall be, what their pay shall be and what shall be the ration.

The provisions of the law of 1799 are even more direct:

> That under the orders of the President of the United States, and in addition to the naval armament already authorized by law, there shall be built within the United States six ships of war, of a size to carry, and which shall be armed with not less than seventy-four guns each. (1 Stat. 621, Chap. XIII, February 25, 1799)

An examination of the membership of Congress in 1794, 1797, and 1799 shows that, along with the President and Vice President, there were eight Members of Congress in 1794 who attended the Constitutional Convention and five Members of Congress in 1797 and 1799 who attended the Constitutional Convention. Although the laws directed the size of the ships, their manning, pay and rations, there was no recorded discussion on the floor of either the House or the Senate that these requirements were an infringement of the President's prerogatives. On the contrary, the bills always passed on voice votes and were signed immediately by the President.

Again, in 1809, Thomas Jefferson signed into law a bill—

> That, in addition to the frigates now employed in actual service, there be fitted out, officered and manned, as soon as may be, the four following frigates, to wit: the *United States, Essex, John Adams*, and *President* (2 Stat. 514, chap. XI, January 31, 1809).

From the historical background, it is clear not only that the drafters of the Constitution intended the Congress to direct the President in the operation of the Navy, but that the Congress immediately after the adoption of the Constitution did direct the President as to the kinds of ships and armament he should have in the Navy. Indeed, Thomas Jefferson signed one such mandate into law.

There are several instances in recent periods where the Department of Defense has been directed by the Congress with respect to its operations.

In 1952, the Congress directed the Department of Defense to maintain the Marine Corps at a certain level. The precise language of the law—Public Law 416, 82d Congress, chapter 479, 2d session, 61 Stat. 502, June 28, 1952—includes:

> The United States Marine Corps, within the Department of the Navy, shall be so organized as to include not less than three combat divisions and three air wings.

On August 10, 1956, the Congress thoroughly reexamined title 10 of the United States Code, Armed Forces, and enacted the title into law. According to House Report No. 970, 84th Congress, 2d session, the real task of preparing the new codification was carried on by the Department of Defense.

Section 101 of title 10 is "Definitions" and contains:

> (28) "Shall" is used in an imperative sense.
>
> (29) "May" is used in a permissive sense. The words "no person may" mean that no person is required, authorized, or permitted to do the act prescribed.

While the first section after the "Definitions" is permissive—

> SEC. 121. REGULATIONS.—The President may prescribe regulations to carry out his functions, powers, and duties under this title—

The third section is mandatory:

> SEC. 124. COMBATANT COMMANDS.—Establishment; composition; functions; administration and support—
>
> (a) With the advice and assistance of the Joint Chiefs of Staff, the President, through the Secretary of Defense, shall—
>
> (1) establish unified combatant commands or specified combatant commands to perform military missions; and
>
> (2) shall prescribe the force structure of those commands.
>
> (b) The military departments shall assign forces to combatant commands established under this section to perform the missions of those commands.

Attention should also be drawn to the mandatory language of the fourth section following the definitions:

> SEC. 125. Functions, powers, and duties; transfer, reassignment, consolidation, or abolition—
>
> (a) Subject to section 401 of title 50, the Secretary of Defense shall take appropriate action (including the transfer, reassignment, consolidation, or abolition of any function, power or duty) to provide more effective, efficient and economical administration and operation, and to eliminate duplication, in the Department of Defense.

Note that the Secretary is directed to provide more effective efficient administration before he is directed to provide more economical administration.

It is exactly the lack of effectiveness and efficiency that has caused the Committee on Armed Services to recommend to the House that it direct the Secretary of Defense to proceed with the construction of the two nuclear frigates.

From that point on, the title on armed services is replete with mandates in the operation of the Department of Defense and of the military departments.

There are also other mandates in the United States Code directed to the Department of Defense. For example, the matter of pay is directed by the Congress. Thus in section 2211 of title 5, the pay of the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force and some of their subordinates are set forth. Title 37 of the United States Code is devoted to the pay and allowances of the uniformed services. Congress sets the pay levels mandatorily. That is why it is necessary to have title III to S. 2950 as reported by the committee, when the committee believes that pay actions in other parts of the Federal Government make it equitable to increase the pay of the members of our armed services.

The mandatory language we have been discussing was taken from another statute, passed by the Congress and approved by the President. In 1957, the Congress, on the proposal of the Joint Committee on Atomic Energy, directed the Atomic Energy Commission to undertake various studies and research leading to the construction of some new kinds of reactors. Included in the reactors which the Congress wanted to have built, and which the Atomic Energy Commission was opposed to building, was a plutonium recycle experimental reactor. In order to be sure that this reactor was constructed, the Congress fiscal year 1958 the following language wrote into the authorization act for of section 110(a):

> The Commission shall proceed with the design, engineering, and construction under contract, as soon as practicable, of the prototype power reactor facility authorized by section 101 for project 58-e-15 (plutonium recycle experimental reactor) at an installation operated by or on behalf of the Commission and the electric energy generated shall be used by the Commission in connection with the operation of such installation. (Public Law 85-162, 71 Stat. 403, August 21, 1957.)

Similar mandatory language was included in sections 110 and 111 of the authorization act for fiscal year 1959—Public Law 85-590, 72 Stat. 490, August 4, 1958.

The mandatory language in our bill is necessary. Following the construction of the nuclear cruiser *Long Beach*, authorized in fiscal year 1957, and the nuclear frigate *Bainbridge*, authorized in fiscal year 1959, there have been no proposals from the Department of Defense to have any more nuclear escorts. In fiscal year 1962, the Congress changed one frigate, the *Truxtun*, to nuclear power and in 1963 it authorized another nuclear frigate which was later canceled by the Department of Defense.

Last year, the Congress authorized $150.5 million for another nuclear frigate and appropriated $20 million toward it. Despite the appeals of the Department of the Navy, these funds have never been released by the Department of Defense.

This year, the Secretary of Defense testified before our committee:

> There is no sense having a carrier that is nuclear powered if you don't realize the full potential of the nuclear power in the carrier because you don't have a nuclear-powered escort fleet. I think we have such a fleet. If we don't, I want to have one, because I fully accept the point that we ought to balance off these advantages we paid so heavily for.

Despite this testimony, the Secretary of Defense still has not released the $20 million appropriated last year.

Under the words and history of the Constitution, under the first statutes putting into practice the ideas of our Constitution, and under recent legislative practices drafted in part by and accepted by the executive branch, there is no doubt that the Congress has the power to prescribe the kind of ships that will be built for the Navy. In view of the history of Department of Defense defiance to the will of Congress, the power can well be exercised. The language—"Notwithstanding the provisions of any other law, the Secretary of Defense and the Secretary of the Navy shall proceed with the design, engineering, and construction of the two nuclear-powered guided missile frigates as soon as practicable"—is constitutional. The Congress has the power to direct the construction of the two nuclear frigates.

It seems to me the time has long since passed when we should have nuclear power for our surface ships. Let us not take two-thirds of a century again, as we did 100 years ago, in making a necessary transition. Let us cut the chains that bind our fighting ships to a pipeline.

Let us cut the umbilical cord from the mother ship so that these nuclear ships can do the kind of a job that our country and the times demand.

The CHAIRMAN. The gentleman from Massachusetts consumed 17 minutes.

Mr. BATES. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I wholeheartedly support the national defense bill now before us—both that part pertaining to the procurement of military weapons and research and development, and that part which provides a moderate pay raise for our people in uniform.

There is little I can add, or in fact need be added, to what our very able Armed Services Committee chairman, the gentleman from South Carolina [Mr. RIVERS], and ranking minority member, the gentleman from Massachusetts [Mr. BATES], have presented with respect to the contents of the measure. They have more than adequately explained what our committee decided as to our defense needs, looking to the future in the light of present-day realities and contingencies. Our committee report, supplemented by the statements of the gentleman from South Carolina [Mr. RIVERS] and the gentleman from Massachusetts [Mr. BATES], details not only what is proposed but why, item by item.

It has been my privilege to serve on the Armed Services Committee since its inception. I have always been proud to be a member of this great committee. But never have I been as proud as I am at this very moment when our committee presents this bill to you.

This measure is but one of the many things that our committee has accomplished during this session under the able leadership of our chairman. In fact, during my many years' service on the committee I do not recall giving as detailed and as thorough examination into our defense posture and plans and needs as has been undertaken these past few months.

Aside from this and other measures we have brought before the House, our committee has made special inquiries into the closing of military installations, into the deferment of military construction previously authorized, into the phasing out of our manned bombers, and into our overall defense posture. We have filed special reports on our findings and recommendations, and they have resulted in appropriate legislative action.

All this we owe to the quality leadership provided our committee by the gentleman from South Carolina [Mr. RIVERS]. Without the slightest partisanship, solely with a desire to do that which is best for the country and its security, our committee has worked together as a unit. And, at long last, thanks to our chairman, our Armed Services Committee has become an arm of the Congress and not simply an adjunct of the Defense Department. At long last, thanks to our chairman, our committee and the Congress are having an affirmative voice in the kind of defense we shall have. I might add that at long last, thanks to the leadership being provided by our committee and its chairman, our Joint Chiefs of Staff will have the voice they are intended to have as military experts in our military planning and strategy.

This is a committee bill in the fullest sense. It represents our collective judgment, based on our independent evaluation of the recommendations of the Defense Department as a civilian and military organization and of the Joint Chiefs of Staff as a military planning and strategy unit. Our committee decisions embodied in this bill were not based solely on some nebulous cost-effectiveness formula but upon what we now have in our defense arsenal and what we should have to insure that we are at all times fully prepared for any emergency, whenever, however and wherever it may arise as a threat to our national security.

We have not been unmindful of dollar costs but we have not allowed ourselves to be slaves to any predetermined dollar budget ceiling. We have sought to authorize no more and no less than what we must have to maintain a national defense second to none.

It must be borne in mind that the authorizations in this bill are not for next year's Air Force or for next year's Navy. An operational aircraft or ship cannot be produced in a year or even 2 years. Military planning and military procurement is not only for next year but for several years, with due allowance for technological developments, and with due allowance for all the international potentials for the foreseeable future.

From what is set forth in the first part of our committee report there should be no doubt in anyone's mind that we are determined that our Armed Services Committee and the Congress shall have an affirmative voice in the decisions made as to the size and nature of a national defense we shall have. For all too long, all too frequently and all too great an extent the Secretary of Defense has ignored, subverted, and circumvented the expressed will of Congress in the performance of our constitutional duties and responsibilities.

We have great respect for our Secretary of Defense and well recognize the burdensome duties and responsibilities that are his. We always have, and always will respectfully receive his recommendations. But whatever his managerial talents, and they are many; and whatever his intellectual capabilities, and they are great; he is not infallible. He is one man.

We likewise have great respect for our Joint Chiefs of Staff and well recognize the duties and responsibilities that are theirs. And we likewise respectfully receive their recommendations. But whatever their professional military skills, and they are exceptional, they are not without their limitation in matters other than weaponry and strategy.

We who serve in Congress are not without our limitations. Neither individually nor collectively does our Armed Services Committee claim to be defense experts. Nonetheless, we have the duty and responsibility to make the overall decision as to the kind of a defense we shall have, taking into account many more factors than either the Secretary of Defense or the Joint Chiefs of Staff are called upon to consider.

Unfortunately, Secretary of Defense McNamara has been disposed to substitute his individual judgment for the collective judgment of the Congress. He has seen fit to substitute his nonprofessional civilian judgment for the professional military judgment of our Joint Chiefs of Staff.

The bill before us again brings in issue a long standing difference of opinion between the Secretary of Defense and the Congress. I refer to the question whether we should have an advanced manned strategic bomber as a part of our national defense.

Five years ago our committee authorized and funds were appropriated for the development of the B–70. The Defense Secretary refused to use the funds. The following year—1962—our committee reported a bill which directed him to use not less than $491 million for this purpose. There was a question whether the Congress had the constitutional authority to mandate or order the Defense Secretary in that respect. But it never came to a test.

Our committee chairman, Mr. Vinson, of Georgia, made his now famous visit to the rose garden at the White House, something in the nature of a compromise was reached, and the language directing the Secretary of Defense to proceed with the bomber program was withdrawn.

The so-called compromise has proven to be little more than a save-face gesture. The issue over the manned bomber is still with us. Without prior consultation with our committee the Secretary of Defense decided to phase out the B–58, our only supersonic bomber.

Secretary McNamara to the contrary notwithstanding, our Committee is determined that we have a manned bomber replacement for the B–52 and B–58, and for this purpose have added $11,800,000 to this bill. This is merely a step toward the objective. I sincerely hope the Secretary does not have the effrontery again to ignore our repeatedly expressed will. He already has gone so far as to try to leave the impression that the Joint Chiefs of Staff concur in the position he takes. The contrary is true. For alleged security reasons testimony from the Air Force member of the Joint Chiefs was deleted from the hearings by the Defense Department that showed the Joint Chiefs not in agreement with the position taken by the Secretary of Defense.

In this connection I might point out that a few years ago it became evident that our Joint Chiefs of Staff were losing their independent professional status as our military planners and strategists. They were placed under restraint in the expression of their independent judgments on military matters. If they did not conform in all respect to the views of the Secretary of Defense they risked not being reappointed.

On several occasions I, and other members of our Armed Services Committee, have expressed our strenuous objection to manipulating the tenure of office of a Joint Chief of Staff to compel conformity to civilian decisions in our military planning. As a matter of fact, both the distinguished gentleman from South Carolina and I sponsored a bill in the last Congress to fix the term of each member of the Joint Chiefs of Staff at 4 years, subject only to removal by the President. Our committee reported the bill but no action was taken on it. As to be expected, Secretary McNamara was opposed.

All this may not seem pertinent to the bill before us. But it is. The measure we have presented does not conform in its entirety with the views of the Secretary of Defense. We have added the advanced manned bomber, which I mentioned, and we have also added nuclear-powered frigates. We all too well know, I regret to say, what to expect when we, the Congress, or they, the Joint Chiefs of Staff, do not meekly accept what the Secretary in his benign judgment decides.

The time has long since arrived when the Congress must assert its constitutional prerogatives with respect to our defense plans and posture. That we are endeavoring to do, under the able leadership of Chairman RIVERS.

We recognize that the President is Commander in Chief of all our Armed Forces. We recognize that the Secretary of Defense has his grave responsibilities and arduous duties. But the Joint Chiefs of Staff also have their independent, but coordinate, duties and responsibilities, and we in Congress have ours. This is what Secretary of Defense McNamara refuses to recognize.

It is for this reason that our committee has found it necessary to insert in this multibillion military procurement bill a provision that the Defense Secretary cannot eliminate or substantially reduce any weapons system without first advising the Congress and giving us opportunity to make a recommendation. We wrote a provision of the same general nature in the military construction bill passed last session.

All that the Congress is really asking is that both the executive and the legislative branches share in the constitutional responsibilities for both the establishment and maintenance of an adequate system of national defense. Is that asking too much? As a matter of fact this sharing of responsibilities is something that should be done without the asking by statutory law.

There are many features of the bill I should like to discuss, but to do so would be largely repetitious. In all this the important point to bear in mind is that what we are authorizing today is not simply for tomorrow, for next year, for the year after year or the year following. We must plan as well as humanly possible for the distant future, and yet not too distant.

We must, for example, plan now for the day when our entire Navy task force will be nuclear-powered. That is why our committee has added two nuclear-powered frigates not requested by the Secretary of Defense. It is also why we made other additions, such as for an advanced manned strategic bomber and for research and development. Not the least of the authorizations, looking to the future, is that for the Manned Orbiting Laboratory.

This bill represents almost $18 billion. It is a tremendous amount of money. But, I ask, what is the alternative? We are engaged in a major conflict in southeast Asia. We can be faced at any time with other conflicts in other parts of the world. Secretary of State Rusk has said that we have about 40 unilateral commitments worldwide and southeast Asia is but part of that commitment.

The decision as to what to do with respect to a bill of this character is not easy. No one of us likes to see so much of our national resources being devoted to instruments of warfare. None of us can take any satisfaction in having to spend $18 billion in this manner. But all of us can take satisfaction in knowing that such an experience will best insure our country's security, our people's freedom and, in the long run, best advance the cause of peace as we stand strong against those who would make war.

This measure has my wholehearted support, and I hope the House will uphold the decision made by our Armed Services Committee. It represents our best judgment, based on all the information available, the best advice obtainable and our own many years of collective experience, in peace and in war, in evaluating all aspects of our national defense.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, I congratulate the gentleman from Illinois for his very excellent statement.

Mr. Chairman, I support the bill before the House today. I would like to specifically comment on the portion of the bill authorizing nuclear propelled naval warships.

The Joint Committee of which I am a member has throughout the years supported a strong research and development program on nuclear propulsion plants for naval warships. This program, which is being carried out by Admiral Rickover, has been outstandingly successful. Because of our successes, the United States is without peer in the field of nuclear propulsion for warships. The only problem that we have encountered concerns the utilization of our position of leadership. By this I mean the failure of the administration to build nuclear propelled warships—particularly surface warships.

Our first three surface warships—the carrier *Enterprise*, the cruiser *Long Beach*, and the frigate *Bainbridge* have proved their superiority as men of war. Since these ships were authorized, the Department of Defense has obtained authorization for two new conventional aircraft carriers and 10 new conventional frigates all of which should have been nuclear powered. If the correct decision had been made and these 12 ships had been provided with nuclear power, we would now have in these perilous times three nuclear powered carrier task forces for our Navy instead of the one we have.

It appears that finally the administration is starting to recognize the demonstrated superiority of nuclear propelled warships since this bill includes a nuclear propelled aircraft carrier, requested by the Secretary of Defense. I am very pleased to note that a deficiency in the bill, as submitted by the administration, has been corrected by the Armed Services Committee. I am referring to the addition of two nuclear propelled frigates to the bill, reported out by the Armed Services Committee. With the addition of the two nuclear propelled frigates, the bill before the House contains a total of eight nuclear warships. It is indeed encouraging to see the United States take advantage of its position of technical leadership in this field vital to our defense—nuclear propulsion for naval warships.

The United States now has 59 nuclear submarines in operation including 37 Polaris missile launching types. By the end of this year we expect to have 9 more nuclear submarines in the fleet for a total of 68. In addition, including the 5 in this bill, we will have 36 more nuclear submarines authorized. As I mentioned before, we also have three nuclear propelled surface warships. Our fourth nuclear surface warship, the *Truxton*, is expected to be completed this year.

I strongly recommend support of the bill before us today. I sincerely believe this bill reflects the right direction to take concerning the Navy of the future. We must continue our efforts to convert the Navy to nuclear propulsion. The record set by the nuclear carrier *Enterprise* off Vietnam is proof that nuclear propulsion is the correct choice. We must make certain that, as in the case of the *Enterprise*, the carrier in this authorization bill is provided with nuclear propelled escorts.

The action the Congress is taking in this bill by adding nuclear propelled warships to the authorization runs parallel to action taken by the Congress in the early days of nuclear propulsion of submarines. In the early 1950's the Navy was opposed to building nuclear submarines because of a failure to recognize the increased military effectiveness that nuclear propulsion provides. The initiative taken by Congress overrode that attitude, and now we have, as a first line of defense, nuclear attack submarines and Polaris missile launching submarines. Today we face a similar problem concerning nuclear surface warships. The Congress must again correct misconceptions conveyed by cost effectiveness analysts which are based on false assumptions and do not place proper emphasis on military effectiveness. The Joint Committee's review of the various studies disclosed these facts.

As was stated in the foreword to the Joint Committee's 1966 hearings entitled "Naval Nuclear Propulsion Program":

> The assumption that tankers and oilers needed to supply propulsion fuel for oil-fired warships will operate unhampered by the enemy and suffer no losses;
>
> The assumption that the fuel oil needed to run our conventional surface warships will be readily available wherever and whenever needed; and
>
> The assumption that no cost factor need be included in their studies for losses—or protection of our propulsion fuel oil supply lines.
>
> These are dangerous assumptions to use in evaluating weapons of war. The factors of military effectiveness in the protection of our Nation's security must always be dominant over the factors of cost. In southeast Asia today the United States is once again faced with the bitter reality that what counts in war is "military effectiveness"—not "cost effectiveness."

I can assure you that the members of the Joint Committee intend to continue to support an aggressive research and development program in the field of nuclear propulsion for nuclear warships. This will assure that the United States continues to maintain an overwhelming leadership in the naval nuclear propulsion field, which is so vital to our defense.

Mr. HALL. Mr. Chairman, I make the point of order that a quorum of the Committee is not present to hear about this $18 billion bill.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 140]

Abernethy
Annunzio
Ashmore
Ayres
Baring
Blatnik
Bolton
Buchanan
Cahill
Callaway
Cederberg
Celler
Clark
Clausen, Don H.
Conyers
Corbett
Daniels
Dawson
Derwinski
Devine
Diggs
Dorn
Dulski
Ellsworth
Erlenborn
Evins, Tenn.
Farbstein
Flynt
Gettys
Halleck
Hanna
Hardy
Harvey, Ind.
Jones, Ala.
Jones, Mo.
Krebs
McCarthy
McEwen
McMillan
MacGregor
Madden
Martin, Ala.
Martin, Mass.
Matsunaga
Meeds
Morrison
Moss
Multer
Murphy, Ill.
Murray
O'Brien
O'Hara, Ill.
O'Hara, Mich.
O'Neill, Mass.
Patman
Powell
Pucinski
Reid, N.Y.
Resnick
Rhodes, Ariz.
Rivers, Alaska
Ronan
Roncalio
Rooney, N.Y.
Rostenkowski
Senner
Sickles
Sikes
Sisk
Stafford
Sweeney
Taylor
Thompson, N.J.
Thompson, Tex.
Toll
Utt
Waggonner
Walker, Miss.
White, Idaho
Williams
Wyatt
Young

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Dent, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, S. 2950, and finding itself without a quorum, he had directed the roll to be called, when 350 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS of South Carolina. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Louisiana [Mr. Hébert].

Mr. HÉBERT. Mr. Chairman and Members of the Committee, today is a very historic day in the history of this country. It is historic because we have come to grips with the answer to the question of whether the Congress shall discharge its responsibility under the Constitution to raise and maintain armies and navies and to provide the rules and regulations thereof, or whether it shall abrogate that power to the executive department. The issue is very simple.

The problem is not simple. We are here today to determine whether or not the best judgment of the military brains of this country, in whose education and experience we have invested millions and millions of dollars, shall prevail with their expertise on their chosen subject.

In these few minutes I shall attempt to bring into sharp focus the issues that are involved. I shall attempt to document the statements which I make. But over and above these considerations we must face one fact of life, and that fact of life is the reason why this House is today given the opportunity to accept the decision of its own chosen members of the Committee on Armed Services or to reject their decision in favor of a member of the executive department. We should ask ourselves this question: How has it been made possible to bring this issue straightforward and forefrontly to the House for decision? The answer to that question comes to you today who have been on this floor since 12 o'clock. You have seen here today a demonstration the like of which I have not seen in my 26 years in this Congress. You have seen this body stand up and give prolonged applause and salutation to the one individual who stood his guns and fought for the principles in which he believes and the discharge of the responsibility which he assumed when, on 13 different occasions, he stood in this body and raised his hand to support the Constitution of the United States.

You have heard applause given to him here by his confreres, his colleagues. You have heard each Member stand here and tell of the job that the gentleman from South Carolina, Mendel Rivers, the chairman of the committee, has done. I repeat and reemphasize it now because, without the dogged determination and the tenacity—yes, the guts and the courage in the face of every adversity that an individual could possibly face—the chairman refused to be sidetracked, and he comes to you today with a bill which he has fathered and which he has sponsored in order that you can make your decision as to whether the Congress shall discharge its constitutional responsibilities.

I could not add to what has been said about the bill or what has been said about our chairman from South Carolina. My statement would be gilding the lily. But I must say to you that no one in this House has been closer to the gentleman from South Carolina, Mendel Rivers, than I have.

We came here together 26 years ago, and we have served side by side. I believe I know him better than anybody here. It is a proud moment when I can stand in the well of this House and salute him for his courage and for his determination to discharge his responsibilities, and, above all, to recognize him and pay tribute to him for being a human being.

He is just as much a human being as anybody in this House, with all the faults and frailties and all the sterling qualities, whatever you want to call them which we all, at some degree, may possess. This is what makes him the real man that he is and the real leader that he has demonstrated himself to be.

I share with each Member who has spoken the remarks made about him. I am sure he deeply appreciates them, as he has told you. But this is the important thing: If the gentleman from South Carolina, Mendel Rivers, had not determined upon his course when he became chairman of the Armed Services Committee, we today would not have the opportunity of making history in this body, in this very Chamber. He has overcome every obstacle. He has defied every assailant. The record that is being made here today will last longer—yes, more eternally—as an eloquent monument to him, than anything else that could be written or said. So this is why it is a historic day.

It is a day of testimony for him, who has led us to this point. It is going to be his finest hour when the roll is called and there is not a dissenting vote against this proposition that we offer you today. Our solid front of solidarity, of respect to this man that will be reflected in the vote on this bill, will say to the world that the Congress of the United States shall have the power to discharge its constitutional responsibility.

I will not attempt here to talk about the bill except in generalities which reflect the basic question at issue. On this side we have the Secretary of Defense. Let me say that I join with my colleagues who have insisted that we have no personal argument with the Secretary. I certainly have none. I am a great admirer of his. I admire his ability and I respect him as a person.

I sincerely believe that he is doing the job that he believes in his conscience is the job to do. I likewise expect him to believe that I am doing the job that I in my conscience am expected to do and I am trying to do.

We have the situation of military man after military man coming to our committee and testifying before us that they are in need of certain implements of war. Their testimony is subject to questioning by the committee of 37, whose combined membership represents hundreds of years of experience.

We place this expert testimony against the position taken by the young man, a civilian, who just came here some 6 years ago, and who has just celebrated his 50th birthday. We have to balance this man's expertise against the expertise of these military people. Is there any doubt in your mind which one we will accept?

It is therefore our responsibility, when the Secretary comes before the American public and suggests or persuades the public that he is supported in his position by the military, when, as my distinguished colleague here has said, is not quite accurate—then whom do we believe? When this individual comes to us and says, "We do not see a clear need for an advanced bomber."

"We."

One would assume, and naturally so, that "we" means the military. "We" means the experts. "We" means the generals and the admirals.

So we would say to the generals and admirals, "Are you part of 'we'?" And everyone of whom we asked the question said "No, I am no part of 'we'."

Then the Secretary of Defense staged a very dramatic and theatrical television show, which would have done Cecil B. DeMille proud.

He surrounded himself with the Chairman of the Joint Chiefs of Staff, the Chief of Naval Operations and the Secretary for Air, and he told the audience, "I will tell you who 'we' is. 'We' is my Chairman of the Joint Chiefs, the Secretary for Air, the Chief of Naval Operations, the Commandant of the Marine Corps, and the President of the United States."

I say to the Secretary, "Mr. Secretary, you have not accurately stated your case, because I know of my own knowledge that there is a hole in that list you named."

Having one hole, they could have two.

So whom do I offer as a witness? I offer the testimony of these military people in connection with the advanced bomber.

The advanced bomber is a very simple thing. Either we are going to have an advanced bomber to follow on in the defense of this country or we are not going to have one. We are going to place all our eggs in the basket of missiles, or we are going to have a balanced mix. The only way we can have the advanced bomber is to build the bomber. This is the only way to do it.

The Armed Services Committee has time and again, and repeatedly, said that it is in favor of an advanced bomber.

General LeMay and the generals who served with him without exception have testified to the need for the manned bomber. General LeMay quite interestingly had this to say before our committee; that the first day he talked with the Secretary of Defense he got the message; he just was not going to build a bomber.

Every year there have been delays and delays and excuses and excuses.

Now we come down to this proposition. We ask now to have put into the bill $11.8 million for what is known as contract definition or the definition phase of the advanced bomber, the so-called AMSA.

The Secretary says that the committee in its report shockingly distorted the facts. Well, we wanted to find out how we shockingly distorted the facts, so we looked at the record. The record shows a very enlightening thing.

I hold here a page from the hearings, printed in the report, wherein the Joint Chiefs say they see a clear need. They do not use the word "clear" but they see a need for the bomber in the future. The Joint Chiefs say this.

This is our testimony. So what happened? When the hearings came back from the Office of the Secretary of Defense everything favorable to the advanced bomber had been "inadvertently" deleted by the Office of the Secretary of Defense, so that no one could know what the actual position of the Joint Chiefs is on this vital subject.

Acting in the face of this, I asked the Secretary was there anything in this which would work against the defense of the country. The Secretary did not reply, but General Wheeler did, and he said there was no security involved. On my own initiative this was done, with the approval of the chairman. I must emphasize again that I could do nothing in this field, nor could any other member of the committee do anything, without the stalwart and absolute unrelenting backing of the distinguished gentleman from South Carolina.

So the Secretary himself then called a press conference. Now, is this not an amazing thing? He changed the wording from a shocking distortion to a misunderstanding by the Joint Chiefs of Staff.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. HÉBERT. They had misunderstood a memorandum. Are any of you ladies and gentlemen so naive as to believe that the Joint Chiefs of Staff are going to take a piece of paper, a memorandum, on is face value and, if they have any idea of a misunderstanding, do you believe that these people will not go directly to the source to discuss the matter?

Now, I am a naive and simple man, but I cannot go that far. So, instead of our report being shockingly distorted, it now becomes a matter of misunderstanding.

Mr. Chairman, at this time I wish to place in the RECORD the entire exchange of correspondence on this subject, for which I have previously obtained permission. I ask the Members here to read the transcript of the Secretary's press conference. It would be amusing if it were not so tragic to see the light in which he attempts to place this matter.

The material referred to is as follows:

PRESS RELEASE, THURSDAY, MAY 12, 1966

Representative F. EDWARD HÉBERT (D-La.), Chairman of the House Armed Services Subcommittee which had conducted an inquiry into the Department of Defense decision to reduce the number of our strategic manned bombers, today issued the following statement:

"Secretary McNamara, on Monday, April 25, 1966, held a special press conference in which he attacked the credibility of a report issued by my Subcommittee on the future of our strategic bomber force. The Secretary alleged that the report gave 'a shockingly distorted picture of the true situation.' He carefully attempted to leave the impression that the Joint Chiefs of Staff, including the Chief of Staff of the Army, the Chief of Naval Operations, the Commandant of the Marine Corps, and the Chairman of the Joint Chiefs of Staff were part of the 'we' who, as he said, today 'still cannot see a clear need for a new strategic bomber.'

"Since the Secretary of Defense challenged the credibility of my Subcommittee's report and attempted to utilize the position of the Joint Chiefs of Staff on a follow-on bomber as illustrative of the 'distortions' in our report, I challenged the Secretary to resolve this issue by releasing to the American public the present position of the Joint Chiefs of Staff on the need for a follow-on bomber.

"That challenge was issued by me on April 26th—the day after Secretary McNamara's press conference. Today, more than two weeks later, the Secretary of Defense has failed to accept this challenge and has not released the present recommendations of the Joint Chiefs of Staff which unequivocally reflect 'a clear need for a new strategic bomber,' and thereby flatly agree with the Subcommittee and its report.

"The refusal of the Secretary of Defense to release this information to the American people speaks for itself. However, I had assumed that this information would nevertheless be available to the American people at the time the printed hearings were released by the Committee on Armed Services on the Fiscal Year 1967 weapons procurement bill. This information was officially received in testimony on April 5, 1966.

"I was, therefore, amazed to discover that this testimony, relative to the present position of the Joint Chiefs of Staff on the need for a follow-on bomber, was deleted from the Committee transcript for 'security reasons' by the Department of Defense. Since nothing in this testimony appeared to be in any way secret or in violation of our national security interests, I addressed a letter, on May 6, 1966, to the Secretary of Defense challenging this security action.

"Late on May 9th, 1966, I received a reply signed by General Wheeler, Chairman of the Joint Chiefs of Staff. Unfortunately, the letter from General Wheeler is also classified 'confidential' and, therefore, I am precluded from making it available to the public in its entirety. However, I do not think it a violation of security to quote the following passage from that letter:

"'I can not say that release of this advice (of the Joint Chiefs of Staff) pertaining to next year's budget, or release of selected extracts of that testimony you propose to release in its entirety, would be in violation of the national security interests of the United States. I do think such release would establish an unfortunate precedent.'

"Since the national security interests of the United States will not be affected by the release of this information, its release is in the public interest, and in view of the importance of this issue as it affects not only a possible follow-on strategic bomber but the very credibility of the Congress, I am today releasing an extract of this April 5, 1966 testimony as received by the full Committee on Armed Services.

"I direct your attention to a statement made by the Secretary of Defense on a nationally televised press conference on April 25th at which time he said: 'The Report of the House Armed Services Committee on this subject of manned bombers gives, I think, a shockingly distorted picture of the true situation. The suggestion that major decisions on the manned bomber program were made against the advice of the Joint Chiefs of Staff is without any foundation, whatsoever.'

"And now I direct your attention to the statement made by General John P. McConnell, Chief of Staff of the Air Force, to the full Committee on Armed Services on April 5, 1966, and which was part of the deletion made by the Department of Defense in an obvious attempt to keep from the American people information they were entitled to have in the interest of national defense: 'the JCS are agreed that a missile/manned bomber mix is required for the forseeable future. The operational life of the B–52 Gs and Hs cannot be assured beyond fiscal year 1975. The FB–111 as presently conceived, is not capable of covering the more distant targets in the USSR and communist China. The Joint Chiefs of Staff consider that concept formulation for a follow-on manned bomber should be completed at the earliest possible time.'

"The 'clear need for a new strategic bomber' is further emphasized by the willingness of the Joint Chiefs of Staff to recommend, as testified to the Committee on April 5, 1966—which I point out was a full three weeks before the Secretary's press conference: 'full scale follow-on bomber development in order to protect the offensive striking power of the United States by preserving an option for an initial operating capability in fiscal year 1974.'

"The Joint Chiefs did indicate they would prefer to review the results of a contract definition phase before actually committing themselves on full scale development of any one particular strategic aircraft. But they feel so strongly about the clear need for some kind of follow-on manned bomber that they have recommended full scale development of the AMSA to assure both initiation of contract definition and ultimate availability of a new strategic manned bomber. They have been forced into this position by the inflexibility of the Secretary of Defense and his opposition to entering the contract definition phase of the AMSA.

"In summary, the Joint Chiefs of Staff agree completely with the position of the subcommittee. They support the concept of a follow-on manned bomber and they recommend at this time that the initiation of the contract definition phase of the AMSA go forward.

"The whole picture here presented is indeed shocking, but clearly not because of any distortion of the facts by the Subcommittee."

Attached hereto is the actual colloquy during the Committee hearing as documentary evidence of the accuracy of the foregoing. That language which appears in brackets was physically cut out of the Committee transcript by the Department of Defense.

COMMITTEE PRINT

Mr. BATES. I will not take very long, because Mr. HÉBERT touched on one of the questions I wanted to get into, and that was the position of the Joint Chiefs of Staff and the Air Force with respect to AMSA.

Now, as far as the Air Force is concerned they wanted full funding for the program to move ahead. What was the recommendation of the Air Force, per se?

The CHAIRMAN. Contract definition?

General MCCONNELL. Contract definition phase.

Mr. BATES. Is that as far as they wanted to go?

General MCCONNELL. That is as far as the Air Force asked to go when this budget was made up; yes, sir.

Mr. BATES. So the Air Force wanted just the contract or project definition; is that correct? The reason I asked, somebody gave——

General MCCONNELL. Since this budget was made up, Mr. Bates, the Joint Chiefs of Staff have made another statement with respect to the AMSA. [It was not the same statement that General Wheeler gave before the subcommittee, because we had not completed the 1968 to 1975 JSOP.]

[The position that the Joint Chiefs of Staff have taken in the new JSOP, which has just been published and submitted to the Secretary of Defense is that they support full-scale development.]

Mr. BATES. Mr. HÉBERT wants you to repeat that, General, if you please.

Mr. HÉBERT. The point about [development,] General, that last sentence.

Mr. BATES. [Full-scale development.]

General MCCONNELL. Let me read to you what the Joint Chiefs of Staff have said in the 1968–75 Joint Strategic Objectives Plan, [which is not what they said before the fiscal year 1967 budget was made up.] General Wheeler quoted what the position of the JCS was at the time that the budget was made up, and when he testified before your subcommittee.

Since then there has been the publication of the new JSOP, Joint Strategic Objectives Plan.

The CHAIRMAN. What was that date?

Mr. HÉBERT. What was that date, General?

General MCCONNELL. That was just about the middle of last month.

The CHAIRMAN. Is this what you are reading?

General MCCONNELL. I would like to put it in the record.

The CHAIRMAN. This is what you are reading?

General MCCONNELL. Yes, sir.

The CHAIRMAN. Go ahead and read it.

General MCCONNELL. [It says the JCS are agreed that a missile/manned bomber mix is required for the foreseeable future. The operational life of the B–52 G's and H's cannot be assured beyond fiscal year 1975. The FB–111, as presently conceived, is not capable of covering the more distant targets in the U.S.S.R. and Communist China. The Joint Chiefs of Staff consider that concept formulation for a follow-on manned bomber should be completed at the earliest possible time.] And parenthetically, that is what the Secretary was talking about when he said we would hope by July to come up with the concept formulation.

I will go ahead and finish this, if I may.

Mr. HÉBERT. That is what I want to get.

General MCCONNELL. [Subject to satisfactory completion thereof; that is completion of concept formulation, the Joint Chiefs of Staff recommended that succeeding stages be conducted on timing consistent with an I.O.C. of fiscal 1974. Although the JCS recognize uncertainties associated with a commitment now, to full-scale follow-on bomber development, the prohibition contained in Secretary of Defense memorandum of the 3d of September 1965, subject: Program Change Proposal of 5–038. Advanced Manned Strategic Aircraft, forecloses the conduct of a contract definition phase without a decision to proceed with full-scale development.]

That is because of the Secretary of Defense's interpretation of contract definition. The Secretary of Defense says that if you go to contract definition phase, then he is conditionally committed to full-scale development.

[As a consequence, the Joint Chiefs of Staff have no alternative to recommending full-scale follow-on bomber development in order to protect the offensive striking power of the United States by preserving an option for an I.O.C. in fiscal year 1974. However, they would prefer to review the results of a contract definition phase before recommending full-scale weapons system development.]

Mr. HÉBERT. I couldn't have testified better for the subcommittee's report, General; I will let it rest there.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., May 6, 1966.

Hon. ROBERT S. MCNAMARA.
The Secretary of Defense,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: The Committee on Armed Services received testimony on April 5, 1966, from departmental witnesses relative to the position of the Joint Chiefs of Staff on the need for a follow-on bomber. Regrettably, the Department of Defense, in sanitizing this testimony for public release, has seen fit to delete from the transcript such pertinent testimony as actually reflects the current position of the Joint Chiefs of Staff on the Advanced Manned Strategic Aircraft. Copies of the specific testimony to which I refer, both in unclassified and classified form, are attached for your information.

As you know, my Subcommittee recommended initiation of the contract definition phase of AMSA in FY 1967. The full Committee on Armed Services concurred in this recommendation and, therefore, added to the FY 1967 departmental procurement bill additional authorization for this purpose.

Since the current views of the Joint Chiefs of Staff on this important subject constitute essential background information upon which the members of the House of Representatives must make a decision in reference to this Committee action, and since there appears to be no genuine security consideration which precludes the publication of this testimony, it is my intention to recommend that this deleted testimony be made available for publication.

In the event you believe such action would violate the national security interests of the United States, I would appreciate your specific views on this question not later than the close of business Monday, the 9th of May, 1966.

Sincerely,

F. EDWARD HÉBERT,
Chairman, Subcommittee No. 2.

NEWS RELEASE, OFFICE OF ASSISTANT SECRETARY OF DEFENSE (PUBLIC AFFAIRS), WASHINGTON, D.C., MAY 12, 1966

Secretary of Defense Robert S. McNamara today issued the following statement:

"I understand that Mr. HÉBERT has held a news conference today and that confusion continues to exist as to the recommendations of the Joint Chiefs of Staff concerning the provisions for an advanced bomber in the FY 1967 budget now before the Congress.

"As I told you in open press conference April 25th, the suggestion by Mr. HÉBERT and his Committee that major decisions on the manned bomber program in the 1967 budget were made against the advice of the majority of the Joint Chiefs of Staff is without foundation. The testimony the Air Force Chief of Staff, General J. P. McConnell, before the Committee April 5, released by Mr. HÉBERT today, makes this clear. This is further attested by the letter of May 9 from General Earle G. Wheeler, Chairman of the Joint Chiefs of Staff, to Mr. HÉBERT, parts of which Mr. HÉBERT made public today. General Wheeler wrote Mr. HÉBERT: 'I do think it would be inappropriate if the impression were generated, either by implication or otherwise, that in connection with the budget now before the Congress the Joint Chiefs of Staff recommended full scale follow-on bomber development. This is not the case. The extracts of testimony you propose to release do not make this point sufficiently clear.'

"On December 3, 1965, General Wheeler, Chairman of the Joint Chiefs of Staff, transmitted to Mr. Vance and me the final recommendations of the Chiefs on the FY 1967 budget. In his memorandum, General Wheeler said: 'The Joint Chiefs of Staff, less the Chief of Staff, Air Force, agree with the Secretary of Defense that commitment to full-scale development of the Advanced Manned Strategic Aircraft should not be made at this time. The Secretary of Defense has approved $11 million in FY 1967 for continuation of development of avionics and propulsion subsystems. The Joint Chiefs of Staff have recommended that these subsystems be developed and that systems studies be performed, to permit an AMSA IOC of FY 1974 but without commitment at this time to develop it as a weapon system.'

"This was the position of the Joint Chiefs of Staff in the final stages of our formulation of the FY 1967 Defense Budget, this was the position they presented to the President prior to the time he made his final decision on the budget, and this was the position I expressed in my statement to the House Armed Services Committee on March 8, 1966 when I said that: 'Although we still cannot see a clear need for a new strategic bomber to replace the B-52G-Hs and FB-111s, we plan, as a hedge against some unforeseen improvement in Soviet anti-bomber defenses, to continue development work on the components and sub-systems which would be required if it should ultimately become desirable to deploy such an aircraft.'

"Now let me address the development of the FY 1968 budget, a matter which has not yet been considered by Mr. Vance or me and which will not be presented to the Congress by the President until January 1967.

"One of the initial steps in this process of preparing the 1968 budget is the preparation of the so-called JSOP (the Joint Strategic Objectives Plan). The JSOP is but one of several documents in which the Joint Chiefs of Staff will make recommendations on the advanced manned bomber program (AMSA) for FY 1968. Their final recommendations on the advanced bomber program for FY 1968 are not due to be submitted to the Deputy Secretary and the Secretary for incorporation in their recommendations to the President until August or September of this year.

"In the JSOP for 1968 the JCS stated that they would prefer to review the results of a contract definition phase before recommending full-scale weapon system development of bombers, but they understood that expenditures for contract definition for FY 1968 would not be approved unless they were prepared to recommend full development. Therefore, they felt compelled to recommend it. Their belief that proceeding with contract definition required a decision on full development arose out of a misunderstanding of the relationship between these two phases of an engineering program. This misunderstanding has been clarified and as a result the Joint Chiefs are reconsidering the matter and are free to adopt the position they initially preferred."

PRESS CONFERENCE, MAY 12, 1966

Secretary McNAMARA. Now, let's go to this question of the advance. Let's pass these out and then——

PRESS. Mr. Secretary, I have another question on Background while these are being passed out.

Secretary McNAMARA. Well, let's—let's just hold it for a second and pass these out and those of you who get them before I start reading, can read it in advance.

This is a rather complex matter and it's highly technical in terms of dates and statements and so on, and I want to be absolutely sure that you completely understand the facts.

So I want to—I want to read this slowly and then I want to take your questions on it with the hope that we can clarify the—the issue.

(The Secretary reads the statement:)

I understand that Mr. HÉBERT held a news conference today and the confusion continues to exist as to the recommendations of the Joint Chiefs of Staff concerning the provisions for an advance manned bomber in the fiscal '67 budget now before the Congress.

As I told you in open press conference April 25th, the suggestions by Mr. HÉBERT and his Committee that major decisions on the manned bomber program in the '67 budget, were made against the advice of a majority of the Joint Chiefs of Staff, is without foundation.

The testimony by the Air Force Chief of Staff, General McConnell, before the Committee April 5th, released by Mr. HÉBERT today, makes this clear. It's further attested to by the letter of May 9 from General Wheeler to Mr. HÉBERT, parts of which Mr. HÉBERT made public today.

General Wheeler wrote Mr. HÉBERT in that letter of May 9, and this is an exact quote from the letter: "I do think it would be inappropriate that the impression was generated, either by implication or otherwise, that, in connection with the budget now before the Congress, the Joint Chiefs of Staff recommended full-scale follow-on bomber development. This is not the case. The extracts of testimony you propose to release do not make this point sufficiently clear."

And that ends the quote.

On December 3rd, 1965, General Wheeler, as Chairman of the Joint Chiefs, transmitted to Mr. Vance and me the final recommendations of the Chiefs on the '67 budget and in memorandum, General Wheeler had this to say, and this is an exact quote: "The Joint Chiefs of Staff, less the Chief of Staff Air Force, agree with the Secretary of Defense that commitment to full-scale development of the advanced manned strategic aircraft, should not be made at this time."

Now, let me read that again. This is the heart of the controversy: "The Joint Chiefs of Staff, less the Chief of Staff Air Force, agree with the Secretary of Defense that commitment to full-scale development of the advanced manned strategic aircraft, should not be made at this time."

That's an exact extract from their paper. It is the exact language that is in my final paper to the President on the basis of which he made the decision that led to the budget that's now before the Congress for fiscal '67.

Continuing with the quote from the Joint Chiefs paper of December 3rd: "The Secretary of Defense has approved $11 million in fiscal '67 for continuation of development of avionics and propulsion sub-systems. The Joint Chiefs of Staff have recommended that these sub-systems be developed and that system studies be performed to permit an in-operation date of FY-74, but without commitment at this time to develop it as a weapons system."

The underlining of "at this time" connoted that perhaps at some future time they would wish to commit to development as a weapons system. But——

PRESS. Is that their choice to do it?

Secretary McNAMARA. It's theirs.

This was the position of the Joint Chiefs of Staff in the final stages of our formulation of the FY-67 Defense budget. This was the position they presented to the President in Texas, prior to the time he made his final decision on the budget.

And this was the position I expressed in my statement to the House Armed Services Committee on March 8th when I said that—and this is an exact quote from that statement, which was released to the press: "Although we still cannot see a clear need for a new strategic bomber to replace the B-52G's and H's and FB-111's, we plan as a hedge against some unforeseen improvement in Soviet anti-bomber defenses, to continue development work on the components and subsystems which would be required if it should ultimately become desirable to deploy such an aircraft."

And this, by the way, in that quote, is the source of the famous "we", I've been charged many times since then with using we when there wasn't any "we" except me. Well, the "we" here is four Chiefs, plus the Deputy Secretary, plus the President. So I thought I was in good company and fully justified in using the term "we".

Many of the witnesses, by the way, who were interrogated on this point before the Committee, were not participants in the final decision and didn't know who "we" was. And that's why——

(Laughter)

Secretary McNAMARA. —some of the controversy arose. Had the question been addressed to me or anyone who knew who "we" was, there would have been no confusion. In any event, as I say, the "we" is me and the President and Cy and four Chiefs.

Now let me consider the development of the FY 68 budget, a matter which has not yet been considered by Mr. Vance and me, and which will not be presented to the Congress by the President until January 1967.

One of the initial steps in this process of preparing the '68 budget, is the preparation of the so-called JSOP—the Joint Strategic Objectives Plan. The JSOP is but one of several documents in which the Joint Chiefs of Staff will make recommendations on the advanced manned bomber program for fiscal '68.

The final document in which they will make their recommendations will be similar to the one I referred to above, and will finally come in in around early December, 1966, just as their final recommendations for '67 came in in that document dated December 3rd above.

In any event, the JSOP is one of the initial steps.

Their final recommendations on the advanced manned bomber for '68 are not due to be submitted to the Deputy Secretary and the Secretary for incorporation in their recommendations to the President until August or September of this year, and once we incorporate them in ours we then send it back to the Chiefs and they come out with their final recommendations to the President about December.

In the JSOP for '68, the Joint Chiefs stated they would prefer to review the results of a contract definition phase before recommendating full-scale weapons system development of bombers. They understood that expenditures for contract definition for fiscal '68 would not be approved unless they were prepared to recommend full development. Therefore they felt compelled to recommend it.

Their belief that proceeding with contract definition required a decision on full development, arose out of a misunderstanding of the relationship between these two phases of an engineering program. This misunderstanding has been clarified, and, as a result, the Joint Chiefs are reconsidering the matter and are free to adopt the position they initially preferred.

Let me say, before taking your questions, that it's important to understand the difference between the contract definition phase of engineering and what succeeds it. Contract definition is a—a phase during which something on the order of 5 per cent or less of the total engineering funds are spent in an attempt to lay out and formulate the characteristics of the program and advance with sufficient preliminary information to determine whether the specifications can be accomplished during the succeeding development.

And there's a tremendous difference between recommending therefore proceeding with 5 per cent or less of the program on the one hand, and recommending proceedings with full development on the other.

Yes?

PRESS. Mr. Secretary, this will be in a sort of semantic (unintelligible), but doesn't—isn't it a fact that there remains a difference on this phrase "we still cannot see a clear need for a new strategic bomber"? It seems to me that the JCS does feel that there must be a bomber going into service by 1974, whereas you don't feel there is.

Now admittedly, the JCS doesn't seem to agree on timing or phasing or even what this aircraft should be.

Secretary McNamara. No.

Press. Is that the difference?

Secretary McNamara. No, I don't believe—I don't believe it is. I think that the Chiefs feel that as far ahead as they can see, we need a mixed force. And I'm inclined to agree with that, but the question is: what should be the composition of the mixed force and when should that composition change?

Now the—this issue's been confused by mingling discussion of two fiscal year budgets, '67 and '68. It's quite inappropriate, I think, at this time, to be discussing the '68 budget. Mr. Vance and I haven't considered it at all. The President isn't even aware hardly we're working on it. And the Chiefs haven't even begun to formulate their final recommendations with respect to it.

I think I'm correct in saying—and, Cy, correct me if I'm wrong—that JSOP doesn't even have dollar figures in it.

Mr. Vance. I don't believe it does——

Secretary McNamara. I don't think——

Mr. Vance. I haven't looked at it, so I can't say.

Secretary McNamara. It isn't even a budget. It is just a preliminary force plan. But I think I'm correct—Henry Glass is here.

Mr. Glass. Yes.

Secretary McNamara. Henry, does the JSOP have dollar figures in it?

Mr. Glass. No. No.

Secretary McNamara. No——

Mr. Glass. The Secretary recommends it——

Secretary McNamara. It's their preliminary recommendations on force plan, so that——

Press. It still isn't very clear what you're saying here.

Secretary McNamara. Well, what I'm saying, Lloyd, is that the allegation that (A) the majority of the Chiefs favored inclusion in the fiscal '67 budget of funds to provide or to start a full development——

Press. You mean contract definitions?

Secretary McNamara. No—I mean just exactly what I said. The allegation that the Chiefs favored inclusion in the '67 budget of funds to start full development of the bomber is without foundation. These words indicate it.

(B) The allegation that I misstated the position of myself vis-a-vis the Chiefs in relation to their action and attitude on the '67 budget is without foundation.

Press. Mr. Secretary——

Secretary McNamara. (C) These allegations resulted from a confusion of thought with respect to '67 and '68.

(D) No one's position on '68 has been fully formulated yet.

And it's just not appropriate at this time to be talking about it * * *.

It came up in passing in connection with these hearings and there was some reference to it today in the statement put out by—by Mr. Hébert.

Press. (Unintelligible) straighten this up. You say that the confusion has been clarifi——

(Laughter.)

Press. Or misunderstanding has been clarified, not for me, maybe you did do it for the Joint Chiefs of Staff. Are you saying that the Joint Chiefs of Staff thought that contract definition and the commitment (unintelligible) were interdependent and could not be separated and therefore in order to get a contract definition they had to go ahead with full development?

Secretary McNamara. I'm saying that they acted separately on two years, '67 and '68.

Press. But then——

Secretary McNamara. Wait, just a second now. Let me answer Lloyd's question.

They acted separated on '67 from their actions on '68. On '67, they stated clearly and unequivocally that regardless of what premises they were operating on, they did not recommend full development.

Now that's extremely important to get across. That's the budget that went to the President, that's the budget before the Congress. That's the only budget that anybody's acting on.

Now, the second point is that when they began their consideration of '68, then a semantical confusion developed, and they understood in their earlier discussion on '68, that if they were to get any funds at all for contract definition i.e., the first 5 per cent program, they had to recommend going ahead with 100 per cent of the program, and requesting whatever was appropriate for that.

That is not the case. That is not the way we run engineering in this Department. It was the way it was run at one time. It's what led to the Sky Bolt and the Dyna-Soar and whatever you call that big dish at Sugar Grove——

(Laughter.)

Secretary McNamara. People proceeding on programs that weren't clearly visualized, that weren't well-formulated, that hadn't been addressed to the end result, and getting so far along before they found out that they weren't really what they wanted, that they had to continue it anyhow.

Now, we're trying to stop that, avoid it, and the way to avoid it is to think before you act. And I'm willing to spend 5 per cent of the total cost on thinking time before we spend the other 95 per cent find we made a mistake. So we definitely want to separate contract definitions from decisions relating to full development.

The Chiefs didn't understand that, and in some of their initial thinking on '68, were confused by it. That's all been clarified and that's being taken account of.

That confusion did not affect their action on '67. It's because the consideration of '68 and '7 has been confused and brought together that this misundertanding has developed.

Yes?

Press. The kindly congressman from Louisiana also had more than a statement. He had Q and A, and we went into this. And he makes two points: (A) that the Chiefs were unanimous on FY 67 in wanting money for project definition which you refused; and, (B), that, according to Congressman Hébert, that you had told the Joint Chiefs that project definition would commit you to development of this project. Would you comment on those two?

Secretary McNamara. First, I didn't tell them that. There was a piece of paper that they say—that related to '68—but, it was the foundation for the confusion of '68 that told them that. That's why the misunderstanding developed. Mr. Vance and I have clarified that.

Now, as to the first point that they wanted more money for '67 than I proposed and the President recommended, that's absolutely correct. I've said it a hundred times.

Press. For project definition?

Secretary McNamara. Yes. The words they used were for project definition, but——

Press. (Unintelligible) we're talking about the same thing?

Secretary McNamara. Well, we're talking about money, but we're not talking about the same thing in concept here.

They didn't know what kind of a bomber they wanted to develop, and there's a tremendous difference of opinion on this at the present time.

Now, you—you really have three stages in the development of a complex weapons system. One I would call concept formulation. This is when you can see what it is you're trying to do. And after you've conceived of what you try to do, you then add what I'm going to call concept—contract definition, which is, you take that concept and you try to develop specifications for it and you—you proceed far enough in examining design problems to determine whether you think with full development you can accomplish in performance, those specifications.

And then you have after contract definition the remaining 95 per cent, the engineering. Now, the concept formulation hasn't been completed here. You can't find three senior people in this building, or at least I haven't found them, who will give you the same concept of this bomber.

You heard Dr. Brown, on April 25th, say that he—I think his words were, he thought there were—what did he say—a spectrum of designs. I've forgotten exactly what it is—spectrum was the word he used. The reason he used the word "spectrum" was that he has one concept and he, that is, Secretary Brown. There is I think a spectrum of views as to what the purpose of a manned bomber to replace the 52's would be, whether it's to be used in a nuclear strategic role as a complement to ballistic missiles, or whether it's to be used for conventional bombing, or whether it's to be used for both.

Now just stop there just a second. Now this is what we're talking about. Concept formulation. What's the concept of the bomber? Is it a nuclear bomber, a conventional bomber, or a dual-purpose bomber? That's one point.

Secondly, once you decide on the general role of it, what's the concept of how you can best achieve it? High altitude, fast penetration? Low altitude, subsonic; low altitude, supersonic; standoff, launch of missiles; launch over the target; short-range standoff, long-range standoff?

None of this has been decided. Until you decide that, you can't even move into contract definition. And Brown went on to say, therefore, someplace, well, here it is: He said: "But the characteristic's for one purpose, i.e., nuclear-strategic, conventional, dual-purpose, low-level, high-level, subsonic, supersonic, standoff, drop-over-the-target" et cetera.

The concepts, the characteristics for one of those purposes versus another purpose are quite different from the ideal characterisics of the other purpose and that's why, in my opinion, further examination of the concept of use will here precede full-scale development. I'm hopeful that sometime by the end of this summer, we'll be in a position to explore all of these things in sufficient detail.

So, going back to the Chiefs' recommendations for '67, what the Chiefs really recommended was—forgetting words now—they wanted $22 million of work done, and we recommended $11 million.

Now, Dr. Brown also recommended $22, but he recommended the money be spent in a different way than the Chiefs recommended. Check me on this, Cy, and see—Brown wanted it the extra 11 million spent on engines, as I remember.

Mr. Vance. That's correct.

Secretary McNamara. The Chiefs wanted it spent on studies of airplanes.

Now, I don't—don't want to extend this discussion much longer, other than to say to you that I think the record shows complete confusion——

(Laughter.)

Secretary McNamara. And I'm a taxpayer as you are, and until I can see with more clarity than I can presently see what the citizens of our country are going to receive in benefits from the expenditure of more money, I'm not going to recommend it. And, as it happens, the President agreed with my recommendations, so that's exactly where we stand.

Press. How long would it take you, sir, to get this after you start? How long do you figure it would take——

Secretary McNamara. Well, the Chiefs—the Chiefs say that they believe that we should be prepared—they don't say we should have—but we should be prepared, if we choose, or have the option of having if you want to phrase it that way, new manned bomber in 1974. And we've got time for that because we've been working on components. We have big engines, small engines, supersonic engines, subsonic engines, sweep-wing airplanes, delta-wing airplanes. You've got all kinds of components we can use here and that, you see, is exactly what the money is for.

I've forgotten how much has been appropriated and stamped or committed in sixty—let's see now—'64–5 and 6, but it's on the order of $60 million, to which will be added this $11 million, making $70 million, which is money spent for component development, avionics, air frame studies, engine studies, et cetera.

Yes.

Press. Mr. Secretary——

Secretary McNamara. Well, this gentleman (pointing).

Press. Mr. Secretary, project definition and contract definition policy that's been around for several years now. Who gave the Chiefs the mistaken impression about full development——

Secretary McNamara. There's never been a—there's never been a clear break between these and frankly I'm afraid the concepts aren't clear in the Department today.

Press. Sounds like you better get some new Chiefs.

(Laughter.)

Secretary McNamara. This was Senator Morse's remark on the Secretary-General yesterday when he said the UN has nothing—well, that's——

Press. I have no intention to be in such a situation.

(Laughter.)

Secretary McNamara. Well, let me give a ringing endorsement to the——

(Laughter.)

Secretary McNamara. Effectiveness of our present Chiefs. I—I mean—digress to say. And I—I mean this very sincerely. You don't—you don't often find men who are spending 6 and 7 days a week on their job year in and year out—many of us in this room certainly are—they're here temporarily—we'll have a few years, five years or six years, whatever it may be—but the Chiefs spend their lives at this and they spend literally seven days a week at it and hardly a Sunday goes by that I don't have a call from General Wheeler or some conversation with him.

So, and it isn't just effort either that they're putting in; they're putting in effective work. So I don't want anybody left with the impression that the Chiefs aren't doing an effective job; they are.

They most certainly have my full confidence and the full confidence of the President.

Press. Sir——

Secretary McNamara. Yeah, Charlie.

Press. I still get out of this statement the announcement that the Chiefs recommended full development of an airplane because they did not know that they did not have to.

Secretary McNamara. Yeah, I think that's fair.

Press. And I must say that that is incredible.

Secretary McNamara. But—but, Charlie, look—look. No, it isn't. But, you're—you're—well, look, you're getting mixed up now '68 and '67.

Press. I'm talking about '68 now.

Secretary McNamara. Yeah, the Chiefs haven't recommended a budget for '68. Not a single damn dollar.

Press. That's what Mr. Hébert said too.

Secretary McNamara. That they haven't recommended a budget?

Press. That he agrees with your men.

Secretary McNamara. All right, they arrived at—they made no recommendation for '68, in terms of budget.

Press. What is it that he referred to that confused the Chiefs?

Secretary McNamara. They have—they have a JSOP, which is a force structure, but it does—it doesn't include dollars.

So let's—let's not get '68 mixed up with '67. '68 never should have been discussed. It just crept into the discussion one day in an off-handed fashion and it was seized upon and not fully developed by anybody, so let's keep '68 out of this and talk about '67. We've got a budget for '67 lying before the Congress; it's perfectly clear what the Chiefs recommendations are.

And that's what I've tried to clarify today and it's that testimony which has been confused and misunderstood.

Yes?

Press. Mr. Secretary, if the Chiefs do not get contract definition in fiscal '68 budgets, will they get their airplane in fiscal '74?

Secretary McNamara. Well, I—let me rephrase your question and then answer the rephrased question.

(Laughter.)

Secretary McNamara. Well, these terms—these terms are confusing. It depends on what contract definition is. I think it would be fair to say that—that if no money was spent on further development in '68, a '74 introduction date probably couldn't be met. And what therefore is—is critical in answering your question is, how much money would be spent in '68 and for what?

Now, if—if engine development, for example, didn't continue at a particular pace, probably the '74 date could not be met. If airplane development didn't continue and there were no money for it, probably the '74 date could be met because I think in this particular instance, the engine will prove to be the long lead-time item.

Press. Mr. Secretary?

Secretary McNamara. Yes.

Press. Mr. Secretary, I've always understood that entering into contract definition is at least a tentative commitment to development.

Secretary McNamara. No, it isn't.

Press. Apparently the Chiefs (noises).

Secretary McNamara. Yeah. Yeah. Yes, you—you may have had a correct understanding of what had been the case in the past, but it isn't the case now, and that's exactly why we have contract definition. It's exactly why we have it. That—if we didn't—if that weren't the purpose of it, to separate it from the decision to develop, they'd be no need for having a separate phase. That's the way you distinguish contract definition from the remaining portion.

But what I want to emphasize here is—we're doing a lot of talking about contract definition, but we haven't really discussed what the concept is. Why do we have to have it? What's it going to do? What kind of bomber is it going to be?

How—how can you talk about spending much money to—to probe design to see whether you can achieve a given set of specs, specifications, when you aren't clear on what you want? And that—that's where we stand now. We're not clear what we want.

Yes?

Press. Could we ask this. I—I'm not clear in my own mind, how it is that these men, with their professional standing, working there under your thumb here, can be confused on an issue of this significance?

Mr. Vance. It was a badly-drafted memorandum.

Secretary McNamara. It was a badly-drafted memorandum that they were working on and it's so early in the budget process that technical problems like this haven't really been considered early in the '68 budget processes.

Many Voices. (Unintelligible.)

Mr. Vance. That's by ASD and OSD.

Press. These are ground rules about contract definition?

Secretary McNamara. No, it means that—it means that, as I tried to point out to you, that for years this Department has proceeded on engineering development without adequate thought as to the purpose of the project, and the—the performance to be achieved, and the specifications necessary to accomplish it all. I've said this now for 4 or 5 years, it'll take ten to turn the Department around on a problem like this. It's a very complex thing to do, but we're making a lot of progress. And what we're trying to insure is, that before we start on a Dyna-Soar product, before we start on a Sky Bolt project, before we start on a B–70 project, before we start on a Sugar Grove Big Dish project, we have a clearly-conceived idea of the purpose, of the performance required to achieve that purpose, of the specifications necessary to accomplish that performance and of the probability of accomplishing those specifications with a given design approach.

Now that's what we're trying to accomplish. That's what these two initial phases are for. (A) concept formulation. (B) contract definition.

Press. Mr. Secretary——

Secretary McNamara. Yes?

Press. Have you set or suggested a date when the contract formulation will be due?

Secretary McNamara. I've asked Secretary Brown to do it as soon as possible. The Air Force is working on it now. I think that—that sometime this summer or fall these studies will be completed. They're very complex. They have to take account of the defenses this aircraft would have to penetrate. The alternative ways of penetrating them. The targets to be struck. The weapons to be used. The possible supplementary use to be made of the system—that is, conventional bombing versus nuclear and so on.

Yes?

Press. Did I understand you to say, sir, that Sky Bolt was a victim to similar confusion——

Secretary McNamara. Yes——

Press. Of concept?

Secretary McNamara. Well, no, not——

Press. Could you explain that?

Secretary McNamara. I think that Sky Bolt if you dug into the history of it, was started without a clear concept of its purpose. Just as simple a point as this was never clear and I—I went back into the documents to try to deterimne the answer to this question. Was it intended to destroy primary targets? Or was it intended to destroy the defenses the bombers would be required to penetrate to get to the primary targets? The bombers were carrying gravity bombs—that's clear. Now were those Sky Bolt missiles intended to be launched against primary targets such as a military depot or a nuclear weapons site, or something of that kind? Or were the Sky Bolt missiles intended to be launched from the distance of a thousand miles away, against the defenses on the perimeter of the enemy territory—defenses that the bombers would be required to penetrate in order to get to their primary targets.

Now if any of you have the answer to that I'd be happy to have it if you can show me the document that made that answer available before we started a program on which we spent $4 million on the latest development that would have cost $2 billion. And I submit to you unless you can answer that question, you never should have been allowed to spend more than a few millions of dollars.

Now it's that kind of an approach we're trying to take through engineering development.

One more question, fellows, and I think we better call it off.

Yes?

PRESS. When did contract formuliza——

Secretary McNAMARA. Formulation.

PRESS. Formulation determine the accepted part of the doctrine and under what date——

Secretary McNAMARA. Well, I'd say about 6 or 9 months ago. I think we better end on this note.

I'm sorry we didn't get into some of the more interesting subjects I've been questioned on recently, but——

(Loud laughter.)

Secretary McNAMARA. We'll look forward to that—look forward to that the next time.

(Mixed questions audible only in part.)

Secretary McNAMARA. I was going to say some people thought I behaved differently than the newspapers——

(Laughter.)

Secretary McNAMARA. I thought surely I consider that a (inaudible—laughter) to me or you.

(Laughter.)

STATEMENT BY CONGRESSMAN F. EDWARD HÉBERT

I am gratified that the Secretary of Defense, at his press conference on May 12th, conceded that the confusion in the public's mind over the Joint Chiefs of Staff's position on a future manned bomber was caused by misleading documents emanating from his office.

It is clear now that there was no "shockingly distorted" picture given to the public by my subcommittee's report. I take the Secretary's statement on May 12th as a willingness to admit he was wrong. I excuse his earlier excess of language.

But let's not let past weaknesses of syntax further cloud the facts. What is unmistakably clear is that:

(1) The Joint Chiefs of Staff have recommended for inclusion in the fiscal year 1967 budget precisely what the subcommittee recommended—that is, a total of $22.8 million for the AMSA program; and

(2) The Joint Chiefs of Staff strongly believe that we require a follow-on manned bomber to replace the B–52 G to H series aircraft and it is not the FB–111.

I am sure the Congress will approve the full $22.8 million required for AMSA contract definition.

I am pleased that, instead of saying he sees no clear need, the Secretary now indicates he has an open mind on the manned bomber. I trust he will now let the contract definition phase go forward and not let the masters of confusion in the Pentagon further confuse the basic and simple facts.

Mr. HÉBERT. Mr. Chairman, one other matter and I will be through, because I do not want to trespass on your time any longer. There is only one thing that this committee is interested in and that is discharging its duty. There is only one thing this committee is interested in and that is the defense of this country, and giving our men in uniform the best available weapons. We are not interested in engaging in controversies or in challenging people, but I do think that we discharge our responsibility and we must discharge our responsibility by following this admonition of a great American who is still admired throughout the world. He said this:

> * * * We therefore can pay honor to the deepest source of our national strength.
>
> That strength takes many forms, and the most obvious are not always the most significant.
>
> The men who create power make an indispensable contribution to the Nation's greatness, but the men who question power make a contribution just as indispensable, especially when that questioning is disinterested, for they determine whether we use power or power uses us.

Those are the words, even though he is fresh in his grave, of John F. Kennedy. I say that we not only follow that admonition in the procedures that we take here, but it is my fervent hope when the roll is called—and the roll will be called—that there will not be one dissenting vote against substantiating our judgment and backing up our committee and recognizing the power that this Congress has and which it must discharge. I hope that you bring to this body today the crowning jewel of my chairman's finest hour.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. PIRNIE].

Mr. PIRNIE. Mr. Chairman, our chairman of the committee, Mr. RIVERS, and the ranking minority member, Mr. BATES, have given a comprehensive picture of the purpose and scope of the bill before us. However, there are specific items in the bill which I would like to emphasize. Before doing so, I want to pay tribute to our chairman, under whose dedicated leadership long and intensive hearings were conducted. His hard work and vast knowledge of the military have contributed much. His devotion to his task has resulted in many measures vital to our Nation's security and the welfare of our fighting men being enacted after virtually unanimous approval within our committee and the entire House. For this the Nation is indebted.

In certain respects, the measure today is at variance with attitudes of the Defense Department. We regret this is true but it is understandable. One cannot properly serve on this commitee without developing individual judgments and personal convictions. Failure to reflect them in our legislation would be a betrayal of our obligations. Our differences should not be identified as a feud but rather honest diversity of opinion. We truly believe that certain weapons and systems must be included in our defense posture and are taking steps to assure that such will be the case.

The additions that the committee made, while substantial, have, I think, been explained in sufficient detail to establish their validity. Simply stated; the Department of Defense, while presenting a good bill, did not take into consideration a number of important areas. We, in the committee, have attempted to supply these omissions and it is my hope that the whole House will see its way clear to join in passing the bill as the committee has amended it.

Last year the Armed Services Committee amended its authorizing legislation so as to include within the requirement for authorization tracked combat vehicles. Since this is the first year—and the first bill—which contains specific authorization for this new item, I would like to deal briefly with these vehicles as they are reflected in the Army portion of the bill.

While from a money standpoint the tracked combat vehicle program in the bill is relatively minor; namely, about $360 million, it does represent a major advance in our land warfare capabilities. We know the part that tanks played in World War II. We knew, too, that the Soviet Union and its satellites have something in the order of 90,000 tanks. Accordingly, our own capability in this area—both to employ our own tanks and to defeat the enemy's tanks—must be deemed of great importance.

No one can foretell what the future may bring in the way of warfare. Quite naturally we tend to think in the context of intercontinental ballistic missiles, airplanes traveling at three times the speed of sound, and other dramatic weapons of this kind. History has shown, and may well show again, that in the last analysis, it is the ground troops who must take and hold territory. Therefore, though lacking in glamour, the tank and other tracked vehicles play a fundamental and extremely important role in our military capability.

I think, therefore, that both because it is the first time that this program is being presented in any detail to the House and because of their importance, these vehicles warrant some description. Parenthetically, I could suggest that the Army follow the lead of the Air Force in giving popular designations to these vehicles. Who is not presented with a dramatic picture when he hears of an airplane called the Delta Dagger, the Voodoo, and the Super-Saber and so on? Unhappily the Army in all too many instances has a mere numerical designation for its vehicles and in giving this brief description of them, I will, therefore, necessarily use these designations.

First, in the vehicles affording entirely new combat capabilities to our ground forces is the armored reconnaissance assault vehicle, the General Sheridan, and the M–60 main battle tank. Both of these vehicles have as their principal armament the new Shillelagh. This is a very unusual weapon in that we have departed from the normal cannon round and progressed to a guided missile designed to be fired from a gun tube that is also capable of firing conventional ammunition. Probably in the whole world today there is no weapon which has the accuracy of the Shillelagh both against moving and stationary targets. There is no known armored vehicle in the arsenal of any potential enemy, or indeed in the arsenal of any of our allies, that cannot be defeated by this spectacular new weapon. It can be used with equal effectiveness against armor and against field fortifications and troop concentrations.

Other new or improved capabilities are represented by the M–548 cargo carrier. This can perform a variety of functions but it is most important as an ammunition resupply vehicle for self-propelled artillery units. The modern Army is fast moving, faster than anything we have seen before. Its mobility will be greatly enhanced by this new carrier. It can travel almost 40 miles an hour on land and at about 3½ miles an hour on water. Virtually no terrain is too rough for it. It is air droppable and represents a real advance in ground warfare.

Next is the XM–571 utility carrier. This is actually two vehicles in one, although both of the units are driven by the same engine through an extremely interesting power transmission by universal joint. We speak of all-weather airplanes, and this is the Army's version of an all-weather vehicle. It will travel through swamp, deep snow, and virtually every terrain condition that might be encountered.

Perhaps the most impressive among the tracked vehicles authorized by this bill is the bridge launcher. Its basic vehicle has the same general characteristics as the M–60 tank. It carries, launches, and retrieves a 7-foot scissoring-type aluminum bridge. The effectiveness of this vehicle is immediately evident.

Other vehicles being presented for specific authorization for the first time are mentioned on pages 68, 69, and 70 of the committee report.

As this portion of the defense program was being discussed in committee, it became apparent how far we have progressed in land warfare in the relatively few years since World War II. I have personally examined many of these vehicles and have seen them in operation. Our Army has, indeed, made real strides with its mobility.

Subsequent to the presentation of this bill to the committee, a request came from the Department of Defense to increase one item by about $20 million. The committee accepted this recommendation and its wisdom in so doing has been indicated by the performance of the craft it procures.

I am referring to the light observation helicopter known as the OH–6A.

It was recently announced that this helicopter has set 21 unofficial world records for rotary-wing aircraft. Twelve of them are for speed and three each for distance, climbing, and sustained altitude. Indeed, three of these records are for helicopters of all sizes and weights.

Incidentally, these flights were conducted under the supervision of the National Aeronautic Association and have been submitted for approval as official world records. If these are approved, and they undoubtedly will be, the OH–6A will hold more world records than any other helicopter. It has traveled at over 172 miles an hour and exceeded the existing official world record by almost 50 miles an hour.

We all know that the bumblebee from an aeronautical standpoint theoretically cannot fly. The OH–6A, in lifting three times its own weight, seems to be similarly anomalous.

And now I would like to take a few moments to speak of something that is not directly associated with the bill but which is of great moment in all of our lives today, namely the activities of our Air Force in southeast Asia.

As the war in southeast Asia has changed its character from an insurgency to open aggression, the scope and tempo of all military operations increased far beyond that envisioned for counterinsurgency alone.

Today, air operations in southeast Asia include two major programs: air strikes in North Vietnam and tactical air support operations in South Vietnam.

In South Vietnam the Air Force is concerned primarily with delivering effective and timely close air support to both United States and South Vietnamese ground forces. When an Army unit commander needs immediate air support, the request is forwarded by radio to the Direct Air Support Center—DASC—for Army validation. The mission is then assigned to one of the fighter units—either on ground alert or airborne—which is allocated to the direct air support center for that day's operation. The fighter aircrews contact the radar installations designated to control them to the target area, and then report to the ground or airborne forward air controller—FAC. This entire procedure is completed in a matter of minutes.

Once the fighters are in the immediate target area, the airborne forward air controller marks the target by smoke from a rocket grenade. The ground forward air controller uses mortars or artillery. The same procedure applies at night, except that special flare aircraft precede the fighters to the target area, where the forward air controller directs them to illuminate the target for the attacking aircraft.

A specific number of Air Force attack sorties are allocated to the support of ground operations in South Vietnam each month. This is only a planned allocation, however, and airpower has such flexibility that the entire force can be directed immediately to any threatened area if required, since support of the ground forces in South Vietnam receives first priority in our air effort.

The system I have just described is providing excellent control of tactical air operations in an extremely harsh environment, and an even better system is now evolving with the extension of radar control for positioning and precision bombing in southeast Asia. Only minutes elapse between the request for a strike by an Army commander and its delivery, and there have been numerous comments by Army commanders attesting to the effectiveness of this close air support. In my opinion, the proper application of airpower has been a key factor in enabling us to hold our own in numerous specific encounters and, in our basic conduct of the conflict, to turn from the defensive to the offensive.

The air strike program against North Vietnam which began in March 1965 has included targets such as ammunition depots, military barracks, supply depots, POL storage areas, power plants, railroad yards, port facilities, roads, bridges, airfields, radar sites, and ground defense positions, including SAM sites. This air campaign is a determined effort to restrict the flow of men and supplies to South Vietnam and to convince the North Vietnamese that the price for their continued support of aggression is too high. Within the limits imposed by national policy and despite a hostile ground environment of surface-to-air missiles and conventional fire equal to any found in Europe in World War II, our operations in North Vietnam have been highly successful. Our program of air strikes has virtually denied the enemy the use of main roads during daylight, and we have stepped up night attack operations to further obstruct enemy movement to the south. Also in the north we have witnessed increased Mig activity during the past month. During this period our pilots have destroyed seven Mig aircraft without the loss of a single airplane to enemy aircraft. Such results from the recent attempts at aerial engagements by enemy fighter planes have proven the superiority of the combination of our pilots and aircraft against the best they have to offer. It is also significant to note that in regard to the newest version of the ground-to-air threat, the SAM's, our airpower has again prevailed and successfully countered a modern weapon system.

Although our tactical fighters have flown most of the strike missions, they have been ably augmented and supported by our SAC B–52's and our Special Air Warfare, reconnaissance and airlift forces. As an example, the Guam-based B–52's have flown approximately 300 missions and delivered close to 64,000 tons of bombs on Vietcong strongholds. This aircraft has also shown its versatility by flying interdiction missions and closing the Mu Gia Pass in direct support of ground operations. Other strike missions are flown by the Special Air Warfare Forces which perform an important role in South Vietnam. Close air support missions are flown by their A–1 and F–5 fighter aircraft. C–123 and C–47 transport aircraft perform flare missions, defoliation operations and airlift. Loudspeaker equipped aircraft conduct operations over friendly or enemy targets and are used extensively to drop leaflets. The fire support squadron using C–47 aircraft, the old "Gooney Bird," equipped with side-firing Miniguns, is used in defense of forts and hamlets at night.

In the reconnaissance area, the Air Force maintains tactical reconnaissance forces in southeast Asia to provide the intelligence necessary for planning and conducting the ground campaign as well as for tactical air operations. The southeast Asia reconnaissance force consists of aircraft that can perform both day and night operations in support of U.S. Army and ARVN requirements for infrared and night photo reconnaissance, but are also employed for day reconnaissance both in and out of country. The entire reconnaissance force furnishes the vital intelligence base for updating target information and provides any other intelligence which can be collected by aircraft.

As for tactical airlift, the forces assigned to support southeast Asia combat operations have effectively met all RVN requirements to this date and have been one of our most valuable assets in conducting operations in southeast Asia. In an area where surface transportation is greatly limited by both terrain and Vietcong activity, air transportation has become a veritable lifeblood factor by maintaining a steady flow of food, ammunition, and equipment to our deployed combat forces. The effectiveness of airlift is exemplified by the very diversity of the missions flown—not only military deployment, resupply, and aeromedical evacuation missions, but also such functions as airlifting livestock and food to resupply Vietnamese villages.

The recent introduction of the faster and longer range HH–3E helicopter in southeast Asia has improved the Aerospace Rescue and Recovery Service capability to recover downed aircrew members from hostile areas. During the first 4 months of 1966 this particular aircraft rescued 29 of our downed aircrew members.

In summary, I would like to say that the Air Force has done a truly outstanding job. Although operating thousands of miles away from the base of supplies, using highly sophisticated weapons in a primitive environment, and facing heavy ground fire, the Air Force has sucfessfully met the requirements placed upon it. It has shown great flexibility and versatility in measuring up to the challenges it has faced. We may all be justly proud.

Mr. Chairman, this bill is obviously a necessary one. It has received close study by the committee and represents the committee's best thinking as to our requirements in the area of procurement and research and development for fiscal year 1967.

I remind the House that it was reported from the Armed Services Committee unanimously, and it is my sincere hope that this unanimity will be reflected in the vote of the House here today.

Mr. BATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, I would like to join in the tributes that have been accorded to our able chairman today, the gentleman from South Carolina [Mr. RIVERS]. I want to particularly thank the gentleman for the kind remarks that he had to say with respect to my efforts on the amendment that is now incorporated in this bill to provide additional airborne television capabilities for South Vietnam.

Mr. Chairman, I rise in support of S. 2950, the 1967 defense procurement authorization as amended by the House Armed Services Committee.

While I wish to address myself primarily to a specific committee amendment, I want first to underscore the importance for our national security of the actions taken unanimously by the committee under the leadership of its able chairman, the gentleman from South Carolina [Mr. RIVERS]. For at a time when there is so much justified concern over the decline in the influence of the legislative branch of our Government I believe the American people should take encouragement and satisfaction from the committee's conscientious exercise of independent judgment with respect to the proposals and policies of the executive branch relating to our defense posture.

Although the committee in its consideration of this bill, and in the language of the report accompanying it, is critical of certain attitudes and views currently dominating the Department of Defense, it should be carefully noted that these differences arise out of a continuing debate over many areas of defense policy in which there is constructive concern on both sides for the welfare of the country.

In certain areas the so-called "cost effectiveness" approach has been found inappropriate and in something less than the national interest. The successful handling of challenges throughout the world unfortunately do not necessarily lend themselves to the neat criteria of "cost effectiveness."

What the committee rejects in the current handling of defense policy is a one-eyed "efficiency" based too exclusively upon only quantifiable data. What is needed is a balanced flexibility approach which permits the highest degree of adaptability toward the changing demands of world events which defy computer explanation and prediction. The committee believes we must always strive to be ready for the unexpected as well as the expected, the incalcuable as well as the calculable. It is apparent today for instance that 2 years ago the great buildup in South Vietnam was not really anticipated, and when events presented themselves, our military people in South Vietnam found that they, in order to meet the challenge at all, had to go into the business of distributing shortages of supplies and skills.

The committee is concerned that an unrealistically constricted view of our future military requirements might result in a much more drastic situation. For example, this one-eyed cost approach asserts that because a nuclear-powered aircraft carrier costs more money a conventially powered one is more in the national interest. Such an argument, however, in no way establishes which type of vessel will perform its mission most adequately under changing political and military requirements. I fully share the committee's conviction that nuclear power offers advantages that far outweigh the cost factors; and that these advantages may well prove to be of crucial importance to our defense posture in the years ahead.

In the past, the committee, insisting upon its constitutional mandate to be a full participant in the debate and control of our defenses, has sought to require that future aircraft carriers be nuclear powered, but the Pentagon has resisted. Today in fact there is being built an aircraft carrier, the *John F. Kennedy*, with conventional propulsion—which means this carrier is obsolete before it is christened.

Last year Congress authorized a nuclear powered guided missile frigate but again nothing was done about it. Today's bill includes authorization for two such vessels, the committee report contains conclusive evidence that such ships are of vital importance. Similarly the committee has found that it is essential to authorize funds for the production of F–12 interceptor aircraft, for the CX–2 aircraft needed to modernize our aeromedical evacuation fleet, for continued work on the Poseiden program, for the manned orbiting laboratory, and for the advanced manned strategic aircraft, the followon bomber designed to replace the aging B–52's. Likewise the committee deems it prudent to provide the funds which would reduce the time required to deploy the Nike X antiballistic missile system once the go ahead has been given.

These actions, as well as the recommendation for a 3.2 percent military pay increase, I believe, deserve the support of Congress and the quick action by the executive branch for they deal with problems we cannot ignore or postpone indefinitely.

As I said at the outset, my remarks today relate primarily to one of the committee amendments to this bill which I am gratified to report was adopted unanimously. This has to do with the authorizing of additional airborne telecasting and broadcasting capabilities. For this purpose this bill would authorize $20 million for the procurement of aircraft which will provide greater flexibility in operation, permit an extension of transmission coverage and broadcast time and also guarantee a higher degree of security. I believe this added capability will be of great assistance in insuring that the Vietnamese television network recently inaugurated will approach its highest potential as a means of providing reliable information throughout South Vietnam to combat years of Vietcong propaganda and to help create a stable and unified national community.

Let me summarize briefly some of the basic reasons which support this increased capability.

Many of my colleagues know that regular television broadcasts were begun in South Vietnam on February 7 entirely through the means of airborne facilities which simultaneously transmit on two channels; one for the Vietnamese—with program assistance furnished by the USIA—and the other for U.S. military personnel—operated by Armed Forces Radio-Television Service.

The urgent nature of the origination of an airborne broadcasting facility necessitated the utilization of available resources. A vehicle was needed large enough to house television transmitting and programing devices for two channels, AM and FM broadcast facilities, equipment for single or multichannel teletypewriter operations and other capabilities of a classified nature. The aircraft which was available and selected was the C–121 Superconstellation.

However, although the two C–121 aircraft, which bear the designation "Blue Eagle," now on station have performed satisfactorily, due in part to some ingenious makeshift modifications, other restrictions imposed by this airframe tend to downgrade the ability to exploit fully the potential of television in South Vietnam. What is required for optimum performance is an airframe that is not severely weight limited, that possesses the speed and altitude capabilities for flexibility in operation, and sufficient range to allow, should the need arise, for basing in an area of known security.

In order to provide adequate telecasting daily to substantially all of South Vietnam as well as having the capability to operate from a remote area—for example in the Philippines—I am advised that four aircraft of a type comparable to that of the P–3A Orion would be required. Furthermore, turbojet engines would greatly reduce the vibration and noise which are concomitant with the C–121 reciprocating type, and which have necessitated special modifications to secure acceptable broadcast quality. An aircraft that can operate at altitudes in the neighborhood of 30,000 feet, as opposed to the C–121 maximum of 16,000 feet, would, I am told, increase the effective area of broadcast by a factor of three or four.

The C–121 aircraft now on station were originally expected to provide the television signal for only a few months until ground facilities could be constructed. The airborne concept was essentially a stopgap measure and the number of these flying TV stations were kept to the absolute minimum that would still permit daily broadcast. This absolute minimum, however, did not allow for proper maintenance procedures. Delay in the construction of ground transmitters has in part required the fabrication of a third C–121 facility which is scheduled to be on station in August when it will permit one of the other Blue Eagles to undergo a long overdue overhaul.

Official estimates now call for an operational ground facility in Saigon, with a standard transmission coverage of a maximum of 40 to 50 miles, not before October 15 of this year. However, there are already reports that it may not be ready until December. In addition 3 substations are to be erected in other areas of the country but which will not be operational before June of 1967 at least and then to only an estimated 60 percent of the population.

It should also be noted that these 3 substations will not be "relay" stations but will be for the most part rebroadcasting material first shown by the Saigon facility. Airborne transmitters, on the other hand, are fully capable of providing instantaneous "live" coverage throughout the whole country, since two Blue Eagles of the type recommended in this bill, flying simultaneously 300 miles apart and at altitudes in the neighborhood of 30,000 feet can beam signals throughout virtually all of South Vietnam. The advantages of broader coverage and the capacity for live transmissions are ones which I believe should be exploited.

Mr. Chairman, because the Blue Eagles have to be based in South Vietnam due to restrictions imposed by the C–121 airframe there exists the very real problem of protecting these transmitters from destruction.

It need only be recalled that the Vietcong mortar attack in April of this year on Tan Son Nhut Air Base, resulted in damage to both and the near total destruction of 1 Blue Eagle aircraft causing a curtailment in broadcasting from a 7- to 5-day-week schedule for several weeks.

Ground stations whenever they are ready will always be vulnerable to destruction by the Vietcong or "capture" by dissident elements. The capability of being based outside South Vietnam and the fact that the aircraft are at all times under the control of U.S. personnel will insure that control over communications will not be lost to unfriendly hands. It is imperative that there should be no disruption in broadcasting schedules and that coverage and programing time be greatly extended. The psychological implications of a failure to maintain broadcasting schedules might well contribute to a demoralization of efforts to defeat the Vietcong.

Mr. Chairman, while the language of the bill before us does not designate a specific type of aircraft for this purpose the P–3A Orion has been recommended for this purpose. In order to provide the optimum coverage and transmission time it is estimated that such airborne facilities would be required. These can be purchased and outfitted for $20 million.

I have, of course, no assurance that the funds authorized by this bill for additional airborne telecasting facilities will in fact be utilized by the Department of Defense. Perhaps, when they put this proposal on a punchcard it will not pass the cost-effectiveness test. If so, that would be but another example of the failure of the computer to have the vision that is vitally needed in our efforts throughout the world.

In view of the great potential of television in Vietnam, I cannot see how the cost of these additional airborne facilities can be thought excessive or prohibitive. Last February we passed a supplemental appropriation for Vietnam of around $13 billion just to facilitate this war until the end of this month. The price tag on the bill before us is $17.9 billion. Certainly any piece of equipment which promises to shorten this war by as much as 1 day will have very effectively paid for itself many times over in the lives and dollars saved. We can really afford nothing less.

The struggle in Vietnam is first and last a struggle for the minds of men. Military victories will not alone bring a stable, unified country. There can be no political stability where there is no reliable means of communication and where there is a constant stream of misinformation and falsehood being disseminated by the enemy. A program which attempts to meet this need deserves our very best effort. At present, this program is working remarkably well, but it is based too much on a gamble—the gamble that these airborne transmitters will not be attacked again, the gamble that the ground transmitters when in place will always be secure and loyal.

A few weeks ago, I flew a mission with one of the Blue Eagles as it circled Saigon for some 5 hours transmitting its signals. I monitored the Vietnamese channel and I am satisfied that we are making a good effort, but the stakes are high and time may be fleeting. If the job is worth doing, it is worth doing well. We should have first-class equipment.

As we all know, South Vietnam is presently experiencing another grave political crisis. Nothing, I think, could emphasize more the need for greater efforts to resolve these internal differences and to encourage the forces of union rather than dissension among the South Vietnamese people.

A television network reaching out through all of South Vietnam offers a remarkable opportunity to provide these people, for perhaps the first time, with reliable information about the policies of their government and the truth about our efforts to help them. They will be able to see with their own eyes the military, economic, and social progress being made in other parts of the country. Just as a picture is said to be worth a thousand words, so one picture can give the lie to many thousands of words of Vietcong propaganda. The Communists have been working in this field for years. We have really just begun to answer them. We have made a good start, but we must do more and soon. Ways must be found to greatly expand the daily telecasts which are now only 1 hour in length. There is very little, I think, that is more urgent in the Vietnam situation than this program. The funds authorized in this bill would greatly increase the possibility of reaching the potential that this program promises. Let us in the Congress give this program every bit of help we can. I urge the approval of this legislation.

Mr. BATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, I rise in support of this bill, as unanimously reported from our committee, the Committee on Armed Services.

Also, Mr. Chairman, I speak as a member of the Select Committee of the House and Senate on the Organization of the Congress, and its relations to other Government agencies. Then, I speak by appointment of the chairman, as well as the nomination of the ranking minority member and at the election of the committee; as a member of the Research and Development Subcommittee, the Military Aircraft Subcommittee, regular Subcommittee No. 3; and the Military Hospital Construction Special Subcommittee.

Mr. Chairman, I would like to deviate for a minute to stress and lend what I can, to the eloquence of the Speaker and other Members of the House who have spoken in behalf of the chairman of this full committee, the gentleman from South Carolina, the Honorable L. MENDEL RIVERS, today.

As a surgeon, I view mankind objectively and they usually all look alike to me, both from without and from within. I cannot but admire with what deft precision and clean cleavage the Speaker purloined a page from the Gross-Hall party in setting up his beautiful ode and his outgiving remarks about Republicrats, to the chairman of the Committee on Armed Services.

Mr. Chairman, the Honorable L. MENDEL RIVERS, is my chairman and personal friend, is a man upon whom the sun shines and who stands tall in the esteem and the affection of those who know him, because that alone is sufficient to culminate in his humaneness, his greatness, his decisiveness, his determination, mixed with that proper milieu of humility which makes a great man steadfast in his ideals, a man who stands tall in his thoughts and who moves humbly in his relations among his fellow man.

This reminds me of the bit of doggerel paraphrased from "Like the Pine" by Emmabell Woodworth Davis.

> Like the pine, let him stand tall,
> Twice blest by sun and rain.
> Let him be strong
> Against buffeting storms,
> Nor bend with pain.

Like the pine, let him be gentle,
With arms outstretched—
Giving solace there,
And when the nights
Are calm and clear,
Let him wear stardust in his hair.

Mr. Chairman, I like a man who has the guts to stand for principles which remain eternal, and who in good days and bad supports the Constitution which has given us the highest standard of living on earth and who can ride against the stream when necessary to do that which is best for the veteran, and for the enlisted men and officers who stand but for us, around the world.

> The Lord and Soldier we adore in time of danger—not before. Danger past, All things righted—God forgotten, Soldier Slighted!"—American Commentator

I happen to have in my hand extracts from the Federalist papers, and what James Madison said or wrote at the time our Constitution was being framed. It is a great piece which I will not repeat, it explicitly places the whole power of raising armies in the legislature and not in the executive. So this legislature was to be a popular body consisting of the Representatives of the people periodically elected and instead of a provision that was supposed to favor the standing armies, there was to be found in respect to this object an important qualification even of legislative discretion.

I shall not go further.

But how remarkable it is in this day of the grab of executive and judicial powers, if you please, from those of the people's personally elected Representatives we have a leader who will stand and include such things as light observation helicopters, pay raise, atom nuclear propelled surface ships, F–12 interceptors, sprint modification of the antimissile missile, depth submergence studies, antisubmarine warfare research and development, and yet think of the wounded GI and his proper but often delayed aeromedical evacuation in the Conus.

How wonderful it is to follow the leadership with the top secret posture briefings, the hearings, at the side of this white-maned man from South Carolina who stands so tall among his colleagues today.

He reminds us all of Josiah Gilbert Holland's poem entitled "God Give Us Men!"

God, give us men! A time like this demands
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagogue
And damn his treacherous flatteries without winking.
Tall men, sun-crowned, who live above the fog
In public duty and in private thinking;
For while the rabble, with their thumb-worn creeds,
Their large professions, and their little deeds.
Mingle in selfish strife, lo! Freedom weeps,
Wrong rules the land and waiting justice sleeps.

Mr. Chairman, I personally am and have been vitally interested in maintaining our fight against aggression at all costs. No man has yet explained to me where we would defend freedom if not in South Vietnam, the keystone in the arch of southeast Asia. I have always stood four-square for our representative Republic under the Constitution, and I believe thoroughly in the powers vested in our Congress by that masterpiece insofar as raising, supporting, and developing policies of the armed services are concerned.

It is for this reason that months ago I took the floor of this House and documented many areas in which our extinct Secretary of Defense has been lacking, if not deceptive and in error. It is for this reason I have castigated the Assistant Secretary of Defense for public information who has widened the credibility gap, defended the right to lie, and knows not the meaning of "no comment." It is for this reason that I caused last year's military construction bill to be voted on by this Congress over a Presidential veto based on executive powers versus legislative authority, and it is for this reason that I support this bill which will undo many of the faults of the misinterpreted Curtis-McCormack amendment wherein the Secretary of Defense and his clever attorneys state they derive unseemly powers over the Congress.

Finally, Mr. Chairman, it is for this reason that I offer deference and respect to the gentleman from South Carolina, our chairman, in the form of Thomas Wolfe's selection from "Burning in the Night" which is so applicable to this defender of freedom, the Nation, and the promise of America.

BURNING IN THE NIGHT

(By Thomas Wolfe)

So, then, to every man his chance—
To every man, regardless of his birth,
His shining, golden opportunity—
To every man the right to live.
To work, to be himself,
And to become
Whatever thing his manhood and his vision
Can combine to make him—
This, seeker,
Is the promise of America.

Mr. RIVERS of South Carolina. Mr. Chairman, may I say to the gentleman from Missouri how humbly grateful I am for his most gracious statement about me.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I rise in support of S. 2950, which authorizes $17.9 billion for military procurement and research and development and urge the adoption of this legislation as reported by the committee.

As always, the number and type of weapons authorized in this annual bill are governed chiefly by the level of military preparedness the current world situation demands. The adversaries of freedom have made tremendous progress in the technology of mass destruction. More than ever in this Nation's history, it is incumbent upon us that we maintain a military inventory of sufficient weapons and force to survive a massive nuclear attack and to deliver a decisive counterblow.

We cannot risk letting down our guard for even a moment. This is clearly demonstrated by the unswerving determination of those who direct the Communist conspiracy to attain their announced goals. We must remain powerful enough to insure that no other nation would ever consider challenging our full military potential.

The Department of Defense planners have placed a great deal of reliance on missiles, but we must remember that new antimissile developments may affect the reliability of missiles in the future. Therefore, our national defense effort must be based on a balanced and flexible military force in order to achieve maximum effectiveness and protection. The need for versatility has been amply and decisively illustrated by the military demands placed on our forces in southeast Asia.

Our commitment in Vitenam, 6,500 miles from our shores, and other worldwide commitments demonstrate more than ever the need for a follow-on manned bomber. Long-range bombers carrying conventional bombs have been singularly successful in denying the Vietcong and their North Vietnamese reinforcements sanctuary throughout the jungles of South Vietnam.

It is imperative that the Secretary of Defense proceed to full-scale development of follow-on manned bombers other than the modification of the F–111, and it is hoped that he will reach a decision quickly on an advanced strategic aircraft. Undue delay in reaching this decision could possibly result in increased cost of this program. In the case of the F–111 it was brought out in testimony before our Committee that the development of this aircraft will cost us nearly twice as much as we were originally told it was going to cost in the beginning of this program. The engine cost increase alone has been approximately $218 million. We are willing to authorize the expenditure of whatever sums are necessary to maintain a strong defense posture, but we should not tolerate increased costs that we need not have incurred.

I join with my colleagues on the committee in strongly urging that in the interest of our national security the Department of Defense pursue with full measure of speed and dedication steps which will permit the Air Force to begin contract definition of the AMSA in fiscal year 1967.

We have added $11.8 million in this bill to the $11 million requested for AMSA. The judgment of the Joint Chiefs of Staff supports the wisdom of this action by the committee. The reluctance of the Secretary of Defense notwithstanding, we must move forward more rapidly in development and deployment of an advanced manned strategic aircraft that can meet the optimum performance characteristics that the Air Force requires today.

I am fully in agreement with the authorization for an additional number of F–4 aircraft. This is a wise decision in view of the excellent performance of this aircraft in Vietnam. And I might take this opportunity to point with pride to the work done by the GE Evendale plant in Cincinnati in making the engine to power this aircraft.

The decision to include an amount in excess of $250 million for the C–5A cargo plane is also a wise one. This will be the largest aircraft ever built in the world and unquestionably represents one of the most dramatic and significant developments in our airlift capability. The action taken by the committee demonstrates our cognizance of the importance of our airlift capability.

The high-bypass turbofan engines to power this enormous aircraft are manufactured by the General Electric Co. in Cincinnati. I would again like to commend GE for the impressive progress they have made in developing a wide variety of jet engine configurations. The engine for the C–5A will be produced in the same Evandale facilities and use the same highly skilled personnel that are currently producing the J–79 engine that powers such famous aircraft as the B–58, F-104, F–4 and A–5.

I heartily endorse the action taken by the committee with respect to nuclear-powered frigates. The advantages of nuclear power over conventionally powered vessels, particularly under combat conditions, are obvious when all the facts are considered. Nuclear power affords significant military advantages not outweighed by their added cost. The value of their increased flexibility under attack cannot be measured in dollars. I would strongly hope that no more time is lost in moving forward with the design, engineering, and construction of the two nuclear-powered frigates authorized by this bill.

The committee has added $167,900,000 in authorization of appropriations for preproduction activities directed toward the deployment of an anti-ballistic-missile defense system. The Nike X can afford significant protection against many types of ballistic missile attack and would thereby strengthen our defenses against a very real and increasing threat to this Nation's security.

Of course, there is no simple answer as deterrence can never be completely assured. We have an obligation, however, to do everything in our power to see that American lives are protected, and that obligation requires no less action than is proposed by the committee. Better that the cost to us be in dollars than in human life.

We believe the legislation before us today is consistent with maintenance of a military posture sufficient to deter aggression on the part of those who strive for world domination. The authorizations provided in this bill and the purposes for which they will be spent will enable us to remain the strongest nation in the world militarily.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Chairman, I am puzzled and concerned about the very strange procedure under which the HS–820 20-millimeter machinegun was cleared for procurement and given a standard A rating despite the fact that on at least four different points the performance standards normally required of guns of this type were either dropped or waived.

Mr. Chairman, why were Army standards lowered to clear the HS–820 gun for standard A rating and procurement?

A report dated April 19, 1966, by the U.S. Army Test and Evaluation Command, showed that:

First, accuracy requirement of 1.5 mils dropped to 2 mils.

Second, burst accuracy requirement at 1,000 meters dropped completely.

Third, reliability requirement which for years had been a maximum of only 1 per 1,000 rounds was changed to 2 or 3.

Fourth, no dust test was required.

Hearings show this weapon was classified standard A but that classification means considerably less than a year ago.

Why were the standards lowered?

The Germans rejected this gun as unsatisfactory 5 years ago.

The German Army is not now using this gun for field use and has no intention of doing so. Indeed Germany is getting a superior 20-millimeter gun from the same Rheinmetal firm and will be getting deliveries about the same time the United States will get deliveries of the inferior HS–820.

The new German weapon, nearly ready for production is known as the RH–202. It uses the same type ammunition but is not the lubricated-type mechanism. It is a new gun, not a re-do of the HS–820.

Why?

Why was the Army ordered to lower its standards, to let this gun get standard A classification? Why is our negotiating team this week completing the contract deal for an inferior weapon when the same German firm has a superior gun nearly ready?

Mr. BATES. Mr. Chairman, I have no further requests for time.

Mr RIVERS of South Carolina. Mr. Chairman, I yield whatever time he may require to the distinguished gentleman from California, chairman of the Joint Committee on Atomic Energy [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I rise in support of the Defense Department's bill reported out by the House Armed Services Committee.

I should like to comment on the provisions in the bill for the construction of nuclear-powered naval warships. This bill includes a nuclear-propelled aircraft carrier and five nuclear-propelled attack submarines requested by the administration. In addition, this bill includes the authorization of two nuclear-propelled frigates. This latter item is particularly heartening to me.

The Joint Committee on Atomic Energy, of which I am chairman, has throughout the years supported a strong research and development program on nuclear propulsion plants for warships. This research and development effort, under the competent guidance of Admiral Rickover, has been outstandingly successful. It is because of this effort and leadership that we have a clear-cut lead in this technology over all other nations. The addition of the two nuclear-propelled frigates is in accordance with this research and development program and is a logical utilization of the major developments which have occurred in the field of nuclear propulsion.

The Joint Committee published hearings entitled "Naval Nuclear Propulsion Program" in January of this year. I would like to quote a section from the foreword of these hearings which I was pleased to note was also quoted in the Armed Services Committee report on the authorization bill before us today:

> The Joint Committee recommends that the Congress change the fiscal year 1967 Department of Defense authorization to require the two new destroyers to be nuclear-powered ships. This change will be in consonance with the constitutional responsibility of Congress "to provide and maintain a Navy * * *" and with the continuing role of leadership taken by Congress in the development and application of nuclear propulsion to the U.S. Navy—first for submarines, then for aircraft carriers, and now for major fleet escorts.

The bill before the House today is in complete agreement with the views expressed by the Joint Committee on Atomic Energy.

I have, with other members of the Joint Committee, spent many hours studying the particular problem of nuclear propulsion for naval surface vessels. A comprehensive study was made of this matter in the latter part of 1963. It was at this time that nuclear propulsion was being considered for the aircraft carrier, *John F. Kennedy*, which is now under construction. The study resulted in a report by the Joint Committee entitled "Nuclear Propulsion for Naval Surface Vessels," dated December 1963.

Based upon our study, we concluded that the *John F. Kennedy* and all first-line naval surface warships should be provided with nuclear power. It is most unfortunate that our recommendation concerning the *John F. Kennedy* was not followed, and that it is now being built as a conventionally powered warship. We have had to wait nearly 5 years since our first nuclear propelled aircraft carrier, the *Enterprise*, was authorized.

I would like to quote a short excerpt from our 1963 study which I think is still very pertinent to the matter of nuclear propulsion.

> It is an indisputable, demonstrated fact that nuclear propulsion increases the combat effectiveness of our surface warships.
>
> Nuclear propulsion has the fundamental advantage of permitting our warships to go anywhere in the world, to deliver their combat load, and to return; all without logistic support. Nuclear propulsion in the combatant ships will free the striking forces of our Navy from the obvious restrictions of reliance on a worldwide propulsion fuel distribution system. As our potential enemies continue to improve their capabilities over, under, and on the sea, the importance of reducing our dependence on logistic support becomes increasingly critical.
>
> Certain cost effectiveness comparisons were made within the Defense Department and cited to support the contention that the advantages of nuclear propulsion in surface warships are not particularly significant. These studies, however, contain a fundamental weakness that, in the opinion of the Joint Committee, negates their validity. The comparisons cited were based on the assumption that in wartime, logistic support forces will be able to operate unhampered and without losses as they do in peacetime. The defect in this analysis is immediately apparent.

We must plan for time of crisis. It is precisely in such situations that the superior mobility, maneuverability and reliability of nuclear warships will give the United States an unequaled naval striking force. It is fundamentally illogical and wasteful to fit our new first line warships with powerplants that are, perhaps, already obsolete.

In concluding my remarks, I want to assure all Members that I, as chairman of the Joint Committee on Atomic Energy, intend to provide every support possible to the naval reactor development program. My objective is to assure that our Nation continues to maintain an overwhelming lead in this vital field of technology, which is so important to our national security.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield to the gentleman from Missouri such time as he may require.

Mr. RANDALL. Mr. Chairman, I rise in support of the military procurement bill. I am proud to be a member of the House Armed Services Committee, today. Awhile ago our chairman was given such a great ovation.

It is most appropriate that through pure coincidence this bill is being considered on June 14, which is Flag Day. Equally appropriate is the fact that today has been designated as Army Day. It so happens today is the 191st anniversary of the U.S. Army. The bill before us today is without any question one of the most important that will be considered by this 2d session of the 89th Congress. This bill not only affects our present existence but our future life and security of this country in the years ahead.

Before proceeding onward I wish to pause to pay tribute to our distinguished chairman, the gentleman from South Carolina. The entire country is indebted to this able man who would be the first, because of his humility, to say that he does not deserve such praise by his colleagues. The efforts which he has made to return to the control of the Congress powers that have been lifted away by the Department of Defense and others in the executive branch, mark him not only as a man of ability and dedication but as a man of great courage. Our great chairman enjoys the greatest respect from everyone of his fellow members of the House.

This bill has not been hurriedly considered. Even the report has taken a matter of at least 2 weeks to prepare. Preceding that there were many weeks of committee hearings.

The requests submitted by the Department of Defense were acceptable. They were good requests. Your committee felt several additions were needed and in some instances the amounts requested by DOD were inadequate or insufficient.

Before discussing in detail what was added by the committee, it should be pointed out that there are some innovations in this procurement bill which make it rather unusual. For the first time, a procurement bill has been used as a vehicle for a military pay raise. Then again, provisions have been inserted in this bill to prevent the abandonment of a major weapons system without your Congress knowing about such changes or the reasons proposed for canceling such weapons systems.

Mr. Chairman, I think perhaps the best way to place into perspective the $931 million which was added by the House Armed Services Committee over and above the request by the DOD is to consider the three major additions which some editorial writers and columnists seem to think are the most controversial.

First is the continuation or follow-on of the B-58 bombers to include such items at $55 million in procurement funds for the F-12. This plane is simply a version of the A-11 which was heralded by the President a few years ago as one of the greatest planes that had ever been developed. Then there is $51 million for the CX-2 aircraft which is for aeromedical evacuation missions for our sick and injured members of the armed forces. In the field of research and development for aircraft $11 million has been added for further research and development of the AMSA—advanced manned strategic aircraft—$22 million for further tests and evaluation of the F-111A or the TFX which received so much publicity 2 or 3 years ago.

The second largest component among the additions is $167 million for the Nike-X, of which $153 million was for procurement and about $14 million for research and development. All of this sum is directed toward an early deployment of an antiballistic defense system. Your committee has long been of the belief that DOD has not exhibited a proper sense of urgency about ABM—antiballistic missile. This authorization today could mean the saving of more than 1 year to get ready to go. In other words, this authorization means a chance to make an earlier deployment of this most important weapons system. Your committee believes that after 9 years of research and development there has been sufficient progress upon this system to afford us significant protection against many types of ballistic attacks. Your committee knows that the Joint Chiefs of Staff are unanimous in supporting this funding for preproduction activities of this antiballistic missile system.

The third major addition by the committee is in the field of naval vessels. We propose the addition of two nuclear-powered guided-missile frigates—DLGN—in the amount of $258 million. The word "frigate" is a revival from old Navy terminology meaning the ship somewhat larger than a destroyer and carrying more firepower than an ordinary warship. Actually, while the present authorization is for two of these frigates, one is simply a reauthorization from last year. It should be recalled that something in excess of $20 million was previously authorized as a start but the Secretary of Defense decided, in his wisdom, not to proceed. In this connection attention should be directed to the language in the authorization. The bill clearly points out the Secretary of Defense "shall" proceed with the design and construction of these frigates as soon as practicable. It is the feeling of the committee that this language contains a potential test as to whether Congress has the power to raise armies and maintain navies. Certainly there is no better place for a test to be made than for this important weapons system to be the subject of the trial, if it must happen.

Remember, the Soviets have put all their reliance upon submarines. They have 1,400. We believe our submarine fleet, while smaller, is more efficient and more effective. We do have the *Big E*, the *Bainbridge*, the *Long Beach*, and the *Truxtun* is now being built. The decision to add these nuclear vessels was a unanimous decision of the Joint Chiefs of Staff. They thought we need a nuclear task force of at least one carrier and four escorts. The report which accompanies this bill so ably points out the advantages of nuclear-powered ships over conventional power. To put it very briefly, a nuclear-powered ship can proceed at full speed not for a matter of days or weeks or a matter of months without refueling but nuclear-powered escort or carriers can continue for as much as 10 years without refueling.

Now, Mr. Chairman, for a few moments I hope I may direct my thoughts to the question whether the additions to this bill by the committee, being mainly the three programs which the press says Secretary McNamara does not want, are really necessary or important. Some editorial writers have referred to these as pet projects of the committee. Others said these additions were purely provincial or political. Some columnists have put into issue the good judgment of the committee. For such reasons, I think we should consider these in the following order:

First. As to the phaseout of the greater part of our manned strategic bomber force, Secretary McNamara denied repeatedly that the Joint Chiefs of Staff disagreed with his recommendation for such phaseout. Then the chairman of the subcommittee [Mr. HÉBERT], produced two pages of testimony by General McConnell, Chief of Staff of the Air Force who stated positively and affirmatively that the Joint Chiefs were in agreement that a missile-manned bomber mix is needed and required for the foreseeable future. He emphasized that the operational life of our B-52-G cannot go beyond 1975. General McConnell also pointed out that the FB-111, as presently conceived, is not capable of covering the distant targets in the U.S.S.R. and Communist China. Again, General McConnell did not mince words when he said the Joint Chiefs of Staff consider the follow-on manned bomber should be completed at the earliest possible time. The House should take careful note that if there is a question of credibility concerning Mr. McNamara in his dispute with the committee, it would seem the committee should have a right to believe the statement of General McConnell.

The issue today is one that can be stated simply but one which is most important. It is whether the Congress will come to grips with the urgent need to discharge its responsibility under the Constitution, that is, to raise and maintain armies and navies or whether we will abrogate such power to the executive branch. Stated differently, the issue is whether the House will follow its own members on the Armed Services Committee or reject their judgment in favor of a member of the executive branch, who may happen to be the Secretary of Defense.

Second. Turning now to the matter of credibility between the Secretary of Defense and the Joint Chiefs, we find that the Chief of Naval Operations has taken issue with Secretary McNamara by warning him the continued construction of conventionally powered warships poses "grave implications for the national security." The Secretary of Defense and the Secretary of Navy seem to have objected to the cost of construction of nuclear powered frigates and destroyers. The Chief of Naval Operations countered or rebutted by the submission of a warning that our Navy overseas supply lines are now more vulnerable than at any time in our history. Nuclear power offers advantages that could be decisive in many situations. Admiral McDonald went on to point out in a memorandum to the Secretary of Defense that we should not raise objections to the cost of construction of nuclear powered frigates when this cost must be set off against the potential vulnerability of logistical support ships, particularly tankers powered conventionally. The Admiral went on to emphasize that there is such a thing as cost-effectiveness and that construction of nuclear powered task forces can lead to a greatly superior Navy because it will not depend upon tankers.

The third major increase in the authorization bill is the question of the need for an antiballistic missile system or the Nike-X. There should be little doubt now that the U.S.S.R. can inflict damage to the United States by employing long-range missiles. This situation is likely to continue. True, Nike-X is costly but it is worth its cost in the potential saving of American lives. Once again, there seems to be a reluctance upon the part of the Department of Defense to proceed. Military man after military man has come before our committee to testify that leadtime is important if we are to achieve an effective defense posture. They point out that any delay in the production base will result in an equal delay in operational hardware to be deployed at some future date.

One of the most interesting facts about the missile defense system is the result of a survey conducted by ARPA—Advanced Research Projects Agency. There was an exploratory survey made which found out quite a lot about the knowledge of the American public about an antiballistic system. Two-thirds of the persons sampled in the United States thought our country now has a ABM system ready for deployment or operation. It seems to me the result of this opinion poll should provide some real food for thought among the membership of this House. If the public believes they now have protection from enemy missiles when in truth and fact they do not it is time for action by the Congress.

If the Nike-X system can be carried forward immediately it will be capable of defending us against intercontinental missiles and also missiles that might be launched from Polaris type submarines. Whether it can be brought to complete perfection or in even a reasonably effective ballistic missile defense system nevertheless it would save millions of American lives in the event of an enemy attack. Is it any wonder the Joint Chiefs of Staff were unanimous in supporting funding this year? The real wonder is why there was no request from the Secretary of Defense for funds for this purpose?

Mr. Chairman, in the field of research and development the United States lead time is not as long as it appears. It is narrowing and the Vietnam situation is pushing us closer to the danger point. True, we have two advantages over our competitors. We can take laboratory findings to the production line faster. We have a much larger backlog of patents and other technical exclusives. But these are today's assets and they cannot be lived upon forever. Our rivals are learning to shorten the time between "R"—research—and "D"—development. Their big investment in R. & D. people today should be a warning bell. Let us hope it does not take a new shock like Sputnik to speed the United States up again. It is for this reason that I am particularly happy to support the added amounts for R. & D.

On page 22 of the report I note there is $15 million for rapid development R. & D. for southeast Asia. It has been pointed out that these items, although they have been partially identified could have qualified for inclusion in the 1966 southeast Asia supplemental appropriation. In this regard I was particularly impressed by an article in the June issue of Air Force which pointed out that the Vietcong is already half defeated. They can no longer move about in the day time without risking attack and heavy losses. Yet in some way we must take the night advantages away from the Vietcong. Some way we must find a method to help men see at night because the Vietnam war could be quickly won if we could defeat the current Communist tactic of expanding their control of terrain by night. We can quickly win the war if we can succeed in perfecting some sort of night vision device. This capability is being sought. If we can raise the night vision distance from 10 to 100 yards by a helmet mounted device then we can effectively turn night into day so far as our military is concerned and bring our firepower superiority to bear upon the Vietcong at night as well as the day. This phase of R. & D. is most important.

Mr. Chairman, a lot has been said about whether we should be in Vietnam. In the month of May, I forwarded about 55,000 questionnaires or opinion polls to our constituents. Almost 20 percent were returned. As to Vietnam four questions were asked: First. To stand firm until aggression is repelled and free elections were held? Second. Expanding the war to seek military victory? Third. Withdraw? or Fourth, negotiate with the Vietcong and North Vietnamese Communists at the peace table? It was most interesting to note that our hawk constituents—questions numbered 1 and 2—accounted for 42.8 percent and 23.3 percent, respectively, of the returns for a combined total of 66.1 percent.

The third and fourth questions concerning withdrawal or immediate negotiations, respectively, accounted for only 18 percent for withdrawal and 15.9 percent for negotiation or 33.9 percent total for these two questions. The conclusion would seem to be that two-thirds of our constituents favor either firmness or an effort to carry the war to victory as against one-third who favor withdrawal or continued efforts toward negotiation.

Before closing I would like to emphasize, however, that this procurement bill is not for the sole benefit of Vietnam. It has purposes and objectives which lie years ahead. Today in order to acquire good military hardware a long leadtime is required, sometimes 4 or 5 years. First there is the definition stage and then work on the planning boards followed by contract requirements to be in turn followed by the experimental stage on tests and evaluation all of which precede by many years the operational status or deployment of a new weapon. As a member of the Committee on the Armed Services I can assure my colleagues that a large portion of this procurement bill is for our defense in the years ahead and is not related to our present effort in southeast Asia. This is in accord with the belief of many of us on the committee that our entire attention should not be absorbed by the Vietnam conflict. There are other areas in the world which need our attention continuously. There is Western Europe. There is the Middle or Near East. And there is always Cuba, at our doorstep.

The bill before us today has been carefully considered. It deserves the support of every Member of this House.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield whatever time he may require to the distinguished gentleman from Georgia [Mr. HAGAN].

Mr. HAGAN of Georgia. Mr. Chairman, I rise to add my 100-percent support of the bill S. 2950. At the same time I rise to express approval of the statements and join with the distinguished Speaker of the House and our other leaders and colleagues in paying tribute, particularly on this day on which we honor our flag, this Flag Day observance, to a man who has done as much as any other individual to keep Old Glory flying in all quarters of our world. One of the great inspiring periods of my life has been the past 2 years, during which I have been serving under the chairmanship of one of the great patriotic, able Americans who is doing a great job for the security of our great Nation, the Honorable L. MENDEL RIVERS.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield whatever time he may require to the distinguished gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I have had the privilege of serving on the Armed Services Committee for 19 years, all of them with the distinguished gentleman from South Carolina. As chairman of a subcommittee, I think that I can speak for every member of my subcommittee in commending Chairman Rivers for the encouragement and cooperation he has always given to us in the work assigned to us. I know that without his encouragement and his efforts the subcommittee would not have been able to delve as carefully and thoroughly into the many research programs conducted by the Defense Establishment.

When we bring a bill such as this to the floor, because of the direction of the gentleman from South Carolina, you can be assured that the Armed Services Committee has reviewed every single line item, research program and development program which is authorized in this bill.

The gentleman from South Carolina quickly saw the need for a specific Committee on Research and Development, so that this phase of the defense program could be kept under careful and complete surveillance.

We have said something here today about a few people who are responsible for the development of a nuclear navy.

I give a great deal of credit to the chairman of our full committee, because if it were not for his interest in a nuclear Navy—both the submarine program and the surface Navy—it would not be possible for us to bring to the floor the requests for authorizations that we do.

The gentleman from Massachusetts [Mr. Bates] and I, who have served on the Joint Committee on Atomic Energy for some years, have been interested in a nuclear Navy. But we have been prodded by the chairman of the House Armed Services Committee to bring this interest to the attention of the full committee. We have not had the problem of going to our chairman and requesting him to give us support. He has urged us and has urged the full committee to do everything we possibly could to promote a nuclear surface Navy.

The things I have pointed out here today are specific instances of the dedication of Chairman Rivers. There have been many who touched upon the general dedication of the chairman to the national defense of our country.

Also, may I point out that he has given me the honor of serving as chairman of the Military Airlift Subcommittee. I inherited that job from the gentleman from South Carolina [Mr. Rivers] himself, who first chaired that subcommittee in 1960. We might refer to him as the father of the modern military airlift, because before the establishment of the 1960 Military Airlift Subcommittee, there were so many inadequacies in our military airlift that it was practically nonexistent. Today we have a modern airlift. We have improved it over 100 percent. We now have a jet airlift.

A subsequent Military Airlift Committee, headed by the gentleman from South Carolina, in 1963 added to the recommendations that further increased the efficiency and effectiveness of a military airlift. So the recommendations made by the subcommittee headed by Mr. Rivers in 1960 and 1963 have been accepted 100 percent by the Defense Establishment, and every recommendation made in those two committee reports has been put into effect.

I can only hope that the new Military Airlift Subcommittee, of which I have the honor to be chairman, will be as successful as the previous subcommittees were in doing something to continue the modernization of the airlift program.

Mr. Chairman, I rise to lend my wholehearted support to this authorization bill, and to attempt to shed some additional light on several aspects of the research and development portion which are of particular interest to me. The R.D.T. & E. authorization restores about one-third of the most urgent projects which were left unfunded by the Secretary of Defense. This amounts to about $373 million and even though it is not a cure-all, it does assist the military departments as an early step in resolving part of their fiscal year 1967 deficiencies. This expression of confidence in the research and development programs stems from an urgent need to maintain our deterrent posture against all-out war and to meet whatever threats develop in southeast Asia at a minimum cost in American and allied lives.

In reviewing the proposed R.D.T. & E. budget for fiscal year 1967, Subcommittee No. 3, of which I am privileged to be chairman, held some 17 hearing sessions and received testimony totaling over 1,500 pages. Dr. John S. Foster, Jr., Director of Defense Research and Engineering, made the following statement to our subcommittee:

> Our review this year was so intensive as to leave much less flexibility than in Fiscal Year 1966, and hence our ability to cope with unforeseen eventualities during the coming year from within available resources will be very limited . . . I feel that the funds requested represent an austere amount required to meet our most important needs.

It was the committee's view that the budget submitted was too austere and undoubtedly would lead to a requirement for a supplemental authorization and appropriation during the year, if allowed to stand as submitted. The bulk of the cost estimates for known requirements was submitted in October of last year, 8 months ago. Many requirements were not identifiable at that time, but are now. For these reasons, the committee considered closely those projects reduced by the Department of Defense and attempted to identify new requirements that were not considered in the formulation of the budget submitted to the Congress. Based on this thorough review, the committee concluded that an additional $373,200,000 is needed in the defense budget for research, development, test, and evaluation. The programs affected by this add-on are discussed on pages 18 to 23 in the committee report. I will take time to call attention to only a few of those programs.

ARMY

The Department of Defense reduced by $390.5 million the amount requested by the Army for R.D.T. & E. and supporting appropriations. The committee restored $62.8 million to be distributed among some 13 projects. The amounts range from $1 million for the field artillery direct support weapon, to $14.4 million for the R. & D. related to preproduction of the Nike X. I will comment on six of these projects.

NIKE X

The decision to support the initiation of Nike X production and eventual deployment of an antimissile system is one of grave importance to the Nation. The matter has been thoroughly debated in the press, on television and in the statements of interested experts who both favor and oppose the deployment of Nike X. Without going into great detail, it is posible to focus on a few key factors that appear in most of the arguments that have been put forth.

The first factor is the threat. It is generally accepted that the U.S.S.R. can deliver nuclear warheads on our cities and key military installations by long-range missiles. It is also agreed that millions of casualties would result from such an attack and that major segments of our industrial capacity would be devastated. The Nation depends, at the present time, on deterrence alone to prevent an attack by ICBM or SLBM. The ability of Communist China to threaten the United States with long-range nuclear missiles is subject to much speculation. The consensus to date is that Red China could produce the necessary delivery vehicles in the middle or late 1970's if they wanted to make the effort. The conclusion on the threat is that the United States can be attacked today by Soviet Russia and that it could be attacked in the future by Red China. The threat is expected to grow with time both in complexity and volume and the only option the Nation has to retaliate with our own strategic attack forces.

Another factor is the possibility of the deployment of an antimissile system by the U.S.S.R. It is obvious that some disturbance of the strategic balance will result if the Soviets successfully deploy a defense against missiles and the United States does not. The credibility of our deterrence would certainly decline and the security of the Nation would be weakened even if the Soviet antimissile system is not totally effective. This leads to the next factor—time.

There can be no doubt that any system that can destroy enemy warheads in flight must be extremely complicated and technically difficult. The process of manufacture and deployment will be lengthy. Delays in beginning the job will certainly produce delays in attaining any worthwhile defense posture. The money in question for Nike X will start the clock running. It will not result in an antimissile defense next year, but it will lead to the attainment of that defense in the shortest possible time.

The final factor is cost. The Nike X and its predecessor, Nike-Zeus, have been and will continue to be very expensive research and development projects. Any defense of significance will be costly. The funds now under consideration are but the first step. However, they are a key step in that they prepare the way for an orderly production base upon which to build the complex components that make up the Nike X system. Unless the foundation is laid, the structuring of an effective defense against missile attack is impossible.

ADVANCED AERIAL FIRE SUPPORT SYSTEM (AAFSS)

The war in Vietnam has conclusively proven the need for armed helicopters in Army combat operations. In fiscal year 1966, the Army initiated development of the Advanced Aerial Fire Support System, generally referred to as AAFSS. Its primary role will be to escort troop-carrying helicopters in airmobile operations and provide suppressive fires in the landing zones. For secondary missions, it is designed to engage and destroy area and point targets including fixed emplacements and armored vehicles. The AAFSS is a new advanced helicopter with significantly increased operational capabilities over other armed helicopters and it is capable of effectively employing a variety of point and area type weapons. It has armor protection and is capable of speeds in excess of 200 knots. This new weapons system will represent a significant increase in combat effectiveness.

Development of the AAFSS will require a number of years. The prime contractor for the AAFSS is the Lockheed-California Co.; however, it should be mentioned that over 55 percent of the contractor effort will be subcontracted to firms throughout the country.

In fiscal year 1966, additional funds were reprogramed to provide essential impetus to the AAFSS development program. Currently, the fiscal year 1967 budget request includes a modest amount for continuation of the AAFSS. Army witnesses appeared before our committee and stated that this amount was under extensive review at the time the proposed budget was being printed. From that review, it became apparent that a less capable but more expensive system would result unless at least a one-third increased level of effort was pursued in fiscal year 1967. The increased funding program has been favorably reviewed by the Army and OSD, and they feel it represents the most practical approach for the early provision of the AAFSS to meet a valid operational requirement.

I believe it is most reasonable and prudent that the Congress should adjust the fiscal year 1967 funding level for AAFSS to this higher level.

NIGHT VISION

Daily reports from Vietnam emphasize the importance of a night combat troop capability. The Army has a highly promising and very successful program to privide night vision devices for the use of all three services. These devices will increase combat forces' capability to operate and to fire weapons at night. As an example, one of these devices is the Small Starlight Scope which was discussed by the Honorable "Cy" Vance on the television program "Issues and Answers" on Sunday, April 24, 1966.

Last year the Army sought to increase the emphasis on this important program by substantially increasing the annual funding level. Although the Department of Defense approved the increased program, the net result of subsequent budgetary actions was to reduce the program back to the original level. The committee was advised that additional funds are required to prevent a significant delay in the following features of the proposed Army program:

First. Early production of special systems suitable for military field use.

Second. Early production of systems using advanced technology to provide improved performance, increased reliability, reduced size, weight and cost.

Third. Basic parametric studies to assure that vision systems are fully developed. These considerations are of special significance when one considers the fact that any nighttime vision system suffers from the total loss of peripheral vision for detection of motion and orientation. To overcome the drawbacks of what might be termed "tunnel vision," system design parameters must be carefully selected to provide the best possible features for target location and fire control operations.

The Committee recommended restoration of the Department of Defense reduction to this vital research program.

ACCELERATED ARMY RESEARCH AND DEVELOPMENT IN SUPPORT OF SOUTHEAST ASIA LIMITED WAR LABORATORY

The U. S. Army Limited War Laboratory is a centralized research and development activity with a quick reaction capability for meeting Army operational requirements relating to limited war. Research effort is applied particularly to war in underdeveloped or remote areas of the world. This includes specifically the provision of a quick-reaction facility for accomplishing short-range development of specialized limited warfare items.

A large share of the laboratory's work is in support of Vietnam. For example, it has developed a device to enable helicopters to lay smokescreens for screening helicopter operations. It has also developed a long-range, lightweight radio for use in jungle warfare. It has developed a lightweight smoke signal. A soldier can carry 16 of these and still not be carrying the weight of one standard smoke grenade. It has developed a device to improve the mobility of the M113 armored personnel carrier. It is developing a jungle canopy platform to enable helicopters to load or unload personnel and cargo on top of the jungle canopy. This device should improve our medical evacuation capability in the jungle. It is currently working on devices to improve the ability of our front line troops to mark their positions for friendly aircraft; a bullet detector to tell helicopter crews they are being fired at; a battlefield illumination system; and a counterambush weapons system. There are other projects of a classified nature also in support of Vietnam operations.

With increased activity in southeast Asia, the effort required of the limited war laboratory has increased correspondingly. Recently the laboratory has been authorized a personnel increase from 7 officers and 76 civilians to 12 officers and 134 civilians. While expansion increased the capability to produce equipment in minimum time, it also increased the requirement for funds to operate the laboratory. Operating and maintenance costs have gone up accordingly. I believe there is a valid requirement for increased funding above that which appeared in the Department of Defense-approved program.

MEDIUM ANTITANK/ASSAULT WEAPON (MAW)

Within the Army R.D.T. & E. program, the medium antitank/assault weapon (MAW) is intended to provide a simple, accurate, man-portable weapon for use in infantry platoons. The MAW will be useful in airborne or airmobile units to provide these lightly equipped forces with the necessary antitank/assault firepower. The requirement for this weapon was reconfirmed in a recent cost effectiveness study as being one of an optimum family of weapons which would give the most effective results against armor and hard point targets.

Based on carefully conducted evaluations and preliminary development work, a single MAW concept has been selected for full and final engineering development. The demonstrated performance of the selected concept reportedly has significantly exceeded stated requirements.

The MAW concept was scheduled to enter engineering development in fiscal year 1967 on an optimum development schedule, to include the use of many "off-the-shelf" components and utilization of technology available from the in-progress program for the heavy antitank/assault weapon—TOW.

A Department of Defense imposed reduction from the original Army program request will cause a less than optimum development program to be pursued and will have the effect of significantly delaying production of the weapon. This delay will increase the overall cost of the program and will require consideration of further procurement of obsolete M67 90-millimeter recoilless rifles.

The committee recommended restoration of the Department of Defense reduction to accelerate development of this highly promising MAW development program.

LAND COMBAT SUPPORT SETS/CONTACT SUPPORT SETS (MULTIPLE TEST EQUIPMENT)

The development of complex missile systems requires maintenance support equipment to sustain reliable operation of these systems in the field. In order to efficiently support Army missile systems such as the Shillelagh, Lance, and TOW, the Army is preparing in fiscal year 1967, to enter an engineering development program for land combat support and contact support sets to fulfill the maintenance support role at field and depot levels. Contact support sets—CSS—will include three different forward area test and maintenance sets; each will be specifically designed—system-peculiar—to support the heavy antitank/assault weapon—TOW—or the Shillelagh guided missile or the Lance missile.

The land combat support sets—LCSS—will be a rear area general test and maintenance set which will support any and all of the three systems. The rear area general test and maintenance set will eliminate the requirement for expensive individual system-peculiar test equipment required for each individual missile system.

A reduction in the Army fiscal year 1967 program request would result in a less-than-full development program. Further delivery of these systems will be delayed and the test and maintenance support equipment will have to come from the contractor, at increased cost. Failure to adequately fund this program will delay development and delivery to the field of a most important Army missile capability.

For these reasons, the committee restored the funds reduced by the Department of Defense.

NAVY

The Navy R.D.T. & E. budget recommended by the committee, including the add-on of $142.7 million, reflects an increase of $400 million over fiscal year 1966. Seventy-five percent of that increase is attributed to the Poseidon program, with the balance required to support additional requirements for antisubmarine warfare, the deep-submergence program, and the medium-range guided missile Condor.

The Navy research and development program has been particularly fruitful in providing a wide variety of weaponry, and in responding in southeast Asia with rapidity and flexibility to the ever-changing requirements of that quixotic and highly dangerous situation. We are all familiar with the sensational technological breakthrough which gave us the Polaris missile system. This year's program moves sea-launched strategic missile effort strongly forward by a commitment of $294 million to the Poseidon missile, which will provide the successor to Polaris.

The Navy's antisubmarine warfare program is being continued with the high priority that has been accorded it over the past several years. The results are highly encouraging in the areas of airborne submarine sensors, long-range sonars, improved weaponry, and greater knowledge of the physical characteristics of the salt-water environment. The committee added $50.2 million to ASW for a total of $405.6 million, an increase of 11.8 percent over the previous year.

The recent successful recovery of the bomb off Palomares, Spain, is eloquent testimony to the immensely exciting things that are being done in the deep-submergence program. The committee has chosen to restore funds to this program above the amount in the President's budget up to $30.1 million, the level of the original Navy estimate which was submitted to the Secretary of Defense.

The area of electronic warfare, both shipboard and airborne, has been too long neglected, as is evidenced by some of the problems that have arisen in southeast Asia. Our forces there have an urgent need for a greatly improved capability to counter enemy electronic equipment being used to search for our aircraft and to control their antiaircraft weapons. Improvement of our own search radars and fire-control equipment is equally essential.

Our surface-to-air missiles are the best in the world; despite heard criticism of the Navy's version of these missiles, really effective weapons are being developed. The committee is recommending a total of $56.0 million to keep this fine family of missiles ahead of the increasing threat and to incorporate into them recent developments in missile technology. This is an increase of $11.1 million over the President's budget.

Another major project included in the committee add-on is the Condor missile. This air-to-surface missile will have an excellent standoff range capability against enemy air defenses. The additional funds recommended by the committee will enable the Navy to accelerate this high priority missile development program.

AIR FORCE

The R. & D. budget request for the Department of the Air Force was $3,053,800,000. This is a reduction of over $300 million from the amount received by the Air Force in fiscal year 1966, including the supplemental authorization, and is the lowest R.D.T. & E. budget submitted for the Department of the Air Force since 1960. The Department of Defense reduced by over $700 million the amount requested by the Air Force for R.D.T. & E. and supporting appropriations.

The committee restored $167.7 million, to be distributed among six major projects or categories, which are explained in detail in the committee report on pages 20 through 22. The Secretary of the Air Force testified that he could not identify sources for the funds required to support these projects and suggested that one alternative available to the committee was to put the funds in the budget now. The committee chose to follow the Secretary's suggestion.

Almost half of the funds added by the committee are earmarked for the manned orbiting laboratory—MOL. The primary objectives of the MOL program are to:

First, learn more about what man is able to do in space and how that ability can be used for military purposes; second, develop technology and equipment which will help advance manned and unmanned space flight; and third, experiment with this technology and equipment.

The original request for funds for fiscal year 1967 totaled $394 million. This amount was reduced by the Department of Defense to $150 million. After several appeals, the Air Force reduced its final appeal to an additional $80 million, or a total of $230 million to support the program in the coming year. The program is nearing the completion of contract definition studies which will establish realistic program schedules and costs. The Assistant Secretary of the Air Force for Research and Development, Dr. Flax, advises that current estimates of the funding necessary to maintain a productive level of system development effort and continuity of contractor efforts toward program objectives is approximately $230 million. These funds would be applied to laboratory development, Gemini and Titan III–C modifications, and developments in the experimental payload. The committee feels that these additional funds are needed and can be effectively utilized to permit the earliest practicable development of this space capability.

Another major program affected by the committee add-on is the advanced manned strategic aircraft—AMSA. The funds added will support the commencement of the contract definition phase in fiscal year 1967. It is not an unequivocal commitment to production of an aircraft, but is a step that must be taken before reaching a final decision to produce a new airplane. This program, I am sure, will be discussed in great detail by other members of the committee here today.

Additional funds totaling $22.3 million were included by the committee for the F–111A, previously identified as the TFX. The need for the additional funds was verified by the Secretary of the Air Force, and supported by Dr. Foster, the Director of Defense Research and Engineering.

The United States is engaged in a joint effort with the Federal Republic of Germany to develop a vertical and short takeoff and landing strike reconnaissance airplane to meet Air Force requirements. The committee added the requested $3 million to proceed with the contract definition phase of this program, which appears to have a great deal of promise.

DEFENSE AGENCIES

The bill includes authorization of $467.6 million for R.D.T. & E. for the various defense agencies. This is $27.4 million below the amount approved by the Congress last year. Over half of the amount authorized, $262.9 million, is to support the Advanced Research Projects Agency—ARPA. The biggest program assigned to ARPA is Project Defender, which has the objective of advancing science and technology in the fields of ballistic missile defense and penetration aids. The next largest defense agency is the Defense Atomic Support Agency. Funds totaling $93.2 million are authorized to support three programs: Nuclear weapons effects research, nuclear weapons effects tests, and nuclear weapons development.

EMERGENCY FUND

The bill also includes authorization of $125 million for the R. & D. emergency fund. Since the fiscal year 1951 supplemental appropriation for Korea, Congress has provided the Secretary of Defense with the R.D.T. & E. emergency fund, augmented by the authority to transfer other appropriated funds within certain limitations for the purpose of facilitating selected military research and development programs. The amount authorized this year is the same as that appropriated for the past 2 years.

In summary, the bill S. 2950 reflects an increase of $373.2 million over the amount requested for research, development, test, and evaluation. These funds will support those additional requirements identified subsequent to the budget submission and will support, at the proper level, those programs already in the budget which, in the committee's opinion, were reduced too severely by the Department of Defense.

Mr. Chairman, it is said that a survey recently conducted by the Massachusetts Institute of Technology—M.I.T.—revealed that the cost of doing research increases at a rate of approximately 8 percent each year. The research and development portion of this bill reflects an increase of that magnitude over last year. For this increase in funds, we are buying the same level of effort as in previous years.

I urge my colleagues to support this bill.

I hope this afternoon, as the gentleman from Louisiana urged, that the military procurement bill for fiscal year 1967 will be approved by the House by unanimous vote.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may require to the distinguished gentleman from Missouri [Mr. ICHORD].

Mr. ICHORD. Mr. Chairman and Members of the Committee, I rise in support of the bill, S. 2950.

Mr. Chairman, this is my fourth year as a member of the Committee on Armed Services. However, this year I have experienced for the first time participation in a detailed review of the research and development budget at the subcommittee level so outstandingly chaired by my friend and neighbor, the gentleman from Illinois [Mr. PRICE]. This participation has been most informative and reassuring under the leadership of our great chairman, the gentleman from South Carolina [Mr. RIVERS] who is so highly respected by not only the members of the committee but also by the entire House membership who just a few minutes ago exhibited the great esteem in which they hold the distinguished gentleman from South Carolina by giving him the longest standing ovation that I have seen given any Member on the floor of the House during congressional deliberations.

I feel that the contributions that our great chairman has made to the defense posture of this country have earned him the acclaim which the Members of the House have so generously given to him the emphasis on improving our limited war capability initiated by our late President Kennedy, has produced many of the weapon systems and equipment now in the hands of the troops and in use in Vietnam.

The research and development budget for this year was stated to have been influenced to a greater measure than in previous years by two major considerations. The first is the research and development to support our military effort in southeast Asia, and the second is to maintain the deterrent posture against all-out war. The problem of accelerating promising limited war research and development effort for early application in Vietnam was attacked last August on a project basis called "Priority Research and Development Objectives for Vietnam Operations Support—Project Provost."

A comprehensive Department of Defense review identified over 150 different developmental efforts on which accelerated effort could make new and needed materiel operationally available in Vietnam. The most promising of those were initiated immediately utilizing fiscal year 1966 emergency funds, with follow-on effort being funded in the supplemental fiscal year 1966 budget and in the current fiscal year 1967 budget. Virtually the entire field of counterinsurgency and limited conventional warfare weaponry and equipment is involved in Provost. To name a few of these, a hand-held, one-shot, expendable flame projector was developed; a variety of projects aimed at enemy ambush detection; lightweight body and helicopter armor; grenade launchers; and, a jungle canopy to enhance airmobile operations in the dense foliage of southeast Asia. The jungle canopy consists of two steel nets, 20 by 200 feet, laid crosswise with an 18-foot hexagonal platform placed where the nets cross. Two helicopters can lay the three components in approximately 8 minutes. The steel nets will then support light helicopters for landing. Troops can then be lowered to the jungle floor within 60 seconds. Casualties can be evacuated in litters by hauling them up to the platform with a power-driven winch. The nets and the platform can also be used as a resupply base. The canopy also can be retrieved and reused on subsequent missions.

A number of other items are currently undergoing accelerated development in order to reach Vietnam during the coming fiscal year. For improvement in ground combat capability, work is proceeding on helicopter-transportable armored combat and logistics vehicles that will be mobile in difficult rice-patty terrain, and a smoke generator for screening troops entering a landing zone. In the air warfare area, there are a number of weapons improvements in such items as napalm, jungle-penetrating bomblets, and airburst fuses. The OV-10 counterinsurgency aircraft also is being accelerated into production to meet expressed Marine Corps and Air Force requirements for use in Vietnam. These projects and a variety of other projects, many of which are classified, have given us, and will continue to give us a greater capability of fighting the type of warfare carried on in the Vietnam environment with which the Vietcong and North Vietnamese just cannot cope.

Many of these projects have been supported by the Limited War Laboratory at Aberdeen Proving Ground, Md. Most of the Laboratory's work consists of quick reaction development of limited war items. In fact, the Laboratory has developed and delivered items for field deployment within 6 months after receiving a requirement and rarely does a development project extend beyond 18 months. In the last 2 years, the Limited War Laboratory has shipped items from 22 different projects to Vietnam. Presently, there are 85 projects underway at the Laboratory, one of the most important of which is an acoustic detector which indicates to a helicopter pilot when he is being fired upon from the ground, from what direction, and what type of fire. On the basis of my visit to Vietnam last year, I can assure you this device will be most welcomed by the helicopter pilots flying in Vietnam.

Turning to the Navy, I would like to describe some of the pioneering work being done in two areas which are of special interest to me and are of vital concern to the defense of the Nation. One, the deep submergence program supported in this bill at a level of $30.1 million. It is difficult to imagine a more promising area of research and development. Its overall objective is the mastery of the major part of the volume of the sea. Specific objectives are four in number. It is proposed to develop a capability to effect submarine rescues at depths down to the crush depth of our submarines. The Navy will develop and build six submersible rescue vehicles which can travel down to the disabled submarine; there they will extract the personnel in small groups and deliver them to another submarine for their safe return to the surface. This bill provides only for the research and development costs of this work; the procurement of the vehicles will, of course, be funded under the ship construction appropriation. I am sure I need not emphasize to this body the importance of the submarine rescue mission after the unfortunate experience of the *Thresher*.

For the second portion of the program, it is proposed to develop equipment and techniques for the search of the ocean floor, the identification of the small objects there, and the recovery of these objects from depths as great as 20,000 feet.

The third portion of the program provides a current capability for the salvage of large objects—up to 1,000 tons—from depths of 600 feet, and a long-range program to accommodate depths of 2,000 feet.

The "Sea Lab" is the fourth part of the program; it contains the "Man in the Sea" project that has received so much publicity and captured the imagination of the world. During Sea Lab I in Bermuda in 1964, four men stayed on the floor of the ocean at a depth of 193 feet for 11 days. In August, September, and October of 1965, Sea Lab II at La Jolla, Calif., was undertaken. A team of 28 men lived and worked at a depth of 205 feet for a total of 43 days. These experiments were spectacularly successful in demonstrating man's capacity to live and work at the bottom of the sea. In 1967, Sea Lab III will be conducted at San Clemente Island off the coast of southern California at a depth of 450 feet.

These initial efforts are indicative of the scope of this dynamic program which certainly requires the timeliness and level of support included in this bill.

Another Navy research and development program to which I attach particular importance is the development of the Condor missile. This weapon will be carried and launched by Navy carrier-based attack aircraft, and used to destroy hard targets from a stand-off distance of at least 50 miles. The major advantage of Condor over existing air-to-ground weapons will be in the improved safety of the launching pilot, as he will remain outside the effective range of defensive gunfire and short-range missiles in the vicinity of the target.

Another feature of Condor will be the extreme accuracy which is achieved with its self-contained guidance system, giving an average miss distance of only a few feet on most targets. This bill contains $45.5 million for development of Condor in fiscal year 1967, and this amount will permit a development program leading to operational availability of this missile in the shortest practicable time. Our pilots in Vietnam could use a weapon like Condor to good advantage right now, and the committee would like to see its development carried out with all possible dispatch.

Mr. Chairman, I have touched upon only a few of the many very important projects supported in the research and development portion of this bill. In the time allotted me, I could not do justice to the balance of the programs; however, many of these have been described by my chairman, the gentleman from South Carolina [Mr. RIVERS], and my subcommittee chairman, the gentleman from Illinois [Mr. PRICE]. Again I say, this bill has my full support and I ask my colleagues for their support.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield whatever time he may consume to the distinguished gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I take this opportunity to speak of my very high admiration for the gentleman from South Carolina, MENDEL RIVERS. Regrettably negative things have been printed today about him and about his health. No one can be blamed for illness; and in my long association with him, I have never seen any other defect in him whatsoever. His enthusiasm for strong national defense is irritating to some people, but our country is more secure and the cause of liberty is more secure throughout the world because of this man's fine dedication to the national defense of our country.

I pay sincere tribute to him at this time.

Mr. Chairman, the bill before us has been explained in detail and all of the important elements have been, to my mind, adequately dealt with by previous speakers.

I do, however, wish to have the RECORD clearly show my own strong personal support for two particular elements of the program. The first of these is the advanced manned strategic aircraft for which we added $11.8 million to the bill.

I do not need to tell the House of the long history of support for this kind of advanced aircraft in the Armed Services Committee. It goes back literally years. We have never given up on this extremely important offensive and defensive system and we do not intend to give up. We are right—we know we are right—and we are going to continue to fight.

Another part of the program which I want to lend my personal support to is the Nike-X antiballistic missile defense system. In this instance the House added $153.5 million to the procurement portion of the bill and $14.4 million to the research and development part of the bill. This is a grand total of $167.9 million, an identical sum added by the Senate committee also. The Armed Services Committee of the House, therefore, finds itself in complete agreement with the Senate Armed Services Committee and the Senate itself with respect to this defensive system.

I urge that the House follow the lead of its committee in these two instances and I say this with the deepest conviction.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana [Mr. LONG].

Mr. LONG of Louisiana. Mr. Chairman, I wish to associate myself with the words of praise which have been heaped upon our illustrious chairman by the Members of this body.

Mr. Chairman, I rise in support of S. 2950.

Our national policies require the Air Force to have the capability to respond to any military threat which may confront us, from counterinsurgency actions to general nuclear war. It is easy to define at the time of need, the characteristics of the weapon systems required to meet the particular threat. The ability to produce such weapon systems, however, depends upon the existence of a foundation of scientific and engineering knowledge on which the weapon systems can be built. The difficult thing to do is to specify exactly what basic and applied research should be pursued 2, 5, or 10 years in advance, in order to provide this foundation.

The difficulty in defining explicitly the high payoff research areas in advance and the importance of the available technology base make the support of a broad, aggressive technological effort mandatory. Such a technological effort involves the long-range basic research sponsored in colleges and universities as well as the exploratory and advanced development programs supported in our Government laboratories and industrial complexes. It is well to keep in mind that this effort not only provides the technology and experienced personnel which will permit us to fulfill our military commitments but also enhances our civilian technological base as well.

There are many examples of the importance of our technology programs to both strategic systems and tactical systems. I would like to mention only a few to remind you of the close coupling between in-being system capabilities and the long-range technological base.

One outstanding example is the field of inertial guidance and navigation. The original foundation for this industry was laid by Air Force exploratory development work. The Apollo guidance and Titan guidance systems, for example, can be traced directly to a 1948 Air Force program. As the results of the early work were disseminated by the Air Force, other exploratory development programs in bearings, components, and concepts led directly to the Minuteman guidance system. Another exploratory development program provided the prototype of the inertial navigation system now in our F-4 aircraft in Vietnam and being installed in the F-111. Similarly, Air Force exploratory development work in star trackers, combined with the inertial developments, provided the celestial-inertial systems which are vital to our latest reconnaissance aircraft. This Air Force exploratory development laid the original foundation for and has continued to stimulate progress for a multibillion-dollar industry which employs many thousands.

The work on concepts of flight control and aircraft stabilization in the Air Force exploratory programs has made possible the self-adaptive flight control systems which provide the handling qualities and safety of flight so vital for high performance aircraft. The F-111 family of aircraft fully utilizes this self-adaptive technique. Another technique which is widely used in the new generation of operational aircraft is terrain following. The concept was originated and proven feasible as an exploratory development. The technique enables our latest high performance aircraft to fly automatically at high speeds at altitudes below the detection capabilities of surface-to-air missile defense systems thereby insuring their survival.

The high resolution side-looking radar systems now employed in the RF-4C reconnaissance aircraft are also a direct outgrowth of the exploratory development program of the Air Force. These systems have resolutions of about 50 feet, independent of range and altitude and permit long-range reconnaissance.

Work on "molecular electronics" started by the Air Force and industry in 1958 amid much skepticism, has been immensely successful. The initial investments of approximately $8 million in 1959-60 have sparked industry investments, estimated in excess of $200 million, to exploit this revolutionary technology. The invention of the vacuum tube really started what we now think of as the electronics industry; the invention of the transistor in 1948 revolutionized this industry; but a third and probably most profound revolution is being caused by the advent of molecular electronics. These circuits, which are entirely contained in a single piece of material, provide orders of magnitude decreases in size and weight; and a manifold increase in reliability over those of conventional construction.

The first large scale application of this technology was to the Minuteman II guidance package. This provided a greater than 50 percent weight reduction while at the same time increasing the functional capability of the computer by 50 percent and the reliability by a factor estimated at between 2 and 5. This was in the early days of molecular electronics, and even more exciting possibilities exist today.

Development technology applicable to the latest Minuteman missile has provided significant improvement. These improvements can be attributed directly to the timely incorporation of the results of latest technologies in nozzle design, thrust vector control—also incorporated into Polaris—lighter case, and an improved propellant.

The jet engine industry supported by the Air Force is entering what appears to be a period of great expansion and technological advance. Five new engines are in the early stages of development; a turbofan for the C–5A heavy logistics aircraft; a turbojet and cruise engine for vertical takeoff aircraft; a new generation engine for a possible new strategic bomber; and finally, the largest engine ever built, to power the supersonic transport.

The Air Force technological base in bioastronautics and life support has been one of the primary reasons for our accomplishments in the manned space flight program. Here, it is a matter of record that Air Force knowledge and experience has been directly applied to the design and operation of pressure cabins and pressure garments; to oxygen delivery systems; and to escape systems and equipment which are critical to astronaut safety. Today, this area of activity is mutually supporting to the National Aeronautics and Space Administration and the Air Force and the technical programs of both are coordinated to the point where program integration is a way of life.

My final examples are ones which further exemplify the breadth of our technology program. Environmental research on the physics of clouds has previously led to methods of "contrail suppression" which make aircraft condensation trails invisible to an observer. More recently, successful methods of dissipating fog which forms at below freezing temperatures have been developed. This program is being continued in an attempt to understand the physics of the more common, warm fog formation and to develop methods of warm fog dissipation. Such methods would have obvious military and civilian application.

In conclusion then I feel we must continually insure that the military technological programs have a balanced share of the resources available to the military establishments. I am particularly pleased to note that the Air Force budget authorization for fiscal year 1967 reflects this kind of balance. The pressure and emphasis on systems in-being or near-term developments occasioned by the Vietnamese conflict must not cause us to lose sight of the importance of the military technological program. As I have pointed out, the Air Force technology program is contributing in a major way to our efforts in Vietnam. Equally important, it will give us the required capability and flexibility to develop and produce the weapon systems necessary for our national posture 10 to 20 years in the future.

Mr. Chairman and Members of the Committee, I urge your adoption of S. 2950 and the committee amendments.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. de la Garza].

Mr. de la GARZA. Mr. Chairman, I very seldom ask for time to address my colleagues in the House, but there have been a few times when I felt that a subject was of such vast importance, that I have overcome my reluctance and asked for time to do so. This is one of those times.

An act which cries out for justice has been perpetrated against one of my colleagues whom I respect and admire, whom I consider a friend and trusted Member of this House. He may have faults, but it is not for me to judge. All I know is that he is a friend, and was a friend to me when I really needed friends during my first days as a Member of this House. I speak of my friend and colleague, the very distinguished gentleman from South Carolina, the able, efficient and courageous chairman of the House Armed Services Committee, L. Mendel Rivers.

Speaking for myself, Mr. Chairman, I can only say he is a friend, and that shall suffice, but now I speak for those from my district who serve in the armed services of the United States. Those valiant men who endure the filth, the stench of war without complaint, those men who leave their dear ones to fight for us, for our country, for democracy, for peace in the world. Those men who shed their blood and give their very lives, so that we might meet here today, so that your children and mine might go to school, so that we might attend the church of our choice, yes and so that newspaper people might write their stories, and columnists express their views. I speak for them, and I say here as an echo of their voices. Mendel Rivers is the best friend they ever had. I echo their voices when I say Mendel Rivers understands their problems. Mendel Rivers, thank God, sees them as people, as Americans, as the patriots they really are. For the sacrifices they and their families make for us can never be repaid with money. He understands this, so he treats them with compassion, with understanding. He gives them his hand, and his heart. He really is a friend to the servicemen of our country, and I know that those who serve from my district would never forgive me, if I did not stand up and speak their feelings about L. Mendel Rivers, their friend and my friend, a dedicated, hard working, courageous Member of this House, and great leader of the Committee on Armed Services.

It is very opportune that today, the 191st anniversary of the Army of the United States, the 189th anniversary of our flag, I should speak for those who have fought for that flag, who are fighting now, in tribute to a man who is their friend, who serves them with humility and who will stand to fight for them, and will not retreat, come what may. This is Mendel Rivers—this is the serviceman's friend, this is the dedicated American, this is the courageous leader and again, Mr. Chairman, in behalf of all who serve their country from my district, I say, thank God for Mendel Rivers, and in their behalf I thank him and his committee for this legislation and I shall support it 100 percent.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. Leggett].

Mr. LEGGETT. Mr. Chairman and Members, we are here today to approve a $17.858 billion American defense procurement bill for fiscal year 1967.

Our great chairman from South Carolina is today pioneering once again a very modest step and inroad on Executive civilian-military authority which has been assumed without much remonstrance from the Congress over the past many years.

As I read the amendments made by our committee, after diligent consideration and cogitation, we have really very modestly affected the proposed bill.

There is $19.9 million for a much needed light observation helicopter.

There is $20 million for a much needed airborne TV system over in Saigon, which was pioneered by my colleague from Michigan.

There is $55 million for a new IMI, to make the SR–71, developed by the CIA, a truly useful instrument of defense policy.

There is $51.2 million for the CX–2, in a critical new capability to accelerate our air medical evacuation capability. I might point out in this respect that we are still returning our men stateside to their homes, when they are injured in old Convairs and dilapidated undercapability aircraft.

There is $167.9 million for the Nike X, a much needed anti-ICBM capability.

There is $258.3 million for two nuclear DLGN's, one of which was authorized last year at $130.5 million.

There is $62.8 million for Nike X research.

There is $142.7 million for Poseidon research, to make the Polaris capability what it was intended to be.

And there is $167.7 million for the MOL, AMSA, and the F–111–A and V/STOL.

That is a total of about $815 million new authorization.

The amounts of money the committee recommends as additions to the bill comprise but 5 percent of the total legislation, but the areas in which the committee urges such emphasis and concentration I believe are of critical importance.

It is regrettable, I believe, that there is not more rapport between the very able Members and leadership and staff of our committee and the Department of Defense.

I believe the committee report, filed with the bill, is one of the monumental reports that has been filed during my service in the past 4 years in the Congress. I certainly commend it to every Member, to read diligently.

The fact that the committee must go to the mat, so to speak, to affect the budget under the control of the committee, allegedly after critical scrutinizing, study and review, a mere 5 percent, indicates the degree of power which has been lost by this Congress to affect this very critical instrument of American policy and our very existence.

I want to commend the chairman for the very able leadership which he has given to our committee over the last 2 years. We need you in the future, and our committee is 100 percent behind your able leadership.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield whatever time he requires to the ranking member of the committee, the gentleman from Massachusetts [Mr. Philbin].

Mr. PHILBIN. Mr. Chairman, I am greatly honored today to join with my dear friend, the outstanding leader of the House Committee on Armed Services, and my most able and distinguished friend, Mr. BATES, the ranking minority member of the committee, and a tower of strength indeed to all of us, and the able and distinguished gentleman, my valued friend and colleague, Mr. ARENDS, and my distinguished and dear friends, Mr. HÉBERT and Mr. PRICE, and all of the distinguished members and others who have spoken here so impressively and well in support of this vital defense procurement bill.

Mr. Chairman, the arguments for this bill are irrefutable, as has been so well demonstrated by the brilliant speech that has been made by our very distinguished chairman. These arguments have been brilliantly presented to the House.

Therefore, I will not indulge in repetition and speak at length about the ramifications of this very comprehensive and important measure. To do so, particularly after the fine, informative, and forceful talks we have heard, would be much like carrying coals to Newcastle, and I shall not essay that difficult, but needless task.

However, I would like to emphasize to the House the amount of hard, grueling work that has gone into this bill, and thank our most esteemed Committee on Armed Services, and each and every one of its members, who in respect to this bill, as well as in all of our deliberations and decisions on other very important measures to strengthen and perfect the national defense and the striking power of this country, has shown such sound judgment, such good commonsense, such deep knowledge and awareness of the complex problems we face, and such commendable, praiseworthy loyalty, and solidarity in upholding and sustaining the masterful, dedicated leadership of the great American who heads our committee, the beloved, respected, learned, and patriotic gentleman, our dear friend and leader, Chairman MENDEL RIVERS.

This session, under the leadership of MENDELL RIVERS, the committee has faced unprecedented problems, sometimes highlighted by burning controversy with the executive department. Unfortunate and uphappy as this has been for all of us, our chairman has pressed forward with the heavy committee program, securing very favorable results and making a most significant contribution to the security and the defense of the United States.

Mr. Chairman, I am gratified indeed that our great committee is united, as it is, and as it has demonstrated itself to be, independent in its deliberations, unfettered in shaping its policies and carrying out the mandate imposed upon the committee and the Congress by the Constitution of the United States. And I may add that I am proud of the cohesive front we have formed in support of our fine, knowledgeable leadership to come to grips with every aspect and every facet of the difficult problems and responsibilities that reside with us in these very difficult and trying days when the values of our free way of life are being tested in so many areas and always to extend our wholehearted cooperation to all those sharing our responsibility for defending this country.

Mr. Chairman, let us adopt this bill. I know we will do it without undue delay. I hope we will do it unanimously. It will demonstrate unmistakably to the American people, to the free world, and to all those who threaten us and seek our destruction that we shall preserve our heritage and our freedoms at all costs.

Mr. Chairman, let all of us stand with confidence, with faith, and with strength behind our great chairman and in unswerving support of the prerogatives of the Congress of the United States as set forth in the Constitution, for a strong, adequate, and powerful defense, a striking force which will bring us, we hope and we pray, the peace that all of us so fervently desire and that the world so earnestly seeks and needs, through firmness, resolution, and strength, and with fairness and justice, with compassion and amity, toward all nations and all peoples. As we pass this bill, let us again pledge ourselves anew to these cherished ends.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. BOB WILSON].

Mr. BOB WILSON. Mr. Chairman, I wish to associate myself with our distinguished chairman of the Committee on Armed Services, the gentleman from South Carolina [Mr. RIVERS], and our colleagues on the Armed Services Committee in support of this legislation, S. 2950.

Mr. Chairman, in terms of the impact on our defense and in dollars authorized, this is truly a gigantic bill, or as we would say in California, a colossal bill.

Mr. Chairman, this bill is the product of diligent effort on the part of the members of our Committee on Armed Services and particularly on the part of our able chairman, the gentleman from South Carolina, the Honorable L. MENDEL RIVERS.

Mr. Chairman, the future of our Nation is far more secure because of the strong and faithful, dedicated leadership of the gentleman from South Carolina, L. MENDEL RIVERS. In my book he is one of the great men of our time, and I deem it a privilege to serve with him and to work with him for a stronger and more secure America.

Mr. Chairman, I know that the gentleman from South Carolina will continue to give of himself unstintingly, because no man arrives at work earlier in the morning and no man works harder than MENDEL RIVERS of the House of Representatives.

Mr. Chairman, we are involved here today in discussion of research and development funds for deep submergence programs. The amount of money involved is $8.6 million and is but a fraction of the amount that our Government is spending this year to explore outer space. It is time to wake up. It is time we realized that we are in a race to control inner space, that great mass of ocean water that covers 75 percent of this globe on which we live.

Our future survival may well be more dependent on our leadership in the inner space race, than our ability to orbit or explore the voids of space. R and D money for deep submergence programs is an investment in our future. Its dividends will be at least double. Our national security is paramount. We know that other nations have embarked on vast programs to conquer the depths. Navy officials have freely admitted that whichever nation can control the seas can control the world. Militarily, the need is absolute.

Commercially, deep submergence programs offer the prospect of vast supplies of minerals, food, and chemicals contained in prodigious volume in the seas. Sophisticated vehicles and vast knowledge will be needed to reap these treasures laid up by centuries of nature's work. Perhaps no investment made by the Government today offers more opportunity for pyramiding returns than an adequate deep submergence research program.

A recent, dramatic example of the value of our deep submergence capability was the recovery of one of our H-bombs 5 miles off the coast of Spain, near Palomares. I shudder to think what would have been the result had another nation recovered this bomb. If we had not been able to search, find, and retrieve the bomb, the international implications would have plagued us for years. The Communists would have made strident and continued claims of recklessness against us, even though its loss was the result of an accident that was part of the price of the around-the-clock vigilance necessary in today's tumultuous global situation.

The tragedy of the submarine *Thresher* first focused attention on the deep submergence program. After that example, the Deep Submergence Systems Review Group recommended a program for development of undersea vehicles capable of extensive search of the sea bottom, recovery of heavy objects and extension of the limitations on manned diving techniques.

This program has not been received enthusiastically in the Department of Defense. It was crimped at its inception. Today it faces further DOD-directed cutbacks, at a time when the Nation can ill afford to slight this vital field. Despite the fact that the Secretary of the Navy has given the program high priority, the Secretary of Defense has asked that research and development be slowed, that fewer vehicles be developed, that their range and function be curtailed, and their development time extended over a longer period.

We all realize that there is a war on. We all also realize that there may be future military engagements. This Nation has termed itself the most powerful on earth. Yet, when our atomic submarine *Thresher* went down, we required weeks to locate the hull, and finally had to press into service the European-developed bathyscaphe *Trieste* to find the hull. The need for deep-ocean salvage technology has been illustrated repeatedly, but apparently DOD has lost its import in its maze of computerized statistics.

The amount we are concerned with here today is less than a single day's cost of the war in Vietnam. Yet we are dealing with a program that is absolutely vital to our military future. Plain economics would dictate that if economies are to be practiced, they should be applied to programs of much lower priority than our capability to operate effectively underseas.

This is not a program of guesswork. We have already accomplished much. Witness the work done by *Alvin*, the two-man submersible built by the Office of Naval Research for the Woods Hole Oceanographic Institution. *Alvin* made 145 dives in the period between January 17 when the bomber and tanker collided and March 15 when it sighted the bomb in 2,532 feet of water. *Alvin* could lift only 20 pounds with its mechanical appendages. The bomb weighed 8 tons. The bomb dislodged itself, rolled down to 2,800 feet when the research ship *Mizar* attempted to lift it by a cable. An unmanned submersible, *Curv*, was flown in from California, and despite the difficulty of remote control from the surface, actually working "blind" Navy personnel were able to secure grapnels to the bomb parachute. The U.S.S. *Petrel* pulled the bomb and the *Curv* to the surface—80 days after the retrieval operations had begun.

The lessons learned were invaluable. Sediment obscured visibility, sonar and other electronic gear revealed shortcomings. The human eye proved to be most effective. But, the most important lesson of all was the revelation that we have a long way to go before we can provide undersea rescue and recovery capability which our growing undersea Navy needs.

The Congress has a responsibility to those brave men who are entering our undersea service. We have a responsibility to foresee and provide adequate funds for research and development of the means of locating and recovering vehicles or objects from deep water.

I feel deeply that it would be a mistake to allow pinchpenny preparedness to cripple undersea research. This is a high-priority program we are dealing with, and as such should have high-priority financing. We in the Congress have the duty to study and fund the programs necessary for the common defense. Investment in future defense systems is more important than so-called cost effectiveness when the military security of the Nation is at stake. I strongly recommend that the House Armed Services Committee recommendation for an increase of the $8.6 million in the proposed budget for undersea deep submergence research and development be fully authorized for fiscal 1967.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, there can be no question that adequate funds must be provided for the national defense. It would be folly to shortchange the security of our country. But the converse is equally true: It would be wasteful of our limited resources and harmful to other national efforts if we were to provide more than is required.

The Department of Defense recommended a figure which it believed was adequate. I might add that it was a substantial figure—$16.9 billion. But the Committee on Armed Services has boosted this figure by another $931.1 million.

Mr. Chairman, I submit that this increase is unnecessary and unwise. One of the programs that would be funded, for example, is the preproduction of an anti-ballistic-missile system. This program would inevitably lead to escalating costs and a further spur to the race between offensive and defensive weapons systems. It raises anew the question of a massive civil defense program of fallout shelters.

I am also seriously disturbed by the fact that we can quickly add nearly a billion dollars to the defense bill while we are having difficulty in providing urgently needed funds for education efforts, health programs, and the war against poverty. If another billion dollars is to be spent I believe it could be put to wiser and more productive use in one or more of these areas.

Mr. Chairman, I will vote for this bill because I support a strong national defense. But I am unalterably opposed to the additional funds added by the committee. I hope they will be removed by the other body. I hope that this inflated bill will be appropriately reduced. If these additional funds are not eliminated, however, I will reserve the right to express my opposition to what I believe is an uncalled-for increase in the defense budget by voting against the final bill reported by a conference committee.

Mr. STRATTON. Mr. Chairman, I rise in support of the procurement bill which our committee has reported to this House unanimously. While I am somewhat concerned about the fact that our bill exceeds the recommendations of the Defense Department by a fairly sizable figure, I believe that at a time when our military forces are heavily engaged in Vietnam it is probably safer and wiser for us in military matters to err on the side of generosity rather than on the side of inadequacy. Actually this bill represents only about a 5 percent increase over the budget estimates. And I believe that we can afford to make that change rather than run the risk of seriously degrading our ability to defend ourselves in Vietnam or in other areas of the world against active Communist aggression.

Apart from the overall size of authorization recommended by the committee, Mr. Chairman, there are one or two other points I would like to comment on. First is the point about the proper authority of the Congress in making the military policy of our country. I have on many occasions spoken out on the floor of this House in praise of the Secretary of Defense. He has done an outstanding job and I believe we are all indebted to him for his courage and his leadership. But no man is infallible. Surely the basic issues of the defense of this country must be made by this Congress, the elected representatives of the people, not just by the Secretary of Defense alone. We have the ultimate constitutional authority, and we would be remiss in our duty if we did not exercise that authority in the legislation we pass.

Second, I want to affirm my own support for the committee's decision to include an additional $12 million for a stepped-up program leading toward the development of a follow-on bomber, the so-called AMSA. I have in the past, as Members will recall, opposed additional funds for the B–70 and for the AMSA program. This year I believe the situation is different for two reasons:

First, because our experience with the B–52's in Vietnam has shown us that the so-called strategic, heavy-load-bearing bomber is still of great value in a nonnuclear conventional war. The B–58 cannot do the vital job the B–52 is doing in Vietnam, because it has no conventional capacity. The FB–111 cannot really do this conventional job either since conventional ordnance must largely be carried outboard on the wings of the FB–111. We now can see that we do need a new follow-on bomber to the B–52, and we ought to get moving in that direction rapidly.

Second, the new Secretary of the Air Force, Secretary Brown, the former Director of Research and Development for the Department of Defense, now supports the addition of these $12 million. Secretary Brown who previously felt that Air Force plans for a follow-on bomber had not progressed far enough to warrant the use of extra funds, now supports the additional funds, and feels they can be put to valuable use.

The third point I want to comment on is the recommendation for an increase in the Navy's nuclear fleet. After hearing the testimony of Admiral Rickover, the father of our nuclear Navy, I am convinced we must move swiftly toward the creation of a real nuclear task force in the Navy. We will soon have two nuclear carriers in the Navy. It is important that we also have an adequate number of nuclear escorts to accompany these nuclear carriers. I do not feel there can be any longer any doubt on this score and I am glad that our committee is moving to resolve that issue in favor of a greater nuclear fleet in the provisions of this bill.

Fourth, Mr. Chairman, I believe our decision to support increased development of an antiballistic missile is a wise one. I realize the arguments against all-out deployment of an ABM system to defend ourselves against the Soviet Union. The cost of such a system would indeed be enormous, and it could not be successful without the development, along with it, of a nationwide system of fallout shelters. Nevertheless, I do believe that we would be making a mistake not to get started now on the smaller ABM deployment required to protect ourselves against a possible Red Chinese nuclear threat. This is what the committee's action would do, and I fully support the recommendation.

Finally, Mr. Chairman, I support enthusiastically the pay raise for the armed services included in this bill. One thing is certainly clear, and that is that our armed services deserve to receive pay at least comparable to that received by their civilian counterparts in government. Last year we passed a bill to achieve that comparability and to close that gap. It would be most unfortunate to adopt a new civilian pay bill this year that would give the civilian employees of government a further increase without granting our men in uniform an equal boost. This is what our bill does. It maintains that comparability.

Mr. Chairman, I want to close by adding my sincere tribute to our distinguished chairman, the gentleman from South Carolina [Mr. Rivers]. He has been a great chairman and has done a remarkable job. He has been most patient and considerate of the views of all the members of the committee. And I am deeply grateful to him for the opportunity of representing the full committee as chairman of a special subcommittee which recently visited the fighting fronts in Vietnam. This bill today is a tribute to the tireless hard work and persistence of Mendel Rivers. We can be proud of his achievement here in this House today. And I know from my own personal experience that the men and women in the uniforms of the United States, serving from Berlin to Vietnam, will salute Mendel Rivers and thank him for what this bill will do in days to come to bolster the defense of our great country.

Mr. HICKS. Mr. Chairman, I rise in support of this bill in its entirety. It is a good bill, and I can attest the committee on which I am privileged to serve, the Committee on Armed Services, has given every bit of the intelligence, knowledge, experience and conscientiousness we possess into the bill. Our chairman, the gentleman from South Carolina, particularly has done his usual excellent job. And that may be a comment within a comment, Mr. Chairman, for the gentleman from South Carolina does his job always with such remarkable excellence that we come to accept the remarkable as "usual" for him.

This much may be interpreted as selfish interest on my part: That this bill, or any military bill, has a profound effect on the congressional district which I have the honor to represent in Congress. We have a great Army post, Fort Lewis. We have a fine and expanding Air Force Base, McChord. We have a naval shipyard of unsurpassed excellence at Bremerton. We have the Pacific Polaris facility, the Keyport Naval Torpedo Station, two fine military hospitals. Through the years, in war and in peace, this district has made a tremendous contribution to the defense of our country.

We have provided, in this bill, Mr. Chairman, for the continuing defense of our country, including my district's share in that demanding and rewarding job. We have done so with full awareness of the immense responsibility involved, and we have done so with a careful eye also on the budget. There is no fat here.

And we have done more, Mr. Chairman. We have looked ahead, too, into the needs that will be upon us soon. We have taken hold of the future, so to speak. I consider it a particular responsibility to serve on the subcommittee whose specific job it is to handle matters of research, development, test, and evaluation. This is the area of tying the past and the present to the projected needs of the future, and of meeting the needs of the future.

For this, we have provided $7,278,559,000. It is not too much to invest in defense research and development specifically. I say specifically, for this entire bill is geared to both present and future.

I am particularly pleased that we have earmarked $431,400,000 for preproduction activities related to development of the Nike X anti-ballistic-missile system. It is my hope, Mr. Chairman, that the Department of Defense will not obstruct the will of the committee and, also my hope, the will of the Congress. I hope that this money will be used as we have committed it to be used, in the development of a system which I feel is necessary.

Also notable in the area of procurement for the future is the inclusion of two nuclear-powered frigates. We provided for one such vessel last year, Mr. Chairman, but the Department of Defense decided to abort the will of the Congress and did not proceed as directed. This I regard as a grievous error, not only in the sense of this additional evidence of the Department's tendency to ignore the Congress, but in the sense of failing to provide adequately for this phase of defense.

During my recent trip to Vietnam as a member of our committee's special Subcommittee on Vietnam, I saw personally the work being done by our nuclear carrier. And I saw clearly why it is possible for this great warship to do more than conventionally powered ships. Everyone knows of the great staying power possible with nuclear propulsion, which permits a vessel to stay at sea for almost incredible periods of time without refueling. Less is said, however, about the greater payload in arms and supplies possible with a nuclear power plant, whose fuel requires so much less space that a markedly higher proportion of the vessel's capacity may be devoted to the arts of war instead of the business of getting to and from the scene of action.

This bill, Mr. Chairman, basing its provisions on past and present experience, is carefully designed to give us an unbeatable combination of weaponry for the present and for the future.

Mr. EDMONDSON. Mr. Chairman, this bill should be passed unanimously by the House.

The Committee on Armed Services has reported a bill which meets our constitutional responsibility as Members of Congress, and will assuredly contribute in a significant way to the strength of our defenses and the security of the Nation. Our hopes for an enduring peace in future years, based on strength and military readiness, will also assuredly benefit.

I share the committee's conclusions that no further delay should be permitted in steps to provide a nuclear task force for the Navy, and that experience in the Pacific strongly supports the wisdom of this course.

I also agree that we need to expedite our efforts to provide effective, jet aircraft for medical evacuation, and to speed our efforts to secure a new manned bomber to replace the B–52.

Finally, I wholeheartedly endorse the committee's firm assertion of congressional responsibility and determination to fulfill that responsibility in the defense field.

The action recommended on military pay, nuclear propulsion for the Navy, and the manned bomber is a proper exercise of that responsibility, and the Nation will surely benefit in the years ahead.

I hope and trust every Member of this body will share the committee's well-considered conclusions, and vote for the bill.

Mr. SHRIVER. Mr. Chairman, I rise in support of S. 2950 which will authorize appropriations of nearly $18 billion for military procurement and research, development and testing during the fiscal year beginning July 1, 1966.

This Nation's first President, George Washington, handed down wise counsel which is as applicable today as it was when he declared in his first address to both Houses of Congress:

> To be prepared for war is one of the most effectual means of preserving peace.

Today American military men are involved in a difficult war in far-off Vietnam. We must not deny them the necessary equipment to meet their adversaries. However, the Congress also has a responsibility for the future security of this Nation.

I commend the Committee on Armed Services and the subcommittees which have pursued vigorously and thoroughly the many aspects of our Nation's defense posture.

The committee has thrown necessary light upon the need for speeding up the planning and development of the advanced manned strategic aircraft. The Chief of Staff of the Air Force and other members of the Joint Chiefs of Staff have spoken out before the Armed Services Committee in support of AMSA.

The B–52 bomber is proving its versatility as a nonnuclear bomber in Vietnam today. However, we know that increased usage of this strategic jet aircraft will also accentuate the need for a follow-on manned weapons system in the mid-1970's.

The Secretary of the Air Force in testimony before the Defense Subcommittee of the Committee on Appropriations has emphasized the importance of working harder on the AMSA program:

> ADVANCED MANNED STRATEGIC AIRCRAFT
>
> Mr. Sikes. To turn briefly to the AMSA, what is the real justification for speeding up the AMSA program beyond the level which is provided in this budget?
>
> Secretary Brown. The fundamental reason for working harder on AMSA, Mr. Chairman, is that it is a prime candidate—I think it is not only one candidate, but a prime candidate, for a number of missions which the B–52 G and H will be able to do until the mid-seventies. The B–52 G and H should last, with structural changes which are programed and funded, until about 1975.
>
> At that point General McConnell and I agree, and it is the Air Force position, that a replacement should be made available for the B–52 G and H. This replacement will have a variety of functions. The most

> important one is to supplement the missile force in providing a long-range, cost-effective bomber, with air breathing delivery in the assured destruction role against the Soviet Union.
>
> The B–52's are being used in a nonnuclear role, outside of the Soviet Union and China, very effectively.
>
> We have studies in progress of what the alternatives are to fill this role. One can mention a number of other possibilities.
>
> One can try to keep the G's and H's beyond 1975 by making still further structural modifications. One can convert the C–5 into a nonnuclear bomber. It is not particularly useful as a nuclear bomber.
>
> One can go to a bigger version of the FB–111. The FB–111 which is programed to replace the B–52C's through the F's does not have the range or payload to replace the G's and H's but you might try stretching it further. All of these are alternatives and we are presently looking at them.
>
> The AMSA combines the B–52 range and payload with the FB–111 speed and maneuverability, so in a sense is the best.
>
> However, it is also the most expensive. Whether it is the best choice, therefore, depends on the details of how you are going to use it.
>
> The AMSA, if we do build it, and no decision has been made by the Secretary of Defense either to approve production or to approve full-scale development, but if we build it it will take on the order of 10 years to get it into the inventory in any substantial numbers.
>
> Mr. Sikes. Could this be a dangerous delay?
>
> Secretary Brown. It is a risk. It is one we can accept for another year but it is a risk.

Mr. Chairman, I have consistently supported a defense policy which provides for a balanced mixture of missiles and manned aircraft. The Secretary of Defense may not be able to see a "clear need for a new strategic bomber to replace the B–52 G–H's," but our military experts and the Secretary of the Air Force have spoken out before the Armed Services Committee and the Appropriations Committee for accelerated development of a follow-on for the B–52.

I support the committee's action in recommending the addition of $11.8 million over and above the $11 million requested in the budget for avionics to enable the Air Force to start contract definition on AMSA in fiscal 1967.

Mr. NEDZI. Mr. Chairman, I intend to vote for S. 2950 because I believe a strong Military Establishment is absolutely essential in today's world of conflicting ideologies and threatening military policies for the security of our country. I wish I could do so without reservations but unfortunately based upon my observations and understanding of the many hours of hearings and the prodigious quantity of other materials available to a member of the Armed Services Committee, I believe the committee's recommendations are without proper foundation and create more problems than they seek to solve.

For the record, I do not believe that a need for additional money for the AMSA has been demonstrated. I do not believe that an antimissile missile system is the best way in which we can utilize our resources for the preservation of lives in the event of a nuclear attack. I do not believe that enemy capabilities warrant a commitment at this time to an IMI program. I do not believe that we can reasonably digest the additional funds which the committee has approved for research and development.

Finally, Mr. Chairman, while I support the idea of additional nuclear frigates, I am totally in opposition to the mandatory language which the committee has injected into the bill. A serious constitutional question arises and I have great reservations that the judgment of a committee of Congress can be imposed upon the executive in matters requiring the expertise which as a practical matter does not and cannot exist in a committee. We can debate; we can question; we can authorize; we can withhold funds; but, we cannot compel. In turn, the Executive cannot compel Congress. Only the people through their votes at the polling places can compel. And that is the way it should be.

These checks and balances are the very basis of our democratic system. By implication, if not by admission, the committee seeks to test "whether Congress has the power to so mandate." The test has been attempted on several occasions in the past, and has always been resolved through sensible action on behalf of both branches without an unnecessary showdown which undermines the faith in and understanding of our form of government. A test serves no useful purpose now and I trust that, as in the past, cooler heads will prevail and this language will be deleted and a spirit of cooperation return between the executive and legislative branches of our government in order that the best interests of the United States can be served.

Mr. EDWARDS of California. Mr. Chairman, I say these words as one who feels compelled by the defense needs of our country to vote for this procurement bill but one who is profoundly disturbed by the size of this budget and what it signifies in our national life.

I intend to vote for final passage of S. 2950 although with a great deal of reluctance and hesitancy. I intend to support any action to reduce this budget; more pointedly, any amendment to delete funds earmarked to continue the B–58 program, to construct nuclear powered surface ships or frigates, and to develop an anti-missile-missile system.

The cold war period has been fed and supported by an arms race and an emphasis on military might which has prompted the United States alone to spend over a trillion, four hundred billion dollars in arms since World War II. Each year, our defense budget grows larger. Our yearly military budget of $58 billion approaches that of the years we were engaged in a world war—$63 billion.

Each year, the Congress blindly accepts the increases. Indeed, it is most difficult to argue against money to defend our Nation. I would suggest, however, that we need to step back and, with a different perspective, take a good hard look at our spiraling defense budget and our stance in a cold war of two opposing, unbending forces. There are tremendous changes going on within and between nations of the world. It is time to pursue a different tack. I am always distressed to juxtapose the treatment given this budget with the careful, detailed, and negative approach to funds proposed for the Arms Control and Disarmament Agency, foreign assistance, and support of the United Nations and other international bodies.

So, therefore, I am reluctant to do that which I feel is necessary and vote for S. 2950. As I said, I do oppose funds in this bill for projects which through extensive study and analysis have been shown to involve great costs for what will be an unavailing and fruitless effort. This simply does not make sense.

I am confident that this statement will clarify for my colleagues and the record, my position—of which a simple vote would not be an accurate reflection.

Mr. ROGERS of Florida. Mr. Chairman, I rise in support of this legislation. The House Armed Services Committee is to be commended for the excellent job it has done in evaluating proposals which it has heard regarding Defense Department procurement. Under the capable leadership of Committee Chairman Mendel Rivers, the committee has adopted an outstanding report on legislation which is of vital concern to every American.

The committee deserves particular recognition for providing an additional $8.6 million funds for the Navy's deep sea submergence programs.

DSSP is one of the most important aspects of the Navy's rapidly developing technology linked to oceanography and undersea exploration. The loss of the *Thresher* in April 1963 was painful proof of this Nation's inability to operate in an undersea environment of 8,300 feet, even though modern space technology has conquered altitudes far beyond this distance. The loss of an H-bomb off Spain last January again demonstrated the difficulty the United States faces in operating at undersea depths. Although the bomb incident had a more favorable ending after an 80-day search, the *Thresher* has not yet been recovered.

The committee's vision in authorizing additional funds for the critical new field of deep submergence stands as a vote of confidence in the governmental, scientific, and industrial sectors of the oceanographic community. Even though knowledge of the oceans has long held the imagination of mankind, oceanography is still a relatively new science. However, progress is being made in this field, and much of it is being made by the Russians. They are dedicated to the achievement of seapower. Soviet oceanography and submarine technology have been given high national priority. Unable to force a major gap in the outer space race, the Soviets are beginning to concentrate scientific and financial resources in the seas. Action such as the one taken by the committee will do much to strengthen America's position in the ocean age. The restoration of funds for deep submergence gives notice to the Soviets that the United States will not let ocean supremacy go by default.

As the Secretary of the Navy told the Navy League last Friday:

> Oceanography—and in this reference it is used in its broadest sense to include ocean

> technology, ocean engineering, deep submergence—all things wet—is an integral part of sea power.

How true. The committee has given the Nation a new muscle to use in the development of seapower. If used often and with good judgment, that muscle will become stronger. I urge that the Congress uphold the committee action by approving the restoration of funds for the development of deep sea submergence programs within the Navy.

Mr. CALLAWAY. Mr. Chairman, I rise in support of the excellent bill before us today. The unanimous Armed Services Committee report reveals a thorough and searching examination of our defense needs; it is a cogent and thought-provoking document. The committee should be commended for its spirited and often witty defense of the constitutional role of the Congress in providing for and maintaining the Nation's defenses. In this time of national emergency, when the United States must protect herself against violent Communist aggression, and must rely upon her Armed Forces for the preservation of our basic freedoms, it is essential that the elected representatives of the people continue their vigilance over our national security.

This Nation and this Congress can be rightfully proud of this legislation. We can be proud of authorizing for our boys in Vietnam and elsewhere the finest military equipment in the world. We can be proud of possessing a modern defense system second to none; we can be proud of giving our Armed Forces the the best protection this Nation can devise.

Mr. Chairman, I am profoundly gratified at the $357 million military pay raise provided for in this bill. I have often been to Fort Benning, where the 1st Air Cavalry, now serving in Vietnam, was trained, as well as to Robins Air Force Base, all in my district. I know the men who are prepared to give their lives for this Nation and these freedoms. I know their dedication to the cause of liberty; I know of their courage and vigilance, and I feel more secure with my country's security in their hands.

Mr. Chairman, I know that there are those in this country who take every opportunity to malign our Armed Forces, who contemptuously cast insults and abuse upon these brave men. I know that these people are only a tiny minority and am glad that this House will again demonstrate the overwhelming support of this Nation for our loyal defenders by enacting this pay raise into law. We do indeed hold a solemn obligation to give the utmost possible support to those who are dying to preserve the many freedoms which we all tend too much to take for granted.

Mr. WRIGHT. Mr. Chairman, this is a good bill. Particularly am I pleased to note the emphasis which our colleagues on the House Armed Services Committee have placed on congressional responsibility in our Nation's defense. The Constitution leaves no doubt as to our proper role. We are doing our country service, I believe, when we clearly spell out that we intend to discharge, as capably as we know how, the grave responsibility imposed on us in this area.

Several aspects of this legislation deserve particular note. One is the $167.9 million authorization for preproduction activities on the Nike X antiballistic missile defense system.

As the committee has noted in its comprehensive report, there appears to be little doubt that the Soviet Union could, at this moment, inflict tremendous damage on the United States with its long-range missiles. Not only is the Soviet threat likely to continue, but there arises the additional specter of Red Chinese development of intercontinental missiles. To ignore these dangers is to shirk the responsibility the Congress properly feels in the defense of our country.

I congratulate the committee for its efforts to provide funds now for necessary preproduction activities for the Nike X. What we are doing, as the committee has so wisely pointed out, is buying time—the scarcest commodity in this age of nuclear weaponry. If the Nation decides to go ahead and deploy a ballistic missile defense system, the action of this House today in making available the $167.9 million preproduction authorization should shave 1 year off the time that would otherwise be required to put the Nike X operational system on site. In an era in which a nuclear intercontinental missile can streak across the top of the world in hardly more than half an hour, a year's worth of leadtime can be a precious commodity indeed—worth far more than the amount being discussed here today.

All responsible Americans look forward hopefully to the day when our vast defense expenditures can be safely trimmed back and devoted to the causes of peace—hospitals, schools, and all the other things which this beleaguered world so desperately needs.

But the time when this can safely be done has not yet arrived. Today in Vietnam, American fighting men are committed to a war that none of us wanted. On those of us left at home has been thrust the responsibility for providing the tools with which they can finish the job.

It is my privilege in the House to represent the Fort Worth area—an area which is contributing significantly to our defense efforts by producing the F-111 fighter plane and the Iroquois helicopter.

Today's bill contains an authorization of $100.3 million for the F-111A for fiscal 1967. The budget message recommended only $78 million for this program and the additional $22.3 million was added by the committee.

I am certain that the committee's confidence in the F-111 is well placed. To date, this new weapons system has met or exceeded every major development milestone. Even its first flight—in December 1964—was well ahead of schedule.

On May 27, F-111A No. 12 made its first flight. This is significant because plane No. 12 is believed to be almost identical to the production aircraft that will begin rolling off the assembly line in numbers at the General Dynamics plant early next year.

Plane No. 12 incorporates several significant improvements over the 11 previously produced. For one thing, there has been a 2-ton weight reduction in comparison with previous models. Significant improvements also have been made in the matching of engine and airframe. Additionally, plane No. 12 incorporates high-lift devices that are 9 percent more effective than those of previous models of the aircraft.

These test program refinements, being incorporated as they are at the two-thirds point in the development program, will give the Air Force a chance to evaluate what essentially is a production-line ship 6 months earlier than otherwise would have been the case.

At Fort Worth's Bell helicopter plant, the report is similarly encouraging. To anyone who reads the daily newspapers, there is no need to elaborate on the tremendously effective role which helicopters have played in the Vietnam war. Not only do they provide our men with the greatest mobility ever known to warfare, but these machines have established an outstanding safety record. Battlefield statistics show there have been 18,000 successful sorties for every loss of a helicopter.

Such outstanding records do not just happen. They reflect great skill upon the brave men who fly these machines in battle, and tremendous know-how among the engineers and technicians who build them.

As magnificent as the record is for Bell's Iroquois, there is reason to believe even this may be bested by the new Bell Cobra, which will go into production at the end of this year. Developed by the company with its own resources to meet the particular needs of the Vietnam war, the Cobra promises to be faster, better armed, and less vulnerable to ground fire, while retaining the same basic components as the old reliable Iroquois. Significantly, no substantial increase in overall funding will be required for Cobra production.

The demands of Vietnam have made it necessary for Bell to double its production in the past year. Yet it has been able to retain its proud record of meeting all its production schedules for the military. In October, the company will not have missed a delivery date for 10 years.

In summation, Mr. Chairman, let me again congratulate the committee for refocusing attention on congressional responsibility for the defense of our country. It should be obvious to anyone who has studied the report that the committee has not hesitated to exercise the power vested in this body by the Constitution itself. This is a good bill, and deserves the support of every Member of this House.

Mr. BINGHAM. Mr. Chairman, I shall vote for the defense authorization bill before us because I believe we must maintain a strong national defense establishment.

However, I have several reservations.

I am opposed to the provision in the bill which purports to direct the Secretary of Defense and the Secretary of the Navy to "proceed with the design, engineering and construction of two nuclear powered guided missile frigates as soon as possible."

In my judgment, this provision goes far beyond the responsibilities of the Congress as laid down in article I, section 8 of the Constitution. President Kennedy was greatly disturbed by a similar effort on the part of the Congress, and I am sure President Johnson will be also, and rightly, in my view.

I am also seriously troubled about those provisions of the bill which add almost a billion dollars to the amounts requested by the President. Having listened carefully to the debate on this bill and having studied the committee's report, I am still not convinced that these additional expenditures are necessary or even wise, in view of the inflationary pressures we are facing in this country.

Since no one rose during the debate to present the point of view of the Secretary of Defense on these items, and since the committee report does not attempt to present or summarize his views, it is extremely difficult for a nonmember of the committee to assess the merits of the various controversies. While the bill as a whole was reported out unanimously by the committee, I am informed that there were differences of opinion within the committee with respect to some or all of these items.

In such an important matter as this, with billions of dollars and vitally important questions of national defense at stake, I wish that it were possible for the Members to have before them the comments of the Secretary of Defense on the various items which the committee has added to the administration's request.

In the absence of such comments, I have tried, within obviously severe limitations of time, to examine the record of the hearings before the committee so as to determine on what basis the Secretary of Defense had decided against asking for these various items. Although not succeeding wholly in this endeavor, I have found certain statements made by the Secretary of Defense which concern me and which do not appear to be answered in the committee report.

For example: On page 16 of the report the following appears:

> The committee added $167,900,000 in authorization of appropriations for preproduction activities directed toward the deployment of an antiballistic missile defense system.

Yet on page 7356 of the hearings, Secretary McNamara said:

> There is no system or combination of systems within presently available technology which would permit the deployment now of an anti-ballistic missile defense capable of giving us any reasonable hope of keeping U.S. fatalities below some tens of millions in a major Soviet nuclear attack upon our cities.

At another point he did indicate that an antiballistic missile system might be useful with respect to a possible Chinese Communist attack in the mid-1970's, but stated, at page 7345:

> On the basis of our present knowledge of Chinese Communist nuclear progress, no deployment decision need be made now—

And that—

> the development of the essential components should be pressed forward vigorously.

There was brief reference during the debate to the matter of Soviet progress in the development of antiballistic missiles.

It seems to me that this is an area where it may be dangerous for us to attempt to develop capabilities that far exceed those of the Soviets. For instance, if we were to decide to proceed vigorously with the deployment of an antiballistic missile system intended to provide complete protection against Soviet missile capabilities, and the Soviets were not in a position to follow suit, the Soviets might be so thoroughly alarmed at the prospect of losing the protection of their deterrent potential that they might feel driven to launch a nuclear attack upon us before our defensive system could be completed.

The committee also decided to add $11,800,000 "to support the contract definition phase for the advanced manned strategic aircraft—AMSA." On this subject, Secretary McNamara said, among other things:

> We will duplicate in the future the errors of the past if we push ahead with this airplane before we have a clear concept of why it is required, what it is to do, and what specifications it should have to accomplish that task. (Hearings, p. 7373.)

During the debate, some critical references were made to the Secretary of Defense. I want to disassociate myself from these views. I believe we have a great Secretary of Defense. Though I have not always agreed with his views, particularly with regard to Vietnam, I am full of admiration for the systematic and thorough way in which he has endeavored to provide this country with a balanced and effective defense establishment without unnecessary expenditure. In so doing he has often had to overrule the requests of Army, Navy and Air Force officers, but that, to my mind, is what a Secretary of Defense has to do. That is the essence of the idea of civilian supremacy which is fundamental to our system of government.

Mr. KASTENMEIER. Mr. Chairman, after reading the report on the military procurement authorization bill, I regret that I do not have an opportunity to vote for a motion to recommit or an amendment to strike the amount of money added by the committee to the money requested by the Defense Department.

It strikes me that when the Defense Department, with its expert assessment of its needs, comes to Congress for appropriations in the amount of nearly $17 billion, nearly one-sixth of our national budget, it is time for Congress to examine the request most diligently.

Instead we are provided a bill which not only accepts the requests of the Defense Department, but which also includes a drastic increase in the appropriations requested of nearly $1 billion.

There is always a reluctance to question defense spending. As a result, the record is that military spending is the largest consumer of the American taxpayers' dollar, enjoys the status of a sacred cow and continues to go unchecked and unpoliced by critical congressional committees. To add an additional billion dollars, is an unfortunate alternative, because there is some necessity to exercise restraint in the dollars the Federal Government spends.

It is a great disappointment to me therefore to see a congressional committee rushing in to spend even more money than the military experts ask. Further, I do not believe the Department of Defense would understate its own critical needs. It is particularly distressing when large amounts of additional funds recommended by the committee are for programs of dubious merit and commit us to programs about which many Americans have serious policy reservations. the preproduction moneys recommended for Nike X and the funds for MOL are two examples of programs that have not yet been fully explained to or accepted by the American people as necessary or desirable. In fact, both programs, if implemented, could result in a renewal of the arms race at even greater costs to American taxpayers.

It is also unfortunate that these spendthrift recommendations of the committee come at a time when domestic programs are already seriously jeopardized by the increasing day-to-day costs of the Vietnam war.

Mr. Chairman, it is not a question of the executive branch exercising Congress prerogatives. It is a question which has exercised the greatest prudence. In this case, I think Mr. McNamara has.

While there is little question that present world conditions do not permit a drastic reduction in the funds requested by the Defense Department for military procurement—and this measure will, therefore, have my vote—there is grave question that the defense and well-being of the United States requires the increased spending requested by the committee. I know that I speak for many Americans concerned with questions of war and peace and for many Wisconsin taxpayers when I say that I hope the Senate will eliminate the excess written into the bill by the House committee as well as examine most closely the funds requested by the Department. I cannot state more strongly my opposition to the addition of the $931,100,000 to this bill recommended by the committee.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, under general leave to extend my remarks in the CONGRESSIONAL RECORD, I rise in support of S. 2950, for defense procurement and research and development and military pay, which has been submitted to the House by the gentleman from South Carolina [Mr. Rivers], the distinguished chairman of the Committee on Armed Services of the House of Representatives.

First off, may I associate myself with the chairman's avowed viewpoint that Congress should be, and is, the authority for the appropriation of funds for the maintenance of the defense of our Nation, and that in its wisdom it should exercise its power to study, develop and promote specific programs which it deems to be in the national interest.

To argue otherwise is to suggest that the only real purpose of the U.S. Congress is to approve methods of raising funds suggested by the administration and to approve expenditures of funds proposed by the administration; and, therefore, to be subservient to the administration, rather than in full partnership with the executive branch of the Government. I am sure no Member worthy of his vote in this distinguished body would willingly see the prerogative of the Congress abandoned.

Finally, may I add my voice to those of the many distinguished Members who serve in the House in praising the chairman of the Committee on Armed Services for his contribution to this body and to the Nation.

As a candidate for Congress before I was elected to represent the Seventh District last fall, I sought reassurance and candid advice from the chairman with regard to the status of Wright-Patterson Air Force Base.

The status of this facility is important to the economy of my area, and it had been put under a cloud of some doubt by comments made by some who sought nomination in that primary. The chairman was good enough to give me direct answers to direct questions and to analyze matters as he saw them. He spoke freely from the standpoint of national interest and without partisan considerations, as he always does when matters involving our national defense are concerned.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. All time has expired.

Pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1967 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $612,400,000; for the Navy and the Marine Corps, $1,442,200,000, of which amount $20,000,000 is authorized only for additional aircraft and electronic equipment to be used for expanded airborne television transmission capabilities; for the Air Force, $4,067,500,000, of which amount $55,000,000 is authorized only for procurement of, or for maintaining a production capability for, the F–12 aircraft, and $51,200,000 is authorized only for the procurement of CX–2 aircraft.

Missiles

For missiles: for the Army, $510,000,000, of which amount $153,500,000 is authorized only for preproduction activities for the NIKE X antiballistic missile system; for the Navy, $367,700,000; for the Marine Corps, $17,700,000; for the Air Force, $1,189,500,000.

Naval vessels

For naval vessels: for the Navy, $1,879,100,000, of which amount $127,800,000 is authorized only for the construction of a nuclear powered guided missile frigate, and there is hereby authorized to be appropriated during fiscal year 1967 $130,500,000 only for the construction of the nuclear power guided missile frigate for which funds were authorized under Public Law 89–37. Notwithstanding the provisions of any other law, the Secretary of Defense and the Secretary of the Navy shall proceed with the design, engineering, and construction of the two nuclear powered guided missile frigates as soon as practicable.

Tracked combat vehicles

For tracked combat vehicles: for the Army, $359,200,000; for the Marine Corps, $3,700,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Sec. 201. Funds are hereby authorized to be appropriated during the fiscal year 1967 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,581,700,000, of which amount $431,400,000 is authorized only for continued research, development, test, and evaluation, and research, development, and tests related to preproduction activities on the Nike X antiballistic missile system;

For the Navy (including the Marine Corps), $1,891,300,000, of which amount $26,600,000 is authorized only for the research, development, test and evaluation of the medium-range guided missile Condor and $8,600,000 is authorized only for research, development, test and evaluation related to the Deep Submergence Program;

For the Air Force, $3,221,500,000, of which amount $22,800,000 is authorized only for research and development related to the Advanced Manned Strategic Aircraft and $230,000,000 is authorized only for research and development related to the Manned Orbiting Laboratory; and

For Defense Agencies, $459,059,000.

Sec. 202. There is hereby authorized to be appropriated to the Department of Defense during fiscal year 1967 for use as an emergency fund for research, development, test, and evaluation or procurement or production related thereto, $125,000,000.

TITLE III—PAY OF THE UNIFORMED SERVICES

Sec. 301. Section 203(a) of title 37, United States Code, is amended to read as follows:

"(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are set forth in the following tables:

"Commissioned officers

"Pay grade	Years of service computed under section 205													
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-10 [1]	$1,424.10	$1,474.50	$1,474.50	$1,474.50	$1,474.50	$1,530.60	$1,530.60	$1,648.20	$1,648.20	$1,766.10	$1,766.10	$1,883.70	$1,883.70	$2,001.60	$2,001.60
O-9	1,262.10	1,295.10	1,323.30	1,323.30	1,323.30	1,356.60	1,356.60	1,412.70	1,412.70	1,530.60	1,530.60	1,648.20	1,648.20	1,766.10	1,766.10
O-8	1,143.30	1,177.50	1,205.40	1,205.40	1,205.40	1,295.10	1,295.10	1,356.60	1,356.60	1,412.70	1,474.50	1,530.60	1,592.40	1,592.40	1,592.40
O-7	949.80	1,014.90	1,014.90	1,014.90	1,059.90	1,059.90	1,121.40	1,121.40	1,177.50	1,295.10	1,384.80	1,384.80	1,384.80	1,384.80	1,384.80
O-6	703.80	773.70	824.10	824.10	824.10	824.10	824.10	824.10	852.30	986.70	1,037.10	1,059.90	1,121.40	1,216.50	1,216.50
O-5	562.80	661.50	706.50	706.50	706.50	706.50	728.70	767.70	818.70	880.20	930.60	958.50	992.40	992.40	992.40
O-4	474.90	577.80	616.80	616.80	627.90	656.10	700.50	739.80	773.70	807.30	829.80	829.80	829.80	829.80	829.80
O-3 [2]	441.60	493.20	526.80	583.20	611.10	633.30	667.20	700.50	717.60	717.60	717.60	717.60	717.60	717.60	717.60
O-2 [2]	353.70	420.30	504.60	521.40	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50
O-1 [2]	303.90	336.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30

"[1] While serving as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is $2,208.60 regardless of cumulative years of service computed under sec. 205 of this title.

"[2] Does not apply to commissioned officers who have been credited with over 4 years' active service as an enlisted member.

"Commissioned officers who have been credited with over 4 years' active service as an enlisted member

"Pay grade	Years of service computed under section 205											
	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3	$583.20	$611.10	$633.30	$667.20	$700.50	$728.70	$728.70	$728.70	$728.70	$728.70	$728.70	$728.70
O-2	521.40	532.50	549.03	577.80	600.00	616.80	616.80	616.80	616.80	616.80	616.80	616.80
O-1	420.30	448.50	465.30	482.10	498.90	521.40	521.40	521.40	521.40	521.40	521.40	521.40

"Warrant officers

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
W-4	$449.40	$482.10	$482.10	$493.20	$515.70	$538.20	$560.40	$600.00	$627.90	$650.40	$667.20	$689.40	$712.20	$767.70	$767.70
W-3	408.60	443.10	443.10	448.50	454.20	487.50	515.70	532.50	549.30	565.80	583.20	605.70	627.90	650.40	650.40
W-2	357.60	387.00	387.00	398.10	420.30	443.10	459.90	476.40	493.20	510.30	526.80	543.60	565.80	565.80	565.80
W-1	298.20	342.00	342.00	370.20	387.00	403.80	420.30	437.40	454.20	471.00	487.50	504.60	504.60	504.60	504.60

"Enlisted members

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
E-9	-------	-------	-------	-------	-------	-------	$510.60	$522.30	$534.30	$546.00	$558.00	$569.40	$599.10	$657.30	$657.30
E-8	-------	-------	-------	-------	-------	$428.40	440.40	452.10	463.80	475.50	487.20	499.20	528.60	587.10	587.10
E-7	$269.40	$322.80	$334.80	$346.50	$358.20	369.60	381.30	393.60	411.00	422.70	434.40	440.40	469.80	528.60	528.60
E-6	232.20	281.70	293.40	305.40	317.40	328.80	340.50	358.20	369.60	381.30	387.60	387.60	387.60	387.60	387.60
E-5	200.40	246.90	258.60	270.00	287.70	299.40	311.10	322.80	328.80	328.80	328.80	328.80	328.80	328.80	328.80
E-4	168.60	211.50	222.90	240.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60
E-3	121.80	170.10	182.10	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80
E-2	100.50	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00
E-1	96.90	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00
E-1 (under 4 months)	90.60	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------"

SEC. 302. Notwithstanding any other provision of law, a member or former member of a uniformed service who initially becomes entitled to retired pay or retainer pay on the effective date of this title shall be entitled to have that pay computed using the rates of basic pay prescribed by the first section of this title.

SEC. 303. The provisions of this title become effective on July 1, 1966.

TITLE IV—WEAPONS SYSTEMS

SEC. 401. Section 125(c) of title 10, United States Code, is hereby amended by adding the following:

"However, notwithstanding any other provision of this Act or any other law, the Secretary of Defense shall not direct or approve a plan to initiate or effect a substantial reduction or elimination of a major weapons system until the Secretary of Defense has reported all the pertinent details of the proposed action to the Congress of the United States while the Congress is in session. The Congress shall within ninety days thereafter advise the Secretary of Defense through the Committees on Armed Services of the Senate and House of Representatives respectively, of the recommendations of these Committees on the proposed action."

Mr. RIVERS of South Carolina (during reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

AMENDMENT OFFERED BY MR. EDWARDS OF ALABAMA

Mr. EDWARDS of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWARDS of Alabama: On page 6, line 10, change the semicolon to a comma and add "giving due regard in all such research programs to benefits which may accrue therefrom to the American Merchant Marine;".

Mr. EDWARDS of Alabama. Mr. Chairman, one of the great problems facing this Nation today is the problem of the deterioration of our American merchant marine.

The merchant marine is not a part of the Defense Department, although it is commonly referred to as the "fourth arm of defense" in this Nation. In fact, it is because of the needs of defense that I personally can go along with subsidies for our American merchant marine. Defense needs are the very basis for merchant marine subsidies.

Mr. Chairman, the American merchant marine is carrying less than 9 percent of our own commerce, and to me this is shocking. We rank about 12th as a shipbuilding nation and this to me is disgraceful. Our merchant marine is slowly sinking into a sea of bureaucratic twaddle, and no policy seems to be forthcoming from the administration which will bring us out of this chaos and confusion. Secretary of Defense McNamara says the merchant marine is adequate to the needs of the Defense Department; but I say it will never be adequate as long as we must charter foreign-flag ships to carry supplies to our boys in Vietnam.

Mr. Chairman, the Navy can perform a real service to this country and its proud merchant marine by giving due regard in all its research programs to benefits which may accrue therefrom to the American merchant marine. That is the purpose of this amendment. The Air Force does much which works to the benefit of the airline industry. The Navy can do much which will give the American merchant marine some greatly needed help as a result of its research program.

This is an uncomplicated amendment, but it can be a great first step toward revitalizing our merchant marine. I urge its adoption.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman.

Mr. BATES. Mr. Chairman, the gentleman has explained this amendment to me. We have no objection to this amendment on this side.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I am glad to yield to the chairman.

Mr. RIVERS of South Carolina. I have likewise discussed this amendment with the gentleman.

This amendment is designed to help our merchant marine, and I must applaud the gentleman from Alabama. It will give our research department an opportunity to do something about this dwindling merchant marine. We gladly accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. EDWARDS].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask a question or two concerning the present status of the F-111, the plane that was supposed to go both ways, that is, operate off carrier decks and land based.

What is the status of the F-111? Is it capable now of being flown in combat off carrier decks or is it too heavy for this purpose?

Mr. RIVERS of South Carolina. They are having problems in this area. The Hébert subcommittee has made some recommendations, that additional inquiries be made into the F-111 program. But generally, the F-111 is coming along. I think the Navy version is a little heavy. I do not know what it will do. It is still in the development stage.

Let me say this to the gentleman. Nobody living or dead ever built an airplane in less than 5 years. This plane is not due yet, I do not care what the DOD tells you.

Mr. GROSS. It is not due yet? Does the gentleman say this plane is not due yet?

Mr. RIVERS of South Carolina. It cannot be due because it has not been born long enough.

Mr. GROSS. Is there no plane in being? Is there no operational F-111?

Mr. RIVERS of South Carolinia. I think they have some experimentals flying. This plane is going to be all right for certain things and we have a number of them flying. But as an operational plane, its time has not come. This is what I am trying to say to the gentleman.

Mr. GROSS. I do not know exactly what the gentleman means when he says we have the plane but its time has not come.

Now this is quite a long story as the gentleman well knows. The Joint Chiefs of Staff asked Secretary McNamara for a plane that could be flown off carrier decks as well as land based; to serve both purposes. To make a long story short, McNamara awarded the contract to a company which, it was evident at the time, could not produce a dual purpose plane.

Now I am trying to learn the status of this contract. How many hundreds of millions of dollars have gone down the drain; and whether we have any right to expect that this proposed dual purpose plane will ever come into being under the $6 billion dollar contract that was awarded to General Dynamics at Fort Worth, Tex.

Mr. RIVERS of South Carolina. I would like to read this to the gentleman:

> The development and testing of the F-111 aircraft has proceded substantially as programmed.
>
> Eight air force F-111-A's and 3 navy 11-B's were delivered through January, 1966. All were delivered on schedule.
>
> Over 500 flight test hours have been flown with successful flights up to the maximum continuous designed speed at altitudes above 59,000 feet.

Let me say this—and this is what I am trying to say to the gentleman—that the test models have come off the line. They are testing them. As to whether they will be operational, I just do not know when they will be operational—I just do not know. I pray America will not someday have to suffer because of any plane unable to fulfill its alleged capabilities. I want an AMSA—and now.

Mr. GROSS. I would think that as badly as we need a new supersonic fighter plane——

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. RIVERS of South Carolina. Mr. Chairman, I ask unanimous consent that the gentleman from Iowa may have 5 additional minutes.

Mr. GROSS. I do not need 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RIVERS of South Carolina. I was trying to say in my prepared statement that we do not have a new airplane. We just do not have a new airplane.

Mr. GROSS. That is correct. That is why I am deeply concerned about what has happened in this matter.

Mr. RIVERS of South Carolina. Except the F-12. Earlier I spoke about the fast plane that will make 2,000-plus miles an hour. This is what we are concerned with. We do not have an improved manned interceptor. I hope and pray that the F-111 will do what some people say it will do. But as yet it has not done it, and I do not know when it will do it if it will do it. Certainly it will be a good airplane, I am sure of that, but I do not believe in my heart that it will ever do what some people say that it will do.

Mr. GROSS. Or what the Joint Chiefs of Staff requested that the plane do, although the contract was awarded by McNamara on the basis that it would be a dual-purpose plane.

Mr. RIVERS of South Carolina. The Joint Chiefs of Staff have accepted this plane, as shown in the testimony before the Hébert committee. The reason they accepted the plan is that there was not anything else to accept. They took it as an interim plane and not as a permanent answer to the B-52.

Mr. GROSS. Oh, yes, there was another plane that they could accept, which, according to the Joint Chiefs of Staff, would have been a dual-purpose plane. I do not want to prolong this discussion for the hour is late, but is it my firm conviction that had the gentleman been the chairman of the House Armed Services Committee at the time this contract was awarded, and with the support that he is given by the members of the House Armed Services Committee and their interest in maintaining the independence of Congress and the integrity of the Joint Chiefs of Staff—had those things prevailed, and had the House Armed Services Committee not been in the status of an appendage of the Pentagon—we would have had them on the way. We would have had on the way a dual-purpose plane for the defense of this country, something that we badly need.

Along with others who have spoken, I appreciate the dedication that the gentleman from South Carolina has given to the Armed Services Committee and to his work, and the support that the members of the committee have given to him. We would have a brighter day in the defense picture in this country had the gentleman from South Carolina been the chairman some years ago.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. I am not deserving of what you said, but let me say this to you: So help me God, we are going to have a follow-on bomber if it kills me. I am not convinced that the B-111 is the answer. This is not possible. I do not care what anyone says. I cannot and must not enter into the controversy of the award of the TFX contract. That was before my time. I get enough trouble. As you see, trouble picks me out of the crowd. Do not get me any further.

Let me say this to you: If I live, I am determined to get my Nation a bomber. We have too many of our eggs in the missile basket now. This could be our end.

Mr. GROSS. I am not saying to the gentleman that the Joint Chiefs of Staff are always right; that the military is always right, or that Congress is always right. What I am saying is that if the Joint Chiefs of Staff merit their existence, they ought to be protected by Congress when they are right. When a man puts on a uniform in the service of his country, it should not mean he has to put a zipper on his lips.

We cannot have a defense system in this country unless we work in partnership with the military. Instead of such men as General LeMay being put on probation for 1 year; on notice that he would be through because he supported the specifications for a dual purpose TFX plane that would fly, and compelling such men as Admiral Anderson, also of the Joint Chiefs of Staff at that time, to walk the plank as other admirals have been made to walk the plank, they should be protected in telling the truth. This form of punishment must be ended, and I am sure the gentleman and his committee will end it.

Mr. RIVERS of South Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as we come to the end of the debate, I most sincerely tell the Members again how much I have appreciated their cooperation today, and I mean that—every word.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I am delighted to yield to the gentleman.

Mr. GERALD R. FORD. Mr. Chairman, my remarks will be brief as it is late in the day and many of us have other commitments, and besides, so many appropriate compliments have already been paid to the gentleman from South Carolina.

But I do want to express my personal friendship for MENDEL RIVERS and to congratulate him on the fine manner in which he has handled the bill on the floor today. He has demonstrated that he is knowledgeable in the intricate and complicated area of national defense policy. He has shown beyond any doubt whatsoever that he is the master of this important legislation.

The gentleman from South Carolina is not only deeply concerned and interested in our national security but he is determined to insure that the Congress be permitted to exercise its lawful authority in this area. He has carried the ball for the Congress in demanding that it be permitted to exercise its own independent judgment which is the proper role for the Congress to play.

I feel strongly that we owe the gentleman from South Carolina our deepest congratulations and applause.

Mr. RIVERS of South Carolina. I certainly thank the gentleman. I am very grateful to him.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DENT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 2950) to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes, pursuant to House Resolution 859, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The **SPEAKER**. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The **SPEAKER**. The question is on the passage of the bill.

Mr. **RIVERS** of South Carolina. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 356, nays 2, not voting 73, as follows:

[Roll No. 141]

YEAS—356

Abbitt
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Aspinall
Ayres
Bandstra
Barrett
Bates
Battin
Beckworth
Belcher
Bell
Bennett
Berry
Betts
Bingham
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Bray
Brock
Brooks
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Burke
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cabell
Callan
Cameron
Carey
Carter
Casey
Celler
Chamberlain
Chelf
Clancy
Clark
Clawson, Del
Cleveland
Clevenger
Cohelan
Collier
Colmer
Conable
Conte
Cooley
Corman
Craley
Cramer
Culver
Cunningham
Curtin
Daddario
Dague
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dent
Denton
Devine
Dickinson
Dingell
Dole
Donohue
Dow
Dowdy
Downing
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Dyal
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Evans, Colo.
Everett
Fallon
Farnsley
Farnum
Fascell
Feighan
Findley
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gathings
Giaimo
Gibbons
Gilligan
Gonzalez
Goodell
Grabowski
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halpern
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Iowa
Hansen, Wash.
Harsha
Harvey, Mich.
Hathaway
Hawkins
Hays
Hébert
Hechler
Helstoski
Henderson
Herlong
Hicks
Holifield
Holland
Horton
Hosmer
Howard
Hull
Hungate
Huot
Hutchinson
Ichord
Irwin
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
Keogh
King, Calif.
King, N.Y.
King, Utah
Kirwan
Kluczynski
Kornegay
Kunkel
Kupferman
Laird
Landrum
Langen
Latta
Leggett
Lennon
Lipscomb
Long, La.
Long, Md.
Love
McClory
McCulloch
McDade
McDowell
McFall
McGrath
McVicker
Macdonald
Machen
Mackay
Mahon
Mailliard
Marsh
Martin, Nebr.
Mathias
Matthews
May
Michel
Miller
Mills
Minish
Mink
Minshall
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Morton
Mosher
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price
Purcell
Quie
Quillen
Race
Randall
Redlin
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Resnick
Reuss
Rhodes, Pa.
Rivers, S.C.
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, Pa.
Rosenthal
Roudebush
Roush
Roybal
Rumsfeld
Ryan
Satterfield
St Germain
St. Onge
Saylor
Scheuer
Schisler
Schmidhauser
Schneebeli
Schweiker
Scott
Secrest
Selden
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Calif.
Smith, N.Y.
Smith, Va.
Springer
Staggers
Stalbaum
Stanton
Steed
Stephens
Stratton
Stubblefield
Sullivan
Sweeney
Talcott
Teague, Calif.
Teague, Tex.
Tenzer
Thomas
Thompson, Tex.
Thomson, Wis.
Todd
Trimble
Tuck
Tunney
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Walker, N. Mex.
Watkins
Watson
Watts
Weltner
Whalley
White, Tex.
Whitener
Whitten
Widnall
Willis
Wilson, Bob
Wilson, Charles H.
Wolff
Wright
Wydler
Yates
Younger
Zablocki

NAYS—2

Brown, Calif.
Curtis

NOT VOTING—73

Abernethy
Annunzio
Ashmore
Baring
Bolton
Buchanan
Cahill
Callaway
Cederberg
Clausen, Don H.
Conyers
Corbett
Daniels
Dawson
Derwinski
Diggs
Dorn
Dulski
Ellsworth
Erlenborn
Evins, Tenn.
Farbstein
Fino
Flynt
Fogarty
Gettys
Gilbert
Halleck
Hardy
Harvey, Ind.
Jacobs
Jones, Mo.
Krebs
McCarthy
McEwen
McMillan
MacGregor
Mackie
Madden
Martin, Ala.
Martin, Mass.
Matsunaga
Meeds
Moss
Multer
Murphy, Ill.
Murray
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Powell
Pucinski
Rhodes, Ariz.
Rivers, Alaska
Ronan
Roncalio
Rooney, N.Y.
Rostenkowski
Senner
Sickles
Sikes
Smith, Iowa
Stafford
Taylor
Thompson, N.J.
Toll
Utt
Waggonner
Walker, Miss.
White, Idaho
Williams
Wyatt
Young

So the bill was passed.

The clerk announced the following pairs:

Mr. Rooney of New York with Mr. Fino.
Mr. Taylor with Mr. Corbett.
Mr. Gilbert with Mr. Buchanan.
Mr. Gettys with Mr. Cahill.
Mr. McCarthy with Mr. Martin of Massachusetts.
Mr. White of Idaho with Mr. Rhodes of Arizona.
Mr. Matsunaga with Mr. Stafford.
Mr. Flynt with Mr. Utt.
Mr. Thompson of New Jersey with Mr. Callaway.
Mr. Evins of Tennessee with Mr. Walker of Mississippi.
Mr. Farbstein with Mr. Cederberg.
Mr. O'Hara of Illinois with Mrs. Bolton.
Mr. Annunzio with Mr. Morse.
Mr. McMillan with Mr. McEwen.
Mr. Multer with Mr. Martin of Alabama.
Mr. Hardy with Mr. MacGregor.
Mr. Daniels with Mr. Halleck.
Mr. O'Brien with Mr. Harvey of Indiana.
Mr. Pucinski with Mr. Ellsworth.
Mr. Rivers of Alaska with Mr. Derwinski.
Mr. Rostenkowski with Mr. Erlenborn.
Mr. Waggonner with Mr. Don H. Clausen.
Mr. Fogarty with Mr. Wyatt.
Mr. Sikes with Mr. Sickles.
Mr. Toll with Mr. Dawson.
Mr. Dulski with Mr. Conyers.
Mr. Abernethy with Mr. Baring.
Mr. Ashmore with Mr. Jacobs.
Mr. Madden with Mr. Meeds.
Mr. Murphy of Illinois with Mr. O'Hara of Michigan.
Mr. Krebs with Mr. Powell.
Mr. Mackie with Mr. Diggs.
Mr. Dorn with Mr. Murray.
Mr. Ronan with Mr. Roncalio.
Mr. Senner with Mr. Smith of Iowa.
Mr. Williams with Mr. Young.

The result of the vote was announced as above recorded.

The title was amended so as to read: "An Act to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research development, test, and evaluation for the Armed Forces, and to maintain parity between military and civilian pay, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. **RIVERS** of South Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on S. 2950.

The **SPEAKER**. Is there objection to the request of the gentleman from *South Carolina?*

There was no objection.

TREASURY-POST OFFICE DEPARTMENTS APPROPRIATIONS—CONFERENCE REPORT

Mr. **STEED** *submitted a conference report and statement on the bill* (H.R. 14266) making appropriations for the Treasury and Post Office Departments, *the Executive Office of the President,* and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes.

INTIMIDATION IN BOND DRIVE

Mr. **YOUNGER**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous material.

The **SPEAKER**. *Is there objection* to the request of the gentleman from California?

There was no objection

Mr. **YOUNGER**. Mr. Speaker, Joseph Young, who specializes in writing articles on civil service employees, wrote a most astonishing column in the Washington Star of June 13 entitled "U.S. Employees Cite Threats, Intimidation in Bond Drive." It certainly is a sad commentary on the respect and confidence in which our country is held by the employees if it is true that the President, through the power of his office, must intimidate and threaten the employees to sign up for savings bonds deductions.

Just what right has the President, or any member of the executive department, to ask the employees of the Government to put their savings in Government bonds paying 4.15 percent when the same Government is issuing Federal National Mortgage Association participation certificates guaranteed as to principal and interest by the Government at a coupon rate of 5¾ percent. Is there any wonder that such a procedure would cause anyone to hesitate to buy savings bonds. The wonder is that the people who do hold savings bonds are not persuaded to cash them in and reinvest them in these participation certificates at more than 1½ increase in interest.

Recently I have had some letters from constituents complaining about acts of the Government which are gradually destroying their business, yet they will not publicly state their complaints for fear of increased retaliation from the Government. Just what is happening in this country to cause our people to fear their Government? It seems to me that history points to the fact that when such ideas on the part of citizens occur it is the beginning of dictatorships.

Apparently the only place the citizen can express himself without fear of intimidation is in the ballot booth come this November and apparently the results of this election is going to determine whether this trend of creating fear in the minds of our people of their Government is going to continue or whether there is going to be some relief.

Mr. Young's column follows:

U.S. EMPLOYES CITE THREATS, INTIMIDATION IN BOND DRIVE

(By Joseph Young)

There are numerous complaints among federal employes about being pressured to participate in the government's 1966 savings bond drive.

The employes report that they are being threatened and intimidated by their supervisors, who in turn are under pressure from their bosses who are under the gun from the White House to make the drive a success.

The "loyalty" of those who refuse to buy savings bonds also is being questioned.

President Johnson has apparently made it a matter of personal prestige that the government's savings bond drive this year be a resounding success. And Postmaster General Lawrence O'Brien, who is chairman of the President's savings bond campaign, is handling the drive with the vigor and determination he used to use in directing John F. Kennedy's political campaigns.

In a letter to all department and agency heads, O'Brien set the tone of the campaign when he said:

"The President personally is following the progress of this campaign and he will accept *nothing less* than the minimum immediate goal of 75 percent," O'Brien said.

The PMG went on to say that Johnson "will consider adequate *nothing less* than realization of our long-range goal of 90 percent, and will be satisfied with *nothing less* than achievement of the 100 percent record established by the White House."

Employes say the pressure of this year's savings bond drive is much greater than in previous years' campaigns or in United Givers Fund or health agencies campaigns.

The employes say they are being threatened with denial of promotions or even loss of jobs if they don't sign up to buy bonds.

At the National Institutes of Health, 40 guards complained that one of their superiors threatened to "make life miserable" for them if they didn't come through.

At the Office of Economic Opportunity, one memo questioned the "loyalty" of those employes who refused to buy savings bonds.

At Commerce, Secretary John Connor informed recalcitrant employes that there will be "a personal canvass" of them to see why they are not supporting "this important program."

In other agencies, employes are being required to write memorandums to explain why they are not purchasing bonds.

The whole situation has angered a lot of government employes, including those who agreed to buy savings bonds because of the pressure brought to bear on them.

Some employes say their financial situation is such that they can't afford to buy savings bonds. Others say they want to invest their money in stocks and other securities that will bring them a greater return. Still others say they just don't like to be pressured into doing things.

And there are those who say they disapprove of the President's Viet Nam policies and don't want to do anything that would give impetus to them.

One astute Commerce employe got around the pressure by signing up to purchase savings bonds starting in June, 1967. It apparently satisfied hard-pressed Commerce officials who listed him as one who joined the campaign.

U.S. SUPREME COURT AUTHORITY

Mr. DEVINE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DEVINE. Mr. Speaker, for over 10 years the U.S. Supreme Court has been rendering landmark decisions vastly altering the foundations of what was believed to be the law of the land. The time-worn doctrine of "stare decisis," meaning "precedent by previous decisions," apparently has gone by the boards.

The overwhelming majority of Americans are law-abiding citizens who respect authority and obey the law, even though they may disagree. However, where constitutionality is involved, the propriety of "one-man rule" of American life is being questioned more frequently. Five-to-four split in decisions by the Supreme Court, time and again, clearly demonstrates the complete lack of unanimity if not the uncertainty of the Court on key matters of law.

It seems to me where the Court is called upon to rule upon constitutionality, it should be required that at least two-thirds or six of the nine Justices must agree before the law of the land can be completely reversed. This, in itself, would require a constitutional amendment.

Acts of Congress are the result of long arduous hours of legislation study, testimony of witnesses, deliberation, debate, and vote by both the House and Senate, as well as approved by the Executive.

This process now can be and is nullified by a determination of "unconstitutional" by not more than five men, often with four dissenting.

Amending our Constitution to require two-thirds vote before an act of Congress can be declared unconstitutional would certainly prevent capricious or emotional decisions. This does not seem burdensome to me, particularly when 12 persons on a jury are required to render unanimous decisions in order to convict 1 person for a violation of our criminal laws.

Decisions affecting 190 million persons might well merit a consensus of at least six out of nine Justices.

The fact that the Supreme Court on yesterday rendered another 5-to-4 landmark decision, further hindering our police officials and law enforcement, although not involving the question of constitutionality, also points up again the sharp split among the Justices on the Supreme Court as now constituted.

This most recent decision is a further limitation in the area of police enforcement which commenced with the rendering of the Mallory decision in 1957. There seems to be a tendency by the Court in the interest of the lawbreakers and in disregard of the rights of the law-abiding.

In any event, I have today introduced a joint resolution proposing a constitutional amendment requiring the Supreme Court to have at least a two-thirds majority to declare any law unconstitutional.

PROPOSED FEDERAL BANK FOR RURAL ELECTRIC SYSTEMS

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I wish to commend to the attention of our colleagues an article by Raymond Moley that appeared in the May 30 issue of Newsweek. It explains briefly and pointedly the real nature and purpose of the proposed Federal Bank for Rural Electric Systems.

Proponents of the bank claim that it is essential for meeting the growing capital needs of those systems. Yet it is apparent that if the Rural Electric Administration cooperatives were limited to the original purpose they were intended to serve when the REA was established 30 years ago, they would have no very great need for additional capital.

Now 98 percent of the Nation's farms have central station electricity, more than half of them being served by REA cooperatives. Whatever further expansion of the cooperatives' rural electric service may be needed can to a large extent be financed from their earnings. The supposed need for a bank for rural electric systems evidently assumes a broad expansion in the generating and transmission field that would, for the most part, simply compete with the power supply facilities of noncooperative companies.

I have commented before on the great advantages already accorded the REA cooperatives by the Federal Government. Unlike the noncooperative electric companies, they are exempt from the corporation income tax and they are financed by money borrowed from the Federal Government at only 2 percent—while the Government now must pay nearly 5 percent on its current borrowings from the public. A bill that I introduced on January 6, 1965—H.R. 1738—would put an end to this fantastic 2-percent subsidy.

Mr. Moley has stressed the potential for monopoly that would exist if the present proposal for a bank for rural electric systems were adopted. He says of it:

When and if the co-ops gain control (of the bank), this huge financial institution would be completely independent of the government but retain all the privileges originally accorded it as a government agency.

This surpasses any previous example of government competition with an investor-owned business. Ultimately the bank and the co-ops could absorb or destroy all competition.

I commend this brief but cogent article to you, as follows:

Another Co-op Crutch

(By Raymond Moley)

Thirty years ago Congress established the Rural Electrification Administration. It was designed to provide electric service to farmers remote from the lines of private companies. Co-ops pay only 2 percent for the money, although as time has passed the Treasury has had to pay much more in its borrowings.

Nourished by this subsidy, electric co-ops have grown in number, size and affluence. There are nearly 1,000 of them. Their original purpose has long since been achieved, for electricity is now within reach of substantially every farm owner.

Hence, the co-ops have thrust their operations into urban and suburban areas and into the industrial market. Some of their operations go well beyond selling electricity.

But they have no intention of giving up the 2 per cent subsidy crutch, and every year the REA demands more lending money from Congress. For fiscal 1967 it will be approximately $365 million.

Because of growing criticism of this subsidy, the co-ops' lobbying agency, the National Rural Electric Cooperative Association, has planned for an ingenious new crutch to supplement the REA and ultimately to get free from Congress entirely.

One version of this scheme is in a bill introduced in the House by Congressman Poage. A somewhat different one is the Administration's plan, emanating from the Department of Agriculture (DA) and introduced by Chairman Cooley of the Committee on Agriculture. The following is the Administration plan.

A NEW FEDERAL BANK

There would be created in the Treasury a "Rural Electrification Account," and in the DA a "Federal Bank for Rural Electric Systems." Into the account would be deposited all money received in repayment of loans to co-ops and interest, all notes, bonds and property held by the REA, all appropriations for electrification loans.

The bank would have a board of seven. Four would be officers of the DA appointed by the Secretary. The other three board members would eventually be elected by borrowers holding Class B stock. The administrator of the REA would also be administrator of the bank.

Every year for fifteen years the bank would receive $50 million from the account and would pay for this with its Class A stock. Thus, it would receive $750 million by 1981. Every borrower from the bank would have to buy Class B voting stock in an amount equal to 5 per cent of its loan. Also, Class C and D stock could be bought for investment.

The general idea is that sometime, by and by, the Class A stock would be bought back and eliminated, and the holders of the other stock would own the bank and thus get the government out—except for the perennial loans by the REA. Nobody knows when this would happen.

DESIGN FOR MONOPOLY

The bank would be exempt from supervision by all state authorities, and presumably from supervision by the Comptroller of the Currency. It would pay no Federal income tax, and the co-ops, as before, would have similar exemptions.

The REA would still operate. As long as Congress should approve, it would lend at 2 percent. Presumably, the bank would lend at various rates of interest on a 50-year basis.

The big source of capital would be debentures to be sold in amounts ten times the capital of the bank. Thus, by 1981 the bank would have capital assets of nearly $10 billion. The debentures would not specifically be guaranteed by the Federal government, but if the bank at any time should be unable to pay interest or principal, it could borrow for such purposes from the Treasury. These debentures would thus be made attractive for private investors. When and if the co-ops gain control, this huge financial institution would be completely independent of the government but retain all the privileges originally accorded it as a government agency.

This surpasses any previous example of government competition with an investor-owned business. Ultimately the bank and the co-ops could absorb or destroy all competition.

This, then, is the reality of the Johnson Administration's attitude toward the free-enterprise system.

PRESIDENT JOHNSON'S WATER-FOR-PEACE CONFERENCE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I am today introducing a joint resolution to enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967.

The request for the introduction and enactment of this legislation originated with the executive branch.

For the information of the membership of the House, I will place in the Record the text of Executive Communication No. 2451, consisting of a letter from the Secretary of State to the Speaker of the House of Representatives and of the text of the joint resolution:

The Secretary of State,
Washington, May 30, 1966.

Hon. John W. McCormack,
Speaker of the House of Representatives,
Washington, D.C.

Dear Mr. Speaker: I submit herewith a proposed Joint Resolution which would enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967; and which further provides for an appropriation authorization to the Department of State for expenses incident to organizing and holding the conference.

The President, in announcing the Water for Peace Program of the United States Government, recognized that the solution of water problems is of common interest throughout the world and pointed out the value of sharing knowledge in this important field with other countries in a cooperative effort to find solutions for man's water problems.

The proposed world-wide conference is the most effective means of bringing together representatives of all governments and agencies concerned, as well as experts, on the varying aspects of the water problems; of focusing attention on current and future water problems; and of contributing to the development of policies and programs necessary to cope with these problems.

I hope that the House will be able to give favorable consideration to this request during the present session.

A similar communication is being sent to the President of the Senate.

The Department has been advised by the Bureau of the Budget that this proposal would be in accord with the program of the President.

Sincerely yours,

Dean Rusk.

Enclosure: Proposed draft legislation.

H.J. Res. 1169

Joint resolution to enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967 and authorize an appropriation therefor

Whereas there exists throughout the world a common problem in planning the use of water to meet adequately the needs of the world's rapidly expanding population; and

Whereas the President, in announcing the Water for Peace Program of the United States Government, recognized the great value of a mutual sharing of knowledge in this important field with other countries in a worldwide cooperative effort to find solutions of man's water problems; and

Whereas a world-wide conference would be the most effective means of bringing together representatives of all governments and agencies concerned, as well as experts, on the varying aspects of the water problems; would focus attention on current and future water problems; and would contribute to the development of policies and programs necessary to meet these problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State and the Secretary of the Interior, in consultation with other concerned departments and agencies, are authorized to take all necessary steps to organize and hold an International Conference on Water for Peace in Washington, D.C. in 1967.

Sec. 2. There is authorized to be appropriated to the Department of State, out of any money in the Treasury not otherwise appropriated, a sum not to exceed $1,200,000 for the purpose of defraying the expenses incident to organizing and holding such an International Conference. Funds appropriated pursuant to this authorization shall be available for expenses incurred on behalf of the United States as host government, including personal services without regard to civil service and classification laws, except no salary rate shall exceed the maximum rate payable under the General Schedule of the Classification Act of 1949, as amended; employment of aliens, printing and binding without regard to the provisions of any other law; travel expenses without regard to the Standardized

Government Travel Regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949, as amended, of principal foreign delegates in the United States and of United States personnel and foreign technical experts; rent of facilities by contract or otherwise; hire of passenger motor vehicles; official functions and courtesies; and design, construction, and display of exhibits. Sums appropriated pursuant to this authorization shall remain available for obligation until December 31, 1967.

SEC. 3. The Secretary of State and the Secretary of the Interior are authorized to accept and use contributions of funds, property, services, and facilities, including the loan of articles, specimens, and exhibits for display, for the purpose of organizing and holding such an International Conference.

SEC. 4. The head of any department, agency, or establishment of the United States Government is authorized, on request, to assist with or without reimbursement the Department of State and the Department of the Interior in carrying out the functions herein authorized, including the furnishing of personnel and facilities and the procurement, installation and display of exhibits.

AIRCRAFT ACCIDENTS

Mr. PICKLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLE. Mr. Speaker, there have been more than a dozen catastrophic aircraft accidents in this country in the past 18 months, and no less than 300 persons were fatally injured.

Whether any of these accidents could have been avoided may be a matter of conjecture.

These unfortunate mishaps, however, have made it apparent that there is a definite lag in the processes of aircraft accident investigation.

Air transportation has reached the supersonic level, yet aircraft accident analysis—in some respects—has not passed the Kitty Hawk level.

Officials of the Civil Aeronautics Board admit that it takes as long as 9 months on the average to investigate a major air accident and report on the probable cause. And, one recently adopted aircraft accident report took more than 18 months.

I believe that users of this Nation's commercial air transportation facilities are entitled to know the probable causes of major air accidents at a time more realistic to the mishap.

One of the most useful tools available for investigation of air accidents is the flight recorder, which has provided much essential information to investigators that would otherwise be unobtainable.

The flight recorder produces a tracing of an aircraft's flight history on aluminum foil about 2 inches wide. It is wound on a stainless steel spool from a spindle in a crashproof cassette assembly. Currently, the flight record consists of five parameters, or channels—altitude, airspeed, vertical acceleration, magnetic heading and time.

In-flight recorders have furnished proof of or essential leads to numerous factors. This vital information has also included the elimination of suspected possibilities, such as excessive turbulence, sabotage, and other sudden occurrences.

Unusual variations on the recorded traces sometimes provide leads to essential information not directly measured. In a landing accident, for example, the altitude parameter began fluctuating very rapidly a few seconds after touchdown on the runway. The fluctuation was traced to disturbed airflow at the static ports as the result of unsymmetrical reversing due to a system malfunction. This started a yaw—a deviation from the line of flight—ending in a fatal crash.

It is the feeling of CAB officials that more rapid investigation of major air accidents can be attained by the addition of more parameters or channels to flight recorders. One official went so far as to say that the investigation time could be reduced to an average of 2 to 3 months.

I feel that the best interests of the public can be served by speedier investigations of large turbine engine powered aircraft disasters.

Various airline officials have agreed that additional parameters would be helpful in the investigation of air crashes, however, they have not reached any type of agreement which or how many new channels should be added.

Several commercial carriers have installed maintenance recorders in the newer and more sophisticated planes as a means of keeping a constant check on possible mechanical or system malfunctions.

These recorders, however, are not of the crashproof variety and would not be helpful to the investigative processes because they would more than likely be destroyed by impact or fire in the event of a crash.

The maintenance recorders, nevertheless, are inscribing as many as 300 channels in connection with the flight operation of aircrafts.

I think that the time has come to give serious consideration to requiring that additional parameters be required on in-flight recorders.

It has been suggested that these additional channels include engine power; pitch attitude and angle of bank; angle of attack; position of primary controls; position of horizontal stabilizer and wing flaps; pitch, yaw, and roll rates; and ambient air temperatures.

With the addition of these channels, procedures for sampling at intervals should be established. A probable total of 12 channels does not seem unreasonable.

Commercial carriers using maintenance recorders should be instructed to make the equipment crashproof. The increased number of parameters should be required on newly manufactured aircraft at the earliest practicable date.

Information obtained from the data flight recorders should be invaluable in keeping with a high standard of aircraft safety as this Nation enters into the supersonic age.

CONGRESSMAN HORTON QUESTIONS PROPOSED COMPUTER CENTRAL FOR FEDERAL DATA

Mr. HORTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, in line with the comments of our distinguished colleague, the gentleman from New Jersey [Mr. GALLAGHER], I am pleased to join in support of his statement and indicate my intention to cooperate with him and the gentleman from New York [Mr. ROSENTHAL] as our Subcommittee on the Invasion of Privacy of the Government Operations Committee moves into an inquiry of data banks. The announcement of this new phase of our subcommittee's exploration is welcome and pertinent.

In fact, I am sure many of us in Congress are growing increasingly concerned with the reports of proposals to create some kind of computer central for the merger and storage of the information on individuals held separately at the present time by various Federal agencies. Clearly, a step so bold should not be allowed without congressional concurrence. And, if the wisdom of Congress shows the plan will endanger the precious privacy rights, steps must be taken to afford necessary protection of that right.

Just recently, Mr. Speaker, I addressed my constituents on this problem and the work of our subcommittee. I take pleasure in sharing that statement with my colleagues:

THE CASE OF THE DAMAGING DOSSIERS

"Dossier" to the French means literally a bundle of papers. However, when the term travels across the Atlantic Ocean to our shores, the "bundle of papers" becomes a collection of documents recording information about people and their problems.

Information gathering on citizens has been standard operating procedure for many Government agencies now for at least three decades. In fact, looking into people's lives is big business in Washington these days, and the dimensions of such investigations and the information produced have reached proportions some of us in Congress consider perplexing and problematical.

My particular concern has been stimulated by service on the Special Subcommittee on Invasion of Privacy of the House Government Operations Committee. With our Chairman, Congressman GALLAGHER, another member of the majority, and myself, as the single member of the minority, we have been probing the probers for just over one year.

The first phase of the Subcommittee's work dealt with psychological testing administered by Government agencies on present or potential employees. We made clear at the outset that our purpose was not to inhibit legitimate inquiries needed to determine the suitability of employees for critical posts. However, we made equally plain that we wanted to end abuses of testing.

As we moved into the field, example after example was uncovered of agencies making indiscriminate use of examinations, failing to obtain the consent of individuals, and not using professional psychological standards for evaluation. We got results, too. One by one the agencies changed their conduct and applied new limits and protections.

It was during the study of testing that we became increasingly aware of information collection and dossier storage by many agencies. The data, we found, related not alone to Federal workers or would-be workers but to a vast number of private citizens.

Banks of extremely personal information exist in files of the Internal Revenue Service, the Federal Housing Administration, the Social Security Administration, the Passport Office, the Immigration and Naturalization Service, and, as expected, the Federal Bureau of Investigation and the Defense Department.

These dossier banks pose two problems. First, how fully can the Government justify collecting all this information, and, secondly, even if it can prove the necessity, what protection exists against the damaging disclosure of dossiers to those without a need to know.

"Confidential" FHA reports on applicants cost mortgage lenders only $1.50. And, many Federal agencies readily share facts and figures with their State and local "brothers".

The relevance of Federal data banks to privacy protection is obvious, and our Subcommittee will open a series of public hearings on the problem later this month. I intend to take an active role in the inquiry, and I shall keep my constituents informed through this and other reports.

LEE M. WOODRUFF

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. GERALD R. FORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, on July 1 Mr. Lee M. Woodruff, editor of the Grand Rapids, Mich., Press, will close out a distinguished career as a Michigan newspaperman.

Mr. Woodruff can take leave of his desk at the Grand Rapids Press with the knowledge that he has helped to make his hometown one of the outstanding cities in America—winner of an All America City Award in 1961. He can write his last editorial with the feeling that his contribution on the local scene has been second to none.

There can be no better record for a man than to live the kind of life that Lee Woodruff has. His every year as a newspaperman for more than four decades has been stamped with his own enviable brand of personal integrity.

As editor of the Grand Rapids Press since 1934, Mr. Woodruff has given strong backing to projects aimed at improving his city and enhancing its growth, has made fairness in dealing with the issues a hallmark of his editorial policy, and personally has striven for betterment of his community as a member of various civic, fraternal and religious organizations.

It was with good reason that Mr. Woodruff in 1963 was named an honorary Michigan State highway engineer. This was well-deserved recognition of the efforts made by Mr. Woodruff to promote the construction of adequate freeways in Kent County and throughout the State.

Mr. Woodruff also has shown his love for children with a record of outstanding service to the youngsters of Grand Rapids. The Grand Rapids Variety Club paid him tribute in this connection in 1965 by giving him its "Great Guy" award. The youth commonwealth program owes much to Lee Woodruff's leadership.

Although he never worked as a printer's devil, Lee Woodruff must have ink in his veins. He first began his journalism career as editor of the Central High School paper in Grand Rapids and became a sportswriter for the Grand Rapids Press in 1919 while a student at the University of Michigan.

Mr. Woodruff made history in 1919 while serving as aviation editor of the Grand Rapids Press. He rode with one of our early pilots, who flew close enough to the ground so that Mr. Woodruff could toss out bundles of the Grand Rapids Press. That marked the first aerial delivery of a newspaper in Michigan. Mr. Woodruff also took the first aerial photos of west Michigan ever published in a newspaper.

After 10 years as Grand Rapids Press editorial writer, Mr. Woodruff was named managing editor in 1931. In 1934 he was made editor, a capacity in which he made great contributions to his city and his State.

Mr. Speaker, on June 9 the Michigan Legislature adopted a resolution honoring Mr. Woodruff on the eve of his retirement. Under unanimous consent, I insert the resolution in the CONGRESSIONAL RECORD at this point:

Whereas, Lee Mackie Woodruff, Editor of the Grand Rapids Press from 1934, has announced his retirement as of July 1, 1966; and

Whereas, Mr. Woodruff, educated in the Grand Rapids schools, having graduated from Central High School in 1917, received his A.B. degree with honors from the University of Michigan in 1921, graduating as a Phi Beta Kappa; and

Whereas, starting his career with the Grand Rapids Press upon his graduation from the University of Michigan, Mr. Woodruff became the managing editor of the Grand Rapids Press in 1931 and the editor-in-chief in 1934; and

Whereas, while the editor of the Grand Rapids Press, Mr. Woodruff consistently supported civic and political improvements in the City of Grand Rapids, conducted a newspaper which always dealt fairly with all issues and consistently supported bond issues and annexation procedures which provided for the orderly growth of the City of Grand Rapids; and

Whereas, Mr. Lee Mackie Woodruff, in his position as Editor of the Grand Rapids Press, consistently directed his energies toward the improvement of his own city and served in various capacities of a civic, fraternal and religious nature; and

Whereas, Mr. Woodruff is a vestryman of the Grace Episcopal Church, a trustee of Butterworth Hospital, a member and former director of the Peninsular Club, a member of the Grand Rapids Rotary Club, director of the Youth Commonwealth, charter member of the Furniture City Post of the American Revolution, charter member of the Torch Club—York Lodge—32nd Degree Mason, a member of the Sons of American Revolution and active in the Michigan Associated Press Editorial Association and American Society of Newspaper Editors, as well as being a veteran, having served in the United States Naval Reserve Forces in World War I from 1918–22; and

Whereas, Mr. Woodruff was named an Honorary Michigan State Highway Engineer in 1963 for his effort relative to the building of freeways in the State of Michigan and Kent County, and in 1965 was a recipient of the "Great Guy" Award by the Grand Rapids Variety Club in recognition of his outstanding services to the children of Grand Rapids; now therefore be it

Resolved, that the members of the Michigan House of Representatives take this opportunity to honor an outstanding person, Mr. Lee Mackie Woodruff, for his devotion, not only to his profession and to his community but to the State of Michigan as a whole, and to wish Mr. Woodruff the very best of success in a retirement well earned and deserved; and be it further

Resolved, that a copy of this resolution be transmitted to Mr. Lee Mackie Woodruff.

A BUSINESS IS AN IDEA

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. YOUNGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. YOUNGER. Mr. Speaker, Mr. Frederick R. Kappel, chairman of the board of the American Telephone & Telegraph Co., developed a very interesting and intriguing subject in an address entitled "A Business Is an Idea," which was delivered before the Graduate School of Business Administration at the University of Michigan at the time he received the Business Leadership Award in Ann Arbor, March 18, 1966. His concluding statement is a very challenging one where he says:

> We must have in business, and in government no less, men who understand the need for management freedom, genuine freedom, to make good judgments and decisions; men who appreciate the absolute necessity for priorities, for doing the most important things first and others later; men who above all will do what they do because careful study and strict judgment convince them it is sound and right.

This surely is a concise and understandable explanation of our needs today. His address follows:

A BUSINESS IS AN IDEA

(By Frederick R. Kappel, chairman of the board, American Telephone & Telegraph Co.)

It is an honor indeed to be named to receive this award. I deeply appreciate it. I appreciate it not only in a personal way but also, and especially, on another count. No one could spend 42 years in the Bell System, as I have, without realizing how much each person's part, each individual contribution, depends on the contributions that others are making. So on this occasion I think of myself as the representative of many wonderful associates, and I am proud of the privilege of representing them and proud of the recognition this award extends to them, as well as to me.

I am very pleased also that this recognition comes from students as well as faculty.

The Bell System is not exactly a new business. In fact, we had our 90th birthday just eleven days ago, on March 7. That was the day, back in 1876, when Alexander Graham Bell was granted his first telephone patent.

But if we are not new, nevertheless I assure you we are still young. We are full of young ideas and we are every day getting new knowledge to help put them to work. We have hundreds of thousands of young people working in the business. We serve young people everywhere. And we care a lot about what the oncoming generation thinks of us. I say again, therefore—I especially appreciate the fact that students as well as faculty are in on this award.

Incidentally, I checked the other day and learned that at last count we had about 500 University of Michigan graduates, including 35 from the Graduate School of Business, working in the various Bell companies. I hope the feedback you are getting from them is good. If it isn't good I wish you would tell me. I'll be through with this talk in about 20 minutes and all ready to listen—and I can assure you that young people and their opportunity to grow and realize their potential are a very special interest of mine.

Some time back Dean Bond encouraged me to talk out of personal experience and observation and that is what I shall do. This of course means saying something about the telephone business, for that is where my experience mainly lies. I hope you will not mind this, but if I am to express some of the thoughts that are most on my mind I can hardly leave the Bell System out.

Also, we are somewhat in the limelight these days by reason of the coming F.C.C. hearings on Bell System interstate rates and earnings, for which we are now preparing testimony.

Reading the newspapers, I occasionally come across statements that this proceeding could go on for years and years. Heaven forbid. I don't think anyone wants to see a thing of this kind drag along indefinitely and I don't really believe that it will.

At the moment, however, it is getting considerable public attention, and partly for that reason I feel the urge to state a point of view—although I shall not, of course, use this hall as a hearing room. I can also say at the start that the basic thought I want to emphasize has broad application. It is not limited to the telephone business.

I'll begin by summarizing a few comments I happened to make in conversation recently with a small group in Washington. This was a government committee charged with responsibility for advising the President and Congress on national communications policy. They asked me to sit down with them and think out loud with them with no holds barred. In effect they wanted to try out some of their ideas and among other things to know directly from me how the Bell System looks at its job and its share in meeting the overall communications responsibility. They also wanted to know what factors in my opinion made our business different from other businesses.

Well, I said first of all that I would like to state the first and all-important idea in our business. This is, in my judgment, that we have only one license to exist and that is to do a positively A-number one job of providing communications service and striving everlastingly to make it better. I said that to me this means we don't mix the job up with trying to do a lot of other things—I mean, we limit our manufacturing of things we need in communications, we are not in the auto-renting business, we don't operate a mutual fund, and so on. Not that there is anything wrong with those activities. They simply don't belong in our operation. We are dedicated to providing communications service, period, and we aim to do this as well as we possibly can.

The second point I emphasized in this conversation was that to make communications service readily accessible and useful and valuable and dependable, you have to have a system that is compatible in all its parts. If you do not have this, then the service is bound to be erratic, uncertain, and sometimes downright exasperating.

The need for compatibility applies to any communication system, even the simplest. In a nationwide interconnecting network with billions, even trillions of parts, the problem is multiplied. You have to take great care to keep all the bits and pieces dependable and in good harmony. This says quality is the word, and it applies to every element of the system—telephones and other instruments, transmission lines, switching machines, all their parts, everything. On a call from New York to San Francisco somethting like 14,000 electron tubes along the way amplify the voice signals over and over again. The total amplification is represented by a fantastic number with more than 3,000 zeroes in it. But what comes out at the far end has to be a good, undistorted facsimile of what went in—and the call has to work both ways, too, not just in one direction. Yet one bad element in the wrong place can spoil everything.

Or take a shorter call, from Ann Arbor to downtown Detroit, for example. In a typical instance some 37,000 contacts will operate to make and maintain the connection. And I repeat, if all parts of the system are not in tune and working, from the simple terminal in your house to the most sophistical equipment, the service cannot be relied on.

I say this much on this point, and said as much during the conversation I am telling you about, mainly to bring out that to get a good compatible system that people can swear by and not at, there is great advantage in being able to bring together, in a single organization, the development and design of equipment, its manufacture and installation, and day-to-day operation and maintenance.

This is one of the important reasons why the Bell System for many years has included, along with operating telephone companies, the Bell Telephone Laboratories, our research and development organization, and Western Electric Company, our manufacturing and supply unit. This arrangement brings other advantages too—for example, economies of scale, fast action in emergencies, speed in translating new developments into use, and very importantly, the sense that service is everybody's job. But the need for compatibility cuts across everything we do and is one of the broad underlying factors in our form of organization.

The third point I emphasized in talking with the committee in Washington is probably obvious to you already. This is that it is right that communications service to the general public should be under public regulation.

I also said I thought the ideal situation would be one where we who operate this regulated business would do our job so well that the regulators wouldn't have anything left to regulate. This is our goal and it is just as realistic and important as any I could mention.

It means that we should try to do a job that is so good that the most exacting regulator will have a hard time finding fault. It means that we private citizens who manage the telephone business should have a sense of responsibility for the public interest that is just as deep and strong and alert as that of the most zealous public servant. It means we should have a commensurate talent for getting the right things done, and that in actual accomplishment we would continually outrun other people's imagination.

Well, you will say, this is a pretty strong commitment. I freely concede this. But I think we ought to commit ourselves. These commitments in effect are hostages to the future and they have to be redeemed.

Now I have expressed to you some of the thoughts that I was trying to convey to the government's committee on national communications policy. And you will observe, I am sure, that these ideas are very plain and simple. You may even be asking, "What good can ideas as elementary as these accomplish?"

My answer is equally simple. Concepts like these have tremendous power. They force-action. They demand it. They are ideas that every employee no matter what his job can have a part in working for. And the root idea, which is the simplest, is the most powerful and influential of all. I mean the concept of service—of good, ever-improving, universal communication service. This is a compelling idea." You cannot hold to it if you are not going to do something about it. Actually, when the concept was first advanced, many years ago, even the crudest means for attaining it did not exist. The necessary technology had still to be created. So it was a great leap of the imagination.

But this very leap was what generated action to develop the technology, to get the knowledge, to learn, to discover, to accomplish the goal.

Also, the concept of universal, ever-improving service threw a bright light on the need for compatibility, the need for harmony in all parts in a complex network.

Further, this same concept entailed full acceptance of public regulation, for the development and operation of such a service is a responsibility so large that it must, as I have said, come under public scrutiny. This does not mean that public authority should try to manage communications service. On the contrary, I think the evidence is conclusive that private enterprise management, working with reasonable freedom under regulation, has given this country consistent leadership in communications. I am confident also that this leadership will be maintained as long as the same conditions prevail.

However, that is not the main concern of these remarks. I have taken the liberty of discussing certain basic concepts in the telephone business, but as I said earlier, the point I want to bring out has broader application—much broader. And by now, I am confident, what I am getting at must be clear to you.

The point is that a business—any business—is first of all an idea. The nature and shape and character of the business will necessarily grow out of the fundamental thought that drives it. And there must be such a driving thought—some germinal, inspiriting, action-compelling concept—if the business is really to live and grow.

It need not be a complicated notion, or a highfalutin one. On the contrary, it needs to be simple to be widely understood and it will have to be broad to generate much action. If you take a narrow view you limit yourself at the start. The important thing is a concept that not only makes itself understood at once but will push and pull and tug at you and give you no rest.

In the Bell System, the value of a few enduring themes for action has been, in my judgment, beyond calculation. The concept of universal service has been realized in one sense through development of a nationwide communication system. But the concept itself has broadened through the years. Today we can think of universal service in the sense of a communication system that can transmit information in every form—sight as well as sound, and data at various speeds between computers and other machines. The distinction between voice and non-voice communications has lost significance. We have developed techniques for sending words spoken or written, pictures, drawings, binary digits, electrocardiograms, alternatively or simultaneously. Intelligence in every form can be translated to a rushing river of coded pulses that moments later will be decoded and reconstituted at the distant end.

And again I point out that broad, uncomplicated, deeply felt concepts have powerfully influenced this whole development. I do not imply, of course, that our Bell Telephone Laboratories is the only source of technical progress in communications. There are numerous great contributors. I am convinced, however, that the basic driving idea behind Bell Laboratories—to do whatever it can, and all it can, to advance the communications art—this broad driving purpose, I am certain, has had tremendous influence throughout the world.

I say again, therefore, a business is an idea. And I have made this my theme song tonight mainly because I hope it may be meaningful to those of you who have yet to launch yourselves, who still stand on the thresholds of your careers.

How can this theme be meaningful to you? Well, it seems to me there are two views you can take of the future. You have a choice.

One view is expressed in the question "What will the future require of me?" From there you proceed logically to see your current activities and efforts as useful in helping you get ready to meet those requirements as best you can.

The other kind of forward look is very different. This is expressed, not in the words, "What will the future require of me?" but in the question, "What do I want the future to be?"

The difference I think is roughly the difference between following and leading. And if the approach you take is to see what you can do to build the future, *then you will be bound to search for the energizing concept*. As I said, it need not be grandiose. It need not be a "big business" concept. But it will demand action—action by *you*.

One or two more thoughts and then I'll be done. I think business as a whole, the business function as such, has the same need for driving concepts that a particular business has. And I would say especially to those here who are preparing for business careers, and to their teachers:

Business needs men who will bring with them strong and meaningful ideas of what business is all about. Men who see business management as an opportunity to achieve important, worthwhile social ends. Men who have goals for business in mind, and not merely goals for themselves. Men who have the will and determination to make business more productive, more effective, more responsive to human needs. Men, in short, who are ambitious not alone to make their mark, but to leave their mark on business.

Why do we go into business, anyway? Some will say, to make a living, of course. But there are many ways to do that. I am asking "Don't you feel the need to see your life in business in relation to some basic concept of business that gives it significance? And doesn't the business you enter need you to see yourself that way?"

Again I am not talking about something grandiose, or about going off half-cocked with big ideas before you have them thought out. You have to learn your way. But I do believe it is essential to see one's personal life and work in their social context. Otherwise you can hardly know for what reason you do whatever you may be doing.

Perhaps it is because I have spent my life in a business that for many years has been grounded in science, but it seems to me that the relationship between science, technology and the business function will largely determine the future. You may ask, "What about education?" I do not mean to omit that. I think of education rather as the very process that will make the relationship whatever it is to be. But to put the matter in a nutshell, we have a scientific and technological revolution going on and the question is, how is this to be dealt with?

I would say it is our job in industry to assimilate this revolution so that practical values will flow to the public, to society at large, in abundance and in the most orderly and economical manner. This to me is about as broad and challenging a goal as we in business could ask for.

I do not ask students at this or any other school to accept my way of expressing it. And maybe there are other concepts more meaningful to you. The important thing, I repeat, is to strive for them and live by them. For I do believe that any business, and business as a whole, cannot be more than the ideas that enliven and guide it, and I am sure the most important asset of anyone entering business—important to his company as well as to himself—is the ideas he brings with him.

Lastly I would say this:

It cannot be denied that government's role in economic life is expanding. And there may be some who think this tends to diminish the role of the business manager.

I would take just the opposite view. I believe the need for management competence thereby grows larger, not smaller.

As the wealth the welfare state depends on increases, the temptations to be careless with it increase also.

We can become so fascinated by wide-ranging possibilities—whether in space, in communications, in medicine and medical care, or in any other field—that in the fullness of our imagination we can lose our sense of proportion.

But we cannot afford this. We cannot afford to be careless, extravagant, impractical. We cannot afford to squander talent, time, and money on haphazard undertakings or dreamy projects that have little chance of bearing fruit. We cannot afford to guess our way into the future, at vast expense.

I suggest to you therefore that the need for objective business leadership—imaginative, thoughtful, dedicated to forward-looking concepts, yes, but at the same time rigorous in applying tests of practical judgment—I suggest that there has never been a time when such leadership was more needed.

We must have in business, and in government no less, men who understand the need for management freedom, genuine freedom, to make good judgments and decisions; men who appreciate the absolute necessity for priorities, for doing the most important things first and others later; men who above all will do what they do because careful study and strict judgment convince them it is sound and right.

What is required is simply enough of these men, and with my thanks for the honor you do me this evening, I express also my hope, and my expectation, that from this school, year by year, will come more and more of them.

NEW TWIST ON THE ARM TWIST

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. NELSEN. Mr. Speaker, Joseph Young, of the Washington Star, reported yesterday:

> There are numerous complaints among Federal employes about being pressured to participate in the Government's 1966 savings bond drive. The employes report that they are being threatened and intimidated by their supervisors, who in turn are under pressure from their bosses who are under the White House to make the drive a success.

Mr. Young went on to report:

> The "loyalty" of those who refuse to buy savings bonds also is being questioned. * * * The employes say they are being threatened with denial of promotions or even loss of jobs if they don't sign up to buy bonds.

Mr. Speaker, I believe we should be opposed to the intimidation of Government workers for political or any other kind of contributions. Government must respect the dignity of Federal workers no less than it respects the dignity of all other citizens.

It is to be hoped that citizens will generously support their Government by buying U.S. savings bonds. But this is a patriotic act to be undertaken privately, without coercion from any source.

As chairman of the Republican Task Force on the Federal Civil Service Merit System, I fail to understand why Federal workers should be coerced into the purchase of 4¼ percent interest-bearing savings bonds when the administration-promoted Sales Participation Act yields the Wall Street banker anywhere from 5½ to 6 percent interest return on his investment.

I include in the CONGRESSIONAL RECORD that portion of Mr. Young's "Federal Spotlight" column dealing with this serious matter:

U.S. EMPLOYEES CITE THREATS, INTIMIDATION IN BOND DRIVE

(By Joseph Young, Star staff writer)

There are numerous complaints among federal employes about being pressured to participate in the government's 1966 savings bond drive.

The employes report that they are being threatened and intimidated by their supervisors, who in turn are under pressure from their bosses who are under the gun from the White House to make the drive a success.

The "loyalty" of those who refuse to buy savings bonds also is being questioned.

President Johnson has apparently made it a matter of personal prestige that the government's savings bond drive this year be a resounding success. And Postmaster General Lawrence O'Brien, who is chairman of the President's savings bond campaign, is handling the drive with the vigor and determination he used to use in directing John F. Kennedy's political campaigns.

In a letter to all department and agency heads, O'Brien set the tone of the campaign when he said:

"The President personally is following the progress of this campaign and he will accept *nothing less* than the minimum immediate goal of 75 percent," O'Brien said.

The PGM went on to say that Johnson "will consider adequate *nothing less* than realization of our long-range goal of 90 percent, and will be satisfied with *nothing less* than achievement of the 100 percent record established by the White House."

Employes say the pressure of this year's savings bond drive is much greater than in previous years' campaigns or in United Givers Fund or health agencies campaigns.

The employes say they are being threatened with denial of promotions or even loss of jobs if they don't sign up to buy bonds.

At the National Institutes of Health, 40 guards complained that one of their superiors threatened to "make life miserable" for them if they didn't come through.

At the Office of Economic Opportunity, one memo questioned the "loyalty" of those employees who refused to buy savings bonds.

At Commerce, Secretary John Connor informed recalcitrant employes that there will be "a personal canvass" of them to see why they are not supporting "this important program."

In other agencies, employes are being required to write memorandums to explain why they are not purchasing bonds.

The whole situation has angered a lot of government employes, including those who agreed to buy savings bonds because of the pressure brought to bear on them.

Some employes say their financial situation is such that they can't afford to buy savings bonds. Others say they want to invest their money in stocks and other securities that will bring them a greater return. Still others say they just don't like to be pressured into doing things.

And there are those who say they disapprove of the President's Viet Nam policies and don't want to do anything that would give impetus to them.

One astute Commerce employe got around the pressure by signing up to purchase savings bonds starting in June, 1967. It apparently satisfied hard-pressed Commerce officials who listed him as one who joined the campaign.

A PATHETIC CONTRAST

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, as we all know, this is National Flag Week, and today, Tuesday, June 14, commemorates the 50th anniversary of the national observance of Flag Day. Although it was on June 14, 1777, 189 years ago, that the Continental Congress adopted the Stars and Stripes as the official flag for the Armed Forces of the United States, it required much time, patience, and dedication on the part of one citizen, Bernard J. Cigrand, to have this day nationally recognized as Flag Day. For many years the flag had been flown on national holidays, but until President Woodrow Wilson proclaimed June 14 as Flag Day, our flag had no day of its own.

Cigrand, a smalltown schoolteacher, became the father of Flag Day when he conducted ceremonies June 14, 1885, in a small schoolhouse near Fredonia, Wis. On that day children read essays on the flag and discussed its history and meaning.

Seeking wider recognition for the flag's commemoration, Cigrand began his own public relations campaign through letters and speeches to have a day set aside, and in 1894, the first observance of a special day for our Nation's flag was held in Chicago with over 100,000 persons attending the ceremonies in the city's parks. It was not until over 20 years later that Bernard Cigrand's years of patriotic toil were rewarded with success with President Wilson's proclamation in 1916.

In pathetic contrast to Cigrand's dedication in honoring our Nation's banner are the various recent incidents in which the flag has been desecrated at Purdue University; Cordele, Ga.; and in an off-Broadway theater in New York City. Although some States have statutes punishing willful abuse of the flag, there is at present no Federal law which covers deliberate defacement of the flag. On April 19, 1966, I introduced legislation which proposes:

> Whoever publicly mutilates, defaces, defiles, tramples upon, or casts contempt, either by word or act, upon any flag, standard, colors, or ensign of the United States shall be punished by imprisonment of not more than 1 year and a fine of not more than $1,000.

To show more specifically the contrast in respect for the flag, I include the following items: "Family Proud To Fly Flag," from the Chicago Tribune of June 7, 1966, and "Theater Faces License Hearing on Flag Burning," from the New York Times of April 12, 1966, in the Record. I am sure that after reading both accounts there will be no doubt as to which party personifies the dignity and respect which this Nation renders to its national symbol on this, the 50th anniversary of Flag Day:

[From the Chicago Tribune, June 7, 1966]

Family Proud To Fly Flag

"Frankly, we don't mind being called flag-waving Americans," said Mrs. Eugene J. Tamillo, 278 N. Wolf rd., Des Plaines.

Proof of that unconcern is the American flag flying from an 18-foot flagpole in the Tamillos' front yard.

The Tamillos, who have been flying the flag for four years, find it's become a landmark.

"It's the easiest way to find our house," Mrs. Tamillo said.

GIRL SCOUT LEADER

Mrs. Tamillo first got the idea to fly the flag when she was den mother for her son Michael's Cub Scout troop. Michael, 15, is no longer a Cub Scout but his sister, Margaret, 13, is a Girl Scout Cadette. Mrs. Tamillo is leader of troop No. 11.

"This is a wonderful way to teach the flag ceremony to the girls," she said. Every Tuesday, the Scouts gather outside for the traditional Girl Scout flag ceremony.

LEARN FLAG ETIQUETTE

The girls learn the correct way to display and honor the flag, she said. The Tamillos don't confine their teaching of patriotism to flag flying.

"We plan our vacation trips around historic landmarks," Mrs. Tamillo said.

Mr. and Mrs. Tamillo also enjoy parades and martial music. Tamillo served four years in the South Pacific during World War II. He was a major in the United States army. He is now a vice president of Continental Illinois National Bank and Trust company.

[From the New York Times, Apr. 12, 1966]

Theater Faces License Hearing on Flag Burning—Use of 2 Children in Play Protesting Vietnam War Also To Be Studied

(By John Kifner)

The Department of Licenses announced early yesterday that it had ordered an immediate hearing on the license of a small East Village theater where an American flag was burned during a production Saturday night.

However, by late afternoon the departmental show-cause order had not been served on the managers of the Bridge Theater, 4 Saint Mark's Place, which specializes in experimental plays and avant-garde "underground" movies.

"All I know about this is what you gentlemen have been kind enough to tell me," Miss Elsa Tambellini, the producer of the show, said at a hastily called news conference at the office of her attorneys, Kunstler, Kunstler & Kinoy, 511 Fifth Avenue.

The department also charged that two children, 5 and 8 years old, had appeared without the permission of the Mayor's office in the post-midnight skit attacking the war in Vietnam, and that "the foulest words were put into their mouths, both in English and Spanish."

ACTIONS CONFIRMED

Miss Tambellini, who was accompanied by the theater manager, Arthur Sainer, confirmed that an American flag was burned and that children did appear in the production. But they and several other persons at the performance said that the children had said nothing and were not on stage during the flag burning.

License Commissioner Joel J. Tyler said that he began the action at 10 A.M. yesterday after a report on the play by one of his inspectors had been brought to his attention.

He said that both the burning of the flag and the performance of a child under 16 on stage without the written consent of their parents and the Mayor and the notification of the Society for the Prevention of Cruelty to Children were violations of the state penal law.

"The Mayor? What's he got to do with this?" officials of the theater asked after they had been told of the latter statute.

Miss Tambellini angrily said that the department's action was "a complete distortion of freedom of speech" and contended that the theater was being attacked for being critical of the war, Mr. Tyler denied this.

The playlet in question was "LBJ," one of 10 skits and underground movies presented during a three-hour, fifty-minute production entitled "Underground Benefit Bash—Nightcrawlers at the Bridge."

The $2.50 show, which played to a packed 88-seat house, was to raise funds for the theater. The "LBJ" portion was advertised as a "live, multiscreen, love-hate paradox." Its author, Jose Rodriguez-Saltero, was not available for comment.

DEMOCRATIC DEVELOPMENT IN EAST PAKISTAN

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Morse] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MORSE. Mr. Speaker, last week, it was my privilege to chair a panel discussion sponsored by the Washington Chapter of the Society of International Development on the problems of encouraging the growth of governmental capacity and private political participation in the developing countries. The panelists put particular emphasis on programs developed in East Pakistan where each had considerable experience.

One of the panel members was Edgar L. Owens, a young AID official, who has just completed a book at the Brookings Institution entitled "A Democratic Strategy of Development." Mr. Owens' remarks before the society are a particularly lucid explanation of the problems and possibilities in this area of development and I believe that deserve the attention of all Members of the House. Under unanimous consent, I include the text in the Congressional Record.

DEMOCRATIC DEVELOPMENT IN EAST PAKISTAN

(A summary of remarks made by Edgar L. Owens at the Society for International Development, June 8, 1966)

The theory of the local development program in East Pakistan is an old idea, not a new one, and one which we know very well ourselves—the idea of democracy. Those who started the program believe that by the end of the 19th century there can be drawn from the history of the Western democracies certain principles and institutions of democratic development which explain our own progress, and which are transferable. Because of their familiarity with Britain, they talk about Britain more than the other democracies. In fact, any of the democracies could be taken as a model.

There are several ways of explaining why the Pakistani architects begin with democratic theory. One of them is to say that only governments can create the legal and institutional framework which development requires. It is true that it is machines, and not political ideas, that can abolish poverty. But governments have had to invent new laws and institutions, to enable a society to use technology efficiently. Our system of money and credit, the market, the private corporation, the public corporation, modern local government, the law of contracts—these and many others are just as much inventions as the steam engine and just as necessary for development as the products of the assembly line.

These kinds of inventions require government action, but they are not a political doctrine. Not only the Western democracies, but many authoritarian states—the Communist nations, Germany and Italy during their Fascist period, pre-war Japan, and more recently Nasser's Egypt—all of these countries have demonstrated a capacity to produce bread. The critical question, therefore, is the political philosophy of the government which creates the necessary legal and institutional framework.

Of our own Founding Fathers or the 19th century British reformers we would say: they valued freedom more highly than bread. After they had institutionalized freedom in the forms of democratic government, they simply assumed that people could use these forms to solve whatever problems concerned them—including what is today known as the problem of development.

Today the emphasis is on bread, not freedom. In the rush for riches there is little talk of freedom except for expressions of hope that somehow or other freedom will happen. But freedom, as a principle for organizing society, is a design and not an accident. The East Pakistan program is based on what its creators believe is the design of freedom. One of its purposes, but not its only purpose, is the production of bread.

Another way to describe the East Pakistan program is through two well-known quotations. The first, the nature of the problem, is from John Adams:

> "The poor man's conscience is clear; yet he is ashamed . . . . He feels himself out of sight of the others, groping in the dark. Mankind takes no notice of him. He rambles and wanders unheeded. In the midst of a crowd, at church, in the market . . . he is in as much obscurity as he could be in a garret or cellar. He is not disapproved, censured, or reproached; he is only not seen. To be wholly overlooked, and to know it, is intolerable."

The solution is from de Tocqueville's Democracy in America:

> "Local assemblies of citizens constitute the strength of free nations. Town meetings are to liberty what primary schools are to science; they bring it within reach; they teach men how to use it and enjoy it. A nation may establish a system of free government, but without the spirit of municipal institutions it cannot have the spirit of liberty."

The East Pakistan program can be described as the creation of municipal institutions in which men can learn how to use and enjoy liberty. It is the creation of political power for people who have never possessed it in the institutions of democracy. This is the essential difference between local development in East Pakistan and in other developing countries. Of other countries we would say, in de Tocqueville's words, that there are many which have created a "system of free government" at the level of central and provincial governments, but they have not yet created the municipal institutions which bring liberty "within reach" so that people en masse can learn how to "use and enjoy" it. In countries which have a system of free government only at the top, democracy has no meaning in the everyday activities of ordinary people.

"When a politician tells us in his speeches that he is on the side of the people, that he is only in politics in order to improve our living conditions, asking for our votes, promising to freeze prices, he is well aware that by touching on these grave problems he will win at the polls. Afterward he divorces himself from the people. He looks at them with half-closed eyes, and with a pride that hurts us." This is from "Child of the Dark," the autobiography of a slumdweller in Sao Paulo, Brazil, and is typical of the attitude of the unseen and unheeded toward what is said to be democratic politics.

In East Pakistan, the meaning of democracy in the everyday activities of ordinary people, in the first three years of the program, 1962–1965, has been these things:

1. 70,000 miles of farm-to-market roads, which is possibly more than all the developing countries combined, with the exception of Communist China. The average cost is $610 per mile. These roads have reduced the cost of transport from $1.50 per ton mile to .50¢ per ton mile as the means of transport has shifted from people's heads to the bicycle rickshaw. By Western standards, where truck transport on modern highways costs .05¢–.10¢ per ton mile, the cost is still high and the means of transport still primitive. But to the village farmers of East Pakistan, these dirt roads are the beginning of a transport revolution which increases their income by 10–20% without any change in the prices paid by the consumers. In the experimental county of the Province, where there are now five ton trucks operating on brick surfaced roads, the cost of transport per ton mile is down to about 15¢, just 10% of the cost of a few years ago.

Today, East Pakistan is one of the few places in the underdeveloped world where all the farmers can get to market.

2. Four million acres, or 15% of the cultivated land area of the Province has been improved through small-scale drainage and irrigation schemes or flood protection embankments at an average cost of less than $10 per acre and possibly less than $5 per acre.

3. An increase of more than two million tons, or about a fourth, in rice production, and the start of crop diversification and commercial farming. All the standard indicators of agricultural progress are rising, but the statistics cover up the essential difference between East Pakistan and a number of other places in which the standard indicators are also rising. In West Pakistan, Mexico, Brazil, to some extent in India, and in several other countries, central governments have used price policy, improved supply systems, better marketing, export incentives, and other inducements to persuade many large and medium sized farmers to go modern. But none of these countries has solved the problem of the subsistence farmer. In East Pakistan it is masses of subsistence farmers, literally hundreds of thousands who are going modern. Hence, we say that there may be an agricultural revolution underway in the Province, though we must also say that it is too soon to be sure this is really happening.

The urban program has not progressed as rapidly as the rural program. Thus far, it consists of paved streets and city drainage systems, municipal water supplies and sewerage systems, city planning, agricultural markets, and recreational facilities. Except for streets and drainage systems, not much has happened yet, and the urban program has yet to create the widespread expectation of a brighter future, which now exists in the countryside, and which is justified, people believe, by recent personal experience.

All of these programs are operated on the formula of modern local government. Again the model is said to be mainly British, though it could be taken from other democracies as well.

Modern local government is a method of modernization imposed by central governments upon local governments for the purpose of transforming them into democratic development institutions. According to the formula, the Provincial government of East Pakistan defines the general policy and sets standards of technical and administrative performance. The standards are enforced through inspection, auditing the accounts, and by withholding funds when the standards are not met. The provincial government also supports local programs with technical advice and information and by expanding training programs of many levels and kinds. But the Provincial government does not interfere in the operational decisions of the local councils. It supervises the processess and methods of the local institutions, but not the individual activities themselves. It is the local councils which do the planning, make the operational decisions, determine the priorities of investment, and do the work. Thus, within the framework of a uniform provincial policy, there is diversity of local solution.

The formula of modern local government represents an almost complete reversal of the traditional centralist control of local government which is common throughout the underdeveloped world. I am sure that many of you know that local governments in most of the developing countries are moribund, often corrupt, distrusted by the people and uninvolved in development. They operate more as local offices of the central government rather than as semi-autonomous local self-governing development institutions as in the Western democracies. Central governments impose uniformity of implementation as well as uniformity of policy. Central control is exercised through minute regulation and review of activities individually, as if one thing were not related to another, as if, for example, a number of separate roads could not be combined into a road network. Local initiative is stifled, not encouraged. Local solution is not adjusted to local circumstance and local attitudes by local people. Peter the Great once said of such a system, when explaining to one of his Ministers why he wanted to decentralize tax administration in Russia, "It is difficult for a man to understand everything, and govern from a distance."

Local government in East Pakistan is an integrated county-township system in rural areas, and the incorporated city and unincorporated town in urban areas. In the rural system there are, on average, ten townships per county. In the smaller cities and towns there is a single municipal council. But in the several large cities, the two-tiered system is used. In the provincial capital of Dacca, there are 27 urban townships plus the municipal council. This system is reminiscent of Thomas Jefferson's conception of an urban precinct as the base unit of city government.

In the two-tiered system, the larger unit is regarded as the level of coordination, planning, supervision and training. The smaller unit is the level of operation.

County or municipal coordination and planning are based largely on the proposals of the townships, assisted by whatever technical staff is available. Each local authority is required to prepare a three-year deveopment plan. In the countryside, this now includes many of the fields which Westerners would call the traditional functions of local government. In the cities, it incudes the activities mentioned earlier. The Plan is, literally, a Big Book, about three feet by four feet, full of maps and diagrams and data sheets of many kinds that would be described by us bureaucrats as a detailed feasibility study and work plan.

All activities are planned on the basis of networks and systems. Thus, the local councils do not plan a road here and a road there, which is common in local development programs throughout the world, but a road network which links all villages with each other, with their township and county headquarters, and county headquarters with the national transportation system. The councils are not trying to push fertilizers and better seeds, but to prepare a comprehensive agricultural production plan which is linked with storage and marketing and includes the necessary 'agro-industries.' Though here, we must note that progress in storage, marketing, and industry is limited to the pilot areas. Many of these economic activities are organized through cooperatives because, in this overcrowded land, where the average farm is only 3.4 acres, practically every individual person is too small to use modern technology efficiently as an individual.

The training programs are a combination of vocational courses, extension programs and a general information system. Vocational courses have been organized in literacy, simple construction, and brick-burning. In the extension courses, the villagers themselves are the extension agents. The role of the technical staff, which is mostly assigned at the county level, is to instruct them and then supervise the programs which they organize in the village, on the farm, or in the slum. Experience, to date, suggests that these programs work well if supervision is persistent.

The various local programs are operated through an elaborate system of committees and subcommittees. The system is admittedly a bit cumbersome, but it was designed to create more leadership positions than there were traditional leaders. Today, there are around a half million people, out of seven million rural families, who are members of either planning committees or project implementation committees.

This, in brief, is the way the program works. Because the primary institutions are political, self-governing institutions, we call it democratic development, and in the long run, it is the political and social changes induced by the program which matter most.

In the political sphere, there is rapid progress in what the political scientist would call the identification of local interest, but only a little progress in what he would call the fusion of local interest with national interest.

First, let me explain that in the Basic Democracies system, the election of Basic Democrats, or township councillors, as we would call them in America, is by universal adult suffrage. The election of the President and the members of the national and provincial assemblies by the councillors, of whom there are 80,000, not the electorate at large.

In the elections of 1964–1965, there is considerable evidence that the people are beginning to believe that development is possible in their lives now, that development begins with political institutions, and that they equate development leadership with political leadership. In the pilot areas, which cover about a fifth of the province, practically all the candidates were products of the local development committee system. A number of incumbents, elected in 1960, before the program began and who were indifferent to development after the program was started, were defeated. In the rest of the Province, where progress has been less, the trend is not so clear-cut, but it is the same trend.

At the national level, the only evidence of a relationship between the local program and politics is from the presidential race. Nearly all observers of the election agree that the program was a source of electoral strength for President Ayub. There is no way of measuring how much, but even Ayub's political opponents agree that there is a popular identification of the program with the President. The opposition has been obliged to temper its original hostility to the program as they have come to realize its popularity in the countryside.

On the other hand, the local program seems to have had no particular influence on the elections for the national and provincial assemblies.

The problem here is that subsistence societies are atomized societies, as we all know. The villager or the urban slum-dweller must first of all be able to think of himself as a citizen of his township and county or city before he can be expected to understand a governmental unit as remote from his personal life as the provincial and national government. Whereas members of the local development committees had no difficulty in understanding that some of their number should run for the township councils, they have not yet persuaded themselves that local leaders might also become members of the higher legislative bodies, or that local people can influence candidates for the higher bodies. Thus, development was a major campaign issue at the township level, but in the elections for the two higher assemblies, development was hardly mentioned. The villager must be able to distinguish between policy and implementation so that he knows whether the politician to be influenced is the member of the local council or the local member of the higher assemblies. At the time the election was held, the villagers were still learning about the implementation and still thinking in county and township terms. How quickly their level of understanding will expand nobody knows, but hopefully, in the 1970 elections there will be some evidence that the fusion of national and local interest is underway.

The social trends are of the kind which suggest that the democratic faith in gradual change is still a practicable ideal. In Mao Tse Tung's peasant version of Mr. Marx, there is supposed to be an irreconcilable conflict between traditional leaders and subsistence farmers. If the present trend continues, history will record that the Bengali villagers are incompetent Marxists but good Jeffersonians. There is considerable evidence that the villagers will continue to accept the traditional leaders if they are willing to become development leaders. The other way round, there is considerable evidence that the traditional leaders prefer to accept development rather than risk the loss of their inherited position of power and privilege. The evidence consists of the continuation in office or participation in the committee system of many of the traditional leaders. In the village, reorganization in favor of development seems to start happening spontaneously as an indirect result of development activities. Those who participate in development gradually become the dominant group, often before they become the majority. Gradually trust begins to replace suspicion. The villagers begin to work together and with others from the same township and county as they realize that all can benefit from common effort, and as they come to realize that an irrigation ditch follows the contour of the land and not the contour of local rivalries. The nature of argument is beginning to change. People are learning that compromising differences of opinion or accepting the will of the majority is a necessary prelude to action, that meeting deadlines is important if plans are to be turned into reality.

Finally, Government employees are beginning to work with the people and the people are beginning to think of public officials as helpers, not masters. Of the problem of bringing local people and local officials together in Britain a century ago, one constitutional authority wrote: "The county magistrates, instead of sulking at their partial dethronement, came forward with public spirit to assume a new role and new duties. To their experienced guidance is owing the fact that a profound transition has been effected without friction and without breach of continuity." There is the same trend in East Pakistan today.

I would like to close with a few sentences from the final volume of Churchill's "History of the English Speaking Peoples." He wrote them as a summary statement about the rise of democracy in Britain in the 19th century. In future tense, they could as well be a statement of the ultimate purpose of democratic development in Britain, in East Pakistan, or Puerto Rico, or any country. "The aristocracy, who had guided for centuries the advance of Britain, was merged in the rising mass of the nation. . . . progress and prosperity had been continuous in all classes. Conservative forces had shown that they could ride the storm, and indeed that there was no great storm between the domestic parties. . . . No one felt himself left out of the constitution. . . . It did not matter which party ruled; though they found fault with one another, as they had a perfect right to do. None of the ancient inhibitions obstructed the adventurous. . . . Active and vigorous politics should be sustained. To go forward gradually but boldly seemed to be fully justified."

PROGRESS AND PROBLEMS IN THE ESTABLISHMENT OF A LATIN AMERICAN NUCLEAR FREE ZONE

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MORSE. Mr. Speaker, it is generally recognized that one of our most critical international problems in the years ahead will be the possibility of the increase in the number of nations possessing the capability of using nuclear weapons and a consequent increase in the potential for world instability. There is less consent on the steps that should be taken to prevent the spread. As we know, the administration has a proposal pending at the 18-nation talks in Geneva and a number of scholars and commentators have offered alternate routes to the goal of restricting nuclear capability in the interests of international peace and stability.

One of the possibilities frequently mentioned is that of regional nuclear free zones. This idea has been current in Latin America for some time. In fact, the preparatory commission established by the hemispheric nations is scheduled to meet again in August.

Mr. Peter Barnes, Washington bureau manager for the Lowell, Mass., Sun, recently analyzed the history and prospects of proposals for a Latin American nuclear free zone in a paper prepared for Dr. William Manger's course on inter-American relations at Georgetown University. I think that Mr. Barnes' paper is a constructive contribution to the discussion of this vital issue, and I include it in the CONGRESSIONAL RECORD at this point:

Progress and Problems in the Establishment of a Latin American Nuclear Free Zone

I. INTRODUCTION

The concept of a "nuclear free zone" is a rather recent one, stemming from efforts that have been made in the past few years to halt the spread of atomic weapons. Adam Rapacki, the Polish foreign minister, was the first to introduce formally the notion of a zone from which nuclear weapons would be excluded when he proposed that Central Europe be denuclearized. Since the Rapacki Plan, similar proposals have been put forward for other geographical areas, notably Africa, Scandinavia and Latin America. The United Nations General Assembly in 1961 passed a resolution endorsing the idea of an African nuclear free zone. In 1963 the General Assembly expressed the hope that the Latin American nations would study measures that might be taken to ban nuclear weapons in the Western Hemisphere south of the United States.

The problems of establishing a nuclear free zone are much greater than would appear on the surface. In the first place, the will must exist among all the nations of the geographical area to foreswear atomic weapons. In many cases where nations believe atomic weapons to be essential for security or prestige, they have been reluctant to commit themselves to permanent non-nuclear status. Another requirement for a non-nuclear zone is that it be guaranteed by the existing nuclear powers. A nuclear free zone must enhance, and not diminish, the military stability and security of the area in question. Additional problems arise from the difficulties of inspection and verification and of punishing any violators of the accord.

Of all the geographic regions and subregions in the world, Latin America is perhaps best suited for the purpose of establishing a nuclear free zone. It has, unlike Africa, a tradition of regional cooperation for the purpose of excluding extra-continental military conflict. During the early months of World War II, Latin America and the United States declared the lands and waters from Greenland to Cape Horn to be "off limits" for the European and Asian combatants. In 1947, the nations of the Western Hemisphere followed up their wartime solidarity by concluding the Rio Treaty of Reciprocal Assistance. (The fact that the World War II declaration of Western Hemisphere neutrality was not respected by extra-continental powers points out the need to obtain such respect for a nuclear free zone.)

Moreover, unlike Central Europe, Latin America is not a major theatre of the Cold War. No Soviet troops and only small numbers of American troops are stationed in the region. The balance of power would not be upset by the establishment of a nuclear free zone. And, except for a few brief months in 1962, nuclear weapons have never been deployed in any Latin American country.

Latin America is also fortunate that, despite the role played by arms and military men throughout its history, no state in the region currently aspires to nuclear status. President Juan Perón of Argentina is reputed at one time to have toyed with the idea of making Argentina a nuclear power, but nothing came of his fancy once the rather backward atomic capacity of post-war Argentina was explained to him.[1]

Today only three Latin American nations—Argentina, Brazil and Mexico—could realistically be said to possess the industrial and scientific capability of building atomic bombs within the next decade. At present, however, according to the March, 1966, Foreign Reactor List of the US Atomic Energy Commission, Argentina has only one small research reactor in operation in Buenos Aires (30 thermal kilowatts), and another (1 to 5 thermal megawatts) being built in Ezezia that will reach criticality late this year. Brazil has three small research reactors (all under 5 thermal megawatts) in operation in São Paulo, Rio de Janeiro, and Belo Horizonte. Mexico as of yet has none.

The only other reactors in Latin America are near Bogotá, Colombia (10 thermal kilowatts) and in Caracas, Venezuela (3 thermal megawatts). Since it would require a reactor generating approximately 25 megawatts of thermal energy to produce enough plutonium to build one small atomic bomb per year, it is clear that the existing reactors in Latin America are virtually without military significance.

Argentina, Brazil and Mexico all have announced plans to build large power reactors in the near future which would have military significance. However, it is quite a jump from possessing a civilian power reactor to being able to fabricate an atomic bomb. One basic requirement for building a bomb is a plant to separate plutonium from the spent reactor fuel. If any Latin American nation should in the future build such a plant, this step would indeed have grave military implications. But neither Brazil, Mexico or Argentina have evidenced any desire to go beyond what is necessary for the peaceful exploitation of atomic energy.

It is to be noted, too, that all the reactors presently in Latin America have been opened to inspection by the International Atomic Energy Agency. This organization, an autonomous United Nations agency with headquarters in Vienna, Austria, inspects some 40 reactors throughout the world to check against the diversion of plutonium to military ends.

Finally, Latin America has established a strong record—at the UN, at the 18-nation Geneva Disarmament Conference (where Mexico and Brazil are participants), in the Organization of American States, and in adherence to international treaties—as a supporter of nuclear arms control efforts. All Latin American nations except Cuba signed the 1963 Moscow Treaty banning atomic tests in the atmosphere. Similarly, Argentina and Chile adhered to the 12-nation 1959 treaty excluding atomic weapons from Antarctica. In the single instance when nuclear armaments were introduced into Cuba by an extra-continental power, the OAS acted swiftly to authorize members to take "all measures, individually and collectively, including the use of armed force, which they deem necessary to insure that the Government of Cuba cannot continue to receive from the Sino-Soviet powers military material . . . which may threaten the peace and security of the continent, and to prevent the missiles in Cuba with offensive capability from ever becoming an active threat to the peace and security of the continent."[2]

II. STAGE ONE TO DENUCLEARIZATION: THE UNITED NATIONS

One of the less noted side effects of the Cuban missile crisis was the launching of a movement to establish a permanent Latin American nuclear free zone.

The missiles in Cuba, as President Kennedy pointed out, were capable of hitting targets as far south as Lima, Peru. Though it was not likely that the missiles in Cuba would be aimed in a southerly direction, the suddenness with which the Western Hemisphere had become a nuclear theatre jolted Latin Americans into recognizing that there was a need for collective action to preserve—once the Cuban missile were removed—the nuclear free status of the continent.

The first step was taken by Brazil while the sparks from the missile crisis were still hot. On October 29, 1962, Brazil submitted to the UN General Assembly's Political Committee a draft resolution seeking to extend to Latin America the UN's 1961 resolution recommending a nuclear free zone for Africa. The immediate problem at the time was still to obtain removal from Cuba of the Soviet missiles and to verify that complete withdrawal was in fact being carried out. With this in mind, the Brazilian resolution called upon all Latin American countries to "dispose forthwith of any nuclear weapons or nuclear delivery vehicles which may now be situated in territory under their jurisdiction."[3] Several days later Bolivia, Chile and Ecuador joined Brazil in sponsoring the resolution, and a new clause was added appealing to Latin American nations to "make provision for such verification of these arrangements as may be agreed in order to insure that they are . . . being observed."[4] But the heart of the resolution was its call to prohibit premanently in Latin America the building, storing and testing of atomic weapons and delivery vehicles.

The Cuban delegate at the UN, Carlos M. Lechuga-Hevía, termed the Brazilian idea for a Latin American nuclear free zone "very laudable," However, he said the resolution should include a provision calling on nuclear powers not to use atomic weapons "against" Latin American states.[5]

On November 19, Brazil, Bolivia, Chile and Ecuador agreed, upon United States urging, to defer consideration of the resolution until the following year. The United States apparently felt that the resolution would serve no useful purpose until an agreement for verifying the withdrawal of missiles from Cuba could be reached. President Kennedy, asked about the nuclear free zone plan at a press conference November 20, replied that "the question comes down to the willingness of the countries of Latin America to accept the Brazilian proposal and the development of an adequate inspection system. That's the issue."[6]

The next move came on March 21, 1963, when President Adolfo López Mateos of Mexico wrote to the presidents of Brazil, Bolivia, Chile and Ecuador—the sponsors of the 1962 UN resolution—urging the continuation of efforts to denuclearize Latin America. The Mexican initiative was favorably received by the other presidents, and on April 29, 1963, López Mateos and President João Goulart of Brazil released simultaneously in Mexico City and Rio de Janeiro the texts of a declaration signed by themselves and the chief executives of Bolivia, Chile and Ecuador. The declaration called upon the other 15 states of Latin America, including Cuba, to join in an agreement committing all nations in the region to refrain from "manufacturing, receiving, storing or testing nuclear arms or instruments to deliver these arms."[7] The joint declaration marked the entrance into the denuclearization movement of Mexico—the country which was soon to take over from Brazil as the prime mover of the nuclear ban effort. The immediate reaction to the April 29 declaration, however, was a deafening silence. Only Haiti, of the 15 Latin American states appealed to, said it was willing to commit itself to the renunciation of nuclear weapons and delivery vehicles as called for by the five presidents.[8] Haiti, of course, did not have much to lose.

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[1] Cf. John Beaton, *Must the Bomb Spread?*, London, 1966; p. 59.

[2] The New York Times, October 24, 1962, p. 10.

[3] The New York Times, October 30, 1962, p. 16.

[4] Ibid., November 9, 1962, p. 2.

[5] Ibid., November 17, 1962, p. 2.

[6] Ibid., November 20, 1962, p. 14; and November 21, 1962, p. 10.

Latin American support for a denuclearized continent grew when the proposal was introduced again in the UN in November, 1963. Brazil and Mexico, joined by Bolivia, Chile, Ecuador, Haiti, Costa Rica, Panama and Uruguay, introduced a resolution in the General Assembly which "noted with satisfaction" the declaration of April 29 and expressed the hope that the Latin American nations would take steps to implement that declaration.[9]

The United States privately objected to the Latin American resolution as being too strong. In a speech to the General Assembly's Political Committee, Charles C. Stelle of the U.S. delegation indicated that the U.S. supported the principle of nuclear free zones, but only if they met three conditions. Stelle listed these conditions as: (1) all states in the geographical area must be included; (2) there must be "adequate verification;" and (3) the military balance in the region must not be upset.[10]

Since it was not at all clear that Cuba would join a verified Latin American nuclear free zone, the United States indicated that it could not support a resolution which called for actual steps to implement the April 29 declaration.

Cuba, earlier in the Political Committee debates, had stated that it thought the idea of a Latin American nuclear free zone was worthwhile, but that it had its own conditions for participation. These conditions were that the Panama Canal Zone, Puerto Rico and the Virgin Islands be included in the denuclearized territory, and that the United States restore to Cuba the "illegally usurped" Guantánamo naval base.[11]

To win U.S. support, the sponsors of the resolution watered down the text to say merely that the General Assembly "expresses the hope that the States of Latin America will initiate studies . . . in light of the principles of the Charter of the United Nations . . . concerning the measures that should be taken to achieve the aims" of the April 29 declaration.[12]

On November 13, Ambassador Adlai E. Stevenson announced that the U.S. would support the modified resolution, and on November 19, the Political Committee approved the measure 89–0, with 14 abstentions. Among those abstaining were Cuba, France, the Soviet Union and other Communist-bloc countries, and Venezuela, which sided with Cuba in claiming that the Canal Zone, Puerto Rico and the Virgin Islands should be included in the atom-free zone. Strangely, Albania and Rumania broke from the rest of the Communist bloc and voted in favor of the resolution. Eight days later the General Assembly formally adopted the resolution by a vote of 91–0, with 15 abstentions. The line-up of the key countries was the same as in the Political Committee.

Thus ended the United Nations phase of the effort to exclude nuclear weapons from Latin America. Before proceeding to discuss the next stage, it might be useful to point out some of the issues and positions which emerged at the UN and which were to crop up again in subsequent negotiations.

First and foremost was the problem of Cuba. The United States' chief interest in a Latin American nuclear free zone, it appeared, was to stabilize the present balance of military power, which involved keeping Soviet missiles out of the Western Hemisphere. Washington therefore insisted that any Latin American nuclear free zone which was to have its support must include Cuba and must provide for international inspection of that island. Brazil was later to become the leading Latin American advocate of this position.

Cuba, on the other hand, while voicing theoretical support for a nuclear free zone, was not eager to formalize in a treaty the humiliation it suffered in 1962 with the abrupt removal of the Soviet missiles. Moreover, the regime of Premier Fidel Castro was undoubtedly reluctant to sign away that small shadow of a military threat which Cuba represented as a possible launching pad for future Soviet or Chinese nuclear weapons. Clearly, if Castro was going to give up his right to brandish nuclear missiles again, he was not going to do so without getting some major concessions from the United States.

A second thorny issue concerned lands in Latin America controlled by the United States and extra-hemispheric countries (Great Britain, France and the Netherlands). Cuba, supported by Venezuela, asserted that all U.S. possessions in Latin America should be covered by the atom ban. The U.S. thus far has agreed to include the Panama Canal Zone and possibly Guantánamo in a Latin American nuclear free zone, but not Puerto Rico or the Virgin Islands.

These problems, along with several others that will be discussed below, were to become major stumbling blocks when the Latin Americans got down to the brass-tacks business of drafting a treaty and trying to get it signed.

III. STAGE TWO: THE PREPARATORY COMMISSION

The overthrow of President Goulart in 1964 put a damper on Brazil's leadership in establishing a Latin American nuclear free zone. But President López Mateos of Mexico eagerly picked up whatever slack was created and convoked a meeting for November, 1964, to consider how to proceed.

The self-styled Preliminary Conference on the Denuclearization of Latin America, held in Mexico City November 23–27, 1964, was attended by representatives of 17 Latin American nations. Most of the delegates were the ambassadors of their respective countries in Mexico. The absent countries were Cuba, Venezuela and Guatemala.[13]

The Preliminary Conference approved five resolutions, of which the most important was Resolution II, moved by Chile. This resolution established a permanent Preparatory Commission for the Denuclearization of Latin America (Comisión Preparatoria para la Desnuclearización de América Latina—Copredal) with its seat in Mexico City. The Preparatory Commission was to be made up of the 17 nations at the conference, with the understanding that the absent Latin American governments could join at any time. The Commission would have three tasks: (1) to draft a treaty for creating a Latin American nuclear free zone; (2) to negotiate with the nuclear powers to obtain their respect for the zone; and (3) to negotiate with the colonial powers to seek inclusion of their hemispheric territories in the denuclearized zone. Alfonso García Robles, the Mexican Undersecretary of Foreign Relations, was named President of the permanent Preparatory Commission. The two vice-presidents were José Sette Cámara, the Brazilian ambassador to the UN, and Rafael Equizábal Tobías, ambassador of El Salvador to Mexico.

The Preparatory Commission, it is to be noted, was set up independently and outside of the OAS. The primary reasons for this were the presence in the OAS of the United States and the exclusion from the OAS of Cuba. At Copredal's next session, an effort was made by Colombia and Costa Rica to move the Commission under OAS auspices. The attempt was opposed by Mexico, Chile, Ecuador and Peru, and was defeated.[14] The question of the role of the OAS was to arise again, however, at the third session of Copredal in April, 1966.

The Preparatory Commission held its first session March 15–22, 1965, in Mexico City. The major accomplishment of the March meeting was the appointment of three working groups and a coordinating committee. Working Group A was assigned the task of studying the geographical limits of the nuclear free zone and the problems of territories within the zone controlled by extra-zonal countries. Working Group B was to study the problems of inspection, verification and control of a denuclearization treaty. Working Group C was charged with undertaking the necessary negotiations to get the support of the nuclear powers for the treaty. A five-man Coordinating Committee, chaired by García Robles, was to tie together the efforts of the working groups and draw up a preliminary draft treaty.

The second session of Copredal was held in Mexico City August 23–September 3, 1965. Nineteen Latin American nations were present. The sole absentee was Cuba, which again rejected its invitation. Observers from the United States, Great Britain, the Netherlands, Yugoslavia, Japan, Canada, Norway, Denmark and Sweden also attended.

Among the highlights of Copredal's second session were statements by extra-continental countries regarding their attitude towards a Latin American nuclear free zone. The observer from the Netherlands, a nation with no independent nuclear aspirations, stated that his government was prepared to contract, on behalf of its "overseas provinces" (Surinam and the Netherlands Antilles), the same obligations in a denuclearization treaty as the other sovereign states of Latin America. This declaration was warmly welcomed by the delegates.

A few days later, the British ambassador to Mexico, Nicholas J. A. Cheetham, in a communication to the president of Copredal, stated that "Her Majesty's government are prepared to consider carefully, at the opportune time and in consultation with the affected governments, whatever steps the Preparatory Commission may desire to make in order to include the Western Hemisphere territories of the United Kingdom in a formal agreement." Though Cheetham added that this was not a final decision to permit the inclusion of Belice, the Falkland Islands, the Bahamas or the British West Indies in the denuclearized zone, the Latin American delegates were pleased with the British position. Diplomats noted that it was perhaps the first time in history that Britain had indicated willingness to yield some sovereign rights over any of its territories.

An earlier British statement, however, was a source of consternation to the conference. In reply to inquiries made by Working Group C, London stated that it "reserved the right" to refuse to submit its planes or warships to inspection by the Latin Americans when travelling through the waters or airspace of the denuclearized zones. The U.S. was later to take a similar position.

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[7] Ibid., April 30, 1963, p. 1.

[8] Ibid., May 8, 1963, p. 6.

[9] Ibid., November 10, 1963, p. 33.

[10] Ibid., November 5, 1963, p. 9.

[11] Ibid.

[12] Ibid., November 12, 1963, p. 2.

[13] *Excelsior* (Mexico City), November 24, 1964, p. 1.

[14] Ibid., August 28, 1965, p. 12.

The response of France to the inquiries of Working Groups A and C was terse. France would not permit inclusion of French Guiana or the French-held islands in the Caribbean in the denuclearized zone, nor, since she had not signed the Moscow Treaty, would she commit herself not to test nuclear devices in the Western Hemisphere.[15]

The Soviet Union, a nuclear power with no Western Hemisphere possession, declared in a communication to Working Groups A and C: "The denuclearization of Latin America should include all the Latin American states, without exception, including territories administered by extra-continental powers." Here Russia was taking a position that could be interpreted in two ways. The latter part of the statement referring to extra-continental powers (which presumably included the United States), was directly in line with the Cuban position. However, Soviet insistence on the inclusion of all Latin American states—a position corresponding to that of the U.S.—could be viewed either as an attempt to get Castro off its hands, or as an effort to enhance Castro's bargaining position by giving him a veto power.

Among the decisions of the second session were agreement to include Jamaica and Trinidad-Tobago in the nuclear free zone, and, most importantly, to authorize the Coordinating Committee to "prepare . . . a working paper for use in drafting a . . . preliminary draft" treaty. The conference expressed the hope that from the working document prepared by the Coordinating Committee, the third session of Copredal would be able to draw up a preliminary draft treaty which all states would approve.

The third and most recent session of the Preparatory Commission was held in Mexico City April 19–May 4. At this session the working paper prepared by the Coordinating Committee—which actually took the form of a preliminary draft treaty—was discussed. But contrary to the hopes expressed at the preceding session, the Coordinating Committee's draft led to more controversy than unity.

It became clear at the third session of Copredal that a serious rift was developing among the Latin American nations, chiefly between Mexico and Brazil. The government of Brazilian President Humberto Castelo Branco was of the opinion that continental security would be affected unless Cuba could be subjected to international control and inspection. Backed by Venezuela and Argentina, Brazil declared that it would not take part in a nuclear free zone that did not include Cuba.

José Sette Cámara, the Brazilian representative, also argued that a denuclearization treaty would be worthless unless all the nuclear powers agreed to respect it. He said the treaty should require the signatures of all the nuclear powers, who should guarantee not to deploy nuclear weapons within the zone or to use nuclear weapons "against" any Latin American country.

Because Cuba had again refused to attend the Copredal session, and because France and the Soviet Union had refused to support the nuclear free zone as currently proposed (nothing had been heard from China), Brazil felt that further preliminary work was necessary. Sette Cámara, as one of the five members of the Coordinating Committee, had strenuously objected to the Committee's preparation of an actual draft treaty. He claimed that in so doing, the Committee had exceeded its authority to produce only a "working paper."

Mexico, on the other hand, strongly felt that a Latin American denuclearization treaty should not wait for Cuban participation or for guarantees from all the nuclear powers. To do so, Mexico argued, would be effectively to kill all chances for any kind of treaty. Under the leadership of Garcia Robles, Mexico and the three other members of the Coordinating Committee (El Salvador, Haiti and Ecuador) had outvoted Brazil and gone ahead to produce the preliminary draft treaty.

The Brazilians countered by introducing a draft treaty of their own at the third Copredal Session. (A comparison of the Brazilian and Coordinating Committee draft treaties will be made below.) Debate was acrid, with Colombia, Argentina and Venezuela backing Brazil, and Chile, Ecuador, El Salvador and Haiti supporting Mexico.

The third session adjourned with the issuance of an Acta Final. This document contained the texts of the Brazilian and the Coordinating Committee drafts, along with several amendments proposed by other Latin American countries. The Acta Final is now being circulated among the governments of Latin America in hopes of arriving at points of agreement. A fourth session of Copredal was called for August 30 in Mexico City, at which time it is hoped a compromise can be worked out and some kind of draft treaty agreed upon.

IV. THE DRAFT TREATIES

The preliminary draft treaties proposed by the Coordinating Committee under the guidance of Mexico, and by Brazil are similar in almost all ways except for the process of entry into force. The key provisions that are common to both versions are as follows:

Article 1 commits the signatories to prevent in their respective territories "the testing, use, manufacture, or acquisition by any means" of nuclear weapons.

Article 2 defines "territory" to mean any "delimited space over which the State exercises sovereignty," including the territorial sea and air space.

Article 3 defines "nuclear weapons" in the commonly understood fashion, and declares that delivery vehicles, when separable from the weapon itself, are not subject to the prohibitions of the treaty. (This exclusion of delivery vehicles from the nuclear weapons ban represents a departure from the proposal originally made in the UN in 1962 and by the five presidents in April, 1963.)

Articles 4 through 7 set up the organizational machinery to supervise compliance with the treaty. The enforcement agency is tentatively called the Latin American Denuclearization Center, which consists of a General Conference (the supreme organ), an Executive Committee, and a Secretariat (with a Secretary General).

Articles 8 through 12 set up the control system. Two types of inspection are envisaged. Regular inspection of reactors to check against diversion of plutonium for military purposes will be carried out by the International Atomic Energy Agency. (In the Coordinating Committee draft, the IAEA services are contracted for by the Center on behalf of all the treaty signatories; in the Brazilian version, the individual Latin American states make their own agreements with the IAEA.) In addition, special inspections of reactors or of "any suspicious event or circumstance" will be carried out by the Center upon the request of any party to the treaty. All parties are required to grant inspectors "free and full access" to whatever places and information they may require.

Article 13 permits the parties to explode nuclear devices for peaceful purposes such as digging a new inter-oceanic canal "including explosions that presuppose the use of devices similar to those used in nuclear armaments," provided that permission is obtained from the Center four months in advance. The article thus foresees the possibility that a Latin American country may wish to gain prestige by demonstrating that it is capable of building an atomic bomb, without actually detonating a "military" device.

Article 15 provides that in the event the General Conference determines that a party has violated the treaty, the UN Security Council shall be notified immediately, inasmuch as violation of the treaty is "a matter that could endanger international peace and security." This is the only "sanction" spelled out in the treaty. Actual sanctions against violators would have to be applied by the members of the UN, individually or through the world organization. (Interestingly, the OAS is not mentioned as a possible applier of sanctions or as an organization to which violations will be reported.)

Article 20 declares that the treaty shall be open to signature of all the sovereign states, or states that come to be sovereign, situated in the Western Hemisphere south of the 30th parallel north latitude (which runs through New Orleans). The treaty is also open for signature to the nuclear powers and to those countries exercising de jure or de facto control over territories in the Western Hemisphere south of the 30th parallel.

Article 21 states that "no reservations may be made with respect to this treaty."

Article 24 provides an escape clause similar to that in the Moscow Test Ban Treaty. The treaty is permanent, but any party may denounce if it decides that "unusual circumstances . . . have endangered (its) highest interests." But three months' notice and an explanation of the "unusual circumstances" must be given to the Center and to the UN.

The chief divergence between the two draft treaties is found in Article 22. The Coordinating Committee version provides that the "treaty shall come into force between the states that have ratified or adhered to it" and that the Center shall "begin to perform its duties when five instruments of ratification or adherence" have been deposited. The Brazilian Article 22 calls for universal adherence before the treaty takes effect. It provides that the nuclear free zone will only enter into being after (a) all the Latin American states have joined; (b) all states controlling territory in the Western Hemisphere south of the 30th parallel have signed and ratified the Protocol of Additional Guarantees II which is annexed to the treaty; and (c) all the nuclear powers have signed and ratified the Protocol of Additional Guarantees I, in which they pledge to respect the denuclearized zone.

Corresponding to the differences in Article 22, the Brazilian version of Article 25 provides that authentic texts of the treaty must be written in Russian and Chinese, as well as in Spanish, Portuguese, English and French, as called for in Article 25 of the Coordinating Committee draft.

Effectively, what the differences boil down to is that under the Coordinating Committee version, a "nuclear free zone" would come into being even if only two countries ratified the treaty; whereas no such sub-regional "zone" could be established under the Brazilian draft.

Other amendments were offered by various countries to portions of the draft treaties where Brazil and Mexico were in accord. These amendments are to be considered, along with the two drafts, at the forthcoming session of Copredal.

Venezuela put forward two amendments, one regarding the right of transit and the other strengthening the role of the OAS. In the Mexican and Brazilian versions, each Latin American state may decide for itself whether or not to permit foreign-owned nuclear weapons to pass through its territorial air or waters; and in non-territorial sea or airspace there would be no prohibition of transit. One Venezuelan amendment would add to the treaty a clause banning the passage of all atomic weapons through the Latin American nuclear free zone. The second Venezuelan amendment would give greater responsibility for inspection and sanctions to the OAS, without entirely replacing the IAEA and the UN.

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[15] Ibid., August 31, p. 14.

A Uruguayan amendment sought to reinforce the notion of a true atom free zone. In the Brazilian and Coordinating Committee texts, the denuclearization treaty would take force in the area made up of the sum of the territories of the signatory states. The Uruguayan proposal, applying a concept similar to that of the Rio Treaty of Reciprocal Assistance, would establish a definite geographical zone, with the perimeter extending into the oceans, which all states, Latin American and extra-continental would be obliged to respect.

These different proposals envisage distinct concepts of what exactly is a nuclear free zone. Since Latin America is the first region of the world to attempt to establish such a zone, there are no precedents to go by.

V. PROSPECTS

The fourth session of the Preparatory Commission will probably determine whether the hopes expressed in the UN and in Latin America for the denuclearization of the continent can be realized in the face of the numerous obstacles and differences of opinion that have arisen.

Much depends on the fate of the Latin American effort. If it succeeds, it is possible that other regions of the world—such as Scandinavia and Africa—may be motivated to overcome the problems that lie in the way of denuclearizing their areas. The techniques of building and inspecting future nuclear free zones, if any, could well be influenced by the pattern established in Latin America.

Unfortunately, the prospects for rapid establishment of a nuclear free zone encompassing all of Latin America are not bright. In addition to the difficulties discussed above, there are new problems that are just beginning to be thought about by Latin Americans. One involves a possible conflict between a nuclear free zone and the Rio Treaty of Reciprocal Assistance. What would happen, for example, if in the event of war between the U.S. and the Soviet Union, the U.S. sought permission to base a Polaris submarine in Montevideo? Under the Rio Treaty, the Uruguayan government is bound to assist the U.S. in fighting the extra-continental enemy; yet a denuclearization treaty would prevent Uruguay from having Polaris submarines stationed in its territory. Which of the two treaties would take precedence?

Another consideration is the related question of whether a Latin American nuclear free zone would have any meaning except in peacetime. In the event of atomic war, the Panama Canal would certainly be one of the first targets hit—nuclear free zone or not. Thus, one of the purposes of a nuclear free zone—reducing the incentive of the nuclear powers to strike—is probably meaningless insofar as Panama is concerned. Moreover, in world war, no area of the earth would be free from hostile action between the combatants; and in the event of atomic war, the shifting clouds of radioactive fallout would spare few if any countries.

Even in peacetime, prohibition of transit, as proposed by Venezuela, would be effectively impossible to enforce due to the opposition of the nuclear powers. So too, it would seem, would be the type of geographically delimited zone advocated by Uruguay. The U.S. and Great Britain have shown no indication of willingness to surrender the traditional right of transit of their nuclear bombers, missiles or submarines across the high seas or through the Panama Canal. Moreover, it would be unrealistic to expect that Soviet submarines with Polaris-type missiles would respect a Latin American "order" to keep out of a geographical zone which extended onto the high seas.

The somewhat more realistic Brazilian draft treaty, without the Venezuelan or Uruguayan amendments, would also seem to have slight chances of success at this time. The chief reason here is the impasse over Cuban, French, Soviet and probably Chinese participation. As long as President Charles de Gaulle continues to pursue his independent nuclear policy, there is scant likelihood that France will include its Western Hemisphere possessions in the treaty or guarantee to refrain from atomic testing. Nor is the regime of Fidel Castro about to rush into a treaty which would preclude the possibility of ever again wielding Soviet or Chinese nuclear arms. (It is to be noted that the Mexican argument with regard to Cuba is that the island is to all intents and purposes permanently denuclearized because the U.S. would never permit hostile missiles to be based 90 miles from its shores.) Castro has said he would sign a formal denuclearization treaty if the U.S. withdraws from Guantánamo and includes Puerto Rico, the Virgin Islands and the Panama Canal Zone in the atom-free area. The U.S. position, expressed by the director of the Arms Control and Disarmament Agency, William C. Foster, is that "we do not wish to have included in the proposed nuclear free zone the Virgin Islands, since it is U.S. territory, or the Commonwealth of Puerto Rico, because of its integral relationship with the U.S. In the case of both these areas, the U.S. must deal with disarmament policies affecting other powers. From the U.S. point of view, we would be agreeable to inclusion of the Panama Canal Zone, although of course the well-established transit rights would not be affected by the establishment of the proposed nuclear free zone. We could also agree to include Guantánamo if Cuba participates."[18]

Thus, at the very least, adoption of the Brazilian position at the next session of Copredal would mean that a Latin American nuclear free zone would have to wait for (1) the departure of President De Gaulle; (2) a drastic change in U.S. policy; and/or (3) a change of government in Cuba.

Even if the Brazilian position does get a majority at the next session of the Preparatory Commission, the Mexicans appear to be determined to push ahead. The advantage of the Mexican treaty is that it permits some type of agreement—even if it is a very limited one—to go into force. Mexico could probably get the signatures of Chile, Ecuador, and some of the Caribbean and Central American republics. This would establish the Inter-American Denuclearization Center and leave the door open for future adherents. Mexican diplomats, who are on fairly good terms with Cuba, would attempt to persuade Castro to join. But without Cuba, and probably without Brazil, Argentina, Venezuela and Colombia (the four Latin American countries with reactors), the Mexican plan would hardly lead to a "Latin American" nuclear free zone. The "zone" might not even be contiguous geographically.

The question would then be, would this type of "nuclear free zone" be a success or a failure? The Brazilians, the U.S. and the other nuclear powers would probably pay little attention to a "baby" or non-contiguous Latin American nuclear free zone. And clearly, by itself, a denuclearization treaty between Mexico, Chile, Haiti, El Salvador and a few other small republics would not have much meaning. Yet, given the circumstances, it might be a good beginning.

The Moscow Treaty banning atmospheric tests was signed despite the fact that underground tests were not prohibited, and without the adherence of two of the five nuclear powers. Thus, an arms control treaty need not be—in fact, most likely cannot be—perfect and universal when signed. Possibly diplomacy and the force of world opinion could be brought to bear on Brazil, Argentina and ultimately Cuba to join the denuclearization organization created by a Mexican-type treaty. At the very least, if a full-fledged nuclear free zone could not be set up, what might result would be a regional, verified non-proliferation treaty which would assure that Latin America's resources would not be wasted on a senseless atomic arms race.

JERRY FORD DELIVERS NOTABLE COMMENCEMENT ADDRESS AT WISCONSIN STATE UNIVERSITY, OSHKOSH

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. LAIRD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LAIRD. Mr. Speaker, at the recent commencement exercises of Wisconsin State University, Oshkosh, the distinguished minority leader of the House of Representatives, my good friend JERRY FORD, of Michigan, delivered a notable and inspiring address to the assembled students.

So that my colleagues may have an opportunity to read the remarks of the distinguished minority leader, under unanimous consent, I ask that they be inserted at this point in the RECORD.

The address referred to above follows:

WISCONSIN STATE UNIVERSITY COMMENCEMENT ADDRESS, JUNE 3, 1966

I love your town and I am happy to be here. It is the kind of place that speaks to me of all America. What could be more American than a slogan like "Oshkosh, B'Gosh" or "We Cover the World." Some people call them coveralls; some, overalls. To me, either word says Oshkosh and the very best of America.

This is a great growing state university, and you are assembled here together for the last time. Not one of you knows for sure just where you will be a year from now at this very hour.

My comments may well be the last words you will hear at this fine institution. What everyone is most interested in, however, are *your* words and *your* thoughts and *your* goals as you leave and as you travel on.

My theme today is simple. In an age when so much is said of "togetherness," *apartness* deserves increasingly an emphasis of its own. No one can deny that "togetherness"—unity—is required for strength and survival, for that of individuals, the community, and the nation. The seemingly chaotic events erupting in the world about us make this particularly clear. But is it not true also, that apartness of the right kind, that is, placing an equal emphasis on the importance of the individual, is required for fulfillment and for progress?

The great problems are fundamentally individuals problems. The great decisions must, therefore, initially be individual decisions. Sensitivity, appreciation and comprehension are always, in the first instance, qualities and functions of individual experience. The assembly lines of modern education, as well as those of modern industry, and just conceivably those of modern politics, are quite capable of sweeping us past opportunities life offers us as individuals for making our own clear-headed, quiet decisions as to the course we wish to follow.

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[18] Letter from Foster to the President of Copredal, December 10, 1965.

I hope that in this respect you will not automatically color me Republican, although I am proud to be one. Respect for and emphasis upon the importance of the individual is not a partisan nor even a political consideration. It has been the focus of attention and of emphasis by the greatest of the philosophers. It has been the intellectual requirement of the greatest of the teachers throughout the ages. It has been the recurrent theme and the preachment of members of the cloth of all faiths since the dawning of time—for we are indeed created in His sole and individual image and likeness.

Let me at this point reassure you that, perhaps in a departure from the tradition of commencement addresses, it is not my intention to deplore, to discourage, or to despair. I do not believe, despite the enormity of the problems we face, that they are insoluble. I do not for a single second believe that your generation is either incapable of finding the solutions to many of them or unwilling to face the necessity to do so. I cannot agree, I have never been able to agree, with those who periodically look about them and view this as the worst of all possible worlds. Nor am I willing to concede that my generation, and those which preceded mine, have done as bad a job of it as many dolefully proclaim.

For example, the health of our people has been immeasurably enhanced through the genius of medical pioneers in the laboratories and with the patient. Educational facilities and methods have been improved beyond all the expectations of fifty years ago, through the concerted action of educators, public administrators and enlightened holders of elected office. Working conditions and retirement and pension provisions have been improved tremendously through the close cooperation of management, labor and political leadership. Civil rights—*and civil liberties*—have, through vigorous bipartisan determination in the Congress and in our State legislatures, been multiplied and strengthened remarkably in the past fifteen years alone.

That much remains to be done is undeniable, but that great opportunities remain to be seized is crystal clear. To suggest or to maintain that, in this awesome nuclear age, there can be neither hope nor confidence is poppycock. Our days are no longer than those of our forefathers, our nights are no darker. And if there is an advantage that is ours it lies in the fact that they stood so tall before us, strode so confidently and maintained so well for us this Republic in which we live.

I must confess that I find myself in the position of the man who, after listening at length to some of the weightiest minds of his generation despair as to the future, remarked innocently, "I too am trying to be philosophical about this world of ours, but I guess I just don't know how. Cheerfulness keeps creeping in."

For me, cheerfuness keeps creeping in for many reasons:

Because of the young and vigorous strength and hope you here today represent,

Because of the infinite human, natural and industrial resources our nation possesses,

Because we are now, as we have always been, "involved in mankind."

We are determined to hold and justify our place of honor in the family of nations. Our place of strength and respect in the civilized history of man.

When I speak, however, of the *opportunity* before you for personal satisfaction, substantial achievement, and total fulfillment, I think with equal weight of an *obligation* that is peculiarly and undeniably yours as members of a highly favored and greatly blessed segment of our society—that of the educated man and woman.

As a member of the Congress, to be sure, but equally as a husband and a father and a working citizen, I see your opportunity and obligation inextricably coupled in three specific areas of duty: *the duty to think, the duty to vote, the duty to act*.

Of these three, the most important and the most difficult is that of the duty to think. For, despite the academic and intellectual advantages that have been yours, the process of thinking as an individual, in total independence of outside influence and pressure, is perhaps the most demanding that any man or woman faces.

In the world of politics today, at a time when politics is and will evermore be everybody's business, you are charged as individuals by both conscience and circumstance with the *duty to think*. This is the duty to examine issues in the greatest possible detail, to question the obvious—both the obvious dogma and the obvious proclaimers of it—to ask yourself, quite by yourself, (1) whether this issue or that is a valid one, (2) whether this candidate or that is the preferable one, (3) whether this viewpoint or that is an acceptable one. I urge in this process to resist the pressure and the propaganda of prefabricated influence—just possibly even that of your closest associates and friends.

The importance of the individual is always dramatically illustrated by his use of the thinking-man's filter. Only by its individual and coldly (or warmly) intellectual use can you arrive at opinions and decisions that are worthy of an inquiring mind.

In tandem with this duty to think, there of course comes your *duty to vote*. This, especially now, is a duty which, if not fulfilled, can represent disaster for you and yours, but which, if exercised can represent not only satisfaction but, I dare to say it, *salvation* Edmund Burke's dictum still vibrates with truth: "All that is required for the triumph of evil is that good men shall do nothing." There is also the appropriate quote from the great Italian poet, Dante, "The hottest places in hell are reserved for those who in a period of great moral crisis do nothing."

Do you classify yourself as a liberal, a conservative, or as a moderate walker-down-the-middle-of-the-road? Will you ask yourself this in consideration of each of the political issues of our time, as you prepare to cast your votes on issues and for or against individuals? If a liberal, will you be prepared to share the vehement partisanship which characterizes some of those at that far-out fringe of the political spectrum? Will you, as a prideful moderate, be satisfied to walk delicately down the middle of the road, fearful of risk at either hand and hopeful that somehow your near-neutral position will, by itself, represent your best thought and your best vote?

There are many citizens and voters nowadays, as in decades past, who expect of their political representatives and leaders the vision to see things, the judgment to see through things, the faith to see things through—this is obviously an impossible idealism. At the very same time, they expect and demand infinitely less of themselves, fully content to think briefly, if at all, to vote quickly, if at all, and to expect miracles from the White House to the Court House.

Conversely, there are politicians and individuals, who down through the years look expectantly to the electorate alone for guidance and direction, quite unwilling to risk an individual opinion or conviction for fear of extinction at the polls.

It is required, you see, not alone of you but of our political leadership in all parties, that the importance of individual thought and truly individual voting be paramount, ever dominating group and party and other pressure, whether of a political or intellectual or economic kind.

When, for example, there come before the Congress such issues of a complex and perplexing nature as foreign aid, federal aid to education, reapportionment of Congressional districts, unemployment insurance, appropriations measures amounting to billions upon billions of dollars that will affect the future of every family in the nation, there is required of each member of the Congress the most intent, the most independent, the best thought he can possibly bring to the measure. There is required equally therefore, the finest possible representation in the Congress that you, by your ballots, can produce.

Finally, let me suggest that you have the *duty to act* continuingly in extension and fulfillment of your thinking and in justification of your vote. Today's problems will be solved only by continuing thought and political, social, and economic action on the part of such as you. They will be solved only by those who, having used their God-given resources of the mind and their freedom-born gift of the vote, are willing to work with unflagging interest and zeal to realize their individual and collective dreams.

To the image of the thinking-man's filter, let me add that of the distillation of thought called wisdom, which must be its inevitable product. This requires of you, as it has required increasingly of each generation, that in one respect you be conservative and draw from the past the very best it has to offer for application to today's and tomorrow's needs. It requires of you similarly that you challenge both the obvious and the devious, be prepared to entertain new ideas as they prove to you to be true ideas, and to demand that both the proven and the promising be implemented effectively for the public good.

In this effort you will encounter areas and forces of momentary discouragement. There are still those among us in public life and in private life who are carrying on ardent love affairs with the past and who cannot be moved from looking backward when we must look forward. This is pure Bourbonism—not the kind you drink, but the kind you think.

The other principal factor and force in opposition to you is that of the radical, militant left, which believes that increased reliance upon government paternalism and the security it promises is not only the wave, but the magic wand of the future. Can a thinking man or woman rationally accept any such values, such philosophies, such panaceas? Let me remind you, a government big enough to give us everything we want is a government big enough to take from us everything we have.

I urge upon you, therefore, a quiet consideration of the position and the power of the genuine moderate in our society. This is a position and a power respected through the ages by those who think, by those who are quite willing to hear and to assess the arguments of those at either end of the political spectrum, but who then and only then, with a fierce individual pride of mind, determine for themselves what the next best move should be.

The duty to think, the duty to vote, the duty to act—these represent your opportunity and your obligation as graduates of this university and citizens in this society. Failure to seize this opportunity and to accept this obligation will result inevitably in your leaving nothing but your seat-prints on the sands of time. More importantly, it will contribute to the disintegration and destruction of all that has been given us of beauty and goodness by those who have walked before.

I am told by some that the alarms and fears of this awesome nuclear age (1) have discouraged countless of our young people,

(2) have caused their hopes and dreams to wilt, and (3) have left them despondent and cynical as to any fulfillment whatsoever in the years to come. I do not believe this for a moment, nor do you. If I did, *I* would have become despondent and cynical and would long since have ceased to labor in the political vineyard for those things in which I do so truly believe.

I am not in the least discouraged. I refuse to despair. And I say to you fondly, but flatly, that you have no reason to do so either. In Edna St. Vincent Millay's superb phrasing, "I know, but I do not approve and I am not resigned."

It was in the year 1785, we are told, that a remarkable meteorological phenomenon occurred which one day at high noon blacked out the sun over a large part of New England, leaving the area in a darkness as deep as that of midnight. So sudden and so unusual was the occurrence that chickens went to roost, bats began to fly and the populace in many places ran panic-stricken through the streets, believing the end of the world to be at hand.

In that hour in Hartford, Connecticut, the State legislature was in session and an immediate motion of adjournment was made, but there arose to challenge the motion one Abraham Davenport, a great Yankee citizen, an intimate friend of George Washington. Said Davenport, "Either the end of the world is here or it is not. If it is not, there is no need for adjournment. If it is, I choose to be found doing my duty. I wish, therefore, that candles may be brought."

Through the ages, the doing of one's duty has always seemed a formidable and harsh requirement. It can be this, of course. But, equally for you now, the doing of your duty as a thinking individual will not only assure the preservation of this nation and of freedom but will, I suggest, bring to you the greatest joy and fulfillment as a person that you are ever likely to know.

ACE OF SPADES PROVING EFFECTIVE PSYCHOLOGICAL WARFARE AMMUNITION IN VIETNAM

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOSMER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. HOSMER. Mr. Speaker, on February 7 I spoke in this House on the need to utilize psychological warfare against the enemy in the war in Vietnam. My remarks are found at page 2403 of the CONGRESSIONAL RECORD. Even before I spoke our colleague from Ohio [Mr. HAYS] and our colleague from New Jersey [Mr. THOMPSON] arose to ridicule my ideas. Their remarks are found at pages 2291 and 2384, respectively, of the same day's RECORD.

Since that time certain events have transpired which seem to bear out, from the standpoint of practical experience, the recommendations which I made. Fighting men in Vietnam from their own experience know that the superstitions of the enemy can be used against him. On their own they could not finance and carry out some of the suggestions for spooking the Vietcong which I made, but one they could. That was to confront him as much as possible with the ace of spades, a deadly bad luck symbol in that area of the world.

Noting a brief item in the Wall Street Journal that the U.S. Playing Card Co. had been furnishing thousands of these cards free to U.S. servicemen in Vietnam who requested them, I wrote the president of the company, Mr. Allison F. Stanley, and received the following letter together with several of its enclosures and enclosures to the enclosures as follows:

THE UNITED STATES PLAYING CARD CO.,
Cincinnati, Ohio, June 7, 1966.

Hon. CRAIG HOSMER,
Member of Congress,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HOSMER: I certainly appreciate your letter of June 2, which has to do with the small part we played in the psychological warfare in Vietnam by sending aces of spades from our Bicycle playing cards. Candidly, I wish that our organization could take credit for the original idea. We cannot. The only thing we did was to carry through on the idea and be of assistance to the men who are fighting the war in Vietnam.

With the fear of boring you, I am going to give you a picture of what has happened, to illustrate how the idea has stimulated the imagination of not only the soldiers but many, many citizens who read in the newspapers what was being done. I believe you pointed out the psychological angle of the use of the ace of spades in February. As I recall it, I read your talk in the local paper.

On February 28, as you probably have seen, Newsweek had quite a story on the ace of spades incident. We were interested but did not know what to do as it might have the tinge of a publicity campaign put on by this Company. That is far from fact, even though we had a great deal of favorable comment on what we have done.

On February 16, 1966, we received a letter written from Vietnam on February 12. This letter was signed by four Lieutenants. Enclosed is a photostatic copy of this letter which I think you will find interesting. From that point on I have dealt with Lieutenant Charles W. Brown, who seemed to be the one handling the matter.

We immediately sent one thousand aces of spades and received a fine letter of appreciation from him. He could not reply promptly because he had been out on the battlefields for a period of time and did not have access to facilities for writing and mailing an acknowledgment. Also, he sent me a copy of a newspaper clipping from Saigon. I had a typewritten copy made of this, as it was difficult to photostat, and also copy of Lieutenant Brown's letter of May 7.

Next I received a letter from Private First-class John M. Redmond, photostat of which I am also enclosing.

The wire service got hold of the ace of spades story and our local paper, The Cincinnati Enquirer, called me one night and asked me to verify it, which I did. Since then I believe it has been used in probably most of the leading newspapers in the country. As an example, I am enclosing a photostatic copy of clipping from The Florida Times-Union with copy of the letter from the shareholder of our Company who sent it to me. You will notice in the write-up that you were given proper credit.

The ace of spades story appeared in color on WLW-TV and the reporter who interviewed me on this incident suggested that the story be called our "Secret Weapon".

Since you are from the great State of California, I thought you would be interested in a letter I received from Mr. and Mrs. Henry Frese, 8441 Santa Margarita Lane, La Palma, California, 90620. I do not know this couple. I am enclosing a copy of Mr. and Mrs. Frese's letter, as you may wish to write them.

To show you to what extent parents will go to help their sons, I received a letter yesterday from another Californian—Mr. E. Dieckmann, Jr., 79 Rivo Alto Canal, Long Beach 3, California—Telling me that his son was in the Marines at Da Nang, Hill 327, and asking if he could buy fifty-two of the aces of spades to send on to his son. He cannot buy them from us because we give them free, and his son's package is on its way. Also enclosed is a photostatic copy of Mr. Dieckmann's letter. I believe you will agree with me that such a letter from a father is really of human interest.

In addition to putting the aces of spades on the bodies of the enemy, I am told—and I cannot verify this—that the soldiers intend to stencil the ace of spades on their armaments. I presume this is done for good luck plus the fact that enemies capturing the equipment will be afraid to use it.

As you know, we are not making any charges for our service to the soldiers and we have no intention of doing so. Personally, I answer every letter I receive, whether it be from a soldier or an individual, telling them of our policy and our desire to be helpful.

Attached are several Bicycle aces of spades to give you some idea of what is being used.

Incidentally, your newsletter on the ace of spades was excellent and we appreciate the credit you gave our Company.

If I can give you any further information, please let me know and I will do my best. I hope I have not made this letter too long or that it will bore you. If so, just throw it away.

Thank you for your interest in the matter and good luck to you in your endeavors.

Sincerely yours,

ALLISON F. STANLEY.

FEBRUARY 12, 1966.

DEAR SIRS: We, the officers of Company "C", 2d Battalion, 35th Infantry, 25th Infantry Division, are writing to ask a favor of the U.S. Playing Card Company.

We are stationed in Pleiko, South Vietnam and have been using your aces of spades as our calling cards for nearly two months. In Vietnam, the ace of spades and pictures of women are regarded as symbols of bad luck. Since your trade mark contains both of these, we have been leaving them in areas we have cleared of Viet Cong as a psychological weapon.

Our supply of cards is rapidly being depleted and we were wondering if you could supply us with approximately 1000 aces of spades. Your support would be greatly appreciated.

Sincerely,

Lt. BARRIE E. ZAIS,
Lt. LEONARD D. DAVIS,
Lt. CHARLES W. BROWN,
Lt. THOMAS R. WISSINGER,
Officers of Co C 2d Bn 35th Inf; 3d Bde 25th Inf. Div., APO San Francisco 96225.

MAY 7, 1966.

Mr. ALLISON F. STANLEY,
President, The United States Playing Card Co., Cincinnati, Ohio

DEAR MR. STANLEY: This article was recently published in the "Tropic Lightning News," the official newspaper of the 25th Inf. Div. Another article has been written for the "Stars and Stripes." This is the newspaper that serves all Armed Forces personnel serving in the Pacific Theater of Operations.

I thought you might be interested in this article and want to pass it on to Mr. Powers. I'm sorry but they wouldn't mention the name of your company.

In the near future I may have to ask for more spades but at the present time we still have a couple of hundred left. We are trying to take some pictures to send you but as you might guess it is difficult to carry a camera on some of our operations.

Thank you again for your cooperation. I hope to hear from you in the future.

Sincerely,

CHARLES W. BROWN,
21st Infantry.

P.S.—Did Bob Considine use our story in his column? If so each of us would like to have a copy if you could obtain them. Thank you.

ACES HIGH—KNOCK VC LOW

(NOTE.—This article, published in "Tropic Lightning News", sent in by Lt. Charles W. Brown to Mr. Allison F. Stanley, The United States Playing Card Co.)

The officers of Company C, 2nd Battalion, 35th Infantry, have more than a mere ace up their sleeves. To be exact, they each carry 12 aces—all spades.

A newspaper column they read mentioned that the Viet Cong, normally superstitious, were especially leary of the ace of spades. The men quickly decided to launch their own campaign of psychological warfare.

Wherever the men hit, they leave behind them several aces of spades tacked up in a prominent place.

The company was quick to take to their new symbol. The only problem was where to get enough of the playing cards so each man would have an adequate supply. A letter sent to the president of a major playing card company in the States soon resulted in a shipment of a thousand black aces being hauled off to Vietnam.

Each man now wears an ace of spades on each side of his helmet and they are planning to have an ace of spades stencil made for the butts of their weapons.

No VC were available for comment on the company's new symbol. They were last seen headed away from a jungle trail of aces of spades.

DEAR SIR: My name is John M. Redmond. I am in the United States Army over in Vietnam. I read an article in the newspaper, about the Viet-Cong's being superstitious of the black ace of spade. My buddy's and I decided to go together and buy about a 1,000 ace of spade. Everytime we run into some Viet-Congs and kill them. We are going to place a couple of aces around the Viet-Congs. We would like for you to send the cards Cash On Delivery if possible. If you cannot send them C.O.D., just send us the price.

My address: P.F.C. John M. Redmond, Co "A" 4Bn. 23 Inf., 25 Div., 1st BDE, Task Forces, APO, San Francisco, Calif. # 96225.

Sincerely yours,

JOHN M. REDMOND.

JACKSONVILLE, FLA.,
June 4, 1966.

DEAR MR. STANLEY: Please find herewith the front page of the Florida Times Union (our morning paper) of June 3, 1966.

We were sorry to learn of your loss of a son in World War II.

We feel that regardless of reasons—your sending the aces of spades to Viet Nam is to the very best interests of all concerned.

Sincerely,

MRS. RUTH F. ULRICH.

[From the Florida Times Union, June 3, 1966]

PSYCHOLOGICAL WEAPON: ACE OF SPADES GOES TO WAR IN VIET NAM

WASHINGTON, June 2.—With the help of a businessman whose son was killed in World War II, American servicemen in Viet Nam are fighting the Viet Cong with a psychological weapon spurned by the Pentagon and ridiculed by some Congressmen.

The weapon is a playing card, the ace of spades, which American fighting men are spreading by the thousands through Viet Cong-infested territory in their operation against the Reds.

The aces of spades, which the Vietnamese fear as an omen of death, are being supplied to the servicemen free of charge and unofficially by a playing card company in Cincinnati.

A spokesman for the company said that last Feb. 12, Allison F. Stanley, president of the firm, got a letter from four infantry lieutenants from the 25th Division operating in the Pleiku area explaining the psychological significance of the act of spades and asking for 1,000 cards "to leave in the areas we've cleared of the VC."

He said Stanley, who lost a son in World War II, ordered the cards sent free of charge.

The company, he continued, soon began to get other requests. One such request asked for the cards so that the servicemen could leave one on the body of each Viet Cong they killed and offered to pay for them. They were sent free.

The spokesman added that Stanley has since learned that soldiers in the 25th Division have begun wearing the cards on their helmets.

In all, several thousand of the cards have been sent to Viet Nam, the spokesman said.

The news that the men in Viet Nam were using the ace of spades against the enemy came as a pleasant surprise to Representative CRAIG HOSMER, Republican, of California.

Last Feb. 7 he suggested on the floor of the House that the Pentagon adopt the ace of spades as a psychological weapon.

His suggestion was greeted by silence from the Pentagon and jeers from colleagues in the House, particularly Representative WAYNE HAYS, Democrat, of New Jersey, and Representative FRANK THOMPSON, Democrat, of New Jersey.

"This indicates," HOSMER said today, "that at least the men in the field know what kind of ammunition they need and that part of that ammunition is psychological."

ANAHEIM, CALIF.,
June 6, 1966.

ALLISON F. STANLEY,
President, United States Playing Card Co., Cincinnati, Ohio

DEAR MR. STANLEY: After reading in Saturday's Los Angeles Times about your sending playing cards to our fighting men in Vietnam, I decided that the best way to show my thanks to you and your company was to support your company by purchasing cards made by you. I also mean to spread the word among my friends and card playing acquaintances.

In checking our local stores, I have found that they stock a multitude of playing cards under various brand names but I cannot find cards specifically marked United States Playing Card Company. I have asked that they stock them, but in thinking about it, it dawned on me that you might manufacture under a series of brand names which I know nothing about.

Might I receive a list of brand names which your company uses in distributing the cards? Also, do you manufacture plastic cards? I would like to arrive at bridge parties with full data regarding your products. I feel sure that some of those people present would feel as I do about your kind gesture and remember your brand names when they next purchased playing cards.

Again, my thanks to you and your company.

Sincerely,

MRS. ROBERT E. JONES.

cc/Representative CRAIG HOSMER

My personal thanks to you too, Representative HOSMER—R.E.J.

LA PALMA, CALIF.,
June 6, 1966.

DEAR MR. STANLEY: Having at 9:00 a. m. just completed the reading of your "ace in the hole" contribution to our boys, my husband and I wish to be counted among your supporters.

Thank you, from the bottom of our hearts. We feel very deeply about our boys needing support over there. Incidentally we are a couple in our late twenties so don't give up hope for our mixed up generation.

Again sincere thanks.

Sincerely,

Mr. and Mrs. HANK FRESE.

LONG BEACH, CALIF.,
June 4, 1966.

DEAR MR. STANLEY: Have just read of your distribution of the ace of spades in Vietnam.

My son, P.F.C. Chris Dieckmann, is with the Marines at Da Nang, Hill 327.

Could you send me one pack of 52 cards—all the ace of spades?

Money order enclosed, return mail. Let me know how much.

Please send to me and I will then send to my son with the clipping from the newspaper as explanation, although he has probably heard of its use already.

This is a great thing—and shows that Communism no matter or how brutal, cannot erase basic superstition from the minds of a people!

ED DIECKMANN, Jr.

Mr. Speaker, the following letter to me, together with its enclosure of an item from the Kansas City Star, should also be of interest in connection with this subject:

CORONADO, CALIF.,
June 5, 1966.

DEAR SIR: This article seems to bear out exactly what you are advocating. For the life of me I can't understand why those who *could* help the war in this unconventional way don't "turn-to" and carry out your ideas. Chances are this particular incident was triggered by a reference to your beliefs. Damit, it *is* an unconventional war so why not treat it as such! Good luck in your fight!

Sincerely,

MRS. JANICE BURNS.

[From the Kansas City Star, June 1, 1966]

"THE BULLET" FOREBODES EVIL TO RED GUERRILLAS

WICHITA.—To a poker player, the ace of spades is "the bullet." To a fortune teller it's bad luck. To the Viet Cong it's terror.

A Wichita soldier serving in Vietnam has learned it pays to have an ace of spades up his sleeve, on his helmet, rifle or anywhere else when the Viet Cong are around.

Frankie Gene Willard, 22, son of Mr. and Mrs. John Willard, Wichita, recently wrote his parents that he and some of his buddies have discovered the Viet Cong have an unexplained fear of the ace of spades.

Wherever Willard and the other members of Company C, 2nd Battalion, 35th infantry hit, they leave several aces tacked to trees and buildings.

The company was quick to take to their new symbol, Willard said. The only problem was finding enough cards for each man to have an adequate supply.

A letter sent to the president of a major playing card company in the United States resulted in a shipment of 1,000 black aces.

Each man now wears an ace of spades on each side of his helmet and is having them stenciled on weapons and equipment.

Whether the black ace sympolizes death of a friend, emotional strain and bad dreams as well as bad luck, or some special Oriental horror to the Viet Cong is not known.

Mr. Speaker, I think it is time for those in the White House and in the Department of Defense who are assuming to tell the military how to run this war to

pay some attention to the matter of including psychological as well as explosive in our arsenal.

CONTE SEEKS VOTERS' VIEWS

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. CONTE. Mr. Speaker, in order to keep myself fully informed of the views of those whom I represent in Congress, I recently circulated a questionnaire asking my constituents to express their opinions on 43 questions in 5 major areas of legislative concern. The results are in, and I would like to share them with my colleagues in the House.

Perhaps the most striking fact revealed by the questionnaire is a widespread uncertainty among the people concerning America's involvement in Vietnam. Although fewer of my constituents who responded favor withdrawal from Vietnam—22.6 percent—than favor escalation of bombing—44.7 percent—there is an unusually high percentage who recorded "no opinion" on these questions. Asked if they would favor a coalition government for South Vietnam, 42.9 percent, or close to half, had no opinion.

On the significant question of whether or not to maintain our present position in Vietnam, the response was 36.6 percent "yes," 31.5 percent "no," and 31.9 percent "no opinion."

The high percentage of "no opinion" answers to Vietnam questions did not carry over into other categories. On the question of continued U.S. opposition to the seating of Communist China in the United Nations, for example, only 8.1 percent of those who answered had no opinion, while 53.5 percent voted in favor of continued U.S. opposition.

In other categories dealing with current issues before the country, 60.4 percent voted against an expansion in the war on poverty, and 63.4 percent expressed dissatisfaction with President Johnson's handling of the poverty program.

On the labor front, 65.3 percent opposed repeal of the Taft-Hartley 14(b) right-to-work provision, and 73.3 percent expressed approval of Federal legislation to prevent strikes in essential industries.

My colleagues in the House will doubtless be pleased at the response to one question in particular. A majority of 62.2 percent of my constituents who answered favor a 4-year term for Congressmen, while only 20.3 percent disagree with this proposal.

Mr. Speaker, I was pleased by the prompt response to my questionnaire and by the obviously careful consideration given to the questions I posed. The tabulated results are both helpful and encouraging. They have given me a reading of the feelings of my voters on a wide range of subjects, and on some of these I had not received a great deal of mail. And they have also given me assurance and support for votes I have cast in this Congress and favorable reactions to legislation I have introduced in the House in recent months.

The questionnaire was sent to more than 30,000 residents of the First Congressional District of Massachusetts; about 15 percent of those responded. I am told by the American Political Science Association that this is a well above average response. I am especially grateful to my friends at the University of Massachusetts who tabulated the individual responses for me. Because of the enormous demands on my regular staff, this helping hand was most welcome.

The complete questionnaire with percentage responses tabulated is shown below:

	Percent		
	Yes	No	No opinion
FOREIGN AFFAIRS			
1. In the light of our current position in South Vietnam, do you favor—			
(a) Gradual, complete withdrawal?	22.6	49.8	27.6
(b) Maintaining our present position, hoping to outlast our opposition?	36.6	31.5	31.9
(c) Blockading North Vietnamese ports?	55.9	15.3	28.8
(d) Bombing North Vietnam cities, including Hanoi, port of Haiphong, and main railroads leading to Red China?	44.7	25.8	29.5
(e) A coalition government in South Vietnam?	22.7	34.4	42.9
2. Do you favor allowing access to U.S. ports to ships of countries whose ships call at—			
(a) Red China?	25.8	62.5	11.7
(b) Cuba?	24.2	62.2	13.6
(c) North Vietnam?	19.8	66.9	13.3
3. Do you approve of continued U.S. opposition to the seating of Red China in the United Nations?	53.5	38.4	8.1
4. Do you favor a continuation of our present foreign aid program:			
(a) Economic?	56.3	32.7	11.0
(b) Military?	48.6	34.7	16.7
5. Should we spend our time and money trying to introduce some birth control methods in rapidly growing countries such as India and Brazil under our foreign and aid program?	64.1	24.4	11.5
SOCIAL			
1. Do you favor the proposed administration bill for Federal regulation of firearms?	59.1	31.0	9.9
2. Do you favor a program of rental supplements to low-income families unable to obtain standard housing with their own income?	40.2	49.6	10.2
3. Do you favor the continuance of the broad scale of the Federal urban redevelopment program?	45.9	39.1	15.0
4. Do you approve of the way the Johnson administration is conducting the war on poverty?	20.4	63.4	16.1
5. Do you favor an expansion in the war on poverty?	25.9	60.4	13.7
6. Do you favor a cutback in the war on poverty?	47.2	35.0	17.8
7. Do you favor a large scale Federal-State program for construction of plants to take the salt out of sea water and make it drinkable?	62.5	22.7	14.8
8. Do you favor supervised hospital care of narcotic addicts instead of jail terms?	81.4	10.2	8.4
9. Do you favor a tax credit for firms which install antiwater pollution devices?	69.7	21.0	9.3
FISCAL			
1. Do you believe the Federal Government should provide money to large cities to help modernize their mass transit systems?	39.0	47.9	13.1
2. Do you favor greater executive and congressional control over the Federal Reserve activities than is now in effect?	23.9	47.3	28.8
3. Do you favor a program of returning to the States a percentage of the Federal taxes collected?	63.2	23.4	13.4
4. To meet the added costs of the war, do you favor—			
(a) Increased taxes, including excise taxes?	26.0	53.3	20.7
(b) Cutting back on domestic Great Society programs?	71.5	16.6	11.9
LABOR			
1. Should the Federal Government set standards for State compliance with the length and amount of benefit payments in unemployment compensation?	40.8	43.3	15.9
2. Should we repeal sec. 14(b) of the Taft-Hartley Act which gives each State the right to determine its own position on "right-to-work" laws?	22.5	65.3	12.2
3. Do you favor an increase in the minimum wage of $1.25 an hour to—			
(a) $1.35 an hour?	23.4	39.9	36.7
(b) $1.50 an hour?	37.2	36.4	26.5
(c) $1.75 an hour?	15.1	47.7	37.2
4. Do you favor extending such a minimum wage to—			
(a) Farm workers?	64.9	22.8	12.3
(b) Laundry employees?	67.9	18.0	14.1
(c) Tip employees?	35.6	45.5	18.5
5. Should Congress enact legislation curbing strikes in essential industries?	73.7	19.8	6.5
6. Should Congress enact legislation curbing strikes against State and local governments (i.e., New York transit strike)?	73.4	20.4	6.2

	Percent		
	Yes	No	No opinion
GENERAL			
1. Do you favor the Federal Government taking steps to withdraw gradually from farm price-support programs?	77.4	11.1	11.5
2. Should the space program be slowed down during periods of large budget deficits?	50.4	40.0	9.5
3. Do you favor a proposed 4-year term for Congressmen? (If yes, check (a) and/or (b))	62.2	20.3	17.5
(a) All elected during a presidential election year?	20.2	29.6	50.2
(b) ½ elected every 2 years?	54.6	9.2	36.2
4. Do you favor legislation allowing a State the right to apportion 1 house of its legislature on factors other than population?	36.6	36.5	27.0
5. Do you favor a National Teachers Corps to augment school facilities in impoverished areas?	62.0	25.0	13.0

CANADA'S PRIME MINISTER SPEAKS OUT

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the Prime Minister of Canada, Mr. Lester B. Pearson, Saturday night called on the United States to take the lead in refashioning the NATO alliance into an Atlantic Union and he warned against policies which might drive France still further into a position of isolation from other members of the Alliance.

He spoke in Springfield, Ill., under the sponsorship of Federal Union, Inc., a nonprofit nonpartisan membership group devoted to the Atlantic Union objective.

In his address he called upon the United States to provide long-needed leadership in strengthening the Alliance, and he warned:

> France, and not only France, feels that Continental Europe is now strong enough, (in large part because of the generous assistance of the U.S.A.) to be given its rightful share in the control of the policies of the Alliance.

Here is the text of this timely, significant, and brilliant message:

ADDRESS BY THE RIGHT HONORABLE L. B. PEARSON, PRIME MINISTER OF CANADA, AT THE ATLANTIC UNION AWARD DINNER, SPRINGFIELD, ILL., JUNE 11, 1966

In conferring on me an Atlantic Union Pioneer award this afternoon, you have done me high honour for which I am very grateful. You have confirmed my admission into ranks of the Atlantic Pioneer Corps, and have chosen for the confirmation this historic setting of New Salem and Springfield, steeped in memories of one of the towering figures of history.

At the same time you have added to my feeling of grateful appreciation by coupling my name with those of Christian Herter and Adlai Stevenson, as recipients of the Atlantic award. I know, as you do, how much we owe to these two men. Not only the United States and Canada, not only the Atlantic community, but the whole world is in their debt.

Mr. Herter is an old and valued friend about whom I will say only that high ideals and constructive achievement have characterized everything he has done, in the service of his country and of free men. I wish he could have been with us this evening.

Adlai Stevenson was also my friend. When he died I tried, as many others did, to pay him tribute. We all tried and I think we all failed, because it is still too soon to take the true measure of this man and his contribution to our times. He wore out more than his shoe leather in the persistent and patient search for peace and better relations between nations. In spite of all the difficulties, sometimes it seemed the impossibilities; in spite even of his own occasional doubts, he served with grace and distinction, with devotion and wisdom, the vision of what the world could be and what it must become. His was a more significant service than anything a man could do for himself or for his own political aspirations. Though he was denied the Presidency of his country in favour of others who shared his ideals, he gave an inspiring lead, especially at the United Nations, to his own people and to all people in the search for those ultimate and essential goals which we must reach or perish.

As I look back on the years through which we have passed since the second Great War of this century, I am struck by the fact that our destinies have depended so very much on the vision and leadership of a few men; on their understanding of what, at a particular moment, was the right way out of danger, and the right way to move ahead. These rare individuals had always before them an ideal of human brotherhood; of a world at peace and with freedom. They also had a firm and confident sense of direction in trying to achieve their ideal. Chris Herter and Adlai Stevenson are such men.

Clarence Streit is another who for many long years now has accepted the challenge of a great idea—the idea of a federal union of the peoples lying on both sides of the North Atlantic as a step to an even wider union of all men. That idea has not yet been realized. Indeed in some of the Atlantic countries it seems at the moment to be of little interest. But it is acting upon the societies of our two countries and I believe is doing the same, although perhaps less noticeably, in Europe. It has life and dynamism. Its impact on politics in North America has increased and this is bound to convey a reflection on the other side of the Atlantic.

NATO—the Atlantic alliance—is an encouraging, if imperfect, reflection of this ideal. It has served us well for the past sixteen years. NATO could hardly have achieved its political and its military expression, however, if the yeast of the Atlantic unity idea had not been at work before the Treaty of 1949 was signed.

When Clarence Streit published "Union Now", he was called a visionary, a dreamer. How could governments and peoples, long imbued with their own proud traditions of history, of nationalism, and of sovereignty—how could they give up some of their very substance, of their state freedom, to form a union with other nations; even for those national purposes which, the history of our century has shown, could no longer be achieved except by collective action? But they did.

If the lessons of history are depressing, it is because they seem never to be learned—at least until it is too late. Yet we can also take some comfort from this historical record, as we look at the scene around us and the road ahead.

If we tend to become too depressed over the troubles that face the world today, we should recall how things seemed in the Atlantic world in the Forties.

In 1948 it was our hope that Western Europe and North America working through co-operating national governments could provide a nucleus of military strength, economic prosperity and political stability, around which a global balance could be reestablished and the extension by force of aggressive communist imperialism be stopped. We did not know at that time whether this would be possible at all. We did not know, whether, if it were possible, it would take, five, ten, twenty or fifty years to accomplish. We certainly cannot even say today that it has been accomplished. But we have reached a kind of provisional framework—an equilibrium—in which we can live together, both we and the Communist states in Europe, with a hope for progress to something better than mere coexistence.

Indeed, some of our troubles today are the results of our successes in these recent years. In 1948 we were anxious and frightened—with cause—at the threatened extension westward of totalitarian communism, into those European countries which, while still free, were badly shaken in their political confidence and almost completely disrupted in their economic life. After the war our problems were of immediate, not ultimate survival. But today we are concerned with longer range problems of peace, of prosperity, of development. This is a measure of our progress.

Once the course of history has been changed, even a little, we are prone to look back and regard that change as inevitable. But in 1945, as we looked ahead, there seemed nothing inevitable or certain about the reconstruction of a democratic, prosperous, independent Western Europe that was to take place. There seemed nothing inevitable about a change in the old American habit of peacetime isolation, which had been dominant for 150 years. It was far from inevitable that countries, who had never in peacetime pooled any part of their sovereignty, would do so now and together organize a collective defense that, in the conditions of the modern world, might prove effective enough to deter another war. We were up against physical destruction, economic stagnation and political defeatism. Vast human and material resources had been blown away and destroyed in war. Out of this waste and weariness could we really construct something new that might help to meet and solve our problems?

Well—it was done. Gradually, hesitantly, painfully, but steadily, things were done. An alliance that was designed to be more than military was welded together in peacetime. Its members began to believe in the possibility of a secure peace—of a good life. Indeed, as the years went by, many even began to forget or ignore the continuing dangers of a yet more horrible war. So they became impatient with the structures and the processes that had made their own comfortable conclusions possible. They—some people and some governments—began to fall back into those historic nationalist grooves which had been the source of so much of the bloodshed and conflict and chaos they had recently endured. With recovery came also impatience and doubt and some distrust.

We should have seen this happening in the Atlantic Alliance and countered it. In December '64, Canada proposed in NATO a reassessment of the nature of the alliance in the light of these changing conditions. Little was done.

Unhappily, it is man's weakness to cling to the ideas, the institutions and the habits of the past—even the recent past—instead of adapting them to the needs of today and tomorrow. So it was with NATO. The weight of inertia and a vested interest in a new status quo, felt especially among the most powerful governments of the alliance, made it difficult to find anyone in a responsible position on either side of the Atlantic who was prepared to come forward and specify in any detail what should be changed. A lot of people were talking about the need for change but nobody—no government—in a position of power was really doing much about it. Then abrupt and unilateral action by France thrust change upon us. Crisis—as always—forced our hands.

We should have acted earlier and not under the compulsion of events. We should have tried to move forward together to a closer international association in order to remove the risk of sliding backwards. In these matters, there is no standing still. Surely the course that should have been taken—should still be taken—is clear.

Today, the facts, the compulsions, and the opportunities lead inexorably toward closer international association and away from the self-sufficient sovereignty of the nation state. The jet planes that fly, the rockets that range in outer space; the universal revolution of rising expectations, combined with the speed of technological change which make their realization possible, all these make it essential that we move ahead in the field of political and social organization in a way which is at least remotely comparable to our technological and scientific progress.

We can begin with the "like-minded" Atlantic nations, who have already acquired a sense of community and a habit of cooperation, but we must include ultimately all mankind. The world is too small for less, yet we continue to boggle even at the first careful steps.

If there is anything that has been made crystal clear by the grim experience of half a century, it is that neither peace nor security nor prosperity can be achieved or maintained by national action alone—or by national policy alone.

So this is no time to weaken in our support for the NATO alliance, because it is having difficulties. We must solve these difficulties. But we must not stop there. We must move forward with new resolve toward an international community with common political institutions, which covers more than a single continent, and spans the Atlantic.

It must also be more than a military alliance. Try as we might, we have never been able to make NATO much more than that. An alliance for defence only, however, is an anachronism in the world of 1966, especially when nuclear power is not shared, by possession or by control, among its members. As Professor Hans Morgenthau has put it: "It is no longer possbile to rely completely on the promise of a nuclear ally to forfeit its very existence on behalf of another nation." A guarantee of nuclear support against aggression simply does not now have the creditibility that would make it a fully effective deterrent and therefore a guarantee of security.

I repeat, we must develop common, unifying political institutions which would provide for collective foreign and economic policies, as well as genuinely collective defence.

Nothing less will be adequate to meet today's challenge of jets and rockets and hydrogen bombs.

As a leader of a government, I am very conscious that politics is the art of the possible. Anyone with political responsibility must think in terms of what can be done at any given time; of what public opinion will accept. He must not allow the best to become the enemy of the good. Nevertheless, if we don't keep "the best" always before us as an eventual and essential objective, not only will we never reach it; we may even fail to reach the more immediate and good objectives. Nor should we always wait for a crisis to force us to act.

In 1940, Great Britain—only a few years before, cool and confident behind its channel—proposed full union with France. It was the moment when continental Europe was about to fall a victim to the Nazi aggressor. The offer was too late. Offers made under the imminence of defeat and collapse, for radical and immediate action to implement ideas which the day before yesterday were considered as visionary and unrealistic, such offers always are too late. Do we have to have panic before we can make progress?

At this moment, moreover, a feeling of discouragement is more likely to work in the wrong way; not in the transformation of NATO into something better, but in its reduction into something less. This is a very real danger. French policy has underlined it.

General de Gaulle has rejected Atlantic defence integration. He has ordered France's withdrawal from the North Atlantic Defence Organization. In doing so, his procedures have been brusque and his ideas understandably disturbing to France's friends and allies.

It would be foolish, however, to push the panic button over this. By doing so, we might merely push France, not only from the NATO military organization, but out of the Atlantic Alliance itself. And France does not want to leave the Alliance.

It would be short-sighted, also, not to realize that the attitude of Western Europe to American commitments in Europe is changing; just as the attitude of Eastern Europe toward Moscow is changing.

We should not try to throw all the blame on France and General de Gaulle for recent NATO developments. Some of General de Gaulle's decisions, I know, have been disconcerting and seem to indicate a return to a kind of nationalism from which France has suffered as much in the last 50 years as any country in the world. Before we condemn, however, we should try to understand what is behind France's recent actions. France is not, has not been, and will not be, satisfied with an Atlantic Organization, or an Atlantic Alliance of independent states, dominated by America. France, and not only France, feels that Continental Europe is now strong enough (in large part because of the generous assistance of the U.S.A.) to be given its rightful share in the control of the policies of the Alliance.

While France is not alone in this feeling, only de Gaulle has translated it into policy and action. If he has gone too far in that action, as I think he has; if he is on the wrong course, we should not drive him farther in the wrong direction, but to try to bring him back onto the right course by seriously re-axamining the purposes and the organization of NATO in the light of 1966—not 1948. As I have said, we should have done it years ago. If the reason for General de Gaulle's action is his belief that the other allies will not consider any change to NATO to meet new conditions, let's take positive action about the necessary reforms. Surely it doesn't make sense any longer to take the position that NATO is sacrosanct and mustn't be altered. Our reaction should be just the opposite.

In short, to rail at General de Gaulle, because he is demanding, for France, a position in the Atlantic Alliance equal to that of Great Britain and somewhat closer to that of the U.S.A., is to show a dangerous misunderstanding of the situation.

May I refer on this point to some observations in Max Frankel's penetrating article, "Our Friends, the French", in the April number of "Freedom and Union".

Mr. Frankel is somewhat critical of his own country's share in the responsibility for NATO, as he puts it, "becoming an anachronism whose defensive or military purposes were long ago overtaken by technological change and whose diplomatic purposes we have never managed to define or construct." He believes that not de Gaulle's stubbornness, but a long chain of events and conflicting governmental policies—including those of the United States—have caused the disarray.

I do not see the Atlantic nations going forward together to a secure and hopeful future without France. Therefore, we must find a way out of our present NATO difficulties so that France can fully participate in the march to greater, not less Atlantic unity.

We must not give up the ultimate vision of closer Atlantic unity just because some clouds are obscuring the immediate future of NATO.

Indeed, a new move forward to realize the greater vision may help remove some of the nearer clouds.

We must now look at the picture ahead of us with the courage and imagination we showed 17 years ago when the NATO pact was signed. Taking this same cradle area of the Atlantic nations, we must ask ourselves what sort of Atlantica would we like our children to inherit from us in five years, ten years, twenty years? What sort of vision of the future can we hold up as a rallying point—as an objective of policy; without pretending that it must turn out the way we wish but convinced in our own minds that, given good will, dedicated hard work, and a certain amount of good luck, it could be that way.

This forward march must be Atlantic, and not merely European or North American. But it must provide for more control by Europe of its direction and its character; a Europe, moreover, which would include Great Britain.

I realize that a united Europe, would, in its political, economic and military decisions, be more independent of Washington than is the case now. But what is wrong about this?

There are those who worry about the "separateness" of such a European development and who would therefore prefer to concentrate now on the federal union of all the Atlantic peoples, even at the expense of earlier European union. If we are realistic, however, we may have to accept at this time the more practical immediate objective of a united Europe; not as an obstacle to, but as a stage on the way to, Atlantic union.

If we cannot at present achieve a pattern of Atlantic federalism, it may be necessary to acknowledge the realities of the situation and, as North Americans, work with Europeans in the hope that, in the longer sweep of history, both European and North America will come to realize that their respective affairs can best be harmonized in a wider union. If an intervening European stage is necessary, however, it must be taken not in continental isolation but in close Atlantic cooperation and understanding.

As I try to grope my own way towards a concept that would make sense for North America, and for both western and even eastern Europe, I am convinced that we cannot insist on retaining NATO in its present form as the only foundation for building a more genuinely international structure more appropriate for the future. I am equally sure that continentalism either of the European or North American variety is not the answer.

Finally, I believe that only the United States can give the effective lead required for Atlantic unity. Without her active participation and support, nothing can be done; at least on the broad front which is essential. Without her leadership we will be driven back to a national or continental solution for the organization of security and for progress.

So we in other countries should be heartened by the fact that 111 senators and congressmen from thirty-four states, and from both parties, have co-sponsored or supported the Resolution on Atlantic unity; along with ex-Presidents, former Presidential candidates and Governors. The list includes two names that mean much to all free citizens throughout the world, President Truman and President Eisenhower.

With this kind of backing, with this kind of understanding and vision, who dares not take this initiative seriously?

Years ago, before the North Atlantic Treaty or the United Nations Charter, even before the United States or Canada had ever been heard of, when the Sioux and the Blood Indians hunted over the western prairies, their young men on coming of age would retire alone to some hill or mountain. There in solitude, fasting, watching, they would seek before entering on their adult years to look at themselves with the best that was in them; to purify their thought and their feeling; and to seek the guideposts they would try to live by as men. This solitary vigil they called "Crying for a Vision". Now, more than ever before, we need as individuals, as nations, to "cry for a vision"; and then, with devotion and persistence, to strive for its realization. It is a tribute to the peoples who live on both sides of the Atlantic that, at critical times in their history, they have always rallied to a great and challenging cause once they were convinced that this was the right and necessary thing to do.

Tonight I pay my humble tribute to those good and brave men—some are present here tonight—who have this conviction and who are working with single-minded dedication to lay the foundation of policy and action looking toward a union of peoples for peace and freedom.

What we seek is new and unprecedented. But so is our world. Abraham Lincoln once said: "As our case is new, so we must think and act anew".

Today, we must think anew and act anew.

PROGRESS IN THE FIELD OF SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. McFall], is recognized for 30 minutes.

Mr. McFALL. Mr. Speaker, I share the real and justified pride of my colleagues in the progress made by this Congress in the field of social security.

Yet, these great improvements, like other enactments of the past, seem to reveal greater than ever needs for improvements in social security to assist those facing the problems of elderly years and disability.

From the original enactment of social security up to the present, our improvements may have revealed only the problem more and more in its real proportions, rather than producing complete answers to it.

In some things, like scientific progress, we all understand that the further we push back the boundary of the known, the broader becomes the horizon of the unknown.

But, in a matter like social security—correcting a social injustice by economic programs and action—we should constantly approach solution of the problem, its elimination. Despite all the progress that has been made, the problem is still with us.

President Johnson in a recent speech to the National Council of Senior Citizens said that while he had signed into law the legislation passed by this 89th Congress increasing social security benefits more than $1.5 billion, "too many of our older citizens are still struggling along on shoestring incomes, suffering real hardship and real need." He proposed a blanket increase in benefits for those on the rolls and those who will be in the future.

The President has directed that a study be made and such a program be prepared for presentation to the 90th Congress.

But the problem is not one alone of increased benefits. As Under Secretary of Health, Education, and Welfare, Wilbur J. Cohen, an administration stalwart in the fight for medicare, said following the 1965 amendments, the "war" for justice for the aged will not be won until they are allowed fully to participate in the life around them.

With the average elderly person commanding only one-third the money income of the average younger adult, those words of Mr. Cohen spell out a tremendous gulf to be bridged before we can boast real progress toward a just life in the retirement years for Americans. It constitutes an authoritative illustration of the need for action as new requirements become apparent.

There have been mighty efforts along some line of action on social security, but almost no progress on others.

That is why I introduced H.R. 2841 in this Congress—and a like bill in the previous Congress—embodying the Townsend plan, which launched into national prominence the whole social security issue in the 1930's. That credit is almost unanimously accorded the Townsend movement.

Originating in the Townsend plan have been the goals, the actual guidelines for the improvements made, Congress by Congress, in social security enactments.

Gradually, coverage under old-age, survivors, and disability insurance has become virtually universal. Now, there simply exists no other direction for improvements to take, except toward this basic goal conceived and founded in public consciousness of the Townsend plan.

It is the same with other facets of the question. The age for retirement has given way from the arbitrary line of 65, lowering to age 62—first for women, then for men—then to age 60 for widows.

In disability it is the same process. First came adoption of disability insurance after age 55; then after age 18; then very marked liberalization of the definition of disability in the latest amendments.

In financing, the original idea of the old-age insurance reserve fund has become a pay-as-we-go operation, with the reserve fund used as a cushion to provide a consistent level of operation.

It is operated as a pay-as-we-go program despite the fact that it was adopted in opposition to the pay-as-we-go basic concept of the Townsend plan.

A lengthy list of points could be made on which we have been guided by the original proposal of the Townsend plan. However, it is enough to point out two specific provisions in which the virtual essence of the plan was adopted by Congress in recent social security amendments.

First, there is retirement test under title II. Beneficiaries may earn up to $1,500 a year before losing any benefits. For earnings from employment or self-employment over $1,500, they lose $1 of benefit for each $2 earned, up to $2,700 total per year.

Mr. Speaker, that graduated, dollar-by-dollar leveling off of benefits by degree of retirement, measured by earnings from employment, has been a specific proposal originating in and spelled out in section 206 of H.R. 2841, the Townsend proposal. It is gratifying that Congress finally found it so correct and so just as to adopt it, virtually by the world and by the letter.

The second and profoundly revealing point is in the medicare phase of the 1965 amendments. Eligibility for benefits rests on attained age only; and the right to such benefits accrues to all persons aged 65, regardless of qualifying or not under any technical "coverage" provisions.

That universality of right to benefits, to exactly the same benefits, equal and complete, by all alike—that is 100 percent Townsendism.

Facing the problem of health insurance we have accorded the same benefit in medical treatment to all alike. To do otherwise would be self-evidently unjust.

But, we have not yet recognized the same self-evident justice of such equality in other requirements of life—healthful diet, decently respectable clothing and housing, ability to afford reasonably up-to-date participation in the social, cultural, recreational, political, and public life of society.

Now, in view of the recent pronouncements by the President and others, we are soon to come to grips with this question of how much benefits really ought to be.

In this country where dedication to equality of rights guides our thinking in all things—after we have overcome the various prejudices inherited from the past—I suspect we will find ourselves handing the Townsend plan another compliment of the kind that has been described as the "sincerest of all." That is the compliment of imitation.

When the study recently instituted by President Johnson's order, on how much benefits should be, has been carried out—reported to Congress and run the whole course of procedure, study and debate—we will come up with the same answers as others have after they had completely pursued the question.

For example, after about 20 years of constant concern and bargaining, the unions and managements of the massive auto industry last year got down to the answer. Roughly, it amounts to a basic, national, old-age pension—or minimum social security benefit—comparable in amount to the up-to-date concept of the minimum wage.

Mr. Speaker, Congress has just been through the minimum wage question. Soon Congress is going to have to think in terms of financing human life after retirement, as well as before, in exactly the same light of minimum dollars and cents necessary. The anwer is too obvious. It is the same answer in both cases.

That answer is very plainly stated in the statement of purpose of H.R. 2841; that is, "to assure full participation by the elderly in the benefits of our national economy and in the prevailing standards of living thereunder."

The sense of history repeating itself persists. In the Townsend plan, where in the past we found the guiding ideas for improving social security, I believe we will find the guidelines for its perfection, in the future.

Therefore, I am proud to have sponsored the Townsend plan bill and to continue to do so.

I am pleased to announce to Congress that the directors, trustees, various leaders, and active members of the Townsend Plan Organization will hold their 26th national conference, July 3 through July 6, in Lincoln, Nebr.

I am confident many Members will join me in expressing appreciation to those far-foreseeing crusaders for social justice as they meet in their annual national conference and our confidence that they will continue their work for not only improving the benefits to the elderly but for the improved operation of our economy and our system of government.

CURBING OF TERRORISTIC ACTIVITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. WILLIS], is recognized for 15 minutes.

Mr. WILLIS. Mr. Speaker, today I introduced a bill to punish, curb, and eliminate the reprehensible, terroristic activities of the Klan movement. Our committee hearings established beyond doubt that Klans make little or no distinction in their attitude toward Negroes and any other groups or individuals they dislike. They have passionate hatred for anyone who disagrees with or opposes them—whether Catholic, Jew, or Protestant, black or white.

Therefore, my bill is not slanted in favor of, or against, any particular race, creed, or group. It is intended to curb and punish all organized terroristic activities of the kind the Klans have used—and to punish them, no matter what organization attempts to use them.

What does the bill do?

First, it defines clandestine organizations in such a way that Klans and other furtive outfits created for evil purposes are included. It then defines a criminal conspiracy so as to embrace certain organized operations which Klans and other terroristic groups have used to further their aims.

Then, what does it do?

It makes it a crime for any member or agent of a clandestine organization, in promoting the organization's aims, to travel or use any facility in interstate commerce, or conspire with or solicit another person to do so, to commit or promote any crime of violence against another.

Penalty: $10,000, 20 years, or life imprisonment if a killing results.

It makes it a crime for a member or agent of a clandestine organization, in promoting the organization's aims, to murder, kidnap, assault, or try to murder or kidnap, any person moving in interstate commerce.

Penalty, appropriate to each of these crimes: from 5 years and $5,000, to life imprisonment or death if a killing takes place.

It makes it a crime for a member or agent of a clandestine organization, in promoting the organization's aims, to unlawfully obstruct, by force, threat, or intimidation, the free movement of any person in interstate commerce.

Penalty: $1,000, or 2 years.

It makes it a crime to teach or advocate the duty or desirability of using force, violence, or any unlawul means, to advance the purposes of a clandestine organization doing business in interstate commerce, or to intimidate, punish, or injure any citizen.

It makes it a crime to teach, or demonstrate, the use of explosives or any device capable of injuring a person or property, with the purpose that it be used to further the objectives of a clandestine organization, or to intimidate, punish or injure any person.

Penalty for both these offenses: $10,000, or 10 years.

It makes it a crime for a member or agent of a clandestine organization, in furthering its aims, to use radio, wireless or telephone to assist the commission or concealment of, or to prevent detection or arrest for, an offense against the United States.

Penalty: $5,000, or 5 years.

It makes it a crime, in connection with the activities of a clandestine organization, to administer or take an oath to conceal an offense against the United States committed by another member of the organization.

Penalty: $500, or 2 years.

It makes it a crime for an officer of a clandestine organization to embezzle the organization's funds.

Penalty: $5,000, or 5 years.

It provides for the surrender to the Government of any vehicle used, in interstate commerce, with the knowledge and consent of the owner, to transport any person, weapon, or explosive, with the intent they will be used to commit a crime of violence against another person or his property.

It gives the Attorney General power to obtain a court injunction against any action planned by members of a clandestine organization to further its objectives by committing any offense against the United States or an act of violence, intimidation, or harassment against any citizen.

To make this provision effective, it gives the courts, with the approval of the Attorney General, the power to grant immunity to witnesses, and also provides punishment—by a contempt proceeding—for any witness who, after being given immunity, refuses to testify or produce records. In any case of criminal contempt, it provides for trial by jury.

The bill also, of course, has a nonpreemption provision, so that no local statute is nullified by any of its provisions.

During my illness and recuperation, I gave long and prayerful thought to this bill. I believe it provides the medicine we need to cure the disease with which Klanism would infect our society.

Mr. WELTNER. Mr. Speaker, will the gentleman yield?

Mr. WILLIS. I yield to my friend from Georgia.

Mr. WELTNER. Mr. Speaker, I thank the gentleman from Louisiana for yielding, and I wish to commend him, our very distinguished chairman of the committee, on his statement and upon the legislative proposals which he has here outlined.

Mr. Speaker, I believe it is important that this Nation undertake to protect the rights which we have secured by the Constitution and the laws of the United States to the citizens of our country.

Certainly, Mr. Speaker, the criminal provisions recommended by the gentleman in the well, the gentleman from Louisiana [Mr. WILLIS], should provide a strong measure of protection for those rights.

But, Mr. Speaker, I believe that equally, or more important, than the prosecution of crime is the prevention of crime. Thus, I am particularly pleased that the chairman of the Committee on Un-American Activities has urged the enactment of a clear civil procedure for injunction.

Mr. WILLIS. Mr. Speaker, may I say to my friend, the gentleman from Georgia [Mr. WELTNER], that the idea, in fact, of an injunctive relief came out of the gentleman's mind, and I was very delighted to make that a part of my own bill, because it is as necessary to prevent as to punish after an act is committed.

Mr. WELTNER. Mr. Speaker, if the gentleman will yield further, the chairman of the Committee on Un-American Activities is quite generous. The inclusion in his bill of this measure is very important, and I am delighted to see such a procedure proposed, so that organizations which make a career of depriving citizens of the United States of the rights and privileges and immunities guaranteed them by the laws and the Constitution might be subject to the power of the Courts of the United States.

Mr. Speaker, I believe that this will be an effective preventive of terror and misery that for the past century has been generated by the Ku Klux Klan. It will serve to prevent other criminal conspiracies, as the gentleman from Louisiana has pointed out. It will help to rid the South of an age-old evil, the Ku Klux Klan.

Mr. WILLIS. Mr. Speaker, may I say to my good friend, the gentleman from Georgia [Mr. WELTNER], that it has been a pleasure to have him as a tower of strength on the committee which I chair and I wish to commend the gentleman as well as to commend my friend, the gentleman from Texas, whom I see on the floor, who was so patient with me during the hearings and who attended with such zeal and devotion to their duties during the long trying hearings which we have had.

Mr. Speaker, we tried to do, anyway, an objective and impartial job. And, by the way, may I say that my last act before I left this body to go to the hospital was to cite certain outstanding Klansmen for contempt of this body. I intend shortly—in order to have a balanced committee—to bring before this House citations for contempt arising out of our Chicago hearings in the field of subversive activities.

Mr. WELTNER. Mr. Speaker, if the gentleman will yield further, I need not assure the gentleman of the high esteem and regard in which he is held by the other members of this committee, and I would commend to all Members of the House of Representatives and to all who are interested the record compiled under the chairmanship of the distinguished gentleman from Louisiana [Mr. WILLIS]. It is a record of fairness and of equity, concerning some of the most difficult hearings, under most trying circumstances.

Mr. WILLIS. Mr. Speaker, I might point out, finally, that since I have been chairman of the House Committee on Un-American Activities not a single action was taken, not a single vote cast in all instances without unanimity on the part of both the minority and the majority side of the committee.

Mr. Speaker, it is a pleasure to chair a committee where we have such wholehearted support, and I have an idea that we can make pretty short work of the legislative hearings upon my bill and should be able to report it back to the House of Representatives quite soon.

Mr. WELTNER. Mr. Speaker, I thank the gentleman from Louisiana for yielding.

THE CIA

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House the gentleman from New York [Mr. HALPERN] is recognized for 20 minutes.

Mr. HALPERN. Mr. Speaker, there is a great deal of current discussion concerning the Central Intelligence Agency. Much of it has taken place in the Senate.

The real issue at hand, which has been the subject of six special congressional and executive commissions, investigations, and task forces, is the extent to which the CIA is involved in the making of our foreign policy, and the proper role of Congress in surveillance of the CIA.

It is generally recognized that the United States needs an organization to collect, correlate, and interpret foreign intelligence information, in order to protect the national security, formulate foreign policy, and unify national power, purpose, and policy in this age of perpetual crisis.

There have been instances, most notably, the Bay of Pigs disaster of 1961, in which the operations of the Agency had the tendency of propelling policy, of narrowing the area of choice and decision and of closing out options to our political leaders.

With cases such as these in mind, the essential question boils down to this: "Are there sufficient checks upon the CIA to assure both efficient CIA operation and democratic government?" More specifically, in regard to the Senate debate, the question could be phrased, "Is more congressional surveillance of the CIA needed, for example, a joint congressional committee or larger committees in both Houses?"

I have no categorical or systematic answer to this question. However, I do wish to make some observations.

Most importantly, the CIA is an executive agency under the authority of the President. The CIA is not an arm of the Congress. The President is constitutionally responsible for the conduct of foreign relations. Availability to the President of intelligence is obviously an essential element in the formulation of foreign policy and the conduct of foreign affairs. Accordingly, the CIA is the President's staff organization which evaluates information obtained from departments and agencies of the Government and keeps him abreast from day to day of activities abroad affecting the national interest.

There is presently substantial supervision of the CIA, both congressional and executive. Ever since the Agency was created in 1947 by the National Security Act, seven Senators from the Armed Services Committee and the subcommittee of the Appropriations Committee handling the defense budget have constituted the group to which the Agency's Director has reported. On the House side, the Director has reported to two subcommittees of the Armed Services and Appropriations Committees. In the executive branch, both the Bureau of the Budget and the General Accounting Office regulate CIA expenditures. The Bureau of the Budget has special review procedures and the General Accounting Office audits CIA funds. Further control is exercised by the Director and high officials of the CIA.

Congress in drafting the National Security Act of 1947 properly recognized that the CIA, to be effective, would have to be an executive agency responsible to the Chief Executive. By statute, Congress gave the President, the National Security Council, and the CIA which operates under the NSC, broad and largely undefined discretionary powers—with few specific restraints. The Congress voluntarily walled itself off from detailed information.

The question of reconciling the activities of a national spy network with democratic processes is not a simple matter. Perhaps there is, philosophically at least, an inevitable conflict between the ideals of an open society and the wielding of great power on the world scene.

I have no doubt that intelligence operations are important in protecting vital security interests, depending of course upon how one interprets these interests.

I do wish to point out that an essential element of any intelligence organization is its secrecy. Its day-to-day activities must be kept from the public eye, for revelation will destroy its ability to function effectively.

To what extent the Agency should be controlled, and by whom, is a question that affects its powers intimately and may have enormous repercussions. Individuals who are concerned with civil liberties, as I am, and who have occasion to gently rap the Agency for overstepping its bounds, must be aware that they are dealing with no ordinary institution.

Having said these things, I do believe, despite the potential for irresolution on many fundamental issues, that there is a line which delineates proper conduct in foreign intelligence from improper conduct. What I mean here is that I do not wish this silent interloper to involve itself in the private lives of American citizens at home.

In this connection there are two recent cases which come to mind. I am deeply disturbed about the implications of the lawsuit of Heine against Raus. Only those aspects of the case which relate to the role of the CIA are in question here.

The facts are that Juri Raus, an employee of the Bureau of Public Roads, was hired by the Central Intelligence Agency following his election as commander of the Legion of Estonian Liberation. Because of his unique position in this emigre community, Raus was hired to develop foreign intelligence information and sources.

Now, the legion is composed of American citizens. While the association may in fact maintain various contacts abroad, largely secret, it is in essence an American organization functioning on American soil.

This is the kind of operation to which I must object. It may be true that these groups are particularly rewarding sources of foreign intelligence; similarly, the Agency is not interested in the administrative or organizational activities of the emigré group per se, but rather in the data which the group may be in a position to furnish regarding events abroad. Hence, the CIA's motivating instinct is the collection of foreign intelligence.

However this may be, the fact is that an agent of this Agency penetrated an American organization in a clandestine effort to use its resources. I cannot believe that Mr. Raus' intentions were generally known to the legion's membership.

Raus was also ordered to warn his emigré friends about the Canadian citizen Eerik Heine, who is said to be a KGB operative; unquestionably, the Agency was disturbed that the sources which the legion had available, and which it was using, would be endangered if Heine were granted access to this information.

I strongly question the propriety of this procedure. I do not think the CIA has the authority to covertly infiltrate domestic institutions and groups which may or may not maintain contacts behind the Iron Curtain. The real or potential assistance which these groups provide in the collection of foreign intelligence matter is essentially irrelevant. Nor do I believe the security of this country is imperiled by any activity undertaken by these captive nations groups in America. If such be the case—and I am thinking of foreign spies—then I would defer to the FBI.

What business is it of the CIA if an alleged KGB agent is dispatched to spy on the operations of the Legion of Estonian Liberation? Is it the proper province of the CIA to combat his influence within this American emigré community? Certainly not. But this can be the unfortunate result if the Agency assumes the power of utilizing private, domestic concerns for its own clandestine purposes.

The second case deals with a recent article appearing in the current issue of "Foreign Affairs." This is a very influential and distinguished journal. I am told that its sway within the intellectual and leadership ranks of the nation is substantial. Among other things, it indoctrinates its potent readership in the classic anti-de Gaulle curriculum.

George A. Carver, Jr. wrote a piece entitled "The Faceless Vietcong." It is an admirable, scholarly presentation. Mr. Carver is described as a student of political theory and Asian affairs, with degrees from Yale and Oxford; former officer in the U.S. aid mission in Saigon; author of "Aesthetics and the Problem of Meaning."

He is obviously well schooled. One can believe that his brief history of the Vietnam business in this journal is reputable and articulate.

What else does Mr. Carver do?

Well, he is employed by the Central Intelligence Agency. I presume that his tenure with the aid mission in Saigon was for reasons other than rendering economic assistance.

The interesting thing is that Mr. Carver, whom I have not heard of previous to this, gets top billing, although he is merely a student of political theory and Asian affairs. Other less important figures, such as the President of Tanzania, Mr. Nyerere; Mr. David Rockefeller; the President of Tunisia; and the Secretary of the Air Force, Mr. Eugene M. Zuckert, are relegated to less prominent positions in this roster of international heavyweights.

Of course, Mr. Carver's contribution concerns the most topical of all current affairs. Thus we may presume he has a right to the top spot.

Mr. Carver, on behalf of the U.S. Government, makes a conscious and determined effort to justify the official policy in Vietnam. I would not take exception to this procedure if Mr. Carver were, in fact, identified as an employee of my Government. But this is not the case; we are left in doubt about his present business.

Thus we have an unidentified operative of a secret intelligence society utilizing an influential forum to propagandize the American people. This seems to be a violation of what I would consider the legitimate reach of a democratic government.

I have cited these two recent developments because they point, disturbingly, toward the conclusion that our foreign intelligence mechanism is attending to associated interests on the domestic front.

Let me add, in connection with the second instance, that Congress has specifically prohibited our foreign propaganda instrument, the USIA, from turning its pursuasive techniques on the American people. The reasons are self-evident.

My objection to Mr. Carver's appearance is not based on the content of his article, nor the very fact that he, as a Government employee, chose to write for Foreign Affairs. I think it is a good practice; the people must know what our higher bureaucrats are thinking about, and they have a right to know.

But I would like for these authorities to be identified. In the case of the CIA, this may be unwise, so I would suggest that it desist completely from public debate in the news and communications media.

In connection wtih Mr. Raus' present discomfort, we should look back upon the legislation which established the Agency. The organization was specifically denied internal security functions. The argument that the Agency may ignore the letter and spirit of this prohibition because the end in mind is to collect foreign intelligence is spurious and dangerous for the ban itself is aimed directly at the means which the Agency may employ in its pursuits.

Because the Agency is necessarily shielded from public exposure, the responsibility for proper supervision and discretion falls heavily upon the Director and senior officials. This responsibility must be exercised in a manner which does not excessively or repeatedly test the principal tenets of this free and open society.

INVASION OF PRIVACY

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, I have the privilege of being chairman of the Special Subcommittee on the Question of the Invasion of Privacy. This committee is a tribute to the able and distinguished chairman of the Government Operations Committee, the Honorable William Dawson, and his concern for his fellow men. For the past year this group, comprised of the gentlemen from New York [Mr. Rosenthal and Mr. Horton] and myself, have conducted an investigation into a number of invasion of privacy practices involving the activities of Federal agencies.

I am happy to report that substantial progress has been made to reassert the right to privacy, not only of Federal employees, but also of many Americans who take part in research projects financed with Federal funds. It has been our hope that the Federal Government could set some guidelines that would help define the problem as it relates to private industry.

The subcommittee is now turning its attention to privacy matters involving proposals to establish Federal data centers, sometimes called "dossier banks."

The Federal Government now has about 15,000 computers at an approximate cost of $6 billion. The present studies to centralize certain types of information call for a corollary study of this problem to protect the public interest and the rights of the individual citizen. Great technological progress has been made in the field of computers and data processing that can be of tremendous value to our future. It is, however, essential that human dignity and integrity are not subordinated in the interest of economy and efficiency as man moves into the computerized age.

There is no doubt that the computerized centralization of information from the records of the Federal Government will facilitate many governmental operations. However, the possibility that such a data center would become the depository for much personal information on millions of our citizens raises questions which have serious implications.

As time goes on, there will be great pressure to include more and more individual data in the computers. Theoretically, it would be possible to press a button and obtain an instant dossier on any one of millions of people. We must make certain that there are adequate safeguards to protect the right to privacy of Americans as the Government moves into the next stage of progress.

If the Government does set up a central file or "dossier bank" of personal data on our citizens, there will be a huge store of information at hand to feed it. That list includes tax returns, census responses, social security data, military records, security files, fingerprints, mortgage guarantees, research involving individuals, and, if State and local governments are tied into the system, such things as school records, police files, driving violations, and property holdings. Confidentiality is now protected in many cases by the law. Centralization will create the need for a new set of safeguards. It might even be possible to pump credit reports and bank accounts into the computer. It should be apparent to anyone the great power that would exist behind the Federal official who has the authority to push the button that would produce such a dossier instantly.

Mr. Speaker, the proposed establishment of a Federal data bank poses dangers to the privacy of our citizens which could dwarf anything stemming from electronic eavesdropping and other modern snooping devices. I am hopeful that the hearings we plan to hold will create a climate of concern in the Government on the problems relating to invasion of privacy inherent in the proposals to set up data service centers.

One problem is that computers never forgive and certainly never forget. The school dropouts of today may turn out to be the computer rejects of tomorrow. We must remember, too, that many of our citizens give the Government personal information on a confidential basis and for a specific purpose. Tax returns and census questionnaire answers are examples. Americans deserve the assurance that this information will not be used for any other purpose. We should also consider the possibility of allowing every citizen the right to inspect his own dossier to make certain it is completely accurate. Without safeguards such as these, there is a possibility of great injustice.

Our Government should decide now just who will have the power to push what computer buttons under what conditions. We must consider, too, how confidentiality can be properly programed, and what information should be stored. The answer may be more important to liberty than the other big button we often worry about. The potential dangers of a U.S. citizen at the mercy of a computerized society are appalling. We cannot safely presume that all of this information will always be used by benevolent people for benevolent purposes. It is quite conceivable that a potential Big Brother could make excellent use of a big button on a dossier bank for his own purposes. This would strike at the very fundamentals of our governmental structure and society.

We must consider and consider now whether our laws and public opinion are keeping pace with our rapidly expanding technologies. The technology of computerization has raised new horizons of progress. It also brings with it inherent dangers. The greatest of these dangers is that we allow ourselves to drift into a course that will substitute a computer for man's free will. It is my hope that our hearing will shed some light on this problem—a problem that concerns every citizen.

I am hopeful that the scientific community who created this technology will bear an equal responsibility to protect our free democratic society from their awesome creations. I am sure they will. But, in the final analysis it is we, the elected officials of the Government, who must bear the responsibility that science and research continue to serve man and that the basic values of privacy and all that free man treasures are not sacrificed in the name of scientific achievement.

SAVINGS AND LOANS OVER THE NATION DEMAND END TO RATE WAR

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Patman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PATMAN. Mr. Speaker, the rate war on savings deposits, started last December by the Federal Reserve Board, is having serious repercussions throughout the United States. In some areas, the situation is more serious than others. The Far West has particular problems, but everywhere the thrift industry, home financing, and homebuilding are feeling a severe pinch as commercial banks are fast moving to the top rate of 5½ percent on small savings certificates.

With unanimous consent, I insert in the Record the following letters received from Mr. Roy W. Curtis, of Athens Federal Savings and Loan Association, Athens, Ga., and Mr. Hugh E. Bigham, of Burke County Savings and Loan Association, Morganton, N.C., supporting efforts by members of your Banking and Currency Committee to restore sanity and soundness to our financial institutions.

I can assure these gentlemen that Congress will not fail in doing its constitutional duty concerning the Nation's financial and monetary affairs. I have called for an executive session on Monday, June 13, when it is hoped a bill will be reported favorably to remedy this serious situation.

Athens Federal Savings &
Loan Association,
Athens, Ga., June 2, 1966.

Hon. Wright Patman,
Chairman, House Banking and Currency Committee, House of Representatives, Washington, D.C.

Dear Mr. Patman: We commend you upon your efforts to get legislation passed setting the minimum amount at One Hundred Thousand Dollars ($100,000) for which commercial banks can issue CDs. We have watched your career over the years and realize fully that you are a great friend of the savings and loan industry and we appreciate your efforts.

As you know, the situation has reached the point whereby the banks are practically all paying 5% or more on CDs and consequently funds are being diverted to them which, in the past, have gone through the savings and loan industry and have gone into long term home loans. With the situation as it is at present, we find that our savings have dwindled considerably and we, as well as a great many other savings and loan associations, find our funds inadequate to take care of the tremendous demand for home financing. Our Federal Home Loan Bank has proposed some regulations whereby we will probably be allowed to have time CDs designed to compete with the banks but it is our opinion that this will not solve the problem. Since the federal reserve has given the banks authority already to go all the way to 5½%, we feel that they will do so immediately should our proposed regulations become final.

We urge you to continue your fine efforts designed to correct this situation by fixing a larger amount for which banks could issue CDs thereby releasing the small consumer type investment funds which we hope would come to the savings and loan industry to cover much needed home loans.

We will deeply appreciate anything you can do to alleviate the present conditions.

Yours very truly,
Roy W. Curtis,
Vice President and Secretary.

Burke County Savings &
Loan Association,
Morganton, N.C., June 7, 1966.

Representative Wright Patman,
Chairman, House Banking and Currency Committee, House of Representatives, Washington, D.C.

Dear Mr. Patman: Out of respect to your busy schedule, I will make this letter brief and to the point.

You, of course, are probably more familiar than anyone else with the problem savings and loan associations are now facing because of the high rate, consumer-size commercial bank certificates of deposit being issued.

This letter is to advise you of the chaos being caused in the home building industry because of the lack of funds available for home mortgages.

Any action your committee can take to relieve this situation will be greatly appreciated.

We are extremely grateful to you for all the many things you have done to help this wonderful industry, and I am sure the record of the industry in helping the American homeowner is a great satisfaction to you. I wish there was some better way you could be repaid.

Thank you.

Sincerely yours,
Hugh E. Bigham,
Executive Vice President.

SAVINGS AND LOAN OFFICIAL CHARGES THAT ABA AND COMMERCIAL BANKING FOUNDATION INTEND TO DESTROY THE THRIFT INDUSTRY

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Patman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PATMAN. Mr. Speaker, with unanimous consent I will insert at this point in the Record a letter from Mr. James E. Mathis, executive vice president, Home Federal Savings & Loan Association, Gainesville, Ga. Mr. Mathis pleads for corrective measures to end the spreading rate war as a result of policies of the American Bankers Association against savings and loans. He also enclosed a copy of a newspaper advertisement by the Foundation for Commercial Banks, Philadelphia National Bank Building, Philadelphia, Pa., inviting banks to join in an effort to injure the thrift industry.

Home Federal
Savings & Loan Association,
Gainesville, Ga., May 30, 1966.

Congressman Wright Patman,
House of Representatives,
Washington, D.C.

Dear Sir: Without going into great detail, it has become evident to me that some corrective measures need to be taken to stabilize the spreading rate war in the savings market as a result of the consumer sized commercial bank certificates of deposit.

It is regretable that the commercial bankers have permitted the ABA to lead them into conflict with savings and loan associations when no such actions were necessary. In my opinion, it is short-sightedness on the part of the ABA because it can only lead to further deterioration in the relationship between financial institutions.

Should this action continue, I feel that pressure will be brought by the leaders of our industry for regulations which will permit us to become more and more like commercial banks.

I have talked to the commercial bankers in Gainesville, Georgia, and have told them that most savings and loan associations were satisfied as specialists and that we preferred to remain in the business of attracting personal savings and making home loans. However, I do not believe the aggressive managers of this industry are going to sit quietly by and let the banks under the leadership of the ABA and the Commercial Banking Foundation continue such promotions as shown in the attached ad.

The attached advertisement I consider to be crude and certainly it does not lend itself to the dignity and high esteem with which we hold our friends in the commercial banking industry.

In my opinion the commercial banks and the savings and loan associations complement each other. Any action taken by the Congress, the Federal Reserve Board, the Federal Home Loan Bank Board or any trade organization which leads to further dis-harmony between these institutions is most unwise.

The impact of the CD program on the personal savings market must surely have been overlooked by the Federal Reserve Board.

Your continued interest in these matters is deeply appreciated by the entire Board of Directors of our association.

Sincerely yours,

JAMES E. MATHIS,
Executive Vice President.

WHO'S AFRAID OF THIS BIG COUPON? YOUR SAVINGS AND LOAN COMPETITORS . . . AND THEY HAVE A RIGHT TO BE

FOUNDATION FOR COMMERCIAL BANKS,
Philadelphia National Bank Building,
Philadelphia, Pa.

GENTLEMEN: I understand that your membership now numbers nearly 6000 banks . . . that your advertising budget now exceeds $1,600,000 . . . that you tell the Full Service Banking story in five big national magazines.

I've heard that in a recent survey 88% of your member banks thought the Full Service theme was effective as an industry umbrella under which local bank advertising can be more productive. And 86% rated the advertising "excellent" or "good."

I also realize that with more members the Foundation's advertising effort is bound to be even more powerful. Therefore—

(Check one:)

[ ] Enroll me as a member and send a Full Service symbol for our bank's door by return mail. Here is my check for $-------- based on the rate of $10 per million of deposits.

[ ] Enroll me as a member and bill me. Send the Full Service symbol.

[ ] Send me complete information about the Foundation.

Name:------------------------------------
Title:-------------------------------------
Bank:------------------------------------
Address:---------------------------------

WYOMING SAVINGS OFFICIAL CITES "PRIMER ON MONEY" FOR CLEARER UNDERSTANDING OF OUR MONETARY SYSTEM AND CITES RATE WAR AS SERIOUS THREAT

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PATMAN. Mr. Speaker, in a letter I recently received from Mr. Robert G. Kimball, president of Provident Federal Savings & Loan Association, Casper, Wyo., Mr. Kimball gave his unqualified endorsement to the "Primer on Money" which in easy-to-read terms explains how the Nation's monetary system works.

Mr. Kimball, who also happens to be the Wyoming Director on the Federal Home Loan Bank of Spokane, warns that the current rate war between savings and loan institutions and banks requires immediate action before his industry is so crippled that Congress will be forced to subsidize it. Needless to say, the housing needs of this great Nation will simply go unsatisfied if thrift institutions, which are required to invest 90 percent of their assets in home loans, are denied adequate funds.

With unanimous consent, I will insert at this point in the RECORD Mr. Kimball's letter:

PROVIDENT FEDERAL SAVINGS & LOAN
ASSOCIATION OF CASPER,
April 25, 1966.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, U.S. House of Representatives, Washington, D.C.

DEAR CHAIRMAN PATMAN: First let me congratulate you on your "A Primer on Money." It has afforded me a ready reference and a much more clear understanding of our monetary system. I have enclosed a tear sheet of a bank ad run in our local paper advertising certificates of deposit in minimums of $5,000.00 for one year at 5½% per annum. The President of the bank told me it was merely a tool to hold corporate investments, yet had no answer as to the low minimum balance of $5,000.00.

Casper has a population of approximately 45,000 with 5 banks and 2 federal savings and loans. The savings and loans have been paying 4¼% per annum in dividends and the banks up to 4¾% per annum on certificates of deposit. Wyoming's economy is such that there is no immediate market for this priced money. The Security Bank and Trust could be responsible for forcing all the banks in Wyoming, causing a serious loss to the savings and loans. We are completely at their mercy. The Federal Home Loan Bank Board in Washington, D.C. will not allow us to put a maturity date or a rate on the variable rate certificates they have authorized us to issue, hence as a competitive tool said certificates are unusable. This is due to the fact that the people want to see the rate that we are willing to pay on the certificates and we don't want to be locked in on rate for an undeterminable length of time.

If in fact certificates of deposit are meant for corporate investors, the minimum balance should be $25,000.00. This balance would leave money in savings for mortgage lending. Needless to say, banks paying 4½% to 5½% for money are not interested in real estate mortgages.

I am serving as the Wyoming Director on the Federal Home Loan Bank of Spokane and can speak for the 13 federally insured savings and loans in Wyoming when I say the Federal Reserve *must* take immediate action before our industry is so crippled that Congress will be forced to subsidize us. We are exceedingly proud of the fact that we as an industry are running our own shop without assistance—please help us keep it that way.

Sincerely,

ROBERT G. KIMBALL,
President.

TIGHT MONEY HURTS THOSE WHO CAN LEAST AFFORD IT, REPORTS WALL STREET JOURNAL

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PATMAN. Mr. Speaker, all of the Members of Congress, I am sure, have received mail from their constituents expressing concern and outlining their credit difficulties caused by the Federal Reserve tight money market.

Back in December, I warned Members of Congress that the Fed decision to raise the discount rate and regulation Q would cause the economy to go into a very tight and inflationary spiral. I do not like to gloat over the fact that I predicted the course of action, but the facts are evident to all, Mr. Speaker.

What has happened is that the Fed has caused interest rates to move up to an alltime high level and this action has not curbed the inflation that the Fed feared nor has it cooled off the boom in the economy. But it has almost wiped out the housing market, making mortgage rates prohibitively high, causing disastrous declines in the building industry. The thrift industry has suffered tremendous savings outflows and has witnessed new savings racing to large commercial banks to obtain the high-interest, short-maturity certificates of deposit. We know how important the thrift industry is to the housing market, but we also know that the new savings accounts obtained by commercial banks will not be invested in homebuilding and homeowning, but will be invested in high-yield, inflationary loans to stock market speculators and in corporate inventories. Commercial banks would rather push credit cards than finance homeownership.

Mr. Speaker, Friday's Wall Street Journal contains an excellent and accurate account of the present credit situation; I call it to the attention of all Members:

CREDIT PARADOXES: TIGHT MONEY PINCHES DIFFERENT PEOPLE, FIRMS IN VERY UNEVEN FASHION—BANKS ARE SQUEEZED, BUT STILL PUSH CREDIT CARDS; STOCK SPECULATORS FEEL NO PAIN—PERSONAL LOAN FIRMS UNHURT

(By Lee Silberman)

If you're a would-be home buyer, you may not be able to get a mortgage loan, no matter how good your credit is. But if you're a veteran stock speculator, you shouldn't have much trouble borrowing money to buy more shares on margin—and you might get a relatively favorable interest rate.

If you're a small businessman, you will have little difficulty buying supplies on credit from a big manufacture. But heaven help you if you're slow paying the bill; your supplier may cut you off from further deliveries.

If you're a consumer, personal finance companies will push loans at you as vigorously as ever, and some banks will urge you to sign up for one of their new credit-card plans so that you can charge anything from a round-the-world trip to the purchase of a screwdriver at the corner hardware store. But if you don't have a credit card, be sure to pay your bills quickly; otherwise your account will be turned over to a collection agency sooner than it would have been a year ago, and the agency will expect a bigger initial payment.

TIGHT AND LESS TIGHT

These are some of the contrasts fostered by the uneven impact of tight money conditions on the economy. Generally, supplies of lendable funds are low, in relation to the demand for them, and interest rates are high throughout the nation. But the pinch is being felt by different individuals and enterprises to extremely varying degrees, and sometimes in seemingly contradictory fashion.

The contradictions all have explanations—some simple, some growing out of an intricate web of financial relationships. Take the current situation of the nation's banks.

Major New York City banks currently are in the grip of their tightest squeeze in recent history. At present 74% of their total deposits are out on loan, up from 69.9% at the end of 1965 and 62% at the end of 1964. While the situation at banks in other cities is not quite that tight, the loans-to-deposits ratio of all large U.S. banks in financial centers is 69.7% now, considerably higher than usual and up from 63.1% at the end of last year.

Banks, of course, cannot loan out all their deposits. They must keep a specified percentage on reserve, and generally they seek to retain more to handle an unexpected rise in loan demand or a surge of withdrawals. Figures released by the New York Federal Reserve bank yesterday showed that the banking system currently is more severely crimped for reserves than in many years. (See stories on pages 4 and 5.)

DOLLARS FROM ABROAD

To get the cash to make new loans the banks have resorted to the painful step of selling off some of their holdings of bonds of Federal, State and local governments—at depressed prices. Some also have been urgently requesting their branches abroad to send home any dollars they can spare for short periods. "I never thought I'd live to see the day when the huge U.S. banking system would be carried in effect by the dollars we're able to bring out of the Old Country," says a New York banker.

The banks' squeeze, moreover, may get worse in the next few days. Some $3.9 billion of the deposits U.S. banks hold consist of money paid by investors, mostly corporations, for "certificates of deposit" that mature this month—$321 million today, and $717 million next Wednesday, an important deadline for installment payments of Federal taxes on corporate profits. Certificates of deposit, or "CDs," are documents which evidence that a depositor has placed funds in the bank for a specified time.

Most large banks replaced huge batches of CDs maturing in March and April, around previous tax-deadline times, by raising the interest rates they pay on such instruments—on nine-month CDs, to 5½% from about 5¼% earlier, for instance. But they can't raise these rates again to replace the June CDs; the present 5½% is the maximum that Federal authorities permit them to pay. And a CD holder can get 5½%, or more, on various other types of short-term paper.

PUSHING CREDIT CARDS

Yet in the midst of this squeeze, more banks are pushing credit cards at their individual customers. It's all a matter of timing. The sums they pay out of sellers of various goods and services to cover the bills run up by card holders are relatively modest now, at least compared to the banks' business-loan volume. But the banks expect the credit-card business someday to be giant and profitable—and they are convinced they must develop it themselves, rather than let independent credit-card plans get a lock on the business.

Thus, even as the Monthly Economics Letter of New York's First National City Bank warns that U.S. banks may have to curtail loans of all sorts, individuals going into a First National City branch find racks bulging with application forms for Carte Blanche credit cards, and huge placards imploring them to take one. The bank acquired the Carte Blanche business from a Hilton Hotels Corp. subsidiary early this year, and is continuing to operate it pending the outcome of an antitrust action against the acquisition.

California's giant Bank of America announced two weeks ago that it is negotiating with banks in six other states to license the distribution there of its BankAmericard credit cards, which have been in use in California since 1958. First National Bank of Seattle launched a Firstbank Card plan, allowing consumers to charge all sorts of purchases, throughout the state of Washington on June 1. Hartford National Bank and Trust Co. in Connecticut plans to get what it calls the Hartford National Charge Card in operation by August.

Major banks also appear, surprisingly, to be cutting back only slightly on loans to securities dealers, who relend the money to traders buying stock on margin. The banks consider loans to brokers an excellent temporary use for the funds they keep around to meet unexpected loan or deposit-withdrawal demand. Such loans are usually made on a one-day basis (though they are made every day) and they can be called immediately, if stock prices plunge sharply or if the bank needs its money.

With their bank borrowings, plus funds of their own that have been generated by this year's immense stock-trading volume, brokerage-firm members of the New York Stock Exchange between Jan. 1 and Apr. 1, the latest period for which figures are available, expanded their loans to stock buyers nearly 6%, to a total of over $5.8 billion outstanding. In the like period of 1965, broker loans to customers declined, though only a fraction of 1%.

True, some stock buyers are paying fancy interest to make margin transactions (on such a transaction the buyer puts up in cash 70% of the value of the stock he purchases, and borrows the rest). A stock-market tyro borrowing money to buy his first few shares on margin will pay interest at an annual rate of 7% at some brokerage houses. But a veteran speculator borrowing to finance a huge margin trade will pay only 6% interest to some brokers.

If stock-market speculators have been relatively unaffected by tight money, home buyers have been hit harder than anyone else. The main reason: Individuals—including would-be home buyers—are saving much less money than a year ago, putting a pinch on the supply of money available for mortgages. This trend generally has been blamed on increased payroll withholding for Social Security and Federal income taxes, which has bit into workers' take-home pay.

In the first four months of 1966 net savings (new savings minus withdrawals) received by U.S. savings and loan associations plummeted to $740 million, from nearly $1.8 billion in the 1965 period. April saw a large outflow of savings, as withdrawals exceeded new savings.

S&L officials are certain savings they normally would get have been flowing into bank CDs, which are available in individuals as well as corporations, at rates up to 5½% (savings and loan associations aren't permitted to offer such high savings rates without losing their borrowing power at the Federal Home Loan Banks). But in total the drop in savings at banks has been more dramatic even than the drop at S&Ls.

Big commercial banks that report weekly to the Federal Reserve System by May 25 had increased their CDs outstanding by $1.7 billion, or about 10%, from the start of the year. But in the same period they suffered a $2.2 billion drop in their outstanding totals of passbook savings, on which they are permitted to pay only 4% interest tops. So their totals of CDs and passbook savings went down a net of $500 million.

The drop in savings has accentuated the squeeze on banks, and with corporate loan demand booming they have cut back on mortgage loans. The reaction at S&Ls, which make many more mortgage loans, has been more drastic. With money flowing out in April, some have stopped making mortgage loans entirely for the time being..

Nor will the home buyer find any relief at life insurance companies, which normally make many mortgage loans. The insurers' sales of policies have been expanding at a rapid clip. But the lendable funds that the policy sales supply have been snapped up by corporations that have been unable to borrow as much money as they would like at their banks. The corporations are lining up to arrange private sales of bonds to the insurance companies.

An official at Prudential's main office in Newark, N.J., says the company is short of funds for mortgage lending throughout its Eastern region, and that the cash is being conserved mainly to satisfy the demands of builders and developers who regularly do business with Prudential.

Frustrated home buyers might console themselves by buying something else—plush furniture for the old quarters, perhaps. If the increased withholding tax rates leave too little cash in their paychecks for the purchase, personal finance companies will lend them the money gladly.

Personal-loan companies, like some other non-bank lenders and some corporations, raise money by selling "commercial paper" (essentially a form of IOU) to investors. The rates they have had to pay on the paper to attract funds have risen sharply; they now range from 5½% to 5⅞% on 90-day to six month notes. But the small-loan companies have no qualms about paying such rates, since they can lend the money to consumers at interest rates ranging as high as 20% annually.

"NO SLOWDOWN HERE"

Buoyed by high interest rates, the market for commercial paper has been strong. The total outstanding rose 4% just in April, to a record $11.6 billion outstanding; that was 20% greater than a year earlier. So the finance companies have plenty of money to lend.

"There's no tendency for a slowdown in lending by personal loan companies," says DeWitt Paul, chairman of Beneficial Finance Co., one of the largest of these concerns. "We want to get good customers while the stream is flowing, and have been continuing to do all the things we always do to promote our business."

Some non-bank lenders that concentrate on loans to businesses, and also raise their funds by selling commercial paper, take the same line. Example: Factoring concerns, which lend money to companies in return for the right to collect the bills that customers owe to those companies.

The basic factoring loan rate now ranges from 7.2% to 8.4%, up from 6% to 7.2% in late 1965. But the rise has not hurt volume. The factors are getting a heavy demand from businessmen who have been turned away from banks where they had sought loans.

Mill Factors Corp. in New York expects to expand its new-loan volume to $400 million this year, from $390 million in 1965. "We don't have to compete for new accounts today; they come to us," says Walter D. Yankauer, president, Mill Factors, he says, long has concentrated on loans to textile and soft-goods manufacturers, but now is making loans to such new customers as steel distributors.

CORPORATION CASH SQUEEZE

An expansion of lending on the modest scale Mill Factors talks of, however, hardly will meet the credit demands of business. As a group, U.S. corporations, like the banks from which they are trying to get loans, are in a tight cash squeeze.

To finance day-to-day operations and expansion plans, corporations ordinarily rely largely on internally generated funds—chiefly retained profits and sums charged off by the company as depreciation but kept in the treasury. During 1965, however, corporations as a group turned nearly none of these funds into cash or Government securities. At the end of the year holdings of cash and Governments by U.S. non-financial corporations totaled $64.1 billion—exactly the same as at the end of 1964.

Some apparent reasons: Corporations chose to put much of their internally generated funds to use financing higher inventories. Inventories held by non-financial corporations expanded to $126.6 billion at the end of 1965, from $114.3 billion at the end of 1964, a rise of nearly 11%.

Companies also apparently made many more of their sales on credit. While the cash and Government security holdings of nonfinancial corporations didn't rise at all during 1965, the National Association of Credit Management figures that by March 31 this year U.S. manufacturers' holdings of accounts receivable—bills owed to them by customers—jumped to a record $54.7 billion, up almost 12% from $49 billion a year earlier.

Whatever the reason, since U.S. corporations' debts grew while their cash holdings didn't, non-financial companies finished 1965 with cash and Government securities equal to only 27% of their current liabilities—a record low ratio. At the end of 1964 the ratio was 30%; as recently as the end of 1962 it was 34%. This ratio is an important measure of corporate "liquidity"—the ability of businesses to meet unforeseen expenses.

With less cash on hand, in relation to their debts, corporations also are less able to meet those well-foreseen expenditures, spending for new plant and equipment. Their need to do so is much greater, though; according to the most recent Government survey, corporations plan capital spending of $60.8 billion this year, up 17% from 1965.

PAY UP QUICK

In 1965, for the first time in the current boom, corporations' capital spending exceeded the funds they got from "cash flow" (profits plus depreciation), notes Eli Shapiro, Harvard University finance professor. The same thing is expected to happen in 1966.

What to do? Besides besieging banks for loans, and trying to sell bonds privately to insurance companies, cash-pinched corporations have been selling many stock and bond issues to the public. Also, while extending credit liberally to customers, they have been demanding that the customers pay up faster.

At the end of March, according to the National Association of Credit Management, 85.7% of the bills owed to manufacturers were being paid on time and only 2.5% were over 90 days past due. A year earlier, only 84.3% of manufacturers' accounts receivable were classed as "current" and 2.8% were 90 days or more delinquent.

"We can invest our idle money and get a return of better than 5% nowadays, but when the money is tied up in old unpaid accounts it's dead," says Peter McLaughlin, comptroller of Union Camp Corp., a leading maker of paper products. So, he says, his company has begun a stricter collection program, with some success. The average period of Union Camp's unpaid bills has been cut to 29 days, from 31 days a year earlier, he says.

Some companies have gone even further. In the aluminum industry, which is swamped with defense orders, one major fabricator is simply refusing to sell any more goods to some of its slower-paying customers. Union Camp, too, is becoming more selective about whom it sells to, says Mr. McLaughlin.

DUNNING CONSUMERS

As big companies dun smaller ones to pay their bills faster, smaller companies are similarly dunning consumers. The American Collectors Association says both the number of bills referred to collection agencies and the size of the original bill that becomes delinquent, have risen in the past year.

In the first quarter of 1966, a spokesman says, the number of accounts held by the average collection agency increased to 1,333, up 4% from 1,278 in the 1965 period. The average size of the individual account referred for collection rose to $62.14 from $51.31.

A bright note: If the American consumer is unable or unwilling to save as much as a year ago, and unable to prevent more of his bills from being turned over to collection agencies, he is at least both able and willing to make bigger payments to the collection agencies. The American Collectors Association says the average initial payment to an agency on a bill turned over for collection rose to $17.18 in the first quarter, from $15.97 a year earlier.

DEFENSE INDUSTRIES SHOULD BE PREPARED FOR PRODUCTION OF THE TOOLS OF PEACE

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. WOLFF] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. WOLFF. Mr. Speaker, in my first speech before this distinguished body on January 28, 1965, I urged a full-scale Federal effort to assist the transition of defense industries to civilian production.

The need for full attention to the dangers of too great a dependence upon defense contracts by industry, large and small, cannot be overemphasized.

I therefore think it proper to consider the subject of conversion from defense work to civilian production even as we take up legislation authorizing the expenditure of billions more for defense industries. For, even though such massive expenditures for military hardware have been a major factor in our economy in most years since World War II, these expenditures are purely a function of the international political situation, a situation which is presently experiencing great and far-reaching readjustments which, hopefully, will eventually result in a lessening of the need for massive spending for the weapons of war, and give us time to produce for peace.

Therefore, I would like once again to emphasize the need for industries to prepare for a future wherein Department of Defense contracts do not provide their economic lifeblood.

In the interest of our economy in general, and the continuing prosperity of areas like Long Island which I have the honor to represent, we must prepare for the future—for peace.

I must say that many of our firms have grown soft because of one big customer—Uncle Sam—who has depended upon their skill and productivity in the past.

The hard fact is that he may not need them in the future. Uncle Sam's largesse could be gone overnight.

Mr. Speaker, the market for consumer goods and civilian industrial goods is a much more enduring market than production of the weapons of war because, hopefully, peace will ultimately become more characteristic of our times than war. Peace is the goal toward which we are working, and our industry should be prepared for a smooth transition to peacetime production when that time comes. This conversion can be part of the move toward peace.

Many of our business leaders have accepted the reality of preparing for peace and are currently charting a course that will enable them to meet the challenges of the private sector.

I respectfully urge all industrial leaders to carefully review the extent of their dependence upon production of the machines of war, and begin to plan for production of the tools of peace.

May that happy transition be close at hand.

SOVIET DEPORTATION OF BALTIC PEOPLES IN 1940-41

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. MINISH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MINISH. Mr. Speaker, the Second World War spelled tragedy to all peoples of Europe. They all suffered, endured privations, and faced indescribable hardships throughout the war. But some peoples suffered more than others, and some are still suffering even today from its tragic consequences. The Baltic peoples of Estonia, Latvia, and Lithuania were among the first victims of the war, and unfortunately their suffering is not over yet.

These brave and virtuous people, ever proud of their national traditions and distinct individuality, and always struggling for their freedom, had regained their independence at the end of the First World War and were enjoying their well-earned freedom in their historic homelands under their own forms of democratic governments. In the course of two decades, during the interwar years, they had succeeded in making their respective countries model democracies, and were enjoying a relatively prosperous peace. But the Second World War brought on military invasion and misfortune which has become part of their miserable lot for more than 25 years.

Early in the war the Kremlin took full advantage of the helplessness of the peoples of these countries and imposed its iron will upon them. First the governments of these countries were forced to sign mutual assistance pacts with the Soviet Union; then they were compelled to allow Russian garrisons be stationed in certain strategic places of these countries; and finally, in June of 1940, the

Red army overran and occupied these countries.

These Baltic peoples were thus robbed of their freedom and enslaved by the Red army. In the meantime Soviet agents had instituted a veritable reign of terror throughout these countries. Estonians, Latvians, and Lithuanians were arrested by the tens of thousands, imprisoned and then deported to Asiatic parts of the Soviet Union. The terror and arrests continued until the Red army was forced out of these countries by the Nazis in late June of 1941. In mid-June of that year, just before their eviction, however, Soviet authorities had intensified their reign of terror, and in one night alone, on June 13 and 14, many tens of thousands of innocent people were arrested and deported. All told, during the first year of their occupation, Soviet authorities had deported several hundred thousand Baltic peoples to distant and forbidding parts of Asiatic Russia.

It is sad and tragic that while we solemnly observe the anniversary of this terrible event, the fate of its victims is not definitely known, while the survivors of that tragedy still suffer in their homelands under Soviet totalitarian tyranny. In paying homage to the memory of the dead, we pray for the well-being and freedom of those unhappy survivors.

BOTTLENECK IN MORTGAGE MONEY

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Dow] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DOW. Mr. Speaker, last week I introduced a bill, H.R. 15608. This is to perfect the wording of my previous bill, H.R. 15364. Both bills are aimed at the elimination of unsound competition for funds and to provide for the liquidity of the commercial banking system. Purpose of the bills is to eliminate the bottleneck in mortgage money that is slowly bringing the building industry to a near halt in some parts of the country.

The amendment represented by H.R. 15608 occurs in section 2 of the bill. It is intended to conform the ceiling of a 4½-percent interest rate on time deposits and savings deposits under the Federal Reserve Act with the same ceiling designated in section 3 of the bill, where a 4½-percent rate is established under the Federal Deposit Insurance Act for insured nonmember banks.

THE AMERICAN FLAG

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. O'Neal] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. O'NEAL of Georgia. Mr. Speaker, the American flag over the years has become the supreme and beloved symbol of our Nation, its freedoms, its ideals, its triumphs.

On this day set aside to celebrate the birthday of Old Glory, it is appropriate that I remind my colleagues of a bill pending before the House Committee on the Judiciary to prohibit desecration of the American flag.

On April 6, I introduced a bill, H.R. 14330, to make it an equally serious offense to desecrate the American flag as it is to destroy a draft card. The response from the American public has been gratifying with widespread support from Kalamazoo, Mich., to Miami, Fla., and from Allentown, Pa., to Honolulu, Hawaii.

I feel very strongly about the need to obtain passage of such legislation during the current session of Congress. There have been several recent, unfortunate incidents which resulted in the deliberate desecration of our flag; yet, there is no Federal law prohibiting such action outside the District of Columbia.

Although each of the 50 States has a law protecting the American flag, there is a wide variance in the penalties provided. The maximum penalty for the first offense of desecration of the American flag in the State of Indiana is a fine not to exceed $10. The State of Texas, on the other hand, provides a maximum penalty of 25 years imprisonment for the same offense.

While I often question Federal legislation which infringes on States rights, I feel it is an obligation of the Congress to provide uniform protection for the very soul of our Nation.

Yes, Mr. Speaker, the American flag is the soul of this Nation reflecting its proud heritage, traditions, and freedoms.

Some may consider my patriotism a bit old fashioned, but I like to think of the American flag as a symbol of hope to our fighting men on a lonely battlefield thousands of miles from home, the emblem of liberty to the patriots of 1776, and the standard of strength and unity against the aggression of our enemies.

At this time in history, we can ill afford to allow acts of anti-Americanism within our own country to go unchecked. A bill to prohibit desecration of our flag is a step in the right direction. I urge prompt and favorable consideration of H.R. 14330.

CAMPAIGN SPENDING

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Friedel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, President Johnson's sound proposals for revisions in the laws on campaign funds have received support from the Baltimore Sun.

The newspaper says in an editorial that the President has provided the outline of badly needed changes in the rules and calls for action as soon as possible. It makes this comment:

> No one who looks at our present laws can argue that they do not need thorough revision and improvement.

A study by the Citizens' Research Foundation of Princeton estimates the national campaigns of the major parties cost $29.2 million in 1964. The Sun cites this estimate as an indication that the present laws and their limitations are ineffective.

The newspaper speaks favorably of specific proposals made by the President. I would like to make its opinions available to my colleagues by inserting the editorial in the Record:

> ### *Campaign Spending*
>
> Federal laws applying to political campaign funds are such a tangle of outmoded, ineffective rules that it may be difficult for the present session of Congress, with many of its own members already engaged in reelection efforts, to tackle the job of reforming and modernizing them, as President Johnson recommended in a special message last week. But if new rules could not be applied in the midst of present campaigns, they could be drafted to go into effect next year. At the least a start should be made as soon as possible, and the President has provided the outline of changes which are badly needed.
>
> A few facts about present laws show how ineffective they are. A national committee can raise and spend no more that $3 million a year, according to the law. Yet a recent study, by the Citizens' Research Foundation of Princeton, estimates that the national campaigns of the Republicans and Democrats in 1964 cost $29.2 million. The $3 million limitation is bypassed through a multiplicity of committees. Present law limits an individual contributor to $5,000, but he can make contributions of that amount to any number of committees. Primary elections are not covered by present Federal regulations, yet they are an essential part of our political system; in some instances more important than the general elections.
>
> The President recommended that the $3 million ceiling be removed, but that every candidate, including candidates for President and Vice President, and every committee that supports a candidate be required to report in detail on every contribution and expense item over $100. He would extend the Federal law to primaries. These two proposals would make available to the public a complete financial picture of a national campaign, for example, which our present laws simply do not provide.
>
> In the same vein, the President recommended that members of Congress be required to report annually all gifts of over $100 received for themselves or their families. Individual contributors would not be permitted to give more than $5,000 to the campaign of any candidate. Both proposals are excellent.
>
> To facilitate widespread participation by the public in the financing of political campaigns—an objective which would be in the interest of sound political parties as well as in the interest of the public—the President recommended that individual taxpayers be allowed an income tax deduction of up to $100 for contributions to any candidate or organization supporting a candidate, in primary, Federal, state or local elections. Some question may be raised as to the suggestion that this should be in addition to the standard deduction for taxpayers who do not itemize their returns, but the principle of thus encouraging a greater number of small contributions is sound. So is the proposal to allow fund-raisers to sell souvenirs at up to $5 each, but to forbid committees to raise

money by selling advertising space in campaign books.

No one who looks at our present laws can argue that they do not need thorough revision and improvement. Congress should be encouraged to take the President's message, along with suggestions made by other authorities, and go to work.

U.S. NAVAL ACADEMY: CLASS OF 1966 GRADUATION ADDRESS

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. FLOOD. Mr. Speaker, the Navy-Marine Corps Memorial Stadium at Annapolis, Md., on Wednesday, June 8, 1966, was the scene of the impressive graduation exercises for the class of 1966 of the U.S. Naval Academy of which institution I am a member of the Board of Visitors.

The graduating class had 868 members, of which 763 were commissioned as ensigns in the Navy and 79 as second lieutenants in the Marine Corps. It included some from foreign countries, who were not commissioned in the U.S. Armed Forces. All graduates were awarded the degree of bachelor of science.

Rear Adm. Draper L. Kauffman, Superintendent of the Naval Academy, presided and Adm. David L. McDonald, the Chief of Naval Operations, made the graduation address.

In order that Admiral McDonald's address may have a wider circulation, I quote it as part of my remarks today.

The address follows:

REMARKS BY ADMIRAL DAVID L. MCDONALD, U.S. NAVY, CHIEF OF NAVAL OPERATIONS, AT THE 1966 U.S. NAVAL ACADEMY GRADUATION CEREMONIES, ANNAPOLIS, MD., JUNE 8, 1966

Thank you Admiral Kauffman.

Distinguished guests, ladies and gentlemen, and more specifically, members of the graduating class.

Today really belongs to you of this graduating class of 1966—and to me! For the last four years—in some ways perhaps a very long four years—you have looked forward to this day with eager anticipation. It is the culmination of your desire to become commissioned officers in the United States Navy. But gentlemen, I have been waiting for over 40 years for such an occasion as this and please believe me when I say to you that my happiness in being afforded the distinguished honor of making this graduation address equals the happiness that you enjoy.

In seeking subject matter for this talk, I have reviewed graduation addresses given here from the time of the first one I myself heard. That was in 1925; the speaker was the then President Coolidge and his theme was peace—and how we should strive to attain it.

Others speaking here have predicted the future; many have dealt with the present—sometimes glorying in the advances of the Navy, and other times bemoaning the lack of appreciation of our needs. But in almost every address reference has been made to certain basic principles that seemingly never change.

Today—I would like to outline briefly for you a few of these basic facts which seemingly never change; things which I think will be important and helpful to you as you proceed along your chosen career. I might say, at this point, that my remarks will be equally applicable to those of you who have elected to be commissioned in other than the Navy. And gentlemen—when I say that I propose to outline these few basic facts briefly, I mean briefly. Although I, as the Chief of Naval Operations, do issue quite a few orders, I still take orders also—including some from my wife. She has made it very plain to me that those of you who are anxiously waiting for diplomas and for commissions simply aren't in the mood to listen to a long-winded speaker, and thus, I should keep my remarks brief. I shall.

In a very few minutes your four years of labors here will find their fruition in two pieces of parchment which will be delivered to you—your diploma, which formally certifies what you have done, and your commission, which is an indication of what you are expected to do.

If perchance you feel that you are hazarding much in surrendering something of your liberty to the demands of your unknown profession, consider the hazards to the nation which may arise because it is placing its destiny in no small degree in your hands. Have you really done anything which justifies the Government in this expression of its great confidence? In congratulating you then, upon the completion of your course, I wish to emphasize not so much your own personal accomplishment in your work at the Naval Academy—as the opportunity that your Government now places before you as a result of your successful work here.

I wonder if you really realize the tremendous faith which your Government has in you? The commission which will be offered to you today states that in you is reposed special trust and confidence in your patriotism, valour, fidelity and abilities. Acceptance of this commission offers to you an entire career in your chosen profession without the need to be re-elected, or even reappointed. This is an honor and a confidence that few in this world ever have an opportunity to enjoy. But here I emphasize the word "opportunity," because the path you are about to embark upon is literally strewn with rocks and shoals upon which it is all too easy for your career to founder. Taking advantage of this great opportunity which is now yours means preparing yourself in every possible way for the effective discharge of the many and varied responsibilities which will be placed upon you by virtue of this special trust and confidence which is soon to be placed in you.

During your course here you have been largely run through the same mold. It is this common denominator found in the graduates of this Academy which makes it possible for us better to cultivate and develop experience in a variety of situations and commands. Here within these walls there exists a sense of timelessness—a thing we call tradition—the tradition of the sea and of ships; the tradition of valour and of service which forms so large a part of any naval training worth its salt. Naval history and the traditions and experiences arising therefrom are facts and cannot be changed or disputed. Many of these experiences and traditions have not only been carried down by word of mouth, but they have also been embodied in laws and rules and regulations. To a considerable degree, it is because of these experiences and the fact that they *have* been put into tangible, concrete form that it is possible for officers to relieve one another and to carry on the work so easily without a break or letdown in efficiency. Many of these experiences you will find to be your bedrock foundation in the decision-making process when the chips are down and there is no time for a study or an analytical review before an enemy may have rendered you impotent.

However, do not let yourself be stifled by custom or tradition and do not hesitate to expand from this pattern to which you have been molded whenever you consider it wise so to do.

Always remember that upon graduation from the Naval Academy your education has only begun. Now—somewhat in contrast to the regimentation which I believe is so desirable here at the Naval Academy, you will have ample material and opportunities upon which to expend your best mental efforts; opportunities—ample opportunities—for the exercise of all your faculties. This will not only be done by the ordinary operations of the Navy itself, but by the special advanced and postgraduate courses which are open to you in scientific lines and in the several war college courses in the national problems of strategy and tactics.

There probably have been days when the officers of the Navy might have thought that they were in danger of mental and spiritual deterioration in peacetime because there was not enough active work to occupy the splendid mental equipment with which they entered the service. Such is certainly not the present situation.

Less than 10 per cent of the officers entering the Navy today are graduates of this Academy. Many of the other 90 percent have never intended to make the Navy a career. They have always had other objectives in life. However, they have agreed to spend a certain number of years in the Navy because they feel it is not only their duty, but also because they know that by so doing, they will better prepare themselves for the discharge of their responsibilities should it become necessary at some future time for them to be called to the colors. On the other hand, I must assume that you who have come to the Naval Academy have done so because you wanted to become naval officers. Thus, you have chosen the life of a naval officer as your profession. You are, therefore, about to become a professional fighting man. Never forget it. As such you must know and keep ever in mind the ultimate objective of the Navy—the real reason for a Navy—and that is victory at sea—whenever it becomes necessary. And victories at sea are won only by men who know how to fight ships and planes at sea. With this in mind you should realize that this profession upon which you are about to embark is difficult and demanding beyond measure because failures become very permanent in defeat. There can be no meaningful second prize, also-rans, or even honorable mention awards after military actions.

Some of you won't command units at sea because you have already decided to become specialists in our Navy. Others will undoubtedly make a similar decision later. Let there be no doubt in your minds concerning our needs in these areas either. Today—perhaps more than ever before in the history of our Navy—we need highly trained technicians, efficiency experts, managers and the like. Although victories cannot be won by incompetent commanders, it is equally essential that competent commanders be provided with adequate material means. Officers with individual specialized qualifications are absolutely essential in this day of highly sophisticated and very expensive weapons systems. And even those of you who do not become specialists in the true sense of the word will, by virtue of your future operational assignments—and formal studies—become at least semi-experts in one or more particular fields.

But whether we be operators, technicians, managers, or whatever, let's always remember that the Navy is in many respects unique. We conceive, design, develop, construct and operate various types of units—which taken all together—constitute the equivalent of a vast industrial empire. Yet, ours is not a business in the narrow sense of the word. It is a profession, and for you—a career. Even though we must assuredly embrace, whenever and wherever practical, those managerial actions which will best ensure maximum efficiency, don't forget the need to keep in mind certain unique features of our establishment. We cannot hire and fire as is done in many businesses. For instance we cannot acquire a better expert in uniform from another similar business because there is no similar business—our country has only one Navy. We cannot summarily dismiss our adequate but less competent performers—willy-nilly—because there is no pool of proper talent from which to fill the void that would be thus created.

This means that you and I must not only strive for superior competence ourselves, but we must lead and guide and teach in order better to provide our Navy with the competence it requires. It means also that we must have patience and understanding so that we may help our less outstanding personnel to give at least all they are capable of giving even if it is less than what might be desired.

Throughout your career, remember that the one thing a successful military commander must always be capable of exercising is leadership. In spite of the great progress which we've made in the technological arena, *men* are still required to fight our ships and our planes, and gentlemen, in time of conflict when the guns are firing, you don't manage men, you lead them or else you lose.

Although I've talked almost entirely about your role as military men, keep in mind that the real profession of every American is citizenship. Thus, you have a common bond with those outside the military and I urge you to develop the closest possible relationships with the civilian community wherever you may be. You, as a public servant, are their employee and you—better than anyone else—can convince them of the correctness of their investment.

Just one final thought. As you grow older and acquire increased rank, you will sometimes be referred to as either the brass or as brass hats. But remember, it's not brass that's on your sleeves or on your shoulder boards—it's gold—and it is meaningful—extremely meaningful. You and I are vouchsafed the most important national trust which it is within our country's power to give and we both—you and I—came to this Academy to learn how to discharge that trust. Few in Government can claim such a distinction. But you in turn must adhere—listen to this—you must adhere to the highest code of moral ethics, to personal integrity which knows no bounds, to compassion for those less fortunate, to leadership by example, to loyalty and to a love of country which will never take second place to individual desires. I wish you smooth sailing gentlemen as you embark upon what is unquestionably one of the most necessary careers in our country and one which can be one of the most satisfying.

THEODORE FRANCIS GREEN

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. St Germain] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, it is through the lives of great men that the accomplishments of our times are vividly portrayed. One of these great men is the late Senator from Rhode Island, Theodore Francis Green.

This extraordinary man, whose voice was heard in the Congress for nearly a quarter of a century, dedicated his entire adult life to public service and the betterment of mankind.

The exemplary accomplishments embodied in the life of this great man serve as an inspiration and guiding light for all of us and I think it important that we memorialize these accomplishments in as many ways as possible for our own benefit and that of future generations.

One of the many accomplishments of Senator Green was the establishment of a veterans' hospital in Rhode Island. This came as a result of over 10 years of persistent effort on the Senator's part.

This project was one of the first undertaken by Senator Green after taking office in 1937. After noting that Rhode Island was one of two States which did not have a veterans' hospital, the Senator introduced a bill to obtain a veterans' hospital for Rhode Island.

His efforts met with considerable opposition from the Veterans' Administration in Boston due to regional aspects of the Administration's policy.

In 1941, an announcement was made by the Veterans' Administration that a veterans' hospital would be built in West Roxbury, Mass. The close proximity of this hospital and the availability of the hospital at the Newport Naval Station served to meet the demands of veterans in Rhode Island, it was argued.

Realizing that his sole efforts were inadequate in persuading the Veterans' Administration of the need of a veterans' hospital in Rhode Island, the Senator sought and gained the assistance of President Franklin D. Roosevelt, who used his direct influence with the Veterans' Administration in 1944 to turn a more receptive ear to the Senator from Rhode Island. In August of that same year, 1944, Senator Green received word that a veterans' hospital would be established in Rhode Island.

Thus in 1948, 11 years after Senator Green began his lonely and courageous fight, a veterans' hospital was opened at Davis Park on land given to the Federal Government by the city of Providence.

When this hospital was dedicated on September 2, 1949, it should rightfully have been named after Theodore Francis Green, whose perseverance made it all possible. However, as we so often do in the rush of life, we failed to render due recognition at that time.

Mr. Speaker, I rise at this time in an effort to gain recognition for the vital contributions made by the late Senator Green in the establishment of this hospital and to further memorialize the accomplishments of this great man. Therefore, I would at this time like to introduce a bill to designate the veterans' hospital in Providence, R.I., as the "Theodore Francis Green Memorial Hospital."

THE BALTIC STATES: A TRIBUTE

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Rodino] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. RODINO. Mr. Speaker, in this day when we can plainly see many, many peoples enduring severe privations and sacrificing their very lives in the struggle to establish their national independence for the first time, we must sometimes pause to remind ourselves of those nations who never appear in the forums of the world. For the Baltic States of Latvia, Lithuania, and Estonia, freedom is not only a dream for the future, it is a memory from their past. They have tasted the liberty that we in America enjoy so fully—and they have lost it. Today, as for the past 26 years, these proud peoples hover in the shadow world of anonymity imposed upon them by their ruthless Soviet conquerors.

It was not always that way. Once these fertile territories belonged to their rightful owners, the people who were born to them and worked on them. Back in 1918, they proclaimed their independence from the Russian czar and eventually took their places alongside all the other independent nations of the world. This position, which we in America cherish above all things, was not to be easily defensible, however, for countries of modest size compared to the neighboring giants of Germany and Russia. As World War II approached, they formed secret agreements which sectioned off the Baltics as part of the Soviet sphere of influence. By 1939, Russia had imposed the unwanted restrictions of pacts of mutual assistance upon the failing countries.

In the fall of 1940 all pretenses of respect for their declared neutrality were dropped, and Soviet troops invaded their borders.

Murders and deportations—attempts to purge the national spirit from these people—were accompanied by the transplanting of thousands of loyal Soviets onto Baltic soil. Those who escaped to freedom were the few; the many were denied their cultural heritage and their hard-won liberty and were forced to bend under the iron hand of communism.

But deportations will not take the homeland from the hearts of a people, and murders will only stoke the fires of hatred for their oppressors. To those of the Baltic States, who labor far from their homes in misery and fear, we must reaffirm our ties as fellow lovers of liberty. Their spirit and their hope must remain alive so that one day they will again have the independence they once enjoyed.

TARAS SHEVCHENKO

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. Giaimo] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. GIAIMO. Mr. Speaker, to men around the world the name "America" has often been invoked as a source of inspiration for those who aspire to the right to live as freemen directing their own destiny. Freedom is a revolutionary idea—one which Americans cherish as part of their heritage. But to those who would speak of revolution alone, freedom is incompatible because it strikes fear in their hearts of what they dare not give credence to in their thoughts.

America, throughout its history, has had many friends and followers. Men have pointed to this land and its accomplishments as an example of what freemen can do because they refuse to be subdued by tyranny. Such a man, such a friend, was Taras Shevchenko, Ukrainian poet and friend of freedom—1814–63.

Shevchenko was a romantic who glorified the lost freedom and statehood of the Ukraine after it was brought under the sphere of Russian domination. Through his works, he fostered revolutionary ideas against Russian political and social dominance. The price he paid for acting as a freeman was 10 years of forced military service under orders of Emperor Tsar Nicholas I. Between 1847 and 1857, he was forbidden to write. He was released, after that period, a broken man soon to die, by Alexander II. But his ideas lived and continue to live, because they spoke the truth.

In June 1964, a statue honoring the Ukrainian poet and authorized by the 86th Congress, was dedicated here in Washington.

As further recognition of Taras Shevchenko's contribution to man's right to live in freedom and social justice and for the friendship he openly displayed for America, I introduce a joint resolution to provide for a captive nations freedom series of postage stamps in honor of national heroes of freedom, commencing with a Taras Shevchenko freedom stamp.

TRIBUTE TO HON. L. MENDEL RIVERS

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Keogh] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. KEOGH. Mr. Speaker, I should like to join in paying tribute to a great man, Representative, and chairman, Hon. L. Mendel Rivers. I have known from long experience that no problem of any fellow Member is too small to arouse his fulsome and careful consideration. We in the city of New York have been indebted to him over a long period of time for his cooperation in the vital matters of national defense that have affected the interests of the city and State of New York and of the country. I join with his many devoted friends in wishing him many years of continued useful and constructive legislative service.

RECOGNITION OF EASTERN ORTHODOX CHURCH AS A MAJOR FAITH

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. Culver] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. CULVER. Mr. Speaker, I have today introduced a resolution which would provide formal recognition by the U.S. Government of the Eastern Orthodox Church as a major religious faith.

The Federal Government automatically refers to "the 3 great religious faiths"—Protestants, Catholics, and Jews. Yet according to the 1965 Yearbook of American Churches, there are today in the United States more than 3 million members of the Orthodox Church. And since most Orthodox churches count as members only adults who are heads of households, it can be safely assumed that—with women and children included—the total is probably well over 6 million.

According to this same Yearbook, there are 5,585,000 members of the Jewish community, 44,874,371 Roman Catholics, and 66,854,200 Protestants in the United States.

The U.S. Armed Forces now use the letters "EO" on dog tags to identify the Eastern Orthodox Christians. A representative of the Eastern Orthodox faith has been invited to participate in recent Presidential inauguration ceremonies. And the legislatures of at least half of the States have enacted resolutions officially recognizing Orthodoxy as a fourth major faith.

The resolution which I have introduced will require that all references by Federal agencies to major faiths include the Eastern Orthodox Church. I urge the House of Representatives to act immediately to give full and proper recognition to the Orthodox Christians of the United States, who are already in fact—if not in form—a major faith in our Nation.

PERSONAL ANNOUNCEMENT

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Jacobs] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACOBS. Mr. Speaker, on Tuesday, June 14, I was present on the floor of the House while S. 2950, the Defense Procurement Act of 1966, was being debated.

However, due to extremely important business in my home district, I had to leave before a vote was taken on this matter.

I heartily support the Defense Procurement Act of 1966.

If I had been present, I would have voted "aye."

"IS PATRIOTISM OUT OF DATE?"

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Moeller] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MOELLER. Mr. Speaker, it has been my privilege ever since I have been a Member of the Congress to sponsor an essay contest for the high school seniors in the 10th District of Ohio and to designate a winner from each county to be my guest for a week in the Nation's Capital.

During this week, 11 outstanding high school graduates of my district are here in Washington to learn more about the activities of their Congressman, see the working of the Federal Government at close range, visit the historic sights in and around Washington, meet distinguished leaders in Government, and in general gain a deeper appreciation of the privileges and responsibilities of American citizenship.

I am proud of these young men and women, and am pleased to submit their winning essays for the Record. They were asked to write on the theme: "Is Patriotism Out of Date?" Their answers speak mightily for themselves. I commend them to your reading. They give us all much encouragement for the future welfare of our country.

"Is Patriotism Out of Date?"

(By Greg Prakas, Athens County, Athens High School)

Patriotism . . . a word which, when spoken, possesses a quality all its own; when written, flows freely; a word that has meant so much to so many for so long.

How old is this force, patriotism? Did it originate with the "shot heard 'round the world in 1776"? Did the English claim its origin when they defeated the Spanish Armada after banding together? Or did it begin with the caveman as he protected the small groups in which he lived? The origin of the word is not so important as its meaning to us.

What is patriotism? A third-grader once answered, "It's that 'funny feeling' that comes up my back when they play *that song* at a football game." And who could have given a better answer to this question? That "funny feeling" . . . *that song* . . . the Liberty Bell . . . the voice of the late President Kennedy . . . these are true examples of patriotism.

But oftentimes today, we shy away from showing our patriotism. We *do* love our country, yet we dare not sing the National Anthem too loudly—if at all—in a crowd. And, of course, we realize what a wonderful institution democracy is, but we hesitate to display our flag on Independence Day because "no one else does it."

The manner in which Americans behave today causes many to ask the question: "Is patriotism out of date?" Has patriotism gone out of style like long skirts, the jitterburg and double-breasted suits?

Would Patrick Henry be "in vogue" to stand up today and cry, "Give me liberty or give me death"?

Would Nathan Hale be ridiculed for saying, "I regret that I have but one life to give for my country"?

Was John Kennedy labeled "out of date" when he suggested, "Ask not what your country can do for you; ask what you can do for your country"?

Patriotism is the guiding light which has led countless Americans to die in defense of their fatherland and its ideals. Who would dare to call these dead soldiers "out of date"?

No. Patriotism is *not* out of date. As long as Americans defend freedom in the name of these United States, as long as "Old Glory" flutters in the wind, as long as that "funny feeling" climbs up our backs, patriotism will live.

"I hope to find my country in the right; however, I will stand by her, right or wrong."

—John Crittenden

"Is Patriotism Out of Date?"

(By Linda Graybill, Fairfield County, Lancaster High School)

Carol has a red hat that she doesn't wear anymore. This hat is just like new and has a basic design that is always in style, but because her friends all have new hats this season, Carol has left hers on her closet shelf, forgotten and collecting dust.

In our society the things which no longer have any degree of utility we regard as out of date. They may be in excellent condition, but because of trends and of social pressure, we ignore or discard them. So it is with patriotism. Looking objectively at many American citizens, one might say that their failure to vote regularly, their ignorance of the candidates for office, along with a noticeable lack of interest in civic and community affairs show that they have put patriotism on a shelf to gather dust. These same people, when faced with the communist threat, sit back in their comfortable, secure homes and think that communism will never conquer them. If this feeling of false security ever prevails, the day could come when the United States would stand alone to face a communist world.

In contrast to this apathetic group, we have the active dissenters, who, in the name of patriotism, burn their draft cards and picket the Capitol with anti-government slogans. Following closely in their footsteps are the misinformed college students who riot and demonstrate for the constitutional rights of communists and for the rights of other groups who are subversive to the government of the United States of America. It is difficult to say which creates the greater problem, complacency or radicalism.

These people, however, are not the majority of the Americans. Many other citizens in this country are rising to meet the demands of patriotism. Many serve in the fields of law, politics, and social work. By joining the Peace Corps, young people show their earnest desire to serve the United States by helping less fortunate countries. Vast numbers of young men are enlisting in the armed services, knowing that they may have to give their lives to stop the spread of communism. Through the medium of television, millions of Americans watch the feats of our astronauts and feel a surge of pride in our nation's accomplishments. These people realize that patriotism never becomes "old hat". They love their country and are willing to preserve, protect, and defend it. These people may not wave flags avidly or shout slogans patriotically, but because of their great sense of pride in and loyalty to their country, they would be the first to join Sir Walter Scott who said, "Breathes there the man, with soul so dead, who never to himself hath said, This is my own, my native land!"

"Is Patriotism Out of Date?"

(By Danny Gilmore, Gallia County, Gallia Academy High School)

Is patriotism out of date? This is a question many Americans have been asking themselves, especially in the last few months. We have seen protest marches on college campuses all over the country. Marches protesting our government Vietnam policy, marches protesting racial segregation, marches protesting the increased draft quota, and marches protesting anything and everything our government does. It is true that some of these protests are justified, but for the most part these protests are just trying to get the government to do away with something these minority groups are against.

If a person from a foreign country were to come to the United States and hear of these protest marches and demonstrations, his first impression would be that all Americans are hypocrites and that patriotism in the United States is a thing of the past.

On the other hand, if this same visitor to our country were to sit in on a session of Congress and become a part of the lively debates and discussions, if he could attend a meeting of the Supreme Court and see the care and long hours of work which go into interpreting and explaining the laws which are passed by Congress, or even if he could visit a traffic court in a small town in the United States, he would readily see that his first impression was wrong. He would see that the unpatriotic Americans represent only a small percentage of our population. He would see that most Americans are patriotic and show their patriotism by trying to preserve the rights of every American citizen.

Many times we Americans are apt to become apathetic or indifferent to the problem of patriotism. We seem to get the complacent attitude that nothing will happen to the United States. If someone is unpatriotic or does something to show his averse feeling toward his country, we seem to think it is not our responsibility to do something about it or report it to the proper authorities. We must come to understand that if democracy is to survive, we must stand firm and show through our actions that patriotism in the United States is not out of date.

"Is Patriotism Out of Date?"

(By Beverly Ellinger, Hocking County, Logan High School)

It is easy to love one's country, and thereby, according to Daniel Webster, to be a patriot. It is easy to be proud of one's national heritage. But it is difficult today to demonstrate that love and to exhibit such pride. The difficulty lies in the lack of opportunity for any expression of one's individual patriotism. We are not asked today to buy Liberty Bonds, we do not display gold stars in our windows to honor our dead, we do not erect—"crosses, row on row," in a Flanders Field. Yet patriotism is not out of date. It is, on the contrary, the last binding force of these great United States.

There are still a few occasions when we can be vocally and visibly patriotic: we can pledge allegiance to our flag; we can display the Stars and Stripes on Flag Day, Veterans' Day, the Fourth of July; we can march in parades; we can fly our colors high above federal buildings, schools, and private business concerns. But, unless we are the right age to join some branch of the armed forces, how can we be *actively* patriotic?

It is not always the vocal, visible, and active kind of patriotism that is the true, abiding kind. We do not always recognize the real patriot, for he carries his allegiance within his heart and his banner within his soul. He shows his love for, and devotion to, his country in his daily living by guiding its young, by bettering its social conditions, by alleviating its suffering, by supporting its churches, by voting responsibly for its leaders, and by obeying its laws. All of these actions profess that he is not only a good citizen but also a loyal one. Good citizenship *is* patriotism.

Unfortunately, it is not the steadfast patriots who are publicized. It is, instead, the misguided and combative self-styled "patriots" who reach the headlines. When one of this kind physically attacked the late Ambassador Adali Stevenson with a heavy placard, and when another spat in the face of the then Vice-President Johnson, their nefarious acts were front page headlines. Relegated to the inside pages of the same newspapers were, doubtless, accounts—unspectacular but consequential—of 'business-as-usual' at the White House and in the United Nations. It is from such imbalance of merited publicity that Americans are getting the erroneous idea that their countrymen have lost their patriotism. The combative 'patriot' is no more representative of the average American citizen than a juvenile delinquent is representative of the average young American. Neither are the motives of a draft-card-burner representative of the feeling of hundreds of thousands of other young draftees.

Just as we must turn to the inner pages to find the import of the news, so must we turn to the inner man to discover the genuine patriot.

In a Flag Day speech Woodrow Wilson once gave his audience of American citizens a sound and lasting directive for patriotism. He said, "I am sorry that you do not wear a little flag of the Union every day instead of only some days. I can only ask you, if you lose the physical emblem, to be sure that you wear it in your heart, and the heart of America shall interpret the heart of the world."

Is Patriotism Out of Date?

(By Julia Pittenger, Jackson County, Jackson High School)

Democracy means a great way of life which affords an even greater responsibility—patriotism. It is a way of looking at humanity in society and a manner of behaving toward one's fellow men. True patriotism is the recognition of human dignity and mutual respect.

Unfortunately, our patriotism like our democracy is not perfect. Since love of country is actually a privilege, there are certain factions which will quite naturally choose to dissent. However, actions of these who apparently seem to oppose united national spirit only serve as stimulus for my own optimistic outlook. In a psychological sense, patriotism is the direct opposite of pessimism.

Many have bled and paid the highest prices of reputation, position, fortune, and even life itself in an effort to preserve this seemingly simple thing called democracy. But, in a deeper sense, patriotism is intangible. It is not all bloody battle nor is it seven red stripes and six white with fifty stars on a blue field, but rather it is the durable courage behind the blood and cloth with union of vigilance and purpose. As I ponder the stars and stripes, I must feel *humbly* proud that I am doing my part. Democracy *expects* everyone to perform his duty of citizenship.

Learning thoroughly the principles of this democracy and practicing its doctrines is patriotism. At the same time, so is investigating and understanding theories and teachings of other forms of government in order to be qualified to make intelligent decisions and exercise effective leadership. Surveying the world realistically and assessing allies in building a better world is necessary for future America.

However, I believe the greatest single patriotic contribution one can make to society is living democratically everyday of one's life in one's own home, schools, city, state, and country. Patriotism is clinging to convictions and ideals remembering yesterday, using today, and trusting tomorrow, for "where there is no vision, the people perish."

As Woodrow Wilson once said, "America lives in the heart of every man everywhere who wishes to find a region where he will be free to work out his own destiny as he chooses." I believe as long as there is patriotism there will be an America—and as long as there is a United States of America there *must* be patriotism.

"Is Patriotism Out of Date?"

(By David J. Crance, Lawrence County, St. Joseph High School)

The love the American citizen feels for his country is as much alive today as it was when it burned with uncontrollable patriotism during the fight for freedom 190 years ago. Our country has grown, strengthened and matured over the years and we Americans living today inherit the greatest, most highly developed and most conscientious civilization in the history of the world.

It is this love of country that gives us the incentive to continue to improve instead of contenting ourselves with our present accomplishments. Therefore, we cannot afford to let patriotism become out of date. It is only when we become apathetic in our attitudes that our country is in danger of sabotage from within.

In this world of treaties, alliances and commitments it is becoming more and more difficult for the average person to keep abreast of the latest events and to follow them through to their conclusions. We try. We all read newspapers, watch television and listen to the radio. We all hear the issues, but I feel that many of us do not fully understand them. Still it is very important that we do understand these problems because they have a direct effect on each of us today. At this moment we are fighting communism all over the world and most obviously in Viet Nam. We are fighting not just to protect that little area from socialism, but to try to save the entire world from a form of government which would completely eliminate any love of country and which would destroy all hope of life in a society which would give man the dignity he deserves.

The best definition of patriotism was given by President Kennedy in his inaugural address when he said, "Ask not what your country can do for you, but what you can do for your country." We should understand that his underlying thought was that *what we have given* our government through hard work and sacrifice at home and through death on the battlefields while fighting for democracy in America and in Europe, is what has made our country great. This is true patriotism and it is *not* out of date.

"Is Patriotism Out of Date?"

(By Jane Lucas, Meigs County, Rutland High School)

"I pledge allegiance to the flag of the United States of America . . ."

I believe that every person who has ever lived in the United States, has either heard these words or said them at one time or another.

We have pledged allegiance, loyalty, and devotion to our flag, our country, and our God. We have also pledged allegiance, loyalty, and patriotism to our country of freedom.

But how much does patriotism mean to people anymore? To me, it means a great deal. I can't imagine how our country would be, if it were in the hands of the communists. We would have no more liberty of doing or saying what we feel. We would no longer be able to worship as we please.

But I feel that today, some people are thinking less and less of patriotism.

Take the racial discrimination. Although many people are not rebelling against our country, aren't they rebelling against the rights and liberty of men?

Their freedom is just as precious to them as ours is to us.

The Viet Nam War. There are thousands of young Americans, fighting today, for a country which has asked for the help of the United States. But there are also thousands of young men and women who are demonstrating and rioting against America's actions in Viet Nam.

Why are these events occurring? Is it because of a "downfall" in our patriotism? I don't believe so. For I feel that the groups who are causing these demonstrations and riots, are small in number compared to those who love their country and respect the rights of others.

In today's world there are hundreds of thousands who take our liberty for granted. But does that mean that they are also taking "loyalty" for granted?

I feel that this is what people of foreign countries are believing.

The newspapers play up a big part of all the "wrong-doings" in this country but seldom the "right-doings."

What else may foreigners think?

Have they been shown that even though Americans do take their liberty for granted they still would fight again and again for it?

The best way my feelings can be summarized is to quote from "This is my Country":

"This is my country, land of my birth.
This is my country, grandest on earth.
I pledge Thee my allegiance:
America the bold.
For this is my country to have and to hold."

"Is Patriotism Out of Date?"

(By William Young, Morgan County, Malta-McConnelsville High School)

Patriotism can never be considered out of date as long as anyone with a mind and a country still lives. Patriotism is a common feeling held by the average person for his country. The simpler acts of patriotism are common and often go unnoticed in the news services. Many thousands of people say the pledge of allegiance to the flag each day and no one takes notice. On the other hand, let one or two extremists burn their draft cards or mistreat the flag and they make the front page of every newspaper in the United States. For each of the "protestors" there are thousands of young people that are willing to fight and die for their country.

Love of one's own country is one definition of patriotism. Each individual can love his country and still disagree with other patriots on what is best for the country. If every person agreed on the best course for the United States to follow, then our system of government would be unnecessary.

The history of the United States shows that from the very beginning, starting with our founding fathers who would have been "traitors" if they had lost the Revolutionary War, the United States has been guided by unselfish and self-sacrificing patriots who had only their idea of "what was best for their country." When we look to history, we can see that patriotism is growing stronger as the fact becomes more evident that the country we love is The United States of America.

"Is Patriotism Out of Date?"

(By Steve Howdyshell, Perry County, New Lexington High School)

Is patriotism out of date? I say "No"! Some people might not say this, but if they take an honest look at the people of the United States, they will see that patriotism is very much *in* date. People often look only at the misfits of society who carry signs to protest everything from civil rights to war.

Now take a look at the average person in the United States. Look at the factory worker, the farmer, the high school and college student, and everyone who helps make up this great Nation. Do you see them out carrying posters protesting our involvement in war or participating in a race riot? No! They have their views, but do not try to force them upon others. They may not always agree with the decisions made by the President or Congress, but they are Americans, and they will support their country. This is what patriotism is! The love and loyalty to your country and being ready to fight and to die for it and its principles show that the spirit of patriotism is alive today. The average person does not want war, but if it is necessary, he will fight. He believes in freedom and equality for all people and wants to see this brought about, not by riots and death, but by the love of people for one another.

The people who criticize Americans for not being patriotic are not sensible enough to recognize the fact that they are behaving exactly as the forces against freedom want them to behave. If these people truly take a good look at the American people and still believe they are not patriotic, they should take a good look at themselves.

Most citizens of today are just as patriotic as the founders of our country, and they are better informed than many of the people of that day. Since today's citizen is patriotic and knows what is happening in our country and the world, he cannot be unpatriotic. He will rear his children in a patriotic way and insure patriotism and freedom for the future. Patriotism is *in* date and always will be.

"Is Patriotism Out of Date?"

(By Mary Lynn Metz, Vinton County, Wilton High School)

"Breathes there the man, with soul so dead,
Who never to himself hath said,
This is my own my native land;"

These lines of poetry were written by Sir Walter Scott out of love for his homeland. For he knew without love for his country life has no meaning.

You may not be able to write a poem as beautiful as Scott did about his native land, but you can show love for your country in other ways.

Patriotism is not out of date. Some may think it is silly to show how proud you are of your country, but we live in a land where everyone is free—from the farmer who tills the soil to the multi-millionaire—we were all born free.

Our ancestors fought for this land and believed that every human being has the right to express his own opinion, to worship as he pleases and to be able to have a part in a government that is for the people and by the people.

What if there had been no great patriots such as Patrick Henry, Nathan Hale, Daniel Webster, Thomas Jefferson, and many, many others? These are men who believed in America and showed how proud they were of their land.

Can you say, "I am a patriot; I am proud of my ancestors who fought and died to preserve this land"? If you are proud, do you show it? Do you stand when our national anthem is played or put your hand on your heart when the pledge of allegiance is said? Do you have a feeling of pride when a stirring patriotic song is sung? Have you ever said to yourself, "This is my country, my land, and I'm proud to be a part of what it stands for"? These feelings toward our country make us true patriots. We are able to tell the world that this is our country, our land and we are going to preserve our heritage not only for ourselves but for those who will live after us.

If you have no feeling of pride, allegiance, or love toward your country then you, as Sir Walter Scott tells us, "shall go down, to the vile dust, from whence you sprung, unwept, unhonored, and unsung."

"IS PATRIOTISM OUT OF DATE?"

(By James Modecki, Washington County, St. Mary Central High School)

Love of country today seems to be declining, but actually it is only undergoing a change. Love or respect for one's country, better known as patriotism, is still here, only in a different form from colonial days.

In the time of the revolution, patriots were those who fought for the freedom of their new country and otherwise openly supported it. Today, patriots still fight for their country and do many other things to show their interest in their homeland. However, their vehemence in support of the country is more studied and critical. The phrase, "My country, right or wrong" does not now fit the needs of the modern day patriot. His cry should now be "My country, bettering itself."

Whether they want war in Viet Nam or not, those people who have enough interest to voice their views about pertinent subjects are showing patriotism. Those who take part in demonstrations for or against United States policy are taking an active part in the makings of their country.

Those people in the government service are very good examples of patriots, for they work for their country, or their country's leaders. If they didn't have some respect for their country, they surely would not work for it.

Many other people not in government service express their patriotism by writing their Congressmen and other government officials on subjects of importance. Those citizens who do these things certainly must have some love of country to their credit.

Actually, patriotism is not dead; in fact, it is growing and prospering more than ever before, but it has changed to fit the great century we live in.

JOSEPH V. BOMBA: VALEDICTORIAN, CAPITOL PAGE SCHOOL

Mr. HICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ROSTENKOWSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, the commencement exercises of the Capitol Page School took place in the House Ways and Means Committee Room yesterday at 8 p.m. There were 26 young men who received their diplomas. Young men who served us well in the House, Senate, and Supreme Court, but who sacrificed their leisure hours to study and achieve the honors of graduating. They are all a credit to the Congress, their community, but most of all to their parents, who proudly witnesses the ceremonies.

Joseph Victor Bomba, of Chicago, was valedictorian of the class of 1966. He is indeed an outstanding young man. We in the House of Representatives know Joe well for he was always eager to serve us in every way. To rank highest in his class, earn a membership on the National Honor Society, and be awarded scholarships to Haverford College in Pennsylvania and Northwestern University in Illinois are indeed accomplishments deserving of every recognition.

With permission, at this point in the RECORD, I would like printed the valedictory address that was delivered by Joseph Victor Bomba at the commencement exercises:

VALEDICTORY

(By Joseph V. Bomba)

Senator KENNEDY, Dr. Williams, Dr. Davis, Dr. Dakeyer, fellow graduates, relatives and friends.

350 years ago, John Donne, an English poet and minister, in an essay entitled "Devotions Upon Emergent Occasions," wrote "No Man is an Island, Entire unto Himself". The Wisdom of Donne's words can be seen more readily today than ever before. It is impossible to be separated from your fellow men.

In the last few centuries, great changes have come to society. Technology—the application of science to industry—has contributed greatly to a changing world. First came the steam engine, making the manufacture of many products easier and less expensive. Shortly afterward the use of interchangeable parts was introduced. This eventually led to mass production, making it possible to turn out a large number of goods at a low cost to the consumer. Yesterday's luxuries became today's necessities.

Today, great systems of computers have organized production and the worker to maximum efficiency, but the progress of science has not been limited to industry alone. Transportation has also been greatly effected.

The first voyage around the world, beginning in 1519, took three years to complete. Jules Verne astounded many people just before the turn of the century when he wrote of a voyage around the world lasting 80 days. Fiction? Well, recently a friend remarked that it took him three hours to complete 18 holes of golf. In that short time, two astronauts had circled the globe twice. It is, indeed, a small world.

Communication is another field in which great progress has been made. At the middle of the 19th Century, it took more than a week for news to cross the ocean, and but little less to cross the continent.

Then came the Trans-atlantic Cable, and shortly thereafter Marconi's Wireless Telegraph. Today there is Early Bird, which makes instantaneous world-wide images possible in our very own living room.

But science and technology have also created the thermonuclear bomb, and the guided missile. It is the responsibility of our generation to see that such developments are turned to uses beneficial to mankind.

These advances in transportation, technology, and communication have brought the world's problems to us in a more immediate and realistic manner. Events move swiftly—more swiftly than ever before.

The emergence of independent African Nations, crisis in the Middle East, or turmoil in Latin America, affect us almost to the same degree as does a riot in Los Angeles, a Governor's race in New York, or a hurricane battering it's way Northward along the Atlantic Coast.

Consequently, isolationism can and must be only a remembrance of things past. For never before has it been so plain that you and I are part of a World Community.

This World Community is highly complex. Advances in medicine have increased the life span of the individual and decreased infant mortality rates. These factors have contributed greatly to the overwhelming population of the World Community. There are many millions without enough to eat. "Getting away from it all by taking a trip to the mountains" is an impossibility, for one would find thousands there, all with the same idea.

Likewise, no Nation can be independent of all others. The resulting interdependence may be seen in a number of ways. For example, many products require materials which are not available in this country. They must be imported. We must not only recognize economic interdependence, however, but also human interdependence. We cannot stand idly by as millions die of malnutrition. Our government has recognized this to a limited extent, with the "Food for Peace" Program. For the future, though, we must go further.

The point is that we need, in this day and age, a heightened sense of community. The interests of others must become as important to us as our own. We must feel that we are wedded to a larger whole. In order to do this, we must develop a sense of international concern.

Now some might think that a concern for the world community is all well and good, but that there are other things in life. This is undeniably true. Nevertheless, all must have a feeling for the international concern to preserve these other things in life.

We, the 1966 graduating class of Capitol Page School, have been most fortunate. We have had the advantages of a small student-teacher ratio and have been able to discuss questions of concern. Moreover, in our capacities in the House, Senate, and Supreme Court, we have had the opportunity to observe first-hand the members of these great deliberating bodies as they strive to formulate solutions to the problems facing our world today.

What this has done is to make us more aware of the fact that we are a part of this world community of which I speak. In the future, we must continue this awareness. Changes come about rapidly, and in some cases abruptly. It is difficult to adjust to many of these changes, but in the past, we always have. Today it is more difficult than ever to keep pace, but we must. In this way only can we preserve the goals and ideals we seek today.

Thank you.

THE FREE PRESS VERSUS GOVERNMENT

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, last January 8, Publisher Eugene C. Pulliam was presented the John Peter Zenger Award for distinguished service to freedom of the press and the people's right to know.

For his outstanding contributions to society through his dedication to honest and courageous journalism over the years, Mr. Pulliam was obviously an excellent choice for the honor, yet after reading his acceptance speech, I must observe that this masterful address would in itself be sufficient to merit highest recognition in journalism, political science, sociology, or any number of other disciplines whose effectiveness is dependent upon freedom from government control and intimidation.

In pointing out that today the power of government over the lives and fortunes of the people is greater than at any time in our history, Mr. Pulliam cites a situation whose implications are not generally recognized but which poses a terrible threat to the very life of government by the people and of the people. For today big government hovers over every individual in every field of activity.

Centralized government not only determines in various degrees—through a multiplicity of agreements, orders, and controls—the basic supply and price structures of much of our food and clothing; it has become such a voracious consumer that it assumes by concealed threat the power to decide prices of materials to construct your homes, your automobiles, and your schools.

But big government has arrogated to itself considerably more supervision than the mere cost of building a school. It has come to occupy a front seat in the classroom, and unless the public—enlightened by the Nation's press—takes steps to expel this unwelcome bully, America's children will learn only what bureaucrats in Washington decide is enough for them.

The Nation is indebted to Mr. Pulliam and other newspaper publishers who are so resolute as to remain defiant of bureaucratic terror in calling attention to the dangers that prevail. His address should be read and reread by every Member of Congress, and it should be kept in every editor's desk for frequent review, with particular notice given to the admonition:

> Bureaucratic regulation and even outright Federal takeover of the press is not beyond the range of possibility. It has happened in other countries and we blindly deceive ourselves if we think it cannot happen here.

Under unanimous consent I include Mr. Pulliam's address in the Record:

The Free Press Versus Government

(An address by Eugene C. Pulliam, publisher of the Arizona Republic and the Phoenix Gazette, in accepting the University of Arizona's John Peter Zenger Award for Distinguished Service to Freedom of the Press and the People's Right To Know. The award was presented by Dean Francis Roy, dean of the School of Liberal Arts; delivered before the annual meeting of the Arizona Newspapers Association, Phoenix, Ariz., Jan. 8, 1966)

On the occasion of the presentation of the John Peter Zenger Award to Eugene C. Pulliam, President Lyndon B. Johnson sent the following telegram:

"Richard A. Harvill,
"*President, University of Arizona,*
"*Tucson, Ariz.:*

"Two centuries ago Andrew Hamilton said to the Zenger Jury: 'It is not the cause of a poor printer which you are trying, . . . it is the cause of liberty.' Today you celebrate that cause by honoring Eugene Pulliam. By his courage and conviction he has enlarged the freedom of the American press and the American people. This nation joins me in appreciation and congratulation.

"Lyndon B. Johnson."

President Cameron, Chairman Miller, Dr. Harvill, President Paul Miller, members of the Arizona Newspapers Association, ladies and gentlemen and fellow taxpayers:

I don't think I need to tell this audience of newspaper people that I consider it a special privilege to be here in any capacity, but I am doubly honored and humbly grateful to be here to receive the John Peter Zenger Award because of what that award represents. I especially cherish this award because it was voted to me by my own colleagues, and because this award was established to give continuing recognition to the efforts and determination of American newspapermen to keep as the basic right of the free press the inviolable right to tell the truth.

I should like, first of all, to say a word about John Peter Zenger and also about his very remarkable and courageous wife, Anna Zenger. It is surprising how many Americans have never heard of the Zengers. I have received many congratulations on this award, but at least one out of five of the people who congratulated me has said, "But who was Peter Zenger?"

Well, let me tell you who he was and let me tell you about his wife. Peter Zenger was a New York printer who in 1735 was faced with the same problems and the same dangers that American newspapermen face today. Peter Zenger was just a little printer in New York, but he believed in printing the truth. He was hounded by British authorities. He was harassed by the governor. He was finally accused of criminal libel and jailed. He stayed in jail for many, many months . . . all because he insisted on printing the truth. His lawyers were disbarred by the judge, who was a puppet of the British governor. He was left almost defenseless. Finally, Andrew Hamilton, a famous Philadelphia lawyer, came to New York to aid Zenger. Hamilton presented a brilliant and powerful argument that persuaded the jury to find Zenger not guilty by arguing that Zenger had printed the truth and that the truth is not libelous.

While being held for trial Zenger could communicate only with his wife, and she had to speak to him through the prisoner's keyhole. And it was Anna Zenger who kept their newspaper going, week after week after week. She missed only one edition. She kept the people of New York aroused. Her inspiration, her dedication, her brilliant mind, her unbelievable understanding of the importance of this trial made her the real "hero" of this dramatic story. The late Kent Cooper, the former great general manager of the Associated Press, called Anna Zenger "The Mother of American Liberty."

What did the Zenger trial do for liberty? First, it established the right of a jury to decide what is libelous and what is truth and not leave it to a judge who might be biased by some consideration or some pressure. Also it established the principle that truth is a complete defense against libel and therefore a newspaper has the right to print the truth.

I wonder how many American newspapermen and women today would go through the trials and tribulations and heartaches that Peter and Anna Zenger suffered in order to print the truth.

Zenger's trial is as important today in 1966 as it was in 1735, because the issue of freedom of the press and of the people to criticize their government is today, as it was then, the central issue of human liberty.

Then, for the first time, the people, through a jury and the press, successfully asserted their power to preserve free speech and a free press against the tyrannical power of both the government and any judge of the court.

Freedom of the press and freedom of speech in the United States are in greater danger today than they were in the time of Peter Zenger. For today the power of government over the lives and fortunes of the people is greater than at any time in our history, and that power is being used in many different ways to subvert and destroy the freedom of the people to examine the acts of their government, to criticize the policies of their government and to expose the failures of their government.

What do we mean when we talk about freedom of the press? Well, to me freedom of the press means freedom of the public to look behind the curtain of secrecy which governments erect to hide their activities; freedom to read about politicians who want to carry on corrupt and shady deals out of public view; freedom to learn of businessmen whose successes have depended as much on kick-backs and influence-peddling as on their ability to compete in the economic market place; and freedom to criticize labor bosses who employ tactics of coercion and intimidation.

In short, freedom of the press means the freedom of the public—the people—to be informed, to know the precise nature and character of the political and economic forces which control their destinies.

Thomas Jefferson said, ". . . were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter."

James Madison said, "Nothing could be more irrational than to give the people power and to withhold from them information without which power is abused. A people who mean to be their own governors must arm themselves with power which knowledge gives them."

If the press does not shine the spotlight of publicity on malefactors of the public trust, who will? Who but the press can act as the public's watchdog in the nation's interest? Who else is on the firing line day after day, fighting for the right of everyone to have access to the facts? Only the newspapers have the resources, the time and the manpower.

What I am saying here is that it is the responsibility of newspapers to do for the public what it hasn't the time or the facilities to do for itself—gather information, select that which is important and present it to the reader. But there are powerful forces aligned against the press, and therefore against the public. They are working to frustrate the free flow of information. It has been said many times, and newspapermen should never forget it—government is always the tyrant of a people, never its friend. Government is the natural enemy of the newspaper. Government understandably wants to conduct the nation's business—your business and mine—in secrecy. Government's relationship with the press has changed and deteriorated drastically in recent years. It is no longer enough for administrations to refuse to cooperate with the press. Now they consider it their duty to mislead and deceive us. I could cite you instance after instance where government officials have defended their policy of actually lying to the public.

Another factor working against the unfettered flow of information is the death of strong competitive newspapers.

It is undeniable that each time a legitimate newspaper folds, our nation comes that much closer to surrendering its prerogatives to centralized government. Each time a newspaper writes "30" to its existence, one more community watchdog disappears.

So I say to you as newspapermen that our responsibility to the public was never more important. It is quite obvious to me that the bureaucrats in Washington find nothing to worry about when a newspaper folds. With taxation and other forms of government intervention, weak newspapers have found it impossible to survive. Washington bureaucracy apparently wants to see to it that all cities of America become one-newspaper towns.

Washington bureaucrats care not for law or constitutional rights. They strive only to make the federal government all-powerful and all-inclusive over the lives and businesses of American citizens. With only one paper in a town, the bureaucrats would have fairly easy sledding in a Congress dominated by a strong chief executive. Newspapers would be brought under government regulation just as radio and television are now regulated.

With federal regulation of the press, government officials would be free to intimidate the press with decrees and orders which would be enforced with the effect of law. Bureaucratic regulation and even outright federal takeover of the press is not beyond the range of possibility. It has happened in other countries and we blindly deceive ourselves if we think it cannot happen here. The multitudinous restrictions of individual freedom under which we live today would, twenty-five years ago, have been unthinkable.

It is easy enough to find scapegoats for the unprecedented conditions and problems facing newspapers today, but it seems to me the blame must be shared by the following:

1. Unions which prevent the introduction of labor-saving and cost-cutting machinery.

2. The continually increased taxation for every conceivable type of social security and welfare, above and beyond the needs of even a "Great Society."

3. The dogged policy of the antitrust division which today makes it almost impossible for a newspaper publisher even to speak to a weak competitor, much less help him keep his paper going.

4. The public, which seems often to care more for entertainment than for knowledge and enlightenment.

5. And, finally, the newspapers themselves for their aloofness and their resistance to change.

Let me give you an example of publisher oversight, aloofness and stupidity for which there is no justification. Some weeks ago the heads of the various printing trades unions and the labor relations committee of the American Newspaper Publishers Association held a joint meeting here in Phoenix. Nina and I had a dinner party in our home for the union officers and the publishers' labor committee, together with their wives. In the course of the evening the president of a union, which is represented in the majority of the newspapers throughout this country, told me this was the first time in his life he had been invited to a publisher's home!

Here was a man with the same feelings and ambitions as other men, a man who has reached the top of his chosen profession, yet never before had a publisher thought to invite him to his home. Was this inexcusable oversight deliberate? I don't think so. My personal opinion is that too many publishers fall into the human error of thinking in terms of friends and foes, rather than in terms of human beings.

Instead of constantly fighting each other, I believe the printing trades unions and the publishers should get together on a program of mutual advancement and self-protection. Thousands of mechanical jobs may be at stake if the federal government ever brings the newspapers under federal regulation. The unions and the publishers have so much in common that I cannot help but believe that tolerance and common sense and a willingness on each side to see the other's viewpoint will solve almost any problem confronting us. And we need a united front—the printing unions and the publishers—in this fight to head off federal domination of newspapers, for ours is a common cause versus government.

Also, I think publishers have been very negligent in their efforts to recruit bright young men and women for the newspaper industry. We should do everything we can to convince young people that the newspaper profession is a calling just as fascinating and as useful and as rewarding as the ministry, medicine or the law.

The final area where the public's right to know is being curtailed is in that twilight zone where the First and Sixth Amendments clash headon—where the constitutional guarantee of a free press runs head-long into the equally explicit constitutional guarantee of a fair trial by an impartial jury. In spite of everything everybody has said—judges, lawyers and columnists—it is very obvious that if the legal profession succeeds in shutting off the flow of pre-trial news on the pretext of assuring an impartial trial, other professions, armed with equally convincing-sounding arguments, will agitate to reduce the newspaper profession to re-writing handouts and routine releases.

There isn't an honest newspaperman in this country who wouldn't fight for the right of any man to have a fair trial. But our job is to protect the public and to make sure the public is informed about what goes on. And we can't do it if the legal profession is going continually to harass us with new regulations and new proceedings which give judges almost a mandate to muzzle the press. It is a fight that affects every newspaper in every city in America.

I don't for one minute condone trial by newspapers. But let's get one thing clear, let's get this straight: no civil right, including the right of a fair trial, is worth a tinker's dam unless it is protected by the right of free expression. If an accused man can't say his piece in court, cannot have lawyers and friends plead his case, what good is his so-called "civil right" to a fair trial? Without the right of free expression, justice would deteriorate into a tragic comedy. When these two amendments clash—and it seems they clash only when publicity-seeking lawyers stage the collision—the First Amendment must take precedence over the Sixth Amendment, because without the First Amendment, the Sixth Amendment would become a mockery of justice.

Thank God we have in America hundreds of judges in the high courts and in the lower courts, many of them in this state, who realize that freedom of expression is the fundamental right of all liberty.

The world of 1966, like Peter Zenger's world of 1735, is still engaged in mortal combat with those who would be free and those who would deny freedom to others; those who believe people should have access to the facts and those who are convinced they know what is best for you and for me. So long as the forces of freedom exist, we who are privileged to be part of those forces must resist arbitrary power and secrecy wherever and whenever it appears. We must take our stand on behalf of the people, all the people. It is the only choice for those who cherish freedom and justice. Liberty can be destroyed by tyrannical government and tyrannical courts if the people can be threatened or persuaded to abandon free speech and a free press. Newspapers defend the right of individuals against the entrenched power of arrogant abuse by public officials. They fight to bring the truth to light; to support justice and oppose injustice; to make certain that every individual is treated equally before the law; to make certain that every American can speak his piece without fear or favor. Today the United States is the last great bastion of liberty in the world, and a free press in America is the last great bastion of the people against complete domination by government.

If newspapers will recognize their responsibility, as well as their opportunity, to print the truth; refuse to be intimidated; refuse to bow to government bureaucracy; then they will serve the highest cause of civilization, which is individual freedom, the freedom of choice and the right of free expression. As partners in freedom, the people and the press in America can save liberty.

Without the right of freedom for the individual, without the right of free expression for everyone, there can be no lasting or satisfying progress for us in America. This is the freedom we must cherish, this is the freedom we must fight for, this is the freedom—if necessary—we must go to jail to preserve. We must cherish it and hold it the dearest thing in life, because if America maintains its freedom, then sometime, somehow, America, being free, will show the rest of the world the road to freedom. This I believe, my friends, is the divine mission of America—freedom for ourselves and eventually freedom for all the world.

And because it is our special mission we should remind ourselves every morning that "Eternal vigilance is the price of liberty."

In closing, I want to salute the University of Arizona for its vision and wisdom in recognizing the great contribution Peter Zenger and his wife Anna made to the cause of freedom. And again a thousand grateful thanks for this award.

Good luck and God bless all of you.

LACK OF CHECKS AND RESTRAINTS ON PROFITEERING IN VIETNAM

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Delaware [Mr. McDOWELL] is recognized for 5 minutes.

Mr. McDOWELL. Mr. Speaker, I submit the following interesting report with respect to the conflict in Vietnam:

[From the Christian Science Monitor, June 8, 1966]

CONGRESSMEN SEE U.S. AID DOLLARS STRAYING IN VIETNAM

(By William C. Selover)

WASHINGTON.—Few businessmen in the world are hauling in as much profit as those in Saigon.

Business there is booming.

But Congress is beginning to wonder if it should be quite so good.

In fact, members of a special congressional delegation just returned from Vietnam are raising serious questions about the lack of checks and restraints on profiteering carried out by Vietnamese businessmen at the direct expense of American taxpayers.

The basic problem stems from the vast American aid program.

Since 1955, the United States has pumped some $1.7 billion worth of consumer goods into Vietnam under its commodity import program (CIP). This amounts to 80 percent of all nonmilitary aid sent to that country in that period.

FINAL USE QUESTIONED

This program allows Saigon businessmen on license by the South Vietnamese Government to contract for goods with American businessmen, import the goods to Vietnam, then pay for them in piasters, the local currency. American aid dollars are used to reimburse the American businesses, and the piasters used to pay for the goods go into a joint United States-Vietnamese account.

The aim of the program is to stem inflation while promoting economic stability in the country.

But members of the House foreign operations and government information subcommittee found that CIP money is virtually subsidizing some 40 to 50 big businessmen in Saigon. Furthermore, there is practically no control over the final use of the goods. Subcommittee members believe that some of these goods are being resold to the Viet Cong, the North Vietnamese, and even the Chinese Communists. Unfortunately, restraints are so slack, there is no way of knowing for sure.

BUSINESSMEN PROFIT

Here are some of the findings which deeply disturb some individual members of the subcommittee:

The exchange rate set for the CIP program is 60 piasters to the dollar. The official rate is 118 to the dollar and the black market rate is 190 to 200.

This means United States taxpayers are getting about 30 cents of real value out of every dollar spent. Saigon businessmen pocket the difference. It also means these businessmen can resell the goods for terrific profits—for dollars or even gold.

There is no check on the appropriate amount of a specific item imported into Vietnam, and there is no way of checking what it will be used for—there is no "end use audit" procedure. Here are two recent blatant examples of what this can mean:

Subcommittee members learned that about 15 times the amount of silver nitrate which South Vietnam could possibly use went into that country last year.

SHIPMENTS HALTED

Likewise, about 10 times the amount of another chemical, unicel, which could possibly be used in their country was sold to Saigon businessmen.

Both these chemicals can be broken into ingredients for high explosives. And the silver can be extracted from silver nitrate for hoarding. Shipments of these two chemicals have been halted now, according to officials of the Agency for International Development (AID). Congressmen suspect much of these chemicals ended up in Viet Cong hands.

The United States and South Vietnam Governments knew practically nothing about the Vietnamese businessmen who hold the CIP licenses. United States officials lack basic knowledge, for example, of whether they are Chinese or Vietnamese in background or what their business connections are.

SUGGESTIONS VETOED

Goods originally ordered by businessmen can be turned down on arrival and not paid for. South Vietnam officials then confiscate them, auction them off at "a very reduced rate"—and the money then goes into the South Vietnam coffers, not into the joint United States-Vietnamese account. One subcommittee member pointed out that the Viet Cong could be buying these goods at auction—because there is no check on who buys them.

The joint United States-Vietnamese account, into which Vietnamese businessmen pay piasters for the goods, was intended to be used for United States civil-aid projects. Also, an agreed amount supports the South Vietnamese governmental budget. But, in effect, the government of South Vietnam exercises a veto over the use of these funds so completely that the aims of the civil-aid projects are seriously frustrated.

Recent examples of projects the United States Embassy was pushing but which failed to gain approval of the South Vietnamese Government include: use of the funds to pay for garbage collection in Saigon, to build police barracks, and to establish a fund from which to pay Vietnamese claims against the United States.

One subcommittee member called the failure of United States controls over this program a "windfall" for Saigon businessmen.

REPORTS WITHHELD

Another member of the delegation, Robert P. Griffin, now Republican Senator from Michigan, was blunt in his observations. "What we saw over there is a situation where Saigon businessmen have a vested interest in the prolongation of the war," he charged in an interview.

The subcommittee, under the chairmanship of Rep. John E. Moss (D) of California, is preparing a report on its findings. No one can say what its final shape will take since it has not been completed. But it will probably place strong blame for the slack program on both AID officials and on the General Accounting Office (GAO), charged with the responsibility to double-check the administration of government programs all over the world.

STAFF INCREASED

One subcommittee member charged that AID administrators in Washington "simply couldn't answer basic questions about their programs. That's why we went to Vietnam." He said they found that AID officials in Vietnam were simply holding onto the audit reports to update them. "They were never sent to Washington." No wonder Washington officials couldn't answer questions, he observed.

Subcommittee members are especially disturbed about what they see as dangerous understaffing of the CIP program, especially in accounting and auditing.

In the 10-month period between June, 1965, and April, 1966, the number of AID personnel increased from 630 to 1,900. But until the past few months, only two of these employees were principally concerned with the CIP. A year ago, only one American was in charge. Now, after the subcommittee began investigations seven or eight months ago, the number has increased to seven.

Yet, this year $370 million out of a total AID commitment of $630 million, went to the CIP.

The only formal report issued by the GAO on governmental programs in Vietnam in the past seven years came in 1964. Then the GAO, which is an independent arm of the Congress, set up in 1921 to ride herd on the administration, charged that AID was operating under completely inadequate procedures—that nonessential commodities were being admitted into the CIP, that profiteering and overpricing were being allowed.

"Yet, in spite of this report, AID conducted no audit until we got there," said one delegation member.

INADEQUACY CHARGED

Rutherford M. Poats, director of AID for the Far East, says the procedures are still "not adequate."

He said they have steadily expanded the AID auditing staff to 17. He conceded, however, that seven of those were trainees.

He said AID had increased the authorized positions to 26, but that since Vietnam is such a dangerous place, it is very hard to get auditors to go there. AID now is "ordering them from other AID missions around the world by forced draft to go to Vietnam."

Another problem is getting local Vietnamese for the staff. "We can't pay more than the local wages. We've lost some key people to private business which can pay much more."

Still there is no "end use" auditing procedure.

GAO officials admit that after the 1964 report they had "no one physically in Vietnam," until "a team of four people" went there briefly this spring. One congressional source said of the GAO: "They have been conspicuously absent in Vietnam."

Subcommittee members tend to excuse the GAO on the grounds that it has "no continuing responsibility" in any special area. Its investigations are made at the discretion of the comptroller general, and at the request of Congress.

PERMANENCY STUDIED

Yet, GAO officials themselves say that with the size of the program and the "tremendous expenditure," it might be useful to establish a permanent office there.

"The salutary effect of our presence could be a factor of some consequence," said an official. But there are no plans to do this at present.

"We were aware that we had not covered anything there in a number of years," he said explaining the decision to investigate in 1964.

"But we have some reservations in deciding what practically can be accomplished in sending our people to Vietnam under wartime conditions. It might be a better idea to go other places where we could accomplish more," said an official of the GAO international operations division.

STAFF DIFFICULTIES

He also cited the difficulty in getting a staff overseas.

The total worldwide staff of GAO is about 2,000. The Far East headquarters in Hawaii has a staff of about 35. But GAO presently has no one in Vietnam, which has the largest United States AID program in the world.

Apparently, the subcommittee's investigation has set the ball rolling.

Since it started, the State Department's inspector general of foreign assistance and the AID comptroller have been to Vietnam. Also the director of foreign service personnel was scheduled to go.

But a more basic problem is pointed out by subcommittee member Rep. Donald Rumsfeld (R) of Illinois: "As I look at it, I feel we lack leverage with the Government of South Vietnam."

He says he believes American officials are afraid to demand more controls.

Another subcommittee member agrees. Says Rep. David S. King (D) of Utah, "In theory, we can't go in to run the show."

But he asserts that this idea has been "used as a cloak to cover up a rather shoddy and unsatisfactory performance by the South Vietnamese Government."

Adds Mr. Griffin: "My greatest criticism is that the very expensive CIP, so obviously susceptible to corruption and abuses, has been almost completely left in the hands of the Saigon government. We are justified in taking a stronger hand."

Whatever the final recommendations of the subcommittee will be, there are sure to be some strong recommendations for a greater United States role in overseeing the use of United States taxpayer's money. From what these congressmen say, such supervision barely exists at all today.

Total economic aid for fiscal 1967: 71% to South Vietnam; 29% to all others.

U.S. economic aid to South Vietnam

[In millions]

Fiscal 1963	$143.6
1964	165.7
1965	224.9
1966	541.1
1967	550.0

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Farnum (at the request of Mr. Boggs), for June 13, on account of illness.

Mr. Flynt (at the request of Mr. Davis of Georgia), for Tuesday, June 14, 1966, on account of official business.

Mr. Krebs (at the request of Mr. Albert), for today, on account of official business.

Mr. McEwen (at the request of Mr. Gerald R. Ford), for balance of week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Willis, for 15 minutes, today.

Mr. Halpern (at the request of Mr. Andrews of North Dakota), for 20 minutes, today; and to revise and extend his remarks and include extraneous material.

Mr. CONTE (at the request of Mr. ANDREWS of North Dakota), for 15 minutes, June 15; and to revise and extend his remarks and include extraneous material.

Mr. MICHEL (at the request of Mr. ANDREWS of North Dakota), for 30 minutes, June 20; and to revise and extend his remarks and include extraneous material.

Mr. CHAMBERLAIN (at the request of Mr. ANDREWS of North Dakota), for 15 minutes, June 15; and to revise and extend his remarks and include extraneous material.

Mr. MCDOWELL (at the request of Mr. HICKS), for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. HÉBERT and to include pertinent material on debate during H.R. 2950.

Mr. RIVERS of South Carolina to include a statement by General Westmoreland at the beginning of his remarks made today in the Committee of the Whole.

Mr. HAGAN of Georgia.

Mr. GONZALEZ.

Mr. GRABOWSKI in four instances.

(The following Members (at the request of Mr. ANDREWS of North Dakota) and to include extraneous matter:)

Mr. BERRY.

Mr. PELLY in two instances.

(The following Members (at the request of Mr. HICKS) and to include extraneous matter:)

Mr. JONES of Alabama.

Mr. BLATNIK.

Mr. PURCELL.

Mr. LONG of Louisiana.

Mr. ROONEY of New York.

Mr. DANIELS.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 777. An act for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado; to the Committee on the Judiciary.

S. 1522. An act to remove arbitrary limitations upon attorneys' fees for services rendered in proceedings before administrative agencies of the United States, and for other purposes; to the Committee on the Judiciary.

S. 2491. An act for the relief of Dr. Juan Federico Antonio Lamas y Parra; to the Committee on the Judiciary.

S. 2529. An act for the relief of Dr. Felix Hurtado Perez; to the Committee on the Judiciary.

S. 2640. An act for the relief of Dr. Guillermo Rodriguez; to the Committee on the Judiciary.

S. 2647. An act for the relief of Dr. Mario Guillermo Martinez; to the Committee on the Judiciary.

S. 2663. An act for the relief of Dinesh Kumar Poddar; to the Committee on the Judiciary.

S. 2702. An act for the relief of Dr. Angel Montero-Novoa; to the Committee on the Judiciary.

S. 2751. An act for the relief of David R. Slemon; to the Committee on the Judiciary.

S. 2761. An act for the relief of Dr. Julio Sanguily, Jr.; to the Committee on the Judiciary.

S. 2771. An act for the relief of Hazel Louise Schuman Strunk; to the Committee on the Judiciary.

S. 2796. An act for the relief of Dr. Rafael Anrrich; to the Committee on the Judiciary.

S. 2800. An act for the relief of George Joseph Saad; to the Committee on the Judiciary.

S. 2801. An act for the relief of Helena Gilbert Maddagiri and Heather Gilbert Maddagiri; to the Committee on the Judiciary.

S. 2838. An act for the relief of Irene Snyder; to the Committee on the Judiciary.

S. 2853. An act for the relief of Abraham Presser; to the Committee on the Judiciary.

S. 2854. An act for the relief of Dr. Gottfried R. Kaestner; to the Committee on the Judiciary.

S. 2865. An act for the relief of Dr. Alfredo Hernandez; to the Committee on the Judiciary.

S. 2869. An act for the relief of Dr. Jose Enrique Diaz; to the Committee on the Judiciary.

S. 2884. An act for the relief of Dr. Manuel A. Zuniga; to the Committee on the Judiciary.

S. 2945. An act for the relief of Dr. Jaime E. Condom Valera; to the Committee on the Judiciary.

S. 2946. An act for the relief of Dr. Mario V. Machado Espinosa; to the Committee on the Judiciary.

S. 2957. An act for the relief of Wing Yuen Wong, also known as Wing Yuen Gee; to the Committee on the Judiciary.

S. 3249. An act to consent to the interstate compact defining the boundary between the States of Arizona and California; to the Committee on the Judiciary.

S.J. Res. 150. Joint resolution to provide for the designation of April 1967, as "Federal Land Bank Month"; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1233. An act for the relief of Lee Chung Woo;

H.R. 2290. An act for the relief of Charlotte Schulz;

H.R. 3692. An act for the relief of William F. Kuhlman;

H.R. 3774. An act for the relief of Wanda Olszowa;

H.R. 5003. An act for the relief of Evangelia G. Latsis;

H.R. 5533. An act for the relief of Kuniki Nagano Zwiefelhofer;

H.R. 8219. An act for the relief of Cho Myung Soon and Cho Myung Hee;

H.R. 8833. An act for the relief of Sarah Antoinette Cappadona;

H.R. 9643. An act for the relief of Haider Raza and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza;

H.R. 10133. An act for the relief of Fritz A. Frerichs;

H.R. 10638. An act for the relief of certain employees of the Post Office Department at Eau Gallie, Fla.; and

H.R. 12396. An act for the relief of Elton P. Johnson.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week"; and

S.J. Res. 161. Joint resolution to designate the third Sunday in June 1966 as Father's Day.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

On June 13, 1966:

H.R. 15151. An act to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

On June 14, 1966:

H.R. 3177. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 3957. An act to authorize establishment of Fort Union Trading Post National Historic Site, N. Dak. and Mont., and for other purposes;

H.R. 5984. An act to amend sections 2275 and 2276 of the Revised Statutes, as amended, with respect to certain lands granted to the States;

H.R. 6646. An act to amend the Recreation and Public Purposes Act pertaining to the leasing of public lands to States and their political subdivisions;

H.R. 9961. An act to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children;

H.R. 10431. An act to declare that certain federally owned land is held by the United States in trust for the Minnesota Chippewa Tribe;

H.R. 11748. An act to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to or from a Veterans' Administration facility or other place in connection with vocational rehabilitation or counseling, or for the purpose of examination, treatment, or care;

H.R. 12676. An act to amend the Tariff Schedules of the United States to provide that certain forms of copper be admitted free of duty;

H.R. 13366. An act to authorize the disposal of aluminum from the national stockpile;

H.R. 13768. An act to authorize the disposal of celestite from the supplemental stockpile;

H.R. 13769. An act to authorize the disposal of cordage fiber (sisal) from the national stockpile;

H.R. 13770. An act to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile; and

H.R. 13773. An act to authorize the disposal of opium from the national stockpile.

ADJOURNMENT

Mr. HICKS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 28 minutes p.m.) the

House adjourned until tomorrow, Wednesday, June 15, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2490. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize a special 30-day period of leave for a member of a uniformed service who voluntarily extends his tour of duty in a hostile fire area; to the Committee on Armed Services.

2491. A letter from the General Counsel, Pacific Tropical Botanical Garden, transmitting the Corporation's report of audit for the period January 1 to December 31, 1965, pursuant to the provisions of Public Law 88-449; to the Committee on the Judiciary.

2492. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a request for the withdrawal and return of a certain case involving suspension of deportation, pursuant to the provisions of section 244(a)(1) of the Immigration and Nationality Act of 1952, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BECKWORTH: Committee on Post Office and Civil Service. S. 1495. An act to permit variation of the 40-hour workweek of Federal employees for educational purposes; without amendment (Rept. No. 1623). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee of conference. Conference report on H.R. 14266, an act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; without amendment (Rept. No. 1624). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 15656. A bill to provide a comprehensive program to combat alcoholism; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL:

H.R. 15657. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 15658. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to conduct a special educational training and physical rehabilitation program for persons with educational or physical deficiencies to enable them to serve effectively in the Armed Forces; to the Committee on Armed Services.

By Mr. BERRY:

H.R. 15659. A bill to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BYRNE of Pennsylvania:

H.R. 15660. A bill to authorize the Secretary of the Interior to acquire certain property of the New Amsterdam Casualty Co. for inclusion in the Independence National Historical Park, Philadelphia, Pa.; to the Committee on Interior and Insular Affairs.

By Mr. COOLEY:

H.R. 15661. A bill to provide assistance to first processors of agricultural commodities who have suffered substantial losses because of the economic impact of commodity programs of the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

H.R. 15662. A bill to amend the Federal Seed Act (53 Stat. 1275), as amended; to the Committee on Agriculture.

By Mr. EVERETT:

H.R. 15663. A bill authorizing the sale of standard silver dollars held by the Treasury; to the Committee on Banking and Currency.

By Mr. FINO:

H.R. 15664. A bill to amend the Voting Rights Act of 1965 to protect the right to vote in Federal, State, and local elections of U.S. citizens who have successfully completed the sixth primary grade or equivalent educational level in any public or private school within or outside the United States in which the predominant classroom language was other than English; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 15665. A bill to amend Public Law 89-284 relating to participation of the United States in the HemisFair 1968 Exposition to be held in San Antonio, Tex., in 1968, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H.R. 15666. A bill to amend part B of title XVIII of the Social Security Act to include prescribed drugs among the items and services covered under the supplementary medical insurance program for the aged; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 15667. A bill to revise the Federal election laws, and for other purposes; to the Committee on House Administration.

By Mr. MOORE:

H.R. 15668. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MULTER:

H.R. 15669. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 15670. A bill to amend the provisions of the Oil Pollution Act, 1961 (33 U.S.C. 1001-1015), to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 15671. A bill to amend title II of the Merchant Marine Act, 1936, to authorize the establishment and operation of sea grant colleges and certain education, training, and research programs; to the Committee on Merchant Marine and Fisheries.

H.R. 15672. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 15673. A bill to amend section 7701 of the Internal Revenue Code of 1954 to clarify the tax status of certain professional associations and corporations formed under State law; to the Committee on Ways and Means.

By Mr. PURCELL:

H.R. 15674. A bill to prohibit desecration of the flag; to the Committee on the Judiciary.

By Mr. ROBISON:

H.R. 15675. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. RYAN:

H.R. 15676. A bill to provide for the protection, conservation, and development of the natural coastal wetlands of Hempstead-South Oyster Bay, Long Island, for fish and wildlife and outdoor recreation purposes, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ST GERMAIN:

H.R. 15677. A bill to designate the Veterans' Administration hospital at Providence, R.I., as the "Theodore Francis Green Memorial Hospital"; to the Committee on Veterans' Affairs.

By Mr. WILLIS:

H.R. 15678. A bill to amend the Internal Security Act of 1950, and for other purposes; to the Committee on Un-American Activities.

By Mr. BLATNIK:

H.R. 15679. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. DAVIS of Georgia:

H.R. 15680. A bill to designate the reservoir formed by Carters Dam on the Coosawattee River in the State of Georgia as "Lake Richard B. Russell"; to the Committee on Public Works.

By Mr. FULTON of Pennsylvania:

H.R. 15681. A bill to provide financial and other aid, under the Housing Act of 1949 and related Federal programs, to encourage and assist in the preservation and maintenance of historic structures; to the Committee on Banking and Currency.

H.R. 15682. A bill authorizing the sale of standard silver dollars held by the Treasury; to the Committee on Banking and Currency.

H.R. 15683. A bill to promote and coordinate historic preservation activities of the Federal, State, and local governments, other public bodies, and private organizations and individuals; to the Committee on Interior and Insular Affairs.

By Mr. GIAIMO:

H.R. 15684. A bill to amend the Railroad Retirement Act of 1937 to provide that employees who terminate their railroad employment before completing 10 years of railroad service may apply for and receive a refund of the railroad retirement taxes which they have paid; to the Committee on Interstate and Foreign Commerce.

By Mr. LANDRUM:

H.R. 15685. A bill to designate the reservoir formed by Carters Dam on the Coosawattee River in the State of Georgia as "Lake Richard B. Russell"; to the Committee on Public Works.

By Mr. REINECKE:

H.R. 15686. A bill to prohibit mutilation and desecration of the national flag; to the Committee on the Judiciary.

By Mr. RESNICK:

H.R. 15687. A bill to provide grants to State educational agencies for the purpose of supporting the growth and expansion of local school systems by relieving aged low-income property owners of increases in real property taxes caused by such growth and expansion; to the Committee on Education and Labor.

By Mr. SCHISLER:

H.R. 15688. A bill to amend the Mental Retardation Facilities Construction Act in order to permit the construction of classrooms under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. WELTNER:

H.R. 15689. A bill to amend the Internal Security Act of 1950, and for other purposes; to the Committee on Un-American Activities.

By Mr. DEVINE:

H.J. Res. 1168. Joint resolution proposing an amendment to the Constitution of the

United States relating to the power of the Supreme Court to declare any provision of law unconstitutional; to the Committee on the Judiciary.

By Mr. FASCELL:

H.J. Res. 1169. Joint resolution to enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967 and authorize an appropriation therefor; to the Committee on Foreign Affairs.

By Mr. GIAIMO:

H.J. Res. 1170. Joint resolution to provide for the creation of a captive nations freedom series of postage stamps in honor of national heroes of freedom, commencing with a Taras Shevchenko freedom stamp; to the Committee on Post Office and Civil Service.

By Mr. DENT:

H. Con. Res. 764. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI:

H. Con. Res. 765. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. HICKS:

H. Con. Res. 766. Concurrent resolution to express the sense of Congress on elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. LEGGETT:

H. Con. Res. 767. Concurrent resolution favoring free elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. STALBAUM:

H. Con. Res. 768. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. WRIGHT:

H. Con. Res. 769. Concurrent resolution to express the sense of Congress on elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. BURTON of California:

H. Con. Res. 770. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. DYAL:

H. Con. Res. 771. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr HELSTOSKI:

H. Con. Res. 772. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. LEGGETT:

H. Con. Res. 773. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. LONG of Maryland:

H. Con. Res. 774. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. RESNICK:

H. Con. Res. 775. Concurrent resolution favoring a United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. BRADEMAS:

H. Res. 887. Resolution authorizing the printing of additional copies of House Report No. 1539 by the Committee on Education and Labor on the International Education Act of 1966; to the Committee on House Administration.

By Mr. CULVER:

H. Res. 888. Resolution declaring the Eastern Orthodox Church to be a major faith in the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORMAN (by request):

H.R. 15690. A bill for the relief of Franciszek Kajrys, his wife Stanislawa Kajrys, and their minor daughters, Teresa Kajrys and Lucyna Kajrys; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 15691. A bill for the relief of Giuseppe (Joseph) Gagliano; to the Committee on the Judiciary.

By Mr. FOGARTY:

H.R. 15692. A bill for the relief of Emil William Aceto; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 15693. A bill for the relief of Mrs. Pearl C. Davis; to the Committee on the Judiciary.

By Mr. HORTON:

H.R. 15694. A bill for the relief of John Joseph Shea; to the Committee on the Judiciary.

By Mr. MACDONALD:

H.R. 15695. A bill for the relief of Bahram Ravan; to the Committee on the Judiciary.

By Mr. MORRIS:

H.R. 15696. A bill for the relief of Dr. Mohamad Ali Rajaee and wife, Mrs. Parvin (Ghaziaskar) Rajaee; to the Committee on the Judiciary.

By Mr. REES:

H.R. 15697. A bill for the relief of Woo Yeoung Park; to the Committee on the Judiciary.

By Mr. STEPHENS:

H.R. 15698. A bill for the relief of Enrique E. Bertot; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

399. The SPEAKER presented a petition of Henry Stoner, Portland, Oreg., relative to repairs to the west portico of the U.S. Capitol Building, which was referred to the Committee on Appropriations.

EXTENSIONS OF REMARKS

Flag Day

EXTENSION OF REMARKS

OF

HON. SPEEDY O. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. LONG of Louisiana. Mr. Speaker, today Americans throughout the world are observing Flay Day in commemoration of the adoption by the Continental Congress of the original Stars and Stripes on June 14, 1777.

It has been 189 years since that great day and our flag has stood the test of time. Today millions of Americans are flying their flags because it is the symbol of strength, freedom, and hope. As much as ever, we need a symbol to remind us that we do have cause to be patriotic.

Although we do not all agree to the exact procedures by which our system of government should operate, we do have to acknowledge the fact that we have a great Nation—a nation where we have the opportunity to worship the Almighty, to pray, to work, to save, to invest, to own, to vote, to travel, to learn, to teach, to preach, to agree, to disagree, to praise, to condemn, to serve, to think, to create, to write, to speak, to play, to love, to sleep, to rest, to be humble, and to be proud.

We have much to be thankful for and to be proud of and our flag with its stars and stripes, is ever a reminder of this.

Flag Day

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. BERRY. Mr. Speaker, today is Flag Day in the United States. It is a special day on which every American can show his "colors," particularly in this period of conflict and sacrifice for the principles the American flag represents.

Flag Day has somehow lost its meaning in recent years, and it is the duty of every citizen to combat the greatest dangers in a democracy—apathy and indifference.

The American flag has flown on battlefields around the world, it has been the symbol of our way of life in remote corners of the world, and it has become the one great source of courage and strength in the building of our Nation.

Today is a time for renewing our faith in the system the flag represents and for rededication to the spirit and soul of America which the American flag embodies.

Anniversary of Deportation of Citizens of Baltic Nations

EXTENSION OF REMARKS

OF

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. DANIELS. Mr. Speaker, today we commemorate the sad anniversary of the beginning of the mass deportation of citizens of the three Baltic nations, Latvia, Lithuania, and Estonia, to remote parts of the Soviet slave empire. Twenty-five years ago today, on June 14, 1941, 60,000 citizens of these unhappy nations were arrested and taken from their homes and loved ones.

In the last quarter century, the Soviet Union has done all in its power to destroy the national identity of the Baltic peoples. Every effort has been made to Russify the people of Latvia, Lithuania, and Estonia and to extinguish their ancient cultures.

Mr. Speaker, on this 25th anniversary it is well for all Members of this House to rededicate themselves to the policy that we shall never rest until the people of Latvia, Lithuania, Estonia, and other nations incorporated into the Soviet system are once again free to shape their own destinies.

Good Samaritans of Song

EXTENSION OF REMARKS

OF

HON. BERNARD F. GRABOWSKI

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. GRABOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to salute those "Good Samaritans of Song," the Riverside Area Chapters of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc., who presented their fifth annual "Harmony Under the Stars" at the Watergate Theater Monday evening. National Capital Region-National Parks Services cooperated with the Riverside Area Chapters, including the District of Columbia, Alexandria, Arlington, Fairfax, and Fredericksburg, Va., Montgomery County, Prince Georges County, and St. Marys, Md.

"We Sing That They Shall Speak" was adopted in 1964 as the community service motto of the SPEBSQSA, which has some 30,000 members affiliated with 700 chapters in the United States and Canada. The Institute of Logopedics at Wichita, Kans., has been adopted as the society's international service project. Since 1934, the center for speech and hearing therapy has treated over 25,000 persons, mostly children, burdened with afflictions which inhibit normal speech and hearing. Also it has trained over 250 students who later became therapists in these fields.

Opening and closing the Watergate concert was the Chorus of the Potomac, around 250 male voices, being made up of six separate and distinctively costumed choruses, all of which performed by themselves. The audience of thousands of music lovers heard the Singing Capital Chorus from the District of Columbia, under Director Lew Sims; the Jubil-Aires of Fairfax, led by Jed Casey; the Arlingtones of Arlington, under Ed Roberson; St. Mary's, under Bing Gardiner; Alexandria Harmonizers, led by Scott Werner; Montgomery Counts, with Orville Luedtke directing. Art Moore was master of ceremonies and Henry Brown, producer. Featured quartets were the Filibusters, Scale Tippers, Potomachords, and Nightcaps.

Next big harmony event to be held in Washington will be the annual Harvest of Harmony of the District of Columbia chapter, scheduled Saturday, November 5, in Constitution Hall.

Disclosures of the Week—Part VI

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. PELLY. Mr. Speaker, never in my 14 years of service in Congress have I observed, as recently, so many critical statements and evidence pointing up maladministration of public affairs both foreign and domestic. Here are a few examples of what I mean:

CASE I

An Associated Press dispatch of June 11 from Providence, R.I., quoted former Ambassador to India, John K. Galbraith, as saying of Secretary of State, Dean Rusk, that he was "terribly misinformed" in estimates of support for the administration's foreign policy.

> It is difficult to find anything, either abroad or at home—

He said—

> that remotely resembles the understanding, respect and support which the Secretary perceives.

CASE II

Secretary of Defense McNamara has consistently denied that shortages beset our forces in Vietnam. Last Sunday's New York Times on the contrary in an article by Benjamin Welles quotes Marine Corps officials as conceding widespread shortages in Vietnam of clothing, combat boots, insect repellent and other similar items.

CASE III

In a speech last Sunday at the University of Minnesota ROTC graduation Vice President HUBERT HUMPHREY, referring to Vietnam, said that the United States has been perhaps "overhesitant."

CASE IV

The June 6 issue of U.S. News & World Report contained the following statement about casualties in Vietnam:

> Saigon-American casualties have set a record high for one week in the Vietnam war. They reached two-thirds of the weekly average for the first year of fighting in Korea.

CASE V

The June 12 New York Times contains an article saying that last year the U.S. Public Health Service destroyed $19 million worth of medical supplies. This was part of the civil defense stockpile which deteriorated before it was used to relieve human suffering.

CASE VI

Henry Wallich in the June 13 issue of Newsweek has this to say about our economic picture:

> Bad news comes once more from the balance of payments front. The gap between international receipts and expenditures again is widening. Official hopes of curing the payments deficit by year-end, proclaimed optimistically half a year ago, have proved a total illusion. The Country's gold reserve continues to dwindle.

CASE VII

Total debt—public and private—according to a Department of Commerce report, rose $93 billion last year to a record $1.3 trillion. Debts of individuals were up $40.5 billion to $460.

CASE VIII

Writing in the Los Angeles Times, Harry Thimborn reveals that phony philanthropists are using art as a tax dodge that costs the Treasury millions in lost revenue. This is done by using inflated appraisals on art works donated to museums and other institutions.

CASE IX

A New Hampshire Congressman charged last week that each Job Corps graduate has cost the taxpayers about $50,000. He said the Job Corps in 2 years of existence has cost $252 million. As of June 6, he said 5,090 trainees have completed courses.

Outstanding Employee

EXTENSION OF REMARKS

OF

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. GONZALEZ. Mr. Speaker, I have had the pleasure this week of meeting with Mr. Rene P. Hinojosa, and his wife, constituents of mine from San Antonio. Mr. Hinojosa has been selected from among 315 employees of the San Antonio field office of the Army Map Service, Corps of Engineers, to be "Employee of the Year" for the calendar year 1965.

Mr. Hinojosa is here in Washington for participation in special Engineer Day ceremonies scheduled for June 16, at the Army Map Service Headquarters at which Col. Ward Van Atta, commanding officer of the Army Map Service, will preside over the ceremonies honoring the employees of the year selected from each of the four AMS field offices located in Kansas City, Providence, R.I., Louisville, Ky., and San Antonio.

Mr. Speaker, I have long been proud of the fine record of achievement of the Army Map Service in my district and of Mr. Hinojosa, who has distinguished himself by consistently exceeding the quality and quantity standards for his position as civilian transportation agent for the San Antonio field office.

Mr. Hinojosa has total responsibility for shipment of all maps and materials to all parts of the world.

Mr. Hinojosa was born September 30, 1935, in San Diego, Tex., and was graduated from San Diego High School in 1954. Soon after graduating he volunteered for the U.S. Army and was assigned to the 525th Military Intelligence Group, Counter Intelligence Corps, at Fort Bragg, N.C. After completion of CIC training, Mr. Hinojosa was assigned to an interior guard unit in Mannheim, Germany.

He was discharged from the U.S. Army in 1956 and returned to San Antonio where he started his Government career with the U.S. Air Force at Kelly Air Force Base. He was employed by the Army Map Service in 1962. He and Mrs. Hinojosa have two children.

I commend this fine young man's record to your attention and salute the Army Map Service of San Antonio for its outstanding history of service.

Baltic States Freedom Day

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. ROONEY of New York. Mr. Speaker, 25 years ago the rape of the Baltic States—Estonia, Latvia, and Lithuania—was launched by the Soviet Union. Within 72 hours tens of thousands of citizens of those countries found themselves on the way to an unknown fate within the Soviet Union. Thousands of others, not so "lucky," were murdered on the spot. The true character of the Russian leaders, pretty well defined by their dealings with Nazi Germany and plunder of an almost prone Poland, was now once again spelled out for the world to see.

But in those days the world was too busy. The United States, herself just 6 months away from war with the Axis nations and shocked by the Nazi conquests in Europe, could do little more than file a diplomatic protest. The world was in chaos and the Baltic States were just another unfortunate bit of flotsam sucked into the maelstrom. Awaking from two decades of isolationist dozing, we here in the United States could only briefly pause and then continue in our efforts to prepare our defense machinery.

Following the war, this country, through the United Nations, tried time and time again to have the Soviets release their bloody hold on the three Baltic nations. We failed. We had assumed that the Soviets, although not coming to the U.N. with clean hands by any means, were at least coming as an honorable ally and that negotiation was possible. How naive we must have seemed to the Communists.

It could be assumed, Mr. Speaker, that after a quarter of a century of oppression, murder, pillage, and plunder that the people of the Baltic States would bend to what to them might seem to be the inevitable. But they have not, and neither have their relatives and friends who were fortunate enough to make their way to these shores.

Just last November I had the privilege of addressing a gathering of more than 15,000 which filled Madison Square Garden in New York for the Baltic States Freedom Rally. I said at that time:

> I am proud not only that my country has continuously condemned the atrocious act of the Russians in their illegal annexation of Lithuania and her sister Baltic States, but that the United States has been steadfast in refusing to recognize any Soviet interests in those states.
>
> For 25 years your kinsmen and your friends have suffered at the hands of their Communist slave masters. But in spite of the loss of self determination, the people of Lithuania, the people of Estonia and Latvia, with your help and encouragement, have preserved any undying desire to live as free men. They have nourished and kept vibrantly alive a national spirit predicated on the dignity of man. But they need encouragement to carry on. They need the help of the free and independent countries of the world to help them preserve the ideals which they hold dear and to preserve for posterity the culture and traditions which you and they value as much as life itself.

Mr. Speaker, the people that filled Madison Square Garden last November had every right to despair and self pity. Yet this was not their mood. There were tears, to be sure, but there was also a spirit and faith that really has to be seen to be believed. We must continue to support these fine people in their unceasing effort to make their homeland free once again. We must provide more radio programs to the captive nations in their own tongue so that truth and factual information can offset the effects of a Communist-controlled press; we must strive to keep open the channels for delivery of food, medicine, and clothing parcels and above all we must strive, as fruitless as it may seem sometimes, to force Russia to her senses.

Estonia, Latvia and Lithuania and the other captive states will not always be slave states. They will in time, God willing, join the community of free nations. When that proud and happy day comes, Mr. Speaker, let us hope that the United States by her actions will merit a "thank you."

VFW Post in Claxton, Evans County, Ga., Promotes U.S. Flag

EXTENSION OF REMARKS

OF

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. HAGAN of Georgia. Mr. Speaker, as we celebrate Flag Day, I want to take this occasion to apprise my colleagues of an inspiring event which I attended on Memorial Day in Claxton, Ga.

When I accepted an invitation from the Claxton-Evans County VFW Post to participate in its Memorial Day program, little did I realize what an outstanding job this post was performing to encourage patriotism and respect for our national flag.

When I arrived in Claxton, I was pleasantly surprised to discover American flags flying everywhere. In asking who was responsible for this wonderful act of patriotism, I was advised that it was the result of a special project of the Claxton-Evans County VFW Post.

The post has purchased a number of American flags to be rented to local business houses, displayed on national holidays and properly stored when not in use for an annual cost of $12 to each merchant. The post is also displaying the flag at prominent public buildings on a daily basis.

The Post Commander, D. B. Plyler, describes the project as follows:

> This is not a money-making project, but is planned to display our National flag and help tell the American story to coming generations. Our flag represents free America, and all the things for which men have fought and died. We hope to help emphasize its importance in our Community.

When other civic and service clubs around the country are looking for project ideas, I heartily recommend that they follow the example being set by the Claxton-Evans County VFW Post. What better project can any club adopt than one which will encourage patriotism and respect for the American flag?

The 53d National Foreign Trade Convention

EXTENSION OF REMARKS

OF

HON. BERNARD F. GRABOWSKI

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. GRABOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call attention to an announcement of plans for the 53d National Foreign Trade Convention, which will be held October 31, November 1 and 2, at the Waldorf-Astoria in New York City. This is one of the world's outstanding forums on international trade and investment, attracting leaders of government, industry, and business, as well as interested participants from educational institutions and the press.

Theme of the 1966 convention will be "World Progress Through Trade and Investment." Rudolph A. Peterson, president of the Bank of America, San Francisco, will serve as chairman of the convention, and will deliver the keynote address at the first general session of the convention.

In announcing plans for the convention, Robert M. Morris, president of the National Foreign Trade Council, the sponsoring organization, stated:

> The convention will broadly examine whether world trade and investment is having its full impact on world progress, and will emphasize the proven capabilities of private enterprise and the requirements for achieving the fullest measure of world economic advancement.

Robert J. Dixson, vice chairman, Johnson & Johnson International, New

Brunswick, N.J., will be chairman of the declaration committee, which will propose policy recommendations for adoption by the convention.

Special sessions have been scheduled on business operations in Europe, Latin America, Pacific-Asia, and Africa, as well as on subjects of such importance as trade expansion, taxation, industrial relations, and international finance.

Convention chairman Peterson, chief executive officer of the world's largest nongovernment bank, with resources of more than $16.6 billion, will have eight regional vice chairmen assisting him on the convention committee.

Great Plains Program Tremendous Success

EXTENSION OF REMARKS

OF

HON. GRAHAM PURCELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. PURCELL. Mr. Speaker, one of the truly remarkable achievements in American agriculture in our time is the new look in the vast region of the Great Plains.

The change, in terms of greater agricultural stability, reduced soil erosion, development of water for agricultural and recreational uses, and a more beautiful landscape, has come about as a result of an enlightened partnership between people and their government, between scientist and landowners.

It has come about largely through the Great Plains conservation program, a tool that has been greatly sharpened and strengthened in the last 6 years under leadership that recognizes the fundamental role land resources plays in the well-being of an entire region.

What has happened in the Great Plains is more than simple recovery from years of drought and dust storms which, for a time, gave it the unhappy label of "The Dust Bowl."

Droughts will recur, for this is the nature of the climatic pattern of the Great Plains. Wind will blow, as it always has, across the rolling prairies.

But the farmer and rancher who has reserves of grass and water, who has tied down with grass his soils that are unsuited for cultivation, will not become the dispossessed migrant of the thirties.

These are the primary goals of the Great Plains conservation program—a program that has been expanded by 60 percent since 1960, to serve a larger number of landowners in the region each year.

"Wheat Will Win the War" was a battle cry during World War I, and the wheatlands of the Great Plains responded with heavy output. The plowup was costly, however, for much of the newly cultivated land was extremely susceptible to the winds of the dry years that followed. The term "dust bowl" came out of the disaster.

The research scientist and the farmer have formed an effective partnership in solving the problems of the Great Plains. Techniques developed in times of drought and privation are the solid basis now for a far more stable agriculture in the plains. The survey of soils, classifying them as to their capability in conservation use, has provided unmistakable lines of guidance in adapting the lands of the Great Plains to agricultural production.

The technical help afforded by the Soil Conservation Service of the Department of Agriculture, its effectiveness intensified by the forming of landowner-managed, State-sponsored soil conservation districts, became a useful tool for use by farmers and ranchers of the region in correcting errors of the past and in bringing their resources into fuller stability. In addition, Federal funds have been made available to defray part of the cost of land-use shifts and to step up the rate of conversion.

The program was authorized by Congress during the drought of the 1950's. It was conceived as a pilot program, a testing of principles developed for a particular region. It was accepted at first by a relatively few landowners, and from 1957 through 1960, received Federal cost-sharing appropriations of $10 million each year. Beginning in 1961, however, the appropriation has been increased gradually to the current level of $16 million and in recent years about 5,000 farmers and ranchers have entered the program each year.

Approximately 23,000 landowners have entered the program. Thousands have completed their work and have been enjoying the benefits of complete conservation treatment and sounder use of their resources. The size of the units range from small to large—an average of 1,900 acres.

The conversion of unsuitable cropland to permanent vegetative use was, at the outset, a principal objective. The results have been dramatic. More than 1,400,000 acres of these less stable lands have been returned to the protection of grass, or are in the process of being converted. This represents more than 1 acre in every 5 cropland acres involved in the 23,000 Great Plains contracts. Wheat produced on these acres was, in recent times, not only surplus to our needs but was produced at the cost of damage to the land resource—a damage we cannot afford.

Grass and water are the earmarks of the new agriculture in the Great Plains. The Great Plains conservation program is enabling the landowners of the plains to have them—grass as productive as his land and skill in management can produce, and water enough to see him through the years of drought that he wisely presumes to be ahead. With grass and water in abundance, the producer no longer must dispose of livestock on a market glutted by the offerings of owners in the same distress.

The new agriculture in the Great Plains is built upon the conservation of soil and water resources, an approach that was born in times of land disaster and human hardship. The drought of the 1950's was less damaging than the one of the 1930's that aroused the Nation to action—less damaging because of conservation progress and know-how already moving into use across the plains. Because of work now being done by the region's landowners, much of it prompted and facilitated by agricultural programs supported by the Federal Government, less damage will occur in the plains' next drought. Whatever the future holds for plains agriculture, the farmers and ranchers of the region are in far better condition to cope with emergencies as they come.

SPEBSQSA Sponsors Watergate Concert

EXTENSION OF REMARKS

OF

HON. BERNARD F. GRABOWSKI

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. GRABOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to inform my colleagues who enjoy harmony singing at its best that the traditional Watergate concert of the barbershop singers will take place Monday evening, June 27, starting at 8:30. Washington's "Singingest Night of the Year" is sponsored by the Riverside Area of the Society for the Preservation and Encouragement of Barbershop Quartet Singing in America. The society today boasts 700 chapters and 30,000 members throughout the United States and Canada.

Listening to the ringing chords of 250 male voices in the Chorus of the Potomac at the Watergate concert under the stars is an unforgettable experience, and the audiences of 10,000 to 12,000 music lovers attest. This ensemble is composed of several chapter choruses, including Washington's Singing Capital Chorus, past international champions; Fairfax's Jubilaires, past international medalists; Alexandria's Harmonizers, the Arlingtones from Arlington, and the Montgomery County Counts. Each chapter chorus, attired in its own distinctive uniform, will be heard by itself. Barbershoppers from the Prince Georges County, St. Mary's County, and Fredericksburg chapters also are expected.

The Singing Capital Chorus will tune up for the Watergate concert on next Thursday evening, June 23, at the Sertoma International Convention at the Sheraton Park. Arthur Sabin, former employee of the Congressional Library, is the District of Columbia chapter president.

A Washington quartet, the Filibusters, will sing at the Watergate along with the Nova Chords, southern regional champions from Alexandria, the Night Caps, and the Potomac Chords.

On stage will be Wilbur Sparks, the Mid-Atlantic district president, who is a Senate employee, to welcome the recep-

tive audience. Henry Brown of Alexandria chapter is the producer for this great night for singing.

Housing Authority Speaks on Civil Rights Bill

EXTENSION OF REMARKS

OF

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. JONES of Alabama. Mr. Speaker, the Congress has before it proposals of far-reaching significance in the form of a so-called new Civil Rights Act. Many of us are attorneys and have expressed strong exceptions and reservations to the proposals. The distinguished Senator from Alabama, JOHN J. SPARKMAN, one of the most stanch advocates in the Congress for adequate housing for all people and one of the foremost authorities anywhere on housing problems and solutions to those problems, presented a clear-cut analysis of the dangers in the proposed legislation in testimony before the Senate Judiciary Subcommittee on Constitutional Rights. I want to submit his remarks for insertion in the CONGRESSIONAL RECORD:

TESTIMONY PREPARED FOR DELIVERY BY SENATOR JOHN J. SPARKMAN, BEFORE THE SENATE SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS, JUNE 10, 1966

Mr. Chairman, for 30 years I have worked to provide safe, decent, and sanitary housing for America's citizens. Legislation which I have sponsored and legislation which I have supported has made it possible for millions of Americans to own their own homes.

I think I may say that I know something about housing.

And that is why I am dismayed by the housing provisions of the legislation you are considering today.

As a lawyer, I am disheartened by the provisions of the proposals which would limit state power of law enforcement and which would further erode the principle of Federalism.

And as an American, I am hopeful that this bill will not become law.

My first objection to the housing provision is that it clearly violates the right to the free use and disposal of property.

Throughout the history of Anglo-American law, the distinguishing feature between types of ownership has been the degree to which an individual could use and dispose of his property.

Mr. Chairman, this bill, if adopted, would irrevocably destroy that right. The private owner would no longer have a free choice in selecting his buyer. He would no longer have a free choice of sales price or conditions of sale. The landlord could not exercise his own free will in selecting the tenants who will share his home with him.

Let me emphasize that this bill applies to every room for rent in every home in America, every apartment and every house. There are no exceptions.

The legal significance of the property right was recognized by the eminent jurist Blackstone when he observed:

"There is nothing which so generally strikes the imagination, and engages the affections of mankind, as the right of property; or that sole . . . dominion which one man claims and exercises over the external things of the world, in total exclusion of the right of any other individual in the universe."

Now, Mr. Chairman, things have changed since Blackstone. The property right is no longer an absolute right. But in those areas where it has been limited, there has been a tangible real harm from which the society had to be protected. And there has been a strong legal basis for the protective action.

Where is the legal base for this action?

This invasion of rights applies equally to homes which in no legal or logical manner are connected with interstate commerce.

This invasion of rights applies equally to property transactions which create no threat to the peace, security, health or safety of a community and hence provide no legal basis for the proper exercise of state police power.

This invasion of rights cannot be said to rest upon the "due process" clause of the 14th Amendment. Interpretation of that right has uniformly been that it applies only to action by state agencies, and not to those of individuals.

Where is the legal basis for such repugnant Federal action?

The answer, Mr. Chairman, is that there is none.

It is an arrogation of power, unprecedented, unjustified, and unwise.

But strong voices have been raised in support of this bill.

We are told that this bill is the ultimate action to solve all social problems. We are told that this bill is a panacea, a cure-all for our nation's social ills.

But, Mr. Chairman, we have heard that argument before. With the introduction of every so called civil rights bill in the past, advocates of each bill have told us, "This is the last one. This is the answer."

What has been the result? There have been street demonstrations, and disorders with the passage of each new bill.

There has developed a malignant theory that if a group has a gripe in our society, it takes to the streets to solve it.

The results of each and every piece of so called civil rights legislation in the past should be proof enough that the Congress cannot legislate solutions to problems of human relations. Social engineering by legislative edict has been proved grossly ineffective.

We are also told that this bill is addressed to the controversy between property rights and so called "human rights". And we are asked to believe that somehow the former are unworthy and the latter are an ultimate good.

The first answer to that argument is that the ownership of property is a human right.

The second answer is given by no less a liberal spokesman for human rights than Walter Lippmann when he said:

"It has been the fashion to speak of the conflict between human rights and property rights, and from this it has come to be widely believed that the cause of private property is tainted with evil and should not be espoused by rational and civilized men In so far as these ideas refer to . . . great impersonal corporate properties, they make sense. . . . But the issue between the giant corporation and the public should not be allowed to obscure the truth that the only dependable foundation of personal liberty is the personal economic security of private property."

Mr. Lippmann went on to draw the conclusion "Private property was the original source of freedom. It is still its main bulwark."

Now Mr. Chairman, those of us who support this point of view are always the subject of attack. We are pictured as supporting the greedy landlord who stands in the doorway turning away the poor, but deserving applicants. We are labeled "bigots", and we are told that we are biased, reactionary, ignorant and prejudiced.

These labels are but semantic substitutions for thinking which cannot obscure the fact that this proposal simply means a Federal official can tell me to whom and under what circumstances I can sell my home.

This proposal simply means that my freedom of choice and freedom of association must be sacrificed for no legal reason and for no rational basis.

I think also, Mr. Chairman, that this bill if passed, will have results not anticipated by its supporters. Consider the following hypothetical example: A church group which had purchased property for construction of a home for its elderly could not legally build such a home for the exclusive use of members of its faith. This example is but one of many that show the danger of such sweeping delegation of power.

That leads me to the final objection I have to this part of the bill.

The whole process of democracy is one designed to draw legal, rational limits between the rights of various citizens. No right is an absolute right.

We all know that the right to free speech does not extend to shouting "fire" in a crowded theater. It has been said that my right to swing my fist ends at my neighbor's jaw.

In like manner, this bill is an attempt to choose between two national policies. The right of the property owner to sell, rent or lease his propertly is a right supported by many centuries of Anglo-American law.

The right of a buyer to buy any house anywhere is a right never before established.

I believe that it is at this point that we must support the established right. The fundamental difference between our free enterprise system and totalitarianism is the right of free property.

This bill infringes on that right.

But the weaknesses of this bill are not confined to any one section. Other sections of the bill attack the traditional Federal-State relationships in state law enforcement matters and the selection of state juries.

Congress has no legal right to destroy the division that has always existed between the Federal and State legal systems. This action is nothing but a naked encroachment on the valid legal power of the state.

You know, Mr. Chairman, the erosion of the principle of Federalism is a phenomenon so often occurring that I fear it is beginning to lose its impact. No greater indictment could be made of our performance as national legislators than that we failed to understand the significance of that erosion.

During my thirty years in Congress, I have witnessed more and more attempts by various groups to resolve all their problems at the federal level without even considering that there might be a workable solution found at the local level. I for one, am a firm believer in the abilities and aptitudes of the many fine people responsible for our local governments.

Many problems call for a special solution which can best be determined by local initiative. I submit that the federal government does not always have the last word in problem solving. True, situations arise in our complex society which call for assistance from the federal government and this cannot be ignored.

But as legislators, we should allow the states and the local communities to meet the challenge of resolving their own difficulties before running to Washington to seek a solution.

Mr. Chairman, I have confidence in the people at the grass roots level.

No greater attack could be made on any bill than that it furthers the destruction of Federalism.

The ignominious proposal to put the federal government in the business of selecting state juries deals a lethal blow to our dual system of government.

The right to trial by jury is one of the oldest and most cherished rights of man. It was Thomas Jefferson who, in his first inaugural address said that:

"Trial by juries form the bright constellation which has gone before us, and guided our steps through an age of revolution and reformation. . . . should we wander from *them in moments of error or alarm, let us* hasten to retrace our steps and to regain the road which alone leads to peace, liberty, and safety."

For centuries the right to trial by jury has been one of the bulwarks against tyranny. The jury trial is one of a citizen's oldest protections against the power of the sovereign.

This bill destroys that protection because the sovereign is now involved in choosing the jury.

The jury system is worth protecting. It is the best trial system ever devised by free men. It should not be tampered with.

Federal jury packing is not the answer to any problems of our society.

In summary, Mr. Chairman, this bill is an ill advised attempt to subvert the rights of states and the rights of peoples to the arbitrary commands of the federal government.

This bill rests on no legal basis and its passage would be a serious blow to basic American philosophy and American law.

It must be rejected.

Sixth District Questionnaire on Vietnam

EXTENSION OF REMARKS

OF

HON. BERNARD F. GRABOWSKI

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. GRABOWSKI. Mr. Speaker, in March, I sent out some 120,000 questionnaires on U.S. policy in Vietnam to the citizens of the Sixth District. I am immensely pleased that more than 13,000 persons took the time to answer the questions and return the cards to me. Several hundred people wrote accompanying letters elaborating upon and explaining the reasons for their answers. I think it clearly reflects that the citizens of the Sixth Congressional District feel deeply the burdens and responsibilities of the conflict in Vietnam.

The questions asked were:

1. Do you agree with our present policy in Vietnam?
2. If you were President of the United States, would you—
   A. Continue our present Vietnam policy?
   B. Intensify our military efforts in Vietnam?
   C. Pull our troops out of Vietnam?
   D. Negotiate a settlement?
   E. Follow another course?

The results of the poll were as follows:

Question No. 1: President Johnson's present policy in Vietnam won a 2-to-1 approval.

Question No. 2A: On the question of continuing our present policy in Vietnam, the endorsement was again 2 to 1.

Question No. 2B: This question produced the sharpest reaction and the heaviest response. Those voting in the poll voted 4 to 1 to intensify the military effort in Vietnam.

Question No. 2C: The response was 3 to 1 against pulling our troops out of Vietnam.

Question No. 2D: However, those responding to the poll gave 3-to-1 support for a negotiated settlement.

Question No. 2E: Alternative courses *of action were rejected 2 to 1.*

Forty Representatives and Twenty-two Senators Support Moving Expense Bill

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. PELLY. Mr. Speaker, I wish to insert in the RECORD the names of Members of Congress, in both the House and the Senate, who have introduced legislation with respect to the taxation of reimbursement for employees' indirect moving expenses.

This legislation is badly needed to correct a ruling by the Internal Revenue Service that permits an employee to exclude from his taxable income only the bare amount reimbursed by his employer for moving himself, his family, and his possessions to a new assignment in another location. This ruling means that the individual and his wife, who must go house hunting and incur other expenses of relocating, are obliged to take into their taxable income any amounts reimbursed to them beyond the cost of the actual physical move. Obviously this is an injustice, for such reimbursement is not income to them.

The overall effect of this ruling is to hamper the mobility of labor and reduce the efficiency of many companies that contribute to the prosperity of the economy and help sustain the war effort. In my own State of Washington, for example, the Boeing Aircraft Co., which among many other companies is making a fine contribution to the war effort, has numerous employees in widely separated localities, all of whom should be readily transferable as the need arises. For this company and its employees, or for any other company and its employees, to have to be hampered by the present ruling seems to me both unnecessary and unwise.

As you will see from the appended list, those who have introduced or sponsored corrective legislation come from both sides of the aisle. Many are members of important committees in both the House and the Senate. As the issue is wholly nonpartisan and has no ideological overtones, I invite and urge all other Members of the Congress to join with us in introducing or sponsoring similar legislation in the hope that this would encourage the Treasury and the administration also to lend their support.

The list follows:

MOVING EXPENSE BILLS, AS OF JUNE 13, 1966

SENATE BILL

S. 3181: McCARTHY, Democrat, of Minnesota; cosponsors: BIBLE, Democrat, of Nevada; CANNON, Democrat, of Nevada; CARLSON, Republican, of Kansas; CURTIS, Republican, of Nebraska; DIRKSEN, Republican, of Illinois; HART, Democrat, of Michigan; HOLLAND, Democrat, of Florida; JAVITS, Republican, of New York; MORTON, Republican, of Kentucky; *MUNDT, Republican, of South* Dakota; MURPHY, Republican, of California; PEARSON, Republican, of Kansas; RIBICOFF, Democrat, of Connecticut; RUSSELL, Democrat, of South Carolina; TALMADGE, Democrat, of Georgia; TOWER, Republican, of Texas; YOUNG, Republican, of North Dakota; BASS, Democrat, of Tennessee; CASE, Republican, of New Jersey; HRUSKA, Republican, of Nebraska; WILLIAMS, Democrat, of New Jersey.

HOUSE BILLS

H.R. 13070, BURKE, Democrat, of Massachusetts.

H.R. 13175, ROSTENKOWSKI, Democrat, of Illinois.

H.R. 13213, SCHNEEBELI, Republican, of Pennsylvania.

H.R. 13229, CURTIS, Republican, of Missouri.

H.R. 13230, KEOGH, *Democrat, of New York.*

H.R. 13629, MAY, Republican, of Washington.

H.R. 13678, THOMPSON, Democrat, of Texas.

H.R. 13915, BYRNES, Republican, of Wisconsin.

H.R. 13993, HORTON, Republican, of New York.

H.R. 14055, UTT, Republican, of California.

H.R. 14099, HERLONG, Democrat, of Florida.

H.R. 14646, FULTON, Democrat, of Tennessee.

H.R. 14933, GRABOWSKI, *Democrat, of Connecticut.*

H.R. 14951, BROYHILL, Republican, of Virginia.

H.R. 14999, McCARTHY, Democrat, of New York.

H.R. 15132, KARSTEN, Democrat, of Missouri.

H.R. 15158, COOLEY, Democrat, of North Carolina.

H.R. 15205, BATTIN, Republican, of Montana.

H.R. 15214, LANDRUM, Democrat, of Georgia.

H.R. 15218, ULLMAN, Democrat, of Oregon.

H.R. 15247, PELLY, Republican, of Washington.

H.R. 15270, WHALLEY, (Republican, of Pennsylvania.

H.R. 15357, TEAGUE, Republican, of California.

H.R. 15390, McGRATH, Democrat, of New Jersey.

H.R. 15403, WATTS, Democrat, of Kentucky.

H.R. 15419, FULTON, Republican, of Pennsylvania.

H.R. 15443, TEAGUE, Democrat, of Texas.

H.R. 15463, CONTE, Republican, of Massachusetts.

H.R. 15496, BOLAND, Democrat, of Massachusetts.

H.R. 15505, NELSEN, Republican, of Minnesota.

H.R. 15507, OLSEN, Democrat, of Montana.

H.R. 15516, WAGGONNER, Democrat, of Louisiana.

H.R. 15574, JENNINGS, Democrat, of Virginia.

H.R. 15587, BATES, Republican, of Massachusetts.

H.R. 15598, MACGREGOR, Republican, of Minnesota.

H.R. 15606, CORMAN, Democrat, of California.

H.R. 15614, HATHAWAY, Democrat, of Maine.

H.R. 15616, MACKAY, Democrat, of Georgia.

H.R. 15642, RESNICK, Democrat, of New York.

H.R. 15645, SMITH, Democrat, of Virginia.

Challenge to Science for a Cleaner America: Environmental Pollution

EXTENSION OF REMARKS
OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1966

Mr. BLATNIK. Mr. Speaker, I am proud to include in today's RECORD an outstanding article on environmental pollution by our colleague, Congressman RICHARD D. MCCARTHY.

As a freshman on our Public Works Committee, Congressman MCCARTHY has shown considerable interest in our most *difficult task of cleaning up the Nation's* waters.

The article appeared in the first quarter of the 1966 Perspective publication *by Cornell University:*

CHALLENGE TO SCIENCE FOR A CLEANER AMERICA: ENVIRONMENTAL POLLUTION

(By RICHARD D. MCCARTHY, Member of Congress, 39th District, New York)

(EDITOR'S NOTE.—In an area blessed with exceptional benefits of nature—yet in real danger of losing these benefits because of environmental pollution—Cornell Aeronautical Laboratory welcomes the following call to action by a distinguished young Member of Congress from the Niagara Frontier.)

I am honored to be able to present my views on environmental pollution to the readership of Perspective. The noted technical staff and research-oriented associates of Cornell Aeronautical Laboratory compose an audience particularly suited to the understanding and fostering of scientific programs for the study of environmental pollution.

The smoke spiraling from your cigarette, the orange rinds and chicken bones cleared from our tables, the empty tin cans and bottles, the combusted coal, oil or gas which keeps us warm . . . where are they going? Into ventilators, incinerators, garbage dumps and the dark urban sky, but what then? They still remain chained to the earth. They are entities which persist in shadow forms, insidiously invading our lives. Although we "dispose" of our refuse, we have not escaped it . . . something of it remains in our environment.

These products, or diverse and novel substances—when multiplied by the prolific thrust of a whole nation—constitute a massive problem. We are confronted with the threat of profound alterations in the air, the land, the living things, and the waters of this country.

We must learn to see ourselves in a new way. We must carefully study the effect of Man's intrusion of pollutants into the physical and chemical balances of the earth. We must recognize the real sources of pollution.

Municipal and industrial sewage is a large and obvious source. It is estimated that in 1964 we dumped into our waterways alone the equivalent of the sewage of 82 million persons. Slaughtering plants, hospitals and mortuaries pour into our surface water all their discharges of decay and disease, and industry has spewed into our Lake Erie and Niagara River a total of 350 tons of cyanide, phenol, ammonium, compounds, acids, suspended solids, and 2,710 gallons of oil—not just yearly, or monthly, but *daily*.

Animal wastes, which rise in proportion to the rise in human population sully the air and contaminate the water. One cow generates as much manure as 16.4 humans. One hog produces as much waste as 1.9 people and seven chickens provide a disposal problem equivalent to that created by one person. As a result, farm animals in the United States produce ten times as much waste as the human population.

Solid wastes contribute their weight in pollution to the tune of 250 billion pounds per year. We Americans squeezed 1,244,126,428 tubes of toothpaste last year . . . and the tubes are still with us. Each American discards 1600 pounds of paper, glass, metal, ashes, garbage, brush and grass cuttings annually.

Mining wastes such as zinc seepages contaminate drinking water and abandoned strip mines leave sterile, eroded cavities on our wounded earth.

PESTICIDES UNBALANCE NATURE

Pesticides, especially when applied aerially, are potential air contaminants. The dusts *from insecticides, fungicides and herbicides* are found scattered many leagues beyond their initial source. DDT has even been found in the bodies of antarctic penguins and arctic snowy owls. Our ignorance of interrelationships between species have led men to use pesticides indiscriminately with great devastation to innocent habitants in their paths.

A great source of pollution lies in the every action of man. He releases some material that may spread into the environment at every moment. Many of these materials are increasing in abundance and are causing problems of growing severity because the capacity of the environment to absorb and neutralize them does not change. The combustion of coal, oil and gas in our homes, vehicles and factories will have added, in a very short time, the significant part of the carbon that was slowly extracted from solar energy by plants and buried in the sediment during half a billion years. Carbon dioxide, called the invisible pollutant, is being shot into the atmosphere at a yearly rate of six billion tons. The use of lead alkyls in antiknock gasolines since 1923 has contributed enough lead to contaminate the surface of the northern hemisphere to the extent of about 10 milligrams per square meter.

And what are the effects of the tons of sewage, animal wastes, tin cans, shale, garbage, heat, gasses, and pesticides?

EFFECTS OF POLLUTION ARE PROFOUND

In our latest investigations, air pollution is linked with lung cancer, virus infections, asthmatic attacks, cardiac and respiratory diseases, and even lead poisoning.

Water pollution is a known factor in the uncounted hordes of new viruses which increasingly befoul our world. The organic chemical exotics from detergents, industry, and pesticides are one of the most dangerous menaces to wholesome water. Uranium mills and atomic reactor plants have added radioactive wastes to our waters with unknown damage to our health.

Our balance with the other creatures and living things in this world is threatened. Man is the dominating inhabitant of the earth, but he must live in harmony with plants who maintain the oxygen content of the air and furnish the basic habitat and food of animals and men. Micro-organisms perform a spectrum of services . . . they purify the air, soil and water, they recycle the nutrients. Animals change plants into food man most covets, and supply him with leather, furs, oils, pharmaceuticals, ivory, pearls and wool. Insects are our pollinators, our predators and our creators of silk and honey. We are not respecting these servants of ours and they are chaotically responding to our heedlessness.

The sulfur dioxide in stack fumes kills trees and crop plants, the domestic sewage over-fertilizes our waters, and this enrichment stimulates algal growths which consume the oxygen dissolved in the water, thus *suffocating the fish and microscopic animals.*

Sediments released into streams by industry smother fish eggs. The numbers of species have been reduced and their delicate relationships destroyed by pollution.

Heat from steel mills, coke ovens, petroleum refineries and steam turbine electricity plants draw immense quantities of water from streams and return it hot or warm, killing much aquatic life. Heat pollution is predicted to multiply eight times in the next 35 years.

Eutrophication or ecological aging is proceeding at such a rate in lakes such as Lake Erie that it may soon be dead.

EVEN THE EARTH IS POISONED

Our loamy earth has been defiled by indiscriminate doses of poisonous metals—among them arsenic. Some orchards no longer bear apples; carrots, beets and spinach are stunted; produce sometimes absorbs the poisons and become contaminated themselves. High salt concentrations make river waters unsuitable for needed irrigation.

Our atmospheric heat balance is changing radically. By the year 2000, there will be about 25% more carbon dioxide in our atmosphere, which scientists predict can dramatically modify our climate.

But perhaps the most grievous consequence of our offenses against nature is the diminishing of the quality of our lives. Beauty and purity enrich each other and inspire man to look beyond his smallest self into the visions of the future and the great gifts of the past. Ugliness is the shabby scab we have grafted upon our magnificent world.

WE ARE RESPONSIBLE FOR TOMORROW

Our children and the futures' children have the right to lie in lush green meadows and watch the miraculous progress of springtime. And we adults have a responsibility to insure this.

I have a whole hat-full of ideas which, I feel, may help solve this vast problem. But, in conclusion, let me suggest just one.

I have sketched for you an immense spectrum of the *unknown* . . . for this is an obscure and unrecognized field. This vital, all-encompassing reality in contemporary life has not been penetrated, nor has it even been considered a worthy area of comprehensive research.

OUR ENVIRONMENT MUST BE STUDIED

But, this, truly is the field for pioneers. The investigation of how we live, why we sicken or die, why we exist under blue sky or smog, lush foliage or craven sterility, prosperity or dearth, quality or crassness, depression or inspiration . . . this is the knowledge of our environment.

Let me now plead before this scientific audience for our best talent and for an exalted status for this field of investigation.

We need knowledge more than anything else. We need natural and behavioral scientists and engineers who have the imagination, dedication and the skill to gain the understandings of unknown processes and obscure relationships that we must have if our complex civilization is to continue to exist in harmony with its earthly environment.

So we are making progress. But much more remains to be done.

You have seen the sources and effects of environmental pollution, but remember that there is only one cause . . . man. We must now apply man's maximum intellect and distill from our past knowledge and future insight the profound answers.

We need gifted specialists in cell biology to study metabolic pathways, structure distortment, interaction between enzymes and many other deep and challenging biochemical problems.

We need microbiologists to penetrate the structure of pollutants, to study how they are metabolized by organisms; why some resist biodegradation and others survive in seemingly impossible environments.

We need population dynamics, studies and much investigation in the behavioral sciences, for pollution would not exist except for man's activities and it concerns almost the entire range of interactions between human beings and their environment. Although all living creatures are affected by pollution, only man has the ability to control or eliminate it. Sociologists, economists, urban and regional planners, psychologists, anthropologists, communications experts and political scientists of the highest calibre must invest their talents to this field.

Atmospheric problems must be analyzed by meteorologists, hydrologists and systems analysts. Great challenges and fascinating problems await gifted engineers. New processes and new designs for sewage treatment plants, new principles for collection systems, design of water storage and distribution systems are but a few.

And to attract these people, we must provide excellent research environments—such as are provided by Cornell Aeronautical Laboratory—and specific research opportunities. We must create dynamic exchanges between the many fields of study to integrate and unify our knowledge.

Lest it be overlooked, let me emphasize that substantial research funds—from the federal and state levels—are already available and programs are in motion. But we must press forward

We must also press forward with our program to halt the pollution of Lake Erie. The Federal Government set April 12 for formulating state-by-state plans to clean up the lake. By that date, New York, Pennsylvania, Ohio, and Michigan were to inform the Federal Water Pollution Control Administration of what they proposed to do with respect to pollution originating within their boundaries.

We substantially increased the amount of public funds available to fight water pollution last year. This year I am pressing for still more funds for this vital purpose.

WHY AM I INTERESTED?

My own concern in these emerging problems began with a love affair. As a little boy from the city, no delight was above that of launching stick ships into the blue waters of Lake Erie. As a man, the lake and its chaste vastness holds my reverence and is my source of solitude and contemplation.

My commitment to the lake was one of the influences that compelled me to make a difficult decision two years ago. As I watched her harbors fill with acids and slime, and her seasides become desecrated with raw sewage, I knew that I, as a private citizen must do something.

I left the business world and sought a seat in the United States Congress, which the voters graciously granted me. My hope was to be admitted to the Public Works Committee, and particularly to the Rivers and Harbors Subcommittee which writes the laws regarding water pollution.

I guess Lake Erie has a lady luck for those who care about her, because, though I was a freshman, I was granted membership in the Public Works Committee and was seated on the key Rivers and Harbors Subcommittee.

This was the beginning of my comprehensive education in the field of pollution. The hours of enlightened testimony by scientists in our Public Works hearings, my own investigations, and those of the Environmental Pollution Panel of the President's Science Advisory Committee, have revealed Lake Erie's problems to be but an urgent segment in our total confrontation of environmental pollution.

SENATE

WEDNESDAY, JUNE 15, 1966

The Senate met at 12 o'clock meridian and was called to order by the Vice President.

Rev. Adolph Stasys, assistant pastor, Holy Cross Church, Chicago, Ill., offered the following prayer:

Father of all mankind, Thou art the Author of the right of man to justice and freedom. For centuries men have fought for freedom of speech, conscience, and religion, and for democratic principles. The efforts recorded in history tell of the unceasing struggle for these convictions.

Yesterday we honored the Old Glory proudly flying on National Flag Day. O Lord, bless the people of this land, its administration and its Congress, and the brave men defending the honor of their Nation's flag wherever they may be.

But, dear God, the Baltic States, Lithuania, Latvia, and Estonia, are still occupied by a foreign force, without the right to freedom, and without their national flags. These nations are observing the 25th tragic anniversary of frightful genocide, when the occupant—Communist Russia—deported hundreds of thousands of people from these countries to die in concentration camps in Siberia. Hundreds of thousands of Baltic peoples perished.

Our God, we pray to You for justice and compassion. Return the deportees to their homelands. Give them the fortitude to endure and restore to them and their countries their rights and freedom. Grant to statesmen of the world the grace and will to work for the liberation of all nations, for peace, and for integrity everywhere on earth.

God bless Lithuania, Latvia, and Estonia and their peoples.

God bless America. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 13, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of June 13, 1966,

The Secretary of the Senate reported that, on June 13, 1966, he received messages in writing from the President of the United States submitting sundry nominations.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, received on June 13, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of Monday, June 13, 1966,

The Secretary of the Senate received, on June 13, 1966, the following message from the House of Representatives:

That the House had passed, without amendment, the following joint resolutions of the Senate:

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week"; and

S.J. Res. 161. Joint resolution to designate the third Sunday in June of each year as "Father's Day."

That the House had disagreed to the amendments of the Senate to the bill (H.R. 14266) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; that the House had agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEED, Mr. PASSMAN, Mr. ADDABBO, Mr. COHELAN, Mr. YATES, Mr. MAHON, Mr. CONTE, Mr. ROBISON, and Mr. BOW were appointed managers on the part of the House at the conference.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT—ENROLLED JOINT RESOLUTIONS SIGNED

Under authority of the order of Monday, June 13, 1966,

The Secretary of the Senate, on June 14, 1966, received the following message from the House of Representatives:

That the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Vice President:

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week"; and

S.J. Res. 161. Joint resolution to designate the third Sunday in June 1966 as Father's Day."

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Pursuant to the order of the Senate of June 13, 1966, The following reports of committees were submitted:

On June 13, 1966:

By Mr. HOLLAND, from the Committee on Agriculture and Forestry, without amendment:

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended (Rept. No. 1271).

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, with amendments:

H.R. 12322. An act to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton (Rept. No. 1272).

By Mr. BURDICK, from the Committee on Interior and Insular Affairs, without amendment:

S. 526. A bill to amend the authorization to appropriate money for the maintenance and operation of three experimental stations of the Department of the Interior, and for other purposes (Rept. No. 1273).

On June 14, 1966:

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, with amendments:

S. 112. A bill to authorize the Secretary of Agriculture to make real estate mortgage loans on leased lands in Hawaii (Rept. No. 1274).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 13, 1966:

S. 2267. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

On June 14, 1966:

S. 1761. An act to authorize the Secretary of the Interior to construct, operate, and maintain a third powerplant at the Grand Coulee Dam, Columbia Basin project, Washington, and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 2950) to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 14019. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; and

H.R. 15225. An act to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 1233. An act for the relief of Lee Chung Woo;

H.R. 2290. An act for the relief of Charlotte Schulz;

H.R. 3692. An act for the relief of William F. Kuhlman;

H.R. 3774. An act for the relief of Wanda Olszowa;

H.R. 5003. An act for the relief of Evangelia G. Latsis;

H.R. 5533. An act for the relief of Kuniki Nagano Zwiefelhofer;

H.R. 8219. An act for the relief of Cho Myung Soon and Cho Myung Hee;

H.R. 8833. An act for the relief of Sarah Antoinette Cappadona;

H.R. 9643. An act for the relief of Haider Raza and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza;

H.R. 10133. An act for the relief of Fritz A. Frerichs;

H.R. 10838. An act for the relief of certain employees of the Post Office Department at Eau Gallie, Fla.; and

H.R. 12396. An act for the relief of Elton P. Johnson.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 14019. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; to the Committee on Foreign Relations.

H.R. 15225. An act to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority; to the Committee on Public Works.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry, the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary, the Subcommittee on Constitutional Rights of the Committee on the Judiciary, the Subcommittee on Foreign Aid Expenditures of the Committee on Government Operations, and the Subcommittee on Air and Water Pollution of the Committee on Public Works be permitted to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar in sequence, beginning with Calendar No. 1237.

The VICE PRESIDENT. Without objection, it is so ordered. The clerk will state the first bill.

AMENDMENT TO THE AGRICULTURAL ADJUSTMENT ACT OF 1938

The bill (H.R. 15124) to amend section 316 of the Agricultural Adjustment Act of 1938, as amended, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1271), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill extends the time for filing tobacco allotment leases with the county committee until July 31 of each year. The lease would still have to be agreed upon prior to a closing date fixed by the Secretary. Only the filing time would be extended.

Tobacco allotment leasing was first provided for the 1962 crop by Public Law 87–200. Each year it has been found necessary to extend the time for filing leases with the county committee as follows:

Public Law 87–530.—Extended time for filing 1962 crop leases until within 20 days of July 10, 1962.

Public Law 88–80.—Extended time for filing 1963 crop leases until within 20 days of July 30, 1963.

Public Law 88–469.—Extended time for filing 1964 crop leases until within 20 days of August 20, 1964.

Public Law 89–29.—Extended time for filing 1965 crop leases until within 20 days of May 27, 1965.

These extensions have been needed each year to take care of oversights, mistakes, and misunderstandings which have resulted in late filings. The extensions have caused no difficulties and have prevented serious losses to producers who might otherwise have lost the advantage of their leases or been faced with marketing penalties on tobacco planted on the leased allotment. The program is a complex one and the committee feels that every effort should be made to prevent substantial losses from occurring as a result of failure to comply fully with technicalities of this nature. In order to avoid the necessity of legislating each year and the uncertainty arising therefrom, the bill would provide for the remaining 4 years for which leasing is authorized a definite period within which the lease may be filed following the final date upon which it must be entered into.

Hearings were held on this bill by the Committee on Agriculture of the House; and a spokesman for the Department of Agriculture testified in favor of the bill at that hearing.

The bill would not result in any additional cost to the Government.

BILL PASSED OVER

The bill (H.R. 12322) entitled "An act to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton," was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

ELIMINATION OF APPROPRIATION LIMITATION ON THREE BUREAU OF MINES STATIONS

The bill (S. 526) to amend the authorization to appropriate money for the maintenance and operation of three experimental stations of the Department of the Interior, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections 3 (b) of the Act of June 21, 1950 (64 Stat. 248; 30 U.S.C. 411, note), subsection 5(b) of the Act of March 25, 1948 (62 Stat. 85; 30 U.S.C. 401, note), and subsection 5(b) of the Act of December 18, 1942 (56 Stat. 1056; 30 U.S.C. 13, note), authorizing the appropriation of specified sums for the maintenance and operation of three experimental stations administered by the Bureau of Mines, Department of the Interior, at Reno, Nevada, Grand Forks, North Dakota, and Schuylkill Haven, Pennsylvania, respectively, are severally amended to read as follows:

"(b) such sums annually as are necessary for the maintenance and operation of the experimental station, including personal services, supplies, equipment, and expenses of travel and subsistence."

SEC. 2. Section 3 of the Act of March 25, 1948 (62 Stat. 85; 30 U.S.C. 403), relating to the submission of reports to the Congress, is hereby repealed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1273), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF BILL

Enactment of S. 526 would eliminate limitations on the authorization for appropriations for maintenance and operation of three Bureau of Mines experimental stations that are inconsistent with authorization for other Bureau stations and which give rise to possible ambiguity. The three stations are the Rare and Precious Metals Laboratory at Reno, Nev.; the lignite research station at Grand Forks, N. Dak.; and the anthracite coal research facility at Schuylkill Haven, Pa.

The limitations are included in three separate acts of Congress passed during the period 1942 to 1950. They were intended to apply only to appropriations for plant maintenance and operation, as distinct from research and experimental programs, but the language of the provisions could give rise to interpretation that the limitation was intended to apply to both.

Furthermore, the limitations presuppose a situation in which specific appropriations are made for the individual stations. However, the appropriation process does not follow that pattern. The budget of the Bureau of Mines is submitted in terms of major activities, which are divided into subactivities. The items in such a request are justified and explained in terms of the programs which they are designed to carry out, without respect to the geographical location or the particular stations at which various phases of the work may be done. This procedure enables the Congress to consider on an integrated basis the program proposed by the Bureau of Mines.

In addition, section 2 of S. 526 would eliminate an annual reporting requirement of the lignite laboratory at Grand Forks which involves duplication and is considered no longer necessary. Such special, individual annual reports no longer are required from any other Bureau of Mines facility.

FARM REAL ESTATE LOANS ON LEASED LANDS IN HAWAII

The Senate proceeded to consider the bill (S. 112) to authorize the Secretary of Agriculture to make real estate mortgage loans on leased lands in Hawaii, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That section 343 of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1991), is amended by striking the word "and" before the figure "(2)" in said section and by striking the period at the end thereof and inserting a comma and the following: "and (3) the term 'owner-operator' shall in the State of Hawaii include the lessee-operator of real property in any case in which the Secretary determines that the land cannot be acquired by the applicant, adequate security is provided for the loan, and there is a reasonable probability of accomplishing the objectives and repayment of the loan; *Provided,* That item (3) shall be applicable to lessee-operators of Hawaiian Homes Commission lands only when and to the extent that it is possible for such lessee-operators to meet the conditions therein set out."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize loans by the Secretary of Agriculture on leasehold interests in Hawaii, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1274), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF BILL

This bill, with the committee amendment, would authorize the Secretary of Agriculture to make farm improvement loans under subtitle A of the Consolidated Farmers Home Administration Act of 1961 to lessee-operators of farmland in Hawaii where (1) the land cannot be acquired by the applicant; (2) adequate security is provided for the loan; and (3) there is a reasonable probability of accomplishing the objectives and repayment of the loan.

At present, real estate loans under subtitle A of that act (other than loans for land and water development, use, and conservation) are restricted to farmers who are or will become "owner-operators" of not larger than family farms. The bill would permit such loans to be made to "lessee-operators" in Hawaii in the circumstances outlined above. Operating and emergency loans, as well as land and water conservation and development loans, under the act are not now limited to owner-operators and are therefore now available to lessee-operators.

HEARINGS

Hearings were conducted by a subcommittee of the committee on May 6, 1965. The Department of Agriculture advised that it had no objection to general legislation authorizing loans to lessee-operators, but that it did not recommend legislation applicable only to Hawaii. The hearings indicated, however, that there was a real need for this authority in Hawaii, which did not exist elsewhere, and the committee therefore restricted it to Hawaii.

NEED FOR THE BILL

Hawaii has land problems unlike those of other States, since much of its land is subject to restraints on alienation and consequently is operated under long-term lease.

A little over a century ago all of the land in Hawaii was owned by the King. Under King Kamehameha III, who became King in 1833, the land was divided into three parts, with one-third being vested in the King, one-third in the chiefs, and one-third in the tenants. Later the King divided his share, making two-thirds public domain and one-third his private estate; and the chiefs divided their land. Certain of the public lands were designated as Hawaiian homelands and subjected to statutory restraints on alienation by the Hawaiian Homes Commission Act, 1920.

A large part of the remaining lands have been controlled by a few landlords for many years, and their sale would result in such high taxes on the proceeds as to make sale impracticable. Some of the lands are held in charitable trusts which prevent their alienation.

As a consequence of these restraints on alienation most land transactions in Hawaii involve the sale of leases. Hawaiian farmers in order to carry on their operations must, like other farmers, have adequate financing, and should have available to them the financing provided for farm improvement by Farmers Home Administration loans to the extent that such loans can safely be made on the security such farmers can provide. The bill would permit such loans. They would be authorized only where adequate security can be provided, where they can be repaid, and where the purpose of the loan can be accomplished.

As indicated in the attached letter of the Department of Agriculture, some amendment of the Hawaiian Homes Commission Act, 1920, may be necessary before adequate security can be provided for loans on Hawaiian homelands. Consequently, the committee amendment indicates that further action may be required before loans can be made on such lands.

COMMITTEE AMENDMENT

The committee amendment to the text of the bill does not change the purpose of the bill. It makes it clear that the loans would be made under subtitle A of the Consolidated Farmers Home Administration Act of 1961; and limits such loans to cases where the land cannot be acquired by the applicant there is adequate security and the loan will accomplish its purpose and be repaid. It also makes it clear that further action may be required before loans can be made on Hawaiian homelands. The amendment has been approved by the Governor and both Senators of Hawaii.

ENROLLED BILLS SIGNED

The **VICE PRESIDENT** announced that on Monday, June 13, 1966, the President pro tempore signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 2267. An act to extend the provisions of title XIII of the Federal Aviation Act of 1952, relating to war risk insurance; and

H.R. 15151. An act to permit the planting of alternate crops on acreage which is unplanted because of a natural disaster.

The **VICE PRESIDENT** announced that on Tuesday, June 14, 1966, the Vice President signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 1357. An act of revise existing bail practices in courts of the United States, and for other purposes;

H.R. 3177. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 3957. An act to authorize establishment of Fort Union Trading Post National Historic Site, N. Dak. and Mont., and for other purposes;

H.R. 5984. An act to amend sections 2275 and 2276 of the Revised Statutes, as amended, with respect to certain lands granted to the States;

H.R. 6646. An act to amend the Recreation and Public Purposes Act pertaining to the leasing of public lands to States and their political subdivisions;

H.R. 9961. An act to amend chapter 15 of title 38, United States Code, to provide that where a veteran receiving pension under this chapter disappears, the Administrator may pay the pension otherwise payable to the wife and children;

H.R. 10431. An act to declare that certain federally owned land is held by the United States in trust for the Minnesota Chippewa Tribe;

H.R. 11748. An act to amend section 111 of title 38, United States Code, to authorize the prepayment of certain expenses associated with the travel of veterans to or from a Veterans' Administration facility or other place, in connection with vocational rehabilitation or counseling, or for the purpose of examination, treatment, or care;

H.R. 12676. An act to amend the Tariff Schedules of the United States to provide that certain forms of copper be admitted free of duty;

H.R. 13366. An act to authorize the disposal of aluminum from the national stockpile;

H.R. 13768. An act to authorize the disposal of celestite from the supplemental stockpile;

H.R. 13769. An act to authorize the disposal of cordage fiber (sisal) from the national stockpile;

H.R. 13770. An act to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile; and

H.R. 13773. An act to authorize the disposal of opium from the national stockpile.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON TITLE I, PUBLIC LAW 480 AGREEMENTS

A letter from the Associate Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, a report on title I, Public Law 480 agreements, for the month of May, 1966 (with an accompanying report); to the Committee on Agriculture and Forestry.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO SPECIAL LEAVE FOR CERTAIN MEMBERS OF THE ARMED FORCES

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize a special 30-day period of leave for a member of a uniformed service who voluntarily extends his tour of duty in a hostile fire area (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF INTERCOASTAL SHIPPING ACT OF 1933

A letter from the Chairman, Federal Maritime Commission, Washington, D.C., transmitting a draft of proposed legislation to amend Intercoastal Shipping Act of 1933 to provide for accounting at the expiration of a rate suspension (with accompanying papers); to the Committee on Commerce.

PUBLICATION ENTITLED "ECONOMIC REPORT ON MERGERS AND VERTICAL INTEGRATION IN THE CEMENT INDUSTRY"

A letter from the Chairman, Federal Trade Commission, Washington, D.C., transmitting, for the information of the Senate, a publication entitled "Economic Report on Mergers and Vertical Integration in the Cement Industry" (with an accompanying document); to the Committee on Commerce.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Wing Yung Nee, also known as Fong Mai Kai and Michael Yee, from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on February 1, 1965 (with an accompanying paper), to the Committee on the Judiciary.

REPORT ON EQUIPMENT TITLED IN NONPROFIT EDUCATIONAL INSTITUTIONS AND OTHER NONPROFIT ORGANIZATIONS

A letter from the General Manager, U.S. Atomic Energy Commission, Washington, D.C., transmitting, pursuant to law, a report on equipment titled in nonprofit educational institutions and other nonprofit organizations, for the calendar year 1965 (with an accompanying report); to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LONG of Louisiana, from the Committee on Finance, without amendment:

H.R. 15202. An act to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act (Rept. No. 1275).

By Mr. SALTONSTALL, from the Committee on Armed Services, with an amendment:

H.R. 12270. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the 12th Boy Scouts World Jamboree and 21st Boy Scouts World Conference to be held in the United States of America in 1967, and for other purposes (Rept. No. 1277).

By Mr. McGOVERN, from the Committee on Agriculture and Forestry, with amendments:

S. Con. Res. 88. Concurrent resolution relative to parity prices for agricultural commodities (Rept. No. 1276).

By Mr. ROBERTSON, from the Committee on Banking and Currency, without amendment:

H.R. 10357. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service (Rept. No. 1279); and

S.J. Res. 153. Joint resolution to provide for the striking of medals in commemoration of the 50th anniversary of the Federal land bank system in the United States (Rept. No. 1278).

By Mr. BARTLETT, from the Committee on Commerce, with an amendment:

S. 2218. A bill to establish a contiguous fishery zone beyond the territorial sea of the United States (Rept. No. 1280).

By Mr. McCLELLAN, from the Committee on Government Operations, without amendment:

S. 3150. A bill to make further provision for the retirement of the Comptroller General (Rept. No. 1283); and

H.R. 6438. An act to authorize any executive department or independent establishment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof (Rept. No. 1284).

SALE AND HANDLING OF CERTAIN DOGS AND CATS—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1281)

Mr. MAGNUSON. Mr. President, from the Committee on Commerce, I report favorably, with amendments, the bill (H.R. 13881) to authorize the Secretary of Agriculture to regulate the transportation, sale, and handling of dogs and cats intended to be used for purposes of research or experimentation, and for other purposes, and I submit a report thereon.

I ask unanimous consent that the report be printed, together with the individual views of the Senator from Oregon [Mrs. NEUBERGER].

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Washington.

AMENDMENT OF FEDERAL AIRPORT ACT TO EXTEND TIME FOR MAKING GRANTS THEREUNDER—REPORT OF A COMMITTEE—ADDITIONAL COSPONSORS OF BILL (S. REPT. NO. 1282)

Mr. MAGNUSON. Mr. President, on behalf of the Senator from Oklahoma [Mr. MONRONEY], I report favorably, with amendments, the bill S. 3096, to amend the Federal Airport Aid Act to extend the time for making grants thereunder, and for other purposes, and I submit a report thereon.

I ask unanimous consent that the names of Senators CANNON and COTTON be added as cosponsors of this legislation at the next printing of the bill.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and, without objection, the additional cosponsors will be added to the bill, as requested by the Senator from Washington.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

James M. Nabrit, Jr., of the District of Columbia, to be the deputy representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and deputy representative of the United States of America in the Security Council of the United Nations;

Delmar R. Carlson, of the District of Columbia, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary to Guyana;

Walter P. McConaughy, of Alabama, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to China;

Alfred M. Gruenther, of the District of Columbia, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency;

Troy V. Post, of Texas, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency; and

Stephen J. Wright, of Tennessee, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

Mr. FULBRIGHT. Mr. President, also from the Committee on Foreign Relations, I report favorably sundry nominations in the Diplomatic and Foreign Service. Since these names have previously appeared in the Congressional Record, in order to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations are as follows:

Allen S. Whiting, of the District of Columbia, and sundry other persons, for appointment and promotion in the Diplomatic and Foreign Service.

By Mr. MAGNUSON, from the Committee on Commerce:

George Meany, of Maryland, to be a member of the board of directors of the Communications Satellite Corp.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 3495. A bill to amend title XVIII of the Social Security Act to provide coverage thereunder for extended care services to certain individuals who have not been hospitalized but who have been certified to be in need of such services after examination in the outpatient diagnostic facilities of a hospital; to the Committee on Finance.

(See the remarks of Mr. Saltonstall when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Louisiana (for himself and Mr. Nelson):

S. 3496. A bill to authorize the appropriation of funds from the Treasury to help defray the costs of presidential campaigns; to the Committee on Finance.

(See the remarks of Mr. Long of Louisiana when he introduced the above bill, which appear under a separate heading.)

By Mr. INOUYE:

S. 3497. A bill for the relief of Miss Filomena Cabot; to the Committee on the Judiciary.

By Mr. FULBRIGHT (by request):

S. 3498. A bill to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, signed on August 27, 1965, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. Fulbright when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. Bartlett):

S. 3499. A bill to amend the act of August 27, 1954, relating to the seizure of vessels of the United States by foreign countries; to the Committee on Commerce.

(See the remarks of Mr. Magnuson when he introduced the above bill, which appear under a separate heading.)

By Mr. TOWER:

S. 3500. A bill to authorize the President to retire Lt. Gen. Robert Wesley Colglazier, Jr., in the grade of lieutenant general; to the Committee on Armed Services.

S. 3501. A bill to authorize the sale of standard silver dollars now held by the Treasury to certain health organizations; to the Committee on Banking and Currency.

(See the remarks of Mr. Tower when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE (for himself, Mr. Morse, and Mr. Robertson):

S. 3502. A bill to provide for the disposition of the personal estates of veterans dying intestate and without heirs in Veterans' Administration facilities in accordance with State law; providing for reimbursement to the United States for costs incurred in caring for, treating and maintaining such veterans, and for related purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Muskie when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE (for himself and Mr. Robertson):

S. 3503. A bill to facilitate the discovery and recovery by the States of unclaimed personal property in the custody of Federal agencies, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. Muskie when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON (by request):

S. 3504. A bill to amend the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Jackson when he introduced the above bill, which appear under a separate heading.)

By Mr. MONRONEY (for himself and Mr. Harris):

S. 3505. A bill to make certain expenditures by the city of Tulsa, Okla., eligible as local grants-in-aid for purposes of title I of the Housing Act of 1949; to the Committee on Banking and Currency.

(See the remarks of Mr. Monroney when he introduced the above bill, which appear under a separate heading.)

By Mr. McCARTHY:

S. 3506. A bill to amend the Internal Revenue Code of 1954 to permit the deduction of certain additional moving expenses of employees; to the Committee on Finance.

(See the remarks of Mr. McCarthy when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE:

S. 3507. A bill to place deputy U.S. marshals under the competitive civil service, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. Hartke when he introduced the above bill, which appear under a separate heading.)

By Mr. TALMADGE:

S. 3508. A bill for the relief of Chao Tee Chun; to the Committee on the Judiciary.

By Mr. MUSKIE:

S. 3509. A bill to establish a National Intergovernmental Affairs Council; to the Committee on Government Operations.

(See remarks of Mr. Muskie when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT (by request):

S.J. Res. 167. A joint resolution to enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967 and authorize an appropriation therefor; to the Committee on Foreign Relations.

(See the remarks of Mr. Fulbright when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTIONS

EXPRESSION OF SENSE OF CONGRESS RELATING TO QUALIFICATIONS OF MEMBERS OF EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Mr. TOWER submitted a concurrent resolution (S. Con. Res. 97) to express the sense of the Congress with respect to the need for members of the Equal Employment Opportunity Commission to be qualified to understand the problems of all groups of workers throughout our Nation, which was referred to the Committee on Labor and Public Welfare.

(See the above concurrent resolution printed in full when submitted by Mr. Tower, which appears under a separate heading.)

TO PRINT ADDITIONAL COPIES OF PAMPHLET ENTITLED "OUR CAPITOL"

Mr. MONRONEY submitted the following concurrent resolution (S. Con. Res. 98); which, under the rule, was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed as a Senate document, with illustrations, the pamphlet entitled "Our Capitol"; and that three hundred and twenty-two thousand five hundred additional copies shall be printed, of which one hundred and three thousand copies shall be for the use of the Senate and two hundred and nineteen thousand five hundred copies for the use of the House of Representatives.

RESOLUTION

INVESTIGATION TO DETERMINE THE ADEQUACY OF THE U.S. MERCHANT MARINE FLEET

Mr. TOWER submitted a resolution (S. Res. 273) authorizing an investigation to determine the adequacy of the

U.S. merchant marine fleet, which was referred to the Committee on Commerce.

(See the above resolution printed in full when submitted by Mr. TOWER, which appears under a separate heading.)

NURSING HOME CARE TO CERTAIN INDIVIDUALS

Mr. SALTONSTALL. Mr. President, I introduce for appropriate reference a bill to amend title 18 of the Social Security Act to provide nursing home care to certain individuals in need of such services although they have not first been admitted to a hospital. As the law now stands such a person is not eligible for this care unless he is transferred from a hospital where he has been a patient for at least 3 consecutive days. I think this provision is a weakness in the present law and I believe it should be changed before the extended care provisions of the act become effective January 1.

Last year, as I had on several occasions beginning in 1960, I introduced a comprehensive health care bill, S. 395. That measure contained a section enabling a person to enter directly into a nursing home without having to be transferred there from a hospital. In testimony before the Finance Committee I urged incorporation of that provision in whatever bill was finally enacted by the Senate. I regret that it was not included and I believe Congress should act at this time to make it part of the extended care provisions of that statute. Since these will not become operative until January 1, there is still time to make the change before another procedure becomes established.

As I said in my testimony last year, I still believe it is wrong to require that nursing home care must be preceded by a stay in the hospital. We read in the newspapers and in magazines, and we hear from hospital administrators and doctors, that our already overcrowded hospitals can expect even greater strains on their facilities once medicare becomes fully operative.

The question is often raised as to whether present facilities will be sufficient to meet the needs of people who definitely require hospitalization. Think how much worse the situation will be if my suggestion is not adopted.

The provision in existing law which requires 3 days of hospitalization in order to establish eligibility for nursing home care will surely lead to the admission of older people to hospitals who do not actually need to be there. It will add unnecessarily to the burden of our hospitals. Family doctors recognizing that nursing home care is called for in connection with treatment of a patient will be under great pressure to get them admitted to a hospital for the necessary period so that they then can obtain the nursing home coverage they require. This will add to the difficulties faced by hospitals and in the process some individuals who should have hospitalization may be delayed in receiving the treatment they need, possibly with serious consequences.

My bill does not automatically open the nursing home door to any older person whose doctor states he needs such care. Safeguards are provided by requiring outpatient diagnostic services and a finding that nursing home care is called for. Both an individual's physician and the hospital providing the outpatient diagnostic service must certify within 1 week of examination that he requires extended care, and 2 weeks is allowed following certification for the patient to enter such an extended care facility.

Mr. President, we know how difficult it is for hospitals today to take all the people who seek admission. We know that the situation will become even more difficult once the extended care provisions go into effect January 1. We know, too, that there are individuals who could benefit greatly from nursing home care who will be reluctant to take advantage of it because they will not want to spend a minimum of 3 days in the hospital to get there. Some of them do not need to be hospitalized.

We want medicare to meet the needs of the people it is intended to help. I believe today, as I believed last year, that this proposal will be of significant benefit to our older citizens and I am hopeful that some action will be taken during this session of Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3495) to amend title XVIII of the Social Security Act to provide coverage thereunder for extended care services to certain individuals who have not been hospitalized but who have been certified to be in need of such services after examination in the outpatient diagnostic facilities of a hospital, introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Finance.

CONTRIBUTIONS TO PRESIDENTIAL CAMPAIGNS

Mr. LONG of Louisiana. Mr. President, I regret to say that on more lengthy study of the proposal to allow $100 deductions to finance campaigns, I find myself more and more inclined to believe that it is not the best way to finance political campaigns.

(At this point Mr. HARRIS assumed the chair.)

Mr. LONG of Louisiana. I hope that the distinguished Vice President will remain in the Chamber long enough to hear what I am about to say. It might interest him.

It is my theory that the best way to finance presidential campaigns is on the principle of one man, one vote.

I am introducing a plan today to finance campaigns for the Presidency of the United States based on the fact that each person in voting for a candidate for President would authorize the Treasurer of the United States to pay $1 toward the expense of electing that candidate.

It is my thought that the problem of financing the campaign should be on a popular basis, just as the President is elected by all of the people. He should not be beholden to large campaign contributors.

My plan would provide that a candidate for President could be advanced money to finance his campaign based on the number of votes received by the candidates in the previous campaign, although I would require that both major candidates would have the same advance of funding available to them.

We would advance money to them based not on the votes cast in the previous elections for the highest candidate, but the second candidate, as between the two top contenders.

We would say that there would be no campaign financing except to the extent that a party receives more than 1,500,000 votes. The candidate receiving the highest number of votes would be limited for reimbursement to $1 per vote of him on his actual campaign expenditures that had been made, whichever is the lesser. And he would be further limited to 50 cents for each vote cast for all candidates in that election.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that I may continue for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, this, in my opinion, is the way that a campaign for President should be financed.

I do not propose that the plan should be extended to candidates for judge, or candidates for the State legislature, or even candidates for the House or the Senate. But there is no doubt in my mind that we should get away from a system where candidates for President of the United States are beholding to large campaign contributors. On the other hand the $100 deduction scheme, which did not originate with the President of the United States, might create more mischief than it removes.

For example, I can conceive of a situation of a corporation president assigning a junior executive to go among the highly paid employees and executives to collect $100 contributions for Senators, Congressmen, or the presidential candidate who had been more favorable to their problems.

I can foresee the medical association, which opposed the medicare bill, suggesting that all doctors should pass the hat and each contribute $100, with a tax deduction available to help defeat everyone who voted for the medicare bill.

It cannot be imagined that people in the lower income brackets would take advantage of this deduction by making campaign contributions. It would be in the upper brackets where one would expect that advantage would be taken. That is where the tax savings is greatest.

Therefore, it would tend to make government, as far as campaign expenses are concerned, financed in campaigns by, and financed in obligations to, those in the upper and middle income brackets.

The proposal which I make would encourage candidates to campaign for and support measures that would benefit 190 million people in the country and bring about a disdain for the type of pressure which we have in government.

Mr. President, I ask unanimous consent that the bill be received and referred to the Committee on Finance for the reason that this committee is going to conduct hearings on a number of measures. While it may not have jurisdiction of the matter, I have no objection to a similar bill going to another committee. We will be conducting hearings on both this proposal for financing, as well as the proposal suggested by the President, the Senator from Delaware [Mr. Williams], the Senator from Florida [Mr. Smathers], and that of the AFL–CIO.

We would hope that the best contribution of all persons knowledgeable in the field would bring forth the most appropriate, equitable, fair, just, and proper way to finance campaigns of Federal elected officials and that it would represent the thinking of the best minds in our committee when they have had a chance to consider all proposals.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3496) to authorize the appropriation of funds from the Treasury to help defray the costs of presidential campaigns, introduced by Mr. Long (for himself and Mr. Nelson), was received, read twice by its title, and, by unanimous consent, referred to the Committee on Finance.

Mr. WILLIAMS of Delaware. Mr. President, later today I will submit an amendment on behalf of Senator Bennett, Senator Lausche, and myself, to the bill proposing to increase the debt ceiling. The purpose of this amendment will be to implement the President's recommendation for a tax incentive for any part of a $100 political contribution to either of the two political parties. The Senate should have an opportunity to act on the proposal.

Hearings were held on a similar amendment which I introduced in March, at which time the Treasury Department asked that the matter go over until the administration had had a chance to make its recommendations. I withheld the matter at that time with notice that it would be offered later this year.

On Monday of this week about one-third of our hearings on the debt ceiling was in connection with this amendment endorsed by the President and the administration to allow a tax incentive for the first $100 political contribution.

This amendment provides that up to $100 in political contributions will be allowed as a deduction for tax purposes. In instances where the taxpayer uses the standard deduction the allowance will be a deduction in addition to this standard submitted today and will be called up for a vote tomorrow. I hope that it can be adopted.

Surely the Senate will support the President's recommendation on this proposal.

Mr. NELSON subsequently said: Mr. President, the Senator from Louisiana [Mr. Long] has just introduced a bill respecting a proposal to finance presidential campaigns. I have just read the bill. It provides, essentially, that the Treasury of the United States shall provide from the Treasury $1 for each vote cast in behalf of each of the candidates of the political parties in presidential elections.

In my casual review of this bill, I think it is the most creative idea that has come forth in all the debate and time we have spent in puzzling over this program. This is the most creative idea for a constructive way to meet this difficult problem.

While I am not necessarily wedded to all the details contained in the bill, and would like an opportunity to examine the bill further, I think basically it is a first-rate idea.

I ask unanimous consent that I may be added as a cosponsor to the proposal of the Senator from Louisiana [Mr. Long].

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVENTION ON THE SETTLEMENT OF INVESTMENT DISPUTES ACT OF 1966

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, signed on August 27, 1965, and for other purposes.

The proposed legislation has been requested by the Secretary of the Treasury, and I am introducing it in order that there may be a specific bill to which Members of the Congress and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered.

I ask unanimous consent that the bill may be printed in the Record at this point, together with a memorandum relating to it which was submitted by the Treasury Department.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and without objection, the bill and memorandum will be printed in the Record.

The bill (S. 3498) to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, signed on August 27, 1965, and for other purposes, introduced by Mr. Fulbright, by request, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the Record, as follows:

S. 3498

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Convention on the Settlement of Investment Disputes Act of 1966."

Sec. 2. The President may make such appointments of representatives and panel members as may be provided for under the Convention.

Sec. 3. (a) An award of an arbitral tribunal rendered pursuant to Chapter IV of the Convention shall create a right arising under a treaty of the United States. The pecuniary obligations imposed by such an award shall be enforced and shall be given the same full faith and credit as if the award were a final judgment of a court of general jurisdiction of one of the several States. The Federal Arbitration Act (9 U.S.C. 1 *et seq.*) shall not apply to enforcement of awards rendered pursuant to the Convention.

(b) The District Courts of the United States (including the courts enumerated in 28 U.S.C. 460) shall have exclusive jurisdiction over actions and proceedings under paragraph (a) of this section, regardless of the amount in controversy.

The statement presented by Mr. Fulbright is as follows:

Background and Analysis of a Bill To Facilitate the Carrying Out of the Obligations of the United States Under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, Signed on August 27, 1965, and for Other Purposes

BACKGROUND

On May 16, 1966, the Senate by a unanimous vote of 72 to 0 gave its advice and consent to the resolution of ratification of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States.

The Senate Committee on Foreign Relations held hearings on the Convention on March 29, 1966, and received testimony in support of the Convention from Under Secretary of the Treasury Joseph W. Barr and Mr. Leonard C. Meeker, the Legal Adviser of the State Department.

The purpose of the Convention is to facilitate the settlement of investment disputes between private foreign investors and sovereign States where investments are made. This is accomplished by providing for the establishment of an International Center for Settlement of Investment Disputes (the Center) under the auspices of the International Bank for Reconstruction and Development (the World Bank). The Center will maintain panels of specially qualified persons from which arbitrators and conciliators can be selected by parties wishing to use the facilities of the Center.

A decision to submit a dispute to conciliation or arbitration under the Convention would be entirely voluntary and would be based on a written agreement between the foreign investor and the Contracting State. Thus, no party, either government or private, could be required to submit a dispute to the Center unless it had first consented to do so, and ratification of the Convention by the United States will in no way bind or otherwise commit the United States Government to submit any dispute to arbitration or conciliation.

The Center would consist of an Administrative Council and a Secretariat. The Administrative Council, which would be composed of one representative from each Contracting State, would establish rules of procedure for arbitration and conciliation proceedings, approve arrangements with the World Bank for use of the latter's facilities and services, and approve the budget and annual report of the Center. The Secretariat would be responsible for administration of the Center.

While the recommendations of a Conciliation Commission would not be binding on the parties in view of the essentially voluntary nature of the process of conciliation, arbitral awards rendered pursuant to the Convention would be binding on the parties. Article 54(1) of the Convention states:

"Each Contracting State shall recognize an award rendered pursuant to this Convention as binding and enforce the pecuniary obligations imposed by that award within its territories as if it were a final judgment of a court in that State. *A Contracting State with a federal constitution may enforce such an award in or through its federal courts and may provide that such courts shall treat the award as if it were a final judgment of the courts of a constituent state.*" (Emphasis supplied.)

The proposed implementing legislation is being introduced in accordance with the provisions of this article. In testifying on the Convention before the Senate Foreign Relations Committee, Under Secretary of the Treasury Joseph W. Barr stated:

"As I mentioned, arbitral awards will be enforcible in the courts of contracting states. In the case of federal states like the United States the convention provides that awards may be enforced in or through the Federal courts. We have drafted proposed implementing legislation which will provide that arbitral awards under the convention shall be enforcible in U.S. Federal district courts. This draft legislation will soon be submitted to the Congress."

ANALYSIS

Section 2 of the proposed legislation states that the President may make such appointments of representatives and panel members as may be provided for under the Convention. This section provides for the appointments of a U.S. representative and alternate to the Administrative Council of the Center. In this connection, it is to be noted that Article 4(2) of the Convention states:

"In the absence of a contrary designation, each governor and alternate governor of the Bank appointed by a Contracting State shall be *ex officio* its representative and its alternate respectively."

Section 2 would also authorize the President to designate four persons to the Panel of Arbitrators and four persons to the Panel of Conciliators. Article 13(1) of the Convention states:

"Each Contracting State may designate to each Panel four persons who may but need not be its nationals."

The purpose of Section 3(a) of the proposed legislation is to implement Article 54(1) of the Convention, cited above. Section 3(a) provides that an award of an arbitral tribunal rendered pursuant to Chapter IV of the Convention shall create a right arising under a treaty of the United States. Chapter IV of the Convention is the chapter concerned with arbitration proceedings. The statement that an arbitral award rendered pursuant to the Convention "shall create a right arising under a treaty of the United States" simply makes clear that an action to enforce an arbitral award shall be a case arising under a treaty of the United States within the meaning of Article III, Section 2, Clause 1, of the Constitution. That clause extends federal judicial power to cases arising under the Constitution and laws of the United States and to treaties made under their authority.

Section 3(a) of the proposed legislation also states that the pecuniary obligations imposed by an arbitral award rendered pursuant to the Convention shall be enforced and shall be given the same full faith and credit as if the award were a final judgment of a court of general jurisdiction of one of the several States. The reference to the "pecuniary obligations" of an award is taken from Article 54(1), cited above, which limits the obligation to enforce an arbitral award to any monetary damages included in the award. To give full faith and credit to an arbitral award as if it were a final judgment of a court of one of the several States means that an action would have to be brought on the award in a United States District court just as an action would have to be brought in a United States District court to enforce the final judgment of a State court. In such an enforcement action the United States District court would be required to give full faith and credit to the arbitral award.

Section 3(a) of the proposed legislation further states that the Federal Arbitration Act shall not apply to enforcement of awards rendered pursuant to the Convention. The Federal Arbitration Act permits the courts to vacate an arbitration award on grounds of corruption, fraud, partiality, misconduct, or other prejudicial conduct of an arbitrator, or where the arbitrators exceed their power. Under Article 52 of the Convention such challenges to an award may be raised only through the annulment proceedings provided for in the Convention. To permit those issues to be examined by the courts at the enforcement stage would be contrary to the provisions of the Convention.

Section 3(b) of the proposed legislation states that District courts of the United States shall have exclusive jurisdiction over actions to enforce arbitral awards. This provision is also based on Article 54(1) of the Convention, which provides that a Contracting State which is a federal state may meet its enforcement obligations by providing for the enforcement of arbitral awards in its Federal courts. The statement that the jurisdiction of District courts shall be "exclusive" means that arbitral awards shall be enforcible in Federal courts and not in State courts. The reference in this provision to the courts enumerated in 28 U.S.C. 460 means that the District courts of the Canal Zone, Guam and the Virgin Islands shall also have jurisdiction.

AMENDMENT OF ACT RELATING TO SEIZURE OF VESSELS OF THE UNITED STATES BY FOREIGN COUNTRIES

Mr. MAGNUSON. Mr. President, on behalf of myself and the senior Senator from Alaska [Mr. BARTLETT], I introduce, for appropriate reference, a bill to provide more equitable reimbursement when a U.S. vessel is seized by a foreign country on the high seas or in territorial waters not recognized by the United States.

The bill is particularly applicable to our fishing vessels, a number of which have been forcibly seized and detained by foreign governments off the South American coast which claim territorial seas of extraordinary width.

Under present law (68 Stat. 833) when such seizures occur, the Secretary of State is required to attend to the welfare of the vessel and its crew and to secure their release from foreign custody.

When, to effect this release, a fine is required from owners of the vessel, the Secretary of State certifies to the Secretary of the Treasury the amount of fine paid, and the later reimburses the owners the amount of the fine.

There is, however, under the present statute, no reimbursement for losses, other than the amount of the fine, incurred as a result of such seizures and detention.

These losses invariably include lost fishing time, which means lost income to both owners and crewmen of vessel. They also may include expenses in connection with gear, equipment, catch and demurrage incident to the involuntary delay.

My bill, introduced by request of the American Tunaboat Association, which has been victimized and harassed by wrongful foreign seizures, would rectify this omission in the present statute.

The bill would amend and amplify section 3 of the statute, which provides for reimbursement of the amount of the fine, to include reimbursement to owners of the vessel and to members of the ship's company, for any loss incurred as a result of seizure.

Demurrage for lost time would be determined on the basis of gross income of the seized vessel during the 12 calendar months immediately preceding seizure.

What this bill does, Mr. President, is to strengthen our existing laws for the protection of U.S. vessels on the high seas.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3499) to amend the act of August 27, 1954, relating to the seizure of vessels of the United States by foreign countries, introduced by Mr. MAGNUSON (for himself and Mr. BARTLETT), was received, read twice by its title, and referred to the Committee on Commerce.

IN AID OF THE 12 HEALTH AGENCIES

Mr. TOWER. Mr. President, I introduce today for appropriate reference a measure designed to allow the Federal Government to sell to the 12 health agencies approved for the Federal Service Campaign for National Health Agencies their current holdings of silver dollars.

There are presently about 3 million silver dollars minted between 1878 and 1922 being held in Treasury vaults. Of these, 2.8 million were minted at Carson City, Nev., between 1878 and 1893. The balance of the coins were minted at Philadelphia, New Orleans, and San Francisco between 1883 and 1922, the vast majority of which have likewise never been in circulation. Mr. President, these coins represent a source of great income to those who would be able to market them. It seems altogether fitting that the realization of this income should go to a worthy and needy cause. I have therefore proposed to authorize the Secretary of the Treasury to make these coins available to certain health agencies in order that their research facilities and budgets may be expanded, and their fight against the many diseases that still haunt mankind may be made more efficient.

Mr. President, it is important that these funds be made available to a broad spectrum of health agencies do that more may be helped. We have in the past confined our actions to narrow fields; here is a chance to help agencies that can make very judicious use of this new source of funds.

The Federal Government has in the past helped certain of these agencies with outright grants. It seems that with these uncirculated coins lying in the Treasury vaults, these funds that could not be realized by the Government should be made available to those who could judiciously make use of them to the benefit of the entire Nation. Therefore, Mr. President, I urge the Members of the Senate to give this charitable measure their swift and overwhelming approval. Very many Americans will certainly benefit from our action here.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3501) to authorize the sale of standard silver dollars now held by the Treasury to certain health organizations introduced by Mr. TOWER, was received, read twice by its title, and referred to the Committee on Banking and Currency.

DISPOSITION OF PERSONAL ESTATES OF CERTAIN VETERANS

Mr. MUSKIE. Mr. President, I introduce for appropriate reference, on behalf of myself and Senators MORSE and ROBERTSON, a bill to provide for disposition of the personal estates of veterans dying intestate, without heirs. I ask unanimous consent that the bill lie on the table for 1 week, for the benefit of Senators who may wish their names added as cosponsors of the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and without objection the bill will lie on the desk, as requested.

The bill (S. 3502) to provide for the disposition of the personal estates of veterans dying intestate and without heirs in Veterans' Administration facilities in accordance with State law; providing for reimbursement to the United States for costs incurred in caring for, treating and maintaining such veterans, and for related purposes, introduced by Mr. MUSKIE for himself and other Senators was received, read twice by its title and referred to the Committee on Labor and Public Welfare.

FACILITATION OF DISCOVERY AND RECOVERY BY THE STATES OF CERTAIN UNCLAIMED PERSONAL PROPERTY

Mr. MUSKIE. Mr. President, I introduce for appropriate reference a bill which would enable Senator ROBERTSON and myself to facilitate the discovery and recovery by the States of unclaimed personal property in the custody of Federal agencies.

I ask unanimous consent that the bill lie on the table for 1 week, for the benefit of Senators who may wish to have their names added as cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection the bill will be on the desk as requested.

The bill (S. 3503) to facilitate the discovery and recovery by the States of unclaimed personal property in the custody of Federal agencies, and for other purposes, introduced by Mr. MUSKIE for himself and Mr. ROBERTSON, was received, read twice by its title and referred to the Committee on Government Operations.

CONTINUANCE OF CIVIL GOVERNMENT FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. JACKSON. Mr. President, I send to the desk a bill to amend the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands. I am introducing this proposed legislation at the request of the Department of the Interior.

By letter of May 13, 1966, Secretary of the Interior Udall submitted this draft proposal, together with a comprehensive explanatory statement. I believe Members of the Senate would be interested in the Secretary's communication and the supporting background information furnished to us concerning our trusteeship responsibilities in the Mariana, Carolina, and Marshall Islands of the Pacific, and the need for increased appropriations to carry out our responsibilities in that area.

Mr. President, I ask unanimous consent that the bill and the May 13 letter be printed in full at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and without objection, the bill and letter will be printed in the RECORD.

The bill (S. 3504) to amend the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands, introduced by Mr. JACKSON by request was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 3504

A bill to amend the Act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of June 30, 1954 (68 Stat. 330), as amended (76 Stat. 171), is hereby amended to read as follows:

"SEC. 2. There are authorized to be appropriated for the fiscal year 1967 and thereafter not to exceed $172,000,000, to remain available until expended, to carry out a program of necessary capital improvements and public works related to health, education, utilities, highways, transportation facilities, communications, and public buildings, and there are further authorized to be appropriated such additional sums, to remain available until expended, as may be necessary to carry out the purposes of section 1(a) of this Act. Not later than ten days after the President submits to the Congress his annual budget or a supplemental budget request that includes a request for appropriations for the Trust Territory of the Pacific Islands, the Secretary of the Interior shall submit to the Committees on Interior and Insular Affairs of the House of Representatives and the Senate a statement of the capital improvement and public works program, and all other costs for the civil administration of the trust territory proposed in the budget request being submitted."

SEC. 2. All right, title, and interest of the United States Government, if any, in the following-named vessels is hereby transferred to the government of the trust territory: Gunner's Knot, Pacific Islander, Palau Islander, Yap Islander, Truk Islander, Kaselehlia, Militobi, Ran Annim.

The United States flag may be displayed, in addition to the flag of the trust territory, by vessels of the Trust Territory for identification, but the said vessels shall not thereby be deemed United States flag vessels nor vessels documented under the laws of the United States.

The letter presented by Mr. JACKSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 13, 1966.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "To amend the Act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands."

We recommend that the bill be referred to the appropriate committee for consideration, and we strongly urge that it be enacted.

The bill authorizes the appropriation in the coming years of funds that would be, in our judgment, sufficient to permit the proper discharge of our obligations in the Trust Territory.

This Government has committed itself to promote the political, economic, and social development of the people of the Trust Territory. If we are to carry out this commitment, enactment of this bill is urgently required. We have, during the twenty years that we have administered the area, made progress toward the achievement of acceptable levels of development, but we have very much farther to go. We need authority to expand much more Federal money in the Trust Territory than we have spent in the past. Our responsibilities to the Micronesians permit no alternative. The enclosed bill is necessary to achieve that result.

The bill in section 1 authorizes an appropriation of not to exceed $172,000,000 for a capital improvement and public works program in the fields of health and education, utilities, roads, transportation, communications, and public buildings. No time limit is specified for completion of the program, but it is our hope and expectation that this total sum would be appropriated during the fiscal years 1967 through 1971, with the resulting facilities constructed and available for operation during the fiscal year 1972.

Section 1 also authorizes the appropriation of such additional amounts as may be necessary for the administration of the Trust Territory. Section 1 requires that within ten days after the President submits to the Congress his annual budget or a supplemental budget request that includes a request for appropriations for the Trust Territory, the Secretary of the Interior must submit to the Senate and House Interior and Insular Affairs Committees an explanatory statement of the capital improvement, public works, and other costs of civil administration of the Trust Territory. This provision will give the Committees an opportunity to review the program.

We strongly believe that the capital improvements program we have projected for substantial completion in 1972 is so essential that it ought not to be deferred over a longer period of time. While we strongly recommend for your consideration the program as projected, we at the same time recognize that the period of five years carries with it no magic and that the program could be accomplished in a fewer or a greater number of years—although, in our estimation, not nearly so effectively as to the value, both tangible and intangible, received from the dollars expended.

For example, if the program could be accomplished in one year, we estimate its total *cost would be in excess of $250 million* because of the unwarranted "crash program". If the program were undertaken over a ten-year period, we estimate the cost would probably reach $240 million.

The "crash" approach would be extremely expensive in terms of mobilizing and importing at premium rates equipment, materials, and manpower with little benefit to the Micronesians in terms of employment, training, or participation in designing and operating the facilities. The longer period would not enable us to overcome the demands imposed by population increases and would involve additional, though largely incalculable costs, such as lost education opportunities, the debilitating effects of preventable, yet unprevented, disease, and resources remaining unused while human subsistence stands at a relatively low level.

The enactment of section 1, and particularly the authorization of the capital improvements program, will do much more than provide merely for an acceptable physical plant in an appropriate number of years. It cannot help but provide an effective training ground for Micronesian labor and be the means of stimulating the total economy of the Trust Territory, thus beneficially multiplying the economic impact of every dollar spent in the local economy.

Insofar as Micronesian labor is concerned, it is the intention of the Government of the Trust Territory to utilize competent local labor to the limit of its availability and to insist upon training programs whereby those Micronesians who lack requisite skills may acquire them. Thus, it is anticipated that ultimately the major segment of the trained labor force will be Micronesian. There is no reason to suppose, barring unforeseen reverses, that the greatly expanded requirements for operation and maintenance which will be associated with completed elements of the capital improvements program, together with the almost certain collateral development in the private sector, will not provide opportunity for employment for those who are trained in the course of program. That these benefits can be derived from the program is demonstrated by the size and competence of the local labor force which exists today in American Samoa, after a comparable period of major capital improvements.

From July 1, 1951, when the President gave the Secretary of the Interior administrative responsibility for the Trust Territory, to June 30, 1966, $121,905,000 has been appropriated for the administration of the area, including capital improvements. These funds have been used to provide minimal basic services for a people who were largely on a subsistence economy and who, despite centuries of alien rule, have not been afforded an opportunity to become part of the modern world.

The wide expanse of the Trust Territory and its widely scattered people (90,000 people on 2,000 islands scattered over almost 3,000,000 square miles of the Pacific Ocean) have created enormous administrative problems. To meet these problems, the Trust Territory has been divided into six administrative districts. At the present time, four of these six districts are being broken down into seven sub-districts, or regional service centers. Three more regional service centers probably need to be established. These regional service centers will bring 90 percent of the people of the Trust Territory within reasonable distance of improved educational, medical, and economic development programs.

If we are to bring the medical facilities of the Trust Territory to an acceptable level within the next five years, an expenditure of $30,000,000 is estimated. This will provide additional hospitals, dispensaries, and related facilities. It will also allow us to *recruit an additional 20 qualified medical doctors* for the medical staff, raising the total number of medical doctors and medical practitioners to 60. It also envisions the recruitment of needed support personnel, such as nurses and medical technicians of various types. These additional services will call for an increased operational program for Public Health estimated to range from $4,500,000 for fiscal 1967 to an estimated $7,400,000 in fiscal 1972.

In order to meet properly the educational requirements of the Trust Territory, we estimate a need for school facilities costing a total of $76,979,000 in the five fiscal years 1967 through 1971. This sum will be broken down into $28,020,000 for elementary educational facilities and $48,959,000 for secondary educational facilities. This sum will build and equip 834 new classrooms for the elementary schools and 356 classrooms for the secondary schools. These figures also include the cost of related facilities, such as teachers' quarters, dormitories for the secondary students, kitchens, sanitary facilities and others. This large figure does not include the cost of an educational television system, which cannot be determined until a feasibility study, now underway, is completed.

Hand in hand with the capital improvement program for education will go increased operational budgets. The operational budget for education based upon needs for school facilities is estimated to increase from $5,994,000 in fiscal 1967 to $16,450,000 in fiscal 1971.

Improvement in transportation and communication facilities are of the utmost importance if health, education, and economic advances are to be expected. In order to provide the needed transportation facilities, we plan to spend an estimated $7,095,000 over the next five fiscal years to improve the airport facilities, $10,700,000 during the same period for road and street construction and improvement, and $2,000,000 on harbors, piers, and related facilities. These improvements are badly needed to allow a free, unfettered flow of goods and people into and within the Trust Territory.

One of the most vital supporting facilities is a network of communications among the islands. Health, education, and economic development cannot be expected to function without adequate communications. The plans now call for an expenditure of an amount estimated at $2,830,000 over the next five fiscal years to provide the needed communication facilities.

Power, water, and sewage disposal facilities are urgently needed throughout the Trust Territory, both for the expanding governmental activities and for the public use. In order to provide adequate water, power, and sewage facilities our plans call for an expenditure estimated at $32,042,000 from fiscal 1967 through fiscal 1971.

If we are to meet the increased needs of the people of the Trust Territory, we will need to provide new buildings and other facilities to house the Government that will administer the operations of the Territory. The proposed program for capital improvements over the next five fiscal years calls for an expenditure of $10,227,000 for the construction of government buildings.

The capital improvement program that this legislation will make possible will allow this Government to make the needed improvements in the Trust Territory to allow its people to enter the twentieth century. These investments will create a favorable climate for the economic development of this area and its people.

In the attachments to this report, a more detailed breakdown and explanation of our plans for the Trust Territory of the Pacific Islands for the next five years is given.

Section 2 of the bill conveys all right, title, and interest of the United States, if *any, in eight named vessels to the Government* of the Trust Territory. All of the vessels are presently held by the Trust Territory Government and operated (through private contractors) to provide shipping facilities and logistic support within the Trust Territory. The utilization of "quit claim" language in the bill is occasioned by an unresolved question as to the extent of the United States interest in certain of the vessels.

The Bureau of the Budget has advised that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

Enclosures.

ATTACHMENT I—EXPLANATION OF THE BILL

HISTORICAL BACKGROUND

The islands which form the Trust Territory lie in three major archipelagoes to the north of the Equator in the western Pacific. The land area totals less than 700 square miles, but it is scattered over almost 3,000,000 square miles of open ocean. About 97 of the more than 2,000 islands are inhabited; they range from low-lying coral atolls to high islands of volcanic origin. The Mariana Islands, which stretch to the north of Guam, and the western Caroline Islands are typically high islands, although coral atolls, such as Ulithi, do occur. The eastern Caroline Islands are similarly a mixture of high islands and coral atolls. The Marshalls are entirely low coral atolls, usually a loose string of narrow sandy islands surrounding a lagoon.

These islands were governed between World War I and World War II by the Japanese as a League of Nations mandate. Converted into military bases by the Japanese, they were captured by Allied forces during World War II and placed under Navy military government. Japanese colonists and military personnel were returned to their homeland after the war and in July 1947 the United States placed the former mandate under the newly established United Nations Trusteeship System. In recognition of the defense value of these islands, the provisions of the United Nations Charter relating to strategic areas were brought into play and the trusteeship agreement was concluded between the United States and the Security Council. Under the trusteeship agreement, the United States has undertaken to promote the educational, social, political, and economic development of the people of the territory.

Administrative responsibility was first vested by the President in the Navy but was transferred to the Secretary of the Interior on July 1, 1951. In 1952, administrative responsibility for the northern Mariana Islands was reassigned to the Navy and the dual administration contained until July 1, 1962. On that date the Marianas were returned to Interior supervision and the headquarters of the Trust Territory government were moved to Saipan as provisional capital of the territory. Six administrative districts, which roughly conform to geographic and ethnic devisions, have been established and have formed basic elements in American administration of the area.

During the period of July 1, 1951, through the end of fiscal year 1966, a total of $121,905,000 has been appropriated to the Department of the Interior for administration of the area, including capital improvements. (This total is exclusive of funds appropriated to the Navy for the Northern Mariana Islands during the years 1953–1962.) For fiscal years 1952 through 1962 the annual appropriation ranged from $4,271,000 to a high of $6,304,000 in fiscal year 1962. These funds were within the $7.5 million authorization approved in 1954, and provided minimal basic services to a people who were largely on a subsistence economy and who, despite centuries of alien rule, had not been afforded an opportunity to become part of the modern world.

Enactment of Public Law 87-541 in 1962 increased the Federal appropriation authorization for the Trust Territory from $7.5 to $15 million for fiscal year 1963 and $17.5 million thereafter. The funds which have been appropriated and expended under this new authorization have made possible an appreciable start toward bringing the physical facilities and the level of services to a minimum standard acceptable in an American community. In addition, there are some beginnings in the development of Micronesian resources. In spite of the start which has been made, however, an enormous amount still remains to be accomplished if we are fully to discharge the responsibilities we have assumed in the Pacific.

The problems of supplying basic facilities and services in the Trust Territory are compounded by the widely scattered population, its rapid growth, its high proportion of children, and the relatively low level of economic and social development in the islands. The present population of 90,000 has been growing at an overall rate of almost 4 percent annually and, if that rate continues, will reach 100,000 by 1970. This rate of growth compares with 1.6 percent for the United States, 2.3 percent for India, 0.9 percent for Japan, and 3.2 percent for the Philippines. Some of the Trust Territory islands have a population density of 1,900 persons per square mile, although others have a population density as low as 50 persons per square mile. Almost one-half of the population is less than 20 years of age.

A major shortcoming of past efforts to provide services to the people of the territory and to promote their economic development has been the difficulty of reaching the population living on the more remote islands of each district. Approximately 56 percent of the total population lives on the islands where the six district centers are located. Initial developmental efforts were largely confined to those six centers. During the last few years, however, a start has been made toward providing needed services, such as intermediate or secondary schools and regional health centers, to some of the subcenters, such as Ulithi, Kusaie, and Ebeye. The establishment of approximately seven such sub-centers will bring a substantially greater percentage of the total population within the ambit of improved educational, medical, and economic development programs. These seven sub-centers, or regional service centers, would be distributed through four of the six districts. Three would be located in the Marshalls, at Jaluit and Ebeye and one in the northern Marshalls. One would be located in the Ponape District at Kusaie. One would be located in the Truk District in the Mortlocks. Two regional service centers would be located in the Yap District at Ulithi and at Woleai.

The establishment of these regional service centers will bring 90 percent of the people of the Trust Territory within reasonable distance of adequate health, education, and other governmental services. The remaining 10 percent of the population is scattered in small, relatively isolated, communities of 100 people or less.

HEALTH

Under the accelerated program commenced in fiscal year 1963, improvement in health services to the Micronesian people has been considerable. However, there is still a very high incidence of filariasis, amoebic dysentery, leprosy, and tuberculosis—illnesses which are almost unknown or completely controlled in the United States, and which could be controlled in the Trust Territory. There are almost no registered nurses in the Trust Territory, and 90 percent of the doctors are not qualified by medical degrees. The district hospitals are all overcrowded and three are wholly inadequate. Most of the 90 outlying dispensaries are structurally unsound and staffed largely by insufficiently trained personnel.

At the present time, funds are available for the first increments (at about $1 million each) for new hospitals at Truk and Ponape, but funds are not available for their completion. Nor do we have amounts available for construction of a badly needed 100-bed hospital at Yap; replacement of completely inadequate subdistrict health centers at Ebeye and Kusai; construction of regional health centers; and urgently needed community dispensaries. If we are to bring the medical facilities of the Trust Territory to an acceptable level reasonably soon, that is, in five years, an expenditure of $30 million must be anticipated.

These funds would provide for completely new hospitals of 200 beds at Truk, 150 beds at Ponape, and 100 beds at Yap; additional beds and improvements to those at Palau, Majuro, and Saipan; and construction of seven sub-center health facilities of 30- to 50-bed capacity in Ebeye, Kusaie, Jaluit, the northern Marshalls, the Mortlocks, Woleai, and Ulithi. In order to provide adequate services, some of these regional services centers must be provided with small support vessels. These vessels would not only be medical vessels but would also provide for the transportation of other personnel, such as education supervisors and agricultural extension agents who would be working directly with the communities. At the present time a need is foreseen for four service vessels to be stationed at Jaluit and Ebeye, in the Marshalls; in the Mortlocks, at Truk; and at Ulithi in the Yap District. These vessels would primarily be personnel carriers of less than 100 feet which could respond swiftly to emergencies; be in constant radio contact with the regional service center and the smaller communities, and generally provide the vital link that would bring governmental services to people living on small islands.

The other service centers are close enough to the District centers to be supported by present vessels. In addition to the vessels, there is the distinct possibility that small support aircraft with water landing capabilities will be utilized.

These funds would also provide for about seventy-five community dispensaries, of 2–4 beds each, which would be located in smaller communities in outer-island areas throughout the Trust Territory. These communities are now served by tin or thatch-roof dispensaries. We would propose that radio equipment be installed at each community so that word of emergencies and other illnesses could be received at the pertinent District center or the regional service center. These improvements are considered to be the minimum needed by 1972. The Public Health operational program must be greatly improved over the next five years in order to bring more effective health services to the people of Micronesia. Under the proposed bill, additional doctors would be recruited to augment the doctors now practicing. It is planned that 20 medical doctors would be added to the staff by 1972 in order to bring the total number of medical doctors and medical practitioners to 60.

Registered nurses would be recruited both for medical care in the hospitals and for Public Health duty. By 1972 a total of 36 registered nurses and 13 to 21 Public Health nurses should be added to the staff to provide improved medical care, training for Micronesian nurses, and increased public health services to many communities.

Adequate medical and paramedical staff should be employed to operate district center facilities, regional health centers, and outlying dispensaries. Laboratory technicians, X-ray technicians, hospital administrators, and health workers of all kinds should be recruited. The Trust Territory will, of course, train and employ as many Micronesians as possible for these posts.

Special programs for the detection, isolation, treatment, and rehabilitation of patients ill with tuberculosis, leprosy, filariasis, and other diseases would be mounted. Provision should be made for close cooperation with the U.S. Public Health Service, as well as bringing short-term consultants on special problems to the Trust Territory.

The estimated cost of the operational program for Public Health by fiscal year may be seen in attachment II, which indicates that the cost will range from an estimated $4,500,000 in fiscal year 1967 to an estimated $7,400,000 in fiscal year 1972.

EDUCATION

The accelerated program from 1963 to the present has resulted in 330 new classrooms for the Trust Territory school system, and enrollment has increased to about 21,500 pupils. Of this 21,500, about 19,000 are in elementary school, compared to about 12,000 in 1960. Approximately 2,500 are attending public secondary schools, compared to 135 in 1960. In spite of the new construction, we have not been able to add classrooms to keep up with increased enrollment. Half of the classrooms now occupied are far below an acceptable standard and many are greatly overcrowded. High schools have been established in each of the six District centers and in the sub-centers of Kusaie and Ulithi. Although these secondary schools now accommodate about 2,500 pupils, enrollment is sharply limited by availability of classrooms. Under our current budgetary limitations, in fiscal year 1968 only one of every two children who graduate from the eighth grade will be able to be admitted to high school because of space limitations. Unless secondary school facilities are greatly increased, by 1972 we will be able to accept in high school only one of every four eighth grade graduates.

By 1972 it is estimated that the Trust Territory will need space for more than 8,000 students at secondary levels.

Although some 200 fully qualified teachers have been hired in the school system by recruitment from the mainland and although a training center has been established to upgrade Micronesian teachers fully 43 percent of all public school teachers have not graduated from high school and an additional 30 percent have only high school diplomas. More than half of the Micronesian teachers cannot teach in the English language. Of the total Micronesian population less than 25 percent is literate in English and fewer than 5 percent have graduated from high school.

The construction of sufficient classrooms and related facilities including teachers' quarters to house adequately all eligible elementary pupils by the fall of 1972 will cost an estimated $28 million. This will provide 834 classrooms for a total enrollment of more than 29,000 pupils. A construction program for secondary and vocational facilities, including teachers' quarters, in order to house adequately all eligible secondary students by 1972, will cost an estimated $49 million. At that time, an enrollment of more than 8,000 is anticipated at 13 high schools located at the six district centers and the regional centers.

In order to strengthen the operational program in education, special attention must be devoted to the teaching of English, the secondary school program and curriculum, teacher training, educational materials, higher education and adult education. The program planned for the next five years will make maximum use of Micronesian personnel and will supplement Micronesians with education specialists with stateside training. A greatly improved program of teaching English as a foreign language will be instituted, which will attempt to reach every elementary and high school student. A major emphasis must be given this program if we are to make the next generation of Micronesians literate in the English language.

The entire secondary program must be evaluated in terms of the goals of Micronesians and special emphasis must be placed on training for the employment opportunities which economic development specialists see as the future of the Trust Territory. Guidance for the high school students should be provided and opportunities must be provided beyond high school for those who will be seeking employment in specialized, technical, or professional skills.

The adult segment of the population should be helped to understand the nature of the change that is taking place in Micronesia and to bring to that change the old values that make for strength in newly emerging Micronesia. In addition, all who can be taught to read and write English should have that opportunity and other skills should not be neglected.

Special teacher training courses have already been set up at Ponape for Micronesian teachers. These courses would be greatly expanded and opportunities for teacher training provided in other districts. The teacher training program will augment the ongoing college training program.

The estimated program cost for education ranges from an estimated $6,000,000 in fiscal year 1967 to an estimated $16,500,000 in fiscal year 1971.

This program does not specifically provide for the use of educational television, although a feasibility study is being initiated. The wide dispersion of the population and the nine local languages involved may make the use of this education medium problematical in terms of more traditional alternatives. In the event the analysis concludes that an ETV system is technically practical in terms of cost related to persons to be reached, a separate request for a construction appropriation would be set forth as a part of the annual civil government appropriation request.

HOUSING

A major and continuing problem in the Trust Territory has been in the area of housing for the Micronesians. Throughout the area there is almost no decent housing and communities are characterized by the large number of dwellings constructed of leftover World War II corrugated iron. Because of the low income level of the people, lack of lending institutions, and lack of long-range community planning, there has been little success in launching well-developed housing programs.

It is proposed to initiate a territorywide low-cost housing program to be administered by the government and to function in the pattern established by HUD for the self-help Indian housing program.

TRANSPORTATION AND COMMUNICATIONS

Improvements in transportation and communication facilities are of the utmost importance if health, education, and economic advances are to be expected.

Airfields which have been built must be surfaced and protected from erosion; runway lights should be installed; the airport at Ponape must be completed; and other airport improvements should be provided, such as runway lighting, navigational aids, parking ramps, and terminal facilities. The estimated amount for airport capital improvement purposes is $7 million.

One of the most vital elements of supporting facilities is the network of communications among the islands. Health, education, and economic development cannot be expected to function effectively without adequate communications. Urgently needed communications facilities include improved radio equipment at each District center and regional service center, and the installation of two-way radio communication equipment in each community in the Trust Territory with a population over 50, to connect with the regional service centers. A microwave system is planned for the Guam-Saipan circuit in order to enable voice communication between Saipan and Guam, and on to the mainland United States. It is also necessary to provide adequate telephone systems within the District centers for both commercial and government use. Installation of new and improved communications facilities is estimated to cost $2.8 million.

If the improved sea transportation schedule is to be made most effective and if regional service centers are to be adequately supplied by sea transportation, additional investment must be made in docks and related facilities. Many docking facilities should be improved in order to permit quick loading and discharge of ships and reducing lightering and longshore costs. Dredging should be accomplished at a number of locations in order to permit vessels to approach existing docks and to widen passages through reefs and shallows. Harbor entrances and channels needed to be buoyed and marked where new facilities are planned. Needed dock facilities and harbor improvements are estimated in the amount of $2 million.

HIGHWAYS

With few exceptions, roads in the Trust Territory are generally deplorable, yet our essential programs of education, health, and economic development are clearly dependent upon an adequate road system.

An adequate road system is essential in order to transport children to school. With a road system it will be possible to consolidate elementary schools on many islands and achieve better educational results as well as significantly lower costs. In addition, many of the high school children will be able to live at home in a family atmosphere instead of having to live in a dormitory at the school—an expensive and frequently unrewarding means of education at the secondary level. Adequate roads are also essential for transporting patients to medical facilities and for transporting agricultural and other products to marketing or shipping centers, thereby encouraging commercial and agricultural production. As to this last point, it has been estimated that if suitable roads were available on the major islands, for improved copra collection and transport, the production of this valuable crop would double. Copra is now the leading source of commercial income, and a major source of tax revenue.

It is planned to construct some 290 miles of road at an estimated cost of $10.7 million. On a District basis, there is need for 70 miles in the Marianas, 90 in Palau, 25 in Yap, 30 in Truk, 70 in Ponape, and 5 in the Marshalls. Of the total, 190 miles would be gravel or coral surfaced at an estimated cost of $30,000 per mile, and 100 miles would be asphalt surfaced at an estimated cost of $50,000 per mile.

UTILITIES

Power, water, and sewage disposal facilities are urgently needed throughout Micronesia. These utilities are required both for expanding governmental activities and for the private sector. At the present time, less than 10 percent of the total population has a protected water supply. While sewage systems do exist on some islands, there is no sanitary disposal system on any island. The extremely high incidence of parasitic worms, gastroenteric disease, and amoebic dysentery can be directly attributed to contamination of water supply by human waste. The elimination of these diseases by proper sanitary and water systems will save unnumbered hospital days of care, as well as a great amount of human misery and death.

While electrical power is available at each District center, there is continuing demand for additional service on a reimbursable basis from the general public. In addition, new power systems must be developed at the regional service center islands to provide for the demand of new government facilities and the local populations.

In order to provide the utility systems needed, $7 million will be needed to construct the necessary sewage disposal facilities, $13 million will be needed to provide pure water supplies, and $12 million will be needed to provide generating and distribution systems.

These estimates anticipate that adequate water, sewage disposal, and power services would be installed to meet the need of both public and private consumers at each of the six District center communities as well as the seven regional service centers. By this means approximately 40 percent of the people of the Trust Territory would have these services. It is planned of course that these services would be available for commercial and home consumption.

GOVERNMENT BUILDINGS

There are many services provided by the Government in the Trust Territory which, in the United States, are usually performed by the private sector. The repair of equipment, the production of aggregate, the storage of food and equipment, and the provision of refrigerated storage are examples. This situation, which cannot be changed in the near future, or until the general level of Trust Territory economic activity is appreciably raised, forces the Government to construct repair shops, rock crushing systems, warehouses of many kinds, and cold storage units. In addition, court houses, administration buildings, employee quarters and legislative buildings are required. Throughout the Trust Territory, public buildings are in a sorry state. It is estimated that $10 million will be required for all of these structures

The total capital improvement authorization requested is $172 million. This is the amount which we estimate will be needed in order to bring the Trust Territory physical plant to acceptable standards by 1972. We strongly believe that the program which has been projected is so essential that it should not be deferred.

ECONOMIC DEVELOPMENT

The economic resources of the Trust Territory are limited, yet with suitable guidance and assistance, the potentials that exist can be developed. At the present time most of the population is on a subsistence economy. However, at least in the District centers and on Ebeye, this pattern is changing and there is significant movement into a limited cash economy.

Exports from the Trust Territory in 1964 totalled $2,700,000, of which all but $400,000 represented copra sales. The largest single employer is the Trust Territory government, with some 3,000 employees receiving close to $4 million annually. Another 2,000 to 3,000 are employed in the private sector, with total wages of $2 million to $3 million annually.

At the present time a thorough analysis of the economic structure of the Territory is underway. This analysis is being conducted by a team from Robert R. Nathan Associates, and will not only involve a comprehensive economic development plan but will assist in implementation of promising potential projects.

While the economic development plan is not yet complete, some indications of the future are already becoming clear. It is almost self-evident that the resources of the sea will play a major role in the economic future of Micronesia. A tuna freezing plant at Palau has been extremely successful and planning is proceeding for construction of additional plants in Palau, in Truk, and possibly in Ponape. Other fishery resources remain to be explored.

There are other promising aspects of possible economic development which appear to hold promise. Tourism, which is largely undeveloped, appears to be a major possibility. The beauty of these islands, the warm water of the lagoons, the increasing ease of transportation, as well as other factors are making the Territory increasingly attractive as a tourism investment area.

Agriculture, even though the land area is limited, is capable of greatly increased production. Cattle raising, specialty crops such as cacao and pepper, increase of copra production and market gardening all present distinct possibilities.

The economic effect of the proposed capital improvement and operations program cannot be over-estimated. Planned in connection with a coherent economic development program it will provide a powerful stimulus to development, but superimposed planlessly on the narrowly based economy of the Trust Territory, the effect could be devastating.

With proper planning, the new program will create markets that would make it possible to produce certain kinds of goods on a scale that would be economic, years sooner than would otherwise be possible. It would stimulate flows of income that would make possible local savings and investment in productive capital, encouraging development of a banking system. An entrepreneurial class would be developed by providing economic opportunities. An incentive would be provided for the development of skills and a strong motivation for education. Finally, the local tax system and territorial revenue would be expanded greatly through tapping the increased flow of goods and income, thereby increasing the contribution of the Territory to its own development.

All of these effects offer economic opportunities if the development program is planned to take advantage of them, that is, use them to raise the productivity of Micronesian labor and expand the productive base of Micronesian economy. It should be a major objective of the economic development program to accomplish this.

The development of a unified economic structure is entirely dependent upon such factors as transportation, communications, availability of utilities, and the health and education of the people, as well as investment capital and a generally favorable administrative climate. It is our wish to create such a favorable climate in the Trust Territory and the proposed program is intended to carry out that wish.

SECTIONAL ANALYSIS

Section 1 of the bill authorizes the appropriation of necessary funds for two purposes: (1) the necessary expenses connected with the civil administration of the Trust Territory of the Pacific Islands, which may be characterized somewhat imprecisely as the expenses of program operations and maintenance, but which also include the expenses of lesser capital improvements; and (2) the funding of a program of necessary capital improvements and public works, which program by the terms of the section would be related specifically to health, education, utilities, highways, transportation facilities, communications, and Government buildings.

A total ceiling of $172,000,000 is placed upon the capital improvements program although no annual ceiling is placed on the appropriations authorized for civil administration (item (1) above). Section 1 requires that within ten days after the President submits to the Congress his annual budget or a supplemental budget request that includes a request for appropriations for the Trust Territory, the Secretary of the Interior must submit to the Senate and House Interior and Insular Affairs Committees an explanatory statement of the capital improvement, public works, and other costs of civil administration of the Trust Territory.

If enacted, this section will authorize the appropriation of those funds which, after careful consideration, we believe will be required to bring the Trust Territory physical plant to acceptable standards in a reasonable period and which will provide for present and anticipated program requirements for insuring education, health, economic, and political development.

We strongly believe that the capital improvements program we have projected for substantial completion in 1972 is so essential that it ought not to be deferred over a longer period of time. While we strongly recommend for your consideration the program as projected, we at the same time recognize that the period of five years carries with it no magic and that the program could be accomplished in a fewer or a greater number of years—although, in our estimation, not nearly so effectively as to the value, both tangible and intangible, received from the dollars expended.

For example, if the program could be accomplished in one year, we estimate its total cost would be in excess of $250 million because of the unwarranted "crash program." If the program were undertaken over a ten-year period, we estimate the cost would probably reach $240 million.

The "crash" approach would be extremely expensive in terms of mobilizing and importing at premium rates equipment, materials, and manpower with little benefit to the Micronesians in terms of employment, training, or participation in designing and operating the facilities. The longer period would not enable us to overcome the demands imposed by population increases and would involve additional, though largely incalculable costs, such as lost education opportunities, the debilitating effects of preventable, yet unprevented, disease, and resources remaining unused while human subsistence stands at a relatively low level.

The enactment of section 1, and particularly the authorization of the capital improvements program, will do much more than provide merely for an acceptable physical plant in an appropriate number of years. It cannot help but provide an effective training ground for Micronesian labor and be the means of stimulating the total economy of the Trust Tetrritory, thus beneficially multiplying the economic impact of every dollar spent in the local economy.

Insofar as Micronesian labor is concerned, it is the intention of the Government of the Trust Territory to utilize competent local labor to the limit of its availability and to insist upon training programs whereby those Micronesians who lack requisite skills may acquire them. Thus, it is anticipated that ultimately the major segment of the trained labor force will be Micronesian. There is no reason to suppose, barring unforeseen reverses, that the greatly expanded requirements for operation and maintenance which will be associated with completed elements of the capital improvements program, together with the almost certain collateral development in the private sector, will not provide opportunity for employment for those who are trained in the course of program. That these benefits can be derived from the program is demonstrated by the size and competence of the local labor force which exists today in American Samoa, after a comparable period of major capital improvements.

Section 2 of the bill, if enacted, would convey all right, title, and interest of the United States, if any, in eight named vessels to the Government of the Trust Territory. All of the vessels are presently held by the Trust Territory government and operated (through private contractors) to provide shipping facilities and logistic support within the Trust Territory. The utilization of "quit claim" language in the bill is occasioned by an unresolved question as to the extent of the United States interest, if any, in certain of the vessels.

Even though all of the vessels are operated on Trust Territory registry, the *Gunner's Knot* is a United States-owned vessel under permit to the Trust Territory from the Maritime Commission. Similarly, the *Pacific Islander* and certain other of the smaller vessels are United States-owned vessels under permit to the Trust Territory from the Department of the Interior. However, the *Truk Islander* and the *Yap Islander* were acquired wholly with grant moneys and, presumably, title to those vessels is presently vested in the Government of the Trust Territory. The method of acquisition and source of financing, i.e., use in whole or in part of the proceeds of the sale of other vessels, for example, varies as it pertains to the remaining vessels listed in section 2, but gives rise to the question of the extent of United States interest.

Section 2 is proposed as a ratification and regularization of the administrative arrangements, including Trust Territory registry, underlying the Trust Territory "merchant marine," thus insuring the continued exemption of the ships operated by the Government of the Trust Territory from the application of Federal laws applicable to United States-owned, but non-U.S. flag vessels.

Trust Territory registry of the vessels permits the vessels to operate free of requirements which would require unduly burdensome and expensive compliance, as for example, the United States standards as to manning and competency and the United States requirement that 75 percent of a ship's crew be citizens of the United States. Because these requirements need not now be met, the Trust Territory is able to offer Micronesians opportunities for training and advancement aboard its vessels and to operate the vessels at a lesser cost.

Since the Government of the Trust Territory has provided local legislation on this subject, and since the International Labor Organization Convention (No. 53) concerning minimum requirement of professional capacity was declared applicable to the Trust Territory on June 7, 1961, the inapplicability of Federal standards will not result in a void. The Maritime Commission has advised that it has no objection to the transfer of title of the *Gunner's Knot*.

Section 2 also provides that the vessels named may display the United States flag for identification purposes, but, by so doing, shall not be deemed United States flag vessels or vessels documented under the laws of the United States. This provision merely recognizes that the vessels, while generally flying the Trust Territory flag, might wish or have need to indicate their relationship with the United States, and would permit them to do so, the statute (22 U.S.C. 454) forbidding the use of the United States flag by foreign vessels notwithstanding.

ATTACHMENT II—TRUST TERRITORY OF THE PACIFIC ISLANDS

Long-range capital improvement and public works program

I. HEALTH

A. General hospitals (3) 515 beds, at $35,000	$18,025,000
B. Regional health centers (7) 210 beds, at $35,000	7,350,000
C. Dispensaries (75), at $20,000	1,500,000
D. Nursing school	650,000
E. Medical service vessels 4, at $150,000	600,000
F. Medical housing, 100 units, at $20,000	2,000,000
Total	30,125,000

ATTACHMENT II—TRUST TERRITORY OF THE PACIFIC ISLANDS—Continued

Long-range capital improvement and public works program—Continued

II. EDUCATION

A. Elementary education:	
1. Classroom construction, including initial equipment, 834, at $25,000	$20,850,000
2. Attendant facilities (teachers quarters, kitchens, sanitary facilities, utilities, etc.)	7,170,000
Total	28,020,000
B. Secondary education:	
1. Classroom construction, including initial equipment, 356, at $35,000	12,460,000
2. Dormitories, 39, at $441,000	17,199,000
3. Other facilities—teachers quarters, kitchens, multipurpose rooms, shops, labs, etc	19,300,000
Total	76,979,000
C. Educational TV*	

ATTACHMENT II—TRUST TERRITORY OF THE PACIFIC ISLANDS—Continued

Long-range capital improvement and public works program—Continued

III. WATER, POWER AND SEWERAGE SYSTEMS

A. Water supply and distribution	$13,500,000
B. Sewage disposal	6,805,000
C. Power supply:	
1. Power plants	1,497,000
2. Distribution lines	10,240,000
Total	11,737,000
Total	32,042,000

IV. TRANSPORTATION

A. Airfields:	
1. Surface runways, complete Ponape, runway lighting and navaids	6,845,000
2. Terminals and shops	250,000
Total	7,095,000
B. Roads and streets:	
1. Gravel or coral surface, 190 miles, at $30,000	5,700,000
2. Asphalt surface, 100 miles, at $50,000	5,000,000
Total	10,700,000

ATTACHMENT II—TRUST TERRITORY OF THE PACIFIC ISLANDS—Continued

Long-range capital improvement and public works program—Continued

IV. TRANSPORTATION—Continued

C. Harbors, piers, and related facilities	$2,000,000
Total, transportation	19,795,000

V. COMMUNICATIONS

A. Interisland communication—includes complete out island communications	2,380,000
B. Telephone systems	450,000
Total	2,830,000

VI. GENERAL GOVERNMENT

A. Executive—employees housing, shops, etc	7,779,000
B. Legislative branch congressional buildings, etc	1,350,000
C. Judicial—Courthouses and offices	1,100,000
Total	10,229,000
Grand total	172,000,000

* Until a feasibility study, now under way is completed we cannot know possible costs.

ATTACHMENT III.—*Trust Territory of the Pacific Islands, civil government operations*

	Fiscal year 1967 request [1]	Revised, fiscal year 1967	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971
I. Office of the High Commissioner	$270,000	$299,000	$301,000	$303,000	$305,000	$308,000
II. Judiciary	202,000	221,100	231,000	253,000	243,000	263,000
III. Programs and administration:						
A. Community services:						
1. Public health	2,688,000	4,453,000	5,213,000	5,972,000	7,185,000	7,365,000
2. Education	4,821,000	5,994,000	6,057,000	11,495,000	14,209,000	16,450,000
3. Community development and social services	131,000	625,000	1,270,000	1,517,000	1,320,000	1,382,000
4. Low cost housing development	0	500,000	500,000	500,000	500,000	500,000
Subtotal, community services	7,640,000	11,572,000	13,040,000	19,484,000	23,214,000	25,697,000
B. Political development, public information	240,000	518,000	599,000	688,000	698,000	760,000
C. Resources development and management	1,620,000	2,345,000	2,329,000	2,554,000	2,926,000	3,267,000
D. Protection to persons and property	490,000	622,000	665,000	691,000	700,000	717,000
E. Administration	1,862,000	2,620,000	2,645,000	2,679,000	2,726,000	2,759,000
F. Public works operation and maintenance, communication and transportation	4,038,000	4,938,000	5,137,000	5,444,000	5,790,000	6,050,000
Subtotal, programs and administration	15,890,000	22,615,000	24,415,000	31,540,000	36,054,000	39,250,000
IV. Construction and capital equipment (other than capital improvement limitation):						
A. Agriculture	50,000	328,000	300,000	36,000	0	0
B. Broadcasting and TV	0	0	110,000	1,000,000	1,000,000	500,000
C. Fisheries and boatbuilding	0	50,000	91,000	210,000	156,000	164,000
D. Public safety	0	15,000	190,000	350,000	175,000	300,000
E. Hotels	0	100,000	100,000	0	0	0
Subtotal, construction and capital equipment	50,000	493,000	791,000	1,596,000	1,331,000	964,000
V. Congress of Micronesia	145,000	145,000	200,000	200,000	200,000	200,000
Subtotal, civil government operations	16,557,000	23,773,000	25,938,000	33,892,000	38,133,000	40,985,000
VI. Less revenues and reimbursements	1,550,000	1,550,000	1,690,000	2,000,000	2,440,000	3,000,000
Total, new obligation authority requested	15,007,000	22,223,000	24,248,000	31,892,000	35,693,000	37,985,000

[1] Fiscal year 1967 request adjusted to distribute certain costs to "end use," for comparability with fiscal years 1968 through 1971.

ELIGIBILITY AS LOCAL GRANTS-IN-AID OF CERTAIN EXPENDITURES BY THE CITY OF TULSA, OKLA.

Mr. MONRONEY. Mr. President, I introduce, for appropriate reference, a bill to make certain expenditures by the city of Tulsa, Okla., eligible as local grants-in-aid for purposes of title I of the Housing Act of 1949.

On June 6, I joined my distinguished colleague, Senator HARRIS, in introducing a similar bill of great interest to Oklahoma which would provide the same assistance for Oklahoma City.

The bill I introduced today for myself and Senator HARRIS involves the civic center area of the city of Tulsa and is vital to the achievement of the urban renewal objectives in Tulsa's downtown project. The civic center complex and the urban renewal project are complementary to each other. They have the same objectives of eliminating blight and revitalizing the Tulsa community. In other words, one project definitely supports the other. Thus, the development should be credited toward the local share of the cost of the project.

The purpose of this bill is to assure that the civic center complex, located within the outer boundaries of urban renewal project R–7 in Tulsa, benefits areas other than the urban renewal area by counting as grants-in-aid the expenses incurred by the city of Tulsa and other public bodies in connection with the acquisition, development, and construction of the civic center complex.

Tulsa, I might add, has been extremely fortunate during the past 8 years to have had city leadership that worked successfully with Federal authorities to undertake an urban renewal program that already has put Tulsa far ahead of many other cities in this type of endeavor.

This grant-in-aid provision, along with the one in Oklahoma City, is vital to the financing of urban renewal in Oklahoma.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3505) to make certain expenditures by the city of Tulsa, Okla., eligible as local grants-in-aid for purposes of title I of the Housing Act of 1949, introduced by Mr. Monroney (for himself and Mr. Harris) was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954

Mr. McCARTHY. Mr. President, I introduce for appropriate reference, a bill to amend the Internal Revenue Code of 1954 to permit the deduction of certain additional moving expenses of employees.

On April 5, I introduced another bill (S. 3181), which also deals with this question, but that bill is limited in coverage to cases in which an old employee is reimbursed by his employer for moving to a new principal place of work. When I introduced this bill, I stated I was preparing another bill to provide comparable tax treatment for transferred employees who are not reimbursed and also for those who move to take new employment.

The bill I am introducing today provides deductions of certain moving expenses for old employees who transfer to a new principal place of work, whether or not they are reimbursed by the employer, and also for taxpayers who move to commence work at a new principal place of work.

I ask unanimous consent that the bill may lie at the desk for a week so other Senators who desire to may cosponsor it.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, will be held at the desk as requested.

The bill (S. 3506) to amend the Internal Revenue Code of 1954 to permit the deduction of certain additional moving expenses of employees, introduced by Mr. McCarthy, was received, read twice by its title, and referred to the Committee on Finance.

PUTTING DEPUTY MARSHALS UNDER CIVIL SERVICE

Mr. HARTKE. Mr. President, I send to the desk for appropriate reference, a measure placing all deputy U.S. marshals under the competitive civil service system. This bill also upgrades the deputy position to a civil service pay classification level that is commensurate with the job and duties these men discharge. In order to recruit and retain persons of high caliber, Mr. President, the pay scale for all deputy U.S. marshals must be brought into line with other Government agencies performing similar functions and duties.

Deputy U.S. marshals, Mr. President, make up the oldest law enforcement agency in our country. The respect and dignity of the agency attract high caliber men to its disposal. It is truly the backbone of law enforcement in our country today. No other single agency in our system of government, Mr. President, performs a wider and more diverse range of duties.

Deputy marshals, as subordinate officers to the U.S. marshals, perform highly responsible and extremely hazardous tasks associated with the enforcement of Federal laws. As directed by the marshal, it is the responsibility of the deputy to carry out the orders of the U.S. Federal judges and commissioners, which include the service of civil and criminal processes, making arrests, transporting prisoners, maintaining order in Federal courtrooms, conducting sales, and preparing necessary statements, reports, and correspondence relating to these duties. Moreover, dangerous and difficult types of assignments and situations are daily encountered in performing these duties. The daily functions of the deputies demand an exercise of independent judgment, tact, and discretion at all times.

The performance of these duties, Mr. President, involves arduous physical exertion requiring both sound mental health and physical vigor. All deputies are required to undergo an annual physical examination before entry on duty and must remain physically qualified at all times.

Deputies must either qualify in specialized experience or general experience as provided for by the Department of Justice for initial appointment. Experience includes active duty as a regularly employed police officer of an organized Federal, State, county, or municipal organization, member of a governmental organization engaged in criminal investigative work which requires the use of firearms and includes the power of arrest or in lieu of this, an education substitution in an accredited law school.

For all of these skilled and highly dangerous tasks, Mr. President, a deputy marshal trainee enters the service at a GS-6 level, and after a 1-year trial period, he becomes an acting deputy marshal, and in turn, is elevated to a GS-7 level. With few exceptions Mr. President, this is where he will stay for the duration of his appointment. His years in service and hours of overtime work are all but forgotten.

By comparison, Mr. President, within the many districts throughout our country, there are Government clerks, secretaries, and probation officers who are GS grade of 6 through 11 or even as high as 13. These grades call for substantial salary increases. All of this simply points out, Mr. President, the grave inequity of the deputy marshals, the forgotten lot.

Mr. President, it is not in the best interest of the Nation's law enforcement agencies—nor is it in the best protective interest of the general public as a whole to let this inequity linger on until these men are forced to leave the service and find employment elsewhere in order to acquire a livable income for their families and loved ones.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3507) to place deputy U.S. marshals under the competitive civil service, and for other purposes, introduced by Mr. Hartke, was received, read twice by its title, and referred to the Committee on the Judiciary.

INTERNATIONAL CONFERENCE ON WATER FOR PEACE

Mr. FULBRIGHT. Mr. President, by request, I introduce, for appropriate reference, a joint resolution to enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967 and authorize an appropriation therefor.

The proposed legislation has been requested by the Secretary of State, and I am introducing it in order that there may be a specific resolution to which Members of the Congress and the public may direct their attention and comments.

I reserve my right to support or oppose this resolution, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the joint resolution may be printed in the Record at this point, together with the letter from the Secretary of State dated May 30, 1966, to the Vice President in regard to it.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and letter will be printed in the Record.

The joint resolution (S.J. Res. 167) to enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967 and authorize an appropriation therefor, introduced by Mr. Fulbright (by request) was received, read twice by its title and referred to the Committee on Foreign Relations, and ordered to be printed in the Record, as follows:

S.J. Res. 167

Whereas there exists throughout the world a common problem in planning the use of water to meet adequately the needs of the world's rapidly expanding population; and

Whereas the President, in announcing the water-for-peace program of the United States Government, recognized the great value of a mutual sharing of knowledge in this important field with other countries in a worldwide cooperative effort to find solutions of man's water problems; and

Whereas a worldwide conference would be the most effective means of bringing together representatives of all governments and agencies concerned, as well as experts, on the varying aspects of the water problems; would focus attention on current and future water problems; and would contribute to the development of policies and programs necessary to meet these problems; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State and the Secretary of the Interior, in consultation with other concerned departments and agencies, are authorized to take all necessary steps to organize and hold an International Conference on Water for Peace in Washington, D. C. in 1967.

Sec. 2. There is authorized to be appropriated to the Department of State, out of any money in the Treasury not otherwise appropriated, a sum not to exceed $1,200,000 for the purpose of defraying the expenses incident to organizing and holding such an International Conference. Funds appropriated pursuant to this authorization shall be available for expenses incurred on behalf of the United States as host government, including personal services without regard to civil service and classification laws, except no salary rate shall exceed the maximum rate payable under the General Schedule of the Classification Act of 1949, as amended; employment of aliens, printing and binding without regard to the provisions of any other law; travel expenses without regard to the Standardized Government Travel Regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949, as amended, of principal foreign delegates in the United States and of United States personnel and foreign technical experts; rent of facilities by contract or otherwise; hire of passenger motor vehicles; official functions and courtesies; and design, construction, and display of exhibits. Sums appropriated pursuant to this authorization shall remain available for obligation until December 31, 1967.

Sec. 3. The Secretary of State and the Secretary of the Interior are authorized to accept and use contributions of funds, property, services, and facilities, including the loan of articles, specimens, and exhibits for display, for the purpose of organizing and holding such an International Conference.

Sec. 4. The head of any department, agency, or establishment of the United States Government is authorized, on request, to assist with or without reimbursement the Department of State and the Department of the Interior in carrying out the functions herein authorized, including the furnishing of personnel and facilities and the procurement, installation and display of exhibits.

The letter presented by Mr. Fulbright is as follows:

The Secretary of State,
Washington, May 30, 1966.

Hon. Hubert H. Humphrey,
President of the Senate,
Washington, D.C.

Dear Mr. Vice President: I submit herewith a proposed Joint Resolution which would enable the United States to organize and hold an International Conference on Water for Peace in the United States in 1967; and which further provides for an appropriation authorization to the Department of State for expenses incident to organizing and holding the conference.

The President, in announcing the Water for Peace Program of the United States Government, recognized that the solution of water problems is of common interest throughout the world and pointed out the value of sharing knowledge in this important field with other countries in a cooperative effort to find solutions for man's water problems.

The proposed world-wide conference is the most effective means of bringing together representatives of all governments and agencies concerned, as well as experts, on the varying aspects of the water problems; of focusing attention on current and future water problems; and of contributing to the development of policies and programs necessary to cope with these problems.

I hope that the Senate will be able to give favorable consideration to this request during the present session.

A similar communication is being sent to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that this proposal would be in accord with the program of the President.

Sincerely yours,
Dean Rusk.

Enclosure: Proposed draft legislation.

APPOINTMENT OF MEMBERS OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Mr. TOWER. Mr. President, I submit a concurrent resolution directing that members of the Equal Employment Opportunity Commission be appointed on the basis of their understanding of the problems of all minority groups. It directs the President to give due consideration, in the appointment of members to whether there is maximum feasible representation on the Commission of all groups within our heterogeneous national structure.

I have been disturbed—as I am sure have other Senators and members of the executive branch—by reports of unfair treatment of persons, or groups of persons of Mexican and Latin American heritage who have been working for the cause of equal employment rights for those of similar descent and ethnic heritage. This problem has been of some concern to me and the concurrent resolution I submit today is the result, in part, of my thinking on this vital issue.

This proposal is supplemental to a bill I introduced earlier, S. 3307, which would amend the Civil Rights Act of 1964 to provide for the naming of two additional members of the Equal Employment Opportunity Commission. It was my hope in introducing the earlier bill that the President would be able, in taking advantage of the opportunity to appoint two additional members, to select persons cognizant of the peculiar problems confronting all the various minority groups—such as persons of Latin American heritage.

The present concurrent resolution would not increase the membership of the Commission, but the language is such as to encourage the President to appoint persons of Latin American descent whenever a vacancy may occur for whatever particular reason. Such an appointment, if it did come from the ranks of Latin Americans, would lay the groundwork for a very successful conference on the problems of Mexican-Americans, as the President has indicated he expects to conduct at the White House if the proposal is endorsed by the leaders of Mexican-American organizations.

I am gratified also to note that some official recognition is now being given the gap which exists within the administration with regard to the number of Federal posts which have, so far, apparently not been open to fully competent U.S. citizens of Latin American background. I am hopeful this situation will now be brought further into the open and that something will, at last, be done about it.

The Federal Government is the Government of all Americans created to serve all Americans and it is most important that it set the proper example.

I am hopeful that the proposed White House Conference will receive the approval necessary, for I am certain that a full discussion of the various problems and some discussion of proper solutions of the problems confronting Mexican-Americans in the social and economic sphere will go far toward finding the answers for which we are searching.

Mr. President, I ask unanimous consent that this concurrent resolution lie on the table for 10 days in order that names of Senators interested in cosponsorship of this resolution may be added.

I ask consent that the text of the concurrent resolution be printed at this point in the Record.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred; and, without objection, the concurrent resolution will be printed in the Record and will lie on the desk, as requested by the Senator from Texas.

The concurrent resolution (S. Con. Res. 97) was referred to the Committee on Labor and Public Welfare, as follows:

S. Con. Res. 97

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that insofar as practicable, the persons serving as members of the Equal Employment Opportunity Commission should be qualified to understand and assess the nature of the employment problems of all groups of workers throughout our Nation, including, but not limited to, such major minority groups as Americans of Mexican and Latin heritage and ancestry, and that in order to achieve this goal the President, in making subsequent appointments of members of the Equal Employment Opportunity Commission as the result of vacancies thereon or an expansion of the membership thereof, should give due consideration, among other reasonable factors, to whether there is maximum feasible representation provided among the membership of the Commission for persons of all the various groups throughout our Nation without regard to race, color, religion, sex, or national origin.

INVESTIGATION TO DETERMINE THE ADEQUACY OF THE U.S. MERCHANT MARINE FLEET

Mr. TOWER. Mr. President, I submit a resolution providing for the study of the state of the merchant marine in the United States.

On numerous occasions the plight of our American vessels has been brought to my attention. One of the most commonly cited facts about the state of the shipping is the almost total reliance on foreign-flag vessels for our international trade, totaling at the present 91 percent and steadily rising. Also, the Soviet Union is building ships at about 10 times our rate. If this rate continues, the Russians will have a fleet many times larger than one needed for their own trade. They are seemingly preparing this vast fleet to use as an instrument of international policy. They would then be able to destroy the economic basis of ocean service upon which we so vitally depend.

The simple fact is that our merchant marine does not measure up to our stature as a world's foremost power. The ships that we do have are striving valiantly, but we simply do not have enough of them. Our active merchant fleet consists of about 900 vessels—most of them obsolete—carrying less than 9 percent of our foreign trade, compared with 24 percent 10 years ago. Even more startling is over the last 10 years our merchant yards have been building replacements at less than half the obsolescence rate and this year new ship orders will meet only one-fourth of that rate. The average age of our ships is 18 years—70 percent of them are overage. *This same 70 percent are below* the standards set by Liberia for vessel registry.

The plight of our merchant marine today is being highlighted by the ever-increasing need for supplies in the Vietnamese conflict. We are still carrying *98 percent of our supplies by ship.* We have already found it necessary to break out 108 overage Victory ships from the World War II fleet. We are scraping the bottom of the barrel in an effort that involves no enemy action at sea.

Mr. President, it is my hope that the Senate will approve a study of this situation *and come up with some concrete* proposals in this field. Too often today, those projects which lack glamor are being passed over for others. However, I feel that too much of the national interest is at stake to wait. The situation must be corrected before we have to *undertake a crash program that would* be terribly costly, and perhaps a great deal too late.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 273) was referred *to the Committee on Commerce, as* follows:

S. Res. 273

Resolved, That the Committee on Commerce, or any duly authorized subcommittee thereof, is authorized under section 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to make a full and complete study and investigation for the purpose of determining (1) the adequacy of the United States merchant marine fleet for the nation's present and future needs, including possible emergency needs, and (2) what, if any, Federal legislation is needed in order to make certain that such fleet is adequate for such needs.

Sec. 2. The Committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with its recommendations for any necessary legislation.

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT—AMENDMENT

AMENDMENT NO. 603

Mr. WILLIAMS of Delaware (for himself, Mr. Lausche, Mr. Bennett, and Mr. Simpson) submitted an amendment, intended to be proposed by them, jointly to the bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, which was ordered to lie on the table and to be printed.

TO PERMIT MEMBERS OF THE ARMED FORCES TO ACCUMULATE MORE THAN 60 DAYS OF LEAVE—AMENDMENT

AMENDMENT NO. 604

Mr. COOPER submitted an amendment, intended to be proposed by him, to the bill (S. 2656) to permit members of the Armed Forces to accumulate more than 60 days of leave under certain circumstances, which was referred to the Committee on Armed Services and or*dered to be printed.*

AMENDMENT OF ADMINISTRATIVE EXPENSES ACT OF 1946, RELATING TO REIMBURSEMENT OF CERTAIN MOVING EXPENSES OF EMPLOYEES—AMENDMENT

AMENDMENT NO. 605

Mr. SCOTT (for himself and Mr. Clark) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 10607) to amend the Administrative Expenses Act of 1946, as *amended, to provide for reimbursement* of certain moving expenses of employees, and to authorize payment of expenses for storage of household goods and personal effects of employees assigned to isolated duty stations within the continental United States, which was referred to the Committee on Government Operations and ordered to be printed.

EXTENSION OF TIME FOR BILLS TO LIE ON THE DESK

Mr. MANSFIELD. Mr. President, I *ask unanimous consent that the bill* S. 3475, introduced by the junior Senator from Maryland [Mr. Tydings] and now at the desk, be permitted to remain there until June 22 for the addition of cosponsors.

The PRESIDING OFFICER. With*out objection, it is so ordered.*

Mr. TOWER. Mr. President, I ask consent that a bill I introduced last week, S. 3482, dealing with the secondary market operations of the Federal National Mortgage Association, lie on the table for 1 additional week. I also ask unanimous consent that a statement of William McChesney Martin, Jr., Chairman, Board of Governors of the Federal Reserve System, before the House Banking and Currency Committee on June 8, be printed at this point in the Record, as it deals directly with S. 3482.

The PRESIDING OFFICER. Without objection, the bill will lie on the desk, as requested, and the statement will be printed in the Record.

The statement presented by Mr. Tower is as follows:

Statement of William McChesney Martin, Jr., Chairman, Board of Governors of the Federal Reserve System, Before the Committee on Banking and Currency of the House of Representatives, June 8, 1966

On behalf of all members of the Board, I am making this statement relating principally to the issues raised in your letter of May 31. Let me first assure you that the Board shares the concern of the Committee over the potential problem in the market for mortgages, with attendant effects on home construction.

There are mounting signs of unusual tightness in the mortgage market, although the available statistics do not permit precise measurement of the difficulty of obtaining new home loans or its effect on residential construction. We believe the Congress would be fully justified in taking action to provide a cushion against too sharp a cutback in residential construction. We understand that your Subcommittee on Housing is now considering increasing the Federal National Mortgage Association's purchase authority. Direct injection of funds into the mortgage *market through such traditional programs* should prove much more effective in softening the impact on residential construction than any of the proposals for additional restrictions on time deposits.

It should be stressed that the difficulties currently faced by both financial institutions and the housing industry reflect, to *an important extent, the result of principal* reliance on general monetary policies rather than on fiscal actions to restrain the inflationary pressures of a booming economy. In the context of rapidly growing demands for credit, limitation of available credit supplies has been accompanied by higher interest rates on market securities, which has diverted flows of savings away from all intermediaries and directly into market instruments. Banks, as well as nonbank intermediaries, have felt the pressure of the rise in market rates. As noted in Governor Robertson's testimony on May 24, the growth rate of all financial institutions has slowed since the first of this year.

As a result of this diminution in the flow of savings to financial institutions at a time of rising credit demands, competition among intermediaries has increased. Savers are being offered higher returns for their funds, and new financial instruments have been devised to accommodate their requirements as to size and maturity of financial assets holdings. The small saver, in particular, *has been courted by commercial banks and* competing institutions, and has had the opportunity of sharing in the larger rewards for thrift.

The Board regards increased competition among financial institutions as a development that has important economic benefits. Over the long run, increased competition contributes to a more efficient functioning of our financial markets and to an improved allocation of real resources, while fostering innovations in financial technology. The development of the negotiable certificate of deposit into an important financial instrument meeting investors' needs, and at the same time channeling funds to productive uses, is a case in point.

In the short run, however, structural shifts in financial flows may take place so rapidly as to generate adjustment problems for individual financial institutions and for the borrowers they finance. This year, in the context of general restraint on credit expansion, the more active competition of banks for savings funds has impinged directly on the flow of savings to some nonbank intermediaries. These institutions, in turn, have curtailed their new commitments of funds to the mortgage market.

Short-run problems that emerge from the heightened competition are most appropriately handled, the Board believes, by temporary solutions designed to facilitate adjustments of the nonbank financial institutions and the mortgage market, rather than by permanent restrictions that tend to freeze existing relationships and to limit competitive freedom. In this respect, the Board welcomed administrative rulings made earlier this year by the Federal Home Loan Bank Board relaxing liquidity requirements for savings and loan associations and increasing the freedom of these institutions to compete with commercial banks for savings. It also welcomes the legislative proposal to increase the funds available to the Federal National Mortgage Association.

It might also be desirable to facilitate gradual adjustments to a changed competitive environment by increasing the scope of the Board's authority to specify the ceiling rates on, and reserves held against, commercial bank time deposits. For example, the Board would welcome greater flexibility in the extent to which reserve requirements could be used as an effective tool of monetary policy. A change in the statutory range of required reserves for time deposits (other than passbook savings) might be useful; a range of 3 to 10 percent would give considerably greater flexibility than now exists.

Increased flexibility of this kind could be utilized more effectively if the proposed amendment permitted graduation of reserve requirements by size of bank. Graduated reserve requirements, as the Board has indicated in its past annual reports, would greatly improve the competitive position of small banks. Equivalent requirements also should be extended to all insured commercial banks so that the reserve burden would be shared by all banks enjoying the benefits of deposit insurance.

It would be a serious mistake, however, at this time of great economic uncertainty—when financial markets are in a taut and nervous state and the course of future events is so largely dependent on Vietnam developments—to require by law a doubling of reserve requirements against time deposits before the end of 1966. Such a provision would reduce, rather than enhance, the Board's flexibility in meeting changing economic developments and would run the risk of generating much harsher restraint on economic activity than the prevailing situation called for.

Moreover, the Board feels it would be unwise to set the minimum of the requirement range as high as 8 per cent on deposit liabilities of fixed maturity.

On the question of prohibiting shorter maturities for time deposits, the Board sees no merit in setting a minimum as long as a year or even six months. It would unfairly penalize many small banks, especially in some Midwestern States where time deposits are customarily used in place of passbook savings accounts. It would also penalize many investors by depriving them of the choice of a financial asset of proven acceptance. A minimum maturity as long as six months is not needed to effectuate the prohibition of payment of interest on demand deposits.

Prohibiting all shorter term time deposits would force sharp adjustments in money markets. Banks are already paying close to the present 5½ per cent ceiling on 3- to 4-month money in the market for large-denomination CD's. According to our latest CD maturity survey. over 80 per cent of the outstanding large negotiable CD's will mature in the next six months. Thus, with the present ceiling rate of 5½ per cent, a prohibition against issuing CD's of less than six months maturity might cause banks to lose a large portion of these deposits over the next six months. Even with a higher ceiling on longer term CD's. banks might still lose a substantial part of these deposits, because investors may be unwilling to commit funds for as long as six months.

A sudden withdrawal of funds from the CD market would force many banks into sweeping portfolio adjustments, and under present circumstances might create chaotic conditions in the money and capital markets. Assets liquidated by banks would not necessarily be those sought by corporate funds seeking alternatives to CD's. The result might be sharp discontinuities in the supply of funds available to some sectors of the economy. State and local governments, small business borrowers, and home builders and buyers might well be the principal sufferers.

It is clear, therefore, that any proposals intended to limit the range of competition among intermediaries for small savings must be carefully drawn to avoid serious disruption of flows of funds in the well-developed money and capital markets. In this respect, the proposal to distinguish between time deposits according to their size, for purposes of establishing rate ceilings, may be worth considering. Today, large-denomination negotiable CD's and time deposits of smaller denomination sell in relatively distinct markets. Most buyers of large-denomination CD's are very large investors, including nonfinancial corporations, foreign depositors, State and local governments, and pension funds. Small denomination time deposits, on the other hand, serve as a savings medium for individuals, and as an investment medium for small businesses and municipalities.

Legislative authority for the Board to distinguish temporarily between these two markets in setting ceiling rates might in some situations facilitate actions to smooth the transitory adjustment problems of competition for savings funds in smaller amounts without disrupting flows of funds in the money and capital markets. The size of the deposit that divides these two markets cannot be stated precisely, however, and it might be possible to distinguish effectively between them, for purposes of establishing rate ceilings, drawing the line at a deposit size either smaller or larger than $100,000.

The Board believes that the determination of ceiling rates, and differentials in rates, should be left to administrative discretion, thereby permitting adaptation of the ceilings to changing circumstances. Financial market pressures can and do change rapidly; a ceiling rate fixed by law would be much more difficult to adapt to the changing credit needs of the economy. For example, the ceiling rate of 4½ percent on time deposits under $100,000 suggested in the letter of May 31 from Chairman Patman is far below rates currently available in the money market for such risk-free instruments as U.S. Government and U.S. agency obligations. It is also below the rates available from competing deposit institutions. Such a ceiling would threaten the present and future availability of funds to borrowers heavily dependent on the banking system.

Preliminary indications from a recent survey conducted by the Board indicate that such a ceiling would be injurious to many small banks. By raising their rates to over 4.5 per cent, smaller banks have been able to compete with the money market and other savings institutions. The largest percentage of banks that would suffer serious losses of funds would be those in growing areas of the country—in States such as Texas, California, Arizona, and others which for many years have had to pay higher rates on deposits in order to attract savings to capital-short areas.

Our survey also shows that banks paying over 4.5 per cent on time deposits other than large negotiable CD's report more than $6.5 billion in deposits of the type which would be restricted by the proposed ceiling. Forcing them to roll back rates offered to the 4.5 per cent level would almost certainly cause them to lose a significant portion of these funds. It would also make it impossible for them to compete effectively in the future. Such a ceiling probably would have the effect of penalizing most the growing and capital-short parts of the country, and the attendant loss of access to credit facilities by small businesses and other borrowers heavily dependent upon these banks might be more serious than the problems the Committee is now seeking to resolve.

ADDITIONAL COSPONSOR OF BILLS

Mr. TOWER. Mr. President, I ask consent that my name be added as a cosponsor of S. 3168, S. 3344, and S. 3385, and that my statements thereon appear at this point in the Record.

The PRESIDING OFFICER. Without objection, the Senator's name will be added to the bills, and the statements will be printed in the Record.

The statements presented by Mr. Tower are as follows:

A Bill for a National Eye Institute

Mr. Tower. I am glad to co-sponsor this measure which is designed to deal with one of the largest unmet health needs in the country today—that of national eye care. The establishment of a National Eye Institute within the National Institutes of Health to deal specifically with the treatment and prevention of all types of eye diseases would definitely be a great benefit to the entire nation.

Next to cancer, blindness is the thing that Americans fear the most. It is more feared by us than heart disease, tuberculosis, polio, or the loss of limbs. The facts on blindness and eye diseases are startling. Over 38 thousand people in the United States become blind each year. There are today more than a million Americans who are functionally blind. There are another million Americans over forty who have glaucoma, one of the greatest causes of blindness, and do not even know it. Most significant of all is the fact that 80% of all blindness results from diseases whose causes are not well understood.

Since 1940, the incidence of blindness in the United States has increased over 340% and this percentage is still rising. Mr. President, government and private agencies spend more than one billion dollars annually just for the care of blindness; this does not include the great amounts spent for serious eye diseases. It would certainly make a lot more sense if just a fraction of this amount were spent in the effort to prevent blindness. The tragic fact is that only 1% of this amount was spent by government and private agencies combined last year for research and blindness prevention.

If we are to prevent an ever increasing percentage of Americans from becoming blind, the time for action is now. Yet the existing institution for doing this research, which is combined with research for neurological diseases, is actually funding less money today than just a few years ago. This fact is causing many ophthalmologists, who would prefer to do research, to go into private practice in the treatment of the diseases which they would like to prevent.

There is a tremendous need for increased research in eye diseases and their causes.

There is existing now in the National Institutes of Health the National Institute of Neurological Diseases and Blindness. Therefore, the federal government is already in the business of doing research in this field; this proposal will not be starting any new federal extension into private fields.

We have complied with the President's request for funds for heart diseases, strokes, and cancer, so we would not in the least be inconsistent in supporting a separate agency for blindness.

Statement in Support of S. 3344

Mr. Tower. It is my pleasure today to join in co-sponsoring S. 3344, establishing a Small Tax Division within the Tax Court of the United States.

The process now that one has to go through in order to obtain relief from the Internal Revenue Service on a matter of over-payment is simply too lengthy and too costly for most to take advantage of. Unless the sum is quite considerable, the cost in fees is prohibitive and the average taxpayer has no alternative but to leave unredeemed money that is justly his. This legislation would go a long way towards rectifying this situation. It would establish in each of the ten circuits of the tax courts Small Tax Commissioners who would individually hear complaints on sums less than $2500. The taxpayer asking the hearing would not have to have expensive help that would absorb most of any refund that he was entitled to.

In this day when the federal government is becoming ever larger, the individual is less and less able to make himself heard. The need for this measure, as applied to the Internal Revenue field, to deal with honest mistakes is therefore of increasing importance to maintain the rights of the individual. Anyone who feels that they have made an error in computing their income tax would have recourse to this service. Equality in justice must be expanded into this field. It is certainly my hope that the Senate will give this measure swift and overwhelming approval.

STATEMENT IN SUPPORT OF S. 3385

Mr. TOWER. I wish to join in support today of S. 3385 which proposes that excess property acquired by the Agency for International Development be made available to State health, education, and civil defense agencies.

The utilization of this surplus property which was acquired by AID, will greatly help the state agencies involved and will allow for funds that would normally be used for these items to be put to other uses. This is thus a positive way for the federal government to aid these state agencies without a great new expenditure of funds. It gives the states what they vitally need but it does not involve any great new outlay of money.

This is certainly a very excellent way for the Agency for International Development to dispose of its surplus material. By following the proposed procedure, we are supplying the material to those people who need it the most. Therefore, I am most pleased to lend my support to this measure and hope that the other members of the Senate will do likewise. Expeditious consideration of this proposal is of importance to all those agencies involved.

FHA TO INSURE LOANS IN RIOT AREAS—ADDITIONAL COSPONSOR

Mr. JAVITS. Mr. President, I wish to add my name as a cosponsor of S. 3451, which would authorize the Federal Housing Administration to insure loans in areas where rioting or other civil disorders have occurred or are threatened using a less restrictive "acceptable risk" standard. It would further allow FNMA to purchase mortgages insured by FHA under the above standards. I am informed that there is a definite lack of adequate financing for the purchasing of homes by residents in many areas of the country. In these days of tight money, the problem has become even more acute for many residents. We must encourage the local ownership of homes which will add to the resident's pride in his own home and neighborhood and at the same time gradually build up a stable community leadership.

I would, however, suggest an amendment to the bill as introduced by my colleague, Senator KUCHEL. I recommend that we not include areas which "are threatened" by rioting or other civil disorder in the less restrictive "acceptable risk" standard. I am concerned that if the Secretary should determine that a certain area is "threatened" by civil disorder, this may just be the catalyst for such disorders to actually begin. Thus, I would limit the bill's applicability to areas where disorders have actually occurred.

The PRESIDING OFFICER. Without objection, the Senator's name will be added as a cosponsor of the bill.

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bills:

Authority of May 25, 1966:

S. 3408. A bill to strengthen intergovernmental cooperation and the administration of grant-in-aid programs, to extend State merit systems to additional programs financed by Federal funds, to provide grants for improvement of State and local personnel administration, to authorize Federal assistance in training State and local employees, to provide grants to State and local governments for training of their employees, to authorize interstate compacts for personnel and training activities, and for other purposes: Mr. BREWSTER, Mr. CLARK, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. INOUYE, Mr. JACKSON, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of New York, Mr. MCGEE, Mr. METCALF, Mr. NELSON, Mr. RANDOLPH, and Mr. SCOTT.

Authority of June 1, 1966:

S. 3436. A bill to amend title XIX of the Social Security Act to assist in assuring the availability of both nursing home and alternative noninstitutional services for recipients of assistance thereunder, to encourage the use whenever professionally determined to be appropriate of noninstitutional services for such recipients, to establish basic standards of quality for nursing home and home health services provided to such recipients, and to provide for fair and equitable reimbursement for those providing health care services to such recipients: Mr. CASE, Mr. CLARK, Mr. DOUGLAS, Mr. HART, Mr. HARTKE, Mr. INOUYE, Mr. KENNEDY of New York, Mr. MCCARTHY, Mr. MORSE, and Mr. YARBOROUGH.

NOTICE OF HEARINGS ON BILL RELATING TO AMENDMENT OF SHERMAN ANTITRUST ACT

Mr. HART. Mr. President, I would like to announce that the Antitrust and Monopoly Subcommittee will hold hearings on S. 2549, a bill to amend the Sherman Antitrust Act to provide that exclusive territorial franchises, under limited circumstances, shall not be deemed a restraint of trade or commerce or a monopoly or attempt to monopolize. These hearings will be held on June 21, 22, 23, and 27. Anyone desiring to testify on this proposal should contact Charles E. Bangert, assistant counsel, Senate Antitrust and Monopoly Subcommittee.

NOTICE OF HEARINGS ON S. 3493, TO PROVIDE ASSISTANCE TO THE STATE OF KANSAS FOR THE RECONSTRUCTION OF AREAS DAMAGED BY RECENT TORNADOES

Mr. ROBERTSON. Mr. President, I should like to announce that the Committee on Banking and Currency will hold a hearing on S. 3493, to provide assistance to the State of Kansas for the reconstruction of areas damaged by recent tornadoes.

The hearing will be held on Monday, June 20, 1966, at 10 a.m., in room 5302, New Senate Office Building.

Any persons who wish to appear and testify in connection with this bill are requested to notify Reginald Barnes, assistant counsel, Senate Committee on Banking and Currency, room 5300, New Senate Office Building, Washington, D.C., telephone 225-3921.

NOTICE OF HEARINGS ON REORGANIZATION PLAN NO. 3

Mr. RIBICOFF. Mr. President, I wish to announce that the Subcommittee on Executive Reorganization of the Senate Committee on Government Operations will hold a public hearing, Friday, June 17, 1966, on Reorganization Plan No. 3, providing for reorganization of health functions of the Department of Health, Education, and Welfare. The hearing will be held in room 3302, New Senate Office Building, and will commence at 10 a.m. Interested individuals may contact the subcommittee on extension 2308 with requests to testify and file statements.

NOTICE OF HEARING ON S. 3353, TO AMEND THE TRADING WITH THE ENEMY ACT TO PROVIDE FOR THE TRANSFER OF THREE PAINTINGS TO THE FEDERAL REPUBLIC OF GERMANY IN TRUST FOR THE WEIMAR MUSEUM

Mr. McCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled on S. 3353, to amend the Trading With the Enemy Act, to provide for the transfer of three paintings to the Federal Republic of Germany in trust for the Weimar Museum, for Thursday, June 23, 1966, at 10 a.m., in room 3302, New Senate Office Building, by the Subcommittee on Trading With the Enemy Act.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent, and it is requested that they notify the subcommittee of their intention to appear at the hearing. Notification should be directed to the subcommittee at 2226 New Senate Office Building, for the attention of Mr. Robert B. Young.

The purpose of the hearing is to determine whether the Attorney General should be authorized to transfer certain paintings to the Federal Republic of Germany to be held in trust for eventual transfer to the Weimar Museum, Weimar, State of Thuringia, Germany, in accordance with the terms of an agreement made between the United States and the Federal Republic of Germany.

The three paintings, which were vested under the Trading With the Enemy Act (50 U.S.C. App. 1 et seq.) by Vesting Order No. 8107, dated January 28, 1947, are:

First. Rembrandt: self-portrait;

Second. Terborsch: "Portrait of a Man";

Third. Tishbein: "Portrait of a Young Woman."

These three paintings were stolen from the Weimar Museum on April 18, 1922, by two unidentified German soldiers. They were eventually sold in 1934 by a German merchant seaman to a Dayton, Ohio, businessman, who kept them in his home until July 1945, when they were taken to Siegfried R. Weng, director, Dayton Art Institute, for appraisal. Mr. Weng advised the Federal Bureau of Investigation of his suspicion that these paintings had been stolen from the German museum and, upon confirmation, Vesting Order No. 8107 was issued.

The Department of Justice believes it is inappropriate to have a public sale of paintings known to have been stolen from the Weimar Museum. For this reason and because of the close relationship now existing between this country and the Federal Republic of Germany, and, finally, since these paintings constitute part of the cultural heritage of the German people, their return in the manner proposed is deemed by the Departments of Justice and State to be in the best interest of the foreign relations of the United States.

Pursuant to section 5(b) of the Trading With the Enemy Act, all vested alien property, such as these three paintings, must be liquidated, sold "or otherwise dealt with in the interest of and for the benefit of the United States." However, it is the Department's view that the authority of the Attorney General to deal with vested property "in the interest of and for the benefit of the United States" is limited by section 39 of the act, as amended, which requires that the net proceeds remaining upon the completion of administration, liquidation, and disposition of vested property shall be covered into the Treasury for deposit in the war claims fund. Thus, even without the prohibition against return of vested property to Germany or a national thereof which is contained in section 39(a) of the act, it is necessary for legislation to be enacted if the Attorney General is to be authorized to transfer these paintings to the Federal Republic of Germany in trust for the Weimar Museum.

HEARINGS ON U.S. POLICY TOWARD NATO

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I wish to announce the committee's full schedule of public hearings on U.S. policy toward NATO.

As was the case in the committee's hearings on Vietnam and mainland China, the purpose of these hearings on NATO and related subjects is educational. They are intended to focus attention on the problems facing the United States in Europe today—a Europe which is going through profound changes in political relationships. It is coincidental, but illustrative of the movement in European politics, that our hearings will open on the day that President de Gaulle begins his visit to Moscow. I share the conviction, expressed by Senator CHURCH in his report to the committee on his trip to Europe in May, that the problems we face elsewhere in the world must not distract us from the imperative need to bring our policy toward Europe into line with the changing realities of the European scene.

The hearings, which open on June 20, will be held in room 318 of the Senate Office Building.

The schedule of witnesses is as follows:

June 20, 10 a.m.: the Honorable McGeorge Bundy, president of the Ford Foundation and former special assistant to the President for national security affairs.

June 21, 10 a.m.: the Honorable C. Douglas Dillon, former Ambassador to France, Under Secretary of State and Secretary of the Treasury.

June 23, 10 a.m.: Gen. Lauris Norstad, USAF (retired), president of Owens-Corning Fiberglas Corp. and former Supreme Allied Commander, Europe.

June 27, 10 a.m.: Prof. Henry Kissinger of Harvard University.

June 28, 10 a.m.: Dr. Jerome B. Wiesner, dean of the School of Science of the Massachusetts Institute of Technology and former special assistant to the President for science and technology.

June 28, 2 p.m.: The Honorable Adrian S. Fisher, Deputy Director of the U.S. Arms Control and Disarmament Agency.

Mr. Fisher will be acting as Director of the Arms Control and Disarmament Agency on June 28 as Mr. Foster is scheduled to be at the Eighteen Nation Disarmament Conference in Geneva.

June 30, 10 a.m.: The Honorable George Ball, Under Secretary of State.

Mr. Ball will be acting as Secretary of State on June 30 as Secretary Rusk is scheduled to be abroad at that time.

NOTICE OF HEARING ON NOMINATION OF HARRISON L. WINTER, OF MARYLAND, TO BE U.S. CIRCUIT JUDGE, FOURTH DISTRICT

Mr. TYDINGS. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 23, 1966, at 10:30 a.m., in room 2300 New Senate Office Building, on the nomination of Harrison L. Winter, of Maryland, to be U.S. circuit judge, fourth circuit, to fill a new position created by Public Law 89-372, approved March 18, 1966.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SCOTT], and myself, as chairman.

NOTICE OF HEARING ON NOMINATION OF W. ARTHUR GARRITY, JR., OF MASSACHUSETTS, TO BE U.S. DISTRICT JUDGE, DISTRICT OF MASSACHUSETTS

Mr. DODD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 23, 1966, at 11:30 a.m., in room 2300 New Senate Office Building, on the nomination of W. Arthur Garrity, Jr., of Massachusetts, to be U.S. district judge, district of Massachusetts, vice a position created by Public Law 87-36 approved May 19, 1961.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from North Dakota [Mr. BURDICK], the Senator from Illinois [Mr. DIRKSEN], and myself, as chairman.

NOTICE CONCERNING NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Ernest Morgan, of Texas, to be U.S. attorney, western district of Texas, term of 4 years (reappointment).

William W. Justice, of Texas, to be U.S. attorney, eastern district of Texas, term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in the above nominations to file with the committee, in writing, on or before Wednesday, June 22, 1966, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that, on the dates indicated, he presented to the President of the United States the following enrolled bills and joint resolutions:

On June 13, 1966:

S. 2267. An act to extend the provisions of title XIII of the Federal Aviation Act of 1952, relating to war risk insurance.

On June 14, 1966:

S. 1357. An act to revise existing bail practices in courts of the United States, and for other purposes.

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week"; and

S.J. Res. 161. Joint resolution to designate the third Sunday in June 1966 as "Father's Day."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14266) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; and that the House receded from its disagreement to the amendments of the Senate numbered 1, 2, and 5 to the bill, and agreed to the same.

THE PLIGHT OF THE FARMER AND FEDERAL INTERFERENCE

Mr. DIRKSEN. Mr. President, in the June issue of the Record, which is the official Illinois Farm Bureau magazine, there appears an editorial under the signature of the very able State president, William J. Kuhfuss. In order that my fellow Senators may have the opportunity to read this compelling editorial, entitled "When Have We Had Enough?" I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHEN HAVE WE HAD ENOUGH?

(By William J. Kuhfuss, president, Illinois Agricultural Association)

The decisions and pronouncements by the Executive Branch of our national government are affecting farmers. The prices they receive for their products and their production plans are involved. Let's look at just a few developments since the first of the year.

1. Large sales of corn have been made by the Commodity Credit Corporation. Gardner Ackley, chairman of the President's Council of Economic Advisors, made it clear in mid-March that these sales were made to hold down the price of corn. Secretary Freeman, numerous times, has indicated that such sales were needed to "encourage" farmers to participate in the "voluntary" feed grain program. In one week in March, CCC sales reached near 80 million bushels—more than four times the amount in that same week in 1965.

2. On February 17, the Department of Defense, in line with recommendations from the USDA, ordered a six-month cutback of "at least 50 per cent" in departmental purchases of prime cuts of pork for the military in the U.S. However, general knowledge of this directive was not known until early in April. After a month of brutal questioning, the Secretary of Agriculture and the Secretary of Defense announced early in May that the Department of Defense would soon increase its purchases of pork.

3. This same Defense Department directive called for efforts to obtain meat in foreign markets for troops overseas by barter agreements, rather than shipping the beef and pork from the U.S.

4. This same February 17 department directive also ordered cutbacks in purchases of some canned fruits and a temporary stop in purchases of all canned tomatoes and corn.

5. On March 31, the press reported that Secretary Freeman, in a press conference, took pleasure in announcing a drop in farm prices and said he expected a further decline of 6 percent by the end of the year.

6. On March 31, Department of Defense cut butter out of the food rations of the fighting men in Vietnam because "prices were too high."

7. On March 31, at the request of the Secretary of Agriculture, the President increased the U.S. import quota for cheddar cheese for the period of March–June 1966, by 926,700 pounds. This is an amount equal to nearly three-fourths of the cheddar cheese imports of the preceding 8 months.

8. The administration's proposed budget called for the earmarking of $10 million of Federal extension funds for resource development. This proposal was an effort to shift Federal funds from the regular extension program to a fund for specifically-approved special "poverty" programs—a first-class example of Federal dictation over State-directed extension programs. The House of Representatives has wisely deleted this proposal.

9. The administration's proposed budget called for a reduction of $8.5 million in Federal funds for agricultural research. This proposed reduction has been deleted by action of the House of Representatives.

10. In March, the Department of Commerce imposed export licenses and tight quotas on hide exports from the United States in an attempt to reduce pressure for higher shoe prices. (In a $10 pair of shoes, less than 50 cents is for the hide.)

11. On March 31, Secretary of Agriculture Freeman announced an increase in dairy and soybean price supports in an effort to encourage greater production of these commodities so that supplies would be available for manipulation.

12. On April 27, Gardner Ackley stated in a speech before the Super Market Institute that labor is concerned about what has happened to consumer prices. He indicated that labor has been very cooperative in exercising moderation in wage demands. Then he stated that "Its (labor's) willingness to continue to accept responsible and moderate wage settlements depends in large measure on what happens to food prices."

Here again, farmers are being unjustly blamed for the current inflation. Are farmers now to be blamed for unrealistic wage demands predicated on improperly evaluated food costs? In the food marketing industry, workers' hourly earnings are now 27 per cent above the 1957–59 level, while farm prices are about 10 per cent above the 1957–59 level.

13. On May 5, Secretary Freeman announced a 15 per cent increase in the national acreage allotment for wheat for the 1967 crop.

All of the above directives or actions are made by the Executive Branch of our federal government. All of these actions have a direct effect on the price farmers receive for their products, the markets available for their products, the amount that a farmer can produce, or the educational and research programs which have contributed so much to the progress of America.

Farming is a business of risk—a risk of profit or loss, a risk of drought or flood, a risk of disease or insects. Now, we have a new risk—what will be the next executive order? More and more central authority is making a farmer likened to a puppet on the end of a string. My string is getting frayed. How is yours?

Mr. DIRKSEN. On the same subject, the plight of the farmer and Federal interference, I ask unanimous consent that an editorial from today's Wall Street Journal entitled "Do-It-Yourself Pork" be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DO-IT-YOURSELF PORK

The Agriculture Department, which got into trouble with farmers recently by seeming to push for lower food prices, may now be heading for a hassle with hog-raisers. For the Department is trying hard to encourage do-it-yourself pork.

While the effort is aimed mainly at impoverished residents of Appalachia, the Department contends that its advice "can be used almost everywhere in the United States." According to its bulletin, "You can raise hogs on your place for less money per pound of pork than it takes to buy pork for your family."

Perhaps that's true now, though there are neighborhoods where amateur hog-raising would produce social if not economic problems. The proposal, however, does seem strangely timed, in view of the Department's current efforts to convince farmers that it really is on their side after all. At the moment, professional hog production is on the increase, and Government economists are predicting possible sharp reductions in hog prices by the end of this year.

There's no way to tell how many people the Department will persuade to grow their own pork. But this sort of activity, together with some other present Federal programs, may convince a lot of farmers that they would be better off with more do-it-yourself and less help from Washington.

FOURTH OF JULY RECESS

Mr. MANSFIELD. Mr. President, under the tentative schedule which was announced early in the session, it was planned, by the joint leadership, for the Senate to go over from the close of business, Friday, July 1, until noon Wednesday, July 6. It has come to my attention that there is some sentiment in the Senate and the press galleries that a return in the middle of the week of July Fourth is unwarranted in view of the scarcity of items on the calendar and the general disposition these days to move legislation forward with a businesslike dispatch.

Members have also reminded the leadership from time to time that a midyear break, so to speak, is a matter of reasonable equity, particularly for younger Members whose wives and children are denied the company of husbands and fathers even for a short vacation together. Finally, the leadership notes the widely held and scientific view that a break of this kind is a matter of good operating procedure since Members will return refreshed and replenished, so to speak, prepared to complete the work of the session in committee and on the floor with greater efficiency and effectiveness.

The distinguished minority leader, Senator DIRKSEN, and I have discussed these considerations at some length. It is our joint view that, if the Senate is agreeable, the previously announced recess over the Fourth of July will be extended, although the specific dates cannot be announced at this time.

The House has already indicated its intention of going over for a rather longer period than we feel the Senate can take. Our colleagues on the other side of the Capitol are warranted in so doing. So far this session, they have made great progress on the President's legislative program in committees and on the floor. Perhaps we can work out some joint arrangement or by joint arrangement, meet the specific needs of each House. We shall see. At this point, the joint leadership does wish to announce its intention of extending the recess through the balance of the week of July 4.

It would be our hope that Members will avail themselves of this time to rest, to relax and, in the case of the younger Members with growing families, to get acquainted with their wives and children.

Mr. DIRKSEN. Mr. President, I agree with the majority leader. To return after the holiday in the middle of the week could only be a rather fruitless experience, and very little would be accomplished. I fully concur in the proposal made by the distinguished majority leader that the recess be extended to include the remainder of the Fourth of July week.

I believe the time that we go out remains substantially the same; namely, at the conclusion of business on Friday, July 1. But this agreement would extend the holiday, and give Senators ample flexibility.

URGENT NEED FOR PROMPT ACTION BY CONGRESS TO IMPROVE PRICE STATISTICS

Mr. PROXMIRE. Mr. President, it has been said that an army is no better than its intelligence.

This is surely an overstatement; but we all know that in any kind of action the accuracy and reliability of the information on which policy decisions are based are the first essentials for sound policies.

This Government, the Congress, as well as the President, has made and will make serious policy errors because our statistical information is not accurate, or timely or comprehensive enough.

This is particularly true with price statistics. Business and labor use these statistics in making most of their vital decisions. The President and the Federal Reserve Board use them as the basis for decisions on tight money, tax policy, and in many other areas.

And yet there is considerable question about their adequacy. I say this as chairman of the Statistics Subcommittee of the Joint Economic Committee and after hearings in which our subcommittee listened to testimony by the Nation's outstanding experts on price statistics.

The Bureau of Labor Statistics is asking Congress for a sharp improvement in price statistics. On the basis of these hearings there is every reason for the Congress to respond to the BLS recommendations.

Two recent articles based on our hearings say why:

First, the remarkable Sylvia Porter—as clear an exponent of commonsense economics as we have in this country, said why in a recent column and I ask unanimous consent that the column be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

"Primitive" Price Statistics?

(By Sylvia Porter)

Millions of us study the government's Consumer Price Index when it comes out each month. This is our only measure of changes in the U.S. cost of living; economic policy decisions affecting the lives of all of us are based on its fluctuations.

Yet this index doesn't even price auto installment loans and other personal finance charges, although when these rise sharply, as they have been doing, families from coast to coast are hit in the pocketbook. It relies on second-hand sources for costs of purchasing a home or buying a used car. These are pretty bad gaps in an index of this pervasive influence.

Every policymaker in government, business and labor analyzes the government's Wholesale Price Index when it comes out each month. This is our measure of changes in the wholesale prices of 2,200 items; up or down movements in this index often signal in advance up or down movements in our entire economy.

Yet this index virtually skips price changes in such industries as electronics, plastics, aircraft. It relies on price reports from sellers, thus frequently understates or overstates price changes because sellers are reluctant to disclose premium charges or special discounts. Such limited coverage and lack of precision are intolerable in an index that exercises such enormous power on policies.

The timeliness of both indexes is imperative, for the statistics help determine whether and when steps are to be taken to fight inflation or deflation.

Yet the Wholesale Price Index is not released until three weeks after the survey date and the Consumer Price Index is not released until nearly a month after the survey month. In this era of the computer, these delays are indefensible.

Late last month, a subcommittee of the Joint Economic Committee headed by Senator Proxmire (D-Wis.) held hearings in Washington on the adequacy of the government's price statistics. The hearings didn't make headlines but they should have.

We are, mind you, relying on the price indexes to tell us how much inflation we're experiencing. The President and the Federal Reserve are using them as a guide to income tax and tight credit policies. The whole world is watching them.

* * *

How good, then, are the statistics? In the words of Commissioner of Labor Statistics Arthur M. Ross, they "undoubtedly reveal the direction of major price level changes," but, "in view of the demand for more precise measuring tools," they're just not good enough. In a lengthy paper, Ross detailed such faults as I've pinpointed above and listed many more.

As another illustration, the CPI prices 400 items in the market basket of a city worker's family, which just about eliminates the living cost trends of our millions of elderly. But we know that the elderly spend a much larger share of their incomes for food and medical care than the average city family spends, and that when food prices and medical costs are rising rapidly the elderly are hurt most. The index doesn't trace this, though.

The Bureau of Labor Statistics will expand the monthly WPI coverage from today's 52 industries to about 115, Ross revealed, and it will improve its weekly WPI as well.

It will collect price data from buyers of such products as metal and machinery to get "the terms of actual transactions, which often differ significantly from list prices in periods such as the present." (Quite an admission indeed!)

It will computerize and accelerate release of the indexes.

Over the longer run, when and as it gets time and money, the BLS will attempt to close the other serious gaps.

There's no disputing that, as Proxmire said, "no country has better price statistics than the U.S." There's no disputing either that we are trying to manage a highly complex and sophisticated economy with statistics which are still, in many ways primitive.

Mr. PROXMIRE. Mr. President, second, Business Week in its June 4 issue sets forth an excellent analysis of price statistics and why they are difficult to measure and I ask unanimous consent that this article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Inflation Isn't Easy To Measure—BLS Chief Urges 5-Year Program for Wider, More Sensitive Price Indexes

Whenever the nation faces inflation, the first question that economists ask is how to measure it. Usually, the question produces a dispute among the experts. But this time the argument may lead to real changes in the way the nation measures prices and their movements.

The figures, as the charts show, invite skepticism. For about seven years, the wholesale price index had been almost flat, climbing only 2.5%, and that mostly in 1965. Over the same stretch, the consumer price index had shot up 9.9%; the gross national product deflator, used by the government to adjust GNP to constant dollars, had risen even faster, by 11.2%.

The confusion persists. In the past 12 months, wholesale prices rose 3.7%, while the consumer index moved up only 2.9%, and the deflator slowed to a rise of 2.5%.

Last week, a subcommittee of Congress' Joint Economic Committee summoned government officials and private economists to answer the nagging question: Just how good are the U.S. price statistics?

Few differences. The experts showed more unanimity of opinion than the figures, though they had their shades of difference. They found that the indexes had been good enough for policymakers during the first years of this expansion, while prices held fairly level. They did an adequate job of spotting the direction and, within limits, the extent, of significant price changes. But now the decision makers, both public and private, need more sophisticated and reliable measures.

Said Solomon Fabricant, of the National Bureau of Economic Research: "If I were given the responsibility of diagnosing inflation, I would want to begin with a better list of indicators than we have now."

The demand for better numbers has been a constant cry among economists—even though U.S. economic data is generally conceded to be the best in the world. Indeed, some of the improvements called for last week have been kicking around for years—broader coverage of all indexes, reporting of actual rather than list prices for the wholesale index, quicker statistical allowance for new products, and more rapid publication of figures.

I. SIGNS OF CHANGES TO COME

But the hearings last week gave strong hints that the government is about to act. Commissioner Arthur M. Ross of the Bureau of Labor Statistics and Assistant Budget Director Raymond T. Bowman indicated the government intends to go its critics one better.

Ross presented a five-year program that he said would reconstruct U.S. price statistics. He proposed a "comprehensive price index system" that would give a new insight into how price movements work their way through the complex industrial structure of the economy. This would be accomplished by an input-output matrix, which can trace the way price changes in one sector affect costs in other sectors.

The program would build on the 86-industry input-output table developed in 1964 by the Commerce Dept.'s Office of Business Economics. That table shows how a rise or fall in demand for the output of one industry can change demand for output in other industries. The same general system can show how a rise or fall in prices affects costs throughout the economy.

The new matrix would include price changes in such sectors as transportation, services, construction, and exports, which have never all been covered by any single U.S. index.

Getting the funds. Ross, who came to the BLS only last October from the University of California, seemed fairly confident that the White House would approve his five-year program. And Senator William Proxmire (D-Wis.), who sits on the Appropriations Committee as well as chairing the subcommittee on statistics, promised to smooth the way in Congress for an eventual tripling of the $6-million that the government now spends annually on price data.

While waiting for his five-year program, Ross is ready with a quick plan that he wants to start right away. It calls for:

Broader coverage of weekly wholesale price changes. The present weekly BLS index lists only 300 items—all from secondary sources—compared with the 2,200 items in the monthly index, drawn from all sources. Ross wants more primary data in the weekly series, and more coverage of metals, chemicals, and machinery.

More computerization to reduce the time lags between the collection and publication of BLS data.

A whole new series of wholesale prices to show movements in each industry's output. The wholesale index now lists only commodity prices—such as fuels, furniture, hides, and textiles—which cut across industry lines. So far, the bureau has run only an experimental series for 52 individual industries. Ross wants to expand this to 115 industries, on a monthly basis.

II. MAKING DO FOR NOW

Until the BLS achieves its final target, or some reasonable facsimile, economists will have to get along with the same old figures. Indeed, much of the discussion before the Proxmire group was on how to interpret the existing indexes.

It was almost unanimously agreed that the consumer price index is the best measurement for existing price inflation—and the economists had few doubts that labor would use the index's recent rises to demand cost-of-living adjustments in the months ahead. Past criticisms of the consumer index had been pretty well answered by the 1964 revisions of the series, bringing in better methods for including new product prices.

Charges of a "quality bias" in the consumer price index seem to have subsided. Previously, many economists—including the Council of Economic Advisers—had insisted that BLS failed to adjust the index downward enough to allow for quality improvements. Thus, they argued, the index moved up too fast. In 1961, a group of academics headed by the University of Chicago's George J. Stigler called this "the most important defect of these indexes." Four years later, the Council of Economic Advisers said that none of the price indexes could "reflect all of the improvement that occurs in the quality of goods."

Last week, most of the experts were ready to agree that the charges of quality bias had been exaggerated. Lazare Teper, director of research for the International Ladies' Garment Workers Union, scored his professional colleagues for the "mass of uninformed comment" on quality. He argued that the improvement of quality in some products is more than balanced by deterioration in others, like in services.

The longer view. While the consumer price index is deemed a better yardstick for current inflation, the wholesale index is considered a better barometer for what lies ahead. Because inflationary pressures develop first in wholesale prices, their index gives an early warning of overheating in the economy.

Thus, in the last half of 1965, after eight nearly flat years, the wholesale index moved up sharply, by 2.6% at an annual rate. For the same stretch the consumer index rose at a mere 1.6% annual rate, not much more than its usual rise during this period of expansion.

It took several months for the rise in wholesale prices to work through the economy and onto the retailers' shelves. But now, consumer prices have caught up to the wholesale rise, and are even going up faster; from January to April, the cost of living climbed at a 3.9% annual rate, while the wholesale index had calmed down a bit to an annual upward rate of 2.7%.

Something better. Despite this performance, few economists are really satisfied with the early warning system of the wholesale price index. The most frequent criticism is that it relies mainly on list prices, and thus misses changes in discounting which might provide an even better tip-off on incipient inflation. Many experts say that the BLS proposal last week to start collecting prices from buyers was long overdue.

Criticism of the GNP deflator—prepared by the Commerce Dept., not the BLS—reflects in part the problems of the wholesale and consumer indexes, which are both ingredients of the more comprehensive deflator. But the deflator has another problem, precisely because it is more than a pure price index. It includes a price factor for government services, not covered in the other indexes. In the deflator, the price of government services reflects changes in the wages paid by government, without allowance for improvements in productivity. Experts claim this gives the deflator an upward bias.

Whatever the limitations of the indexes, analysts by now have a good idea of how to compensate for the biases. Last week, PROXMIRE asked Ross if he weren't being a little too modest about the BLS work. Said Ross: "Well, perhaps, Senator. We really have a damned good set of indicators. In fact, the best in the world."

Mr. PROXMIRE. Mr. President, also, in an article that appeared well before the hearings, Shirley Scheibla in Barrons' has made an unusually competent analysis of the problems involved and the shortcomings of our present price statistics and I ask unanimous consent that this article "What's in an Index?" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT'S IN AN INDEX?—FOR SOME PURPOSES, OFFICIAL STATISTICS JUST DON'T ADD UP

(By Shirley Scheibla)

Writing in The Wall Street Journal last Thursday, U.S. Commissioner of Labor Statistics Arthur M. Ross detailed the unhappy lot of the government statistician. There's much to criticize, he said, in the federal Consumer Price Index, not least of which is the necessary, if arbitrary, evaluation of quality improvement in the products whose prices it reflects. "I hope," Dr. Ross noted wryly, "I will never have to decide whether Anacin or Bufferin produces less stomach acid." By and large, however, the Labor Department's new boss of the Bureau of Labor Statistics—who has his own share of headaches—defended BLS and, by implication, other official indexes and indicators, as the best tools an admittedly "inexact science" can come up with. For a "really reliable economic indicator," the Commissioner, with tongue in cheek, offered this: "If the unemployment rate is being criticized and debated, the country must be in a recession; but if controversy is centered on the Consumer Price Index, business conditions are good and people are worried about inflation."

WHAT, ME WORRY?

Of course, BLS isn't Washington's only font of financial facts and figures. The Treasury Department, for example, uses neither of the two most popular BLS indicators—the Wholesale Price Index (WPI) and Consumer Price Index (CPI)—when it considers prices, because, as the Assistant Director of the Office of Tax Analysis, Thomas F. Leahy, recently explained, both leave out export-import data and government purchases. Instead, when Treasury Secretary Henry Fowler estimates inflation for the President's budget-makers, his source is the Commerce Department's much-maligned Gross National Product (GNP) index—which in turn relies on a statistical device of its own called the "deflator" that no one around town quite knows how to explain.

Needless to note, a consequence of all this is confusion: ask not what your rate of inflation was in 1965. According to that GNP "deflator," it was 1.7%; Secretary Fowler opted the other day for a figure of 1.9%; meanwhile, the CPI rose by 2% and the WPI, by 3.4%.

Accordingly, BLS can't be blamed for everything that goes wrong in Washington's computers. But the bureau is influential far beyond its fame: in fact, it ranks as the primary source of statistical input for the President's Council of Economic Advisers, assorted White House speechmakers and, it appears, the Chief Executive himself. Hence its data are employed to devise, and then to justify, such all-important Administration decisions as those resulting in the wage-price "guidelines," the identification of pockets of U.S. labor shortages, the promotion of expansionist policies to deal with unemployment elsewhere and perhaps above all, the strategy of fighting LBJ's war on poverty.

Still more pertinent to the private sector, finally, BLS indicators are in everyday use (and misuse) by industry's contract-negotiators and economic planners—men whose needs are more precise than the government's and whose decisions (and mistakes) cost an even greater number of billions of dollars. That's quite a responsibility for statistics which may not be up to snuff. For wintry Washington today, more than ever, it can fairly be said that when BLS sneezes the whole economy can catch cold.

For all its potential anonymity, the bureau provides an interesting mix of what's new and old in Potomac politics. As a federal agency, BLS is relatively ancient, tracing its heritage back to 1884 when it was established by President Chester Alan Arthur—some three decades before Woodrow Wilson gave it a parent by setting up the Labor Department. Today as one of the few visible vestiges of the three-year Arthurian era, BLS also boasts a brand-new boss.

IMPORT FROM BERKELEY

Commissioner Ross is not really new to Washington; his long career in industrial relations covers several hitches in federal service, during and since World War II. But the Commissioner's main experience has been as a professor at the University of California, and he comes to his current job hot off the Berkeley campus. Beardless but ambitious, the 50-year-old Dr. Ross took one look around his office, opened his black bag, and announced plans for making some radical changes in everything from how to count hours and earnings to, and particularly including, how to compile those previously sacrosanct BLS indexes.

Commissioner Ross has his work cut out for him. The tools which BLS fabricates for public and private use include data on wages, hours, work-weeks and productivity. Especially headline-catching during the Johnson Administration have been the bureau's statistics on unemployment. Not least—indeed, urgently awaited—will be an export-import price index BLS now is striving to work up. Finally come the forementioned WPI and CPI, two of the most widely used tools in and outside the government.

TOOLS TO TALLY WITH

Let's look at each in turn. To begin with, in its studies on hours and earnings, BLS doesn't include fringe benefits, but its FY 1967 budget has earmarked $308,000 for just this purpose. The job won't be easy. The bureau will have to rely on information from employers, many of whom themselves are struggling to evaluate such costs. In 1963, the U.S. Chamber of Commerce studied fringe benefits paid by 1,150 companies, and found they ranged from 7% to 70% of total payrolls.

The Bureau also plans to develop data on annual earnings. Presumably, such data would be useful for powers-that-be in the poverty program. (Currently, only weekly and hourly earnings are compiled.) And it has asked Congress for another $267,000 with which to study white-collar salaries.

As to productivity, BLS's own economists are dissatisfied with their results. Says one: "Productivity never has been developed with care and precision, like the CPI, because we started using it too soon." They'd like to spend $102,000 in FY '67, to lump in categories of service employment now omitted, such as retailing, wholesaling, finance, insurance, transportation and domestic help. Meanwhile, President Johnson's wage-price guidelines undoubtedly suffer the consequences of an inadequate base. In truth, BLS's productivity index today merely compares Gross National Product (excluding government's share) with total hours worked.

WHAT PRICE PRODUCTIVITY?

That leads to trouble. When a company puts in new machinery, it may find that labor costs go down, relative to production; thus, it has a rise in productivity, but not one for which workers necessarily are entitled to a raise. The government, however, takes another view. "That," says one official, "means an extra profit, and that's what we're after for labor. We say industry can give wage increases, to the extent of that extra profit, without raising prices."

On the other hand, a company with productivity below the national average also may face a strike if it doesn't boost wages in line with "national" trends. Concedes BLS: "Although an output per man-hour index relates output to man-hours, the index should not be interpreted as representing only the contribution of labor to production. Rather, it reflects the combined influence of many things, such as changes in technology, capital investment, rate of plant utilization, managerial efficiency and scale of operations, as well as skill and effort of the work force . . . The meaning of index changes should be interpreted with caution, keeping in mind conceptual and practical limitations, as well as the possibilities of statistical error."

Beyond productivity, Uncle Sam counts on BLS for its tally of the unemployed. Here, too, fallible statistics come in for flamboyant misuse. As one example, the Council of Economic Advisers (which compiles no statistics of its own) has seized on BLS's unemployment figures to justify stimulating the economy. Last June, when BLS reported the figure at 4.7%, CEA sounded the alarm. BLS's fine print cautioned, however, that over one-third of the non-workers were young adults, mostly unskilled, and not in the market for full-time, long-term jobs.

"You've got to be careful," an official warned at the time. Expanding (the economy) to take care of these young people won't solve their problem, and could create inflation." CEA's rejoinder was elemental: expansion surely would correct unemployment. Now, with inflation more than just a threat, the President's advisors seem to be paying more careful heed to BLS interpretations of its own data.

In its 1967 budget, what's more, BLS ask for the funding of studies aimed at improving employment data. "Right now," says a BLS man, "we don't classify employment statistics by occupation, except for a few broad categories." Some $195,000 has been set aside to correct this situation. In addition, BLS is cooperating with other agencies in plans to compile figures on job vacancies as reported by employers. The project, hopefully budgeted at $2.5 million, could overcome some of the mischief done by unemployment figures collected from workers. (Last year, after hearing AFL–CIO objections, Congress turned a like proposal down.)

For another $122,000, BLS says it would try to answer such questions as why unemployment is high among young workers, how it can be reduced by training and placement, and how the market is matching workers to jobs. BLS officials already have met with CEA, as well as Commerce Department and Pentagon planners, on ways to ease the problem—through draft deferments, revised immigration quotas and new government training programs where labor is short.

So much for jobs, and their lack. Billions ride on the BLS Wholesale Price Index. A recent user survey showed, indeed, that $12 billion in contracts with escalation clauses are tied to the WPI. (Most of these are long-term, and call for price increases whenever the WPI shows a rise in a particular material.) Dating back to 1890, the WPI now covers prices for 2,200 commodities in 60 industries, obtained from sellers' lists. This part of BLS's activity runs to a budgetary outlay approaching $900,000 a year.

Many economists feel, however, that by reflecting only list prices, the WPI may be understating inflation. In today's sellers' market, buyers often find discounts eliminated and must absorb transportation costs as well. This can mean inflation for the buyer, but not for the index. Then, too, in industries such as heavy equipment, where much is custom-made, the disparity between list and actual prices can be great. Of course, when list prices are being charged only a few buyers, sooner or later they are changed, and the WPI catches up. But a substantial lag exists in reflecting both inflation and deflation.

Apart from the WPI, BLS now is preparing to develop an export-import price index, as noted. Says one official: "The WPI is not a good indication of what foreigners have to pay in our market. For some items, like refrigerators, the products are specially made—smaller, or carrying different electric current, for example—and under Public Law 480, foreign buyers don't pay the prices Americans do." BLS is working with the Treasury, the Federal Reserve Board and the Commerce Department to find the most useful way to set it up. After this is determined, it will be a year before the index is formulated and introduced.

Most widely known of all BLS indexes, of course is the CPI—everyone's official measure of consumer prices. It's even more. For 20 years or so, BLS has been telling the public that the CPI is not a cost-of-living index, but nobody listens. Even White House spokesmen cite it to "prove" that living costs aren't getting out of hand. Since 1945, it's been a fact of life for industrial wage-bargainers too. In that year, General Motors and the United Auto Workers' came to terms (in Labor Secretary Lewis Schwellenback's office), on the first contract ever to use the index as a basis for cost-of-living adjustments. To this day, GM–UAW contracts carry CPI-based "escalator" provisions.

By 1960, contracts tied to the index covered an estimated 4,000,000 workers. When the CPI failed to climb for a few years, however, many unions switched to other means of exacting the same concession from management. Today, accordingly, contracts with CPI escalation clauses cover just 2,000,000 workers. At the same time, BLS acknowledges that a "great number" of rent contracts have riders tying them to the CPI. Usually, of course, they call for yearly rent increases, in line with any rise in the index. Against perennial criticism, Commissioner Ross replies that the CPI "is good enough that management and labor can use it safely . . . the Federal Reserve Board can use it profitably . . . and the Congress can use it intelligently. . . ."

How does BLS compile this higbly significant index? Every 10 years it surveys spending habits of blue-collar and clerical workers in large cities, to establish what it regards as a mythical average family's "market basket." Ignored in the process among others, are the single, the self-employed, the salaried, the aged, the poor and the jobless—to say nothing of all the people living in small towns or down on the farm. That's quite a chunk of the population. Nonetheless, one man's "market basket" becomes everyman's.

Once established, each item in the basket is weighted according to its estimated importance in this "family's" budget. BLS then records monthly price changes for these items. The result is that a 2% rise in "the cost of living"—last year's experience—means nothing more than a 2% rise in the cost of what the mythical family was supposed to have bought at the store.

The last "market basket" revision took place in January 1964. Food's weight, for one thing, went down from 28% to 22%. A number of constituent items, considered relatively passe, dropped out: macaroni, corn meal, canned lunch meat, lemons, lard, toasters, sewing machines, nightgowns, razor blades, auto brake-relinings, dungarees and light bulbs. Reflecting the changing times, others were added: false teeth, golf fees, film developing, piano lessons, TV tubes, phonograph records, dog food, parking charges, bus and taxi fares, airline tickets, earrings, baby-sitters, moving expenses, power lawnmowers, aluminum chairs, air-conditioners, instant mashed potatoes, skim milk and ladies' slacks.

For strict comparability, CPI items shouldn't change at all, of course, but this wouldn't make sense either. To include just those popular when the index began (in 1921) would mean exclusion of a large part of today's actual consumer purchases. It's a tricky business, nonetheless. For instance, when housewives traded in their wringer washing machines for automatics, the latter were priced twice as high as the earlier models. How to weight this in terms of real value? BLS conveniently decided that automatic machines improved quality by 100% and, therefore, held that prices for washing machines had not increased at all. Without any hand-wringing it simply substituted automatics in the "market basket" one-for-one.

For balance, it would seem, BLS ought to couple quality deterioration with quality improvement. The bureau says, however, that this factor is left out, since it simply cannot be gauged. As one official put it: "Many quality decreases come in the service area, and how in the world can you measure that?" The problem is an old one. In 1944, the President's Committee on the Cost of Living stated:

"BLS has always recognized the difficulty of measuring quality changes . . . for the better or for the worse . . . (The reason) is that for a great many things we buy there is no fixed standard of quality. Under the exceptional market conditions which exist in war-time, and so long as we have a sellers' market, allowance should be made for a hidden increase in the cost of living of probably as much as three and certainly not more than four percentage points, due to quality deterioration, disappearance of cheaper goods, decrease of special sales and increases in under-reporting of prices actually charged." The bureau itself calls it "axiomatic that no one definition of quality ever will be universally accepted."

NEW MAN IN TOWN

All of these problems in computing statistics, on which so much hinges in the Great Society, now are piled atop the desk of the new man in town, Commissioner Ross. As noted, he seems to have brought zeal as well as experience to the task. With regard to the CPI, for example, Dr. Ross has several things in mind. He would introduce additional quality changes (if "sufficiently measurable"), add newly popular items to the "market basket" more promptly, correct the index for seasonal variations and extend the sample to reflect population groups not now included.

But Dr. Ross has concentrated most of his attention during his few short months in office on the equally important wholesale index. For one thing, he'd like to obtain actual transaction prices, not listed ones. Sellers, however, already are reluctant to go along with BLS, which, unlike regulatory agencies, has no enforcement power. The Bureau may have to ask buyers for the information, which would be expensive (there being so many more buyers than sellers). Even they may balk. During World War II, buyers flatly refused to give such information to the Office of Price Administration. What's needed, experts agree, is an educational campaign: good statistics, after all, would help everyone. There's even a possibility that private financing of such a service might be feasible, though no plans are afoot.

Commissioner Ross also wants to compile wholesale prices industry-by-industry. But working these into the WPI could cause more trouble. A sudden change in the index might play havoc with contracts tied to it. Mr. Ross replies that it could be done gradually, the index reflecting only "actual" price action and not the latter measured against list tags. Whatever he may decide, the statistical maneuver would be delicate and complicated.

GETTING HELP

Finally, he'd like not only to quadruple the WPI's coverage—besides the present 60 industries, indexing "a couple of hundred more"—but also to include prices paid by the nation's largest wholesale buyer, the U.S. Government. That conceivably could give the index a stature (and accuracy) sufficient to put it into the GNP in place of the Commerce Department's "deflator"—and help economists still more. From all accounts of the state of statistics today—not least those of the BLS—the New Economists can use all the help they can get.

JEC SUBCOMMITTEE RECOMMENDS FUNDS FOR JOB VACANCY STATISTICS

Mr. PROXMIRE. Mr. President, last month I was privileged as chairman of the Statistics Subcommittee of the Joint Economic Committee to hold hearings on the practicality of gathering and publishing job vacancy statistics.

The six witnesses appearing before the subcommittee are among the most highly qualified experts in our country on job statistics. The testimony was based on a series of pilot studies of the practicality of such statistics, including a thorough analysis of the privately financed experience in gathering job vacancy statistics in Rochester, N.Y., and an analysis of the work of the Department of Labor from 1964 to date in 16 major labor areas involving about one-quarter of the national labor force.

Commissioner of Labor Statistics Arthur Ross told the committee:

> The lack of vacancy information constitutes the most significant gap in our knowledge of labor market conditions.

The findings of the pilot studies are that a program of job vacancy collection is feasible; the cooperation of employers excellent; and the technical problems of vacancy definition and sampling can be coped with effectively.

Of course, this additional work will cost money. Estimates are between $5 and $8 million. The Department of Labor will request the Congress for $2.5 million to expand the collection to a quarterly basis for about 80 major labor areas.

These cost estimates can perhaps be put into perspective by calling attention tc the magnitude of some of the potential benefits of the job vacancy data. If the $2.5 million program led to slightly more efficient use of the several billions of dollars appropriated to manpower development, the investment would pay handsomely. If it enabled unemployed or underemployed workers to find productive jobs, the investment would pay a private dividend to the individuals; it would pay a public dividend in the form of additional tax dollars and lower welfare payments; and it would pay dividends in terms of greater real national output.

This is the basis for the subcommittee's recommendation to the full Joint Economic Committee of the $2.5 million which the administration will request but which can expect to find a difficult reception in the Appropriations Committees based on previous experience.

I ask unanimous consent that the excerpt of the concise report of the subcommittee be printed at this point in the RECORD.

There being no objection, the excerpt of the report was ordered to be printed in the RECORD, as follows:

JOB VACANCY STATISTICS

INTRODUCTION

Hearings on job vacancy data, held May 17 and 18, were designed to review developments subsequent to the recommendation of this subcommittee in its report on "Employment and Unemployment" of January 1962. The recommendation called for research into the feasibility and usefulness of a regular survey of job vacancies. Such information was thought to be useful "in analyzing labor markets, in operating employment services, and in developing practical worker training and retraining programs * * *."[1]

The subcommittee was not alone in proposing research on job vacancy information. In 1962, the President's Committee To Appraise Employment and Unemployment (also known as the Gordon Committee) wrote:

"The Committee has been impressed by the widespread interest in statistical series on unfilled jobs. The present lack of such data constitutes one of the more conspicuous gaps in our labor-force information."[2]

The subcommittee, as part of its continuing program for improved statistics for economic growth, last year asked individual economists, representatives of interested private organizations, and statistics users for suggestions on the improvement of Government statistical programs in general. A number of respondents mentioned that one of the major opportunities for improving economic knowledge lies in providing statistics which would show, as currently as possible, the number and types of job vacancies. Some correspondents cited the usefulness of job vacancy data in guiding public and private training and retraining programs; others suggested that data on job openings would give a better picture of current opportunities in the labor market. The point was made that even when unemployment is high, certain jobs go begging, but that no reliable information now exists on the number, location, or type of these jobs.[3]

The comments received from the individuals and statistics users were later submitted to the Office of Statistical Standards for comment. They, in turn, obtained the comments of the Government agencies concerned with the several suggestions. After studying these proposals, the Bureau of Labor Statistics last fall summarized its conclusions about job vacancy data in these words:

"The Department has made pilot studies of the feasibility of collecting job vacancy information from employers and of the questionnaires and survey designs most appropriate for doing so. These studies clearly indicated that such a program is feasible. The Department is continuing to work on a number of problem areas, including the task of getting accurate occupational data for the vacancies, evaluating the data to determine whether jobs are vacant because of the wage rates or conditions of work offered, and the general problem of developing a survey system to provide the data at minimum cost."[4]

The subcommittee believes that it is particularly appropriate to review the possibilities for better job market information at this time. The present inflationary pressures and relatively high level of employment make it more essential than ever to improve the efficiency of the labor market.

I. USES OF JOB VACANCY STATISTICS

Commissioner of Labor Statistics, Arthur Ross, testified:

"The lack of vacancy information constitutes the most significant gap in our knowledge of labor market conditions. Statistics on job vacancies would give us a measure of unsatisfied demand for labor which, together with our data on employment, would provide a more complete measure of the demand for labor—something we have never had before."[5]

Operational uses

Job vacancy statistics would have the following operational uses:

(1) Vacancy data would disclose unmet needs for workers in a wide range of occupations, and would indicate training requirements in such programs as those provided by the Economic Opportunity Act and the Manpower Development and Training Act which states that the Secretary of Labor "shall determine the skill requirements of the economy * * *."[6]

(2) Job vacancy information, collected in the pilot studies, has been used for establishing vocational training courses for both adults and high school students.

(3) Vacancy information has also been used in counseling workers and others about

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[1] "Employment and Unemployment," report of the Subcommittee on Economic Statistics, January 1962, p. 6.

[2] Measuring Employment and Unemployment, President's Committee To Appraise Employment and Unemployment Statistics, 1962, p. 25.

[3] Improved Statistics for Economic Growth: A Compendium of Views and Suggestions From Individuals, Organizations, and Statistics Users, materials submitted to the Subcommittee on Economic Statistics, 1965.

[4] Improved Statistics for Economic Growth: Comments by Government Agencies on Views Submitted to the Subcommittee on Economic Statistics, March 1966, p. 44.

[5] Arthur M. Ross, testimony before the Subcommittee on Economic Statistics, May 17, 1966.

[6] Manpower Development and Training Act of 1962, as amended (42 U.S.C. 2571–2620), p. 6.

to enter the job market as to their opportunities.

(4) Vacancy data would aid the Employment Service in matching unemployed and underemployed workers with available job openings. This would apply both to placements within areas and among areas. In the later instance, the data would aid in bringing employees in labor surplus areas into contact with employers in labor shortage areas, and vice versa.

(5) Vacancy statistics have been useful in helping Employment Service staff to structure their contacts with employers more effectively.

(6) Job vacancy information can be used by business firms to get a picture of the area in which they are recruiting workers, and thereby develop more effective recruiting policies. This would be especially valuable to firms considering new plant locations.

(7) The survey of job vacancies might stimulate firms to improve their efficiency through more conscious manpower planning.

(8) Such information could be of equal value to labor organizations in evaluating the demand for the services of their members and in developing policies for training, apprenticeship, and collective bargaining.

(9) Information on job openings is essential for the operation of any program designed to assist in the geographic transfer of workers, as is now provided on a pilot basis by the Manpower, Development, and Training Act.

(10) In addition, such information would enable more effective programs to deal with plant closures.

Analytical uses

In addition to their contribution to ongoing programs, job vacancy data, when used in conjunction with information on employment, unemployment, labor turnover, and hours of work per week, would be useful in analyzing current economic situations and in making major policy decisions dealing with manpower development, unemployment, labor shortages, and inflation. Vacancy information would have the following analytical uses:

(1) Vacancy data could be useful in predicting the occupational needs of the Nation.

(2) Vacancy statistics could serve as a leading indicator of the level of general economic activity.

(3) The Commissioner of Labor Statistics has indicated that vacancy data would aid in the preparation of regular reports to the President on current manpower shortages.

(4) Vacancy data would indicate tight labor markets and thus serve as a signal of imminent wage increases.

(5) Information *on job vacancies would be an indication of the ability of the economy* to undergo the stress of structural change; for example, rapid defense buildups, *or layoffs in employment stemming from* shifts in demand or technological developments.

(6) Vacancy data and trends in these data by *occupation, industry, and area would* be helpful in determining the extent to which aggregate demand could be increased without wage and price inflation. However, it seems unlikely that such information could identify the causes which led to a given stock of unemployment.

It is impossible to foretell all of the analytical uses of the vacancy data *since they* will be used *extensively in research. As in* most research, it is to be expected that there will be discussion and argument as to what constitutes "proper" use of the data.

II. PILOT STUDY FINDINGS AND CONCLUSIONS

The subcommittee reviewed the findings of a number of pilot studies to determine the feasibility, *progress, and problems in the* regular collection of job vacancy data. From 1964 to the present, the Department of Labor has been engaged in pilot studies of 16 major labor areas involving about one-quarter of the national labor force.[1] In addition to specialists from the Labor Department, the subcommittee heard a report on a pilot study of the Rochester, N.Y., area, conducted by the National Industrial Conference Board. The findings of these studies are that a program of job vacancy collection is feasible; the cooperation of employers excellent; and the technical problems of vacancy definition and sampling can be coped with effectively.

After considering various alternatives, the Department of Labor used the following definition of "job vacancy" in the questionnaire sent to employers:

"A current job vacancy is an existing employment opportunity in your establishment for some worker from outside your firm (i.e., a "new" worker—not a company employee) for a job that is unoccupied and immediately available for occupancy by a "new" worker for whom your firm is actively searching or recruiting."[2]

Among the findings and conclusions of the pilot studies are the following:

(1) Approximately four out of every five employers cooperated by providing information on job vacancies.

(2) More than one-half of all reported vacancies had been unfilled for at least 1 month prior to enumeration and were therefore considered "hard to fill."

(3) In the areas where wage information was gathered, the wages for the job openings were equal or above the customary starting wage for the occupation and area. Standard or higher wages were associated with 80 to 85 percent of the reported vacancies.

(4) The demand for workers in certain occupations was general among all geographical areas, while in other occupations it was concentrated in specific areas. Highly trained persons, clerical and sales workers, some types of service workers, and particularly nurses were generally in short supply.

(5) Later checking by personal interview indicated that there was a tendency for employers to understate vacancies by about 12 percent—a magnitude considered not unreasonable. The sampling variability was not large, either. In the April 1965 survey, chances were 95 percent that the estimates attained by sampling would differ by less than 3.4 percent of the results obtained by complete enumeration.

(6) The quality check of the surveys also found that the concepts, definitions, instructions, and schedules were satisfactory, effective, and generally understood by the respondents.

III. PROBLEMS

As is the case with almost all statistics, the publication of job vacancy data could *lead to the possible misinterpretation* and misuse of the information. This could arise if some users of the data subtracted the number *of vacancies from the number of* unemployed and attached an overly simplified meaning to the results. Estimates of vacancies can be compared to unemployment figures only with extreme caution. *The characteristics of the* unemployed workers may differ from employers' needs, and vacancy statistics tell little about job pay, fringe benefits, or working conditions. In addition, the reliability and meaning of the vacancy statistics are much less precise than the unemployment statistics.

Most of the fear concerning the possible misuse of the data is associated with its analytical uses. Although opinions differ as to the theoretical or analytical usefulness in the data, there is general agreement concerning the potential operational uses of the data.

Opinions also differ as to the type and amount of information that should be collected on the job openings. For example, should information on the minimum amounts of experience and education be required? Should information be collected on vacancies that will become available in the future, though in a separate category from vacancies immediately available?

Identification of occupations is another major problem of the job vacancy program. Employers and employees are often unfamiliar with the official definitions as found in the "Dictionary of Occupational Titles." There is a continuing need to make the system of occupational classifications more in accordance with skill and training requirements, hiring, and promotional procedures.

Many job markets are highly specific with respect to job requirements, hiring, and promotional procedures. In some industries and occupations, promotions tend to be internal to the firm. Vacancy data, therefore, would not provide a complete picture of the changing content of jobs and of employers' actual hiring practices.

IV. COSTS AND ALTERNATIVES

The precise cost of a reasonably satisfactory job vacancy program was not known by the witnesses. Rough estimates were between $5 and $8 million. The Department of Labor has requested $2.5 million to expand the collection to a quarterly basis for approximately 80 major labor areas.

These cost estimates can perhaps be put into perspective by calling attention to the magnitude of some of the potential benefits of the job vacancy data. If the $2.5 million program led to slightly more efficient use of the several billions of dollars appropriated to manpower development, the investment for data would pay handsomely. If it enabled unemployed or underemployed workers to find productive jobs, the investment would pay a private dividend to the individuals; it would pay a public dividend in the form of additional tax dollars and lower welfare payments; and it would pay dividends in terms of greater real national output. Job vacancy information, along with manpower retraining, can help to break the bonds of isolation afflicting low income persons in urban ghettos, areas of chronic high unemployment, and *subsistence agriculture.*

In view of the problems and cost of a regular, large survey of vacancies, the question arises as to the availability of alternative approaches. At the present time, there *are partial indicators of job vacancies which* include job listings at the Employment Service, the National Industrial Conference Board's "Index of Help Wanted Advertising," *"Display Ads for Executive Positions"* (published in Executrend), and numerous professional media.

The pilot studies indicated that about 30 *percent of job vacancies were listed at the* Employment Service. The Employment Service task force and the Secretary of Labor have indicated the great need to strengthen the Employment Service and private employment agencies in order to facilitate the matching of opportunities and workers. Particularly, the present system of interarea placement is slow and ineffective.

*Clearly, the job vacancy program is no substitute for effective private employment agencies and a strengthened public employment service; and it is no substitute for more long-*range projections of manpower needs. In general, the vacancy program would complement other manpower programs. Perhaps it would displace the present area skill surveys which attempt to guide *area planning* and manpower retraining programs.

Witnesses indicated that job listings at the Employment Service and the NICB Index were not adequate substitutes for the survey and tabulation of job vacancy statistics. Job listings accounted for about 30 percent of all vacancies; however, the extent of listing varied substantially from area to area. The "Index of Help Wanted Advertising" does not have full coverage of occupations and areas, and there is some overlapping of advertisements for the same position in numerous newspapers. These indicators of job openings do not perform the task envisioned for the vacancy statistics.

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[1] The following areas were included in the *pilot studies:*

Baltimore, Birmingham, Charleston, *S.C.*, Charleston, W. Va., Chicago, Kansas City, Los Angeles, Miami, Milwaukee, Minneapolis-St. Paul, New Orleans, New York, Philadelphia, *Portland, Oreg., Providence, and Richmond.*

[2] *Arthur M. Ross, testimony before the Sub*committee on Economic Statistics, May 17, 1966.

V. RECOMMENDATIONS

The subcommittee is gratified by the progress made in developing the concepts and procedures for the regular collection of job vacancy data. It is an example of research responding to a practical need. In addition to the extensive work connected with the pilot studies, specialists from government, the universities, private research institutions, and organized labor have contributed by way of a conference on The Measurement and Interpretation of Job Vacancies[1] held by the National Bureau of Economic Research, with support from the Office of Manpower, Automation, and Training. Additional research on Measuring Job Vacancies has been completed by the National Industrial Conference Board,[2] on a grant from the Ford Foundation.

After careful review and consideration, the subcommittee recommends that the program of regular collection of vacancy data proceed as rapidly as possible, and particularly that it be expanded to the 80 major labor areas as recommended by the Labor Department. Significant progress has been made on the difficult problems of definition and procedure, although there will undoubtedly be continuing clarification and improvement as experience is gained. It is time to expand the program further.

It is difficult to conceive of a more obvious way to improve the amount of useful information available to workers and employers in the labor market. Such information would promote efficiency and greater equality of economic opportunity. In addition, it would feed the needs of the Nation's new and growing manpower development programs.

LIFE REPORTS WHAT PAUL DOUGLAS LEARNED

Mr. PROXMIRE. Mr. President, no Senator can surpass the senior Senator from Illinois [Mr. Douglas] in wisdom or in demonstrated devotion to this country.

At a time when speeches, especially commencement speeches are so frequently loaded with platitudes, the remarkable Senator from Illinois has given a fresh and inspiring insight from his unusually full and productive life in a commencement address recently delivered at Amherst College.

Life magazine was so impressed by this Douglas address that they wrote an editorial quoting from that speech as the lessons from Paul Douglas' life.

I ask unanimous consent that the editorial be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

What Senator Paul Douglas Learned

The 1966 commencement season finds the usual number of distinguished, middle-aged orators seeking contact with the young—no doubt mostly in vain. But among all the forgettable remarks there are some serious attempts to convey a modicum of wisdom from one generation to another. And if any American is entitled to make that basic, old-fashioned kind of commencement address, it is Senator Paul Douglas of Illinois. At 74, he can look back on a long career as a public servant, as a distinguished economist and teacher, and as a soldier. He was 50 when he joined the Marines as a private; he emerged, badly wounded at Okinawa, as a lieutenant colonel. "What do you think life and history have really taught you?" asked Douglas of himself before the Amherst class, some 20 of whose members later walked out on Secretary McNamara (*see p. 40*). "Are there any hints which you can offer us on the conduct of life?" The lessons of Paul Douglas' life are these:

"That what is most needed in the world is love—or energized good will—which, if given a chance and practiced with devotion, can in most cases melt antagonisms within a democratic society and reconcile opposites.

"That truth has at once a compulsive and healing power. We should not be afraid of truth, for if recognized and acted upon it is the rock upon which we can base our individual and collective lives.

"That in its larger aspects truth is not simple but subtle. Frequently, it requires a long process of discovery both by the probings of research and the sifting induced by dialogue.

"That in dealing with the winds of doctrine, in the words of Jefferson, 'We should not be afraid to tolerate error as long as reason be left free to combat it.'

"That when aggression stalks either a community or the world, resistance to it is both necessary and noble, lest it become all-pervasive. And it is well that it should be checked in its early days before it can acquire the cumulative momentum of success.

"That human courage in defense of an ideal is an ultimate virtue which we should not permit the pressures of conformity to diminish. The nation which minimizes courage is on the road to destruction.

"That the Athenians did well to make the owl and the olive tree their symbols to denote wisdom and peace. But freedom tempered with love is the only atmosphere in which true wisdom and peace can flourish. And to preserve and maintain all these virtues, a strong admixture of Spartan courage is needed. Thermopylae was necessary that Socrates might practice his dialectic."

U.S. INVOLVEMENT IN VIETNAM NOT AN INSUPERABLE OBSTACLE TO DISARMAMENT AGREEMENTS, SAY RUSSIANS

Mr. CLARK. Mr. President, it is gratifying to learn that despite the strong words used by Ambassador Roshchin at Geneva yesterday, the Soviet Union does not view the involvement of the United States in Vietnam as an insuperable obstacle to the successful negotiation of arms control and disarmament agreements.

An erroneous report carried on the wires yesterday indicated that Ambassador Roshchin had said that there can be no treaty to stop the spread of nuclear weapons as long as the United States continues its military operations in Vietnam. As I observed yesterday in commenting on this report, when I was at Geneva a month ago Russia made it quite clear that it did not consider Vietnam an insuperable obstacle to a nuclear disarmament understanding. If in fact the Russians had adopted the line attributed to them in the report, it would have been a most unfortunate change of mind.

It now appears on the basis of information supplied by the U.S. Arms Control and Disarmament Agency, supported by reports printed in this morning's New York Times and Washington Post, that despite their stronger language the Russians have not in fact altered their position, and are not insisting upon the removal of U.S. troops from Vietnam as a precondition to a treaty. The principal obstacle to a treaty to halt the spread of nuclear weapons continues to be what it has been all along—this country's shortsighted insistence on keeping open the option of cutting West Germany in on some nuclear sharing arrangement. If the State Department will permit our negotiators in Geneva to agree with the Russians to keep the West German finger off the nuclear trigger, I am convinced that a treaty to stop the spread of nuclear weapons remains a live possibility, and an immediate one, too.

Mr. President, I ask unanimous consent to have printed in the Record the wire service story dated June 14, 1966, which was published in the Philadelphia Inquirer this morning under the headline, "Accord on Arms Barred by Soviet Over Vietnam." This is the erroneous report which I was given yesterday. The correct version is reported in a story in this morning's Washington Post under the headline, "Russian Blasts United States, at Reopened Talks on Disarmament," and in this morning's New York Times under the headline, "Arms Parley Resumes in Geneva." I also ask unanimous consent that these articles be printed in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington (D.C.) Post,
June 15, 1966]

Russian Blasts United States at Reopened Talks on Disarmament

Soviet delegate Alexei A. Roshchin made a virulent attack on U.S. policy in Vietnam at the reopening of the 17-nation disarmament conference in Geneva yesterday.

U.S. officials in Geneva and Washington denied that Roshchin made a U.S. troop withdrawal from Vietnam a condition for any progress on disarmament. United Press International and Associated Press interpreted Roshchin's remarks as making a U.S. withdrawal a prerequisite for new agreements to stop the spread of nuclear weapons and other disarmament goals.

The disarmament talks are held in closed session. Newsmen are given only summaries of the speeches.

Roshchin's speech was immediately denounced by U.S. delegate William C. Foster as a deeply regrettable propaganda blast. Some observers were pessimistic about the chances of progress on disarmament when the Soviets took such a strong line at the first session after a six-week recess.

Roshchin blamed lack of progress in the Geneva talks on the U.S. "aggressive war" in Veitnam, "continuous provocations against

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[1] The Measurement and Interpretation of Job Vacancies, National Bureau of Economic Research (New York: Columbia University Press), 1966.

[2] John G. Myers and Daniel Creamer, Measuring Job Vacancies—A Report on a Feasibility Study in the Rochester (N.Y.) Area, National Industrial Conference Board (New York), 1966.

Cuba," the project of sharing nuclear weapons with West Germany, and other actions. He accused Washington of fomenting the arms race and trying to sabotage an agreement to stop underground nuclear explosions.

Before Roshchin spoke, Foster said the time had come for East and West to reconcile their differences and rivalries and work together for nuclear disarmament. He added that preoccupation with short-term objectives only impeded agreement of a non-proliferation treaty.

He warned that if the spread of nuclear weapons was not halted there would be perhaps 10 new nuclear powers in the world in 10 to 20 years.

Foster said the United States regarded as positive remarks by Roshchin, when the conference adjourned last month, that its work had not been completely useless.

The United States also shared hopes expressed then by Roshchin that new steps could be taken to break the deadlock in negotiations on a nonproliferation treaty, Foster added.

Negotiations on a nonproliferation treaty are deadlocked over NATO nuclear sharing. The Russians refuse to accept a U.S. draft treaty because they say it leaves the door open for NATO to give West Germany access to nuclear weapons.

The West denies this and says it cannot subscribe to rival Soviet proposals that would weaken or undermine NATO defensive collaboration.

[From the New York Times, June 15, 1966]

Arms Parley Resumes in Geneva

Geneva, June 14.—The United States and the Soviet Union agreed on the immediate goals when the disarmament conference resumed today after a five-week recess. However, the two powers were in complete disagreement on how to reach them. The resumption was marred by a sharply-worded Soviet attack on Washington's policies in Vietnam and on West Germany's alleged desire for nuclear weapons. It brought an equally sharp retort from the United States. William C. Foster of the United States and Alexei A. Roshchin of the Soviet Union both gave priority to extending the present ban on nuclear tests in the atmosphere, in space and under water to underground explosions. They also called for a treaty soon to prevent the spread of nuclear weapons. Mr. Foster, head of the United States Arms Control and Disarmament Agency, said at the 17-nation conference, which began in March, 1962, that Washington remained "strongly committed" to a ban on underground nuclear explosions.

The United States delegate acknowledged that science had made "substantial progress" in developing ways to detect such explosions from a distance. He added, however, that "hard evidence still points to the need for on-site inspection to verify a comprehensive test ban."

This was disputed by Mr. Roshchin. He asserted that the United States advanced "groundless demands" for international inspection in order, by preventing an accord, "to have a free hand for carrying on dangerous experiments with nuclear weapons."

When calling for a treaty to prevent the spread of nuclear weapons, Mr. Foster alluded to the Soviet Union's preoccupation with West Germany. He urged that the issue not be confused by becoming "obsessed with any one country."

The alternative to a treaty "is not a world with one or two new nuclear-weapon states in, say, five years, but rather a world with perhaps ten new nuclear-weapon states in 10 to 20 years," the United States official said.

But Mr. Roshchin asserted that the United States desired to draft a treaty that would leave open the possibility of satisfying West German ambitions through an allied nuclear-sharing arrangement. He said that desire was blocking in accord.

The Soviet delegate, who followed Mr. Foster, began his speech by accusing the United States of having increased world tension during the conference's recess by building up its forces in South Vietnam.

"Continuous provocations" against Cuba by Washington "also arouse serious concern," he said.

Mr. Foster replied by rebuking the Soviet delegate for beginning the new round of talks with a "propaganda blast." The Soviet Union, he said, would make a more useful contribution to negotiate.

Today's chairman, Antonio Gomez Robledo of Mexico, warned that if the conference had no progress to report to the United Nations General Assembly session opening in September another forum for negotiating arms-control questions might be sought.

[From the Philadelphia (Pa.) Inquirer, June 15, 1966]

Accord on Arms Barred by Soviet Over Vietnam

Geneva, June 14.—A virulent Soviet attack of U.S. policy in Vietnam marked the resumption of the 17-nation disarmament talks here Tuesday. The tirade broke a tacit understanding that Vietnam should not be allowed to disturb the Geneva negotiations.

Soviet chief delegate Alexei A. Roschin said at the meeting there can be no treaty to stop a spread of nuclear weapons as long as the United States continues its military operations in Vietnam. Such a treaty is the main issue before the conference.

PROPAGANDA BLAST

Roschin's speech—one of the most bitter yet delivered in the 4-year-old conference—was immediately denounced by U.S. chief negotiator William C. Foster as a deeply regrettable propaganda blast.

Roschin accused the United States of duplicity in sending more troops to Vietnam for what he called a merciless campaign against peace in Geneva. He said Washington thus increased the arms race and is responsible for prospects of no progress in Geneva.

Roschin's predecessor, Semyon K. Tsarapkin, had assured the conference earlier this year that the Vietnam conflict, though regrettable from his government's point of view, should not be allowed to disturb the negotiations in Geneva. Tsarapkin has since been appointed Ambassador to West Germany.

"UNFORTUNATE CHANGE"

Roschin's statement led Senator Joseph S. Clark, Democrat, of Pennsylvania, who recently returned from Geneva, to say in Washington: "I think this Russian position represents a most unfortunate change of mind. When I was at Geneva a month ago, Russia made it quite clear that it did not consider Vietnam an insuperable obstacle to a nuclear disarmament understanding."

When Roschin took over more than 2 months ago critical remarks about the U.S. role in Vietnam began cropping up in his statements and those of the delegates from Bulgaria, Czechoslovakia, Poland and Rumania here.

But these asides, though sometimes stinging, were short and mild compared to the Soviet delegate's long and bitter statement Tuesday. Western delegation officials said it sounded like a concentrated recapitulation of every main criticism the Soviet Union has voiced against Washington during the past 6 months.

SABOTAGE CHARGED

Roschin attacked the United States over Vietnam, the project of Atlantic nuclear weapons sharing with West Germany, accused Washington of fomenting the arms race and trying to sabotage an agreement to stop underground nuclear explosions.

He also denounced what he called the "continuous military provocations against the Republic of Cuba" around the Guantanamo military base, a subject frequently raised by Communist speakers in the current international labor conference here.

OUR AMBASSADOR TO JAPAN, EDWIN O. REISCHAUER

Mr. AIKEN. Mr. President, as everyone knows, the United States has over 100 Ambassadors working in the various capitals of the world. It is not surprising that no two of these Ambassadors are exactly alike, either in qualifications or in the manner in which they operate. Some are excellent. Some are very good. Some are good. Some are fair. Occasionally, one gets us into a lot of trouble.

Mr. President, I am not going to attempt to classify U.S. Ambassadors in other countries, but I do wish to point out that one of the highest grade Ambassadors we have in any country is our Ambassador to Japan, Edwin O. Reischauer.

Ambassador Reischauer has done a remarkable job in Japan. He has upheld the position of the United States ably and satisfactorily. He commands the respect of the Japanese people as well as the Japanese Government, and he has the respect of all Americans who know him.

I have been disturbed lately to hear rumors that Mr. Reischauer might be replaced.

Some of these rumors state that he wants to come home. I do not know whether that is true. Other rumors state that someone wants him to come home and get out of Japan so that his place can be taken by someone else.

I want to say that I most earnestly hope that Ambassador Reischauer does not want to come home and that no one is going to insist that he does come home, because if he should give up that post for any reason whatsoever, it would be an almost irreparable loss to the United States at this time.

Mr. President, I ask unanimous consent to have printed in the Record an article which was published in the Boston Sunday Globe of June 12, 1966, entitled "Our Man in Tokyo—Reischauer Doing Superb Job." It is an excellent article and I agree with the expressions which it carries.

There being no objection, the article was ordered to be printed in the Record, as follows:

Our Man in Tokyo—Reischauer Doing Superb Job

(By Richard Halloran)

Tokyo.—In the history of America's relations with Japan, the names of four famous Americans spring immediately to mind—the haughty Commodore Matthew Calbraith Perry, whose black warships in 1854 ended Japan's isolation; the persevering Townsend Harris, first consul general in Japan; the conciliatory Joseph Clark Grew, ambassador to Tokyo in the ten turbulent years before Pearl Harbor; and the imperious Gen. Douglas MacArthur, pro-consul of the postwar occupation.

A fifth name, that of Edwin O. Reischauer, who recently completed five years as an extraordinarily successful ambassador to Japan, is most certainly the next logical candidate for the list. Not only has Reischauer been superb in Tokyo but he had operated in a style that few other American ambassadors anywhere could have—and survived.

In his tenure, Reischauer has repaired what he called America's "broken dialogue with Japan," a breakdown in communication in the late 1950's that culminated in the anti-American riots and cancellation of President Eisenhower's visit in 1960.

Beyond that, Reischauer has been instrumental in preserving Japan's alliance with America despite strong currents pushing the two countries apart.

He has helped ease the Japanese out of the introspective isolation in which they wrapped themselves after the war. And he has nudged them toward stable operation of the democratic political mechanism.

The ambassador, of course, has not worked miracles. In his own words, there's a "long, long way to go" in developing a genuine dialogue. "Understanding," he says, "is not an easy thing."

Moreover, Japan is still a reluctant ally of America and its emergence as a responsible power in Asia is only tentative. Nor has the democratic mechanism been put to the telling test of an orderly transfer of power from the ruling conservatives to the opposition socialists.

But Reischauer has accomplished as much as one man could and has earned the esteem of the Japanese and the admiration of his American diplomatic colleagues. There's been recent speculation that he wants to return to scholarly pursuits but he hasn't given a clue about his specific plans.

Reischauer brought a unique background and set of intellectual tools to his job. He was born in Japan, studied the Japanese and Chinese languages, ancient history, and culture, pioneered the study of Japan in America, served in military intelligence during the war and was pulled into modern history and international relations.

He became a well-liked professor at Harvard, advised the State Department on Asian affairs, and wrote a number of highly reputed works on Japan and Asia.

Personally, Reischauer even looks like an ambassador. A slender, erect man of springy step and jaunty air, he exudes the confidence of one who knows what he is about.

Politically, Reischauer calls himself a liberal, but is dubious about the term. He says he is not doctrinaire but looks at each problem as it comes along. His colleagues confirm his open-minded approach to both diplomacy and history.

Over the years, Reischauer has built on the respect he initially commanded from the Japanese.

In a sense, there are two Reischauers—the ambassador and the teacher. But the images of Reischauer-Taishi (ambassador) and Reischauer-Sensei (teacher) have become almost indistinguishable.

A Japanese intellectual says that "when Reischauer speaks, we Japanese stop and listen because we know that he is sensitive to us and knows what he is talking about."

The classic example of this came last October, when Reischauer lashed the Japanese press for biased anti-American reporting of the Viet Nam war. He particularly singled out Minoru Omori, foreign editor of the influential Mainichi Shimbun, for inaccurate reporting.

The Japanese press, and especially Mainichi, exploded in defense and rebuttal. But when the smoke cleared, the newspapers started looking at Viet Nam more carefully—and Omori was quietly sacked.

Reischauer has made a point to establish contacts with labor and other leaders of the moderate left, who were often neglected by previous envoys.

He has been so successful that Akahata, the Communist Party paper, once complained that since the advent of Reischauer, "more and more progressive people visit America . . . and come back to Japan with pro-American ideas."

Once in Japan, Reischauer launched into his self-appointed task of the broken dialogue in a long effort of intellectual contacts, which soon became known, partly in admiration and partly with apprehension, as the "Reischauer offensive."

Mr. MANSFIELD. Mr. President, will the Senator from Vermont yield to me?

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. MANSFIELD. I ask unanimous consent that the Senator be permitted to proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. I thank the Senator from Montana.

Mr. MANSFIELD. I wish to join the distinguished senior Senator from Vermont in what he has just said about Ambassador Reischauer.

I do not believe we have ever had an ambassador accredited to Japan who has the qualifications, the know-how, and the confidence of all concerned more than the present occupant of that most important position.

I do not believe that the President is anxious to "recall" Ambassador Reischauer; I believe the impetus behind these reports is based on Ambassador Reischauer's desire to retain his tenure and position on the faculty of Harvard University which under the university's rules will terminate this coming September.

I would therefore hope that Harvard University, being the patriotic institution that it is, would recognize the gravity of the situation in the Far East and the great need to retain Ambassador Reischauer in his present position.

Ambassador Reischauer, I believe, enjoys the confidence of the entire Congress and especially of those congressional delegations which have visited Japan during his tenure. He has performed his responsibilities with integrity, ability, and intelligence.

In my opinion, he is one of the real standouts among Ambassadors of the United States. I agree with the distinguished Senator from Vermont that he is really needed even more in the years ahead, which will be difficult, than he has been needed in the 5 years during which he served our country in Japan with such great distinction.

When this country has the opportunity to use the services of a man of the caliber of Ambassador Reischauer, we should continue to make use of them to the best of his and our ability because he has represented us with such distinction and so ably in a country which needs the kind of representation which Ambassador Reischauer is giving to it.

Mr. AIKEN. Mr. President, let me thank the Senator from Montana, the distinguished majority leader. Let me add to what I have said, following his remarks, that the U.S. Government has done a lot for Harvard over the years. Now Harvard should do a lot for the U.S. Government by requesting Mr. Reischauer to stay in Tokyo during this crucial period and assuring him that he will not lose his status in that distinguished institute of learning by serving his country in time of need.

Mr. MANSFIELD. I could not agree more with the distinguished Senator from Vermont. So long as we have one of the distinguished past members of the board of overseers of Harvard University, on his feet in this Chamber at this moment, enlisted to our effort, the cause will not be lost. I would hope that when he returns to his alma mater tomorrow he will use his well-known ability to persuade to achieve this objective; with Senator SALTONSTALL's support, we all can be somewhat hopeful that Ambassador Reischauer will remain in Japan, and at the same time retain his well-deserved status at Harvard University.

Mr. AIKEN. I was aware of the presence of the distinguished Senator from Massachusetts [Mr. SALTONSTALL], and his distinguished position back home, when I first made my remarks. I hope that he will take them seriously and do all that he can to keep Ambassador Reischauer where he is; namely, in Japan. He is needed there desperately at the present time.

Mr. SALTONSTALL. Mr. President, I am glad to hear all the friendly references which have been made to Harvard University.

Let me say that the Senator from Pennsylvania [Mr. CLARK] has been a more recent member of the board of overseers than have I, and I am sure that we have both listened to what has been said.

I know that the rules and regulations regarding length of absences before a professor could lose his standing or lose his opportunity to return to the university are fairly stiff, but I believe that the university has made exceptions. I certainly am glad to agree with the two Senators in their position regarding Ambassador Reischauer. I am always appreciative that Harvard University is doing its share of patriotic duty to permit its distinguished professors to take part in public affairs.

Mr. CLARK and Mr. PROXMIRE addressed the Chair.

Mr. SALTONSTALL. Mr. President, I am trying to get the floor in my own right——

The PRESIDING OFFICER. The Senator from Massachusetts has the floor at this time.

Mr. SALTONSTALL. I thank the Chair. Inasmuch as I have the floor now, I ask unanimous consent that, without losing my right to floor, I may be permitted to yield to the Senator from Pennsylvania and then to the Senator from Wisconsin to speak on this subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. I thank the Senator from Massachusetts.

I should like to join in the encomiums which have just been delivered in behalf of Ambassador Reischauer. As a very humble member of the graduating body of Harvard, no longer an overseer, I shall be glad to see what I can do to get President Pusey to get the board to grant the extension.

Lest these comments appear to readers of the Congressional Record as merely a Republican ploy, I know that if Senator Edward Kennedy, of Massachusetts, and Senator Robert Kennedy, of New York, were on the floor they would like to join us, so this would be a bipartisan matter.

Mr. SALTONSTALL. Mr. President, I merely wish to say to the Senator from Pennsylvania that this is one subject on which we are all agreed.

Mr. PROXMIRE. Mr. President, I had the honor and privilege of studying under Professor Reischauer when I attended Harvard, he is a brilliant professor.

Ambassador Reischauer has devoted his life to a study of Japan. He knows Japan thoroughly. He speaks the Japanese language as well as he speaks English. He was born for this job. He is married to a Japanese lady.

At the present time, when our Far Eastern relations are so important, and when our relations with Japan are particularly important, it is most necessary that Ambassador Reischauer be permitted to retain his tenure at Harvard and be permitted to continue as this country's ambassador to Japan.

ONE HUNDREDTH ANNIVERSARY OF HUDSON, MASS.

Mr. SALTONSTALL. Mr. President, this year marks the 100th anniversary of the incorporation of Hudson, Mass.

Though not incorporated until 1866, this manufacturing-residential town was first settled in 1699. Originally a part of Marlboro, Hudson was first called Mills and later Feltonville, but eventually it was named after Charles Hudson who was the first benefactor of the town's library facilities.

Farming was the main industry when the town was settled, but in the early 19th century shoe manufacturing became important in the economic life of the community. In time other manufacturing firms came to Hudson, and today its factories produce textile products, machinery, and leather products. Through the years, Hudson's growing industry attracted many Portuguese, French, Greek, Russian, Jewish, and Italian immigrants who have made important contributions to the town.

Hudson has a long and proud history, and I am pleased today to join with the people who live there in commemoration of its 100th anniversary. A week-long celebration is presently underway, which will end on Sunday with a parade and other special events.

INCREDIBLE AND UNTENABLE

Mr. YOUNG of Ohio. Mr. President, it is evident that Saigon's flamboyant Prime Minister Ky proposes to remain in power at least until the end of 1967. This may seem incredible, but Ky's proposal for what he terms fair elections in South Vietnam, first scheduled for August and now for some undetermined time in the fall, will permit no neutralists to vote, and in addition Ky specifically states that no citizen of South Vietnam who is a member of the National Liberation Front or a Vietcong suspect will be permitted to vote.

In other words, he and members of his militarist regime in power in Saigon will see to it by challenge at the voting place or by intimidation before voting that no persons except those recognized as followers of the militarist junta now in power in Saigon will be allowed to vote. Then Ky proposes that his privately operated proposed election will be for the purpose of electing only a constituent assembly. The elected candidates will not have any legislative powers. Their only duty, he says, is to draft a constitution and then adjourn. It is noteworthy that Ky became Prime Minister more than 1 year ago but in all that period he made no effort whatever to bring land reform or hold elections in Vietnam.

Thich Tri Quang, a Buddhist leader who is regarded as a moderate, has called for a boycott of any unfair elections scheduled by Prime Minister Ky. Therefore, many Buddhists will stay away from the voting places. If there are those Buddhists who seek to vote, no doubt the militarist regime representatives will challenge them as being neutralists.

The St. Louis-Post Dispatch recently published a fine editorial, under the caption "Incredible and Untenable," and I ask unanimous consent, Mr. President, that this editorial be printed at this point in the Record as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> ### Incredible and Untenable
>
> It now seems clear that whatever form of reconciliation may be set up in South Viet Nam the substance of it remains elusive. The Buddhist leaders who negotiated a peace settlement with the Ky government, failing to win support from their own followers, have resigned. Thich Tri Quang, probably the key figure among the Buddhists, not only rejects the settlement but demands a boycott of any elections to be held under it, and bitterly assails the United States for supporting the Ky government.
>
> In the face of these developments, hopes for a resolution of the political crisis seems wistful and naive. The military dictatorship represented by Marshal Ky and his fellow generals would violate the laws of its own being if it voluntarily handed over power to a civilian government. The militant Buddhists obviously do not believe this will happen, and they distrust any apparatus set up by the generals to create an appearance that it might.
>
> More and more, therefore, the hostility of the Buddhists and all other South Viet Namese who oppose the Ky regime turns against the United States, without whose support that regime could not exist. More and more, in consequence, the American position becomes incredible and untenable. While we wage war for the ostensible purpose of defending the freedom of the South Viet Namese people, South Viet Nam's armed forces devoted themselves not to the war but to securing their own power over the people; and a growing body of the people plainly demands only to be left alone in peace.
>
> In such a hopelessly entangled situation it is easy for the Administration to contend that there are no practical alternatives to the policies it is pursuing. Yet the strongest nation in the world confesses moral and intellectual bankruptcy when it makes itself a prisoner of events. It can shape events if it will muster the courage and imagination to replace policies that have so conspicuously failed. The first step is to bring what we do into line with what we say.
>
> If we seek only the freedom of the South Viet Namese people, we would curtail instead of escalating a war that steadily reduces their freedom. If we seek negotiations for peace, we would support those who favor a political settlement, rather than generals who oppose it. If we seek a neutral Viet Nam and not an American military outpost, we would strive to create the conditions for ultimate withdrawal, instead of digging in for a generation to come.
>
> One of the architects of the 1954 Geneva agreements, Anthony Eden, declared last week that the principle of those agreements—the neutralization of Indochina—holds the key to peace in Viet Nam. Others, notably U Thant, have repeatedly made the same point. Administration spokesmen themselves at times have indorsed it—in words. For 12 years, however, American policy has been based, not on supporting neutralization, but on building a unilateral military position in South Viet Nam. The first step to peace, if the United States wants it, is to reach a national decision that a neutral Viet Nam should be the objective. Once such a decision was made, many doors to peace, we are confident, would open.

MANAGEMENT OF NUCLEAR WEAPONS SHOULD NOT BE HANDED TO NATO OFFICIALS

Mr. YOUNG of Ohio. Mr. President, Congress, some years ago, wisely provided a strict ban against any distribution of nuclear weapons to our allies. Most Americans feel that the only finger permitted to trigger an atomic war should be that of the President of the United States.

Surprisingly, former President Eisenhower recently proposed that the United States transfer the management of nuclear weapons to our NATO allies. This should be unthinkable. It would be a betrayal of our responsibility as the most powerful nation in the world. American public sentiment should overwhelmingly reject the view of General Eisenhower seeking authority "to sell appropriate nuclear weapons to other governments—under special conditions and arrangements to be approved by the NATO organization—that could operate effectively in the defense of Europe."

Mr. President, our energy must be exerted to try to seek the agreement of all powers, including the Soviet Union, to a treaty against the proliferation of nuclear weapons. President Kennedy sought and accomplished ratification of the Limited Nuclear Test Ban Treaty largely because he feared that, instead of 5 nuclear powers, 20 nations by 1975 would have the capacity to explode atomic bombs. There is reason to fear that a nuclear war could be brought on by accident, or mischance, or by the erratic action of a trigger-happy officer, or a hothead, or drunk NATO ally. Also, we must protect mankind from radioactive contamination. We must halt the spread of nuclear weapons.

General Eisenhower in World War II showed bad judgment in preventing Generals Bradley and Patton from occupying Berlin, and in ordering them to pull back in favor of the Russians whose leaders were scheming to enter Berlin first. At that time he would have been well advised not to cater to the Soviet Union. Times have now changed. Twenty-one years following World War II, Communist Russia no longer seriously menaces the United States or the peace of the world. Were the Eisenhower viewpoint to prevail, it would no doubt cause the leaders of the Soviet Union to withdraw immediately from considering a proposed nonproliferation treaty.

General Eisenhower was wrong in 1945 in pulling back Generals Patton and Bradley. As a result of his orders, the Russian armed forces first entered Berlin. Were it not for General Eisenhower's command decision at that time, American armies led by Generals Bradley and Patton would have been the first with their tanks and thousands of GI's to march into practically undefended Berlin. Were it not for General Eisenhower's decision at that time, when he had been misled by the Russian leadership into believing that the objective of their armies was to destroy the German forces in the field and that their objective was not to be the first of the allies to enter Berlin, the history of our postwar dealings with Stalin and the Soviet Union might not have been so grim, and the Berlin wall might never have been built. He is dead wrong now, as he was then.

DISABLED AMERICAN VETERANS DAY

Mr. BYRD of Virginia. Mr. President, this country has fought nine wars—including the war in Vietnam. Millions of Americans have answered the call to arms.

Most of these men have been citizen soldiers, sailors, and airmen—men like us, from farm, city, school, and college campus, men never basically dedicated to the profession of armed combat, men never primarily skilled in the art of war.

For the most part, they have been men whose native patriotism has exceeded their concern over the complexities of international intrigue—men who, in deep sense of duty, answered their country's call.

We thank God that the vast majority of them have been allowed to return physically unimpaired. But a million have given their lives, and more than 1½ million have suffered combat wounds.

Properly, we observe Veterans Day on November 11.

Appropriately, on Armed Forces Day, May 21, we paid tribute to the 3 million men and women now serving the Nation around the world in our military services.

Reverently, on Memorial Day, May 30, we paid homage to our war dead.

We owe an expression of the Nation's gratitude to our disabled American veterans, who will bear the combat scars of their patriotism throughout the rest of their lives.

I know of no better day to set aside for this high purpose than June 17, the 34th anniversary of the national charter granted to them as an organization by Congress.

It is appropriate that Congress observe DAV Day 3 days after Flag Day, and 3 weeks before Independence Day.

We honor the men whom the Nation can never repay for the lifetime disabilities inflicted upon them as they fought for our defense.

Great changes have occurred in the 190 years between 1776 and 1966. We are probably in the era of greatest change.

The one vital element in our national affairs that has not changed is the great American concept of constitutional government, the source of our liberty.

The disabled American veterans bear the scars of defending these principles.

Under their national charter, without Federal aid, they work for the single purpose of taking care of their own—the disabled war veterans, their dependents, and their widows and orphans.

As an organization, I congratulate the DAV and their commander, Claude L. Callegary, of Baltimore, on the 34th anniversary of their corporate being.

As individuals, each and every one of them has my salute of gratitude.

BACK PEDALING IN VIETNAM AND A NEW HOPE FOR ASIA

Mr. JAVITS. Mr. President, I ask unanimous consent that I may be permitted to continue for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I am disappointed today to have read that reliable sources in South Vietnam believe that the National Leadership Council, which is the expanded version of the military junta, will turn down the proposal of the South Vietnamese Electoral Commission to convert the Constituent Assembly into a legislative body. If this report is true, the repercussions could be unfortunate indeed.

I believe the South Vietnamese people really want a chance to freely express their own choices for a new civilian government. I further believe that the government of Saigon needs the legitimacy that only these elections and the speedy conversion of the Constituent Assembly to a civilian government can provide. I am convinced that the American people desire these elections and a civilian government in Saigon.

Should the military junta continue its confusing and delaying tactics regarding the above matters, I believe the result will be an increasing loss of confidence in Premier Ky both by the South Vietnamese themselves and the American people. I urge the President of the United States to make this fact perfectly clear.

While the situation in Vietnam remains unchanged, there is a very important hopeful sign regarding the larger Asian picture. A conference of nine Asian and Pacific States is presently meeting near Seoul, Korea. The participants at this conference are: South Korea, Japan, the Philippines, Malaysia, Nationalist China, South Vietnam, Australia, New Zealand, Thailand, and Laos as an observer. Both white and Asian, the participants comprise a group with many common interests in maintaining peace in Asia.

I am particularly happy to see that the emphasis at this conference is more on the positive and peaceful side than it is military and ideological. This is an important first step for the countries in that area of the world—a step in the direction of regional responsibility.

I ask unanimous consent to have inserted in the Record two articles concerning these matters which appeared in the New York Times of Wednesday, June 15.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Junta Said To Bar Buddhist Demand on Charter Group—Regime in Saigon Reported Deciding To Limit the Power of Elected Assembly—New Protest Foreseen—Demonstrations Continue—Government Forces Round Up Students for Draft

Saigon, South Vietnam, June 14.—Highly reliable sources said today that the 20-man governing National Leadership Council had voted to limit the powers of the coming legislative assembly to writing a constitution.

The Leadership Council, which was recently enlarged by the addition of 10 civilians, decided that the assembly, to be elected in September, would be dissolved as soon as it wrote the constitution. That document is to be the basis of parliamentary elections next year.

It had been reported earlier that the committee drafting the laws for the September election suggested that the assembly be given limited legislative powers.

KEY ISSUE IN THE DISPUTE

The Buddhists have been demanding the legislative assembly act as a lawmaking body and take over from the military regime headed by Premier Nguyen Cao Ky.

The issue lies at the core of the Buddhist-Government dispute. The junta's decision was sure to bring violent protests from the Buddhists, observers said.

They said the action apparently reflected the generals' confidence that they would be able to overcome the Buddhists. Thus far they have.

However, Buddhist demonstrations continued in the capital and Thich Phap Minh, a militant leader, told thousands of cheering Buddhists that if Washington continued to support the Ky Government, "we can no longer accept the American presence."

"If the Americans want to impose colonialism on our heads, we will fight it," he said.

He asserted that the United States Ambassador, Henry Cabot Lodge, and other American officials "speak with the mouth of Buddha but from a snake's heart."

Parley in Seoul Shapes New Bloc—Nine Asian-Pacific Nations Work on Organization To Resist China's Marxism

(By Robert Trumbull)

Seoul, South Korea, June 14.—Nine Asian and Pacific states, meeting in the riverside resort of Walker Hill near the war-battered but frantically rebuilding city of Seoul, began today to plan an organization of non-Communist governments to resist the spread of Marxism in the area from its base in mainland China.

The new international grouping, as it took shape in the opening session of a three-day conference, will shun any military character and will play down the ideological context. The idea is to reduce tensions, not increase them.

"We do not contemplate" the construction of new barriers "to surround our peoples and isolate them from the rest of the world," said

Thanat Khoman, the scholarly, multilingual Foreign Minister of Thailand and vice chairman of the conference.

THE OTHER PARTICIPANTS

The other countries attending as participants are South Korea, Japan, the Philippines, Malaysia, Nationalist China, South Vietnam, Australia and New Zealand. Laos, nominally a neutral country, is represented by an observer.

"We are not necessarily anti-Communist," the 52-year-old Thai Foreign Minister declared, but he went on to say that the "new form of colonialism" of the Communists was "the most frightful and odious scourge of our time."

Lee Tong Won, the 40-year-old Foreign Minister of South Korea and conference chairman, who conceived this meeting many months ago, suggested that the organization might begin merely as an agreement to meet annually in each of the member countries in turn.

Etsusaburo Shiina, the self-effacing Foreign Minister of Japan, proposed that the discussions be conducted "not from the standpoint of establishing in haste a new and rigid form of cooperation but of promoting gradual and realistic cooperation on a broad basis."

VIEWS LIKELY TO PREVAIL

The views of Mr. Shiina and Mr. Khoman seem likely to prevail.

At a reception given by the Koreans in the garden of a traditional temple-roofed Korean pleasure villa tonight, the Thai diplomat said that he favored an organization in which the next host country for the annual meeting would supply the secretariat while various standing committees of the member, governments carried on continuing consultations in various fields of cooperation.

Narciso Ramos, the vigorous, experienced diplomat who recently became the Philippine Secretary of Foreign Affairs, and others look forward to a busily functioning association of non-Communist Asian and Pacific states with a commodities bank, customs union and other practical applications.

Australia and New Zealand, the only participating countries with a predominantly Western ethnic and cultural background in an area of mostly Eastern culture, shared the hard view of South Korean and Nationalist China on the Communist problem.

Paul Hasluck, the Australian Minister of External Affairs, referred to a statement by President Chung Hee Park of South Korea, in his welcoming address this morning, to the effect that it was sometimes necessary to fight for peace. Mr. Hasluck suggested that this could be the "keynote" of the conference.

"It is fitting that a meeting of this nature should be held in the Republic of Korea, for it was here that one of the critical turning points was reached in recent world history," the New Zealand Minister of Customs, Norman L. Shelton, said in a reference to the Korean war.

Tran Van Do, Foreign Minister of South Vietnam, noted that it was "remarkable" to have a gathering of non-Communist governments in a country where allied forces began fighting Communist North Korea 16 years ago this month.

NATO

Mr. JAVITS. Mr. President, NATO remains the linchpin of free world strength and unity of purpose. Despite the fact of French withdrawal from the integrated command structure of the alliance, the other 14 members desire to go forward.

In Chicago, on April 15, 1966, I delivered a speech outlining my thinking on the U.S. response to President de Gaulle's policy and to a number of problems presently facing NATO. My theme was that NATO must develop a political identity, going beyond a military alliance, in order to successfully survive the complexities and challenges of modern diplomacy. I ask unanimous consent to have inserted in the Record a copy of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

NATO Can Answer De Gaulle's Challenge

(Remarks of Senator Jacob K. Javits prepared for delivery at a luncheon of the Executives' Club of Chicago, Pick-Congress Hotel, Chicago, Ill., noon, Friday, April 15, 1966)

NATO is not about to fall apart. Neither the conflict in Vietnam nor President de Gaulle's withdrawal from the integrated command structure will destroy the unity and effectiveness of the alliance. For, NATO remains the core of Free World security and strength. The United States commitment to it continues to be our most important foreign policy responsibility and should be absolutely unimpaired.

NATO will survive the current French challenge. Indeed, the immediate effect of this challenge will be a greater NATO unity. This short-run effect was demonstrated unambiguously in the March 18th response of the remaining fourteen partners to President de Gaulle's note of French withdrawal. This joint note states that: "The North Atlantic Treaty and Organization established under it are both, alike, essential to the security of our countries," that "no system of bilateral arrangements can be a substitute," and that the whole apparatus still meets "a common political need."

But the confidence of today, the widely recognized conviction that NATO is still the key to Free World strength should not obscure the problems of tomorrow. Unless these are solved, NATO will become a mere shadow of itself in the future.

NATO's problems, however, run much deeper than a logistics relocation operation. Its purpose is being questioned because of the relaxation of Soviet pressure in Europe; its strength is being undermined by the short-sighted nationalism of the French President; its intentions are being challenged by artifically inspired West German demands for a nuclear voice; and its goals are being blurred by a lack of strong and consistent leadership from the United States.

Above all, NATO faces the challenge of transforming itself from a military alliance to a political community, to a true form of regionalism in the North Atlantic area. A military alliance is a negative form of unity. It exists only as long as the common threat is perceived by the partners in the same way. A political community derives its meaning from positive sources, by what it is for, by what it is trying to achieve, by the institutions and ideals upon which it rests.

NATO must establish bonds that hold, independent of a common danger. It cannot depend upon threats from the Soviet Union for its unity. Furthermore, no realistic NATO nuclear sharing arrangement to meet that threat can materialize unless is a genuine single political means to control it.

NATO must develop a political identity. How can this be done?

There must be a decision at the top to go forward. A Summit Conference of the Heads of State of the NATO countries is needed to set up a common political institutions; only a command decision at the top can set the machinery in motion.

For, left to their own devices, nations will go their separate ways, uniting only when it suits individual purposes. It is up to the United States to provide the leadership to weave together the diverse threads of the Western World. As a nation with preponderant economic and military strength, the United States must have the courage to go first and set the example. Our partners have accused us often and justly of trying to force arrangements on them which we would never accept ourselves.

The thrust of the Summit meeting should be an effort to unify the great number and variety of decision-making units in the Western world. As of today there are several dozen Western inter-governmental groups, with no consistent membership pattern, trying to promote cooperation in matters of trade, finance, monetary affairs, politics, technology, refugees, defense, and social life. Coordination among these groups is often ad hoc and limited.

The way to end this debilitating fragmentation is by the rule of substitution. Where there are several inter-governmental groups dealing with the same or similar problems, one group should be substituted for all—or, at least, one group ought to act as an executive coordinating body for the others.

The two groups-in-being that should take the lead in this unifying process are NATO and OECD. NATO could act as the focal point for political and military cooperation, thus superseding the Western European Union and a number of bilateral arrangements. OECD is the natural body to tie in North America with the Common Market and EFTA. To effect these ends, the North Atlantic Council—policy-making body of NATO—and the Secretary General of NATO should be delegated broader and more effective powers as provided for under Article 2 of the NATO Treaty. OECD, in turn, should be given a mandate to oversee all economic and trade negotiations.

In order to underpin these efforts, an Atlantic Consultative Assembly must be established. Only such a parliamentary body can nurture habits of cooperation and feelings of common loyalty. This Assembly should be composed of delegates selected by the parliaments of the 15 NATO nations—which is the composition of the NATO Parliamentarians Conference, now in its twelfth year—but with two major changes: (1) The Assembly should be empowered to discuss all Atlantic matters, economic and political alike; and (2) the five European nations that are members of OECD but not of NATO—Austria, Spain, Ireland, Sweden, and Switzerland—should be entitled to membership.

Finally, an Atlantic High Court of Justice is needed to round out the institutional picture. This Court should be empowered to decide specified legal controversies which may arise under Atlantic Community treaties.

It is essential that this "operation nucleus" start now. The decision to move in this direction is long overdue. It will take many long years of hard and pragmatic bargaining to establish the reality of an Atlantic Community and an appropriate infrastructure.

In the meantime, NATO is being buffeted by a whole range of problems that require immediate attention and decision. Our long range objective of an Atlantic Community should not obscure them. But the decisions of today must be made in the light of and in accordance with the ultimate goals.

There are six key problems facing NATO today.

(1) Since World War II, we have urged the United Kingdom to reorder its foreign policy priorities and merge itself with Western Europe. The Commonwealth is not the British Empire, and a close Anglo-American tie is no substitute for an intimate British-European connection. Western Europe needs the United Kingdom and the United

Kingdom can be greatly stimulated by Western Europe. A permanent British presence in the Common Market can assure the Benelux countries and Italy that they will not become pawns in a Franco-German struggle for ascendancy. It is also necessary for London to open up the Common Market door for the other countries of the European Free Trade Association.

(2) West Germany wants more status and influence within the alliance. Specifically, the Bonn Government wants to share in the control and use of nuclear weapons. I can sympathize with Bonn's desire for influence commensurate with its contributions, but I do not believe that nuclear weapons is the proper area for this new role. A German finger on the nuclear trigger will create two major difficulties: (a) it will be resented and feared by all European powers who still do not have complete confidence in German stability; and (b) it will undercut the U.S. drive for a non-proliferation treaty. A non-proliferation treaty must take precedence over any sort of NATO nuclear force. Just as our own government created the German demand for a nuclear voice by the MLF proposal of 1962, so we must now help the Germans to forego it.

(3) The French withdrawal from the integrated command structure of NATO and their request for NATO to leave French territory unless placed under direct French control, raises another set of difficulties. But these are not insuperable. It must be clearly understood that France has not withdrawn from the alliance as such. She still recognizes the need for the common defense. Unfortunately, France under de Gaulle is too preoccupied with the principle of nationalism and so is overly sensitive about any formal kind of cooperation. Also, while the French continue to pursue this line, NATO must take care not to be punitive to French interests to try to isolate France.

Every effort must be made to reserve France's rightful place in the alliance organization and to leave intact as much of the military structures as France will allow on her soil. For, we have a right to expect France to return fully to NATO when President de Gaulle leaves the French presidency—at least, the chances are good enough to warrant such planning.

During this transition period, the U.S. should reaffirm its commitments to the alliance and take the necessary steps in conjunction with the other members to relocate troops and supplies and keep the alliance operating.

(4) There is still an unsettled debate about strategic doctrine. Our European partners oppose the U.S. doctrine of flexible and controlled response. The Europeans fear that such a doctrine will lessen the credibility of our nuclear deterrent. We believe that credibility is a matter of meeting force with appropriate levels of counter-force. Such a debate can never be solved in the abstract, and we hope it will never be resolved in reality. The only reasonable response to the debate is to maintain the strength of NATO on all levels—conventional, tactical and nuclear.

(5) There is a feeling in some quarters that the Soviet Union no longer represents a threat to the security of Europe, that Moscow's motives have changed. But we cannot base policy on unknowable intentions and motives; we have to base it on capability. A divided Berlin and a divided Germany still present a constant source of danger and temptation.

(6) NATO is in the throes of a globalization debate. The U.S. wants NATO to take a more active role in conflicts and problems outside the Atlantic area. Our partners are reluctant to do so. In time, we hope our partners will realize that the security of the Western world is dependent on the struggles in the underdeveloped world. In time and with insistence, we hope they will undertake their proper share of this burden, as for example in Vietnam.

What should be the course of our own policy during this period? United States policy should be steady but not slow, purposeful but not pressureful, and unambiguous but not unsophisticated. Diplomacy is a tedious and intricate art, but it is an unfruitful process unless given clear direction from the top. Current crises and problems should not make us panic. They should make us realize that the time has come to set NATO on a new footing, not as a new military alliance, but as the nucleus for an effective Atlantic community.

CHINA

Mr. JAVITS. Mr. President, this has been a year of important resurgence regarding the discussion of Communist China in the United States. For many years, there were few constructive proposals on how we should deal with the China problem. Many people have now come forward with sound and analytical statements on what should be done.

In my home State of New York I recently delivered two speeches on United States-Communist China relations. The theme of the first, "China and the Peace of Asia," was that in the long run we must find some way to get along with Communist China, because without such a longrun understanding there can be no peace in Asia. The second speech, "Communist China and Nuclear Disarmament," is an attempt to enlarge on the theme of the first speech. I present the thesis that both the United States and Communist China must learn to negotiate what is negotiable and to talk in some areas while we dispute in others. I also make a proposal to invite Communist China to the Geneva Disarmament Conference provided that they first sign the nuclear partial test ban treaty.

Both speeches emphasize the fact that China's aggressive objectives and tactics have not changed, and that they are unlikely to respond positively to any proposals from us at this time. Nevertheless, I believe certain carefully posed contacts that do not endanger our security or undercut our diplomatic position should be made. Mr. President, I ask unanimous consent to have these two speeches inserted in the Record.

There being no objection, the addresses were ordered to be printed in the Record, as follows:

China and the Peace of Asia

(Excerpts of the remarks of Senator Jacob K. Javits, prepared for delivery before the Annual Masonic Dedication Service and Breakfasts, Waldorf and Astor Hotels, New York City at 10 a.m., Sunday, March 20, 1966)

The struggle in Vietnam is really a struggle to create and preserve peace and stability in Southeast Asia and in Asia as a whole. Because Vietnam is not an isolated conflict, because it does have the greater meaning of war or peace in Asia, it has led us to a search for causes and roots. The search has led back to Communist China.

Since 1949, United States policy toward Communist China has been static and largely negative. We have done and must continue to do what we must, that is, contain Red China militarily. But we should now begin as well, in a measured and careful manner, the process of trying to bring Communist China into the community of nations.

I believe that over the long term, we must find some way to get along with Communist China. Without such an understanding there can be no peace in Asia. Without it, Vietnam could be a beginning, not an end.

Those of us who are convinced that the so-called "wars of national liberation" are actually wars of aggression instigated and supported by Communist China, are also convinced that such wars must be frustrated. Our overriding reason is the future role of the Peking regime in the issue of war and peace in Asia. Viewed in this light, the struggle in Vietnam is one element in our policy toward Communist China. If we are successful in demonstrating our will to resist aggression, it can be a most fruitful national effort, it can lead to peace. If the results of the struggle are inconclusive, we will still be faced with the possibility of war.

I believe that we must ultimately come to some sort of agreement with Communist China. I do not believe in the wisdom or inevitability of preventive war, nor do I see any sense in a unilateral U.S. withdrawal from the Asian mainland. I am convinced that in the course of the long effort to find some way to get along, we had to show steel. Because of this, I support our limited military commitments and limited political objectives in Vietnam. But I consider what we are doing in Vietnam as part of a greater whole. It gives us a basis for making policy with respect to Communist China which could get us away from the static condition in which we now find ourselves, i.e. being against recognition, against any kind of trade, against admission to the United Nations, and against policies of other nations with respect to Communist China which differ from our own.

There is no question about the need for finding a way to deal with Communist China in respect to any Vietnam settlement. It is a fact that Communist China is the main supporter and stimulator of the North Vietnamese and ideologically the principle barrier to bringing North Vietnam to the peace table.

Whatever settlement may result on Vietnam will require some international action, such as supervision of free elections probably by the United Nations, and will require Communist Chinese participation. To make such participation practicable in a settlement it would be necessary to have Communist China as a member of the community of nations, making the settlement. Accordingly, just as I have concurred with the President that in peace negotiations regarding Vietnam there should be unconditional discussions, so I believe that in connection with such peace negotiations there should be "unconditional discussions" with Communist China.

This is only a step and the meaning of this step must be celarly understood. It is important to consider what we are not doing under such circumstances. We are not recognizing Communist China or agreeing to trade with it or to cease opposing its admission to the UN. We are saying only that we are willing to discuss all questions and to abide by the results of an agreed-upon treaty or agreement.

We are not turning our back on the Chinese Nationalist government on Taiwan which as a state and as a member of the UN must be assured that its national integrity is being fully respected.

We are not in any way lessening our determination to resist—with military means or otherwise—the change of governments by force, subversion and aggresssion, whether or not called a war of national liberation, and that we propose to stand by our military commitments to resist subversion or aggression in the future.

We are not in any way retreating from our purpose or our determination in Vietnam—that its people should be in an atmosphere of peace freely decide their own governmental future.

We are not seeking the approval or agreement of Communist China, nor are we in fear of Communist Chinese rejection. We are continuing our peace offensive on a broader and more inclusive scale, facing realistically the real problem—Communist China—and confident that other nations will realize that it is never embarrassing to face reality, especially when speaking and acting from a situation of strength.

I have no illusions about Peking's reaction to such a proposal or to any other peace overtures—at this time. Mao Tse-tung and the other old revolutionaries, locked as they are in the prison of their own dogma, will respond with hate and invective in the negative. On March 3, Jenmin Jih Pao, a Communist party newspaper, commented that the U.S. Senate debate on Vietnam was a "camouflage to hoodwink the people," and that both the "hawks" and the "doves" are "fools." On March 14, Vice President HUMPHREY was treated with the same sort of disdain by the Communist Chinese leaders. The day after he hinted that Washington may be prepared to adopt a policy of containment without isolation, the Chinese Communist leaders called his suggestion the "kiss of Judas".

As of now, the Red leaders are completely preoccupied with maintaining their doctrinal purity. They shun any formal contact with the "American imperialists." They believe that their appeal in the developing nations rests on an uncompromising ideology and on implacable hostility to the West. They are dead wrong in this belief. Recent events in Cuba, where Castro has turned his lengthy diatribes against Peking, in Africa where the overthrow of governments which had become too much under Chinese communist influence was greeted with immense African approval, and in Indonesia where the overwhelming number of Indonesians have risen up in support of the Army's efforts to prevent a communist takeover—all these events are testimony to the blindness of Peking's doctrine.

Our problem is to bring Peking to the realization that not only has its dogmatism failed, but that its refusal to recognize this failure will be dangerous—to everyone concerned. As long as the Peking leaders remain entrapped by their own propaganda, every conflict runs the risk of escalation. As long as their ideology provides no room for peaceful coexistence, every small dispute China has with another nation can become a full-blown confrontation. This is not only true of Peking's relations with the West, but within the Communist world as well.

How can we bring Communist China into the international community of nations for the purpose of making peace in Vietnam without selling out other peoples or our own ideals and commitments?

The answer to this question must revolve around a general policy of strength and sensibility, containment but not isolation of the Chinese people.

We can have peace in Vietnam only if the priorities of Peking are reordered. To do this, we must maintain our strength while showing our willingness to negotiate unconditionally with Communist China, as well as with North Vietnam and the National Liberation Front.

COMMUNIST CHINA AND NUCLEAR DISARMAMENT

(Excerpts of the remarks of Senator JACOB K. JAVITS prepared for delivery at the Sixth Annual Banquet of the Iona College Alumni Association, Commodore Hotel, New York City, 7:30 p.m., Thursday, June 9, 1966)

Will Communist China join the community of nations?

This, in the 1960's, is the most crucial question in respect of the future peace and stability of the world.

The United States, the most powerful nation on the face of the earth, must play a leading role in assuring that the answer to that question is a positive one. In my opinion, we can help to bring about a positive answer by our strength—moral as well as physical—not our weakness; by our patience, not our haste; and by our reasonableness, not our inflexibility, and not by unilateral concessions.

It will take time; there will be frustrations, set-backs and even dangers, but the process of building bridges between Communist China and the world community must be pursued.

Until now, however, I feel we have been mesmerized by the dream of some magical event—some mystical world conference—in which all major disputes between China and the remainder of the world may be eliminated at one stroke. But the history of international relations demonstrates that the process of accommodation in relative peacetime between hostile nations is a piecemeal one. It rarely happens at one stroke. Package deals are illusory, and complex diplomatic problems must be treated separately and on their individual merits. With respect to U.S. relations with the Peking regime, this means that both nations must learn to negotiate what is negotiable and we must learn to talk in some areas while we may dispute in others.

I have hoped—and continue to hope—that a breakthrough might come in Vietnam. To this end, I have repeatedly proposed that the United States state its willingness to engage in "unconditional discussions" with Communist China with respect to Vietnam. Unhappily, the Peking leaders, as well as those in Hanoi, show no signs of compromise. The only hopeful signs in Vietnam come not from Peking or Hanoi, but from the prospect of genuinely free elections in South Vietnam. If these free elections are held as scheduled and if the South Vietnamese are able to submerge their differences enough to form a reasonably representative civilian and constitutional government, the cause of peace and freedom will be greatly strengthened.

But the fact that the aggressors in Vietnam are not willing to come to their senses does not require that the rest of our diplomatic machinery come to a halt. Indeed, our government is quite frequently engaged in talks with Communist China at the Ambassadorial level in Warsaw. This contact is a vital one, but it is only one link. In the nuclear age neither the Chinese nor the rest of the world should allow it to be the only link.

I therefore, propose another link. I propose that Communist China be invited to the Eighteen Nation Disarmament Conference in Geneva, if it will sign the Partial Nuclear Test Ban Treaty.

Over 110 nations have already signed the Partial Nuclear Test Ban Treaty, and it seems to me that Communist China should first assume these same treaty obligations, as so many others have, before discussions can be fruitful.

The Geneva Disarmament Conference is making important but slow progress in several areas. The issues in dispute between the U.S. and the Soviet Union in regard to the nuclear non-proliferation problem are now clearly focused. The major obstacle to the completion of this vital treaty is the question of nuclear sharing within NATO. We want to find some way to satisfy the interests of our allies, and the Soviet Union wants to guard against a West German finger on the nuclear trigger. If NATO can agree to some internal arrangement based on the principle of consultation on nuclear matters rather than joint ownership, there is a good chance that the non-proliferation treaty could become a reality, probably when the acute Vietnam crisis is behind us. On the problem of extending the partial test ban provisions to cover underground tests, there are also some positive signs. Significant advances have been made in the technology of detecting underground nuclear explosions. The key stumbling block, however, remains Moscow's refusal to accept the necessity for any inspections whatever of "suspicious explosions," that is, explosions that are difficult to distinguish from earthquakes.

Communist China should not be allowed to make a propaganda circus of the Geneva discussion if it joins them. The best way to guard against this is to give the Peking leaders some stake in the success of the talks. Signing the Partial Test Ban Treaty would be a step in that direction. Permitting Communist China to introduce other issues for discussion, such as their own proclaimed interest in a "no first strike" nuclear agreement, would be another step. Our own government, in fact, has already indicated a willingness to discuss this "no strike" issue if the Chinese would agree to stop its atomic testing in the atmosphere.

Inviting Communist China to the Geneva Conference as a way of adding to its links with the world would also have the advantage of not prejudicing the recognition problem. The disarmament meetings in Geneva are independent of the United Nations. Communist China's membership would not commit our own government in any way to recognizing this regime or to giving it membership in the U.N. Moreover, it would not be difficult to extend the invitation. The U.S. and the Soviet Union, as co-chairmen of the conference, could make the offer. Of course, some provision must also be made at that time to keep the proper balance at the conference between Warsaw Pact, NATO, and neutralist powers.

I have no illusions about the likelihood of Communist China's response to the invitation. It will probably say "No" to the offer, and will continue to instigate its so-called "wars of national liberation." But I also have no doubt that the U.S. should attempt to bring the People's Republic of China into a genuine dialogue on disarmament and other security matters. Peking has recently exploded its third nuclear device, and the radioactive fallout from this explosion was dangerously high. Whether we like it or not, Communist China is fast becoming a nuclear power.

On April 16, Secretary of State Rusk laid down the principle of our policy toward Communist China. He said: "We must take care to do nothing which encourages Peking—or anyone else—to believe that it can reap gains from its aggressive actions and designs. But, at the same time, we must continue to make it plain that, if Peking abandons its belief that force is the best way to resolve disputes and gives up its violent strategy of world revolution, we would welcome an era of good relations." I subscribe to this principle, and my proposal of today is made in this spirit.

VIETNAM

Mr. JAVITS. Mr. President, on June 12, 1966, I delivered the commencement address at Hofstra College. This address represents my thinking on the situation in Vietnam.

In this address, I deal with the two most pressing problems in Vietnam: First, elections; and second, escalation. Fair, open, and free elections and a speedy conversion to a caretaker civilian government are needed to give the Government of South Vietnam the legitimacy the Government needs and the people of South Vietnam want. In regard to bringing peace to Vietnam, positive and constructive proposals should be made to bring the conflict to the conference table. My address contains proposals for a military freeze.

I ask unanimous consent to have my remarks printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEED TO PREVENT ESCALATION IN SOUTH VIETNAM

In such a setting as this, it is appropriate that we think of our life purpose, both as individuals and as Americans. As individuals I am sure this purpose is on every mind and heart and I would contribute only little within this context to your individual thoughts.

But on our purpose as a nation I can perhaps be helpful. Because of our productive power, traditions and geographic location, we are a nation that has fallen heir to world responsibility. Our people have accepted and carried out this role as being vital to our security and to our ideals—but we still feel uncomfortable with this responsibility. Yet, we are probably the first of the world powers in history that can sincerely demonstrate that we want nothing but peace and freedom for all and the broadest possible opportunity for all people.

By now it is also quite true that we have no doctrinaire preconceptions about social and economic systems and are perfectly willing to live in peaceful co-existence even with Communist states, provided they do not practice aggression or subversion upon others.

Within this context, it is proper to ask why Vietnam has become such an overriding issue in our country. We have faced military challenges before, as for example, in the Berlin Blockade, the Korean War, and the Cuban missile crisis—but these seemed easier to explain.

In Berlin, we had the full support of the Western world, and we were defending unequivocal rights of access to this city. In Korea, the North Korean attack across the 17th parallel was a clear case of aggression, and we acted as the major part of a United Nations Police Force to repel the aggression. The Cuban missile crisis was close to home, it was a clear attempt by the Soviet Union to alter the balance of power, and our allies came to our support immediately.

Vietnam is more difficult to explain. As the threat becomes more subtle and the area more distant from our traditional concerns, it is harder to understand—but it is no less a threat. We have allies in Vietnam—in fact, those nations in the area, among others, which also feel their security is at stake—but their number and capacity are limited.

The point that troubles so many Americans is the unusual amount of disapproval in the free world for the position we have taken and the way we are carrying it on. All the more reason why our policy in Vietnam needs to be spelled out and be clearly understood by every American if possible—so grave is the issue, so critical are its implications.

In reflecting on the first catastrophic year of World War I, Winston Churchill wrote that "events passed very largely outside the scope of conscious choice. Governments and individuals conformed to the rhythm of the tragedy, and swayed and staggered forward in helpless violence, slaughtering and squandering on ever-increasing scales . . ." Reflecting on war in general, Karl von Clausewitz, the dean of military historians, warned that all military conflicts tend to outstrip political objectives and develop a logic of their own.

Vietnam must not become a case in point.

My own thinking on Vietnam has been governed always by four principles:

First, that our cause of helping the South Vietnamese people to defend themselves is a just one, and that our objective of allowing the people freely to determine their own future should be pursued by limited military means. The objective would make little sense if it led to the devastation of South Vietnam and a wider Asian land war.

Second, that the conflict should end in some kind of negotiated settlement, and that we must do all we can to bring all relevant parties, including Communist China, North Vietnam, and the National Liberation Front, to the baragining table. This requires that our objectives be reasonable and our means measured; it does not mean unilateral concessions by the U.S.

Third, that we should focus our energies on means to develop a freely elected, representative, and workable government in Saigon. Only such a civilian government can gain legitimacy and acceptance from the Vietnamese.

Fourth, that if there is to be no stable Saigon Government because the leaders of the various factions will not submerge their personal power drives for the common effort against a communist takeover, the U.S., notwithstanding its determination to see the struggle through, cannot remain in Vietnam. I feel the American people are flatly opposed to U.S. forces fighting alone—or to a U.S. takeover of South Vietnam.

As I see the situation, then, we must pursue peace through strength and reasonableness in order to prevent the further escalation of the conflict, and we must help to stabilize and legitimize the Saigon Government in order to achieve our purpose—the social and economic reconstruction of Vietnam under self-determination.

PURSUING THE PEACE

In order to prevent the fighting from developing a logic of its own and in order to avoid a condition where military decisions determine political choices, the escalation of the conflict must be ended.

There must be a military freeze before there can be hope for peace discussion to begin.

I think it is important to distinguish between a military freeze and a cease fire. A freeze simply means to fix a ceiling on the present magnitude of battle, particularly in respect to the introduction of new troops. At this stage of the Vietnam conflict, there is probably little hope for a prolonged or extended cease fire. More likely, as in the Korean War, fighting will occur during the negotiations themselves. The establishment of a cease fire agreement and the details of policing it will also be the business of the eventual peace conference.

To the end of bringing about discussions through a military freeze, I would make the following proposals:

1. That, subject to international verification, the United States agree to stop sending additional troops into South Vietnam in return for a North Vietnamese pledge to halt the infiltration of their soldiers into South Vietnam.

North Vietnamese infiltration is now exceeding 6,000 per month. U.S. troop introductions during the next twelve month period are likely to average 10,000 per month. At this rate, the already high casualties will double in a year's time.

2. That the United States agree to cease bombing in North Vietnam in return for a North Vietnam and NLF pledge to come to the conference table and negotiate for peace.

The cessation of bombing in the North should provide Hanoi with some face-saving reason for agreeing to talk. It could also create a calmer atmosphere for the talks.

3. That the Geneva Conference of 1954 be reconvened in order to conduct the negotiations, and that the NLF be allowed to sit at the conference as an "independent party."

I suggest the Geneva Conference rather than the United Nations because of the fact that neither North Vietnam nor Communist China are members of the U.N. and would, therefore, object to a U.N. framework. Moreover, the Geneva Conference, unlike other possible international bodies, is composed of nations that have a direct and intimate stake in Southeast Asian Affairs. That is not the time to go looking for a new international body—only to argue about composition and procedure all over again.

These are my proposals, yet even as I make them, I am not sanguine about the possibilities of negotiations at this time. Peking, Hanoi, and the NLF show no signs of willingness to end the struggle. Their preconditions for negotiations are "immediate, complete, unconditional withdrawal of U.S. troops," and "the recognition of the NLF as the only legitimate voice" of South Vietnam. These are not negotiating points, they are ultimatums. The main responsibility for preventing a peace conference lies squarely on the communists' shoulders.

The U.S. has repeatedly stated its readiness to discuss "anything with anyone", and no preconditions have been attached. If the communists do not believe the sincerity of this offer, they have but to test us to find out.

But the fact that we have made this open offer to talk does not mean that we are relieved of further responsibility. The President has an obligation to continually restate and clarify our objectives, and to explain these in positive and realistic terms to the American people and the world. In recent weeks, the U.S. people's "consensus" behind the President's policy in Vietnam has diminished. I believe this is, in large measure, due to a sense of drift regarding the President's conduct of the conflict and due to the frustration generated by the internecine quarrels among the South Vietnamese leaders.

Specifically, it is my impression that the American people feel that the President has not been forceful enough in presenting U.S. interests in the current South Vietnamese power struggle. I believe that the American people are losing patience with intramural power plays in Vietnam by local military, political and religious groups, and that they want the President to make this perfectly clear to the South Vietnamese. I am not implying that our own people want the President to dictate a solution or support any particular faction or man in South Vietnam. What I am saying is that I believe the American people want the President to state that unless these internal differences are settled, we cannot remain in South Vietnam.

I also believe that the American people are unhappy about the fact that the President has apparently accomplished little in bringing the negotiating position of the Saigon Government on peace in Vietnam into line with our own. Premier Ky has often stated that he will not discuss any matter with the NLF under any circumstances. We cannot become tied to such an unbending position.

The thrust of what I am saying is that neither we nor the Vietnamese can afford the luxury of taking positions that contribute only to the escalation of the conflict and not to peace.

ELECTIONS AND LEGITIMACY

Free elections are the single most important elements in the future stability of South Vietnam. If the communist leaders continue to foreclose the possibility of negotiations, free elections may be the only way for the Saigon Government to establish the legitimacy it needs and the people of South Vietnam ought to have.

If every step of this electoral process, from campaigning to the installation of a new government, is not conducted with the openness and fairness it deserves, hope for bringing peace to Vietnam will seriously recede.

The various South Vietnamese factions seem to be fighting primarily over power, and not over purposes. The over-whelming majority of these same people do not want to be ruled by a communist dictatorship any more than a military one.

The South Vietnamese leaders must learn that their quarrels only defeat their ends. I was pleased to learn last week that *there are some hopeful signs in this regard.*

The Electoral Commission of South Vietnam has properly recommended that the Constituent Assembly to be elected next September should "also have legislative power" and could transform itself into a full-fleged parliamentary body if the proposed constitution so provides. It would be very unwise for the military junta to prolong unduly their own military form of government; the transition to a caretaker civilian government should be made as quickly as possible.

The Electoral Commission also recommended that the Saigon Government request U.N. observation of the elections. This is an important sign of good faith, and I hope that the U.N., notwithstanding the opposition of the Soviet Union and France, will assume this responsibility. Some outside international supervision of the elections is most desirable.

It would be appropriate, in addition, to call for a cease-fire during the period of the elections. *If* need be, this cease-fire should be unilaterlly declared. All bombing should stop, and U.S. and ARVN troops should be ordered to fire only in self-defense.

While I am pleased that the Electoral Commission has asked the Saigon Government for a speedy transition to civilian rule and for international supervision of the elections, I am concerned by another of the Commission's proposals.

The Commission proposed that "those who directly or indirectly are involved in any activity favoring communism and neutralism . . . should not be permitted to stand as candidates."

It is a dangerous practice to allow local officials to determine who are included in an abstract definition of "communists and neutralists."

Also, the election must be open to all—universal suffrage by secret ballot should be the basis of participation in the September elections, otherwise the results of the election might not be truly representative of all the South Vietnamese people.

As a practical matter, however, we must realize that there are certain areas of South Vietnam in which it may be impossible to have free elections. All those who observe these elections—the U.S., the U.N., and other international bodies, and the whole world—will be able to judge whether areas so excluded by the Saigon Government invalidate the essential fairness of the election. The Saigon Government must, therefore, be careful not to exclude areas in an arbitrary manner—and I hope our Government will make this clear, too.

Should the people of South Vietnam decide in these elections that they no longer desire U.S. assistance, we should withdraw. It is my belief, however, that the people of South Vietnam will freely choose to retain our help in the joint effort to bring about peace and freedom and the social and economic construction of South Vietnam for which its people have sacrificed so much.

Peace is an elusive condition in human affairs. The history of man is dotted endlessly by needless conflicts.

Abraham Lincoln, in his Second Inaugural Address, has given us the criterion; we have but to follow it: "Let us strive to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves, and with all nations."

THE 50TH ANNIVERSARY OF THE CHARTERING OF THE BOY SCOUTS OF AMERICA

Mr. HILL. Mr. President, this is a *memorable date for the 38 million* Americans who have been or are now associated with one of the greatest youth organizations in world history, the Boy Scouts of America. It is likewise a date of great significance to our beloved President pro tempore, the Senator from Arizona [Mr. Hayden].

It was 50 years ago, on June 15, 1916, that President Woodrow Wilson signed into law the bill authorizing a congressional charter for the Boy Scouts of America. Today is the golden anniversary of that event.

Carl Hayden is the one Member of the 89th Congress who was also a Member of the 64th Congress, which approved this bill 50 years ago. He voted for it as a Member of the House, representing the State of Arizona.

His vote on that occasion was but one *of innumerable instances of Carl Hayden's lifelong concern for American* youth.

The bill chartering the Boy Scouts was introduced in the House as H.R. 755, and passed that body on March 6, 1916. On May 31 of that year, it was approved by the Senate. The bill was duly signed by the then Speaker of the House, the Honorable Champ Clark, of Missouri, and the Honorable John H. Bankhead, Sr., of Alabama, then Acting President pro tempore of the Senate. The key section of that act read as follows:

> The purpose of this corporation shall be to promote through organization, and cooperation with other agencies, the ability of boys to do things for themselves and others, to train them in Scoutcraft, and to teach them patriotism, courage, self-reliance, and kindred virtues, using the methods which are now in common use by the Boy Scouts.

Congress has every reason to be proud of the action it took in 1916 in providing a Federal charter for the Boy Scouts of America. As Senator Hayden himself has written:

> Judged by its outstanding accomplishments, no organization has proved to be more worthy of a Federal charter.

By 1955, on the 45th anniversary of the founding of the American Scout movement, there remained only four Members in Congress who had served in the 64th Congress, and who had voted in 1916 to charter the Boy Scouts of America. These four men, all of whom had made historic contributions to our Nation's progress, together issued a proclamation on February 8, 1955, celebrating the 45th birthday of the Boy Scouts of America, and reminding the Scouts that the purpose for which their charter was created by the Congress "continues as your vital service to our beloved America." The four signers of that proclamation were Sam Rayburn, Speaker of the House of Representatives, Carl Vinson, chairman of the House Committee on Armed Services, Alben W. Barkley, former Vice President of the United States and Senator from Kentucky, and our dear colleague, Carl Hayden.

In commendation of Carl Hayden's leadership in the Scout movement, the National Council of the Boy Scouts of America, on June 14, 1962, awarded him Scouting's highest award, the Silver Buffalo, for *"distinguished service to boyhood."*

On January 14 of this year, Senator Hayden offered a resolution, Senate Concurrent Resolution 68, which I had the honor to cosponsor, expressing the sense of Congress on the 50th anniversary of the chartering of the Boy Scouts of America. The resolution was ordered reported to the Senate from the Committee on Labor and Public Welfare on Jan-10, and was approved by the House on February 21. May I remind the Senate that in adopting that resolution we resolved:

> That the Congress hereby pays tribute to the Boy Scouts of America on the occasion of the fiftieth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America, and expresses its recognition of and appreciation for the public service performed by this organization through its contributions to the lives of the nation's youth.

Mr. President, it is indeed deserving and fitting that the Boy Scouts of America *be so recognized on this auspicious* occasion for them, for the Congress, and for the Nation. I am proud to have had a part in the resolution making this occasion possible and to have this opportunity to add my words of personal appreciation and gratitude to the Boy Scouts for all they have done through the years for our Nation's youth. I salute our Boy Scouts of America on the 50th anniversary of their chartering by Congress and say to them as emphatically as I can, "Continue with the same energy and vigor that in the past you have so magnificently displayed to instill in the hearts and the minds of our Nation's youth, at a time when it is so vitally necessary, the noble and lofty ideals of patriotism, courage, self-reliance, and kindred virtues on which you were founded."

AMENDMENT OF SECTION 502 OF THE MERCHANT MARINE ACT, 1936

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1164, S. 2858.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 2858) to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, in line 6, after the word "thereof", to strike out

"June 30, 1968" and insert "June 30, 1967"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out "June 30, 1966", and inserting in lieu thereof, "June 30, 1967".

Mr. LAUSCHE. Mr. President, the purpose of S. 2858 is to extend for 1 year the present authority of the Secretary of Commerce to make construction differential subsidy payments of a maximum of 55 percent on new merchant vessel construction. In 1936, when the vessel construction subsidy bill was adopted, it contained a provision that the Government would subsidize the construction of private ships up to an amount not to exceed 50 percent of the cost of the ship.

It was argued at that time that in order to develop an adequate U.S. merchant marine, it would be necessary for the Federal Government to subsidize its construction and operation. It was then argued that a 50-percent subsidy was justified and that in the course of time the differential in the cost of building a vessel in the United States as compared with the cost of building a vessel in a foreign country would grow less and less.

Instead of the cost growing less and less, it has grown larger and larger. Instead of the merchant marine getting better and better, it is growing weaker and weaker. This is happening in spite of the fact that the U.S. taxpayers have provided in the course of 30 years $2 billion to subsidize the operation of the merchant marine of the United States, run by private industry. The amount of the subsidy is $2 billion.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Ohio be permitted to continue for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that a tabulation entitled "Net Operating-Differential Subsidies Paid From 1936 to January 31, 1966, by Calendar Years of Operation," be printed in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Net operating-differential subsidies paid from 1936 to Jan. 31, 1966, by calendar years of operation

Calendar year	Ships subsidized	Amount
1937	138	[1] $5,956,694.49
1938	170	
1939	156	
1940	139	[2] 10,644,517.00
1941	132	
1942	49	
1943–46	0	0
1947	189	3,209,961.81
1948	213	13,571,304.81
1949	241	29,682,083.69
1950	254	48,626,359.48
1951	254	46,040,472.84
1952	273	63,548,311.78
1953	269	93,340,111.96
1954	281	104,509,768.66
1955	290	103,190,611.18
1956	297	105,520,498.85
1957	308	118,410,363.28
1958	306	$139,404,564.90
1959	313	158,029,797.89
1960	309	160,288,184.40
1961	300	163,926,240.68
1962	302	169,711,540.34
1963	316	179,748,832.54
1964	318	190,467,298.83
1965	317	148,357,125.68
1966	307	
Total		2,056,184,645.11

[1] Temporary subsidy.
[2] Prewar subsidy (1936–41).

NOTES

1. Amounts are net of recapture collected and/or applied.
2. Amounts shown are the amounts paid to all operators for each calendar year of operation without regard to the year or years in which such payments were actually made. Actual amounts paid during each fiscal or calendar year are not readily available, except for very recent years.
3. Breakdown by years prior to 1947 is not available in the accounting records.
4. From Mar. 31, 1942, to Dec. 31, 1946, the American merchant marine was operated for the Government; no operating differential subsidy was paid except on 4 voyages terminating in the first quarter of 1942.

Mr. LAUSCHE. Mr. President, in addition to the $2 billion grant in the last 3 years to operate a privately owned merchant marine, the U.S. Government has expended $815 million to subsidize the building of ships.

We have provided a subsidy of practically $3 billion to these operators. In addition to these subsidies, we mandatorily make available to them cargoes that are sent throughout the world under Public Law 480. We also mandatorily make available to them cargoes that are shipped by the Department of Defense.

I am not prepared at this time to say what benefits are received in shipping food and Department of Defense military equipment under Public Law 480. However, they are tremendous.

We announce in effect to the shipping operators and to the labor leaders: "The Federal Government will subsidize you in the amount you need."

The inducement increases the cost of construction and operation, with the knowledge that the taxpayers will have to pay the burden. The primary objective is to build an improved merchant marine. The law has not done it. The merchant marine has grown weaker and weaker in each succeeding year.

Mr. President, I ask unanimous consent that the individual views which I filed to S. 2858 be printed at this point in the RECORD.

There being no objection, the individual views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF MR. LAUSCHE

We are again confronted with an administration request to extend the annual $100 million shipbuilding subsidy for another year which renews the limit of 55 percent for the construction of new merchant ships and a 60-percent limit for the reconversion of certain passenger vessels. This subsidy represents the difference between the world market price and the price of constructing the same ship in American shipyards.

The current subsidy program of cost parity was provided by the Merchant Marine Act of 1936 in order to maintain an efficient, sound, and competitive merchant marine. However, since that time, this program for competitive survival has cost the U.S. taxpayer over $740 million for just the construction and reconstruction subsidies.

I would like to submit for the careful consideration of my colleagues the following figures showing the yearly amounts which have been paid to the merchant marine industry under the construction and reconstruction differential subsidy programs:

	Construction-differential subsidies	Reconstruction-differential subsidies
From inception to June 30, 1953	$131,571,571	
Fiscal year 1954	5,538,417	
Fiscal year 1955	5,358,663	$342,058
Fiscal year 1956	1,613,737	14,368,668
Fiscal year 1957	16,379,075	1,117,694
Fiscal year 1958	22,637,540	4,731,808
Fiscal year 1959	21,761,846	7,065,416
Fiscal year 1960	69,156,794	4,828,227
Fiscal year 1961	102,118,519	657,379
Fiscal year 1962	136,858,263	3,906,765
Fiscal year 1963	97,715,325	3,550,308
Fiscal year 1964	79,987,066	2,349,230
Fiscal year 1965	87,377,684	334,533
Total	777,992,202	49,777,871

However, despite these heavy subsidy payments from the U.S. Treasury, this country has been lagging behind in world trade for many years—even though we are the world's largest trading Nation. Fifteen percent of the world's exports and imports are supplied by this country; 99 percent of which go by ship. Ten years ago, U.S. ships carried more than 40 percent of this trade, but today we rely upon other maritime nations to carry over 90 percent of it.

Even with a continued increase in Federal expenditures, our merchant marine industry continues to decline. In this connection, the most significant index to show the competitive position of the United States, and whether our position has grown better or worse, can best be illustrated by the ship construction differential rates established by the Maritime Subsidy Board on cargo ships during the past several years. This chart will illustrate the disparity which exists between the foreign and U.S. shipbuilding costs and that it is continually widening.

The following table indicates calendar years during which subsidized ship construction contracts were awarded and the average subsidy rate applied to all ship construction contracts awarded during that corresponding year:

Average CDS for ships awarded in that year

	Percent
1951	41.47
1952–56	([1])
1957	46.1
1958	48.1
1959	49.1
1960	49.7
1961	49.4
1962	50.1
1963	53.3
1964	53.5
1965	53.3

[1] No subsidized cargo ship construction.

Our shipbuilding prices are continuing to rise at a faster rate than foreign prices so that the price differentials will shortly exceed the present proposed limits.

The Maritime Administration has pointed out that "* * * it cost the American shipyard more for the parts alone than it costs the foreign shipyards to deliver a finished ship."

However, material alone is not responsible for this situation. The continued rise in labor costs and the increasing disparity between the United States and foreign hourly wages should concern all of us. For example, the typical hourly pay for a first-class shipyard mechanic in the United States is approximately $2.95 as compared to $1.43 in Sweden; 95 cents in England; 47 cents in Italy; and 40 cents in Japan.

I am opposed to the further extension of this 55- and 60-percent authority because it is my firm conviction that it provides an extra incentive to interested parties to press for the highest differential percentages obtainable.

I believe the Federal Government should establish a limit in which it will participate to retain a strong and economic merchant marine. This limit should not exceed the 50-percent ceiling as established in the original Merchant Marine Act of 1936 and serious efforts should be made to reduce the subsidies further.

Shipping costs—and especially shipbuilding costs—in the United States have risen to where they are positive threats to the future of U.S. shipping.

It is my conviction that if the basic 50-percent construction subsidy is not enough for commercial shipbuilding, we should seriously reevaluate whether the taxpayers can afford or need such a shipyard subsidy program.

FRANK J. LAUSCHE.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that an article entitled "Maritime Chief Hails No-Subsidy Ship Plan," published in the Washington Post, which article sets forth the amount of subsidies rendered for the construction of ships, be printed at this point in the RECORD.

There being on objection, the article was ordered to be printed in the RECORD, as follows:

MARITIME CHIEF HAILS NO-SUBSIDY SHIP PLAN

(By Frank C. Porter)

Maritime Administrator Nicholas Johnson yesterday hailed a maverick U.S. transport firm's plans to build three container ships and operate them without Government grants as a possible means of "breaking the subsidy barrier."

It was Johnson's latest salvo in his running battle with the Nation's subsidized shipowners and shipyards, who accuse him of trying to wreck the U.S. merchant marine.

The occasion was the announcement that the Electric Boat Division of General Dynamics Corp. will build the three revolutionary ships for Sapphire-Atlantic Express Lines at a cost of $58.5 million.

The law requires that firms receiving operating subsidies must build their vessels in American yards with Uncle Sam picking up more than half the tab since it costs more than twice as much to construct ships domestically than it does overseas.

Although unsubsidized Sapphire is not subject to this structure, Chairman Marshall Safir said yesterday that it will prove economical to build in a U.S. yard since mortgage financing can be obtained for a 25-year term here rather than for the 8 or 10 years required abroad.

Maritime Administrator Johnson has tentatively approved Sapphire's application for Government insurance of 75 per cent of the mortgage under Title XI of the Merchant Marine Act of 1936.

"The day of subsidy is going and with the launching of these new automated vessels that day will be gone forever," said Safir, who complained bitterly of alleged harassment by his subsidized competitors.

"We have discovered that subsidy does not build a healthy merchant marine; on the contrary, subsidy only breeds more demands for more subsidy, and the taxpayer winds up paying for inefficiency and waste."

The Government pays roughly $200 million in direct ship operating subsidies and about $100 million in shipbuilding grants. In addition it pays out nearly another $100 million in indirect subsidies for shipping Government cargoes in American vessels at about double prevailing world freight rates. This is the lifeblood of the American tramp and bulk carrier fleet, which receives no direct subsidy.

Skeptical reporters asked Safir how he hoped to operate his container ships competitively without subsidy.

Safir had a single answer: greater productivity. Executive Vice President W. Leslie Schultz produced a table showing that the cost of operating Sapphire's 30,000-ton container ships will run 1.4 cents per cubic foot a year compared with 2.3 cents for smaller container ships and 3.2 cents for a C-4, a conventional merchant vessel.

Thomas E. Dunn, director of advanced design for the Electric Boat Division, said General Dynamics expects to cut building costs by using standardized design and assembly line techniques. Most American merchant ships today are custom built from individual designs.

In line with what Dunn calls its "total systems concept," General Dynamics also expects to build automated port facilities for the ships, which would carry 20- and 40-foot long containers capable of being loaded at distant points and moved efficiently to dockside by truck or train.

Mr. LAUSCHE. Mr. President, I call the specific attention of the Senator from Delaware to my statement. We now have the first signs of a possible breakthrough, and I think the breakthrough will come unless Congress interferes by extending the program indefinitely.

The Electric Boat Division of General Dynamics Corp. will build three revolutionary ships for Sapphire-Atlantic Express Lines at a cost of $58.5 million.

The operators of this company are not asking for a subsidy. They will build the ships on their own. They contend that they will be able to compete with other merchant marine operators even though those other operators are receiving this huge and extravagant subsidy to which I referred.

The article quotes Mr. Marshall Safir, the chairman of the board of directors of the Sapphire-Atlantic Express Lines, as follows:

> We have discovered that subsidy does not build a healthy merchant marine; on the contrary, subsidy only breeds more demands for more subsidy, and the taxpayer winds up paying for inefficiency and waste.

The article further states as follows:

> The Government pays roughly $200 million in direct ship operating subsidies and about $100 million in shipbuilding grants. In addition it pays out nearly another $100 million in indirect subsidies for shipping Government cargoes in American vessels at about double prevailing world trade rates.

This company believes that they will be able to operate without a subsidy if they place larger containers on the ships which they will construct.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I wish to congratulate the Senator from Ohio on the report which he has just placed in the RECORD. I concur completely in his remarks.

There is no question that over the years this continuous expansion of a subsidy for the merchant marine has not had the effect of strengthening it, but rather has put the industry in a weaker position of complete dependency on the Federal Government. I believe that the measure before the Senate, which would extend for another year a so-called temporary measure that was started about 5 years ago, should be defeated. At the time that this 55-percent formula was first proposed I joined the Senator from Ohio in stating that it would not be a 1-year measure, as advocated, but once adopted would be continuously expanded, year after year; and the results have borne out that prediction.

The fact that we are today asked again to extend the 5-percent formula is evidence that there is only one way to correct the problem, and that is to defeat this proposed extension.

I congratulate the Senator from Ohio on his presentation and will join him in voting against the bill.

Mr. LAUSCHE. Mr. President, I shall vote against the measure. I think it is wrong in principle. It has destroyed the efforts of the people of the United States to develop a merchant marine. The merchant marine has grown weaker rather than stronger because of these subsidies.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that an excerpt from report of the Committee on Commerce, together with individual views on this legislation, be printed in full in the RECORD at this point.

There being no objection, the excerpt from the report (No. 1198) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 2858, as amended, is to extend for 1 year the present authority of the Secretary of Commerce to make construction-differential subsidy payments of a maximum of 55 percent on new merchant vessel construction.

LEGISLATIVE BACKGROUND

The bill was introduced on February 2, 1966. Hearings were held on March 31, 1966, with favorable testimony by James W. Gulick, Deputy Maritime Administrator, Maritime Administration, Department of Commerce. The Department of Commerce recommended that the bill be amended to extend the period for 1 year rather than for 2 years as proposed. The bill has been so amended.

GENERAL DISCUSSION

Under the Merchant Marine Act, 1936, any U.S. citizen may apply for a construction-differential subsidy from the Secretary of Commerce for the purpose of building a new merchant ship. The ship may be used in the foreign, not the domestic trade without the approval of the Secretary of Commerce. In consideration of the benefits received under the construction and operating differential subsidy programs, the owner of the vessel agrees to employ the ship only in Government-designated essential trade routes of the U.S. foreign trade for a period of 25 years, to sell the vessel only with Government approval, and to make the vessel available to the Government in case of national emergency.

The original 1936 act provided that the differential was not to exceed 50 percent of the cost of the vessel. Since 1960 the differential has increased and Congress has raised and extended the ceiling from 50 to 55 percent. The reason the 50-percent ceiling has been exceeded in recent years is that foreign shipbuilding prices have been increasing at a slower pace than domestic shipbuilding prices. The Deputy Maritime Administrator explained this development and the increase in the average cost per ship to the Government by calling attention to five cost increase and decrease factors, as follows:

1. The overall price level of shipbuilding in American shipyards as of 1965 has declined somewhat from the 1958 level, tending to decrease the Government's share of the cost.

2. The price level of shipbuilding in foreign shipyards has declined sharply from the high 1958 level, and although the formerly low prices have increased during the past 2 years, they have not nearly reached the high 1958 levels, tending to increase the Government's share of the cost.

3. The ships involved in the program have become considerably larger, faster, have more specialized features and are mechanized, thereby increasing the Government's cost per ship.

4. The number of ships involved in each award has increased, from about 2½ ships per award in 1958 to about 4 or more during 1963, 1964, and 1965, thereby decreasing the Government's cost per ship.

5. The ships have become more standardized, although the program still does not employ "standard ships" per se, thereby decreasing the Government's cost per ship.

HISTORY OF THE CONSTRUCTION SUBSIDY LEVEL

When the replacement program was commenced in 1957 the construction-differential subsidy percentage was approximately 45 percent. The Deputy Maritime Administrator pointed out in the hearings that the subsidy rates show an increasing trend until mid-1963. Since June 1963, the rates have stabilized. The following table lists the name of the subsidized operator, the number of ships constructed under each contract, the type of ship, the bid date, and the subsidy percentage for each contract since 1957:

Operator	Number of ships	Type	Bid date	Construction-differential subsidy percentage
Moore-McCormack	4	Cargo	Oct. 8, 1957	45.2
Lykes	5	do	Oct. 23, 1957	44.5
Export	4	do	Oct. 30, 1957	45.3
American President Lines	2	do	Dec. 2, 1957	49.5
Lykes	4	do	July 2, 1958	47.6
Moore-McCormack	3	do	Oct. 27, 1958	48.5
Export	4	do	Dec. 18, 1958	48.3
Mississippi	3	do	Mar. 17, 1959	48.6
American Mail	3	do	Apr. 15, 1959	50.7
P.F.E.L	2	do	June 25, 1959	50.7
Grace	3	P. & C	Oct. 29, 1959	50.2
States	4	Cargo	Nov. 30, 1959	46.8
Moore-McCormack	1	do	May 2, 1960	52.4
Lykes	4	do	June 16, 1960	52.9
Farrell	6	do	June 29, 1960	48.4
United States Lines	5	do	July 13, 1960	50.2
Do	6	do	Oct. 18, 1960	46.9
Export	4	do	Nov. 1, 1960	48.0
Lykes	4	do	Nov. 4, 1960	50.8
States	2	do	Nov. 30, 1960	47.7
Lykes	4	do	Aug. 24, 1961	49.5
G.S.A	2	do	do	48.4
Grace	1	P. & G	Nov. 14, 1961	50.3
Moore	6	Cargo	Apr. 3, 1962	49.1
United States Lines	5	do	July 16, 1962	48.6
American Mail	2	do	Sept. 17, 1962	52.6
Lykes	4	do	Jan. 10, 1963	49.8
Grace	4	do	Mar. 21, 1963	54.0
Do	2	do	do	52.5
G.S.A	3	do	Apr. 16, 1963	53.9
American President Lines	3	do	Apr. 25, 1963	54.5
Lykes	4	do	Aug. 15, 1963	55.0
Prudential	2	do	Jan. 31, 1964	53.4
Lykes	4	do	Apr. 3, 1964	53.9
United States Lines	5	do	Aug. 11, 1964	52.8
American President Lines	4	do	Sept. 11, 1964	54.0
Do	1	do	do	52.6
Delta	5	do	May 19, 1965	53.3
A.E.I.L	3	do	Aug. 19, 1965	54.2

COST OF LEGISLATION

The cost of the legislation during the next year cannot be accurately estimated because payments will depend on future vessel construction costs in the United States and abroad and the number and type of vessels to be approved for construction under subsidy.

AGENCY REPORTS

(Reports of agencies and departments and the statement presented by the Department of Commerce at the hearing)

STATEMENT OF J. W. GULICK, DEPUTY MARITIME ADMINISTRATOR, MARITIME ADMINISTRATION, OF THE DEPARTMENT OF COMMERCE

Mr. Chairman, Thank you for this opportunity to appear before your subcommittee to present the views of the Maritime Administration of the Department of Commerce, and of the Department, on S. 2858.

The bill would extend to June 30, 1968, the 55-percent maximum construction-differential subsidy rate for the construction or reconstruction of ships, except for the reconstruction of certain passenger ships for which 60-percent maximum rate would be continued to that date.

We have no objection to a 1-year extension of the present percentage limits. Pending the results of the executive branch review of maritime policy, we believe a 1-year extension of the current ceiling is adequate.

A review of the construction-differential subsidy rates approved by the Maritime Subsidy Board, demonstrates that the differential between shipbuilding costs in the United States and in Japanese shipyards continues to be in excess of 50 percent of U.S. costs.

The construction-differential subsidy rates for new construction approved by the Maritime Subsidy Board from January 1957 to the present show an increasing trend until June of 1963. Since June of 1963, they appear to have stabilized. While I will not read each of these rates unless the committee desires me to do so, I thought the committee would like to have these rates for their information.

We cannot anticipate at this time that the difference between U.S. and foreign shipbuilding costs will not continue to exceed 50 percent of U.S. costs during the coming fiscal year. We, of course, hope that we will not need to use the full extent of the authority for 55-percent construction-differential subsidy during the coming fiscal year. But it is clear from these figures that the construction-differential subsidy rates have recently been consistently between 50 and 55 percent of the total cost, excluding national defense features.

We have the obligation to review, constantly, our administration of the construction-differential subsidy program and to endeavor to administer this program as economically and efficiently as possible in accordance with the governing statutes.

To the maximum extent practicable, we require applicants for construction differential subsidy to duplicate designs of ships previously approved by the Board for subsidized ship construction. Standardization reduces the cost of constructing the ships. It also reduces the subsidy rate. Because of higher labor costs in the United States, standardization is more advantageous to U.S. shipyards than it is to foreign shipyards.

We also require that ships be bid in groups. It cannot be overemphasized that subsidies decrease when the number of ships in the project increases. The difference in cost to the Government between a project involving two ships of a new design and a project involving five ships has averaged about $1 million per ship.

There has been a substantial increase in the average cost per ship to the Government since the start of the program.

	Number of ships	Total Government cost	Government cost per ship
1958	19	$107,000,000	$5,600,000
1965	9	60,000,000	6,700,000
Increase			1,100,000
Percent increase			20

This net increase in the cost to the Government is the result of a combination of cost increase or decrease factors, as follows:

1. The overall price level of shipbuilding in American shipyards as of 1965 has declined somewhat from the 1958 level, tending to decrease the Government's share of the cost.

2. The price level of shipbuilding in foreign shipyards has declined sharply from the high 1958 level, and although the formerly low prices have increased during the past 2 years, they have not nearly reached the high 1958 levels, tending to increase the Government's share of the cost.

3. The ships involved in the program have become considerably larger, faster, have more specialized features and are mechanized, thereby increasing the Government's cost per ship.

4. The number of ships involved in each award has increased (from about 2½ ships per award in 1958 to about 4 or more during 1963, 1964, and 1965), thereby decreasing the Government's cost per ship.

5. The ships have become more standardized, although the program still does not employ standard ships per se, thereby decreasing the Government's cost per ship.

It will be noted that, while the construction-differential subsidy rates went through a period of gradual increase, they appear to have stabilized between 52.5 and 55.0 percent since June 1963. Generally speaking, the reason for this stabilization is that foreign and domestic prices have advanced in recent years by approximately the same ratio. Upward pressures on both foreign and domestic prices appear to be about the same in the shipbuilding industry. Thus, to assume that the subsidy rates will remain about the same would not be unreasonable.

The Bureau of the Budget advises that there is no objection to the submission of this statement from the standpoint of the administration's program.

Operator	Number of ships	Type	Bid date	Construction-differential subsidy percentage
Moore-McCormack	4	Cargo	Oct. 8, 1957	45.2
Lykes	5	do	Oct. 23, 1957	44.5
Export	4	do	Oct. 30, 1957	45.3
American President Lines	2	do	Dec. 2, 1957	49.5
Lykes	4	do	July 2, 1958	47.6
Moore-McCormack	3	do	Oct. 27, 1958	48.5
Export	4	do	Dec. 18, 1958	48.3
Mississippi	3	do	Mar. 17, 1959	48.6
American Mail	3	do	Apr. 15, 1959	50.7
P.F.E.L.	2	do	June 25, 1959	50.7
Grace	3	P. & C.	Oct. 29, 1959	50.2
States	4	Cargo	Nov. 30, 1959	46.8
Moore-McCormack	1	do	May 2, 1960	52.4
Lykes	4	do	June 16, 1960	52.9
Farrell	6	do	June 29, 1960	48.4
United States Lines	5	do	July 13, 1960	50.2
Do	6	do	Oct. 18, 1960	46.9
Export	4	do	Nov. 1, 1960	48.0
Lykes	4	do	Nov. 4, 1960	50.8
States	2	do	Nov. 30, 1960	47.7
Lykes	4	do	Aug. 24, 1961	49.5
G.S.A	2	do	do	48.4
Grace	1	P. & G.	Nov. 14, 1961	50.3
Moore	6	Cargo	Apr. 3, 1962	49.1
United States Lines	5	do	July 16, 1962	48.6
American Mail	2	do	Sept. 17, 1962	52.6
Lykes	4	do	Jan. 10, 1963	49.8
Grace	4	do	Mar. 21, 1963	54.0
Do	2	do	do	52.5
G.S.A	3	do	Apr. 16, 1963	53.9
American President Lines	3	do	Apr. 25, 1963	54.5
Lykes	4	do	Aug. 15, 1963	55.0
Prudential	2	do	Jan. 31, 1964	53.4
Lykes	4	do	Apr. 3, 1964	53.9
United States Lines	5	do	Aug. 11, 1964	52.8
American President Lines	4	do	Sept. 11, 1964	54.0
Do	1	do	do	52.6
Delta	5	do	May 19, 1965	53.3
A.E.I.L.	3	do	Aug. 19, 1965	54.2

FEDERAL MARITIME COMMISSION,
February 8, 1966.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request of February 3, 1966, for the views of the Federal Maritime Commission with respect to S. 2858, a bill to amend section 502 of the Merchant Marine Act, 1936 relating to construction-differential subsidies.

Inasmuch as the bill does not affect the responsibilities or jurisdiction of the Commission we express no views as to its enactment.

The Bureau of the Budget has advised that there would be no objection to the submission of this letter from the standpoint of the administration's program.

Sincerely yours,

JOHN S. PATTERSON,
Vice Chairman.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., Februray 14, 1966.

B-124074.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of February 3, 1966, invites our comments on S. 2858, a bill to amend section 502 of the Merchant Marine Act, 1936, relating to construction-differential subsidies. The bill would postpone from June 30, 1966, to June 30, 1968, the reduction of the present maximum 55-percent subsidy rate to 50 percent.

We have no special information or knowledge that would assist in the consideration of S. 2858, and therefore have no comments to offer.

Sincerely yours,

FRANK H. WEITZEL,
Acting Comptroller General.

DEPARTMENT OF JUSTICE,
Washington, D.C., May 3, 1966.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice on S. 2858, a bill to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies.

This bill has been examined, but since its subject matter does not directly affect the activities of the Department of Justice we would prefer not to offer any comment concerning it.

Sincerely,

RAMSEY CLARK,
Deputy Attorney General.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

"SECTION 502(b) MERCHANT MARINE ACT, 1936

"(46 U.S.C. 1152(b))

* * * * *

"(b) The amount of the reduction in selling price which is herein termed "construction differential subsidy" may equal, but not exceed, the excess of the bid of the shipbuilder constructing the proposed vessel (excluding the cost of any features incorporated in the vessel for national defense uses, which shall be paid by the Secretary in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Secretary, of the construction of the proposed vessel if it were constructed under similar plans and specifications (excluding national defense features as above provided) in a foreign shipbuilding center which is deemed by the Secretary to furnish a fair and representative example for the determination of the estimated foreign cost of construction of vessels of the type proposed to be constructed. The construction differential approved and paid by the Secretary shall not exceed 55 per centum of the construction cost of the vessel, except that in the case of reconstruction or reconditioning of a passenger vessel having the tonnage, speed, passenger accommodations and other characteristics set forth in section 503 of this Act, the construction differential approved and paid shall not exceed 60 per centum of the reconstruction or reconditioning cost (excluding the cost of national features as above provided): *Provided, however,* That after [June 30, 1966,] *June 30, 1967,* the construction differential approved by the Secretary shall not exceed in the case of the construction, reconstruction or reconditioning of any vessel, 50 per centum of such cost. When the Secretary finds that the construction differential in any case exceeds the foregoing applicable percentage of such cost, the Secretary may negotiate and contract on behalf of the applicant to construct, reconstruct, or recondition such vessel in a domestic shipyard at a cost which will reduce the construction differential to such applicable percentage or less. In the event that the Secretary has reason to believe that the bidding in any instance is collusive, he shall report all of the evidence on which he acted (1) to the Attorney General of the United States, and (2) to the President of the Senate and to the Speaker of the House of Representatives if the Congress shall be in session or if the Congress shall not be in session, then to the Secretary of the Senate and Clerk of the House, respectively."

INDIVIDUAL VIEWS OF MR. LAUSCHE

We are again confronted with an administration request to extend the annual $100 million shipbuilding subsidy for another year which renews the limit of 55 percent for the construction of new merchant ships and a 60-percent limit for the reconversion of certain passenger vessels. This subsidy represents the difference between the world market price and the price of constructing the same ship in American shipyards.

The current subsidy program of cost parity was provided by the Merchant Marine Act of 1936 in order to maintain an efficient, sound, and competitive merchant marine. However, since that time, this program for competitive survival has cost the U.S. taxpayer over $740 million for just the construction and reconstruction subsidies.

I would like to submit for the careful consideration of my colleagues the following figures showing the yearly amounts which have been paid to the merchant marine industry under the construction and reconstruction differential subsidy programs:

	Construction-differential subsidies	Reconstruction-differential subsidies
From inception to June 30, 1953	$131,571,571	
Fiscal year 1954	5,538,417	
Fiscal year 1955	5,358,663	$342,058
Fiscal year 1956	1,613,737	14,368,668
Fiscal year 1957	16,379,075	1,117,694
Fiscal year 1958	22,637,540	4,731,608
Fiscal year 1959	21,761,846	7,065,416
Fiscal year 1960	69,156,794	4,828,227
Fiscal year 1961	102,118,519	657,379
Fiscal year 1962	136,858,263	3,906,765
Fiscal year 1963	97,715,325	3,550,308
Fiscal year 1964	79,987,066	2,349,230
Fiscal year 1965	87,377,684	334,533
Total	777,992,202	49,777,871

However, despite these heavy subsidy payments from the U.S. Treasury, this country has been lagging behind in world trade for many years—even though we are the world's largest trading Nation. Fifteen percent of the world's exports and imports are supplied by this country; 99 percent of which go by ship. Ten years ago, U.S. ships carried more than 40 percent of this trade, but today we rely upon other maritime nations to carry over 90 percent of it.

Even with a continued increase in Federal expenditures, our merchant marine industry continues to decline. In this connection, the most significant index to show the competitive position of the United States, and whether our position has grown better or worse, can best be illustrated by the ship construction differential rates established by the Maritime Subsidy Board on cargo ships during the past several years. This chart will illustrate the disparity which exists between the foreign and U.S. shipbuilding costs and that it is continually widening.

The following table indicates calendar years during which subsidized ship construction contracts were awarded and the average subsidy rate applied to all ship construction contracts awarded during that corresponding year:

Average CDS for ships awarded in that year

	Percent
1951	41.47
1952–56	(1)
1957	46.1
1958	48.1
1959	49.1
1960	49.7
1961	49.4
1962	50.1
1963	53.3
1964	53.5
1965	53.3

[1] No subsidized cargo ship construction.

Our shipbuilding prices are continuing to rise at a faster rate than foreign prices so that the price differentials will shortly exceed the present proposed limits.

The Maritime Administration has pointed out that "* * * it cost the American shipyard more for the parts alone than it costs the foreign shipyards to deliver a finished ship."

However, material alone is not responsible for this situation. The continued rise in labor costs and the increasing disparity between the United States and foreign hourly wages should concern all of us. For example, the typical hourly pay for a first-class shipyard mechanic in the United States is approximately $2.95 as compared to $1.43 in Sweden; 95 cents in England; 47 cents in Italy; and 40 cents in Japan.

I am opposed to the further extension of this 55- and 60-percent authority because it is my firm conviction that it provides an extra incentive to interested parties to press for the highest differential percentages obtainable.

I believe the Federal Government should establish a limit in which it will participate to retain a strong and economic merchant marine. This limit should not exceed the 50-percent ceiling as established in the original Merchant Marine Act of 1936 and serious efforts should be made to reduce the subsidies further.

Shipping costs—and especially shipbuilding costs—in the United States have risen to where they are positive threats to the future of U.S. shipping.

It is my conviction that if the basic 50-percent construction subsidy is not enough for commercial shipbuilding, we should seriously reevaluate whether the taxpayers can afford or need such a shipyard subsidy program.

FRANK J. LAUSCHE.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

JOSEPH F. McCAFFREY ON THE NURSING SHORTAGE

Mr. MANSFIELD. Mr. President, during the past several weeks nationally-known Washington news commentator Joseph F. McCaffrey broadcast a series of editorials on the nursing shortage in the Nation's Capital. As always, Joe McCaffrey delivered a hard-hitting, well composed analysis of the situation. The thing which impressed me the most was that this problem is not isolated to this area on the east coast. The nurses' shortage is something of concern to us in Montana, every State in the Union, and every city, large and small.

The implementation of the new medicare program has highlighted the shortage which will become more severe in the near future. The nursing profession is an admirable one, full of challenge and personal accomplishment. I feel that we here in the Congress should do everything we can to interest our young people in this profession; it is hard work, but rewarding. Also where possible the Federal Government has a responsibility to assist in the expansion and upgrading of our schools for nurses' training.

The McCaffrey series reflects the thoughts and concern of hospital and medical people. Joe has done an exceedingly fine job of summarizing the situation and offers several constructive remedies. I believe that this series as broadcast over station WMAL would be of great interest to all who may not have heard them during the broadcasts. Therefore, Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the text of these commentaries which began on May 26 and ended on June 8.

There being no objection, the commentaries were ordered to be printed in the RECORD, as follows:

COMMENTARY OF JOSEPH F. McCAFFREY ON WMAL–TV, WASHINGTON, D.C., MAY 26, 1966

One of the major problems facing this immediate area, and the nation as a whole, has been building over the years. Today it has reached frightening proportions, but as bad as it is, it will get worse within the next 30 days. It will be so bad as to be unbelievable.

I am talking about the shortage of nurses.

As of the beginning of this year, the shortage was 100,000. But when Medicare goes into effect with its sharply stepped-up demands, that shortage jumps another 25,000 immediately to 125,000; within a year that figure will be even higher.

In February the three million dollar John F. Kennedy Hospital opened in Atlantis, Florida, to help ease over-crowded hospital facilities in the Palm Beach area. But to staff the 150 bed facility hospital officials were forced to close nearby Lake Worth General, citing the severe shortage of nursing personnel as the primary factor.

The nursing shortage is so severe that administrators have turned to raiding other countries. In the Washington Metropolitan area the shortage is serious.

The twenty-four hospitals affiliated with the Hospital Council here have a shortage of 380 nurses—which will increase sharply after July 1st. Twenty of these hospitals are contemplating expansions and new additions will require additional staffing, but they are unable to properly staff their present facilities; how can they hope to staff a larger hospital? Yet, there are sick people who have to be admitted to hospitals, so the facilities have to be built, even though it is admitted they will not be staffed adequately.

The situation is so bad here in Washington that the great potential of Medicare is of no value to the people of this area because it is doubtful if the required facilities and care can be supplied.

Tomorrow night I will continue to explore this shame of our affluent society.

COMMENTARY OF JOSEPH F. McCAFFREY ON WMAL–TV, WASHINGTON, D.C., MAY 27, 1966

The current nursing shortage will become more acute, not only because of the coming of Medicare, but because of many other pressures—such as the new heart, stroke and cancer centers, the step-up in hospital construction and a growing population of affluent Americans demanding better medical care throughout the nation.

But the sad part of this story is that the nursing profession has not been keeping abreast of fast changing health care needs. Students have not been enrolling in nursing programs in sufficient numbers to meet the growing demands, and health officials, all those we talked to in preparing this series, say the problem will become worse, much, much worse, before it gets better.

Actually, the nursing shortage right now is even worse than the figures which are used to prove how bad it is. House Commerce Committee staff economist Norman Holley says the figures don't really show the significance of the shortage because we are not counting the nurses needed to treat better the existing diseases and we are not even considering the need for nurses in the area of preventive medicine. Some point the finger at Congress, saying that Congress has been willing, even eager, to create new medical programs but has not provided for the training of those needed to implement these additional health services.

In the Washington area, there are eight nurses' training programs. Three of these are degree programs and five diploma programs. William M. Bucher (Booker), executive director of the Hospital Council, says the need here justifies four additional training schools. *But* there is little prospect of getting them. The District, for example, is not willing to pay for nursing training from its tax base. The cost of these training programs then is absorbed by the patients, and until the community recognizes its responsibility the patient will have to continue to foot these costs. But even so, when nurses receive their training through a college program or a hospital school, there is no guarantee they will stay to work in the area. More often, it seems, they don't. Today there are 956 students enrolled in this area. We're lucky if 600 stay in the area upon graduation.

On Monday night I'll have another look at the nursing shortage.

COMMENTARY OF JOSEPH F. McCAFFREY ON WMAL–TV, WASHINGTON, D.C., MAY 30, 1966

There are more than a million nurses in the nation, but only 631,000 of these are now practicing.

Four years ago the Surgeon General's Consultant Group on Nursing reported that there should be a minimum of 850,000 professional nurses by 1970. But this was before Medicare legislation was approved and before Congress authorized the establishment of heart, cancer and stroke centers, so the 850,000 figure is, actually, very low.

But even that goal is unobtainable. When it issued its report four years ago the Consultant Group said it is not feasible to reach this number in view of potential students and potential school capacities. Here in the District, the Hospital Council is taking several approaches in an effort to get more nurses into the hospitals. It plans to spend about $3,000 to advertise for nurses in the Journal of Nursing. It also is setting up a training program under the Manpower Training Act to bring older nurses back into their profession. The goal, or at least the hope, is to pull 500 nurses from the home environment back to work on a part-time basis. Hospitals can use part-time nurses, but they can't maintain the same quality of service with them.

But full-time or part-time, there is still the question of how good nursing care is today. This question is prompted by the fact that 80 percent of the nurses now practicing graduated before 1950, and the world has changed a great deal since then, especially the world of medicine. Thus, there is a need, an urgent need to update the older nurse so she can practice effectively—and herein lies the conflict today within the nursing profession itself. I'll talk about that tomorrow night in this continuing series on the nursing shortage.

Commentary of Joseph F. McCaffrey on WMAL–TV, Washington, D.C., June 1, 1966

There is a conflict going on within the nursing profession over just how professional nurses should be. In fact, the nurses will fight this out at their big convention next month in San Francisco.

The American Nurses Association has issued a position paper stating that all professional nurses should have a baccalaureate degree. Those without such a degree would be termed "technical nurses." The association feels that scientific advances are forcing nurses up in the field of medicine. They are now performing many duties heretofore done only by doctors. And as the nurse moves into a higher level of practice, the supplemental nursing staff, the licensed practical nurses—practical nurses, aides, and orderlies—are taking over more and more of the actual bedside care of patients.

With the proper educational background, nurses are on their way to becoming clinical specialists. At Presbyterian-University of Pennsylvania in Philadelphia nurses operate the experimental intensive coronary care unit. Dr. Lawrence Meltzer and Dr. Roderick Kitchell are improving the treatment of those who have suffered heart attacks. Nurses monitor the machine which indicates any abnormalities of the heart, looking for what, in layman's language, is a short circuit in the heart, causing the heart to quiver. It is this post-attack short circuit which causes most of the deaths. There are 30 different kinds of such short circuits. The nurses at Presbyterian are trained to spot the kind, and to treat it accordingly. In seven months the hospital has not lost a heart patient because of these short circuits. This intensive care may be the new wave of the future, but it will also increase the demand for more and much better trained nurses.

Commentary of Joseph F. McCaffrey on WMAL–TV, Washington, D.C., June 2, 1966

In discussing the nursing shortage, as we have been doing here for the last week, some attention must be given to the most important contributing factor: money, or rather the lack thereof.

Low pay has discouraged more girls from becoming nurses than any other one consideration. A U.S. Public Health official says that everybody gets paid but the nurse. However, hospital officials maintain that nursing salaries are comparable to salaries of women in other professions. But is this true?

A doctor at Washington Hospital Center tells about a nurse with five years' experience. "One of the best I have ever worked with," says the doctor, "who earns about $5,400 a year. Her roommate who has been working only two years earns $8,000 a year as a receptionist."

Here in the Washington area many girls—too many perhaps—choose government service, rather than a nursing career. They do this because even taking a clerical job they will earn more during the first three years than if they had entered nursing training, and even in the fourth year their government pay will top the graduate nurse's pay.

The government must share the blame with the hospitals for the low nursing pay. For example: a nurse with a master's degree begins a government nursing career at a grade five, or $5,230 a year. Yet most other professions with the same educational qualifications begin government service at a grade seven level or a starting salary of $6,322.

The Hospital Council here recommended pay increases for area nurses effective last January from $375 to $400 a month, with a second raise to $425 due in September. This amounts to an annual salary of $5,100. In this day and age, $5,100 a year is poor pay for a professional.

I'll continue this nursing shortage series on Monday.

Commentary of Joseph F. McCaffrey on WMAL–TV, Washington, D.C., June 6, 1966

There are many recommendations that could be suggested to ease the current nursing shortage, a shortage which will get worse—and within the next ten weeks.

But the one which must be listed number one is salary.

During the course of this series I have had calls and letters from many nurses, telling me how little they earn. I had a call from a business administration professor whose two daughters had considered entering nursing but decided against it because of the low pay scale. He said, "Any business major I have graduating this June can get a job at $8,000 a year, and a nurse is lucky if she get a hundred a week.

This would be bad enough pay for a straight Monday-through-Friday eight-hour day. But illness is not confined to a nine-to-five working day, and neither is a nurse's working hours. Hospitals must be staffed round the clock and nurses must fill the 24 hours. They rotate shifts and in some cases work split shifts. For young women this disrupts their social lives, and for married women this proves difficult in raising children and running their homes.

The Surgeon General, Dr. William Stewart, says health officials have recognized the shortage problem for the last ten years and have tried to do something about it—but are still running behind. He said nurses are beginning to have a voice by unionizing to demand better pay and working conditions. "But it goes back to one thing," says the Surgeon General, "if communities want good health services they must be willing to support their nurses through taxes."

Tomorrow night some further recommendations aimed at stemming the nursing shortage.

Commentary of Joseph F. McCaffrey on WMAL–TV, Washington, D.C., June 7, 1966

These suggestions could be made as steps which could help ease the ever-worsening nursing shortage: more men should be recruited to professional nursing. Today male nurses make up only nine-tenths of one percent of the overall total. Male nurses are invaluable in caring for old patients in nursing homes, and with Medicare, nursing homes—already at 90 to 95 percent of capacity—will be filled to the attic.

This June the military will probably draw off a great percentage of the nurses graduated by hospitals and colleges. It might be that the time is here when the military should consider seriously training all or part of its nursing supply. The same might be said of the Veterans Administration which is a competitor for the available nurses.

In the Washington area there should be four more schools of nursing. One should be established at George Washington University which has a hospital and a medical school and officials there want a nursing program, but they must have help. Help which community leaders in the Greater Washington area could easily encourage and with such encouragement it should be possible to have a nursing school at George Washington within the next few years.

To help in recruitment, the image of the modern nurse must be changed. This should should be easy to do, because actually the modern nurse has changed. Her profession is more challenging, more interesting and as medicine strides forward, the role of the nurse will grow accordingly.

Bringing home to the American people the true image of the nurse and the nursing profession today will not only help recruitment, it will also help fight the basic cause of the current shortage: low pay. Once the citizens realize the importance and value of the modern nurse they will then, it is hoped, be willing to pay for nursing care.

First, the public must be willing to pay, through taxes, for the establishment of tuition-free courses in community and junior colleges.

The State of Kentucky has already initiated a nursing program in junior colleges which is being watched by other areas, and some states have already started planning similar programs.

Once the public is willing to back such courses from tax revenue, then it should, through voluntary contributions and fees, permit higher wages so that we can hold in the field those who are attracted to the profession.

Tomorrow night I would like to suggest the most important step that could be taken immediately to combat the nursing shortage.

Commentary of Joseph F. McCaffrey on WMAL–TV, Washington, D.C., June 8, 1966

Traditionally hospital schools have been training nurses. These nurses earn a diploma under a three-year program which has been more or less an apprenticeship. Today these nurses make up about 84 percent of the nursing profession.

Today, the trend is to get out of the hospital setting and into the colleges. But with the move to the academic setting, there is a greater loss of nursing students to the other related and more lucrative fields; but even so, recruitment for the degree nursing program is no problem.

The nursing profession needs the brightest young minds coming out of high schools today. There are not enough receiving baccalaureate and advance degrees to fill the teaching and administrative nursing posts. And there simply aren't enough nurses with Ph.D.'s to do nursing research. Out of a million nurses in the country, 360 have doctorates. The need then is not only to increase in quantity, but to increase in quality. So now there is a controversy over whether, when countering the nursing shortage, we should merely get "bodies to the bedside" or, because of advancements in nursing technology, we should demand quality among those caring for the ill.

It could be that we should divide the nursing field into perhaps *basic* nursing and *professional* nursing. Today we could use as many nurses with degrees as we could possibly get with the best recruiting program, and we could use as many "bodies at the bedside" as we could obtain.

Therefore the recruiting drive might be two-pronged. At one level, perhaps, we should encourage high school seniors to enter the practical nursing field, working out a combination academic schedule at the high school along with an apprentice schedule at a nearby hospital. At the end of the senior year, with perhaps an additional six months' full hospital duty, the student who completes successfully all requirements would be given a practical nursing certificate. On the other hand, nursing programs should be stepped up in colleges and universities, with community and junior colleges being brought into nursing by offering nursing courses tuition-free, those courses paid for from the state or local community treasuries.

Thus, there would be two categories of nurses, each fulfilling a definite need, each complementing and supplementing the other: the practical bedside nurse and the advanced, degree nurse. These then, are some of the observations a layman would make after worrying over the nursing shortage.

In conclusion I would like to make one observation.

I have presented eight programs on the nursing shortage, one of the most pressing problems facing our society today.

I have had communications from about seventy-five people since the series started. Of these only two were outside the medical or hospital field. I feel as if I have been talking to only those personally involved—no one else cares.

I now know, I think what hospital people meant when they told me at the beginning of our investigation into the nursing shortage, that "no one cares—."

People just don't care about the nursing shortage.

But they will. Because within a year the nursing shortage, already bad, will become much more acute.

Then, people will become concerned. But in the meantime we have lost a whole year—a year in which we could be doing something.

Take care. Good night.

TRIBUTE TO FORMER REPRESENTATIVE JOHN ROBERT MURDOCK—RESOLUTION OF THE SENATE OF ARIZONA

Mr. HAYDEN. Mr. President, I invite the attention of Senators to a concurrent resolution of the Arizona Senate honoring Hon. John Robert Murdock, who served our State in the U.S. House of Representatives from 1937 to 1953. A distinguished educator, historian, and public servant, Mr. Murdock is a longtime friend, and it is my pleasure to announce this recognition which he has so justly earned.

I ask unanimous consent that the resolution be printed in the body of the Record.

There being no objection, the concurrent resolution was ordered to be printed in the Record, as follows:

Senate Concurrent Resolution No. 8

Whereas the Honorable John Robert Murdock has rendered a lifetime of distinguished service to the State of Arizona, the Legislature takes this opportunity of recounting a few of Mr. Murdock's accomplishments and thus honoring one of its most eminent citizens; and

Whereas John Robert Murdock was born and raised in Missouri and it was there that he received his degree from the Kirksville Teachers College in 1912. In 1914, John Murdock accepted a position as a Social Studies Professor at Arizona State Teachers College at Tempe. His affiliations with this institution continued until 1937 when he represented the State of Arizona in the United States House of Representatives; and

Whereas John Robert Murdock's first great interest was Arizona and he became an authority on Arizona history and government. In 1925, he published "The Constitutional Development of Arizona" and in 1929 Mr. Murdock wrote the text entitled "The Constitution of Arizona" and this publication was used by Arizona school students for over twenty years. In addition, the Honorable John Murdock wrote four more books on Arizona history and its Constitution; and

Whereas the first Dean of the College at our Arizona State University was John Murdock in 1934 and he was chosen by President Grady Gammage; and

Whereas John Robert Murdock was elected by the Citizens of Arizona to serve as their Representative in the United States House of Representatives and he did so serve in an able, competent and outstanding manner for sixteen years thereby bringing credit to the State of Arizona; and

Whereas his Congressional service extended from 1937 to 1953 and during that time the Honorable John Robert Murdock chose to serve on Committees dealing with the West and, therefore, served as Chairman of the Committee on Irrigation and Reclamation, Public Lands Committee and as Chairman of the Committee on Interior and Insular Affairs. Moreover, Mr. Murdock served as Chairman of several subcommittees, including those of Indian Affairs and Mines and Mining. John Murdock played a prominent role in many projects which served to successfully develop the Western part of the United States; and

Whereas the accomplishments of the Honorable John Robert Murdock are actually too numerous to recount except that it should be noted that his has been a life of dedication and service to the needs of his neighbors, the requirements of his adopted State and paramount to all of this he has given a lifetime of service to his Nation; and

Whereas in view of the service and outstanding accomplishments, which included numerous writings which gave a generation of young Arizonans a better understanding of State Government and for his achievements in Congress, Arizona State University awarded John R. Murdock the Honorary Degree, Doctor of Laws, in 1962: Therefore be it

Resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. That the Legislature, being cognizant of the achievements and accomplishments of the Honorable John Robert Murdock, do hereby acknowledge the debt of all Arizonans to this dedicated person who during his lifetime has given so much to his Community, State and Nation.

2. The Honorable Wesley Bolin, Secretary of State of Arizona, is directed to transmit a copy of this Concurrent Resolution to the Honorable John Robert Murdock.

Unanimously adopted by the senate, February 24, 1966.

Clarence L. Carpenter,
President of Senate.
Louise C. Brimhall,
Secretary of Senate.

Unanimously adopted by the House of Representatives, March 7, 1966.

Andrew J. Gilbert,
Speaker of House.
Ruby H. Sanders,
Chief Clerk of House.

Executive Department of Arizona, Office of Governor.

Approved this 17th day of March, 1966.

Samuel Goddard,
Governor of Arizona.

Executive Department of Arizona, Office of Secretary of State.

Received by the Secretary of State this 17th day of March, 1966.

Wesley Bolin,
Secretary of State.

SUPPORT FOR EXTENSION OF SCREW-WORM ERADICATION IN MEXICO—H.R. 14888

Mr. TOWER. Mr. President, I wish to express my support today for H.R. 14888, the Senate version of which I am a cosponsor. The purpose of this act is to authorize the Secretary of Agriculture to cooperate with the Mexican Government in screw-worm eradication in Mexico. Currently the United States is conducting such a program along the nearly 2,000 mile border with the Mexican Republic. It is the hope of this legislation that, with Mexican cooperation, this line of defense may be shortened considerably and the cost of the program decreased while its efficiency is increased.

Under the terms of the act, the Secretary of Agriculture, would be empowered to reach an agreement with the Mexican Government similar to the existing one pertaining to U.S. cooperation with Mexico in the control of foot-and-mouth disease and rinderpest. This program has greatly aided in the prevention of these destructive diseases.

Mr. President, I wish to urge the Members of the Senate to give this bill a speedy and overwhelming approval, so that the Secretary of Agriculture may begin consultations with the Government of Mexico. The benefits which would accrue to the United States and to Mexico with the eradication of the screw-worms are certainly great; and eradication is certainly a necessity.

SENATOR MONTOYA SUPPORTS EXTENDED, EXPANDED SCHOOL MILK PROGRAM

Mr. PROXMIRE. Mr. President, Senator Montoya, one of the cosponsors of my legislation to make the school milk program permanent and increase Federal funding for the program, recently submitted an excellent statement in support of the bill to the Holland subcommittee of the Senate Agriculture Committee.

The junior Senator from New Mexico concisely discussed the adverse impact that the administration's proposal to limit the program to the needy would have on the children involved, in these words:

> It would be extremely repugnant and embarrassing for a small child to submit proof that his family was too poor to pay for his school milk. School administrators would be confronted with the problem of snooping into each family's financial status. Congress has made great strides recently in getting rid of discrimination. Let's not be a party to creating it. As it properly should, this bill will provide milk for all children regardless of economic background.

Mr. President, I ask unanimous consent to have the statement in its entirety inserted in the CONGRESSIONAL RECORD at this point:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. JOSEPH M. MONTOYA, A U.S. SENATOR FROM THE STATE OF NEW MEXICO

Mr. Chairman, and members of the subcommittee, I wish to thank you for providing me with this opportunity to appear here before you in support of S. 2921, a bill to provide a special milk program for children.

This legislation is badly needed to replace the present act which expires July 1, 1967, and to place the school milk program on a permanent basis. The slight increase in funds for the program over the next few years, as called for in the bill, would just barely take care of the increased number of school children. The American people consider it one of the finest programs in operations to better develop and strengthen the potential of our youth.

Last year the milk program reached some 16 million youths who consumed over three billion half pints of milk. In New Mexico over 115,000 school children participated. Most of these children come from low-income families and as a result have improper diets and, therefore, in many instances the milk they receive at school is all they get during the day.

The school milk program, however, should continue to be made available for all children and not restricted to those who are not considered able to pay. It would be extremely repugnant and embarrassing for a small child to submit proof that his family was too poor to pay for his school milk. School administrators would be confronted with the problem of snooping into each family's financial status. Congress has made great strides recently in getting rid of discrimination, let's not be a party to creating it. As it properly should, this bill will provide milk for all children regardless of economic background.

Mr. Chairman, I feel very strongly that the amount requested in this bill is essential to the future success of the school milk program and should be approved by this subcommittee. I appreciate the opportunity to present this statement and request that it be made a part of the hearing record.

Thank you.

INSPECTOR GENERAL'S OFFICE OF FOREIGN ASSISTANCE

Mr. McCLELLAN. Mr. President, recently there have been several articles in newspapers and national magazines concerning the work of the Inspector General's Office of Foreign Assistance.

This agency, the smallest in Government, with a staff of only 39 employees, has saved the Federal Government hundreds of millions of dollars by uncovering mismanagement, waste, and corruption in our foreign assistance program.

All of Congress, and indeed the country, can and should be proud of these men for their dedication and untiring efforts.

I am especially proud to associate myself with and direct my remarks to the Deputy Inspector General, Mr. Howard Haugerud.

I have known Mr. Haugerud throughout his career in Government service, and I am not at all surprised that he has received this recognition for his talents and abilities. His conscientiousness and imagination have displayed themselves once again and the taxpayers of this country have received the benefits.

Mr. President, I ask unanimous consent to have inserted into the RECORD, following my remarks, two articles, one which appeared in the Washington Star and one which appeared in the New York Times.

These articles give specific examples of the value of work being done by Mr. Haugerud and his associates.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 12, 1966]

THE FEDERAL SPOTLIGHT—SMALLEST AGENCY SAVES MILLIONS IN FOREIGN AID INVESTIGATIONS

(By Joseph Young)

The smallest agency in government, with a staff of only 39 employees, is saving the American taxpayer hundreds of millions of dollars.

It's the Inspector General's Office of Foreign Assistance, an independent unit of the State Department which is dedicated to uncovering mismanagement, waste and corruption in the handling of U.S. foreign assistance programs.

Everyone has heard of the sleuthing activities of the FBI, Secret Service and the postal investigative division. Likewise, the cloak-and-dagger exploits of the Central Intelligence Agency have been widely publicized.

But very little is known of the unpublicized sleuthing of the Office of Foreign Assistance, commonly known as IGA.

Set up 2 years ago by Congress, IGA has been credited by Secretary of State Dean Rusk with having saved the American public "many millions of dollars."

Congress is well pleased with the agency headed by J. Kenneth Mansfield, inspector general of foreign assistance and Howard Haugerud, deputy inspector general.

Among its staff of 39 are 25 inspectors who travel ceaselessly around the world to uncover misuse of our foreign aid funds.

Also, IGA recently has successfully prodded military and civilian officials in Vietnam to crack down on abuses—including black marketing in post exchange supplies, currency manipulation, profiteering by Vietnamese merchants and theft or other diversion of U.S. goods shipped to Vietnam.

Mansfield and Haugerud have high words of praise for their staff of 39 employees.

"We have the most professional and competent staff in government," says Mansfield. Haugerud adds, "The credit for our work must go to them."

WIDE RANGE

Under Mansfield's and Haugerud's leadership, the IGA has conducted many investigations of foreign aid ranging from sloppy bookkeeping to the disappearance of 24 million bushels of wheat.

IGA investigations in 85 countries have resulted in such developments as:

Cancellation of a $40 million loan for a dam project in Nationalist China. IGA investigators found such a loan was not feasible.

Discovered for NATO a forgotten submarine communications cable under the Mediterranean.

Arranged for 5 million U.S.-owned German marks—which were lying idle in Libya—to be put into interest-bearing bank accounts.

Made an analysis of counterinsurgency food shipments to Viet Nam which resulted in elimination of almost $5 million of unnecessary commodities.

Recovered $800,000 worth of Food-for-Peace wheat shipments which had been diverted from its intended destination of Austria.

Discovered that containers of food going to Turkey were marked in several languages, including Greek, but not in Turkish. Now, the markings are in the language of the people getting the food.

Initiated greater control to prevent explosives and other military material from getting in the hands of the Viet Cong.

Questioned plans by the Defense Department and the Agency for International Development to build a telecommunications system in Korea, which resulted in elimination of a project estimated to cost $7 million.

Another result of IGA's work has been to prod U.S. officials to use the huge stocks of foreign currencies built up, but usually left idle, under Food-for-Peace programs. This has resulted in savings of new appropriations which otherwise would have been required.

To make sure that IGA does an outstanding job, Mansfield and Haugerud each travel hundreds of thousands of miles each year to keep tabs on the agency's investigative operations.

They take pride in the fact that IGA not only has saved American taxpayers many millions of dollars but, equally important, has helped more of our foreign aid to accomplish the purpose for which it was intended.

[From the New York Times, May 29, 1966]

TWO SHERLOCKS ON FOREIGN AID

(By Felix Belair, Jr.)

WASHINGTON, May 28.—When one of the latest known operations of the State Department becomes front page news, the most likely reason is a colossal blunder or a splendid success.

In the case of its Office of Inspector General of Foreign Assistance, success is hardly the word. J. Kenneth Mansfield and Howard E. Haugerud, the Inspector General and Deputy Inspector General, had been credited by no less an authority than the Secretary of State with saving the Federal Government "many millions of dollars" as watchdogs of the multibillion dollar program.

In a well documented report requested by Chairman J. W. Fulbright of the Senate Foreign Relations Committee, the Secretary seemed almost to be apologizing for the State Department's vigorous opposition when creation of the office was first proposed five years ago.

The report cited instances of savings to the Federal Government in more than 50 of the 85 countries visited by the office on routine inspections.

Mr. Mansfield's reaction to all the sudden publicity on his hitherto secret world-wide policing of foreign assistance programs was typical.

"I guess it had to come," he said a little ruefully. "But I thought we were doing all right by staying out of the limelight. Whatever success we've had in carrying out the intent of Congress had been due in large part to the cooperation we've had from the operating agencies."

Mr. Haugerud took a similar view: "One thing's for sure—we've lost our anonymity. But then, I guess it doesn't hurt if everybody—especially in Congress—finds out what kind of work we've been doing. All this publicity is bound to increase our work load sifting through stacks of letters for a legitimate lead. But Congress has been good about our appropriation, so we'll make out."

Messrs. Mansfield and Haugerud make an ideal team. At 44 and with close-clipped graying hair and twinkling blue-gray eyes, "Ken" Mansfield might be the head counselor of an expensive boys' camp. He has a ready smile that puts a visitor completely at ease and that more than one miscreant has found momentarily disarming.

Howard Haugerud shares with Mr. Mansfield a Midwest background. He came to Washington from Minnesota to work for Senator HUMPHREY and became the professional staff member of the Senate Subcommittee on National Defense Policy when Mr. Mansfield was chief of staff of that group. He will be 42 in August.

Mr. Haugerud is not an impatient man but if a polite memo to some aid division chief brings no action in a reasonable time he might get him on the telephone and say "If you don't cancel that shipment I wrote you about last week, I'll do it for you."

He could, too. Either member of the team has direct authority from Congress to suspend all or any part of any project or operation with respect to which he has conducted or is conducting an inspection, audit or review, provided he has first given notice to the Secretary of State." The authority applies to the foreign aid program, the Peace Corps' activities, and Food for Peace.

Both men were given the rank of Assistant Secretary of State and the same salary of $27,000. In this the House Foreign Affairs Committee showed unusual foresight. One or the other is usually out of the country and the other takes over. When the Secretary's report went to the Capitol, Mr. Haugerud had just returned from Greece and Mr. Mansfield was in Saigon.

Both men know the ins and outs of commercial skullduggery like the back of their hands. And in running down all kinds of leads each logs about 165,000 air miles annually. They are supported by a staff of 20 "bookkeeper detectives" recruited from alumnae of the F.B.I., the General Accounting Office and the legal profession.

Since Mr. Mansfield began organizing the staff on his appointment in May 1962 the staff has flown more than 3.5-million miles—always in tourist class. With a travel schedule of such magnitude there have to be risks. But only two inspectors have been lost. They were flying in a Nepalese plane that crashed in the Himalayas during a sudden storm.

TRIBUTE TO DAN C. BURROWS

Mr. MANSFIELD. Mr. President, in behalf of the Senator from New Mexico [Mr. MONTOYA], I ask unanimous consent to have printed in the RECORD a statement by him and a biographical sketch that was printed in the Albuquerque Tribune on the retirement of Dan C. Burrows, editor of the Albuquerque Tribune.

There being no objection, the statement and biographical sketch were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MONTOYA

On June 1, an old friend of mine, Dan C. Burrows, retired as editor of the Albuquerque Tribune.

Like thousands of other New Mexicans who knew and admired him as a friend, and who respected the newspaper which he so ably led, I am sorry to see him go. Throughout his many years of service to the people of New Mexico, he and his newspaper have been influential voices in support of an untold number of worthy causes.

No man knew the problems and the needs of New Mexico, and particularly of Albuquerque, any better than Dan Burrows. The Tribune is fortunate that his experience and sagacity will still be available as he continues to serve as a consultant to the new editorial directors of the newspaper.

Equally fortunate is the choice of Mr. Burrows' successor, Mr. George Carmack, a southwesterner who has been a Scripps-Howard Newspaper Alliance editor for nearly 30 years. Most recently, Mr. Carmack has been in Washington covering the Pentagon, one of the most demanding assignments any newspaperman can receive.

I wish him well in his new duties as editor of the Scripps-Howard Tribune of Albuquerque.

While continuing his interest in the Tribune through his new consultant's role, Mr. Burrows will also be able to make his experience available to the people of Albuquerque in a new position.

When the City Commission learned of his plans for retirement and his new-found leisure time, they took quick advantage and appointed him to the City Planning Commission. Albuquerque is a rapidly growing city, with all the developmental problems that such growth implies, and Mr. Burrows will be an invaluable member of the commission which has the duty to insure that that growth is sound and orderly.

Dan Burrows was born in Indiana, Mr. President, but he came to Roswell, New Mexico with his family as a boy of seven, and has made our state his home ever since.

BIOGRAPHICAL SKETCH: BURROWS JOINED TRIBUNE IN 1928

An editor with a compassion for his fellowman, a dedication to his profession and a grand sense of humor was retired today after 43 years in his field.

He is Dan Burrows of The Albuquerque Tribune. More formally, he is Daniel Chapel Burrows. But to staff members, and hundreds of friends throughout New Mexico he is affectionately known as just "Dan."

Dan has been put out to pasture but plans to remain active in the life of the community in which he has spent his entire newspaper career—38 years of it on The Tribune.

Mr. Burrows was born on Jan. 17, 1898 in Indianapolis, Ind. and later lived in Appleton City, Mo., and Pitcher, N.Y., where he lived until he moved to Roswell in 1905.

His parents were William Riley Burrows, U.S. Weather Bureau meteorologist, and Minnie Chapel Burrows.

A country boy from the beginning, Dan lived and worked on farms and ranches near Roswell. It was in this rugged part of his life that he acquired some of the fundamental traits about hard work, honesty and loyalty that distinguished him throughout his career.

Graduated from East Grand Plains rural school near Roswell in 1910, he stayed out of school for five years to earn enough money to return to his education. He later was graduated from Roswell High and then (in 1918) entered New Mexico Military Institute and joined the Students Army Training Corps.

He remained at NMMI after his discharge and was graduated there in 1920 as valedictorian of his class.

EDITED ANNUALS

It was in high school and at NMMI where Dan got his first editorial experience. He edited the Roswell High annual, "El Coyote." At NMMI, he edited the annual, "The Bronco." Two of his assistants went on to great fame: Paul Horgan, author, and Peter Hurd, famed artist.

In 1920, Dan thought he'd like to be a lawyer and entered the University of Chicago for the fall quarter. But he returned to Roswell in January, 1921, as an assistant secretary of the Roswell Chamber of Commerce.

It was then that he started his newspaper career, as a correspondent for the old Albuquerque Herald and The Amarillo News, also editing The Roswell Way, the chamber publication.

Enrolling at the University of New Mexico in 1922, he worked his way through his first year waiting tables at the dormitory and doing publicity for the UNM president, Dr. David Spence Hill.

He quickly learned that he needed a full-time job and went to The New Mexico State Tribune to see its colorful editor, Carl C. Magee. Mr. Magee was out of town, but a reporter gave him a tip:

"If you're looking for a job, why don't you go over to the Albuquerque Journal. Their sports editor has been on a five-day drunk and they're looking for somebody to replace him."

UNM DEGREE

He was hired on the spot. In 1926 he was graduated with a B.A. degree at UNM. In 1928 he quit the Journal to take a job offer from the late E. H. Shaffer, editor of The Tribune.

His job: Writing sports and covering about half the town.

As sports editor, he authored a popular column "Burrowed Out."

Dan has retained the attachment for sports that he learned in those early days.

He was named managing editor of The Tribune in April, 1931, and in February, 1944, was made executive editor. The following May he was named editor, after the death of Mr. Shaffer.

Dan's leadership was reflected in the newspaper's showing in the E. H. Shaffer Award contests of the New Mexico Press Assn., where The Tribune won an unprecedented string of five consecutive community service prizes. The paper also won a National Headliners Award for public service.

Community service has been a mark of Dan's editorial leadership. His editorial stands have been a big force in the community. His policies calling for aggressive reporting of public affairs have often resulted in public as well as governmental action.

In spite of this force, however, Dan has never been one to countenance the use of power.

WEIGHED HIS WORDS

An editor slow to anger, Dan has weighed his written words carefully. But some obviously unfair situations and man's inhumanity to man and to animals have stirred his deeper feelings.

He has, throughout the years, campaigned aggressively against those who torture and mistreat dogs and other animals. In 1961, he won a special award from the American Humane Assn.

His kindness, and that of his late wife, Mary A. to dogs is well known on Gabaldon Road NW. Several strays have found warm firesides at the Burrows home.

Dan's sense of humor is alway evident and is always a source of inspiration to his friends and co-workers.

It is best known to the public through his popular column, "The Pony Express."

In 1930, he was married to Lenore Virginia Hanks. They were divorced in 1943. They had one son, Dr. William Chapel Burrows, a 35-year-old agronomist with John Deere Implement Co. at Moline, Ill. Dan was married in 1951 to Mary A. Mathewson. She died on January 19 after a four-month illness with a brain tumor.

A kindly, thoughtful and patient personality, Dan has been the friend of many newspapermen and women who have passed through The Tribune city room. To his employees, he has always been more than a boss, but a counselor and an ear tuned to their problems.

WEALTH OF KNOWLEDGE

Retirement has come for Dan Burrows but under Scripps-Howard policy for its editors he can be called on as a consultant. The wealth of accurate knowledge stored in his mind about the city, the state and its people will be available to this newspaper.

In 43 years of newspapering here, Dan Burrows has never been a rocking chair man. It's not likely that this strong, kindly personality will become one now at the beginning of a new vista in his life.

KANSAS PROJECT PROMISES MAJOR BREAKTHROUGH IN SEWAGE TECHNOLOGY

Mr. PEARSON. Mr. President, it is a characteristic of modern times that sewage treatment and disposal has become one of the major economic and technical problems facing society today. As the volume of sewage continues to grow the task of developing effective and efficient treatment and disposal programs becomes evermore challenging. The problem here involves much more than the matter of enormous cost to municipalities. Inadequate purification of sewage is the primary source of the growing pollution of our fresh water streams and lakes. Pollution destroys wildlife, ruins recreational areas and reduces the already limited supply of usable water.

The enormous challenge requires major technical developments in sewage treatment. One of the most perplexing problems has been that of devising ways to remove residues from fertilizers and other similar chemicals which cannot be eliminated through conventional techniques. The volume of these inorganic substances is increasing and the failure to eliminate these constitutes evermore serious form of pollution. Many of these elements when placed into slow moving streams and lakes cause vigorous growth of algae and other water plants. The resulting abnormal growth can kill off fish life and destroy the commercial and recreational value of great portions of our fresh water resources.

Mr. President, a small experimental sewage plant now in operation in the city of Lawrence, Kans., may well prove to be the forerunner of a truly major breakthrough in sewage technology. Using a new approach of this plant has been able to remove inorganic chemicals, something which has never been effectively accomplished to date.

This project is the brain child of Prof. Ross E. McKinney, head of the University of Kansas Civil Engineering Department. Professor McKinney has been assisted by several of his students such as Doug Newport, Valery Wahbeh, Robert Sherwood and Russell Cummings. The small plant which they designed can handle the daily sewage of approximately 50 persons. This project may well provide the answers to the problem of controlling inorganic pollution.

Mr. President, I ask unanimous consent that an article appearing in the Christian Science Monitor of June 14, 1966, describing this project be printed in the RECORD.

Mr. President, I warmly congratulate Professor McKinney and his students and also call this project to the attention of my colleagues as this promising new technology is truly of national interest.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEWAGE CHALLENGE: TEST PLANT SHOWS PROMISE IN KANSAS

LAWRENCE, KANS.—Near the banks of the muddy, slowly moving Kansas River stand two large green tanks, filled with algae, bacteria, and water. Overhead, a long line of fluorescent lights glows softly. A large green paddle wheel stabs at the air.

Few persons would suspect that the tanks, site of an experimental sewage treatment plant, may play an important part in solving the growing water-pollution problem in America. It takes over where ordinary treatment plants leave off by removing residues of fertilizers and similar chemicals that slip through conventional sewage treatment.

Lawrence, for example, has a modern primary process treatment plant.

In the primary process, raw sewage is pumped into a series of settling tanks and undergoes a simple process to remove solids. The insoluble organic and inorganic materials are taken out. The water returns to the source with 35 percent of the polluting agents removed.

Some towns also use a secondary sewage-treatment process. In this, there are additional tanks where bacteria remove soluble organic materials. Now 80–99 percent of the polluting agents are removed. Until recently, the secondary process was viewed as being entirely satisfactory for a town's needs.

ANOTHER PROBLEM SEEN

However, a few chemists and engineers saw that another problem lurked in the background—inorganic pollution. Neither of the two usual processes can deal with the problem. These inorganic substances, such as fertilizer elements cause vigorous growth of algae and water plants, especially in slower-moving streams. This excess plant growth is a strangling villain in larger bodies of water, also.

Then, Prof. Ross E. McKinney, head of the University of Kansas civil engineering department, hit upon an idea. In running streams, algae feeds upon bacteria and fertilizer elements. If the photosynthetic process could be speeded up, if the action could be contained within a fraction of the running river space needed to purify the water, the problem might be solved.

Enlisting the help of several engineering graduate students, Professor McKinney set out to test his idea.

First, he and his students built a practical working laboratory model. It worked beautifully.

The three students, Doug Newport, Valery Wahbeh, and Robert Sherwood, worked on the original plan, making adaptations. Mr. Sherwood later designed the pilot plant. It was built near the Lawrence Sewage Plant in the fall of 1964.

The plant worked well. But it needed modifications. A mixing paddle wheel had to be replaced. Limits had to be set for the sewage that could be pumped into the plant. The life of the algae was not specifically known. Could it be re-used?

Today, the plant has been enlarged to nearly twice its original size. It can handle the daily sewage for approximately 50 persons. Russell Cummings, graduate student in civil engineering, explained the basic processes that are involved in the plant.

The plant, some 25–30 feet long, contains two basic tanks, a slowly revolving paddle wheel, and a long line of fluorescent lights. The first tank contains algae, water, and bacteria. The line of overhead lights provide a constant source of light and some heat.

As the sewage is pumped in, the paddle wheel moves the materials in a long, counterclockwise circle. During the six- to eight-hour process, the following happens:

1. Sewage is pumped in.

2. The bacteria, feeding on oxygen and organic materials, oxidize the organic materials, giving off carbon dioxide.

3. Using the carbon dioxide and the sunlight or artificial light, the algae "eat" the inorganic materials, removing them.

The water is then pumped into the second, funnel-shaped tank, and after about two hours, the heavy mass of bacterial and algal cells settle into a central portion of the tank. They are then pumped back into the first tank for re-use.

5. The water remaining in the second tank moves through a series of V-notched weirs, then returns by pipeline to the water source.

6. The water is now 99 percent-plus free of organic and inorganic pollution.

TIMES AND AMOUNTS VARY

The algal growth or "algal seed" can be used again and again, Mr. Cummings said. It rejuvenates and replenishes itself. As the algae grow, they are able, with the aid of the bacteria, to handle large amounts of sewage, in a shorter period of time.

BIRTHDAY GREETINGS TO JAMES A. FARLEY, OF NEW YORK

Mr. RUSSELL of Georgia. Mr. President, while the Senate was in Easter recess, a prominent American, who is well-known to the Members of this body and to his countrymen, celebrated the 78th anniversary of his birth.

I refer to the Honorable James A. Farley, of New York, a distinguished former Postmaster General of the United States and an indestructible elder statesman of the Democratic Party.

As a longtime friend of Jim Farley, I am delighted to note that Mr. Farley continues to pursue a vigorous business career as chairman of the board of the Coca-Cola Export Corp., and maintains his customary keen and active interest in politics. I read in the press recently that Mr. Farley says he is looking forward to observing his 100th birthday, and I for one have not the slightest doubt but that he will do so.

Mr. President, I know that the other Members of the Senate join me in extending belated birthday greetings and best wishes to Jim Farley, and I ask unanimous consent to have published in the RECORD at this point a most interesting column about him by Carlton Johnson, editor of the Columbus, Ga., Ledger. I believe Senators will find this article a fitting birthday tribute to Mr. Farley.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAN OF PRINCIPLES

(By Carlton Johnson)

It has been almost two years since I last saw James A. Farley, one of the grand old men of the Democratic Party, and who probably did as much to make Franklin D. Roosevelt president as any one else. It was at the 1964 Democratic convention in Atlantic City where he gave me an hour of his time out of a busy schedule for an interview.

As we said then, Jim Farley is a Democrat with a big "D." A frequent visitor to Columbus and Georgia, Jim Farley is a living legend of politics—politics of the Democratic Party brand.

Today is Jim Farley's 78th birthday, although we've already seen pictures of him in various newspapers in which he was celebrating the occasion a little bit ahead of time.

Jim Farley, who was Postmaster General in the Roosevelt cabinet, but broke with FDR over the third term issue, has come through many political ordeals with the reputation of being an unusual politician who is unable to compromise with his moral principles, and one who has the uncanny ability as a political prophet.

On my trip to Atlantic City in 1964, we talked for an hour in his hotel suite on a warm August afternoon. The conversation never strayed from his favorite subject—politics. Almost casually, with an air of supreme confidence, this vigorous man of the political wars, tossed off what seemed then some rather astounding predictions about the outcome of the Johnson-Goldwater election.

Jim Farley at that time foresaw a landslide victory for President Johnson, predicting the Texan would carry at least 42 of the 50 states. From time to time during the weeks to follow, he revised his figures upward.

The only slip up he made in the predictions at that time was that he had not reckoned with the deep feeling prevalent in the Deep South. Otherwise, he came remarkably close to calling the outcome of the 1964 presidential election.

One thing he said during that interview still sticks with me. He expressed concern over the "word" of many people in politics in general. "The word of some of those in the party is not as good as in earlier years," he said. "If someone told you something back then, you could go to bed and know that that word would still be the same the next morning."

But Jim Farley's word is still "good." He has strong and firm convictions and doesn't hesitate to express them. As we said, he has been a man both in politics and business who has been unable to compromise with his moral principles.

NATIONAL WATER COMMISSION

Mr. TOWER. Mr. President, in reporting out and passing, last week, S. 3107 to create a National Water Commission, the Committee on Interior and Insular Affairs and the Senate as a body acted in the best interests of our Nation and people.

The 1st session of the 89th Congress provided positive action on behalf of water resources conservation by passage of the Water Pollution Control Act of 1965 and the Water Resources Planning Act—which created the Water Resources Council. It was my privilege to cosponsor the present bill.

S. 3107 reflects a farsighted approach to the problem of steadily increasing demand on our water resources which has characterized recent actions by Congress. Our actions, in many instances, have been simply reflections of the growing awareness of Americans of the importance of water and the necessity for conserving this commodity. It has been estimated that we may be using every available drop of fresh water in the country by the end of the century.

The people of my own State of Texas have long been conscious of the value of water and have recently been making substantial progress in solving our own water problems within our State. Local hearings in cities throughout Texas will begin shortly in an attempt to evaluate the proposals made in the Texas water plan. Briefly, this plan is aimed at transferring water from the river basins of rain-rich areas of the State to areas of water deficiency. There are, of course, many problems which must be faced in such a plan—but I am confident that Texans will be able to work together in this area and reach solutions which will solve our own problems.

By planning now, on the State, local, and national level, we can escape the grim prospects of a water-deficient future. By the passage, last week, of S. 3107, we have taken a substantial step towards meeting our long-range needs.

Recently, I had occasion to comment on this general area and problem. I ask that at this point there be inserted in the RECORD a transcript of my report to Texans entitled "Water for the Future."

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WATER FOR THE FUTURE

Most of us are concerned primarily with the demands of the present day, the problems of day-to-day living in our complex society. And yet, Texans always have been particularly careful to plan also for the future.

Today, as we worry about and seek solutions to a war in Vietnam and to cost-of-living increases at home, it would be easy for us to forget the future. But, we cannot. We must deal with our present needs. And, we must also deal with the needs of the Texans who will come after us.

The field of water is perhaps the most important for our state's future—water conservation, water purity, water availability, water for crops, water for livestock, water for industry, water for people.

I am particularly pleased that our state is making an earnest effort to face these water demands. Our technical leaders in this field have prepared a comprehensive, imaginative and constructive State Water Plan. The Plan is designed to meet our future needs as best we can estimate them today.

It is significant, I think, that Texas is busily doing something about its water needs, while some other states stand around waiting for the federal government to do something for them. Water resources are a national problem, all right. Rivers and watersheds cross state lines and even national borders. But water is too important to be left up to somebody else. Texas must do what it can now, asking for help if we need it, taking useful assistance when it is available.

It is important to note that water is coming to be regarded as a national resource. For instance, the residents of New York City now know—as West Texas farmers and ranchers have known for years—what it is to be short of water. In these circumstances Congress this session has passed so much water legislation that some refer to this as the "Water Congress."

I have co-sponsored six major water bills this session, and five of them already have become law. They provide federal assistance in development of water resources in desalinizing, in precipitation utilization, and in construction of rural water systems.

Also, I have offered the Senate an amendment, proposed by our state leaders, that would include Texas in federal feasibility studies of ideas to channel water from the Pacific Northwest into our Southwestern states. And, as we look even farther into the future and across national boundaries, I have joined as a cosponsor of a bill calling for studies of the vast North American Water and Power Alliance proposal. Texas has an interest in that plan to transfer now-wasted Arctic and Alaskan water into the farming and populated areas of Canada, Mexico and the United States.

If Texas is to continue its growth and prosperity, now is the time for us to look toward the year 2000. Water projects often require decades to complete. The new State Water Plan is a giant step in the right direction. While many of its individual projects are still to be worked out, its broad framework and its thrust are essential guideposts. It is designed to see that all Texans will have adequate water, wherever they live.

Texas has tremendous resources of good water. These supplies must be effectively developed, distributed and utilized if we are to meet the demands of our rapidly growing and changing population and economy.

Just 50 years ago 75 percent of Texans lived in rural areas, and there were only 5,000 small manufacturing plants in the state. Today, nearly 60 percent of Texans are city dwellers; the number of industrial plants has doubled; and the number of workers in those plants has increased five times.

By the beginning of the next century—only 35 years from now—our state's population will again be doubled, to more than 20 million Texans—85 percent in cities.

Our cities already grow at the astonishing rate of 19,000 persons a month. And, to grow, a city must have adequate water at reasonable rates. If there is not enough water, there will be no growth.

Barring dramatic changes, we will need more than six times as much good, fresh water in the year 2000 as we are using today.

If Texas is to assume a responsible role in water development, the new State Water Plan will require careful discussion, close attention and the eventual support of all governmental bodies and all Texans.

On many occasions our state has led the way for others to follow. If we can work among ourselves, with the federal government and with our international neighbors to meet our future needs for water, we will be doing a great service not only to our Texas sons and daughters, but to our entire nation.

DISTRICT OF COLUMBIA DRINKING AGE

Mr. SCOTT. Mr. President, I am pleased that radio and television stations WTOP here in our Nation's Capital recently presented an editorial in support of an increased drinking age in the District of Columbia, a purpose which would be accomplished by my bill, S. 2480. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DISTRICT OF COLUMBIA DRINKING AGE

(This editorial was broadcast on June 10 and 11, 1966, over WTOP radio and television)

This is a WTOP Editorial.

There is now bubbling on Capitol Hill a proposal to raise the drinking age in the District of Columbia from 18 to 21. We support that change in the law—in the full knowledge that we will be in immediate trouble with tavern operators and many thousands of teenagers.

Because Maryland forbids all sales of alcoholic beverages to persons under 21 and because Virginia restricts such sales to 3.2 beer, the District has become a mecca for the beer-drinking and wine-sipping younger set. The most popular congregating point is a kind of saloon alley in Georgetown. It is the protests of Georgetowners—and most particularly a dozen or so Senators who live in Georgetown—which have raised the drinking-age issue on the Hill. The House has passed the bill; the Senate is giving it the careful handling appropriate to any hot issue.

Those who argue for beer and wine sales to 18-year-olds lean heavily on patriotism. Why, they say, should we refuse to sell beer and wine to young men who are eligible to fight and die for their country? This stirs us not. It does not follow that because a youth is eligible to be drafted he is therefore eligible for all other privileges and duties of citizenship. We do not, for example, hear any arguments that because a boy can be drafted at an early age the constitutional age minimum for Congressmen should be changed from 25 to 18½.

A total of 36 states now forbids alcoholic sales of any kind to minors. This is not repressive; it will not shatter the fun-loving spirit of young America; let them drink milk, or ginger ale, or root beer, or Coca Cola, or Pepsi Cola, or Royal Crown Cola, ar Tab, or Sprite, or what-have-you. We think a 21-year school drinking limit in DC would be a good thing.

This was a WTOP editorial, Jack Jurey speaking for WTOP.

THE CRISIS IN OUR SHIPBUILDING INDUSTRY AND MERCHANT MARINE

Mr. BREWSTER. Mr. President, our shipbuilding industry and merchant marine today face a crisis of vital concern to the entire Nation. This concern is reflected in a very stimulating speech I read recently by Mr. Daniel D. Strohmeier, vice president in charge of shipbuilding at the Bethlehem Steel Corp.

In his speech, Mr. Strohmeier notes America's excessive dependence on foreign-flag vessels for our foreign trade. Russia, on the other hand, is engaged in a stepped-up program in which she is constructing ships at a rate 10 times that of this country.

What may be of even more immediate concern to my colleagues in the Senate is the importance of the merchant marine crisis to the Vietnam conflict. Ninety-eight percent of supplies to that country are sent by ship, making it necessary for us to bring back to use over one hundred overage Victory ships of World War II vintage.

Mr. President, Mr. Strohmeier's speech strikes at the very core of the merchant marine problem. In the knowledge that my colleagues will want to read it, I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks of Daniel D. Strohmeier, Vice President in Charge of Shipbuilding, Bethlehem Steel Corp., Before the Chamber of Commerce of Metropolitan Baltimore, Emerson Hotel, Baltimore, Md., May 23, 1966

Mr. President, members of the Chamber of Commerce and guests. I am honored to have been asked to participate with you in the opening of Baltimore's World Trade Week. By coincidence or design today is also National Maritime Day, commemorating the first Atlantic crossing by an American steamship. It is therefore appropriate on this occasion to take a look at the ocean shipping services available to us, for without them there could be no world trade. Baltimore is one of the world's great seaports and in a real sense the prosperity of this entire area is dependent on the port. It is too easy to take for granted those natural advantages, the intelligent exploitation of which has provided the robust economy of greater Baltimore.

Not all cities are as fortunate. I am reminded of the time Chauncey DePew went to Denver as guest of honor at some civic function. There were many speeches by local dignitaries in which the central theme was that Denver would easily be the greatest city on earth if only it were a seaport. The guest speaker was finally called upon. As time had long since run out, he discharged his notes and made one of the shortest speeches of his life. He offered the good citizens of Denver a remedy. He said, "Run a pipe line to the Pacific Ocean and if you can all suck as hard as you can blow, Denver will be a seaport overnight."

Baltimore needs no such advice from me. The Lord provided a fine natural harbor, but the day of the Baltimore clipper, for which it was admirably suited, is gone. Ships are outgrowing your channels and port facilities and much work will have to be done to maintain your share of world trade. Philadelphia is planning a 50′ channel and Baltimore should not be caught napping with less.

A vital concern of the ocean shipping complex serving Baltimore is the American Merchant Marine. I propose to talk about this from a shipbuilder's point of view and so I plead guilty in advance to any charge that I am an interested party. In any event I should warn you that this is a subject fraught with controversy which can be avoided only by the use of the most sickening platitudes.

There are two matters that should concern all of you who have a long-term interest in the availability of shipping services.

One is our almost total dependence on foreign-flag vessels for our foreign trade. At present that reliance is about 91 percent and rising. This is a pretty sizable chunk to put at the mercy of our competition. My old granny used to tell me that if you put that many eggs in one basket, you should at least get a firm grip on the handle.

The other matter of concern is the massive build-up of the Soviet Merchant fleet. At present Russia is building ships at about 10 times our construction rate. In a few years, if they continue as they have assured the world they will continue, their fleet of cargo ships, bulk carriers and tankers will be far beyond the requirements of their own economy. Obviously, they intend to use this vast fleet as an instrument of their national policy. (After all, what maritime country does not?) In the hands of the Soviets that fleet will be used to break the market on any sea lane in the world at their pleasure. They will be able to destroy the economic basis of the ocean services upon which we are depending for our world trade.

As an instrument of our national policy, our merchant marine does not measure up to our stature as a world power.

We are today facing a crisis in American merchant shipping and American merchant shipbuilding. This crisis has been generated by a combination of national apathy and computer brinkmanship. The statistics tell the story and they are shameful. Today our active merchant fleet consists of about 900 vessels—most of them obsolete—and they are carrying less than 9 percent of our foreign trade compared with 24 percent 10 years ago. Over the last 10 years our merchant ship yards have been building replacements at less than half the obsolescence rate of even that fleet. This year new ship orders will meet only one-fourth of the obsolescence rate.

The age of the fleet clearly reflects this disgrace. The average age is 18 years. And the average is marching nearly in pace with the calendar. Seven ships out of ten are overage.

As a nation we are used to having the biggest and best of everything. In our merchant fleet, however, we have one of the smallest and worst. Americans should be ashamed of the fact that seven ships out of ten are below the standards set by African Liberia for vessel registry.

One might raise the question: Have we no Merchant Marine policy? The answer is that we do. But it is not being carried out.

In 1936 a national policy was formulated by a Congress and by a President who understood the significance of sea power. That policy was embodied in the Merchant Marine Act of 1936. Its ringing declaration of policy stated that our national defense and commerce require that this country have a merchant marine capable of handling all of its water-borne domestic commerce and a substantial portion of its foreign commerce. It stated further that such a merchant marine should be composed of American-built ships manned by American citizens. It provided the machinery, via subsidy, to implement that policy with a Government agency charged with fostering the development of such a merchant marine.

That was the law in 1936, and it is the law in 1966.

If it is our national policy to carry a substantial portion of our foreign commerce in American ships, why are we now carrying less than 9% and why are we now laying down so few new ships that they will support less than half of that 9%?

These are vital questions for everyone concerned with our foreign commerce and for every citizen concerned with our defense capabilities.

I believe these are the principal reasons for the present state of affairs:

First, there is a disposition in Washington today to ignore past experience. We got through World War II right side up only because we could bring the industrial might of America to bear against the enemy. Virtually all of it had to funnel through the stupendous merchant marine created through the expanding efforts of an already healthy shipbuilding industry together with the good luck of a time buffer furnished by England.

Unfortunately, there is today in Washington not one single key official who has any personal experience with what was required to achieve the World War II merchant marine. Furthermore, it appears that there is in Washington today a dearth of understanding of the significance of sea power.

Second, as a nation we are losing a sense of values and a sense of proper national priorities. If a project has glamour, it gets the green light. If it produces votes for the party in power, it is supported. But if it is necessary only for our survival but lacks glamour and votes, it is ignored.

Compare the paltry 400 million dollars a year for the whole merchant marine with 5 billion for space. Of the 400 million for the merchant marine only 85 are for new ships. Compare this 85 with a figure I saw the other day of 820 million to develop vehicles to travel on the moon—after we get there. Now, I thrill to the spectacle of our space exploits, and, after we do get to the moon, I expect to be emotionally intoxicated for a day or two. But really, you wonder about our sense of proportion when we spend 820 million for travel on the moon, where we don't live, and only 85 million for merchant ships to carry vital cargoes on the earth's surface where we do live.

A third reason we are in such a sorry posture at sea is what might be called computer-brinkmanship. Four years ago the Defense Department concluded that we had all the merchant ships we needed for any foreseeable military emergency and that, anyway, most of the men and materiel would be transported by air. The verities of the 1936 Merchant Marine Act were held to be out of date. In 1936 it was obvious that just about all of our overseas transport had to be by ship. But surely, it was held, we have an entirely different situation today. After all, much has happened in the last 30 years. We now have things we did not have 30 years ago: television, radar, lasers, transoceanic airplanes, helicopters, transistor radios, nuclear power, nuclear warheads, ICBM's and earth satellites.

Well, just how different are the logistics of war now from what they were 30 years ago? We don't have to guess. We now have a war on our hands against which to check the output of the computers and, incidentally, the quality of the input. What do we find? We find that for all of our vaunted progress since 1936, 98% of the Vietnam lift—you guessed it—is by ship.

For those of you who like to plot curves and speculate on the future, you might try this exercise. Against the Spanish-American War in 1898 (the last war before the Wright Brothers), show the logistical share by ships as a 100%. Against Vietnam 68 years later, show the share by ships as 98%. Now, with all the imagination you can summon, extend that curve into the future, and see if you can make it fall away fast enough to overtake the dwindling curve of availability of our already overage fleet. Anyone, with knowledge of the facts and ordinary intelligence, could see that those two curves will not cross.

Yet, Washington's computers concluded we had enough ships. Well, we have already found it necessary to break out 108 overage Victory ships from the World War II laid-up fleet. And we are scraping the bottom of the shipping barrel in an undeclared war that involves no enemy action at sea. I humbly suggest that this is brinkmanship of the most dangerous order.

Now, I do not wish to leave the impression that I alone have the insight to recognize the decline of the merchant marine. Others are concerned and there have recently been signs that some in Washington are becoming aware. Most everyone has a pet panacea, including me, and here is where the yelling begins.

An Interagency Maritime Task Force, consisting mostly of anonymous members from at least six Government departments, has issued a totally defeatist report. The gist of it is that only about ⅓ of 1% of our national budget can ever be spared on the merchant marine. Therefore, the way to get a larger merchant fleet under the American flag is to reapportion the pie—by spending less on new ship construction and more on the operating subsidies. An essential ingredient of this plan would be to permit, for the first time, the building abroad of American ships subsidized as to operations. The present Maritime Administration espouses this course in spite of its being charged by law with the promotion of an All-American merchant marine, and in spite of all the balance of payments considerations.

Another group, representing a wide cross section of ship operators, has recently advocated building abroad.

Both groups say they believe in a healthy shipbuilding industry but are content to leave it to the Defense Department. Sort of like sweeping it under the rug.

Still another group, the Presidentially-appointed Maritime Advisory Committee, would retain American shipbuilding and would impose flag-preference on bulk imports.

And the shipbuilders themselves, understandably, take a dim view of opening the flood gates to cheaper foreign-built ships.

It is obvious that the maritime industry in this country is fragmented by divergent views and contradictory opinions. The views of each industry group are expressions of raw self-interest, slightly disguised by an aura of enlightenment.

The subsidized lines, which comprise about one third of the active fleet, see the pie shrinking and, understandably resist admittance of new members to the club. They would like to have nearly all the money for themselves, including most of the funds heretofore set aside for the building of ships in the country.

The American-flag tramp operators have severe problems of their own. Unsubsidized directly, they operate mostly old ships, enjoy preference cargoes and face a serious replacement problem.

The tanker segment wants a minimum of Government interference or restraint.

The American-owned flags-of-necessity fleet, numbering over 400 vessels, is an important adjunct to our potential sea lift. They are engaged almost exclusively in the offshore dry or liquid bulk trades and are under constant bombardment from American labor. They most assuredly oppose suggestions of import quotas by flag-preference.

These divergent industry views are expressed by men of considerable stature, and they deserve attention. But it is obvious that all these views cannot prevail at once. And here is where we find that our leadership is bankrupt. In a field so closely identified with the national interest, that leadership must necessarily be supplied by the Government. When highly placed officials of our Government suggest that we can have a merchant marine to meet national objectives without a corresponding shipbuilding industry, I shudder. That is like trying to run a restaurant without an adequate kitchen.

The issue as I see it is whether we can have adequate sea power with a large and aging fleet in being but without proper replacement capability or with a balance between fleet in being and capability to expand rapidly. Put this way, the question answers itself.

If history is any guide, our next major war will be started by somebody else who will determine the time, the place and the weapons. My judgment is that it will not be a push button war of only a few hours' duration. It will be a war of wearing down—of attrition. It will be either here or abroad—and it had better be abroad. Here is where the merchant marine comes in as an arm of defense.

No nation has ever won a long war with just the hardware on hand at the start. This includes ships. In World War II, allied merchant vessels lost to enemy action totalled 4,786. Early losses averaged nearly 100 per month and this in spite of the fact that Germany began the war with only 47 submarines. Russia today has approximately 500. The probabilities are strong that our existing merchant fleet would de decimated by the end of the first year.

Where would the replacement come from? Surely not from the emaciated domestic shipbuilding industry we will have if the advocates of a build-abroad policy have their way. Then from our friends? Possibly, but it would be fatal to count on it. It is doubtful that their resources could support such an effort. Moreover, with the world in turmoil, the coefficients of international friendships are as variable as the weather. Consider the present state of flux.

SEATO has fallen apart as an effective instrument of defense. NATO is being rocked. The British Empire has ceased to exist as a major world force for peace and Britannia no longer rules the waves.

Our friends, to our discomfort, trade regularly with Cuba and Red China. We are even trying to dissuade some of them from going into Haiphong.

We were born a trading nation, and we are presently the World's greatest trading nation. However, it is too much to expect that today's good overseas commercial friends will be equally good military friends tomorrow. Their national interests and ours are not necessarily identical.

As one who has personal experience with our World War II shipbuilding effort I can say with fair certainty that, if we depart from tradition and build and repair our merchant fleet abroad, we shall no longer have a shipyard industry capable of doing the kind of job that may have to be done.

Now for a couple of the myths that are being circulated to confuse the maritime picture.

It has been fashionable of late, particularly in Washington, to assert that all other industries in this country can compete abroad and, therefore, the shipbuilders should be able to. Well, even our mass-production industries, which should have the best chance of successfully competing, cannot always do so. Instead, many build plants abroad to compete in foreign markets. A ship is not like an automobile, one make of which, Madison Avenue tells us, is spawned every 14 seconds. Of all man's creations it is one of the least susceptible to mass production. John Ruskin once gave some of the reasons for this:

"Take it all in all, a ship is the most honorable thing that man, as a gregarious animal, has ever produced. Into it he has put as much of his human patience, common sense, forethought, experimental philosophy, self-control, habits of order and obedience, thoroughly wrought hand work, defiance of brute elements, careless courage, careful patriotism, and calm expectation of the judgment of God as can well be put into the space of a ship."

I could add with less eloquence that a modern ship also represents the industrial product of our 50 states, from steel and nonferrous metals to electronics, furniture, paint, wood, machinery, equipment and the many thousands of specialty products from every major industry in the country—all purchased by the shipbuilder and incorporated in his final product.

In a modern cargo vessel, all of those products made by others represent about 55% of the cost of the ship. Construction subsidies at present are based on the assumption that the complete ship might be constructed abroad for about 45% of the domestic cost. All of which means that if a ship costs, say, 10 million if built here, it would cost only four and a half million if built abroad. Even if the American shipbuilder could reduce the cost of his shipyard operations to zero—which would be a remarkable performance—he still could not compete with his foreign counterpart, because his purchases alone would cost him five and a half million, or about 20% more than the price of the entire ship abroad.

If this is an indictment of anything, it certainly cannot be laid in the lap of the shipbuilder. It is rather a commentary on the American standard of living.

Another myth currently being circulated by officials in Washington is that our shipbuilding research and technology are laggard and behind the times.

Much of the criticism comes from those newly arrived on the scene. They reveal, without really knowing it, an impatience with the basic disciplines of naval architecture which the sea has dictated to man over countless centuries. This criticism would suggest that we should devote our research energies to assaulting the impregnable barriers erected by nature. But are we shipbuilders really unprogressive when we recognize and accept the truths that we know to be immutable?—for instance, that a cubic foot of sea water weighs today just what it did in the days of Noah's Ark?

We are chided by those who should know better that there is little new in ship design in contrast with the spectacular strides in aviation. However, we shipbuilders have not been standing still. We have been exploiting the exploitable just as the aviation industry has. We have for some time been pushing speeds close to the acceptable limits. The aviation industry is newly arriving at them. On the other hand, we have been able to exploit the possibilities of size growth to a greater extent than in aviation. A rough gage of relative progress is a comparison of the growth of speed-weight factors. It may come as a surprise to many of you that since World War II there has been more progress in shipbuilding in increasing speed-weight factors than in aviation. During this period, the adult has grown faster than the child.

Now, back to the main theme of our tottering merchant marine.

What does all this boil down to? Most people who have stood up to be counted agree generally on one point regardless of their disagreement as to details. That is, that our merchant marine is not healthy enough to serve the national interest.

As I see it, if we intend to be a world power, we must act like one. This means facing up to the necessity of spending what we have to spend to carry out the policy of the Merchant Marine Act of 1936, whose principles ring as true today as they did then.

When things are not going well, it is only human nature to seek a scapegoat. To blame the Maritime Administration or the Pentagon for the ills of the Merchant Marine is to oversimplify the matter. In the final analysis, only Congress has the power to deal effectively with the situation and this is where we as responsible citizens must act under our form of government. This is an election year. Anyone concerned with that part of our well-being dependent on foreign commerce might well ask of a candidate: "What are you going to do about the Merchant Marine?"

The cost of not being prepared is many times the cost of foresight. I suggest we wake up while there is yet time and postpone our trip to the moon if necessary to get on with the task of implementing our established national maritime policy.

THE 26TH ANNIVERSARY OF THE OCCUPATION OF ESTONIA, LATVIA, AND LITHUANIA BY THE SOVIET UNION

Mr. SIMPSON. Mr. President, 26 years ago the Soviet Union, acting in violation of every covenant of human decency and international law, occupied the Baltic States—Estonia, Latvia, and Lithuania. The articulate and learned Senator from Colorado, PETER DOMINICK, has authored a statement on the occupation of the Baltic States. Unfortunately, he is not able to be here today to personally deliver it. It is my privilege, therefore, to ask on his behalf that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOMINICK

For 26 years the Baltic people in the Free World, as well as those enslaved in their homelands, have been striving to return freedom, democracy, and self-determination to the Baltic States. The spirit involved in their continuing struggle is obvious to all of us, for they are faced with a power far too strong for them to overcome alone, and long before now discouragement could easily have set in. The flame of freedom could have been quenched by the Soviet Union with oppression and subjugation.

But that is not the case. With every act of inhumanity, in spite of every moral and legal injustice they have suffered, the courage to regain their rightful freedoms increases in the Baltic peoples. Estonia, Latvia and Lithuania have continued the battle in spite of overwhelming odds and in spite of their hesitancy over the commitment of the United States, as leader of the Free World, to their cause.

I think today is appropriate, for a reaffirmation of our commitment. There is no more meaningful day than this to encourage the once proud republics of the Baltic States. There is a more meaningful way than mere words, however, to express our commitment, and I suggest to my colleagues that perhaps we should consider once again our policies toward the Soviet Union. We must view its acts as usurpation of the liberties of people who deserve as much as we do the fruits of their own labors and the welcome responsibilities of self-determination. I suggest that it is high time we looked at Soviet Russia in the light of Russia's illegal occupation of these Baltic States and take steps to emphasize the weaknesses in the overall communist system.

Instead of strengthening the holds the communist masters have over the Baltic States through trade on the communists' terms, let us say to Russia, "If you want our wheat because your agricultural system has repeatedly failed, we'll sell you wheat for cash if—and only if—you grant freedom of access to Estonia, Latvia, and Lithuania to United States news reporters." We could garner the fruits of trade with the Soviet Bloc if they, in return, conceded to us significant political rights such as this. The battle of free men would be advanced by such a policy and the hunger for freedom inherent in the Baltic peoples would be nourished. We would show to other enslaved peoples of the world that we mean what we say and that we have the strength of commitment to constructively work toward their eventual liberation.

I join with my colleagues in again pledging my efforts toward eventual liberation of the Baltic States, and of every enslaved nation in the world. I hope the day will come when we may join hands with Estonia, Latvia and Lithuania in the community of free nations whose goals echo freedom of opportunity to enlarge their own horizons in peace and with justice.

BIG BROTHER, LITTLE BROTHER

Mr. LONG of Missouri. Mr. President, a recent editorial from the Newark, N.J., Evening News, raises a very serious question. If Big Brother, "the all-knowing ruler of the year 1984," is not yet watching, are we being surrounded by a lot of "little brothers"? And if these little fellows are not spanked and harnessed, will they result in our society "living in fear of Big Brother"? Mr. President, this is a most thought-provoking editorial, and I ask unanimous consent to insert, at this point in the RECORD, the editorial dated March 25, 1966.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO BE ALONE

The "bugged" martini is probably the most ludicrous example of the lengths to which snoops will go. But there are simpler methods, and apparently they abound: A Harvard professor, whose character is considered above reproach by a U.S. senator, is placed under surveillance during a trip abroad; private detectives look for damaging evidence in the personal life of a lawyer who criticizes automotive safety; a spy is planted in a drug firm by a company specializing in industrial undercover work.

Big Brother, the all-knowing ruler of the year 1984, is not watching. Not yet, anyway. But a lot of little brothers are and as they do they raise questions that defenders of the individual have constantly struggled to answer. The late Justice Brandeis, dissenting from a 1928 Supreme Court ruling that wiretapping was not an unreasonable search and seizure, went back to the framers of the Constitution to argue . . . "They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the government, the right to be let alone."

Dr. William Beaney, Cromwell professor of law at Princeton, agreed in testimony before a House subcommittee investigating the invasion of privacy. Dr. Beaney, aware that a final definition of privacy is elusive, did, nonetheless, call for an inventory of activities that raise the issue of privacy and dignity.

Dr. Beaney's suggestion has generally gone unheeded. Some intrusions may have been justifiable; others could have been pernicious, while still others could best be categorized as absurd. But if such practices are to go unchecked, they could result in a society of living in fear of Big Brother.

THE REAL REASONS FOR OUR PRESENCE IN SOUTH VIETNAM

Mr. McGEE. Mr. President, the real reasons for America's presence in South Vietnam are set forth quite realistically, I think, in a column Howard K. Smith wrote for the Evening Star. Smith asks if the United States is pleading its case in Vietnam on the wrong grounds by emphasizing legal and moral reasons for our presence. And he prefers, as I do, to argue the case for our presence in Vietnam on the basis of political realities.

The "real and relevant" explanation for our presence in Vietnam, he says, "is that this is a power struggle the loss of which would bring consequences awful to contemplate." Mr. Smith states the consequences in this column, Mr. President, and they are indeed awful to contemplate. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS UNITED STATES PLEADING VIET CASE ON WRONG GROUNDS?

(By Howard K. Smith)

Every successive opinion poll shows that our appetite for resisting in Viet Nam is declining, and that President Johnson's stock with the voters is going the same way.

One cannot help thinking that the administration is not putting its case to the American people in proper terms. Of several faults, one is outstanding: The President and Secretary of State Dean Rusk and their colleagues almost always justify our effort in Southeast Asia on legal or moral grounds. The fact is that the struggle there is essentially and overwhelmingly a power struggle which we would probably have to undertake regardless of law or morality.

This is not to agree with the host of guilt-ridden critics who believe our moral case is bad. Compared with our foe's case, it is downright good. Ho Chi Minh has never dared submit his regime to a free election such as we are pressing for under U.N. inspection in the south.

His instrument of power has been terrorism. His "reforms" left the average North Vietnamese peasant considerably worse off that the average South Vietnamese peasant—until Ho made life in the south impossible by the murder of nearly all local officials and the systematic intimidation of the rest. It is an eloquent fact that though war-weary

South Vietnamese dissent or riot or desert the forces, none go over to the Viet Cong.

But the real and relevant explanation of why we are fighting is that this is a power struggle the loss of which would bring consequences awful to contemplate.

To make the point, consider what would happen, first if they, then if we, prevail.

A Communist success, following an American withdrawal, would be an "open-ended" result. It would sharpen their appetite and desperately weaken the resistance of neighbors waiting to be consumed. It would justify the basic motivation of their ideology which is blind faith in a world interpretation that promises universal dominion at the end of the road.

The "domino" theory is much discredited in conversation. But the facts of life are these: Laos and Cambodia are shot through with guerrilla forces trained where those now in South Viet Nam were trained. Our AID officials in Thailand are watching a guerrilla minority, trained in the same place beginning to accumulate power by methods of pure terror in northeast Thailand.

China has made public the intention of adding Thailand to her bloc, and her actions over many years make clear her ultimate design of forcing the disintegration of India, the only possible counter-force to China south of Japan.

In short, a Communist success would be a destabilizing event; it would be bound to lead to further and worse conflicts.

A success for our side, on the other hand, would be a stabilizing result. As in Europe, we seek no territorial gain. Our aim is to find a line and establish the principle that we will not cross it to their detriment if they will not cross it either.

In the age of nuclear weapons it is a paramount mission to establish this principle that borders may not be changed by force in Asia—just as we established it in Europe. With China rapidly becoming a nuclear power, we dare not relinquish the effort now by curtailing our force or withdrawing it.

In his recent history of our times, Prof. Carroll Quigley makes the point that Germany, Italy and Japan gained immensely more by losing to us in World War II than they could have possibly have gained by winning. Had they won, their governments, filled with the seeds of their own degeneration, would have been stimulated to infinite acquisition, with consequent national impoverishment and eventual annihilation by the United States. As it is, they have stabilized, become progressive, democratic and prosperous societies.

Very much the same can be said about the Communist nations of Asia. If they win in Viet Nam, they will move on indefinitely to extend their sway. At some point the United States would be forced to intervene again, this time with the support of the opinion polls of a frightened public that at last would see the real nature of the struggle. A much bloodier war would result.

South Viet Nam is the right place and this is the right time to make a stand.

KANSAS DETERMINED TO REBUILD AFTER KILLER TORNADOES

Mr. PEARSON. Mr. President, last Wednesday, June 8, a series of killer tornadoes struck Kansas. Approximately 15 tornadoes were sighted and several of them touched down and left paths of violent destruction. A good number of communities and farm sites were affected. All together 17 persons were killed. Over 500 were injured with almost 100 of these requiring hospitalization. Preliminary surveys supplied to me by the Red Cross show that 818 homes were destroyed, 938 with major damage, and 1,116 with minor damage. In addition almost 100 house trailers were destroyed or received major damage. All together a total of approximately 3,300 families suffered losses.

In the city of Manhattan approximately 75 homes in a newly developed section of Manhattan were either destroyed or received extensive damage. At Kansas State University all but two of the married student housing apartment buildings received such major damage that they have had to be evacuated.

The greatest destruction, however, was concentrated in Topeka, the State's capital. Here 16 persons were killed and approximately 2,000 homes destroyed or damaged. Several apartment buildings were also hit, leaving a total of 3,000 families homeless. Approximately 200 business firms were destroyed or received major damage. One automobile dealer lost 275 automobiles through the storm.

The city's Washburn University was especially hard hit. President John W. Henderson states that the losses to the university are probably "the largest damage ever to any institution of higher learning."

Preliminary estimates placed the loss for Topeka at $150 million. However, several building experts believe that final estimates may well show damages of at least $300 million.

Mr. President, an article in this morning's, June 15, Wall Street Journal describes the death and destruction which was visited on Topeka a week ago. It also reports on the tough determination of Topekans to rebuild their devastated city. While I visited Topeka last Friday, I was impressed by the manner in which all the city's citizens were working together to clean up the debris and to make their city operational and livable as soon as possible. Topeka Mayor Charles W. Wright, and Topeka Water Commissioner C. Frank Mannspeaker, are today here in Washington seeking assistance in planning and funding rehabilitation of the city, which suffered what some believe is the worst damage ever sustained by a metropolitan area from a tornado. Housing, mass transit, education—all suffered heavily from the twister. The Wall Street Journal article describes this mood of determination and cooperation very effectively and I ask unanimous consent that it be printed in the RECORD at the conclusion of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PEARSON. Mr. President, it is encouraging to report that all the regular natural disaster programs and agencies are being effectively used to help Kansans recover as rapidly as possible from this disaster. However, as I stated last Thursday upon introducing a special disaster relief bill, I believe that additional programs beyond those by present law are needed in order to provide reasonable and necessary relief. President Johnson has declared Kansas to be a national disaster area, indicating that this was a disaster of truly major proportions.

EXHIBIT 1

[From the Wall Street Journal, June 15, 1966]

TORNADO AFTERMATH: TOPEKA DEMONSTRATES HOW CITY CAN REBOUND IN WAKE OF A DISASTER—DEVASTATED AUTO DEALERSHIP RENTS FAIRGROUND FACILITY; COLLEGE USES HIGH SCHOOL—THE ENORMITY OF REBUILDING

(By James C. Tanner)

TOPEKA, KANS.—Parts of the roof and walls are missing from Cyrus Guthrie's corner grocery store. Canned goods and packages of detergents are strewn in front. Electricity is still off. Homes of most of the store's customers are heaps of debris. But groceryman Guthrie is open for business—almost as usual.

The Guthrie store, a concrete building in northeast Topeka, was wrecked by a tornado that killed 17 persons and left a $150 million scar across this state capital city of 130,000 last Wednesday evening. When the warning sirens sounded, Mr. Guthrie closed his store and headed for cover. Later he returned to the area to help haul out the injured and to spend a weary night at his battered store giving away flashlights from his stock to dazed and homeless neighbors.

By dawn the next day, Mr. Guthrie was out rounding up carpenters and scrambling for materials to patch up the store. Like most Topekans with property in the path of the storm, he had insurance, but not nearly enough. Mr. Guthrie had coverage of only $3,000, and he says he "threw away that much" in ruined vegetables and other perishables.

"It knocked me down, but I'm coming back," he vows.

Mr. Guthrie's determination demonstrates the resiliency a city struck by disaster can display. Although still digging out of the debris, most Topekans already are bouncing back from the most destructive act of nature in the state's history. Mobilizing quickly, the city began the process of getting back on its feet almost as soon as the funnel lifted.

FEDERAL AGENCIES ACTIVE

"Open for business" signs on boarded-up storefronts and propped-up walls are evident throughout the tornado's path. Cleanup crews working round the clock are rapidly clearing away tons of debris. Many businessmen and homeowners are already rebuilding. Hundreds of volunteers are pitching in to aid the tornado's victims, and Uncle Sam is lending a hand, too. President Johnson has declared Topeka a disaster area eligible for Federal aid, and Federal agencies are opening makeshift offices all over town.

It's very likely that some areas of Topeka—particularly in the blighted lower-income northeast section of the city—will emerge from the devastation of the tornado in better physical shape than they were in before. New housing and shopping areas are already being planned.

Moreover, the whirling winds of the storm had hardly died before city fathers were dusting off plans, dormant for a decade, to build an expressway from southwest to northeast Topeka. The route, as initially planned, ironically parallels the path of the tornado. Previously, the right-of-way was too expensive. "But that's all unimproved property now," says one city official. City emissaries are in Washington right now laying their proposals before Federal authorities.

PREPARING FOR DISASTER

Topeka probably has fared better than many other comparable-sized communities would if they were hit with a disaster of this magnitude. Living as they do in the heart of mid-America's "tornado alley," Topekans are no strangers to violent weather, even though until last week the city had never been hit by the full force of a tornado. Hail storms are common here. Also, Topeka out-shines many a larger city in its elaborate preparations for disasters. Local officials take pride in a civil defense center located in the subbasement of a recently built courthouse. There, strategy had been mapped to cope with disasters ranging in size up to nuclear attacks on nearby Forbes Air Force Base. Moreover, Topeka's storm-warning system is second to none. "Weather watchers," mostly volunteers, are posted around the city in radio-equipped cars whenever tornado conditions exist, and special warning sirens sound in every section of the city whenever a twister is sighted visually or on radar.

But there are some lessons to be learned here. Many new homes built in Topeka in recent years had neither storm cellars nor basements, as evidenced by all the concrete slab foundations exposed to view today where houses crumbled when the tornado struck. Although the loss of life was relatively small because of the repeated visual sightings of the tornado and other warnings, injuries are estimated as high as 500. These casualties could have been sharply reduced if everyone had taken proper precautions, it's generally agreed. It's even being suggested that all new homes be required by city ordinance to have a basement.

Many Topekans concede they were slow to act when the sirens sounded last week because the warning blasts had already come several times this spring and nothing much had happened. Darold D. Main, chairman of the Board of the Shawnee County Commissioners, admits he was nonchalantly working at his desk on the second floor of the county courthouse while the sirens were wailing last week. He paid little attention until debris flying past his window sent him scurrying to the civil defense shelter three floors below.

Many Topekans also appear to have put more stock in an old Indian legend than in sirens. The legend had it that Topeka was immune to tornadoes because of a feature of its topography, specifically a hill southwest of town named Burnett's Mound after the Indian chief said to be buried there. The reasoning was that since tornadoes usually move in a northeasterly direction, the hill sat directly in the path that would normally be taken by a twister headed toward Topeka. The storms would break up at the mound, never touching Topeka—or so the story went until last week.

Just before sundown last Wednesday, weather watchers stationed atop Burnett's Mound sighted a funnel moving toward the city. It didn't stop at Burnett's Mound. It danced across the hill, smashed into Twilight Street on the southwest side of Topeka and then swept northeastward with what one witness says was "the roar of 100 trains" through the city's most heavily populated sectors. The boiling black cloud ripped a half-mile-wide swath for 10 miles, whipping hard by the Weather Bureau building at the airport on its way out of town and sending the meteorologists who had earlier ordered the sirens sounded diving for cover amid flying glass.

For many Topekans the situation has never been so grim. Many lost relatives and friends; hundreds lost their life's savings. The storm left 3,000 families homeless, destroyed 200 business firms, leveled most of the stately old structures on the Washburn University campus, destroyed other buildings, and nicked the State capitol. It also overturned buses and boxcars and sucked windows from buildings and autos three blocks away from the tornado's trail. Some Topeka debris later turned up 75 miles away.

A BIG JUNKYARD

Until the bulldozers got busy, much of Topeka resembled a giant automobile junkyard, with 8,000 to 10,000 cars in tangled heaps. "This is the most terrible thing that ever happened," says William Alexander, a retired businessman. Disaster experts are just now totaling up the damages. At city-owned Washburn University, losses that are described by President John W. Henderson as "the largest damage ever to any institution of higher learning" are expected to approach $10 million.

Wrecked business structures in Topeka are swarming with some 150 insurance estimators. The Santa Fe Railway has figured damage to its facilities here at $2 million. Southwestern Bell Telephone Co. estimates its losses at more than $1.3 million; 18,000 phones were out right after the storm. Local Dodge dealer Claude Shortman, who lost 275 automobiles (175 of them new) and a dozen trucks, says his damages will surpass $1 million. All told, some building experts believe, the ultimate loss tally could run double the early estimate of $150 million.

In one low-income area hit by the tornado, insurance won't cover more than 20% of the overall loss, according to city auditor Charles Holt. Henry A. Bubb, president of Capitol Federal Savings & Loan Association, which holds about 90% of the mortgages in two fashionable residential sections in southwest Topeka that were hard hit, estimates replacement costs in those neighborhoods will exceed insured value by at least 10%.

HELP FROM WASHINGTON

Also, it's generally agreed that replacement of demolished properties will take considerable time, both because of a scarcity of labor and today's tight money situation. "We ought to be able to rebuild Topeka within a year," says contractor Clyde Senne. But businessmen like Dodge dealer Shortman fear that financing probably may slow rebuilding.

The Small Business Administration has already set up offices here—it had more than 50 inquiries the first day—to make disaster loans to both homeowners and businessmen. Topeka banker R. C. Clevenger expects to be swamped with pleas for financing. He says a bookbinder telephoned him before the bank opened the morning after the tornado to ask for help in lining up a building in which he could relocate his devastated business.

Officials like Robert Jones, Shawnee County civil defense director, worry that Topekans don't realize the enormity of the rebuilding task ahead. Some fret, too, that the initial enthusiasm to clean up and restore the tornado-damaged areas may wane. "The real test will be where Topeka is at this time next year," says Capt. James F. Barker, who directs Salvation Army aid units that are gathered here from 24 Midwestern communities.

Efforts to clean up and achieve a semblance of normality did indeed move at a feverish pace in the days immediately after the tornado. A five-mile long caravan of trucks, many hauling heavy tractors, was rushed here by the Kansas City, Mo., parks department. Equipment from as far away as St. Louis and Houston was also sent, and offers of help arrived from around the country.

A Phoenix, Ariz., mobile home dealer pledged temporary housing for displaced Topekans. Kansas, Oklahoma and Nebraska Mennonites, carrying axes and other tools for cleaning debris, were on hand within eight hours after the storm; they are part of the Mennonite Disaster Service, an organization within the Mennonite Church.

VOLUNTEERS FLOCK TO HOSPITAL

State Rep. Robert Harder, who directs Topeka antipoverty programs and whose district makes up 40% of the damaged zone, is supervising up to 3,000 local volunteers in social and welfare work for the tornado victims. Disaster agencies such as the Red Cross are staffed with an abundance of local volunteer personnel. Mrs. Viola Remington, a supervisor at city-owned Stormont-Vail Hospital, where 150 injured were taken, says that within minutes after the arrival of the first patient, she had more voluntary help than she could use.

Even business firms directly hit by the storm did their part. Whelan Lumber Co. is located in the center of the path taken by the tornado. But two hours after the storm, workers had cleared away enough debris so that the firm could start selling plywood sheets to other disaster victims for boarding broken windows.

Within half an hour after the storm lifted, Fleming Co., a grocery wholesaler whose executive offices in downtown Topeka were heavily damaged, was aiding four local customers whose stores had been hit by the storm. Eight Fleming workers were dispatched to help them that night. In one case, Fleming trucked a grocer's merchandise from one store that had been heavily damaged to another that had been left intact. Kansas Power & Light Co., with $500,000 worth of damage of its own to worry about, is waiving June bills for all customers whose property was hit by the tornado.

Topeka obviously has a long way,to go to recover from last week's catastrophe. But the speed with which some of the hardest-hit victims of the tornado have started to get back on their feet is impressive. By 9 a.m. of the morning after the storm, Dodge dealer Shortman had leased a building at the state fairgrounds. By noon, he was back in business with 30 cars hauled in from Kansas City. This past Monday Washburn University began its summer session on schedule, holding classes in a high school, and the college is laying plans to be back on campus by September.

FALLING MILK PRODUCTION MAKES HIGHER PRICE SUPPORT NOW IMPERATIVE

Mr. PROXMIRE. Mr. President, the production of milk in this country in May was the lowest it has been since 1940—26 years ago when the population was 131,669,275.

Production was 4 percent below May of 1965. For Wisconsin as the Nation's largest milk producer, production dropped a big 6 percent. For Illinois, Michigan, Minnesota, and Iowa the drop was 7 percent.

Mr. President, this should serve notice on the Secretary of Agriculture that the $3.50 support price which he set for milk last April 1 is grossly inadequate.

The law specifies that the Secretary shall set the support price at that level which will assure the American consumer of an adequate supply of milk.

With a rising population, with a greater affluence—and ability to afford this most nutritious of foods, with a greater knowledge of the importance of an adequate diet to good health it is clear that the milk production that was sufficient for a nation of 133 million in 1940 is far from enough for a far more prosperous nation of 195 million today.

The production of milk is going to be grossly insufficient to meet the Nation's needs unless the Secretary acts promptly to lift the support price to at least $4 a hundredweight and promptly.

THE ELECTIONS IN THE DOMINICAN REPUBLIC

Mr. INOUYE. Mr. President, recent free elections in the Dominican Republic are now a part of history.

I believe that many Americans were surprised when the results were in. Many of us believed, on the basis of widespread press reports, that the leftist forces would carry Juan Bosch to an early victory.

Such was not to be the case, however, and only this week Mr. Bosch finally conceded defeat.

Since the people of the Dominican Republic freely chose Joaquin Balaguer as their new President, perhaps it is time for some of us to reconsider our former views on the action taken by President Johnson in sending U.S. Marines into that country to protect American citizens on April 28, 1965.

An editorial by Newsday, the prominent suburban newspaper in Garden City, Long Island, N.Y., makes some interesting comments on the President's action in the light of subsequent events. If there are no objections, I ask that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The President Vindicated

On Wednesday April 28, 1965, President Johnson ordered Marines to land in the revolt-torn Dominican Republic "in order to give protection to hundreds of Americans . . . and to escort them safely back to this country."

When it became apparent that Communists and their sympathizers were seeking to exploit the revolution, and to transform the Dominican Republic into another Cuba, the President dispatched additional thousands of troops to insure stability and to pave the way for a freely-elected government.

The torrent of scorn, criticism and obloquy that descended upon Mr. Johnson needs to be remembered, nearly 14 months later, now that, our intervention is ending so happily and so calmly in the free, democratic election of Joaquin Balaguer as President of the Dominican Republic.

Sen. Wayne Morse, Democrat, of Oregon, who has become an unrelenting Johnson critic, wailed: "Have we lost our minds?" Sen. J. William Fulbright, Democrat, of Arkansas, chairman of the Senate Foreign Relations Committee, held a series of closed hearings that ended without the issuance of a formal report. Reason: The committee members split between those backing the President and those opposing him.

Nonetheless, Sen. Fulbright took the floor (Sept. 15, 1965) to term the intervention a failure, largely because of bad advice given the President by his aides. He accused these advisers, in essence, of panicking because they accepted "exaggerated estimates of Communist influence in the rebel movement." He added: "the decision to land marines was based primarily on the fear of 'another Cuba' in Santo Domingo. This fear was based on fragmentary and inadequate advice."

The New York Times, from the beginning, took a negative attitude toward the intervention, in one editorial describing the Dominican situation as "a morass;" in another declaring that the United States had been "reduced to a role of impotence" in dealing with a Dominican military junta that sought to restore order; and in a third suggesting that "the revolution they (the Dominican people) now demand can perfectly well be achieved through the Alliance for Progress, so long as that genuinely revolutionary plan is applied vigorously to bring social justice to all Dominicans and not to a chosen few."

Those latter phrases are an echo of a July 1959 Times editorial referring to Fidel Castro's rise to power: "Cuba is beginning a social revolution of a drastic nature." The author of many Times editorials on Latin America is Herbert L. Matthews. As a reporter covering Castro before the latter came to power he created the picture of a dauntless revolutionary that deluded many Americans into ignoring Castro's obvious Communist bent.

Well, Cuba was not a social revolution, and neither was the Dominican Republic. The same Red hands guided them both. Fortunately, once bitten, twice shy. President Johnson took the proper action. The result is a government in the Dominican Republic elected under the strictest supervision, an election that every observer, including the American Socialist Norman Thomas, acknowledges was fair and free. The result will be change by evolution, which Americans support, rather than change by revolution, which Communists support.

The new regime in the Dominican Republic is now able, at long last, to proceed to bind up the wounds of that tortured country, which plunged from the dictatorship of Trujillo into a series of elections and finally an uprising. The President has been totally vindicated. His judgment was correct, his advisers were right, and he deserves the thanks of all Americans, those in Latin America as well as in our own country.

WASTE IN FEDERAL EXPENDITURES

Mr. MORTON. Mr. President, I have received a letter from the academic dean of Midway Junior College, Midway, Ky., pointing out a small but significant waste in Federal expenditures. I ask unanimous consent that the letter, together with the enclosed telegram, be printed at this point in the Record.

There being no objection, the letter and telegram were ordered to be printed in the Record, as follows:

Midway Junior College,
Midway, Ky., June 6, 1966.

Hon. Thruston B. Morton,
Senate Office Building,
Washington, D.C.

Dear Senator Morton: Enclosed is a telegram (misaddressed) received at Midway Junior College last week. Apparently such telegrams were sent to all institutions of higher education throughout the country.

As you can easily see, the telegram approaches asininity taking approximately 135 words to convey an inconsequential message. This is a small, though lucid, example of the waste characterizing current federal bureaucratic procedures. Perhaps the opportunity will arise for Congressmen to voice their opinions.

With best wishes.

Constantine W. Curris,
Academic Dean.

Washington, D.C.,
May 27, 1966.

President Albert N. Cox,
Midway Junior College,
Midway, Ky.:

President Johnson, last week, announced the launching of National Teacher Corps, a program which promises to open a new era of cooperation between the local education agencies, colleges, and universities, the States, and the Federal Government in assisting school districts to attack the educational problem of deprived youngsters. I am asking your assistance in this vital and innovative effort. Within the few next days you will be receiving a letter from the National Teacher Corps with information about the program and suggestions for what you can do during the next two weeks in providing information to potential applicants, explaining the goals of the program, and creating a climax of understanding in your community. I hope you can assist in this vital national effort and I welcome your report of any activity you will undertake. Thank you.

Hubert H. Humphrey,
Vice President.

GIFT TO WAYNE STATE UNIVERSITY OF THE PAPERS OF THE LATE SENATOR PATRICK V. McNAMARA, OF MICHIGAN

Mr. HART. Mr. President, in the belief it will be of real interest to his colleagues, I ask unanimous consent that an announcement made last Friday by Wayne State University that it will be the depository of the papers of the late Senator Pat McNamara be made a part of the Record.

There being no objection, the announcement was ordered to be printed in the Record, as follows:

The papers of the late Senator Patrick V. McNamara have been given to Wayne State University, President William R. Keast announced today (Friday, June 3).

More than 1,500,000 items, including official documents and correspondence relating to the career of Senator McNamara who died April 30, are included in the gift. The period covered is from 1955 to 1966, the years McNamara served in the Senate. McNamara was a member of the University's governing body, then the Detroit Board of Education, from 1949 until his election to the U.S. Senate in 1954.

Included in the files are historical materials on federal highway programs, public works, the St. Lawrence Seaway, education, labor management relations, problems of the elderly, the War on Poverty, and civil rights.

As Chairman of the Senate Committee on Public Works and ranking majority member of the Labor and Public Welfare Committee, Senator McNamara played a key role in legislation enacted in these areas during the Kennedy and Johnson administrations. Also included is material on his work with the Senate Special Committee on the Aging, of which he was Chairman from 1961 to 1963.

In the files are letters from Presidents Kennedy and Johnson and his colleagues in the Senate and House of Representatives.

Dr. Philip P. Mason, archivist at Wayne State University, in accepting the gift from the Senator's widow, Mrs. Mary McNamara, said, "The files will be invaluable to historians studying the 1950's and the 1960's. The University is pleased that it was selected to house the collection. We hope that later we will receive installments of the Senator's papers relating to his important contributions to Detroit and Michigan before he entered the Senate. Included in this period is Senator McNamara's service as Detroit area rent director, as a member of the Detroit Common Council and as a member of the Detroit Board of Education."

The Senator's papers will be housed in the proposed Labor History Archives Building recently given to the University to honor Walter P. Reuther's 30 years of service to the United Automobile Workers.

Senator McNamara was born October 4, 1894 in North Weymouth, Mass. He attended Weymouth public schools and came to Detroit in 1920. He became active in civic and union affairs, while earning his living in the construction industry. For 20 years, he served as the unsalaried president of Pipefitters Local 636 (AFL).

In 1942, he was appointed Detroit Area Rent Director for the Office of Price Administration, serving in that capacity until the end of World War II.

At the time of his election to the Detroit Board of Education, the then Wayne University was a part of the Detroit school system. Senator McNamara participated in the early planning that eventually led to Wayne becoming a State University in 1956.

DISPLAYING THE FLAG

Mr. TOWER. Mr. President, I wish to call the attention of the Senate to the fact that yesterday, when the Senate was not in session, the Nation observed Flag Day. This is a day that has been set aside each year so that the country may pay its respects to the banner under which so many of our men have fought and are still fighting to preserve our Nation's freedom.

At this same time, Mr. President, I would like to again call for the Senate's consideration of my flag resolution, Senate Resolution 237, calling for a study of the proper way in which a flag should be displayed and the respect that it is due. There still exists a good deal of confusion as to what is proper concerning the flag and what is not. There is no better time to expedite this matter than at the time when it is being duly honored. Yesterday Americans all over the world took special note of "Old Glory." I call for us here in the Senate to soon do just that by considering Senate Resolution 237.

THAT WE MAY BELIEVE AGAIN

Mr. LONG of Missouri. Mr. President, the freedom-of-information bill—S. 1160—is now very close to becoming law. Recently, the House Government Operations Committee reported to the House of Representatives S. 1160, without amendment. It is my understanding that House action on this bill may come later this month.

The Mexico Evening Ledger, an award-winning Missouri paper, has recently made some interesting observations about the public's right to know. The Ledger points out that some Government employees and officials just do not want anyone to know about their mistakes. "That's understandable," says the editorial, "but not intelligent."

I ask unanimous consent to insert, at this point in the Record, the editorial from the May 19, 1966, issue of the Mexico Evening Ledger.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Mexico Evening Ledger, May 19, 1966]

THAT WE MAY BELIEVE AGAIN

Why do some government employees and officials resist the public's right to know?

Because they don't want anyone to know about their mistakes.

That's understandable.

But not intelligent.

A vast majority of government employees and government officials do good work. Their mistakes are few—very few.

Further, the American people know government employees are people, too. They know nobody is perfect. They expect mistakes. They forgive mistakes . . .

. . . But what they won't forgive is not-knowing.

For by not-knowing, doubts arise.

And doubts are the steel and stone of no confidence.

The one impossible to tolerate condition in any government is a lack of confidence by the people.

Deny people full enough knowledge of what's going on in government and you have sown a crop of non-confidence.

That condition is growing today in our own government.

Here are a couple of samples:

Representative Edward Hutchinson, Republican, of Michigan, sent a questionnaire to 138,000 constituents and received nearly 14,000 replies. One question was: "Do you feel the Federal government gives the people reliable information on what it is doing?" The response was "Yes" 23.5 per cent, "No" 67.8 per cent, and no answer 8.7 per cent.

Representative Clark MacGregor, Republican, of Minnesota, polled 130,000 families in his district, receiving over 18,000 answers. One question was: "Do you feel that the executive branch in Washington is providing adequate factual information to Congress and to the American people?" Answering "Yes" were 15 per cent, "No" 70 per cent, undecided or no answer 15 per cent.

Both these congressmen are Republicans so you expect a majority of their constituents to be antiadministration.

However, Democratic congressmen are also concerned by what is now called the "information gap" or "confidence gap."

Increasingly, our people are hearing about actions taken by our government, kept secret from the American people by our government, and announced later by a foreign government.

Further, increasingly, the tricks and techniques of public relations are being used by our government on our people.

When used properly, such techniques help us be better informed. When misused, the result is that we know less and a feeling of less confidence grows.

James Reston of the New York Times made a speech the other day on the subject.

He said that if we newspapermen were as good as we should be in covering our government, "it could help us believe again."

It could.

And the strange part of it is that our government is the best in the world; our government employees now and in the past are basically excellent; our present administration is good to excellent . . .

And yet, there continues to be a tendency to control or suppress too much news.

That is indeed a serious mistake.

THE TRANSFER OF THE FEDERAL WATER POLLUTION CONTROL ADMINISTRATION TO THE INTERIOR DEPARTMENT

Mr. MUSKIE. Mr. President, several of my colleagues and I were concerned that the national program for abating water pollution would be retarded, temporarily at least, by the transfer of the new Federal Water Pollution Control Administration from the Department of Health, Education, and Welfare to the Department of Interior.

While it is too early to determine whether our fears were justified, I was encouraged to read in the May 15 issue of Environmental Health Letter that Interior Secretary Stewart Udall is optimistic about the new administration in his Department.

Mr. Gershon W. Fishbein, publisher of the Environmental Health Letter, reported:

> Udall had a ready answer for those who complain that the loss of key PHS Commissioned Corps personnel will mean a serious setback in the water pollution program. Not so, he said. While recognizing the serious loss of some experienced PHS water scientists, Udall pointed out that some of his own people in U.S. Geological Survey, Fish and Wildlife and Bureau of Reclamation and Bureau of Mines are no strangers to some specialized aspects of water pollution control and could be transferred to make up any temporary personnel deficits.

Mr. Fishbein also discussed other aspects of the administration transfer. I ask unanimous consent that Mr. Fishbein's article appear in the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

FOUR NEW WATER POLLUTION ABATEMENT CASES IN THE WORKS

The Federal Water Pollution Control Administration, newly installed in the Interior Department, is quietly working up four new pollution abatement cases, Environmental Health Letter has learned. The cases, which may be announced shortly, involve:

The Delaware River, concentrating on the Philadelphia-Camden area; Lake Tahoe, involving California and Nevada; Housatonic River (Connecticut-Massachusetts) and Chattahoochee (Florida, Georgia, Alabama).

They would be the first interstate cases to be undertaken formally by the Interior Department, although all have been under study for some time in HEW. In one of his last acts before surrendering the water pollution control program, HEW Secretary Gardner formally recommended that Minnesota and North Dakota water control agencies accelerate their efforts to abate pollution in the Red River of the North.

Interior Secretary Udall welcomed the new water pollution control administration at a May 10 news conference and a small reception in his office the same evening. Udall, a politician-a-go-go, has ample reason for the welcome. The new water administration automatically became the biggest component of Interior's budget, swelling it by more than $350,000,000. The entire Interior Dept. budget, without the water pollution program, is only about $1.5 billion, or slightly more than the budget of NIH, which is only one component of one agency of one agency. The HEW budget, by contrast, is about $10 billion.

Udall had a ready answer for those who complain that the loss of key PHS Commissioned Corps personnel will mean a serious setback in the water pollution control program. Not so, he said. While recognizing the seriousness of the loss of some experienced PHS water scientists, Udall pointed out that some of his own people in U.S. Geological Survey, Fish and Wildlife and Bureau of Reclamation and Bureau of Mines are no strangers to some specialized aspects of water pollution control and could be transferred to make up any temporary personnel deficits.

In outlook and concept, the water pollution transfer also changed Interior's image, rightly or wrongly, from a western-oriented regional agency which paternally encouraged Indian industry, kept the national parks in good shape, built some dams and made life easier for fish. "The western label is off," proclaimed Udall—and he is right.

Taking over water pollution control puts the agency in New York, Boston, Philadelphia, Cleveland, and Chicago. This has been Udall's goal for some time in the transformation of Interior from a regional to a national agency, from a rural to an urban department. Scientists of Interior's many constituent programs have for many years found a common dialogue with the water specialists of PHS; Udall encouraged the dialogue while he went about the task of pushing the agency into the cities, where the people live and vote. Thus, what started out as a courtship of scientific convenience has developed into a marriage of political necessity.

Note: The end of the water pollution reshuffling may not be in sight yet. Interior is considering an internal reorganization plan which would combine the water pollution administration, Office of Water Resources Research and Office of Saline Water under one Assistant Secretary.

VICE PRESIDENT HUMPHREY SPEAKS TO MAYORS ON CITIES OF THE FUTURE

Mr. YARBOROUGH. Mr. President, on Monday, June 13, Vice President HUBERT H. HUMPHREY spoke to the U.S. Conference of Mayors meeting in Dallas, Tex. His remarks to the conference are important, and they gain added importance when we remember his ability to deal with urban problems during his days as mayor of Minneapolis. In his remarks, the Vice President talked of the breakthroughs in national programs which will help the American city. He devoted the main portion of his remarks to the demonstration cities bill, urging the mayors to support that worthwhile legislation as a device for combatting "slumism." The demonstration cities bill would provide a broad array of Federal programs to help rebuild central and slum areas of our cities, of all sizes. As the Vice President points out, the greatest beneficiaries would be smaller communities.

Mr. President, I ask unanimous consent to insert this fine speech by Vice President HUMPHREY at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY AT THE U.S. CONFERENCE OF MAYORS, DALLAS, TEX., JUNE 13, 1966

My fellow Mayors, I am here to carry coals to Newcastle. I am going to talk about our cities and their problems.

You live with those problems 24 hours a day, as I did when I was Mayor of Minneapolis—and as I still do, as a matter of fact, as the President's liaison with local government.

I need not tell you that this is a time of ferment in our cities. It is a time when demands are made on you—demands for services which most of you don't have enough tax revenues to pay for.

No single community can meet these demands alone and without help. That is why there are more than 50 major programs of federal assistance to local government. During this fiscal year there will be a total of 13.6 billion dollars in federal aid payments to state and local units.

The Housing and Urban Development Act of 1965, passed by this Congress and signed into law by President Johnson, is designed to help meet the needs of our nation's mayors.

This Act established the Department of Housing and Urban Development—putting in the President's Cabinet a spokesman for the needs of the majority of Americans who live in cities.

Beyond establishment of the new Department, these past two years have been a time of breakthroughs—new laws and new national commitments in education, in housing, in transportation, in health, in social welfare . . . in the war against poverty . . . in beautification . . . in support of artistic and cultural progress . . . in our efforts for cleaner air and water . . . in our search for continued economic growth and prosperity—all benefiting the American city.

I will take the full measure of credit for the Johnson-Humphrey Administration. But I give credit, too, to the American people—and the people who lead them in their communities—for asking for and supporting these things.

We can take pride in our national investments in self-help, in enterprise, in opportunity, in social justice and social welfare.

We can take satisfaction in our more than 700-billion-dollar economy.

We can be proud of not only the quantitative change, but of the qualitative change as well. For who will deny that America today is a freer, happier nation that it was even last year, or last month.

But none of us can say that all is right with America.

Despite our prosperity, more than 30 million Americans suffer degrading poverty.

Despite our laws and our national commitment, many Americans do not enjoy full first-class citizenship—because of their skin color, their religion, their last name, or the place they come from.

Despite our housing and urban development, and education and health programs, large parts of America's cities are not fit for daily life.

The enemy today within our gates is "slumism."

Slumism is poverty . . . illiteracy . . . disease. Slumism is discrimination and frustration and bitterness.

Slumism is ungathered garbage and dilapidated buildings. Slumism is a family of eight in an unheated room. Slumism is danger on the stair and violence in the street.

Slumism is rent so high a desperate man is moved to tears, or crime. Slumism is the pent-up anger of people living on the outside of affluence.

Slumism is decay of structure and deterioration of the human spirit.

Slumism is a virus which spreads through the body politic.

As other "isms", it breeds disorder and demagoguery and hate.

We must make our declaration of war against slumism. It is a war in which all of us must enlist and our goal can be nothing less than total victory.

We have the resources—in know-how, in manpower, in capacity—to abolish the scourge of slumism. And we have the will to do it.

If we are to defeat slumism, we will need breadth of thinking and of action.

And this is what the President has proposed—and what the Congress is now considering—in the Demonstration Cities Bill.

I ask your active support for this Bill.

In this Bill, we have called for action to rebuild completely, on a scale never before attempted, entire central and slum areas of our cities.

The provisions of the Demonstration Cities Bill would meet problems of slums and blighted areas in which over four million families live in conditions that violate decent housing standards and exact a high toll in human suffering and in cost to their communities.

This is an exciting program. It aims at human as well as physical renewal.

In addition to adequate housing at low and moderate costs, it would provide for public facilities and education, health, and social services needed to help people in slum areas to become useful, productive citizens able to participate fully in community life.

The complete array of existing federal grant and urban aid programs in the fields of housing, renewal, transportation, education, welfare, economic opportunity, and related programs would be available to achieve the objectives of the demonstration program.

The initiative and solution for local problems would have to come from you.

You would have to be willing and able to undertake the actions and responsibilities required of such a program.

The federal role would be one of support for your community's activities. We would help with funds to pay for your costs of planning and developing demonstration programs, and would make available—worked out by a special formula—supplemental grants to pay 100 per cent of the cost of any type of activity approved under the Demonstration Cities program.

The program would mean a substantial increment of new money for the city. It would mean that, in addition to the regular federal program funds, special federal grants would be extended to Demonstration areas. They would not supplant funds for existing programs, nor would they be siphoned away from other federal programs elsewhere.

And I want to emphasize that the benefits of the program would be available *to all* cities with plans which show they are ready to go ahead with a full-scale attack on the slum problem. *There is no estimated limit on the number of cities which may participate.*

It is an odd paradox—not unknown, I might say, in politics that the misgivings some people have raised about this Demonstration Cities program are not based on the thought that it is a bad program—but that it is a good one.

The fears seem to be that it isn't big enough . . . that everyone can't get in on it right off the bat . . . or that only big cities have a chance . . . or that the funds promised in the bill will cancel out or curtail programs we already have underway.

I think we ought to clear away some of those myths, and straighten a few things out. It is a good program—agreed. It is a challenging and dramatic program.

Our big cities need it and can use it. But the greatest beneficiaries may well be our smaller communities, for they have already shown great interest in its use. This program will have no lower limit on size—and in the case of smaller towns, it could be that such a program will virtually eliminate the entire problem of blight.

As to the size of this program: Its size will be determined not by any figures or numbers game resulting from academic debate. It will be determined by the cities themselves.

As cities are ready and able to move forward on their own front to capitalize and put to work all these aids in a concentrated way, federal support will be available.

But this is not "instant slum clearance." It is a continuing program that begins with large-scale planning, continuous action, and social as well as economic rehabilitation.

Let's get this program started. Then we can measure our rate of expansion by your readiness to put these demonstrations into large-scale operation.

This is not a proposal to cancel or curtail anything that is now being done. It is a proposal to expand and augment what we are already doing.

All of the programs now operating—in urban renewal, housing, the poverty field, public facilities—will continue to operate at their full levels.

The Demonstration Cities Bill offers an added source of federal funds to expand and magnify the effects of the programs we have thus far developed.

Furthermore, these additional funds are 100 per cent grants. They can be used for any purpose consistent with the Demonstration Area program.

In short, the Demonstration Cities program is a program to help you do far more, to do it better and more effectively than you have been doing. With this legislation, every mayor can raise his sights and enlarge his field of action for the needs of the areas and the people that today are his most difficult problems.

What we ask of you is that you be willing to commit fully your local energies and resources to a program that will have widespread and profound effects on the physical and social structure of your city.

There is no question about our *ability* to achieve our goals. There should be no question about our *willingness* to commit ourselves to their achievement.

THE CLEAN AIR ACT

Mr. MUSKIE. Mr. President, the May issue of the Journal of the Air Pollution Control Association includes an authoritative article on the development of the Clean Air Act of 1963 and its amendments last year. The author is Mr. William H. Megonnell, deputy chief of the Abatement Branch, Division of Air Pollution, Public Health Service.

Mr. Megonnell records the history of Federal air pollution control legislation, beginning in 1955 when dirty air was viewed simply as a technical challenge.

He traces the changes in social and political philosophy toward air pollution, describing how the Clean Air Act reflects a growing national concern about the problem and a stronger national will to abate it.

Mr. Megonnell outlines the development of the abatement policies established in the Clean Air Act, and reports in layman's language how the policies are to be implemented.

Mr. President, my Subcommittee on Air and Water Pollution is now conducting hearings on air pollution control proposals, and exploring new pollution problems. When the subcommittee makes its report, Mr. Megonnell's article will be an excellent source for orientation on what we have done, are doing, and hope to do to prevent and control air pollution. I ask unanimous consent that the article appear in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Journal of the Air Pollution Control Association, May 1966]

DEVELOPING ABATEMENT POLICIES UNDER THE CLEAN AIR ACT

(By William H. Megonnell, Deputy Chief, Abatement Branch, Division of Air Pollution, Public Health Service, Department of Health, Education, and Welfare)

(NOTE.—Presented October 26, 1965, at the Fourth Conference on Air Pollution Control, Purdue University, Lafayette, Indiana.)

At the beginning of the federal program in 1955, air pollution was viewed as a technical challenge. While technical problems remain, emphasis is shifting toward the social challenge. The degree of federal assistance now available to states and municipalities, under the Clean Air Act, is of broadened scope and higher order of magnitude; it is not confined to technical considerations, but has been expanded to take cognizance of political and economic obstacles that often block the path toward better air pollution control.

Although I have been asked specifically to speak of abatement policies under the Clean Air Act, it would be difficult and misleading to consider the abatement provisions apart from the rest of the Act. The Clean Air Act delineates a comprehensive Federal program, which is part of an overall national effort to solve the air pollution problem. Therefore, I should like to present, very briefly, the Federal policy in relation to the general subject of air pollution and its control.

This policy is not contained in any single document, pronouncement or set of principles; instead, it has evolved over the years as the result of statements and actions involving the executive, legislative and judicial branches of the federal government. Far from being stable and firmly established, it is and must be dynamic; changes can be expected in response to and anticipation of new problems. Fundamentally, however, one thing is clear: the federal government is firmly committed to performing significant functions in the necessary air pollution control effort.

The Clean Air Act, like any law, is a manifestation of public policy. It is based not on suppositions, but on these documented and irrefutable facts: (1) air pollution has grown, through neglect, to become a national problem which seriously threatens health and welfare; (2) predictions indicate that the problem will increase alarmingly; (3) prevention and control knowledge, while far from perfect, is adequate to cope with most air pollution problems; (4) efforts to deal with air pollution have not kept pace with its proliferation; and (5) there are appropriate roles for all levels of government and all segments of society in solving the problem.

In 1955, the first federal air pollution act established the important congressional policy that primary responsibility for prevention and control rests with state and local agencies; and the federal program was limited to research, technical assistance, and training. Activities under that law brought into sharp focus many technical aspects of the air pollution problem. The inadequacy of state and local enforcement efforts was revealed, particularly in cases of interjurisdictional pollution. There were few regional programs and no interstate ones. These findings heightened public and official concern and led to increased demands for enforcement action.

Congress responded with positive and resolute legislation and President Johnson approved the Clean Air Act on December 17, 1963.

Careful reading of the Act suggests that its framers sought ways to promote the development and expansion of strong and capable state, regional and local control agencies. One can see in the Act no intent that the federal government would assume responsibility either for underwriting the cost of air pollution control, throughout the nation or for rectifying all the deficiencies caused by long neglect of the problem. It is noteworthy that the 1963 Act retains congressional policy that responsibility for air pollution prevention and control rests primarily with state and local agencies. Essentiality of federal assistance and leadership is acknowledged in the preamble, however, and the means for implementation were broadened and strengthened. Research, training, and technical assistance responsibilities were expanded; grants-in-aid were authorized for local, regional, and state air pollution control programs; additional attention specifically was directed to the major problems of motor vehicle exhaust and sulfurous fuels; the policy of exemplary air pollution control at federal installations was reiterated; and, for the first time, legal authority was included for federal abatement of specific air pollution problems.

At first glance, the abatement provisions may appear to go counter to the declaration of policy which encourages state, local, and regional control programs. A more penetrating analysis, however, will show that a byproduct of federal abatement authority will be to stimulate and supplement, rather than to discourage or supplant, state and local action. Anybody who considers the abatement provisions in the Clean Air Act a bold attempt improperly to interject the federal government into matters of state and local concern simply has not taken time to study the law.

Federal abatement powers are intended to fill two important enforcement gaps by providing (*1*) a means for dealing with interstate problems that are difficult and sometimes impossible to solve by remedies available to a single state, and (*2*) a means for dealing with intrastate problems that may be beyond the resources available to state and local authorities. The federal government can become involved in intrastate pollution problems only on the request or concurrence of state officials, as designated in the Act. In cases of interstate pollution, federal action may be initiated directly by the Secretary of Health, Education, and Welfare or on request. Abatement procedures include four major steps: (*1*) consultation with states, (*2*) conference with all affected air pollution control agencies, (*3*) public hearings, and (*4*) court action. Minimum time periods are specified between each step. At any point in the procedure, federal action may be terminated if it is found that the problem has been corrected or that effective abatement progress is being made.

The Clean Air Act has 14 sections, but more than one-third of its text is devoted to spelling out clearly and distinctly in Section 5 when and how the federal government can become involved in abatement and the procedures that must be followed. When viewed on a flow chart, it presents a tortuous path indeed from recognition to solution of a problem. This great involvement of the Congress in administrative detail probably was quite intentional. The abatement provisions may go as far toward stimulating state and local action as the research, technical assistance and financial provisions of the Act. The Department of Health, Education, and Welfare's abatement authority cannot hinder, but certainly can help, those state and local agencies that desire to do a conscientious and effective control job.

The Division of Air Pollution always has held the view, generally accepted by all interests, that air pollution control is best accomplished at the lowest level of government capable of coping with the problems in its entirety. We believe it was Congress' hope that state, local, and regional agencies, aided by the Clean Air Act's other incentives, would accept this responsibility and preclude the necessity of federal action. Based on past performance, however, we would be less than realistic if we failed to prepare for full implementation of the abatement authority; although it has taken time to staff and equip the Abatement Branch, I assure you we do intend to carry out this responsibility as effectively as possible. Mr. S. Smith Griswold, who for more than a decade directed the world's most dynamic air pollution control program in Los Angeles County, California, assumed the position as Chief of the Abatement Branch on October 4, 1965.

We have no way of foreseeing exactly where or when federal abatement action may become necessary, but locations of major potential interstate air pollution situations are not difficult to predict. Examination of a United States map will disclose that there are some 70 large metropolitan areas that cross or abut states lines; the 63,000,000 Americans living in these areas—one-third of the country's population—have no direct legal control over air pollution reaching them from another state and are literally powerless to protect themselves.

For varying reasons, the ballot box, mandamus power, and private suits have not been practicable or adequate for this purpose.

It should come as no surprise that we have been gathering pertinent background information from available sources on each of these areas. Such information sources include, for example: censuses of population, housing, manufacturing, business and government; industrial and utility directories; fuel-use surveys; climatological and meteorological summaries; air sampling results and air pollution studies; newsclips and complaint files; and reports on state and local air pollution control laws, staffs, budgets and enforcement activities.

Such preliminary screening is of value in assessing the relative potential need for interstate abatement action, but it is by no means adequate to supply the information necessary to substantiate federal involvement. At some point prior to initiation of formal abatement action, it is necessary to gather on-site intelligence to establish that air pollution is moving interstate and is endangering health or welfare.

Hence, as resources permit, we are beginning to undertake field work in selected areas. We are doing it openly, with the full knowledge of the states and municipalities concerned in each case and, whenever they are willing and able, with their co-operation. But with or without state co-operation or sanction, there is a federal responsibility under the Clean Air Act to maintain surveillance in those areas which potentially might have interstate air pollution problems.

It is necessary, of course, to establish priorities and schedules for such work so that it can be done in an orderly fashion compatible with our staff and facilities. This is not to say that priorities cannot be upset and schedules disrupted. The government, in fact, has little control over the location, timing, and number of possible abatement actions. When requested by proper state authorities, the law makes it mandatory that the Secretary proceed to the conference stage. Thus, a requested actions takes priority over other planned activities, and scheduling of personnel and facilities must be flexible.

Before the Secretary of Health, Education, and Welfare may initiate abatement action, he must have reason to believe that pollution originating in one state is endangering the health or welfare of persons in another state. Hence, our surveys and studies are aimed directly at investigation of these aspects.

Presence of pollutants in an atmosphere, interstate movement of pollutants, esthetic effects and economic impact on vegetation and materials can be demonstrated conclusively, and relatively easily, by carefully conducted field studies and data analysis. Much of our initial investigatory work, therefore, consists of aerometric and meteorological sampling, photography, examination of property and indigenous vegetation, and experimental exposure of various materials to the atmosphere.

Danger to human health can be demonstrated by methods, such as these: comparison of detected pollution levels with research findings regarding adverse health effects; epidemiological studies to investigate morbidity and mortality rates for certain diseases; interviews with local physicians, medical societies and health agencies; and opinion surveys to establish the public's state of mind regarding their reactions to pollution. Properly conducted public opinion surveys have been accepted by the courts, and they are particularly useful in air pollution problems such as those involving subjective response to odors.

In our advanced society, it should not be necessary to drag a dead body through the streets to demonstrate danger to health. There already is enough evidence to convince reasonable people that longterm exposure to low levels of air pollution contributes to and aggravates certain disease conditions; but it may be several generations before science will produce conclusive knowledge which shows, to everyone's satisfaction, that lower-than-lethal levels of pollution produce adverse health effects. The knowledge then would be of little use, for the damage will have been done.

Conditions which infringe on the maximum attainment of physical, emotional, and mental well-being rightly should be considered detrimental to health and welfare. Thus, air pollution which interferes with sleep, food consumption, water intake, relaxation, recreation, comfort, enjoyment and other sensibilities, even purely esthetic ones, endangers health and welfare.

Definition of an interstate air pollution problem does not, by any means, delineate the measures required for its control. Responsible sources must be located and their relative contribution to the problem determined before adequate remedial measures can be recommended. In large urban areas, which are densely populated, highly commercialized, heavily industrialized, this can be a complex undertaking.

Fortunately, Congress included in the Clean Air Act a method to facilitate the gathering of information on source contributions. In connection with any abatement conference, the Secretary of Health, Education, and Welfare may require a report of emissions and controls, based on existing data, from any person whose activities cause or contribute to the air pollution. Effectiveness of this provision is being tested in connection with two pending abatement actions. If experience shows that the report requirement does not yield desired information, alternate methods undoubtedly will be sought, such as right of entry to private property for purposes of inspection and testing.

As you who follow Congressional activities must realize, the Clean Air Act of 1963 was not considered the ultimate tool—or weapon, if you prefer—for helping to clear the air; rather, as Senator Muskie, Chairman of the Special Subcommittee on Air and Water Pollution, so aptly said at the time of the Act's passage: "It is a fresh beginning." Congress has not relaxed its surveillance, but it continues to seek ways to make the federal effort more comprehensive and effective.

On October 20, President Johnson approved Public Law 89–272, which amends the Clean Air Act in several important ways. It extends the present abatement responsibilities to cases of international air pollution and adds certain preventive authorities to the federal program.

In passing these amendments, the Congress was responding to the President's 1965 State of the Union message in which he said: "We will seek legal power to prevent pollution of our air and water before it happens." Prevention is the keynote of air pollution control. After-the-fact correction of air pollution makes no more sense than relying solely on treatment of illness as a public-health measure. Controls always can be built into a process or system more cheaply than they can be added later. The main obstacles frequently are tradition and resignation, based on nothing more logical than a belief that nothing can or should be done simply because it has not been done in the past.

Public Law 89–272, provides for federal standards applicable to motor-vehicle emissions. Surely, if there is a ubiquitous source of air pollution calling logically for federal control, it is the motor vehicle. Photochemical smog, first noted in California, is a growing problem throughout the nation; but individual requirements of different states and localities would create havoc in the mass-production automobile industry.

Although the law specifies no effective date, the Department of Health, Education, and Welfare has stated that it will promulgate regulations to become applicable to gasoline-powered vehicles no later than September 1, 1967 (the 1968-model year), which date was specified in the original Senate version of the bill.

The new law also requires the Department to accelerate research relating to (*1*) the control of hydrocarbons lost through evaporation of gasoline from carburetors and fuel tanks, (*2*) the control of oxides of nitrogen and aldehydes from both gasoline- and diesel-powered vehicles, and (*3*) the development of improved low-cost techniques to reduce emission of sulfur oxides from fuels.

Another provision of the new Act permits the Secretary to call a conference if, in his judgment, a potential problem of substantial significance may result from discharges to the atmosphere. Findings and recommendations resulting from such conferences, although advisory in nature, shall be admissible into the record of any abatement proceedings subsequently deemed necessary. It is not our intention to employ this authority in areas where existing programs devote sufficient and effective attention to prevention of air pollution. There are, however, three types of situations in which it could logically and profitably be invoked: (*1*) when a large source is to be built in an area with no, or an inadequate, air pollution control agency; (*2*) when an interstate air pollution problem is likely to result if preventive measures are not taken; and (*3*) when a new technological development may alter, on a large scale, traditional production methods and air pollution emissions from a certain industry.

In summary, it can be seen that the Clean Air Act is having profound effects on many of us who are directly Concerned with the air pollution problem. Not so obvious, perhaps, is the influence that others concerned with air pollution, in both public and private sectors of society, are having and will have on the future course of federal activity in this field. The federal program is changing because the public through their congressional representatives, are expressing a desire for changes such as reflected in the recent amendments to the Clean Air Act.

At the beginning of the federal program in 1955, air pollution was viewed as a technical challenge. While technical problems remain, emphasis is shifting toward the social challenge. The degree of federal assistance now available to states and municipalities, under the Clean Air Act, is of broadened scope and higher order of magnitude; it is not confined to technical considerations, but has been expanded to take cognizance of political and economic obstacles that often block the path toward better air pollution control.

Although implementation of the air pollution abatement authority has been gradual—because of delay in appropriations, recruiting and training staff, obtaining facilities and equipment, and gathering necessary background information—a vigorous and aggressive program is beginning. The problem of air pollution has grown through apathy and neglect. Its correction demands dynamic and forceful action. The Clean Air Act and its recent amendments are designed not only to halt the growth of this social evil, but to restore, to the extent possible, the quality of air which existed in the early days of this nation. The Division of Air Pollution is preparing to carry out its abatement and prevention responsibilities as part of that corrective effort.

CONTAINERIZATION

Mr. INOUYE. Mr. President, containerization—the shipment of a variety of freight in huge boxes which can be handled with ease—is one of the most exciting developments in the field of international commerce.

One of the forerunners in the development of the revolutionary containerization concept is the Matson Navigation Co., of San Francisco, Calif., which has served Hawaii for many years.

On the occasion of the Maritime Day celebration symposium at the general accounting office building May 26, Mr. Norman Scott, executive vice president of the Matson Navigation Co., gave a paper entitled "Containerization, 1986."

I believe that my colleagues will find Mr. Scott's look into the future a view with exciting prospects both for our Nation and the entire field of international commerce.

If there are no objections, I respectfully request that Mr. Scott's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD as follows:

CONTAINERIZATION, 1986

(By Norman Scott, executive vice president, Matson Navigation Co.)

That title sounds a bit Orwellian—but this brief look into one aspect of the transportation industry 20 years hence is not designed along such lines.

I will sketch a picture of our industry in the 1980s, pointing out a major problem area that must be met head-on now if we are to progress at the rate we should.

We all know that the transportation industry—on the sea, on the land and in the air—has made tremendous strides in the past 20 years. And within the industry it has been a period of progress for ocean shipping after years of doldrums as far as new developments were concerned.

Those big "boxes" are still revolutionizing transportation. More and more steamship, airline and rail and truck carriers all over the world are going into containerized operations. It has reached a point where a shipping company carrying general cargo almost *has* to provide a container service to stay even with its competitors. For ocean transportation, containerization represents as dramatic a change as did the advent of steam 150 years ago.

So it is safe to predict that progress in the next 20 years will be even more impressive and exciting than the past 20 years with containerization developments going full ahead on many fronts at the same time—in trucking, the railroads and airlines, as well as the ocean carriers.

It takes no crystal-gazer to see what lies ahead. Many of the tools and much of the know-how exist today waiting to be assembled and put to work for a new era of transportation.

Containerization, 1986, will go hand in glove with "6th or 7th generation computers". It will be an era of faster ships, possibly nuclear-powered, much more automated than at present and probably larger. Terminals, too, will be modernized, with cranes and other cargo handling machinery moving containers swiftly and easily from shore to ship and ship to shore controlled by computers. Shipyards will have to be highly automated.

Also in prospect are such exotic items as large hydro-foil vessels; submarine tankers; "winged-hull" or hover craft and ground-effect machines, which skim over the water on a cushion of air at 200 knots with hundreds of tons of cargo or hundreds of passengers. Perhaps there will be cargo-laden missiles. Nobody views any of these things as pipe dreams any longer; not after what has happened in space and on sea and land since World War II.

Put all this glamorous hardware into operation and it looks as though we have it made. But to complete the picture and make it all work for maximum benefit to the ultimate consumer will require the creation and application of comprehensive systems concepts to develop maximum effectiveness of total distribution.

Consider the world demand for consumer goods by 1986 in light of population growth and standard of living increases in progress today. More people need more things and will be demanding more all the time. That means more and, hopefully, better transportation geared to the jet and atomic age, rather than the era of the "Model T" and the 5-cent streetcar fare.

What will be needed is a fully coordinated physical systems concept designed to provide total distribution of the lowest over-all cost consistent with service requirements to the ultimate consumer.

Containerization has great potential, but to yield its greatest benefits, it requires an integrated system. Such a system from a shipper's point of view would comprehend production scheduling, inventory control, insurance, storage, damage prevention and customer service and marketing. The tie-in, of course, must be complete between ocean carriers and rail, truck and air carriers to provide a system with this capability.

Unless containerization 20 years from now is part of a fully-integrated system, bottlenecks, red tape and inefficiency will inhibit much of the economic progress of the nation's and, for that matter, the world's transportation systems.

Achievement will be difficult but not impossible—provided that we start now to exercise "management technology" in a statesman-like way to solve such problems as competition between modes, standardization, the sociological questions of the impact of new techniques on the labor force, regulatory rigidity, the complications of tariffs, more realistic rate making, the political implications inherent in each phase, each regional requirement.

By pointing out some of the more critical problems we can start to solve some of them to pave the way for the shiny, new concept of "containerization—1986"—and realize its potential.

I have identified "management technology" as the key to these problems. And by management, I mean the management of government and labor as well as industry—it is everyone's concern. The challenge will be to achieve an environment by 1986 which will permit full realization of the remarkable "hardware technology" that is already on the drawing boards and in the memory banks of the computers. The hardware development potential, or the physical systems capability, *already exceeds* our management ability to utilize it fully.

My thesis and, if you will, my "message", is that to an even greater extent, we face a need to match "management technology" with the "hardware technology" capability we will possess by 1986.

Among the specific areas demanding attention today to be where we should be 20 years hence are the legal, regulatory, sociological and political ramifications, each a vital part of the complete transportation picture.

Most of our present laws affecting transportation were written when physical systems capabilities were either not thought of or in the early stages of development. They were not designed to encourage or even cope with the creation of systems that can now be physically established and operated. I refer, of course, to a much broader spectrum of transportation than ocean cargo container systems. And this points up the critical nature of the legal aspects confronting the industry in the years ahead. We must have laws that are based on today's, and tomorrow's, physical systems potentials.

For example, the container system as we know it today basically uses a single mode of transportation. Inter-modal use is still in its infancy. To accelerate the growth of maximum efficiency systems, legislation is required to encourage efficient inter-modal operations by permitting single ownership of inter-modal facilities by development or acquisition. As a minimum, the law should encourage streamlining physical operations by simplifying the development and administration of single factor rates. The legislation should provide for a single, independent regulatory agency having jurisdiction over all modes of integrated transportation. And finally, some deregulation is essential if multi-modal transportation is to keep pace with the international demands of our industrial society where rapid change is the order of the day.

Our regulatory processes, some of which date back to the 19th century, need a thorough overhaul. We simply can't continue to be hamstrung by them in the 1980s. As mentioned, reaction time must be reduced. Present regulatory practices are too slow and cumbersome and more critically, they are increasingly usurping management functions.

Besides carrier regulation and tariff administration, there are customs regulations, documentation procedures and operational safety administration to be considered.

These activities should be brought into step with the times to foster the development and to meet the future requirements of the most efficient physical systems that can be assembled.

It is equally vital that rates and tariffs be simplified. The volume and complexities of today's rail and truck, and even ocean, tariffs are unnecessary road-blocks to the development of inter-modal and multi-modal cargo movements. The trend toward per-container rates should be encouraged. It is an economically logical process, which will materially simplify development of inter-modal systems. In the same regard, rate-making procedures should be primarily based on costs rather than the value of service or other bases.

Here again, the evolution of a management technology in the field of regulatory affairs is needed. It seems obvious that if changes are not made, the growth of containerization will be retarded by red tape before the 1980's. "Management technology" must be a moving force in developing new ideas and shaping the future form of regulations that will foster maximum efficiency systems.

Now let's consider the sociological implications of our transportation preview of 1986. There are, I submit, three major categories that urgently require application of new management technology:

First is the all-important field of labor-management relations. Labor and management share a mutual responsibility to develop an equitable method or program to handle personnel adjustments resulting from automation and other applications of new technologies and equipment. In transportation, management and labor should be able to evolve satisfactory solutions through collective bargaining, even though they have had their troubles down through the years. Both have been criticized for tie-ups and public inconvenience. The maritime industry, in particular, has been through some rugged times in the mid-30's and postwar period. But there are definite signs of better understanding by both labor and management of the myriad problems that lie ahead, and of the need to work together to solve them. Ideally, new systems, new hardware and new ideas will create new jobs but there are bound to be dislocations and changes as they evolve. Part of the "management technology" we need is the ability for employee and employer groups to anticipate these problems before they become critical.

Next, for our second sociological consideration, we come to "people problems" within the management process of corporations. In the context of our 20-year look ahead, one of the primary internal management challenges will be the development of people able to use computer hardware more effectively and with more imaginative applications than is commonly demonstrated today. As I mentioned previously, by 1986 we will be into more sophisticated computers, which will offer infinitely greater capacity, speed and flexibility for analysis and distribution of management information. However, regardless of the equipment capability achieved by then, its usefulness will be no greater than the accuracy of the input information and the selectivity of functions which the computers are called upon to perform. People must perform these functions. And people must create the intellectual awareness of system capabilities which transcend the short view perspectives of individual persons, departments, companies or even modes of transportation. We must have people who can visualize, plan and implement operations which do not yet exist but which are capable of development.

Third in my list of sociological considerations is the relationship with the customer community. Industrial management in our country, indeed, throughout the world, is becoming increasingly aware of the economic importance, in its broadest sense, of distribution. Gone are the days when top management relegated traffic and distribution management to a secondary role, with accountability well down the organizational line. This, of course, is no guarantee that broader systems development will find ready acceptance in the business society of 1986, but it does indicate that industry will become increasingly demanding in appraising and buying its distribution services. The management technology called for here is that of developing sufficiently broad managerial perspectives to establish true systems concepts of distribution in terms of customer requirements.

Now that we have had a look at the legal, regulatory and sociological questions, we come to the political element—probably the most difficult to classify or predict, but certainly one that will always be with us. In this category falls the development of broad public policy determinations covering basic legislation and regulation. Such matters as governmental financing of advanced research and financial aid or subsidy to new applications all fall initially within the political sphere. Equally important is the anti-trust treatment of multi-modal systems, how they are created and regulated. The importance of this transcends politics as usual but we obviously must recognize the reality of things as they are not as we might dream. So an educational and selling effort is required to restate national transport policy in the political arena in terms of multi-modal objectives.

I have tried to be realistic by pointing out a problem area that is easy to overlook, and have served up one version of a general approach to solving it. But a speech is no problem-solver. As always, it boils down to a need for coordinated action, not just talk, under enlightened and hardworking leadership.

With what our researchers, scientists and engineers will come up with in the next 20 years we know we will have to do our best to be ready to manage what they make possible.

It is fitting when thinking about 20 years into the future to sum up the management challenge by recalling the words of the late "Boss" Kettering, the inventive genius of General Motors, speaking to a group at the dedication of the G. M. Technical Center in Detroit, who said ". . . the future will be greater than the most fantastic story you can write. You will always underrate it."

Thank you.

A LETTER FROM VIETNAM

Mr. THURMOND. Mr. President, recently Dr. Max Rafferty, superintendent of public instruction and director of education for the State of California, presented an outstanding speech before the 75th Continental Congress, National Society of the Daughters of the American Revolution.

Dr. Rafferty is well known as an educator who stands up and speaks out for what he believes. This speech lucidly states, very pertinent information regarding our present educational system and relates it to our men in Vietnam.

In order that this may be available to my colleagues, I ask unanimous consent that the speech by Dr. Max Rafferty given on April 19, 1966, in Washington, D.C., at the DAR national defense evening be printed in the CONGRESSIONAL RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

A LETTER FROM VIETNAM

(Address of Dr. Max Rafferty, superintendent of public instruction and director of education, State of California)

In her very beautiful opening remarks tonight, your distinguished National Defense Chairman quoted from a letter which she had received not too long ago, and like her, I, too, get lots of letters. I get them in my capacity as an educator from mothers whose children are spending too much time on home work, and from fathers whose children aren't spending enough time. I get complaints from teen-agers who are being put out of school and complaints from other teen-agers who aren't being allowed to get out.

Parents write me agonizingly about school discipline and teachers write me bemoaningly about home discipline, and so it goes. Over the years, I have learned to answer these as best I can, meanwhile developing the attitude of objective detachment recommended by certain of the great philosophers, but once in a great while, once in a blue moon, I get a letter which none of my nicely prepared form answers will fit at all, one which makes ridiculous any attempt at philosophical detachment on my part.

Such a letter came across my desk quite recently. It was soiled and stained and a little the worse for wear. With its San Francisco Armed Force postmark, it had obviously come a long way and here is what it said:

"I hope you will excuse two things: first that I am using a pencil, and second that I am writing to somebody I have never met. The first is easily explained. I am sitting in a little Viet Nam village somewhere north of Saigon and the other guys in my platoon are using the only ballpoint pen in the outfit.

"It would take a little longer to explain why I picked you to write to. Maybe it is because we were all talking a few minutes ago about where we went to school—you know, stuff about teachers we had known, football, basketball, courses we have taken, why some of us dropped out of high school early—things like that.

"Now that I am off duty for a while I have been doing some thinking and some wondering, too. Anyhow, I happen to know your name. I know you are the head of the schools in my home state, and I figured if anyone could answer my questions you ought to be the man. I told the guys I was going to write you because they are the ones who thought up most of the questions they want to know the answers to, so here goes.

"No. 1. The first one is real simple: How come none of us ever heard of this place before we took off for it? Oh, sure, we knew it was somewhere in Asia, but Asia is a mighty big place. Shouldn't our teachers somewhere along the line have told us at least where it was and what its capital is, and how the French used to own it and how it was they got thrown out eleven or twelve years ago by the same bunch of commies we are fighting today? Why did we have to spend so much time down in the grades studying all about the home and the community, and the trip to the dairy and all that stuff?

"I remember my class used to take field trips to the bakery and up to the mountains to see the lake. We had us a ball, but somehow over here most of us think we got shortchanged somewhere in school. Oh, they taught us a lot about how to be a good committee member and how to share democratically with our peers, and even how to build the Panama Canal out of blocks; but this sort of thing just doesn't seem to help us very much over here.

"What we needed to know was who these people are and how they got here in the first place, and how many of them there are and what they call their cities, and what they eat and what they wear, and a whole mess of things like that. Quite a few of us don't really know what is coming off over here, and we've got a hunch the guys over by the Berlin Wall may be in the same spot as far as all those European countries are concerned.

"My school spent a lot of money on me, I guess, and I liked school fine while I was in it. I'm not quite so sure I like it now. I found out, you see, how much it didn't teach me. My question: Why didn't it?

"No. 2. We were all arguing a little while ago about what communism really is and why the Vietcong is ready to die for it. Our Captain sat in on part of the bull session and he reminded us that people have been willing to die for all sorts of crazy causes over the years. Look at all those Germans who died for Hitler, or all people, and the Japanese who died because they thought their Emperor was some kind of a god.

"This answered one of our questions, I guess, but it raised a lot more. Why was it that the Captain had to be the one to tell us this? Why hadn't we heard 'way back in school about the Crusaders and the Huns and all those other people the Captain told us about today, who went into far countries centuries ago to fight and die? Most of us had never heard of any of them. As far as we knew, we Americans were the very first to do this kind of thing.

"But the thing that really bugged me was that nobody seemed to be able to tell exactly what communism is. One guy said it was atheism. Another one said it wanted to rule the world. Somebody else said it was kind of like socialism, but a lot of us figured out that couldn't be because the English have socialism and they aren't commies. Even our Captain wasn't much help at this; he started looking at his watch about then and finally had to take off, he said.

"We didn't talk about it but I'm willing to bet that none of us could have told what capitalism is. I had read a little about it since I was sent out here, but nearly all the guys would say it was democracy or American business, or something like that. This doesn't really tell what it is, does it? How come we Americans bog down when we try to define the thing we are fighting for as well as the thing we are fighting against?

"How can we fight as well as these commies who have been taught ever since they were kids to worship communism and to die for it gladly? You know, I just can't remember any one of my teachers I ever had who told me straight out I ought to love my country just like I love my mother, and for the same reason. Oh, I'm sure a lot of them felt that way, they were fine people, but they just didn't seem to want to talk to us kids much about that.

"Why not? Is there something in the law that prevents our teachers from telling their pupils how grand and how great and how free the United States of America really is?

"No wonder some of our fellows come back brainwashed from the commie prison camps. I'd trade all the courses I ever had back in school in social living and senior problems and ninth grade orientation and student leadership for some good solid classes in economics and civics and world geography. These are the things we need over here. How come I never got them?

"No. 3. Every since I was back in the first grade I heard all about the importance of cooperating with the rest of the world. We were taught that the U.N. had been set up to keep the peace and all we Americans had to do was cooperate with it and do our share and there wouldn't be any more war, ever.

"From what I hear, we did our share pretty well. We loaned everybody money and got darned little of it back. Every time any country anywhere got into any trouble, we were the ones to help bail it out. I never heard of anybody else doing it—just us. We taxed ourselves more than any other people in all history, and most of the taxes went to bolster up a bunch of little countries most of us had never heard of, and that turned out to be the very first to kick us out and burn down our embassies and insult our flag just as soon as they got half a chance.

"I guess my question here is: Why didn't our teachers tell us that cooperation has to be a two-way street? These Communists over here don't cooperate worth a darn. They poison their bullets and they sow the jungle trails with spiked boobytraps, and they slaughter our wounded. They throw bombs into our barracks and kill us while we sleep. They torture and dismember their own countrymen who refuse to go along with them. They don't talk peace because they don't want peace. They never have. They never will.

"This isn't what I was taught in school. They told me there that everybody wanted peace more than anything else in the whole world. I've learned out here that this just isn't so. They told me down in the grades that if we Americans just helped everybody else out and didn't go around starting any wars there wouldn't be any wars. This was a downright lie, as it turned out. What I want to know now is: Why were we lied to?

"Finally, what's with these college professors and these university presidents who are stabbing us in the back these days? Don't they know that everytime they permit their campuses to be used for this 'give blood to the Vietcong' rally stuff, and everytime they let their students out of classes to lie down in front of troop trains and burn their draft cards, it encourages Ho Chi Minh and Mao Tse-tung to prolong this war out here just that much longer? Don't they know this—or is it just that they don't care? But every single day this war is prolonged, more of us over here are going to get killed.

"They told me back in school that treason consists of giving aid and comfort to the enemy. Well, I can testify to two things right now: First, that the commies are our enemies, all right; and, secondly, that these demonstrations back home give them one heck of a lot of aid and comfort. If this isn't treason, what is?

"Now, I can't understand our college authorities permitting their students to help our enemies, but there is one thing I can understand even less: why the folks back home let them get away with it! After all, these colleges and universities are mostly tax-supported, aren't they? Why aren't our mothers and our fathers and our cousins and our neighbors out demanding that these friends of our enemies be booted out, whether they turn out to be students getting a free education at public expense when they ought to be over here helping us, or professors drawing fifteen-to-twenty-thousand-dollar-a-year salaries to preach aid to communism and seek surrender to those who are trying to destroy us?

"Maybe it's just that there aren't enough of us over here yet. Maybe when another 100,000 or 200,000 or half a million of us are over here in the jungles, the college authorities and the legislators back home will listen to us then and do at long last what they should have done in the first place: Clean that mess up!—that mess which is turning our colleges and our universities into breeding grounds for treason and nesting places for sabotage and for subversion.

"Well, these are the things my friends and I would like to know the answers to. Maybe nobody knows the answers but if you do, will you let us know? A lot of us over here are beginning to wonder."

He signed his name and gave his outfit. In due time and across long distances, his letter came to me. I puzzled over it. I don't mind telling you I worried over it. Yes, I guess I even prayed a little over it. Finally, after a whole lot of soul-searching I wrote some kind of letter in reply, but I knew even as I sent it that I hadn't really answered him. There's a big difference, you know. And even my lame and inadequate reply never reached him, as it turned out. By the time my letter had been passed along to that little village north of Saigon, my G.I. correspondent had moved on—permanently, his questions forever unanswered.

And yet they must be answered by all of us for the sake of all of those who serve us overseas, in silence, in obscurity, too often in pain. Someday they will come back to us, the young men who survive the green hell which we, their elders, have sent them to, and when they do the answers must be ready, not only for their sake but for their children's sake after them.

So will you join me this evening in a letter to Viet Nam? It goes this way:

"DEAR JOE: Did you ever notice how parents who love their kids so often seem to spoil them? They want things to be so good for the youngsters in the years ahead that they tend to lose sight of how things really are. We wanted everything to be so right for you—a world at peace, a nation where tolerance and helpfulness and comfort and abundance would be the rule, not the exception; a way of life in which everyone would be happy and at ease, and would walk shoulder to shoulder into a future fair beyond all the dreams of men. This is what your grandfather wanted for his kids after he had licked the Kaiser in 1918. What he got, instead, was the Great Depression and World War II.

"It was what your Dad wanted for you in '45 after he had smashed the Nazi octopus. What he got was the Cold War and Little Rock and Watts, in installments.

"He saw his younger brothers march off to Lebanon and Korea and to the Dominican Republic, and now he sees you struggling there in the quicksands of Southeast Asia and his heart bleeds a little inside him. 'What went wrong?' he asks; and so do you.

"Well, what went wrong was what always goes wrong when you live in a dream world. The public schools as I have watched them and worked with them for a quarter of a century were given over, lock, stock and barrel almost a generation ago to a bunch of educational theorists from Columbia University Teachers College who had decided, unilaterally, that the only thing worth teaching to children was the ability to adjust comfortably and happily and easily to their environment.

"The assumption, you see, was the one we were all making at the time, namely, that our future environment was going to be so affluent and so secure, and above all so peaceful, that adjustment to it would constitute the supreme goal in life. History and geography were old stuff. So was civics. After all, we were going to have a new world now, weren't we? The new spirit of perfect international understanding and brotherhood would see to that, wouldn't it? Besides, there was only one really major power in the whole world then which could ever disturb the peace again, that power which had all the A bombs and all the Navy and all the Air Force and, above all, all the money—us.

"So feed the kids cooperation—cooperation at any cost. Get them to love everybody under the sun, and in order to do this make them believe that everybody under the sun loves us. Never mind if it isn't quite true yet. Surely—surely if our American children grow up loving the world, the rest of the human race is bound to reciprocate, isn't it?

"And if the schools just don't have enough hours in the day to teach arithmetic and spelling and English grammar, history and geography, and to get in all this new 'life adjustment' stuff like social studies and social living and senior problems, group dynamics and democratic sharing and peer group socializing, why then the fundamentals of human learning will just have to take a back seat for a while—and they did, Joe; for twenty-five years and more they did.

"This is why you didn't know the capital of Indochina. You were too busy back along the years building igloos like Muck-Muck, the Eskimo boy. This is why you didn't know whether Berlin was in East or West Germany. You were too busy learning how llamas were harnessed like little Pedro from Peru.

"This is why you didn't learn a lot of things, Joe, and one of these things was why America is worth dying for, and always has been. It got to be kind of square after World War II to admit you loved your country. We had been openly and unashamedly patriotic for too long, I guess, from 1941 to 1945, for some of us to hold still for, so we kind of soft-pedaled the Spirit of '76 and 'My Country, right or wrong.'

"It looked, after all, as though before too long all the nations of the world were going to beat their swords into plowshares and join in one big planetary union, and in a One World universal peace like this national patriotism would be a bit out of place—downright embarrassing.

"We were so sure it was coming, Joe—so sure—that we educated you for a world which never was and which never came to pass. You see, we forgot one thing: that the rest of the world was teaching its kids something entirely different. The Russians? They were raising a generation to believe that they were destined to bury us and their leaders told them that everyday. The Chinese youngsters? They were conditioned from birth to regard Americans as devils out of hell. South Americans in many places were told from infancy that we North Americans should be spat upon at sight.

"Much of the rest of humanity, thanks to the films we exported to them so thoughtfully, regarded us as half fools, half gangsters.

"We were the only ones, Joe, to preach tolerance and cooperation—yes, and love—to our children in the schools. Was this wrong? No. It is never wrong to love your enemies. It's just that your generation, Joe, was brought up to believe, not just that you should love your enemies, but that there were no longer going to be any enemies to love. We taught you to be decent and kindly and charitable, and I think overall we succeeded pretty well; but we should have taught you, too, to be armed and ready to defend your lives and your liberties in a world which too often returned neither your decency nor your love. In a word, we should have given you the facts. Instead, we gave you our own hopes, our own dreams, our own fatal illusions.

"We teachers tried to give you education in your schools, Joe. Sometimes it was a little watered down, that's true, but it was education, nonetheless, while across the Atlantic and the vast Pacific the children of Asia and much of Europe were being given not education at all but indoctrination. The solution was not to have indoctrinated you but it was to have prepared you for life in an indoctrinated world, and this we did not do, and herein lies the shame and the folly of all of us who sent you half around the world to learn at the cost of your tears and your blood what we should have taught you as a little child.

"We didn't lie to you deliberately. We didn't mean to hurt you, God knows. We just ended up kidding you, that's all, and it is no real defense to say that all the while we were kidding ourselves, too, all of us—kidding ourselves by letting twenty-five years of life adjustment progressive education adjust immortal lines like these right out of the curriculum of your school, Joe:

" 'Aye, tear her tattered ensign down,
Long has it waved on high
And many a heart has danced
to see that banner in the sky.'

" 'By the rude bridge that arched the flood
Their flag to April's breeze unfurled
Here once the embattled farmers stood
That fired the shot heard 'round the world.'

" 'The breaking waves dashed high
On the stern and rockbound coast.' "

Try these lines on the children in your own neighborhood if you want first-hand proof of what a generation of life adjustment education has done to America's young. I know, it may be argued that the mere mouthing of rhymed couplets and the parroting of phrases from great speeches by children will do nothing to instill understanding of our nation's past and faith in her future, and this is true, but to the same extent that reciting the wedding vows in itself will do little to insure a happy marriage but few of us would feel genuinely married without this moving spiritual experience at the outset of our voyage across the perilous seas of matrimony, even so is the case of the great stories, the great poems, the great speeches which summarize so eloquently and so dramatically the adventures of the American people down through the centuries. We commit a crime, not only against the child but also against the country itself when we remove these grand reminders of yesterday from the curriculum of today.

"I wonder what you would say, Joe, if you knew over there where you are now about the current threat, the strangest thing I have ever been called upon to speak or write about in all my long career as an educator, and one which I never thought I would have to comment on in this country—the current threat, of all things, to our national songs posed by interpretations of the recent Supreme Court ruling barring state-prescribed prayers in school classrooms."

As a public educator, I certainly hold no brief for any sort of sectarian religious practices in the public schools. In fact, I would be the very first to oppose such practices. We teachers have no business preaching or trying to interpret the Scriptures, that's not our job, but nobody can tell me that the legal separation of church and state, which the Founding Fathers wisely wrote into our Constitution, was ever intended to justify the attacks on our patriotic music which we are now witnessing on all hands.

For instance, in one of our greatest eastern states it has within the last few months or so become illegal to require the recitation in school of these lines:

"Oh, thus be it ever when free men shall stand
Between their loved homes and the war's desolation!
Blest with vict'ry and peace, may the heav'n rescued land
Praise the Pow'r that hath made and preserved us a nation!
Then conquer we must when our cause it is just,
And this be our motto: 'In God is our trust!'
And the star-spangled banner in triumph shall wave
O'er the land of the free and the home of the brave."

In my own state, just a short time ago, a certain organization which specializes in this sort of thing demanded that one of our school districts eliminate several songs contained in the music programs in the local schools because they were written originally in the form of prayers and state-mandated prayers are now illegal. One of these songs contained in our California music textbooks and now apparently to be ruled out has been sung by millions of Americans for a hundred years without any ill effects until now:

"Mine eyes have seen the glory
Of the coming of the Lord,
He's trampling out the vintage where
The grapes of wrath are stored."

This may be a prayer, I don't know; I don't care. It fought with Grant in the wilderness, that song. It rode with Sheridan on that breathless gallop to Winchester twenty miles away. It fell like welcome balm upon the anguished soul of Lincoln when he stood on that day of all days gazing up Pennsylvania Avenue, straining his eyes while the fresh young troops marched out of the West, flowers in their muskets, chanting that mighty tune and adding to its words of their own choosing "We are coming, Father Abraham, three hundred thousand more."

Another of our little kindergarten songs out there begins with a quotation from Charles Dickens which has gladdened the hearts of mankind ever since Tiny Tim spoke it out of the fullness of his heart and in reverence of the Christmas Season. "God bless us every one," it starts—and so presumably it is illegal.

The move to outlaw Christmas carols in the schools is well known, I am sure, to all of us despite the fact that these innocent, joyous folksongs are among our most precious musical treasures, sung alike by Christians and non-Christians during the Yuletide holidays. I well remember my own childhood in the Midwest where we sang these lovely little songs without any thought of sectarianism. Alongside me was a little girl, we were in the third grade, and I loved her madly. I remember her today. She was the daughter of our Jewish Rabbi and her name was Mina Slotsky. She was a beautiful little girl and she sang those Christmas carols in the most beautiful little soprano voice you ever heard, in the fullness of her heart, and I well remember one because of course her heritage did come in and she insisted on singing it "The world in Solomon stillness lay."

All these songs and many more are now under increasing attack across the land. What alarms me are the implications for the future if education is to be prohibited from teaching music written in the form of prayers. What happens, I ask you, to such verses as these?

"Our father's God, to Thee,
Author of liberty, to Thee we sing.
Long may our land be bright,
With freedom's holy light;
Protect us by Thy might,
Great God our king."

And—

"America, America, God shed His grace on thee
And crown thy good with brotherhood from sea to shining sea."

And even that song written by the best-loved of all our modern Jewish composers:

"God bless America, land that I love,
Stand beside her and guide her
Through the night with a light from above."

These are all prayers, ladies and gentlemen; that's all they are, that's all they ever were. They are our most precious musical heritage. Do you begin to see the cleft stick on which education is now caught? It seems to me that all these amputations of the great poems and the songs which every former generation of Americans would have defended literally to the death have somehow something in common. They represent a gnawing away at a once mighty tradition, an erosion of everything out of our past which was at once wonderful and glamorous and soul-stirring; the substitution of the dull, the humdrum, the trite, for the thrilling, the mysterious, the breathtaking.

It is a trend which, unfortunately, seems to be accelerating. It is a trend which both school people and the lay public must resist with every legal means at our disposal if the nation's schools are to continue to fulfill their ancient role as the transmitters of the cultural, the historical, the patriotic tradition which has always in the past been part and parcel of the inheritance of every American. The rights of minorities in this land must always be protected, no matter how microscopically small and vocal some of those minorities may be, but nothing in this concept confers upon any minority, no matter how tiny or tyrannical, the right to dictate to the vast majority, particularly when nothing less than the survival of the great Republic itself in the years ahead may well be the issue now at stake.

"And so it is, Joe. I have left the poor, bedraggled misfits you mentioned until last, those spindly, bearded, round-pegs-in-square-holes who parade in straggling, evil-smelling lines with misspelled placards to help your enemies, because they know down in their hearts they cannot hold a candle to you; and they envy you because you are something they can never be—a man.

"You wouldn't hate them, Joe, if you could be over here where we are and just see them with their lank-haired, burning-eyed female counterparts. Every country has its loose nuts, Joe. These are ours.

"But the professors who lead them and who justify them, and who egg them on to treason—these prostitutes of my profession, I cannot excuse. They cannot plead ignorance. They know how their actions give aid and comfort to the enemy. They cannot claim that life and success have passed them by, leaving them to chew on the cold bones of frustration and acquire vicarious status through showing off. Neither can they take refuge in youth and inexperience.

"We cannot silence them, Joe. To do so would be to sully the very cause you are fighting for. But your revenge on these seducers of the young is already complete, whether you know it or not, for around the neck of each one of them hangs like an albatross the terrible picture of our American wounded, hands trussed behind them, shot in the face in cold blood by the bloody butchers whom these cap-and-gown agitators have preferred to their own countrymen.

"It's not the kind of memory I should like to have accompany me through life, I can tell you; but never sell my profession short, Joe. For every professor who plays footsie with the Vietcong, there are hundreds, thousands more who are loyal, decent, patriotic Americans, as evidenced by the recent and vigorous protest enunciated by the University of California at Berkeley's faculty against the few, fortunately the few among them who have so coldly and cynically abused the privileges of academic freedom.

"And for every American school today which still clings stubbornly and blindly and stupidly to the outworn, exploded dogmas of progressive education, there are many, many more now swinging over daily to the basic educational philosophy which we in California call 'education in depth,' and which, please God, will help to spare your children what you have had to undergo.

"In countless high schools across the land new, different courses in economics, in world geography, are taking the place of the outworn pablum of social studies. Those who come after you, Joe, will understand more clearly the real nature of the world we live in, and they should be better armed and better guarded against its ancient pitfalls.

"But above all else, we educators are rising above the terrible temptation to go to the other extreme, to teach hatred to the children, and intolerance and narrow nationalism. We teachers are still teaching America's children to hope and to aspire and to love their fellow men, while advising them all the while against the perils implicit in a fool's paradise.

"We have faith, we educators, that sometime in the days beyond tomorrow, education in the other lands of this earth will cast off its shackles and join us in this great mission.

"That's about all I can tell you, Joe. Nearly all of us here are thinking of you and praying for you. God bless you."

This, then, is my letter to Viet Nam. It will take you and millions like you to change its promises to realities. As the grim struggle escalates, as more and more of our sons and brothers are cast into the scales, isn't it about time we did a litttle escalating of our own right here at home?

I can't think of a better or more rewarding place to start than our own schools, our own colleges; above all, our own universities. It is you, after all, who must answer at last to our boys who come home again. See you to it.

HOW TO ARGUE WITH A CONSERVATIVE

Mr. HART. Mr. President, Michigan's master political craftsman, Neil Staebler, has collaborated with Douglas Ross, to produce what might be called a textbook on "How To Argue With a Conservative." One of the Senate's masters of the English language my good friend the senior Senator from Minnesota, has reviewed this book as it deserves to be reviewed and appreciated in the current issue of the Democrat.

It is possible that some of our friends across the aisle will find this review and this book helpful to them.

Mr. President, I ask unanimous consent to insert Senator McCarthy's review, and I urge my colleagues to avail themselves of the distilled wisdom Mr. Staebler and Mr. Ross have collected in their book.

There being no objection, the review was ordered to be printed in the Record, as follows:

[From the Democrat, May 1966]

Book Review: Staebler Dissects Right Wing Views

(Sen. Eugene J. McCarthy of Minnesota reviews How to Argue With A Conservative, by Neil Staebler and Douglas Ross. Grossman, 203 pages, $4.95.)

Sen. McCarthy is the author of Frontiers in American Democracy and A Liberal Answer to the Conservative Challenge.

(Neil Staebler, former Congressman-at-Large from Michigan and former visiting Professor of Practical Politics at the University of Massachusetts is now Democratic National Committeeman from Michigan.

(Douglas Ross, a graduate student in economics at the University of Michigan and chairman of the University's Young Democratic Club served as legislative aid to Mr. Staebler and to Cong. John Dingell of Michigan.)

(By Eugene McCarthy)

The debate in the campaign of 1964 was not the liberal-conservative debate which had been anticipated and hoped for. There was, in fact, no debate. The Goldwater case was a case against history, a radical one, which did violence to the structure of American society, government, and politics.

The people of the country spoke decisively in rejecting this extreme approach. I do not mean to underestimate the danger of the extremism of the right on the basis of election returns alone, but I suggest that its national political strength comes not from itself but from the excessive moderation of the center. The silence, or even acquiescence of good men who fear action, unless it be perfect, mute the calm voices of reason against the voices of fear and hatred.

To overcome or at least prevail against the voices of discord, reasonable men must present their case calmly, clearly, but—most importantly—again and again and again until the quiet voice of thought is heard over the shouts of hatred and distrust.

Neil Staebler and Douglas Ross have contributed to this effort in How to Argue With a Conservative, which they describe as a handbook to be used "as you would any other handbook" rather than "a text in political philosophy."

Stating the conservative arguments with care and with some kindness, the authors fulfill the hope expressed in the preface that "argument directed to the intellect rather than the emotion, dealing with specific issues rather than abstract values, can on most occasions be fruitful, and can offer a meeting ground for people for whom it would otherwise be difficult to find a sound basis for discussions."

The book makes sound arguments for programs and policies accepted in greater or lesser degree by most citizens—programs and policies which have been developed to meet the needs of a changing America—programs and policies which have served the needs of America well, and which, in new and changing circumstances, have given vitality to the fundamental principles of American economic, social and political life.

POLLUTION OF OUR NATION'S RIVERS

Mr. BREWSTER. Mr. President, of all the issues which confront today's policymakers, none is more deceptive than the pollution of our Nation's rivers. It resembles an iceberg—only the top of the problem is apparent at the moment, but the difficulties will become greater and greater as time goes on.

The cost of bringing a halt to this destructive pollution would not be small. But every year of delay only increases the burden which must be borne on the ultimate day of reckoning. Either we face this problem now, and begin to take steps toward a solution; or else we will be faced with a shortage of pure water and a lack of recreational facilities.

The Baltimore Sun of Tuesday, June 14, 1966, contains an editorial which recognizes these issues and points the way toward a progressive policy to combat which it labels open sewers. I commend this editorial to the attention of all who are alarmed—or should be alarmed—about the gradual poisoning of our Nation's waterways.

Mr. President, I ask unanimous consent that this editorial be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Rivers as Sewers

There are very few rivers in the United States which are not polluted. And there are some which are so heavily polluted with sewage and industrial wastes they are little more than open sewers. The Federal Government has moved to correct the pollution problem; so have some of the states, acting individually and in cooperation. But what has been done, and is presently contemplated, is far too little to halt the growth in the river pollution problem.

What would it cost to halt that growth; indeed to reverse the trend and rehabilitate our rivers? The cost can only be estimated. However, the latest estimate is $40 billion, a figure put forward a few days ago by Rupert Lore, of Ridge, Md., who is president of the Oyster Institute of North America.

No one needs to be told that $40 billion is a lot of money. Is that figure prohibitive and particularly is it prohibitive in the light of the dire need to bring stream pollution under control? No one is likely to rush forward with a quick claim that the cost is too big to permit action. And here it might be noted in passing, as Mr. Lore noted, that in one area of governmental activity we are spending in excess of $40 billion—on highways, and not highways in total but the Interstate System alone.

But estimated cost aside, the attack on the water problem is spreading. We had evidence of that in the release of the proposed Susquehanna River Basin Compact and the proposal that the Potomac River Basin be brought under a similar compact. Such agreements bring the Federal Government and the states within a basin into a single coordinated effort to develop an area's river resources—with the effort ranging from pollution control, to the construction of dams for water storage and the saving of open countrysides for recreation.

Maryland would, of course, be under both the Susquehanna and Potomac compacts. Those agreements would help Maryland to assume its proper share of the nation-wide job of attacking river pollution.

DISABLED AMERICAN VETERANS ON THE HILL

Mr. TOWER. Mr. President, I am proud to join this week with many other of my distinguished colleagues to salute the Disabled American Veterans on the 34th anniversary of the granting of a congressional charter to establish what has become the largest single veterans organization of wartime injured and disabled in both this Nation and the world. Thirty-four years ago the first session of the 72d Congress chartered the Disabled American Veterans "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans as well as to cooperate with the United States Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

But Mr. President, the Disabled American Veterans have not rested on their laurels or grown apathetic with past accolades. On the contrary, each year the Disabled American Veterans have done more to merit the praise and admiration of all Americans by supporting and sponsoring programs whose scope reaches far beyond the benefit to their own 231,000 members.

In this past year alone the Disabled American Veterans compiled an enviable record of projects accomplished. This Disabled American Veterans organization supplied $2,400 in cash prize money to five student winners in a nationwide essay contest to promote the hiring of the handicapped. I especially laud the employment of a proven vital, hard-working sector of America's labor force, but this is also a stellar example of the way in which a private, charitable organization can reward and further academic excellence of deserving students in our Nation.

Second, Mr. President, the Disabled American Veterans urged and supported Congress in passing legislation that in some small way compensates the veteran or his dependents for injuries sustained as a direct result of military service during time of war. I concur wholeheartedly with the views of the Disabled American Veterans that veterans' compensation is not, and should never be treated as a welfare type of payment. No monetary compensation can justly purchase the freedom that America has maintained for nearly two centuries.

America's true cost of war—America's constant price of vigilance—is its wartime disabled. The Disabled American Veterans worked for and supported the cold war GI bill which a majority of my colleagues and myself proudly voted for and enacted into law. I commend the Disabled American Veterans for their unstinting dedication to a nonpartisan policy of advancing the cause of the disabled ex-serviceman, his widow, dependents, and orphans.

Finally, Mr. President, I wish to bring to the attention of this body and to the citizens of this Nation the truly outstanding service of promoting partiotism that the Disabled American Veterans have done in the past and are doing today. The Disabled American Veterans believe in the justness of our Nation's cause in past wars and the need for present defense spending. In the wake of present dissent over U.S. involvement in Vietnam ranging from campus critics, cries of arrogance, and draft card burning, I, as a U.S. Senator and more importantly, as a private citizen, am both delighted and encouraged by an organization, the size and stature of the Disabled American Veterans, who publicly support our Nation's policy of containing the spread of communism in South Vietnam.

This past year, Mr. President, the Disabled American Veterans have sponsored a nationwide bumper sticker campaign to gain public support for our fighting men in Vietnam. Also, to promote patriotism, the Disabled American Veterans this past week have urged all Americans to observe Flag Day, last Tuesday, June 14, by displaying an American flag on their property.

Mr. President, I commend their national commander, Claude L. Callegary, their national officers including National Executive Committeeman C. F. Searls of San Antonio, Tex., as well as the 231,000 Disabled American Veterans throughout the United States. I say thank you to these brave citizens who so greatly embody the spirit of America because they have fought and suffered to preserve the spirit of America—the spirit of freedom.

Mr. SALTONSTALL. Mr. President, Friday, June 17 marks the 34th anniversary of the approval of the act of Congress incorporating the Disabled American Veterans. The DAV was actually formed many years before, in 1919, by a group of veterans of World War I. For nearly 50 years, it has served as the representative of the injured and disabled members of our Armed Forces. The DAV has stood ready to aid the disabled servicemen of two World Wars and the Korean conflict, as well as the injured victims of the present conflict in southeast Asia.

The price of freedom has always been high, but it has been a price the American people have been willing to pay. Our American men and women in uniform have paid more than their share of that price. Many thousands of them have made the ultimate sacrifice, so that we might remain strong and free as a nation and as a people. To thousands more, the price paid is temporary or permanent incapacity, disfigurement, or other serious injuries of a physical or mental nature. These disabled Americans have been the special concern of the Disabled American Veterans. The DAV has aided countless thousands of them in obtaining medical care, hospitalization, and disability compensation.

Perhaps the greatest challenge and most serious responsibility we have to our disabled servicemen is to assist them in making the painful and often difficult readjustment to nonmilitary life. I know from my many communications with disabled veterans just how important a problem that is to them. Assisting the disabled veteran with his tasks of rehabilitation and job training is a major aspect of the work of the DAV, and for many thousands the free assistance of this dedicated organization has meant the difference between success and frustration in their civilian lives. It is a most valuable supplement to the facilities of the U.S. Government in attaining the best life that is possible for those who have given so much for each one of us. We are in the debt of the DAV for its dedication to the high and singular purpose of caring for the welfare of the militarily disabled.

I am honored, as a veteran and as a grateful American, to participate in the commemoration of this anniversary. I congratulate the DAV on its fine record of dedication and accomplishment.

THE INDIANA UNIVERSITY FOREIGN JOURNALIST PROJECT

Mr. BAYH. Mr. President, we of Indiana are proud that our State is "home base" for an international project that promotes true understanding of our Nation among all peoples of the world. This program is the State Department's multinational foreign journalists project at Indiana University.

President Johnson praised the program in the following terms:

> Through this project writers from nearly every country of the world have studied the techniques of American journalism. And while working for newspapers and magazines they have learned more about a way of life which is aimed at permitting each individual in this Nation to develop to his fullest potential.

Writers study at Indiana University, travel about the country, talk with leaders in the Nation's Capital, and work on leading news media in all parts of the United States. During a 4-month period, these prominent journalists gain a better understanding of all facets of American life. As news reporters they have the opportunity to disseminate their observations about us when they return to their home countries.

Hoosiers are proud of this "Little United Nations" of journalists. Because of the world significance of this undertaking, Mr. President, I ask unanimous consent that a description of the project which appeared in a recent issue of the Indiana University Bulletin be printed in full in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Indiana University Bulletin]

THE MULTINATIONAL FOREIGN JOURNALISTS PROJECT—AN INVESTMENT IN INTERNATIONAL UNDERSTANDING

Because journalists influence the attitudes and beliefs of large segments of the population in their respective countries, the United States Department of State has, since 1950, invited many foreign journalists to visit the United States and examine the country at first hand—to see what the people are really like, and to learn what they are thinking.

One of the most effective of these foreign exchange programs—the Multi-National Foreign Journalists Group Project—is administered by Indiana University's Department of Journalism. Each year 20–25 outstanding journalists from 15 or more foreign countries participate in a four and a half month "depth reporting" investigation of the United States under Indiana University direction.

It is not an easy task to weld a group of individuals with such distinctly different backgrounds into a cohesive, workable unit, and channel their energies toward a common goal—in this case an understanding of Americans and the "American image" on the world scene—while at the same time allowing each individual full freedom to pursue special interests, independent travel, and personal exploration of American ways of life. But this is the task undertaken by a group of faculty and staff at Indiana University each year as its contribution to international amity and understanding. The project director is Professor Floyd G. Arpan of the Department of Journalism. Mr. Arpan has directed twelve of the Foreign Journalists Projects for the Department of State.

The major objective of the program is to explain: "What is an American?" (What does he believe? How does he operate? What ethical and moral principles govern his actions both on the domestic scene and in world affairs? How does his democratic philosophy really work out in practice? What is the basis for his support of free speech and a free press in relation to government and society?)

PROGRAMS ARE TAILORED FOR PARTICIPANTS

To achieve the objective, a detailed program of work, study, and travel is especially tailored to suit the individual needs of each visitor. The backgrounds and experience of the participants vary so greatly that no two Multi-National Foreign Journalists Projects ever are alike. Each Project has a "personality" of its own which develops from the great diversity of the interests, experience, and political leanings of the participants.

Each new Project presents a particular challenge in total programing. The participants, of unusually high intellectual caliber, are thoroughly individualistic and independent. The variety in their backgrounds, their experiences, their attitudes, provides a "cross section" of world journalism:

—Politically, the journalists represent all shades of opinion. Some are pro-West; some espouse the neutralist point of view; there are often representatives from the Iron Curtain countries; some are openly critical of American foreign policy (though not necessarily anti-American).

—Some of the journalists are strictly provincial in their attitude; others are highly sophisticated. Each year a number of the journalists who participate never have been outside the boundaries of their own countries; others have traveled widely to nations around the globe.

—All areas of the world are represented—Europe, Africa, South America, and the Far East. Thus the major racial groups of the world are also present.

—Some of the journalists come from old established nations and cultures; others from the newly emerging nations just released from colonial administration.

OPEN DISCUSSION IS ENCOURAGED IN SEMINARS

Each participant is encouraged to express himself freely concerning his hopes and fears during his stay in the United States. This practice brings into the open any indoctrination of anti-Americanism, "chip-on-the shoulder" attitudes, and fallacious information concerning the United States. Each participant is encouraged to speak out, air his grievances, seek explanations, and discuss openly any subject on which he has personal feelings or curiosity. Individual evaluation sessions determine where each participant will be assigned to work and where he is to travel. These sessions also provide the subjects to be covered by the academic seminar sessions.

The period of programing covers 125 days, and the time is divided as follows:

7 days—Washington, D.C., national seminar sessions.

35 days—Academic seminar period at Indiana University Department of Journalism.

12 days—Group travel with special seminars in cities like Atlanta, Miami Beach, Detroit, Chicago, New York.

21 days—First internship assignment.

21 days—Second internship assignment.

24 days—Period for independent travel around the United States.

5 days—Final seminar period at Indiana University for evaluation of American experiences.

Programing is designed to give each participant the greatest possible exposure to the American way of life; provide extensive opportunities to see democracy in action on national, state, and local levels; and examine at close range the workings of a free press in all areas of American life.

WASHINGTON, D.C. SEMINAR PROVIDES BRIEFINGS

The group assembles under Indiana University direction for the first time in Washington, D.C. At this time the journalists have an opportunity to meet State Department officials concerned with their stay in America. Later, they are introduced to some of the outstanding personalities in the national capital who are important from the standpoint of world news. Major government and military officials give briefings on such topics as United States foreign policy (political, economic, and military), the foreign aid programs, the space race, atomic energy and its uses for war and peace, civil rights in the United States, and the problem of racial discrimination (a recurring front page story in many foreign countries). The participants attend sessions of both houses of Congress, confer informally with senators and representatives, take part in presidential and state department press conferences, and interview cabinet members and other officials concerning problems of particular interest to their own countries.

Following the Washington, D.C. sessions, the group flies to Indiana University for a five-week examination of American life and culture. The academic phase of the program begins early in September, before regular university classes are in session. Classes are designed especially for the foreign group and consist of seminars, group discussions, lectures, and laboratory periods. Faculty members for this phase are drawn from the departments of journalism, economics, government, sociology, business, law, and history.

ALL SECTIONS OF U.S. ON TRAVEL-WORK SCHEDULE

At the end of the academic sessions members disperse for independent travel and work assignments. Individual schedules are carefully planned in advance so as to acquaint the foreign journalists with the various geographical sections of the United States and the major cities and places of interest. In addition, they are assigned for two periods of three weeks each to work on newspapers, on magazines, with advertising agencies, or in the news departments of radio and television stations. Thus they become acquainted with American journalistic methods through a period of detailed observation. Cooperating with Indiana University on this phase of the program are 200 organizations in 42 states who provide the work assignments and internships as well as arranging housing and social contacts. Even when traveling alone, there is, under this arrangement, little opportunity to become lonesome. One journalist wrote: "The project director warned us that the pressures of social entertainment and dining our way across the United States might 'kill us off.' How right he was! And what a delightfully pleasant way to die!"

As soon as stories about the participants appear in newspapers, they are invited to appear before church groups, international societies, and service clubs. During the holiday season they are guests in family homes for Thanksgiving, Christmas, and New Years. Every man finds himself in demand as a speaker at high schools and colleges, civic organizations, and churches. All are encouraged to accept such invitations because they provide the opportunity to meet large numbers of people and to discuss problems with them.

At the end of the four and one half month's study-travel-work schedule, the journalists reassemble at Indiana University to evaluate what they have seen and learned about the United States, and to exchange views and experiences with the other participants. Confusions are "ironed out," misconceptions corrected, and the "total experience" is given a sense of perspective. The basic aspects of American philosophy are again emphasized—free speech, free press, democratic principles, rights of the common man, ethical and moral values.

HONEST APPRAISAL SOUGHT IN EVALUATION SEMINAR

The high degree of success achieved in reaching the goals of the program is evidenced by the spirited and open discussion of ideas during the final evaluation seminars. The journalists usually feel that they have secured an honest appraisal of the American way of life—actually seen democracy in action. And they feel better qualified to interpret American views and policy to the news media of their respective countries. They understand that this policy is based on freedom to think, to speak, and to write as a cornerstone of a literate, democratic, and responsible society.

As more and more of the participants of this Indiana University Multi-National Foreign Journalists Program return to positions of importance in the journalistic media of their home countries, it is hoped that a fairer and more accurate picture of Americans will gradually emerge from the presses of these countries—with a resultant improvement of "the American image abroad."

AMERICAN FIRM CHARTERS FOUR FOREIGN BULK VESSELS

Mr. BREWSTER. Mr. President, an article by Helen Delich Bentley in the

June 14 issue of the Baltimore Sun reported an unfortunate event that I have predicted for a long time: an American steamship company has contracted to charter four bulk vessels now under construction in Japan.

The subsidies that Central Gulf Steamship Co. has sought since 1957 did not appear to be forthcoming, so the company had but to look to Japan for ships. Any other course would have driven Central Gulf out of business.

As the vice president of the company is reported as saying:

> We can't afford to build new ships in the United States without Government assistance. . . . but we have to have new tonnage available to us or we'll be out of business.

It is impossible to charter new American ships because there are so few modern ones under our flag.

Mr. President, as I have said many times before, this sort of situation is symptomatic of the real merchant marine crisis facing this country. As I have also said, unless the Federal Government begins to take positive, comprehensive action, the situation will get worse, not better.

Mr. President, I ask unanimous consent that the article I have cited be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIRM PLANS TO CHARTER FOUR BULK SHIPS—CENTRAL GULF DUE VESSELS UNDER CONSTRUCTION IN JAPAN

(By Helen Delich Bentley)

Another American steamship company has avoided the problems inherent in building and registering ships in the United States by contracting to charter four bulk vessels now under construction in Japan. They will be registered under a foreign flag.

"We can't afford to build new ships in the United States without Government assistance, we can't own foreign ships, but we have to have new tonnage available to us," explained Niels W. Johnson, vice president of Central Gulf Steamship Co., "or we'll be out of business."

Johnson added that his company applied in 1957 for subsidies in order to build replacements for its fleet of ten World War II ships now registered under the American flag. However, no action has been taken on the application by the Maritime Subsidy Board.

A "TOKEN MOVE"

There was a "token move" of a kind which indicated that there was some consideration being given the application in 1960, but the proposal is still before the Maritime Administration as are requests from other unsubsidized companies who feel they are being forced into foreign-flag operation because of the attitude in Washington and the failure of the Administration to take firm steps towards expanding the American merchant marine.

The four ships which Central Gulf will charter will operate in bulk trades away from the United States—on a "non-contiguous basis."

SHOULD BE BUILDING

Johnson commented that it was impossible to charter new American ships because there are so few modern ones under the Stars and Stripes. About 85 percent of the American merchant marine was built during World War II.

"Right now this country is sliding through with rust buckets but this cannot go on forever," he added.

"We should be building new ships right now in this country and we're all for building all we can here, but we cannot afford to do it without Government assistance. If the United States Government or Congress is truly interested in American-flag shipping, then they should make funds available so that American shipyards can compete on a worldwide basis."

Johnson pointed out that it was difficult enough now to operate with the old American ships and yet there is legislation pending, as well as military directives, which will make it almost impossible to continue under the American flag with any kind of a vessel, new or old.

Ten days ago States Marine Lines issued invitations to 36 shipyards around the world—26 foreign and 10 American—to bid on the construction of four-15,000-deadweight ton freighters for operation under the American-flag.

States Marine and its subsidiary, Isthmian Lines, have had applications filed for subsidies for 10 years. Together they now own 49 American vessels and usually charter an additional 30 to 40 bottoms registered in this country.

Central Gulf was chartered in 1947 by Niels F. Johnson, president, the younger Johnson, "and associates."

In addition to its own ten American-flag ships, the steamship firm charters seven or eight other American vessels and twelve to fourteen foreign ones.

DEVELOPMENT PROGRAM FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. INOUYE. Mr. President, the Congress has been asked to authorize a 5-year $172 million development program for the Trust Territory of the Pacific Islands.

There are many reasons why this program is essential if we are ever to take pride in our administration of this vast area in the Pacific.

From time to time, I will take the opportunity to bring some of these reasons to your attention.

Today, I should like to call your attention to an editorial published in the Marshall Islands Journal, a mimeographed newspaper which bills itself as "the Marshall Islands only free press."

Like all good newspapers, the Marshall Islands Journal seeks to keep its readers well informed on the issues of the day.

The following editorial deals with a school in Majuro where the newspaper is published. If there are no objections, I ask that the editorial be printed in full.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EDITORIAL

Rita Elementary School at Majuro had no graduation ceremony this year. Maas Hone, principal, said, "The students didn't want to have graduation."

The students boycotted the graduation ceremony.

By some inadvertent action an announcement was made over the radio naming the 18 Rita students who were accepted into the High School for next year. The announcement was made prior to graduation. The 69 other students in the graduating class did not want to appear in public in a ceremony that tended to honor them when the public had been told they were not accepted by the High School. Even more, they had lost the keen edge of interest—the government had said that they must end their education with the 8th grade.

It is to be regretted that the school year and the formal education of so many good students ended on a note of deep sadness. One of the graduates with a ticket to High School said, "See that girl. She is smart, very quick. But she can't go to High School." "I didn't want to graduate," said the young lady with an acceptance to two high schools, "I felt very sad that the others couldn't go on to school."

So it is that many young boys and girls know sorrow; 69 know also a point of despair. Their future—in terms of their hopes is bleak—in terms of their potential is wasted.

The students could be criticized for their boycott of the important affair. But we are inclined to praise the rebels. Their action highlights a very real community need—the need for more high school classrooms and teachers.

The courage of the students in refusing to participate is fine; their anger at the situation is commendable. We are encouraged by such. The community now knows that they want an education.

There are undercurrents of anger at other problems in the Rita School. We feel that the students ought to be heard, that an investigation ought to be made and that solutions be found.

The needs of this district demand more high school teachers and more high school classrooms—they demand them now. To fail in meeting these needs is to waste the human potential of our youth.

The students boycotted the graduation ceremony. We commend them and trust their quiet protest brings effective action to bear on the problems they face.

OUR NATION'S ROLE IN THE DEVELOPMENT OF THE COUNTRIES OF AFRICA

Mr. McGEE. Mr. President, last May 26 President Johnson, speaking on the third anniversary of the Charter of the Organization of African Unity, gave renewed recognition to our Nation's role in the development of the countries of that continent and the fulfillment of the aspirations of the African peoples for freedom, self-governments, and economic progress.

Again, the President demonstrated the policy of our Government that our commitment to freedom is worldwide. While the conflict in Vietnam quite naturally compels our close concern, the President has made it clear that resistance to armed aggression in southeast Asia, or anywhere else, should not deter us from equally important objectives in other parts of the world where human progress can be achieved and U.S. interests thereby served.

Such an objective has now been focused on the continent of Africa, where 37 free nations—most of which have emerged from colonialism only in the past 15 years—have begun the process of building political and economic systems under the most adverse circumstances.

It is to these nations that the President has again extended the hand of friendship from the American people.

Friendship between a great world power and a struggling country where independence is a new concept must involve far more than sympathy and moral support. It must involve generosity and enthusiasm on the part of the United States to assist each of these nations in determining its own destiny as a self-governing, contributing member of the world community.

And it must also involve the patience to understand that our efforts will not produce miracles, nor even the assurance that our assistance will be universally accepted. We face in Africa a period of adjustment not unlike the turbulent periods of our own early history and the histories of other Western nations in their quest for self-determination.

The President has given our Government the guidelines for broader assistance to Africa—aid in regional economic activities, in the education of African students, in developing an effective communications system, in building an internal transport network and greater electric power capacity. In effect, he has mobilized the minds and talents of our Nation toward new initiatives in responding to African needs. At the same time, he has expressed in unequivocal language our support of self-determination and an orderly transition to majority rule.

He emphasizes that growth in Africa must stem from African leadership, and that our role is one of providing the extra resources to help speed this growth.

It is to the response from the nations of Africa that I address myself today.

With the assistance of the Department of State, I have compiled a number of press comments from Africa which indicate that the President's speech struck a favorable chord in African-American relations.

Predictably, some of the African reaction is cautious. Predictably, also, the President has been criticized by some newspapers in South Africa and Rhodesia. But the news accounts and editorials in other parts of the continent, coupled with diplomatic reports and private communications to the President and the State Department, give evidence that the door is open for much closer political and economic cooperation with the countries of Africa. These countries are eager to see how the great resources of the United States can be brought to bear in this challenging enterprise. As a government and a nation, we have an immense responsibility to carry forward the objectives advanced by the President.

Here are examples of the African reaction:

The newspaper Le Temps du Niger in Niamey quoted President Diori of Niger as saying that his greatest impression was President Johnson's remark that "if it takes self-determination to become a free nation, it also takes a climate of growth to remain one."

The Ministry of Information in Nigeria issued a press release highlighting the President's promise that the United States would help African growth "in a pattern that followed the aspirations of the African people." Two newspapers in Lagos, Nigeria, printed the President's speech in full. One of the headlines said, "The United States Will Not Support Racial Inequality."

The newspaper Uganda Argus in Kampala, Uganda, editoralized that the United States has "the greatest chance not only of making and keeping sincere friends, but also of helping to bring forward an area of the world which has too long been either neglected or exploited." The newspaper said the President's speech "struck a note of sincerity. It was a strong appeal for cooperation between two continents and a generous recognition of what Africa can do for America." The commentary ended on the note that if "these and similar sentiments" can be translated into policy, "there is every reason to look forward to a strengthening of the good relations between the peoples of Africa and America."

A newspaper in Tunis headlined the news account of the President's speech in this manner: "President Johnson's Remarks on the Occasion of Africa Received With Satisfaction."

The Standard in Dar es Salaam, Tanzania, headlined its story, "United States Will Not Back Minority Rulers."

Both English-language newspapers in Ethiopia carried the speech in full. Great interest was expressed in the fact that the President has assigned U.S. Ambassador Ed Korry to work full time on following through the initiatives advanced in the speech.

The Ghanaian Times in Ghana commented that "all sensible Africans will welcome President Johnson's program more than any shipments of arms as aid to African countries." The commentary continued:

> Developing an effective communications system is perhaps most important. It is important not only because it will increase substantially intercontinental trade and commerce, but also it will be a means by which we shall learn more about one another.

The Accra Daily Graphic in Ghana headlined an editorial, "America Cannot Condone Injustice," and quoted the President on U.S. unwillingness to support policies based on the rule of minorities. The Evening News in the same city noted that "the President is on unmistakably sound ground in emphasizing the need for regional cooperation in Africa and in projecting American assistance within that context." The President's address was also carried by Ghana television.

As a footnote to these African commentaries, I was interested in a remark by a newspaper in Khartoum, Sudan, to the effect that "some malicious journalists" thought that the President discussed Africa to avoid the Vietnam issue.

I thought it would be of interest to the Senate to relate some of these news stories and editorials in the aftermath of President Johnson's speech. His purpose was to remind both the people of Africa and of the United States that we share a world in which cooperation among nations is essential to progress, and that this Government's responsibilities to its neighbors in Africa must be expanded in a way which will promote lasting growth.

The President's pledges to Africa will require great skill on the part of our Government before they are translated into positive accomplishment. It is my belief that the Congress should, and does, support the administration in these objectives for an Africa which will expand its economy while growing with equal vigor in the values of human freedom.

I would underscore one particular statement which the President made to the African Ambassadors in his speech of May 26:

> As we have deepened our relations with you, we have learned that Africa has never been as dark as our ignorance of it; that Africa is not one place and one people but a mosaic of places and peoples with different values and different traditions; that the people of Africa want to decide for themselves the kind of nations they wish to build."

RECOGNITION FOR DR. ELMER ELLIS, A GREAT UNIVERSITY PRESIDENT

Mr. SYMINGTON. Mr. President, in recent days Dr. Elmer Ellis is being honored by the educational community, not only in Missouri but from all over our Nation, for the outstanding dedication and achievement of his tenure as president of the University of Missouri.

Dr. Ellis came to the university as a history professor in 1930, subsequently served 9 years as dean of the college of arts and sciences, was acting president in 1953 and was elevated to the presidency in 1954.

In these 12 years, progress at the University of Missouri has been remarkable, due in large measure to the personal interest and dedication of Elmer Ellis.

Our student body has doubled in size—our university library has developed into one of the top 10 university libraries in the Nation—a new and rapidly growing research program includes the largest nuclear research reactor on any university campus in the Nation. Perhaps the most outstanding achievement of Ellis' tenure has been the expansion of the university to encompass four separate campuses, adding both St. Louis and Kansas City to those at Columbia and Rolla, and branches of the university's extension service in every one of our 114 counties.

Dr. Ellis will retire from the presidency on August 31, but the momentum and excellence he has contributed to the University of Missouri will remain as an eloquent tribute.

I ask unanimous consent that a statement outlining in greater detail the major accomplishments of a truly great university president, Dr. Elmer Ellis, be inserted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COLUMBIA, Mo., June 1.—Dr. Elmer Ellis, who retires from the presidency on Aug. 31, will have an impact on the University of Missouri that will last for several decades.

Because he has selected a corps of youthful chancellors and deans and because he instigated long-range research programs that all but stagger the imagination, the Ellis tradition will permeate the campus through several generations of students.

The modest University president is being honored throughout the University system in his final months as administrator. He was the guest at a dinner at the University of Missouri at Rolla; the Columbia faculty paid respects at a program and reception; the Board of Curators will have a dinner for President and Mrs. Ellis in St. Louis June 24; and he will be honored with a reception at the University of Missouri at Kansas City where he gives the commencement address on June 4.

While he will confer degrees upon graduates at two more commencements in Columbia, the approaching June 7 graduation program that closes the current academic year will build in added nostalgia for the "Class of '66" because in a sense it turns all but the last page on the Ellis book. He will receive the title of emeritus president from the Board of Curators. He will remain on campus as administrator until August 31, and will be the president through the summer session commencement Aug. 5. The June graduating program is certain to mark a climax to his career.

President Ellis reaches the mandatory retirement age for administrators of 65 on July 27 and will be succeeded as chief administrative officer of the University system on Sept. 1 by Dr. John C. Weaver, vice president for administrative affairs at Ohio State University.

Historians may point to development of the University into a four-campus system as the top achievement of the Ellis administration that included 11 years as president after one year as acting president.

Notable and herculean that task was. It elevated the School of Mines and Metallurgy at Rolla to full university status; it converted the private University of Kansas City into a state-operated University of Missouri at Kansas City; it expanded the old Bellerieve Country Club at Normandy into an extension center and then into a full-blown University of Missouri at St. Louis.

At the same time the University here and at Rolla was being enhanced as a graduate training and research center without stinting on its undergraduate program. It expanded an Extension Service by adding emphasis on urban activities atop its rural programs.

But other facets of the Ellis years may have equal or greater importance to education in Missouri.

President Ellis carried his interest in the University Library from his professorial days through a deanship into the presidency and the result is one of the few university libraries with more than 1,000,000 volumes. Students make free selection in open stacks; a unique computer system of checking out books attracts international attention. Under President Ellis' administration the 50-year-old library building was finally completed and includes quarters for the State Historical Society of Missouri, whose collections enhance campus research activities.

Another program dating back to his nine years as dean of Arts and Science also was expanded on a broader scale as president. As a professor he realized the problem; during a year as vice president of extra-divisional education he laid its foundation; and as dean he began an intensive program for the improvement of teaching. He received a $50,000 grant from the Carnegie Foundation for the Advancement of Teaching to help him improve teaching in colleges and universities. One result was a in-service training program that is still in operation at the University.

One phase of the Ellis years will be carried into the future because he had a strong voice in selection of most of the chancellors and deans that will continue as high administrative officers through their careers. It is unlikely that the University has ever had a corps of deans so youthful: some could well be here for decades. And they carry the Ellis legacy that will affect the quality of faculty members through countless generations of students.

Dr. Ellis considers his staff of chancellors and deans as "top notch" and considers himself "lucky" because he never picked a "lemon!". The admiration is mutual. Inquire of most of the deans secured off campus and you'll learn that it was the Ellis magnetism and enthusiasm that interested them in switching allegiance to Missouri.

In considering the Ellis legacy the expanded research program can't be ignored. M. U. scientist are working on projects for colonizing the moon and planets through the Space Sciences Research Center; it has a long-range study under way of determing the things man does to his environment that affect his health; in the largest campus nuclear reactor in the nation faculty and students are learning more about the smallest of particles, the neutron with its protons and mesons; the possible realignment of genes in plants, animals and man.

Back in his days of teaching history, interspersing the serious with Peter Finley Dunne "Mr. Dooley" quotes—and with Mrs. Ellis at times in the classroom as a critic—Dr. Ellis never dreamed of being president to a student body of 33,500, of administering a $70 million a year program, of enrollment more than doubling and expenditures more than quadrupling during a 11-year administration.

Dr. Ellis' plans for the future aren't complete. While he is retiring as administrator, he could have five more years of University tenure as professor of history. But he believes he has been too long out of the classroom to resume an instructional role. But he will remain in Columbia—he and Mrs. Ellis will move from the President's house into a home they recently purchased—and will have offices in Jesse Hall. And his talents will be used.

President-elect Weaver has indicated he will arrive in Columbia about Aug. 1, and has requested President Ellis to remain on campus that month to help him become acquainted with his staff and duties.

After retirement, Dr. Ellis wants to write a book on administrative problems of university systems. He will collect data on short trips to California, Wisconsin, New York, North Carolina and perhaps other states, talking with administrators, legal counsels, faculty members and others to assemble the material.

He would like to assist with the proposed Missouri state capital improvement bond issue that is under consideration and will be available to lend from his experience with the similar 1955-56 campaign he directed.

A native of McHenry county, North Dakota, who took two degrees from the University of North Dakota and a doctorate at the University of Iowa, Dr. Ellis taught in North Dakota public schools and three years at the North Dakota State Teachers College at Mayville. He was lecturer for two years at the University of Iowa. He came to the Missouri faculty in 1930 where he remained without interruption except for leaves. He had a sabbatical leave and a Guggenheim fellowship in 1939-40; spent two years of duty with the historical branch of the War Department General Staff of the Army; he was visiting lecturer under a Fulbright grant at the University of Amsterdam in 1951-52, and on the faculty of the Salzburg Seminar of American Studies in 1952.

Upon retirement of President Frederick A. Middlebush, Dr. Ellis became acting University president on Sept. 10, 1954, and was selected by the Board of Curators for the presidency on the following April 16.

Since that time he has made trips to England, Canada and Japan as representative at international meetings of the Association of American Universities. He spent six weeks in India on an inspection of the University's agricultural education advisory unit there.

Time magazine recently said that the University's upward reach "began in 1954 with promotion of Ellis . . . to the presidency." Tracing University growth and vigor under Ellis, it added that "Whether Missouri now moves into the top rank of public universities will depend largely on John Carrier Weaver."

Other national magazines have helped tell the M.U. story and added to national recognition of Dr. Ellis. He obtained professional recognition through election to presidencies of the National Association of State Universities and Land Grant Colleges; of the National Council of Social Studies; of the Mississippi Valley Historical Association; of the Mid-America Association of State Universities; of the National Commission on Accrediting; of the Harry S. Truman Library Institute for National and International Affairs, and of the Missouri Association of Colleges and Universities.

He was selected by former Gov. Phil M. Donnelly to head the state campaign for passage of the $75 million state capital improvements bond issue which voters approved in 1956. He has honorary degrees from North Dakota University, Central College, Drury College, Washington University of St. Louis and Culver-Stockton College. He has a pro meritis award of Rockhurst College.

All of which help explain remarks by Dr. Weaver about Dr. Ellis when he was chosen as his successor:

"His footprints were large and it will be extremely difficult to fill his shoes."

TAX OMBUDSMAN

Mr. LONG of Missouri. Mr. President, on May 12, Senator MAGNUSON and I introduced a bill (S. 3344) to establish a Small Tax Division within the Tax Court of the United States. I am happy to report that 51 other Senators have joined us in cosponsoring this bill.

As stated on the floor of the Senate, this bill would create an ombudsman, in the form of regional small tax commissioners. Taxpayers who have been assessed a deficiency less than $2,500, or who claim a refund from the Government of less than $2,500 may go to the Small Tax Commissioner for relief.

Our taxpayers need some form of ombudsman to fight the proverbial city hall, and perhaps the new commissioners will assume this role. It is heartening to see the very favorable response which this bill has received, and it is hoped that hearings before the Senate Committee on Finance will be scheduled at the earliest possible time.

I ask unanimous consent to insert, at this point in the RECORD, S. 3344, a bill to establish a Small Tax Division within the Tax Court of the United States.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 3344

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter C of chapter 76 of the Internal Revenue Code of 1954 (relating to the Tax Court) is amended by adding at the end thereof the following new part:

"PART IV—SMALL TAX DIVISION

"Sec. 7476. Small Tax Division.
"Sec. 7477. Procedure; commissioners.
"Sec. 7478. Decisions of Small Tax Division.

"Sec. 7476. Small Tax Division.

"(a) In General.—There is hereby established, within the Tax Court, a Small Tax Division (hereafter in this part referred to as the 'Division'). The chief judge of the Tax Court shall from time to time assign one or more judges of the Tax Court to the Division and shall designate a chief judge of the Division.

"(b) Jurisdiction.—

"(1) Deficiencies.—Any taxpayer to whom is sent a notice of deficiency in respect to any tax imposed by this title may, if the amount of such deficiency (not including interest) does not exceed $2,500, file a petition with the Division for a redetermination of the deficiency. Any such petition shall be filed within the time prescribed by this title for filing a petition for the redetermination of a deficiency by the Tax Court. The Division shall have jurisdiction to determine the correct amount of the deficiency to the same extent as in the case of petitions filed with the Tax Court, except that the Division shall not have jurisdiction to determine a deficiency (not including interest) in excess of $2,500.

"(2) Refunds.—Any taxpayer who has filed a claim for refund of any tax imposed by this title with the Secretary or his delegate and whose claim has been disallowed (or disallowed in part) may, if the amount of such claim (not including interest) does not exceed $2,500, file a petition with the Division for the allowance of such claim (or for the part of the claim disallowed by the Secretary or his delegate). Any such claim shall be filed with the Division within the time prescribed by law for commencing a suit for recovery of such tax. The Division shall have jurisdiction to allow, in whole or in part, the amount of such claim, except that the Division shall not have jurisdiction to allow any refund of any tax (not including interest) in excess of $2,500.

"Sec. 7477. Procedure; Commissioners.

"(a) Rules of Practice and Procedure.—The proceedings of the Division shall be conducted in accordance with such rules of practice and procedure as the Tax Court may prescribe. The provisions of part II of this subchapter shall apply with respect to proceedings of the Division only to the extent provided in such rules. Nothing in such rules shall preclude a taxpayer from representing himself in proceedings before the Division.

"(b) Commissioners.—

"(1) Appointment.—The Tax Court is authorized to appoint, without regard to the civil service laws and regulations, such number of commissioners, not exceeding 20, as may be necessary to carry out the functions of the Division. Each such commissioner shall receive compensation at the rate prescribed by law for commissioners of the Court of Claims, and shall be subject to removal by the Tax Court. No person who has served as an officer or employee of the Internal Revenue Service shall be eligible for appointment as a commissioner until five years after he has ceased to be such an officer or employee.

"(2) Duties.—Under the supervision of the chief judge of the Division, the commissioners shall conduct all proceedings before the Division, and shall perform such other duties as the Tax Court may from time to time direct. The commissioner who conducts the proceedings on a petition filed with the Division shall render a decision thereon which shall be reviewed by a judge of the Division and which shall be final unless reversed or modified by the reviewing judge.

"Sec. 7478. Decisions of Small Tax Division.

"(a) Finality of Decisions.—There shall be no review of, or appeal from, any decision of the Division.

"(b) Treatment as Decisions Made by the Secretary or His Delegate.—A final decision of the Division shall be treated as a final decision of the Secretary or his delegate for purposes of the provisions of this title and all other laws of the United States, including (but not limited to) the provisions relating to—

"(1) redetermination of deficiencies by the Tax Court,

"(2) suits for recovery of taxes erroneously or illegally collected, and

"(3) suits for recovery of taxes erroneously refunded.

"(c) Further Proceedings by the United States.—In any case in which—

"(1) the Division has determined the amount of any deficiency to be less than the amount determined by the Secretary or his delegate, and

"(2) the Secretary or his delegate certifies to the Tax Court that the decision of the Division involves a substantial question relating to the validity or meaning of a provision of this title or of the regulations prescribed thereunder,

the Secretary or his delegate may file a petition with the Tax Court for a redetermination of such deficiency. The Tax Court shall have jurisdiction to redetermine the amount of such deficiency to the same extent and in the same manner as if such petition had been filed by the taxpayer. In any proceeding commenced by the Secretary or his delegate under this subsection and in any proceeding commenced in any court for recovery of any amount allowed as a refund by the Division, the United States shall be liable for all court costs and shall pay a reasonable fee to the person or persons representing the taxpayer in such proceeding."

(b) The table of parts for subchapter C of chapter 76 of such Code is amended by adding at the end thereof the following new item:

"Part IV. Small Tax Division."

Sec. 2. The amendments made by this Act shall take effect on the 180th day after the date of the enactment of this Act, except that the provisions of sections 7476(a), 7477(a), and 7477(b)(1) of the Internal Revenue Code of 1954 (as added by this Act) shall take effect on the date of the enactment of this Act.

CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?

Mr. McGEE. Mr. President, for several years it has been my good fortune to be able to conduct for the graduating high school seniors in my State of Wyoming the McGee Senate Internship contest, which brings back to Washington one boy and one girl for a week of observing democracy in action—here in the Senate and in Washington.

As a part of the contest each student is required to complete an essay on "Can Democracy Keep Up With the Space Age," and each year I am impressed with the depth of understanding and the dedication to our democratic principles displayed by these young people in their essays. All show real thought and a thorough knowledge of our system of government.

Of course, it would be impossible for everyone to read all these essays, but I think some of the most outstanding ones selected by an impartial panel of three judges should receive wider circulation, and I ask unanimous consent that two of these essays, written by Miss Karen Elaine Luond, of Casper, Wyo., and Glen Edward Garrett, of Cheyenne, Wyo., which received honorable mention in the McGee Senate Internship contest, be printed in the Record.

There being no objection, the essays were ordered to be printed in the Record, as follows:

Democracy for Tomorrow

(By Karen Luond, Casper, Wyo.)

"The world must be made safe for democracy. Its peace must be planted upon the tested foundations of political liberty . . . We are but the champions of mankind. We shall be satisfied when those rights have been made as secure as the faith and the freedom of nations can make them."—Woodrow Wilson, War Address to Congress, 1917.

Does democracy have a place in today's world? Will the "tested foundations of political liberty" crumble under the earthquake of unfavorable world opinion? Is our role as champions of mankind justifiable? Can democracy meet the challenge of the space age?

Today's world is holding democracy on trial. Because free people are searching for the best way of life, questions are being asked of democracy. They are searching questions, interrogative octopi, groping for the truth. The answers to these questions lie in our actions in world problem centers. In South America, in Rhodesia, in India, France, Cambodia, black Africa, Selma, or New York City, in Viet Nam, in every part of the world, democracy is waging a battle against suppression. It is contending to make certain rights "secure as the faith and freedom of nations" can make them. All of these certain rights can be included in one phrase, which is the key to the future of democracy in the space age: freedom of the individual. Thomas Jefferson, one of the framers of our country's history of justice and democracy said, "The people are our only sure reliance for our preservation of our freedom." But why would the freedom of our people endure even if all of the documents which guaranteed that freedom were burned? Why does the liberty of the individual hold the door of the future open to democracy? One main social idea in government systems of the people answers these two questions; it is individual initiative.

Because of individual initiative, competition through free enterprise advances our country. In our free enterprise system, companies vie with each other for advancement and better products. In the space age, Motorola, General Electric, Bell System, and other large companies work to find new ideas, new products, new advances for our future beyond our planet. Aircraft companies work to be the first to bring forth a new perspective in missile satellite, and rocket building. By adding their new ideas to the ever growing advances being made in this field, they take the United States through one more lap in the race for space. In a system in which individual initiative is suppressed, competition, as such, is non-existent. Everyone is working for the government, with no reason to try to be first, for there is no competition. The freedom of the individual, and any real reason for him to try to succeed is nil.

In the United States of America, where the liberty of each and every person is predominant, one can strive to get ahead, to better one's present state, to find a goal and strive for it. I do believe that a governmental system which can show through actions, not hallow promises, that the freedom of the individual to better himself prevails, can win the battle over suppression. Surely, the starving people of the world, upon seeing Presidents and other famous Americans, who have rooted themselves from the bonds of poverty, will picture their families with food on the table, instead of promises of food, with sons in school instead of promises of schools. Surely, the people oppressed by unstable governments and cruel dictatorships will look to a country in which the people have a say in the government, in which the governing powers are directly answerable to the people themselves. Surely, the people torn by a war in their country will see the American soldiers dying to maintain the freedom of the individual, fighting against soldiers who are only the tools of a government which is trying to gain land and power. The right of a man to try to reach a goal, to take care of his family, to compete to better himself, and thereby better his country, is the open door to the future of democracy. The freedom of the individual is the proof that democracy is the only form of government which can keep up with the space age.

Can Democracy Keep Up With the Space Age?

(By Glen Edward Garrett, East High School, Cheyenne, Wyo.)

As the first orbit of Sputnik I shocked our world into a new era of challenge, the space age, doubts arose as to the ability of a democratic form of government to compete with communism. After all, communism is relatively modern compared to democracy, and perhaps, it is better suited to meet the challenges of the space age. In their initial triumph on space, the Russians presented the United States with this new era's most obvious challenge—the challenge of technology. Not only did democracy prove its ability to compete in a modern world, but also it met and surpassed the initial challenge of the space age. Since Sputnik I the United States has exceeded the Russians in the number of both manned and unmanned satellites. This technological demand, however, is only the superficial challenge facing the United States in the space age. Underlying the surface demand of the space age is a challenge that the United States must meet as the most powerful nation.

What is this challenge? In any situation where power over men is concerned, the most important challenge to be met is that of responsibility. Moreover, in an age where man has created the power to move mountains to dig rivers, or to destroy the world, the necessity of responsibility is magnified. Because the people rule in a democracy, the people accept the responsibility of not annihilating themselves and; therefore, democracy is the most responsible form of government. For this reason and the fact that most of the nuclear weapons in the world are controlled by the United States, democracy must survive in this new era in order that responsibility to the people survive. Can democracy keep up with the space age?

To answer this question at this point would be similar to saying our government was obsolete when the communists succeeded in orbiting the first satellite. The fountainhead of democracy of both the space age and of democracy must be singled out and examined. Only after the roots of each have been discovered can we answer our question.

The words "space age" bring to mind many terms that one might attribute to its existence. Atomic energy, satellites, technology, and computors are only a few of the numerous innovations which have been either separately or collectively credited for creating the space age. These innovations, however, are not the prime cause for the age of space. Within each of these so-called causes can be found one common element which is actually responsible for our new era. Everything in the space age is really only a result of the accumulated knowledge of man. For example, consider the origin and the events that led up to the one invention to which most people credit the space age. This invention, of course, is the modern missile but it may be traced back to the bicycle. In 1895 two bicycle manufacturers became interested in the problems of flying. Perusing their interest they increased their knowledge through books, wind-tunnel experiments and study of the flight of birds. Finally, in 1905, their accumulated knowledge in aerodynamics allowed the Wright brothers to make their debut at Kittyhawk with the first successful airplane flight. From this initial invention the airplane improved as the knowledge of man increased in other fields. The expansion of knowledge led to improvements in engines, materials and designs. Through all these advancements the airplane evolved into the V–I or the buzz bomb of World War II. A short time later increased German knowledge introduced the V–2, which was the first rocket as we think of rockets today. Greater knowledge of chemistry, aerodynamics, radio communications, and of many other sciences led to the development of our present day missile which officially launched us into the space age. As can be seen, the space age is actually nothing more than an outgrowth of the knowledge of man.

In a similar manner we can dissect democracy to find the element responsible for it. Democracy has several connotations, such as "government of the people, by the people and for the people," or "life, liberty and the pursuit of happiness." Freedom, the individual and independence are also associated with the word democracy. Yet all these factors, freedoms and rights of democracy compose our right to vote. In voting, free speech, the right to assemble, the freedom of the press and our other rights go into action. In our modern concept all people must share the right to vote in order to have a democracy, but this right has not always been shared equally in our country. This being true, how is it that our country has always ben a democracy? An examination of this one element of democracy—the right to vote—should reveal why there is democracy in our country.

Looking back to the beginning of democracy in America one would expect to find it in its purest and most untouched form. On the contrary, one finds quite the opposite. In the eighteenth century voting was restricted to white, male, landowners. This seemingly unfair class of voters, however, included most of the educated people of that time. Women, non-whites, and non-landowners had little or no chance of obtaining an education, and likewise, our founding fathers did not allow them to vote. These educational voter requirements, along with literacy tests, indicate that the founders of our country felt that knowledge is the strength of democracy and that only through knowledge can democracy survive. The rights of voting, however, expanded as knowledge expanded to more classes in America. As women, non-whites and non-landowners gained educations, they similarly gained the right to vote. By its very virtue, knowledge contains a certain responsibility. Thus, a democracy in America having only educated voters is naturally responsible as a form of government. Today, when all classes of citizens possess knowledge, all classes possess the right to vote. Democracy, as we know it today, is purer than it was when our ancestors first acepted its principles. One can see that democracy, like the space age, is actually an outgrowth of knowledge.

When knowledge is used in a democracy, it is used "by the people and for the people." In the space age, survival depends upon the responsible use of knowledge found in a democracy. Yet at the same time, democracy depends upon the continuing expansion of the knowledge of man, and the space age will provide this expansion. Each can work with the other for the advancement of both. Because both democracy and the space age are the offspring of man's knowledge, democracy not only can but must keep up with the space age.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Is there further morning business? If not, morning business is closed.

COTTON RESEARCH AND PROMOTION ACT

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1238, H.R. 12322, and that it be laid before the Senate and made the pending business.

The **PRESIDING OFFICER.** The bill will be stated by title.

The **Legislative Clerk.** A bill (H.R. 12322) to enable cotton growers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position, of and to expand markets for, cotton.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 10, line 4, after the word "the", to strike out "initial order shall be $1 per bale of cotton handled, and such rate may not be changed except by further order duly approved by the Secretary on the basis of a hearing and subject to approval by cotton producers in a referendum pursuant to section 8" and insert "order shall be $1 per bale of cotton handled"; and on page 12, line 10, after "Sec. 8.", to strike out "The Secretary shall conduct a referendum among cotton producers for the purpose of ascertaining whether the issuance of an order is approved or favored by producers. No order issued pursuant to this Act shall be effective unless the Secretary determines that the issuance of such order is approved or favored by not less than two-thirds of the cotton producers voting in such referendum who, during a representative period determined by the Secretary, have been engaged in the production of cotton, or by cotton producers voting in the referendum who, during such representative period, have produced at least two-thirds of the volume of cotton produced by such producers." and insert "The Secretary shall conduct a referendum among persons who, during a representative period determined by the Secretary, have been engaged in the production of cotton for the purpose of ascertaining whether the issuance of an order is approved or favored by producers. No order issued pursuant to this Act shall be effective unless the Secretary determines that the issuance of such order is approved or favored by not less than two-thirds of the producers voting in such referendum, or by the producers of not less than two-thirds of the cotton produced during the representative period by producers voting in such referendum and by not less than a majority of the producers voting in such referendum.".

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum, without losing my right to the floor.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, the bill before the Senate today, H.R. 12322, is designed solely to help cotton farmers help themselves. Essentially H.R. 12322 would provide authority for these farmers to decide, in a referendum, whether they wanted to assess themselves $1 a bale on the cotton they produced. This would be used to finance additional cotton research and promotion, in an effort to encourage the increased consumption of cotton.

Mill consumption of cotton has been trending downward for some time. For example, for the 5-year period 1950–54, consumption averaged about 4.5 billion pounds, whereas during the 1960–64 period consumption averaged only 4.1 billion pounds, a reduction of almost 9 percent. During this same period, consumption of all fibers increased by about 8 percent.

This downward trend was reversed by the passage of the 1964 and 1965 one-price cotton laws. Senators will remember that these laws reduced the price of cotton to domestic mills to world price levels, whereas previously they had been paying from 6.5 to 8.5 cents above world market prices. This permitted cotton to become competitive pricewise with rayon and acetates. The table on page 5 of the report shows that the mill use of cotton, which has been trending downward, increased after 1963 by a substantial amount. On the other hand, mill use of rayon and acetate was slowed to about one-third the rate of increase since 1960.

The most significant change in the whole fiber picture in the United States has been the spectacular gain in the group of fibers which are known as noncellulosics. These are the higher priced synthetic fibers such as polyester, which is sold under the trade names of Dacron, Kodel, Fortrel, and so forth; acrylics which are sold under the trade name of Acrilan; and nylon. These fibers are priced three to four times higher per pound than cotton. But the consumption of these higher priced noncellulosic fibers now totals an amount equal to about 7 million cotton bales a year.

Mr. GORE. Mr. President, will the Senator from Georgia yield at that point?

Mr. TALMADGE. I am happy to yield to the Senator from Tennessee.

Mr. GORE. I was wondering whether the per-pound price is the best means of comparison of the value and the amount of yarn contained? I seek only information.

Mr. TALMADGE. I do not believe so. I believe that the big problem here, let me say in response to the Senator from Tennessee, is the fact that they are spending some $200 million a year to promote the utilization of synthetics and for research, whereas the cotton farmers are spending only approximately $4 million a year so that they are being outspent by about 50 to 1 in that regard.

As the Senator knows, the American people are susceptible to advertising. When a product is advertised, results are obtained. Here is a magazine called Seventeen. There appear some 50 advertisements in this magazine relating to synthetic fibers which cost up to 80 cents a pound. In the same magazine, there is very little advertising which relates purely to cotton.

Thus, the Senator can see what a tremendous job these giant corporations—and there are about nine of them which produce approximately 90 percent of the manmade fibers and synthetics—are doing when they advertise their product, research their product, or promote their product, while the cotton farmers are spending only $4 million a year.

Mr. GORE. I can also see some very beautiful models are used in the advertisements the Senator is showing me.

Mr. TALMADGE. There are, indeed. Of course, the Senator knows that beautiful models will also sell a product.

Mr. President, during the last 2 years alone, the increase in the consumption of these fibers has amounted to more than 2 million bales of cotton. These fibers are used on the cotton-spinning system.

While cotton was selling for about 24 cents per pound during this last year, orlon sold for about 80 cents per pound, dacron for 84 cents per pound, and nylon for 88 cents per pound. Obviously something other than price has caused this sharp increase. If these fibers competed with cotton on the basis of price alone, they would not have been gaining markets at the expense of the lower priced cotton and rayon.

Generally speaking, competition between fibers is broken down into three categories. The first, which we have already mentioned and which is very important, is price competition. The next is competition in the field of research and development and the third is promotion or advertising.

Testimony presented at the hearings on this bill indicates that the synthetic fiber industry spent about $135 million in 1965 on research and development to improve the quality of those fibers and the products made therefrom. This contrasts with about $26 million being spent on cotton research. This is from all sources, both public and private. In the area of promotion, synthetic fiber producers last year spent about $70 million to increase the sale of textiles made from their fibers. This contrasts with about $4 million spent for cotton promotion. Obviously, cotton falls woefully short in its efforts to be competitive in research, development, and promotion.

To illustrate how the synthetic fiber industry is saturating the advertising field, one of the witnesses at the hearings showed a copy of the advertisements in one issue of a magazine. There appeared in this magazine 64 ads in which a fiber was mentioned: 4 of the 64 advertised wool, 9 advertised cotton and the remaining 51 out of the 64 featured manmade fibers. These ads urged consumers to use textiles made of specific fibers. In the case of the synthetic fiber industry, they are paid for by the producers of synthetic fibers. There are many, many other ways in which these tremendous sums are used to advertise or promote the consumption of these products. This could be done for cotton farmers if there were sufficient funds available.

For many years now, cotton farmers have known that a greatly expanded program of research and promotion was a necessity if cotton was to continue its role as a major textile fiber.

Leading cottongrowers across the belt formed an organization in 1960, known as Cotton Producers Institute, whose purpose was to raise voluntarily $1 per bale to finance the needed research and promotion for cotton.

Starting with a nucleus of a few key cottongrowers, the new organization went to work in individual States and counties. Thirty-eight cotton producer groups threw their full support behind the effort. Some 8,600 of the country's leading cotton farmers were brought together in various committees assisting in the collection of the $1 per bale. Over 2,000 meetings were held with a combined attendance of over 110,000 farmers. I know of no greater organizational effort ever put forth on behalf of any agricultural commodity. The effort was only partially successful, however.

It is not possible to go directly to the half million cotton farmers and ask for the money individually. This would be prohibitive in cost. Thus, an effort was made to collect the money where the cotton was concentrated, namely, from the processor and handler branches of the industry. But it was never possible to obtain the necessary full cooperation to establish a uniform collection.

An illustration of the reason for this can be given in the case of the cotton gins, which were making the collection in some areas. Normally there are several gins serving any given area and they compete very strongly with one another to get the biggest volume they can in order to make the largest margin of profit. Where all the gins in a competitive area are collecting the $1 a bale the program works fine. But if just one gin reduces the price of ginning by $1 a bale and fails to make the collection, he immediately gains a very strong competitive advantage over the other gins. The other gins are placed in an untenable position and begin pulling out of the program in order to meet the competition. The whole effort comes apart in that area. It is clear that there must be a uniform collection in every area.

As I said in my opening remarks, the pending measure simply provides a means for farmers to vote in a referendum on the question of whether they want to establish a uniform collection system to obtain needed funds for research and promotion.

The 1937 Marketing Agreement Act now provides for the collection of money for research and promotion. The Wool Act also contains such a provision. In both of these, the plan can be put into effect if the producers of two-thirds of the production of the commodity represented in the referendum favor the plan.

Under H.R. 12322, as amended by the Senate Committee on Agriculture and Forestry, in order for the referendum to carry on a volume basis, there must also be a majority of the farmers voting in the referendum who favor the plan. Under any of these authorities approval of two-thirds or more of the farmers voting is sufficient for the plan to be put into effect.

Other safeguards for farmers are included in the bill. For example, any farmer who does not choose to support the program financially may obtain a refund of the money he paid. Additionally, if a number of farmers equal to 10 percent of those voting in the referendum petition the Secretary to conduct a referendum to determine whether the program should be terminated, the Secretary must conduct such a referendum.

If termination is favored by a majority of the farmers voting and by farmers who produced at least 50 percent of the cotton represented in the referendum, the Secretary must terminate the program. In addition, the Secretary may terminate the program if he feels it is not carrying out the declared policy of the act or he may at his own option call for a referendum.

The provisions of the bill can probably be best described by explaining how the program would work if enacted into law:

First. Cotton producer organizations would propose a cotton research and promotion order to the Secretary.

Second. If the Secretary determined that the proposed order would achieve the objectives of the act, he would issue a notice and hold public hearings on the proposal.

Third. If the Secretary determined on the basis of the evidence introduced at the hearings that the order would accomplish the purposes of the act, he would issue the order.

Fourth. The order would then be submitted to a producer referendum. No order could become effective unless it is approved by at least two-thirds of the producers voting in the referendum or by the producers of two-thirds of the volume of production represented in the referendum; and in the latter alternative it must be approved by at least a majority of the producers voting in the referendum.

Fifth. If the requisite producer approval is obtained, the order could become effective.

Sixth. The Secretary would appoint a cotton board to administer the order from nominations submitted by eligible producer organizations.

Seventh. The cotton board would enter into a contract with a cotton-producer organization whose governing body would consist of cotton producers selected by cotton-producing organizations certified under the act in such manner that every cotton-producing State, to the extent practicable, would have representation in relation to the volume of cotton marketed from such State.

Eighth. The cotton-producer organization would develop and submit annually to the cotton board cotton research and promotion projects together with an estimated budget covering the cost thereof. Such projects and budget, after review by the cotton board, would be submitted by the board to the Secretary with its recommendations.

Ninth. Research and promotion projects and budgets would become effective only after approval by the Secretary.

Tenth. Those research and promotion projects proposed by the cotton-producer organization, recommended by the cotton board, and approved by the Secretary would be carried out by the cotton-producer organization pursuant to its contract with the cotton board.

Eleventh. The cost of such research and promotion projects, as well as the expenses of the cotton board, would be paid from producer assessments of $1 per bale collected by handlers specified in regulations adopted by the cotton board.

Twelfth. Any cotton producer who paid any assessment collected under the order could obtain a refund of such assessment upon application to the cotton board.

Thirteenth. The order or any provision thereof would be terminated or suspended by the Secretary if he found that it did not effectuate the declared objectives of the act.

Fourteenth. Ten percent by number of the cotton producers voting in the referendum establishing the order would request a referendum to determine whether cotton producers desire to suspend or terminate the order. If the majority of the cotton producers voting in any such referendum who produce more than 50 percent of the cotton produced by producers voting therein favor termination or suspension of the order, the Secretary would be required to terminate or suspend the order.

The bill also includes, of course, ancillary provisions dealing with reports, records, and enforcement.

Now a word about support of this legislation. Nationally it is supported by the farmer organizations with the sole exception for the American Farm Bureau Federation. I know of no State, regional, or area organization in the Cotton Belt which is opposed to bill except some of the State farm bureaus. Evidence was presented at the hearings that there were 47 State and local organizations in the Cotton Belt which have endorsed H.R. 12322.

On August 1, 1966, we will have an all-time record high carryover of cotton on hand. It will amount to about 16¾ million bales. This is more than we normally produce in a year and more than we normally consume and export. Commodity Credit Corporation will probably have $2½ billion of taxpayers money tied up in cotton. The Government will be paying hundreds of millions of dollars a year to farmers to reduce their cotton acreage so that we can bring the cotton surplus down to a manageable level. Facing such a serious supply situation as this, it makes little sense to deny cotton farmers the right to vote on the question of whether they want to assess themselves $1 a bale to be used for research and promotion, the effect of which would be to encourage the consumption of cotton in the United States and thereby contribute to the reduction of a burdensome surplus. I urge the Senate to approve the bill.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as original text for further amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I compliment my good friend from Georgia for having explained the bill so thoroughly.

Mr. President, for a number of years now cotton producers have been struggling with the problem of surplus stocks. The latest estimate by the Department of Agriculture indicates that there will be a carryover of upland cotton on August 1, 1966, of approximately 16.5 million bales. Never before have carryover stocks of cotton been so high, and I, for one, feel that something must be done about it.

Both in 1964 and in 1965 Congress enacted laws which provided for the so-called one-price cotton under which domestic mills are able to obtain cotton at the world prices. This was done in an effort to encourage the increased use of cotton by our domestic mills. And to a very limited extent some success has been achieved. In 1963, domestic mills used 8.5 million bales. This increased to 9 million in 1964 and it is expected that 9.3 million bales will be used this year. But, this is not enough. The producers of cotton have petitioned Congress to permit them to set up a program for research and promotion which they would finance themselves on a voluntary basis.

A similar program which cotton producers had instituted in 1960 was unsuccessful. It was clearly shown during the course of the hearings that it was unworkable and ineffective because of a lack of participation of some segments of the industry. Cotton gins for example, which were necessary in the collecting procedures under which the program operated refused to fully cooperate.

The program provided for in the bill now before the Senate is not being imposed upon producers by the Congress and cannot be imposed upon producers by the Secretary of Agriculture.

The bill requires that in order to be effective any proposed program must be approved by at least a majority of the producers even where it is approved by the producers of two-thirds of the volume of cotton produced. Approval by two-thirds of the producers would continue to be required where the order is approved by the producers of less than two-thirds of the cotton. This requirement is more stringent than the requirement in the Marketing Agreement Act of 1937. Under that act the general rule permits approval by either two-thirds of the producers or two-thirds of the volume.

I can see nothing wrong with a proposal whereby the consent of producers of a commodity is required before that proposal can be put into effect.

Furthermore, under the measure now before the Senate, producers would be permitted to obtain a refund, if they personally did not wish to contribute to the effort to increase the consumption of the commodity they produce. Mr. President, I repeat, there is no compulsion in this bill. It is purely voluntary effort on the part of informed producers to counteract a possible decline in consumption with the inevitable result of declining acres.

On page 81 of the hearings is an imposing list of cotton organizations which support this bill. It includes organizations from throughout the Cotton Belt.

These informed people realize that unless the consumption of cotton increases materially that all cotton producers will be faced with the possibility of reduced acreage. Carryover stocks of cotton must be reduced and when reduced must be maintained at manageable levels.

Unless consumption is increased, acreage will have to be reduced, for the increasing yields per acre more than compensate for the slightly larger domestic disappearance of the last 2 years.

Yields per acre on the 1961 crop averaged 438 pounds per acre. In 1965 the yield amounted to 531 pounds, an increase of 93 pounds in only 5 years.

I am in favor of permitting cotton producers to attempt to solve, on their own, one of the problems affecting the crop they produce. For too long, too many have looked to the Federal Government for solutions. Now, in this measure, producers are only asking that they be permitted to tackle their problem. They are not asking the Government to do it. They want to see if they can solve it themselves. I only hope that the Senate will permit this by voting in favor of the bill.

Mr. THURMOND. Mr. President, I firmly support H.R. 12322.

This bill is the product of long and careful discussions within the various segments of the cotton-producing and related industries. The urgent need for a coordinated program of both research and promotion is well recognized, and has been for a number of years, throughout this segment of our economy. This bill would establish such a program and the research and promotion of cotton engaged in would be paid for by an assessment of $1 on each bale of cotton produced, paid by the producers of the cotton.

The program of research and promotion authorized to be conducted and financed under the terms of this bill is a reasonable and forward-looking approach to the problem. The procedures authorized by the bill are as follows: The Secretary of Agriculture, after having found that the issuance of an order would tend to effectuate the purposes of the act, would give notice and provide an opportunity for hearing on a proposed order.

If, as a result of the hearing, the Secretary of Agriculture determines that the order would effectuate the purposes of the act, he would issue the order, to be effective only if approved by two-thirds of the producers voting in a referendum, or by a majority of the producers if that majority produces two-thirds of the cotton. Any such order issued will specify that each cotton producer will pay $1 for each bale of cotton produced to support the promotion and research program authorized by the bill and by the order.

Any order, or any provision of it, could be terminated or suspended by the Secretary of Agriculture upon a finding that it did not effecutate the purposes of the act. In addition, any order could be terminated by a majority vote, in both number and volume, in a referendum called by the Secretary of Agriculture on his own motion or at the request of 10 percent of the number of producers who voted in the referendum approving the order.

The promotion and research activities, which would be outlined in the order, would be administered by a Cotton Board. The Cotton Board would be composed of representatives of cotton producers selected from nominations submitted by producer organizations within the respective cotton-producing States. This section of the bill is carefully worded so that each cotton-producing State, regardless of the volume of its production, will have at least one representative on the Cotton Board. Representation on the Cotton Board will be proportionate to State cotton marketings.

After the promotion and research activities are authorized, if any producer does not agree with any of the terms of the order, or does not, for any other reason, wish to support the program, his $1 per bale assessment will be refunded. All he has to do is make a personal demand within 90 days after the collection of his assessment, and the bill states that he will receive his refund within 60 days after the demand therefor.

The program authorized by the terms of this bill is a true self-help program. It is a result of long and serious consultations within the cotton-producing and cotton-using industry and is a cooperative effort.

This program is a completely voluntary program. As has been stated, if any particular producer does not wish, for any reason whatsoever, to support it, his money will be refunded.

The research and promotion activities contemplated by the bill will be completely financed by these voluntary contributions. There will be no expense to the U.S. Treasury for these research efforts.

This program is a carefully conceived one which safeguards the rights and interests of each and every producer.

This is certainly a reasonable and farsighted response to a problem which has been plaguing cotton producers for many years. Cotton is the basic natural fiber in our Nation. As our population increases and the affluence of our people grows, the use of fabrics naturally increases. Largely because of a lack of a program of research and promotion of this type, cotton has not held its percentage share of the increase in fiber consumption.

Cotton has been confronted with strong competition from manmade fibers in domestic outlets for the past two or three decades; but within the last 5 or 10 years, the competition has become increasingly stronger.

From 1930 to 1960, the cotton share of the total U.S. fiber market dropped from about 85 to 65 percent. Since 1960, cotton's share of the market has declined at a much greater rate and was at a low of approximately 53 percent in 1965.

The bill would provide a realistic means for cotton producers to meet the steadily increasing competition of manmade fibers.

It has been said that cotton producers either do not favor the bill or are lukewarm in their attitude toward it. Speaking for the cotton producers of my State of South Carolina, I can say without hesitation that the overwhelming majority strongly favor this bill and are anxious to participate in the promotion and research program authorized by it. They know it is to their benefit and would be very pleased to have the opportunity to participate in and support this program.

I urge that the Senate approve this bill and provide the opportunity for these producers to help themselves.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. YARBOROUGH. Mr. President, I support H.R. 12322, a bill to permit cotton farmers to help themselves. It levies no tax on the general taxpayer. It permits the cotton farmers, by their own referendum, to tax themselves $1 a bale for research and development of cotton.

Mr. President, cotton is the Nation's No. 1 field crop. Its annual farm value is approximately $2.5 billion. Almost $10 billion of our gross national product is directly related to the cotton industry. No other group gives a living to as many farm families and others who work in related industries as does cotton.

In my State of Texas, the value of the cotton crop is $642 million a year. A total of 234,000 Texas workers take home more than $322 million a year through their employment in the cotton industry. No other industry in my State offers employment to as many different people as does the cotton industry. Despite the rapid urbanization of the State, despite the production of minerals, of oil and gas, despite the fact that Texas produces 23 percent in value of all the minerals produced in the United States each year, cotton still gives more families a living than any other commodity in our State.

I ask unanimous consent to have printed at this point in the RECORD a table from the Progressive Farmer of June, 1966.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WHAT IS COTTON WORTH TO TEXAS?

What is the value of the cotton industry to Texas? It means employment for 234,820 workers with a payroll of $322,045,900. This was determined by the Cotton Economics Research Program at the University of Texas. The following chart will show you how this is divided.

Group	Employment	Payroll
Cotton farms	[1] 160,400	$116,130,000
Cotton gins	[2] 19,000	20,000,000
Cottonseed oil mills	[1] 2,400	10,400,000
Compresses and warehouses	[1] 16,100	34,623,000
Merchants-shippers	[1] 1,400	7,114,000
Textile mills	[3] 4,600	15,526,000
Aerial applicators	[1] 450	1,550,500
Agricultural chemicals	[3] 230	1,240,000
Apparel industry	[3] 23,000	80,300,000
Banking industry	[3] 930	4,577,000
Farm machinery equipment manufacturers	[3] 530	$2,314,000
Gin and associated machinery manufacturers	[3] 2,430	10,670,000
Mattress and bedspring manufacturers	[3] 2,250	8,309,000
Transportation and longshoremen	[3] 1,100	9,292,400
Additional parties	(4)	(4)
Total	[1] 234,820	322,045,900

[1] Regular and seasonal workers.
[2] Seasonal workers.
[3] Regular workers.
[4] Not available.

Mr. YARBOROUGH. Mr. President, as we have heard in the able statement of the junior Senator from Georgia, cotton is in trouble; and when the leading crop in the Nation's entire agricultural economy is in trouble, the Nation is in trouble.

Statistics of the Department of Agriculture show that from 1930 through 1965, cotton's share of the total U.S. fiber market dropped from 85 percent to 53 percent. The manmade fiber share in this market increased from 3.9 percent to 42.5 percent. I ask unanimous consent to have printed at this point in the RECORD a table from the Senate hearings, showing mill consumption of fibers.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Mill consumption of fibers: Total and per capita, 1930–65

Year beginning Jan 1	Population, July 1[1]	Cotton[2]			Wool[3]			Rayon and acetate[4]			Noncellulosic manmade fibers[5]			Manmade fiber waste[6]			Flax[7] and silk[8]			All fibers	
		Total	Percentage of fibers	Per capita	Total	Percentage of fibers	Per capita	Total	Percentage of fibers	Per capita	Total	Percentage of fibers	Per capita	Total	Percentage of fibers	Per capita	Total	Percentage of fibers	Per capita	Total[9]	Per capita[10]
	Mil.	Mil. lb.	Pct.	Lb.	Mil. lb.	Pct.	Lb.	Mil. lb.	Pct.	Lb.	Mil. lb.	Pct.	Lb.	Mil. lb.	Pct.	Lb.	Mil. lb.	Pct.	Lb.	Mil. lb.	Lb.
1930	123.1	2,616.6	84.5	21.3	263.2	8.5	2.1	119.3	3.9	1.0							96.2	3.1	0.8	3,095.3	25.1
1940	132.1	3,959.1	80.4	30.0	407.9	8.3	3.1	482.1	9.8	3.6	4.3	0.1	(11)	12.3	0.2	9.1	59.7	1.2	.5	4,925.3	37.3
1941	133.4	5,192.1	80.0	38.9	648.0	10.0	4.9	591.9	9.1	4.4	11.6	.2	0.1	14.0	.2	.1	35.3	.5	.3	6,492.8	48.7
1942	134.9	5,633.1	81.4	41.8	603.6	8.7	4.5	620.8	9.0	4.6	23.1	.3	.2	15.0	.2	.1	23.2	.4	.2	6,918.8	51.3
1943	136.7	5,270.6	79.5	38.6	636.2	9.6	4.7	656.1	9.9	4.8	35.3	.5	.3	21.4	.3	.2	13.6	.2	.1	6,633.2	48.5
1944	138.4	4,790.4	77.3	34.6	622.8	10.0	4.5	704.8	11.4	5.1	45.8	.7	.3	21.9	.4	.2	9.5	.2	.1	6,195.2	44.8
1945	139.9	4,515.8	75.1	32.3	645.1	10.7	4.6	769.9	12.8	5.5	49.8	.8	.4	25.4	.4	.2	8.4	.2	.1	6,014.4	43.0
1946	141.4	4,809.1	73.7	34.0	737.5	11.3	5.2	875.5	13.4	6.2	53.2	.8	.4	25.6	.4	.2	26.1	.4	.2	6,527.0	46.2
1947	144.1	4,665.6	72.5	32.4	698.2	10.8	4.9	987.9	15.4	6.9	51.4	.8	.4	18.6	.3	.1	12.0	.2	.1	6,433.7	44.6
1948	146.6	4,463.5	69.7	30.4	693.1	10.8	4.7	1,149.4	17.9	7.8	71.7	1.1	.5	18.6	.3	.1	12.9	.2	.1	6,409.2	43.7
1949	149.2	3,839.1	70.4	25.7	500.4	9.2	3.4	993.5	18.2	6.7	92.8	1.7	.6	15.6	.3	.1	10.1	.2	.1	5,451.5	36.5
1950	151.7	4,682.7	68.3	30.9	634.8	9.3	4.2	1,350.0	19.7	8.9	140.5	2.0	.9	28.0	.4	.2	21.4	.3	.1	6,857.5	45.2
1951	154.3	4,868.6	71.1	31.6	484.2	7.1	3.1	1,274.6	18.6	8.3	195.5	2.8	1.3	8.4	.1	.1	18.3	.3	.1	6,849.6	44.4
1952	157.0	4,470.9	69.4	28.5	466.4	7.2	3.0	1,214.7	18.8	7.7	249.0	3.9	1.6	26.4	.4	.2	19.3	.3	.1	6,446.6	41.1
1953	159.6	4,456.1	68.7	27.9	494.0	7.6	3.1	1,222.5	18.9	7.7	279.3	4.3	1.8	21.8	.3	.1	15.4	.2	.1	6,489.1	40.7
1954	162.4	4,127.3	68.4	25.4	384.1	6.4	2.4	1,154.7	19.1	7.1	328.6	5.4	2.0	25.0	.4	.2	15.5	.3	.1	6,035.2	37.2
1955	165.3	4,382.4	65.2	26.5	413.8	6.2	2.5	1,419.2	21.1	8.6	432.2	6.4	2.6	51.1	.8	.3	19.0	.3	.1	6,717.7	40.6
1956	168.2	4,362.6	66.6	25.9	440.8	6.7	2.6	1,200.9	18.3	7.1	484.0	7.4	2.9	42.4	.7	.3	20.6	.3	.1	6,551.2	38.9
1957	171.3	4,060.4	65.1	23.7	368.8	5.9	2.2	1,177.1	18.9	6.9	567.5	9.1	3.3	48.0	.8	.3	15.5	.2	.1	6,237.3	36.4
1958	174.1	3,866.9	64.8	22.2	331.1	5.5	1.9	1,127.3	18.9	6.5	575.3	9.6	3.3	61.7	1.0	.4	9.4	.2	.1	5,971.6	34.3
1959	177.1	4,334.5	63.3	24.5	435.3	6.4	2.5	1,252.5	18.3	7.1	741.4	10.8	4.2	70.9	1.0	.4	11.8	.2	.1	6,846.4	38.7
1960	180.7	4,190.9	64.6	23.2	411.0	6.3	2.3	1,055.4	16.3	5.8	761.7	11.7	4.2	60.8	.9	.3	11.6	.2	.1	6,491.5	35.9
1961	183.8	4,081.5	62.1	22.2	412.1	6.3	2.2	1,128.0	17.2	6.1	861.7	13.1	4.7	71.3	1.1	.4	12.7	.2	.1	6,567.3	35.7
1962	186.7	4,188.0	59.4	22.4	429.1	6.1	2.3	1,263.6	17.9	6.8	1,076.2	15.3	5.8	79.5	1.1	.4	12.4	.2	.1	7,048.8	37.8
1963	189.4	4,040.2	55.7	21.3	411.7	5.7	2.2	1,440.3	19.9	7.6	1,257.7	17.3	6.6	90.1	1.2	.5	13.1	.2	.1	7,253.1	38.3
1964[12]	192.1	4,244.4	54.5	22.1	356.7	4.6	1.9	1,516.5	19.5	7.9	1,554.8	19.9	8.1	103.2	1.3	.5	14.2	.2	.1	7,789.8	40.6
1965[12]	194.6	4,476.3	52.7	23.0	386.9	4.5	2.0	1,550.7	18.2	8.0	1,955.8	23.0	10.1	118.0	1.4	.6	13.3	.2	.1	8,501.0	43.7

[1] Bureau of the Census. Population continental United States as of July 1, including Armed Forces overseas.

[2] Mill consumption as reported by the Bureau of the Census. For American cotton, tare as reported by the Crop Reporting Board has been deducted; for foreign cotton, 3 percent (15 pounds) was deducted (20 pounds beginning Aug. 1, 1958). Since 1950, data have been adjusted to year ended Dec. 31.

[3] Includes apparel and carpet wool on a scoured basis. Data from wool consumption reports of the Bureau of the Census.

[4] Textile Organon, publication of the Textile Economics Bureau, Inc. Includes filament and staple fibers. Data are U.S. producers' domestic shipments, plus imports for consumption.

[5] Textile Organon: Nylon, orlon, glass fiber, etc. U.S. production less exports plus imports for consumption.

[6] Producers' manmade fiber waste consumed by mills (excludes glass).

[7] Flax: Imports and estimated production. Bureau of the Census and Plant Industry through 1948. 1949–52 production was estimated by the Agricultural Marketing Service, Portland, Oreg., office. Imports only since the 1953 season.

[8] Silk: Bureau of the Census. Net imports through 1933. Since 1934, imports for consumption.

[9] Totals made from unrounded data.

[10] Total consumption divided by population and not a summation of per capita consumption of fibers.

[11] Less than 0.05 pound.

[12] Preliminary.

Source: USDA, Cotton Situation, April 1966.

Mr. YARBOROUGH. In 1964 and again in 1965, Congress took steps to help cotton meet the competition from manmade fibers. The cotton programs of those 2 years established a one-price system for cotton. Formerly the domestic price had been above the world market price. These laws reduced the price of cotton to domestic mills to world price levels, and made up the difference in income to the farmer with a direct payment.

However, that does not end our problem. The one-price cotton program may have made cotton more competitive with rayon and acetates, but it does not seem to have made any impact upon cotton's ability to hold its own in competition with the noncellulosic fibers.

After the passage of the 1964 Cotton Act, rayon's share of the market fell slightly; but this was more than made up by an even greater increase in the growing share of the noncellulosic fibers.

These fibers frequently sell for two or three times more than cotton, and cotton outlasts them. It is due to lack of research, development, and promotion that cotton fails to get its fair share of the market. So we see that the advantage of these other type fibers is on some basis other than price. We find the answer when we look at research and promotion of the manmade fibers.

In contrast to the hundreds of thousands of cotton producers, production of manmade fibers is concentrated in a few firms. Statistics compiled by the Department of Agriculture show that eight large firms account for 90 percent of their total output. This concentration enables them to undertake vast research and promotion campaigns. They spent about $135 million in 1965 on research and development and another $70 million for sales promotion. This $205 million is about seven times what was spent on the development and promotion of cotton last year. These huge promotional expenditures have been an important factor in the success of manmade fibers over cotton.

Mr. President, as has been explained by the distinguished Senator from Georgia, if this program is voted in, and any individual grower does not wish to pay that dollar, he can get his dollar back.

The Cotton Board is to be appointed entirely from producers, not processors. This is to be on the producers, the people producing the cotton. There has been some criticism that this bill let the processors out of paying money.

We all know, however, that if the processor paid a dollar a bale, that would come back on the producer and on the consumer.

Above all, Mr. President, this bill has widespread support in the cotton industry. I ask unanimous consent to have printed in the RECORD at this point a list of organizations endorsing this bill, both national organizations and regional organizations in the Southeastern States, the Midsouth, the Southwest, and the Far West.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COTTON RESEARCH AND PROMOTION ACT—ORGANIZATIONS ENDORSING H.R. 12322

NATIONAL

National Grange.
National Farmers Union.
American Cotton Producers Associates.

SOUTHEAST

North Carolina Grange.
Carolinas Cotton Growers Association.
Carolinas Ginners Association.
Carolinas Cotton Warehouse Association.
The Cotton Producers Association.
Georgia Farm Bureau.
Atlantic Cotton Association.
Alabama-Florida Ginners Association.

MIDSOUTH

Delta Council.
Staple Cotton Association.
Mississippi Cotton Warehouse Association.
Mid-South Cotton Growers Association.
Southern Cotton Shippers Association.
Agricultural Council of Arkansas.
Arkansas-Missouri Cotton Trade Association.
Valley Warehouse Association.

SOUTHWEST

Texas Federation of Cooperatives.
South Texas Cotton Improvement Association.
Rolling Plains Cotton Growers Association.
Plains Cotton Cooperative Association.
Growers Marketing Association.
Plain Co-op Oil Mill.
Central Texas Co-op Oil Mill.
Gulf Compress Association.
Texas Cotton Ginners Association.
Texas Co-op Ginners Association.
Texas Independent Ginners Association.
Texas Cotton Association.
Texas Cottonseed Crushers Association.
Oklahoma Cotton Co-op Association.
Oklahoma Ginners Association.

FAR WEST

Trans Pecos Cotton Association.
El Paso Valley Cotton Growers Association.
New Mexico's Pecos Valley Cotton Farmers Association.
SWIC.
New Mexico Ginners Association.
Arizona Cotton Growers Association.
Arizona Cotton Ginners Association.
Serape Cotton Oil Co.
Five-State Cotton Growers Association.
Western Cotton Growers Association.
Imperial Valley Cotton Growers Association.
Calcot.
Ranchers Cotton Oil Co.
California Grange.
California Agricultural Council of Growers.
Western Cotton Shippers.

Mr. YARBOROUGH. Mr. President, it has been said that the growers are opposed to this bill. When the bill was first introduced, some growers from my State did write in objection to it. However, after further study, they are writing in ever greater numbers in support of the bill. The trend has changed from opposition to support. Out of the great volume of letters we have received from the leading cotton-producing States of the Union, I wish to place in the RECORD, Mr. President, only a few of those letters and telegrams, to show how widespread the support of this legislation is among the dirt farmers, the cotton-producing farmers, the men who get out and till the soil.

Here is a telegram of April 24, addressed to me, from the Texas State Grange:

> Request your support for H.R. 12322, cotton promotion bill.

It is signed by Frank Knight, master of the Texas State Grange.

A telegram of recent date from Refugio, Tex., on the south gulf coast:

> Please use all support within your power for the passage of the cotton research and promotion bill.

That is signed by the president of the Refugio County Chapter, South Texas Cotton Improvement Association. That is a growers' organization, Mr. President.

A telegram of March 2, stating:

> 1,500 cotton producers at annual meeting of Texas Cooperative Ginners Association and Texas Federation of Cooperatives in Corpus Christi, March 1, voted unanimously Congress pass H.R. 12322 to permit cotton producers a referendum to assess themselves for funds to promote cotton consumption and research.

That telegram is signed by Bruno Schroeder, executive vice president.

A telegram of April 2, from the Texas Cottonseed Crushers' Association stating that by unanimous action, its board of directors endorsed this bill.

A paragraph reads:

> The trouble facing cotton is primarily due to being out researched, out promoted, and out sold and often by inferior products. The passage of this bill will greatly help.

A telegram of March 20, from the board of directors of the Texas Independent Ginners Association, indicating unanimous support.

A letter of April 18, from the Texas Federation of Cooperatives, made up of the different cooperatives that grow cotton and produce it; some are marketing associations, some are purchasing associations that purchase farm supplies through their cooperatives. The letter states that 1,500 producers support the bill.

A letter from the Cochran County Farm Bureau. Mr. President, the Texas Farm Bureau, the State organization, opposed this bill, but some local chapters have written us that though they are members of the Farm Bureau, they do not agree with the State organization, and they are supporting this legislation. This is a typical one, from the Cochran County Farm Bureau, of Morton, Tex.:

> The Directors of the Cochran County Farm Bureau unanimously adopted the Cotton Research and Promotional Act, H.R. 12322.
>
> We believe this is a good bill because—

And this, Mr. President, I wish to stress, is a local county chapter which is going against the action of its State organization. Here is what they write:

> It is voluntary in that any producer may receive a refund for the amount collected; that none of the funds collected may be used for political or lobbying purposes; that 100 per cent of the funds must be used for research and promotion of cotton; that the Cotton Board, appointed by the Secretary of Agriculture, must be selected from nominees selected by the various cotton groups in the belt; that this board shall determine where and how these funds shall be spent for research and promotion only; that this will give the cotton producers an opportunity to vote in a referendum to determine if they want to contribute $1 per bale for research and promotion of cotton; and 66⅔ per cent must vote for if the collections are made as prescribed by the Cotton Board; and that this bill shall give us an opportunity to do something for a "sick" industry instead of looking to the federal government to do it for us.

This is a letter from the secretary of the Southwest Irrigating Cotton Growers, El Paso, Tex. These farmers grow cotton only by irrigation because they have less than 8 inches of rainfall a year. They endorse the bill.

Here is another from the South Texas Cotton Improvement Association, Inc. They write:

> The South Texas Cotton Improvement Association representing over 5,000 cotton producers in the gulf coast, wishes to support vigorously the Cotton Research and Promotion Act.

These are farmers and growers. So it is not accurate that the producers themselves oppose this bill.

This bill has the most widespread, uniform, unanimous support for a cotton measure that I have seen in my 9 years in the Senate.

(At this point, Mr. BAYH assumed the chair.)

Mr. HICKENLOOPER. I understand that complaint is made that this is a voluntary situation; that is, that the fellow who sells one bale of cotton, after the money is taken out, can go back home, to the justice of the peace, or to somebody else; a paper is made out, as well as sworn statements, and that he can mail them in and get a rebate. To me that is subterfuge.

We went through this situation in the meat business where they attempted to use the power of government to kitty every pound of meat sold on the part of the farmer and put it in a pot and say, "I can get this back." He goes home and then makes application to have it returned. There would not be 1 out of 25 people who would take the time to do that.

What is wrong with including a provision in this bill—and if it had such a provision I would vote for it; it would be a voluntary bill—that at the time, the seller of the cotton executes a separate document authorizing the purchaser of that cotton to take out $1 a bale and put it in the pot? That would be a completely voluntary operation.

But I notice in the meat business people who want to collect this pot. They can operate as we said. Among cotton people promoting this they say, "No; we do not want to do that. We want to take it out first, and if they want it back they will have to come and ask us to pay it back."

To me that is coercion that governments sometimes use to inflict hardship on the farmer. If they want it, why not let the producer pay for this and put in so much? Then, let us see whether the industry itself really wants to do this or whether somebody wants to get hold of many billions of dollars a year for various purposes that they could use as they see fit. I do not think this is voluntary.

Mr. YARBOROUGH. Mr. President, in answer to the Senator from Iowa [Mr. HICKENLOOPER], I wish to say that the law provides that it must be solely for research and development promotion. It cannot be used for political or lobbying purposes. The people appointed to the board by the Secretary of Agriculture must be producers. Every man on this board must be a producer and represent that interest.

Furthermore, if any State produces as much as 20,000 bales of cotton, it must have a member on the board. Those with less have pooled representation on the board. Of the marketing order bills that I have seen, this is the most democratic.

The distinguished Senator, being from a great wheat-growing State, will realize the great benefits that have gone to wheat farmers through the Great Plains Wheat Growers Association. That is done in a State-by-State association.

Mr. HICKENLOOPER. My State is not considered a wheat State.

Mr. YARBOROUGH. The Senator is correct. I know that it is chiefly corn.

The State joins in the levying of taxes on producers of wheat. This has been one of the greatest things proposed for wheat growers, and they have need for it. They have set up mobile concerns in Japan and showed the Japanese housewives how to cook with wheat, whereas they cooked with rice for many years.

Mr. HICKENLOOPER. Do you not have a Cotton Council in this country?

Mr. YARBOROUGH. The wheat levy is a tax, but a State-by-State tax.

What they plan to do with cotton is to advertise. The product is not advertised and competing fibers spend $205 million a year in research, development and promotion; $70 million of that is in advertising alone.

Mr. HICKENLOOPER. But they put that up themselves. The Government does not counsel them to do that and does not use the power of government to take that from the producer.

Mr. YARBOROUGH. No; but only eight of these companies produce most of the manmade fiber produced in the United States. They have huge advertising and research budgets.

Mr. HICKENLOOPER. How many are there that produce cotton?

Mr. YARBOROUGH. There are hundreds of thousands of cotton farmers.

Mr. HICKENLOOPER. I am talking about producers.

Mr. YARBOROUGH. I am representing the farmers here: The man who tills the soil, who runs the plow.

Mr. HICKENLOOPER. I have seen similar letters from other people. We see them all the time.

Mr. YARBOROUGH. These people have been debating cotton over the years. Many of them were against this type of program for years and they have come to the conclusion—I am advised from my mail and from conversations—that they have changed their mind and say now that this is the only way to save the industry. The farmers want it themselves. I have never seen such unanimity of opinion among the farm element in my life.

Mr. HICKENLOOPER. Are they voluntarily contributing today $1 a bale, these people who want this much?

Mr. YARBOROUGH. They want an effective law with a board appointed by the Secretary of Agriculture upon the nomination of cotton-producer organizations to see that their money is spent for this purpose and this purpose only. They can have a Federal auditor, and if there are diversions, there can be indictments.

That is why they are saying to Congress, "Let us have a referendum and vote ourselves on the burden of paying this."

That referendum must be either two-thirds of the cotton farmers or a majority of the farmers producing two-thirds of the cotton. Either way there is at least a majority of all farmers. It takes two-thirds of the little farmers. I predict that in this referendum there will be one of the most overwhelming votes ever recorded.

Mr. HICKENLOOPER. That is what they said about the wheat referendum 2 or 3 years ago and it did not turn out that way.

Mr. YARBOROUGH. Give the cotton farmers a chance. These farmers are not intimidated. It was said that the wheat farmers were afraid to vote, and they were not. These farmers are not afraid to vote. This has nothing to do with acreage or how much they can produce. This is on the question of whether to pay $1 a bale for promotion and development. If they do not want it they will vote it down, although I predict it will be overwhelmingly approved.

Mr. HICKENLOOPER. This is further power of the Government forcing every cotton farmer to pay $1 a bale, whether he wants to or not.

Mr. YARBOROUGH. Not unless the farmers vote for it in a referendum.

Mr. HICKENLOOPER. It is voting in the bureaucratic group with millions of dollars to spend, is it not?

Mr. YARBOROUGH. No. And if he does not like what the majority voted, he can still get his money back.

Mr. HICKENLOOPER. That is the gimmick.

Mr. YARBOROUGH. It is no gimmick.

The Senator was talking about meat. Meat is marketed from month to month. However, in this area only one crop of cotton is grown each year. I know because I grew up in a cotton-growing family.

When that bale of cotton comes in, every dollar is checked. We must remember that this happens only once a year. A man might get tired of existing on marketing—say he had calves or steers—every month, but it is only once a year that this cotton money comes in. They watch those dollars. If they do not like the research and promotion program, they file a claim and get their money back. There are safeguards built into it, safeguards to prevent this money being used for lobbying purposes, for instance. It cannot be used to come back to Washington and lobby in Congress to change some part of the bill.

I remember being on the Commerce Committee in my second year of service in the Senate, and a bill was before it to require the labeling of manufactured cotton products. We had such a law for many years on wool products. It came down to a tie vote in the Commerce Committee. The distinguished former Senator from Ohio, Mr. Bricker, held the key as to whether the bill would become law or not.

Many people thought that Senator Bricker would vote "nay," that he would not be for the bill. The Senator remembers him, of course, and remembers him well. He was a handsome, well-built man, with a rather prominent chest, and he liked to smoke cigarettes.

Mr. HICKENLOOPER. But how did he vote?

Mr. YARBOROUGH. During the course of the committee hearings, Senator Bricker would smoke and the ashes would drop on his shirt. He told us that when he went home, his wife used to talk to him about the condition of his shirts because of cigarette ashes dropping on them, and on some shirts a yellow streak would be left. He told us how his wife had told him to keep the ashes off his shirts, and how he was having to buy new shirts; then he noticed that if he wore a shirt made of 100-percent cotton there was never any yellow streak. There was a yellow streak only if the shirt had some synthetic fiber in it.

There is a difference in the fiber. Cotton fiber is better for a shirt. It will resist cigarette ashes. Senator Bricker from Ohio broke the tie on the bill by voting "yea," thus casting the deciding vote in the Commerce Committee; and that is how we got the bill on the books. The Senator learned during his lifetime what cotton would do.

Thus, what the cotton farmers would like to do is get the situation right and tell the country what cotton products really do and what they can stand.

Mr. HICKENLOOPER. Let me say to the Senator from Texas that I served with Senator Bricker for many years, and also on committees with him, and I never knew that he ever smoked cigarettes in his life. He did smoke cigars, but so far as I know, he never did smoke a cigarette. Thus, it must have been cigar ashes that fell on his shirts at that time—so long as we are going into ancient history.

Mr. YARBOROUGH. Maybe he changed, but I know he was smoking cigarettes on that committee.

Mr. HICKENLOOPER. Will the Senator from Texas yield?

Mr. YARBOROUGH. I am glad to yield to the Senator for questions but not for making intermittent speeches. I believe that each Senator should be able to yield the floor for a reasonable time for questions. I am glad to yield to the Senator from Iowa.

I plead with him—if he grew cotton in his State, he would be with us, he would be a cosponsor with us on this bill. I plead with him, please not to vote against the bill. I know that the Senator has no prejudices on State lines. I know that we send cattle up there. They fatten them in Iowa, and get much higher prices in the Kansas City market.

We have great respect for Iowa products, and for their capacity to produce huge acres of corn and great quantities of pork in the State of Iowa. Our farmers in Texas are not so fortunate as to have that vast production per acre. They are having a harder struggle in raising cotton. Please help us in the cotton problem in our State.

Mr. HICKENLOOPER. If the Senator from Texas will yield?

Mr. YARBOROUGH. I am glad to yield to the Senator for a question only.

Mr. HICKENLOOPER. Does not the Senator know that we raise meat in our State, as well as corn and hogs, and that I was just as much against the compulsion of Government to compel our farmers to be "kittied" on every pound of meat that they sold, as I am against the cotton bill. So that I am consistent. The Senator has cotton. We have meat. The Senator has meat in his State as well, which they sell there. I am not inconsistent at all.

Mr. YARBOROUGH. Let me say to the distinguished Senator that we buy more bacon from Iowa than any other State of the Union. It is good bacon. I believe it sells sometimes up to 95 cents a pound. We use lots of bacon in Texas. It is rather hard to keep buying bacon. We want to keep buying it. We like this Iowa bacon.

However, on cotton, we need to develop and advertise our product. We need that self-help.

I appreciate the Senator's consistency in this matter but I say that the cotton industry is in desperate condition. These people have met and discussed this question. It is not something which has just jumped up. I attended a convention in Dallas last summer, and this subject was being discussed then, more than a year ago. I have received letters since then, saying that the matter has been discussed for nearly a year, that they are for it strongly.

They say that this is the only thing that can pull them out. The cotton growers have graduated in agriculture from land-grant colleges such as Texas A. & M. They have graduated in agricultural economics. They are people who have given their lives to the study of agricultural economics. This is not guesswork. These are knowledgeable people, trained in marketing. The Senator from Iowa represents a great agricultural State. He knows how well educated our agricultural leaders are at the present time through the great agricultural land-grant colleges.

Mr. LAUSCHE. Mr. President, will the Senator from Texas yield for a question?

Mr. YARBOROUGH. I yield.

Mr. LAUSCHE. Do we have in the statutes of the United States at the present time any law of a similar character dealing with other farmers or foods?

Mr. YARBOROUGH. I am informed that there are 33 other marketing orders; but for an exact statement on that point, I would rather yield to the distinguished Senator from Georgia [Mr. TALMADGE], the floor manager of the bill.

Mr. TALMADGE. The Agricultural Marketing Agreement Act of 1937 authorizes marketing orders for every commodity except certain specifically excluded commodities. Research and development can be provided for by any order under that act other than a milk order.

There are now orders under that act relating to citrus fruits and other commodities that provide for research and development. Section 708 of the National Wool Act of 1954 authorizes a similar program for wool and a program is being carried out for wool under that act. These programs are doing essentially the same thing for the commodities covered by them that the bill before the Senate seeks to do for cotton; that is, to provide funds for research and development purposes. Of the 46 marketing orders now in effect for fruits, vegetables, and nuts, 32 provide for research and development.

Mr. LAUSCHE. Can the Senator from Georgia state what levies are made upon citrus producers?

Mr. TALMADGE. The distinguished Senator from Florida could probably answer that question better than I could, inasmuch as I believe he has authored legislation relating to that field. I am not aware of the amount. I know how much is provided by this bill for cotton—$1 a bale.

Mr. LAUSCHE. As I recall, there is a law that provides that each citrus grower shall pay a certain levy to the Federal Government for the purpose of having it do research work in the growing and marketing of citrus fruits. Is that the situation?

Mr. HOLLAND. Mr. President, will the Senator from Georgia yield?

Mr. TALMADGE. I yield.

Mr. HOLLAND. Mr. President, there are nine marketing orders applicable to citrus fruits under the Marketing Agreement Act. Separate orders cover grapefruit in Arizona and California; lemons in Arizona and California; limes in Florida; oranges and grapefruit in Texas; navel oranges in Arizona and California; and Valencia oranges in Arizona and California. All of those orders provide for marketing research and development. There are also separate orders, which do not provide for research and development, for grapefruit in the Indian River area of Florida; grapefruit in the interior of Florida; and oranges, grapefruit, tangerines, and tangelos in Florida. The assessments under these orders range from one-half mill a box to 3 cents a carton. A carton is about half a box. These assessments are collected from handlers, but the handlers are able to pass this cost on to the grower by deducting it from the price paid. These assessments cover all the costs of administering the orders under which they are collected. Under some of the orders no part of the assessment is used for marketing research and development. Under the rest only a minor part of the assessment is used for that purpose.

In Florida, in addition, the State imposes a State tax on a per box basis. Out of that fund, sales development, sales promotion, advertising, and activities of that kind are furnished. Also a small amount is spent for transportation research and for research in utilization. That is all handled by the State.

Mr. LAUSCHE. Is there no Federal law with respect to citrus fruit?

Mr. HOLLAND. There is a Federal law with respect to citrus fruit. The nine orders I mentioned were issued under the Agricultural Marketing Agreement Act of 1937, which the Senator from Georgia referred to, and several of these apply in Florida. As I recall, one of the oldest marketing agreements now in force is one with respect to Florida citrus fruit. But that order does not cover advertising, sales promotion, dealer services, and all the other objectives which I have mentioned and which are paid for out of the State tax. That tax is, of course, expended by the State agency. There is no refunding provision at all in the Florida act, which the Senator from Georgia [Mr. TALMADGE] has been kind enough to say I authored and sponsored.

Mr. TALMADGE. Mr. President, will the Senator yield for a further response?

Mr. LAUSCHE. May I make a further remark on that point?

Mr. TALMADGE. Surely.

Mr. LAUSCHE. In Ohio, the apple growers persuaded the legislature to pass a law imposing a per bushel tax upon the grower, the money to be used in the promotion and sale of apples. The general run of farmers, however, opposed that action, and I opposed it.

There is no Federal law applying to citrus fruits in a similar manner as proposed by this bill. Am I correct in that?

Mr. HOLLAND. The Senator is correct, in that the Federal marketing order law covers details of marketing, how much fruit shall be released, standards, and many other provisions in addition to marketing research and promotion. The Department of Agriculture has construed the Federal law, because of its history, as not being intended to provide for marketing research and promotion without other regulatory provisions. The Federal law does not apply to apples produced in Ohio.

Mr. LAUSCHE. Is there any Federal law imposing a levy, applicable to fibers or foods, as embodied in the bill before us?

Mr. HOLLAND. If the Senator will yield, there is a Federal law applicable to wool quite similar to the one proposed here, except it has no refundable features, as I recall. In every other respect, it is similar.

Wool, of course, is a deficit crop. The other crops which we have been talking about are surplus crops. So there is a considerable difference. I want to make clear there is a precedent in wool, but that it is no precedent for the refund provision of the bill.

If I am incorrect in that statement, perhaps the Senator from Georgia [Mr. TALMADGE] will correct me.

Mr. YARBOROUGH. Mr. President, since I have the floor, and I want to reply to the Senator from Ohio before I yield to the floor manager of the bill for such comments as he may wish to make, I wish to read from page 83 of the hearings on the Cotton Research and Promotion Act. Let me read just three sentences from page 83 of the hearings:

> This precedent goes back to the Agricultural Marketing Agreement Act of 1937. Under this basic law, the procedures of thirty-three commodities—ranging from avocados to Washington sweet cherries—have approved research or promotion programs in referendums.

Thirty-three commodities. Furthermore, he continued:

> Under the Wool Act of 1954, sheep producers have approved an assessment for lamb and wool promotion.

I point out that my State is the leading producer of wool as well as of cotton.

Mr. LAUSCHE. From whose testimony was the Senator reading?

Mr. YARBOROUGH. Mr. Cortright's testimony, of the National Cotton Council.

Mr. LAUSCHE. How does the Senator reconcile that with what the Senator from Florida [Mr. HOLLAND] said about the marketing program as a control of the release of a particular fiber?

Mr. YARBOROUGH. The Senator from Florida [Mr. HOLLAND] was speaking of only citrus fruits.

Mr. LAUSCHE. The Senator from Texas has described this as a voluntary program. The Senator from Iowa [Mr. HICKENLOOPER] challenged labeling this as a voluntary program. If it is a voluntary program, why is the law needed?

Mr. YARBOROUGH. The Cotton Council tried a program. The reason it did not work——

Mr. LAUSCHE. Then it is not voluntary.

Mr. YARBOROUGH. Yes, it is.

Mr. LAUSCHE. The Senator said it did not work.

Mr. YARBOROUGH. I was in the middle of a sentence. The Senator did not permit me to complete my thought. When this program was tried by the Cotton Council some gins stated to the cotton producers, "Bring in your cotton. We will gin your cotton for $1 less." Other gins, in order to meet the competition, had to follow suit. This attempt to reduce the price at the gin by not participating in the program, hampered the effectiveness of the program. As a result of the competition on the part of the gins, the program was crippled.

The present proposal is a voluntary program in that either two-thirds of the producers must approve it or a majority of producers producing two-thirds of the cotton must approve. But even if a farmer voted for it, he could come back and get his money. So it is a voluntary program. No one has to contribute. Any farmer can get his money back.

Mr. LAUSCHE. If it is voluntary, why is the law needed?

Mr. YARBOROUGH. The law is needed——

Mr. LAUSCHE. To compel.

Mr. YARBOROUGH. The law is needed in order to have assurance that they money will not be used for lobbying; that it will be put to the sole use of research and promotion of the cotton; that the money will not be diverted; that it will be producer controlled.

Nobody can be appointed to serve on the Board by the Secretary of Agriculture unless he is a producer. So it cannot be used for the use of the gins.

This is a bill designed to help the producers. The program will be producer controlled. It will be regulated in their behalf.

I am not against the mills. Every time a textile mill is shut down and is moved to Hong Kong, it means unemployment, and I am against that. It was for that reason that I voted for the bill to help them. I now want to see us save the whole cotton industry.

This is a voluntary program, but it has safeguards. We need a law to have safeguards to see that the money will stay in the hands of the producers, that it will be used fairly. It will provide that the Federal Government will see to it that the money will stay in the right channels.

Mr. LAUSCHE. I cannot accept the statement of the Senator from Texas that this is a voluntary program. His own argument destroys the conclusion which he has reached. The Senator from Texas has said that they tried to work it out on a voluntary basis but they encountered obstacles and, in effect, that is why they are here in Congress asking for adoption of the proposed law. The law will make mandatory payments of $1 per bale with the right to demand the payment. Is that right?

Mr. YARBOROUGH. The law cannot do anything until the cotton farmers vote that they want the program. So it is voluntary, because it can be imposed only by vote of the cotton farmers. And if a farmer disagrees with the results of the vote, he can get his money back. He doesn't have to abide by the results of the vote.

Mr. LAUSCHE. I am afraid the Senator and I cannot reach a termination of discussion on that point. If the Senator will yield further——

Mr. YARBOROUGH. I yield.

Mr. LAUSCHE. If it is a voluntary program, I humbly submit that a law is not needed. If it is voluntary, it can be done without the coercive operation of a law passed by the U.S. Government.

The argument of the Senator from Texas that there must be a special law to prevent the diversion of moneys, to prevent them from being used for lobbying, is not sound. There is no need for such a law. The conversion of money is a crime. Embezzlement of money is a crime. Using money for purposes not authorized by the constitution of an organization would be a diversion conversion of money. No law is needed to protect the use of the money in the manner prescribed by the voluntary program.

Mr. YARBOROUGH. The distinguished Senator from Ohio has not asked a question. He has made an argument, and the argument is not sound. The competition in segments of the cotton industry other than the producers is what crippled the earlier program. Other people offered competitive cuts to keep the earlier program from working.

This is a cotton producer's bill before us now. Everybody that the Secretary appoints under the bill must be a cotton producer. The bill prevents the middleman from coming in and wrecking a voluntary producers' program. This is a voluntary cotton producers' program. The program contains safeguards to keep certain processors from coming in and offering rewards to keep the producer from participating. It is a producer-controlled bill; it is a producer bill. The Senator is engaging in a game of semantics.

Mr. LAUSCHE. I am grateful to the Senator from Texas for yielding to me, but we are repeating what has been said.

Mr. YARBOROUGH. I thank the distinguished Senator from Ohio. We served together for years on the Committee on Commerce, and I enjoyed that service. The Senator from Ohio was one of the ablest members of that committee.

Mr. President, I ask unanimous consent that the letters that I have received from many segments of the cotton production industry be printed in the RECORD at the conclusion of my remarks and that the names of the people signing them be printed at each place. Sometimes there are pages of signatures of cotton farmers pleading for this legislation.

I shall read briefly from a letter of Roy B. Davis of Lubbock, Tex. Two million bales a year were raised on the high plains of Texas, mainly by irrigation and with mechanization. Roy Davis says:

> As you know, Senator, we are in deep trouble with cotton. Our income on cotton this year on the South Plains will be reduced another $50 million to $60 million. We have already taken a $37.5 million reduction.
>
> So since the 1963 crops, the '66 crop of 2 million bales will bring the growers some odd $80 million less than it would in 1963.

In 3 years production is down $80 million just in that segment of the State.

I have letter after letter like this. In my 9 years in the Senate, I have never before had such a response from the grassroots farmers.

I have another letter from the rolling plains cottongrowers. These are the dryland cottongrowers. They do not have irrigation. That might be called the area of thin-bale production. They are lucky to get a quarter of a bale per acre. I quote from the letter:

> I myself am a cotton farmer and believe the bill has tremendous possibilities. We are at a point in cotton production where we must do something to hold our markets and possibly expand them. If we cannot find new uses for cotton, we must learn to accept regulated production.

For the people who want the Government out of something, this is an opportunity to help by giving the cotton industry an opportunity to make itself self-sustaining, so that less regulated production per acre will be required. Only if the bill is passed by Congress will the farmer have an opportunity to decide for himself whether or not he desires to support the bill.

I have a letter from Aubrey, in the eastern part of the State. This is an area of the one-family farmer, the small-farm area—entirely different from the irrigated area—often at loggerheads with the West on cotton. The farmer says:

> At a recent meeting of cotton producers and processors held in Greenville, Texas, the group unanimously endorsed the Research and Promotion Act now pending in the Senate.

From Danevang, on the gulf coast, in a county that adjoins the gulf coast, I have a letter from a large list of cottongrowers who are spread over the whole gulf coast area.

I have a letter in connection with a meeting in the small cities in the growing area. This is a letter from the Rio Grande Valley. I have letters from every section of the State of Texas, from every segment of the cotton producers, from areas often in conflict with each other—all of whom are now united as to the necessity of the pending legislation.

This is just a sampling of the vast volume of mail I have received. I ask unanimous consent that all these letters, together with the names of those who signed them, be printed at this point in the RECORD.

There being no objection, the letters and signatures were ordered to be printed in the RECORD, as follows:

SAN ANTONIO, TEX.,
April 24, 1966.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.:

Texas State Grange request your support for H.R. 12322 cotton promotion bill.

FRANK KNIGHT,
Master Texas State Grange.

CORPUS CHRISTI, TEX.,
March 2, 1966.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.:

1,500 cotton producers at annual meeting of Texas Cooperative Ginners Association and Texas Federation of Cooperatives in Corpus Christi March 1 voted unanimously Congress pass HR 12322 to permit cotton producers a referendum to assess themselves for funds to promote cotton consumption and research.

BRUNO SCHROEDER,
Executive Vice President.

REFUGIO, TEX.,
May 3, 1966.

Senator RALPH W. YARBOROUGH,
Senate Office Building,
Washington, D.C.:

Please use all support within your power for passage of cotton research and promotion bill H.R. 12322.

J. F. MICHIN,
President Refugio County Chapter, South Texas Cotton Improvement Association.

DALLAS, TEX.,
April 7, 1966.

Hon. RALPH YARBOROUGH,
U.S. Senator,
Washington, D.C.:

By official action of our board of directors, we urge you to support H.R. 12322. Cotton farmers should be given this opportunity to pool funds themselves for the purpose of promoting their products.

The trouble facing cotton is primarily due to being out researched, out promoted, and out sold and often by inferior products. The passage of this bill will greatly help.

JACK WHETSTONE,
Executive Vice President, Texas Cottonseed Crusher's Association.

LUBBOCK, TEX.,
March 20, 1966.

Hon. RALPH W. YARBOROUGH,
Senate Office Building,
Washington, D.C.:

The board of directors of the Texas Independent Ginners Association passed the following resolution during their fourth annual meeting:

"The Texas Independent Ginners Association recognizes that cotton must have a much stronger program of research and promotion if it is to successfully compete with other fibers, and therefore we endorse the cotton research and promotion act now before the Congress as a practical means of enabling growers to make for themselves the decision of research and promotion assessments, and for the establishment of a uniform collection procedure."

DONALD G. SMITH,
Executive Vice President.

AUBREY, TEX.,
June 1, 1966.

Hon. RALPH YARBOROUGH,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR MR. YARBOROUGH: At a recent meeting of cotton producers and processors held in Greenville, Texas, the group unanimously endorsed the Research and Promotion Act now pending in the Senate.

This group likewise instructed me to notify you of their positive action, and we are urging your leadership and assistance in the speedy passage of this important piece of legislation.

Yours very truly,

EMORY KNAPP,
Chairman.

TEXAS FEDERATION OF COOPERATIVES,
April 18, 1966.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: During the annual membership meeting of the Texas Federation of Cooperatives and Texas Cooperative Ginners Association last month, 1500 cotton producers from all the cotton producing areas of Texas discussed at length HR 12322, the Cotton Research and Promotion Bill, and then voted unanimously to ask the Congress to pass the Bill.

I believe members of farmer cooperatives are better informed on cotton production and consumption problems than any group, and their vote is a good indication of the extent to which Texas cotton producers desire the opportunity to vote on whether they want a uniform assessment procedure for cotton research and promotion activities. The Bill does not force any producer to contribute if he does not desire to do so.

It is my understanding the manager of a Corpus Christi based cotton cooperative informed you that members of cooperatives were divided on support of this Bill. If he is personally opposed to the Bill, I can assure you he is in a minute minority.

I sincerely urge you to support this House passed Bill, and if there is additional information you desire, please contact me.

Sincerely yours,

BRUNO E. SCHROEDER.

Cc.: Mr. C. C. Adler, President, Texas Federation of Cooperatives.

COCHRAN COUNTY FARM BUREAU,
Morton, Tex.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: The Directors of the Cochran County Farm Bureau unanimously adopted the Cotton Research and Promotional Act, H.R. 12322.

We believe that this is a good Bill because: It is voluntary in that any producer may receive a refund for the amount collected; That none of the funds collected may be used for political or lobbying purposes; That 100 percent of the funds must be used for research and promotion of cotton; That the Cotton Board, appointed by the Secretary of Agriculture must be selected from nominees selected by the various cotton groups in the belt; That this Board shall determine where and how these funds shall be spent for research and promotion ONLY; That this will give the cotton producers an opportunity to vote in a referendum to determine if they want to contribute $1 per bale for research and promotion of cotton, and 66⅔ must vote for if the collections are made as prescribed by the Cotton Board and that this Bill shall give us an opportunity to do something for a "Sick" industry instead of looking to the Federal Government to do it for us.

We will appreciate your careful consideration of this Bill, and your vote for it.

Respectfully submitted.

W. J. WOOD, *President.*
ROY HICKMAN,
Chairman, Legislative Committee, Cochran County Farm Bureau.

SWIG COTTON,
El Paso, Tex., April 27, 1966.

Subject: Cotton Research and Promotion Act (H.R. 12322)

Hon. RALPH W. YARBOROUGH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR YARBOROUGH: Our Board of Directors passed unanimously resolution endorsing this bill in its present form. Prompt passage of this legislation is needed in order that it can be made effective for the 1966 cotton crop.

Our Association includes in its membership outstanding producers in the western edge of Texas, including Pecos, Van Horn, Dell City and the Rio Grande Valley from El Paso to Ft. Hancock.

We earnestly request your support of this legislation.

Yours very truly,

EDWARD BREIHAN,
Secretary.

South Texas Cotton
Improvement Association, Inc.,
Victoria, Tex., March 14, 1966.

Senator Ralph W. Yarborough,
Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: The Senate Agriculture and Forestry Committee now has under consideration a cotton research and promotion enabling act recently passed by the House.

The South Texas Cotton Improvement Association, representing over 5,000 cotton producers in the gulf coast, wishes to support vigorously the Cotton Research and Promotion Act.

We would hope that you not only vote in favor of the Act, but also help us secure other favorable votes.

This national program based on uniform collection of one dollar per bale from producers is an absolute must. It must mean the very life or death of a vital industry.

Some advocate the collection of funds from other segments of our cotton industry. They state this will help the producer carry the burden of research and promotion. Certainly anyone that understands the cotton industry and how it functions could easily realize that any funds collected from processors would only be a further tax on the producer. The processor would simply add on the required amount to the producer's charges and the producer would only end up paying the additional amount anyway.

We urge you to do all possible to seek passage of the Cotton Research and Promotion Act.

Very truly yours,

Robert W. Heard.

Plains Cooperative Oil Mill,
Lubbock, Tex., March 16, 1966.

Hon. Ralph Yarborough,
U.S. Senator,
Washington, D.C.

Dear Senator Yarborough: I understand that a subcommittee of the Agriculture and Forestry Committee of the U.S. Senate will soon be considering a recently passed House Bill that will provide for the uniform payment of $1 per bale to do research and promotion on cotton.

Our association believes in the passage of this bill. It simply provides for a referendum wherein if growers, two-thirds of them, or two-thirds of the cotton volume favors the collection, it will be made.

As you know, Senator, we are in deep trouble with cotton. Our income on cotton this year on the South Plains will be reduced another $50 million to $60 million. We have already taken a $37½ million reduction; so since the 1963 crop, the '66 crop of two million bales will bring the growers some odd $80 million less than it would in 1963.

Now this has all been done because of our oversupply of cotton. We are simply growing more than we sell; but we people who grow cotton believe we are just not selling enough. We must either increase our sales materially both here and abroad, or we are going out of the cotton business, and there is no other industry that will take the place of cotton. I do hope that you will interest yourself in this bill and give it support at every place possible.

Yours truly,

Roy B. Davis,
General Manager.

Rolling Plains Cotton Growers, Inc.,
Stamford, Tex., March 17, 1966.

Hon. Ralph Yarborough,
Senate Chamber,
Congress of the United States,
Washington, D.C.

Dear Sir: My purpose in writing you is to lend my support to the Cotton Research and Promotion Bill (HR 12322). Although I am now executive vice-president of the Rolling Plains Cotton Growers, Inc., this letter does not necessarily present the views of the organization.

We are a young organization but a rapidly growing one. We are not sufficiently organized at this time to speak as a group so, for this reason, I speak only for myself.

I myself am a cotton farmer and believe the bill has tremendous possibilities. We are at a point in cotton production where we must do something to hold our markets and possibly expand them. If we cannot find new uses for cotton, we must learn to accept regulated production.

The bill as written and amended warrants your support. Only if the bill is passed by Congress will the farmer have a chance to decide for himself if he wants to support the bill or not. I think the farmers should be given the opportunity to decide for themselves through referendum if they wish to support cotton research and promotion by this means.

There is no alternative plan being offered at this time so I personally see no reason for this bill being defeated in Congress. We must promote and sell cotton if we are to raise it. If there is a better way, let's support it but, if there is no other way, let's let the farmer himself decide on this HR Bill 12322.

Sincerely,

Charles W. Stenholm.

Danevang, Tex.,
June 6, 1966.

Hon. Ralph Yarborough,
U.S. Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: A meeting of leading cotton producers from the upper Gulf Coast was held at El Campo, Texas, last Thursday to review the cotton situation as it relates to the Cotton Research and Promotion bill now pending in the senate.

After thorough discussion of past experience and a future program of cotton research and promotion, the producers are willing to support a motion to request the U.S. senate to support H.R. 12322 carried by unanimous support.

I am attaching a list of names of all present at this meeting, who instructed me to inform you of their wishes, that you support this legislation so that cotton producers will have an opportunity to decide by vote this most important issue.

Yours truly,

H. D. Madsen,
Chairman, Gulf Coast Steering Committee.

COTTON INDUSTRY LEADERS ATTENDING GULF COAST AREA FOUNDERS MEETING, EL CAMPO, TEX., MAY 26, 1966

B. B. Young, East Bernard, Texas.
R. A. Hanson, Ganado, Texas.
Alfred Wind, Danevang, Texas.
H. J. Jensen, El Campo, Texas.
Willie Bender, Louise, Texas.
Hy Miller, El Campo, Texas.
Jerry Hlavaty, Hillje, Texas.
Frank Arnold, Jr., El Campo, Texas.
John Herser, Thorndale, Texas.
Roy A. Pierce, El Campo, Texas.
Joe Humphreys, El Campo, Texas.
Joe Humphreys, Jr., El Campo, Texas.
E. L. Payne, El Campo, Texas.
Marcus Salas, El Campo, Texas.
Willie E. Supak, El Campo, Texas.
A. R. Pausewany, El Campo, Texas.
Bobbie E. Curtis, Danevang, Texas.
W. G. Schmidt, El Campo, Texas.
Emil J. Bacak, El Campo, Texas.
Billy Michaelson, El Campo, Texas.
Robert W. Heard, Victoria, Texas.
Jerry Strnadel, Jr., Louise, Texas.
R. T, Mechura, Lane City, Texas.
Ath Carville, El Campo, Texas.
Gunnar Thyssen, Danevang, Texas.
George Roesner, Houston, Texas.
Ed Sellers, San Antonio, Texas.
R. S. Hermansen, El Campo, Texas.
Ina Harton, El Campo, Texas.
H. D. Madsen, Danevang, Texas.
A. J. Richter, El Campo, Texas.
Henry Thielman, Rosenberg, Texas.
W. H. Penkert, Rosenberg, Texas.
W. A. Donaldson, Wharton, Texas.
R. A. Matzke, Wharton, Texas.
Ed Lehnert, Louise, Texas.
Hans J. Nelsen, Danevang, Texas.
Adolph Raska, Needville, Texas.
Ben Dedek, Richmond, Texas.
E. J. Kaluza, Richmond, Texas.
Johnnie Berger, Needville, Texas.
Elton Kramer, Needville, Texas.
Johnny Schneider, El Campo, Texas.
Murray Tarkington, Victoria, Texas.
F. S. Tarkington, Victoria, Texas.
Loyd Engel, Beasley, Texas.
Herman Engel, Beasley, Texas.
Ken O'Rear, El Campo, Texas.
Edwin Korenek, El Campo, Texas.
Frank Krenek, Bay City, Texas.
Wilbur Krenek, Rosenberg, Texas.
Ralph Petersen, Danevang, Texas.
C. W. Boles, Edna, Texas.
Allen Bacak, El Campo, Texas.
Henry Kubena, East Bernard, Texas.
Robert Spvilik, East Bernard, Texas.
P. H. Longwood, El Campo, Texas.
Roy W. Lofton, Blessing, Texas.
Joe Zalman, El Campo, Texas.
D. A. Barton, El Campo, Texas.
W. S. Harton, El Campo, Texas.
C. K. Zalman, El Campo, Texas.
George Bohlen, Taylor, Texas.
W. A. Ladewig, El Campo, Texas.
Emil Petter, Hungerford, Texas.
B. D. Krag, Danevang, Texas.
Pete Fucik, El Campo, Texas.
Louis Lopanec, El Campo, Texas.
Walter Hughes, El Campo, Texas.
Alvin Kettler, Needville, Texas.
Henry Kana, El Campo, Texas.
R. K. Phillips, Sugarland, Texas.
Jerry Strnadel, Sr., Louise, Texas.
Leonard Wittig, Wharton, Texas.
Lawrence Petersen, Danevang, Texas.
W. B. Barrett, Richmond, Texas.
Henry Nielsen, El Campo, Texas.
Henry Roberts, El Campo, Texas.
W. C. Michaelson, El Campo, Texas.
S. L. Kucherka, Eagle Lake, Texas.
Lucian Kainer, El Campo, Texas.
Henry Smith, Wharton, Texas.
Harold M. Grar, Wharton, Texas.
A. J. Wendel, El Campo, Texas.
Peter Weishuhn, El Campo, Texas.
Jerome Holub, El Campo, Texas.
Louis Bacak, Jr., El Campo, Texas.
Herschel Hunt, El Campo, Texas.
W. F. Kainer, El Campo, Texas.
J. F. Strnadel, Louise, Texas.
Ed Strnadel, El Campo, Texas.

City of Bishop,
Bishop, Tex., May 25, 1966.

Hon. Ralph Yarborough,
Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: At a meeting today of cotton leaders held in Corpus Christi, Texas at the Driscol hotel a resolution was passed by unanimous vote in favor of H.R. 12322, the cotton promotion and research bill.

They instructed us as co-chairmen of the meeting to inform you of their action with the request that you do everything possible in support of the bill.

A list of those present is attached to this letter. This also is furnished to you at their request. A substantial part of the cotton produced in the Coastal Bend area of Texas is represented by these growers.

Any support you can give to early passage of this legislation will be greatly appreciated. We feel that growers should have the right to decide this issue in referendum.

From many statements that you have made in the past we know this to be in line with principles that you believe in.

Thanks in advance for your support in this matter.

Very truly yours,

J. H. WEST,
Chairman, Bishop, Tex.
M. E. DECHERD,
Vice Chairman, Taft, Tex.

Attachment.

COTTON INDUSTRY LEADERS WHO ENDORSED H.R. 12322 AT MEETING IN CORPUS CHRISTI, TEX., MAY 25, 1966

J. M. Price, Corpus Christi.
Harold Teel, Robstown.
G. W. Rauch, Robstown.
Alton Hutchinson, Robstown.
Raymond Gatski, Taft.
Conrad Dorne, Woodsboro.
Frank Stubbs, Corpus Christi.
Charles J. Hartman, Corpus Christi.
Q. M. Priday, Jr., Engleside.
P. W. Grevelle, Corpus Christi.
W. O. Outlaw, Victoria.
C. P. Rosson, Jr., Taft.
A. E. Teltschik, Taft.
W. D. Miller, Taft.
E. H. Kirkpatrick, Chapman Ranch.
Harry L. White, Chapman Ranch.
R. E. Nolan, Robstown.
M. E. Decherd, Taft.
W. W. Hart, Sinton.
T. I. Brown, Jr., Bishop.
J. F. Michna, Woodsboro.
U. E. Ray, Sinton.
Casper Gerdes, Jr., Sinton.
J. P. Kercheville, Corpus Christi.
Leon Eschberger, Alice.
Joe McNair, Banquete.
A. C. Pfeiffer, Corpus Christi.
Ben Abney, Woodsboro.
E. M. Beard, Taft.
H. C. Hunt, Gregory.
A. E. Elzner, Taft.
Jack Harlan, Bishop.
Wallace Redding, Bishop.
Giles L. Dodson, Corpus Christi.
J. J. Jackson, Chapman Ranch.
W. P. Cooper, Robstown.
H. H. Olson, Woodsboro.
F. E. Flynn, Corpus Christi.
Tim Donoghue, Corpus Christi.
Bill Sheka, Corpus Christi.
C. F. Spiekerman, Odem.
B. D. Moses, Odem.
Herman Jostes, Tynan.
Joe Laird, Crystal City.
W. N. Parr, Robstown.
Tom Reding, Taft.
James Knight, Mathis.
Eric Hartzendorf, Sinton.
B. J. Niemann, Woodsboro.
Leo A. Miller, Gregory.
G. B. Humphries, Robstown.
E. C. McDaniel, Odem.
Allen B. Cooper, Corpus Christi,
J. S. Rayl, Corpus Christi.
C. S. Brown, Mathis.
George Hoffman, Alice.
J. W. Albin, Taft.
Stanley Webb, Jr., Odem.
Eugene Turner, Odem.
John Brough, Edroy.
J. R. Adams, Edroy.
J. H. Schmalsttkg, Sinton.
Charlie Hankins, Robstown.
Herbert Heller, Victoria.
John A. True, Jr., Alice.
Frank A. Hartman, Jr., Woodsboro.
Frank Vesalka, Woodsboro.
H. McDonald, Taft.
Robert Prinz, Bishop.
Edwin Bertram, Bishop.
R. D. Moses, Robstown.
Billy Ray London, Corpus Christi.
B. W. Beckham, Jr., Corpus Christi.
Robert W. Heard, Victoria.
Lamar Felda, Corpus Christi.
J. W. Jalufka, Robstown.

VALEE COMPRESS & WAREHOUSE CO.,
Raymondville, Tex., May 31, 1966.

Hon. RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR YARBOROUGH: We of the Cotton Industry need your YES vote on bill HR-12322, Cotton Research and Promotion Act.

We feel this would be good for the cotton growers, ginners, cotton seed crushers and warehousemen and others in the industry and should be made into law. Without something quick the cotton business is doomed.

Your vote for HR-12322 will be greatly appreciated.

With kindest personal regards, I am,

Yours very truly,

ROBERT HARRIS,
Vice President and General Manager.

SOUTH TEXAS COTTON
OIL DIVISION,
HUNT FOODS AND INDUSTRIES, INC.,
Harlingen, Tex., May 25, 1966.

Senator RALPH W. YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am sure that you are aware of the serious situation that exists in the cotton industry at this time. I am also sure that you are aware of the important position cotton holds in the economy of the State of Texas.

I believe that HR 12322, the Cotton Research and Promotion Act, will provide a means by which the cotton producer can regain a large part of the markets that have been lost to foreign cotton and synthetic fibers during the last few years.

I trust that you will use all your influence both in the Agriculture Committee and on the Senate floor to see that this bill is passed at the earliest possible date.

Yours very truly,

E. L. KIRK, *Manager.*

SEBASTIAN COTTON & GRAIN CORP.,
Sebastian, Tex., May 25, 1966.

Hon. RALPH YARBOROUGH,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: A meeting of Lower Rio Grande Valley cotton leaders was held yesterday at the Echo Hotel in Edinburg to discuss the cotton situation as it relates to the Cotton Research and Promotion bill now pending in the Senate.

After very thorough discussion this group which represents a very large percent of our valley production voted, with only one dissenting vote, in favor of supporting HR 12322 and urging its speedy passage by the Senate so it may apply to this year's crop.

They instructed me as chairman of the meeting to inform you of their action and to request your all out assistance in securing rapid passage of this bill by the Senate. Those endorsing this legislation also asked that their names be attached to my letter.

Sincerely yours,

JACK FUNK.

Attachment.

COTTON INDUSTRY LEADERS WHO ENDORSED H.R. 12322 AT MEETING IN EDINBURG, TEX., MAY 24, 1966

John Abbott, Harlingen.
George Labar, Harlingen.
Elwood Kirk, Harlingen.
C. E. Marcum, Harlingen.
William T. Dudley, Elsa.
R. C. Vittitor, San Benito.
Larry Franks, Sebastian.
Jay Dudley, Mercedes.
D. W. McElwrath, Harlingen.
Redys McElwrath, Combes.
Leonard Littleton, McAllen.
Hector Guerra, Rio Grande City.
M. E. Wentz, Brownsville.
Dan Robinson, La Feria.
Jerry Teser, Donna.
C. T. Peters, Jr., Donna.
James P. Pealor, La Vila.
Howard Wright, Weslaco.
Roy Jansen, Weslaco.
Jesse A. Krueger, Edinburg.
Jesus Navarro, Mission.
Gerardo Alaniz, Mission.
Elisio Trevinio, Edinburg.
Manuel Mercado, Mission.
Welch Richardson, Brownsville.
Bill Fletcher, Sebastian.
Joe Davis, Edinburg.
Lewis Fry, Elsa.
Sven Vassberg, Lyford.
Paul Vassberg, Lyford.
Jesus M. Alvarado, Delmita.
Howard Kutzenberger, Harlingen.
Harry Foehner, Harlingen.
C. C. Alder, Harlingen.
Frank Gross, Pharr.
George Shimek, Santa Rosa.
Ken Martin, Harlingen.
L. M. Richardson, Corpus Christi.
Carl Pratt, Corpus Christi.
Harry Thompson, Mission.
Hubert Thompson, Mission.
Bill Joe Simpson, Rio Hondo.
Leo Reddell, San Perlita.
M. H. Hellman, San Perlita.
Charlie Hoot, San Perlita.
Eugene Stroebel, Donna.
Conly Bell, Elsa.
Sam Tayloe, Monte Alto.
Robert Harris, Raymondville.
J. A. Pennington, Raymondville.
Kenneth Scoggins, Harlingen.
Rex Steele, Harlingen.
John Wreden, Lyford.
C. W. Browning, Lyford.
Bruce Gilbert, Lyford.
W. D. Dillon, Mercedes.
Frank Barnett, San Benito.
Morris Jones, San Juan.
E. R. Russell, San Juan.
E. F. Nattinger, Edcouch.
O. M. Joyce, Progresso.
R. E. George, Mercedes.
C. C. Stokes, Edcouch.
E. C. Spicer, San Benito.
Jean Kirkland, Santa Rosa.
Fritz Belschner, Sebastian.
Bill Busch, Pharr.

EL PASO VALLEY COMPRESS CO.,
Fabens, Tex., May 21, 1966.

Hon. RALPH W. YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: As, I am sure, you are well aware, the Senate will soon consider the Cotton Research and Promotion Bill (H.R. 12322). I earnestly solicit your support of this self-help bill for the American cotton industry. Cotton today faces a life and death struggle with synthetics. Increased research and promotion are the routes which will lead us to a more healthy and prosperous future. We must sell more and better cotton products if we expect to grow and process more raw cotton.

Passage of the Cotton Research and Promotion Act is a most important issue facing the cotton industry today. I sincerely hope that we can count on your full support of this bill when it comes before the Senate.

Yours truly,

ROBERT H. VICKERS,
Vice President and General Manager.

SOUTH TEXAS COOPERATIVE
MARKETING ASSOCIATION,
Corpus Christi, Tex., May 3, 1966.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR MR. YARBOROUGH: With reference to our telephone conversation of May 2, 1966, we wish to confirm this conversation and how we now stand on H.R. 12322.

After a meeting of the Board of Directors of this Association on Saturday, April 30, 1966 and after the revisions made in this bill, this Association asks that you now disregard our previous letters concerning this bill and do all in your power to help the passage before the new cotton season starts around the first of July.

As we stated by telephone yesterday, the executives of the various State Farm Bureaus are still against the passage of this bill but for your information the local members are backing this bill 100 per cent—or the producer is going against the will of the executives. We cannot understand the Bureau's thinking on this matter since the revisions of the bill protect the producer in all respects.

Thank you for your help now and in the future, we remain

Very truly yours,

Allen B. Cooper,
General Manager.

Robstown, Tex.,
May 14, 1966.

Senator Ralph Yarborough,
Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: Our group of Young Farmers has been reading with considerable interest the progress of HR Bill 12322, the Cotton Research and Promotion Bill.

As Young Farmers vitally concerned with problems confronting the cotton industry, we are writing to say the bill has our wholehearted endorsement. We are asking that you exert all the influence of your office to publicize its importance to agriculture.

Since the bill has passed the House, we are hopeful that it will go all the way and receive approval of the Senate. We feel the matter deserves the help and sympathetic understanding of those in a position to advance its cause. We hope prompt passage by the Senate will give farmers a chance to vote on the issue.

Trusting you will give vigorous support to the passage of HR Bill 12322, we are

Sincerely yours,

Mathis Young Farmers Association, Mathis, Tex.,
John Lloyd Bluntzer,
President.

Mercedes, Tex.,
May 11, 1966.

Senator Ralph Yarborough,
Senate Office Building,
Washington, D.C.

Dear Sir: As a cotton grower we urge you to support and vote for HR 12322 for the promotion and research of cotton fiber.

Cotton has a carryover of over 16½ millin bales and we need to promote products of this industry to compete with man-made fiber.

We know that you often vote against the farmer's welfare, please give this careful consideration.

Sincerely,

Mr. and Mrs. H. E. Vogel.

Morton, Tex.,
April 29, 1966.

Senator Ralph Yarborough,
Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: The Cochran County Program Building Committee 31 farmer members met April 26th and after a thorough discussion of the Cotton Research and Promotion Act, H.R. 12322; passed a resolution supporting this bill unanimously.

We believe that this bill, if passed, will become one of the great "Milestones" in agriculture.

It will give the farmers their first opportunity to express themselves as to their interest in the promotion and research of a farm product on a national basis, and if the referendum passes it should improve their "Public Image" on a national basis, and start doing something for themselves instead of depending on the Federal Government.

We believe that the future of the cotton industry shall depend upon the passage of this Bill.

One of the large farm organizations is opposing this Bill, but their objections are not founded upon facts; the Bill is not compulsory, in that any producer may get a refund, and if you will study other objections they have and check them with the Bill—they have no basis.

We will appreciate your support of this important Bill.

Yours very truly,

Glenn W. Thompson,
Chairman.

Members of the Cochran County Program Building Committee:

E. C. Hall, Curtis Sealip; Truman Anglin, J. I. Thomas, Billy M. Weems, Ralph Burt, ——— ———.

Rolling Plains Cooperative Compress,
Sweetwater, Tex., May 6, 1966.

Hon. Ralph Yarborough,
U.S. Senate,
Washington, D.C.

Dear Mr. Yarborough: At our monthly committee meeting May 5, 1966, on a motion by Jack Merket, Stamford, Texas, seconded by Ross Hargrove, Colorado City, Texas, it was voted that the Rolling Plains Cooperative Compress endorse the following resolution:

"That Cotton Producer's Institute be commended for its research and promotion programs. That we endorse the proposed plans of its Board of Trustees for the establishment of a uniform collection procedure so as to provide adequate financing to meet the cotton industry's requirements."

Sincerely,

Gene Howard,
Manager.

Rosson Gin & Elevator Co.,
Taft, Tex., May 3, 1966.

Senator Ralph Yarborough,
Old Senate Building,
Washington, D.C.

Dear Senator Yarborough: I am writing regarding H.R. 12322, a Bill now before the Holland Subcommittee on Agriculture. This Bill as you know would enable cotton producers to vote in referendum as to whether they desire to assess themselves a dollar a bale for research and promotion.

I am convinced that swift passage of this legislation is absolutely essential for the cotton industry to have a chance to survive and prosper.

I respectfully request your vote and help in moving this Bill in its present form through the Senate.

Regards,

C. P. Rosson, Jr.

Sebastian Cotton & Grain Corp.,
Sebastian, Tex., April 20, 1966.

Hon. Ralph Yarborough,
Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: The last time I visited with you was in Dallas at our Ginners Convention just a little over a year ago. At that Time I discussed with you what we were trying to do for ourselves in the field of research and promotion.

Since then we have had introduced into Congress bill H.R. 12322 to enable us to have a uniform collection of these funds to carry out these projects that are underway to help us move our cotton into the trade channels.

I would certainly hope that you could and would support this bill. It is one that isn't costing the tax payer any money and could certainly lead to a saving in the Dep't. as far as cotton is concerned.

I wish to thank you again for the many things you have done for agriculture in Texas.

Yours respectfully,

Jack Funk.

Cen-Tex Cotton Oil Mill,
Thorndale, Tex., April 27, 1966.

Hon. Ralph Yarborough,
U.S. Senator,
Senate Office Building,
Washington, D.C.

Dear Senator: The board of directors of the Cen-Tex Cotton Oil Mill, Thorndale, Tex., in their regular quarterly board meeting held April 21, 1966, unanimously voted in support of the Cotton Research and Promotion Bill (H.R. 12322).

We would appreciate your doing everything possible to assure passage of this legislation.

Very truly yours,

John F. Herzer,
Manager.

Mr. TALMADGE. Mr. President, I understand that the distinguished minority leader desires to be notified before third reading. While the attachés are notifying the distinguished minority leader, I wish to respond to the inquiry of the distinguished senior Senator from Ohio [Mr. Lausche].

Section 8c(6)(I) of the Agricultural Adjustment Act, as reenacted by the Agricultural Marketing Agreement Act of 1937 provides as follows:

> (6) In the case of the agricultural commodities and the products thereof, other than milk and its products, specified in subsection (2), orders issued pursuant to this section shall contain one or more of the following terms and conditions, and (except as provided in subsection (7)), no others:
>
> * * * * *
>
> (I) Establishing or providing for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution and consumption of any such commodity or product, the expense of such products to be paid from funds collected pursuant to the marketing order: *Provided,* That with respect to orders applicable to cherries, carrots, citrus fruits, onions, Tokay grapes, fresh pears, dates, plums, nectarines, celery, sweet corn, limes, olives, pecans, or avocados such projects may provide for any form of marketing promotion including paid advertising.

So, this type of provision is not new. It has been authorized for many years, and has been adopted for a number of products.

Mr. President, I send to the desk, and ask that it be inserted in the Record at this point, a list of marketing agreements and orders in effect for fruits, vegetables, and nuts. The list is 11 pages in length, and the orders cover approximately 30 commodities. It lists 46 orders. The 32 orders designated by asterisks provide for marketing research and development. There are also 75 milk marketing orders, but there is no authority for research and promotion provisions in milk orders. There is also a tobacco order, and it contains no provision for research and promotion.

There being no objection, the agreements and orders were ordered to be printed in the Record.

Marketing agreements and orders in effect for fruits, vegetables, and nuts, June 15, 1966

Commodity and area [1]	Marketing agreement		Marketing order	
	Number	Effective	Number	Effective
FRUIT BRANCH				
Citrus fruits:				
*Grapefruit: [2] Arizona and California.	96	May 26, 1941	909	May 26, 1941.
Amendment		Dec. 15, 1949		Dec. 15, 1949.
Do		Sept. 15, 1958		Sept. 15, 1958.
Do		Nov. 13, 1962		Nov. 14, 1962.
Grapefruit, Indian River: Florida.	136	Jan. 8, 1962	912	Jan. 8, 1962.
Amendment		Jan. 1, 1963		Jan. 1, 1963.
Do		Dec. 19, 1963		Dec. 19, 1963.
Grapefruit, Interior: Florida	150	Dec. 20, 1965	913	Dec. 20, 1965.
*Lemons: [2] California and Arizona.	94	Apr. 10, 1941	910	Apr. 10, 1941.
Amendment		Mar. 23, 1948		Mar. 23, 1948.
Do		Aug. 24, 1949		Aug. 24, 1949.
Do		June 12, 1951		June 12, 1951.
Do		Nov. 26, 1953		Nov. 26, 1953.
Do		Nov. 5, 1954		Nov. 5, 1954.
Do		Dec. 15, 1955		Dec. 15, 1955.
Do		June 22, 1956		June 22, 1956.
Do		Nov. 21, 1958 [3]		Nov. 21, 1958.[3]
Do		Aug. 15, 1962 [4]		Aug. 15, 1962.[4]
*Limes: [2] Florida	126	June 15, 1955	911	June 15, 1955.
Amendment		April 13, 1957		April 13, 1957.
Do		Feb. 1, 1965		Feb. 1, 1965.
Oranges, grapefruit, tangerines, and tangelos: Florida.	84	Feb. 22, 1939	905	Feb. 22, 1939.
Amendment		Sept. 1, 1946		Sept. 1, 1946.
Do		Dec. 15, 1947		Dec. 15, 1947.
Do		Dec. 2, 1957		Dec. 2, 1957.
Do		Nov. 4, 1965		Nov. 4, 1965.
*Oranges and grapefruit: [2] Texas	141	Sept. 22, 1960	906	Sept. 22, 1960.
*Oranges, Navel: [2] Arizona and California.	117	Sept. 22, 1953	907	Sept. 22, 1953.
Amendment		Aug. 1, 1954		Aug. 1, 1954.
Do		July 30, 1956		July 30, 1956.
Do		Nov. 1, 1962		Nov. 1, 1962.
*Oranges, Valencia: [2] Arizona and California.	131	June 22, 1956	908	Mar. 31, 1954.[5]
Amendment				June 22, 1956.
Do		Oct. 15, 1962		Oct. 15, 1962.
Other fruits:				
*Apricots: [2] Washington	132	May 21, 1957	922	May 21, 1957.
Amendment		July 3, 1962		July 3, 1962.
*Avocados: [2] Florida	121	June 11, 1954	915	June 11, 1954.
Amendment		June 15, 1955		June 15, 1955.
Do		June 21, 1957		June 21, 1957.
Do		Feb. 1, 1965		Feb. 1, 1965.
*Cherries: [2] Washington	134	June 1, 1957	923	June 1, 1957.
*Cranberries: [2] Massachusetts, Rhode Island, Connecticut, New Jersey, Wisconsin, Michigan, Oregon, Minnesota, Washington, Long Island, N.Y.	145	Aug. 15, 1962	929	Aug. 15, 1962.
Amendment		June 20, 1964		June 20, 1964.
*Tokay grapes: [2] California	93	Aug. 20, 1940	926	Aug. 20, 1940.
Amendment		Aug. 24, 1941		Aug. 24, 1941.
Do		Mar. 1, 1949		Mar. 1, 1949.
Do		Aug. 15, 1952		Aug. 15, 1952.
Do		Aug. 18, 1953		Aug. 18, 1953.
Do		Feb. 6, 1959		Feb. 6, 1959.
**Nectarines: [6] California	124	June 25, 1958	916	June 25, 1958.
Amendment		June 10, 1966		June 10, 1966.
*Olives: [2] California	148	October 2, 1965 September 1, 1966.[7]	932	October 2, 1965. September 1, 1966.[7]
Peaches: [2] Colorado	88	August 15, 1939	919	August 15, 1939.
Amendment		August 4, 1950		August 4, 1950.
Do		July 28, 1956		July 28, 1956.
Peaches: Georgia	99	April 27, 1942	918	April 27, 1942.
Amendment		June 27, 1950		June 27, 1950.
Do		May 26, 1953		May 26, 1953.
Do		May 13, 1954		May 13, 1954.
Peaches: Utah	91	July 24, 1940	920	July 24, 1940.
*Peaches: [2] Washington	138	May 27, 1960	921	May 27, 1960.
*Bartlett pears: [2] Washington-Oregon.	147	Jan. 1, 1966	931	Jan. 1, 1966.
*Bartlett pears, plums, and Elberta peaches: [2] California.	85	May 29, 1939	917	May 29, 1939.
Amendment		July 17, 1940		July 17, 1940.
Do		Feb. 15, 1949		Feb. 15, 1949.
Do		May 21, 1949		May 21, 1949.
Do		Dec. 23, 1965		Dec. 23, 1965.
FRUIT BRANCH—continued				
Other fruits—Continued				
*Winter pears: [2] Oregon, Washington, and California.	89	Aug. 26, 1939	927	Aug. 26, 1939.
Amendment		Oct. 9, 1950		Oct. 9, 1950.
Do		Feb. 5, 1962		Feb. 4, 1962.
*Fresh prunes: [2] Idaho-Oregon.	140	July 21, 1960	925	July 21, 1960.
*Fresh prunes: [2] Washington-Oregon.	139	July 7, 1960	924	July 7, 1960.
SPECIALTY CROPS BRANCH				
Fruits:				
*Dates: [2] California	127	July 15, 1955 [8]	987	July 15, 1955.[8]
Amendment		Sept. 9, 1958		Sept. 9, 1958.
Do		July 19, 1962 Aug. 1, 1962 [9]		July 19, 1962. Aug. 1, 1962.[9]
Do		Aug. 1, 1964 [10]		Aug. 1, 1964.[10]
*Dried prunes: [2] California	110	Aug. 25, 1949 [11]	993	Aug. 25, 1949.[11]
Amendment		Aug. 26, 1951		Aug. 26, 1951.
Do		Mar. 9, 1954		Mar. 9, 1954.
Do		Oct. 19, 1957		Oct. 19, 1957.
Do		Feb. 19, 1961 [12] Aug. 1, 1961 [12]		Feb. 19, 1961.[12] Aug. 1, 1961.[12]
Do		Aug. 6, 1965		Aug. 6, 1965.
*Raisins: [2] California	109	Aug. 18, 1949	989	Aug. 18, 1949.
Amendment		Sept. 1, 1955		Sept. 1, 1955.
Do		Oct. 25, 1956		Oct. 25, 1956.
Do		Dec. 14, 1960		Dec. 14, 1960.
Do		July 11, 1964 [13]		July 11, 1964.[13]
Nuts:				
Almonds: California	119	Aug. 4, 1950	981	Aug. 4, 1950.
Amendment		July 1, 1957		July 1, 1957.
Do		Oct. 26, 1957		Oct. 26, 1957.
Filberts: Oregon and Washington.	115	Oct. 1, 1949	982	Oct. 1, 1949.
Amendment		Mar. 3, 1954		Mar. 3, 1954.
Do		Aug. 1, 1959		Aug. 1, 1959.
Peanuts: 16 States, Virginia to California.	146	July 12, 1965		
*Walnuts: [2] California, Oregon, and Washington.	105	Aug. 1, 1948	984	Aug. 1, 1948.
Amendment		July 10, 1954		July 10, 1954.
Do		July 28, 1955		July 28, 1955.
Do		Oct. 4, 1957		Oct. 4, 1957.
Do		Sept. 13, 1962		Sept. 13, 1962
VEGETABLE BRANCH				
Potatoes:				
*Colorado [2]	97	Aug. 30, 1941	948	Aug. 30, 1941.
Amendment		Aug. 1, 1960		Aug. 1, 1960.
Idaho-Oregon	98	Jan. 19, 1950	945	Sept. 5, 1941.[5]
Amendment				Jan. 19, 1950.
Do		Sept. 1, 1958		Sept. 1, 1958.
Maine	122	Aug. 30, 1954	950	Aug. 30, 1954.
Amendment		July 24, 1962		July 24, 1962.
Massachusetts, Rhode Island, Connecticut, New Hampshire, and Vermont.			951	Nov. 12, 1950.[5]
*Oregon and California [2]	114	Nov. 7, 1949	947	Jan. 26, 1942.[5]
Amendment				Nov. 7, 1949.
Do		Sept. 21, 1955		Sept. 21, 1955.
Eastern South Dakota	103	May 15, 1948	952	May 15, 1948.
Southeastern States	104	May 24, 1948	953	May 24, 1948.
Washington	113	Sept. 28, 1949	946	Sept. 28, 1949.
Other vegetables:				
*Carrots: [2] Texas	142	Oct. 5, 1960	970	Oct. 5, 1960.
Amendment		Aug. 23, 1963 [14]		Aug. 23, 1963.[14]
Celery: Florida	149	Nov. 15, 1965	967	Nov. 15, 1965.
*Lettuce: [2] Texas	144	Dec. 1, 1960	971	Dec. 1, 1960.
*Onions: [2] Idaho-Oregon	130	Feb. 4, 1957	958	Feb. 4, 1957.
*Onions: [2] Texas	143	Feb. 6, 1961	959	Feb. 6, 1961.
Amendment		Mar. 12, 1962		Mar. 12, 1962.
Peas and cauliflower: Colorado.	67	Aug. 9, 1936	972	Aug. 9. 1936.
Amendment		Apr. 13, 1942		Apr. 13, 1942.
Do		May 26, 1954		May 26, 1954.
*Tomatoes: [2] Florida	125	Oct. 8, 1955	966	Oct. 8, 1955.
*Tomatoes: [2] Texas			965	Apr. 2, 1959.[5]

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*These marketing orders have marketing research and development authorization.

**The Nectarine marketing order has paid advertising authority included with marketing research and development authority.

[1] Areas are given by States only. For specific area covered, see marketing agreement or marketing order.

[2] These marketing orders have marketing research and development authorization.

[3] Provisions relating to changes in the method of computing the prorate bases and allotments of handlers became effective Nov. 30, 1958, in districts 1 and 3, and Jan. 18, 1959, in district 2.

[4] Provisions relating to changes in composition of the Administrative Committee became effective Nov. 1, 1962.

[5] Date given for marketing order only, as no marketing agreement was issued at that time. The marketing order was issued pursuant to the authority contained in the Agricultural Marketing Agreement Act of 1937, as amended, authorizing such orders without an accompanying marketing agreement.

[6] The nectarine marketing order has paid advertising authority included with marketing research and development authority.

[7] The effective date for secs. 932.51, 932.52, and 932.53 covering the regulation of olives becomes effective Sept. 1, 1966.

[8] Provisions relating to minimum standards of quality, additional grade regulation, volume regulation, inspection requirements, and collection of assessments became effective Sept. 1, 1955.

[9] The provision authorizing credit for excess disposition of product dates became effective July 19, 1962. The remaining provisions became effective Aug. 1, 1962.

[10] The effective date for the revision of sec. 987.9, permitting dates to be removed to storage in specified areas outside the area of production, is July 18, 1964.

[11] Provisions relating to grade regulation and inspection requirements became effective Sept. 1, 1949.

[12] Provisions pertaining to marketing policy considerations and administrative matters of the Prune Administrative Committee became effective Feb. 19, 1961. The remaining provisions became effective Aug. 1. 1961.

[13] The effective date for the revision of sec. 989.80, requiring the payment of assessments by reconditioners, is Sept. 1, 1964.

[14] Terminated July 31, 1966.

Mr. SALTONSTALL. Mr. President, I support the cotton research and promotion bill pending before us today because I believe this program will provide an important stimulus for our whole cotton industry.

We in New England are very much concerned about cotton because we are the manufacturers of the final product. Last year Congress reduced the price of cotton to domestic mills to world price levels. This gave our domestic industry a fair chance to compete pricewise both with foreign imports and with the synthetic fabrics. But this alone will not resolve the problem of the continuing decline of cotton's share in the total U.S. fiber market. We need new and imaginative uses for cotton to sustain our whole industry, which goes from the cotton farmers to the manufacturers. I think one need only look at the figures in the Agriculture Committee's report to see the problem facing cotton as a competitive product: from 1930 to 1960 the cotton share of our fiber market dropped from about 85 percent to 65 percent. By 1965 it had dropped further to about 53 percent. Although the use of cotton by the mills has been increasing in the past few years, still its total share of the fiber market declines.

Other fiber industries have concentrated a great deal of effort and money on research and promotion of their product. It is time for cotton seriously to turn attention to these two vital aspects of industry effort in today's competitive market. Rather than "let the Federal Government do it," which we hear so often these days, this bill would provide the people most concerned with their own product the opportunity to set up and run a program which would directly benefit their industry. It is not, however, a compulsory Federal program. Those farmers who do not agree do not need to participate.

I believe this bill will offer another opportunity to our cotton industry to get back on its feet and maintain a healthy, competitive position in the increasing fiber consumption market.

Mr. TOWER. Mr. President, I have long pointed out the need for a program to promote increased use and consumption of cotton. Cotton producers have been faced during the past several years with growing competition from other natural and manmade fibers, and it has become obvious that special attention must be paid to this important industry.

The fact is that use of cotton in the United States, compared to the total percentage of fibers used, has declined over the years and continues to decline. While passage of the cotton laws of 1964 and 1965 has apparently relieved the pressures on producers, there still is a very great need for an organized assault on the basic problem of shrinkage of the total cotton market.

Related to the problem of increasing cotton consumption through promotion, is the problem of making cotton more salable through an increase in research. It has become obvious that the problem requires particular care and a united assault in order to realize complete success. This bill provides for a unified assault on the problem.

This bill is not a perfect solution, but it does constitute a step in the right direction. I intend to vote for this bill, and I urge my colleagues to support it.

Mr. TALMADGE. Mr. President, pending the arrival of the distinguished minority leader, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BAYH in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 95 Leg.]

Aiken
Allott
Anderson
Bayh
Bible
Boggs
Brewster
Burdick
Byrd, W. Va.
Cannon
Clark
Cooper
Curtis
Dirksen
Douglas
Eastland
Ellender
Fulbright
Gore
Griffin
Gruening
Harris
Hart
Hartke
Hickenlooper
Hill
Holland
Hruska
Inouye
Jackson
Javits
Jordan, N.C.
Lausche
Long, Mo.
Long, La.
Magnuson
McCarthy
McClellan
McGee
McGovern
McIntyre
Miller
Monroney
Morse
Morton
Mundt
Murphy
Muskie
Nelson
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Simpson
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. LONG of Louisiana. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Tennessee [Mr. BASS], the Senator from Idaho [Mr. CHURCH], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MANSFIELD], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PASTORE], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from North Carolina [Mr. ERVIN] is absent because of a death in the family.

I further announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from New York [Mr. KENNEDY], the Senator from Montana [Mr. METCALF], the Senator from Minnesota [Mr. MONDALE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON] and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

The Senator from New Jersey [Mr. CASE], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. FANNIN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. KUCHEL], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Idaho [Mr. JORDAN] is absent on official committee business.

The PRESIDING OFFICER. A quorum is present.

Mr. TALMADGE. Mr. President, if there are no further amendments to be proposed, I ask for the third reading of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. TALMADGE. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAYH (when his name was called). On this vote I have a live pair with the Senator from Minnesota [Mr. MONDALE]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. LONG of Louisiana. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Tennessee [Mr. BASS], the Senator from Idaho [Mr. CHURCH], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MANSFIELD], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PASTORE], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from North Carolina [Mr. ERVIN], is absent because of a death in the family.

I further announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from New York [Mr. KENNEDY], the Senator from Montana [Mr. METCALF], the Senator from Minnesota [Mr. MONDALE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. BASS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PASTORE], the

Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] would each vote "yea."

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Utah would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

The Senator from New Jersey [Mr. CASE], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. FANNIN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. KUCHEL], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Idaho [Mr. JORDAN] is absent on official committee business.

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from North Carolina [Mr. ERVIN]. If present and voting, the Senator from Utah would vote "nay" and the Senator from North Carolina would vote "yea."

On this vote, the Senator from Kansas [Mr. CARLSON] is paired with the Senator from Idaho [Mr. JORDAN]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Idaho would vote "nay."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Colorado [Mr. DOMINICK]. If present and voting, the Senator from California would vote "yea" and the Senator from Colorado would vote "nay."

The result was announced—yeas 49, nays 20, as follows:

[No. 96 Leg.]

YEAS—49

Aiken
Bible
Brewster
Burdick
Byrd, W. Va.
Cannon
Clark
Ellender
Fulbright
Gruening
Harris
Hart
Hartke
Hill
Inouye
Jackson
Javits
Jordan, N.C.
Long, Mo.
Long, La.
Magnuson
McCarthy
McClellan
McGee
McGovern
McIntyre
Monroney
Morse
Mundt
Murphy
Muskie
Nelson
Pell
Proxmire
Randolph
Ribicoff
Russell, Ga.
Saltonstall
Scott
Simpson
Smith
Symington
Talmadge
Thurmond
Tower
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—20

Allott
Anderson
Boggs
Cooper
Curtis
Dirksen
Douglas
Eastland
Gore
Griffin
Hickenlooper
Holland
Hruska
Lausche
Miller
Morton
Pearson
Robertson
Stennis
Williams, Del.

NOT VOTING—31

Bartlett
Bass
Bayh
Bennett
Byrd, Va.
Carlson
Case
Church
Cotton
Dodd
Dominick
Ervin
Fannin
Fong
Hayden
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Mansfield
Metcalf
Mondale
Montoya
Moss
Neuberger
Pastore
Prouty
Russell, S.C.
Smathers
Sparkman
Tydings

So the bill (H.R. 12322) was passed.

Mr. TALMADGE. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. LONG of Louisiana. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the acting distinguished majority leader about the program for the remainder of the day, and also for tomorrow.

Mr. LONG of Louisiana. Mr. President, it is not contemplated by the leadership that we will call up any more legislation today. There has been reported to the Senate today the debt ceiling bill, and that will be called up as the pending business tomorrow; at such time as we dispose of that bill, there is then the Pribilof Islands bill which we would hope to dispose of in short order. After they are disposed of we would hope that we would adjourn until Monday. We would also hope that it would not take too long to dispose of those measures.

There is a significant amendment to the debt ceiling bill to be offered by the Senator from Delaware [Mr. WILLIAMS], which of course will be debated and voted on.

Mr. DIRKSEN. I understand that there are three or four rather lengthy speeches for the remainder of the day.

Mr. LONG of Louisiana. There are three Senators who do wish to make speeches and, of course, as I understand it, these are rather important speeches which these Senators want to deliver.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. For the information of the Senate, I want to say that when the debt limit bill is being considered, I will offer an amendment which I am sure will be "noncontroversial" since it will carry out the President's recommendation providing for a tax incentive for political contributions of $100 or less. Surely there will not be any objection to that; after all I am only supporting the President. I thought the membership should know that this worthwhile amendment will be offered.

Mr. LONG of Louisiana. Mr. President, I respect the rights of the Senator from Delaware. I have the highest admiration for him. However, I expect to oppose the amendment. It is my judgment that the Senate Committee on Finance should hold hearings on this subject as well as all matters relevant to it, because this is a very significant matter.

Let me say to the Senator from Delaware that if he has some idea that his amendment is "noncontroversial," I suggest that by the time we get through holding hearings the matter will become very controversial, unless the 17 members of that committee agree to it. Of course I certainly respect the Senator's right to offer his amendment and the Senate will vote upon it one way or another.

Mr. WILLIAMS of Delaware. In order that there may be no misunderstanding, a similar amendment was introduced earlier this year and hearings were held on it. This was before our Senate Finance Committee at the time we acted on the tax measure in March. At that time, upon request of the Secretary of the Treasury, I did not press the amendment until after the President made his recommendation, but notice was served that it would be offered at a later date.

There was testimony on this amendment before our committee on Monday when we were holding hearings on the debt limit. Furthermore, the Treasury Department endorsed the proposal. It has had committee consideration. Let us vote.

Mr. LONG of Louisiana. Of course, the Senator is certainly privileged to state his opinion. I would say that these opinions, like so many others, which Senators have, are not necessarily my opinions. It is my judgment that this is a very important measure which opens up a broad subject, and, in doing so, there should be hearings, study, and advice which every Senator can offer to us.

Let me say as chairman of the Committee on Finance, that as much as I favor my own substitute for what the Senator would offer, I respect the right of every other Senator to think about this matter and offer us his suggestions, because there is a tremendous amount of knowledge and expertise in this field that would undoubtedly be helpful in arriving at a proper solution to this difficult problem of financing political campaigns.

Mr. SALTONSTALL. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. SALTONSTALL. I should like to ask the chairman of the Finance Committee, Is my understanding correct, from my talk with him, that he will not accept any amendment on the debt limit bill?

Mr. LONG of Louisiana. As it stands at this moment, we have reported a bill which has no amendments to it. It is a bill which has a time limit to it. We would hope that we would agree to the bill as the House passed it and as it was reported by the Senate committee.

I am aware of the amendment in which the Senator is interested which has to do with the contingent liability of the Federal Government. I should like to cooperate with him to see that that measure is considered in conference between the Senate and the House. I know of no objection to the bill which we passed in the Senate and which bore the sponsorship of the Senator from Massachusetts last year. I would hope that the Senator would not insist on offering his amendment to the debt limit bill because I would hope that we could simply dispose of the bill. There is no doubt that there will be a number of other measures to come before the Finance Committee.

One is the unemployment insurance bill; another has to do with tax treatment of foreign investments in the United States. There will be others.

I shall certainly cooperate with the Senator from Massachusetts in seeing to it that his amendment is considered by the House; but I should think he would get a better run for his effort on his amendment if we were to have a conference on a bill as to which the House would be inclined to accept amendments, rather than to take the amendment to conference on a bill on which the House would not be inclined to accept it.

Mr. SALTONSTALL. I appreciate the Senator's statement. There is much wisdom in what he says. I hope that at a later date, on some other bill, I can discuss the amendment with him and perhaps get results.

Mr. LONG of Louisiana. The Senator from Massachusetts has labored long in the vineyard on this subject. He is entitled to some fruit for his labor. I should certainly like to cooperate with him in helping to bring that about.

Mr. SALTONSTALL. I thank the Senator from Louisiana.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1967—CONFERENCE REPORT

Mr. ROBERTSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14266) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ROBERTSON. Mr. President, I wish to make a relatively brief statement on the conference action on H.R. 14266, the Post Office and Treasury Department appropriation bill for fiscal year 1967.

The conference report contains a total of $7,196,429,135. This is $50,290,865 under the budget estimates, $13,748,000 under the House bill, $13,620,000 under the Senate bill, and $183,855,135 over the 1966 appropriation to date.

For the Treasury Department, the conference bill contains $1,374,099,000, an increase of $2.1 million over the House bill, $12.1 million under the estimates, the same amount as the Senate bill, and $25,411,000 over the 1966 appropriation.

For the Post Office Department, the bill appropriates $5,802,533,000, an increase of $157,623,000 over 1966, and represents a reduction of $37,595,000 in the estimates. The amount allowed is $15,848,000 under the House bill and $13,370,000 under the Senate bill.

I ask unanimous consent that a table showing the 1966 appropriations, the 1967 budget estimates, the House and Senate action and conference action on the bill be printed at this point in the RECORD. I hope the Senate will be willing to accept the conference report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Conference table]

Treasury-Post Office appropriation bill, H.R. 14266, fiscal year 1967

TITLE I—TREASURY DEPARTMENT

Appropriation title	1966 appropriation [1]	1967 estimates	Bill		Conference allowance	Conference allowance compared with—		
			House version	Senate version		1967 estimates	House version	Senate version
Office of the Secretary	$6,012,000	$6,999,000	$6,900,000	$6,900,000	$6,900,000	−$99,000		
Bureau of Accounts	33,500,000	32,988,000	32,988,000	32,988,000	32,988,000			
Bureau of Customs	84,293,000	86,189,000	85,793,000	85,793,000	85,793,000	−396,000		
Bureau of the Mint, salaries and expenses	21,210,000	31,500,000	26,500,000	26,500,000	26,500,000	−5,000,000		
Construction of mint	22,300,000							
Total, Bureau of the Mint	43,510,000	31,500,000	26,500,000	26,500,000	26,500,000	−5,000,000		
Bureau of Narcotics	6,050,000	6,138,000	6,138,000	6,138,000	6,138,000			
Bureau of the Public Debt	51,690,000	51,894,000	51,894,000	51,894,000	51,894,000			
Coast Guard:								
Operating expenses	293,400,000	322,197,000	321,400,000	321,400,000	321,400,000	−797,000		
Acquisition, construction, and improvements	115,510,000	103,000,000	103,000,000	103,000,000	103,000,000			
Retired pay	41,000,000	44,250,000	44,250,000	44,250,000	44,250,000			
Reserve training	23,550,000	24,031,000	24,031,000	24,031,000	24,031,000			
Total, Coast Guard	473,460,000	493,478,000	492,681,000	492,681,000	492,681,000	−797,000		
Internal Revenue Service:								
Salaries and expenses	17,981,000	18,692,000	18,600,000	18,600,000	18,600,000	−92,000		
Revenue accounting and processing	163,072,000	169,529,000	169,529,000	169,529,000	169,529,000			
Compliance	448,305,000	467,845,000	460,000,000	462,100,000	462,100,000	−5,745,000	+$2,100,000	
Total, Internal Revenue Service	629,358,000	656,066,000	648,129,000	650,229,000	650,229,000	−5,837,000	+2,100,000	
Office of the Treasurer	6,410,000	6,348,000	6,348,000	6,348,000	6,348,000			
U.S. Secret Service	14,405,000	14,628,000	14,628,000	14,628,000	14,628,000			
Total, title I, Treasury Department	1,348,688,000	1,386,228,000	1,371,999,000	1,374,049,000	1,374,099,000	−12,129,000	+2,100,000	

TITLE II—POST OFFICE DEPARTMENT

Administration and regional operation	$88,000,000	$95,780,000	$93,559,000	$93,559,000	$93,559,000	−$2,221,000		
Research, development, and engineering	12,000,000	16,152,000	12,000,000	16,152,000	16,152,000		+$4,152,000	
Operations	4,599,804,000	4,725,374,000	4,710,000,000	4,723,370,000	4,710,000,000	−15,374,000		−$13,370,000
Transportation	616,000,000	605,000,000	605,000,000	605,000,000	605,000,000			
Building occupancy and postal supplies	221,000,000	239,822,000	239,822,000	239,822,000	239,822,000			
Plant and equipment	108,106,000	158,000,000	158,000,000	138,000,000	138,000,000	−20,000,000	−20,000,000	
Total, title II, Post Office Department	5,644,910,000	5,840,128,000	5,818,381,000	5,815,903,000	5,802,533,000	−37,595,000	−15,848,000	−13,370,000

See footnote at end of table.

[Conference table]

Treasury-Post Office appropriation bill, H.R. 14266, fiscal year 1967—Continued

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

Appropriation title	1966 appropriation [1]	1967 estimates	Bill		Conference allowance	Conference allowance compared with—		
			House version	Senate version		1967 estimates	House version	Senate version
Compensation of the President	$150,000	$150,000	$150,000	$150,000	$150,000	----------	----------	----------
White House Office	2,940,000	2,955,000	2,955,000	2,955,000	2,955,000	----------	----------	----------
Special projects	1,415,000	1,500,000	1,500,000	1,500,000	1,500,000	----------	----------	----------
Operating expenses, Executive Mansion	694,000	692,000	692,000	692,000	692,000	----------	----------	----------
Bureau of the Budget	8,104,000	9,230,000	8,913,135	8,913,135	8,913,135	−$316,865	----------	----------
Council of Economic Advisers	731,000	790,000	790,000	790,000	790,000	----------	----------	----------
National Security Council	675,000	664,000	664,000	664,000	664,000	----------	----------	----------
Emergency Fund for the President	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	----------	----------	----------
Expenses of management improvement	250,000	350,000	350,000	350,000	350,000	----------	----------	----------
Total, title III, Executive Office of the President	15,959,000	17,331,000	17,014,135	17,014,135	17,014,135	−316,865	----------	----------

TITLE IV—INDEPENDENT AGENCIES

Appropriation title	1966 appropriation [1]	1967 estimates	House version	Senate version	Conference allowance	1967 estimates	House version	Senate version
Tax Court of the United States	$2,202,000	$2,355,000	$2,355,000	$2,355,000	$2,355,000	----------	----------	----------
Administrative Conference of the United States	250,000	250,000	----------	250,000	----------	−$250,000	----------	−$250,000
Advisory Commission on Intergovernmental Relations	415,000	428,000	428,000	428,000	428,000	----------	----------	----------
Committee on Labor-Management Policy	150,000	----------	----------	----------	----------	----------	----------	----------
Total, title IV, independent agencies	3,017,000	3,033,000	2,783,000	3,033,000	2,783,000	−250,000	----------	−250,000
Grand total, titles I, II, III, and IV	7,012,574,000	7,246,720,000	7,210,177,135	7,210,049,135	7,196,429,135	−50,290,865	−$13,748,000	−13,620,000

[1] Includes supplemental appropriations to date.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ELECTORAL COLLEGE REFORM

Mr. CLARK. Mr. President, the idea of abandoning the electoral college, and adopting a system for electing the President by direct national popular vote without regard to State lines, is receiving increasingly favorable attention in the press.

This reform, which I have long favored, has received the powerful advocacy of the junior Senator from Indiana [Mr. BAYH], who is chairman of the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee.

I ask unanimous consent to have two editorials, one in the Milwaukee Journal, and one in the Detroit Free Press, commending this reform and hailing the Senator from Indiana [Mr. BAYH] for his efforts to advance it, printed in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Milwaukee (Wis.) Journal, June 4, 1966]

PICK PRESIDENT BY POPULAR VOTE; DROP ELECTORAL COLLEGE

The method of electing presidents through unit voting by states in an electoral college is so creaky and full of pitfalls that it just isn't worth the bother of trying to patch it. The only worth while approach is to abolish it altogether and go directly to a nation-wide popular vote.

That Senator BAYH, Democrat, of Indiana, has come around to this conclusion is a significant step in the right direction. He is chairman of the judiciary subcommittee that has been holding hearings on electoral college reform and he had been going along with administration patchwork proposals until now.

The administration has asked only to eliminate the risk that electors might fail to register the majority choices within their states. But this would retain the state unit vote with its much worse risk that a candidate favored by a nation-wide popular majority could still lose the election. And reforming this, too, by reflecting state popular votes proportionally in the electoral college, would leave no more use for the institution anyway. So, BAYH has reasoned, why not forthrightly seek the only complete solution while we are at it?

He makes the appealing point also that it is beneath the dignity and momentousness of the constitutional amending process to use it for mere tinkering. It is a great responsibility to crank up this machinery and ought to be done only for something pretty fundamental, not just an interim improvement.

It is true that the senate twice overwhelmingly rejected the direct popular election idea in 1956. But the particular decade that has passed since then has brought a whole new era in the philosophy and principles of elections. So BAYH's return to the fundamental approach seems the best strategy now, and in his influential position he is an especially welcome convert.

[From the Detroit Free Press, June 6, 1966]

NEW ENGINE FOR A NEW AGE

The analogy is apt and what Senator BIRCH BAYH said about reforming the Electoral College is important.

BAYH said the other day that "mere procedural changes in the present system would be like shifting around the parts of a creaky and dangerous automobile engine, making it no less creaky and no less dangerous. What we need is a new engine because we are in a new age." He favors direct, popular election of Presidents.

BAYH's views are important because they represent a switch in position for him and because he serves as chairman of the Senate judiciary constitutional amendments subcommittee which has been holding hearings on various proposals.

Previously, BAYH favored the sort of modification in the present Electrocal College system proposed by President Johnson; this would simply bind the individual electors to the candidates to whom they are pledged and avoid electors acting independently and without regard for the wishes of the voters. This has happened before, although it has happened only rarely. An elector pledged to the Federalist Adams switched to vote for the Republican Jefferson. In 1960 Democratic Senator Harry Byrd of Virginia received the vote of a Republican elector from Oklahoma.

Such a modification of the Electoral College takes from the electors the discretion that the Founding Fathers sought to assure them—remember the founders weren't fully sold on democracy—and to this extent it represents a major modification. But it also retains some of the fictions of the Electoral College, as presidential elections have developed and spawned them, and some of the faults.

It would mean, for example, that a presidential candidate carrying a state would continue to gain that state's total electoral vote, a feature which tends to concentrate presidential elections in the big states and, more particularly, in the big cities of the big states. It also fosters one-party politics, still a scourge in much of the South.

This newspaper favors direct, popular election of Presidents. And because we do, we welcome Senator BAYH to the fold. He concedes that it's much too late to get any action on an amendment for direct election of Presidents through the current Congress. He is hopeful, however, that some action will come in the next Congress.

So are we.

DISTRICT OF COLUMBIA REVENUE ACT OF 1965

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House on H.R. 11487.

The PRESIDING OFFICER (Mr. BAYH in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 11487) to provide revenue for the District of Columbia, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. MCINTYRE, Mr. TYDINGS, and Mr. PROUTY conferees on the part of the Senate.

NO DOLLAR WALL—TRAVEL U.S.A.

Mr. JAVITS. Mr. President, I want to call the attention of the Senate to an excellent editorial written by William D. Patterson, associate publisher of the Saturday Review, on recent proposals in Washington to reduce the U.S. gold drain by restricting American travel abroad.

The points he raised in opposition to restrictions and in support of positive steps—congressional approval of the U.S. Travel Service's current $4.7 million budget request and an increase in its budget to $10 million in the foreseeable future—are exceedingly well taken and deserve the full consideration of the Congress.

I fully agree that before any serious consideration is given to the imposition of restrictions on travel every positive avenue must be explored. Last July 20 I introduced a bill, S. 2305, with 10 of my colleagues, which could make a major contribution in increasing the effectiveness of U.S. travel policy.

I strongly urge that the Senate approve the $4.7 million requested by the U.S. Travel Service and then make a fundamental reappraisal of the adequacy of our present travel program. Major improvements are essential.

I ask unanimous consent that the editorial by Mr. Patterson be inserted in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO DOLLAR WALL

The dilemma of the chronic balance of payments deficits which have plagued the U.S. Treasury Department under three Presidents is very real. It has thus far defied solutions compatible with our nation's foreign policy and overseas commitments, and it has threatened to set off an international financial crisis because of the dollar's central role in the world's monetary system.

At the same time, the intractable nature of this payments dilemma has bred an odd, troubling temptation in Washington that is as dangerous as it is illusory. This temptation is to try to reduce the U.S. gold drain by restricting Americans' travel abroad. This risky therapy has its disciples among officials in Washington charged with stanching the steady bleeding of U.S. gold reserves—more than $9 billion worth since 1958.

We live in the greatest age of personal travel. Paradoxically, we also live at a time when vast numbers of men are trapped behind national boundaries. Americans, fortunately, have by and large enjoyed exemption from such confinement. They have become the most far-ranging voyagers in history.

So vastly significant are the possibilities of modern mobility that the United Nations has proclaimed 1967 as International Tourist Year. The announced goals of ITY are to dramatize travel as the "passport to peace," to emphasize its socio-economic role as the largest single item in world trade—$11.5 billion last year—and to celebrate its unique cultural function as a great convener of the earth's peoples.

Yet the very size of this international movement has compounded the balance of payments dilemma for President Johnson's economic advisors.

More than 14,000,000 U.S. citizens spent $3.6 billion on foreign travel last year. The result was a so-called "travel gap" of $1.8 billion, a gap that for the first time was not only larger than the total balance of payments deficit of $1.3 billion, but was half-a-billion dollars larger. The 1965 travel gap arose even though the United States was the Number 1 host country in the world last year. More foreigners—7,637,000—visited our country, and spent more money here—$1.3 billion—than travelers have ever before in the history of any country. The "problem" was that our citizens spent so much more on their travels abroad.

The result in recent years has been a fierce annual debate within the White House and the Cabinet over the wisdom and necessity of overtly restraining Americans from going abroad. Methods proposed and considered behind the scenes during the past several weeks have included a $100 head tax on outbound tourists, a tax of $10 for each day a traveler remains outside the country, and a $50 fee for passports.

Only a few days ago the debate reportedly subsided again for this year, and the principle of freedom of travel, eloquently advocated by Vice President HUMPHREY, once again prevailed over restrictions. But it is important to understand that the debate has merely recessed, not ended. For the travel gap promises to total or exceed $2 billion during 1966 as Americans pour overseas in record-breaking numbers. The total payments deficit has also begun to rise. This is despite the White House-sponsored "Discover America" program, behind which an impressive cross-section of U.S. industry has mobilized to persuade Americans to travel at home instead of abroad, and despite the U.S. Travel Service's well-executed campaign to promote more travel to this country from abroad.

Consequently, those who hold that the economics of our dollar deficit must not constrain our free concourse with the world must keep reiterating a simple economic truth that too easily tends to get obscured in official debate: U.S. tourist dollars spent abroad help finance the world's trade with the United States. Even with an income of more than $1 billion from U.S. tourists last year Europe still had a trade deficit with the United States of $2.4 billion. Thus any restrictions on outbound travel by Americans would inevitably breed political repercussions and economic reprisals.

Travel is a delicate and vulnerable part of the mechanism of world trade. Restrictive moves by the United States undoubtedly would have a shattering impact not only on the U.S. travel industry—the third largest industry in the nation—but on our allies abroad, to most of whom our tourist expenditures are economically and psychologically vital.

Yet the absence of restraints is neither a policy, nor a full or final answer to the dilemma of the travel gap or the payments deficit. The Administration must recognize the true stature of international travel. It must strengthen its present positive two-way travel policy by firmly urging the Congress to give the U.S. Travel Service the minimal budget of $4,700,000 requested—and required—to promote more travel to the United States from abroad. It must eventually convince the Congress that the U.S. Travel Service needs and deserves at least $10,000,000 to promote sufficient travel here to make a real dent on the basic payments deficit. It must recognize that this positive approach is truly in the national interest; that travel is not really a "gap" but a powerful generating force for trade and understanding.

It must do this now—and the travel industry must help—because by the end of the year the debate over the travel gap and the payments deficit will be resumed more bitterly than ever, and if there is no positive strategy to cope with inevitable negative pressures in Washington, then we may finally succumb to temptation and permit a dollar wall to seal America off from the rational kind of world we are struggling to build. This must not be allowed to happen.—WILLIAM D. PATTERSON.

A NATIONAL INTERGOVERNMENTAL AFFAIRS COUNCIL

Mr. MUSKIE. Mr. President, in a Senate speech on March 25, I warned that there was too much tension and conflict in the implementation of Great Society programs—from top Federal policymakers to State and local officials—and I called for a wholly new policy of coordinating Federal aid, and working with the State and local governments to help them improve their administrative effectiveness.

The point that I made then—and I reiterate it now—is that we are headed for trouble in the building of the Great Society if we do not pull the Federal Establishment together and develop a more positive attitude of helping State and local governments meet their increasing public needs.

We have initiated more dynamic new programs and appropriated more Federal aid during the past five sessions of Congress than in all the previous Congresses going back to 1789, but our programs are only as good as the machinery that carries them out. At the moment, the machinery is seriously in need of modernization. The spotlight now must be shifted to procedures for making these programs work in the fastest and most effective way. We must take a hard look at our Federal system of government and see where it is failing to meet the challenge of the sixties and of the decades to come.

In my speech I made some 13 suggestions which I felt would provide a good beginning in the modernization of our administrative machinery and better working relationships between Federal, State, and local governments. Implementation of some of these, I understand, is already underway at the executive level, and this is encouraging. Two of these proposals, however, require the mandate and support of Congress, whose responsibility for strengthening our Federal system is equal to that of the executive branch.

The first such area concerns the development of a new, comprehensive Federal aid program designed to help State and local governments upgrade their public service and improve their intergovernmental cooperation in the personnel field. This is the subject of the proposed Intergovernmental Personnel Act of 1966 which I introduced on this floor on May 25.

The second area involves the establishment of a new, and permanent, operating unit in the Executive Office of the President for developing and enforcing the coordination of Federal programs and policies, for resolving interdepartmental conflicts, and for keeping in constant touch with State and local leaders to encourage their cooperation in joint-action programs. This is the subject of the bill which I introduce today.

I believe that these two legislative proposals, together with S. 561, the intergovernmental cooperation bill presently being considered by the House, will provide a very creative and far-reaching effort toward developing a total governmental approach to economic and social development problems.

A NATIONAL INTERGOVERNMENTAL AFFAIRS COUNCIL

The bill which I now introduce, for appropriate reference, would establish in the Executive Office of the President a National Intergovernmental Affairs Council, chaired by the President and composed of the Vice President and those Cabinet officials and agency heads whose programs have a major impact on State and local government. Its membership would include the Secretaries of HUD, HEW, Labor, Agriculture, and Commerce; the Attorney General; the Director of the Office of Economic Opportunity; the Director of the Bureau of the Budget; the Chairman of the Advisory Commission on Intergovernmental Relations; and such other top-ranking officials as may be designated by the President.

The Council would be—and I emphasize this—a "working" organization both to advise the President and to see that agreed-upon administrative procedures are carried out and made effective. It would have a top-flight Executive Secretary in direct contact with the President. The Council's secretariat would be composed of experts independently selected and directly responsible to the Executive Secretary and to the President. This secretariat would be assisted by top-level policy officials—no lower than deputy under secretaries or equivalent—from the departments and agencies specially designated to handle program coordination and intergovernmental relations.

The role of the NIAC is expected to be a broad one. It would go far beyond the staff responsibilities of the Bureau of the Budget and the Council of Economic Advisers, but nevertheless would utilize the resources of these offices. It would be a staff and operating arm of the President—a forum for determining administrative policies for domestic program coordination, and a mechanism for overseeing their implementation. At the same time, it could be the President's ombudsman, a watchdog for domestic crisis, a central information agency, and an inspector general for the effectiveness of domestic programs. It would be concerned with both urban and rural development—as a multidepartmental responsibility involving education, housing, transportation, public facilities, law enforcement, civil rights, and other issues. It would play a strategic role in national long-range planning, and assist State and local governments in their own development efforts.

A National Intergovernmental Affairs Council, as its name implies, is essentially oriented toward helping the States and local communities develop all available resources to better meet their expanding public needs. With the assistance of the Bureau of the Budget and the department and field offices, it could develop a computerized clearinghouse system which would provide immediate information to the President and others concerning: First, the social, economic, and other basic characteristics of individual States and local areas; second, efforts on the part of these jurisdictions to meet their growth problems and projected needs; third, Federal aid programs which are now assisting specific State and major local jurisdictions; and fourth, those available Federal assistance programs which have not been utilized by such units but could assist them in meeting their individual program needs.

Through NIAC's offices, the President would have the opportunity to be constantly informed about any area in the country as to its problems and requirements. The President would have the means of developing flexible and more direct relationships with State and local leaders. And the States and localities, in turn, could be secure in knowing that "someone up there" in the complex of the Washington bureaucracy was concerned with their problems.

In this respect, NIAC could also provide the leadership and the organization for calling conferences of Governors, mayors, and other leaders for a review of national and regional problems and for the development of new approaches to meet intergovernmental needs. Such conferences and special meetings with the Council's secretariat would be helpful to the Federal Government in getting an up-to-date assessment of regional, State, and local problems. They would be helpful to the States and local governments because they would provide a forum for the airing of complaints and the discussion of new proposals.

Finally, NIAC could provide effective support at the executive level to the regional development commissions and programs authorized under the Appalachia Regional Development Act—Public Law 89-4—and the Public Works and Economic Development Act of 1965—Public Law 89-136. The thrust of this legislation is to stimulate economic development and public improvement in the regions that have lagged behind the Nation in their growth. To encourage greater State and local cooperation, it provides for special regional commissions of Governors and Federal representatives to study major needs, recommend comprehensive plans for program coordination and priority, and determine long-range goals for joint action between the Federal Government and State and local jurisdictions. The legislation also provides for subregional economic development districts and authorities, for more localized planning and programing.

This is a modern approach toward the administration of Federal aid programs and improvement in intergovernmental relations, but as it is multifunctional in nature, its success really depends upon an authority in Washington which can effectuate agency coordination and provide a more direct linkage between the President and the regional and subregional authorities.

At the moment, this joint-action regional development effort is being conducted out of the Department of Commerce, at which level it may be seriously frustrated in its power to obtain full Federal cooperation. Similar frustrations are being felt in the Federal antipoverty program, Agriculture's community development effort, the new Department of Housing and Urban Development's metropolitan improvement programs, and HEW's regional health and education planning.

A national intergovernmental affairs council, I feel, could be the most appropriate type of executive authority to determine the best procedures for obtaining combined agency support for regional development, and better cooperation with State and local agencies and leaders.

THE BURDEN OF THE PRESIDENCY

Mr. President, the toughest job in the world is that of the President of the United States. He is head of State, Chief Executive, our chief foreign affairs spokesman, Commander in Chief of our military forces, and now chief administrator of our explorations into outer space. He works and sleeps always within reaching distance of the "hot line" and the nuclear trigger.

It is the President's constitutional responsibility to keep Congress informed of the problems of the country, and his political responsibility to come up with legislative proposals for resolving them. After he goes through the frustrating and energy-draining experience of guiding his proposals through Congress, he is saddled with the even more frustrating responsibility of making these proposals work. And in the domestic field he must rely primarily for the success of his programs on State and local administrators—over whom he has no control. But as the number of Federal programs multiply, the President's administrative responsibility stretches and the interlevel tensions become more acute.

No other democratic country on the globe expects so much from its chief executive. None is so quick to complain or criticize when things do not run smoothly. None places so much faith in one man.

It is time, then, that we fully recognize that this one man alone cannot coordinate the Federal Establishment and oversee the implementation of Federal programs at the State and local levels. Constitutionally and politically, we have imposed an inordinate responsibility on the Presidency to administer the laws that are to promote our national goals. But, as Clinton Rossiter has pointed out in his "The American Presidency," the President "has more trouble playing this role successfully than he does any others," for this is the one major area "in which his powers are simply not equal to his responsibilities."

EVOLUTION OF THE ADMINISTRATIVE PRESIDENCY

The difficulties of the President's role as Chief Administrator have been recognized by competent scholars and officials for a number of years. Many have analyzed the problem, and some have developed meaningful proposals that have been adopted, but only a few have concerned themselves with the administrative challenge that confronts the Presidency today.

On the day of Woodrow Wilson's inauguration, President Taft was reported to have told the new President:

> I'm glad to be going—this is the loneliest place in the world!

Later, President Wilson was said to have confided to friends:

> The responsibilities of the President are great, and I cannot perform them alone. If I can't have the assistance of those in whom I have confidence, what am I to do?

Largely as a result of the efforts of these two Presidents, a landmark in improved executive leadership was reached. The Budget and Accounting Act of 1921 gave to the Presidency, for the first time, the staffing and authority to prepare a coordinated Federal executive budget for submission to Congress, and to develop a central clearinghouse for preparing administration legislative proposals. Up to that time, departments and agencies presented their fiscal requirements directly to Congress, and the President had great difficulty in establishing any system of program priorities. Budget control, then, gave the Executive a strong managerial tool for guiding the operation of the Federal Establishment.

Initially, the Bureau was thinly staffed, and its role was clouded by its incorporation in the Treasury Department. Moreover, under its first three Presidents, the Bureau was largely concerned with retrenchment and cost cutting. The opportunity to develop a budget for creating a unified Presidential policy and for gaging program effectiveness was largely ignored.

The depression period of the 1930's led to a new look at the problems of Presidential control over Federal departments. Initiated by President Roosevelt, the President's Committee on Administrative Management, headed by Louis Brownlow, probed every part of the Federal sector and found that "the President needs help." The Committee described a condition and posed questions that are still relevant:

> Our executive office is not fully abreast of the trend of our American times, either in business or in Government. Where, for example, can there be found an executive in any way comparable upon whom so much petty work is thrown? Or who is forced to see so many persons on unrelated matters and to make so many decisions on the basis of what may be, because of the very press of work, incomplete information? How is it humanly possible to know fully the affairs and problems of over 100 separate major agencies, to say nothing of being responsible for their general direction and coordination?

The Brownlow Committee recommended an expansion of the White House staff, and a strengthening of the managerial agencies—Budget, Civil Service Commission, and National Resources Board. It also called for an improved personnel development program—including extension of the merit system—and greater coordination of agency efforts, with reassignment of numerous independent agencies to the major executive departments.

Commenting on the recommendations of the Brownlow Committee in a message to the Congress in 1938, President Roosevelt declared:

> The committee has not spared me; they say, what has been common knowledge for 20 years, that the President cannot adequately handle his responsibilities; that he is overworked; that it is humanly impossible, under the system which we have, for him fully to carry out his constitutional duty as chief executive, because he is overwhelmed with minor details and needless contacts arising directly from the bad organization and equipment of the Government. I can testify to this; with my predecessors who have said the same thing over and over again, I plead guilty.
>
> The plain fact is that the present organization and equipment of the executive branch of the Government defeats the constitutional intent that there be a single responsible chief executive to coordinate and manage the departments and activities in accordance with the laws enacted by the Congress. Under these conditions, the Government cannot be thoroughly effective in working, under popular control, for the common good.

The work of the Brownlow committee paved the way for a number of improvements. The White House Executive Office was established and Presidential assistants were provided. The Bureau of the Budget was taken out of the Treasury and put into the Executive Office, and its functions were strengthened. It became a direct consultant to the President on administrative policy, national fiscal policy, program evaluation, and legislative coordination. Later, during World War II, it became a central civilian planning unit for defense organization, and even developed regional field offices. It became thus a major management arm of the President and, to a limited extent, a field coordinator of some Federal programs.

Additional Presidential staff assistance was provided after the war: the full Employment Act of 1946 established the Council of Economic Advisers to coordinate economic policy; the National Security Council and the CIA were created with independent staffing to assist the President in the coordination of security matters.

Despite these developments, the first Hoover Commission, in its 1948 report, found the executive branch too fragmentized for effective direction, and the line of command through some department heads to middle-management so weak or broken, in some cases, that "indecision, lack of initiative, and irresponsibility" were encouraged. The President and the heads of departments, the Commission noted, lacked the tools to frame coordinated programs and policies, and to frame their execution. The report urged the Federal Government to make aggressive steps to build a corps of administrators capable of viewing the governmental process in its entirety. Many statutes and regulations, it stated, were unduly rigid and should be modified. And new approaches to the budget process were needed to express the objectives of Government in terms of work accomplished, not merely in terms of classification of expenditures.

Two recommendations advanced by the Hoover Commission deserve special note: Creation of the post of Staff Secretary to inform the President on the work of Cabinet committees, interdepartmental and special advisory committees, and policy conflicts and overlapping assignments; and establishment of an Office of Personnel to advise the President on methods of upgrading Federal administrative personnel and improving management effectiveness. These two concepts—a special coordinating officer directly under the President, and an office concerned with administrative effectiveness—are embodied in the proposal for a National Intergovernmental Affairs Council.

In 1950, Congress passed the Budget and Accounting Procedures Act, which in addition to providing for more effective accounting and auditing methods, directed the President to use the Bureau of the Budget to develop better organization, coordination and management in the executive branch. An internal reorganization of the Budget Bureau's Division of Administrative Management in 1952, however, left only about one-third of the Division's personnel in the successor Office of Management and Organization, thus reducing the Bureau's capacity to deal with interdepartmental planning and coordination, while strengthening the Bureau's analytical capabilities on a function-by-function basis.

Thereafter, the Bureau's overall management role declined, and this development did not escape the attention of the second Hoover Commission—1955:

> The Bureau's concept of its broader role as the managerial arm of the President has been limited. This is particularly true of the area of financial management. The primary emphasis on budget mechanics has tended to obscure the Bureau's broader responsibilities. The Bureau's present title, organization, staffing and operating methods stress its budget responsibilities and subordinate its overall management and policy functions. The Bureau has not provided the financial management assistance required of it nor is its management group staffed to review and promote improved financial management organization and practices throughout the executive agencies. In order to carry out its management responsibilities the Bureau of the Budget should be revitalized.

The 1960's have witnessed a revival of the Bureau's activity and influence in fiscal policy and program effectiveness. Its recently developed program-planning-budgeting system is an example of this. It is a prime resource for detailed information about agency operations. Its role in coordinating legislative proposals and establishing a liaison with

Congress is exemplary. Its efforts to help departments and agencies improve their internal organizations and make more efficient their functional operations have been encouraging.

But when it comes to developing and implementing broad policies of interdepartmental coordination and planning keyed to solving overall problems on a multifunctional basis, it has not been effective. By nature, and by history, the Bureau is not sufficiently oriented to this kind of management responsibility; it has been concerned primarily with budgeting, economy, and functional performance rather than promoting program flexibility and new approaches. Furthermore, as pointed out by the Committee for Economic Development—budgeting for national objectives:

> It is thinly staffed, with fewer employees today than in 1948, even though Federal expenditures have more than tripled (and) therefore has not been able to reconcile or coordinate fully the interrelated programs conducted by competing agencies.

Nor has the Bureau developed any effective machinery for dealing with State and local leaders in understanding their major problems, and working out across-the-board solutions. It has only a few professional employees assigned to intergovernmental problems, whose main liaison has been with the Advisory Commission on Intergovernmental Relations and with State budget officers, rather than with State and local administrators in the field.

This is not to say that the Bureau of the Budget could not be directed and equipped to fulfill the function of coordination and intergovernmental contact, but I think we need a new dynamic in the Federal executive policy machinery to take on this role.

Indeed, this was the thought generally expressed by William D. Carey, a most experienced Budget official, in his speech at Williamsburg, Va., in 1962. He said:

> I think, myself, that our administrative agencies suffer from too heavy a diet of operating responsibility. On the whole, they are too hardened to keeping the treadmill going, too stale to be creative, or even reactive. . . . I wonder if, after all, there isn't a case to be made out for the introduction of new policy machinery at the level of the President. . . . What public policy needs is a constantly running apparatus for shaking up, disturbing and rearranging the molecules of public policy to produce new combinations.

NIAC is proposed to fill the void which Mr. Carey describes, and which the Bureau of the Budget is apparently neither structured nor inclined to take on.

In addition to the Budget Bureau and other units in the Executive Office of the President, numerous interagency committee and agreements have also been used in an attempt to achieve more effective coordination of Federal programs. According to the latest count, at least 100 of the existing 868 interdepartmental committees, boards, and councils are concerned with domestic programs. This figure, I should add, is smaller than that of 3 years ago. Nevertheless, it indicates that we still rely heavily on this device for resolving interdepartmental conflict and for promoting program coordination.

But how effective is this mechanism? Most knowledgeable observers within and outside the Federal Establishment agree that such committees, boards, and councils are not a satisfactory means of improving coordination or intergovernmental relations. It is my understanding that, during the past 2 years, some 15 Presidential task forces studying various areas of Federal reorganization and administration have come to the general conclusion that these committees are no substitute for a top-level executive unit with the authority to pull the Federal house together, and to see to it that a cooperative Federal policy is implemented and expedited down the line to help States and local jurisdictions better solve their problems. Speaking before a panel at the recent National Conference of Public Administration in Washington, Under Secretary Alan Boyd of the Department of Commerce admitted that a new Department of Transportation was essential because the machinery for coordinating the Nation's transportation policies and programs through the Interagency Committee on Transportation had "frankly failed." He stated:

> The committee system, at least in my area, just doesn't work to develop coordination.

Secretaries of departments and other top policy officials assigned to these interagency bodies just do not have the time or energy to dig into their varied problems and come up with meaningful solutions. The tendency is to pass responsibility for attendance at committee meetings down the line to subordinates with little authority to hammer out a joint policy. Moreover, each agency representative insists on protecting his department or agency, and rarely gives in to needed policy changes, partly because of a built-in bureaucratic hostility to coordination and partly because he lacks any real power to speak for his department head. As one very experienced sub-Cabinet officer told me:

> The Interagency Committee is little more than a discussion group.

Another serious deficiency is that most of these interdepartmental committees are hopelessly understaffed, if staffed at all. In too many instances, staffing is done on a part-time basis by middle-management personnel from a single agency, oriented to particular functions, and hardly interested in a broad-gaged approach to administrative problems. Further, these working staffs have virtually no authority to see that the watered-down agreements, which have been worked out, are effectively implemented. In short, what agreements are reached are general in nature, arrived at by consensus, with few opportunities for written dissents and for meaningful implementation.

The very alert and experienced junior Senator from Connecticut [Mr. RIBICOFF] saw this general problem firsthand when he was Secretary of the Department of Health, Education, and Welfare. At the hearings on legislation establishing the new Department of Housing and Urban Development, he declared:

> I sit here as a former Governor, and on either side of me sit two men who were Governors of their States. I have been a member of the Cabinet. I have a pretty good idea about how all these intergovernmental commissions and agencies work where you have five or six secretaries responsible for one basic problem, and you establish interdepartmental committees and somebody down in the 15th or 20th echelon gets assigned to it and maybe they catch a Cabinet member's ear once a year in a passing moment or so, but nobody has basic responsibility.

Of course there are exceptions: Some committees have succeeded in producing helpful studies, plans, operating guidelines, and so forth, but this has largely occurred in the areas of science and technology, emergency planning, foreign affairs, defense, and the space effort. In the field of economic and social development, the interdepartmental device has been a dismal failure. This failure stems largely from the fact that the mechanism involves councils of peers responsible for administering existing programs and subject to the usual bureaucratic and interest group pressures involved with domestic departments and agencies. A council such as the NIAC could provide the bonding medium for strengthening the more important and effective intergovernmental committees and a means for eliminating those which are ineffective.

The emergence of the Executive Office of the President, and especially the Bureau of the Budget, is one institutional response to 20th-century administrative burdens of the Presidency; the heavy reliance on interdepartmental committees is another; proposals for strengthening the President's Cabinet constitute a third. Some reorganization proposals have made the Cabinet the focus of all reform efforts. Prof. Marshall Dimock has written:

> The President's Cabinet should become the center of executive coordination. There are are few faults of bureaucracy more serious than lack of coordination . . . there is no alternative but to make the President's Cabinet the means to that end.

The National Planning Association's pamphlet, "Staffing the Presidency," has emphasized that there should be "augmented use of the Cabinet as a vehicle for coordination."

Under President Eisenhower, a real attempt was made to implement these proposals and use the Cabinet as a form of interdepartmental collaboration and advice. Following the recommendations of the Hoover Commission, a formal Cabinet secretariat was formed to organize its work, prepare its agenda, keep records, and follow up on decisions made. Contacts were made between the Cabinet secretariat and sub-Cabinet officials to work out administrative conflicts. Special Cabinet-level committees were formed to deal with special problems. The National Security Council, however, was given major responsibility for coordinating foreign affairs and defense programs, and the Cabinet concentrated primarily on domestic, administrative, and political affairs.

History is yet to render a final verdict on this experiment, but we do know that under other Presidents:

> The Cabinet was and is—

In Clinton Rossiter's words—

> no longer a body upon which the President can rely for sage advice on great issues of state; it is not even, in its formal composition, a gathering of his most important and intimate associates. It is at best a relic of the simpler past, when department heads were thought to be men of broad interests and held in their own hands the whole power of administration.

In my judgment, the critical point about the Cabinet is that the chiefs of our great departments of Government are much like deputy presidents. They have administrative responsibilities; they have political responsibilities; and they have special constituencies to which they must attend. Thus they are spokesmen for departmental pluralism, and, as Prof. Francis Heller put it:

> Almost as busy as the President, and cannot take too much time for the deliberative tasks.

The President needs a conciliar mechanism for domestic affairs comparable to that available in foreign affairs. He "needs agencies," as Professor Rossiter has noted, "to coordinate executive policy, in the government-at-large, as in the White House." The record suggests that the Cabinet cannot effectively assume these functions. I believe the NIAC can.

The question may be asked: If the Council is to be made up of Cabinet members, why is it needed? Why cannot the concept of a coordinating executive unit be carried out by a high-level Cabinet committee? The answer can be found in the general ineffectiveness of Cabinet committees in the past. They must rely on the cooperation of department heads who are reluctant to cooperate. They are generally chaired by a Cabinet member whose authority is limited by his equality with other Cabinet members, and who by the nature of his office cannot be objective. They are inadequately staffed, if staffed at all, and incapable of providing an effective followup mechanism on the policies and guidelines they develop.

The NIAC is an entirely different concept from a Cabinet committee. It would be a council actively run by the President. Its Executive Secretary would speak for the President in developing policy by which departments and agencies are to be coordinated and intergovernmental conflicts resolved. He would have an independent staff to advise him and the President. Cabinet members and agency heads would be, in essence, advisers to the Executive Secretary in developing policy for Presidential approval. After policy decisions are made, the operating departments are responsible for carrying them out, but the NIAC's Executive Secretary and the staff would be directly responsible to the President for seeing that the job is done in a timely and effective manner. As members of the Council, department heads could, of course, appeal to the President those recommendations of the Executive Secretary and his staff with which they disagreed, but it is hoped that most controversies would be resolved before reaching the President.

The main point of NIAC is that the President would have a special assistant through whom he could pull the Federal Establishment together and direct smoother intergovernmental implementation of Federal aid programs.

THE PRESIDENCY AND INTERGOVERNMENTAL RELATIONS

In addition to these broad-gaged efforts to strengthen the President's management capability in the Federal domestic program area, specific efforts have been made to alert and assist the Presidency in coping with its growing intergovernmental administrative responsibilities. The first Hoover Commission report noted that:

> The development of cooperative Government, based largely upon grants-in-aid, has had a far-reaching effect upon the executive branch. National problems—

It continued—

> cannot be solved by the national Government without reference to the States.

Among other things, it complained that Federal grant-in-aid programs were unrelated, uncoordinated, and "have developed in a haphazard manner without any one agency—Federal or State—concerned with the overall impact." It recommended that such an agency be established on a continuing basis and in cooperation with the Bureau of the Budget.

In 1955, a temporary commission—the so-called Kestnbaum Commission—completed the most comprehensive analysis of intergovernmental relations since the Constitutional Convention in 1787. It charged that the Federal Government did not afford adequate recognition of the national interest in State and local government, and recommended the following:

> 1) A full-time special assistant in the office of the President, with a staff, as a "coordinating center" on State and local problems;
>
> 2) An advisory board on intergovernmental relations, presided over by the President's assistant, which, in addition to making recommendations to the President, would convene meetings with Governors, Mayors, and others;
>
> 3) The creation of interlevel coordinating machinery for particular fields where a number of Federal agencies are involved in State and local relations;
>
> 4) An intensification of the concern of the Bureau of the Budget with the overall fiscal aspects of interlevel administration;
>
> 5) The designation of assistant secretaries for intergovernmental relations in certain departments;
>
> 6) Greater assistance by the Federal Government in helping the States to draft statutes and regulations; and
>
> 7) Greater attention by Congress to intergovernmental problems.

These recommendations produced one basic result in the executive branch—the establishment of a two-man staff unit on inter-governmental relations in the Executive Office of the President. The President's temporary and ill-fated Federal-State Action Committee, which many assume was another result, came into being after President Eisenhower's 1957 address to the Governors' Conference at Williamsburg. In 1958, the House Government Operations Committee, in its 30th report on Federal-State-local relations, recommended that the staff unit be strengthened. The report noted:

> With the aid of this staff, the President should give concentrated and vigorous attention to the coordination and improvement of Federal grant programs. Particular attention should be directed to the effects of Federal policies on our urban communities and metropolitan areas.

In 1959, as a followup on another of the House committee's recommendations, Congress authorized a permanent bipartisan Advisory Commission on Intergovernmental Relations, composed of 26 members drawn from the three levels of Government and the public at large. During the past 6 years, the Commission has issued 28 reports containing 200 recommendations for improving Federal-State-local program administration and financial organization. Many of these recommendations directly involve Federal administrative or legislative implementation. Regular contacts for the Advisory Commission with the executive branch are still largely restricted to the three departmental members of the Commission, a Presidential Assistant for Intergovernmental Relations, and a small unit in the Bureau of the Budget. Last May, the Senate and House Subcommittees on Intergovernmental Relations held joint hearings on the 5-year record of the Commission. One of the most frequently expressed complaints made by hearing witnesses was the failure of the Federal executive branch to participate in, concern itself with, and make more effective use of the Advisory Commission on Intergovernmental Relations.

It is particularly encouraging, however, that President Johnson, in his budget message this year, noted that the success or failure of critical new programs depends largely on effective communications and a readiness for action among Federal agencies in the field, and State and local governmental units:

> We must open channels of responsibility—

He declared—

> We must give more freedom of action and judgment to the people on the firing line. We must help State and local governments deal more effectively with Federal agencies.

The recognition by the President of the need for a more flexible, but more efficient approach to administering joint-action programs, highlights one of the basic goals of creative federalism. It represents a top-level awareness of the critical roles which State and local administrators and legislators must play in the economic and social development of the country. It could lead to a new, more productive relationship between the executive branch and the Advisory Commission on Intergovernmental Relations. And finally, it is the kind of thinking which I feel underscores the need for a National Intergovernmental Affairs Council.

THE ADMINISTRATIVE CHALLENGE OF THE SIXTIES

The foregoing historical survey indicates that, despite some recent improvements, the administrative machinery of the Presidency today still resembles its predecessors of nearly two decades ago. But is our Federal system today the same as it was 20 years ago? Are the administrative burdens of the Presidency today comparable to those of previous Chief Executives?

The answer to both questions is an emphatic "no." American federalism has been subjected to radical changes, and the administrative responsibilities of the President are incomparably greater. During the past 6 years we have added entirely new dimensions to the continuing problem of executive control. One of these involves numbers—expanding programs, soaring budgets, proliferating administrative jurisdictions, and increased governmental manpower. The statistics tell the story:

First. The population explosion, coupled with increased urbanization, has skyrocketed the need for more and different public services.

Thirty years ago, there were some 120 million people in this country, 50 percent of whom lived in our cities. We now have reached the 195-million mark, with 70 percent of our citizens crowded into 227 metropolitan urban areas occupying less than 10 percent of our Nation's surface. By 1975, total population is expected to increase to 225 million and over 80 percent will be urbanized.

The potential chaos of too many people crowding into too limited space is already with us. There is urban, suburban, and exurban sprawl. There is increasing emphasis on improved central city living. Moreover, no matter what the development pattern, metropolitan concentration multiplies the volume and costs of public services, creates an unending drain on public financial resources, and requires an almost impossible effort on the part of elected officials and public administrators to plan and coordinate Federal, State, and local programs.

Second. The total Government response to these burgeoning public needs is already a massive one, involving a wide variety of programs and services.

Twenty years ago, the Federal Government spent less than $1 billion annually to assist State and local development. Ten years ago, that figure had risen to $4 billion. Today, there are over 170 Federal aid programs, administered by over 21 Federal departments and agencies, involving an annual outlay of over $14 billion. Projected to 1975, the Federal contribution could reach the $50 billion mark. However, the lion's share of the financial burden for public services continues to be borne by the State and local governments. In 1946, they spent a total of $11 billion to help meet public needs, and this year their combined outlay will reach $84 billion. Projected to 1975, State and local jurisdictions may well have to increase their annual expenditures to over $120 billion.

Furthermore, in 1946, State and local governments had a combined debt of $16 billion. Now, 20 years later, this total indebtedness will reach the $100 billion mark. The projection of this encumbrance for 1975 is beyond speculation.

Third. There has developed in our country a haphazard complex of local governing jurisdictions, many of which duplicate or conflict with each other and provide serious obstacles to effective planning and administration.

Today there are over 91,000 of these units operating in our 50 States—General-purpose governments such as counties, cities, boroughs, towns, and villages, with general public powers; and special-purpose districts such as school, fire, water, soil conservation, sewage, and urban renewal districts, with more limited functions but nevertheless having their own independent taxing, planning, and administrative powers. And these special districts usually have jurisdictional boundaries that do not coincide with those of general-purpose districts.

This proliferating pattern of local government jurisdictions has produced chaos in several metropolitan areas; chaos in planning, in governing, and in administering public services to the people who need them most. Many respected public administrators, scholars, and political leaders view these spawning special districts—which in most instances are not directly responsible to the electorate—as a genuine threat to democratic government and effective program coordination and planning.

Fourth. The extraordinary expansion in the number of public employees has paralleled the expansion of budgets and programs, making more difficult the task of developing effective policies of program coordination, innovation, and personnel improvement.

State and local public employment has risen from 3.3 million in 1946 to 8 million in 1965. The Federal Government, on the other hand—despite the popular myth that its roles, too, are expanding—has reduced its employment by 100,000 during the 20-year period, but it still acounts for 2.6 million workers. While total Federal employment has remained remarkably stable, there has been a substantial shift from blue collar to white collar occupations, providing a more complicated manpower mix, and greater problems of coordination and policy implementation at the middle-management level.

While these quantitative problems add one dimension to the President's administrative burdens, certain qualitative problems—especially with respect to the attitudes and caliber of officials administering joint-action programs—constitute another. The Senate Subcommittee on Intergovernmental Relations, which I am privileged to chair, recently completed a 3-year survey of Federal, State, and local administrators to learn their views and attitudes about critical intergovernmental issues. We found substantial competing and overlapping of programs at all three levels, sometimes as a direct result of legislation and sometimes as a result of bureaucratic empire building. We learned that many Federal officials, particularly at the middle-mangement level, were just not interested in—in fact hostile to—coordinating programs within and between their departments, and were reluctant to encourage coordination and planning among their State and local counterparts.

At the same time, Federal-aid officials complained that State and local administration was understaffed, lacking in quality and experience, unimaginative, and too subject to negative political and bureaucratic pressures. They found a variety of archaic State constitutional and legal restrictions which continue to block effective application of Federal-aid programs, and hamstring State and local administrators in developing their own programs.

Perhaps the most serious indictment coming out of the survey concerns the caliber of State and local administrators ultimately responsible for building the Great Society. Confronted with urban congestion, slums, water pollution, juvenile delinquency, social tension, and chronic unemployment, public administrators today must be professionals in every sense of that word. Yet we found that too often they are not, mainly because of the antiquated and patronage-oriented personnel systems which hinder the hiring and keeping of good people.

We found that unfavorable working conditions, low pay, and excessively restrictive bureaucratic rules and procedures discouraged both prospective employees and careerists. Personnel development programs, including opportunities for job mobility, inservice training, and educational leave, appeared to be minimal, except in some of the larger jurisdictions. We found a noticeable lack of effective merit systems, thus resulting in the loading of some agencies with unprofessional, uninspiring, and often unfit personnel. Finally, responsible administrators complained that inflexible rules and regulations—dictating whom, when, and how they could hire, promote, or fire—frustrated their efforts to develop effective staff support. In short, there is a serious crisis in the public service at the State and local levels which, if not confronted, may contribute more than anything else to a weakening of the States, their localities, and the Federal system as a whole.

The extraordinary growth in Government at all levels, accompanied by an equally staggering need for financial assistance and administrative expertise, indicates the scope of the governing burden which rests with State and local leaders, and also with the President. We can no longer isolate major economic and social problems as being a purely local, State, or Federal responsibility. All levels are responsible for reducing racial tension, for seeking better housing and community services, for educating our young people, for reducing crime and disorder, for helping the poor, and for building the Great Society. This is the approach of the traditional grant-in-aid system. And this is the approach of creative federalism—a recognition of the expanding roles of State and local governments as planners and builders of better and more secure environments for our expanding population, and a strengthening of the Federal role as a source of new ideas, incentives for reform, and financial and technical resources to help the States and the local communities better meet their needs.

But the initiative for a creative federalism must start with the Federal Government. We can hardly expect State and local jurisdictions to coordinate their programs and improve their services if the Federal house is not in better order.

Nor can we expect them to modernize their governmental structures and more effectively plan their development if Federal administrators involved in intergovernmental relations are hostile to these goals.

In short, these new dimensions of the President's role as chief administrator present a double challenge: first, to develop adequate machinery for pulling together the Federal establishment to assist the States and local areas in meeting major problems on a multi-functional basis; and, second, to establish a close and effective liaison with State and local leaders to identify their particular needs and better allocate Federal resources to help them build their communities.

CONCLUSION

The foregoing suggests to me certain conclusions with respect to the President's general responsibility as chief administrator of domestic programs, and his specific role as manager of the 170 grants-in-aid. In reaching these conclusions, I am completely aware that there are limits to what can be accomplished by institutional changes at the top level. Departmentalism—and the pluralism of American life which sustains it—will never be suppressed by mere procedural innovation. And proposals that ignore these facts of administrative and political life are doomed to failure.

I am also aware of the danger of carrying the institutionalization of the Presidency so far that, as Professor Rossiter put it:

> The man who occupies it will become a prisoner of his own house, a victim of too much and too rigid organization.

As I see it, however, this danger is more prospective than actual, since any vigorous President—and the present occupant of this position indeed is such a man—would not permit himself to be smothered by confining custom, legislation, or staff organization.

Finally, as the above suggests, I am fully aware that the Executive Office and other coordinating instrumentalities must be left sufficiently flexible to meet the various uses to which the President wishes to put them. Reform efforts here may appear to be supremely rational, but they will fail if they rely only on rigid prescriptions. The entire function of staff assistance, after all, is to preserve the President's range of choices and freedom of action.

I am still convinced, however, that certain organizational and procedural innovations are needed.

First. There is still the need to enact S. 561, which passed the Senate unanimously last year and now is pending before the House. This measure would establish a coordinated Federal urban assistance policy and provide greater focus to and coordination of Federal urban development efforts.

Second. There is the need for a full-time special assistant to the President for intergovernmental relations; at present this responsibility is shared by four or five assistants responsible for various program areas.

Third. There is need for additional staff in the Bureau of the Budget to provide more continuing attention to intergovernmental problems, and, as Dean Stephen K. Bailey pointed out in a recent article in the Reporter, "to perform management surveys and to recommend administrative reforms."

Fourth. As the 30th report of the House Committee on Government Operations pointed out 8 years ago, and as the Senate subcommittee's survey of Federal aid officials recommended last year, there is a need at the departmental and agency level for assigning full-time responsibility for coordinating grant programs on departmental, interdepartmental, and intergovernmental bases to an assistant secretary or undersecretary.

Fifth. Finally there is a need for a new executive unit for coordinating domestic programs in the Executive Office of the President—a National Intergovernmental Affairs Council. This would provide the President with the backstopping he has long needed in dealing with this country's economic and social development. He has a National Security Council and the CIA to advise him on policies relating to our national security; a National Aeronautics and Space Council to help him coordinate our space programs; a Council of Economic Advisers to recommend policies on economic growth and stability; and an Office of Emergency Planning to deal with domestic emergencies and catastrophies; but he has no comparable unit for one of the most critical areas—Federal-State-local programs designed to meet our social, economic, and resource problems. The President needs a corps of generalists—not wedded to specific agencies or individual programs—in his office to help him develop new policies for program coordination and to check on their implementation. He needs a staff to give him a continuing report on the status and effectiveness of combined Federal-State-local programs. He should know at all times what is being done through these programs to meet our needs in economic development, community improvement, social welfare, education, and resource management, what is not being done, and what must be done. He needs a unit which can help him work more closely with State and local leaders and help them to better carry out the goals of the Great Society on a total basis. He needs a continuing source of new and constructive ideas regarding intergovernmental finances, for improving economic and social development programs, and for upgrading public administration all along the line—from Washington to the local scene. This need is met by the legislation I introduce today.

Mr. President, I ask unanimous consent that the text of the bill, together with a section-by-section analysis and certain materials relating to this important subject, be inserted in the RECORD immediately following my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, analyses and material requested will be printed in the RECORD.

The bill (S. 3509) to establish a National Intergovernmental Affairs Council, introduced by Mr. MUSKIE, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

S. 3509

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That, in enacting this Act, it is the intent of Congress to provide for a more comprehensive consideration of national policies and programs affecting economic and social development and intergovernmental relations in an increasingly complex society; to provide for more effective coordination among Federal departments and agencies whose activities directly affect State and local governments; to assess the effectiveness of current and projected Federal domestic policies and programs in attaining national objectives within our federal system; and to provide for the elimination of unnecessary duplication and overlapping among Federal departments and agencies administering Federal aid programs.

SEC. 2. (a) There is established a council to be known as the National Intergovernmental Affairs Council (hereinafter in this Act referred to as the "Council"). The President of the United States shall preside over meetings of the Council, except that in his absence he may designate a member of the Council to preside in his place.

(b) The function of the Council shall be to advise the President with respect to the formulation, implementation and coordination of domestic policies and programs which affect intergovernmental relations and the Nation's economic and social development, so as to enable the Federal departments and agencies to carry out more effectively their activities, and to cooperate more fully with State and local governments in achieving those national goals.

(c) The Council shall be composed of—

(1) the President;

(2) the Vice President;

(3) the Secretary of Housing and Urban Development;

(4) the Secretary of Health, Education, and Welfare;

(5) the Secretary of Labor;

(6) the Secretary of Commerce;

(7) the Secretary of Agriculture;

(8) the Director of the Office of Economic Opportunity;

(9) the Chairman of the Advisory Commission on Intergovernmental Relations; and

(10) such Secretaries and Under Secretaries of other executive departments as may be designated by the President, to serve at his pleasure.

(d) In addition to performing such other functions as the President may direct for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Federal Government relating to intergovernmental relations and to economic and social development, it shall, subject to the direction of the President, be the duty of the Council—

(1) to assess and appraise the objectives and performance of the above-mentioned programs and activities for the purpose of making recommendations to the President in connection therewith; and

(2) to consider any other matters of common interest to the departments and agen-

cies of the Federal Government concerned with initiating and carrying out of social and economic policies and programs which affect intergovernmental relations, and to make recommendations to the President in connection therewith.

Sec. 3 (a) The Council shall have a staff to be headed by an executive secretary who shall be appointed by the President, by and with the advice and consent of the Senate. The executive secretary, under the direction of the Council, is authorized to appoint and fix the compensation of such personnel without regard to the civil service laws or the Classification Act of 1949 and compensated at not to exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended, as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions pursuant to this Act. Other provisions of law or regulations relating to Government employment (except those relating to pay and retirement) shall apply to the executive secretary and to Council employees reporting directly to the chairman to the extent that such provisions are applicable to employees in the Office of the President.

(b) Section 105 of title III of the United States Code is amended by adding immediately after the phrase "of the Executive Secretary of the National Aeronautics and Space Council", the following: "of the Executive Secretary of the National Intergovernmental Affairs Council".

(c) The Council shall, from time to time, make such recommendations and such other reports to the President as it deems appropriate or as the President may require.

The analyses and materials ordered to be printed in the Record are as follows:

Section-by-Section Analysis of the Bill To Establish a National Intergovernmental Affairs Council

Section 1 states that it is the intent of Congress in establishing the National Intergovernmental Affairs Council to provide for a more comprehensive consideration of national policies and programs affecting economic and social development and intergovernmental relations; to promote greater coordination among Federal departments and agencies whose activities directly affect the State and local governments; to assess the effectiveness of current and projected Federal domestic policies and programs in obtaining national goals within our intergovernmental system; and to provide for the elimination of unnecessary duplication and overlapping among Federal departments and agencies administering Federal aid programs.

Section 2a provides for the establishment of a National Intergovernmental Affairs Council to be presided over by the President of the United States or, in the President's absence, such member of the Council as the President may designate.

Section 2b sets forth the functions of the Council: to advise the President in the formulation, implementation, and coordination of domestic policies and programs which affect intergovernmental relations and the Nation's economic and social development, so as to enable Federal departments and agencies to carry out more effectively their activities, and collaborate more fully with State and local governments.

Section 2c states that the Council shall be composed of the President; the Vice President; the Secretary of Housing and Urban Development; the Secretary of Health, Education, and Welfare; the Secretary of Labor; the Secretary of Commerce; the Secretary of Agriculture; the Director of the Office of Economic Opportunity; the Chairman of the Advisory Commission on Intergovernmental Relations; and such secretaries and undersecretaries of the Executive Department as may be designated by the President to serve at his pleasure.

Section 2d describes certain additional duties of the Council. Subject to the direction of the President, it is authorized to assess and appraise the objectives and performance of domestic programs and activities affecting intergovernmental relations and the Nation's economic and social development for the purpose of making recommendations to the President. It is further authorized to consider any other matters of common interest to the departments and agencies of the Federal Government concerned with initiating and carrying out such policies and programs and to make recommendations to the President in connection therewith.

Section 3a provides that the Council shall have a staff to be headed by an Executive Secretary appointed by the President. It authorizes this Executive Secretary, under the direction of the Council but not subject to the civil service laws or the Classification Act of 1949, to appoint and fix the compensation of personnel as may be necessary to perform the duties prescribed by the Council in connection with the fulfillment of functions under the Act. Compensation for such Council personnel, however, will not exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended. This provision conforms to comparable regulations governing the personnel of the National Aeronautics and Space Council and the National Security Council.

Section 3b amends section 105 of title III of the U.S. Code and places the Executive Secretary of the National Intergovernmental Affairs Council on the same basis as the Executive Secretaries of the National Security Council and the National Aeronautics and Space Council, as well as certain Presidential assistants, with respect to compensation.

Section 3c provides that the Council shall, from time to time, make recommendations and other reports to the President as it deems appropriate or as the President may require.

Excerpts From "The Federal System As Seen by State and Local Officials," a Study Prepared by the Subcommittee on Intergovernmental Relations, Senate Committee on Government Operations, 1963

While agreeing that the Federal, State, and local governments should be interrelated but fully independent parts of a single system, many officials believed that the National Government today is playing too great a role within the intergovernmental relations process, to the detriment of the other levels' respective power positions. As a result they concurred that the Federal Government should relinquish certain taxes to the States in return for the States' assumption of the financial responsibility of certain activities now carried out by the National Government. At the same time, these officials sanctioned the enactment of a number of new grants-in-aid. Further, most of these respondents agreed that there were not too many instances of direct Federal-local relationship in the carrying out of various intergovernmental programs. Practical need and suspicions concerning State governments, as they are presently organized, combine to explain some of these apparent inconsistencies. One way of reconciling these divergent viewpoints, perhaps, is to assume that most respondents in the middle categories implicity assumed that the respective roles of all levels of goverment with regard to domestic functions will increase in the future and that some measure of devolution—ideally to States that have been significantly strengthened—will be necessary if each jurisdiction is to assume its proper share of the burden.

Administratively, nearly all of these respondents felt the collaboration-among-equals approach should be further implemented by Federal initiation of certain innovations. Most felt that the organizational requirements for State and local governments under present grant-in-aid programs are excessively rigid and that greater administrative flexibility for these levels is needed for the effective realization of these programs' goals. While indicating that no excessive difficulty was caused by the variations in accounting among the various grant programs, nearly all of these respondents favored enactment of national legislation providing for uniform accounting and auditing procedures.

An overwhelming number also called for the elimination of the post-audit of grants-in-aid by the Federal agencies and substitution of the audit report by the respective State auditing authorities, with the added provision that the Comptroller General's standards of adequacy and integrity are met and the GAO is authorized to conduct spot audits. Further, though greater organizational flexibility at the State and local level was sanctioned, the use of incentive grants by the Federal Government to induce the adoption of new procedures and/or new organizational forms also won strong commendation.

The underlying factor explaining these various and partly ambiguous positions is the desire on the part of these respondents to simultaneously achieve expanded organizational autonomy vis-a-vis the Federal agencies, a simplification and greater standardization of Federal accounting and auditing practices in the grant-in-aid area, and a strengthening—even with Federal assistance—of their own administrative structures and practices. Though the particular means of implementing these three objectives are not always consistent with one another, all are viewed as necessary ways of invigorating the State and local governments.

In the field of grants-in-aid as such, these respondents expressed many criticisms. While accepting the device in principle, most felt that periodic congressional review of all grants-in-aid was necessary for strengthening it as an efficient means of interlevel cooperation. Many stated that present grant programs had led to an imbalance in the services performed by the other levels of government and that the equalization factor had been carried about as far as it should be. Nearly all agreed that Congress should consider legislation to make the apportionment and matching formulas within present grant programs more uniform and attempt to standardize the definitions of frequently used terms. Overall, then, the grant is accepted and greater use of it is urged for the future; yet their approval of some devolution of grant-aided functions, better congressional oversight, a simplification of administrative regulations, and a reexamination of the overall emphasis in grant programs is a clear sign that most of these officials reject the idea that existing grants are wholly effective collaborative mechanisms.

With respect to total governmental revenues, these respondents as a whole were unable to make any clear-cut recommendation as to whether there should be a strict division of the tax sources among the three levels or whether each should continue to be allowed to select its own tax sources. Either alternative from the State or local viewpoint could be interpreted as an attempt to maximize the authority of their levels of government in tax matters. This view was more clearly reflected in the overwhelming support for congressional adoption of some form of payments-in-lieu-of-taxes legislation, for continued Federal tax exemption of State and local bonds and other debt obligations, and for no action by Congress which would provide for statutory standards and limitations on the power of States to levy taxes on multistate businesses. Their fairly strong support for the proposal that the Federal Government should establish tax credits for income taxes paid to State and local governments did not tie in with these other stands, since this in the long run would force many of the States to adopt this tax. In general, however, there was overall consistency in the tax field. The twin goals of larger revenues and greater fiscal autonomy explain the compatibility of their responses to various fiscal questions, as well as their views on the two issues which produced disagreement and an apparent inconsistency.

Of the three levels of government, these respondents most frequently singled out the States as the level most in need of strengthening. More equitable legislative reapportionment and the establishment of a State department or office of metropolitan and/or local affairs were strongly endorsed. In addition, most of the criticisms already cited in the administrative, fiscal, and grant-in-aid areas reflect a broad underlying belief that the States at present are not participating to the fullest extent. The apparent departures from this position are reflected in their unwillingness to have Federal highway taxes on trucks collected by State tax agencies, their rejection of the proposal that all grants-in-aid to local units should be channeled through State governments and their failure to concede that there are too many direct Federal-local relationships at present. These are not really inconsistencies at all, however. They reflect the fact that most of the respondents are local officials. Even more important, they are obviously premised on the existing system of State governments. These apparent discrepancies then provide, in fact, additional evidence that these two groups consider the States to be the weakest links in the chain of Federal-State-local relations.

Respondents' positions on many questions dealing with local government appeared to be less consistent. Most officials, for example, conceded that there were too many units of local government in metropolitan areas, yet they believed that the "home rule" concept had not been carried far enough in meeting local and areawide governmental needs. Further, while emphasizing local initiative, State governments were assigned a major responsibility for enabling and assisting the local jurisdictions to meet the many challenges that presently confront them. Nearly all favored a reduction or elimination of the present State limitations on local taxing and borrowing powers, and strongly approved the creation of a State agency on metropolitan or local affairs to help local governments deal with various aspects of urban development. State enabling legislation to permit the formation of charter commissions within metropolitan areas was also sanctioned.

The Federal Government was also assigned a significant role in assisting local governments to help themselves. Matching incentive provisions, within Federal grant statutes, for the development of areawide projects and proposals in metropolitan areas were accepted. Legislation providing for review and comment by an areawide planning body on Federal grant applications for a series of activities within metropolitan areas was also favored. As was previously mentioned, however, most respondents within these two categories rejected the idea that the existing network of direct Federal-local relationships was undesirable and opposed the suggestion that all grants-in-aid to the local units should be channeled through the State government. Whatever discrepancies crop up in these various positions spring from the fact that most of these officials implicitly endorsed three basic objectives with respect to this jurisdictional plane: First, the legal and fiscal position of local governments must be strengthened; second, areawide problems must be met by reliance on the voluntary, cooperation-among-equals approach; and third, neither of these objectives can be achieved without significant assistance from both the State and Federal levels. These goals, in turn, relate directly to the overriding desire to more fully implement their ideal of vigorous, untamed local governments.

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Many of the previously examined proposals for strengthening the power positions of State and local governments were prompted by the respondents' belief that the central government has assumed more than the "primus inter pares" role which most were willing to concede to it. The resulting relationships, then, do not correspond with the parity-of-power principle in their operating theory of intergovernmental relations. These same officials, nonetheless, placed a heavy responsibility—as we have seen—for correcting this imbalance squarely on the shoulders of the National Government. While they conceded that States and local units of Government must by themselves launch many corrective measures, there was far less agreement as to what these governments should do than on actions the Federal Government should take. Their view that the Central Government is partially responsible for the power imbalance, along with their awareness of the divergent problems within the 50 States, helps explain why no consensus emerged as to what specific measures should be initiated at their levels. The most important reason for this reluctance, however, is the fact that most of these officials reject the concept of standardized reforms and believe that the essence of State and local autonomy is freedom of choice with respect to the various proposals that might be enacted to buttress these two sets of governmental institutions.

Excerpts From "The Federal System as Seen by Federal Aid Officials," a Study Prepared by the Subcommittee on Intergovernmental Relations, Senate Committee on Government Operations, December 15, 1965

BUREAUCRACY AND FEDERALISM: SOME OBSERVATIONS AND PROPOSALS

This study began as a survey of the views of Federal aid administrators on some of the more troublesome issues confronting our federal system. As the study progressed, it also involved an analysis of some of the problems in contemporary public administration. As such, it became a study of middle management, since practically all of the survey's respondents are bureau chiefs or division heads.

The conventional wisdom of public administration holds that middle management is the principal home of the specialists—not the generalists—in the bureaucratic structure. This is not surprising, since the civil service classification system is still largely based on specialized principles and since appointment to this level usually comes to ingrade bureau personnel, not to outsiders. Further, the administrative unit which middle management executives head is the bureau or division. And this relatively homogeneous structure is built to perform one task or a series of closely related tasks. As such, it is a highly stable organizational unit that reorganization plans may shift around, but rarely abolish. Finally, most bureau chiefs and nearly all division heads have permanent tenure and thus are able to exert a continuing influence toward achieving unity and consistency in administering the programs falling under their jurisdiction. Stability based on tenure; professionalism based on technical training, experience, and program goals; and a narrow functionalism based on the relatively homogeneous program mandates of the bureau and division—these are the usual traits of middle management found in the lexicon of public administration experts.[1]

Four behavioral themes recur throughout the questionnaire responses of nearly all of the 109 administrators participating in this survey. These themes both correspond to and expand on the foregoing traits of middle management.

Functionalism, or the respondents' preoccupation with protecting and promoting the purposes of their individual programs, was the most important single conditioner of their comments regarding the items examined in all five parts of the questionnaire. This is in keeping with the normal role of an executive assigned to this administrative level and with the specific character of their program mandates. It is this norm that accounts for their intense desire to maintain clear channels of communication and to promote the closest possible relationship with their functional counterparts at the State and local levels. It is this norm that helps explain the aggressive defense of their programs' objectives. It is this norm that generates the special brand of politics—program politics—which successful middle management administrators so adroitly practice. And it is this norm that produces their general insensitivity to many of the diplomatic niceties required for more successful intergovernmental relations.

Professionalism, or the deep commitment to the merit system principle and to the technical and ethical standards of the specialized group to which they belong, dictated their answers to nearly all of the questions in the preceding chapters on State Organization and Intergovernmental Personnel. It is this norm that explains their keen interest in upgrading the expertise, tenure, and administrative capabilities of their counterparts at the State and local levels. It is this norm that explains their attempts to reduce to a minimum the meddling of "dilettante generalists" at any point in their administrative operations. It is this norm that explains their distrust of partisan intrusions into the administration of these programs. And it is this norm that explains their difficulty in arriving at a balanced definition of the public interest as it applies to the State or metropolitan level.

Standpattism, or the rigid defense of traditional practices, procedures, and principles, is a theme found in the great majority of their answers to the items covered in the chapters on Federal aids, financial administration, and metropolitan area problems. As the conservative defenders of administrative continuity and stability against innovating pressures from above, from below, and from outside, these middle management officials could hardly be expected to indicate that present channeling and disbursement practices, accounting and auditing procedures, and program activities in metropolitan areas are something less than sensible and sound. This norm, of course, is necessary to balance the impetus for change and to provide the proper administrative milieu for the implementation of any program. Yet, this norm and its adherents must also be recognized as the major obstacle to any reform in the problem areas reviewed in this survey.

The fourth behavioral norm—indifference, or the cavalier dismissal of serious questions and topics as being irrelevant or unimportant—was reflected in responses to every section of this questionnaire. Nearly every item produced a large percentage of "no opinion" replies, and several items produced "not relevant" comments from agency heads whose programs clearly were covered by the issue under examination. And even the clear-cut answers of many respondents indicated a complete indifference to the critical significance of the topic in question. This attitude, of course, is partly an extension of the three traits previously discussed. Middle management executives, with a strong functional, professional, and status-quo orientation, are not likely to approach broad questions of a multifunctional, interlevel, interagency, or coordinating nature with any great enthusiasm or concern. But this attitude also relates to other factors. It stems in part from the ignorance that only the narrow specialist can display toward broader questions of management, policy, and governmental operations. It stems in part from an acute awareness that their expertise is needed and that their administrative positions are fairly secure. It stems in part from their recognition that many of the larger intergovernmental questions can only be resolved by others more directly involved in the decisionmaking processes at the Federal, State, and local levels.

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[1] Leonard D. White, *Introduction to the Study of Public Administration*, Fourth Edition (New York, MacMillan Co.), pp. 88, 99; and Mary C. H. Niles, *Middle Management* (New York, Harper, 1949), *passim*.

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What, then, is the theory of these Federal executives?

At no point did any of the respondents develop one. Nor was it expected, since middle management executives are supposed to be pragmatic administrators, not political theorists. Yet careful assessment of the answers to certain key questions indicates that the respondents do have a general idea of what intergovernmental relations are and how they should operate. In short, they have a theory of federalism, and more than three out of four adhere to the same interpretation of the system.

Few among the majority would recognize the elements of this theory as being the logical corollaries of their responses to one or more of the survey's questions. None probably would accept all of its provisions. Yet the following hypotheses are, in fact, the basic features of the theory of federalism which emerged from the majority's responses.[9]

(1) The Federal, State, and local governments are interrelated parts of a single governmental system; each level, however, must effectively discharge its mandated responsibilities if all of its rights as a member of this partnership are to be preserved.

(2) Most domestic functions of government are shared, but the Federal Government, as the senior, most progressive, and most affluent member of this partnership, has been forced to assume a disproportionate share of this responsibility.

(3) Policymaking in intergovernmental relations is a multilevel process, but obstruction—not collaboration—is as likely to be encountered from elected policymakers at the State and local levels.

(4) The administration of joint action programs is a mutual—and, ideally, a professional—undertaking. Their authorizing legislation establishes them on a functional basis, and the vertical lines of communication and collaboration between and among the functional specialists in Washington and their counterparts in the field must be kept clear and unbroken if the bases of genuine cooperation are to be maintained.

(5) The Federal grant and other aid devices are, and will continue to be, the most prominent and positive feature of contemporary federalism. They—not block grants, tax credits, or similar devices—provide the only time-tested techniques whereby the levels of government can collaborate effectively to fulfill common purposes and to meet certain national standards. Moreover, if not burdened with partisan or nonprofessional interference, they can also serve to strengthen the States and local units of government, since they rely primarily on these jurisdictions for administrative purposes and tend to upgrade the caliber of the civil servants employed by these levels. Efforts to achieve greater consistency and uniformity in the operation of aid programs ignore the basic fact that each program is designed to accomplish a specific public purpose, hence, administrative and financial practices and procedures must be geared to the needs of the individual program and not to any abstract standardized principles.

(6) Responsive and responsible State governments are vital for an effective federal system, yet most States do not possess these characteristics and are not likely to acquire them in the near future. Most States have failed to exert a maximum tax effort, to eliminate outdated limitations on the taxing authority of local units of government, to adopt statewide merit systems, to improve the salaries and professional opportunities of their civil employees, to establish greater order in their own metropolitan areas, and to revamp their political systems. In short, they have failed to achieve the minimum requirements of a democratic government in the mid-20th century. It is necessary, therefore, to continue those provisions in grant and other aid programs which minimize threats to effective collaboration among program administrators at the various levels.

(7) General units of local government, when properly empowered and financially aided by the States, can act as effective partners in Federal-State-local and Federal-local joint action programs. Special-purpose districts and authorities grow out of particular local and areawide needs and of the States' failure to strengthen the fiscal base of general units of local government; as such, they serve a useful purpose in helping to implement certain Federal aid programs.

(8) Rapid urbanization challenges traditional intergovernmental functional relationships; yet it is largely through strengthening these individual relationships, along with some increase in informal interagency contacts, that this challenge will be surmounted. Excessive preoccupation with regional or areawide principles and mechanisms can slow up the implementation of much-needed urban development and, in some cases, subject program administrators to additional political pressures.

(9) Intergovernmental relations are primarily a vertical and diagonal system of financial, functional, and administrative arrangements; the primary purpose of each and all of these relationships is to meet the demands of the American people for better or new public services. Intergovernmental relations, then, function as the essential means to this great end, not as an end in themselves.

(10) Successful intergovernmental relations are chiefly successful bureaucratic relations. Authorizing legislation, funds, and oversight come from legislative bodies. Policy directives, budgetary review and control, and administrative rules and regulations come from top management. And advice, assistance, and support, as well as complaints, criticism, and censure, come from officeholders at all levels, individual citizens, and interest groups. These basic forces of our pluralistic political system shape and sustain the broad, complex pattern of intergovernmental relations. The day-to-day conduct of these relations, however, falls to Federal middle management administrators, their field personnel, and their functional counterparts at the State and local levels. Well-intentioned but misguided reforms that ignore or undermine the team effort of these wheelhorses of federalism threaten the dynamism of the system itself.

These, in brief outline, are the features of the majority's rather unusual theory of American federalism. To revert to the kitchen, the ideal dessert of these respondents is not a layer or marble cake, and certainly not a marble cake cut into layers, but a large brick of harlequin ice cream containing 143 (depending on your aid count) flavors. And they want their end-of-the-dinner delight straight from the freezer with no melting at the bottom or top and no special syrup over it. With this theory of federalism, we leave the pantry and go to the refrigerator.

These contrasting anologies, of course, are based on contrasting emphases and principles. This theory's cooperative, functional, and anti-State-and-local-elected-official bias makes it completely unacceptable to the States' righters. Its nearly equal recognition of the role of competitive forces and its basic stress on the professional administrators as the real architects of cooperative federalism do not conform to the Grodzins-Elazar thesis. Its unsympathetic treatment of such topics as the power position of the States and general units of local government and their elected policymakers; more flexible regulations for aid programs; and Congress' role as strengthener of the federal system—to mention only three of the foremost differences—is in marked contrast to the positive positions taken on these issues by the majority participating in the previous survey. This, then, is an atypical interpretation of our federal system.

* * * * *

Like others, this "harlequin" theory both identifies points of tension within the system and creates tension points by the mere fact that its adherents occupy a critical position in contemporary intergovernmental relations. The basic problem areas highlighted in the theory are threefold.

First, there is tension horizontally between administrators at the various levels, created by the failure of the governments at the lesser levels to upgrade the professional capability of their civil employees.

Second, there is the tension vertically between the professional goals of administrators of intergovernmental programs and the political goals of the policymakers at the various levels of government.

Third, there is tension, both vertically and horizontally, between individual program administrators at every level and public administration authorities, some intergovernmental relations experts, and some sectors of top management. The latter, in their search for greater manageability, coordination, and simplicity and for less fragmentation, program insulation, and administrative pluralism, lose sight of the fact that these programs, and the larger system of which they are a part, are geared to serving the people's public needs, not the private or public needs of politicians, top administrators, or levels of government.

This theory of federalism also generates friction, since its proponents are major participants in the intergovernmental process and since its normative features—to a greater degree than its descriptive features—actually condition the official behavior of these respondents.

First, its unifunctional and professional bias, along with the normal motives for bureaucratic survival, tends to create tension among the Federal administrators of the various aid programs. This is especially true of the relations between the administrators of newer and those of older, more traditional programs.

Second, the theory's specialized program and bureau emphasis creates severe problems for departmental officials and various units in the Executive Office of the President. This occurs because top management and staff are charged with the duty of integrating the functions of individual bureaus and divisions with the national function of developing a coherent, timely presidential program based on scaled priorities; with the ultimate executive task of balancing the bias of particular administrative units with the general role of government as the "impartial instrument of a symmetrical national development," as Woodrow Wilson once phrased it.[10]

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[9] The minority differed primarily with the majority only with respect to the principles developed in items 6, 7, and 8. (See chapter V, pp. 71–92.)

Third, this theory's antipolitical and anti-innovation bias conflicts with, and even threatens, the efforts to policymakers and others at all levels who are seeking to bridge the communications and authority gaps at the Federal, State, and metropolitan levels, especially where the gaps impede the proper formulation and administration of urban development programs.

To sum up, the theory adhered to by three out of four of these Federal aid officials identifies three major sources of conflict in contemporary Federal-State-local relations:

(1) Professionalism at the higher level versus a lesser degree of professionalism at the other levels;

(2) Professional program administrators versus elected policymakers at all levels; and

(3) Administrators of individual aid programs versus intergovernmental reformers.

And because this "harlequin" theory of federalism is an operating precept as well as a descriptive interpretation, it produces its own areas of conflict:

(1) Professional administrators of one aid program versus the professional administrators of others;

(2) Specialized middle management versus generalized top management; and

(3) Conservative bureau heads versus innovators seeking to strengthen other components of the federal system—the States, our metropolitan communities, and the decision-making process at all levels.

[From the Reporter magazine, Mar. 24, 1966]

COORDINATING THE GREAT SOCIETY

(By Stephen K. Bailey)

Probably no series of legislative enactments in U.S. history has created more complex administrative problems than those recently passed under Lyndon Johnson's leadership. They have three things in common: their implementation cuts across existing departmental and agency lines within the Federal government; they demand almost heroic responses from state and local governments in order to succeed; they require a combination of technical and administrative skills that are critically scarce in the society at large. Despite the demands of the war in Vietnam, the critical shortage is not money but people to carry out the programs and effective administrative machinery. Neither Medicare nor aid to education nor the poverty program has either of these at the moment.

The poverty program alone, based on the Economic Opportunity Act of 1964, is being handled by a multiplicity of agencies. Some of its projects are directly administered by the Office of Economic Opportunity, headed by Sargent Shriver and based in the Executive Office of the President; others are not. While the Job Corps is run by OEO, the Neighborhood Youth Corps is administered by the Department of Labor; the Work Experience Program by the Welfare Administration of Health, Education and Welfare; the Rural Family Loan Program by the Farmers Home Administration of the Department of Agriculture; the Economic Opportunity loans by the Small Business Administration. And this catalogue does not begin to touch efforts related to the poverty program but not formally a part of it: for example, the Rural Community Development Service in the Department of Agriculture; the Economic Development program in Commerce; and the Appalachian Regional Commission, an autonomous organizational entity composed of state governors and a single Federal respresentative.

Such various sources of attack provide an undeniable impetus to the campaign against poverty, but they do not make for administrative tidiness. The difficulties in Sargent Shriver's position are patent: vested with over-all responsibility for the poverty program, he must negotiate, co-ordinate, even command and veto activities of departments whose Secretaries outrank him in status-oriented Washington. It is perhaps symptomatic of his situation that the Economic Opportunity Council, headed by Shriver and composed of the Cabinet Secretaries and agency directors with responsibilities in the drive against poverty, met only four times in the first year of the program.

There have been some attempts to unsnarl the administrative lines. Agriculture and OEO, for example, have established a task force to coordinate Federal efforts to eliminate rural poverty. But the search is still on for a way of providing general direction for the total war on poverty. The miracle is that in spite of the administrative confusion, Shriver can point to the award of 1,800 Community Action grants, half a million Head Start youngsters, eighty-seven Job Corps centers in operation, and 1,800 trained VISTA volunteers—all accomplished in eighteen months of frenetic activity. But the administrative problems remain, and they will get worse before they get better.

THE PROLIFERATION BARRIER

The problem of administering programs whose boundaries are amorphous is a general characteristic of the Great Society. A recent New York *Times* report on education found that, despite the formal responsibilities of HEW's Office of Education, important new education programs are found in most of the eleven Office of Economic Opportunity programs, as well as in five programs in Cabinet departments. Civil-rights responsibilities are similarly assigned, and have recently been reassigned, to each individual governmental agency. In spite of heroic work by Vice President Humphrey, no central bureau effectively co-ordinates the various efforts and policies in the field of human rights.

At present more than forty different Federal programs provide aid for urban development, yet the most careful of studies—that of the Advisory Commission on Inter-Governmental Relations—fails to reveal "any evidence of a unified urban development policy." In the field as in Washington, inter-agency contacts are predominantly informal. Where formal arrangements have been made, they are usually bilateral rather than multilateral. The new Department of Housing and Urban Development (HUD) will make inroads in this confusion, but it will not end it. Bureaus of at least four other Cabinet departments, as well as a half dozen or so independent agencies, administer grant programs to urban areas. As a result, separate Federally assisted programs tackling different aspects of community development—physical, economic, and social—are often quite separate. In the area of assistance for local waste-disposal facilities alone, four different Federal agencies handle similar grant or loan programs in dissimilar ways.

If barriers to effective administration seem nearly insurmountable in Washington, they grow even more so away from Washington. Between the nation's capital and the ninety per cent of Federal employees who work in other parts of the country, among Federal field agencies, within state governments, within and between local jurisdictions, and among Federal, state, local, and private agencies working at similar purposes, a lack of co-operation and the absence of effective coordination threaten the very base of the President's programs.

ROOM AT THE TOP AND ELSEWHERE

There is often imperfect understanding between Federal field agencies and their headquarters in Washington. Federal regional and district offices representing scores of departments, agencies, and bureaus are sprawled haphazardly across the landscape. State and local officials find real difficulty in getting answers to their questions at local Federal offices. Problems must be referred upward through the hierarchy, laterally across agency jurisdictions, and screened at many stages along the way. The urgently needed decentralization of decision making can be achieved only after a thorough reorganization of the Federal field structure.

But implementation of the President's program is equally dependent for its success upon state and local governments. Here too the hazards are severe: metropolitan areas, each composed of dozens and even hundreds of anarchic local government units that are largely unconcerned with the needs of the whole interdependent area; state legislatures whose malapportionment has made them unconcerned with the plight of their urban areas for generations; and state bureaucracies inadequately staffed to fulfill the needed functions of program co-ordination and information gathering for rational community and regional development.

Affecting all levels of government from the operating level to high policymaking positions is the dire shortage of trained and talented people to plan and manage the thousands of projects and programs of the Great Society. I can perhaps best illustrate this dearth of manpower with an example from the field of education. The searching examination of our school system that was stimulated by the launching of the first Sputnik in 1957 revealed serious deficiencies in the training and competence of a dismaying proportion of our classroom teachers. And the problem reaches upward into the top levels of state educational systems. "Few states can command competent personnel," Roald Campbell, one of the most talented educational administrators, now dean of the Graduate School of Education at the University of Chicago, commented recently. "Possibly only the New York State department is prepared to be an equal partner with the U.S. Office of Education.

And what of the situation in the Office of Education itself? With an operating budget that has multiplied fourfold in the last two years, it is undergoing a determined effort to reorganize itself to meet its responsibilities. One step below its excellent chief administrators, in the crucial top fifty or so civil-service posts, nearly forty-five per cent of of the positions were "vacant" as of last summer. Many others are still filled by holdovers from the more relaxed atmosphere of the Office's years of fiscal and programmatic neglect.

Another characteristic of the Great Society programs is the degree to which they become of necessity involved in the competition and conflict of local political machines and social institutions across the country. The OEO, for example, has authorized a third of a billion dollars in Community Action grants, each of them based on projects designed by community leaders, local officials, and neighborhood councils in more than a thousand different localities. Thus, along with the benefits of broad citizen participation, these Great Society programs inherit the headaches of local political struggles.

A case in point is the battle joined by Mayor William F. Walsh in Syracuse, New York, and an independent Community Development Association. To the Republican mayor, this Federally subsidized campaign to organize, as a part of its program, a "democratic" voter-registration drive in the city's poor wards looked suspiciously like an effort to build "Democratic" organizations. The conflict over the $125,000 program has been fought almost daily in the news media of Syracuse since last spring, and at various stages has taken either the mayor or program participants to Albany, Washington, and the LBJ Ranch. In a similar vein, the Conference of Mayors has complained that city-sponsored Community Action agencies are sometimes bypassed; and governors have testified before Congressional committees on the erosion of state sovereignty implicit in direct OEO links to local communities.

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[10] Woodrow Wilson, *Constitutional Government* (New York, Columbia University Press, 1908, 1921), p. 21.

In many cities the poverty program has indeed brought about a revolutionary assault on the established social structure. The now famous requirement set forth in Title II of the Economic Opportunity Act for "maximum feasible participation of residents of the areas and members of the groups served" calls upon the administrator to bring into his organizing effort the very people he is trying to help, the traditionally alienated and effectively disfranchised. How widely the representatives of the poor will be effective partners in the design and implementation of the poverty program remains to be seen. In San Francisco a persistent and well-organized campaign brought them a series of victories that now leave them in numerical control of both the San Francisco Economic Opportunity Council and the Council's executive board. More commonly, as in Syracuse, neighborhood representatives find themselves outnumbered and outmaneuvered. But expectations have been aroused and will doubtless continue to complicate administrative operations of the Community Action programs.

At the same time, the Great Society is increasingly dependent upon the co-operation and initiative of commerce and industry. Appalachia's $840 million in new roads will not rehabilitate the region unless new trucks are rolling on them. Regional development plans, no matter how well formulated, will not bring progress to other economically backward areas unless businesses and factories take imaginative advantage of the $3.25-billion Public Works and Economic Development Act of 1965. Streams and rivers and air will not be effectively cleansed without the active co-operation of the managers of the private economy (or for that matter the public communities).

This kind of Federal partnership with private enterprise in achieving the Great Society is already at work in the Job Corps, where a number of contracts to run residential training centers have been let to corporations whose usual activities are far afield from education. While Shriver has praised the record of corporation-run camps for their efficiency and their job-oriented programs, a highly publicized report on one of them, Camp Kilmer, by a panel of Rutgers professors criticized the camp's authoritarian atmosphere and its administrators' lack of understanding of young people raised in poverty. Yet training centers run by educational or community organizations have had their problems, too—brawling, prostitution, marijuana, sloppy bookkeeping. As Job Corps Director Dr. Otis A. Singletary has pointed out, "We don't recruit angels into the Job Corps." A certain degree of mayhem is built in.

ASSIGNING THE CHALLENGE

It is easy—and politically popular—to overstate the administrative difficulties created by the Great Society programs. But administrative tidiness is not the be-all and end-all of government, and competition is often as desirable among government agencies as it is elsewhere. Nonetheless, the dangers are real and the need for new administrative machinery and methods correspondingly urgent. Federal programs must be more effectively related to each other and must complement state and local programs without the sacrifice of initiative, experimentation, and momentum.

What should the President's role be in such a broad and ambitious enterprise? Certainly not that of personally supervising the operation of the national government, but rather of setting the necessary forces to work. For one thing, he can strengthen the capacity of his own Executive Office to recommend and enforce organizational change. In the West Wing of the White House and in the office building across the driveway are the President's supporting staff—those most capable of breaking the inertia and self-interest that protect existing jurisdictional patterns in the Federal establishment. The Bureau of the Budget, especially, needs additional staff to perform management surveys and to recommend administrative reforms. The entire field structure of the Federal government, as I said earlier, requires drastic overhauling and a decentralization of decision making. And with increasing authority assigned to Federal field offices, new interagency information sharing, planning, and program coordination must be made possible at the regional as well as at the Washington level. The President should also insist that "overhead" money be given to state and local governments to assist their administrators in setting to rights their present haphazard participation in the scores of Federal aid programs.

The President has already led the way by raising the standards for top Federal administrators. He must now set higher standards for recruitment at all levels. By establishing suitable incentive or sanctions he will also encourage greater effectiveness at the state and local levels.

Indeed, the President in his 1966 Budget Message and in subsequent special rural and urban development messages has already indicated his awareness of what is required. Ultimately, however, the real burden of administering the Great Society is not on the President. The Great Society should be seen rather as a Presidential challenge to the American people. Looked at in this way, it represents a return to local responsibility. Its success depends not upon the administrative genius of the President but rather upon the co-operative energies of officials and citizens throughout the nation.

THE 200 BILLION ELECTRON VOLT ACCELERATOR LABORATORY

Mr. LONG of Missouri. Mr. President, it is with deep regret that I must bring before the Senate once again the shocking and extremely serious matter of where the United States should build the world's biggest atom smasher.

Exactly 1 month has now passed since I first brought this subject up in the Senate.

For 1 month I have waited, hoping the Atomic Energy Commission would attempt to clear up some of the questions I raised. For 1 month I have waited, hoping that the National Academy of Science would make some effort to explain publicly why they picked six sites which fail to meet the basic physical requirements which the Atomic Energy Commission set up last year—six sites which may cost the American taxpayer millions of extra dollars, and which may endanger our leadership in high energy physics research if the final selection is made from these six sites. For 1 month I have waited, hoping that the Academy and the Commission would recognize the extreme danger our atomic energy program now faces.

Instead, the American people have been left wondering why in the world no one is doing anything about what may be the biggest hoax in the history of American scientific development.

The dozens of American communities which submitted proposals, which spent thousands of man-hours and hundreds of thousands of dollars measuring their ability to meet the AEC's high standards, deserve a full public explanation. They deserve a fair hearing. And after studying the whole situation again, I am more convinced than ever that the National Academy completely failed to give these communities a fair hearing.

I am therefore this day writing the Commissioner of Atomic Energy, Glenn Seaborg—a great American, who has been a vital force in the success of our atomic programs—requesting that the Commission reconsider its decision to go ahead with the six sites chosen by the Academy. A copy of this letter will be placed in the RECORD.

I cannot overemphasize the urgency of this matter. Already Congress has authorized $2.2 million for studies of these six sites. This money will be used to make detailed engineering studies of the six sites, with the purpose of coming up with a final selection before the end of the year. In testimony before the Senate Joint Committee on Atomic Energy earlier this year, Dr. Paul W. McDaniel, Director of the AEC's Division of Research, warned that—

> If it is determined to be necessary to do any engineering studies like making architect layouts for six or seven different sites and making intercomparisons, I can visualize that costing a considerable sum of money and again that will eat up the $2.2 million very fast.

When asked if the $2.2 million was enough for the necessary studies he said:

> The answer really depends on the nature of the terrain for the six or seven sites that are recommended.

Just a few weeks after he testified, the AEC revealed six sites which, if the needed studies are launched, may cost the taxpayer more than the $2.2 million already allotted by Congress. Let me point out that while this project is expected to cost a total of $375 million, we have already spent, or are spending, nearly $7 million drawing up technical plans for this giant atom smasher.

The sums of money are vast. The importance of the project to our research programs is vast. But the taxpayers right to have his tax money spent in the best possible way is threatened by the irresponsible decisions of a small group in the National Academy of Sciences. I hope the AEC will act quickly to correct the situation.

Mr. President, I could take a great deal of the Senate's time citing deficiencies which are noted by the National Academy report or which have been pinpointed by staff research. Frankly, I have no real way of estimating the tremendous cost problems these six sites involve. But I submit, that the National Academy gave almost no attention to cost problems.

As the report so well states:

> It has not been the purpose of this (NAS) Committee to estimate the costs of construction and operation at various sites.

Mr. President, it is obvious that the National Academy should have stuck to the rules. They should have done the job the Congress, the Atomic Energy Commission, and hundreds of communities in every State in the Union expected them to do. By ignoring the AEC's criteria, by rejecting the solid basis on which all the applications were submitted, the National Academy has dealt a serious blow to our faith in the "experts." Rather than apply their great technical abilities, the Site Selection Committee of the National Academy of Sciences took the path of arrogance and irresponsibility.

They took a sort of taxpayer-be-hanged attitude, and by their own admission gave little importance to such things as the possibility of earthquakes at Sacramento, hurricanes and inconvenience at Brookhaven, snow and freezing weather at Denver and Madison, prolonged high temperatures at Sacramento, the $2,800,000 that someone is going to have to pay to buy 50 titles of land at Ann Arbor, the inadequate power supply at Denver and Madison, the tremendous added cost of obtaining adequate water at Brookhaven and Sacramento, and the unfavorable geology at all sites except Madison.

What did the National Academy really do? What did they spend their time talking about when they should have been talking about the eight basic criteria? Well, for one thing they say they spent a lot of time talking about the subject "How can we get our high-energy physicists to come and use this 200 billion electron volt accelerator?"

"Ah," they thought, "maybe if we put this thing somewhere close to where these fellows already work, maybe then they would come use the accelerator." So they selected Chicago, Ann Arbor, Madison, and Brookhaven. And then, they thought, maybe these fellows would go somewhere where the weather is nice. So they selected Denver and Sacramento.

Could it have been that simple? For if so, if all they wanted was to find out where our scientists would like to live, I think the Academy would have been well advised to take a poll of all our scientists. One question would be needed: "Where would you like us to put the atom smasher for you?"

And no matter what the cost of the site chosen in this poll, I am sure that the National Academy would accept the choice.

But is it not obvious that, no matter where we construct this atom smasher, our scientists will come? After all, this will be the biggest in the world, by far the most advanced research machine of its kind for years to come.

Not long ago I received a letter from Dr. Merl Baker, chancellor of the University of Missouri at Rolla.

He said:

> I fully concur with your arguments that scientists will adjust themselves to the environment where they are given a challenging opportunity.

He said that he met recently with the *University of Missouri at Rolla alumni* at Oak Ridge, Tenn.

He wrote:

> I found that the scientists there are very pleased with Oak Ridge.

Mr. President, as every Senator knows, before the Atomic Energy Commission decided to build in Oak Ridge, there were few, if any, scientists in that area. Yet with a great laboratory, the scientists went there. And today, they are not complaining.

Surely the National Academy knows that scientists will go wherever there is research to be done.

Mr. President, if the National Academy is really convinced that our high energy physicists are so soft that they will not move unless it is to Denver or Sacramento, then I propose that, first, we select a site elsewhere in the Nation that meets all of the AEC criteria and, second, that we offer a 3-week paid vacation to all scientists who come to this site. I am sure, Mr. President, that the cost of these paid vacations would never approach the waste of millions and millions of dollars now proposed by the National Academy.

Mr. President, Mr. Lewis G. Joslyn wrote me recently to tell me about a tremendous study he has made of all 200 of the proposed sites for the atom smasher project. He evaluated each site assuming each one had all the land, water, and other basic needs required by the AEC. Even after eliminating these basic requirements, Mr. Josyln came to very different results than did the National Academy.

The six sites chosen by the Academy do not look good when compared with all other sites on the basis of power costs, proximity to a major airport, research and development complex and education complex within 50 miles. If there is anyone who doubts the quality of Mr. Joslyn's work, I can only quote one of the site selection members comments to Mr. Joslyn as quoted in the Haverhill Gazette, Thursday, November 4, 1965:

> You're probably more familiar with the other sites than anyone. Maybe we could hire you as a consultant.

Mr. President, I am asking in this letter to Chairman Seaborg that the Atomic Energy Commission make a complete review of all the sites. I am asking that they make public all the cost factors about the various sites. I am asking that they select for final consideration only those sites which meet all the primary physical criteria which the AEC originally issued. The American people can ask no more than this: that the atom smasher be constructed with every consideration given to minimizing cost and maximizing convenience.

If the AEC refuses to grant this review, if the AEC refuses to answer the growing number of questions coming from citizens all over our Nation, then I can predict that this great project—vital as it is to our atomic energy program—will bog down in a horrible sea of political turmoil. Mr. President, before all of the $2.2 million authorized by Congress is spent, I hope the AEC will attempt to answer the issues which I have raised.

Mr. President, I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 15, 1966.

Hon. GLENN T. SEABORG,
Chairman, Atomic Energy Commission,
Washington, D.C.

DEAR DR. SEABORG: Respectfully request that the Atomic Energy Commission make a complete review of all the sites proposed for locating the 200 Billion Electron Volt Accelerator Laboratory.

As you know, some very serious questions have been raised about the six sites already chosen by the National Academy of Sciences. Believe it would help restore public confidence in the project to conduct a complete study, based on the criteria which the Commission originally submitted to the Joint Committee on Atomic Energy, and which the Commission enlarged in the "Siting Factors" memorandum dated November 16, 1965.

The original AEC criteria stated that "acreage requirements, the availability of adequate power, the proximity of adequate transportation, etc." are "absolutely essential." Unfortunately, it appears that the National Academy of Sciences did not agree with these criteria and instead picked sites which did not meet your high standards.

Acreage requirements: All but two of the sites fail to have land "owned or reasonably available to the Federal Government." If the AEC goes ahead with the six sites, in addition to negotiating with as many as 185 private owners on a single site, it may cost the American taxpayer $2,058,000 at the Sierra Foothills site; $9,360,000 at the Weston site; $2,800,000 at the Ann Arbor site. In addition, relocation problems may occur due to the fact that at the Weston site a major railroad—the Elgin, Joliet and Eastern—crosses the site as well as a 138 kv transmission line. There may also be some problem due to the fact that the town of Weston (population 410) is included in the site area.

The availability of adequate power: Even the National Academy itself admits that at the Denver and Madison sites "A detailed study would be needed to determine whether the power transmission system which would supply the area will have sufficient capacity to insure acceptable voltage and frequency stability under all possible load conditions." Perhaps in a re-study of all the sites you will be able to find ones which do not fail to meet the AEC's power criterion.

Proximity to adequate transportation: The Sacramento site and the Madison site fail to offer "Proximity to a major airport having, or planning to have frequent service to major U.S. cities" which the "Siting Factors" memorandum mentions. Instead we find that the site near Sacramento is 2½ hours or 116 road miles from the San Francisco International Airport and slightly less than that time and distance from the Oakland International Airport. Thus, in spite of AEC criteria, the National Academy of Sciences has selected a site which, as its report states, "is only moderately accessible to the majority of the nation's high energy physicists."

The Madison site is 125 miles, two hours by car, and 40 minutes by plane from O'Hare Field in Chicago and, as the NAS Report states, "offers only limited direct airline service to major cities except for Chicago."

Rail transportation appears to be inadequate at the Denver and Madison sites. The cost of a rail extension might be $400,000 to serve the Madison site and $300,000 to serve the Denver site. Seriously doubt if any railroad could absorb the cost of such extensions.

Believe that the communities which proposed sites in all areas of the nation deserve to know why, even though a number of them satisfied the basic criteria, the National Academy of Sciences overlooked them in favor of sites which do not satisfy the AEC's basic criteria.

May I respectfully add that I am deeply disturbed by the Academy's statement "It has not been the purpose of this Committee to estimate the costs of construction and operation at various sites." By failing to look into the cost factors, the Academy has fallen far short of the expectations of the Congress and the American taxpayer.

My staff has collected a considerable amount of material on the six sites recommended by the National Academy. Based on my study of this material, I believe a complete AEC review of all the proposed sites will turn up sites which will be more convenient, cost less to the taxpayer, and will be less difficult to construct—sites which will not leave gnawing doubts in the mind of the American public.

Note that on page 1312 of the AEC Authorizing Legislation, Fiscal Year 1967, Hearings, Part 3, Dr. Gerald F. Tape states:

"This Commission I am sure will want to look at the particular ones which they (The National Academy of Sciences) have come up with for recommendation and before deciding to go forward with a continued examination of sites, whether or not there are others that for some reason or other the Commission would like to take into consideration. On that basis, whether we stick to the number that comes from the Academy or whether we add—there is that possibility—we want to reserve flexibility."

Am hopeful that, as Dr. Tape told the Joint Committee on Atomic Energy, this flexibility can be maintained until the Congress can be assured that the finalists are of the highest quality.

Kindest regards.

Sincerely,

EDWARD V. LONG,
U.S. Senator.

BUY COAL

Mr. BYRD of West Virginia. Mr. President, the economic main stem of many States in Appalachia—including my own West Virginia—has long been our vast coal resource.

Many think that coal has seen its best day and that energy will be produced by other sources. However, Mr. Eliot Janeway, a noted writer on economics, has seen things differently. In a column which appeared in the Washington Star on June 13, 1966, Mr. Janeway believes American coal may well be the key to our problem of deficit payments and the answer to Europe's fear of inflation.

I believe it deserves the attention of our Nation's planners. With the sale of more coal from West Virginia a few of my State's problems may also be solved.

I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD as follows:

BUY COAL AND STOW THE ADVICE

(By Eliot Janeway)

NEW YORK.—"What would you do?" This is the question with which the President springs his technique for disarming critical but unwary visitors, even before they express their choice of weapons or take aim at their pet policy targets. It's easier for visitors to agree with the President than to stand up to the presence and be counted as a critic with a positive to the disarming question.

At the Treasury, by contrast, the operation is much simpler—and correspondingly less effective. There the tables are turned: It's the visitors who do the asking and the authorities who do the answering. Ever since the dollar payments deficit became troublesome the critical question has been: "Why do we play our dollars hand from weakness?" And the standard response is: "Because the European central bankers think we should."

NOT CHAMPION'S WAY

But no champion with a winner's instinct ever plays according to the rules laid down by the challenger. Whenever a great power with a position of primacy to defend allows itself to be bullied into appeasement of ultimata from countries seeking a bargaining advantage against it, the balance of power is sure to change—adversely for the country in our present position.

Looking back on what Russia has accomplished for herself since Lenin worried how many days the Bolsheviki might hang on to power, there's no doubt that the Moscow success story has not followed a script written for the Kremlin by our side. There's no doubt either that Red China's drive to go Russia one better is based on a hard and shrewd calculation on what is good for China—not what will please or placate her foreign critics.

Nor is it as if our European critics had disciplined themselves to practice the good economic housekeeping they preach at us. Take the case of coal. It certainly gets down to basics. It tells a horror story of uneconomic protectionism in Europe, where inflation is feeding America's inability to sell the one commodity that it is in Europe's interest to buy. If we took less guff from Europe, and she took more coal from us, things would be going better on both sides of the Atlantic; and there would be less inflation on each side.

WEST GERMANY LEADS

West Germany is the most productive country in Europe, and the richest—despite her wasteful coal protectionism. America's "new" economy may now run on the motive power supplied by consumer expenditures on holiday travel, color TV and false hairpieces. But in West Germany, more than ever, the economy goes as steel goes. And, right now, it's not going nearly as well as all the European lecturing of America for alleged inflationary malpractice suggests. Only last month, for example, the head of West Germany's No. 1 steel mill warned: "If a political decision to help us is not made, we will have no alternative but to produce our steel in another country."

The specific provocation which brought forth this bombshell is a long-standing political decision which hurts the German steel industry without, however, helping the protected German coal industry: It remains hopelessly uncompetitive, burdened with unmarketable surpluses and tying up labor badly needed elsewhere. Official import restrictions limit the sale of American coal to 5 million tons a year. But unofficial restrictions bar it from crossing into the steel-producing districts, which are stuck with the high-cost, otherwise unsalable native product: Hence the grievance and the threat.

SAVINGS ON COAL

American coal can be laid down alongside German steel mills at savings of $7–$8 a ton (after allowing for the cost of ocean freight, which eats up $2.50 a ton of the savings). Thus, if Bonn merely doubled her American coal import quota, her steel mills would save some $40 million a year in coal costs, which our coal industry would earn; and West Germany and America together would generate earnings of upwards of $10 million a year for the countries from which we buy shipping and to which we both sell goods.

There may be a working—and a workable—answer here to the President's rhetorical question: "What would you do?" Tell Europe's central bankers that our coal can do more to fight inflation in their back yards than their self-serving advice can do to fight it on our front door.

Mr. LONG of Missouri. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROPOSED INCREASE IN TEMPORARY DEBT LIMIT

Mr. TOWER. Mr. President, I am opposed to H.R. 15202 which would increase the temporary limit on the public debt.

As a partial result of many of our domestic low-priority programs, Mr. President, this country is faced with an expenditure budget of more than $118 billion for fiscal 1967—representing a $35 billion increase in Federal spending since fiscal 1961. Less than one-third of this increase can be attributed to the war in Vietnam. Americans from every State, including those of my own home State with whom I have visited in recent weeks, have told me about something that costs them more than it used to—food, clothing, services, medicine, as well as interest, the highest in 37 years. This situation has been characterized as only crawling inflation, but I say, Mr. President, that whether it is crawling inflation, galloping inflation, limping inflation, or ambling inflation, it is still inflation and it should be limited. Cost-of-living increases in the past few months have been the greatest in 15 years. All Americans, young and old, have been touched by and penalized by inflation. It is time inflation was brought under control.

The lessons of history tell us that every major modern inflationary trend has been aggravated by excessive Government spending. It is a matter of grave concern to me that continual Federal deficit spending and continuing fiscal irresponsibility have operated to drive the cost of living ever upward. Unwise Government policies are thus evident in their request that the debt limit of the already mammoth-sized public debt be further increased.

Mr. President, the plain fact is that in the face of war and inflation we should be reducing our domestic spending or placing responsible priorities on its spending. Our policy of "going now, paying later," has brought about the largest debt in our Nation's history—a whopping $324 billion. The interest alone costs American taxpayers $22,000 a minute; $11 billion a year. Inflation, itself, is the most cruel, unjust form of taxation, hitting hardest the poor, the elderly, and others on fixed incomes. Mr. President, I suggest that a true "war on poverty might be waged by reducing spending, paying off the national debt, and leaving in the pocketbooks and paychecks of American citizens more money of their own in which to spend as they so choose.

Whether in a time of war or in a time of peace, planned Federal expenditures could and should be reduced without impairing essential functions. Constructive reductions should be made and the budget should be balanced, and we could start reducing the debt limit toward the permanent ceiling, instead of continually raising it. Although a deficit of less than $2 billion for fiscal 1967 is forecast, such optimistic reports are largely based on budgetary changes in bookkeeping methods.

Mr. President, as frustrating as the annual debt limit exercise has been it has served a worthwhile purpose. Such a debt limit focuses attention on Government spending. Moreover, it spotlights the fact that our spending policies that have resulted in a rising deficit in our balance of payments, threatened our international monetary stability, furthered the drain of our gold reserves, and presented a serious problem in debt management.

The housewife has been asked to cut down on purchases, the public urged to step up Government bond buying, and business urged to cut back on expenditures for plant expansion. I say here and now, that restraint in spending is a deed that ought to be practiced as well as by our Government.

We must face up to the precariousness of our present financial situation. Certainly steps must be taken to meet this country's serious inflationary surge. Since there is no indication that the administration is ready or willing to do so, I urge my colleagues in both parties to represent the wishes of the American people and stop insidious inflation, and halt spurious spending. A vote against raising the public debt limit is a vote for sound fiscal policy—a vote to reestablish responsible budgeting, and a vote for a freer, more equitable economy.

ADMINISTRATION OF JUSTICE—MIRANDA AGAINST ARIZONA

Mr. MORSE. Mr. President, before I turn to the prepared speech that I shall make on the subject of the proposed raid on the protected green strips in our national forests, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the majority and minority opinions handed down by the Supreme Court on Monday of this week in the case of Miranda against Arizona.

There being no objection, the opinions were ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES—NOS. 759, 760, 761 AND 584.—OCTOBER TERM, 1965.

Ernesto A. Miranda, Petitioner, 759 *v.* State or Arizona. On Writ of Certiorari to the Supreme Court of the State of Arizona.

Michael Vignera, Petitioner, 760 *v.* State of New York. On Writ of Certiorari to the Court of Appeals of the State of New York.

Carl Calvin Westover, Petitioner, 761 *v.* United States. On Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit.

State of California, Petitioner, 584 *v.* Roy Allen Stewart. On Writ of Certiorari to the Supreme Court of the State of California.

[June 13, 1966.]

MR. CHIEF JUSTICE WARREN delivered the opinion of the Court.

The cases before us raise questions which go to the roots of our concepts of American criminal jurisprudence: the restraints society must observe consistent with the Federal Constitution in prosecuting individuals for crime. More specifically, we deal with the admissibility of statements obtained from an individual who is subjected to custodial police interrogation and the necessity for procedures which assure that the individual is accorded his privilege under the Fifth Amendment to the Constitution not to be compelled to incriminate himself.

We dealt with certain phases of this problem recently in *Escobedo* v. *Illinois*, 378 U.S. 478 (1964). There, as in the four cases before us, law enforcement officials took the defendant into custody and interrogated him in a police station for the purpose of obtaining a confession. The police did not effectively advise him of his right to remain silent or of his right to consult with his attorney. Rather, they confronted him with an alleged accomplice who accused him of having perpetrated a murder. When the defendant denied the accusation and said "I didn't shoot Manuel, you did it," they handcuffed him and took him to an interrogation room. There, while handcuffed and standing, he was questioned for four hours until he confessed. During this interrogation, the police denied his request to speak to his attorney, and they prevented his retained attorney, who had come to the police station, from consulting with him. At his trial, the State, over his objection, introduced the confession against him. We held that the statements thus made were constitutionally inadmissible.

This case has been the subject of judicial interpretation and spirited legal debate since it was decided two years ago. Both state and federal courts, in assessing its implications, have arrived at varying conclusions.[1] A wealth of scholarly material has been written tracing its ramifications and underpinnings.[2] Police and prosecutor have speculated on its range and desirability.[3] We granted certiorari in these cases, 382 U.S. 924, 925, 937, in order further to explore some facets of the problems, thus exposed, of applying the privilege against self-incrimination to in-custody interrogation, and to give concrete constitutional guidelines for law enforcement agencies and courts to follow.

We start here, as we did in *Escobedo*, with the premise that our holding is not an innovation in our jurisprudence, but is an application of principles long recognized and applied in other settings. We have undertaken a thorough re-examination of the *Escobedo* decision and the principles it announced, and we reaffirm it. That case was but an explication of basic rights that are enshrined in our Constitution—that "No person . . . shall be compelled in any criminal case to be a witness against himself," and that "the accused shall . . . have the Assistance of Counsel"—rights which were put in jeopardy in that case through official overbearing. These precious rights were fixed in our Constitution only after centuries of persecution and struggle. And in the words of Chief Justice Marshall, they were secured "for ages to come and . . . designed to approach immortality as nearly as human institutions can approach it," *Cohens* v. *Virginia*, 6 Wheat. 264, 387 (1821).

Over 70 years ago, our predecessors on this Court eloquently stated:

"The maxim *nemo tenetur seipsum accusare* had its origin in a protest against the inquisitorial and manifestly unjust methods of interrogating accused persons, which has long obtained in the continental system, and, until the expulsion of the Stuarts from the British throne in 1688, and the erection of additional barriers for the protection of the people against the exercise of arbitrary power, was not uncommon even in England. While the admissions or confessions of the prisoner, when voluntarily and freely made, have always ranked high in the scale of incriminating evidence, if an accused person be asked to explain his apparent connection with a crime under investigation, the ease with which the questions put to him may assume an inquisitorial character, the temptation to press the witness unduly, to browbeat him if he be timid or reluctant, to push him into a corner, and to entrap him into fatal contradictions, which is so painfully evidenced in many of these earlier state trials, notably in those of Sir Nicholas Throckmorton, and Udal, the Puritan minister, made the system so odious as to give rise to a demand for its total abolition. The change in the English criminal procedure in that particular seems to be founded upon no statute and no judicial opinion, but upon a general and silent acquiescence of the courts in a popular demand. But, however adopted, it has become firmly embedded in English, as well as in American jurisprudence. So deeply did the inequities of the ancient system impress themselves upon the minds of the American colonists that the States, with one accord, made a denial of the right to question an accused person, a part of their fundamental law, so that a maxim, which in England was a mere rule of evidence, became clothed in this country with the impregnability of a constitutional enactment." *Brown* v. *Walker,* 161 U.S. 591, 596–597 (1896).

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[1] Compare *United States* v. *Childress*, 347 F. 2d 448 (C. A. 7th Cir. 1965) with *Collins* v. *Beto*, 348 F. 2d 823 (C. A. 5th Cir. 1965). Compare *People* v. *Dorado*, 62 Cal. 2d 350, 398 P. 2d 361, 42 Cal. Rptr. 169 (1964) with *People* v. *Hartgraves*, 31 Ill. 2d 375, 202 N. E. 2d 33 (1964).

[2] See, *e. g.*, Enker and Elsen, Counsel for the Suspect: *Massiah* v. *United States* and *Escobedo* v. *Illinois*, 49 Minn. L. Rev. 47 (1964); Herman, The Supreme Court and Restrictions on Police Interrogations, 25 Ohio St. L. J. 449 (1964); Kamisar, Equal Justice in the Gatehouses and Mansions of American Criminal Procedure, in Criminal Justice in Our Time (1965); Dowling, Escobedo and Beyond: The Need for a Fourteenth Amendment Code of Criminal Procedure, 56 J. Crim. L., C. & P. S. 156 (1965).

The complex problems also prompted discussions by jurists. Compare Bazelon, Law, Morality and Civil Liberties, 12 U. C. L. A. L. Rev. 13 (1964), with Friendly, The Bill of Rights as a Code of Criminal Procedure, 53 Calif. L. Rev. 929 (1965).

[3] For example, the Los Angeles Police Chief stated that "If the police are required . . . to . . . establish that the defendant was apprised of his constitutional guarantees of silence and legal counsel prior to the uttering of any admission or confession, and that he intelligently waived these guarantees . . . a whole Pandora's box is opened as to under what circumstances . . . can a defendant intelligently waive these rights. . . . Allegations that modern criminal investigation can compensate for the lack of a confession or admission in every criminal case is totally absurd!" Parker, 40 L. A. Bar. Bull. 603, 607, 642 (1965). His prosecutorial counterpart, District Attorney Younger, stated that "[I]t begins to appear that many of these seemingly restrictive decisions are going to contribute directly to a more effective, efficient and professional level of law enforcement." L. A. Times, Oct. 2, 1965, p. 1. The former Police Commissioner of New York, Michael J. Murphy, stated of *Escobedo:* "What the Court is doing is akin to requiring one boxer to fight by Marquis of Queensbury rules while permitting the other to butt, gouge and bite." N. Y. Times, May 14, 1965, p. 39. The former United States Attorney for the District of Columbia, David C. Acheson, who is presently Special Assistant to the Secretary of the Treasury (for Enforcement), and directly in charge of the Secret Service and the Bureau of Narcotics, observed that "Prosecution procedure has, at most, only the most remote causal connection with crime. Changes in court decisions and prosecution procedure would have about the same effect on the crime rate as an aspirin would have on a tumor of the brain." Quoted in Herman, *supra*, n. 2, at 500, n. 270. Other views on the subject in general are collected in Weisberg, Police Interrogation of Arrested Persons: A Skeptical View, 52 J. Crim. L., C. & P. S., 21 (1961).

In stating the obligation of the judiciary to apply these constitutional rights, this Court declared in *Weems* v. *United States,* 217 U.S. 349, 373 (1910):

"... our contemplation cannot be only what has been but of what may be. Under any other rule a constitution would indeed be as easy of application as it would be deficient in efficacy and power. Its general principles would have little value and be converted by precedent into impotent and lifeless formulas. Rights declared in words might be lost in reality. And this has been recognized. The meaning and vitality of the Constitution have developed against narrow and restrictive construction."

This was the spirit in which we delineated, in meaningful language, the manner in which the constitutional rights of the individual could be enforced against overzealous police practices. It was necessary in *Escobedo,* as here, to insure that what was proclaimed in the Constitution had not become but a "form of words," *Silverthorne Lumber Co.* v. *United States,* 251 U.S. 385, 392 (1920), in the hands of government officials. And it is in this spirit, consistent with our role as judges, that we adhere to the principles of *Escobedo* today.

Our holding will be spelled out with some specificity in the pages which follow but briefly stated it is this: the prosecution may not use statements, whether exculpatory or inculpatory, stemming from custodial interrogation of the defendant unless it demonstrates the use of procedural safeguards effective to secure the privilege against self-incrimination. By custodial interrogation, we mean questioning initiated by law enforcement officers after a person has been taken into custody or otherwise deprived of his freedom of action in any significant way.[4] As for the procedural safeguards to be employed, unless other fully effective means are devised to inform accused persons of their right of silence and to assure a continuous opportunity to exercise it, the following measures are required. Prior to any questioning, the person must be warned that he has a right to remain silent, that any statement he does make may be used as evidence against him, and that he has a right to the presence of an attorney, either retained or appointed. The defendant may waive effectuation of these rights, provided the waiver is made voluntarily, knowingly and intelligently. If, however, he indicates in any manner and at any stage of the process that he wishes to consult with an attorney before speaking there can be no questioning. Likewise, if the individual is alone and indicates in any manner that he does not wish to be interrogated, the police may not question him. The mere fact that he may have answered some questions or volunteered some statements on his own does not deprive him of the right to refrain from answering any further inquiries until he has consulted with an attorney and thereafter consents to be questioned.

I

The constitutional issue we decide in each of these cases is the admissibility of statements obtained from a defendant questioned while in custody and deprived of his freedom of action. In each, the defendant was questioned by police officers, detectives, or a prosecuting attorney in a room in which he was cut off from the outside world. In none of these cases was the defendant given a full and effective warning of his rights at the outset of the interrogation process. In all the cases, the questioning elicited oral admissions, and in three of them, signed statements as well which were admitted at their trials. They all thus share salient features—incommunicado interrogation of individuals in a police-dominated atmosphere, resulting in self-incriminating statements without full warnings of constitutional rights.

An understanding of the nature and setting of this in-custody interrogation is essential to our decisions today. The difficulty in depicting what transpires at such interrogations stems from the fact that in this country they have largely taken place incommunicado. From extensive factual studies undertaken in the early 1930's, including the famous Wickersham Report to Congress by a Presidential Commission, it is clear that police violence and the "third degree" flourished at that time.[5] In a series of cases decided by this Court long after these studies, the police resorted to physical brutality—beatings, hanging, whipping—and to sustained and protracted questioning incommunicado in order to extort confessions.[6] The 1961 Commission on Civil Rights found much evidence to indicate that "some policemen still resort to physical force to obtain confessions," 1961 Comm'n on Civil Rights Rep., Justice, pt. 5, 17. The use of physical brutality and violence is not, unfortunately, relegated to the past or to any part of the country. Only recently in Kings County, New York, the police brutally beat, kicked and placed lighted cigarette butts on the back of a potential witness under interrogation for the purpose of securing a statement incriminating a third party. *People* v. *Portelli,* 15 N. Y. 2d 235, 205 N. E. 2d 857, 257 N. Y. S. 2d 931 (1965).[7]

The examples given above are undoubtedly the exception now. but they are sufficiently widespread to be the object of concern. Unless a proper limitation upon custodial interrogation is achieved—such as these decisions will advance—there can be no assurance that practices of this nature will be eradicated in the foreseeable future. The conclusion of the Wickersham Commission Report, made over 30 years ago, is still pertinent:

"To the contention that the third degree is necessary to get the facts, the reporters aptly reply in the language of the present Lord Chancellor of England (Lord Sankey): 'It is not admissible to do a great right by doing a little wrong. . . . It is not sufficient to do justice by obtaining a proper result by irregular or improper means.' Not only does the use of the third degree involve a flagrant violation of law by the officers of the law, but it involves also the dangers of false confessions, and it tends to make police and prosecutors less zealous in the search for objective evidence. As the New York prosecutor quoted in the report said, 'It is a short cut and makes the police lazy and unenterprising.' Or, as another official quoted remarked: 'If you use your fists, you are not so likely to use your wits.' We agree with the conclusion expressed in the report, that 'The third degree brutalizes the police, hardens the prisoner against society, and lowers the esteem in which the administration of justice is held by the public.'" IV National Commission on Law Observance and Enforcement, Report on Lawlessness in Law Enforcement (1931), 5.

Again we stress that the modern practice of in-custody interrogation is psychologically rather than physically oriented. As we have stated before, "Since *Chambers* v. *Florida,* 309 U.S. 227, this Court has recognized that coercion can be mental as well as physical, and that the blood of the accused is not the only hallmark of an unconstitutional inquisition." *Blackburn* v. *Alabama,* 361 U.S. 199, 206 (1960). Interrogation still takes place in privacy. Privacy results in secrecy and this in turn results in a gap in our knowledge as to what in fact goes on in the interrogation rooms. A valuable source of information about present police practices, however, may be found in various police manuals and texts which document procedures employed with success in the past, and which recommend various other effective tactics.[8] These texts are used by law enforcement agencies themselves as guides.[9] It should be noted that these texts professedly present the most enlightened and effective means presently used to obtain statements through custodial interrogation. By considering these texts and other data, it is possible to describe procedures observed and noted around the country.

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[4] This is what we meant in *Escobedo* when we spoke of an investigation which had focused on an accused.

[5] See, for example, IV National Commission on Law Observance and Enforcement, Report on Lawlessness in Law Enforcement (1931) [Wickersham Report]; Booth, Confessions and Methods Employed in Procuring Them, 4 So. Calif. L. Rev. 83 (1930); Kauper, Judicial Examination of the Accused—A Remedy for the Third Degree, 30 Mich L. Rev. 1224 (1932). It is significant that instances of third-degree treatment of prisoners almost invariably took place during the period between arrest and preliminary examination. Wickersham Report, at 169; Hall, The Law of Arrest in Relation to Contemporary Social Problems, 3 U. Chi. L. Rev. 345, 357 (1936). See also Foote, Law and Police Practice: Safeguards in the Law of Arrest, 52 Nw. U. L. Rev. 16 (1957).

[6] *Brown* v. *Mississippi,* 297 U.S. 278 (1936); *Chambers* v. *Florida,* 309 U.S. 227 (1940); *Canty* v. *Alabama,* 309 U.S. 629 (1940); *White* v. *Texas,* 310 U.S. 530 (1940); *Vernon* v. *Alabama,* 313 U.S. 547 (1941); *Ward* v. *Texas,* 316 U.S. 547 (1942); *Ashcraft* v. *Tennessee,* 322 U.S. 143 (1944); *Malinski* v. *New York,* 324 U.S. 401 (1945); *Leyra* v. *Denno,* 347 U.S. 556 (1954). See also *Williams* v. *United States,* 341 U.S. 97 (1951).

[7] In addition, see *People* v. *Wakat,* 415 Ill. 610, 114 N. E. 2d 706 (1953); *Wakat* v. *Harlib,* 253 F. 2d 59 (C. A. 7th Cir. 1958) (defendant suffering from broken bones, multiple bruises and injuries sufficiently serious to require eight months' medical treatment after being manhandled by five policemen); *Kier* v. *State,* 213 Md. 556, 132 A. 2d 494 (1957) (police doctor told accused, who was strapped to a chair completely nude, that he proposed to take hair and skin scrapings from anything that looked like blood or sperm from various parts of his body); *Bruner* v. *People,* 113 Col. 194, 156 P. 2d 111 (1945) (defendant held in custody over two months deprived of food for 15 hours, forced to submit to a lie detector test when he wanted to go to the toilet); *People* v. *Matlock,* 51 Cal. 2d 682, 336 P. 2d 505 (1959) (defendant questioned incessantly over an evening's time, made to lie on cold board and to answer questions whenever it appeared he was getting sleepy). Other cases are documented in American Civil Liberties Union, Illinois Division, Secret Detention by the Chicago Police (1959); Pott, The Preliminary Examination and "The Third Degree," 2 Baylor L. Rev. 131 (1950); Sterling, Police Interrogation and the Psychology of Confession, 14 J. Pub. L. 25 (1965).

[8] The manuals quoted in the text following are the most recent and representative of the texts currently available. Material of the same nature appears in Kidd, Police Interrogation (1940); Mulbar, Interrogation (1951); Dienstein, Technics for the Crime Investigator (1952), 97–115. Studies concerning the observed practices of the police appear in LaFave, Arrest: The Decision To Take a Suspect Into Custody (1965), 244–437, 490–521; LaFave, Detention for Investigation by the Police: An Analysis of Current Practices, 1962 Wash. U. L. Q. 331; Barrett,

The officers are told by the manuals that the "principal psychological factor contributing to a successful interrogation is *privacy*—being alone with the person under interrogation." [10] The efficacy of this tactic has been explained as follows:

"If at all practicable, the interrogation should take place in the investigator's office or at least in a room of his own choice. The subject should be deprived of every psychological advantage. In his own home he may be confident, indignant, or recalcitrant. He is more keenly aware of his rights and more reluctant to tell of his indiscretions of criminal behavior within the walls of his own home. Moreover his family and other friends are nearby, their presence lending moral support. In his own office, the investigator possesses all the advantages. The atmosphere suggests the invincibility of the forces of the law." [11]

To highlight the isolation and unfamiliar surroundings the manuals instruct the police to display an air of confidence in the suspect's guilt and from outward appearance to maintain only an interest in confirming certain details. The guilt of the subject is to be posited as a fact. The interrogater should direct his comments toward the reasons why the subject committed the act, rather than to court failure by asking the subject whether he did it. Like other men, perhaps the subject has had a bad family life, had an unhappy childhood, had too much to drink, had an unrequited attraction to women. The officers are instructed to minimize the moral seriousness of the offense,[12] to cast blame on the victim or on society.[13] These tactics are designed to put the subject in a psychological state where his story is but an elaboration of what the police purport to know already—that he is guilty. Explanations to the contrary are dismissed and discouraged.

The texts thus stress that the major qualities an interrogater should possess are patience and perseverance. One writer describes the efficacy of these characteristics in this manner:

"In the preceding paragraphs emphasis has been placed on kindness and stratagems. The investigator will, however, encounter many situations where the sheer weight of his personality will be the deciding factor. Where emotional appeals and tricks are employed to no avail, he must rely on an oppressive atmosphere of dogged persistence. He must interrogate steadily and without relent, leaving the subject no prospect of surcease. He must dominate his subject and overwhelm him with his inexorable will to obtain the truth. He should interrogate for a spell of several hours pausing only for the subject's necessities in acknowledgment of the need to avoid a charge of duress that can be technically substantiated. In a serious case, the interrogation may continue for days, with the required intervals for food and sleep, but with no respite from the atmosphere of domination. It is possible in this way to induce the subject to talk without resorting to duress or coercion. This method should be used only when the guilt of the subject appears highly probable." [14]

The manuals suggest that the suspect be offered legal excuses for his actions in order to obtain an initial admission of guilt. Where there is a suspected revenge-killing, for example, the interrogator may say:

"Joe, you probably didn't go out looking for this fellow with the purpose of shooting him. My guess is, however, that you expected something from him and that's why you carried a gun—for your own protection. You knew him for what he was, no good. Then when you met him he probably started using foul, abusive language and he gave some indication that he was about to pull a gun on you, and that's when you had to act to save your own life. That's about it, isn't it, Joe?" [15]

Having then obtained the admission of shooting, the interrogator is advised to refer to circumstantial evidence which negates the self-defense explanation. This should enable him to secure the entire story. One text notes that "Even if he fails to do so, the inconsistency between the subject's original denial of the shooting and his present admission of at least doing the shooting will serve to deprive him of a self-defense 'out' at the time of trial." [16]

When the techniques described above prove unavailing, the texts recommend they be alternated with a show of some hostility. One ploy often used has been termed the "friendly-unfriendly" or the "Mutt and Jeff" act:

". . . In this technique, two agents are employed, Mutt, the relentless investigator, who knows the subject is guilty and is not going to waste any time. He's sent a dozen men away for this crime and he's going to send the subject away for the full term. Jeff, on the other hand, is obviously a kindhearted man. He has a family himself. He has a brother who was involved in a little scrape like this. He disapproves of Mutt and his tactics and will arrange to get him off the case if the subject will cooperate. He can't hold Mutt off for very long. The subject would be wise to make a quick decision. The technique is applied by having both investigators present while Mutt acts out his role. Jeff may stand by quietly and demur at some of Mutt's tactics. When Jeff makes his plea for cooperation, Mutt is not present in the room." [17]

The interrogators sometimes are instructed to induce a confession out of trickery. The technique here is quite effective in crimes which require identification or which run in series. In the identification situation, the interrogator may take a break in his questioning to place the subject among a group of men in a line-up. "The witness or complainant (previously coached, if necessary) studies the line-up and confidently points out the subject as the guilty party." [18] Then the questioning resumes "as though there were now no doubt about the guilt of the subject." A variation on this technique is called the "reverse line-up":

"The accused is placed in a line-up, but this time he is identified by several fictitious witnesses or victims who associated him with different offenses. It is expected that the subject will become desperate and confess to the offense under investigation in order to escape from the false accusations." [19]

The manuals also contain instructions for police on how to handle the individual who refuses to discuss the matter entirely, or who asks for an attorney or relatives. The examiner is to concede him the right to remain silent. "This usually has a very undermining effect. First of all, he is disappointed in his expectation of an unfavorable reaction on the part of the interrogator. Secondly, a concession of this right to remain silent impresses the subject with the apparent fairness of his interrogator." [20] After this psychological conditioning, however, the officer is told to point out the incriminating significance of the suspect's refusal to talk:

"Joe, you have a right to remain silent. That's your privilege and I'm the last person in the world who'll try to take it away from you. If that's the way you want to leave this, O.K. But let me ask you this. Suppose you were in my shoes and I were in yours and you called me in to ask me about this and I told you, 'I don't want to answer any of your questions.' You'd think I had something to hide, and you'd probably be right in thinking that. That's exactly what I'll have to think about you, and so will everybody else. So let's sit here and talk this whole thing over." [21]

Few will persist in their initial refusals to talk, it is said, if this monologue is employed correctly.

In the event that the subject wishes to speak to a relative or an attorney, the following advice is tendered:

"[T]he interrogator should respond by suggesting the subject first tell the truth to the interrogator himself rather than get anyone else involved in the matter. If the request is for an attorney, the interrogator may suggest that the subject save himself or his family the expense of any such professional service, particularly if he is in-

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Police Practices and the Law—From Arrest to Release or Charge, 50 Calif L. Rev. 11 (1962); Sterling, *supra*, n. 7, at 47–65.

[9] The methods described in Inbau and Reid, Criminal Interrogation and Confessions (1962), are a revision and enlargement of material presented in three prior editions of a predecessor text, Lie Detection and Criminal Interrogation (3d ed. 1953). The authors and their associates are officers of the Chicago Police Scientific Crime Detection Laboratory and have had extensive experience in writing, lecturing and speaking to law enforcement authorities over a 20-year period. They say that the techniques portrayed in their manuals reflect their experiences and are the most effective psychological stratagems to employ during interrogations. Similarly, the techniques described in O'Hara, Fundamentals of Criminal Investigation (1959), were gleaned from long service as observer, lecturer in police science, and work as a federal criminal investigator. All these texts have had rather extensive use among law enforcement agencies and among students of police science, with total sales and circulation of over 44,000.

[10] Inbau and Reid, *supra*, at 1.

[11] O'Hara, *supra*, at 99.

[12] Inbau and Reid, *supra*, at 34–43, 87. For example, in *Leyra* v. *Denno*, 347 U.S. 556 (1954), the interrogator-psychiatrist told the accused, "We do sometimes things that are not right, but in a fit of temper or anger we sometimes do things we aren't really responsible for," *id.*, at 562, and again, "We know that morally you were just in anger. Morally, you are not to be condemned," *id.*, at 582.

[13] Inbau and Reid, *supra*, at 43–55.

[14] O'Hara, *supra*, at 112.

[15] Inbau and Reid, *supra*, at 40.

[16] *Ibid.*

[17] O'Hara, *supra*, at 104 Inbau and Reid, *supra*, at 58–59. See *Spano* v. *New York*, 360 U.S. 315 (1959). A variant on the technique of creating hostility is one of engendering fear. This is perhaps best described by the prosecuting attorney in *Malinski* v. *New York*,, 324 U.S. 401, 407, (1945): "Why all this talk about being undressed? Of course, they had a right to undress him to look for bullet scars, and keep the clothes off him. That was quite proper police procedure. That is some more psychology—let him sit around with a blanket on him, humiliate him there for a while; let him sit in the corner, let him think he is going to get a shellacking."

[18] O'Hara, *supra*, at 105–106.

[19] *Id.*, at 106.

[20] Inbau and Reid, *supra*, at 111.

[21] *Ibid.*

nocent of the offense under investigation. The interrogator may also add, 'Joe, I'm only looking for the truth, and if you're telling the truth, that's it. You can handle this by yourself.' "[22]

From these representative samples of interrogation techniques, the setting prescribed by the manuals and observed in practice becomes clear. In essence, it is this: To be alone with the subject is essential to prevent distraction and to deprive him of any outside support. The aura of confidence in his guilt undermines his will to resist. He merely confirms the preconceived story the police seek to have him describe. Patience and persistence, at times relentless questioning, are employed. To obtain a confession, the interrogator must "patiently maneuver himself or his quarry into a position from which the desired object may be obtained."[23] When normal procedures fail to produce the needed result, the police may resort to deceptive stratagems such as giving false legal advice. It is important to keep the subject off balance, for example, by trading on his insecurity about himself or his surroundings. The police then persuade, trick, or cajole him out of exercising his constitutional rights.

Even without employing brutality, the "third degree" or the specific stratagems described above, the very fact of custodial interrogation exacts a heavy toll on individual liberty and trades on the weakness of individuals.[24] This fact may be illustrated simply by referring to three confession cases decided by this Court in the Term immediately preceding our *Escobedo* decision. In *Townsend* v. *Sain*, 372 U.S. 293 (1963), the defendant was a 19-year-old heroin addict, described as a "near mental defective," *id.*, at 307–310. The defendant in *Lynumn* v. *Illinois*, 372 U.S. 528 (1963), was a woman who confesed to the arresting officer after being importuned to "cooperate" in order to prevent her children from being taken by relief authorities. This Court similarly reversed the conviction of a defendant in *Haynes* v. *Washington*, 373 U.S. 503 (1963), whose persistent request during his interrogation was to phone his wife or attorney.[25] In other settings, these individuals might have exercised their constitutional rights. In the incommunicado police-dominated atmosphere, they succumbed.

In the cases before us today, given this background, we concern ourselves primarily with this interrogation atmosphere and the evils it can bring. In No. 759, *Miranda* v. *Arizona*, the police arrested the defendant and took him to a special interrogation room where they secured a confession. In No. 760, *Vignera* v. *New York*, the defendant made oral admissions to the police after interrogation in the afternoon, and then signed an inculpatory statement upon being questioned by an assistant district attorney later the same evening. In No. 761, *Westover* v. *United States*, the defendant was handed over to the Federal Bureau of Investigation by local authorities after they had detained and interrogated him for a lengthy period, both at night and the following morning. After some two hours of questioning, the federal officers had obtained signed statements from the defendant. Lastly, in No. 584, *California* v. *Stewart*, the local police held the defendant five days in the station and interrogated him on nine separate occasions before they secured his inculpatory statement.

In these cases, we might not find the defendants' statements to have been involuntary in traditional terms. Our concern for adequate safeguards to protect precious Fifth Amendment rights is, of course, not lessened in the slightest. In each of the cases, the defendant was thrust into an unfamiliar atmosphere and run through menacing police interrogation procedures. The potentiality for compulsion is forcefully apparent, for example, in *Miranda*, where the indigent Mexican defendant was a seriously disturbed individual with pronounced sexual fantasies, and in *Stewart*, in which the defendant was an indigent Los Angeles Negro who had dropped out of school in the sixth grade. To be sure, the records do not evince overt physical coercion or patented psychological ploys. The fact remains that in none of these cases did the officers undertake to afford appropriate safeguards at the outset of the interrogation to insure that the statements were truly the product of free choice.

It is obvious that such an interrogation environment is created for no purpose other than to subjugate the individual to the will of his examiner. This atmosphere carries its own badge of intimidation. To be sure, this is not physical intimidation, but it is equally destructive of human dignity.[26] The current practice of incommunicado interrogation is at odds with one of our Nation's most cherished principles—that the individual may not be compelled to incriminate himself. Unless adequate protective devices are employed to dispel the compulsion inherent in custodial surroundings, no statement obtained from the defendant can truly be the product of his free choice.

From the foregoing, we can readily perceive an intimate connection between the privilege against self-incrimination and police custodial questioning. It is fitting to turn to history and precedent underlying the Self-Incrimination Clause to determine its applicability in this situation.

II

We sometimes forget how long it has taken to establish the privilege against self-incrimination, the sources from which it came and the fervor with which it was defended. Its roots go back into ancient times.[27] Perhaps the critical historical event shedding light on its origins and evolution was the trial of one John Lilburn, a vocal anti-Stuart Leveller, who was made to take the Star Chamber Oath in 1637. The oath would have bound him to answer to all questions posed to him on any subject. The Trial of John Lilburn and John Wharton, 3 How. St. Tr. 1315 (1637–1645). He resisted the oath and declaimed the proceedings, stating:

"Another fundamental right I then contended for, was, that no man's conscience ought to be racked by oaths imposed, to answer to questions concerning himself in matters criminal, or pretended to be so." Heller and Davies, The Leveller Tracts 1647–1653 (1944), 454.

On account of the Lilburn Trial, Parliament abolished the inquisitorial Court of Star Chamber and went further in giving him generous reparation. The lofty principles to which Lilburn had appealed during his trial gained popular acceptance in England.[28] These sentiments worked their way over to the Colonies and were implanted after great struggle into the Bills of Rights.[29] Those who framed our Constitution and the Bill of Rights were ever aware of subtle encroachments on individual liberty. They knew that "illegitimate and unconstitutional practices get their first footing . . . by silent approaches and slight deviations from legal modes of procedure." *Boyd* v. *United States*, 116 U. S. 616, 635 (1886). The privilege was elevated to constitutional status and has always been "as broad as the mischief against which it seeks to guard." *Counselman* v. *Hitchcock*, 142 U. S. 547, 562 (1892). We cannot depart from this noble heritage.

Thus we may view the historical development of the privilege as one which groped for the proper scope of governmental power over the citizen. As a "noble principle often transcends its origins," the privilege has come rightfully to be recognized in part as an individual's substantive right, a "right to a private enclave where he may lead a private life. That right is the hallmark of our democracy." *United States* v. *Grunewald*, 233 F. 2d 556, 579, 581–582 (Frank J., dissenting), rev'd 353 U. S. 391 (1957). We have recently noted that the privilege against self-incrimination—the essential mainstay of our adversary system—is founded on a complex of values, *Murphy* v. *Waterfront*

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[22] Inbau and Reid, *supra*, at 112.

[23] Inbau and Reid, Lie Detection and Criminal Interrogation (3d ed. 1953), 185.

[24] Interrogation procedures may even give rise to a false confession. The most recent conspicuous example occurred in New York in 1964 when a Negro of limited intelligence confessed to two brutal murders and a rape which he had not committed. When this was discovered, the prosecutor was reported as saying: "Call it what you want—brainwashing, hypnosis, fright. They made him give an untrue confession. The only thing I don't believe is that Whitmore was beaten." N.Y. Times, Jan. 28, 1965, p. 1, col. 5. In two other instances, similar events had occurred. N.Y. Times, Oct. 20, 1964, p. 22, col. 1; N.Y. Times, Aug. 24, 1965, p. 1, col. 1. In general, see Borchard, Convicting the Innocent (1932); Frank and Frank, Not Guilty (1957).

[25] In the fourth confession case decided by the Court in the 1963 Term, *Fay* v. *Noia*, 372 U. S. 391 (1963), our disposition made it unnecessary to delve at length into the facts. The facts of the defendant's case there, however, paralleled those of his co-defendants, whose confessions were found to have resulted from continuous and coercive interrogation for 27 hours, with denial of requests for friends or attorney. See *United States* v. *Murphy*, 222 F. 2d 698 (C. A. 2d Cir., 1955) (Frank, J.); *People* v. *Bonino*, 1 N. Y. 2d 752, 135 N. E. 2d 51 (1956).

[26] The absurdity of denying that a confession obtained under these circumstances is compelled is aptly portrayed by an example in Professor Sutherland's recent article, Crime and Confession, 79 Harv. L. Rev. 21, 37 (1965):

"Suppose a well-to-do testatrix says she intends to will her property to Elizabeth. John and James want her to bequeath it to them instead. They capture the testatrix, put her in a carefully designed room, out of touch with everyone but themselves and their convenient 'witnesses,' keep her secluded there for hours while they make insistent demands, weary her with contradictions and finally induce her to execute the will in their favor. Assume that John and James are deeply and correctly convinced that Elizabeth is unworthy and will make base use of the property if she gets her hands on it, whereas John and James have the noblest and most righteous intentions. Would any judge of probate accept the will so procured as the 'voluntary' act of the testatrix?"

[27] Thirteenth century commentators found an analogue to the privilege grounded in the Bible. "To sum up the matter, the principle that no man is to be declared guilty on his own admission is a divine decree." Maimonides, Mishneh Torah (Code of Jewish Law), Book of Judges, Laws of the Sanhedrin, c. 18, ¶ 6, 3 Yale Judaica Series 52–53. See also Lamm, The Fifth Amendment and Its Equivalent in the Halakha, 5 Judaism 53 (Winter 1956).

[28] See Morgan, The Privilege Against Self-Incrimination, 34 Minn. L. Rev. 1, 9–11 (1949); 8 Wigmore, Evidence (McNaughton rev., 1961), 289–295. See also Lowell, The Judicial Use of Torture, 11 Harv. L. Rev. 220, 290 (1897).

[29] See Pittman, The Colonial and Constitutional History of the Privilege Against Self-Incrimination in America, 21 Va. L. Rev. 763 (1935); *Ullmann* v. *United States*, 350 U.S. 422, 445–449 (1956) (Douglas, J., dissenting).

Comm'n, 378 U. S. 52, 55–57, n. 5 (1964); *Tehan* v. *Shott,* 382 U. S. 406, 414–415, n. 12 (1966). All these policies point to one overriding thought: the constitutional foundation underlying the privilege is the respect a government—state or federal—must accord to the dignity and integrity of its citizens. To maintain a "fair state-individual balance," to require the government "to shoulder the entire load," 8 Wigmore, Evidence (McNaughton rev., 1961), 317, to respect the inviolability of the human personality, our accusatory system of criminal justice demands that the government seeking to punish an individual produce the evidence against him by its own independent labors, rather than by the cruel, simple expedient of compelling it from his own mouth. *Chambers* v. *Florida,* 309 U. S. 227, 235–238 (1940). In sum, the privilege is fulfilled only when the person is guaranteed the right "to remain silent unless he chooses to speak in the unfettered exercise of his own will." *Malloy* v. *Hogan,* 378 U. S. 1, 8 (1964).

The question in these cases is whether the privilege is fully applicable during a period of custodial interrogation. In this Court, the privilege has consistently been accorded a liberal construction. *Albertson* v. *SACB,* 382 U.S. 70, 81 (1965); *Hoffman* v. *United States,* 341 U.S. 479, 486 (1951); *Arndstein* v. *McCarthy,* 254 U.S. 71, 72–73 (1920); *Counselman* v. *Hitchcock,* 142 U.S. 547, 562 (1892). We are satisfied that all the principles embodied in the privilege apply to informal compulsion exerted by law-enforcement officers during in-custody questioning. An individual swept from familiar surroundings into policy custody, surrounded by antagonistic forces, and subjected to the techniques of persuasion described above cannot be otherwise than under compulsion to speak. As a practical matter, the compulsion to speak in the isolated setting of the police station may well be greater than in courts or other official investigations, where there are often impartial observers to guard against intimidation or trickery.[30]

This question, in fact, could have been taken as settled in federal courts almost 70 years ago, when, in *Bram* v. *United States,* 168 U.S. 532, 542 (1897), this Court held:

> "In criminal trials, in the courts of the United States, wherever a question arises whether a confession is incompetent because not voluntary, the issue is controlled by that portion of the Fifth Amendment . . . commanding that no person 'shall be compelled in any criminal case to be a witness against himself.' "

In *Bram,* the Court reviewed the British and American history and case law and set down the Fifth Amendment standard for compulsion which we implement today:

> "Much of the confusion which has resulted from the effort to deduce from the adjudged cases what would be a sufficient quantum of proof to show that a confession was or was not voluntary, has arisen from a misconception of the subject to which the proof must address itself. The rule is not that in order to render a statement admissible the proof must be adequate to establish that the particular communications contained in a statement were voluntarily made, but it must be sufficient to establish that the making of the statement was voluntary; that is to say, that from the causes, which the law treats as legally sufficient to engender in the mind of the accused hope or fear in respect to the crime charged, the accused was not involuntarily impelled to make a statement, when but for the improper influences he would have remained silent. . . ." 168 U.S., at 549. And see, *id.,* at 542.

The Court has adhered to this reasoning. In 1924, Mr. Justice Brandeis wrote for a unanimous Court in reversing a conviction resting on a compelled confession, *Wan* v. *United States,* 266 U.S. 1 He stated:

> "In the federal courts, the requisite of voluntariness is not satisfied by establishing merely that the confession was not induced by a promise or a threat. A confession is voluntary in law if, and only if, it was, in fact, voluntarily made. A confession may have been given voluntarily, although it was made to police officers, while in custody, and in answer to an examination conducted by them. But a confession obtained by compulsion must be excluded whatever may have been the character of the compulsion, and whether the compulsion was applied in a judicial proceeding or otherwise. *Bram* v. *United States,* 168 U.S. 532." 266 U.S., at 14–15.

In addition to the expansive historical development of the privilege and the sound policies which have nurtured its evolution, judicial precedent thus clearly establishes its application to incommunicado interrogation. In fact, the Government concedes this point as well established in No. 761, *Westover* v. *United States,* stating: "We have no doubt . . . that it is possible for a suspect's Fifth Amendment right to be violated during in-custody questioning by a law-enforcement officer."[31]

Because of the adoption by Congress of Rule 5(a) of the Federal Rules of Criminal Procedure, and this Court's effectuation of that Rule in *McNabb* v. *United States,* 318 U.S. 332 (1943), and *Mallory* v. *United States,* 354 U.S. 449 (1957), we have had little occasion in the past quarter century to reach the constitutional issues in dealing with federal interrogations. These supervisory rules, requiring production of an arrested person before a commissioner "without unnecessary delay" and excluding evidence obtained in default of that statutory obligation, were nonetheless responsive to the same considerations of Fifth Amendment policy that unavoidably face us now as to the States. In *McNabb,* 318 U.S., at 343–344, and in *Mallory,* 354 U.S., at 455–456, we recognized both the dangers of interrogation and the appropriateness of prophylaxis stemming from the very fact of interrogation itself.[32]

Our decision in *Malloy* v. *Hogan,* 378 U.S. 1 (1964), necessitates an examination of the scope of the privilege in state cases as well. In *Malloy,* we squarely held the privilege applicable to the States, and held that the substantive standards underlying the privilege applied with full force to state court proceedings. There, as in *Murphy* v. *Waterfront Comm'n,* 378 U.S. 52 (1964), and *Griffin* v. *California,* 380 U.S. 609 (1965), we applied the existing Fifth Amendment standards to the case before us. Aside from the holding itself, the reasoning in *Malloy* made clear what had already become apparent—that the substantive and procedural safeguards surrounding admissibility of confessions in state cases had become exceedingly exacting, reflecting all the policies embedded in the privilege, 378 U.S., at 7–8.[33] The voluntariness doctrine in the state cases, as *Malloy* indicates, encompasses all interrogation practices which are likely to exert such pressure upon an individual as to disable him from making a free and rational choice.[34] The implications of this proposition were elaborated in our decision in *Escobedo* v. *Illinois,* 378 U.S. 478, decided one week after *Malloy* applied the privilege to the States.

Our holding there stressed the fact that the police had not advised the defendant of his constitutional privilege to remain silent at the outset of the interrogation, and we drew attention to that fact at several points in the decision, 378 U.S., at 483, 485, 491. This was no isolated factor, but an essential ingredient in our decision. The entire thrust of police interrogation there, as in all the cases today, was to put the defendant in such an emotional state as to impair his capacity for rational judgment. The abdication of the constitutional privilege—the choice on his part to speak to the police—was not made knowingly or competently because of the failure to apprise him of his rights; the compelling atmosphere of the in-custody interrogation, and not an independent decision on his part, caused the defendant to speak.

A different phase of the *Escobedo* decision was significant in its attention to the absence of counsel during the questioning. There, as in the cases today, we sought a protective device to dispel the compelling atmosphere of the interrogation. In *Escobedo,* however, the police did not relieve the defendant of the anxieties which they had created in the interrogation rooms. Rather, they denied his request for the assistance of counsel, 378 U.S., at 481, 488, 491.[35] This heightened his dilemma, and made his later statements the product of this compulsion. Cf. *Haynes* v. *Washington,* 373 U.S. 503, 514 (1963). The denial of the defendant's request for his attorney thus undermined his ability to exercise the privilege—to remain silent if he chose or to speak without any intimidation, blatant or subtle. The presence of counsel, in all the cases before us today, would be the adequate protective device necessary to make the process of police interrogation conform to the dictates of the privilege. His presence would insure that statements made in the government-established atmosphere are not the product of compulsion.

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[30] Compare *Brown* v. *Walker,* 161 U.S. 596 (1896); *Quinn* v. *United States,* 349 U.S. 155 (1955).

[31] Brief for the United States, p. 28. To the same effect, see Brief for the United States, pp. 40–49, n. 44, *Anderson* v. *United States,* 318 U.S. 350 (1943); Brief for the United States, pp. 17–18, *McNabb* v. *United States,* 318 U.S. 332 (1943).

[32] Our decision today does not indicate in any manner, of course, that these rules can be disregarded. When federal officials arrest an individual, they must as always comply with the dictates of the congressional legislation and cases thereunder. See generally, Hogan and Snee, The McNabb-Mallory Rule: Its Rise, Rationale and Rescue, 47 Geo. L. J. 1 (1958).

[33] The decisions of this Court have guaranteed the same procedural protection for the defendant whether his confession was used in a federal or state court. It is now axiomatic that the defendant's constitutional rights have been violated if his conviction is based, in whole or in part, on an involuntary confession, regardless of its truth or falsity. *Rogers* v. *Richmond,* 365 U.S. 534, 544 (1961); *Wan* v. *United States,* 266 U.S. 1 (1924). This is so even if there is ample evidence aside from the confession to support the conviction, *e.g., Malinski* v. *New York,* 324 U.S. 401, 404 (1945); *Bram* v. *United States,* 168 U.S. 532, 540–542 (1897). Both state and federal courts now adhere to trial procedures which seek to assure a reliable and clear-cut determination of the voluntariness of the confession offered at trial, *Jackson* v. *Denno,* 378 U.S. 368 (1964); *United States* v. *Carignan,* 342 U.S. 36, 38 (1951); see also *Wilson* v. *United States,* 162 U.S. 613, 624 (1896). Appellate review is exacting, see *Haynes* v. *Washington,* 373 U.S. 503 (1963); *Blackburn* v. *Alabama,* 361 U.S. 199 (1960). Whether his conviction was in a federal or state court, the defendant may secure a post-conviction hearing based on the alleged involuntary character of his confession, provided he meets the procedural requirements, *Fay* v. *Noia,* 372 U.S. 391 (1963); *Townsend* v. *Sain,* 372 U.S. 293 (1963). In addition, see *Murphy* v. *Waterfront Comm'n,* 378 U.S. 52 (1964).

[34] See *Lisenba* v. *California,* 314 U.S. 219, 241 (1941); *Ashcraft* v. *Tennessee,* 322 U.S. 143 (1944); *Malinski* v. *New York,* 324 U.S. 401 (1945); *Spano* v. *New York,* 360 U.S. 315 (1959); *Lynumn* v. *Illinois,* 372 U.S. 528 (1963); *Haynes* v. *Washington,* 373 U.S. 503 (1963).

[35] The police also prevented the attorney from consulting with his client. Independent of any other constitutional proscription, this action constitutes a violation of the Sixth Amendment right to the assistance of counsel and excludes any statement obtained in its wake. See *People* v. *Donovan,* 13 N.Y. 2d 148, 193 N. E. 2d 628, 243 N. Y. S. 2d 841 (1964) (Fuld, J.).

It was in this manner that *Escobedo* explicated another facet of the pre-trial privilege, noted in many of the Court's prior decisions: the protection of rights at trial.[36] That counsel is present when statements are taken from an individual during interrogation obviously enhances the integrity of the fact-finding processes in court. The presence of an attorney, and the warnings delivered to the individual, enable the defendant under otherwise compelling circumstances to tell his story without fear, effectively, and in a way that eliminates the evils in the interrogation process. Without the protections flowing from adequate warnings and the rights of counsel, "all the careful safeguards erected around the giving of testimony, whether by an accused or any other witness, would become empty formalities in a procedure where the most compelling possible evidence of guilt, a confession, would have already been obtained at the unsupervised pleasure of the police." *Mapp* v. *Ohio,* 367 U.S. 643, 685 (1961) (HARLAN, J., dissenting). Cf. *Pointer* v. *Texas,* 380 U.S. 400 (1965).

III

Today, then, there can be no doubt that the Fifth Amendment privilege is available outside of criminal court proceedings and serves to protect persons in all settings in which their freedom of action is curtailed from being compelled to incriminate themselves. We have concluded that without proper safeguards the process of in-custody interrogation of persons suspected or accused of crime contains inherently compelling pressures which work to undermine the individual's will to resist and to compel him to speak where he would not otherwise do so freely. In order to combat these pressures and to permit a full opportunity to exercise the privilege against self-incrimination, the accused must be adequately and effectively apprised of his rights and the exercise of those rights must be fully honored.

It is impossible for us to foresee the potential alternatives for protecting the privilege which might be devised by Congress or the States in the exercise of their creative rule-making capacities. Therefore we cannot say that the Constitution necessarily requires adherence to any particular solution for the inherent compulsions of the interrogation process as it is presently conducted. Our decision in no way creates a constitutional straitjacket which will handicap sound efforts at reform, nor is it intended to have this effect. We encourage Congress and the States to continue their laudable search for increasingly effective ways of protecting the rights of the individual while promoting efficient enforcement of our criminal laws. However, unless we are shown other procedures which are at least as effective in apprising accused persons of their right of silence and in assuring a continuous opportunity to exercise it, the following safeguards must be observed.

At the outset, if a person in custody is to be subjected to interrogation, he must first be informed in clear and unequivocal terms that he has the right to remain silent. For those unaware of the privilege, the warning is needed simply to make them aware of it—the threshold requirement for an intelligent decision as to its exercise. More important, such a warning is an absolute prerequisite in overcoming the inherent pressures of the interrogation atmosphere. It is not just the subnormal or woefully ignorant who succumb to an interrogator's imprecations, whether implied or expressly stated, that the interrogation will continue until a confession is obtained or that silence in the face of accusation is itself damning and will bode ill when presented to a jury.[37] Further, the warning will show the individual that his interrogators are prepared to recognize his privilege should he choose to exercise it.

The Fifth Amendment privilege is so fundamental to our system of constitutional rule and the expedient of giving an adequate warning as to the availability of the privilege so simple, we will not pause to inquire in individual cases whether the defendant was aware of his rights without a warning being given. Assessments of the knowledge the defendent possessed, based on information as to his age, education, intelligence, or prior contact with authorities, can never be more than speculation;[38] a warning is a clear-cut fact. More important, whatever the background of the person interrogated, a warning at the time of the interrogation is indispensable to overcome its pressures and to insure that the individual knows he is free to exercise the privilege at that point in time.

The warning of the right to remain silent must be accompanied by the explanation that anything said can and will be used against the individual in court. This warning is needed in order to make him aware not only of the privilege, but also of the consequences of forgoing it. It is only through an awareness of these consequences that there can be any assurance of real understanding and intelligent exercise of the privilege. Moreover, this warning may serve to make the individual more acutely aware that he is faced with a phase of the adversary system—that he is not in the presence of persons acting solely in his interest.

The circumstances surrounding in-custody interrogation can operate very quickly to overbear the will of one merely made aware of his privilege by his interrogators. Therefore, the right to have counsel present at the interrogation is indispensable to the protection of the Fifth Amendment privilege under the system we delineate today. Our aim is to assure that the individual's right to choose between silence and speech remains unfettered throughout the interrogation process. A once-stated warning, delivered by those who will conduct the interrogation, cannot itself suffice to that end among those who most require knowledge of their rights. A mere warning given by the interrogators is not alone sufficient to accomplish that end. Prosecutors themselves claim that the admonishment of the right to remain silent without more "will benefit only the recidivist and the professional." Brief for the National District Attorneys Association as *amicus curiae,* p. 14. Even preliminary advice given to the accused by his own attorney can be swiftly overcome by the secret interrogation process. Cf. *Escobedo* v. *Illinois,* 378 U. S. 478, 485, n. 5. Thus, the need for counsel to protect the Fifth Amendment privilege comprehends not merely a right to consult with counsel prior to questioning, but also to have counsel present during any questioning if the defendant so desires.

The presence of counsel at the interrogation may serve several significant subsidiary functions as well. If the accused decides to talk to his interrogators, the assistance of counsel can mitigate the dangers of untrustworthiness. With a lawyer present the likelihood that the police will practice coercion is reduced, and if coercion is nevertheless exercised the lawyer can testify to it in court. The presence of a lawyer can also help to guarantee that the accused gives a fully accurate statement to the police and that the statement is rightly reported by the prosecution at trial. See *Crooker* v. *California,* 357 U.S. 433, 443–448 (1958) (DOUGLAS, J., dissenting).

An individual need not make a pre-interrogation request for a lawyer. While such request affirmatively secures his right to have one, his failure to ask for a lawyer does not constitute a waiver. No effective waiver of the right to counsel during interrogation can be recognized unless specifically made after the warnings we here delineate have been given. The accused who does not know his rights and therefore does not make a request may be the person who most needs counsel. As the California Supreme Court has aptly put it:

> "Finally, we must recognize that the imposition of the requirement for the request would discriminate against the defendant who does not know his rights. The defendant who does not ask for counsel is the very defendant who most needs counsel. We cannot penalize a defendant who, not understanding his constitutional rights, does not make the formal request and by such failure demonstrates his helplessness. To require the request would be to favor the defendant whose sophistication or status has fortuitously prompted him to make it." *People* v. *Dorado,* 62 Cal. 2d 338, 351, 398 P. 2d 361, 369–370, 42 Cal. Rptr. 169, 177–178 (1965) (Tobriner, J.).

In *Carnley* v. *Cochran,* 369 U.S. 506, 513 (1962), we stated: "[I]t is settled that where the assistance of counsel is a constitutional requisite, the right to be furnished counsel does not depend on a request." This proposition applies with equal force in the context of providing counsel to protect an accused's Fifth Amendment privilege in the face of interrogation.[39] Although the role of counsel at trial differs from the role during interrogation, the differences are not relevant to the question whether a request is a prerequisite.

Accordingly we hold that an individual held for interrogation must be clearly informed that he has the right to consult with a lawyer and to have the lawyer with him during interrogation under the system for protecting the privilege we delineate today.

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[36] *In re Groban,* 352 U.S. 330, 340–352 (1957) (BLACK, J., dissenting); Note, 73 Yale L. J. 1000, 1048–1051 (1964); Comment, 31 U. Chi. L. Rev. 313, 320 (1964) and authorities cited.

[37] See p. 16, *supra.* Lord Devlin has commented:

"It is probable that even today, when there is much less ignorance about these matters than formerly, there is still a general belief that you must answer all questions put to you by a policeman, or at least that it will be the worst for you if you do not." Devlin, The Criminal Prosecution in England (1958), 32.

In accord with this decision, it is impermissible to penalize an individual for exercising his Fifth Amendment privilege when he is under police custodial interrogation. The prosecution may not, therefore, use at trial the fact that he stood mute or claimed his privilege in the face of accusation. Cf. *Griffin* v. *California,* 380 U.S. 609 (1965); *Malloy* v. *Hogan,* 378 U.S. 1, 8 (1964); Comment, 31 U. Chi. L. Rev. 556 (1964); Developments in the Law—Confessions, 79 Harv. L. Rev. 935, 1041–1044 (1966). See also *Bram* v. *United States,* 168 U.S. 532, 562 (1897).

[38] Cf. *Betts* v. *Brady,* 316 U.S. 455 (1942), and the recurrent inquiry into special circumstances it necessitated. See generally, Kamisar, *Betts* v. *Brady* Twenty Years Later: The Right to Counsel and Due Process Values, 61 Mich. L. Rev. 219 (1962).

[39] See Herman, The Supreme Court and Restrictions on Police Interrogation, 25 Ohio St. L. J. 449, 480 (1964).

As with the warnings of the right to remain silent and that anything stated can be used in evidence against him, this warning is an absolute prerequisite to interrogation. No amount of circumstantial evidence that the person may have been aware of this right will suffice to stand in its stead. Only through such a warning is there ascertainable assurance that the accused was aware of this right.

If an individual indicates that he wishes the assistance of counsel before any interrogation occurs, the authorities cannot rationally ignore or deny his request on the basis that the individual does not have or cannot afford a retained attorney. The financial ability of the individual has no relationship to the scope of the rights involved here. The privilege against self-incrimination secured by the Constitution applies to all individuals. The need for counsel in order to protect the privilege exists for the indigent as well as the affluent. In fact, were we to limit these constitutional rights to those who can retain an attorney, our decisions today would be of little significance. The cases before us as well as the vast majority of confession cases with which we have dealt in the past involve those unable to retain counsel.[40] While authorities are not required to relieve the accused of his poverty, they have the obligation not to take advantage of indigence in the administration of justice.[41] Denial of counsel to the indigent at the time of interrogation while allowing an attorney to those who can afford one would be no more supportable by reason or logic than the similar situation at trial and on appeal struck down in *Gideon* v. *Wainwright*, 372 U.S. 355 (1963), and *Douglas* v. *California*, 372 U.S. 353 (1963).

In order fully to apprise a person interrogated of the extent of his rights under this system then, it is necessary to warn him not only that he has the right to consult with an attorney, but also that if he is indigent a lawyer will be appointed to represent him. Without this additional warning, the admonition of the right to consult with counsel would often be understood as meaning only that he can consult with a lawyer if he has one or has the funds to obtain one. The warning of a right to counsel would be hollow if not couched in terms that would convey to the indigent—the person most often subjected to interrogation—the knowledge that he too has a right to have counsel present.[42] As with the warnings of the right to remain silent and of the general right to counsel, only by effective and express explanation to the indigent of this right can there be assurance that he was truly in a position to exercise it.[43]

Once warnings have been given, the subsequent procedure is clear. If the individual indicates in any manner, at any time prior to or during questioning, that he wishes to remain silent, the interrogation must cease.[44] At this point he has shown that he intends to exercise his Fifth Amendment privilege; any statement taken after the person invokes his privilege cannot be other than the product of compulsion, subtle or otherwise. Without the right to cut off questioning, the setting of in-custody interrogation operates on the individual to overcome free choice in producing a statement after the privilege has been once invoked. If the individual states that he wants an attorney, the interrogation must cease until an attorney is present. At that time, the individual must have an opportunity to confer with the attorney and to have him present during any subsequent questioning. If the individual cannot obtain an attorney and he indicates that he wants one before speaking to police, they must respect his decision to remain silent.

This does not mean, as some have suggested, that each police station must have a "station house lawyer" present at all times to advise prisoners. It does mean, however, *that if police propose to interrogate* a person they must make known to him that he is entitled to a lawyer and that if he cannot afford one, a lawyer will be provided for him prior to any interrogation. If authorities conclude that they will not provide counsel during a reasonable period of time in which investigation in the field is carried out, they may do so without violating the person's Fifth Amendment privilege so long as they do not question him during that time.

If the interrogation continues without the presence of an attorney and a statement is taken, a heavy burden rests on the Government to demonstrate that the defendant knowingly and intelligently waived his privilege against self-incrimination and his right to retained or appointed counsel. *Escobedo* v. *Illinois*, 378 U.S. 478, 490, n. 14. This Court has always set high standards of proof for the waiver of constitutional rights, *Johnson v. Zerbst*, 304 U.S. 458 (1938), and we re-assert these standards as applied to in-custody interrogation. Since the State is responsible for establishing the isolated circumstances under which the interrogation takes place and has the only means of making available corroborated evidence of warnings given during incommunicado interrogation, the burden is rightly on its shoulders.

An express statement that the individual is willing to make a statement and does not want an attorney followed closely by a statement could constitute a waiver. But a valid waiver will not be presumed simply from the silence of the accused after warnings are given or simply from the fact that a confession was in fact eventually obtained. A statement we made in *Carnley* v. *Cochran*, 369 U.S. 506, 516 (1962), is applicable here:

> "Presuming waiver from a silent record is impermissible. The record must show, or there must be an allegation and evidence which show, that an accused was offered counsel but intelligently and understandingly rejected the offer. Anything less is not waiver."

See also *Glasser* v. *United States*, 315 U.S. 60 (1942). Moreover, where in-custody interrogation is involved, there is no room for the contention that the privilege is waived if the individual answers some questions or gives some information on his own prior to invoking his right to remain silent when interrogated.[45]

Whatever the testimony of the authorities as to waiver of rights by an accused, the fact of lengthy interrogation or incommunicado incarceration before a statement is made is strong evidence that the accused did not validly waive his rights. In these circumstances the fact that the individual eventually made a statement is consistent with the conclusion that the compelling influence of the interrogation finally forced him to do so. It is inconsistent with any notion of a voluntary relinquishment of the privilege. Moreover, any evidence that the accused was threatened, tricked, or cajoled into a waiver will, of course, show that the defendant did *not voluntarily waive his privilege.* The requirement of warnings and waiver of rights is a fundamental with respect to the Fifth Amendment privilege and not simply a preliminary ritual to existing methods of interrogation.

The warnings required and the waiver necessary in accordance with our opinion today are, in the absence of a fully effective equivalent, prerequisites to the admissibility of any statement made by a defendant. No distinction can be drawn between statements which are direct confessions and statements which amount to "admissions" of part or all of an offense. The privilege against self-incrimination protects the individual from being compelled to incriminate himself in any manner; it does not distinguish degrees of incrimination. Similarly, for precisely the same reason, no distinction may be drawn between inculpatory statements and statements alleged to be merely "exculpatory." *If a statement made* were in fact truly exculpatory it would, of course, never be used by the prosecution. In fact, statements merely intended to be exculpatory by the defendant are often used to impeach his testimony at trial or to demonstrate untruths in the statement given under interrogation and thus to prove guilt by implication. These statements are incriminating in any meaningful sense of the word and may not be used without the full warnings and effective waiver required for any other statement. In *Escobedo* itself, the defendant fully intended his accusation of another as the slayer to be exculpatory as to himself.

The principles announced today deal with the protection which must be given to the privilege against self-incrimination when the individual is first subjected to police interrogation while in custody at the station or otherwise deprived of his freedom of action in any way. It is at this point that our adversary system of criminal proceedings commences, distinguishing itself at the outset from the inquisitorial system recognized in some countries. Under the system of warnings we delineate today or under any other system which may be devised and found effective, the safeguards to be erected about the privilege must come into play at this point.

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[40] Estimates of 50–90% indigency among felony defendants have been reported. Pollock, Equal Justice in Practice, 45 Minn. L. Rev. 737, 738–739 (1961); Birzon, Kasanof and Forma, The Right to Counsel and the Indigent Accused in Courts of Criminal Jurisdiction in New York State, 14 Buff. L. Rev. 428, 433 (1965).

[41] See Kamisar, Equal Justice in the Gatehouses and Mansions of American Criminal Procedure, in Criminal Justice in Our Time (1965), 64–81. As was stated in the Report of the Attorney General's Committee on Poverty and the Administration of Federal Criminal Justice (1963), p. 9:

> "When government chooses to exert its powers in the criminal area, its obligation is surely no less than that of taking reasonable measures to eliminate those factors that are irrelevant to just administration of the law but which, nevertheless, may occasionally affect determinations of the accused's liability or penalty. While government may not be required to relieve the accused of his poverty, it may properly be required to minimize the influence of poverty on its administration of justice."

[42] Cf. *United States ex rel. Brown* v. *Fay*, 242 F. Supp. 273, 277 (D. C. S. D. N. Y. 1965); *People* v. *Witenski*, 15 N. Y. 2d 392, 207 N. E. 2d 358, 259 N.Y. S. 2d 413 (1965).

[43] While a warning that the indigent may have counsel appointed need not be given to the person who is known to have an attorney or is known to have ample funds to secure one, the expedient of giving a warning is too simple and the rights involved too important to engage in *ex post facto* inquiries into financial ability when there is any doubt at all on that score.

[44] If an individual indicates his desire to remain silent, but has an attorney present, there may be some circumstances in which further questioning would be permissible. In the absence of evidence of overbearing, statements then made in the presence of counsel might be free of the compelling influence of the interrogation process and might fairly be construed as a waiver of the privilege for purposes of these statements.

[45] Although this Court held in *Rogers* v. *United States*, 340 U.S. 367 (1951), over strong dissent, that a witness before a grand jury may not in certain circumstances decide to answer some questions and then refuse to answer others, that decision has no application to the interrogation situation we deal with today. No legislative or judicial fact-finding authority is involved here, nor is there a possibility that the individual might make self-serving statements of which he could make use at trial while refusing to answer incriminating statements.

Our decision is not intended to hamper the traditional function of police officers in investigating crime. See *Escobedo* v. *Illinois*, 378 U.S. 478, 492. When an individual is in custody on probable cause, the police may, of course, seek out evidence in the field to be used at trial against him. Such investigation may include inquiry of persons not under restraint. General on-the-scene questioning as to facts surrounding a crime or other general questioning of citizens in the fact-finding process is not affected by our holding. It is an act of responsible citizenship for individuals to give whatever information they may have to aid in law enforcement. In such situations the compelling atmosphere inherent in the process of in-custody interrogation is not necessarily present.[46]

In dealing with statements obtained through interrogation, we do not purport to find all confessions inadmissible. Confessions remain a proper element in law *enforcement. Any statement given freely and* voluntarily without any compelling influences is, of course, admissible in evidence. The fundamental import of the privilege while an individual is in custody is not whether he is allowed to talk to the police without the benefit of warnings and counsel, but whether he can be interrogated. There is no requirement that police stop a person who enters a police station and states that he wishes to confess to a crime,[47] or a person who calls the police to offer a confession or any other statement he desires to make. Volunteered statements of any kind are not barred by the Fifth Amendment and their admissibility is not affected by our holding today.

To summarize, we hold that when an individual is taken into custody or otherwise deprived of his freedom by the authorities and is subjected to questioning, the privilege against self-incrimination is jeopardized. Procedural safeguards must be employed to protect the privilege, and unless other fully effective means are adopted to notify the person of his right of silence and to assure that the exercise of the right will be scrupulously honored, the following measures are required. He must be warned prior to any questioning that he has the right to remain silent, that anything he says can be used against him in a court of law, that he has the right to the presence of an attorney, and that if he cannot afford an attorney one will be appointed for him prior to any questioning if he so desires. Opportunity to exercise these rights must be afforded to him throughout the interrogation. After such warnings have been given, and such opportunity afforded him, the individual may knowingly and intelligently waive these rights and agree to answer questions or make a statement. But unless and until such warnings and waiver are demonstrated by the prosecution at trial, no evidence obtained as a result of interrogation can be used against him.[48]

IV

A recurrent argument made in these cases is that society's need for interrogation outweighs the privilege. This argument is not unfamiliar to this Court. See, *e.g.*, *Chambers* v. *Florida*, 309 U.S. 227, 240–241 (1940). The whole thrust of our foregoing discussion demonstrates that the Constitution has prescribed the rights of the individual when confronted with the power of government when it provided in the Fifth Amendment that an individual cannot be compelled to be a witness against himself. That right cannot be abridged. As Mr. Justice Brandeis once observed:

> "Decency, security and liberty alike demand that government officials shall be subjected to the same rules of conduct that are commands to the citizen. In a government of laws, existence of the government will be imperilled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to *become a law unto himself; it invites anarchy.* To declare that in the administration of the criminal law the end justifies the means . . . would bring terrible retribution. Against that pernicious doctrine this Court should resolutely set its face." *Olmstead* v. *United States*, 277 U.S. 438, 485 (1928) (dissenting opinion).[49]

In this connection, one of our country's distinguished jurists has pointed out: "The quality of a nation's civilization can be largely measured by the methods it uses in the enforcement of its criminal law."[50]

If the individual desires to exercise his privilege, he has the right to do so. This is not for the authorities to decide. An attorney may advise his client not to talk to police until he has had an opportunity to investigate the case, or he may wish to be present with his client during any police questioning. In doing so an attorney is merely exercising the good professional judgment he has been taught. This is not cause for considering the attorney a menace to law enforcement. He is merely carrying out what he is sworn to do under his oath—to protect to the extent of his ability the rights of his client. In fulfilling this responsibility the attorney plays a vital role in the administration of criminal justice under our Constitution.

In announcing these principles, we are not unmindful of the burdens which law enforcement officials must bear, often under trying circumstances. We also fully recognize the obligation of all citizens to aid in enforcing the criminal laws. This Court, while protecting individual rights, has always given ample latitude to law enforcement agencies in the legitimate exercise of their duties. The limits we have placed on the interrogation process should not constitute an undue interference with a proper system of law enforcement. As we have noted, our decision does not in any way preclude police from carrying out their traditional investigatory functions. Although confessions may play an important role in some convictions, the cases before us present graphic examples of the overstatement of the "need" for confessions. In each case authorities conducted interrogations ranging up to five days in duration despite the presence, through standard investigating practices, of considerable evidence against each defendant.[51] Further examples are chronicled in our prior cases. See, e.g., *Haynes* v. *Washington*, 373 U.S. 503, 518–519 (1963); *Rogers* v. *Richmond*, 365 U.S. 534, 541 (1961); *Malinski* v. *New York*, 324 U.S. 401, 402 (1945).[52]

It is also urged that an unfettered right to detention for interrogation should be allowed because it will often redound to the benefit of the person questioned. When police inquiry determines that there is no reason to believe that the person has committed any crime, it is said, he will be released without need for further formal procedures. The person who has committed no offense, however, will be better able to clear himself after warnings, with counsel present than without. It can be assumed that in such circumstances a lawyer would advise his client to talk freely to police in order to clear himself.

Custodial interrogation, by contrast, does not necessarily afford the innocent an opportunity to clear themselves. A serious con*sequence of the present practice of the in*terrogation alleged to be beneficial for the innocent is that many arrests "for investigation" subject large numbers of innocent persons to detention and interrogation. In one of the cases before us, No. 584, *California* v. *Stewart*, police held four persons, who were in the defendant's house at the time of the arrest, in jail for five days until defendant confessed. At that time they were finally released. Police stated that there was "no evidence to connect them with any crime." Available statistics on the extent of this practice where it is condoned indicate that these four are far from alone in being subjected to arrest, prolonged detention, and interrogation without the requisite probable cause.[53]

Over the years the Federal Bureau of Investigation has compiled an exemplary record of effective law enforcement while advising any suspect or arrested person, at the outset of an interview, that he is not required to make a statement, that any statement may be used against him in court, that the individual may obtain the services of an attorney of his own choice and, more recently, that he has a right to free counsel if he is unable to pay.[54] A letter received from the Solicitor General in response to a question from the Bench makes it clear that the present pattern of warnings and respect for the rights of the individual followed as a practice by the FBI is consistent with the procedure which we delineate today. It states:

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[46] The distinction and its significance has been aptly described in the opinion of a Scottish court:

"In former times such questioning, if undertaken, would be conducted by police officers visiting the house or place of business of the suspect and there questioning him, probably in the presence of a relation or friend. However convenient the modern practice may be, it must normally create a situation very unfavourable to the suspect." *Chalmers* v. *H. M. Advocate*, [1954] Sess. Cas. 66, 78 (J. C.).

[47] See *People* v. *Dorado*, 62 Cal. 2d 338, 354, 398 P. 2d 361, 371, 42 Cal. Rptr. 169, 179 (1965).

[48] In accordance with our holdings today and in *Escobedo* v. *Illinois*, 378 U.S. 478, 492, *Crooker* v. *California*, 357 U.S. 433 (1958) and *Cicenia* v. *Lagay*, 357 U.S. 504 (1958) are not to be followed.

[49] In quoting the above from the dissenting opinion of Mr. Justice Brandeis we, of course, do not intend to pass on the constitutional questions involved in the *Olmstead* case.

[50] Schaefer, Federalism and State Criminal Procedure, 70 Harv. L. Rev. 1, 26 (1956).

[51] Miranda, Vignera, and Westover were identified by eyewitnesses. Marked bills from the bank robbed were found in Westover's car. Articles stolen from the victim as well as from several other robbery victims were found in Stewart's home at the outset of the investigation.

[52] Dealing as we do here with constitutional standards in relation to statements made, the existence of independent corroborating evidence produced at trial is, of course, irrelevant to our decisions. *Haynes* v. *Washington*, 373 U.S. 503, 518–519 (1963); *Lynumn* v. *Illinois*, 372 U.S. 528, 537–538 (1963); *Rogers* v. *Richmond*, 365 U.S. 534, 541 (1961); *Blackburn* v. *Alabama*, 361 U.S. 199, 206 (1960).

[53] See, *e. g.*, Report and Recommendations of the Commissioner's Committee on Police Arrests for Investigation (1962); American Civil Liberties Union, Secret Detention by the Chicago Police (1959). An extreme example of this practice occurred in the District of Columbia in 1958. Seeking three "stocky" young Negroes who had robbed a restaurant, police rounded up 90 persons of that general description. Sixty-three were held overnight before being released for lack of evidence. A man not among the 90 arrested was ultimately charged with the crime. Washington Daily News, January 21, 1958, p. 5, col. 1; Hearings before a Subcommittee of the Senate Judiciary Committee on H.R. 11477, S. 2970, S. 3325, and S. 3355 (July 1958), pp. 40, 78.

“At the oral argument of the above cause, Mr. Justice Fortas asked whether I could provide certain information as to the practices followed by the Federal Bureau of Investigation. I have directed these questions to the attention of the Director of the Federal Bureau of Investigation and am submitting herewith a statement of the questions and of the answers which we have received.

“‘(1) When an individual is interviewed by agents of the Bureau, what warning is given to him?

“‘The standard warning long given by Special Agents of the FBI to both suspects and persons under arrest is that the person has a right to say nothing and a right to counsel, and that any statement he does make may be used against him in court. Examples of this warning are to be found in the *Westover* case at 342 F. 2d 685, (1965), and *Jackson* v. *U. S.*, 337 F. 2d 136 (1964), cert. den. 380 U. S. 985.

“‘After passage of the Criminal Justice Act of 1964, which provides free counsel for Federal defendants unable to pay, we added to our instructions to Special Agents the requirement that any person who is under arrest for an offense under FBI jurisdiction, or whose arrest is contemplated following the interview, must also be advised of his right to free counsel if he is unable to pay, and the fact that such counsel will be assigned by the Judge. At the same time, we broadened the right to counsel warning to read counsel of his own choice, or anyone else with whom he might wish to speak.

“‘(2) When is the warning given?

“‘The FBI warning is given to a suspect at the very outset of the interview, as shown in the *Westover* case, cited above. The warning may be given to a person arrested as soon as practicable after the arrest, as shown in the *Jackson* case, also cited above, and in *U. S.* v. *Konigsberg*, 336 F. 2d 844 (1964), cert. den. 379 U. S. 930, 933, but in any event it must precede the interview with the person for a confession or admission of his own guilt.

“‘(3) What is the Bureau's practice in the event that (a) the individual requests counsel and (b) counsel appears?

“‘When the person who has been warned of his right to counsel decides that he wishes to consult with counsel before making a statement, the interview is terminated at that point, *Schultz* v. *U. S.*, 351 F. 2d 287 (1965). It may be continued, however, as to all matters *other* than the person's own guilt or innocence. If he is indecisive in his request for counsel, there may be some question on whether he did or did not waive counsel. Situations of this kind must necessarily be left to the judgment of the interviewing Agent. For example, in *Hiram* v. *U. S.*, 354 F. 2d 4 (1965), the Agent's conclusion that the person arrested had waived his right to counsel was upheld by the courts.

“‘A person being interviewed and desiring to consult counsel by telephone must be permitted to do so, as shown in *Caldwell* v. *U. S.*, 351 F. 2d 459 (1965). When counsel appears in person, he is permitted to confer with his client in private.

“‘(4) What is the Bureau's practice if the individual requests counsel, but cannot afford to retain an attorney?

“‘If any person being interviewed after warning of counsel decides that he wishes to consult with counsel before proceeding further the interview is terminated, as shown above. FBI Agents do not pass judgment on the ability of the person to pay for counsel. They do, however, advise those who have been arrested for an offense under FBI jurisdiction, or whose arrest is contemplated following the interview, of a right to free counsel *if* they are unable to pay, and the availability of such counsel from the Judge.’”[55]

The practice of the FBI can readily be emulated by state and local enforcement agencies. The argument that the FBI deals with different crimes than are dealt with by state authorities does not mitigate the significance of the FBI experience.[56]

The experience in some other countries also suggests that the danger to law enforcement in curbs on interrogation is overplayed. The English procedure since 1912 under the Judge's Rules is significant. As recently strengthened, the Rules require that a cautionary warning be given an accused by a police officer as soon as he has evidence that affords reasonable grounds for suspicion; they also require that any statement made be given by the accused without questioning by police.[57] The right of the individual to consult with an attorney during this period is expressly recognized.[58]

The safeguards present under Scottish law may be even greater than in England. Scottish judicial decisions bar use in evidence of most confessions obtained through police interrogation.[59]. In India, confessions

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[54] In 1952, J. Edgar Hoover, Director of the Federal Bureau of Investigation, stated:

“Law enforcement, however, in defeating the criminal, must maintain inviolate the historic liberties of the individual. To turn back the criminal, yet, by so doing, destroy the dignity of the individual, would be a hollow victory.

“We can have the Constitution, the best laws in the land, and the most honest reviews by courts—but unless the law enforcement profession is steeped in the democratic tradition, maintains the highest in ethics, and makes its work a career of honor, civil liberties will continually—and without end—be violated . . . . The best protection of civil liberties is an alert, intelligent and honest law enforcement agency. There can be no alternative.

“. . . Special Agents are taught that any suspect or arrested person, at the outset of an interview, must be advised that he is not required to make a statement and that any statement given can be used against him in court. Moreover, the individual must be informed that, if he desires, he may obtain the services of an attorney of his own choice.”

Hoover, Civil Liberties, and Law Enforcement: The Role of the FBI, 37 Iowa L. Rev. 175, 177–182 (1952).

[55] We agree that the interviewing agent must exercise his judgment in determining whether the individual waives his right to counsel. Because of the constitutional basis of the right, however, the standard for waiver is necessarily high. And, of course, the ultimate responsibility for resolving this constitutional question lies with the courts.

[56] Among the crimes within the enforcement jurisdiction of the FBI are kidnaping, 18 U.S.C. § 1201 (1964 ed.), white slavery, 18 U.S.C. §§ 2421–2423 (1964 ed.), bank robbery, 18 U.S.C. § 2113 (1964 ed.), interstate transportation and sale of stolen property, 18 U.S.C. §§ 2311–2317 (1964 ed.), all manner of conspiracies, 18 U.S.C. § 371 (1964 ed.), and violations of civil rights, 18 U.S.C. §§ 241–242 (1964 ed.). See also 18 U.S.C. § 1114 (1964 ed.) (murder of officer or employee of the United States).

[57] [1964] Crim. L. Rev. 166–170. These Rules provide in part:

“II. As soon as a police officer has evidence which would afford reasonable grounds for suspecting that a person has committed an offence, he shall caution that person or cause him to be cautioned before putting to him any questions, or further questions, relating to that offence.

“The caution shall be in the following terms:

“‘You are not obliged to say anything unless you wish to do so but what you say may be put into writing and given in evidence.’

“When after being cautioned a person is being questioned, or elects to make a statement, a record shall be kept of the time and place at which any such questioning or statement began and ended and of the persons present.

* * * * *

“(b) It is only in exceptional cases that questions relating to the offence should be put to the accused person after he has been charged or informed that he may be prosecuted.

* * * * *

“IV. All written statements made after caution shall be taken in the following manner:

“(a) If a person says that he wants to make a statement he shall be told that it is intended to make a written record of what he says.

“He shall always be asked whether he wishes to write down himself what he wants to say; if he says that he cannot write or that he would like someone to write it for him, a police officer may offer to write the statement for him . . . .

“(b) Any person writing his own statement shall be allowed to do so without any prompting as distinct from indicating to him what matters are material.

* * * * *

“(d) Whenever a police officer writes the statement, he shall take down the exact words spoken by the person making the statement without putting any questions other than such as may be needed to make the statement coherent, intelligible and relevant to the material matters: he shall not prompt him.”

The prior Rules appear in Devlin, The Criminal Prosecution in England (1958), 137–141.

Despite suggestions of some laxity in enforcement of the Rules and despite the fact some discretion as to admissibility is invested in the trial judge, the Rules are a significant influence in the English criminal law enforcement system. See, *e. g.*, [1964] Crim. L. Rev., at 182; and articles collected in [1960] Crim. L. Rev., at 298–356.

[58] The introduction to the Judge's Rules states in part:

“These Rules do not affect the principles

“(c) That every person at any stage of an investigation should be able to communicate and consult privately with a solicitor. This is so even if he is in custody provided that in such a case no unreasonable delay or hindrance is caused to the processes of investigation or the administration of justice by his doing so . . . .” [1964] Crim. L. Rev., at 166–167.

[59] As stated by the Lord Justice General in *Chalmers* v. *H. M. Advocate*, [1954] Sess. Cas. 66, 78 (J. C.):

“The theory of our law is that at the stage of initial investigation the police may question anyone with a view to acquiring information which may lead to the detection of the criminal; but that, when the stage has been reached at which suspicion, or more than suspicion, has in their view centered upon some person as the likely perpetrator of the crime, further interrogation of that person becomes very dangerous, and, if carried too far, *e. g.*, to the point of extracting made to police not in the presence of a magistrate have been excluded by rule of evidence since 1872, at a time when it operated under British law.[60] Identical provisions appear in the Evidence Ordinance of Ceylon, enacted in 1895.[61] Similarly, in our country the Uniform Code of Military Justice has long provided that no suspect may be interrogated without first being warned of his right not to make a statement and that any statement he makes may be used against him.[62] Denial of the right to consult counsel during interrogation has also been proscribed by military tribunals.[63] There appears to have been no marked detrimental effect on criminal law enforcement in these jurisdiction as a result of these rules. Conditions of law enforcement in our country are sufficiently similar to permit reference to this experience as assurance that lawlessness will not result from warning an individual of his rights or allowing him to exercise them. Moreover, it is consistent with our legal system that we give at least as much protection to these rights as is given in the jurisdictions described. We deal in our country with rights grounded in a specific requirement of the Fifth Amendment of the Constitution, whereas other jurisdictions arrived at their conclusions on the basis of principles of justice not so specifically defined.[64]

It is also urged upon us that we withhold decision on this issue until state legislative bodies and advisory groups have had an opportunity to deal with these problems by rule making.[65] We have already pointed out that the Constitution does not require any specific code of procedures for protecting the privilege against self-incrimination during custodial interrogation. Congress and the States are free to develop their own safeguards for the privilege, so long as they are fully as effective as those described above in informing accused persons of their right of silence and in affording a continuous opportunity to exercise it. In any event, however, the issues presented are of constitutional dimensions and must be determined by the courts. The admissibility of a statement in the face of a claim that it was obtained in violation of the defendant's constitutional rights is an issue the resolution of which has long since been undertaken by this Court. See *Hopt* v. *Utah,* 110 U.S. 574 (1884). Judicial solutions to problems of constitutional dimension have evolved decade by decade. As courts have been presented with the need to enforce constitutional rights, they have found means of doing so. That was our responsibility when *Escobedo* was before us and it is our responsibility today. Where rights secured by the Constitution are involved, there can be no rule making or legislation which would abrogate them.

V

Because of the nature of the problem and because of its recurrent significance in numerous cases, we have to this point discussed the relationship of the Fifth Amendment privilege to police interrogation without specific concentration on the facts of the cases before us. We turn now to these facts to consider the application to these cases of the constitutional principles discussed above. In each instance, we have concluded that statements were obtained from the defendant under circumstances that did not meet constitutional standards for protection of the privilege.

No. 759. *Miranda* v. *Arizona*

On March 13, 1963, petitioner, Ernesto Miranda, was arrested at his home and taken in custody to a Phoenix police station. He was there identified by the complaining witness. The police then took him to "Interrogation Room No. 2" of the detective bureau. There he was questioned by two police officers. The officers admitted at trial that Miranda was not advised that he had a right to have an attorney present.[66] Two hours later, the officers emerged from the interrogation room with a written confession signed by Miranda. At the top of the statement was a typed paragraph stating that the confession was made voluntarily, without threats or promises of immunity and "with full knowledge of my legal rights, understanding any statement I make may be used against me."[67]

At his trial before a jury, the written confession was admitted into evidence over the objection of defense counsel, and the officers testified to the prior oral confession made by Miranda during the interrogation. Miranda was found guilty of kidnapping and rape. He was sentenced to 20 to 30 years' imprisonment on each count, the sentences to run concurrently. On appeal, the Supreme Court of Arizona held that Miranda's constitutional rights were not violated in obtaining the confession and affirmed the conviction. 98 Ariz. 18, 401 P. 2d 721. In reaching its decision, the court emphasized heavily the fact that Miranda did not specifically request counsel.

We reverse. From the testimony of the officers and by the admission of respondent, it is clear that Miranda was not in any way apprised of his right to consult with an attorney and to have one present during the interrogation, nor was his right not to be compelled to incriminate himself effectively protected in any other manner. Without these warnings the statements were inadmissible. The mere fact that he signed a statement which contained a typed-in clause stating that he had "full knowledge" of his "legal rights" does not approach the knowing and intelligent waiver required to relinquish constitutional rights. Cf. *Haynes* v. *Washington,* 373 U.S. 503, 512–513 (1963); *Haley* v. *Ohio,* 332 U.S. 596, 601 (1948) (opinion of Mr. Justice Douglas).

No. 760. *Vignera* v. *New York*

Petitioner, Michael Vignera, was picked up by New York police on October 14, 1960, in connection with the robbery three days earlier of a Brooklyn dress shop. They took him to the 17th Detective Squad headquarters in Manhattan. Sometime thereafter he was taken to the 66th Detective Squad. There a detective questioned Vignera with respect to the robbery. Vignera orally admitted the robbery to the detective. The detective was asked on cross-examination at trial by defense counsel whether Vignera was warned of his right to counsel before being interrogated. The prosecution objected to the question and the trial judge sustained the objection. Thus, the defense was precluded from making any showing that warnings had not been given. While at the 66th Detective Squad, Vignera was identified by the store owner and a saleslady as the man who robbed the dress shop. At about 3:00 p.m. he was formally arrested. The police then transported him to still another station, the 70th Precinct in Brooklyn, "for detention." At 11:00 p.m. Vignera was questioned by an assistant district attorney in the presence of a hearing reporter who transcribed the questions and Vignera's answers. This verbatim account of these proceedings contains no statement of any warnings given by the assistant district attorney. At Vignera's trial on a charge of first degree robbery, the detective testified as to the oral confession. The transcription of the statement taken was also introduced in evidence. At the conclusion of the testimony, the trial judge charged the jury in part as follows:

> "The law doesn't say that the confession is void or invalidated because the police officer didn't advise the defendant as to his rights. Did you hear what I said? I am telling you what the law of the State of New York is."

Vignera was found guilty of first-degree robbery. He was subsequently adjudged a third-felony offender and sentenced to 30 to 60 years' imprisonment.[68] The conviction was affirmed and without opinion by the Appellate Division, Second Department, 21 A.D. 2d 752, 252 N.Y.S. 2d 19, and by the Court of Appeals, also without opinion, 15 N.Y. 2d 970, 207 NE., 2d 527, 259 N.Y.S. 2d 857, remittitur amended, 16 N.Y. 2d 614, 209 N.E., 2d 110, 261 N.Y. S. 2d 65. In argument to the Court of Appeals, the State

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a confession by what amounts to cross-examination, the evidence of that confession will almost certainly be excluded. Once the accused has been apprehended and charged he has the statutory right to a private interview with a solicitor and to be brought before a magistrate with all convenient speed so that he may, if so advised, emit a declaration in the presence of his solicitor under conditions which safeguard him against prejudice."

[60] "No confession made to a police officer shall be proved as against a person accused of any offence." Indian Evidence Act § 25.

"No confession made by any person whilst he is in the custody of a police officer unless it be made in the immediate presence of a Magistrate, shall be proved as against such person." Indian Evidence Act, § 26. See 1 Ramaswami & Rajagopalan, Law of Evidence in India (1962), 553–569. To avoid any continuing effect of police pressure or inducement, the Indian Supreme Court has invalidated a confession made shortly after police brought a suspect before a magistrate, suggesting: "[I]t would, we think, be reasonable to insist upon giving an accused person at least 24 hours to decide whether or not to make a confession." *Sarwan Singh* v. *State of Punjab,* 44 All India Rep. 1957, Sup. Ct. 637, 644.

[61] 1 Legislative Enactments of Ceylon (1958), 211.

[62] 10 U.S.C. § 831(b) (1964 ed.).

[63] *United States* v. *Rose,* 24 Court-Martial Reports 251 (1957); *United States* v. *Gunnels,* 23 Court-Martial Reports 354 (1957).

[64] Although no constitution existed at the time confessions were excluded by rule of evidence in 1872, India now has a written constitution which includes the provision that "No person accused of any offence shall be compelled to be a witness against himself." Constitution of India, Article 20(3). See Tope, The Constitution of India (1960), 63–67.

[65] Brief for United States in No. 761, *Westover* v. *United States*, pp. 44–47; Brief for the State of New York as *amicus curiae*, pp. 35–39. See also Brief for the National District Attorneys Association as *amicus curiae*, pp. 23–26.

[66] Miranda was also convicted in a separate trial on an unrelated robbery charge not presented here for review. A statement introduced at that trial was obtained from Miranda during the same interrogation which resulted in the confession involved here. At the robbery trial, one officer testified that during the interrogation he did not tell Miranda that anything he said would be held against him or that he could consult with an attorney. The other officer stated that they had both told Miranda that anything he said would be used against him and that he was not required by law to tell them anything.

[67] One of the officers testified that he read this paragraph to Miranda. Apparently, however, he did not do so until after Miranda had confessed orally.

[68] Vignera thereafter successfully attacked the validity of one of the prior convictions, *Vignera* v. *Wilkins,* Civ. 9901 (D. C. W. D. N. Y. Dec. 31, 1961) (unreported), but was then resentenced as a second-felony offender to the same term of imprisonment as the original sentence. R. 31–33.

contended that Vignera had no constitutional right to be advised of his right to counsel or his privilege against self-incrimination.

We reverse. The foregoing indicates that Vignera was not warned of any of his rights before the questioning by the detective and by the assistant district attorney. No other steps were taken to protect these rights. Thus he was not effectively apprised of his Fifth Amendment privilege or of his right to have counsel present and his statements are inadmissible.

No. 761. Westover v. *United States*

At approximately 9:45 p.m. on March 20, 1963, petitioner, Carl Calvin Westover, was arrested by local police in Kansas City as a suspect in two Kansas City robberies. A report was also received from the FBI that he was wanted on a felony charge in California. The local authorities took him to a police station and placed him in a line-up on the local charges, and at about 11.45 p.m. he was booked. Kansas City police interrogated Westover on the night of his arrest. He denied any knowledge of criminal activities. The next day local officers interrogated him again throughout the morning. Shortly before noon they informed the FBI that they were through interrogating Westover and that the FBI could proceed to interrogate him. There is nothing in the record to indicate that Westover was ever given any warning as to his rights by local police. At noon, three special agents of the FBI continued the interrogation in a private interview room of the Kansas City Police Department, this time with respect to the robbery of a savings and loan association and a bank in Sacramento, California. After two or two and one-half hours, Westover signed separate confessions to each of these two robberies which had been prepared by one of the agents during the interrogation. At trial one of the agents testified, and a paragraph on each of the statements states, that the agents advised Westover that he did not have to make a statement, that any statement he made could be used against him, and that he had the right to see an attorney.

Westover was tried by a jury in federal court and convicted of the California robberies. His statements were introduced at trial. He was sentenced to 15 years' imprisonment on each count, the sentences to run consecutively. On appeal, the conviction was affirmed by the Court of Appeals for the Ninth Circuit. 342 F. 2d 684.

We reverse. On the facts of this case we cannot find that Westover knowingly and intelligently waived his right to remain silent and his right to consult with counsel prior to the time he made the statement.[69] At the time the FBI agents began questioning Westover, he had been in custody for over 14 hours and had been interrogated at length during that period. The FBI interrogation began immediately upon the conclusion of the interrogation by Kansas City police and was conducted in local police headquarters. Although the two law enforcement authorities are legally distinct and the crimes for which they interrogated Westover were different, the impact on him was that of a continuous period of questioning. There is no evidence of any warning given prior to the FBI interrogation nor is there any evidence of an articulated waiver of rights after the FBI commenced their interrogation. The record simply shows that the defendant did in fact confess a short time after being turned over to the FBI following interrogation by local police. Despite the fact that the FBI agents gave warnings at the outset of their interview, from Westover's point of view the warnings came at the end of the interrogation process. In these circumstances an intelligent waiver of constitutional rights cannot be assumed.

We do not suggest that law enforcement authorities are precluded from questioning any individual who has been held for a period of time by other authorities and interrogated by them without appropriate warnings. A different case would be presented if an accused were taken into custody by the second authority, removed both in time and place from his original surroundings, and then adequately advised of his rights and given an opportunity to exercise them. But here the FBI interrogation was conducted immediately following the state interrogation in the same police station—in the same compelling surroundings. Thus, in obtaining a confession from Westover the federal authorities were the beneficiaries of the pressure applied by the local in-custody interrogation. In these circumstances the giving of warnings alone was not sufficient to protect the privilege.

No. 584. California v. *Stewart*

In the course of investigating a series of purse-snatch robberies in which one of the victims had died of injuries inflicted by her assailant, respondent, Roy Allen Stewart, was pointed out to Los Angeles police as the endorser of dividend checks taken in one of the robberies. At about 7:15 p.m., January 31, 1963, police officers went to Stewart's house and arrested him. One of the officers asked Stewart if they could search the house, to which he replied, "Go ahead." The search turned up various items taken from the five robbery victims. At the time of Stewart's arrest, police also arrested Stewart's wife and three other persons who were visiting him. These four were jailed along with Stewart and were interrogated. Stewart was taken to the University Station of the Los Angeles Police Department where he was placed in a cell. During the next five days, police interrogated Stewart on nine different occasions. Except during the first interrogation session, when he was confronted with an accusing witness, Stewart was isolated with his interrogators.

During the ninth interrogation session, Stewart admitted that he had robbed the deceased and stated that he had not meant to hurt her. Police then brought Stewart before a magistrate for the first time. Since there was no evidence to connect them with any crime, the police then released the other four persons arrested with him.

Nothing in the record specifically indicates whether Stewart was or was not advised of his right to remain silent or his right to counsel. In a number of instances, however, the interrogating officers were asked to recount everything that was said during the interrogations. None indicated that Stewart was ever advised of his right.

Stewart was charged with kidnapping to commit robbery, rape, and murder. At his trial, transcripts of the first interrogation and the confession at the last interrogation were introduced in evidence. The jury found Stewart guilty of robbery and first degree murder and fixed the penalty as death. On appeal, the Supreme Court of California reversed. 62 Cal. 2d 571, 400 P. 2d 97, 43 Cal. Rptr. 201. It held that under this Court's decision in *Escobedo*, Stewart should have been advised of his right to remain silent and of his right to counsel and that it would not presume in the face of a silent record that the police advised Stewart of his rights.[70]

We affirm.[71] In dealing with custodial interrogation, we will not presume that a defendant has been effectively apprised of his rights and that his privilege against self-incrimination has been adequately safeguarded on a record that does not show that any warnings have been given or that any effective alternative has been employed. Nor can a knowing and intelligent waiver of these rights be assumed on a silent record. Furthermore, Stewart's steadfast denial of the alleged offenses through eight of the nine interrogations over a period of five days is subject to no other construction than that he was compelled by persistent interrogation to forgo his Fifth Amendment privilege.

Therefore, in accordance with the foregoing, the judgments of the Supreme Court of Arizona in No. 759, of the New York Court of Appeals in No. 760, and of the Court of Appeals for the Ninth Circuit in No. 761 are reversed. The judgment of the Supreme Court of California in No. 584 is affirmed.

It is so ordered.

SUPREME COURT OF THE UNITED STATES—Nos. 759, 760, 761 AND 584.—OCTOBER TERM, 1965

Ernesto A. Miranda, Petitioner, 759 *v.* State of Arizona. On Writ of Certiorari to the Supreme Court of the State of Arizona.

Michael Vignera, Petitioner, 760 *v.* State of New York. On Writ of Certiorari to the Court of Appeals of the State of New York.

Carl Calvin Westover, Petitioner, 761 *v.* United States. On Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit.

State of California, Petitioner, 584 *v.* Roy Allen Stewart. On Writ of Certiorari to the Supreme Court of the State of California.

[June 13, 1966]

MR. JUSTICE CLARK, dissenting in Nos. 759, 760, and 761, and concurring in result in No. 584.

It is with regret that I find it necessary to write in these cases. However, I am unable to join the majority because its opinion goes too far on too little, while my dissenting brethren do not go quite far enough. Nor can I agree with the Court's criticism of the present practices of police and investigatory agencies as to custodial interrogation. The materials it refers to as "police manuals"[1] are, as I read them, merely writings in this field by professors and some police officers. Not one is shown by the record here to be the official manual of any police department, much less in universal use in crime detection. Moreover, the examples of police brutality mentioned by the Court are rare exceptions to the thousands of cases that appear every year in the law reports.[2] The police agencies—all the way from municipal and state forces to the federal bureaus—are responsible for law enforcement and public safety in this country. I am proud of their efforts, which in my view are not fairly characterized by the Court's opinion.

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[69] The failure of defense counsel to object to the introduction of the confession at trial, noted by the Court of Appeals and emphasized by the Solicitor General, does not preclude our consideration of the issue. Since the trial was held prior to our decision in *Escobedo* and, of course, prior to our decision today making the objection available, the failure to object at trial does not constitute a waiver of the claim. See, *e. g., United States ex rel. Angelet* v. *Fay*, 333 F. 2d 12, 16 (C. A. 2d Cir. 1964), aff'd, 381 U.S. 654 (1965). Cf. *Ziffrin, Inc.* v. *United States*, 318 U.S. 73, 78 (1943).

[70] Because of this disposition of the case, the California Supreme Court did not reach the claims that the confession was coerced by police threats to hold his ailing wife in custody until he confessed, that there was no hearing as required by *Jackson* v. *Denno*, 378 U.S. 368 (1964), and that the trial judge gave an instruction condemned by the California Supreme Court's decision in *People* v. *Morse*, 60 Cal. 2d 631, 388 P. 2d 33, 36 Cal. Rptr. 201 (1964).

[71] After certiorari was granted in this case, respondent moved to dismiss on the ground that there was no final judgment from which the State could appeal since the judgment below directed that he be retried. In the event respondent was successful in obtaining an acquittal on retrial, however, under California law the State would have no appeal. Satisfied that in these circumstances the decision below constituted a final judgment under 28 U.S.C. § 1257 (3) (1964 ed.), we denied the motion. 383 U.S. 903.

[1] *E. g.*, Inbau and Reid, Criminal Interrogation and Confessions (1962); O'Hara, Fundamentals of Criminal Interrogation (1956); Dienstein, Technics for the Crime Investigator (1952); Mulbar, Interrogation (1951); Kidd, Police Interrogation (1940).

I

The *ipse dixit* of the majority has no support in our cases. Indeed, the Court admits that "we might not find the defendants' statement [here] to have been involuntary in traditional terms." *Ante*, p. ——. In short, the Court has added more to the requirements that the accused is entitled to consult with his lawyer and that he must be given the traditional warning that he may remain silent and that anything that he says may be used against him. *Escobedo* v. *Illinois*, 378 U. S. 478, 490–491 (1964). Now, the Court fashions a constitutional rule that the police may engage in no custodial interrogation without additionally advising the accused that he has a right under the Fifth Amendment to the presence of counsel during interrogation and that, if he is without funds, that counsel will be furnished him. When at any point during an interrogation the accused seeks affirmatively or impliedly to invoke his rights to silence or counsel, interrogation must be forgone or postponed. The Court further holds that failure to follow the new procedures requires inexorably the exclusion of any statement by the accused, as well as the fruits thereof. Such a strict constitutional specific inserted at the nerve center of crime detection may well kill the patient.[3] Since there is at this time a paucity of information and an almost total lack of empirical knowledge on the practical operation of requirements, truly comparable to those announced by the majority, I would be more restrained lest we go too far too fast.

II

Custodial interrogation has long been recognized as "undoubtedly an essential tool in effective law enforcement." *Haynes* v. *Washington*, 373 U. S. 503, 515 (1963). Recognition of this fact should put us on guard against the promulgation of doctrinaire rules. Especially is this true where the Court finds that "the Constitution has prescribed" its holding and where the light of our past cases, from *Hopt* v. *Utah*, 110 U.S. 574, (1884), down to *Haynes* v. *Washington*, *supra*, are to the contrary. Indeed, even in *Escobedo* the Court never hinted that an affirmative "waiver" was a prerequisite to questioning; that the burden of proof as to waiver was on the prosecution; that the presence of counsel—absent a waiver—during interrogation was required; that a waiver can be withdrawn at the will of the accused; that counsel must be furnished during an accusatory stage to those unable to pay; nor that admissions and exclupatory statements are "confessions." To require all those things at one gulp should cause the Court to choke over more cases than *Crooker* v. *California*, 357 U. S. 433 (1958) and *Cicenia* v. *Lagay*, 357 U. S. 504 (1958), which it expressly overrules today.

The rule prior to today—as Mr. Justice Goldberg, the author of the Court's opinion in *Escobedo*, stated it in *Haynes* v. *Washington*—depended upon "a totality of circumstances evidencing an involuntary . . . admission of guilt." 373 U.S., at 514. And he concluded:

> "Of course, detection and solution of crime is, at best, a difficult and arduous task requiring determination and persistence on the part of all responsible officers charged with the duty of law enforcement. And, certainly, we do not mean to suggest that all interrogation of witnesses and suspects is impermissible. Such questioning is undoubtedly an essential tool in effective law enforcement. The line between proper and permissible police conduct and techniques and methods offensive to due process is, at best, a difficult one to draw, particularly in cases such as this where it is necessary to make fine judgments as to the effect of psychologically coercive pressures and inducement on the mind and will of an accused. . . . We are here impelled to the conclusion, from all of the facts presented, that the bounds of due process have been exceeded." *Id.*, at 515.

III

I would continue to follow that rule. Under the "totality of circumstances" rule of which my Brother Goldberg spoke in *Haynes*, I would consider in each case whether the police officer prior to custodial interrogation added the warning that the suspect might have counsel present at the interrogation and, further, that a court would appoint one at his request if he was too poor to employ counsel. In the absence of warnings, the burden would be on the State to prove that counsel was knowingly and intelligently waived or that in the totality of the circumstances, including the failure to give the necessary warnings, the confession was clearly voluntary.

Rather than employing the arbitrary Fifth Amendment rule[4] which the Court lays down I would follow the more pliable dictates of Due Process Clauses of the Fifth and Fourteenth Amendments which we are accustomed to administering and which we know from our cases are effective instruments in protecting persons in police custody. In this way we would not be acting in the dark nor in one full sweep changing the traditional rules of custodial interrogation which this Court has for so long recognized as a justifiable and proper tool in balancing individual rights against the rights of society. It will be soon enough to go further when we are able to appraise with somewhat better accuracy the effect of such a holding.

I would affirm the convictions in *Miranda* v. *Arizona*, No. 759; *Vignera* v. *New York*, No. 760; and *Westover* v. *United States*, No. 761. In each of those cases I find from the circumstances no warrant for reversal. In *California* v. *Stewart*, No. 584, I would dismiss the writ of certiorari for want of a final judgment, 28 U.S.C. § 1257(3) (1964); but if the merits are to be reached I would affirm on the ground that the State failed to fulfill its burden, in the absence of a showing that appropriate warnings were given, of proving a waiver or a totality of circumstances showing voluntariness. Should there be a retrial, I would leave the State free to attempt to prove these elements.

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[2] As developed by my Brother HARLAN, *post*, pp. —, —, such cases, with the exception of the long-discredited decision in *Bram* v. *United States*, 168 U.S. 532 (1897), were adequately treated in terms of due process.

[3] The Court points to England, Scotland, Ceylon and India as having equally rigid rules. As my Brother HARLAN points out, *post*, pp. —, —, the Court is mistaken in this regard, for it overlooks counterbalancing prosecutorial advantages. Moreover, the requirements of the Federal Bureau of Investigation do not appear from the Solicitor General's letter, *ante*, pp. —, —, to be as strict as those imposed today in at least two respects: (1) The offer of counsel is articulated only as "a right to counsel"; nothing is said about a right to have counsel present at the custodial interrogation. (See also the examples cited by the Solicitor General, *Westover* v. *United States*, 342 F. 2d 684, 685 (1965) ("right to consult counsel"); *Jackson* v. *United States*, 337 F. 2d 136, 138 (1964) (accused "entitled to an attorney").) Indeed, the practice is that whenever the suspect "decides that he wishes to consult counsel before making a statement, the interview is terminated at that point . . . When counsel appears in person, he is permitted to confer with his client in private." This clearly indicates that the FBI does not warn that counsel may be present during custodial interrogation. (2) The Solicitor General's letter states: "[T]hose who have been arrested for an offense under FBI jurisdiction, or whose arrest is contemplated following the interview, [are advised] of a right to free counsel *if* they are unable to pay, and the availability of such counsel from the Judge." So phrased, this warning does not indicate that the agent will secure counsel. Rather, the statement may well be interpreted by the suspect to mean that the burden is placed upon himself and that he may have counsel appointed only when brought before the judge or at trial—but not at custodial interrogation. As I view the FBI practice, it is not as broad as the one laid down today by the Court.

[4] In my view there is "no significant support" in our cases for the holding of the Court today that the Fifth Amendment privilege, in effect, forbids custodial interrogation. For a discussion of this point see the dissenting opinion of my Brother WHITE, *post*, pp. —, —.

SUPREME COURT OF THE UNITED STATES—NOS. 759, 760, 761 AND 584.—OCTOBER TERM, 1965

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[June 13, 1966]

MR. JUSTICE HARLAN, whom MR. JUSTICE STEWART and MR. JUSTICE WHITE join, dissenting.

I believe the decision of the Court represents poor constitutional law and entails harmful consequences for the country at large. How serious these consequences may prove to be only time can tell. But the basic flaws in the Court's justification seem to me readily apparent now once all sides of the problem are considered.

I. INTRODUCTION

At the outset, it is well to note exactly what is required by the Court's new constitutional code of rules for confessions. The foremost requirement, upon which later admissibility of a confession depends, is that a four-fold warning be given to a person in custody before he is questioned: namely, that he has a right to remain silent, that anything he says may be used against him, that he has a right to have present an attorney during the questioning, and that if indigent he has a right to a lawyer without charge. To forgo these rights, some affirmative statement of rejection is seemingly required, and threats, tricks, or cajolings to obtain this waiver are forbidden. If before or during questioning the suspect seeks to invoke his right to remain silent, interrogation must be forgone or cease; a request for counsel brings about the same result until a lawyer is procured. Finally, there are a miscellany of minor directives, for example, the burden of proof of waiver is on the State, admissions and exculpatory statements are treated just like confessions, withdrawal of a waiver is always permitted, and so forth.[1]

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[1] My discussion in this opinion is directed to the main questions decided by the Court

While the fine points of this scheme are far less clear than the Court admits, the tenor is quite apparent. The new rules are not designed to guard against police brutality or other unmistakably banned forms of coercion. Those who use third-degree tactics and deny them in court are equally able and destined to lie as skillfully about warnings and waivers. Rather, the thrust of the new rules is to negate all pressures, to reinforce the nervous or ignorant suspect, and ultimately to discourage any confession at all. The aim in short is toward "voluntariness" in a utopian sense, or to view it from a different angle, voluntariness with a vengeance.

To incorporate this notion into the Constitution requires a strained reading of history and precedent and a disregard of the very pragmatic concerns that alone may on occasions justify such strains. I believe that reasoned examination will show that the Due Process Clauses provide an adequate tool for coping with confessions and that, even if the Fifth Amendment privilege against self-incrimination be invoked, its precedents taken as a whole do not sustain the present rules. Viewed as a choice based on pure policy, these new rules prove to be a highly debatable if not one-sided appraisal of the competing interests, imposed over widespread objection, at the very time when judicial restraint is most called for by the circumstances.

II. CONSTITUTIONAL PREMISES

It is most fitting to begin an inquiry into the constitutional precedents by surveying the limits on confessions the Court has evolved under the Due Process Clause of the Fourteenth Amendment. This is so because these cases show that there exists a workable and effective means of dealing with confessions in a judicial manner; because the cases are the baseline from which the Court now departs and so serve to measure the actual as opposed to the professed distance it travels; and because examination of them helps reveal how the Court has coasted into its present position.

The earliest confession cases in this Court emerged from federal prosecutions and were settled on a nonconstitutional basis, the Court adopting the common-law rule that the absence of inducements, promises, and threats made a confession voluntary and admissible. *Hopt v. Utah,* 110 U.S. 574; *Pierce* v. *United States,* 160 U. S. 355. While a later case said the Fifth Amendment privilege controlled admissibility, this proposition was not itself developed in subsequent decisions.[2] The Court did, however, heighten the test of admissibility in federal trials to one of voluntariness "in fact," *Wan* v. *United States,* 266 U.S. 1, 14 (quoted, *ante*, p. 24), and then by and large left federal judges to apply the same standards the Court began to derive in a string of state court cases.

This new line of decisions, testing admissibility by the Due Process Clause, began in 1936 with *Brown* v. *Mississippi,* 297 U. S. 278, and must now embrace somewhat more than 30 full opinions of the Court.[3] While the voluntariness rubric was repeated in many instances, *e. g., Lyons* v. *Oklahoma,* 322 U. S. 596, the Court never pinned it down to a single meaning but on the contrary infused it with a number of different values. To travel quickly over the main themes, there was an initial emphasis on reliability, *e. g., Ward* v. *Texas,* 316 U. S. 547, supplemented by concern over the legality and fairness of the police practices, *e. g., Ashcraft* v. *Tennessee,* 322 U. S. 143, in an "accusatorial" system of law enforcement, *Watts* v. *Indiana,* 338 U. S. 49, 54, and eventually by close attention to the individual's state of mind and capacity for effective choice, *e. g., Gallegos* v. *Colorado,* 370 U. S. 49. The outcome was a continuing re-evaluation on the facts of each case of *how much* pressure on the suspect was permissible.[4]

Among the criteria often taken into account were threats or imminent danger, *e. g., Payne* v. *Arkansas,* 356 U. S. 560, physical deprivations such as lack of sleep or food, *e. g., Reck* v. *Pate,* 367 U. S. 433, repeated or extended interrogation, *e. g., Chambers* v. *Florida,* 309 U. S. 227, limits on access to counsel or friends, *Crooker* v. *California,* 357 U. S. 433; *Cicenia* v. *Lagay,* 357 U. S. 504, length and illegality of detention under state law, *e. g., Haynes* v. *Washington,* 373 U. S. 503, and individual weakness or incapacities, *Lynumn* v. *Illinois,* 372 U. S. 528. Apart from direct physical coercion, however, no single default or fixed combination of them guaranteed exclusion, and synopses of the cases would serve little use because the overall gauge has been steadily changing, usually in the direction of restricting admissibility. But to mark just what point had been reached before the Court jumped the rails in *Escobedo* v. *Illinois,* 378 U. S. 478, it is worth capsulizing the then-recent case of *Haynes* v. *Washington,* 373 U. S. 573. There, Haynes had been held some 16 or more hours in violation of state law before signing the disputed confession, had received no warnings of any kind, and despite requests had been refused access to his wife or to counsel, the police indicating that access would be allowed after a confession. Emphasizing especially this last inducement and rejecting some contrary indicia of voluntariness, the Court in a 5-to-4 decision held the confession inadmissible.

There are several relevant lessons to be drawn from this constitutional history. The first is that with over 25 years of precedent the Court has developed an elaborate, sophisticated, and sensitive approach to admissibility of confessions. It is "judicial" in its treatment of one case at a time, see *Culombe* v. *Connecticut,* 367 U.S. 568, 635 (concurring opinion of THE CHIEF JUSTICE), flexible in its ability to respond to the endless mutations of fact presented, and ever more familiar to the lower courts. Of course, strict certainty is not obtained in this developing process, but this is often so with constitutional principles, and disagreement is usually confined to that borderland of close cases where it matters least.

The second point is that in practice and from time to time in principle, the Court has given ample recognition to society's interest in suspect questioning as an instrument of law enforcement. Cases countenancing quite significant pressures can be cited without difficulty,[5] and the lower courts may often have been yet more tolerant. Of course the limitations imposed today were rejected by necessary implication in case after case, the right to warnings having been explicitly rebuffed in this Court many years cently as *Haynes* v. *Washington,* 373 U.S. 503, *Wilson* v. *United States,* 162 U.S. 613. As recently as *Haynes* v. *Washington,* 373 U. S. 503, 515, the Court openly acknowledged that questioning of witnesses and suspects "is undoubtedly an essential tool in effective law enforcement." Accord, *Crooker* v. *California,* 357 U.S. 433, 441.

Finally, the cases disclose that the language in many of the opinions overstates the actual course of decision. It has been said, for example, that an admissible confession must be made by the suspect "in the unfettered exercise of his own will," *Malloy* v. *Hogan,* 378 U.S. 1, 8, and that "a prisoner is not 'to be made the deluded instrument of his own conviction,'" *Culombe* v. *Connecticut,* 367 U.S. 568, 581 (Frankfurter, J., announcing the Court's judgment and an opinion). Though often repeated, such principles are rarely observed in full measure. Even the word "voluntary" may be deemed somewhat misleading, especially when one considers many of the confessions that have been brought under its umbrella. See, *e.g., supra,* n. 5. The tendency to overstate may be laid in part to the flagrant facts often before the Court; but in all events one must recognize how it has tempered attitudes and lent some color of authority to the approach now taken by the Court.

I turn now to the Court's asserted reliance on the Fifth Amendment, an approach which I frankly regard as a *trompe l'oeil.* The Court's opinion in my view reveals no adequate basis for extending the Fifth Amendment's privilege against self-incrimination to the police station. Far more important, it fails to show that the Court's new rules are well supported, let alone compelled, by Fifth Amendment precedents. Instead, the new rules actually derive from quotation and analogy drawn from precedents under the Sixth Amendment, which should properly have no bearing on police interrogation.

The Court's opening contention, that the Fifth Amendment governs police station confessions, is perhaps not an impermissible extension of the law but it has little to commend itself in the present circumstances. Historically, the privilege against self-incrimination did not bear at all on the use of extra-legal confessions, for which distinct standards evolved; indeed, "the *history* of the two principles is wide apart, differing by 100 years in origin, and derived through separate lines of precedents . . . ." 8 Wigmore, Evidence § 2266, at 401 (McNaughton rev. 1961). Practice under the two doctrines has also differed in a number of important respects.[6]

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and necessary to its decision; in ignoring some of the collateral points, I do not mean to imply agreement.

[2] The case was *Bram* v. *United States,* 168 U.S. 532 (quoted, *ante*, p. 23). Its historical premises were afterwards disproved by Wigmore, who concluded "that no assertions could be more unfounded." 3 Wigmore, Evidence § 823, at 250, n. 5 (3d ed. 1940). The Court in *United States* v. *Carignan,* 342 U.S. 36, 41, declined to choose between *Bram* and Wigmore, and *Stein* v. *New York,* 346 U.S. 156, 191, n. 35, cast further doubt on *Bram.* There are, however, several Court opinions which assume in dicta the relevance of the Fifth Amendment privilege to confessions. *Burdeau* v. *McDowell,* 256 U.S. 465, 475; see *Shotwell Mfg. Co.* v. *United States,* 371 U.S. 341, 347. On *Bram* and the federal confession cases generally, see Developments in the Law—Confessions, 79 Harv. L. Rev. 935, 959–961 (1966).

[3] Comment, 31 U. Chi. L. Rev. 313 & n. 1 (1964), states that by the 1963 Term 33 state coerced confession cases had been decided by this Court, apart from *per curiams. Spano* v. *New York,* 360 U.S. 315, 321, n. 2, collects 28 cases.

[4] Bator & Vorenberg, Arrest, Detention, Interrogation and the Right to Counsel, 66 Col. L. Rev. 62, 73 (1966): "In fact, the concept of involuntariness seems to be used by the courts as a shorthand to refer to practices which are repellent to civilized standards of decency or which, under the circumstances, are thought to apply a degree of pressure to an individual which unfairly impairs his capacity to make a rational choice." See Herman, The Supreme Court and Restrictions on Police Interrogation, 25 Ohio St. L. J. 449, 452–458 (1964); Developments, *supra,* n. 2, at 964–984.

[5] See the cases synopsized in Herman, *supra,* n. 4, at 456, nn. 36–39. One not too distant example is *Stroble* v. *California,* 343 U.S. 181, in which the suspect was kicked and threatened after his arrest, questioned a little later for two hours, and isolated from a lawyer trying to see him; the resulting confession was held admissible.

[6] Among the examples given in 8 Wigmore, Evidence § 2266, at 401 (McNaughton rev. 1961), are these: the privilege applies to any witness, civil or criminal, but the confes-

Even those who would readily enlarge the privilege must concede some linguistic difficulties since the Fifth Amendment in terms proscribes only compelling any person "in any criminal case to be a witness against himself." Cf. Kamisar, Equal Justice in The Gatehouses and Mansions of American Criminal Procedure, in Criminal Justice in Our Time 25–26 (1965).

Though weighty, I do not say these points and similar ones are conclusive, for as the Court reiterates the privilege embodies basic principles always capable of expansion.[7] Certainly the privilege does represent a protective concern for the accused and an emphasis upon accusatorial rather than inquisitorial values in law enforcement, although this is similarly true of other limitations such as the grand jury requirement and the reasonable doubt standard. Accusatorial values, however, have openly been absorbed into the due process standard governing confessions; this indeed is why at present "the kinship of the two rules [governing confessions and self-incrimination] is too apparent for denial." McCormick, Evidence 155 (1954). Since extension of the general principle has already occurred, to insist that the privilege applies as such serves only to carry over inapposite historical details and engaging rhetoric and to obscure the policy choices to be made in regulating confessions.

Having decided that the Fifth Amendment privilege does apply in the police station, the Court reveals that the privilege imposes more exacting restrictions than does the Fourteenth Amendment's voluntariness test.[8] It then emerges from a discussion of *Escobedo* that the Fifth Amendment requires for an admissible confession that it be given by one distinctly aware of his right not to speak and shielded from "the compelling atmosphere" of interrogation. See *ante*, pp. 27–28. From these key premises, the Court finally develops the safeguards of warning, counsel, and so forth. I do not believe these premises are sustained by precedents under the Fifth Amendment.[9]

The more important premise is that pressure on the suspect must be eliminated though it be only the subtle influence of the atmosphere and surroundings. The Fifth Amendment, however, has never been thought to forbid *all* pressure to incriminate one's self in the situations covered by it. On the contrary, it has been held that failure to incriminate one's self can result in denial of removal of one's case from state to federal court, *Maryland* v. *Soper*, 270 U.S. 9; in refusal of a military commission, *Orloff* v. *Willoughby*, 345 U.S. 83; in denial of a discharge in bankruptcy, *Kaufman* v. *Hurwitz*, 176 F. 2d 210; and in numerous other adverse consequences. See 8 Wigmore, Evidence § 2272, at 440–444, n. 17 (McNaughton rev. 1961); Maguire, Evidence of Guilt § 2.062 (1959). This is not to say that short of jail or torture any sanction is permissible in any case; policy and history alike may impose sharp limits. See *e. g., Griffin* v. *California*, 380 U.S. 609. However, the Court's unspoken assumption that *any* pressure violates the privilege is not supported by the precedents and it has failed to show why the Fifth Amendment prohibits that relatively mild pressure the Due Process Clause permits.

The Court appears similarly wrong in thinking that precise knowledge of one's rights is a settled prerequisite under the Fifth Amendment to the loss of its protections. A number of lower federal court cases have held that grand jury witnesses need not always be warned of their privilege, *e. g., United States* v. *Scully*, 225 F. 2d 113, 116, and Wigmore states this to be the better rule for trial witnesses. See 8 Wigmore, Evidence § 2269 (McNaughton rev. 1961). Cf. *Henry* v. *Mississippi*, 379 U.S. 443, 451–452 (waiver of constitutional rights by counsel despite defendant's ignorance held allowable). No Fifth Amendment precedent is cited for the Court's contrary view. There might of course be reasons apart from Fifth Amendment precedent for requiring a warning or any other safeguard on questioning but that is a different matter entirely. See *infra*, pp. 13–15.

A closing word must be said about the Assistance of Counsel Clause of the Sixth Amendment, which is never expressly relied on by the Court but whose judicial precedents turn out to be linchpins of the confession rules announced today. To support its requirement of a knowing and intelligent waiver, the Court cites to *Johnson* v. *Zerbst*, 304 U.S. 458, *ante*, p. 37; appointment of counsel for the indigent suspect is tied to *Gideon* v. *Wainwright*, 372 U.S. 335, and *Douglas* v. *California*, 372 U.S. 353, *ante*, p. 35; the silent-record doctrine is borrowed from *Carnley* v. *Cochran*, 369 U.S. 506, *ante*, p. 37, as is the right to an express offer of counsel, *ante*, p. 33. All these cases imparting glosses to the Sixth Amendment concerned counsel at trial or on appeal. While the Court finds no pertinent difference between judicial proceedings and police interrogation, I believe the differences are so vast as to disqualify wholly the Sixth Amendment precedents as suitable analogies in the present cases.[10]

The only attempt in this Court to carry the right to counsel into the station house occurred in *Escobedo*, the Court repeating several times that that stage was no less "critical" than trial itself. See 378 U.S., 485–488. This is hardly persuasive when we consider that a grand jury inquiry, the filing of a certiorari petition, and certainly the purchase of narcotics by an undercover agent from a prospective defendant may all be equally "critical" yet provision of counsel and advice on that score have never been thought compelled by the Constitution in such cases. The sound reason why this right is so freely extended for a criminal trial is the severe injustice risked by confronting an untrained defendant with a range of technical points of law, evidence, and tactics familiar to the prosecutor but not to himself. This danger shrinks markedly in the police station where indeed the lawyer in fulfilling his professional responsibilities of necessity may become an obstacle to truthfinding. See *infra*, n. 12. The Court's summary citation of the Sixth Amendment cases here seems to me best described as "the domino method of constitutional adjudication . . . wherein every explanatory statement in a previous opinion is made the basis for extension to a wholly different situation." Friendly, *supra*, N. 10, at 950.

III. POLICY CONSIDERATIONS

Examined as an expression of public policy, the Court's new regime proves so dubious that there can be no due compensation for its weakness in constitutional law. Foregoing discussion has shown, I think, how mistaken is the Court in implying that the Constitution has struck the balance in favor of the approach the Court takes. *Ante*, p. 41. Rather, precedent reveals that the Fourteenth Amendment in practice has been construed to strike a different balance, that the Fifth Amendment gives the Court little solid support in this context, and that the Sixth Amendment should have no bearing at all. Legal history has been stretched before to satisfy deep needs of society. In this instance, however, the Court has not and cannot make the powerful showing that its new rules are plainly desirable in the context of our society, something which is surely demanded before those rules are engrafted onto the Constitution and imposed on every State and county in the land.

Without at all subscribing to the generally black picture of police conduct painted by the Court, I think it must be frankly recognized at the outset that police questioning allowable under due process precedents may inherently entail some pressure on the suspect and may seek advantage in his ignorance or weaknesses. The atmosphere and questioning techniques, proper and fair though they be, can in themselves exert a tug on the suspect to confess, and in this light "[t]o speak of any confessions of crime made after arrest as being 'voluntary' or 'uncoerced' is somewhat inaccurate, although traditional. A confession is wholly and incontestably voluntary only if a guilty person gives himself up to the law and becomes his own accuser." *Ashcraft* v. *Tennessee*, 322 U.S. 143, 161 (Jackson, J., dissenting). Until today, the role of the Constitution has been only to sift out *undue* pressure, not to assure spontaneous confessions.[11]

The Court's new rules aim to offset these minor pressures and disadvantages intrinsic to any kind of police interrogation. The rules do not serve due process interests in preventing blatant coercion since, as I noted earlier, they do nothing to contain the policeman who is prepared to lie from the start. The rules work for reliability in confessions almost only in the Pickwickian sense that they can prevent some from being given at all.[12] In short, the benefit of this new regime

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sion rule protects only criminal defendants; the privilege deals only with compulsion, while the confession rule may exclude statements obtained by trick or promise; and where the privilege has been nullified—as by the English Bankruptcy Act—the confession rule may still operate.

[7] Additionally, there are precedents and even historical arguments that can be arrayed in favor of bringing extra-legal questioning within the privilege. See generally Maguire, Evidence of Guilt § 2.03, at 15–16 (1959).

[8] This, of course, is implicit in the Court's introductory announcement that "[o]ur decision in *Malloy* v. *Hogan*, 378 U.S. 1 (1964) [extending the Fifth Amendment privilege to the States] necessitates an examination of the scope of the privilege in state cases as well." *Ante*, p. 25. It is also inconsistent with *Malloy* itself, in which extension of the Fifth Amendment to the States rested in part on the review that the Due Process Clause restriction on state confessions has in recent years been "the same standard" as that imposed in federal prosecutions assertedly by the Fifth Amendment, 378 U.S., at 7.

[9] I lay aside *Escobedo* itself; it contains no reasoning or even general conclusions addressed to the Fifth Amendment and indeed its citation in this regard seems surprising in view of *Escobedo*'s primary reliance on the Sixth Amendment.

[10] Since the Court conspicuously does not assert that the Sixth Amendment itself warrants it new police-interrogation rules, there is no reason now to draw out the extremely powerful historical and precedential evidence that the Amendment will bear no such meaning. See generally Friendly, The Bill of Rights as a Code of Criminal Procedure, 53 Calif. L. Rev. 929, 943–948 (1965).

[11] See *supra*, n. 4, and text. Of course, the use of terms like voluntariness involves questions of law and terminology quite as much as questions of fact. See *Collins* v. *Beto*, 348 F. 2d 823, 832 (concurring opinion); Bator & Vorenberg, *supra*, n. 4, at 72–73.

[12] The Court's vision of a lawyer "mitigat[ing] the dangers of untrustworthiness" (*ante*, p. 32) by witnessing coercion and assisting accuracy in the confession is largely a fancy; for if counsel arrives, there is rarely going to be a police station confession. *Watts* v. *Indiana*, 338 U.S. 49, 59 (separate opinion of Jackson, J.): "[A]ny lawyer worth his salt will tell the suspect in no uncertain

is simply to lessen or wipe out the inherent compulsion and inequalities to which the Court devotes some nine pages of description. *Ante*, pp. 10–18.

What the Court largely ignores is that its rules impair, if they will not eventually serve wholly to frustrate, an instrument of law enforcement that has long and quite reasonably been thought worth the price paid for it.[13] There can be little doubt that the Court's new code would markedly decrease the number of confessions. To warn the suspect that he may remain silent and remind him that his confession may be used in court are minor obstructions. To require also an express waiver by the suspect and an end to questioning whenever he demurs must heavily handicap questioning. And to suggest or provide counsel for the suspect simply invites the end of the interrogation. See, *supra*, n. 12.

How much harm this decision will inflict on law enforcement cannot fairly be predicted with accuracy. Evidence on the role of confessions is notoriously incomplete, see Developments, *supra*, n. 2, at 941–944, and little is added by the Court's reference to the FBI experience and the resources believed wasted in interrogation. See *infra*, n. 19, and text. We do know that some crimes cannot be solved without confessions, that ample expert testimony attests to their importance in crime control,[14] and that the Court is taking a real risk with society's welfare in imposing its new regime on the country. The social costs of crime are too great to call the new rules anything but a hazardous experimentation.

While passing over the costs and risks of its experiment, the Court portrays the evils of normal police questioning in terms which I think are exaggerated. Albeit stringently confined by the due process standards interrogation is no doubt often inconvenient and unpleasant for the suspect. However, it is no less so for a man to be arrested and jailed, to have his house searched, or to stand trial in court, yet all this may properly happen to the most innocent given probable cause a warrant, or an indictment. Society has always paid a stiff price for law and order, and peaceful interrogation is not one of the dark moments of the law.

This brief statement of the competing considerations seems to me ample proof that the Court's preference is highly debatable at best and therefore not to be read into the Constitution. However, it may make the analysis more graphic to consider the actual facts of one of the four cases reversed by the Court. *Miranda* v. *Arizona* serves best, being neither the hardest nor easiest of the four under the Court's standards.[15]

On March 3, 1963, an 18-year-old girl was kidnapped and forcibly raped near Phoenix, Arizona. Ten days later, on the morning of March 13, petitioner Miranda was arrested and taken to the police station. At this time Miranda was 23 years old, indigent, and educated to the extent of completing half the ninth grade. He had "an emotional illness" of the schizophrenic type, according to the doctors who eventually examined him; the doctor's report also stated that Miranda was "alert and oriented as to time, place, and person," intelligent within normal limits, competent to stand trial, and sane within the legal definition. At the police station, the victim picked Miranda out of a lineup, and two officers then took him into a separate room to interrogate him, starting about 11:30 a.m. Though at first denying his guilt, within a short time Miranda gave a detailed oral confession, and then wrote out in his own hand and signed a brief statement admitting and describing the crime. All this was accomplished in two hours or less without any force, threats or promises and—I will assume this though the record is uncertain, *ante*, 53–54 & nn. 66–67—without any effective warnings at all.

Miranda's oral and written confessions are now held inadmissible under the Court's new rules. One is entitled to feel astonished that the Constitution can be read to produce this result. These confessions were obtained during brief, daytime questioning conducted by two officers and unmarked by any of the traditional indicia of coercion. They assured a conviction for a brutal and unsettling crime, for which the police had and quite possibly could obtain little evidence other than the victim's identifications, evidence which is frequently unreliable. There was, in sum, a legitimate purpose, no perceptible unfairness, and certainly little risk of injustice in the interrogation. Yet the resulting confessions, and the responsible course of police practice they represent, are to be sacrificed to the Court's own finespun conception of fairness which I seriously doubt is shared by many thinking citizens in this country.[16]

The tenor of judicial opinion also falls well short of supporting the Court's new approach. Although *Escobedo* has widely been interpreted as an open invitation to lower courts to rewrite the law of confessions, a significant heavy majority of the state and federal decisions in point have sought quite narrow interpretations.[17] Of the courts that have accepted the invitation, it is hard to know how many have felt compelled by their best guess as to this Court's likely construction; but none of the state decisions saw fit to rely on the state privilege against self-incrimination, and no decision at all has gone as far as this Court goes today.[18]

It is also instructive to compare the attitude in this case of those responsible for law enforcement with the official views that existed when the Court undertook three major revisions of prosecutorial practice prior to this case, *Johnson* v. *Zerbst*, 304 U.S. 458, *Mapp*. v. *Ohio*, 367 U.S. 643, and *Gideon* v. *Wainwright*, 372 U.S. 335. In *Johnson*, which established that appointed counsel must be offered the indigent in federal criminal trials, the Federal Government all but conceded the basic issue, which had in fact been recently fixed as Department of Justice policy. See Beany, Right to Counsel 29–30, 36–42 (1955). In *Mapp*, which imposed the exclusionary rule on the States for Fourth Amendment violations, more than half of the States had themselves already adopted some such rule. See 367 U.S., at 651. In *Gideon*, which extended *Johnson* v. *Zerbst* to the States, an *amicus* brief was filed by 22 States and Commonwealths urging that course; only two States beside the respondent came forward to protest. See 372 U.S., at 345. By contrast, in this case new restrictions on police questioning have been opposed by the United States and in an *amicus* brief signed by 27 States and Commonwealths, not including the three other States who are parties. No State in the country has urged this Court to impose the newly announced rules, nor has any State chosen to go nearly so far on its own.

The Court in closing its general discussion invokes the practice in federal and foreign jurisdictions as lending weight to its new curbs on confessions for all the States. A brief résumé will suffice to show that none of these jurisdictions has struck so one-sided a balance as the Court does today. Heaviest reliance is placed on the FBI practice. Differing circumstances may make this comparison quite untrustworthy,[19] but in all events the FBI falls sensibly short of the Court's formalistic rules. For example, there is no indication that FBI agents must obtain an affirmative "waiver" before they pursue their questioning. Nor is it clear that one invoking his right to silence may not be prevailed upon to change his mind. And the warning as to appointed counsel apparently indicates only that one will be assigned by the judge when the suspect appears before him; the thrust of the Court's rules is to induce the suspect to obtain appointed counsel before continuing the interview. See *ante*, pp. 46–48. Apparently American military practice, briefly mentioned by the Court, has these same limits and is still less favorable to the suspect than the FBI warning, making no mention of appointed counsel. Developments, *supra*, n. 2, at 1084–1089.

The law of the foreign countries described by the Court also reflects a more moderate conception of the rights of the accused as against those of society when other data is

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terms to make no statement to police under any circumstances." See Enker & Elsen, Counsel for the Suspect, 49 Minn. L. Rev. 47, 66–68 (1964).

[13] This need is, of course, what makes so misleading the Court's comparison of a probate judge readily setting aside as involuntary the will of an old lady badgered and beleaguered by the new heirs. *Ante*, pp. 19–20, n. 26. With wills, there is no public interest save in a totally free choice; with confessions, the solution of crime is a countervailing gain, however the balance is resolved.

[14] See, *e.g.*, the voluminous citations to congressional committee testimony and other sources collected in *Culombe* v. *Connecticut*, 367 U.S. 568, 578–579 (Frankfurter, J., announcing the Court's judgment and an opinion).

[15] In *Westover*, a seasoned criminal was practically given the Court's full complement of warnings and did not heed them. The *Stewart* case, on the other hand, involves long detention and successive questioning. In *Vignera*, the facts are complicated and the record somewhat incomplete.

[16] "[J]ustice, though due to the accused, is due to the accuser also. The concept of fairness must not be strained till it is narrowed to a filament. We are to keep the balance true." *Snyder* v. *Massachusetts*, 291 U.S. 97, 122 (Cardozo, J.).

[17] A narrow reading is given in: *United States* v. *Robinson*, 354 F. 2d 109 (C. A. 2d Cir.); *Davis* v. *North Carolina*, 339 F. 2d 770 (C. A. 4th Cir.); *Edwards* v. *Holman*; 342 F. 2d 679 (C. A. 5th Cir.); *United States ex rel. Townsend* v. *Ogilvie*, 334 F. 2d 837 (C. A. 7th Cir.); *People* v. *Hartgraves*, 31 Ill. 2d 375, 202 N. E. 2d 33; *State* v. *Fox*, 131 N. W. 2d 684 (Iowa); *Rowe* v. *Commonwealth*, 394 S. W. 2d 751 (Ky.); *Parker* v. *Warden*, 203 A. 2d 418 (Md.); *State* v. *Howard*, 383 S. W. 2d 701 (Mo.); *Bean* v. *State*, 398 P. 2d 251 (Nev.); *Hodgson* v. *New Jersey*, 44 N. J. 151, —— A. 2d ——; *People* v. *Gunner*, 15 N. Y. 2d 226, 205 N. E. 2d 852; *Commonwealth ex rel. Linde* v. *Maroney*, 416 Pa. 331, 206 A. 2d 288; *Browne* v. *State*, 24 Wis. 2d 491, 131 N. W. 2d 169.

An ample reading is given in: *United States ex rel. Russo* v. *New Jersey*, 351 F. 2d 429 (C. A. 3d Cir.); *Wright* v. *Dickson*, 336 F. 2d 878 (C. A. 9th Cir.); *People* v. *Dorado*, 62 Cal. 2d 338, 398 P. 2d 361; *State* v. *Dufour*, 206 A. 2d 82 (R. I.); State v. Neely, 239 Ore. 487, 395 P. 2d 557, modified, 398 P. 2d 482.

The cases in both categories are those readily available; there are certainly many others.

[18] For instance, compare the requirements of the catalytic case of *People* v. *Dorado*, 62 Cal. 350, 398 P. 2d 361, with those laid down today. See also Traynor, The Devils of Due Process in Criminal Detection, Detention, and Trial, p. 26 (1966 Cardozo Lecture, N. Y. City Bar Ass'n, multilith copy).

[19] The Court's *obiter dictum* notwithstanding, *ante*, p. 48, there is some basis for believing that the staple of FBI criminal work differs importantly from much crime within the ken of local police. The skill and resources of the FBI may also be unusual.

considered. Concededly, the English experience is most relevant. In that country, a caution as to silence but not counsel has long been mandated by the "Judges' Rules," which also place other somewhat imprecise limits on police cross-examination of suspects. However, in the court's discretion confessions can be and apparently quite frequently are admitted in evidence despite disregard of the Judges' Rules, so long as they are found voluntary under the common-law test. Moreover, the check that exists on the use of pretrial statements is counterbalanced by the evident admissibility of fruits of an illegal confession and by the judge's often-used authority to comment adversely on the defendant's failure to testify.[20]

India, Ceylon and Scotland are the other examples chosen by the Court. In India and Ceylon the general ban on police-adduced confessions cited by the Court is subject to a major exception: if evidence is uncovered by police questioning, it is fully admissible at trial along with the confession itself, so far as it relates to the evidence and is not blatantly coerced. See Developments, *supra*, n. 2, at 1106–1110; *Reg.* v. *Ramasamy* (1965) A.C. 1 (P.C.). Scotland's limits on interrogation do measure up to the Court's; however, restrained comment at trial on the defendant's failure to take the stand is allowed the judge, and in many other respects Scotch law redresses the prosecutor's disadvantage in ways not permitted in this country.[21] The Court ends its survey by imputing added strength to our privilege against self-incrimination since, by contrast to other countries, it is embodied in a written Constitution. Considering the liberties the Court has today taken with constitutional history and precedent, few will find this emphasis persuasive.

In closing this necessarily truncated discussion of policy considerations attending the new confession rules, some reference must be made to their ironic untimeliness. There is now in progress in this country a massive reexamination of criminal law enforcement procedures on a scale never before witnessed. Participants in this undertaking include a Special Committee of the American Bar Association, under the chairmanship of Chief Judge Lumbard of the Court of Appeals for the Second Circuit; a distinguished study group of the American Law Institute, headed by Professor Vorenberg of the Harvard Law School; and the President's Commission on Law Enforcement and Administration of Justice, under the leadership of the Attorney General of the United States.[22] Studies are also being conducted by the District of Columbia Crime Commission, the Georgetown Law Center, and by others equipped to do practical research.[23] There are also signs that legislatures in some of the States may be preparing to re-examine the problem before us.[24]

It is no secret that concern has been expressed lest long-range and lasting reforms be frustrated by this Court's too rapid departure from existing constitutional standards. Despite the Court's disclaimer, the practical effect of the decision made today must inevitably be to handicap seriously sound efforts at reform, not least by removing options necessary to a just compromise of competing interests. Of course legislative reform is rarely speedy or unanimous, though this Court has been more patient in the past.[25] But the legislative reforms when they came would have the vast advantage of empirical data and comprehensive study, they would allow experimentation and use of solutions not open to the courts, and they would restore the initiative in criminal law reform to those forums where it truly belongs.

IV. CONCLUSIONS

All four of the cases involved here present express claims that confessions were inadmissible, not because of coercion in the traditional due process sense, but solely because of lack of counsel or lack of warnings concerning counsel and silence. For the reasons stated in this opinion, I would adhere to the due process test and reject the new requirements inaugurated by the Court. On this premise my disposition of each of these cases can be stated briefly.

In two of the three cases coming from state courts, *Miranda* v. *Arizona* (No. 759) and *Vignera* v. *New York* (No. 760), the confessions were held admissible and no other errors worth comment are alleged by petitioners. I would affirm in these two cases. The other state case is *California* v. *Stewart* (No. 584), where the state supreme court held the confession inadmissible and reversed the conviction. In that case I would dismiss the writ of certiorari on the ground that no final judgment is before us, 28 U.S.C. § 1257 (1964 ed.); putting aside the new trial open to the State in any event, the confession itself has not even been finally excluded since the California Supreme Court left the State free to show proof of a waiver. If the merits of the decision in *Stewart* be reached, then I believe it should be reversed and the case remanded so the state supreme court may pass on the other claims available to respondent.

In the federal case, *Westover* v. *United States* (No. 761), a number of issues are raised by petitioner apart from the one already dealt with in this dissent. None of these other claims appears to me tenable, nor in this context to warrant extended discussion. It is urged that the confession was also inadmissible because not voluntary even measured by due process standards and because federal-state cooperation brought the *McNabb-Mallory* rule into play under *Anderson* v. *United States,* 318 U.S. 350. However, the facts alleged fall well short of coercion in my view, and I believe the involvement of federal agents in petitioner's arrest and detention by the State too slight to invoke *Anderson*. I agree with the Government that the admission of the evidence now protested by petitioner was at most harmless error, and two final contentions—one involving weight of the evidence and another improper prosecutor comment—seem to me without merit. I would therefore affirm Westover's conviction.

In conclusion: Nothing in the letter or the spirit of the Constitution or in the precedents squares with the heavy handed and one-sided action that is so precipitously taken by the Court in the name of fulfilling its constitutional responsibilities. The foray which the Court takes today brings to mind the wise and farsighted words of Mr. Justice Jackson in *Douglas* v. *Jeannette,* 319 U.S. 157, 181 (separate opinion): "This Court is forever adding new stories to the temples of constitutional law, and the temples have a way of collapsing when one story too many is added."

Supreme Court of the United States—Nos. 759, 760, 761 and 584.—October Term, 1965

Ernesto A. Miranda, Petitioner, 759 *v.* State of Arizona. On Writ of Certiorari to the Supreme Court of the State of Arizona.

Michael Vignera, Petitioner, 760 *v.* State of New York. On Writ of Certiorari to the Court of Appeals of the State of New York.

Carl Calvin Westover, Petitioner, 761 *v.* United States. On Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit.

State of California, Petitioner, 584 *v.* Roy Allen Stewart. On Writ of Certiorari to the Supreme Court of the State of California.

[June 13, 1966]

Mr. Justice White, with whom Mr. Justice Harlan and Mr. Justice Stewart join, dissenting.

I

The proposition that the privilege against self-incrimination forbids in-custody interrogation without the warnings specified in the majority opinion and without a clear waiver of counsel has no significant support in the history of the privilege or in the language of the Fifth Amendment. As for the English authorities and the common-law history, the privilege, firmly established in the second half of the seventeenth century, was never applied except to prohibit compelled judicial interrogations. The rule excluding coerced confessions matured about 100 years later, "[b]ut there is nothing in the reports to suggest that the theory has its roots in the privilege against self-incrimination. And so far as the cases reveal, the privilege, as such, seems to have been given effect only in judicial proceedings, including the preliminary examinations by authorized magistrates." Morgan, The Privilege Against Self-Incrimination, 34 Minn. L. Rev. 1, 18 (1949).

Our own constitutional provision provides that no person "shall be compelled in any criminal case to be a witness against himself." These words, when "[c]onsidered in the light to be shed by grammar and the dictionary . . . appear to signify simply that nobody shall be compelled to give oral testimony against himself in a criminal proceeding under way in which he is defendant." Corwin, The Supreme Court's Construction of the Self-Incrimination Clause, 29 Mich. L. Rev. 1, 2. And there is very little in the surrounding circumstances of the adoption of the Fifth Amendment or in the provisions of the then existing state constitutions or in state practice which would give the constitutional provision any broader meaning. Mayers, The Federal Witness' Privilege Against Self Incrimination: Constitutional or Common-Law? 4 American Journal of Legal History 107 (1960). Such a construction, however, was considerably narrower than the privilege at common law, and when eventually faced with the issues, the Court extended the constitutional privilege to the compulsory production of books and papers, to the ordinary witness before the grand jury and to witnesses generally. *Boyd* v. *United States*, 116 U. S. 616, and *Counselman* v. *Hitchcock*, 142 U. S. 547. Both rules had solid support in common-law history, if not in the history of our own constitutional provision.

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[20] For citations and discussion covering each of these points, see Development, *supra*, n. 2, at 1091–1097, and Enker & Elsen, *supra*, n. 12, at 80 & n. 94.

[21] On comment, see Hardin, Other Answers: Search and Seizure, Coerced Confession, and Criminal Trial in Scotland, 113 U. Pa. L. Rev. 165, 181 and nn. 96–97 (1964). Other examples are less stringent search and seizure rules and no automatic exclusion for violation of them, *id.*, at 167–169; guilt based on majority jury verdicts, *id.*, at 185; and pretrial discovery of evidence on both sides, *id.*, at 175.

[22] Of particular relevance is the ALI's drafting of a Model Code of Pre-Arraignment Procedure, now in its first tentative draft. While the ABA and National Commission studies have wider scope, the former is lending its advice to the ALI project and the executive director of the latter is one of the reporters for the Model Code.

[23] See Brief for the United States in *Westover*, p. 45. The N.Y. Times, June 3, 1966, p. 33 (city ed.) reported that the Ford Foundation has awarded $1,100,000 for a five-year study of arrests and confessions in New York.

[24] The New York Assembly recently passed a bill to require certain warnings before an admissible confession is taken, though the rules are less strict than are the Court's. N.Y. Times, May 24, 1966, p. 35 (late city ed.).

[25] The Court waited 12 years after *Wolf* v. *Colorado,* 338 U.S. 25, declared privacy against improper state intrusions to be constitutionally safeguard before it concluded in *Mapp* v. *Ohio,* 367 U.S. 643, that adequate state remedies had not been provided to protect this interest so the exclusionary rule was necessary.

A few years later the Fifth Amendment privilege was similarly extended to encompass the then well-established rule against coerced confessions: "In criminal trials, in the courts of the United States, wherever a question arises whether a confession is incompetent because not voluntary, the issue is controlled by that portion of the Fifth Amendment to the Constitution of the United States, commanding that no person 'shall be compelled in any criminal case to be a witness against himself.'" *Bram* v. *United States*, 168 U.S. 532, 542. Although this view has found approval in other cases, *Burdeau* v. *McDowell*, 256 U.S. 465, 475; *Powers* v. *United States*, 223 U.S. 303, 313; *Shotwell* v. *United States*, 371 U.S. 341, 347, it has also been questioned, see *Brown* v. *Mississippi*, 297 U.S. 278, 285; *United States* v. *Carignan*, 342 U.S. 36, 41; *Stein* v. *New York*, 346 U.S. 156, 191, n. 35, and finds scant support in either the English or American authorities, see generally *Regina* v. *Scott*, I Dears. & Bell 47; III Wigmore, Evidence § 823, at 249 ("a confession is not rejected because of any connection with the *privilege against self-crimination*"), 250, n. 5 (particularly criticizing *Bram*) (3d ed. 1940), VIII Wigmore, Evidence § 2266, at 400–401 (McNaughton ed. 1961). Whatever the source of the rule excluding coerced confessions, it is clear that prior to the application of the privilege itself to state courts, *Malloy* v. *Hogan*, 378 U.S. 1, the admissibility of a confession in a state criminal prosecution was tested by the same standards as were applied in federal prosecutions. *Id.*, at 6–7, 10.

Bram, however, itself rejected the proposition which the Court now espouses. The question in *Bram* was whether a confession, obtained during custodial interrogation, had been compelled, and if such interrogation was to be deemed inherently vulnerable, the Court's inquiry could have ended there. After examining the English and American authorities, however, the Court declared that:

"In this Court also it has been settled that the mere fact that the confession is made to a police officer, while the accused was under arrest in or out of prison, or was drawn out by his questions, does not necessarily render the confession involuntary, but, as one of the circumstances, such imprisonment or interrogation may be taken into account in determining whether or not statements of the prisoner were voluntary." 168 U. S., at 558.

In this respect the Court was wholly consistent with prior and subsequent pronouncements in this Court.

Thus prior to *Bram* the Court, in *Hopt* v. *Utah*, 110 U. S. 574, 583–587, had upheld the admissibility of a confession made to police officers following arrest, the record being silent concerning what conversation had occurred between the officers and the defendant in the short period preceding the confession. Relying on *Hopt*, the Court ruled squarely on the issue in *Sparf and Hansen* v. *United States*, 156 U. S. 51, 55:

"Counsel for the accused insist that there cannot be a voluntary statement, a free open confession, while a defendant is confined and in irons under an accusation of having committed a capital offense. We have not been referred to any authority in support of that position. It is true that the fact of a prisoner being in custody at the time he makes a confession is a circumstance not to be overlooked, because it bears upon the inquiry whether the confession was voluntarily made or was extorted by threats or violence or made under the influence of fear. But confinement or imprisonment is not in itself sufficient to justify the exclusion of a confession, if it appears to have been voluntary, and was not obtained by putting the prisoner in fear or by promises. Wharton's *Cr. Ev.* 9th ed. §§ 661, 663, and authorities cited." Accord, *Pierce* v. *United States*, 160 U.S. 355, 357.

And in *Wilson* v. *United States*, 162 U.S. 613, 623, the Court had considered the significance of custodial interrogation without any antecedent warnings regarding the right to remain silent or the right to counsel. There the defendant had answered questions posed by a Commissioner, who had failed to advise him of his rights, and his answers were held admissible over his claim of involuntariness. "The fact that [a defendant] is in custody and manacled does not necessarily render his statement involuntary, nor is that necessarily the effect of popular excitement shortly preceding. . . . And it is laid down that it is not essential to the admissibility of a confession that it should appear that the person was warned that what he said would be used against him, but on the contrary, if the confession was voluntary, it is sufficient though it appear that he was not so warned."

Since *Bram*, the admissibility of statements made during custodial interrogation has been frequently reiterated. *Powers* v. *United States*, 223 U.S. 303, cited *Wilson* approvingly and held admissible as voluntary statements the accused's testimony at a preliminary hearing even though he was not warned that what he said might be used against him. Without any discussion of the presence or absence of warnings, presumably because such discussion was deemed unnecessary, numerous other cases have declared that "[t]he mere fact that a confession was made while in the custody of the police does not render it inadmissible," *McNabb* v. *United States*, 318 U.S. 332, 346; accord, *United States* v. *Mitchell*, 322 U.S. 65, despite its having been elicited by police examination, *Wan* v. *United States*, 266 U.S. 1, 14; *United States* v. *Carrignan*, 342 U.S. 36, 39. Likewise, in *Crooker* v. *California*, 357 U.S. 433, the Court said that "the mere fact of police detention and police examination in private of one in official state custody does not render involuntary a confession by one so detained." And finally, in *Cicenia* v. *Lagay*, 357 U.S. 504, a confession obtained by police interrogation after arrest was held voluntary even though the authorities refused to permit the defendant to consult with his attorney. See generally *Culombe* v. *Connecticut*, 367 U.S. 568, 587–602 (opinion of Frankfurter, J.); III Wigmore, Evidence § 851, at 313 (3d ed. 1940); see also Joy, Confessions 38, 46 (1842).

Only a tiny minority of our judges who have dealt with the question, including today's majority, have considered in-custody interrogation, without more, to be a violation of the Fifth Amendment. And this Court, as every member knows, has left standing literally thousands of criminal convictions that rested at least in part on confessions taken in the course of interrogation by the police after arrest.

II

That the Court's holding today is neither compelled nor even strongly suggested by the language of the Fifth Amendment, is at odds with American and English legal history, and involves a departure from a long line of precedent does not prove either that the Court has exceeded its powers or that the Court is wrong or unwise in its present reinterpretation of the Fifth Amendment. It does, however, underscore the obvious—that the Court has not discovered or found the law in making today's decision, nor has it derived it from some irrefutable sources; what it has done is to make new law and new public policy in much the same way that it has in the course of interpreting other great clauses of the Constitution.[1] This is what the Court historically has done. Indeed, it is what it must do and will continue to do until and unless there is some fundamental change in the constitutional distribution of governmental powers.

But if the Court is here and now to announce new and fundamental policy to govern certain aspects of our affairs, it is wholly legitimate to examine the mode of this or any other constitutional decision in this Court and to inquire into the advisability of its end product in terms of the long-range interest of the country. At the very least the Court's text and reasoning should withstand analysis and be a fair exposition of the constitutional provision which its opinion interprets. Decisions like these cannot rest alone on syllogism, metaphysics or some ill-defined notions of natural justice, although each will perhaps play its part. In proceeding to such constructions as it now announces, the Court should also duly consider all the factors and interests bearing upon the cases, at least insofar as the relevant materials are available; and if the necessary considerations are not treated in the record or obtainable from some other reliable source, the Court should not proceed to formulate fundamental policies based on speculation alone.

III

First, we may inquire what are the textual and factual bases of this new fundamental rule. To reach the result announced on the grounds it does, the Court must stay within the confines of the Fifth Amendment, which forbids self-incrimination only if *compelled*. Hence the core of the Court's opinion is that because of the "compulsion inherent in custodial surroundings, no statement obtained from [a] defendant [in custody] can truly be the product of his free choice," *ante*, at 20, absent the use of adequate protective devices as described by the Court. However, the Court does not point to any sudden inrush of new knowledge requiring the rejection of 70 years experience. Nor does it assert that its novel conclusion reflects a changing consensus among state courts, see *Mapp* v. *Ohio*, 367 U.S. 643, or that a succession of cases had steadily eroded the old rule and proved it unworkable, see *Gideon* v. *Wainwright*, 372 U.S. 335. Rather than asserting new knowledge, the Court concedes that it cannot truly know what occurs during custodial questioning, because of the innate secrecy of such proceedings. It extrapolates a picture of what it conceives to be the norm from police investigatorial manuals, published in 1959 and 1962 or earlier, without any attempt to allow for adjustments in police practices that may have occurred in the wake of more recent decisions of state appellate tribunals or this Court. But even if the relentless application of the described procedures could lead to involuntary confessions, it most assuredly does not follow that each and every case will disclose this kind of interrogation or this kind of consequence.[2] Insofar as it appears from the

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[1] Of course the Court does not deny that it is departing from prior precedent; it expressly overrules *Crooker* and *Cicenia*, *ante*, at 41, n. 47, and it acknowledges that "[i]n these cases . . . we might not find the statements to have been involuntary in traditional terms," *ante*, at 19.

[2] In fact, the type of sustained interrogation described by the Court appears to be the exception rather than the rule. A survey of 399 cases in one city found that in almost half of the cases the interrogation lasted less than 30 minutes. Barrett, Police Practices and the Law—From Arrest to Release or Charge, 50 Calif. L. Rev. 11, 41–45 (1962). Questioning tends to be confused and sporadic and is usually concentrated on

Court's opinion, it has not examined a single transcript of any police interrogation, let alone the interrogation that took place in any one of these cases which it decides today. Judged by any of the standards for empirical investigation utilized in the social sciences the factual basis for the Court's premise is patently inadequate.

Although in the Court's view in-custody interrogation is inherently coercive, it says that the spontaneous product of the coercion of arrest and detention is still to be deemed voluntary. An accused, arrested on probable cause, may blurt out a confession which will be admissible despite the fact that he is alone and in custody, without any showing that he had any notion of his right to remain silent or of the consequences of his admission. Yet, under the Court's rule, if the police ask him a single question such as "Do you have anything to say?" or "Did you kill your wife?" his response, if there is one, has somehow been compelled, even if the accused has been clearly warned of his right to remain silent. Common sense informs us to the contrary. While one may say that the response was "involuntary" in the sense the question provoked or was the occasion for the response and thus the defendant was induced to speak out when he might have remained silent if not arrested and not questioned, it is patently unsound to say the response is compelled.

Today's result would not follow even if it were agreed that to some extent custodial interrogation is inherently coercive. See *Ashcraft* v. *Tennessee*, 322 U.S. 143, 161 (Jackson, J., dissenting). The test has been whether the totality of circumstances deprived the defendant of a "free choice to admit, to deny, or to refuse to answer," *Lisenba* v. *California*, 314 U.S. 219,241, and whether physical or psychological coercion was of such a degree that "the defendant's will was overborne at the time he confessed," *Haynes* v. *Washington*, 373 U.S. 503, 513; *Lynumn* v. *Illinois*, 372 U.S. 528, 534. The duration and nature of incommunicado custody, the presence or absence of advice concerning the defendant's constitutional rights, and the granting or refusal of requests to communicate with lawyers, relatives or friends have all been rightly regarded as important data bearing on the basic inquiry. See, *e.g.*, *Ashcraft* v. *Tennessee*, 322 U.S. 143; *Haynes* v. *Washington*, 373 U.S. 503.[3] But it has never been suggested, until today, that such questioning was so coercive and accused persons so lacking in hardihood that the very first response to the very first question following the commencement of custody must be conclusively presumed to be the product of an overborne will.

If the rule announced today were truly based on a conclusion that all confessions resulting from custodial interrogation are coerced, then it would simply have no rational foundation. Compare *Tot* v. *United States*, 319 U.S. 463, 466; *United States* v. *Romano*, 382 U.S. 136. *A fortiori* that would be true of the extension of the rule to exculpatory statements, which the Court effects after a brief discussion of why, in the Court's view, they must be deemed incriminatory but without any discussion of why they must be deemed coerced. See *Wilson* v. *United States*, 162 U.S. 613, 624. Even if one were to postulate that the Court's concern is not that all confessions induced by police interrogation are coerced but rather that some such confessions are coerced and present judicial procedures are believed to be inadequate to identify the confessions that are coerced and those that are not, it would still not be essential to impose the rule that the Court has now fashioned. Transcripts or observers could be required, specific time limits, tailored to fit the cause, could be imposed, or other devices could be utilized to reduce the chances that otherwise indiscernible coercion will produce an inadmissible confession.

On the other hand, even if one assumed that there was an adequate factual basis for the conclusion that all confessions obtained during in-custody interrogation are the product of compulsion, the rule propounded by the Court would still be irrational, for, apparently, it is only if the accused is also warned of his right to counsel and waives both that right and the right against self-incrimination that the inherent compulsiveness of interrogation disappears. But if the defendant may not answer without a warning a question such as "Where were you last night?" without having his answer be a compelled one, how can the court ever accept his negative answer to the question of whether he wants to consult his retained counsel or counsel whom the court will appoint? And why if counsel is present and the accused nevertheless confesses, or counsel tells the accused to tell the truth, and that is what the accused does, is the situation any less coercive insofar as the accused is concerned? The court apparently realizes its dilemma of foreclosing questioning without the necessary warnings but at the same time permitting the accused, sitting in the same chair in front of the same policemen, to waive his right to consult an attorney. It expects, however, that not too many will waive the right; and if it is claimed that he has, the State faces a severe, if not impossible burden of proof.

All of this makes very little sense in terms of the compulsion which the Fifth Amendment proscribes. That amendment deals with compelling the accused himself. It is his free will that is involved. Confessions and incriminating admissions, as such, are not forbidden evidence; only those which are compelled are banned. I doubt that the Court observes these distinctions today. By considering any answers to any interrogation to be compelled regardless of the content and course of examination and by escalating the requirements to prove waiver, the Court not only prevents the use of compelled confessions but for all practical purposes forbids interrogation except in the presence of counsel. That is, instead of confining itself to protection of the right against compelled self-incrimination the Court has created a limited Fifth Amendment right to counsel—or, as the Court expresses it, a "right to counsel to protect the Fifth Amendment privilege . . . ." *Ante*, at 32. The focus then is not on the will of the accused but on the will of counsel and how much influence he can have on the accused. Obviously there is no warrant in the Fifth Amendment for thus installing counsel as the arbiter of the privilege.

In sum, for all the Court's expounding on the menacing atmosphere of police interrogation procedures it has failed to supply any foundation for the conclusions it draws or the measures it adopts.

IV

Criticism of the Court's opinion, however, cannot stop at a demonstration that the factual and textual bases for the rule it propounds are, at best, less than compelling. Equally relevant is an assessment of the rule's consequences measured against community values. The Court's duty to assess the consequences of its action is not satisfied by the utterance of the truth that a value of our system of criminal justice is "to respect the inviolability of the human personality" and to require government to produce the evidence against the accused by its own independent labors. *Ante*, at 22. More than the human dignity of the accused is involved; the human personality of others in the society must also be preserved. Thus the values reflected by the privilege are not the sole desideratum; society's interest in the general security is of equal weight.

The obvious underpinning of the Court's decision is a deep-seated distrust of all confessions. As the Court declares that the accused may not be interrogated without counsel present, absent a waiver of the right to counsel, and as the Court all but admonishes the lawyer to advise the accused to remain silent, the result adds up to a judicial judgment that evidence from the accused should not be used against him in any way, whether compelled or not. This is the not so subtle overtone of the opinion—that it is inherently wrong for the police to gather evidence from the accused himself. And this is precisely the nub of this dissent. I see nothing wrong or immoral, and certainly nothing unconstitutional, with the police asking a suspect whom they have reasonable cause to arrest whether or not he killed his wife or with confronting him with the evidence on which the arrest was based, at least where he has been plainly advised that he may remain completely silent, see *Escobedo* v. *Illinois*, 378 U.S. 478, 499 (dissenting opinion). Until today, "the admissions or confessions of the prisoner, when voluntarily and freely made, have always ranked high in the scale of incriminating evidence." *Brown* v. *Walker*, 161 U.S. 591, 596; see also *Hopt* v. *Utah*, 110 U.S. 574, 584–585. Particularly when corroborated, as where the police have confirmed the accused's disclosure of the hiding place of implements or fruits of the crime, such confessions have the highest reliability and significantly contribute to the certitude with which we may believe the accused is guilty. Moreover, it is by no means certain that the process of confessing is injurious to the accused. To the contrary it may provide psychological relief and enhance the prospects for rehabilitation.

This is not to say that the value of respect for the inviolability of the accused's individual personality should be accorded no weight or that all confessions should be indiscriminately admitted. This Court has long read the Constitution to proscribe compelled confessions, a salutary rule from which there should be no retreat. But I see no sound basis, factual or otherwise, and the Court gives none, for concluding that the present rule against the receipt of coerced confessions is inadequate for the task of sorting out inadmissible evidence and must be replaced by the *per se* rule which is now imposed. Even if the new concept can be said to have advantages of some sort over the present law, they are far outweighed by its likely undesirable impact on other very relevant and important interests.

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confrontations with witnesses or new items of evidence, as these are obtained by officers conducting the investigation. See generally LaFave, Arrest: The Decision to Take a Suspect into Custory 386 (1965); ALI, Model Pre-Arraignment Procedure Code, Commentary § 5.01, at 170, n. 4 (Tent. Draft No. 1, 1966).

[3] By contrast, the Court indicates that in applying this new rule it "will not pause to inquire in individual cases whether the defendant was aware of his rights without a warning being given." *Ante*, at 31. The reason given is that assessment of the knowledge of the defendant based on information as to age, education, intelligence, or prior contact with authorities can never be more than speculation, while a warning is a clear-cut fact. But the officers' claim that they gave the requisite warnings may be disputed, and facts respecting the defendant's prior experience may be undisputed and be of such a nature as to virtually preclude any doubt that the defendant knew of his rights. See *United States* v. *Bolden*, 355 F. 2d 453 (C. A. 7th Cir. 1965), petition for cert. pending No. 1146 O. T. 1965 (secret service agent); *People* v. *DuBond*, 235 Cal. App. 2d 844, 45 Cal. Rptr. 717, pet. for cert. pending No. 1053 Misc. O. T. 1965 (former police officer).

The most basic function of any government is to provide for the security of the individual and of his property. *Lanzetta* v. *New Jersey,* 306 U.S. 451, 455. These ends of society are served by the criminal laws which for the most part are aimed at the prevention of crime. Without the reasonably effective performance of the task of preventing private violence and retaliation, it is idle to talk about human dignity and civilized values.

The modes by which the criminal laws serve the interest in general security are many. First the murderer who has taken the life of another is removed from the streets, deprived of his liberty and thereby prevented from repeating his offense. In view of the statistics on recidivism in this county[4] and of the number of instances in which apprehension occurs only after repeated offenses, no one can sensibly claim that this aspect of the criminal law does not prevent crime or contribute significantly to the personal security of the ordinary citizen.

Secondly, the swift and sure apprehension of those who refuse to respect the personal security and dignity of their neighbor unquestionably has its impact on others who might be similarly tempted. That the criminal law is wholly or partly ineffective with a segment of the population or with many of those who have been apprehended and convicted is a very faulty basis for concluding that it is not effective with respect to the great bulk of our citizens or for thinking that without the criminal laws, or in the absence of their enforcement, there would be no increase in crime. Arguments of this nature are not borne out by any kind of reliable evidence that I have seen to this date.

Thirdly, the law concerns itself with those whom it has confined. The hope and aim of modern penalogy, fortunately, is as soon as possible to return the convict to society a better and more law-abiding man than when he entered. Sometimes there is success, sometimes failure. But at least the effort is made, and it should be made to the very maximum extent of our present and future capabilities.

The rule announced today will measurably weaken the ability of the criminal law to perform in these tasks. It is a deliberate calculus to prevent interrogations, to reduce the incidence of confessions and pleas of guilty and to increase the number of trials.[5] Criminal trials, no matter how efficient the police are, are not sure bets for the prosecution, nor should they be if the evidence is not forthcoming. Under the present law, the prosecution fails to prove its case in about 30% of the criminal cases actually tried in the Federal courts. See Federal Offenders: 1964, *supra,* note 4, at 6 (Table 4), 59 (Table 1); Federal Offenders: 1963, *supra,* note 4, at 5 (Table 3); District of Columbia Offenders: 1963, supra, note 4, at 2 (Table 1). But it is something else again to remove from the ordinary criminal case all those confessions which heretofore have been held to be free and voluntary acts of the accused and to thus establish a new constitutional barrier to the ascertainment of truth by the judicial process. There is, in my view, every reason to believe that a good many criminal defendants, who otherwise would have been convicted on what this Court has previously thought to be the most satisfactory kind of evidence, will now, under this new version of the Fifth Amendment, either not be tried at all or acquitted if the State's evidence, minus the confession, is put to the test of litigation.

I have no desire whatsoever to share the responsibility for any such impact on the present criminal process.

In some unknown number of cases the Court's rule will return a killer, a rapist or other criminal to the streets and to the environment which produced him, to repeat his crime whenever it pleases him. As a consequence, there will not be a gain, but a loss in human dignity. The real concern is not the unfortunate consequences of this new decision on the criminal law as an abstract, disembodied series of authoritative proscriptions, but the impact on those who rely on the public authority for protection and who without it can only engage in violent self-help with guns, knives and the help of their neighbors similarly inclined. There is, of course, a saving factor: the next victims are uncertain, unnamed and unrepresented in this case.

Nor can this decision do other than have a corrosive effect on the criminal law as an effective device to prevent crime. A major component in its effectiveness in this regard is its swift and sure enforcement. The easier it is to get away with rape and murder, the less the deterrent effect on those who are inclined to attempt it. This is still good common sense. If it were not, we should posthaste liquidate the whole law enforcement establishment as a useless, misguided effort to control human conduct.

And what about the accused who has confessed or would confess in response to simple, noncoercive questioning and whose guilt could not otherwise be proved? Is it so clear that release is the best thing for him in every case? Has it so unquestionably been resolved that in each and every case it would be better for him not to confess and to return to his environment with no attempt whatsoever to help him? I think not. It may well be that in many cases it will be no less than a callous disregard for his own welfare as well as for the interests of his next victim.

There is another aspect to the effect of the Court's rule on the person whom the police have arrested on probable cause. The fact is that he may not be guilty at all and may be able to extricate himself quickly and simply if he were told the circumstances of his arrest and were asked to explain. This effort, and his release, must now await the hiring of a lawyer or his appointment by the court, consultation with counsel and then a session with the police or the prosecutor. Similarly, where probable cause exists to arrest several suspects, as where the body of the victim is discovered in a house having several residents, see *Johnson* v. *State,* 238 Md. 140, 207 A. 2d 643 (1965), Pet. for cert. pending No. 274 Misc. O. T. 1965, it will often be true that a suspect may be cleared only through the results of interrogation of other suspects. Here too the release of the innocent may be delayed by the Court's rule.

Much of the trouble with the Court's new rule is that it will operate indiscriminately in all criminal cases, regardless of the severity of the crime or the circumstances involved. It applies to every defendant, whether the professional criminal or one committing a crime of momentary passion who is not part and parcel of organized crime. It will slow down the investigation and the apprehension of confederates in those cases where time is of the essence, such as kidnaping, see *Brinegar* v. *United States,* 338 U.S. 160, 183 (Jackson J., dissenting); *People* v. *Modesto,* 398 P. 2d 753, 759, 42 Cal. Rptr. 417, 423 (1965), those involving the national security, see *Drummond* v. *United States,* 354 F. 2d 132, 147 (C.A. 2d Cir. 1965) (*en banc*) (espionage case), pet for cert. pending No. 1203 Misc. O. T. 1965; cf. *Gessner* v. *United States,* 354 F. 2d 726, 730, n. 10 (C. A. 10th Cir. 1965) (upholding, in espionage case, trial ruling that Government need not submit classified portions of interrogation transcript), and some organized crime situations. In the latter context the lawyer who arrives may also be the lawyer for the defendants' colleagues and can be relied upon to insure that no breach of the organization's security takes place even though the accused may feel that the best thing he can do is to cooperate.

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[4] Precise statistics on the extent of recidivism are unavailable, in part because not all crimes are solved and in part because criminal records of convictions in different jurisdictions are not brought together by a central data collection agency. Beginning in 1963, however, the Federal Bureau of Investigation began collating data on "Careers in Crime," which it publishes in its Uniform Crime Reports. Of 192,869 offenders processed in 1963 and 1964, 76% had a prior arrest record on some charge. Over a period of 10 years the group had accumulated 434,000 charges. FBI Uniform Crime Reports—1964, 27–28. In 1963 and 1964 between 23% and 25% of all offenders sentenced in 88 federal district courts (excluding the District Court for the District of Columbia) whose criminal records were reported had previously been sentenced to a term of imprisonment of 13 months or more. Approximately an additional 40% had a prior record less than prison (juvenile record, probation record, etc.). Administrative Office of the United States Courts, Federal Offenders in the United States District Courts: 1964, x, 36 (hereinafter cited as Federal Offenders: 1964); Administrative Office of the United States Courts, Federal Offenders in the United States District Courts: 1963, 25–27 (hereinafter cited as Federal Offenders: 1963). During the same two years in the District Court for the District of Columbia between 28% and 35% of those sentenced had prior prison records and from 37% to 40% had a prior record less than prison. Federal Offenders: 1964, xii, 64, 66; Administrative Office of the United States Courts, Federal Offenders in the United States District Court for the District of Columbia: 1963, 8, 10 (hereinafter cited as District of Columbia Offenders: 1963).

A similar picture is obtained if one looks at the subsequent records of those released from confinement. In 1964, 12.3% of persons on federal probation had their probation revoked because of the commission of major violations (defined as one in which the probationer has been committed to imprisonment for a period of 90 days or more, been placed on probation for over one year on a new offense, or has absconded with felony charges outstanding). Twenty-three and two-tenths percent of parolees and 16.9% of those who had been mandatorily released after service of a portion of their sentence likewise committed major violations. Reports of the Proceedings of the Judicial Conference of the United States and Annual Report of the Director of the Administrative Office of the United States Courts: 1965, 138. See also Mandel et al., Recidivism Studied and Defined, 56 J. of Crim. L., C. & P. S. 59 (1965) (within five years of release 62.33% of sample had committed offenses placing them in recidivist category).

[5] Eighty-eight federal district courts (excluding the District Court for the District of Columbia) disposed of the cases of 33,381 criminal defendants in 1964. Only 12.5% of those cases were actually tried. Of the remaining cases, 89.9% were terminated by convictions upon pleas of guilty and 10.1% were dismissed. Stated differently, approximately 90% of all convictions resulted from guilty pleas. Federal Offenders: 1964, *supra,* note 4, 3–6. In the District Court for the District of Columbia a higher percentage, 27%, went to trial, and the defendant pleaded guilty in approximately 78% of the cases terminated prior to trial. *Id.,* at 58–59. No reliable statistics are available concerning the percentage of cases in which guilty pleas are induced because of the existence of a confession or of physical evidence unearthed as a result of a confession. Undoubtedly the number of such cases is substantial.

Perhaps of equal significance is the number of instances of known crimes which are not solved. In 1964, only 388,946, or 23.9% of 1,626,574 serious known offenses were cleared. The clearance rate ranged from 89.8% for homicides to 18.7% for larceny. FBI, Uniform Crime Reports—1964, 20–22, 101. Those who would replace interrogation as an investigatorial tool by modern scientific investigation techniques significantly overestimate the effectiveness of present procedures, even when interrogation is included.

At the same time, the Court's *per se* approach may not be justified on the ground that it provides a "bright line" permitting the authorities to judge in advance whether interrogation may safely be pursued without jeopardizing the admissibility of any information obtained as a consequence. Nor can it be claimed that judicial time and effort, assuming that is a relevant consideration, will be conserved because of the ease of application of the new rule. Today's decision leaves open such questions as whether the accused was in custody, whether his statements were spontaneous or the product of interrogation, whether the accused has effectively waived his rights, and whether nontestimonial evidence introduced at trial is the fruit of statements made during a prohibited interrogation, all of which are certain to prove productive of uncertainty during investigation and litigation during prosecution. For all these reasons, if further restrictions on police interrogation are desirable at this time, a more flexible approach makes much more sense than the Court's constitutional straitjacket which forecloses more discriminating treatment by legislative or rule-making pronouncements.

Applying the traditional standards to the cases before the Court, I would hold these confessions voluntary. I would therefore affirm in Nos. 759, 760, and 761 and reverse in No. 584.

Mr. MORSE. Mr. President, I have asked that these opinions be printed in the Record so that they will be available to every Senator.

This Supreme Court decision, Mr. President, deals with various legal issues in connection with the procedures to be followed by police, both Federal and State, under our Constitution. The opinion speaks for itself. The senior Senator from Oregon is proud to have the Record show that the decision sustains the position he has taken in the Senate for many years in connection with proposed legislation dealing with problems of criminal procedure in law enforcement.

As the Record shows, I have argued over and over again that the guilty have exactly the same constitutional rights as the innocent. I have argued that you cannot have constitutional rights for some but not for others. I have spoken out, over the years, against arrests for investigation and against third-degree tactics on the part of police departments—and they continue to exist, Mr. President, in a variety of forms. I have defended on many occasions the unanimous Supreme Court decision in the Mallory case. I have pointed out that commissioners of police departments, including the Chief of Police of the District of Columbia, are presenting to the American people misinformation in regard to the effects of the Mallory rule on law enforcement.

One only has to read this landmark opinion of the Chief Justice of the United States, Hon. Earl Warren, in Miranda against Arizona, to appreciate how sound have been the arguments throughout the years of those of us who have been opposing the denial of constitutional rights when arrested. It is a 5-to-4 decision, but that does not make it any less the law of the land. The dissenters in the case in part seek to justify their dissent on the ground that we have a serious crime problem in the United States. We do have a serious crime problem, although we have had serious crime problems in the United States intermittently, like the swing of a pendulum, ever since this Republic was born.

Mr. President, the existence of a crime problem, the existence of some activity on the part of a considerable number of people engaged in illegal conduct that can be described as an example of a reign of terror in a community for that particular time—that, I most respectively say, does not justify any Justice of the Supreme Court taking the position that, therefore, the great constitutional guarantees, as set forth in the decision of the Chief Justice, should be in the slightest degree modified or denied.

We cannot maintain a government by law within the framework of our Constitution if we countenance what would be the effect of the minority views expressed in this case: the sanctioning of arbitrary and capricious discretion in the police.

Mr. President, as one who worked a good many years in the field of research on law-enforcement policy, and as editor in chief of a five-volume work put out by the Department of Justice when I was an assistant to the Attorney General, I wish to say that it is in times of stress that it is so important that there be no transgression on constitutional rights by the police or by the courts, or we will cease to be freemen and freewomen.

I wish to say to those who apparently believe that we should move in the direction of the police state by giving to the police unchecked and improper powers, they had better reread their Constitution.

I shall have more to say about this landmark decision if, as, and when the so-called omnibus crime bill gets out of conference and comes to the floor of the Senate for approval, for this Supreme Court decision answers that bill.

The Record will show that I spoke against it and voted against it on the floor of the Senate, and that I pointed out that it had many unconstitutional features.

One cannot read this great decision of Monday by the Chief Justice and reach any other conclusion. I think that the so-called omnibus crime bill should be forgotten for the rest of this session of Congress and then, in the next Congress, we should come forward with a crime bill that is within the framework of this great decision and previous great decisions of this country, including the Mallory decision.

To these chiefs of police, prosecutors, and others who would have constitutional rights of arrested persons transgressed upon, I wish to say, as pointed out by the Chief Justice in this case, that protecting constitutional rights does not in any way prevent law enforcement on the part of an efficient police department or an efficient prosecutor's office and recognizes their duty to stay within the framework of the Constitution.

Always one hears the argument, "Our hands are being tied by a decision of a court that sustains constitutional rights." I wish to warn the American people that when a chief of police of any city, or a prosecutor in any prosecutor's office, State or Federal, argues that way, the voters should proceed to bring about the necessary reform in those offices, personnel, and procedural.

I close these comments on this case by saying—because he deserves to have it said in the unfair attacks that have been made and are being made on this great Chief Justice—that I think Chief Justice Warren has written a juridical record during his service as Chief Justice of the Supreme Court not excelled by any Chief Justice in our history. I consider him equal to that great Chief Justice, John Marshall, for John Marshall also was the Chief Justice of the Supreme Court at the time when great landmark guarantees were laid down by the Court in regard to the constitutional rights of all Americans.

Likewise, these great constitutional decisions of a majority of the Court under the leadership of Chief Justice Earl Warren have once again, before it became too late, warned the American people of the importance of maintaining a system of government by law implementing our constitutional rights.

This decision will be one of the landmark decisions studied in every course, in every law school of this country in the field of constitutional law, substantive criminal law, and procedural criminal law.

Words fail me to properly attribute to this great decision what I consider to be its import in the administration of justice in the future of this country. I hope the Attorney General will study it. I hope the office of the U.S. attorney in Washington, D.C., will study it. And today I say, respectfully, that I hope some of those in the teaching of the legal profession—and they influence the omnibus crime bill of the Congress that is now in conference—will likewise study this decision.

I wish to say to the profession of law teachers that one of your primary obligations is to never support an expediency in connection with criminal procedure at the cost of denying full protection to the guilty as well as to the innocent, those basic procedural rights inherent in the Constitution.

I have been saddened, this past year, to take note of law professors who should know better, and I am satisfied do know better, who are willing to succumb to the demand for a compromise by way of granting to the police in this country authority to arrest a citizen and by various psychological third-degree tactics, which take place in the so-called continuous questioning device, force confessions out of people. I have also been shocked by many of my lay friends who seem to think that it is all right if a person in fact is guilty. Of course, they are willing to assume that a confession proves guilt. But if one will read the literature dealing with the subject of so-called criminal confessions, he will be shocked to find the large number of confessions which were not truthful confessions but were the product of an upset mind, hysterical mind, or the product of a person overcome with fear.

Assuming for a moment that every confession comes from the lips of a person who is guilty, it still cannot justify, under Anglo-Saxon law, on which our criminal jurisprudence is based, such a trifling with the presumption of innocence and such a modification of the obligation of the State to assume its burden of proof beyond a reasonable doubt.

Thus, Mr. President, we now have a decision which brings our law-enforcement officers back within the framework of the Constitution which says to them in effect, "When you put the hand of arrest on the shoulder of a fellow American, you had better have probable cause, for if you do not have probable cause, you have no right to arrest him in the first place. If you have probable cause, you have no need for a confession that you drill out of him by the tactics used through various psychological third-degree methods."

Let us also remember that the physical third degree has not become passé yet in our American law-enforcement agencies.

I yield to no one in the Senate in supporting legislation which will strengthen the police departments in keeping within their legitimate rights. That is why I will always be found, as a member of the Senate District of Columbia Committee, doing what I can to help build up a stronger police department, personnel-wise, equipment-wise, and financial-wise here in the District of Columbia.

But I shall continue, let me say to the Chief of Police of the District of Columbia, to deplore the kind of public statement he issued in regard to this case. Let me also say to the prosecutor's office, both Federal and local, that I shall continue to deplore and do what I can to correct the practices on their part which cannot be reconciled if they engage in any further such practices against this great landmark decision of the Chief Justice of the United States.

PRIVATE PENSION FUNDS

Mr. MORSE. Mr. President, on June 10, the board of trustees of the International Brotherhood of Electrical Workers pension benefit trust fund held its annual meeting at Salt Lake City.

It is my privilege to serve as the public member of the board of trustees of the pension fund, consisting of 12 electrical contractors representing management's interest in the electrical industry of the country and 12 union representatives.

This pension benefit trust fund of the electrical industry is recognized as one of the pace-setting private pension funds of the country. It has a history dating back to 1927. It is not only one of the oldest of the private pension funds in the labor-management field, but one of the most exemplary private pension trust funds.

For many years, my predecessor as the public member of this pension fund's board of trustees was the late Prof. Edwin Witte, of the University of Wisconsin. This private pension fund in the electrical industry owes a great debt of gratitude to Professor Witte for the valuable assistance he rendered the parties of the fund over the years in his service as a public member of the board. Professor Witte is recognized as one of the architects of the Federal legislation that brought into being the Social Security System. His scholarship in this field of economics was drawn upon when the Roosevelt administration asked Professor Witte to be one of its advisers in the development of the social security legislation.

When I was an undergraduate and graduate student at the University of Wisconsin, Professor Witte was one of my teachers, and I shall always owe him a great debt of gratitude for the inspiration and instruction which I gained from his classrooms. Many years later, during World War II, we both served our Government in connection with the National War Labor Board. Here, too, our Government called upon the expertise of Professor Witte in the field of labor economics with the result that he left an indelible print of public service on the historic record of the War Labor Board. When he died, the employer and employee representatives on the International Brotherhood of Electrical Workers pension benefit trust fund invited me to succeed Professor Witte as the public member on the board of trustees. I consider it a great privilege and honor to hold this position once held by my beloved teacher, Professor Witte.

I am sure that all of us in the Senate are aware of the fact that there is a growing concern throughout the country in respect to private pension funds. Both unions and employers are expressing more and more concern about the growing criticisms of the operations of private pension funds, not only within the ranks of labor but within the ranks of industry and the general public, as well.

Undoubtedly, within the next 2 years appropriate committees of the Congress, including the Committee on Labor and Public Welfare of the Senate, will be called upon to conduct legislative studies and place under careful scrutiny the operation of private pension funds. Already, various proposals for legislation in respect to private pension funds are being suggested.

Basic to the growing concern in this field is increasing evidence that only a small fraction of the workers of the country actually receive pensions from any private pension funds because of the fact that although they contribute to such funds for a period of time, they fail to qualify meeting all the terms and conditions of a given pension plan.

Some critics who are asking for a congressional study of private pension fund problems suggest that the Federal Government should exercise a greater surveillance over private pension funds if the equitable interests of the potential beneficiaries of a private pension system in the country are to be protected.

This year, as a part of the annual report to the board of trustees of the pension fund of the electrical industry, I discussed in part some of the problems that are being raised by those who are expressing increasing concern about the private pension programs that are being made available to the workers. I was pleased to discuss some of these problems with the members of the board of trustees of the International Brotherhood of Electrical Workers Pension Benefit Trust Fund because, in my opinion, this particular pension program has much to offer in helping to resolve some of the problems that have arisen in this field.

Therefore, Mr. President, I ask unanimous consent that there be published in the Record at this point the statement that I made on June 10, 1966, in Salt Lake City as the public member of the board of trustees of the International Brotherhood of Electrical Workers Pension Benefit Trust Fund, and I also ask unanimous consent to have the reports of the board of trustees for May 11, 1965, and June 10, 1966, inserted in the Record as part of my report.

'There being no objection, the statement and reports were ordered to be printed in the Record, as follows:

Statement of Senator Wayne Morse, Public Member, Board of Trustees, International Brotherhood of Electrical Workers Pension Benefit Trust Fund, at Annual Meeting of the Board, Salt Lake City, Utah, June 10, 1966

Mr. Chairman, Members of the Board of Trustees: Once again it is my privilege and pleasure, as the public member, to meet with the Board of Trustees of the International Brotherhood of Electrical Workers Pension Benefit Fund. I deeply regretted that I was unable to attend the 1965 annual meeting of the Board which was held in New York City. However, as you know, on that day a series of important roll call votes were scheduled in the Senate, and my Senate obligations required that I remain in Washington, D.C.

Bill Howell sent to me the proceedings of the meeting which I read and highly approved. Again, I was pleased to note that the presence of the public member at the annual meeting of the Board of Trustees really was not needed, because the Contractor and Union members have no real difficulties in resolving the items of business on the agenda. Nevertheless, as I telegraphed to the Board at the time, I was very sorry that my Senate duties made it necessary for me to be absent from the meeting.

There may be some other similar Joint Labor-Management Board that can point to such an unbroken record of harmonious decision making as this Board of Trustees, but I do not know of it.

I'm sure that we all know that much credit for the splendid working cooperation that characterizes the record of this Board goes to our Executive Secretary-Treasurer, Bill Howell. I am also sure that Bill Howell would say and all the rest of you would agree that Joe Keenan, for many years the Union's Co-Chairman of this Board of Trustees, and Paul Geary, who retired two years ago as the Contractor's Co-Chairman, and now Robert Higgins, who serves so ably as Management's present Co-Chairman, deserve the everlasting thanks of all of us for their dedication and devotion to the responsibilities which this Board of Trustees owes to the beneficiaries of this Pension Benefit Fund.

Each year, as part of my thus far nominal duties as the public member of the Board and upon your invitation, I contribute to the official record of the annual meeting a brief statement or report on some topic that I think will be of interest to the members of the Board. This year, I shall file with Bill Howell a brief statement I have prepared on some problems of growing concern throughout the country in respect to some private pension plans for workers in certain industries. I shall not take the time to read it in its entirety but only summarize it. You can read it at your leisure after I have inserted it in the CONGRESSIONAL RECORD, along with the annual report of our Board.

Before I raise the major thesis of these remarks relative to problems arising in the national private pension field, I want to comment briefly on one of the singular labor dispute procedures that exist in this industry. I refer, of course, to the Council on Industrial Relations for the Electrical Construction Industry. It provides a very fair and commonsense procedure for representatives of the contractors and the union to arbitrate their own dead-locked labor disputes. No third party acting as an arbitrator, I care not who he may be, can be as well qualified from the standpoint of expert knowledge of the problems of the industry as men from within the industry, itself.

In this year's report of our Trustees written by Mr. Keenan and Mr. Higgins, they cover the work of the Council on Industrial Relations in these words:

"The Council on Industrial Relations for th Electrical Construction Industry has always been our top example of success in labor-management cooperation. In the event that some reading this booklet are not familiar with the CIR, this is the 46-year-old organ used for settling disputes in the electrical construction industry.

"The Council is made up of 12 members, six from the Contractors and six from the Union. The Council handles those cases in which the normal collective bargaining processes between local contractor and local union have bogged down and become deadlocked. This is the electrical industry's answer to strikes and lockouts. The Council decisions must be unanimous. Only once in its 46-year history has it ever had a decision violated.

"Today many labor and management groups are exploring the possibility of trying to set up an arbitration and mediation organ, in an attempt to eliminate strikes and bring more stability into their respective fields. It is amazing to educators, writers, arbitrators, to learn about our Council for the first time. Our set-up is being widely recommended today in an effort to bring the same kind of peace we have known for nearly half a century, to other industries, their employers and employes.

"Last year 99 cases were heard and settled by the CIR. Thus far in 1966, with two meetings down and two to go, 53 cases have been settled.

"For the last five years, the CIR has averaged a workload of 100 cases per year. During that period cases have been presented from all 50 states of the Union and the District of Columbia, with the exception of Alaska, Hawaii, Rhode Island and South Carolina.

"There are approximately 500 construction locals in the IBEW. This means that approximately one out of every five locals and corresponding contractor group, is using the Council each year. Of course, there are some contractors and local unions which never employ the CIR to settle their differences. However, the very fact that it exists—a Supreme Court—has been an impetus to many employer-employe groups to resolve their differences at home.

"The Council on Industrial Relations is very much a part of the Electrical Industry as we know it."

I have just served as the Chairman of a Presidential Emergency Board appointed to make recommendations for the settlement of 48 issues in dispute in the airline industry. In my judgment, if the parties to that dispute could have had available to them a procedure within their own industry similar to the Electrical Industry's Council on Industrial Relations, most of those 48 issues could have been settled by their own Labor Dispute Adjustment Board.

Granted that under the Railway Labor Act, either side is entitled to have appointed a Presidential Emergency Board as the last step in an endeavor to settle a dispute, it is my judgment that a procedure such as that provided by the Electrical Industry's Council on Industrial Relations would make that unnecessary in a large number of cases.

I think this would be true in American industries generally. The record of the work of the Council on Industrial Relations of this Electrical Industry needs to be publicized much more than has been done to date. When all is said and done, there is no better way for family quarrels to be settled in the economic marriage relations between unions and management than for them to be settled within the family by the family.

I recognize that no rule of thumb procedure for the settlement of disputes can be applied to all industries. For example, I seriously doubt if the type of procedure existing in the Council on Industrial Relations of the Electrical Industry would work as well in all industries, because in many industries there has not developed the fine cooperative relationship between management and the union as has developed in this industry.

Therefore, it would probably be necessary, in many instances, to adopt the procedure of the Council on Industrial Relations as it exists in the Electrical Industry, but in addition, thereto, provide for a breaking of a dead-lock in case the union and management members of such a Council on Industrial Relations could not reach a unanimous agreement.

However, I think it is very important to try to provide for the procedure that exists in the Council on Industrial Relations for the Electrical Industry which calls for a settlement of the dispute on the terms of the unanimous decision if unanimity can be reached. Such a procedure works in this industry, but on the basis of the history of many other industries, a unanimity rule undoubtedly would not work. Therefore, in such industries, a provision in the dispute settling procedure should probably be added that would provide for the breaking of a dead-lock in the event that the management-union board of arbitration could not reach an agreement.

Undoubtedly, there would be those who would argue in opposition to such a procedure that it would constitute compulsory arbitration. However, such would be a fallacious argument so long as the procedure for breaking a dispute dead-lock has the result of a voluntary agreement reached through collective bargaining by the parties, themselves. The compulsory arbitration argument has no standing in fact unless the requirement of arbitration is imposed upon the parties by legislative mandate.

As my legislative record shows, I am opposed to compulsory arbitration imposed upon the parties to a dispute by way of legislative mandate, because it would tend to destroy the basic principle of voluntarism so essential in employer-labor relationships if we are to avoid a managed economy in our country. In my judgment, Government-imposed arbitration by way of legislative mandate cannot be reconciled with our system of economic freedom on the foundation of which so much of our political freedom is dependent.

However, the type of arbitration I have always espoused is that which is so well portrayed by the procedures of the Council on Industrial Relations for the Electrical Construction Industry and by many other collective bargaining agreements which provide for various forms of binding arbitration for the settlement of labor disputes but on the terms and conditions and procedures agreed to by the parties. In such cases, the arbitration procedures exists only for the life and duration of the collective bargaining agreement of which it is a part. On the other hand, compulsory arbitration imposed by Governmental mandate through legislation is bound to lead to Governmental dictation in respect to management's rights, as well.

This year, I shall insert in the Congressional Record the Board's last year's report, as well as this one which is being presented to this meeting, because I think we are going to discover that our Board's reports are going to be referred to, and favorably, in the private pension plan discusions that will take place in the Congress during the next several years.

I am referring to this subject in my remarks to the Board this year, because as a member of the Senate Committee on Labor and Public Welfare, I have been made aware of the increasing demand for a Congressional scrutinizing of private pension plans. In order to inform myself of the basis for this growing concern about private pension plans, I have been looking into the subject matter during the past year, and I wish to share with the Board some of my observations.

In 1927, when the original IBEW Members Pension Plan was established, this union demonstrated concern, foresight, initiative and responsibility. These qualities, harnessed to the unparalleled productivity of our private enterprise system, have made the American workingman the envy of the entire world. Material well-being and security against financial want are more widely shared today in this country than would have been believed possible four decades ago. But that did not just happen. It wasn't simply luck that produced such a high level of achievement.

It was a demonstration that an economic system based upon private enterprise and initiative is not exploitative but diffuses its benefits throughout our society. The system, itself, must be given credit. Our system not only permits but encourages—indeed it demands—that private groups recognize emerging problems and shape their own solutions and palliatives.

We thus have had innumerable experiments and the accumulation of diverse experience adapted to the differing demands of various industries, regions, localities and enterprises. What often seems chaotic confusion is the democratic process at work tinkering with a dozen different potential solutions to common problems, but problems which often have different characteristics or contours in differing situations.

The labor movement also has supplied some indispensable ingredients. The first is concern for the well-being of working people—a concern now widely shared throughout industry. But in 1927, few realized that a revolution—one of many—was under way in this country. The life cycle—and the working cycle—were undergoing radical change. Modern medicine was keeping more people alive longer. While dying in harness in one's 40's or 50's or early 60's had been the rule, large groups were persevering past 65. But the ability or opportunity to work wasn't keeping pace with biological survival. Hence, it was recognized, a substitute for currently earned wages had to be found for the superannuated worker. This concern over workers' welfare, this foresighted recognition of the problem, was met by initiative and responsible action—the IBEW's first pension plan.

By 1935, millions of aged unemployed throughout the nation attested to the widespread need for income substitutes for earned wages and salaries. The few private plans that had been established were inadequate to the task and many of them, based upon individual enterprises, were swept away along with those businesses that collapsed in the depression.

Two public systems were necessary to meet the national calamity—Old Age Assistance, to tide over the elderly unemployed with small or depleted private resources, and the Old Age Insurance System—popularly known as Social Security—to provide by a system of saving in the productive years for the needs of the otherwise lean years when work was over—a system Joseph recommended to Pharoah.

My predecessor as the public member of the Board of Trustees of the International Brotherhood of Electrical Workers Pension Benefit Trust Fund, Professor Edwin Witte, left the imprint of his expertise in the economic field of health, welfare and pension problems and programs on our National Social Security System. He will be remembered in the history of the Social Security System as one of its economic architects. As a graduate professor of mine and later as a colleague on the War Labor Board during World War II, I was a beneficiary of his scholarly teaching in this field. In fact, the union and employer parties to the National Electrical Benefit Fund, I am sure, will agree with me that the Fund is one of the pace setters in its field because of the imprint of Dr. Witte's expert knowledge in this area of social economics.

In the three decades since, we have seen the remarkable development of two systems designed to provide economic security for elderly workers and their families—the public system or Social Security of nearly universal applicability and the private pension system comprising over 30,000 single, multi-employer and industry-wide plans to supplement the public system's benefits. Interestingly the European countries that have shown the greatest concern in workers' welfare have only recently turned to similar two-tiered systems of meeting the income needs of the elderly. The concern, foresight, initiative and responsibility that underlie the present IBEW Pension Benefit Trust Fund require us to take stock of how well both private and public institutions are keeping up with the fantastic rate of change our economy produces, a rate that is intensified by the industrial mobilization for war in Vietnam.

The many contributions of industrial statesmanship which the representatives of the National Electrical Contractors Association have made to this IBEW Pension Benefit Trust Fund over the years explain, in no small degree, the soundness of this Trust Fund. The cooperative efforts of the Union and Employer representatives that have prevailed throughout the life of this Trust Fund is convincing proof of what long-standing good will and good faith relationships between representatives of labor and management can accomplish in the field of collective bargaining.

As the present public member of the Board, I would direct the attention of the members of the Board to some of the problems and concerns that seem to be developing in our country in respect to some types of welfare and pension plans.

Shifting population patterns (more youngsters, more oldsters, proportionately fewer in-between), geographical shifts by industry, European competition, changing consumption patterns, and changes in the technology and concerns in the defense sector, as well as technological change, at ever increasing rates, put tremendous stress upon labor-management relationships.

All of these elements are having an immense impact upon private pension plans. About 85% of the employees with pension coverage are in plans limited to single employees. About half of all workers under plans are in manufacturing, where these forces for change concentrate so heavily. However, no area of employment is immune. The design of most private pension plans contemplates that the bulk of the employees to benefit from such plans must be long service workers, who, when they reach retirement, do receive pension benefits because they stayed with one company for many years. As a result, at any given time, the evidence is that substantially fewer than half of employees in a private pension plan will draw benefits from it, and in many cases, the showing is much worse. This is because a fact of modern life is that employee mobility is high, and the rate of job change is high. In bad times, tens of thousands of workers are laid off, and the rate of eventual recall often is low. In good times—times of high employment—wage competition stimulates job changing. Such labor mobility is a great source of strength to our economy, providing incomparable adaptability to change.

Semi-mobilization for the Vietnam war means the rapid expansion of some industries, such as aircraft, drawing workers from other jobs. Past experience shows that a high proportion of such workers don't go back to their old jobs. Hence, in many cases, the pension credits they had earned there in their old jobs are worthless to them. Their war-crisis jobs won't hold up either, so that pension credits nominally earned also will be lost.

While "vesting" of pension credits is becoming more common, a former colleague and legislative assistant of mine, who was also my counsel on the Senate Railroad Retirement Subcommittee and thereafter, spent five years studying private pensions, concludes that the eligibility criteria are generally so high, typically requiring 10 or 15 years of unbroken service, as to be of little value to most employees.

I refer to Merton Bernstein, who is now a professor on the faculty of the College of Law at Ohio State University. He has written a book entitled, "The Future of Private Pensions."[1] This book has been recognized in the field as a prize-winning volume devoted to an analysis of private pension plans and proposals for their improvement. The book is being drawn upon for suggestions in the preparation of legislative proposals aimed at seeking to protect workers who contribute to private pension plans but end up at the end of their working years with no guaranteed pension rights. Both labor and management should become aware of growing concern among the general public as to alleged injustices, hardships and inequities which, it is alleged, honeycomb many private pension plans.

Professor Bernstein points out, for example, a serious pension situation that developed in the plant of one major aircraft producer. This company's negotiated pension plan for production workers provides for 50% vesting after 10 years, with the additional requirement that the employee be over 40. The trouble is that a large percentage of aircraft workers are in and out of their jobs in far fewer than 10 years. Even five years vesting in this highly volatile industry affords comparatively little protection. Here is a cost of war production to which we are paying all too little attention.

Nationwide or industry-wide or regional plans provide greater protection against these hazards. But even here the performance leaves much to be desired. Only recently, testimony before the Joint Economic Committee showed that under actuarial estimates, only about one-third of the workers in an unusually large multi-employer regional plan were expected to qualify for plan benefits. Moreover, other features of multi-employer, industry-wide and regional plans must be recognized. They generally lack provisions for disability retirement and early retirement, which often in reality is for partial disability or just inability to keep up. In such plans, vesting is comparatively rare so that workers who leave an industry by necessity or choice lose the pension protection they were building. Further, many plans, particularly those of small employers, will disappear long before employees reach retirement age.

Now, I recognize that most of the deficiencies of private plans can be explained in terms of their comparative recency and the higher cost of additional protection. But, it seems to me to be a reproach to an economy as productive as ours, that it cannot afford to make decent provision for employees and their dependents in their old age.

Private pension plans generally have one or more of the deficiencies I've catalogued. And to this must be added that their benefits are all too small. Nor am I consoled or misled by Bureau of Labor Statistics reports which tell about the handsome benefits that retirees with 30 and 35 years of service with one company will receive where, as is common, benefits vary with length of service. I am not impressed because the 30- or 35-year man is as rare as the Whooping Crane, and mobilization crises will keep them rare in the future. Let's face it—we haven't had "normal times" in this century, if we ever had them. I suggest to the Bureau of Labor Statistics that it give us reliable data on actual pension earnings instead of statistical analyses of pension benefits that are practically unrelated to the real world. It is the real world with which we must deal.

In the real world of the elderly, what should be the golden years are seriously tarnished by extreme financial want. Only recently, I had called to my attention a case in which an 87-year old widow without relatives, who had all of $50 in cash and an income of $33 a month, was denied free hospital care a few years ago by a public welfare board, because she owned her own home value at all of $7,000.

The real world of the elderly widow is downright grim. More than three-quarters have cash income of under $2,000 a year, and better than a third of these durable ladies have annual incomes of less than $1,000. But private pensions scarcely make provision for widows, except for some one-payment life insurance which tends to be blushingly modest.

We are a long way from the Great Society when over two million Americans over 65 must turn to public assistance, whose benefits are usually paltry. If eligibility were reduced from 65 to 62, probably another million would qualify. Almost half of the elderly who receive benefits under the Old Age Assistance program receive Social Security benefits, which testifies to how inadequate the benefits of the public program are.

With the Medicare battle won, improvements in Social Security benefits are long overdue. It is the mainstay of most of those over 65, but benefits are grossly inadequate, especially for those retiring before age 65 with permanently reduced benefits. Can we pretend that an average monthly benefit of $84 for 6.5 million retired men approaches adequacy? Do we dare say that the average benefit of $65 for retired women is adequate? Do we dare say that $130 a month, the average, gives a retired worker and his wife an American standard of living? Or that $100 a month is enough for a totally disabled worker?

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[1] *The Future of Private Pensions* by Professor Merton Bernstein—The Ohio State University College of Law. Published by Free Press-Macmillan.

The President has asked the Social Security Administration to study the ways in which cash benefits can be raised as a basis for legislation next year, 1967.

What we are up against is that the traditional way of financing Social Security benefits will not provide enough funds for really significant improvements. Since its inception, Social Security has been based on the principle that payroll taxes must pay fully for all benefits; that payroll tax has been confined to the bottom end of the pay scale, and the rates paid by the lowest paid worker are the same as those paid by the highest paid executive. The latter naturally pays a smaller fraction of his entire income. That is utterly regressive taxation.

I remember in 1954, I spoke at the Labor Temple in Portland, Oregon, and in addition to a few other things, I said that I questioned the economic soundness of raising Social Security payroll taxes because of the regressive nature of the tax. I wasn't back in Washington but a few days when a delegation from the labor movement called upon me and said, "We know the payroll tax is regressive, but it's the price we pay for progress by way of improved benefits in Social Security." I recognized that the legislative realities supported their view, and so I supported their position, but I pointed out then and still do that legislatively, we must find a better way.

The necessity is upon us. If all limits upon taxable and creditable wages and salaries, now set at $6,600, were eliminated, only a 7% increase in benefits could be paid. In not too many years, the combined payroll tax of employer and employee will amount to almost 10%. I seriously question whether in all conscience we can raise those rates any higher, considering that for tens of thousands of low-paid workers, we would literally be taxing away 10% of their pay.

The issue then becomes whether we will resort to the source from which we finance most public undertakings—general revenues. We all are the beneficiaries of the men and women who manned the economy in years past when earnings levels were lower. It is only fair that we recognize society's debt to them and its obligation to permit them to share more fully in the expansion of the economy as a whole. That debt should not be paid by taxing low income workers at rates above 10%

If private pensions are to keep pace with need, employers, unions and employees will have to recognize that reliable pensions with adequate benefits for retirees and their dependents, will cost more than now is set aside for them. Liberal vesting, sound financing, realistic early retirement and disability provisions all are necessary if the present-day private pensions are not to fail to meet the expectations now being built upon them. Employers, unions, banks and insurance companies must not defend the status quo. Instead they must be impatiently exploring new pension methods to fit pension plans to employment problems. A national pension clearing house, as proposed by Professor Bernstein, may be one such device. It should be seriously considered, along with pension re-insurance and any other means of improving pension performance. What we can afford least is to stand pat.

Our progress with both private plans and the public program probably will not keep pace with need. We need the best efforts of all to improve both systems so that the elderly will be full participants in modern society and not demoted into obscurity, want and dependence in their final years. Our free and expanding economy is capable of providing security, independence and the opportunity to live a fuller life. That won't just happen. We must have the concern, the foresight and the initiative to meet responsibly our obligations to the nation's seniors.

In this electrical industry, we can be proud of the fact that through its pension plan, it has been a pace setter. The workers have not been cheated, and the actuarial soundness of the plan has become a model for others to emulate. There is no doubt that it has strengthened cooperative collective bargaining relations and mutual confidence and understanding within the industry.

Neither the union nor the contractors, over the years, have taken stand pat positions against demonstrated needed improvements that could be justified and afforded. I have called to the attention of this Board the growing interest within the general public as to the operations of private pension plans, because I think in the next year or two, private pension plans are going to come under close scrutiny. Already they are receiving more emphasis in collective bargaining negotiations. I have just come through a major labor case in which pension plans were an important item of concern to both labor and management. Many workers in many industries throughout the country are asking more and more the question, "Who gets what and when?" under a proposed pension plan. If the feeling develops among workers that their contribution to a pension plan has the remotest relationship to some form of indenture, then it is obvious that the representatives of both labor and management will be in hot water with their rank and file workers.

I have observed that much more important than the question of who pays the cost of the contributions to the pension plan is the question of whether the plan in fact during the number of years worker X is employed by a given employer contributes its pro rata share to the financial benefit of X after he no longer can work or reaches the age of retirement.

Further, I observe that the pension status of widows is becoming a more and more persistent issue in union demands for revised pension clauses in negotiations for new contracts. Likewise, the rank and file workers are showing an increasing interest in obtaining increasing pension benefits in lieu of higher wage increases. However, they want greater assurance they will receive, in fact, what they are calling "pension compensation" credits that will follow them at stated intervals of time if they move from one company to another. The complex administrative problems involved in such collective bargaining demands are not easy of solution.

Professor Merton Bernstein, in a speech at the annual meeting of the American Society for Public Administration held in Washington, D.C. on April 14, had this to say:

"Almost all private pension plans limit their benefits to long-service employees, and probably a large majority do not stay with one company long enough to qualify for benefits.

"The Viet mobilization can't help but aggravate an already serious national problem of pension credits which disappear as readily as soap bubbles.

"Both Social Security and private pension plans need substantial improvement. Today the elderly form a hard core of the Abject Society. Millions of our older citizens, especially widows, live in dire need.

"Social Security benefits—the mainstay of most—although widely distributed, are pathetically small.

"Only a very small minority—something like two million elderly—enjoy private plan benefits; often they too are more token than substantial.

"While one can only applaud the President's announcement last week that he will propose major improvements in Social Security benefits next year, one may seriously question whether Congress will vote the necessary funds.

"Probably faced by military costs requiring a tax increase, can Congress also be persuaded to enact both a Social Security payroll tax increase and an additional general tax boost which would be required if benefits improvements are to be substantial?

"Whatever happens to the public program, tens of thousands of new employees will be recruited into manufacturing jobs where private pension plans now are most common.

"Anti-inflation pressures can be expected to generate larger fringe benefits in preference to cash wage increases as the mobilization intensifies. But these apparent expansions and improvements among private pension programs will be ephemeral unless significant changes are made in plan design.

"While present-day plans are great improvements over those launched during World War II and the Korean War, they are not good enough to award benefits for war work that ends with demobilization—the pension credits earned in such work simply disappear so far as employees are concerned.

"The progress made in 'vesting' of pension credits falls far short of what is needed. Today the most generous vesting provisions in common use require 10 years of unbroken service with one company.

"Tens of thousands of aircraft workers—you don't have to leave Long Island, or Seattle or Los Angeles to find them—can tell you that they were under such plans, lost their jobs and lost their pension credits.

"Gradualism—the prescription of most who oppose more liberal vesting—clearly is no answer in the present situation.

"We are sowing pension promises—or apparent promises—that will grow into massive disappointment and resentment unless the private pension industry, employers, unions and the government set higher standards for private pension plans.

"Readily portable pension, facilitated by a national clearing house, should be high on the agenda of pension reform.

"If the tens of thousands who change jobs due to mobilization requirements are to receive fair play, the changes must be initiated soon.

"Experience in the last two wars shows that many state and local government employees whose talents are needed elsewhere, but only temporarily, face the same problem.

"Their plans also require reshaping to protect the retirement credits in both their former and new jobs."

As to our pension plan, as we find it in this electrical industry, I am confident that because of its history, its emphasis on protecting the equities of the pension beneficiaries, its actuarial soundness, and demonstrated mutual desire of the contractors and the union representatives to improve it from time to time, as circumstances and means permit, it will continue to receive the strong support of both the members of the union and of the contractors.

I close these remarks by again commending this Board for its wise administration of the industry's pension program.

Report on the IBEW Pension Benefit Trust Fund

(By the Board of Trustees)

The following report is made on May 11, 1965 in the City of New York. It has been compiled in compliance with Article III–A, Section 3, Paragraph (g) of the Employes' Benefit Agreement. It was under this agreement that the Pension Benefit Trust Fund was created and operates. The particular section of the agreement, cited above, states that annually, the Trustees shall "make a full and complete report" to the National Board.

Over the years the Trustees of the Fund have amplified the words just quoted, to include a number of areas which clearly do not directly pertain to the Pension Benefit Trust Fund.

Because the over-all concept of labor-management relations is of paramount importance to our nation and its economy today, and has been for many years, we long ago abandoned the stapled, mimeographed financial statements with sparse comment, in favor of a "full and complete report" of the type you now read. Our Trustees Report attempts to cover not just one important area of labor-management cooperation—pensions for workers in our industry—but a number of areas in which the National Electrical Contractors' Association and the International Brotherhood of Electrical workers have achieved a very high degree of cooperation. This is a source of pride and satisfaction to the officers of both our groups and to our respective memberships.

IN THE PUBLIC SERVICE

As a public service, we have attempted to make known this favorable experience, as well as the "why" and the "how" of it. We hope that our efforts to spread a "gospel" that works for us may help other employers and employes find the way to industrial peace.

We estimate that some one million persons, in all walks of life, saw our report of last year, due partly to NECA and IBEW distribution, but in large measure through the action of our esteemed Public Member of the National Employes' Benefit Board, Senator Wayne Morse of Oregon. Senator Morse presented this report on the floor of the Senate and had it published in full in the Congressional Record.

REMARKS OF SENATOR MORSE

Any comments of Senator Morse, on any subject, are always worthy of being passed on, but we take particular pleasure in passing on these excerpted words printed in The Congressional Record of July 23, 1964:

"When the IBEW Pension Benefit Trust Fund was established, the industry not only pioneered the humanitarian purpose of the pension fund, but it set an example that caused many other employer-union groups over the intervening years to follow the model example set by this fund. There is no doubt in my mind that the understanding reached by the National Electrical Contractors Association and the International Brotherhood of Electrical Workers when they first created this trust fund, has done much more for the industry than just establish a pension fund for retired workers.

"It also helped establish a feeling of mutual respect, understanding and desire for a cooperative relationship between the contractors and workers which has resulted in this industry enjoying one of the best records of labor relationships of any industry in the Nation.

"The Trustees Report of the Pension Benefit Trust Fund, refers to the remarkable record of the Council on Industrial Relations. I do not know of any industry that matches this remarkable record of peaceful settlement of labor disputes. . . .

"There is no doubt in my mind that the procedures and administrative policies . . . established by this industry more than 40 years ago, have contributed greatly to the remarkable record of industrial stability in the industry. These procedures and policies have made it necessary for Contractors and representatives of the Brotherhood, to work out together over the years, in a negotiating atmosphere of mutual respect and cooperative spirit, the various administrative policy problems which have arisen from time to time. Whenever men work together in such a cooperative spirit, in connection with a cause as humanitarian in its purposes as a pension fund, they are bound to find it much easier to settle through conferences and negotiations other problems that may arise within the industry, including labor relations problems. . . .

"I have been pleased to observe that both sides of the table, so to speak, seem to be equally desirous to see to it that any suggested change in policy shall be equally fair to both the contractors and to the workers. Here is an industry which has clearly developed the habit of solving its problems through true collective bargaining, based upon the principle that unless a policy or an adjustment of a policy is fair to both Contractors and Brotherhood members, it cannot be in the best interest of either side. . . ."

With this eloquent and much appreciated presentation for prologue, we continue our report.

We can say with sincerity and conviction, that those good labor-management relations policies exercised by NECA and IBEW, which Senator Morse has been kind enough to praise, have been continued and strengthened over the past year. In fact, we are pleased to mention several new areas of cooperation.

NEW AREAS OF COOPERATION

The National Electrical Contractors Association has long been keenly interested in the work of the National Electrical Code Committee. NECA members sit on all of its 19 panels, whose deliberations determine the codes and standards governing electrical work issued every three years as the "National Electrical Code." Mr. Richard Osborn of NECA, has long been the Contractors' leading representative in the crusade for safe, practical installation in harmony, with NECA and IBEW wiring standards, guaranteeing safety to the public. He serves on the Code Correlating Committee, the most significant of the panels.

Last September, IBEW President Gordon M. Freeman took action to back up the work of the employer group with union employee effort. He set up a 12-member IBEW Code Committee at a meeting in St. Louis and immediately set out to have these members recognized as part of the National Code Committee. It was Richard Osborn who worked side by side with Gordon Freeman in instructing this new IBEW Committee and getting it started on its important work.

Last week, in Washington, the IBEW Code Committee held its second meeting. Reports of the work done in the respective districts was outstanding for so short a time. And in spite of initial opposition by the National Code Committee, IBEW members are now members of four National Code Committee panels. Again, Mr. Osborn attended the IBEW meeting and was principal speaker. Other NECA Code Committee members have assisted the IBEW Code Committee in their geographical areas.

This new area of cooperation can only lead to a better electrical industry with improved, safer service to the public.

ANNUAL CONSTRUCTION CONFERENCE

An innovation of the Brotherhood begun last year and continued this, rightly belongs under new areas of cooperation. We refer to the now established Annual IBEW Construction Conference. This meeting, conducted by the Construction and Maintenance Operations Department of the IBEW, brings some 300 or more local union business managers from construction locals throughout the nation, together in Washington, to meet with their International Officers and Contractors Representatives, to discuss problems of electrical construction and ways and means of increasing electrical construction and attendant job opportunities.

COOPERATION IN LEGISLATION

While cooperation of NECA and IBEW in legislative matters is not a new area of cooperation, but an old and well established one (though little known to the public), a new case which came to a successful conclusion last month, qualifies under this category. We refer to Wyoming and that state's so-called "Right-to-Work" law. The IBEW has fought "Right-to-Work" laws ever since their inception, after passage of the Taft-Hartley law in 1947. While space will not permit a lengthy discussion of these laws here, the IBEW has many reasons, all well documented, for abhorrence of the "R-T-W" provisions. These include the "union-busting" nature of the laws, the fact that they destory free collective bargaining, make a mockery of the time-honored majority rule principle, are damaging to the economy of a state, and create, rather that deter, labor strife.

The National Electrical Contractors Association has supported the union in its position. It was the only employer group in the nation which stood with its corresponding union and testified against passage of Taft-Hartley and the damaging Section 14(b) which permits state "Right-to-Work" laws, when hearings on the law were held nearly 20 years ago.

NECA shares IBEW hopes for repeal of Section 14(b) in the present session of Congress. Meanwhile, together we have taken a major step in fighting "Right-to-Work" on the state level.

DECISION OF WYOMING SUPREME COURT

Last year three IBEW local unions in Wyoming, in Cheyenne, Casper and Laramie, joined by two chapters of NECA, entered suit to prevent enforcing Section 5 of the "Right-to-Work" law, maintaining that the law is unconstitutional. On April 7th of this year, the Wyoming State Supreme Court, by a 3-to-1 vote, granted the plea for injunction barring enforcement of Section 5 of the law, forbidding non-discriminatory exclusive referral systems. The Court majority upheld the IBEW–NECA contention, that this portion of the state law is unconstitutional.

In passing, we just mention, for the benefit of those reading this report, who may know little about IBEW, that this is a union which has built a good reputation through the years, for honesty and integrity.

Laws like Taft-Hartley and Landrum-Griffin have not been needed to keep the IBEW in line, but have been a strong deterrent to progress. Recently the Government Printing Office issued a publication entitled, "Summary of Operations–1964—Labor Management Reporting and Disclosure Act." In this entire publication of cases in which the Landrum-Griffin law had been violated, there was only one criminal action in which IBEW was even mentioned. And this was a case which the officers of the Brotherhood had investigated and corrected long before the Government became involved.

That fair and honest employers help to create good unions is an irrefutable fact. Without meaning to be boastful, but in the spirit of making truth known to the public, these past three paragraphs were written into this report.

SENIORITY PROVISION

Last year in our Trustees Report, mention was made concerning organizing drives being conducted by IBEW construction locals in various parts of the country. This activity is another which meets full NECA support. Through organization of non-union contractors, unfair competition for NECA contractors is diminished, since the newly-organized contractors must pay the prevailing wage. However, organizing activities present some practical problems which have nothing to do with reluctant employers. One of the objects written into the IBEW Constitution is "to organize *all* Electrical Workers." Many local unions wish to carry out this object but encounter some opposition from present members. These members, understandably, fear that additional wiremen might deprive them of available work opportunities, should work become scarce.

Our last report stated that NECA and IBEW had appointed a National Joint Committee to consider this problem and seek a solution, possibly through adoption of a Seniority Clause in construction agreements.

This committee worked well and in February of this year NECA and IBEW simultaneously issued information and made available a recommended Seniority Clause, suitable for adoption in any construction agreement for those who desire a Seniority System.

NATIONAL ELECTRICAL WEEK PROMOTION

As mentioned in previous reports, NECA has done a splendid job of publicizing and promoting the electrical industry, particularly in National Electrical Week promotions. The Brotherhood, while always giving moral support and financial support at International Office level, has had some catching up to do insofar as promotion on the community level is concerned. We are glad to report progress. Union participation does not even approach employer participation in volume and quantity as yet, but more and more local unions are participating, many of them jointly with individual contractors or NECA chapters, and the quality of participation is showing steady improvement also. Both NECA and IBEW have observed that many employer-employe committees have been successful in having State Governors and City Mayors issue National Electrical Week proclamations, and we should add, with excellent attendant publicity.

UNION INDUSTRIES SHOW

The IBEW has undertaken a special program of industry promotion this year, through its annual participation in the AFL–CIO Union Industries Show. This mammoth production is put on every year, in a large industrial city, by the hundreds of national and international labor unions affiliated with the AFL–CIO. The attendance at these exhibitions, which run for five days, varies from a minimum of 350,000 persons to over a million, according to the size of the city in which it is held. Attendance of 500,000 or more is expected in Pittsburgh this month, from the 21st to the 26th.

In the past, IBEW exhibits spreading over a 100-foot area have featured electrical products made by the Brotherhood's Manufacturing branch. This year the IBEW theme will emphasize an area more beneficial to electrical construction members—all phases of electrical heating and air-conditioning, in a "Live Better Electrically" setting.

UNION SHOP CARD DEVELOPED

One last point under new areas of cooperation. The Union Shop Card hung in contractor's office, sign shop or manufacturing plant, has always been a signal to the public—"Here is a fair employer, a work shop with decent conditions." It has proved a valuable business builder, particularly in towns and cities where union organization is strong. About 20 years ago, the IBEW stopped issuing Union Shop Cards. However, after some study at IBEW headquarters and strong support from the Construction Department, in January of this year, an attractive new Union Shop Card of modern design was issued. It has been well received and represents one more facet of cooperation between IBEW which issues it, and NECA shops which display it.

OLD AREAS OF COOPERATION

We now pass on to those time-honored areas where NECA-IBEW cooperation has always been very strong. While this material is quite familiar to the members of our National Board, because thousands of other persons will eventually read this report, many of whom know nothing of our two organizations, we feel a review is again in order.

JOINT PROGRAMS OF TRAINING

In 1941, NECA and the IBEW set up a Joint Apprenticeship Committee at the national level, and in that year also, a set of national standards was developed. The electrical industry has become well known as the fastest growing as well as the one most subject to rapid change, of all in the construction field. Therefore, the standards were revised under the direction of NECA and IBEW's Joint Committee in 1945, in 1953, 1957 and 1962. Also in 1945, the Joint Committee assumed the name which it bears today—The National Joint Apprenticeship and Training Committee for the Electrical Industry. In 1952, the Committee set up a national office with a full-time Director. Today Director L. B. Baker and his assistants, R. L. McIntyre and A. J. Phillips devote their entire time to the Apprentice and Journeyman field of training, striving to improve and expand the program of the National Committee.

Every year the number of local Joint Apprenticeship Committees is increasing. Most encouraging too, has been the growth of provisions for adequate financing of apprenticeship and training programs through proper clauses in the labor agreements.

In recent years the need for standardization of training programs was keenly felt, and as a result a National Electrical Course for Apprentice Inside Wiremen was developed, and the first year was put into use in September 1961. Subsequent years have been released on schedule with the fourth and final year completed in June, 1964. A continual program of upgrading the course and adding visual aids is being carried on.

The employers and the union in the electrical construction field have always agreed on two points—one, that an adequate force of apprentices should constantly be added to employment rolls in order to insure a constant supply of trained workmen to meet the needs of a growing industry. And two—that training of apprentices and journeymen be thorough and kept up to date.

We mentioned in our report of last year, certain statistics with regard to the over-all national apprenticeship picture.

The Bureau of Labor Statistics published an article in the April 1964 *Monthly Labor Review* which should prove interesting to anyone concerned with this report. It stated the somewhat depressing fact that between 1950 and 1960 apprenticeship provided a decreasing proportion of the young workers entering skilled trades, with the number of apprentices dropping 27.1 percent.

The article cites Census Bureau figures showing that while total employment in the building trades expanded during the 1950's the number of apprentices fell sharply, except in the electrician category where there was a rise of 3.1 percent.

This rise is even more significant when compared with the percentage of decline in apprentices, suffered by other Building Trades crafts. Between 1950 and 1960, for example, the number of apprentice Carpenters declined 44 percent, while there was only a seven percent drop in the total number of journeymen in the trade. In that same decade, the total of apprentice Bricklayers dropped 51 percent and those engaged in plumbing and pipefitting 33 percent.

Since 1962, the record for electrical apprentices has continued to improve, according to the United States Department of Labor, which states that registered electrician apprentices increased by some 2,000 between 1962 and 1964.

The Department of Labor has praised NECA-IBEW policy on building its trained work force. This has only been accomplished through close cooperation and the hard work of Joint Apprenticeship Committees.

JOURNEYMAN TRAINING

In addition to improving the training of apprentices, the IBEW and NECA sponsor and finance a continuing training program for journeymen. They recognize that in a rapidly changing industry there must be training of the journeyman to meet these changes—the men must develop new skills and gain additional knowledge.

There are a number of journeyman short courses that have been developed, such as: Industrial Electronics, Motor Control, Code, Blueprint Reading, and many others. It is difficult to keep track of exactly how many workers have taken advantage of the courses of advanced training offered to them. We know that many IBEW members have completed some phase of journeyman training and an increasing number of new certificates of completion are being issued every year.

Both Contractors and Union have been gratified that the trouble and expense involved in developing and promoting journeyman training programs have paid off in enabling our workers to tackle the most intricate of wiring jobs.

ATOMIC ENERGY TRAINING

The IBEW has continued with considerable success its training of members in the course, "Industrial Atomic Energy Uses, Hazards and Controls." This training, designed to protect workers and the public while at the same time promote valuable nuclear power installations, is being widely taught in construction locals as well as utility locals of the Brotherhood. It is a phase of training which NECA has joined the IBEW in promoting. (A note of interest concerning this course as developed by the Brotherhood. As a public service, IBEW has given permission for publication of its course as a general text book. There is a dearth of training material on this subject, and the pioneering of IBEW in the field is proving most valuable to educational institutions. All IBEW proceeds from the sale of this text book will be donated to buy electrical equipment in under-developed countries, through the Peace Corps.)

COUNCIL ON INDUSTRIAL RELATIONS

The Council on Industrial Relations for the Electrical Construction Industry, has long been regarded as the outstanding achievement in NECA–IBEW cooperation. For the benefit of those reading about the CIR for the first time, it is the organ established 45 years ago, for the settling of disputes in the electrical construction industry, and it is often referred to as the "Supreme Court of the Electrical Industry."

The Council is made up of 12 members, six from the Contractors and six from the Union. The Council handles those cases in which the normal collective bargaining processes between local contractor and local union have bogged down and become deadlocked. This is the electrical industry's answer to strikes and lockouts. The Council decisions must be unanimous. Only once in its 45-year history has it ever had a decision violated.

In 1964, 102 cases were heard and settled by the Council. As this report went to press, the Council was preparing for its second quarterly meeting and had 42 cases scheduled for review.

In past reports we have written much about our Council and recorded comments from many sources. Its worth in prevention of strikes and lockouts, with their attendant loss of wages to workers, and profits to employers is hard to measure. Uninterrupted service to the public our industry services, has been perhaps the most valuable contribution of the CIR.

We shall not review the most recent plaudits received by the Council in this issue of the Trustees Report, but we will bring you a brief review of a CIR incident which we found interesting. One great advantage which our Council has over any other type of Arbitration and Conciliation organ, is the fact that no impartial or disinterested persons make its decisions. Every Council member is a man well-versed in all phases of electrical work and collective bargaining. The NECA and IBEW members who bring their disputes to this panel, can certainly find comfort in the knowledge, that whatever the outcome, those hearing the case understand every phase of it, because it is their work, their field too.

The incident we wish to mention, happened in connection with a quarterly meeting of the CIR held in Washington, D.C. Since all sessions are open to the public, a reporter came to observe. When he had an opportunity, he said to a man waiting to present his case:

"I've observed for over an hour and listened to the questions asked by the Council members, but I can't distinguish at all, which men are management and which union. Can you point out which is which?"

We believe this simple statement again brings home the great value of the Council. It points out the fairness of the Council members in their operations, and indicates practically what NECA and IBEW have always maintained philosophically, that the good of the industry transcends personal considerations.

Our only regret with regard to the CIR is that more management and labor groups do not seek the labor peace we have found, in a similar media.

Perhaps we have been too busy and concerned with our own problems to attempt to spread the Council idea to others. Hopefully, may we do more in the future. Often when knowledge of our Council has been brought to others there has been tremendous interest and many queries as to "Why have we never heard of this Council before?" and "Why don't others have a CIR?"

For example, Temple University in Philadelphia, for some five years has devoted several sessions of its courses in economics and labor-management relations to a study of NECA–IBEW relations and particularly the Council on Industrial Relations. Thousands of the informational booklets on the CIR have been distributed to the students for use as text book material. The IBEW films which show the Council in action are shown to the students.

By report of Professor Miles Hoffman, who teaches the course at Temple, this phase of study evokes tremendous interest on the part of his studies.

Perhaps more promotion of this kind can be done by our organizations in future years.

Meanwhile we can at least report some progress in the spread of the CIR idea to another part of the electrical industry covered by IBEW. The Brotherhood and the Electric Utility Companies in 11 states (all in the Western part of the country) have set up an organization known as LAMPAC, designed to establish an area of cooperation on matters affecting their mutual interests. LAMPAC stands for "Labor and Management Public Affairs Committee." The IBEW is now actively promoting, through this committee, the creating of a medium similar to our CIR—an Arbitration Council for the Utility Industry. The Brotherhood is optimistic in its feeling that such a Council can and will be brought to fruition.

In Canada, through the efforts of IBEW Vice President William Ladyman, a number of meetings have been held and attended by IBEW local union representatives and Canadian contractors, for the purpose of spreading the CIR to that country.

We believe that the industrial peace we have experienced for more than four decades should be spread to others and even these limited possibilities are encouraging.

SAFETY

NECA and IBEW have continued to cooperate on Safety. The most important innovation in the safety field has already been reported in the summary of the National Electrical Code work.

However, we should mention that approximately half of the locals of the IBEW now have active Safety Committees, about a 30 percent increase over 1963.

Last year also, as a stimulus to safety consciousness and safety training, the IBEW developed a handsome life-saving award to be presented to those individuals who had saved a human life, and to their local unions. Records from 1961 on were checked, and to date 75 IBEW members and 67 local unions have received this top award.

DOES COOPERATION PAY?

Members of this group know the answer to the question, "Has NECA–IBEW cooperation paid off?" For the benefit of others we report that profits and wages are both up. Membership figures of both our groups are growing steadily. May we quote a significant statement from the latest "Directory of National and International Labor Unions in the United States," a publication of the United States Department of Labor:

"Year-to-year membership changes reported by the six largest unions in the United States, show that only one union—the International Brotherhood of Electrical Workers, grew steadily during the period 1951–1962. The IBEW increased its membership in this period by 293,000 or 59 percent."

At the same time the Contractors' Association is likewise experiencing steady growth.

Our cooperation has certainly paid off for the public, as better and more intricate wiring, bringing electrical heat and air-conditioning and new experiences in electrical living of many kinds, is being brought into homes and factories, schools, churches, offices and public buildings every day.

PENSION BENEFIT TRUST FUND

Now with regard to the final area of labor-management cooperation to be covered in this report, and the one which gives us cause for a report.

Briefly, the historical background of the Pension Benefit Trust Fund is as follows:

The original IBEW Members Pension Plan covering beneficial members of the union, was established at the 1927 Convention, and the first pension payments commenced in 1928. Initially the benefit level was $40 per month, which was increased to $50 per month as of January 1, 1947; this benefit was payable to a retired member who had attained age 65 and completed 20 or more years of continuous IBEW membership. In 1952, the plan was further amended to provide that a member initiated or reinstated after May 1, 1952 would be eligible for a benefit of $30 monthly upon retirement (after age 65) with 20 but less than 25 years of membership, $40 monthly with 25 but less than 30 years, and $50 monthly with 30 or more years.

Until 1946, these benefits were financed entirely by an apportionment of the monthly dues (except for earnings on the fund) payable by "A" (beneficial) members, to the Pension Benefit Fund administered by the IBEW.

In 1946, the IBEW and NECA agreed to establish a jointly administered trust fund to provide pension benefits to IBEW members, financed by contributions of 1 percent of the gross labor payroll of employes working under the terms of the agreement. The agreement established two trust funds, the National Electrical Benefit Fund (NEBF) and the Pension Benefit Trust Fund (PBTF). The 1-percent-of-payroll assessments were payable to the NEBF, which in turn transferred to the PBTF an amount equal to the member contributions (allocated portion of dues) paid into the Pension Benefit Fund administered by the Brotherhood (i.e., the NEBF paid into the PBTF contributions matching the union members' contributions to the Pension Benefit Fund). In 1956, this "matching" requirement was removed, and the full "1 percent contributions," after meeting expenses and providing for a small operating reserve, was transmitted by the NEBF to the PBTF. Until 1957, the combined resources of the PBTF and the PBF were considered as applicable to meet the liabilities of the IBEW Members Pension Plan, although somewhat less than half of the total beneficial membership of some 300,000 were actually working for contributing contractors. In fact, after establishment of the PBTF, the payment of all pension benefits for existing pensioners was shifted from the PBF to the PBTF, and the benefits for all new pensioners were paid from the PBTF until 1957.

An amendment, effective June 1, 1957, to the Employees Benefit Agreement, which was made in order to comply with a ruling of the National Labor Relations Board, caused a considerable change in the administration of the Plan, with respect to the level of benefits payable from each fund and the ultimate liability of the respective funds. As noted, prior to this amendment, all pension disbursements were made from the PBTF, and the PBF was kept fully invested, with the combined funds applicable to the Plan liabilities. The effect of the 1957 amendment was to create two separate funds, each with their respective liabilities.

As a result of this amendment, there now exists a separate plan covering all *employes* (not necessarily Union members) covered by the Agreement between IBEW and NECA. The contractors (or covered employers) still contribute 1 percent of gross labor payroll of covered employes to the NEBF, which pays operating expenses and transmits the balance of the payroll assessments to the PBTF. The PBTF pays pension benefits (at the rate of $50 per month) to all surviving pensioners who retired prior to June 1, 1957 (all pensioners receive $50 monthly, since all were initiated as members prior to 1952). The PBTF therefore has an obligation for pension payments to a closed group of retired employes, for whom the pension liability is continually diminishing. With respect to employes retired after June 1, 1957 the PBTF provides a pension benefit that is based on years of service in covered employment and is generally equal to 50 percent of the pension benefit to which an "A" member of the IBEW would be entitled under the IBEW Members Pension Plan with a corresponding period of membership.

The NECA Plan has counted only "covered employment" with a contributing employer. Initially "covered employment" was restricted to employment with an employer during that period of time which the employer was obligated to contribute 1 percent of payroll to the NEBF. Since 20 years of "covered employment" is required for retirement, and since contributions (and consequently covered employment) did not commence until 1946, no employe (except for the closed group retired prior to 6/1/57) has been eligible for a benefit from the NECA Plan.

On September 26, 1964 the definition of covered employment was amended to permit the recognition of up to 5 years of past service credits, for service with an employer prior to the date the employer became obligated to contribute. These past service credits count as years of service in covered employment and were made retroactive to employes who retired, prior to 9/26/64. This liberalization means that employes retired after 1961 will commence receiving benefits from the PBTF.

* * * * *

On the following pages appear the figures and charts which will complete the "full report" on the Pension Benefit Trust Fund.

Your Trustees met monthly in conformity with Article III-B of the Employes Benefit Agreement, to approve applications for pension and review the pension situation as reflected in the following table:

Statement re number of members on pension, 1964

Date	Admitted	Returned to trade	Deaths	Received pension	Net decrease [1] in number	Admitted to IBEW pension
Dec. 31, 1963				4,924		
1964						
January			49	4,875	49	304
February			39	4,836	39	287
March			43	4,793	43	260
April		1	48	4,744	49	291
May			44	4,700	44	251
June	2		41	4,661	41	233
July			54	4,607	54	335
August			48	4,559	48	258
September			38	4,521	38	268
October	1		23	4,499	22	265
November			39	4,460	39	269
December	1	1	38	4,422	38	246

[1] Readers will note the net decrease in pensions being paid from the pension benefit fund. This is due to NLRB ruling as explained in the text. However, the actual number of IBEW members admitted to pension increased, but their pensions are now being paid from the IBEW pension fund. So all may know the trend, the number of members admitted to pension in 1963 is printed in the last column.

Year 1964

Total admitted	4
Returned to trade	2
Deaths	504
Net decrease	502

Comparative analysis—Members going on pension

1963

Total admitted	6
Returned to trade	3
Deaths	497
Net decrease	494

1964

Total admitted	4
Returned to trade	2
Deaths	504
Net decrease	502

The following table illustrates the number of members who were drawing pensions from the Pension Benefit Trust Fund each quarter:

Members on pension

October 1948	2,952
December 1948	2,984
March 1949	3,034
June 1949	3,122
September 1949	3,224
December 1949	3,346
March 1950	3,434
June 1950	*3,775
September 1950	3,888
December 1950	4,024
March 1951	4,100
June 1951	4,189
September 1951	4,283
December 1951	4,355
March 1952	4,404
June 1952	4,437
September 1952	4,594
December 1952	4,697
March 1953	4,821
June 1953	4,933
September 1953	5,092
December 1953	5,264
March 1954	5,467
June 1954	5,652
September 1954	5,898
December 1954	6,134
March, 1955	6,394
June, 1955	6,589
September, 1955	6,797
December, 1955	6,991
March, 1956	7,167
June, 1956	7,329
September, 1956	7,594
December, 1956	7,816
March, 1957	8,037

Members on pension—Continued

June, 1957	8,545
September, 1957	8,352
December, 1957	8,151
March, 1958	7,961
June, 1958	7,810
September, 1958	7,664
December, 1958	7,533
March, 1959	7,378
June, 1959	7,249
September, 1959	7,099
December, 1959	6,972
March, 1960	6,808
June, 1960	6,664
September, 1960	6,546
December, 1960	6,425
March, 1961	6,315
June, 1961	6,173
September, 1961	6,047
December, 1961	5,936
March, 1962	5,792
June, 1962	5,666
September, 1962	5,543
December, 1962	5,418
March, 1963	5,288
June, 1963	5,150
September, 1963	5,042
December, 1963	4,924
March, 1964	4,793
June, 1964	4,661
September, 1964	4,521
December, 1964	4,422

*In June 1950, payment of Canadian pensions out of the Pension Benefit Trust Fund was begun.

Members on pension

(As provided in article III-A, section 3, paragraph B of employees' benefit agreement as amended)

1947	2,891
1948	2,984
1949	3,346
1950	4,024
1951	4,355
1952	4,697
1953	5,264
1954	6,134
1955	6,991
1956	7,816
1957	8,151
1958	7,533
1959	6,972
1960	6,425
1961	5,936
1962	5,418
1963	4,924
1964	4,422

Men on pension—Expected demand on pension fund

(According to actuarial studies)

1955	6,471
1960	11,917
1965	20,386
1970	32,367
1975	36,517
1980	40,677

Accumulated total payments

(Received by board of trustees from the national electrical benefit board)

1947	$1,257,623.55
1948	3,404,474.31
1949	5,478,499.14
1950	7,547,505.77
1951	10,680,016.76
1952	16,791,977.08
1953	23,219,629.52
1954	31,569,601.00
1955	39,675,686.95
1956	50,405,686.95
1957	59,800,686.95
1958	68,625,686.95
1959	77,550,686.95
1960	87,150,686.95
1961	97,050,686.95
1962	107,650,686.95
1963	118,600,686.95
1964	130,325,686.95

Statement of receipts and disbursements

Cash on hand Jan. 1, 1964	$807,454.00
Cash receipts:	
Contributions from NEBB	11,725,000.00
Payments—	
Real estate loans	11,386,084.00
Interest:	
Real estate loans	3,856,869.00
Securities	340,686.00
Sale and redemption of securities	10,203,191.00
Dividends	182,214.00
Rents	76,707.00
Commitment fees and discounts	6,619.00
Other	3,750.00
Subtotal	37,781,120.00
Total	38,588,574.00
Cash disbursements:	
Pensions paid	2,780,232.00
Securities purchased:	
Real estate loans	20,155,446.00
Securities	6,621,300.00
Time deposits	2,500,000.00
Stocks and bonds	2,915,593,00
Real estate purchased	2,730,237.00
Investment expenses	292,475.00
Postage and supplies	6,941.00
Other	18,630.00
Total	38,020,854.00
Balance	567,720.00
Cash Dec. 31, 1964:	
American Security & Trust Co	153,006.00
American Security & Trust Co. Agency	75,116.00
In transit	289,598.00
Bank of Nova Scotia	50,000.00
Total	567,720.00

Receipts from the National Electrical Benefit Fund

For quarter ending:	*Amount*
1947:	
June	$284,489.98
September	424,867.73
December	548,265.84
1948:	
March	459.789.49
June	598,898.12
September	534,026.90
December	554,136.25

Receipts from the National Electrical Benefit Fund—Continued

For quarter ending—Continued	*Amount*
1949:	
March	$548,528.46
June	612,633.43
September	485,260.70
December	427,602.24
1950:	
March	391,057.87
June	526,448.06
September	680,989.66
December	470,511.04
1951:	
March	573,773.54
June	603,385.69
September	832,518.92
December	1,122,832.84
1952:	
March	1,418,242,35
June	1,397,827.78
September	1,837,450.49
December	1,458,439.70
1953:	
March	1,458,876.96
June	1,650,052.47
September	1,723,872.01
December	1,594,851.00
1954:	
March	1,794,740.46
June	1,872,843.05
September	1,820,376.39
December	2,862,011.58
1955:	
March	1,917,154.98
June	1,904,222.16
September	2,199,701.55
December	2,085,007.26
1956:	
March	4,465,000.00
June	1,915,000.00
September	2,085,000.00
December	2,265,000.00
1957:	
March	2,015,000.00
June	2,305,000.00
September	2,475,000.00
December	2,600,000.00
1958:	
March	2,150,000.00
June	2,180,000.00
September	2,220,000.00
December	2,275,000.00
1959:	
March	2,200,000.00
June	1,975,000.00
September	2,350,000.00
December	2,400,000.00
1960:	
March	2,200,000.00
June	2,250,000.00
September	2,500,000.00
December	2,650,000.00
1961:	
March	2,350,000.00
June	2,300,000.00
September	2,500,000.00
December	2,750,000.00
1962:	
March	2,450,000.00
June	2,600,000.00
September	2,750,000.00
December	2,800,000.00
1963:	
March	2,625,000.00
June	2,325,000.00
September	2,850,000.00
December	3,150,000.00
1964:	
March	2,500,000.00
June	2,775,000.00
September	2,900,000.00
December	3,550,000.00

Quarterly receipts from National Electrical Benefit Fund, 1963 and 1964

March 1963	$2,625,000.00
March 1964	2,500,000.00
June 1963	2,325,000.00
June 1964	2,775,000.00
September 1963	2,850,000.00
September 1964	$2,900,000.00
December 1963	3,150,000.00
December 1964	3,550,000.00

You will note that in the "Statement Re: Number of Members on Pension—1964" that four members were admitted to pension prior to NLRB ruling and who later returned to the trade. They have now asked to again receive their pension.

The Net Decrease in number of Electrical Workers receiving pension from the Pension Benefit Trust Fund in December 1964, was 502. In December 1963 it was 494. The total number of persons receiving pensions from the Pension Benefit Trust Fund in December 1964, as shown in our statement, was 4,422. However, it should be pointed out here that the actual number of members receiving pensions from this fund *and* the IBEW Pension Fund was 22,826.

By the time that this report went to press that figure had increased to 23,789.

RESPONSIBILITY CONCERNING PENSIONS

That concludes the statistical report and the observations which your Trustees feel should be a part of this annual report to the National Board.

Behind the cold statistics recorded here are living human beings. To them, the $50.00 a month pension which they receive, often means the difference between "living" and merely "existing." Added to Social Security benefits and savings, it can truly make that difference. These pension members are grateful for their pension. However, it is due them, with gratitude, because it is they who have helped to create our great industry.

It is fitting and proper that NECA-IBEW cooperation embraces them also. We have a responsibility to those who have worked at the electrical trade. We are meeting that responsibility. Many of us in the electrical trade, especially the officers of both our organizations feel that we have an even greater responsibility in this regard and we have worked toward liberalizing and extending Social Security payments. The President of the IBEW, Gordon M. Freeman, served as a member of the Advisory Committee of the Social Security Board, which body recently submitted a comprehensive report, after its three years of work. As a result of this report, many improvements beneficial to working people will be effected.

A note of interest in this mention of Social Security. On May 5th at the Rose Garden of the White House in Washington, President Johnson presented a Mr. William Kappel with his first Social Security check. He is the 20 millionth person now drawing benefits monthly. On April 1 Mr. Kappel received his first $50.00 check as a retired member of the IBEW.

CONCLUSION

We are glad that this report can be concluded on a final optimistic note. In today's space vernacular, "all systems are go" insofar as the electrical industry is concerned. No industry has a brighter future projected for it, which projection extends right into the next century.

We believe that the future of the electrical industry and of our two organizations which are so much a part of it, will be made still brighter through our continued cooperation in established areas. We shall continue to seek new areas of cooperation, and pursue our policy of nearly half a century of benefits for NECA and IBEW members and good service to the American public.

Henry S. Owens and Company, Certified Public Accountants, have audited the books of the Trustees for the year 1964 and a copy of this audit has been furnished to all members of the Board.

The sincere thanks of your Trustees are extended to all members of the National Board and to the officers and members of the National Electrical Contractors Association and the International Brotherhood of Electrical Workers, especially to Harold A. Webster and Gordon M. Freeman. We extend a special vote of thanks to Mr. Wilfred D. Howell, Executive Secretary of the Pension Benefit Trust Fund for his excellent work of the past year and for the aid and cooperation extended to us; and to Leo S. Woolls, comptroller of the IBEW for his help.

To our Public Member of the Board, Senator Wayne Morse, we express deep gratitude for his interest in our Pension Fund and in the labor-management policies of our organizations, and for his excellent work of publicizing our efforts.

Respectfully Submitted,

Joseph D. Keenan,
Trustee.
Robert L. Higgins,
Trustee.

Report on the IBEW Pension Benefit Trust Fund by the Board of Trustees

The report of the Trustees of the Pension Benefit Trust Fund is made this year on June 10, 1966 in Salt Lake City, Utah. It is issued in conformity with Article III-A, Section 3, Paragraph (g) of the Employes' Benefit Agreement by which the Pension Benefit Trust Fund was created and under which it operates. This particular section of the agreement specifies that the Trustees annually "make a full and complete report to the National Board."

Of course, this "full and complete" report refers to those matters which concern our Trust Fund and its operation, but over a period of the past 14 years, these reports have been expanded to include a number of subjects which concern the electrical industry, our two organizations and the public we serve.

PUBLIC RELATIONS FACTOR

The expansion of these reports from a mimeographed sheet of figures with a few comments, to the printed version of today, came as a direct result of a suggestion made 14 years ago by Dr. Edwin E. Witte, who served as the esteemed Public Member of the National Employes' Benefit Board from its inception, until his death in 1960. Dr. Witte had this to say: "The National Electrical Contractors Association and the International Brotherhood of Electrical Workers should talk more about the areas of cooperation which exist between them. Let the public know that labor-managment relations can be good—in your case are good."

The present highly-respected Public Member of our Board, Senator Wayne Morse, has continued to encourage the kind of publicity inaugurated by Professor Witte, and has himself called the attention of Congress and the American people to the high degree of cooperation which exists between an employer group and a union, between NECA and the IBEW.

Therefore if some of the material and comments here presented appear to be extraneous in a review of the National Electrical Benefit Fund, please keep in mind that they are presented to give members of NECA and the IBEW, as well as the general public a thumbnail sketch of labor-management cooperation in action.

Copies of this report—about 900,000 of them—were distributed last year, not just to members of NECA and IBEW but to all members of Congress, every major library and every college in the country, to Government agencies, employers, unions and labor departments, unions and schools in foreign countries.

Because of the two-fold purpose of this report then, we briefly summarize NECA-IBEW performance in the labor-management theater of operation and co-operation.

COMMUNICATION SPARKS COOPERATION

Believing the cooperation begins with effective communication and understanding, both NECA and IBEW have followed the policy of inviting representatives from the Contractors or Union, as the case might be, to all District meetings. NECA President Richard Osborn attended IBEW's National Construction Conference in Washington, D.C. and IBEW President Gordon Freeman was a guest speaker at NECA's Annual Convention in St. Louis.

It is significant to note that at the IBEW Construction Conference which has now become an annual meeting, that the theme for the Conference was "If You Want to Sell Electric, Live Electric!" Principal speeches at the Conference were directed toward recapturing the residential wiring field, retaining electrical work for Electrical Contractors and Electrical Workers, and more and better apprentice and journeyman training, so that Electrical Workers will be able to perform even the most intricate and complicated installations, and NECA Contractors can undertake any job with assurance. Similar topics were main points treated by speakers at NECA's Convention, all of which points up the fact that the employer and the union have the same goals. They want to do all the electrical construction work in this country and do it safely and well.

CONTINUED COOPERATION ON LEGISLATION

On the legislative front, the two principal bills which directly concerned IBEW this year and last, were repeal of Section 14(b) of Taft-Hartley and the Situs Picketing bill. Once again, as in the past, the National Electrical Contractors Association supported the organized labor position when the Congressional hearings were held. NECA has also continued to take a stand unpopular with the United States Chamber of Commerce and other business interests, in support of the Davis-Bacon Act.

NATIONAL ELECTRICAL CODE

Outstanding progress was made last year insofar as the National Electrical Code is concerned. NECA members headed by President Osborn, sit on all 19 panels of the National Code Committee. It was President Osborn who conducted sessions for IBEW leadership on Code matters, and now IBEW has an active Code Committee and four of its members are serving on Code panels in various areas.

As a by-product of this joint NECA–IBEW activity, classes in the National Electrical Code are being held for Electricians in all parts of the country and hundreds of certificates are now being prepared in Washington to mark completion of Code courses.

IBEW and NECA are firmly agreed that Apprenticeship Training and Skill Improvement training are extremely important for the good of the electrical industry and all in it. This training has always been considered a major area for our labor-management cooperation. It is good then, that these annual Trustees' reports can continue to report improvement and progress in the training field.

APPRENTICESHIP TRAINING

Every year the number of local Joint Apprenticeship Committees is increasing. Encouraging too, is the steady increase of provisions for adequate financing of apprenticeship and training programs through proper clauses in the labor agreements.

The National Joint Apprenticeship and Training Committee for the Electrical Industry (NECA and IBEW) has its headquarters in Washington under the direction of Mr. L. B. Baker and Assistant Directors R. L. McIntrye and A. J. Phillips. These gentlemen work full time in the Apprentice and Journeyman field of training, striving to improve and expand the program of the National Committee.

In recent years the need for standardization of training programs was keenly felt, and as a result a National Electrical Course for Apprentice Inside Wiremen was developed, and the first year was put into use in September 1961. Subsequent years have been released on schedule with the fourth and final year completed in June, 1964. A continual program of upgrading the course and adding visual aids is being carried on.

The employers and the union in the electrical construction field have always agreed on two points—one, that an adequate force of apprentices should constantly be added to employment rolls in order to insure a constant supply of trained workmen to meet the needs of a growing industry. And two—that training of apprentices and journeymen be thorough and kept up to date.

We can report progress in both of these areas.

INDUSTRY SURVEY ON APPRENTICESHIP

The National Joint Apprenticeship and Training Committee recently undertook an industry survey.

The survey shows that there are some 18,000 apprentices in training and that the number is increasing by approximately 4,000 each year. In fact the survey indicated that some 65 percent of areas reporting, planned to increase the number of apprentices in training. Also the report showed that approximately 65 percent of all apprentices are being trained under the program of instruction developed by the National Joint Committee.

In the area of financing, information on the survey form indicates that 79 percent of all *apprentice* programs are financed through the collective bargaining agreement and 41 percent of all *journeyman* training programs are financed through JATC.

JOURNEYMAN TRAINING

In this latter field, that of journeyman skill improvement training, NECA and IBEW have been cited as the most progressive organizations in the nation. Of course, the challenge has been greatest in electricity, for no industry has changed so rapidly or so radically as ours. The skills developed to bring light and power into the home and factory, have had to be updated to do everything from turning salt seas to fresh, to putting a man on the moon.

Our organizations have risen to that challenge. Upwards of 50,000 journeymen have been trained in electrical and electronic and nuclear power work. Journeyman short courses in such subjects as Industrial Electronics, Motor Control, National Electrical Code, Blueprint Reading, Electrical Heating, etc. have helped Electrical Workers and Electrical Contractors to keep pace in an Electrical World.

COUNCIL ON INDUSTRIAL RELATIONS

The Council on Industrial Relations for the Electrical Construction Industry has always been our top example of success in labor-management cooperation. In the event that some reading this booklet are not familiar with the CIR, this is the 46-year-old organ used for settling disputes in the electrical construction industry.

The Council is made up of 12 members, six from the Contractors and six from the Union. The Council handles those cases in which the normal collective bargaining processes between local contractor and local union have bogged down and become deadlocked. This is the electrical industry's answer to strikes and lockouts. The Council decisions must be unanimous. Only once in its 46-year history has it ever had a decision violated.

Today many labor and management groups are exploring the possibility of trying to set up an arbitration and mediation organ, in an attempt to eliminate strikes and bring more stability into their respective fields. It is amazing to educators, writers, arbitrators, to learn about our Council for the first time. Our set-up is being widely recommended today in an effort to bring the same kind of peace we have known for nearly half a century, to other industries, their employers and employes.

Last year 99 cases were heard and settled by the CIR. Thus far in 1966, with two meetings down and two to go, 53 cases have been settled.

For the last five years, the CIR has averaged a workload of 100 cases per year. During that period cases have been presented from all 50 states of the Union and the District of Columbia, with the exception of Alaska, Hawaii, Rhode Island and South Carolina.

There are approximately 500 construction locals in the IBEW. This means that approximately one out of every five locals and corresponding contractor group, is using the Council each year. Of course, there are some contractors and local unions which never employ the CIR to settle their differences. However, the very fact that it exists—a Supreme Court—has been an impetus to many employer-employe groups to resolve their differences at home.

The Council on Industrial Relations is very much a part of the Electrical Industry as we know it.

We now reach the final major area of labor-management cooperation to be covered in this report.

THE PENSION BENEFIT TRUST FUND

For the benefit of those reading about the Pension Benefit Trust Fund for the first time, we would like to present a brief history.

The first Pension Plan covering workers in the Electrical Construction Industry was developed by the IBEW and applied to beneficial members of the union. It was established by the 1927 Convention of the Brotherhood and the first pension payments began in 1928. In the beginning a member with 20 years membership could retire at age 65 and receive a pension of $40.00 monthly. The pension was financed by a 37 cent per month payment by each beneficial member.

The IBEW plan was carried on without change for some 20 years. On January 1, 1947 the benefit was increased to $50.00 per month.

Until 1946, these benefits were financed entirely by an apportionment of the monthly dues (except for earnings on the fund) payable by "A" (beneficial) members, to the Pension Benefit Fund administered by the IBEW.

About 1945, the IBEW employed a firm of consulting actuaries who told them that the IBEW Pension Plan was in trouble and that considerably more money would have to be brought in if the plan was to survive. In fact the actuaries said that the 37 cent monthly contribution would have to be increased to about $5.00. It was then that the IBEW turned to the Contractors' Association to ask for help in continuing to provide pensions for its members.

EMPLOYEES' BENEFIT AGREEMENT

In 1946, NECA and IBEW reached an agreement whereby the Contractors in the Association would put 1 percent of their total payroll into a special fund (The National Electrical Benefit Fund—N.E.B.F.). Another fund was set up called the Pension Benefit Trust Fund (the P.B.T.F.). At the start, the contractors' 1 percent payments were put in the N.E.B.F. and then out of the N.E.B.F. each year, an amount which matched the total I.B.E.W. members' contributions to their own pension fund was put into the Pension Benefit Trust Fund. All pensions for the I.B.E.W. members were then paid out of our pension fund (the P. B. T. F.). Pensions were then running $50.00 monthly.

In 1952, the IBEW changed the plan so that 30 years of membership was required for the $50.00 pension. Members with 25 to 29 years would get a $40.00 pension and members with 20 to 25 years membership would get a $30.00 pension. This change did not apply to any of the members already in the plan—in other words IBEW members initiated or reinstated before 1952. About the same time the Contractors agreed to take out the whole 1 percent from the N.E.B.F. and put it into the Pension Benefit Trust Fund (instead of just matching the IBEW contributions).

Until 1957, the combined resources of the PBTF and the PBF were considered as applicable to meet the liabilities of the IBEW Members' Pension Plan, although somewhat less than half of the total beneficial membership of some 300,000 were actually working for contributing contractors. In fact, after establishment of the PBTF, the payment of all pension benefits for existing pensioners was shifted from the PBF to the PBTF, and the benefits for all new pensioners were paid from the PBTF until 1957.

NLRB RULING CHANGES SET-UP

In 1957 the National Labor Relations Board ruled that the provision of the Employes' Benefit Agreement which required 20 years of membership in the IBEW in order to qualify for pension was illegal.

As noted, prior to this ruling, all pension disbursements were made from the PBTF, and the PBF was kept fully invested, with the combined funds applicable to the Plan liabilities. The effect of the 1957 amendment was to create two separate funds, each with their respective liabilities.

As a result of this amendment, there now exists a separate plan covering all *employes* (not necessarily Union members) covered by the agreement between IBEW and NECA. The Contractors (or covered employers) still contribute 1 percent of gross labor payroll of covered employes to the NEBF, which pays operating expenses and transmits the balance of the payroll assessments to the PBTF.

The PBTF continued to pay pension benefits (at the rate of $50.00 per month) to all surviving pensioners who retired prior to June 1, 1957. The 1957 NLRB ruling also changed the existing arrangement to provide pensions for eligible employes in the electrical industry instead of only to "A" members of the Brotherhood.

Until more recent amendments effected a change, with respect to all employees who retired after June 1, 1957, the PBTF provided a pension benefit based on years of service in covered employment, a sum which was generally equal to 50 percent of the pension benefit to which an "A" member of the IBEW would be entitled under the IBEW Members' Pension Plan with a corresponding period of membership.

AMENDMENTS TO AGREEMENT

The NECA Plan has counted only "covered employment" with a contributing employer. Initially "covered employment" was restricted to employment with an employer during that period of time which the employer was obligated to contribute 1 percent of payroll to the NEBF. Since 20 years of "covered employment" is required for retirement, and since contributions (and consequently covered employment) did not commence until 1946, no employe (except for the closed group retired prior to 6/1/57) has been eligible for a benefit from the NECA Plan.

On September 26, 1964 the definition of covered employment was amended to permit the recognition of up to 5 years of past service credits, for service with an employer prior to the date the employer became obligated to contribute. These past service credits count as years of service in covered employment and were made retroactive to employes who retired, prior to 9/26/64.

This amendment allowed employes retired after 1961 to receive benefits from the PBTF.

Today as the full audit presented to all members of the National Board will show, the Pension Benefit Trust Fund has assets amounting to more than $112,000,000. Last fall the actuaries made another study of the plan and pronounced it fully funded. The fund is in excellent shape for two reasons—good return on investments; and the fact that pension benefits are flat dollar amounts while contractors have been paying 1 percent of payroll which has continued to rise. Because of this advantageous position, the change indicated above whereby employees retiring after 1961 began to draw pension from the Pension Benefit Trust Fund took place. If this amendment had not been put into effect, 1966 would have been the year for such change. The pensions added as a result of this change are reflected in the table on a subsequent page.

Because of the report of the actuaries and the soundness of the fund, the Employes Benefit Agreement was amended October 23, 1965 (effective January 1, 1966) as follows:

"The purpose of the amendment is to provide for pension payments on a graduated scale with a base of $2.00 per month per year of covered employment for each year of credited service. Consequently, an employe with a minimum required twenty years of covered employment would receive $40.00 per month and an employe with twenty-one years, $42.00; twenty-two years, $44.00, etc. Although this formula applies to all employes who commenced receiving retirement benefits from the National Electrical Benefit Fund on or after January 1, 1965, the amendment takes effect on January 1, 1966."

SUPPLEMENTAL INFORMATION

At the conclusion of this report appear our Statement of Receipts and Disbursements and a statement showing the number of members on pension for the year 1965. We have also included a copy of the application for pension so all may become familiar with it.

Your Trustees met monthly in conformity with Article III-B of the Employes Benefit agreement to approve applications for pension.

Readers will note that in 1965, because of the amendment effective January 1, 1965, which allowed for five years of past credited service to employes engaged in the electrical industry for periods prior to their employer being subject to the agreement, that the NEBF commenced paying pensions to some 2,600 additional employes.*

IBEW CHANGES TO COME

The amendment of January 1, 1966 which liberalizes the pensions is another big step in the field of labor-management cooperation. If these amendments pass, those IBEW members working for Electrical Contractors covered under the Employes Benefit Agreement will receive pensions from both funds. These payments, added to Social Security will enable Electrical Workers to live out their senior years in security and dignity. Letters reach our offices every day, grateful letters from pension members who point out how much their pensions mean to them, that they make the difference between living in modest comfort and merely existing. We think the cover of this Trustees booklet indicates the kind of future which retired workers in our industry may look forward to—a future with a measure of economic security. Such security enables a man to enjoy life, his family, his friends, and to continue to contribute to the good of his community.

It was to be expected that NECA-IBEW cooperation which has met its responsibility to the Electrical Industry and the public, would also be extended to the Electrical Workers of that industry.

Henry S. Owens and Company, Certified Public Accountants, have audited the books of the Trustees for the year 1965 and a copy has been furnished to all members of the Board.

Your Trustees wish to thank all members of the National Board and the officers of the National Electrical Contractors Association and the International Brotherhood of Electrical Workers, especially NECA President Richard W. Osborn and IBEW President Gordon M. Freeman. A special vote of thanks is extended to Wilfred D. Howell, Executive Secretary of the Pension Benefit Trust Fund for his continued fine work in the operation of his office and his assistance to us, and to Leo S. Woolls, comptroller for his cooperation and help.

A final vote of thanks must be extended to the Public Member of our Board, Senator Wayne Morse, for his interest not only in our Pension Fund but in the labor-management cooperation practiced by our organizations and for his work in publicizing our policies.

Respectfully submitted.

Joseph D. Keenan,
Robert L. Higgins,
Trustees.

Statement of receipts and disbursements

Cash on hand Jan. 1, 1965	$567,720.00
Cash receipts:	
Contributions from NEBB	13,075,000.00
Payments—Real estate loans	14,497,870.00
Interest:	
Real estate loans	4,353,807.00
Securities	611,431.00
Sale and redemption of securities	7,489,548.00
Dividends	251,919.00
Rents	243,876.00
Commitment fees and discounts	58,465.00
Other	24,953.00
Subtotal	40,606,869.00
Total	41,174,589.00
Cash disbursements:	
Pensions paid	3,224,392.00
Securities purchased:	
Real estate loans	16,227,411.00
Securities	11,641,263.00
Time deposits	3,550,000.00
Stocks and bonds	3,817,544.00
Real estate purchased	1,153,500.00
Postage and supplies	112,379.00
Investment expenses	321,500.00
Other	25,696.00
Total	40,073,685.00
Balance, Dec. 31, 1965	1,100,904.00
Cash, Dec. 31, 1965:	
American Security & Trust Co.:	
Checking account	$941,594.00
Agency	109,310.00
Bank of Nova Scotia:	
In transit	12,150.00
Checking account	37,850.00
Balance, Dec. 31, 1965	1,100,904.00

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*The total number of IBEW members on pension as of June 1, 1966, was 25,546. At its Convention in St. Louis this fall, the IBEW will introduce amendments to stabilize and liberalize its own IBEW Pension Plan.

Statement re number of members on pension, 1965

Date	Admitted	Returned to trade	Deaths	Pension received
Dec. 31, 1964				4,422
1965				
January		1	43	4,378
February			46	4,332
March	[1] 2,607		47	6,892
April	117	21	55	6,933
May	90	34	42	6,947
June	94	32	30	6,979
July	127	37	55	7,014
August	106	27	61	7,032
September	80	19	44	7,049
October	129	16	36	7,126
November	131	16	56	7,185
December	101	8	48	7,230

[1] In accord with the amendment of 1964, effective Jan. 1, 1965.

1965

Total admitted	3,582
Returned to trade	211
Deaths	563
Net increase	2,808

COMPARATIVE ANALYSIS—MEMBERS GOING ON PENSION

1964

Total admitted	4
Returned to trade	2
Deaths	504
Net decrease	502

1965

Total admitted	3,582
Returned to trade	211
Deaths	563
Net increase	2,808

[FORM No. 8 (1966)]

NATIONAL ELECTRICAL BENEFIT FUND

APPLICATION FOR PENSION

I hereby make application for Pension Benefits in accordance with III–B of the Employees Benefit Agreement. (See instructions on reverse side.)

Name ----------------------------------

Member of IBEW ☐ Yes ☐ No.

Card No.----------------------------

Social Security No.-----------------------

Born: (Month) ---------, (Day) ---------, (Year) --------.

I am working for-----------, in the city of ----------.

I (have retired) (will retire) from electrical work on: (Month) -------, (Day) -------, (Year) -------.

I have been employed since 19---- by employers subject to the National Employees Benefit Agreement and was employed for---- years in the electrical industry prior to being first employed by a covered employer. (A covered employer is one who contributes to the 1% fund.)

(If you did not perform any work for a covered employer for three consecutive calendar years prior to January 1, 1965, list the dates and reasons why below.)

All information listed above is true and accurate.

Witness---------------, Street No------, Street--------, City--------, State--------, Zip Code--------.

Signed----------------, Please Print Mailing Address for Checks-------, City-------, State-------, Zip Code-------.

Mail to: National Electrical Benefit Fund, 1200 18th Street, N.W., Washington, D.C. 20036 (Telephone: FE 8–2183).

Pensioned approved by the Board of Trustees on ----------, 19——.

INSTRUCTIONS

Effective January 1, 1966, any employee employed in an occupational classification subject to the contributory provisions of the Employees Benefit Agreement shall be eligible for monthly pension benefits when he has retired, has attained the age of 65 years and has been continuously employed in covered employment by a covered employer for not less than 20 years immediately prior to the employee's application for pension benefits in accordance with the following: $2.00 per month for each completed year of credited service.

Appendix A of the Employees Benefit Agreement which is attached hereto defines continuous employment for purposes of pension eligibility.

1. Pension Application—Deadline is the last day of each month.

(a) Qualified pension applications received from January 1 through January 31 are approved in January. Letters approving applications are mailed to the employee.

To insure that eligible employees receive pension without delay, we submit the following suggestions: Employees should obtain the necessary pension application from their Local Union, Local Board or NEBF Headquarters, at least six (6) weeks in advance. The application may be obtained in person, by letter, post card or phone.

An employee who accepts a pension may not be actively associated with the electrical trade in any way, with or without pay. He is not entitled to a pension for any month in which he is actively associated with the electrical trade.

Employees on pension who return to the electrical trade should inform the National Electrical Benefit Fund at once.

The address for mailing of pension checks should be clearly printed and the National Electrical Benefit Fund informed of any change of address.

Employees must sign the application with their written signature and not print it.

DEFINITION OF CONTINUOUS EMPLOYMENT FOR PURPOSES OF PENSION ELIGIBILITY

(Adopted by the Board of Trustees, pursuant to Article III-B, Section 5 of the Employees Benefit Agreement, April 16, 1963, effective January 1, 1965, and included in this document for your convenience)

Article III-B, Employees Benefit Agreement, provides for payments of pension benefits based on years of "continuous employment by a covered employer."

Article III-B, Sec. 5, requires that the Board of Trustees define the terms "continuously employed" and "continuous employment" by rules and regulations of equal and uniform application.

In order to determine the credit service to which an employee (including journeymen and apprentices) is entitled in establishing his eligibility as "continuously employed" and the amount of pension payment due, he shall be credited with years of "continuous employment" as follows:

A. Service credits

I. An employee shall be credited with one year of covered employment for each calendar year, prior to January 1, 1965, any part of which the employee was employed in a collective bargaining unit for which the International Brotherhood of Electrical Workers, or a local thereof, was recognized as the collective bargaining agency, and whose employer, by agreement, participated in the Electrical Workers' Pension Benefit Plan.

II. An employee shall be credited with the number of years covered employment based on his service after January 1, 1965, or after a subsequent loss of credited service and prior to date of his retirement equal to the following:

(a) The number of complete years determined by dividing the total number of hours for which contributions were made on his behalf by 1000. Contributions shall be deemed to have been made on his behalf if he was employed in a bargaining unit for which the IBEW or a local thereof is recognized as the collective bargaining agent and the employer has agreed with the IBEW or a local union thereof to participate in the Electrical Workers' Pension Benefit Plan and paid to a Local Board an amount equal to 1% of the gross labor payroll paid to the employees in the bargaining unit (provided that the employee's wages were included in the gross labor payroll upon which the 1% payment was made). Overtime hours shall be computed on a non-multiple basis, i.e. 10 hours of overtime shall yield 10 hours of service and shall not be multiplied by any premium rate.

(b) Notwithstanding paragraph A II (a) above, employee shall not be credited with a greater number of years of covered employment than the number of calendar years during which contributions were made on his behalf, which have elapsed to the date of retirement. Contributions made on his behalf shall be computed as described in (a) above.

B. Past service credits

Past service credits shall be granted to an employee employed in an occupational classification subject to the provisions of the Employees Benefit Agreement for periods of such employment prior to the date upon which his employer became a covered employer on the basis of one year of credit for each year of such continuous employment by any employer who acquires the status of a covered employer. If an employe worked for an employer who went out of business, and such business was taken over by a covered employer, or in other comparable situations, past service credit for periods of employment with the employer who went out of business may be granted, if the Trustees, in their sole discretion, are satisfied on the basis of evidence submitted to them, that it is appropriate to treat the covered employer as one who has succeeded to the business of the employer who went out of business. The maximum amount of past service credits allowed shall be five years.

Past service credits shall be deemed the equivalent of years of covered employment by a covered employer.

Past service credits, in accordance with the above designation and formula, shall be granted to employees who have retired prior to September 26, 1964, the date of adoption of the past service credit system, as well as to those employees who retire after such date.

The Board of Trustees is authorized to adopt such rules and regulations for crediting past service as are appropriate and consistent with the other provisions of this section and the Agreement.

C. Loss of credited service

An employee will not receive any credit for hours or years worked under Section A II (a) or (b) above for any year in which he fails, or failed, to perform any work for which contributions were made on his behalf as described in A I above in a calendar year prior to January 1, 1965 or fails to perform work for which contributions were made on his behalf for at least 300 hours in any calendar year after January 1, 1965, in the event an employee works less than 300 hours in any calendar year, said hours will not be included in the total number of hours as referred to in Section A II (a) above, nor shall said year be included under A II (b) above. A loss of credited service, past or future, shall occur when an employee failed to perform any work for a covered employer for three consecutive calendar years prior to January 1, 1965, or when an employee failed to work for a covered employer for at least 300 hours in any calendar year for at least three (3) consecutive years after January 1, 1965; either of which events shall cancel all credited service prior to that date, except for the following conditions:

1. Periods of permanent and total disability up to a maximum of three (3) years shall not constitute a loss of prior credited service.

2. Periods of proven disability up to a maximum of three (3) years, during which the employee receives or is entitled to receive accident and/or sickness benefits or Workmen's Compensation shall not constitute a loss of prior credited service.

3. Strikes or lockouts, up to a maximum of six (6) months, during which an employee is physically able and available to work shall not constitute a loss of prior credited service, and the three hundred hours annual minimum shall be reduced pro-rata based on said periods of strike and lockout.

4. Periods of absence from the bargaining unit because an employee is (1) serving as a full time employee of an International or Local Union or a State or National Labor Federation or similar organization, or (2) employed in a supervisory position in the Electrical Industry shall not constitute a loss of prior credited service.

(It shall be the responsibility and obligation of each individual employee to advise the National Electrical Benefit Fund of the existence of any of the conditions enumerated above which would affect said employee. Notice to the Fund shall be given at the inception of the condition and shall be accompanied by all available proof of said condition. The employee shall notify the Fund when the condition ceases to exist.)

D. Military Service

Absence from employment due to military service shall not constitute a loss of credited service provided the employee left covered employment to enter the Armed Forces of the United States of America and returned to covered employment within three months following the date of discharge or release from the Armed Forces. The term of military service shall be considered the same as though such employee had remained in covered employment while in the Armed Forces provided, however, that the employee must have been drafted, called, enlisted in lieu of draft or otherwise required by law to enter the military service. Periods of voluntary re-enlistment not affected during a national emergency or time of war shall not be considered military service for this purpose. The period of military service which counts as service under covered employment shall not exceed the actual period during which the employee was required to serve plus three months. For purposes of crediting service after January 1, 1965, an employee shall receive credit for 83⅓ hours of covered employment for each month served in the Armed Forces.

Any employee entering the United States Armed Forces under the conditions enumerated above, must complete a form prior to his entry into the Armed Forces and a form after his discharge from the Armed Forces. These forms will be obtainable from and must be submitted to the office of the National Board.

DEAN SEWARD REESE CELEBRATES 20TH ANNIVERSARY AT WILLAMETTE UNIVERSITY COLLEGE OF LAW

Mr. MORSE. Mr. President, I ask unanimous consent that there be published in the CONGRESSIONAL RECORD an article which appeared in the Willamette Lawyer for April 1966, published by the Willamette University College of Law, Salem, Oreg., under the headline "Dean Celebrates 20th Anniversary."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEAN CELEBRATES 20TH ANNIVERSARY

(By Paul Aragon)

Perhaps, a hand-engraved, solid gold plated, filigreed, luminous dialed, pocket watch would be in order. One that didn't keep time too accurately.

At any rate, this year marks the twentieth year that Seward Reese has graced the hallowed halls of the law school.

For a person who left home at the age of 12 to work in a glass factory, his journey has been a long and successful one. He managed to get an education and at the same time go from railroad section worker, to steel foundry laborer, to carpenters' union member, to theatre musician, band director, choir director, Bible salesman, real estate sales manager, construction foreman, vaudeville actor and at one time even piloted his own plane. At one time, his melodious voice even graced the airwaves. (He claims that, fortunately for the public, he got out before the advent of television.)

To the good fortune of the law school, he persisted in his education, receiving his A.B. from West Virginia Wesleyan, M.A. from the University of Michigan, J.D. from Indiana University, and LL.M. from Duke University. He is also a graduate of the Army Command and General Staff School.

Dean Reese came to Willamette University in the fall of 1946, after having served as a Colonel in the Army Air Force on the staff of General "Hap" Arnold. Immediately upon arrival at the law school, a liberal trend in education could be seen. The honor system as well as the anonymous grading system were established with the blessing of Dean Reese. Barely four months after the Dean's arrival, the College of Law was admitted to the Association of American Law Schools. The Legal Aid Clinic was opened on October 15, 1947, under the Dean's direction, and to this day, is the only school-run Legal Aid Clinic in the west, with the exception of one at the University of Colorado. The development of the Legal Aid Clinic by the Dean culminated with a citation awarded in August, 1962, by the National Legal Aid and Defender Association for outstanding work in the field of legal aid.

Dean Reese still champions the Legal Aid cause, and as recently as February, 1966, delivered a speech before the King County Bar Association in Seattle entitled "30 Million New Legal Clients" which was on the subject of the poor receiving adequate legal help. This speech received radio and television coverage, and was made the subject of editorials and magazine articles.

An individual thinker, Dean Reese has written many legal and literary articles, including a three-act play and a casebook on Code Pleading. He has been the author of many law journal articles, and contributed to "Know the Law"—a column which ran regularly in the Oregon Statesman and other Oregon newspapers. He has been an advocate and defender for the cause of the College of Law, and during the past ten years, has been instrumental in bringing about the increase in the demand for a Willamette legal education, and consequently, steadily increasing the standard for admission. His twenty years at Willamette have also seen the beginning of the Willamette series of legal handbooks started in 1948 and succeeded by the Willamette Law Journal in 1959, institution of the moot court competition as part of the curriculum, the National Championship having been won by the moot court team in 1959 and the initiation of the student legal research service.

A coincidence of sorts happens to be that Dean Reese's right hand "man", Mrs. Phyllis Jo Criswell came at almost the same time as did the dean in 1946. Dean Reese claims that without her as registrar, this school would not have developed to what it is today, with its ever growing national image. "Mrs. Criswell's hard work, devotion and ingenuity have been the main reasons why the law school has attained its unusual growth and successes," states the Dean.

In spite of his active and imaginative mind, he has been known to leave the keys to his office stuck in the door overnight, and at one time was even suspected of leaving his car running while he happily went about his day's work.

An avid sportsman, he plays tennis three times a week; during the rainy winter months he will settle for a spirited game of badminton. He aspired to the candidacy for United States Attorney of Oregon in 1953, but yielded when a petition unanimously signed by the students and faculty urged him to reconsider.

Laborer, musician, actor, singer, author, playright, warrior, educator, and Dean of the College of Law. On second thought maybe the watch wouldn't be such a bad idea after all.

Mr. MORSE. Mr. President, the article pays a very deserved tribute to Dean Seward Reese, who has been dean of the Willamette Law School for a considerable number of years, with whom I had a close professional relationship when I was dean of the University of Oregon School of Law.

On this occasion I not only associate myself with the remarks contained in the article that I have had inserted in the RECORD, but I want to express on the floor of the Senate today my deep appreciation for the many outstanding contributions Dean Reese has made to the law and to the legal profession in my State. I commend him again, as I have many times in the past, for his scholarship and for his great administrative ability as dean of Willamette University Law School.

A PROPOSED RAID ON FOREST PROTECTIVE GREEN STRIPS—A THREAT TO OUR FEDERAL FORESTS

Mr. MORSE. Mr. President, recently there came to my attention a shocking and irresponsible proposal to rip open the Federal forests in Oregon. This proposal was directed to high Federal forestry officials by at least one Oregon resident who alleges that he speaks for the timber industry of my State, or at least for a substantial segment of that industry.

The appalling proposal to which I allude would involve the cutting of the protective green strips that separate logged-over sections of Federal forests. This reflects, I am sure, the view of a small number of nonconservation timbermen whose basic philosophy is that of "making the dollar" regardless of the consequences on the public interest. More succinctly, it is the philosophy of "cut out and get out" which prevailed at the turn of the century.

We see the costly price the American people have paid for a "cut out and get out" policy in the States of Wisconsin and Michigan in particular, although there were other States, including Minnesota, which also suffered from this policy.

Great economic resources were destroyed by the "cut out and get out" policy. Great damage was done to soil conservation. What we would not give now, as we drive through Michigan, Wisconsin, and Minnesota, if we could live over again those days when the tycoons of the lumber industry were permitted to mow down God's gift of great natural resources in the form of our forests, having failed to carry out our obligations as trustees.

So long as I serve in the Senate, I intend to oppose every movement aimed in the direction of repeating in my State the great mistakes made in Michigan and Wisconsin in a goneby decade.

This proposal of the cutting of the protective green strips that separate logged-over sections of Federal forests cannot be reconciled with sound conservation. This proposal reflects, I am sure, as I have said, the view of a small number of nonconservation timbermen whose basic philosophy is that of "making the dollar" regardless of the consequences on the public interest. More succinctly, it is the philosophy—I repeat—of "cut out and get out" which prevailed at the turn of the century.

Let me hasten to point out that the individual who made this reckless proposal is not representative of the majority of the people in the lumber industry of Oregon. I am satisfied that Oregon lumbermen are, by and large, conservation minded and that they wish to deal with our Federal forests as a crop to be harvested year after year, on a sustained yield basis, with an eye to the needs of future generations of Americans.

Last January 17 and on subsequent occasions, I spoke in the Senate on the subject of allowable timber cuts on Federal lands in Oregon. On January 17, I discussed the scheme that had been launched by certain timber operators in Oregon who have been endeavoring to devise a method for increasing the cut from the Federal forests with little regard for the possible adverse effects on conservation.

My January 17 statement discussed in detail the efforts of these timber operators to put to questionable use an initial draft of a research study by a Dr. Duerr, of Syracuse University, in justification of their demands for liquidating old growth timber on our Federal forests in Oregon.

This more recent proposal to cut the protective green strips is equally preposterous and dangerous. If carried out, it would permit these "cut out and get out" loggers to cut the green strips of timber that separate the logged-over sections of Federal forests that have been cut under scientific procedures. Not only would it turn forest protective covers into stump lands, but it would negate the steps that have been taken to assure the restoration of watershed values of the areas just cut.

One does not have to be a forester—he need be only an amateur conservationist—to realize that laying bare the soil on vast expanses of Oregon's mountainsides would not only make hideous wastes of our precious forests, but would destroy watershed values.

The consequences of this proposed raid on protective green strips would be disastrous to tourism in Oregon. Oregon's important tourist industry and its designation as "the Emerald Empire" would be seriously jeopardized. The sickening sight created by logged-off green strips would destroy the incomparable areas of beautiful forest scenery.

I do not intend to stand by and watch these forest raiders succeed in their efforts to sacrifice our national forests and our other public forests to the ax.

There are also those who would undertake mammoth programs of thinnings in our national forests and other public lands in "making the dollar." They would come into the young growth stands on an accelerated program of thinning out trees that presumably—I stress "presumably"—will die before they reach harvest age. I want there to be no mistake about the fact that in my judgment a sound program of thinning is a defensible program. But I have serious questions about the desirability of crash programs of thinning hundreds of millions of feet of timber without adequate advance planning.

There are also those who would develop a crash program of what they call "mortality salvage in old growth stands." This, too, is a commendable goal and one which could be realized; but again, a crash program without adequate advance planning could lead to the gutting of the Federal forests.

Mr. President, I ask unanimous consent to have printed at this point in the Record an article entitled "Making the Dollar—Secret Timber Plan Stirs O. & C. Counties," which discusses such a proposal, written by Gerry Pratt, business editor of the Portland Oregonian, and published in the Oregonian of May 30, 1966.

There being no objection, the article was ordered to be printed in the Record, as follows:

Making the Dollar—Secret Timber Plan Stirs O. & C. Counties

(By Gerry Pratt, business editor, the Oregonian)

A history of trust between the Department of the Interior and the O&C Counties in Oregon collapsed this past week when the Department of the Interior denied O&C officials the right to be brief on a program to increase the allowable O&C timber cut between 200 and 400 million feet a year.

The timber involved is only part of a secrecy-shrouded and politically protected timber program in the works which industry sources claim will also result in an additional 500-million feet of Forest Service timber going on the market in Oregon.

The amount of timber involved in both instances is only a guess, the best guess of Darrell Jones, the president of the O&C Counties Association for the past seven years and Clackamas County commissioner, who confesses: "We can only guess because when we ask for a briefing in the field we are told we cannot have the information, even though it is O&C funds they are spending and O&C lands they are planning on cutting."

Jones will fly to Washington, D.C., Monday to meet with the Oregon delegation Tuesday and review there the Bureau of Land Management studies. When he sought to brief the O&C consultant forester, Lucien Alexander of Mason, Bruce and Girard, for this meeting, Assistant Secretary of the Interior, Harry Anderson refused him the information.

"We have heard all kinds of figures on the amount of O&C timber found available under the BLM study, timber either rotting and down or available through thinning programs," Jones explained.

COUNTIES REFUND PART OF SHARE

Under its voluntary agreement with the Interior Department, Jones explained, the O&C counties refund a third of their share of the O&C timber sale funds for management, roads and reforestation of the O&C lands by the BLM.

Even after the deduction of a third of their revenues, the O&C Counties, all of the Western Oregon counties except Clatsop, plus Klamath County, collect some $20 million a year from their share of the timber sales.

"Even at $30 a thousand, this program of added harvest could mean an extra $6 million a year to the O&C counties, so naturally we are concerned," the Clackamas County commissioner added. "At $40 a thousand, a more reasonable timber cost today, it means $8 million a year more for the counties."

"In addition the industry desperately needs the added logs to help offset the expanded export of timber to Japan which is beginning to have a serious affect on our employment outlook."

Jones' chief complaint Sunday as he planned his campaign for Washington, D.C., was: "We have been full partners with the BLM in the past. We voluntarily asked Congress to take one third of our O&C revenues and invest it in sustaining these lands and we want to be full partners in this planning.

"There is a full report on the availability of increased yield of timber that is not being made available to us. We are asked to go back to Washington and get briefed without having any of the facts before we get there. The best Anderson would give us is that the information on our lands will be made available to us during the course of our meetings.

"They denied us the right to be briefed until we get it his way, and yet it is our resource and our money involved."

Jones and the O&C officials are jumpy about such dealings in the BLM since the discovery last year of a plan to swap sustained-yield lands in Western Oregon which were a part of the O&C cut program.

DETAILS ON PROGRAM SOUGHT

The Clackamas County official said he is also going to press for details on the Forest Service program to increase its cut in Oregon by 550-million feet a year.

"We have been told the Forest Service is preparing to go to Congress in August for an additional appropriation to allow it another 550-million feet of annual cut under the same salvage and thinning programs," Jones said.

Twenty-five percent of these Forest Service sales also come back to Oregon counties, Jones pointed out. "So we are intensely interested in this program as well. There are only nine counties in the United States that collect more than half a million dollars a year from Forest Service sales in their areas. Seven of those counties are in Oregon. So you can understand our interest."

At an extremely low price of $30 a thousand, Jones figures, the 550-million increase in Forest Service cuts means more than $4-million a year in additional revenues to the counties from timber sales, plus the jobs and investment in manufacturing.

"We hope to find out what these programs are and maybe we will have some suggestions about the budgets," Jones explained.

"There is a policy of secrecy developing around our federal timber programs in Oregon so that we are finding it increasingly more difficult to get the information Oregon is entitled to, concerning the management of our natural resource.

"Maybe Tuesday," he said, "we can begin to find out why."

Mr. MORSE. Mr. President, the Pratt article quotes a Mr. Darrell Jones, county commissioner in Oregon, as saying that "it is our resource and our money involved." But there are more than dollars involved in our forests.

The idea of cutting out the green strips is reminiscent of the phrase the late Adlai Stevenson used to describe the efforts of another person in public life, who was going to give this Nation "a bigger bang for a buck." Those who advance the green strip logging concept contend that more timber can be placed on the market without building additional forest roads. They talk about it as an economy measure. But it is a false economy to gut the Federal forests. It is also a false economy, I should add, to gut private forests.

Once again, I wish to warn the conservation-minded lumbermen of my State that there are loose among them a few misguided souls whose concept of conservation is that of stripping the forests to conserve profit dollars. These spoilers of the forest are bent upon destroying a conservation image and a conservation practice that the lumber industry of my State has shown a willingness to adopt and use. The citizen-statesmen of the timber industry of my State recognize that the business of cutting the forests is often misunderstood even when the best scientific principles are applied. As I said on January 17, "to all who live conservation it is disturbing that the initial cut in the Douglas Fir forests is unavoidably a severe treatment. The trees are large and heavy and contain much cull material. To obtain efficient regeneration of healthy new stands, clear cutting is silviculturally necessary. Much of this large timber is on steep and broken ground. The Forest Service makes its clear cuts in a patchwise fashion. Conservationists are pleased that foresters recognize that large continuous clear cuts are no longer acceptable from a scenic, watershed, or recreational use standpoint."

I also said then that there was a period in Oregon when there was complete clear cutting of the mountainsides. I spoke of the period when the lumber industry "mowed the trees down, and left not only the ugly views that resulted from such a practice and waste of God's gifts of these great cathedrals of forests to our people, but they did great damage to the watershed; they did great damage to the soil. The conservationist under the leadership of such men as Gifford Pinchot, one of the greatest conservationists of our time, brought an end to this ravaging of so-called clear cut for old growth timber on the forests of the Pacific Northwest."

When I discussed this forest resource problem on January 17, I pointed out that I was "sorry to say that there are still those who put profit above their obligations as trustees of God's gift of natural resources to our people." I also said, "we can operate a profitable forest industry without forest rape. We can operate a profitable forest industry and keep faith with future generations of American boys and girls by following the sound conservation programs that our Forest Service defends, supports and advances."

When I testified before the Senate Appropriations Committee this year, I suggested that the Forest Service and the Bureau of Land Management come in next year with a program designed to promote a long-range second growth management operation of major dimensions. I requested a report that would lay out the cost and the benefits, dollar and otherwise. I stress again the word otherwise. The use of this word makes it clear that what is needed is a complete analysis as to the proper level of cutting which is required for protection of the forests in the public interest.

Once again, the "cut out and get out" segment of the lumber industry is urging crash programs and novel systems of hurry-up cutting. I do not intend to play politics in our forests, and I do not intend to let others play politics while slashing through the trees. Those in high public office in the executive branch of our Government, in particular the Secretary of Agriculture and the Secretary of the Interior, as well as those of us who hold political office, might as well face up to the fact that the pressure on our forests will continue to increase from all sides. The clamor to substitute fantasy for fact and the rationalization of selfish groups to ravage our forests under the guise of sustained yield, will increase. We must be willing to stand up and be counted as trustees of God's gift of these natural forest resources and maintain them for succeeding generations. We owe it to our country to be conservationists first.

I want there to be no doubt where I stand. I am calling to President Johnson's attention the efforts that are being made by irresponsible people in the timber industry to get crash programs underway that would topple our sustained yield forest program in our great national forests and other public forests in Oregon. I am urging that the President take a personal look at these proposals, and that he issue instructions to his two Secretaries which will assure that the conservation principles for which he stands, and for which this Nation stands, are respected.

For my part, I wish to make it abundantly clear that I intend to meet the obligation that I have to present and to unborn generations. I do not intend to evade or shirk this obligation. In my judgment, the sound sustained yield, conservation, recreational, watershed protection, multiuse program in our public forests is a solemn trust; and I do not intend to let those who would make a "fast buck" out of our forests ravage them, for these forests belong to all the American people.

DISPUTE BETWEEN AIRLINES AND MACHINISTS UNION

Mr. MORSE. Mr. President, last Thursday I inserted in the Record the report of the Presidential Emergency Board appointed by the President to conduct hearings and to make recommendations for what, in the opinion of the Board, would be a fair settlement of the dispute that exists between five major airlines in this country and the machinists union.

At the time I also inserted in the Record a statement that the President made to the press and to the public after he had completed his study of our report. The President's statement left no room for doubt that the President accepted the report. Through his statement he advised the parties that in his opinion the dispute should be settled within the framework of the report.

The hearings of the Presidential Emergency Board, of which I had the honor to serve as Chairman, were conducted under the Railway Labor Act. The Railway Labor Act provides that after mediation efforts have broken down and a proposal for arbitration of the differences of the parties has been rejected by one party or both parties, the National Mediation Board should serve notice on the parties that further mediation efforts would be discontinued, at least for the time, and the procedure of the act that provides for the appointment of a Presidential Emergency Board would be available to the parties.

That happened in this case. The President appointed the Board, and we conducted those hearings. But, for the information of the public, I want to make it clear in the Senate this afternoon, as Chairman of that Board, that we conducted the hearings on the record, that the parties were notified at the beginning of the hearings that the recommendations of the Board would be based upon the record that the parties made. Our recommendations to the President would be drawn from the four corners of the transcript of record and the exhibits presented to the Board as made by the parties to the litigation.

Mr. President, as is often the case, after the juridical process has run its course, one party or the other, and often both parties, wish that something else had been placed in the record. Under such circumstances, the party or parties would like to rehash the case in the sense that they wish that the Board had considered something that they did not put in the record at all. Of course, I never do that in trying a labor case, and no one who sits in an impartial position to adjudicate a dispute and to make recommendations has any right to base the recommendation of the juridical body on anything other than the record made by the parties. We have based our recommendations on the record in the case.

Undoubtedly the officials of the airlines involved in the case were dissatisfied with some of the recommendations of the Board. That is almost invariably true when a litigant is not sustained on some issue. It is very difficult for litigants to reach the conclusion that the court was right and they were wrong.

That is a human characteristic that is easily understood. So I say that there is not any doubt about the fact that the recommendations the Board wrote on the basis of the evidence submitted were not always the recommendations that the carriers would have written if they had had the responsibility of writing the recommendations. I think we can take judicial notice that their recommendations would have taken the form of their contentions in the case. Yet, after due deliberation, the carriers announced on yesterday that they would accept the Board's recommendations.

That does not preclude under the law—a provision of which I shall come to in a moment—the carriers seeking to modify some of the recommendations of the Board by way of further negotiations with the union. That is permissible, for under the Railway Labor Act, after the Board is appointed and, in this case, by stipulation which the parties had the right to enter into, after a date is fixed for the beginning of the running of the 60-day period which is provided for in the law, the Board has 30 days in which to conduct its hearings and make recommendations.

After the recommendations have been submitted to the parties and to the President, the parties have 30 days in which to accept or reject or modify the recommendations. At the end of the 30 days, the parties have the right to strike or to lock out.

I stress that because there appear to be some among the interested public groups that have concerned themselves with this case who are not aware of the fact that the Board did not sit as an arbitration board whose decision was final and binding upon the parties.

The Railway Labor Act specifically provides for this 60-day period, 30 days to be available to the Board for hearings and the rendering of its opinion and 30 days to be available to the parties within which they might decide whether to accept the recommendations or to seek to negotiate modifications of the recommendations, and, at the end of the 30 days, exercise their right to engage in economic action if that is their decision.

The Board started its formal hearings on May 6, rather than on April 21, the date of the President's appointment of the Board. In the absence of a stipulation by the parties, the 60 days would have run from April 21.

As chairman of the Board, I took note of the fact at the very beginning of the deliberations of the Board that if the 60 days were to run from April 21 and the parties at the end of the 60 days decided either to strike or lock out, we would be confronted with the situation, on the 4th of July weekend, of most of the commercial airlines in the country not operating.

The parties had the right under the Railway Labor Act to enter into a stipulation to extend the 60-day period. However, the parties had to agree to such an extension, and the President had to sign such a stipulation.

So, with the approval of my two colleagues on the Board, I suggested to the carriers and to the union that they enter into a stipulation that the 60 days would start to run May 6, which would be the first day on which we would schedule formal hearings. That date would take them and the country beyond the July 4 weekend.

Both sides agreed to the stipulation and the President signed it. So, if this case runs the course that would lead into a strike, the strike could not occur under the law until midnight on July 5.

The union has not accepted the Board's recommendation. In fact, I say good naturedly that the union has made clear in unambiguous language its disappointment in the recommendations, charging the board with engaging in *"19th-century thinking."*

One never must permit himself to lose his sense of humor if he is a middleman in seeking to settle a labor dispute.

My sense of humor tells me that probably the spokesmen for the union who gave that description of the report decided that he could not use any language to show his displeasure more with the report as far as the Chairman is concerned, than to charge the Board I headed with engaging in 19th-century thinking.

Mr. President, I fully understand that in labor disputes the motivations that sometimes prevail on the part of labor leaders, particularly when under the rules of the union, as is true in this case, the recommendation has to go to a vote of the membership of the local lodges.

With this strong pronouncement by the union's wage policy board in opposition to the Board's recommendations, there is every likelihood that when the report is finally submitted to the local lodges, it will not be approved.

But those of us on our Board are fully aware of the fact that this is a long practice on the part of this union; in the past, has turned down emergency board reports during this 30-day period in order to avail itself of the provisions of the act which permit of further negotiations during the 30-day period.

So I say in all respect, and good naturedly, to the representatives of the union in this case, "You certainly are within your legal rights to seek a negotiated settlement with the carriers for modifications of the Board's report."

But in the same spirit of respect, let me say to the officials of the union and to every member of its rank and file that, in my judgment, the case and the evidence put into the record by the union itself could not possibly sustain any recommendation beyond the recommendations that the Board made. I shall welcome having this report analyzed against the transcript of the record that the union made, for I am satisfied that impartial minds will come to the conclusion that the Board's report is fair and just to the union on the basis of the transcript.

So, Mr. President, I also say to the union that nothing could be gained, as far as the public interest or the best interests of the union are concerned, by the union failing to do everything possible to reach a negotiated settlement with the carriers in the days remaining between now and midnight July 5. That happens to be a responsibility the officials of this union, in the opinion of the Chairman of the Board, owe to their members and to the public interest. For this is a major labor dispute. This is a dispute that involves, in no small measure, the economic welfare of this country, and can very well, if it results in a strike, involve great damage to the security of the Republic.

Mr. President, the members of the Machinists Union know me well enough to know that I would not make the statement I now make if I was not satisfied that every syllable of the statement is true. I most respectfully say to the *Machinists Union:*

"In these days of your country's history, you cannot justify resorting to your right to strike, though I would defend you to the limit in exercising that right if a lapse of good judgment on your part caused you to decide to exercise it. For that right happens to be very basic to the preservation of our system of economic freedom."

But I say to the officers and the members of this union: "The fact that you have the right to strike does not in and of itself justify your exercising the right; for you have obligations as well as rights, and the Machinists Union owes to this Republic as well as to its own members the carrying out of a great obligation—the obligation to make free collective bargaining work during this period of time, as you seek to negotiate an understanding with the carriers for a mediation of your differences."

What I have said to the Machinists Union in the immediately preceding sentences, Mr. President, I would also say to the carriers: "You, too, have an obligation, and that obligation carries with it what I consider to be a clear duty to seek to mediate and negotiate fair adjustments of your differences."

The Railway Labor Act, Mr. President, provides for exactly that procedure. The Railway Labor Act does not provide that because one side accepts a Board's report and the other side does not, therefore the side that accepts the emergency Board's report has no obligation to proceed with negotiations. That is not what the act says.

On the basis of the statements already made by the carriers, I am satisfied that they recognize this obligation; and our Government has made available to them the services and mediation of a man who, in my opinion, has no superior in the entire field of labor relations negotiation. I refer to the Assistant Secretary of Labor, James Reynolds. Secretary Reynolds was my counsel when I was chairman of the Board appointed by President Kennedy to settle an existing east coast longshoremen's strike. He was counsel of the Board appointed by President Johnson on which I had the privilege of serving as a member, the other two members being the Secretary of Labor and the Secretary of Commerce; and he also was a close adviser of Governor Collins and me when we conducted an investigation for the President, at his appointment, in connection with the threatened nationwide steel strike.

Mr. President, Assistant Secretary of Labor Reynolds is serving as I speak this afternoon on the floor of the Senate. He started serving the parties yesterday as a special mediator to seek to bring both sides of the dispute to a negotiated settlement, in keeping with their clear obligations.

Under the Railway Labor Act, when we filed our report with the President and with the parties, our Board went out of existence. The parties knew, of course, that we would be available for the answering of any questions that they might wish to raise as to the meaning of any section of the report in regard to which the two sides might find themselves in dispute concerning their respective interpretations thereof.

But from the floor of the Senate this afternoon, I wish to say to the parties that with the services of Mr. Reynolds, I see no reason for failing to compromise your views. I have used the word "compromise" because compromise is the primary purpose of mediation.

The Emergency Board does not sit as a mediation board. There is all the difference in the world between the functions of an emergency board and the functions of a mediator. An emergency board sits in the capacity of a quasi-judicial body in an arbitration process. An arbitration is a judicial process, not a mediation process.

An emergency board sits to evaluate the record made by the parties, applying to it elementary procedures involving burden of proof and involving the preponderance of the evidence. It decides each issue on the merits, as substantiated by the evidence. That is what all of my decisions over the last 32 years have been based on procedurally in those instances in which I sat in a quasi-judicial capacity, rather than as a mediator. But I have sat many times as a mediator, too.

What is the primary obligation of a mediator, which is the function Assistant Secretary Reynolds is seeking to perform for these disputants at the present hour? His primary responsibility is to seek to lead the parties to a conscionable compromise of their differences; he makes proposals or suggests proposals by way of compromise that do not necessarily have to do with the merits of the issue from the standpoint of the facts that support one side as against the other.

That is what the parties have the obligation of trying to do in the remaining time between now and midnight on July 5: to sit down and face up to the fact that there is going to have to be some give and take on each side, and work out a fair compromise of their differences. That should not be difficult, for there is not a single issue pending between them that cannot be reasonably compromised, although I hasten to make clear that there are some issues on which there cannot be the slightest justification for any compromise at all. It is as clear as the noses on the faces of the litigants.

But there are issues involved in the case that can be compromised conscionably because the record on them made by one of the parties or both of the parties did not justify any decision on the part of the Board except the decision that the issue should be withdrawn because the burden of proof was not sustained.

Anyone who reads the report of the Board, which I had printed in the RECORD last Thursday, will take note, and on a considerable number of issues the Board pointed out that it decided against the carriers or it decided against the union in connection with a particular issue because the proponent of the issue had simply failed to sustain its burden of proof.

In some instances, now that they have had a chance to evaluate their own record, they may be able to come forward with evidence or arguments that would justify the working out of a conscionable compromise in mediation.

There is no doubt where the President stands in regard to this matter. The President told the parties where he stood in the statement he issued last Tuesday which I put into the RECORD last Thursday . In a letter addressed to me dated June 13, 1966, the President said in part:

> This was an unusually complex and challenging case, but you helped to shape a just and imaginative framework for a just settlement.

I wish to report to the parties that if they have any doubt as to where the President stands on this case, I remove that doubt by telling them again what the President told them last Tuesday: That they should settle their differences within the framework of the report.

Mr. President, I ask unanimous consent that the letter which I received from the President be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 13, 1966.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR WAYNE: I deeply appreciate your outstanding work as Chairman of the Emergency Airlines Dispute Board.

Once again, you took the time off from your very busy life to help your President. This was an unusually complex and challenging case, but you helped to shape a just and imaginative framework for a just settlement.

I am proud of you and your colleagues on the Board and I know that the Nation is indeed grateful to all of you.

With my warmest thanks.

Your friend,
LYNDON B. JOHNSON.

Mr. MORSE. Mr. President, I have inserted the letter in the RECORD only because I want the parties to know where the President stands on the report, if they have any doubt as to where he stands.

I close by saying to the parties on both sides of this dispute: You have an opportunity to prove yourselves to be industrial statesmen; you have an opportunity to negotiate a settlement of this dispute within the framework of the Board's recommendations by agreeing, under the leadership of the incomparable Assistant Secretary Reynolds, to conscionable compromises that will make it possible for this case to be settled without the country being subjected to the shock and loss of economic action on the part of either side.

I point out to the officers of this union: You know that sooner or later the case is going to be settled. If you go to a strike, then, I think your Government and the people of this country ought to make it perfectly clear to this union that the public interest must come first, and whatever steps are necessary to put the public interest first should be taken.

Industrial statesmanship on the part of the officers of both the union and the carriers should cause them to recognize their public responsibility and settle this dispute by a negotiated settlement within the framework of the report of the Emergency Board.

(At this point Mr. LONG of Louisiana assumed the chair.)

RETIREMENT OF JUDGES IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, the District of Columbia Code provides that any judge of the District of Columbia Court of Appeals or the District of Columbia court of general sessions shall be eligible to retire after 10 or more years of service, and upon reaching a stipulated age is entitled to receive that proportion of the salary received on the date of retirement as his years of service bear to 30 years. Existing law provides that in no event may the retirement salary of a judge exceed 80 percent of the salary received on the date of the judge's retirement. A judge receiving such retirement benefits, unless ill or disabled, may, and I emphasize the word "may," be required to perform at regular retirement income, judicial duties on such courts for not to exceed 90 days in any calendar year.

The Federal Executive Salary Act of 1964 provided for increases in the salaries of all of the sitting judges in the District of Columbia Court of Appeals and the District of Columbia court of general sessions. However, that act contained no provision increasing the retirement salary of judges of those courts who had retired prior to the effective date of the 1964 Federal Executive Salary Act.

It should be remembered that judges who retired prior to the passage of the Federal Executive Salary Act of 1964 did not contribute into a retirement plan or fund. Since the passage of the Federal Executive Salary Act of 1964, judges of both of these courts are now required to contribute into a retirement fund.

The House of Representatives passed H.R. 1066 on February 8, 1965. This bill provides that two judges, namely, Judge George D. Neilson and Judge Nathan Cayton, would have their annuity computed on the basis of salaries presently paid active service judges, rather than on the salary paid the retiree immediately preceding his retirement. It also provides that when retired judges of the court of general sessions and the District of Columbia Court of Appeals perform full-time judicial duties, they will receive the salary of sitting judges.

The Senate Committee on the District of Columbia, under the able leadership of its distinguished chairman, Senator BIBLE, held hearings on H.R. 1066 on September 10, 1965.

Prior to the enactment of the Federal Executive Salary Act of 1964, associate judges of the court of general sessions received a salary of $17,500 a year. Associate judges of the court of appeals received a salary of $18,500 annually. After the passage of the Federal Executive Salary Act, the associate judges of the District of Columbia court of general sessions received $23,500 annually, and associate judges of the court of appeals received $24,500.

Judge Neilson was appointed on April 29, 1940, by President Roosevelt and was reappointed on July 31, 1946, by President Truman.

Let me say here that I consider Judge Neilson to have performed able work on the bench, but my responsibility as a member of the District of Columbia Committee is to act on the basis of policies irrespective of any personal consideration. The fact that he has been a good judge in my judgment does not in any way justify what I consider to be a proposal made for his financial benefit which represents unsound public policy.

He was then unsuccessful in being reappointed as a judge on the court of general sessions for a third time. This judge had great difficulty in being allowed to sit on the court of general sessions until he had 20 years of service in order that he could receive retirement benefits. Members of the Senate intervened in Judge Neilson's behalf so that he could sit on the court long enough to be eligible for retirement benefits. And I think that was appropriate because, as I say, he rendered able service.

Judge Neilson, who would benefit the most from this special legislation, presently receives a retirement annuity of $11,674 annually, based on the salary he was receiving at the time he retired from the court of general sessions. Judge Neilson is not happy with his retirement annuity of $11,674 annually. I think that is too bad. I know of thousands of schoolteachers, police and firemen, civil service and military personnel, who have a retirement annuity of much less than $11,674 a year. Most, if not all, of these retired people paid into a retirement fund. Judges Neilson and Cayton did not. If the bill which Judge Neilson is actively lobbying in the House and Senate is enacted, he would receive retirement benefits of $15,667 rather than $11,674, which he is presently receiving. This increase would be based on the salary received by active service judges.

Mr. President, Judge Neilson would get $15,667 per annum provided, and I emphasize the word "provided," he did not perform any judicial duties. He would get this retirement fund automatically while, if he wished to do so, he could go fishing. Judge Neilson likes to perform judicial duties, although he is not required to perform them as a retired judge. He could be required to perform up to 90 days service a year if requested to do so by the chief judge of the court of general sessions. Of course, Mr. President, we know that the chief judge of the court of general sessions would not require Judge Neilson or any other judge to perform such duties if the judge made it known to his colleague that he did not desire to perform such service.

Judge Neilson volunteered his services free of charge, but now, Mr. President, after performing services free of charge for some 2 to 2½ years, he comes in with this proposal for special legislation, pleading and begging that he should receive retroactive pay to July 1, 1964, and the same salary as the active-service judges for the period of time he performs judicial duties. He volunteered his services to the court. Now he wants to be paid for them.

I may say, with all the respect I have for Judge Neilson, that we have a system for appointing judges. Usually when a judge is unsuccessful in having himself reappointed, he returns to the private practice of the law, takes up some other vocation, or takes a vacation.

One of the troubles I have had in my thinking about this case concerns the fact that Judge Neilson was not successful in being reappointed. That raises some question as to whether a judge who is unsuccessful in being reappointed should, in effect, have what amounts to a reappointment by being authorized by the chief judge of the court of general sessions to proceed to sit on the bench as though he had been reappointed. The type of hypothetical question that I raise does not involve Judge Neilson, so far as his qualities are concerned; but the principle exists.

A President of the United States refuses to reappoint a judge. The President has the appointing power. Whatever his reasons, expressed or unexpressed, may be, the President decides not to reappoint a judge. I raise the question as to whether a judge not reappointed should, in effect, be reappointed by the chief judge of the court of general sessions to serve for a long period of time, far beyond the 90 days provided in the emergency section of the law, as has happened in the Judge Neilson case.

If more judges are needed—and they are needed—that is why the senior Senator from Oregon has been the author of one of the bills that seek to enlarge the number of judges in the District of Columbia court of general sessions—they should be provided by way of legislation, not by the device or procedure which, in effect, permits the chief judge of the court of general sessions to circumvent the President of the United States and the Senate of the United States.

Let me make it clear that I raise no question as to the competency of Judge Neilson. But I do say that I have strong doubts as to the wisdom that has been followed in his case by assigning him to cases that have, in effect, kept him on the bench almost continuously during the long period of time since he failed to obtain reappointment by President Eisenhower.

Then when we couple with that procedural issue the legislative activity on the part of Judge Neilson to get through a bill that has the effect of having him sit on the bench as though he had been reappointed by the President, I have further difficulty with the wisdom of the principle involved.

Judge Neilson, I am advised, has performed full judicial duty during the past couple of years and is requesting that he be paid retroactive payments to July 1, 1964, at the rate of $23,500 a year. His retirement annuity, of course, would be deducted from the $23,500 annual salary. He could not receive, under the law, his retirement annuity and the full salary he proposes at the same time. This retired judge, under his scheme of things, would get an immediate windfall of many thousands of dollars. Judge Neilson writes me that he has few influential friends and that he must lobby for his bill alone. You must give it to Judge Neilson—he lobbies persistently and somewhat effectively. He has contacted anyone he believes can be of help to him in getting his bill through the Senate. Many influential citizens have contacted the committee in his behalf. All Senators would have to do is check the committee files to see how this judge lobbies for his bill.

I raised some question about this before. Senators should see the critical letters I received from lawyers who told me of their high regard for Judge Neilson, and in many instances from lawyers who happened to be close personal friends.

I respectfully suggested to them that I hoped they prepared the facts of their clients' cases, in presenting those cases in court, better than they had analyzed the facts involved in this instance.

I take the position that the person involved in the case is subordinate to the principles involved in this case; and, in my judgment, the principles involved in the case do not support the passage of this special favor by way of legislation in behalf of Judge Neilson.

Judge Neilson makes the point in his conferences and communications with me that he serves on the court more days a year than almost any sitting judge and he should be compensated for it.

Let me repeat: He does not serve on that court as a Presidential appointee. He serves on that court apparently under the permission of the chief judge of the court of general sessions. In my judgment, the chief judge of the court of general sessions should have shown more consideration for Presidential rights than he has shown in this case.

I do not question the jurisdictional authority of the chief judge of the court of general sessions to follow the procedural course he has followed. I do question his wisdom.

So when Judge Neilson makes the point that he serves on the court more days than any sitting judge, and therefore should be compensated for it, my answer to him is, "Why do you do it? Nobody has really asked you to. You volunteered. If you do not like the remuneration you are receiving, then why do you not enter active retirement?"

Of course, if I were one of the sitting judges, I would not be very happy about the reflection upon me embedded in Judge Neilson's statement that he serves on the court more days a year than any sitting judge.

Of course, he may have something there. I do not know. Perhaps it would be appropriate to find what the attendance record of the sitting judges on the bench is.

The presumption is they perform their duties. The presumption is they are not truants or deliberate absentees from duty. But I am at a loss to understand the logic of Judge Neilson on this point. Obviously, the performance on the bench of other sitting judges, whatever that performance may be, is completely irrelevant as to whether or not the taxpayers of this country should pay Judge Neilson the compensation for which he asks when he does not sit on the bench as a Presidential appointee, but as a retired judge.

In my judgment, what this judge is attempting to do is to obtain an appointment to the court of general sessions, which he could not obtain through the regular processes—namely, reappointment by the President of the United States and confirmation by the Senate. He could not obtain this reappointment, so through this device he is attempting to turn his retirement into another 10-year appointment to the court. What the judge is attempting to do is obvious to anyone familiar with the problem.

Oh, yes, he says that he is needed on the court of general sessions. Of course, there is a need for increased judicial manpower in the court. But additional judicial manpower in the court could be brought about by the President making appointments to the bench when vacancies occur and by the passage of my judgeship bill, which would provide additional manpower to the court of general sessions in the District of Columbia.

What Judge Neilson is doing, in effect, by having his "bill" added as a rider to my judgeship bill, is to deny the court of general sessions the very manpower requirements necessary for that court.

In my judgment, Mr. President, Judge Neilson and Judge Cayton are entitled to a cost-of-living increase similar to that received by retired Civil Service employees, in order that they will receive periodic cost-of-living increases as approved by Congress for other Government employees. These judges in the past have not received cost-of-living increases. I think they should, and I shall propose that they receive a cost-of-living increase whenever other Federal employes receive such increases.

Mr. President, I cannot support H.R. 1066, nor can I support a similar provision attached as a rider to my judical manpower bill by the House.

My suggestion to Judge Neilson is that if he wants to be of assistance to the judges on the court of general sessions, he should withdraw his amendments and go into judicial retirement. By doing this, I think that the chances of increased judicial manpower for the court of general sessions will be greatly enhanced in this session of Congress.

The Neilson bill, in my judgment, possesses the odor of barnyard and should not receive favorable action.

DEMOCRATIC PARTY CONVENTION IN WISCONSIN

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point two articles from the Capital Times of Madison, Wis., of June 13, 1966, commenting upon the recent Democratic Party convention in the State of Wisconsin.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Madison (Wis.) Capital Times, June 13, 1966]

DEMS SHOW THEY WANT VIETNAM TO BE AN ISSUE IN 1966

The national attention Wisconsin Democrats are receiving because of their break with the Johnson administration on Viet Nam is significant.

But equally significant was obvious determination of the delegates that there shall be full, free and open discussion of this issue.

The convention refused to soft-pedal, as so many of the politicians wanted it to. It insisted on discussion and action.

Its own action has made certain that Viet Nam will be an issue in the Wisconsin campaign, despite strong efforts to keep it out.

For this, David Carley, deserves a great deal of the credit. He was strongly denounced for injecting the issue into the campaign by his chief rival for the Democratic nomination for governor, Lt.-Gov. Lucey. But even Lucey found that he had to come out and make his own position known.

One of the problems with the whole Viet Nam policy has been the lack of discussion and debate. Just a year ago Wisconsin Democrats were told that they should not take a position because "only Washington knows the facts."

In this respect, the Democratic convention here may be the opening of a new phase in the role this nation has been playing in Viet Nam. Other conventions will follow the example.

It may mean that the people are fed up with spoon feeding. By open and free discussion we may find the path we seek to a peaceful solution.

[From the Madison (Wis.) Capital Times, June 13, 1966]

STATE DEMS GIVE L.B.J. SOMETHING TO PONDER ON VIETNAM

We suggest that the Democratic administration in Washington take a long, soberminded look at the stand taken by Wisconsin on Viet Nam in their state convention here over the week end.

The convention rejected a plea from Representative CLEMENT ZABLOCKI of Milwaukee to support the President's policies and, instead, called for a cease fire, negotiations and free elections in South Viet Nam.

The action is a significant indication of the rising tide of anti-war sentiment throughout the country. It is the first Democratic state convention to break sharply with the administration on this policy.

The best efforts of the politicians to achieve a position straddling the issue were rebuffed. And the pressure of delegates for action forced the convention officials into an extraordinary recess session after the Saturday night banquet to take up the Viet Nam resolution.

Most of the grim battle was fought behind the scenes with convention officials stalling action on the floor until the party leaders, and candidates could reach an acceptable compromise.

It was obvious from the outset, however, that the convention was strongly anti-war. And it was equally obvious that the delegates were determined to take that stand.

The only victory achieved by the supporters of the President was in the subcommittee of the resolutions committee which voted four to three for a resolution which praised the President for his "restraint." The subcommittee was headed by an aide of Senator PROXMIRE, who has been one of the most articulate supporters of administration policy.

But that section was knocked out on the floor and replaced with a commendation for the President's efforts to seek a negotiated settlement and urging him to greater efforts along that line.

Unlike the Republicans, who last month tip-toed around the issue, Wisconsin Democrats have taken a position that means something. They deserve credit, as does Representative KASTENMEIER of this district who played such an important part in leading the fight for a meaningful stand.

ADJOURNMENT

Mr. MORSE. Mr. President, I move that the Senate stand in adjournment until 12 o'clock tomorrow noon.

The motion was agreed to; and (at 5 o'clock and 44 minutes p.m.) the Senate adjourned until tomorrow, Thursday, June 16, 1966, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received during the adjournment of the Senate June 13, 1966:

THE JUDICIARY

James Braxton Craven, Jr., of North Carolina, to be U.S. circuit judge, fourth circuit, to fill a new position created by Public Law 89–372 approved March 18, 1966.

William P. Gray, of California, to be U.S. district judge for the southern district of California vice Harry C. Westover, retired.

A. Andrew Hauk, of California, to be U.S. district judge for the southern district of California vice William M. Byrne, retiring.

John W. Peck, of Ohio, to be U.S. circuit judge, sixth circuit to fill a new position created by Public Law 89–372 approved March 18, 1966.

Raymond J. Pettine, of Rhode Island, to be U.S. district judge for the district of Rhode Island to fill a new position created by Public Law 89–372 approved March 18, 1966.

Walter R. Mansfield, of New York, to be U.S. district judge for the southern district of New York, vice John M. Cashin, retired.

Virgil Pittman, of Alabama, to be U.S. district judge for the middle and southern districts of Alabama to fill a new position created by Public Law 89–372 approved March 18, 1966.

Harrison L. Winter, of Maryland, to be U.S. circuit judge, fourth circuit, to fill a new position created by Public Law 89–372 approved March 18, 1966.

Executive nominations received by the Senate June 15, 1966:

FEDERAL POWER COMMISSION

Lawrence J. O'Connor, Jr., of Texas, to be a member of the Federal Power Commission for the term of 5 years expiring June 22, 1971. (Reappointment.)

NATIONAL SCIENCE BOARD

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1972:

Dr. Robert S. Morison, of New York. (Reappointment.)

Dr. Emanuel R. Piore, of New York. (Reappointment.)

Dr. Clifford M. Hardin, of Nebraska.

Dr. Charles F. Jones, of Texas.

Dr. Thomas F. Jones, Jr., of South Carolina.

Dr. Joseph M. Reynolds, of Louisiana.

Dr. Athelstan F. Spilhaus, of Minnesota.

Dr. Richard H. Sullivan, of Oregon.

POSTMASTERS

ALABAMA

Joe D. Laney, Ariton, Ala., in place of U. B. Bowden, retired.

ARKANSAS

Russell R. Broyles, Farmington, Ark., in place of C. L. Broyles, retired.

Euneva W. Kaylor, Lavaca, Ark., in place of A. A. Kaylor, deceased.

CALIFORNIA

Daniel Phillips, Brea, Calif., in place of L. F. DeGroff, retired.

Howard F. O'Neil, Canoga Park, Calif., in place of W. N. Parkinson, retired.

Herbert C. Brown, El Centro, Calif., in place of J. A. O'Guin, deceased.

Jessie K. Ray, Forest Knolls, Calif., in place of J. F. Nielsen, Jr., resigned.

Elizabeth Mazzotti, Occidental, Calif., in place of B. J. Clark, removed.

Donald G. McIntosh, Ramona, Calif., in place of F. M. Raub, retired.

Donald F. Hunerlach, Vina, Calif., in place of E. C. Schmitt, resigned.

COLORADO

Faye W. Von Loh, Wiggins, Colo., in place of C. C. Haarhues, transferred.

CONNECTICUT

Sigurd Peterson, Monroe, Conn., in place of G. F. Hudak, declined.

FLORIDA

William R. Lathinghouse, Jr., De Funiak Springs, Fla., in place of M. M. Underwood, retired.

Jack R. Herndon, Lake City, Fla., in place of G. A. Warren, retired.

GEORGIA

Eual C. Anderson, Register, Ga., in place of H. L. Holland, retired.

Nell K. Guntharp, Sea Island, Ga., in place of P. T. King, retired.

ILLINOIS

H. Fred Hollaway, Benton, Ill., in place of Ted Bauer, retired.

Sterling A. Mayfield, Caseyville, Ill., in place of J. R. Depper, removed.

Edward M. Neumann, Delavan, Ill., in place of H. T. Fisher, retired.

Raymond Mooney, Dix, Ill., in place of H. A. Robinson, retired.

Chester A. Haffner, Jr., Harvard, Ill., in place of L. T. Peacock, deceased.

William F. Dhom, South Beloit, Ill., in place of J. R. Evans, deceased.

INDIANA

Fred J. Bertucci, North Judson, Ind., in place of R. F. Collins, retired.

IOWA

Russell R. Teague, Auburn, Iowa, in place of Anna Reardon, retired.

Irene M. Matthews, Blairsburg, Iowa, in place of R. N. Culbertson, retired.

Laurence J. Amfahr, Jesup, Iowa, in place of J. B. Boldt, retired.

Fransina Baker, Lewis, Iowa, in place of G. E. Kennedy, retired.

Emmett J. Bradley, Rutland, Iowa, in place of S. P. Paulson, retired.

Kathryn M. Ehrman, South Amana, Iowa, in place of F. J. Ruff, retired.

James S. Beckman, Sperry, Iowa, in place of A. J. Kissinger, retired.

KANSAS

Dwayne K. Stephenson, Ford, Kans., in place of S. R. Cochran, retired.

Timothy E. Gilliam, Greenleaf, Kans., in place of J. T. McGrath, retired.

Donald A. Peterson, Lakin, Kans., in place of Henry Michel, retired.

KENTUCKY

Anna B. Hawkins, Shepherdsville, Ky., in place of C. S. Bush, deceased.

LOUISIANA

Edmond J. Michel, Marksville, La., in place of J. O. Brouillette, retired.

MARYLAND

Marion E. Tyndall, Sharptown, Md., in place of L. J. Wright, retired.

MASSACHUSETTS

A. Myrtle Teller, Edgartown, Mass., in place of A. K. Wilde, retired.

MICHIGAN

William J. Wheeler, Calumet, Mich., in place of Joseph Schneller, retired.

Charles R. Doyle, Lowell, Mich., in place of G. A. Hale, retired.

Betty J. Freed, Sumner, Mich., in place of K. W. Holcomb, deceased.

John T. Wood, Three Oaks, Mich., in place of L. J. Pardee, retired.

MINNESOTA

Val J. Lawler, Annandale, Minn., in place of G. A. Marohn, retired.

Heye Kray, Blue Earth, Minn., in place of A. V. Mason, deceased.

David H. Campbell, Byron, Minn., in place of C. N. Lund, transferred.

Bertha H. Jones, Elmore, Minn., in place of J. H. Johnson, retired.

Herman M. Lemmerman, Fulda, Minn., in place of L. A. Helweg, retired.

Clement T. Groh, Le Center, Minn., in place of F. F. Smullen, retired.

Harold B. Johnson, Oslo, Minn., in place of E. J. Mendick, retired.

MISSISSIPPI

Bonnie L. Cole, Bogue Chitto, Miss., in place of J. F. Bullock, transferred.

Marie B. Coen, Hermanville, Miss., in place of E. D. Trim, retired.

MISSOURI

Angelo D. Mouhalis, Jr., Hayti, Mo., in place of H. A. Slentz, transferred.

John C. Crites, Jackson, Mo., in place of E. C. Martin, deceased.

Roy J. Richardson, Lewiston, Mo., in place of E. F. Arnold, retired.

Arthur E. Short, Stover, Mo., in place of J. E. Fry, deceased.

MONTANA

Eugene L. Henderson, Darby, Mont., in place of R. S. Nicholson, retired.

Roger G. Stenson, Fairfield, Mont., in place of M. A. Griffith, retired.

NEBRASKA

Maurice A. Eckholt, Whiteclay, Nebr., in place of Frank Lawrence, retired.

NEW HAMPSHIRE

Richard A. Stearns, Tamworth, N.H., in place of E. C. Mason, retired.

NEW JERSEY

John J. Schettino, Fanwood, N.J., in place of V. K. Christie, retired.

NEW MEXICO

Francis K. Boyce, Hagerman, N. Mex., in place of R. W. Cumpsten, retired.

William E. Parchman, Loving, N. Mex., in place of A. B. Jones, retired.

NEW YORK

Stephen J. Clary, Caledonia, N.Y., in place of J. J. Cunningham, retired.

Marion J. Sullivan, Cleverdale, N.Y., in place of J. Y. Short, retired.

Arsa W. Weiman, Constableville, N.Y., in place of R. S. Freeman, transferred.

Beatrice F. McCormack, Eddyville, N.Y., in place of Leola Rudolph, retired.

Charles R. Tarbox, Gowanda, N.Y., in place of P. W. Christenson, retired.

Joseph O. Kline, Great Neck, N.Y., in place of J. W. Carroll, retired.

Roger P. Hastings, Groton, N.Y., in place of C. R. Gleason, retired.

William Barr, Hamburg, N.Y., in place of A. B. Tallman, deceased.

Barbara O. Bush, Marion, N.Y., in place of K. H. Nevil, retired.

Anthony F. Gadzinski, Riverhead, N.Y., in place of H. T. Hubbard, retired.

Francis J. Foote, Valois, N.Y., in place of J. E. Hawes, declined.

Joseph B. Scott, Whitehall, N.Y., in place of J. C. Hoffman, retired.

NORTH CAROLINA

Andrew J. Garner III, Asheville, N.C., in place of Mark Sumner, Sr., retired.

Weston H. Willis, Jacksonville, N.C., in place of F. A. Smith, retired.

Cannon G. Ward, Sugar Grove, N.C., in place of V. B. Mast, retired.

NORTH DAKOTA

Francis J. Slag, Hebron, N. Dak., in place of A. E. Funk, retired.

OHIO

Homer A. Crecelius, Bellevue, Ohio, in place of G. T. Messig, retired.

Angela L. Richardson, Custar, Ohio, in place of Clara Korta, retired.

Donald J. Willis, Minerva, Ohio, in place of R. J. Davis, retired.

Fred C. Carey, Robertsville, Ohio, in place of C. B. Dager, retired.

OREGON

Russell L. Keil, Bend, Oreg., in place of F. J. Elliott, retired.

PENNSYLVANIA

Francis C. Dickman, Coplay, Pa., in place of W. G. Walker, retired.

Agnes I. Friel, Crum Lynne, Pa., in place of T. A. Friel, deceased.

James J. Fragle, Du Bois, Pa., in place of R. J. Allen, retired.

Fred E. Magee, New Milford, Pa., in place of R. F. Oliver, deceased.

Benjamin B. Mitchell III, Troy, Pa., in place of M. J. McGee, retired.

SOUTH CAROLINA

Clara P. Riley, Piedmont, S.C., in place of J. C. Riley, deceased.

Eula C. Dunn, Warrenville, S.C., in place of B. B. Carpenter, retired.

SOUTH DAKOTA

Duane B. McMahon, Colton, S. Dak., in place of E. P. Amundson, retired.

TENNESSEE

Tommy T. Luther, Bon Aqua, Tenn., in place of H. N. Tidwell, resigned.

TEXAS

Sam E. Coleman, Hallsville, Tex., in place of D. P. Cain, retired.

Cicely J. Chandler, Smiley, Tex., in place of J. W. Chandler, retired.

VIRGINIA

Daniel E. Crisman, Sandston, Va., in place of J. L. Whitlow, resigned.

WASHINGTON

Jack H. Hardin, Lynden, Wash., in place of G. A. Bremner, Jr., retired.

WISCONSIN

Elaine S. Chwala, Johnson Creek, Wis., in place of W. A. Christians, Jr., retired.

William P. Roth, Prairie du Sac, Wis., in place of A. L. Ehret, retired.

Jerome G. Kosterman, Richfield, Wis., in place of G. H. Frey, deceased.

Kenneth Felker, Tomah, Wis., in place of Kyle Sowle, retired.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 15, 1966

The House met at 12 o'clock noon.

Rev. William J. Peckham, national director of youth and student evangelism, the Methodist Church, Nashville, Tenn., offered the following prayer:

Here is the message we heard from Him and pass on to you: That God is light, and in Him there is no darkness at all.—I John 1: 5.

Our Father, in this day of revolution and unrest we turn to Thee for help. The darkness we confront is too great for our light alone. The issues are too complex for our limited wisdom and understanding. Especially do we pray for the

Members of this House of Representatives that they will be inspired by a greater purpose than mere expediency: that they will be guided by a greater vision than personal, regional, or even national self-interest. May they know and follow Thy will in all of their decisions today. Bind them and all of the people of our country together in a fabric of unity and concerned love. Help us to bind up the wounds of our world. May Thy kingdom of love and reconciliation become the dominating reality of our lives together. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

SOUTH DAKOTA BAND CONCERT

Mr. REIFEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. REIFEL. Mr. Speaker, I should like to call the attention of all Members and their staffs to the Capitol concert scheduled by one of the outstanding high school bands in my district on Friday morning.

The 75-piece Dell Rapids High School Band will perform on the steps of the House wing from 10 to 10:30 a.m. on Friday.

Members of Congress, staff members, or visiting constituents who find it possible to attend are in for a rewarding experience.

CIVIL SERVICE BONDAGE?

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, I note with some concern that Federal employees are having their arms twisted by the administration to buy Government bonds. This program is supposed to be voluntary, but the Great Society has always had its own peculiar interpretation of volunteering. I would like to point out that this bond situation really reveals the attitude of those who are running America. The Government is offering big money investors 5.75 percent interest on its new bonds under the so-called Sales Participation Act. If, however, you are a civil service worker, and cannot afford to buy your bonds in $5,000 chunks, you get 4.15 percent for payroll plan bonds. This is how the administration takes care of the little man. They get theirs, and you will get yours—in one way or another.

I cannot blame Federal employees for balking at buying Government bonds. They are in a position to see the mistakes, the duplication, redtape, and general mismanagement practiced in many of the Great Society programs. They know that this society is built on a foundation of sand. They know that the bonds are not going to be used to fight the war in Vietnam, but are being used to provide bigger, more plush quarters, and more chiefs among the poverty warriors. The Civil Service Act was passed to protect Federal workers from political pressure—such as Larry O'Brien's prescribing their buying bonds as a condition of employment. These are civil service workers, not vassals or fiefs of the Great Society. We need less of the arrogance of power in our Government.

PREVENTION OF DECEPTIVE AND MISLEADING PACKAGING

Mr. O'NEILL of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I take the floor of the House today to introduce legislation preventing deceptive and misleading packaging of supermarket and drugstore items.

My bill is the counterpart of the Senate-passed fair packaging and labeling bill with one chief and important exception. My bill differs from the Senate bill in that it contains a provision giving the Government authority to prohibit misleading package shapes and sizes.

In this time of high prices, the housewife needs all the help she can get in meeting her budget. My bill, by enabling her to make better price comparisons among products serves that end.

Deceptive packaging must be ended and the housewife must be protected. Manufacturers insist upon reasonable quantity designations and factual information when they buy their material. It is only fair that the housewife should have the same kind of adequate information when she shops. This is what my bill intends to do.

SUBCOMMITTEE ON ACCOUNTS OF THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Accounts of the Committee on House Administration may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONTROL OF CONSUMER CREDIT

Mr. UTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. UTT. Mr. Speaker, this latest coercion of the Great Society on the rights of American citizens to take advantage of their own credit represents a new departure. General control of prices and credit was entrusted to the Federal Reserve Board by the Defense Production Act of 1950.

The proposed coercive, pushbutton legislation proposes, and I quote in section 604:

> The President may delegate in whole or in part any function conferred upon him by this title to any one or more officers, departments, or agencies of the United States, and may in his discretion confer authority to redelegate any function so delegated.

This is something new in American fiscal policy. Under this provision, the President could delegate control of consumer credit to the Fish and Wildlife Service, the Civil Rights Division of the Department of Justice, the State Department or the Reverend Bill Moyers. He could even delegate the task to the Lighthouse Service, the Smithsonian Institution, or, for that matter, the Weather Bureau.

In 1917, we fought a great war to make the world safe for democracy. Now, record domestic spending, coupled with the costs of the Vietnam war, make it clear that we are called upon to create a "safe haven for bureaucrats."

For wage, price, rent, and other controls create a need for administration and policing and, thus a whole new army of bureaucrats, perhaps larger than the Army sent to Vietnam. The American people do not want any part of this. I have a mandate from the people in my congressional district to vote against regimentation and control of their lives by Washington bureaucrats.

APPOINTMENT OF DELEGATES TO INTERNATIONAL LABOR ORGANIZATION CONFERENCE IN GENEVA, SWITZERLAND

The SPEAKER. Pursuant to the provisions of House Resolution 870, 89th Congress, the Chair appoints as delegates to attend the International Labor Organization Conference in Geneva, Switzerland, between June 1, 1966, and June 23, 1966, the following members of the Committee on Education and Labor: Mr. POWELL, of New York; Mr. AYRES, of Ohio. And as alternates to attend said conference, the following members of the Committee on Education and Labor: Mr. THOMPSON, of New Jersey; Mr. MARTIN, of Nebraska.

TREASURY AND POST OFFICE DEPARTMENTS, THE EXECUTIVE OFFICE OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATION, 1967

Mr. STEED. Mr. Speaker, I call up the conference report on the bill (H.R. 14266) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1624)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14266) "making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1967, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, and 6.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 5, and agree to the same.

TOM STEED,
OTTO E. PASSMAN,
JOSEPH P. ADDABBO,
JEFFERY COHELAN,
SIDNEY R. YATES,
GEORGE MAHON,
SILVIO O. CONTE,
HOWARD W. ROBISON,
FRANK T. BOW,
Managers on the Part of the House.

A. WILLIS ROBERTSON,
JOHN L. MCCLELLAN,
A. S. MIKE MONRONEY,
E. L. BARTLETT,
RALPH YARBOROUGH,
JENNINGS RANDOLPH,
CLIFFORD P. CASE,
GORDON ALLOTT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14266) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1967, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—TREASURY DEPARTMENT

Internal Revenue Service

Compliance

Amendment No. 1: Appropriates $462,100,000 as proposed by the Senate instead of $460,000,000 as proposed by the House.

TITLE II—POST OFFICE DEPARTMENT

Research, development, and engineering

Amendment No. 2: Appropriates $16,152,000 as proposed by the Senate instead of $12,000,000 as proposed by the House.

Operations

Amendment No. 3: Appropriates $4,710,000,000 as proposed by the House instead of $4,723,370,000 as proposed by the Senate.

Amendment No. 4: Deletes language proposed by the Senate authorizing the transfer of not to exceed 5 per centum between postal appropriations.

Plant and equipment

Amendment No. 5: Appropriates $138,000,000 as proposed by the Senate instead of $158,000,000 as proposed by the House.

TITLE IV—INDEPENDENT AGENCIES

Amendment No. 6: Deletes language proposed by the Senate appropriating $250,000 for necessary expenses of the Administrative Conference of the United States.

TOM STEED,
OTTO E. PASSMAN,
JOSEPH P. ADDABBO,
JEFFERY COHELAN,
SIDNEY R. YATES,
GEORGE MAHON,
SILVIO O. CONTE,
HOWARD W. ROBISON,
FRANK T. BOW,
Managers on the Part of the House.

Mr. STEED. Mr. Speaker, I think that since this report brings a matter to the House that is a little unique it would be well for me to call the attention of the Members to some of the statistics connected with the bill. The committee considered a total budget request of $7,246,720,000. When the bill passed the House this amount had been reduced to $7,210,177,135, a reduction of $36,542,865. When it passed the other body the amount provided had been reduced to $7,210,049,135.

The conference report brings the bill down to $7,196,429,135, which is unique in that the amount, in total, is below both the House and the Senate versions. The bill now provides a total of $13,748,000 less than the House version and $13,620,000 less than the Senate version, or a total of $50,290,865 under the budget request. The amount approved here is $183,855,135 more than these same agencies have had for the current fiscal year. No item in this bill exceeds the budget request. The increase in the total cost of operating these agencies in the new fiscal year over the current year is accounted for almost entirely by two things. One, many of the agencies require additional funds to carry out last year's pay increase for the full 12 months whereas they are only having to pick up 9 months of that pay increase for this year. The balance is largely accounted for as a result of increased workloads in the agencies covered by this bill.

Mr. Speaker, I thought that the Members of the House would be happy to know that we have now finished at least one appropriation bill that is not in excess of the budget and which actually is less, for a change, than the amount originally or previously approved by the House of Representatives.

Mr. Speaker, I am happy to note that it does reflect a substantial cut in the budget request and I feel I can assure the Members of the House that the agencies involved here will have ample funds with which to carry on their very important functions during the coming fiscal year.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a table.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The table follows:

Treasury, Post Office, and Executive Office appropriation bill, fiscal year 1967 (H.R. 14266)

TITLE I—TREASURY DEPARTMENT

	Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	House	Senate
Office of the Secretary	$6,012,000	$6,999,000	$6,900,000	$6,900,000	$6,900,000	+$888,000	−$99,000		
Bureau of Accounts	33,500,000	32,988,000	32,988,000	32,988,000	32,988,000	−512,000			
Bureau of Customs	84,293,000	86,189,000	85,793,000	85,793,000	85,793,000	+1,500,000	−396,000		
Bureau of the Mint:									
Salaries and expenses	21,210,000	31,500,000	26,500,000	26,500,000	26,500,000	+5,290,000	−5,000,000		
Construction of mint facilities	22,300,000					−22,300,000			
Total, Bureau of the Mint	43,510,000	31,500,000	26,500,000	26,500,000	26,500,000	−17,010,000	−5,000,000		
Bureau of Narcotics	6,050,000	6,138,000	6,138,000	6,138,000	6,138,000	+88,000			
Bureau of the Public Debt	51,690,000	51,894,000	51,894,000	51,894,000	51,894,000	+204,000			
Coast Guard:									
Operating expenses	293,400,000	322,197,000	321,400,000	321,400,000	321,400,000	+28,000,000	−797,000		
Acquisition, construction, and improvements	115,510,000	103,000,000	103,000,000	103,000,000	103,000,000	−12,510,000			
Retired pay	41,000,000	44,250,000	44,250,000	44,250,000	44,250,000	+3,250,000			
Reserve training	23,550,000	24,031,000	24,031,000	24,031,000	24,031,000	+481,000			
Total, Coast Guard	473,460,000	493,478,000	492,681,000	492,681,000	492,681,000	+19,221,000	−797,000		

Treasury, Post Office, and Executive Office appropriation bill, fiscal year 1967 (H.R. 14266)—Continued

TITLE I—TREASURY DEPARTMENT—Continued

	Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	House	Senate
Internal Revenue Service:									
Salaries and expenses	17,981,000	18,692,000	18,600,000	18,600,000	18,600,000	+619,000	−92,000		
Revenue accounting and processing	163,072,000	169,529,000	169,529,000	169,529,000	169,529,000	+6,457,000			
Compliance	448,305,000	467,845,000	460,000,000	462,100,000	462,100,000	+13,795,000	−5,745,000	+$2,100,000	
Total, Internal Revenue Service	629,358,000	656,066,000	648,129,000	650,229,000	650,229,000	+20,871,000	−5,837,000	+2,100,000	
Office of the Treasurer	6,410,000	6,348,000	6,348,000	6,348,000	6,348,000	−62,000			
U.S. Secret Service:									
Salaries and expenses	12,094,000	14,628,000	14,628,000	14,628,000	14,628,000	+2,534,000			
Salaries and expenses, White House Police	1,866,000					−1,866,000			
Salaries and expenses, guard force	445,000					−445,000			
Total, U.S. Secret Service	14,405,000	14,628,000	14,628,000	14,628,000	14,628,000	+223,000			
Total, title I, Treasury Department	1,348,688,000	1,386,228,000	1,371,999,000	1,374,099,000	1,374,099,000	+25,411,000	−12,129,000	+2,100,000	

TITLE II—POST OFFICE DEPARTMENT

	Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	House	Senate
Administration and regional operation	$88,000,000	$95,780,000	$93,559,000	$93,559,000	$93,559,000	+$5,559,000	−$2,221,000		
Research, development, and engineering	12,000,000	16,152,000	12,000,000	16,152,000	16,152,000	+4,152,000		+$4,152,000	
Operations	4,599,804,000	4,725,374,000	4,710,000,000	4,723,370,000	4,710,000,000	+110,196,000	−15,374,000		−$13,370,000
Transportation	616,000,000	605,000,000	605,000,000	605,000,000	605,000,000	−11,000,000			
Building occupancy and postal supplies	221,000,000	239,822,000	239,822,000	239,822,000	239,822,000	+18,822,000			
Plant and equipment	108,106,000	158,000,000	158,000,000	138,000,000	138,000,000	+29,894,000	−20,000,000	−20,000,000	
Total, title II, Post Office Department	5,644,910,000	5,840,128,000	5,818,381,000	5,815,903,000	5,802,533,000	+157,623,000	−37,595,000	−15,848,000	−13,370,000

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

	Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	House	Senate
Compensation of the President	$150,000	$150,000	$150,000	$150,000	$150,000				
The White House Office	2,940,000	2,955,000	2,955,000	2,955,000	2,955,000	+$15,000			
Special projects	1,415,000	1,500,000	1,500,000	1,500,000	1,500,000	+85,000			
Operating expenses, Executive Mansion	694,000	692,000	692,000	692,000	692,000	−2,000			
Bureau of the Budget	8,104,000	9,230,000	8,913,135	8,913,135	8,913,135	+809,135	−$316,865		
Council of Economic Advisers	731,000	790,000	790,000	790,000	790,000	+59,000			
National Security Council	675,000	664,000	664,000	664,000	664,000	−11,000			
Emergency Fund for the President	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Expense of management improvement	250,000	350,000	350,000	350,000	350,000	+100,000			
Total, title III, Executive Office of the President	15,959,000	17,331,000	17,014,135	17,014,135	17,014,135	+1,055,135	−316,865		

TITLE IV—INDEPENDENT AGENCIES

	Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, fiscal year 1966	Budget estimates, fiscal year 1967	House	Senate
Tax Court of the United States	$2,202,000	$2,355,000	$2,355,000	$2,355,000	$2,355,000	+$153,000			
Administrative Conference of the United States	250,000	250,000		250,000		−250,000	−$250,000		−$250,000
Advisory Commission on Intergovernmental *Relations*	*415,000*	*428,000*	*428,000*	*428,000*	*428,000*	*+13,000*			
President's Advisory Committee on Labor-Management Policy	150,000					−150,000			
Total, title IV, independent agencies	*3,017,000*	*3,033,000*	*2,783,000*	*3,033,000*	*2,783,000*	*−234,000*	*−250,000*		*−250,000*
Grand total, titles I, II, III and IV	*7,012,574,000*	*7,246,720,000*	*7,210,177,135*	*7,210,049,135*	*7,196,429,135*	*+183,855,135*	*−50,290,865*	*−$13,748,000*	*−13,620,000*

Mr. STEED. Mr. Speaker, I now yield to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, it is a privilege for me to join the chairman of the Treasury-Post Office Appropriations Subcommittee, the gentleman from Oklahoma, in bringing a conference report such as this to our colleagues in the House.

As the ranking minority member of this committee and conferee on this bill, I can commend it to you as a sound, tightly drawn bill.

It is a bill that is the product of long hours in the committee room and in individual research, study and deliberation.

It is a bill that will provide the funds necessary for the efficient operation of these important revenue-producing and service departments—without any sacrifice in the quality of their performance and with the maximum possible benefits and returns to the people for each of the tax dollars to be spent.

Most importantly, it is a bill that requests fewer dollars to be spent in proportion to the workload to be handled, and the impact of those dollars—in stemming the swelling personnel rosters and operating expenses of these departments—will be evident, not only in the coming fiscal year, but in future years as well.

The conference report brings back to this body a bill to which $6,252,000 has been added and from which $20 million has been cut, for a net reduction in these appropriations for fiscal year 1967 of $13,748,000.

That is a substantial amount for any fiscal year in any appropriations bill and represents a substantial savings of our tax dollars. I believe it is particularly significant in this session. The appropriations bills for the coming fiscal year have occupied a considerable portion of our time since January and the debates on the floor of the house have evidenced the pervading concern of this body for a strong fiscal program, in which every dollar spent has received particular consideration. This savings is, then, a welcome one.

However, equally welcome and significant are the accounts in this bill to which funds have been added. For the Post Office Department, funds for research, development, and engineering, in the amount of $4,152,000 have been restored. This is an important and essential improvement in this legislation. In remarks during our debate on this bill, I noted that I regretted the action taken cutting back funds for this account in this exact amount. It is from this very program that the genesis of critically needed improvement must come to meet the demands for continuing improvement of the postal service in the face of unexpected and virtually overwhelming increases in the use of the postal system.

That these funds will be put to work at once for their intended purpose is evidenced by the recent action announced by Postmaster General O'Brien. He has appointed a competent, skilled staff to develop and implement improvements in the handling of the mail under a revamped research, development, and engineering program. I wish him success in these efforts and I know your support is with him. It will be the achievements of this research program in the coming months that will provide the means by which our mail will be delivered in the coming years.

The second addition is, in effect, an addition with a decrease, concerning the request of the Internal Revenue Service for additional personnel for their compliance activities. I noted my distress with this request in my previous remarks. This request for added manpower showed a lack of foresight, coming as it did at the moment when the long and expensive program of automating the master file system was beginning to produce substantial returns in the form of increased revenue collections and detection of individuals failing to file tax returns. The House committee cut back this personnel request and the funds needed to support added personnel activities.

The restoration of $2,100,000 of the House cut is not a further increase in the number of additional personnel allowed. This restoration was based on the need for funds to comply with an authorization of the Civil Service Commission, subsequent to our action on the bill, that accountants be hired at salaries higher than the base rates. This will make these positions more competitive with private industry and facilitate the recruitment of topflight personnel. In terms of the number of persons to be added to the personnel roster, that number provided for in the bill represents a decrease in both the number requested by the IRS and the number originally allowed by this body.

I have been privileged to serve on this committee for as many years as I have been a Member of the House. I believe this is one of the finest conference reports we have been able to bring to the House in my experience and with it comes an excellent appropriation bill.

In the past, I have shared with you my concern with regard to particular provisions of this bill, as originally brought to the floor, and with its predecessors in previous years. My concern today is only to impress upon every one here the promise which this bill molds in terms of a tightly run shop in every one of the agencies involved and even greater savings in the future.

I believe I can speak for my minority colleagues serving on this committee in acknowledging our debt of gratitude to our chairman and to the fine assistance provided all of us by our staff assistant, Aubrey Gunnels.

Mr. STEED. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF RENEGOTIATION ACT OF 1951

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 881 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 881

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13431) to extend the Renegotiation Act of 1951. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 142]

Abernethy
Anderson, Tenn.
Ayres
Bell
Bolton
Brademas
Cahill
Callaway
Cederberg
Celler
Clark
Clausen, Don H.
Conyers
Corbett
Cunningham
Duncan, Oreg.
Ellsworth
Erlenborn
Evins, Tenn.
Flood
Flynt
Fogarty
Ford, William D.
Frelinghuysen
Gettys
Gilbert
Halleck
Harvey, Ind.
Howard
Huot
King, Calif.
Kirwan
Krebs
McCarthy
McEwen
McMillan
MacGregor
Martin, Ala.
Martin, Mass.
Matsunaga
Minish
Morton
Multer
Murray
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Powell
Reid, N.Y.
Rhodes, Ariz.
Rivers, Alaska
Rodino
Roncalio
Rooney, N.Y.
Schmidhauser
Scott
Senner
Sikes
Smith, N.Y.
Stafford
Stephens
Taylor
Thompson, N.J.
Toll
Udall
Walker, Miss.
Weltner
White, Idaho
Williams
Willis
Wyatt
Young

The SPEAKER. On this rollcall 359 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF RENEGOTIATION ACT OF 1951

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH], and, pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 881 provides an open rule with 2 hours of general debate for consideration of H.R. 13431, a bill to extend the Renegotiation Act of 1951.

The Renegotiation Act of 1951, in general, provides that the Renegotiation Board is to review the total profit derived by a contractor during a year from all of his renegotiable contracts and subcontracts in order to determine whether or not this profit is excessive. The Board is empowered to eliminate those profits found to be excessive in accordance with certain statutory factors. Thus, the renegotiation occurs not with respect to individual contracts but with respect to all renegotiable contracts and subcontracts of a contractor during a year. These contracts vary in form from cost-plus-fixed-fee to firm fixed-price contracts. Some may be prime contracts, while others are subcontracts, and they may be concerned with many different services and products. With respect to any given year they may also reflect only partial payments made on the contracts.

For purposes of renegotiation, profits generally are defined and determined in much the same way as for tax purposes. This similarity is also reflected in that provision is made in renegotiation for a 5-year loss carryforward, as well as the offsetting of losses and profits on different contracts within a year.

The act provides, in general terms, that the Renegotiation Board in determining whether profits are excessive is to give favorable recognition to the efficiency of the contractor with particular regard to attainment of quantity and quality products, reduction of costs and economy. The Board must also consider the reasonableness of costs and profits, the net worth, the extent of the risk assumed, the nature and extent of the contribution to the defense effort, and the character of the business. Thus, in effect, the Board in its judgment must consider all of these factors, and the producer, where these factors are present to the greatest extent, is permitted to retain more profit than the producer who satisfies these factors to a lesser extent. This gives assurance that the act will not impede the cost reduction program of the Defense Department with its emphasis on the use of incentive contracts.

Various types of contracts are excluded from the act; some on a mandatory and others on a permissive basis.

Under existing world conditions, the continuation of the Renegotiation Act is deemed to be in the national interest. H.R. 13431 does not change existing law but merely extends the act for 2 years.

Mr. Speaker, I urge that House Resolution 881 be adopted.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the remarks made by the distinguished gentleman from New York in explanation of the rule, and of the bill, and associate myself with his remarks.

Mr. Speaker, I would like to add that I do wish the Committee on Ways and Means at some time would conduct extensive hearings on this question of renegotiation in order to determine whether or not firms which do business with the Government in an amount under $5 million should be renegotiated.

Mr. Speaker, 2 years ago when we had this extension of the Renegotiation Act of 1951 under consideration, I discussed this, and we have had some material submitted to the Committee on Small Business which indicates that these firms which do business in an amount under $1 million have to hire a tax man, an expensive lawyer, and keep books, because they do not know whether they will run over the amount of $1 million in business and have that extra expense in the amount of $35,000, $40,000, or perhaps $50,000 a year.

Mr. Speaker, that cuts into their profits, and it is pretty tough on these small firms.

Some of them are just selling catalog items or shelf items priced at a certain amount of money to the public and I do not think the Government should come in later and say—You are making too much money on that item, on this shelf or catalog item. The Small Business Committee has attempted to have this investigation made. The gentleman from Arkansas [Mr. Mills] very kindly consented to our doing it. We sent a number of letters to the Renegotiation Board and they apparently do not break down their figures to the point where we can determine whether it is beneficial or detrimental from the standpoint of renegotiating firms under $1 million.

I would hope that sometime we would get around to raising this $1 million ceiling to $5 million. I am perfectly agreeable when it comes to renegotiating on the big contractors during wartime naturally so that they do not make unnecessary profits, but I do not believe in continuing to pick on these small businesses that have enough trouble as it is.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman.

Mr. CURTIS. I want to commend the gentleman for these comments and simply say also that I am pleased that here is a bill coming from the Committee on Ways and Means under an open rule. I intend to offer an amendment to accomplish exactly what the gentleman has asked—that the limitation be raised from the $1 million to $5 million figure.

But I mainly take this opportunity to commend my own committee for asking for an open rule and I commend the Committee on Rules for bringing in this open rule.

Mr. SMITH of California. I thank the gentleman.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman.

Mr. GUBSER. I would like to commend my colleague, the gentleman from California, for his excellent suggestion, that the time has come when the Renegotiation Act should be the object of very searching legislative scrutiny.

We have had this act on the books for a number of years and it has been automatically extended without change or investigation each time. I think during that period of time, it is a very safe statement to make that procurement procedures in the Department of Defense have undergone a complete revolution.

To the credit of Secretary McNamara, I know the Committee on Armed Services, or the members of that committee, are usually not given to praising the Secretary, but I would like to say in the last few years he has done a remarkable job in tightening down on the Government negotiators and seeing to it that the taxpayers get a better shake for their dollar. The procurement regulations of the armed services have undergone constant revision and the contract procedures are entirely different, and the situation is different, and yet this act continues to go on and on as though the same state of affairs existed today as when the act was originally passed.

The time has come when we should take a good look at this, a good honest, thorough look and determine whether or not this ancient and antiquated piece of legislation meets today's needs.

Mr. SMITH of California. I thank the gentleman.

Mr. Speaker, I urge the adoption of the rule.

Mr. DELANEY. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING EQUITABLE TAX TREATMENT FOR FOREIGN INVESTMENTS IN THE UNITED STATES

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 880) providing for the consideration of H.R. 13103, a bill to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 880

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The Chair recognizes the gentleman from Indiana [Mr. Madden] for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. Smith] and pending that yield myself such time as I may require.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use. As stated by the distinguished gentleman from Indiana, House Resolution 880 provides a 3-hour rule for the consideration of H.R. 13103, the Foreign Investors Tax Act of 1966. It is a closed rule and points of order are waived.

In addition to what the gentleman from Indiana stated, you will find that the committee has listed 23 principal changes in the law and these are summarized in the report on pages 2 through 5.

A key to several changes in the bill is whether income is to be subjected to a flat 30-percent rate or taxed substantially the same as income earned here by a U.S. citizen or domestic corporation. The decision turns on whether or not the income is effectively connected with a U.S. business. If so, it is treated about the same as income from a domestic business. If not, it is subjected to the flat 30-percent rate of taxation, or the lower treaty rate in some cases.

I know of no objection to the rule and have no requests for time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEFENSE PRODUCTION ACT OF 1950

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 877 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 877

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14025) to extend the Defense Production Act of 1950, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER**. The gentleman from New York is recognized for 1 hour.

Mr. **DELANEY**. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 877 provides an open rule with 2 hours of general debate for consideration of H.R. 14025, a bill to extend the Defense Production Act of 1950, and for other purposes.

The continuation of the program authorized in the Defense Production Act is essential to maintaining a state of preparedness to meet future emergencies. This includes power to establish priorities for defense contract; power to allocate materials for defense purposes; authority to guarantee loans to defense contractors who need working capital or equipment for new defense production; lending and procurement authority which in the past was highly instrumental in bringing about large-scale expansion of productive capacity to meet unanticipated defense demands; authority to enable businessmen to cooperate voluntarily in meeting defense needs, with an exemption from the antitrust laws; authority to employ without compensation and when actually employed employees, including advisers and consultants, with exemption from conflict-of-interest statutes; and provisions for a reserve of trained executives to fill Government positions in time of mobilization. The act also creates the Joint Committee on Defense Production.

Some of these powers are needed to maintain production schedules on missiles and other defense contracts, some are needed for longer range preparedness programs, and other powers must be maintained in readiness for immediate use in possible future emergencies.

H.R. 14025 extends the Defense Production Act of 1950, which otherwise would expire on June 30 of this year, to June 30, 1968. The bill amends the act to include discretionary authority for the President to issue regulations to control the extension of consumer credit. It also amends the act to eliminate authorization restrictions on the expenditure of funds in connection with the operations of the Joint Committee on Defense Production.

Mr. Speaker, I urge the adoption of House Resolution 877 in order that H.R. 14025 may be considered.

Mr. **LATTA**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I believe we should take a little time on this rule to alert the Members of the House to what is in this bill. We certainly cannot ascertain what is in the bill from its title. It is a very innocent sounding title: "To extend the Defense Production Act of 1950, and for other purposes."

As the gentleman from New York has so ably pointed out, there is a need for the extension of the Defense Production Act of 1950, but I doubt very seriously whether anybody in this House really wants to admit the need for the "other purposes" as contained in this bill. What are the "other purposes" in this bill? Very frankly, and right to the point, it would give standby authority to the President of the United States to impose consumer credit controls on the American people.

I believe if the House passes this legislation, it will be an admission on the part of the majority that the spending policies of the administration and this Congress have led to a very serious inflationary situation in the country, demanding the passage of control legislation.

I believe Members should be alerted as to what is in the bill. Very extensive powers would be granted to the President of the United States, on pages 2, 3 and 4 of this bill for control of consumer credit.

Turning to page 2, line 7, the bill outlines these presidential powers as follows:

> To assist in carrying out the objectives of this Act, the President is authorized to issue regulations, which may include definitions of terms used in this title, to control, to such extent as he may deem appropriate—
>
> (1) The extension of consumer credit, by means of any prohibitions, restrictions, or requirements relating to—
>
> (A) the amounts in which and the purposes for which credit may be extended to any person,
>
> (B) the maximum maturity or other requirements as to the repayment or liquidation of any extension of consumer credit.
>
> (C) where consumer credit is used for the purchase of identifiable property, maximum loan-to-value ratios,
>
> (D) the terms of any arrangement for the lease or rental of personal property, and
>
> (E) such other elements in any extension of credit as may in his judgment require reguation in order to carry out the purposes of this title.

Another section provides:

> The extension of credit to finance directly or indirectly the extension of consumer credit. Controls imposed pursuant to this paragraph may be related to the borrower's financial history, or to the lender's other loans and investments, or to such other factors as the President may deem appropriate.

Lastly, it is also provided:

> In the case of any lender engaged both in the extension of consumer credit and in other types of financing, the proportion of such lender's assets which may be devoted to the extension of any type of consumer credit.

Mr. Speaker, it was revealed before the Rules Committee, when this matter was before us, that this control section was not a part of the original bill. It was not requested initially by the administration. We could not find out whether the administration actually was requesting this authority now. However, we did learn that the administration would accept it if it were passed. Certainly they would accept it. That is not the question. The question is how soon they will use it if it passes and to what extent.

Now, Mr. Speaker, if such sweeping legislation is to be tacked on to a very innocent sounding bill this matter should be fully aired and debated in this Chamber. The membership should be fully alerted and the consuming public should know what's about to befall them. This matter needs to be fully and adequately debated before the House.

The ranking minority member of the Committee on Banking and Currency indicated before the Committee on Rules that he had no objection to the rule, as he wanted to get this matter out on the floor for a full debate. When the debate is over, I am certain he will move to strike this control section from the bill. His motion should prevail and spare the American people from these unnecessary and restrictive controls.

Mr. Speaker, I have no requests for time.

Mr. **DELANEY**. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE COMMITTEE ON AGRICULTURE TO CONDUCT STUDIES AND INVESTIGATIONS RELATING TO CERTAIN MATTERS WITHIN ITS JURISDICTION

Mr. **SMITH** of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 884 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 884

Resolved, That, notwithstanding the provisions of H. Res. 89, Eighty-ninth Congress, the Committee on Agriculture is authorized to send not more than three members of such committee to attend the Conference of the Americas on Malnutrition as a Factor in Development at Panama City, Panama, June 19 through 25, 1966.

Notwithstanding section 1754 of title 22, United States Code, or any other provision of law, local currencies owned by the United States shall be made available to the Committee on Agriculture of the House of Representatives and employees engaged in carrying out their official duties under section 190(d) of title 2, United States Code: *Provided*, That (1) no member or employee of said committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954, as amended by Public Law 88–633, approved October 7, 1964; (2) no member or employee of said committee shall receive or expend an amount for transportation in excess of actual transportation costs; (3) no appropriated funds shall be expended for the purpose of defraying expenses of members of said committee or its employees in any country where counterpart funds are available for this purpose.

That each member or employee of said committee shall make to the chairman of said committee an itemized report showing the number of days visited in each country where local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the identification of the agency.

All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

Mr. **HALL**. Mr. Speaker——

The **SPEAKER**. Does the gentleman from Virginia [Mr. SMITH] yield to the gentleman from Missouri [Mr. HALL]?

Mr. **SMITH** of Virginia. Mr. Speaker, after I make a brief statement about the bill, I will be very happy to yield to the gentleman from Missouri or to anyone who desires to inquire.

Mr. Speaker, this is one of the travel resolutions that we bring to the House sometimes. This is a resolution to permit a small subcommittee of the Committee on Agriculture to attend a conference, which I believe is an annual occurrence that the committee attends. This time it happens to be in the Republic of Panama. They can go, and they may have already gone, so far as I know, but the problem we are confronted with is when we do present these resolutions we endeavor to use these local currencies that we have quite a hefty bundle of lying around idle rather than using dollars. I am sure that the gentleman from Missouri, whatever his views might be about the question of travel by committees, if it is going to be done, would prefer that we fund it with these local funds, the use of which is quite limited, rather than using American dollars. That is the reason for the presentation of this resolution. They can do it with dollars and they can do it with local currencies furnished them by the Department of State, as I understand it. However, the State Department, I am told, will not fund them with local currencies unless they have a resolution permitting the use of funds for that purpose.

Does that answer the gentleman's question?

Mr. HALL. Mr. Speaker, if the gentleman will yield, I have not yet propounded my question.

Mr. SMITH of Virginia. I thought you had one in your mind.

Mr. HALL. The gentleman's extrasensory perception is acute and keen. I appreciate what he has said about this being a travel resolution. I certainly do favor the use of counterpart funds, or however you care to describe them, for these overseas trips. Strange as it may sound, I am not one who disapproves of junkets. I believe if we are going to spend this amount of money, we ought to have an "architect" there supervising its expenditure. I did have a question or two that I wanted to ask, and I appreciate the gentleman from Virginia yielding to me.

Would the distinguished gentleman from Virginia, the chairman of the Committee on Rules, advise me as to whether or not, if this is not passed, the Department of State would fund it? I understand they will do it out of American dollars only and not out of counterpart funds, but in case this does pass do we fund it out of contingency funds available to the Speaker of/or the House?

Mr. SMITH of Virginia. Do you mean the House funds?

Mr. HALL. Yes.

Mr. SMITH of Virginia. Not to my knowledge. The gentleman realizes that it is very difficult to find which pocket American dollars are spent out of. There seems to be a lot of loose pockets around here, and I cannot answer the gentleman's question.

Mr. HALL. Mr. Speaker, I do think that an act of omission is the greatest sin of all, and I shall persist in trying to see which pocket it comes out of.

Mr. SMITH of Virginia. I am confident that it does not come out of funds allocated for contingencies of the House.

Mr. HALL. Does the distinguished gentleman from Virginia believe that maybe in this conference of the Americas on malnutrition perhaps sugar quotas will be divided up and discussed again and maybe reallocated? Is that one of the subpurposes of the committee?

Mr. SMITH of Virginia. I am not acquainted with all the minute details of this convention and what it is designed to bring about. I cannot answer that question.

Mr. HALL. If the gentleman will yield further, he said one other thing which intrigued me in his explanation, as he read my mind. He said perhaps the Members had already gone on this trip, and we are just making by this action confirmation of the use of counterpart funds. Does the gentleman know, in fact, whether they have gone or not?

Mr. SMITH of Virginia. I do not, but I know in one instance there was a resolution of this kind that was presented for this purpose where the Members had gone prior to the adoption of the resolution.

Mr. HALL. Now, Mr. Speaker, if the gentleman will yield further, the gentleman is truly reading my mind. I want to know if this resolution records that alternates may be selected, and those that are going can rotate back and forth to this convention overseas, or in the Southern Hemisphere of this country?

Mr. SMITH of Virginia. I cannot advise the gentleman from Missouri, as he well knows, as to what will be presented to the Congress in the future.

Mr. HALL. But, there is nothing in this House Resolution 884, or in the hearings which were held before the gentleman's Committee on Rules that will indicate that we are going to have one team over there now in advance of the passage of this resolution and another one confirmed for rotation purposes; whereas, the first one is presently there, with staff, in advance?

Mr. SMITH of Virginia. I have no indication that any such thing is contemplated.

Mr. HALL. The gentleman from Virginia, therefore, does recommend that this do pass?

Mr. SMITH of Virginia. I do.

Mr. HALL. In his wisdom it meets all of the answers to these questions?

Mr. SMITH of Virginia. I present it to the Members of the House for their consideration. I feel that it is one of those things that we are doing right along at these annual conventions, year after year, in sending committees of the Congress into these areas.

Mr. PURCELL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. PURCELL. Mr. Speaker, I thank the gentleman from Virginia for yielding. I am one of those who is going on this trip. This will be a 3-day trip. The entire purpose of the trip is to enter into a discussion of malnutrition, and insofar as I know the subject of sugar will not even be mentioned. There will be only one group of three people to go.

Mr. SMITH of Virginia. I thank the gentleman from Texas for his very clear explanation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. The purpose, I take it, of this resolution is to authorize travel and to pay for travel; is that correct?

Mr. SMITH of Virginia. Yes.

Mr. GROSS. And, Mr. Speaker, if the gentleman will yield further, the last time the gentleman from Virginia appeared with a resolution it was to authorize travel to the ILO, the International Labor Organization meeting, in Geneva, Switzerland. I am informed—subject to further confirmation—that one Member of Congress, who went to that meeting, was on the high seas with a couple of "secretaries" before the authorizing resolution was even approved by the House of Representatives.

Mr. Speaker, if these resolutions have no more meaning than that, I do not know why we bother to pass them. Members who take off on foreign junkets without the passage of authorizing legislation, do so on the assumption, I presume, that their expenses are going to be paid regardless of what the House of Representatives does.

Mr. SMITH of Virginia. As I understand it and as I explained to the gentleman from Missouri, the purpose of these particular resolutions—the one to which the gentleman refers and the one that is pending before us now—is to permit the State Department to use counterpart funds for this trip instead of using American dollars.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, but it does authorize travel, does it not?

Mr. SMITH of Virginia. Of course.

Mr. GROSS. Yes. So from that standpoint it is rather meaningless, if they are already on the high seas or in an airplane on the way to Paris or Geneva or some other way point in Europe or the rest of the world?

I thank the gentleman from Virginia for yielding.

Mr. SMITH of Virginia. I can only tell the gentleman from Iowa what was presented to the Committee on Rules. I have made no personal investigation of what has been done. I feel that when responsible Members of Congress come before the Committee on Rules and make statements of fact, we have and must accept them, when there is no contradiction as to what we were told, and that the Department of State had counterpart funds at its disposal which it could use for this purpose and they would save the use of American dollars with which to fund these trips.

Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Speaker, I have no objection to the passage of this resolution.

The gentleman from Virginia has said that there were no objections to the resolution presented to the Committee on

Rules. We think this is a worthwhile trip. I think the members who will be selected by the Committee on Agriculture will leave no stone unturned in trying to gather information on this very important problem of malnutrition.

Mr. **SMITH** of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER**. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENDING RENEGOTIATION ACT OF 1951

Mr. **MILLS**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13431) to extend the Renegotiation Act of 1951.

The **SPEAKER**. The question is on the motion.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 13431, with Mr. MADDEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN**. Under the rule, the gentleman from Arkansas [Mr. MILLS] will be recognized for 1 hour and the gentleman from Wisconsin [Mr. BYRNES] will be recognized for 1 hour.

The Chair recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. **MILLS**. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill before the Committee, H.R. 13431, is a simple extension bill. It would extend the Renegotiation Act for 2 additional years from June 30, 1966, to July 1, 1968. The bill contains no other amendments to the basic act.

Mr. Chairman, it was the desire of the administration that the Congress on this occasion extend the program for a period of 6 years. I introduced the bill, H.R. 13431, on March 9 last year to provide for this 2-year period of time.

I advised those seeking a 6-year extension that although I had great confidence in the administrators who were handling the program, I thought it was much better for the Congress itself to have the opportunity of a periodic 2-year review rather than to forego that opportunity for a period of 6 years.

Actually legislation before us accomplishes just as much for the 2-year period involved as would a 6-year extension accomplish for that same 2-year period.

Mr. Chairman, the purpose of statutory renegotiation, as all of us know, is to eliminate what we describe as excessive profits from contracts made with the United States, and from related subcontracts, in the national defense and the space programs.

This purpose is accomplished in several ways:

First, by determinations made by the Renegotiation Board in actual renegotiation proceedings.

Second, by voluntary refunds and voluntary price reductions which are made by contractors themselves in advance of renegotiation and often in anticipation of it.

Finally, by exerting a restraining influence on prices in initial contract negotiations.

Refunds of excessive profits under the Board's determination from the inception of the act in 1951 until June 30, 1965, have totaled $911.9 million. That is before tax credits.

Voluntary refunds and price reductions, which we know about because they were reported by the contractors to the Board, amounted to $1,200 million.

Total savings and recoveries, therefore, amounted to more than $2,100 million. The amount of savings attributable to closer contract pricing is, of course, completely unknown. It is not even determinable by estimation. But unquestionably, in my opinion, it is large and well may be the most important benefit of the law itself.

Renegotiation does not affect all Government contracts. It applies to contracts made by the Departments of Defense, Army, Navy, Air Force, the Maritime Administration, the Federal Maritime Board, the General Services Administration, the National Aeronautics and Space Administration, the Atomic Energy Commission, and the Federal Aviation Agency. But, of course, subcontracts entered into by such contractors are also included.

Members will recall that the Board does not renegotiate each individual contract and subcontract that comes within the scope of the act, but conducts its review of a contractor's business on the basis of his fiscal year. After the close of the contractor's year, the contractor reports to the Board all of its receipts or accruals in that year from all renegotiable contracts and subcontracts. The act prescribes certain factors which the Board must consider in determining the existence and the actual amount of excessive profits.

This overall fiscal year approach enables a contractor to offset losses or low profits on one or more contracts against high profits on other contracts during the same period. The use of the fiscal period for renegotiation also permits a contractor to use the regular financial and accounting data that he maintains for book and tax purposes.

Mr. Chairman, today we are faced with a combination of circumstances which in my own opinion make a further extension of the renegotiation authority particularly appropriate and necessary. The procurement agencies are continuing to buy many different types of specialized equipment for which adequate production and cost experience in many cases is still lacking.

The technology of defense weapons and equipment is still changing rapidly. Obviously the estimation of accurate costs for these new items, new projects, is difficult, if not completely impossible.

However formidable the task of sound pricing may be in less complex circumstances, the difficulty is magnified by the state of affairs confronting us in the world today, and particularly in Vietnam. The conflict in which we are engaged in that country requires a large investment of money, among other things.

As Members know, we have witnessed for some time a buildup in military procurement. For example, compare the prime contract awards made by the military departments in the first 9 months of the fiscal year 1965 with those made in the first 9 months of the fiscal year 1966. In the aggregate the awards to business firms for work in the United States rose from $16.8 billion to $22 billion, an increase of $5.2 billion, or 31.3 percent in that 12-month period.

Much of this procurement is necessarily made under conditions that preclude effective price competition. It is essential that renegotiation be available to avoid an afterlook to the financial results of such accelerated activity.

A further point, in my opinion, is to be noted in that procurement by formal advertising itself has decreased. The Department of Defense figures show that awards of formal advertised contracts have decreased from 18.8 percent in the first 9 months of the fiscal year 1965 to 15.4 percent in the same period of fiscal 1966. While so-called competitive price negotiations have increased somewhat in recent years, the fact is that at least one-half of all military procurement is let without price competition.

This leads me to consider the suggestion I have made from time to time that negotiation is no substitute for competition; that the marketplace should be permitted to take over.

Two years ago, when we last extended the Renegotiation Act, I dwelt at some length on this proposition. In a moment, permit me to summarize briefly the points I made at the time about the economic basis of renegotiation.

The central truth, as I see it, is there simply no traditional marketplace to guide pricing for a large part of the defense and space procurement. The Navy cannot go out in the ordinary marketplace and buy a Polaris missile. NASA cannot buy commercially a Surveyor or an Apollo.

With the elements of cost uncertainty, product complexity, and huge dollar commitments, the Government procurement market is fundamentally different in many respects and in many instances from the private competitive market. This unique set of characteristics provides the economic basis for renegotiation. Here, in summary form, are the six points I make for the necessity of the process.

Without objection, Mr. Chairman, I would extend those at this point in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. First. The bulk of Government procurement is made on the basis of negotiated prices, without market prices to guide the negotiators.

Second. Price competition over a substantial part of the Government procurement market, including the successive subcontract tiers, is weak, and at times nonexistent.

Third. Cost estimates are characterized by a high degree of uncertainty, particularly for new products and systems, with the result that initial prices or targets are frequently wide of the mark.

Fourth. Negotiated prices are often influenced by an imbalance in negotiating skill, in favor of the industry negotiators.

Fifth. Major Government contractors often work with Government plant, equipment, progress payments, and other forms of Government financing, and substantial differences exist among the contractors in the extent of subcontracting.

Sixth. Government business is negotiated on a contract-by-contract basis, each contract being negotiated independently of others and without reference to the financial outcome of the other contracts. I have been told recently of one instance of a contractor holding 500 different contracts, awarded by 100 different contracting officers in 54 different procurement offices.

In my judgment, these complex circumstances indicate our enormous defense program cannot be carried out with any assurance that the resulting profits will not exceed the bounds of fairness and reasonableness. The after-the-fact review provided by renegotiation is essential to fill the void left by the attenuation of normal competitive forces.

The value of renegotiation cannot be measured solely in terms of amounts recovered by the Board. Although these recoveries were large during the Korean war period, and may perhaps increase over recent levels as a result of the current arms buildup, it is wrong to think of renegotiation as a device to raise revenue. It was never intended as such.

One of the most important results of this law lies in the restraints it imposes upon contract pricing. Procurement officials have told us repeatedly that renegotiation has aided in the negotiation of closer prices, especially in the subcontract areas not subject to direct Government control. The contractor who knows excessive profits will have to be refunded is more likely to agree to what we might later describe as a reasonable price.

As I have already indicated, there is no way to ascertain the savings that accrue to Government as a result of the deterrent influence exerted by renegotiation, but there is every reason to believe that the amount may be large.

In helping thus to bring about fair and reasonable prices, though it is not the sole factor that brings this result, renegotiation realizes its truest objectives, as I see it.

Its continuation, in my opinion, for at least another 2-year period, to carry out these basic objectives is certainly now imperative.

I would urge my colleagues to accept the recommendation of the committee and provide for this simple 2-year extension of this authority, until July 1, 1968.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, we come before the House today to extend for the eighth time the expiration date of the Renegotiation Act of 1951—again for a period of 2 years.

No one, I am sure, wants to try to defend the right of a contractor to retain excessive profits from operations with the Government—or excessive profits under any circumstances, as far as that is concerned. But I would challenge anyone to give us a meaningful definition as to what constitutes "excessive profits."

The Renegotiation Act does not define what is excessive. Neither the procurement agencies nor the Renegotiation Board can tell you what are excessive profits. The Board, however, has sole discretion to make that determination, without any standard, formula, or substantive guidelines on which to act. The Board merely substitutes its judgment, in a sense, for that of the marketplace.

We do recognize that in some of these contracts that we do not have a normal marketplace as far as some of the items for which the Government finds it necessary to contract for the development of either services or machines or materiel. But let it be remembered that these contracts provide for price redetermination.

The concept of having a Federal bureaucracy—and I say this without any reflection on any member of the Renegotiation Board—look at a contractor's business after the fact and say that the contractor earned too much profit is, I believe, fundamentally repugnant to all American concepts of business and free enterprise.

Profits are measured fundamentally by the difference between the contract price and the cost of producing the goods or of rendering the services. The contractor who does a good job of cost control will have more profit than the contractor who does a poor job, if both are selling the same goods and services at the same price. But renegotiation will—or has a potential, at least, to do so—take away profit from the efficient and leave the inefficient alone.

As I pointed out when the act was up for extension 2 years ago, the procurement authorities of our Government have devised various forms of contract to try to provide incentives toward cost reduction, but these become all but meaningless when we throw everything into the renegotiation hopper, comingling sales and profits from fixed-price contracts, incentive-type contracts, cost-plus-fixed-fee contracts, and price-redetermination contracts.

Mr. Chairman, because of the war going on in Vietnam I quite frankly see no alternative before us at this time other than to extend the Renegotiation Act. Notwithstanding the fact that the administration has been spending more than $50 billion a year on national defense for the past 5 years, we daily read reports of shortages of material to carry on the war in Vietnam. More money will have to be spent, and much of that will probably be spent on a "crash" basis, which will produce waste and inefficiency. If renegotiation can contribute anything toward reducing this waste and inefficiency, I believe the act should be extended and must be extended.

Furthermore, both the procurement agencies and the contractors have been operating on the assumption that this act will be extended. I do not believe we can take away the crutch, at least without some advance notice.

I should like, however, to give notice today that, at least so far as this Member is concerned, I believe this should be the last time we have a perfunctory extension of the act. That is really all we are doing. It is merely a perfunctory extension. Time did not permit and does not permit, at this late date, going into all the facets and factors of the renegotiation process. The act will expire June 30. We must act by that time in this body, and permit time for the other body to act.

But I do wish to say a constructive effort should be made by the procurement agencies, particularly the Department of Defense and by the Renegotiation Board, so that 2 years from now the committee will have the facts with respect to the procurement picture.

Just what contracts, for instance, have resulted in excessive profits as defined by the Renegotiation Board, and what is the explanation for those excessive profits? Why did they occur? Is it because the contractor did a good job or because the procurement agency did a poor job? What effect does the fact that renegotiation is always lurking in the background have on procurement and contracting policies? How do the procurement people evaluate the Renegotiation Board and how does the Renegotiation Board and its people evaluate the work of the procurement people? What qualifications do the members of the Renegotiation Board possess that enables them to look into a crystal ball and pass judgment on the procurement policies and on American business after they have made their contracts and delivered the goods and been paid for them? Just what special knowledge does the Renegotiation Board have that no one else seems to have in the field of procurement?

I am going along and I support at this time under the current circumstances, particularly in view of the Vietnam situation, the extension of the Renegotiation Act, but on this occasion I, however, want to give notice well in advance that before further extensions are granted, Mr. Chairman, I think we should go into the whole problem in depth and have better answers to the various questions involved than we have received to date.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from South Carolina, the chairman of the Committee on Armed Services.

Mr. RIVERS of South Carolina. Mr. Chairman, I would just like to disagree, sir, with my distinguished friend from Wisconsin, my friend from Missouri, or anyone who has given our committee such magnificent support. I do want to say this: At your direction I head the Committee on Armed Services. We have to supervise $56 billion a year, and that "ain't hay." Now, out of that $56 billion, Mr. Chairman, we buy hundreds and hundreds and hundreds of millions of dollars of first prototype equipment and materiel—things that were never made before and things that nobody knows about—which come out of our Research and Development Committee.

Mr. Chairman, both the prime contractors and subcontractors are big men. They do not deal in chickenfeed. They hire the smartest people on earth to come down here to Washington to sit across the table with some little colonel or little lieutenant colonel or somebody else who may not know exactly everything about a computer and, Mr. Chairman, these people can steal you blind, if they want to. That is a fact of life. I know what I am talking about, because I have a subcommittee that looks into this. One year the Hébert subcommittee, which is now headed by PORTER HARDY, made one corporation send back over $25 million because we threatened them with the Renegotiation Board.

Now, Mr. Chairman, I owe it to the Members of the Committee of the Whole House on the State of the Union to tell you of my experience.

Mr. Chairman, I am not a member of the great Committee on Ways and Means, and I have no reason nor right to get on this floor and try to tell you how to run your committee. You are loaded with talent and ability.

Mr. Chairman, this act should be extended without amendment, because let me say to you that it keeps those who may not be honest, honest, and those who are honest, you do not have to worry about them anyway.

Mr. Chairman, that is just how simple it is.

Now, let me say this to you—let me say this to you—and I am finished—I am finished.

Mr. Chairman, the Renegotiation Board is made up of dedicated men. They have outstanding Americans who serve on this board. I know about what I am talking. They are serving this country in a very unselfish manner. They should be extended, and fortunately for America, Mr. Chairman—fortunately for America—we have as Secretary of Defense a man who is interested in the role of big business. They cannot sell him a bill of goods, because he knows everything there is to know about making certain materiels and materials, and he knows their operations.

Mr. Chairman, when you find a man with this type of background and with this knowledge of industry, you have an asset in general. I am not here to indict industry. I am for free enterprise.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RIVERS of South Carolina. Does not the gentleman from Arkansas feel that I have spoken too long now?

Mr. Chairman, I am for free enterprise, and everyone knows this if you know anything.

But, Mr. Chairman, this Department of Defense has vast sums of money. Just this morning the Committee on Armed Services, of which I have the honor to serve as chairman, reported out 13 bills and three reprograming actions for Mr. McNamara to buy inventories that cost all kinds of hundreds and hundreds and hundreds and hundreds of millions of dollars.

Now, Mr. Chairman, this Renegotiation Board is just a good thing to have just in case—just in case.

Mr. Chairman, I urge the Committee to reextend its life because this country needs it. I can assure you of that.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. Of course, I yield to my distinguished friend, the gentleman from Louisiana [Mr. WAGGONNER].

Mr. WAGGONNER. The gentleman from South Carolina has talked about the fact that his committee has oversight over the expenditure of some $56 billion per year in the operations of the Department of Defense, and that they are charged in the Department of Defense, day in and day out, with having to purchase, first-prototype equipment wherein the probability for excessive profits does exist because of so many unknown factors.

Is it not equally true that the Department of Defense with cost plus fixed fee contract for example gives protection to suppliers in cases of unknown problems so that they will not be put out of business as unknown and unpredictable problems come to them with which they are not able to cope?

What I am saying is, Is not private enterprise given some protection against loss when unknowns do develop in supplying first-prototype equipment?

Mr. RIVERS of South Carolina. I cannot respond to the gentleman's question with an answer of "yes" or "no." I am not capable of doing it, because I am not certain I understand what the gentleman is talking about.

To begin with, when a man goes in business he takes a chance anyway. In the operations of the Department of Defense a man becomes a responsive bidder. That means he has been checked out prior to his being awarded the contract to ascertain whether or not he is capable of doing what he says he can do.

A lot of people cannot do what they say they can do. They are by the jillions on their way to the Pentagon right now. If you got out here in a cab, they would run over you. They have all kinds of ideas. They want to make every kind of gadget that they can think about, but they cannot do it. But a lot of them can. Let me say this to you: For the most part I think they try to protect the man as far as they can, but I cannot answer your question "yes" or "no."

Mr. WAGGONNER. I would certainly agree with the gentleman that this Renegotiation Act needs to be extended for the protection of the taxpayers' dollar if for no other reason. I think the gentleman's own committee has had ample experience in this regard. We cannot argue with success, because you have recaptured excessive profits from free enterprise which is to the benefit of the taxpayers.

Mr. RIVERS of South Carolina. The committee under the gentleman from Virginia [Mr. HARDY] this year will probably report $25 million or $50 million that they were glad to turn back to the Treasury because of some mistakes they made in their estimates. They are things like that. I do not know how much Mr. HARDY's committee will report but I guarantee one thing, Mr. HARDY's committee has justified its existence. This is our experience.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I am delighted to yield to the gentleman.

Mr. BYRNES of Wisconsin. Mr. Chairman, first I want to make it clear to the gentleman that I am going to vote for the extension of this act just exactly as it is now before us, and I am going to vote against the amendment which I understand is going to be offered.

Mr. RIVERS of South Carolina. Then I owe you an apology.

Mr. BYRNES of Wisconsin. No; no apology is necessary.

Mr. RIVERS of South Carolina. I want to apologize—you have got to accept my apology.

Mr. BYRNES of Wisconsin. I think the gentleman may be confusing us by some of his remarks because you have procurement contracts today, and I think your committee has done a splendid job riding herd on the Department of Defense and the procurement agencies to make sure that they develop the right kind of contracts so as to avoid excessive profits. You are doing so today in some areas. In fact, you have developed contracts called price redetermination contracts where you agree you are going to look at the costs as they develop and if they have not awarded an individual or a company enough, then they will pay them more. If they have been paying too much, they will take it away.

You also have these newly devised incentive contracts that have been developed which have not been put into full force and effect.

The only question I raise is that we should go into detail to see that this Renegotiation Board process does not take away from the value of these new kinds of contracts that are being developed by the Department of Defense and make a redetermination contract rather meaningless and make an incentive contract rather meaningless.

It seems to me that is what we should try to do, instead of having somebody, after the fact, look into a crystal ball and just say, "You made too much money." That is not the fair way to do it. It should be done on a contract basis. I think before we extend this the next time, the committee should go in depth into the effect of the Renegotiation Board process and procurement policies. We may still end up developing some kind of process for redetermination but I do think we should serve notice on the Renegotiation Board and the procurement agencies that we are not just going to go through this in a cursory way for 2 years, but we are going to ask them to produce some real facts as to what they actually have accomplished—and where the fault is if there are some big excessive profits that are made. That is the only point I was trying to make.

Mr. RIVERS of South Carolina. What is your question—after your speech?

Mr. BYRNES of Wisconsin. My question is this.

You pointed out that you got one corporation to kick back $25 million. What does that have to do with renegotiation? Your committee did that and not the Renegotiation Board. What does a good contract under price redetermination policy have to do with the Renegotiation Board? That is my question.

Mr. RIVERS of South Carolina. The best way to try and answer your question is to say that the thing to do is to extend the life of this Board now, without amendment, and let everyone know in this day of advancing technocracy, of stupendous speed, of changes in every way, of unlimited requests—and yesterday you gave us $18 billion for the procurement of all kinds of materiels of destruction—let everyone know that we are going to have a crowd in Washington watching anyone who might want to be dishonest.

You made me chairman of this committee and I think I ought to report to you my experience, because it is your money that I am spending.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. CURTIS].

The CHAIRMAN. The gentleman from Missouri is recognized for 15 minutes.

Mr. CURTIS. Mr. Chairman, first let me say that I think it was most appropriate that the gentleman from South Carolina, the chairman of the Armed Services Committee, did take the floor of the House to discuss this very serious measure which, although it is under the jurisdiction of the Ways and Means Committee, certainly involves a great deal of the jurisdiction of the Armed Services Committee. I make that statement because I think there is a danger in the development that has been occurring in the House—and I would say in the other body—that when a particular committee has jurisdiction over a subject matter, that therefore its members have the knowledge and wisdom, all-encompassing, to reach a conclusion as to what the House should do.

This is hardly the case, because so many subject matters reach over into other committees, as this one does. It is very important for the committees to work together in these areas of common jurisdiction. Certainly the Ways and Means Committee would be grossly in error if it attempted to move forward in this area, which deeply affects defense procurement, without the understanding and knowledge and without the benefit of the wisdom that has been developed in the Armed Services Committee.

I would say, incidentally, this Renegotiation Act does not limit its effect to procurement by the Military Establishments but covers other agencies. Other congressional committees that are concerned with the procurement policies of these other agencies can contribute their knowledge on the subject with considerable benefit.

This becomes important. I will say more about this toward the end of my remarks in connection with the bill on the floor of the House yesterday, as far as the defense procurement policies are concerned, because in this area too, in a different way, other committees have been dealing with aspects that bore on this subject.

In order to have a full debate on the floor, it is necessary for Members of the other committees to contribute what they can derive from their studies which touch upon the subject matter.

So I say to the gentleman from South Carolina, I think it was most appropriate that he took the floor and discussed the Renegotiation Act, because it does bear so much on the work of his committee.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Chairman, I hope my remarks did not offend the gentleman from Missouri.

Mr. CURTIS. No. They did not.

Mr. RIVERS of South Carolina. I am grateful the gentleman said that. I considered it my responsibility to say what I did, because we are so deeply involved.

Mr. CURTIS. Yes.

Mr. RIVERS of South Carolina. Let me say this to the distinguished gentleman. Certainly I did not mind his voice being raised against our bill yesterday. That is his right. But I am glad the gentleman does not mind my saying what I did about this bill.

Mr. CURTIS. No, quite the contrary. I was very sincerely commending the gentleman for taking the floor.

Mr. RIVERS of South Carolina. I thank the gentleman.

Mr. CURTIS. This is one of those areas—and there are many such areas, I might say—where jurisdiction appears to fall in one committee, but a great deal—and possibly much—of the subject matter actually might be under the constant surveillance of another committee. This happens to be one of those instances.

Mr. RIVERS of South Carolina. I want to thank the gentleman. As the gentleman knows, he happens to be one of my favorities in the House.

Mr. CURTIS. I did not know that. The gentleman completely overwhelms me.

This act, in my judgment, has too long interfered with the orderly procurement policies of the Government. Far from saving money, in my judgment, it has actually produced bad procurement policies and the net result is that the Federal Government not only loses in money but in quality of procurement.

I certainly want to join with my friend the gentleman from Wisconsin [Mr. BYRNES] in his comments that this whole matter needs deep study. This statement I have just made is a theory, a point of view which needs examination, just as I would argue that those who maintain the Renegotiation Act is serving a beneficial purpose should subject their point of view to examination.

The Ways and Means Committee, hopefully within the next 2 years—and I would say at least a year ahead of time—should begin to look into this matter in depth. It is serious. It goes to the heart of a great many of our procurement policies.

I would say that the only reason this may not be crucial to the country is that the military establishment has developed techniques to avoid the Renegotiation Act. The act is being bypassed and it is being ignored. I commend the Defense Department and the Armed Services, I might say, for developing the incentive contract, which is one of their techniques for avoiding the Renegotiation Act. But I also point out this flies in the face of the theory of the Renegotiation Act. We are presently following two entirely different procurement theories.

Let me dispel one mistaken idea. The point is always made that it is necessary in dealing with new weapons, new equipment, new things, that no one has a fair estimate of their cost, so it is necessary to be able to renegotiate to be certain that there is not excess profit. I could not agree with that statement more, but that is not the issue involved in the Renegotiation Act, because the Defense Department and other procurement agencies in our Government have developed the technique of redetermination clauses which are put in these kinds of contracts. A redetermination clause merely says, "Here is an item. No one has any real idea as to what it really costs to produce; therefore, after the fact, let us redetermine what the real cost should be."

I might say that this is a device employed in the private sector constantly, because the same problem exists there. The real issue is, who is best able to do the renegotiation or the redetermination? I argue that by all means it is the people who did the original negotiation—they are the ones with the most knowledge about it—rather than some independent board which has no knowledge of the subject matter and in fact has no real knowledge of procurement practices.

The development of such techniques as redetermination is actually the way in which we have been able to move forward without the impediments which otherwise would be imposed as a result of the Renegotiation Act.

There is a Subcommittee on Federal Procurement and Regulation of the Joint Economic Committee which has been in existence for nearly 10 years and which, incidentally, grew out of a great deal of work done in the House Government Operations Committee, seeking to implement the recommendations of the first and second Hoover Commissions.

The Subcommittee on Federal Procurement and Regulation of the Joint Economic Committee has dealt with the aspect of Government procurement which has impact on the private sector of the economy, these studies have been in considerable depth over a period of years. The Renegotiation Act is merely one factor among many.

I should like to call the attention of Members to the subcommittee's most recent report of May 1966, based upon our most recent hearings of January and March of 1966, and a publication that we issued entitled "Background Material on Economic Impact of Federal Procurement of 1966."

So a great deal of data needed in order to reach proper judgments on the value of the Renegotiation Act or the lack thereof has been gathered and is available and can be used by the Ways and Means Committee at such time as they do go into this most important question.

Perhaps one reason I have taken such a strong position in seeking to eliminate the Renegotiation Act in its entirety—and feel confident in taking such a strong position—is that I have served on this committee for all these years, and served on the original Bonner committee both in 1951 and 1952, which made the original effort in this problem area of Government procurement, of which military procurement is such a large part. I have dealt with the material and evidence over this length of time and have reached very definite conclusions on it, I feel very strongly that the evidence demonstrates that this is bad procurement practice.

I do want to refer to our minority views on the extension of the Renegotiation Act in 1964 which was signed by all of the Republicans. I allude to the argument in the minority views as written accompanying this particular act where this statement is made:

> Renegotiation penalizes the efficient and rewards the inefficient.

Actually, what happens is that because of some of the bad procurement practices of the Government, not the least of which is the Renegotiation Act, some of our most efficient contractors will not even bid on Government work. This is an unfortunate situation. Those who will tend to do so sometimes in certain areas are the more inefficient.

I am going to offer an amendment, as I stated in my minority views, at least to bring up the exemption from $1 to $5 million. We had an exemption originally of $250,000, which in one of our extensions we increased to $1 million. I am satisfied that at least this will help us to phase this deleterious program out and will create less damage in the future.

I do want to relate one point as to whether or not the Vietnam war has so aggravated this problem that we have had to resort to crash procurement programs. I think the evidence clearly shows the contrary. This is one of the things the Joint Economic Committee was particularly interested in in looking at the Vietnam picture. Requiring crash procurement programs on the part of the Department of Defense was one matter we looked into. This related to the problem, also, of what does the Vietnam war mean to our economy. Now, here I back up the administration when it makes the statement that the impact of the Vietnam war up to date, at least, is not such that it would require us to make a choice between guns and butter, although I have urged that we could not include rancid butter, which we would not want to do anyway, I think that our hearings this year reveal this to be the case. So I do not go along with my colleague from Wisconsin [Mr. BYRNES] who feels because of the Vietnam war we are in such an aggravated situation that we have had to have crash procurement programs.

Let me go back, then, and state that when we first created the Renegotiation Board back in World War II, when we did have crash procurement programs, I think that was a beneficial piece of legislation. But it was an emergency measure in order to meet the emergency of crash procurement. We have not had this kind of procurement for many years, thank goodness. In fact, I want to commend the Department of Defense for its development of very good procurement practices and a constant improvement of them in recent years.

Mr. MILLS. Mr. Chairman, will my friend from Missouri yield?

Mr. CURTIS. Yes. I will be glad to yield to the chairman of the committee.

Mr. MILLS. Let me see if you and I can reason this matter out here between us. I know the gentleman's sincerity of purpose and his desire always to do the proper thing based upon the very deep study which he makes of these matters. I am concerned about the gentleman's amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 2 additional minutes.

I am concernd about the gentleman's amendment, because very frankly I do not know that the floor should be raised. I know the gentleman from Missouri always wants to have facts and deal in certainties. What I am leading up to is this: You remember several years ago we did direct the staff of the Joint Committee on Internal Revenue Taxation to make a very detailed study of the Renegotiation Act. And, they did make a report to us, through the then chairman of the joint committee, Senator BYRD, of the findings of the staff, under a letter dated January 31, 1962. That document became House Document No. 322 of the 87th Congress, 2d session.

Mr. Chairman, I wonder if my friend, the gentleman from Missouri [Mr. CURTIS] would not agree with me that before we adopt any substantive amendments to the act itself, other than a simple extension, it would be better for us to go along here for a 2-year period, during which time we could have a genuine and sincere study made in depth of this program and obtain further facts and answers for a reevaluation ourselves as to certain aspects of it.

Now, Mr. Chairman, what I have in mind is to ask if my friend, the gentleman from Missouri [Mr. CURTIS], will go along with me and with my thinking on this. First, let us extend the act under the present circumstances for 2 years, with the understanding that we would ask the staff of the joint committee to make such a study, so that when the act does expire at the end of that 2-year period, whomever is here will have the benefit of that study. Hearings could then be held on that study and on whatever pertinent materials might be submitted in connection therewith, so that anyone wanting to submit any comment or statement would be permitted to do so. In this manner we can obtain specific answers to specific questions which members of the committee may have in mind. It seems to me that would be the proper approach.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman from Missouri 2 additional minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for 2 additional minutes.

Mr. MILLS. Mr. Chairman, if the gentleman will yield further, it seems to me that my friend, the gentleman from Missouri [Mr. CURTIS], would welcome that approach rather than to undertake to act without such information, through the process of an amendment today.

Mr. CURTIS. Mr. Chairman, permit me to respond to the chairman of the committee, the gentleman from Arkansas [Mr. MILLS], to this effect: I believe I would be responsive to that suggestion, for this reason, although I myself am convinced and I believe I have the background materials to support the amendment I propose as well as to completely eliminate the Renegotiation Act; nevertheless, there is no question that the Committee on Ways and Means in its report to the membership and based upon our hearings has not adduced this kind of material, nor have those who disagree had an opportunity to present their suggestions.

Mr. Chairman, I would accept such an approach because primarily what I have been after—and I believe the gentleman from Arkansas knows it—is just this kind of thorough study and investigation.

Mr. Chairman, I know the gentleman from Arkansas [Mr. MILLS] knows that I have not been critical of the Ways and Means Committee, knowing of our workload in other areas, for not having done this before, but I believe this is a matter of considerable importance. If this would come about, yes, I would refrain from offering an amendment to bring that about at this time.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Chairman, I believe it might be well that this RECORD here show that when the Renegotiation Board members appeared before our committee and when the appropriate officers of the Department of Defense were there, they were put on notice that 2 years from now we wanted much better information than they were able to give us at that time with respect to exactly what happens with reference to these various contracts, and I believe we made it fully clear to them that we are not going to be satisfied on the next go-round with just the generalizations which they presented on this occasion.

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. CURTIS. I yield further to the gentleman from Arkansas.

Mr. MILLS. What I had in mind actually was a careful study being accomplished during this 2-year period, and I would suggest that——

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 1 additional minute.

The CHAIRMAN. The gentleman from Missouri is recognized for 1 additional minute.

Mr. MILLS. Mr. Chairman, I would suggest that the staffs work with the staff of the Armed Services Committee, as appropriate, if the Committee on Armed Services is desirous of participating in such a study.

Mr. CURTIS. As well as the Joint Economic Committee.

Mr. MILLS. Or any other appropriate group that has aspects of it and wants to get into the study, in order that we can see what the problems are in pricing, and where we can bring it all together in one report which could form the basis for hearings and such action as we would want to take at a later date.

Mr. CURTIS. I am very happy——

Mr. MILLS. And I am personally willing to commit myself to that type of proposal.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. Yes, briefly.

Mr. GUBSER. Mr. Chairman, as an opponent of the Renegotiation Act I am delighted with this colloquy which has just taken place. I feel it is a very constructive step forward.

I would like to inquire of the gentleman presently in the well of the House or the chairman of the Committee on Ways and Means, if perhaps the type of information to be requested of the parties in interest might not include the costs to small business of submitting to the Renegotiation Act. For example, in 1965 the excess profits declarations on contracts under $5 million only amounted to $3.3 million. Half of that is lost to the Federal Government so far as taxes are concerned. So actually this is only an amount of rebate of about $1.8 million. Balance that off with the costs borne by all the companies, small business in particular, in having to submit to the Renegotiation Act and you have an obvious loss to the taxpayers.

So I am wondering if this investigation might not include that type of information?

Mr. MILLS. Certainly, I think that is one of the factors we want to get further information on. That is what is in the mind of the gentleman from Missouri in offering or suggesting that he would offer the amendment. That is part of his reasoning.

Mr. CURTIS. I thank the gentleman from Arkansas.

Mrs. GRIFFITHS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. If the gentlewoman would permit me to proceed I would like very much to hear the comments of the gentlewoman from Michigan [Mrs. GRIFFITHS] because she serves on the subcommittee of the Joint Economic Committee on Federal Procurement and Regulation. I wonder if the gentleman from Arkansas [Mr. MILLS] would yield time to the gentlewoman later?

Mr. MILLS. I shall certainly do so.

Mr. CURTIS. Mr. Chairman, I want to relate this debate that is now going on to the debate which did not occur yesterday on the floor of the House in regard to probably as serious a bill as we have had this year—the $17 billion or $18 billion of military procurement.

Some of my colleagues have been kind enough to ask me why I voted against this bill. I was one of two who did. This is not a new approach of mine. I am deeply concerned about the overall fiscal posture of the Federal Government as I have said in the well of the House constantly this year, I said in the debate on the debt ceiling—that undoubtedly I was going to vote against the bill that came out of the Committee on Armed Services; namely, this one on the $17 billion or $18 billion additional authorization because it was $900 million above the President's budget request. I was anxious yesterday to have heard some debate and I was anxious to have seen some reasoning in the committee report as to why this amount was $900 million beyond that recommended by the administration. I wanted to hear and read what was the administration's point of view.

I think a committee does not do a service to the House when it fails to present the point of view of those who disagree with them, particularly the point of view of the Commander in Chief in respect to military matters; namely the President. I tried to make this procedural point clear in the debate on the bill, H.R. 10. This was a bill that was voted out of the Committee on Ways and Means unanimously. I was for it. But the Treasury Department and the administration were strongly opposed to it, and yet we were not going to have any report to the Congress, to the House that is, of the Treasury's point of view. I felt so strongly about it, that I said if no one else will do it, I will put in the committee report accompanying the bill the comments and the reasons of the administration for opposing the bill. Indeed, anyone can see it and there it is—so the House at least had the benefit of knowing what the administration's reasons were even though no one on the committee supported those points of view. I did not happen to think Secretary McNamara and this administration are so devoid of patriotism or of knowledge that they did not have some reasons that this House ought to have heard at least.

As a matter of fact, I am deeply concerned about this business of making a holy cow out of anything that has the word "defense" on it and creating an atmosphere in the well of the House that anyone who even wants to discuss it is somehow either lacking in patriotism or is ignorant on the subject and has no knowledge which he may contribute. That is why I was so anxious to point out to the chairman of the Committee on Armed Services why it was so important for him to go to the well of the House and speak on this renegotiation act. Although this bill goes before the Committee on Ways and Means it reaches over into his jurisdiction. But in the same way, I would expect the Committee on Armed Services to begin to realize that they are not in a closed compartment and that military procurement greatly affects the rest of our economy and that the basic defense needs and problems in this society come within our total economy and that it is necessary to weigh these things. We did not weigh them yesterday. We did not even discuss them.

Let me say this, as I have said previously particularly during the debate which I carried on under a special order with members of the Armed Services Committee when I was talking about the McCormack-Curtis amendment, which gives to the Secretary of Defense the basic power for creating the Defense Supply Agency, that, as far as I am concerned, Secretary McNamara is no dictator when you judge him by three basic criteria:

First, is he getting the military out of business in accordance with the recommendations of the Hoover Commission? The answer is that he has got a very fine record—in fact, such a fine record that many Members of the House and the Senate are squealing about the fact that he has closed down certain of the operations of the Military Establishment and has moved to rely more on the private sector. No dictator is going to get rid of power and authority. He will try to grab more.

Second, the use of advertised bids, breakout contracts, and competitive negotiated contracts instead of closed negotiations. The record of Secretary McNamara in this area is highly commendable. No dictator is going to move to an area where he loses control over the contracts, which you do when you go to advertised bids and competitive bids.

Third, when the Military Establishment uses the GSA to procure common-use items for its needs instead of its own in-house procurement, the DSA or the service agencies, it is obviously not going in the direction of dictatorship. Quite to the contrary, and the record of Secretary McNamara on this subject is highly commendable.

Now, there are two major decisions that I thought the House ought to have zeroed in on yesterday, and we did not. How much defense should we be building in this society in light of the defense that the Executive is using? This subject should have been the topic of serious consideration. There is no sense in building up a great fire department if, when fires break out, it is not used. Let us find out what our international policy is and conform our defense to that policy. This is a debate that badly needs to occur on the floor of the House. It should have occurred yesterday.

Second, what is the balance to be maintained between the three major arms of defense, the Navy, the Army, and the Air Force? Our people do not expect the Army to be able to defeat the enemy by itself, or the Navy or the Air Force or even the Marine Corps, but they do expect the three services working together, complementing each other's efforts to do so and to do so with ease.

Now interservice rivalry is commendable up to a point, but there are few Members of Congress who have not had personal experience with that point having been passed on occasions. Certainly a great deal of the difficulty in implementing the McCormack-Curtis amendment arises from what I would term to be the overzealousness of all three services. I find a great deal of the criticism being directed against Secretary of Defense McNamara originates within the three services as a result of decisions which assign the respective roles each is to play.

I wanted to hear some discussion from the members of the House Armed Services Committee on this point yesterday. I have the feeling that in many respects they have allowed the parochial viewpoints of the three services to generate the criticism directed by them at Secretary McNamara. At least I wanted to hear the basis for the criticism. This is most important in evaluating the real needs of the services to provide coordinated defense for our society. Of course, no such discussion or debate occurred yesterday.

Now in light of the record made yesterday on the floor of the House and in light of the Armed Services report accompanying the bill no Member of the House could truly say to his constituency that he knew whether the legislation before us was in the national interest or not. He only could say the title of the bill sounded good and that he hoped the members of the Armed Services Committee indeed knew what they were doing. But I submit, my colleagues, our constituency did not send us down here to legislate on high sounding titles or hopes, but rather on facts and arguments presented under conditions permitting cross-examination and rebuttal.

My "no" vote was a responsible vote although cast with a heavy heart.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Chairman, I would like to say again that in my opinion renegotiation makes all of these renegotiated contractors into cost-plus-percentage-of-cost contractors. If we are to have any review of renegotiation, I think it should go into the component prices of all these items first. We should make an attempt to determine whether or not, on the components that have been subcontracted, the prices are too high.

Second, I think it is a vast area, and in place of renegotiating these items by contractor, we should renegotiate them by contract. Renegotiation by contractor puts any contractor in a position to have a loss-leader item in his contracts; that is, when he bids, if he has six contracts with the Government, he can underbid all competitors on one item, secure in the knowledge that on the other five contracts he can make up his losses.

I, too, feel that renegotiation could still be investigated, but I would like to point out that as long as we have the poor prime negotiators that we have in the Defense Department, we cannot get rid of renegotiation. As long as you are buying items for which there has never been a use before—which you are doing in the space program—you cannot possibly get rid of renegotiation unless you want to give the contractors a field day.

Mr. MILLS. Mr. Chairman, I have no further requests for time.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, if 14 years of service in this House has taught me one thing, it is the ability to recognize reality. I know full well that this bill is going to pass overwhelmingly. Nevertheless, because I feel so strongly that it is not in the national interest, I am going to take some time to speak against it.

Let me say, before going further, that I am delighted that, judging from the debate, we will have a review in depth on the merits of the Renegotiation Act. This is long overdue.

I feel when we pass this bill, it is going to be passed on the basis of some fallacious assumptions; namely, that it protects the taxpayers, saves them money, and prevents war profiteering. In fact, it does none of these things.

In 1964, I presented figures which showed the distinct probability that operation of the Renegotiation Act during fiscal year 1963 actually resulted in a net loss to the U.S. Government of $9,321,000. We now have 2 more years of experience and a much more accurate base of experience upon which to judge the Renegotiation Act. I believe this added experience not only confirms my judgment of 1964, but it emphatically underlines the fact that this bill is unnecessary, that it is not protective of the taxpayers' interests, that the renegotiation Act has outlived its usefulness, is a burden upon business, and is an added expense which is buried in defense procurement at the expense of the taxpaying public.

The Vietnam war and the present acceleration of defense procurement do not justify the continuation of this outmoded act. The gross national product now exceeds the $700 billion level. Assistant Secretary of Defense Ignatius has estimated that expenditures for defense in fiscal year 1966 and in fiscal year 1967 will be 7.7 and 7.8 percent of the gross national product in these 2 years. This is down from the level of defense spending in relation to the gross national product for a 10-year period from 1955 to 1964, which averaged 8.2 percent. The administration itself claims that financing of the Vietnam war is not an emergency situation. Therefore, it cannot be used as a justification for the extension of this act.

U.S. industry's total renegotiable profits as a percentage of renegotiable sales have declined very drastically in the last 10 years. In the 1956 fiscal year, overall renegotiable profits were 6.3 percent of sales. By 1965, they had declined to 3 percent of renegotiable sales before taxes.

The net result of these declining margins on defense business is a major deterrent to obtaining the best manufacturing capabilities to efficiently perform defense contracts. In fact, the Department of Defense has promulgated Armed Services Procurement Regulations 3-808.1, which clearly recognizes the importance of providing an additional profit incentive. It states:

> Low average profit rates on defense contracts overall are detrimental to the public interest. Effective national defense in a free enterprise economy requires that the best industrial capabilities be attracted to defense contracts. These capabilities will be driven away from the defense market if defense contracts are characterized by low profit opportunities.

In the 4 fiscal years which ended in 1965, during which time this Congress reextended the Renegotiation Act two times, a conservative estimate of the net cost, or loss to the Government, and therefore the taxpayer, as a result of renegotiation is $64.2 million.

The Machinery and Allied Products Institute estimates that it costs one-tenth of 1 percent of renegotiable sales for a company to submit to and prepare for renegotiation. If we use this estimate, the following is the balance sheet of the Renegotiation Act for the fiscal years 1962 through 1965:

	Millions
Renegotiable sales (fiscal years 1962 through 1965)	$134,600
Estimated cost incurred by industry to prepare and process renegotiation filings (0.01 percent of above sales)	134.6
Above cost paid for by the Government in form of reduced income taxes	67.3
Add amount charged to Government in form of increased prices to recover costs, net of income taxes paid (assumes average contractor had 25 percent defense volume)	16.8
Total	84.1
Add 4 years' operating expenses of the Renegotiation Board	9.5
Total costs before refunds	93.6
Deduct refund determinations net of tax	(29.4)
Net loss to Government as result of renegotiation 1962-65	64.2

This adds up to a net loss of $64.2 million for 4 years from the operation of this Renegotiation Act.

How anyone can say that this act, in the face of those figures, which no one has disputed to this point, is in the best interest of the taxpayers, defies my imagination.

I have a letter from a gentleman whose name I have not asked permission to reveal, so I will not do so. He is an adviser to several companies on renegotiation. I quote a part of the letter:

> In fiscal year 1965 the Renegotiation Board completed 706 cases but only made 52 determinations of excessive profits. It requires an average of 16 months to complete a case in the renegotiation process, and I am told by many small contractors whose cases are assigned that conservatively speaking it costs $25,000 to prepare and present the data required by the Renegotiation Board. I know the cost is higher for larger companies, but using the conservative figure of $25,000, it cost the 706 companies whose cases were completed in fiscal 1965 a total $17,650,000.

The gross amount recovered in fiscal year 1965 not counting taxes was only $16,146,803. So we forced business to accept $17,650,000 in costs, to get back $16,146,000, half of which the Federal Government would have collected anyway in the form of taxation.

Time does not permit me to read all of them, but I have a sheaf of letters which have come to me from defense contractors with practical experience in dealing with the Renegotiation Act. This is one from a major company, which says of the act:

> Because it serves as another deterrent to doing business with the Government, it is selective against the most competent and efficient producers.
>
> I believe that our military services need the benefit of our country's best industries, not its worst.

Here is another one from a small company. It says:

> As you probably realize the defense business is very competitive and, in fact, has brought many cries from both Government and private sectors recommending a reduction of reliance upon the defense business by the defense-orientated companies.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I am short of time, but I will briefly yield.

Mr. CURTIS. Just in context I meant to make this point and want to confirm it with the gentleman. I know of no trade association or industrial group that does not urge that this act be repealed. This simply is samples of letters. Is that correct?

Mr. GUBSER. That is right. I will quote a few of them here. Here is another letter which says:

> Though our company is not directly affected by the renegotiation act, we are quite aware that it is outmoded. At present, prices are being determined by competitive factors. This act serves more as a drag on the industry and government than in any useful capacity.

Another company says:

> Nowadays the Government is such a rigorous negotiator and the ASPR is so extreme in detail that excess profits are very rare indeed.

Here is a large industry which agrees completely with the statement I made to the Committee on Ways and Means. The president says he believes the estimates I have made and which I have just given you are extremely conservative and "undoubtedly low."

Here is one from the Aerospace Industries Association of America, Inc. It says:

> In recent years the Department of Defense has instituted new procurement policies and techniques and has continued to refine its procurement processes. These measures have been very effective in eliminating excessive profits.

I could go on and read you a dozen more, but every person who has experience with accounting procedures and with the Renegotiation Act will admit that this law has outlived its usefulness and is no longer necessary. It does not prevent war profiteering and it does not protect the taxpayer. In fact, it costs him money, more than $15 million a year in actual losses through increased prices and the loss of tax revenue to the Federal Government.

I would like to say just one more thing before my time is up. We have a statute that came out of the Hébert subcommittee, Public Law 87-653. Very few people know about it. This requires that all cost data be revealed to Government officials on most negotiated contracts. There is hardly a situation today where the costs of a Government contract are not an open book for all negotiators and the procurement agency to see.

Insofar as contracts for prototypes of new weapons are concerned, very few of them are subject to renegotiation. Those contracts which are can certainly have a redetermination clause inserted in them. I know from experience that the military and the Department of Defense are doing a magnificent job in tightening up on profiteering. They do in fact insert redetermination clauses in such contracts, and have the right to see actual costs. So, if you have redetermination clauses and you do have the right to see actual costs, what I ask you, is the sense in making business assume this added cost and going through the same exercises over and over again. For what? To prevent war profiteering? No. To save the taxpayers money? No. It is simply to employ another bureau that outlived its usefulness a number of years ago and in so doing pour an average of $15 million a year of the taxpayers' money down the drain. There is no other conclusion that the facts about the Renegotiation Act can lead to.

I sincerely urge, Mr. Chairman, that we face up to our responsibility and look facts in the face and say to ourselves that we will do the businesslike thing and abolish this act.

Mr. MILLS. Mr. Chairman, I have no further requests for time.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 13431

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(c)(1) of the Renegotiation Act of 1951, as amended (50 U.S.C. App., sec. 1212 (c)(1)), is amended by striking out "June 30, 1966" and inserting in lieu thereof "June 30, 1968".

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 13431 to extend the Renegotiation Act of 1951, pursuant to House Resolution 881, he reported the bill back to the House.

The SPEAKER pro tempore (Mr. ALBERT). Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to extend their remarks on the bill just passed, the Renegotiation Act extension amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

FOREIGN INVESTORS TAX ACT OF 1966

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13103, with Mr. MADDEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Arkansas [Mr. MILLS] will be recognized for 1½ hours and the gentleman from Wisconsin [Mr. BYRNES] will be recognized for 1½ hours.

The Chair recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill H.R. 13103, in my opinion represents a major revision of the U.S. tax laws with reference to the treatment of nonresident aliens and foreign corporations. It is the first systematic reappraisal in this area of our tax law which has been undertaken, as I remember the record, for approximately 25 years.

Mr. Chairman, although this bill will have only a slight effect on revenue and will not directly affect U.S. citizens or groups, in my opinion it represents a substantial effort on the part of the Committee on Ways and Means.

PURPOSE AND BACKGROUND OF BILL

Mr. Chairman, in October 1963, the President, as a part of his program to improve the U.S. balance of payments appointed a task force on "Promoting Increased Foreign Investment in United States Corporate Securities and Increased Foreign Financing for United States Corporations Operating Abroad." Among the recommendations of the task force were a series of proposals designed to modify the U.S. taxation of foreign investors. The Treasury Department studied the recommendations of the task force, and in March of 1965 submitted to the Congress proposed legislation designed to increase foreign investment in the United States.

Public hearings were held on this legislation during 1965 and again in 1966. During this same period, your committee extensively considered the proposal in executive session on numerous occasions. Your committee concluded that this area of the tax law was in need of change, but your committee altered the primary objective of the legislation suggested by the Treasury Department.

The bill, as modified by your committee, seeks as its primary objective the equitable tax treatment by the United States of nonresident aliens and foreign corporations. While, as I indicated, the initial proposals of the Treasury Department were concerned only with part of the tax provisions of the present law affecting nonresident aliens and foreign corporations—primarily those which could be modified to stimulate investments by foreigners in the United States—your committee considered more broadly the appropriateness of all the provisions of the present law affecting these foreign persons.

REVENUE ESTIMATES

It is expected the bill will result in a revenue gain at current income and investment levels of slightly over $1 million a year. In addition, the provision of the bill under which the Treasury is authorized to require quarterly payments of withheld taxes—instead of annual payments as now provided—is expected to increase collections on a one-shot basis in fiscal 1967 by $22½ million.

MAJOR PROVISIONS OF THE BILL

Let me now talk about the major provisions of the bill. In this connection I ask unanimous consent, Mr. Chairman, to include at the end of my discussion a summary of these principal provisions of this bill. This summary reduces them, I believe, to as simple terms as it is possible in view of the complexity of the matters involved here.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

1. TAXABLE STATUS OF INCOME

Mr. MILLS. Mr. Chairman, the first part of the bill deals with the taxable status of income. Undoubtedly, the most important proposal from the standpoint of tax policy is the amendment which separates the U.S. investment income from the U.S. business income of a nonresident alien or foreign corporation and taxes these two types of income on different bases.

Income of a foreigner derived from a U.S. business is to be taxed substantially in the same manner as if the business income were received by a U.S. citizen or a domestic corporation—that is, at the regular individual or corporate rates with all of the appropriate deductions.

On the other hand, investment income of a nonresident alien or foreign corporation, unless it is related to a U.S. business, is to be taxed at a flat rate of 30 percent or a lesser rate applicable where we have treaties with the foreign countries involved.

Your committee believes this method of taxing nonresident aliens and foreign corporations is more equitable and reasonable than the present law which taxes these persons at the regular rates or a flat 30 percent on their U.S. source income, depending on whether or not they are engaged in trade or business in the United States. In other words, under present law, investment income of a nonresident alien or foreign corporation is taxed at the regular rates, with the attributable reductions, if the recipient is engaged in business in the United States whether or not there is any relationship between the U.S. business and the U.S. investment income.

Additionally, your committee's attention was directed to the fact as a result of the interplay between the tax rules of certain foreign countries and the United States, foreign corporations which carry on substantial business activities in the United States, in some cases, have been able to cast their transactions in a form which may avoid all or most U.S. and foreign taxes on income generated from U.S. business activities. The provisions provided by this legislation will subject certain income generated by the U.S. business activities of these foreign corporations to U.S. tax.

The benchmark used in determining whether or not income is related to a U.S. business and, therefore taxable at regular rates rather than at the flat 30-percent rate, is whether or not the income is effectively connected with the U.S. business.

In the case of investment and other fixed or determinable income and capital gains from U.S. sources the income is to be treated as effectively connected with the U.S. business if the income is derived from assets used, or held for use, in the conduct of U.S. business or if the activities of the U.S. business were a material factor in the realization of the income. All other types of U.S. source income are to be considered to be effectively connected if there is a U.S. business.

Income from sources without the United States will not be treated as effectively connected with a U.S. business unless the nonresident alien or foreign corporation has a fixed place of business in the United States and the income is attributable to that place of business.

Moreover, even in such cases the only types of foreign source income which may be subject to U.S. tax under the bill are rents or royalties from licensing operations, income from banking and similar type operations, or certain types of sales income. Moreover, neither "Subpart F" income nor dividends, interest, or royalties derived from a foreign corporation more than 50 percent owned by the nonresident alien or foreign corporation, will be considered effectively connected under any circumstances.

2. INCOME TAX SOURCE RULES

The bill proposes an amendment with respect to the taxation of the interest paid to nonresident aliens and foreign corporations on their U.S. bank deposits. Presently this type of interest income is subject to U.S. tax only if the foreign recipient is engaged in trade or business in the United States.

Your committee believes that it is questionable whether interest income of this type, which is so clearly derived from U.S. sources, should be treated as though derived from sources without the United States and thereby escape U.S. taxation. At the same time, however, your committee realizes that immediate alteration of the present rule might have an adverse effect upon our balance of payments. To meet these two quite different objectives your committee's bill repeals this special foreign source rule, but postpones the repeal until after 1971. At that time your committee will have an opportunity to reconsider any balance of payments problem that then exists.

The bill also provides that as long as bank deposit interest is treated as foreign source income, similar types of interest income are to be given the same treatment.

On the other hand, the present rule with respect to interest paid to nonresident alien individuals or foreign corporations on deposits with foreign branches of U.S. banks would be changed. As amended, this type of interest would be treated as from sources without the United States, and therefore not subject to U.S. tax. Your committee believes that it was appropriate to treat this type of interest as from sources without the United States, since in reality that is what it is. Also it is believed that this amendment was necessary to place these foreign branches of U.S. banks in a competitive position with the other banks in the foreign countries in which they are located.

3. ESTATE TAX PROVISIONS

Another major amendment would modify the United States estate taxation of nonresident aliens. Although the U.S. estates of nonresident aliens are presently subject to the same estate tax rates as citizens or residents, the deductions, exemptions, and credit available to them are substantially less than those allowed to citizens or residents of the United States. Therefore, the estate of a nonresident alien frequently pays a heavier tax on its U.S. assets—and, in some instances, a much heavier tax—than would be true in the case of a similar estate of a U.S. citizen or resident. In an effort to more closely equate the taxation of the U.S. estates of nonresident aliens with the estates of U.S. citizens or residents, the bill would establish a new scale of graduated estate tax rates applicable to nonresident aliens, which would tax those estates in an amount which would be generally equivalent to the tax imposed upon an estate of similar value of a U.S. citizen entitled to a marital deduction. Also, the bill would raise the estate tax exemption of nonresident aliens from $2,000 to $30,000.

The present rule, which excludes deposits in U.S. banks from the gross U.S. estate of a nonresident alien, would be amended by this bill so as to include these assets in the gross estate of such a persons since they are includible in the estates of American citizens and residents.

Additionally, as in the case of the income tax amendments in this bill, a new provision is added to the estate tax provisions which excludes the deposits by foreigners in foreign branches of U.S. banks from the U.S. taxable estates of nonresident aliens. This is done for the simple reason that those assets never enter the United States.

4. EXPATRIATION PROVISIONS

The bill also provides an amendment which establishes special tax treatment for U.S. citizens who expatriate in order to avoid U.S. taxes. Your committee considers such an amendment necessary since—although there are undoubtedly few Americans who would avail themselves of such a maneuver—but for this provision, the bill does make such a scheme more advantageous. Therefore, we wish to foreclose the possibility that this bill would serve as an encouragement to such people. Generally, the expatriation provisions of this bill provide that U.S. source income and the effectively connected income of a citizen received within 5 years after expatriation is to be taxed at the regular U.S. tax rates if a principal purpose of the expatriation was the avoidance of U.S. taxes.

5. OTHER AMENDMENTS

The remaining amendments, which I will not discuss in detail, do not, in my opinion, constitute major changes. In any event I would like to include in the Record at this point the summary of the principal changes and previously referred to:

Summary of Principal Provisions

A. TAXATION OF FOREIGN CORPORATIONS

1. The regular corporate income tax is to apply to all income of foreign corporations which is "effectively connected" with a U.S. business. Under present law, the regular corporate rate applies to all U.S. source income of a foreign corporation which is engaged in a trade or business in this country, whether or not the income in question is connected with that business.

2. Income of a foreign corporation which is not "effectively connected" with a U.S. business is to be taxed at a flat 30 percent rate (or lower treaty rate).

3. In general, income is to be treated as "effectively connected" with a U.S. business if the underlying assets were used or held for use in a U.S. business or if the activities of the U.S. business were a material factor in producing the income. Income from foreign sources will be treated as "effectively connected" only in the case of rents and royalties from licensing, certain banking income, and sales income, but only to the extent that this income is not "subpart F" income.

4. Foreign corporations carrying on a life insurance business in the United States are to be taxed as life insurance companies on income "effectively connected" with this U.S. business. Other income from U.S. sources is to be subject to the flat 30 percent rate (or lower treaty rate).

B. TAXATION OF NONRESIDENT ALIENS

1. Investment and other fixed or determinable income of nonresident aliens which is not "effectively connected" with a U.S. business is to be taxed at a flat 30 percent rate (or lower treaty rate). Under present law the regular rates generally apply with respect to this type of income where it is over $21,200.

2. Investment and other fixed or determinable income which is "effectively connected" with a U.S. business is to be taxed at the regular graduated individual rates. For purposes of determining whether the income is "effectively connected" the same rules apply as set forth above with respect to foreign corporations.

3. U.S. source capital gains which are not "effectively connected" with a U.S. business will be taxed to a nonresident alien only if he is in the United States for 183 days or more during the year. Presently capital gains are taxed if the nonresident alien is physically present when the sale is made or if he has been in the United States for 90 days or more during the year. Capital gains which are "effectively connected" with a U.S. business are to be taxed at the regular rates.

C. ESTATE AND GIFT TAX PROVISIONS

1. A separate schedule of estate tax rates is to apply to estates of nonresident aliens. The rates are graduated from 5 percent on the first $100,000 to 25 percent on the excess over $2 million. The exemption is raised from $2,000 to $30,000. These changes accord approximately the same tax treatment in the case of an estate of a nonresident alien as presently applies for a U.S. citizen eligible for the marital deduction.

2. Bonds of a U.S. person or corporation even though owned by foreigners are to be considered property within the United States and, therefore, subject to U.S. estate tax.

3. Bank deposits of nonresident aliens are to be treated as property within the United States and, therefore, subject to U.S. estate tax (except for deposits in foreign branches of U.S. banks).

4. Transfers of intangible property by nonresident aliens are not to be subject to gift tax whether or not they are engaged in a U.S. business.

D. MISCELLANEOUS PROVISIONS

1. Interest on U.S. bank deposits of foreigners is to be taxed after 1971; until then interest on accounts with mutual savings banks, etc., and on deposits with insurance companies are to be treated as foreign source income.

2. The Treasury Department is authorized to require payments of amounts withheld from nonresident aliens and foreign corporations on a quarterly basis.

3. Except in the case of dealers and certain investment companies, trading in stocks or securities in the United States, for one's own account, whether by a foreign investor physically present in the United States, through an employee located here, or through a resident agent (whether or not the agent has discretionary authority) is not to constitute a trade or business in the United States for income tax purposes. A parallel rule is provided for those trading in commodities.

4. U.S. source income and the effectively connected income of a citizen received for 5 years after expatriation is, in most cases, to be taxed at the regular U.S. tax rates if a principal purpose of the expatriation was the avoidance of U.S. income, estate, or gift taxes.

CONCLUSION

In conclusion, I would like to reiterate that this bill was primarily designed to provide equitable tax treatment for nonresident aliens and foreign corporations, treating them generally on a basis which is consistent with the tax treatment of American citizens and domestic corporations. It is believed that this more equitable treatment will, to some extent, encourage foreigners to invest in the United States, but this is not the principal purpose of the legislation before the House.

The bill was reported favorably by the committee. It is supported by the Treasury Department. I therefore urge the Members to support the measure here today.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, if I understood, did the gentleman say that the exemptions on estates were increased from $2,000 to $60,000?

Mr. MILLS. The exemption is increased from $2,000 to $30,000 to treat them more nearly like U.S. citizens or residents. However, the American citizen is still better off since his exemption is $60,000, instead of $30,000.

Mr. GROSS. That is a tremendous increase.

The next question is: What are the foreigners doing by way of equal treatment for American investors in foreign countries?

Mr. MILLS. Let me say to my friend that most foreign countries do not impose estate taxes on assets of Americans which are located in their countries. Those that do usually impose relatively low rate taxes. In addition we have provisions in this bill which permit the President to raise income or estate taxes with respect to citizens or residents of foreign countries which impose more burdensome taxes on Americans with income or assets from sources within their countries.

Mr. BATTIN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Montana.

Mr. BATTIN. Mr. Chairman, it seems to me that during the hearings on this matter it was pointed out that one of the compelling reasons to equate our taxes as we did—at least as recommended in this bill—was to put us more on a par with some of the foreign powers, so as to attract capital—rather than have capital go into their countries—because they receive a fair tax treatment.

Mr. MILLS. The gentleman is entirely correct. However, we also tried to make sure that the foreign country treated our citizens or residents fairly.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. CURTIS. Mr. Chairman, I simply want to recall that this was a point a number of us made in the executive session with the Treasury Department. We hoped there would be real reciprocity in these tax concessions.

I can assure the gentleman from Iowa that this point was uppermost in the minds of the members of the Ways and Means Committee. I believe most of us were satisfied with the results. Certainly I was satisfied that under the bill we were moving toward more reciprocity.

Mr. MILLS. I think my friend from Missouri would agree that even if we pass this bill, the estate tax we impose on the assets of these foreigners located in the United States would in most cases still be higher, in all probability, than the taxes we impose on our own citizens.

Mr. CURTIS. I agree with the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. I merely used that as an example. I did not mean to confine it to the estate tax.

Mr. MILLS. On the income tax side, too, we will still be taxing foreigners at relatively high rates. Of course, we have treaties with some countries that fix the rate of tax on certain types of income at 15 percent or in some cases at lower rates. Those countries in turn, however, generally apply similar low rates to citizens of the United States deriving income from those countries.

Mr. GROSS. Suppose an alien bought Government securities, such as E or H bonds, or something of that kind, or, as someone suggests, participation certificates under the legislation recently enacted. What would happen under those circumstances? Would he pay tax to this country, or be exempt?

Mr. MILLS. Those are not exempt. They are subject to U.S. tax.

Mr. GROSS. None of them are exempt?

Mr. MILLS. This is interest income developed within the United States, and it is subject to U.S. tax.

If that is all the individual received from U.S. sources or if it is not effectively connected to a U.S. business, he would pay tax on that income at the flat rate of 30 percent or lower applicable treaty rate. An American citizen would be likely to be taxed on similar income at, say, a 14-percent rate or a 20-percent rate, but a nonresident alien would be taxed at 30 percent, unless we had a treaty with his country making it less.

If there were business income—if the individual had a business establishment developing business income in the United States—that business income would be taxed just as any other business income would be taxed in the United States. This would also be true of income effectively connected with this business income.

Mr. GROSS. I thank the gentleman.

Mr. de la GARZA. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Texas.

Mr. de la GARZA. I come from the border country, as the gentleman knows. There are commercial banks which derive deposits from both sides of the border, in Mexico and the United States.

A nonresident alien might have a commercial banking account on the U.S. side. Would interest income on that account be touched by this legislation?

Mr. MILLS. If he had a bank account in the United States, until after 1971 interest on this account would not be taxed by the United States. Moreover, interest on deposits in U.S. branches in foreign countries by foreigners will not be taxed under the bill at any time. I should also say that there are no special rules in this bill applicable exclusively to Mexico. Mexico is treated the same as any other foreign country.

Mr. de la GARZA. I understand what the bill does, and I am glad it does not tax interest on deposits of Mexican residents in U.S. banks until after 1971. I wish it did not do so after that time. Mexico is a matter of interest to me, since it is close to me.

Mr. MILLS. I understand.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill before us deals primarily with the taxation of the income derived from U.S. sources by nonresident aliens, both individuals and foreign corporations. The bill is largely technical in nature. Many of these matters are covered by tax treaty. However, the bill will provide rules to apply in the absence of treaty, and in areas which may not be covered with the foreign country if we have such a treaty.

According to the estimates submitted by the Treasury Department and incorporated in the committee report, you will note that the bill shows a net revenue gain when fully effective of about $1 million.

In order to encourage investment in the United States, the bill seeks to eliminate progressive taxation of nonresident aliens not engaged in a trade or business in the United States and to place a ceiling on the estate tax rates applicable to the investments producing such an income. Added together, these provisions result in a revenue loss of about $3,800,000.

This is largely offset by a provision modifying the rules for taxing the income of foreign life insurance companies doing business in the United States—mainly Canadian—which results in a revenue gain of about $3 million. This change cures an admitted deficiency in existing law in the taxation of foreign life insurance companies.

The bill further provides for the payment on a quarterly basis, or more frequently if the Treasury should elect, of taxes withheld from foreigners. Under present law, such taxes are paid to the Treasury only once each year. As you know, the Treasury has taken steps to have taxes withheld on American citizens paid over to the Treasury twice a month. I see no reason why taxes withheld on nonresident aliens and foreign corporations should not be turned over to the Treasury more often than once each year. If the Treasury collects these taxes quarterly, the provision will raise about $22,500,000 on a "one-shot" basis. In turn, the savings in interest on this amount is estimated at about $1,600,000 annually thereafter.

Under existing law, interest derived by a nonresident alien on bank deposits in the United States is exempt from tax. However, interest on savings and loan deposits or on funds deposited with an insurance company are taxable. Under the bill interest from all three sources is treated in the same manner. Up to December 31, 1971, all such interest would be exempt from tax. After December 31, 1971, all such interest would be taxable in the same manner as any other income derived by nonresident aliens from U.S. sources. When this provision goes into effect, it is estimated that an additional $300,000 in revenue will be realized.

Admittedly, in terms of revenue loss or revenue gain, the bill has only minor significance. The bill is not designed, and is not intended either to grant any tax concession or incentives for investments in the United States or to raise revenues by imposing additional taxes on the income derived from foreign investments in the United States.

After very careful study and review, and extensive hearings, the committee put together this bill primarily to do "equity" to foreign investors. You will note that the bill incorporates some 22 new tax rules dealing with investments from abroad. When taken together, it is hoped that the bill will provide a better climate—and more certainty and clarification—for those from abroad who are presently investing their funds in the United States, as well as new investors from abroad. As far as I know, everyone conversant with this field agrees that the bill is fair and equitable and deserves support.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I only take this time to play a pleasant role, because I so often find myself playing an unpleasant role. I wish to say that not only am I in accord with the bill that has been presented here in detail, and it is a very technical bill, the result of considerable work, but also to point out that the procedures followed by the committee, in considering and drafting this bill in my judgment, were exemplary. There were extensive public hearings. To those who are interested in the Congress exercising initiative, I would underline the remarks of the chairman of the committee that when this bill was presented to us it was on a policy of stimulating investments by foreigners in the United States. This policy was changed substantially so as to make the bill's primary objective the equitable tax treatment by the United States of alien investors vis-a-vis the U.S. investor. Undoubtedly this kind of equitable treatment provided in the bill will increase foreign investment in the United States.

The only other observation I have to make relates to the reason I asked the chairman to yield during his presentation. The reciprocity aspect of how foreign countries treat our citizens taxwise was foremost in your committee's mind during our deliberations on this bill. I am satisfied a very fine job was done here. I certainly can commend this bill wholeheartedly for favorable action by the Committee of the Whole House.

Mr. MILLS. Mr. Chairman, I have no further requests for time.

Mr. BYRNES of Wisconsin. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment.

The bill is as follows:

H.R. 13103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Short Title, Etc.

(a) Short Title.—This Act may be cited as the "Foreign Investors Tax Act of 1966".

(b) Table of Contents.—

Sec. 1. Short title, etc.
(a) Short title.
(b) Table of contents.
(c) Amendment of 1954 Code.

Sec. 2. Source of income.
(a) Interest.
(b) Dividends.
(c) Personal services.
(d) Definitions.
(e) Effective dates.

Sec. 3. Nonresident alien individuals.
(a) Tax on nonresident alien individuals:
"Sec. 871. Tax on nonresident alien individuals.
"(a) Income not connected with United States business—30 percent tax.
"(b) Income connected with United States business—graduated rate of tax.
"(c) Participants in certain exchange or training programs.
"(d) Election to treat real property income as income connected with United States business.
"(e) Cross references."
(b) Gross income.
(c) Deductions.
(d) Allowance of deductions and credits.
(e) Expatriation to avoid tax:
"Sec. 877. Expatriation to avoid tax.
"(a) In general.
"(b) Alternative tax.
"(c) Special rules of source.
"(d) Exception for loss of citizenship for certain causes.
"(e) Burden of proof."
(f) Partial exclusion of dividends.
(g) Withholding of tax on nonresident aliens.
(h) Liability for withheld tax.
(i) Declaration of estimated income tax by individuals.
(j) Gain from dispositions of certain depreciable realty.
(k) Collection of income tax at source on wages.
(l) Definition of foreign estate or trust.
(m) Conforming amendment.
(n) Effective dates.

Sec. 4. Foreign corporations.
(a) Tax on income not connected with United States business:
"Sec. 881. Income of foreign corporations not connected with United States business.
"(a) Imposition of tax.
"(b) Doubling of tax."
(b) Tax on income connected with United States business:
"Sec. 882. Income of foreign corporations connected with United States business.
"(a) Normal tax and surtax.
"(b) Gross income.
"(c) Allowance of deductions and credits.
"(d) Election to treat real property income as income connected with United States business.
"(e) Returns of tax by agent.
"(f) Foreign corporations."
(c) Withholding of tax on foreign corporations.
(d) Dividends received from certain foreign corporations.
(e) Unrelated business taxable income.
(f) Corporations subject to personal holding company tax.
(g) Amendments with respect to foreign corporations carrying on insurance business in United States.
(h) Subpart F income.
(i) Gain from certain sales or exchanges of stock in certain foreign corporations.
(j) Declaration of estimated income tax by corporations.
(k) Technical amendments.
(l) Effective dates.

Sec. 5. Special tax provisions.
(a) Income affected by treaty.
(b) Application of pre-1967 income tax provisions:
"Sec. 896. Application of pre-1967 income tax provisions.
"(a) Imposition of more burdensome taxes by foreign country.
"(b) Alleviation of more burdensome taxes.
"(c) Notification of Congress required.
"(d) Implementation by regulations."
(c) Clerical amendments.
(d) Effective date.

Sec. 6. Foreign tax credit.
(a) Allowance of credit to certain nonresident aliens and foreign corporations.
(b) Alien residents of the United States or Puerto Rico.

Sec. 7. Amendment to preserve existing law on deductions under section 931.
(a) Deductions.
(b) Effective date.

Sec. 8. Estates of nonresidents not citizens.
(a) Rate of tax.
(b) Credits against tax.
(c) Property within the United States.
(d) Property without the United States.
(e) Definition of taxable estate.
(f) Special methods of computing tax:
"Sec. 2107. Expatriation to avoid tax.
"(a) Rate of tax.
"(b) Gross estate.
"(c) Credits.
"(d) Exception for loss of citizenship for certain causes.
"(e) Burden of proof.
"Sec. 2108. Application of pre-1967 estate tax provisions.
"(a) Imposition of more burdensome tax by foreign country.
"(b) Alleviation of more burdensome tax.
"(c) Notification of Congress required.
"(d) Implementation by regulations."
(g) Estate tax returns.
(h) Clerical amendment.
(i) Effective date.

Sec. 9. Tax on gifts of nonresidents not citizens.
(a) Imposition of tax.
(b) Transfers in general.
(c) Effective date.

Sec. 10. Treaty obligations.

(c) Amendment of 1954 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954.

Sec. 2. Source of Income.

(a) Interest.—

(1) (A) Subparagraph (A) of section 861 (a) (1) (relating to interest from sources within the United States) is amended to read as follows:

"(A) interest on amounts described in subsection (c) received by a nonresident alien individual or a foreign corporation, if such interest is not effectively connected with the conduct of a trade or business within the United States,".

(B) Section 861 is amended by adding at the end thereof the following new subsection:

"(c) Interest on Deposits, Etc.—For purposes of subsection (a) (1) (A), the amounts described in this subsection are—

"(1) deposits with persons carrying on the banking business,

"(2) deposits or withdrawable accounts with savings institutions chartered and supervised as savings and loan or similar associations under Federal or State law, but only to the extent that amounts paid or credited on such deposits or accounts are deductible under section 591 in computing the taxable income of such institutions, and

"(3) amounts held by an insurance company under an agreement to pay interest thereon.

Effective with respect to amounts paid or credited after December 31, 1971, subsection (a) (1) (A) and this subsection shall cease to apply."

(2) Section 861(a) (1) is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(D) interest on deposits with a foreign branch of a domestic corporation, if such branch is engaged in the commercial banking business."

(3) (A) Section 895 (relating to income derived by a foreign central bank of issue from obligations of the United States) is amended—

(i) by striking out "shall not be included" and inserting in lieu thereof ", or from interest on deposits with persons carrying on the banking business, shall not be included";

(ii) by striking out "such obligations" and inserting in lieu thereof "such obligations or deposits";

(iii) by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the Bank for International Settlements shall be treated as a foreign central bank of issue with respect to interest on deposits with persons carrying on the banking business."; and

(iv) by striking out the heading and inserting in lieu thereof the following:

"Sec. 895. Income Derived by a Foreign Bank of Issue From Obligations of the United States or From Bank Deposits."

(B) The table of sections for subpart C of part II of subchapter N of chapter 1 is amended by striking out the item relating to section 895 and inserting in lieu thereof the following:

"Sec. 895. Income derived by a foreign central bank of issue from obligations of the United States or from bank deposits."

(b) Dividends.—

(1) Section 861(a)(2)(B) (relating to dividends from sources within the United States) is amended to read as follows:

"(B) from a foreign corporation unless less than 80 percent of the gross income from all sources of such foreign corporation for the 3-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was effectively connected with the conduct of a trade or business within the United States; but only in an amount which bears the same ratio to such dividends as the gross income of the corporation for such period which is effectively connected with the conduct of a trade or business within the United States bears to its gross income from all sources; but dividends from a foreign corporation shall, for purposes of subpart A of part III (relating to foreign tax credit), be treated as income from sources without the United States to the extent (and only to the extent) exceeding the amount which is 100/85ths of the amount of the deduction allowable under section 245 in respect of such dividends, or".

(2) Section 861(a)(2) is amended by adding after subparagraph (C) the following: "For purposes of subparagraph (B), the gross income of the foreign corporation for any period before the first taxable year beginning after December 31, 1966, which is effectively connected with the conduct of a trade or business within the United States is an amount equal to the gross income for such period from sources within the United States."

(c) Personal Services.—Section 861(a)(3)(C)(ii) (relating to income from personal services) is amended to read as follows:

"(ii) an individual who is a citizen or resident of the United States, a domestic partnership, or a domestic corporation, if such labor or services are performed for an office or place of business maintained in a foreign country or in a possession of the United States by such individual, partnership, or corporation."

(d) Definitions.—Section 864 (relating to definitions) is amended—

(1) by striking out "For purposes of this part," and inserting in lieu thereof

"(a) Sale, Etc.—For purposes of this part,"; and

(2) by adding at the end thereof the following new subsections:

"(b) Trade or Business Within the United States.—For purposes of this part, part II, and chapter 3, the term 'trade or business within the United States' includes the performance of personal services within the United States at any time within the taxable year, but does not include—

"(1) Performance of personal services for foreign employer.—The performance of personal services—

"(A) for a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

"(B) for an office or place of business maintained in a foreign country or in a possession of the United States by an individual who is a citizen or resident of the United States or by a domestic partnership or a domestic corporation,

by a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of 90 days during the taxable year and whose compensation for such services does not exceed in the aggregate $3,000.

"(2) Trading in securities or commodities.—

"(A) Stocks and securities.—

"(i) Except in the case of a dealer in stocks or securities, trading in stocks or securities for the taxpayer's own account, whether by the taxpayer or his employees or through a resident broker, commission agent, custodian, or other agent, and whether or not any such agent has discretionary authority to make decisions in effecting the transactions. This clause shall not apply in the case of a corporation (other than a corporation which is, or but for section 542(c)(7) would be, a personal holding company) the principal business of which is trading in stocks or securities for its own account, if its principal office is in the United States.

"(ii) In the case of a person who is a dealer in stocks or securities, trading in stocks or securities for his own account through a resident broker, commission agent, custodian, or other independent agent.

"(B) Commodities.—

"(i) Except in the case of a dealer in commodities, trading in commodities for the taxpayer's own account, whether by the taxpayer or his employees or through a resident broker, commission agent, custodian, or other agent, and whether or not any such agent has discretionary authority to make decisions in effecting the transactions.

"(ii) In the case of a person who is a dealer in commodities, trading in commodities for his own account through a resident broker, commission agent, custodian, or other independent agent.

"(iii) Clauses (i) and (ii) apply only if the commodities are of a kind customarily dealt in on an organized commodity exchange and if the transaction is of a kind customarily consummated at such place.

"(C) Limitation.—Subparagraphs (A)(ii) and (B)(ii) shall apply only if, at no time during the taxable year, the taxpayer has an office or place of business in the United States through which or by the direction of which the transactions in stocks or securities, or in commodities, as the case may be, are effected.

"(c) Effectively Connected Income, Etc.

"(1) General rule.—For purposes of this title—

"(A) In the case of a nonresident alien individual or a foreign corporation engaged in trade or business within the United States during the taxable year, the rules set forth in paragraphs (2), (3), and (4) shall apply in determining the income, gain, or loss which shall be treated as effectively connected with the conduct of a trade or business within the United States.

"(B) Except as provided in section 871(d) or section 882(d), in the case of a nonresident alien individual or a foreign corporation not engaged in trade or business within the United States during the taxable year, no income, gain, or loss shall be treated as effectively connected with the conduct of a trade or business within the United States.

"(2) Periodical, etc., income from sources within United States—factors.—In determining whether income from sources within the United States of the types described in section 871(a)(1) or section 881(a), or whether gain or loss from sources within the United States from the sale or exchange of capital assets, is effectively connected with the conduct of a trade or business within the United States, the factors taken into account shall include whether—

"(A) the income, gain, or loss is derived from assets used in or held for use in the conduct of such trade or business, or

"(B) the activities of such trade or business were a material factor in the realization of the income, gain, or loss.

In determining whether an asset is used in or held for use in the conduct of such trade or business or whether the activities of such trade or business were a material factor in realizing an item of income, gain, or loss, due regard shall be given to whether or not such asset or such income, gain, or loss was accounted for through such trade or business. In applying this paragraph and paragraph (4), interest referred to in section 861(a)(1)(A) shall be considered income from sources within the United States.

"(3) Other income from sources within united states.—All income, gain, or loss from sources within the United States (other than income, gain, or loss to which paragraph (2) applies) shall be treated as effectively connected with the conduct of a trade or business within the United States.

"(4) Income from sources without united states.—

"(A) Except as provided in subparagraph (B), no income, gain, or loss from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States.

"(B) Income, gain, or loss from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States by a nonresident alien individual or a foreign corporation if such person has an office or other fixed place of business within the United States to which such income, gain, or loss is attributable and such income, gain, or loss—

"(i) consists of rents or royalties for the use of or for the privilege of using intangible property described in section 862(a)(4) (including any gain or loss realized on the sale of such property) derived in the active conduct of such trade or business;

"(ii) consists of dividends or interest, or gain or loss from the sale or exchange of stock or notes, bonds, or other evidences of indebtedness, and either is derived in the active conduct of a banking, financing, or similar business within the United States or is received by a corporation the principal business of which is trading in stock or securities for its own account; or

"(iii) is derived from the sale (without the United States) through such office or fixed place of business of personal property described in section 1221(1), except that this clause shall not apply if the property is sold for use, consumption, or disposition outside the United States and an office or other fixed place of business of the taxpayer outside the United States participated materially in such sale.

In the case of a sale described in clause (iii), the income which shall be treated as attributable to the office or other fixed place of business within the United States shall not exceed the income which would be derived from sources within the United States if the sale were made in the United States.

"(C) No income, gain, or loss from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States if it either—

"(i) consists of dividends, interest, or royalties paid by a foreign corporation in which the taxpayer owns (within the meaning of section 958(a)), or is considered as owning (by applying the ownership rules of section 958(b)), more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or

"(ii) is subpart F income within the meaning of section 952(a)."

(e) Effective Dates.—

(1) The amendments made by subsections (a), (c), and (d) shall apply with respect to taxable years beginning after December 31, 1966.

(2) The amendments made by subsection (b) shall apply with respect to amounts received after December 31, 1966.

Sec. 3. Nonresident Alien Individuals.

(a) Tax on Nonresident Alien Individuals.—

(1) Section 871 (relating to tax on nonresident alien individuals) is amended to read as follows:

"Sec. 871. Tax on Nonresident Alien Individuals.

"(a) Income Not Connected With United States Business—30 Percent Tax.—

"(1) Income other than capital gains.—There is hereby imposed for each taxable year a tax of 30 percent of the amount received from sources within the United States by a nonresident alien individual as—

"(A) interest, dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, and other fixed or determinable annual or periodical gains, profits, and income,

"(B) gains described in section 402(a)(2), 403(a)(2), or 631 (b) or (c), and gains on transfers described in section 1235, and

"(C) amounts which under section 341, or under section 1232 (in the case of bonds or other evidences of indebtedness issued after September 28, 1965), are treated as gains from the sale or exchange of property which is not a capital asset,

but only to the extent the amount so received is not effectively connected with the conduct of a trade or business within the United States.

"(2) Capital gains of aliens present in the United States 183 days or more.—In the case of a nonresident alien individual present in the United States for a period or periods aggregating 183 days or more during the taxable year, there is hereby imposed for such year a tax of 30 percent of the amount by which his gains, derived from sources within the United States, from the sale or exchange at any time during such year of capital assets exceed his losses, allocable to sources within the United States, from the sale or exchange at any time during such year of capital assets. For purposes of this paragraph, gains and losses shall be taken into account only if, and to the extent that, they would be recognized and taken into account if such gains and losses were effectively connected with the conduct of a trade or business within the United States, except that such gains and losses shall be determined without regard to section 1202 (relating to deduction for capital gains) and such losses shall be determined without the benefits of the capital loss carryover provided in section 1212. Any gain or loss which is taken into account in determining the tax under paragraph (1) or subsection (b) shall not be taken into account in determining the tax under this paragraph. For purposes of the 183-day requirement of this paragraph, a nonresident alien individual not engaged in trade or business within the United States who has not established a taxable year for any prior period shall be treated as having a taxable year which is the calendar year.

"(b) Income Connected With United States Business—Graduated Rate of Tax.—

"(1) Imposition of tax.—A nonresident alien individual engaged in trade or business within the United States during the taxable year shall be taxable as provided in section 1 or 1201(b) on his taxable income which is effectively connected with the conduct of a trade or business within the United States.

"(2) Determination of taxable income.—In determining taxable income for purposes of paragraph (1), gross income includes only gross income which is effectively connected with the conduct of a trade or business within the United States.

"(c) Participants in Certain Exchange or Training Programs.—For purposes of this section, a nonresident alien individual who (without regard to this subsection) is not engaged in trade or business within the United States and who is temporarily present in the United States as a nonimmigrant under subpararagaph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101(a)(15)(F) or (J)), shall be treated as a nonresident alien individual engaged in trade or business within the United States, and any income described in section 1441(b) (1) or (2) which is received by such individual shall, to the extent derived from sources within the United States, be treated as effectively connected with the conduct of a trade or business within the United States.

"(d) Election To Treat Real Property Income as Income Connected With United States Business.—

"(1) In general.—A nonresident alien individual who during the taxable year derives any income—

"(A) from real property located in the United States, or from any interest in such real property, including (i) gains from the sale or exchange of real property or an interest therein, (ii) rents or royalties from mines, wells, or other natural deposits, and (iii) gains described in section 631 (b) or (c), and

"(B) which, but for this subsection, would not be treated as income which is effectively connected with the conduct of a trade or business within the United States,

may elect for such taxable year to treat all such income as income which is effectively connected with the conduct of a trade or business within the United States. In such case, such income shall be taxable as provided in subsection (b)(1) whether or not such individual is engaged in trade or business within the United States during the taxable year. An election under this paragraph for any taxable year shall remain in effect for all subsequent taxable years, except that it may be revoked with the consent of the Secretary or his delegate with respect to any taxable year.

"(2) Election after revocation.—If an election has been made under paragraph (1) and such election has been revoked, a new election may not be made under such paragraph for any taxable year before the 5th taxable year which begins after the first taxable year for which such revocation is effective, unless the Secretary or his delegate consents to such new election.

"(3) Form and time of election and revocation.—An election under paragraph (1), and any revocation of such an election, may be made only in such manner and at such time as the Secretary or his delegate may by regulations prescribe.

"(e) Cross References.—

"(1) For tax treatment of certain amounts distributed by the United States to nonresident alien individuals, see section 402(a)(4).

"(2) For taxation of nonresident alien individuals who are expatriate United States citizens, see section 877.

"(3) For doubling of tax on citizens of certain foreign countries, see section 891.

"(4) For reinstatement of pre-1967 income tax provisions in the case of residents of certain foreign countries, see section 896.

"(5) For withholding of tax at source on nonresident alien individuals, see section 1441.

"(6) For the requirement of making a declaration of estimated tax by certain nonresident alien individuals, see section 6015(i).

"(7) For taxation of gains realized upon certain transfers to domestic corporations, see section 1250(d)(3)."

(2) Section 1 (relating to tax on individuals) is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) Nonresident Aliens.—In the case of a nonresident alien individual, the tax imposed by subsection (a) shall apply only as provided by section 871 or 877."

(b) Gross Income.—

(1) Subsection (a) of section 872 (relating to gross income of nonresident alien individuals) is amended to read as follows:

"(a) General Rule.—In the case of a nonresident alien individual, gross income includes only—

"(1) gross income which is derived from sources within the United States and which is not effectively connected with the conduct of a trade or business within the United States, and

"(2) gross income which is effectively connected with the conduct of a trade or business within the United States."

(2) Subparagraph (B) of section 872(b)(3) (relating to compensation of participants in certain exchange or training programs) is amended by striking out "by a domestic corporation" and inserting in lieu thereof "by a domestic corporation, a domestic partnership, or an individual who is a citizen or resident of the United States".

(3) Subsection (b) of section 872 (relating to exclusions from gross income) is amended by adding at the end thereof the following new paragraph:

"(4) Bond interest of residents of the Ryukyu Islands or the Trust Territory of the Pacific Islands.—Income derived by a nonresident alien individual from a series E or series H United States savings bond, if such individual acquired such bond while a resident of the Ryukyu Islands or the Trust Territory of the Pacific Islands."

(c) Deductions.—

(1) Section 873 (relating to deductions allowed to nonresident alien individuals) is amended to read as follows:

"Sec. 873. Deductions.

"(a) General Rule.—In the case of a nonresident alien individual, the deductions shall be allowed only for purposes of section 871(b) and (except as provided by subsection (b)) only if and to the extent that they are connected with income which is effectively connected with the conduct of a trade or business within the United States; and the proper apportionment and allocation of the deductions for this purpose shall be determined as provided in regulations prescribed by the Secretary or his delegate.

"(b) Exceptions.—The following deductions shall be allowed whether or not they are connected with income which is effectively connected with the conduct of a trade or business within the United States:

"(1) Losses.—The deduction, for losses of property not connected with the trade or business if arising from certain casualties or theft, allowed by section 165(c)(3), but only if the loss is of property located within the United States.

"(2) Charitable contributions.—The deduction for charitable contributions and gifts allowed by section 170.

"(3) Personal exemption.—The deduction for personal exemptions allowed by section 151, except that in the case of a nonresident alien individual who is not a resident of a contiguous country only one exemption shall be allowed under section 151.

"(c) Cross References.—

"(1) For disallowance of standard deduction, see section 142(b)(1).

"(2) For rule that certain foreign taxes are not to be taken into account in determining deduction or credit, see section 906(b)(1)."

(2) Section 154(3) (relating to cross references in respect of deductions for personal exemptions) is amended to read as follows:

"(3) For exemptions of nonresident aliens, see section 873(b)(3)."

(d) Allowance of Deductions and Credits.—Subsection (a) of section 874 (relating to filing of returns) is amended to read as follows:

"(a) Return Prerequisite to Allowance.—A nonresident alien individual shall receive the benefit of the deductions and credits allowed to him in this subtitle only by filing or causing to be filed with the Secretary or his delegate a true and accurate return, in the manner prescribed in subtitle F (sec. 6001 and following, relating to procedure and administration), including therein all the information which the Secretary or his delegate may deem necessary for the calculation of such deductions and credits. This subsection shall not be construed to deny the credits provided by sections 31 and 32 for tax withheld at source or the credit provided by section 39 for certain uses of gasoline and lubricating oil."

(e) EXPATRIATION TO AVOID TAX.—

(1) Subpart A of part II of subchapter N of chapter 1 (relating to nonresident alien individuals) is amended by redesignating section 877 as section 878, and by inserting after section 876 the following new section:

"SEC. 877. EXPATRIATION TO AVOID TAX.

"(a) IN GENERAL.—Every nonresident alien individual who at any time after March 8, 1965, and within the five-year period immediately preceding the close of the taxable year lost United States citizenship, unless such loss did not have for one of its principal purposes the avoidance of taxes under this subtitle or subtitle B, shall be taxable for such taxable year in the manner provided in subsection (b) if the tax imposed pursuant to such subsection exceeds the tax which, without regard to this section, is imposed pursuant to section 871.

"(b) ALTERNATIVE TAX.—A nonresident alien individual described in subsection (a) shall be taxable for the taxable year as provided in section 1 or section 1201(b), except that—

"(1) the gross income shall include only the gross income described in section 872(a) (as modified by subsection (c) of this section), and

"(2) the deductions shall be allowed if and to the extent that they are connected with the gross income included under this section, except that the capital loss carryover provided by section 1212(b) shall not be allowed; and the proper allocation and apportionment of the deductions for this purpose shall be determined as provided under regulations prescribed by the Secretary or his delegate.

For purposes of paragraph (2), the deductions allowed by section 873(b) shall be allowed; and the deduction (for losses not connected with the trade or business if incurred in transactions entered into for profit) allowed by section 165(c)(2) shall be allowed, but only if the profit, if such transaction had resulted in a profit, would be included in gross income under this section.

"(c) SPECIAL RULES OF SOURCE.—For purposes of subsection (b), the following items of gross income shall be treated as income from sources within the United States:

"(1) SALE OF PROPERTY.—Gains on the sale or exchange of property (other than stock or debt obligations) located in the United States.

"(2) STOCK OR DEBT OBLIGATIONS.—Gains on the sale or exchange of stock issued by a domestic corporation or debt obligations of United States persons or of the United States, a State or political subdivision thereof, or the District of Columbia.

"(d) EXCEPTION FOR LOSS OF CITIZENSHIP FOR CERTAIN CAUSES.—Subsection (a) shall not apply to a non-resident alien individual whose loss of United States citizenship resulted from the application of section 301 (b), 350, or 355 of the Immigration and Nationality Act, as amended (8 U.S.C. 1401(b), 1482, or 1487).

"(e) BURDEN OF PROOF.—If the Secretary or his delegate establishes that it is reasonable to believe that an individual's loss of United States citizenship would, but for this section, result in a substantial reduction for the taxable year in the taxes on his probable income for such year, the burden of proving for such taxable year that such loss of citizenship did not have for one of its principal purposes the avoidance of taxes under this subtitle or subtitle B shall be on such individual."

(2) The table of sections for subpart A of part II of subchapter N of chapter 1 (relating to nonresident alien individuals) is amended by striking out the item relating to section 877 and inserting in lieu thereof the following:

"Sec. 877. Expatriation to avoid tax.

"Sec. 878. Foreign educational, charitable, and certain other exempt organizations."

(f) PARTIAL EXCLUSION OF DIVIDENDS.—Subsection (d) of section 116 (relating to certain nonresident aliens ineligible for exclusion) is amended to read as follows:

"(d) CERTAIN NONRESIDENT ALIENS INELIGIBLE FOR EXCLUSION.—In the case of a nonresident alien individual, subsection (a) shall apply only—

"(1) in determining the tax imposed for the taxable year pursuant to section 871(b)(1) and only in respect of dividends which are effectively connected with the conduct of a trade or business within the United States, or

"(2) in determining the tax imposed for the taxable year pursuant to section 877(b)."

(g) WITHHOLDING OF TAX ON NONRESIDENT ALIENS.—Section 1441 (relating to withholding of tax on nonresident aliens) is amended—

(1) by striking out "(except interest on deposits with persons carrying on the banking business paid to persons not engaged in business in the United States)" in subsection (b);

(2) by striking out "and amounts described in section 402(a)(2)" and all that follows in the first sentence of subsection (b) and inserting in lieu thereof "and gains described in section 402(a)(2), 403(a)(2), or 631(b) or (c), and gains on transfers described in section 1235.";

(3) by striking out paragraph (1) of subsection (c) and inserting in lieu thereof the following new paragraph:

"(1) INCOME CONNECTED WITH UNITED STATES BUSINESS.—No deduction or withholding under subsection (a) shall be required in the case of any item of income (other than compensation for personal services) which is effectively connected with the conduct of a trade or business within the United States and on which a tax is imposed for the taxable year pursuant to section 871 (b)(1).";

(4) by amending paragraph (4) of subsection (c) to read as follows:

"(4) COMPENSATION OF CERTAIN ALIENS.—Under regulations prescribed by the Secretary or his delegate, compensation for personal services may be exempted from deduction and withholding under subsection (a)."; and

(5) by striking out "amounts described in section 402(a)(2), section 403(a)(2), section 631 (b) and (c), and section 1235, which are considered to be gains from the sale or exchange of capital assets," in paragraph (5) of subsection (c) and inserting in lieu thereof "gains described in section 402(a)(2), 403 (a)(2), or 631 (b) or (c), and gains on transfers described in section 1235,", and by striking out "proceeds from such sale or exchange," in such paragraph and inserting in lieu thereof "amount payable,".

(h) LIABILITY FOR WITHHELD TAX.—Section 1461 (relating to return and payment of withheld tax) is amended to read as follows:

"SEC. 1461. LIABILITY FOR WITHHELD TAX.

"Every person required to deduct and withhold any tax under this chapter is hereby made liable for such tax and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this chapter."

(i) DECLARATION OF ESTIMATED INCOME TAX BY INDIVIDUALS.—Section 6015 (relating to declaration of estimated income tax by individuals) is amended—

(1) by striking out that portion of subsection (a) which precedes paragraph (1) and inserting in lieu thereof the following:

"(a) REQUIREMENT OF DECLARATION.—Except as otherwise provided in subsection (i), every individual shall make a declaration of his estimated tax for the taxable year if—";

(2) by redesignating subsection (i) as subsection (j); and

(3) by inserting after subsection (h) the following new subsection:

"(i) NONRESIDENT ALIEN INDIVIDUALS.—No declaration shall be required to be made under this section by a nonresident alien individual unless—

"(1) withholding under chapter 24 is made applicable to the wages, as defined in section 3401(a), of such individual,

"(2) such individual has income (other than compensation for personal services subject to deduction and withholding under section 1441) which is effectively connected with the conduct of a trade or business within the United States, or

"(3) such individual is a resident of Puerto Rico during the entire taxable year."

(j) GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE REALTY.—The second sentence of paragraph (3) of section 1250(d) (relating to certain tax-free transactions) is amended to read as follows: "This paragraph shall not apply to—

"(A) a disposition to an organization (other than a cooperative described in section 521) which is exempt from the tax imposed by this chapter, or

"(B) a transfer of property by a nonresident alien individual, a foreign estate or trust, or a foreign partnership, to a domestic corporation in exchange for stock or securities in such corporation in a transaction to which section 351 applies."

(k) COLLECTION OF INCOME TAX AT SOURCE ON WAGES.—Subsection (a) of section 3401 (relating to definition of wages for purposes of collection of income tax at source) is amended by striking out paragraphs (6) and (7) and inserting in lieu thereof the following:

"(6) for such services, performed by a nonresident alien individual, as may be designated by regulations prescribed by the Secretary or his delegate; or"

(l) DEFINITION OF FOREIGN ESTATE OR TRUST.—Section 7701(a)(31) (defining foreign estate or trust) is amended by striking out "from sources without the United States" and inserting in lieu thereof ", from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States,".

(m) CONFORMING AMENDMENT.—The first sentence of section 932(a) (relating to citizens of possessions of the United States) is amended to read as follows: "Any individual who is a citizen of any possession of the United States (but not otherwise a citizen of the United States) and who is not a resident of the United States shall be subject to taxation under this subtitle in the same manner and subject to the same conditions as in the case of a nonresident alien individual."

(n) EFFECTIVE DATES.—

(1) The amendments made by this section (other than the amendments made by subsections (h) and (k)) shall apply with respect to taxable years beginning after December 31, 1966.

(2) The amendments made by subsection (h) shall apply with respect to payments occuring after December 31, 1966.

(3) The amendments made by subsection (k) shall apply with respect to remuneration paid after December 31, 1966.

SEC. 4. FOREIGN CORPORATIONS.

(a) TAX ON INCOME NOT CONNECTED WITH UNITED STATES BUSINESS.—Section 881 (relating to tax on foreign corporations not engaged in business in the United States) is amended to read as follows:

"Sec. 881. Income of Foreign Corporations Not Connected With United States Business.

"(a) Imposition of Tax.—There is hereby imposed for each taxable year a tax of 30 percent of the amount received from sources within the United States by a foreign corporation as—

"(1) interest, dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, and other fixed or determinable annual or periodical gains, profits, and income,

"(2) gains described in section 631 (b) or (c), and

"(3) amounts which under section 341, or under section 1232 (in the case of bonds or other evidences of indebtedness issued after September 28, 1965), are treated as gains from the sale or exchange of property which is not a capital asset,

but only to the extent the amount so received is not effectively connected with the conduct of a trade or business within the United States.

"(b) Doubling of Tax.—

"For doubling of tax on corporations of certain foreign countries, see section 891."

(b) Tax on Income Connected With United States Business.—

(1) Section 822 (relating to tax on resident foreign corporations) is amended to read as follows:

"Sec. 882. Income of Foreign Corporations Connected With United States Business.

"(a) Normal Tax and Surtax.—

"(1) Imposition of tax.—A foreign corporation engaged in trade or business within the United States during the taxable year shall be taxable as provided in section 11 or 1201(a) on its taxable income which is effectively connected with the conduct of a trade or business within the United States.

"(2) Determination of taxable income.—In determining taxable income for purposes of paragraph (1), gross income includes only gross income which is effectively connected with the conduct of a trade or business within the United States.

"(b) Gross Income.—In the case of a foreign corporation, gross income includes only—

"(1) gross income which is derived from sources within the United States and which is not effectively connected with the conduct of a trade or business within the United States, and

"(2) gross income which is effectively connected with the conduct of a trade or business within the United States.

"(c) Allowance of Deductions and Credits.—

"(1) Allocation of deductions.—

"(A) General rule.—In the case of a foreign corporation, the deductions shall be allowed only for purposes of subsection (a) and (except as provided by subparagraph (B)) only if and to the extent that they are connected with income which is effectively connected with the conduct of a trade or business within the United States; and the proper apportionment and allocation of the deductions for this purpose shall be determined as provided in regulations prescribed by the Secretary or his delegate.

"(B) Charitable contributions.—The deduction for charitable contributions and gifts provided by section 170 shall be allowed whether or not connected with income which is effectively connected with the conduct of a trade or business within the United States.

"(2) Deductions and credits allowed only if return filed.—A foreign corporation shall receive the benefit of the deductions and credits allowed to it in this subtitle only by filing or causing to be filed with the Secretary or his delegate a true and accurate return, in the manner prescribed in subtitle F, including therein all the information which the Secretary or his delegate may deem necessary for the calculation of such deductions and credits. This paragraph shall not be construed to deny the credit provided by section 32 for tax withheld at source or the credit provided by section 39 for certain uses of gasoline and lubricating oil.

"(3) Foreign tax credit.—Except as provided by section 906, foreign corporations shall not be allowed the credit against the tax for taxes of foreign countries and possessions of the United States allowed by section 901.

"(4) Cross reference.—

"For rule that certain foreign taxes are not to be taken into account in determining deduction or credit, see section 906(b)(1).

"(d) Election To Treat Real Property Income as Income Connected With United States Business.—

"(1) In general.—A foreign corporation which during the taxable year derives any income—

"(A) from real property located in the United States, or from any interest in such real property, including (i) gains from the sale or exchange of real property or an interest therein, (ii) rents or royalties from mines, wells, or other natural deposits, and (iii) gains described in section 631 (b) or (c), and

"(B) which, but for this subsection, would not be treated as income effectively connected with the conduct of a trade or business within the United States,

may elect for such taxable year to treat all such income as income which is effectively connected with the conduct of a trade or business within the United States. In such case, such income shall be taxable as provided in subsection (a)(1) whether or not such corporation is engaged in trade or business within the United States during the taxable year. An election under this paragraph for any taxable year shall remain in effect for all subsequent taxable years, except that it may be revoked with the consent of the Secretary or his delegate with respect to any taxable year.

"(2) Election after revocation, etc.—Paragraphs (2) and (3) of section 871(d) shall apply in respect of elections under this subsection in the same manner and to the same extent as they apply in respect of elections under section 871(d).

"(e) Returns of Tax by Agent.—If any foreign corporation has no office or place of business in the United States but has an agent in the United States, the return required under section 6012 shall be made by the agent."

(2)(A) Subsection (e) of section 11 (relating to exceptions from tax on corporations) is amended by inserting "or" at the end of paragraph (2), by striking out ", or" at the end of paragraph (3) and inserting a period in lieu thereof, and my striking out paragraph (4).

(B) Section 11 (relating to tax on corporations) is amended by adding at the end thereof the following new subsection:

"(f) Foreign Corporations.—In the case of a foreign corporation, the tax imposed by subsection (a) shall apply only as provided by section 882."

(3) The table of sections for subpart B of part II of subchapter N of chapter 1 is amended by striking out the items relating to sections 881 and 882 and inserting in lieu thereof the following:

"Sec. 881. Income of foreign corporations not connected with United States business.

"Sec. 882. Income of foreign corporations connected with United States business."

(c) Withholding of Tax on Foreign Corporations.—Section 1442 (relating to withholding of tax on foreign corporations) is amended to read as follows:

"Sec. 1442. Withholding of Tax on Foreign Corporations.

"(a) General Rule.—In the case of foreign corporations subject to taxation under this subtitle, there shall be deducted and withheld at the source in the same manner and on the same items of income as is provided in section 1441 or section 1451 a tax equal to 30 percent thereof; except that, in the case of interest described in section 1451 (relating to tax-free covenant bonds), the deduction and withholding shall be at the rate specified therein. For purposes of the preceding sentence, the reference in section 1441(c)(1) to section 871(b)(1) shall be treated as referring to section 842 or section 882(a), as the case may be.

"(b) Exemption.—Subject to such terms and conditions as may be provided by regulations prescribed by the Secretary or his delegate, subsection (a) shall not apply in the case of a foreign corporation engaged in trade or business within the United States if the Secretary or his delegate determines that the requirements of subsection (a) imposes an undue administrative burden and that the collection of the tax imposed by section 881 on such corporation will not be jeopardized by the exemption."

(d) Dividends Received From Certain Foreign Corporations.—Subsection (a) of section 245 (relating to the allowance of a deduction in respect of dividends received from a foreign corporation) is amended—

(1) by striking out "and has derived 50 percent or more of its gross income from sources within the United States," in that portion of subsection (a) which precedes paragraph (1) and by inserting in lieu thereof "and if 50 percent or more of the gross income of such corporation from all sources for such period is effectively connected with the conduct of a trade or business within the United States,";

(2) by striking out "from sources within the United States" in paragraph (1) and inserting in lieu thereof "which is effectively connected with the conduct of a trade or business within the United States";

(3) by striking out "from sources within the United States" in paragraph (2) and inserting in lieu thereof ", which is effectively connected with the conduct of a trade or business within the United States,"; and

(4) by adding after paragraph (2) the following new sentence:

"For purposes of this subsection, the gross income of the foreign corporation for any period before the first taxable year beginning after December 31, 1966, which is effectively connected with the conduct of a trade or business within the United States is an amount equal to the gross income for such period from sources within the United States."

(e) Unrelated Business Taxable Income.—The last sentence of section 512(a) (relating to definition) is amended to read as follows: "In the case of an organization described in section 511 which is a foreign organization, the unrelated business taxable income shall be its unrelated business taxable income which is effectively connected with the conduct of a trade or business within the United States."

(f) Corporations Subject to Personal Holding Company Tax.—Paragraph (7) of section 542(c) (relating to corporations not subject to the personal holding company tax) is amended to read as follows:

"(7) a foreign corporation, if all of its stock outstanding during the last half of the taxable year is owned by nonresident alien individuals, whether directly or indirectly through foreign estates, foreign trusts, foreign partnerships, or other foreign corporations;".

(g) Amendments With Respect to Foreign Corporations Carrying on Insurance Business in United States.—

(1) Section 842 (relating to computation of gross income) is amended to read as follows:

"Sec. 842. Foreign Corporations Carrying on Insurance Business.

"If a foreign corporation carrying on an insurance business within the United States would qualify under part I, II, or III of this subchapter for the taxable year if (without regard to income not effectively connected with the conduct of any trade or business within the United States) it were a domestic corporation, such corporation shall be taxable under such part on its income effectively connected with its conduct of any trade or business within the United States. With respect to the remainder of its income, which is from sources within the United States, such a foreign corporation shall be taxable as provided in section 881."

(2) The table of sections for part IV of subchapter L of chapter 1 is amended by striking out the item relating to section 842 and inserting in lieu thereof the following:

"Sec. 842. Foreign corporations carrying on insurance business."

(3) Section 819 (relating to foreign life insurance companies) is amended—

(A) by striking out subsections (a) and (d) and by redesignating subsections (b) and (c) as subsections (a) and (b),

(B) by striking out "In the case of any company described in subsection (a)," in subsection (a)(1) (as redesignated by subparagraph (A)) and inserting in lieu thereof "In the case of any foreign corporation taxable under this part,",

(C) by striking out "subsection (c)" in the last sentence of subsection (a)(2) (as redesignated by subparagraph (A)) and inserting in lieu thereof "subsection (b)",

(D) by adding at the end of subsection (a) (as redesignated by subparagraph (A)) the following new paragraph:

"(3) Reduction of section 881 tax.—In the case of any foreign corporation taxable under this part, there shall be determined—

"(A) the amount which would be subject to tax under section 881 if the amount taxable under such section were determined without regard to sections 103 and 894, and

(B) the amount of the reduction provided by paragraph (1).

The tax under section 881 (determined without regard to this paragraph) shall be reduced (but not below zero) by an amount which is the same proportion of such tax as the amount referred to in subparagraph (B) is of the amount referred to in subparagraph (A); but such reduction in tax shall not exceed the increase in tax under this part by reason of the reduction provided by paragraph (1).",

(E) by striking out "for purposes of subsection (a)" each place it appears in subsection (b) (as redesignated by subparagraph (A)) and inserting in lieu thereof "with respect to a foreign corporation",

(F) by striking out "foreign life insurance company" each place it appears in such subsection (b) and inserting in lieu thereof "foreign corporation",

(G) by striking out "subsection (b)(2)(A)" each place it appears in such subsection (b) and inserting in lieu thereof "subsection (a)(2)(A)",

(H) by striking out "subsection (b)(2)(B)" in paragraph (2)(B)(ii) of such subsection (b) and inserting in lieu thereof "subsection (a)(2)(B)", and

(I) by adding at the end thereof the following new subsection:

"(c) Cross Reference.—

"For taxation of foreign corporations carrying on life insurance business within the United States, see section 842."

(4) Section 821 (relating to tax on mutual insurance companies to which part II applies) is amended—

(A) by striking out subsection (e) and by redesignating subsections (f) and (g) as subsections (e) and (f), and

(B) by adding at the end of subsection (f) (as redesignated by subparagraph (A)) the following:

"(3) For taxation of foreign corporations carrying on an insurance business within the United States, see section 842."

(5) Section 822 (relating to determination of taxable investment income) is amended by striking out subsection (e) and by redesignating subsection (f) as subsection (e).

(6) Section 831 (relating to tax on certain other insurance companies) is amended—

(A) by striking out subsection (b) and by redesignating subsection (c) as subsection (b), and

(B) by amending subsection (d) to read as follows:

"(c) Cross References.—

"(1) For alternative tax in case of capital gains, see section 1201(a).

"(2) For taxation of foreign corporations carrying on an insurance business within the United States, see section 842."

(7) Section 832 (relating to insurance company taxable income) is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(8) The second sentence of section 841 (relating to credit for foreign taxes) is amended by striking out "sentence," and inserting in lieu thereof "sentence (and for purposes of applying section 906 with respect to a foreign corporation subject to tax under this subchapter),".

(h) Subpart F Income.—Section 952(b) (relating to exclusion of United States income) is amended to read as follows:

"(b) Exclusion of United States Income.—In the case of a controlled foreign corporation, subpart F income does not include any item of income from sources within the United States which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States."

(i) Gain From Certain Sales or Exchanges of Stock in Certain Foreign Corporations.—Paragraph (4) of section 1248 (d) (relating to exclusions from earnings and profits) is amended to read as follows:

"(4) United States income.—Any item includible in gross income of the foreign corporation under this chapter—

"(A) for any taxable year beginning before January 1, 1967, as income derived from sources within the United States of a foreign corporation engaged in trade or business within the United States, or

"(B) for any taxable year beginning after December 31, 1966, as income effectively connected with the conduct by such corporation of a trade or business within the United States.

This paragraph shall not apply with respect to any item which is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States."

(j) Declaration of Estimated Income Tax by Corporations.—Section 6016 (relating to declarations of estimated income tax by corporations) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (c) the following new subsection:

"(f) Certain Foreign Corporations.—For purposes of this section and section 6655, in the case of a foreign corporation subject to taxation under section 11 or 1201(a), or under subchapter L of chapter 1, the tax imposed by section 881 shall be treated as a tax imposed by section 11."

(k) Technical Amendments.—

(1) Section 884 is amended to read as follows:

"Sec. 884. Cross References.

"(1) For special provisions relating to unrelated business income of foreign educational, charitable, and certain other exempt organizations, see section 512(a).

"(2) For special provisions relating to foreign corporations carrying on an insurance business within the United States, see section 842.

"(3) For rules applicable in determining whether any foreign corporation is engaged in trade or business within the United States, see section 864(b).

"(4) For reinstatement of pre-1967 income tax provisions in the case of corporations of certain foreign countries, see section 896.

"(5) For allowance of credit against the tax in case of a foreign corporation having income effectively connected with the conduct of a trade or business within the United States, see section 906.

"(6) For withholding at source of tax on income of foreign corporations, see section 1442."

(2) Section 953(b)(3)(F) is amended by striking out "832(b)(5)" and inserting in lieu thereof "832(c)(5)".

(3) Section 1249(a) is amended by striking out "Except as provided in subsection (c), gain" and inserting in lieu thereof "Gain".

(l) Effective Dates.—The amendments made by this section (other than subsection (i)) shall apply with respect to taxable years beginning after December 31, 1966. The amendment made by subsection (i) shall apply with respect to sales or exchanges occurring after December 31, 1966.

Sec. 5. Special Tax Provisions.

(a) Income Affected by Treaty.—Section 894 (relating to income exempt under treaties) is amended to read as follows:

"Sec. 294. Income Affected by Treaty.

"(a) Income Exempt Under Treaty.—Income of any kind, to the extent required by any treaty obligation of the United States, shall not be included in gross income and shall be exempt from taxation under this subtitle.

"(b) Permanent Establishment in United States.—For purposes of applying any exemption from, or reduction of, any tax provided by any treaty to which the United States is a party with respect to income which is not effectively connected with the conduct of a trade or business within the United States, a nonresident alien individual or a foreign corporation shall be deemed not to have a permanent establishment in the United States at any time during the taxable year. This subsection shall not apply in respect of the tax computed under section 877(b)."

(b) Application of Pre-1967 Income Tax Provisions.—Subpart C of part II of subchapter N of chapter 1 (relating to miscellaneous provisions applicable to nonresident aliens and foreign corporations) is amended by adding at the end thereof the following new section:

"Sec. 896. Application of Pre-1967 Income Tax Provisions.

"(a) Imposition of More Burdensome Taxes by Foreign Country.—Whenever the President finds that—

"(1) under the laws of any foreign country, considering the tax system of such foreign country, citizens of the United States not residents of such foreign country or domestic corporations are being subjected to more burdensome taxes, on any item of income received by such citizens or corporations from sources within such foreign country, than taxes imposed by the provisions of this subtitle on similar income derived from sources within the United States by residents or corporations of such foreign country.

"(2) such foreign country, when requested by the United States to do so, has not acted to revise or reduce such taxes so that they are no more burdensome than taxes imposed by the provisions of this subtitle on similar income derived from sources within the United States by residents or corporations of such foreign country, and

"(3) it is in the public interest to apply pre-1967 tax provisions in accordance with the provisions of this section to residents or corporations of such foreign country,

the President shall proclaim that the tax on such similar income derived from sources within the United States by residents or corporations of such foreign country shall, for taxable years beginning after such proclamation, be determined under this subtitle without regard to amendments made to this subchapter and chapter 3 on or after the date of enactment of this section.

"(b) Alleviation of More Burdensome Taxes.—Whenever the President finds that the laws of any foreign country with respect to which the President has made a proclamation under subsection (a) have been modified so that citizens of the United States not residents of such foreign country or domestic corporations are no longer subject to more burdensome taxes on such item of income derived by such citizens or corporations from sources within such foreign country, he shall proclaim that the tax on such similar income derived from sources within the United States by residents or corporations of such foreign country shall, for any taxable year beginning after such proclamation, be determined under this subtitle without regard to subsection (a).

"(c) Notification of Congress Required.—No proclamation shall be issued by the President pursuant to this section unless, at least 30 days prior to such proclamation, he has notified the Senate and the House of Representatives of his intention to issue such proclamation.

"(d) Implementation by Regulations.—The Secretary or his delegate shall prescribe such regulations as he deems necessary or appropriate to implement this section."

(c) Clerical Amendments.—The table of sections for subpart C of part II of subchapter N of chapter 1 is amended—

(1) by striking out the item relating to section 894 and inserting in lieu thereof

"Sec. 894. Income affected by treaty.";

(2) by adding at the end of such table the following:

"Sec. 896. Application of pre-1967 income tax provisions."

(d) Effective Date.—The amendments made by this section (other than subsection (e)) shall apply with respect to taxable years beginning after December 31, 1966.

Sec. 6. Foreign Tax Credit.

(a) Allowance of Credit to Certain Nonresident Aliens and Foreign Corporations.—

(1) Subpart A of part III of subchapter N of chapter 1 (relating to foreign tax credit) is amended by adding at the end thereof the following new section:

"Sec. 906. Nonresident Alien Individuals and Foreign Corporations.

"(a) Allowance of Credit.—A nonresident alien individual or a foreign corporation engaged in trade or business within the United States during the taxable year shall be allowed a credit under section 901 for the amount of any income, war profits, and excess profits taxes paid or accrued during the taxable year (or deemed, under section 902, paid or accrued during the taxable year) to any foreign country or possession of the United States with respect to income effectively connected with the conduct of a trade or business within the United States.

"(b) Special Rules.—

"(1) For purposes of subsection (a) and for purposes of determining the deductions allowable under sections 873(a) and 882(c), in determining the amount of any tax paid or accrued to any foreign country or possession there shall not be taken into account any amount of tax to the extent the tax so paid or accrued is imposed with respect to income which would not be taxed by such foreign country or possession but for the fact that—

"(A) in the case of a nonresident alien individual, such individual is a citizen or resident of such foreign country or possession, or

"(B) in the case of a foreign corporation, such corporation was created or organized under the law of such foreign country or possession or is domiciled for tax purposes in such country or possession.

"(2) For purposes of subsection (a), in applying section 904 the taxpayer's taxable income shall be treated as consisting only of the taxable income effectively connected with the taxpayer's conduct of a trade or business within the United States.

"(3) The credit allowed pursuant to subsection (a) shall not be allowed against any tax imposed by section 871(a) (relating to income of nonresident alien individual not connected with United States business) or 881 (relating to income of foreign corporations not connected with United States business).

"(4) For purposes of sections 902(a) and 78, a foreign corporation choosing the benefits of this subpart which receives dividends shall, with respect to such dividends, be treated as a domestic corporation."

(2) The table of sections for such subpart A is amended by adding at the end thereof the following:

"Sec. 906. Nonresident alien individuals and foreign corporations."

(3) Section 874(c) is amended by striking out

"(c) Foreign Tax Credit Not Allowed.—A non-resident" and inserting in lieu thereof the following:

"(c) Foreign Tax Credit.—Except as provided in section 906, a nonresident."

(4) Subsection (b) of section 901 (relating to amount allowed) is amended by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (a) the following new paragraph:

"(4) Nonresident alien individuals and foreign corporations.—In the case of any nonresident alien individual not described in section 876 and in the case of any foreign corporation, the amount determined pursuant to section 906; and".

(5) Paragraph (5) (as redesignated) of section 901(b) is amended by striking out "or (3)," and inserting in lieu thereof "(3), or (4),".

(6) The amendments made by this subsection shall apply with respect to taxable years beginning after December 31, 1966. In applying section 904 of the Internal Revenue Code of 1954 with respect to section 906 of such Code, no amount may be carried from or to any taxable year beginning before January 1, 1967, and no such year shall be taken into account.

(b) Alien Residents of the United States or Puerto Rico.—

(1) Paragraph (3) of section 901(b) (relating to amount of foreign tax credit allowed in case of alien resident of the United States or Puerto Rico) is amended by striking out ", if the foreign country of which such alien resident is a citizen or subject, in imposing such taxes, allows a similar credit to citizens of the United States residing in such country".

(2) Section 901 is amended by redesignating subsections (c) and (d) as subsections (d) and (e), and by inserting after subsection (b) the following new subsection:

"(c) Similar Credit Required for Certain Alien Residents.—Whenever the President finds that—

"(1) a foreign country, in imposing income, war profits, and excess profits taxes, does not allow to citizens of the United States residing in such foreign country a credit for any such taxes paid or accrued to the United States or any foreign country, as the case may be, similar to the credit allowed under subsection (b)(3),

"(2) such foreign country, when requested by the United States to do so, has not acted to provide such a similar credit to citizens of the United States residing in such foreign country, and

"(3) it is in the public interest to allow the credit under subsection (b)(3) to citizens or subjects of such foreign country only if it allows such a similar credit to citizens of the United States residing in such foreign country.

the President shall proclaim that, for taxable years beginning while the proclamation remains in effect, the credit under subsection (b)(3) shall be allowed to citizens or subjects of such foreign country only if such foreign country, in imposing income, war profits, and excess profits taxes, allows to citizens of the United States residing in such foreign country such a similar credit."

(3) Section 2014 (relating to credit for foreign death taxes) is amended by striking out the second sentence of subsection (a), and by adding at the end of such section the following new subsection:

"(h) Similar Credit Required for Certain Alien Residents.—Whenever the President finds that—

"(1) a foreign country, in imposing estate, inheritance, legacy, or succession taxes, does not allow to citizens of the United States resident in such foreign country at the time of death a credit similar to the credit allowed under subsection (a),

"(2) such foreign country, when requested by the United States to do so, has not acted to provide such a similar credit in the case of citizens of the United States resident in such foreign country at the time of death, and

"(3) it is in the public interest to allow the credit under subsection (a) in the case of citizens or subjects of such foreign country only if it allows such a similar credit in the case of citizens of the United States resident in such foreign country at the time of death,

the President shall proclaim that, in the case of citizens or subjects of such foreign country dying while the proclamation remains in effect, the credit under subsection (a) shall be allowed only if such foreign country allows such a similar credit in the case of citizens of the United States resident in such foreign country at the time of death."

(4) The amendments made by this subsection (other than paragraph (3)) shall apply with respect to taxable years beginning after December 31, 1966. The amendment made by paragraph (3) shall apply with respect to estates of decedents dying after the date of the enactment of this Act.

Sec. 7. Amendment To Preserve Existing Law on Deductions Under Section 931.

Deductions.—Subsection (d) of section 931 (relating to deductions) is amended to read as follows:

"(d) Deductions.—

"(1) General rule.—Except as otherwise provided in this subsection and subsection (e), in the case of persons entitled to the benefits of this section the deductions shall be allowed only if and to the extent that they are connected with income from sources within the United States; and the proper apportionment and allocation of the deductions with respect to sources of income within and without the United States shall be determined as provided in part I, under regulations prescribed by the Secretary or his delegate.

"(2) Exceptions.—The following deductions shall be allowed whether or not they are connected with income from sources within the United States:

"(A) The deduction, for losses not connected with the trade or business if incurred in transactions entered into for profit, allowed by section 165(c)(2), but only if the profit, if such transaction had resulted in a profit, would be taxable under this subtitle.

"(B) The deduction, for losses of property not connected with the trade or business if arising from certain casualties or theft, allowed by section 165(c)(3), but only if the loss is of property within the United States.

"(C) The deduction for charitable contributions and gifts allowed by section 170.

"(3) Deduction disallowed.—

"For disallowance of standard deduction, see section 142(b)(2)."

(b) Effective Date.—The amendment made by this section shall apply with respect to taxable years beginning after December 31, 1966.

Sec. 8. Estates of Nonresidents Not Citizens.

(a) Rate of Tax.—Subsection (a) of section 2101 (relating to tax imposed in case of estates of nonresidents not citizens) is amended to read as follows:

"(a) Rate of Tax.—Except as provided in section 2107, a tax computed in accordance with the following table is hereby imposed on the transfer of the taxable estate, determined as provided in section 2106, of every decedent nonresident not a citizen of the United States:

"If the taxable estate is:	
Not over $100,000	5% of the taxable estate.
Over $100,000 but not over $500,000	$5,000 plus 10% of excess over $100,000.
Over $500,000 but not over $1,000,000	$45,000, plus 15% of excess over $500,000.
Over $1,000,000 but not over $2,000,000	$120,000, plus 20% of excess over $1,000,000.
Over $2,000,000	$320,000, plus 25% of excess over $2,000,000."

(b) Credits Against Tax.—Section 2102 (relating to credits allowed against estate tax) is amended to read as follows:

"Sec. 2102. Credits Against Tax.

"(a) In General.—The tax imposed by section 2101 shall be credited with the amounts determined in accordance with sections 2011 to 2013, inclusive (relating to State death taxes, gift tax, and tax on prior transfers), subject to the special limitation provided in subsection (b).

"(b) Special Limitation.—The maximum credit allowed under section 2011 against the tax imposed by section 2101 for State death taxes paid shall be an amount which bears the same ratio to the credit computed as provided in section 2011(b) as the value of the property, as determined for purposes of this chapter, upon which State death taxes were paid and which is included in the gross estate under section 2103 bears to the value of the total gross estate under section 2103. For purposes of this subsection, the term 'State death taxes' means the taxes described in section 2011(a)."

(c) Property Within the United States.—Section 2104 (relating to property within the United States) is amended by adding at the end thereof the following new subsection:

"(c) Debt Obligations.—For purposes of this subchapter, debt obligations of—

"(1) a United States person, or

"(2) the United States, a State or any political subdivision thereof, or the District of Columbia,

owned by a nonresident not a citizen of the United States shall be deemed property within the United States. This subsection shall not apply to a debt obligation of a domestic corporation if any interest on such obligation, were such interest received by the decedent at the time of his death, would be treated under section 862(a)(1) as income from sources without the United States."

(d) Property Without the United States.—Subsection (b) of section 2105 (relating to bank deposits) is amended to read as follows:

"(b) Deposits in Certain Foreign Branches.—For purposes of this subchapter, deposits with a foreign branch of a domestic corporation, if such branch is engaged in the commercial banking business, shall not be deemed property within the United States."

(e) Definition of Taxable Estate.—Paragraph (3) of section 2106(a) (relating to deduction of exemption from gross estate) is amended to read as follows:

"(3) Exemption.—

"(A) General rule.—An exemption of $30,000.

"(B) Residents of possessions of the united states.—In the case of a decedent who is considered to be a 'nonresident not a citizen of the United States' under the provisions of section 2209, the exemption shall be the greater of (i) $30,000, or (ii) that proportion of the exemption authorized by section 2052 which the value of that part of the decedent's gross estate which at the time of his death is situated in the United States bears to the value of his entire gross estate wherever situated."

(f) Special Methods of Computing Tax.—Subchapter B of chapter 11 (relating to estates of nonresidents not citizens) is amended by adding at the end thereof the following new sections:

"Sec 2107. Expatriation To Avoid Tax.

"(a) Rate of Tax.—A tax computed in accordance with the table contained in section 2001 is hereby imposed on the transfer of the taxable estate, determined as provided in section 2106, of every decedent nonresident not a citizen of the United States dying after the date of enactment of this section, if after March 8, 1965, and within the 10-year period ending with the date of death such decedent lost United States citizenship, unless such loss did not have for one of its principal purposes the avoidance of taxes under this subtitle or subtitle A.

"(b) Gross Estate.—For purposes of the tax imposed by subsection (a), the value of the gross estate of every decedent to whom subsection (a) applies shall be determined as provided in section 2103, except that—

"(1) if such decedent owned (within the meaning of section 958(a)) at the time of his death 10 percent or more of the total combined voting power of all classes of stock entitled to vote of a foreign corporation, and

"(2) if such decedent owned (within the meaning of section 958(a)), or is considered to have owned (by applying the ownership rules of section 958(b)), at the time of his death, more than 50 percent of the total combined voting power of all classes of stock entitled to vote of such foreign corporation, then that proportion of the fair market value of the stock of such foreign corporation owned (within the meaning of section 958(a)) by such decedent at the time of his death, which the fair market value of any assets owned by such foreign corporation and situated in the United States, at the time of his death, bears to the total fair market value of all assets owned by such foreign corporation at the time of his death, shall be included in the gross estate of such decedent. For purposes of the preceding sentence, a decedent shall be treated as owning stock of a foreign corporation at the time of his death if, at the time of a transfer, by trust or otherwise, within the meaning of sections 2035 to 2038, inclusive, he owned such stock.

"(c) Credits.—The tax imposed by subsection (a) shall be credited with the amounts determined in accordance with section 2102.

"(d) Exception for Loss of Citizenship for Certain Causes.—Subsection (a) shall not apply to the transfer of the estate of a decedent whose loss of United States citizenship resulted from the application of section 301(b), 350, or 355 of the Immigration and Nationality Act, as amended (8 U.S.C. 1401(b), 1482, or 1487).

"(e) Burden of Proof.—If the Secretary or his delegate establishes that it is reasonable to believe that an individual's loss of United States citizenship would, but for this section, result in a substantial reduction in the estate, inheritance, legacy, and succession taxes in respect of the transfer of his estate, the burden of proving that such loss of citizenship did not have for one of its principal purposes the avoidance of taxes under this subtitle or subtitle A shall be on the executor of such individual's estate.

"Sec. 2108. Application of Pre-1967 Estate Tax Provisions.

"(a) Imposition of More Burdensome Tax by Foreign Country.—Whenever the President finds that—

"(1) under the laws of any foreign country, considering the tax system of such foreign country, a more burdensome tax is imposed by such foreign country on the transfer of estates of decedents who were citizens of the United States and not residents of such foreign country than the tax imposed by this subchapter on the transfer of estates of decedents who were residents of such foreign country,

"(2) such foreign country, when requested by the United States to do so, has not acted to revise or reduce such tax so that it is no more burdensome than the tax imposed by this subchapter on the transfer of estates of decedents who were residents of such foreign country, and

"(3) it is in the public interest to apply pre-1967 tax provisions in accordance with this section to the transfer of estates of decedents who were residents of such foreign country,

the President shall proclaim that the tax on the transfer of the estate of every decedent who was a resident of such foreign country at the time of his death shall, in the case of decedents dying after the date of such proclamation, be determined under this subchapter without regard to amendments made to sections 2101 (relating to tax imposed), 2102 (relating to credits against tax), and 6018 (relating to estate tax returns) on or after the date of enactment of this section.

"(b) Alleviation of More Burdensome Tax.—Whenever the President finds that the laws of any foreign country with respect to which the President has made a proclamation under subsection (a) have been modified so that the tax on the transfer of estates of decedents who were citizens of the United States and not residents of such foreign country is no longer more burdensome than the tax imposed by this subchapter on the transfer of estates of decedents who were residents of such foreign country, he shall proclaim that the tax on the transfer of the estate of every decedent who was a resident of such foreign country at the time of his death shall, in the case of decedents dying after the date of such proclamation, be determined under this subchapter without regard to subsection (a).

"(c) Notification of Congress Required.—No proclamation shall be issued by the President pursuant to this section unless, at least 30 days prior to such proclamation, he has notified the Senate and the House of Representatives of his intention to issue such proclamation.

"(d) Implementation by Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary or appropriate to implement this section."

(g) Estate Tax Returns.—Paragraph (2) of section 6018(a) (relating to estates of nonresidents not citizens) is amended by striking out "$2,000" and inserting in lieu thereof "$30,000".

(h) Clerical Amendment.—The table of sections for subchapter B of chapter 11 (relating to estates of nonresidents not citizens) is amended by adding at the end thereof the following:

"Sec. 2107. Expatriation to avoid tax.
"Sec. 2108. Application of pre-1967 estate tax provisions."

(i) Effective Date.—The amendments made by this section shall apply with respect to estates of decedents dying after the date of the enactment of this Act.

Sec. 9. Tax on Gifts of Nonresidents Not Citizens.

(a) Imposition of Tax.—Subsection (a) of section 2501 (relating to general rule for imposition of tax) is amended to read as follows:

"(a) Taxable Transfers.—

"(1) General rule.—For the calendar year 1955 and each calendar year thereafter a tax, computed as provided in section 2502, is hereby imposed on the transfer of property by gift during such calendar year by any individual, resident or nonresident.

"(2) Transfers of intangible property.—Except as provided in paragraph (3), paragraph (1) shall not apply to the transfer of intangible property by a nonresident not a citizen of the United States.

"(3) Exceptions.—Paragraph (2) shall not apply in the case of a donor who at any time after March 8, 1965, and within the ten-year period ending with the date of transfer lost United States citizenship unless—

"(A) such donor's loss of United States citizenship resulted from the application of section 301(b), 350, or 355 of the Immigration and Nationality Act, as amended (8 U.S.C. 1401(b), 1482, or 1487), or

"(B) such loss did not have for one of its principal purposes the avoidance of taxes under this subtitle or subtitle A.

"(4) Burden of proof.—If the Secretary or his delegate establishes that it is reasonable to believe that an individual's loss of United States citizenship would, but for paragraph (3), result in a substantial reduction for the calendar year in the taxes on the transfer of property by gift, the burden of proving that such loss of citizenship did not have for one of its principal purposes the avoidance of taxes under this subtitle or subtitle A shall be on such individual."

(b) Transfers in General.—Subsection (b) of section 2511 (relating to situs rule for stock in a corporation) is amended to read as follows:

"(b) Intangible property.—For purposes of this chapter, in the case of a nonresident not a citizen of the United States who is excepted from the application of section 2501(a)(2)—

"(1) shares of stock issued by a domestic corporation, and

"(2) debt obligations of—

"(A) a United States person, or

"(B) the United States, a State or any political subdivision thereof, or the District of Columbia,

which are owned by such nonresident shall be deemed to be property situated within the United States."

(c) Effective Date.—The amendments made by this section shall apply with respect to the calendar year 1967 and all calendar years thereafter.

Sec. 10. Treaty Obligations.

No amendment made by this Act shall apply in any case where its application would be contrary to any treaty obligation of the United States. For purposes of the preceding sentence, the extension of a benefit provided by any amendment made by this Act shall not be deemed to be contrary to a treaty obligation of the United States.

The CHAIRMAN. No amendments to the bill are in order except amendments offered by direction of the Committee on Ways and Means.

Mr. MILLS. Mr. Chairman, permit me to make a unanimous-consent request. There are a number of amendments to this bill developed within the committee. As my friend the gentleman from Wisconsin [Mr. Byrnes] and my friend the gentleman from Missouri [Mr. Curtis] know, those amendments are printed in the report and they are also printed in the bill as reported by the committee. They are very technical and very numerous. I am going to ask unanimous consent, Mr. Chairman, that these amendments be considered en bloc and that they be considered as read and printed in the Record at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The committee amendments are as follows:

Page 14, line 16, strike out "(B)," and insert "(B) and (C),"

Page 16, line 11, insert:

" '(C) In the case of a foreign corporation taxable under part I of subchapter L, any income from sources without the United States which is attributable to its United States business shall be treated as effectively connected with the conduct of a trade or business within the United States."

Page 16, line 17, strike "(C)" and insert "(D)".

Page 17, line 11, after "1966" insert: "; except that in applying section 864(c)(4)(B)(iii) of the Internal Revenue Code of 1954 (as added by subsection (d)) with respect to a binding contract entered into on or before February 24, 1966, activities in the United States on or before such date in negotiating or carrying out such contract shall not be taken into account."

Page 20, line 8, strike "taxable" and insert "taxable".

Page 21, line 14, after "property" insert "held for the production of income and".

Page 21, line 17, after "of" insert "such".

Page 56, line 4, insert:

"(e) Elections by Nonresident United States Citizens Who Are Subject to Foreign Community Property Laws.—

"(1) Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by adding at the end thereof the following new subpart:

" 'SUBPART H—INCOME OF CERTAIN NONRESIDENT UNITED STATES CITIZENS SUBJECT TO FOREIGN COMMUNITY PROPERTY LAWS

" 'Sec. 981. Elections as to treatment of income subject to foreign community property laws.

" 'Sec. 981. Election as to Treatment of Income Subject to Foreign Community Property Laws.

" '(a) General Rule.—In the case of any taxable year beginning after December 31, 1966, if—

" '(1) an individual is (A) a citizen of the United States, (B) a bona fide resident of a foreign country or countries during the entire taxable year, and (C) married at the close of the taxable year to a spouse who is a nonresident alien during the entire taxable year, and

" '(2) such individual and his spouse elect to have subsection (b) apply to their community income under foreign community property laws,

then subsection (b) shall apply to such income of such individual and such spouse for the taxable year and for all subsequent taxable years for which the requirements of paragraph (1) are met, unless the Secretary or his delegate consents to a termination of the election.

" '(b) Treatment of Community Income.—For any taxable year to which an election made under subsection (a) applies, the community income under foreign community property laws of the husband and wife making the election shall be treated as follows:

" '(1) Earned income (within the meaning of the first sentence of section 911(b)), other than trade or business income and a partner's distributive share of partnership income, shall be treated as the income of the spouse who rendered the personal services.

" '(2) Trade or business income, and a partner's distributive share of partnership income, shall be treated as provided in section 1402(a)(5).

" '(3) Community income not described in paragraph (1) or (2) which is derived from the separate property (as determined under the applicable foreign community property law) of one spouse shall be treated as the income of such spouse.

" '(4) All other such community income shall be treated as provided in the applicable foreign community property law.

" '(c) Election for Pre-1967 Years.—

" '(1) Election.—If an individual meets the requirements of subsection (a)(1)(A) and (C) for any taxable year beginning before January 1, 1967, and if such individual and the spouse referred to in subsection (a)(1)(C) elect under this subsection, then paragraph (2) of this subsection shall apply to their community income under foreign community property laws for all open taxable years beginning before January 1, 1967 (whether under this chapter, the corresponding provisions of the Internal Revenue Code of 1939, or the corresponding provisions of prior revenue laws), for which the requirements of subsection (a)(1)(A) and (C) are met.

" '(2) Effect of election.—For any taxable year to which an election made under this subsection applies, the community income under foreign community property laws of the husband and wife making the election shall be treated as provided by subsection (b), except that the other community income described in paragraph (4) of subsection (b) shall be treated as the income of the spouse who, for such taxable year, had gross income under paragraphs (1), (2), and (3) of subsection (b), plus separate gross income, greater than that of the other spouse.

" '(d) Time for Making Elections; Period of Limitations; etc.—

" '(1) Time.—An election under subsection (a) or (c) for a taxable year may be made at any time while such year is still open, and shall be made in such manner as the Secretary or his delegate shall by regulations prescribe.

" '(2) Extension of period for assessing deficiencies and making refunds—If any taxable year to which an election under subsection (a) or (c) applies is open at the time such election is made, the period for assessing a deficiency against, and the period for filing claim for credit or refund of any overpayment by, the husband and wife for such taxable year, to the extent such deficiency or overpayment is attributable to such an election, shall not expire before 1 year after the date of such election.

"'(3) Alien spouse need not join in subsection (c) election in certain cases.—If the Secretary or his delegate determines—

"'(A) that an election under subsection (c) would not affect the liability for Federal income tax of the spouse referred to in subsection (a)(1)(C) for any taxable year, or

"'(B) that the effect on such liability for tax cannot be ascertained and that to deny the election to the citizen of the United States would be inequitable and cause undue hardship,

such spouse shall not be required to join in such election, and paragraph (2) of this subsection shall not apply with respect to such spouse.

"'(4) Interest.—To the extent that any overpayment or deficiency for a taxable year is attributable to an election made under this section, no interest shall be allowed or paid for any period before the day which is 1 year after the date of such election.

"'(e) Definitions and Special Rules.—For purposes of this section—

"'(1) Deductions.—Deductions shall be treated in a manner consistent with the manner provided by this section for the income to which they relate.

"'(2) Open years.—A taxable year of a citizen of the United States and his spouse shall be treated as "open" if the period for assessing a deficiency against such citizen for such year has not expired before the date of the election under subsection (a) or (c), as the case may be.

"'(3) Elections in case of decedents.—If a husband or wife is deceased his election under this section may be made by his executor, administrator, or other person charged with his property.

"'(4) Death of spouse during taxable year.—In applying subsection (a)(1)(C), and in determining under subsection (c)(2) which spouse has the greater income for a taxable year, if a husband or wife dies the taxable year of the surviving spouse shall be treated as ending on the date of such death.'

"(2) The table of subparts for such part III is amended by adding at the end thereof the following:

"'Subpart H. Income of certain nonresident United States citizens subject to foreign community property laws.'

"(3) Section 911(d) (relating to earned income from sources without the United States) is amended—

"(A) by striking out 'For administrative' and inserting in lieu thereof the following: '(1) For administrative'; and

"(B) by adding at the thereof the following:

"'(2) For elections as to treatment of income subject to foreign community property laws, see section 981.'"

Page 68, line 9, insert:

"(c) Foreign Tax Credit in Case of Certain Overseas Operations Funding Subsidiaries.—

"(1) Section 904(f)(2) (relating to application of limitations on foreign tax credit in case of certain interest income) is amended—

"(A) by striking out "or" at the end of subparagraph (C),

"(B) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", or", and

"(C) by adding at the end thereof the following new subparagraph:

"'(E) received by an oversea operations funding subsidiary on obligations of a related foreign corporation.'

"(2) Section 904(f) is amended by adding at the end thereof the following new paragraph:

"'(5) Definitions for purposes of paragraph (1)(E).—For purposes of paragraph (1)(E).—

"'(A) the term "overseas operations funding subsidiary" means a domestic corporation which (i) is a member of an affiliated group (within the meaning of section 1504) and is not the common parent corporation, and (ii) was formed and is availed of for the principal purpose of raising funds outside the United States through public offerings to foreign persons and of using such funds to finance the operations in foreign countries of one or more related foreign corporations, and

"'(B) a foreign corporation is, with respect to an overseas operations funding subsidiary, a related foreign corporation if the affiliated group of which such subsidiary is a member owns 50 percent or more of the voting stock of such foreign corporation either directly or through ownership of the voting stock of another foreign corporation.'

"(3) The amendments made by paragraphs (1) and (2) shall apply to interest received after December 31, 1965, in taxable years ending after such date."

Page 73, line 20, strike "under section 862 (a)(1)" and insert "by reason of section 861 (a)(1)(B)".

Page 78, line 15, after "tax)," insert "2106 (relating to taxable estate),".

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. Albert) having resumed the chair, Mr. Madden, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States, pursuant to House Resolution 880, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to extend their remarks on the bill just passed, and I also ask unanimous consent that those who have participated in the debate on the bill today be permitted to revise and extend their remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

THE 150TH ANNIVERSARY OF THE FOUNDING OF REMINGTON ARMS, INC.

Mr. PIRNIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PIRNIE. Mr. Speaker, tomorrow in Ilion, N.Y., there is scheduled a special ceremony marking the 150th anniversary of the founding of Remington Arms, Inc., the oldest gunmaker in America. I call this event to the attention of my colleagues because to me it represents an American success story of which we can all be proud.

The story of Remington Arms' century and a half of operation is more than an accounting of men and machines in action, it is a tribute to the free enterprise system which we so dearly cherish. It provides us with an exciting chapter in the annals of our Nation's business history and clearly documents, for all to see, our claim that the technological skill, ingenuity, inventiveness, commonsense, and all-around ability of the American work force is second to none.

The Remington Arms success story is a story of people. From that historic day in 1810 when Eliphalet Remington first founded his business in the pleasant surroundings of the charming village of Ilion in Herkimer County, N.Y., the people—in the plants, in the offices, and on the road—provided the margin of difference between success and failure. As a result, Remington Arms became a real leader in the production of sporting firearms and ammunition, respected at home and abroad.

During this century and a half, this company has responded to crisis after crisis devoting its facilities to national defense needs. Its industrial achievements have contributed much to our security and have made the name Remington a worldwide badge of distinction.

There is much more to the celebration scheduled tomorrow than the honoring of a corporate name. In a larger sense, the tribute will be rendered to the people who have been responsible and deserve the credit for making that name recognized and respected from the Atlantic to the Pacific and distant points abroad. I am privileged to personally know a great many of these people—skilled workers, production specialists, secretaries, executives—and to represent and serve them, as well as their families, friends, and neighbors, here in the Congress.

Although I am proud to give special mention to a company which will achieve a significant milestone in its illustrious history, I wish to give highest praise to the main cast of characters in this outstanding success story, the people who have made Remington Arms what it is today and who will continue to play major roles in assuring for the company a vital and dynamic future as a prosperous, productive and pioneering member of the American industrial community.

VISIT BY SECRETARY OF AGRICULTURE FREEMAN IN IOWA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I understand that Secretary of Agriculture Freeman is to speak at three meetings in Iowa late this week, apparently in an effort to placate the irate farmers of the State.

It will be most interesting to hear how Freeman explains the confidential "Dear Bob" letter which he wrote to Secretary of Defense McNamara earlier this year on the basis of which McNamara ordered a 50-percent cut in pork purchases for the military services, a move designed to cut prices paid to farmers for their hogs.

Freeman's confidential letter also indicates he suggested other action which would have the effect of undermining farm income.

Yes, Mr. Speaker, it will be most interesting to watch Freeman now try to alibi himself and the Johnson administration from the responsibility for what the farmers of Iowa know was an attempt to make them the goats for inflation.

Following is an article in the Des Moines Register of June 10, 1966, which is most revealing:

HINT SECRET PRICE MOVES BY FREEMAN—WHAT "ORVILLE" SAID IN LETTER TO "BOB"

(By Nick Kotz)

WASHINGTON, D.C.—The Agriculture Department has adjusted a number of its commodity and purchasing programs to fight inflation, according to a confidential letter from Agriculture Secretary Orville Freeman to Defense Secretary Robert McNamara.

The letter not only shows that Freeman recommended a reduction of Defense Department pork purchases as an anti-inflationary measure, but indicates he also may have taken a number of other actions which never have been made public.

The Agriculture Department has refused to release a copy of the letter to "Dear Bob" from "Orville" which contradicts some of the explanations Freeman made at a press conference last week concerning the pork reductions.

In some of his answers, Freeman indicated his department had little or no role in the decision and the purpose of the decision was not to influence consumer prices.

The Register, however, obtained Thursday a full text of the letter, which shows that the Defense Department fully followed recommendations made by the Agriculture Department.

Freeman's letter and a reply from Deputy Defense Secretary Cyrus Vance also show clearly that the anti-inflationary measures were ordered by the President.

Freeman's Jan. 22, 1966, letter to McNamara begins:

"As you know the President wants us to help minimize the price impact of defense food purchases. With hog and cattle marketings down, retail food prices will continue to provide serious price stabilization problems over the next several months.

"We have adjusted a number of our food purchases and commodity sales programs to stabilize prices. Even though defense purchases amount to only two percent of all food, the timing and composition of purchases can be important to price stability.

"Our economists have reviewed your military food requirements and procurement procedures, and the supply-demand situation for food with Mr. Ignatius (Assistant Defense Secretary Paul Ignatius) and his staff. On the basis of this review, I recommend that the military services take the steps set out below to help keep domestic food prices in line without impairing the effectiveness of your food services and military operations."

Freeman went on to recommend a 50 percent reduction in pork purchases for six months with substitution of lower-priced foods, purchase for six months of European pork and beef instead of U.S. products and reductions in purchases of various canned fruits and vegetables.

FARMERS PROTESTS

The Defense Department issued an order Feb. 17 carrying out precisely Freeman's recommendations. The order did not become public knowledge until seven weeks later, and the action was reversed May 7 after farmer protests.

It is not known how many other actions were taken as part of the President's anti-inflationary drive but never announced or never justified as anti-inflationary.

After the pork order, the administration reduced hide exports, sought to increase cheddar cheese imports, and cut defense butter purchases. An Agriculture Department spokesman said Thursday that he knew of no other actions designed to reduce prices.

At the time the initial pork decision became public, ranking officials of the Agriculture Department were asked whether other anti-inflationary measures had been taken. These officials replied "no."

Freeman, however, clearly indicated he took other actions when he wrote McNamara:

"We have adjusted a number of our food purchases and commodity sales programs to stabilize prices."

WHITE HOUSE MEETING

Freeman's use of the word "stabilize" in his letter to McNamara appeared to mean the lowering of prices. The Agriculture Department also takes actions periodically to "stabilize" prices by raising them—as it did last week in purchasing butter for the school lunch program to bolster dairy prices.

Last winter's anti-inflation decisions were made at the White House, in meetings attended by various cabinet undersecretaries and the Council of Economic Advisers. These officials were instructed by the President to devise ways of tailoring departmental operations to hold down consumer prices.

The presidential mandate on the subject was made clear not only by Freeman's opening sentence to McNamara—"the President wants us to help"—but also by Vance's reference in his reply to "the President's concern over the stability of food prices."

Vance was one of the participants in the White House meeting that set the hold-the-line policy on consumer prices.

TRIBUTE TO ONE OF BASEBALL'S ALLTIME GREAT MANAGERS

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, I would like to insert at this point in the RECORD an article which pays high tribute to one of baseball's alltime great managers. The Berkshire, Mass., Eagle honors both the man and the game in a piece by a writer who signs himself Peter Potomac, and who must obviously be using his real name, since no one would believe an alias like that.

A week from tonight on Wednesday, June 22, at District of Columbia Stadium the GOP Good Guys in the white hats will be joined in battle on the baseball diamond with the wearers of the Black Berets. The outcome cannot be in doubt. Our nine's strength is as the strength of 10, because our hearts are pure. May I take this opportunity to express on behalf of myself and my teammates, our appreciation of the past managerial efforts of our playing manager—perhaps that should be "praying manager"—Representative SILVIO O. CONTE, who has always told us: "It's not how you play the game, but whether or not you win, that counts." With such leadership, superiority inevitably prevails.

I call to my colleagues' attention the following Eagle article on Congressional Baseball Night:

[From the Berkshire Eagle, June 1, 1966]

CAPITOL HILL BALL GAME—ONE CONTEST THE GOP CAN WIN

(By Peter Potomac)

WASHINGTON.—On the 22d of this month, Republican members of Congress will meet their Democratic opponents at D.C. Memorial Stadium in their annual baseball game. The Game will be played before the regular Washington-Detroit game and it is of special interest to Berkshire County citizens because their man in Congress—SILVIO CONTE—is the playing manager of the Republican champions. I say champions because last year the GOP won the cup provided by *Roll Call*, the Capitol Hill newspaper that sponsors the game. The two teams are now starting another series of five games, and the first team to win three will get another cup. CONTE assures me that the Republicans are going to win again this year. Rep. HARLAN HAGEN, D-Calif., the manager of the Democratic nine, also assures me that *his* team will emerge victorious.

The Republican-Democratic Game has an interesting history. Not too many years ago, the two teams played a nine-inning game, sponsored by the *Washington Star*, and the proceeds went to local charities. The Congressmen—and a few Senators still in shape—took the Game pretty seriously. They even had spring training in Florida. There were also many bruises, broken bones and torn ligaments, enough so that Speaker Sam Rayburn, whose best playing days were behind him, got tired of seeing his boys limping and groaning about the floor of the House. Finally, in 1957, when EUGENE McCARTHY, D-Minn., smashed into TOM CURTIS, R-Mo., and broke his shoulder, Rayburn pounded the gavel on the Game.

However, in 1962, the Game was revived under the general supervision of Rep. Carroll Kearns, R-Pa., and the sponsorship of *Roll Call*. The new Game lasts only three innings, is played before a regular Washington Senators game and is a sort of climax of a party for Capitol Hill staffers which is held on the Hill and then transported in busloads to the ball park.

Despite the fact that they are only playing for a cup, and possibly a picture in the papers the next day—such as an immortal one of a hatless Silvio Conte, "minus the greasy kid stuff," as the caption writer put it, legging out an infield hit—they still give their all. Last year, for instance, Glenn Davis, R.-Wis., was spiked in the head when Robert Duncan, D-Ore., slid into him. (Duncan also pulled a leg muscle which put him on crutches. But he seemed to have recovered in time to win the Oregon Democratic primary last week in his effort to win the Senate seat being vacated by Maurine Neuberger.)

Conte himself was involved in a little skirmish when he slid into Sen. Birch Bayh, D-Ind., at second base. Both of them came up swinging but no blows were landed. The Democrats had better be a little more respectful of Conte this year, especially if he appears on the field in silk pajamas. He has just finished a course in karate and if he chose to could put a Democratic opponent out of the Game for good with one quick two-knuckle jab to just the right place in the head.

Such all-out efforts for the Game are, of course, to be applauded as being the American Way. But it does seem a shame that such risk of life and limb does not bring our representatives in Washington a little more than the cup which resides in Conte's well-filled trophy room, in which he somehow also manages to squeeze his desk. Conte has suggested that the Game be publicized a little more and the proceeds given to charity.

Personally, I think the Game could be put to an even better use. At a time when the problem of how to raise more money for congressional elections has become a national issue, what could be more American than a baseball game designed to raise campaign funds? When I put this idea to Conte, he said, "Great! With Everett Dirksen handling the public address system and a Supreme Court justice or two as umpires, think of the show we could put on!"

Hagen liked the idea too. "This might be our chance to get back at all these athletes and movie stars running for political office," says Hagen, who is being opposed in California this year by two-time Olympic decathlon winner, Bob Mathias.

The possibilities are indeed mind-boggling: In addition to Ev Dirksen at the microphone and Arthur Goldberg behind home plate, all the big names in Congress could be enlisted to help such a worthy cause—their campaign chests. For instance, Teddy Kennedy's bad back would probably disqualify him, and Robert's game is football, but the public could no doubt be induced to turn out by the thousands to see the two glamorous millionaires selling peanuts and hotdogs in the stands. Sen. Wayne Morse could be used by the Democrats to handle all protests against the umpires; Rep. Gerald Ford, House minority leader, could be scorekeeper, thus giving him a rare chance to see as many Republicans as Democrats on the field at the same time; Margaret Chase Smith and Maurine Neuberger could lead the cheering for their respective sides; liberal Republican Jacob Javits could be in the first base coach's box waving all Republican runners to turn left which, no matter how difficult it might be, they have to do to reach second.

If the Game ends in a tie, Vice President Humphrey would get one turn at bat: If he strikes out the Republicans win; if he gets on base the Democrats win. If he starts to deliver a speech, Ev Dirksen could challenge him from the press box. Sen. William Fulbright, of course, would be on hand urging both teams to stop the conflict and get back to the business of making the Congress a Great Place for Congressmen to live. And so on. All congressmen who did not otherwise participate would be called upon to serve as ushers.

The politicians might also do a switch and invite Gen. William D. Eckert, commissioner of baseball, to throw out the first ball, thus dispelling the rumors that the general does not know what a baseball looks like.

The possibilities are endless, and if publicized properly the Republicans and Democrats should be able to pack D.C. Stadium. At, say, $15 for mezzanine seats, $10 for a box seat; $5 for reserved grandstand, and $3 for a regular seat, the gate, assuming a full house, would be in the neighborhood of $205,231—which should be enough to make the Senate and House campaign committees sit up and take notice. The split, naturally, would be in the World Series tradition—60 per cent to the winners, and 40 per cent to the losers. And as Hagen says: "We might even put the Game on the road. Ballplaying congressmen would probably draw even greater crowds in cities outside of Washington."

Well, it seems like a good idea to me. If you agree, write Silvio Conte and your Massachusetts senators urging them to get behind it. And my advice to you, Messrs. Conte and Hagen, is to get your men in shape. You may think the Game is a little rough now, but if my idea catchces on, and boys really start playing for keeps—watch out!

POLITICS AND POVERTY IN CHICAGO

Mr. GOODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GOODELL. Mr. Speaker, "I can do as I darned please." Those are the words of Chicago's poverty director, Mr. Deton Brooks, when it was revealed that he was cochairman of a citizens' committee to raise money for a Democratic Congressman. Mr. Brooks has presided over the expenditure of about $30 million in Chicago.

As the director of the Chicago Committee on Urban Opportunity, Mr. Deton Brooks receives a salary of $22,500 a year. He claims exemption from the Hatch Act.

Deton Brooks and poverty officials like him all over the country should be clearly covered under Federal law prohibiting political activities. It is shocking to hear Mr. Brooks proclaim that he is not, and should not be, restricted in his political activities. For the past 2 years, as Mr. Daley's lieutenant, he has presided over one of the largest poverty programs in the country. That program is totally unrepresentative of the poor people it is designed to serve. It clearly violates the intent and will of Congress. Appointments to the executive committee, neighborhood councils, and staff are completely controlled by the mayor and those he appoints.

Mr. Speaker, Republicans have urged since the beginning of the poverty program that all poverty employees be clearly prohibited from political activities. Our amendments were arbitrarily rejected by the overwhelming Democratic majority in Congress. It is ridiculous, but true, that only Job Corps employees are clearly prohibited from political activities under the poverty law. Under the Hatch Act itself, it appears that some other State and city employees, such as Mr. Brooks, may be prohibited from political activity. It is obvious from his comments that Mr. Deton Brooks sees nothing wrong with mixing politics and poverty money. The well-oiled Daley machine whirs on, drowning out the anguished cries of the poor who were supposed to have a significant role in community action boards.

We urge Mr. Sargent Shriver, the Civil Service Commission and the U.S. attorney to investigate this case thoroughly. We further urge the Congress to enact the Republican opportunity crusade as a complete substitute for the misfiring political war on poverty. The opportunity crusade will clearly bar partisan activity by any poverty worker; it will also guarantee true representation of the poor on community action boards, double the money in the Community Action program over administration proposals, and eliminate the confusion, corruption and political chicanery infesting the present poverty war.

The Democratic committee bill in the House has now belatedly added a section purporting to apply the Hatch Act to all poverty workers. Publicity has caused Mr. Deton Brooks to be dropped summarily as cochairman of the citizens' fundraising committee for a Democratic Congressman. Of course, a number of solicitation letters have gone out with Mr. Brooks' name on the letterhead as cochairman. Once again, it would appear that the Democrats are ready to lock the barn door after the horse is stolen.

The example of Mr. Deton Brooks in Chicago does not stand alone, although this is the first case that has come to our attention in which a community action director has defended his action in supporting the campaign of a Congressman who serves on the congressional committee which writes the poverty legislation. On October 31, 1965, the distinguished columnist Richard Wilson said:

> The big city political machines have not been equal to the demands of growing urbanization. They thrive on poverty, unabsorbed minorities, religiosity. Favoritism is cultivated as an art. Honesty, justice and efficiency are equally uncomfortable in city hall.

ACHIEVEMENTS IN THE NATIONAL SPACE PROGRAM

Mr. MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER. Mr. Speaker, the first week of this month encompasses a record of successful achievements in the national space program that is unprecedented.

We have, in every sense of the word, justified every bit of confidence of the American people and every dollar invested in our national space program.

We were filled with pride at the tremendous accomplishments of the National Aeronautics and Space Administration in sending the Surveyor spacecraft out into space to land softly on the moon, where it is now sending back thousands of pictures of the lunar surface.

We watched and listened with great excitement the progress of our two astronauts in Gemini 9 as they demonstrated their high professional abilities in overcoming serious technical problems as they orbited the earth.

We were greatly impressed by the achievements of the orbiting geophysical observatory now orbiting the earth and sending back invaluable data and information indispensable to our successful achievements in the exploration of space.

All of these were the results of thousands of people in our industry and in our Government working long and hard, often at personal sacrifice, to make sure of our ultimate success.

One of the outstanding representatives of that team is the Hughes Aircraft Co., which worked in association with the Jet Propulsion Laboratory of the California Institute of Technology to design, to build, and to test the Surveyor spacecraft.

The Hughes Co. has had an enviable record of achievement in the production of spacecraft of unprecedented reliability and performance.

It must be recognized that the Surveyor spacecraft was constructed of many intricate devices. Its efficient operation involved thousands of complicated parts working in the most hostile environment without a single failure, going over 240,000 miles through space to land softly on the moon and begin transmitting photographs of the lunar surface.

These photographs were received at the Goldstone tracking station and then retransmitted through the Hughes Earlybird satellite in synchronous orbit to Europe.

This means that millions of people in the western world, along with ourselves, were reviewing on their television screens the Surveyor pictures at the same time. This was not only a tremendous technical achievement but also a great boost to our international prestige.

Incidentally, the Hughes Earlybird Synchronous Communications Satellite also played a major role in transmitting the television coverage of the Gemini 9 landing, not only to the American people but also to the people of Europe.

I think what is more important to point out is the unity of purpose that exists between the aerospace industry and the National Aeronautics and Space Administration.

Our space program is truly one to which thousands of people are dedicated far beyond the motivations of profit and loss or pure career advancement. No better proof of that fact exists than the Surveyor's 100-percent performance on its first flight. It is an indicator of the progressive maturity that our national space program is continuously achieving.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Louisiana.

Mr. BOGGS. I should like to associate myself with the remarks made by the distinguished chairman of the committee. I say to the chairman that much of the success of this program is attributable to his own diligence in making a good program possible.

Mr. MILLER. I thank the gentleman.

THE 50TH ANNIVERSARY OF THE CHARTER OF THE BOY SCOUTS OF AMERICA

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, last February, during Boy Scout Week, a breakfast was held observing the 50th anniversary of the chartering of the Boy Scouts of America by the U.S. Congress and honoring Senator CARL HAYDEN, the only member of the 89th Congress who also sat in the 64th Congress which chartered the Boy Scout organization in 1916.

I had the pleasure to address that breakfast. In preparation I was pleased to make a survey of the Members of the 89th Congress, 2d session, to determine what the Boy Scouts has done for Congress 50 years after Congress did something for the Boy Scouts by chartering it as a national organization.

The survey disclosed that 302 Members of the 89th Congress, 2d session, have participated in Scouting as Scouts and/or Scout leaders. Of this number, 24 have achieved the rank of Eagle, the highest which can be earned by a Scout. Also, eight adult leaders hold the Silver Beaver Award, two hold the Silver Antelope Award, and two others have the Silver Buffalo Award, highest recognition given to adults in Scouting.

Of the 535 House and Senate seats in Congress, there were only 519 potential Scouts or Scouters. There were 3 vacancies in the Congress and 13 of the seats in the U.S. Capitol are held by women.

The Scout Charter passed the House March 16, 1916, passed the Senate May 31, 1916, and was signed into law by President Woodrow Wilson on June 15, 1916. Under unanimous consent I would like to make the results of my survey part of the RECORD on the 50th anniversary of the signing into law of the Boy Scouts of America charter:

SURVEY OF 89TH CONGRESS, 2D SESSION, RELATIVE TO PARTICIPATION IN BOY SCOUTS OF AMERICA, BY CONGRESSMAN CLARENCE J. BROWN, JR.

	Representative	Senator	Total
Scout	126	29	155
Scout and leader	84	6	90
Leader	47	10	57
No participation	166	53	219
Subtotal	423	98	521
Women	*11*	+2	*+13*
Vacancies	2		+2
Total	[1] 436	100	536

[1] Includes Puerto Rico representative.

Total Members who have participated in scouting: 302 (56.3 percent).

Total who were Scouts: 245.

Total who were leaders: 146.

EAGLE SCOUTS

Representatives

GEORGE SENNER, Arizona (D).
John F. Baldwin, Calif. (deceased).
JEFFERY COHELAN, Calif. (D).
BURT L. TALCOTT, Calif. (R).
CHARLES BENNETT, Fla. (D).
CHARLES WELTNER, Ga. (D).
DONALD RUMSFELD, Ill. (R).
JOHN CULVER, Iowa (D).
HERVEY MACHEN, Md. (D).
GERALD R. FORD, Mich. (R).
JOHN A. BLATNIK, Minn. (D).
THOMAS CURTIS, Mo. (R).
DURWARD HALL, Mo. (R).
BARBER CONABLE, JR., N.Y. (R).
HORACE KORNEGAY, N.C. (D).
MARK ANDREWS, N. Dak. (R).
CLARENCE J. BROWN, JR., Ohio (R).
J. WILLIAM STANTON, Ohio (R).
TOM STEED, Okla. (D).
DANIEL FLOOD, Pa. (D).
RICHARD SCHWEIKER, Pa. (R).
J. J. PICKLE, Tex. (D.).
JOHN O. MARSH, JR., Va. (D).
HENRY REUSS, Wis. (D).

Senator

FRANK MOSS, Utah (D).

SILVER BUFFALO

Senator CARL HAYDEN, Arizona (D).
Senator GEORGE MURPHY, Calif. (R).

SILVER BEAVER

Representatives

DEL CLAWSON, Calif. (R).
THOMAS CURTIS, Mo. (R).
DURWALD HALL, Mo. (R).
PAGE BELCHER, Okla. (R).
ARCH MOORE, JR., W. Va. (R).
J. OLIVA HUOT, N.H. (D).

Senators

CLINTON ANDERSON, N. Mex. (D).
EVERETT JORDAN, N.C. (D).

SILVER ANTELOPE

Representative DURWARD HALL, Mo. (R.).
BEN REIFEL, S. Dak. (R).

Honorary Boy Scout: CATHERINE MAY, Wash. (R.).

Cub Scout Den Mother: FLORENCE P. DWYER, N.J. (R).

BOY SCOUT SURVEY RESULTS CONDUCTED BY CLARENCE J. BROWN, JR., MEMBER OF CONGRESS

Scout denoted by (S); Leader denoted by (L); Scout and Leader denoted by (S & L).

ALABAMA

Senator JOHN SPARKMAN (D), S & L.
GEORGE ANDREWS (D), S.
JOHN H. BUCHANAN, JR. (R), L.
WILLIAM L. DICKINSON (R), S.
ROBERT E. JONES (D), L.

James D. Martin (R), S & L.
Armistead I. Selden, Jr. (D) S.

ALASKA

Senator E. L. Bartlett (D), S.

ARIZONA

Senator Paul J. Fannin (R), S.
Senator Carl Hayden (D), L.
John J. Rhodes (R), S.
John F. Senner, Jr. (D), S.
Morris K. Udall (D), S & L.

ARKANSAS

E. C. Gathings (D), S & L.
Wilbur D. Mills (D), S. & L.
James W. Trimble (D), L.

CALIFORNIA

Senator Thomas Kuchel (R), S & L.
Senator George Murphy (R), L.
Alphonzo Bell (R), S.
George E. Brown, Jr. (D), L.
Del Clawson (R), S & L.
Jeffery Cohelan (D), S.
James C. Corman (D), S.
Ken W. Dyal (D), S & L.
Don Edwards (D), S.
Richard T. Hanna (D), S & L.
Craig Hosmer (R), S.
Harold T. Johnson (D), L.
Robert T. Leggett (D), S & L.
Glenard P. Lipscomb (R), S.
John F. McFall (D), L.
William S. Mailliard (R), S.
John E. Moss (D), S.
Ed Reinecke (R), S & L.
Edward R. Roybal (D), S.
H. Allen Smith (R), S & L.
Burt L. Talcott (R), S & L.
Charles M. Teague (R), S.
John V. Tunney (D), L.
James B. Utt (R), S.
Lionel Van Deerlin (D), S.
Bob Wilson (R), S.
J. Arthur Younger (R), L.

COLORADO

Wayne N. Aspinall (D), S.
Frank E. Evans (D), S & L.
Roy H. McVicker (D), S.
Byron G. Rogers (D), S.

CONNECTICUT

Senator Thomas J. Dodd (D), S.
Senator Abraham A. Ribicoff (D), S.
Robert N. Giaimo (D), S.
William L. St. Onge (D), S & L.

DELAWARE

Senator J. Caleb Boggs (R), S & L.

FLORIDA

Senator Spessard L. Holland (D), S.
Charles E. Bennett (D) S.
Dante B. Fascell (D) S.
Sam M. Gibbons (D), S.
James A. Haley (D), L.
Edward J. Gurney (R), S.
A. Sydney Herlong, Jr. (D), S.
D. R. (Billy) Matthews (D), S & L.
Claude Pepper (D), S & L.
Paul G. Rogers (D), S.
Robert L. F. Sikes (D), S.

GEORGIA

Howard H. Callaway (R), S & L.
John J. Flynt, Jr. (D), S & L.
G. Elliott Hagan (D), L.
Phil M. Landrum (D), S.
James A. Mackay (D), S.
Maston O'Neal (D), S & L.
Robert G. Stephens, Jr. (D), S & L.
Charles L. Weltner (D), S & L.

HAWAII

Senator Hiram Fong (R), S & L.
Spark M. Matsunaga (D), S.

IDAHO

Senator Frank Church (D), S.
George V. Hansen (R), S.
Compton I. White, Jr. (D), S & L.

ILLINOIS

Frank Annunzio (D), L.
Leslie C. Arends (R), S.
Harold R. Collier (R), S.
Edward J. Derwinski (R), S.
John N. Erlenborn (R), L.
Robert McClory (R), L.
Roman C. Pucinski (D), S.
Dan Rostenkowski (D), S & L.
Donald Rumsfeld (R), S.
Gale Schisler (D), L.
William L. Springer (R), S.
Sidney R. Yates (D), S.

INDIANA

E. Ross Adair (R), S.
John Brademas (D), S & L.
William G. Bray (R), S.
Winfield K. Denton (D), S.
Lee H. Hamilton (D), S.
Andrew Jacobs, Jr. (D), S.
Richard L. Roudebush (R), S & L.

IOWA

Senator Jack Miller (R), S.
Bert Bandstra (D), L.
John C. Culver (D), S.
John R. Hansen (D), S & L.
John R. Schmidhauser (D), S & L.
Neal Smith (D), L.

KANSAS

Senator Frank Carlson (R), L.
Senator James B. Pearson (R), S.
Bob Dole (R), S.
Robert F. Ellsworth (R), S.
Chester L. Mize (R), S.
Garner E. Shriver (R), S & L.
Joe Skubitz (R), L.

KENTUCKY

Senator John Sherman Cooper (R), S.
Frank A. Stubblefield (D), S.
John C. Watts (D), S.

LOUISIANA

Hale Boggs (D), S.
Speedy O. Long (D), S.
Otto E. Passman (D), S.
Joe D. Waggonner (D), S.
Edwin E. Willis (D), S.

MAINE

Senator Edmund S. Muskie (D), S.
William D. Hathaway (D), S.
Stanley R. Tupper (R), S.

MARYLAND

Senator Joseph D. Tydings (D), S.
Samuel N. Friedel (D), S.
Hervey G. Machen (D), S & L.
Charles McC. Mathias, Jr. (R), S.
Rogers C. B. Morton (R), S.
Clarence D. Long (D), S.

MASSACHUSETTS

William H. Bates (R), S.
Thomas P. O'Neill, Jr. (D), L.

MICHIGAN

William S. Broomfield (R), S & L.
Elford A. Cederberg (R), S.
Raymond F. Clevenger (D), S & L.
John D. Dingell (D), S & L.
Billie S. Farnum (D), S & L.
Gerald R. Ford (R), S & L.
William D. Ford (D), S.
Robert P. Griffin (R), S & L.
Edward Hutchinson (R), S.
Lucien N. Nedzi (D), L.
Paul H. Todd, Jr. (D), S.
John C. Mackie (D), S.

MINNESOTA

Senator Walter F. Mondale (D), S.
John A. Blatnik (D), S.
Donald M. Fraser (D), S.
Joseph E. Karth (D), S & L.

MISSISSIPPI

Thomas G. Abernethy (D), S & L.
Prentiss Walker (R), S.

MISSOURI

Thomas B. Curtis (R), S & L.
Senator Edward V. Long (D), L.
Durward G. Hall (R), S & L.
W. R. Hull, Jr. (D), S & L.
William L. Hungate (D), S.
Paul C. Jones (R), S & L.
Frank M. Karsten (D), S.
William J. Randall (D), S.

MONTANA

Senator Lee Metcalf (D), S & L.
James F. Battin (R), S.
Arnold Olsen (D), L.

NEBRASKA

Glenn Cunningham (R), S & L.
Dave Martin (R), S & L.

NEVADA

Senator Howard W. Cannon (D), S.
Walter S. Baring (D), S.

NEW HAMPSHIRE

Senator Norris Cotton (R), S.
Senator J. McIntyre (D), L.
J. Oliva Huot (D), L.

NEW JERSEY

Senator Clifford P. Case (R), S.
Senator Harrison A. Williams, Jr. (D), L.
Cornelius E. Gallagher (D), S.
Joseph G. Minish (D), S.
William B. Widnall (R), S & L.
James J. Howard (D), S.

NEW MEXICO

Senator Clinton P. Anderson (D), L.
Thomas G. Morris (D), S.
E. S. Johnny Walker (D), S & L.

NEW YORK

Senator Robert F. Kennedy (D), S.
Hugh L. Carey (D), L.
Barber E. Conable, Jr. (R), S & L.
John G. Dow (D), S & L.
Thaddeus J. Dulski (D), S & L.
James R. Grover, Jr. (R), S.
Seymour Halpern (R), S & L.
Frank Horton (R), S & L.
Carleton J. King (R), L.
Richard D. McCarthy (D), S.
Robert C. McEwen (R), S.
Abraham J. Multer (D), L.
Richard L. Ottinger (D), S.
Otis G. Pike (D), S & L.
Ogden R. Reid (R), S.
Joseph Y. Resnick (D), S & L.
Howard W. Robison (R), S & L.
John J. Rooney (D), S.
Henry P. Smith, 3rd (R), S & L.
Samuel S. Stratton (D), S & L.
Herbert Tenzer (D), L.
John W. Wydler (R), S.

NORTH CAROLINA

Senator B. Everett Jordan (D), L.
James T. Broyhill (R), S.
L. H. Fountain (D), S.
David N. Henderson (D), S.
Charles R. Jonas (R), S.
Horace R. Kornegay (D), S & L.
Alton Lennon (D), S & L.
Roy A. Taylor (D), S & L.
Basil Whitener (D), S.

NORTH DAKOTA

Mark Andrews (R), S.

OHIO

John M. Ashbrook (R), L.
Jackson E. Betts (R), S & L.
Clarence J. Brown, Jr. (R), S & L.
Samuel L. Devine (R), S.
William H. Harsha (R), S.
Wayne L. Hays (D), S & L.
Delbert L. Latta (R), S.
William E. Minshall (R), S.
Charles A. Mosher (R), L.
Robert T. Secrest (D), S.
J. William Stanton (R), S.

OKLAHOMA

Senator Fred R. Harris (D), S.
Senator A. S. Mike Monroney (D), S.
Carl Albert (D), S & L.
Page Belcher (R), L.
Ed Edmondson (D), S.
John Jarmon (D), L.
Jed Johnson, Jr. (D), S.
Tom Steed (D), S & L.

OREGON

Robert B. Duncan (D), S & L.
Al Ullman (D), L.

PENNSYLVANIA

Senator Hugh Scott (R), S.
William A. Barrett (D), S.
Frank M. Clark (D), S & L.
Robert J. Corbett (R), S.
N. Neiman Craley, Jr. (D), S.
Willard S. Curtin (R), S & L.
Paul B. Dague (R), L.
Daniel J. Flood (D), S.
James G. Fulton (R), S.
Albert W. Johnson (R), L.
Joseph M. McDade (R), S.
Thomas E. Morgan (D), S.
Fred B. Rooney (D), S.
John P. Saylor (R) S & L.
Herman T. Schneebeli (R), S.
Richard S. Schweiker (R), S & L.
J. Irvin Whalley (R), L.

RHODE ISLAND

Senator Claiborne Pell (D), S.
John E. Fogarty (D), S & L.

SOUTH CAROLINA

Senator Strom Thurmond (R), S & L.
John L. McMillan (D), L.
L. Mendel Rivers (D), S & L.
Albert W. Watson (R), S.

SOUTH DAKOTA

E. Y. Berry (R), L.
Senator Karl E. Mundt, (R), S.
Ben Reifel (R), L.

TENNESSEE

William R. Anderson (D), S.
William E. Brock, 3rd (R), S.
John J. Duncan (R), S & L.
Richard H. Fulton (D), S & L.

TEXAS

Senator Ralph Yarborough (D), L.
Omar Burleson (D), S.
Earle Cabell (D), L.
Bob Casey (D), S & L.
John Dowdy (D), S & L.
O. C. Fisher (D), L.
Eligio de la Garza (D), S & L.
Henry B. Gonzalez (D), S & L.
Wright Patman (D), L.
J. J. (Jake) Pickle (D), S.
W. R. Poage (D), L.
Graham Purcell (D), L.
Ray Roberts (D), S & L.
Walter Rogers (D), S.
Olin E. Teague (D), S.
Clark W. Thompson (D), L.
Richard C. White (D), S & L.
James C. Wright, Jr. (D), S & L.

UTAH

Senator Wallace F. Bennett (R), S.
Senator Frank E. Moss (D), S.
Laurence J. Burton (R), S & L.
David S. King (D), L.

VERMONT

Robert T. Stafford (R), S.

VIRGINIA

Thomas N. Downing (D), S & L.
Porter Hardy, Jr. (D), S & L.
John O. Marsh, Jr. (D), S & L.
David E. Satterfield, III (D), S.

WASHINGTON

Senator Henry M. Jackson (D), S.
Brock Adams (D), S.
Thomas S. Foley (D), S.
Lloyd Meeds (D), S & L.
Thomas M. Pelly (R), S.

WEST VIRGINIA

Senator Robert C. Byrd (D), S.
Senator Jennings Randolph (D), S.
Ken Hechler (D), S & L.
James Kee (D), S.
Arch A. Moore, Jr. (R), L.
John M. Slack, Jr. (D), S.
Harley O. Staggers (D), L.

WISCONSIN

Robert W. Kastenmeier (D), S.
Senator William Proxmire (D), S.
Glenn R. Davis (R), L.
Melvin R. Laird (R), S.
Henry S. Reuss (D), S & L.
Vernon W. Thomson (R), S.

WYOMING

Senator Gale W. McGee (D), S.
Senator Milward L. Simpson (R), L.

EDITORIAL IN THE WASHINGTON POST, JUNE 14, 1966

Mr. STEED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, in the interest of keeping the record straight, I call attention to the following: Under the heading "Stewart's Ploy," an editorial in the Washington Post states as follows:

> Although J. George Stewart, the Architect of the Capitol, did not ask for funds to construct an extension on the West Front, there is no reason to think the project has been postponed. Mr. Stewart has never favored asking for separate appropriations for his building schemes. At this stage in a session Congressmen are tempted to ask questions and demand explanations before approving expenditures. Mr. Stewart prefers to stick his requests among the supplemental appropriations items that come in the last hectic days before adjournment. He funded the East Front extension in this manner. He funded the Rayburn House Office Building in this manner.

The statements that the extension of the east front and the Rayburn Building were funded through supplemental appropriations are essentially false.

A review of the records, which could be made with great ease by anyone interested, shows the following:

Extension of the east front: $24 million was appropriated for this project and associated items. Of this amount, $19,700,000 was obtained through the regular annual appropriation acts and $4,300,000 through supplemental appropriations. It is significant that the first two appropriations made for this project, totaling $17 million, were carried in the regular acts This was more than enough to cover the total cost—$12 million—of the extension of the east front itself.

Additional House office building project: $134,500,000 was appropriated under this heading, which includes the construction of the Rayburn Building at a cost of approximately $89 million. Of the total of $134,500,000 appropriated, $124,500,000 came by the regular annual appropriations acts and $10 million by supplementals. Of the $10 million from supplementals, $5 million was earmarked for purchase of land east of the Cannon House Office Building which the Congress has now decided will be used for the Madison Memorial-Library of Congress Building. So, in fact, only $5 million from supplemental appropriations went toward payment for the Rayburn Building, remodeling of the other buildings, construction of garages and subways, and other items carried on under this project.

SINYAVSKY AND DANIEL: VICTIMS OF SOVIET "JUSTICE"

The SPEAKER pro tempore (Mr. Albert). Under previous order of the House, the gentleman from Massachusetts [Mr. Conte] is recognized for 15 minutes.

Mr. CONTE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts.?

There was no objection.

Mr. CONTE. Mr. Speaker, the fate of innocent and helpless victims under Soviet law has always elicited much compassion and pity in humanity, often leading to expressions of indignation and protest. That is one of the finest and noblest feelings of all sensible and sensitive human beings. It is a trait that has long been part of our own heritage, for in our fervent desire to see justice done, we have always championed the rights of the innocent and the helpless, the downtrodden and the underdog. Such has been our behavior in human affairs touching human rights, particularly in instances where the fate of certain individuals was involved, and where, in the courts of law, justice was flouted for political consideration and baser motives.

The case of two Soviet writers who were recently tried in Moscow, convicted and then sentenced to long terms of penal servitude in prison-labor camps, is an instance in point.

Andrei Sinyavsky and Yuli Daniel are two well-known men of letters. Sinyavsky has long been known as a novelist and literary critic and also as an ardent admirer of the famous Soviet writer, Boris Pasternak. Daniel has been best known as a gifted and versatile poet. They have often written in praise of the Soviet Union's authorities. For a while, when Khrushchev was all powerful, their critical views, expressed in subtle literary forms, were tolerated and the writers were unmolested.

For years they retained their status in the Gorki Institute of World Literature in Moscow, and they continued to hold their own, even after Khrushchev's demise. Then last September they were arrested by Soviet authorities and charged with disseminating anti-Soviet propaganda in their writings abroad under assumed names. On this allegedly serious and principal charge they were tried in Moscow in a courtroom which was open to Soviet newspapermen but deliberately barred to foreign press representatives. After a 4-day trial in early February, they were found guilty, convicted and then sentenced to serve at penal prison-labor camps, Sinyavsky for 7 years and Daniel for 5 years.

At the trial the prosecution charged that Sinyavsky, under the name Abram Tertz, and Daniel as Nikolai Arzak, had written very critically of Soviet literature, and particularly about life in the Soviet Union; that they had successfully smuggled their anti-Soviet writings out of the Soviet Union by devious and illegal methods; and had them published abroad.

Both Sinyavsky and Daniel readily admitted to writing under assumed names and to having smuggled their writings out of the Soviet Union for publication abroad, but they stoutly denied the charge that their writings contained or constituted anti-Soviet propaganda. Nonetheless both men were convicted.

No sooner was the trial over early in February and the verdict known abroad, than the case of these two Soviet writers became something of an international issue. Men of letters in all parts of the free world held protest meetings and sent appeals to Soviet authorities, asking for leniency and clemency. The storm of protests from groups of writers in the west was also directed to the Soviet writers union in Moscow.

Unfortunately, these protests and appeals have not brought about any change in the fate of Sinyavsky and Daniel; and, so far as is known, they are already doing penal servitude in a prison labor camp.

Of course many individuals and numerous groups in this country have also lodged protests with Soviet authorities in Moscow, and have appealed urgently on behalf of these two writers. Some benevolent and kind individuals have even expressed the wish to aid these two victims of Soviet "justice" by offering to have them brought to this country and live here at their expense, without having them become public charges.

Recently I received a letter from one of my constituents, a highly public-spirited friend whose humanitarian feelings were aroused by the fate of Sinyavsky and Daniel. He wrote me stating that if the Soviet authorities want to be rid of Sinyavsky and Daniel and are willing to release them from prison and allow them to leave the Soviet Union, he "would underwrite the support of them and their families in this country for a couple of years." He expressed confidence that dozens of American writers would join him.

I wanted to explore ways by which the wish of my friend could be fulfilled, and so on April 27 I wrote to the Department of State, asking information on the possibility of obtaining the release of these two victims from their Soviet prison-labor camp, and on the chances of their coming to this country.

But the reply which I received from the Assistant Secretary of State for Congressional Relations, Mr. Douglas MacArthur II, was not encouraging. In his considerate reply to me, Mr. MacArthur makes it abundantly clear that appeals to the Soviet Government could offer no hope of securing the release in Sinyavsky and Daniel, since that Government has already refused to consider favorably all appeals made by innumerable other groups and individuals, including appeals made by some eminent Soviet writers and Communist intellectuals from Eastern and Western Europe. He also stresses the State Department's view that "concerned Americans and citizens of other countries should not hesitate to express their views in public about the fate of Sinyavsky and Daniel."

Under the circumstances that probably is the most and the very least we can do now. While it may not be possible to secure the release of Sinyavsky and Daniel from the Soviet prison-labor camp, I would like to voice my protest in this House against the conviction of these two gifted and innocent victims of Soviet "justice." It is my hope that such protests, from all quarters of the globe, may in some way help to deter the Soviet authorities from this type of repression in the future.

The case of Sinyavsky and Daniel is a particularly significant one for me and for the people of the First Congressional District of Massachusetts whom I am privileged to represent in this body. As a further example of the Soviet brand of "justice," it is a grim reminder of the tragic and bitterly frustrating case of young Newcomb Mott of Sheffield, Mass.

It was less than a year ago that 27-year-old Newcomb innocently wandered across the Soviet border from Norway, seeking information on how he might legally enter Russia for a brief visit. He was promptly arrested on charges of illegally entering the Soviet Union. His trial was a mockery of anything close to due process as we know it, and his conviction—18 months at hard labor in a Siberian penal colony—was considered severe even by Russian standards.

The world, of course, knows the outcome of the Mott case. Newcomb never reached Siberia. He died on the prison train, allegedly taking his own life, although the detailed circumstances of his death have never been clearly explained by the Soviets, and it is unlikely that they ever will.

It is to be hoped that Sinyavsky and Daniel will fare better on the sacrificial altar of Russian "justice" than did Newcomb Mott.

And certainly it should be crystal clear, even to the most euphemistic swallowers of Russian hogwash, that the Soviet Government cannot be trusted to react in either a plausible or predictable manner when it comes to human rights and justice. There is but one rule—expedience for the good of the state. All else is subordinate, and I repeat my earnest advice to any American foolish enough to consider placing his own welfare at the mercy of the Russian authorities. Steer well clear of any jurisdiction controlled or influenced by the Soviets. Ignore the rather surprising appeal of Russian advertising to visit the Soviet Union. The lessons are hard and clear. The risk is not worth the taking.

Mr. Speaker, the constituent of whom I spoke earlier and who has expressed interest in bringing Sinyavsky and Daniel out of Russia to this country, is the distinguished playwright, William Gibson of Stockbridge, Mass.

Mr. Gibson has made this case something of a personal crusade, since he himself has a more or less personal interest in it. Mr. Gibson is, of course, one of our more noted dissenters in this country. He makes no secret of his convictions on some of the issues confronting the Nation today—but makes equally clear his patriotic devotion to the only country in the world, perhaps, that would allow him to speak his convictions without fear of the kind of reprisals which the Soviets have taken against Sinyavsky and Daniel.

I would like to include at this point in my remarks the text of a letter written by Mr. Gibson to Soviet Ambassador Anatoly Dobrynin. The letter, I feel, is in the clear tradition of the utterance by Voltaire, who said: "I disapprove of what you say, but I will defend with my life your right to say it."

The letter follows:

Ambassador ANATOLY DOBRYNIN,
The Soviet Ambassador,
Washington, D.C.

DEAR AMBASSADOR DOBRYNIN: Last year I was invited by the Institute of Soviet-American Relations to visit Moscow, where two of my plays are being performed; I accepted, hoping to come when time permitted. Now I wish to state why I will not.

The sentencing to hard labor of the authors Daniel and Sinyavsky for publishing their dissent from state dogma, which to the Soviet government appears a crime and to me appears a duty, is not only a bitterness to all who hope for understanding between our countries; it should be felt by every writer in the world as a kick in the groin.

In Town Hall last month I participated in a read-in of American writers against our government's war in Viet Nam, which to me appears a crime and to others a duty, and there listened to such invective against our political leaders that even my ears burned. Surely our names without exception went into the FBI's files, but each of us spoke his fragment of the truth, in a faith as old as this country that out of many such fragments comes a wholer truth. Uninterfered with, I came home thanking my lucky stars, from the first thirteen on, that I had read my pages from a platform in New York and not in Moscow.

True, the traditions of your country and mine are so contrary that we cannot use the same language of humanity without ending in confusion, and it is a waste of breath to lecture each other. I know only that, like Sinyavsky and Daniel, I am a writer who abhors the lies which grease the machinery of every state; and while I come and go as I please on my road here, they are laboring in a prison camp; and I cannot honor my promise to visit your country while it so dishonors men like me.

Sincerely,

WILLIAM GIBSON.

CAMBODIAN AID TO THE VIETCONG

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. CHAMBERLAIN] is recognized for 15 minutes.

Mr. **CHAMBERLAIN**. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous material.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, in recent weeks, since my return from serving on a special Armed Services Committee assignment to South Vietnam during the Easter recess, I have made a number of speeches in this Chamber on the subject of the aid the Vietcong derives from Cambodia.

Today I wish to inform my colleagues of a cable I received from the Prime Minister of Cambodia in which he, in strong and unusual language, protests the statements I had made. I wish to take this means to respond to this extraordinary communication because I believe it does more to lend credence to the charges than it does to deny them. The Prime Minister, Norodom Kantol, specifically attacks me for advocating an aggressive policy against his country, for making public "faked" information, and for the failure to be concerned about the truth of the situation along the Cambodian-Vietnamese border.

Let me first simply refer my colleagues to information which I have previously inserted in the RECORD on May 4, May 17, and May 23. At this time I would only reiterate that while in South Vietnam I was specifically told by a special forces officer of the existence of three airstrips on Cambodian soil which received daily flights with supplies for Vietcong and of the existence of a training area as well. Furthermore, I have yet to speak to a military officer of high or low rank knowledgeable of that part of the world who had the slightest doubt that the Vietcong were using Cambodia. Consequently, if it is a matter of believing the Cambodian Government or believing what our troops in the field tell me I shall believe the latter.

I am impressed that by sending me this personal cable the Cambodian Prime Minister is admitting that a very sensitive nerve has been hit. His cable is not so much a rebuttal of the charges as it is a countercharge that the whole question is a fabrication of the U.S. Government to prepare the American people for a war against Cambodia. A genuinely neutral Cambodia has nothing to fear from the United States. But just how does Cambodia understand the word, "neutrality"? For one example, let me quote from a letter by the Cambodian delegate to the United Nations to the New York Times on May 27, 1966, in which he states:

> Because of her policy of strict neutrality, Cambodia refuses to be subjected to imperialist domination and to approve this war of aggression. It continues to support morally and politically the struggle of the brave Vietnam people against American aggression. We have never concealed the fact that in token of our solidarity with the Vietnam people we have offered medical supplies and dried fish to the National Liberation Front.

This, it seems to me, is a very peculiar definition of neutrality. It's clear from its hostile tone toward the United States that we must be extremely wary of the Cambodian Government's public assurances about its alleged neutrality. Therefore, while I think it is well that the invitation by Cambodia for a congressional delegation to check into the border situation has been accepted, I would strongly recommend that any such delegation should also inspect these areas with our own military people as well, preferably before journeying to Pnom Penh.

The nature and extent of the aid to the Vietcong receive from Cambodia is admittedly difficult to measure. This is, of course, in part due to the very character of guerrilla warfare. No one doubts the existence of the Ho Chi Minh Trail complex but perhaps on any given day it is practically impossible to find it. Certainly we must be sure that such a delegation is not given a whitewash treatment.

Mr. Speaker, no one wants the war to be enlarged whether into Cambodia or elsewhere. Neither does anyone want the war kept going by condoning the enemy's use of Cambodian soil as a sanctuary and as a logistical base of support. The Cambodian interpretation of neutralism, whatever its intentions, clearly is being exploited by the enemies of South Vietnam. This cannot be tolerated and I believe that efforts to bring economic pressure should be undertaken until Cambodia takes more effective action to eliminate the use of its territory by the enemies of its eastern neighbor.

I note also from the Prime Minister's cable that while he invites an inspection of the border and protests my recommendation that the Mekong River be closed, he makes no offer of inspection of Cambodian port facilities. I have urged that Cambodian-bound ocean traffic using the Mekong River be stopped to eliminate the possibility of contraband reaching the Vietcong and as a weapon of economic pressure to bring Cambodia to adopt a genuine policy of neutrality. The international treaty covering the use of this river specifically was predicated on the existence of friendly relations between the countries. It also stipulates that countries may make such regulations as are necessary for the maintenance of their own security. Mr. Speaker, no one should need reminding that South Vietnam is fighting for its very existence.

Before the Cambodian Government can establish beyond reasonable doubt its neutrality, it will have to show not only that its borders are not being violated but also that goods entering the country by ship are not being diverted with or without the government's knowledge to the Vietcong. I would strongly recommend, therefore, that any congressional delegation accepting the Cambodian invitation to inspect its borders should also make a thorough inquiry regarding the possibility of supplies entering especially the capital port city of Pnom Penh by means of the Mekong River.

If I thought it would really do any good, I would also challenge the Cambodian Government to permit the full inspection of all Mekong River traffic unloading at Pnom Penh by representatives of both interested and disinterested governments. By inspection, I mean not simply the examination of ships' documents but the surveillance of the actual goods in each ship. However, even if this were done, the result would still be less than adequate. Goods bound for the Vietcong could still come through the saltwater port of Sihanoukville on the Gulf of Thailand. In fact, there are already reports to this effect. Consequently, I believe that the only way to bring substantial pressure to bear on Cambodia would be to close the Mekong River since this would place a premium on all space for cargo entering the country which, hopefully, would help insure that it would be used only for domestic and peaceful purposes.

Mr. Speaker, in conclusion I can only say that this cable makes it clear to me that the Cambodian Government will let no opportunity pass to attack the United States as a device to shift attention from its own failure to control its territory. The Prime Minister, to borrow a phrase from Shakespeare, "doth protest too much, methinks."

The translation of Prime Minister Kantol's cable, a translation of a letter I have received from the Cambodian delegate to the United Nations, and a copy of his letter in the New York Times of May 27, together with the article by C. L. Sulzberger in the New York Times of May 1 to which the latter refers, as follows:

Mr. CHARLES CHAMBERLAIN,
House of Representatives,
Washington, D.C., U.S.A.:

We have just learned of your astonishing statements about Cambodia from the CONGRESSIONAL RECORD of May 23, 1966. They show us that a representative of the American people is free to advocate an aggressive policy against a peaceful and neutral country on the basis of reports that he knows very well are false. We really cannot imagine that you do not know of the reports about our border areas published by major newspapers under the signature of Seymour Topping, Stanley Karnow, and Stanley Sheinbaum. This is, for us, therefore, a new picture of so-called American democracy. We invited a Delegation of American Senators and Representatives to make an on-the-spot study of the actual situation in our country. They refused, for, according to the example set by you, the search for truth is irreconcilable with the implementation of a policy of force and domination. We recently requested increased inspection of our borders by the International Control Commission in order to prove our good faith and the actual fact of our neutrality. Your Pentagon and Department of State hastened to deny the accusations made against Cambodia. You have deemed fit to ask President Johnson to bring pressure to bear on Cambodia by closing the Mekong. Such a measure would be a violation of international law, and this would be added to the innumerable violations of treaties and agreements, as well as the United Nations Charter, of which your country is guilty.

However, you may rest assured that Cambodia would be able to cope with that situation just as it is coping with the constant acts of aggression perpetrated by your forces and your mercenaries. And above all do not imagine that such a measure can destroy our independence.

NORODOM KANTOL,
President of the Council of Ministers and Minister of Foreign Affairs.

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
New York, June 1, 1966.

[Translation (French)]

(Rep. CHAMBERLAIN.)

(Permanent mission of Cambodia to the United Nations Organization, No. 2397.)

Mr. Congressman: It is with great surprise and regret that I read in the Congressional Record of May 23, 1966, the remarks extended by you in the House of Representatives relative to my country.

By taking up the slanderous (and unfounded) accusations of the Psychological (Warfare) Services of the U.S. Armed Forces in South Vietnam, taken up by some American and "free world" newspapers for the purpose of justifying and creating a pretext for an American aggression on my country, you have, to my great regret, been a party to this campaign of poisoning American public opinion.

You saw fit to stress that "press reports indicate there is no (reason to) doubt that Cambodia is a sanctuary, a training ground, and a source of supply for the Viet Cong."

Mr. Congressman, do you know that recently, perhaps during your visit to South Vietnam, the Royal Government of Cambodia, invited the representatives of the American press, Mr. Seymour Topping of The New York Times, Mr. Stanley Karnow, of The Washington Post, and Mr. Stanley Sheinbaum of the periodical Ramparts, to conduct investigations in the border areas suspected, according to the Psychological Services of the U.S. Armed Forces in South Vietnam, of harboring the forces of North Vietnam and of the Viet Cong? The results of their inquiries were published in the newspapers in question. All confirmed that Cambodia has never been and in no way is being used as a base, as a sanctuary, or as a training ground for the Viet Cong. In addition to the affirmations of these American newspaper correspondents, there are also those of the members of the International Control Commission, of the Military Attachés of the countries (including those of the Western countries) accredited to my country who acknowledged that no base, no sanctuary of the Viet Cong existed in Cambodia.

If you are so sure that Cambodia is harboring the Viet Cong, how does it happen that the U.S. Senate refused the invitation which the President of the National Assembly of Cambodia addressed to its President last January to send three representatives of different trends of opinion to conduct meticulous investigations in Cambodia? We have a right to ask ourselves why the distinguished representatives of the American people showed no curiosity to come to the spot, i.e., to Cambodia, to check out the merits of the reports of the American military personnel or press? It was a good chance for the distinguished representatives to let the Senate or the House of Representatives, or even the American people and world opinion know whether or not Cambodia is really a sanctuary, a training ground, or a source of supply for the People's forces in South Vietnam. But you prefer, with flagrant injustice, to discredit us and to continue to accuse us unfoundedly.

I am taking this opportunity to stress again that the policy of neutrality pursued by my government since 1955 is a genuine one. That is why the Royal Khmer Armed Forces, exercising a strict and vigilant control along our borders, were given orders to oppose all infiltrations of foreign forces, including those of the Viet Cong. However, up to the present, the only forces who have violated our borders and murdered our population are American-South Vietnamese and Thai forces. As for the Democratic Republic of Vietnam and the National Liberation Front of South Vietnam, we are satisfied with their scrupulous respect of our independence, of our neutrality and of our territorial integrity.

In a recent formal statement to the Diplomatic Corps, Prince Norodom Sihanouk, head of the Cambodian State, declared once more:

"In the Vietnamese affair we have never sided with one camp against the other."

"We only maintain the right of a people to their independence, to their full sovereignty, the right of a people to self-determination without outside interference, the right of a people to prefer peace to war."

"By doing this we remain faithful to the spirit and the letter of the United Nations Charter and to an ideal of justice and freedom."

"In order to defend these sacred principles we have decided to side with the Vietnamese people against those who prevent them from finding peace and independence again."

"These principles are our only safeguard. That is why we are defending them."

"Can it be claimed that Cambodia is not neutral because it wants to respect the Geneva Agreements?"

"These Agreements provide, among other stipulations, that elections be held in South as well as in North Vietnam to enable the Vietnamese people to decide upon their own fate. . . . Is to formulate the application of them to turn away from neutrality?"

I also beg to call to mind that in 1962 Cambodia suggested that the countries suspecting it of being an accomplice of the Viet Cong endow the International Control Commission, an organism created by the Geneva Agreements of 1954, with means for carrying out a strict and efficacious control of our borders. There is no country in the world which, in order to prove its good faith, would agree, as did my country, to transferring a part of its sovereignty. But it is my duty to inform you that it was your Government which disdained this Cambodian proposal.

In the same speech you recommended to the President of the United States that he urge the Saigon Government to close the Mekong River, without taking into account the existence of the Agreement concerning this international river. In other words, you recommended to the Saigon Government that it violate an existing International Agreement and the principles of international law. I shall not make (further) comments on this truly unfortunate speech.

Very truly yours,

Huot Sampath,

Permanent Representative of Cambodia.

[Translated by Elizabeth Hanunian.]

[From the New York Times, Friday, May 27, 1966]

VIETCONG BASES IN CAMBODIA DENIED

To the Editor:

In his May 1 column on the editorial page C. L. Sulzberger dwells on the so-called existence in Cambodia of sanctuaries and bases for the Vietcong forces of South Vietnam and for North Vietnamese troops, even though Sulzberger himself, who visited my country two weeks before for an on-the-spot verification, reported then to the contrary.

This sudden change by Mr. Sulzberger results, he states, from having "heard American, South Vietnamese and Montagnard accounts of what was happening inside Cambodia. . . ." He prefers to believe these accounts sooner than credit what he himself saw. If he had any doubts, he should have done some careful checking while in Cambodia, because it is not the first time that news services have issued these accusations which have been found to be complete fabrications by his colleagues Seymour Topping, Stanley Karnow and Stanley Sheinbaum.

INVENTED ACCOUNTS

I should like to remind you that these accounts of guerrilla sanctuaries and bases in Cambodia are always invented by the American psychological services in order to justify in advance, in the eyes of international opinion, open warfare against my country. To see the sudden switch to the various new slanders against the actual stand of Cambodia is to realize that the system of brainwashing is indeed efficacious.

To demonstrate our good faith, with the aim of refuting the slanderous accusation so often repeated by American military authorities—although such official and qualified observers as the International Control Commission, the military attachés accredited to Cambodia as well as reliable American newspaper correspondents have substantiated the fact that there do not exist in Cambodia either sanctuaries or bases for Vietcong forces or North Vietnamese troops—the National Assembly of Cambodia has invited, without success, three members of the U.S. Congress to come and conduct an on-the-spot check to complete the careful investigation mentioned above.

Because of her policy of strict neutrality, Cambodia refuses to be subjected to imperialist domination and to approve this war of aggression. It continues to support morally and politically the struggle of the brave Vietnam people against American aggression. We have never concealed the fact that in token of our solidarity with the Vietnam people we have offered medical supplies and dried fish to the National Liberation Front.

Despite the massive intervention and aggression by the United States in Vietnam and of American allies at our borders, we have never given up our policy of neutrality. If we are attacked, we shall reserve the right to respond in legitimate defense.

Huot Sampath,

Permanent Representative of Cambodia to the United Nations.

New York, May 13, 1966.

[From the New York Times, Sunday, May 1, 1966]

FOREIGN AFFAIRS: NEUTRAL IS AS NEUTRAL DOES

(By C. L. Sulzberger)

Dak Pek, Kontum Province, South Vietnam.—The first guerrilla "war of liberation" following World War II was the Greek Communist insurrection. This was put down by Greece's national army with extensive American help and a U.S. mission of military "advisers" under Gen. James Van Fleet.

The Communists received massive aid through Bulgaria, Yugoslavia (which hadn't yet broken with Moscow) and Albania. Furthermore the guerrillas used frontier regions of Albania as a sanctuary and supply base. The uprising was crushed only after Tito split with the Cominform, closed Yugoslavia's borders, isolated Albania and cut off the insurgents.

South Vietnam's "war of liberation" is similar to that of Greece although on a far, far larger scale. But one problem is identical—a gaping, open flank. In this case Laos plays the Yugoslav role, funneling arms and men from North Vietnam to the South, and Cambodia assumes the Albanian role as sanctuary and base.

IS CAMBODIA NEUTRAL?

Recently I was persuaded in Pnom Penh that Cambodia was trying to be truly neutral in the Vietnamese conflict. I wrote: "Those who are paid to know such things insist Cambodia is not willingly allowing the Vietcong to use this country's territory as a sanctuary or supply route and that any violations are of relatively minor importance."

I was wrong. I have satisfied myself of this on a trip by plane and helicopter along the Cambodian border right up to its juncture with Laos. I visited military positions and remote U.S. Special Forces outposts at Song Be, Duc Co, Dak To and Dak Pek, in areas inhabited by the following Montagnard tribes: Jarai, Bahnar, Jeh, Sedang and Hlang. I heard American, South Vietnamese and Montagnard accounts of what was happening inside Cambodia, a few miles away.

SOURCE AND SANCTUARY

On the basis of this investigation I have reversed my previous impression and concluded that Cambodia is indeed a sanctuary and supply source for the Vietcong on such a scale that the Pnom Penh Government must know it. From the extreme south to Laos in the north, Cambodia is violating its proclaimed neutrality.

Chief of State Prince Sihanouk broadcast on March 22 that the Vietcong could send their wounded to Cambodian hospitals and, when they recovered, they would be returned to the battlefield. On March 23 he announced he was furnishing the Vietcong with rice and "we have given this aid to them by closing our eyes because we and the Vietcong have a common enemy, which is U.S. imperialism." Although these statements were omitted from official Pnom Penh versions, Sihanouk's speeches were monitored.

The Vietcong's 263 Transportation Escort Group handles wounded, weapons and munitions in South Cambodia. Cambodian 25 pounders, artillery not possessed by the Vietcong, fired at the Cai Cai Special Forces camp on April 3, killing one U.S. officer. An impressive buildup of Vietcong and North Vietnamese troops is under way on the Cambodian side of the Chu Pong mountain massif.

There appear to be three North Vietnamese regiments inside Cambodia around Chu Pong and seven others across the border in Pleiku Province, supplied from Cambodia. This represents at least 25,000 men who came southward through Laos and Cambodia to avoid U.S. aerial attacks. Although the frontier is heavily forested, fourteen well-traveled crossing trails have been marked near Chu Pong.

"SIHANOUK ROAD"

A Cambodian supply route called the "Sihanouk Road" by Americans has been developed from Siem Pang northward to Laos where it swings eastward and southward toward Chu Pong along a jeep trail. In the vicinity of present North Vietnamese concentrations are scattered elements of the 26th, 23d and 27th Cambodian battalions which could scarcely fail to observe the foreigners. Cambodia now sends 30,000 tons of rice annually to Vietcong and North Vietnamese troops. A staging area between Vietcong forces in War Zone C and the 4th Corps region exists in East Cambodian Svay Rieng. Fleeing Vietcong units take refuge in Cambodia.

BASE OF OPERATIONS

Like Greece's Communists, who maintained headquarters in Epirus on the Albanian frontier, the Vietcong has its principal headquarters about three miles from Cambodia where C.O.S.V.N. (Central Office for South Vietnam) is established. C.O.S.V.N. directs the puppet National Liberation Front located nearby. The details are numberless. Near Duc Co an American Special Forces captain was recently killed and his body dragged to Cambodia. At Dak To the intelligence officer wryly comments: "The V.C. is using Cambodia all over the place." At Dak Pek Montagnards report the southward passage of Communist troops along Cambodian trails.

I was wrong in what I wrote a fortnight ago from Pnom Penh and Western diplomats and military attachés there are being fooled. Cambodia isn't acting in the least bit neutral, no matter what it pretends. In no sense do I advocate extending the nasty Indo-China war but I do advocate warning Sihanouk to cease his interference.

THE 50TH ANNIVERSARY OF CHARTERING OF BOY SCOUTS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, today we are celebrating the 50th anniversary of the chartering of the Boy Scouts of America by Congress. It is with a great deal of pride and confidence in our young generation that I rise today to commend one of the finest organizations in our country. I have been associated with the Boy Scouts for more than 47 years, having organized one of the first Scout troops in the southwest at Linden, Tex., in March of 1919. That was only 3 years after the Boy Scouts were chartered by Congress. All of my sons have been active in the Scouting movement.

Many of our colleagues here in Congress are former Scouts and have long been associated with Scouting, as I have been. I have long considered Scouting not just a great organization, but a testimony to the character of our young men.

EAGLE SCOUT AWARDS IN TEXARKANA

The Eagle Scout Award is a pinnacle of achievement in boy scouting, an award that comes only after long and difficult work, perseverance, and dedication. It is an award that testifies to the strength of character, resourcefulness, and ingenuity of young men. The time spent on meeting the difficult requirements of the Eagle Award is time well invested in the future character of the men of our Nation.

On May 9, 1966, in the student center of Texarkana College, Texarkana, Tex., 42 Scouts of the Caddo Area Council Boy Scouts of America were awarded the coveted Eagle Scout Award. I am including in the RECORD following my remarks the recent Eagle Scout Award winners of that Council.

The acceptance speech by one of these recent Eagle Scout recipients is a testimony to the type of young men who strives for excellence. Randy Guillot, of Texarkana, Tex., addressed his fellow Scouts and friends on the topic, "Scout Oath and Law," which I recommend highly to the Members. I am indeed proud of what this represents in our youth and of young Randy Guillot.

The list of winners and speech follow:

THE 1965-66 EAGLE SCOUT WINNERS, CADDO AREA COUNCIL, BOY SCOUTS OF AMERICA

TEXARKANA, TEX.

David F. Basye.
Garry Mitchell Covington.
John Leonard Dalby.
Robert Earl Dalby.
Randall P. Guillot.
Leonard Bruce Hargrave.
Rhondy L. Holtzclaw.
John E. Howell.
Joseph M. Laurrell.
Robert D. Meadows.
Lloyd F. Mercer, Jr.
Forest L. Miller.
Josh R. Morriss III.
John Dudley Mosele.
Don O. Moser.
Karl F. Moser.
John B. Norton.
Alan Reeves.
Phil Reeves.
Arthur W. Singleton.
Charles T. Tooke.
Randy B. Walker.
Michael E. Wands.
Charles M. Yancy III.

TEXARKANA, ARK.

James L. Curtis.
John C. Goline.
John C. Johnson.
Don E. Kidd.
Cilfford L. Killett.

HUGHES SPRINGS, TEX.

Dwight L. Bowers.
Gary Burleson.
Charles E. Middleton.
Danny B. Welch.

NEW BOSTON, TEX.

Thomas B. Brown, Jr.
Michael Gerald Green.
Joe E. Lewis.
Thomas T. McGee.

DE KALB, TEX.

Eddie M. Harkey.

ASHDOWN, ARK.

Alfred L. Dempsey.
Curtis E. Smith.

DE QUEEN, ARK.

Robert D. McNeice.

FOREMAN, ARK.

Steven Wayne Reid.

SCOUT OATH AND LAW

Scouting is a game, and like all other games, it has rules you must follow to be a member of the team.

The Scout Oath is:

"On my honor I will do my best

"To do my duty to God and my country and to obey the Scout Law;

"To help other people at all times;

"To keep myself physically strong, mentally awake, and morally straight."

To do my duty to God: As I think of this part of the Scout Oath, it brings to my mind how in very recent years our country was deprived of the leadership of a great President. I speak of President John F. Kennedy. Had Lee Harvey Oswald lived up to the laws of God instead of the godlessness of Communism, and been able to put into practice this part of the Scout Oath, John F. Kennedy would still be President of the United States.

To do my duty to my country: As I think of this part of the Scout Oath, it brings to my mind something that happened several centuries ago. We all know the part Benedict Arnold had in the history of our country. He was the trusted general who worked out a plan to surrender an American Fort to the British. Had Benedict Arnold had an opportunity to become an Eagle Scout, would the history of our country be any different?

To do my duty to other people: As I think of this part of the Scout Oath, I think of the Golden Rule that we have all been taught, "Do unto others as you would have them do unto you." Wouldn't our community be a much better place to live in if each one of us here tonight did something to help someone else during the next week?

To do my duty to myself: As I think of this part of the Scout Oath, I recall the numerous articles that appear in our newspapers today about youth delinquency. Many of these youth have great abilities and ideals which are never developed in the right direction. I wonder how many delinquent youths who could have become successful adults and contributed something to our community and country are in penitentiaries today. Had these youth had the opportunity of becoming Eagle Scouts, perhaps their character could have been developed and they could have become useful citizens.

THE SCOUT LAW IS: A Scout is trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean, and reverent.

As Eagle Scouts, we learn to live by these laws, hoping that as we grow older, it will help us to accept the challenges that are bound to face us as our generation will take its place in history. Actually, one does not have to be an Eagle Scout to practice these laws. They are meant for all people of all nations. If the world leaders are looking for a common denominator to achieve peace, wouldn't the Scout Law be a perfect example to follow?

Yes, I feel that the Eagle Scouts present here tonight are ready to accept your challenge because of the leadership of many of the adults present here who have given us the opportunity to learn the true meaning of the Scout Oath and Scout Law. There should be no doubt in your mind that we will assume responsible and active positions in our community.

THE SIXTH KENNEDY ROUND OF TRADE NEGOTIATIONS UNDER THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. LANDRUM] is recognized for 45 minutes.

Mr. LANDRUM. Mr. Speaker, I have requested this time to address myself to a portion of the "Report on the Sixth Kennedy Round of Trade Negotiations Under the General Agreement on Tariffs and Trade," presented to this body by the gentleman from Missouri [Mr. CURTIS] on May 31 of this year. I shall speak only to that portion entitled the "Long-Term Arrangement Regarding Trade in Cotton Textiles," which I will do momentarily, but before proceeding on that point of the report submitted by the gentleman from Missouri I believe it is most important to refresh our recollection as to the indispensable role which the domestic textile industry plays in the life of this Nation.

It is almost trite to refer to the fact that every man, woman, and child in this Nation is clothed in the products produced by our textile industry. It is universally recognized whenever reference is made to the minimum essentialities of life that one of the three is clothing. The other two are food and housing.

During World War II the textile industry supplied over 10,000 separate end use products to our Armed Forces. The Quartermaster General of the Army at that time declared that textiles were second only to steel as an essential commodity to our war effort. So when any discussions arise with respect to the textile industry and the part that it plays in the life of every citizen of this Nation, whether in civilian attire or military uniform, it becomes apparent that this industry is basically essential to our way of life. This being so, the economic health and welfare of this industry plays a significant role in the economic welfare of the entire Nation. When the textile industry is depressed, when it is in economic difficulty, our general economy is adversely affected. Conversely, when all of those factors which contribute to a growing, dynamic and progressive textile industry, such as is taking place today, not only is the welfare of all those associated with this industry, whether directly or indirectly, greatly enhanced but this contributes to the general well-being of our economy as a whole.

We all recall that in the decade of the 1950's a combination of circumstances, primarily the result of governmental actions, were bearing heavily upon the textile industry and were retarding its economic growth as compared with the general upturn within the rest of American industry. These factors were primarily three in number.

First. Under our foreign policy, tariffs were cut from 25 to 50 percent on textile products. This enhanced the opportunity for foreign exporters to enter the American domestic market.

Second. The Congress in order to assist the United States in attempting to recapture its historical share in the sale of raw cotton in the world market enacted legislation which resulted in the creation of what we know as two-price cotton. This meant that foreigners could purchase U.S.-grown raw cotton cheaper than our domestic industry could. When coupled with the production and labor costs advantages the foreigners enjoy over U.S. manufacturers, this further enhanced the ability of foreign textile manufacturers to invade the American market.

Third. The tax depreciation schedules imposed upon the textile industry seriously impaired the ability of this industry to modernize itself.

These conditions in combination, over which the industry itself had no control, were depressing the domestic industry to such a degree that it became necessary for the industry to seek the assistance of the Federal Government in order for it to maintain its proper role in our economic spectrum.

As you recall, several significant steps were taken: More favorable tax depreciation schedules were established. This Congress enacted a one-price cotton law, and a long-term cotton tax arrangement was negotiated by this Government with 17 foreign textile producing nations. As the name indicates, this arrangement addressed itself to cotton textiles which was the principal import coming into this country from abroad. It is on this single aspect of the problem to which the gentleman from Missouri [Mr. CURTIS] addressed himself in his report to this body on May 31, that I shall speak.

On the very same day that the gentleman from Missouri [Mr. CURTIS] urged a "phasing out" of the long-term arrangement on cotton textiles and apparel, the Department of Commerce issued a press release showing that imports of these products in April hit an alltime high.

The gentleman from Missouri [Mr. CURTIS] in his talk May 31, saw the long-term arrangement as a worldwide scheme to impose on the less developed nations of the world rigid controls which severely limit their exports. He saw the long-term arrangement as denying these underdeveloped nations their "justified hard currency earnings" and their "ability to earn development capital."

The statistics released by the Department of Commerce, on behalf of the Interagency Textile Administrative Committee for the month of April and for the 7-month period of the fourth long-term arrangement year—that is, October 1965–April 1966—just do not bear out this picture.

For the month of April, imports of cotton textiles and apparel reached 162 million square yards, a record high for any month in U.S. history. This was an increase of 27 percent above April of last year.

During the 7-month period of the fourth long-term-arrangement year, imports totaled 932 million square yards. This was an increase of about 34 percent above the same period a year earlier.

These imports are now at a rate more than double the rate of imports in fiscal year 1961, the last year before the short-term arrangement went into effect, and which was the base year for the short-term arrangement.

Let us also examine the imports from some individual countries to see whether the long-term arrangement is causing this severe hardship pictured by the gentleman from Missouri [Mr. CURTIS]. If we compare imports for the 12-month period ending in April with imports for fiscal year 1961, the latest period in which imports were completely uncontrolled, we see that imports from India rose from less than 26 million square yards to nearly 74 million; from Pakistan the increase was from 13 million to 41 million; the Hong Kong increase was from 203 million to 315 million; for Portugal 49 million to 79 million; for Brazil less than 3 million to nearly 80 million; for Taiwan less than 24 million to 57 million; and Korea, 10 million to nearly 25 million.

These substantial increases just do not agree with the picture presented of the long-term arrangement operating as a rigidly protective device.

In the same manner exports of textiles and apparel to the United States are actually a considerable source of hard currency earnings to these countries, amounting to nearly $400 million for the 12-month period ending April 1966.

At the same time, it must also be pointed out that these rapidly increasing imports also represent a considerable drain on the United States at a time when this Nation is striving to improve its balance-of-payments situation.

The gentleman from Missouri [Mr. CURTIS] also says that phasing out of the long-term arrangement should be "economically acceptable" to the U.S. industry and gives the high rate of capital spending as one of several reasons for this assumption.

It must be emphasized that the high rate of capital spending is but one of the major factors which shows clearly that the long-term arrangement is serving a desired purpose, to present the U.S. industry with a breathing spell against unrestrained cutthroat competition, a period in which it could improve its efficiency to compete with low wage exporting nations.

As the long-term arrangement operated to make more orderly the rapid increase in U.S. imports, the industry responded with greater faith in the future, plowing back its profits for increased modernization and efficiency.

Just last year, the Organization for Economic Cooperation and Development issued an international study on the world cotton textile industry showing clearly that more and more it is becoming a capital intensive rather than a labor intensive industry.

Mr. CURTIS' proposal would cut short the long-term arrangement before it has achieved its full desired effect, before the industry has fully achieved its goal of modernization.

He refers to a speech by Commerce Secretary Connor of March 26, before the American Textile Manufacturers Institute in which Mr. Connor urged the industry to try to sell more in export markets.

The gentleman from Missouri [Mr. CURTIS] should have read the entire speech and not just the part on exports. In that speech, Secretary Connor also said:

> If the long-term arrangement is not extended in its present form, exporters abroad should not assume that uncontrolled cotton textile trade in the U.S. market would result.
>
> It is an indisputable fact that the U.S. cotton textile industry is in a much better position now than it was before the long-term arrangement went into operation.
>
> It is also indisputable that the long-term arrangement's operation has played a major role in this improved situation.

If the United States were to permit the present substantial increases already taking place to be intensified by those which would occur in the phasing out of the long-term arrangement, the favorable condition of the industry would soon vanish, especially if a drop in demand would occur.

Eric Wyndham White, the Director General of GATT, recognizing the useful purpose the long-term arrangement serves for both importing and exporting nations, and wishing to achieve the maximum benefits of the Kennedy round, has proposed a package plan for the cotton sector talks.

Under this plan, the exporting nations would agree to a further extension of the long-term arrangement in return for the importing nations agreeing to an increase in the orderly access of their markets and to tariff reductions.

The United States has already discussed this package plan with a number of exporting countries and has achieved a meeting of minds with some of them. Talks are continuing with other nations.

If maximum results in the Kennedy round are to be achieved in the cotton textiles sector, the Wyndham White package plan appears to be our best hope for success.

Mr. CURTIS' proposal to phaseout the long-term arrangement would torpedo the package plan and would do a disservice to both importing and exporting nations.

It is counterproductive to achieving the maximum tariff reductions desired in the Kennedy round.

There is another, and a very significant feature of the total picture which was not presented by the gentleman from Missouri [Mr. CURTIS] in his report on May 31. It must be recognized that the textile industry is a multifiber industry which weaves not only cotton but manmade fibers, wool, and silk. As even a casual observer knows, the trend today, particularly in wearing apparel, is the blending of fibers. This trend has resulted in most of the larger textile firms engaging in the weaving of all of the fibers. Therefore, it should be understood that the long-term cotton textile arrangement was designed to address itself solely to the subject of bringing orderliness into international trade in cotton textiles and does not address itself to manmade fiber and wool textiles. During 1962 total imports of foreign-made textiles of cotton, wool, and manmade fibers into the United States amounted to approximately 1.5 billion square yards. This was 4 years ago. Since the long-term cotton textile arrangement has been in effect for the past 4 years, the current rate of imports of all textile products has risen to approximately 2.5 billion square yards per year.

Manmade fiber imports during this period of time have doubled each year for the past 2 years. Wool imports during this same period have risen from 85 million square yards to a current level of 160 million square yards. So it is evident that while some degree of supervision over cotton textile was taking place it was a simple matter for foreign manufacturers to shift their emphasis into blended fabrics, primarily of manmade fibers and cotton, thereby avoiding the long-term arrangement controls.

This shift has been at the expense of American industry, American jobs, and American taxes.

One need only to travel throughout the Textile Belt of this Nation to observe the beneficial results of the actions which the Congress has taken as well as the actions taken by the executive branch over the past several years. Modernization of textile plants is occurring throughout the country. One after another are being air conditioned. New machinery is being installed not only for increased and more efficient production but also for the comfort and welfare of the employees. New mills are being erected which are the most modern and efficient to be found anyplace in the world. Most textile mills are running on full schedule. Textile wages have been raised three times, and in some instances four times, with an average increase of 5 percent each time, during the past 5½ years. Employment is up substantially. As a result of increased wages, increased working hours, the entire economic life of the textile communities of this Nation has materially improved.

Now, while the long-term cotton textile arrangement is not the sole contributing factor to these improved conditions, it nonetheless plays a vital and most essential part in the continued welfare of this industry. Under these circumstances, I cannot conceive of any justification, domestic or international, which would dictate doing away with the long-term arrangement and thereby jeopardizing what we all have striven so hard and long for over these past few years. On the contrary, it is my considered judgment that every effort should be made by this Government not only to renew the long-term arrangement but to strengthen its enforcement.

I feel the same way with respect to existing tariffs as they pertain to textiles. They should not be reduced and certainly not abolished. We already are doing more than any other nation in the free world to enhance and strengthen the free world, and the suggestion that we should impair our ability to do so by injuring a major contributing factor to our capacity to respond to the needs of the free world is unthinkable.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. LANDRUM. I am glad to yield to the gentleman.

Mr. JONAS. Mr. Speaker, I saw the gentleman from Missouri [Mr. CURTIS] earlier today and told him that some comments would be made this afternoon about his report to the House on May 31. He told me that the gentleman from Georgia had informed him in advance that this would be done, and expressed his regret that he could not be here. I did not come to the floor until after the gentleman from Georgia had been speaking for a few minutes and I am not sure whether the gentleman had mentioned the fact that he had informed the gentleman from Missouri of his intention.

I thought the record should show that he did give notice to the gentleman from Missouri that we intended to discuss this subject.

Mr. LANDRUM. I thank the gentleman for making a note of that. I did mention to the gentleman from Missouri [Mr. CURTIS] at the beginning of the session today that this response would be made, but I had not made mention of it in my previous statement. I again thank the gentleman.

Mr. JONAS. I just thought the record should show that we are not taking him by surprise.

Mr. LANDRUM. Yes.

Mr. JONAS. I am very glad the gentleman from Georgia has taken this time, because I think the comments made by our distinguished colleague from Missouri, as reported on May 31, need clarification, exposition, and discussion. I commend the gentleman from Georgia for taking the time and for discussing this important subject with the Members of the House and putting it on the record. I associate myself with what he had to say. I was interested in the statistics he has used. I have a few remarks I would like to make in the gentleman's time, and with his permission, but I am not going to deal with specific statistics, and I am very glad the gentleman did, because they form the basis for the things that I should like to say also.

I was disturbed over the suggestion by our distinguished and able colleague, the gentleman from Missouri [Mr. CURTIS], that the long-term arrangement on cotton textiles be phased out to permit larger imports of such products into the United States. This suggestion was made in his report to the House in a speech dated May 31, 1966. He based his suggestion on the fact that the U.S. cotton textile industry is today in a period of boom.

It is true that the domestic textile industry is operating at a satisfactory level today, but the phasing out of the long-term arrangement would seriously jeopardize the continuation of prosperous conditions and might well reduce that important industry to the doldrums.

The domestic textile industry provides direct employment for more than 900,000 workers in this country, and the number of people who rely directly or indirectly on textiles for a living can be counted in the millions. This industry provided 30,000 new jobs for Americans last year. By every standard that can be used, the textile industry must be rated as one of the most important segments of the economy of the country.

While the textile industry is largely concentrated in the South, the entire country has a stake in its prosperity. Just think of the tremendous buying power of the millions of people whose incomes are derived directly or indirectly from the textile industry. These people buy clothing, food, shoes, radio and television sets, refrigerators, automobiles, and a great variety of other products manufactured or processed in every section of the country. All America therefore has a stake in the survival of the domestic textile industry and should be interested in seeing it remain prosperous. The repercussions from adversity in that industry would be felt in every part of the United States.

The unrestricted imports of textiles from abroad would ultimately destroy the domestic textile industry because of the wide differential between production costs at home and abroad. Even the advocates of free trade recognize this fact and argue that our textile people can compete on even terms with foreign producers because of our superior technology and equipment. While such a superiority did exist for many years, and particularly during the years of World War II, when the foreign textile industry was prostrate, and indeed for a few years following the end of that war, all knowledgeable people now recognize that this superiority no longer exists. Foreign textile producers have available the most advanced machinery and know-how that at one time was almost a monopoly in the United States.

The International Cotton Textile Trade Agreement, which was referred to by the distinguished gentleman from Missouri as the long-term arrangement, did not erect high trade barriers around the United States. The purpose of that agreement was to bring order out of chaos, to prevent the deterioration of the domestic textile industry, and to prevent a further loss of jobs and purchasing power of the millions dependent on that industry, by keeping competing textile products from abroad at tolerable limits. That this agreement has not unduly restricted imports is established by the fact that the volume of textile imports into the United States has continued to increase even after the long-term arrangement became effective. The gentleman from Georgia has cited the exact figures in his speech and they substantiate what I have said.

It is clear from these figures that the long-term arrangement has not resulted in any curtailment of imports, because last year imports were approximately 250 million square yards higher than they were the last year before the agreement was made. The most that can be said for the long-term arrangement is that it has prevented flooding of American markets by textile products from abroad and has kept increased imports at what I have already called tolerable limits.

That the textile industry is being generous in sharing its prosperity with workers and consumers clearly appears from just a few facts:

First. Three 5-percent wage increases have been granted by this industry in the past 2½ years. Average weekly earnings in the textile industry are now at record levels.

Second. The price index maintained by the U.S. Department of Labor shows that spending for textile products is the "best buy" for the consumer in today's market. This index reflects a smaller rise above the 1957–59 base in consumer spending for clothing than any of the other five categories in the index. If dry cleaning, laundry, and footwear components are excluded from the apparel and upkeep index, the contrast with the other categories would be even greater.

If these upkeep items are excluded, the index figure for consumer apparel prices would be only 105.7 as contrasted with 110.6 for the alltime average on the index which measures the cost of living.

To make this point crystal clear, I need only cite the fact that the November 1965 index of 103.1 for all industrial commodities, including textiles, was more than 3 percent above the 1957–59 base average of 100; but the index for textile production alone was only 98.7 or more than 4 percent below the general industrial price level.

These comparisons, and others which could easily be made and which will show the same results, indicate clearly that remarkable restraint has been practiced by the textile industry in the pricing of its products and this demonstrates that the industry has been more than willing to share its prosperity with consumers.

Third. Despite substantial improvement in the level of textile sales and profits since the long-term arrangement was negotiated, textile industry earnings in 1965 placed that industry close to the bottom among the 20 major manufacturing industries so far as profits are concerned. The exact standing of this industry is 17th among the 20, or just 3 from the bottom of the list. This should demonstrate to all skeptics that the textile industry is not greedy, as it has been pictured by some critics, but has practiced remarkable restraint in pressing for profits.

It would be tragic for our Government to take a backward step in the effort to stabilize prosperous conditions for this very important segment of our economy. I therefore hope that our representatives at Geneva will insist on the renewal of the long-term arrangement. To do otherwise would be a return to the law of the jungle by reinstating a situation which would reduce order to chaos and result in irreparable damage to millions of American citizens who derive their livelihood directly or indirectly from the textile industry.

Mr. LANDRUM. I thank the gentleman from North Carolina for a very splendid contribution to this most important topic. I thoroughly agree with the gentleman's statement that we hope our representatives will insist upon an extension of this when they meet in September for such purposes.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. LANDRUM. I am glad to yield to the gentleman from South Carolina.

Mr. DORN. Mr. Speaker, I should like to associate myself with the distinguished gentleman from Georgia [Mr. LANDRUM] the chairman of our informal textile group, who worked so long, so diligently, and so hard to obtain this long-term textile agreement.

I also should like to associate myself with the distinguished gentleman from North Carolina [Mr. JONAS] who has been one of the leaders in our organization and who deserves much credit for the improving condition of the textile industry and its employees.

I commend both gentlemen for bringing these facts to the attention of the House.

Mr. Speaker, there is a very significant feature of the total picture which was not presented by the gentleman from Missouri [Mr. CURTIS] in his report on May 31. It must be recognized that the textile industry is a multifiber industry which weaves not only cotton but manmade fibers, wool, and silk. As even a casual observer knows, the trend today, particularly in wearing apparel, is the blending of fibers. This trend has resulted in most of the larger textile firms engaging in the weaving of all of the fibers. Therefore, it should be understood that the long-term cotton textile arrangement was designed to address itself solely to the subject of bringing orderliness into international trade in cotton textiles and does not address itself to manmade fiber and wool textiles. During 1962 total imports of foreign-made textiles of cotton, wool, and manmade fibers into the United States amounted to approximately 1.5 billion square yards. This was 4 years ago. Since the long-term cotton textile arrangement has been in effect for the past 4 years, the current rate of imports of all textile products has risen to approximately 2.5 billion square yards per year.

Manmade fiber imports during this period of time have doubled each year for the past 2 years. Wool imports during this same period have risen from 85 million square yards to a current level of 160 million square yards. So it is evident that while some degree of supervision over cotton textiles was taking place it was a simple matter for foreign manufacturers to shift their emphasis into blended fabrics, primarily of manmade fibers and cotton, thereby avoiding the long-term arrangement controls.

This shift has been at the expense of American industry, American jobs, and American taxes.

The suggestion that the long-term arrangement should be done away with as well as the removal of the meager remaining tariff restraints defies logic and reason.

When it is recognized that the United States has taken more of an increase in textile imports than all of the other 17 nations signatory to the long-term arrangement combined, it becomes abundantly clear that the United States is more than meeting its world responsibilities in the interest of helping the free world get ahead. To propose under these conditions a reversal of policy which has brought prosperity to this vital segment of the American economy where employment is up, wages are up, capital investment is up and taxes are up, is to propose the undoing of the good that has been achieved under the very constructive steps which have been taken over the past 6 years.

I can hardly believe that this is the serious desire of any Member of this body and certainly it is not mine.

I was somewhat concerned, yes alarmed, by the proposal of our distinguished and beloved colleague from Missouri [Mr. Curtis] that we abandon this long-term agreement after all of these years. There were numerous—almost innumerable—meetings with representatives of the Department of State and of the Department of Commerce in this Capitol Building. I know of the long hours worked and the many meetings we had. The gentleman from Georgia, Mr. Vinson, preceded the gentleman from Georgia [Mr. Landrum] as chairman of our group. I worked closely with Mr. Vinson and know firsthand of his unceasing efforts to limit unfair low-wage imports.

Finally, in Geneva, after negotiations really had taken place all over the world, we obtained this agreement which has meant so much to the textile industry of this country. To abandon this agreement now would be incredible and inconceivable.

I should like to point out that the unemployment rate in our country today has dropped to the lowest point in many years. In my own area where the textile industry employs more than 70 percent of our people, and where there was so much unemployment and so much curtailment of work, the unemployment rate now has dropped to less than 2 percent, which is fantastic.

These textile workers, as the gentleman has so well pointed out, have received four or five increases in wages. To a certain degree, I believe, that accounts for the good prices the farmer is receiving for pork and for beef cattle and for other commodities throughout our country.

The gentleman is absolutely correct. Our people are now consumers of farm products and manufactured goods from all over the country because of full employment and because of higher wages.

I would certainly pledge my opposition to anything which would jeopardize the future of our vital textile industry. As Mr. Vinson and the gentleman from Georgia [Mr. Landrum] have pointed out to us time and time again, it is vital not only to the people of this country and to full employment here but also to the defense of the free world. Time and again these gentlemen have pointed out the importance of food and fiber.

I was really alarmed to see this proposal by my dear colleague from Missouri.

Mr. LANDRUM. It would be well, in my judgment, to recognize, in connection with what the gentleman from South Carolina is saying—which I believe was said a moment ago by the able and distinguished gentleman from North Carolina—that, despite all of this, under the arrangement the United States has taken more of an increase in textile imports from the other 17 nations signatory to this agreement than all the 17 nations combined have taken in imports.

That emphasizes we are really carrying out our full responsibility to the free world, as the able gentleman from South Carolina said and as I believe the able gentleman from North Carolina said.

Mr. DORN. I might say to my distinguished colleague from Georgia and to my great friend from North Carolina, that both of you are absolutely correct. The United States is taking in more of these foreign textiles than all other nations combined. Our good will and good faith has been manifested throughout this entire agreement and throughout the world over and over again. Not only are we permitting to come into our country more textile goods than all the other signatories to this agreement combined, but in the other categories of manmade fibers and wool we are taking an increased amount of products from our friends and allies throughout the world. Imports of these manmade fibers and wool from cheap labor countries is now threatening the well-being of our entire textile complex.

It is almost to the point where I think we are jeopardizing the future of manmade fiber and wool in the United States, and I hope something will be done about it. Should we abandon this long-term agreement, it would jeopardize the future of the entire textile industry, which is a very vital part of our national defense and our economic security.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Georgia [Mr. Davis].

Mr. DAVIS of Georgia. Mr. Speaker, I would simply like to register my complete agreement with what has been said here by the distinguished dean of our own Georgia delegation, the gentleman from Georgia [Mr. Landrum], and the distinguished gentleman from North Carolina [Mr. Jonas], and the distinguished gentleman from South Carolina [Mr. Dorn]. I want to say that all three have performed work and given forth their every effort far beyond the call of duty in the work they have done on the informal committee comprised of Members of the House of Representatives who have textile industry in their districts. The fruit of their work is proof of their dedication in that area. I want to thank the three able gentlemen who preceded me on this special order for having brought before the House the statistics and the facts concerning the American textile industry so that the entire membership of this body may be made aware of the importance of this industry to this Nation.

Mr. JONAS. Mr. Speaker, will the gentleman yield to me for 1 more minute?

Mr. LANDRUM. I will be glad to yield to the gentleman from North Carolina.

Mr. JONAS. Would the gentleman from Georgia and my colleagues from South Carolina and Georgia who participated in this discussion agree with me that one point seems to be overlooked by those who argue for unlimited or unrestricted imports, namely, that the textile industry is peculiarly susceptible to competition from abroad. Most of the countries in the world have a textile industry or are planning to develop one because they think that they can produce textiles with a less skilled group of employees than they can produce watches, refrigerators, or television sets. In a situation of that sort it presents the textile industry with a unique competitive situation that would, in my judgment, if we had unlimited imports, be grossly unfair to this important industry and to the millions who rely upon it for a living.

Mr. LANDRUM. I believe some of the figures reported here a few minutes ago clearly support the statement which the gentleman from North Carolina made. For example, we show that since the long-term agreement went into effect the charge that it is causing this rigid control of exports from other countries or imports into this country is wrong. For example, when we look at India, it has gone from less than 26 million square yards in 1961 to nearly 74 million square yards now. Pakistan has gone from 13 million square yards to 41 million. Hong Kong has gone from 203 million square yards to 315 million square yards.

We could go on and on with those figures. Little Portugal went from 49 million square yards to 79 million. Brazil exported less than 3 million square yards to us at the time of the end of the short-term agreement in 1961. They are now exporting to us 80 million square yards. That is a clear example of what the able gentleman from North Carolina just said. This is an industry which is swiftly developing into a strongly competitive situation from abroad and threatening what we have here.

GENERAL LEAVE TO EXTEND

Mr. LANDRUM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF DEFENSE PRODUCTION ACT OF 1950

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr.

RHODES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, at the June 14, 1966 meeting of the House Republican policy committee a policy statement regarding Extension of Defense Production Act of 1950, H.R. 14025, was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement:

REPUBLICAN POLICY COMMITTEE STATEMENT ON EXTENSION OF DEFENSE PRODUCTION ACT OF 1950, H.R. 14025

The Defense Production Act should be extended. However, the Republican Policy Committee is strongly opposed to the provision in this bill that would give the President standby authority to impose consumer credit controls.

Over the vigorous opposition of the Republican Members, and with almost no testimony, this extreme measure was included in the bill by the Democratic majority on the Banking and Currency Committee. If adequate hearings had been held, a great deal of testimony in opposition to this measure would have been presented. For example, in an informal poll taken after the Committee vote, the overwhelming majority of those economists contacted rejected the adoption of standby consumer credit controls. Undoubtedly, testimony of this type would have made it even more difficult for the Democratic majority to rally support for its unjustified action, and it may explain the Committee's steam-roller tactics.

As a direct result of this Democratic-controlled Congress having, rubber-stamped the grandiose spending program that the President has requested, this country is faced with a serious inflationary situation. Now, rather than cutting back on the President's spending schemes, Congress is being asked to furnish the President the authority to control consumer credit. Certainly, this legislation has great significance. If enacted, it would establish that the present Congress is either unwilling or unable to control the real cause of our present inflationary problem—the Great Society spending. It would indicate that the imposition of governmental controls has been selected as the only way to stem the inflationary tide. This appears to be the Democratic solution to our present economic difficulty. We do not accept this solution nor do we support this abject surrender of Congressional responsibility.

In this period of rising inflation, it is the individual with a limited or fixed income that suffers the greatest hardship. For these people, inflation means a tragic reduction in purchasing power. Now, the Democratic majority would handicap these individuals even more. They would have this Congress enact legislation that could be used to tighten or seriously limit consumer credit. Without question, the real casualty of such credit controls would be the family with substantial needs but moderate means. It is these individuals who do not have the resources to pay cash or to make a large downpayment when they purchase an automobile, a washing machine, a refrigerator or some other household appliance.

We reject a philosophy that would institute controls rather than control unnecessary government spending. We reject a philosophy that would place extreme and unwarranted powers in the hands of the very individual whose spending policies have caused the inflationary problem. We urge this Congress to assert its authority and independence and to strike from the proposed bill the hastily-added and totally-unsupported provision that would arm the Johnson-Humphrey Administration with standby consumer credit controls.

WHY WERE STANDARDS LOWERED?

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. FINDLEY. Mr. Speaker, since writing to the Secretary of Defense on May 31 urging cancellation of the $73.3 million machinegun contract with the Rheinmetall Co. of Dusseldorf, West Germany, I have learned that at least five minimum performance requirements were either lowered or waived completely in order to rate the controversial gun standard A so it could be cleared for procurement.

I refer, of course, to the HS 820, 20-millimeter gun which was rejected 5 years ago by the West Germany Army as unsatisfactory and which to this date has not passed the usual minimum standards of the U.S. Army.

I can find no instance in the history of U.S. weapons in which performance standards have been so downgraded. This is doubly disturbing because the same West German firm with which the Department of Defense is negotiating for the substandard HS 820 is preparing to produce for the West German Army the RH 202, a new superior gun of the same caliber and general range. Deliveries of both guns will occur about the same time.

The circumstances surrounding the testing and procurement of the HS 820 raise grave questions. They are so grave I take the liberty of placing them before this body.

Why were performance requirements deliberately downgraded in order to get this weapon on the approved list?

Was this downgrading ordered by the same authority which about 2 years ago ordered a bad test report on the gun completely suppressed? Will this gun—the only weapon on the new M-114 personnel carrier—provide our fighting men dependable protection?

The Rheinmetall firm has a big inventory of parts for the H.S. 820 it manufactured 5 years ago. I fear the American people are being hoodwinked into buying a $73 million lemon Rheinmetall could not peddle elsewhere.

A negotiating team from the Department of Defense is now in Dusseldorf working out final contract details. A "framework" agreement was signed May 13.

I have urgently requested that President Johnson call a halt to negotiations until these questions are answered satisfactorily.

The downgrading of test requirements came to my attention in two reports of the U.S. Army Test and Evaluation Command at Aberdeen.

The first report, first interim report USA Tecom Project 1-4-7460-04, dated April 8, 1966, was prepared by W. A. Gross and covered the reporting period December 1, 1965, to February 28, 1966. It showed that the 1.5 mils accuracy requirement was not met. The actual rating was 2.5 mils.

It also showed a gun malfunction rate of 4.7 rounds per thousand, more than four times the one-per-thousand limit. The substandard 4.7 rate was achieved only after the pressure lubricator was added. Before it was added the malfunction rate was 6.3 per thousand.

No dust test was performed.

On April 19 a report of the same command, report USATECOM Project 1-4-7460-33, prepared by Maj. William Farmer showed that earlier performance requirements had been lowered on accuracy and reliability on the basis of a letter dated November 27, 1965, to the commanding general, U.S. Army Materiel Command, approved by the vice chief of staff on January 26, 1966. It relaxed the accuracy requirement from 1.5 to 2 mils. Burst accuracy at 1,100 meters was waived. The malfunction requirement was changed from a one-per-thousand maximum to 2 or 3 per thousand. Even so the actual malfunction rate at Aberdeen was 4.7 per thousand. At Fort Knox, in a separate test it was 7.1 per thousand but enough malfunctions were "discounted" to bring the rate to 1.3 per thousand. No dust test was performed.

The accuracy ratings were still on the high side, with 2.5 mils at Aberdeen Proving Ground and 2.44 at the Armor Test Board, Fort Knox.

Waiving the burst accuracy test at 1,000 meters helped the clearance process because the gun earlier had failed this test.

The malfunction limit of one-per-thousand has been required of every U.S. small arm for at least 30 years.

The superior 20-millimeter gun being produced by Rheinmetall and scheduled to be issued to West German troops next year uses the same ammunition as the H.S. 820 but does not depend upon a lubricated feeding system. It is an entirely different gun developed because German defense officials made it plain the H.S. 820 would never again be used after the bad experience of 5 years ago. The German Army received a test batch of 50 "improved" H.S. 820's last January but only one was mounted for experimental testing, and I am told the Germans have no intention of using the other 49.

Our Government has already wasted 5 precious years and $6.3 million in futile effort to bring the oft-rejected H.S. 820 up to minimum performance standards. Rather than continuing to waste time and money on a weapon that has never measured up to standards and gives no promise of ever being satisfactory, we should expedite the development and manufacturing of a gun that will give our fighting men the protection they need and deserve.

Here is the text of the letter I sent May 31 to the Secretary of Defense:

DEAR MR. SECRETARY: Information that has come to my attention from firsthand sources impels me to urge the cancellation of the $73.3 million contract with the Rheinmetall firm of Dusseldorf, West Germany for the purchase of HS 820, 20-millimeter machine guns, and the inauguration of a crash program to develop a satisfactory weapon of similar range and power.

The United States has already wasted five precious years and $6.3 million in futile efforts to bring the oft-rejected HS 820 up to minimum performance standards. No time should be lost in putting our nation's best talent to work developing and producing a weapon that will measure up.

Cancellation of the procurement contract for the HS 820 may cause additional loss to taxpayers, but whatever the cost in dollars this strange and unproductive gamble on a weapon rejected five years ago by the West German Army must be terminated.

A review of Department of Defense files will reveal this startling information:

The Department of the Army's Scientific and Technical Intelligence Bulletin dated last September records that five years ago, after a 2-year period, the weapon was withdrawn as the standard vehicular machine gun of the West German Army because it was not reliable, gave poor performance, would not feed properly, had extraction and air-contamination problems. Because of this the guns were returned to the manufacturer. The HS 820 was never returned to service by West Germany, nor has it been used by any other nation. The Rheinmetall company and its associate, Hispano Suiza of Switzerland have tried to peddle it around the world since then but—except for the United States—without success.

In 1961 military potential tests were conducted by the U.S. Department of Defense on the HS 820 and two other weapons. The other two were eliminated for various reasons and, although the HS 820 did not function well, development work on it was ordered.

Two years later a second series of tests was run at Aberdeen Proving Ground with very negative results. The report was suppressed. This suppression is believed to be the first such in our history.

Since 1961 the United States has spent $6.3 million trying to improve the weapon. Although somewhat improved it still falls far short of normal Army standards for small arms.

For some unexplained reason the development work was conducted at Aberdeen—probably the first time in American history that small arms development was not done at the Springfield (Mass.) Armory.

The most recent Aberdeen tests showed these shortcomings:

1. It would not fire at minus 65 degrees as required by Army standards. The gun failed the abuse test. It fouled up quickly. It failed to function in dust conditions. These were believed to be related to its use of lubricated ammunition. No other nation currently uses lubricated ammunition in small arms. It was used in some Italian and Japanese guns during World War II but with unsatisfactory results.

2. The gun was excessively sensitive to mounting conditions. Moderate movement of the weapon caused malfunction.

3. The high-explosive ammunition did not function properly. The fuse was too insensitive to pass the graze test. Earlier tests showed the first ammunition too sensitive. Rounds would explode when they hit raindrops.

The most recent report by Aberdeen curiously contained no recommendation. It simply stated test results including the deficiencies listed above.

The Infantry Board at Fort Benning, Georgia, which tests and rates small arms, tested the HS 820 on at least two different occasions and has never rated it up to standard. The weapon failed Army tests in desert conditions.

Despite all this, the Department of Defense has announced a $73.3 million contract awarded to Rheinmetall.

Many aspects of this weapon procurement trouble me. Why did the United States spend $6.3 million in development, in view of West Germany's sad experience with the gun? Why was the development effort undertaken at Aberdeen, which had never done this type work, instead of at Springfield, Mass., where the world's finest team of small-arms specialists is now being dismantled? Why was not the T220 E-1 gun developed? Preliminary reports showed it could be produced at one-third the cost of the HS 820, would have comparable fire-power and range and was not subject to the handicap of lubricated ammunition. Why was the Aberdeen report suppressed?

But what troubles me most of all is that this unsatisfactory weapon is now under production contract, with deliveries intended as replacement for our 50 caliber machine guns—which of course are smaller but dependable. I cannot believe that in the final showdown our military leaders will permit undependable guns to be placed into use, but how much more delay can the United States afford in the development of a gun with comparable power and range? In November, 1960 the Department of Defense determined that the need for a weapon of this type was so critical it decided to buy the best-available "off the shelf" gun.

Military experts believe the need is even more critical today than in 1960 but we continue to waste time and money on a gun that never has measured up to standards and gives no promise of ever being satisfactory.

For the sake of our fighting men I hope you will cancel the contract and order the Springfield Armory to develop a gun that will work.

Sincerely yours,

Paul Findley,
Representative in Congress.

CONGRESSIONAL INVESTIGATION OF THE DRAFT

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Findley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the national awareness and concern over the inequities and inefficiencies of the current Selective Service are largely the result of determined efforts by a group of 25 Republican Congressmen in calling for an immediate congressional investigation of the draft.

In a hard-hitting statement on March 1, and more recently, in six separate statements on inequities in the draft the Republican group, led by Congressman Robert F. Ellsworth of Kansas, has demonstrated conclusively, that a comprehensive investigation is needed at once.

Credit for this effort, which is vital to every family in our country, belongs to Bob Ellsworth who has dug out the facts and laid them before the American people. As in so many cases, it has been Bob Ellsworth's leadership and action that has paved the way for progress.

Mr. Speaker, I am proud to place in the Record two recent Kansas editorials which attest to Bob Ellsworth's leadership on this subject together with excerpted comments from the weekly bulletin of the American Council on Education.

[From the Lawrence Daily Journal-World, June 10, 1966]

Draft Inequities

Embarrassing or not, a review of the U.S. Selective Service system seems to be in order.

Some critics feel that alleged inequities and inefficiencies of the system have become increasingly apparent as manpower requirements of the armed services have increased during the Viet Nam War.

A full evaluation of present draft standards, of deferment procedures, of local draft board autonomy and of over-all efficiency is in order, in view of the many questions being raised.

If the Selective Service house is in order, then the probe will give a solid basis to answer criticisms and to quiet rumors. If there are inequities and inefficiencies, they should be eliminated or at least minimized.

Three years ago, the Senate routinely approved a four-year extension of the draft law after only 10 minutes of debate. It has been a full 15 years since Congress has seriously looked at the system. In view of the prominence of the draft in American life today, the public deserves to know just what is going on.

A group of U.S. House Republicans, whose spokesman is Rep. Robert F. Ellsworth of Lawrence, has been hammering away in recent months on this subject. Recently they issued a series of six statements analyzing the Selective Service system.

The big problem now, as it always has been, is equitable selection. No system is perfect, but there is good evidence some changes perhaps should be made. Deferments vary too much. Operating procedures of boards vary not only from state to state but from board to board.

Various irregularities pointed up by the GOP group show that sometimes being wealthy enough to attend college gives a young man a deferment status the less well-to-do young man cannot "buy."

Then there are examples like this. The passing percentile score on the Armed Forces Qualification Test is 31. Under a recent ruling, however, high school graduates can score as low as 16 and still be accepted. But a high school drop-out who scores as high as 30 won't be accepted, even if he is eager to accept.

Another example: State boards allocate their monthly draft calls among local boards mainly on the basis of the number of men examined by the local board and reported available for induction. What this means in practice is that a diligent board will have a higher quota while the sluggish, less efficient board will be lower—and probably more popular in its community.

Inefficiency and red tape may cause costly, needless snarls in the Selective Service system and inequities result. It would seem that in these times a draft is necessary, though unpleasant.

Yet unpleasant as the draft may be, it should be as fair as possible. There are charges this is not the case, and Congress owes it to the public to look into the matter extensively.

[From the Kansas City Star]

A Buildup for Action on Reform of the Draft

The draft has the country in more of a dither than at any time in recent memory. It is doubtful that the Selective Service system now in effect a full quarter-century has ever been as controversial as it is today. The present concern is tied directly to the undeclared but shooting war in Vietnam, with its U.S. combat death toll of more than 3,500 and its heavy reliance on conscripted manpower.

One question stands out in all the discussion: Is the draft fair? Many people think it is not. There is much evidence bear out their criticism. The issue has been dramatized even further by Secretary McNamara's recent philosophical speech on military and nonmilitary service.

But the inequities now causing so much stir are not new. They existed long before the United States became greatly involved in the Vietnam bloodshed. Previously, however, there was relatively little public interest in the draft or how it works. Thus, the Senate in 1963 approved a 4-year extension of the Selective Service law after only 10 minutes of debate.

Congress was—and still is—derelict in not going into the draft more thoroughly. Surely legislation that affects either directly or indirectly the lives of several million young men rates far more than perfunctionary handling.

Three months ago the chairman of the House armed services committee, Rep. L. Mendel Rivers, promised an investigation of the Selective Service system "shortly." The country is still waiting for the Rivers committee to start its hearings.

It seems to us that the House and Senate committee concerned should not put off their inquiries until next year, when the draft will be up for renewal. The time to start assembling facts with a view to possible revamping of the military manpower system is now, while the country is fired up over the issue.

In April 1964 President Johnson directed the secretary of defense to undertake a comprehensive study of the draft system and of related military manpower policies. Now it is expected that this report will be made public next month. But, in drawing on the preliminary findings, Secretary McNamara said last March that "We cannot look for ward to discontinuation of the draft in the coming decade" unless changing world conditions permit substantial reductions in the regular forces.

Even so, the draft might well be made fairer by legislative changes. Certainly the provisions for college and other deferments need to be reexamined. We have in mind such questions as the criteria for deferment and whether college students should be deferred indefinitely while those unable to continue their schooling are taken for possible combat service. Also, the lack of national standards for draft eligibility and the discrepancies in state-by-state quotas.

These are complex matters, with numerous factors to be considered. But they add up to a major national problem that has regularly been neglected by a succession of administrations and congresses. At last the political atmosphere seems encouraging for draft reforms. The important thing is to start putting together the necessary information now.

[From the American Council on Education Bulletin, May 27, 1966]

Senate, House Members Urge Congressional Review of Selective Service

In separate actions during the week six Democratic Senators and 23 Republican Representatives urged Congressional review of the draft. On May 25 Senator Walter F. Mondale, Democrat of Minnesota submitted a concurrent resolution (S. Con. Res. 95) for establishment of a Joint Committee on National Service and the Draft. It was referred to the Armed Services Committee. On May 27 a group of 23 Republican Congressmen issued the first in a series of six statements urging "a thorough Congressional review of the draft." Both groups pointed out that the current draft law expires in mid-1967. . . .

The Republican statement said: "The law has not been significantly changed in 25 years. More importantly, the Congress has not undertaken a full-scale study of the subject in 15 years. It is time for an in-depth Congressional review of the draft law." . . .

A spokesman for the 23 Republican Representatives said that after an appearance soon before the House Armed Services Committee by General Hershey the committee is expected to determine whether a "full-scale Congressional inquiry" will be made. Such an investigation, the group said, should examine the following questions:

Is the draft necessary at all? Would it be necessary in peacetime? If it is necessary, are the current basic precepts of the draft law appropriate?

Is the current system of student deferments fair? Is the current practice of considering which students to defer fair?

Should the military service be used for rehabilitation purposes?

Is the present system of autonomy for local draft boards fair and efficient?

What standards should be applied to assure that the draft obligation falls equally on all the States and on all local boards?

Is the Selective Service System operated with maximum efficiency?

What role can computer and data-processing equipment play in increasing the capacity of the Selective Service System to perform its function with maximum efficiency and fairness?

"In the 15 years since the last detailed Congressional study of the draft, the structure of the American population has changed in many relevant ways," the group said. "In 1951 the nation's population was 155 million today it is 196 million, an increase of 26 percent. In the same 15 years the male population of draft age (between 18 and 35) has increased from 20 million to 39 million—an increase of 95 percent. In 1951 college and university male enrollment totaled 1,388,000; today it totals 3,440,500—an increase of 148 percent. . . .

"And over the same 15-year period the manpower needs and the functions of the Armed Services have changed dramatically as well. The service requirements for technical skills have kept pace with similar domestic employment requirements. The Armed Forces are now called upon to fight a new, different and complex kind of counter-insurgency warfare that was unknown to them 15 short years ago. Thus, the manpower needs of the services and the manpower available to the services are both dramatically different than they were when the current draft law was enacted by the Congress. The Congress has a responsibility to study in depth the applicability of that draft law and to recommend whatever changes are dictated by its findings."

Calling for the investigation are the following Congressmen: Robert F. Ellsworth of Kansas, James F. Battin of Montana, Alphonzo Bell of California, William S. Broomfield of Michigan, William T. Cahill of New Jersey, Barber B. Conable, Jr., of New York, Thomas B. Curtis of Missouri, Florence P. Dwyer of New Jersey, Paul Findley of Illinois, Peter H. B. Frelinghuysen of New Jersey, Seymour Halpern of New York, Frank Horton of New York, Theodore R. Kupferman of New York, William S. Mailliard of California, Charles McC. Mathias, Jr., of Maryland, Joseph M. McDade of Pennsylvania, F. Bradford Morse of Massachusetts, Albert H. Quie of Minnesota, Howard W. Robison of New York, Donald Rumsfeld of Illinois, Herman Schneebeli of Pennsylvania, Richard S. Schweiker of Pennsylvania, and Garner E. Shriver of Kansas.

DOMINICAN REPUBLIC RELATIONS AND FOREIGN AID

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. Curtis] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. CURTIS. Mr. Speaker, I commend to the attention of my colleagues an article in the New Republic of June 18 by Selden Rodman, titled "Why Balaguer Won, Anatomy of a Revolution That Failed." Mr. Rodman is the author of a history of the Dominican Republic and is familiar with recent events in the Dominican Republic.

Mr. Rodman reports his interview with key Dominican political figures and analyzes Joaquin Balaguer, a conservative candidate, defeated the seeming liberal favorite, Juan Bosch, in the recent elections. The defeat of Bosch came as a surprise to many and occasioned rumors that the elections had been unfair. Mr. Rodman makes clear why the Dominican voters chose Balaguer.

Of particular interest are Rodman's conclusions about the future of Dominican development as a prosperous democratic state. Rodman advises that:

> Basic social reforms, heavy taxation of large landed estates that produce nothing, and the creation of an honest, nonpolitical civil service, are equally necessary. Reform of the educational system, which was never sound and is now in almost complete disarray, is still more basic to the future.

With regard to American financial aid, Rodman recommends that "the massive flow of American money now supporting the government and the economy be redirected in such a way as to emphasize self-help and grass roots initiative." But most important, Rodman points out an essential difference between government and private aid efforts in the Dominican Republic. He describes the work of the International Development Foundation, a consortium of 14 private American foundations, in financing a series of pilot projects in the Dominican Republic and other Latin nations.

> In contrast to AID, which can't build a single school room for less than $2,000, IDF is now building 11 complete schools, with thatched roofs, for a total cost of $2,600. One hundred eighty-five village leaders have already received training from IDF to build their own cooperatives and other self-help institutions.

The article referred to follows immediately with consent.

Why Balaguer Won—Anatomy of a Revolution That Failed

(By Selden Rodman)

(Note.—Selden Rodman, poet and art critic, is the author of Quisqueya, the only complete history of the Dominican Republic in any language. His most recent book, The Road to Panama, was published last month.)

Santo Domingo.—At 8 p.m. on election night the scene in the lobby of the Embajador Hotel was hilarious. The count on the blackboard, containing returns from a dozen polling places in the capital, had Juan Bosch leading 6,347 to Joaquin Balaguer's

4,031. Jules Dubois, correspondent of the Chicago Tribune, had just announced that Balaguer would win by a landslide. The other newspapermen and TV reporters were laughing uproariously.

The Embajador, it should be noted, is the source of most news and all scuttlebutt in the Dominican Republic. It is also the headquarters of Ambassador-at-Large Ellsworth Bunker, liaison between the OAS occupation forces and Provisional President Héctor García Godoy, who took office September 3, 1965, terminating the armed confrontation between General Antonio Imbert's improvised right-wing regime and Colonel Francisco Caamaño Deñó's embattled rebels in downtown Santo Domingo. The Embajador is the only tourist hotel in the republic which is operational. And like almost everything else physically substantial in this country, it was built (and bugged) by Generalissimo Rafael Leonidas Trujillo Molina in the final splurge of bread-and-circuses that preceded his assassination May 30, 1961.

It was not so much the disparity between Dubois' cocky statement and the early returns that was causing the laughter; it was rather the product of a certain overconfidence on the part of the liberals, the residue of an emotional attitude dating back to the week of revolution and intervention (April 24–30, 1965): Bosch should win. After all, had he not been the first freely elected president since the 30 years' terror ended? Had he not overwhelmed in the December 1962 election the very people who were now supporting Balaguer, Had not he (Bosch) been overthrown by a committee of Trujillista generals eight months later? Had not the April revolution erupted to bring Bosch back? And was not his opponent Trujillo's last hand-picked puppet? All true, incontestably. But the newsmen, who had opposed the American intervention a year ago April almost to a man, were making from these facts a shaky deduction. They were reasoning that the charisma that blazed in absentia around the craggy features and white thatch of Juan Bosch had survived intact from those heroic April days right through all the events of the 13 months that followed. They were making little, if any, allowance for the following chain of events:

When the April revolution broke out spontaneously, people had momentarily forgotten (and perhaps rightly so) that Bosch had been an extremely weak, ambivalent president. When he was ousted by General Wessin's *camarilla* and driven unceremoniously from the capital September 25, 1963, hardly a voice had been raised and not a shot was fired to protest his ejection. But in the joy of April, 1965 attending the fallen idol's imminent return, Bosch was suddenly as popular as he had ever been.

Unfortunately Bosch did *not* return. He did not take command of the street-fighters and disaffected army officers, and that was the first minus-quantity in the unstable equation of the newsmen. As everyone knows, *machismo* (male courage) is more valued among Hispanic peoples than any other trait. By leaving his followers to fight and die on the barricades while he directed operations from an American sanctuary—all the while accusing the United States of having intervened only to preserve the prerogatives of the oligarchs and the military—Bosch was not only undercutting his own image, he was unwittingly rehabilitating ours. For in the months that followed, it became clear to most Dominicans that the United States, in its attempt to compensate for such egregious blunders as intervention-without-OAS-consultation, supporting General Imbert in May of 1965, and scuttling the Bundy-Guzmán formula in June, was, if not actually turning toward Bosch, at least wholeheartedly backing García Godoy's effort to eliminate the power of the right-wing politicians in the Dominican military establishment, and even acquiescing in the provisional president's strategic concession to the far left—recognizing the "legitimacy" of their political control of the University of Santo Domingo.

Bosch's first major mistake in his second campaign was to confirm the public impression of timidity by never venturing into the provinces where Balaguer was conducting a vigorous campaign. The frail Balaguer had been threatened with assassination, too; but it was the husky Bosch who only left his heavily guarded home in Santo Domingo three times in eight months, and appeared not once on television—the medium on which he had scored decisively three years before.

His second major error was made only a week before election day. This was to release a taped radio message advising members of his party, the PRD, to come to the polls armed with rocks and clubs. This may well have cost Bosch the election, for until then he seems to have been leading by a comfortable margin. It wasn't so much that the voters resented the imputation that their freedom to chose would be abrogated, or that the provisional government would not provide protection at the polls (which it did). It was rather that immediately in the public mind there arose the specter of chronic revolution. Was this a veiled hint that the mob in downtown Santo Domingo should take to the streets again? That the *tigres*—armed bandits without political affiliation—would feel free to roam again by night? That the thousands of rifles and submachine guns, cached away in the countryside after the August, 1965 Act of Reconciliation by the Castroite "14 June" and the two other Communist paramilitary commands, would be brought out of hiding? That Bosch and his moderate PRD, if elected, would yield control to the Marxists who had supported him?

Evidently this was the conclusion that a majority of the electorate now came to. Early in the morning of June 1 a printed leaflet headed *"Partido Revolucionario Dominicano"* [PRD] was thrown from a passing car at a number of polling places in the capital. It purported to give the roster of the cabinet that Bosch had already drawn up. A number of excellent choices were included. But Mejia Ricart and Tolentino Dipp, known Communists, were listed as ministers of agrarian reform and education. Colonel Caamaño was down as minister of the armed forces, and Diego Bordas, a millionaire whose record in the first Bosch cabinet had been unsavory, was back in his old post as minister of industry. The roster was obviously bogus and had been distributed by an ultra-rightist group, but it may have served to strengthen the suspicions of a few uncommitted middle-class voters in the capital.

Apart from this, no last-minute attempt to influence voters fraudently was noted. The provisional government's Central Electoral Commission, the 42 observers sent by the OAS, and the 70-man team that accompanied Bayard Rustin and Norman Thomas (whose sympathy for the Bosch cause was on record) were unanimous in declaring that to the best of their knowledge the voting had been fair and without intimidation. The tension that developed in the streets June 2 and the sporadic acts of violence that have ensued may be ascribed entirely to Juan Bosch's failure to accept defeat gracefully. Had he done so, there could have been no grounds for the hope that now began to surge among the far leftists; no authority to delude susceptible Dominicans into believing, as one of the leftists put it, that "the *Yanquis*, the oligarchs, the *genocidas* [mass-murderers] and the party of Balaguer have perpetrated a monstrous fraud against the popular will that elected Juan Bosch president of the republic."

CAMPAIGNING—AMERICAN STYLE

In the days immediately preceding the election I took occasion to visit with both major candidates, and to interview as well Ambassador Bunker and Provisional President García Godoy, Héctor Aristy (Colonel Caamaño's deputy who headed a movement called "24 April"—at least until June 4 when his followers shot it out with the police and Aristy went into hiding), and Fidelio Despradél Roque, leader of the "hard-line" faction of the Castroite "14 June" movement.

The contrast between Juan Bosch's home and PRD headquarters on the one hand, and the home of Joaquin Balaguer which doubled as campaign headquarters for his *Reformista* Party, was illuminating. On the day before elections, PRD headquarters was a scene of surprising confusion. The publicity office was unmanned. Not a single piece of campaign literature could be obtained. Hangers-on by the score were milling about to no apparent purpose. Bosch's home seemed less disorganized, but perhaps only because the armed "frogmen" who guarded it were letting very few reporters in. I drove to it with Buenaventura Sanchez, who had been minister of education in Bosch's 1963 cabinet but had broken with Bosch in April when Sanchez had gone on record as saying that the American intervention had averted a blood-bath and a subsequent takeover of the state by the Communists; recently Sanchez had become reconciled to Bosch, and indeed campaigned for him so effectively in the southwest that this once-Balaguerista territory was the only rural area Bosch carried. We drove out along the *Avenida Jorge Washington* where Trujillo had been ambushed and I noted that the monument to the martyred assassins had been completely demolished, presumably a vandalism of the ultra-right. Bosch was more relaxed than when I had last seen him in San Juan—perhaps too relaxed—and was telling a Venezuelan correspondent that Balaguer had spent "a million dollars of American money" in the past week alone. Asked if he intended to cooperate with Balaguer in the event of the latter's victory, Bosch sidestepped the question by intimating that that would depend on *how* such an improbability had been managed.

Balaguer's home the same day appeared to be a model of efficiency. And of "bourgeois" wealth and comfort. Thousands of leather-bound books, including a complete law library, all protected by cellophane, filled the cases from floor to ceiling. Life-size family portraits and academic nudes in heavy baroque frames graced the stairwell. Busts of Duarte, Bolivar and Seneca, and a small picture of Chaing Kai-shek stood on the shelvés. Flanked by two fat politicians, the birdlike Balaguer was taking his constitutional on the spacious second-story verandah, marching back and forth across the reporters' line of vision and talking animatedly. Dressed in a cheap, blue dacron suit and a collar several sizes too large for his scrawny neck, his brows were knitted in a reserved frown, his scholarly ascetic lips pursed, and the eyes behind his glasses not distinguishable. I spoke to him first, and much to my surprise he seemed to speak no English. I asked him how his economic program differed from Bosch's.

"He advocates state controls. I want free enterprise to develop new industries."

"Will you distribute more of the state-held Trujillo lands?"

"First I will legitimize title to these lands already haphazardly given away."

"Is the present Agrarian Reform Law a good one?"

"It is adequate. But up to now it hasn't been properly administered. I will also see to it that such practices as rotation of crops are taught to the new landholders."

"Will you put a time limit on the withdrawal of the OAS forces?"

"It depends on the situation here after elections. If it is good, they can be withdrawn rapidly. Every Dominican wants to see them go."

"Do you forsee further coups?"

"No. The OAS forces preclude one. And besides, the nation is better prepared for democracy than it was."

"In what way?"

"Neither the extreme left nor the extreme rights wants to provoke another intervention. Certainly the big majority doesn't. I have faith in thet secretary of the armed forces [General Enrique Pérez y Pérez who was appointed by García Godoy after the latter managed to send the principal right- and left-wing officers abroad]. He was once an attorney and he knows that the army must accept the results, whichever of us wins."

"What kind of US aid do you expect?"

"Economic aid to repair the ravages of the civil war. This new aid must be for public works, dams, electrification and so on. $300 million, as grant or loan, will be needed. *But we must plan how to use it*, for the first time, I might add—so that we'll have something to show for it."

"How do you find the election atmosphere?"

"Very good. Like an American-style election, don't you think?"

"If you lose, will you remain here this time? And cooperate with the new president?"

"Definitely."

Balaguer looks down at his feet when he talks. He has no personal magnetism. Perhaps for this very reason he is trusted by the non-revolutionary element who believe him to be personally honest and not self-seeking. If he is elected, I thought to myself as I left, it will certainly prove that people are willing to pay any price for stability; even to settling for the status quo. Balaguer is generally conceded (even by Bosch) not to have associated himself directly with Trujillo's crimes. In the months following "Ramfis" Trujillo's exit, he gained considerable popularity with the Santo Domingo masses by distributing wholesale the glutted treasury of the official *Partido Dominicano*—and in the expulsion of the sadist-playboy, "Ramfis," Balaguer is considered to have played a major role. But these were negative qualifications, opportunist tactics if one chooses to be cynical. If he is to make any headway in rehabilitating the shattered Dominican economy, Balaguer will have to risk offending his oligarch friends: he will have to undertake fundamental social reforms, and he will have to be an almost Olympian conciliator of the 570,000-odd Dominicans who voted against him June 1 (754,409 voted for him) if he is to rule in tranquillity.

ANTI-AMERICAN LINE

I was more impressed with the intelligence and style of Fidelio Despradél, the "14 June" leader, than I was with Caamaño's stand-in, Héctor Aristy. I had talked with Aristy before, in revolutionary headquarters during the fighting a year ago; he seemed to have learned nothing, and his dogmatic pronouncements now were delivered with a desperate shrillness. Like the homes of Bosch and Balaguer, Aristy's more modest quarters near the Jaragua Hotel were guarded by armed police of his own choosing. A gentleman, dressed smartly, with initials embroidered on a spotless white shirt and hair slicked back over his rather oriental mulatto features, the former gambling concessionaire delivered a line of stock anti-Americanism: "Donald Reid Cabral [the president whose overthrow touched off the April, 1965 revolt] was and is a member of the CIA. . . . Impossible? I have proof. The American Agency for International Development has demoralized our people. Where has the $300 million given us since Trujillo was killed gone? Not into the high dams and power stations we need, because that would interfere with American business. Bosch received no help from you when he was president except to pay salaries, and that at a high rate of interest." I mentioned the million-dollar school AID had built in Santiago. "All right, all right. But how does that stack up against the $180 million given Reid, the more millions given Imbert and Garcia Godoy? We will take no more aid at six percent. . . . Where, then, will we go? To hell, if necessary, but we'll get it." I cited one recent loan that was at a much lower rate of interest. "All right. That was conscience money." Did he think the Norman Thomas poll-watchers would assure a clean election, I asked Aristy. "Their goodwill is obvious," he said, "but if they claim the election is fair in the event of a Balaguer victory—well, then they'll be helping you, not us."

Despradél talked to me at "14 June" headquarters two days before the elections. I'd been chatting with a group of party members on the balcony overlooking Calle Condé. One of them had just waved his arms and shouted, "We're fighting for liberty!" when the chief walked in and silenced them with a wave of his hand. "*I'll* make all the pronouncements from now on," he said. "These elections," he said to me when we'd retired into an inner chamber, "were imposed on us by your country—against our wishes. We support them because it is necessary to show the world that under fair conditions Bosch is bound to be elected, thus proving that the Dominican people are democratic-minded Constitutionalists. Our movement hasn't put up any national ticket. But we have candidates in 26 local races [none were elected]. We are fighting for four things: for democracy and liberty; to save the Constitution of 1963; to give power to the Constitutionalists in the armed forces; and to win back national sovereignty. Fundamentally we want to see a diffusion of power in the Western Hemisphere rather than domination by *any* great power."

Despradél is soft-spoken and literate: the United States used the "fake issue" of Communism in order to save the army and thus indirectly "American business." This view is widely held in the capital, despite the many signs which read *"Yanquis Go Home—and Take Us with You."* For example, a cartoon in *Pum*, the humorous magazine, shows a towering GI patting a tiny Dominican soldier and saying to him, "You better be good, *muchacho*, because we might find it difficult to return and save you and your friends a second time." Despradél didn't anticipate a *coup* following "Bosch's election . . . but if there should be one later on there'll be an 'April 24' in every part of the country this time; we have the arms now. . . . Balaguer? He *can't* be elected."

I talked with Ellsworth Bunker just before the election, and with President García Godoy for an hour the night of June 1. Both are aristocrats, liberals, men with tremendous dedication to the democratic cause, and wits so infectious that they have triumphed over seemingly impossible obstacles. Bunker in his seventies is tall, lean, bronzed, straight as a ramrod, and with a face unlined. He exudes a sense of calm and confidence. His Boston Brahmin accent might be a drawback in American politics but it's an asset here. From the beginning, he gained the respect of all parties, Bosch and Caamaño included. The flavor of his personality may be indicated by the following. During the revolution he saw a painting by a rebel "primitive." It showed commandos under the Duarte bridge firing at Wessin's planes. The painting now hangs in Bunker's suite, and three others that he bought are in his home in Washington. "The artist," to told me, "gave me the title I like most. He calls me *'El Pato Macho de los Mangoneos'*. I translated that roughly: 'The Male Duck of the Wheeler-Dealers'."

García Godoy is not, of course, Bostonian; to be an aristocrat here you have to come from a family or revolutionists. Garcia Godoy's grandfather was a great Dominican patriot who was shot while president and who in his youth had slain Ulises Heureaux, Trujillo's evil prototype. Garcia Godoy's brother-in-law, and his adjutant during the past difficult months, has been Tomás Pastoriza, perhaps the ablest and most persuasive man in the Dominican Republic. García Godoy has occupied diplomatic posts in the past, and served briefly as foreign minister under Bosch; he also helped during the revolt to organize Balaguer's *Reformista* Party. It is now assumed that he will run for the presidency in 1970. Many hope that Pastoriza will also enter politics. Liberal aristocrats in the past have shunned the limelight; brains and higher education, in consequence, have seldom served the country.

García Godoy is 55 but gives the impression of being much younger. Balding, with a large head and small features, he speaks perfect English. Pressure had been put on him, as early as June of 1965, to form a provisional government with Pastoriza, Imbert and others; but he seems to have felt that this would only result in keeping the status quo within the armed forces, so he declined. Later on, when he felt he had a chance to ease the military out of politics, he accepted alone. It was not easy. For a long time Rivera Caminero, the rightist armed forces chief, refused to obey García Godoy's command to accept diplomatic assignment abroad. When he finally agreed, following a Bosch-directed general strike, the armed forces proposed three candidates from which the president was to select a new defense minister. He refused to accept any one of them, and for a time it was touch and go whether the military would oust him or force him to resign. In the end he prevailed, the non-political Pérez y Pérez was installed, and the recalcitrant generals were "promoted" to honorific posts. The *coup* didn't materialize—evidently not so much because García Godoy had the tacit backing of Bunker and the OAS forces, as because the Dominican militarists recognized that if they had forced the resignation of García Godoy and his whole government they would have been left defenseless before the aroused masses who almost overwhelmed them in May of 1965. As someone put it, "It is no longer the masses who fear the military here, but the military who fear the masses." In any event, García Godoy who had been labeled a "Communist" for going along with the Boschistas in the matter of the leftist University elections, was now (briefly) called a "militarist" for promoting the stubborn generals.

BACK ON THE DEMOCRATIC TRACK

It remains to be said that while elections—if the outcome is finally accepted by Bosch—may have put the Dominican Republic back on the democratic track, neither President-elect Balaguer nor the government of the United States is going to have an easy time of it.

Balaguer has made a promising start by announcing that he will invite Bosch to serve under him. There was even a rumor in Santo Domingo the day after the election that he might invite Colonel Caamaño to return from Europe and serve as his defense minister, but this would hardly reassure the majority of officers in the armed forces and might not be accepted by them. Recognition of the "defeated" rebels and especially their reintegration in the various military commands is nevertheless a "must" if Balaguer is to govern effectively. Basic social reforms, heavy taxation of large landed estates that produce nothing, and the creation of an honest, nonpolitical civil service, are equally necessary. Reform of the educational system, which was never sound and is now in almost complete disarray, is still more basic to the future.

The "American problem" in the months ahead will not merely consist in living down the almost universal unpopularity of the intervention. It is equally important that the massive flow of American money now supporting the government and the economy be redirected in such a way as to emphasize self-help and grass-roots initiative. AID has a reputation, not only in the Dominican Republic but throughout Latin America, for putting its funds mainly into big, photogenic projects—thinking materially, in terms of quantity, rather than in terms of what is actually needed or wanted. Its so-called "small projects fund" with a budget of $250,000 is hopelessly stalled because each village schoolhouse must be made of concrete blocks with a metal roof and window frames; each well or latrine must meet "engineering specifications" and then go through a bureaucratic tangle of clearing committees.

One hopeful development is that pressure is now being put on AID to think more in terms of popular demand. The International Development Foundation, a consortium of 14 private American foundations, is financing a series of pilot projects here as well as in Peru, Bolivia and Chile, to think and act swiftly in response to local need. In contrast to AID, which can't build a single schoolroom for less than $2,000, IDF (with help from CARE, another evangelical low-budget operation) is now building 11 complete schools, with thatched roofs, for a total cost of $2,600. One hundred eighty-five village leaders have already received training from IDF to build their own cooperatives and other self-help institutions. "We don't tell a community what to build," says IDF refreshingly, "we ask what they want. Even if it's a *church*, we help them build it!" Operating with a yearly budget of less than $100,000 and a staff that consists of only three Americans and five Dominicans, IDF and such other down-to-earth organizations as CARE and the Peace Corps, are doing so much in a small way to stimulate local talent for self-government—and, incidentally, to repair the damaged American "image"—that there is even a chance the cumbersome machinery of the Alliance for Progress will get the message and start rolling.

CONGRESSMAN MINSHALL ANNOUNCES THE RESULTS OF 1966 OPINION POLL

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. MINSHALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MINSHALL. Mr. Speaker, since 1955 I have had the privilege of representing the 23d District of Ohio in the Congress of the United States. This suburban area of the city of Cleveland is one of the highest median income groups in the Nation, one of the most highly educated, and contains some of the finest residential areas in America.

During the time that I have represented this district every effort has been made to sound out the sentiment of the district to keep well informed of the views of the residents. I also make a continuing effort to keep them advised of events in Washington through frequent newsletters, the regular news media, annual traveling office meetings, and opinion polls such as the one I am making a part of today's CONGRESSIONAL RECORD.

This constant interchange of ideas between voter and Representative helps me keep in close touch with the district and better enables me to effectively represent my constituents in Congress.

Again this year another Minshall opinion poll was mailed in early May to the home of every registered voter—Republican, Democrat, and Independent—in the 23d District, some 125,000 homes in all. As in previous polls, the response was excellent.

I should like to emphasize that I do not use the results of the poll as a blueprint or political weathervane for voting on the issues, but I do derive much benefit from having the excellent comments and thinking of those I represent.

The results of my opinion poll this year significantly reflect the uncertainty and confusion over the situation in Vietnam. More than 50 percent of those polled expressed either no opinion or qualified their answers indicating doubt as to which alternatives the United States should follow.

Among those who did reply directly concerning conduct of the war, the vote was 4 to 1 in favor of stronger military action against the Vietcong and its Communist supporters.

There is no doubt, however, from comments accompanying the questionnaires, that everyone wants an honorable peace and our troops brought home as quickly as possible.

I feel a key to the indecision expressed by many may be found in the fact that nearly three-quarters of them, in response to a direct question in the poll, say they feel the public is not being given adequate information concerning our problems in Vietnam.

Other questions which drew overwhelming votes were revision of Selective Service laws, concern over the national deficit, opposition to additional civil rights legislation, reduction of domestic Federal spending, and increased taxes.

In past Minshall opinion polls, opinion was almost equally divided on the merits of foreign aid, but the 1966 tabulation shows the program has lost much of support. Sentiment this year runs 2 to 1 to eliminate or severely cut aid funds.

I am sending results of the poll to the President, key officials in the Pentagon and State Department and to House and Senate leadership.

The results of my poll follow:

Results of Minshall opinion poll, June 1966

	Percent			
	Yes	No	No opinion	Qualified
1. Which alternative should the United States follow in Vietnam:				
(a) Continue present policy?	24	24	4	48
(b) Blockade port of Haiphong?	40	9	8	43
(c) Extend bombing of key military targets in North Vietnam?	57	9	4	30
(d) Withdraw our troops?	27	35	3	35
2. Do you feel the administration is giving the public adequate information concerning Vietnam?	20	73	4	3
3. Should Red China be admitted to the United Nations?	39	53	5	3
4. Do you favor relaxed restrictions on U.S. travel to Red China?	39	51	7	3
5. Do you approve the United States expanding trade with Soviet bloc nations?	44	47	6	3
6. Do you favor continuing foreign aid?	32	58	4	6
7. Would you approve expanding foreign aid to include worldwide U.S. assistance to education and health?	30	62	5	3
8. Do you feel that selective service regulations are in need of revision?	70	15	13	2
9. Are you concerned by the national deficit and the drain on our gold reserve?	92	5	2	1
10. To combat inflation, should the Government:				
(a) Increase taxes?	13	76	4	7
(b) Initiate wage-price controls?	43	45	4	8
(c) Reduce domestic spending?	76	*9*	*5*	*10*
11. Should strikes by public utility and defense workers be prohibited?	67	24	6	3
12. Do you favor increasing the Federal minimum wage and extending coverage to small business and farmworkers?	45	45	8	2
13. Should the Federal Government set standards for the States in the field of unemployment as proposed in H.R. 8282?	18	51	25	6
14. Do you approve of the administration's domestic program?	19	69	8	4
15. Are stronger civil rights laws needed?	18	73	6	3
16. Do you favor creation of a Cabinet-level Department of Transportation?	37	44	17	2
17. Do you favor 4-year terms for Members of the House of Representatives	59	35	5	1

THE CAUSE OF RIOTS

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, for some time there has been considerable debate over the causes of the riots in the Watts area of Los Angeles.

Throughout recent months, there have been predictions and discussions of possible disturbances in other major cities of the country, and Chicago has been singled out almost as if it were a target of those who would foment riots. May I remind the Members of the House that I am a Republican from Cook County, and in the political arena must fight for survival every 2 years against what we call the Daley machine.

However, it should be noted for the record that Mayor Daley, of Chicago, has a well-deserved reputation as a capable city administrator. Chicago cannot be described as a badly administered city, and its residents are served by a more effective city administration than, for example, New York City.

This past weekend the near North Side neighborhoods in Chicago suffered from major riots. I insert in the RECORD at this point as part of my remarks an editorial in this morning's Chicago Tribune discussing the cause of the weekend riots in Chicago:

THE CAUSE OF RIOTS

> The usual sentimental drivel is coming forth in an effort to excuse the rioters who for two successive nights engaged in shooting, looting, burning, and fighting with the police on the near northwest side.
>
> One of the lines of apology is that the police were at fault in their efforts to restore order and defend themselves. After the first night of disorder the leaders of the Puerto Rican community asked police to stay out of the area.
>
> "We'll control our people," they said.
>
> The police agreed to keep out of sight. Orders were issued that no identifiable police vehicle should appear in the troubled area. This proved to be a mistake. The police were called back when looting, vandalism, and other disorders were renewed. Before the night was over seven persons had been shot and 37 arrested.
>
> Apologists for the rioters also have been looking for reasons to blame unemployment, interracial friction, and "the ghetto." In fact, unemployment in the community is not serious, according to the head of Archbishop Cody's committee for Spanish-speaking residents. There has been little friction between Puerto Ricans and older residents.
>
> As for the "ghetto" charge, Spanish-speaking people willingly gather together, just as other immigrant groups have done. The near northwest side is an area of older residences, but it is not a disgraceful slum.
>
> The only explanation left for the rioting is that the participants have been encouraged to decide for themselves what laws to obey. The only way to get "justice," they have been taught, is to perform acts of violence.
>
> Last year's rioters in the Watts area of Los Angeles were excused by no less a person than President Johnson, who said similar upheavals could occur in other cities where people "feel they don't get a fair shake." The late President Kennedy warned that unless Congress passed the 1963 civil rights act, the "only remedy is in the street."
>
> Sen. ROBERT KENNEDY of New York said it was pointless to tell Negroes in northern slums to obey the law. To these Negroes, he said, the law is the enemy.
>
> Some of the national magazines have been equally responsible. Layouts of pictures of city slums are accompanied by articles warning that 40 or more cities are the "targets" of outbreaks during the "long, hot summer."
>
> There is constant repetition of the charge of police "brutality," even though the evidence has been overwhelming that the police in northern cities bend over backward to be gentle with members of minority groups.
>
> All these apologies are alien to our Constitution. We have the right of free speech, but not to cry "fire" in a crowded theater. We have the right of assembly, but only so long as the assembly is peaceable. There is no right to riot, to loot, to destroy property, or to attack the police.
>
> If a city's elected officials fail to make these limitations perfectly clear, they can expect endless disorders.

The northwest area of Chicago, where these riots occurred, is, as the editorial points out, a fine neighborhood where respect for law and order has always been maintained. Certainly, in a progressive city such as Chicago, with its reputable leadership and with its fine communities that have for so long provided a proper environment for generations of law-abiding people, the radicals who inspired these senseless riots should not prevail. I am positive, Mr. Speaker, that responsible citizens throughout the country support the efforts of Chicago's officials and its reputable police department and recognize that the citizens of Chicago who have long maintained their communities should be free from the tragic damage caused by senseless rioters.

CONGRESSMAN JOHN M. ASHBROOK ANNOUNCES RESULTS OF PUBLIC OPINION POLL OF OHIO'S 17TH DISTRICT

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, for the 6th year it has been my privilege to conduct a public opinion poll of the congressional district I represent. Each year this becomes a more interesting part of my duties and it has truly become a popular public opinion poll. More than 21,000 participated in this questionnaire on issues including more than 2,000 high school and college students.

The poll was sent into every one of the 626 voting precincts in the new 8-county 17th Congressional District. An equal number of Democrats, Republicans, and Independent voters were polled. While there has been nothing scientific about the survey and I do not profess that it has been conducted like a Gallup poll or similar professional sampling, we heard from every area of the district and from constituents from all walks of life and shades of opinion. Uniformly, constituents replied that they were interested in expressing their opinions in this manner and that they appreciated this opportunity. Muskingum and Guernsey County voters expressed a particular liking to this method of having their say.

Even more significant than the number of voters who replied was the number who took the time to add a letter to their questionnaire to amplify their views on questions posed or other matters of interest. It is in the more than 5,500 returns of this type that a Congressman can get a good sampling of public opinion. I read them all with interest and gained a good insight into many of the matters which are troubling 17th District men and women. At the head of the list, of course, would be Vietnam with a close second being chalked up in the mounting apprehension at the growth of the Federal Government and the runaway spending and controls which result.

The questions were posed in an objective manner which could not elicit any particular response. In fact, in all of the multiple choice questions the liberal answers were placed first and in the case of the Red China query, three of the four responses in the multiple choice question were directed toward a change of present policy. I appreciated all of the kind comments on the poll and many who do not share my philosophy went out of their way to indicate their approval of the format of the questionnaire and the content of the questions.

It came as a surprise to me—and I had noted great antipathy everywhere to Great Society measures—to see the degree with which constituents expressed their concern over the trend toward welfarism. In addition to the definite pattern of answers to questions 7 and 8, comments affixed to questionnaires varied from "we are bankrupting ourselves" to "we are trying to do too much." This concern also showed up in question 11 which asked what domestic problems would loom as important in the next decade. The greatest number of those responding to the poll listed "Rising taxes and the increasing cost of Government services."

While the responsibility for the vote cast on the issues in Congress is mine alone, I view my job of representing 435,000 people as a partnership in which the people have a voice in all deliberations. The annual public opinion poll has been a source of real value in determining public thinking on the issues of the day. The results have been most interesting and most satisfactory. It has been my goal while serving in the Congress to acquire a firsthand knowledge of the views of my constituency. This is not an easy job—especially when we have sessions that last until October and November and allow only a minimum of time in the district to talk to our people. This questionnaire has been an effective means of gaining a clearer impression of what 17th District citizens think and I want to thank everyone who helped make this 6th annual poll such a great success.

The results are tabulated below. The responses to the various questions do not add up to 100 percent because many who participated do not have an opinion on some questions or did not bother to answer. In each case, the difference between the indicated percentage and 100 percent would denote those who would fall into this category.

6th annual public opinion poll of 17th District

	Percent—	
	Yes	No
1. Do you favor a 4-year term for Congressmen?	37	47
2. Regardless of your views on question No. 1, if there is a 4-year term for Congressmen do you believe they should be elected at the same time as the President?	13	71
3. Do you favor legislation which would federalize our unemployment compensation system?	12	72
4. *Do you believe that the recent transit strike in New* York City indicates a need for Federal legislation to curb the power of labor leaders in the transportation field such as the late Mike Quill, Jimmy Hoffa, Harry Bridges?	66	17
5. Do you support the Dirksen filibuster which is blocking the repeal of sec. 14–b of the Taft-Hartley law?	61	13
6. The President is asking for a repeal of some excise tax cuts granted only last year. Regardless of your views on this or on the overall spending policies of the Government, do you believe that some areas now totally or partially exempt from taxation should be taxed before the general public is asked to pay additional taxes. What about these?		
(a) Cooperatives such as Rural Electrification Administration, farm organizations, consumer groups?	61	18
(b) Church property not specifically used for worship or church purposes and church investments?	60	21
(c) Foundations such as Ford or Rockefeller which have tax-exempt income and contributions?	54	24

	Percent
7. There is a continuing debate on the policy of deficit spending by the Federal Government. Some view with alarm the national debt which approaches $325,000,000,000, others do not. Which of these statements best represents your thinking? (Check only 1):	
(a) Deficit spending has proven to be an effective means of channeling our national resources and is a modern economic tool which should be intelligently used to stabilize our economic growth	4
(b) While causing some problems, on the whole deficit spending has had a beneficial effect on the economic growth and well-being of our country	6
(c) Deficit spending is wrong during periods of prosperity and has been one of the main causes of our devalued 43-cent dollar and the high cost of living reflected in rising prices for food and other commodities	30
(d) Deficit spending represents living off of the substance of future generations and is wrong except in periods of national emergency	45
8. Which statement would best represent your views on the Great Society? (Check only 1):	
(a) The Great Society represents an intelligent and sincere effort to answer our Nation's economic problems	7
(b) The Great Society represents an effort at national improvement but is too prone to use methods like the poverty program and deficit spending which have failed in the past	9
(c) The Great Society represents a wasteful and politically partisan approach to pressing national problems	11
(d) The Great Society represents another step in the socialization of our country with a resultant weakening of our free enterprise system and the concentration of more power in Washington	57

	Percent
9. What should the United States policy toward Communist China be? (Check the one that seems most preferable to you):	
(a) Allow trade and travel, support admission to the United Nations and grant diplomatic recognition	13
(b) Allow trade and travel, support admission to the United Nations but do not grant diplomatic recognition	6
(c) Allow trade and travel but do not support admission to the United Nations and do not grant diplomatic recognition	11
(d) Continue to forbid trade or travel, oppose admission to the United Nations and do not grant diplomatic recognition	52
10. What do you feel should be done in regard to the situation in Vietnam? (Check the one that seems most preferable to you):	
(a) Expand the war into North Vietnam and go all out to win	35
(b) Continue current policies of support without expanding or reducing our efforts appreciably	9
(c) Work toward a negotiated settlement through a conference of concerned nations or the U.N. and agree to abide by their decision and withdraw U.S. troops when a settlement has been reached	30
(d) Withdraw U.S. troops and let the Vietnamese solve their own problems	9

	Percent			
	1st	2d	3d	4th
11. The following is a list of items generally considered to be major domestic problems. Check the 4 you feel will be the greatest source of trouble during the next decade. Mark 1, 2, 3, and 4 to denote the order of importance you place on each:				
(a) Unemployment and job security	6	3	4	5
(b) Racial prejudice and discrimination	7	6	6	6
(c) Agitation by civil rights groups	9	10	10	11
(d) The poverty of a large proportion of our citizens	2	3	3	4
(e) Rising taxes and the increasing cost of government services	28	20	13	10
(f) Juvenile delinquency	2	6	7	7
(g) Communist subversion	10	12	12	10
(h) Religious and moral decay	20	10	11	8
(i) Rising cost of consumer goods and inflation	7	13	14	13
(j) Crime, narcotics and general lawlessness	6	13	16	21
12. The following is a list of items generally considered to be major international problems. Check the 4 you feel will be the greatest source of trouble during the next decade. Mark 1, 2, 3, and 4 to denote the order of importance you place on each:				
(a) The threat of war with Russia	4	4	4	5
(b) The threat of war with Red China	28	13	10	10
(c) The possible spread of nuclear weapons to more countries	11	15	11	10
(d) Overpopulation and poor living standards throughout the world	24	17	13	9
(e) Communist Cuba as base for subversion and missile strikes	9	12	11	8
(f) Unification of East and West Germany	1	2	3	4
(g) The spread of Communist influence to more nations	16	17	17	13
(h) Social discontent in Latin America	2	7	12	13
(i) Economic development in underdeveloped nations	1	4	6	9
(j) African nationalism and problem of maintaining democratic governments in those emerging nations	1	4	7	10

	Percent
13. In general, do you consider yourself a political—	
(a) Liberal	6
(b) Conservative	45
(c) Neither	31

FOREIGN STUDENTS VISIT

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. ADAIR] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ADAIR. Mr. Speaker, it gives me great pleasure to be among those who are today hosting on Capitol Hill 20 foreign graduate students from the University of Illinois and our own Indiana University. It is my pleasure to welcome to our Capital City Mohammad H. Abu-Hassan, from Jordan; Cem Alptekin, from Turkey; Max Baumer, from Germany; Maurice Girgis, from the United Arab Republic; Mohammad Hanif Hafiz, from Pakistan; Gol Madadi, from Iran; Pius Oghenerukowho Sada, from Nigeria; Miss Antonia Silverio, from the Philippines; Peter Yi, from Korea; Saiyed A. A. Zaidi, from Pakistan; Stergios Alexiou, from Greece; Hamdy Fouad Aly, from the United Arab Republic; Shawki M. Farag, also from the United Republic; Miss Etsuko Kuroda, from Japan; Yean Hi Lee, from Korea; Nicholas Michas, from Canada; Jonas Wilhelm Myhre, from Norway; Pianchai Ninsuvannakul, from Thailand; Miss Juliana Ru-Rung Niu, from China; and Anders Oterholm, from Norway. These 20 young graduate students are undertaking their studies in such areas as anthropology, linguistics, law, government, police administration, comparative literature, and the varied disciplines related to economics and business. They have been guests of Washington-area families since Sunday evening and through the Foreign Student Service Council they have been exposed to the workings of our Federal Government in a series of lectures, informal discussions, seminars, visits, and dinners. Mr. Speaker, it was my pleasure to visit with these young people in my office this morning for a short time, and may I say that I was very impressed with them. These ladies and gentlemen are able representatives of their countries in a very personal and informal way. It is a distinct pleasure to have them with us today, and I sincerely hope the remainder of their stay here in Washington will be pleasant, interesting, and informative. The Foreign Student Service Council is to be commended for its fine program, and it is my hope that our guests will leave us with a better understanding of our Government, our Nation, and our people. Programs like this one can do much to promote mutual international understanding.

SOCIALIZED MEDICINE MESS

The **SPEAKER** pro tempore (Mr. Albert). Under previous order of the House the gentleman from Ohio [Mr. Ashbrook] is recognized for 30 minutes.

Mr. **ASHBROOK**. Mr. Speaker, recently in the Congressional Record I have cautioned against overburdening our national medical facilities with extensive Government-sponsored medical programs. I cited the case of Great Britain which for 18 years has been granting to everyone medical care for a very slight regular charge. According to Mrs. Joan Hobson, a British doctor's wife, in her article, entitled "The Crisis in British Medicine," which appeared recently in Kiwanis magazine, each contributor in Great Britain now pays $2.50 weekly for medical care, sickness benefits, unemployment compensation, and old age pensions. Only a nickel of this amount is devoted to medical care, leaving general tax funds to supply the missing millions needed to keep the National Health Service in business. So overburdened has been the British National Health Service since 1948 that from an initial cost of $363 million the bill for state medicine in 1966 will be an estimated $26 billion. Concludes Mrs. Hobson:

> If the health service does manage to survive, its cost will go up year after year.

As yet, contemplated medical coverage in the United States under Government programs is not a cradle-to-the-grave proposition as in Britain. But if recent developments are any indication, the expansion of such programs has just begun. For example, the Chicago Tribune of Sunday, June 12, 1966, carried the headline: "New York Budgets More Than United States For Medicare." The lead paragraph stated:

> With New York ready to spend more on a federal-state welfare medical program than the Johnson administration planned to spend nation-wide, Congress has the jitters.

The explanation for this incongruity lies in the fact that the Federal Medicare Act under title 19 provides that persons of any age who earn enough to take care of all but medical needs, may receive aid through a State-administered program. By taking advantage of this provision, New York, according to press reports, plans to provide free full medical care for 40 to 44 percent of its population. To date seven States and Puerto Rico have already gotten tentative approval for such programs, with the applications of New York and Connecticut now pending.

Even now, with so few States now participating under title 19, and with the medicare kickoff due to begin on July 1, fears of inundating our national medical facilities have been voiced. In the light of Great Britain's experience, prudence demands that the overextension of our medical facilities be given careful consideration.

The London Daily Telegraph of May 24, 1966, carried an item entitled, "Britain Loses Heart Surgeon to America," which is certainly pertinent to this issue. Commenting on the present condition of the British National Health Service, Dr. John Raison, one of Britain's leading heart surgeons, observed:

> I would like to stay but the hospital service in Britain is near to floundering.

The decline of any nation's health service is certain regrettable, and I certainly hope that remedial action will correct this situation. As far as our Nation is concerned, judicious restraint should be the order of the day concerning the expansion of our Government-sponsored medical programs.

I place the above-mentioned item from the London Daily Telegraph in the Record at this point:

BRITAIN LOSES HEART SURGEON TO AMERICA

One of Britain's leading heart surgeons, Mr. John Raison, 40, said last night that he is emigrating to America in September because of lack of facilities for research and treatment in Britain.

Mr. Raison has been pioneering heart surgery techniques for seven years. He has played a leading part in research into the use of heart-lung machines.

He and his team at the King Edward VII Memorial Chest Hospital at Warwick have been responsible for many hole-in-the-heart operations and have helped to save hundreds of lives.

At his home at Moreton Morrell, near Warwick, last night, Mr. Raison said that his new job is that of senior physiologist in cardiac surgical research at the Presbyterian Medical Centre in San Francisco.

"Although my salary will be practically doubled this is not why I am going. "At best I have 20 more years work ahead of me and I want to save as many lives as I can. I cannot do that with the facilities available in Britain.

"We know how to save patients who a few years ago would never have had a hope. But Britain won't afford to keep me. I would like to stay but the hospital service in Britain is near to floundering.

TRUTH-IN-PACKAGING

Mr. **WHITE** of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. **MULTER**. Mr. Speaker, the consumer products industry has developed a bagful of tricks which intentionally or not do tend to defraud the American public. The worker's wages are being eroded constantly by this misconduct in the marketplace.

When shoppers enter the local supermarket they are overwhelmed by the bargains being offered. We find the crowded aisles piled high with goods that appear to offer bargains. Too frequently this is not the case. What appear to be bargains turn out to be not even true values. Even the most alert may be victimized despite the utmost caution. Taking unfair advantage of consumer has developed into a high art by our marketing experts.

A common practice is to package goods in various weights indiscriminately in gaudily printed boxes of varying sizes at different prices. The joker in this packaging scheme is that frequently there is little or no relationship between the size of the package and the quantity of merchandise in it. Legerdemain is fine on the stage, but it has no place in the consumers market. What the eye sees bears no relation to the true quantity of the contents in the package.

What is worse is the cheating label. Their composers have indeed mastered the art of misleading. What they say is rarely what they try to make the consumer believe. The "cents off" label for example looks like a reduction in price, except that the original price from which the cents are supposedly taken off is omitted, so that the consumer has no way of knowing that in fact there was no price reduction. These gentlemen have given the language such euphemisms as "regular," when there is no regular quantity against which the contents of the package can be checked; "large size," whatever that means (larger than what?); "jumbo size," "super size," "super," or "super dooper size," and the many other wild exaggerations of their fertile imaginations which are unrelated to any known or recognizable system of measurements.

They have also given us "jumbo quart" which upon closer examination turns out to consist of 16 ounces—the same as its less romantic brother, just plain old Mr. Quart. The same is true of "big gallon" and "giant pint." To protect himself against the charge of fraud, the manufacturer microscopically hides the actual weight in some corner of the label.

Let us not forget the manufacturer who packs his goods lightly in large packages to make them appear as better buys, the 3-inch soap bar in the 4-inch wrapper.

The consumer marketing field needs remedial legislation. To eliminate these deceptive practices that cost the consumer millions of dollars, truth-in-packaging bills have been introduced in the Congress. I am pleased that unions such as the Seafarers International Union, among others, is supporting the AFL-CIO demand for passage of truth-in-packaging legislation.

These bills will bring intelligible, standardized packaging and labeling to the market place. It would bring order out of chaos and make it possible for the consumer to get his money's worth. This seems to be a modest enough objective to which no fair-minded person should object.

More important, the Food and Drug Administration would be authorized to enforce the law for food, drugs, and cosmetics, while the Federal Trade Commission would enforce it for other consumer products. They would set weight and quantity standards for packaged goods, prohibit deceptive size and shape packages, define such terms as "king size," jumbo size," and so forth, require labels to truly reflect the contents and compel clearly marked net contents statements on the package.

The consumer products industry opposes "truth in packaging" laws. They resort to scare tactics and threaten that such law would result in a drop in sales, falling wages and rising unemployment. They are alarmed that such law would give dangerous new powers to the Federal Government. These bills give little new power; but they put teeth into the powers already vested in the enforcement agencies.

The consumer products industry should not object to this legislation. It has become necessary because of the industry's increasing use of deceptive packaging and labeling. We must not countenance this even though some merchants insist they do so in order to protect themselves against unfair competition by a few unscrupulous and greedy manufacturers. The point of no return has been reached. It requires the intervention of the Government to reverse this practice. Unless all are compelled to desist from these practices, the ethical manufacturer is at the mercy of the fraud and the cheat.

While the honorable and ethical manufacturer would, I am sure, prefer to compete on the basis of superior products, service, packaging, distribution, and lower prices based upon economies in production and distribution and all the other legitimate factors, he is powerless to compete succesfully against unethical and deceptive competition. He must beat the other fellow at his own game or be destroyed.

Truth-in-packaging legislation would restore honesty and integrity to the marketplace. It is needed. The ethical manufacturer welcomes it, for under it he can compete on the basis of merit. We have heard it said that the ethics of the marketplace become the ethic of the culture. If that is so then our course is clear.

I have introduced a new bill which I believe combines the best features of those already introduced.

My bill also contains provisions to protect the public against the improper marketing of drugs and cosmetics that may be deleterious to the health and well-being of humans.

I am sure it can stand further improvement and refinement. The hearings will develop the best approach.

Early action is needed and I hope we will get it.

GOP SHIFTS ITS VIET STAND

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. DUNCAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DUNCAN of Oregon. Mr. Speaker, yesterday I read a news story on page 3 of the Washington, D.C., Daily News by Ted Knapp, a Scripps-Howard staff writer.

The headline is "GOP Shifts Its Viet Stand." The thrust of the article is to the effect that the Republican campaign strategists have decided to make the Vietnam conflict a partisan political issue in the fall elections. Toward the end of the article is a most astounding and disturbing quotation ascribed to an unnamed GOP "spokesman." The quotation is:

> We want to destroy voters' confidence in Johnson.

Mr. Speaker, I cannot believe that any responsible Republican leader would make such a statement at a critical time in this Nation's history and at a time when some 270,000 American troops are committed in Vietnam. These troops are not there as Democrats or as Republicans, but as Americans committed to turning back Communist aggression. I point out again that the "spokesman" is unnamed. It is not the statement of the minority leader of either body.

This is no time to deliberately set out to destroy confidence in the Commander in Chief. To do so may give immediate partisan political advantage but do irreparable damage to the Nation and the cause of freedom and self-determination for which we have fought so long under leadership of both parties.

Generally speaking, the Republican congressional leadership has adopted a constructive and responsible position in regard to the problems of southeast Asia. The distinguished minority leader said on February 24:

> I believe that Republicans are generally impressed with the administration's firmness against Communist aggression in South Viet Nam.

The same cannot be said of others in the country today including some of both political parties from my own State.

Responsible political opposition is not easy. It implies a constant and critical review of policy. It requires criticism of specific policies only after an evaluation of alternatives and a willingness to commit oneself to a reasonable alternative.

When we agree that Communist aggression is a threat, not just to South Vietnam, but to the nations of Asia and ultimately to our own free society; when we agree that there is no power or combination of powers in Asia capable of withstanding Communist attack without the support of the United States; when the American commitment in South Vietnam is an accomplished fact and the significance of its success or failure upon the whole world irrefutable; when the alternatives available to us are so limited and have been and are being so completely considered, cannot we agree that the proper function of all Americans is to follow the example set by the late Senator Vandenberg and join hands to support the Government of the United States in this critical time and on this critical issue, rather than seeking to undermine confidence in the leadership.

I have never asked a single question of the administration that they have not tried to answer completely and candidly. Weekly briefings are held here on the Hill by the State Department. Cabinet members troop to the Hill almost daily for hearings before committees of the Congress. For days there was a complete and thorough review of this entire question before the Senate Foreign Relations Commmittee and the TV cameras of all the networks. Many Members have gone to the scene of conflict and returned to report to their colleagues on the conditions they found. I doubt if there has ever been an issue as thoroughly examined, explained and debated as has this question of our policy in southeast Asia.

Yet if we continue to say that the administration has not been candid or that there is a credibility gap, often enough, it will be printed and it will be read and it will be believed by enough to seriously impair our national effort and our national effectiveness.

As a matter of fact all is not hopeless in the world and the effort in southeast Asia has not been without success. The military picture is vastly improved over the dark days of 1965. In spite of the civil unrest, typical of every emerging nation in the world, elections are scheduled in South Vietnam and the military rule has been diluted by civilian membership on the ruling Directorate. In Indonesia, communism has been dealt a death blow, the attack on Malaysia terminated and there is talk of that country's return to the United Nations. Conditions in Laos seem somewhat better and there are rumbles of a lessening of the tensions with Cambodia concurrent with rumbles of internal difficulties in China, itself. Success can crown our efforts.

There are details of our policy with which I disagree and I know that there are details with which all disagree. No one—neither the President, nor I, nor any of you, nor any American—likes the situation. Everyone would like it to go away. It will not go away easily but it will pass into history as a victory for the free world if we all pull together, and if we—Republicans and Democrats alike—revert to constructive criticism and not seek simply "to destroy voters' confidence in Johnson"—if we do not we may unintentionally destroy far more.

As I heard one man say the other day, what we need is a willingness on the part of public officials to brave the political casualty lists with the same willingness our soldiers and sailors and marines risk the casualty lists of battle.

EXCESS PROPERTY IN LATIN AMERICA

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MONAGAN. Mr. Speaker, the 1965 Foreign Assistance Act called on the Agency for International Development to utilize excess personal property wherever practicable in lieu of the procurement of new items for U.S.-assisted projects and programs. It is obvious that such utilization can promote efficiency and economy. Therefore, the Special Subcommittee on Donable Property, of which I am chairman, and of which the Committee on Government Operations is the parent committee, has devoted much study to this matter.

Last April, the Committee on Government Operations approved a report entitled "The Use of Excess Property by the U.S. Foreign Aid Program in Latin America"—House Report No. 1466, 89th Congress. The committee found that the great opportunities for using excess property in the U.S. Government programs there were not being adequately realized. The report also called attention to the parallel opportunity of assisting U.S. nonprofit voluntary organizations to obtain more excess property, under the authority of sections 607 and 608 of the Foreign Assistance Act of 1961. It made a number of recommendations designed to improve the economy and efficiency of the excess property program by AID in Latin America.

The other day The Washington Daily News summed up the report in an excellent editorial endorsing the committee's view that AID should improve agency education in how to use excess property.

Also, the committee report contained a specific recommendation that AID hold regional meetings to provide information of procedures for obtaining excess property. It is gratifying to learn that recently representatives of AID missions in Latin America and from Washington held a seminar in Panama City to discuss this subject. A very informative article on the seminar appeared in "the Miami Herald for June 3, 1966, written by George Westerman, of the Panama Tribune, a special correspondent to the Herald. This article refers to a statement of the AID Mission Director in Panama that through the use of excess property "we have been able to provide trucks and tractors for community action programs, medical supplies for rural health programs, and equipment and furnishings for widely diverse projects ranging from vocational schools to cooperative supermarkets."

I believe both the editorial and the article will be of interest to the Congress and under unanimous consent am including them in the RECORD at this point:

[From the Washington (D.C.) Daily News, June 10, 1966]

HAMMERS—AND TONGS

Some of the perennially bumbling bureaucrats in the AID never seem to learn—or perhaps it's just that they don't pay attention. At any rate, the House Government Operations Committee has caught them again, wasting the taxpayer's money in Latin America.

What they are doing is buying millions of dollars worth of brand new equipment for AID programs while mountains of perfectly good Government surplus items go on the public auction block back home for six cents on the dollar. Put another way, AID could buy 16 surplus hammers for the price it pays for one new one.

Committee members who toured Latin American Aid missions reported their shock and dismay that many AID officials in the field didn't even know surplus equipment was available, and this despite a clear congressional order last year to buy surplus material when it was available.

It all comes back to Washington, where AID's brass has obviously managed to ignore the Comptroller General's complaint that available surplus property isn't being used.

The Committee felt "the United States has a magnificent opportunity to do great good with small expenditures" in this area. And, in a magnificent understatement, it added that "AID should improve Agency education in how to use surplus property."

Amen!

[From the Miami (Fla.) Herald, June 3, 1966]

PROPERTY RESERVOIR GIVING AID A BOOST

(By George Westerman)

PANAMA.—U.S. Agency for International Development missions in Central and South America, in the period from July, 1964, through March, 1966, acquired property valued at more than $2.5 million from the U.S. Armed Forces Disposal Office in the Canal Zone.

The total $2,581,765 does not include excess property which may have been acquired directly from Navy or Air Force facilities.

The figure was disclosed by James Magellas, AID mission chief in Panama, in addressing a regional seminar on excess property held here this week.

Representatives of all AID missions in Latin America and from Washington discussed the use of excess property in the development programs and projects sponsored by Alliance for Progress.

This material is used in conjunction with local governments in the implementation of programs carried out under the Alliance for Progress.

During the conference, AID representatives visited excess property depots in the Canal Zone, and also the proposed sites for excess property used by AID and the Panamanian government in carrying out development programs.

Panama was selected as conference site because of three important factors: it is ideally located; it is the largest excess property user among Latin American countries; there are excess property depots located in the Panama Canal Zone.

Here in Panama, Magellas said, "we have used excess property extensively in support of our programs and projects." Against certain loans it has been possible to obtain excess properties from Japan, Germany and the U.S. for a total acquisition cost of $288,933.

The Military Disposal Yards also constituted a large reservoir from which the AID mission here continuously obtains excess property. During 1965 this mission obtained property valued at $479,905 acquisition costs from disposal depots at Rodman, Albrook and Madden military installations.

"Through the use of these commodities," Magellas said, "we have been able to provide trucks and tractors for community action improvement programs, medical supplies for rural health programs, and equipment and furnishings for widely diverse projects ranging from vocational schools to cooperative supermarkets."

Under the program all property is acquired by the user on an "as is, where is" basis and transfer of title takes place at the disposal yard.

Magellas said that "sometimes with a little imagination, seemingly useless equipment may be transformed and used for entirely different purposes than that for which it was intended."

THE 25TH ANNIVERSARY OF ROBINS AIR FORCE BASE, GA.

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. FLYNT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FLYNT. Mr. Speaker, yesterday, June 14, it was our privilege and high honor to participate in the ceremonies commemorating the 25th anniversary of the establishment of Robins Air Force Base, Ga.

The personnel of this installation—civilian and military—constitute a great asset to middle Georgia. It is an equally great credit and asset to the Defense Establishment and the security of the United States in war and in peace.

On June 14, 1941, the official announcement of the site selection of what became Robins Air Force Base was made. On September 1, 1941, ground was broken and construction commenced. On November 9, 1941, the first commander established his headquarters in a tent and activated the Southeast Air Depot at Wellston, Ga. On January 23, 1942, it was announced that the flying field at the air depot would be named in honor of Brig. Gen. Augustine Warner Robins, who had died in 1940.

On October 14, 1942, the War Department, by General Orders No. 53, redesignated the Wellston Air Depot as Warner Robins Army Air Depot. At the same time, the city of Wellston, the post office, and the railroad station were also renamed Warner Robins for conformity and to honor General Robins.

The program of this anniversary occasion was appropriately dedicated to a great American—my colleague and friend—the Honorable Carl Vinson, who for 50 years and 2 months served as Representative from Georgia in the Congress of the United States.

With the unanimous consent of the House of Representatives, Mr. Speaker, I include here the printed remarks which dedicated the program of the day to Mr. Vinson:

THIS PROGRAM IS DEDICATED TO THE HONORABLE CARL VINSON, U.S. HOUSE OF REPRESENTATIVES, 1914–65

Carl Vinson of Milledgeville, Georgia, was born November 18, 1883, in Baldwin County, Georgia. He received his education at the Georgia Military College at Milledgeville, and received his degree from the Mercer University Law School in 1902. He entered the private practice of law in Milledgeville following his graduation, and was elected to his first public office, Solicitor for Baldwin County, three years later. He served in the General Assembly of the State of Georgia from 1909 to 1912, holding the position of Speaker Pro Tempore of the General Assembly 1911–1912. He was then appointed Judge of the County Court of Baldwin County in 1912.

Carl Vinson was elected to the United States House of Representatives on November 3, 1914, to the 63d Congress, to fill the unexpired term of the Honorable Thomas W. Hardwick, who had been elected United States Senator. He was re-elected to the 64th–72d Congresses from the Tenth District of Georgia. Following the Redistricting Act of 1931, he was elected to represent the Sixth District of Georgia in the 73d–88th Congresses.

Carl Vinson decided to retire at the conclusion of the 88th Congress, and did not offer for re-election in 1964. He retired January 3, 1965, to his farm home in Milledgeville, Georgia.

Carl Vinson served on many of the committees of the United States House of Representatives. His advice and counsel were often sought by many of the nation's leaders. He served as Chairman of the Naval Affairs Committee from December 1931 to January 3, 1947. On January 3, 1947, the House Committee on Armed Services was activated with Carl Vinson as the ranking Democrat. On January 3, 1949, he became Chairman of the House Committee on Armed Services and served as Chairman from 1949 to 1953 and from 1955 until his retirement January 3, 1965.

Carl Vinson was most influential in the build-up of the armed forces for World War II and the post-war conflict. He was instrumental in the strategic location of bases and military establishments throughout the nation and the free world.

Carl Vinson, although retired, still has the interest of the nation and Georgia uppermost in his heart and mind. His advice, guidance, and counsel are still sought by many in high public office.

The civilian and military complement of Robins Air Force Base—23,150 strong as of June 14, 1966—reflect honor and credit upon the highest traditions of the Armed Forces of the United States of America.

It is with pride in the 25-year history of Robins Air Force Base, and with confidence in the future, that the men and women of Robins Air Force Base perform their mission. Their manner of performance in the accomplishment of their objectives is such that we shall be able to say to those who have gone before, those who serve at Robins now, and those who shall follow in years to come, "We salute you and express our gratitude for a job well done."

The ceremonial flag of the United States of America flew yesterday, as it has for the first 25 years of Robins Air Force Base history, in honor and glory. I express the hope, and I feel the confidence, that when many of us shall return to Robins Air Force Base to commemorate the 50th anniversary of its establishment, it shall reflect the same high standards of performance and achievement which are manifest today.

TIDE RUNNING IN HOBOKEN

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DANIELS. Mr. Speaker, Hoboken, N.J., which is a cornerstone of the congressional district which I have had the honor of representing for 8 years in the Congress, is a very old city and it is one of the most densely populated municipalities in the United States. According to the 1960 census figures, 48,441 persons live in the "square mile city."

Hoboken is more than 300 years old and it has all the problems that go with municipal antiquity. Yet, it is to the credit of the administration of Mayor Louis De Pascale that gigantic steps are being taken to solve these problems.

The people of Hoboken are also fortunate to have the tireless editorial support of the Jersey Journal, a publication with vast influence in northern New Jersey. The efforts of the Hoboken city fathers to pull the old town up by the bootstraps have been supported fully by the Jersey Journal, and this newspaper deserves public commendation for its community spirit.

In order that all Members may know what is happening in the city of Hoboken and what the Jersey Journal is doing to support this renaissance, I ask unanimous consent to insert at this point in the RECORD a very excellent editorial which appeared in the Jersey Journal on June 14, 1966.

The editorial follows:

TIDE RUNNING IN HOBOKEN

Marine shipping is on the way back in Hoboken. For many years, after World War I, seagoing vessels were gradually deserting Hoboken's once-famous docks. Then, a dozen years ago, the ebb current was halted. With this newspaper throwing full support to Mayor Fred DeSapio on the question, the Port of New York Authority had come in, Hoboken got modern piers, big cargo began to move. Hoboken became the best port on the Hudson County waterfront.

Now the favorable tide is rising fast again. The Scandinavian-American Line, based at the former Holland-America pier, is adding eight new motorships to its fleet. Each will make Hoboken its first port of call to start regular trans-Atlantic runs, beginning this month.

As a terminal for passenger liners, Hoboken has had its day, but cargo ships are finding it more and more advantageous to load and unload there.

The rise of activity along the river reflects favorably on efforts of the city administration to find greater use for the waterfront.

One abandoned pier taken over by the city has been made revenue-producing by leasing it to a small boat sales and service enterprise.

Another has now been sold to Stevens Institute, to be the site of a science research center and high-class apartment houses.

Still another pier, at the foot of 7th Street, ruined by fire, is waiting for someone with imagination and drive to find a use for the site on which it stands.

JUNE 15—COMMEMORATION OF MASS DEPORTATIONS OF PERSONS FROM THE BALTIC STATES BY THE SOVIET UNION

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GALLAGHER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, today, we commemorate a sad event in the annals of world history. Twenty-five years ago, 60,000 men, women, and children were dragged from their homes in the middle of the night and deported to the most forbidding regions of the Soviet Union. This act occurred not in Nazi Germany, but in the Baltic States of Lithuania, Latvia, and Estonia. The cruel fate of these people was dictated by the Russian oppressors who had some months before extinguished the flame of democracy and freedom in the Baltic States.

Unfortunately, these 60,000 individuals represent only a small fraction of the deportations and deprivations effected by the Soviets over the years. The Baltic States have endured a cruel fate reserved for only those whose attachment to liberty and personal freedom refuse to die after years of subjugation and oppression.

To demonstrate condemnation of the Soviet invasion of the Baltic States and the methods employed to attempt complete political and individual subjugation, the U.S. Government has never recognized the Soviet incorporation of these States. In response to this official policy of the greatest bastion of freedom in the world today, the Latvians, Lithuanians, and Estonians—both those living in their home States and those who have emigrated throughout the world—cling fiercely to the dream that their States will eventually be triumphantly restored to freedom and democracy.

It is this determination and drive which will eventually defeat the crude and devious methods of the Soviet armed forces which today hold sway over the Baltic States. The Soviet attempts to debase and defile the national character of the Baltic nations will eventually cower in the face of these ideals and strengths of belief.

It is always ironic that when the Communists talk of freedom and wars of liberation they completely ignore the fact that they are the only true aggressors left in the world today. The best examples of this are Lithuania, Latvia, and Estonia. With all their talk of coalition governments, perhaps it is time to call for a coalition government in the Baltic

States and allow the people to have a say in their future.

I proudly and confidently join with my colleagues in the Congress in renewing our dedication to the respect for the citizens of Lithuania, Estonia, and Latvia. We must always keep in mind that the true children of freedom and liberty are spawned from the seeds of oppression and adversity. Until liberty is rampant in the Baltic States, their cause is ever in our hearts, minds, and prayers.

Many people talk of a coalition government in Vietnam which would include the Communists, but I have never heard a Communist voice call for a coalition government in the Baltic States. I would like to hear a similar urging for these countries whose people so clearly love freedom.

Perhaps, on this day as we recall the cruel fate of these brave people it is a day to remind their Communist oppressors that we should have free elections in the Baltic States. As a start, we could call for a coalition government, a coalition that would include not only Communists as it does now but people freely elected by the people of those countries. It would be a first step to liberty and true freedom.

INCREASING NUMBER OF DISCONTINUANCES OF PASSENGER SERVICE ON THE PART OF RAILROADS

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. Giaimo] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GIAIMO. Mr. Speaker, a situation which is of vital importance to the Nation is the increasing number of discontinuances of passenger service on the part of railroads across the country. A prime example of this trend is the continuing request by the New Haven Railroad for discontinuance of passenger service.

The increase is in large part the result of the passage of the Interstate Commerce Act Amendment of 1958, section 13(a). It was enacted to provide a means by which railroads could obtain discontinuance of train service for which there was no longer a need. But as an unforeseen result of this act, the public has been deprived of adequate protection against the curtailment of services either because of lack of hearings, or the fact that when there are hearings, the burden of proof falls upon the ill-prepared public to prove that the continuance of passenger service will not be an unfair burden upon interstate commerce.

Consequently, the public, especially in the area of the great "megalopolis" between Boston and Washington, is in danger of losing a mode of transportation which is not only convenient, but in most instances an economic necessity.

This should not happen. A railroad should not be allowed to stop passenger service because a bad piece of legislation provides inadequate protection for the public. A railroad is not like a small industry. It cannot be guided in its business decision solely by the profit motive. Its operations affect every aspect of American life from national security to recreation. Because of this, the Federal Government has an obligation to insure that the public interest is adequately safeguarded.

This legislation, Mr. Speaker, will remedy the inequities present in the act as it stands. It will provide that when a railroad petitions the Interstate Commerce Commission to discontinue or alter its passenger service, the Commission will allow such action only after a full hearing at which the railroad will have to prove that its action will not constitute an undue burden upon interstate commerce or adversely affect the public interest.

Where under the present law the railroad can sit back while whomever chooses to intervene on behalf of the public must discharge an impossible burden, the situation now will be reversed. The railroad will not only have to prove that its passenger service constitutes a financial hardship, but that the public will not be unduly burdened by a reduction of transportation service.

To insure immediate protection for the public under the bill, it will be necessary to provide for adequate representation for the public before the Interstate Commerce Commission.

Therefore, I think that it would be advisable to have a moratorium on all hearings for discontinuance of railroad passenger service for a period of 18 months following the enactment of my bill. This, I feel, will provide sufficient time for there to be developed in the proposed Department of Transportation a division which can marshal the resources of the Federal Government to present the strongest possible case for the public to the Commission.

The moratorium is, I believe, absolutely necessary to prevent further unnecessary service reductions until such time as our side, the trainmen, and the riding public are prepared to respond.

Interstate Commerce Commission hearings are a necessary part of our legal process, which is predicated upon the adversary system. When one side has an unfair advantage over the other, substantial justice is not achieved.

Only under this procedure can we be sure that the interest of the country, of the public, and of those who work on the railroad will be adequately protected. The crisis is at hand. We have a responsibility to insure that services vital to the Nation's well-being are not lost by default.

BALTIC DEPORTATIONS

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Helstoski] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, traditionally, the warm sunny month of June connotes such pleasurable experiences as graduations, vacations, and weddings. However, to millions of people in the Baltic States and their countless friends and relatives throughout the world, June 13 and 14, 1940, is a tragic and infamous date. It was during that period when the hard-won independence of the Estonians, Latvians, and Lithuanians was blatantly violated by Russian soldiers. It was on that date that the mass transportation of peaceful citizens reached its apex with more than 100,000 men, women, and children from all three states being sent to various parts of the Soviet Union.

A quick glance back to the immediate post-World War I period gives one a better understanding of the deep tragedy under which these people fell. Among the celebrated 14 Points enunciated by President Woodrow Wilson for peacetime consideration and application was the right of all subject peoples to self-determination. This particular point was immediately accepted by the people of the Baltic, and each country waged a successful independence struggle.

Postindependence found each country struggling to overcome massive problems of education, industrialization, agriculture, and related subjects. But the people had a mind to work, and progress was steady.

Russia had frequently attempted to reassert its control of the countries, but each attempt had been successfully resisted. Finally during the early 1930's the Russians agreed to treaties of mutual respect and nonaggression. But as has so often been the case with Russia, those solemn treaties were soon violated.

The outbreak of the Second World War was used as an excuse for invading these states, and in June 1940, the Russians began their systematic reign of terror. Leading political figures and intellectuals were among the first victims. Those that were not immediately killed or imprisoned were soon deported from their homeland to the vast remote regions of Russia. The terror soon reached down to the poorer peasant and working people until the period of mid-June when the infamous June 13–14 period saw more than 100,000 people deported from their homes.

This is indeed a sad event to commemorate, but we do the victims a disservice if we simply stop there. We must determine to derive meaning from their sacrifice; their suffering has a deeper significance, and merits more than just speeches or gatherings. I want us in every way feasible to instill hope and courage in the people of Latvia and Lithuania and Estonia to continue their belief that a change will come.

Mr. Speaker, they must believe that the freedom and peace which were once theirs will once again be achieved. Let us take this opportunity to rededicate ourselves to the principle that the Baltic peoples will one day be truly freemen in their own homeland and no longer bear the burdens of Russian imperialism and control.

The United States has refused to recognize the destruction of the Baltic

States and continues its full recognition of the diplomatic representatives in Washington of the once free Baltic Republics. This gives hope and encouragement for eventual deliverance of the captive Baltic peoples.

We ask all people who believe in freedom and justice to remember those who died under the yoke of godless oppression. We ask then to remember with us the countless martyrs who have shed their blood to give testimony of their desire for the blessings of liberty.

Let us keep alive the hope that Estonia, Latvia, and Lithuania will once again take their place in the world of free nations. We are convinced that the voices of the Baltic nations crying for freedom will not be ignored.

APPOINTMENT OF POSTMASTERS AND RURAL CARRIERS SHOULD BE TAKEN OUT OF POLITICS AND PLACED ON MERIT SYSTEM UNDER THE CIVIL SERVICE COMMISSION

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. CULVER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CULVER. Mr. Speaker, I have today introduced legislation which will take the appointment of postmasters and rural carriers out of politics and place them on a merit system under the Civil Service Commission where they belong.

For too many years, these positions have been filled according to political expediency. Yet today, as our post offices have become highly mechanized and our postal operations more complex, and as our daily economic and social transactions become increasingly dependent upon efficient postal service, it is more important than ever before that the men who are responsible for handling our mail be selected on the basis of the only legitimate criteria—their merits and their abilities.

Local political committees exist to nominate candidates, raise funds, register voters, and get out the vote. They are not designed as an auxiliary personnel agency for the U.S. Government.

As long as patronage continues to play any part in postal appointments, local political committees—and sometimes entire communities—can be divided by differences of opinion on matters which should have nothing to do with party affairs.

And as long as the system continues, Congressmen will be required to devote considerable time—both their own and that of their staff members—to an area in which he has no reason to be involved at all.

Last weekend, I addressed a group of dedicated Iowa postal employees—many of whom have devoted years in service to their communities and have developed valuable experience and expertise. Yet many of them will never have an opportunity to reach the top job—regardless of merits and abilities—as long as politics plays a part in the selection process.

Postal employees are forbidden under the Hatch Act from participating in political activity. But the top job in the Post Office is a traditional reward for political activity.

I urge the House of Representatives to take immediate action to insure that these important jobs are given to those individuals who can best meet the responsibilities of the positions.

AMENDMENT TO THE MENTAL RETARDATION FACILITIES CONSTRUCTION ACT OF 1963

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. CULVER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CULVER. Mr. Speaker, I have today introduced an amendment to the Mental Retardation Facilities Construction Act of 1963 which will permit the use of funds under this program by local schools to construct and equip classrooms for the education of the mentally retarded.

Under existing law, the only way that Federal money can now assist the education of these children is through classrooms to be built in institutions for the retarded.

It is estimated that there are today about 5½ million mentally retarded persons in our country, and 9 out of 10 of these are educable. For the most part, these persons do not require institutionalization, and will probably live in their homes and their communities all of their lives.

Their primary need is the opportunity for education and training, to enable them to develop their full potential. Properly educated, they can become productive members of society. Without such training and the opportunity for employment, they may very well become welfare recipients and totally dependent upon their families and their communities.

The State of Iowa has recently completed a 2-year study on mental health care which points up the importance of providing mental health services at the local level. A special committee on mental retardation recommended that special class programs for these children be an integral part of total school programs, and that services to the mentally retarded in the community be strengthened and expanded.

Public awareness of the long-ignored problems of the mentally retarded is growing. In Iowa, there are now more than 500 programs at the local level which provide special education and training for roughly 7,200 mentally retarded children. The progress being made in these classes is remarkable.

Yet State officials estimate that there are a total of 21,000 mentally retarded children of school age in Iowa—which means that two-thirds of these children are not now getting this kind of assistance.

Many school districts may wish to provide classes for the retarded, but they face a classroom shortage and a growing school population. When funds are limited, there is a tendency to fill the needs of the regular school population first.

My bill would permit funds already appropriated under the Mental Retardation Facilities Construction Act to be used to assist these local schools in meeting their needs for special facilities for the mentally retarded. In so doing, it will not only provide increased opportunities for the child who can best profit from life and education in his own home and community, but will also prove effective in alleviating the overcrowded conditions in residential institutions.

I urge the serious consideration by the House of Representatives to the amendment, which will help give each retarded child the opportunity to develop his full potential, in the environment most conducive to that development.

SPEEDUP ORDERED IN ACTION ON COMPLAINTS OF JOB BIAS

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PEPPER. Mr. Speaker, the Members of the House and those who read this RECORD will be very much pleased to read the following article by Miss Ruth Montgomery, one of the most outstanding and esteemed of the Washington newspaper correspondents, about the very fine job being done by Dr. Luther Holcomb, Acting Chairman of the Equal Employment Opportunity Commission, in dealing with the complaints of race discrimination in jobs related to the Federal Government.

Dr. Holcomb, a distinguished Baptist minister in Dallas, Tex., has shown the most commendable zeal in ordering a speed up in action on complaints of race discrimination and is referring cases to the Attorney General in large numbers since he has assumed his very challenging position.

The country is fortunate to have a man of the outstanding ability, compassionate interest and dedicated zeal in eliminating race discrimination, in charge of the Equal Employment Opportunity Commission.

His performance as Acting Chairman certainly commends him to the President and the country to become Chairman of this meaningful Commission.

I include the article by Miss Montgomery appearing in the Philadelphia Inquirer of June 10, 1966, concerning the excellent work being done by Dr. Holcomb, following these remarks in the body of the RECORD:

SPEEDUP ORDERED IN ACTION ON COMPLAINTS OF JOB BIAS

(By Ruth Montgomery)

> WASHINGTON.—Dr. Luther Holcomb has ordered a speedup in action on complaints of race discrimination, and is referring cases to the Attorney General at an accelerated pace since being named acting chairman of the Equal Employment Opportunity Commission. Presiding at the first commission meeting since the resignation of Franklin D. Roosevelt, Jr., who is running for Governor of New York, Dr. Holcomb declared:
>
> "The time for continued action is now, because we've just begun to combat discrimination. We must not lose sight of the sacrifices of those who, by their courage at Selma, Montgomery and Birmingham, focused national attention on the acute need for civil rights legislation."
>
> He added that "the laws are only the beginning," and it is "up to the commission to move ahead with the dynamic vigor that President Johnson had in mind when the 1964 Civil Rights Act passed."
>
> A pioneer in the civil rights movement, Dr. Holcomb played such a dominant role in the desegregation of Dallas that President John F. Kennedy appointed him chairman of the Texas Advisory Committee to the U.S. Civil Rights Commission in 1961. He came to EEOC as vice chairman last June.
>
> Nineteen years ago, when it took real courage for a white man to stand up and be counted on the race issue in the South, Dr. Holcomb went to a Negro church in Dallas to introduce NAACP president Roy Wilkins at a human relations rally.
>
> An ordained Baptist Minister, Dr. Holcomb nominated the first Negro to the board of directors of the Dallas Community Chest 18 years ago, and persuaded the Dallas chapter of the Red Cross to place a Negro on its board of directors.
>
> Through his personal fund-raising efforts numerous bright Negro youths were sent to college, and the Rotary Club of Dallas agreed to grant its first scholarship to a Negro student at Mount Holyoke.
>
> During the two decades that Dr. Holcomb led the fight for equal opportunity in Dallas, he and his wife were often harassed by abusive telephone calls in the middle of the night, and other youngsters taunted his two children.
>
> Dr. Holcomb first came to President Johnson's attention in 1949 when he wrote the then freshman Senator that a Jewish mother said her son was being discriminated against at a military establishment in Missouri.
>
> Mr. Johnson was so intrigued by a Baptist preacher championing the cause of an unknown Jewish soldier that he invited Dr. Holcomb to stop by the office the next time he came to Washington. A warm friendship subsequently developed.
>
> The commission on which Dr. Holcomb serves was established last year to investigate complaints of discrimination because of race, religion, sex, or national origin. This week Dr. Holcomb set up a task force to work in the national origins field, and is holding hearings on complaints by airline hostesses who have been forced to resign when they marry, or reach the ripe old age of 32.
>
> Dr. Holcomb has made decisions of discrimination based on race in 141 charges involving 40 employers and unions. This week he personally heard complaints newly brought against U.S. Steel by NAACP's Birmingham chapter, after inviting the local chairman, Dr. John Nixon, to bring five of the complainants with him to Washington. The settlement of this case could have far-reaching results, since a possible strike against this basic industry would affect our entire economy.

QUESTIONNAIRE REPORT, FIFTH CONGRESSIONAL DISTRICT OF THE STATE OF CONNECTICUT

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MONAGAN. Mr. Speaker, the tabulation of returns on my 1966 annual questionnaire has just been completed and I wish at this time to report to my colleagues, and to my constituents, on this cross section of opinion on important issues which currently are before the Congress and the administration.

My 1966 congressional questionnaire was mailed early in May to constituents whose names are on my regular mailing list as a result of earlier correspondence or expressions of interest in legislative matters. This list was supplemented by requests for cards resulting from newspaper, radio, and television announcement of the survey. Once again, I can report that the people of the Fifth Congressional District of Connecticut, whom I have the honor to represent, have shown a gratifying interest in the affairs of our Nation.

I include with this report the complete chart showing total and percentage "yes," "no," and "undecided" opinions on each of the 12 issues included in the survey. Most important to me, and I think to the people of the Nation, is the return on the questions concerning the conduct of the war in Vietnam. I presented the Vietnam question in six categories. I did not include the alternative of negotiation because in my opinion this is not a controversial question. It is my feeling that all of us would welcome the termination of the Vietnam conflict through proper negotiation.

I want to call particular attention to some of the highlights of the questionnaire returns: 56.04 percent of those responding expressed themselves in favor of continuing our present U.S. policy in Vietnam; 52.98 percent recommended escalation of our military efforts; 43.99 percent would bomb Hanoi, and 63.31 percent would blockade Haiphong; 8.49 percent favored retirement to coastal enclaves; and 17.98 percent favored complete withdrawal of U.S. troops from Vietnam.

As a student and advocate of programs to correct the national catastrophe of water pollution, I was gratified with the 86.61 percent vote of support for the expansion of Federal programs to assist local-State efforts to combat water pollution. No other score approached the total favoring water pollution control. Other issues showing major support were a constitutional amendment to permit the voluntary recitation of prayer in public schools, 81.22 percent; an income tax exemption or credit for persons paying expenses of college students, 74.87 percent; legislation to control interstate shipment of firearms, 76.20 percent; and stricter regulation of the handling of animals used in laboratory research, 62.55 percent.

Other scores: 58.61 percent in favor of a 4-year term for Members of the House of Representatives; 58.80 percent for establishment of a Cabinet-level Department of Transportation; 52.94 percent in support of adoption of the metric system of weights and measures; 51.76 percent for a demonstration cities program to rebuild entire slum areas; 48.85 percent in favor of increasing the Federal minimum wage level to $1.60; and 48.81 percent for a constitutional amendment tc permit a State to apportion one house of its legislature on a basis other than population.

As I have previously stated, a question which limits the answer to "yes" or "no" leaves much to be desired, but this form is made necessary by space limitations. Even with this restriction, however, I have found the response to the 1966 questionnaire most heartening and informative. I have also been favored by many letters from constituents who have given me the benefit of their views with detailed comments. I welcome and appreciate these comments and I am grateful to all those who took the time to complete the questionnaire and return it to me.

I do not look upon these returns as an official mandate, nor do I endeavor to identify this program as a professional sampling, but the returns are a helpful guidance in their indication of public opinion trends. As in the past, I shall continue to exercise my own judgment and to vote on issues as I see them and their influence on the people of my district and of the Nation, but most assuredly the returns will help me to form this judgment.

I also want to emphasize the point that this questionnaire was not printed at Government expense, and the cards were returned to me by constituents who were willing to pay the postage. I have expressed my gratitude for the response to this survey and for the hundreds of letters and messages which have come to me together with the questionnaire returns.

All of the messages were not complimentary.

However, a Cheshire resident "not a member of my party" sent a $10 check to help defray the cost of printing the questionnaire, and included words of encouragement.

A two-page typewritten letter came from a resident of Trumbull, who said, "I would have written earlier but for illness, business, and laziness."

He signed off with, "Well, you asked for my opinions. Best of luck."

A Prospect resident who criticized U.S. conduct in Vietnam, said, "We are just bandits taking over a foreign country" and signed himself, "Damned Mad."

A Meriden resident wrote a 12-page letter with the preface:

> Again your congressional questionnaire is very good, but does not allow for an expression of ideas. So, along with my answers are my personal opinions.

Another Meriden resident said:

> The answer to question No. 1—I am of the opinion that we must fight to win or get out of South Vietnam.

A Seymour resident wrote:

Thank you for the privilege. Would like to see a ceiling on wages; strikes prohibited.

From Waterbury:

I was delighted to get a questionnaire. I think it is a very good idea on your part in getting the written expressions of people in the State of Connecticut. On Vietnam, in other words, either we go all out or get out.

Another Waterburian:

May God bless you with vigor and continued good health to keep up the pace that you are going on.

From Wallingford:

I favor the elimination of all Bureaus or Departments that have to do with hand-outs for any purpose. This will reduce the political pressures from Washington and, particularly, from Texas.

A Cheshire man wrote:

We are in Vietnam as a result of stupid statesmanship. We have to see it through. However, this past stupidity cannot be blamed entirely on the present Administration. That goes back to Roosevelt, Truman, Stillwell, Latimer and others of that kind. We are now paying the price for past blunders.

A Waterbury woman wrote:

I have read, Congressman MONAGAN, how you were in Vietnam and right with our boys. You must know what really goes on. I'm so glad you're back.

From Meriden:

May you have guidance in your decisions from the forces higher up than just mere man.

I include here the complete tabulation of the returns on the 12 questions and subsections covered by my 1966 questionnaire, showing the results in figures as well as in percentages:

Results of questionnaire, 1966

	Yes		No		Undecided	
	Total	Percent	Total	Percent	Total	Percent
Do you favor?						
1. (a) *Continuing present U.S. policy in South Vietnam?*	1,465	56.04	800	30.60	349	13.36
(b) Escalation of our military effort?	1,385	52.98	740	28.31	489	18.71
(c) Retirement to coastal enclaves?	222	8.49	1,648	63.05	744	28.46
(d) Bombing Hanoi?	1,150	43.99	820	31.37	644	24.64
(e) *Blockade of Haiphong?*	1,655	63.31	398	15.23	561	21.46
(f) Complete withdrawal of U.S. troops?	470	17.98	1,714	65.57	430	16.45
2. Increasing the present $1.25 per hour Federal minimum wage level to $1.60?	1,277	48.85	1,202	45.99	135	5.16
3. *Legislation to control interstate shipment of firearms?*	1,992	76.20	510	19.52	112	4.28
4. A 4-year term for Members of the House of Representatives?	1,532	58.61	956	36.57	126	4.82
5. *Expansion of Federal programs to assist local-State efforts to combat water pollution?*	2,264	86.61	280	10.71	70	2.68
6. Income tax exemption or credit for persons paying expenses of college students?	1,957	74.87	591	22.61	66	2.52
7. U.S. adoption of the metric system of weights and measures?	1,384	52.94	937	35.84	293	11.22
8. Stricter regulation of the handling of animals used in laboratory research?	1,635	62.55	707	27.05	272	10.40
9. A demonstration cities program to rebuild entire slum areas?	1,353	51.76	960	36.72	301	11.52
10. Establishment of a Cabinet-level Department of Transportation with unification of transportation activities?	1,537	58.80	812	31.06	265	10.14
11. A constitutional amendment to permit the voluntary recitation of prayer in public schools?	2,123	81.22	425	16.26	66	2.52
12. A constitutional amendment to permit a State to apportion one house of its legislature on a basis other than population?	1,276	48.81	1,068	40.86	270	10.33

HOW MUCH TIME DOES THE UNITED STATES HAVE IN VIETNAM?

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Delaware [Mr. MCDOWELL] *is recognized for 5 minutes.*

Mr. McDOWELL. Mr. Speaker, I submit the following interesting report with respect to the conflict in Vietnam from the Washington Post of June 8, 1966:

MATTER OF FACT: HURRY UP, PLEASE

(By Joseph Alsop)

The final, central problem that has to be faced in Vietnam in the present phase is the problem of time.

It is anyone's guess how much time General Westmoreland has in hand to achieve a relatively decisive result. It could be 10 months, a year, or even 18 months. But to everyone who knows the situation on the spot, it now appears urgent to reach the turning point in the war as soon as possible.

That need not mean the end of the war, to be sure. The turning point that it is so urgent to reach is the effective defeat of the Vietcong main forces. If the enemy's backbone-army can be effectively defeated, much of the local infra-structure of the V.C. can be expected to break up and crumble away. Large additional areas of South Vietnam should be rapidly freed from the Vietcong terrorism and pressure.

Here and there, however, remnants of the infra-structure will probably survive. The job of mopping up and rooting the remnants out may well be long. But it will be far less costly and burdensome than the present stage of the war. It will require a much smaller American presence and effort. And it will leave room for the long-suffering Vietnamese to find their own way at last, with no serious external menace.

It is urgent to reach this kind of turning point for both political and economic reasons. The main error of judgment of the Americans on the spot in Vietnam, emphatically shared by this reporter, it must be confessed, was the judgment that the restoration of hope would at least insure a political truce in Vietnam until the war ended.

This was half or even two-thirds correct. Before the American intervention, the progressive loss of hope had turned Saigon politics into a kind of dance of death. After the American intervention, there was indeed a most valuable political truce that lasted close to a year. But as anyone can see who reads the papers, the truce did not last long enough.

There are good judges in Saigon who lay this development to a renewed loss of hope—the feeling, caused by the peace offensive and other factors, that there was still no end in sight. Significantly, one of the propaganda points made by Thich Tri Quang's Buddhist agents in the army was that the U.S. was not going all out to win the war as soon as possible, and therefore wished to prolong the war indefinitely.

At any rate, the South Vietnamese now desperately need the reassurance of a real turning point in the fighting. They have shown astonishing patience, courage and resiliency. But war weariness, inflation, all the human and economic problems caused by larger and larger numbers of American troops in this small country, are beginning to combine to make the situation fragile. The South cannot be counted on to hold together indefinitely, unless a turning point is reached within a reasonable time period.

That unavoidably raises the problem of the North Vietnamese Communist takeover of the war in South Vietnam. As just reported in this space, even the Vietcong civilian administration, of tax collectors, provincial committeemen and the like, is by now one half composed of invaders from the north. By the end of this year, furthermore, two-thirds of the main force-backbone of the enemy will also be composed of invading northern troops.

Already, American soldiers are mainly fighting regular soldiers of the North Vietnamese Communist army. By any ordinary test, therefore, President Johnson is fully justified in doing everything he can prudently do, as riposte to this massive North Vietnamese Communist invasion of South Vietnam.

That does not mean attacking the civilian populations of Hanoi or Haiphong, or even flattening the North Vietnamese industrial plants that do not contribute to the war effort. But it certainly means intensifying the bombing attacks on the North in all the ways that may be militarily useful.

People say, "The northern bombing has accomplished too little." It has indeed, for the simple reason that the bombing tactics thus far employed have violated every rule in every air tactical manual written in the last 30 years. As all manuals emphasize, mere attacks on roads, bridges, and railroads can never be counted on for solid results. The effort must be in depth and that means attacking power stations, oil fuel stores and the like.

This kind of bombing effort ought to accomplish a great deal—and still without attacks on noncombatants, please remember. There are the best possible reasons to believe that President Johnson was on the verge of ordering just such an intensified effort in March, when the first round of political trouble in the South began, and again a few weeks ago, just before the second round of trouble started.

The time factor now demands that everything possible be done to hasten the war's turning point; and the fact that our soldiers are already mainly fighting North Vietnamese underlines the lesson of the time factor. One of the biggest things that can be done is to include the North's power stations and oil stores in the target lists.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

To Mr. KREBS (at the request of Mr. ALBERT) for today on account of official business.

To Mr. CUNNINGHAM (at the request of Mr. GERALD R. FORD) for today and tomorrow, on account of official business.

To Mr. FLYNT (at the request of Mr. WHITE of Texas), for June 15, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 15 minutes, today; to revise and extend his remarks and to include extraneous material.

Mrs. GRIFFITHS, for 60 minutes, on June 20; and to revise and extend her remarks.

Mr. LANDRUM, for 45 minutes, today; and to revise and extend his remarks.

Mr. ASHBROOK (at the request of Mr. ANDREWS of North Dakota), for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. MCDOWELL (at the request of Mr. WHITE of Texas), for 5 minutes, today; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. BURKE and to include extraneous material.

Mr. PUCINSKI.

(The following Members (at the request of Mr. WHITE of Texas) and to include extraneous matter:)

Mr. ANNUNZIO.

Mr. RYAN.

Mr. LOVE.

Mr. DYAL.

Mr. ADDABBO.

Mr. LONG of Louisiana.

Mr. FISHER.

Mr. DE LA GARZA.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1233. An act for the relief of Lee Chung Woo;

H.R. 2290. An act for the relief of Charlotte Schulz;

H.R. 3692. An act for the relief of William F. Kuhlman;

H.R. 3774. An act for the relief of Wanda Olszowa;

H.R. 5003. An act for the relief of Evangelia G. Latzis;

H.R. 5533. An act for the relief of Kuniki Nagano Zwiefelhofer;

H.R. 8219. An act for the relief of Cho Myung Soon and Cho Myung Hee;

H.R. 8833. An act for the relief of Sarah Antoinette Cappadona;

H.R. 9643. An act for the relief of Haider Raza and his wife, Irene Raza, and their children, Afzal Anthony and Haider Raymond Raza;

H.R. 10193. An act for the relief of Fritz A. Frerichs;

H.R. 10838. An act for the relief of certain employees of the Post Office Department at Eau Gallie, Fla.; and

H.R. 12396. An act for the relief of Elton P. Johnson.

ADJOURNMENT

Mr. WHITE of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 22 minutes p.m.) the House adjourned until tomorrow, Thursday, June 16, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2493. Under clause 2 of rule XXIV, a *letter from the Assistant Secretary for* Administration, Department of Agriculture, transmitting a report of two violations of section 3679 of the Revised Statutes, as amended, was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FISHER: Committee on Armed Services. H.R. 12031. A bill to authorize the appointment of Col. William W. Watkin, Jr., professor, of the U.S. Military Academy, in the grade of lieutenant colonel, Regular Army, and for other purposes; without amendment (Rept. No. 1625). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 15699. A bill relating to national observances and holidays, and for other purposes; to the Committee on the Judiciary.

By Mr. CRAMER:

H.R. 15700. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

By Mr. FLOOD:

H.R. 15701. A bill authorizing the sale of standard silver dollars held by the Treasury; to the Committee on Banking and Currency.

By Mr. LEGGETT:

H.R. 15702. A bill to amend the Internal Revenue Code of 1954 to remove the dollar ceiling on the amount of combat pay received by commissioned officers which may be excluded from gross income; to the Committee on Ways and Means.

By Mr. LONG of Louisiana:

H.R. 15703. A bill to amend the Federal Civil Defense Act of 1950 to authorize certain activities and measures to minimize the effects of natural disasters; to the Committee on Armed Services.

By Mr. McCARTHY:

H.R. 15704. A bill to amend the Mental Retardation Facilities Construction Act in order to permit the construction of classrooms under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. MOORHEAD:

H.R. 15705. A bill to redesignate the Department of the Interior as the Department of Natural Resources and to transfer certain agencies to and from such Department; to the Committee on Government Operations.

By Mr. MORRISON:

H.R. 15706. A bill to amend section 5 of the act of February 11, 1929, to remove the dollar limit on the authority of the Board of Commissioners of the District of Columbia to settle claims of the District of Columbia *in escheat cases; to the Committee* on the District of Columbia.

By Mr. MULTER:

H.R. 15707. A bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging *or labeling of certain consumer commodities* distributed in such commerce; to promote the public health and welfare by requiring *certain labeling on packages of foods, drugs,* devices, and cosmetics; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'NEILL of Massachusetts:

H.R. 15708. *A bill to regulate interstate* and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE:

H.R. 15709. *A bill to amend title 10, United* States Code, to provide for the rank of brigadier general for an officer of the Air Force while serving as Assistant Surgeon General for Veterinary Services; to the Committee on Armed Services.

H.R. 15710. A bill relating to the poverty area amendment; to the Committee on Public Works.

By Mr. PUCINSKI:

H.R. 15711. A bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RIVERS of South Carolina:

H.R. 15712. A bill to amend section 2634 of title 10, United States Code, to authorize payment of expenses incidental to the transportation of motor vehicles of certain members of the Armed Forces; to the Committee on Armed Services.

By Mr. ST. ONGE:

H.R. 15713. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. SWEENEY:

H.R. 15714. A bill to amend the Mental Retardation Facilities Construction Act in order to permit the construction of classrooms under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ANNUNZIO:

H.R. 15715. A bill to authorize and request the President to award a Presidential Unit Citation to the 761st Tank Battalion; to the Committee on Armed Services.

By Mr. CULVER:

H.R. 15716. A bill to amend the Mental Retardation Facilities Construction Act in order to permit the construction of classrooms under that act; to the Committee on Interstate and Foreign Commerce.

H.R. 15717. A bill relating to the appointment of postmasters and rural carriers from civil service registers; to the Committee on Post Office and Civil Service.

By Mr. MIZE:

H.R. 15718. A bill to provide assistance to the State of Kansas for the reconstruction of areas damaged by recent tornadoes; to the Committee on Public Works.

By Mr. NELSEN:

H.R. 15719. A bill to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region, and for other purposes, and to enact said amendment for the District of Columbia; to the Committee on the Judiciary.

By Mr. REUSS:

H.R. 15720. A bill to secure proper coordination of the Nation's credit resources with respect to the various types of financial institutions, to the needs of the housing industry, and to the prevention of unsound uses of credit; to the Committee on Banking and Currency.

By Mr. CORMAN:

H.R. 15721. A bill to remove arbitrary limitations upon attorneys' fees for service rendered in proceedings before administrative agencies of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. GARMATZ:

H.R. 15722. A bill to amend the Intercoastal Shipping Act of 1933 to provide for accounting at the expiration of a rate suspension; to the Committee on Merchant Marine and Fisheries.

By Mr. GIAIMO:

H.R. 15723. A bill to amend the provisions of the Interstate Commerce Act relating to the discontinuance of passenger train operations; and to impose an 18-month moratorium on the discontinuance of any passenger service by rail; to the Committee on Interstate and Foreign Commerce.

By Mr. JACOBS:

H.R. 15724. A bill relating to replacement property for certain real property acquired in federally assisted programs; to the Committee on Public Works.

By Mr. REINECKE:

H.R. 15725. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BOW:

H.R. 15726. A bill to authorize the Board of Regents of the Smithsonian Institution to negotiate cooperative agreements granting concessions at the National Zoological Park to certain nonprofit organizations and to accept voluntary services of such organizations or of individuals, and for other purposes; to the Committee on House Administration.

H.R. 15727. A bill to establish rates of compensation for certain positions within the Smithsonian Institution; to the Committee on Post Office and Civil Service.

By Mr. LOVE:

H. Con. Res. 776. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mrs. MINK:

H. Con. Res. 777. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to Committee on Rules.

By Mr. OTTINGER:

H. Con. Res. 778. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. ROSENTHAL:

H. Con. Res. 779. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. SICKLES:

H. Con. Res. 780. Concurrent resolution establishing a Joint Committee on National Services and the Draft; to the Committee on Rules.

By Mr. PHILBIN:

H. Res. 889. Resolution providing that the House of Representatives extends its greetings to the people of Hudson, Mass., on the occasion of their 100th anniversary; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 15728. A bill for the relief of Lorenzo Mastropieri; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 15729. A bill for the relief of Frank D. Harper; to the Committee on the Judiciary.

By Mr. HUOT:

H.R. 15730. A bill for the relief of Dusko Doder; to the Committee on the Judiciary.

By Mr. KORNEGAY:

H.R. 15731. A bill for the relief of the estates of certain former members of the U.S. Navy Band; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts:

H.R. 15732. A bill for the relief of John Nolli; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 15733. A bill for the relief of Hiroshi Shin; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Disabled American Veterans

EXTENSION OF REMARKS

OF

HON. SPEEDY O. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. LONG of Louisiana. Mr. Speaker, the history of the organization of the Disabled American Veterans is a story of loyal and patriotic Americans who were individually dedicated to fighting for freedom.

Thirty-four years ago this Friday they formed an organization approved by the 72d Congress devoted to the welfare of the wartime disabled veteran and his dependents. Membership presently numbers more than 231,000.

Each of these 231,000 men has a story—each man's story began with an individual desire to preserve freedom. This desire led them into combat where each experienced the horrors of war. Collectively, these stories are history. As history repeats itself it is my hope that all Americans will demonstrate the desire to preserve our inalienable rights which constitute freedom.

And while we support and praise those who fight today, it is our privilege and duty to remember those who have returned from the fields of war. These veterans deserve special praise for their patriotic efforts and great personal sacrifice in the defense of our Nation and I feel that they merit a continuing place in our hearts.

To all veterans, living and deceased, we owe the continuation of our lives, liberty and each individual pursuit of happiness.

The Baltic States

EXTENSION OF REMARKS

OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. ADDABBO. Mr. Speaker, 26 years ago today the Armed Forces of the Soviet Union began the occupation of the Republics of Estonia, Latvia, and Lithuania, thus ending the existence of these countries as free and independent nations.

That invasion and occupation and the imposition of the Soviet regime was a flagrant act of aggression and continues as such today.

The Soviets have deported to their country more than a half million people from Estonia, Latvia, and Lithuania, regardless of the fact that the U.S.S.R. joined the Genocide Convention.

In addition to these deportations the Soviet Union is forcibly resettling young people from these countries in Soviet Russia, thus obliterating their national identity by Russification, atheism, and Communist indoctrination.

The U.S.S.R. does not have any legal basis for the occupation of these countries but is trying to justify its domination by fraud and usurpation of the will of the people. The United States has never recognized the seizure and occupation of the Baltic States into the Soviet Union and has upheld and restated this position in a recent official publication of the Department of State—"Treaties in Force."

Mr. Speaker, it is my hope that the oppressed people of these once independent nations will be able once again to gain their freedom—a freedom they so richly deserve.

Synthetic Gloves Are Fire Hazard

EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. FISHER. Mr. Speaker, a few days ago I inserted in the RECORD well-documented facts confirming that upholsteries, curtains, carpets, and other fabrics used in boats, airplanes, automobiles, and in homes, made of flammable fibers, constitute a serious fire hazard. Synthetics are notoriously flammable, and when used as a major part of the composition of these materials create a dangerous safety factor. On the other hand, it is well known and generally admitted that such fabrics when composed in the main of wool or mohair fibers are nonflammable; that is, while such fibers will, of course, burn under certain conditions, they are not combustible and the fire danger is reduced to a minimum.

On this subject, my attention has been called to a recent letter written by Dr. Paul F. Wallace, medical director, Sebring Races, Sebring, Fla., in which the writer referred to the use of nylon gloves by race drivers. Referring to a magazine article, Dr. Wallace said:

> I do have one criticism—you had pictured a driver wearing gloves with nylon mesh backing. This is a very dangerous situation and almost worse than having no gloves at all. Unfortunately, the backs of the hands and particularly over the knuckles, are the one place that we cannot adequately repair surgically. Gloves such as these will actually melt in a fire and cause further damage by the hot nylon.

It would seem imperative that in considering safety factors for automobiles, boats, airplanes, and in homes, a major portion of the fabrics contained in interior uses be composed of nonflammable wool and mohair. Here is a chance to reduce injuries from fire and save untold numbers of lives which are lost in fires each year.

Soviet's Mass Deportation of the Baltic Peoples

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. **PUCINSKI.** Mr. Speaker, Estonians, Latvians and Lithuanians in the Baltic countries are dedicated fighters and hard workers. Throughout their long history they have been brought up in the school of adversity, and they are inured to hardships and sufferings. But in recent and contemporary times they have had more than a heavy burden of misery and misfortune.

These three peoples, totaling somewhat more than 5 million in all, constitute a hard core of progressive and prosperous Europeans in northeastern Europe. For more than a full century all three peoples lived under the oppressive czarist regime of Russia. At the end of the First World War they regained their freedom, instituted democratic governments in their homelands, and were rebuilding their ravaged countries in their own image.

In a short time the Estonian, Latvian, and Lithuanian republics became model democracies, evoking the admiration of their friends and the jealousy of their foes. For two decades these peoples worked and enjoyed the blessings of freedom under democratic institutions. But this blissful period could not be extended; and, as the world situation deteriorated and war seemed inevitable, these peoples knew that any war in Europe would spell disaster for them.

Unfortunately their worst expectations came true.

Early in the war, in mid-1940, all three countries were attacked by the Red army, overrun, occupied, and then made part of the Soviet Union. Thenceforth there could be no talk of freedom and independence.

The sovereign states of Estonia, Latvia, and Lithuania and their inhabitants were enslaved by Soviet agents. The worst phase of this enslavement was the summary arrest, imprisonment, and deportation of tens of thousands of innocent and helpless citizens of these countries. These arrests and deportations were carried on for about a year while a veritable reign of terror prevailed in all three countries.

The largest mass arrests and deportation of Baltic peoples took place in mid-June of 1941, when probably 100,000 people were exiled to the forbidding regions of Soviet Siberia. Even today we know very little of the sad and tragic fate of these peoples. It is very likely that most of them are already dead, and the survivors are lingering on still in exile.

On the observance of the 26th anniversary of the mass deportation of Baltic peoples by Soviet authorities, we all wish to express our admiration for them—those who are forced to live under the Soviet rule and their people in the United States who work diligently on the behalf of their Baltic brothers.

The 26th Anniversary of Soviet Aggression Against the Baltic States

EXTENSION OF REMARKS

OF

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. **ANNUNZIO.** Mr. Speaker, today, June 15, marks the 26th anniversary of the Soviet aggression against the Baltic States. In June 1940, the army of the Soviet Union invaded the Baltic States of Estonia, Latvia, and Lithuania, and ever since the history of that region has been shattered and scarred by that terrible experience.

The Soviets were bent on the systematic destruction of these three states and demanded their complete subservience. In order to insure the success of their intentions, the Soviets ordered massive deportations and executions.

First, the intellectuals and those who were politically inclined were executed, then efforts were concentrated against the peasants and others who asked for nothing but to be left alone to live in peace. The deportations continued from mid-1940 into 1941. In a few months, the total of persons killed and deported exceeded 100,000. By June 1941, Soviet designs became quite clear when Estonia, Latvia, and Lithuania were targeted for major depopulation efforts.

During the period of June 14 through 16, 1941, the Russians concentrated and intensified their efforts to break the will of the people to resist communism.

Inhabitants of entire villages—including men, women, and even little children—were rounded up, herded together under miserably overcrowded, and unsanitary conditions, and shipped on trains east to the Soviet Union.

The tragic fate of more than 500,000 innocent people who fell victim to the Soviets has gradually become evident. Many were sent to slave labor camps in Siberia and others were scattered throughout various parts of the Soviet Union with the intention of obliterating their national identity.

Because the tragic plight of the Baltic nations has long been of deep concern to me, I introduced House Concurrent Resolution 363 in the Congress on March 22, 1965. My resolution calls for the President of the United States to bring up the Baltic States question before the United Nations for consideration to the end that restitutions may be made and free elections may eventually be held in the Baltic States.

To date, 26 Members of this body have joined me in introducing legislation similar to my bill, House Concurrent Resolution 363. It is imperative that we who are free strive to encourage the spirit of liberty in those states still held captive by the Soviets. The people of Estonia, Latvia, and Lithuania have not renounced their hopes for freedom and independence. Their will to struggle and fight for the liberty they cherish so highly continues as strong as ever. It remains the responsibility of those of us in the free world to champion the righteous cause of independence for the Baltic nations.

Today, let us remember those unfortunate victims of Soviet brutality and rededicate ourselves to the still unresolved cause of the Baltic nations. Only by continuing to stress and support the case for Baltic freedom in every available forum can we hope to finally make Baltic freedom a reality.

New Opportunities for Spanish-Americans

EXTENSION OF REMARKS

OF

HON. ELIGIO DE LA GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. **DE LA GARZA.** Mr. Speaker. Recently I spoke on the floor of this House concerning the problems of the Spanish-speaking people of the Southwest, and one of the recommendations which I made was that a unique approach to job training and placement be undertaken through a program of self-help called

SER—service, employment, and redevelopment.

I am happy to inform you today that the Secretary of Labor, W. Willard Wirtz, and Sargent Shriver, Director of the Office of Economic Opportunity, jointly announced the funding of this program.

The 1-year demonstration grant will be administered by Jobs for Progress, Inc., a nonprofit organization jointly sponsored by the League of United Latin American Citizens—LULAC—and the American GI Forum of the United States.

Project SER will explore new approaches to employment, increased earning power, and improved living standards for those in the Southwest who face unique problems largely because of cultural differences. The grant will establish a single centralized regional service, which will in turn provide technical assistance for jobs-for-progress centers in the five States, each programing training, placement, and relocation services.

SER will provide prevocational guidance, remedial education, and relocation services for the Spanish-speaking community while assisting States, industry, and the Federal Government in recruitment. A regional skills bank created from the network of jobs-for-progress centers will maintain an inventory of professional, technical, skilled, and semiskilled persons for employment throughout the five-State region.

Relatively little specialized service, bilinqual, and culturally oriented, has been available for the Spanish-Americans, but these centers will draw into manpower, development, and training programs, community action programs, on-the-job training projects and prevocational courses, large numbers of persons not now reached through more conventional approaches.

The job progress centers will put heavy emphasis on communications and recruitment. The Government agencies expect sharply increased utilization by Spanish-Americans of U.S. Employment Service and other facilities through their close cooperation with SER.

The nonprofit Jobs for Progress, Inc., will be governed by a board composed of representatives of LULAC, the GI forum and the Community Services Organization. The regional board will be enlarged by the participation of other local service-oriented groups. The State boards, whose programs will be reviewed by the regional directors before funding, will include representatives of both national groups, local organizations, and the persons served by the projects.

California and Texas will each have four jobs-for-progress centers under SER with one center planned for each of the other three States. The centers will be located in Phoenix, Ariz.; in Los Angeles, Santa Anna, San Diego, and the bay area of California; in Denver, Colo.; at Albuquerque, N. Mex., and in Corpus Christi, El Paso, Houston, and San Antonio, Tex.

The timetable calls for program and staff development during the first 4 months and submission of State proposals in the fifth month of the program.

I hope that this is but a beginning of the spirit of cooperation which is needed between the Spanish-speaking people of the Southwest and their Federal Government. Great things can come from working together in a spirit of harmony, not asking favors, or special treatment, but assuming their responsibilities as citizens, and the Government assuring them of their rights and privileges earned by the assumption of those responsibilities.

I want to thank and congratulate Secretary Wirtz and Sargent Shriver for their aid and understanding.

I want, also, to show my appreciation to President Lyndon B. Johnson, who has always been our friend, for his continued interest in our problems and assure him of our support and cooperation in making our country great and prosperous by showing our responsibility, and if we have problems, exposing them in a mature and sensible manner, worthy of the dignity of our ancestry, for we cannot and must not, in an attempt for recognition, disobey the laws of this country or trample over the rights of others. It is only by patience and understanding that we can help ourselves, and indeed help others, waiting for the day when truly every American can sincerely say, "I am an American and every other American sees and considers me as such, and I in turn see him in the same light."

Thank you.

The 50th Anniversary of Flag Day

EXTENSION OF REMARKS

OF

HON. RODNEY M. LOVE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. LOVE. Mr. Speaker, the observance of Flag Day this June 14 takes on added significance since it is the 50th anniversary of that first Presidential proclamation by President Woodrow Wilson in 1916 as America teetered on the brink of World War I.

The flag as we know it today has come a long way. Each of the 13 British colonies had its own flag. On January 2, 1776, the first flag of the United States was raised at Cambridge, Mass., by George Washington. On June 14, 1777, Congress enacted a resolution "that the flag of the United States be 13 stars white in a blue field representing a new constellation." The stars were arranged in a circle. When Vermont and Kentucky were admitted to the Union in 1794, Congress added two each of stripes and stars. It was this 15-stripe flag that inspired Francis Scott Key to write "The Star-Spangled Banner." It soon became apparent that adding a stripe for each adjoining State would destroy the beauty of the flag and in 1818 Congress enacted that the 13 stripes, denoting the Thirteen Original Colonies, be restored and a star added to the blue canton for each new State. And so it was. The number of stars stayed at 48 for 47 years. In 1959, Alaska became the 49th State and in 1960 Hawaii rounded the number to 50.

Is it necessary to remind the American people about the history of our flag? Is it necessary to have Flag Day as a national observance? I believe it is.

Setting aside a specific time affords an opportunity for the mad, rushing 20th-century American to stop for a moment and think. The flag is a symbol of our national unity. It is the spirit of our undying devotion to our country. It stands for the best that is in us—for loyalty, character, and faith in democracy. The great, the good, the true, are inexhaustible for inspiration, example, and strength. It represents the finest country in the world—the United States of America.

More than one aggressive nation has tried to haul it down but they all felt the fury of this freedom-loving country.

There are those who seem to have forgotten how to be patriotic. They have forgotten what the flag stands for—forgotten all of the battlefields where men fought and died to keep this Nation free. When we salute the flag we are actually saluting them because the flag is a symbol, made up of dreams, goals, principles, and ideals upon which our country was founded.

Yes, it is necessary to have Flag Day as a national observance. Americans should have this chance to express the patriotism and love of country that bound them together.

To quote President Woodrow Wilson in his Flag Day address on June 14, 1917:

> This flag which we honor and under which we serve is the emblem of our unity, our power, our thought and purpose as a nation.

Let us stand, America, as true patriots and give significant expression and due reverence while reciting the pledge of allegiance to the flag of the United States of America and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

Senator Robert F. Kennedy Speaks at the University of Capetown

EXTENSION OF REMARKS

OF

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. RYAN. Mr. Speaker, too often we, who debate in these Chambers, and cross-examine witnesses in committee, tend to forget that there is a real world outside the world of Budget Bureau reports and parliamentary procedure.

When we pass a bail-reform act, we hear the comments of policemen and jurists. But how often do we hear the comments of the accused themselves? When we discuss a minimum-wage bill, how often do we ask laundresses and farmers to join the discussion?

I remember the story of a man who was a commissioner of the Federal Communications Commission. He told how for years he and his colleagues would listen to Government and corporation attorneys, day in and day out. But never did they listen to the comments of a listener or a scriptwriter. Yet their mandate was to act in "the public interest."

As a result, a gap develops which, once recognized, we should attempt to bridge.

Characteristic of my colleague from New York, Senator ROBERT F. KENNEDY, in his capacity to make the intellectual leap from Congress to the people, from committee room to continental Africa. He manages to give his audience, whether African or American or Asian the sense that he not only understands their problems but also shares them.

That was the magic of his address to the students of the University of Capetown in South Africa on June 6. He presented no glowing solution to the world's problems. Instead, he gave the students the sense that the problems of South Africa are not theirs alone; that they are the world's problems. And that they are problems which the Senator himself shares.

More than a century ago, Herman Melville wrote to his great friend Nathaniel Hawthorne that, when one great literary mind meets another, "there is a shock of recognition that travels the world around." It was that kind of sensation which Senator KENNEDY tried to impart to the people of South Africa. The knowledge that they are not alone.

We part—

He told them—

I to my country and you to remain. We are—if a man of 40 can claim that privilege—fellow members of the world's largest younger generation. Each of us have our own work to do. I know at times you must feel very alone with your problems and difficulties. But I want to say how impressed I am with what you stand for and the effort you are making.

And he went on to fasten the link between the youth of South Africa and the youth of the world:

like the young people of my own country and of every country I have visited—

He said—

you are in many ways more closely united to these brothers of your time than to the older generations in your own nation; determined to build a better future.

So Senator KENNEDY left the people of South Africa, with the belief and the promise that our aspirations meet theirs in some mystical yet practical way.

For us in government, however, I think that his speech raises a further question. In our role as politicians and statesmen, how will our shared aspirations affect our actions? Will we make good on the promise which our own past and our own dramatic present seem to make to the people of the world? Will we be with the people of South Africa as we were with the people of Selma?

Finally, that may be the greatest question raised by Senator KENNEDY's trip to South Africa.

His speech of June 6 follows:

[From the New York Times, June 7, 1966]

EXCERPTS FROM KENNEDY'S ADDRESS AT THE UNIVERSITY OF CAPETOWN IN SOUTH AFRICA

(WASHINGTON, June 6.—Following are excerpts from the text of an address by Senator ROBERT F. KENNEDY today at the University of Capetown as made public by his office here.)

We stand here in the name of freedom.

At the heart of that Western freedom and democracy is the belief that the individual man, the child of God, is the touchstone of value, and all society, groups, the state, exist for his benefit. Therefor the enlargement of liberty for individual human beings must be the supreme goal and the abiding practice of any Western society.

The first element of this individual liberty is the freedom of speech.

The right to express and communicate ideas, to set oneself apart from the dumb beasts of field and forest; to recall governments to their duties and obligations; above all, the right to affirm one's membership and allegiance to the body politics—to society—to the men with who we share our land, our heritage and our children's future.

Hand in hand with freedom of speech goes the power to be heard—to share in the decisions of government which shape men's lives. Everything that makes life worthwhile—family, work, education, a place to rear one's children and a place to rest one's head—all this rests on decisions of government; all can be swept away by a government which does not heed the demands of its people. Therefore, the essential humanity of men can be protected and preserved only where government must answer—not just to those of a particular religion, or a particular race; but to all its people.

LIMITS ON GOVERNMENT

And even Government by the consent of the governed, as in our own Constitution, must be limited in its power to act against its people; so that there may be no interference with the right to worship, or with the security of the home; no arbitrary imposition of pains or penalties by officials high or low; no restriction on the freedom of men to seek education or work or opportunity of any kind, so that each man may become all he is capable of becoming.

These are the sacred rights of Western society. These are the essential differences between us and Nazi Germany as they were between Athens and Persia.

They are the essence of our difference with Communism today. I am inalterably opposed to Communism because it exalts the state over the individual and the family, and because of the lack of freedom of speech, of protest, of religion and of the press, which is characteristic of totalitarian states.

The way of opposition to Communism is not to imitate its dictatorship, but to enlarge individual human freedom—in our own countries and all over the globe. There are those in every land who would label as "Communist" every threat to their privilege. But as I have seen on my travels in all sections of the world, reform is not Communism. And the denial of freedom, in whatever name, only strengthens the very Communism it claims to oppose.

FIGHT AGAINST PREJUDICE

For two centuries, my own country has struggled to overcome the self-imposed handicap of prejudice and discrimination based on nationality, social class or race—discrimination profoundly repugnant to the theory and command of our Constitution. Even as my father grew up in Boston, signs told him that "No Irish need apply."

Two generations later President Kennedy became the first Catholic to head the nation; but how many men of ability had, before 1961, been denied the opportunity to contribute to the nation's progress, because they were Catholics, or of Irish extraction.

In the last five years, the winds of change have blown as fiercely in the United States as anywhere in the world. But they will not—they cannot—abate.

For there are millions of Negroes untrained for the simplest of jobs, and thousands every day denied their full equal rights under the law; and the violence of disinherited, insulted and injured, looms over the streets of Harlem and Watts and Southside Chicago.

But a Negro American trains as an astronaut, one of mankind's first explorers into outer space; another is the chief barrister of the United States Government, and dozens sit on the benches of court; and another, Dr. Martin Luther King, is the second man of African descent to win the Nobel Peace Prize for his nonviolent efforts for social justice between the races.

EQUALITY CALLED NECESSARY

We must recognize the full human equality of all our people—before God, before the law, and in the councils of government. We must do this, not because it is economically advantageous—although it is; not because the laws of God and man command it—although they do command it; not because people in other lands wish it so. We must do it for the single and fundamental reason that it is the right thing to do.

And this must be our commitment outside our borders as it is within.

It is your job, the task of the young people of this world, to strip the last remnants of that ancient, cruel belief from the civilization of man.

Each nation has different obstacles and different goals, shaped by the vagaries of history and experience. Yet as I talk to young people around the world I am impressed not by diversity but by the closeness of their goals, their desires and concerns and hope for the future. There is discrimination in New York, apartheid in South Africa and serfdom in the mountains of Peru. People starve in the streets in India; intellectuals go to jail in Russia; thousands are slaughtered in Indonesia, wealth is lavished on armaments everywhere. These are differing evils; but they are the common works of man.

AN INTERNATIONAL COMMUNITY

And therefore they call upon common qualities of conscience and of indignation, a shared determination to wipe away the unnecessary sufferings of our fellow human beings at home and particularly around the world.

It is these qualities which make of youth today the only true international community. More than this I think that we could agree on what kind of a world we want to build. It would be a world of independent nations, moving toward international community, each of which protected and respected basic human freedoms. It would be a world which demanded of each government that it accept its responsibility to insure social justice.

Just to the north here are lands of challenge and opportunity—rich in natural resources, land and minerals and people. Yet they are also lands confronted by the greatest odds—overwhelming ignorance, internal tensions and strife, and an often destructive and hostile nature. Many of these nations, as colonies, were oppressed and exploited. Yet they have not estranged themselves from the broad traditions of the West; they are hoping and gambling their progress and stability on the chance that we will meet our responsibilities to help them overcome their poverty.

SKILLS IN SOUTH AFRICA

In another world, cleansed of hate and fear and artificial barriers, South Africa could play an outstanding role in that effort. This is without question a pre-eminent repository of the wealth and knowledge and skill of the continent. Here are the greater part of Africa's research scientists and steel production, most of its reservoirs of coal and electric power. In your faculties and councils, here in this very audience, are hundreds and thousands of men who could transform the lives of millions for all time to come.

But that help cannot be accepted if we—within our own countries or in our relations with others—deny individual integrity and the common humanity of man.

Our answer is the world's hope; it is to rely on youth. The cruelties and obstacles of this swiftly changing planet will not yield to obsolete dogmas and outworn slogans. It cannot be moved by those who cling to a present which is already dying, who prefer the illusion of security to the excitement of danger.

It demands the qualities of youth: not a time of life but a state of mind, a temper of the will, a quality of the imagination, a predominance of courage over timidity, of the appetite for adventure over the love of ease.

DANGERS ARE CITED

As I have seen, and as I have said—in Europe, in Asia, in Latin America, and now in South Africa—it is a revolutionary world we live in; and thus, I have said in Latin America, in Asia, in Europe and in the United States, it is young people who must take the lead.

"There is," said an Italian philosopher, "nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success than to take the lead in the introduction of a new order of things." Yet this is the measure of the task of your generation and the road is strewn with many dangers.

First, is the danger of futility; the belief there is nothing one man or one woman can do against the enormous array of the world's ills—against misery and ignorance, injustice and violence. Yet many of the world's great movements of thought and action have flowed from the world of a single man. A young monk began the Protestant Reformation, a young general extended an empire from Macedonia to the borders of the earth, and a young woman reclaimed the territory of France.

Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring, those ripples build a current that can sweep down the mightiest walls of oppression and resistance.

The second danger is that of practicality; of those who say that hopes and beliefs must bend before immediate necessities. Of course if we would act effectively we must deal with the world as it is. We must get things done.

But if there was one thing President Kennedy stood for that touched the most profound feeling of young people across the world, it was the belief that idealism, high aspirations and deep convictions are not incompatible with the most practical and efficient of programs—that there is no basic inconsistency between ideals and realistic possibilities—no separation between the deepest desires of heart and mind and the rational application of human effort to human problems.

TIMIDITY AND COMFORT

A third danger is timidity. For every 10 men who are willing to face the guns of an enemy there is only one willing to brave the disapproval of his fellow, the censure of his colleagues, the wrath of his society. Moral courage is a rarer commodity than bravery in battle or great intelligence. Yet it is the one essential, vital quality for those who seek to change a world which yields most painfully to change.

For the fortunate among us is comfort; the temptation to follow the easy and familiar paths of personal ambition and financial success so grandly spread before those who have the privilege of education. But that is not the road history has marked out for us. There is a Chinese curse which says, "May he live in interesting times." Like it or not, we live in interesting times. They are times of danger and uncertainty; but they are also more open to the creative energy of men than any other time in history. And everyone here will ultimately be judged—will ultimately judge himself—on the effort he has contributed to building a new world society and the extent to which his ideals and goals have shaped that effort.

So we part, I to my country and you to remain. We are—if a man of 40 can claim that privilege—fellow members of the world's largest younger generation. Each of us have our own work to do. I know at times you must feel very alone with your problems and difficulties. But I want to say how impressed I am with what you stand for and the effort you are making.

Like the young people of my own country and of every country I have visited, you are in many ways more closely united to these brothers of your time than to the older generations in your nation; determined to build a better future; that you know, as President Kennedy said to the youth of my country, that "the energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it—and the glow from that fire can truly light the world."

International Crossroads Sunday Morning Breakfast Celebrates Its 20th Anniversary; Paul Brindle, Organizer, Continues To Provide Leadership

EXTENSION OF REMARKS

OF

HON. KEN W. DYAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. DYAL. Mr. Speaker, the International Crossroads Sunday Morning Breakfast celebrated its 20th anniversary on May 1 at the Central YMCA, in Washington, D.C. This represented 20 years of extending appreciation and hospitality at the Crossroads, a focal point of increasing importance in world affairs. The total number of first-time visitors to sign the registration book and receive life membership cards at the 1,043d consecutive weekly breakfast sessions has reached 17,800 from 134 countries. The man who conceived, in 1946, this unusual, and truly worthy idea which has grown over the years into a significant force to help visitors—mostly young men from every part of the free world—understand the people of America and their high ideals of freedom and international good will, is Paul L. Brindle. He is a Washington attorney who has dedicated himself to this constructive and benevolent cause.

Many of my colleagues in the Congress have also participated as speakers or visitors at one of the Sunday Morning Crossroads Breakfast sessions, and have been inspired, as I have been, by our experience. We have spoken on important issues of the day, we have answered the questions of young men who returned to their countries with a new feeling toward our history, our way of life, our ideals, our programs to help others throughout the world not so fortunate.

I know I speak for many of you in expressing our commendation to Paul Brindle and his band of faithful volunteers. Without any payment but thanks from those in attendance, and from their American friends who realize what they are trying to do, they have carried on without one Sunday missed in 20 years.

It is Paul Brindle's practice to remain in contact through correspondence with the visitors after they have returned to their homes abroad. This is done by reporting to them twice a year and by inviting them to write, which many of them do during the year and at Christmas time and especially for the Crossroad anniversaries.

From these 2,000 friends abroad, who choose to remain in contact with him, come messages of appreciation for the continued interest of their American friends, and information on how they personally are getting ahead in this changing world.

Mr. William L. Robinson, an official of the American Automobile Association, again narrated the messages—and status reports—from life members abroad and was assisted by some of the new visitors from abroad who were present at the time. It is gratifying to know that there is so much good will existing with the former students and visitors, and to learn of their gallant efforts to improve their positions and knowledge of world conditions.

In addition to the narrations by Mr. Robinson, brief but laudable 20th anniversary comments were made by former speakers who were present for the occasion. These were Dr. Raymond W. Miller, president, Public Relations Research Associates, Washington, D.C.; Dr. Harry W. Seamans, Chief, Organization Liaison Division, U.S. Department of State; Dr. Charles W. Lowry, president, Foundation for Religious Action in the Social and Civil Order; the Honorable E. Y. BERRY, Representative from South Dakota; Dr. Bela C. Maday, professor, American University; Julius N. Cahn, assistant to the Vice President of the United States; Gen. Bruce C. Clarke, retired, Freedom Foundation at Valley Forge; Dr. Samuel Iftikhar, from Pakistan; Reginald Bragonier, Washington International Center; Dr. Chad B. Israel, from India; Dr. Sterling McGrath, back from southeast Asia; Dr. Leroy J. Maas, president emeritus, Southeastern University; Dr. Willard E. Givens, director of education, Scottish Rite of Freemasonry; Edward E. Place, public relations business; Frank E. Manning, chairman, board of management, Central Branch YMCA; Fred D. Carl, executive secretary, Central Branch YMCA, and myself.

All were laudatory of the voluntary leadership under which this outstanding people-to-people friendship project has been carried forward in a self-supporting fashion, without a burden to the other membership of the YMCA. Many volunteers have rendered a valuable service, with many coming and going during the 20 years, but with the secretary, H. B. Niece and the chairman, Paul L. Brindle, remaining constant during the 20 years.

Comments from some of the speakers included the following:

Dr. **Raymond W. Miller**. The first time I talked here, which was 1948, I started by saying, "Tomorrow there will be 65,000 more persons for breakfast in the world than there were yesterday—a net gain of 65,000 per day! I checked last week with the Population Preference Bureau in Washington, to bring this figure up-to-date.

Tomorrow, there will be 185,000 more persons for breakfast than there were in the world yesterday.

Since Paul Brindle started these breakfasts, we have gone from 65,000 net gain per day to 185,000 net gain per day and this has compounded some of the problems that we have. I commend Paul Brindle, and the people who have helped him, in carrying out one of the real experiments in Christian voluntary effort around the world.

Dr. **Harry W. Seamans**, chief, organization liaison division, Department of State. So often we think that the bringing of the world together in understanding and cooperation and world order, depends on diplomacy. Let me assure you that opportunities for fellowship, and opportunities for understanding that come in groups of this kind, where we come to know and meet and understand each other, have more to do with building the warp and woof of the world than diplomacy does. I think that these letters are high testimony to the fact that the persons who have been here appreciate that this is a fact.

Dr. **Charles W. Lowry**, President, Foundation for Religious Action in the Social and Civil Order. I am here this morning together with some of my fellow apostles of "spiritual inoculation." What you are doing, Paul, and what some of us are anxious to help you do, is to inoculate the world with a certain spirit that I would call the spirit of friendship, the spirit of bridgebuilding, the spirit of understanding, the spirit of mutuality, the spirit of Christian brotherhood. And I think that is what Bill Robinson was helping to try to interpret today—that is what several people have tried to say one way or another, and I think, Paul, that is what you are. You are an apostle of spiritual inoculation.

Hon. **E. Y. Berry** of South Dakota. It is a privilege to come back to the United Nations of Washington—the Christian United Nations. In this day when we have so many radical and destructive forces abroad in the world and in this country, it is wonderful to have this kind of force here at home working for a better Christian civilization.

Dr. **Bela C. Maday** of American University. Whenever praise is in order for a movement of this sort, people usually say, "It has become an institution." Well, I think just the contrary is true. I am glad that the Crossroads Breakfast has not become an institution, but it is an idea which has been carried on as a torch by Paul Brindle, an idea which spreads faster than any institution and which does not need government support.

Julius N. Cahn, assistant to the Vice President of the United States. I am happy to add my greetings to this very important "unimportant" man. His great genius is to make every one of us feel important, not just the speakers, but every guest.

It is a coincidence, is it not, that this particular 20th Anniversary Breakfast falls on May Day. In our country it is Law Day, devoted to the dignity of the individual as protected by law and order. Overseas it is a different type of day. A few hours earlier in Red Square in Moscow, Soviet tanks were moving down and Soviet planes were in the sky. This is a day when they traditionally parade the armed might of international Communism.

Well, I happen to think, and I think that the people in this room believe, that within this room in its own way is a greater power than happened to parade in Red Square a few hours ago. It is the power of sound ideas. It is the power of dedicated hearts. It is the power of human beings realizing that they are children of God, pilgrims who are traveling through life and its greatest opportunity is to serve others. This is truly great power. This is the power that Paul unleashes every Sunday morning. This is the power that he plugs into invisible electric sockets and it is truly the great power of the world. Each of us is not a member of a faculty. Each of us is a member of a student body—every single one of us here and each of us has learned something—not just in the process of speaking but in the process of listening and in the process of communicating through the look in other peoples eyes, especially the look of friendship and fellowship in Paul Brindle's eyes.

Every stranger who comes into this room, whether he can understand the English language or not, knows that this man is sincere, when he looks into their eyes and holds their hands they know that this man is genuine. He is not asking anything of them—he is trying to give them something, and because he gives, he in turn receives. So, to the apostle of spiritual inoculation, and to all of the other honorary degrees that he is given this morning, I express my congratulations. The day will come when there will be truly an International YMCA at this corner, and the day will come when Paul Brindle's Crossroads Breakfast goes on and on through decades ahead and for that day we look forward with pride and anticipation and for this opportunity to express what is in my heart, and I know in yours, and in the heart of every one of these speakers, my gratitude.

Gen. **Bruce C. Clarke** (retired), Freedoms Foundation at Valley Forge. I appreciate, perhaps as much as anybody in this room, the wonderful thing that you are doing. It has been my lot to command troops overseas for a great many years in a great many countries, and during that time I tried to carry out the fact that my troop's first job was to be a good neighbor to the people with which they served. I think that to a large extent this has been done. I think, too, we have done throughout the world a lot of things that you are trying to do in your way. Now that I have turned in my suit after 42 years, I am very proud to be the junior member of your faculty.

Dr. **Sterling McGrath**. I express my deep respect to Paul Brindle for his remarkable spirit of enthusiasm, warmth, and interest in each individual who joins the Crossroads. It is indeed an expression of one of the most intangible of human characteristics—that ability to make one feel at ease, and that there is someone intimately interested in him. And so, I believe that these threads that Paul creates—the threads of contact between Peking, Shanghai, Hong Kong, Bangkok, Calcutta, Bombay, Aden, Beirut, Istanbul, Rome, Paris, London, and other places throughout the world—have in them a spirit of immortality. In many instances men's sons are today carrying them on, and so the personality of Paul stretches around the world through threads of spiritual contact.

Dr. **LeRoy Maas**, president emeritus of Southeastern University. Let each of us think back to when we were 20 years of age what each year since that 20th birthday has meant to you as an individual. As we think, then let us think for the years ahead what each year will hold for the great work that Paul has carried on so admirably during these last 20 years. In our own living but one individual are we thinking of, but in the International Crossroads Breakfast we are thinking of a world-wide group of individuals. It is going to be a limitless thing and we congratulate you, Paul, on your effective efforts over the years.

Following are excerpts and names of a few of those sending congratulatory messages from abroad:

Dr. **Juan B. Hernandez**, Dean of Graduate Studies, Laguna College, San Pablo, Philippines. One of my most enjoyable and profitable experiences during my recent six-month vacation tour of U.S.A. was my attendance at your International Crossroads Sunday Morning Breakfast last September 26, 1965, with Congressman Lynn E. Stalbaum of Wisconsin as guest speaker.

Salomon M. Algazi, professor of languages, Montevideo, Uruguay. I will always remember that breakfast on August 30th, 1964, as one of the happiest and most inspiring moments in my life, and I only hope that the large circle of friends you make through your exceptional activity will be ever increasing for the sake of understanding and brotherhood among all men.

K. M. Bashir, Deputy Director, National Sample Survey, Cabinet Secretariat, Government of India, New Delhi. I wish you every success for the 20th Anniversary which is going to be held on May 1, 1966. No single man has done so much to further international understanding as you have done. I always remember that spontaneous and warm welcome you had extended to me whenever I attended the Sunday meetings while I was in the U.S.A.

Santiago Rodriques Mendez, general secretary, YMCA, Mexico D. F., Mexico. In spite of the years since I attended, I vividly remember the happy occasion of the International Crossroads of the YMCA in Washington. I was deeply impressed by the message of inspiration and mediation that I heard that morning. I congratulate the occasion of the 20th Anniversary of this excellent international program.

M. P. Madhaven, Businessman, Bombay, India. I attended the Breakfast in 1953 and although more than twelve years have since passed, the incident is still vivid in my memory.

Brian A. Kroehn, Mannum, South Australia. It is through the actions of unselfish and charitable men such as yourself that young people such as I, gain confidence through fellowship, to tackle problems, no matter how large, which confront us daily.

Ali Yarmahmoudi, social worker in prisoners' Aid, Ministry of Justice, Tehran, Iran. I thank God for the chance of being present at the Breakfast on August 29, 1965, of meeting and understanding you, and for hearing Prof. Robert W. Miller speak.

Mats Blom, Line Elevator Company, Norrkoping, Sweden. So far, I only once had a chance to meet at the Breakfast-table with you, but this occasion still stays in my memory as an event to remember.

Dr. **S. V. Desai**, Agricultural Research, Bombay, India. The Crossroads, as a meeting ground of various diverse peoples, is really useful in international understanding.

Valentin Soine, Director-General, Prison Administration, Helsinki, Finland. When I remember what it means for us foreigners to see at these Sunday Morning Breakfasts many young men from various countries and in the same situation, quite alone without any friends, and then meet with friendly American citizens who were ready to help us in any way, it gives me a realistic picture of mutual understanding among people. It should be so everywhere in the whole world.

It gives me great pleasure to know that this activity is still going under your excellent leadership.

Barry McG. Scott, Management Accountant, Sydney, N.S.W., Australia. If we spend our time effectively in active participation with our fellow brothers around the world, then our increased understanding and awareness of each other's problems can create in us a stronger human personality more capable to cope with future problems.

Dr. J. B. Barclay, Department of Adult Education and Extra-Mural Studies, University of Edinburg, Edinburgh, Scotland. The International Breakfast is a small group of people in Washington, but its influence circles the world through the principles that it represents.

C. S. Parthasarathy, Director, Planning Commission, New Delhi—Speaker February 27, 1966. Who could resist an opportunity to visit the International Crossroads Sunday Morning Breakfast in Washington, D.C.?

Juan E. F. Wodak, Civil Engineer, Argentina. A month ago I saw a fellow whom you could see was an 'American tourist' sitting at a bench close to our Casa Rosada (the equivalent of your White House). It was 10 A.M., and he looked sadly on the flowers of the gardens; so I approached him telling him that I too had been sitting in front of the White House. You know that this fellow had been at one of your International Breakfasts? We exchanged remembrances for half an hour.

Lawrence Webb, Secretary, Institute of International Affairs, Melbourne, Australia. I attended the Crossroads Breakfast on June 20 last year and, like many others, enjoyed the experience tremendously.

V. O. de Alwis Gunawardane, Manager, Publishing Department Lake House Investments, Ltd., Colombo, Ceylon.

Enver Kimildar and Sadik Arslancan, Engineers, Ammunition Factory, Kirikkale, Turkey.

R. Bridges, Instructor, Chingford, England.

William A. Brisbin, Student of Architecture, Townsville, Australia.

Dr. Fernando Lara, Professor of Microbiology, University of Chile, Valparaiso, Chile.

Chris Roechling, Germany.

Aldo Bogado Arias, Paraguari 1087, Asuncion, Paraguay.

Dr. Shankar Narayan, Educator, New Delhi, India.

Dr. von Rauchhaupt, Professor of Space Law, Heidelberg University.

A. Gunamony, Honorary Treasurer, Church of South India.

Dr. Gustav-Adolf Gedat, Member of The Bundestag, Schwarzwold, Germany.

Dr. A. Harry Nash, Assistant Principal, Western Australia Institute of Technology.

Edwin Tormala, Attorney at Law, Helsinki, Finland.

Fernan Frustro Fabrette, Businessman, Mexico, S.D.F., Mexico.

Stanley W. Hsu, Taiwanian in Cypress.

Ingmar Astrand, Teacher and Television Programmer, Swabensverk, Sweden.

A. Marius H. Schepman, Gronigen, The Netherlands (Former Exchange Student at Cornell).

Twentieth Anniversary, Readville Council No. 2980, Knights of Columbus

EXTENSION OF REMARKS

OF

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1966

Mr. BURKE. Mr. Speaker, on June 9, 1966, it was my privilege and distinct pleasure to attend the 20th anniversary of the Knights of Columbus, Readville Council No. 2980, and to introduce my esteemed and respected colleague, the Honorable John V. Tunney, of California, who delivered the ceremonial address. His remarks were received with great enthusiasm and their lasting impression on those in attendance will forever merit him an open invitation and welcome in the Commonwealth of Massachusetts.

Following is the program and text of the address given by Congressman John V. Tunney:

Knights of Columbus, Readville Council No. 2980, 20th Anniversary, 1946–66, Moseleys-on-the-Charles, June 9, 1966

COMMITTEE

P.G.K., P.D.D. James G. Lennon, General Chairman; G.K. Donald A. Regan, Honorary Chairman; William T. Molloy, Treasurer; P.G.K. Brendan D. Flynn, Secretary; P.G.K. Wyane E. Foster, P.G.K. Vincent J. Kilduff, P.G.K. David J. Redmond, P.G.K. Maurice Cussen.

Salvatore Vorano, Edward T. Coughlin, Lawrence C. Martin, John J. Dunn, Walter Trask, Francis Carrigan, Thomas N. Foley, Robert Scully, Robert Wiley, John Mowles, William Splaine, William Sebet, Joseph Linsky, Edward Fallon, Walter Goodspeed, Bernard Hoar, Louis Galante, Lawrence Kenney, William Tenney, Joseph Losordo.

OUR PAST GRAND KNIGHTS

James G. Lennon, P.D.D., 1946–1947—A founder and our first Grand Knight and first District Deputy.

Ralph Timperi, 1947–1948—Year of our first Special Endeavor and 5 Point Program Award.

S.K. Harry Lawler, 1948–1949—A founder—Formation of the 120 Club and the Building Association.

J. Richard Nedder, 1949–1950—A successful year of activities.

John Hannigan, 1950–1951—Successful year.

John Harkins, 1951–1952—Moved into new council chambers—Activated Women's Club.

Frank McGuire, 1952–1953—Extremely successful membership year.

Albert Staula, 1953–1954—5 Point Program Award year—Formation of Guild for Exceptional Children program.

Ernest Nedder, 1954–1955—Successful Social and Financial Year—5 Point Program Award year.

Maurice Cussen, 1955–1956—Star Council Award year—Formation of K. of C. Yankees Little League and K. of C. Guild monthly pledge to His Eminence.

Joseph Armour, 1956–1957—A very successful year socially and a most charitable year.

William Henderson, 1957–1958—Successful year of activities.

John Cashel, 1958–1959—A year of large membership gains.

Vincent J. Kilduff, 1959–1960—Introduction of Council By-Laws—A P.G.K. of Rose Croix Council.

S.K. F. Alvin Ricci, P.D.D., 1960–1961—Our second District Deputy—Our Building Expansion Program began this year

S.K. Brendan D. Flynn, 1961–1962—Youngest G.K. elected—Star Council Award year—Dedication of new quarters.

S.K. Cornelius J. Cronin, 1962–1963—Star Council Award year—Successful financial year.

S.K. David J. Redmond, Jr., 1963–1964—Star Council Award year—Year of many activities.

S.K. Wayne E. Foster, 1964–1965—Founding of Our Lady's Children's Fund and Fourth Degree Club—A year of Catholic Activities.

THE KNIGHTS OF COLUMBUS BUILDING ASSOCIATION OF READVILLE, INC., 1966

President: Brendan D. Flynn, P.P., P.G.K.; Vice President: Cornelius J. Cronin, P.G.K.; Corporation Clerk: Edward Coughlin, D.G.K.; Treasurer: Lawrence Martin; Grand Knight: Donald A. Regan.

Directors: Francis Carrigan, Anthony Damata, James Doucette, John J. Glennon, P.P., Joseph Linsky, John A. Petta, Salvatore Varano.

PROGRAM

James G. Lennon, P.D.D., Chairman.

Invocation: Rev. Francis G. Chase, Chaplain.

The National Anthem: Assemblage.

Donald A. Regan, Grand Knight, Presiding; John Howland, Deputy Police Superintendent; Representing Hon. John F. Collins, Mayor of Boston; John M. Cataldo, State Secretary; John J. McCullough, State Deputy; Hon. James A. Burke, Representative, 11th Congressional District, Mass.; Hon. Edward M. Kennedy, United States Senator.

Address: Hon. John V. Tunney, Representative, 38th Congressional District, Calif.

Benediction: Rt. Rev. Francis F. McElroy.

COUNCIL OFFICERS

Rev. Francis G. Chase, Chaplain; Donald A. Regan, Grand Knight; Edward T. Coughlin, Deputy Grand Knight; Louis M. Galante, Chancellor; Bernard F. Hoar, Financial Secretary; Walter Goodspeed, Recording Secretary; William E. Molloy, Treasurer; William Tenney, Advocate; Robert Scully, Inside Guard; Salvatore Varano, Outside Guard; David J. Redmond, P.G.K., Lecturer; Wayne E. Foster, P.G.K., Trustee; Lawrence C. Martin, Trustee; David J. Redmond, P.G.K., Trustee.

Address of Congressman John V. Tunney, 38th Congressional District, California

Every era in the history of man has been an era of crisis for those who have had to live through it.

Today Americans find themselves locked in an unremitting world power struggle with certain aggressive Communist nations. The outcome of this confrontation will settle for all nations for many years to come the course of development of social, political and economic institutions on this planet.

The nature of our current contention is complicated by the fact that both sides have the ability within a few hours to totally destroy each other and most of humanity. The capacity for destruction has never been so great, the need for peace has never been so apparent, yet the tools for accomplishing a just and honorable settlement of disputes between nations have never appeared more fragile.

Every rational person wants international society to be regulated by law, but not every person wants the law to be enforced against his country if to do so would be detrimental to national self-interest.

The essence of the international crisis between Communist nations and the Western World is that the two blocs possess a different vision of future world order, they have different political and economic systems, and there is no international instrumentality capable of ensuring that the rivalry will not degenerate into a test of arms.

Marx wrote that the material basis of the universe is full and sufficient explanation of all that happens in it. Man's life and mind is shaped by the economic environment within which he lives. Man has no choice but to yield to the deterministic forces that propel him through the cosmos. Belief in God, freedom of will, pity and hope are characterized by Marx as "sloppy sentimentality", "metaphysical fanfares" and "soulful ravings."

Marx asserts that the root of all social evil is private property and that the theory of the Communists can be summed up in a single sentence. "Abolition of private property."

The validity of the Communist dialectic is not open to criticism or doubt, according to Marx because it is based on scientific truths which cannot be refuted.

Marxists say that communism is not an economic system that perhaps will be achieved one day in certain parts of the world. They say that in the future, it most assuredly will be the way of life for all peoples, all nations; and that riding in the vanguard of history they must do everything they can to promote the inevitable. They must stimulate and support in all countries the violent revolution of the proletarians against the bourgeoisie.

A fundamental aspect of communism is its apocalyptic fervor. For a supposedly scientific appraisal of history, it contains more righteous indignation than most religions. It may talk of the inherent contradiction of capitalism, the law of increasing misery and the inevitability of capitalism's collapse. What it offers and promises is a new heaven and earth.

In a savage outcry against the injustices being wrought on the poor by the rich, Marx declaims the eventual downfall of the greedy capitalists and the attainment of proletarian paradise. He draws upon a strong visionary strain in European and Christian thought of sin, judgment and retribution. He attacks injustice and offers hope.

The truly incredible thing about communism is the chasm between what it offered and what is provided once Communists come to power. The world has seen how hideous a life is reserved for those who are unfortunate enough to be subjected to Communist-style paradise. The dictatorship of the proletarian has meant despotic rule by one man or a small group of men at the apex of political power. The "will of the masses" has meant the will of the masses' dictators. A voice of dissent is a voice of treason or apostasy which must be suppressed or permanently silenced. The individual means nothing, the state is divine. In such a society every citizen is expected to contribute to the furtherance of the state not only with the labor of his body, but the energies of his mind. Culture is a weapon of the proletarians and art, literature and music, like plowshares, must be employed in behalf of the state. Not even man's belief in and personal relationship to God is spared the baleful eye of state censure. There is no place for the Lord within the doctrinaire materialism of the Communist ethic.

But, as I have indicated, communism's strength is not in what it provides once it dominates a people.

Its strength is in what it attacks and what it offers in the way of hope. This is the danger of communism in the years ahead as the battle will be fought in the underdeveloped areas of the world.

There are some who believe that the "peaceful coexistence" preached by Khrushchev and his successors will tend to dampen the intensity of the confrontation between the two world power blocs. I am one who believes that the rivalry will continue unabated. It is my prayer that the arena for the contest will be the marketplace and not the battlefield; that economics not guns will resolve the issue.

It has been said that eternal vigilance is the price of liberty. No words could be more applicable to the situation in which the Western World finds itself in relationship to Communist expansionism. The Soviet leaders may preach peaceful coexistence, but they send rockets into Cuba if they think they can get away with it. They finance guerrillas in the Belgian Congo and they supply and equip the Viet Cong in Viet Nam. We should never lose sight of the fact that the Soviet Union is just as dedicated to communizing the world as is China. The only difference is that the Soviet Union knows that it cannot help but lose in a nuclear exchange with the United States, whereas the Chinese believe that they cannot help but gain from a holocaust involving the two most powerful nations.

The Chinese leaders as true apostles of the Marxian credo constantly assert to their people that war with the United States is inevitable; the only question is when? China's Minister of Defense, Lin Piao, stated last year that the rich nations of the West will be overcome by the irrepressible extension of Communist influence after the poor, underdeveloped areas of the world have first had their proletarian revolutions. Isolated, cut off from the vast natural resources and population of the developing world, the industrialized and developed nations of the West will then suffocate.

Is it clear that China and the Soviet Union, though disagreeing on methods and locked together in a bitter power struggle within the Communist bloc, both see the underdeveloped countries as the true combat zone between communism and Western democracy in future years.

We must ask ourselves, Will we in the West be able to meet the challenge?

Economically speaking, the gap between the rich nations and the poor nations is constantly widening. Between 1960 and 1964, the total gross national product of the rich nations went up $300 billion. The poor nations in the same time period increased gross national product by only $56 billion. Population increased in the poor nations twice as fast as in the rich nations. As a result, from 1960 through 1964 per capita income in the rich nations increased $415 to a level of $1947, and in the poor nations it increased only $23 to a level of $159.

This accelerating differential in standards of living between the have and the have-not nations is a cause for considerable alarm. It provides an economic condition tailored to persistent social upheaval and Communist subversion.

It is of course an oversimplification to pretend that the peoples of Asia, Africa and Latin America are all faced with identical problems of progress. Vast differences exist in culture, religion, history and race. There are however certain characteristics common to all underdeveloped areas of the world. There is a high rate of illiteracy, an exploding population, insufficient food production to feed the majority of the people at better than a subsistence level and an almost nonexistent industrial base with inadequate technical training available to teach people the skills necessary to develop an industrial economy.

There is something more that these areas share. There is the cyclone of rising expectations and the despairing frustration of men bewildered by the thought that history will forever pass them by.

The Communists have attempted to take advantage of these civilizations in turmoil. With a messianic appeal to man's innate desire for equality and an assertion that economic and social progress can be made now not later, they have fomented revolution. The Communists say that the colonial nations of the West have ravaged their colonies' natural resources and have used the sweat of local labor to become rich. Even now the West is interested in maintaining the status quo for economic advantages. Democracy, they say, is a sham behind which the rich capitalists cloak their rapacity. Democracy has never given the common man anything and never will.

To meet the threat of Communist subversion in underdeveloped nations we must not only extend economic aid and emergency assistance, but we must also communicate our passionate regard for the dignity of man.

Pope John in his famous encyclical, "Mater et Magistra," stated:

"The solidarity which binds all men and makes them members of the same family requires political communities enjoying an abundance of material goods not to remain indifferent to those political communities whose citizens suffer from poverty, misery and hunger and who lack even the elementary rights of the human person.

"This is particularly true since, given the growing interdependence among the peoples of the earth, it is not possible to preserve lasting peace if glaring economic and social inequality among them persists."

I think Pope John would agree that economic aid must be directed towards self-help programs. No responsible man or nation wants to be a permanent charity case. Aid should be channeled to the agricultural sector of the underdeveloped economy more than in the past. A nation must be able to feed itself if it is going to have any permanent, social stability. Transportation facilities and development of natural resources for domestic processing and for sale abroad are other areas where foreign aid can be of immense help to underdeveloped nations.

We have seen, however, that economic aid to the poor nations of the world is not enough to win the friendship of their people or to immunize them against communism. This is especially true when the aid ends up in the hands of a powerful few and never gets to the people who need it most.

What is also needed is a transmission of faith to people of poor nations that we, as they, believe in the dignity of man and the right of the individual to progress according to his talents and persistence. We, as they, believe in the equality of men before God—an equality of souls that is innate, metaphysical and independent of any consideration of class, race or culture.

This must be done by setting an example. By living the philosophy we preach. It means a refusal to support despotic military dictatorships just because they maintain law and order and are anti-Communist. It means a continuation of the Peace Corps and sending to foreign lands an increasing number of young Americans anxious to sacrifice their vitality, time and toil to the cause of world peace and human progress. It means an administrative tightening up of foreign aid programs so that those who need the assistance most will be the ones who receive it. It means in substance a recognition that the only true guarantee of America's security and world peace is to provide a climate of hope and a reasonable rate of economic progress within the disadvantaged nations.

Western democracy is characterized by hope and optimism. A review of history for the past 50 years is proof positive of this fact. We not only have had in that time two cataclysmic world wars and seen communism embrace 25% of the world population, we have seen one of the most bestial and barbaric governments emerge from within the framework of a Christian society. I refer, of course, to Hitler's Germany. If we were not so confident in the justice of our cause and its ultimate triumph, we would long since have despaired the imperfections in human nature and our democratic traditions and institutions would have vanished.

The essential validity of our form of government is its Christian antecedents. The point is not whether democracy provides the most efficient form of government, but rather that it assumes the inherent importance of the individual within the community whole. Western democracy recognizes man as having been created by God in his image and likeness with a will free to choose between redemption or sin and retribution. A higher loyalty to one's God than one's state is an accepted value judgment in our democracy. We attest to government's right to claim the allegiance of its citizens only when it governs for the common good with the consent of the governed.

If we have faith in our way of life, if we believe that our institutions are consecrated to serve the best interests of the people, then we should be able to meet communism on its own ground and win. We should be able to convince the disadvantaged in the underdeveloped areas of the world that it is western democracy, not communism, that is desirous that human beings have the right to free choice of jobs and the state of life they prefer.

It is democracy, not communism, which is anxious to allow people to rule themselves.

It is the disciple of democracy, not communism, who can wholeheartedly agree with Thomas Jefferson when he writes: "We hold these truths to be self-evident; that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty and the pursuit of happiness."

Ladies and gentlemen: What we now have the task of doing is proving the constancy of our faith to the world.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 16, 1966

The House met at 12 o'clock noon.

The Very Reverend Alexander Veinbergs, president, Federation of Latvian Evangelical Lutheran Churches in America, Washington, D.C., offered the following prayer:

Heavenly Father, in this hour of America's growing responsibility and involvement in the fate of the world, first of all we thank Thee for our ability to help and to lead. We thank Thee for everything that makes these United States what it is: The liberty of thought, the equality of opportunity, unity in plurality, the star of hope for generations past and present. We know also our limitations. Therefore we pray for wisdom which passes our understanding. Lead the leaders: the President, this Government, this House. Make each citizen of this country feel responsible for his words and deeds, so that this country may live up to what it is expected to stand and to fight for.

Thou hast given as a warning sign to all of us the sample of the three small Baltic nations which fell victims to unprovoked aggression of the unlimited imperialism of those who speak liberty but make slaves. Help us to understand and to help those who are in need of help.

Creator of this world, create it anew, free of hate, murder, and oppression. As for Baltic martyrs of 25 to 26 years ago and even today, or our own fallen soldiers in the battlefield of today—let them be seeds for Thy kingdom which should come, and is coming, in our hearts, our country, and the world.

We pray in Thy name, O God of justice and love. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12322. An act to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14266) entitled "An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1967, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11487) entitled "An act to provide revenue for the District of Columbia, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. MCINTYRE, Mr. TYDINGS, and Mr. PROUTY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 112. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize loans by the Secretary of Agriculture on leasehold interests in Hawaii, and for other purposes;

S. 526. An act to amend the authorization to appropriate money for the maintenance and operation of three experimental stations of the Department of the Interior, and for other purposes; and

S. 2858. An act to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight Friday to file a report on the bill H.R. 13286.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

THE 34TH ANNIVERSARY OF THE DISABLED AMERICAN VETERANS

Mr. DYAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DYAL. Mr. Speaker, tomorrow the Disabled American Veterans will be celebrating its 34th anniversary as a congressionally chartered national veterans organization. I am proud of their record of achievement in serving America's wartime disabled during this 34-year period. The organization has faithfully followed its single purpose—nonpartisan policy of advancing the cause of the disabled ex-serviceman, his widow, dependents, and orphans.

The DAV has effectively solved the problems and taken care of the needs of our wartime disabled. This organization does a magnificant job with no Federal financial assistance.

An organization which began with a handful of disabled veterans, today the DAV has a membership of more than 231,000. The DAV is an active organization in my congressional district.

REMARKS ON THE 34TH ANNIVERSARY OF THE GRANTING OF A CONGRESSIONAL CHARTER TO THE DAV

Mr. SCHISLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SCHISLER. Mr. Speaker, we are quick to weep for the war dead. Of the disabled we say, "Thank God, he's alive."

It is true that life is a precious gift. But how precious is it to the man who has lost his eyesight, the power of his limbs, his ability to think clearly, who suffers from a chronic illness or wound?

It is precious to the extent that this man can find work to support himself and feel useful; to the extent that his disability can be healed or compensated for by artificial limbs or by the development of his other talents; to the extent that he can enjoy the normal pursuits of life which in health we take for granted.

It is fortunate that we have the Disabled American Veterans, an organization dedicated to assisting the disabled of our wars to obtain necessary medical help, job training, and jobs, rehabilitation, compensation—all necessary if life is to remain truly precious to those who carry the scars of service to our country.

Tomorrow, June 17, the Disabled American Veterans will celebrate its 34th anniversary. Since its founding after World War I, under a charter granted by Congress, this privately supported organization has served thousands of our war injured. The staff and members of DAV deserve our deepest gratitude and our support. On this anniversary, I would like to extend my personal thank you and congratulations to the DAV.

WIDOWS AMENDMENT TO WAR ORPHANS EDUCATIONAL ASSISTANCE PROGRAM

Mr. RESNICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RESNICK. Mr. Speaker, there are many varying points of view on how to conduct the conflict in Vietnam. However, there is one point that I think we all agree upon: That we here in the Congress should provide all the assistance we can to our fighting men and especially to aid the families of those brave men who have laid down their lives to serve our country.

One of these brave men was Maj. Daniel Martz, of Wappingers Falls, which is located in my district. He gave his life so that three others fighting with him could live. He left behind his wife, Ayako, and five children. When I talked to his valiant widow, she told me she understood the need for his sacrifice. Mrs. Martz made one small request, she would like to go to college so that she could better equip himself to make a living and raise her five young children. I am sure that many other widows of our fighting servicemen feel this need for a college or business school education, as well. Unfortunately, the war orphans educational assistance program does not include widows of those who have died while serving their country in the Armed Forces of the United States. Therefore, today I have introduced an amendment which would make widows as well as children eligible for educational assistance. It is my sincere hope that all of my colleagues will join me in seeing that this much-needed amendment is enacted into law as quickly as possible.

OPPOSITION TO RANKIN HOSPITAL

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I am pleased to note that there is active interest in the proposal to name a veterans' hospital in Jackson, Miss., after the late Congressman John E. Rankin.

To name a veterans' hospital after Congressman Rankin would be a disservice to all members of minority groups who have served in the Armed Forces.

I have opposed the enactment of this legislation since it first came up on the Consent Calendar in 1964. Exactly 2 years ago yesterday, on June 15, 1964, I objected to the unanimous approval of the bill. Then, when the bill came up later that session on September 1, 1964, on the Suspension Calendar, I again detailed my reasons for opposing it.

A month ago today, on May 16, I again objected to this bill when it came up on the Consent Calendar. And on June 6, the bill once again came up on the Consent Calendar, and I once again was compelled to object. I was joined in making that objection by our colleagues from New York [Mr. HALPERN and Mr. KUPFERMAN].

During the last few weeks the protest against the Rankin hospital has swelled to a chorus. Protests have been made, for example, by the American Jewish Congress, the B'nai B'rith, and the Jewish War Veterans of the United States.

This morning, in an eloquent editorial, the Washington Post articulated the reasons why so many would protest so bitterly to the naming of a Federal installation for the late John E. Rankin.

The Post editorial, "In Memoriam," follows:

[From the Washington Post, June 16, 1966]

IN MEMORIAM

For sheer infelicity it would be hard to surpass the resolution introduced in the House of Representatives to name a Veterans' Administration Hospital for the late John E. Rankin of Mississippi. Hospitals in memory of Theodore Bilbo or Tom Heflin or Joseph Goebells might be calculated to sicken only segments of the American public. A John Rankin Hospital could be counted on to offend almost everyone.

It may be that in his private life Representative Rankin was a kindly and lovable man, missed by some colleagues in the House; if so, let them raise a private fund for a private memorial to him. In public life, he was known for his hatred of his fellow-men if they happened to be Negro or Jewish. He fouled the pages of the CONGRESSIONAL RECORD with anti-Semitic and racist diatribes. He used his place of public responsibility and influence to flout the elementary decencies and to shatter the decorum which civilized men have devised to make possible the orderly discussion of political differences.

Many of the war veterans likely to become eligible for admittance to any new Veterans' Administration Hospital will no doubt be colored. They will have risked their lives and shed their blood for ideas that were anathema to John Rankin. They are entitled to more respect than the name of John Rankin reflects.

DISABLED AMERICAN VETERANS

Mr. ADAIR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ADAIR. Mr. Speaker, our Nation has always been extremely grateful to its valiant countrymen who have served and defended its honor at the instant duty calls. In this same respect, Abraham Lincoln, some years ago, entrusted with the American people an obligation to "care for him who shall have borne the battle, and for his widow, and for his orphan."

Thirty-four years ago, tomorrow, the 72d Congress granted to the Disabled American Veterans a charter as a national veterans' service organization.

The wisdom of that 72d Congress is readily apparent as we now pause to commemorate the chartering and anniversary of the DAV.

The noble and unselfish work of the DAV is apparent to every American with gratitude in his heart. The DAV has one of the most extensive rehabilitation programs in the United States under the guidance and direction of their expert corps of national service officers. These technicians are stationed in every Veterans' Administration regional office throughout the United States.

It is significant to observe that the DAV has a singleness of purpose, that being, to provide for the welfare of the Nation's disabled veteran, his widow, his children, his family.

The DAV is also justified in being proud of their outstanding legislative program. Under the capable guidance of our friend, National Legislative Director Chet Huber, the program is noted for its clarity, conciseness, and most importantly, its soundness.

This week as members of the DAV gather in the Nation's Capital to rededicate themselves to their unselfish task, I am extremely pleased and honored to offer my congratulations to the Disabled American Veterans on this happy occasion. I am sure I speak for the Congress and for the people of the United States when I say, thank you, DAV, for your dedication, your courage and a continuous job well done.

OBJECTION TO WAR CLAIMS RIDER TO H.R. 13935

Mr. HALPERN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HALPERN. Mr. Speaker, I object to the rider on H.R. 13935 offered by the distinguished gentleman from Illinois, Senator DIRKSEN. The rider amends title II of the War Claims Act of 1948 by providing 6 percent per annum to those Americans who have or will receive awards for property seized or destroyed by either Germany or Japan in World War II.

I have three reasons for my objection. The bill is unjust, arbitrary, and totally irrelevant.

First of all, the bill is grossly unjust since its passage would mean that most of the 8,000 claims still pending adjudication will remain unredeemed.

Under existing statute a priority scale determines the order of repayment of damage claims from World War II. Small businesses receive highest priority while charitable organizations and other groups receive lower priority. Since there is only a limited amount of money in the war claims fund, those having the highest priority and obviously the first crack at these funds, may leave those with low priority, and charitable organizations, with very little or no repayment of their war losses. In other words, paying small businesses full reparation on their claims plus interest will preclude any payment at all to the thousands of other organizations, with valid claims to the same funds. I see no reason at all why a few claimants should gobble up all the funds and leave thousands of deserving claimants crying out in the wilderness.

My second objection, is that interest in the past has not been paid on war damages, and that this proposal therefore is irregular and a favoritism intended to benefit small business at the expense of charitable organizations.

This objection is substantiated by the wholehearted opposition of Foreign Claim Service Commission to the Dirksen proposal. They concur with me that they have never paid interest on war damage claims and that such interest payment would deprive many deserving claimants of their justified return.

My third objection is that the Dirksen rider is entirely irrelevant to the bill to which it is attached. There is no connection at all between this revision of the War Claims Act and the bus taxation proration and reciprocity for the State of Massachusetts.

With these three objections in mind, especially the gross injustice which would fall upon charitable organizations if this bill passes, I urge that this bill go to conference and the Dirksen amendment be deleted.

SMALL RECLAMATION PROJECTS ACT OF 1956

Mr. ASPINALL submitted a conference report and statement on the bill (S. 602) to amend the Small Reclamation Projects Act of 1956.

CHAMIZAL TREATY NATIONAL MEMORIAL IN THE CITY OF EL PASO

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7402) to provide for the establishment of the Chamizal Treaty National Memorial in the city of El Paso, Tex., and for other purposes, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An Act to provide for the establishment of the Chamizal National Memorial in the city of El Paso, Texas, and for other purposes."

The **SPEAKER.** Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in. A motion to reconsider was laid on the table.

THE LEWIS AND CLARK TRAIL COMMISSION

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H.R. 6515, to supplement the act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 2, insert:

"SEC. 2. The Act of October 6, 1964 (78 Stat. 1005), is amended by revising section 9 to read:

" 'SEC. 9. There is authorized to be appropriated annually, through the Department of the Interior and related agencies appropriation Acts, not to exceed the sum of $35,000 to carry out the provisions of this Act.' "

Mr. GROSS. Mr. Speaker, reserving the right to object, on this and the preceding bill were the amendments germane to the bills? Is that correct?

Mr. ASPINALL. That is correct. On the preceding bill it was simply changing the title in conformity with the body of the bill.

On this bill which, as it originally passed the House, authorized an additional member from the State of Illinois on the Commission for the Lewis and Clark Trail Commission. The other body inserted a provision authorizing an additional $10,000, which amounts to a total of $35,000 annually for the use of the Commission.

Mr. GROSS. I thank the gentleman.

The **SPEAKER.** Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SUBCOMMITTEE ON ACCOUNTS OF THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Accounts of the Committee on House Administration may be permitted to sit during general debate today.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AMENDMENT OF SECTION 402(d) OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7042) with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That section 402(d) of the Federal Food, Drug, and Cosmetic Act, as amended, is hereby amended to read as follows:

" '(d) If it is confectionery, and—

" '(1) has partially or completely imbedded therein any nonnutritive object: *Provided*, That this clause shall not apply in the case of any nonnutritive object if, in the judgment of the Secretary as provided by regulations, such object is of practical functional value to the confectionery product and would not render the product injurious or hazardous to health;

" '(2) bears or contains any alcohol other than alcohol not in excess of one-half of 1 per centum by volume derived solely from the use of flavoring extracts; or

" '(3) bears or contains any nonnutritive substance: *Provided*, That this clause shall not apply to a safe nonnutritive substance which is in or on confectionery by reason of its use for some practical functional purpose in the manufacture, packaging, or storage of such confectionery if the use of the substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of any provision of this Act: *And provided further*, That the Secretary may, for the purpose of avoiding or resolving uncertainty as to the application of this clause, issue regulations allowing or prohibiting the use of particular nonnutritive substances.' "

The **SPEAKER.** Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 143]

Abernethy
Ashley
Barrett
Bolton
Burton, Utah
Cahill
Callaway
Cederberg
Celler
Chamberlain
Clark
Clausen, Don H.
Conte
Conyers
Corbett
Corman
Craley
Culver
Cunningham
Dawson
Dickinson
Duncan, Oreg.
Edwards, Ala.
Ellsworth
Erlenborn
Evins, Tenn.
Farnsley
Flynt
Fogarty
Ford, William D.
Gettys
Gilbert
Goodell
Grover
Gurney
Halleck
Hansen, Idaho
Hansen, Wash.
Harvey, Ind.
Howard
Huot
Jacobs
Jonas
Jones, N.C.
Kirwan
Krebs
Lipscomb
McEwen
McMillan
Macdonald
MacGregor
Martin, Ala.
Martin, Mass.
Matsunaga
Miller
Moeller
Morse
Multer
Murray
O'Brien
Passman
Pirnie
Pool
Powell
Rivers, Alaska
Rodino
Rogers, Fla.
Roncalio
Rooney, N.Y.
Senner
Sikes
Stephens
Taylor
Teague, Calif
Thompson, N.J.
Toll
Tunney
Walker, Miss.
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wright
Wyatt
Young

The **SPEAKER.** On this rollcall 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROPOSED HEARINGS ON THE DRAFT LAW

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. **RIVERS** of South Carolina. Mr. Speaker, I asked permission to address the House for this reason. On Wednesday, we begin hearings on the draft law. We will have General Hershey and a number of Members of the House and of the other body. I have requested that we look into the whole draft setup. I have had a very voluminous research made on the entire draft law on the problems we face. It is all prepared.

I just want to let the membership know we are beginning to have this inquiry into the draft. Any Member who wishes to come, if he has anything to contribute to the committee or any advice to give, will be welcome. All the Members have to do is get in touch with the committee, and we will be delighted to hear them just as quickly as we can.

DEFENSE PRODUCTION ACT EXTENSION

Mr. **PATMAN.** Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14025) to extend the Defense Production Act of 1950, and for other purposes.

The **SPEAKER.** The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 14025, with Mr. Bolling in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentleman from Texas [Mr. Patman] will be recognized for 1 hour and the gentleman from New Jersey [Mr. Widnall] will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas.

Mr. **PATMAN.** Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H.R. 14025 extends the Defense Production Act of 1950, which otherwise would expire on June 30 of this year, to June 30, 1968. The principal amendment proposed by this bill provides for the inclusion of standby discretionary authority for the President to issue regulations to control the extension of consumer credit. It also amends the act to eliminate authorization restrictions on the expenditure of funds in connection with the operations of the Joint Committee on Defense Production.

The continuation of the programs authorized in the Defense Production Act is essential to maintaining a state of economic preparedness to meet any future national emergencies. This includes power to establish priorities for completion of defense contracts; power to allocate materials for defense purposes; authority to guarantee loans to defense contractors who need working capital or equipment for new defense production; lending and procurement authority which in the past was highly instrumental in bringing about large-scale expansion of productive capacity to meet unanticipated defense demands; authority to enable businessmen to cooperate voluntarily in meeting defense needs, with an exemption from the antitrust laws; authority to employ without compensation and when actually employed employees, including advisers and consultants, with exemption from conflict-of-interest statutes; and provisions for a reserve of trained executives from various fields to fill Government positions in time of national emergency. The act also creates the Joint Committee on Defense Production.

Some of these powers are needed to maintain production schedules on missiles and other defense contracts, some are needed for longer range preparedness programs, and other powers must be maintained in readiness for immediate use in possible future emergencies.

The main point of conflict and dispute and argument in this bill, I would say, is the amendment which was put in and which is a part of the bill, commencing with title VI, Control of Consumer Credit. That would give to the President of the United States standby authority to impose controls over not prices and wages but consumer credit—only consumer credit.

That does not mean the controls would be imposed immediately. If this permission were given to the President right now, I am sure the President would not impose controls at this time, because we have not reached the point of need.

This is for the purpose of having what might be considered a "shotgun in the corner," something to take care of an emergency situation, in case something happened that would demand that such controls be imposed. I believe it is a very reasonable provision.

The gentleman from Wisconsin [Mr. Reuss] was the author of this portion of the bill and will be available to answer questions concerning it. I personally recommend it because I believe it is a good thing.

Today, as at all times when there is a war situation, there is a danger of inflation. Fortunately, we have not reached the point yet when there should be any kind of price or wage controls, or consumer credit controls, by reason of the expansion we have experienced so far. It has not reached the point that one would call dangerous or ruinous inflation. Therefore, no regulations in the way of controls are required at this time, and none are proposed by this amendment at this time.

However, this amendment is only proposed for consumer credit where needed. That is the part that really comes first in dealing with inflation. Now, in dealing with inflation there are a number of ways to go about it. If you do it too fast you can throw our country into a recession or a depression, and there is no known way, there is no proven way that you can stop a recession or a depression. Therefore, it is better that we enjoy prosperity as long as we can and not have any recession or depression, because we do not know any way to stop a depression.

However, we do have ways of stopping inflation or excessive expansionary conditions. That is what we have to deal with. During the preceding administration, that is, the Eisenhower administration, which lasted 8 years, we had three recessions. About every 2½ years in that administration we had a recession. Some of them were pretty rough and they caused people to suffer very badly. Every recession causes people to suffer.

Now, neither do we want inflation, because inflation is an enemy of the working people in particular, and the people who are trying to do something for themselves and their families. Inflation is a hidden tax against almost everybody. Inflation is terrible and can destroy countries as well as destroy individuals, families, communities, and States. So we certainly do not want any ruinous type of inflation. That is why we are having this standby control which we hope will be ready just like a shotgun in the corner in case it is needed.

During the preceding 8 years, as I have explained before, we had three recessions because the Federal Reserve Board was doing practically everything it wanted to help banks and, of course, they want a recession every now and then and have had it.

During the last 5½ years, from January 20, 1961, the time that Mr. Kennedy took the oath of office here in front of the Capitol as President of the United States and subsequent to that his assassination, and the taking of the oath by Mr. Johnson as President of the United States—for 5½ years we have not had any recession, we have not had any inflation. We have been going along in a very satisfactory way from the standpoint of the whole economy. People have been prospering, people have money and are doing well. We like to see that. We have not had any recession in 5½ years. This is the longest period in peacetime history that we have enjoyed economic prosperity for that length of time without a recession or a ruinous inflation. That is a record the Democratic Party is proud of, and we want to maintain it. We want to have not only 5½ years of economic prosperity in our country, but we want it continued.

Personally I feel as though it is unnecessary to have depressions; it is unnecessary to have ruinous inflation, because, you know, they are man made. They do not come about by any dictation from above, or from across the ocean or anything like that. They are man made, both recessions and ruinous inflation. We can stop them if we want to.

Now, personally. I have a feeling that the Congress can and will stop inflation better than the Federal Reserve Board, for instance.

Mr. Chairman, I have a good reason for making that statement. The reason is that the Members of Congress of the House and the other body are elected by the people. If one fails to vote for measures that will stop inflation and if we should have a ruinous type of inflation, our people, our constituents, will blame us and we would lose their seats in the Congress.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Chairman, I yield myself 3 additional minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 3 additional minutes.

Mr. PATMAN. Members of Congress have something to lose. If we do not deal effectively to prevent depressions or inflation, we come before the people every 2 or 6 years, depending upon the body involved, of course, the House or the Senate. We have something to lose.

But, Mr. Chairman, the Federal Reserve Board which I feel looks after the banking interests too carefully and which is doing things that will help the banks when the banks do not always need help—I want to help the banks; I am not against the banks; I am for them. The banks represent our fine financial institutions and they do so much for our country in time of peace and in time of war. I am all for them. I want to give them every right, privilege and benefit and do nothing against them.

Mr. Chairman, I do not believe the Federal Reserve Board is looking after the welfare of the people as much as the elected Members of Congress, because the elected Members of Congress have something to lose if they do not vote right.

However, Mr. Chairman, if the Federal Reserve Board, for instance, if they vote to increase interest rates, say 37.5 percent as they did last December 6, what can the Congress do about it or what can the people of the United States do about it?

Mr. Chairman, they say that they are independent. They are a "fourth" branch of the Government so to speak, although the Constitution says there shall only be three branches of the Federal Government.

Mr. Chairman, they are going their own way. They are doing exactly as they please.

Therefore, Mr. Chairman, they are not as apprehensive that their actions will be ruinous to the general welfare of the people as the Members of Congress are aware of those actions.

Mr. Chairman, the Members of the Congress have their ears extended at all times, listening to the will of the people whom they have the honor to represent in the Congress of the United States. They will vote against anything that causes a ruinous depression or inflation.

Therefore, Mr. Chairman, I believe we are doing the wise thing by placing in this legislation language to the effect that the President does not have to use this power, but if it becomes necessary, it is available and he can use it in bargaining with these people and say, "Now, if you do not stop these ruinous interest rates on installment sales and consumer buying and running up the prices on everything, and consumer credit, we will have to impose consumer credit."

True, Mr. Chairman, the President will have something to bargain with which will be helpful.

Mr. Chairman, if we keep prices down, then we do not have to impose controls. And, I am all in favor of giving this power to the President of the United States.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. PATMAN. Mr. Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 2 additional minutes.

Mr. PATMAN. Mr. Chairman, the Federal Reserve Board is not elected by the people. They are not accountable to the people. So, whom are you going to trust? Are you going to trust the Congress that is elected by the people or the President who is elected by the people, or will you turn it over to a board, every member of whom has a 14-year term.

Mr. Chairman, this is a career insofar as every member of that Board is concerned. It is a career that ends with the term of office or the term of service.

So, Mr. Chairman, who is the best to have it? The Congress or the elected officials of our country?

As for me, Mr. Chairman, I am for the elected officials of our country having this power, and I hope it is adopted and I hope that this provision stays in the bill.

As I stated before, all of the above stated authorities are now in effect in the Defense Production Act and have been in effect with very few changes since 1950. This bill would simply extend these authorities for another 2 years, as Congress has done several times in the past.

The only major change proposed in the Defense Production Act by H.R. 14025 is the addition of a new title VI, "Control of Consumer Credit."

Consumer credit has a major impact on the national economy. The level of consumer credit now stands at over $87 billion.

In the original Defense Production Act of 1950, authority to control consumer credit was contained in title VI of the act. This authority was allowed to expire in 1953. Your committee felt that under present circumstances, particularly because of economic pressures created to a large extent by our military buildup in Vietnam, it was appropriate to provide the President with the standby discretionary authority to institute consumer credit controls.

One of the important aspects of any program to provide for adequate productive capacity to support the national defense is to provide for the Nation's economic security and health. Effective authority must thus be given the President to fight inflationary pressures when and if they arise.

Your committee felt that it was extremely important for the President to have a selective tool such as the authority to control consumer credit, so as to assure that our productive capacity will be available to whatever extent necessary to provide for our national security and defense.

Standby authority to control consumer credit is even more important today than it was in the 1950–53 period, when such controls were provided for in the Defense Production Act. The reason for this is the tremendous expansion of consumer credit and its consequent impact on our economy since that time. Between 1956 and 1966 the amount of consumer credit outstanding in the United States more than doubled from $42.3 billion to $87 billion. The following statement made by Marcus Nadler of New York University in a conference on consumer installment credit in 1957 is even more true today than it was then:

> Today, personal credit based on the ability of the individual to repay the debt out of his earnings plays a major role in the economies, particularly of the United States. The terms of sale of durable consumer goods have an important bearing on the sale of these goods and at times this exercises a significant influence on business activity. In the future, consumer credit is bound to play an even more important role, because the country is rapidly becoming a Nation of middle-class people and the demand for durable goods increases with the rise in individual disposable income. Since consumer credit cannot be influenced adequately through general credit control, it is essential that the Federal Reserve authorities be given qualitative powers to regulate it whenever this appears necessary to enable them to carry out the obligations which a changing and dynamic economy imposes on a central bank.

While I feel that the Congress should give this standby authority over the control of consumer credit to the President rather than the Federal Reserve, I feel that Mr. Nadler's statement as to the growing importance of consumer credit in the American economy is an important and accurate one.

Thus, section 3 of the bill would amend the Defense Production Act by adding a new title VI. This would authorize the President, or any agency to which he might delegate the function, to issue regulations for the control of consumer credit. Section 3 also amends section 717 of the act so that the authority to regulate consumer credit would expire at the same time as the other substantive authority which is being extended by this bill.

Director of the Bureau of the Budget, Charles Schultze, has submitted the following statement in regard to the inclusion in this bill of standby authority to control consumer credit in this bill:

> The standby authority for the President to institute controls over consumer credit which would be provided by section 3 of H.R. 14025, as reported by the House committee, was not requested by the administration. Under the conditions now anticipated, we do not expect that there will be any need to use such authority.
>
> If military priorities were to require substantial resources to be diverted from consumer uses, or if major inflationary pressures focusing primarily in autos and other consumer durable goods were to develop, such authority might be useful. Neither of these conditions exists today or is expected in the foreseeable future.

Mr. Schultze went on to add, and these are his most important words I believe:

> Nevertheless, as a measure of protection against future contingencies not now visible, if the Congress should wish, there would be no objection to provision of standby authority to enable the President to institute controls if and when such action became appropriate.

In other words, the administration has no objection to Congress providing the President with such standby authority for some future contingency.

Mr. **DAVIS** of Wisconsin. Mr. Chairman, I make the point of order that a quorum is not present.

The **CHAIRMAN.** The Chair will count.

Evidently a quorum is not present.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 144]

Abernethy
Bolton
Burleson
Burton, Utah
Cahill
Callaway
Cederberg
Celler
Chamberlain
Clausen, Don H.
Clawson, Del
Conte
Conyers
Corbett
Corman
Craley
Culver
Cunningham
Dawson
Dickinson
Diggs
Duncan, Oreg.
Edwards, Ala.
Ellsworth
Erlenborn
Evins, Tenn.
Farnsley
Farnum
Flynt
Fogarty
Ford, William D.
Gettys
Gilbert
Goodell
Grover
Gurney
Halleck
Herlong
Holland
Howard
Huot
Irwin
Jonas
Jones, N.C.
Kirwan
Krebs
Landrum
Leggett
Lipscomb
McCarthy
McEwen
McMillan
Macdonald
MacGregor
Martin, Ala.
Martin, Mass.
Matsunaga
Michel
Miller
Mize
Moeller
Morris
Morrison
Multer
Murphy, N.Y.
Murray
O'Brien
Passman
Pirnie
Pool
Powell
Pucinski
Reifel
Reinecke
Resnick
Rivers, Alaska
Rodino
Rogers, Fla.
Roncalio
Rooney, N.Y.
St Germain
Senner
Sikes
Sisk
Smith, Calif.
Steed
Stephens
Taylor
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Toll
Tunney
Van Deerlin
Walker, Miss.
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wright
Wyatt
Young

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. KEOGH) having assumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 14025 and finding itself without a quorum, he had directed the roll to be called when 329 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. WIDNALL. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, we have before us today H.R. 14025—a 2-year extension of the Defense Production Act of 1950. I have no objection to the 2-year extension of the Defense Production Act.

I do, however, rise in opposition to section 3—control of consumer credit, which was added to the bill in committee on a practically straight party line vote. I might say, Mr. Chairman, this language was added to the Defense Production Act without any advance notice and without any testimony. To this day we still do not know whether the President of the United States wants this standby authority referred to him.

Nevertheless, I want to compliment the gentleman from Wisconsin who is the author of the amendment for being the first of his party to acknowledge through legislative recommendation that inflation is upon us and that means should be found to deal with it. Speaking for the minority members of the Committee on Banking and Currency, we do not quarrel with the gentleman from Wisconsin. We agree that our Nation is experiencing inflation. We do, however, vigorously take issue with the means by which he and every other majority member of our committee would deal with it.

Once again if we approve standby consumer credit controls the Federal Government will be telling the American citizen, "do as I say—not as I do."

Once again John Q. Public will be urged by the Government to tighten his belt, while the Federal Government lets its belt out yet another notch.

Once again we are being told that the only way to fight inflation is through rigid Government controls.

Mr. Chairman, if we in the minority really wanted to play politics with the issue confronting us today we would let this amendment be enacted without even raising our voices in opposition. We would let the American people judge at the polls in November the actions of the Congress in having enacted such a regressive legislative instrument. But such would be irresponsible on our part.

Nevertheless, I want to remind my colleagues that a vote against this amendment should not in any way be interpreted as meaning that we do not agree that inflationary pressures are rampant in the country today. As I have said, most of us would agree with the majority of the committee on that score. A vote against consumer credit controls should be interpreted as meaning that you do not agree with this approach.

Now I have heard the argument that we in the Congress should, from time to time initiate legislation, even when it is not requested by the President. With this I wholeheartedly agree. However, I do not agree that it is a responsible act of Congress to grant standby and discretionary powers to the President or to any other branch of the executive when they are not requested. When the President wants such powers, let him at least ask for them. If at such time the need for additional Executive powers is evident, I think the 89th Congress has already shown on several occasions that it will grant them promptly.

But, I do not even concede that standby consumer controls would be an effective anti-inflationary weapon. Let us take a look at the record.

In the minority report contained in House Report No. 1411 we argued that enactment of this provision could have just the opposite effect. It could be misinterpreted by the public and it could set off panic buying by millions of consumers who might rush out and make their purchases in order to get under the wire before the President acted. In its objective study of consumer installment credit the Federal Reserve Board in 1957 said that precisely this took place in the 1947–48 period. I quote from page 297 of this lengthy study:

> By July 1948 the question of inflation and the appropriate steps to meet it had become a major political issue in the Presidential campaign. The President called a special session of Congress at the end of that month, especially for the purpose of considering anti-inflationary legislation, and he presented a program almost identical to that proposed the previous November. A joint resolution, passed by this special session and approved by the President August 16, authorized the reimposition of consumer credit controls in accordance with Executive Order 8843 until June 30, 1949, but only as to installment credit.
>
> The widespread discussion associated with the reimposition of consumer credit regulations in 1947–48 tended to accentuate the problem. Many people, who might otherwise have postponed their purchases until durable goods were more readily available, were stimulated to accelerate their expenditures by concern over the possible restrictive terms that might be imposed. "Buy now and avoid the coming credit controls" became a feature of appliance advertising as the period progressed. This not only added to inflationary pressures in 1947–48 but undoubtedly contributed to the overrapid readjustment in late 1948 and early 1949.

In other words, Mr. Chairman, in that period the mere thought of possible reimposition of consumer credit controls precipitated an inflationary buying splurge by the public. If this House today acts favorably on consumer credit controls, precisely the same thing will happen. The public would be uncertain and retailers would urge consumers to buy now before the controls are imposed. The impact of such scare buying by a public accustomed to installment credit could be catastrophic.

A few weeks ago several members of the Federal Reserve Board echoed these same sentiments. The newest Governor, Mr. Andrew Brimmer, said in answer to a question on whether or not he favored this legislation that such a decision by Congress at this time might be misinterpreted.

Moreover, while consumer debt stands at a record high, individual savings and assets nationally total five times the amount of personal debt outstanding.

In a report just released yesterday, the survey research center of the University of Michigan reports that American consumers are definitely less optimistic about both the business outlook and their own spending intentions than they were earlier this year. According to this report, consumers are more sober and less confident in their attitude. The report also indicates that during the first quarter of this year there may be a leveling off, even an actual decline, in consumer purchases of homes and durable goods. While the research center refused to comment on its findings, the New York Times learned that there was a sharp drop in the survey's index of consumer sentiment, the key yardstick for gaging consumer behavior. This index fell to 95.8 in May, when the latest survey was compiled, from 99.8 in February, a 4-point decline representing a marked deterioration in consumer confidence. These figures support more concrete evidence supplied by the drop in stock market prices and automobile and retail sales.

The deterioration in consumer confidence appears more pronounced when compared with the ebullience consumers displayed last year. In August 1965, consumer optimism hit a record of 103.2 on the survey's index. In fact, the decline in the survey's index since last August's peak is the sharpest decline recorded since 1957–58, when the economy experienced a recession.

These figures make clear the fact that we are playing with fire. Automobile sales are already off significantly. The housing industry is experiencing great difficulties in certain areas because of shortage of mortgage credit.

Mr. Chairman, who would be affected by reinstitution of consumer credit controls? Clearly, it would not be the wealthy who have adequate resources to buy consumer durable items with cash. Nor would it be the vast millions of middle income families who have prudently set aside substantial savings, and who could substitute cash for installment debt. It would primarily affect two classes within our society. First, the millions of newly married World War II babies who must depend upon installment buying to furnish and equip their new homes and apartments and provide transportation; and secondly, and most important, it would have immediate effect on low-income citizens. Consumer credit greatly discriminates against the buyer without ready cash. In practice the brunt of credit controls would fall upon those in the lowest income brackets, the families least able to accumulate downpayments.

Another factor to be considered before we take this step is the ability of our economy to supply consumer products. Are there serious shortages in the marketplace today which are pushing up prices? The answer is no. The capacity of the American economy to produce goods and services has grown by more than 50 percent since the Korean war, the last time in which consumer credit controls were imposed. If we are to point a finger of blame for the current inflation which besets us, we had better look elsewhere than to wartime shortages of consumer products.

Furthermore, the credit situation has changed materially since the last time consumer credit controls were imposed. Whole new forms of consumer credit, such as revolving credit and others, which did not even exist during the Korean war period, are now being used throughout our Nation. The majority of the House Banking and Currency Committee has not told us how such new mechanisms as revolving credit accounts would be affected.

With all of these serious questions, Mr. Chairman, your Committee on Banking and Currency saw fit to report this bill with its recommendation for consumer credit controls without even taking testimony. A few weeks ago we reported out, after only 2 hours of testimony, the sales participation bill. In that instance we only heard two witnesses, both of whom assured us that those sales participation certificates would not exceed the cost of Treasury bonds by more than three-eighths of 1 percent. Last week we paid dearly for our hasty judgment when we learned that we were grossly misled. But it seems that some of us never learn. Once again we have before us a broad and complex measure which received about as much committee deliberation as the sales participation bill.

Because we held no hearings, I took it upon myself to send letters out to leading economists throughout our country in order to solicit their opinion. Under unanimous consent, I shall place those responses in the body of the RECORD accompanying my remarks today. Nevertheless, let me assure you that the vast majority of economists of all philosophical persuasion oppose this legislation.

Prof. James Tobin, formerly a member of President Kennedy's Council of Economic Advisers, said:

> There is some psychological risk of encouraging advance buying—

And—

> that normal and foreseeable inflationary pressures can and should be handled by general monetary and fiscal policies, which are more equitable in their impact.

Walter Heller, while saying that standby credit controls were a less unpleasant alternative than others available, conceded that "one would hope not to have to use them, especially in the light of the problems pointed out in the Washington Post editorial of April 3."

Dr. Roger A. Freeman of the Hoover Institution pointed out that while personal consumption over the last 10 years has increased by 68.5 percent, nondefense Government expenditures—Federal-State-local—have increased by 132 percent. He said:

> At this time I can see no justification for reactivating consumer credit controls.

Samuel B. Chase, of the Brookings Institution, said consumer credit controls "run the danger of engendering economic inefficiency because it interferes with the operation of market forces. I would expect the proliferation of selective economic controls to produce undesirable consequences."

Prof. Henry C. Wallich, of Yale University, who opposed standby consumer controls said:

> If the powers are needed, the President can always request and Congress can vote them. It is also true that the present administration has shown itself to be a very powerful one. There seems to be no need to endow it with further powers that it has not requested.

Raymond J. Saulnier, formerly President Eisenhower's chief economic adviser, said:

> Surely it is unthinkable that the Congress would impose such an additional administrative complexity and confusion on the U.S. financial system.

In the May-June Chase Manhattan Survey, 800 leading business and college economists were asked their opinion on this matter. While a majority agreed that inflation is indeed upon us and is the No. 1 domestic problem, only 12 percent of the business economists and only 12 percent of the college economists thought that credit controls would be an effective weapon.

In conclusion, Mr. Chairman, the majority of our committee has made a good case that inflation is upon us. To that extent the debate today is very useful. The majority of the committee, however, has failed to make its case on its recommendation for standby and unlimited presidential controls over consumer credit.

As Prof. Paul W. McCracken, of the University of Michigan, said in response to my personal inquiry of leading economists:

> I would oppose this because of its perverse distributional considerations. The affluent man able to pay cash for big ticket items is unaffected. The casualty is the family of more moderate means whose consumer capital formation does normally require borrowing.

He further stated:

> A vote for regulating the terms of consumer instalment credit is a vote for slowing down the ultimate capability of the economy for growth.

That statement sums it up in a nutshell.

Mr. Chairman, I urge that section 3 of the bill, standby consumer credit controls, be deleted from the bill.

Mr. Chairman, I include at this point certain material which I feel will be of interest to the Members:

[From the Washington Post, Apr. 3, 1966]

LID ON CONSUMER CREDIT?

Congress should take a long and hard look before going along with the House Banking Committee in granting the President standby authority to control consumer credit. The capacity of the American economy to produce goods and services has grown by more than 50 per cent since the Korean war, the last time in which consumer credit controls were imposed. There is now an ample supply of consumer goods. But price increases will be accelerated if the impending threat of credit controls leads to an outburst of anticipatory buying.

Another objection to consumer credit controls is that they clearly discriminate against the buyer without ready cash. In practice the brunt of credit controls would fall upon those in the lowest income brackets, the families least able to accumulate down payments. One can sympathize with the House Banking Committee's desire to create a defense against inflation in the event of an emergency. But there is not much to be said for what would amount to a special tax on the poor.

THE UNIVERSITY OF MICHIGAN,
Ann Arbor, April 29, 1966.

Hon. WILLIAM B. WIDNALL,
Committee on Banking and Currency, House of Representatives, 89th Congress, 2129 Rayburn House Office Building, Washington, D.C.

DEAR MR. WIDNALL: Thank you for your letter of April 15, and your cordial invitation to submit views in regard to stand-by authority for the regulation of consumer credit.

If I were in the Congress, I would strongly oppose this stand-by authority. The evidence is very clear that the Government already possesses adequate authority, through general fiscal and monetary policy, to keep the volume of aggregate demand for output constant with our productive capability. If these instruments are not used well, the remedy is to use them well and not try to bail out one mistake by backing into another.

Moreover, this type of control does tend to come down hard on the more dynamic elements of the economy that are particularly important to economic progress. This has been the experience not only in the United States, but abroad. Whatever its immediate plausibility, a vote for regulating the terms of consumer installment credit is a vote for slowing down the ultimate capability of the economy for growth.

Finally, I would oppose this because of its perverse distributional considerations. The affluent man able to pay cash for big-ticket items is unaffected. The casualty is the family of more moderate means whose consumer capital formation does normally require borrowing.

If there is a major change in the defense picture, the argument for such regulation might be stronger. In that case, this authority can be granted along with all of the other congressional actions that would then also be required.

Regards,

PAUL W. MCCRACKEN.

BARNARD COLLEGE,
COLUMBIA UNIVERSITY,
New York, April 30, 1966.

Congressman WILLIAM WIDNALL.

DEAR BILL: I can't see any support for the enactment of consumer credit control authority at this time unless it is on the ground that some as yet undefined emergency may develop that will require action so fast that Congress won't be able to examine the case on its merits. This I do not believe. If the administration is willing to wait for tax increases there is very little basis for pleading emergency, by anyone, on the consumer credit issue.

The following seem to me to be the major arguments against consumer credit control authority:

(i) If the need is for a restriction in the use of credit, then the way to do this is through general credit controls: this is more effective and more equitable;

(ii) If the need is to conserve the use of scarce materials in the production of automobiles, then this should be done through some form of rationing: to deny the car to the instalment buyer is inequitable, as a rationing devise;

(iii) Actually, the demand for autos is rather on the slow side, that is it is showing no signs of increasing above the rates reached in 1965, and there is no clear or prospective need for materials conservation measures;

(iv) So far as I know, there is no tendency for credit terms to be liberalized in the consumer credit area, so that there is no need for controls to prevent this from happening;

(v) The agency most qualified to administer such controls and the only one with experience in administering them, the Federal Reserve Board, has opposed standby consumer credit controls; surely its judgment on the subject should be respected;

(vi) The thought of having controls administered by some agency other than the Board of Governors, presumably by one of the non-financial agencies, is so bizarre as to be almost unbelievable. Surely it is unthinkable that the Congress would impose such an additional administrative complexity and confusion on the U.S. financial system.

Respectfully,

R. J. SAULNIER.

UNIVERSITY OF CALIFORNIA,
April 27, 1966.

Representative WILLIAM B. WIDNALL,
Committee on Banking and Currency,
2129 Rayburn House Building,
Washington, D.C.

DEAR REPRESENTATIVE WIDNALL: In response to your request of April 15, it is my considered judgment that the national interest would be served by giving the President "stand by" authority to regulate the terms of extension of consumer credit. In fact, I have testified in support of this policy before the Joint Economic Committee in times past.

The recent economic history of our country demonstrates that consumer credit extension can, under certain circumstances, become destabilizing in its effect, and that general indirect monetary controls are not by themselves sufficient to assure at all times a socially desired volume of consumer credit. On occasion, they need to be supplemented by selective direct controls.

As a specific example, I believe it is demonstrable that the automobile sales boom of 1955 and the subsequent recession could have been smoothed out had the President been in a position in 1955 to impose temporary controls of the down payments and terms to maturity of automobile installment credit. Such circumstances are readily conceivable in the future.

Sincerely yours,

NEIL H. JACOBY,
Dean.

YALE UNIVERSITY,
New Haven, Conn., April 26, 1966.

Hon. WILLIAM B. WIDNALL,
House of Representatives,
Washington, D.C.

DEAR MR. WIDNALL: The question whether the power to institute consumer credit controls should be given to the President is not easy to answer. The pros and cons are rather evenly balanced. Favoring such action are:

1. Consumer credit controls are a recognized means of avoiding excessive credit expansion. They have been used in the past and seem to be reasonably effective if properly administered.

2. The argument that consumer credit controls hurt the low income person is probably correct. But other forms of reducing purchasing power, for instance by higher taxes, would also eliminate the low income buyer before the high income buyer, provided the tax is proportional and the desire of both for the merchandise equally strong.

3. Conditions could arise in which greatly stepped up buying of automobiles and other hard goods might make restraint desirable.

On the negative side the following points need to be considered:

1. The implementation of the controls would present awkward alternatives. The Federal Reserve ought to be the administrator, yet the Federal Reserve has indicated in the past that it is not anxious for such powers. The administration of these controls is in any case an administrative and political liability.

2. Giving the President standby powers leaves uncertain how they would be administered. That at any rate ought to be spelled out in the present legislation.

3. At the present time, there seems to be no need for controls. The restraint against inflation that seems to be necessary could better be achieved by tax increases or expenditure reductions. Sales of automobiles have run very high for a long time and barring a sharp escalation of the war there seems to be no reason to expect them to accelerate. Since the automobile industry can handle the present volume, there is no present problem of excess demand in this particular industry. Our problem is one of slight excess demand in a large number of industries.

4. Proposals for selective credit control usually go accompanied by proposals for easy money outside the controlled sector. If that should be the spirit of the present proposal, I would regard it as dangerous.

5. While a standby authority does no positive damage so long as it is not used, it nevertheless creates difficulties. There is no reason for giving the Government powers if they are not to be used. If the powers are needed, the President can always request and Congress can vote them. Admittedly the chances of quick and successful action are less than 100 percent when new legislation must be requested. It is also true however, that the present Administration has shown itself to be a very powerful one. There seems to be no need to endow it with further powers that it has not requested.

On balance, I incline toward the negative side of the argument. Thank you very much for giving me an opportunity to express my views.

Sincerely yours,

HENRY C. WALLICH.

THE BROOKINGS INSTITUTION,
Washington, D.C., April 28, 1966.

Hon. WILLIAM B. WIDNALL,
Committee on Banking and Currency,
House of Representatives,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN WIDNALL: This letter answers your request for my judgment on the economic impact of legislation now before the House that would grant to the President authority to issue regulations to control the extension of consumer instalment credit.

The intent of this proposal is to give the President a lever to control spending on consumer durable goods, rather than to control the amount or quality of consumer credit in and of itself. Consumer credit extensions and consumer durable goods purchases are closely linked, and it seems clear that discretionary control over the volume or terms of these credit extensions would have a definite impact on the rate of spending on consumer durables. The short-run effects of such controls are probably *relatively* easy to predict and control—easier, say than the short-run effects of a general tightening of credit. I stress the relativity of this advantage because short-run stabilization is an enormously difficult task given any set of available policies.

If the impacts of such consumer credit regulations were indeed known with a fair degree of precision, and if it were also established with reasonable certainty that selective curtailment of demand for consumer durables were desirable, this control might be a valuable weapon against instability.

Opinions will, nonetheless, differ markedly on the desirability of granting this power. Most economists would, I believe, subscribe to the view that stabilization over minor cycles turns largely on the stabilization of spending for durable goods by business and consumers. One approach to stabilization is to employ selective controls that get at particular types of expenditures for durables. Consumer durable goods are only part of the problem. Business inventory and plant and equipment demand are surely equally important sources of instability.

If the selective control approach is used, it may fairly be asked why aim selective controls only at consumer durable goods? One argument is that demands for producer durables and inventories are more responsive to general monetary and credit controls. Experience of recent years indicates that consumer instalment credit terms—down payment, maturities, and interest rates—are not very sensitive to short-run swings in more general indicators of credit cost and availability. In addition, consumer spending on durables is more easily regulated by specific controls over instalment credit than would be business investment. Effective selective curbs on business borrowing for inventory, or for capital goods purchases, raise more problems because of the greater variety of sources of funds for business investment.

Although control over consumer instalment credit could be useful as an additional stabilizing device, to be employed along with more general fiscal and monetary policies, I am not persuaded that the idea is a good one.

First, if it is accepted that selective controls over consumer durable *spending* would be useful for stabilization purposes, there is at least one alternative to direct control over instalment credit extensions that seems preferable to me. This is selective excise taxes on consumer durable goods. Imposition of such taxes, with timing and duration to be determined by the President, would have at least two advantages: One, all purchasers would be affected alike, in that the cost of the taxed items would be raised by the same amount to all buyers. Curtailment of instalment credit, on the other hand, would affect primarily the marginal loan applicant, who is likely to be a person with low income. Two, the establishment of consumer credit terms would be left to market forces (insofar as these are allowed to operate under the present comprehensive regulation of instalment credit terms). I see no particular reason further to interfere with the market process in determining how a given level of spending on durables is to be financed. In any event, the proposed discretionary control over instalment credit is not envisaged as correcting evils of the credit market, but as a means of getting at demand for durables. The major disadvantage of selective excise taxes is that they would attract more attention and opposition, and would be more subject to mismanagement for political reasons. I could not, however, recommend use of a less equitable device because its effects are concentrated on a relatively small and defenseless segment of the citizenry.

But my reservations are more deep-seated. I fundamentally question the premise that what this country needs is more discretionary selective controls for economic stabilization. I do not deny that, in some cases, our ability to achieve short-term stability may be measurably greater if selective controls are used in the right measure and at the right time to supplement general fiscal and monetary policies. But we cannot be sure that they will be so used. In my opinion, recent use of selective devices has served more as a substitute for general measures than as a supplement to them. The use of selective controls, in common with most other types of regulation, runs the danger of engendering economic inefficiency because it interferes with the operation of market forces. I have considerable faith in the latter as the primary source of economic efficiency in this country. A good rule is to resort to selective controls only when it is clear that the more general approaches of fiscal and monetary policy are inadequate for the task. In recent months, economic policy has displayed a regrettable disregard for this fundamental consideration. Barring a further rapid increase in the defense buildup—a true condition of economic emergency—I would expect the proliferation of selective economic controls to produce undesirable consequences.

Sincerely yours,

Samuel B. Chase, Jr.,
Senior Staff.

The Hoover Institution on War,
Revolution, and Peace, Stanford University,
Stanford, Calif., April 28, 1966.

Hon. William B. Widnall,
House of Representatives, Committee on Banking and Currency, 2129 Rayburn House Office Building, Washington, D.C.

Dear Mr. Widnall: In your letter of April 15 you asked for my opinion on the desirability of authorizing the imposition of federal consumer credit controls at this time. I regret that I have so far been unable to obtain a copy of House Report 1411 to which you refer and the report of the Joint Economic Committee on the January 1966 Economic Report of the President has not yet been received here. Nor is a copy available at Stanford. Reports usually arrive here a few days later than in the East. Moreover my latest copy of the *Economic Indicators* is the March 1966 issue which contains only a few data on 1966. I am therefore at a slight disadvantage in evaluating recent developments but shall try to give you my appraisal from whatever information I have at this time.

I share the concern over continuing inflationary pressures which apparently caused the majority of the House Banking and Currency Committee to insert a consumer credit control provision in the pending extension of the Defense Production Act. But I have some doubts on whether consumer credit bears a major responsibility for the inflationary pressures and whether imposition of controls is an appropriate or effective means of stemming them.

To be sure, consumer credit has grown at a steep rate in 1965 and, in fact, also in the 2 preceding years. This is not surprising since family formation is on the upswing—the marriage rate was higher in 1965 than in any of the preceding 8 years and stood at 9.7 per 1000 in December 1965, compared with 8.8 one year earlier. The number of households which had increased .98% in the year preceding March 1963, grew 1.46% to March 1964 and 2.24% to March 1965. New households typically resort to credit more than long-established households.

The decline in unemployment made many people acceptable credit risks and may cause some who have a steady job for the first time in years to buy a car or equip their apartments, as they had long desired to do.

Since the national government controls the general availability of credit in the country and can tighten the money supply whenever that seems advisable, it is likely that expansion of consumer credit replaces some other form of credit. Higher interest rates attract greater amounts of savings into fixed dollar investments.

Thus any inflationary influence of consumer credit would probably largely be expressed through increased demand for consumer goods and services. The appended table shows that personal consumption expenditures have not shown extraordinary growth, that they have remained at a stable percentage of GNP for 4 years, and equal in fact now more than a percentage point of GNP *less* than they did five years ago. This does not prove anything in itself but does raise the question whether consumer expenditures are the sector of the economy on which government should place restraints at this time.

The reason that is being advanced for an activation of consumer credit controls are rising defense expenditures resulting from the Vietnam situation. Such an increase may conceivably take place in 1966 or 1967. But to the end of 1965, defense expenditures had been steadily declining, as a percentage of GNP, for 7 years—from 10.3% of GNP in 1958 to 7.5% in the last quarter of 1965. This certainly does not suggest that increased demands of defense should be held responsible for the inflationary pressures which have become more apparent in the last year or two. It also means that defense outlays can be increased very substantially in 1966 and 1967 without claiming as large a share of the national product as they did two or three years ago, or at any time during the past 15 years.

The war situation could of course change and a restraint on consumer expenditures may well be considered necessary if the requirements of defense climb so rapidly as to demand it. I do not believe that defense spending justifies such action at this time.

Gross domestic private investment did rise almost one percentage point of GNP from 1964 to 1965, as it did between 1961 and 1962. But private investment still accounts for a smaller share of GNP than it did in the mid-1950's and a small share of the recent rise is undoubtedly due to the steeper increase of prices in construction than for other goods.

Moreover, increased plant investment may boost demand and thus add to inflationary pressures in the short run but it is a most effective anti-inflationary force in the long run because enlarged capacity adds to supply and modernization raises productivity. Both exert a downward push on prices.

This leaves another major segment of the economy: non-defense government expenditures. They have shown a steady upward trend in relation to GNP, but have been steady between 1964 and 1965. The long-run increases of the major segments of GNP over the past 10 years were (1955 to 1965):

	Percent
Personal consumption	+68.5
Private domestic investment	+56.8
National defense	+29.3
Non-defense Government expenditures (Federal-State-local)	+132.0

The fastest growth occurred in civilian government expenditures, which climbed twice as rapidly as personal consumption.

It is apparent that governmental expenditures for non-defense—that is domestic—purposes have been increasing their demands upon the economy at a rapid pace, at federal, state and local levels. Federal grants to states have doubled in the past 5 years. They aim not only to increase outlays for certain purposes but also, through matching provisions, to stimulate state and local governments to increase spending from their own sources. The main justification advanced for federal grants has been that states cannot or will not allocate sufficient funds to domestic public services.

Now, according to newspaper reports, the Director of the Office of Emergency Planning, Mr. Faris Bryant, asked the Western state governors at their meeting in Las Vegas on April 27, on behalf of the President, "to go slow in state spending to help stop inflation." If this is to be adopted as policy—and I believe that it is sound policy—then it would behoove the federal government to reduce its own spending for domestic activities, and particularly cut back on grants to state and local governments whose number and amounts were sharply expanded in recent years, following recommendations of the President. Considering past rates of expansion this would seem much more appropriate for the federal government than to restrain consumer credit.

Since family formation is likely to expand rapidly in the next few years, consumer credit will probably also grow. But there is no sign that it is getting out of hand. If some or many lenders pursue too easy a policy, the rate of delinquencies will rise and soon cause them to revise their lending practices. As long as the national government exercises control over the availability of credit in general, lenders are not likely to extend consumer credit out of proportion to other credit needs. Higher interest rates as a result of general credit tightening would undoubtedly have some impact on the eagerness of potential borrowers. Until there is evidence to the contrary we may as well assume that market forces and the self-interest of the lenders can do a better job of keeping consumer credit in balance than mandatory government controls. It is of course conceivable that the picture may change over the next year or two. If so, Congress may find it advisable to take another look at the situation. At this time I can see no justification for reactivating consumer credit controls which have not been used since the Korean war.

Sincerely yours,

ROGER A. FREEMAN.

Selected major components of gross national product, 1955 to 1965 (as a percentage of gross national product)

Calendar year	Personal consumption expenditures	Gross private domestic investment	National defense expenditures	All other government expenditures (Federal, State, local)
1955	63.9	16.9	9.7	15.1
1956	63.6	16.7	9.6	15.2
1957	63.8	15.4	10.0	16.0
1958	64.9	13.6	10.3	18.2
1959	64.3	15.6	9.5	17.6
1960	64.5	14.8	8.9	18.1
1961	64.4	13.8	9.2	19.5
1962	63.4	14.8	9.2	19.3
1963	63.4	14.7	8.6	19.7
1964	63.4	14.8	7.9	19.9
1965	63.4	15.6	7.4	19.9
1965:				
1st quarter	63.4	15.7	7.4	20.0
2d quarter	63.5	15.4	7.4	19.8
3d quarter	63.5	15.6	7.3	20.1
4th quarter	63.3	15.8	7.5	19.7

Source: Economic Indicators, March 1966 and 1964 supplement.

UNIVERSITY OF MINNESOTA,
DEPARTMENT OF ECONOMICS,
Minneapolis, Minn., April 26, 1966.
Congressman WILLIAM B. WIDNALL,
House of Representatives, Committee on Banking and Currency, 2129 Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN WIDNALL: Because of out-of-town commitments, I was delayed in getting to your good letter of April 15 about standby authority for consumer credit control. The pressure of other commitments is such that I do not have time for the kind of detailed response I would like to make.

Let me just say this: Whenever we face the problem of cooling down an overheating economy, we face a choice among restraints, none of which are pleasant. In this choice among lesser evils, there are times when the consumer durable goods sector may be "the villain of the piece." Recognizing this possibility (even if it does not seem to be a fact at the moment), and recognizing further that direct price and wage controls, for example, would be a far worse alternative, I think it makes sense to have the standby consumer credit controls in the government's arsenal of potential weapons. One would hope not to have to use them, especially in the light of the problems pointed out in the *Washington Post* editorial of April 3 which you enclosed with your letter. But there may come a time when this unpleasant measure is less unpleasant than some alternative.

Therefore, on balance, I tend to favor the granting of this standby authority.

Sincerely,

WALTER W. HELLER.

YALE UNIVERSITY, DEPARTMENT OF ECONOMICS,
New Haven, Conn., April 19, 1966.
Hon. WILLIAM B. WIDNALL,
House of Representatives, Committee on Banking and Currency, 2119 Rayburn House Office Building, Washington, D.C.

MY DEAR MR. WIDNALL: In response to your inquiry of April 15, I am inclined to agree with the *Washington Post* editorial. It might have been wise to leave these standby powers in the Defense Production Act in 1953. But there is some psychological risk of encouraging advance buying by putting them back into the Act now, when there is no immediate intention to use them.

If the situation develops to the point where controls over consumer credit are needed and the Administration is prepared to introduce them at once, then I suppose the Congress could act fairly quickly. I believe that these would be rather extreme circumstances, for I believe that normal and foreseeable inflationary pressures can and should be handled by general monetary and fiscal policies, which are more equitable in their impact.

Sincerely yours,

JAMES TOBIN.

INSTITUTE FOR ADVANCED STUDIES,
Vienna, April 20, 1966.
Hon. WILLIAM B. WIDNALL,
Member of the House of Representatives, Committee on Banking and Currency, Eighty-ninth Congress, 2129 Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN WIDNALL: Your letter of April 15 was forwarded to me. While I am not in a position here to answer your question at length, I thought I would nevertheless let you have my brief reaction.

Generally speaking I am favourable towards the idea of placing consumer credit controls at the disposal of those responsible for the conduct of stabilization policy. I am aware that such controls involve difficulties as well as questions of equity, but they also offer a possibility to exert influence over the demand for consumer durables which is desirable at times, and permit the application of credit restraints with a lesser rise in long term interest rates and hence restraint on economic growth. While the equity aspects of the down-payment requirement are serious they can be met to some extent, by relating down payment to product price; and the distributional implications of greater emphasis upon general credit restrictions must also be considered.

I am not so sure that the authority for consumer credit regulations is properly vested with the President rather than with the Board of Governors, since this after all is closely related to the Board's other functions. I realize that the Board may not want to use the authority if granted, but perhaps a way could be worked out whereby it might be instructed to do so under certain circumstances.

Sincerely yours,

RICHARD MUSGRAVE.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Ohio.

Mr. STANTON. Mr. Chairman, I believe I heard the gentleman mention the term "panic buying." I believe the gentleman and the Committee will be interested in a letter I received today from the Chairman of the Board of Governors of the Federal Reserve System on just that very question. I took the time to write to him, and to ask him this question:

> Do you see the possibility of public misinterpretation and panic-buying as the result of favorable Congressional action on consumer controls?

Mr. Martin's answer was as follows:

> If the public interpreted Congressional action favoring standby consumer credit controls as presenting likelihood that controls would be imposed soon, in a period when we already are engaged in armed conflict in Viet Nam, it is entirely possible that rush-buying would result.

I thought the gentleman would like to know that.

Mr. WIDNALL. I thank the gentleman for his contribution.

Mr. PATMAN. Mr. Chairman, I yield 10 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, may I say we are not asking for credit controls at this time. We are asking only standby, as a safety measure, if and when it would be needed.

Mr. Chairman, when I came to Congress in 1953, the Korean war was coming to an end and the stabilization powers in the Defense Production Act of 1950 were about to expire, and they did expire, just 13 years ago this month. I felt then, as I feel now, that this statute, which provides much of our basic economic mobilization powers for national defense, should always include authority delegated to the President to take the kind of steps necessary in periods of great national emergency, or of war, to prevent runaway inflation. He would thus have in the stabilization area the same authority the statute gives him in other mobilization activities, such as the power to establish priorities and allocations, to assist in the expansion of productive capacity, to suspend the antitrust laws under certain circumstances, to allow exemptions from the conflict-of-interest laws, and to set up and maintain an executive reserve of private citizens trained to fill government positions.

In 1953, President Eisenhower had just been elected on a campaign based, in part, on a promise to end the price, wage, rent, and other stabilization controls in effect during the Korean war. He apparently felt strongly that any request for a continuation of authority to exercise such controls would be a repudiation of his campaign promises, and he discouraged the idea of writing standby economic controls machinery into the act when it was extended in 1953. In doing so, he overrode the advice of the member of his own party who had recently become chairman of the Senate Committee on Banking and Currency, Senator Homer Capehart of Indiana, a longtime critic of the operation of the direct economic controls during the Truman administration, who had subsequently urged early in 1953 that standby control powers should be enacted. In any event, just 13 years ago this month, with President Eisenhower's concurrence, economic stabilization powers in the Defense Production Act were allowed to end. They have never been revived since then.

I do not know of any time in the next 8 years when we needed price, wage, rent, or salary controls, or controls over installment credit, or any period in which they would have been invoked if the legislative authority had existed for their use. Our problems for the 8 years 1953–61 were more frequently those of periodic recession rather than runaway inflation. Since 1961, we have had a tremendous expansion in the Nation's economy, so that with the added burden of high military expenditures in Vietnam, we have experienced some inflationary trends which have been worrisome—particularly in interest rates—but we have nevertheless still not had a time when anyone could legitimately see the need for direct economic controls over prices, wages, rents, salaries or installment credit.

Let us all hope and pray we do not ever again reach such a point of inflation danger or military emergency.

However, I think we make a serious mistake in not being adequately prepared—with the necessary legal machinery in being—to meet any sudden, serious threat to this Nation's economic safety.

This was the point I was trying to make in our hearings on this bill when former Florida Gov. Farris Bryant, Director of the Office of Emergency Planning, testified before the Committee on Banking and Currency on March 9. Out of that questioning, and of additional questions raised by Congressman REUSS, came the amendment which Mr. REUSS offered in the committee to include standby authority for credit controls in the Defense Production Act. I favor this amendment, as did a majority of the members of the committee. I urge the House to study this issue in its proper context—not as a measure to invoke immediate, and obviously unnecessary, controls over the American economy, but rather as one which would give to the President powers he may or may not ever need—but which he certainly would have to have quickly if he should need them—to regulate the terms on which credit could be extended if credit were, or threatened to become, a seriously unstabilizing factor in a critical period of national safety.

I am sure no one on the committee who voted for this amendment did so in the belief that we are now experiencing the kind of situation in which credit controls are necessary. The administration certainly does not believe we are in that kind of situation, and I certainly do not either. In authorizing these powers, Congress would be restoring to our mobilization economic structure an important—a vital—component which was allowed to fall away 13 years ago.

As the Washington Star said in an editorial last Saturday, in endorsing the position I have taken in my supplemental views in the committee report on this bill, the chief advantage in authorizing standby controls now is psychological, adding:

> If the Asian war worsens, and fears of future controls send customers rushing to buy up commodities before any law takes effect, we will defeat the purpose of the measure.

The Star then referred to the point I made in my supplemental views in House report 1411 that if Congress waited until a real emergency were upon us before legislating the controls we would then immediately need, it would have to begin to consider the authorizing legislation "under the worst possible economic, emotional, and psychological conditions to achieve reasoned judgments and make intelligent decisions." I think it is a valid point, and I am glad that the Star thought so also.

If you remember back to 1950, Mr. Chairman, it was nearly 3 months after the start of the Korean war before the Defense Production Act was written into law, and in that period, prices soared and buying reached almost panic proportions. The regulations on installment credit were the very first economic controls to be imposed under that law—far in advance of the imposition of price, wage, and salary controls authorized in the same law. Credit curbs are essential in a real inflationary emergency.

None of us wants to go through again the kind of economic dislocation which followed the Korean war, or the start of World War II, and we pray that the kind of controls needed then will not be needed again. But this amendment to the Defense Production Act is good insurance to protect the economy if such emergencies should arise. I do not see how anyone can object to giving the President the power to determine the duration of an installment purchase contract in a period of national emergency, or the percentage of downpayment, when the President already holds in his hands the power of life itself over all of us in the nuclear weapons exclusively at his disposition.

Are we to believe that a President who has the sole power to "push the button" to plunge the world into nuclear war cannot be trusted to use cautiously and intelligently the power to limit to, say, 18 months, the period of time in which Americans can stretch out the repayment period on such things as television sets if we were in an inflationary spiral threatening the economic life of this Nation? I am sure the opponents of this amendment would not claim that Americans should be willing, in times of national emergency, to risk their lives but not their freedom to go too deeply into debt for too long a period for something they may not need.

Mr. WIDNALL. Mr. Chairman, at this time I yield 10 minutes to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Chairman, I support the extension of the Defense Production Act, but I think it is very unfortunate that a committee amendment is going to be offered to give the President standby controls over consumer credit.

I think the proposed consumer credit control provision is one of the most indefensible pieces of legislation we have seen this year. It is an attempt to put the burden of inflation on the little man in the street while Government spending—the principal root of the problem—continues to escalate. It is an attempt to make the little man in the street shoulder the burdens of inflation while the rich investor pockets the profits of that same inflation by investing in FNMA participations to help the President juggle the budget.

In my opinion, Mr. Chairman, this provision to give the President standby control over consumer credit is a cruel joke. Trying to control America's inflation in this way is like trying to save ammunition by stopping machinegun fire while the howitzers are still going full blast. The howitzer I am talking about is Government spending. Of course, I realize that the "spendocrat" social-planning wing of the Democratic Party wants to try and shift attention from our inflationary budget. They will do anything that makes non-Government spending bear the burden that Government spending ought to bear. For political reasons, they do not want to cut back on the Government's social-planning spending programs.

For example, I think we would be much better off junking the poverty program and saving almost $2 billion per year that way than raising taxes and burdening the little guy with credit controls. Now I know some people will say that the poverty program helps the little people, but this is propaganda—pure and simple. The poverty program helps the social workers. It gives social workers fat jobs and poor people the horselaugh. It is a sociopolitical power grab.

There is nothing so lacking in the Johnson administration as the ability to tell the truth about diplomacy or finance. I imagine this is because the truth would be so hard on the Johnson administration. Less than half the people in the country approve of the way the President is doing his job. If the people of this country knew the truth, the President might set an alltime low-water mark. I do not think the people of the United States want him given dictatorial economic power.

I would like to take a minute, Mr. Chairman, to compare the terms of the consumer credit control provision we are discussing with the techniques of administration finance. First we have regulation of the amount of consumer credit which can be extended and the purposes it can be extended for. The Democrats are hypocritical here. The administration has just enacted a fancy trick-borrowing scheme—and I am referring to the Participation Sales Act—so they can get around their borrowing restrictions.

Now they want to clobber the little guy. Then there is another part of the proposed consumer credit control provision—it would give the President the power to set maturity and loan-to-value ratios. Here the Government would be setting standards it does not use itself. The Federal Government is about to borrow to the hilt against the lowest quality Government paper. Again, I refer to the Participation Sales Act. We hardly need talk about the administration's respect for restrictions on the maturity period of Federal obligations. The administration is not, strictly speaking, allowed to borrow for more than 5 years at rates in excess of 4¼ percent. The Participation Sales Act of course makes a mockery out of this requirement.

And this is not all. The consumer credit controls would give the President the power to regulate just about every aspect of consumer credit. He is specifically empowered to regulate any elements in the extension of credit he deems necessary to carry out the provisions of the title. This is enough to allow the President to promulgate the controversial truth-in-lending bill—which may be somewhat misnamed—without going through Congress.

I resent very strongly, Mr. Chairman, tying the little guy in the street up in a mass of credit restrictions which the Federal Government perpetually violates with respect to itself. The little guy in the street is not to blame for inflation. The "spendocrat" Democratic administration is. I will not support any trick measure designed to make the little guy on the street suffer so that the administration does not have to cut back on its spending, which is the root of the problem in the first place.

I could quote a number of economists on this topic. Congressman WIDNALL has already read letters from them. I could dwell on the fiscal and monetary inconsequentiality and implausibility of this measure at this time. But I will not. I want to get right at the guts of this question. I would like to tell the Members of this House what the Washington Post called this credit provision. They called it a "special tax on the poor." Maybe the Members will remember what the New York Post—another liberal paper—called the Participation Sales Act. They called it a windfall for big investors—fat cats, if you will.

Mr. Chairman, I am tired of this administration's fiscal deception. Everything this administration does is a low blow aimed at the everyday taxpayer and borrower, while the fat cats get paid off to go along with the President's power-grabbing bills. This is a fat-cat administration and the people are starting to know it. Perhaps they are starting to read as I did—in the New York Times magazine section on June 5—that the President of the United States used to refer to Texas liberals as "red eyes" and "red hots" and even "pinkos." Who were his friends—the fat cats? Well, they still are his friends.

Our committee is presently investigating the ownership of the member banks of the Federal Reserve System. It seems that we are starting to turn up some interesting things in Texas. I will bet dollars to doughnuts that we do not pursue this topic very far.

Fiscal honesty is not something I look for from the fat-cat administration. They are out to sock the little guy. This credit control provision would sock the little guy right in the teeth. I urge its defeat.

Mr. PATMAN. Mr. Chairman, I yield 12 minutes to the gentleman from Wisconsin [Mr. REUSS].

Mr. ALBERT. Mr. Chairman, will the gentleman yield just for a question?

Mr. REUSS. I yield to the gentleman.

Mr. ALBERT. I wonder if my good friend, the gentleman from New York, would substitute a lottery for the President's fiscal program?

Mr. FINO. If the gentleman will yield to me, I would say to him that the lottery proposal might be a better idea.

Mr. REUSS. Mr. Chairman, I rise in support of the consumer credit amendment that has just been discussed so colorfully by the gentleman from New York [Mr. FINO].

The gentlewoman from Missouri [Mrs. SULLIVAN] and the distinguished chairman, the gentleman from Texas [Mr. PATMAN] have given an accurate account of exactly what this amendment does. It is purely a standby provision.

Let me relate it to the current state of the economy, where there are incipient inflationary pressures but where no member of the House Committee on Banking and Currency feels that credit controls have to be installed now.

Now look at what is going to happen. Within a few weeks, I hope, the Congress will adjourn and go about its business back in our districts, not to reconvene until next year. In the interval it is entirely possible that inflationary pressures of a severe nature might present themselves.

Now the administration has a certain number of weapons in its anti-inflationary arsenal. It has, for example, through the so-called independent Federal Reserve System the power to tighten money further. It has the power to impound appropriations and thus slow down spending. But it does not have, and it is the object of this amendment to see that it has, the power to control the amount of the down payment and the length of the term of consumer installment credit.

Unless this is done—unless the administration is given the power to vary the process of simply raising interest rates endlessly as a method of combating inflation—all of the impact of the anti-inflationary effort, should one of a major nature become necessary, is going to fall on small business, State and local governments, homeowners, and on consumers generally.

Now let me refer to the observation just made by the gentleman from New York [Mr. FINO] about the fat cats and particularly about the little guy—who the gentleman from New York, after announcing that he wished to abolish the poverty program, said he was for.

I will concede there is a difference between rich people and poor people—rich people by and large have more money. But that is not a circumstance legislated by the Congress—or which is before us in this bill.

What are the alternatives, so far as the small man is concerned, if inflationary pressures develop, to the prudent use of consumer credit controls? If the administration has no power, should it become necessary to impose controls over how much a man may buy on the installment plan, what is going to happen?

Well, in the first place, you are going to have a backbreaking inflation. And this is going to sop up the savings and the purchasing power of the little guy who is supposedly so much the object of everyone's affection.

Or, take the other alternative—drastic increases in taxation. This will have the effect of not merely telling the little man that he cannot make a particular installment purchase which he might otherwise like to make—but it tells him that his money is going to be taken from him and it is going to be gone forever rather than merely preserved for him so that he will be able to make an installment purchase at some later time.

Now it is said also by our friends on the Republican side that the administration has refused to lift a finger for this provision. In fact, it has said that, while it would not object to the power over consumer credit being lodged with it, it has not affirmatively requested the power. That is true.

But I wonder whether our Republican friends are not a little unfair in their criticism of the administration? If the administration goes all out in support of a measure, it is accused of arm twisting. And if it shows a modest restraint in its support of a measure, as it does in this case, then it is accused of not lifting a finger.

It is very hard to please the members of the minority on this point.

Interestingly enough, Chairman Martin of the Federal Reserve Board was asked before the Committee on Banking and Currency only last week whether he favors the enactment of the standby consumer credit provision that is before us today and his answer was a forthright—"Yes."

My friend, the distinguished gentleman from New Jersey [Mr. WIDNALL] has read into the RECORD a number of comments by economists of high and low degree throughout the country on this provision. It is true that a number of people say they do not like it. However, the gentleman from New Jersey [Mr. WIDNALL] was good enough, when I asked him the other day if I could see these comments, to show them to me. I found some very distinguished economists saying some very affirmative things.

For example, the Kennedy-Johnson chief economic adviser, Walter Heller, of the University of Minnesota, said:

> I think it makes sense to have the standby consumer credit controls in the Government's arsenal of potential weapons. * * * on balance, I tend to favor the granting of this standby authority.

Or take Dean Neil Jacoby of the University of California, who, incidentally, was President Eisenhower's economic adviser. He said:

> It is my considered judgment that the national interest would be served by giving the President "standby" authority to regulate the terms of extension of consumer credit. In fact, I have testified in support of this policy before the Joint Economic Committee in times past.

Or Dr. Richard Musgrave, now at the Institute for Advanced Studies, Vienna:

> Generally speaking I am favorable toward the idea of placing consumer credit controls at the disposal of those responsible for the conduct of stabilization policy.

Or even take one who, like Eisenhower's economic adviser, Henry Wallich, of Yale, is not convinced of the necessity at this moment of imposing consumer credit controls, and who adds this:

> Consumer credit controls are a recognized means of avoiding excessive credit expansion. They have been used in the past and seem to be reasonably effective if properly administered.

This, then, is a matter properly for the Congress to decide. The administration has not taken an aggressive position. But since when is Congress bereft of its powers and duties because its arm is not being twisted by the administration? It seems to me that we have an opportunity to test the sincerity of Members when they say that they are opposed to inflation. If you are opposed to inflation, I ask that you not let Congress leave this summer without giving, in the period which will intervene before we meet again, the power to control consumer credit.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Iowa.

Mr. GROSS. Would the Executive have similar power, as is here proposed, to regulate prices and wages?

Mr. REUSS. No, it does not, and I am glad that it does not. I would oppose any measure which would now be introduced to empower the administration to exercise price and wage controls. I do not think they are necessary. Consumer credit controls are on a vastly different order because they work on financing, just as the Federal Reserve's monetary power works on financing.

Mr. GROSS. That is the only explanation which the gentleman has for not accompanying the proposal contained in the bill with wage and price controls?

Mr. REUSS. Oh, no. My explanation on that was clear, but I will make it even clearer. I believe in a free economy, and I am opposed, certainly in peacetime, to the imposition of wage and price controls. I believed they were necessary in World War II. They were necessary in the Korean period, but they are emphatically not necessary now, and since they are not necessary and they are police powers that no free government gladly takes, I oppose them, and I would hope that the gentleman from Iowa would oppose them with me.

Mr. GROSS. I do not want to engage in semantics with the gentleman, but is the gentleman agreeing with the chairman of this committee that we are now living in peacetime?

Mr. REUSS. We are living in an economic period in which the economic strain is infinitely less than it was in World War II or in the Korean war period. I will not engage in semantics either with the gentleman about what is going on in South Vietnam. So far as I am concerned, it is a war, but it is not a war that is presently making the drain on our economy that either of the other greater engagements which I have mentioned did.

Mr. GROSS. I would hate to try to convince the fighting men in Vietnam that this is a peacetime.

Mr. REUSS. The gentleman is correct, and I just said that I would not attempt to tell our soldiers over in the Far East or anyone else that this is anything but a shooting war that is now going on.

Mr. FINO. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from New York.

Mr. FINO. I want to thank the gentleman for yielding to me. I just wish to make sure that we all understand exactly what is going on this afternoon. Is it not a fact that the President of the United States has not—and I repeat, has not—made a request for these standby credit controls?

Mr. REUSS. That is correct. What the President has said, as reported to the Banking and Currency Committee by Gov. Farris Bryant is as follows:

> The President has not requested such authority. These comments do not necessarily imply that it would be undesirable for the President to have standby authority if Congress wished to place it in his hands.

That is precisely the situation, and I say, as a member of the President's party, that I do not consider myself precluded from exercising the powers of Congress to coin money and to regulate the value thereof, which is given us by the Constitution, whether or not the President requests a particular power.

Indeed, if I may say so, if I were a member of the minority, I would be out here today plumping for giving the President these powers, because if the powers are lodged in the President and we have an inflationary situation next October, when we are all back home, if he does not get these powers he will then be able to say, "It was the Republicans who on the floor of the House prevented me from getting these powers."

Mr. FINO. Is not the gentleman saying the reason we are proposing standby controls at this time is that if there should be a further depression in our economy, that by that time we may be out of Congress and the President will have difficulty in controlling the credit problem?

Mr. REUSS. That is precisely the point.

Mr. FINO. I want to say to the gentleman from Wisconsin [Mr. Reuss] that he is very optimistic when he says we will be out of here in a couple of weeks.

Mr. REUSS. I did not say a couple of weeks. I said a "few," and "few" is a word of large and liberal connotation.

Mr. PATMAN. Mr. Chairman, I yield 3 additional minutes to the gentleman from Wisconsin [Mr. Reuss].

Will the gentleman yield to me?

Mr. REUSS. I yield to the distinguished chairman of the committee.

Mr. PATMAN. Mr. Chairman, may I call the gentleman's attention to page 36 of the hearings on a bill before our Committee on Banking and Currency, at which time Mr. Schultze, the Director of the Bureau of the Budget, was testifying. After giving his reasons for standby authority for the President, he added this last paragraph:

> Nevertheless, as a measure of protection against future contingencies not now visible, if the Congress should wish, there would be no objection to provision of standby authority to enable the President to institute controls if and when such action became appropriate.

So certainly the administration is not opposed to it.

Mr. REUSS. I thank the distinguished chairman. That accurately expresses the administration viewpoint. It has not asked for it, but it would not object to the powers being granted. The question for the conscience of each Member of this body is whether or not he believes that inflation is a danger, and whether we should refrain from vesting in the administration the powers that it may find necessary to exercise when we are not here on a day-to-day basis.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, further confirmation of the resounding silence on the part of the administration is to be found in the fact that there is not one word in the report on this bill to indicate that the administration supports the request for controls.

Mr. TODD. Mr. Chairman, will the genlteman yield?

Mr. REUSS. I yield to the gentleman from Michigan.

Mr. TODD. Mr. Chairman, I simply would like to comment that I am somewhat surprised that the minority feels we should not pass a bill which is not supported by the administration. As a junior Member of this body, I am quite willing to pass a worthwhile bill regardless of administration support.

Mr. REUSS. I thank the gentleman.

Mr. WIDNALL. Mr. Chairman, I yield to the gentlewoman from New Jersey [Mrs. Dwyer] for a unanimous-consent request.

Mrs. DWYER. Mr. Chairman, I rise in opposition to the pending legislation in its present form.

Mr. Chairman, I oppose the provision in the pending bill giving the President standby authority to impose consumer credit controls—and I shall support an amendment to delete it—because it is unnecessary, unasked for, unproductive, unwise, untimely, and unfair.

If such authority should be given to the President, the majority in Congress would be in the completely indefensible position of first, voluntarily relinquishing one of its most significant powers without so much as a request from the White House; second, encouraging the use of the most severe anti-inflationary weapon before it has even tried other and less dangerous means; third, contradicting the judgment of its own administration whose spokesman, Secretary of Commerce Connor, just this week announcing that a tax increase—certainly a less drastic step than direct economic controls—was not needed now; fourth, flying in the face of the great majority of the country's best economists, representing all economic philosophies, who oppose the institution of credit controls; and fifth, favoring the use of a device which bears hardest on low- and middle-income families who find it necessary to use credit to buy the things they need.

So once again, Mr. Chairman, it is the Republicans in Congress who by opposing standby credit controls are coming to the defense of the American people—just as we have by urging effective steps to control inflation and by opposing the Sales Participation Act which guarantees high returns to the biggest investors at the expense of the average taxpayer.

Mr. WIDNALL. Mr. Chairman, I now yield 5 minutes to the gentleman from New York [Mr. HALPERN].

Mr. HALPERN. Mr. Chairman, I join in voicing strong objection to granting this administration, or any administration, standby control authority over consumer credit.

This would be a most unwise departure. And I emphatically deny that this is the proper means, under existing circumstances, to deal with inflation.

By enacting such authority, we will very likely face the reality of anticipatory or panic buying. And this will inevitably inflate prices further.

During our committee's recent hearings on certificates of deposit, I took the opportunity of asking members of the Board of Governors of the Federal Reserve what they thought of standby credit controls. I had to take that opportunity to break in on an unrelated subject because our committee up to that point did not previously hear witnesses on this serious question of controls over credit.

None of the members of the Federal Reserve Board of Governors I queried wanted to impose consumer credit controls at this time.

And among representatives of the academic world, from whom we heard, there was dissension about whether to locate this power with the Fed or with the President.

In response to my question, Andrew F. Brimmer, President Johnson's recent appointee to the Board's Governors, expressed the sentiment that if the Congress passed this authority, it may be adversely interpreted by the public at large. In other words, developments in the real economic world may be far different, as a result of this imposition, than we here in Congress intended.

I quote from Mr. Brimmer's testimony, in answer to my questioning. Remember, this quote is from President Johnson's own appointee to the Board. He said:

> I would not encourage the Congress, if they were to ask my opinion, to enact such legislation.

Dr. Deane Carson, professor of banking at Columbia University, also in answer to my question, said he was, and I quote, "skeptical about giving this power to the President unless the Congress is presently convinced that these controls are necessary." This is the point: we are not convinced that these controls, at this time, are necessary.

Other noted economists, Mr. Chairman, such as Raymond J. Saulnier, are equally opposed to this kind of discretionary authority.

In conclusion, it will be seen that this kind of selective control is discriminatory; it discriminates between the man with ready cash and the man who must buy on credit. And those who are forced to buy on credit are generally the people in the lower income brackets.

The imposition of consumer credit controls would represent, in effect, a tax on the poor.

And I submit that there are more equitable and more practicable means of dealing with inflation and tight money.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. HANSEN].

Mr. HANSEN of Iowa. Mr. Chairman, I rise in support of the extension of the Defense Production Act of 1950 to June 30, 1968.

The only aspect of this bill to which there is any opposition is an amendment introduced by my colleague, the gentleman from Wisconsin, giving the President standby authority to regulate consumer credit if, in the opinion of the President, this becomes necessary.

We have heard a lot of talk in recent years about the need for flexibility and quick action to counteract certain forces influencing the economic well-being of our country. One of these forces is the tremendously expanding area of consumer credit; as reported on June 15 in an editorial in Forbes magazine. If and when it becomes necessary to regulate consumer credit for the benefit of our economy, I feel that the President should have the authority to institute such controls quickly without the necessity for coming to Congress and going through a long involved process which may take so long that the damage will already have been done before the necessary restrictions on consumer credit can be imposed.

Therefore, I support the Reuss amendment which would give the President discretionary controls when the stability of our economy is adversely affected by the overextension of consumer credit.

Mr. Chairman, I include with my remarks at this point an editorial published in Forbes, June 16, 1966, with respect to this problem.

HOW ARE WE DOING?

> Awfully well.
>
> Despite the stock market drop, despite the decline in auto sales, despite the slowdown in housing starts, business is moving along at a fast clip.
>
> Offsetting the aforementioned negatives is the fact that virtually all other indices continue to move ahead. Additionally, farm income is way up—more than 10% in the first quarter. Manufacturers' order backlogs continue piling up.
>
> There is still good reason to hope that sufficient caution remains to slow things down enough to avoid a rate of inflation that would bring on additional taxes and an even sharper application of credit restriction.
>
> One disquieting factor: Consumer debt continues to soar, although the rise did slow down in April. As of the end of March this year, outstanding credit was $88 billion as against $77.8 billion in March 1965, a far greater growth in debt than the growth in the GNP and in savings. And the continuing rise in business debt isn't helping the inflationary situation either.
>
> Interestingly, when I asked our Washington office to check these figures and facts, they reported: "Administration economists agree with your figures, but they don't buy the theory that consumer debt going up faster than the GNP and savings is ominous."
>
> They don't, but I do. The slight one-month leveling off of the rise in consumer debt is much too slim a bit of evidence for the conclusion that the pressures are really abating.
>
> The fact of the matter is that our economy right now is in a "delicate condition." It's not yet clear what we are about to give birth to.

Mr. WIDNALL. Mr. Chairman, at this time I yield 10 minutes to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY of Michigan. Mr. Chairman, I rise in support of those provisions of the bill extending the Defense Production Act of 1950 for 2 additional years. I rise in opposition, however, to section 3 of the bill granting to the President standby controls of consumer credit. I have listened with interest to the remarks of the gentleman from New Jersey, the distinguished ranking minority member of our committee, and I am pleased that he has opposed standby consumer credit controls on economic grounds. I, too, am pleased that the issue of inflation has come before this body. Most of us would agree that we presently face dangerous inflation.

Most of us in the minority would disagree, with the reinstitution of consumer credit controls as the proper weapon with which to fight inflation. The majority have failed, in my opinion, to establish a case for the granting of such unlimited powers to the President at this time.

Moreover, I would argue with the contention that our past experience with standby consumer credit controls warrants their ever being reinstituted again as an anti-inflationary weapon.

What disturbs me is that the House of Representatives is being asked today to impose direct Federal Government controls over a huge expanse of the private marketplace. President Johnson has said on several occasions that he would oppose direct wage and price controls. But section 3 of the bill before us would do just that insofar as granting unlimited powers over the price of credit in the private marketplace.

Just yesterday it was announced by the Chase Manhattan Bank that loan rates on automobiles, home improvements and most other installment loans underwritten by that bank would be increased by one-half of 1 percent. This move is expected to be followed by other banks throughout the country and will further tighten credit for most new installment debt. Furthermore, while rates are going up, that only tells a fraction of the story, because many banks are cutting down on the amount of loans for home improvements and other installment purchases.

I listened with interest to the gentleman from New Jersey when he said that the burden of standby consumer credit controls would fall on newly married couples and low income families.

From recent studies there can be no doubt that most installment debt is extended to heads of households in the 25- to 34-year-old age brackets. This is precisely the age range when most young couples are moving from an apartment into a newly purchased home and it goes without saying that literally millions of World War II babies are within a few years of reaching this age bracket.

It has also been contended that installment debt repayments constitutes a growing burden on the economy, insofar as it represents an inordinate burden of future disposable income for the payment of previously incurred debt. Figures also dispute this contention, for in 1954 installment debt repayments constituted 18.9 percent of disposable income in the United States. In 1962, this percentage decreased to 15.7 percent.

Just last year the Bureau of Business Research at the Graduate School of Business Administration of the University of Michigan concluded a lengthy study of consumer debt entitled "Consumer Installment Credit and Public Policy." This work represents perhaps the most thorough analysis ever made of the question before us today.

On page 176 of this book the three authors reached several interesting conclusions.

First. Do movements in consumer installment borrowing make the economy significantly more unstable?

The authors say "No."

They conclude that in the postwar years installment debt has been markedly less important than, for example, swings in inventory accumulation during reversals of business activity. In recent years annual changes in installment debt outstanding have been equal to about one-seventh of the annual changes in gross national product.

Second. Is direct regulation of installment borrowing essential for the effective operation of general monetary and credit policy?

Again the answer, according to this study, is "No."

Present instruments of monetary control can be expected to limit appropriately the expansion of total credit. Since the reactivation of monetary policy in 1951, the Federal Reserve Board has been fully capable of bringing pressure on the money market when it deemed that course to be good economic policy. This is precisely what is occuring today with regard to yesterday's announcement by the Chase Manhattan Bank.

Third. Would Government regulation of installment borrowing enhance the welfare of consumers themselves by curbing their propensity to buy on time?

Again the authors of this study say the answer is "No."

The authors contend that they believe in the sovereignty of consumers; that it is for them to decide the best way to allocate their resources. Moreover, there is no assurance that money not spent on TV sets or automobiles would be spent in "better" ways. This is at the crux of the question before us today. If we enact this committee recommendation, we are placing the judgment of the Congress ahead of the judgment of the consumers as to what, when, and where they should make their purchases.

Fourth. Do the lessons from our past experience of controls on consumer credit suggest a need for their continuation?

University of Michigan study again says "No."

Their findings were that whatever the form of controls employed, selective direct control of installment credit poses many difficult problems of administration and equity. The study further contends that when regulation is proposed in peacetime as a continuing control, consumers are less likely to be willing to comply than when it is proposed in wartime as an emergency measure.

Mr. Chairman, the case has not been made for reinstitution of standby credit controls. The case cannot be made, and therein lies the possible reason why our committee did not call in any witness.

I urge the House to delete section 3 and, if we are truly interested in holding back inflation, let us look to far more fertile fields of endeavor.

Mr. FINO. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, section 3 of this bill, H.R. 14025, would give the President standby controls on consumer credit.

Several of the minority members of the committee have asked this question: Why should the Congress seek to impose spending controls on the consuming public when it refuses to curtail Federal spending itself?

I ask the same question, and I believe the public will want to know the answer to that question, too.

We are in the midst of a terrific spending spree by the Federal Government. Some estimates indicate that the Great Society programs which have been initiated on a small basis will grow some sevenfold in the next 5 years. Programs now costing $3 billion will cost $21 billion by 1970.

The best way to combat mounting inflationary pressures would be to cut back sharply on Federal spending. I have supported such efforts and will continue to do so.

I do not believe direct controls are the answer, but if they are to be used, surely they must be applied to wages and prices as well. It is hard to believe that controls on consumer credit alone would accomplish much.

If such controls are necessary, Congress can enact them when necessary. I will not surrender this authority to the President, thus allowing him to impose controls whenever he desires. Congress already has yielded far too much authority to the executive branch.

Furthermore, the most effective control on credit is higher interest rates, and Government policies already have contributed to setting high interest rates.

Mr. Chairman, I believe it is illogical and unfair to impose credit controls on the public when we have not imposed realistic spending restraints on the Federal Government.

Mr. FINO. Mr. Chairman, at this time I yield 5 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, the title of this bill, the terms of the bill, and the committee report accompanying the bill make it crystal clear that the purpose of this measure, and its predecessors, is to facilitate our being able to meet our military defense needs.

Its purpose is not to buy and sell materials for revenue. Its purpose is not to buy and sell materials to fix prices. It has but one purpose; to serve our defense production needs.

Under this law we stockpile certain basic materials, such as copper, aluminum, magnesium, vanadium, tungsten, and a long list of others. The present Defense Production Act stockpile market value is almost $1 billion. The market value of all three of our present defense stockpiles exceeds $8 billion.

I agree that the stockpiling of these materials is essential to our maintaining a state of preparedness to meet emergencies. I agree that there must be a system for the allocation of materials for defense purposes and for the establishment of priorities for carrying out defense production needs.

But, Mr. Chairman, the administration has seen fit to use this particular defense stockpile for other than defense purposes. It construes the words "national defense" or "common defense" as meaning "general welfare" which, from the point of view of the administration, means "Great Society programs" and policies.

I object, and I object most strenuously, Mr. Chairman, to our stockpile of defense materials being used to control prices and for fiscal manipulation. As I pointed out in remarks I made on the floor last month when we had an armed services stockpile sale authorization bill under consideration, the administration threatened to dump 200,000 tons of aluminum on the market when the aluminum industry announced a proposed price increase, and the sole purpose of this action was to force industry compliance with Government dictates.

Whether the aluminum industry's proposed price increase was justified, I do not know. I am not defending the aluminum industry. But that is beside the point. What I am objecting to is the administration—this or any other administration—proceeding to use these materials in stockpile for national security purposes to control prices and regulate our economy.

There must be an end to this practice. I propose two things. First, that we place our present three stockpiles—the Defense Production Act, the Strategic and Critical Materials Act stockpile, and the supplemental stockpile—into a single stockpile and that we stipulate that approval of Congress must be obtained for the release of the materials as presently provided in other than the Defense Production Act stockpile.

I also propose that we make whatever amendment is necessary to existing law that will allow no other interpretation of such terms as "national defense" or "common defense" than military requirements. Defense means defense; but not to the President. He construes the term "defense" to mean almost anything that promotes his Great Society concepts.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman.

Mr. PATMAN. I believe the gentleman is talking about another act of Congress. The act of Congress that he is speaking about is the Strategic Critical Materials Stock Piling Act. But this is the Defense Production Act, and an amendment, I do not believe, would be germane.

Mr. ARENDS. I have no intention of offering an amendment to this bill. I am taking this opportunity to again this afternoon call attention to what I believe is a very important and vital matter; namely, that the Congress gain control of all stockpiling programs and that through the Congress, and only the Congress, can they be used.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I have asked for this time to reply with reference to the principle involved in the statement of my friend who just left the well of the House, the gentleman from Illinois [Mr. ARENDS].

These stockpiles were accumulated with the taxpayers' money. It is true that they were accumulated for the benefit of the Nation. The people who produced the copper and the aluminum made their regular profits and in some cases extortionative profits from the sale of those products to the Treasury of the United States.

I think the principle of using something that the taxpayers have paid for and which lies dormant, with a tremendous investment of Federal moneys in it, is a pretty good principle when you use it for the benefit of the taxpayers who have paid for it. When the corporate profits in this country are higher than they have ever been in the history of the country—and I am talking about copper profits and aluminum profits and the profits on these other critical materials—then I say it is a good principle and I say the President has the right to hold those assets which were accumulated with the taxpayers' money from taxes for the benefit of stabilizing the economy where inflation and high profits obtain. So I am just saying this in opposition to the gentleman's philosophy in the remarks he just made.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. ARENDS. I trust I have not misled the gentlemen. What I am speaking about is a principle. I could just as well apply it to what is being done today through the activities of the Commodity Credit Corporation. As you well know or should know and as I know, we are constantly controlling feed grain prices in this country. It depends on what Mr. Freeman or any other Secretary of Agriculture wants to do. I do not care whether he is Republican or Democratic. I feel it is absolutely wrong for any Secretary of Agriculture to control the prices of commodities in the marketplaces through releasing of stockpiled commodities.

Mr. HOLIFIELD. I will not argue the question of feed grains with the gentleman from Illinois. I am speaking of the principle as applied to metals.

Mr. ARENDS. It applies to both. These stockpiles should be in the control of the Congress of the United States. It is not the President's money that is involved; it is the people's money that is involved in these programs, and we, the Congress should determine when and how it is handled.

Mr. HOLIFIELD. If the President is not acting according to his authority and according to law, why does not the Congress pass a law which would prohibit him from acting in any other way than for the benefit of the taxpayer?

Mr. ARENDS. I plan to introduce such a bill. I hope we can get all stockpiles before Congress and under our control. Let us handle them all. How we handle them is beside the question. But let the Congress take complete jurisdiction and the country will be better off.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Missouri.

Mr. CURTIS. I would simply make this observation: I think when we wrote the stockpile laws originally we made it very clear that they should not be used for stabilizing prices but only for the defense of this country, and Congress did everything it could, I think, in clear language, to forbid the Executive from using the stockpile to control prices.

Mr. HOLIFIELD. That is the gentleman's interpretation, but if the gentleman believes that the President has been doing something contrary to law, why does not the gentleman point it out?

Mr. CURTIS. I have in committee hearings in examining Cabinet officers and on the floor of the House in a number of speeches. I do not want to bring impeachment proceedings at this point.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Illinois.

Mr. ARENDS. If the gentleman has time, he might examine some of the record which was recently made in the Armed Services Committee with relation to what happened to the stockpile of copper when it was released the last time. I have no ax to grind. I know no people involved in this, but I have read into the record—and it has never been refuted—what happened when copper was released the last time. You might be amazed.

Mr. HOLIFIELD. Let the gentleman inform me what did happen. I would be glad to read it.

Mr. ARENDS. Let me say this. The Congress in its collective judgment would do a good job of handling this matter if we had the control thereof.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Pennsylvania.

Mr. DENT. I do not know what happened in respect to copper, but if it had not been for the President opening up the stockpile on molybdenum, the specialty tool industries of this Nation would be shut down right now. If they had not maintained the stabilized price, which is governed by the purchase price of the Government in acquiring its stockpile, the inflationary cost of the molybdenum in the hour of need, at this very moment, would have been so great that we would have lost even more of our specialty steel business to European exports.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WIDNALL. Mr. Chairman, at this time I yield 5 minutes to the gentleman from Tennessee [Mr. BROCK].

Mr. BROCK. Mr. Chairman, in commenting on the colloquy that has just taken place, I would like to point out that perhaps it is time Congress and Washington politicians in general begin to accept some responsibility for what is going on. I am tired of blaming everyone except ourselves. The President blamed the aluminum industry for creating inflation when they raised prices. I would point out, to those of you who do not know, that even after the announced price increase went into effect, their prices were lower in 1965 than they were in 1958. Wages have gone up 48 percent. Federal spending has gone up well in excess of that amount. I think it is time for us to be honest enough to face up to our responsibility for the inflation now upon this Nation.

I rise in opposition to the committee amendment authorizing standby consumer credit controls, because again, in the same sense, I feel it is time this House stop passing the buck.

When are we going to accept the responsibility for our actions as individuals and as Members of this legislative body? It does not matter what area we talk about. We can talk about our present monetary crisis—every responsible economist will admit that the reason we are having critical times with the monetary situation is because we have an unrealistic legal ceiling on interest payable on long-term debt, four and one-quarter percent. This has forced the Federal Government into the short-term market, competing with private enterprise, savings and loans, and homebuilders, and that is why we have high-priced money, higher interest rates than necessary.

In like manner, representatives of all philosophies of economics, both the new and the old, admit that we have just about exhausted monetary policy as a tool to slow down inflation, and that we must use fiscal policy. Yet, what do we do here in the Congress of the United

States? We refuse to accept the responsibility for our actions and instead say "Let us pass standby credit controls and give them to the President"—as if he did not have enough problems already—"so that we do not have to be responsible for the criticisms that arise when these controls are imposed."

I think it is time we quit blaming the housewife, business, or labor for the fact that we have inflation. I think it is time we admitted that the actions of this particular body every day of the week, of every week of this 89th Congress, have collectively led to a situation where the Federal Government is spending more money than it has received. This excess of funds has created inflationary pressure on an already burdened economy.

When we are up to 90 percent of production and we pour $10 or $15 billion of Federal deficit dollars into this economy, it has to cause an increase of prices. Nothing else can happen. There is nowhere else for these dollars to go. Yet what do we do?

Most of this body continues to vote for every program, refusing to set priorities, because it happens to be an election year. Then, in order to pass the buck, you introduce this amendment which places the burden upon the President of the United States, to bail the Congress out when we get into difficulty.

I do not think we are being honest with ourselves. I do not think we are being honest with the people of this Republic. If our actions are leading to inflation, then, when the time comes when we have no alternative but to impose wage, price, and credit controls, let us as individuals have the integrity and the courage to stand up and accept the consequence of our irresponsibility.

Let us quit passing the buck. Let us defeat this committee amendment and accept our responsibility, even now, by curtailing some of the unrealistic and unnecessary programs, or, at least, postponing them until we can afford them. Or, if we do not have the political courage to do that, then let us at least have the integrity to accept the responsibility for our actions when and if these controls become necessary. At that time, and only then, can you stand up and be counted as a Member of this Congress—not delegating your responsibility, but accepting it.

Mr. PATMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. Farnum].

Mr. FARNUM. Mr. Chairman, I have been sitting here and listening with interest to the colloquy and reading the report of the committee. I was reading especially the minority views and the point they make here that we should curtail unnecessary and nonessential Government spending—which I believe every one of us in the House agrees with. But they also point out in their views as nonessential and unnecessary spending, *the recently passed supplemental appropriation bill.* We might just review briefly what that recently passed supplemental appropriation bill included.

There were many small amounts of money in that bill, but particularly I should like to refer to the large amounts in the *supplemental appropriation* bill which has been passed by both Houses of Congress, signed by the President, and is now Public Law 89–426.

It so happens that $381 million of the amount represented grants to States for public assistance, based upon a formula in a legislative act passed by the Congress.

Perhaps they are speaking of payments to trust funds for health insurance for the aged, of $125.8 million; or for vocational rehabilitation, administration and grants to States, $39 million provided therein.

Perhaps it is nonessential, in their determination, to have Congress keep faith with the school districts throughout this Nation, in the payment to the States under title II of the Elementary-Secondary Education Act and the additional amount needed of $184 million, which was included in that bill.

Perhaps it is the paltry sum of $1 million for expansion and improvement of vocational education or the $294.9 million for postal operations from the postal fund.

These perhaps are the nonessential things in their minds, but they were not nonessential or unnecessary expenditures so far as the majority of the Members of Congress were concerned. I ask the gentlemen of the minority not to bandy words carelessly but to be specific as to what are nonessential or unnecessary.

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

The gentleman from Tennessee [Mr. Brock] said that the 4¼-percent, long-term interest rate, which has been in effect since 1918, should be repealed. In other words, he said the ceiling of 4¼ percent should be taken off, and that failure to do that had forced the Government into the short-term market and caused short-term rates to increase.

May I invite attention to the fact that the so-called Operation Twist was used by the Federal Reserve to increase the short-term interest rates and to keep the long-term rates, they claimed, down at the same time. If they had accomplished what they expected to, it would not be necessary to take off the 4¼-percent ceiling.

What actually happened was that the negotiable certificates of deposit came on the scene. The banking system had never, generally, used negotiable certificates of deposit until 1960. It was commenced in that year of 1960. There were about $1 billion by the end of 1960.

Then they commenced to induce the holders of corporate funds, amounting to hundreds of millions and billions of dollars, to stay out of the short-term market. They said, "Don't get into the short-term market. We will sell you CD's, certificates of deposit, for 4 percent." They induced the bidders on short-term Government securities to stay away, by saying, "Don't bid every *Monday. Stay away from the market.*" And they did. They went to New York and bought the certificates of deposit for 4 percent, a good bonus, much more than they were getting under the short-term rates.

But when these certificates of deposit became due last December, in the huge amount of $16½ billion, there was a problem.

We must remember that banks have not traditionally used certificates of deposit. This was something new, and it was only used for the purpose of getting them out of the short-term market, so that the short-term rates would go up.

That is what was done. That is the reason why in December of last year it was claimed by the Federal Reserve that they had to raise the interest rate by 37½ percent, from 4 to 5½ percent—37½ percent—so that those few banks which held the $16½ billion worth of certificates of deposit could roll them over or renew them. Otherwise they could not do so. That is what caused the trouble.

The gentleman from New York [Mr. Fino] said that the Republican Members want Federal spending cut first. He suggested, as is stated in the minority views, that the first thing to be done is to cut Federal spending.

The gentleman from New York [Mr. Fino] remarked that he would like to cut out the $2 billion for the poverty program. That is very disappointing to the Democrats. We thought that the Republicans were going along on the poverty program.

Some of them were talking antipoverty, antipoverty; get in here and help us on the antipoverty drive. We had their support. But all at once they come in here and instead of being antipoverty they are antipoor—antipoor. So I hope they get back on the antipoverty bandwagon and stay off of this antipoor bandwagon.

Mr. BROCK. Mr. Chairman, will the chairman of the committee yield?

Mr. PATMAN. Not just at this moment.

The standby consumer credit control will only be used in the event that the public interest is being abused and the people are being abused, in the event the people engaging in consumer credit are abusing their powers and imposing on the public interest. In the event something like that happens, then the President—and it should be the President, because he is elected by all of the people—should step in and impose consumer credit controls. It is a standby authority. It is just like having a shotgun in the corner in the event it is needed and in the event of trouble. This is a standby provision. I hope it is adopted, and I certainly see no reason why it should not be adopted. The argument that we should reduce the poverty program by $2 billion and reduce these other programs I certainly think is the wrong way to proceed on this. It is not necessary to do that at this point. Possibly we will arrive at that point when we should reduce it but not now. By having the standby consumer credit controls we can prevent the most common abuse in the event of general war or any serious trouble by giving this power.

Now, Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. BROCK. Mr. Chairman, I thank the gentleman from Texas for yielding. I would like to point out to him in suggesting the 4¼-percent ceiling on long-term debt was a proper area for concern I was only echoing the feeling of the gentleman's own Secretary of the Treasury, Secretary Fowler. I would also like to point out that I am not suggesting to the gentleman that he cut any particular program. That is the Member's own discretion, and responsibility.

Mr. PATMAN. Which ones would the gentleman recommend we cut?

Mr. BROCK. My record is inordinately clear on spending, and I think the gentleman knows it.

Mr. PATMAN. Name the program that you want to cut. Are you willing to cut the poverty program?

Mr. BROCK. Yes, sir. I certainly would.

Mr. PATMAN. Which other one would you cut out?

Mr. BROCK. It would take me about half an hour to name them all.

Mr. PATMAN. What about small business? Would you cut that program out?

Mr. BROCK. I would like to point out to the gentleman from Texas all I am suggesting is that we not duck our responsibilities and we quit passing the buck.

Mr. PATMAN. I agree.

Mr. BROCK. If we are going to vote for these programs, then when the time comes that they create inflation, it is then time for us to take on our responsibilities.

Mr. PATMAN. I will not yield for that. We are not ducking our responsibility, but we are assuming our responsibility. It is you gentlemen on the other side who are ducking your responsibility. You gentlemen are voting for this.

Mr. BROCK. How can we be ducking our responsibility when we are taking it here? You are ducking your responsibility by shifting this to someone else's shoulders, by delegating the authority of this House.

Mr. PATMAN. We are against inflation and are willing to allow the President of the United States, who is elected by all of the people, to have the power, if there should be some emergency or some urgency, by way of standby credit controls to meet the inflationary situation caused by consumer credit. So we are on the side of stopping inflation. The gentleman from Tennessee's party is on the side of letting it go. They do not want to stop it.

Mr. BROCK. Mr. Chairman, would the gentleman yield further?

Mr. PATMAN. Yes. I yield.

Mr. BROCK. Would the gentleman not admit that the Sales Participation Act, which we passed only 2 weeks ago, in which we were told the ceiling would not exceed——

Mr. PATMAN. I do not yield for that, because the gentleman has changed the subject. Let us stay on this subject. Suppose you name some more of the programs that you want to cut out. Would you cut out the small business program? You know we are spending a lot of money on small business. How much would you be willing to reduce the small business appropriation? I yield to the gentleman to answer that question but not on the other, because that is a different subject he is on.

Mr. BROCK. The chairman knows that I have supported that.

Mr. PATMAN. Thank you very much.

Now, Mr. Chairman, I ask the Clerk to read.

Mr. RHODES of Arizona. Mr. Chairman, at the June 14, 1966, meeting of the House Republican policy committee a policy statement regarding Extension of Defense Production Act of 1950, H.R. 14025 was adopted. As chairman of the policy committee, I would like to include at this point in the Record the complete text of this statement.

Republican Policy Committee Statement on Extension of Defense Production Act of 1950, H.R. 14025

The Defense Production Act should be extended. However, the Republican Policy Committee is strongly opposed to the provision in this bill that would give the President standby authority to impose consumer credit controls.

Over the vigorous opposition of the Republican Members, and with almost no testimony, this extreme measure was included in the bill by the Democratic majority on the Banking and Currency Committee. If adequate hearings had been held, a great deal of testimony in opposition to this measure would have been presented. For example, in an informal poll taken after the Committee vote, the overwhelming majority of those economists contacted rejected the adoption of standby consumer credit controls. Undoubtedly, testimony of this type would have made it even more difficult for the Democratic majority to rally support for its unjustified action, and it may explain the Committee's steamroller tactics.

As a direct result of this Democratic-controlled Congress having rubber-stamped the grandiose spending program that the President has requested, this country is faced with a serious inflationary situation. Now, rather than cutting back on the President's spending schemes, Congress is being asked to furnish the President the authority to control consumer credit. Certainly, this legislation has great significance. If enacted, it would establish that the present Congress is either unwilling or unable to control the real cause of our present inflationary problem—the Great Society spending. It would indicate that the imposition of governmental controls has been selected as the only way to stem the inflationary tide. This appears to be the Democratic solution to our present economic difficulty. We do not accept this solution nor do we support this abject surrender of Congressional responsibility.

In this period of rising inflation, it is the individual with a limited or fixed income that suffers the greatest hardship. For these people, inflation means a tragic reduction in purchasing power. Now, the Democratic majority would handicap these individuals even more. They would have this Congress enact legislation that could be used to tighten or seriously limit consumer credit. Without question, the real casualty of such credit controls would be the family with substantial needs but moderate means. It is these individuals who do not have the resources to pay cash or to make a large downpayment when they purchase an automobile, a washing machine, a refrigerator or some other household appliance.

We reject a philosophy that would institute controls rather than control unnecessary government spending. We reject a philosophy that would place extreme and unwarranted powers in the hands of the very individual whose spending policies have caused the inflationary problem. We urge this Congress to assert its authority and independence and to strike from the proposed bill the hastily-added and totally-unsupported provision that would arm the Johnson-Humphrey Administration with standby consumer credit controls.

Mr. FINO. Mr. Chairman, I rise in opposition to the proposed consumer credit control amendment.

First, I would like to say that I believe this amendment is unnecessary. I believe this to be true because consumer spending has been slackening in the last few months. The latest quarterly survey of consumers made by the Survey Research Center of the University of Michigan shows consumer confidence and spending on the decline. The survey also tells why consumers are scared and apprehensive. They lack faith in the current economic policies of this administration. They are afraid of inflation. They are afraid because they know that the Johnson administration is not cutting spending like it ought to.

So I believe this amendment is unnecessary. Consumers are not planning to buy consumer goods now because they are worried about the economy, because they are worried about losing purchasing power. They are keeping their dollars for a rainy day, whether or not this makes sense. They are afraid of the inflationary policies of the Johnson administration.

We do not need credit controls. The President of the United States, by pursuing grossly improper economic policies, is scaring this country into a recession. Credit controls are unnecessary.

I must admit that I think the steam is going out of our economic boom. But the President is doing this at the expense of the wrong people. He is making the fat cats fatter and the thin cats thinner. He is fattening the defense industries on the blood money of Vietnam while he is torturing the taxpayer with excess Government spending, high interest rates, increased taxes and inflation.

The basic policies of this administration are extremely inflationary. I am referring to vast overseas and domestic spending. These policies are either wasteful, like foreign aid and poverty spending, or they are fat-cat-oriented, like participation sales. These policies would have tremendous inflationary effects were they not balanced by policies which were anti-inflationary because they take away purchasing power from the ordinary citizen. This kind of anti-inflation policy is unfair.

The President is a revamped Robin Hood. He robs the middle class to give windfalls to both rich and poor. From the one group he gets influential support and from the other group he gets block votes.

I am appalled, personally, by the way in which the Johnson administration has loaded the burdens of our present-day inflation on the man in the street. Instead of cutting back on the wasteful spending at the root of inflation, the President has continued it—slashing at other segments of the economy instead.

He has slashed at the construction industry and at the mortgage market, hurting the homebuyer. He has tortured the public finance structure of this country via the Participation Sales Act to get the money to pay for his inflationary programs, and the taxpayer will pay for it. The Participation Sales Act is also going to drive up interest rates because the

President is giving the fat cats 5.75 percent interest to buy these certificates and help him pull a budget trick. The *little guy in the street will pay. The bill was written on Wall Street by the* fat cats.

I want to say that I don't like giving the fat cats 5.75 percent while the little guy—the patriot who is forced to buy bonds on a payroll savings plan—gets 4.15 percent. Johnson inflation has made savings bonds a poor investment, but the Postmaster General of the United States has been ordered to begin a high-pressure campaign to force civil servants to buy Government bonds. The President wants the little guy to soak up the burden of inflation while the fat cats who help him pull a budget gimmick get a windfall. I am disgusted. That is the only word to adequately describe the situation.

Now we have this program. Another attempt to put the burden of inflation of the little guy—the man in the street—instead of on the Johnson administration's spendthrift policies. The Washington Post called this amendment a "tax on the poor." I urge the liberals in this House to show some intestinal fortitude and oppose the "fat cat" administration's "tax on the poor."

Mr. OTTINGER. Mr. Chairman, I am voting today against an amendment granting the President standby authority which he has not requested to impose a wide variety of ill-defined consumer credit controls. Such controls may be necessary in time of national emergency, but do not seem warranted at this time.

This amendment has very drastic implications. It would allow the President to control rents and credit and, thus, the entire economic backbone of our economy. In addition, the controls would operate inequitably on the consumer and small purchaser who can afford it least.

To combat the current level of inflation, a curb on nonessential Federal spending and action to raise revenues by plugging tax loopholes would be far more advisable. I have made specific proposals in both these areas.

In short, the amendment seems too drastic, too loosely drawn, and misdirected at this time.

Mr. SCHMIDHAUSER. Mr. Chairman, once again the House has been called upon to approve a stop-gap approach to meet a real or imaginary inflationary pressure. We also are being requested to once again grant unknown bureaucrats additional power. As I have pointed out on several similar occasions in the past, particularly on May 16 when the Sales Participation Act was before the House, such stopgap, piecemeal actions will not accomplish their stated purpose and will only place additional burdens on our farmers, working people, and small businesses.

If the executive branch of Government seriously wants to cope with any real or imagined inflationary trend in an equitable and democratic way, it should be supporting my efforts and those of many other Members of Congress to thoroughly reform our tax structure. The present tax system has too long granted "giveaways" to powerful interest groups *and has too long discriminated against* the average citizen. Many citizens with annual incomes in excess of $1 million *continue to pay no income taxes, while our Nation's workers, farmers, and small* businessmen dutifully pay their taxes. Privileged interest groups continue to reap the benefits from archaic tax loopholes while the Internal Revenue Service moves to penalize those less privileged groups, such as the Sierra Club.

The recent actions by the Internal Revenue Service against the Sierra Club is a vivid example of the typical bureaucratic approach and is a sound reason why we should reject this further erosion of legislative authority. On April 26, I requested the Internal Revenue Service to render a decision on the question of tax treatment of revenues from advertising carried in magazines and periodicals by certain tax exempt organizations. This matter has been pending for 6 years and the Chief Counsel of the Internal Revenue Service, U.S. Department of the Treasury, Mr. Lester Uretz, has assured me in true bureaucratic jargon that "the matter has been under active consideration" for that length of time. I also was informed by Mr. Uretz that, "In short, the issue of the proper treatment of advertising revenues, while capable of being stated simply, has been a most difficult and complex one in resolution."

This delay, this inability to cope with a "complex situation," this unwillingness to step on powerful toes, is a vivid example of why we should not further extend regulatory power to almost totally unresponsive bureaucratic empires in the executive branch. These officials can move in 24 hours against public minded organizations, such as the Sierra Club, but cannot move in 6 years against powerful moneyed interests.

Mr. Chairman, I also strongly object to this legislation on the grounds that it is but another example of discrimination against the vast majority of our citizens who must rely upon credit to purchase necessary goods. It is but another example of hitting those in the lower and middle income groups, those least able to accumulate cash for downpayments. I cannot support this proposal which will place additional burdens on the great majority of Americans.

It is time for the Congress to thoroughly review our tax system and eliminate the privileges for special groups. This action would serve the dual purpose of dampening any inflationary fires by getting at the actual source, and would guarantee to the American factory worker, small businessman, and farmer the fairness which our present system lacks.

The rejection of this provision also would serve notice to the executive branch that Congress is not going to further abdicate its responsibility to bureaucrats who are too often not responsive to the public interest.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk/read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 717(a) of the Defense Production Act of 1950 is amended by striking out "June 30, 1966" in the first sentence and inserting in lieu thereof "June 30, 1970".

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

On page 1, line 5, strike out "1970" and insert "1968".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Section 712(e) of the Defense Production Act of 1950 is amended to read as follows:

"(e) The expenses of the committee under this section shall be paid from the contingent fund of the House of Representatives upon vouchers signed by the chairman or vice chairman."

Mr. PATMAN (during reading of section 2). Mr. Chairman, may I have the attention of the gentleman from New Jersey [Mr. WIDNALL]?

The CHAIRMAN. For what purpose does the gentleman from Texas rise?

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

Mr. WIDNALL. Mr. Chairman——

The CHAIRMAN. The Chair will state to the gentleman from Texas that section 2 has not been completed as yet.

Mr. PATMAN. Mr. Chairman, I would suggest that section 2 of the bill be read.

The Clerk concluded the reading of section 2 of the bill.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 1 strike out all of lines 6 through 8, and on page 2 strike out all of lines 1 through 3.

Mr. GROSS. Mr. Chairman, I have been much intrigued by the statements on the part of the gentleman from Texas [Mr. PATMAN], that in the event of war thus and so will be the case.

Mr. Chairman, I thought the gentleman knew—and I would like to try to impress upon him now that we are in a war, and not "in the event of war." If the gentleman from Texas does not believe that, he might take a quick trip to Arlington Cemetery and note the arrivals and new graves, or the gentleman could inquire at the Pentagon.

Incidentally, Mr. Chairman, we are having trouble getting casualty figures these days. Not so long ago the newspapers provided the the figures on casualties in the Vietnam war about once each week. Lately, however, it has been difficult to find them in the newspapers. I do not know why unless there is a deliberate attempt to withhold this information from the public.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. In a minute. If the papers would resume printing the casualty figures with respect to Vietnam, it would be obvious to the gentleman and some others that we are in a war and not "in the event of war"——

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. PATMAN. The gentleman is mistaken about the casualties. They are carried in my district. I do not know whether they are carried in the gentleman's district or not. But I meant a third world war. Of course, we have a war on now but it is not causing us the trouble or concern that a third world war would cause us, and we are anticipating that we might get this war over in a reasonable time and we can resume our operations here. But, I was referring to worldwide conflict.

Mr. GROSS. Mr. Chairman, the gentleman from Texas [Mr. PATMAN] says the war in Vietnam is not causing us "trouble or concern." I will say to the gentleman just this: it is giving me trouble and concern, and it is about time the fighting of that war be turned over to the servicemen there instead of the boys in Washington. It is possible that we could end the war under those circumstances. We are not winning it today.

Now, Mr. Chairman, this amendment would provide that we go back to the present law and provide $65,000 for the financing of this committee.

The gentleman from Texas has spoken time after time today about inflation. Well, he is opening a door to inflation by providing in this bill for unlimited funds for the committee when there is no showing that the $65,000 is not adequate.

Why give this committee, this joint committee, all the money it wants—and I do mean "all" because with this provision in the bill it is an open end account.

I reiterate that my amendment would hold the law as it stands presently and give them the same $65,000 that they have been getting for each fiscal year up to this point. That is enough. It is just that simple, and I urge adoption of my amendment.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this committee has been handicapped. Senator ROBERTSON, chairman of the Joint Committee on Defense Production, has been very much handicapped. If we had to have an investigation, and we have needed them, we could not conduct them—at least the Joint Committee on Defense Production could not—because we did not have the money.

With only a $65,000 limitation, and at least two of those people on that small roll being minority representatives, whenever you state that even the Committee on Appropriations will not have the power to go into the facts and determine what the committee should have—under the circumstances when there will be the greatest responsibilities on this committee because of the Vietnam war and therefore we do not know what to expect, it should be left to the Committee on Appropriations exactly like the funds for all other committees are left—they are all left to the Committee on Appropriations, and the Committee on Appropriations goes over these accounts with a fine-tooth comb and makes sure that the money is spent well or it is not appropriated.

So instead of restricting the Committee on Appropriations and preventing them from making it more in the event of trouble—just leave it up to the Committee on Appropriations. Why discriminate against this particular committee? This committee will have something to do with winning the war I hope. If it does, do you want to restrict a committee that is helping to win the war? Why should you discriminate against it?

If you pass this amendment that has been offered by the gentleman from Iowa [Mr. GROSS], you will be saying to the Committee on Appropriations, "We will trust you and we will trust you on every committee of the House and Senate except the Joint Committee on Defense Production, we will limit you to $65,000"—which is an insufficient amount for them to do the job. We know it is insufficient but we would be holding them right to that line. So I hope the amendment is defeated.

Mr. BROCK. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, it seems to me this Congress has every right to set a limit upon an authorization. We do it every day.

This is not an average standard committee of the Congress. This legislation was proposed to extend the committee for 4 years and the chairman's own committee extended it for 2 years. I see no reason why we cannot put in a monetary restriction as we do on virtually every other authorizing legislation that is passed in the House of Representatives.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. GROSS), there were—ayes 30, noes 29.

The CHAIRMAN. The Chair votes "no."

Mr. BROCK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. GROSS and Mr. PATMAN as tellers.

The Committee again divided, and the tellers reported that there were—ayes 40, noes 50.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HALL: On page 1, insert a comma at the end of line 8, and immediately after line 8 insert "which shall not exceed $85,000 in any fiscal year"

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes in support of his amendment.

Mr. HALL. Mr. Chairman, this is a very simple amendment. It would not strike the entire wording on line 8 and the first three lines on page 2. It would simply add a comma after the word "section," so that the language would read as follows:

> (e) The expenses of the committee under this section, which shall not exceed $85,000 in any fiscal year, shall be paid from the contingent fund of the House—

And so forth. Mr. Chairman, section 712(a) establishes a joint congressional committee known as the Joint Committee on Defense Production. This amendment has nothing to do with either the question of whether the Joint Committee on Defense Production should be amended or extended, nor does it have to do with the so-called standby authority for the President to control consumer credit. This simply takes away and adds around 30 percent, I believe, by direct calculation; to the existing amount that the chairman may have, and avoids authorizing an open-ended account with no limitation whatsoever.

I happen to believe that there is some need for an increase in expenses in this area of this Board with the regular cost-of-living increases, clerk hire increases, and so forth.

I speak also as a member of the Joint Committee on the Reorganization of Congress. We expect to bring out very shortly some important committee suggestions. This is not an operating committee and does not have the power to legislate or vote out legislation, but there will be an omnibus bill, including over 100 resolutions, perfecting the reorganization of Congress, and many of these will pertain to committee work, joint committee work, special committees, ad hoc committees, their staffing, both majority and minority, with full recognition of the majority, because this joint committee is well represented in both the Senate and in the House. We have had over 2 years of testimony, reams of it, affecting the rules of the committee work; $85,000 is an adequate fund for any 1 fiscal year, and the amount should be paid from the contingent fund of the House of Representatives.

Mr. Chairman, if we indeed are interested in preventing inflation, we must act prudently ourselves and with fiscal responsibility in the House. We must not approve open-ended expense accounts for committees or persons. As all the committee well recalls, our new rules in the 89th Congress limit our own committee operating expenses in the House, and only yesterday we did so and provided for the use of counterpart funds where possible as a savings to taxpayers.

I hope no one will object to the 30-percent extension on the limitation of the prerogatives of the chairman acting now or in the future for this joint committee. It is my intention to see that they have adequate staffing and adequate funds and that it can still be reviewed by the Committee on Appropriations.

I truly feel there should be no objection to this amendment. I hope it will be accepted.

Mr. BOGGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BOGGS. Mr. Chairman, I hope this amendment will be defeated. As I understand it the joint committee, under the present authorization appropriation, would have $85,000 for the supervisory work over $8 billion in Government stockpiling. It would seem to me that by cutting back $20,000, we could very well cost the taxpayers much more than the $20,000 we are discussing in this amendment.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman from Louisiana yield?

Mr. BOGGS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Can the gentleman from Louisiana tell us how much this committee has spent in the last fiscal year and in the current fiscal year?

Mr. BOGGS. Mr. Chairman, I will yield to the chairman of the committee to do that for just for a moment.

Mr. PATMAN. Mr. Chairman, we had in this committee, with Senator Robertson, $65,000. Of course, they are restricted to that. Other committees will leave it up to the Appropriations Committee.

Mr. BOGGS. I thank the gentleman.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield for just a minute?

Mr. BOGGS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, did the gentleman from Texas say the committee has spent $65,000 or did he say that is what had been authorized, but not necessarily what the committee had spent?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, that is what was authorized and spent. There were demands for other expenditures and investigations, but they could not be conducted because there was not enough money to protect the $8 billion invested by the Government.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. Mr. Chairman, I do not mind yielding, but I want to discuss another subject for a moment. I yield to the gentleman.

Mr. HALL. I know the gentleman does, but we are not reducing the $65,000. Quite the contrary. We are increasing it, in the Hall amendment. We are increasing it to a total of $85,000. I thought from the gentleman's first statement that he must surely have misunderstood.

Mr. PATMAN. Mr. Chairman, the gentleman is correct. Under the law, the committee can spend up to $65,000. That has been spent for all expenses, for all purposes. Now, the Committee on Banking and Currency voted unanimously really to make it open end, just like all other committees, and to leave it up to the Appropriations Committee entirely.

Mr. BOGGS. I appreciate the correction but, Mr. Chairman, I would hope we can rely on the Appropriations Committee in this.

In the moment I have left, I want to make an observation which I think is of interest to all the Members of the House.

I am glad to see our Speaker is up to par today. I was a little concerned about him yesterday. He has the energy of a mule, although he has a much better disposition as all of you know. But when he slows down to about my pace, I think there is perhaps something wrong with him. But today, as we see, he is ahead of Carl and myself and everybody else.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, a number of us were concerned yesterday about the Speaker. Some of us urged him to take part of the day off. I do not know whether he did, but we are delighted to see him back. Apparently today he is feeling as well as he has for a good number of years and we are mighty pleased.

Mr. BOGGS. Mr. Chairman, I can tell the gentleman the Speaker did not take off. He was at a meeting in the White House from 6 o'clock until about 7:30. At this meeting with all House committee chairmen the President expressed satisfaction with the work being done by this Congress. Then I saw him at a reception, at which he stayed until 8 o'clock. So his energy is abundant.

While I am saying this, if the gentleman [Mr. Ford] will forgive the immodesty, I believe the Speaker and the minority leader have really done an outstanding job in this Congress.

To date we have passed 60 percent of the recommendations sent here by the executive branch of the Government. In my judgment, that is a very fine record indeed.

The program Congress handles is a very heavy program. The business of conducting the legislative affairs of the country today is onerous, to say the least.

I might say that while some people refer to a so-called "T–T Club," Tuesday through Thursday, in the case of the Speaker of the House and of the majority leader, our beloved and able Carl Albert, there is no such club. They are here 7 days a week, and they diligently apply themselves to the work of the Congress day in and day out here in Washington.

I just wanted to take this time to commend both of them, and to wish the Speaker a return to the abundant energy that he normally enjoys.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. GROSS. Mr. Chairman, I will take only a few seconds to inform the gentleman from Texas that the administrative expenses of committees of Congress and in some of the agencies of the Government are fixed by law. They are not all open end. If the gentleman will look at the records he will find that to be true.

Mr. PATMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this committee has to do with $8 billion worth of strategic and critical materials. I know that in the recent past, efforts were made to have a special study made by this committee which would cost $500. It was a very important study involving the prosecution of the war, critical materials and everything else, yet the committee was unable to do it because the restricted budget of $65,000 was all taken up.

The Republicans have two minority staff people on this committee, and the Democrats have the rest. It does not take much to use up $65,000.

If we are going to have a committee, let us permit it to function in the same way and manner that all other committees function. Let us leave the amount of appropriations up to the Appropriations Committee, which can hear the facts.

We do not know what is going to develop. As the gentleman from Iowa says, we are in a war. Of course we are in a war. We do not know what is going to happen. Somebody should have some flexibility in passing on this.

If we make it rigid, at $65,000—and that is already taken up with salaries for a few people—there is nothing that can be done. There is no flexibility left.

Furthermore, this is a discrimination against this committee, if we say that there will be a fixed amount above which they canont go, even though the Banking and Currency Committee recommended unanimously that this be taken off, and even though no other committee has it. It is a discrimination against this committee.

It is an important committee. It is going to have a great responsibility, an increasing responsibility as the Vietnam war progresses. Of all times, now is not the time to restrict the committee which has an $8 billion responsibility. It would be penny wise and pound foolish to cut this down.

Mr. BATTIN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Montana.

Mr. BATTIN. I was curious about something the gentleman said. The gentleman said that the staff members on the committee were two appointed by the Republicans, and that the Democratic Party had all the rest. How many is all the rest?

Mr. PATMAN. About three, I believe. I do not know exactly how many there are. It is a small staff. Obviously it must be small, when they do not spend more than $65,000.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. How many times has the committee met in the last fiscal year?

Mr. PATMAN. A number of times. They get out a good report.

Mr. GROSS. What is "a number of times?"

Mr. PATMAN. Does the gentleman mean official meetings, or just reporting, or things like that?

Mr. GROSS. Official meetings.

Mr. PATMAN. Here is a volume over here. I will ask the page to take it over to the gentleman. It is very interesting. It tells everything during the last year. I think that the gentleman will be impressed with this. When he sees it, I think he will be willing to ask Dr. Hall to withdraw his amendment, because I believe he will discover that he is doing a great disservice to try to restrict this. Show it to the gentleman from Iowa, please, and I hope you look it over and look it over now.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding. I want to emphasize this and ask him to correct his statement that this amendmnet would still limit it to $65,000.

Mr. PATMAN. No. To $85,000.

Mr. HALL. To $85,000. I wanted to be sure that the distinguished gentleman from Texas was right.

Mr. PATMAN. Do you not think it is a little bit ridiculous to try to get a $20,000 limit on a $8 billion project?

Mr. HALL. I do not think it is nearly as ridiculous, if you will yield further, as letting the gentleman have an open end in the Capitol, especially since I know his propensity for great figures. Besides, the jurisdiction in the stockpile is well vested in the Armed Services Committee and the OEP and many others besides the Defense Production Act.

Mr. PATMAN. I do not yield further at this time. I just hope that the gentleman will withdraw his amendment, because trying to save $20,000 on an $8 billion stockpile with the great responsibility in this committee in wartime is something that I hope the gentleman from Missouri will not insist on. I hope he will withdraw his amendment, because certainly it is against the public interest to have this limited to $85,000 from here on out. Any open end is closed by the Committee on Appropriations. Why should you insist on having a limit on this committee and on no other committee of the House? Why just take this out?

Mr. WIDNALL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am not going to use my 5 minutes, but I would like to put this fact on the Record. To the very best of my knowledge and the knowledge of the other minority members of the committee, there has been no meeting of the Joint Defense Production Committee this year.

Mr. PATMAN. I can say to the gentleman that I believe he is mistaken.

Mr. WIDNALL. I think the chairman referred to the fact that we have control of a $8 billion stockpile. The record will show that this committee through the Defense Production Act only controlled about a $1 billion stockpile, and I believe the record should be corrected. There are three different stockpiles. I feel the granting of $20,000 more than has been used by the committee in recent years should be ample to take care of the committee needs during the next 2 years, each year.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I heartily support and urge the adoption of the amendment.

Mr. PATMAN. Mr. Chairman, will the gentleman yield since he is finished?

Mr. WIDNALL. I yield to the gentleman.

Mr. PATMAN. May I suggest to the gentleman from New Jersey that this involves all the stockpiles. There is no question about it; $8 billion. This $20,000 is squeezing the committee down on a great $8 billion responsibility in wartime in connection with critical and strategic materials. I just hope we can find a better way to save $20,000.

Mr. WIDNALL. Mr. Chairman, I would like to reiterate the fact that this committee has nothing to do with two other stockpiles. There are three stockpiles. The stockpiles we have control of amount to about $1 billion, according to the best of my recollection.

Mr. PATMAN. Mr. Chairman, will the gentleman yield further?

Mr. WIDNALL. I yield.

Mr. PATMAN. Take the report that is filed, the 15th annual report of the activities of the Joint Committee on Defense Production, on page 114 where it is outlined and itemized. Right there on that page 114—$8,181,121,600. That is what we have considered in the committee.

Mr. WIDNALL. How much is under the Defense Production Act?

Mr. PATMAN. All of the $8,181,121,600 is considered in the joint committee report. Take your book and look at it. It is right here.

Mr. WIDNALL. Actually the report of the committee to which the gentleman refers shows that the Defense Production Act inventory of minerals and metals held on June 30, 1965, cost the Government $1,380,197,771.95 and had a market value of $902,169,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Hall].

The question was taken; and on a division (demanded by Mr. Hall) there were—ayes 52, noes 48.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Sec. 3. (a) Immediately before title VII of the Defense Production Act of 1950 insert the following:

"TITLE VI—CONTROL OF CONSUMER CREDIT

"Sec. 601. To assist in carrying out the objectives of this Act, the President is authorized to issue regulations, which may include definitions of terms used in this title, to control, to such extent as he may deem appropriate—

"(1) The extension of consumer credit, by means of any prohibitions, restrictions, or requirements relating to—

"(A) the amounts in which and the purposes for which credit may be extended to any person,

"(B) the maximum maturity or other requirements as to the repayment or liquidation of any extension of consumer credit,

"(C) where consumer credit is used for the purchase of indentifiable property, maximum loan-to-value ratios,

"(D) the terms of any arrangement for the lease or rental of personal property, and

"(E) such other elements in any extension of credit as may in his judgment require regulation in order to carry out the purposes of this title.

"(2) The extension of credit to finance directly or indirectly the extension of consumer credit. Controls imposed pursuant to this paragraph may be related to the borrower's financial history, or to the lender's other loans and investments, or to such other factors as the President may deem appropriate.

"(3) In the case of any lender engaged both in the extension of consumer credit and in other types of financing, the proportion of such lender's assets which may be devoted to the extension of any type of consumer credit.

This section shall not apply to extensions of credit to finance the acquisition of real property.

"Sec. 602. The President shall have the same powers with respect to the administration and enforcement of this title and all regulations issued thereunder as are conferred by section 21 of the Securities Exchange Act of 1934 upon the Securities and Exchange Commission with respect to that Act and rules and regulations issued thereunder. The courts of the United States shall have the same jurisdiction with respect to matters arising under this title as is conferred upon such courts by sections 21 and 27 of the Securities Exchange Act of 1934 with respect to matters arising under that Act.

"Sec. 603. Whoever willfully violates any provision of this title or any regulation issued thereunder shall be fined not more than $5,000, or imprisoned not more than one year, or both.

"Sec. 604. The President may delegate in whole or in part any function conferred upon him by this title to any one or more officers, departments, or agencies of the United States, and may in his discretion confer authority to redelegate any function so delegated."

(b)(1) The first sentence of section 717 (a) of the Defense Production Act of 1950 is amended by inserting "title VI," immediately after "title III,".

(2) The third sentence of such section is amended to read: "Section 104 and title II of this Act, and all authority conferred thereunder, shall terminate at the close of June 30, 1953."

Mr. STANTON. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. Bob Wilson] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOB WILSON. Mr. Chairman, the chickens are now coming home to roost. Having engaged in the greatest domestic spending spree in all history, coincident with a large-scale war, the administration now plans to police the American people in an attempt to keep the economy from going through the roof.

We are again facing wage controls, rent controls, food controls, and price controls on almost everything as the administration, backed by this pushbutton Congress, seeks to make the American people pay the price for its waste and extravagance.

This bill now before us makes possible another Office of Price Stabilization, another army of bureaucrats, another tying up in Federal redtape of the individual effort which makes our country rich and prosperous.

When the Eisenhower administration, with its Republican Congress, rescinded in 1953 the very restrictions which it is now sought to reinstitute, no less than 4½ million new jobs in our private industry were created.

This is a repressive measure which is totally unnecessary. All the big Democratic majority in Congress, and the administration, has to do is to halt the present wild and extravagant domestic spending. It has to take the very bold step of cutting off the political butter during the Vietnam war.

The inflationary spending has been created by such ridiculousness as having more generals for the poverty war than there are Army generals in Vietnam—and at higher pay. It has been created by putting money into the pockets of the politicians in the name of helping the poor, action which has rocked almost every city in the country. The waste and extravagance, in fact, make Teapot Dome looks like a teakettle.

Yet, rather than avoid the inevitable inflation which always robs those with fixed incomes—the housewife and wage earner, and the aged—the administration and its followers on Capitol Hill now prefer to regiment the consumer. This consumer is, of course, the American citizen.

This is the outcome of the folly, the mismanagement, and colossal spending at the record rate of $160 billion a year of this administration.

In my mind, there is no doubt that the American people, their eyes fully opened, will vote out of office this fall those who would regiment and regulate every aspect of their lives. For my part, I will not vote to tie up our already overburdened people in redtape. I will vote against this outrageous measure.

Mr. HARSHA. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARSHA. Mr. Chairman, I rise in opposition to this effort of the Democrats to impose credit controls on the public.

In this period of rising inflation, it is the individual with a limited or fixed income who suffers the greatest hardship from this type of control. For these people inflation means a tragic reduction in purchasing power, and with consumer credit controls, this administration would handicap these individuals even more. Credit controls would impose a "special tax" on those least able to afford it.

Without question, the real casualty of such credit controls would be the family with substantial needs but moderate means. They discriminate against the buyer without ready cash, and the brunt of credit controls would fall upon those in the lowest income brackets, the families least able to accumulate downpayments. It is these individuals who do not have the resources to pay cash, or to make large downpayments when they purchase an automobile, washing machine, or some other household appliance. What is needed to control inflation is not consumer credit controls, but rather controls over unnecessary Government spending.

Why should the Congress seek to impose spending controls on the consuming public when it refuses to curtail Federal spending itself? The fault lies not with the consuming public, but with the inflationary fiscal policy of the administration, and this special tax would further discriminate against those least able to withstand the onslaught of inflation by further diminishing their purchasing power. The people are not to blame for inflation. The responsibility for inflation lies with the administration, and this Democrat-controlled Congress. Private credit is not at the root of this problem, but rather public spending. Further controls over the people are not the answer to this rising inflation. The answer can be found in Federal spending.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 14025) to extend the Defense Production Act of 1950, and for other purposes, pursuant to House Resolution 877, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. WIDNALL. Mr. Speaker, I ask for a separate vote on the committee amendment, on the control of consumer credit.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 2, following line 3, insert:

SEC. 3. (a) Immediately before title VII of the Defense Production Act of 1950 insert the following:

"TITLE VI—CONTROL OF CONSUMER CREDIT

"SEC. 601. To assist in carrying out the objectives of this Act, the President is authorized to issue regulations, which may include definitions of terms used in this title, to control, to such extent as he may deem appropriate—

"(1) The extension of consumer credit, by means of any prohibitions, restrictions, or requirements relating to—

"(A) the amounts in which and the purposes for which credit may be extended to any person,

"(B) the maximum maturity or other requirements as to the repayment or liquidation of any extension of consumer credit,

"(C) where consumer credit is used for the purchase of identifiable property, maximum loan-to-value ratios,

"(D) the terms of any arrangement for the lease or rental of personal property, and

"(E) such other elements in any extension of credit as may in his judgment require regulation in order to carry out the purposes of this title.

"(2) The extension of credit to finance directly or indirectly the extension of consumer credit. Controls imposed pursuant to this paragraph may be related to the borrower's financial history, or to the lender's other loans and investments, or to such other factors as the President may deem appropriate.

"(3) In the case of any lender engaged both in the extension of consumer credit and in other types of financing, the proportion of such lender's assets which may be devoted to the extension of any type of consumer credit.

This section shall not apply to extensions of credit to finance the acquision of real property.

"SEC. 602. The President shall have the same powers with respect to the administration and enforcement of this title and all regulations issued thereunder as are conferred by section 21 of the Securities Exchange Act of 1984 upon the Securities and Exchange Commission with respect to that Act and rules and regulations issued thereunder. The courts of the United States shall have the same jurisdiction with respect to matters arising under this title as is conferred upon such courts by sections 21 and 27 of the Securities Exchange Act of 1934 with respect to matters arising under that Act.

Mr. GERALD R. FORD (during the reading of the amendment). Mr. Speaker, I ask unanimous consent that the further reading of the amendment be dispensed with since it was just read a few moments ago and that it be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

Mr. GERALD R. FORD. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 73, nays 275, answered "present" 1, not voting 82, as follows:

[Roll No. 145]

YEAS—73

Albert
Annunzio
Ashley
Aspinall
Beckworth
Bennett
Boggs
Bolling
Byrne, Pa.
Clevenger
Cohelan
Diggs
Dingell
Dow
Farnum
Fascell
Flood
Fraser
Garmatz
Gibbons
Gonzalez
Grabowski
Griffiths
Hanna
Hansen, Iowa
Hathaway
Hébert
Helstoski
Holifield
Holland
Karsten
King, Calif.
King, Utah
Kirwan
Kluczynski
Leggett
McFall
McGrath
Mackie
Minish
Moorhead
Morgan
Morrison
Murphy, N.Y.
Nedzi
O'Hara, Mich.
O'Konski
Patman
Pepper
Perkins
Pickle
Price
Rees
Reuss
Rhodes, Pa.
Ronan
Roush
Ryan
St Germain
Shipley
Sickles
Stalbaum
Sullivan
Thomas
Todd
Trimble
Tupper
Ullman
Van Deerlin
Vanik
Vivian
Weltner
Zablocki

NAYS—275

Abbitt
Adair
Adams
Addabbo
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Ayres
Bandstra
Baring
Bates
Battin
Belcher
Bell
Berry
Betts
Bingham
Bow

Brademas
Bray
Brock
Brooks
Broomfield
Brown, Calif.
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Burton, Calif.
Byrnes, Wis.
Cabell
Callan
Cameron
Carey
Carter
Casey
Celler
Chelf
Clancy
Clark
Clawson, Del
Cleveland
Collier
Colmer
Conable
Cooley
Corbett
Cramer
Curtis
Daddario
Dague
Daniels
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dent
Denton
Derwinski
Devine
Dickinson
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan, Tenn.
Dwyer
Dyal
Edmondson
Edwards, Calif.
Edwards, La.
Evans, Colo.
Everett
Fallon
Farbstein
Feighan
Findley
Fino
Fisher
Foley
Ford, Gerald R.
Fountain
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gathings
Giaimo
Goodell
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Gross
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halpern
Hamilton
Hanley
Hansen, Idaho
Hansen, Wash.
Hardy
Harsha
Harvey, Mich.
Hawkins
Hays
Hechler
Henderson
Hicks
Horton
Hosmer
Hull
Hungate
Huot
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Karth
Kastenmeier
Kee
Keith
King, N.Y.
Kornegay
Kunkel
Kupferman
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Long, Md.
Love
McCarthy
McClory
McCulloch
McDade
McDowell
McVicker
Macdonald
Machen
Madden
Mahon
Mailliard
Marsh
Martin, Nebr.
Mathias
Matthews
May
Meeds
Michel
Mills
Mink
Minshall
Mize
Moeller
Monagan
Moore
Morris
Morse
Morton
Mosher
Murphy, Ill.
Natcher
Nelsen
O'Hara, Ill.
Olsen, Mont.
Olson, Minn.
O'Neal, Ga.
Ottinger
Patten
Pelly
Philbin
Pike
Poage
Poff
Pool
Pucinski
Purcell
Quie
Quillen
Race
Randall
Redlin
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Rhodes, Ariz.
Rivers, S.C.
Roberts
Robison
Rogers, Colo.
Rogers, Tex.
Rosenthal
Rostenkowski
Roudebush
Roybal
Rumsfeld
Satterfield
St. Onge
Saylor
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Shriver
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Va.
Springer
Stafford
Staggers
Stanton
Steed
Stratton
Stubblefield
Sweeney
Talcott
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Tex.
Thomson, Wis.
Tuck
Tuten
Udall
Utt
Vigorito
Waggonner
Walker, N. Mex.
Watkins
Watson
Watts
Whalley
White, Idaho
White, Tex.
Whitener
Whitten
Widnall
Wilson, Bob
Wilson, Charles H.
Wolff
Wydler
Yates
Younger

ANSWERED "PRESENT"—1

Keogh

NOT VOTING—82

Abernethy
Barrett
Blatnik
Boland
Bolton
Burton, Utah
Cahill
Callaway
Cederberg
Chamberlain
Clausen, Don H.
Conte
Conyers
Corman
Craley
Culver
Cunningham
Curtin
Dawson
Duncan, Oreg.
Edwards, Ala.
Ellsworth
Erlenborn
Evins, Tenn.
Farnsley
Flynt
Fogarty
Ford, William D.
Gallagher
Gettys
Gilbert
Gilligan
Grover
Gurney
Halleck
Harvey, Ind.
Herlong
Howard
Johnson, Calif.
Jones, N.C.
Kelly
Krebs
Long, La.
McEwen
McMillan
MacGregor
Mackay
Martin, Ala.
Martin, Mass.
Matsunaga
Miller
Moss
Multer
Murray
Nix
O'Brien
O'Neill, Mass.
Passman
Pirnie
Powell
Resnick
Rivers, Alaska
Rodino
Rogers, Fla.
Roncalio
Rooney, N.Y.
Rooney, Pa.
Scheuer
Scott
Senner
Sikes
Stephens
Taylor
Thompson, N.J.
Toll
Tunney
Walker, Miss.
Williams
Willis
Wright
Wyatt
Young

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Conte against.

Mr. Rooney of New York for, with Mr. Herlong against.

Mr. Johnson of California for, with Mr. Gettys against.

Mr. Multer for, with Mr. Taylor against.

Mr. Toll for, with Mr. Passman against.

Mr. Nix for, with Mr. Gilbert against.

Mr. William D. Ford for, with Mr. O'Neill of Massachusetts against.

Mr. Miller for, with Mr. Sikes against.

Until further notice:

Mr. Rivers of Alaska with Mr. Martin of Massachusetts.

Mr. Gilligan with Mr. Gurney.

Mr. Tunney with Mr. Chamberlain.

Mr. Flynt with Mr. Callaway.

Mr. Rooney of Pennsylvania with Mr. Pirnie.

Mr. Matsunaga with Mr. Wyatt.

Mr. Barrett with Mr. Cederberg.

Mr. Rodino with Mr. Cahill.

Mr. Mackay with Mr. MacGregor.

Mr. Fogarty with Mr. Halleck.

Mr. Moss with Mr. Erlenborn.

Mr. Evins with Mr. Don H. Clausen.

Mr. Wright with Mr. McEwen.

Mr. Senner with Mr. Cunningham.

Mr. Corman with Mrs. Bolton.

Mr. Rogers of Florida with Mr. Grover.

Mr. Gallagher with Mr. Edwards of Alabama.

Mr. Krebs with Mr. Burton of Utah.

Mr. Howard with Mr. Curtin.

Mr. Blatnik with Mr. Ellsworth.

Mrs. Kelly with Mr. Harvey of Indiana.

Mr. Long of Louisiana with Mr. Walker of Mississippi.

Mr. Jones of North Carolina with Mr. Martin of Alabama.

Mr. Thompson of New Jersey with Mr. Dawson.

Mr. Culver with Mr. Conyers.

Mr. Resnick with Mr. Stephens.

Mr. Scheuer with Mr. Scott.

Mr. Powell with Mr. Roncalio.

Mr. Williams with Mr. Young.

Mr. Boland with Mr. Abernethy.

Mr. Willis with Mr. O'Brien.

Mr. Duncan of Oregon with Mr. McMillan.

Mr. Craley with Mr. Farnsley.

Mr. LOVE changed his vote from "yea" to "nay."

Mr. O'HARA of Illinois changed his vote from "yea" to "nay."

Mr. McCARTHY changed his vote from "yea" to "nay."

Mr. KEOGH. Mr. Speaker, I have a live pair with the gentleman from Massachusetts [Mr. Conte] who if he were here would vote "no." Therefore, I withdraw my vote of "yea" and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 2950) entitled "An act to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell of Georgia, Mr. Stennis, Mr. Symington, Mr. Jackson, Mr. Saltonstall, and Mrs. Smith to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. Con. Res. 77) entitled "Concurrent resolution authorizing the printing of additional copies of hearings on supplemental foreign assistance for Vietnam for fiscal 1966," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Jordan of North Carolina, Mr. Hayden, and Mr. Curtis to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. Con. Res. 90) entitled "Concurrent resolution to authorize printing of additional copies of hearings," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Jordan of North Carolina, Mr. Hayden, and Mr. Curtis to be the conferees on the part of the Senate.

LEGISLATIVE PROGRAM FOR THE WEEK OF JUNE 20, 1966

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time in order to ask the majority leader if he would kindly give us the program for the following week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. In response to the inquiry of the distinguished minority whip, we have finished the legislative program for this week and will ask to go over, after announcement of the program for next week, to Monday.

Monday is Consent Calendar day. There are three suspensions. They are as follows:

S. 1160, clarifying and protecting the right of the public to information;

H.R. 698, to establish Guadalupe Mountains National Park in Texas; and

H.R. 10860, Connally Hot Oil Act amendments.

On Tuesday and the balance of the week, I point out that Tuesday is Private Calendar day, and the following bills will be considered:

H.R. 13196, Allied Health Professions Training Act; and

H.R. 15119, Unemployment Insurance Amendments of 1966.

This announcement, of course, is made subject to the usual reservation that conference reports may be brought up at any time and any further program may be announced.

The reason we have scheduled these bills for Tuesday and the balance of the week is that the report on one of them has not been filed, and both of them are scheduled to come before the Rules Committee next week. We would like to maintain some flexibility. We do not expect the bill from the Committee on Ways and Means until Wednesday. I see the distinguished gentleman from Arkansas [Mr. MILLS] present. Perhaps the gentleman from Illinois will yield to him.

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, will the gentleman yield for the purpose of allowing me to make a unanimous-consent request?

Mr. ARENDS. I yield to the gentleman from Arkansas for that purpose.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Saturday, June 18 next, to file a report on the bill H.R. 15119.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONTINUATION OF THE LEGISLATIVE PROGRAM FOR THE WEEK OF JUNE 20, 1966

Mr. ALBERT. Mr. Speaker, will the gentleman from Illinois yield further?

Mr. ARENDS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The Rules Committee has expeditiously reported rules, and we are not anticipating the Rules Committee. We are simply caught up with all legislation, and the legislative committees have caught up with their reports, except these two. The Rules Committee has caught up also.

Mr. ARENDS. I thank the gentleman for that information.

ADJOURNMENT OVER UNTIL MONDAY, JUNE 20, 1966

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday next week be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SUBCOMMITTEE NO. 5 OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that Subcommittee No. 5 of the Committee on the District of Columbia may sit when the House is in session on Tuesday, June 21.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN AGENTS REGISTRATION ACT OF 1938

Mr. ROGERS of Colorado. Mr. Speaker, on behalf of the gentleman from New York [Mr. CELLER], I submit a conference report on the bill S. 693 to amend the Foreign Agents Registration Act of 1938, as amended.

COTTON RESEARCH AND PROMOTION ACT

Mr. STUBBLEFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H.R. 12322 to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for cotton, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GATHINGS, HAGEN of California, DAGUE, BELCHER, and TEAGUE of California.

CUTBACK IN THE WAR ON POVERTY

Mr. FARBSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, it was a tragic setback to the domestic objectives of the administration and to this Congress when the Committee on Appropriations last year recommended enactment of a bill to appropriate for the war on poverty a sum of only $1.5 billion for fiscal 1966. As a result, Congress appropriated only that sum, rather than the $1.785 billion that had earlier been authorized by both Houses to say nothing of the $1.895 which was the sum originally authorized by the House.

Because the war on poverty was shortchanged by Congress, hundreds of exciting and promising programs throughout the country have had to be curtailed. I regard this as a real misfortune, since the war on poverty—whichever innocent administrative mistakes have been committed in its name—has proven to be a conception with real meaning, putting into effect programs of geninue effectiveness, to attain vital social goals. The war on poverty is bringing hope at last to those who have been chronically poor. I am not alone in thinking it a serious mistake that the campaign is now being grievously underfinanced. The U.S. Conference of Mayors, meeting yesterday in Dallas, reached the same conclusion. It is bad enough, Mr. Speaker, when the Government holds out no hope to the unfortunate members of our society. I think it is much worse when we hold out hope, then tantalize the unfortunates by keeping it just beyond their grasp. That is cruel, Mr. Speaker, and socially destructive.

In order to activate the machinery for rectifying the mistake involved in slashing the war on poverty's appropriation, I am today introducing a resolution. It is a somewhat unprecedented resolution, as House procedure goes. It is a "sense of Congress" resolution. Frankly, if I put in a bill for a supplemental appropriation, I would think that its chances of getting to the floor within a reasonable period are negligible. For that reason, I ask Congress to declare that it favors the full appropriation of $1.785 billion. It means a supplemental appropriation of $285 million. Perhaps, when the Appropriations Committee learns of the unequivocal approval of the House, it will be moved to bring out this supplemental appropriation without delay. Mr. Speaker, I sincerely hope so. This is an important program. It can be successful. We must not starve it to death. The resolution referred to is as follows:

H. RES. 890

Whereas the Economic Opportunity Act is rightly considered the key to the President's program to conquer poverty; and

Whereas the effectiveness of this Act has already been amply demonstrated; and

Whereas the current appropriation severely inhibits activity under the Economic Opportunity Act and is demonstrably inadequate to meet current needs; and

Whereas the United States Conference of Mayors, meeting in Dallas, Texas, on June 15, 1966, passed a resolution endorsing the full appropriation for the war on poverty; and

Whereas the House of Representatives originally voted to appropriate the sum of $1,895,000,000, then accepted the Conference Report's figure of $1,785,000,000; and

Whereas only $1,500,000,000 has thus far been appropriated to implement the Economic Opportunity Act: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the full amount authorized to be appropriated to carry out the Economic Opportunity Act of 1964 during the fiscal year 1966, to wit: $1,785,000,000—should be appropriated in order that the programs provided for in such Act may be fully implemented.

CONGRESSMAN HORTON CITES TROOP PULLOUT FROM FRANCE AS RENEWED REASON FOR STUDY OF ATLANTIC UNION

Mr. HORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, we have watched with dismay and great concern the rapid decline in NATO's prestige and unity. Yesterday we learned that the first major steps are to be taken to withdraw American men and equipment from a nation we have twice liberated in this century. The announcement by Secretary McNamara that our Air Force and support units will pack up and leave France within the next few months puts the question of the future of NATO, and the Atlantic partnership starkly before us.

It is easy to lay the full blame for the present NATO crisis at the feet of France and De Gaulle, but, while the French have indeed triggered these events, we solve nothing by merely pointing the finger of blame across the Atlantic. My purpose in this statement is to offer a more constructive approach to the North Atlantic crisis.

Two months ago it was my privilege to introduce House Joint Resolution 999, which seeks the creation of an Atlantic Union delegation from the United States for the purpose of participating in a convention of similar delegations from the other nations of the North Atlantic Treaty Organization.

Ordinarily, I would not take the time of my colleagues to speak a second time in support of a proposal before it reaches the floor. But the need for new and forward-looking directions in our relationships with the Atlantic partners is too pressing to be relegated to passing mention.

Those of us who joined in sponsoring this resolution are aware of the very real and immediate dangers that threaten the present structure of the NATO alliance. At the same time, we are aware of the opportunities for continued and enhanced unity and cooperation that the Atlantic Union concept holds.

My purpose today is to impress upon my colleagues the necessity of probing the possibilities of Atlantic Union in earnest, at a time when the future of NATO is adrift. Our distinguished Secretary of State just returned from a meeting convened to determine where NATO headquarters should be moved from its Paris home of 17 years. Such an event was inconceivable even 5 years ago. No doubt Mr. Rusk went to Brussels with an American position on how the problem of relocation should be solved. But what is the American position on where NATO should be headed? Even more immediate in scope, what is our position on how to avert further crumbling of the partnership? How do we solve the next problem arising in the course of relocation and reorganization?

I think all in this Chamber will agree that this Nation has too much at stake to merely react to conditions created by the foreign policy moves of others. Yet, since the effort to create a multilateral nuclear force in NATO, 2 years ago, this Nation has taken no significant policy initiatives in the North Atlantic.

Perhaps it is not our failing that has brought General de Gaulle closer to the Kremlin's gates, but it is nonetheless our loss, and one that should cause concern for the future of the fraternity of free peoples.

This concern—evidenced now by public attention and by hearings on NATO in both the House and Senate—can take one of two directions. First, we can concentrate on the preservation of NATO as it presently exists—a military deterrent to Communist initiative in Western Europe—by exerting our prestige in behalf of patching up the organization. Or, second, in addition to this firm reaction of our Government to preserve what has served us for 17 years, we could begin to think about what it will take to maintain a beneficial Atlantic partnership 10 to 15 years from now. If NATO today is a useless and outdated concept in France, who is to say that meetings to accomplish further relocations of NATO headquarters from other nations will not be necessary in 1971, or even earlier? We cannot afford any further diminution in the prestige or scope of our Atlantic alliance, nor have we much reason to hope that the alliance can remain whole by standing still any longer. The compelling conclusion is that new and broader directions—like the Atlantic Union concept—are needed if the partnership is to survive at all.

I understand that the Foreign Affairs Committee is about to start hearings on the resolution that could open the door to these new directions. A convention among delegations from all Atlantic nations interested in preserving and updating the terms of the partnership can only benefit the people of this Nation and of the entire free world—for the strengthening of this Organization is a strengthening of the backbone of our world position.

NONGERMANE SENATE WAR CLAIMS RIDER DESERVES SCRUTINY

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I would like to alert this House to a highly significant rider which was appended to a totally uncontroversial House-originated bill—H.R. 13935—when that bill was passed on the floor of the other body. H.R. 13935 has been returned to the House for concurrence in the Senate amendment. I urge that the bill be sent to conference and the nongermane amendment deleted. If it has any merit, then it should be considered separately by the appropriate committees.

On Monday, the other body considered H.R. 13935, a bill which this House had passed by unanimous consent on April 4, 1966. In approving that bill, which would allow Massachusetts to become a party to an agreement relating to bus taxation proration and reciprocity, an amendment was tacked on to the bill which could profoundly affect the future of the War Claims Act of 1962.

I believe the House should be aware of the potential effect of that amendment, since I am certain that the Members of this House would want to have a full hearing on the issues raised by the amendment before voting on it.

Mr. Speaker, the Senate amendment bears no relation whatsoever to the original bill. The House bill was an uncontroversial piece of legislation dealing with a simple interstate compact for the registration of bus companies. The new amendment, by contrast, would make a profound change in the War Claims Act of 1948, as amended in 1962.

The nongermane amendment was added on the the floor in the other body and no floor debate accompanied it—CONGRESSIONAL RECORD, page 13033, June 13, 1966. It would not have been allowed as an amendment on the floor of this House. The House bill originated in the Judiciary Committee, whereas the Interstate and Foreign Commerce Committee has jurisdiction of the Foreign Claims Settlement Commission.

Mr. Speaker, the amendment to H.R. 13935 deserves the careful consideration of the Committee on Interstate and Foreign Commerce. This House should not be in the position of bypassing that committee in acting on so important a piece of legislation.

In a moment I will explain how the proposed amendment would work and how it would affect the War Claims Act. But first I would like to point out that Foreign Claims Settlement Commission itself is on record in opposition to the amendment in a letter from Commission Chairman Edward D. Re to Chairman CELLER, dated June 15, 1966.

The proposed amendment would provide for the addition of 6 percent per annum interest on the awards made by the Foreign Claims Settlement Commission. They provide for the payment of such interest in the present order of priority.

Under the War Claims Act first priority payments go to those who have death or disability claims. Second priority payments go to those who have claims arising from the destruction or appropriation of small business concerns. Finally, third priority payments go to small individual claimants who lost private property.

If the Senate amendment were adopted, the third category of claimants—who constitute the largest and in a sense the most needy group—would suffer.

The reason for this is simple. The claimed amount in the first and second order of priority totals approximately $90 million. Interest computed at 6 percent over a span of 25 years would increase the awards by roughly 125 percent. Thus total payments for the first two priorities might run as high as $235 million. Yet there are only $176 million in the war claims fund at present, and only $50 million are scheduled to be transferred in the foreseeable future.

Consequently, Mr. Speaker, if the amendment was passed, the first and second priority claims would very possibly consume all of the money in the war claims fund, and leave the third priority claimants emptyhanded.

Such a result would thwart the intent of the Interstate and Foreign Commerce Committee, and of Congress, when it amended the War Claims Act of 1948 in 1962.

Interest was not provided for at that time for the precise reason that it was not anticipated that the fund would be large enough to pay the prinicipal amount of awards. Furthermore, the committee was influenced by the lengthy study of the War Claims Commission which concluded in its report to Congress on war claims in 1953—House Document No. 67, 83d Congress, 1st session:

> No interest should be allowed on any claim nor should interest accrue on the award. In the opinion of the Commission, interest has no place in connection with war claims of the type under study, which, as noted, are paid pursuant to a moral obligation.

Mr. Speaker, perhaps the majority of the Members of Congress would now feel differently. Perhaps there are new considerations which were not taken account of at that time. If so, then the War Claims Act should be amended.

But if the act is to be amended in so drastic and important a way, then it should be done only after careful deliberation by the Members of Congress. It should not be slipped through the Houses of Congress without care or notice.

Therefore, Mr. Speaker, I hope that the distinguished chairman of the Judiciary Committee, who now has control of the bill as amended by the other body, will see to it that H.R. 13935 is sent to conference, where the amendment to the War Claims Act can be deleted. Then, if the authors of the amendment feel that it is truly important, the Interstate and Foreign Commerce Committee should have a chance to hold proper and thoughtful hearings.

LET'S RESTORE BALANCE

Mr. HANNA. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HANNA. Mr. Speaker, George Bernard Shaw, during a moment of typical candor, once remarked:

> Money is indeed the most important thing in the world.

While all may not agree entirely with Mr. Shaw, few can deny that the responsible handling of our Nation's financial affairs is of paramount importance in continuing the progress of our society.

Today, Mr. Speaker, many of those responsible for America's financial affairs are in the midst of increasingly shrill debate over the utilization of money and the operations of the money market. It is clear that the attempt to slow down the economy by a singular but massive monetary policy change has come a cropper. It ran headlong into an unstoppable upward demand swing of the market. The net result has been a demoralizing effect on the mortgage market and a destructive rate competition between banks and savings and loans. This warring stance may only serve to keep both short- and long-term interest rates high after liquidity problems have been met.

A major focal point in the short-term approach has been the bank certificates of deposit.

Today it is obvious that we do not have financial balance in the savings market. This imbalance is currently sending serious repercussions reverberating through the economy, and it is precisely around this issue of balance that the debate on certificates of deposit rages. It is precisely this issue of financial balance with which Congress must now concern itself.

For the past 6 years we have been observing with some concern the direction of various Federal policies aimed at institutions offering savings deposits. It is not my intention to examine the motives producing these decisions, but rather my concern is with the circumstances that have been produced as a result of these decisions.

The commercial bank, the savings bank, and the savings and loan association are the primary institutions in the savings area. The savings and loans, and savings banks have utilized higher passbook interest yields as their primary vehicle for attracting savings deposits. Higher interest bonuses could be paid by these institutions on funds kept more than 6 months in amounts of more than $1,000. Commercial banks, in addition to passbook accounts, have had the availability of minimum maturity time deposits. In 1960 certificates of deposit, a money instrument in negotiable form, were introduced for the first time. When the certificates were first introduced, interest rates on Treasury bills had fallen to below 3 percent, and corporations with large sums of idle cash to invest found the new 6-month, 3-percent negotiable certificate of deposit highly attractive.

At this point few problems in the savings market were evident. The negotiable certificates of deposit had not yet been confused with the regular consumer type of time deposit, and the various savings institutions were able to compete effectively for the savings dollar.

In 1961 signposts indicating the possibilities of trouble began to appear. Treasury bills, standing at 2½ percent, were being seriously challenged by the higher yield certificates of deposit. The certificates of deposit were beginning to attract a major share of corporate funds. As Treasury bills rose during 1961 to meet the challenge of certificates of deposit, eventually arriving almost at the Regulation Q ceiling rate for certificates of deposit of 3 percent, the Federal Reserve decided to take action. On December 1, 1961, the Federal Reserve raised the 6-month maturity certificates of deposit rate from 3 to 3½ percent. A ceiling of 4 percent was set on certificates of deposit of maturities of 1 year or more. We were witnessing the initial skirmishes of a rate war.

The Treasury bill rate began a steady rise again during the fall of 1962, and was quickly approaching by mid-1963 the 3½-percent ceiling on 6-month certificates of deposit. To keep banks competitive with the Treasury bills, the Federal Reserve raised the interest on certificates of deposit from 3½ to 4 percent and permitted 90-day maturities. This was a significant development. For the first time high-yield negotiable certificates of deposit were being permitted the same short maturity as a consumer time deposit.

The developing rate war between Treasury bills and certificates of deposit continued well into 1964. Once again to keep the certificates of deposit competitive, the Federal Reserve near the end of 1964 raised the interest rate on 90-day certificates of deposit to 4½ percent. The Federal Reserve in the same 1964 action raised 30-day maturities on certificates of deposit from 1 to 4 percent. The distinction between the short-term, low-yield, consumer time deposit and the long-term, higher yield certificate of deposit was becoming increasingly blurred.

The Treasury bill rate immediately reacted to the action of the Federal Reserve. The Treasury bill rate rose from 3.729 percent in October of 1964 to 4.523 percent by the end of 1965. Certain Government policies were actually forcing up the rates of interest and were slowly eating away the balance in the savings market.

Once again the Federal Reserve came steaming to the rescue of the commercial certificates of deposit, and on December 6, 1965, the final and most telling plunge was taken. The Federal Reserve raised Regulation Q—the ceiling on certificates of deposit—to 5½ percent and dropped all maturities to 30 days. By this time total outstanding certificates of deposit were in excess of $17 billion and banks had to begin negotiating the 5½-percent rate in order to meet their liquidity problems. Almost all distinction had been lost between the consumer time deposit and the money instrument negotiable certificate of deposit.

Throughout this period, until today, the other savings institutions, particularly the savings and loans, were slowly losing their competitive footing. The Federal Reserve's decision of December 6, 1965, effectively ruined all balance in the savings market, and the savings institutions found themselves no longer able to compete with the certificates of deposit. By running up the ceiling on interest rates, an impossible situation had been created. As a result this part of the savings market looked on in dismay as they were being put in an increasingly untenable position.

Predictably when the savings institutions were no longer competitive, a substantial portion of their resources took flight. In the last 4 months, of the $7.7 billion deposited in savings accounts some $6.7 billion went into commercial bank coffers. This dollar amount represents 87 percent of all savings. In April of 1966 alone, the net outflow from savings and loan institutions amounted to $550 million, making April the worst month in the history of the savings and loan industry. The savings and loan associations in California witnessed a net reduction in savings of some $421 million during the period of March 27, through May 31, 1966. This compares with a net increase of $1.8 million during the same period of 1965. Commitments were down to 54.4 percent in April of 1966 over the rate of loan commitments of April of 1965.

I have called to the attention of my colleagues on numerous occasions the present dire situations evident in the homebuilding and mortgage industries. This situation is primarily attributable to the flight of dollars from savings and loan institutions, and the noncompetitive position of this vital industry. Conservative estimates by the FHLBB indicate a $3 billion shortage in mortgage capital for 1966. Loan commitments by the Nation's savings and loan associations are down 50 percent for May of 1966 when compared to May of 1965—certainly attributable to the severe decline in savings balances during the first quarter of 1966.

Housing starts for the first quarter are alarmingly low. Everywhere on looks in the real estate, home construction, and the mortgage industries, it becomes quickly evident that this potentially dynamic sector of our economy is suffering in the throes of a depression caused primarily by a constricting money market.

The imbalanced competitive position in which the savings and loan industry now finds itself is just one negative element of the certificates of deposit rate issue. The commercial banks themselves have found the new misnomered certificates of deposit to be a rather dubious blessing. The confusion of the nature of certificates of deposit has produced a rather anomalous problem in bank accounts. While bank certificates of deposit were going up, bank passbook savings were declining. As a result, banks found that as of May 25, there had actually been a net reduction of almost $500 million in their savings resources.

So now where do we stand? Government policy has in effect reeked substantial havoc in the field of savings deposits. Confusion and rate wars are rampant while money in the area of home building and mortgage financing becomes tighter. A very near crisis of confidence exists in the future of the savings market.

And what is being proposed to resolve this most perplexing situation? Some have proposed a complete rollback of interest rates on certificates of deposit as a solution. But would such a proposal carry with it more problems than it seeks to resolve? The answer must be yes.

What is needed, Mr. Speaker, is a proposal that will restore balance in the savings market, and balance between the various savings and money instruments. What is needed is a recognition of today's realities and a proposal that restores balance and equity without disrupting present market commitments. What is needed is a proposal that will restore confidence in the savings market, offer a reasonable money instrument, and provide stability in the mortgage market. I am introducing such a proposal today.

Mr. Speaker, at this point I would like to include a summary of my bill.

If enacted into law, the principal legal effects of the bill would be as follows:

First. It would require the imposition of interest rate limitations of time and and savings deposits held by depositors eligible to hold savings deposits, and would authorize, but not require, the imposition of interest rate limitations on other time and savings deposits. Under existing law, the imposition of interest rate limitations is required with respect to all time and savings deposits. The existing authority of the Board of Governors of the Federal Reserve System to classify and differentiate deposits for reserve purposes would be clarified, and inconsistencies between that authority and the corresponding authority with respect to interest rates would be eliminated.

Second. The bill would raise to 10 percent, from the present 6 percent, the maximum reserves which may be required against deposits other than time deposits.

Third. Section 1 of the bill would express the sense of the Congress with respect to the immediate implementation of the bill, calling for a temporary 1-year ceiling of 4½ percent on certificates of deposit not held by business corporations, nor on deposits of public moneys, and for interagency coordination on changes in interest rate limitations. With the approval of this section we can have a restoration of balance between savings instruments. The fact that the higher yield negotiable certificate of deposit, through a process of attrition, has taken on the form of a consumer time deposit has caused no end of confusion and trouble. The certificate of deposit was not intended to compete with consumer time deposits. Section 1 of the proposal would once again make clear the very important distinction between the function of the certificate of deposit and the consumer time deposit.

Fourth. It would make eligible for purchase by the Federal Reserve System obligations of the Federal home loan banks and certain obligations of the Federal National Mortgage Association. By providing a vehicle for the Federal Reserve System to purchase obligations of the FHL banks and FNMA, we will be able to provide an additional element of stability in the mortgage market. I cannot stress too strongly the desirability of monetary policy as a means of providing long range stability in this area. Such policy would be a major step in helping to develop confidence.

Who would benefit from such a proposal? Answering the question reminds me of the story of the old Senator who was buttonholed by a friend and asked who he was going to support—the savings and loans, or the banks. "Well," the old Senator replied, "I'll tell you. My friends in the savings and loans tell me I have to give them aid and let the banks sink or swim on their own. My friends in the banks tell me the savings and loans should get the ax, and I should put my weight behind the banks. Well sir, when you ask whether I am going to support the savings and loans or the banks my answer is, I am going to support my friends."

When George Bernard Shaw made his comments on money, he said:

> All sound and successful personal and national morality should have this fact (the importance of money) in mind.

I would suggest that those Government officials responsible for decisions affecting our national financial affairs heed the advice offered by Mr. Shaw. Federal agencies have an overriding obligation to discourage the type of policies that have allowed the present situation to develop. The issue of the certificates of deposit is a short-term issue, and really involves only one segment of the money market. The long-range interest is developing balance between the various segments of the money market, and the particular instruments used in that market. This must be the goal of the responsible Federal agencies.

I am hopeful that my proposal will be a step in the direction of encouraging a climate of confidence achieved through balance.

CRIMINAL LAW REFORM

Mr. POFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, I am today introducing a bill to establish a National Commission on Reform of the Federal Criminal Laws. Briefly described, the Commission is composed of 12 members: 3 Members of the House of Representatives appointed by the Speaker; 3 Members of the Senate appointed by the President of the Senate; 3 U.S. judges appointed by the Chief Justice; and 3 eminent private citizens appointed by the President. The Commission will have the advice and counsel of a 15-member advisory committee of men and women who have experience and expertise in criminal law and related fields.

It will be the responsibility of the Commission and advisory committee to undertake one of the most important social studies of this decade: a study of how the Federal system of criminal justice may be improved. I need not document the fact that crime has become an urgent social ill plaguing our society.

The preservation of law and order is the first and fundamental function of government. Every citizen expects, and is entitled to expect, that his government will protect his person and property. This is the principal purpose of our criminal laws and procedures. I am proposing a National Commission to recommend how the criminal laws may be reformed and improved.

Criminal laws are not written merely to punish wrongdoers; they are enacted primarily to deter and dissuade persons from antisocial behavior. So long as the crime rate continues to increase, the conclusion is inescapable that our laws are failing in their fundamental purpose. A National Commission on Reform of the Federal Criminal Laws would provide an in-depth study of the failings in our Federal system of criminal justice and recommend those areas in which corrective legislation is needed.

The U.S. courts throughout the land are daily interpreting and reinterpreting the Federal criminal laws. There are many conflicting decisions and rulings that have, in effect, rewritten the criminal laws. Many opinions have uncertain meaning and others doubtful propriety. A comprehensive review of these decisions may suggest that a particular holding should be incorporated into the Federal criminal code or that other holdings should be overruled by a new statute.

I anticipate that this Commission will recommend the modernization of our Federal criminal laws. We are still basically working with 19th century concepts of criminal justice developed in rural, agricultural America to meet the conditions of those times.

A further duty of the Commission will be to make recommendations for revision and recodification of title 18 of the United States Code. This effort will be coordinated with the general review of Federal criminal laws, and will focus specifically on the republication of the criminal laws. Our criminal code is a patchwork effort to improve on 19th century concepts of criminal justice by piecemeal amendments designed to meet the requirements of a rapidly urbanizing society. Title 18 of the code has been amended and reamended hundreds of times since its revision and recodification in 1948.

Although such ad hoc additions are admittedly unavoidable, it is essential that a fundamental reevaluation of the theoretical and practical aspects of the Federal system of criminal justice now be undertaken. We must rewrite obsolete and ineffective statutes; we must restate fundamental principles of liberty and justice without forgetting either the criminal's rights or the rights of society.

Criminal law punishes malefactors. Punishment or the threat of punishment is the instrument of society to protect the property and safety of its members. Modern criminology, however, has changed the definition of "punishment." Punishment is no longer the imposition of a penalty or the exaction of retribution. Today a criminal is sentenced to prevent the criminal from repeating the act and to dissuade others from perpetrating a similar offense. Hopefully, offenders while immobilized can be rehabilitated by appropriate training or by placing them back in society under the guidance of a probation officer.

The Commission is directed to review the penalty structure as well as the ambiguities now existing in our laws.

JOB CORPS SALARY EXCESSES—NO END IN SIGHT

Mr. QUIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Mr. Speaker, over one-third of the employees, 38 percent, making over $6,000 at five men's urban Job Corps centers received over a 20-percent increase to join the war on poverty. Nobody seems to deny that excessive salary increases did occur and still do occur in large numbers in the Job Corps.

The examples of the increases at the five centers—Fort Custer, Kalamazoo, Mich.; Camp Breckinridge, Morganfield, Ky.; Camp Kilmer, Edison, N.J.; Fort Rodman, New Bedford, Mass.; and Camp Atterbury, Edinburg, Ind.—could be given ad infinitum.

I do not have the time here to list all the examples, but a quick check of the payroll records indicates even more incredible instances of persons who received over a 50-percent increase from their previous salaries. I will place in the Record today the complete list of those persons, but here are just a few examples:

Center	Position	Increase (percent)	Previous salary	Present salary
Custer	Chief group life supervisor	98	$4,800	$9,515
Do	Vocational instructor	82	4,368	7,950
Breckinridge	Counselor instructor	98	4,392	8,700
Do	Vocational instructor	64	4,560	7,500
Atterbury	Chief, security	140	5,004	12,000
Do	Supervisory test administrator	73	5,196	9,000
Kilmer	Manager	159	5,800	15,017
Do	Personnel supervisor	216	3,005	9,506
Rodman	Director of curriculum	75	10,300	18,000
Do	Instructor of physical education	70	5,000	8,500

Under leave to extend my remarks, I include the following comprehensive list:

Position	Increase (percent)	Previous salary	Present salary
CUSTER JOB CORPS CENTER			
Chief group life supervisor	98	$4,800	$9,515
Do	59	6,000	9,514
Do	96	4,848	9,514
Vocational teacher	55	5,760	8,900
Orientation counselor	55	5,200	8,050
Vocational instructor	82	4,368	7,950
Staff trainer	50	4,980	7,500
Counselor	50	5,000	7,500
Vocational instructor	82	3,860	7,010
Public information reporter	50	4,680	7,000
Captain, F. & S	50	4,500	6,783
Group life supervisor	59	3,952	6,300
Do	51	4,160	6,300
BRECKINRIDGE JOB CORPS CENTER			
Acting director, vocational training	65	7,800	12,900
Supervisor of general education	50	6,396	9,600
Counselor-instructor	98	4,392	8,700
Do	211	2,700	8,400
Vocational instructor	59	5,100	8,100
Orientation instructor	63	4,800	7,800
Vocational instructor	64	4,560	7,500
General education instructor	84	3,420	6,300
ATTERBURY JOB CORPS CENTER			
Dentist	90	6,420	12,192
Chief, security	140	5,004	12,000
Dentist	127	5,196	11,820
Unit coordinator	400	1,800	9,000
Supervisory test administrator	73	5,196	9,000
Psychologist	77	4,800	8,496
Dispatcher	50	1,500	7,560
Health, physical education and recreation	50	5,040	7,560
Security investigator	71	4,416	7,560
ATTERBURY JOB CORPS CENTER—con.			
Custodial supervisor	65	$4,140	$6,840
Supervisor, CX	53	4,464	6,840
Resident adviser III	229	2,076	6,840
Stock record supervisor	100	3,420	6,840
Tester II	52	4,356	6,600
Health, physical education and recreation	102	3,120	6,300
Resident adviser II	100	3,120	6,228
Do	147	2,520	6,228
Physical education and recreation II	132	2,688	6,228
Do	71	3,636	6,228
Do	448	1,095	6,000
Assistant maintenance supervisor	100	2,000	6,000
Resident adviser II	60	1,512	6,000
Do	111	2,844	6,000
RODMAN JOB CORPS CENTER			
Director of curriculum	75	10,300	18,000
Senior resident counselor	76	6,800	12,000
Instructor, business education	82	5,500	10,000
Instructor, math economics	51	6,300	9,500
Assistant head, physical education	59	5,500	8,750
Instructor, D.P. laboratory	55	5,500	8,500
Instructor, physical education	70	5,000	8,500
Maintenance manager	92	4,160	8,000
Assistant department head	131	3,250	7,500
Night duty officer	75	4,000	7,000
Do	75	4,000	7,000
Security administrator	82	3,840	7,000
Tutor-counselor	72	3,952	6,800
Unit supervisor-counselor	70	3,860	6,500
Instructor II, business education	54	4,200	6,500
Tutor-counselor	81	3,600	6,500
Instructor II, physical education	86	3,500	6,500

Position	Increase (percent)	Previous salary	Present salary
BODMAN JOB CORPS CENTER—con.			
Tutor-counselor	50	$4,200	$6,300
Do	156	2,340	6,000
Do	100	3,000	6,000
Do	110	2,860	6,000
Do	92	3,120	6,000
Purchasing administrator	78	3,380	6,000
Tutor-counselor	50	4,000	6,000
Do	65	3,640	6,000
Do	140	2,500	6,000
Do	68	3,580	6,000
Do	186	2,100	6,000
Recreation specialist	138	2,520	6,000
Do	233	1,800	6,000
Do	54	3,900	6,000
KILMER JOB CORPS CENTER			
Dentist	330	3,998	17,201
Manager-administrator	468	2,704	15,392
Manager	159	5,800	15,017
Contract administrator, senior	54	9,200	14,186
Administrator vocational services	313	3,307	13,645
Dentist	315	3,120	13,000
Administrator, educational services	60	7,758	12,418
Education resident specialist	69	6,800	11,502
Administrator, personnel	81	5,980	10,795
Administrator, food services	103	5,190	10,546
Supervisor	60	6,550	10,504
Do	305	2,600	10,442
Administrator, avocations	52	6,800	10,317
Administrator, social activities	53	6,600	12,900
Administrator, security	92	5,200	10,004
Personnel supervisor	216	3,005	9,506
Administrator, mat control	69	5,439	9,214
Supervisor, activities section	59	5,750	9,131
Analysis systems programer	155	3,536	9,006
Counselor	85	4,800	8,902
Social activities sponsor	79	4,250	8,715
Foreman of guards	109	4,160	8,694
Education specialist	287	2,200	8,507
Supervisor skills	60	5,200	8,320
Athletic activities sponsor	55	5,300	8,237
Education specialist	61	4,900	7,904
Senior instructor	50	5,200	7,779
Education specialist	71	4,500	7,717
Special athletic activities senior	99	3,840	7,654
Supervisor	89	4,000	7,561
Athletic activities sponsor	81	4,160	7,530
Counselor	526	1,200	7,509
Instructor	189	2,600	7,509
Do	65	4,160	7,509
Counselor	106	3,640	7,509
Do	51	4,988	7,509
Senior instructor	90	3,952	7,509
Counselor	56	4,804	7,509
Administrative assistant	124	3,350	7,488
Instructor	58	4,680	7,405
Do	58	4,680	7,405
Education specialist	68	4,420	7,405
Do	54	4,800	7,405
Do	50	4,900	7,363
Do	53	4,800	7,342
Do	63	4,500	7,322
Do	142	3,005	7,280
Specialist, F. A	62	4,500	7,280
Instructor	53	4,700	7,145
Activity athletic sponsor	72	4,160	7,145
Instructor	65	4,316	7,134
Specialist	140	2,860	6,864
Unspecified	120	3,120	6,684
Do	52	4,500	6,822
Do	77	3,848	6,802
Do	64	4,160	6,802
Education specialist	104	3,328	6,802
F. A. specialist	74	3,920	6,802
Administrative assistant	90	3,536	6,720
Recreation specialist	79	3,608	6,458
Group leader senior	76	3,640	6,396
Do	53	4,160	6,365
Do	206	2,080	6,364
Do	86	3,380	6,302
Do	51	4,160	6,302
Do	142	2,600	6,302
Do	130	2,724	6,271
Do	51	4,160	6,271
KILMER JOB CORPS CENTER—con.			
Senior group leader	61	$3,900	$6,261
Garage mechanic	50	4,160	6,240
Social activities specialist	71	3,640	6,209
Group leader	139	2,600	6,209
Do	139	2,600	6,209
Specialist, F.A.	199	2,080	6,209
Group leader	99	3,120	6,209
Craft specialist	84	3,380	6,208
Group leader	138	2,600	6,178
Do	95	3,120	6,074
Do	92	3,120	6,001
Do	80	3,328	6,001
Do	65	3,640	6,001
Do	92	3,120	6,001
Do	51	3,973	6,001
Do	92	3,120	6,001
Do	80	3,328	6,001
Do	61	3,733	6,001
Do	65	3,640	6,001
Do	50	4,000	6,001
Do	77	3,380	6,001
Do	173	2,200	6,001
Do	114	2,808	6,001
Do	131	2,600	6,001
Do	65	3,640	6,001
Do	100	3,005	6,001
Do	65	3,600	6,001
Do	80	3,328	6,001
Do	110	2,860	6,001
Do	58	3,900	6,001
Do	65	3,640	6,001

This scandalous situation continues in the Job Corps, but all attempts of Republicans to correct it have been rejected by the Democrats. Republicans proposed an amendment to the Economic Opportunity Act that would limit salary increases of Job Corps personnel to 20 percent above their previous salary, unless otherwise authorized by the director. This amendment was rejected in committee by the Democrats on a straight partyline vote. The Republican Opportunity Crusade, which includes full safeguards against poverty program excesses, incorporates this amendment which would guard against salary abuses.

Mr. Speaker, it is time that something be done about this appalling leakage of poverty funds. Enrollee costs of the Job Corps can never be brought down to a reasonable level as long as payroll costs continue at the levels just cited. We cannot let the good potential of the Job Corps be continually sacrificed.

Mr. Speaker, we urge the adoption of the Republican Opportunity Crusade.

PRIVATE ENTERPRISE, ECONOMIC INTEGRATION AND THE ALLIANCE FOR PROGRESS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, it is most heartening to all who have confidence in the achievements under the Alliance for Progress in the fields of private enterprise and economic integration to have these achievements so ably documented in a speech by the Honorable Lincoln Gordon, Assistant Secretary of State for Inter-American Affairs at the Inter-American Council of Commerce and Production meeting in Mexico City this last June 1.

This address came as a "breath of fresh air" and at a most opportune time in maintaining the frank and friendly dialogs on the Alliance, and the progress that still needs to be made. Earlier this spring, remarks by a high U.S. Government official before the same Council, offensive to many Latin American countries, touched off a series of criticisms on the part of Latin American government officials against U.S. policies on trade and investment abroad. Mr. Gordon, in urging a "more constructive approach by both sides" ably and properly set forth the basic theme of the Alliance—"Friendship and Cooperation."

Accordingly, it is a great pleasure for me to place his remarks in the RECORD—words of wisdom from a very learned and able diplomat:

PRIVATE ENTERPRISE, ECONOMIC INTEGRATION AND THE ALLIANCE FOR PROGRESS

(Remarks by the Honorable Lincoln Gordon, Assistant Secretary of State for Inter-American Affairs, at the CICYP (Inter-American Council of Commerce and Production) Meeting, Mexico City, June 1, 1966)

It is a pleasure and an honor to have the opportunity to address this twenty-fifth anniversary meeting of CICYP—the principal inter-American organization representing private business from all parts of this hemisphere. Although CICYP is twenty-five years old, in its present phase it is far younger, and it is much more robust today than in its earlier incarnation. That this rejuvenated CICYP, indeed, is a contemporary of the Alliance for Progress—the great program of inter-American cooperation for accelerated development which has become a central concern of all of our western hemisphere governments—is no mere coincidence, for the aims of the new CICYP are over-lapping and convergent. Both are devoted to expanded economic activity with modernized institutions; both are devoted to the creation of economic and social conditions permitting a better life for all of our citizens.

As CICYP turns increasingly, both in its national sections and as an international organization, to the problems of practical action for Latin America economic development and integration in keeping with the general theme of this week's meeting, I am confident that its voice will be increasingly heard and respected in the councils of government and in the shaping of the broad public policies which guide and stimulate the processes of development in Latin America. It has occasionally been suggested that in its original formulation five years ago, the Alliance for Progress reflected a bias against private enterprise. As one of the active participants during that first phase, you will forgive me for saying with some emphasis that that view is simply wrong. The Declaration to the Peoples of America of Punta Del Este, which set forth the philosophy of the Alliance, stated as one of its principal goals: to stimulate private enterprise in order to encourage the development of Latin American countries at a rate which will help them to provide jobs for their growing population, to eliminate unemployment, and to take their place among the modern industrialized nations of the world. Nor was this merely a matter of lip service. The programs and projects of the Alliance—the Alliance in practice—have looked to a constantly strengthened and modernized private sector as a major instrument for economic expansion.

I imagine that the allegations of anti-business bias were based on the emphasis in the Charter of Punta Del Este on national development planning, on social objectives, and on the need for reform. But none of these are incompatible with a strong private enterprise system.

Under today's conditions, I would argue that they are in fact necessary requirements for the existence of a strong and healthy private sector.

The Charter's appendix on elements of national development programs makes it clear that the type of development planning envisaged by the Alliance is democratic planning for a free society, in which regionally organized public investment, following a conscious set of priorities, are matched by systematic incentives and institutions to encourage private investment and action in support of the development program.

The social objectives are not merely distributive; their main thrust is social investment in such fields as education, health, housing, and improved conditions of agricultural life and work—all essential conditions for modernized economies. As to reform—reform of tax structure and systems of tax administration; reform of relationships among land owners, tenants, and agricultural labor; reform of public administration; reform of capital markets and company laws; reform of educational institutions at all levels—can anyone seriously question the need for such measures if Latin America is to move fully and rapidly into the mainstream of late twentieth century economic life? This is not to suggest that every development plan is perfect or that every proposed reform measure is sound. Far from it.

Ours is a highly diverse continent, and there is room for much experimentation in the relations between government and business, in the design of governmental policies, and in the institutional developments which accompany economic and social progress. But to oppose development planning and reform as a matter of principle comes very close to opposing development and change. I suggest to you that a more constructive approach is to use your influence to see that the plans and reforms make sense, and that they give to private enterprise that affirmative and innovating and expansionist role which it can so well perform.

I also suggest to you that the shaping of national development plans and policies is not primarily a matter for the United States. Our role in the Alliance for Progress is to provide a margin of external financial and technical assistance to support Latin America's development programs. In so doing, both we and the international institutions, under the multilateral guidance of the CIAP—the Inter-American Committee for the Alliance for Progress—do exercise some influence on national programs, especially in discussing the various measures of self-help which justify external support and which make it truly useful. But it is to Latin America itself that we must look for the main initiative in determining the character of those programs and efforts.

It has also been charged that too much of the external aid under the Alliance for Progress is on a government-to-government basis, and that this weakens the private sector. I likewise emphatically reject that charge. It is true that the major fields of governmental project lending, whether bilateral or from the World Bank and the Inter-American Development Bank, have been economic infra-structure (power, roads, and communications) and social infra-structure (education, water supply, and other health measures, and housing). But it is obivous that deficiencies in economic infra-structure have been among the key bottlenecks limiting the growth of Latin American private enterprise, both in industry and in agriculture. Investment in education and health has been shown to yield very high returns even in purely economic terms, apart from its obvious social and political desirability. Clearly these essential works of infra-structure must be matched by investment in directly productive super-structure, and that is mainly the direct responsibility of private enterprise. Especially during the past two years, external financing under the Alliance has been increasingly directed toward such expansion.

I have in mind not only loans to individual private projects, but especially the provision of seed capital for new intermediate financial institutions such as development banks, farm credit institutions, producers' cooperatives, and housing banks. Through these institutions, new life blood has been made available to thousands of small and medium enterprises, often accompanied by technical assistance, and their effects are increasingly visible in a wide range of industrial and agricultural enterprises. In the countries receiving United States assistance in the form of program loans, moreover, a portion of the funds is being set aside now for financing the importation of needed capital goods on terms which encourage diversified expansion in the private sector and the major share of local currency counterpart realized from the sale to importers of program loan dollars is used for loans to the private sector through intermediate financial institutions of the type I have already mentioned.

Those of us who had the privilege of advising President Kennedy on policy toward Latin America in the early development of the Alliance for Progress were moved by a deep conviction that the United States had made a serious error during the previous fifteen years—an error shared by both our major political parties. That error was an undue concentration of attention on other regions of the world while Latin America was being taken too much for granted. The Alliance for Progress remedied that error, and President Johnson's recent speech here in Mexico City makes it clear that there is no danger of its recurrence.

To the business community of Latin America, I would suggest the danger of a parallel error: taking for granted your own status and role in the development of the continent. Private enterprise has played a major part in Latin American economic development and it is beginning to show that it has a still greater and more creative role ahead of it. But, unlike its counterpart in North America and Western Europe, it is not yet an almost universally accepted and respected institution. I am not here referring merely to the attacks of the Communists and their professional allies. I also have in mind a substantial proportion of the intellectual community—of teachers and students, writers and artists and a substantial number of non-Communist political leaders or would-be leaders.

In Western Europe, the two decades since the Second World War have witnessed a fundamental transformation of attitude in this regard. In that part of the world, so-called "Socialist" political movements, such as the Social Democratic parties of Germany and Scandinavia and the Labor Party of Britain, have abandoned their platforms of nationalization because such platforms no longer enlist the votes of blue and white collar workers, of farmers and farm laborers, of intellectuals and the powerful professional middle classes. The new economic order, in which general governmental guidance plays an important part but which relies on private initiative, enterprise, and administration for the vast bulk of productive activity, has shown a capacity to satisfy popular aspirations in sharp contrast to the totalitarian socialism behind the iron curtain. In short, private enterprise is now accepted and respected there, not because of popular addiction to liberal economic theories or to juridical principles of private property, but because it works. The same is true in North America. Here in Latin America, however, the case still has to be made in the public mind. Education and counter-propaganda have some part to play in making this the case. How often we all encounter among Latin American university students, for example, the view that business profits are inherently the immoral fruit of exploitation, rather than a sign of successful organization, production, and distribution to supply consumer wants. But the best basis for education is demonstration, and the true challenge facing Latin American enterprise is to show that it too works; that it too is the most effective means for satisfying the material needs and desires of the people.

In facing this challenge, action on two fronts seems to me of cardinal importance. They are (1) modernization of management and (2) vigorous and rapid progress in Latin American integration. While at first glance these may appear two entirely separate and unrelated subjects, in fact, I believe that they are closely interlocked with one another.

Modernization of management has many facets, and I know that the combined wisdom in this room has much more to contribute to its discussion than I have. Let me only specify a few of its aspects.

It includes rigorous attention to costs and the constant search for ways and means to reduce them.

It includes a drive for innovation in every aspect of business—in production, distribution, marketing, and organization.

It includes the practice of affirmative human relations—the treatment of a work force not as mere bundles of muscles but as a collectivity of human beings, organized for a common purpose, with in-house training, upgrading of skills, and opportunity for promotion on demonstrated merit.

It includes the rational planning of investment based on market projections over the long-haul, instead of a mere search for quick speculative profits.

It includes the systematic development of new markets through mass production and distribution with small profit margins per unit, bringing whole new classes of the community into active participation in modern economic life.

It includes the marrying of city with countryside, through the efficient supply of goods for agricultural production and rural consumption and the efficient return flow of food and fiber from the land. And, it applies to farm and pasture management no less than to factories and commercial houses.

Modernization of management also has implications for business attitudes in their relations with government. It implies a sympathetic and constructive response to governmental efforts for development and reform. Where the economy is cursed by rampant inflation, it means a willingness to carry a fair share of the short-term burdens of stabilization, including indispensable measures of taxation and credit restraint. Since chronic inflation is one of the most potent threats to the very survival of private enterprise, cooperation in such measures would be an evident act of far-sighted business statesmanship. Cuba excepted, there is no regime in Latin America today which is basically hostile toward private enterprise as such. Nevertheless, there is much room for improvement in the degree of support by business sectors for constructive programs of change. Surely there are ways and means for exerting useful influence and for participating affirmatively in the shaping of overall plans and policies for national economic and social progress.

All these elements of modernized management are practiced in one place or another in Latin America, but they are not yet the common practice. Therein consists the challenge. To respond to it will require business leadership and business statesmanship. But it will also require new opportunities and new driving impulses. This is where the economic integration of Latin America has so much to offer.

It is a simple fact that too large a proportion of Latin American private enterprise has been developed to serve limited markets sheltered behind inordinate tariff and import licensing barriers or based on special monopolistic governmental favors and privileges. Replacement of imports is a sound enough basis for beginning the process of industrial growth, but it is a grossly inadequate basis for moving forward from that beginning into truly modern industrialization and high productivity agriculture.

As one reviews the spectacular success of the European Common Market, it is clear that the widening of market opportunities has been of great importance in raising the sights of European enterpreneurs and stimulating them to new investments, technical innovations, and changing attitudes. Even more important, I believe, has been the invigorating wind of competition in economic sectors which had become accustomed to the comfort of entrenched positions in sheltered and stagnant markets.

With all due allowance for the differences—and they are admittedly vast—these same two factors should be set to work through economic integration in this hemisphere. I believe that they can bring about a no less radical raising of the sights of Latin American business enterprise. And, as in the case of their European counterparts, I would expect the early reluctance to change old habits will give way rapidly to new enthusiasm as the movement demonstrates its success—success in economic and financial terms reflected in balance sheets and profit-and-loss statements, and success in policy terms reflected in overflowing public confidence in private enterprise as the mainstay of the economic system.

In these years of the Alliance for Progress, a good start has been made toward integration through the Central American Common Market and the Latin American Free Trade Area. Between 1960 and 1965, intra-regional trade in Central America rose from 30 million to 140 million, a truly remarkable record.

Among the LAFTA countries, intra-regional trade rose by 50 per cent between 1961 and 1964, whereas global exports rose by only 12 per cent for Latin America as a whole (excluding Cuba). Intra-regional trade rose from 8.8 per cent of total imports in 1961 to over 15 per cent in 1965, approximating a total last year of 1.3 billion. These are substantial results, but there is danger of halting at a plateau unless new and intensive efforts are made to drive the movement ahead. The next steps are clear: more rapid reduction of both tariff and non-tariff barriers to trade, freer movement of capital and manpower within the regions; and a beginning of monetary integration. Venezuela is on the verge of joining LAFTA, but neither Bolivia nor Panama are yet in either of the two regional communities. Thought must also be given to the future inclusion of the Caribbean countries, as well as the ultimate welding of both movements into a single Latin American Common Market. The main responsibility for these steps lies with the governments concerned, but their actions will depend heavily on business attitudes and influence.

Until recently, doubts have been expressed in some Latin American quarters concerning the attitude of the United States Government toward this movement. After the statements of Secretary Rusk at Rio last November and President Johnson here in Mexico two months ago, I hope that such doubts have finally been swept away. We are, in fact, wholeheartedly in support. Obviously, regional integration may involve some diversion of trade, with adverse effects for a time on specific United States exports. We are convinced, however, that the overall effect will be much more trade-creating than trade-diverting, and that in the medium and long-run the United States can only stand to gain by enhanced prosperity among its neighbors to the South.

For this reason, our support has not been merely verbal and moral, but it has also been substantial. We are contributing resources to the Bank for Central American Integration and to the Capital Goods Export Fund of the Inter-American Bank. We have supported the special Inter-American Bank Fund for the study of multi-national projects in support of integration, and made it clear that we will be prepared to assist in the financing of such studies and of sound projects which emerge from them in the future. In the early stages of discussion of the Inter-American summit meeting now being projected, ways and means to give new impulse to Latin American integration have headed all lists of suggestions for the presidential agenda.

The myth that United States business interests, if not the United States Government, opposes economic integration, has been effectively rebutted in Mr. David Rockefeller's article in the current number of Foreign Affairs. I am sure that his article, with its wise observations on many matters of interest to Inter-American business and governmental leaders, is well known in this audience.

Latin American economic integration will of course lead to new patterns of economic relationships with the outside world, including the United States, as well as within the region itself. A stronger regional economic base should also mean greater ability to compete in world markets and greater diversity in Latin American exports. It will also mean greater attractiveness of Latin America for private investment from outside the region and greater opportunities for fruitful partnership among Latin American and foreign entrepreneurs. Such investments are significant as a source of capital. They are vital as a source of modern technology.

In the successive phases of economic modernization, the last and most difficult to achieve is the complex of institutions for scientific and technical research and development. This is a very costly development in financial terms, and even more costly in its requirements for highly skilled and trained manpower. No contemporary economy is self-sufficient in this regard, as witness the stream of technical interchange among Western Europe, North America, and Japan—to say nothing of the one-way stream toward the Soviet Union. It is Latin America's good fortune that it can participate in the results of research and development in the presently more advanced countries at a very low cost in relation to the benefits received.

In presenting these observations on some of the topics on your agenda, I hope to have made a modest contribution to your discussions. If you have noted a tone of optimism in these remarks, you have judged correctly. I am optimistic about the prospects for Latin American economic development and social progress—not merely the possibility for some remote future, but the processes which are taking place before our eyes and in which you gentlemen are playing so important a part.

Optimism does not mean complacency, however. The pressures are great—pressures of population growth, pressures of rising aspirations, and pressures of legitimate desire by marginalized elements in the community for full participation in modern life. The Alliance for Progress is a race against time. To win it will require the best efforts of governments, of private enterprise, of labor and farm organizations, of professional associations, and of all our peoples. If those efforts can be made to converge and re-enforce one another, there is a very good prospect for success, and a large share of the overall responsibility—and of the credit for ultimate success—will fall on CICYP and the groups CICYP collectively represents.

I wish you all good fortune in your endeavors.

INDIANA UNIVERSITY OF PENNSYLVANIA

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, because of the new emphasis on higher learning for young Americans, all Members of Congress will be interested in what has recently taken place at an outstanding educational site in the State of Pennsylvania.

Through a bill introduced last year in the Pennsylvania State Legislature by the Honorable William G. Buchanan, of Indiana County, Indiana State College has been redesignated as the Indiana University of Pennsylvania. The significance of this action, along with a brief history of the institution, is described in material from the Indiana University Penn which I should like to have included in the Record at the conclusion of my remarks.

I also ask unanimous consent to reprint an introduction by Dr. Arthur F. Nicholson, president of the general alumni association, at the convocation in recognition of the redesignation, along with an address by Dr. Otis C. McCreery, chairman of the State board of education. Dr. Nicholson is presently serving as dean of the school of continuing and nonresident education at the university. Dr. McCreery, who has occupied key positions at Drake University, the University of Minnesota, and the State College of Washington, was also an executive in the Aluminum Co. of America.

Mr. Speaker, the school which today is known as the Indiana University of Pennsylvania has been important to the cause of higher education in the United States for almost a century. Under the leadership of Dr. Willis E. Pratt, its president, it is growing into even more prominent stature. I commend your attention to the following news articles and addresses:

From a humble beginning Indiana University of Pennsylvania has become a very important institution of higher learning which serves the needs of a large number of Pennsylvania citizens. With a student body of only 225 in its first year, Indiana this year has an undergraduate enrollment of 5,111 full-time and 315 part-time students.

Indiana University of Pennsylvania grew out of a need for a teacher-training institution in Pennsylvania in 1871 when the Pennsylvania General Assembly passed an act granting aid for the establishment of a Normal School in the Ninth Pennsylvania District.

Since the first building was opened for students in 1875, the University has graduated over 22,000 students; and since becoming a degree conferring institution in 1927, it has granted over 12,000 degrees.

Ownership and control of the institution passed to the Commonwealth in 1920. A few years later, in 1927, the General Assembly approved a change in the name and function of the school. As the State Teachers College at Indiana, it became a four-year college with the right to grant the Bachelor of Science degree in Education.

In 1957 the college was authorized to offer, for the first time, work leading to the Master of Education degree in elementary education. The program was later expanded to include thirteen secondary areas as well. This program, which began with an enrollment of 74 in September, 1957, has graduated a total of 672 through January 1966, and currently enrolls a total of about 3,000 students, with approximately 700 of these students enrolled in courses during the current academic term.

In January 1960 the name of the college was changed to Indiana State College. This set the stage for a liberal arts program which graduated its first students on January 12, 1964. This program, which began with 72 students in September, 1962, now enrolls over 800 students in the areas of the Social Sciences, the Humanities, and the Natural Sciences.

In September, 1962, Indiana established its first off-campus center at Punxsutawney, Pennsylvania. In September, 1963, a second center, to serve the general area of Armstrong County, was established at Kittanning, Pennsylvania. During the current academic term approximately 150 students are enrolled at the Punxsutawney Center and 300 at the Armstrong County Center.

In December, 1965, Indiana was redesignated the Indiana University of Pennsylvania with right to expand its curricular offerings and to grant degrees at the doctoral level, as well as in several additional areas at the master's level.

Indiana has pioneered in educational television, regularly offering courses over WQED, Pittsburgh's educational television station, as well as over other areas stations.

In 1950, an Army Reserve Officer Training Corps was established at Indiana. Since that time over 500 graduates have been commissioned second lieutenants in the army, approximately 100 of whom are currently serving as officers in the Regular Army of the United States. The Cadet Corps at Indiana, which consisted of 208 students in 1950, now numbers over 1100.

Through the years, the physical plant of the university has increased from an original single building to a campus of about 175 acres (including approximately 100 acres encompassing the University Lodge) in the center of the community of Indiana with more than 25 major buildings, 20 other buildings, and a major athletic field development which provides adequately for the recreational and physical activities of about 6,000 students.

Recently completed were a large dining hall and a field house. A new science complex is scheduled for completion in September, 1966. Planned for the immediate future are a learning-research center, an additional classroom building, a women's dormitory, a men's dormitory complex, a new military hall, and a health center. The overall plan is for the campus to be expanded to over 200 acres, accommodating approximately 7500 full-time undergraduate students by 1970.

Indiana University of Pennsylvania was established by Act 430 of the 1965 session of the General Assembly of the Commonwealth of Pennsylvania. The text of this Act is set forth below.

Section 1. Short Title.

This act shall be known and may be cited as the "Indiana University of Pennsylvania Act."

Section 2. Redesignation of Indiana State College.

The name of Indiana State College, located and established at Indiana, Pennsylvania, is hereby changed to the "Indiana University of Pennsylvania."

Section 3. Redesignation of the Board of Trustees.

The Board of Trustees of Indiana State College is hereby redesignated as the "Indiana University of Pennsylvania Board of Trustees."

(The Indiana University of Pennsylvania Board of Trustees shall consist of nine members appointed by the Governor, and the Superintendent of Public Instruction ex officio. The terms of each member . . . shall be six years, and until his successor is appointed and qualified.)

(Part of Sec. 401, Act of April 9, 1929, P. L. 177, amended December 14, 1955, P. L. 853.)

Section 4. Board of Trustees, Organization.

The Board of Trustees shall organize at such times each year as it shall determine and, subject to the approval of the Governor, elect a president. The board shall also elect a treasurer, a business manager, a secretary and such officers as it shall determine. A majority of the board shall constitute a quorum.

Vacancies on the board shall be filled by the Governor for the unexpired terms. The board shall meet twice annually on dates to be fixed by it and shall provide the State Board of Education with a copy of the minutes of its meetings.

(It is the election of the president of the university only which requires the approval of the Governor and the president of the university shall serve at the pleasure of the board of trustees and the Governor.)

(Opinions of the Attorney General dated March 2, 1966 and March 29, 1966.)

Section 5. Powers and Duties of Board of Trustees.

(a) The affairs of the university established under this act shall be administered by the president and shall be supervised by the board. Subject to any law and to any policies, standards, rules and regulations adopted by the State Board of Education provided for State universities, the board shall, for the purpose of operating and maintaining the university, have the power and its duty shall be to:

(1) Formulate plans for the growth and development of the university.

(2) Approve recommendations of the president pertaining to (i) budgets and expenditures, (ii) tuition charges and waivers thereof, and student fees, (iii) schools and curricular programs and (iv) the appointment, rank, salaries, tenure of instructional staff and non-instructional staff and administrative personnel.

(3) Make policies providing for the admission and expulsion of students, courses of instruction and for all other matters related to the government and administration of the university.

(4) Exercise such other powers and perform such other duties as are necessary to carry into effect the provision of this act.

Section 6. Officers of the University.

(a) The president shall be the chief executive and administrative officer of the university and shall perform all duties which the board of trustees may prescribe. He shall have the right to attend all meetings of the board and to be heard on all matters before it, but shall have no right to vote on any matter.

(b) The treasurer of the university shall give a proper bond in such amount and with such corporate surety as is approved by the board of trustees, which shall be filed with the board. The account of the treasurer shall be audited, annually, by a certified public accountant or other qualified public accountant selected by the board of trustees.

Section 7. Degrees.

The institution may grant the degrees of bachelor of arts, bachelor of science, and bachelor of fine arts for successful completion of prescribed undergraduate courses of study, and may grant the degrees of master of education, master of arts, master of science, doctor of education, and doctor of philosophy for successful completion of prescribed graduate courses of study. In addition, the institution may grant other degrees when recommended by the board of trustees and approved by the State Board of Education.

Section 8. Continuation of Powers and Obligations.

All powers, rights, privileges, duties, and obligations, statutory, contractual, or of whatever kind, of the board and the institution shall remain in full force and unchanged, notwithstanding the change of the name of the board and the institution, but henceforth under the new names established by this act.

Section 9.

Omitted. Not applicable to Indiana University of Pennsylvania.

Section 10.

This act shall take effect immediately upon accreditation by the Middle States Association of Colleges and Secondary Schools.[*]

Approved the 16th day of December, A.D., 1965.

WILLIAM W. SCRANTON.

COMMENTS BY DR. ARTHUR F. NICHOLSON, DEAN OF SCHOOL OF CONTINUING EDUCATION AND PRESIDENT OF GENERAL ALUMNI ASSOCIATION, INDIANA UNIVERSITY OF PENNSYLVANIA

Greetings: In this brief greeting first person pronouns are used in a collective transcendental sense similar to that of Walt Whitman in "Leaves of Grass."

As president of the General Alumni Association of Indiana University of Pennsylvania, I personally hope that this onetime little private school, this onetime state normal school, this former state teachers college, this recent state college—and now this emerging and developing university will be dedicated to enlarging horizons for the minds of human beings. I hope that those who teach here and learn here will as honestly and faithfully and intelligently as humanly possible search for the great pragmatic tentative truths that can lead mankind to ultimate truths and solutions to the meaning of human existence. The potential achievements of scholarship and learning, it seems to this inquiring student, are greater in value to mankind than all the gold in Fort Knox or for that matter—all the status symbols and the displays of vanity and pride yet conceived in the collective mind of still-ignorant mankind. The great amount that mankind does know, it seems to me, is insignificant when compared with what mankind can know and will know. Alumni of this University cannot but hope that our University, its scholars, its students, and its graduates will participate in the great challenging task of narrowing the cataclysmic gap between what collective mankind knows and what collective mankind needs to know. We hope the final ultimate truth which is A God of truth and beauty and humanity, very much alive and not dead, will help us all to work for equal justice under law, for equality of opportunity, and for the unadulterated truth however terrifyingly stark or beautiful that truth may be.

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[*] Official notice of accreditation of Indiana University of Pennsylvania by the Middle States Association of Colleges and Secondary Schools was received December 18, 1965.

WHAT IS A UNIVERSITY? MASTER PLAN IN THE MAKING

(Speech by Dr. Otis C. McCreery)

I. INTRODUCTION

A university is a reflection of the civilization that produced it, and civilization is the product of 3 billion years of human history. Now I can't understand or probably appreciate the impact of 3 billion years, but I can understand some of the changes of the last hundred years.

II. RACHEL GEARHART

1. One hundred and twenty years ago this month, Rachel Gearhart with her husband and infant son left Westmoreland County for a new home in the West. Rachel was a Cameron who had married a Pennsylvania Dutchman three years before. This Scotch-Irish Pennsylvania Dutch combination seems quite typical of Pennsylvania ancestry.

Rachel's grandmother had come to the new world from Scotland during the American Revolution and the family had prospered in New York and Pennsylvania. But now Pennsylvania was getting crowded and this little family decided to go West where there seemed to be greater opportunities for young people.

They drifted down the Ohio River to its intersection with the great Mississippi, then across the Mississippi to land in Maquoketa, Iowa after many months. There they fell on their knees and thanked the good Lord for bringing them safely to their new home. This was the year 1846. The year the Iowa Territory became a state. There, they were to stake out a claim and raise a family. Their infant son was destined to die in the Civil War, but his brothers and sisters lived to help people of that great midwestern state. A real frontier in the years before the Civil War.

I tell you this because Rachel Gearhart was my great-grandmother, and she spent the last years of her life in the home of her favorite granddaughter, my mother.

I was ten years old at the time of her death and I remember so vividly the stories of frontier life that she related to me and my sisters as we listened with open-mouthed awe, and sometimes horror, to those living events of her time.

Her's was a life of hardship and sacrifice. Nothing came easily. Mishap easily became tragedy. She told us of that early dawn when the Indians burned their log cabin and drove off their one milk cow . . . or that hot summer when the grasshoppers destroyed all the crops . . . that August day when the hail stripped the corn of its leaves, foretelling starvation for the stock . . . that dark fall night when noise from the chicken house meant weasels had wantonly killed the entire flock . . . a giant bear carrying off a prize shoat, or a neighbor dying in childbirth.

Little thought was given to social or cultural opportunities . . . there were long days of work . . . life was hard, serious, dangerous. The forests were antagonists. Winter was feared for its death-chilling cold and lack of food.

Rachel was preacher, doctor, teacher—the neighbors sent their children to this woman who taught them with her own—the rudiments of reading, writing, and ciphering. There were so many children that there was no chance of a mother fixation—each shared the life of the family. The facts of life were apparent all about. No one was spoiled—each had to carry his share of the load if the family was to survive.

All problems were physical—there was no security only as the family was secure. The sole objective was to eat, keep warm, keep well and raise a family.

Rachel's problems seem simple today. There was no inflation, no demonstrations, nor strikes. No Viet Nam, no Beatniks, Communists nor national polls, and no Medicare.

It is difficult to realize that that rural frontier existence is only two lifetimes away.

My life and that of my great-grandmother have covered one hundred and forty years from rural frontier life with few tools beside a rifle and an axe; to complex modern life controlled by technology. I have always been impressed with the unusual opportunity I had to know well a frontier woman who was a contemporary of Abraham Lincoln and whose son was lost at the Battle of Chickamauga . . . and to know that life at her death more closely resembled her grandmother's life during the 1776 Revolution than mine today. So much has happened.

III. TRANSITION

1. *Arthur Compton* dramatizes this speeding passage of time by likening the 2 billion years of human history to the last few years of our lives.

a. A year or two ago—tools and weapons were developed.

b. Last month—stones were shaped to meet the needs of primitive man.

c. A week ago—man became an artist.

d. Day before yesterday—he learned to use pictures as symbolic writing.

e. Yesterday the alphabet was introduced—bronze was used.

f. Yesterday afternoon—Greeks developed their brilliant art and science.

g. At dinner time last evening—dawn of Christianity.

h. Last midnight—Rome fell.

i. By 10 o'clock this morning—first practical steam engine was built.

j. By 11 o'clock—laws of electro-magnetism were developed.

k. Which by 11:30 had given us telegraph, telephone and the electric lamp.

l. By 20 minutes to 12—X-ray followed by radium, and wireless telegraph was developed.

m. Only 15 minutes ago—the automobile invented—air mail has been carried for hardly 5 minutes. Not until last minute have world-wide programs broadcast by shortwave radio become popular and now televised via early bird satellite.

And now—

n. In the last 30 seconds, nuclear devices have been designed which have the potential of wiping out everything that has been developed since the beginning of *time*.

2. *General Sarnoff* (on Technological Advances).

"In relation to the total history of the human race, the last hundred years have been no more than a split second. Yet they have compassed more technological development than the millennia that preceded. The harnessing of electricity to the purposes of light, power and communication; the demonstration of the germ theory of disease; discovery and application of the electron; invention of radio and television; development of anesthetics; the exploration of genes and mutations; invention of motor vehicles; evolution of the assembly line and other mass production techniques; proliferation of organic chemistry; the splitting of the atom; development of antibiotics; the vast expansion of the known and measured universe of stars and galaxies." He adds that "in 1930, television, nuclear energy, jet planes, penicillin, nylon and dacron fabrics were unknown or incubating in laboratories."

3. Change in education. Education and its problems too have changed.

I feel quite at home on this platform, not only because of the gracious hospitality of your president, faculty and trustees, but also because that frontier teaching experience of Rachel Gearhart started a special interest in education for our family. My mother taught for a short time, my wife was a teacher before we were married. My two sisters and brother-in-law and four nieces and nephews found places for themselves in colleges and secondary schools.

In 1944 after 20 years on the staffs of 3 universities, I left education to enter industry, only to continue programs which were closely related to education.

When I have been asked by friends to compare the two experiences, I have always told them the differences weren't as great as some might think. I've found dedication, greed, loyalty and responsibility in both fields. I've found many good people in both professions and a few geniuses, some screwballs in each area, but no great differences. Even some eccentricities are the same:

We had a metallurgist in our Company who was as absentminded as any professor I have ever known.

Mary, I'll do the same for you. I guess to appraise a University one should start with the students.

A. The Student—A generation of rebellion.

Some people seem to think that this generation is the first one in which the youth rebelled. Believe me, it is not. In the 20's after the First World War, came the age of the flapper—the skirts were shorter than they are now and the racoon coat and the hip flasks were early symbols of conforming to non-conformity. Scott Fitzgerald was their prophet.

In the 30's came pajama parades, strikes against the R.O.T.C. and the annual spring outbreaks of water fights and the perennial attacks on constituted authority.

Thirty years ago, I went to Washington State College as Dean of Men as a result of a student strike. I didn't hear of this rebellion until after I'd been there a year. The students felt that my coming was due to their revolt. I am sure no administrator was ever in a better spot.

Swings of behavior

In every generation—in every individual—there are swings of emotional behavior. Some of these are implemented by feelings of rebellion against constraint by elders, by curiosity, by boredom, by a yen for different and wide spreading experiences. And, of course, a part of this is the process of growing up—of a young man's attempt to test himself—what he thinks, what he believes and how he will react under trying circumstances.

From the time of childhood, parents have been faced with the problem of allowing a child sufficient experience to find out for himself what will harm him and what will not. The problem is to give the youth enough freedom to decide for himself how close he can get to the fire without getting burnt—yes, without being consumed. This seems to be the explanation of the experimentation with LSD. The hallucinogenic drugs offer great attraction. They promise sensual experience, most bizarre, but there is sufficient evidence now to indicate that young habitues have developed full-grown psychoses.

John Hersey—in "To Far A Walk" shows clearly how close to tragedy psychodelic drugs brought Sophomore John Fist. Swings of emotional behavior are common, but in most people the swing from the center is not wide enough to cause attention. Sometimes the swings do not react as predicted.

After the Second World War, it was thought that the G.I.'s coming back from battle experience would not be able to stand the low level of activity of civilian life—that the habits of violence would carry over to school life and it would be impossible to control this sadism—that they could never settle down to the demands of rigorous scholarship.

The skeptics were proven wrong. The record of the returning G.I.'s for scholarship, stability and all round accomplishment was simply tremendous. . . . A swing back . . . no doubt from the violence of the battlefield.

Several years ago when I was directing seminars in Venezuela, I was discussing the Venezuelan National University with a young matron whose son was enrolled there. The

University's student body had been far to the left, perhaps infiltrated with Communists, for 3 or 4 years. But the student body, the day before, had elected a dean of the University who was extremely conservative. (Yes, in South America the students with the faculty do elect the deans.) I asked Senora Gonzales for her explanation of this radical swing.

"Senor" she said—"When you have been on the far left for some time, you build up antibodies which eventually draw you to the right and then back to the center—the center of common sense."

The Peace Corps, too, is evidence that youth can be challenged by objectives of high principle. That story is another one of which we can well be proud.

I'm not suggesting that the administration of our universities incorporate planned rebellion as a part of their curricula, but I do wonder if greater student involvement in the serious goals of the university isn't worth studying for the sake of the students and for the university.

When I lived in the State of Washington, there was a suspension bridge built across the Tacoma narrows which was called "Galloping Gerty." Because of wind and air currents in that gorge, this bridge would develop a rhythm of sway making its floor swing as much as 15 or 20 feet. Of course, a tolerance of sway was built into the bridge, but it was not sufficient to withstand the air currents and it finally did collapse.

After this experience, the bridge to replace it was built with greater allowance for sway and there has been no difficulty for the last 25 years.

Is it possible to build into university life a tolerance for controlled social vibrations? Perhaps by involving the student body in the goals of the school and challenging them not with preparation for life, but with life itself.

At any rate, the students are the university's responsibility. Indiana doesn't have the option of the automobile manufacturers. The university cannot recall the 1963–64 or '65 models of their finished product so that their brakes can be adjusted, their horsepower improved or seat belts added. These models cannot be reissued with the stamp of factory approval.

In every gradaution class the great majority are good. Every student who comes under the influence of the university is that university's responsibility—each one is that university's chance to attain immortality—most will be average—a few will be bad, because they will be both immoral and smart.

A few will be highly intelligent—well-trained and with an understanding of the world around him.

But good, bad or genius, they are the university's responsibility—if these chances are left lying on some battlefield or misdirected to depravity rather than glory—*then those chances for the university's im*mortality will be lost.

The test of a university eventually is the accomplishment of its students, faculty, deans, president, alumni, trustees.

IV. WHAT IS A UNIVERSITY?

A. Definitions.

1. *Stephen Leacock* once said: "If I were founding a university, I would found first a smoking room; then when I had a little more money I would found a dormitory; then after that or more probably with it, a decent reading room and a library. After that, if *I still had more money than I knew what to* do with, I would hire a professor and get some textbooks."

Albert Norris said: "The development of people—*(not just the care and feeding of* the individual)—should be the ultimate goal of a university, of a society, of each one of us." "The college's overriding concern ought to be for people, not for an institutional image in the mirror or in the local mind."

McGeorge Bundy stated: "I believe that by a radical reconstruction of our whole system of learning, teaching and inquiry, we can make these processes mutually reinforcing in a wholly new agreement. I believe there is now a special chance for a new institution to stir us all to do better by defining itself in terms of a radical insistence on the unity of learning, teaching and inquiry."

2. *President Perkins of Cornell University* sees the university's concern for knowledge as having three potential aspects. "The acquisition of knowledge is the mission of research; the transmission of knowledge is the mission of teaching and the application of knowledge is the mission of public service."

3. *Henry E. Sigerist* once said: "The task of university education is not to transmit an established body of knowledge because there is no such thing. Science and the humanities evolve from day to day.

It must help the student to develop his faculties, must train him to think independently and critically, so that he may form his own judgments. It must teach him methods of study so as to enable him to keep pace with developments. It must open up horizons for him, lead him in attaining a correct sense of values, in developing his attitude toward life, in one word, his philosophy."

B. If I should take my definition of the typical university from the accusations on placards carried by demonstrators—the description would be in these terms:

1. Teaching of undergraduates, especially freshmen and sophomores, has been turned over to graduate students—the professors are busy with more important duties.

2. A policy of publish or perish has been established for the professors, making clear what their function really is.

3. A branch office of the university has been established in Washington, D.C. and the state capital so that educational policies can more readily reflect the source of financial support.

4. No student should receive counseling or guidance until he starts his graduate work, at which time he becomes the indentured servant of the senior professor who makes the highest bid for him.

5. Students must resort to strikes, demonstrations, perhaps to set up their own "university" off campus as their only method of getting an audience with the administration.

6. According to the placards, university administrations across the country are chiefly concerned with buildings, football teams, a placid student body and research projects which have little to do with teaching.

Although there may be some truths among these placards—I notice that the majority of the banners are carried by that growing group described as "non-registered" students—that professional group of travelers who move from campus to campus ready to give their wisdom to the university fathers at the drop of a microphone. How they know what is going on in the classroom I don't know, since they seldom attend a class.

If some of the placards are true, then what would we include in our university to correct them?

Re-dedicate this institution to the following principles:

a. That a university is not a place for research first, teaching second, but a place where the roles of researcher, teacher, and student become more and more indistinguishable, *one from the other; a place dominated* by the spirit of inquiry where all are participating together in the exciting enterprise of learning what has not been learned *before and re-discovering that which has.*

b. That a university is both museum and stage—a repository of art and artifacts and an arena in which art and culture are born and examined—a place where things *are* and where things *happen*.

c. That a university, while of necessity hospitable to specialists, is the proper environment for generalization, the last phase in Whitehead's "rhythm of education." It is a place where artist and scientist, humanist and professionalist, search together and separately for unity in hidden likenesses (see Bronowski, Science and Human Values). "There are no appearances to be photographed, no experiences to be copied, in which we do not take part. We re-make nature by the act of discovery, in the poem or in the theorem. And the great poem and the deep theorem are new to every reader, and yet are his own experiences, because he himself re-creates them. They are the marks of unity in variety; and in the instant when the mind seizes this for itself, in art or in science, the heart misses a beat."

d. That a university, particularly a state university, owes service to the people, but that service is not best provided by supplying agricultural extension workers to the farmer, educationists to the schools, technical consultants of one sort or another to industry and government—in short, multifarious "services" do not necessarily meet the ideal of community *Service*. The finest *Service* that can be offered the larger community in the *Service* implicit in these principles. What finer services can an institution render its country than a fostering of the creative mind, an unfaltering pursuit of truth, and a deepening of the sense of human dignity?

An institution so dedicated would be a university in the finest sense of the term, and one to which I, for one, would be willing to grant "all the privileges and immunities pertaining thereto."

V. "THE FABLE OF THE UNIVERSITIES"—AN OLD, OLD, FABLE WHICH I WROTE LAST WEEK

The association of the universities—in the room waiting for the door to open and the new candidate to speak.

New university.—"Tell me what I must do to earn the right to full membership in your honored association?"

Harvard.—"Don't ask me. We have not yet learned the secret of helping the student work up to his ability."

Berkeley.—"Dont ask me. Despite the long list of outstanding professors of which we are so proud, we have not yet learned the secret of making the student body a part of the university."

Chicago.—"I'm sorry. We fail to challenge the youth that comes under our influence."

Michigan.—"We do extensive research for the government, but we have not changed the lives of our students."

Princeton.—"We leave to graduate instructors the important responsibiilty of influencing our youngest students. Why do you want membership in our ranks—we have so much to learn."

New University.—And the New university turned sadly away, thinking thoughtfully of the years ahead.

I relate this fable not to show disrespect *for these great universities—I have great respect for them*—but to indicate that the old universities still have a long way to go. And to suggest that a new university, if it can maintain its close, intimate relationship between faculty and students, may teach the older institutions a needed lesson.

VI. CLOSE

If I seem to have given you a somber picture of the university and its students, I assure you I have nothing but optimism because I know its product.

Maj. Chris Rumburg and president of the student body, who gave his life belt to a young soldier and went down in the North Sea.

Or the four young chaplains representing all faiths, who gave up their places in the life boat and went down with the S.S. Dorchester.

And lest you think I believe high moments come only on battlefields—the hundreds of dedicated young men and women who have found their challenge in the Peace Corps and other careers of service. My attitude toward these students-faculty university is reflected in the words of Brother Giovanni, penned in the year 1513.

"The gloom of the world is but a shadow, behind it, yet within reach is joy, there is radiance and glory in the darkness could we but see, and to see we have only to look, I beseech you to look.

"And so at this time I greet you, not quite as the world sends greetings but with profound esteem and the prayer that for you, now and forever, the day breaks and shadows flee away."

CONTAINERIZATION, 1986

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, Pennsylvania's status as a major mining, processing, and manufacturing State prompts an abiding interest in improvement of our freight transportation systems. We dispatch our products to market by way of excellent railroad facilities, good highways, rivers that lead into the Nation's major water arteries, ports on Lake Erie and the Delaware River, and extensive airfreight services.

Because so much of Pennsylvania's production goes into world markets, we have an abiding interest in advancing the efficiency of ocean shipping in order that what we sell will move into foreign harbors with expedition and at the lowest possible cost. Management and labor are agreed that progress in this area is essential to success in international competition.

At the Maritime Administration Transportation Symposium in Washington on May 26, Norman Scott, executive vice president of Matson Lines, presented an imaginative, yet objective, paper entitled "Containerization, 1986" that points up some of the broader aspects of ocean freight developments that lie ahead. To me it is a study that belongs in the planning files of everyone with any responsibility in the pursuit of better ocean transportation. Under unanimous consent, I insert the paper in the Record.

Containerization, 1986

(Remarks of Norman Scott, Executive Vice President, Matson Lines, at the Maritime Administration Transportation Industry Symposium, May 26, 1966)

That title sounds a bit Orwellian—but this brief look into one aspect of the transportation industry 20 years hence is not designed along such lines.

I will sketch a picture of our industry in the 1980's, pointing out a major problem area that must be met head-on now if we are to progress at the rate we should.

We all know the transportation industry—on the sea, on the land and in the air—has made tremendous strides in the past 20 years. And within the industry it has been a period of progress for ocean shipping after years of doldrums as far as new developments were concerned.

Those big "boxes" are still revolutionizing transportation. More and more steamship, airline and rail and truck carriers all over the world are going into containerized operations. It has reached a point where a shipping company carrying general cargo almost has to provide a container service to stay even with its competitors. For ocean transportation, containerization represents as dramatic a change as did the advent of steam 150 years ago.

So it is safe to predict that progress in the next 20 years will be even more impressive and exciting than the past 20 years with containerization developments going full ahead on many fronts at the same time—in trucking, the railroads and airlines, as well as the ocean carriers.

It takes no crystal-gazer to see what lies ahead. Many of the tools and most of the know-how exist today waiting to be assembled and put to work for a new era of transportation.

Containerization, 1986, will go hand in glove with "6th or 7th generation computers." It will be an era of faster ships, possibly nuclear-powered, much more automated than at present and probably larger. Terminals, too, will be modernized, with cranes and other cargo handling machinery moving containers swiftly and easily from shore to ship to shore controlled by computers. Shipyards will have to be highly automated.

Also in prospect are such exotic items as large hydro-foil vessels, submarine tankers, "winged-hull" or hover craft and ground-effect machines, which skim over the water on a cushion of air at 200 knots with hundreds of tons of cargo or hundreds of passengers. Perhaps there will be cargo-laden missiles. Nobody views any of these things as pipe dreams any longer, not after what has happened in space and on sea and land since World War II.

Put all this glamourous hardware into operation and it looks as though we have it made. But to complete the picture and make it all work for maximum benefit to the ultimate consumer will require the creation and application of comprehensive systems concepts to develop maximum effectiveness of total distribution.

Consider the world demand for consumer goods by 1986 in light of population growth and standard of living increases in progress today. More people need more things and will be demanding more all the time. That means more and, hopefully, better transportation geared to the jet and atomic age, rather than the era of the "Model T" and the 5-cent streetcar fare.

What will be needed is a fully coordinated physical systems concept designed to provide total distribution of the lowest over-all cost consistent with service requirements to the ultimate consumer.

Containerization has great potential, but to yield its greatest benefits, it requires an integrated system. Such a system from a shipper's point of view would comprehend production scheduling, inventory control, insurance, storage, damage prevention and customer service and marketing. The tie-in, of course, must be complete between ocean carriers and rail, truck and air carriers to provide a system with this capability.

Unless containerization 20 years from now is part of a fully-integrated system, bottlenecks, red tape and inefficiency will inhibit much of the economic progress of the nation's and, for that matter, the world's transportation systems.

Achievement will be difficult but not impossible—provided that we start now to exercise "management technology" in a statesman-like way to solve such problems as competition between modes, standardization, the sociological questions of the impact of new techniques on the labor force, regulatory rigidity, the complications of tariffs, more realistic rate making, the political implications inherent in each phase, and each regional requirement.

By pointing out some of the more critical problems we can start to solve some of them to pave the way for the shiny, new concept of "Containerization—1986"—and realize its potential.

I have identified "management technology" as the key to these problems. And by management, I mean the management of government and labor as well as industry—it is everyone's concern. The challenge will be to achieve an environment by 1986 which will permit full realization of the remarkable "hardware technology" that is already on the drawing boards and in the memory banks of the computers. The hardware development potential, or the physical systems capability, already exceeds our management ability to utilize it fully.

My thesis and, if you will, my "message", is that to an even greater extent, we face a need to match "management technology" with the "hardware technology" capability we will possess by 1986.

Among the specific areas demanding attention today to be where we should be 20 years hence are the legal, regulatory, sociological and political ramifications, each a vital part of the complete transportation picture.

Most of our present laws affecting transportation were written when physical systems capabilities were either not thought of or in the early stages of development. They were not designed to encourage or even cope with the creation of systems that can now be physically established and operated. I refer, of course, to a much broader spectrum of transportation than ocean cargo container systems. And this points up the critical nature of the legal aspects confronting the industry in the years ahead. We must have laws that are based on today's, and tomorrow's, physical systems potentials.

For example, the container system as we know it today basically uses a single mode of transportation. Inter-modal use is still in its infancy. To accelerate the growth of maximum efficiency systems, legislation is required to encourage efficient inter-modal operations by permitting single ownership of inter-modal facilities by development of acquisition. As a minimum, the law should encourage streamlining physical operations by simplifying the development and administration of single factor rates. The legislation should provide for a single, independent regulatory agency having jurisdiction over all modes of integrated transportation. And finally, some deregulation is essential if multi-modal transportation is to keep pace with the international demands of our industry society where rapid change is the order of the day.

Our regulatory processes, some of which date back to the 19th century, need a thorough overhaul. We simply can't continue to be hamstrung by them in the 1980's. As mentioned, reaction time must be reduced. Present regulatory practices are too slow and cumbersome and more critically, they are increasingly usurping management functions.

Besides carrier regulation and tariff administration, there are customs regulations, documentation procedures and operational safety administration to be considered.

These activities should be brought into step with the times to foster the development and to meet the future requirements of the most efficient physical systems that can be assembled.

It is equally vital that rates and tariffs be simplified. The volume and complexities of today's rail and truck, and even ocean, tariffs are unnecessary road-blocks to the development of inter-modal and multi-modal cargo movements. The trend toward per-container rates should be encouraged. It is an economically logical process, which will materially simplify development of inter-modal systems. In the same regard, rate-making procedures should be based on costs rather than the value of service or other bases.

Here again, the evolution of a management technology in the field of regulatory affairs is needed. It seems obvious that if changes are not made, the growth of containerization will be retarded by red tape before the 1980's. "Management technology" must be a moving force in developing new ideas and shaping the future form of regulations that will foster maximum efficiency systems.

Now let's consider the sociological implications of our transportation preview of 1986. There are, I submit, three major categories that urgently require application of new management technology.

First is the all-important field of labor-management relations. Labor and management share a mutual responsibility to develop an equitable method or program to handle personnel adjustments resulting from automation and other applications of new technologies and equipment. In transportation, management and labor should be able to evolve satisfactory solutions through collective bargaining, even though they have had their troubles down through the years. Both have been criticized for tie-ups and public inconvenience. The maritime industry, in particular, has been through some rugged times in the mid-30's and postwar period. But there are definite signs of better understanding by both labor and management of the myriad problems that lie ahead, and of the need to work together to solve them. Ideally, new systems, new hardware and new ideas will create new jobs but there are bound to be dislocations and changes as they evolve. Part of the "management technology" we need is the ability for employee and employer groups to anticipate these problems before they become critical.

Next, for our second sociological consideration, we come to "people problems" within the management process of corporations. In the context of our 20-year look ahead, one of the primary internal management challenges will be the development of people able to use computer hardware more effectively and with more imaginative applications than is commonly demonstrated today. As I mentioned previously by 1986 we will be into more sophisticated computers, which will offer infinitely greater capacity, speed and flexibility for analysis and distribution of management information. However, regardless of the equipment capability achieved by then, its usefulness will be no greater than the accuracy of the input information and the selectivity of functions which the computers are called upon to perform. People must perform these functions. And people must create the intellectual awareness of system capabilities which transcend the short view perspectives of individual persons, departments, companies or even modes of transportation. We must have people who can visualize, plan and implement operations which do not yet exist but which are capable of development.

Third in my list of sociological considerations is the relationship with the customer community. Industrial management in our country, indeed, throughout the world, is becoming increasingly aware of the economic importance, in its broadest sense, of distribution. Gone are the days when top management relegated traffic and distribution management to a secondary role, with accountability well down the organizational line. This, of course, is no guarantee that broader systems development will find ready acceptance in the business society of 1986, but it does indicate that industry will become increasingly demanding in appraising and buying its distribution services. The management technology called for here is that of developing sufficiently broad managerial perspectives to establish true systems concepts of distribution in terms of customer requirements.

Now that we have had a look at the legal, regulatory and sociological questions, we come to the political element—probably the most difficult to classify or predict, but certainly one that will always be with us. In this category falls the development of broad public policy determinations covering basic legislation and regulation. Such matters as governmental financing of advanced research and financial aid or subsidy to new applications all fall initially within the political sphere. Equally important is the antitrust treatment of multi-modal systems, how they are created and regulated. The importance of this transcends politics as usual but we obviously must recognize the reality of things as they are, not as we might dream. So an educational and selling effort is required to restate national transport policy in the political arena in terms of multi-modal objectives.

I have tried to be realistic by pointing out a problem area that is easy to overlook, and have served up one version of a general approach to solving it. But speech is no problem-solver. As always, it boils down to a need for coordinated action, not just talk, under enlightened and hardworking leadership.

With what our researchers, scientists and engineers will come up with in the next 20 years we know we will have to do our best to be ready to manage what they make possible.

It is fitting when thinking about 20 years into the future to sum up the management challenge by recalling the words of the late "Boss" Kettering, the inventive genius of General Motors, speaking to a group at the dedication of the G.M. Technical Center in Detroit. " . . . the future will be greater than the most fantastic story you can write. You will always underrate it."

Thank you.

AMMUNITION TAKEN FROM COMBAT TROOPS

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I have received a very disturbing letter from a mother who has a son stationed in Vietnam. This mother enclosed a copy of a letter she had received from her soldier son. The young man's letter relates an incident in which one of the men in his company became drunk and decided to shoot off a few rounds into the air.

As a result of this one man's escapade, all ammunition was taken away from all the men in the company and locked up. As the soldier relates:

> So here we sit in the D Zone without a prayer if the Viet Cong hit us.

He did say, however, Mr. Speaker, that they could draw their ammunition in case of an emergency, but that it would take about half an hour to distribute it.

Just 2 nights before, he wrote in his letter, an ammunition dump across the road from his compound was hit by a mortar attack.

Mr. Speaker, this young man has full right to write his mother as he did: "I am scared to beat hell."

I am today asking Secretary McNamara for a full report on this incident. Whoever dealt out this punishment, endangering the lives of these boys, should be called to account.

I am also, Mr. Speaker, referring this matter to the attention of the gentleman from South Carolina [Mr. RIVERS], chairman of the Armed Services Committee.

WOODLAWN POST OF AMERICAN LEGION OBSERVES MEMORIAL DAY

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it was my privilege and my pride to join with Commander David F. Wenger, and the members of Woodlawn Post No. 175 of the American Legion in the Memorial Day ceremonies at Rainbow Park on the South Side of Chicago. The parade that preceded the impressive services in the park was witnessed by the entire community, men, women, and children gathering on the porches of their homes and on the lawns to do honor to the memory of the Nation's heroic dead.

Participating in the ceremonies and parade were: Lt. Col. James M. Pellegrino, of the 5th Army, guest speaker; Alderman Nicholas Bohling, of the seventh ward, William P. Scannel, State committeeman; John B. Mahoney, third district commander of the American Legion; William McMahon, past third district commander; Bruno Zingrone, post service officer and one of the founders of the American Legion; Mrs. Della Gilbert, Gold Star Mothers.

Past Commander of Woodlawn Post Patrick Shannon, was parade marshall. Mrs. Annette Power, third district director of the auxiliary, and Mrs. Doris Shannon, president of Woodlawn auxiliary represented their fine organization.

The following units marched in the parade: Woodlawn Post No. 175, post color guard, Women's Auxiliary; Sons of the American Legion, junior auxiliary, Chicago Vocational High School Unit and Drum Corps, Forty and Eight Windy City Voiture. Boy Scouts and Girl Scouts, from St. Brides Church, and members of the South Shore Veterans Council.

The color guard and firing squad was headed by Charles Kern, chairman of the post color guard.

Mr. Speaker, by unanimous consent, I am extending my remarks to include the full text of the moving address by Lt. Col. James M. Pellegrino, now stationed with the 5th Army following an oversea tour of duty.

ADDRESS BY LIEUTENANT COLONEL PELLEGRINO

It is both an honor and a privilege for me to be with you today, for I can think of no more fitting way to spend Memorial Day than to share it with such a group as the Woodlawn American Legion Post.

I am, quite frankly, overwhelmed at the thought of finding words to fill this occasion, for it is always difficult to speak of those whose role was infinitely more significant than speech. It seems idle to commemorate with lengthy tribute those whom the nation's love has since made immortal. Yet, we can never fail to find renewed inspiration and dedication in their example. And it is important that we do so today, for never in our history has there been a greater need for inspired, dedicated Americans.

This Memorial Day finds America answering a new call for courage and steadfastness in the age-old struggle against those forces that would suppress freedom. Now we are confronted with dangers vastly greater than we or any other nation has known, and we see no end or easy solutions to them. But you and I know that liberty is never secured without suffering. As Tom Paine, the American Patriot, once said, "What we obtain too cheaply, we esteem too lightly. Heaven knows how to put a proper price upon its goods; and it would be strange, indeed, if so celestial an article as freedom should not be highly rated."

And so in my remarks today, I intend to consider the meaning Memorial Day brings to each of us.

For nearly a century, our citizens have set this day aside to honor those who served our nation in both war and peace. The real memory of Memorial Day is found in the aftermath of the Civil War. Bitter memories marred the peace so painfully won at Appamattox.

An inspiring symbol of unity and reconciliation was needed—a symbol from which the people could draw strength as they worked to become a united nation. That symbol was supplied in 1867 when a kind gesture by a small group of women in Columbus, Mississippi caught the imagination of the nation. While decorating the graves of their own war dead, they saw nearby graves of the Union soldiers—bare, cold and forgotten.

These women could not bring themselves to ignore the Union graves and carefully decorated them too until there was nothing to distinguish Union graves from Confederate.

A correspondent of the New York Tribune observed this gesture and saw in it evidence that the deep wounds of the war in both North and South could be healed. The story of the Mississippi women was printed in papers throughout the country, and their heartwarming performance was celebrated in sermons, speeches, poems and songs.

The reaction was so great that in 1868, General John A. Logan, National Commander of the Grand Army of the Republic, the Union's Veteran Organization, ordered its members to observe May 30th as a special day. It was a day, his order read, "For decorating the graves of the comrades who died in defense of their country and whose bodies now lie in almost every city, village or churchyard in the land."

General Logan chose the date of May 30th simply because of the abundance of flowers during this time of the year. But from then on, "Decoration Day" ceremonies were sponsored throughout the North, and similar rites were held independently in the South. Gradually the legislatures of many states made the day a legal holiday and in 1882, "Decoration Day" became Memorial Day. Through the years Memorial Day has become a salute to the Military dead, not only of the Civil War, but of all our wars.

Through the years our soldiers have marched a tortuous road. In the First World War, names unheard by the average American citizen took on new and terrible meanings; Argonne Forest, Chateau Thierry, the Marne River, Verdun—all became synonymous with the roar of guns and the struggle of mortal combat.

Then the Second World War came, and Americans this time fought on three continents—Europe—Africa—Asia—and worldwide in the air and on the seas. They died at still more unheard places—Anzio, Okinawa, Normandy, New Caledonia. There were bad times too, like the Death March at Bataan, early reverses in North Africa, The Battle of the Bulge, but the American fighting men and our allies proved equal to the task. They retook the Philippines, held at "The Bulge," and forced the enemy to lay down his arms in Africa.

The road led on to Korea; however, where Heartbreak Ridge, Pork Chop Hill, and the Pusan Perimeter became new landmarks in the minds of Americans.

And today Americans are again serving in the cause of freedom throughout the world, opposing the Communist aggression that threatens the self-determination of our friends and ultimately our own security. The road has carried thousands of America's fighting men to Vietnam, where the valiant South Vietnamese are engaged in a life and death struggle with a cunning Communist aggressor. Here again new and strange sounding names such as Chu Lai, Pleiku and the Mekong Delta are rapidly becoming household words.

But in Vietnam, as in wars of the past, Americans are fighting for a people who have asked our help to expel an aggressor. Since the beginning of 1964, some 2,700 Vietnamese officials have been killed or kidnaped by the Viet Cong while trying to go about their civilian duties. Another 9,000 Vietnamese peasants were killed or kidnaped last year alone, though they had no connection with the government. The kidnaped are usually forced into Viet Cong military service or labor groups; the dead are those who refused.

Although one of our oldest books of history—The Bible—speaks of war, the rumor of wars and the fact that wars will always be with us, we should nevertheless, work for the day when there will be no war. This day can only be reached through a uniting of those peaceful nations who pledge themselves to support each other against a would-be aggressor.

Even our founding fathers realized this when they ended our Declaration of Independence with these words: "And for the support of this declaration, and with a firm reliance in the protection of divine providence, we mutually pledge each other our lives, our fortune and our sacred honor."

Since our nation's beginning, almost a million of our servicemen have given all that mortality could give, and have given in a spirit of duty and devotion to their country. No class, nor color, nor religion sets one apart from another. These men were from all of America—from every part of our land.

Today, as we place flowers on their graves, we realize that we cannot discharge our solemn obligation to these men with mere words of homage. They did not die for wreaths and words. They died for the right of Americans to enjoy freedom. They died for future generations. They pledged their lives, their fortunes and their sacred honor on the field of mortal combat. They pledged these for us, the living.

On this Memorial Day, we should remind ourselves that military obligations are an inseparable part of our heritage, that military service in time of need by either our own nation or of a nation with whom we have pledged to support, is a fundamental responsibility of citizenship in a world free from war and terror. If we lack the courage to stand firm for our beliefs, or if we lack beliefs we are determined to uphold, then we do not deserve the heritage which is ours, and we are unworthy of the sacrifices that have been made by those we honor today.

So, today, as we look to the past and remember those who have done so much to preserve our nation and to uphold her ideals, let us think to the future and renew our strength to meet successfully the responsibilities and dangers which lie before us. Let us then resolve to make this Memorial Day, a commemoration of the past, an acknowledgement of the present and a pledge for the future as we work together for world peace.

PROCUREMENT AUTHORIZATION BILL

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill S. 2950, to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

The Chair hears none, and appoints the following conferees: Messrs. Rivers of South Carolina, Philbin, Hébert, Price, Bates, Arends, and O'Konski.

ARMY ENGINEERS CELEBRATE 191ST ANNIVERSARY TODAY

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks?

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, all of us in this chamber are aware of the manifold achievements and accomplishments of the U.S. Army Corps of Engineers. Army Engineers have had a significant role in both military and civil functions of the Federal Government since the Nation's founding. The forerunner of the present Corps of Engineers was founded 191 years ago on this date and has enjoyed a unique position in our history ever since.

Washington's experience with engineers during the Revolution led him, as President, to establish an engineer school at West Point in 1795 while, under Jefferson, the present Corps of Engineers and the U.S. Military Academy were established at West Point in 1802. Until 1824 these were the only domestic sources for trained engineers, a circumstance which led to the assignment of many nonmilitary tasks of exploration, planning, and construction to the Army's Corps of Engineers.

Throughout our history the corps has played a vital part in the expansion, growth, and development of our Nation. In 1824 the Congress gave the corps a primary role in the planning of a national transportation system of roads, canals, and waterways. In that year, too, the Congress passed a forerunner of the Rivers and Harbors Acts under which the corps has developed and maintained the Nation's waterways for navigation and related purposes.

As the country grew, the Army Engineers were assigned a variety of other nonmilitary tasks, including the exploration and mapping of the West, road and railroad location surveys, charting of the Great Lakes, and construction of monuments, buildings, and a water supply system for the Nation's Capital.

In the intervening years, probably the highlights of the corps' growth were the establishment of a nationwide system of regional offices whose operating staffs were responsible for planning, designing, constructing, and operating river and harbor improvements; the legislation in 1899 granting the corps the responsibility to protect and preserve our navigable waters through the administration of a system of bridges and structures in or over navigable waters and the prohibition of discharging nonliquid wastes into navigable waters; the construction of the Panama Canal between 1904 and 1914; and, during World War II, the responsibility for the management of the Manhattan project under which the atomic bomb was developed.

We in the State of Florida, and the Fourth District which I represent, are particularly familiar with the corps' many projects in our area. The central and southern Florida flood control project is one of the largest such undertakings on the part of the corps while a much smaller flood control project is concerned with the protection and preservation of rare forms of flora and fauna through the Everglades National Park Water Supply Study. We are aware of the corps' beach erosion control projects through our exposure to their efforts in the Virginia Key-Key Biscayne shore protection project. The success of the corps in harbor development projects has been manifested by the Key West and Miami Harbors.

The engineer of the Jacksonville district—which is responsible for Army Engineer construction in peninsular Florida and in Puerto Rico, the Virgin Islands, and the Canal Zone—is Col. R. P. Tabb. The colonel has expressed his satisfaction and pleasure with the district's accomplishments during the past year but added:

> We take only a moment to look backwards at our accomplishments . . . we are too busy looking forward to the future in Florida.

Army Engineers have been active in Florida since 1845 when the first Engineer office was established in Key West. Its primary mission at that time was to construct military fortifications. As noted above, the corps today handles many and diverse projects both in Florida and in the Nation. On top of these outside activities, the corps still has a military construction role which is attested to by the Army and Air Force installations which now dot the Florida peninsula.

During the past year, the Corps of Engineers has spent $47.5 million in Florida for military and civil works construction while during the last 20 years it has spent more than $1 billion on projects in the State.

As the Corps of Engineers celebrates its 191st anniversary today, we should all be grateful for its various activities in the past and we, in Florida particularly, should look forward to its successful future endeavors. As Colonel Tabb has stated:

> We look with confidence to the future and pledge ourselves to apply greater determination and skill toward Florida's development.

PERSONAL ANNOUNCEMENT

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, on June 13 and 14, I was in my district, and am recorded as not voting on rollcalls Nos. 137 and 141. If present, I would have voted "yea" on these measures.

On June 14, the Surgeon General of the United States, Dr. William H. Stewart, was in Buffalo, N.Y., to tour the Roswell Park Memorial Institute, one of the greatest cancer research institutes in the world. In the evening, we were privileged to hear Dr. Stewart deliver the main address.

THE 34TH ANNIVERSARY OF DISABLED AMERICAN VETERANS

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, Winston Churchill spoke for all of us in this Chamber several years ago when he said:

> No one can guarantee success in war, but only deserve it.

In these times, when our Nation is once again challenged in the defense of liberty, it is well that we pause to mark the 34th anniversary of the Disabled American Veterans and to salute the men and women who have rendered exceptional and invaluable service to America in war and in watchful peace.

These men and women, who have made such enormous personal sacrifices for our country, are an inspiration to all of us. Their resilience in the face of extreme adversity, their stamina and depths of personal courage are among our Nation's greatest strengths.

The Disabled American Veterans have enriched the history of the United States. They stand ready to assist the Congress in recommending legislation to amplify the protection and assistance for those disabled in wartime service, their widows, orphans and dependents. The DAV provides assistance to disabled veterans through their own fundraising efforts. They also help the individual veteran obtain his justly deserved medical care, hospitalization, employment and manpower retraining.

As a member of the Veterans' Affairs Committee, and as a veteran of World War II, it is my pleasure to work with National Commander Claude Callegary and the many fine leaders of the Disabled American Veterans. It is a pleasure to join my colleagues in the House in commemorating this anniversary today.

CONSUMER CREDIT CONTROLS

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CURTIS. Mr. Speaker, the administration is planning to destroy the inalienable property rights of millions upon millions of American citizens—their personal credit. A man's credit depends, not on the Government of the United States, but upon his own resources and character.

The report on the present bill complains that the level of consumer credit—the credit of individual Americans—stands at over $85 billion. At the same time the debt of the United States of America stands at some $330 billion—nearly four times as much.

The difference between consumer credit and Government credit is simply stated. Consumer credit is being paid off currently, both principal and interest. Government credit is not being paid off at all; in fact the Government has been compelled to raise its interest rates again and again until they are approaching an alltime high.

If there is any clear need to restrict credit it is not in the consumer field. There, the individual American citizens who are using their own credit to buy what they need, are paying their way. It is the Government which is not paying its way and which proposes to continue to borrow, borrow, borrow and tax the consumer for its own improvidence.

I submit, Mr. Speaker, that it is intolerable for a free people to have consumer credit controls imposed on them and their needs, while the Government runs hog wild on a credit-card spree of unlimited spending. Let the Government bring its own expenditures into balance with its own revenue, without regimenting the individual citizen who wishes to use his own credit to purchase an automobile, a television set, a washing machine, or anything else that he can afford on the basis of his own proved earning capacity and his reputation for paying his just debts.

STOCKPILE SALES SHOULD NOT BE USED TO OFFSET BUDGET DEFICITS

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CURTIS. Mr. Speaker, the recent acceleration in rubber sales from the national stockpile raises a number of important questions concerning Government disposal policies. In this instance, the matter has been called to public attention primarily because rubber producing countries have complained about "unfriendly" U.S. action in reducing our stocks and allegedly depressing market prices. The producing countries, which include Malaysia, Indonesia, Ceylon, and Brazil, have said that the recent drop in price to about 24 cents a pound will add up to a $50 million annual loss in their export earnings. As evidence of how seriously they consider the threat to their earnings, the rubber producers have been holding consultations in London since early May to consider the matter.

Fluctuation in price is normal for any commodity. Since many factors influence price, the recent drop of nearly 2 cents a pound on some grades cannot automatically be ascribed to stepped-up U.S. sales. For one thing, the long-term price trend for rubber is down. Nevertheless, a decline in export earnings of the developing countries, whose economic growth the United States is trying to foster through its aid program, is of concern to the Congress. This is particularly the case if the U.S. stockpile sales are themselves contributing or threatening to contribute.

While it is not yet clear that rubber sales to date have had this effect, it is true that unannounced changes in the Government's sales policies earlier this year created market uncertainty and the fear that a continuation of the new policies would do serious damage to the export earnings and the development programs of the chief rubber-producing countries.

BACKGROUND OF THE CURRENT RUBBER PROGRAM

The national stockpile objective for natural rubber, which was established by the Office of Emergency Planning on March 5, 1964, is 130,000 long tons. The previous objective was 750,000 long tons.

Worldwide consumption of natural rubber is about 2 million tons annually, with about 500,000 long tons of that amount consumed in the United States. Demand for natural rubber has remained fairly stable, while synthetic rubber demand has climbed steadily. In fact, it was the growth in synthetic production which largely permitted the sharp drop in the stockpile objective in 1964.

In May 1960, Congress granted an authorization for the disposal of 470,000 long tons under the provisions of the Strategic and Critical Materials Stock-Piling Act of 1946. Originally it was felt the disposal would require 9 years. Because of favorable market conditions, however, the total has been disposed of by the end of 1965. Total loss incurred by the Government for this phase of the rubber program was about $63 million.

In late 1965, Congress authorized the disposal of an additional 620,000 long tons with an acquisition cost of over $479 million. The Administration of the Defense Materials Service of the General Services Administration estimated that orderly disposal of the entire quantity would take approximately 6 or 7 years. It now appears that the total excess might be disposed of in about 4 years.

At the time of the request for the authorization, the Administration witness said that the proposal had the concurrence of all Government departments, foreign producers, domestic consumers and domestic importers. This concurrence was obtained on the premise that the disposals would avoid a disruptive impact on the market or an adverse effect on the national security.

RECENT CHANGES IN THE SALES PROGRAM

A spokesman for the OEP told a subcommittee of the House Armed Services Committee last August that:

> This rubber program has been well received, and I think the rubber producing countries, certainly the importers and processors, are all very much happy with the program.

This attitude of general approval has now given way to one of concern over the possible effects of the program. I have already referred to the hostile reaction of the rubber-producing countries to the changes in the U.S. selling policy. The Rubber Manufacturers Association has also been critical of unannounced changes in what they term "the long-standing ground rules for the sale of rubber from the national stockpile."

Until recently, commercial sales of rubber were limited to 72,000 long tons a year, or to 18,000 long tons in any single quarter, not to exceed 9,000 long tons in a single month. Rubber was also released in this country to successful bidders for certain military contracts, who were supplied with quantities of stockpile rubber sufficient to fill those contracts.

The association has been critical of a change in procedures made in February, requiring successful bidders on truck and airplane tires to use 50 percent of the entire contract price for the purchase of stockpile rubber. To the extent that the rubber was excess to the amount required to fulfill the contract in question, manufacturers would work it off in other products or sell it on the open market. The effect of this change in procedures was to raise by three times the amount of rubber released from the stockpile for military truck tires and by seven times the amount released for airplane tires.

As for commercial sales, the General Services Administration dropped the quota system in March and announced that quantities of stockpile rubber would be offered on an unlimited availability basis. Business Week commented on May 14 in an article on the program that the price drop was largely the result of uncertainty over what U.S. policy is to be. "With no announced ceiling on commercial sales," the magazine said, "the entire 550,000-ton surplus overhangs the market."

After discussions with the domestic rubber industry and foreign producers, the General Services Administration on June 10 issued a new policy statement. The open-ended sales policy, which was a source of such concern, has been abandoned. GSA now hopes to sell 170,000 long tons from the national stockpile in the period beginning March 21, 1966, and ending March 31, 1967. The rubber will be offered for sale at a rate of 42,500 long tons in each of four quarterly periods. The present requirement that 50 percent of the value of certain Defense Department contracts be purchased in the form of stockpile rubber will remain unchanged.

Although the open-ended sales policy has been abandoned, it is important to note that the new sales target represents an increase of over 40 percent from the total of 120,000 long tons sold last year. As indicated, this target was established after consultations with the foreign rubber producers and the domestic manufacturers on the understanding that if disposals at the rate of 170,000 long tons upset the stability of the market, sales would be reduced.

REASONS FOR THE CHANGE IN POLICY

The reasons for the acceleration of rubber disposals is not clear from the public announcements made by GSA. However, some guesses can be made on why the sales policy for rubber has been changed.

One reason for the change may be the slight increase in demand arising from new military requirements. The heightened demand makes this a favorable period for increasing both commercial and Government-use sales, at the best possible return to the Government. It also makes possible earlier disposal of rubber stocks which deteriorate over time. In addition, if the increased demand can be met by stockpile sales, the balance of payments can be spared an added import drain, while maintaining the previous level of imports.

While these reasons behind the accelerated sales certainly carry some weight, I think the most likely motivation involves budgetary considerations. According to the fiscal 1967 budget, sales from the stockpiles are expected to total over $800 million in both fiscal 1966 and 1967, this compares to total sales of only $280 million in fiscal 1965. Even this was nearly $100 million more than originally estimated in the 1965 budget.

The trend of stockpiles sales is, therefore, sharply upward at precisely the time when military and civilian spending are increasingly putting pressure on the budget. I include a table showing estimated and actual stockpile sales from fiscal 1963 through 1967.

Proceeds from sales or dispositions from strategic and critical materials stockpile

[In millions]

Fiscal year 1963	Fiscal year 1964	Fiscal year 1965	Fiscal year 1966 [1]	Fiscal year 1967 [1]
$74 (actual)	$146.2 (January 1964 estimate). $129.5 (actual)	$179.6 (January 1964 estimate). $205.6 (January 1965 estimate). $280 (actual)	$203.6 (January 1965 estimate). $803.8 (January 1966 estimate).	$825.7 (January 1966 estimate).

[1] Final proceeds of sales will probably exceed BOB estimates. The Budget for fiscal year 1967 on p. 84 states, "Disposal of $1,000,000,000 of excess stockpile material are projected in both 1966 and 1967."

Source: Bureau of the Budget.

For rubber, as well as other commodities, the intensified sales program is part of an effort to make good on the sales target established by the Budget Bureau in order to offset increased spending. It is an important part of this administration's longstanding policy to sell off Government-owned assets to meet current expenses.

IMPLICATION OF STOCKPILE POLICY

As a general rule, the sale of certain Government-owned assets under carefully prescribed conditions is both proper and useful. However, when inflating Federal revenues looms as an important reason for stockpile sales, the objective of "orderly" disposals may be undermined to the detriment of both the United States and foreign economies.

The primary consideration in selling assets determined to be excess to Government needs should be the avoidance of market disruption. Securing the best return to the Government is an important, but secondary, objective. There should be no place in the program for scheduling disposals as a revenue offset to increases in Federal spending.

MEETING WAR AND RECONSTRUCTION REQUIREMENTS

An even more basic question arises concerning the national security implications of the massive stockpile disposals planned for fiscal 1966 and 1967. Current stockpile objectives, including the goal for rubber, are based on estimated needs for a 3-year conventional war. In the case of rubber, the sharp reduction in the stockpile objective from 750,000 to 130,000 tons was made on March 5, 1964. Since that time, the Vietnam war has been stepped up with the possibility of an even greater American involvement on the mainland of Asia in the future. While the stockpile objective is under regular review, it has not been changed since 1964. And now—with the future stability of one of the world's greatest rubber-producing areas, including Vietnam, in some doubt—rubber determined to be excess in 1964 is being sold off at an accelerated rate.

Equally interesting is the fact that the more than $1.6 billion of rubber and other commodities is being disposed of in fiscal 1966 and 1967 at the same time that the administration is studying supply requirements for nuclear war and reconstruction. This study, which is scheduled for completion later this year, is designed to provide information on which to develop nuclear war stockpile objectives. Should that study lead to an increase in stockpile objectives for certain commodities, the Nation could be caught short on some items as a result of the administration's use of disposals to reduce the budget deficit.

CONCLUSION

As I have implied throughout these remarks, I personally believe that the administration's stepped-up drive to reduce the national stockpile is based on budgetary considerations which have no place in an orderly disposal program. There is already some evidence of market disruption in rubber, judging by the reaction of foreign producers. It is certain that the continuation of an open-ended policy for rubber would have done real and substantial damage to developing countries in whose growth and stability the United States has a real stake.

I think this example illustrates once again the effects which vast quantities of excess Government materials overhanging commercial markets can have unless policies and procedures are carefully worked out with all interested parties. Where the administration resorted to the threat or actual use of aluminum and copper sales as an anti-inflationary device, I urge the Joint Economic Committee and the Joint Defense Production Committee study the use of stockpile disposals as an example of the application of the wage-price guidelines. While rubber sales have not been used with the intention of forcing down rubber prices, the acceleration of these and other stockpile sales have been designed to increase revenues to offset higher spending. I think this policy also requires an investigation by the appropriate committees of Congress to determine whether this usage of stockpiles was intended by Congress when it enacted the basic legislation.

Under unanimous consent, I include in the RECORD an article from Business Week of May 14, a press release of the Rubber Manufacturers Association, and two press releases issued by the General Services Administration.

[From Business Week magazine, May 14, 1966]

NEW SELLING PROGRAM CUTS DOWN THE BOUNCE

U.S. decision to unload more of its rubber stockpile draws protests from producing countries, which claim the action will cost them up to $50-million a year.

Washington's determination to use the booming economy to whittle down surpluses in the national stockpiles has caused a minor international crisis in one commodity: rubber.

At midweek, the government was putting the final touches on a new sales policy that should help placate Malaysia and other rubber-producing countries, and stabilize the jittery market. But it is doubtful that prices will recover from the jolt dealt them by the U.S. when it abandoned its old selling program. Producing countries figure that the 1¢ per lb. shaved from rubber prices adds up to a $50-million annual loss to them.

BALANCE POINT

The U.S. since late 1959 has sold more than 500,000 long tons of surplus rubber, and it still has slightly more than that left to sell. In no year have sales worked out to more than 5% of total world consumption, but the market is balanced so delicately that any addition to supply causes a price drop.

U.S. sales from that stockpile last year came to 120,000 tons, of which 72,000 tons went into regular commercial channels, mostly through New York merchants. The remainder went to government contractors, who must take from the government an amount of natural rubber equal to the amount of natural rubber in tires and other goods they deliver to federal agencies.

TESTING THE MARKET

This spring, Washington decided to "test the market," to see whether it could unload more than its 10,000-ton-per-month average. "We're trying to take advantage of the present good economic condition to push as much stuff on the market as we can," says John Harlan, commissioner of the Defense Materials Service and top stockpile manager. With rubber, the drive extends beyond just trying hard to make the $1-billion goal for stockpile sales handed Harlan by the Budget Bureau. Under continuing pressure from newer types of synthetics, the long-term price trend for natural rubber is down, and the longer the government waits to sell its stores, the more it is doomed to lose on them.

First, the Defense Dept. order on how much rubber must be bought by Pentagon contractors—major sellers to the government—was rejiggered so that in some cases U.S. rubber companies had to buy four times as much as their previous commitment. Then, in late March, the old 6,000-ton-per-month limit on commercial sales was wiped out.

On the last sales days in March, approximately 500 extra pounds were sold. But the price tumbled a full cent—to 24⅝¢ from Mar. 29 to Apr. 4. The long-run trend had already pushed crude rubber prices in the wholesale price index to 10% below their 1957–59 average.

COMPLAINTS

Market observers say it surely isn't the extra 500 lbs. that made the price drop; rather it's uncertainty over what U.S. policy is to be. With no announced ceiling on commercial sales, the entire 550,000-ton surplus overhangs the market. Malaysian Senator Gan Teck Yeow, chairman of the Rubber Producers' Council, called on his government to "protest strongly" the "unfriendly" U.S. moves, and the sentiment was echoed in Indonesia, Ceylon, and Brazil. Even the U.S. Rubber Manufacturers Assn. protested the open-end situation.

HEARINGS

At Malaysia's bidding, the International Rubber Study Group called a special meeting in London last week, where a U.S. State Dept. official, Edmund Getzin, chief of the Industrial & Strategic Materials Div., listened patiently to complaints from the producing nations, but made no promises on what U.S. policy will be. Another London meeting is imminent, however, and there Washington will spell out new, higher limitations on its rubber sales.

[From the Rubber Manufacturers Association Publication Rubber Highlights, May 1966]

RMA ASKS GOVERNMENT FOR OFFICIAL STATEMENT ON GROUND RULES FOR STOCKPILE RUBBER SALES

The Rubber Manufacturers Association has asked the Government to make an official, public announcement concerning some unannounced changes made recently in the long-standing ground rules for the sale of rubber from the national stockpile. The changes provoked sharp critical reaction from the press in London, Singapore and Kuala Lumpur and representatives of producing countries held a meeting in London during the week of May 2 to consider the matter.

Until recently, commercial sales of stockpile rubber were limited to 18,000 long tons in any single quarter, and not to exceed 9,000 L.T. in a single month. The only additional rubber released in this country was to successful bidders for military truck and government airplane tires, who were provided with stockpile rubber in the quantities required to fill those orders.

Without public announcement, procedures were changed in February in such a way as to require successful bidders on truck and airplane tires to use 50 per cent of the contract price for the purchase of stockpile rubber, presumably to be worked off in other products or sold to the extent quantities exceeded those needed for the items under contract. This had the effect of raising by three times the amount of rubber released from the stockpile for military truck tires and by seven times the amount released for airplane tires.

In addition to this, New York dealers and manufacturers were verbally advised in late March that the General Services Administration was dropping the monthly-quarterly quota system previously in effect, and that quantities of stockpile rubber would be offered daily based on currently prevailing prices.

Since the inception of the rubber stockpile disposal program in 1959, the Government had sold through the first quarter of 1966 a total of 524,281 long tons. There now remains for sale in the strategic stocks a total of 555,400 L.T., of which approximately 415,000 L.T. is in No. 1 Ribbed Smoked Sheets.

[GSA News Release No. 2697, March 17, 1965]

The General Services Administration today announced that a periodic review of the rubber disposal program indicates that the present disposal procedures, that were made effective September 1, 1964, are reasonable and workable and will be continued.

Under these procedures two separate sales programs, designated as commercial sales and Government sales, are operated on an individual basis. Commercial sales are limited to 72,000 long tons a year, approximately 18,000 long tons each quarter, and not more than 9,000 long tons in any single month in any quarter. Government sales for direct and indirect Government use are unlimited as to total quantity or rate of disposal.

Sales under the present programs are limited to the quantity available from the 470,000 long tons authorized for disposal May 4, 1960. As of December 31, 1964, 102,463 long tons of rubber remain to be sold.

In March 1964, the Office of Emergency Planning announced a revised stockpile objective for natural rubber. As the result of this action an additional surplus of approximately 620,000 long tons was created. GSA is requesting approval of the Congress to dispose of the additional 620,000 long tons that have not been authorized previously. This action is necessary because any disposition from the national stockpile must be expressly approved by Congress.

No change in the present procedures is contemplated. Sales made in accordance with these current procedures have been conducted in such a manner that there has been minimal impact on the markets of producers, processors and consumers. The orderly disposal of an additional 620,000 long tons of excess rubber is expected to require six or seven years depending upon market conditions. As the program progresses adjustments may be made in the future if experience indicates that they are warranted.

[GSA News Release No. 3288, June 10, 1966]

The General Services Administration today announced a new program plan for the disposal of natural rubber from the national stockpile. Disposal of surplus natural rubber from the national stockpile has been on an unlimited availability basis since March 21.

During recent weeks, the Government has discussed its sales policy with the domestic rubber industry and has consulted with governments of the principal rubber producing countries. The Government plans to consult further on this program with industry and the governments of the rubber producing countries at the time of the meeting of the International Rubber Study Group next November, or earlier, if warranted by market developments, or if requested.

After weighing carefully the various points of view, including the serious concern of the rubber producing countries, the following changes in the ground rules for the disposal of natural rubber from the national stockpile were announced today by GSA.

For all programs 170,000 long tons is proposed for disposal by GSA in the period beginning March 21, 1966, and ending March 31, 1967. This amount would be an upper limit to what would be available for disposal during this period. Rubber will be offered at a rate of 42,500 long tons in each three-month period in approximately equal installments. The first quarter will extend from March 21, 1966, through June 30, 1966. Succeeding quarters will be on a calendar quarter basis. Any unsold rubber at the end of each period will be canceled and will not be carried over to the next period. Such quantities of unsold rubber will reduce the upper limit quantity of 170,000 long tons.

The present requirements contained in Department of Defense contracts for certain rubber articles specifying 50% of the contract value to be purchased in the form of stockpile rubber will, until further notice, remain unchanged. Other Government-use programs will also remain in effect. Rubber disposed of pursuant to Department of Defense programs must be consumed domestically and shall not be exported.

The basic conditions for disposal from the stockpile, namely the 28 to 32 cents per pound formula, avoidance of market disruption by following and not leading the market, remain unchanged. GSA will sell at current market price as reflected in the bid and asked prices of the New York market, less appropriate discount for extra handling and thawing of frozen rubber which as the present time is ⅝¢ per pound.

Sales will be made by GSA for delivery in the current month and during the next succeeding six months.

On all contracts made pursuant to Government-use programs, the applicable Government program must be identified at the time of purchase.

Commercial sales will be limited to North America by the revised program.

Equalizing of freight will be considered by GSA when rubber is shipped to a commercial thawing plant in the U.S. only when the buyer advises on the date of purchase the actual location of the thawing plant to which shipment is to be made.

Sales of natural rubber by GSA since March 21, 1966, are as follows:

March 21 through 31, 1966, 6,248 long tons.

April 1966, 10,863 long tons.

May 1966, 11,693 long tons.

Effective immediately sales of rubber by GSA will be announced weekly.

AND THEY SAY IT AIN'T SO

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Nelsen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. NELSEN. Mr. Speaker, I have been advised that the heads of many departments and agencies have denied that any pressure is being exerted on Federal workers to get them to buy U.S. savings bonds. Last night's article in the Washington Star by Joseph Young may, therefore, enlighten them, and I request inclusion of the Young article at this point in my remarks.

U.S. Bond Buying Pressure Heaviest on Postal Workers

(By Joseph Young)

The Johnson administration's intense pressure on government employes to enroll in the government's 1966 savings bond campaign has brought protests to Postmaster General Lawrence O'Brien from the two major postal employe unions.

According to the unions, the National Association of Letter Carriers and the United Federation of Postal Clerks, here are some of the pressure tactics being used:

A top official of the Minneapolis postal region in a letter to postmasters ordering them to show a better record for their post offices, said:

"Like the Postmaster General, I am not interested in the reasons why employes failed to sign up, I am interested only in results."

Consequently, postal workers in the Minneapolis region who do not enroll in the savings bond campaign are being made to sign their names to the announcement which urged them to enroll. The employes are apprehensive that this will be made a part of their official personnel records, the unions say.

At Boise, Idaho, the postmaster in a notice to employes declared: "I expect results. If you have not returned your authorization card—" (here the postmaster resorts to capital letters—"DO SO IMMEDIATELY."

The Boise postmaster goes on to say:

"You owe the government for which you work the loyalty to support this program. It is my firm belief that any employe that cannot be loyal to his employer should not be working for him."

The Boise postmaster adds that he will have a "personal conference" with each employe who does not subscribe to the program, adding in capital letters, "I DO NOT EXPECT MANY SUCH CONFERENCES AND HOPE THERE WILL BE NONE."

DES MOINES PROTEST

Sen. Jack Miller, R-Iowa, protested to the postmaster of Des Moines over what the Senator asserted was coercion of postal workers there.

In a notice to employes, the Des Moines postmaster noted that only 50 percent of them had enrolled in the bond savings program and demanded, "I would like to know WHY." He added, "Anyone not participating is invited to my office for a personal conference."

At Reading, Pa., the postal workers were told pointedly by a postal supervisor: "Buy bonds or bye-bye."

At Pottsville, Pa., postal employes were told they must achieve a 75 percent participation goal and "no excuses" will be accepted.

At York, Pa., postal workers were told they would be given "a personal interview every day until you give in."

The pressure tactics at Passaic, N.J., so enraged employes that those who already are buying savings bonds are threatening to cancel their participation, according to the union sources.

Harrisburg (Pa.) postal workers not buying bonds are being accused of being "unpatriotic and disloyal" and warned that they can't expect any favors such as preferred days off, etc.

The Oregon region is demanding 100 percent compliance.

One postmaster in North Carolina, hard-pressed to make a good record, urged several employes to purchase bonds and cash them in 90 days.

In an Eastern state, another hard-pressed postmaster offered to pay for an employe's contributions for bond purchases, with the understanding the employe was to cash the bond in six months and reimburse him.

In numerous post offices, postal workers were told their chances of promotion depended on their participation in the bond drive.

"CONFERENCE" PATTERN GENERAL

A general pattern throughout the postal service is repeated "conferences" being held by postmasters and supervisors with employes who have failed to sign up for the program.

Some of the state conventions of the postal employe unions have adopted resolutions denouncing these tactics.

Some of the state groups are threatening to adopt resolutions urging members to cash in their present savings bonds and discontinue their present savings bond programs unless the pressure ceases.

Letter Carriers and Postal Clerks' leaders say the pressure and intimidation of their members is "disgraceful and unbelieveable."

"It's like living in a dictatorship," one union leader said.

EARNINGS UNDER SOCIAL SECURITY

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. DICKINSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DICKINSON. Mr. Speaker, because the present income which the aged can have under the Social Security Act is now clearly inadequate, I am today introducing a bill which would increase from $125 to $250 a month the amount an individual is permitted to earn without suffering official deductions.

The need for such action is impelling if many of our aged are not to suffer privation and hardship. The $250 monthly my measure provides amounts to $3,000 a year, exactly the sum cited by the President as marking the dividing line between poverty and self-respect. It is, therefore, entirely in keeping with official policy.

Moreover, the previous $1,500 a year breaking point, before social security deductions, tended to remove from the labor force those with needed skills; by doubling the earning point, useful persons can be maintained at vital jobs.

Most important, however, is the fact that the increase will fulfill the basic purpose of old-age insurance under the social security system. This is to make it possible for our senior citizens who have already paid their social security taxes to lead decent, self-respecting lives after they have passed the period of their peak earning power, while at the same time encouraging them to contribute to the productiveness of our economy at a lesser but still important rate.

There is precedent for my legislative proposal. Last year an amendment was passed to increase somewhat the amount that can be earned. It was not, however, adequate to meet the needs of our senior citizens. I am sure that the heart of America will not let those who have done so much for our Nation end their lifespans in penury nor deny them the chance to do what they can to help us all.

There is further precedent. Congress found it necessary only last year to increase monthly deduction-free payments from $100 to $125 monthly and to raise the annual limit of such payments from $500 to $1,200. It is only because this increase has proved inadequate for our senior citizens, and because the President has now given his guideline setting anything below $3,000 annual income as poverty, that my amendment has been introduced.

I trust that it will be voted upon and passed. This is not, I repeat, charity. This does not increase social security payments. It simply raises the limits of earned income to enable social security recipients to help themselves combat the ever-increasing spiral of inflation.

CONSUMER CREDIT CONTROLS

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. DICKINSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was nc objection.

Mr. DICKINSON. Mr. Speaker, reckless spending and waste are now catching up with us. As a result we are now being asked to regiment the American consumer—which means the American citizen.

This is totally unnecessary. It is the outcome of spending wildly domestically at a time when we are engaged in a massive war in Vietnam. I have long and repeatedly stated that the way to prevent inflation and to keep the economy from going through the roof is relatively simple. We should cut out a vast amount of unnecessary extravagance and downright waste.

Instead, we have come up with a formula which Americans always have repudiated during the past several decades. After World War II, a Democratic administration sought to continue rent, food and price controls but a Republican Congress was elected and repudiated them.

Then, after the Korean police action, similar restrictions on our individual enterprise system were removed in 1953 by a Republican President and Congress. Now, in an undeclared war, the administration, backed by this pushbutton Congress, has increased domestic spending instead of curtailing it.

The measure before us today is the direct result. We know what its effects will be too. It will stifle individual enterprise and hobble the economy. After such restrictions were removed in 1953, about 4½ million new jobs in private industry were created.

While it is asserted that the powers for the administration to control credit are standby powers, the record of the recent past indicates that such powers are always used.

In addition to the big army in Vietnam, we are now called upon to create a new army of bureaucrats, in addition to the large standing army of them we now support. For every rule and regulation requires new contingents of bureaucrats. Moreover, this is spelled out in this bill. Let me read you the pertinent passage:

> SEC. 604. The President may delegate in whole or in part any function conferred upon him by this title to any one or more officers, departments, or agencies of the United States, and may in his discretion confer authority to redelegate any function so delegated.

Does not this raise the specter of the old discredited Federal Office of Price Controls? It certainly invokes a picture of Federal policing and redtape, of regulation and regimentation of the kind we have suffered in the past.

If this is necessary, it is one thing. But it is not. The American people are now being called upon to pay the price of guns and political butter at the same time. The polls show the American people are fed up with the mismanagement in every direction. But the button has been pushed and, once again, the majority is called upon to jump. For my part, I shall vote against this measure (H.R. 14025) in the certainty that my constituents, individually and collectively, wish me to do so.

INTERFAITH DAY

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, I am privileged to introduce a joint House resolution to designate the fourth Sunday in September of each year as "Interfaith Day," and to authorize and request the President of the United States to issue annually a proclamation calling on the people of the United States to observe such a day in the manner each person deems appropriate.

Interfaith Day has been so designated and regularly observed in New York State and New York City, primarily as a result of the dedicated efforts and perseverance of a small group which has year by year won increasing support for the celebration.

The interfaith movement of New York has played a vital part in arousing America to the need for cooperation and understanding among different religions. I am especially proud that the interfaith movement in New York has gained such widespread approval and acceptance. In several other States across our land Interfaith Day is also observed.

The designation of such a day would encourage the mutual understanding of all the people of our country and would serve further to call the attention of the rest of the free world to one of the fundamental principles upon which this Nation was founded. It is in the spirit of brotherhood and cooperation among all religious groups that this resolution has been offered.

It is incumbent upon our Nation to demonstrate in every possible way our determination to live by these principles. The United States has from its inception offered individual freedom of worship as a fundamental cornerstone in our way of life.

By the designation of a day in each year to be known and observed as Interfaith Day our country may demonstrate to the world that it seeks to encourage individuals of all faiths to unite in their efforts toward the common goal of the preservation of the dignity and worth of the individual.

Inasmuch as I am a vice president of the Interfaith Movement, Inc., founded in 1937 and having its offices at 315 West 23d Street in New York City, I am especially interested in this resolution. It is my sincere hope that this will be acted upon favorably by the House of Representatives.

AIRMAIL RATES BETWEEN THE UNITED STATES AND COUNTRIES OF THE MIDDLE EAST

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, I rise on the floor of the House to bring to the attention of my colleagues a situation involving the Post Office Department's airmail rates which has resulted in discriminatory practices against Israel, the voice of democracy in the Middle East.

In establishing airmail rates between the United States and Middle Eastern countries, the Post Office Department has placed Egypt in one zone, so that the postal rate is 15 cents per half-ounce, while the rate to neighboring Israel, which is just over this postal zone line, is 25 cents per half-ounce.

I have called upon the Postmaster General, the Honorable Lawrence F. O'Brien, to introduce changes in Post Office procedure so that this inequity is corrected.

The text of the letter follows:

> JUNE 16, 1966.
>
> Hon. LAWRENCE F. O'BRIEN,
> *Postmaster General,*
> *Post Office Department,*
> *Washington, D.C.*
>
> DEAR POSTMASTER GENERAL O'BRIEN: The Post Office Department's policy in setting air mail postage rates between the United States and foreign countries has caused an inequity which I feel needs to be brought to your attention and corrected.
>
> Determining air mail rates by a geographic division of the globe has resulted in charges of 15 cents per half-ounce of mail to Egypt and 25 cents for the same amount of mail sent to Israel.
>
> According to the Post Office Department, the substantial difference in postal rates between the United States and these two Middle Eastern countries, which border on each other, is due to the drawing of an arbitrary line of demarcation between mail zones at Israel's boundary. This line places Egypt, as a part of Northern Africa, in the 15-cent mail rate zone, along with South America and Europe, while Israel is considered a part of Asia Minor and relegated to the 25-cent category.
>
> This discriminatory decision, which penalizes many Americans, particularly New Yorkers and my constituents, who correspond with their relatives and friends in Israel, ought to be changed.
>
> Since the matter simply involves the placement of a line, is it not possible to shift the boundary of the 15-cent mail zone to encompass Israel?
>
> Certainly, we can give due consideration to our relationship with a friendly country and encourage communication with this bastion of democracy in the Middle East.
>
> Sincerely yours,
> THEODORE R. KUPFERMAN,
> *Member of Congress.*

KLEIN NOT REGISTERED AS AGENT FOR RHEINMETALL

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FINDLEY. Mr. Speaker, several documents have come to my attention which suggest that a public relations firm headed by Maj. Gen. Julius Klein—Julius Klein Public Relations, Inc., of Chicago—has represented the Rheinmetall munitions firm of Dusseldorf, West Germany, at intervals during the past few years and may be presently representing the firm. However, careful examination of documents filed with the Justice Department by Klein fails to show this relationship.

Therefore, I raise the question as to whether Klein and his firm are in violation of the Foreign Agents Registration Act of 1938, as amended. This question is especially timely because the Department of Defense is this very week conducting final negotiations for a controversial $73.3 million gun contract with Rheinmetall. I have discovered that in at least five instances longstanding minimum test standards were either lowered or waived completely in order to classify the weapon standard A and eligible for procurement.

Because of the unusual procurement procedure, lobbying efforts in behalf of the firm become especially important.

The Foreign Agents Registration Act requires that representation agreements be filed together with detailed semiannual statements of compensation and reimbursement. Klein has a voluminous file at the Justice Department, but it contains no reference whatever to Rheinmetall. Neither do the Department files contain any listing of representation for Rheinmetall.

However, several documents elsewhere strongly suggest that Klein indeed is the agent for this foreign firm and therefore under the law should be registered and required to file details of his representation agreement and the semiannual financial statements. Among them are the following:

First. A letter supplied to me by the State Department, in which Klein wrote Assistant Secretary of State, Mr. William Tyler, on April 5, 1965, in part as follows:

> My client, Rheinmetall GmbH of Duesseldorf, Germany has informed me of a demand by a U.S. attorney for immediate payment of a substantial sum in "settlement" of an un-investigated and unproven claim alleging use of "slave labor" by the company during World War II. Attached are copies of an exchange of correspondence between Rheinmetall and the German Consul General in Boston, both in the original German and English translation.
>
> The alternative to giving in to this demand is an implied threat to the agreement negotiated between U.S. Defense Secretary McNamara and German Minister of Defense von Hassel for reciprocal purchases of certain military items, which is substantially favorable to the United States. A further threat is made that, if a purchase currently proposed by the Department of Defense of H–S 20 mm cannon from Rheinmetall is consummated, "widespread publicity" unfavorable to the Defense Department and the State Department would ensue. It is for this reason that we bring this matter to your attention.
>
> This reciprocal agreement calls for purchases by the United States from West Germany of approximately $50 million, and purchases from the U.S. by West Germany of $700 million. In January, 1965 I had occasion to query the U.S. Defense Secretary as to the intentions of carrying out this agreement, and was told in a letter dated February 3, 1965 that the Department had every intention of consummating it. (Copies of this correspondence are also attached). . . .
>
> I think it might be taken without question that I, as past National Commander of the Jewish War Veterans, a participant in the Restitution Treaty Negotiations; and a member of the founding of the first Jewish claims conference, would never have undertaken to represent Rheinmetall without certain knowledge of their complete innocence of such charges as have been alleged.

Second. Part 13 of hearings of the Senate Foreign Relations Committee on May 14, 1963 in regard to activities of nondiplomatic representatives of foreign principals in the United States.

In the hearings Klein claimed exemption from the application of the act, insisting that his activities in behalf of German firms were purely nonpolitical and mercantile and therefore within the exemption set forth in section 3D of the act. On page 1955, however, Klein is quoted as saying "You can't separate business from politics." It was the expressed opinion of Senator FULBRIGHT, chairman of the committee, that Klein's activities did in fact constitute political activities and he should register as an agent of Mannesmann, a German client then under discussion. Klein disagreed, but it is interesting to note that he did subsequently register as an agent for Mannesmann.

To establish Klein's relation with Rheinmetall, I cite pages 1822, 1824, 1825, and 1914 which reproduce records of Klein's firm on which Rheinmetall is listed as a client or account.

Documents on pages 1822 and 1914 also show Hispano-Suiza Co. as a client or account. This firm is located in Switzerland and owned rights on the gun involved in the procurement now being consummated. The gun is identified as HS 820 20-millimeter machinegun, and the HS initials are taken for the firm name Hispano-Suiza.

Third. Numerous recent newspaper, radio, and television reports discuss Klein's activities in behalf of Rheinmetall.

The Rheinmetall gun contract is being negotiated between the Governments of the United States and West Germany. If Klein has been active in behalf of the gun contract it is difficult for me to see how his relationship can accurately be described as purely private and nonpolitical. He has corresponded with officials of the U.S. Government in regard to his representation of Rheinmetall.

It seems to me the Foreign Agents Registration Act was intended precisely for a situation such as this. The contract involves only public money and therefore it is very much the public's business to know the full details on lobbying activities undertaken by agents for Rheinmetall.

The taxpayers are entitled to know what was done, who got paid and how much.

The final contract may be consummated very soon and therefore a prompt investigation of Klein's relationship with Rheinmetall is in order.

COMMUNIST TAKEOVER OF THREE BALTIC NATIONS

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, today is the 26th anniversary of the seizure of Lithuania, Latvia, and Estonia by the Soviet Union, and I wish to join other Members of the House in commemorating this tragic event. Since June 16, 1940, the brave people of the Baltic States have suffered under the illegal control of the Soviet Union, but they continue to yearn for the day when their independence and freedom will be restored.

A year after the Communist takeover of the three Baltic nations, the Soviet Union seized thousands of the religious, government, and business leaders in theses unfortunate countries and deported them to Siberia to work in slave labor camps.

The illegal incorporation of Latvia, Lithuania, and Estonia into the Soviet Union came about as a result of an agreement between Dictators Hitler and Stalin during World War II and remains as one of the great injustices perpetrated by the Communist conspiracy which is still unresolved. It is one of the problems which the United Nations has failed to resolve due to the paralysis of that world organization deliberately caused by the Communist countries, led by the Soviet Union. The U.N. should, of course, be working to achieve self-determination and freedom to pursue their own cultural and economic development for the Estonian, Lithuanian, and Latvian peoples. It is my belief that our Ambassador to the United Nations, the Honorable Arthur Goldberg, should insist that the question of self-determination for the Baltic States be placed on the U.N. agenda so that the world's attention would be drawn to the continued enslavement of these peoples.

The leaders in exile of the Baltic States are continuing to work for the restoration of freedom to their homelands. In addition to supporting efforts to have the Baltic States question included in the agenda of the United Nations, they are demonstrating by their activities the strength of their cause to the world.

Mr. Speaker, I wish to again point out to the House the inadequacy of the Voice of America broadcasts to the Baltic States. Under present administration orders, the VOA broadcasts only straight news to Latvia, Lithuania, and Estonia, because of the State Department's fear of offending the Soviet Union. I think that the nature of VOA programs should be strengthened and their number increased.

There will never be a true freedom and peace in the world until the Baltic States and other captive nations of communism have the right to self-determination and the opportunity to pursue their own legitimate national goals. As leader of the free world, the United States has the responsibility to work in every possible way for a world of true freedom and complete peace, and we should certainly be taking more effective steps to aid the morally and legally just cause of the peoples of Latvia, Lithuania, and Estonia.

WASHINGTON NATIONAL AIRPORT AND THE FAA

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. CAHILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CAHILL. Mr. Speaker, I had occasion to comment yesterday on the conditions at Washington National Airport and to urge the FAA to better utilize the facilities of Dulles International for the purpose of reducing traffic and consequent hazards, and thus improving safety at Washington National.

I wondered why it was that so many airlines used Washington National in preference to Dulles International. I wondered why airlines were willing to waste their gasoline, waiting with motors running for takeoff clearance at National when they could keep on schedule without any difficulty at Dulles. I think, Mr. Speaker, I now have one of the real reasons, and as usual, it involves money.

I have found, for example, that the air carrier landing fees for Washington National Airport amount to 14½ cents per 1,000 pounds for piston and turbopropellor aircraft. This means that an airplane such as an Electra weighing approximately 100,000 pounds must pay a landing fee at Washington National of $14.50. The very same aircraft landing at Dulles International Airport is required to pay a landing fee of 32 cents per 1,000 pounds. Thus the Electra that can land at Washington National for $14.50 must pay $32 to land at Dulles. This is a difference of $17.50.

I understand that Eastern Airlines has approximately 80 flights per day into Washington National. If they save only $10 per aircraft in landing fees, this would amount to $800 per day or $5,600 per week, or over a quarter million dollars a year.

This certainly is one of the reasons, I would think, why all airlines prefer to use Washington National rather than Dulles International.

Why, Mr. Speaker, I ask the FAA, should the rates be different at Washington National and Dulles International? Should not the FAA either increase the rates at Washington National or reduce the rates at Dulles International?

It seems to me that if FAA wished to divert airline traffic from Washington National to Dulles International, one of the ways to do it would be to charge 14½ cents per 1,000 pounds at Dulles and 32 cents per 1,000 pounds at Washington National.

There may be, Mr. Speaker, many valid reasons why Dulles International is not being utilized to its maximum and there may be many reasons why Washington National has more traffic than it can handle.

I submit, Mr. Speaker, that one of the reasons must be the air carrier landing fees which are disproportionate at these two airports. I certainly hope that FAA will take immediate steps to correct this inequity and thus encourage reduced traffic at Washington National and increase traffic at Dulles International.

OUR NEWEST SENATOR

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HARVEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARVEY of Michigan. Mr. Speaker, I am extremely pleased to bring to the attention of my colleagues an exceptionally well-written feature story on our Nation's newest U.S. Senator, the Honorable ROBERT P. GRIFFIN, of Michigan. Only a few weeks ago Senator GRIFFIN was a Member of this House and then was appointed to succeed the late Senator Pat McNamara.

I am certain this story will be of immense interest to all Members of the House. I would like to add that this article, which appeared in the May 8, 1966, edition of the Detroit News pictorial magazine, Detroit, Mich., was written by a very distinguished journalist, Mr. Will Muller, Detroit News editorial page columnist.

The article follows:

HE'S BETTING ALL HIS POLITICAL CHIPS ON WINNING A SENATE SEAT

(By Will Muller, Detroit News editorial page columnist)

As a forward artillery observer for the 71st Infantry Division in World War II, Corp. ROBERT P. GRIFFIN clung to a cliff over the Danube with a man named Kavanaugh and plotted American fire on Regensburg, Germany.

As a young lawyer with the ink still damp on his State Bar ticket, he joined with a man named Williams to form the Traverse City law partnership of Williams & Griffin.

As a Republican senatorial candidate, he is watching another Cavanagh—Mayor Jerome P.—and another Williams—former Gov. G. Mennen—square off against each other on the Democratic side of the primary. He will take on the winner.

"My past associations with Kavanaughs and Williamses have been happy ones," says GRIFFIN. "I want to keep it that way."

Early this year, GRIFFIN bet all his political chips he could win a U.S. Senate seat in a state which hasn't elected to send a Republican there in 14 years. He threw a five-term House career and sure election from Michigan's Ninth District into the pot.

His audacity had some of his friends gasping in unbelief, others scrambling to help him. At least it caused his party, which has been slowly disintegrating while playing it safe, to take a shame-faced second look at itself.

GRIFFIN frankly conceded his two biggest handicaps at the time: A lack of pledged campaign money and a familiarity with Michigan voters that extended beyond his Ninth District only by repute.

Before he announced for the senate, GRIFFIN shocked many seasoned campaigners in his own party and a sizable chunk of the electorate by his boldness in discussing campaign funding. He estimated the cost of adequate primary and final election campaigns for the senate at $500,000.

The estimate was no revelation to party managers, but open discussion of it was upsetting. GRIFFIN said from a Detroit rostrum that he expected his opposition to spend that amount. He conceded privately he couldn't hope for that much.

GRIFFIN regards himself as a realist but still a careful man with money. As a high school and college student, he supported himself working as a drug clerk, an auto assembly line worker, a Montgomey Ward clothing salesman, a dishwasher and an itinerant sports writer.

As a law school student under the GI bill, he is reputed to have devised 55 separate ways to cook hamburger.

If big business and big industry—where much of the big campaign money is raised by both parties—had the same assessment of the Landrum-Griffin act as big labor leaders, GRIFFIN's finances would be eased. But the corporations have coldly analyzed the act and found it largely a directive for strict accounting of union money and fair tabulation of the votes of union members.

Among his party elders and by big party contributors, GRIFFIN is accepted with reservations. Many a conservative businessman's inner line to House policy was disrupted when GRIFFIN led the reorganization campaign that unseated Republican Minority Leader CHARLES HALLECK and replaced him with Michigan's Congressman GERALD R. FORD.

Those opposed to change are uneasy with GRIFFIN. At least until they have run their fingers through his hair and found no horns. In politics, GRIFFIN regards himself as a responsible progressive, a term the more cautious consider a euphemism for anarchist.

In the matter of getting acquainted with his party's workers and a broader base of voters, GRIFFIN seems to be proceding successfully. Although his campaign labors have been interrupted by attention to his congressional duties and a brief trip to see the Vietnam fighting at first hand.

He was in the Senate primary race early and by no means received unanimous acclaim. His decision preceded the meeting of party leaders called by Gov. Romney to attempt an agreement on the most likely candidate and avoid primary blood letting.

His early decisiveness may have alienated some. But a subsequent meeting of the same party leaders accepted him overwhelmingly. His progress was best documented by one of his early primary rivals who withdrew.

Dr. Leroy Augenstein, a Michigan State University biophysicist, said he found the Republican area leaders so solidly behind GRIFFIN it was "difficult or impossible to develop volunteer groups" out in the districts.

Republicans are finding GRIFFIN is a lot like the young fellow living next door. He is pleasant and not at all assertive and is accepted as an agreeable and routine neighbor.

Then one night you read in the newspaper that he has been promoted to a top job in an exacting field where he is recognized as a leader of his profession. For GRIFFIN is a political paradox, better known in the Capitol and in Congress and in his national party councils than on Detroit's east side.

He was better known to the late John F. Kennedy, a Democratic president, than he was to Dwight D. Eisenhower, a Republican one. In Michigan, he is suspect to labor as a conservative. In Washington, he is suspect to party conservatives as a liberal.

John Kennedy, then a senator, and GRIFFIN were credited openly in both congressional chambers in the fall of 1959 with winning adoption of the first labor reform law since the Taft-Hartley Act. It was to become known as the Landrum-Griffin Act and to become the target, though not too vociferously, of labor leaders.

Senator Kennedy had completed his now-famous hearing directed against racketeers who had invaded labor's domain. He had submitted to the Senate his proposals for policing union elections, assuring an honest audit of union dues, closing the doors of labor unions against criminals, assuring popular control of unions through federally supervised procedures. The Senate adopted his bill.

The House had launched a labor bill of its own. GRIFFIN teamed with Rep. PHILIP M. LANDRUM, a Georgia Democrat, to substitute their version. The House adopted it.

The late Speaker Sam Rayburn named GRIFFIN to the House-Senate conference committee to reconcile the two bills. Senator Kennedy chaired it. For 12 long days, Senator Kennedy and GRIFFIN pleaded, argued, and cajoled despairing committee members into eventual agreement.

The two often met privately in Kennedy's office to word compromise proposals to sell other members. Both were determined their work should not be lost. Often they briefed newsmen jointly, deferring to each other.

Senator Kennedy lauded GRIFFIN for his "finesse." GRIFFIN described the senator as a "terrific" conference chairman, "fair and impartial." The friendship they established firmly then lasted into Mr. Kennedy's presidency and was revived whenever GRIFFIN visited the White House.

GRIFFIN says he will welcome discussion anywhere on the merits of the Landrum-Griffin act. Nor, he says, will he dodge the charge that he opposed repeal of Section 14b of the Taft-Hartley act, labor's legislative dragon.

The section permits states to ban labor contracts in which union membership is a condition of employment. Michigan never enacted such a "right to work law."

GRIFFIN has proposed repealing Section 14b provided: Congress will enact a law outlawing discrimination in union membership, the use of union dues for other than statutory purposes and union punishment of members for exercising any of the freedoms guaranteed by the Constitution.

Until that is done, GRIFFIN argues, the states should have authority to step in and safeguard those rights in the absence of federal legislation.

Less widely publicized than his part in labor legislation has been his co-sponsorship in 1958 of the national defense education act. An estimated million students in thousands of schools have since benefited from its financing of college technical and professional training.

GRIFFIN has been a leader of the liberal thinkers of his party on civil rights, often at cost to himself. Prior to the 1964 election he warned his party against any effort to gain segregationist votes by refusing to support President Johnson in the issue.

"Any congressman who considers such a course for the sake of political expedience must deal with an agonizing problem of conscience," he said.

Critics have said GRIFFIN will lose any time-consuming battle to sell his position to organized labor. GRIFFIN points to the industrialized area in his old House district around Muskegon.

Before the Landrum-Griffin act was adopted, he lost that area. Afterwards, he carried it.

It's not the formidable nature of his potential opposition in the November election which worries him. GRIFFIN says. It's whether he will have adequate opportunity to tell his story.

GRIFFIN is one of those slight and deceivingly gentle characters who baffle others with their unsuspected energy. He could get lost at a college commencement in a line of candidates for advanced degrees. He is 42.

He wears thick-lensed glasses over eyes that kept him from being a naval officer. He is rarely seen with a hat on his head of trimmed, black hair.

He is lean and can still don his old GI uniform. He wears dark clothes. At the end of any day, his linen remains neat and his boots shined.

He takes an occasional drink, doesn't smoke, seldom tells a joke unless it's on himself. He's one of Congress' best listeners, most lucid speakers, and gives the appearance of a man with all kinds of time for others. Yet he is always in motion.

GRIFFIN was born in Detroit, the first of the four children of Julius A. and Beulah Griffin. His parents live in Pontiac. His father has retired as an auto plant foreman.

One of his brothers, Eugene, is a pattern makers' union member and a foreman for Chrysler. He is a former president of his union.

BOB GRIFFIN attended the public schools of Garden City through the 10th grade. Then he went to Dearborn's Fordson High.

While in high school, he worked in a drugstore, a job he first acquired at 12. Although he weighed only 140 pounds and had never played football before, he made the varsity at Fordson. He also was elected president of the student council.

That summer he attended Wolverine State, the seminar in government for youngsters at East Lansing. He was elected lieutenant governor there, his first bite of politics.

That fall he enrolled at Central Michigan College, his mind set on a teaching career. He made the freshman football team, washed dishes and wrote sports for the local newspaper to finance himself.

Then came the war and a recruiting sergeant. He was 19 when he enlisted in 1943. He spent nine months in a special engineering course at The Citadel, Charleston, S.C. He was cleared for officers candidate school.

While marking time, he was snatched to fill the ranks in the 71st, ready for overseas shipment. He rolled through France and Germany with that outfit and as far as the Steyr River, in Austria.

By the spring of 1946, he was back at Central, financed under the GI bill. There he met someone smarter than himself, Marjorie Jean Anderson, a faculty librarian.

She is the daughter of William and Eva Anderson, of Ludington, and her father, at 82, still owns a hardware store. He has run it for 40 years and it still is furnished with a pot-bellied stove and sand box.

Marjorie Anderson was valedictorian of her high school class, editor of the school paper, co-editor of its yearbook, played high school basketball. She won a four-year scholarship to Central Michigan.

She also graduated from Central as the class valedictorian. She taught civics and history in Greenville High School for two years, then went back to Central.

She and GRIFFIN were married on May 10, 1947, after his graduation with a bachelor of science and a bachelor of arts degree and a certificate to teach. That fall he enrolled at the University of Michigan Law School. She started teaching at Ann Arbor's Slausen Junior High School.

GRIFFIN graduated in the upper 10th of his class in 1950 with a degree of Juris Doctor. He claims in the same period to have learned the art of preparing hamburger, how to whip up blueberry pancakes and to have perfected an unbeatable spaghetti recipe. His wife calls the stuff "BOB'S big deal."

While BOB studied for his law degree that summer, their first baby was born. He is Paul, now 15. They also have Rickey, 14; Jimmy, 10; Martha Jill, 5.

GRIFFIN moved his family to Traverse City and joined an established law firm. Then he and Fitch Williams formed their own partnership. It flourished until GRIFFIN went to Congress. Williams then took himself another partner.

GRIFFIN first announced for Congress in March of 1956 after practicing six years in the 11-county Ninth District. The campaign was a family affair, as it always has been since.

Marjorie Griffin left Jimmy, then four months, with friends as often as she dared while she rang doorbells, organized rallies, mailed literature and canvassed precincts. Paul, only five, was passing out campaign buttons. Rickey, 4, sang on television.

That campaign went on for eight months and tested the stamina and wrecked the finances of the Griffin family. But GRIFFIN won and has been winning ever since.

He has a theory that every element of a state election campaign is reflected everywhere in his district, from rural areas, to poverty row, from factory districts to corporation offices. He has dealt patiently and tirelessly with them all.

GRIFFIN doesn't figure anything will attract public attention from the Williams-Cavanagh hassle to himself. Which doesn't seem to bother him at all. He can use the time to get statewide acquaintanceship with the workers of his party and to tape out the fall campaign.

"While the Democrats are doing the fighting for us," said GRIFFIN, "we can be saving our resources and organizing for the final battle. Don't think a minute of this breathing spell is going to be wasted."

When school is out, the family will join him in Michigan. Mrs. Griffin, referred to by her husband as a teammate and "a real brain" will slip into her familiar role as organizer and grass roots worker.

We're going to give this campaign everything we've got," says GRIFFIN, "and, do you know, I'm sure we're going to win. That's why I first got in."

There were other factors in the decision, his friends say. BOB GRIFFIN had reached those years of decision that have come regularly in his life.

If he were ever going to get to the U.S. Senate and be one of two voices speaking for Michigan instead of one out of 19 in the House, this was the year of opportunity. He is yet young enough, should be lose, to build a legal career. If he wins, he will yet have time to make his mark in the Senate.

Too, if he finds the going tough in Michigan, he has a great out-of-state rooter. It's that other Kavanaugh—former Corp. William (Pooch) Kavanaugh.

He's doing very well in the insurance business out in Portland, Oreg.

COMMITTEE ON PUBLIC WORKS

Mr. GRAY. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight Saturday night to file a report on H.R. 14604, relating to a National Visitors Center in the Nation's Capital.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. FOLEY. Mr. Speaker, on Monday, June 6, I was unavoidably absent during consideration of the Voluntary Pension Plan Act and the International Education Act, and so was not recorded on rollcall No. 124 and rollcall No. 125. Had I been present, I would have voted "yea" in both instances.

A SALUTE TO THE DAV ON THE EVE OF ITS 34TH ANNIVERSARY AS A CONGRESSIONALLY CHARTERED ORGANIZATION SERVING DISABLED VETERANS AND THEIR DEPENDENTS

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. HORTON] is recognized for 60 minutes.

GENERAL LEAVE

Mr. HORTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, tomorrow, the 17th of June, is an anniversary of special significance to our Nation. It is the 34th anniversary of the approval of Public Act No. 186 of the 1st session of the 72d Congress, incorporating the Disabled American Veterans. In recognition of that historic occasion, the reasons that gave rise to it, and the solid service by the DAV which has flowed from it—more than justifying the confidence of the Congress—this special order is being held.

I was highly honored when DAV National Commander Claude M. Callegary asked me if I thought it would be proper to direct the attention of this House to the occasion of his organization's 34th anniversary. My immediate response was that such an event was not only desirable, it was deserved beyond question.

So that the tribute would reflect the nonpartisan activity of the DAV, Commander Gallegary also asked the distinguished gentleman from South Carolina [Mr. DORN] for his interest. Naturally, the gentleman gave his positive response, too, and together we have worked with the DAV in order to bring this DAV Day on the Hill into being.

Mr. Speaker, I shall speak about the DAV's illustrious history, how it serves the disabled veterans and their dependents of our Nation, its noble purposes, its exemplary leadership, and its impact on the constituency I have the honor to represent. Thereafter, I look forward to recognizing many of our colleagues who have expressed the wish to join in this tribute and to speak of their fond feelings for the DAV.

The DAV was founded on Christmas Day 1919, at a gathering of wounded World War I veterans at the home of Judge Robert S. Marx in Cincinnati, Ohio. The product of this meeting was a plan to form a veterans organization with the single purpose of providing creative programs which would give disabled veterans the opportunity to help themselves in solving their various problems.

By 1921, the small group which first met on Christmas Day in 1919 had grown large enough to hold its first national convention. What proved to be a successful convention was culminated by the election of Judge Marx as the first national commander. His guiding efforts in the early years have brought Judge Marx the honor of being remembered as the "father of the DAV."

The impact of the DAV on veterans' affairs cannot be underestimated. I think it is significant to note that since 1920, nearly all legislation beneficial to disabled veterans has been sponsored and promoted by the DAV. Certainly we in Congress fully appreciate the assistance given by the DAV in our efforts to create legislation which meets the needs of disabled veterans.

Yet, it would be incorrect to suppose that the activities of the DAV are primarily directed toward enacting new legislation proposals, for above all, the DAV remains a totally nonpartisan organization with the sole purpose of providing service and assistance to the wartime disabled veteran, his widow, orphans, and dependents.

To lend emphasis to this posture, I would like to quote the DAV's purpose as stated in the organization's constitution:

> To advance the interest and work for the betterment of all wounded, injured, and disabled veterans * * * to cooperate with all Federal and private agencies devoted to the cause of improving and advancing the conditions, health, and interest of wounded, injured, or disabled veterans.

As the official voice of all wartime disabled, the Disabled American Veterans acts as go-between for the veteran and his family in relations with various public agencies. The DAV employs 150 professionally trained national service officers, each one of whom is himself a disabled veteran.

These national service officers assist the disabled and their dependents in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. By working through local organizations and agencies and by also utilizing higher authorities, the DAV has been most effective in providing those in need with the highest quality service available in the shortest amount of time. In an age of massive bureaucracy, the DAV continually proves that its reputation for efficiency and effectiveness is unmatched.

Today, the DAV has a total membership of over 231,000 in its 1,834 local chapters throughout the United States and its possessions. The members are drawn from veterans of both world wars, the Korean war, and the present conflict in Vietnam.

In a sense, it is especially appropriate that we honor the Disabled American Veterans today. Each day, more of our fighting men are wounded in Vietnam. Many return to the United States crippled and disabled. Fortunately, there is an organization like the DAV to aid these men in their readjustment to civilian life.

This fact was brought home more clearly to me this noon when I attended a luncheon which was given in honor of some of the wounded servicemen who have returned from Vietnam. The luncheon, which was sponsored by my colleague, the gentleman from Kansas, Congressman DOLE, gave me the opportunity to meet with some of these men. I found the experience most worthwhile. Especially encouraging was the spirit of these servicemen, and I cannot help but think that their enthusiasm has in large part been promoted by the fact that the DAV has made it possible for them to look forward to many full and rewarding years after they have recovered and returned to civilian life. I am sure that my colleagues who had the opportunity to meet and talk with these men also came away with similar thoughts.

Mr. Speaker, much of my personal appreciation of the Disabled American Veterans is the outgrowth of the important and inspiring programs conducted in my home community by the nearly 500 members of the DAV's Monroe County Powers Chapter No. 15.

This chapter, named in honor of a World War I disabled veteran, is active in providing for the comfort of disabled veterans in a host of ways. And, I would like to mention a few of them briefly.

Our DAV chapter regularly arranges outings for the patients at VA hospitals in western New York State, those at Bath, Batavia, and Canandaigua. These outings include bringing the patients to Rochester Red Wing baseball games, Rochester Americans hockey games, and different stage presentations that come to the community. Additionally, my DAV constituents hold parties at the VA hospitals and take entertainment directly to the patients.

Of course, as do all DAV chapters, the Monroe County Powers Chapter No. 15 actively and constantly helps protect the rights of veterans and their families. Its members are ready at a moment's notice to take up the cause of a fellow disabled veteran, and their record of assistance is indeed impressive.

Thus, Mr. Speaker, as we today pay tribute to 34th anniversary of Congress' chartering the DAV, I am honored to pay my personal tribute to the DAV members of Monroe County Powers Chapter No. 15. Its commander, Jack DiPaolo; senior vice commander, Lawrence S. Savage; immediate past commander, Frank Fantanza; and all the other men of the organization are doing a job that is distinguished for its effectiveness and humanitarian character. I salute them.

I also offer a special salute to Mr. Savage for his distinguished leadership as chairman of the United Veterans for a VA Hospital in Monroe County. This committee, comprising many veteran organizations, is hard at work to persuade the Veterans' Administration of the need and desirability of building a VA hospital to serve the tens of thousands who live in our area. Mr. Savage and I have worked closely on this project and it is yet another example of the DAV's service to veterans.

Mr. Speaker, we are honored today to have in Washington, as observers of this tribute, the national commander of the DAV and many of his national officers. This body of patriotic Americans is the 1966 witness to the quality of leadership which has been continuous since the very inception of the DAV.

Commander Callegary is a native of Baltimore, Md. He enlisted in the U.S. Army 9 months before Pearl Harbor. He served in the Aleutian campaign and later in the New Guinea action in the South Pacific. In October 1944, while part of an airborne signal group, the plane carrying him and 13 others crashed on Biak in the Netherlands East Indies. Commander Callegary was one of three survivors.

Commander Callegary is official spokesman for the more than 231,000 members of the Disabled American Veterans throughout the United States. He has served the DAV in many regional and national capacities and was elected national commander during the organization's 1965 convention in New Orleans, La.

The national commander is a strong advocate of measures which will improve the position of America's wartime disabled veterans and their dependents. He feels that veterans programs and goals are a covenant between the people of this Nation and its disabled veterans, that they are in the nature of contracts and cannot be modified by either side acting solely on its own.

Commander Callegary holds a law degree from the University of Maryland and is past president of the Maryland Plaintiff's Bar Association. In 1953 he was awarded the Maryland Governor's Certificate for Distinguished Citizenship and presently serves on Maryland's Land and Water Conservation Commission.

The DAV national commander is married and the father of six children, ranging from 3 to 16 years of age.

Mr. Speaker, I also want to recognize the fine work done in helping to achieve DAV Day on the Hill by the DAV's national public relations committee chairman, George C. Washington, of Martinsburg, W. Va. George is a close personal friend and one of the most dedicated men I know in veterans' work. He has had able assistance from committee members, Ted Hietela, of Boise, Idaho, and Ed James of South Bend, Ind. Also, I want to acknowledge the invaluable assistance of Charles L. "Chet" Huber, DAV national director of legislation, and Richard D. "Denny" Lodders, of Denver, Colo., director of the DAV public relations department.

I certainly hope that all citizens are fully aware of the DAV and that they give their support to its work. Certainly no other organization is more patriotic nor more fully typifies the American ideals of giving service to those in need, and of helping individuals to find ways to help themselves.

Mr. Speaker, I am honored to join with my colleagues in commemorating the 34th anniversary of the chartering of the DAV. We all are indeed proud of the record the Disabled American Veterans has made. It has enriched American life in a manner which has made the lives of all disabled Americans, not only former servicemen, much fuller and more rewarding.

Now, Mr. Speaker, it is my pleasant privilege to yield in recognition to those colleagues who wish to add their sentiments in this salute to the Disabled American Veterans.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am very happy to yield to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, it is indeed an honor to join my colleagues today in recognizing an organization which is now celebrating its 34th anniversary—the Disabled American Veterans. The very name of this group spells out the price they have paid for the preservation of freedom and the assurance of liberty throughout the world.

The DAV was founded after World War I to answer a need for rehabilitation and retraining to provide the means for disabled veterans of that war to again live a full and useful life. Then came World War II and once again Americans were called to answer the challenge of totalitarianism with the voice of freedom. And the number of wartime disabled from all wars grew to 2 million.

Today we are once more called to the battleground—and, as the efforts of the Communists to enslave the free people of South Vietnam increase, the number of gallant Americans who pay the real costs of war also mounts. The death toll of Americans killed in battle is climbing and the number listed as combat wounded grows daily. The DAV is once again faced with a challenge—to assure that the men returning from South Vietnam will be able to face the trial of once again living a full and productive life in the United States. The record of the past lends promise to the prospects of the future.

Our disabled American veterans are a tragic reminder of the costs of war—but they are also the first to remind us that the payment is necessary. John F. Kennedy once said:

> Terror is not a new weapon. Throughout history it has been used by those who could not prevail either by persuasion or example. But inevitably they fail, either because men are not afraid to die for a life worth living, or because the terrorists themselves come to realize that free men cannot be frightened by threats and that aggression would meet its own response.

The DAV stands as a warning beacon to those who would employ terror tactics and aggression in the world today. Let the lessons of World War I, World War II, the Korean conflict, and our present stand in Vietnam demonstrate clearly that Americans are willing to pay the costs of war if that is the price of freedom.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am happy to yield to the distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD].

Mr. GERALD R. FORD. Mr. Speaker, on this, the eve of its 34th anniversary of operation under congressional charter, it is very fitting and proper that we note the accomplishments and contributions of the Disabled American Veterans.

It is with pleasure that I join others in Congress in recognizing the dedication, loyalty, and spirit of the more than 231,000 members of the DAV.

This single-purposed, nonpartisan organization has steadfastly labored to provide service and assistance to the wartime disabled, his widow, orphans, and dependents. With its corps of 150 professionally trained national service officers—each one a disabled veteran—this group has rendered valuable free assistance to more than 1,500,000 disabled veterans and their families. This assistance ranges from the obtaining of medical care and hospitalization to help in rehabilitation, disability compensation, job training, and employment.

Through its network of 1,834 local chapters, the DAV has operated its programs very effectively. DAV's national service program budget for the immediate past fiscal year was in excess of $1.5 million—and there was not 1 cent of Federal tax money going into the program.

The philosophy of the DAV, its officers, and leaders continues to be one of self-sufficiency and well-conceived goals. Through its representatives, particularly National Commander Claude Callegary and National Director of Legislation, Mr. Chet Huber, the DAV has presented sound proposals to the U.S. Congress.

It is inspiring to associate with so worthy a group, and it is an honor to be a part of the observance of DAV anniversary.

Mr. BELL. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. BELL. Mr. Speaker, I want to commend the gentleman from New York [Mr. HORTON] for the statement he has made on behalf of this very worthwhile organization.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Mr. Speaker, may I join with my colleagues today in recognition of the 34th year of the existence of the charter of the Disabled American Veterans. This excellent organization has advanced the cause of the honored men who were members of the Armed Forces.

The State of Colorado is especially proud of the DAV's and their activities in our State. Many men of the Armed Forces from time to time with their dependents have come to the State to make it their home. The DAV's have welcomed them and have rendered them good services and they have become valued citizens of our State.

The State of Colorado can be especially proud of the fact that in the 34 years of the existence of the Disabled American Veterans organization, they have had two national commanders from our great State—one, who has passed on, is the late Mapel G. Hart. Recently we had the privilege of having as national commander, Peter Dye.

So we in Colorado recognize that the Disabled American Veterans organization has made a great contribution to the welfare of our State and we are proud of the fact that the members of this organization have devoted themselves to aiding and assisting our veterans who have suffered injuries in the armed conflicts in which our country has been engaged.

Mr. SELDEN. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Alabama.

Mr. SELDEN. Mr. Speaker, the Disabled American Veterans has a splendid record of service to our disabled veterans and their families, and it is a great privilege for me to join this afternoon with the gentleman from New York [Mr. HORTON] and with my other colleagues in paying tribute to this outstanding organization on its 34th anniversary.

Mr. DOLE. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the distinguished gentleman from Kansas, a cosponsor of the luncheon today for those wounded servicemen from Vietnam.

Mr. DOLE. Mr. Speaker, I appreciate the efforts of the gentleman from New York [Mr. HORTON] and the gentleman from South Carolina [Mr. DORN].

Mr. Speaker, it is indeed an honor and a privilege to participate with other Members of the House in paying this well-deserved tribute to the Disabled American Veterans as they celebrate their 34th anniversary as a congressionally chartered national veterans organization. As a member of this great organization, I am personally interested in honoring this organization, dedicated to principles wholly in keeping with the spirit of America.

It is not pleasant to be reminded daily that we are a few of more than 4 million men who still bear the scars and disabilities of our struggles to keep America free. And the memories of our war dead, their widows and children, are painful. Unfortunately, many Americans appear to take blood-bought freedom for granted—often forgetting those who bore the brunt of war—a few cynically regard veterans' benefits as welfare or relief—making a mockery of sacrifices, made for their country.

It is fitting, therefore, that we, as disabled veterans, consider exactly what freedom means—the freedom for which so many have died, and so many have given of themselves.

FREEDOM HAS TWO FACETS

Freedom has two facets, separate and yet each part of the other; there is external freedom, freedom from foreign domination. There is internal freedom, freedom from political domination. These two facets are part of an inseparable whole. Those who died—died as much for one as the other.

There is a double danger to every war that is fought. There is danger that we may never get back those internal liberties we have temporarily loaned to the Federal Government, and, of course, there's danger of defeat of becoming a slave nation ruled by a foreign power.

Rationing, price control, compulsory military service, itself—all these are liberties lost temporarily during wartime. No patriot questions them. They are sacrifices that must be made if victory is to be won.

LOANING INTERNAL LIBERTIES

But in every one of these loans, there are two inherent dangers. First, they accustom the individual to Federal control. They accustom the individual to accept Federal decisions. They weaken independent thinking. They start the habit of looking to the Federal Government to solve internal problems rather than solving them by independent, local, or private effort.

And, second, it takes a major and determined effort—concerted effort by the American people—to force the Federal Government to return these liberties at war's end. Excuses, delays, procrastinations are the inevitable aftermath of victory. Bureaucrats fight bitterly to retain the wartime powers granted them, because to give them up means, in effect, cutting their own throats.

Those who died, the disabled and all other veterans, recognize comfort and security are wonderful things to have, but not at the price of bureaucratic dictatorship. Because in the end, our comforts will disappear, our security will become peonage.

SOME BELITTLE PATRIOTISM

It has become the custom today to belittle patriotism, to deride sincere and passionate love of country. The ringing phrase, "Give me liberty or give me death," has been rewritten, it seems, to "Give me stalemate or nothing." This country was not born out of a stalemate. Its existence as a nation has not resulted from stalemate wars. "Unconditional surrender" was our demand and our aim when we raised the mightiest army in history to fight—and win—World War II.

Those who died, fought fiercely to win. They died praying that their country would be victorious. They knew that the arms they fought with were second to none; the ships and planes that carried them to battle, second to none. The fighting spirit that they showed was second to none. "Only the best for those who fight" was our national slogan. Our whole Nation was mobilized for the greatest war effort of all time. We took pride in the victory that we achieved. It was a matter for nationwide rejoicing. We were deeply proud of those who fell in battle.

Today, it seems, men don't "fall in battle." They disappear in "police actions." There are no casualty lists bordered in black. There is a hush-hush quality about every Federal press release that has to do with war, as though we were sending out our men to engage in something shameful.

DEATH DOES NOT DIFFERENTIATE

Why? I do not know. But I do know that death does not differentiate between men fighting a war that is "declared," and therefore, called a war, and those fighting in a so-called "police action." Both deserve the best possible training and equipment, both deserve the full support of the U.S. Government. There should be, in short, no less honor for those who give their lives training a weak nation's armies to fight off Communist aggression.

They all leave behind mothers or widows and children. Now, it is only natural that all of us would like to feel that the wars are over and paid for. But this simply does not tally with the facts.

These are the facts today: There are an estimated 4 million wartime-disabled veterans in this country—plus countless widows and orphans of those who died on the battlefields or as the result of service-connected ailments. These survivors need more than shallow sentimentality.

The progress and welfare of the men who fought so valiantly for our country in time of trouble should be of concern to every thinking American man and woman today. When we remember, we should back up with action our debt of gratitude to those who never came back and to those who did come back—ill, maimed, crippled. We must remember to provide for those killed or injured in "hotspot" flareups in the cold war today, such as Vietnam.

COLDBLOODED CRITICS

Those coldblooded critics who term war veterans and war widows—of both past wars and present "cold" wars—as welfare or relief cases are far, far astray from the American tradition. The fact is, veterans' benefits are equally as much a part of the direct cost of war as the cost of making bullets, tanks, airplanes, and rockets. We must remember the terrible cost of war, including the cost in men's lives and disabilities and make certain theirs was not a useless sacrifice.

We must preserve freedom and to do so requires bold action. Those who take up the gage of battle will be the real frontiersmen of the last half of the 20th century.

SEVEN HUNDRED YEARS AGO

More than 700 years ago the great Italian poet, Dante, said:

> The hottest places in hell are reserved for those who, in a period of moral crisis, maintain their neutrality.

At the close of the Constitutional Convention, Benjamin Franklin predicted that the Federal Union "can only end in despotism, as other forms have done before it, when the people shall become so corrupt as to need despotic government, being incapable of any other." And when asked by an anxious citizen, "Well, Doctor, what have you given us, a Republic or a monarchy?" Franklin replied, "A Republic—if you can keep it."

"How long will the Republic endure?" asked the late David Starr Jordan, president of Stanford University. He answered his own question: "So long as the ideas of its founders remain dominant."

TRUE AMERICANISM

Where lies our duty in this crisis? What is true Americanism? Let me answer that question by relating a true story. In 1919, after the armistice of the First World War, accounts and stories were endless, but one statement is particularly impressive, and I repeat it now. It reads as follows:

> America must win this war. Therefore, I will work; I will save; I will sacrifice; I will endure; I will fight cheerfully and do my utmost, as if the issue of the whole struggle depended on me alone.

This statement was found on the flyleaf of the diary of Martin Treptow, Iowa boy killed at Chateau-Thierry in 1918.

Are you and I willing to dedicate our whole selves to an even greater cause, the restoration and preservation of our freedoms?

DAV

My interest first was aroused in the DAV immediately upon my departure from the Army at the close of World War II. It was then for the first time that I became fully aware of the needs and problems of American veterans.

Spawned in the aftermath of World War I, the DAV gave signs from its inception of the heights to which it has risen today. Buoyed by the fighting spirit of its membership, it has proven, over the years, that those must likely unflinchingly to adhere to principle are those who have given most in the struggle for principle.

The problems of Americans disabled in wartime, of course, deserve immediate attention and solution. It is widely believed that legislation and administration make compensation and other benefits automatic to the wartime disabled and their dependents. This is not so, however. A veteran often must present his case to the Veterans' Administration. Formal and technical presentations are frequently required.

The wartime disabled, with limited knowledge of the law and no legal ability, would be hard-pressed to obtain their legal rights, if left to their own devices. The DAV, however, has entered the picture as the guardian and protection of disabled veterans in every corner of the land. To perform this service requires considerable manpower, money, and facilities. The cost is of course immense. But the DAV does it all, and without Federal financial assistance.

SERVICE

It is worth noting, moreover, that the DAV counselors in the regional offices of the Veterans' Administration, offer free service to all disabled veterans, whether or not they are members of the DAV.

In these days of high taxes and government costs, the DAV stands unique as an independently sustained service organization. Over the past 46 years, since the founding of the DAV, almost all legislation beneficial to the wartime disabled has been sponsored by the DAV.

Unfortunately, because of the tragic conflict in Vietnam, the workload of the DAV continues to increase, but in no respect has the performance of this organization decreased. On the contrary, the rule seems to be, "The greater the demand, the greater the performance."

SALUTE

It is with the greatest respect that I salute on this occasion the administration and the membership of that great and good organization, the Disabled American Veterans. Their labors in the theaters of war served the cause of their country—and of many other countries as well—and their labors in the field of veterans' organization work have benefited millions upon millions of their fellow Americans.

They are unquestionably among the best possible of all Americans, and I am proud to be a member of this great organization and to have had the opportunity today to honor the organization, America's fighting men, America's disabled, the widows, children, and dependents of those who made the supreme sacrifice in our Nation's wars.

Again I commend the gentleman.

Mr. HORTON. I thank the gentleman from Kansas.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I would like to commend the gentleman in the well of the House and also my distinguished colleague, the gentleman from South Carolina [Mr. DORN], for their joint efforts to make certain that this memorable day is properly observed in this body.

Mr. Speaker, I join wholeheartedly in this well-deserved tribute to our disabled veterans and to the national service organization which speaks so eloquently and effectively for them, the DAV.

In Oklahoma, where two veterans' hospitals are located—at Muskogee and Oklahoma City—we are continually reminded of the indispensable role of the DAV in protecting the rights and privileges of our disabled veterans, and of their widows and orphans.

Thousands of veterans and their families owe an enduring debt of gratitude to the dedicated service officers of DAV, who assisted them in the presentation of their claims to the Veterans' Administration. Some of the finest DAV service officers in America have served the veterans of Oklahoma, and it has been a privilege to work with them in their noble work. The honors and benefits extended to disabled veterans are among our Nation's finest traditions, and the DAV has played a major part in continuing that tradition.

Mr. HORTON. I thank the gentleman.

Mr. FARNUM. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Michigan.

Mr. FARNUM. I thank the gentleman for yielding and also taking the special order, along with my colleague, the gentleman from South Carolina [Mr. DORN].

Mr. Speaker, when the final tremors of a war have died on the shores of the world, there is left for the survivors the hope of a lasting peace. But there is more left. There is the devastation of private property; there is the potential of economic chaos; there is the difficult work of political reorganization.

And most importantly, there is the work of nursing, curing, and rehabilitating the victims of war. For those who valiantly gave their vitality, their strength, their lifeblood in the service of our country, there is the meritorious work of returning them to an active, full, rewarding life. No organization in the history of our country has done so much of this generous work as the Disabled American Veterans. In securing the benefits provided by the Government, the DAV has become the champion of the wartime disabled veteran.

The DAV is a nonpartisan, single-purpose service group which is a fine example of the principle of self-help, the truly American way toward advancement. It has been formed and is administered by its own members and carries on excellent work.

I am sure we are all familiar with the miniature license tags that the DAV makes each year. It is an item that has established itself on the mind of the whole American public. This project brings employment to hundreds of wartime disabled, to their widows, and to their dependents. They serve as a daily reminder of the splendid work the DAV does for all its members. Since 1945 more than one and a half million American veterans have been given free assistance in obtaining medical care, compensation, and rehabilitation cases.

A man who was President just 4 years after the birth of the DAV, Calvin Coolidge, had this to say to an earlier group of veterans:

> The Nation which forgets its defenders will be itself forgotten.

We have no intention of forgetting our defenders. These men who have stood up against incredible odds, who have lashed out at the enemies that have threatened our democracy, and who have returned to us carrying the burden of their courage beneath bandages, and broken limbs, will always be a source of pride to us, to our national dignity. And we will never forget what they have done for us.

One of the greatest sentences written by the hand of any American President is fitting today on the occasion of the 34th anniversary of the DAV's incorporation, and I would like to utter it today as a promise, a prayer, a praiseworthy reflection for all our veterans everywhere:

> The world will little note, nor long remember, what we say here, but it can never forget what they did here.

"Here" was Gettysburg for Abraham Lincoln, but for us "here" is also Verdun, Chateau Thierry, the Marne, Iwo Jima, Bastogne, the 38th parallel, and even this morning, our defenders are making history. From the top of a barren hilltop near Chu-Lao, in embattled Vietnam, a company of Marines have proven their loyalty and courage down to their last eight rounds of bullets. No. We shall not forget. And our support, our respect, our encouragement will always be with the DAV.

Mr. HORTON. I thank the gentleman from Michigan.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, my thanks to the gentleman from New York [Mr. HORTON] for obtaining this special order that we may pay tribute to the DAV on its 34th anniversary.

The DAV is a single-purpose organization concentrating its efforts on helping and assisting the wartime disabled veteran.

The Disabled American Veterans is a Federal corporation, whose charter was granted by the U.S. Congress by Public Law 72-186 on June 17, 1932. The organization was originally formed in 1920 by a group of disabled veterans of World War I, which was the predecessor of the Federal corporation. Membership in the DAV is composed of those who have been wounded, gassed, disabled, or injured while serving in the Armed Forces of the United States during time of war.

The DAV is a patriotic, noncompetitive service-giving veteran organization dedicated to the important objective of extending much-needed service to, for, and by America's disabled defenders. The DAV is empowered by statute to establish State and local organizations, and has established 48 departments whose jurisdiction is statewide and over 1,800 local chapters in various communities throughout the 50 States and the Philippine Islands. As of April 30, 1966, the DAV had 230,062 members, of which 8,364 are members of the department of Illinois. The Peoria, Ill., chapter, of which I am a member, is the No. 1 chapter in the State and has over 400 members.

Our fine commander, Orville Biehl, I am happy to say, will soon be installed for a second term.

Ever since its formation, the DAV has concentrated the largest portion of its efforts on the extension of free advice and counsel to scores of thousands of disabled veterans and their dependents on the complicated task of proving their lawful entitlement to Federal benefits. To that end, it has, during its 45 years of existence, maintained a larger staff of full-time national service officers in the Veterans' Administration to assist veterans in securing their just benefits than any other organization. Most of our national service officers, themselves disabled veterans, have received special college courses at the American University in Washington, D.C., and practical on-the-job training. These trained experts act as the "attorney in fact" and appear before the Veterans' Administration rating boards in behalf of the veteran claimant and do so at his direction and as his sole representative in the matter. They are an essential link as the "friend of the court" between the veterans and the Government.

During the past 10 years, national service officers of the DAV have examined the case file of 2,527,647 claims; made 1,186,131 appearances before the Veterans' Administration; and secured monetary benefits aggregating $426,233,252. During fiscal year 1964–65, in the State of Illinois, the five national service officers stationed in the VA regional office have examined the files of 7,296 claims; made 3,760 appearances before the VA; and secured monetary benefits for veterans aggregating $3,333,223.71.

In addition to our 133 national service officers, the DAV has over 1,800 part-time and voluntary service officers maintained by our department and local chapters in the United States. Their main purpose is to advise, counsel, and assist the disabled veteran and his dependents in the filing and preparation of his claim for benefits. In addition to being knowledgeable on laws pertaining to Federal benefits, these service officers are also well acquainted with State and local benefits and counsel veterans in these matters.

The Disabled American Veterans performs several functions. Through its national employment director, its employment and civil service preference committee, and committee on rehabilitation, it assists in programs for rehabilitation and employment of disabled veterans in attempting to assist and improve the civil service preference status of veterans in Government employment.

Through its director of legislation, and its legislative committee, it proposes, supports, or opposes all legislation affecting veterans and their dependents proposed in the U.S. Congress. Its legislative policy and program is decided upon by each annual national convention. This program is presented to the House Committee on Veterans' Affairs and various Senate committees dealing with veteran matters at the beginning and through each session of Congress. A member of the legislative staff is present at all hearings and presents the organization's views on veteran legislation.

I was pleased to have the support of the DAV on H.R. 566, which I introduced on January 7, 1959, in the 86th Congress to amend the veterans' regulations to provide additional compensation for veterans having the service-incurred disability of deafness of both ears. The condition of a young man I met at our Peoria DAV chapter prompted me to introduce this bill. After reintroduction, and with the persistent support of the DAV, this legislation became Public Law 20 of the 88th Congress.

Also illustrative of the valuable service contributed by the DAV is the opposition presented to the administration's plan to close 17 VA regional offices, 11 hospitals, and 4 domiciliaries. Through the efforts of the very able DAV national director of legislation, Charles L. Huber, and interested Members of Congress, the administration reversed its decision and only closed half of these facilities. Unfortunately, notwithstanding the determined efforts of the Illinois delegation, the VA hospital at Dwight, Ill., was closed. I was pleased to note that Senator DIRKSEN was the first to testify before the Senate Labor and Public Welfare Committee to keep these facilities open, but I was disappointed that the senior Senator from Illinois, who is a war-wounded veteran, was not among the 35 Senators who testified or submitted statements in opposition to the closing of these facilities.

The national service program of the Disabled American Veterans is furnished free to the veteran claimant. The national organization spends more than $2 million annually to perform these services. It should be stressed that the DAV provides all of the above service to any veteran whether or not he is eligible for membership in our organization. Included in these figures are other services provided to New York veterans, such as assistance in obtaining hospital care and outpatient treatment, home-loan guarantee benefits, parking privileges for the severely disabled veteran and many other Federal, State, and local benefits on which a monetary value cannot be placed because the veteran does not actually receive a cash benefit in this type of claim. The national service officers provide a service which would cost the Federal Government millions of dollars to duplicate, were it not for the existence of the Disabled American Veterans.

Mr. HAGAN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Georgia.

Mr. HAGAN of Georgia. Mr. Speaker, I certainly want to join the gentleman from Illinois in his expression of appreciation to the gentleman from New York for giving us this opportunity.

In the name of every citizen of the First District of Georgia I wish to express the highest degree of gratification on this momentous occasion of the 34th anniversary of the Disabled American Veterans for their continued responsiveness to that noblest of objectives, the complete devotion to our wartime disabled veterans and their dependents.

This is a proud patriotic organization to which our great Government owes a considerable debt of gratitude. It has assisted hundreds of thousands of our first-line veterans of six wars to overcome the handicaps of blindness, battle injuries, amputations, searing agonies of battle, and combat fatigue by employing such beneficial programs as rehabilitation, employment of the handicapped and many other special and significant services to these wartime casualties throughout our hospitals.

Our support of this exceptional organization should be as unflagging as its unselfish and unswerving devotion to the wartime disabled of our great Nation throughout the past 34 years of its existence and even in its patriotic sacrifices today to assist in the protection of the great ideals of freedom.

We should resolve here today that as our costs of war continue we cannot wait until next Memorial Day to assist the Disabled American Veterans in their special observances but we must maintain a constant vigil on any deprivation of the most deserved rights or benefits awarded the disabled veterans and their families. It is our duty to pledge ourselves to the highest principles for which the disabled American veteran organization stands and to which we have been historically dedicated.

Mr. HANSEN of Idaho. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Idaho.

Mr. HANSEN of Idaho. Mr. Speaker, I wish to commend the gentleman from New York for the fine tribute he has paid to the disabled war veterans of America.

Mr. Speaker, Idaho is proud to be a part of this tribute today because of the great organization we honor and because a key individual in its structure is Mr. Ted Hiatela, of Boise, Idaho, a member of the DAV's national public relations committee as noted by my colleague [Mr. HORTON].

Mr. Speaker, Disabled American Veterans is unique among our great veterans organizations in that its members not only have served their country in war, but have suffered considerable personal physical loss as well. They know, to the fullest extent, what the ravages of war entail. But they also know, to the fullest extent, why, on occasion, it is necessary to engage in war.

What a contrast, Mr. Speaker, between these men of Disabled American Veterans who have served their country so well and the bearded, unwashed beatniks who demonstrate against our efforts in behalf of peace and freedom in Vietnam and who deny any personal responsibility toward the country that has given them so much.

The disloyal and the unloyal, unfortunately, will always be with us. But, fortunately, their pitiful and feeble outcries will always be drowned out by dedicated Americans such as those we honor today. The men of the DAV, Mr. Speaker, may not always have agreed with the decisions of those governing our country, but they put aside their personal feelings and assumed the full mantle of their responsibility and fought valiantly to maintain the liberties that are ours under our constitutional Republic.

The tradition of DAV is the tradition of the United States. Theirs is the tradition of Valley Forge and New Orleans, of Gettysburg and San Juan Hill, of Château-Thierry and Omaha Beach, of Inchon and Chulai. Theirs is the tradition of thousands upon thousands of young Americans who have gladly heeded the call of their country in perilous times and who have given their lives to keep its honor clean.

DAV has carried out to the fullest extent the mandate in its congressional charter "to advance the interest and work for the betterment of all wounded, injured and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

It has gone beyond this mandate in promoting good citizenship and loyal Americanism through programs such as its curent bumper sticker program upholding our efforts in Vietnam.

Truly, Mr. Speaker, just as America can be proud of the individuals who comprise this great organization, so it can be proud of the organization itself.

I am very happy to add my voice to those others which are, today, paying just tribute to Disabled American Veterans, and I wish DAV all the best in the years that lie ahead.

Mr. REIFEL. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am glad to yield to the gentleman from South Dakota.

Mr. REIFEL. I thank the gentleman for yielding. There is no one in this country or in this great body who is more concerned with the welfare of veterans than the gentleman in the well [Mr. HORTON], who has taken the time this afternoon to provide this opportunity for us to express our support of the work of the disabled veterans, or than the gentleman from South Carolina, Mr. WILLIAM JENNINGS BRYAN DORN. These gentlemen are concerned for all veterans, but particularly for the disabled veterans of this country. I commend them for taking this time and for providing us the opportunity to express our appreciation for the tremendous work that this great organization is doing.

Mr. Speaker, today we pause to recognize the Disabled American Veterans for their work in the continuing fight to aid those who have made sacrifices so that freedom may be preserved.

Too often in our genuine concern with the thousands of war dead we have neglected the many loyal Americans who have returned from war bearing the scars of battle; June 17 marks the 34th anniversary of the granting of a congressional charter to the DAV. Throughout its history, the Disabled American Veterans have attempted to bring the plight of the war wounded to the attention of the public.

Their accomplishments have contributed to the welfare of all Americans. The DAV is a single-purpose organization which is devoted solely to the cause of the wartime disabled and their dependents. Recently, we have seen their high ideals demonstrated in the work for legislation in behalf of the soldiers who have been wounded in Vietnam.

The responsible citizens who have banded together in the DAV are to be highly commended for their concern for the "forgotten men" of war. Let us hope, with them, that this just cause continues to be the concern of all our citizens.

Some would rather think that aiding the disabled is just another padded welfare program. Clearly, when we pay tribute to the war wounded we are doing them no favors or showing them more consideration than they deserve.

Americans can be justly proud of the record of the Disabled American Veterans in their work to repay, in some small measure, the sacrifice and service which these men have rendered to their country.

Mr. GLENN ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am glad to yield to the gentleman from Alabama.

Mr. GLENN ANDREWS. Mr. Speaker, I rise to pay tribute to a group of our most patriotic citizens on this the 34th anniversary of the organization of the Disabled American Veterans. These are the men who have shown their valor and love of country on the battlefields against those who have threatened our way of life.

This fine organization has dedicated itself to the single purpose of providing service and assistance to the wartime disabled, his widow, orphans and dependents. They have done a splendid job.

I commend our colleagues, the gentleman from South Carolina [Mr. Dorn], and the gentleman from New York [Mr. Horton], for their leadership in establishing DAV Day on the Hill.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am glad to yield to the only gentleman I know who serves in the House of Representatives who served in the Spanish-American War.

Mr. O'HARA of Illinois. I thank the gentleman.

Mr. Speaker, as the last Spanish-American War veteran in the Congress of the United States, I stand with deep affection and warm admiration in salute to the Disabled American War Veterans on this glorious 34th anniversary occasion. It is one of the noblest organizations of our land and its accomplishments are many. There is no cause closer to my heart than the veteran cause and to work with the Disabled American War Veterans for all the things in which we believe has been to me a privilege and a satisfaction.

Mr. HORTON. I thank the gentleman.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am very happy to yield to the gentleman from South Carolina, who is the cosponsor for this particular DAV Day on the Hill, who has spent a great amount of his own personal time and talent in bringing to the attention of the Congress and of the Nation this salute on the 34th anniversary of the founding of the DAV.

Mr. DORN. Mr. Speaker, I thank my distinguished colleague from New York, and I commend him for the able manner in which he has handled the proceedings here today.

Mr. Speaker, due to the fact that many of our colleagues have to rush off and the very fine clerks of the House have labored so long and hard this week, I am not going to take the hour which I have reserved, but I will join with my colleague from New York at this time in paying tribute to our disabled veterans.

I commend my good friend from New York and all those who have participated today in paying tribute to this great organization, the very cream of our veterans organizations, the members of which have paid a personal sacrifice in the "fiery crucible of combat."

I also wish to pay tribute to our distinguished colleague from Illinois [Mr. O'Hara]—and I believe it is particularly proper to do so, because of his recent victory in the primary in his great State of Illinois, and also because he is the dean of the House and the only Spanish-American War veteran in the Congress of the United States—who is a very dear friend, and a very able statesman, a great American, a great soldier, and a defender of the veterans of our country, a man who has stood by them through thick and thin.

I also wish to pay tribute to the chairman of my Committee on Veterans' Affairs, the Honorable Olin Teague, who is a member of the Disabled American Veterans, who lay wounded for many months and announced for the Congress while on his hospital bed in Texas. No one in the history of Congress has done more for the veteran, his widow and orphan than Mr. Teague of Texas. I know of his many achievements because it has been my honor to sit by him on the Veterans' Committee for more than a decade.

He is one of the truly great committee chairmen of all time. I want to pay tribute to him today as a great American, an outstanding legislator, and a dedicated, devoted defender of freedom.

Mr. Speaker, I would also like to pay tribute to the distinguished commander of DAV, Mr. Callegary, and his able staff, consisting of Chet Huber and George Washington and others. Commander Callegary has the respect and admiration of each member of our committee. I do not know of any group with whom we would rather work on the Committee on Veterans' Affairs of this House than this fine group who have never asked for unreasonable legislation. They have always been fair. They have considered the taxpayers of America along with the needs of their own organization and the things that they believe in. It is a great magnificent organization to work with.

Mr. Speaker, I could not pass up this opportunity without paying tribute to this fine group, and I would also like to say that they are not only interested in veterans affairs, but this great organization at every national convention has advocated a strong America. They have advocated a great Army, a great Navy and Air Force, and a great Marine Corps second to none in the world.

You do not find members of this organization or their auxiliary or those associated with them demonstrating against the policies of this country in defending freedom throughout the world. The Disabled American Veterans, most of them, are civilian soldiers. There is no group whom I respect more than our professional soldiers, but most of the members of this great organization who were wounded in time of war are civilians or were civilian soldiers. They were called from the farm and from the factory and from the country store and the drug store. They met the professional soldier trained in the art of killing from childhood and they won in the Spanish-American War, in World Wars I and II, and in Korea, and they are doing a magnificent job in South Vietnam today. So I do think it is most fitting and proper that this House chose today to pay tribute to these men who contributed the most to the preservation of our freedom and the preservation of our country and the preservation of our way of life. I think it is wonderful that we gather here, so many Members of this House, to participate in this. I daresay when the Record is finally compiled and we read it tomorrow, we will see that a great number of our colleagues have paid tribute to the disabled American veterans of our country. Again I want to commend the distinguished and able gentleman from New York [Mr. Horton].

Mr. Speaker, today we take a deserved pause to honor those Americans among us who have paid a personal price for the defense of our right, and that of other nations, to remain free. In wars spanning the years since the Spanish-American War, Americans have been steadfast in guarding the cause of freedom—journeying to many shores to prevent the spread of tyranny and aggressive greed. In the waging of many battles to preserve democracy, many thousands—and I repeat—many hundreds of thousands of Americans sustain injuries that become a very lasting memento which they carry the rest of their lives. To these Americans it is very clear that many lose in the winning of a war. And once the war is so to speak "won" it seems to be human nature to forget that some did lose. Time heals many things—but not all things.

Today we are privileged to honorably acclaim the organization that represents these truly dedicated and tested citizens—the DAV. The Disabled American Veterans originally founded in 1919, and operating through the following years, stands today a high point in American collective action. Thirty-four years ago the Disabled American Veterans, composed largely of veterans of World War I, was granted by Congress a charter as a federally approved, nonprofit organization, culminating 13 years of efforts of deserving American veterans to help themselves in their various problems. This should be considered an outstanding example of American-style democracy in action.

The DAV since 1932 has continued to act as the official voice of all wartime disabled, has continued admirably to serve as a clearinghouse for the numerous types of problems of the disabled veteran and his dependents—needs such as medical care, rehabilitation, compensation, job training, employment, and insurance. Unquestionably it would entail much greater cost to do an even less efficient job than DAV does, were all these various needs to be pursued by separate agencies. DAV does the job so efficiently by working up from the local level—on the scene—to the echelon of authority or action required in the particular need.

Such activities are primarily carried on by 120 service officers serving in our 50 States. The officers are DAV paid and trained. These men, usually themselves disabled veterans, are legally trained under DAV's guidance to be a specialist, a specialist in first-hand knowledge of veteran legislation and its administrative channels and procedure. The dedication of these men to their job has to be seen to be appreciated, for the hours are long, the travel varied, and the situations they must solve are many. Patience and understanding are their stock in trade.

In South Carolina we have 21 chapters of the DAV throughout the State, ranging from the largest in Orangeburg with 158 members, to the smallest in Marion with 7 members. All membership in South Carolina has reached a total of 847. In South Carolina it is largely through the efforts of Philip H. Muller as our national service officer that hundreds of cases a month are efficiently administered for the disabled veterans and their dependents.

I hope all America becomes more truly aware of the DAV—what it is, how it works, and, more important, to honor its efforts by aiding it in its work. Today on the Hill is a day for all of us to rededicate our efforts to appreciate DAV and all it stands for. We should become more appreciably aware of this organization with its over 230,000 Americans who know the personal price of conflict.

Today on this spot—where so often issues are debated pro and con—there is a unanimity of thought and purpose. I know I represent my fellow South Carolinans as well as the fellow Americans in the other 49, when I solemnly state that we hope that the time may come when the DAV would not be necessary. This is what we devoutly pray for and constantly work toward. With divine guidance may this Nation and the family of nations learn to live together in peace. This is our job. I know I also speak for the National Commander Claude Callegary, who sits in the gallery today, and the entire membership of DAV when I voice this plea. Certainly these people who were so dedicated to defend the life and liberty of this country are ingrained with the desperate need for a world at peace.

It is highly commendable and indeed refreshing in these costly times to find a unified group with the ability to internally administer its own functions and pay its own bills. Such a self-sustaining organization as DAV makes me proud as a legislator and as a citizen of the United States of America.

Naturally, private industry helps DAV in many ways by appreciative grants-in-aid as well as continuous rehabilitation and job training of our wartime disabled and their dependents. Privately we can all give a shot in the arm to the Idento-Tag program—the public service of key registration which is well worth our support—since it, in turn, helps the DAV carry on its work. I sincerely hope that every car in the State of South Carolina is started by keys bearing the miniature license plate—speeding up the return of these valuables when lost, and, at the same time, showing our appreciation of the disabled American veteran. By this service, DAV maintained and operated, over a million sets of keys have been returned to grateful owners. I say, let at least this much gratitude continue and grow. Anything that helps the DAV maintain its staff and facilities is a good investment in American security and dignity.

It is fitting that today, and every day forward, we recognize that the nationwide services of DAV are not members-only privileges. The DAV serves the disabled veteran and his family whomsoever, wherever, whenever, and however. This, in itself, constitutes the purpose for its founding and efforts through its 34 years—championing the cause of our wartime disabled—the aftermath of war.

Our late President Kennedy said it best when he told the DAV:

> Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically-handicapped, both veteran and non-veteran.

Former President Eisenhower:

> Having earned the lasting gratitude of your nation for sacrifices in line of duty, you now earn its admiration as well for continued service to the nation as citizen-veterans.

Mr. FASCELL. Mr. Speaker, the Disabled American Veterans represent in essence the spirit of America in war and America in peace. They represent the courage of a people who would risk everything in the name of democratic principle. They also represent the public spirit that enables our society to prevail, on a basis of democratic principle.

As members of our Armed Forces the DAV membership marched and sailed and flew against the enemies of freedom and justice. As veterans they have seen fit to devote their time to fighting as hard for freedom and justice on the homefront as ever they did on the battlefield. They deserve, in my opinion, the profound respect of everyone familiar with the facts.

The basic traditions of America retain their grandeur, irrespective of all other factors. The integrity of the country, honor for the flag, concern for the national defense—all are as vital to the meaning of America today as ever before.

Of this the Disabled American Veterans are fully aware, and the fact rings clear in every pronouncement emanating from their high councils. Their sense of American importance is in keeping with their knowledge of world affairs. Their sense of American responsibility derives from the same source. Their sense of the need for vigilance comes from experience in a field where vigilance is essential to life itself. Their sense of justice is inherent in their way of life.

The power and the glory of American tradition rests upon the combined efforts of American military might and American civilian enterprise. The DAV represents both these elements of American life. Moreover, as persons who gave of themselves, in a very real sense, that the country might live, the members of the DAV approach the problems of democratic living with a true perspective and a great intensity. In everything they do, it is evident to all that they act with purpose and determination, based upon great forethought.

It is a distinct honor to pay my respects to the Disabled American Veterans on this the 34th anniversary of their chartering by Congress.

Mr. EDWARDS of California. Mr. Speaker, I am very proud today to join my colleagues and the Nation in honoring the Disabled American Veterans. I commend the gentleman from South Carolina, Congressman DORN, and the gentleman from New York, Congressman HORTON, for their sponsorship of DAV day on the Hill.

I am personally aware, as I am sure are most of us here today, of the tremendously valuable service of the DAV. First of all, because of my former membership on the Veterans' Affairs Committee, I have worked long and hard with representatives of the DAV in their continuing effort to insure the best possible and most feasible legislation benefiting our veterans. The most well known, of course, is the GI bill of rights, under which veterans have received aid in their education and their buying of a home. The new bill passed in the 89th Congress will extend these benefits to the brave young men who are wounded in recent conflicts such as the Dominican Republic and Vietnam.

But it is one thing to have the legislation and quite another to insure that it is operative and that it reaches those servicemen who desperately need the benefits provided. Again, I have no doubt that every Member has evidence of the invaluable job the DAV has done here. Veterans legislation is very complicated. There is no automatic flow of compensation to the disabled veteran. He must make application. His disability must be rated and compensation determined. This requires a great deal of knowledgeability about the law and the regulations involved.

The DAV has an extensive system of national service officers which is available specifically for advising veterans on their particular situations. Across the country are 120 of these devoted and hardworking officers in the regional offices of the VA and they have handled over 1½ million claims. During the last 6 months of 1965, this staff reviewed 115,622 claims, made 56,215 appearances before rating boards, and prepared 30,926 briefs. This work has earned the DAV the gratitude and admiration of thousands of veterans, VA officials, Members of Congress, and Presidents of the United States.

Today's DAV has grown from a small but earnest group of World War I veterans who formed together on Christmas, 1919 in Cincinnati, Ohio. We are today and tomorrow celebrating the 17th anniversary of their receiving a congressional charter to work in cooperation with Veterans' Administration for the betterment of wounded servicemen. I am proud to say that our service office in San Jose along with three local chapters and one for Fremont and Newark, have done a splendid job of assisting the veterans of my congressional district. I am very pleased to join in this tribute to the Disabled American Veterans.

Mr. CLARK. Mr. Speaker, I would like at this time to express my sense of deep respect and admiration for the Disabled American Veterans, on the occasion of the 34th anniversary of their chartering by Congress. In the matters of courage and honorable service to their country, the members of the DAV are altogether outstanding. It is indeed a pleasure to be associated, in the slightest degree, with their cause, their principles, and their purposes.

The greatness of America is not measured in monetary terms. The greatness of America is measured in terms of its people, their hopes and dreams, their honor, their happiness, their courage and devotion. These are the distinguishing features of a people and the soul and the basis of a national way of life.

These also are traditions held dear to the heart of every patriot today, traditions standing before us in the manner of honored signposts, pointing the way to the glories of the future. As Americans, we have every reason to hail the achievements of those who fought for our traditions, since the blessings we thrive upon today are the direct result of their efforts.

The Disabled American Veterans, in fighting for our principles, gave of themselves to a remarkable degree. Not only did they risk their lives, in a sense they gave a part of their lives in behalf of what they believed. All of us have wondered, at times, what it would be like to be faced with a choice of bravery or caution under extreme circumstances. Some of us have been put to the test. The members of the DAV all were put to the test and each of them has proved himself in undisputable terms.

It is an honor to salute on this occasion the men of this remarkable organization, whose heroism in battle made famous the name of American fighting blood, the world over.

It is an honor to congratulate those heroes who, returning wounded from war, saw fit to enter the field of veterans welfare, in the interest of every wounded veteran.

It is an honor to engage in a ceremony marking 34 years of public service under congressional charter on the part of an organization respected on all sides, by everyone familiar with its purposes and accomplishments.

Since first it was organized the DAV has grown to more than 231,000 members today, comprising veterans of four great wars: World Wars I and II, the Korean conflict and the war in Vietnam. Its leadership in the field of veterans' affairs marks it as an association worthy of the highest consideration and respect.

May it continue to prosper in the years ahead.

Mr. MARTIN of Massachusetts. Mr. Speaker, it was just 34 years ago tomorrow, June 17, 1932, that the 72d Congress approved Public Act 186, incorporating the Disabled American Veterans as a Federal, nonprofit organization, thereby giving to them the official recognition as the voice of the disabled veteran.

I was a Member of the Congress at that time and was happy to have voted for the authority that created this necessary veterans organization. I believed then as I do now, that such an organization would serve a useful purpose in providing service and assistance to the wartime disabled, his widow, orphans, and dependents.

Nothing has taken place since that time to diminish my belief in this worthy organization, if anything, it makes me feel prouder of that vote. As I now look back, I realize that the granting of the Federal charter for the Disabled American Veterans was good for the country as a whole. The DAV has been a partner in the progress of veterans legislation.

During my 42 years in the Congress, I have always supported legislation for the benefit of disabled veterans, their dependents, widows, and orphans.

The DAV has demonstrated over this same period of time a sense of responsibility toward veterans legislation which I believe has inspired all veterans. They have justified my confidence in them by their conduct and by their presentations.

The DAV chapters in my district have fulfilled their obligation by giving of their time and energy to the cause of advancing and improving the condition of disabled veterans and their dependents. This I can attest to. I am proud to salute the national leader of the DAV, Claude L. Callegary, and the organization which he represents, for continuing the fine tradition of his predecessors, in exalting the purposes defined in their national charter—to assist wartime disabled veterans, their families, widows, and orphans.

Mr. TEAGUE of Texas. Mr. Speaker, 34 years have passed since the Disabled American Veterans obtained a charter from the Congress granting to them certain rights and privileges in connection with their work before the Veterans' Administration and in representing disabled veterans before the Congress of the United States.

Much worthwhile and positive legislation has been enacted since 1932 and the Disabled American Veterans have been in the forefront on all efforts leading to the improvement of the status of the service-connected disabled veteran, his widow and children.

It is a privilege to salute the Disabled American Veterans on this 34th anniversary and to pay tribute to them for their steadfast service in behalf of the veterans during this period of over a quarter of a century. In my opinion, they have never been better represented from a legislative standpoint than they are by Mr. Charles L. Huber who does such an effective job in behalf of the veterans and their dependents. Perhaps this is true especially because Chet Huber knows from first-hand knowledge the problems which face a disabled veteran.

Mr. FOGARTY. Mr. Speaker, I welcome this opportunity to add my words to those of my distinguished colleagues who have convened today to honor the Disabled American Veterans. This organization has been in operation for some 47 years, working diligently in every part of the country to insure that those who have suffered a disability while serving our country will receive their rightful benefits. It is high time that we in Congress pay homage to such a worthy organization and call the attention of the American people to its good works.

The 72d Congress, in the year 1932, had the foresight to charter the Disabled American Veterans and give this group recognition as the official voice of the disabled veteran. At that time many Americans hoped that the war to end all wars had been fought and we were to be blessed with continuing peace. Unfortunately this was far from the truth. It is our hope and prayer that freedom and democracy may be achieved throughout the world in a peaceful way, without loss of lives. But we have not yet reached this state of affairs. So we continue to see American men fighting and dying in order to preserve our national security and to insure the rights of self-determination for people all over the world.

It is indeed a comfort to know that we have an organization like the DAV which is standing ready and willing to aid those servicemen who have risked their lives for their country and have been wounded or injured in the process. The DAV not only acts as adviser and counselor to thousands of discharged veterans and their dependents, but stands as a symbol of the sacrifices made by our servicemen so that we may live in a prosperous and free country. The activities of this organization must be an inspiration to all veterans, those returning with handicaps and those fortunate enough to have escaped injury.

Though we Americans may be the first to rally to the cause of freedom around the world, we also have the tendency to forget the unpleasant facts of war. Benjamin Harrison said in an address to the Congress in 1892:

> No emotion cools sooner than gratitude but I cannot believe our people would remit the care of disabled veterans.

We can be thankful that the DAV never forgets the needs of those returning from the wars, and acts as a constant reminder to the American people of these men who have fought and died in the service of their country.

As you well know, the DAV not only devotes its efforts solely to the welfare of the disabled veterans and their families, but the officers and employees of the DAV are themselves disabled veterans. These national service officers, selected from the ranks of the organization, can better understand the needs of servicemen who come to them for help. The DAV officers themselves have experienced the suffering and tragedy of war. They serve as examples of disabled veterans who have been able to overcome their disabilities and become productive members of society.

The services of this organization are not only available to its members, all of whom are disabled veterans. Aid and assistance are available without charge to all disabled veterans. Medical care, rehabilitation, compensation, job training, employment, and insurance—these are the needs of the returning serviceman. The experienced DAV national service officer devotes his time and effort to securing the needed services for each individual veteran.

The DAV goal of helping the wartime disabled to help themselves has become an inspiration to all groups who give aid to handicapped persons. We can be proud that so much progress has been made in this country in the area of rehabilitation and employment of the handicapped. The DAV has long been active in this area. The fact that all of those employed by the organization have been handicapped or disabled provides an outstanding example of the successful employment of the handicapped.

In addition to its field activities, the Disabled American Veterans organization has through the years been active in furthering the rights of all veterans. The DAV has sponsored nearly all of the legislation benefiting disabled veterans since 1920. We in Congress have been grateful to veterans organizations such as the DAV for reminding us of the continuing needs of veterans and for making us aware of the shortcomings in previous legislation. After legislation is enacted, it is reassuring to all Americans to know that the DAV, though receiving no financial assistance from the Government, will conscientiously strive to insure that the benefits reach all veterans and their dependents.

Mr. Speaker, let us all salute the Disabled American Veterans, and their commander, Mr. Claude Callegary, for their many years of distinguished service. Let me express my deepest desire that this organization continue its good work as long as the need exists.

Mr. LAIRD. Mr. Speaker, it is a distinct pleasure for me to join my many colleagues here in this body paying a special tribute to the outstanding organization known as the Disabled American Veterans. It was just 34 years ago tomorrow, on June 17, 1932, that the 72d Congress, 1st session approved Public Law 186 incorporating the Disabled American Veterans as a Federal, nonprofit organization. The Government at that time thus recognized the DAV as the official voice of the disabled veteran and I think all of my colleagues would agree that the organization through the years has fulfilled this role in an outstanding and exemplary fashion.

Mr. Speaker, I know that DAV members in my own State of Wisconsin as well as throughout all cities and States in our country are proud of the record established by the Disabled American Veterans throughout the years.

Mr. Speaker, I wish to take this opportunity to commend and congratulate the DAV national commander, Claude L. Callegary and all the members and officers of the Disabled American Veterans on this memorable highlight in the DAV's history. Truly this is a significant milestone in the honorable tradition of the DAV as a single-purpose organization that has always been devoted to the welfare of the wartime disabled veteran and his dependents.

Mr. KEOGH. Mr. Speaker, silhouetted against the gray sky of past conflicts is today's observance of the 34th anniversary of the granting of the Disabled American Veterans' congressional charter. Yet, as our great Republic is nearing its bicentennial celebration, too many docile and fettered minds have scorned and ignored those injured and maimed individuals who were willing to make the greatest of sacrifices for the sake of the perpetuation of the boundless limits of American freedom.

Symbolizing that a man who fights, and sacrifices a part of himself for his country, has not only paid but received, the Disabled American Veterans has courageously fought to make us aware of the fact that we cannot carelessly toss aside a part of the soul of America.

In offering the redeeming hands of justice and hope to our forgotten friends, the DAV is performing an imperative service, based upon practical, moral and patriotic considerations, for those who have been frustrated by the stigma of mass senselessness. The inspiring example set by the Disabled American Veterans, Mr. Speaker, is something to be revered, and it is only fitting that we take the time today to salute this organization.

Thus, Mr. Speaker, I consider it a privilege to participate in today's commemoration of a body that is so conscientiously and effectively representing those who have returned scarred from the fields of battle.

Mr. McDOWELL. Mr. Speaker, it is entirely fitting and proper to set aside this hour to commend the Disabled American Veterans organization for the work it is doing, and has done, to aid the disabled American veterans. The DAV is one of our truly fine, dedicated, public-spirited organizations, and it works tirelessly to advance the public good.

Recently, in recounting its history, the DAV pointed out that it was just 34 years ago, on June 17, 1932, that the 72d Congress, 1st session, approved Public Law 186 incorporating the Disabled American Veterans as a Federal, nonprofit veterans organization. In the intervening years it has grown from a handful of disabled veterans to more than 231,000 members today who have served in two world wars, Korea, and Vietnam.

Much of the beneficial veterans legislation which the Congress has enacted has been supported, or initiated by the DAV, which maintains a staff of national service officers in all regional offices of the Veterans' Administration to aid the disabled veteran and his family without charge in claims for benefits. The DAV does not require that those it aids be members, and its major concern is to initiate and expedite action to get the proper care and compensation through the VA.

It is a common view that legislation and administration is all that is required to make compensation and other benefits automatic to wartime disabled veterans and their dependents. This is far from the actual situation, however. A veteran must actually apply and a formal, technical presentation of his case must be made and he must finally be rated by VA officials as to the degree of incapacitation and the amount for which he is compensable.

Experience has shown that veterans who have the knowledge of the law or the legal ability to present their own cases in such matters are in the minority. To provide such services to the disabled veteran takes competent personnel and facilities. The DAV is rendering an important public service in providing 120 full-time national service counselors who offer free service to all disabled veterans in such complicated yet vital matters. I was pleased to learn recently that through the efforts of these national service officers over 1,500,000 claims have been handled for deserving disabled veterans and their dependents since the DAV was founded in 1932. Many of these cases would have been hopeless had it not been for the DAV.

It is with these thoughts in mind that I participate in this hour of recognition and commendation today on this 34th anniversary of the DAV as a congressionally chartered national veterans organization.

Mr. BYRNE of Pennsylvania. Mr. Speaker, the Disabled American Veterans, a very great veterans' organization, deserves our praise on the 34th anniversary of its incorporation by Congress.

Over the years its achievements have been many and varied. When it convened for its 44th annual convention last year it had reached an alltime high membership of 223,301. It must be remembered, of course, that membership in the DAV is restricted to those who have borne the brunt of battle, who have fought and suffered in our country's wars, who have incurred lasting injury or illness as veterans of wartime service.

Much of the effectiveness of the DAV has resulted from its singleness of purpose, that of advancing the cause of wartime disabled veterans whose disabilities are connected with their active service. Advancing the welfare of the dependents of such men is part of the same purpose.

The DAV does not commit itself to supporting broad legislative programs of general veterans' assistance; instead it urges the priority of the wartime disabled.

The income of the DAV is mainly derived from its Idento-Tags program which renders a valuable service to millions of motorists. Idento-Tags attached to key-rings enable the DAV to return millions of sets of lost keys to their owners whether or not those owners have made prior contributions to the DAV. The receipts of the Idento-Tag program have enabled the Disabled-American Veterans to maintain its full-time staff of national service officers. The DAV has a larger staff of attorneys-in-fact than any other veterans' organization.

As our young men fight once again for us and for our freedom, we thank those who fought for their country in the past and incurred disability and illness in its cause. Again there will be wartime disabled newly arrived among us. To help them bear their burdens and to protect their interests and the welfare of their dependents the DAV will continue to serve unselfishly and greatly, just as it has served in the past.

Mr. HAYS. Mr. Speaker, I am happy to join in these tributes to the Disabled American Veterans. It is a recognition richly earned by 34 years of continuous service to wartime disabled veterans and their dependents.

Incorporated as a Federal nonprofit organization in 1932 by the 72d Congress, the Disabled American Veterans has grown to an organization of more than 231,000 members, made up of veterans of World War I and II, the Korean war, and the war in Vietnam. Formed on Christmas Day, 1919, in Cincinnati, Ohio, it has 1834 local chapters throughout the country and maintains a staff of professional service officers in all the regional offices of the Veterans' Administration.

It is particularly fitting that ceremonies are being held in Washington today and tomorrow to commemorate the constant attention and devotion of the Disabled American Veterans to the welfare of wartime injured and disabled ex-servicemen and its outstanding accomplishments in their behalf.

Mr. DAGUE. Mr. Speaker, born out of the agony of World War I, the Disabled American Veterans can point with understandable pride to almost a half century of devoted service to the Nation's war disabled.

As a veteran of the First World War, fortunately I returned to civilian life without having incurred physical handicap in the defense of my country, and consequently I have not been eligible to membership in the DAV. From the vantage point of membership in other veterans organizations, however, I have been able to observe the far-reaching and splendidly implemented programs the DAV has put into operation through its service officer establishment.

The cause of the disabled veteran has been served ably only to the extent that the major veterans organizations have joined in support of legislation designed primarily to aid, health-wise and economically, those who continue to suffer from war-incurred disablement. That the DAV has been in the forefront of this unending battle in behalf of the Nation's disabled has been the rallying point for united veteran effort. And while all veterans take pride in honorable service—in war and peace—we stand in humble attention before our comrades who bear in their bodies the marks of battle.

The Disabled American Veterans came of age in 1932 when they were granted a congressional charter, primarly "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans," and on the 34th anniversary of that important event, I am proud as a veteran and a Member of Congress to salute these gallant comrades-at-arms, to congratulate them on their patriotic and humanitarian program, and to wish them well as they face up to new challenges arising out of our current involvement in southeast Asia. We who have labored with the DAV over the years know that they will not fail.

Mr. WATKINS. Mr. Speaker, today we pause to mark the granting of a Congressional Charter 34 years ago to the Disabled American Veterans—men who know full well the price of war. Tempered by the furnace of battle, the men of the DAV serve the needs of more than 231,000 veterans and their dependents.

I know that most Americans throughout the country are familiar with the Disabled American Veterans' program of providing miniature auto identification tags and how this has been the means for returning over 2 million lost auto keys to their owners. But there is a far larger and little recognized history of achievement compiled by the Disabled American Veterans.

The DAV has an outstanding record since 1920 of sponsoring nearly all of the beneficial legislation affecting disabled veterans. DAV has been a driving force behind the program to employ the handicapped, and they themselves have set the example by employing disabled veterans in key positions of the DAV organization.

With 1834 local chapters and 150 professionally trained national service officers, the DAV has been able to provide free assistance to more than 1,500,000 disabled veterans and their families since the end of World War II.

Even though the 20th century has given us increased technology and an ever-rising standard of living, we know too that it has brought with it wars and strife. The legacies of those wars, the maimed and the disabled, have grown and with them has grown the need for someone to care for the disabled veteran and his family.

Man's memory is too short, too brief, to pay adequate tribute to the warrior who has served his country well and faithfully. After the last notes of the bugle have faded, after the last flag has been furled, a peaceful nation once again takes on the raiment of tranquillity, and slowly but all too surely, that nation tends to forget the debt that it owes to these brave men.

Almost as if our Nation had charged them with the task of remembering, the DAV has gladly taken up the banner. Unheralded, unnoticed, and unsung, they have toiled long and ably in behalf of all veterans, and not just those who are members of the DAV. That is why we have needed and continue to need the responsible leadership demonstrated by the Disabled American Veterans. It is right that we honor the DAV on this day, and I am proud to join my colleagues on this occasion.

Mr. MORRISON. Mr. Speaker, since the founding of our country, war has played an important, if unfortunate, part in shaping our past and future. While these wars have been necessary and sometimes glorious, they have also taken a deadly toll. In winning we have also lost. We have lost much of the cream of the American youth. On the fields of France and on the islands of the Pacific we can see today endless rows of graves—each one commemorating some American who made the ultimate sacrifice for his country.

In protecting the freedom of future generations, these men fought and died, but we must also remember that for every man who died there were many more who were injured. When the war was over, these men, thousands of whom were disabled, had to return to civilian life. Often the joy of returning to their beloved homeland was lost in the sorrow of an injury. Many of the veterans faced obvious hardships. Being injured or disabled, they were often not able to resume their previous professions, and chances for retraining for new work were often not available. Thus, these men who had risked their lives for their country in solving a problem overseas were faced with an equally serious personal problem at home.

On Christmas Day, 1949, in Cincinnati, Ohio, a group of these veterans, realizing this dilemma, but refusing to become a victim of it, formed the Disabled American Veterans. In filling this vacuum they created an organization which was destined to become an important part of the veteran's life—one to which he could turn in time of need. Later, in 1932, this group was chartered by Congress. It is this chartering that we are today celebrating. The DAV should be proud, as is the American public, of their record over these 34 years.

Until their founding in 1919 and chartering in 1932, there was no other organization whose sole purpose was to provide for the interest of the disabled veterans.

Unlike many other groups, the DAV has never veered from its course. It has never been drawn into the wasteland of diverse interests or factional politics. Its vision has been unerring, its aim absolute, and its record is now history for everyone to observe. It is obvious that the DAV is not only a patriotic organization, but it is an effective interest group as well.

Today, though, the DAV is not resting on its laurels. At present there are more than 231,000 members in 1,834 local chapters in the United States and her possessions. While securing Government benefits for veterans, the DAV is a privately financed, nonprofit organization. In the 1965 fiscal budget, which was $1.5 million, not 1 cent came from tax money.

There is much criticism today of welfare programs. Some people tend to lump the DAV under this general heading when nothing could be further from the truth. The DAV is an organization helping veterans to receive compensation and retraining from the Government and other sources. This is well deserved repayment for their selfless devotion to their country. Once the treaty is signed many people assume that the war is over. Technically it is, but for those injured the suffering continues for the rest of their lives. For them the war goes on, a personal war to regain their capabilities and means of livelihood. Thanks to the constant assistance of the DAV many of the disabled are now leading useful, normal lives. However, what assistance they receive is not welfare, it is just compensation for their efforts and the injury they sustained. When there was a national crisis these men did not abandon the United States and in the same light, at a time of personal crisis the United States should not abandon them. This program is not a giveaway, it helps retrain and rehabilitate those veterans disabled in service to their country.

As a constant supporter of the DAV and of veterans' legislation, it gives me special pride to congratulate this fine organization. There are countless veterans and their families in the Sixth District of Louisiana as well as in the Nation who have benefited because of the DAV's untiring efforts on the part of veterans. For those people back home and for the entire United States I commend the DAV on its 34th anniversary.

So, today, we pause to celebrate the 34 years of service by the DAV to the United States and veterans everywhere. I salute them for their patriotism and success. They stand in the best of the American tradition, protecting the rights of those who fought so that others could be free.

Mr. CRALEY. Mr. Speaker, on June 17, 1966, the Disabled American Veterans will celebrate its 34th anniversary as a congressionally chartered national veterans organization. That same day we will celebrate the 191st anniversary of a very important group of American veterans, long since dead, the veterans of the Battle of Bunker Hill. June 17 records the first major battle of the American Revolution when a small group of American patriot-militia fortified a hill and brought about a strategic victory for their cause.

The veterans of the Revolutionary War were long revered for their contributions to freedom; some received free land for their service, but many of those who suffered losses of property and health or limb were unable to procure any recompense for their sacrifices.

There have been other such battles and many equally dedicated veterans since that time. Attention to their needs, special assistance has lately been provided by an organization set up for just that purpose. For the last 34 years as a national incorporated organization, the Disabled American Veterans has pursued a nonpartisan policy of advancing the cause of the disabled ex-servicemen, their widows, dependents, and orphans.

Actually organized as early as Christmas Day, 1919, with World War I veterans, this dedicated group received congressional recognition later. It was just 34 years ago—June 17, 1932—that the 72d Congress, 1st session, approved Public Act No. 186 incorporating the Disabled American Veterans.

Mr. Speaker, I should like to congratulate this organization upon this significant anniversary. I should like, also, to join with the Senators and Congressmen who are acting as cosponsors of DAV Day on the Hill June 17, Senators Ralph W. Yarborough, Democrat, of Texas, and Peter Dominick, Republican, of Colorado, and Congressmen William J. B. Dorn, Democrat, of South Carolina, and Frank J. Horton, Republican, of New York.

It is a distinct pleasure, at the same time, to welcome the DAV national commander, Claude L. Callegary, who will be presented June 17 from the galleries of each of the Houses of Congress.

President Eisenhower applauded the DAV for their services in both war and peace and President Kennedy acclaimed their inspirational value to both veteran and nonveteran alike.

I should like at this time to give public recognition to the DAV and to commend their activities over the years for the disabled veterans.

DAV has acted as a clearinghouse for all matters related to disabled veterans, whether medical care, rehabilitation, compensation, job-training needs, home loans, employment, or insurance.

One hundred and fifty full-time national service officers, each a disabled veteran himself, is employed by the DAV. Over 1½ million claims for disabled veterans and their dependents have been handled since World War II. There are more than 1,834 local chapters throughout the United States and possessions with membership of some 231,000 disabled veterans from 5 wars. Nearly all beneficial legislation affecting disabled veterans since 1920 has been sponsored by this dedicated organization which is truly the official voice of the disabled veteran.

Using no Federal moneys, the DAV relies on membership dues and income through the DAV car license idento-tag program. The past fiscal year the DAV managed a program which cost in excess of $1.5 million.

The variety of activities and programs of the DAV are evidence of the need for such an organization. This organization also helps to answer another need, one mentioned by President Lincoln; namely, that servicemen would not be forgotten and that their sacrifices would not be in vain.

Mr. de la Garza. Mr. Speaker, this week in June is marked by two significant patriotic occasions.

On Tuesday, June 14, Americans observed Flag Day. On Friday, June 17, the Disabled American Veterans celebrates its 34th anniversary as a congressionally chartered national veterans organization.

It is fitting that these dates should fall within the same week. Members of the Disabled American Veterans have shown their devotion to the U.S. flag by fighting for it on the field of battle. There are no part-time patriots within their ranks.

The DAV, with a membership of more than 231,000, is the largest veterans organization of wartime injured and disabled in this Nation and in the world. It is a nonpartisan organization with exactly one purpose: to provide service and assistance to the American fighting man disabled in time of war, and to his widow, orphan, and dependents.

This is a noble purpose, and the DAV performs it nobly. Since the end of World War II, the national service officers of this organization have given free assistance to more than 1½ million disabled veterans and their families—assistance in such vital matters as obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The DAV also has been constructively active in sponsoring and supporting beneficial legislation affecting disabled veterans.

The organization has earned the respect and good will of the American people, and I am proud to join in paying tribute to its officers and members.

Mr. POOL. Mr. Speaker, there is probably not a one of us here today who has not received in the mail a miniature automobile license plate on a key chain. This innovation is the work of the Disabled American Veterans, and is perhaps one of its best known projects since these little tags go to some 40 million motorists annually. This distinguished organization, 34 years of age now, has accomplished many more significant projects in its comparatively brief history.

Foremost in my mind among the accomplishments of the DAV is the employment of disabled American veterans in business and industry. Who but the soldiers who have sacrificed their physical well-being in defense of our Nation truly deserve something in return from their country? Yet, these loyal Americans ask for only the opportunity to continue to contribute to the way of life for which they once stood on the battlefield. Through liaison between the veterans, our Nation's business and industry, as well as the Government, the DAV has brought about a wide measure of satisfactory and gainful employment for disabled American veterans.

Each and every American should salute the DAV today as a symbol of American sacrifice and accomplishment.

Mr. CAMERON. Mr. Speaker, Homer perceptively observed long ago:

> Praise from a friend, or censure from a foe,
> Are lost on hearers that our merits know.

It is for this reason that today I rise in simple salute to the Disabled American Veterans on its 34th anniversary as a congressionally chartered national veterans' organization.

May DAV long continue its dedicated and successful program of helping America's wartime disabled to help themselves.

Mr. ABERNETHY. Mr. Speaker, it seems entirely appropriate that as our young men fight in the jungles of Vietnam for their country, for us their countrymen, and for the cause of freedom throughout the world, we pause to pay tribute to men who have fought hard and suffered badly in this as well as in earlier battles for the same ideals.

One of the greatest patriotic organizations of our time, the Disabled American Veterans, was organized more than 45 years ago and chartered by the Congress in 1932 "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans." It ranks were swelled by the wounded and disabled of the

Second World War, the Korean war, and will now be opened to the men who have fought and been disabled in Vietnam. Its membership today numbers more than 230,000.

The DAV has maintained an adequate staff of specialized national service officers dedicated to providing expert advice and assistance to our valiant disabled veterans in connection with their claims under laws enacted by the Congress for their benefit. Down through the years this professional staff has been increased as the membership of DAV has increased to insure that these veterans have the very best advice and assistance in their claims for compensation for their disabilities as well as physical and vocational rehabilitation so they may take their rightful place among the more fortunate in all walks of life.

Undoubtedly the disabled veterans themselves would be the first to say that good progress has been made in their behalf by the programs and benefits enacted by the Congress now available to them. As a former member of the Committee on Veterans Affairs, I am particularly cognizant of the importance of continued exploration into future needs of America's disabled defenders. One of the best assurances for continued exploration in this field is the DAV organization itself, which is dedicated to promoting and supporting continuation of present Federal benefit programs, as well as their expansion and improvement as the needs of our disabled veterans grow.

I am honored, Mr. Speaker, to show this mark of respect to the members of the DAV as a tribute to their service, to their courage, to their immense contribution to this country's strength and security. They have sacrificed their strength as individuals for their country's welfare. The least that the Representatives of the people assembled here can do for them is to acknowledge the extent of their patriotism on this day set aside to mark the 34th anniversary of their congressional incorporation.

I know all Americans everywhere are grateful, as am I, to the dedicated and able membership and specialized staff of DAV for the helping hand extended to America's disabled defenders.

Mr. SICKLES. Mr. Speaker, like the rest of our colleagues, I am proud to participate in an event in which Congress pays tribute to the commendable work of the Disabled American Veterans. I am especially proud on this occasion because the current DAV national commander is my good friend and fellow Marylander, Claude L. Callegary, who has also distinguished himself as one of the outstanding attorneys of Baltimore.

I know that all of the 2,329 Maryland members of the DAV, who make up the 24 chapters throughout the State, are as proud of Claude Callegary as I am for the work he has done during his tenure in office.

Since its founding on Christmas Day, 1919, by a small, dedicated group of disabled veterans, the DAV has continued to swell its ranks until today its membership totals over 230,000.

During this period, the organization has performed a number of remarkable services in behalf of all disabled veterans. Perhaps its most widely known activity is the distribution of miniature license plates for use on key rings. Through this activity the DAV has been able to return over a million sets of lost car keys to their owners. And also through this activity, millions of the rest of us have, by returning a contribution to the DAV along with the auto tag registration card, have been able to express our appreciation for, and support of, the work of this organization.

But probably the most important work of the Disabled American Veterans is its national service program through which 120 full-time national service officers help all disabled veterans get the help they need in medical care, rehabilitation, compensation, job-training, employment and insurance. These men, usually disabled veterans themselves, work long, hard hours. They are highly skilled specialists who have first-hand knowledge of veterans legislation and of its subsequent administration. Through the efforts of the national service officers, over 1,500,000 claims have been handled for disabled veterans and their dependents.

As a veteran of World War II and the Korean war, I again salute the work of the Disabled American Veterans on their 34th anniversary of their congressional charter.

Mr. STEPHENS. Mr. Speaker, today on the 34th anniversary we have the privilege to honor the Disabled American Veterans for service to our wartime wounded and injured and to the American people as a whole.

An organization such as the DAV is of special importance and interest while the war in Vietnam continues, bringing about the disablement and injury of many of the finest youths in our country. The DAV's job is concerned with these injured and disabled American veterans of our former wars.

It is sad but true that war, even when it results in victory, causes grief to people of both sides. And now when mass communication is making us more and more aware of the horrors of this present war, people everywhere should take the time to stop and honor a group which has been working for our disabled veterans since that Christmas Day, 1919, in Cincinnati.

Thirty-four years ago Congress chartered the DAV "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans." Congress should consider this a time for reaffirming our faith in this organization and its membership who have done so much to better the condition of our disabled veterans throughout the country.

Congressmen hear many complaints of "too much Government spending," but the DAV is one organization which has advanced the cause of the disabled veteran and his family without Government aid. This is the case of an organization composed of men whose sense of responsibility has been strengthened by the experiences of war. For example, it is a matter of record that the DAV's program cost in excess of $1.5 million last year, but not 1 cent was Federal tax money. Since the end of World War II, the national service officers of the DAV have given assistance without cost to one and a half million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

These were all services that were due the families and veterans of our past wars, but through some slip they had been left out. In the age of big government the DAV serves by fighting for what is due to the disabled veteran, and without such an organization how many, without the funds or knowledge of the law to help themselves, could not obtain what was rightfully theirs? All of us should thank the DAV for its service to the disabled veterans, who have given of their whole self in the fight for democracy throughout the world.

As Americans, once again we are involved in a war to defend the cause of freedom, and our sons will give of themselves in the struggle, a characteristic which has been true of Americans from 1776 to the present day. We need an organization such as the DAV during this time of war to aid and provide continuing interest in those of our citizens who have been disabled in this the latest of the wars. Today we must call upon all citizens to support the DAV financially through contributions, even small ones and, of course, the large ones, to help it in its work of service.

Mr. DAVIS of Georgia. Mr. Speaker, today we celebrate the 34th anniversary of Disabled American Veterans. It is fitting that the Congress should set aside time to salute this group, for each of its members has sacrificed part of his physical well-being to the cause of freedom. In addition, Disabled American Veterans embodies within itself the cardinal virtues of patriotism, sacrifice, enterprise, and self-reliance—qualities which in themselves are almost a definition of the name "American."

On Christmas Day, 1919, 200 disabled veterans of World War I met in Cincinnati, Ohio. It would be accurate to say that the organization which grew out of that meeting was one of the finest and most enduring Christmas presents in the history of our Nation.

Since the day of its founding, Disabled American Veterans has become the largest organization of its kind in the world. It now numbers more than 231,000 members—and its influence has benefited many thousands more than that. Just since the end of World War II, the organization has helped over a million and a half disabled veterans secure medical care, compensation, job training, employment, and other benefits.

In addition, these Americans returned from the battlefield to play a vigorous role in the Government which their sacrifices helped to preserve. Nearly all legislation passed by the Congress since 1920 for the benefit of disabled veterans has been sponsored by the DAV. This includes the GI bill of rights which has benefited countless thousands of American citizens, disabled and otherwise.

And so it is with great pleasure that I join today with my colleagues to cheer this organization of Americans that has meant so much to America.

Mr. HARSHA. Mr. Speaker, it gives me great pleasure to join with my colleagues today in giving special recognition to the 34th anniversary of the granting of a Federal charter to the Disabled American Veterans. As a member of the DAV myself, I have had a close association with the organization and know first hand of its fine work.

While the DAV was chartered in 1932, the anniversary we celebrate today, the actual record of service of this organization, began with its founding in Cincinnati, Ohio, on Christmas Day in 1919. From that time on, the DAV has grown through service to its members and to the Nation.

The DAV has been the sponsor of nearly all beneficial legislation affecting disabled veterans since 1920. It is the only national veterans organization to have a network of service officers who are paid and directed by the national organization. These service officers are located in VA regional offices throughout the Nation where they are always available to help disabled veterans and to act in their behalf.

The DAV does not restrict its help to members of its organization, but represents any disabled veteran or his family without charge, in claims for benefits. The DAV service representatives, disabled veterans themselves, are able to understand the problems faced by those who come to them for help.

Of special interest is the fact that the DAV's national service program in the past fiscal year cost $1.5 million and yet not 1 cent of Federal tax money went into the program.

In my own efforts to aid veterans from my district, I have had the very finest cooperation from the DAV and our joint efforts have enabled our disabled veterans to get prompt and efficient service on their claims.

I look forward to a continuation of this fine relationship with the DAV in behalf of all our disabled veterans.

Mr. HELSTOSKI. Mr. Speaker, the National Archives of the United States contains a document that is most precious to the Disabled American Veterans.

It is an act to incorporate the Disabled American Veterans of the World War, approved June 17, 1932—Public Act No. 126, 72d Congress, 1st session.

It is because of this document that we take time today to commemorate the 34th anniversary of this great organization which has done so much to the veterans of our past conflicts, World War I, World War II, the Korean conflict—and, in the future, those of our present conflict in Vietnam.

The Disabled American Veterans was chartered by a special act of Congress in 1932 for the purpose of extending free, expert, personalized service for the disabled defenders of America in World War I. This rehabilitation program is designed to help these wartime disabled veterans to held themselves. Originally, of course, this service was utilized by veterans of World War I, but today the files of the Disabled American Veterans include World War II veterans and the Korean conflict veterans as well.

The Veterans' Administration provides space in each of its regional offices throughout the Nation for the national service officers of the Disabled American Veterans. Space is also provided in each district office and in the central office in Washington, D.C. This space is provided by the Veterans' Administration because it is recognized that veterans need expert legal help in the development and prosecution of their claims. Each case as handled by the Disabled American Veterans receives the attention of national service officers who have spent many, many years in this specialized branch of the law. Some of these national service officers are attorneys at law and all of them are attorneys in fact, devoting their talents in the practice of this profession which demands that constant attention be given to the changes in rules and regulations by the Veterans' Administration as well as by laws enacted by the Congress.

The Disabled American Veterans' organization is, of course, very active in the Halls of Congress as guardians and protectors of veterans. As a member of the Veterans' Affairs Committee, I am well aware that the Disabled American Veterans have been most active in fighting to secure legislation which would benefit over 2 million of the Nation's disabled veterans.

In its service and legislative programs the Disabled American Veterans is mindful of the principle on which it was founded, which is that this Nation's first duty to veterans is the rehabilitation of its wartime disabled. The principle includes:

First. Proper and adequate care and treatment of veterans for disabilities incurred in or aggravated by military duty.

Second. Adequate compensation for the degree of disablement caused by such disabilities.

Third. Training and/or education to restore employability of the wartime disabled into gainful employment.

Fourth. Adequate compensation to the widows, minor children, and dependent parents of veterans who die as the result of a service-incurred disability.

Unlike its connotation, the Disabled American Veterans does not limit its aid to disabled veterans to those who are members. Indeed many veterans served by the Disabled American Veterans in their claims are not even eligible for membership in the organization.

One of the interesting aspects of the membership of the Disabled American Veterans is the fact that it has continued to grow and today more than 10 percent of the 2 million veterans receiving disability compensation have joined this fine organization. This membership points to the interest by disabled veterans in this organization which has as its sole purpose the welfare of those who were disabled during times of war.

The service record of the Disabled American Veterans is one that the veterans can be justly proud of. For example, since the end of World War II, the Disabled American Veterans' national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

During the last 6 months of 1965, the Disabled American Veterans' national service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans. During the same period, the national service office staff reviewed 115,622 VA claims, made 56,215 appearances before rating boards and prepared 30,926 briefs.

Nearly all beneficial legislation affecting disabled veterans that has passed Congress since 1920 has been sponsored by the Disabled American Veterans—including the famed GI bill of rights.

With a membership of more than 231,000 it is evident that the Disabled American Veterans must seek other support other than membership dues alone to carry on its great work. The Disabled American Veterans national service program for the past fiscal year cost in excess of $1.5 million. And, yet, not one cent of Federal tax money goes into this program.

The Disabled American Veterans income is, to a large extent, derived from its Idento-Tag project. Here the Disabled American Veterans renders a distinct service to millions of the Nation's motorists. These familiar miniature license tags, which are attached to a key ring, have helped return more than 2 million sets of lost car keys free to American motorists, regardless of whether or not a contribution has been made previously. Motorists are asked to contribute something toward this program, if they so desire.

Fortunately, the receipts from these idento-tags have enabled the Disabled American Veterans to maintain its full-time staff of national service officers, which number 150 professionally-trained officers, each one a disabled veteran. This staff of attorneys in fact is the largest national staff of any veterans organization, and all are accredited by the VA to appear before claim rating boards.

If each recipient of the idento-tags were to donate $1, the Disabled American Veterans would be able to expand its rehabilitation services not only in the regional offices of the Veterans' Administration, but also to all Veterans' Administration hospitals. It would enable the organization to provide personalized service to bedridden patients, many of whom are in great need of rehabilitation service during their time of confinement.

By continuing to support the Disabled American Veterans the American public will continue to support one of the great benefits of a free Nation, that is to assure its Nation's defenders a life of security and dignity, notwithstanding disablement that may have been incurred during the mortal battles fought in the course of the preservatioin of our free institutions.

So, on this 34th anniversary of the Disabled American Veterans, I salute them on the fine performance record of the past, and wish to extend my most sincere wishes for success in the future assistance that they will give so readily to our disabled veterans and their families.

As a Member of Congress, I work closely with the Disabled American Veterans and, as a member of the Veterans' Affairs Committee, they have my fullest cooperation in the problems which they wish to bring to the committee.

Mr. RACE. Mr. Speaker, one of this Nation's most distinguished veteran service organizations will observe tomorrow the 34th anniversary of the granting of its congressional charter.

The organization to which I refer is the Disabled American Veterans, the largest single veterans organization of wartime injured and disabled in both the Nation and the world.

The Disabled American Veterans is another example of the great American tradition of men banding together to help themselves overcome a common problem, for this organization was formed by the wartime disabled, of the wartime disabled, and for the wartime disabled. The history of the DAV dates back much earlier than the 34 years during which it has been chartered. Formed by a dedicated group of World War I disabled veterans on Christmas Day in 1919, the DAV has today grown to more than 231,000 members.

Unfortunately, the problems and needs of the wartime disabled that required attention when the organization was formed in 1919 still exist today. The World War I doughboys who were the founders of the DAV have been joined by the World War II GI and the Korean conflict and Vietnam conflict American fighting men who were disabled in the service of their country.

In achieving its aim, the assistance of our wartime disabled, the DAV has held true to its purpose by remaining nonpartisan to outside interests and dedicated only to the service of its members.

Mr. Speaker, I would add my praise, I would add my commendation, I would offer my congratulations to the many others who have recognized the contributions of this most notable organization on this, the completion of 34 years of distinguished service.

Mr. FRIEDEL. Mr. Speaker, we pause today during our legislative tasks to take note that on June 17, 1966, the DAV—Disabled America Veterans—marks its 34th anniversary of continuous service to disabled service men and women as a congressionally chartered national veterans' organization.

The DAV was actually organized in 1919 by Judge Robert S. Marx, of Cincinnati, Ohio, together with a group of wounded World War I veterans. From this small beginning it has steadily grown to more than 231,000 members today, with 1,834 local chapters in the United States and its possessions.

Let us reflect a moment and acknowledge that our great Nation would not exist if it had not been for the members of our Armed Forces.

It is true we strive for peace, but without our military we would not have peace. To be a fighting man for one's country is to be engaged in a noble profession. Indeed, it is to protect, not only our own sovereignty and national integrity, but equally to protect our wives, our children, and our dear ones.

From the days of the dim past to the present, from the Holy Bible and from the annals of history we know full well our debt to the heroes on the field of battle.

The DAV, composed of our own disabled former American servicemen, wear their battle scars and wounds as badges of their valor and courage. Let us never forget that these men faced our enemies and fought the good fight for us and our fellow Americans as well as for freedom-loving people throughout the world.

Do we not thrill at the sight of our Star-Spangled Banner or when we hear our national anthem? Do we not exhibit justifiable pride to say we are citizens of the United States? Is it not a fact that our glorious country is the best and greatest on the face of the earth. This being true, let us, therefore, realize that it was not the work of the statesmen alone, but it was the sacrifice of our veterans that made these things possible.

Our predecessors who sat in these seats and in this House of Representatives in 1932, chartered the DAV, and I quote:

> To advance the interest of and work for the betterment of all wounded, injured and disabled veterans * * * to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition and interest of all disabled veterans.

This splendid organization is a nonpartisan association whose sole purpose is to provide service and assistance to our disabled veterans, their widows, orphans, and dependents. I wish to invite the attention of my colleagues in the Congress to the fact that since the conclusion of World War II, the DAV national service officers have given assistance to more than 1½ million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. There is no charge to the veteran for this service and the DAV does not receive any Federal financial assistance.

Nearly all legislation of benefit to our disabled servicemen and women that has been enacted into law since 1920 has been actively supported by the DAV.

I, therefore, wish to associate myself with the remarks made by my colleagues respecting the occasion we mark and add my own heartiest felicitations and good wishes to the DAV. May it continue to succeed in its beneficial activities and endeavors for our brothers-in-arms.

In conclusion, I wish to recall the words of our late President Kennedy who said:

> Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically handicapped, both veteran and nonveteran.

Mr. SATTERFIELD. Mr. Speaker, I am pleased to join my colleagues in today's tribute to the Disabled American Veterans and to the outstanding work this fine organization has done in behalf of those of our fellow citizens who have suffered wounds in war so that others might enjoy life in peace.

Happily, the wound I received in the Pacific during World War II gives me no particular trouble now, but I know of the less fortunate who have needed help and who have received that help quickly and sympathetically from the DAV.

It is no small organization we salute today on the eve of its 34th anniversary as a congressionally chartered body. The DAV has almost 1,900 chapters around the country with a membership of 231,000 that includes disabled veterans from 5 wars. It operates on a budget of $1½ million a year with more than 150 service officers standing ready throughout the Nation to help those wartime disabled veterans in need of administrative assistance.

I like to think that there is a particularly close link between the Disabled American Veterans and the Committee on Veterans' Affairs on which it is my privilege to serve in the House of Representatives. It has been the goal of this committee, through the years, to serve primarily those veterans who contributed something more in service than the time any of us would willingly give to the defense of our Nation and the principles in which we believe.

The committee has afforded top priority to legislation dealing with those veterans killed and wounded in action and to their dependents; and to assisting all veterans in overcoming the disruption to their lives that active duty inevitably brings.

These general goals have also been the goals of the Disabled American Veterans. In a responsible way, the DAV has cooperated with the Congress in promoting a sound veterans program that recognizes not the dole but duty, not the political situation but our moral obligation.

On this important occasion, I know I speak for all in saying that we are looking forward to working in the same spirit of cooperation in the future. The most publicized veteran of today wears a green beret. But as the representative of all of today's fighting men he symbolizes the continuing spirit of our country to stand up for freedom wherever it is challenged and, as such, deserves our continued support and assistance.

I am glad to join the DAV in the pledge of such help that is signified in today's ceremonies.

Mr. HUNGATE. Mr. Speaker, today's celebration of the congressional chartering of the Disabled American Veterans in 1934 means a great deal to me as a veteran and as a Member of Congress. First of all, as a veteran I understand the sacrifice made by many Americans in wars. When a war is ended it is not the end of all the suffering due to the war, especially in the case of a disabled veteran who might not be able to adjust to civilian life because of his handicap or lack of training. Thus, I see a very personal side to the efforts made by the DAV to aid veterans in obtaining medical care, disability compensation, rehabilitation, and employment.

Second, I feel a duty as a Congressman to be fair in providing compensation for the human costs of a war which include the disabled veterans. Therefore, I will continue to strongly support legislation beneficial to disabled veterans.

The DAV deserves congratulations for giving free assistance to more than 1 million disabled veterans since the close of the Second World War. Furthermore, the DAV has had a prominent role in promoting helpful legislation for disabled veterans since 1920.

The DAV's record is even more commendable when one realizes that there have been no Federal funds given to the DAV for its large counseling program. It is very evident that the DAV has done and will continue to do a remarkable service to the disabled veterans who so deserve the tribute of the Nation.

Mr. RHODES of Arizona. Mr. Speaker, it is with a great deal of pleasure that I rise today to honor the Disabled American Veterans on its 34th Anniversary as a congressionally chartered veterans organization.

This organization, under the leadership of its national commander, Claude L. Callegary, has a splendid record of achievement in serving America's disabled veterans. It has as its single purpose the advancement of the cause of the disabled ex-serviceman, his widow, dependents, and orphans.

The work of the DAV is carried on by a corps of 150 professionally trained national service officers, each one a disabled veteran. Of particular importance is the fact that all of these officers are accredited by the VA to appear and present the claims of disabled veterans before the claim rating boards. Some idea of the scope of the work of this great organization is reflected in the fact that since the end of World War II, the DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families. Moreover, during the last 6 months of 1965, the DAV national service program handled 40,742 cases and the staff reviewed 115,622 VA claims, and made 56,215 appearances before rating boards.

I believe that the DAV can be especially proud of the fact that, although their program costs in excess of $1.5 million, not one cent of Federal tax money has been requested or required. All of the DAV funds come from membership dues and from the DAV car license Idento-Tag program. I am sure that Americans everywhere are familiar with these miniature license tags. That they have proven to be of great assistance to the American public, as well as a source of revenue for the DAV, is reflected by the fact that more than 2 million sets of lost car keys have been returned free to American motorists because of the car license Idento-Tag program.

This great organization has maintained a splendid record for bipartisan assistance and overall achievement here in the Nation's Capital. The success in this area can be attributed to a great degree to the fact that in Chet Huber the DAV has an excellent director of national legislation. He has worked hard and successfully to bring to the attention of the individual Congressman the DAV program to assist the disabled veteran.

I know that all Americans join me in wishing the Disabled American Veterans every success. Without question, assistance to the veteran, his widow, orphan, and dependent should have the highest priority. The DAV has performed and is performing an important function in pointing out the needs of the disabled veteran and in securing the assistance that is required to meet these needs. Congratulations, DAV, on a job well done.

Mr. WHITE of Texas. Mr. Speaker, more than a century ago, President Abraham Lincoln stood on the steps of this Capitol and called upon the people of a wartorn nation to "strive on to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle, and for his widow and his orphan."

In the century since that March day in 1865, there has been much work to finish as the result of many battles. There have been myriads of wounds to bind up, millions of veterans who have borne the battle, and many thousands of widows and orphans to be cared for. This work could not be brought about through the call of statesmen, no matter how noble and eloquent their words might be. This work required willing hands, and hearts, and minds. There are still wounds to be healed and disabled veterans and their dependents to be cared for.

Today, it is the privilege of this body to pay tribute to a great organization organized for the specific purpose of doing the work so eloquently forecast by the words of Abraham Lincoln. Thirty-four years ago tomorrow, the Congress of the United States approved a congressional charter for the Disabled American Veterans. The organization had actually been functioning, in a less official status, since 1919. In veterans hospitals, at regional offices of the Veterans' Administration, and in cities, towns, and villages across this Nation, the DAV is at the service of the disabled veteran and his dependents.

For their great humanitarian achievements across this Nation, and particularly for their dedicated service to the veterans of my district, I am proud to join in this anniversary tribute to the Disabled American Veterans.

Mr. TUNNEY. Mr. Speaker, I would like to take this opportunity to congratulate the Disabled American Veterans today on their 34th anniversary as a veterans service organization.

The Disabled American Veterans have aided more than 1,500,000 disabled veterans, their widows and dependents since their inception in 1919. This record of service is an excellent illustration of Adlai Stevenson's definition of patriotism. In a speech given in New York in 1952, the late Mr. Stevenson said:

> What do we mean by patriotism in the context of our times? . . . A patriotism that puts country ahead of self; a patriotism which is not short, frenzied outbursts of emotion, but the tranquil and steady dedication of a lifetime. There are words that are easy to utter, but this is a mighty assignment.

Indeed, caring for America's disabled veterans is a mighty assignment, but it is being fulfilled admirably by the Disabled American Veterans association. These men, disabled themselves, work unceasingly to solve service-connected problems of their fellow disabled veterans. These are men who put country above self in risking their lives by bearing arms in defense of the American way of life and continue, selflessly, to dedicate their time to their country by aiding her wounded. They fight different battles now to provide job training, employment, education, rehabilitation, disability compensation and medical care, to all disabled veterans, without the aid of Federal assistance.

It is well to remember that the scars of battle cannot be erased by a cease-fire or a treaty. For both the victor and the vanquished there is the enormous task of rebuilding a way of life. Time erases the fire gutted buildings and the ravished fields but those who were wounded cannot be completely restored. They can be helped to adjust to a new way of life but this is a great challenge—a challenge well taken by the Disabled American Veterans. Their example is an example to us all.

Mr. LENNON. Mr. Speaker, I am honored to participate in ceremonies today marking the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans. It is a privilege to pay tribute to an organization which has devoted its energies to the welfare of our wartime disabled veterans and their dependents since June 1932.

I understand that a handful of wartime veterans, seeing the need for an organization with the single purpose of helping the disabled and their families, organized the DAV.

The organization is today composed of more than 231,000 members, including veterans of two World Wars, the Korean war, and the Vietnam war. It is supported by the annual dues of the membership plus funds from the sale of Idento-Tags, manufactured and distributed as a rehabilitation project.

I am advised that the DAV is the only national veteran's organization to directly employ and supervise the work of national service officers to aid disabled veterans in matters of employment, compensation, hospitalization, home loans, education, and other interests affecting their social and economic welfare. Since World War II over 1.5 million veterans have received this service free. During the last fiscal year the cost of DAV's services has been in excess of $1.5 million, but not one penny of the expenditure was Federal tax money.

The DAV has always been in the forefront as sponsors of legislation for the benefit of our wartime disabled veterans, and their efforts have helped to make possible the beneficial services rendered by our Government.

I heartily commend the leadership of the DAV for their worthwhile activities through the years, and I am happy to join in recognizing this organization's outstanding service to our Nation's disabled of past and present wars.

Mr. WALKER of New Mexico. Mr. Speaker, it gives me great pleasure to add to my words of praise to the DAV on this, the 34th anniversary of the granting of their congressional charter. The DAV is an organization which deserves the admiration and respect of all Americans, especially at a time when the United States is engaged in another conflict abroad.

The money expended for the weapons and materials necessary for fighting is not the total cost of the wars which we have fought and are fighting. The cost of the lives that are lost can never be measured; moreover, it is impossible to calculate the suffering of those who were wounded or maimed for life.

It is in this last area that the DAV deserves special praise. It is the only veterans' organization which has as its sole concern the aiding of those who were seriously and permanently injured in the service of their country. The DAV maintains 120 national service offices across the country. These offices are staffed by disabled veterans themselves. Other disabled veterans are made aware of what benefits they can receive, and they are helped in the presentation of their cases. More than 1½ million cases have been handled by disabled veterans for disabled veterans.

This is not the only way in which the DAV provides assistance for our disabled veterans. Through the Idento-Tag license plate service, hundreds of disabled veterans are employed at wages comparable to those in private industry. This means that the DAV enables those who might otherwise be unemployed and dependent on public assistance to do useful work and become active members of society.

I have always been proud to support the DAV and legislation designed to benefit all veterans. It is especially pleasurable to extend my congratulations to the DAV on their anniversary for a job well done, and my sincere best wishes in their continuing efforts.

Mrs. GRIFFITHS. Mr. Speaker, it is a privilege for me to join in celebrating the 34th anniversary of the Disabled American Veterans. In June of 1932, the 72d Congress chartered the DAV as a national veterans' organization to work in the service of America's wartime disabled.

The roots of the Disabled American Veterans extend back to World War I—a war that carried home 300,000 wounded Americans. A group of these valiant men, bearing the bitter scars of battle, met in Cincinnati, Ohio, on Christmas Day in 1919, and dedicated an organized effort to help secure the special needs of the disabled veteran. Since that day, the DAV has grown from a handful of men to a membership in excess of 231,000 veterans. It stands, today, the largest veterans' organization of wartime injured and disabled in the world.

For almost a half a century, the Disabled American Veterans has provided service to the disabled veteran, his widow, orphans, and dependents. In such areas as medical care, compensation, rehabilitation, job training, and employment it has offered a confident and willing helping hand.

The price of freedom is high. America owes a great deal to its disabled veterans who have fought for their country and for freedom everywhere. The Disabled American Veterans may be praised in their efforts to provide the best service and benefits to our servicemen. We stand together, in lasting gratitude, for their sacrifices on the battlefield, and are proud to view their continued service to our country as honored veterans and citizens.

Mr. KORNEGAY. Mr. Speaker, for almost a half a century, the Disabled American Veterans organization has distinguished itself in its service to mankind.

For a small group of dedicated disabled veterans, which met on Christmas Day 1919, under the guidance and leadership of the late Judge Robert S. Marx in Cincinnati, the DAV has grown to become the largest single veterans organization of wartime injured and disabled.

Because of its work and service, the Federal Government recognized its contribution to mankind 34 years ago tomorrow when on June 17, 1932, the 72d Congress approved a charter incorporating the Disabled American Veterans as a Federal, nonprofit organization.

The 200 World War I disabled veterans who formed the nucleus for this now world-famed group of dedicated persons did not dream that today, in 1966, the DAV membership would be more than 231,000. The potential is growing daily, for as we meet here in this hallowed Hall, American military men are falling in battle in a distant part of the world.

The DAV is singular in its approach to aid those in need of assistance. It has not received, nor has it asked, one penny from the Federal Government to carry out its broad program of service. Yet, the DAV has provided a network of service officers who are paid and directed by the national organization. These officers serve in Veterans' Administration regional officers located throughout the country.

The DAV provides nonpartisan service and assistance to the wartime disabled, their widows, orphans, and dependents. Since World War II alone, DAV service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training and employment.

Mr. Speaker, I am proud to add my voice to that of my colleagues in paying tribute to these American heroes whose bodies may have been crippled in service to their country, but whose hearts have been enlarged by their own shattering experiences. May they continually serve their fellow man and their Nation.

Mr. GILLIGAN. Mr. Speaker, today marks the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans. This anniversary has a very special significance for the citizens of Cincinnati and the residents of the First Congressional District of Ohio because almost 50 years ago, on Christmas Day 1919, 200 disabled veterans of World War I gathered in Cincinnati and formed the Disabled American Veterans and today this great organization has a membership of over a quarter of a million in 1,834 local chapters throughout the United States, but the national headquarters are still located in Cincinnati, Ohio, in my congressional district.

The late Judge Robert S. Marx, of Cincinnati, was one of the founders of the DAV and was its first national commander. A number of other distinquished Cincinnatians have served in exalted and responsible positions with the DAV since its founding. This remarkable organization has been of direct service to more than a million and a half disabled veterans since the end of World War II, and it is well for the Members of Congress to remember that the DAV has sponsored and supported nearly every piece of national legislation affecting disabled veterans that has passed the Congress since 1920, including the original GI bill of rights and the so-called cold war GI bill which was adopted by the 89th Congress and signed into law by President Lyndon B. Johnson.

The record of dedicated service of this organization to the disabled veterans of America, and indeed to all of the citizens of the United States, merits the recognition and support of all of our citizens and all the Members of Congress.

Mr. ASPINALL. Mr. Speaker, I join with my colleagues, and Americans everywhere, in a salute to the Disabled American Veterans on the occasion of the 34th anniversary of its founding.

As a veteran of both World Wars, I know something of the toll that men can exact from one another in armed conflict. As a former member of the House Veterans' Affairs Committee, I know something of the service that is rendered by organizations such as the Disabled American Veterans.

The disabled veteran is the living reminder of the sacrifice that freedom asks of its followers. Whether and when that sacrifice will be asked is never our choice, nor is the degree of sacrifice—as the thousands of white markers on American military graves throughout the world attest. But the effort that has been made in behalf of the disabled veteran and his family has been a matter of personal choice ever since the DAV was founded by the late Judge Robert S. Marx just 34 years ago.

Nothing is so typically American as the helping hand, and the organization that carries the name, "Disabled American Veterans," exemplifies that unselfish spirit in a manner that inspires men everywhere.

We all long for the day when there will be no need for this kind of organization, but, until that prayer is answered, we join in a spirit of thankfulness that this outstanding American institution was created.

Mr. HANLEY. Mr. Speaker, I join with my colleagues today in celebrating the 34th anniversary of the Disabled American Veterans.

The DAV has long been recognized as one of the outstanding patriotic organizations in the United States. Its members not only played a significant role in America's traditional defense of freedom, they also play a significant role in our present-day preservation of that freedom.

In my own congressional district, the DAV is the object of considerable community esteem. Chapter 30, the Howard Mitchel Coonley Chapter, was chartered in Onondaga County in 1947 with an initial membership of 23 men. Today, only 19 years later, the membership of chapter 30 has risen over tenfold to 300 members.

But numbers alone do not tell the story of the DAV, either nationally or locally. The real story of the DAV lies in its contributions, its continuing contributions to our free society.

If I may for a moment then, I would like to relate to my colleagues some of the proud community activities in which central New York's Coonley chapter participates.

During the last year or so, chapter 30 has engaged in numerous activities on behalf of the less fortunate veterans who are patients at the Veterans' Administration Hospital in Syracuse. To name just a few of their contributions, they sponsored a trip to New York City for several of the patients; they provided the patients with five television sets, and many popular stereo albums; they underwrote a clambake for the veterans; they sponsored a trip for the patients to the world-famous Ice Follies; they made contributions to the organist fund at the hospital; they purchased and delivered Christmas trees to the hospital during the holiday season; and they organized and sponsored several parties, both in and out of the hospital.

Chapter 30 has also made many contributions to the National Jewish Hospital at Denver.

Mr. Speaker, one of the outstanding activities of chapter 30 of the DAV, has involved the young people in my community. Particular reference is made to the House of Providence, an orphanage operated by the Roman Catholic diocese of Syracuse. The DAV has won the lifelong admiration of all Syracuse and Onondaga County residents for these programs. The orphans at the House of Providence will not soon forget the generosity which underlies the many parties and trips given them by the DAV.

Nor will the Boy Scouts and the Girl Scouts forget their gifts and remembrances.

The Coonley chapter has participated in our community scholarship program for prospective nurses; they have sponsored baseball and football equipment for our young men; they have given of their money, time, interest, and attention to the overall athletic program in Onondaga County.

I said a few minutes ago, Mr. Speaker that the DAV in my community plays a significant role in the preservation of American freedom. By their charity, their programs, and their dedication, they engender within our young people a spirit of fairplay and a love of our traditions. These items are, of course, the underpinnings in any free society. Without them, America and the free world collapse. Without the continuous sacrifices of the Disabled American Veterans, the underpinnings themselves collapse.

Mr. Speaker, I commend and salute the DAV on this anniversary, and pledge my continued support, both as a citizen and as a member of the Veterans' Affairs Committee, to the goals which they espouse.

Mr. BARRETT. Mr. Speaker, today has been designated as Disabled American Veterans Day and I am honored to join with my colleagues in paying tribute to that wonderful organization and the very fine work it has done for the past 34 years as a congressionally chartered national veterans organization. The DAV is a single purpose, nonpartisan organization whose sole aim is to provide service and assistance to the wartime disabled, his widow, orphans and dependents. I think it is fitting that we pay tribute to the DAV as representative of our disabled war veterans, particularly in light of the present international situation and the exposure of our young men in the Armed Forces to the conflict in Vietnam.

The act of Congress chartering this marvelous organization sets forth its purpose "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans." This, we know from its record, it has been doing since its inception and will undoubtedly continue to do. In addition to its involvement in veterans claims, the DAV has always sponsored and strongly supported beneficial legislation affecting disabled veterans and was one of the front-runners in the hire-the-handicapped program throughout the country.

This organization, numbering over 200,000 members in its more than 1,800 chapters, since World War II, has assisted over 1½ million disabled veterans and their dependents, whether members of the DAV or not. The assistance has involved such matters as obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. This enviable record has been accomplished by its full-time staff of national service officers each a disabled veteran, who are paid and supported by the DAV itself. This remarkable organization receives no Federal financial assistance and its services are free to the veteran and his dependents.

The Disabled American Veterans organization supports itself and its activities from membership dues, the contributions received through its car license Idento-Tag program and private contributions from individuals and industry.

Knowing that uncounted millions have been aided and assisted by the efforts of this very fine organization, I take this opportunity to join with others from around the country to express my heartfelt appreciation by saying, "Thanks for a job well done."

Mr. BRAY. Mr. Speaker, I am happy to pay tribute to the Disabled American Veterans on the 34th anniversary of their congressional charter.

The famous and moving closing lines of President Abraham Lincoln's second inaugural address exhorted his fellow countrymen to "care for him who shall have borne the battle." Since the DAV's formation, on Christmas Day 1919, it has done a noble and inspiring job of adhering to this worthy objective.

The cruelest and most tragic waste of all the devastation war brings is in human life. The disabled veteran's life will never be the same again, due to wounds or sickness or some form of injury suffered while on active duty. His sacrifice is not alone that of time and danger and separation from his family, which ends when he returns. For the disabled veteran, he all too often measures his sacrifice through a lifetime of discomfort and handicap, of incapacitation and difficulty.

While our country has been spared the ravages of war, our soldiers have not. The United States has a legacy of 2 million wartime disabled veterans from all wars and this total is being added to constantly from isolated battlefields in the four corners of the globe.

By bringing hope and assistance, comfort and advice, to the disabled and their dependents, the DAV has done an outstanding job not only for those whom it serves directly but for the country as a whole. I am proud to salute them and commend them for their outstanding record. Their service is in the highest and finest tradition of our national heritage.

Mrs. REID of Illinois. Mr. Speaker, I am glad to join with my colleagues in the House in recalling that 34 years ago our predecessors in this body granted a congressional charter to the Disabled American Veterans. Indeed, there are even some among us today who were present on that occasion.

In these times, when freedom faces many challenges throughout the world, this anniversary should have a special signficance for many people. Certainly it has a particular meaning for me—for during the adjournment of Congress last November, I took a trip which I shall never forget. I visited with our American GI's in Vietnam as they kept their lonely vigils at many isolated outposts. I went not only as a Member of Congress, but as a women and a mother—and just as I tired to reassure the many with whom I talked that folks back home did understand and appreciate their sacrifices, I, too, came back reassured—reassured in the knowledge that as long as the United States has young men such as these, we will always have a free America.

Many of the young men I saw in the hospitals in Vietnam will return to civilian life disabled; and even though we in the Congress can express our Nation's gratitude through appropriate legislation for those who have borne the battle, their burden is greatly lightened by the personal services rendered by groups such as the Disabled American Veterans. I know I speak not only for the people of my 15th District of Illinois, but for thoughtful citizens everywhere, when I extend both appreciation and best wishes to all DAV members as they observe another proud milestone in the dedicated life of their fine organization.

Mr. FUQUA. Mr. Speaker, in order that this Nation be preserved, it has been necessary that hundreds of thousands of young Americans be called upon to give their lives in battles in every corner of the globe. Today, while I speak, young Americans are giving in that tradition in the jungles of South Vietnam in our ceaseless fight for freedom and self-determination for all men.

The hundreds of thousands of crosses marking graves of American fighting men throughout the world bear mute testimony to their sacrifice.

Today, as we join in saluting the Disabled American Veterans, we pay tribute to those men who were injured and disabled in the cause of freedom.

I think it altogether fitting and proper, and consider it a high personal honor to join in this tribute, to salute the DAV on the 34th anniversary of its chartering by Congress.

The DAV has a right to be proud of its long record of service in advancing the cause of the wounded or deceased exserviceman who defended his Nation in time of war.

Its founding by a dedicated group of World War I disabled veterans on Christmas Day, 1919, in Cincinnati, Ohio, was a red letter day for all veterans and their families.

Its charter calls for work for the betterment of all wounded, injured and disabled veterans, cooperation with the the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of disabled veterans.

We are particularly proud of the 150 professionally trained national service officers, each one a disabled veteran, employed by the DAV. All are accredited by the VA to appear before claim rating boards.

Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

I am proud to join in paying tribute to the membership of the DAV for its service to America. We recognize the debt that we owe to those who were called on to give so much for each of us.

We are proud and grateful to the members of the DAV for the sacrifices made for this Nation of ours, and today we add a special tribute to them for their service as citizens in behalf of veterans everywhere.

Mr. WILLIS. Mr. Speaker, I join my colleagues who have previously paid tribute to the Disabled American Veterans on the occasion of the celebration of its 34th anniversary as a congressionally chartered national veterans organization.

The organization can be justly proud of its record and achievement in serving America's wartime disabled veterans during this 34-year period. It certainly has faithfully followed its single purpose, nonpartisan policy of advancing the cause of the disabled ex-serviceman, his widow, dependents, and orphans.

I have had occasion to address local and State chapters, as well as the national organization on a number of occasions and I wish to salute the organization and all of its fine and dedicated members and wish for them a long future of dedication to the cause of Americanism and the service to the disabled ex-serviceman, his widow, dependents and orphans, and to that end I pledge my continued cooperation and best efforts.

Mr. HANSEN of Iowa. Mr. Speaker, it is our privilege to honor our disabled American veterans today. It is truly a privilege; America is, indeed, fortunate to have as citizens men who have demonstrated by their service and sacrifices of the past and their continued support their dedicated devotion to our country.

At present the people of our country are particularly conscious of military service and the national defense. The intensity of the war in Vietnam has markedly stimulated public interest in that war and its related issues.

The nature of one's service to his country in time of trouble is one primary issue. Today we pay tribute and respect to a group with but one answer to this question. Service to them has been a synonym for responsibility and sacrifice. Only deep conviction could have evoked the devotion and willingness to serve their country which these men personified.

We also praise the organization which our disabled veterans have formed. The Disabled American Veterans provides many services for its members—technical, medical, social, and educational. The Disabled American Veterans' magazine is a testimony of the highest motivation and continued commitment to service. Each issue betrays the utmost patriotism. One cannot be unimpressed by the articles and letters which proclaim the perpetual desire to serve. Similarly, one cannot help being touched by the inquiries concerning fellow soldiers of the past.

Today we underline the hope the memory of service and the respect for service should lie not just in the minds of those who fought but also in the hearts of every American citizen. For the sacrifices of the past are the foundation of the future and our veterans are not only a symbol of the past but also a beacon of the future. Our disabled American veterans kindle the flame of patriotism by their faith in man and in America and by their proof of the dignity of service.

Mr. PATTEN. Mr. Speaker, it is an honor for me to join my colleagues and help commemorate the 34th anniversary of granting the congressional charter to the Disabled American Veterans.

The Disabled American Veterans has made notable progress because it has active members and vigorous leadership. These and other qualities have made the DAV the dynamic and progressive organization it is. Congress has great respect for the DAV—and so does the rest of the Nation.

Mr. Speaker, the record of the DAV is a proud and distinguished one. It is not only strong in past achievement, but in present service and purpose.

Its national service officers, for instance, have provided free aid since the end of World War II to over 1,500,000 disabled veterans and their families in receiving: Medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

Furthermore, in the last 6 months of 1965, the program handled 40,742 cases and provided over $55.5 million in benefits.

The DAV has also advocated and supported many legislative programs that help its members and also other veterans.

It played an important and instrumental role in the passage of the GI bill of rights and was a stanch supporter of one of the DAV's major legislative objectives approved by the House on May 16.

The measure I refer to, which is now before the Senate, would authorize the Veterans' Administration to supply certain veterans with prescription drugs and medicines in treatment of nonservice ailments and injuries.

But much more progress must be made for DAV members—to correct the inequities in legislation already enacted and to provide new programs to meet the growing needs of the present and future.

I have noticed that one of the legislative goals of the DAV is to have the cold war GI bill amended and improved. I pledge my support to this and other necessary measures. Another item on the DAV agenda is to institute a training program for service-connected Vietnam veterans.

Mr. Speaker, the Disabled American Veterans is committed to the welfare of its members, but nothing transcends its intense devotion to the security and honor of its country.

One of the many patriotic projects of the DAV that has attracted widespread admiration is the nationwide bumper sticker campaign to increase public support for U.S. servicemen in Vietnam. Ten million bumper stickers containing red, white, and blue colors, have been mailed to American homes and are helping our men in that vital battle.

Mr. MARTIN of Nebraska. Mr. Speaker, June 17 is the 34th anniversary of the Disabled American Veterans as a congressionally chartered national veterans organization. I consider it a privilege and honor to have this opportunity to pay tribute to them.

The DAV was founded in 1919 following World War I when the need for such a service organization was recognized by the disabled veterans of that terrible war. They received their congressional charter in 1932. Since the day of its founding, the number of war-disabled men has grown to over 2 million, and the DAV has more than 230,000 members.

I would like to reflect on the activities of the DAV a moment in order to point out the urgent need which they have filled. They carry on a most effective and efficient campaign for beneficial legislation to serve the war-disabled veterans, as well as other veterans. They have also provided outstanding service in securing disability compensation benefits for over 1.5 million claims that may otherwise have been considered hopeless.

In addition to financial and legal assistance to their members and dependents, the DAV also provides personal services such as medical care, rehabilitation, job training and employment. These activities go on long after the men have been discharged from the hospitals. All this is carried on by the DAV without any Federal financial assistance at an annual cost in excess of $1.5 million.

These disabled men have already served their country in time of crisis and now they continue to serve it through the work of the DAV. We, the American people, are truly indebted to the DAV and its members for they have made us the beneficiaries of their organization.

The leadership and foresight you have demonstrated and the goals you have already attained should be a great reward for your endeavors. I know your work will continue to be an outstanding example to the American people and serve as a great source of courage and hope for our thousands of disabled Americans.

Thank you, gentlemen, for a job well done.

Mr. MAHON. Mr. Speaker, I am grateful for the opportunity to say a few words on this occasion of the 34th anniversary of the chartering by the Congress of the Disabled American Veterans as a national service veterans organization. The hindsight of experience confirms the wisdom of those who had a hand in the creation.

Freedom is a heritage, not an inheritance. The preservation of freedom is a fresh challenge to each generation. Men and women who pay the price it takes to be an American and keep this great and blessed land of liberty alive know something firsthand of what John Quincy Adams meant when he said that posterity would never know how much it cost the present generation to preserve posterity's freedom.

But victory is often edged in sadness. It is the high purpose of the Disabled American Veterans to deal with the welfare of the wartime disabled, their widows, orphans, and dependents.

One of the noblest of virtues is to do good. It is the embodiment of the great precept of the Golden Rule. Rich in good works, the Disabled American Veterans organization has not only met its high purpose but has contributed beyond measure to the strength and security of our beloved land and the promotion among our people of a higher sense of patriotism and devotion to national duty.

Mr. Speaker, one does not have to be a profound student to know that all past history has been filled with struggle and war. As today is but the consequence of yesterday, so tomorrow will be the consequence of today. The frustrating and difficult war in Vietnam will one day be over, but there will be other trouble spots, other conflicts. Undoubtedly, the mission of the Disabled American Veterans will elevate in the times to come; the opportunities and need to do good in the next 34 years will likely equal those of the last 34.

So, Mr. Speaker, I take pleasure in joining in this public note of the high purpose and good works of the Disabled American Veterans. I heartily applaud all those who guide it, all those who support it, and especially do we express our heartfelt gratitude to those countless numbers of Americans of the past and the present who have answered the call in defense of freedom.

Mr. RUMSFELD. Mr. Speaker, on June 17, 1966, the Disabled American Veterans will commemorate their 34th anniversary as a congressionally chartered national veterans organization. It was the 72d Congress that approved an act incorporating the Disabled American Veterans as a Federal, nonprofit organization, thus recognizing the DAV as the official voice of the disabled veteran.

The founder and first national commander of the DAV, Judge Robert S. Marx, of Cincinnati, Ohio, met in 1919 with a handful of wounded World War I veterans to work for improved programs for the disabled veteran. The organization has grown from this small group to more than 231,000 members today, veterans of the two major wars in this century, the Korean war, and the war in Vietnam. Through the regional offices of the DAV, manned by national service officers who are themselves disabled and who have been trained under the guidance of DAV, assistance is rendered to the disabled veteran and his family, whether members of DAV or not, without charge. Over 1½ million claims have been handled by these dedicated men. In addition, the DAV has been instrumental in promoting employment of the handicapped and has rendered voluntary service to hospitalized veterans throughout the country.

Mr. Speaker, the country owes a debt of gratitude to our wounded and disabled veterans who have sacrificed so much for their country and who continue to serve the Nation with courage and dedication. I rise today to pay tribute and honor to the DAV and to congratulate its members on their long and commendable record of service for the wounded deceased veteran and his dependents.

Mr. ERLENBORN. Mr. Speaker, it has often been said that war is either a monumental bore or too exciting for words. It is boring, of course, on the days of "hurry up and wait" which all men who have been in the armed services know all too well. It is mighty exciting to a man who is being shot at, however, and there are none of us who want to trade in our days of boredom for a Purple Heart, the badge of him who has been wounded.

Mr. Speaker, the Disabled American Veterans is an extraordinary organization, devoted to the well-being of those who have been disabled in the service of our country and to the well-being also of his wife and children. This is a most laudable endeavor, and I join my colleagues in saluting the Disabled American Veterans on this 34th anniversary of the organization's congressional charter.

Mr. BOLAND. Mr. Speaker, I rise to join with my colleagues in saluting the Disabled American Veterans on the 34th anniversary of their congressional charter. Their history goes back farther than 1932, however, inasmuch as they were founded directly after World War I.

The DAV is a service organization in every sense. It was founded to insure that the Nation keep faith with the disabled serviceman. This it has done with notable success over the years. It has sponsored legislation for disabled servicemen and fought for its passage through Congress. Title 38 of the United States Code—which contains our veteran laws—is a living testament to its efforts.

Equally important in the concept of service to the disabled veteran is the extensive casework activity of the DAV. Congressmen are uniquely aware of the amount of work and perseverance which is necessary if every citizen is to get his rights under the law. The problem of representation has grown more acute in recent years as both our laws and bureaucracies have grown more complex. We and our staffs devote seemingly endless hours to this type of work which, though personally very rewarding, never makes headlines. Thus, I believe it is particularly fitting, Mr. Speaker, that we in Congress express our gratitude for the representation services which the DAV supplies to the disabled veteran.

The DAV has a professionally trained staff of 150 dedicated specialists in VA law and procedures which sees to it that the veteran gets the benefits he is entitled to. Each national service officer is himself a disabled veteran. All are accredited by the Veterans' Administration to appear before claim rating boards. Since the end of World War II, such service officers have given free assistance to more than one and a half million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. The magnitude of their task is illustrated by the fact that during the last 6 months of 1965 the DAV national service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans. During this period the professional staff reviewed 115,622 VA claims, made 56,215 appearances before rating boards and prepared 30,926 briefs.

These are services which should be better known to the American public. They are the services which make the VA laws work and be truly responsive to the needs of the disabled veteran.

Mr. Speaker, I hope this fine organization will celebrate many more years of "service" in the years to come and enjoy the continued support of a grateful people and Congress.

Mr. HOLLAND. Mr. Speaker, along with many of my colleagues I want to extend my personal congratulations today to the members of Disabled American Veterans. They are celebrating the 34th anniversary of the date on which Congress granted the organization a charter, and I feel certain the Record will be full of tributes paid to their accomplishments during those three and a half decades.

In granting a charter to the DAV, the 72d Congress gave recognition to the value of a group which since 1919 had been working on behalf of a group of Americans who were singularly deserving of its special efforts for their welfare.

I can think of no person for whom organized help is more appropriate than a disabled war veteran. As a veteran of two World Wars myself, I am perhaps particularly sensitive to the interests of veterans in general. But the disabled veteran is a special case, and I cannot imagine my disagreement on the point that he merits exceptional consideration and sympathy from his grateful fellow citizens.

It should be pointed out, however, that Disabled American Veterans does not make a habit of asking for sympathy. It is an organization which has based itself on the general principle of self-help, and the valuable services it performs for all disabled veterans are financed through membership dues and the well-known DAV car license Idento-Tag enterprise.

DAV currently has more than 231,000 members, but it serves all disabled veterans who need help in obtaining for themselves or their families medical care, disability compensation, hospitalization, rehabilitation, job training, and employment.

This anniversary provides me with an appropriate occasion to publicly state my own appreciation of the job DAV has been doing. To the entire membership I say, "Well done—and good luck."

Mr. HATHAWAY. Mr. Speaker, I would like to offer a few words of praise for the Disabled American Veterans—DAV—who are today conducting special ceremonies here in Washington to celebrate the 34th anniversary of the granting of a congressional charter to their fine organization.

For it was on June 17, 1932, that the 72d Congress approved Public Act 186 which incorporated the Disabled American Veterans as a Federal, nonprofit organization.

DAV was chartered to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans.

DAV has accomplished this original purpose in an exemplary fashion. For it has evolved into a single-purpose, nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents.

Since the end of World War II DAV has given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

I hope that the Members of Congress become aware of DAV's excellent record and purposeful activities to serve disabled veterans of past and present wars. I congratulate the members of this organization on this their 34th charter anniversary.

Mr. GARMATZ. Mr. Speaker, the outstanding work of the Disabled American Veterans in the more than 30 years since their founding is so well known, that to take time to speak about it seems like gilding the lilly. Nevertheless, it is a pleasure to join my colleagues in paying tribute to this splendid group which has worked so long and so tirelessly for the wounded and disabled veterans and their dependents.

It is truly a service organization, giving free valuable assistance to all disabled servicemen and their families whenever requested, to assure that they receive the services available to them from the Government and to help in every way possible.

Their sponsorship of much of the veterans legislation which has been enacted by Congress, has been of tremendous help, not only to the disabled and wounded, but to all veterans, as evidenced by the GI bill of rights.

Organizations like the DAV, with professionally trained service officers and almost 2,000 local chapters throughout the country, are performing invaluable service, and it is a privilege to take this occasion to recognize their work and to encourage them to continue their activities, as long as the need exists.

Mr. SCHMIDHAUSER. Mr. Speaker, last Saturday evening I was privileged to address the Iowa State Convention of the Disabled American Veterans which was holding its convention in Davenport, Iowa. I was particularly pleased to address these dedicated Americans who have given so much to their country in time of need in view of the fact that today we are honoring the DAV on its 34th anniversary.

Since this fine organization was incorporated by our predecessors of the 72d Congress on June 17, 1932, it has rendered a tremendous service to America's wartime disabled veterans, their descendants and to our Nation. Over the past 34 years the DAV has helped the disabled veterans in matters of employment, compensation, hospitalization, house loans, education and other matters important to his economic and social welfare.

The DAV also has performed a great service to many individuals through its DAV Idento-Tag program which serves as a rehabilitation project for the wartime disabled. This fine program also helps to finance the nationwide service program.

On this important anniversary, as a veteran of 4½ years during World War II, I am particularly pleased to salute this fine organization on its 34th anniversary.

On behalf of my constituents, I am very pleased to extend my best wishes for continued success to the thousands of dedicated members of the DAV.

Mr. CARTER. Mr. Speaker, tomorrow the Disabled American Veterans will celebrate its 34th anniversary as a congressionally chartered national veterans organization. I call this event to the attention of my colleagues, because to me it represents a great record of achievement in serving America's wartime disabled during this period.

The DAV was formed by a dedicated group of 200 World War I disabled veterans on Christmas Day, 1919, in Cincinnati, Ohio, and today it is the largest single veterans organization of wartime injured and disabled in both the Nation and the world. DAV membership in 1,834 local chapters is more than 231,000, and the national headquarters are located in Cincinnati.

In 1932, the DAV was chartered by Congress to advance the interest and work for the betterment of all wounded, injured and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veterans.

DAV service officers are located in VA regional offices throughout the Nation. The organization is a single-purpose one whose only aim is to provide service and assistance to the wartime disabled and their dependents.

So, I feel that we should pause for a few moments on the occasion of the 34th anniversary of this great organization to express our undying gratitude for the services rendered our war veterans and their dependents by the DAV, and to pay tribute to all of our war veterans, both living and dead.

Mr. HUTCHINSON. Mr. Speaker, I rejoice in this opportunity to join so many of my colleagues in observing the 34th anniversary of the Disabled American Veterans of the World War under its congressional charter. This excellent veterans organization, dedicated to the single purpose of service to all those disabled in war defending our country's flag, is faithfully fulfilling the high purposes entrusted to it by the act of Congress approved by President Hoover on June 17, 1932.

Our people have never forgotten the Nation's responsibility, as Lincoln said it: "To care for him who shall have borne the battle, and for his widow, and his orphan." Of especial concern are those who were wounded, injured, or disabled. The Disabled American Veterans of the World War, in fulfilling its humanitarian purpose to the wartime disabled, offers its services to all in that category without regard to membership in the organization itself.

As a veteran of World War II, with more than 5 years' service in the Army, as one of the fortunate ones who were neither wounded nor disabled and so ineligible for membership in the DAV, I congratulate that organization on its program of service and particularly its 11 chapters in the 4th Congressional District of Michigan.

Mr. MOORE. Mr. Speaker, I am pleased and honored to join my colleagues in tendering this well deserved salute to the more than 200,000 men and women, bearing the scars of five wars, who make up the Disabled American Veterans.

While we today are commemorating the 34th anniversary of the granting of the congressional charter to the DAV as a national organization, the fact remains that it actually was founded in 1919 after World War I.

We in West Virginia feel a close kinship to the DAV. It was organized in

Cincinnati, Ohio, adjacent to our State. Our State has a bigger proportion of war veterans per capita than any other State in the Union. Our State has the biggest proportion per capita veterans winning honors and awards for gallantry and bravery in war.

The DAV grew out of wartime comradeship transferred from battlefields abroad to daily life at home. Its membership is made up of veterans of the Spanish-American War, World Wars I and II, Korea, and now Vietnam.

Just as America's disabled war veterans gave of their time, their effort, and even of themselves to protect the sacred rights and interests of America during five wars, the DAV devotes its time, its effort, and itself to protect the well-deserved rights of those who gave so much of themselves in war so all of us can remain free.

I hope and pray for the day when peace comes and America no longer is forced to send the flower of its youth into battle. But as long as the necessity for war exists, I hope the DAV will continue to serve the disabled American veterans who deserve so much.

Mr. McCLORY. Mr. Speaker, as I join my colleagues in today's salute to the Disabled American Veterans, it is not my purpose to review the star-spangled history of this single-purpose organization. Each of us is acquainted with the giant steps which have carried them from that handful of battle-scarred veterans who gathered on a cold Christmas Day in 1919 to this 34th anniversary of the granting of the DAV congressional charter.

In the 12th Congressional District of Illinois, which I have the honor to represent in this body, many disabled veterans are brought to be treated at two great hospital complexes—Great Lakes Naval Hospital and Downey Veterans Hospital. It has been my privilege to visit these institutions and to know many of the wartime casualties who have been cared for there in the more than 30 years that I have lived in Lake County, Ill. Likewise, it has been my privilege to observe the tender ministrations of the service officers of the DAV as they work among these disabled veterans and their families.

As Members of Congress rise to pay tribute to this 34th anniversary of the granting of the congressional charter to the DAV, many things could be said which the DAV have justly earned. I can think of nothing more appropriate than a few words spoken at Gettysburg by A. Lincoln, former Congressman from Illinois, who said in part:

> The world will little note nor long remember what we say here, but it can never forget what they did.

Mr. Speaker, I am proud and grateful to the DAV as I join in this historic instance of "never forgetting."

Mr. SAYLOR. Mr. Speaker, this month marks the 49th anniversary of the landing of the first American troops in France following the declaration of America's participation in World War I. The United States mobilized more than four and a quarter million men, and at war's end our casualties numbered 126,000 dead and more than 234,000 wounded.

One of the great organizations to emerge from that conflict was the Disabled American Veterans, which was chartered by Congress on June 17, 1932.

Today was D-Day plus 10 in the European theater during World War II, 22 years ago. In that war U.S. losses amounted to more than 326,000 dead and 245,000 wounded.

Now we are again locked in a struggle that is costing lives and maiming an increasing number of our servicemen. Once again the value of the DAV is coming to be recognized for its great contributions in the cause of our men and boys serving in Vietnam.

The organization's efforts are properly emphasized in national emergencies, but Americans need to be reminded that its work has never ceased from the day of its founding, whether the country was enjoying the comfort of peace or suffering the horrors of international combat.

On this occasion I join in saluting the Disabled American Veterans and in honoring the principles for which it stands.

Mr. SMITH of New York. Mr. Speaker, it is a distinct privilege for me to have the opportunity to participate in these ceremonies marking the 34th anniversary of the formal granting of a congressional charter to the Disabled American Veterans.

Actually, the history of the DAV dates back much further than June 17, 1932. It was on Christmas Day, in 1919, that a group of some 200 disabled World War I veterans, meeting in the Cincinnati, Ohio, home of Judge Robert S. Marx, first gave life and direction to the DAV. Today, the membership of this outstanding veterans organization exceeds 231,000. Its 1,834 local chapters are scattered throughout the United States and its possessions.

Mr. Speaker, the DAV has often stated that it is a single purpose organization. It has candidly and steadfastly dedicated itself to the support of legislation affecting the wartime disabled. On August 1, 1965, the national executive committee adopted the following restatement of DAV policy:

> Our first duty as an organization is to help the wartime disabled and their dependents. We will, within the limits of our means, assist others in the perfection and prosecution of their claims. We will not oppose legislation for the benefit of those veterans not classed as wartime disabled except when it is evident that such legislation will jeopardize benefits for the wartime disabled.

Mr. Speaker, it is a sad fact of life that the people of this great Nation forget all too soon the sacrifice made by our servicemen during times of strife. During a period of active conflict, the public in general heaps praise, respect, and recognition upon the defenders of our Nation. But as the sands of time run by, and the stories of battle and individual heroism grow old, only the veteran himself remains as the reminder of the sacrifices made in defense of freedom and country. Many of these veterans carry for life the scars and the infirmities which were the price of their efforts.

I have seen our wounded and disabled men returning from Vietnam, and I am reminded of the constant and continuing need to recognize the debt owed by all Americans to our courageous fighting men.

Mr. Speaker, I thank God for an organization such as the Disabled American Veterans. The DAV's history of outstanding service to the disabled veteran is widely know and deeply appreciated. I hope that an awakened, enlightened, and grateful American public will continue to recognize and support the DAV for its valuable contributions in behalf of our disabled veterans.

I join my colleagues in the Congress in this salute to the Disabled American Veterans on their 34th anniversary of service to America's wartime disabled.

Mr. HARVEY of Michigan. Mr. Speaker, I am proud to join with so many other colleagues today in special recognition of the Disabled American Veterans organization. In a recent letter I received from Mr. Claude L. Callegary, national commander of the DAV, which will celebrate its 34th anniversary on June 17, I believe he summed up extremely well the purpose of this nationwide organization when he wrote, and I quote:

> Our organization has faithfully followed its single purpose, non-partisan policy of advancing the cause of the disabled ex-serviceman, his widow, dependents and orphans.

The more than 231,000 members of this organization have a special pride in their organization. All other Americans know of the accomplishments of the DAV and share in their future goals of success.

The action of the 72d Congress, 1st session, in approving Public Act 186, incorporating the Disabled American Veterans as a Federal, nonprofit organization, has many times proven to be a very wise action.

Over the years, the DAV has been a leader in such beneficial programs as employment of the handicapped and voluntary service to hospitalized veterans throughout the Nation.

It is a distinct pleasure for me to join in observance of "DAV Day on the Hill." I convey to all members my congratulations and sincere thanks.

Mr. CRAMER. Mr. Speaker, I am delighted to join my colleagues today in commemorating the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans as a national service veterans organization.

Without question, the DAV is one of the most exemplary service organizations in America today. Its outstanding participation in the rehabilitaion of America's wartime disabled veterans is legendary. Its continuing efforts in behalf of veterans by advancing sound legislative proposals is equally well known and appreciated by those of us who actively participate in veterans' affairs.

Not so well known, however, is the fact that the funds to support this organization come from private sources and that the DAV receives no Federal assistance. DAV stands unique as an independently sustained service organization in these days of high taxes and rising Government costs. The funds to support this organization come partially from membership dues. Private industry, long interested as employer of rehabilitated veterans, provides valuable assistance to continue the good work of DAV.

Specifically, the DAV directly employs and supervises the work of national service officers located throughout the country to aid the disabled veterans in matters of employment, compensation, hospitalization, home loans, education, and all the other vital matters that affect his social and economic welfare.

Thus, from its founding on Christmas Day, 1919, by 200 World War I disabled veterans, the DAV has grown to become the largest single veterans organization of wartime injured and disabled in the world with a present membership of over 231,000.

The DAV is to be congratulated on rendering 34 years of outstanding service to disabled war veterans and their families. The work of the DAV will long be inscribed on the hearts of all Americans who I am sure join me in offering the DAV our grateful appreciation on this commemorative occasion.

Mr. WALKER of Mississippi. Mr. Speaker, I am happy to join in the celebration of the 34th anniversary of the Disabled American Veterans.

To me the Disabled American Veterans represents a group of the bravest of them all—those veterans who have given life and limb for the defense of our way of life.

The DAV has truly been a service organization over the years. In addition to its dedicated service to the needs of the disabled veterans in medical care, rehabilition, job training, and employment, this organization has proven a most valuable asset to parents, wives and children of servicemen who have been killed in the line of duty while serving our country.

Since the end of World War II, this organization has given free assistance to more than 1,500,000 disabled veterans and their families.

One other area in which the DAV has proved most helpful has been that of veterans legislation. Nearly every piece of legislation passed by Congress affecting disabled veterans has been sponsored by the DAV. Not only have they worked for benefit of the disabled veteran, but for the veteran in general.

I am most happy to include my heartiest congratulations to this wonderful organization on this their 34th anniversary.

Mr. MORGAN. Mr. Speaker, I am glad to join with my colleagues in the House today in marking the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans.

A charter was granted to this organization on June 17, 1932. They became the official voice of the disabled veterans and since that time they have devoted continuous service to wartime disabled veterans and to their dependents.

Only a very few disabled veterans belonged to this organization when it was started. It has more than 231,000 members today. They are veterans of World War I, World War II, the Korean war, and the present conflict in Vietnam.

The DAV has sponsored beneficial legislation affecting disabled veterans and maintains a staff of professional national service officers in all regional offices of the Veterans' Administration to assist their members in filing claim and obtaining the benefits for which they are eligible.

On this special occasion it is a pleasure to commend the Disabled American Veterans for the services which they have rendered and continue to render to disabled veterans.

Mr. McVICKER. Mr. Speaker, 34 years ago the Disabled American Veterans, composed largely of veterans of World War I, was granted a congressional charter as a federally approved, nonprofit organization. Mr. Claude Callegary, their national commander, is in the Gallery today.

Since then this organization has served as clearinghouse for problems of disabled veterans and their dependents; medical care, rehabilitation, compensation, job training, employment, insurance. This work is done on a local level in all States by DAV-trained and paid service officers. These men, usually themselves disabled veterans trained by the DAV, are specialists in veterans legislation, its administrative channels, and procedures.

In Colorado we have 27 chapters, ranging from the largest in Denver with 3,441 members, to the smallest in Salida with 11. Total Colorado membership is 6,381, and it is largely through efforts of Frank M. Cain and Lowell McGowan, that hundreds of cases monthly are efficiently administered, with an added helping of compassion and kindness.

I wish to commend the DAV for their Idento-Tag program, which in addition to providing a uniquely useful service to millions of motorists, also helps these veterans pay their own way, which is all they have ever desired to do.

Mr. Speaker, we have ever been ready to answer a call to war when our cause has been just. Our arms have thus far been blessed with success. But each time we have had to pay a higher price for the laurels of victory and preservation of our institutions.

When victory parades are over, confetti swept up, and Johnny has marched home and dispersed, we are too often apt to shove to the rear of our minds those who have permanently lost, even though victory is ours. For these are men and women carrying scars of our conflicts to their graves. These are proud wounds, but debilitating nonetheless. It is not only fitting that we should help them to help themselves, but that we should pause to let them know publicly we not only have a vivid memory of their sacrifices, but are also honored to have them as respected equals in every way in our society.

Mr. SCHEUER. Mr. Speaker, our country owes a special debt of gratitude to those who have served her in time of war. We must give special honor to those who have suffered disabling injury in the service of their country. Our commitment to the disabled veterans is everlasting.

But our disabled veterans have not been content merely to bask in the light of past achievements. They have formed a group to assist themselves in their effort to attain a normal productive, independent life and to continue serving their country.

Today this group, the Disabled American Veterans, commemorates the 34th anniversary of the granting of its congressional charter. This organization has commendably served thousands of disabled war veterans and their families without charge. Trained representatives have given assistance in obtaining employment, medical care, disability compensation, counseling, and other necessary services. They have aided many wounded veterans in achieving their goal of reintegration into our society.

Despite their injuries, these war veterans make a valuable contribution to American life. They have shown the character, determination, and courage to accomplish their goals in this world of the difficult and unexpected.

I congratulate the DAV on their many years of successful work.

Mr. SISK. Mr. Speaker, I would like to take this opportunity to congratulate the Disabled American Veterans on the occasion of the 34th anniversary of their receiving a congressional charter.

Since the founding in 1919, the DAV has done a most outstanding and magnificant job in serving our disabled veterans. This independently sustained organization, which operates free of Federal funds, now has a membership of over 200,000 with 1,800 chapters throughout the United States.

The services which they perform on behalf of our disabled are many and varied. Through the work of the DAV and its staff of national service officers, many disabled veterans and their dependents have received benefits which they otherwise might not have received. The national service officers serve to make the veteran aware of the benefits to which he is entitled and assist him in obtaining such benefits. The scope of assistance to veterans also includes help in obtaining employment, home loans, hospitalization, just to mention a few.

Their effective and devoted work with respect to legislation beneficial to veterans has been very influential in obtaining passage of much worthwhile legislation.

As Americans, we should be very proud of the fine efforts of this organization of dedicated workers and lend them every possible support. The work which they have done in the past, are presently doing, and that which they will continue to do deserves the highest respect and admiration.

Mr. BECKWORTH. Mr. Speaker, it is a pleasure to commend National Commander Claude L. Callegary and his fine organization, the Disabled Veterans of America, on the great and good work which has been done by them. We all are mindful of the many attainments and accomplishments of this organization.

Mr. DANIELS. Mr. Speaker, today America stands proudly as the champion of freedom for all people. We have maintained this position in large measure through the support and efforts of our wartime disabled—the great and noble spirit of our society. Their position in society depends, however, upon their ability to readjust through work, proper care, and compensation.

In 1919, Judge Robert S. Marx recognizing the needs and problems of the disabled veterans established the DAV—Disabled American Veterans. On June 17, 1932, this organization received Federal recognition.

The past 34 years have proved the value and necessity of an organization to champion the cause of the disabled veterans. The DAV has given support to the wounded, injured, and disabled veterans of our wars including veterans of the Spanish-American War. The DAV has performed its duty to these men with responsibility and devotion that has earned it the respect of all veterans as well as the citizens of the United States. Therefore, we are proud to join with the Disabled American Veterans in the celebration of their 34th anniversary. We salute the efforts of this nonprofit organization. It is our wish that the excellent and noble work of this organization will continue so that America's soldiers wounded in battle for their Nation can receive the aid and assistance they may need.

Mr. KLUCZYNSKI. Mr. Speaker, I want to join my colleagues in honoring the Disabled American Veterans on its 34th anniversary as a congressionally chartered national veterans organization. The DAV is justly proud—and we share that pride—of its record of achievement in serving our wartime disabled over these many years. It has faithfully followed its purposes, as a nonpartisan organization, of advancing the cause of the disabled ex-serviceman, his widow, and his dependents and orphans. The organization's advice and counsel have been helpful to us in working on legislation relating to these matters.

We congratulate the DAV on its anniversary, but more important, we wish the DAV many long years of equally successful work and are confident they will continue to be a most effective and beneficial veterans organization.

Mr. WAGGONNER. Mr. Speaker, though my colleagues have spoken eloquently in commemoration of the 34th anniversary of the Disabled American Veterans organization, I cannot allow this aniversary to pass without my own humble comments.

As a veteran of World War II and Korea, I know full well the record of achievement of this fine unit and, certainly, I know of no organization with a nobler purpose in serving the disabled ex-serviceman, his widow, dependents, and orphans. I feel a frustration that I know is shared by many when I realize that there is no way open to us as humans to pay in full the burdensome debt we owe these servicemen. The DAV, more than any other organization, has tried to alleviate the suffering caused by the great sacrifices of our disabled ex-servicemen and I am proud of what they have been able to do.

I yearn for the day when there will be no wounded servicemen, no fatherless children, no husbandless mothers caused by the wars we have had to fight to keep ourselves and others free. But that day is not yet here. Until it comes, we can only pray and work toward it and continue in support of organizations like the DAV. For every contribution they have so unselfishly made, I salute them.

Mr. ROBERTS. Mr. Speaker, it is a privilege to have an opportunity to wish "happy birthday" to a great service organization. Just 34 years ago tomorrow, the 72d Congress approved a congressional charter for the Disabled American Veterans.

The DAV's sole objective is to render service to the Nation's disabled veterans and their dependents. Their nationwide rehabilitation program, under the guidance and direction of a corps of expert national service officers stationed in VA regional offices throughout the country, has earned an outstanding national reputation for the DAV. Since the end of World War II, their national service officers have given free assistance to more than one and a half million disabled veterans and their families. This is certainly an outstanding record for any organization and exemplifies the type of organization the DAV is.

Having been a member of the House Veterans' Affairs Committee since my election to Congress, I can personally testify to the effectiveness of the DAV efforts to provide for the welfare of our disabled veterans and their unwillingness to be sidetracked.

I am indeed honored that Chairman TEAGUE, of the House Committee on Veterans' Affairs, has appointed me to be his and the committee's representative at the Texas State DAV Convention tomorrow in Austin.

Mr. BUCHANAN. Mr. Speaker, June 17 marks the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans as a national service veterans organization. On this occasion, the DAV is to be specially commended for the outstanding and unique contribution this organization has made in recognition of and service to our wartime disabled veterans as well as their widows and dependents.

Formed on Christmas Day in 1919 by a dedicated group of 200 World War I disabled veterans, the DAV has grown in membership to more than 231,000, and is now the largest single veterans organization of wartime injured and disabled not only in our Nation, but in the world.

The DAV has one single purpose, to provide service and assistance to the wartime disabled, their widows, orphans, and dependents. Since World War II, the DAV, through its national service officers, each a disabled veteran, has given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The DAV has maintained this service with no Federal assistance. It is an independently sustained service organization in an era when this is unique. And the DAV's national service program during the past fiscal year cost in excess of $1.5 million.

Just 34 years ago—June 17, 1932—the 72d Congress, 1st session, approved Public Law 186, incorporating the Disabled American Veterans as a Federal, nonprofit organization. The services this organization has rendered and is continuing to render to our disabled veterans and their families, on this occasion deserves the special thanks of a grateful nation. The task facing the DAV, with mounting casualities in Vietnam, and the continuing cold war situation, is tremendous. But this organization has again and again demonstrated its ability to meet the demands made upon it in service to our disabled veterans.

I am proud today to join with my colleagues in the House in paying tribute to the Disabled American Veterans on this 34th anniversary of the grant of their congressional charter.

Mr. LOVE. Mr. Speaker, the State which I am privileged to serve has long been proud of its history as the birthplace of great men, including seven Presidents of the United States. However, it is not just one man whose Ohio birth I rise to commemorate today, but that of an entire organization—the Disabled American Veterans. Some historians may argue, "Why today? Was it not Christmas Day, 1919, when 200 fellow disabled veterans of World War I joined Judge Robert S. Marx in Cincinnati to found the DAV?" This is undeniably true, and these men could not have picked a more appropriate day to start such a service-giving Christian endeavor.

Of course, I need not explain that it would be impossible for my esteemed colleagues and I to honor the DAV in this Chamber on that December day set aside solely for the Bethlehem babe. Thus, another fitting time has been selected—June 17—when, 34 years ago, the 72d Congress of the United States granted the DAV its charter as an organization designed to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans.

How fitting that the group should be chartered in 1932, the same year that Franklin D. Roosevelt, one of the greatest, most compassionate and selfless men—and surely the most physically disabled—ever to serve in the White House, was first elected President.

It is also fitting that this tribute should be made shortly after Memorial Day, when we honor those brave men who died on the battlefield while stanchly defending the ideals for which our Nation stands. Important as it is to remember those who gave their lives that America might remain free, it is perhaps even more vital that we remember those who gave not life but limb, who were spared but scarred, their bodies smashed by the bone-crushing mace of Mars. Theirs is the courage not to die but to live on when hope seems gone, to pull themselves up out of hospital bed and wheelchair so that they may continue, with all remaining might, to serve God, country, and their fellow man.

Furthermore, can it be considered pure chance that DAV Charter Day and Father's Day nearly, and sometimes exactly coincide? Some of the finest fathers this land has ever known have been those who, though permanently disabled by the ravages of war, have fought on, surmounted their disabilities, and became useful, productive citizen-veterans, and noble examples to their daughters and sons. Was the Father of the Year in 1946 a general or a President, as in previous years? No. He was ex-Marine Sgt. Al Schmid, disabled veteran. After losing his sight on Guadalcanal during a battle where he killed 200 Japanese, stood off 600 more with a damaged machinegun, Sergeant Schmid did not come home and mope, but married a hometown girl, sired a son, and rededicated his life to active service: war loan drives, USO, and Red Cross fundraising, and campaigning as the 1946 Democratic nominee for State secretary of internal affairs. And this is but one of a thousand similar cases. Thus, DAV could well stand for dedication, ability, valor—prime ingredients for exemplary fatherhood and citizenship.

Since its humble beginnings in Cincinnati in 1919, the DAV has grown to more than 1,000 times its original membership. This growth is not, I regret to say, due primarily to the organization's fine, self-effacing work, but to America's deep involvement in two World Wars, the Korean conflict, and now the strife in Vietnam. Despite this immense expansion, the DAV remains nonpartisan, devoted to its single purpose of providing service and assistance to the wartime disabled, and their dependents, widows, and orphans.

To meet these needs, the DAV employs 150 professionally trained disabled veterans as national service officers, working in VA regional offices nationwide. Just since World War II, these men, accredited by the VA to appear before its claim rating boards, have, without charge, helped more than a million and a half disabled veterans and/or their families to obtain hospitalization, medical care, disability compensation, rehabilitation, job training, and employment. During the last half of 1965 alone, DAV national service officers handled over 40,000 cases, resulting in monetary benefits to disabled veterans of over $55 million.

How does the DAV finance such a huge national service program? Federal subsidy, you think? Not a penny. DAV members' dues pay for much of the organization's expenses. These are supplemented by voluntary contributions to the DAV car license Idento-Tag program. Thanks to the miniature license tags the DAV sent to auto drivers under this program, more than 2 million lost car keys have been returned free to their rightful owners. I am one of them. And since disabled veterans are the ones who manufacture and distribute these tags, this program itself provides rehabilitation and useful employment.

Mr. Speaker, I am hopeful that some day the DAV will be defunct, that the crippling, maiming, murderous senselessness of war will be so long forgotten that there will be no such thing as a disabled American veteran. But in the meantime, I am grateful that such an organization does exist to aid those men who gave so valiantly, so fully of themselves, who, to paraphrase the late President Kennedy, "asked not what their country would do for them, but what they might do for their country."

I am proud that DAV national headquarters is located in Cincinnati, right next to my own home district, and I am confident that the DAV will continue to use all the resources, both material and spiritual, at its disposal, to help meet the needs of every disabled American veteran, until there are no more needs, when sorrow and sighing shall flee away, and all the world knows peace.

Mr. **FULTON** of Tennessee. Mr. Speaker, it is an honor and privilege for me to join with my colleagues today to commemorate the 34th anniversary of the Disabled American Veterans, an organization which has contributed significantly to advancing the cause of the disabled, ex-serviceman, his widows, dependents, and orphans.

To make an attempt at evaluating or determining what cost or proper retribution should be made to the disabled war veterans, who have had to endure long unwarranted suffering and sometimes even death during combat, is indeed incomprehensible as no payment can ever be large enough to bring back an eye, arm, or even a loved one. However, some payment must be made and responsibility for such rests with the free and able citizens of this Nation. To make life easier and fit for the young men who so courageously fought to uphold the freedom and doctrines of our Nation is a duty which each and every one of us should perform as a fitting and proper tribute to their servitude.

On behalf of my colleagues, constituents, and grateful citizens of this Nation, I wish to offer my personal congratulations to the DAV for a job magnificantly done. The DAV has assumed a major portion of our responsibility by not only serving as a clearinghouse for all matters relating to veterans with service-connected disabilities but by seeing to it that the American disabled war veteran and his dependents are cared for properly. Also, mention of thanks and appreciation should be made at this time to the Members of the 72d Congress who just 34 years ago approved and adopted Public Law 186 incorporating the Disabled American Veterans as a nonprofit organization.

With this in mind, I am certain you will agree, that setting aside 1 day in honor of this outstanding organization is certainly not enough recognition, for the numerous and unsurpassed accomplishments of the DAV would and should require tribute by each individual every day.

Mr. TEAGUE of California. Mr. Speaker, it is most fitting that we devote today to commemoration of the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans. I am honored and privileged to have this opportunity to join in our tribute to the members of this fine and worthy organization on this occasion.

Ever since it was chartered on June 17, 1932, the DAV has rendered outstanding service in the performance of its single purpose, the welfare of the wartime disabled veteran and his dependents.

As a member of the Veterans' Affairs Committee, I have long been impressed by the very able manner in which legislation of benefit to disabled veterans and their families has been sponsored in this body by representatives of the Disabled American Veterans.

Perhaps the most commendable of the DAV's services on behalf of the disabled is that performed by national service officers stationed throughout the country to assist disabled veterans in employment, compensation, hospitalization, home loans, education, and in every situation affecting their social and economic welfare. These dedicated officers, who are thoroughly trained for their work, operate most efficiently and effectively in carrying out their highly important responsibilities. The Nation as a whole, as well as the wartime disabled, owe them a great debt of gratitude.

Mr. Speaker, as we honor this splendid organization today, it is most appropriate that we add our voices, our efforts, and our prayers in the cause of a speedy and honorable end to the conflict in Vietnam which is adding daily to the rolls of America's wartime disabled, as well as to our wartime dead.

Mr. BENNETT. Mr. Speaker, the 34th anniversary of the Disabled American Veterans, June 17, 1966, comes at a time when we must all renew our faith in our God and country in the face of the continuing crisis in Vietnam.

There is no better time to rededicate and repledge ourselves to support our efforts in the struggle for freedom in that small country so far away in miles, but so close to home in personal sacrifice and tragedy.

We know that this is a costly war; both in dollars and men. We are contributing great national assets to the war effort—billions of dollars, and American lives—3,662 American servicemen have been killed in Vietnam and 21,221 have been seriously wounded. These are concrete facts of our involvement in this war to preserve the peace in southeast Asia and the world.

I am proud to be a member of Chapter No. 1, Disabled American Veterans, Jacksonville, Fla. The DAV has served the Nation well in assisting the disabled serviceman and his dependents. We salute the DAV today and pledge ourselves afresh to our national efforts to secure freedom and peace in Vietnam, which will in turn help secure freedom and peace throughout the world.

Mr. **MILLS**. Mr. Speaker, the Disabled American Veterans is one of those fine national organizations which can be proud of its accomplishments during the 34 years of its existence. This organization has devoted its energy and its intensive efforts to assisting and advancing the cause of the disabled ex-serviceman, his widow, dependents, and orphans. I am sure that all of us have had occasion from time to time to discuss matters relating to veterans with the representatives of the DAV and we have all had occasion to obtain from them information helpful to us as a basis for legislation pending in the Congress.

Certainly, speaking for myself, I can say that I always consider it an opportunity to consult with the local chapter, officers, and representatives of the DAV in my own district as well as their national representative here in Washington and that I have invariably found them to be exceedingly helpful.

This truly outstanding organization of truly outstanding people certainly deserves the commendation of all of us in the celebration and the commemoration of its 34th anniversary.

Mr. LIPSCOMB. Mr. Speaker, on this 34th anniversary of the granting of the congressional charter to the Disabled American Veterans organization, I would like to join my distinguished colleagues in saluting this commendable organization.

The DAV's sole function is to aid all American citizens who have been wounded, gassed, injured, or disabled while serving their country in the Armed Forces during time of war. Through its corps of 150 professionally trained national service officers, the DAV assists disabled war veterans and their widows, orphans, and dependents in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. The assistance of the officers, offered without charge, has helped over 1,500,000 disabled veterans and their families since World War II alone to obtain benefits more surely and more quickly than otherwise would have been possible.

In this day of rising taxes and rising Government costs, it is a particular pleasure to note that the DAV has performed its services without the aid of a single congressional appropriation. Recognizing the value of the voluntary assistance of the DAV, the Veterans' Administration has granted the use of office space to its regional staffs, but the DAV pays its own employees and officers. Funds to support its many activities are raised partially through membership dues and through the voluntary donations of private citizens and industry. The remainder of its support comes from its familiar Idento-Tag program. Lucky motorists have been relieved to have had their car keys returned through the mail, thanks to their being identified by a miniature license tag manufactured and registered by the DAV. This program, by the way, provides job training and employment to many disabled veterans, who manufacture and process the Idento-Tags.

Mr. Speaker, we in Congress and all disabled war veterans have benefited in yet another way by the existence of the Disabled American Veterans organization. Through its constant study and evaluation of legislation on behalf of veterans, especially disabled war veterans and their families, it has made a significant and valuable contribution to the process of legislation on behalf of these individuals who have sacrificed so much for our Nation.

Unfortunately the list of wartime disabled American veterans is still growing, as each day young men are wounded on the battlefields of South Vietnam. We at home pause too seldom to reflect on the real sacrifices which these boys are making so that we and others might be able to or continue to live in liberty. All their lives these young disabled war veterans will experience the disadvantages of physical or mental handicaps, acquired so that we at home might never know the personal ravages of war. Mr. Speaker, we in Congress must remain mindful of our responsibility to provide compensation to these disabled men, inadequate as it will always be. And we must truly take our hats off to the members of the DAV, who for nearly 47 years have made even further personal and financial sacrifices in order to support their organization and its valuable services to all of America's disabled war veterans.

Mr. MATTHEWS. Mr. Speaker, I take great pleasure in joining with my colleagues to pay tribute today to the Disabled American Veterans on the occasion of that organization's observance of the 34th anniversary of its congressional charter.

Although it was chartered in 1932, the DAV goes back in its inception to 1919, when on Christmas Day of that year a group of 200 dedicated World War I disabled veterans met in Cincinnati, Ohio. These men recognized that the veterans' programs of that day were inadequate to meet the needs of the veterans who bore the physical and mental scars of wartime disablement, and that a single-purpose veterans' organization was needed to spearhead the development and improvement of programs for the disabled veteran.

The DAV has always stuck to its original purpose. The disabled veteran is still its foremost concern. This purpose is reflected in the restatement of DAV policy which was adopted by its national executive committee at New Orleans in August of 1965, when it was declared that:

> Our first duty as an organization is to help the wartime disabled and their dependents. We will, within the limits of our means, assist others in the perfection and prosecution of their claims. We will not oppose legislation for the benefits of those veterans not classified as wartime disabled except when it is evident that such legislation will jeopardize benefits for the wartime disabled.

This policy of the DAV reflects a first-things-first attitude that is highly commendable because it is realistic and practical. It is completely within the American tradition of getting done what needs to be done.

The DAV has grown into one of the leading national veterans organizations. Today it represents more than 230,000 members made up of the veterans wounded in every conflict in which the United States has had a part, from World War I through the present fighting in Vietnam.

The DAV has sponsored or supported virtually the whole body of legislation affecting disabled veterans that has developed on the Federal statute books over the past four and a half decades. This is one of its major contributions.

The other is its splendid record of representing veterans in prosecuting their claims for benefits. The DAV maintains a staff of some 150 professional national service officers in all of the regional offices of the Veterans' Administration, to carry on this work. These men, who are themselves disabled veterans, represent the disabled veteran and his family or widow, without charge, in their claims for benefits under Federal programs. Over a million and a half disabled veterans and their families have been assisted since the close of World War II through DAV services in obtaining medical care, disability compensation, rehabilitation, job training and employment.

Everyone is familiar with the DAV's Idento-Tag program. In addition to providing a service to the American public by the return of over 2 million sets of lost car keys—without charge—this project also has served the DAV in raising funds for its national service program and at the same time has provided useful employment for disabled veterans, their widows and dependents.

The DAV has every reason to be justly proud of its long record of accomplishments in serving the many and varied needs of this country's war-wounded fighting men and their families.

Mr. McDADE. Mr. Speaker, we are celebrating the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans as a national service veterans organization. Had it done nothing else, the 72d Congress would be remembered for this splendid act.

There must come a time in the lives of each of us, Mr. Speaker, when we must reckon up the cost of war. We cannot even begin to think of cost in terms of dollars. That part of the cost is borne each year in the payment of taxes, about which we might grumble occasionally, but which we would certainly pay gladly many times over to guarantee that our wars be won. The price in money is not the real price.

The real price is always paid in lives. It is paid in part by the very commitment of years of their lives by those who fight in a war. In the Second World War there were millions of men who gave as many as 5 years of their lives to the service of their country. Their wives and families gave up these years with them; and so in seeing them, we see some part of the cost of war.

For some who went off to war in the very flower of their youth, there was no return. They are buried on the distant battlefields of war, or in the deepest oceans' depths. We cannot go to see their grave sites. They lie far from us, having paid the ultimate cost of war, and we are so far away that we do not remember them often enough.

But in the Disabled American Veterans we have the very living personification of the cost of war. These are the veterans who have suffered wartime disabilities, who have returned after leaving a portion of their lives on all the battlefields on which we have ever fought. Even as we speak here, there are new future members of the DAV being created in the distant jungles of Vietnam.

For all of us then, the Disabled American Veterans are the very personification of the price of war. But they are much more than living memorials. These are men who have gathered together in a strong organization, an organization that goes back to Judge Robert S. Marx in 1919; and the purpose of this organization is to see that the disabled veteran, his widow, and his family are given every possible help available to them.

The DAV has been in the forefront of the sponsorship of beneficial legislation affecting veterans since 1920. I assure you that the members of the DAV are kept well informed on all legislation which affect the veteran or his family. I have received invaluable advice on legislation before the Congress from many such members of the DAV in my own congressional district—men like John Coval, John Lapinski, Peter Rescigno, and Frank Ozovek. I know that every other Congressman has men in his own district like this, with whom he can discuss the merits and limitations of legislation affecting veterans.

But even more valuable than the work they have done in promoting legislation affecting the disabled veteran, the DAV has done a fantastic job in counseling and assisting these veterans and their families. More than a million and a half veterans and dependents have been given free assistance by the DAV since the end of the Second World War. Through this assistance, these people have secured medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. It is interesting to note, by the way, that this has been done by the DAV without asking for one cent from Congress to finance their work. It must certainly be reckoned as one of the truly notable accomplishments of the 20th century.

Today, then the Congress salutes the DAV on this anniversary of the granting of its charter. All of us who vote for the laws of this Nation look back often and review the wisdom of those laws long after they have been passed. How consoling it must be for those Members of the 72d Congress to look back on the vote cast to grant this charter. This is a vote each Member may well be proud he cast. These men in the DAV have certainly distinguished themselves in time of war, and may justly be proud of that distinction. But they have also shown us a lesson in peace, and have served their brothers and sisters with a new distinction.

It is not pleasant to contemplate the future and to know that other wars will produce other casualties. We must, however, face that fact. But it is a very consoling thing to know that as long as wars are producing casualties, there will always be a body of men who will give their time and their energies to helping those who are disabled and the families of the disabled. It is indeed a privilege to join my other colleagues here in the Congress in paying our own tribute to the splendid men of the DAV.

I must conclude these remarks by noting that even as we are gathered here on the floor of the Congress, the Disabled American Veterans of the Commonwealth of Pennsylvania are gathered together for their State convention in my own congressional district, in Hotel Jermyn in the city of Scranton. To all the members of the DAV gathered in Scranton under the leadership of State Commander Joseph Skasko, I send my own personal greetings, and I know I bear the greetings of all the Congress to these splendid men of the Keystone State.

Mr. FALLON. Mr. Speaker, it is my profound pleasure to salute the Disabled American Veterans on the occasion of its 34th anniversary upon receiving a Federal charter from the Congress of the United States.

The DAV is an outstanding patriotic organization of our time. It represents patriotism in its finest and most noble form. It is banded together to commemorate common memories and to advance the welfare of its members and all America. And our Nation owes its members a constant debt of gratitude for the sacrifices they made.

Growing public recognition of the Disabled American Veterans and its contributions to American freedom is evident at local, State, and National levels.

The Disabled American Veterans have been exponents of freedom from the time of their appearance on the rolls of our armed services. They have fought and upheld the traditions of America. They have fought for the principles of right and justice. They have given part of their lives so that this Nation might continue in its paths of freedom.

The members of the DAV knew in times of crisis, there could be no halfway point in their patriotism. They were prepared to give their all. They knew our goals were not greed or glory, but a better way of life for humanity.

We should remember this when we honor the DAV on this occasion and recall with proper solemnity their principles and purposes.

Mr. KING of Utah. Mr. Speaker, it is fitting that on this 34th anniversary of the Disabled American Veterans we, the Congress, take time out from our regular tasks to honor this organization which has accomplished so much in taking care of the disabled from wars around the globe.

The problems and needs of our wartime disabled are great, and require constant and immediate solutions. To effectively perform this service, the disabled themselves formed their own organization which was chartered by this body in 1932. So, for over one-third of a century the DAV has been seeing to it that America's disabled veteran and his dependents are cared for properly.

To champion the cause of disabled veterans takes considerable money, manpower, and facilities. To financially maintain an organization of this magnitude is itself a big job. But DAV does it with no Federal assistance. In these days of high costs, the DAV deserves great credit and our gratitude for maintaining such a truly unique and independently sustained service organization. Through the efforts of this devoted, single-purpose organization, over 1½ million claims have been handled for deserving disabled veterans and their dependents. Many of these cases would have been hopeless had it not been for these efforts.

America and her legacy of 2 million wartime disabled from all wars is daily adding to this total from isolated wars around the globe. The DAV, acting as the official voice of these men and women, provides working officers in all parts of the Nation to aid disabled veterans in vital rehabilitation and welfare programs.

An organization which is willing to bear some of the burden of the costs of war attributed to combat service is truly patriotic and worthy of the tribute we bestow upon it today. It is my hope that the work of this independent organization that does so much for so many—and those to whom we owe so much—will continue.

Mr. BARING. Mr. Speaker, it is with a feeling of great pride that I today direct the attention of our citizens and our lawmakers to the occasion of the 34th anniversary of the Disabled American Veterans organization.

This organization, which grew from a handful of dedicated men, is today the largest single veterans organization of wartime injured and disabled in this country and in the world as a whole.

The dedication of this organization to advance the interest and work for the betterment of all wounded, injured and disabled veterans is well known among the House Veterans' Affairs Committee of which I am a member, and the DAV efforts have to a large extent been instrumental in getting meaningful legislation enacted which benefits not only the disabled veteran but all veterans.

Congress has long recognized the sacrifices made by our veterans who have sustained disability as result of service in the Armed Forces of this great Nation. We have sought to provide them with compensation in the form of financial remuneration and to provide adequate hospitals and medical facilities, but moreover to train the veteran after he has been released from the hospital so he can again take part in the life of our community and become self-sustaining.

On February 16, 1966, the national commander, Claude L. Callegary, of the Disabled American Veterans presented to the House Veterans' Affairs Committee a comprehensive statement of the DAV legislative objectives for the year 1966, and I was impressed with the restraint and good judgment which persisted throughout the statement outlining further veterans benefits needed.

The DAV should be commended for their awareness of the great cost of the conflict in Vietnam and the burden it imposes on our national economy.

However, despite the great cost involved in our confrontation in southeast Asia I do feel that we in the Congress, and in the Nation as a whole, must do our utmost to help those young men who offer their lives in the muddy jungles of Vietnam for not only are their lives interrupted, and their chances for the future greatly hampered, but by and large they are handicapped when they return if not actually disabled through loss of limbs and faculties, then by mental anguish from what they have had to endure on foreign soil far away from our own land.

Amid the unceasing ideological soul searching that our Vietnam intervention has occasioned, I request a moment to plead for the GI. We are sending him, in increasing numbers, to dismal duty. We must be prepared to honor his needs when he returns so that these brave men will not have fought in vain.

On every Memorial Day, politicians and citizens alike take to the platforms throughout our Nation and hail in glorious words the sacrifices made by these men who offer their lives to hold the torch of freedom high above the waves of tyranny that from time to time threaten to engulf the world, but I say let us make every day Memorial Day and let us be prepared for the veteran when he returns or his survivors. Let us do what must be done, and let us go ahead in the same fashion as we have in this Congress toward better and more reasonable benefits for those who have suffered and who have become disabled.

There can be no argument but that wars are made by the world's elder statesmen—but it is the blood of youth that is spilt in their waging.

I salute the Disabled American Veterans for their service to the veteran and our Nation and for their program for the future.

Not gold, but only men can make
  A Nation great and strong
Men who for truth and honors' sake
  Stand fast and suffer long.
Brave men, who work while others sleep,
  Who dare while others shy
They build a nation's pillar deep
  And lift them to the sky.

Mr. UDALL. Mr. Speaker, I am happy to join other Members of Congress in paying special tribute during this special ceremony of the Congress commemorating the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans Association. I know from my own experience how many disabled veterans in my own State have received the kind of careful, often very time consuming, and expert help made available to them without cost, to see that they realize their rights under the veterans laws. I also want, at this time, to pay special tribute to Claude Callegary for the outstanding job he has performed as national commander of the Disabled American Veterans. Both as a serviceman and as a civilian his record represents patriotism of the highest order.

I commend the organization not only for its good works but also because it is always proud of being patriotic. It understands that this is a precious word which should mean much to all Americans. One of our most eloquent Presidents, Woodrow Wilson, felt the same way. He deplored the type of patriotism which teaches schoolchildren unthinkingly to genuflect to a flag when they are quite ignorant of its true meaning. He believed that the teacher must see to it that her pupils "know that this is a flag of liberty of opinion, as well as of political liberty in questions of organization."

> No man can be a true patriot—

He declared in 1914 at the unveiling of the statute in memory of Commodore John Barry—

> who does not feel himself shot through and through with a deep ardor for what his country stands for, what its existence means, what its purpose is declared to be in its history and its policy.

The individualism he held so dear was reflected in a Fourth of July address at Independence Hall in 1914, when he said that "the most patriotic man is sometimes the man who goes in the direction that he thinks right even when he sees half the world against him." His respect for minorities, above all for the variety of strains which go to make up the American people, appears in his Memorial Day address in 1916 in which he expressed his admiration for men who loved the places of their birth outside our shores so long as that feeling did not drown out their loyalty to the land of their new and voluntary allegiance. And this was at a time when feelings were running high and a bigotry was abroad. We were soon to learn in World War I just how loyal to their new country millions of men from other lands had become. And those of us who served in World War II learned a similar lesson in loyalty.

And so I wanted to join with other Members of the House today in paying tribute to the Disabled American Veterans, not only because of the important and very necessary program they conduct for all disabled veterans, but also because they know the true meaning of our flag and they believe in patriotism in its best sense. I thank you.

Mr. O'NEAL of Georgia. Mr. Speaker, tomorrow marks the 34th anniversary of a congressionally chartered national veterans organization devoted solely to the cause of the wartime disabled.

The Disabled American Veterans organization was formed by a dedicated group of World War I disabled veterans on Christmas Day, 1919, and chartered by Congress in 1932. From its humble beginning nearly a half century ago, the DAV has grown in stature and size. It now numbers more than 1,800 chapters and a membership of over 231,000 disabled veterans who carry the grim reminders of five wars.

The work of DAV continues. Even as we pause to pay tribute to this dedicated organization, another casualty is being recorded in Vietnam. There is some comfort in our knowledge that the DAV exists for the single purpose of providing service and assistance to the wartime disabled, his widow, orphans, and dependents.

The great men of our time who stand firm in the face of hardships and fight to obtain liberty and freedom for themselves and their fellow Americans know they can turn to the DAV for free assistance in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The men of DAV have given their utmost efforts for the protection of freedom, the maintenance of liberty, and the preservation of our country. It is proper that we honor those today to whom we owe so much.

Mr. DOWNING. Mr. Speaker, I am delighted to join my colleagues in this tribute commemorating the 34th anniversary of the Disabled American Veterans organization.

The DAV has served a noble and humanitarian role over the 34 years of its existence. It has rendered the disabled veterans a great service and has accomplished much that probably would not have been accomplished were it not for this splendid organization. I commend the DAV and wish them continued success.

Mr. HALEY. Mr. Speaker, I am happy to join the others of my colleages today in observance of the 34th anniversary of the granting of the charter to the Disabled Amerncan Veterans.

There are many fine tributes which can and undoubtedly will be paid to this outstanding organization, but the one which comes most readily to my mind is the fact that this organization puts first things first. By that I mean it is dedicated exclusively to helping the service-connected veteran, his wife, widow, and children. It has followed this program and policy with great beneficial results, and has served to keep the programs of those of us who serve in Congress focused on the primary needs of our veterans' program.

There have been hundreds of veterans' laws enacted since the Disabled American Veterans first obtained its charter and in nearly all of these measures this organization, or one of its representatives, has played a leading role.

I wish for the members of this organization a continuance of their effective leadership in the field of veterans' affairs.

Mr. ROGERS of Texas. Mr. Speaker, I am privileged to take part in this observance marking the 34th anniversary of the granting by Congress to the Disabled American Veterans its congressional charter as a veterans service organization.

Sadly, war's tragic aftermath is too easily forgotten when peace comes. Americans are a compassionate people but in earlier years of our history men who were crippled on the battlefield, men who had given their health in fighting for freedom, were often forgotten by the people for whom they had sacrificed. The Disabled American Veterans' organization has worked vigorously and effectively to keep the problems of disabled veterans before Congress and the country. Indeed, the DAV has lived up to the trust placed in it by the Congress when it granted the charter in 1932.

With its more than 231,000 members, the DAV speaks not only for its own men but also in behalf of many more hundreds of thousands of former GI's who suffered service-connected disabilities. And the organization is properly proud of the fact that it does so with no Federal financial assistance. Using facilities in regional offices of the Veterans' Administration, the DAV pays its workers, and its counsellors offer free services to all disabled veterans whether or not they are DAV members.

In my early years of service in the House of Representatives, as a member of the Committee on Veterans' Affairs, I came to know at firsthand the fine contribution made by the DAV to the proper care of America's disabled veterans and their dependents, and I am pleased to join with so many others in the House in paying this tribute to the DAV.

Mr. KUPFERMAN. Mr. Speaker, I want to commend the gentleman from New York [Mr. HORTON] for his able statement and to associate myself with him in support of the Disabled American Veterans and in honor of the occasion of their 34th anniversary.

Mr. QUIE. Mr. Speaker, today, June 16, the Disabled American Veterans celebrate 34 years of continuous service to America's wartime disabled veterans as a congressionally chartered national veterans' organization. It is an important milestone in the DAV's history. I am extremely proud to recognize their long record of service in advancing the cause of the disabled ex-servicemen who defended their Nation in time of war and their dependents.

During the last 34 years, DAV has been the only national veterans' organization to directly employ and supervise the work of national service officers located in all parts of the Nation to aid the disabled veterans in matters of employment, compensation, hospitalization, home loans, education, and all the other vital matters that affect his social and economic welfare and that of his family.

This operation has been costly, and will continue to be costly. However, thanks to a grateful public and the DAV Idento-Tag the DAV has been able to continue its national service program.

Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families.

I would like to join today with many others in paying tribute to the dedicated group of 200 World War I disabled veterans who formed the DAV on Christmas Day in 1919 in Cincinnati, Ohio. Their vision has meant much to the disabled veterans of three major conflicts and the current undeclared war in Vietnam.

Mr. ANDREWS of North Dakota. Mr. Speaker, I am particularly pleased to join my colleagues in the House of Representatives in this salute to the Disabled American Veterans organization, especially since I am one of the more than 231,000 members of this organization.

The DAV record of accomplishments in the 34 years since it was granted a congressional charter is outstanding. Since the end of World War II, DAV national service officers have given assistance to 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. It must be noted that the DAV's national service program for the past fiscal year cost in excess of $1.5 million.

Every President of the United States since World War I and every director of the Veterans' Administration has commended and endorsed the services rendered by the DAV and I think it is especially appropriate that we honor this organization on this 34th anniversary of its congressional charter.

Mr. OLSEN of Montana. Mr. Speaker, it is with great pride and sincere honor that I rise to speak in commemoration of the 34th anniversary of the congressional charter to the Disabled American Veterans. I am informed by Claude L. Callegary, national commander of the Disabled American Veterans, that June 16 and June 17 will be "DAV Day on the Hill," and it is both fitting and proper that on this occasion we should express the Nation's gratitude for the unexampled services performed by the Disabled American Veterans.

For 34 years Americans who have seen the horrors of four major wars in the 20th century have come home to watch the single-minded determination of the Disabled American Veterans in their fight to heal the wounds of this Nation's battles.

For 34 years in the Argonne Forest, on the beaches of Normandy, on Pork Chop Hill, and now even in the Driang Valley of South Vietnam, American boys have been comforted by the fact that there are those who will continue to fight for the wounded American—long after the battle is over, long after the fighting men have come home. For some, the battle scars will never heal; the wounds of mortal conflict will fester and bleed for the rest of their lives. It is to these valiant men who have sacrificed so much that the tireless efforts of the Disabled American Veterans are directed. It is to these efforts that the gratitude of all Americans is due.

Today, when men look to southeast Asia, some cry peace while others cry war—but there is no peace in Vietnam today. Americans and South Vietnamese are fighting together against a common adversary. The casualty lists mount and the agony of a brutal war grows.

Yet, in the midst of this bewildering conflict, the fighting men can take solace from Commander Callegary of the Disabled American Veterans. The wounded, the widows, the orphans of war will be given assistance. Our veterans' hospitals will be modernized, and the recent cold war GI bill will help to restore a normal life for our fighting men.

I woud like to join all the Members of Congress, and all Americans in paying solemn tribute to the service of the DAV. If a nation can fight as one, and suffer as one in times of war, that nation can also give thanks as one. Mr. Speaker, may I presume to express that gratitude of my Nation as one, for I am confident that each and every American holds the Disabled American Veterans deeply in his debt.

Mr. POFF. Mr. Speaker, I am pleased to have a small part in honoring the Disabled American Veterans on the 34th anniversary of the granting of the congressional charter.

Since June 17, 1932, the DAV has been incorporated as a Federal, nonprofit organization. It was born on Christmas Day of 1919 when wounded veterans of World War I gathered for the first time to consolidate efforts toward the implementation of Federal Government veterans programs. From those few doughboys the organization has grown to 231,000 veterans of the two World Wars, the Korean war, and the Vietnam war.

I salute the Disabled American Veterans and wish for it many more years of productive service.

Mr. BELCHER. Mr. Speaker, it is an honor to join with Mr. HORTON and Mr. DORN, and my other colleagues to pay tribute to the DAV.

It is with great humility that I endeavor to say a word of gratitude and praise to the disabled American veteran today. When I stop to really think through what his contribution to our freedom has been, it is beyond my limited vocabulary to pay proper tribute to him. But I can say, "May God bless him."

Perhaps no organization in the world is so attuned to the disabled veterans' sacrifices and current needs as the organization set up for the sole purpose of providing service and assistance to the wartime disabled, his widow, orphans, and dependents. That nationally chartered organization, of course, is the DAV.

Here is an organization whose seedling was planted in the very heart of Americanism. Its growth and development nourished since Christmas Day 1919 evidences the tender care and earnest labor of hundreds of devoted workers. The benefits reaped by the thousands of disabled veterans and their families is beyond comprehension. The harvest reaped by all Americans as a result of rehabilitation, care, and inspired self-sufficiency of these worthy veterans should be cause for gratitude by every citizen.

It is indeed with humble praise and appreciation that I acknowledge and take part in this day to honor the DAV.

Mr. BERRY. Mr. Speaker, it is indeed fitting that we take time this day to renew our support and dedication to the principles of one of America's most important and admirable organizations, the Disabled American Veterans.

Today, the DAV celebrates 34 years of continuous service to the wartime disabled, their widows, dependents, and orphans.

Yet even as we speak, servicemen are giving their lives for our country in jungles halfway around the globe. Even as we pause to focus our attention on the DAV and its excellent record of achievements, another casualty is being added to America's cost of the war for freedom and universal self-respect.

The DAV has earnestly supported our fighting men in Vietnam. The men of the DAV know the true cost of war, they know the real meaning of patriotism and loyalty to country. I can think of no endeavor more deserving of our complete support.

During the past 34 years, DAV has been the only national veterans organization to directly employ and supervise the work of national service officers located in all parts of the country who are aiding the disabled. The great needs of our wartime disabled have been earnestly met, and the work continues.

Since the end of World War II, DAV national service officers have given free assistance to more than 1.5 million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. This is a record of excellence which I and all Americans support and admire.

The tragic costs of war continue. The aftermath of conflict is the DAV's sole concern. It is a job which requires constant and immediate solution. Compensation and benefits do not automatically go to the disabled and their dependents. Each veteran must apply and be rated for the amount of compensation. In its role of advising, working for and with the veteran, the DAV has been unmatched in perseverance and accomplishment, and with no Federal assistance whatsoever.

We, as Members of Congress, have a great responsibility in helping to meet the needs of our veterans. Only recently, Congress passed the GI bill of rights which has now been added to the list of legislation enacted for more adequate and equitable assistance to our veterans. Let us never fall back on our responsibilities in the future.

As we celebrate the organization's achievements and excellent record, as we renew our support and dedication to its effort, and as we seek the work yet to be done in aiding our veterans who are this moment dying for America, let us also draw strength and example from one of America's most important organizations which is meeting one of America's greatest needs.

Mr. BOW. Mr. Speaker, Ohio takes particular pride in the fact that the Disabled American Veterans were organized in our State and continue to maintain national headquarters at Cincinnati.

I take pride in the fact that Andrew Sackela, the energetic and hard-working State commander for Ohio, is a resident of the new 16th Congressional District.

And I look forward to the privilege of addressing the Ohio State Convention of DAV in Columbus late next month.

The DAV is a leader among the service organizations of this country. Its dedication to the needs of the wartime disabled, to widows, and orphans is unequaled in our society. As I am certain is the case with many members, I have become increasingly aware of the accomplishments of the DAV since I have been in Congress, and it has been my pleasure to work closely with the DAV service officers in their efforts to assist their comrades. I look forward to continuing this association, and I am certain the DAV will be carrying on its splendid work so long as a disabled veteran, widow, or orphan is in need.

Mr. BYRNES of Wisconsin. Mr. Speaker, it is a great honor and privilege to salute the Disabled American Veterans on the 34th anniversary of the granting of its congressional charter.

Throughout these years, the DAV has kept the flame of American patriotism burning brightly. In the age of the forgotten front and, too often, the forgotten soldier, the DAV has served as a constant reminder of the sacrifices that devotion to country entails. It has done so by serving those who have paid the highest price for their patriotism. This service has been vital to the dependents, widows, and orphans of those who fought to preserve, protect, and perpetuate the ideal of freedom for all.

This anniversary comes at a particularly important time. We are engaged in a costly, undeclared war in Vietnam, and are calling on a small minority of our citizens to bear for us the heavy burdens of saving another nation for freedom. We must not forget the sacrifices that are being made for us daily. It is comforting to know that organizations like the DAV stand ever ready to aid those who are giving so much. The DAV has served us all by its readiness and ability to help those who have made the greatest sacrifices for the land we love.,

I am pleased to congratulate the Disabled American Veterans on its anniversary of the granting of its congressional charter.

Mr. CEDERBERG. Mr. Speaker, I seriously doubt that the 200 veterans who met in Cincinnati on Christmas Day in 1919 ever dreamed that the organization they formed would become a leading spokesman for the Nation's disabled veterans or that 34 years later Congress would set aside time for paying tribute to that organization which became known as the Disabled American Veterans.

I am happy to join my colleagues today in paying tribute to the leaders of the DAV who have so faithfully carried on the organization's program during these years and to its 231,000 members whose scars of battle reveal the sacrifices they have made in behalf of our country.

It was a forward-looking group that met with the late Judge Marx that Christmas Day and formulated plans for an organization devoted to providing service and assistance to the wartime disabled, his widow, orphans, and dependents. Since that time, and particularly since the organization was chartered by Congress on this day in 1932, the Disabled American Veterans organization has faithfully presented to Congress the problems of our disabled servicemen and their families and has proposed legislation providing for their needs. Not only has the organization sponsored broad legislation affecting the disabled of our wars but its designated representatives have taken a personal interest in the problems of the individual veteran, advising him on personal matters and speaking in his behalf in the regional offices of the Veterans' Administration at the VA hospitals and acting as his counsel before the Board of Veterans Appeals.

I want to add my best wishes for the future of this fine organization.

Mr. CUNNINGHAM. Mr. Speaker, I want to join with my colleagues in paying tribute to the Disabled Veterans of America on the occasion of "DAV Day on the Hill" commemorating 34 years of continuous service to America's wartime disabled veterans as a congressionally chartered national veterans' organization. We are, it seems to me, here today not only to commemorate an anniversary. We are here to honor the experience of courage which men who have been wounded in the service of their country have all known. Courage is a word that must not be used lightly, because it is at the very heart of a way of life which not only carried our men and women through our unwanted wars, but also settled the American West and has now sent men into Vietnam and the vastnesses of space.

One purpose of history is to provide us with reminders of times in the past when our people tapped the resource of courage, which is in most men, and found they were not wanting. It is, often, identified with particular events of our history—with men like Daniel Boone, and Abraham Lincoln, and Lewis and Clark. For the people of my own city of Omaha, Nebr., its essence lies in the fact that the name of our city was chosen as the code word for a particular military operation in World War II. I refer, of course, to Omaha beachhead.

For those of us who remember Omaha beachhead it is particularly appropriate that we honor our disabled veterans in the same month—almost in the same week—that we observe the 22d anniversary of a day we are particularly proud to honor each year—the great assault of the Americans on Omaha beach on June 6 and 7, 1944. For in our minds this battle has become a special symbol for the kind of "guts" and the kind of real valor which we are honoring when we recognize the special contribution which our disabled veterans have made to our country.

It seems to me to be appropriate to recall briefly what happened on that day which we honor. Under the legendary leadership of Maj. Gen. Leonard T. Gerow, the 16th and 116th Infantry waded through the surf larded with underwater obstacles which destroyed many amphibious tanks and landing craft. Preparatory bombing and shelling had had less effect at Omaha beach than in any other sector. Then they went up the cliffs under fire from the Atlantic wall garrisons manned by the full German 352d Infantry Division. Casualties were heavy. The 16th Regiment lost one-third of its effectiveness. General Eisenhower's report to the Combined Chiefs of Staff stated: "by their unflinching courage, they turned what might have been a catastrophe into a glorious victory."

It is to remind all Americans to rededicate themselves to such unflinching courage that we, today, honor the disabled veterans of our country's wars.

Mr. DICKINSON. Mr. Speaker, we pay public tribute—regularly and rightfully—to our honored dead of the wars in which the United States has been compelled to fight. Yet to my mind, those who are disabled by war to preserve our

American way of life, have made as difficult a sacrifice. Surely those who have been totally disabled suffer even more and certainly longer.

The disabled suffer also the disillusionment which comes with the apparent disregard of a nation which after each war turns again to the ordinary pursuits of peace. I say "apparent" because each and every American citizen knows in his heart what he owes those who have given their limbs, their health, and sometimes their minds as a sacrifice so that the rest of us can live ordinary day-by-day lives.

For my part, I can think of nothing more heartening than the tribute we are paying here today on the part of our constituents and the American people to the Disabled American Veterans. It is heartening to all of us to be able to say from this great forum of the United States, "You are not forgotten. You will never be forgotten."

Mr. Claude L. Callegary, the Disabled Veterans' national commander, is to be congratulated, with his colleagues present and past, for impressing upon us busy fellow citizens, preoccupied with earning a living, raising families, and other normal pursuits, the importance of remembering and taking care of those who suffered incapacity, whether total or partial, for us.

We are commemorating the 34th anniversary of the action of the 72d Congress in approving incorporation of the Disabled American Veterans as a nonprofit organization under Public Act 186. The organization has grown from the initial handful in 1919 to 231,000 members today. I state without qualification, however, that its size bears no relationship to the importance of this organization or to its role as America's conscience toward those permanently disabled by war.

Mr. FINO. Mr. Speaker, I am happy to join with my colleagues in paying tribute today to the Disabled American Veterans on the 34th anniversary of the granting of that organization's congressional charter. The DAV has established itself during these years as a strong, effective, and steadfast organization which has remained true to its purpose of protecting and promoting the welfare of our wartime disabled veterans and their dependents. The DAV time and time again has served as a persuasive spokesman for disabled veterans—for individual veterans by processing and supporting their claims and for veterans collectively through its leadership in the field of veterans' legislation. It is doing an outstanding job of insuring that the men and women who fought and sacrificed so much for our country receive the benefits they deserve. We all share, of course, in the desire to try to repay these brave veterans insofar as possible for their sacrifices, and we are grateful to the DAV for its work toward this goal.

As many of you know, the DAV maintains a staff of 150 national service officers, each a disabled veteran himself, to help any veteran wounded or injured in wartime service, regardless of whether or not that veteran is a member of the organization. The officer helps the veteran obtain the compensation, medical care, prosthetic devices, vocational training, and the job placement services to which he is entitled. Over the past 10 years the DAV service officers have reviewed 2.5 million claims and have made more than a million appearances at rating board hearings. This service, although time-consuming and expensive, is absolutely free to the disabled veteran.

Possibly because its service officers are located in the regional VA offices, many people have the impression that the DAV is supported in some way by the Federal Government. This, of course, is not the case. No money has ever been appropriated to the DAV by Congress. Instead, it is supported by membership dues and by its Idento-Tag program. I think these facts should be made known because I am sure the public would support the DAV more generously if it realized the nature of its services to disabled veterans and its limited financial resources.

During the last 9 years the DAV has had to rely on appropriations aggregating more than $830,000 from its trustee, the DAV Service Foundation, in order to meet its operating expenses. That is, its income from dues and the sale of Idento-Tags has not been sufficient to carry out its normal activities. With the increasing numbers of returning Vietnam casualties the need for more staff will become acute. Therefore, I hope that our observance of DAV Day will help awaken our fellow Americans to the important job this organization is doing and stimulate them to contribute to it.

Robert Winthrop, a 19th-century American statesman, once exclaimed:

> Our country, however bounded or described—still our country, to be cherished in all our hearts—to be defended by all our hands!

I know all of us here do indeed cherish our country in our hearts, and many of us have also helped defend it by our hands. Service to our country was not merely a duty but a privilege, and we were proud to do our part. I think all veterans feel that way; nevertheless, this country owes a great debt to those who have defended it on the battlefield, particularly to those who have been permanently disabled as a result. Both Congress and the Nation have recognized our obligation to those who have fallen in battle, and we have established and supported various programs on their behalf. The DAV has played an important role in shaping those programs to meet the needs of the disabled veterans and in helping each veteran obtain the services and benefits which are rightfully his. For this outstanding service we honor the DAV today, and we express once again our gratitude to it and to its members for the valor, courage, and devotion with which they have served our Nation.

Mr. HANNA. Mr. Speaker, it is a privilege for me to join today with my colleagues in commending the Disabled American Veterans on the occasion of their 34th anniversary. DAV Day on the Hill is a particularly fitting tribute to this outstanding and significant organization. Thirty-four years ago today, the 72d Congress approved legislation incorporating the Disabled American Veterans as a Federal, nonprofit organization. It was 34 years ago today that Congress recognized the DAV as the official voice of the disabled veteran.

Since that day the DAV has compiled a proud and brilliant record of accomplishment. Free assistance has been provided to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. The bustling, busy DAV staff of 150 professionally trained service officers continues to provide the highest quality of service to the 231,000 members.

Chartered "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—and—devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans," the DAV has worked tirelessly in fulfilling this pledge. In the last 6 months alone the DAV national service program has handled more than 40,000 cases amounting to $55.5 million in benefits to veterans. During the same period DAV service officers dealt with the VA claims in excess of 115,000, while making more than 56,000 appearances before rating boards, and prepared almost 31,000 briefs.

The tragedy of those maimed, scarred, and disabled in war is not often understood by those who were fortunate enough to escape such suffering. The Disabled American Veterans organization is more than just a conglomeration of 1,800 chapters scattered throughout the Nation. It is a potent reminder of America's obligation to those men whose selfless sacrifice assisted in securing the type of life so meaningful and worthwhile to Americans. The DAV is a continuous source of encouragement and hope to those who might only have faced despair and frustration.

It is indeed appropriate for Congress to take the time in paying tribute to the 231,000 members of an organization whose value in our society is inestimable.

Mr. JOHNSON of Oklahoma. Mr. Speaker, it is my pleasure and certainly a welcome privilege to extend my commendation and best wishes to the distinguished national commander, Claude L. Callegary, and the honorable members of the Disabled American Veterans on the occasion of their 34th anniversary as a national service veterans' organization.

The dedicated work of this service organization on behalf of our disabled veterans has been most remarkable and commendable. Formed by a group of 200 World War I disabled veterans on Christmas Day 1919, in Cincinnati, Ohio, the DAV has become the largest single veterans' organization of wartime injured and disabled in both the Nation and the world with a membership of more than 231,000.

The DAV is a single-purpose, nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents.

Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The DAV represents the leading torchbearer of those most deserving of assistance from their Government: the veterans who carry battle scars, disabling injuries or prolonged illness received in defense of our country. Their story is an inspiring example for all America's physically handicapped, both veterans and nonveterans.

Mr. Speaker, I am especially proud of the great work of the DAV in my own congressional district in Oklahoma. They are a forward-looking, patriotic and progressive-minded group whom I am proud to have the opportunity to represent in the U.S. Congress.

Mr. BROCK. Mr. Speaker, I rise today to join my colleagues in the House and all Americans in paying well-deserved tribute to the Disabled American Veterans on the occasion of their 34th anniversary, June 17.

The 72d Congress, 34 years ago tomorrow, passed legislation incorporating the DAV as a Federal, nonprofit organization dedicated to the peacetime interests of the wartime disabled veteran and his dependents. The DAV has not broken faith with its charter and the Congress, and this outstanding organization has grown to over 231,000 members today composed of patriotic citizens representing America's sacrifices in both world wars, Korea, and Vietnam. Not to be overlooked in its many fine services to its membership and country is the support the DAV has given worthwhile and meaningful legislation before the Congress affecting the lives of disabled American veterans.

The members of the DAV have been devoted to duty, courageous in combat, responsible in service, and they continue to be an inspiration to all Americans. I salute the DAV and wish you many happy returns on your 34th birthday.

Mr. LANGEN. Mr. Speaker, I am most happy to join with our colleagues in paying tribute to an organization that has long used service to humanity as its driving force.

All of us should be aware of the long and respected history of the organization known as Disabled American Veterans. Chartered in 1932, the DAV actually was born in 1919 when a small group of World War I veterans gathered together on Christmas Day. The membership of over 231,000 today attests to the steady growth of this organization. Now, as when the DAV was chartered, it is dedicated—

> To advance the interest and work for the betterment of all wounded, injured and disabled veterans . . . to cooperate with the U.S. Veterans Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veterans. . . .

The DAV's activities encompass the disabled veterans of all wars. Its services to the veterans of the Korean conflict and the boys in the rice paddies of Vietnam are as great as were the services to the veterans of World Wars I and II. The DAV remains a single-purpose, nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents, regardless of the war in which they fought.

The record of the DAV has been outstanding. I was interested to learn that since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. We in the Congress should be particularly impressed with the fiscal responsibility displayed by the DAV. Its national service program over the past fiscal year cost in excess of $1.5 million, but not a cent of Federal tax money goes into the program. Perhaps this self-containment is the reason that the DAV has been so successful over the years.

While the DAV is mainly concerned with assisting disabled veterans, there is one other activity that not only involves the veterans themselves who work at the program, but benefits millions of American motorists. I am sure all of us are familiar with the DAV car license Idento-Tags that mysteriously appear in the mail. But there is really no mystery about it. It is a program that provides activity for a number of disabled veterans, and it provides a real service to car owners. Those miniature license tags have helped return more than 2 million sets of lost car keys free to American motorists. It is sincerely hoped that those 2 million showed their appreciation by dropping a contribution into the mail so that this important program can continue. Whether you ever lose your car keys or not, a contribution to the DAV car license Idento-Tag program would be deeply appreciated.

Mr. Speaker, I join with our colleagues in welcoming Mr. Claude L. Callegary, national commander of the Disabled American Veterans, and the other officers and members of the DAV who are with us today. It is hoped that they will relay our best wishes and congratulations to the membership across the Nation. It is good to have them with us, and it is good to honor the DAV for its record of achievement in serving America's wartime disabled over the years.

Mr. McEWEN. Mr. Speaker, on this the 34th anniversary of the founding of the Disabled American Veterans, it is a pleasure for me to join my many distinguished colleagues in paying tribute to this organization. The valiant men and women of our Armed Forces, disabled in the strife to achieve peace with justice in freedom, deserve the best that a grateful Nation can do for them. Those who have proven their full measure of devotion to the United States deserve no less. The Disabled American Veterans as an organization whose sole purpose is service and assistance to the wartime disabled and their dependents merits constant note and repeated praise.

Mr. MacGREGOR. Mr. Speaker, today all Americans are concerned with various costs. On one hand we have those easily calculable costs such as that of a new car, of education, and the cost of a new highway. We are all aware of these. On the other hand, we speak of the human costs of defending the principles of freedom and self-determination. These costs, in the form of dead and wounded servicemen, are impossible to evaluate. Few of us are even aware of them unless we or members of our families have been actively engaged in battle and have suffered the scars of war. Though we are powerless to do anything for the honored dead, we can provide medical care, hospitalization, disability compensation, rehabilitation, job training, and employment for the disabled in order to infuse as much happiness and sense of usefulness into these lives as possible.

Congress has allocated funds on numerous occasions designed to help mitigate the hardships of our disabled veterans. However, the various benefits provided by the Government are available only to those who are aware of them and are able to file the necessary formal applications. Fortunately, we do have one group, the Disabled American Veterans, which is dedicated to providing service and assistance to the wartime disabled and their dependents. Without Government financial assistance, the DAV maintains a professional staff of national service officers who insure that each disabled veteran will receive what he deserves from the Veterans' Administration. Since World War II, 1,500,000 disabled veterans have obtained free assistance from the DAV. Congress is also thankful for the efforts of the DAV to promote legislation of a kind which can truly be of help to the disabled veterans.

Today we are commemorating the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans as a Federal nonprofit organization. We wish to make it understood that the Congress is not saluting its own wisdom in granting that charter but rather the dedicated and unselfish efforts of the DAV's 231,000 members in 1,834 chapters throughout the United States and territories. It is our expectation that the DAV will continue to perform the valuable services it has performed since its inception in 1919.

Mr. MIZE. Mr. Speaker, I am honored to join my colleagues today in paying tribute to the Disabled American Veterans on this occasion which marks the 34th anniversary of incorporation of this organization as a Federal, nonprofit organization.

All of us who have been close to the activities and problems of the veterans, and especially the disabled veterans in our population, are aware of the effectiveness of the DAV as an organization in providing professional representation for its members in all matters concerning claims, benefits, employment, compensation, hospitalization, home loans, education—in fact, any area affecting their welfare.

The 231,000 members of the DAV are in more than 1,800 chapters throughout all 50 States. A disabled veteran can never be far from a chapter or one of the 120 full-time national service officers who are experts in dealing with the problems which confront the disabled.

Inside the front page of a brochure circulated by the Disabled American Veterans is a provocative statement. It says:

> Even as you read this, somewhere in the world another casualty is being added to America's true cost of war—the war-time disabled.

This explains why there has to be a DAV. When these disabled veterans come back home, they need the fellowship, the counsel, the guidance which a well-established, federally chartered, responsive organization can provide. For almost half a century, DAV has filled this need for the veterans of five wars.

In Kansas we have an active Disabled American Veterans organization of 1,700 members in 22 chapters. During the past year, there has been an increase in membership by some 200 members. The DAV auxiliary in Kansas numbers 300 members.

The Kansas DAV and its auxiliary are engaged in any number of worthwhile activities, but they are especially proud of the work they do through the four VA hospitals in Topeka, Kansas City, Wadsworth, and Wichita.

The Topeka organization of some 200 members is presently writing a new chapter in community service assisting in the cleanup operation following the disastrous tornado of June 8. The Topeka DAV operates a thrift shop to supply clothing replacement at reasonable prices; its members are furnishing pickup trucks for the hauling of debris and supplies; they are supplying food and operating a babysitting service. All of this activity is in the tradition of the DAV as a service organization not only to its members but to the communities in which they reside.

Any recognition of the effectiveness of the Kansas DAV must include mention of the leadership of George Berlin of Topeka, the immediate past State commander and of Marshall Alber of Independence who has just been named the new State commander. Continuing to serve as department adjutant and treasurer is Dan Bolton of Topeka.

All of us look ahead and hope for that time when the differences between nations will be settled by other means. We pray for that time when there will be no more disabled veterans. Until we reach that day, however, the DAV will be on the job in your State and in my State of Kansas providing the service for which it is noted and working just as hard as the rest of us for peace and the end of war.

So, it is entirely fitting that there be a DAV Day on the Hill and I am proud to join in paying tribute to all Disabled American Veterans.

Mr. QUILLEN. Mr. Speaker, it is a distinct pleasure to join my colleagues in praising the Disabled American Veterans for the outstanding service that they have rendered to our veterans and to our Nation for almost 50 years.

Their devotion to duty and love of country are shining examples for others to follow.

Today we honor them on the 34th anniversary of their reception of a congressional charter by the 1st session of the 72d Congress. However, even before the granting of the charter, the DAV had assisted the disabled veterans of World War I, and since their charter was granted, they have helped survivors of World War II, Korea, and Vietnam.

The DAV is an example of what individual initiative and action can do for our veterans, and their 231,000 membership of today attests to the success of their efforts. Without the dedicated and unselfish participation of citizens in groups such as the DAV, the Government's veterans programs could never be as effective and as useful as they are.

I congratulate the Disabled American Veterans throughout the 50 States, particularly those in Tennessee and in my district. I join the many recipients of their services in thanking them for all that they have done to enrich the lives of our veterans and our country, and I extend to Commander Callegary and each and every member of the DAV my very best wishes.

Mr. REID of New York. Mr. Speaker, I am happy to be able to participate in DAV Day on the Hill today to mark the 34th anniversary of the chartering of the Disabled American Veterans by the Congress.

Since 1919, the DAV has provided service and assistance to the disabled of five wars, their widows, orphans, and dependents. From its initial group of 200 World War I disabled veterans, DAV membership has grown to more than 231,000 today—in 1,834 local chapters throughout the country.

The DAV's sole purpose, in the words of its charter, is—

> To advance the interest and work for the betterment of all wounded, injured and disabled veterans . . . to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veterans. . . .

A corps of 150 professionally trained national service officers, each one a disabled veteran, is employed by the DAV. Since the end of World War II, DAV national service officers have given free assistance to more than one and a half million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The DAV has truly rendered an outstanding service to disabled veterans. As the laws governing benefits for which disabled veterans are eligible become increasingly complex, the injured serviceman needs the sympathetic, constructive assistance of the DAV to insure that his claims are in order. Equally, he must have the reassurance—so necessary to his return to a useful, productive life—that his family's interests are being protected in a difficult time.

Most importantly, Mr. Speaker, the DAV has served the entire Nation by assisting those Americans who have suffered lifelong injuries while fighting on the frontlines of freedom to preserve our liberties.

Mr. ROBISON. Mr. Speaker, it is especially fitting that in a year which encompasses such trying times and demands such increased vigilance and devotion to national duty that we take a moment to celebrate DAV Day on the Hill. The DAV has served with honor and distinction for 34 years and it is proper indeed that we give our common attention to this organization today.

It is easy for the Nation to become concerned and active in a time when our soldiers are actually engaged in combat and when casualty lists bring sadness to innumerable families and communities across this Nation. The actuality of combat, as today in Vietnam, makes us realize, at least for the moment, our debt to those who carry the burden of defending our beliefs, our responsibilities, and our commitments. But how easy so many Americans forget when the combat ceases. Then national attention too often skips to the restoration of "peaceful normalcy" and we forget the human remnants of the conflict. The DAV was founded so that the wounded and disabled who returned to their homes after performing so heroically and giving so much of themselves for the security of all would not be forgotten. It was founded out of belief in their worth, in their continued usefulness. It set forth a positive program of rehabilitation, training, placement, and support. It ignored the concept of welfare—with its connotation of helplessness; and adopted instead a program based on the supposition that men worthy of defending our freedom on foreign shores are worthy indeed to take their place as productive and creative citizens upon their return.

There may have been doubts on June 17, 1932, when the 72d Congress, 1st session, approved Public Act No. 186 incorporating the Disabled American Veterans. Many may have wondered if this organization could successfully live up to the provisions in its charter "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the conditions, health, and interest of all disabled veterans." Perhaps others were skeptical of Congress endorsing a group with such humble beginnings—a beginning which sprung from a meeting of some 200 World War I disabled veterans on Christmas Day 1919, in Cincinnati, Ohio.

But today, certainly, all doubt and skepticism have been removed by the unqualified success and value of DAV. Working through a national network of service officers, the DAV has remained true to its single-purposeness, its nonpartisanship, its total commitment to the reconstrucion of individual lives for a more viable society.

Statistics can help spell out that success: 1,834 local chapters throughout the United States and its possessions, 150 professionally trained national service officers, free assistance to more than 1,500,000 disabled veterans and their families since World War II, an administrative budget of over $1.5 million, and a service program leading eligible men and women to hundreds of millions of dollars of aid each year.

But it is not in raw statistics that the true story is seen. It is rather in the minds and hearts of the millions of disabled veterans and their families who now face the future with hope rather than bitterness. It is in the young son's pride when he sees his father return home from work with dignity instead of frustration. It is in the appreciation of the veteran who faces mounting medical bills with quiet resolve and confidence instead of fear. It is in this sense that not just America's veterans but every American citizen can derive satisfaction from DAV's efforts. The special ceremonies today in the House of Representatives and tomorrow in the Senate reflect that gratitude and that satisfaction. And I am happy to have this opportunity to take a small part in this day's celebration—to personally give my thanks for the past, to express my support in the present, and to wish the DAV every continued success in the future.

Mr. ROUDEBUSH. Mr. Speaker, I have been advised, as I am sure the other Members of the House have, that on June 16 and 17 the national commander of the Disabled American Veterans, Claude L. Callegary, will visit us here in Washington. The purpose of this visit is to mark the 34th anniversary of the granting by Congress of a charter to this great veterans organization. The record will show that such charter was granted June 17, 1932, by the 72d Congress.

As is usually the case, the charter was granted many years after the actual founding of the organization. Following the First World War, our veterans returned to civilian life to find that much less than adequate preparation had been made for their care. It was on Christmas Day in 1919 that Judge Robert S. Marx of Cincinnati and a little group of veterans of World War I gathered to discuss the plight of the comrades of that conflict. From this meeting, the Disabled American Veterans was formed. And from this humble beginning, the organization has reached a membership of 231,000 members from every State in our Union.

Membership in the DAV is restricted to those members of our Armed Forces who have sustained a service-connected disability during service in wartime. For that reason, thankfully, the membership is not as great as some of our other veterans organizations.

I have been a member of the DAV since 1945, and a few years ago I had the honor of becoming a life member of Indianapolis Chapter 52. I am a charter member of that chapter, which was formed after World War II. My life membership card is numbered 85691. I am aware of the fine service rendered by DAV to our disabled veterans. For many years, I have been a warm friend of John Weiss, who represents the DAV at the Indianapolis regional office of the Veterans' Administration. He is a fine service officer and has done much to help his disabled comrades in Indiana.

Since becoming a Member of Congress at the beginning of the 87th Congress, I have continued my close association with the leadership of the DAV in Indiana, as well as the national organization.

May I join with my fellow Members of the House in extending warm congratulations to the Disabled American Veterans on the advent of their 34th anniversary as a congressionally chartered organization, and I wish them continued success in the years to come.

Mr. SMITH of California. Mr. Speaker, I feel greatly honored and privileged to have this opportunity to join today in the tribute of the House to a great service organization, the Disabled American Veterans, on the occasion of the 34th anniversary of the date on which it was give a congressional charter.

The DAV has but a single purpose—to look after the needs of our wartime disabled and their dependents. They have done and continue to do a splendid job in the performance of this responsibility. Their service officers stationed throughout the Nation, all hard-working, dedicated and well-trained men, are of tremendous help to disabled veterans and their families in matters of employment, compensation, hospitalization, and in every manner involving their social and economic welfare.

Over the years, the DAV's legislative representatives have well served the cause of our country's disabled veterans and their dependents in sponsorship of bills before Congress designed to help those who have suffered the wounds of war in defense of our great Nation.

I salute this fine organization and congratulate it and all its members on the occasion of the anniversary we are observing today.

Mr. WATSON. Mr. Speaker, it is a special honor for me to join in this formal commemoration of our disabled veterans. I hold a special place in my heart for this group, and I am proud to be a part of this tribute. I served in the Mediterranean theater of operations during the war, and I know a little something of how battle scars disable men in both mind and body. There is no thinking person in our Nation who is not genuinely grateful to the disabled veteran. We need add nothing to what has already been said in this regard.

We can, however, express our gratitude in some very real ways: First, our disabled veterans must be as free as possible from personal financial difficulties. This is the least we can do. We should regard the disabled veteran as the most deserving to receive help wherever it is needed; not as a charity, or welfare, but in payment of our debt to him. Second, we should keep faith with him. Our gratitude obligates us to be on the alert to keep America a mighty land of peace and freedom for the sake of his children. Third, we should extend, unstintingly, emotional support in the field of education and training.

We can all express our gratitude by supporting and cooperating with the disabled veterans' splendid organization, known as the Disabled American Veterans, established by this group in self-defense, to maintain a coordinated effort for their own protection.

Let us bring well-being to the hearts of our disabled veteran by giving him maximum assistance in all phases of his life. He deserves special consideration as he seeks to rehabilitate himself in the country he fought to protect. Again, I am proud, Mr. Speaker, to join in this salute to a great veterans' organization, its outstanding national commander and its entire membership.

Mr. SHRIVER. Mr. Speaker, it is a high honor for me to join in this deserved tribute to the Disabled American Veterans on the occasion of the 34th anniversary of the chartering by Congress of this veterans organization.

In Kansas we are proud of the dedication and service of the approximately 1,700 members of our great State's Disabled American Veterans.

In a little more than a century of American history the United States has endured six major armed conflicts. In five of those wars a total of 590,000 Americans were killed in battle; 483,000 died in service from other causes; and more than 1¼ million suffered non-fatal combat wounds.

In the sixth and current conflict in Vietnam, more than 3,700 Americans have died in action and approximately 21,000 have suffered nonfatal wounds. Another 218 are listed as missing in action.

America owes a great debt to those men and women who throughout our history have served the cause of freedom in our armed services. The people and the Congress long have recognized the obligation which we have to our American veterans. We cannot forget our responsibility to those Americans who have been disabled while serving their country.

The Disabled American Veterans was chartered by Congress in 1932 "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

Since the end of World War II, DAV national service officers have given free assistance to more than 1½ million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The DAV has worked closely with the Congress in sponsoring and supporting nearly all beneficial legislation affecting disabled veterans that has been enacted since 1920.

Mr. Speaker, today many of America's aging and disabled veterans find themselves struggling to make ends meet because of the rising cost of living. Inflation is their enemy. Many of them must rely upon pension checks and social security benefits to meet their daily living costs.

In meeting this Nation's responsibility to its veterans, we should continually evaluate and reappraise the various veterans benefit programs which have been authorized by Congress. It is my understanding that the distinguished chairman of the Committee on Veterans Affairs [Mr. TEAGUE] is planning to hold hearings on the various veterans pension and compensation measures which have been introduced in this session.

The DAV has a reasonable approach to pensions which would permit a veteran to retain service-connected compensation and receive a proportionate amount of the non-service-connected pension to which he otherwise would be entitled. I hope the committee will schedule hearings on this bill, H.R. 1745.

I congratulate my colleagues, Mr. HORTON of New York and Mr. DORN of South Carolina, for their leadership in planning this salute to the Disabled American Veterans. I join in commending Mr. Claude L. Callegary, DAV national commander, for his outstanding leadership of this veterans' organization and Chet Huber, DAV national legislative director, for his reasonable and responsible approach to veterans' legislation. America is stronger today because of the patriotism, dedication, and good citizenship demonstrated by the more than 231,000 members of DAV.

Mr. MORTON. Mr. Speaker, it is indeed an honor and a pleasure to join with my colleagues in the House of Representatives in a tribute to the Disabled American Veterans, on the anniversary of their charter.

On the 17th of June 1932, Congress had the wisdom and respect to grant this fine organization a charter.

We find 34 years later that this organization has served its members well and is still taking on the tiring and often thankless job of protecting those who in their time have protected this Nation.

The DAV represents a noble cause and does, in my opinion, a noble job in its field and does it through the will and resources of those who want to insure that our disabled veterans and their dependents are remembered when they need help.

It has carried out its single purpose nobly.

It has given us a splendid lesson in the art of helping one to help one's self.

It has also demonstrated that there are those of us in this fortunate Nation who in easy and good times do not forget what others of us have done for all in hard and dangerous times.

It has done this for the large part not in the widely acclaimed publicized areas of life but rather in the quiet and steady working phases of our society.

To those that have suffered grave loss through participation in our Nation's battles the DAV has been a comforting ally.

To those of us who have not suffered grave loss in our country's wars the DAV has also been a friend.

Those millions of car keys that have found their way swiftly back to their owners over the years is proof of that.

It makes one humble to stop and think that someone in DAV thought the Idento-Tag would be helpful and provide a way for disabled veterans and their dependents to provide themselves with useful work.

War and its tearing apart of healthy human bodies is a frightful thing. Who would have thought 34 years ago at the time of the DAV's founding that a few short years later millions of American men would again face the horrors of war?

In 1950 more American men went to war and now we find once again that war is the ugly business of still another generation of our country's finest men.

I am sure that the founders of DAV hoped the need for the organization would pass in their lifetimes. It has not though, but perhaps the example of its service can help inspire all of us to find and work out the means for a lasting peace.

Mr. BROYHILL of North Carolina. Mr. Speaker, it is with great pleasure that I join my colleagues today in this observance of the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans.

In the three and a half decades that have elapsed since the charter was approved in this Chamber, much has occurred in the formulation of the program on behalf of veterans in this country. Others who will speak here will recount the history of this fine organization which was founded shortly after the conclusion of World War I. However, I should like to say that with the passing years the perils which our Nation faces have greatly increased and with it we have seen the somber spectacle of vastly greater numbers of young Americans being injured, wounded, and maimed in the service of the country. During the last 20 years American troops have been called upon to serve in remote corners of the world and our veterans program, I believe, has reflected the national concern that these young men be accorded demonstrations of gratitude by the American people.

In my opinion, all of our national veterans organizations have performed a vital function in our society by keeping before the American people the needs of veterans and by the stimulation in communities large and small of patriotic activities emphasizing what is good and lasting in our society.

The Disabled American Veterans organization has played a most active role in this process and, particularly, it has had as its special mission the assistance of war-disabled veterans, their widows, and their orphans.

Several weeks ago it was my great privilege to be invited to address the State convention of the North Carolina organization of the DAV. It was obvious to me at that time that the same sense of dedication which resulted in the establishment of the DAV still motivates it in all of its work.

As a Member of Congress I have had the opportunity to serve as spokesman for many individual veterans who are in need of assistance from their Government. One of the consistent and reassuring processes I have noticed is the great effort the DAV expends to assist the individual veterans in the sometimes complex matter of gathering detailed evidence and presenting it concisely to the Veterans' Administration for consideration. Without the DAV and the other organizations which are also engaged in this work, I feel that many veterans would be unable to present in their own behalf meaningful and persuasive statements which clearly indicate their entitlement for benefits under the veterans program.

Let me congratulate the DAV today, its national officers and its members as we pause to pay tribute to a job well done.

Mr. VAN DEERLIN. Mr. Speaker, the Four Horsemen of the Apocalypse—Conquest, Slaughter, Famine, and Death—are legendary figures representing the tragedy and horrors of war. There are no such figures to portray the tragedy of war's aftermath, however. The maimed and broken men, forgotten by many of us almost as soon as the last shot is fired, eking out an existence as best they may with their now-limited abilities; the careworn widows struggling to meet the needs of growing children, and the children themselves who will never know a father's love and care, are living but all-too-often forgotten reminders that the tragedy of war endures long after the guns have fallen silent.

The sorrows and suffering of these victims of man's inhumanity to man can never be fully compensated, for how do you repay a man for the loss of his legs or of his sight? What substitute do you offer a woman who grieves for a beloved husband who died for his country, or to a child who will never know his father?

Those who have suffered the most, however, are those who know best how such suffering can be eased by care, and attention, and financial aid. Wounded veterans of war, who know most of all the problems faced by themselves and their comrades-in-arms more than three decades ago, banded together to form an organization dedicated to helping all wounded, injured, and disabled veterans and their families. Today, I am proud to join those who pay tribute to this organization, the Disabled American Veterans, on the 34th anniversary of its founding.

During those 34 years the DAV has carried out well and faithfully its sole purpose, "To provide service and assistance to the wartime disabled, his widow, orphans, and dependents."

That the need is great for such services is best shown by the bald figures which note that in the last 6 months of 1965 alone, the DAV national service program reviewed 115,622 veterans' claims, made 56,215 appearances before rating boards and prepared 30,926 briefs.

The financial help brought to disabled veterans and their dependents as a result of these efforts can be counted in the millions of dollars.

The comfort brought by the knowledge that someone cared, and that they were not forgotten, can never be calculated by the hundreds of thousands who received help.

On this, the eve of the 34th anniversary of the organization of the Disabled American Veterans, I add my thanks to those of every American for a job well done, and my earnest hopes that with the support of every American the DAV will continue its work of helping the men and the families of the men who gave their lives and their bodies in defense of their country.

Mr. SCHWEIKER. Mr. Speaker, today I would like to join my colleagues in a salute to the Disabled American Veterans. It was on this day, 34 years ago, that the Congress chartered the DAV. Since that time, this dedicated, humanitarian group has shown America what true patriotism can accomplish. It is well to look back on some of the highlights of the DAV's bright career and be thankful for their dedicated efforts.

The DAV was created on Christmas Day 1919. They were a small nucleus of brave men wounded and scarred by World War I who joined together to provide service and assistance to their fellow disabled soldiers, their widows, orphans, and dependents. Starting from a tiny handful of veterans, the DAV has expanded to include more than 231,000 people in its present membership.

Sacrificing their time and effort, these men have given free assistance to more than 1,500,000 disabled veterans and their families. They have helped thousands to obtain medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. In the last 6 months of 1965 alone, $55.5 million in benefits were provided to America's wounded with the assistance of the DAV. It has enthusiastically aided America's fighting men of the two World Wars and the Korean war. Today it is bringing relief and help to the veterans of the Vietnam conflict.

The DAV has strongly backed beneficial legislation affecting disabled veterans since 1920. It works in close cooperation with the Veterans' Administration and maintains a staff of professional national service officers, who are disabled veterans themselves.

In the words of former President Eisenhower:

> Having earned the lasting gratitude of your nation for sacrifices in line of duty, you now earn its admiration as well for continued service to the nation as citizen-veterans.

In this time of confusion and trouble, the Disabled American Veterans has won my deep appreciation and sincere thanks. It is an organization of which all Americans can be proud.

Mr. Speaker, the Pennsylvania DAV is holding its annual convention today in Scranton and I want to take this opportunity to express my appreciation for their outstanding service.

Mr. UTT. Mr. Speaker, it is a privilege to rise today to pay tribute to the Disabled American Veterans, on the 34th anniversary of the granting of a congressional charter to their fine organization.

The work done on behalf of the disabled veterans of our wars by this organization has been enormous in quantity and splendid in quality. They have more than fulfilled the injunction contained in their charter "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

The Disabled American Veterans have proven time and again the wisdom of the Congress in granting them a charter.

Mr. GATHINGS. Mr. Speaker, 34 years ago tomorrow the 72d Congress approved and enacted legislation granting a Federal charter to the Disabled American Veterans, an organization founded in 1919 at the close of the First World War.

The DAV is composed of some 200,000 disabled veterans of 5 wars. There are 1,800 chapters, a national headquarters in Cincinnati, Ohio, and a Washington office. DAV service officers cooperate with veterans across the world and maintain skilled, experienced men to counsel and work with veterans and their dependents.

The members of the Disabled American Veterans carry the scars and impairments on their bodies attesting to their service to country. Many, because of their grievous wounds, are today only spectators on life about them. Many are bedridden. Many suffer the agonies of ever-present pain and recurrent illnesses.

But these gallant men wear their scars like medals. In their eyes still burn the fierce fires of patriotism that lead them in battle to fight and win for their country continuing liberty and the right of our citizens to be free.

It is a privilege to join today in honoring this organization of splendid, dedicated, and devoted disabled American patriots.

Mr. WELTNER. Mr. Speaker, today we mark more than the congressional act than incorporated the Disabled American Veterans as an organization. June 17 is the anniversary of the formal linking between the welfare of disabled war veterans with the best interest of the Nation itself. For it is indeed in the national interest that the United States remember and recognize these men, and that the DAV exist to minister to their needs.

We owe these veterans the freedom of choice we enjoy in government today.

We owe them our gratitude for a homeland that remains free from foreign domination.

We owe them a special debt of their witness to the terrible human cost of war.

What each of us judges to be the worth of American society we owe to these veterans, who have sacrificed their limbs and live that the rest of us might continue in the pursuit of the American ideal of responsibly enjoyed freedom and liberty.

These 230,000 members of the DAV, all over the United States, continue here as active citizens the patriotism they showed as soldiers abroad. The undivided attention of the DAV toward its purpose—the assistance of the wartime disabled and their families—has assured the finest care.

Since World War II, the DAV has helped more than 1,500,000 disabled veterans and thier families in obtaining medical care, disability compensation, rehabilitation, job training, and employment. Their legislative programs have been complete in their attention to the disabled veteran's specific problems and needs.

But for these men, pensions and hospital care are not sufficient payment. Nor is the support of their important legislative program enough. There can be no sufficient payment without the full appreciation of their courageous self-sacrifice, and the deepest gratitude of every American.

Thus, I join my fellows in Congress in calling upon all to join in proud salute to those who have served with sacrifice.

Mr. DERWINSKI. Mr. Speaker, I am very pleased to join the gentleman from South Carolina [Mr. DORN] and the gentleman from New York [Mr. HORTON] and my other colleagues in the House who are paying tribute to the Disabled American Veterans this afternoon.

This fine organization is commemorating the 34th anniversary of the granting of their congressional charter, and its leaders and members certainly deserve to be commended for the tremendous contribution they have made to their country.

Every American is grateful to the Disabled American Veterans for the sacrifices they made for the United States while serving in our Armed Forces. Every American is proud of the ideals for which their organization stands. It is dedicated to working for the same principles of liberty and justice for which its members fought in battle.

Mr. Speaker, I certainly want to express my praise for the fine work of the Disabled American Veterans as an organization and for the patriotism and valor of its members, who have given so much for their country's freedom.

Mr. MACKIE. Mr. Speaker, it is an honor for me today to salute the organization of Disabled American Veterans on the 34th anniversary of its incorporation by a special act of the Congress of the United States. This organization, originally formed in 1920–21 by wounded and disabled veterans of the First World War, has become a great institution, with a correspondingly great tradition for service to our society. First begun by wounded and disabled veterans who wished to keep alive the ties of friendship and understanding gained by their experiences on the battlefields and in Army camps, as well as to protect the interests and security of those disabled in war, it has nobly succeeded in both aims. Today it boasts a membership of over 230,000, and a wide range of projects designed to benefit not only its own members, but also all citizens of the United States.

Among its primary concerns is its program to assist the ex-serviceman by advising him, without fee, of his rights under all laws and regulations, and by assisting him in preparing forms for pension, compensation, and other benefits. It also provides a great service through freely extending assistance to widows and other dependents of deceased veterans who are entitled to benefits. Anyone who has ever, in sickness or in grief, been faced with a morass of forms and legal terminology, will be able to appreciate the service rendered by the Disabled Veterans of America to their fellow men.

Further, the DAV is active in reminding Americans of the heritage which we have fought to maintain. I was pleased to note in the current issue of the DAV magazine an editorial on the importance of observing Flag Day, in which the editor quotes from the message "What Is a Flag," by Grace Bush, in which we are called to remember that the flag of our country is "the symbol of a free people, living their lives in the blessings of freedom—freedom to worship God as they choose, freedom to work, to laugh, to love, to live—God's most precious gift to men, to be guarded sacredly forever. What is a flag? It is the soul of America—and it shall never die." It seems to me most fitting that the DAV, whose own anniversary falls so near Flag Day, should be so active in calling to mind one of our great national institutions, and this message demonstrates the truth even today of the Roman philosopher Seneca's declaration that "the chief bond of the soldier in his oath of allegiance and his love for the flag."

Likewise, it is fitting that we should today observe DAV day on the Hill. This occasion has been planned to acquaint the Members of the Senate and the House of Representatives with the accomplishments, objectives, and history of those who have been wounded in war. It also marks the recognition by Congress of the DAV as a leading veterans' group, signifies our interest in their undertakings and their goals. Less than 3 weeks ago our Nation observed Memorial Day, in which deserved tribute was paid to those who lost their lives in the service of our country. But we must also remember that it is not only to our military dead that we must bring our debts of gratitude, but also to those, still living, who faced and came so near to death in our times of greatest need.

Members of the DAV have demonstrated that there is no lack of worthwhile projects with which they can become involved. They have been active in fundraising campaigns, savings bond drives, charities, and many different kinds of assistance programs. Most Americans are familiar with the DAV largely because of the Idento-Tags which it sends out each year, as a service to the Nation's motorists. The Idento-Tag, attached to a keyring, enables the keys, if lost, to be returned to their owner by the DAV. This is a most worthwhile service, and one which has given many motorists reason to be grateful to the DAV.

The DAV is representative of those organizations founded primarily for service, made up of people who, having experienced difficulty of one form or another, band together to assure that others, in the future, encountering the same difficulties, will be able more easily to overcome them. This kind of service organization is in the tradition of brotherhood upon which our country is founded, and upon which it will continue to be a country where its citizens can be proud and happy to live. Where soldiers can voluntarily group together in organizations founded upon mutual interest and experience, for the purpose of benefiting their fellow soldiers, we see American tradition in its finest form. Such organizations as the Disabled American Veterans truly give lasting truth to the words spoken by General George Washington in his address to the Congress of New York in 1775:

> When we assumed the soldier, we did not lay aside the citizen.

Mr. WILLIAM D. FORD. Mr. Speaker, tomorrow the Disabled American Veterans will celebrate its 34th anniversary as a congressionally chartered national veterans' organization. I am happy today to pay tribute to this organization, to its leaders, and to its record of service and achievement during the past 34 years.

Two hundred disabled veterans of World War I launched the Disabled American Veterans on Christmas Day, 1919, in Cincinnati, Ohio. The DAV is now the largest organization in the world of veterans who were injured or disabled in wartime. Membership has passed the 231,000 mark, and is growing steadily. There are 1,834 chapters throughout the United States and its possessions.

The late President John F. Kennedy paid tribute to the DAV in these words:

> Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically handicapped, both veteran and nonveteran.

The DAV was chartered by Congress on June 17, 1932—

> to advance the interest and work for the betterment of all wounded, injured and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veterans.

The DAV record of achievement shows how well the organization has carried out this noble task:

The DAV is the only national veterans' organization with a network of paid service officers, located in VA regional offices throughout the Nation.

Since the end of World War II, the DAV national service officers, each one a disabled veteran, have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, compensation, rehabilitation, job training, and employment.

Nearly all beneficial legislation affecting disabled veterans that has been passed by Congress since 1920 has been sponsored by the DAV, including the original GI bill of rights.

With this record of service to the men and women who have borne the brunt of our Nation's battle, the Disabled American Veterans have truly earned the gratitude and respect of every American. I am proud, Mr. Speaker, to take this opportunity to express my own admiration for this fine organization.

Mr. STRATTON. Mr. Speaker, I am glad to have the opportunity to join in marking the 34th anniversary of the congressional charter of the Disabled American Veterans and the close to 50 years of service this fine organization has provided our veterans and our Nation.

The officials, the members, and the employees of this organization are to be congratulated on another year of dedicated and effective work on behalf of disabled veterans throughout our Nation.

Those veterans so severely injured in defending our country that they could no longer work or support themselves can readily attest to the value of this organization which did not forget them after the guns were silent.

This organization of fellow citizens, each of whom also gave of body as well as heart, in defense of our freedom was here when they returned and ready to render the help deserved from a grateful citizenry.

By helping thousands of veterans, who otherwise may have led a life of dispair and frustration, return to productive lives, the DAV demonstrated in peace the same concern for the dignity of their fellow man that they had shown on the battlefield.

This private organization, supported by devoted members and the generosity of other Americans rather than by taxpayers, has benefited both veterans and nonveterans. Their work in the field of rehabilitation has been of tremendous value to all individuals who, faced with disability, possess the courage to work hard and long and need only the helping hand of an experienced, understanding friend to again become a productive citizen.

DAV has also been most effective in securing legislation to provide medical, educational, and financial assistance for our veterans. Certainly all of us in this Chamber know of the fine job the DAV does in representing the interests of all disabled veterans in legislation being considered by Congress.

It is a pleasure, Mr. Speaker, to pay tribute to the DAV and all its members on this anniversary of the congressional charter. Those who at great personal sacrifice did so much in defense of the freedom that has allowed this country to prosper and grow must never be forgotten and left behind. Today let us once again pledge that a grateful Nation will not forget. That pledge is the significance of this observation today here in the House and daily work of the DAV throughout the land.

Mr. GRABOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to join my colleagues in saluting the Disabled American Veterans as the House observes the 34th anniversary of the granting of a charter to this highly esteemed veterans' organization by holding special DAV Day on the Hill ceremonies.

Just 34 years ago—July 17, 1932—the 72d Congress, 1st session, approved Public Act 186, incorporating the Disabled American Veterans as a Federal, nonprofit organization. Thus the Government recognized the DAV as the official voice of the disabled veteran.

I am honored and proud to be numbered among the more than 231,000

DAV members, including veterans of America's two major wars, the Korean war, and the war in Vietnam. I wish to pay my respects to DAV National Commander Claude L. Callegary, highly regarded Baltimore attorney, and all the other officers.

As my colleagues are well aware, nearly all beneficial legislation affecting disabled veterans since 1920 has been sponsored by the DAV. Moreover, the DAV maintains a staff of professional national service officers in all regional offices of the Veterans' Administration.

The DAV has grown from a handful of disabled veterans since that Christmas day in 1919 when the late Judge Robert S. Marx, of Cincinnati, Ohio, gathered together wounded World War I veterans. Like Judge Marx, these men carried grim reminders of war—battle scars, disabling injuries, gas-seared lungs, and prolonged illness. The need of a single-purpose veterans' organization was recognized to spearhead improved programs. Heretofore the Government veterans' programs were inadequate or mismanaged.

Two years later, in 1921, the DAV held its first national convention, and elected Judge Marx, father of the DAV, as its first national commander. He and succeeding leaders deserve the gratitude and homage of all citizens.

Mr. ADDABBO. Mr. Speaker, today I would like to salute the largest veterans organization of wartime injured and disabled in the Nation and to pay tribute to its far-reaching service program on the occasion of an important milestone in its history.

This organization is the Disabled American Veterans, now observing the 34th anniversary of being granted a congressional charter—a charter carefully preserved in the National Archives here in Washington.

Tomorrow has been designated as DAV Day on the Hill, cosponsored by Members of both branches, but observances are beginning today with appropriate ceremonies in this body. In the gallery is the DAV National Commander, Claude L. Callegary, prominent Baltimore attorney, who will be introduced to the Members at this afternoon's session.

It was just 34 years ago tomorrow—June 17, 1932—that the 72d Congress approved an act incorporating the Disabled American Veterans as a Federal, nonprofit organization. Its purpose was "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans and to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

On the occasion of this anniversary observance, Commander Callegary in a specially prepared statement today has this to say:

> We are extremely proud, and I believe rightfully so, of our long record of service in advancing the cause of the wounded or deceased ex-serviceman who defended his country in time of war.
>
> During the last 34 years, DAV has been the only national veterans' organization to directly employ and supervise the work of national service officers located in all parts of the country to aid the disabled veterans in matters of employment, compensation, hospitalization, home loans, education and all the other vital matters that affect his social and economic welfare.
>
> This operation has been costly, and will continue to be costly. However, thanks to a grateful public and the DAV idento-tag—a rehabilitation project for war-time disabled, their widows and dependents—the DAV has been able to continue its national service program.
>
> It is my sincere wish that members of Congress, as well as the general public, become more fully aware of DAV's outstanding record of service over the last 34 years.

Also, I hope that in the future all American citizens will support the DAV in its determined effort to serve disabled veterans of past and present wars.

The DAV was formed by a dedicated group of 200 World War I disabled veterans on Christmas 1919 at a meeting in Cincinnati, called together by the late Judge Robert S. Marx. These men, like Judge Marx, carried grim reminders of war—battle scars, disabling injuries, gas-seared lungs, and prolonged illness.

They recognized that the Government veterans' programs were inadequate or mismanaged, and that a single-purpose veterans' organization was needed to spearhead improved programs. Two years later, in 1921, the DAV held its first national convention and elected Judge Marx as its first national commander.

This was the nucleus of the DAV as it exists today. It has grown from a handful of disabled veterans to more than 231,000 members today—veterans of America's two major wars, the Korean war, and the war in Vietnam. Its national headquarters are in Cincinnati.

Nearly all beneficial legislation affecting disabled veterans since 1920 has been sponsored by the DAV—including the GI bill of rights.

In addition the DAV maintains a staff of professional national service officers in all Veterans' Administration regional offices of the country.

These men, disabled veterans themselves, represent the disabled veteran and his family, without charge, in claims for benefits whether the veteran is a DAV member or not.

Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

In the last 6 months of 1965 the DAV national service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans.

The DAV has also been a leader in such beneficial programs as employment of the handicapped and voluntary service to hospitalized veterans throughout the Nation.

May I say in conclusion, Mr. Speaker, that this Nation has just right to be proud of this well-administered organization and its far-reaching program, which touches so many facets of the lives of our disabled veterans.

It is my wish and hope that DAV day on the Hill will become an annual observance.

Mr. ST GERMAIN. Mr. Speaker, those of us who have served our Nation in the military are fully cognizant of the difficulties involved in the transition from the military to civilian life. Though it is a difficult time, with assistance it soon passes as we become engrossed in the mainstream of civilian life.

However, for those who have become disabled while serving their Nation in the military their problem is such that it demands more than mere temporary assistance in their efforts to gain a foothold in civilian life, for, in most instances, they cannot just return to their past way of life and occupation. The assistance required by these disabled veterans is more of a permanent and specialized nature. Their problems and needs require immediate and constant solution. They also require the individual services of an organization dedicated to their care. The DAV is such an organization.

The DAV has become a clearinghouse for all matters concerning veterans with service-connected disabilities. It is the organization to whom the disabled veteran can turn for assistance and he has learned to regard the constructive assistance of this fine organization with high esteem.

Since its beginning in 1919, this organization has served without charge millions of disabled veterans, their widows, and dependents. And it has done this without Federal financial assistance. It is an independently sustained service organization that has become the largest single veterans' organization of wartime injured and disabled in both the Nation and the world. Its membership now numbers 231,000 strong and has 1,834 local chapters spread throughout the United States and its possessions.

It is the only national veterans' organization to have a network of service officers who are paid and directed by the national organization.

The DAV maintains a corps of 150 professionally trained national service officers, each one a disabled veteran. Since the end of World War II these officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

Mr. Speaker, this organization, geared to protect and advance the interests of the disabled, makes life more worth living for the disabled in countless ways. In its years of activity, it has established a remarkable record—a record which is worthy of much praise and admiration.

Therefore, in an effort to render due recognition to its many accomplishments and to commemorate the 34th anniversary of the DAV, I rise today, Mr. Speaker, and ask that my colleagues join me in offering our words of gratitude and praise to the national commander, Mr. Claude L. Callegary, and all the members of the DAV for the wonderful work that they have performed and are performing.

Mr. CONTE. Mr. Speaker, I am pleased and proud to add my voice to those being raised in this Chamber today in recognition of the contributions and high purpose of the Disabled American Veterans.

Tomorrow the Nation will observe the 34th anniversary of the granting of a charter by the Congress to the DAV. And I am struck by the coincidental observances which have preceded this throughout the country this week. Tuesday was Flag Day. We paid tribute to the Star-Spangled Banner and, as the sacred pledge states, "to the Republic for which it stands."

Wednesday was the 50th anniversary of the charter of the Boy Scouts of America. Here again we paid tribute to a unique and symbolic concept, one based on the highest moral code and on teaching responsibility and self-reliance to young men and women.

And tomorrow, June 17, we salute the DAV. It occurs to me that this is a fitting climax to a proud and distinguished week for all Americans.

It is especially fitting that the DAV observance coincides so closely with Flag Day. For, indeed, no group of living Americans may be said to have given more in defense of their flag than the Disabled American Veterans.

We raise our salute to the DAV organization for the invaluable service it has rendered to the battle-scarred warriors who have fought America's battles and faced her enemies on land, sea, and air. The DAV has shouldered a fantastic responsibility in representing and safeguarding the welfare and interests of these heroes.

But in so doing, they have also rendered perhaps an even greater service to the country as a whole.

Through private, voluntary auspices, the DAV demonstrates more clearly than any tax-supported, professional agency the deep and abiding sense of pride and obligation of a grateful people and a grateful nation.

I am proud to add my personal salute to the DAV and to the more than 231,000 veterans who are members of the DAV today. I earnestly urge all my countrymen to join in appropriate commemorative services tomorrow honoring those whose sacrifice on behalf of liberty is beyond price.

Mr. GURNEY. Mr. Speaker, as a member of the Disabled American Veterans, I am proud to join my colleagues in this ceremony commemorating the 34th anniversary of the granting of the DAV's congressional charter.

Since 1919, 13 years before the DAV received its charter, this organization has been dedicated to the cause of serving the disabled veteran and his family. In the last two decades the DAV has given free assistance to more than 1½ million disabled veterans in obtaining medical care, rehabilitation, disability compensation, job training, employment, insurance, and aid in other vital matters which affect their social and economic welfare.

This assistance is provided through 150 professionally trained national service officers, each of whom is a disabled veteran. These men advise disabled veterans of their legal rights and privileges and help them receive the compensation to which they are entitled. The DAV also works through its legislative office in Washington to promote legislation beneficial to disabled veterans.

Yet the DAV stands for more than helping its members and the nonmember veterans. It supports State and National programs for the employment of the physically handicapped person everywhere, operates a rehabilitation program for underprivileged children, and helps the Government and other agencies to assist other veterans by volunteering for service in the 170 veteran hospitals throughout the Nation. It sponsors scholarships and civic improvement programs. It cooperates with the Government in civil defense and military preparedness programs, and it stresses Americanism to school and youth groups.

Its activities and interests are the interests of all Americans. More than an organization of veterans, it is an organization of good citizens—Americans who have made great sacrifices, as we say in the preamble of the DAV Constitution, "to aid in maintaining the honor, integrity, and supremacy of our country."

Among the most admirable attributes of the DAV is the fact that it gives free assistance to disabled veterans and their families while receiving no Federal financial aid. Part of its funds come from membership dues and from contributions by private industry, but only with the continued support of a grateful American people can the DAV continue to develop its programs.

To solicit contributions the DAV has manufactured millions of DAV Idento-Tags which have been responsible for the returning of more than 2 million sets of lost car keys to American motorists. The Idento-Tags also aid the disabled veterans who are employed by the DAV to assemble the tags.

I have spoken of my support for the DAV and for all veterans in this Chamber on a number of occasions. On October 22, 1965, I proposed a bill, H.R. 11456, which would amend the Social Security Act in order to aid veterans. The bill provided simply that a veteran may accept any portion of the 1965 or future social security of Federal retirement increase which would be to his benefit and refuse that portion which would put him over the pension limits. Unfortunately for the 28,000 veterans who lost pensions because of a small increase in social security, this bill has not yet been enacted into law.

Two other bills, H.R. 12075 and H.R. 12127, which I proposed this January are designed to raise the low outside income limits for veterans and widows receiving pensions. In addition the proposals would increase by 10 percent the amount of pension paid to a veteran's widow. In this time of inflation those who live on a fixed income, such as the disabled veteran who is no longer able to work and the widow of a man killed defending his country, suffer the most tragic consequences. Today these people still have the same unrealistic limits set on their income that they had in 1960. The two bills I have proposed would ease the tremendous burden which inflation has placed on these people.

I salute the Disabled American Veterans and all American war veterans. President Eisenhower once said:

> Having earned the lasting gratitude of your Nation for sacrifices in the line of duty, you now earn its admiration as well for continued service to the Nation as citizen-veterans.

May all veterans continue to serve our Nation at this time when it needs us the most.

Mr. TODD. Mr. Speaker, we are gathered today to commemorate the 34th anniversary of the granting of a congressional charter to a very special organization, the Disabled American Veterans. It is, I think, particularly appropriate that we do this.

First none of us can escape the feeling that at this time, when our men are being wounded in Vietnam, it is appropriate that we take special recognition of the immense service that the DAV has provided to men who have been injured or disabled in previous wars.

Second the men of the DAV have come through the crucible of war. They have fought for their country and they have borne injury and disability. Their credentials are the highest.

The DAV itself has operated in the highest traditions of American public service. Incorporated on June 17, 1932 as a Federal, nonprofit organization, it was officially recognized as the voice of the injured and disabled veteran. Chartered by Congress to "advance the interest and work for the betterment of all wounded, injured and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veteran," the DAV has impressively fulfilled these goals. It is the only national veterans organization to have a network of service officers paid and directed by the national organization to provide service and assistance to the disabled veteran, his widow, orphans, and dependents. Working in close cooperation with the Veterans' Administration, the DAV has provided free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

It is fitting that we in the Congress of the United States today honor the disabled American veterans. Having fought for their country and endured injury, they now serve through the DAV to make their lot and their country's future that much better.

Mr. MORSE. Mr. Speaker, I am pleased to join with my colleagues today in commemorating the 34th anniversary of the congressional charter for the Disabled American Veterans. As a former Deputy Administrator of Veterans Affairs from 1958 to 1960, it was my pleasure to work with the DAV and its officials and I have always been impressed with their diligent and comprehensive devotion to the interests of our disabled war veterans and their families.

The DAV has seen its mandate as the provision of service to our disabled veterans. It has fulfilled this role with distinction in a nonpartisan spirit of helpfulness. Its leaders have been men of character and integrity; men like the present National Commander Claude L. Callegary, our colleague, the gentleman from Indiana [Mr. ROUDEBUSH], and my good friend Judge David Williams, of Concord, Mass. They have served their fellow veterans with a spirit that is in the highest national tradition of civic responsibility.

It was a wise act of the 72d Congress in 1934 to approve the charter incorporating the Disabled American Veterans, an organization that had already been in existence for 15 years in the interests of the disabled veterans of World War I. I am proud to join today in commemorating the anniversary of that legislative action. I know all of us here in the House have every confidence that the DAV will continue its remarkable success in the future.

Mr. O'HARA of Michigan. Mr. Speaker, I consider it a great pleasure to join today in this salute to an organization dedicated to the welfare of our disabled veterans and their dependents.

I can think of no better tribute to the great work of the Disabled American Veterans than to repeat the words of our late President Kennedy. Of the DAV, he said, and I quote:

> Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically handicapped, both veteran and non-veteran.

The veterans who benefit most from the activities of the DAV are those to whom our debt is greatest. They are the veterans who have suffered and survived the wounds of armed conflict.

The scars which these men carry remind us that our debt to them is great indeed. It is a debt that can never be fully repaid.

To these men who have been disabled in the service of their country, we owe an obligation to continue and improve the programs which we in Congress have enacted to assist them.

In this task, we can depend upon the active encouragement of the DAV which never lets up in its efforts to improve conditions for our country's disabled veterans.

But the DAV does more than just push for Federal programs to help America's veterans; they have their own programs which they carry out effectively and efficiently.

For example, one of the DAV's programs is the familiar Idento-Tag service which the DAV started and still sponsors. This program has helped return more than 2 million sets of lost car keys and, at the same time, it has helped many veterans.

This service, paid for by voluntary contributions from the public, combines utility and practicality in providing employment for the disabled and affording a useful aid to motorists. The little license plate is a good reminder of the DAV's outstanding service.

To the DAV on this, their 34th anniversary as a congressionally chartered national veterans' organization, I extend my warm wishes and congratulations for a job well done. Let us hope the next 34 years are as productive as the last 34.

Mr. CORMAN. Mr. Speaker, it is a great privilege to join in this well-deserved tribute to a great organization, the Disabled American Veterans.

The Disabled American Veterans was founded in 1919 by 200 World War I veterans. Since then it has become the largest organization of wartime injured and disabled veterans in the world, with a membership of over 230,000.

In 1932, Congress chartered the DAV "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans." In the last 34 years, the DAV has assisted over 1½ million veterans and their dependents to present their claims to the Government. In addition, they have provided both employment for veterans and a useful public service through the DAV car license idento-tag program. All this has been accomplished without the aid of any Federal tax money.

Today is the 34th anniversary of the DAV's congressional charter. It is appropriate that we take a moment to once again express our gratitude to the disabled veterans of America for their sacrifice in the past and for their continuing example of devotion and courage which serves an inspiration to us all.

Mr. ADAMS. Mr. Speaker, as you know, today is the 34th anniversary of the Disabled American Veterans' organization.

This great organization poses a paradox to all of us. I wish we did not need the DAV, and at the same time I thank God that we have it.

If we did not need the DAV it would mean we lived in a world at peace. A world in which young men did not have to leave their homes and homeland to defend their loved ones and countrymen on distant shores. It would mean that many of those young men would be spared the wounds and hurts of war's cruelty.

But that world does not exist yet. It is a shining goal of the future. A goal toward which we all strive, not only here in these Chambers, but everywhere that men of good will gather, and in the hearts of every American.

The sad truth is, however, we live in a real world much different from the one we work toward and dream about. We live in a world torn by war, ravaged by men's ruthless ambitions, and scourged by bloody and alien ideologies. We are beset by those who have demonstrated their unrelenting hostility to our way of life, and who, in near places and distant battlegrounds attack us or the allies we have sworn to support and defend.

We take up arms, and our young people pay the price of liberty in death or disablement.

That is why I thank God for the DAV. Is there anyone who does not know about the work of the Disabled American Veterans? Surely not. We all know that the DAV is a single-purpose, nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans and dependents.

A simple purpose, true. But how does one measure its greatness?

Since the end of World War II, DAV has extended the understanding hand of help to more than 1,500,000 disabled veterans and their families. During the last 6 months of 1965 alone, the DAV handled 40,742 cases which provided more than $55,500,000 in benefits to disabled veterans, including medical care, hospitalization, disability compensation, rehabilitation, job training and employment.

That is only a sampling of the statistics. And statistics are only numbers. Almost any disabled veteran, whether he is a member of DAV or not, can tell you more than the statistics could ever convey. Each story is different in detail, but all have a common thread: the story of dedicated service to America's war casualties, their families and dependents.

That is the true measure of the greatness of the DAV.

It is little enough that a grateful Nation, and Congress, mark this day to honor the DAV. It is a great privilege for me to have this opportunity to add my congratulations to the Disabled American Veterans for 34 years of devoted service, and to salute the DAV for the many years of the same kind of service that I know lie ahead.

Mr. TALCOTT. Mr. Speaker, among our several fine national veterans organizations, the Disabled American Veterans can be proud of its 47 years of dedicated service to wartime disabled veterans and their dependents.

On this 34th anniversary of the granting of a congressional charter to the Disabled American Veterans, we in Congress, and elsewhere, who have known intimately the horrors of war, salute the 231,000 DAV members in every State of our Union.

War affects, adversely, every citizen of every nation. War is only necessary when diplomacy and mutual good will fail. In time of war, although we may deplore it, and the failures which caused it, many young men will be called to serve.

Many who serve will suffer severely and permanently—in mind and body. The service of those who survive and of those who escape physical injury and mental damage is important and valued.

But, a nation has a higher obligation to those who serve and experience the terrible pangs of war directly, and who suffer extraordinarily. Our Nation should especially, and most gratefully, remember the even greater suffering and deprivations of the families of those who were mentally or physically disabled by combat.

The extent of their anguish simply is not appreciated. People, even compassionate and empathetic people, cannot comprehend tragedy which they have not actually experienced.

The leadership of the DAV in focusing attention on the needs of disabled veterans and their families has been instrumental in establishing as a continuing national policy a program of comprehensive benefits for disabled veterans which is unparalleled anywhere in the world.

DAV Day on the Hill affords every Member of Congress the opportunity to renew his commitment to upholding the interests of those who have given of themselves so selflessly in the defense of our beloved Nation.

I am proud to associate myself with the work and with the objectives of the Disabled American Veterans. No tributes to any organization were ever more deserved than the words of praise for the DAV proclaimed by the Members of Congress today.

As the defensive, but brutal, war against Communist aggression in Vietnam wracks the bodies of more American fighting men every day—even as we speak—we should dedicate ourselves anew, in the words of Lincoln, to "care for him who shall have borne the battle and for his widow and for his orphan."

Mr. PIRNIE. Mr. Speaker, it is with a sense of pride and gratitude that I am participating in this well-deserved tribute to the Disabled American Veterans. Tomorrow, will mark the 34th anniversary of the granting of a congressional charter to this distinguished organization and as one listens to the praise here being bestowed upon the DAV and its fine leadership, it is readily apparent that in little more than three decades they have earned the respect and confidence of all with whom they have had occasion to associate.

Particularly have I been impressed with the high caliber of the leadership, both at the national and local level. Serving the disabled veteran remains their goal; hard work their method.

Through the years, I have been especially close to the Disabled American Veterans Stars & Stripes Chapter No. 82 in Utica, N.Y. As a result of this association, I have been able to witness, firsthand, the magnificent service rendered to the disabled veteran and his family.

From experience, I know that those who have had positions of responsibility in the Stars & Stripes Chapter have discharged their duties with a dedication that is unsurpassed. At all times, they have been relentless in their efforts to secure for the disabled veterans a better way. The scope of services provided has been broad, ranging from answering requests for informational literature on various veterans' programs to assisting in the preparation and processing of a complex benefits claim.

One further service performed for the members by the leaders of the DAV warrants emphasis. Those of us privileged to serve in the Congress are very much aware of the contributions made by the Disabled American Veterans in the legislative field. Nearly all of the beneficial legislation affecting disabled veterans in the past quarter century has, in one way or another, been assisted along the way by the DAV. In some instances, the organization itself has developed the proposals and in others it has suggested revisions that have been adopted. The DAV has been thorough in its approach, and objective in its manner, and the results achieved have been significant.

As a service organization, the Disabled American Veterans ranks among the finest and I wish for it continued success in what I am confident will be its long and productive future.

Mr. YATES. Mr. Speaker, I take pride today in joining my colleagues in paying tribute to the Disabled American Veterans on the anniversary of their receiving a Federal charter.

DAV Day on the Hill has given Members of Congres a chance to consider again the sacrifices which allow Americans to enjoy freedom and security at home. For too many of our fighting men, the sacrifice did not end when the battlefield was vacated—the sacrifice is a daily, painful fact of life.

We encourage the DAV to continue its single-minded dedication and concerted action on behalf of the American disabled veteran. And we welcome this opportunity to express to them our appreciation for their years of service.

Mr. FINDLEY. Mr. Speaker, on this occasion commemorating the 34th anniversary of the Disabled American Veterans' grant of a congressional charter, I would like to add my congratulations and best wishes to the DAV for its years of fine service to the wartime disabled as well as to the entire Nation.

The efforts of the DAV to provide all disabled veterans with a wide range of assistance have contributed immeasurably to the ability of our wartime casualties to become active and productive members of society. The dedication displayed by the DAV in assisting disabled veterans has gone far toward providing them with a new start in life and the self-confidence needed to go with it. As a veteran of the Pacific theater I am well aware and grateful for the great job the DAV has done for my service buddies who emerged from the hostilities less fortunate than I.

Disabilities can be fully comprehended only by those who must live daily with the constant reminders of their wartime service. It is the duty of all Americans to understand that through the sacrifices of our fighting men in the past wars our freedom and liberties and those of the free world have been preserved against those forces which seek to impose an inhuman way of life on people everywhere. The disabilities suffered by these men are not their burden alone, but rather represent the price that must be shared by the people of our Nation—young and old—for the preservation of past glories and the vigilance against future threats. It is right that we all contribute to the welfare of these men, a small expression which, although it cannot compensate for the losses or impairments they have suffered, is nevertheless a deeply felt acknowledgement of our thanks for the price they are paying for our continued well-being.

Vietnam reminds us daily of the grim realities of war.

We hope that all can come to live in a world that knows no war, and we shall strive diligently toward that end. But so long as war is seen as a necessity for the preservation of freedom, we in America are indeed fortunate to have the continuing services of the DAV to assure our fighting men that their sacrifices are not and shall not be forgotten.

Mr. WYDLER. Mr. Speaker, it is in the finest American tradition that citizens with a common purpose form organizations so that they can work together toward their legitimate goals. For nearly a half century the Disabled American Veterans has been single-mindedly fulfilling its purpose of assisting the wartime disabled and their dependents. It has become a genuine clearinghouse for those matters which concern the disabled veterans, including employment, hospitalization, compensation, education, and the like. The DAV has worked closely with the U.S. Veterans' Administration and other governmental agencies, cooperating with them in "advancing and improving the condition, health, and interest of all disabled veterans."

America's disabled veterans are men who have made great sacrifices in the line of duty. They have risked their lives and suffered great personal injuries defending their country. It is most fitting, therefore, that there exists an organization like DAV to help these veterans obtain the compensation which a grateful nation in a spirit of justice intended for them. And the fine record of achievement which the disabled veterans are compiling is proof that they are still capable of making great contributions to the American democracy.

The Disabled American Veteran plays an important role in analyzing the needs of our veterans and in making these needs known. In this way it makes an invaluable contribution to the veterans themselves and to the Congress. In view of its service to the disabled veterans and to the country Congress, in 1932, granted the DAV its congressional charter as a veterans service organization. And in the past 34 years DAV has been outstanding in its efforts to "advance the interest and work for the betterment of all wounded, injured, and disabled veterans."

Mr. Speaker, as DAV celebrates the 34th anniversary of its congressional chartering I would like to extend my sincerest congratulations. I hope that the dedication and perseverance on behalf of the veteran which has marked the DAV so well in the past will continue to distinguish it as one of America's finest organizations.

Mr. ASHBROOK. Mr. Speaker, it is a pleasure for me to join my colleagues today in commemorating the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans. It is important that the DAV be commended and recognized for their endeavors in the areas which are so vital to the disabled veteran but which may be overlooked in the usual course of passing veterans' legislation.

The DAV has already played a major role in the passage of laws which provide the due treatment and compensation for men who have incurred disabilities while serving in their country's Armed Forces. Furthermore, Mr. Speaker, the Disabled American Veterans was founded on the principle that this Nation's first duty to veterans is the rehabilitation of its wartime disabled. The DAV continues today to play an important part in furthering the just interests of the disabled veteran in such fields as compensation to the veteran or his widow, insurance programs, employment rights and opportunities, and the very important areas of hospital and outpatient treatment and physical rehabilitation.

Of at least equal importance to the Congress, Mr. Speaker, is the role that the Disabled American Veterans plays in today's struggle against communism. The members of the DAV are logically in the forefront of American citizens who recognize the danger, strength, and scope of the Communist movement both within our borders and from abroad. They also recognize the equal importance of strengthening Americanism and our moral fiber in a variety of ways. With this in mind, Mr. Speaker, I am inserting today in the RECORD several titles of resolutions passed at the last annual DAV convention which deal with important issues of this sort facing the Congress today. It would do us all well to listen to the voices and heed the admonitions of the Disabled American Veterans in matters such as these:

SELECTED RESOLUTIONS OF THE DISABLED AMERICAN VETERANS—1965–66

[Resolution No. and title]

No. 15: Declaring Loyalty to the Government of the USA by DAV.

No. 73: Support President's Actions re Assistance to Viet Nam and Santo Domingo.

No. 93: Opposing all Aid to Communist Regimes Anywhere.

No. 198: Support the House Committee on Un-American Activities.

No. 268: Opposing Changes in Pledge of Allegiance and Omission of Motto on Coins.

No. 289: Opposing Admission of Red China to United Nations.

No. 291: Show Disapproval of Decisions of U.S. Supreme Court Which Aid Functions of Communist Party.

No. 293: Urging Display of U.S. Flag.

No. 294: Supporting Patriotic Instruction in Schools and of Public Through Other Means.

No. 299: Combating Indecent Literature.

No. 338: Demands That Mandates of Congress Be Protected and Assumption of Powers by Administration Be Curbed.

No. 290: Supporting the "Flag Flying Bill".

No. 292: Requesting Strengthening of Security Agencies.

No. 295: Favoring Constitutional Amendment to Permit Religious Prayers in Public Schools.

No. 424: Recommends Communists in U.S. Be Publicly Identified. House Committee on Un-American Activities Should Be Given Sufficient Funds to Carry Out Its Functions.

Mr. RODINO. Mr. Speaker, the end of October last year found the first airlift of paraplegic veterans of Vietnam arriving at the Veterans' Hospital in Castle Point, up in Dutchess County, N.Y., to be hospitalized in a previously unused ward. There they are receiving medical care and rehabilitation under the direction of Dr. Howard Rusk, director of the Institute of Physical Medicine and Rehabilitation of New York University, who, himself returned from a mission to Vietnam, had urged such action. This event, largely unnoticed in the press, is a vivid reminder for me of the reason the Congress has chosen to set aside time for a special ceremony honoring an organization which is serving, has continued to serve, and will continue to serve those of our finest young men who have been wounded in battle.

Last November, to remind us of our obligation as a nation to our disabled veterans, the front cover of the DAV magazine carried a listing of the names of some of the battles in which American men have fought and died. Starting with Bunker Hill and Saratoga, the list moves on to Harper's Ferry, Shiloh, and Gettysburg. Then comes Manila Bay and San Juan followed by the battles of World War I including St. Mihiel and the Meuse Argonne. World War II listings begin with El Alamein and move into the Pacific to list Guadalcanal and Okinawa. Rounding out the list are Da Nang, Pleiku, and Qui Non.

The organization we honor today—Disabled American Veterans—does not need to be reminded of the names of these battles or of our continuing obligation to men and women disabled by war. For each day of each year they are at work helping all disabled veterans, whether or not they belong to the organization, to prepare the evidence which will bring them all of the rights to which they are entitled under our laws. This is usually a highly technical job calling for expert advice and often painstaking development of evidence. During the past 10 years, 2,527,647 claim folders have been reviewed, and 1,186,131 rating board appearances have been held, all free of charge.

Simultaneously the organization has been active in rehabilitation activities, for its purpose is not only to obtain just compensation for the wounds of battle, but to restore the disabled to productive citizenship. Richard W. Lambert, who was chosen by the organization as the Outstanding Disabled Veteran of the Year for 1965, illustrates this spirit. A triple amputee, he was first wounded at Korea's Chosen Reservoir. After 6 days on frozen ground he was rescued but he still had to walk miles to be evacuated. After 15 months in hospitals in Japan and the United States, he came home with two artificial legs and a hook for his right arm. Determinedly he tried several jobs such as gasoline service station attendant and bookkeeper. He opened his own gasoline station, but a price war forced him out of business. Looking for other jobs, he found that few employers were willing to take a chance on him until, in 1955, he went to the Du Pont Co., an active participant in hire-the-handicapped programs. Today he drives his car to work daily and his supervisor has nothing but praise for him. On the side he umpires Little League games, swims, goes duck and goose hunting, trains hunting dogs, and likes skeet shooting.

It is men like Dick Lambert—thousands of them in this country of ours—whom we honor today. As VA Administrator William J. Driver said recently of our disabled veterans:

> They are not looking for a handout. They are seeking just compensation for the losses of earning power, and they are seeking a chance to be productive citizens. . . . I hope no one will ever misunderstand or fail to see that disabled veterans are contributing to this country's strength today as they did to its security in time of war.

I cannot fail to join with my colleagues in expressing our admiration and gratitude for the services the DAV has rendered and will continue to render our country.

Mr. DONOHUE. Mr. Speaker, I am very pleased and privileged, indeed, to join with my colleagues here this afternoon in saluting and congratulating the members of the Disabled American Veterans organization and their most effective and energetic national commander, Claude L. Callegary, on this occasion of the 34th anniversary of their origin.

It was just 34 years ago, on June 17, 1932, that the 72d Congress, during their 1st session, approved legislation authorizing the incorporation of the Disabled American Veterans as a Federal, nonprofit organization. The organization was initiated by a handful of disabled veterans and has steadily grown until it is now composed of more than 231,000 members.

The basic purpose of the organization was, and is, to extend all possible assistance to wartime disabled veterans and their families. To most effectively provide this essential assistance the DAV organization maintains a staff of professional national service officers in regional offices of the U.S. Veterans' Administration throughout the country.

Over the past 34 years this great patriotic organization has written an unexcelled record of efficient, energetic, and effective aid to disabled veterans in the most vital, human areas of employment, education, home loans, hospitalization, and compensation.

The DAV has also been in the forefront of our patriotic organizations in promoting and sustaining other basically important programs, such as employment and voluntary services of the handicapped and to hospitalized veterans throughout their proud history over the past 34 years and primarily in this time of national hesitation and world confusion the disabled veterans recognize the imperative importance of encouraging the highest possible morale among the American people. They further recognize that the most effective way of promoting and preserving this essentially needed morale among those who are now serving or who may be called to serve in the defense of their country is a concrete demonstration of this Nation's adequate concern for those who have fought in our Armed Forces in the past.

Mr. Speaker, the Disabled American Veterans have attained the highest level of attention and respect in the Halls of this Congress because their legislative objectives on behalf of our wartime disabled and their families have always been the unified expression of sound and sensible recommendations. And never has this been more true than under the inspirational and competent leadership of the current national commander, Claude L. Callegary. To him and to the distinguished members of his organization this country owes a deep and lasting depth of gratitude and this is a most fitting day, on the occasion of their 34th anniversary, to acknowledge it.

National Commander Callegary and the members of the Disabled American Veterans well realize that we have never been more dangerously challenged by any enemy than we are today by a vicious and determined Communist aggressor. But whatever further challenges we may face in the days to come I know that Commander Callegary and his loyal membership will always be in the forefront in helping this Nation to fulfill the tremendous responsibilities divine destiny has placed upon us in preserving individual freedom and achieving peace for ourselves and all mankind.

Mr. ZABLOCKI. Mr. Speaker, I am pleased to join with my colleagues today in paying tribute to the Disabled American Veterans as they observe the 34th anniversary of the granting of their national charter by Congress.

The DAV is more than an outstanding veterans organization. It is a humanitarian association of preeminent merit and a truly American institution.

As a veterans organization, the DAV stands out for its single-minded efforts at carrying out its congressionally given mandate to advance the interests and the welfare of all wounded, injured, and disabled veterans.

How well it has accomplished this task. The lives of countless veterans have been made more comfortable, more meaningful, more productive because of the work done by the DAV.

For many years I have watched with admiration as the DAV has piled accomplishment upon accomplishment in my own community. In Milwaukee County we have two outstanding chapters of this organization, DAV Post No. 1 and DAV Fred Gettelman chapter.

Their membership has been very active in a number of local projects designed to assist injured and wounded veterans.

An outstanding example of this was the recent opening of a new $26 million Veterans' Administration hospital in Milwaukee. This medical facility—the most modern of its kind in the Nation—will provide sick and disabled veterans with the best possible medical care.

I am proud to say that the DAV was in the forefront of the groups and organizations which spearheaded the drive for the new hospital. Their contribution was a significant one in a community-wide effort.

As a humanitarian organization the DAV has concentrated its activities on the distinctly human aspects of the lives of those it serves.

Since World War II, DAV national service officers have given free assistance to more than 1½ million disabled veterans and their families.

This assistance has taken many forms. The DAV has helped veterans obtain needed medical care and hospital treatment. It has helped them apply for disability compensation and has arranged for proper rehabilitation help. It has provided opportunities for job training and employment to those who otherwise might have been relegated to lifelong inactivity.

These services have been provided to disabled veterans without charge and without regard to whether the individuals concerned were members of the organization.

For these outstanding activities in assisting their fellow men the members of the DAV richly deserve the title, "Humanitarian."

Finally, the DAV is a truly American institution; the dedication of its membership to American ideals has provided inspiration to their fellow countrymen.

More than any other organization in the country the DAV and its members represent the sacrifices which Americans have been willing to make in defense of our freedoms.

Their sacrifices cannot but heighten our appreciation of the cost of war when we see in our midst those who have paid the high price in order that we and our children might live in liberty.

We are truly indebted to our disabled veterans in a way that cannot be fully recompensed. We can only express our gratitude by providing adequate recognition to them.

For assisting us in carrying out that resolve for the past 34 years, we in Congress, representing the people of the United States, salute the Disabled American Veterans on this auspicious occasion.

Mr. FLOOD. Mr. Speaker, I, too, would like to join with my colleagues in the verbal recognition of one of America's most distinguished organizations, the Disabled American Veterans. And I would like also to join in our heartiest welcome to DAV National Commander Claude L. Callegary and to all of his associates with us in Congress today.

DAV Day on the Hill provides us with the happy opportunity to express once again the gratitude of our Nation for the service and sacrifice of the men who have fought to preserve our freedoms. But I am afraid that too often in honoring the American veterans, and particularly in honoring the dead of our wars, we forget to stop and pay sufficient tribute to the men who have given to this country, not their lives, but their physical well-being.

The disabled young men who have returned home to serve their country in peacetime, as well as in war, offer Americans a continuing testimony to the courage and resolve which has built this great land. It is not easy to face a long lifetime as a young man handicapped by what often seems to be the senseless grimness of war. But there is pride, too, and honor in knowing that it is sacrifice which has helped to hold back once again the never-ending tide of madness which would engulf the dignity of the human spirit with tyranny. The dignity and courage which our disabled veterans have brought back with them to their domestic life and to the service which they have given their communities deserve both our esteem and our humblest gratitude.

On Christmas Day, 1919, following the tragedy of World War I, a small group of 200 disabled veterans met together in Cincinnati, Ohio. The late Judge Robert S. Marx, DAV's founding father, had organized the meeting.

By 1932, the dedicated public service of this group caused it to be chartered by the Congress of the United States "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

Today, the DAV is the largest single veterans organization of wartime injured in either this Nation or the world. And for 34 years, since the granting of their charter by Congress, they have offered a continuous and exemplary service of self-help to those whose lives have been scarred by war.

Through their sponsorship of legislation benefiting disabled veterans, through their service officers in VA regional offices, and through their local chapters, they have performed the invaluable service of freely helping more than 1,500,000 disabled veterans and their families through the difficult transition that comes with tragedy.

The tangible help of the DAV can be counted for in such service as assistance in obtaining medical care, hospitalization, rehabilitation, disability compensation, job training, and employment. The intangible service which the DAV are performing is not so easily pinpointed—the moral assistance and encouragement that only one who has known the same kind of trial can offer.

As we celebrate, today, the 34th anniversary of the chartering of the Disabled American Veterans by Congress, it is an honor to have the opportunity to salute those heroes who have shown not only courage in battle, but courage in life, who have returned home to become active citizens in the best sense of democracy and who have determined to help others faced with the same kind of adjustment and sorrow.

It is with a deep sense of frustration that we realize how elusive a dream is peace and how never ending the struggle of free men. But it is with a very deep sense of gratitude that we remember now, today as our young, injured sons are being evacuated from Vietnam to hospitals across America, that there are dedicated individuals organized and waiting to help them.

And, Mr. Callegary, let me say that on this DAV Day on the Hill Congress is extremely proud to salute you and all the members of your organization.

Mr. MACHEN. Mr. Speaker, as a veteran myself, I know that I and the others who were more fortunate welcome this opportunity to pay tribute to our comrades who were disabled through service to their country.

The Disabled American Veterans' organization was created by the congressional approval of Public Law 186 on June 17, 1932, when it was incorporated.

Since this time the organization has benefited its members in a number of ways. It has proposed legislation and supported its passage which has been most helpful to the veterans and their families.

These have included such bills as the War Orphans Assistance Act and expanded pension programs.

At the present time the DAV is rallying support in Congress for the amendments which Senator RALPH YARBOROUGH has introduced to the recently passed cold war GI bill. His proposals include on-the-job training, on-the-farm training, and expanded educational benefits for veterans.

The DAV's interest in public affairs and its nationwide campaign to rally support for the servicemen in Vietnam has been praised on a bipartisan basis in the Congress and in the administration.

In another meaningful way the DAV makes substantial contributions to the welfare of its members. Through personal service and social contacts it assists its members to adjust to their communities again.

These men who have fought the good fight stand as a living monument to a great nation's commitment to the ideals of liberty, justice, and peace. They are a constant reminder to all of us that we cannot leave our ideals unguarded.

It is not enough to say that we have won the battle. We must continue to protect our interests and principles in every corner of the world where they may be challenged. We have truly paid a high price for our liberty today. Yet I know that every member of the DAV believes that it was worth the cost.

In deepest gratitude to them we have a continuing responsibility to review the programs for our disabled and their widows and orphans to be certain that they are not forgotten in the fast-moving world of today.

Mr. BROWN of California. Mr. Speaker, I would like to join with my colleagues in this tribute to the Disabled American Veterans on the 34th anniversary of its becoming a congressionally chartered national veterans organization.

On many occasions I have had the opportunity to personally note the excellent representation given by DAV service officers on behalf of a veteran who has a problem that needs to be ironed out with the Veterans' Administration.

Most of us probably tend to forget, until reminded, of the especially great sacrifice the disabled veteran has made for his country. Even fellow veterans who were fortunate enough to complete their service without lasting disabilities often lose sight of the extra problems suffered by their battle-scarred buddies.

This is the gap that the DAV moves into, to help us remember and to help with understanding. DAV service officers are fellow disabled veterans and work full time to help fellow veterans make sure they receive all of the benefits to which they are entitled from a grateful, if sometimes befuddling, Federal Government.

As a member of the Committee on Veterans' Affairs, I am also privileged to hear representatives from the Disabled American Veterans present their organization's views to the committee from time to time. It is here that we are so often reminded that we must have a clearheaded analysis of the effect of pending legislation from those who will be affected. The Disabled American Veterans organization has always fulfilled this role most readily and most efficiently.

Mr. Speaker, I want to congratulate the officers and membership of this excellent organization on this occasion and to wish them at least another 34 years of success and accomplishment equal to that which they have just experienced.

Mr. HERLONG. Mr. Speaker, I want to say a few words on the occasion of celebrating the 34th anniversary as a congressionally chartered national veterans organization of the Disabled American Veterans.

I know of no organization which has been more helpful than the DAV to the service-connected American servicemen, their widows, dependents, and orphans.

Their services to the veterans have been invaluable in seeing that the veterans get the care and compensation to which they are entitled through the facilities of the Veterans' Administration. The DAV has been an able counselor when needed.

Their service officers in the VA regional offices throughout the country have been of great help to us in Congress to whom many veterans apply for assistance. I do not know what we would have done without them. We certainly would not have been able to provide them with the personal interest and assistance in their own localities which these service officers of the DAV have given them.

Not the least of the contributions of the DAV is the work that it has done with private industry in getting employment for rehabilitated veterans with service-connected disabilities.

I join with my colleagues in saluting the DAV.

Mr. MURPHY of New York. Mr. Speaker, I wish to commend an organization that has existed since 1919 and is now celebrating the 34th anniversary of the granting of its congressional charter recognizing it as a national service organization. I refer, of course, to the Disabled American Veterans—an organization not only of great national importance but one that we should well be proud of.

The Disabled American Veterans, or DAV as it is known, has been a great support to the wounded American soldier and has helped furnish him with greater security and a respected position at home. For the wounded GI at home who is often unable to pursue his interests as he would wish or for those veterans who are not aware of all the benefits that might be accorded to them, DAV has used its network of national service officers "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans" and to work in accordance with the Veterans' Administration to improve the position of the disabled American GI. Since the end of World War II, DAV has given free, nonpartisan assistance to over 1,500,000 disabled veterans by providing them with medical care, rehabilitation and job training as well as educational opportunities such as we now see in DAV's post Korean war veterans education assistance program. During the last 6 months of 1965 $55.5 million has been given to our veterans in the way of benefits.

Our late President Kennedy saw DAV as an organization of inspiration and trust, and now in the 89th Congress we here today are proud to commend this nonprofit organization on the marvelous work that it has done. It is truly an inspiration to our country and a fine example to the rest of the world in these troubled and insecure times when the wounded veteran might be seen as a burden rather than a useful, productive member of his society. We can be secure in the knowledge that our country will never reject its veterans as was done in 18th- and early 19th-century Europe, and we may further be grateful to DAV for helping secure a better position in our country for the veteran, and also to such men as Judge Robert S. Marx who, in 1919, organized and led DAV to its current respected position.

I wish to make some further remarks about DAV. Of course we are all well aware of its fine work for our disabled veterans including its prominence in the passing of the famed GI bill of rights, but we should be aware also of its very contemporary and immediate nature. The disabled veteran has existed throughout all of American history but now more than ever we are aware of him. DAV has also taken a stand in relation to our current affairs and has been outspoken in its support and belief in the continuation of the American ways and traditions for which we fought. Its criticism which appears in its national DAV magazine has been thought provoking and constructive. It has reminded us of our national obligations and has reminded us to note and commemorate Flag Day this June 14, 2 days before the House will note "DAV Day on the Hill." As you, the Members of Congress, know the issue of respect for our flag is one that I believe to be of great importance. It is through such efforts as those editorially proclaimed by DAV that the youth of America will be more aware and take a greater interest in our great American traditions. In effect DAV reaches all areas of the American scene. I need not go into great detail about the present Vietnam issue that now confronts our country but here too in this against communism we can take comfort in the fact that DAV is actively aiding the wounded GI at home in his physical and social recovery.

I, therefore, take this opportunity to extend my congratulations for a job well done and I further hope that the good work of the Disabled American Veterans will be continued in the future. I hope you will join Congressmen DORN and HORTON and myself in praising this fine organization.

Mr. STANTON. Mr. Speaker, I am pleased to join with my colleagues in paying well-deserved tribute to the Disable American Veterans on the 34th anniversary of the granting of their congressional charter as a federally approved, nonprofit organization acting as the official voice of the war disabled.

As an Ohioan, I am particularly proud that the DAV was born in Cincinnati in 1919, when the late Judge Robert S. Marx and a group of wounded World War I veterans realized that the Government veterans' programs were inadequate or mismanaged, and that a single-purpose veterans' organization was needed to spearhead improved programs.

Today the DAV has grown from a handful of disabled veterans to a membership of more than 231,000—veterans of America's two major wars, the Korean war and the war in Vietnam.

Nearly all beneficial legislation affecting disabled veterans that has passed Congress since 1920 has been sponsored by the DAV, including the GI bill of rights. This organization aids disabled veterans in matters of employment, compensation, hospitalization, home loans, education and all the other vital matters that affect his social and economic welfare. It is indeed remarkable that in this day of constantly increasing demands on the Government for subsidization of various causes and programs, the Disabled American Veterans have provided their countless worthy services with no Federal financial assistance whatsoever.

Once again the United States is at war defending freedom in the jungles of Vietnam and daily our men are being killed or crippled. It is surely fitting that we pause in the midst of this conflict to commemorate this significant date in the history of the Disabled American Veterans and to commend them for their determined and inspiring effort to serve disabled veterans of past and present wars.

Mr. MINISH. Mr. Speaker, Commander Callegary, it is an honor to join in the congratulations to the Disabled Veterans of America. During the 34 years since this Congress officially recognized the DAV, we have all seen this organization at work on behalf of the handicapped. Although its primary purpose is to work for the welfare of the disabled veterans, the DAV has always sponsored programs to increase public awareness of the problems of the disabled, and to encourage the hiring of handicapped workers.

The DAV has striven conscientiously, and with passion, for the welfare of all disabled veterans, whether they are DAV members or not. These veterans, who have fought so courageously in some of the most horrendous conflicts mankind has known, are all too often the forgotten soldiers, who have made the forgotten sacrifice. The DAV has helped to make sure that we in Congress remember these veterans, and show them our gratitude through necessary legislation. The general public is asked to remember the disabled veteran through the Idento-Tag program, which is more successful every year.

The DAV, through its national service officers, also acts as an intermediary between the Veterans' Administration and the individual veteran, and his family, who need assistance in obtaining the benefits which are theirs by right. These national service officers, men of integrity and good will, handicapped themselves, have contributed an immeasurable amount to our veterans program. All too often the individual is bewildered when confronted by forms, rules, and bureaucracy—which are, indeed, essential, but too complicated to understand easily. The DAV performs a service for all Americans when helping these disabled soldiers.

We must not forget that the DAV member is, above all, a patriotic American. These men, who have been through it themselves, best understand the problems of the American soldier in Vietnam, especially the soldier who has been wounded, or striken with disease. We have all seen the DAV bumper stickers which remind all Americans that those in Vietnam are fighting for us.

The DAV has achieved success because it is an organization with a heart. Its members, its officers such as Commander Callegary, have mastered their disabilities and devote their energies to helping others pass through the long tunnel of rehabilitation. The disabled veteran's loved one is also helped, not only through services given the veteran himself, but financial assistance and support available in time of need.

Let us hope that the next 34 years will be more peaceful than the last—but that the DAV will continue its great work with increasing effectiveness.

Mr. DORN. Mr. Speaker, it has been said that the highest of distinctions is service to others. It is fitting, therefore, that on the occasion of the 34th anniversary of the chartering of the Disabled American Veterans organization by the 72d Congress, we in the 89th Congress pause to honor the men of the DAV whose sole purpose is to provide dedicated service to the wartime disabled, their widows, orphans, and dependents.

Since the end of World War II, the DAV national officers located in Veterans' Administration regional offices throughout the country, most of whom are themselves disabled veterans, have provided free assistance to more than 1,500,000 disabled veterans of all of our wars, and their families, in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment, and have been sponsors of nearly all legislation affecting veterans benefits. An example of one of their projects is the presentation recently by the DAV Greater Pittsburgh Chapter No. 8 of a TV set, radio, and dishwasher to the day center located in the VA regional office of the new Federal building in my congressional district. The day center assists veterans, most of whom have been confined to hospitals for a long time, to return to a normal pattern of living through programs of recreation, sports and discussions which will rebuild personality strengths.

Though the DAV was chartered as a Federal, nonprofit organization to champion the cause of the disabled veteran, it receives no Federal support and is maintained through membership dues and moneys received through the sale of Idento-Tags, the familiar miniature license plates which when registered by a return card assure the return of lost automobile keys. I would urge my colleagues, and all motorists, in keeping with the celebration of DAV Day on the Hill, to participate in this worthy rehabilitation effort.

Mr. CLEVELAND. Mr. Speaker, on this DAV Day on the Hill we express our respect and admiration for that patriotic and vital veterans organization, the Disabled American Veterans. Chartered by Congress June 17, 1932, this group of dedicated American veterans had first been organized in 1920 to help wartime disabled veterans and veterans' widows, orphans, and other dependents. The name of the new organization was "Disabled Veterans of the World War" and when chartered by Congress in 1932 this name was continued. On July 15, 1942, in the early months of the Second World War, by Public Law 668 of the 77th Congress, the words "of the World War" were, by tragic necessity, deleted from the charter.

Probably every owner of an automobile in the country is aware of the DAV's Idento-Tag program. Proceeds from the sale of these miniature license plates pay for the many worthwhile programs for disabled veterans and their dependents that are conducted by the DAV.

The DAV helps disabled veterans make their claims to the Veterans' Administration, and sometimes can even obtain service-connected disability compensation for a veteran, although years have passed since his active service. The DAV's leaders and members are also very active in supporting veterans legislation in Congress. In all of its many splendid activities in behalf of disabled veterans and their dependents, the DAV is ever aware of the guiding principle of its founding. This principle is that our Nation's first duty to her veterans is the rehabilitation of the wartime disabled.

The DAV's objectives include the following: Proper medical care and treatment of veterans for disabilities incurred in or aggravated by military service; adequate compensation for the extent of impairment caused by disability; training and education designed to restore the wartime disabled to gainful employment; adequate compensation to the widows, minor children, and dependent parents of veterans whose deaths are caused by service-incurred disabilities.

These are worthy aims that deserve everyone's support. It is only appropriate that during this "DAV Day on the Hill" we pay tribute to the great achievements already made by the DAV and pledge our support for its programs in the future.

I wish to congratulate the DAV on its new national headquarters, now nearing completion in Cold Spring, Ky. Ground for the new headquarters was broken on May 29 of last year by William G. Dwyer, then the DAV's national commander. Commander Dwyer said on that occasion:

> This represents a milestone in DAV history . . . This edifice will be a memorial to our own comrades who have gone to their last reward. It took the efforts of the entire national staff officers, the national executive committee and the national finance committee, to make this project a reality.

A member of the bench of Kentucky praised the DAV's leaders by saying that, "I have never seen a more dedicated group of men than the DAV national officers."

Members of Congress are well aware of the dedication of the DAV's national officers. In testimony before the Veterans' Affairs Committees and in private conversation with Representatives and Senators, the DAV's national officers show themselves to be patriotic, intelligent, informed, and hard-working men devoted to the cause of disabled veterans and their dependents. Today we salute the DAV's leaders, members, and the many thousands of men, women, and children whose interests they represent, and we thank our disabled veterans for the sacrifices that they have made for us, for our country, and for the cause of freedom. Particularly I commend the fine work they have done and are doing in my own State of New Hampshire where the DAV has compiled an enviable record of constructive achievement.

Mr. HALPERN. Mr. Speaker, the purposes and policies of the Disabled Veterans of America deserve the national respect and admiration, for their basic principle is altogether sound. They hold that those Americans who have paid the most for liberty in battle are most likely to work the hardest to sustain it on the homefront.

The record, of the DAV attests to the truth of this thesis, for surely no other veterans' organization can be said to exceed the DAV in heroes per capita, and no other veterans' organization is more intensely wedded to American ideals.

Chartered by Congress 34 years ago, the DAV has proven itself to the American people, again and again, as a driving force in defense of our national heritage.

The will to defend a national policy is based upon the beneficial aspect of the traditions involved. And so beneficial are American traditions that the people always have been quick to defend them with every power at their command. This the American has done with no thought of recompense. This he has done on patriotic impulse.

The fact remains, however, that the victims of warfare cannot be permitted to suffer in the aftermath of heroism in battle. So believe the American people and so believes the DAV. In standing out for justice in behalf of the disabled veteran, the DAV mirrors the essence of American thought. And in organizing and channeling the efforts and the voices of our disabled war heroes, the DAV has performed a decided public services.

The basis of American optimism is strength in the knowledge that justice is obtainable under our traditions and under the laws. Acting on that knowledge, the DAV has undertaken to secure justice for those who risked their lives that justice might prevail.

In working for veterans' rights and in working for the creation of sound American policies, both foreign and domestic, the DAV has proven itself judicious, conscientious, and patriotic in the extreme.

It is a great pleasure to congratulate this remarkable organization, on the occasion of its 34th anniversary, and to wish the best of luck to its membership in the years to come.

Having earned the right to national respect, on both an individual and an organizational basis, everyone connected with the DAV is entitled to a round of applause, so far as I am personally concerned.

Mr. DUNCAN of Oregon. Mr. Speaker, I am pleased to join in a tribute to the Disabled American Veterans on the occasion of its 34th anniversary as a congressionally chartered national veterans organization. The DAV, thus, is the official voice of disabled veterans.

My congratulations and my best wishes for the future to Claude Callegary, the DAV national commander, his fellow officers, and the 231,000 DAV members in more than 1,830 chapters.

Disabled veterans who have given so much of themselves on behalf of their country deserve every effort in the areas of education, compensation, medical and hospital care, employment, and housing. Recently, I was in the Veterans' Administration hospital at Portland, Oreg. There I saw ample evidence that the DAV is giving widely and fully of its efforts to help the disabled veterans.

The DAV's congressional anniversary appropriately, too, falls within 2 days of Flag Day—that commemorative occasion when we honor the symbol of our country.

This year, the DAV observance comes in the midst of a growing war in Vietnam. Over 250,000 American troops are in that beleaguered country in southeast Asia. So the task of the DAV will continue as the wounded servicemen come home for care, treatment, and rehabilitation.

I am certain that the DAV will perform its numerous valuable services to the veteran in a responsible manner.

Because as our sense of patriotism and our awareness of country come to the fore under the impact of combat, there is need for a strong sense of responsibility.

George Washington is said to have kept a copybook of maxims in which was carried this wise sentence:

> Labor to keep alive in your breast that little spark of celestial fire—conscience.

We can survive our Bastognes, our Vietnams, our Koreas, and our Valley Forges if we keep this in mind.

In a free society, there are always those who disagree with majority policy. The conflict in Vietnam has resulted in voices raised in high protest in the form of picketeering, pamphleteering, and other forms of dissent. Thomas Jefferson said:

> We should not be afraid to tolerate error as long as reason be left free to combat it.

Criticism is an indispensable weapon in a free society, we should remember, however much we may disagree with these voices of dissent. We should always keep in mind a distinction between dissent and heresy, between honest difference of opinion and treason. We should not use patriotism to defend blindly a society which always needs improvement. No society, including our own, is free of unwarranted privilege or intolerance or other inequities. We learned with awful impact again last week that an American Negro, for example, is not free to walk along a highway without risk of attack.

More than 10 years ago, Adlai Stevenson discussed his definition of patriotism at a veterans' convention:

> What it means to me is a sense of national responsibility which will enable America to remain master of her power—to walk with it in serenity and wisdom, with self-respect and the respect of all mankind; a patriotism that puts country ahead of self; a patriotism which is not short, frenzied outburst of emotion, but the tranquil and steady dedication of a life-time. The dedication of a life time—these are words that are easy to utter, but this is a mightly assignment. For it is often easier to fight for principles than to live up to them.

Again, my appreciation on behalf of the many veterans in my congressional district for the good works of the DAV.

Mr. WOLFF. Mr. Speaker, born out of the ashes of World War I, by a group of disabled veterans who had first hand knowledge of the problems of their fellow ex-servicemen, the Disabled American Veterans, which today celebrates its 34th anniversary as a congressionally chartered organization, has continually fought for benefits justly won by sacrifices above and beyond the call of duty.

It is appropriate that today be designated "DAV Day on the Hill" for I know of not many other organizations whose members have served the Nation so well. The DAV is not only the largest organization of wartime injured in the United States, but is also the largest such organization in the world with 231,000 members. The single purpose of this nonpartisan organization—the welfare of the wartime disabled veteran and his dependents—has deservedly received the enthusiastic support of Americans of all political persuasions and all walks of life. Since World War II, one and a half million veterans have been aided in obtaining free assistance in the form of medical care, hospitalization, disability compensation, job training and employment. The DAV has supported the passage of all beneficial legislation concerning veterans including the historic GI bill of rights.

For all of these reasons, it is no wonder that one of the world's greatest statesmen, our own late, beloved President Kennedy, who himself was injured in the crash of his PT boat, told the members of the DAV, "Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically handicapped, both veteran and nonveteran."

Every serviceman knows the truth of the adage that "War is Hell." However, for the disabled veteran, the period of trial merely begins with the cessation of hostilities. Readjustment to civilian life is difficult even for men who get through the war uninjured. It requires a special kind of bravery for an injured vet to face the outside world after his discharge.

The United States is now involved in another major crisis in Vietnam. In my trips to Vietnam, and in my visits to the hospitals in that area of conflict, I have seen many of our Nation's finest youth handicapped for life by an unseen enemy. Let us hope the future holds no necessity for any man to ever have to bear the title of disabled serviceman and that we know lasting peace. But as long as there are those in this world who believe in force as the final arbiter, we are fortunate that there are dedicated people like the DAV who will look after the interests of those who have made great sacrifices for our beloved Nation.

Mr. COLLIER. Mr. Speaker, I am happy to be able to join my distinguished colleagues, the gentleman from New York [Mr. HORTON] and the gentleman from South Carolina [Mr. DORN] in paying tribute to the Disabled American Veterans on their 34th anniversary.

While it was on June 17, 1932, a third of a century ago, that the Congress of the United States officially recognized the organization as the voice of our disabled veterans, the Disabled American Veterans actually goes back to 1919. The more than 231,000 members of this group fought for our Nation in World Wars I and II, the Korean war, and the war in Vietnam.

We have, during the past few months, been disgusted at the performances of those who have burned their draft cards, encouraged the sending of blood to our enemies, welcomed a victory by the Vietcong, advocated increased trade with our Communist foes, and otherwise given aid and comfort to the enemy in time of war. These deluded people are overwhelmingly outnumbered by the men who have fought for America in Europe, Asia, Africa, and the islands of the sea. In the forefront are those who have suffered disability because of their participation in battle.

The members of the Disabled American Veterans did not cease serving their country upon the cessation of hostilities, but have continued in peacetime to aid their less fortunate comrades, as well as the widows and orphans of those who made the supreme sacrifice. They have set an example for the youth of our Nation. I know that most of our young people will follow the example, not of those who give aid and comfort to our enemy, but of those who have borne the brunt of the battle in our wars.

Mr. NEDZI. Mr. Speaker, the Disabled American Veterans have served and preserved our Nation. Moreover, they have awakened the American people to the special problems of handicapped veterans, helped those veterans meet and surmount their handicaps, and helped our lawmakers formulate meaningful and constructive legislation in behalf of the veteran, his family and his fellow citizens.

I am honored to have the opportunity to join my colleagues today in celebrating the 34th anniversary of the DAV as a congressionally chartered national veterans organization. The high purpose of the DAV is to "advance the cause of the disabled ex-serviceman, his widow, dependents and orphans." We can say with confidence that the DAV has lived up to its purposes and goals.

The membership and the leadership of the DAV has a dedication to its cause which is rare. This dedication, this heightened sense of public and personal responsibility, arises from the suffering and the direct experience of injury in war.

The United States is a generous and compassionate Nation. In victory, no nation in history has been so generous to its former enemies or so helpful to its friends. We can do no less for our own servicemen and our own veterans. In this twilight condition of uncertain peace in some areas of the world and war in Vietnam, let us honor our wounded, as they have honored us. America must never forget the sacrifices of its citizen-soldiers.

With security through strength, with justice under law, we can build an enduring peace. The DAV has advanced the cause of the men seeking to build an enduring peace, men who have suffered injury to themselves in those efforts. The Congress of the United States shares this cause and shares the commitment to national security and the works of peace.

In honoring the DAV today, we honor the ideals of our Nation. Let us continue to reflect upon these ideals and to act accordingly.

Mrs. MINK. Mr. Speaker, I am deeply grateful for this opportunity to associate myself with my colleagues in commemoration of the organization's 34th anniversary.

The entire Nation is in their debt, and that of their founding members, for the excellent representation they have provided for those who have given so much of themselves for the country.

The DAV system of national service officers has been an outstanding adjunct to our governmental system of veterans' care. If all these officers are of the caliber of ours in Hawaii, Mrs. Rose Sturdyvin, then the DAV has, indeed, fashioned for itself an excellent network of hard-working and public spirited advisers.

I am told that the 213,000 DAV members include disabled veterans of both World Wars, the Korean conflict, and the present conflict in Vietnam. This membership constitutes a living history of our contemporary struggles as well as a living memorial to the sacrifices our men have made in behalf of liberty and justice.

I feel a great sense of honor in participating in this tribute to the DAV Its program of aid to disabled veterans is in the highest tradition of our Nation, and deserves to be made known as widely as possible across the country.

Mr. MORRIS. Mr. Speaker, on Christmas Day, 1919, Judge Robert Marx assembled a group of disabled veterans in Cleveland, Ohio, and began an organization destined to secure veterans' benefits for many future decades. The organization grew in size and strength until on June 17, 1932, Congress granted a charter to this group, then known as the Disabled Veterans of the World War. Ten years later, this charter was amended, changing their name to Disabled American Veterans and thus expanding the membership to include all those wounded, injured or disabled in the armed services of this country.

Tomorrow marks the 34th anniversary of the incorporation of the DAV. As a lifetime member of the organization, I have a special interest in the tributes that we extend today.

In 1919, many thought that the last war had been fought. Those few men who gathered in Cleveland that year could not have anticipated the devastation the world would know nor the growth that their organization would have. But they did know that the country owed a debt to its wartime disabled—a debt that had not been paid.

It is important that we honor organizations such as the Disabled American Veterans. It is important, not only because of the excellent services they have provided for their membership, but also because, as Calvin Coolidge said:

> The nation which forgets its defenders will be itself forgotten.

In May we remembered those who gave their lives for our country. We must not forget those who came so near to death that they sacrificed their strength and their health for our country.

We have seen three wars since the establishment of the DAV. We have buried the dead and cared for the wounded. The DAV has insured that the injured would not be forgotten as soon as their wounds were dressed. Today their membership includes veterans of all American wars. It has expanded from a few members in 1919 to over 231,000 members today. And it has assured its members, through sponsoring every major piece of legislation granting benefits to disabled veterans, that they would not be forgotten—that the debt owed them by this Nation would, indeed, be paid.

The DAV has one major purpose: to rehabilitate the wartime disabled. It has sought to fulfill this purpose by attempting to obtain adequate compensation for the wartime disabled and their dependents, adequate hospital facilities for the disabled, and education and retraining programs for our disabled veterans. And it has operated without Government subsidy, financing its operation mainly by producing and selling automobile license Idento-Tags. This activity has provided not only funds for the maintenance of the organization but also jobs for some of its members.

The DAV has been a tremendous influence in the creation of national legislation for disabled veterans. It has also provided service for the individual disabled veteran in its dissemination of information, informing him of his rights and how to obtain those rights.

But in many ways, DAV is more than a legislation seeking organization and more than a center of information. It cannot be separated from its functions; but its function of rehabilitation extends beyond legislation and beyond information. It is not only physical rehabilitation but the rehabilitation that can be provided only by self-confidence and courage that is important.

This country should be proud of the organization of the Disabled American veterans, for it has provided those men who were injured during the war courage to face their disabilities. The disabled should not look upon their wounds with shame but should rather look upon them with pride. A Roman author, Publilius Syrus said, "The scar which bravery gets is never ugly." The war disabled must look upon their wounds with pride, for the scar which covers their wound might cover the world if not for their bravery.

Mr. CABELL. Mr. Speaker, I deem it an honor to join with my colleagues in paying tribute to a great patriotic organization, the Disabled American Veterans, on this, the 34th anniversary of their congressional charter.

It is particularly fitting that the Member from the Fifth District of Texas take part in this observance because one of my predecessors, the late, great Hatton W. Summers, as chairman of the Committee on the Judiciary, was largely responsible for the passage of this charter resolution. In this he was ably guided and counseled by two other friends and constituents of my district, the Honorable Lawrence R. Melton, later national commander of the DAV, and the Honorable P. D. Jackson, currently commander, Texas DAV.

I am hard put to find words to express my regard and appreciation to not only the DAV, but to all veterans and veterans' organizations for their contributions to our Nation.

This was done most appropriately and most beautifully by Maj. Gen. Harley B. West, former commanding general of the 49th Armored Division, in his all-veterans Memorial Day address at Restland Memorial Park in Dallas on May 30, 1966.

At this point, Mr. Speaker, I insert this magnificent address into the RECORD of this day's proceedings of the House:

MEMORIAL DAY SERVICE 1966

(By Maj. Gen. Harley B. West, Restland Memorial Park—Dallas, May 30, 1966)

I am deeply conscious of the high honor that is mine in being privileged to speak on this Memorial Day observance, 1966. But I am, quite frankly, overwhelmed at the thought of finding words to fill this occasion, for it is always difficult to speak of those whose actions were infinitely more significant than talk. It seems idle to commemorate with lengthy tribute those whom the Nation's love has long since made immortal. Yet, we can never fail to find renewed inspiration and dedication in their example. And it is important that we do so today, for never in our history has there been a greater need for inspired, dedicated Americans. It has been said that you can tell the character of a people by the type of men they honor. They are heroes all.

Memorial Day 1966 finds our young men answering a new call for courage and steadfastness in the age-old struggle against the forces that would suppress freedom or erect barriers against equality and justice for all men. Now we are confronted with dangers vastly greater than we or any other nation has before known, and we see no end or easy solutions to them. But you and I know that the great blessing of liberty is never secured without suffering. "What we obtain too cheap, we esteem too lightly."

And so in my remarks today, I intend to consider the meaning and the message that this Memorial Day brings to each of us.

For nearly a century, our citizens have set aside this day to honor those who served our Nation so well both in war and in peace. The real meaning of Memorial Day is found in the aftermath of the Civil War. Even after its end, the rumble of guns seemed to echo across the land—destruction and bitter memories marred the peace.

An inspiring symbol of unity and reconciliation was needed—a symbol from which the people could draw strength as they strove to become a united nation. That symbol was supplied in 1867 when a kind gesture by a small group of women in a little-known community in the South suddenly caught the imagination of the Nation. As the women of Columbus, Mississippi, decorated the graves of their war dead, they saw nearby the graves of the Union soldiers—bare, cold, and forgotten.

These women could not bring themselves to ignore the Union graves. Carefully they decorated them too, until there was nothing to distinguish Union graves from Confederate.

The story of the Mississippi women was printed in papers throughout the country, and their heart-warming performance was celebrated in sermons, speeches, poems, and songs.

The reaction was so great that in 1868, Gen. John A. Logan, National Commander of the Grand Army of the Republic, the Union's veteran organization, ordered its members to observe May 30 as a special day.

General Logan chose the date May 30 simply because of the abundance of beautiful flowers during this time of the year. But from then on, "Decoration Day" ceremonies were sponsored throughout the North, and similar rites were held independently in the South. Gradually the legislatures of many States made the day a legal holiday.

In 1882, Decoration Day became Memorial Day to describe more fully the sentiment of the occasion. And with the passing years, Memorial Day has become a salute to the military dead, not only of the Civil War, but of all our wars.

Through the years, our soldiers have marched a tortuous road. It has taken them to frozen months at Valley Forge, to heavy fighting around Jackson's cotton bales at New Orleans, and to slaughter at Gettysburg. The road has wound from Monterrey to Mexico City; it has leaped the waters to Cuba and to the Philippines.

In the First World War, names previously unheard by the average American citizen took on new and terrible meanings; Argonne Forest, Chateau Thierry, the Marne River, Verdun—all became synonymous with the roar of gunfire and the struggles of men.

Then the Second World War came, and Americans fought on three continents—Europe, Africa, and Asia—and worldwide in the air and on the seas. They gave their lives at Anzio, at Normandy, and at Okinawa; they founght in sun-baked deserts, steaming jungles, and frozen fields.

There were bad times—the death march at Bataan, early reverses in North Africa, the Battle of the Bulge—but the American fighting man and our allies proved equal to the task. They retook the Philippines, held at "the Bulge," and forced the enemy to lay down his arms in Africa.

The road lead on to Korea, where Heartbreak Ridge, Pork Chop Hill, and the Pusan Perimeter became new landmarks on our soldiers' map.

And today Americans are again serving in the cause of freedom throughout the world, opposing the Communist aggression that threatens the self-determination of our friends; and, ultimately, our own security. The road has carried thousands of America's fighting men to Vietnam, where the valiant South Vietnamese are engaged in a life-and-death struggle with a powerful and cruel Communist aggressor. Here strange sounding names—Chu Lai, Pleiku, the Mekong Delta, and Cu Chi—are rapidly becoming household words. And in the coming months as more and more of our young men give their "last full measure" in defense of liberty, we shall perhaps be called upon to steel ourselves for longer and longer casualty lists from Vietnam.

Since our Nation's beginning, almost a million of our servicemen have given all that mortality could give, and have given in a spirit of duty and devotion to their country. No class, nor color, nor religion sets one apart from another. These men were from all of America—from the mountains, the farms and cities—from huge estates and tiny apartments—from every part of our land.

Today, as we place flowers on their graves, we realize that we cannot discharge our solemn obligation to these men with mere words of homage. They did not die for wreaths and words. They died for the right of Americans to enjoy freedom. They died for future generations. They died for us.

But were these men truly aware of what they were doing? Could they conceive of the enormity of their sacrifices? The boy fresh from the farm or the factory—did he know what he was doing for his country? The young father who had known the fullness of life so briefly—could he imagine that an implacable destiny might forbid him to see his family forever?

Those who deride patriotism and faith tell us no. These cynics seek to convince us that our boys have gone away and have fought blindly while cursing the impersonal fate which led them inexorably through the darkness to death.

Let there be no mistake about it. Our men all knew what they were fighting for and why. They knew their own lives might well be the price of victory. They sensed this with that patriotic sensibility which surpasses mere understanding. Our national ideals inspired them, and the power of the national spirit moved them to great deeds of valor.

It is an embarrassing paradox in this fat and rich country of ours that our soldiers have a far better idea of what they are fighting and why they are fighting than some of our people at home. They are on the ground. They see the enemy and his works. They see the terror, the hunger, the hopelessness of the people under communistic domination.

It is ironic that they fight and risk their lives that we may remain free and continue to enjoy individual liberty; their sacrifice makes it possible for our present vietnik generation to behave as they do. In Russia, in China, in North Vietnam there is no such thing as draft card burners, or protest marches, or college sit-ins, or armed forces day parade obstructors, or telephone calls to wives or widows of servicemen. Irresponsible and unpatriotic acts such as these give comfort and aid to our enemies. The only reason they are not treason is because we have not formally declared that a state of war exists.

To me, such acts desecrate the memory of our honored dead. Such acts violate the very graves we are here today to decorate on this field of honor.

On this Memorial Day we should remind ourselves that military obligations are an inseparable part of our heritage, that military service in time of the Nation's need is a fundamental responsibility of citizenship.

And as always, the basic source of our power is the individual soldier. I sometimes feel we lose sight of that fact in this age of technology and automation. The thought that a war might be fought and won by technicians pushing buttons, instead of soldiers squeezing triggers, is an especially seductive one for people who respect human life as much as Americans do. But the hard fact must be faced that war cannot be fought without the active and wholesale participation of soldiers, sailors, marines, and airmen.

> It will always be necessary for man to confront man—sometimes eyeball to eyeball. And there must always be human intelligence to drive the tank, aim the missile, and plan the next move.
>
> So on this Memorial Day, as we look to the past and remember those who have done so much to preserve our Nation and to uphold her ideals, let us think to the future and renew our strength to meet successfully the responsibilities and dangers which lie before us. Let us resolve, then, to make this Memorial Day a commemoration of the past, an acknowledgment of the present, and a pledge for the future as we work together for world peace.
>
> Let us join with the poet who, generations ago, wrote "The Flag Goes By":
>
> Hats off! Along the streets there comes
> A blare of bugles, a ruffle of drums,
> A flare of color beneath the sky:
> Hats off! The flag is passing by!
>
> Blue and crimson and white it shines,
> Over the steel-tipped ordered lines.
> Hats off! The colors before us fly;
> But more than the flag is passing by.
>
> Sea-fights and land-fights; grim and great.
> Fought to make and save the state:
> Weary marches and sinking ships;
> Cheers of victory on dying lips.
>
> Days of plenty and years of peace
> March of a strong land's swift increase:
> Equal justice, right, and law,
> Stately honor and reverent awe.
>
> Sign of a nation great and strong
> To ward her people from foreign wrong
> Pride and glory and honor—all.
> Live in the colors to stand and fall.
>
> Hat off! Along the streets there comes
> A blare of bugles, a ruffle of drums;
> And loyal hearts are beating high:
> Hats off! The flag is passing by!

Mr. ROYBAL. Mr. Speaker, the DAV grew out of the wartime comradeship transferred from battlefields abroad to daily life at home—this eloquent statement of the spirit behind the Disabled American Veterans is from a booklet outlining the purpose and goals of this invaluable organization.

The DAV was formed on Christmas Day, 1919, by a group of 200 disabled World War I veterans. Since then, it has become the single largest organization of injured and disabled veterans in the world. To date, its members number more than 230,000, and this is only a part of the picture.

The services of the DAV are not limited to its members; they are available free of charge to all disabled veterans and their families. More than 1,500,000 have been helped by the DAV since World War II alone.

Few people realize the wide range of services provided to the disabled of past and present wars by the DAV. These services cover all vital matters relating to the social and economic welfare of the veterans and their families—hospitalization and medical care, rehabilitation, job-training and employment, compensation, education, insurance, home loans.

For instance, it is commonly and erroneously assumed that such benefits as compensation are automatically received by disabled veterans. This is not so. Formal and technical applications must be made for all benefits available under the law. These can be highly complicated, and frequently involve legal knowledge and advice which are provided free of charge by professionally trained members of the DAV.

A fact sheet put out by the organization notes that in the last 6 months of 1965, the DAV national service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans. During the same period, staff members of the DAV reviewed 115,622 VA claims, made 56,215 appearances before rating boards, and prepared 30,926 briefs.

Thirty-four years ago tomorrow on June 17, 1932, the 72d Congress granted the Disabled American Veterans a congressional charter, thus recognizing them as the official voice of the disabled veteran. The purpose of the DAV was defined by Congress, as follows:

> To uphold and maintain the Constitution and the laws of the United States, to realize the true American ideals and aims for which those eligible to membership fought; to advance the interests and work for the betterment of all wounded, injured, and disabled veterans . . .; to cooperate with the United States Veterans' Administration and all other public and private agencies devoted to the cause of improving and advancing the condition, health, and interests of wounded, injured, or disabled veterans . . .; to stimulate a feeling of mutual devotion, helpfulness, and comradeship among all wounded, injured, or disabled veterans . . .; and to encourage in all people that spirit of understanding which will guard against future wars.

The Disabled American Veterans have more than fulfilled this purpose.

The DAV represents all America. Their services are an expression of the inestimable gratitude and unrepayable debt we owe our injured and disabled veterans. We are at war again today. Last March, National Commander Claude Callegary told the House Committee of Veterans' Affairs of his recent trip to South Vietnam:

> During my stopoff at DaNang, I watched hundreds of wounded GI's being brought out by helicopters and taken on hospital planes for swift shipment to general hospitals. I spoke to many of these soldiers, some of whom were 19 and 20 years of age, and they were all very much concerned about what would happen to them as a result of their wounds when they became civilians again.

The DAV will be here to serve them when they return.

I thank you for this opportunity to salute the Disabled American Veterans.

Mr. FLYNT. Mr. Speaker, I wish to add my congratulations to the Disabled American Veterans organization on their 34th anniversary as a congressionally chartered national veterans organization. Its effective service and dedication to the disabled American war veteran, his family, widows, and dependents, is well known to us here.

This organization, without Federal aid, has been ingenious and tireless in providing representation, aid and assistance to those to whom it is dedicated. Theirs is, indeed, an impressive record of national service to brave men who have given so unselfishly to our country in time of need, and to their dependents who survive them.

I would like to associate myself with the remarks of the distinguished ranking member of the Committee on Veterans' Affairs, Mr. Dorn, and others who have participated in paying honor and tribute to this great organization.

Mr. ST. ONGE. Mr. Speaker, this 34th anniversary of the DAV is a particularly fitting date to pay tribute to this outstanding veterans organization and to rededicate ourselves to the pursuit of those purposes which it has so selflessly established.

The DAV, from the time it was granted a charter by Congress in 1932, has rendered invaluable service and assistance to the disabled veterans, their widows, orphans and their dependents. Since World War II, it has served more than 1,500,000 disabled veterans and their families in obtaining medical care, compensation, rehabilitation, and employment.

This completely independent, nonpartisan organization serves as a reminder to every American citizen of the indebtedness owed those men who have in the past and are now devoting their efforts and sacrificing their personal welfare for their country. The DAV accurately points out that the assistance rendered is not in the form of charity, rather it is part of the direct cost of war. Although total requital is quite impossible, the DAV has sought to assist former and present members of the military in many areas, including employment, hospitalization, home loans, education, and other matters pertinent to social and economic welfare.

Aside from tangible services, the DAV serves as an inspiration to the handicapped. Specifically through its monthly publication, the DAV magazine, its 231,000 members are given an opportunity to communicate and exchange ideas with each other. Furthermore, this worthy publication offers constructive criticism and suggestions on current issues of vital interest to veterans.

The DAV has also actively participated in the introduction of worthwhile legislation on the Federal level, which is indigenous to the organization's purposes.

I am pleased to join my colleagues in Congress, as well as the citizenry of this country, in commending the DAV on this anniversary day set aside as "DAV Day on the Hill."

Mr. MATSUNAGA. Mr. Speaker, it gives me great pleasure to join in this salute to the Disabled American Veterans.

National organizations are especially effective, both in Congress and with the general public, when they are made up of dedicated individuals who know their work not only with their minds but with their hearts. The Disabled American Veterans is an example of such an organization. It commands admiration and respect because its members and officers know through their own experience what the disabled veteran needs to attain a useful place in society.

During the 34 years since the DAV was recognized by Congress as the official voice of the disabled veteran, the need for such an organization has grown tremendously. Thousands of disabled veterans were left bewildered and lonely in civilian society with the end of World War II. They needed understanding and legislation which would give them the special benefits which they deserved from a grateful country. The DAV was there to give them a helping hand, and has been there ever since when a wounded soldier is discharged from the service of his country.

As a Congressman, I have found that many citizens need an intermediary between themselves and the vast Government machinery which is too complex for any one man to understand. The DAV national service officers, working with the disabled veteran and the Veterans' Administration, have made themselves indispensable both to the Government and to the disabled veteran who needs a clear explanation of his rights. These national service officers, who are accredited by the Veterans' Administration to appear before claim rating boards, have given free assistance to more than one and a half million disabled veterans and their families.

The DAV helps all disabled veterans, whether they belong to the organization or not, and those who are helped receive all of the services necessary before employment is possible. But that is not all the DAV does; it also holds out a helping hand to all handicapped persons who need public understanding and support. The DAV has sponsored awards for the national contest "Ability Counts," which most of us know well as a worthy contest for high school juniors and seniors. These young men and women write thoughtful essays which illustrate the importance of hiring handicapped workers.

Thus, the DAV has made itself essential not only to the disabled veteran who has served his country so willingly and well, but also to all of us who are concerned with the welfare of the handicapped in the Nation.

Mr. TAYLOR. Mr. Speaker, I am pleased to join my colleagues in saluting the work of the Disabled American Veterans on the 34th anniversary of its charter from Congress.

This organization has grown from a handful of disabled veterans to almost one-quarter of a million members today—veterans of America's two major wars, the Korean war and the war in Vietnam. The DAV has been very effective in sponsoring legislation to benefit disabled veterans, in fact all legislation affecting disabled veterans that has passed since 1920 has been sponsored by them.

Ever since there has been an America for which men fought and gave their lives, there has been a need for benefits of various kinds for those who served and for the families of those who failed to return. A primary obligation of our Government has been to provide for the veteran who was disabled in service. I congratulate the DAV on the splendid work which it has done in providing services to American wartime disabled veterans. This organization stands as a symbol of protection to those fighting men who sacrificed so much to protect our country.

It is with pleasure that I join my colleagues in congratulating the Disabled American Veterans on the outstanding work that has been done during the past 34 years and I extend best wishes for continued success in all future endeavors.

Mr. ANNUNZIO. Mr. Speaker, June 17, 1966, marks the 34th anniversity of the granting of a congressional charter to the Disabled American Veterans, and it is a pleasure for me to participate in the commemoration of this important anniversary.

The DAV is one of 11 veterans service organizations that has been extended the exceptional distinction and honor of being chartered by the Congress of the United States.

But the fine contributions of the DAV to the disabled veterans of America date back much further—to Christmas Day 1919—when the late Judge Robert S. Marx, of Cincinnati, Ohio, met with 200 other World War I veterans to establish the DAV.

Since that eventful day, the DAV has grown to a membership of more than 231,000 disabled veterans who are dedicated to the best interests of America. Not only does the DAV serve our disabled veterans, but its example, as the late President John F. Kennedy declared, "continues to inspire all America's physically handicapped, both veteran and nonveteran."

The DAV has been instrumental in influencing the improvement of Government veterans programs, in sponsoring legislation beneficial to veterans and their dependents, in encouraging employment of the handicapped, and in supporting diverse programs aimed at benefiting and improving the social and economic welfare of our disabled veterans. The DAV is the only veterans service organization dedicated solely to assisting the veteran who has been wounded or disabled in the service of his country.

But beyond protecting the interests of our disabled veterans, the DAV performs an even greater service to America. It has constantly and conscientiously reminded our people of our Nation's responsibility to uphold the principles of democracy on which America was founded and for which the first patriots gave their lives.

The Disabled American Veterans are truly dedicated to serving their fellow Americans, and so, it is with a great deal of pride that I congratulate the DAV on reaching this milestone and wish its members godspeed in many more years of useful service to our deserving veterans and to a grateful Nation.

Mr. HENDERSON. Mr. Speaker, it is a privilege and a pleasure to have this opportunity to participate in DAV Day on the Hill and I want to express my appreciation to my good friend and colleague, the gentleman from South Carolina for affording it to me.

There is no group of Americans to whom our country has as great a debt as it owes to men wounded in battle or otherwise incapacitated as a result of service to their country.

This fine organization, chartered by Congress 34 years ago today, is dedicated to the service of these disabled veterans and to their families, and is the only nationally chartered veterans organization limiting its membership and its efforts to disabled veterans.

It is to be commended for the fine job it has done in the past and for its continuing effort on behalf of these deserving Americans.

Mr. EVINS of Tennessee. Mr. Speaker, it is a privilege for me to join my colleagues in paying a brief but sincere tribute to the Disabled American Veterans, which is celebrating its 34th anniversary tomorrow.

The DAV is a great organization—a dedicated, patriotic organization whose members have fought and bled for our country—wounded in action defending freedom.

The DAV is the champion of freedom and patriotism. This organization is the champion of the cause of this Nation's disabled former servicemen, their widows, dependents, and orphans.

I commend and congratulate the Disabled American Veterans for the wonderful work it is doing. I wish it continued success on its 34th birthday.

Mr. KARTH. Mr. Speaker, we are on the eve of celebrating the 34th anniversary of the granting to the Disabled American Veterans of a congressional charter.

The many outstanding efforts of the DAV to assist disabled veterans in matters of employment, compensation, hospitalization, home loans, education, and other vital matters have deservedly put it in the forefront of this country's veterans service organizations.

It is indeed an honor to participate in this "DAV Day on the Hill" and thus to salute the long list of impressive achievements of this great organization in helping America's wartime disabled and their dependents.

Mr. RYAN. Mr. Speaker, a mark of a great society is how it treats its citizens who have fallen in the struggles which has brought it to its greatness. A mark of a great organization is its steadfastness toward the purposes for which it is established. The United States is such a society, and the Disabled American Veterans is such an organization.

Since the Revolutionary War and the founding of the Republic, it has been a cardinal principle of our laws that disabled soldiers be compensated for their sacrifices on the battlefield and that care be taken of the widows and children of those who never returned to their homes. This policy is not only in keeping with principles of humanity and justice but it has given our soldiers the feeling that their society cared. Over the centuries, the American soldier has fought and prevailed in battles all over the globe because he knew that he was fighting for a country which was concerned with his welfare and that of his family. This is good social policy. This is good military policy. Soldiers from Bunker Hill to Vietnam have fought better and harder because America cared. Our survival as a nation has, in large part, been based on this simple principle.

The DAV's important task is to make sure that we do not forget our obligations to our citizen soldiers. In this it has been successful. Today, which represents the 34th anniversary of the charter by Congress, affirms our responsibility to those who have fallen in the service of their country. The record of the DAV since its founding in 1919 has shown a single mindedness in serving the disabled veteran. It has carried on during periods of national indifference. The DAV continues to sponsor legislation to aid the disabled veteran and it sees to it that the veteran gets proper representation so that his rights on paper are rights in fact.

Mr. Speaker, I wish to add my voice to the many that have been raised here today to wish the DAV many more anniversaries of service to the disabled veterans of this country.

Mr. ROGERS of Florida. Mr. Speaker, I would like to add my praise to the esteemed voice of the Disabled American Veterans on this, their 34th anniversary.

It would be repetitious to try and explain what the DAV organization has meant to the Nation and the veterans of the United States.

The 1,500,000 veterans who have benefited from DAV since the end of World War II can better tell the story, for that is how many disabled veterans, who along with their families, have benefited from the free assistance given by the DAV. This assistance includes help in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training and employment.

These are the men who have defended freedom around the world and now wear a very personal badge of honor. Through the DAV they have worn that badge honorably. It has not been easy in many cases.

But their disabilities are of the body—not the spirit. And in part this is because DAV has helped these men to help themselves.

Mr. BROOMFIELD. Mr. Speaker, the organization we salute today in anticipation of the 34th anniversary of its Federal charter has one of the noblest goals of any in our Nation.

Over the years, the Disabled American Veterans have not only aimed for this goal of assisting in every possible way the wounded, the injured and the disabled veteran and his dependents, but the DAV has succeeded in hitting its target time after time.

Certainly, a great many of the laws pertaining to the disabled veteran and his special problems very likely would not be law today if it had not been for the efforts of the DAV to acquaint the Congress and the American public of the need for such assistance to those who gave so much for their country.

Certainly, many of the hospitals and much of the treatment for the wounded veteran would not have come into being if it had not been for the activities of the DAV in pointing out the need for such adequate facilities.

Certainly, many veterans would not have received benefits or been afforded treatment to which they were entitled if it had not been for the DAV and its excellent staff of highly trained service officers who have given free assistance to more than 1,500,000 disabled veterans and their families over the years.

It is this kind of assistance, it is these kinds of help which have earned for the DAV the respect of Congress, the American public and the veteran.

It is a pleasure to pay tribute to the Disabled American Veterans as an organization and to its individual members for their energies, their competence, their compassion and their proven patriotism.

The DAV has, in the past, been of great assistance to those wounded in war in defense of their country. It will continue this assistance to those who presently are suffering wounds, injury, and disabling sickness in Vietnam.

We hope the time will come when there will be no more war and ultimately no need for such organizations as the DAV to provide for the veteran the help and counsel he needs.

But the world is still far away from this ultimate goal, and we are going to continue to need the DAV for the foreseeable future.

We thank you. We congratulate you. We wish the DAV and its dedicated members every good wish for the future.

Mrs. BOLTON. Mr. Speaker, I am happy to participate in this observance which marks the 34th anniversary of the Disabled American Veterans as a congressionally chartered national veterans organization. We Ohioans are particularly proud of this fine organization as it was born in Cincinnati, Ohio, in 1919 when the late Judge Robert S. Marx gathered a group of wounded World War I veterans together on Christmas Day. These men, like Judge Marx, carried grim reminders of war—battle scars, disabling injuries, gas-seared lungs, and prolonged illness. Two years later, in 1921, the DAV held its first national convention and elected Judge Marx as its first national commander. From that beginning the DAV has grown to more than 231,000 members today—veterans of our two major wars, the Korean war and the war in Vietnam. National headquarters is still in Cincinnati.

For years, we as the more fortunate Americans, have received the miniature license plates, which when registered by a return card assure the return of automobile keys or such valuables when lost. In addition to providing a valuable service, this program is a bona fide rehabilitation project for wartime disabled, supported entirely by private voluntary contributions to the DAV. This is only one phase of its many activities in behalf of those who have given so much to our country.

Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. The DAV has certainly lived up to its charter granted by Congress in 1932 to advance the interest and work for the betterment of all wounded, injured, and disabled veterans. Having earned the lasting gratitude of our Nation for sacrifices in line of duty, DAV members and officers now earn our admiration as well for continued service to the Nation as citizen-veterans.

Mr. FISHER. Mr. Speaker, I join with my colleagues in honoring the Disabled American Veterans today. This great organization, chartered by the 72d Congress on June 17, 1932, has achieved an enviable record of accomplishments in behalf of veterans and in behalf of good government, throughout these intervening 34 years.

Always in the forefront in support of fair and equitable treatment for our gallant veterans who served their country in foreign lands, the DAV has commanded the respect and admiration of the Congress and of the American people. Its service has been invaluable in support of legislation designed to do justice to millions of Americans.

Today I salute the Disabled American Veterans, and extend my heartfelt congratulations on this memorable anniversary.

Mr. MINSHALL. Mr. Speaker, it is an honor to participate in this tribute to the Disabled American Veterans on the 34th anniversary of its congressional charter.

As a veteran, many aspects of the DAV program have always impressed me as remarkable and praiseworthy, but three stand out.

The first is that since 1919 the DAV has served our wartime wounded and disabled, their widows and children, through free assistance in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. More than a million and a half veterans and their families have been assisted in this manner. The conflict in Vietnam unhappily forecasts a continued need through the years of the dedicated work of DAV, which currently has a corps of 150 professionally trained disabled veterans working as national service officers. All are accredited by the Veterans' Administration to appear before claim rating boards.

The second aspect of this wonderful program of service is all the more remarkable in these days of big brotherism in Washington, subsidized out of the pockets of taxpayers. Not one cent of the funds expended by DAV come from Federal tax sources. DAV's expenditures last year exceeded $1.5 million, financed entirely from dues paid by the organization's 231,000 members and from their sale of DAV automobile license-identification tags.

The DAV performs a third most important function. It reminds us constantly that the price of freedom is not cheap. A recent DAV magazine editorial put it succinctly:

> A sad but true fact must be faced. During the post-World War II era, the flame of American patriotism has ebbed. The cold war, which often turns hot, is viewed by many with apathy, fear, and weak resolve.
>
> During and since the Korean war, it has many times been a case of the forgotten front . . . the forgotten soldier . . . the quickly forgotten sacrifice.
>
> Americans are too busy with plus living to worry about our nation's historic position as the champion of individual freedom through democratic government. Or the blood that has been shed over a period of nearly 200 years to create and protect a great nation . . . a nation that can also

inspire other nations to uphold justice and human dignity.

I personally know of countless instances of the good work of the Disabled American Veterans. I take pride in the fact that it was founded, just after the end of World War I by a group of wounded veterans from Ohio.

I look forward to its growing achievements in promoting the welfare of Americans who have made and are today making great sacrifices to preserve the United States as a bastion of freedom.

Mrs. **KELLY**. Mr. Speaker, today marks the 34th anniversary of the Disabled American Veterans' congressional charter. I join with my colleagues in an expression of tribute to these fine Americans.

From its birth in 1919, the Disabled American Veterans has unfailingly concerned itself with those courageous Americans who have suffered injury or disability from their participation in wartime activities in an effort to preserve American democracy and a kind of life that has always been America's heritage. The Disabled American Veterans' close identification with the disabled veterans of those wars in which Americans have taken part is clearly seen in its role as defender of the physical health and welfare of the disabled and their dependents.

Pervading its history, its achievements, and its goals is the principle on which the Disabled American Veterans was founded—the fulfillment of the needs of the wartime disabled by the institution of a rehabilitation program. The reliance and dedication of the Disabled American Veterans to this principle have resulted in the establishment of a sound and useful program of rehabilitation for the disabled.

The Disabled American Veterans' services and legislative programs have done a great deal for the disabled and their dependents; its manifold aims of the future can be even more successful if the organization is able to secure complete assistance from its own members, a vocal expression in the Halls of Congress, and increased distribution of its idento-tags, minature automobile license plates which serve as a valuable means of returning lost keys to their owners.

The Disabled American Veterans has set up 14 major goals for the next year to aid the disabled veterans and their dependents in areas of compensation, education, hospitalization, employment, and other vital matters that could hopefully and helpfully satisfy the needs of the disabled.

The Disabled American Veterans have in many ways made life more worth living for the disabled. By the establishment of a good rehabilitation program, which it hopes to strengthen and expand continuously, it has designed a program to help the injured and disabled veterans of our Nation's wars to help themselves. This is sure evidence that the obligations inherent in obtaining a congressional charter 34 years ago have been pursued by the Disabled American Veterans seriously and sincerely.

Mr. **HOLIFIELD**. Mr. Speaker, June 17 is the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans. It is therefore fitting for us to reflect a moment upon the spirit in which the work of this great organization is accomplished.

Through its resourcefulness and imagination, the DAV is able to bring its valuable services and assistance to our disabled veterans, their widows, orphans, and dependents—without charge.

Through this same resourcefulness and imagination, DAV employs and assists in the rehabilitation of our wartime disabled by making many of them an integral part of the service activities of the DAV organization.

This deep sense of understanding of the needs of our disabled veterans is also evidenced in the soundness of the national legislative programs which DAV has sponsored over the years on behalf of our disabled veterans.

I am sure you will want to join me in expressing admiration for the outstanding record of service DAV has rendered over the last 34 years.

Mr. **RIVERS** of South Carolina. Mr. Speaker, I would like to extend my warmest congratulations today to the Disabled American Veterans on its 34th anniversary as a national veterans organization. I am very proud of its record of achievement in serving America's wartime disabled during these years. I am proud to commend the DAV for faithfully following its single purpose—a nonpartisan policy of advancing the cause of the disabled ex-serviceman, his widow, dependents, and orphans.

Mr. Speaker, the problems and needs of those gallant Americans disabled in wartime require constant attention and immediate solutions. To effectively perform this service, the disabled formed their own organization. So, for nearly a half century the DAV has been seeing that the disabled veteran and his dependents get proper treatment through working in close liaison with the Veterans' Administration.

Some veterans would have scant knowledge of the law, so the DAV helps in many cases to initiate the proper action with the VA.

To champion the cause of the disabled veteran requires considerable manpower, money, and facilities, and to financially maintain an organization of that size is itself a huge job. But the DAV does—without a cent of Federal money.

While it utilizes the regional offices of the Veterans' Administration, the DAV pays its own employees and officers—full-time counselors who offer their services to all disabled veterans whether they are members or not.

Although the national headquarters is located in Cincinnati, the DAV operates an active legislative and national service headquarters here in Washington.

Mr. Speaker, the DAV is unique as an independently sustained service organization in these days of an expanding Federal Government. Its operation is financed partially from membership dues, but private industry, long interested in rehabilitation of our veterans, also provides valuable assistance.

To the members of DAV, and those helping this splendid organization financially or otherwise, I urge you—keep up your wonderful work in behalf of our veterans.

Mr. **CAHILL**. Mr. Speaker, I desire to join my colleagues in commemoration of the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans.

This week a grateful Nation, through its Congress, pays tribute to the Disabled American Veterans, the national organization that is dedicated solely to the welfare of those American veterans who were disabled while serving in the defense of our country. The DAV, which was started by a small group of disabled World War I veterans shortly after that war, was chartered by Congress as a national service veterans' organization on June 17, 1932. In celebration of the 34th anniversary of this event, June 17, 1966, was designated as "DAV Day on the Hill."

A major activity of the DAV is the national service officer program, under which assistance and counseling is extended to all service-connected disabled veterans and to their dependents. National service officers are in every Veterans' Administration regional office and center in the United States to assist in claims for disability compensation, pensions, death benefits, insurance, and the like. It is the duty of a national service officer to prepare, present, and prosecute the claims. In addition, the service officers help thousands of disabled veterans in obtaining employment, job training, rehabilitation, hospitalization, and medical care. In 1964 approximately 95,000 awards totaling $118 million were obtained for disabled veterans and their dependents by DAV. Many of these awards would not have been received without the help of the service officers. The average claimant does not have the expertise of these officers who are trained by the DAV in the knowledge of all legislation and administration affecting veterans; nor does he have the financial means to hire this professional help. The services of the DAV are furnished without charge, regardless of whether or not the disabled veteran is a member of the organization.

Legislative activity is another vital function of the DAV. Its criterion in evaluating legislation is "Will the legislation be advantageous or disadvantageous from the point of view of the disabled war veteran?" This single purpose, however, does not prevent the organization from being interested in a wide range of legislation. The aim of its legislative program is work with Members of Congress in getting passage of the legislation it desires and in blocking the legislation it does not want.

The DAV depends upon membership dues and upon its Idento-Tag project for financing. The organization sends miniature auto license tags to car owners for their key rings with the hope that recipients will send a donation in return. The tags, however, may be kept by the recipients even if a donation is not made. Many sets of lost keys have been returned to their car owners because the DAV tag was attached to them. The tag project not only is for fundraising purposes but also serves rehabilitation purposes. The manufacture, distribution and other aspects of the project are performed by disabled veterans, their dependents, or by other handicapped persons. Incidentally, national service officers also are disabled war veterans.

The organization receives no financial assistance from the Federal Government. The Veterans' Administration does furnish office space in its offices throughout the country for the DAV service officers. Because of insufficient income, full-time national service officers are not always replaced when they resign so that the number of such officers has been reduced from 300 in 1947 to about 150 at the present time.

The war in Vietnam reminds us that the number of service-connected disabled veterans is being augmented.

I hope that every car owner in the Nation, when he receives his DAV tag, will remember the total work the DAV is doing and will continue to do for those who sacrificed for our country and will act accordingly.

Mr. NELSEN. Mr. Speaker, I am pleased to join my colleagues in saluting the Disabled American Veterans organization, which is tomorrow celebrating the 34th anniversary of its chartering by Congress. Its sole, nonpartisan purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents.

To this end, the 1,834 local chapters and 231,000 DAV members employ a corps of 150 professionally trained national service officers, each a disabled veteran, in the Veterans' Administration regional offices throughout the Nation to assist those needing help. Since the end of World War II, these DAV officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, rehabilitation, job training, and so forth. To me, this is an inspiring example which is very much in the American tradition.

The war in Vietnam has placed fresh burdens on all the veterans organizations, including the Disabled American Veterans organization. They deserve our wholehearted support more than ever in these critical times.

Mr. MATHIAS. Mr. Speaker, tomorrow the more than 231,000 members of the Disabled American Veterans will proudly mark the 34th anniversary of the granting of a congressional charter to the DAV. It is most appropriate for us, too, to pay tribute to this fine organization, and to recognize its achievements in behalf of the men and women injured and disabled in the service of our Nation.

This fine organization began in 1919, when Judge Robert S. Marx, of Cincinnati, brought a number of his disabled World War I compatriots together on Christmas Day to determine what could be done to strengthen and improve programs of aid to veterans. From this modest beginning grew the first American group founded for the single purpose of aiding and assisting the wartime disabled and their widows, orphans, and dependents. The granting of a congressional charter to this group on June 17, 1932, through Public Law 72–186, testified to the rapid growth and success of the DAV under the leadership of Judge Marx and other dedicated individuals.

Throughout its history, the DAV has continued to expand to answer the increased need for its many services. Today disabled veterans and their families can easily find help through the DAV's remarkable nationwide network of professionally trained service officers. Disabled veterans also find welcome fellowship in any of the 1,832 local chapters of the DAV.

Mr. Speaker, through my own efforts on behalf of individual disabled veterans, I know how often situations arise in which full benefits and needed assistance cannot be easily and readily obtained without mediation and help. The DAV is uniquely qualified to provide this assistance, through the ability of its trained representatives, through its experience and through its close liaison with the Veterans' Administration. Since the end of World War II, in fact, more than a million and a half disabled veterans and their families have learned firsthand how valuable DAV aid can be in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The tremendous efforts made by the DAV appear even more remarkable when we reflect that this organization is supported exclusively by private contributions, given freely by countless Americans each year. Its national service officers, despite their close working relationship with Federal and State agencies, receive no compensation from any governmental source.

Mr. Speaker, the DAV is an organization unique in spirit and in service. I am pleased today to join in this well-deserved tribute to the DAV; to the distinguished national commander, Mr. Claude L. Callegary, of Baltimore; and to all of its dedicated members throughout the State of Maryland and the Nation. I am sure that in the coming years the Disabled American Veterans will continue to serve, with skill and compassion, the men and women who have given so much for all of us.

Mr. BATES. Mr. Speaker, I consider it a great privilege today to join in saluting the Disabled American Veterans as this fine organization celebrates its first 34 years of service, under congressional charter, to our wartime disabled veterans and their dependents.

The DAV has throughout its lifetime helped those of our citizens who, by serving in the Armed Forces of our country, have suffered some injury or ailment which, in varying degrees, has had an adverse effect upon their physical well-being. It has guided these men so as to bear their crosses with patience and pride, and it has given the rest of us a chance to show our appreciation through the purchase of the famed DAV Idento-Tags and other means.

The work of the DAV reminds us of our unending debt of gratitude to all of our servicemen who have defended our Nation in time of war, and especially those who have sacrificed life or limb so that we may remain free. All of us feel the impact of war, even though our scars may not be visible; so, as we honor the physically disabled veterans and the organization which bears their name, we give new emphasis to our unceasing prayers and efforts for the peace and security which will come when the world is finally ruled by law and free from force.

I hope that all Americans will continue to support the efforts of the Disabled American Veterans until that time when, with lasting peace, their work will no longer be required.

Mr. PEPPER. Mr. Speaker, today celebrates the 34th anniversary of the congressional charter granted to the Disabled American Veterans, a group of men whom I am proud and privileged to honor. When I see a flag unfurling in the wind or hear Americans singing in the street, I am reminded of the beauty of our democracy and the patriotism so deeply felt by these veterans who dared to defend it.

Carl Sandburg, the great American writer, folksinger, and patriot, shared their belief in the goodness and righteousness of our country. It is a striking coincidence that not quite 34 years ago Carl Sandburg wrote "The People Yes" which he characterized as being "several stories and psalms nobody would want to laugh at." Indeed, "The People Yes" is not a laughing matter but a sincere effort to paint a picture of that vital force who build, work, fight, and die for the dignity of man. Mr. Sandburg wrote about:

> —Tombs for the Unknown Soldier,
> The boy nobody knows the name of,
> The boy whose great fame is that of the
> masses,
> The millions of names too many to write on
> a tomb,
> The heroes, the cannonfodder, the living
> targets,
> The mutilated and sacred dead,
> The people, yes.

We salute these people today who have fought to protect our precious form of government. They have sacrificed a part of themselves to keep our Nation free and strong. I ask that every American join with me in extending his appreciation and gratitude of the DAV for helping disabled veterans and their families to obtain medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. The DAV represents a dedication so necessary in keeping the name of America alive and noble.

Mr. CALLAN. Mr. Speaker, I submit for inclusion in the RECORD personal and thankful recognition of the 34-year organized effort of the Disabled American Veterans.

Born on the basis of a voluntary organization of disabled veterans in 1919, the DAV has faithfully directed itself toward solution of the problems and needs of the wartime disabled. Serving as a clearinghouse for all matters concerning veterans with service-connected disabilities, the DAV has seen to it that America's disabled veteran and his dependents are properly cared for.

Nearly all beneficial legislation affecting disabled veterans since 1920 has been sponsored by the DAV. The success of the organization's efforts is reflected in membership growth from a handful to 231,000 members.

Representing the disabled veteran without charge, this organization's tireless work to spearhead improved programs for the wartime disabled has produced services for which you, I, and the Nation could never sufficiently express our appreciation. Let us wish them well and honor them in this day, the date on which special ceremonies in the Nation's Capital, mark the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans.

Mr. McCARTHY. Mr. Speaker, I am happy to join with my colleagues in offering congratulations to the Disabled American Veterans as they celebrate their 34th anniversary tomorrow.

On June 17, 1932, the 72d Congress approved Public Act No. 186 which incorporated the Disabled American Veterans as a Federal, nonprofit organization. Actually, the DAV was founded long before this date. It was organized by 200 veterans of World War I on Christmas Day in 1919.

Today it represents 231,000 disabled men of both World Wars, the Korean war, and the war in Vietnam. It is the largest single veterans' organization of wartime disabled in both the United States and the world.

Now, as in the past, the DAV stands ready to provide assistance to the disabled veteran, his widow, and children, orphans, and dependents. In the last 20 years over 1,500,000 disabled veterans and their families have received free assistance from the DAV in matters of employment, job training, compensation, medical care, education, and other aspects of social and economic welfare.

My concern for the needs of all veterans is well known. On June 9, 1966, I introduced legislation to prevent the loss of veteran pension benefits as a result of increases in social security. It is my belief, Mr. Speaker, that the Nation owes a great deal of gratitude to the men who have served her so well. Consequently, I can appreciate the work and efforts of the DAV in advancing the cause of the disabled veteran.

I am confident that I speak for all Americans in saluting the Disabled American Veterans as they celebrate 34 years of continuous service to American wartime disabled as a congressionally chartered national veterans' organization.

Mr. McCORMACK. Mr. Speaker, I wish to join my voice to the voices of my colleagues in praise of the Disabled American Veterans on this, their 34th anniversary as a congressionally chartered service organization. I am quite pleased that Claude Callegary, the dedicated and capable national commander of the DAV, is here with us today. I greet him and congratulate him, and I extend through him my greetings and congratulations to the more than 230,000 of his brother members across this great land of ours.

In the entire roster of the myriad voluntary associations to which our democratic society has given birth, the Disabled American Veterans must certainly rank among those most deserving of the recognition and appreciation of all our people. From the very moment of its founding on Christmas Day in 1919, the DAV has kept its single goal ever clearly before it, and it has pursued that goal unflaggingly and with little reckoning by its members of their personal expenditures of time, effort, and money. That single goal is classical in its simplicity, and also classical in the scope of the compassion which so brightly shines through it. That single goal is the provision of services and assistance to America's wartime disabled, his widow, his orphans, and his dependents.

Through its national service program and its other activities, the DAV has helped restore the disabled veterans of five American conflicts to full and useful citizenship in the society they have valiantly protected. Over the past two decades alone, more than 1½ million American veterans have found their path toward medical care, compensation, rehabilitation, and job training cleared by the untiring efforts of the DAV's national service officers, most of whom are themselves disabled veterans.

Two aspects of this inspiring service program have impressed me through the years as being particularly American. First, the independence of the operation: though its annual expenditures are approaching the $2 million mark, none of these funds represents Federal, State, or local government contributions. Rather, the entire budget is supported from the dues of members and from the proceeds of the idento-tag program—a program which, by the way, itself affords work and rehabilitation opportunities for many disabled veterans.

And secondly, I have been impressed by the complete democracy of the program. The national service officers are committed to aiding not only fellow members of the DAV, but to helping any disabled veteran who applies for their assistance, regardless of his membership status. Moreover, through its support of general hire-the-handicapped programs, the DAV has had a beneficent effect on many handicapped Americans whose disabilities have no relation at all to wartime service.

The major program of the DAV is carried out in close cooperation with the programs of the Veterans' Administration. Consequently, the Administrator of Veterans' Affairs is perhaps in a better position than any other Federal official for offering a valid evaluation of that program. Last year, the current Administrator, W. J. Driver, had this to say:

> Disabled veterans, no matter how disabled, are no different from the kind of Americans that built this country from the wilderness. They are seeking just compensation for the loss of earning power, and they are seeking a chance to be productive citizens. I hope no one will ever misunderstand or fail to see that disabled veterans are contributing to this country's strength today as they did to its security in time of war.

The DAV program, then, is both vital and successful. And with every new dawn in Asia, the needs that program was designed to fill are increasing. The DAV deserves the support of every true American in its efforts to fill those needs.

Again, on this 34th anniversary day, I congratulate the members of the Disabled American Veterans. I thank them for their unselfish service to their fellow man and to their Nation. And I extend to them my sincerest good wishes for the continued success of their chosen mission in the years ahead.

Mr. REUSS. Mr. Speaker, America is fortunate in having an organization such as the Disabled American Veterans which has well served the interests of more than a million and a half men who have borne the brunt of the Nation's battles.

In the 34 years since Congress conferred a charter, the DAV has given free assistance to disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

Its good works in these areas, supported by income from the very useful Idento-tag service furnished to American motorists, has been supplemented by wise and constructive support for legislative measures to aid disabled veterans.

The DAV members themselves, men who have sacrificed their physical well-being in defense of their country, are living reminders for all of us of the cost of maintaining our freedoms.

I am proud and pleased that 50 of the 1,834 local chapters of the DAV and some 4,600 of its 231,000 members are located in my home State of Wisconsin.

I wish the DAV continued success in its excellent work in the years ahead.

Mr. HUOT. Mr. Speaker, it is my pleasure to join my distinguished colleagues today in commemorating the 34th anniversary of the charter of the Disabled American Veterans.

The more than 231,000 members of the DAV can be justly proud of the accomplishments of the past 34 years. The literally millions of veterans who have been assisted by the organization bear ample witness to the efficiency and devotion which has characterized the DAV since its inception.

At a time when the need for highly skilled and efficient people is growing at an astounding rate it is important to note that thousands of disabled veterans, who might otherwise have been relegated to a mere existence, are occupying highly important and sensitive positions thanks to the assistance they have received from the Disabled American Veterans.

I salute the DAV for all its programs, and join my colleagues in wishing them many more successful years of service to our disabled veterans and their families.

Mr. SICKLES. Mr. Speaker, like the rest of our colleagues, I am proud to participate in an event in which Congress pays tribute to the commendable work of the Disabled American Veterans. I am especially proud on this occasion because the current DAV national commander is my good friend and fellow Marylander, Claude L. Callegary, who has also distinguished himself as one of the outstanding attorneys of Baltimore.

I know that all of the 2,329 Maryland members of the DAV, who make up the 24 chapters throughout the State, are as proud of Claude Callegary as I am for the work he has done during his tenure in office.

Since its founding on Christmas Day, 1919, by a small, dedicated group of disabled veterans, the DAV has continued to swell its ranks until today its membership totals over 230,000.

During this period, the organization has performed a number of remarkable services in behalf of all disabled veterans. Perhaps its most widely known activity is the distribution of miniature license plates for use on key rings. Through this activity the DAV has been able to return over a million sets of lost car keys to their owners. And also through this activity, millions of the rest of us have, by returning a contribution to the DAV along with the auto tag registration card, have been able to express our appreciation for, and support of, the work of this organization.

But probably the most important work of the Disabled American Veterans is its National Service Program through which 120 full-time national service officers help all disabled veterans get the help they need in medical care, rehabilitation, compensation, job-training, employment, and insurance. These men, usually disabled veterans themselves, work long, hard hours. They are highly skilled specialists who have first-hand knowledge of veterans legislation and of its subsequent administration. Through the efforts of the national service officers, over 1,500,000 claims have been handled for disabled veterans and their dependents.

As a veteran of World War II and the Korean war, I again salute the work of the Disabled American Veterans on their 34th anniversary of their congressional charter.

Mr. STALBAUM. Mr. Speaker, on June 17, 1966, the Disabled American Veterans celebrated the 34th anniversary as a congressional chartered national veterans organization.

The members of the DAV have won the highest respect and full admiration of all Americans. The superb record of the DAV in helping wartime disabled veterans is forever etched into the pages of our Nation's history.

It also is recognized that the DAV has been a singularly powerful and eloquent voice for veterans who alone know the price of war and the sacrifices of battle against all enemies of freedom.

I commend the DAV for its 34 years of continuous service to America's wartime disabled veterans and their astounding record of achievement in helping in matters of employment, compensation, hospitalization, home loans, education, and every one of the other vital issues that affect the veteran's social and economic welfare.

The DAV must be credited with keeping in proper perspective this country's goal of world peace and the need for keeping the flame of patriotism burning despite apathy, fear, and sometimes weak resolve.

Members of the DAV are working continuously to make fellow Americans always aware of our Nation's historic position as the champion of individual freedom through democratic government.

The tragic fight against aggression in South Vietnam today is proof that this Nation will not let freedom's cause go undefended. The DAV is performing an outstanding task in supporting this Government in the fight against the tentacles of communism and also doing its utmost in insuring that veterans will not be forgotten soldiers.

I salute the DAV and wish it continuing success in its work of furthering legislation objectives for veterans. Their sacrifices and unselfish efforts are in the finest tradition of men who have defended their country on the battlefield.

Mr. OTTINGER. Mr. Speaker, last Friday the Disabled American Veterans celebrated its 34th anniversary as a congressionally chartered national veterans organization. I would like to join with our colleagues in paying tribute to this dedicated group of American war veterans.

On June 17, 1932, during the 1st session of the 72d Congress, this body approved Public Law 186 which incorporated the Disabled American Veterans as a Federal, nonprofit organization. Since that time the DAV has become the official voice of the disabled veterans. Although it was organized by a small group of disabled veterans of World War I, it now has more than 231,000 members—veterans of both World Wars, the Korean conflict, and our present struggle in Vietnam.

Since 1920 the DAV has played a leading role in proposing and promoting programs beneficial to disabled veterans. This fine organization has also been a leader in assisting the handicapped in general and in providing voluntary service to hospitalized veterans throughout the United States.

Mr. Speaker, it is with great pleasure that I join in honoring the DAV and wishing it many years of continued success in its important work.

Mr. ICHORD. Mr. Speaker, on Thursday, June 16, 1966, the House of Representatives paid tribute to an organization which should occupy a place of special honor in the minds and hearts of all Americans; an organization dedicated to the service of those individuals who have sacrificed so much in serving their country—the disabled American veterans. Last Thursday was DAV day on the Hill, and it is a great privilege for me to express my gratitude at this time for all that the DAV has accomplished.

On June 17, 1932, the 72d Congress granted a charter to the Disabled American Veterans as a national service veterans organization. This charter served as a tangible recognition of the DAV as the primary American organization devoted to the interests of our wartime injured and disabled.

I am sure that few Americans of that period had any idea of how badly this Nation would need such a service organization in the decades which were to follow. The assistance which national service officers of the DAV were called on to provide to disabled veterans and their families—members and nonmembers alike—in the ensuing years was staggering in its magnitude. In meeting this challenge, the DAV fully justified the trust placed in it by the Congress and the American people.

Today the Disabled American Veterans have 231,000 members affiliated with more than 1,800 local chapters. These members, as well as other injured and disabled veterans, receive free assistance in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, employment, and home loans—all at no expense to the American taxpayer.

No one can predict what need the Nation will have for DAV services in the years ahead. Of one thing we can be sure: the DAV will be ready if the need arises. For this assurance and for a magnificent record of performance, I stand to honor the Disabled American Veterans on this special day.

Mr. CALLAWAY. Mr. Speaker, on this 34th anniversary of the Disabled American Veterans, I would particularly like to praise the work of the DAV chapters in my district, the Third District of Georgia.

Throughout the year, these chapters work diligently to meet the needs of the war disabled. Their programs are varied and widespread. DAV members attend memorial services for veterans, visit patients at both veterans and Army hospitals, counsel servicemen who are in the hospitals, counsel the servicemen's dependents at their homes, and contribute financially to hospitals all over the State, such as Milledgeville, Thomasville, and Dublin.

Members of the DAV represent, without charge, the veteran and his family in claims for benefits; they make regular financial donations to community recreation projects, children's homes, and schools.

The DAV was formed as an independently sustained service organization, and through the years, the organization has remained solely supported by membership dues, contributions from private industry and other outside contributions. In short, the DAV unselfishly offers itself to champion the needs and problems of all disabled veterans.

I am tremendously proud to be able to pay tribute to this fine group which works on behalf of those who cannot easily help themselves.

Mr. RONCALIO. Mr. Speaker, it is especially fitting that today, "DAV Day on the Hill," we Members of the House remember with deep-felt appreciation the brave men who have been disabled in the defense of their country.

To those of us who have fought in battle comes a special regard for those who still carry with them the grim reminders of war. They have dearly paid their share of the cost of freedom and rightly deserve the honor and gratitude of the Nation.

In its relatively short history, the Disabled American Veterans has made a profound contribution to the well-being of veterans. Formed by 200 World War I veterans on Christmas Day in 1919, the DAV has grown to become the largest single veterans organization of wartime injured and disabled in both the United States and the world.

Today we commemorate the 34th anniversary of the granting of the congressional charter to DAV as a national service veterans organization. It was chartered "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—to cooperate with the Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

The DAV has nobly served this goal. It has sponsored nearly all the beneficial legislation affecting disabled veterans and has been of immeasurable personal assistance to the 231,000 members and their families.

On this day of special significance, I salute the leadership and members of the Disabled American Veterans. I commend each one for a job well done—in peace and in war—and extend sincere best wishes for continued success in their most worthy cause.

Mr. JONES of Alabama. Mr. Speaker, I wish to join in the tributes to the Disabled American Veterans who are celebrating the 34th anniversary of the granting of a congressional charter.

The service of the Disabled American Veterans to those who have been disabled in the defense of our Nation and the widows, orphans, and dependents of the disabled extends beyond that 34-year period to the initial organization of the DAV in 1919.

Through the years, the needs for this organization increased and the DAV responded with expanded services to that brave and most gallant group—those who daily bear the scars of battle in the defense of the United States.

The Congress, in 1932, chartered the DAV "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration, and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

Through a professional staff of national service officers in all regional offices of the Veterans' Administration, the DAV has represented disabled veterans, whether a member of the DAV or not, and their families, in claims for benefits. This service is provided without cost to the veterans or the Federal taxpayers.

This help in obtaining medical care, hospitalization, and disability compensation is very important to deserving disabled veterans. But the positive program of the DAV in rehabilitation, job training, and employment of handicapped and disabled veterans is also noteworthy. While this service is of direct benefit to the veterans involved, the whole community gains as the veterans make valuable contributions to the economy.

On the 34th anniversary of the Disabled American Veterans corporate charter, I want to congratulate the organization for its service to veterans and to the Nation.

I salute those gallant individuals, who have suffered disabling injuries in answering the Nation's call for defense in times of conflict, and, with the millions of fellow citizens, I offer my gratitude.

Mr. McGRATH. Mr. Speaker, June 16 was designated DAV Day on the Hill, and, in celebration of the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans, it is a fitting opportunity to pay public tribute to this fine organization for its record of achievement in serving America's wartime disabled since its founding on Christmas Day in 1919.

When a dedicated group of World War I disabled veterans formed this fine organization in Cincinnati, there were a mere 200 members. Today, its membership rolls contain more than 231,000 in 1,834 local chapters throughout the United States and its possessions.

Chartered by the Congress in 1932 "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans" and "to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans," it can be said in complete justification that the DAV has unswervingly striven toward those stated goals and has achieved them.

This single-purpose, nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents, has given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment throughout its existence.

Therefore, Mr. Speaker, as the DAV marks this important milestone, I am pleased to help mark this occasion by publicly lauding the selfless work of the organization and its officials in the name of the thousands of men from New Jersey's Second District, which I have the honor to represent, who have, over the years, received many types of assistance as a result of the organization's excellent, much-needed programs.

Mr. PELLY. Mr. Speaker, I would like to join my colleagues in commemorating the 34th anniversary of the granting of the congressional charter to the Disabled American Veterans.

This very outstanding organization was founded 47 years ago this coming Christmas Day, when a gathering of 200 World War I disabled veterans met in Cincinnati, Ohio.

Mr. Speaker, today the DAV has a membership of more than 231,000, a tribute to the task the organization has undertaken—and I quote their charter: "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the conditions, health, and interest of all disabled veterans."

The DAV is a single-purpose, nonpartisan organization, whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents.

Since the end of World War II, Mr. Speaker, the DAV has given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

I need not remind my colleagues of the effectiveness of the DAV in the area of beneficial legislation which has been passed by the Congress in the last 46 years.

So it is, Mr. Speaker, that I am happy to join in saluting this group of citizen-veterans who just last Friday, June 17, celebrated the 34th anniversary of the granting of their charter.

Mr. MURPHY of Illinois. Mr. Speaker, at one time or another, every Member of Congress has had an opportunity to note personally the valuable contributions, and the fine accomplishments and achievements of the Disabled American Veterans organization in our Nation.

On June 17, 1966, the DAV celebrated its 34 years of continuous service to America's wartime disabled veterans. In observing its position on legislation, in knowing its members, I have gotten a sense of singleness of purpose. The concentration of energies is complete, and its focus is the improvement of life for the disabled veteran.

The DAV has done brilliantly at the task it set for itself. It is completely self-supporting, and has never asked for Federal funds to maintain its staff of consultants, who provide much-needed skills and information for the disabled veteran. Membership in the organization is not required to receive its help, and so far it has serviced directly over 1½ million recipients.

The DAV exists to protect our men who have lost what can never be replaced in the service of their country. Its members are proud men, and they are independent. They ask for nothing to which they are not entitled. Their organization is self-supporting financially and self-helping vocationally. Disability is one of the most horrible prices of the defense of South Vietnam, just as it was in our previous wars, but we are fortunate that such a proud organization as the DAV exists to serve the disabled.

I am glad that the Congress recognizes the DAV for its past accomplishments and the character and generosity of its membership in helping one another and assisting people with similar problems. I congratulate this group and I wish it the best in its future efforts.

Mr. DULSKI. Mr. Speaker, I am happy to join my colleagues in paying tribute to the Disabled American Veterans upon the occasion of their 34th anniversary of the granting of a congressional charter by the Congress.

The DAV, throughout its lifetime, has been devoted to the welfare of the disabled veteran and his dependents. It is recognized by the Veterans' Administration in the handling of cases before it, and it has received warm praise and commendation for its effective presentations. It is the only veterans' organization that employs and supervises the work of national service officers on a nationwide basis to aid the disabled veteran in various matters affecting his well being.

The Disabled American Veterans have been in the forefront in our Nation's struggle against totalitarism in all its forms. It has always supported the rights, freedom, and dignity of the individual.

Formed 34 years ago, the DAV is not just another organization of veterans that have worn the uniform in time of war. It was organized to serve the individual and the Nation, which it has done and continues to do with distinction. These veterans have fought for their Nation in wartime and they continue to serve it in peace.

The voice of the Disabled American Veterans is a respected one, and its legislative objectives have been sound and responsible.

It is through organizations such as this that service to our Nation and its heritage can best be carried on.

Mr. SIKES. Mr. Speaker, it gives me great pleasure to join with my colleagues in saluting the Disabled American Veterans on the occasion of their 34th anniversary. From a small beginning in 1919 to its present status as the largest veterans organization for wartime injured and disabled, the DAV has personified for American fighting men the image of gallantry in action, patriotism, and devotion to duty.

The helpful assistance which the DAV offers to veterans and their families in obtaining medical care and hospitalization, as well as in their efforts to secure adequate compensation, rehabilitation, job training, and employment illustrates beyond description the faithful dedication with which they administer to their comrades.

Unfortunately for many in our country, the beacon of American patriotism has dimmed. Altogether too frequently student disorders, draft-dodging and draft card burnings command the spotlight. But—even though he does not appear frequently in news headlines—I hope it can never be said that the disabled veteran is forgotten or is in the process of being forgotten by the generation whose blessings he contributed so much to perpetuate. The memory of those resolute Americans who gave their lives or who suffered lasting disability to insure the continuation of our democratic principles must not fade before the shameful picture of civil disobedience and anarchy.

We as Americans must never forget the moral commitments expected of us as a free and democratic society. Those commitments include much more than proper consideration for America's disabled veterans. They have a right to expect that America will insure the continuation of the way of life for which they sacrificed. In all of this we should insure that the needs of the disabled veterans and their families are properly and adequately provided for by a grateful Nation. Then these courageous Americans can look out on a well-ordered and law abiding Nation and say with justifiable pride, "We helped to make this and we have no regrets."

Mr. BRADEMAS. Mr. Speaker, I rise today to join my colleagues in honoring the Disabled American Veterans on their 34th anniversary of achievement, of which we take note this month.

No country has sought so steadfastly to avoid war nor fought more valiantly when the call came than the United States. Atlhough our land has escaped the scars of battle, our young men have not. Hundred of thousands of men have returned from overseas with disabling injuries which will always remind them of the services they performed for the United States.

In 1919, the Congress chartered the Disabled American Veterans to speak for these men, and through these 34 years it has eloquently reminded us of our debt to them.

From a handful of veterans, the DAV has grown to its present 231,000 members. These men, disabled veterans themselves, represent other disabled veterans and their families, without charge, whether the claimant is a DAV member or not. The DAV also works on programs for the handicapped and voluntary services for hospitalized veterans across the country. In addition, the DAV actively sponsors national legislation beneficially affecting disabled veterans.

So, Mr. Speaker, it is with pleasure that I rise to congratulate the DAV for its years of service and accomplishment.

Mr. MOORHEAD. Mr. Speaker, it has been said that the highest of distinctions is service to others. It is fitting, therefore, that on the occasion of the 34th anniversary of the chartering of the Disabled American Veterans' organization by the 72d Congress, we in the 89th Congress pause to honor the men of the DAV whose sole purpose is to provide dedicated service to the wartime disabled, their widows, orphans, and dependents.

Since the end of World War II, the DAV national officers located in Veterans' Administration regional offices throughout the country, most of whom are themselves disabled veterans, have provided free assistance to more than 1,500,000 disabled veterans of all of our wars, and their families, in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment, and have been sponsors of nearly all legislation affecting veterans benefits. An example of one of their projects is the presentation recently by the DAV Greater Pittsburgh Chapter No. 8 of a TV set, radio, and dishwasher to the day center located in the VA regional office of the new Federal building in my congressional district. The day center assists veterans, most of whom have been confined to hospitals for a long time, to return to a normal pattern of living through programs of recreation, sports, and discussions which will rebuild personality strengths.

Though the DAV was chartered as a Federal, nonprofit organization to champion the cause of the disabled veteran, it receives no Federal support and is maintained through membership dues and moneys received through the sale of Idento-Tags, the familiar miniature license plates which when registered by a return card assure the return of lost automobile keys. I would urge my colleagues, and all motorists, in keeping with the celebration of DAV Day on the Hill, to participate in this worthy rehabilitation effort.

Mr. RHODES of Pennsylvania. Mr. Speaker, on Friday, June 17, the Disabled American Veterans celebrates its 34th anniversary as a national veterans organization chartered by the Congress of the United States.

With my colleagues in the Congress, I want to join in paying tribute to this fine organization. It has contributed to the welfare of disabled American servicemen and to the strength and progress of our Nation.

In the fast moving 20th century world in which we live, it has become necessary for even the most laudable groups to organize if they have to have any success in achieving their objectives. Compelled by such necessity, a group of battle-scarred veterans of World War I met in Cincinnati, Ohio, in 1919 to launch a constructive program to bring to the Nation's attention some of the problems which confronted them.

Led by the late Judge Robert S. Marx, this small group of 200 disabled veterans set about to assist their fellow veterans and became the voice through which their concerns might be heard. The achievements which they have made in this cause have been an important reason why this organization has become the largest single veterans organization of wartime injured and disabled, both in the Nation and the world, with a membership of over 230,000.

The Congress of the United States chartered the Disabled American Veterans in 1932 and today many of us in the Congress join in the commemoration of the 34th anniversay of the granting of the congressional charter to the Disabled American Veterans.

Since the organization was founded and chartered, Mr. Speaker, its aim has always been to aid disabled veterans and their dependents. Today this task is being undertaken by a staff of 150 professionally trained national service officers, each one a disabled veteran paid by the organization itself. These national service officers working with the Veterans' Administration have assisted since the end of World War II more than a million and a half disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

In performing these many varied tasks, the Disabled American Veterans, although it requires considerable numbers of people, money, and facilities, have done it on their own. The Disabled Veterans receive no Federal financial assistance. While it does use the regional offices of the Veterans' Administration, it pays its own employees and officers who serve all disabled veterans and not only members of the DAV.

In this year then, which has seen renewed concern for the veteran result in a new GI bill, may I extend my congratulations to the Disabled American Veterans on their past accomplishments, and wish them success in the future in their endeavors on behalf of Americans in whom we should all take pride.

Mr. KREBS. Mr. Speaker, during a time of renewed involvement by American fighting men in mortal conflict, it is especially fitting and proper for us to recognize and pay honor to the Disabled American Veterans, an organization long dedicated to the service of assisting veterans and the dependents of soldiers disabled or killed in the defense of our freedom.

Founded in 1919 in the aftermath of the first brutal conflict of this century, the DAV last week celebrated the 34th anniversary of its charter by the 72d Congress of the United States. Its task is both noble and vital—to represent the interest and welfare of the disabled American veteran, to insure that these brave men who have given so much for their country are duly remembered by a grateful citizenry.

Today, the DAV rollcall of over 230,000 men counts among its members veterans of both World Wars, the Korean conflict, and the current Vietnam confrontation. To these members and to all disabled veterans regardless of membership, the DAV is available to provide expert counsel and representation to assist veterans in obtaining their just compensation and benefits for the wounds they received in the service of our country.

Even more so, the DAV does not merely insure proper benefits for the disabled. It works also to attain productive employment for these men by making employers aware of the many skills which the disabled possess. Who is not familiar with the miniature DAV license plate tags which have led to the return of over a million sets of lost keys throughout the land? Programs such as this provide employment for the disabled and enables the DAV to function as a self-reliant, nonprofit organization commendably free from reliance on the Federal Government for operating funds.

For the Members of the Congress, the DAV merits our special regard. Since 1920, it has played a crucial role in sponsorship of nearly all legislation of benefit to disabled veterans with a sense of responsibility which has evoked only the highest esteem from within these halls.

As we note this anniversary, I believe we can be readily assured that the Disabled American Veterans will continue to provide a voice of reason and compassion, highly deserving of attention as a worthy representative of the many men who have given and will continue to give of themselves in the service of their country.

Mrs. GREEN of Oregon. Mr. Speaker, this week we are honoring the work done on behalf of the veterans of this country by the Disabled Veterans of America, an institution incorporated by Congress 34 years ago on June 17.

The DAV numbers more than 231,000 members and employs 120 full-time national service officers covering all of the States. It is by the important service of these people that the DAV represents the interests of those who are suffering the aftermath of war.

I salute these men whose efforts have helped settle claims for 1½ million deserving disabled veterans and their dependents. Many of these cases would have been hopeless had it not been for their efforts.

It is a misconception that veterans' benefits come automatically. Veterans must apply and be rated to the degree of incapacitation and amount of compensation. Formal presentations must be made for benefits.

With the help of the national service officer who represents the veteran and his family without charge, the veteran is able to secure benefits of medical care, rehabilitation, compensation, job training, employment, and insurance.

We are indeed indebted to the DAV which has worked so hard on behalf of those to whom all of us are deeply and permanently indebted.

Mr. PHILBIN. Mr. Speaker, I am very much pleased and happy to join my colleagues today in paying a well-deserved tribute to the Disabled American Veterans on this 34th anniversary of the chartering of this outstanding organization.

The DAV was established in 1919, largely through the vision of one man, Judge Robert S. Marx, of Cincinnati. It held its first national convention in 1921 and today it speaks for more than 231,000 members.

Its record of achievement is an outstanding one. Actively supporting all of the legislation benefiting disabled veterans since 1920, this great organization is particularly noted for its successful campaign in behalf of the employment of the handicapped.

DAV leaders, by virtue of their own disabilities, know only too intimately the problems of medical care, rehabilitation, compensation, job training, and employment that must be faced by the disabled veteran and therefore are in a unique position to help find solutions to these trying problems.

Though most of the accomplishments of the DAV are concrete, perhaps the greatest is immeasurable and intangible, and that is hope.

It is impossible to measure hope and the great part it played in raising the morale, lifting the spirit, and fortifying the indomitable courage of thousands of disabled, war-stricken veterans, scarred by battle, broken in body, and sometimes in mind by the heroic struggle against the enemy.

Giving them hope and renewed courage to hold on, so to speak, and to continue to face up to the problems of serious handicaps and the wounds and scars of bloody war experiences during the postwar period when DAV was founded, was one of its most memorable contributions to the cause of the veteran.

To the suffering and the helpless, DAV in many instances brought a new lease on life, a new, fresh spirit, a resolve to bear up when it would have been easy to surrender to the pessimism and despair that beset them.

So, we must be proud to recall, not only the invaluable support of DAV of all veterans legislation, but also the tremendous morale-building services, yes, and personal services, which this great organization has performed for so many disabled veterans. Such loyal, effective devotion to a cause so deeply cherished by the American people is something that will always be gratefully remembered.

I would like at this time, Mr. Speaker, to observe in a very personal sense the deep appreciation I feel, and which I know is shared by many others, for the personal assistance that has been rendered me throughout the years by the great leaders of the DAV, national, State, and local, in working out vital legislative and administrative problems designed to implement the overall veterans program which has proved to be so conspicuously helpful to veterans and their dear ones. Without this aid, which is unselfishly given me by DAV and fellow veteran organizations, my task in striving for the great Magna Carta of the veterans' cause and other very important work, would have been inestimably more difficult. I am pleased to take this opportunity to repeat what I have said so many times before, that I am and will always be very grateful to the leaders and members of DAV for their tremendous zeal, loyalty, devotion, and effectiveness in working, striving, and fighting for the disabled veterans, for all the veterans, and for their families.

DAV can boast of some of the greatest leaders this Nation has ever known, men of courage who have felt the stings of battle, men of compassion who have deeply felt for their stricken comrades, men of vision who found a way to help them, men of judgment, ability, and dogged persistency who never ceased their labors until the job at hand was accomplished to assist those who so urgently needed help.

The services of these men at every level is needed today to insure that the veterans' cause will never be swept under the table of indifference and procrastination, and that this Government will continue to discharge in fullest measure its obligation to those who put country before self, and who upheld freedom in their time, just as other gallant American boys are doing today.

To all these courageous men, these gleaning patriots of this great Nation, past and present, I tender my admiration, esteem, and gratitude today, and I know that DAV can be relied upon to carry on its superb work for those who offered their all on the altar of American patriotism.

Mr. BURKE. Mr. Speaker, those of us who have been able to serve our country in time of war have a special understanding of the real spirit in which the Congress meets to commemorate the 34th anniversary, on June 17, 1966, of the granting of the congressional charter to the Disabled American Veterans as a national service veterans organization.

It is significant that this civilian effort, beginning back in 1919 following World War I, was first organized to help America's disabled veterans, veterans' widows, orphans, and dependents to band together with the purpose of helping each other. But, this was only a beginning. During World War II eligibility was extended to any American citizen who had been either wounded, gassed, injured, or disabled by reason of active service in the Armed Forces of the

United States or of some country allied with it during time of war. Today, 2 million war veterans are receiving disability compensation from the U.S. Veterans' Administration and a great many have been assisted by the legislative and rehabilitative activities of the DAV.

I want to pay particular tribute also to the spirit in which these services are rendered by the leadership of the DAV. This organization's special contribution to our country has been to see to it that all ex-service men and women should have the benefit of expert advice and assistance in order to realize their rights after discharge. And this decision was reached, not by a ukase of a single individual but in a democratic way by a vote at the DAV National Convention at Louisville, Ky., in June 1941.

The following résumé of some of the services extended by the nationwide staff of full-time national service officers of the Disabled American Veterans for a 10-year period speaks for itself. During that decade, 2,527,647 claim folders were reviewed; 1,186,131 rating board appearances were held, and 496,571 favorable awards were obtained. This represented a total of $178,416,000 in increased compensation and $426,233,252 in monetary benefits obtained.

Such advice and assistance to claimants, each with his own particular problem, may take a few minutes or countless hours. It may include such services as proving entitlement, adjusting a disability rating, medical treatment, obtaining prosthetic appliances, and vocational training. It calls for a careful study of the evidence in official claims folders, preparing briefs, and making presentation to claims and rating boards. During last fall, in a column in the DAV magazine, which goes to all members, Irving Peltz, national service director, summarized the workings of this national service program, to help both veterans and the Congress to understand the scope and the goals of the Disabled American Veterans. It is an impressive story.

I want, too, at this time, to pay tribute to Claude Callegary, the national commander of the Disabled American Veterans. We hear much today about the problems faced by "school drop-outs." Claude Callegary was a "school dropout" back in the 1930's when he was forced to leave school at the seventh-grade level in order to help support his family. Between 1935 and 1941 he took any job he could find—working in the cotton mills, tending filling stations, and driving trucks. Nine months before Pearl Harbor, in March 1941, Mr. Callegary volunteered for service in the Army. After serving with distinction in the Aleutians he was ordered in 1944 to the South Pacific where, in October of that year, he was one of only three survivors of a plane crash on the tiny Pacific island of Biak.

While recuperating in Army hospitals he spent his time studying for a high school diploma and, at the end of the war, he enrolled in the University of Maryland. He passed the Maryland bar exams in 1949, ranging among the top 10 in the State. At present, in addition to playing a very active role in veterans' affairs, he is a senior partner in his own law firm and a recognized expert on labor law. On his return from a recent visit to Vietnam, Commander Callegary had this to say about our servicemen now stationed there:

> In the course of my visitation to the Pacific theater of operations, I visited our wounded soldiers in American and Vietnamese hospitals in many areas. I also learned, of course, that there are new hospitals being opened as quickly as possible to take care of the additional American wounded. During my stopoff at DaNang, I watched hundreds of wounded GI's being brought out by helicopters and taken on hospital planes for swift shipment to general hospitals. I spoke to many of these soldiers, some of whom were 19 and 20 years of age, and they were all very much concerned about what would happen to them as a result of their impairment when they became civilians again.

Commander Callegary gave them the only answer any one of us would give. He told them that he would do everything in his power to assist them in overcoming their wounds so that they could once more become productive members of the American community.

In holding "DAV Day on the Hill," in which we have set aside time for a special ceremony on behalf of our disabled veterans, I hope the Congress purveys the same message to the men and women who have suffered injury in the service of their country in the past—and to those who are now serving us so nobly in Vietnam. We want to do everything in our power to assist them.

Mr. ANDERSON of Tennessee. Mr. Speaker, I am delighted to have the opportunity to congratulate the Disabled American Veterans on the occasion of their 34th anniversary, which will be observed tomorrow.

Most American motorists are familiar with the DAV as a result of the annual idento-tag fund appeal. While thousands of Americans contribute to this outstanding veterans organization, I wonder how many are fully aware of the vital work they perform for America's wartime disabled veterans.

They serve disabled veterans, members and nonmembers alike, assuring that they are receiving the Federal benefits to which they are entitled. They serve also by lending their support and influence to legislation which makes these benefits possible. Through the years DAV national service officers have helped disabled veterans process over 1½ million individual claims. This is an outstanding record of service to men and women who have truly sacrificed in service of country.

Mr. Speaker, note should be taken of the fact that the DAV employs over 120 full-time national service officers, in every section and State of the Nation, in order to effectively serve all disabled veterans. And, they carry on this work without benefit of Federal subsidy or Federal aid of any kind.

I am well aware of how the Disabled American Veterans constantly work to assist disabled veterans in my State of Tennessee and I want to join my colleagues in humble thanks for the tremendous contribution they are making and have made to veterans throughout the country. I wish them every success in the years ahead.

Mr. SWEENEY. Mr. Speaker, on Christmas Day 1919 there was established in the city of Cincinnati a small organization designed to help wounded and sick veterans returning from World War I adjust to civilian life. Under the able leadership of Judge Robert Marx the 200 veterans formed the DAV. The organization grew in strength and devotion to public service and in 1932, 34 years ago, the Congress of the United States granted a charter to the Disabled American Veterans.

Mr. Speaker, the DAV has certainly justified the faith that the Congress of the United States has put in them by granting a charter. They have helped 1½ million disabled American veterans to adjust to a new life. They have helped their fellow veterans obtain needed medical care and hospital treatment. They have helped their comrades obtain job training and employment where otherwise these boys returning from the wars would have led an inactive and sterile life.

The amazing part of the story of the DAV, Mr. Speaker, is the fact that they have performed their services without receiving 1 penny from the Federal Government. The $1½ million that they spend each year is garnered from the sale of the familiar license tags and membership dues.

It is important that we honor such organizations as the DAV as it is important that we honor the men who have so ably fought for freedom as Woodrow Wilson said:

> The nation that forgets its defenders will itself be forgotten.

In these times as in the past we look again to the DAV for help. The organization that so ably served our boys returning from Flanders, from Iwo Jima, and from Pork Chop Hill is now being asked to help the 250,000 men fighting in the fields of Vietnam.

Mr. Speaker, I have no doubt that the 231,000 men that make up the DAV will come through again as they did in the past.

To these brave men who more than any others exemplify the terrible price that this Nation has had to pay to maintain our liberty, to this humanitarian organization that has sacrified so much so that our boys may not be forgotten, this Nation will always acknowledge its gratitude.

Mr. CULVER. Mr. Speaker, I would like to join in honoring one of our finest veterans organizations on its 34th anniversary as a congressionally chartered corporation. On behalf of the people of the Second District of Iowa, and myself, I would like to congratulate the DAV for its outstanding work in handling the problems of our disabled ex-servicemen, their widows, and orphan children.

The DAV by assisting disabled veterans in applying for and receiving hospital care, disability compensation, and job training and employment provides an invaluable service to our country. These programs, all carried on without financial support from the Federal Government, have given our ex-soldiers an opportunity to once again become productive, independent members of a society they have given so much to preserve.

I am confident that the Disabled American Veterans will continue to serve the Nation in the future as it has so ably done in the past, and any support I can give will be wholeheartedly tendered.

Mr. FARBSTEIN. Mr. Speaker, it is with much respect that I recognize the achievement of the Disabled American Veterans on its 34th anniversary. This group of patriotic Americans has completed yet another year as it approaches a half-century of outstanding service to this country.

Since the formation of the DAV in 1919, it has fulfilled an essential function paralleling the acceptance of international responsibility of the United States in an age of conflict. It has tirelessly sought to rehabilitate and retrain American veterans for a productive life. None of us forget President Kennedy's avowal of the biblical injunction:

> They shall beat their swords into plowshares and their spears into pruning-hooks.

In this task the DAV has welcomed those who sacrificed for their country in unwanted fields of strife and helped them contribute creatively to the peaceful progress of this country.

I am honored to join in the overwhelming tribute of this Congress to an organization to whom my constituency and the Nation as a whole are most grateful.

Mr. LONG of Maryland. Mr. Speaker, I am pleased and honored to join my colleagues in paying tribute to the disabled war veterans on the occasion of the 34th anniversary of the granting of a congressional charter to this admirable organization. Since its founding in 1919, the DAV has represented the interests and welfare of disabled American veterans and worked to insure due recognition for these men who have given so much for their country.

Dedicated attention to the needs of veterans and the dependents of soldiers injured or killed in the defense of our country has resulted in benefits to more than a million and a half disabled veterans and their families. The services extended to members of the DAV include assistance in obtaining medical care, disability compensation, rehabilitation, job training, and employment. Today the DAV has more than 231,000 members and employs 120 full-time national service officers to represent the interests of disabled veterans.

Since 1920 the DAV has played a crucial role in sponsoring almost all legislation designed to benefit disabled veterans. It is indeed fitting that Congress sponsor a DAV Day to commemorate the efforts and accomplishments of such an effective and worthwhile organization.

Mrs. HANSEN of Washington. Mr. Speaker, the Disabled American Veterans is observing tomorrow as the 34th anniversary of the granting of its charter by the U.S. Congress under terms of Public Law 186, 72d Congress.

The organization was originally formed in 1919 by a group of disabled veterans of World War I, which was the predecessor of the Federal Corporation. Membership in the DAV is composed of those who have been wounded, gassed, disabled, or injured while serving in the Armed Forces of the United States during time of war.

The DAV is a patriotic, noncompetitive service-giving veteran organization dedicated to the important objective of extending much needed service to, for and by America's disabled defenders. The DAV is empowered by statute to establish State and local organizations and has established 48 departments, which jurisdiction is statewide, and over 1,800 local chapters in various communities throughout the 50 States, and the Philippine Islands. As of April 30, 1966, the Disabled American Veterans had 230,062 members, of which 4,251 were members of the State of Washington.

Ever since its formation, the DAV has concentrated the largest portion of its efforts on the extension of free advice, and counsel to scores of thousands of disabled veterans and their dependents on the complicated task of proving their lawful entitlement to Federal benefits. To that end, it has, during its 45 years of existence, maintained a larger staff of full-time national service officers in the Veterans' Administration to assist veterans in securing their just benefits than any other organization.

Most of our national service officers, themselves disabled veterans, have received special college courses at the American University in Washington, D.C., and practical on-the-job training. These trained experts act as the "attorney in fact" and appear before the Veterans' Administration Rating Boards in behalf of the veteran claimant and do so at his direction and as his sole representative in the matter. They are an essential link as the "friend of the court" between the veteran and the Government.

During the past 10 years, national service officers of the DAV have examined the case file of 2,527,647 claims; made 1,186,131 appearances before the Veterans' Administration; and secured monetary benefits aggregating $426,233,252. During fiscal year 1964–65, in the State of Washington, the 2 national service officers stationed in the VA regional office have examined the files of 3,327 claims; made 2,292 appearances before the VA; and secured monetary benefits for veterans aggregating $3,060,048.11.

Through its director of legislation, and its legislative committee, it proposes, supports, or opposes all legislation affecting veterans and their dependents proposed in the U.S. Congress. Its legislative policy and program is decided upon by each annual national convention. This program is presented to the House Committee on Veterans' Affairs and various Senate committees dealing with veteran matters at the beginning and through each session of Congress. A member of the legislative staff is present at all hearings and presents the organization's views on veteran legislation.

Every President of the United States, since World War I, and every head of the Veterans' Administration has commended and endorsed the service program of the DAV. Hundreds of letters have been received from Members of the U.S. House of Representatives, U.S. Senators and Governors who have also endorsed the national program of service to our Nation's wartime disabled, their widows, and orphans.

Mr. BELL. Mr. Speaker, it is a pleasure to endorse the work of the Disabled American Veterans on this the occasion of the 34th anniversary of their chartering by Congress. Familiarity with the policies of the DAV and its many outstanding operations in the field of veterans' welfare activities has rendered me a confirmed supporter of its goals and purposes.

Founded in 1919, in the wake of World War I, the DAV early was instrumental in promoting the passage of laws looking to the benefit of loyal Americans wounded in battle. With more than 200,000 members today, and local groups in excess of 1,800 throughout the country, the DAV is now an organization of considerable significance.

In fighting for the principle of democracy, the members of the DAV were struck down and victimized by war. They, of course, bravely looked forward to a return to civilian life, and to a renewal of the pursuits they had abandoned upon entering the service. But here they found themselves confronted by new and serious difficulties. Heroes they were, everyone agreed. But could they serve in the capacity of day-to-day wage earners? There was widespread doubt in this regard.

Against suspicion and doubts of this kind the DAV fought, and in short time began to transform the opinions of many employers in the country.

In addition, the DAV has become a powerful moving force in the area of constructive and beneficial veterans' legislation. As agents of a cause holding and meriting the respect of Americans in general, the officers and members of the DAV are welcome any time and their advice is regarded with honest concern.

It is a distinct privilege to engage in a ceremony honoring 34 years of public service under congressional charter. Comparatively few organizations have been so honored in the history of America.

In consequence of its leadership in several fields, the DAV has become today an association of great magnitude, deserving of praise and commendation.

CHATTANOOGA DU PONT—WORLD'S SAFEST PLANT

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BROCK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROCK. Mr. Speaker, it is with a great deal of pride that I take this opportunity to congratulate the 4,300 employees of the Du Pont Co.'s Chattanooga nylon plant, which on June 14 became the world's safest industrial plant, when it completed 38,004,394 hours of work without a major injury. This is a tremendous accomplishment achieved only through a total awareness by the employees of their responsibility toward plant safety. The outstanding record was set in spite of continuous changes in the plant, the addition of 1,500 new employees and capacity operation.

In achieving that number of safe manhours they surpassed the previous record held by a plant of the Western Electric Co. in Greensboro, N.C. The local plant also held the record from July 23, 1959, when it surpassed the total safe hours accumulated by a Du Pont plant at Old Hickory, Tenn., until June 6, 1963, when the Western Electric Co. record was set.

In ceremonies held at the plant, Howard Pyle, president of the National Safety Council, presented a plaque symbolic of the record to two plant employees.

Mr. Copeland told the assembled employees that their working for more than 6 years without a major injury proved "that injuries can be avoided and that this longtime Du Pont goal is attainable by skilled and dedicated people.

"Your safety record is more than the score of a game," he said. "It is meaningful evidence of superior performance. If you had been only maintaining the average for American industry as a whole there would have been 248 major injuries, including three deaths, on this plant during the past 6 years. We all are thankful that your goal is perfection, not just average."

Mr. Copeland praised employees for their consideration for fellow workers and pointed out that "in any organization that recognizes the dignity and worth of people, safety is a fundamental and essential concern."

OLD GLORY STILL WAVES PROUDLY

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. Boggs] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. BOGGS. Mr. Speaker, one of the most moving tributes I have ever read on the occasion of Flag Day, was published June 14, 1966, in the New Orleans States-Item. The article was written by one of the bright, young reporters on that newspaper, Ross Yockey. Too often many of us tend to take our flag for granted, but Mr. Yockey has painted a vivid picture that should engrave the meaning of our flag indelibly in our minds. I believe this article bears reading by all:

Flag Day Reminder: Old Glory Still Waves Proudly

(By Ross Yockey)

The flags you see flying proudly throughout the city today are clean and new . . . they won't show any of the blood, guts, sweat and tears that put them there on this Flag Day.

Flag Day shouldn't be necessary in the world's greatest democracy, but it is.

For some reason, flying America's flag and thinking about democracy have become corny. Red, white and blue aren't the "in" colors in today's modern world.

Maybe the flag should be all red-brown colored, for the gallons of life blood that have been spilled for it . . . in reality, not just in some songwriter's imagination.

Maybe it should be stained yellow for the sweat and tears of men slaving and women crying.

Maybe it should be muddy brown for the farmers, the builders, the ditch diggers and the road carvers who have done all the dirty jobs that need doing to keep the flag flying.

Maybe it should be green for the forests and the plains and for the hope of future generations.

Maybe it should be the pink of an infant, struggling to learn the rights and wrongs of a chaotic world.

Maybe it should be the purple of sorrow and of the disappointment of dreams gone unfulfilled.

Maybe it should be the gray of indecision, of the futility of trying to please all of the people all of the time.

Maybe it should be the olive drab of the armies upon armies that have constantly fought to keep it aloft.

Maybe it should be white for the pure dedication and purpose of the men who wrote our Constitution.

Maybe it should be black for widows' mourning and for the mistaken ideals, the sad truths and the dirty politics with which democracy must always contend.

But it isn't. It's a clean and colorful red, white and blue.

Maybe it should fly a little higher.

DAV DAY ON THE HILL

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. Boggs] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. BOGGS. Mr. Speaker, President Lincoln, in his famous second inaugural address a century ago, enunciated in a few words the noble purpose of the Disabled American Veterans—"to care for him who shall have borne the battle and for his widow and his orphan."

In its wisdom, the Congress chartered this fine organization 34 years ago today, and I am happy and proud to join in saluting the DAV on its anniversary. The wonderful, humanitarian work which the DAV has done since its formation in 1919 serves as an inspiration to all Americans; the good works of this great organization serve as a reminder of the debt we all owe to our disabled veterans who have safeguarded us in World War I, World War II, in Korea, and now in the jungles of South Vietnam. Just to cite one example of the splendid service which the DAV renders to our disabled veterans: Since the end of World War II DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training and development.

In short the Disabled American Veterans seeks to nurture and to foster in our veterans a continuing sense of duty, honor, and love of country. Duty, honor, and love of country at home, in the peaceful surroundings of our loved ones, are just as important to the strength of our Nation as they are on the fields of battle. Four years ago, on the plains of West Point, General of the Army Douglas MacArthur expressed this noble thought most eloquently in a farewell address to the cadet corps when he said:

> Duty, honor, country: Those three hallowed words reverently dictate what you want to be, what you can be, what you will be. They are your rallying point to build courage when courage seems to fail, to regain faith when there seems to be little cause for faith, to create hope when hope seems forlorn.

In war and in peace, for those who have borne the battle, this wonderful sentiment has been the basis for the good works of the DAV; and I am honored to join my colleagues in paying tribute to the DAV officers and their staff for their dedication, their energy and kindness, and their effective efforts for America's disabled veterans. Thank you.

DESECRATED CEMETERIES

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. MULTER. Mr. Speaker, on October 2, 1964, and again on February 24, 1965, I directed the attention of this House to the fine work that the World Center of European Rabbis and its president, Chief Rabbi Moses Rubin, were doing to restore and maintain the Jewish cemeteries in Europe that had been desecrated and ravaged during and since World War II.

I wish to now direct attention to a very fine statement on the subject made by Rabbi M. Schwartzman as follows:

The Very Essential Work of "Geder Avot"

(By Rabbi Dr. M. Schwartzman)

A. WE MAY NOT BE INDIFFERENT

One of the most important institutions left by the European holocaust, is undoubtedly the Geder Avot, which is carried on by the energetic, competent, and trustworthy Chief Rabbi Moses J. Rubin. He is the one that raised the anguished cry to all living relatives, community leaders and rabbis, not to remain silent or indifferent to the holy graves of our holy martyrs who were so brutally annihilated by the Nazis in Germany; and not only those graves, but also the cemeteries in almost all of the countries of Europe where there remain only a handful of Jewish families and where city officials have evinced a desire to plow and seed those holy places and historic cemeteries, and the few Jewish families are helpless to prevent such desecration.

The Geder Avot organization has already united the rabbis of almost every part of the world: from Israel, the United States, Canada and England.

The Geder Avot organization has drawn the attention of Senators, members of Parliaments and Congress, Jewish and non-Jewish, and all have unanimously turned to the Bonn Government of West Germany, that it should aid and assist to protect and fence off the ancient cemeteries in the various countries.

The Geder Avot organization headed by its worthy and competent president, Rabbi Moses J. Rubin, is working diligently. It has convened a world conference in Jerusalem. All of the groups and shades of opinion have joined in this most essential work. Their problem was: How can we permit the anarchic conditions of the thousands of cemeteries in which our loved and dear ones are buried to remain? Political leaders must alarm their governments. We can not remain silent! We must proceed with due diligence—we of the present generation which witnessed the brutal and malicious slaughter of our bretheren; our blood must not rest until the honor of those cemeteries are properly restored. Our children will forget it; they will be indifferent.

All nations are loyal and regard their cemeteries with the appropriate measure of dignity and honor. Why should we permit the anarchic conditions to prevail in our cemeteries? How can we watch goats, sheep, swine and dogs graze over the graves of our parents, because the gates have been broken and the monuments overturned, and in many instances vandalized and covered with asphalt for use as a throughfare.

The Geder Avot organization sent emissaries to visit the various cemeteries in Europe. The pious Christians help to some degree, but our Jewish brethren must remember the cemeteries of their home town, of their relatives and dear ones.

The Geder Avot organization has files with complete detailed information concerning the major cemeteries in Europe. Why shouldn't relatives know the conditions of the cemeteries in their home towns? The Geder Avot wakes and arouses the conscience of political officials, of governments—Why then do not the Landsmanschafts and other groups turn to Geder Avot for further information?

B. ALL ARE UNANIMOUS

All political and religious organizations, the entire Yiddish and Hebrew press, Hassidic Rabbis, Mithnagdic Rabbis and modern Rabbis from all countries lend a helping hand and strongly encourage Rabbi Rubin to continue the work. In this field of energetic and determined labor, Rabbi Rubin is unique and singular. Holy determination and iron will to accomplish something in this area is one of Rabbi Rubin and his organization's attributes, or as we say in modern Yiddish "staff". They visit lands where there are almost no Jews left, and they see to it that municipal officials should not misuse the cemeteries but should adequately secure and protect it by a fence, so that they should remain as a holy monument for the brutally murdered 6 million Jews.

All of the Landsmanschafts and individuals who want further information can get it from Geder Avot, 1230 43rd Street, Brooklyn, N.Y. 11219 U.S.A.

I would also like to now read a resolution on the same subject adopted at the suggestion of Chief Rabbi Moses Rubin by the World Center of European Rabbis on May 1, 1966, as follows:

The Resolution of the Conference of the Executive Council of the World Center of European Rabbis in Jerusalem, May 1, 1966

While we were listening to the Delegates from Russia, Poland, Lithuania, Estonia and Czechoslovakia, who were sent to research the situation of the Jewish cemeteries in these countries, we were alarmed over the terrible picture which they gave of these cemeteries.

While the destruction of the Jewish cemeteries in these countries was done at the time of the occupation of Special Nazi Troops called "Friedhof Battalions" with headquarters in Janov, near Lvov, Poland,

While these destructions were planned and precise and deliberately effected,

While among these cemeteries were tombstones of a thousand years old,

While these cemeteries harbored the remains of Jewish personalities who achieved a position of prominence in the past thousand years of Jewish history,

While the Jewish populations who live today in the free countries of the world cannot find peace of mind until this situation would be changed and the graves of their parents and ancestors which were destroyed repaired,

Since our Delegates have established that every day that passes the situation of these cemeteries are worsened, and since for four (4) years we are asking for aid in repairing these cemeteries,

We appeal to the present leaders of the West German Government to take all measures necessary to accelerate the accord of funds which are needed in order to repair, refence, and restore these 2,000 cemeteries (approximately) in the above mentioned countries.

I do hope that steps will be initiated and consummated in the not too distant future to rectify these intolerable conditions.

A BILL TO PERMIT THE SALE AND USE OF KREBIOZEN

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. MULTER. Mr. Speaker, I have today introduced a bill to prohibit any agency or department of the Federal Government from interfering with the production, distribution, sale, or use of Krebiozen until they can prove by substantial evidence that the use of this substance is harmful to humans.

For several years the Congress and the public have been subjected to a barrage of press release propaganda from the Food and Drug Administration about Krebiozen. They have yet, however, to demonstrate that this substance is toxic or can in any way harm anyone.

I do not know whether Krebiozen is of any use in the treatment of cancer and I do not know of any way to find out until it is subjected to a fair and impartial clinical test.

Since the Food and Drug Administration refuses to conduct such a test I would hope that immediate action will be taken on my bill so that those using Krebiozen can continue to use it without fear of prosecution.

Mr. Speaker, this controversy has gone on for too many years and I am quite certain that the Department of Health, Education, and Welfare has spent more money to try to stop the testing of this drug than it could ever have cost to conduct such a test.

THE 150TH ANNIVERSARY OF THE GAS INDUSTRY

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCormack] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. McCORMACK. Mr. Speaker, this year we are celebrating the 150th anniversary of the gas industry in this country. It was in 1816 that the first gas franchise in the United States was issued, to the Gas Light Co. of Baltimore. Only 6 years later, in 1822, in my own city of Boston, the predecessor company of today's Boston Gas Co., was founded. That was only a year after natural gas was discovered at Fredonia, N.Y., and 3 years before the first gas stove in this country was installed.

Some people still think of gas in nostalgic terms of the "gaslight" era of the 1800's and are completely unaware of the dramatic changes that have occurred in the industry and the exciting challenges it is facing now and in the years ahead.

Two periods of major expansion stand out in the history of the gas industry. The first was around the turn of the century when gas became popular for cooking and water heating instead of just for illumination. The second followed the development of long-distance gas transmission systems which made possible the widespread use of natural gas for home heating. Thus, coal has long since disappeared as a significant factor in the home heating market throughout the country, and gas has assumed by far the dominant role in this field. It is being used increasingly for air conditioning as well. Just in the last 5 years, from 1960 to 1965, the number of residential customers for gas for heating, cooling, and other purposes has risen from 30.4 million to over 34.4 million. And as the American Gas Association has also reported:

> Gas utility revenues have multiplied seven times from the $1.1 billion in 1945 and, since 1950, gross plant of utilities and pipelines have increased from $7 billion to $29 billion at the end of 1965, making this the Nation's sixth largest industry in terms of plant investment.

We frequently hear these days that we are living in an age of electricity and that, at least until the age of atomic power is full blown, electricity is going to dominate ever more as a source of power. Actually this is a misleading and in many respects false impression. There are sound economic reasons for believing that the use of gas will continue to grow and grow tremendously in the years ahead. Gas costs far less to produce, transmit and distribute than electricity.

A gas system is highly dependable and not subject to unexpected shutdown due to weather or failure of one local unit in an entire region. Furthermore, natural gas will be available in quantity, despite burgeoning demand, for many years. In addition, our ability to produce high quality synthetic pipeline gas from coal and lignite assures a supply that is nearly inexhaustible. In fact one of the great potential uses of gas is generation of electricity on site by residential, commercial and small and large industry users.

In any case the outlook for the industry is most heartening. Financial experts are bullish on the prospects of the industry, and with reason. I mentioned that there were 34.4 million residential customers for gas for heating, cooling, and use in other appliances in 1965. By 1975 it is estimated that this will go up to nearly 44 million residential customers. Sales of gas to restaurants, stores and hotels are expected to double by 1975. Natural gas is also being used more and more widely in a great variety of manufacturing and other industrial processes.

We can thus look back on 150 years of history of an industry that has brought light, heat, and energy to satisfy the needs of millions of our people. It has made for cleaner easier heating and comfort undreamed of just a generation or so past. We can look forward confidently to the next century or century and a half in this industry where, in uses yet undreamed of as well as in more traditional uses, it will continue to serve reliably and continually the needs of American citizens throughout our land.

RECLAMATION AREA EXPANSION OPPOSED

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. COOLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. COOLEY. Mr. Speaker, the House soon will be called to act upon the conference report on S. 602, the bill which would extend to all the 50 States the authority of the Small Reclamation Project Act, which now is limited to the 17 western reclamation States.

I must oppose this report, or I would not meet my responsibility as chairman of the House Committee on Agriculture.

The bill embraces several desirable provisions, and I favor these provisions. But I must object to the House amendment, now accepted by the conference committee, which would expand this Reclamation Act throughout the United States.

The expansion of the authority to all States is opposed by the Department of Agriculture. The Department had no opportunity to submit its views upon the amendment before it was written into the bill by the House Committee on Interior and Insular Affairs.

Unfortunately, when S. 602 was passed by the House it was considered under the unanimous-consent rule and was not referred to the Rules Committee. The House companion bill is H.R. 4851. I say unfortunate because very few Members of this body knew that the amendment had been added to the bill. If I had been advised that this bill provided for a major territorial extension of authority, I certainly would have objected vigorously to the procedure at that time.

I first became aware of this action when I received a copy of the Secretary of Agriculture's letter of May 5, 1966, to the chairman of the Committee on Interior and Insular Affairs. I request that a copy of this letter be printed in the RECORD at this point. The Secretary's letter follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 5, 1966.

HON. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives.

DEAR MR. CHAIRMAN: In connection with conference committee consideration of S. 602, a bill to amend the Small Reclamation Projects Act of 1956, this Department recommends deletion of the House amendment which would extend the authority of the Act to all 50 States.

This Department feels that the issue of whether or not the Small Reclamation Projects Act should apply to all the States or just to the western reclamation States was considered and settled at the time the original Act was passed in 1956. The original bill, H.R. 5881, 84th Congress, 1st Session, introduced by Congressman Engle applied to the 48 States and 2 Territories. It was objected to in debate by the Chairman of the Agricultural Committee and amended on the Floor of the House to apply only to the 17 western reclamation States.

The amendment to H.R. 4851, in the current Congress, to extend the authority of the Small Reclamation Projects Act to all 50 States originated within the House Committee on Interior and Insular Affairs. This Department was not advised of this action until the bill was reported out and so had no opportunity to submit its views by report or testimony.

This extension of the Federal Reclamation Laws to all 50 States would authorize the Secretary of the Interior to provide Federal assistance in the 31 eastern States on small water resource development projects that would be largely duplicative of that being provided by the Secretary of Agriculture under the authority of the Watershed Protection and Flood Prevention Act. (P. L. 83-566)

Moreover, the Small Reclamation Projects Act does not contain the fundamentally sound requirement of P. L. 566 that needed land treatment measures to protect reservoirs and insure proper water use in the benefited area shall be an integral part of the project. P. L. 566 requires that agreements to carry out recommended soil conservation measures and proper farm plans be obtained from owners of not less than 50 percent of the lands in the drainage area above each detention structure and also provides technical assistance to accelerate the installation of all needed land treatment measures in the project area.

The Bureau of Reclamation would be required to set up new offices and new personnel to serve the 31 eastern States to carry out this duplication of authority irrespective of the need for increased agricultural production.

Small Reclamation Projects must have irrigation as their primary purpose. The Federal Government should not be promoting new irrigation development in the 31 eastern States because of the effect it would have on increased crop production.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,
ORVILLE L. FREEMAN, *Secretary.*

Mr. Speaker, in this letter, which has the Bureau of the Budget's approval, the Secretary of Agriculture voices his strong opposition to the extension of this authority and documents the reasons therefor.

I wish to point out that this issue was thoroughly threshed out in the Congress more than 10 years ago. I think it was properly settled at that time after exhaustive hearings. Now the conference report on S. 602 proposes to reverse this previous action of the Congress. Since I played a part in this previous action I would like to review briefly the legislative history in 1955 on this point.

On April 27, 1955, Representative Engle introduced H.R. 5881 which would supplement the Federal reclamation laws to authorize the Secretary of the Interior to provide Federal assistance in the development of small reclamation projects by non-Federal organizations in all 48 States and the Territories of Hawaii and Alaska.

On May 4, 1955, the House Committee on Interior and Insular Affairs reported Representative Engle's bill.

On May 26, 1955, H.R. 5881 was debated on the floor of the House. An amendment offered by Representative JONES, of Alabama, provided that the Secretary of the Interior would furnish assistance under the bill in the 17 western reclamation States, and that the Secretary of Agriculture would furnish the assistance authorized by the bill in the 31 Eastern States and Hawaii and Alaska.

During the debate on the House floor serious opposition was expressed to making the reclamation program of the Interior Department nationwide. As chairman of the House Committee on Agriculture I stated my position as follows, and I am quoting from the CONGRESSIONAL RECORD, volume 101, part 6, page 7136. I said:

> I will vote for the Jones amendment and I will vote against the bill if the Jones amendment is not adopted. The gentleman will say to the House that unless we adopt the Jones amendment the Interior Department will be extended into 31 additional States.

Following the debate on May 26, 1955, the House adopted the Jones amendment and passed the bill.

I feel this is ample proof that this body did give careful consideration to extending the authority of this act to all the States, and after thorough debate, rejected the proposal.

My convictions remain the same as in 1955. There is no demonstrated need to bring the reclamation program into the 31 Eastern States and compound the confusion and duplicating authorities between the Small Reclamation Projects Act and the Watershed Protection and

Flood Prevention Act that now exists in the western reclamation States.

Mr. Speaker, my plea is that we reject this conference report at this time and at a later date fully explore the need for such action. Certainly a major revision in our natural resources legislation warrants hearings and full House debate on its merits and needs.

REPORT OF THE BOARD OF VISITORS TO THE U.S. COAST GUARD ACADEMY

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. Lennon] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. LENNON. Mr. Speaker, I was elected chairman of the Board of Visitors to the U.S. Coast Guard Academy this year, and under leave to revise and extend my remarks and to include extraneous matter I include herein the report of that Board's visit in the Record at this point.

Report of the Board of Visitors to the U.S. Coast Guard Academy, New London, Conn., May 13, 1966

The President of the Senate.

The Speaker of the House of Representatives.

Gentlemen: Pursuant to Section 194 of Title 14 of the United States Code, the following Senators and Members of the House of Representatives were designated to constitute the 1966 Board of Visitors to the United States Coast Guard Academy.

By the President of the Senate: Senator Thomas J. Dodd, Democrat of Connecticut.

By the Senate Committee on Commerce: Senator Warren G. Magnuson, Democrat, of Washington (ex officio); Senator Ross Bass, Democrat of Tennessee; Senator James B. Pearson, Republican of Kansas.

By the Speaker of the House: Representative William L. St. Onge, Democrat of Connecticut; Representative Wendell Wyatt, Republican of Oregon.

By the House Merchant Marine and Fisheries Committee: Representative Edward A. Garmatz, Democrat of Maryland (ex officio); Representative Alton Lennon, Democrat of North Carolina; Representative Frank M. Clark, Democrat of Pennsylvania; and Representative James R. Grover, Republican of New York.

A Meeting of the Board of Visitors was held at the United States Coast Guard Academy on 13 May 1966. Present:

CONGRESSIONAL VISITORS

Representative Alton Lennon of North Carolina.

Representative William L. St. Onge of Connecticut.

Representative James R. Grover of New York.

REPRESENTATIVES OF COAST GUARD HEADQUARTERS, WASHINGTON, D.C.

Rear Admiral Joseph R. Scullion, USCG, Chief, Office of Personnel.

Captain William B. Ellis, USCG, Chief, Office of Personnel designate.

Captain Frederick J. Hancox, USCG, Chief, Training and Procurement Div.

Captain Frank M. Fisher, Jr., USCG, Congressional Liaison Officer.

ADMINISTRATIVE STAFF, COAST GUARD ACADEMY

Rear Admiral Chester R. Bender, USCG, Superintendent.

Captain Edward C. Allen, Jr., USCG, Assistant Superintendent.

Captain Stanley L. Smith, USCG, Dean.

Captain Austin C. Wagner, USCG, Commandant of Cadets.

Captain Malcolm J. Williams, USPHS, Director of Admissions.

Captain Robert R. Fletcher, USPHS, Senior Medical Officer.

Captain Stephen G. Carkeek, USCG, Chief, Waterfront Division.

Captain Paul F. Foye, Head, Department of Humanities.

Commander Robert B. Long, USCG, Chief, Plant and Personnel Division.

Commander Robert W. Smith, USCG, Comptroller.

Commander Carl W. Selin, USCG, Chief, Athletic Activities Division.

REPORTER

Joseph J. Albanese, 359428, SN, USCG.

Upon arrival at the Academy, military honors were rendered to the visiting members of the Congressional Board of Visitors. The Superintendent and selected staff officers then met with the Board of Visitors for a formal session. Representative Alton Lennon was elected Chairman of the 1966 Congressional Board of Visitors.

SYNOPSIS OF THE MINUTES OF THE BOARD SESSION

1. The Chairman called the meeting to order and expressed for the Board of Visitors the pleasure that its members had in returning to the Coast Guard Academy for the annual visit. At the suggestion of the Chairman, the Superintendent presented an oral summary of his written report to the Board of Visitors.

2. The Superintendent's opening statement included an expression of welcome to the Congressional Board of Visitors on behalf of the Academy staff and the Corps of Cadets. Additionally, the Superintendent expressed his appreciation for the keen interest and support previous Boards of Visitors had demonstrated in all phases of the educational and professional training program at the United States Coast Guard Academy.

3. Highlights of the Superintendent's résumé included the following:

a. *Admissions:* The function of admissions was transferred to the Academy from Coast Guard Headquarters less than a year ago. Substantial changes have been made in the admission procedures in that time. Specifically, a more firm control has been achieved over the number of cadets appointed and over the number of cadets who will actually report. This was accomplished in part by earlier processing of examinations, including physical examinations, and earlier appointments of cadets, directly from the Academy. Additionally, appointed cadets were required to accept the appointments during the period roughly 1 April to 30 April, or lose further consideration. Of 386 appointments, there were 281 firm acceptances, or some 73%.

b. *Curriculum:* During the present academic year, the modified curriculum recommended by the Academy Advisory Committee has been placed into effect for all except the graduating senior class. Thus far, the transition to the two fields of study, Engineering-Science or Management-Social Science, has progressed relatively smoothly. A natural result of the new curriculum was the need for additional instructors, as a greater variety of subjects are being taught in both required courses and electives. The Coast Guard budget for fiscal year 1967, now passed by the House, does provide for additional new instructor positions.

c. *Summer Program:* The Academy is experimenting with a new summer program this year. The ten-week cruise utilizing both cutters and the barque EAGLE has been abandoned. Foreign cruises have been discontinued temporarily and it is believed that two six-week cutter cruises will provide adequate training in the modern ships, and provide this experience for a larger number of cadets of the First and Third classes. On the other hand, the EAGLE will make short coastal cruises with the Second and Fourth classes. She will touch port only at Boston and Norfolk. Other phases of the summer program have been modified to adapt to the cruise changes.

d. *Civilian Faculty:* A Coast Guard Omnibus Bill, presently before Congress, contains among other items, provisions for the Academy civilian faculty members to be excepted from provisions of the Classification Act of 1945. The Secretary of the Treasury will be given authority to issue regulations authorizing pay scales and conditions of employment comparable to those now employed by the Naval Academy, if the bill is passed. This same bill provides for increasing the maximum number of cadets in an entering class from 300 to 400.

e. *Athletics:* With a growing student body, the physical education and intercollegiate athletic programs have continued to expand. The Academy anticipates that the new gymnasium-field house complex will be completed and ready for use in the fall of this year. A welcome addition to the competitive sports program was the formation of a gymnastics team. During the past winter season, this team enjoyed a reasonably successful record.

f. *Physical Facilities:* During the past six years, a number of major additions have been made to the physical plant at the Academy and many older buildings have undergone renovations. The construction projects now underway are: construction of a new gymnasium-field house building; construction of new athletic fields; and renewal of utility systems. The item of interest and focus of attention for the next fiscal year will be the additional wing added to the Chase Hall barracks complex. This structure will house 320 cadets with the anticipated completion date of September 1967.

4. At the conclusion of the Superintendent's statement, he introduced Commander R. B. Long, Chief of the Plant and Personnel Division, who described in more detail the facilities expansion and improvement program now in effect. Discussion of this topic followed Commander Long's report. The central focus of attention during the exchange of information between the Superintendent and members of the Board of Visitors was the urgent requirement for the acquisition of additional land adjacent to the Academy, which will be required in ordered to adequately provide space for an anticipated student body of 1000 cadets by the early 1970's.

5. At the completion of this report, the Board members were invited as guests of the Cadet Corps in the Wardroom for the noon meal. Following the noon recess, the Board of Visitors made an extensive tour of all parts of the physical plant, viewed a number of completed units and were briefed further on the details involving current construction. Later in the afternoon, the Board of Visitors met in Executive Session.

6. At the conclusion of the Executive Session, members of the Board met with cadets for informal discussions, where opinions of cadets were openly and freely given to Board members.

7. Having considered the various projects at the Coast Guard Academy, including personnel, the course of study, the professional training program and the long range plans for the expansion of the Cadet Corps, the 1966 Congressional Board of Visitors makes the following recommendations to Congress:

a. There should be a continuing review of the Academy's admissions procedures and policy, with a view toward achieving a broader national base.

b. Efforts should be made to search for and assess on a nationwide basis, young men with outstanding leadership capabilities as possible cadet candidates. Additionally, the Academy should engage the interest and assistance of distinguished citizens, as well as officers of the active Coast Guard and the Coast Guard Reserve, to assist in this goal.

c. Detailed programs concerning the opportunities of service at the Coast Guard Academy and in the United States Coast Guard initiated by the Superintendent, should have wide distribution among members of Congress in order that they may be better informed regarding this important governmental activity.

d. The plan of the Academy for the demolition of the two remaining wooden buildings and the construction of a modern fireproof combination auditorium and recreation building, should take place no later than fiscal year 1968. It is strongly urged that Congress make available the necessary funds for this project. In connection with this item, members of the Board of Visitors were deeply concerned with the fire hazard to the remainder of the Academy's physical plant by the presence of these World War II temporary wooden structures.

e. In connection with the long range plans to expand the student body to approximately 1000 cadets by 1970, this committee recommends strongly that a reappraisal of the Taylor, Lieberfeld and Heldman report on Academy expansion be instituted in the near future. This report, completed in 1961, has served as an excellent guide for the planning by the Coast Guard and the appropriate Congressional committees; but with the proposed expansion of the Cadet Corps, it is believed that a new study and report is required and should be made by a civilian firm as soon as possible. This would materially help the Academy staff in planning an adequate and effective long-range program of construction.

f. It was noted with interest that the Academy has been making steady progress in improving the attrition rate over the past several years, with future improvement anticipated as a result of several factors, including the introduction of a modified course of study, modern goals in the military indoctrination program and improved physical plant facilities.

8. It should be noted herein that the above recommendations concur substantially with a recent report submitted to the Commandant by the Coast Guard Academy Advisory Committee. This group of distinguished educators and men of governmental affairs has followed closely the progress of the Academy and has arrived at its conclusions after considerable detailed investigation. With the similar conclusions reached by both the Congressional Board of Visitors and the Academy Advisory Committee, members of the 1966 Congressional Board of Visitors confidently expect that Congress will support the United States Coast Guard in effecting those changes which will improve all aspects of the academic program.

Alton Lennon,
Chairman, Representative from North Carolina.
William L. St. Onge,
Representative from Connecticut.
James R. Grover,
Representative from New York.

PERSONS MAY BE UNNECESSARILY AND UNJUSTIFIABLY DEPRIVED OF HOSPITAL CARE UNDER MEDICARE

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. Fountain] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker unless immediate action is taken to change certain administrative practices of the Department of Health, Education, and Welfare, I am deeply concerned that thousands of persons, both white and Negro, may be unnecessarily and unjustifiably deprived of hospital care they need and to which they are entitled under the medicare program.

Under leave to extend my remarks, I am including in the Record a letter on this subject to the Secretary of Health, Education, and Welfare.

June 14, 1966.

Hon. John W. Gardner,
Secretary of Health, Education, and Welfare, Department of Health, Education, and Welfare, Washington, D.C.

Dear Mr. Secretary: I am deeply concerned that arbitrary and unjustified administrative practices of the Department of Health, Education, and Welfare may result in depriving thousands of persons, both white and Negro, of badly needed hospital care.

Under the best of circumstances, the heavy influx of patients under the Medicare program after July 1 would be expected to place a severe strain on hospitals in many localities. It now appears that the problem of caring for Medicare patients will be greatly aggravated because the Department of Health, Education, and Welfare, under the alleged authority of Title VI of the Civil Rights Act of 1964, has so far refused to approve a large number of hospitals for Medicare patients.

It is my understanding that, as of June 9th, at least 60 hospitals in North Carolina had not been approved for Medicare patients because of alleged non-compliance with Title VI. I am advised that these hospitals, which have a total capacity of more than 12,000 beds, account for more than 40 percent of all North Carolina hospital space. For the entire nation, it is my understanding that, as of June 9th, more than 2,000 hospitals with a total capacity of almost a quarter of a million beds had not been approved for Medicare patients because of alleged non-compliance with Title VI.

Unless the approach of the Department of Health, Education, and Welfare is drastically changed, it appears obvious that a great many hospitals will not be approved for Medicare patients by July 1. Persons entitled to care under the Medicare program may be unable to obtain it at these hospitals during the very time when hospital space for such patients is likely to be most needed.

Title VI of the Civil Rights Act of 1964, as you know, provides that "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Congress has provided specific procedures—including an opportunity for a hearing—for determining whether or not recipients of Federal financial assistance are in compliance with requirements of Title VI. During the nearly two years since the enactment of the Civil Rights Act of 1964, it is my understanding that not one of the North Carolina hospitals presently being denied approval for Medicare has been found under these procedures not to be in compliance with the requirements of Title VI.

I am personally familiar with the situation at one hospital in my district which has so far not been approved for Medicare patients. This hospital has never been segregated, and its Board of Trustees has exercised great care to insure that there is no racial discrimination. All rooms, wards, floors, sections and facilities in this hospital are utilized by members of both races without discriminaton. Positions on the hospital staff are open to and occupied by members of both races. Some rooms at this hospital are usually bi-racially occupied.

Yet, the hospital has not been approved for Medicare patients—apparently because some HEW officials do not think a sufficient number of rooms are being jointly occupied by White and Negro patients. I am confident that this hospital can and, if necessary, will eventually prove in a proper administrative or judicial proceeding that it is not subjecting its patients to racial discrimination. Unfortunately, unless there is a change in the attitude of some officials of your Department, many persons entitled to hospital care under the Medicare program may be deprived of it while the hospital is being forced, in effect, to prove its innocence.

In enacting Title VI, Congress provided specifically that persons or institutions accused of racial discrimination should be offered an opportunity for a hearing before being refused Federal funds. Although Title VI became law nearly two years ago and the Medicare program was enacted almost a year ago, the Department of Health, Education, and Welfare has not yet—so far as I am aware—offered a single North Carolina hospital an opportunity for such a hearing. Until very recently, in fact, the Department of Health, Education, and Welfare gave North Carolina hospitals little or no indication that their operating procedures were considered unsatisfactory in any way.

It is particularly inappropriate and unfair to attempt to deny hospitals approval for Medicare patients without an opportunity for a hearing because it is questionable that Title VI is even applicable to the Medicare program. Title VI applies only to any "program or activity receiving Federal financial assistance." Medicare, in my judgment, was not intended by Congress to be a program for Federal financial assistance to hospitals but a hospital insurance program for individuals. Moreover, programs receiving Federal financial assistance "by way of a contract of insurance or guaranty" are specifically excluded from the coverage of Title VI.

Even if the Medicare program were covered by Title VI, actions being taken by HEW would be subject to serious legal question. Title VI specifically requires that no "rule, regulation, or order" issued to implement Title VI shall become effective "unless and until approved by the President." Despite the clear mandate of the law, the "guidelines" issued by HEW to regulate administrative procedures of hospitals have not—so far as I have been able to determine—been approved by the President.

Legal and factual questions involving Title VI of the Civil Rights Act can and should be determined in accordance with the procedures established by Congress for this purpose—not by arbitrary edicts of administrative officials. It is neither legally nor morally right for administrative officials charged with the enforcement of Title VI to deliberately seek to circumvent its procedural requirements.

The stated purpose of Title VI is to insure that the benefits of Federal programs are made available to all persons without discrimination. But the administrative practices being followed by the Department of Health, Education, and Welfare, if continued without change, may have the effect of denying the benefits of the Medicare program to thousands of persons who are entitled to it before there has been any finding that discriminatory practices actually exist in the hospitals involved.

In fairness to persons entitled to hospital care under the Medicare program, I urge you to take immediate action to insure that all hospitals which are qualified under the provisions of the Medicare Act will be available to Medicare patients on July 1. This action on your part, while protecting the interests of Medicare patients, would in no way prevent the Department of Health, Education, and Welfare from subsequently taking—in accordance with proper procedures—any legally justified action under Title VI.

Since this matter is the subject of great public concern, I expect to release the text of this letter after it has been delivered to your office.

Sincerely,

L. H. FOUNTAIN.

PERSONAL EXPLANATION

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. McCARTHY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. McCARTHY. Mr. Speaker, on June 13 and 14 I am recorded as not voting on rollcalls Nos. 137 and 141. If present, I would have voted "yea" on these measures.

On June 14, the Surgeon General of the United States, Dr. William H. Stewart, visited my district and toured the Roswell Park Memorial Institute, one of the world's most important cancer research centers. That evening, at a seminar in Buffalo, at which I introduced Dr. Stewart, he delivered a major address on the relationship of smoking and health.

STATUS OF NATIONAL GUARD TECHNICIANS

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. McCARTHY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. McCARTHY. Mr. Speaker, some 38,000 Army and Air National Guard technicians have been in a legal "limbo" for many years because they are not considered Federal employees and have been disclaimed as State employees by most States.

These men, who are employed full-time to provide the housekeeping and maintenance backbone for the weekend trainees, are not eligible for State employee benefits in most States because they are paid by the Army and Air Force. And they are disclaimed as Federal employees by the Federal Government.

There are approximately 500 technicians in western New York alone who must rely on social security because they are denied the retirement and fringe benefits enjoyed by Federal employees.

So today I am introducing a bill to correct this inequity.

It would make all National Guard technicians Federal employees subject to the benefits of the Civil Service Retirement Act.

Specifically, it provides that all technicians in States which do not cover them under their State retirement programs, and all technicians employed after the effective date of the legislation, would be covered under the Federal Civil Service Retirement Act. Those who are covered by a State retirement program on the effective date, to the extent permitted by State law, would be permitted to elect to remain covered by the local program. If they do not so elect, they too would be covered by the Civil Service Retirement Act.

And, all technicians, including those who remained covered by State retirement programs, would be eligible for Federal group life and health benefits insurance.

Mr. Speaker, I believe that this bill to include National Guard technicians under the Civil Service Retirement Act removes a longstanding discriminatory Federal policy. And it has the endorsement of the Defense Department, other executive agencies and the technicians of the National Guard. I hope this bill will be passed during this session of the 89th Congress.

THE NATIONAL LABOR RELATIONS ACT: AN EXERCISE IN INDUSTRIAL DEMOCRACY

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, it is a pleasure for me to call to the attention of the House and to all my colleagues a very fine and enlightening speech given by Mr. Arnold Ordman, General Counsel, National Labor Relations Board, Washington, D.C. Mr. Ordman addressed his remarks before the 85th annual convention of the Tennessee Bar Association in Chattanooga, Tenn., on June 9, 1966:

THE NATIONAL LABOR RELATIONS ACT: AN EXERCISE IN INDUSTRIAL DEMOCRACY

(By Arnold Ordman)

Political democracy, as we know it today in the United States, was born about two centuries ago. The Constitution is 177 years old. It has been a good form of Government.

Industrial democracy is of more recent vintage. An early milestone in the history of industrial democracy was the enactment of the National Labor Relations Act of 1935. That was thirty-one years ago.

As all of you know, we have not yet implemented for all our people the full measure of our Constitutional freedoms and guarantees. Only last week I attended a two-day White House Conference called by our President and dedicated to the purpose he enunciated: "To fulfill these rights."

This is not a simple task or the conference would not have been necessary. But this is only one of a number of problems which our democratic form of society poses and which we are going to resolve under our constitutional form of government.

Is it surprising, then, that in a scant thirty-one years we have not yet resolved many of the problems of labor-management relations, even to the limited extent that these relationships fall under the rubric of the National Labor Relations Act?

It is not. And the reason is obvious. We are going to meet the problems of industrial relations, as they arise, not by administrative fiat, not by dictatorial edict, but by the reasoned legislative, judicial, and administrative processes which we have come to know and respect. We are going to meet them by recognizing and accepting the premise that freedom of organization and collective bargaining is good for us and good for our country.

This is not an easy road and, regrettably, there are some who are not yet convinced that it is the right road.

This is at one and the same time the fascination and frustration of labor management relations as we see it in the nation today.

It is the price and the reward of industrial democracy. And, as in the case of political democracy, we must endure the burdens if we are to enjoy the benefits.

You are all familiar with Winston Churchill's axiom that a democratic form of government is inefficient and wasteful and bumbling but nonetheless so far superior to any other social, political, or economic system that has yet been devised that we willingly embrace its drawbacks.

This is so dramatically true in labor relations. Labor disputes that are not resolved at the bargaining table, labor disputes where one or the other, or all of the disputants, reject the process of collective bargaining or abjure the freedom of self-organization are wasteful and disruptive and profligate. They can even menace—and I need not cite examples—our ordered society and the social welfare.

Of course, there is an easy way to eliminate this kind of waste and disruption and profligacy. But it is a way which most thinking men unhesitatingly reject. All we would have to do would be to drastically revise our laws—we might even have to amend our Constitution. All we would have to do would be to take away the right of the workingman to organize, or to strike or picket even in peaceful and orderly fashion. All we would have to do would be to strip management completely of its right to manage.

This has been tried. The countries behind the Iron Curtain have done it in the name of Communism. Other totalitarian countries, past and present, have done it or are doing it. Yet no responsible voice in our society has urged that we adopt any of the systems.

Some, indeed, have suggested compulsory arbitration as a panacea for determining labor disputes under our own system of government. Yet virtually all of us resent regimentation even when it is disguised in terms so dulcet as compulsory arbitration.

This is not to suggest that our economy even in its labor-management relations aspect is wholly free. Quite to the contrary, an argument of sorts can be made by those who loudly and vociferously proclaim that Government regulation has completely supplanted private initiative and private enterprise. The argument however is grossly overstated; it is spurious.

The fact is that in a wholly unregulated economy, as in a wholly unregulated polity, freedom itself would cease to exist. Mr. Justice Holmes taught us long ago that the right to cry fire in a crowded theater endangers not only the physical safety but the freedom of everyone else in the theater. My freedom to punch you in the nose takes away your freedom to keep your nose in its pure unbloodied state. Might does not make right. The unpropertied many may not be victimized by the propertied few. But neither should the propertied few be dispossessed merely because they are hopelessly outnumbered. Minorities in every group, economic, political, racial, or religious are entitled to basic rights which majorities should not be allowed to trample upon. This is the symbol, the talisman, the lodestone, the magic of our Constitutional system with its built-in Bill of Rights. This is the accommodation of majority rule with individual safeguards and minority rights.

In sum, freedom can exist only in an ordered society and the concept of an ordered society subsumes regulations and limitations upon unbridled freedom of individual or even group action.

I suggest here that Congress in the National Labor Relations Act has applied to industrial relations in this country the same concept, the same pattern that has made our political system so distinctive, and so fertile.

We have not yet solved all our industrial relations problems. And new ones are arising constantly. We still have far to go. But regulation of industrial relations is an infant art when compared with the almost 200 years of our constitutional history. There is still much to be done in the field of political democracy, in the field of equality of opportunity. More is being done in these areas today, and faster, than ever before in our history. But, as all of us are painfully aware, much still remains to be done even in these areas.

It should come as a shock to no one, therefore, that we have not solved all our labor management problems. No one ought be startled that we may even be stumbling here and there. Indeed, the really surprising thing is how much we have accomplished, how far we have come in little more than one generation. A look backward, occasionally, along the road we have already traveled may make the roadblocks ahead appear less discouraging.

Let me be more specific. In 1935, 31 years ago, the Congress of the United States set forth in Section 7 of the National Labor Relations Act the basic charter which is the fundament of our labor relations system. That charter prescribes that employees shall have the right and the freedom to organize and bargain collectively through representatives of their own choosing and to engage in other concerted activities for their mutual aid and protection. Implicit in that right and in that freedom, to be sure, are the correlative right and the correlative freedom of employees to refrain from such activities. Congress made that implicit right explicit in 1947.

Section 7 then is the heart of the Act, its core and the cornerstone upon which the entire structure of labor-management relations is positioned. All the rest of the Act, the growing body of statutory and case law in our legislative and juridical system is merely implementation, amplification and commentary.

Thus, Section 9 of the Act sets forth the principle of majority rule: representatives designated or selected for purposes of collective bargaining by a majority of the employees in an appropriate unit shall represent all the employees in that unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment. But having learned, and learned well, the lessons of our political history, Congress in that very Section, which enunciates the principle of majority rule, was concerned about minority rights and made special provision for individual grievants.

Congress also made provision in Section 9 of the Act for secret ballot elections for employees to determine, where a question concerning representation exists, their true desires as to the choice of a bargaining representative. Let me boast here of the fact that in the course of its brief history, this Agency has conducted more than 140,000 representation elections in which more than 19,000,000 employees were enabled to vote whether they wished to bargain collectively with unions. Roughly 90% of all those eligible to vote in such elections actually voted. This percentage of voter participation sets a record of which we are justifiably proud and which we hope our political elections will one day match.

But Section 9 alone would be insufficient implementation of Section 7. The rights guaranteed by Section 7 carry with them necessarily limitations upon the unrestricted powers of those who could by the exercise of those unrestricted powers trench upon employee rights. In 1935 the Congress concluded that this threat arose principally from employer tactics, techniques, and practices. Accordingly, the Congress in 1935 proscribed certain employer tactics, techniques, and practices which it deemed incompatible with the newly guaranteed rights of employees. Those proscriptions were embodied in the unfair labor practice provisions of Section 8 of the Act. The machinery for inhibiting and eliminating those unfair labor practices was established in Section 10.

Significant changes were made in 1947 when the Congress reexamined the labor relations scene and reevaluated the complex of forces that were operative in that sector. The Congress concluded that changes were necessary and those changes, principally limitations upon labor union conduct and practices, were added to the statute.

Further changes were made in 1959. It remains to be seen whether the last chapter has been written. I suspect that the last chapter has not been written. Suffice it here to note that at every session of the Congress numerous substantive and procedural amendments are proposed. This current session, as all of you know, has not been an exception.

Without deprecating the importance or the impact of the remaining sections of the Act, the pivotal, the crucial, provisions are those I have enumerated. This was true in 1935; it remained true in 1947 and in 1959; it is true today.

To be sure, as I have stated, there have been changes in those four sections. The law of labor relations has grown more complex just as the relationships which that law seeks to regulate have grown more complex. Some of you may look back longingly at the relative simplicity of the Wagner Act provisions. Certainly, those of you who have to wrestle, as we at the Agency do every day, with the more involved, the more intricate, provisions of the current statute could wish for less complexity. Let us draw what comfort we may however, from the fact that in the more developed, the more sophisticated areas of our labor relations economy, we need the scalpel rather than the axe.

For time does not stand still. Our economy is evolving. Our output is growing. Our corporate relationships are changing. So, too, is our labor union structure. So, too, is the composition and quantum of our work force. So, too, are our technological processes. So, too, is our competitive posture, both domestically and internationally. In this connection we also cannot overlook the impact, although we fervently hope it will be a transient one, of the Viet-Nam effort. And on a happier note, we should and do take into account another program, a massive program initiated and launched by President Johnson, to make every American, man, woman, and child, a legitimate and full member of the Great Society.

Against this background, we would fairly have anticipated, we did anticipate, what would happen. New labor relations problems would arise because of the frequency of corporate mergers and plant relocations, because of greater resort to subcontracting, because of the growing interdependence and integration of our industrial components, and because of an almost incredible rate of growth in the field of automation and work-saving devices. Conflicts would emerge because industry is becoming ever more mobile, less fastened to a particular geographical site, but the mobility of the industrial work force has not kept pace. The supply of new skills has not kept pace with the demand for new skills. The untrained worker and the obsolescent worker have not yet reaped the benefits of training and retraining programs which are in their very beginnings.

That such changes in our industrial economy would be reflected by changes in the posture and nature of the issues placed before the Board and the courts for decision was to be expected. Thus, some of the questions posed by subcontracting found their way to the Board and ultimately to the Supreme Court in *Fibreboard*.[1] The problems involved in balancing the right of employers to restructure their businesses or to eliminate themselves as employers and the right of employees to some protection from a sudden change in the employment relationship were dealt with by the Supreme Court in *Wiley* v. *Livingston*.[2] A related problem soon found its way to the Board involving the sale of a going business and the extent of the duty of the purchaser to deal with the representatives of the employees he takes over from the old business.[3] Plant relocation issues are not new to the Board but an increasingly extensive focusing of such issues is now taking place. For example, the Board has dealt with such problems recently in the *Spun-Jee Corp.*[4] and *Garwin Corporation* cases.[5] Technological changes including the introduction of new machinery and new processes and materials have caused work assignment or jurisdictional disputes which come to the Board for determination in varying factual contexts.[6]

Thus, new problems are arising and old problems are taking on a new focus. The caseload of the National Labor Relations Board is growing, and the volume of labor litigation which originates before arbitrators and before the courts, quite independently of the Board, is showing a corresponding rate of growth.

All this has happened and is happening. Dramatic changes have taken place in our industrial society. And labor relations law tends to reflect that change both statutorily and decisionally just as every piece of social legislation tends to reflect, both statutorily and decisionally, the changes in our economic and societal structure.

This is merely another way of saying, in lawyer's language, that if you apply a different statute to the same set of facts, you will probably get a different decision. And, correspondingly, if you apply the same statute to a different set of facts, you will likewise probably get a different decision.

So let us not fault change merely because it is change. Progress, too, is change. Let us rather seek to know whether there is reason for the change and only if there is none, can we properly criticize.

Lawyers, particularly, should be the last to fall into this common error. But perhaps, like others, we too do not like to unlearn what we have so painfully learned.

Historically, however, our profession has always been, in the English speaking world at least, in the forefront of progressive and constructive change. We have been through the generations the perceptive social force which has distinguished between precedents and values which retain their relevance in new factual situations and precedents which no longer have any relevance in new factual situations. I hope we never surrender this role whether the problem be one of adjusting the relationship of private individuals or the larger problem of fostering broad social, national, or international programs for a constantly evolving society.

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[1] *Fibreboard Paper Products Corporation* v. *N.L.R.B.*, 379 U.S. 203.

[2] 376 U.S. 343.

[3] *Chemrock Corporation*, 151 NLRB No. 11.

[4] 152 NLRB No. 96.

[5] 153 NLRB No. 59.

[6] *International Die Sinkers' Conference, Milwaukee Lodge No. 140*, 157 NLRB No. 39.

We—and I am addressing myself now to the members of the labor-management bar on both sides of the aisle—we need a broader perspective. Collective bargaining, I venture to state, is here to stay.

It has been national policy now for over thirty years. And the reason for this is that collective bargaining, free collective bargaining, bargaining in good faith, works. I need not remind you that other societies, other countries, with as great or greater potential in manpower and resources, have not matched our progress.

There are, of course, soft spots even in our thriving economy. There are ethnic groups who have not yet been afforded an equal opportunity for advancement in their political or their economic position. And there are in various geographical areas and communities scattered throughout the United States individuals or groups who do not wholly accept the national policy to encourage freedom of organization and collective bargaining, despite the fact that it is national policy.

We would serve our clients well—and incidentally all your respective clients are also ours—if we educated them to the law's requirements, not alone because transgressions are illegal and because they might even prove costly, but because adherence to the law will be a factor in their economic betterment. This is a lesson which most of management and most of labor have learned and the remainder must learn. We must be their teachers.

General Motors has been unionized for some time by the United Automobile Workers. General Motors, I am told, is doing well. The United Automobile Workers is among our stronger labor organizations. So far as industry is concerned, let me suggest that in this area, at least, what is good for General Motors is good for the country. And by the same token, so far as labor is concerned, what is good for the UAW is good for the country. These are giants, of course, but the postulate is valid even for small enterprises and small unions.

Collective bargaining has demonstrated that it has creative capacities which can fashion effective approaches in specific situations to solve the problems of an ever-changing industrial society. Illustrations abound. One is found in the General Motors-UAW wage formula under which employees are guaranteed wages which are protected against price erosion and are also guaranteed, in return for not resisting the introduction of labor-saving machinery, that they will share in the benefits of the increased productivity of the economy as a whole through the payment of additional wages based on an "annual improvement factor."

Another illustration is the progress sharing plan developed by Kaiser and the United Steelworkers of America. Still another is found in the 1960 West Coast Longshore Automation Agreement which granted broad freedom to management to introduce labor-saving machinery and work out new crew arrangements. In return, the employers agreed to pay into a jointly-managed automation fund some $5.5 million a year for five and one-half years which would be used to compensate the employees for their agreement to modify old manning practices and work rules. The fund was used to insure the regularly registered longshoremen a minimum weekly wage guarantee as a protection against losses resulting from new cargo handling methods and was also used to provide for early retirement benefits and more generous mandatory retirement benefits to soften the job impact of automation.

These illustrations may or may not be the ideal or ultimate solutions even for the particular situations involved and different approaches may be as appropriate or more appropriate for different situations. But it remains true that in the cited situations potentially disruptive situations which could have taken on major dimensions were averted. Surely, the Act's provisions requiring bargaining about these matters were a factor in promoting the national and peaceful handling of the problems the parties resolved through collective bargaining.

Now, I do not suggest that the National Labor Relations Act and, more particularly, the administration of that Act by the Agency should be immune from criticism. The five members of the Board, in the discharge of their adjudicatory function, and the office of the General Counsel, in the discharge of its investigative and prosecutory function, lay no claim to perfection. We are not gods but, most assuredly, neither are we devils. The Board Members are, and I hope I am, merely dedicated men trying to do a tough job which Congress created and which the President, with the advice and consent of the Senate, appointed us to perform.

Our case intake at the present time is at the rate of 30,000 cases a year, or about 115 every working day not excluding holidays. Our Regional Offices are doing a stupendous job in disposing of the bulk of these cases at the Regional Office level. Our settlement rate—and I need not argue to lawyers the benefit which accrues to all parties in a settlement—is the highest it has ever been. At the present time we are settling or adjusting over three-quarters of all the cases which would otherwise go to hearing. Nonetheless, there is a substantial residue of cases which run part or all of the full gamut of litigation from Trial Examiner to Board to the courts. But in every case there is invariably a winner and a loser. It follows, therefore, that we can never really satisfy more than half of you at any given time.

We can make mistakes. The Congress, however, very providently set up machinery for court review of Agency decisions. As most of you know, the federal courts and, under the certiorari procedure, the Supreme Court review our work product very critically. And as most of you also know, while our batting average remains consistently high both in the lower courts and in the Supreme Court, we had a few rough sessions last year before our nine learned Justices.

Reference can be made here, of course, to the lockout cases. Lockouts and situations resulting from lockouts were familiar fare to all of us. The *Brown Food*[7] and *American Ship Building*[8] cases, however, gave us some new answers. At the same time, though, those opinions posed some new questions. One might say, and in no individious sense, this is often par for the course in Supreme Court cases.

We fared better in the preceding term in the *Fibreboard*[9] case which involved a subcontracting issue. I daresay, however, that in the area of subcontracting the initial fears, which I thought were unduly exaggerated in the first instance, have largely been allayed. I hope this is true also in the *Bernel Foam*[10] area also, but I may be too sanguine in that regard. That particular issue has not been presented to the Supreme Court, but the several circuit courts of appeals which have dealt with the issue approved the doctrine enunciated by the Board.[11]

Finally, so far as Supreme Court litigation is concerned, we have not yet fully explored the full reach of *Darlington*.[12] *Wiley* v. *Livingston*[13] may also present problems. *Fafnir* and *Scofield*[14] raise basically procedural issues, and I am not going to labor your patience with the cases scheduled for the coming term.

But all this recital evokes one more observation. Periodically and throughout its history, the Board has issued decisions which have been greeted either by labor or by management with cries of dismay or consternation. Each of these particular decisions has been propagandized as tolling the death-knell of labor or of private enterprise. The fact is that most of these decisions have been sustained by the courts and are today accepted as "hornbook" principles in the law of labor relations. I speak of such "radical" innovations as requiring parties to incorporate into a signed contract what they had agreed to orally. I speak of the requirement to bargain about merit raises, or pension plans, or insurance benefits, or retirement schemes. I speak about the necessity to furnish information which is relevant and essential to collective bargaining and to the administration of grievances. And I speak also about the limitations put upon unions under secondary boycott, hot cargo, and picketing provisions incorporated in the 1947 and 1959 amendments.

Each of these decisions was in its day, according to the critics, the worst thing that could befall labor relations. Yet it is becoming rapidly apparent in each instance that labor and management could live with these requirements. Our economic structure did not collapse. On the contrary, it has prospered.

I suggest to you also that in the field of collective bargaining, or more accurately in the determination of what is the subject matter of mandatory collective bargaining, the National Labor Relations Board does not lead you. It follows you.

I suggest to you further that never has the Board imposed a requirement in the mandatory bargaining field which has not already been largely adopted by major segments of management and labor in actual practice. Mr. Justice Jackson many years ago commented in the *Railway Telegraphers* case that the collective bargaining mandate in the Railway Labor Act was designed to comprehend the philosophy of collective bargaining as it is actually practiced by parties to the collective bargaining in the United States. Several years later the Supreme Court reiterated this concept in a case arising under the National Labor Relations Act. I think Mr. Justice Jackson's observation was sound. I think it has been vindicated.

I close with a plea. Successful labor relations and that means in your terms contented and prospering clients, will not be achieved by the Agency alone. We need your help. Together we can explore the reach of the law as new situations arise. We want the benefit of your thinking in these new situations. But we, too, need time to think. If I may paraphrase slightly what President Johnson said only last week to a different gathering and in a different connection: "We may not agree with everything you urge, but we will consider everything you say."

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[7] 380 U.S. 278.

[8] 380 U.S. 200.

[9] *Supra*, see ftn. 1.

[10] 146 NLRB 1277.

[11] See, for example, *Irving Air Chute Company, Inc.*, v. *N.L.R.B.*, 350 U.S. 176 (C.A. 2); *N.L.R.B.* v. *Varney*, — F. 2d, —, 61 LRRM 2574 (C.A. 3); *Colson Coop.* v. *N.L.R.B.*, 347 F. 2d 128 (C.A. 8), cert. denied 382 U.S. 904; *S. N. C. Mfg. Co., Inc.* v. *N.L.R.B.*, cert. denied, 382 U.S. 902.

[12] 380 U.S. 263.

[13] *Supra*, see ftn. 2.

[14] 382 U.S. 205.

We need time and only you can give it to us. The bulk of our caseload still arises from elementary violations committed by that small segment of our industrial sector which has not yet accepted the national policy enunciated in the statute.

It is at the same time an anachronism and our frustration that such violations persist long after such conduct has been outlawed. If, with your help, and with greater knowledge of and faith in the salutary objectives of the Act, such cases could be eliminated, the Board could substantially reduce its caseload and sharply reduce the time period required for processing the more difficult, the more subtle, the more novel and the more important cases from the standpoint of the nature of the principles involved. The litigants, the bar, and the public interest in establishing and maintaining the national labor policy would be better served. Collective bargaining means more than industrial stability and job security. It makes possible industrial self-government in which employers and employees stop talking about "rights" and consider and resolve their industrial problems. Our system of private enterprise will be furthered and strengthened by the industrial democracy the National Labor Relations Act seeks to promote, maintain, and improve.

Alfred North Whitehead once spoke about the need for businessmen to think and function greatly. I believe that the Great Society is one in which lawyers also think and function greatly. We are rightly looked to for leadership. In thinking greatly and doing greatly, we will also share in the general greatness of our society.

DAWN OF THE PACIFIC ERA

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HANNA. Mr. Speaker, as my colleagues well know, I have long been discussing the concept of a Pacific community. The nations whose shores rim that great ocean have many compelling reasons for joining together to pursue the common goals of prosperity and growth through trade and cooperation.

To encourage the embryonic dialog on this issue, I recently engaged in extensive correspondence with leading governmental, banking and financial officials in the Pacific community. Among the numerous and encouraging responses which I was pleased to receive was a March 18, 1966, speech by the Foreign Minister of Singapore, Mr. S. Rajaratanm. Mr. Rajaratanm's remarks typify the concept of a Pacific community. I commend the following excerpt of his speech to the study of Members of the House:

Another significant change brought about by World War II, and with which I must close my talk, is the emergence of what may be called the Pacific era of world politics just as the preceding era has been described as the European era. For something like four hundred years beginning from 1498 it was the nations of Western Europe, bordering on the Atlantic, who set the course of world history. Their squabbles, their ambitions and their decisions constituted world politics, world history.

Now the centre of political gravity has shifted to the Pacific and it is interesting to note that President Theodore Roosevelt at the beginning of this century, foresaw such a development.

"The Mediterranean era," he said, "died with the discovery of America. The Atlantic era is now at the height of its development and must soon exhaust the resources at its command. The Pacific era, destined to be the greatest of all, is just at its dawn."

It may well be the greatest of human eras if the world realizes and understands the implications of this shift in the centre of world politics. In the Pacific region there is, for the first time in human history, a spectacular meeting of the world. Four of the world's six continents—or five if you regard Europe as a geographical extension of Asia—rim the Pacific Ocean and make political neighbours of the three-quarters of the human race. Many of the countries in the area, as befits the 20th century, are massive in size, in population and in resources. Let me name the countries involved—America, Canada, the countries of Latin America, Australia, New Zealand, Indonesia, the Philippines, the countries of South-East Asia, China, Japan and the Soviet Union. To these one should add India and Great Britain who, because of their interests and commitments in the Pacific must be drawn into the politics of the Pacific. The two superpowers—America and the Soviet Union—come close to hailing distance of one another in the Pacific across the Bering Strait. In fact, during winter, when the ice freezes even this narrow strait vanishes.

The Pacific will also be the birth place of yet another superpower—China.

Given this impressive assemblage of nations, many of them young and dynamic (or ancient nations who have recovered their youth), dramatic and momentous things must happen. Great potentialities for disastrous conflicts or for a hopeful reshaping of the world now opens. Three of the four continents—Australia, North America and South America—are in fact extensions of Europe. These are the younger offsprings of an exhausted Europe. In the Pacific too are the greatest concentration of industrial and military power even seen in history. If the errors and miscalculations of European power politics are repeated in the Pacific era then it could be the end of the long road to civilization that man traveled for nearly half a million years.

On the other hand, in the Pacific, the nations of the world could learn how to build truly a world civilization through co-operation and peaceful competition. As Mr. Roosevelt said this may be the greatest of all human eras—the Pacific era.

And may I round off this talk by giving a place to Singapore in this great Pacific framework. We guard one end of this great Ocean. We are valuable in war as a strategic asset. We are valuable in peace as a great commercial center. So whether it is war or peace we cannot escape the consequences of whatever happens in the Pacific. Let us pray and at the same time ensure, by whatever we can, that the Pacific remains as it is named—an area of peace and calm.

I agree wholeheartedly with Mr. Rajaratanm on the importance of Singapore in the Pacific framework, and I hope to join with him in the building process.

THE INTERESTS OF CONGRESS IN HOUSING

Mr. WALKER of New Mexico. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BARRETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. BARRETT. Mr. Speaker, I insert at this point in the RECORD an excellent speech by our former esteemed colleague, Albert Rains, of Alabama, expressing his strong support for passage of the proposed demonstration cities program. Mr. Speaker, for many years, Albert Rains was chairman of the Subcommittee on Housing and was universally acclaimed as the legislative expert on housing and urban development matters. I know my colleagues will be interested in reading his speech before the all-day conference on nonprofit housing sponsored jointly by Urban America, Inc., and the Public Affairs Department of Boston College on June 7, 1966.

The high quality and wisdom of his remarks show that he has lost none of his master touch even in retirement and again shows that he is one of our country's strongest supporters of legislative programs which will help better housing and a better living environment for our people. I recommend his speech in support of the demonstration cities program proposed by the President to all my colleagues.

The speech and an article relating to it, from the Boston, Mass., Herald of June 8, follow:

THE INTERESTS OF CONGRESS IN HOUSING

(A speech given by Albert Rains, former chairman, Subcommittee on Housing, House of Representatives, June 7, 1966, at Boston College, Massachusetts, at an all-day conference on nonprofit housing, sponsored by the Bureau of Public Affairs of Boston College and Urban America, Inc.)

Mr. Chairman, Reverend Clergy, Ladies and Gentlemen: It is an honor for me to be here with you this evening and I appreciate the kind introduction.

During the past year, since my retirement from the Congress and public life, I have been getting accustomed to the business of practicing law again. And I find that it too has opportunities for civic contribution which I am delighted to seize upon. I guess, like the old saying, I would rather "wear out than rust out."

Part of the pleasure of being a private citizen again has been taking part in conferences such as this. I have enjoyed being a consultant to Urban America, Inc., the co-sponsor of today's conference and I look forward to working more directly with the affairs of the nonprofit groups in America.

May I say that you have a lovely setting for the meeting. I have had the chance to see the campus and surroundings of Boston College and I congratulate you and the Jesuits on the magnificent educational facilities you have here in Boston.

I should also point out, however, that Boston College does not have a monopoly in this respect. In Alabama we also have a beautiful Jesuit college in Spring Hill. In fact, it is the oldest educational institution in Alabama and was founded by the Society of Jesus in 1830.

We are proud of Spring Hill in Alabama for it has one of the loveliest campuses in the South, 700 acres of beautiful college surroundings in the metropolitan area of Mobile.

It is growing, building, and expanding. We already have a pretty good representation of students from the Boston area and we'll welcome more.

I am also pleased to be a part of this conference on nonprofit housing because most of the programs you have been discussing were enacted during the years in which I was chairman of the Housing Subcommittee in the House of Representatives. In fact I introduced most of the bills and participated at a good many sessions of the Senate-House Conference Committees when we ironed-out their final details. It does my heart good to see these programs put into working form and bringing about concrete results—or perhaps I should say "brick and mortar" results.

THE HOUSING LEGISLATION—1966

Now, I know you have been spending a good part of the day at this conference discussing various aspects of nonprofit housing. And I also know that you have been concentrating upon what can be done by using the laws and regulations and financing tools already existing and at your disposal.

It seems appropriate for me, therefore, to speak with you about a somewhat broader subject—a wider perspective, perhaps. So I would like to talk just a bit about the housing legislation before this 89th Congress during its Second Session about what might be done in the future with new laws not yet enacted.

You must keep in mind that this is the very same Congress which just last year passed the far-reaching Housing Act of 1965—a most significant, trail-blazing piece of legislation in its own right. It helps to remember this because, I can assure you, the members of the Banking Committees and of their Housing Subcommittees are men and women thoroughly experienced in matters of housing and urban development.

They are conscious of the problems of the cities; they are entrusted with creating the framework for a solution of these problems; they are Congressmen of the highest capabilities, and they are deeply concerned with the social and economic troubles of the people most directly affected and benefited by housing legislation in its broadest scope.

THE DEMONSTRATION CITIES BILL

There are three major pieces of legislation now before the housing subcommittees, plus a number of other bills of lesser importance. First, and most important, is the Demonstration Cities Bill, H.R. 12341. This is a bill to assist city demonstration programs for rebuilding slum and blighted areas and for providing the public facilities and services necessary to improve the general welfare of the people who live in these areas. I would guess it is the bill in which you are most interested. It is premised upon a finding and declaration by Congress that improving the quality of urban life is the most critical domestic problem facing the United States.

May I say, at the outset, that I subscribe to that declaration and I would venture a guess that most of the Congress joins in this concern. If there is a controversy about this bill, it will be directed toward its details, not its purpose.

The proposal, in brief, is to authorize a massive demonstration of concentrated federal and local effort in a sizable number of cities, large and small. The new Department of Housing and Urban Development would be authorized to make grants and provide technical assistance to plan, develop, and carry out programs to rebuild or revitalize large slum and blighted areas—and to expand and improve the public facilities and social services available to the people living in these areas, services vital to their health and welfare.

These are matters, of course, of vital concern to nonprofit groups and to all those organizations which are designed for aiding a body politic in carrying out social services, which now are so intertwined with and dependent upon public facilities and support.

It is pertinent to note here, that we are fully launched, I think, in an organized effort which is illustrated by this bill and which is different from the charities of a former day—those sincere and diligent efforts which your Boston poet, John Boyle O'Reilly, once described as "The organized charity, scrimped and iced, in the name of a cautious, statistical Christ." We are a long way from that now.

The Demonstration Cities Program, in contrast, would attempt to rebuild completely, on a scale never before tried, entire neighborhoods of slums and blighted areas.

Once an initial application is accepted, a grant would be made for 90% of the costs of planning and developing a comprehensive city demonstration program. And after acceptance of the completed plan, a specific demonstration city grant would be made to pay 80% of the costs of administering the program.

In addition, to help the city carry out projects and activities included in the comprehensive program, a further grant would be made to pay for 80% of the total local contributions otherwise required for projects or activities undertaken with a Federal grant-in-aid program.

This part, I admit, can be somewhat confusing, so let me illustrate: if part of a comprehensive demonstration program involves urban renewal costs of $500,000, for which a federal grant covers $333,000 and local contributions must equal $167,000, then the demonstration grant would pay $133,600, or 80% of the local contribution.

In fact, the intention is to add up the total of these required local contributions and provide a grant of 80% of the total amount. These new funds, however, could be used by the city to support any activity which is included within the comprehensive demonstration program. This is how the city, if it so desires, can obtain the funds for improving and expanding its services to the poor and disadvantaged, for raising its sights in educational programs, for attacking disease, crime and employment problems, and for arresting blight and decay.

Does all this make sense? The answer is an unqualified "Yes". Here in Boston you should know this is true for, under the incomparable leadership of Ed Logue, the Boston Redevelopment Authority has pioneered with great success in combining and channelling federal programs to achieve the greatest possible concentration of local and federal effort, to maximize the impact of available funds.

But I would be less than candid with you if I did not point out some difficulties facing my friends on the Banking Committees. During the hearings in the Housing Subcommittee, three recurrent problems rose to the surface. These were the question of adequate funds, the wisdom of appointing of federal coordinators and the determination of criteria to judge which cities will be chosen for the program.

On funding, the bill calls for an authorization of appropriations for whatever sums may be necessary to carry out the provisions of the Act. In testimony this was made more specific. It was estimated that the bill would result in new obligational authority of $12 million in planning grants and $2.3 billion in supplementary grants for a six year program of city demonstration projects. The net budget expenditure for fiscal 1967 was estimated at $5 million. About 60–70 cities may be involved.

Well, I don't like to make predictions, but I really doubt that the Housing Subcommittee will write a blank check on authority for appropriations; nor do I think they are likely to place the full burden of decision as to the scope of the program upon the Appropriations Committees. It seems warranted to me that the Congress should define the program to some degree, and indeed this may be necessary to obtain its passage.

Certainly the funds for planning grants should be authorized to get the program started. And how far beyond this is absolutely necessary at this point remains to be seen. The Mayors of New York and Detroit, in very able presentations, pointed to the insufficiency of total funds even at the maximum level authorizations recommended by the Administration. It was further suggested that the total obligational authority be made available for contracts at the earliest possible time.

Perhaps the answer lies in between the conflicting demands, as so often is the case. It would very likely be a mistake to authorize planning grants without some level of authority for contractual supplementary grants. Therefore I think a reasonable solution might be found in the approval of such authority for the supplementary grants as is estimated to be required for expenditures during the fiscal years immediately ahead. The President's Message on Housing mentioned a level of $400 million per year. This will get the program started and at the same time, give the Congress and the cities the opportunity to understand more clearly its boundaries and its opportunities.

Already there are detailed and specific guidelines in the legislation on qualification of cities. Other criteria have been suggested during the hearings. Secretary Weaver has warned that it will not be easy to qualify for assistance. Mayor Lindsay and Ed Logue have argued that it should be made easy to qualify and as easy as possible.

My tendency would be to urge simplicity. The legislative history and the bill as introduced already set forth the many considerations to be encompassed in a decision on qualification. I would hope the procedure would be simple, quick and as inexpensive as possible. The concepts of project magnitude, city-wide balance, local resources, adequate administrative machinery, etc., are all capable of demonstration without lengthy bureaucratic dickering.

On this point, I might add, the idea of a federal coordinator as a mandatory part of the program could be a help or a hindrance, depending on the circumstances and the city. I think such an appointment might be made a discretionary matter with the Secretary—and the post might be easier if he were labeled something different. A "demonstration coordinator" sounds a lot less like a czar than a "federal coordinator".

You may wonder, in all of this, where the nonprofit group fits in. I hasten to say that your role can be of great significance.

For example, the mayor of Detroit has already placed reliance upon a newly formed nonprofit corporation, made up of leading citizens, to mobilize all the resources of the community. The Detroit nonprofit organization is designed to create massive support in the private community, not only to make the demonstration city program a reality, but also to make the whole redevelopment of their city a practical reality.

About one hundred leaders, civic, business, labor, university heads and others were called together in Detroit and they agreed unanimously that it was necessary to qualify Detroit as a demonstration city. The intention is to stimulate the private sector of the community and to spur greater private investment. In short, if the Federal Government and local government is about to spend several millions of dollars in a demonstration city area, then the private sector of the economy—through a nonprofit development corporation—should do likewise, and probably can do even a greater job.

This Detroit action resembles the newly formed Cambridge Corporation, which I have heard about. And I am sure that in Boston proper, you have equal resources for citizen and community leadership.

May I point out also that a principle purpose of the Demonstration Cities Bill is to channel funds and programs so as to create substantial additions to the supply of low and moderate income housing—and to combine physical reconstruction and rehabilitation with effective social programs throughout the rebuilding process.

For the largest qualifying cities such as Boston, as stated in the President's Message, a relatively modest program could provide better housing for about 5,000 families now living in substandard dwellings. It could rehabilitate other marginal housing for perhaps 50,000 more people. And a typical program could well involve a total of 35,000 units or up to 100,000 people.

And do you doubt that nonprofit sponsors will be at the heart of this program? I do not. Indeed, the Congress and the President are placing an increasing reliance upon your abilities, your perseverance, your capacity to serve these needs of the Nation.

I think the very fact that The Ford Foundation has made a substantial grant to Urban America, to supply technical assistance to nonprofit groups, is further evidence of the significance of your role. I hope that the great nonprofit organizations of America will join government at all levels in this effort. We need them.

We need the foundations, the universities, the national religious organizations, the great fraternal and civic groups, and the business associations. And when I say "we"—I mean the Congress, the Administration, the cities throughout the land—and, most of all, the people of America.

METROPOLITAN DEVELOPMENT AND HOUSING FINANCE

I mentioned earlier that there are a number of other bills before the Committees. Some of them will bear upon your future and your organizations. But I do not propose to discuss them in detail, nor does time permit.

There is now pending, for example, the Administration's bill, H.R. 12946, called the "Urban Development Act". In essence it would provide a new program of grants to stimulate more effective metropolitan planning and development. The first-year program level would be for $25 million and a five year program is contemplated.

These grants would provide supplemental and increased Federal aid to projects generally affecting the growth of metropolitan areas—for transportation facilities (including mass transit, roads and airports), water and sewer facilities, and recreation and open space areas. Supplementary grants could not exceed 20 percent of the cost of such projects.

I should note that this bill, H.R. 12946, also contains proposed new authority for an expanded 701 program to develop new techniques of metropolitan planning and development. It also proposes, again, the enactment of an expanded FHA insurance program for land development—for "new communities". This would also involve Federal loans made to land development agencies, including cities and other public agencies, to finance the acquisition and planning of large-scale tracts for later development.

A third bill before the Congress, H.R. 13064, would amend and extend the existing laws relating to housing and urban development. As you might expect this is called the "Housing and Urban Development Amendments of 1966".

Some of these amendments will assist and liberablize the FHA programs; others will help relocation housing. Two amendments will permit longer leases by local housing authorities and authorize the leasing for housing to be constructed as well as for existing housing. A new program would be authorized to demonstrate methods of applying and encouraging acceptance of technological advances in housing.

HISTORICAL PRESERVATION

I am pleased also to tell you that during the past year I was able to take part in developing legislation of unique interest here in Massachusetts and New England. I had the honor to serve as Chairman of a Special Committee on Historic Preservation, operating under a grant from The Ford Foundation and sponsored by the U.S. Conference of Mayors.

Senator MUSKIE of Maine was a member of this Committee and he and Congressman WIDNALL of New Jersey have introduced legislation to carry out our findings. I am hopeful it will pass in this Session. Very briefly our bill would:

1. Create a National Advisory Council on Historic Preservation;
2. Provide for new programs of loans and grants for the acquisition and restoration of structures of historical significance;
3. Permit cities to acquire structures of historic significance for which they would receive credit as local non-cash contributions under the urban renewal program;
4. Set up a three-year program of fellowships for architects and technicians to meet the critical shortage of trained personnel in these fields;
5. Provide urban planning grants for surveys of historical structures; and
6. Make grants to the National Trust for Historic Preservation in the United States for restoration of structures under its administration.

We also hope that legislation will be passed to establish a National Register of sites, buildings, and objects significant in American history, architecture, archeology, and culture. We hope grants can be made to State and local governments for surveys, plans and projects of historical preservation, and to the National Trust for education, service and financial assistance to preservation projects.

THE TEMPER OF CONGRESS

All of the legislation I have described, and much more in housing that defies a detailed summary, must be handled by a Congress beset with the same troubled mood that now permeates the land. Thomas Paine spoke well, back in the Revolutionary Years, when he said "These are the times that try men's souls."

But my recital of what is before the Congress and the country in terms of housing and urban development is most certainly one which rings with hope for the future, which spells growth for the Nation.

Years ago a noted Boston lawyer and reformer, Wendell Philips, in a moment of exasperation said he believed that, "We live under a government of men and morning newspapers". Sometimes I think this is true. And I have noted recently a few editorials and stories to the effect that we will have *no* housing bill this year.

It is true that the country and the Congress is concerned with the war in Viet Nam and our difficult situation in other foreign lands. This is true equally in Alabama as in Massachusetts. But too often people forget another saying of Thomas Paine which bites hard at this matter: "The summer soldier and the sunshine patriot," he said, "in this crisis, shrink from the service of their country." Neither the citizenry nor the leadership in either State is apt to fit Paine's classifications.

I know well the leaders of Congress who come from this great Commonwealth—my old and dear friend, our beloved Speaker of the House, JOHN W. MCCORMACK, and the distinguished Assistant Minority Leader in the Senate, LEVERETT SALTONSTALL—they typify the leadership of New England. I know they and the other Members of the Congress will address themselves with diligence and perserverance to the legislation before them and I feel strongly that despite all other troubles, you can count on substantial housing legislation in this Session.

May I just close this good opportunity you have given me to talk with you, by paying my personal tribute to a man we loved dearly in the Congress, and one of your greatest sons—our late President and my good friend, John F. Kennedy. I worked hard for President Kennedy when he was in office and I have often thought how well he typified the best in the qualities of leadership we honor.

He set out these qualities once in a Speech to the Massachusetts State Legislature, in early January of 1961. He said,

"Courage, judgment, integrity, dedication—these are the historic qualities of the Bay Colony and the Bay State, the qualities which this state has consistently sent to Beacon Hill here in Boston and to Capitol Hill in Washington."

I echo the sentiments of many throughout the land in telling you we will never forget how well he exemplified for us these qualities—of courage, judgment, integrity and dedication.

Thank you very much for your courtesy and attention. I am pleased to be with you at this conference.

Demonstration Cities Passage Seen: Nonprofit Housing Plans Aired at Boston College

(By Robert L. Hassett)

A former U.S. representative predicted at Boston College Tuesday that Congress will approve during this session President Johnson's demonstration cities program—an unprecedented effort to rid entire neighborhoods of slums and blighted areas.

Atty. Albert Rains, former chairman of the House Subcommittee on Housing, spoke at the end of an all-day conference on nonprofit housing at the Chestnut Hill campus.

BU IS COSPONSOR

It was cosponsored by the Bureau of Public Affairs at Boston College and Urban America, Inc.

The proposed legislation would authorize the Department of Housing and Urban Development to make grants and provide technical assistance to plan and carry out antislum programs.

It would also provide for the expansion and improvement of public facilities and social services considered vital to the health and welfare of persons living in blighted areas.

As many as 70 cities may be involved in the program, estimated to cost $12 million in planning grants and $2.3 billion in supplementary grants for demonstration projects.

It was further estimated that the budget expenditure for fiscal 1967 would be $5,000,000.

"A principal purpose of the demonstration cities bill," Rains said, "is to channel funds and programs so as to create substantial additions to the supply of low and moderate income housing—and to combine physical reconstruction and rehabilitation with effective social programs throughout the rebuilding process.

COULD AID 5,000 HERE

"For the largest qualifying cities such as Boston, as stated in the President's message, a relatively modest program could provide better housing for about 5,000 families now living in substandard dwellings.

"It could rehabilitate other marginal housing for perhaps 50,000 more people. And a typical program could well involve a total of 35,000 units or up to 100,000 people."

Rains told the conference he believes that nonprofit sponsors of housing will be "at the heart of the program."

"Indeed," he said, "the Congress and the President are placing an increasing reliance upon your abilities, your perseverance, your capacity to serve these needs of the nation."

One of the conference speakers was critical of references to housing developments as "projects."

Edward Sullivan, president of Building Service Employes International Union Local 254, said, "I never assumed that when we went into building housing developments, we were going into the project business."

HORSES LIVE BETTER

His union sponsored Academy Homes in Washington Park.

"They talk of disadvantaged people," said Sullivan. "Well, in Roxbury that's a euphemism for Negroes. In Roxbury some Negroes are being housed in conditions worse than the stables at Suffolk Downs.

"The people in Boston don't want all these social services you've been giving them. They don't want visiting nurses or visiting psychiatrists.

"Build them a house and they'll motivate themselves. All these people need is to be treated like everyone else."

The Rev. Henry Browne, president of Stryker's Bay Neighborhood Council in New York City, was also critical of some social service agencies.

"The welfare industry has been living off the poor for years," he said.

James Feeley, chief underwriter of the Federal Housing Administration, told the conference some of today's housing planning is "highly unrealistic."

An example, he said, is the designing of a high-rise apartment house for the accommodation of families with small children, with mothers worried about them playing 10 stories below.

BEFOGGED VISION

"Are we looking at housing through our eyes or through the eyes of those we mean to cater to? When you become so befogged that you impose your will on other people, then you are not serving the public good," Feeley said.

Atty. John R. Gallagher, 3rd, a former FHA counsel, warned the conference that there is not enough non-profit participation in the non-profit housing program.

"This program was established to take care of those people who earn too much to make them eligible for public housing but not enough to be able to meet high rentals," Gallagher said.

"Unless more non-profit people get into the program, the federal government will and maybe we will not like that very much."

SOCIAL AND ECONOMIC PROGRAMS IN THE HAMLETS AND VILLAGES OF SOUTH VIETNAM ARE MAKING PERCEPTIBLE PROGRESS

The SPEAKER pro tempore (Mr. GRAY). Under previous order of the House the gentleman from Delaware [Mr. McDOWELL] is recognized for 5 minutes.

Mr. McDOWELL. Mr. Speaker, I submit the following interesting report with respect to the conflict in Vietnam:

[From the Washington (D.C.) Post, June 8, 1966]

BEHIND THE WAR

(By Rowland Evans and Robert Novak)

The latest intelligence from the U.S. Embassy in Saigon shows that finally, after years of rosy propaganda but half-hearted efforts, social and economic programs in the hamlets and villages of South Vietnam are making perceptible progress.

Between 1962 and 1965, for example, 7 million textbooks for schoolchildren were distributed throughout South Vietnam. For this year alone, the goal of 6 million additional textbooks is on schedule. New classrooms and teachers are growing at roughly equal proportions.

The commodity import program for rice, sugar, cement, condensed milk and other priority items for the reconstruction program is now moving about twice as fast as a year ago. In August, 1965, 107,000 tons of nonmilitary imports were unloaded from ships that often had to wait in Saigon's rivers for more than a month before unloading. The monthly rate of imports today is 200,000 tons and the unloading time has been sharply cut.

These statistics reflect the change in attitudes and priorities since President Johnson elevated the reconstruction program, always an impoverished stepchild of the war, to a position roughly equal to the military effort.

The President gave Deputy Ambassador William Porter full responsibility in Saigon to break bottlenecks and require the military to cooperate on civilian programs. In Washington, he made White House aide Robert Komer a virtual czar over reconstruction, bringing into one office control over the entire program.

What this means is that Komer can get immediate action from Secretary of Defense Robert S. McNamara (who is as fully committed to reconstruction as the President himself) whenever command decisions are needed to free supplies for the reconstruction program.

Before Komer in Washington and Porter in Saigon were established as President Johnson's personal agents empowered to command, the nonmilitary program was condemned to second-class status.

Since the Honolulu Conference last winter, when the President ordered an all-out reconstruction offensive, other changes have occurred that just might end years of misleading eyewash flowing from Saigon.

Reports coming into Saigon from the village, district and provincial level always tended to exaggerate progress in reconstruction. In turn, these reports were inevitably further exaggerated when the U.S. Mission in Saigon sent them on to Washington. The result was a pyramiding of rosy facts and figures completely beyond reality.

Now a serious effort has been made to change all that. Specific orders have gone to Saigon that the monthly reports from the field are to be transmitted to Washington without the change of a comma. And U.S. reconstruction experts in the field have been warned not to overplay the impact of the program in their areas.

Furthermore, the first class of 4500 specially-trained Vietnamese reconstruction experts—the Black Pajama cadres—was graduated from the new school at Vungtau on May 21. This first contingent was divided into groups or cadres of about 59 specialists each, including a small "census survey" team in each cadre, and assigned to villages and hamlets.

The census survey teams are the first important effort by the Saigon government to discover in a systematic way how the peasants really feel about the Communist Vietcong. Under the cover of taking a census, these survey teams ask innocuous-sounding questions which hopefully will give the government its first look at the political motivation of the peasants.

For years, Washington has been celebrating the peaceful reconstruction program in South Vietnam. For years, nothing much has been accomplished. If this time it is different, the major reasons is that at long last healthy realism is nudging aside the old euphoria.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KREBS (at the request of Mr. ALBERT), for today, on account of official business.

Mr. FLYNT (at the request of Mr. LANDRUM), for June 16, on account of official business.

Mrs. MAY (at the request of Mr. GERALD R. FORD), for June 20 and 21, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. McDOWELL (at the request of Mr. WALKER of New Mexico), for 5 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. RYAN (at the request of Mr. WALKER of New Mexico), for 60 minutes, June 29; to revise and extend his remarks and include extraneous matter.

Mr. ASHBROOK (at the request of Mr. STANTON), for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. WIDNALL at the close of his initial remarks on the defense production bill and to include an editorial from the Washington Post and letters received from economists pertaining to the bill.

Mr. ROGERS of Florida.

Mr. VANIK.

(The following Member (at the request of Mr. STANTON) and to include extraneous matter:)

Mr. CALLAWAY.

(The following Members (at the request of Mr. WALKER of New Mexico) and to include extraneous matter:)

Mr. GIAIMO.

Mr. TENZER.

Mr. PHILBIN in four instances.

Mr. PUCINSKI.

Mr. BOLAND.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 112. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize loans by the Secretary of Agriculture on leasehold interests in Hawaii, and for other purposes; to the Committee on Agriculture.

S. 526. An act to amend the authorization to appropriate money for the maintenance and operation of three experimental stations of the Department of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 14266. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; and

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

ADJOURNMENT

Mr. WALKER of New Mexico. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p.m.), under its previous order, the House adjourned until Monday, June 20, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of the rule XXIV, executive communications were taken from from the Speaker's table and referred as follows:

2494. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), transmitting a report of additional projects proposed for the Air National Guard, pursuant to the provisions of section 701(3)(a) of Public Law 88-174, and authority delegated by the Secretary of Defense; to the Committee on Armed Services.

2495. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to amend titles 10, 32, and 37, United States Code, to remove restrictions on the careers of female officers of the Army, Navy, Air Force, and Marine Corps, and for other purposes; to the Committee on Armed Services.

2496. General Manager, Atomic Energy Commission, transmitting a list of nonprofit educational institutions and other nonprofit organizations in which title to equipment was vested by the Atomic Energy Commission during calendar year 1965, pursuant to the provisions of Public Law 85-934; to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1626. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ASPINALL: Committee of conference. Conference report on S. 602, an act to amend the Small Reclamation Projects Act; of 1956; (Rept. No. 1627). Ordered to be printed.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 13196. A bill to amend the Public Health Service Act to increase the opportunities for training of medical technologists and personnel in other allied health professions, to improve the educational quality of the schools training such allied health professions personnel, and to strengthen and improve the existing student loan programs for medical, osteopathic, dental, podiatry, pharmacy, optometric, and nursing students, and for other purposes; with an amendment (Rept. No. 1628). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOB WILSON: Committee on Armed Services. H.R. 5256. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; with amendments (Rept. No. 1629). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 12615. A bill to amend sections 404(d) and 408 of title 37, United States Code, to authorize members of the uniformed services to be reimbursed under certain circumstances for the actual cost of parking fees, ferry fares, and bridge, road, and tunnel tolls; without amendment (Rept. No. 1630). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interstate and Foreign Commerce. H.R. 10860. A bill to promote a general welfare, public policy, and security of the United States; with an amendment (Rept. No. 1631). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee of conference. Conference report on S. 693; an Act to amend the Foreign Agents Registration Act of 1938, as amended (Rept. No. 1632). Ordered to be printed.

Mr. FISHER: Committee on Armed Services. H.R. 3013. A bill to amend title 10, United States Code, to provide gold star lapel buttons for the next of kin of members of the Armed Forces who lost or lose their lives in war or as a result of cold war incidents; with amendments (Rept. No. 1633). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Commitee on Armed Services. H.R. 13374. A bill to amend title 10, United States Code, to authorize the award of trophies for the recognition of special accomplishments related to the Armed Forces, and for other purposes; with an amendment (Rept. No. 1634). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H.R. 15734. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BERRY:

H.R. 15735. A bill to authorize the Secretary of the Army to pay compensation for certain inundated roads in North Dakota and South Dakota; to the Committee on Public Works.

By Mr. DICKINSON:

H.R. 15736. A bill to amend title II of the Social Security Act to increase (from $1,500 to $3,000) the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. GREEN of Pennsylvania:

H.R. 15737. A bill to amend title 38 of the United States Code in order to establish in the Veterans' Administration a national veterans' cemetery system consisting of all cemeteries of the United States in which veterans of any war or conflict are or may be buried; to the Committee on Interior and Insular Affairs.

By Mr. HANNA:

H.R. 15738. A bill to amend the banking laws with respect to the maximum interest rates which may be paid on, and the minimum reserves which must be held against, time and savings deposits, and for other purposes; to the Committee on Banking and Currency.

By Mr. HANSEN of Iowa:

H.R. 15739. A bill to amend title II of the Social Security Act to provide that benefits due an individual but unpaid at his death may be paid to his survivors under regulations prescribed by the Secretary of Health, Education, and Welfare; to the Committee on Ways and Means.

By Mr. LONG of Maryland:

H.R. 15740. A bill to amend the act of June 16, 1948, to authorize the construction of additional bridges across the Chesapeake Bay in the State of Maryland, and for other purposes; to the Committee on Public Works.

By Mr. McCARTHY:

H.R. 15741. A bill to amend title 32, United States Code, to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. MACHEN:

H.R. 15742. A bill to amend title 28 of the United States Code to provide that the U.S. District Court for the District of Maryland shall sit at one additional place; to the Committee on the Judiciary.

By Mr. MARTIN of Nebraska:

H.R. 15743. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 15744. A bill to amend the Internal Security Act of 1950, and for other purposes; to the Committee on Un-American Activities.

By Mr. MOSS:

H.R. 15745. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. O'NEILL of Massachusetts:

H.R. 15746. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. RESNICK:

H.R. 15747. A bill to amend the war orphans' educational assistance program of title 38 of the United States Code to extend to widows of servicemen who died on active duty after January 31, 1955, the same educational benefits which are provided for war orphans; to the Committee on Veterans' Affairs.

By Mr. RIVERS of South Carolina:

H.R. 15748. A bill to amend title 10 United States Code, to authorize a special 30-day period of leave for a member of a uniformed service who voluntarily extends his tour of duty in a hostile fire area; to the Committee on Armed Services.

By Mr. SCHISLER:

H.R. 15749. A bill to improve the safety of railroad transportation under the jurisdiction of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. MORGAN:

H.R. 15750. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SWEENEY:

H.R. 15751. A bill to amend title 38 of the United States Code so as to provide that monthly social security benefit payments shall not be included as income for the purpose of determining eligibility for a pension under title 38; to the Committee on Veterans' Affairs.

H.R. 15752. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. ANDERSON of Tennessee:

H.R. 15753. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 15754. A bill to amend the Internal Security Act of 1950, and for other purposes;

to the Committee on Un-American Activities.

By Mr. BELL:

H.R. 15755. A bill to authorize the Secretary of the Army to undertake a study of land slides and flood control in Los Angeles County; to the Committee on Public Works.

By Mr. BENNETT:

H.R. 15756. A bill to amend the Social Security Act in order to provide for a Talented American Senior Corps; to the Committee on Ways and Means.

By Mr. BURTON of Utah:

H.R. 15757. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 15758. A bill to amend the act of March 16, 1954, relating to hunting stamps for the taking of migratory waterfowl, to require a hunting stamp for the taking of any other migratory bird, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. EDWARDS of California:

H.R. 15759. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes; to the Committee on House Administration.

H.R. 15760. A bill to establish legislative standards for guidance of Members of Congress and to promote public confidence in the integrity of Congress thereby; to the Committee on Rules.

H.R. 15761. A bill to require Members of Congress, their spouses, and certain other related persons, and all employees of the Congress to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in real estate, securities, and commodities; to the Committee on Rules.

By Mr. LANDRUM:

H.R. 15762. A bill to amend the Public Works and Economic Development Act of 1965; to the Committee on Public Works.

By Mr. LIPSCOMB:

H.R. 15763. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. MULTER:

H.R. 15764. A bill to permit the sale and use of Krebiozen until its use by humans is proved to be harmful; to the Committee on Interstate and Foreign Commerce.

By Mr. OLSON of Minnesota:

H.R. 15765. A bill to provide payments to producers in combination with purchases and loans as a means of price support to producers to maintain a supply of dairy products adjusted to the demand therefor; to the Committee on Agriculture.

By Mr. POFF:

H.R. 15766. A bill to establish a National Commission on Reform of Federal Criminal Laws; to the Committee on the Judiciary.

By Mr. PRICE:

H.R. 15767. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. REID of New York:

H.R. 15768. A bill to assure nondiscrimination in Federal and State jury selection and service, to facilitate the desegregation of public education and other public facilities, to provide judicial relief against discriminatory housing practices, to prescribe penalties for certain acts of violence or intimidation, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H.R. 15769. A bill relating to national observances and holidays, and for other purposes; to the Committee on the Judiciary.

By Mr. TENZER:

H.R. 15770. A bill to provide for the protection, conservation, and development of the natural coastal wetlands of Hempstead-South Oyster Bay, Long Island, for fish and wildlife and outdoor recreation purposes, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KUPFERMAN:

H.J. Res. 1171. Joint resolution designating the fourth Sunday in September of each year as "Interfaith Day"; to the Committee on the Judiciary.

By Mr. SMITH of New York:

H.J. Res. 1172. Joint resolution to establish an Atlantic Union delegation; to the Committee on Foreign Affairs.

By Mr. SWEENEY:

H.J. Res. 1173. Joint resolution to provide for the creation of a captive nations freedom series of postage stamps in honor of national heroes of freedom, commencing with a Taras Shevchenko freedom stamp; to the Committee on Post Office and Civil Service.

By Mr. FULTON of Tennessee:

H. Con. Res. 781. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. MINISH:

H. Con. Res. 782. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mrs. MINK:

H. Con. Res. 783. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. ROYBAL:

H. Con. Res. 784. Concurrent resolution for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. SCHEUER:

H. Con. Res. 785. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. SWEENEY:

H. Con. Res. 786. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. FARBSTEIN:

H. Res. 890. Resolution expressing the sense of the House of Representatives with respect to appropriations to carry out the Economic Opportunity Act of 1964 during fiscal year 1966; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII,

489. The SPEAKER presented a memorial of the Legislature of the State of Missouri, transmitting a copy of senate joint resolution No. 1, second extra session, relative to ratification of a proposed amendment of the Constitution of the United States relating to Presidential succession, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAMER (by request):

H.R. 15771. A bill for the relief of Mrs. Robert L. Oertle; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 15772. A bill for the relief of Carmine Serleti; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.R. 15773. A bill for the relief of Neil Bernard Pooli; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H.R. 15774. A bill for the relief of Mrs. Cecilia (Cecylia) Bonkowski Ruminska; to the Comimttee on the Judiciary.

By Mr. POWELL:

H.R.15775. A bill for the relief of Antonio Beninati; to the Committee on the Judiciary.

H.R. 15776. A bill for the relief of Arcangelo Ligotti; to the Committee on the Judiciary.

H.R. 15777. A bill for the relief of Luciana and Agustin Pujol; to the Committee on the Judiciary.

H.R. 15778. A bill for the relief of Giuseppe Vella; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 15779. A bill for the relief of Mrs. Zofia Michalczyk-Ligeza; to the Committee on the Judiciary.

H.R. 15780. A bill for the relief of Mrs. Laura Pizzitola; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

400. The SPEAKER presented a petition of Howard C. Smith, Fort Wayne, Ind., relative to pending civil rights legislation, which was referred to the Committee on the Judiciary.

SENATE

THURSDAY, JUNE 16, 1966

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. METCALF).

Dr. William J. Scarborough, president, Baker University, Baldwin City, Kans., offered the following prayer:

Almighty God, our Heavenly Father, we come before Thee in this hallowed place, thankful for the heritage of our great Nation.

We pray that we may pledge ourselves anew to a rebirth of freedom, that as a people we may lead the nations of the world in brotherhood.

We pray that we may pledge ourselves anew to intellectual growth and religious faith. "Let knowledge grow from more to more, and more of reverence in us dwell, that mind and heart according well, may make one music, as before, but vaster."

We pray that we may pledge ourselves anew to spiritual grandeur in the words of Thy servant, Thomas Jefferson: "I have sworn on the altar of God eternal hostility against every form of tyranny over the mind of man." Amen.

THE JOURNAL

On request of Mr. LONG of Louisiana, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 15, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on

June 15, 1966, the President had approved and signed the following joint resolutions:

S.J. Res. 160. Joint resolution to designate the period beginning June 13, 1966, and ending June 19, 1966, as "Gas Industry Week"; and

S.J. Res. 161. Joint resolution to designate the third Sunday in June 1966 as Father's Day.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 13103. An act to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States; and

H.R. 13431. An act to extend the Renegotiation Act of 1951.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Finance:

H.R. 13103. An act to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States; and

H.R. 13431. An act to extend the Renegotiation Act of 1951.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. Long of Louisiana, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Long of Louisiana, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Committee on Foreign Relations.

The Subcommittee on Constitutional Rights of the Committee on the Judiciary.

EXECUTIVE SESSION

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the Senate proceed to consider executive business, for action on nominations.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. JAVITS, from the Committee on the Judiciary:

Alvin Grossman, of New York, to be U.S. marshal for the western district of New York.

EXECUTIVE REPORTS OF COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HILL. Mr. President, from the Committee on Labor and Public Welfare, I report favorably sundry nominations in the Public Health Service. Since these names have previously appeared in the Congressional Record, in order to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations are as follows:

John H. Waite, and sundry other candidates, for personnel action in the Public Health Service.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED NATIONS

The legislative clerk read the nomination of James M. Nabrit, Jr., of the District of Columbia, to be deputy U.S. representative to the United Nations.

The PRESIDING OFFICER (Mr. Smathers in the chair). Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The legislative clerk read the nomination of Delmar R. Carlson, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Guyana.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Walter P. McConaughy, of Alabama, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The legislative clerk read the nomination of Alfred M. Gruenther, of the District of Columbia, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Troy V. Post, of Texas, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Stephen J. Wright, of Tennessee, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COMMUNICATIONS SATELLITE CORP.

The legislative clerk read the nomination of George Meany, of Maryland, to be a member of the Board of Directors of the Communications Satellite Corp.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the diplomatic and Foreign Service which had been placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

On request of Mr. Long of Louisiana, and by unanimous consent, the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Reports on Overobligations of Appropriations

A letter from the Assistant Secretary for Administration, Department of Agriculture, Washington, D.C., reporting, pursuant to law, on the overobligation of an appropriation in the Soil Conservation Service of that Department; to the Committee on Appropriations.

A letter from the Assistant Secretary for Administration, Department of Agriculture, Washington, D.C., reporting, pursuant to law, on the overobligations of appropriations in the Agricultural Stabilization and Conservation Service, of that Department; to the Committee on Appropriations.

Report on Receipt of Project Proposal Under Small Reclamation Projects Act of 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the receipt of a project proposal from the Salmon River Canal Co., of Hollister, Idaho, in the amount of $986,000; to the Committee on Interior and Insular Affairs.

Disposition of Executive Papers

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their dispositon (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. MONRONEY and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, and so forth, were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Two joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION NO. 20—RELATIVE TO MEDICAL EXPENSES UNCOMPENSATED BY INSURANCE

"Whereas, For purposes of determining a person's federal income tax, all medical expenses uncompensated by insurance cannot be deducted from gross income; and

"Whereas, The present nondeductibility of all of such medical expenses imposes a serious hardship on all families beset by the quadruple misfortunes of poverty, medical bills, lack of insurance and federal taxes; and

"Whereas, Medical expenses often are a crippling blow to the economy of all families and, in addition, to require income tax to be paid on money already spent for medical expenses can lead to great financial hardship on those least able to bear such a burden; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation to allow, for purposes of computing the federal income tax, a deduction from gross income for all medical expenses uncompensated by insurance including all doctor, dentist, hospital, prescription drug and medicine expenses; and be it further

"*Resolved,* That, the Secretary of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"ASSEMBLY JOINT RESOLUTION NO. 23—RELATIVE TO THE INTERNAL REVENUE SERVICE'S NEW POLICY REGARDING THE AUDITING OF PRIVATE CLUBS' INCOME FROM NONMEMBERS

"Whereas, The Internal Revenue Service has announced that it will audit the accounts of 10,000 private clubs this year; and

"Whereas, The purpose of the audit, according to Internal Revenue Service spokesmen, is to insure that certain nonprofit clubs remain virtually profitless and cater almost exclusively to their memberships; and

"Whereas, Many private clubs are heavily dependent upon income from visitor green fees, service clubs, fraternal groups and others who use their facilities; and

"Whereas, Enforcement of this new Internal Revenue Service policy will result in the doubling and trebling, in some instances, of membership dues; and

"Whereas, Public recreation facilities are inadequate, overcrowded, and ill-prepared to cope with the increased patronage which would result through the enforced closing of private golf courses; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Congress of the United States to study the effect of this recent policy change regarding the auditing of private clubs' income from nonmembers by the Internal Revenue Service and respectfully urge the Internal Revenue Service to reconsider its implementation of this new policy; and be it further

"*Resolved,* That the Chief Clerk of the Assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Director of the Internal Revenue Service."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with amendments:

H.R. 10721. An act to amend the Federal Employees' Compensation Act to improve its benefits, and for other purposes (Rept. No. 1285).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. MONRONEY, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated June 8, 1966, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent. the second time, and referred as follows:

By Mr. RIBICOFF (for himself, Mr. COTTON, Mr. DODD, Mr. KENNEDY of Massachusetts, Mr. MCINTYRE, Mr. SALTONSTALL, Mr. AIKEN, and Mr. PROUTY):

S. 3510. A bill to authorize the Secretary of the Interior to study the feasibility and desirability of a Connecticut River National Recreation Area, in the States of Connecticut, Massachusetts, Vermont, and New Hampshire, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. RIBICOFF when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT (for himself and Mr. YOUNG of North Dakota):

S. 3511. A bill to authorize the Secretary of the Army to pay compensation for certain inundated roads in North Dakota and South Dakota; to the Committee on Public Works.

By Mr. SMATHERS:

S. 3512. A bill to authorize the awarding of standard silver dollars now held in the Treasury as special bonuses to purchasers of U.S. savings bonds; to the Committee on Banking and Currency.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS:

S. 3513. A bill to amend title XIX of the Social Security Act to eliminate therefrom certain costly requirements imposed with respect to State programs for medical assistance established pursuant thereto; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL:

S. 3514. A bill to amend the Public Health Service Act to provide for the establishment of a National Eye Institute in the National Institutes of Health; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 3515. A bill for the relief of certain civilian employees of the U.S. Naval Ammunition Depot Bangor, Bremerton, Wash.; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 3516. A bill to amend the Interstate Commerce Act with respect to the acquisition of certain motor carriers by persons which are not carriers; and

S. 3517. A bill to provide for the collection, compilation, critical evaluation, publication, and sale of standard reference data; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under separate headings.)

By Mr. KENNEDY of Massachusetts:

S. 3518. A bill to amend the Public Works and Economic Development Act of 1965 as it relates to those areas to be designated as redevelopment areas; to the Committee on Public Works.

(See the remarks of Mr. KENNEDY of Massachusetts when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT (for himself and Mr. DOMINICK):

S. 3519. A bill to authorize the exchange of certain fluorspar and ferromanganese held in the national and supplemental stockpiles; to the Committee on Armed Services.

By Mr. HART:

S. 3520. A bill to provide that expenditures made in connection with certain structures and facilities in the city of Albion, Mich., may be counted as local grants-in-aid toward an urban renewal project in accordance with title I of the Housing Act of 1949; to the Committee on Banking and Currency.

By Mr. MUSKIE:

S. 3521. A bill to foster high standards of architectural excellence in the design and decoration of Federal public buildings outside the District of Columbia, and to provide a program for the acquisition and preservation of works of art for such buildings, and for other purposes, to be known as the Federal Fine Arts and Architecture Act; to the Committee on Public Works.

(See the remarks of Mr. MUSKIE when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself, Mr. TALMADGE, Mr. MCGOVERN, Mr. SMATHERS, Mr. HARRIS, Mr. MONTOYA, Mr. NELSON, Mr. BIBLE, and Mr. SALTONSTALL):

S. 3522. A bill to require the Secretary of Agriculture to report to the Congress each year certain information relating to the import and export of agricultural commodities; to the Committee on Finance.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S.J. Res. 168. Joint resolution to authorize the President to issue annually a proclamation designating the 7-day period beginning October 2 and ending October 8 of each year as "Spring Garden Planting Week"; to the Committee on the Judiciary.

(See the remarks of Mr. Magnuson when he introduced the above joint resolution, which appear under a separate heading.)

CONNECTICUT RIVER NATIONAL RECREATION AREA

Mr. RIBICOFF. Mr. President, I introduce, for appropriate reference, a bill to authorize a comprehensive study to determine the feasibility of establishing a Connecticut River National Recreation Area. I am very pleased that the Senators from all the States in the Connecticut Valley have joined in cosponsoring this legislation—Mr. Dodd, Mr. Saltonstall, Mr. Edward Kennedy, Mr. Cotton, Mr. McIntyre, Mr. Aiken, and Mr. Prouty. The measure has strong, bipartisan support from the States and communities along the river. It is a necessary first step toward establishing a national recreation area in a region which needs to preserve its open spaces.

Last August, I introduced a bill to establish a Connecticut River National Parkway and Recreation Area. Last September, Secretary Udall traveled with Governor Dempsey, Congressman St. Onge, and me up the Connecticut River from Old Saybrook to Hartford. I think it is fair to say that he was impressed with what he saw and surprised that so much natural beauty remains in the heart of the urban Northeast.

And that is the essence of my proposal. There is still a priceless heritage of natural beauty remaining in the Connecticut River Valley—a heritage that we must take action to preserve before it is too late.

My original proposal authorized the Secretary of Interior to make a study of the valley, recommend boundaries, establish a national parkway and recreation area, and administer the area for the preservation of natural beauty and outdoor recreation. The Department of Interior has indicated in its report to the Senate Interior Committee that it wishes, first, to make a detailed study of the feasibility of establishing a national recreation area in the Connecticut Valley, and has strongly urged passage of the bill we are introducing today.

This bill would authorize and require the Secretary of the Interior to conduct and complete within 2 years of enactment a study in cooperation and coordination with other interested Federal agencies, and appropriate State and local agencies and officials. Upon request of the Governor of any State involved, the Secretary would be required to hold public hearings to receive views and recommendations. The Secretary's study would evaluate the valley, or portions thereof, for a wide range of recreational uses, and would evaluate also other uses, including agricultural, of the valley under existing and alternative patterns of private and public ownership and development. The study by the Secretary would be so directed that its recommendations would have a minimum impact on existing operations and activities in the area and on private property owners. Upon completion of the study, the Secretary would submit his findings to the President, who in turn would recommend legislation to the Congress.

This bill has the support of the President, who stated in his message to the Congress on water pollution and outdoor recreation:

> For a region which now has no national park, I recommend the study of a Connecticut River National Recreation Area along New England's largest river, in the States of New Hampshire, Vermont, Massachusetts, and Connecticut.

A few weeks ago, the Senate Subcommittee on Parks and Recreation, under the distinguished chairmanship of the senior Senator from Nevada [Mr. Bible], held hearings on my proposal. The bill we introduce today incorporates the recommendations of the Department of Interior and those of the distinguished senior Senator from Vermont.

It is my hope that action on this bill can be taken quickly. We are the trustees of the Connecticut Valley for future generations. So far, nature deserves the major share of the credit for preserving the beauty of the valley—but time is quickly running out. Man's ingenuity—as shown in power lines, junkyards, eroded pasturelands stripped by the bulldozer, and all the other hallmarks of our industrial society—is rapidly destroying one of the greatest outdoor recreation assets in the Northeast United States, and a region of unparalleled scenic beauty.

Mr. President, I ask unanimous consent that the bill be printed at this point in the Record.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3510) to authorize the Secretary of the Interior to study the feasibility and desirability of a Connecticut River National Recreation Area, in the States of Connecticut, Massachusetts, Vermont, and New Hampshire, and for other purposes, introduced by Mr. Ribicoff (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the Record, as follows:

S. 3510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, section 1, In order to consider preserving the Connecticut River area and appropriate segments of adjoining land in their natural condition for public outdoor recreation, and preserving the priceless natural beauty and historic heritage of the river valley, the Secretary of the Interior shall study, investigate, and formulate recommendations on the feasibility and desirability of establishing all or parts of the Connecticut River Valley from its source to its mouth, in the States of Connecticut, Massachusetts, Vermont, and New Hampshire, as a Connecticut River National Recreation Area. The Secretary shall consult with other interested Federal agencies, and the State and local bodies and officials involved, and shall coordinate his study with applicable highway plans and other planning activities relating to the region. In conducting the study, the Secretary shall hold public hearings within any State involved, upon the request of the Governor thereof, for the purpose of receiving views and recommendations on the establishment of a national recreation area.

Sec. 2. The Secretary of the Interior shall submit to the President, within two years after the date of this Act, a report of his findings and recommendations. The President shall submit to the Congress such recommendations, including legislation, as he deems appropriate. The Secretary's report shall contain, but not be limited to, findings with respect to—

(a) the scenic, scientific, historic, outdoor recreation, and the natural values of the water and related land resources involved, including driving for pleasure, walking, hiking, riding, bicycling, swimming, picnicking, camping, forest management, fish and wildlife management, scenic and historic site preservation, hunting, fishing and winter sports;

(b) the potential alternative beneficial uses of the water and related land resources involved, taking into consideration appropriate uses of the land for residential, commercial, industrial, agricultural, and transportation purposes, and for public services; and

(c) the type of Federal program that is feasible and desirable in the public interest to preserve, develop, and make accessible the values set forth in subsection (a), including the consideration of scenic roads or parkways, and that also will have a minimum impact on other essential operations and activities in the area, and on private property owners.

Sec. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EQUITABLE DISTRIBUTION OF CERTAIN SILVER DOLLARS

Mr. SMATHERS. Mr. President, I introduce, for appropriate reference, a bill to provide for the equitable distribution of the approximately 3 million silver dollars that remain in the U.S. Treasury.

This bill would direct the Secretary of the Treasury to classify these dollars according to their numismatic value and then to award them as special bonuses to purchasers of U.S. saving bonds. The coins of lesser value would go to individuals buying bonds with a minimum face value of $100. More valuable coins would be distributed with more valuable bonds on a graduated scale established by the Secretary.

The bonuses would be awarded on a one-to-a-customer basis, with no individual receiving more than one silver dollar, regardless of how many bonds he might purchase. In addition, each buyer would have to agree to hold a bond that secures him a bonus until that bond matures, or until an earlier date named by the Secretary of the Treasury.

Mr. President, until recent years, silver dollars circulated freely in the Western regions of the United States and to a lesser degree in other areas. In a few places, they were the standard currency and were more commonly used than the $1 bill. As the demand for these coins grew out of proportion to their supply, however, they began to disappear from the cash registers of businessmen and the pockets of average citizens. Within a very brief period of time, the famed cartwheels that became so much a part of Western lore completely vanished from the marketplace.

The United States has not minted standard silver dollars since 1935. In the years that have passed since then, the volume of commerce in this Nation has expanded manifold, and the demand for coins and other forms of legal tender has kept pace. As it became increasingly unlikely that silver dollars would ever be minted again, those who had them began to hold on to them. Some of these individuals were hoarders who wanted to hedge against the growing coin shortage. Some were members of the coin collecting fraternity who sought silver dollars for their numismatic value. Others were speculators convinced that the silver content of the coins would eventually be worth more than the coins themselves.

Until March of 1964, the Treasury freely exchanged silver dollars for silver certificates. But, early in that month numismatists, convinced that the most valuable of the coins were about to be released from the sealed vaults where they had been for many years, began a run on them. In a little more than 3 weeks, approximately 21 million of the silver dollars left the Treasury. On the 25th of March, the Secretary of the Treasury suspended the exchange of silver dollars for silver certificates, and this suspension is still in effect.

It has been estimated that between 20 and 30 million people want the remaining $3 million.

Mr. President, a number of proposals have been advanced to dispose of these highly desirable coins. Bills have been introduced to authorize, among other things, their sale at $5 each to the general public and to authorize their sale at face value to the American Cancer Society and the American Heart Association.

None of these proposals is completely adequate.

Some of the coins are worth many times their face value. Collectively their value has been placed as high as $50 million. Clearly, they are a national asset, and as such, they should be disposed of so that all taxpayers share in any benefits that might be realized.

I am convinced that my proposal would accomplish more than one worthwhile goal.

By stimulating the sale of savings bonds at a time when inflationary pressures are mounting, it would provide the economy with a significant safety valve. Money that might otherwise help spur unsound growth would be siphoned into savings, benefiting both the individual who would save and the Nation as a whole.

In the current tight money market, Government savings bonds, which have a statutory interest rate of 4¼ percent, are having a difficult time competing against commercial interest rates that are presently far higher. Although it would not offer any lasting cure, my proposal would—temporarily, at least—offer an incentive to purchase bonds that would partially offset the more attractive interest rates available elsewhere.

Mr. President, in these times of crisis, when some people pour out the salt of dissension, causing their fellow citizens to falter and to doubt their Nation's purpose and motives, it would be particularly fitting for the Congress to take action to encourage American to affirm their faith in the United States by purchasing a piece of its future. By offering the silver dollar bonuses, we can stimulate the active participation of several million individuals, permitting them to secure a piece of their country's past, while helping to guarantee its future.

I am hopeful that the committee to which this bill is referred will take early action so that the Senate and House might have the opportunity to adopt it before the 89th Congress adjourns.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3512) to authorize the awarding of standard silver dollars now held in the Treasury as special bonuses to purchasers of U.S. savings bonds, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF SOCIAL SECURITY ACT TO ALLOW STATES FLEXIBILITY IN AIDING MEDICALLY INDIGENT

Mr. JAVITS. Mr. President, I am today introducing a bill to amend title 19 of the Social Security Act to give greater flexibility to the States in devising their programs of aid to the medically indigent.

These amendments are designed to forward the objectives of title 19 and to facilitate the effective implementation of State laws—like the current New York State law now awaiting Federal approval—their approval by HEW and the necessary Federal appropriations to implement them.

These programs have to be acceptable to the Congress and realistic in terms of beneficiaries or much of the opportunity of title 19 could be lost to the States.

A plan implementing title 19 has been enacted by New York State, but has not yet been approved by the Department of Health, Education, and Welfare. This approval is necessary if the State is to qualify for the needed Federal aid. In addition to New York, seven States and the Commonwealth of Puerto Rico have enacted and received Federal approval of their plans.

The New York plan, understandably the largest, has been controversial in the State, not necessarily because of the relatively high eligibility standard which has been set, but because of the fact that Federal law also has kept it from being more exactly shaped to the need to be met. Under the New York standards, for example, it has been said that approximately 8 million New Yorkers could qualify as medically indigent.

In response to the widespread concern about the New York plan, I arranged a meeting of the New York congressional delegation on June 2 in Washington with Governor Rockefeller and his associates, and Under Secretary Wilbur Cohen. Subsequently, I have been in frequent contact with Under Secretary Cohen, State officials, and certain of my colleagues here in an effort to get approval for a proper New York plan.

In order to make this plan more acceptable, it is desirable to remove some of the directives of the Federal law which have increased the cost of the New York program. The bill which I introduce today, therefore, amends title 19 in the following respects:

First. The Federal law now provides that a deductible feature in any State plan would be acceptable so far as medical bills are concerned, but it could not be required with regard to hospital bills. My amendment will eliminate the prohibition with reference to hospital bills. This would allow New York State to revise the plan, for example, to provide that 20 percent of income over the present eligibility levels—$5,300 for hospital bills and $4,700 for medical and hospital bills—be used for health expenses before the State with Federal aid would provide supplements.

Second. The Federal law requires that income eligibility standards be the same throughout the State. This does not take into account differing costs in geographic regions, and my amendment would allow the State plan to make such distinctions where necessary and practical.

Third. The Federal law provides that identical benefits must be made available to all persons who qualify for aid. This means that New York cannot distinguish, for example, between the needs of a blind and disabled person over 65, and a healthy unemployed father aged 28. Giving the State plan more flexibility in this area would allow it to reduce costs considerably, and my amendment would permit such a change.

Let me emphasize that I was an early supporter of medical care for the aged and Federal assistance to States aiding the medically indigent of all ages. These amendments are not intended to impair that objective but they will ameliorate the criticism which threatens not only the approval of New York's plan but the implementation and financing of title 19 programs throughout the Nation.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The bill will be received and appropriately referred.

The bill (S. 3513) to amend title XIX of the Social Security Act to eliminate therefrom certain costly requirements imposed with respect to State programs for medical assistance established pursuant thereto, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Finance.

NATIONAL EYE INSTITUTE

Mr. HILL. Mr. President, I introduce, for appropriate reference, a bill that would authorize the Surgeon General of the Public Health Service to establish a National Eye Institute.

I ask unanimous consent that the bill be printed in the RECORD, and lie at the desk until June 25 so that other Senators may have the opportunity to join as sponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and held at the desk, as requested by the Senator from Alabama.

The bill (S. 3514) to amend the Public Health Service Act to provide for the establishment of a National Eye Institute in the National Institutes of Health, introduced by Mr. HILL, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 3514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title IV of the Public Health Service Act (42 U.S.C., ch. 6A, subch. III) is amended by adding at the end thereof the following new part:

"PART F—NATIONAL EYE INSTITUTE

"*Establishment of National Eye Institute*

"SEC. 451. The Surgeon General is authorized, with the approval of the Secretary, to establish in the Public Health Service an institute for the conduct and support of research for new treatments and cures and training relating to blinding eye diseases and visual disorders, including research and training in the special health problems and requirements of the blind and in the basic and clinical sciences relating to the mechanism of the visual function and preservation of sight. The Surgeon General is also authorized to plan for research and training, especially against the main causes of blindness and loss of visual function.

"*Establishment of advisory council*

"SEC. 452. (a) The Surgeon General is authorized, with the approval of the Secretary, to establish an advisory council to advise, consult with, and make recommendations to the Surgeon General on matters relating to the activities of the National Eye Institute.

"(b) The provisions relating to the composition, terms of office of members, and reappointment of members of advisory councils under section 432(a) shall be applicable to the council established under this section, except that the Surgeon General, with the approval of the Secretary, may include on such council established under this section such additional ex officio members as he deems necessary.

"(c) Upon appointment of such council, it shall assume all or such part as the Surgeon General may, with the approval of the Secretary, specify of the duties, functions, and powers of the National Advisory Health Council relating to the research or training projects with which such council established under this part is concerned and such portion as the Surgeon General may specify (with such approval) of the duties, functions, and powers of any other advisory council established under this Act relating to such projects.

"*Functions*

"SEC. 453. The Surgeon General shall, through the National Eye Institute established under this part, carry out the purposes of section 301 with respect to the conduct and support of research with respect to blinding eye diseases and visual disorders associated with general health and well being, including the special health problems and requirements of the blind and the mechanism of sight and visual function, except that the Surgeon General shall, with the approval of the Secretary, determine the areas in which and the extent to which he will carry out such purposes of section 301 through such Institute or an institute established by or under other provisions of this Act, or both of them, when both such institutes have functions with respect to the same subject matter. The Surgeon General is also authorized to provide training and instruction and establish and maintain traineeships and fellowships, in the National Eye Institute and elsewhere in matters relating to diagnosis, prevention, and treatment of blinding eye diseases and visual disorders with such stipends and allowances (including travel and subsistence expenses) for trainees and fellows as he deems necessary, and, in addition, provide for such training, instruction, and traineeships and for such fellowships through grants to public or other nonprofit institutions."

ACQUISITION OF CERTAIN MOTOR CARRIERS BY PERSONS WHO ARE NONCARRIERS

Mr. MAGNUSON. Mr. President, I introduce, by request, and for appropriate reference, a bill to amend the Interstate Commerce Act with respect to the acquisition of certain motor carriers by persons who are not carriers.

The purpose of this bill is to place under Interstate Commerce Commission jurisdiction acquisitions by noncarrier, nonaffiliated persons of single motor carriers and integrated systems of motor carriers.

Section 5 of the Interstate Commerce Act presently requires approval for a person which is not a carrier to acquire control of more than one motor carrier, and for such a person which has control of one or more motor carriers to acquire control of another motor carrier. No approval is presently required, however, for persons which are not now carriers to acquire control of a motor carrier.

Section 1 of the bill would exclude from the requirement of ICC approval under this bill smaller carriers, that is, where the aggregate gross operating revenue of the carriers or carriers to be acquired has not exceeded $300,000 for a period of 12 consecutive months ending not more than 6 months preceding the date of the agreement of the parties covering the transaction.

Section 2 of the bill would subject to ICC approval the acquisition of control of one or more motor carriers subject to part II of the Interstate Commerce Act through ownership of stock or otherwise by a person which is not a carrier.

At present noncarrier acquisitions are not subject to any regulatory scrutiny. Thus, anyone who is not a carrier may enter the trucking business through the purchase of a motor carrier. To obtain motor carrier rights under sections 206, 207, and 209 of the Interstate Commerce Act, however, an applicant must prove that he is fit, willing, and able properly to perform the service proposed and to conform to the provisions of the law and the requirements, rules, and regulations of the ICC.

The present gap in the law could invite purchase of motor carriers by persons intending to siphon off assets and leave only a certificate and hollow shell remaining, or to speculate on resale to a regulated carrier who must face long delay in acquiring other carriers with no guarantee of ICC approval under section 5.

In my own State of Washington, the legislature a few years ago amended the State motor carrier law to prohibit the acquisition of control of a common or contract carrier by any person, partnership, or corporation except after and with the approval and authorization of the Washington Utilities and Transportation Commission. I am advised that this Washington State statute has made "trafficking" in permits less profitable, without discouraging bona fide acquisitions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3516) to amend the Interstate Commerce Act with respect to the acquisition of certain motor carriers by persons which are not carriers, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

COLLECTION, COMPILATION, EVALUATION, PUBLICATION, AND SALE OF STANDARD REFERENCE DATA

Mr. MAGNUSON. Mr. President, I introduce, at the request of the Secretary of Commerce, a bill to provide for the collection, compilation, critical evaluation, publication, and sale of standard reference data. I ask unanimous consent that the letter from the Secretary, together with a statement prepared by him, and a section-by-section analysis of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter, statement, and section-by-section analysis will be printed in the RECORD.

The bill (S. 3517) to provide for the collection, compilation, critical evaluation, publication, and sale of standard reference data, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter, statement, and section-by-section analysis presented by Mr. MAGNUSON are, as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., June 6, 1966.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There are enclosed herewith four copies of a draft bill "To provide for the collection, compilation, critical evaluation, publication, and sale of standard reference data," and four copies each of a statement of purpose and need in support thereof, and a section-by-section analysis.

The Bureau of the Budget advises that enactment of this legislation would be consistent with the Administration's objectives.

Sincerely yours,

JOHN T. CONNOR,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED; THE STANDARD REFERENCE DATA ACT

BACKGROUND

The Federal Council for Science and Technology announced in 1963 a policy that there should be established a National Standard Reference Data System to provide on a national basis critically evaluated data in the physical sciences. The Department of Commerce, through the National Bureau of Standards, established a program to assist in furthering this policy. The basic objective of that action was to make critically evaluated quantitative data on the properties of substances readily available to Federal technical agencies and this country's scientists and engineers.

The proposed legislation is needed in order to provide the legal framework for a program to produce compilations of critically evaluated data on the properties of substances and their interactions, gathered from research reports throughout the world, evaluated by experts, and disseminated to the technical community. Through this legislation the voluntary and cooperative activities of all those concerned with the reference data program could be fitted into a coherent and comprehensive pattern so as to assure maximum benefit to the entire governmental and non-governmental community. The bill would also authorize the use of a symbol or mark in connection with the term "Standard Reference Data" so that the products of this interagency program can be identified and relied upon by the scientific, engineering and industrial communities.

Compilations carried out other than by the National Bureau of Standards may become a part of the Standard Reference Data System through the voluntary efforts of the agencies and if they meet the standards prescribed by the Secretary of Commerce through the National Bureau of Standards. Through this voluntary cooperative arrangement and the activities of the National Bureau of Standards, it will be possible to provide to the technical community critically evaluated data which will lead to substantial savings in time, effort and money.

NEED FOR STANDARD REFERENCE DATA

The significance of the Standard Reference Data operation can best be understood by a look at the process by which measurements of the properties of substances are made available to scientists and engineers. Property measurements are produced as a result of the research done by millions of scientists and engineers all over the world. The data are published in various scientific journals, reports, handbooks, and so forth. Therefore, while these data are available to anyone who is prepared to search the literature to find them, it is quite often difficult to locate a specific number or value in the millions of pages of scientific literature. Of equal importance is the fact that once the number or value is located, it is difficult to determine just how reliable such information is. A complicating factor is that often more than one researcher works in the same field, each developing his own number or value for the same property. Only a specialist in the field can tell which is most likely to be correct. Accordingly, the Standard Reference Data System has as its purpose three main functions: (1) Extract the necessary data from the literature; (2) determine the data's accuracy and reliability through a process of critical evaluation; and (3) make the evaluated data readily available to users.

The data are called "reference" because scientists and engineers repeatedly refer to the data in their work. They are called "standard" because differing values are critically evaluated by the most competent scientists in the field who then select and certify a single value or range of values as the best or "standard" one. The data may then be used with maximum confidence, for rather than having to make independent measurements of physical and chemical characteristics of materials, scientists and engineers would be able to refer to the Standard Reference Data and depend upon the reliability of the measurements which have already been made and critically evaluated.

TECHNICAL SCOPE OF THE STANDARD REFERENCE DATA SYSTEM

The products of the system are compilations of critically evaluated data on the properties of substances, critical reviews of the state of knowledge of the measureable properties of substances, and computations of useful functions derived from properties of substances.

The technical scope of the system embraces only physical and chemical properties and their interactions. Only substances of well-defined composition and structure are considered appropriate, and only intrinsic properties of the substances or systems under consideration are to be included.

These limitations can be described by use of a few examples. The free energy of formation of sodium chloride is a well-defined property of a pure substance of known structure and composition; therefore, numerical data for this property are appropriate. Critically evaluated data of this type are in the compilation entitled "Selected Values of Chemical Thermodynamic Properties" (NBS Circular 500) which is considered to be "Standard Reference Data." The atomic energy levels of the silicon atom similarly are well defined properties of a well defined substance and such data are appropriate. Critically evaluated data of this type are in the series entitled "Selected Values of Atomic Spectra" (NSRDS–NBS–3); this compilation is also considered to be "Standard Reference Data." On the other hand, the thermal conductivity of fire brick is a well defined property of a substance of poorly defined composition and structure. Therefore, such data are not within the scope of the Standard Reference Data System. Similarly, the hardness of tool steel is a poorly defined property of a substance of poorly defined composition and structure. Again such data are not within the scope of the program.

Operational data on components, devices, and other manufactured or assembled systems are well outside the scope of activity for the program, as are maps, navigation charts, weather data, and similar information.

PARTICIPATION IN THE STANDARD REFERENCE DATA SYSTEM

A. National Bureau of Standards

In assuming leadership for planning and operating a coordinated program of reference data compilations to meet the needs of the scientific and technological community, the responsibilities of the National Bureau of Standards would include the establishment of an interagency mechanism with representation from agencies participating in the Standard Reference Data System in order to obtain guidance in the establishment of policies and priorities; determining, in cooperation with others, the needs for Standard Reference Data and compilations; and maintaining a central registry of reference data compilation activities throughout the United States. Other responsibilities would include consulting wtih appropriate specialists to establish standards and criteria for the various products of the program; managing the data compilation projects funded directly by the National Bureau of Standards and such other projects financially supported by other agencies as may by mutual agreement be placed under the management of the National Bureau of Standards; monitoring and advising on the performance of the various components of the program in meeting objectives; and developing and operating mechanisms for coordination of data compilation activities throughout the United States. In addition, it would involve the maintenance of a central file of reference data compilations containing the output of data compilation projects and the development and operation of dissemination services designed to ensure that the products of the program are readily available to users.

B. Other Federal Agencies

Participation of other Federal agencies in the Standard Reference Data System would be entirely voluntary. It would include participation in the interagency mechanism, which would be established to provide guidance on Standard Reference Data System policies and priorities, and in the planning of a coordinated reference data program; sponsoring reference data activities which are necessary for the effective discharge of their responsibilities and which have a technical scope of interest primarily within the mission of their own agency; cooperating with the National Bureau of Standards in the operation of those reference data activities which support the missions of several agencies and the scientific and technological communities at large; and participation in activities with the National Bureau of Standards which would be designed to determine national needs for compilations of critically evaluated data and to establish technical scope, nature of output, and standards of quality for all data activities within the Standard Reference Data System. Finally, such participation would include ensuring that products of data activities under the sponsorship of such agencies are made adequately available to technical users, either by direct distribution or through the mechanisms of the National Bureau of Standards; and to the extent practical and consistent with immediate mission objectives, endeavoring to meet standards of quality and format established for products of their data activities through the initiative of the National Bureau of Standards.

SECTION-BY-SECTION ANALYSIS OF BILL

Section 1 declares it to be a Congressional policy to make critically evaluated reference data readily available to scientists and engineers.

Section 2 defines various terms that appear in the bill, including that of "Standard Reference Data."

Section 3 of the bill would authorize the Secretary of Commerce to arrange for the collection, compilation, critical evaluation, publication and dissemination of Standard Reference Data. In exercising this authority, the Secretary would be required to utilize the reference data services and facilities of other agencies at the Federal, State and local government level, with their consent, so as to avoid duplication of the same services and facilities. The section also explicitly states that nothing in the Act is intended to repeal or in any way affect existing authority or responsibility of any Federal Government agency.

Section 4 of the bill would authorize the Secretary, in consultation with other interested Federal agencies, to prescribe and publish in the Federal Register such standards, criteria and procedures for the preparation and publication of Standard Reference Data as may be necessary to carry out the purpose of the Act.

Section 5 of the proposed legislation would authorize the Secretary to publish and sell Standard Reference Data, produced entirely at Government expense, at prices which would reflect the cost of collection, compilation, evaluation, publication and dissemination of such data, including administrative expenses and would be subject to the Organic Act of the National Bureau of Standards. This would be permitted without regard to any other law under which Government printing is accomplished and sales permitted. This section is consistent with Congressional and executive policy in that it seeks to recover from the special users of the Standard Reference Data the cost of producing the data which is of special benefit to these users.

Section 6 calls upon the Secretary to adopt a symbol or mark which he could use or authorize others to use in connection with the term "Standard Reference Data." The symbol or mark would be published in the Federal Register.

Section 7 of the bill lists specific acts which are prohibited. These acts pertain to use of the Standard Reference Data symbol or mark adopted by the Secretary, without first receiving his written authorization to do so, or that of his designee.

Section 8 declares that whoever commits any of the prohibited acts listed under section 7 shall be subject to a civil penalty of up to $100. The Secretary would be authorized to compromise the civil penalty.

Section 9 would grant jurisdiction to the United States district courts to enjoin violations of the Act. Upon request of the Secretary of Commerce, the Attorney General may seek injunctions to prevent such violations.

Section 10 of the bill would authorize the appropriation of such amounts as may be needed for the purpose of the Act.

Section 11 sets out the short title of the bill as the Standard Reference Data Act.

AMENDMENT OF ECONOMIC DEVELOPMENT ACT OF 1965

Mr. KENNEDY of Massachusetts. Mr. President, with the passage of the Public Works and Economic Development Act of 1965, Congress inaugurated an important program to encourage long-range economic development in depressed areas. Under this act, areas of persistent unemployment would be rejuvenated by the introduction of new industries offering permanent jobs through a program of public works and Federal grants and loan assistance.

Although the program has been in operation less than 1 year, communities have enthusiastically responded to this opportunity to help solve their economic problems. They have begun comprehensive economic planning, they have applied for grant and loan assistance, and they have started projects to stimulate development of private enterprise.

Yet, despite this generally encouraging response, there is a crucial defect in the Economic Development Act. Economically distressed areas within many of our cities are not eligible for Economic Development Act assistance when the entire urban area does not qualify as distressed. This defect is a result of the restrictive criteria set forth in the law. Under section 401 of the Economic Development Act of 1965, no area is eligible for assistance if "smaller than a 'labor area'—as defined by the Secretary of Labor—a county, or a municipality with a population of over 250,000."

But these distressed neighborhood areas within many of our cities suffer from the same conditions of economic deprivation which motivated Congress to enact the original law. Their unemployment levels far exceed the target levels set by the law. It is unfair to deprive these pockets of severe poverty of the assistance we offer to larger areas of similar distress. We would be halfhearted in our efforts to eliminate poverty if we continued to ignore these unfortunately depressed areas within our cities.

I, therefore, introduce a bill amending section 401 of the Public Works and Economic Development Act of 1965 to allow any contiguous, severely distressed area of 200,000 people to be eligible for all the programs authorized by this act.

Areas like Harlem in New York and Watts in Los Angeles would benefit from adopting this proposal. An area in Boston, in my own State of Massachusetts, would also benefit. Greater Boston, with a population of over 2½ million people, is not eligible for economic development assistance because its unemployment rate is 4.7 percent—below the 6 percent specified by the Economic Development Act of 1965. Yet, within Greater Boston, there is a contiguous area encompassing over 256,000 people where the unemployment rate is 7 percent, and sometimes as high as 15 percent. This area includes Roxbury, Charlestown, and parts of Cambridge, Somerville, and South Boston.

The people in these urban areas across our Nation will greatly benefit from the assistance available under the Economic Development Act. With Federal assistance, the economic potential of these areas will be orderly and comprehensively developed. Federal grants will make possible public works improvements to encourage industry to return and long-range planning for neighborhood rehabilitation. Job opportunities can be expanded by offering new industries low rate, long-term loans for capital expansion and operation.

These economically distressed areas within our cities need our assistance. They are inhabited by citizens with the same hopes for economic opportunity as are shared by all Americans. But they lack the means to promote the economic development necessary to realize their aspirations. The Public Works and Economic Development Act of 1965 was meant to provide economic opportunity to Americans such as these. However, the original criteria were so restrictive as to preclude assistance to distressed areas within relatively thriving urban areas. It is my hope that we shall correct this most unfortunate oversight by passage of this bill. A similar bill, H.R. 10855, has been introduced in the House by Congressman FARBSTEIN.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3518) to amend the Public Works and Economic Development Act of 1965 as it relates to those areas to be designated as redevelopment areas, introduced by Mr. KENNEDY of Massachusetts, was received, read twice by its title, and referred to the Committee on Public Works.

THE FEDERAL FINE ARTS AND ARCHITECTURE ACT, JUNE 16, 1966

Mr. MUSKIE. Mr. President, I introduce, for appropriate reference, a bill to foster high standards of architectural excellence in the design and decoration of Federal public buildings outside the District of Columbia, and to provide a program for the acquisition and preservation of works of art for such buildings, and for other purposes, to be known as the Federal Fine Arts and Architecture Act. I ask unanimous consent that the bill remain at the desk for 10 days to give other Senators an opportunity to join as cosponsors.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. MUSKIE. Mr. President, Mrs. Lyndon B. Johnson has inspired cities and towns, and private businesses and citizens across the Nation to make beauty an important part of their communities.

In the District of Columbia, Mrs. Johnson's efforts and the work of Fine Arts Commission, revitalized by President Kennedy, already have made our Capital more beautiful.

Regrettably, however, the Federal Government has too often not followed their example outside of Washington.

Sadly, too many Federal buildings in the 50 States are unimaginative, mediocre structures. They do not reflect the dignity, vitality or strength of ou Nation.

This is especially discouraging because Federal buildings are constructed to last many years; they remain monuments to bad taste for generations.

In most communities, Federal buildings occupy prominent sites. As such, more attractive Federal buildings can greatly improve the face and the quality of life of our cities and towns.

The Federal Fine Arts and Architectural Act can help us create more appealing and exciting Federal buildings.

The act would provide the General Services Administration and the Post Office Department with expert advice on design and decoration and on the selection of architects and artists, the same kind of guidance that the Fine Arts Commission gives in Washington.

The act would achieve this by creating an Architectural Advisory Board and an Art Advisory Board in the General Services Administration.

The act would create a cumulative fund for the acquisition and maintenance of works of art for the Federal buildings, and would authorize appropriations of 1 percent of the total appropriated for the preceding fiscal year for design and construction of Federal buildings outside of Washington.

The fund would allow beauty to be built into Federal buildings, not merely added as an afterthought.

The Art Advisory Board would advise the Administrator of the General Services Administration on expenditures from the art fund, on the selection of artists whose work would be acquired by the fund, and on designs or models of works of art to be bought.

The Architectural Advisory Board would make recommendations on Federal public buildings and leased post offices. The Board would give advice on the selection of architects and would review and make recommendations on designs.

Both Boards would be chaired by the Assistant Commissioner for Design of the General Services Administration. Members of the Boards would be distinguished artists and architects.

Mr. President, the Kennedy administration brought new emphasis on the value of style and grace. President Kennedy was concerned with the architecture of Federal buildings and with what their appearance said to us and to the world about America. With this in mind, he appointed an ad hoc committee on Federal office space, consisting of Commerce Secretary Luther H. Hodges, Labor Secretary Arthur J. Goldberg, Budget Bureau Director David Bell, General Services Administrator Bernard L. Boutin, and his special assistant Timothy J. Reardon, Jr.

The ad hoc committee made three prime recommendations:

First. Design should embody the finest contemporary American architectural thought, and should, when appropriate, reflect regional traditions and incorporate the work of living American artists.

Second. Development of an official governmental style should be avoided. The Government should pay a little extra, if necessary, to avoid excessive uniformity of design.

Third. The choice and development of the building site should be considered the first step in the design process. The choice should be made in cooperation with local agencies.

Mr. President, the Federal Fine Arts and Architectural Act will enable the Nation to implement the recommendations of the ad hoc committee, and to more nearly fulfill the vision of President Kennedy and Mrs. Johnson of a more beautiful America. I ask unanimous consent that the text of the bill be printed at this time in the RECORD.

The **PRESIDING OFFICER.** The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

(The bill (S. 3521) to foster high standards of architectural excellence in the design and decoration of Federal public buildings outside the District of Columbia, and to provide a program for the acquisition and preservation of works of art for such buildings, and for other purposes, to be known as the Federal Fine Arts and Architecture Act, introduced by Mr. MUSKIE, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 3521

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the purpose of this Act to provide—

(1) for the maintenance of high standards of architectural design and art for public buildings outside the District of Columbia; and

(2) a program for the acquisition and preservation of suitable works of art for public buildings outside the District of Columbia.

SEC. 2. For the purposes of this Act—

(a) The term "Administrator" means the Administrator of General Services.

(b) The term "public building" shall have the same meaning as is provided in section 13(1) of the Public Buildings Act of 1959.

SEC. 3. (a) The Architectural Advisory Board is hereby established in the General Services Administration. The Chairman of the Board shall be the Assistant Commissioner of Design of the General Services Administration, ex officio. There shall be six other members of the Board each of whom shall be appointed by the Administrator to serve for a term expiring during one of the first three calendar years succeeding the year in which he is appointed, as designated by the Administrator at the time of appointment, subject to the limitation that not more than two members may have a term expiring in the same calendar year. Five of the six appointed members shall be distinguished architects, one of whom shall be experienced in landscape architecture. One appointed member shall be a city planner who may also be an architect. The Administrator shall give consideration to any nominations submitted to him from time to time by leading national organizations in architecture, and shall consult with the Commission of Fine Arts on such nominations. No appointed member of the Board shall be eligible for reappointment for a term beginning less than two years after the expiration of his term.

(b) In all cases where the Board determines that the buildings involved are of sufficient significance, it shall make recommendations—

(1) to the Administrator on the architect and design of public buildings outside the District of Columbia, and

(2) to the Postmaster General on the architect and design of buildings to be constructed outside the District of Columbia for lease to the United States for use by the Post Office Department.

The Board may where appropriate recommend to the Administrator or to the Postmaster General the holding of competitions for the selection of such architects.

(c) Each appointed member of the Board shall receive ccmpensation at the rate of $50 per diem for each day on which he is engaged in the performance of his duties as such, and shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of such duties.

SEC. 4. The Administrator is authorized to acquire and maintain works of art for public buildings outside the District of Columbia. In addition to any amounts otherwise authorized, there is hereby authorized to be appropriated for this purpose in each fiscal year, to remain available until expended, an amount equal to 1 per centum of the total amount appropriated for the preceding fiscal year for the design and construction of public buildings outside the District of Columbia.

SEC. 5. (a) The Art Advisory Board is hereby established in the General Services Administration. The Chairman of the Board shall be the Assistant Commissioner of Design of the General Services Administration, ex officio. The remaining six members of the Board shall be appointed by the Administrator from among distinguished representatives of professional fields as follows:

(1) painting, two members, of whom one shall be experienced in mural decoration;

(2) sculpture, two members, of whom one shall be experienced in monumental sculpture;

(3) the decorative arts and crafts, one member; and

(4) interior design, one member. Such appointments shall be made by the Administrator after giving consideration to any nominations submitted to him by leading national organizations in the respective professional fields, and after consultation with the Commission of Fine Arts, the Director of the National Collection of Fine Arts, and the Director of the National Gallery of Art. Each appointed member of the Board shall serve for a term expiring in one of the first three years succeeding the year in which he is appointed, as designated by the Administrator at the time of appointment, subject to the limitation that not more than two members and not more than one painter or sculptor may have a term scheduled to expire in the same calendar year. No appointed member of the Board shall be eligible for reappointment for a term beginning less than two years after the expiration of his term.

(b) The Board shall make recommendations to the Administrator concerning the artists and works of art to be acquired under section 4. The Board may where appropriate recommend to the Administrator the holding of competition for the selection of artists and of designs or models of works of art.

(c) The Board shall designate one of its members to meet with and advise the Architectural Advisory Board.

(d) Each appointed member of the Board shall receive compensation at the rate of $50 per diem for each day on which he is engaged in the performance of his duties as such, and shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of such duties.

INTRODUCTION OF BILL TO HAVE THE SECRETARY OF AGRICULTURE SUBMIT TO CONGRESS AN ANNUAL REPORT ON TRADE STATISTICS

Mr. **SPARKMAN.** Mr. President, I would like to introduce a bill on agricultural trade statistics and express the hope that it be referred to the Finance Committee, where other business relating to the same subject is presently pending. I am advised that the distinguished chairman of the Committee on Agriculture and Forestry, Senator ELLENDER, has no objection to the referral.

If individual circumstances permit, I would be pleased to have other Senators as cosponsors. It should also be made clear that the bill will have to be worked on and I hope that my colleagues and those concerned in the industry groups and Government agencies will feel free to offer their improvements.

PURPOSE OF THE BILL

This bill, which is entitled the "Agricultural Trade Statistics Reporting Act of 1966" would have the Secretary of Agriculture compile and submit to Congress each year an annual report showing, in simple businesslike terms, the effects of our agricultural trade on the Nation's balance of payments. It arose out of the inquiry which the Select Committee on Small Business has been conducting since 1964 on the potentials and problems of livestock exports. During this time, we have become familiar with some of the statistical material presently published by the Department.

There are many series of reports appearing at weekly, monthly, and other intervals. They contain a great deal of interesting and useful information. On several occasions the Department has been most cooperative in furnishing such information under the exigencies created by Senate business, and I have taken note of the quality of reports, and of this cooperation on the Senate floor.

However, it became increasingly apparent to the committee that a standard reference work in this field was not regularly available to the Congress. The bill is intended to result in such a report, which will appear on a predictable annual basis, and will combine material on Government and commercial exports and imports and their net effect on the balance-of-payments position of the United States.

It must be viewed as one of the phenomena of our Government that, although our Agriculture Department has existed for over 100 years, it has not yet undertaken to prepare a systematic annual report of the Nation's export and import business which would be available to Congress and the people.

The United States is now the world leader in agricultural exports and the second largest importing country, with exports of more than $6¼ billion a year. I feel the time has come to have a regular periodic accounting in concise and familiar businesslike form, which will accurately reflect the effects of this trade on our balance of payments.

BUSINESSES ARE UNDER REPORTING OBLIGATIONS

It is my feeling that this requirement will not be onerous inasmuch as many thousands of businesses in this country have for many years furnished comparable reports to their shareholders and to the public. The Department has, in fact, a sizable staff which devotes itself to economic research.

Businesses which are listed on stock exchanges have been reporting annually for more than three decades and more recently other corporations have come under similar requirements. Further, the accounting profession has its own series of evolving standards which hold a business to reporting its affairs in accordance with generally accepted accounting principles and in a manner consistent with the previous year.

However, at this time, no such standards apply to the Department of Agriculture, which is directly charged under law with the administration of many commodity export programs.

In this era, when food problems are being viewed increasingly in the context of world needs, it would also seem helpful to know how our accounting methods relate to those utilized by major international trade organizations with which the United States is associated, and this would be provided for in the bill.

My bill would also make the resources, advice, and wealth of experience of the General Accounting Office available to the Agriculture Department, by providing that the Comptroller General will examine the annual report and assist the Secretary in its formulation according to accounting principles.

It is my hope, as I noted in my remarks of April 27 of this year, that it will be possible to continually improve our statistical techniques and reporting methods on agricultural trade, so that Congress will have the benefit of increasingly refined data in making policy decisions about export and import programs.

The **PRESIDING OFFICER**. The bill will be received and appropriately referred.

The bill (S. 3522) to require the Secretary of Agriculture to report to the Congress each year certain information relating to the import and export of agricultural commodities, introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, and by unanimous consent, referred to the Committee on Finance.

Mr. **SMATHERS** subsequently said: Mr. President, earlier today, the Senator from Alabama [Mr. SPARKMAN], for himself and other Senators, introduced a bill (S. 3522) relating to agricultural trade statistics. I ask unanimous consent that the bill be referred to the Committee on Finance, and that it be held at the desk for 1 week, for additional cosponsors.

The **PRESIDING OFFICER**. Without objection, the bill will be referred to the Committee on Finance, and held at the desk as requested by the Senator from Florida.

Mr. **SMATHERS**. Mr. President, I also ask unanimous consent that the bill be printed in the RECORD.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The bill (S. 3522) is as follows:

S. 3522

A bill to require the Secretary of Agriculture to report to the Congress each year certain information relating to the import and export of agricultural commodities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Statistics Reporting Act of 1966".

SEC. 2. It is hereby declared to be in the public interest that the Secretary of Agriculture should compile and publish an annual standard reference work containing certain statistical information with respect to the volume and dollar value of this Nation's foreign trade in major agricultural commodities for the preceding calendar year, the trends in United States imports and exports of such commodities, and the effect of such trade upon the balance of payments position of the United States.

SEC. 3. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") shall, not later than February 15 of each calendar year, submit to the appropriate Committees of the Congress a report containing the information described in subsection (b) of this section and cause such report to be readily available to all other Committees and Members of Congress, to all trade publications, and, upon request, to any other interested party.

(b) The information to be contained in any such report shall specifically disclose with respect to the immediately preceding calendar year—

(1) the quantity and dollar value of imports into the United States and exports from the United States of each major agricultural commodity;

(2) the extent to which such dollar value reflects or fails to reflect, in the case of each major agricultural commodity, costs attributable to transportation, insurance, and other expenses incident to handling;

(3) the extent to which, in the case of each major agricultural commodity, exports were paid for in dollars, other freely convertible currency, local currency not convertible, funds of the United States Government on a cash or credit basis, or were donations valued without reference to payment;

(4) what effect imports and exports of all agricultural commodities had on the balance of payments position of the United States Government; and

(5) the percentage of our total domestic production, in the case of each major agricultural commodity, which was exported; the percentage of the total exports, in the case of each such commodity, which was paid for by each of the methods of financing described in paragraph (3); and the percentage of our total production and consumption, in the case of each such commodity, which was imported.

(c) Such report shall also set forth statistics and other information covering a period of prior years in sufficient detail to show, with respect to each major agricultural commodity, the prevailing trends in the import and export of the different types or classifications of that particular commodity.

(d) The Secretary shall include in such report such other pertinent information as he deems appropriate.

(e) The Secretary shall include in such report the citation of any public laws relevant to the subject matter being discussed.

(f) As used in this Act, the term "major agricultural commodity" shall include, for example, cotton, beef, pork, veal, live cattle, nonfat dry milk, cheese, butter, and poultry; and in providing the information specified in subsection (b)(1) of this section, the Secretary shall give separate statistics for each of those commodities.

SEC. 4. The Secretary shall coordinate the administration of this Act with other departments and agencies of the Government concerned therewith and with interested private organizations; and such departments and agencies of the Government are authorized and directed to cooperate with the Secretary in the administration of this Act, including the coordination of all procedures, forms, and means necessary or appropriate for carrying out the provisions of this Act. The Secretary shall include in his annual report such recommendations for legislation and administrative actions as he determines would facilitate the administration of this Act.

SEC. 5. (a) The Secretary, before submitting to the Congress the report referred to in section 3 of this Act, shall submit such report to the General Accounting Office for examination. The Comptroller General shall examine the report to the extent he deems necessary to certify whether or not—

(1) such report is in conformity with generally accepted accounting principles;

(2) such report accurately reflects the effect of trade in agricultural commodities on the balance of payment position of the United States;

(3) except for the initial report, such report was prepared on a basis comparable to that of the previous year;

(4) such report follows the reporting practice and procedures followed by major international trade organizations with which the United States is associated, including the General Agreement on Tariffs and Trade and the Organization for European Cooperation and Development; and

(5) any departure from generally accepted methods of reporting the information contained in such report was coordinated with and approved by the Comptroller General.

(b) The opinion of the Comptroller General with respect to the matters referred to in subsection (a) of this section shall be included in the report.

SEC. 6. Nothwithstanding the reporting date prescribed in section 3 of this Act, the Secretary is authorized, in the case of any of the first four annual reports, to postpone the date of submission to any date not later than May 1 if he determines that the report for such year cannot be submitted prior to that date and notifies the Committees referred to in section 3 of this Act in writing of the necessity of such postponement and the reasons therefor.

SEC. 7. The Secretary shall submit the first report under this Act in the calendar year 1967 covering imports and exports during the calendar year 1966.

NATIONAL SPRING GARDEN PLANTING WEEK

Mr. **MAGNUSON**. Mr. President, it will take the willing work of many minds and hands if our Nation is to have the clean and cared-for homes and neighborhoods that will truly express our national aspiration for a beautiful land to live in.

Mrs. Lyndon B. Johnson, who has given so much of her time and effort to beautify America, expressed this thought in a recent report on the program she leads to beautify our Nation's Capital. She also said, "It is—most of all—a citizenry that cares, that believes beautiful surroundings to be both necessary and possible" that will make beautification work. Another way of saying this, to which we would all agree, is that beauty begins at our own homes.

We would agree, I think, that beautification of this country runs deeper than the adornment of our public buildings, parks and highways, important and necessary as those activities are. What we must have is a program that includes in its scope every private home and dwelling in our country, and in Mrs. Johnson's words, "citizenry that cares."

As Members of the Congress, we have a responsibility to create the framework within which this important national program can be executed and in doing so, encourage all of our citizens to take a personal part in it.

I am therefore introducing a joint resolution to create a national Spring Garden Planting Week during the first full week of October each year. By setting aside 1 week each fall, in which each home owner in America can beautify his yard, his neighborhood, and his town, we will be taking a giant step toward a goal that represents the best in our Nation.

The national beautification program is one in which all of us must play a role if it is to succeed on a national level. This was realized when President Johnson summoned the memorable White House Conference on Natural Beauty in May of 1965. Leaders in all areas of national life concerned with beautification came to Washington to talk about the many problems of beautifying our townscapes and countrysides, our highways, and the parks and streams of the Nation. Many wise and practical solutions were offered, and much valuable work has been done by the delegates to this meeting. Generations hence, this conference may well rank as one of the most lasting accomplishments of this administration.

It remains for this Congress, however, to take the step that will enable every citizen to have a personal part in this program, the part that is most natural for him—beautification of his own home. I believe that people who want to live in beautiful surroundings at home will be people who care about beauty in their public buildings and parks, their towns, and their roadsides. One step will lead naturally to the next. That is why I believe this resolution should be acted upon favorably at an early date in this session of Congress.

Mr. President, I have had a most gratifying response to my plan to introduce this resolution. It enjoys the full support of all important public and private organizations who can contribute the public spirited leadership that its implementation will require. I offer, for inclusion at this point in my remarks, some of the many letters and telegrams I have received in support of this resolution. They come from groups and organizations that have long labored for a more beautiful country, such as national and State garden clubs, garden writers, State horticultural societies, and leading trade associations and organizations who feel a strong responsibility to make this program work.

There being no objection, the letters and telegrams were ordered to be printed in the Record, as follows:

CROTON-ON-HUDSON, N.Y.,
June 15, 1966.

Senator WARREN MAGNUSON,
Old Senate Building,
Washington, D.C.:

As chairman of the Springvale Garden Club, as a representative of the Croton Garden Club, and as a horticulturalist who has spent 40 years urging people to plant in the fall for spring beauty, I strongly support the proposed legislation proclaiming October 2 to 8, 1966, as National Spring Garden Planting Week. Early flowering bulbs are the first note of cheer after a dreary winter. Massed plants of mid-season bulbs certainly make a more beautiful America. Roses and other shrubs give joy for many months. I promise to do all in my power to urge gardeners to plant this autumn for beauty next year.

CYNTHIA WESTCOTT,
The Plant Doctor, Springvale on Hudson Apartment.

NEW ROCHELLE, N.Y.,
June 15, 1966.

Senator WARREN G. MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

We would like to express our interest and desire to see legislation proclaiming October 2–8, 1966, as National Spring Garden Planting Week enacted.

INTERNATIONAL GARDEN CLUB INC., BARTOW-PELL MANSION MUSEUM AND GARDENS.
MRS. MORGAN A. CASEY, *President.*

MARYSVILLE, OHIO,
June 15, 1966.

Senator WARREN MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

The Better Lawn and Turf Institute is delighted with your planned proclamation of a National Spring Garden Planting Week and congratulates you upon this progressive measure for encouraging beautification of the Nation.

THE BETTER LAWN AND TURF INSTITUTE
MARYSVILLE, OHIO.

KANSAS CITY, MO.,
June 15, 1966.

Senator WARREN G. MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

On behalf of Flower and Garden magazine, reaching over a half-million home gardeners each month, proposed National Spring Garden Planting Week, October 2 to 8.

This will be a superb opportunity to advance the beautification of America. The bright colors of spring gardens are no doubt the most prized of the year. It will be most useful to promote a Spring Garden Planting Week this fall. Gardeners of all levels will need reminding then that to enjoy the glorious burst of bloom in spring, they should imitate nature and make their preparations in autumn.

It is not enough to preserve the natural beauty of America. We should also encourage people to create beauty in their own yards and neighborhoods. Benefits will reach every aspect of national life.

RACHEL SNYDER,
Editor in Chief,
Flower and Garden Magazine.

PHILADELPHIA, PA.,
June 15, 1966.

Senator WARREN G. MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

The Pennsylvania Horticultural Society is heartily in favor of seeing appropriate legislation enacted to proclaim October 2–8, 1966, as National Spring Garden Planting Week. Delegates from this organization participated in the White House Conference on Natural Beauty and are active on Mayor Tate's Philadelphia More Beautiful Committee. In all our work we advocate and encourage sound horticultural practices in carrying out the beautification projects undertaken on local, state, and national level. Fall planting is a sound practice and will help produce a beautiful spring and summer season in heavily populated urban and suburb areas.

ERNESTA D. BALLARD,
Executive Secretary, Pennsylvania Horticultural Society.

WASHINGTON, D.C.,
June 16, 1966.

Senator WARREN MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

Do encourage and support the American interest in gardening for the beautification of our land and the pleasure it brings. May we voice our support of the bill to proclaim October 2–8, as National Spring Garden Planting Week.

CARROLL L. CALKINS,
Associate Editor,
House Beautiful Magazine.

ARNOLD ARBORETUM,
JAMAICA PLAIN, MASS.,
June 14, 1966.

Senator WARREN G. MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

The Arnold Arboretum of Harvard University would like to heartily endorse your proposed legislation to establish a National Spring Garden Planting Week. The American public sorely needs a focal point to forcibly emphasize the tremendous value to citizens everywhere as well as to the towns and communities in maintaining the trend already started of making the land on which we live more beautiful. We vigorously urge the passage of your legislation.

DONALD WYMAN.

ST. LOUIS, MO.,
June 14, 1966.

Senator WARREN G. MAGNUSON,
Old Senate Office Building,
Washington, D.C.:

National Council of State Garden Clubs, Inc., over 400,000 members in 49 States and District of Columbia, strongly urges legislation proclaiming October 2–8, 1966, as National Spring Garden Planting Week.

A National Spring Garden Planting Week would greatly add to the promotion of a more beautiful America.

MRS. EARL H. HATH,
Executive Secretary, National Council of State Garden Clubs.

AMERICAN ASSOCIATION
OF NURSERYMEN, INC.,
Washington, D.C., June 14, 1966.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: As the Association representing the branch of American dustry most involved in national beautification efforts, we heartily endorse your resolution which will create Spring Garden Planting Week. This Association which has among its members retail, landscape, mail-order, and wholesale nurserymen, is vitally interested in carrying the story of national beautification to Mr. and Mrs. American

Public. White House efforts have been extensive in promoting larger beautification efforts involving city, highway, industrial, and institutional building beautification.

While efforts to date have been extremely successful, the total impact can be greatly increased by convincing individuals that beautification of their own home grounds is an important contribution to the overall beauty of our nation, for after all, beauty begins in the home garden.

If we may be of any help to you now, Senator, in obtaining this legislation or later, in carrying the message to the public, we shall be extremely happy to do so.

Respectfully yours,

Robert F. Lederer,
Executive Vice President.

Mr. MAGNUSON. Mr. President, these groups, listed at the close of my remarks, have organized themselves in a committee known as National Spring Garden Planting Week Committee for the purpose of supporting the approval of this resolution by Congress and to coordinate activities on a national basis to plan for this special week in October. Through their combined membership and influence, they will reach literally millions of people who will be informed of Nationa Spring Garden Planting Week and effectively urged, through the public media and other channels, to make National Spring Garden Planting Week a time of rebirth and rejuvenation of our natural surroundings.

There is every reason why our homes and gardens should reflect the inner desire we all have for beauty in our lives. This resolution, I believe, will be an effective means of giving support to the national leadership provided by President and Mrs. Johnson, whose farsighted dream of a more beautiful nation has already proved that people want to see this dream made a reality of their everyday life.

I send my joint resolution to create National Spring Garden Planting Week to the desk, and ask that the attached list of organizations making up National Spring Garden Planting Week Committee be printed in the Record at this point in my remarks.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the list of organizations will be printed in the Record.

The joint resolution (S.J. Res. 168) to authorize the President to issue annually a proclamation designating the 7-day period beginning October 2 and ending October 8 of each year as "Spring Garden Planting Week," introduced by Mr. Magnuson, was received, read twice by its title, and referred to the Committee on the Judiciary.

The list of organizations presented by Mr. Magnuson is, as follows:

Miss Ernesta Ballard, Executive Secretary, The Pennsylvania Horticultural Society.

Mr. Richard Beatty, Editor, House Beautiful's special publications division.

Mr. Clifford W. Benson, Executive Secretary, The American Iris Society.

Mr. Alfred W. Bessesen, Horticultural Editor, Ohio State University.

Mr. John Burton Brimer, Garden Editor, The Macmillan Company.

Miss Minnie Hall Brown, Garden Writer.

Mr. Kenneth A. Bryant, Editor, Florist and Nursery Exchange.

Mr. Carroll C. Calkins, Associate Editor, House Beautiful magazine.

Mrs. Morgan A. Casey, President, International Garden Club, Inc.

Mr. A. R. Crooks, Garden Writer.

Mr. Ben Arthur Davis, Hope Haven Garden Service.

Mr. Douglas M. Fellowes, Garden Writer.

Mrs. Marshall E. Ford, Garden Writer.

Miss Jean Foster, Garden Writer.

Mrs. Earl H. Hath, Executive Secretary, National Council of State Garden Clubs, Inc.

Mr. W. Ray Hastings, Executive Secretary, All-America Selections.

Mr. Paul E. Jones, Garden Writer, Spokane Daily Chronicle.

Mr. Robert F. Lederer, Executive Vice President, The American Association of Nurserymen.

Mr. Alfred B. La Gasse, Executive Director, National Recreation & Park Association.

Mr. C. H. Lewis, President, American Rose Society.

Mr. Richard L. Nowadnick, Secretary and Treasurer, Northwest Bulb Growers Association.

Miss Mary O'Brien, Editor, Beautiful Gardening & Living Outdoors magazine.

Mr. C. Dan Pennell, Secretray, American Peony Society.

Mr. Ted Sabelis, Chairman, Washington State Bulb Commission.

Mr. Robert W. Schery, Director, Lawn Institute.

Mrs. Raymond T. Schmelzele, Town & Country Garden Club.

Miss Rachel Snyder, Editor in Chief, Flower & Garden magazine.

Mr. George Spader, Executive Secretary, Men's Garden Clubs of America.

Mr. C. Powers Taylor, President, Landscape Nursery Council.

Mr. Felix R. Tyroler, President, National Tulip Society.

Dr. Cynthia Westcott, "The Plant Doctor."

Dr. Thomas W. Whitaker, Executive Secretary, American Plant Life Society.

Dr. Richard P. White, Director, Horticulture Research Institute, Inc.

Dr. Donald Wyman, The Arnold Arboretum of Harvard University.

PRINTING OF REVIEW OF REPORT ON MIDDLE RIVER CANAL (CANAL 13), FLA. (S. DOC. NO. 95)

Mr. RANDOLPH. Mr. President, I present a letter from the Secretary of the Army, transmitting an unfavorable report dated June 2, 1965, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of the report on Middle River Canal (canal 13), Fla., requested by a resolution of the Committee on Public Works, U.S. Senate. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF PROTECTION OF FAIR LABOR STANDARDS ACT OF 1938—AMENDMENT

AMENDMENT NO. 606

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (H.R. 13712) to amend the Fair Labor Standards Act of 1938 to extend its protection to additional employees, to raise the minimum wage, and for other purposes, which was referred to the Committee on Labor and Public Welfare and ordered to be printed.

PROTECTION AND CONSERVATION OF NORTH PACIFIC FUR SEALS—AMENDMENTS

AMENDMENTS NOS. 607 AND 608

Mr. BARTLETT submitted two amendments, intended to be proposed by him, to the bill (S. 2102) to protect and conserve the North Pacific fur seals, and to administer the Pribilof Islands for the conservation of fur seals and other wildlife, and for other purposes, which were ordered to lie on the table and to be printed.

ADDITIONAL COSPONSORS OF BILLS

Mr. PELL. Mr. President, I ask unanimous consent that the names of Senators Javits, Kennedy of Massachusetts, Morse, Murphy, and Nelson be added as cosponsors of the bill (S. 2439) to amend the National Science Foundation Act of 1950, as amended, so as to authorize the establishment and operation of sea grant colleges and programs by initiating and supporting programs of education, training, and research in the marine sciences and a program of advisory services relating to activities in the marine sciences, to facilitate the use of the submerged lands of the Outer Continental Shelf by participants carrying out these programs, and for other purposes, at its next printing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, I ask unanimous consent that at the next printing of S. 3303, a bill to increase the benefits provided under the recently enacted cold war GI bill, the name of the senior Senator from Connecticut [Mr. Dodd] be added as a cosponsor.

I also ask unanimous consent that Mr. Dodd's name be added as a cosponsor of S. 3436, a bill to amend title 19 of the Social Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF JAMES BRAXTON CRAVEN, JR., OF NORTH CAROLINA, TO BE U.S. CIRCUIT JUDGE, FOURTH CIRCUIT

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, June 29, 1966, at 10:30 a.m., in room 2300, New Senate Office Building, on the nomination of James Braxton Craven, Jr., of North Carolina, to be U.S. circuit judge, fourth circuit, to fill a new position created by Public Law 89-372, approved March 18, 1966.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from North Carolina [Mr. Ervin], chairman; the Senator from Arkansas [Mr. McClellan], and the Senator from Nebraska [Mr. Hruska].

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that, pursuant to the provisions of House Resolution 870, 89th Congress, the Speaker had appointed Mr. POWELL, of New York, and Mr. AYRES, of Ohio, as delegates to attend the International Labor Organization Conference in Geneva, Switzerland, between June 1, 1966, and June 23, 1966, and Mr. THOMPSON of New Jersey and Mr. MARTIN of Nebraska as alternates to attend said Conference.

The message announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H.R. 6515. An act to supplement the Act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes;

H.R. 7042. An act to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act; and

H.R. 7402. An act to provide for the establishment of the Chamizal Treaty National Memorial in the city of El Paso, Tex., and for other purposes.

PARITY PRICES FOR AGRICULTURAL COMMODITIES

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1241, Senate Concurrent Resolution 88, which I believe is not objected to.

The **PRESIDING OFFICER.** The concurrent resolution will be stated by title.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 88) relative to parity prices for agricultural commodities.

Mr. WILLIAMS of Delaware. Mr. President, may we have an explanation of this matter?

Mr. McGOVERN. Mr. President, earlier this year there were a series of statements and some actions by various officials of the executive branch which were directed at either freezing or rolling back farm prices in the name of anti-inflation efforts. A number of Members of Congress took exception to those efforts, pointing out that farm prices were well below 100 percent of parity, and that they ran counter to provisions in existing agricultural law to foster conditions which would assure full parity prices for farm commodities. Congress made it clear in basic farm legislation that the goal of those programs is full parity for our farm producers.

On April 27, I introduced a concurrent resolution which has since been cosponsored by some 42 Senators, making it perfectly clear that Congress continues to hold the goal of parity for our agricultural producers and that all agencies of the Government, as well as the Secretary of Agriculture, should refrain from any steps designed to freeze or roll back farm prices that are below the full parity level.

I am very pleased that the Committee on Agriculture and Forestry took unanimous action approving the proposal. I particularly want to thank the Senator from Florida [Mr. HOLLAND], whose subcommittee handled this resolution in the first instance, and the Senator from Louisiana [Mr. ELLENDER], the chairman of the full committee, for handling this matter expeditiously so it is now on the floor with the unanimous support of the Committee on Agriculture and Forestry.

This measure has very broad bipartisan support. A number of Senators on the minority side of the aisle served as cosponsors and helped to bring the measure to passage.

I hope that the full import of this action will be understood in the executive branch of the Government, and that we can once again get back on the track of improving agricultural income.

My views in regard to agricultural prices are well expressed in the committee report, which points out that agricultural prices today are actually lower than they were 20 years ago. They are not a cause of inflation, but have absorbed increases in cost of living in other segments of the economy.

Farmers were receiving 11 percent of disposable personal income for food products in 1947. Today they get only 5.3 percent, so their return is down in both dollars and cents, and in share of the take-home pay of citizens.

It is not correct in either dollar terms, or in relation to relative costs, to say that farm prices leave any responsibility for inflation.

Basic farm law, in its references to attaining parity, refers to the Secretary of Agriculture because he is the executive official who will administer the programs. The resolution before us underlines Congress' intention that this goal be Government-wide and binding on all agencies because the Departments of Commerce, Defense, Council of Economic Advisers, and the Tariff Commission have been involved in recent moves to freeze or roll back farm prices.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. COOPER. I wish to commend the Senator from South Dakota for the resolution he introduced. I was very happy to join as a cosponsor of the resolution, and to support it in the Committee on Agriculture.

Many of us have been concerned by certain steps taken by the administration such as the selling of feed grains from Government stockpiles in a way which had a tendency, certainly, to depress prices; the importation of dairy products and dairy substitutes; use of the old Export Control Act, a wartime measure, to limit the export market for hides; changes in defense purchasing policies, and other steps using the power of Government to intervene so as to drive down farm prices. It was these actions, evidently part of an organized effort, which I believe led the Senator to introduce, and all of us to support, this resolution.

I know that there are difficult international problems which the administration must face and contend with, but we do not wish to see the farmer, whose prices are still far below parity, to be the only one affected in this effort.

I hope the administrative agencies will harken to the action of the Senate today, as expressed in the resolution.

I join with the Senator and others in endorsing and supporting the resolution.

Mr. McGOVERN. One of the things that disturbed a good many farmers was the implication that retail food prices are a good reflection of what the farmer receives. At times there is an increase in the retail price of food, without any commensurate increase in the farmer's return. This is dealt with in the report on the resolution. This was one of the objectionable aspects about the export limitation on American hides. It gave the impression that the cattle producers, the hide producers, were receiving too much money for their part of the end product, in this case shoes.

That order was put in effect on the basis that it would help hold down the price of shoes. We know that the order on the export of hides was no sooner in effect than there was announced an increase in shoe prices. Farmers were penalized at least 25 cents per hundred pounds on cattle but consumer prices went up anyway.

It is my hope, Mr. President, that, although the hide export order was modified, it will be rescinded altogether. I am seeking hearings on my bill, S. 3175, to amend the Export Control Act, at which I believe it can be demonstrated that export order violates the clear intent of the law, and corrective action can be taken.

I ask unanimous consent, Mr. President, that the text of Senate Concurrent Resolution 88 appear in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 88

Whereas the Congress of the United States has frequently declared parity prices and parity of income for farmers a national objective, and

Whereas such congressional directives are a matter of law, as in section 2 of the Agricultural Marketing Agreement Act of 1937 as amended by section 302 of the Agricultural Act of 1948, which directs that the powers conferred in the Act shall be exercised by the Secretary of Agriculture "to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined in section 301(a)(1) of the Agricultural Adjustment Act of 1938," and

Whereas agricultural prices March 15, 1966, were at 82 per centum of parity, and

Whereas the Department of Commerce, the Department of Defense, the Tariff Commission, the Council of Economic Advisers, and other nonagricultural agencies of the Government are involved in actions intended to freeze or roll back agricultural prices which are below parity: Now, therefore, be it

Resolved, That it is the sense of Congress that the provision of the Agricultural Act of 1948 shall be construed, as Congress intended, as applicable to all agencies of Government, as well as to the Secretary of Agriculture, and that no action be taken by any agency of Government for the purpose of preventing, or the likely result of which will be to prevent, the price of an agricultural commodity selling below parity from rising to parity.

Mr. DIRKSEN. Mr. President, similar resolutions were introduced on both sides of the aisle, one by the Senator from Iowa [Mr. MILLER], and the pending resolution by the Senator from South Dakota [Mr. McGovern].

There is but a single paragraph in the resolution, and I will read only the resolving clause, because that explains it entirely:

> *Resolved,* That it is the sense of Congress that the provision of the Agricultural Act of 1948 shall be construed, as Congress intended, as applicable to all agencies of Government, as well as to the Secretary of Agriculture, and that no action be taken by any agency of Government for the purpose of preventing, or the likely result of which will be to prevent, the price of an agricultural commodity selling below parity from rising to parity.

This resolution is in the nature of an admonition to every agency in the Government to the effect that they should take no action and should undertake no statements in public that are designed to keep the prices of farm commodities from moving to parity. We call particular attention to statements made recently by the Secretary of Agriculture, expressing his pleasure that farm prices had dropped. We call attention to the Defense Department, which indicated it would not buy certain kinds of meat, in the hope that the price would fall.

The fact of the matter is, Mr. President, that the parity price for farm commodities is presently not 100 percent of parity, but only 78 percent of parity, and it does not become any official of the Federal Government or any agency of Government to take that kind of action, which is designed to be harmful to the interests of the farmers of the country.

That is the only significance. That intention was written into the original act long ago, but it has been ignored, violated, and cast aside; and I think it is about time they were paying attention to the intent of Congress when it made that recital in the act of 1948.

Mr. WILLIAMS of Delaware. I thank the Senators for their explanations, and I heartily join them in support of this resolution.

Mr. MUNDT. Mr. President, this is the first time in my memory that the farm policies and programs of an administration have been so manifestly discriminatory against the best interests of American farmers and ranchers that Congress has felt called upon to pass special legislation admonishing the executive branch to discontinue its policies designed to force down the prices received by American farmers.

Senate Concurrent Resolution 88 was cosponsored by 43 Senators, including many from both political parties. This is in itself an indication of the resentment shared by many in Congress against the various cutbacks advocated by the Johnson-Freeman farm policymakers which are crippling our farm economy and providing a severe setback for all of rural America.

These include not only sharp reductions in funds for such programs as soil conservation, school milk and school lunch activities, REA and RTA developments, cooperative-State research, the Extension Service, and agricultural research, but also import-export policies designed to lower costs of foods and fabrics in our great metropolitan cities by reducing economic income for our farmers and ranchers. This even included a written recommendation by Secretary Freeman that the Defense Department reduce its purchases of American pork and several other products to help keep domestic food prices in line.

It is hoped that prompt passage today of Senate Concurrent Resolution 88 reported from the Senate Committee on Agriculture unanimously only this week will help reduce the damage to the economy of rural America which has been sharply aggravated by the war-on-agriculture policies and recommendations of the Johnson-Freeman farm administration.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1276), explaining the purposes of the concurrent resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

This resolution makes clear that Congress intends that its directive to the Secretary of Agriculture in section 2 of the Agricultural Marketing Agreement Act of 1937 as amended in 1948, "to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices * * *" should be observed by all executive agencies of the Federal Government.

The committee amendments are technical and perfecting.

THE FARM INCOME SITUATION

Net farm income in 1965 totaled $14.1 billion, about $1.2 billion above 1964. All evidence points to a further increase in farm income in 1966.

The committee is pleased with this uptrend and believes that it should be encouraged in every way possible to continue for farm prices remain substantially below parity and per capita farm income remains inequitably low. In April, farm prices were 80 percent of parity. On May 15 they had dropped to 79 percent of parity. The latest available data show that per capita farm income is only about 55 percent of the per capita income of the nonfarm population.

RECENT REGRESSIVE ACTIONS IN REGARD TO FARM PRICES

In spite of the below-parity position of both the farm price ratio and of farm income, actions were recently taken by various executive agencies of the Government intended to freeze or roll back certain farm prices to stem an inflation threat.

These steps were summarized by the Chairman of the Council of Economic Advisers in an address on April 27, 1966, when he said:

"* * * Fortunately, we have been able to moderate the rise of some farm prices by releasing stocks acquired earlier to stabilize farm prices against decline, and by permitting or encouraging greater production of some farm products. We have shifted purchase programs from items in tight supply to those where supplies are more abundant. * * * Some important restrictions have been eased where prices were rising at home and goods were available abroad. In the reverse case—where abnormally high prices abroad were draining supplies out of our markets—export controls may be used, as recently they were for hides."

FARM FOOD PRICES ARE DOWN

Any belief that improved farm prices are inflationary is illusory. Such statements have been based on the retail price of food, not the farm value of those foods. They have been based on short-term fluctuations, generally year-to-year but often month-to-month, when the longer term trend has been in the opposite direction.

The fact is that over two decades a decline in the farm cost of food has absorbed, in the overall cost of living and economic indexes, substantial increases in other prices and charges.

Farm prices today are substantially lower than 20 years ago.

The Economic Research Service of the Department of Agriculture reported that farmers received $409 in 1965 for the commodities in the food market basket which is used to measure consumer costs and price spreads. This was an increase of $35 over 1964. Over a longer term, however, this was a substantial decline. During the 1947–49 period (starting two decades ago) the farm value of market basket foods averaged $468 with a high of $498 in 1948.

The farm return for the market basket of foods is thus $59 below the 1947–49 average and $89 below the high in 1948—a 15- to 20-percent decline and a substantial contribution to lower living costs over a period of two decades, not matched in any other sizable segment of the Nation's economy.

This decline in farm returns, and more, has disappeared in higher marketing, transportation, and processing charges. The retail cost of the market basket foods increased $87 during the 1947–49 to 1965 period because the charges after the commodities left the farmers' hands went up from $487 to $633, or $146. As a consequence of lower farm prices and these higher marketing charges, the farmers' share of the consumer food dollar dropped from 49 cents down to only 39 cents in 1965.

This shift in the composition of retail food cost is illustrated in another way:

According to the Economic Research Service, the farm value of foods bought by consumers in 1947 was $18.7 billion and the farm-to-retail marketing charges totaled $20.7 billion.

In 1965 the farm value of food bought by the 36 percent larger number of consumers had increased $5.7 billion or about 30 percent over 1947 to $24.5 billion (actually a decline on a per capita basis). But marketing charges had increased considerably more than 100 percent, by $27.5 billion, to a total of $48.2 billion.

FOOD COSTS AS A SHARE OF DISPOSABLE INCOME

Food is still a bargain, despite higher marketing and processing costs which are at least partly due to higher levels of food preparation.

Expenditures for food have declined steadily as a percentage of disposable income from 25.7 percent of that disposable income in 1947 to only 18.2 percent in 1965.

The decline in the farmer's share of that disposable income is even more striking.

About 13 percent of our food is imported—mostly items like coffee and sugar not produced, or not produced in sufficient quantity in the United States. Total expenditures for food from disposable income (the 18.2 percent mentioned just above) include the cost of these imported foods and the marketing charges on domestically produced food.

When the imported food costs and domestic marketing charges are removed, it is revealed that U.S. farmers are receiving a surprisingly small share of disposable personal income for producing most of our abundance of food.

In 1947, when the retail cost of all food to consumers was 25.7 percent of disposable personal income, the farm value represented 11 percent. By 1965 the farm value of the food purchased by Americans had dropped to

5.3 percent of disposal personal income as shown below:

Farm value of food purchased by Americans as a percentage of disposable personal income

	Percent
1947	11.0
1948	10.2
1957	6.3
1963	5.3
1964	5.2
1965	5.3

During the calendar year 1965 farm prices averaged 77 percent of parity. Had they averaged 100 percent of parity the farm value of the food purchased by consumers would have equaled only about 6.8 percent of disposable personal income.

With the increase in disposable personal income now in prospect for 1966, if farm prices increased to full parity, consumers would be required to pay only about 6.5 percent of their income for farm-produced foods, less than in any year since 1956.

HIGHER QUALITY FOODS

There is a further little appreciated factor involved in the food cost situation: Not only has the cost of farm-produced food dropped sharply as a percentage of consumers' disposable income in the past 20 years, the quality of nutrient value of the foods has increased markedly.

Low-cost potatoes and cereals are now a smaller part of the diet and animal products are a substantially larger part than 20 years ago. In 1964 and 1965 consumers purchased 213 and 207 pounds of meats and poultry per capita, over 20 percent more than in 1947–49.

Increased market supplies of beef in the first half of 1966 with increased supplies of poultry and pork in the latter half of the year will probably permit a modest further increase in 1966 in meats high in proteins and other dietary elements essential to good health.

THE EQUITY OF THE PARITY GOAL

The equity and relevance of the parity goal for farm prices and farm income, repeatedly stated in our agricultural laws, is to be examined carefully later this year, following a Department of Agriculture report required by the Agricultural Act of 1965, on progress toward parity.

There may be disagreement at that time over the precise applicability of the parity price formula, or various parity of income formula for farmers. Some farm spokesmen contend that revisions of the parity formula since its adoption have depressed the level unfairly. There may be argument that technical progress in agriculture has outdated the formula.

The irrefutable facts are that food is a bargain; that its real cost has not gone up with other costs in the economy; that farm debt is at record levels and rising; that farm liquidations continue at an 80,000 to 90,000 annual rate; that agriculture has not shared fully in our prosperity; that improved farm prices and income are both needed and merited by family farmers, and that the very small amount of disposable income required to achieve parity farm prices, which could be easily absorbed now, would, by assuring a healthy and productive farm food plant, prove a bulwark of economic stability in years just ahead when population pressure on food capacity is increasing. A far greater threat would be shortages of food items which might result from liquidations of productive capacity such as the decline in dairy herds and production going on at the present time due to low returns to the farmers.

Under the circumstances, there can be no reason for any agency of Government to avoid the provisions of law which, like section 2 of the Agricultural Adjustment Act of 1938, as amended, declares Government policy to be one of "assisting farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income, and assisting consumers to obtain an adequate supply of such commodities at fair prices." It is a passage of enacted law, among others, which clearly reflects congressional determination—approved by the executive branch in the lawmaking process—that parity prices for farmers are desirable and are fair to consumers as well as the producers.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Agriculture and Forestry with amendments on page 2, line 1, after the word "That", to insert "it is the sense of Congress that", and in line 6, after the word "preventing", to insert "or the likely result of which will be to prevent,"; so as to make the concurrent resolution read:

Resolved, That it is the sense of Congress that the provision of the Agricultural Act of 1948 shall be construed, as Congress intended, as applicable to all agencies of Government, as well as to the Secretary of Agriculture, and that no action be taken by any agency of Government for the purpose of preventing, or the likely result of which will be to prevent, the price of an agricultural commodity selling below parity from rising to parity.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The **PRESIDING OFFICER**. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution, as amended was agreed to.

The preamble was agreed to.

Mr. **PEARSON** subsequently said: Mr. President, I should like to join my colleagues in expressing gratitude and appreciation for the passage of Senate Concurrent Resolution 88 which calls upon not only the Secretary of Agriculture but also all agencies of the Government to take no action in holding prices on agricultural commodities below parity or to recommend a rise in parity directed at the inflationary spiral we have experienced recently. The approximately one-half of 1 percent per month, or 6 percent per year, has been not only in the field of food and fiber, but the inflationary spiral has been all across the board.

Actions of the administration and its agencies through the power to tax, to set interest rates, to dump commodities of CCC stocks, or to set export or import impositions—such as the distinguished Senator from South Dakota mentioned in the case of hides—all of these have been selective actions in areas where the Government had the power to act and to create great inequities. This means that some Americans have been called upon to make sacrifices which other Americans have not been called upon to make in the attempt to hold down inflationary pressures.

I believe that this resolution—and the purpose and intent of Congress—is one that is fair and one that will achieve the purposes sought.

AUTHORIZATION FOR DEFENSE DEPARTMENT TO LEND EQUIPMENT TO THE 12TH BOY SCOUTS JAMBOREE AND THE 21ST BOY SCOUTS WORLD CONFERENCE

Mr. **BREWSTER**. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1242, H.R. 12270.

The **PRESIDING OFFICER**. The bill will be stated by title for the information of the Senate.

The **LEGISLATIVE CLERK**. A bill (H.R. 12270) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the 12th Boy Scouts World Jamboree and 21st Boy Scouts World Conference to be held in the United States of America in 1967, and for other purposes.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment on page 2, after line 21, to strike out:

SEC. 2. (a) The Secretary of Defense is hereby authorized, under such regulations as he may prescribe, to provide, without expense to the United States Government, transportation from the United States military commands overseas, and return, on surface and other transportation facilities of the armed services for (1) those Boy Scouts, Scouters, and officials certified by the National Council, Boy Scouts of America, as representing the National Council, Boy Scouts of America, at the jamboree referred to in the first section of this Act; (2) those Boy Scouts and leaders of other nations whose associations are certified by the Boy Scouts of America as being official representatives to the world jamboree and world conference; and (3) the equipment and property of such Boy Scouts, Scouters, and officials and the property loaned to the National Council, Boy Scouts of America, by the Secretary of Defense pursuant to this Act; to the extent that such transportation will not interfere with the requirements of military operations.

And, in lieu thereof, to insert:

SEC. 2. (a) Under regulations prescribed by the Secretary of Defense and to the extent that furnishing such transportation will not interfere with military operations, the Secretary of Defense is authorized to provide transportation without expense to the United States Government from United States military commands overseas, and return, on surface and other transportation facilities of the armed services for (1) those Boy Scouts, Scouters, and officials certified by the National Council, Boy Scouts of America, as representing the National Council, Boy Scouts of America, at the jamboree referred to in the first section of this Act; and (2) the equipment and property of such Boy Scouts, Scouters, and officials and the property loaned to the National Council, Boy Scouts of America, by the Secretary of Defense pursuant to this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1277), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

This bill would authorize the Secretary of Defense to lend Army, Navy, and Air Force equipment and to provide transportation and other services in support of the 12th World Jamboree of Boys Scouts to be held at Farragut State Park, Idaho, in July of 1967, and the 21st World Conference of Boy Scouts to be held in Seattle, Wash., in August of 1967.

EXPLANATION

The 12th World Jamboree of Boy Scouts that is scheduled to be conducted at Farragut Park, Idaho, in July of next year is the first jamboree to be held in the United States. Nearly 100 nations of the free world will participate and about 25,000 scouts and officials are expected to attend.

The World Conference of Scout Associations that will follow the jamboree in Seattle, Wash., on August 1–9, 1967, will be attended by about 500 scouts.

The Government traditionally has supported scout conferences and jamborees by lending certain equipment and by providing certain services. The types of equipment authorized to be loaned include tents, cots, blankets, commissary equipment, flags, refrigerators, and similar items. The services authorized to be provided included communications, medical, engineering, and protective services.

If the furnishing of transportation will not interfere with military operations, the Secretary of Defense would be authorized to provide transportation from U.S. military commands overseas and return on aircraft or vessels of the armed services for those Boy Scouts, Scouters, and officials certified as representing the National Council of the Boy Scouts of America at the jamboree and the equipment and the property of these persons. The committee has limited the authorization for transportation to Boy Scouts and Scout representatives of the United States. The transportation authorized under these circumstances would be without expense to the U.S. Government.

The bill waives the collection of fees for visas for those Scouts and representatives officially certified as representing other nations at the jamboree and world conference.

The National Council of the Boy Scouts of America will be required to give bond for the safe return in good order of the property loaned and for the actual cost of transportation furnished.

FEDERAL LAND BANK SYSTEM 50TH ANNIVERSARY

Mr. BREWSTER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1244, Senate Joint Resolution 153.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The Legislative Clerk. A joint resolution (S.J. Res. 153) to provide for the striking of medals in commemoration of the 50th anniversary of the Federal land bank system in the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. Res. 153

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in commemoration of the fiftieth anniversary of the establishment of the Federal land bank system (which anniversary will be celebrated in 1967), the Secretary of the Treasury is authorized and directed to strike and furnish to the Federal land bank system not more than two thousand commemorative medals with suitable emblems, devices, and inscriptions to be determined by the Federal land bank system subject to the approval of the Secretary of the Treasury. The medals shall be made and delivered at such times as may be required by the Federal land bank system in quantities of not less than two thousand, but no medal shall be made after December 31, 1967. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes.

Sec. 2. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such costs.

Sec. 3. The medals authorized to be issued pursuant to this Act shall be of such size or sizes and of such metals as shall be determined by the Secretary of the Treasury in consultation with the Federal land bank system.

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1278), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

GENERAL STATEMENT

Senate Joint Resolution 153 was introduced by Senator Robertson on April 5, 1966. The bill would provide for the striking of not more than 2,000 medals to commemorate the 50th anniversary of the Federal land bank system in the United States.

This joint resolution would authorize and direct the Secretary of the Treasury to strike and furnish these medals to the Federal land bank system. The medals would bear suitable emblems, devices, and inscriptions to be determined by the Federal land bank system subject to the approval of the Secretary of the Treasury. No medal shall be struck after December 31, 1967, and the medals would be national medals within the meaning of section 3551 of the Revised Statutes.

The medals would be struck at no cost to the United States since the bill requires that security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such costs.

The bill provides that the medals shall be of such size and of such metals as shall be determined by the Secretary of the Treasury in consultation with the Federal land bank system.

WHY THE NECESSITY FOR MORE WORLD BANK BONDS?

Mr. SYMINGTON. Mr. President, there is much discussion of the military and diplomatic problems current in the world today, with relatively little discussion of the equally important economic problems.

It was my understanding that, in the interest of our now dangerous balance-of-payments position, the International Bank for Reconstruction and Development—World Bank—was not going to offer more of its bonds in the New York market. But I now read in the press that 175 million more public offerings of World Bank 25-year bonds will be offered next June 28 or 29.

The article says the World Bank has agreed to initially invest the proceeds in U.S. Government agency obligations and U.S. bank deposits in order to eliminate any immediate effect on our continuing unfavorable balance of payments.

One has a right to ask, What is the definition of "initially," and what is the definition of "immediate"; and if the money is not to be used to lend to other countries, why are the bonds floated at all—and especially at a time when domestic demands on our capital market are unusually heavy and pushing interest rates ever higher?

In this connection, I note that only yesterday the largest bank in the United States increased its discount rate on personal loans by one-half percent, which actually is nearly 1 percent annually.

Who could benefit from the sale of these bonds except the bankers who receive their commissions?

Yesterday I received a letter from one of the most respected bankers of my State. It read in part:

> We simply can not continue the course we are following at this time. Money, in my 30 years of banking has never been tighter. Some of our large banks are loaned up to 65% and buying Federal Funds to keep sufficient cash reserves. All banks in this area moved up to 5% on time deposits, then immediately increased minimum loan interest rates up to 7%. This may have a general effect of slowing loans, but at this point no indication. Many of our customers are cashing savings bonds and going to bank time deposits of 5% or 5½% at Savings and Loan Associations. This is going to force much higher bond rates and thus the cost of higher government debt financing.

With respect to that last point, higher cost of Government debt financing, whereas the national debt has increased but moderately in recent years, the cost to the taxpayer for servicing that debt has just about doubled.

Pertinent to the above is another press headline of the same day:

> Secretary of Treasury Fowler Accepts $330 Billion Debt Ceiling, Assuring Quick Passage of Bill To Lift Limit.

With money so tight, all over the United States, it is difficult to understand the wisdom of this planned further borrowing from the American money market so as to increase our outlays abroad.

Many people will not be pleased with the fact the loans ultimately resulting from the sale of these bonds will be exempted from many of the restraints on foreign investments currently laid down by our Government to American corporations.

With things as they are, if the money from these bonds is not to be used, why should they be sold at this time? If the funds are to be placed in U.S. Government securities, why could not the original investors—insurance companies, and so forth—invest direct, without having to pay commission to underwriters.

As I have presented many times on the floor of the Senate over the past 4 years, if we do not really face up to this growing balance-of-payments problem, a reckoning is inevitable; and time is getting shorter.

If we continue with this mounting unfavorable balance of payments, how long before the other countries that have made themselves eligible for participation in the International Monetary Fund become skeptical about holding dollars instead of gold?

EASTERN MILK PRODUCERS COOPERATIVE ASSOCIATION SHOWS HOW SCHOOL MILK CUT WOULD HURT DAIRY FARMER

Mr. PROXMIRE. Mr. President, on May 12, John C. York, executive secretary of the Eastern Milk Producers Cooperative Association, testified before a subcommittee of the Senate Agriculture Committee in support of my bill to make the school milk program permanent and increase Federal funding for the program.

Part of what he said has particular relevance in view of the fact that low dairy income has driven so many dairy farmers into other occupations that milk production reached a 26-year low last month.

Mr. York indicated that the producers in his area would suffer substantial losses if the administration succeeded in cutting the program by 80 percent. He pointed out that there could be losses of approximately $4 million to producers supplying milk under the Massachusetts-Rhode Island Order No. 1, $9 million under the New York-New Jersey Order No. 2, and $2 million under the Delaware Valley Order No. 4.

At a time when the milk shortage is growing steadily worse, it seems to me to be very unwise to slash dairy income by virtually destroying the school milk program. I am hopeful that my bill extending the program will be passed by Congress in the near future for the health both of the dairy industry and the Nation's schoolchildren.

I ask unanimous consent to insert Mr. York's statement in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN C. YORK, EXECUTIVE SECRETARY, EASTERN MILK PRODUCERS COOPERATIVE ASSOCIATION, SYRACUSE, N.Y.

My name is John C. York, I am the Executive Secretary of Eastern Milk Producers Cooperative Association, Inc., whose offices are located in Syracuse, New York. The mailing address is Kinne Road, Syracuse, New York, 13214.

Our Association is a milk producers bargaining cooperative with a total membership of 10,000 dairymen, whose farms are situated throughout the northeast. The milk of our member-farmers is sold in numerous areas of that section of the country, and particularly in the New York-New Jersey market. We have a vital interest in the continued operation of the children's milk program, and we strongly support the enactment of S. 2921.

The President's budget, which is now pending in the Congress, proposes a reduction of new obligational authority for the milk program from a level of $103 million this fiscal year to $21 million for fiscal year 1967. This budgetary cut in the school milk program could result in losses to producers of approximately $4 million in supplying milk under the Massachusetts-Rhode Island Order No. 1; a loss of $9 million to producers supplying milk under the New York-New Jersey Order No. 2; and $2 million to producers supplying milk under the Delaware Valley Order No. 4. Dairymen cannot experience any further cost price squeeze. The present unfavorable prices to dairymen are forcing substantial reductions in milk production and wide spread auctions of dairy farms.

While we recognize that S. 2921 is not an appropriation bill, yet its introduction has been occasioned by the proposed budgetary action. By the same token, the enactment of S. 2921 would, once and for all, settle the question of the level of appropriations for the children's milk program. S. 2921 would authorize an appropriation of not less than $110 million for fiscal 1967, not less than $115 million for fiscal 1968, and $120 million for each succeeding fiscal year thereafter.

This Committee is of course fully aware of the proposed budgetary action, and of the storm of protest and anguish which the proposed cut has engendered not only among dairy farmers, but even more so among school officials, schoolchildren, and citizens from every walk of life. The pages of the CONGRESSIONAL RECORD echo the voices which have been raised in every corner of the land.

Milk producers supplying the New York City area have had a quarter of a century of experience with the Federally-sponsored children's milk program. A program of this type was first introduced in New York City in 1940 and was known as the "School Milk Program", and more popularly, as the "Penny Milk Program". Children in schools paid one cent for a half-pint of milk. The Federal payment which made this possible, came from funds appropriated by Section 32.

From New York City the program spread to other sections of the country but it was suspended during the period of World War II.

The Children's Milk Program now in operation was authorized by the Agricultural Act of 1954. Through this enactment, the Congress gave permanence to the plan. To distinguish this program from the earlier 1940 program, the Department of Agriculture gave it the name of "Special Milk Program".

The importance which the Congress placed on Federal assistance to increasing the consumption of milk by children of school age is indicated in its declaration of policy in the Agricultural Act of 1954. The Congress stated: "The production and use of abundant supplies of high quality milk and dairy products are essential to the health and general welfare of the Nation".

The Agricultural Act of 1954 provided that the children's milk program be financed from funds of the Commodity Credit Corporation. This was changed by the Agricultural Act of 1961, which provided that the program be financed by regular appropriations, and authorized the appropriation of "such sums as may be necessary to enable the Secretary of Agriculture . . . to encourage consumption of fluid milk by children in the United States."

Aside from this historical background, there are a few facts which we feel need reemphasizing for the record:

(1) For the calendar year 1965, the estimated distribution of milk under the Special School Milk Program was 3,093 million half-pints. This is equivalent to 1.66 billion pounds of milk.

(2) The total consumption of fluid milk in the United States for 1965 is estimated at 60 billion pounds.

(3) On that basis, the school milk distribution represents 2.8 percent of the total.

(4) The average U.S. price for January 1966 for milk for fluid consumption is estimated at $5.57 per hundredweight. The average price of milk for manufacturing grades was $3.58 per hundredweight. The difference was $1.99. This difference of $1.99 represents the loss to dairy farmers when milk is shifted from fluid consumption to manufacturing uses.

(5) Unless the milk program is continued on the existing basis, the loss in income to dairy farmers would amount to approximately $26 million.

(6) None of the computations above make any allowance for the possibility that some school children, when denied milk at Government subsidized prices, would drink milk bought at regular prices.

(7) About 37 million children are enrolled in schools and institutions where the special milk program is in operation.

In spite of all the talk about a shortage of dairy products this year, the fact is that the contrary is true, and that before the year is out, there will be a surplus of dairy products. The United States Department of Agriculture will then find it necessary to enter the market and buy up the surplus consisting of Cheddar cheese, butter and skim milk powder—under the price-support program.

Purchases of dairy products by the Department of Agriculture during 1965 under the support program, amounted to, on a milk fat basis, 5.6 percent of total production, and, on a solids-not-fat basis, 10.6 percent.

Total milk production in the United States this year is expected to be only 2 percent below 1965. Accordingly, the surplus which the Department of Agriculture will have to buy under the price support program will still be around 3 percent of production, on a milk fat basis, and 9 percent on a solids-not-fat basis.

The conclusion to be drawn from this is that any reduction in the consumption of fluid milk by school children will lead eventually to higher purchases of manufactured dairy products, at a cost of about $4.50 per hundredweight of milk equivalent. Accordingly, the government may gain very little by cutting back on the children's milk program.

For the dairy industry, however, the reduction in the scale of operation of the children's milk program will prove to be an unsettling factor in the fluid markets. The Department of Agriculture itself has in the past given voice to this factor. In a publication issued in June, 1965, entitled "Milk and Milk Products in the Nation's Schools", the writers said: "The marketing of increasing quantities of milk through schools has contributed to stabilization of the fluid milk market during the past decade . . . The fluid whole milk consumed during 1962 in all schools, public and private, at noon or other times, was valued at $312 million".

As a final word, we call the Committee's attention to the following statement made by Secretary of Agriculture Freeman on June 1, 1965, on the occasion of the beginning of the month of June as Dairy Month: "The Special Milk Program is another instance of expanding a market for milk by pricing it within the range of most children. Over 3 billion half-pints of milk will have been served under this program by the close of the current school year * * * yet, good as the school records are, they are not good enough."

Yes, they were not and are not good enough. That is why we favor the enactment of S. 2921, and urge that this Committee report the bill out favorably.

I should like to thank you, Mr. Chairman, for permitting me to come here and express our views.

AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2950) to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes, which were, to strike out all after the enacting clause and insert:

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1967 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $612,400,000; for the Navy and the Marine Corps, $1,442,200,000, of which amount $20,000,000 is authorized only for additional aircraft and electronic equipment to be used for expanded airborne television transmission capabilities; for the Air Force, $4,067,500,000, of which amount $55,000,000 is authorized only for procurement of, or for maintaining a production capability for, the F-12 aircraft, and $51,200,000 is authorized only for the procurement of CX-2 aircraft.

Missiles

For missiles: for the Army, $510,000,000, of which amount $153,500,000 is authorized only for preproduction activities for the Nike-X antiballistic missile system; for the Navy, $367,700,000; for the Marine Corps, $17,700,000; for the Air Force, $1,189,500,000.

Naval vessels

For naval vessels: for the Navy, $1,879,100,000, of which amount $127,800,000 is authorized only for the construction of a nuclear powered guided missile frigate, and there is hereby authorized to be appropriated during fiscal year 1967 $130,500,000 only for the construction of the nuclear power guided missile frigate for which funds were authorized under Public Law 89-37. Notwithstanding the provisions of any other law, the Secretary of Defense and the Secretary of the Navy shall proceed with the design, engineering, and construction of the two nuclear powered guided missile frigates as soon as practicable.

Tracked combat vehicles

For tracked combat vehicles: for the Army, $359,200,000; for the Marine Corps, $3,700,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1967 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,581,700,000, of which amount $431,400,000 is authorized only for continued research, development, test, and evaluation, and research, development, and tests related to preproduction activities on the Nike X antiballistic missile system;

For the Navy (including the Marine Corps), $1,891,300,000, of which amount $26,600,000 is authorized only for the research, development, test and evaluation of the medium-range guided missile Condor and $8,600,000 is authorized only for research, development, test and evaluation related to the deep submergence program, giving due regard in all such research programs to benefits which may accrue therefrom to the American merchant marine;

For the Air Force, $3,221,500,000, of which amount $22,800,000 is authorized only for research and development related to the advanced manned strategic aircraft and $230,000,000 is authorized only for research and development related to the manned orbiting laboratory; and

For Defense Agencies, $459,059,000.

SEC. 202. There is hereby authorized to be appropriated to the Department of Defense during fiscal year 1967 for use as an emergency fund for research, development, test, and evaluation or procurement or production related thereto, $125,000,000.

TITLE III—PAY OF THE UNIFORMED SERVICES

SEC. 301. Section 203(a) of title 37, United States Code, is amended to read as follows:

"(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are set forth in the following tables:

"*Commissioned officers*

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-10[1]	$1,424.10	$1,474.50	$1,474.50	$1,474.50	$1,474.50	$1,530.60	$1,530.60	$1,648.20	$1,648.20	$1,766.10	$1,766.10	$1,883.70	$1,883.70	$2,001.60	$2,001.60
O-9	1,262.10	1,295.10	1,323.30	1,323.30	1,323.30	1,356.60	1,356.60	1,412.70	1,412.70	1,530.60	1,530.60	1,648.20	1,648.20	1,766.10	1,766.10
O-8	1,143.30	1,177.50	1,205.40	1,205.40	1,205.40	1,295.10	1,295.10	1,356.60	1,356.60	1,412.70	1,474.50	1,530.60	1,592.40	1,592.40	1,592.40
O-7	949.80	1,014.90	1,014.90	1,014.90	1,059.90	1,059.90	1,121.40	1,121.40	1,177.50	1,295.10	1,384.80	1,384.80	1,384.80	1,384.80	1,384.80
O-6	703.80	773.70	824.10	824.10	824.10	824.10	824.10	824.10	852.30	986.70	1,037.10	1,059.90	1,121.40	1,216.50	1,216.50
O-5	562.80	661.50	706.50	706.50	706.50	706.50	728.70	767.70	818.70	880.20	930.60	958.50	992.40	992.40	992.40
O-4	474.90	577.80	616.80	616.80	627.90	656.10	700.50	739.80	773.70	807.30	829.80	829.80	829.80	829.80	829.80
O-3[2]	441.60	493.20	526.80	583.20	611.10	633.30	667.20	700.50	717.60	717.60	717.60	717.60	717.60	717.60	717.60
O-2[2]	353.70	420.30	504.60	521.40	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50	532.50
O-1[2]	303.90	336.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30	420.30

"[1] While serving as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is $2,208.60 regardless of cumulative years of service computed under section 205 of this title.

"[2] Does not apply to commissioned officers who have been credited with over 4 years active service as an enlisted member.

"*Commissioned officers who have been credited with over 4 years' active service as an enlisted member*

"Pay grade	Years of service computed under section 205											
	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3	$583.20	$611.10	$633.30	$667.20	$700.50	$728.70	$728.70	$728.70	$728.70	$728.70	$728.70	$728.70
O-2	521.40	532.50	549.30	577.80	600.00	616.80	616.80	616.80	616.80	616.80	616.80	616.80
O-1	420.30	448.50	465.30	482.10	498.90	521.40	521.40	521.40	521.40	521.40	521.40	521.40

"*Warrant officers*

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
W-4	$449.40	$482.10	$482.10	$493.20	$515.70	$538.20	$560.40	$600.00	$627.90	$650.40	$667.20	$680.40	$712.20	$767.70	$767.70
W-3	408.60	443.10	443.10	448.50	454.20	487.50	515.70	532.50	549.30	565.80	583.20	605.70	627.90	650.40	650.40
W-2	357.60	387.00	387.00	398.10	420.30	443.10	459.90	476.40	493.20	510.30	526.80	543.60	565.80	565.80	565.80
W-1	298.20	342.00	342.00	370.20	387.00	403.80	420.30	437.40	454.20	471.00	487.50	504.60	504.60	504.60	504.60

"Enlisted members

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
E-9							$510.60	$522.30	$534.30	$546.00	$558.00	$569.40	$599.10	$657.30	$657.30
E-8						$428.40	440.40	452.10	463.80	475.50	487.20	499.20	528.60	587.10	587.10
E-7	$309.40	$322.80	$334.80	$346.50	$358.20	369.60	381.30	393.00	411.00	422.70	434.40	440.40	469.80	528.60	528.60
E-6	232.20	281.70	293.40	305.40	317.40	328.80	340.50	358.20	369.60	381.30	387.60	387.00	387.00	387.60	387.60
E-5	200.40	246.90	258.60	270.00	287.70	299.40	311.10	322.80	328.80	328.80	328.80	328.80	328.80	328.80	328.80
E-4	168.60	211.50	222.90	240.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60	252.60
E-3	121.80	170.10	182.10	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80	193.80
E-2	100.50	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00
E-1	96.90	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00
E-1 (under 4 months)	90.60														."

SEC. 302. Notwithstanding any other provision of law, a member or former member of a uniformed service who initially becomes entitled to retired pay or retainer pay on the effective date of this title shall be entitled to have that pay computed using the rates of basic pay prescribed by the first section of this title.

SEC. 303. The provisions of this title become effective on July 1, 1966.

TITLE IV—WEAPONS SYSTEMS

SEC. 401. Section 125(c) of title 10, United States Code, is hereby amended by adding the following:

"However, notwithstanding any other provision of this Act or any other law, the Secretary of Defense shall not direct or approve a plan to initiate or effect a substantial reduction or elimination of a major weapons system until the Secretary of Defense has reported all the pertinent details of the proposed action to the Congress of the United States while the Congress is in session. The Congress shall within ninety days thereafter advise the Secretary of Defense through the Committees on Armed Services of the Senate and House of Representatives, respectively, of the recommendations of these Committees on the proposed action."

And to amend the title so as to read: "An Act to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and to maintain parity between military and civilian pay, and for other purposes."

Mr. STENNIS. Mr. President, let me emphasize that this is a military authorization bill, not an appropriation bill. It is one for military hardware, ships, and related matters.

Mr. President, I move that the Senate disagree to the House amendments, ask for a conference with the House, and that the Chair appoint the Senate conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL of Georgia, Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. SALTONSTALL, and Mrs. SMITH the conferees on the part of the Senate.

Mr. STENNIS. Mr. President, I thank the Chair.

TO PRINT ADDITIONAL COPIES OF HEARINGS ON SUPPLEMENTAL FOREIGN ASSISTANCE FOR VIETNAM FOR FISCAL 1966

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 77) authorizing the printing of additional copies of hearings on supplemental foreign assistance for Vietnam for fiscal 1966, which was, in line 3, strike out "fourteen", and insert "four".

Mr. JORDAN of North Carolina. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. JORDAN of North Carolina, Mr. HAYDEN, and Mr. CURTIS conferees on the part of the Senate.

TO PRINT ADDITIONAL COPIES OF HEARINGS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 90) to authorize printing of additional copies of hearings, which was, in lines 3 and 4, strike out "two thousand five hundred," and insert "one thousand".

Mr. JORDAN of North Carolina. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. JORDAN of North Carolina, Mr. HAYDEN, and Mr. CURTIS conferees on the part of the Senate.

AAU-NCAA JURISDICTIONAL DISPUTE

Mr. PEARSON. Mr. President, when word was received that Jim Ryun and the other athletes would be permitted to participate in the national AAU outdoor track and field championships in New York, which is the qualifying meet for our competition with the Soviet Union in Los Angeles next month, I was, of course, along with many other people, very much satisfied.

For more than a year now, I have worked as a member of the Commerce Committee seeking a settlement to the dispute between the AAU and the U.S. Track and Field Federation. An arbitration board had been established by a Senate resolution and I was most disturbed to find that petty, arbitrary jurisdictional disputes between athletic governing bodies could jeopardize and penalize students, the institutions they attend, and our national prestige in international sports events. So it is good that Jim Ryun will be permitted to run, but I am concerned that this dispute took place.

This has been cleared up for the moment, but it is my hope that the dispute will not occur again, that a reasonable and a fair agreement can be reached between the governing bodies of the AAU and the NCAA.

However, if this cannot be, then, Mr. President, I shall seek legislation at some future date, in the Commerce Committee or otherwise, to bring this dispute to an end.

COMMENCEMENT ADDRESS AT YESHIVA UNIVERSITY BY SENATOR MANSFIELD OF MONTANA

Mr. AIKEN. Mr. President, this morning the majority leader of this body [Mr. MANSFIELD] delivered the commencement address at Yeshiva University at New York City, N.Y.

The text of this address relates to the situation that now exists in southeast Asia. I am not sure that everybody will be happy with the expressions of our majority leader, because they are so factual and challenging, as is his usual manner, but I think they should be more widely read than they might otherwise be, and therefore I ask unanimous consent that the address of Senator MANSFIELD, given this morning, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

VIETNAM AND CHINA: THE SHADOW OF WAR—THE SUBSTANCE OF PEACE

I welcome the opportunity to share this day with the Class of 1966. For the most part, you are among the last to have been born during World War II. Hence, you are among the first to have received the pledge of peace of the United Nations in 1945. The preamble to the Charter, you will recall, contains this solemn statement of purpose: "To save succeeding generations from the scourge of war."

The pledge has stood for twenty-one years. Commencement addresses this year might well ponder the adequacy of its fulfillment. It is a fitting theme for graduating classes, not only in the United States, but in the Soviet Union, China, Britain, and elsewhere.

The Class of 1966 has been witness, since birth, not to a growing peace in the world, but to a procession of crises and conflicts. This class has come to maturity in an atmosphere which for two decades has been heavy with war and the threat of war. This class graduates directly into the face of the bitter war in Viet Nam.

Yet the words remain: "To save succeeding generations from the scourge of war."

The detonation of the first atomic bomb gave to these words a great fervor in 1945.

The pledge is even more compelling two decades later. Today, nuclear weapons, thousands of times more powerful, are stocked in the arsenals not only of the United States, but of the Soviet Union, the United Kingdom, France and, perhaps now, China.

At this moment in time, peace is more than an ideal and a hope. It is a universal and urgent human necessity.

The problem of peace is the great preoccupation of the President and of the Senate. It is a problem, unfortunately, which grows more, not less, difficult with each passing day. Indeed, with respect to Viet Nam, we have yet, after extraordinary efforts, to begin to devise a formula for the resolution of the conflict.

During the past year, the effort has been made to end the war by waging more war and it has not succeeded. For a time, the effort was made to end the war by waging less war and that, too, did not succeed. The President has pursued negotiations in public. He has searched for them in private. He has sought a conference on peace on every highway and by-way of international diplomacy.

But peace remains elusive. The end of the war in Viet Nam is not in sight. The question of Viet Nam continues to command our most persevering thought. It continues to demand a most honest, restrained and thorough public discussion.

We own an unremitting search for a peaceful solution in Viet Nam to the young Americans who have gone and who will go to that tortured land. We owe it to the Vietnamese people who have suffered from the war in great multitudes and beyond imagining. We owe it to our individual consciences and to the collective conscience of the nation.

Therefore, I address your attention, today, to the problem of peace in Viet Nam. I ask you to consider this problem in the context of the limbo in which, for more than a decade and a half, have reposed the relations between China and the United States. The two questions—peace in Viet Nam and peace with China—are very closely interrelated, if not, indeed, inseparable.

In a direct military sense, it is true that China is not presently involved in Viet Nam. We have, in fact, bent every effort to assure the Chinese that we mean them no harm and that we have no desire to share this conflict in Viet Nam with them. We have, in short, sought to avoid military engagement with China and, except in accident, so far have avoided it.

Nevertheless, China is involved in Viet Nam. Chinese participation is largely indirect, but it is nevertheless a real participation. It takes the form of encouragement of Hanoi and the National Liberation Front in the south. It includes the supply of war materials which are used against Americans and other supporting assistance.

There is also already an element of direct Chinese participation in Viet Nam. Large Chinese labor battalions are at work along the overland routes which come into North Viet Nam from China. Americans have been shot at and shot down by China, as the war in the air over North Viet Nam has skirted the Chinese borders. That is the sort of involvement which already prevails. There is every probability, moreover, that the longer the war goes on, the greater will become the extent of Chinese participation. As time goes on, an escalating war tends to take on its own relentlessness. One-by-one the hatches of avoidance shut down for all concerned.

If the Chinese are linked ever more tightly to the continuance of the war in Viet Nam, it seems to me that they are also tied inextricably to the question of peace in that nation and in Asia as a whole. I shall consider those matters, however, later in my remarks. Let me turn, first, to the inner problems of Viet Nam.

Events of the past few weeks lend to the war an air of bewildering ambiguity. It is not surprising that they engender a great deal of confusion and uncertainty in this nation.

We are engaged in war against the North Vietnamese, the Viet Cong, and the National Liberation Front of the south. But the elements of leadership in South Viet Nam who have the greatest stake in that effort are engaged in a quasi-war amongst themselves. This inner conflict has produced pressures for instability in the south which have little to do with the war in which we are engaged. In the light of these pressures, it is unrealistic to describe the situation in South Viet Nam in a clear-cut ideological context. It has never been, in fact, that kind of simple situation.

To view the conflict as wholly one of an aggression of the north against the south also does not do adequate justice to the perplexing realities of Viet Nam. The war is more than a clash between two nations or hostile strangers. It is also a rending of long associated cultures, north, central and south, which contain relatives, friends and enemies for whom the 17th parallel is a division of dubious significance and durability.

It is illustrative, in this connection, to note that the leader of North Viet Nam, Ho Chi Minh, was born much farther south in Viet Nam than the present leader of South Viet Nam, General Nguyen Cao Ky. Ho Chi Minh, the communist, was educated extensively in what is now anti-communist South Viet Nam, while Nguyen Cao Ky, the anti-communist, received his training in what is now communist North Viet Nam. And if that leaves you confused, think for a moment what it must do to the Vietnamese people who must live with the confusion.

What I am suggesting by this digression is that while Viet Nam may be two Houses in conflict, it is at the same time one House not only divided, but also united in many ways. What I am suggesting, too, is that events of the past few weeks represent the surfacing of but a few of the complex difficulties of the Vietnamese situation.

It seems to me that these difficulties have grown more intractable and the solutions more difficult since the tragic assassination of President Ngo Dinh Diem in 1963. Coup has followed coup until the count has been lost. In the process, the leadership of South Viet Nam has been sundered and weakened, the rivalries have grown, the mutual antipathies have increased. And, in the process, the Vietnamese people have suffered greatly in consequence of these developments as well as from the war.

In all frankness, so, too, has this nation suffered from these developments. The instability amongst the South Vietnamese leaders has meant a steady increase in our involvement in Viet Nam, and especially our military role. There is no question that the Armed Services of the United States have provided a growing margin of power without which a Republic of Viet Nam could not have survived. To them has fallen the task of filling the defensive gap left by the growing strains on the South Vietnamese authorities. On them has fallen the principal burden of meeting the increased military pressures from the north. These tasks which have been assigned to them by the nation's policies have been discharged with great dedication and at great personal sacrifice.

The increase in the American effort in Viet Nam has been and will continue to be very costly. During the past year and a half, our ground forces commitment has grown from about 25,000 to 267,000. By year's end, this figure will be much higher. The deployment of American naval and air power has been of a very great magnitude. It has brought to bear on Viet Nam the impact of tens of thousands of additional highly trained men who have unleashed a level of destructive power which may approach or even surpass that which was set loose during the Korean war.

At the beginning of 1965, the United States forces were incurring casualties at the rate of about 6 per week. Now, upwards of 500 Americans are killed and wounded each week. For the past five or six weeks in succession, the casualty rate for Americans has surpassed that of the South Vietnamese armed forces.

In monetary terms, the current cost of Viet Nam to the United States has been estimated at an annual rate in the neighborhood of $13 billion and is continuing to rise. In early 1965, the costs were perhaps $1 or $2 billion.

I wish that I could tell you that this powerful injection of American resources had brought the war nearer to a conclusion. But I can only repeat what I said at the outset of my remarks, the end of the war in Viet Nam is not in sight.

It has been suggested of late—perhaps inferred is more accurate—that the war can be ended quickly by a further expansion of the American military effort and, particularly, by more and better-placed bombing. That is an appealing suggestion, and I have no doubt that it will be heard more frequently between now and November. It wraps up, in one simple thought, a criticism of the present political leadership, a promise of a less painful war, an expectation of victory at a relatively small increase in cost. In short, it suggests that there is an easy exit. Let us underscore one point, here, today: There are easy ways to plunge more deeply into this situation; there are no easy ways out of this situation.

I have just illustrated the extraordinary expansion of the American military effort—including bombing—in the past year and a half. Before going further along that path, it would seem to me that we have a great responsibility to pause and, first, consider carefully the point to which this path has led. I can assure you that the politically responsible leadership of the nation in the person of the President is not unmindful of this responsibility. There is, indeed, a most profound concern as to where this course has led and where it may yet lead.

When the sharp increase in the American military effort began in early 1965, it was estimated that only about 400 North Vietnamese soldiers were among the enemy forces in the south which totalled 140,000 at that time. Today, the overall size of the enemy in the south has increased to 250,000 of whom at least 30,000—a very conservative estimate—are considered to be North Vietnamese regulars. One source suggests that if local Viet Cong battalions which operate within their own provinces are excluded from the total, the northerners make up approximately one-half of the disciplined professional enemy soldiers in South Viet Nam and may well constitute two-thirds by year's end.

Shortly after the outset of the expansion of the military effort, it was believed that about 1,500 North Vietnamese were crossing the border each month. Just a few months ago, the maximum potential infiltration was thought to be about 4,500 per month. But infiltration has recently been reported in the press to be at a current rate well in excess of this figure.

The field of battle was confined largely to South Viet Nam when the expansion of our military effort began. Air and sea bombardment has now extended the arena of conflict throughout almost all of North Viet Nam. The war has spread sharply into Laos. More and more, it verges on Cambodia and threatens to spill over into Thailand. And as I have already mentioned, American planes have been shot at and shot down on or across the borders of China.

Whatever constructive achievement has resulted from this expansion, the fact must also be faced that the search for peace by intensification of war has begotten, not peace, but a further intensification of war. The expansion of the arena of conflict has yielded, not peace, but further expansion of the arena of conflict.

Is the war, then, to continue to intensify? Is Viet Nam—north and south—to be reduced to a charnel house amidst smoking, silent ruins? Indeed, is that to be the fate of great areas of Southeast Asia and regions beyond?

Experience requires us to recognize that this danger exists in the conflict. Prudence compels us to recognize, moreover, that the terminal point may not be reached until and unless the war has involved China directly. That possibility, it seems to me, should be faced sooner rather than later. We should examine it, now, while there is yet time to examine it in good sense and soberness. We should examine it, now, rather than wait until the actuality is confronted in the heat of some accident, miscalculation or misunderstanding or at the end of that long drift which ends in inescapable military convergence.

Certainly, the experience of Korea counsels us to examine this question without delay and, in so doing, to lay aside the distorting prism of wishful thinking. It will be recalled that a war between Koreans—north and south—a decade and a half ago, became in the end what few expected at the beginning. It became, substantially, a war between the United States and China. And you will recall, too, that in the end peace was not restored to Korea by victory but by a truce which required the agreement of the United States and China.

The question must be asked here as well as in Peking. It must be asked now. Can peace be restored in Southeast Asia, as it was not in Northeast Asia, before, rather than after, a military clash? Can there be a turning off from the course of collision and onto the road of settlement before, rather than after, the crash?

I can give you no assurances on these questions. The answers depend not only on our wisdom and restraint but also on that of the Chinese. I can only stress to you that the relentless search for affirmative answers is a most solemn responsibility which rests especially upon the leadership of this nation and of China but concerns also the United Nations, the Geneva powers, and the entire world.

There is little doubt that this search is hampered by the long hiatus in United States relations with China. It is a decade and a half since the Chinese revolution and the Korean conflict which followed it. In all these years, little of consequence was done to close the deep void which these shattering events blasted between the peoples of the two nations. On the contrary, the seeds of hostility and suspicion were scattered widely and in both countries. The weeds of a mutual distrust were encouraged to grow high in both countries. The direct human contact between the world's most populous nation and the world's most powerful was reduced to formal and routine meetings in Warsaw between an American and a Chinese Ambassador which, over the years, have averaged out to about one a month.

In the last few weeks members of the Administration have sought to make clear in public statements that this nation seeks to restore some "bridges" to China. That is a helpful initiative. It is also useful to lower our rigid self-imposed travel and other barriers which the Executive Branch is now doing.

These acts accord with the nation's interest and they are most certainly meaningful gestures in the direction of peace. That the Chinese greet these efforts with unabated hostility does not change their validity. In the present state of Chinese-United States relations, all acts are suspect. All doubts are magnified. All fears are exaggerated. These acts, nevertheless, remain proper and modest acts which may one day redound to the benefit of both nations. That is all they are and they ought not to be regarded as anything more.

They do not, certainly, go to the core of the current danger which lies in Viet Nam and Southeast Asia. Indeed, the relevance of these acts must necessarily remain dubious, at least until that danger is faced and begins to abate.

What is needed most, at this time and in the light of that danger, is an initiative for a direct contact between the Peking government and our own government on the problem of peace in Viet Nam and Southeast Asia. This problem is of such transcendent importance, it seems to me, that it is a fit question for face-to-face discussion between China and the United States at the highest practicable level. Our Secretary of State, Dean Rusk, confronted the Chinese Foreign Minister, Chen Yi, across the Conference table at Geneva in 1961–62. It may be that a similar meeting now would be useful in this critical situation.

The meeting could be confined to the two nations, or it could include all the belligerents in Viet Nam. It could include the nations of the Southeast Asian mainland since they all lie in the swath of the war's spreading devastation. It seems to me that there are many possible and acceptable alternatives insofar as participation and arrangement are concerned.

The membership and mechanics of the conferences are not key issues. History will not be gentle with those who pursue the shadow and evade the substance of peace. It will not view with sympathy those who stand too much on ceremony or who insist too much on face as the price of coming to grips with its profound problems.

An Asian conference, at this time, cannot draw a distinction between victor and vanquished in this conflict, any more than it was possible to do so in the Korean settlement. All win by peace; all lose by the war's continuance.

What a conference at this time must be concerned with is, in the first instance, a curb on the expansion of the war and a prompt and durable termination of the tragic bloodletting in Viet Nam.

It must be concerned with insuring a choice free of coercion of any kind to the people of South Viet Nam over their future and on the question of the reunification of Viet Nam.

It must be concerned with how the independence and the territorial integrity, not only of Viet Nam, but of other small nations of Southeast Asia can be safeguarded in peace.

It must be concerned, finally, with how foreign bases and foreign military forces can be promptly withdrawn and excluded from Viet Nam and other parts of the Southeast Asian mainland.

These are fundamental questions. Answers to these questions must begin to be found. And, in the last analysis, they must be concurred in by China and the United States. Those are the essentials if the conflict in Viet Nam is to end and if a reasonable and stable peace is to be established in Southeast Asia.

Let me make clear that I am not sanguine as to the possibilities that these questions will be faced in conference in the near future. Even less is it to be expected that answers to these questions are going to be found very quickly. The chasms are deep. The walls are high.

Nevertheless, at some point, these questions will have to be faced and answers will have to be found. It seems to me that we must continue to try to take those first faltering steps toward peace in Asia. We must try to take them, now, before the tragedy, which is Viet Nam, is compounded many times over. That is the great responsibility. It rests on the Chinese. It rests on this nation. It rests, finally, on all the nations of the world.

Mr. JAVITS. Mr. President, I have read the address of the distinguished majority leader [Mr. Mansfield] delivered at Yeshiva University in New York City today.

I think it is a highly creditable presentation of the situation by one of our most distinguished Senators and national leaders.

I wish to emphasize the critical importance of the confrontation which the Senator from Montana [Mr. Mansfield] seeks between Secretary of State Rusk and the Chinese Foreign Minister, so that within the framework of negotiations for peace in Vietnam the real party in interest, Communist China, may be negotiated with.

I have urged generally the same thing, but this is a most impressive and important presentation. I am very honored, as the Senator from New York, that Senator Mansfield has chosen to make this statement before so distinguished a university, which houses one of the most distinguished medical schools, mathematics schools, and business schools in my State.

I am pleased and I utter these words in appreciation as well as approval.

Mr. PELL. Mr. President, a singularly thoughtful speech seeking out the basic causes for war in the Far East was made this morning by Senator Mansfield at Yeshiva University.

He points out that the present escalating cause of hostilities in southeast Asia is likely to follow the pattern of Korea, where the escalation continued until there was substantial direct confrontation between American and Chinese troops. Then and only then did both sides find it to their interests to cease escalation. This is an expensive and blood-letting process.

Then, the Senator from Montana also points out that the escalation of our military commitment in South Vietnam has been accompanied, not by a reduction in the commitment of North Vietnamese regular troops, but by a very substantial increase.

Senator Mansfield urges that we all probe for an Asian conference seeking to work out some sort of modus vivandi in southeast Asia. As he says:

> What a conference at this time must be concerned with is, in the first instance, a curb on the expansion of the war and a prompt and durable termination of the tragic bloodletting in Viet Nam.
>
> It must be concerned with insuring a choice free of coercion of any kind to the people of South Viet Nam over their future and on the question of the reunification of Viet Nam.
>
> It must be concerned with how the independence and the territorial integrity, not only of Vietnam, but of other small nations of Southeast Asia can be safeguarded in peace.
>
> It must be concerned, finally, with how foreign bases and foreign military forces can be promptly withdrawn and excluded from Viet Nam and other parts of the Southeast Asian mainland.

I endorse these recommendations very much, and hope that Senator Mansfield's excellent speech may be followed by initiative in the direction he has indicated.

AMERICAN COAL INDUSTRY

Mr. MORTON. Mr. President, I ask unanimous consent that an article by the distinguished economist, Dr. Eliot Janeway, which appeared in the Chicago Tribune on June 13, 1966, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Europe Should Bag Criticism, Buy Coal

(By Eliot Janeway)

New York, June 12.—"What would you do?" This is the question with which the President springs his technique for disarming critical but unwary visitors, even before they express their choice of weapons or take aim at their pet policy targets. Interwoven with "the treatment" is the standard version of L. B. J.'s "Life and Hard Times," climaxed with the lastest chapter about "All the Alternatives Available to Us"—and then, the wily old master magician pops the big question again: "What would *you* do?" It's easier for visitors to agree with the President than to stand up to the presence and be counted as a critic with a positive to the disarming questions.

At the treasury by contrast the operation is simpler—and correspondingly less effective. There the tables are turned: It's the visitors who do the asking and the authorities who do the answering. Ever since the dollar payments deficit became troublesome the critical question has been: "Why do we play our dollar hand from weakness?" And the standard response is: "Because the European central bankers think we should."

NOT CHAMPION'S WAY

But no champion with a winner's instinct ever plays according to the rules laid down by the challenger. Whenever a great power with a position of primacy to defend allows itself to be bullied into appeasement of ultimatums from countries seeking a bargaining advantage against it, the balance of power is sure to change—adversely for the country in our present position.

Looking back on what Russia has accomplished for herself since Lenin worried how many days the bolsheviki might hang on to power, there's no doubt that the Moscow success story has not followed a script written for the Kremlin by our side. There's no doubt either that Red China's drive to go Russia one better is based on a hard and shrewd calculation of what is good for China—not what will please or placate her foreign critics.

Nor is it as if our European critics had disciplined themselves to practice the good economic housekeeping they preach at us. Take the case of coal. It certainly gets down to basics. It tells a horror story of uneconomic protectionism in Europe, where inflation is feeding on America's inability to sell the one commodity that it is in Europe's interest to buy. If we took less guff from Europe, and she took more coal from us, things would be going better on both sides of the Atlantic; and there would be less inflation on each side.

WEST GERMANY LEADS

West Germany is the most productive country in Europe, and the richest—despite her wasteful coal protectionism. America's "new" economy may now run on the motive power supplied by consumer expenditures on holiday travel, color TV and false hairpieces. But, in West Germany, more than ever, the economy goes as steel goes. And, right now, it's not going nearly as well as all the European lecturing of America for alleged inflationary malpractice suggests.

The specific provocation which brought forth this bombshell is a long-standing political decision which hurts the German steel industry without, however, helping the protected German coal industry: It remains hopelessly uncompetitive, burdened with unmarketable surpluses and tying up labor badly needed elsewhere. Official import restrictions limit the sales of American coal to 5 million tons a year. But unofficial restrictions bar it from crossing into the steel-producing districts, which are stuck with the high-cost, otherwise unsalable native product: Hence the grievance and the threat.

SEVEN TO EIGHT DOLLAR SAVINGS ON COAL

American coal can be laid down alongside German steel mills at savings of $7–$8 a ton [after allowing for the cost of ocean freight, which eats up $2.50 a ton of the savings]. Thus, if Bonn merely doubled her American coal import quota, her steel mills would save some 40 million dollars a year in coal costs, which our coal industry would earn; and West Germany and America together would generate earnings of upwards of 10 million dollars a year for the countries from which we buy shipping and to which we both sell goods.

There may be a working—and a workable—answer here to the President's rhetorical question: "What would you do?" Tell Europe's central bankers that our coal can do more to fight inflation in their back yards than their self-serving advice can do to fight it in our front door.

Mr. MORTON. Mr. President, I particularly invite the attention of Senators to the closing two paragraphs in the article, in which Dr. Janeway says:

> American coal can be laid down alongside German steel mills at savings of $7–$8 a ton.

Less than German coal.

It seems to me that this opens a great opportunity for greater profit for German steel mills and a partial solution to our balance-of-payments problems.

AGENCY FOR INTERNATIONAL DEVELOPMENT PRAISED

Mr. BREWSTER. Mr. President, an informative editorial in the New Orleans Times-Picayune contains a very good explanation of the mission of the Agency for International Development—AID—in Vietnam.

As the article states:

> It is nonmilitary (but occasionally dangerous), and complements the war effort by helping the local government and populace achieve a level of broad, capable well-being that will support the current anti-Communist struggle and build a nation able to stand on its own when the war is eventually over and the U.S. protectors withdrawn.

The paper adds:

> It is, then, important work that needs and deserves the best talent obtainable.

In the conviction that others will want to read the article, I ask permission to have it inserted in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New Orleans (La.) Times-Picayune, Mar. 21, 1966]

AID Seeks Aid Here

It had become rather an irrelevant cliche before the Honolulu conference that the war in Viet Nam would really be won not in the military field but in the fields of politics, economics, and social development. The Honolulu conference, however, put a new emphasis on such programs and the increased United States military commitment has provided them with a sounder shield. A continuing but presently crucial problem of the development campaign is reflected in the current drive by the Agency for International Development (AID) for employees for its Viet Nam operations.

A recruiting team is in town to interview and, it hopes, sign up men and women with both the qualifications and the motivation to do service in Viet Nam. AID now has 800 employees in Viet Nam and needs 500 more (local and contract employees swell the program total to several thousand). Its need has forced it to reassign its own people elsewhere to Viet Nam (service there had previously been voluntary) and to go to the labor market in a special drive.

The aid program in Viet Nam is concerned with "a developing nation, with its public safety, education, agriculture, health services, and economic development," said Assistant Administrator Robert Herder, here to open the New Orleans-based drive. It is nonmilitary (but occasionally dangerous), and complements the war effort by helping the local government and populace achieve a level of broad, capable well-being that will support the current anti-Communist struggle and build a nation able to stand on its own when the war is eventually over and the U.S. protectors withdrawn. It is, then, important work that needs and deserves the best talent obtainable.

RESPONSIBILITY LACKING

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to insert in the Record a letter written by Mary G. Hundley, which appeared in the Washington Evening Star of Tuesday, June 14, 1966.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Responsibility Lacking

Sir: The recent White House Conference on Civil Rights has left many public spirited citizens disillusioned and frustrated. It seems that we have reached a deadlock in our long struggle for the progress and rights of colored Americans. Now that the laws have been passed, we are still confronted with subtle forces of hatred and baffling problems of competition. Demagogues are haranguing the people, dividing Negroes into groups according to color or means, and promoting animosity among them, just as the slaveholders used to do.

Elements of revolt are seriously threatening the social order. Criminals and dropouts are excused as victims of society, but no one has the courage to blame them for refusing to do an honest day's work. Parents uphold children who defy the teacher and, later, they blame the school when the pupils show their ignorance of the 3 Rs. Civic groups with no constructive program to offer attack schools, school boards and school officials who are dedicated public servants.

Civic responsibility used to be encouraged and clean neighborhoods were a source of pride. Today the teacher, the police and the landlord are blamed for the community's problems: everyone else demands freedom for himself and obligations are overlooked.

MARY G. HUNDLEY.

SENATOR PAUL H. DOUGLAS, OF ILLINOIS

Mr. KENNEDY of Massachusetts. Mr. President, there are times when it is fitting to interrupt our proceedings to recognize the achievements of a great American. It is my pleasure today to do this—to make public the esteem that Senator PAUL H. DOUGLAS has engendered in my heart and the hearts of my colleagues in the Senate.

Senator DOUGLAS has distinguished himself in a variety of roles—as a hero in the crucible of war, as a student and professor in the halls of our great universities, and as a pioneer of social legislation in the U.S. Congress. Most Americans would be honored to be as successful in a single field as Senator DOUGLAS has been in many.

On June 3, 1966, Amherst College presented Senator DOUGLAS with an honorary doctor of laws degree, in appreciation of his unselfish devotion to our country. In accepting this degree, Senator DOUGLAS spoke of "the eternal struggle of the human spirit to build a better country and a better world." Who more characterizes this spirit than Senator DOUGLAS himself?

I am sure, Mr. President, that all of us can benefit from the wisdom and experience of our respected colleague. I therefore request unanimous consent to include in the RECORD the text of Senator DOUGLAS' Amherst address, as well as the corresponding citation from the college.

There being no objection, the address and citation were ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR PAUL H. DOUGLAS AT THE AMHERST COLLEGE GRADUATION EXERCISES, AMHERST, MASS., JUNE 3, 1966

I am deeply appreciative of the great honor you have conferred upon me and I want to thank the President, the faculty and the Governing Board for it. I shall always treasure this distinction.

The calendar tells me that it was forty years ago that I had the pleasure of teaching young men in this happy valley. But the senses tell me that it was only yesterday, and that the dignified men in their early sixties whom I apparently see before me are in reality the slim youths who dared me to interest them in their studies—a challenge to which I am afraid I made a very imperfect response.

It was a time of hidden weaknesses and of outer contentment. There was deep and widespread poverty at home, while abroad Russian Communism was consolidating its gains. The Blackshirts had firm control over Italy, while an unsuccessful artist by the name of Adolf Schickelgruber, nursing his emotional wounds in prison, wrote down his gospel of hate in *Mein Kampf*.

But all this made little impression upon propsperous Americans, or upon their sons and daughters who congregated in the halls of academe.

All of us were living in a more or less happy state of euphoria engendered by the continual rise in the stock market which most men believed was making middle and upper class America painlessly rich.

The naturally rebellious instincts of youth turned in the 20's to H. L. Mencken and the *American Mercury* for inspiration, and sought self-realization in the revolt against prohibition and indeed all Victorian taboos. Sigmund Freud became the arbiter of morals and the ultimate evil was thought to be the suppression of desire since this created "complexes" which were thought to prevent integrated personalities. A self-conscious group of writers and artists were strutting on the left bank of the Seine as they somewhat grandiloquently proclaimed themselves "the lost generation."

Those happy and slightly pagan days have long since vanished into the mists of time. They in fact exploded in a day of apocalyptic thunder in the stock market crash of October, 1929. For then a carefree generation learned that life indeed was real and earnest.

Since then, the men of the 20's have seen and taken part in the worst of recorded depressions and the bloodiest war in human history. Many of our number have perished physically, economically or spiritually in these catastrophes. We have seen the infamous racial crimes of the Nazis and the almost equally brutal class and bureaucratic crimes of the Commies. We have seen the rise of a new set of police states as cruel and ruthless as their predecessors. We have seen the Einstein formula of $E=MC^2$ become a terrible reality as the latent energy within the atom has been released and now hangs over the world as a black cloud of threatened universal and mutual destruction.

But we have also seen, and I hope taken part in, the eternal struggle of the human spirit to build a better country and a better world. We have seen the numbers of the poor cut in half and a concerted effort made to further reduce their number and to give the oncoming boys and girls a better chance to get ahead. We have seen the health of the nation improve, the span of life lengthen and the time spent in school extended. We are seeing an ever growing movement to dissolve the prejudices of race and to make those of darker skins full-fledged citizens of the United States with equal rights and duties.

And now, in this sylvan and quiet setting, we pause for a few brief hours as an island in the midst of time to witness the ever continuing act of human renewal and of a new stream of youth graduating from this college and by doing so entering the wide river of adult life.

It is well that they should do so after four years of comparatively quiet timelessness in which the generations could blend and blur and in which issues could be considered *sub specie aeternitas* or "under the aspects of eternity."

We know not what will be their fate or indeed our own. Life has many individual and collective perils. But, although probably most of the youngsters graduating here today do not want advice from their elders, possibly a few may, and may inquiringly ask, "What do you think life and history have really taught you? Are there any hints which you can offer us on the conduct of life?" Any reply must of necessity be incomplete and somewhat self-conscious, but perhaps you will pardon me if I attempt to answer what are, I believe, these unspoken hungers of the human heart.

That what is most needed in the world is love—or energized good will—which, if given a chance and practiced with devotion can in most cases melt antagonisms within a democratic society and reconcile opposites.

That truth has at once a compulsive and healing power. We should not be afraid of truth, for if recognized and acted upon, it is the rock upon which we can base our individual and collective lives.

That in its larger aspects, truth is not simple but subtle. Frequently, it requires a long process of discovery both by the probings of research and the sifting induced by dialogue.

That in dealing with the winds of doctrine, in the words of Jefferson, "We should not be afraid to tolerate error as long as reason be left free to combat it."

That when aggression stalks either a community or the world, resistance to it is both necessary and noble, lest it become all pervasive. And it is well that it should be checked in its early days before it can acquire the cumulative momentum of success.

That human courage in defense of an ideal is an ultimate virtue which we should not permit the pressures of conformity to diminish. The nation which minimizes courage is on the road to destruction.

That the Athenians did well to make the owl and the olive tree their symbols to denote wisdom and peace. But freedom tempered with love is the only atmosphere in which true wisdom and peace can flourish. And to preserve and maintain all these virtues, a strong admixture of Spartan courage is needed. Thermopylae was necessary that Socrates might practice his dialectic.

Sometimes these virtues—love, truth, freedom, reason, and courage—are decided as mere semantic abstractions. But they are not that; they are living realities whose power we can increase by practicing them systematically.

Finally, let us not neglect laughter and joy as vital elements in the good life. For let us remember that Beethoven closed his Ninth Symphony with his Hymn to Joy, and that Shakespeare wisely asked in "Twelfth Night," "And dost thou think, because thou art virtuous, that there shall be no more cakes and ale?"

TEXT OF CITATION GIVEN SENATOR PAUL H. DOUGLAS BY AMHERST COLLEGE

"PAUL HOWARD DOUGLAS, United States Senator, Phi Beta Kappa, son of Bowdoin, Master and Doctor of Philosophy from Columbia."

"We are grateful that the kaleidoscope of institutions where you have taught includes Amherst College from 1924 to 1927. As teacher, scholar, Marine, politician and statesman, you have shown that there is a universality to real distinction which cannot be imprisoned in a single specialty or occupation. Your achievement is an inspiration we need always before us, and we are grateful that *you* can be the example. But you, sir, have received so many honors that one more may seem redundant so today, while we recognize your outstanding service, we are also greeting you with the affection accorded the lost lamb, or a former professor at Amherst."

ALASKA AS A VACATION LAND

Mr. BARTLETT. Mr. President, I can, and often do, talk at length about the many attractions which make Alaska a great vacation land. However, I am sure that listeners, limited to those who have not been to Alaska, tend to dismiss my statements as overexaggerated because of excessive pride in my home State.

That may well be, for it is quite easy to take great pride in the awesome beauty and rugged history of the 49th State.

Fortunately my feelings about Alaska as a vacation land are echoed by many tourists who have visited the great Northwest.

One of those tourists, William R. Mathews, devoted an editorial in a recent edition of the Arizona Daily Star, of Tucson, to extolling the virtues of Alaska. His laudatory words carry added weight because he comes from a State which is a great vacation land itself.

I ask unanimous consent that Mr. Mathews' editorial be printed in the Record as evidence that we Alaskans know of what we speak when we brag of the attractions of our State.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Arizona Daily Star, May 29, 1966]

Alaska as a Vacation Land

(By William R. Mathews)

The coming of summer vacationtime arouses thoughts of where to go and what to see, of doing something interesting. Many of us who live in the arid Southwest like to see something different and some of the young and old like to do a bit of luxurious adventuring without too great a cost.

One of the most delightful and least expensive trips I have ever taken in all of my travels was one to Alaska, which took in also Yukon Territory, including Dawson and the famous Klondike. It can be done easily now by motorcar, as well as by plane, ship and bus, or various combinations of these varied means of transportation.

A trip by motorcar can be made with greatly increased ease, if one uses the new ferry service that runs from a point near Vancouver, north as far as Skagway. The trip is one of the most beautiful and comfortable ones in the world. The ferries provide ample staterooms for the ride, and will carry your car along. On the way you can see such interesting places as Ketchikan, and the capital city of Juneau and its nearby glaciers.

You can make a trip by air from Seattle, nonstop to Anchorage, in a few hours, which gives one a chance to fly over the gorgeous mountains and their surrounding snow deserts. At times, as far as your eyes can see, there is nothing but snow, with craggy peaks protruding now and then. But the delightful, restful and adventurous way to go is by ferry from Vancouver north as far as Skagway.

Skagway is a nearly deserted port city which served as the jumping-off point for the rush to the Klondike. The new ferry service, which was not going in 1961, must help this city that looks like a large deserted mining camp. It has all kinds of empty stores and houses.

It has a folklore of its own. It is a well-laid-out city, which never has expanded as planned. It is the starting point of the narrow-gauge railroad that climbs through the historic mountain pass across the high Rockies. The railroad ride is comfortable and spectacular. After the train passes into Yukon Territory, it stops at a station where passengers can stuff themselves with deliciously prepared food by helping themselves. The cost is modest. The train continues to White Horse, which is a clean, modern Canadian city.

At this city, one can be surprised by the number of beautiful river steamers that compare to those that used to ply the Mississippi and Ohio Rivers. They now are tied up. They are obsolete. Good roads have deprived them of their business.

This trip from Skagway to White Horse can be made easily by motorcar. A motorist can choose to go to White Horse and thence to Dawson and the Klondike, or turn off on the Alcan highway and head for Fairbanks, Alaska. However, the trip to White Horse by train and then to Dawson by a day-long bus ride, passes quickly. The scenery is that interesting.

Dawson is on the Yukon River, and there too, several of those magnificent river steamers are tied up. One was being made into a museum in 1961. The road to Dawson passes through the Klondike area, which today is a great field of ore dumps. Some gold still is being mined.

The city of Dawson is about half deserted, but it is becoming another Tombstone. It, too, has a heritage of the rough, tough life, with plenty of shootings and killings in its heyday. Robert W. Service lived there. His former home is a museum. Dawson has its historic points just like Tombstone.

Daily bus service runs from Dawson across the mountains and north to Fairbanks. The day-long ride goes through famous moose country. From the road one can see at times a few dredging operations that use the summer months to search for gold. One knows he is back in the United States when the unpaved highway hits the paved Alcan highway in Alaska.

Fairbanks is a thriving American city. A few miles north of it we saw a great dredging operation that works night and day. Fairbanks has a delightful summer climate, but in the winter it has the reputation of being one of the coldest cities in the world.

No one should miss flying from Fairbanks 500 miles north over the mountains to Point Barrow, the most northerly point of land of the North American continent. It is essentially a naval oil land base. The waters of the Arctic Ocean lap its shore. It is inhabited mostly by Eskimos.

There I learned for the first time that tides do not prevail in the Arctic Ocean. In the summertime, some remnants of icebergs can be seen. The ocean is frozen over most of the year. The summer climate at Point Barrow hovers around 32, but the hotel provides all guests with the boots and parkas that the navy boys call "Arctic gear."

The Eskimos stage a demonstration of dogs pulling sleds, and show how dogs live. The sled dogs live outdoors the year round. They have to be chained to the ground and kept far enough apart so that no one dog can attack another. The dogs will work beautifully together in pulling a sled, but once they are unharnessed, they will fight each other to the death. When hungry, they will eat each other. Amundsen once said that he beat Scott to the South Pole because he used dogs, while Scot used Siberian ponies. When the going got tough, dogs provided food for both men and beasts. Dogs will eat dogs, but ponies will not eat ponies.

Nome is another interesting place. It is on the Seward Peninsula, several hundred miles south of Point Barrow. It is an historic place, and participated as a supply point in the Klondike boom.

One of the most delightful railroad rides in the world is from Fairbanks to Anchorage, with a stop off at Mt. McKinley National Park, where Don Hummel runs a government-built hotel. The railroad is also government-built and operated. It has superb equipment.

Anchorage is a thoroughly modern, rapidly-growing, city, which not even a disastrous earthquake can hold back. It is the operating center of nearly everything in Alaska. I was there in 1961 on the day that natural gas was turned on for domestic use. Now new oil and gas fields have been discovered. A hunting and fishing paradise extends in every direction from Anchorage. And the summer climate is delightful.

Alaska is a wonderful summer vacation land.

ESSAYS—CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?

Mr. McGEE. Mr. President, for several years it has been my good fortune to be able to conduct for the graduating high school seniors in my State of Wyoming the McGee Senate Internship contest, which brings back to Washington one boy and one girl for a week of observing democracy in action—here in the Senate and in Washington.

As a part of the contest each student is required to complete an essay on "Can Democracy Keep up With the Space Age," and each year I am impressed with the depth of understanding and the dedication to our democratic principles displayed by these young people in their essays. All show real thought and a thorough knowledge of our system of government.

Of course, it would be impossible for everyone to read all these essays, but I think some of the most outstanding ones selected by an impartial panel of three judges should receive wider circulation, and I ask unanimous consent that two of these essays, written by Sharon Clark, of Sundance, Wyo., and Gary Fisher, of Fort Laramie, Wyo., which received honorable mention in the McGee Senate Internship contest, be printed in the Record.

There being no objection, the essays were ordered to be printed in the Record, as follows:

Can Democracy Keep Up With the Space Age?

(By Sharon Clark, Sundance, Wyo.)

The United States of America has become the most powerful nation in the world. It has grown enormously wealthy and it offers almost unlimited opportunity for everyone. The health of its people is evidenced by the low death rate and length of the average life span. Truly it would seem to be the "land of milk and honey."

Democracy has brought us this far and yet we are forced to ask ourselves if this form of government is out-dated. If, indeed, as the communists would have us believe, some other form of government would serve us better. To answer this we should ask ourselves what democracy really is. How does it work? Where did it come from? And perhaps most important of all—what do we really want in our government of the future? Only when we have the answer to these questions can we decide whether or not democracy can or even should keep up with the space age.

First of all, democracy is a word formed of two Greek words meaning people and power; and it has come to mean rule of all the people. Abraham Lincoln's definition was "a government of the people, by the people and for the people." We are apt to think of democracy as belonging wholly to the United States but the democracy we enjoy did not spring full-grown out of the American Revolution. The historic traditions and ideas of democracy had their roots in the ancient world. The Greeks believed that the individual was more than a cog in a machine. The city of Athens demonstrated that a government was possible that respected the individual. It took its powers from the individual without depending on a hereditary ruler or a military chief.

Christianity added much to our concept of democracy, for it is based on the idea that all men are created equal and that each is important in himself.

All these ideas were available to Jefferson, Madison, and Hamilton, the men who helped to found our nation. Still they did not have an easy task and to fully understand our democracy we should go back in history to our very beginning as a nation. As we read we can suffer as the builders of our country suffered, hope as they hoped, and make sacrifices just as they sacrificed. We will see that democracy is more than just a political and economic system. It is a way of life—based on democratic values—individual freedom, human dignity and worth, and equality for all.

The very heart of democracy, then, is its respect for the individual. It involves a faith in man because of his infinite worth. It means that each individual has the right to equality of opportunity and the blessings of liberty. It means the willingness and the ability to solve problems through the use of reason—in other words, a faith in man's intelligence.

Is this thinking out-dated? Does our space age make man as an individual less important? I don't think so, but certainly the space age has brought its problems. We now find ourselves only a few hours away from any other country in the world and our communication with most parts of the world is almost instantaneous. Along with this has come man's increased ability to destroy others. So our old feeling of security in isolation has changed to one of concern for political and social development in all parts of the world. And while we do not wish to impose our form of democracy on anybody, we do believe, as we always have, that man should be free—free to make his own choices, to have political and religious freedom. We believe each person possesses a dignity and a worth that deserves freedom. Our great set of democratic values are not based on a view of man as a poor creature capable only of seeking material comforts and selfish ends. Our kind of democracy thinks of man as capable of choosing his ideals and guiding his conduct by standards of right or wrong. We believe all mankind should have the opportunity to choose his own form of government whether he happens to have been born in the United States or in Viet Nam.

The space age has not changed our basic concept of democracy; only broadened it to include all mankind. I believe under a democratic form of government we can move forward to an even better and more secure way of life for all.

Since we realize how important democracy is, what then can we do to preserve it? Since we always learn from the mistakes of the past we should look back into history again. Here we see that the Greek democracy failed, as did the Romans who after a brief time found the problems of democracy too difficult and finally gave in to rule by a "strong man".

Our own War Between the States came very near to destroying the democratic way of life in America, both in the North and the South. Lincoln said, "Now we are engaged in a great civil war, testing whether that nation, or any nation so conceived and so dedicated, can long endure."

In this century we have had the examples of Hitler, Mussolini, Lenin, Stalin, and Peron. Like the Romans, the people in these countries gave up their liberties in exchange for the promise of a strong leader.

It has been said if man is let alone, and does not have a definite and specific education to the contrary, he will soon be living under the masterful man. Men accustomed to their freedom will not yield consciously. The trouble is men yield their liberties unwittingly, and often wake up to find themselves in chains. This is why we must keep the torch of liberty lighted in the world. We must remember it needs constant and loving care or it may flicker and burn low. How then may we as individuals, the same individuals who are so valuable in our democracy, help to keep the torch lighted?

1. We should be aware of local, state, national, and international problems and approach them with an open mind.

2. We should study the record of our representatives on local, state, and national levels and see if we agree with their actions and statements.

3. Whenever it is possible, we should take a direct part in local self-government. We should become as well acquainted with local political leaders as possible.

4. We should vote at each election in keeping with our beliefs and conclusions.

5. Above all, we should remember that the ability to work together to solve our common problems is the true measure of democracy.

The problems of discrimination, slums, poverty, and education are for our generation to face and work at. We realize that democracy must accommodate to changing conditions and new problems, but our solutions will not be determined by a dictator. They will be determined by the democratic processes of government. Only in this way can our freedom be assured.

Democracy not only can but must keep up with the space age for today we realize as never before that man is something of great worth and only democracy is worthy of him.

CAN DEMOCRACY KEEP UP WITH THE SPACE AGE?

(By Gary Fisher, Fort Laramie, Wyo.)

The greatest of all obligations facing democracy today is to keep up with the Space Age. Over one-hundred years ago Abraham Lincoln said, "This is essentially a people's contest. . . . It is a struggle for maintaining in the world that form of government whose leading objective is to elevate the condition of man. . . . to afford all an unfettered start and a fair chance in the race of life." These words spoken in the midst of the Civil War can very well be applied to our present position in the Space Age.

This is a people's contest. For democracy is government by the people, a government in which the supreme power to rule is retained by the people. The communist world, with whom we are staging this so called race for space, is not really striving to better the conditions of the common man. Instead, their one and only purpose is to raise the position of the state and strive for communist domination of the world.

The Space Age was officially opened forty years ago when Dr. Robert Goddard of Harvard University made his first experiments with the liquid fuel rockets. But for all practical purposes our present race to conquer the vast expanses of the universe started October 4, 1957, when the Soviet news agency announced the launching of the earth's first artificial satellite. This space traveler, named Sputnik I, was followed in November by another Russian satellite, Sputnik II. It was not until the early months of 1958 that the United States (already behind the Soviet Union) entered the space race with the launching of Explorer I.

The great communist giant was very quick to take advantage of this small edge. The Soviets were so far behind in agriculture, industry, and all phases of economics that to save face they "put all their eggs in one basket" and decided to concentrate on beating the free world in the space race.

This is exactly what they claim to be doing. Besides beating us in putting the first satellites in orbit and claiming glorious feats with their unmanned space craft, such as first taking pictures of the dark side of the moon and landing a vehicle on Venus, they orbited a man nearly eleven months before we did. They were first to have two men in orbit, and are the only nation to have put three men in orbit at one time.

All of these achievements seem quite impressive by themselves, but they do not shine nearly as bright when compared to the success of the United States' space program. We have launched far more satellites than the Soviet Union, have firsts just as impressive as any of theirs, orbited fourteen astronauts while they have had only eleven, we have had men in orbit over two-hundred hours longer than their longest flight, and our scientific research satellites have yielded far more information than theirs.

Far more important than putting satellites into orbit or sending men floating around space is the betterment of the living conditions of man. This is where we have beaten the communist world hands down. Though communist propaganda paints us a pretty picture of life behind the iron curtain, it can hardly compare with the life of an average American citizen. An average Russian couple with two children live in a two room apartment that costs only four or five dollars a week, but the price of clothing and food make a mockery of the average twenty-five dollar a week salary earned by the Russian working man.

The Soviet programs for the betterment of government controlled industry and agriculture have failed miserably. Khrushchev had called for an increase of seventy percent in agriculture production between 1959 and 1965, but the great increase amounted to only ten percent. Soviet industry has suffered the same fate as their agriculture counterparts. While our free enterprise system is having one of the greatest economy booms in history and the gross national product is increasing, that of the Soviet Union is actually going down.

These drastic economic failures have resulted in the adopting of some of our free enterprise techniques in Soviet agriculture and industry. One fact shows how well the Soviet farmer can do with even limited autonomy. He is allowed to maintain a small plot, about one and one-half acres, and to keep the yield for himself. These tiny plots of land amount to only three percent of Russia's cultivated land, yet they are now furnishing thirty-four percent of its food. The Soviet textile industry has more freedom than any other industry in the economy. They are no longer being told what to make, but are using a great deal of ingenuity and individualism in the manufacture of their products. Maybe some of our democratic principles are seeping through that supposedly impenetrable iron curtain.

"Can democracy keep up with the Space Age?" Democracy is keeping up with the Space Age, both in terms of the race to the stars, and in terms of economics, which is more important. This democracy is not just a government, but it is a way of life. To protect this way of life we must continually be on guard. Our foe is ruthless! It will go to any means to achieve its goal of a world communist state. We must face up to the responsibilities of living in a democracy in order to keep alive this great system that we all so dearly cherish, and in order to keep up with the pressures forced upon us by the Space Age.

THE EAST-WEST CENTER AND THE UNIVERSITY OF HAWAII

Mr. INOUYE. Mr. President, this week I was privileged to attend a State Department ceremony honoring the East-West Center and the University of Hawaii.

At this ceremony, Dr. Dai Ho Chun, Director of the Institute for Technical Interchange at the East-West Center, accepted an Agency for International Development certificate of cooperation on behalf of the Center and the University of Hawaii.

In our quest for better understanding between East and West, I am naturally pleased that the East-West Center was singled out for this award because it reflects favorably on the quality of the staff at this Federal institution.

Mr. Daly C. Lavergne, Director, Office of International Training, AID, made some brief remarks on the occasion of the award ceremony. If there are no objections, I ask that the remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

CERTIFICATE OF COOPERATION—EAST-WEST CENTER, UNIVERSITY OF HAWAII

(Remarks by Mr. Daly C. Lavergne, Director, Office of International Training, June 15, 1966)

We are met to recognize through the presentation of an A.I.D. "Certificate of Cooperation" to the East-West Center at the University of Hawaii represented here today by Dr. Dai Ho Chun, Director, Institute for Technical Interchange. This award is presented because of (1) the consistently high caliber of training given; (2) the significant contribution made in the planning and development of A.I.D. training programs; and (3) the continuous cooperation of the Center's Institute for Technical Interchange with A.I.D. and predecessor agencies for the past twelve years.

1. The high caliber of training provided by the East-West Center and its predecessor organizations can be attributed to several factors: the zeal and enthusiasm of the staff assigned to work on the training, the excellence of the facilities used, the cooperation and wholehearted support of the Center, the University and the larger community of Hawaii itself. Over 100 governmental and private agencies and hundreds of volunteers have cooperated fully in giving training and hospitality to foreign participants. The Center, the University and Hawaii itself present on excellent example of American ideals in an inter-racial setting.

A high proportion of Hawaii's population and many of its leaders are of Asian extraction; many Asian cultural values are preserved and there is an unusual degree of knowledge and understanding of Asia, yet Hawaii is thoroughly American. It has a well-integrated economy and is an outstanding example of intensive development of limited resources to provide a very high living standard. Activities are on a scale which is often more comprehensive to trainees than some similar mainland operations. The active interest of all elements of the community participating in the program assures that many doors are open and that trainees are made to feel genuinely welcome.

2. The Institute for Technical Interchange of the East-West Center has made a significant contribution to the A.I.D. training program by the planning and development of *special training programs.* Two examples of excellent planning are the special training programs for Indian home economists and the training of Vietnamese Provincial Deputies in local government. In both instances, many of the various facilities of the State of Hawaii were brought into use.

3. The Institute for Technical Interchange has been providing technical training for A.I.D. (and its predecessor agencies) under contract arrangements for the past twelve years. May 26, 1966 marked the beginning of the thirteenth year of training of A.I.D. participants in Hawaii.

It is rare that a nominee for the A.I.D. Certificate of Cooperation meets all three of the criteria prescribed for eligibility for receipt of this award. However, the Institute for Technical Interchange of the East-West Center and the University of Hawaii is exceptional. They have long demonstrated their willingness to cooperate and their ability to provide A.I.D. participants with an unusually high quality of training and to significantly contribute to the planning and development of new programs.

On May 9, 1961, the then Vice-President (Lyndon B. Johnson) in making the Dedication Address for the East-West Center in Honolulu said: "Arms can never make us invulnerable nor our enemies invincible, but the support we give to education can make freedom irresistible." Howard P. Jones, the present Chancellor has stated in a recent publication: "Five years ago, in dedicating the East-West Center, Lyndon Johnson erected the easternmost pier of a bridge that might one day span the Pacific, carrying a two-way traffic in ideas between the United States and Asia, and linking the peoples of two great continents in a commonwealth of mutual understanding."

In June 1953, the Office of Territories proposed that Hawaii be used as ready-made "briefing station" or "orientation center" and recommended its facilities for use in technical training of foreign participants.

In November 1953, Samuel Wilder King, Governor of Hawaii appointed a committee to study the matter. In February 1954, Harold Stassen, then Director of FOA (predecessor Agency to ICA and A.I.D.) visited Hawaii at the suggestion of the Secretary of the Interior, Douglas McKay, and conferred with Governor of Hawaii and his Committee on International Training. The Committee consisted of distinguished citizens including representatives of the University of Hawaii.

On May 26, 1954, the first contract between the Territory of Hawaii and FOA (A.I.D.'s predecessor agency) was signed. A part of the Governor's office called the "International Cooperation Center" (ICC) actually administered the contract. The ICC had a distinguished advisory committee appointed by the Governor of Hawaii consisting of such persons as the President of the Bank of Hawaii, the Executive Vice President of the Chamber of Commerce, the Vice President in Charge of Academic Affairs of the University of Hawaii and others.

In 1959, the U.S. Congress passed the Hawaii statehood bill. The imaginative concept of utilizing Hawaii and the University of Hawaii to be more deeply engaged in the exchange of thoughts and ideas among the peoples of the countries of the Pacific gained added impetus after Hawaii became a State. The step between concept and reality gained support at the national level from Lyndon B. Johnson, then a member of the Senate, Congressman John Rooney, and Governor (then delegate to Congress) John Burns and others.

In 1961, the Center for Cultural and Technical Interchange Between East and West, commonly known as the East-West Center was established. The Center had its legislative origin in the Mutual Security Act of 1959 in which the Senate inserted a chapter to authorize the Secretary of State to prepare and submit to the Congress a plan and program for such a Center. A report containing such a plan was submitted, and the authorization needed to establish and operate the Center, including authority for appropriation of necessary funds, was included in the Mutual Security Act of 1960.

The organization (ICC) which had worked on the training of A.I.D.'s participants was shifted in April of 1961 from the Governor's Office to the East-West Center, and the name of that organization within the Center became the "Institute for Technical Interchange."

I am pleased to present to you Dr. Chun, representing the East-West Center, on behalf of A.I.D. this Certificate of Cooperation in the presence of these friends and officials who by their presence today show continued public interest and support of the fine work of your institution. Please accept this certificate with our compliments and—thanks for the fine work you are doing in Hawaii to promote greater international understanding.

THE TRUST TERRITORIES: AN AMERICAN RESPONSIBILITY

Mr. GRUENING. Mr. President, the trust territories—those widely scattered hundreds of islands in the Pacific, also known as Micronesia, which embrace an area largely ocean and slightly more extensive than the 48 States are, under a United Nations mandate, entrusted to the care and management of the United States. Our country exercises its responsibilities in these islands through the Department of the Interior. Their importance is out of all proportion to their limited land area and to the relatively small number of inhabitants who nevertheless present a wide ethnic and linguistic diversity. The trust territories include three main groups of islands—the Marianas, Marshalls, and Carolines which have variously in their history been under Spanish, German, and Japanese rule. Having visited these islands as a member of a special committee of the Subcommittee on Territories of the Senate Committee on Interior and Insular Affairs with the late Senator Oren Long of Hawaii, I have been deeply impressed with the potential which these islands hold for our country. This potential lies in our ability to demonstrate a wise guidance and supervision over the conduct of their affairs and the application to these diverse peoples of enlightened and acceptable policies. The ultimate objective must be to free them from colonialism, real or imputed, which should be and is foreign to our ideology, and to help prepare them for the status they desire.

Some years ago, after my visit there, I ventured the proposal that ultimately, given the consent of their people and of the people of Hawaii, these islands be in due course integrated in one vast Pacific state.

The first of a series of articles on this unique area appears in the current issue of the New Yorker, engagingly written by E. J. Kahn, Jr., a veteran reporter for that magazine. I ask unanimous consent that this important article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A REPORTER AT LARGE—MICRONESIA

I—THE AMERICAN PERIOD

The sum of an area's familiar parts is by no means its identifiable whole. To many Americans who served in the Pacific during the Second World War, the names of Peleliu, Saipan, and Kwajalein are and will always be memorable. Bikini and Eniwetok are names of the nuclear age. But there are few people anywhere who are aware that all these places are currently incorporated in a sprawling entity called the Trust Territory of the Pacific Islands, over which for the last twenty years the United States—as an administering authority technically responsible to the

United Nations—has held firm sway. Nowhere else and at no other time has this country had a comparable opportunity to demonstrate how its resources, skills, and techniques can be used to change a region from—in contemporary terminology—underdeveloped to emergent. The Trust Territory, sometimes known as Micronesia, embraces the land and the lapping waters of the Marshall Islands, the Caroline Islands, and all the Mariana Islands except Guam, which has been a full-fledged, non-trust territory of the United States since the end of the Spanish-American War. Most of Micronesia is above the equator; Polynesia, which covers a swath of the Pacific from New Zealand east to Hawaii, is mostly below the equator. The Trust Territory is divided into six far-flung administrative districts: the Marianas and the Marshalls constitute two of them, and the Carolines (which are by far the biggest spread of islands) are split into four more—Palau, Yap, Truk, and Ponape.

Descriptively, Micronesia can be made to sound vast or insignificant, depending on the mood of the describer. There are more than two thousand islands—ninety-six of them inhabited—in the Trust Territory. A few of them are the peaks of quiescent volcanoes, but most are coral atolls. Since the majority of the islands are of exceedingly modest dimensions ("Micronesia" means "small islands" and "Polynesia" "many islands," and either area could justifiably bear the other's name), they would, if compressed into a single land mass, add up to no more than seven hundred square miles—half the size of Rhode Island—with a population of ninety thousand. Water included, however, the Territory covers nearly three million square miles of the earth's surface, or just about as much as the continental United States. The distances that separate the components of Micronesia, and the time it ordinarily takes to get from one spot to another, are enough to dismay almost anyone but an astronomer. A Micronesian with three days' business to conduct on some outlying atoll is not fazed by the prospect of having to allot three months to the task. In 1964, a visiting United Nations mission described the region as "a Territory whose geographical dispersion and remoteness make every undertaking more costly, probably, than in any other area of the world."

Micronesians, not surprisingly, are a maritime people. Many of them use the fathom as a unit of linear measurement for land, which is, quite naturally, far and away their most precious possession. Most of them are friendly, attractive, and intelligent, and they are so amenable, despite all the explosions that have ruffled their environment in modern times, that practically nobody pays much attention to them. Indeed, of all the areas on earth in which the United States has an interest—fiduciary or other—Micronesia is probably the least known. Inhabitants of the Trust Territory are ruefully aware that practically nobody beyond Tobi, Mili, Farallon de Pajaros, and Kapingamarangi—their western, eastern, northern, and southern outposts, respectively—has the faintest notion of who they are or where they live.

Because of the distances, the lack of communication, and the lack of transportation between the islands, there have developed different languages, different beliefs, and different customs, which has resulted in a good deal of clannishness, suspicion, and competitiveness among the districts. In order to achieve cohesiveness, compassion, and comprehension in Micronesia today, the learning of English is being vigorously encouraged all through the Trust Territory. This seems a reasonable proposition, inasmuch as an American veneer—if still a thinnish coat on many of the islands—is gradually being applied to all Micronesian life. Quite a few of the islands remote from the six district centers, and some of the centers as well, still cling resolutely to their time-honored customs (in Yap it is considered the height of bad taste to step over the legs of a reclining man; in Truk only a boor would pat a child on the head; in Palau it is a *gaffe* to ask a man, "How is your father?"), but they may all be fighting a losing battle against the American way of life. The Boy Scouts have encamped on Saipan—the principal Trust Territory island in the Marianas, and at present the seat of the Territory's headquarters—and the Little League has infiltrated Ponape. Yap has a dog-leashing ordinance, Truk has one-way traffic during peak hours, the Marshalls have a radio program called "Coffee Break," and Palau, where there are many caves, has a restaurant called Cave Inn. Micronesia has fewer than a dozen post offices, but it has zip codes, although a letter mailed from Koror, the capital of Palau, 96940, to Colonia, the capital of Yap, 96943, could hardly go astray, since each is the only community in its district that has any formal postal service at all.

Among other imported concepts, democracy is being plugged hard these days in Micronesia, and it is, on the whole, being warmly received, though not without some confusion. Micronesians usually like unanimity and have long tolerated autocracy, so they find it hard to grasp why a vote of, say, fifty to forty-nine should be deemed decisive. Why should any one man's ballot tip the scales? How can *that* be democratic? Asked how he felt about majority rule, one Micronesian chief said, "If there are five people, and only four want to do it, we do not do it. Only when all five want to do it, then we do it." The Trust Territory abounds in hereditary chiefs, most of them men of considerable power. When one outlying atoll in the Marshalls was urged not long ago to move into the modern political mainstream and elect itself a municipal council, its residents were leery. They didn't want to do anything that would seem disrespectful to their chief or might lessen his authority. The Americans who were advising them suggested that in that case they elect their chief to the council. They did, but whenever anything controversial came up, he refused to vote, declining to take sides against anyone, because, as he put it, "All these people are my children." Nobody else would vote, either, not knowing how the chief felt and not wishing to take the risk of disagreeing with him. On the other hand, the chief of an island in the Truk lagoon with a population of less than two thousand moved in an entirely different direction. An admirer of the United States Presidential system of government, he set up a Cabinet of his own, with a Secretary of State, a Secretary of Defense, a Secretary of Health, Education, and Welfare, and so on; natives who wanted to harvest coconuts on an outlying island he controlled were supposed to get a passport from him first. More evidence of the spread of American influence in Micronesia was turned up a couple of years ago by a University of Connecticut anthropologist, the late Edwin Grant Burrows, who collected a batch of home-grown love songs from Ifaluk, a fairly remote atoll in the Yap District. Among the ballads were one that went, in part, "I am caught fast, as with an American fishhook," and one in which a lover wooing a girl intoned, "You are like an American flag in my heart."

There are septuagenarian Micronesians who are proficient not only in one or more of the island tongues but also in Spanish, German, Japanese, and English. The versatility of their language reflects the variety of their subjugation. Micronesians are among the few groups of men on earth so isolated by geographical accident that they have had to learn and practice self-sufficiency, yet there is no living Micronesian who has not known foreign domination. Historians like to give names to eras. Micronesia has no formal historians, but its inhabitants customarily refer to their region's more recent phases as the Spanish Period, the German Period, the Japanese Period, and the American Period. Racially, Micronesians have a mixed background, being a blend, most ethnologists agree, of Mongoloid, Caucasoid, Negroid, and Melanesian strains. Just how the Micronesians got where they are, no one knows for sure. It is generally believed, though, that as far back as the year 1200 B.C. their ancestors thought nothing of undertaking trips of several hundred miles in open outrigger canoes over uncharted seas. The survivors of such bold exploratory voyages presumably founded today's societies, which have had to do a good deal of surviving themselves—typhoons, famines, fratricidal wars, and a bit of cannibalism. Despite these deterrents, Micronesia flourished; a century ago, what are now the Trust Territory islands had a population estimated at more than two hundred thousand—over twice what it is today. The numbers diminished partly because of the importation of assorted Western scourges. Some of these were introduced by more than one nation, but the major credit for smallpox is usually ceded to Spain, for leprosy to Germany, for dysentery to England, for venereal diseases to the United States, and for tuberculosis to Japan. Firearms constituted a joint effort.

The Spaniards were the first on the scene. Following Magellan's landing on Guam in 1521, Spain moved into the rest of the Marianas, which were then known as the Ladrones, or Islands of Thieves. (Magellan bestowed that name; in his view, the natives, who speak a language called Chamorro and are themselves sometimes called Chamorros, were inexcusably stickyfingered.) Subsequent Spanish explorers rechristened the islands in honor of their queen, the wife of Philip IV. (The Carolines were named for Charles II of Spain, Philip's son, and the Marshalls for an English adventurer who sailed among them in 1788.) The other early Pacific voyagers who cruised in Micronesian waters were chiefly Portuguese and Dutch, but by the start of the nineteenth century the Russians were around, too; Ponape and its adjacent islands are still sometimes called the Senyavins, after a Russian vessel that nosed its way among them in 1828. From the mid-nineteenth century on, it was the Spanish, the Germans, the British, the Japanese, and the Americans who were most in evidence. (There are probably very few Micronesians who do not carry some alien genes in their blood.) The American contingent included a few New England whaling men, but the majority were hard-core Protestant missionaries. There were Spanish missionaries, too—Catholics, of course, often accompanied by garrisons of soldiers recruited from the Philippines. By 1873, Spain had extended its sphere of influence southwestward from the Marianas to Yap and Palau, and southeastward to Truk and Ponape. That year, Spain summarily decreed that any trader of another nationality who wanted to do business in the area would have to stop off first in Manila and buy a Spanish permit. This galled the Germans who had come to Micronesia. Mainly businessmen, they were the pioneer exporters of copra—the dried meat of the coconut—which has been Micronesia's principal source of outside income ever since 1864, when the first German merchant began to trade in it profitably. The Germans wanted no part of the Spanish licensing arrangement, and the British backed them up. For a dozen years after 1873, there was considerable wrangling about who had what prerogatives. As far as the Spanish were concerned, Germany was pretty much welcome to the Marshall Islands, which were the farthest away from Manila and had gone discouragingly Protestant to boot. Germany remained restive, however, and in 1885 a landing party ran the Kaiser's colors up a flagpole at Yap, in the heart of the Spanish enclave. Things got to the point where Pope Leo XIII was asked to step in as an arbiter. He upheld the Spanish claim to Micronesia, but he mollified the Germans by granting them trading, coaling, and fishing rights, with no nonsense about permits. The *détente* was short-lived. The Spanish-American War finished off Spain as a Pacific power, and in 1899, being pressed for cash, she was glad to sell everything she controlled in Micronesia to Germany for four and a half million dollars. The Spanish did retain a coaling station in Ponape, where they had set up their Carolinian headquarters. They have not yet exercised their fuelling privilege. Under the Germans, the site that had been reserved for the station became a hospital. Under the Japanese, it became a village for Okinawan workers. Under the Americans, it is a housing compound for administrative personnel.

In all the hauling and tugging that went on, Micronesians had hardly any say about the disposition of their region. They were, and are, an agreeable lot, but from time to time they made it clear to the foreigners that they could be pushed just so far. When the Spanish reigned in Ponape, there were periodic skirmishes between their troops and the permanent population. When the Germans took over in 1899, their resident governor in Ponape announced that all able-bodied men would have to work fifteen days a year without pay—half the fruits of their labor going to their own chiefs and half to him. Few Ponapeans objected to toiling for the chiefs, whose word had always been their law in any event, but working gratis for a European was another matter. In 1909, the residents of the Ponapean municipality of Sokehs balked at their fifteen-day stint. The next year, the German governor ordered them to put in thirty days. Again they refused, and a fight broke out. The Germans won, having the better weapons. They executed seventeen Sokehs resisters and exiled the rest of the community to Palau, a thousand miles away. It was a severe punishment to inflict on Micronesians, one of whose contemporary chiefs expressed their attitude toward their homes when he said, "Even though I travel on all the islands, my own island will remain in my head. No one can make me forget it." The outcasts were ultimately repatriated to Sokehs in 1922 by the Japanese.

Every big change in the administration of Micronesia has resulted from a war in which there was no issue that directly affected any Micronesian. The outbreak of the First World War disposed of the Germans. The Japanese, ostensibly on behalf of the Allies but actually in furtherance of their own territorial cupidity, moved in and took over. Few Micronesians regretted that particular switch. For one thing, the new overlords were Asian and non-white. For another, some of the Germans had behaved fairly highhandedly. The German governor in Palau, for instance, had found it diverting to hold public executions of malcontents on a main thoroughfare of Koror, Palau's capital city. He had designated one large tree a hanging tree, and had had iron rungs embedded in its trunk—they are there still—to facilitate the elevation of his victims to the desired branch.

The Japanese were far from strangers to Micronesia. As early as 1891, *their* first trader had visited the islands of the Truk lagoon. A somewhat scuffed statue of him still stands on the island of Dublon, which became the Japanese headquarters for that district. Dublon is rather scuffed itself today, but at the height of the Japanese regime it had a network of paved roads, a hotel, two geisha houses, a large seaplane base, and a theatre at which traveling circuses from Tokyo appeared. The Japanese rule over Micronesia was *de facto* throughout the First World War, and at Versailles the Allies made it *de jure*. In December, 1920, Japan was granted a League of Nations mandate over Micronesia and was instructed to "promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory." Japan was further adjured to keep the islands free of slavery, forced labor, and liquor, and to refrain from establishing any military or naval bases. In 1922, the United States endorsed the agreement. (That year, the Japanese substituted a civilian administration for the military one that had been there since the start of the war.) The United States did make one demand. One of our principal channels of communication to the Orient had been by means of a cable running from Guam to Manila to Shanghai. Another cable ran from Guam to Shanghai by way of Yap, and, wanting an alternative in case something happened to the Manila cable, we insisted on having access to Yap. (Some American isolationists screamed at our wanting to get involved in any place so far away and so preposterously named.) The Japanese agreed readily enough, but they never honored their pledge, and the whole matter became academic in 1925, when the Yap cable station was destroyed by a typhoon.

Except for the stipulation against slavery, the Japanese soon began disregarding every one of the instructions laid down by the League. In 1935, Japan withdrew from the League, and after that felt no obligation to let anybody know what she was up to in Micronesia. To any country with long-range expansionist goals, Micronesia was strategically irrestible as a military base. Truk, which Japan picked as the site of a major naval base, not only had a commodious lagoon, forty miles wide, but was handily situated—twenty-two hundred miles southeast of Tokyo Bay, three thousand miles north of Sydney, twenty-one hundred miles east of Manila, and a mere six hundred and fifty and thirty-six hundred miles away from the American bases at Guam and Pearl Harbor, respectively. But the military usefulness of the area was only one of Micronesia's charms. Japan's economy needed all the bolstering it could get. The names, in English translation, of three successive Japanese companies that operated in Micronesia are indicative of Japan's shifting attitude toward the area. First, in 1914, there was the South Seas Trading Company. Then, in 1921, along came the South Seas Development Company, and, finally, in 1936, the South Seas Exploitation Company. This last had twenty subsidiary companies, which, among many other enterprises, caught and processed fish, grew and canned pineapple, grew and refined sugar cane (Japan built several railroads just to carry the cane from fields to factories), and cultivated pearls. The Exploitation Company had an initial capitalization of ten million dollars, and on this it returned a handsome annual profit of twenty-two per cent. Its head office was at Koror. There the Japanese constructed an elaborate Shinto shrine, which was dedicated in 1940, with a special representative of the Emperor in attendance. Koror became a stylish Oriental metropolis, with a population of thirty thousand and factories that manufactured soy sauce, beer, and fireworks. The city had public baths, laundries, dressmakers, tailors, masseurs, barbershops, butcher shops, and drugstores. There were forty-one ice dealers, seventy-seven geisha girls, one fortune-teller, and fifty-five restaurants, thirteen of them considered first-class. The Palauans had never seen anything like it before, and they haven't since, either. Micronesians who could afford to patronize the restaurants were allowed to, and they developed a taste for rice, a cereal not native to the area, and also for its accompanying soy sauce, which sells briskly in the Trust Territory today, in gallon lots. Pickled radishes are another holdover favorite.

Of all the nations that have had a go at running Micronesia, Japan is the only one that made a serious attempt to colonize the place. By the start of the Second World War, there were fifty thousand Micronesians in the mandated area and seventy thousand aliens, including Okinawans and Koreans brought in by the Japanese as laborers. The natives were made emphatically aware of their supposed inferiority, but despite a considerable amount of brutality, there were a lot of jobs available to Micronesians, and throughout the area there was an unaccustomed hum of activity. Some Micronesians are inclined to look back nostalgically to the geisha and the glitter. In Koror, especially, natives comparing the frenetic Japanese Period with the infinitely more relaxed American Period that followed it confess that they are unable to understand how we won the war.

Once the Second World War broke out, no more attention was paid to the League of Nations' attitude toward forced labor. In the summer of 1943, for instance, a hundred and seventy-nine natives from the island of Ponape were shipped to Kusaie, the Ponape District's next-largest island, nearly three hundred miles to the southeast, to work on Japanese Army installations, and they didn't get home for more than two years. All Yapese males between the ages of eleven and fifty spent a comparable stretch of time constructing, mostly by hand, an airstrip for fighter planes; when the United States bombed it to rubble, they spent a year putting it back together. Noncombatants though the Micronesians were, hundreds of them died when their islands were invaded or bombed. Wherever there was ground fighting, the destruction was very nearly total. The pride of Saipan, for example, was the Japanese-built city of Garapan, which on the eve of the war had a population of twenty-nine thousand and amenities comparable to those of Koror and Dublon. After the invasion of Saipan, there was nothing left of Garapan. There still is nothing left. About all that remains of its former glory is a larger-than-life-size bronze statue of the founder of the sugar-cane industry there. Now bullet-riddled, he stands forlornly in what was once a manicured botanical garden but is now a tangle of undergrowth infested with African snails—another Japanese legacy. (There has been much tampering with the ecological balance of Micronesia. The Spanish once imported monitor lizards to kill rats and, when the lizards multiplied, brought in poisonous toads to kill them; now the toads have spread all over. So have the rats. In 1960, the United States authorities brought in some carnivorous snails from Kenya to fight the African snails, but it has been a losing battle. Recently, the Marianas District legislature appropriated two thousand dolars to be paid out in bounty—ten cents for each three-gallon bucket of African snails. There is also a local bounty of a nickel a rat.) No ground fighting took place in Koror, but when our Marines moved in, some of them, possibly in a highly charged emotional state because of the reverses they had suffered at nearby Pelelin and Angaur, demolished most of the city anyway, including the waterworks and the power plant. That was more than twenty years ago, and the United States and Japan have since become friendly, but Koror doesn't yet have public utilities of the kind it had before the Palauans inadvertently found themselves in the middle of somebody else's fight.

The scars of war remain in Micronesia, even though tropical foliage quickly formed an obliterating blanket. In some parts of the Territory, half-hearted attempts have been made to clean up the debris, and in others wholehearted attempts, but it may be many years, if ever, before all of Micronesia looks serene again. Some of the souvenirs have their picturesque aspects, like the remnants of Zero fighter planes—perhaps two dozen in all; the jungle growth makes precise counting difficult—that fringe the Yap airstrip. Some rusted relics scattered through the Trust Territory are misleading; they are the hulks of ships that have gone aground on treacherous reefs *since* the war. Some of the debris is plain ugly and, one would think, eradicable. At Angaur, for instance, the United States has a spick-and-span Coast Guard station (an outpost of a long-range navigational guidance system), with tidy buildings and flower beds, and movies every night—sometimes double features. But the nearest beach—a pleasant cove only a few hundred feet away—is still littered with the garbage of war. In parts of Micronesia, as on so many other one-time battlefields, unexploded bombs and live ammunition are still to be found. On the island of Babelthuap, in the Palau District, a family raised hell when an American demolition team tried to cart off four live bombs they had been using as pillars to support their house. In Koror, an unexploded bomb, its tail fins visible above the ground, remains where it fell, a minute's walk from a popular beach.

At the outset of the war in the Pacific, it became evident that if the United States won it, we would have to move at least temporarily into the vacuum created in Micronesia by the departure of the Japanese. Since Micronesia was mostly water, the Navy seemed the logical occupying force, and as early as 1943 the Navy Department began recruiting scholars at Yale, and later at Columbia, to accumulate and collate all the available material on Micronesia. Unlike Okinawa and the other Ryukyu Islands, which belonged outright to Japan, the Micronesian islands were held merely by mandate. They could thus hardly be considered legitimate spoils of war. What was more, the United States had no wish to take actual possession of them; at the end of the war we wanted neutral areas to regard us as liberators, not conquerors. On the other hand, we wanted to exercise some kind of control over so broad an expanse of the Pacific; otherwise, our national security might again be imperilled.

When the United Nations was set up at the end of the war, its charter stipulated that areas whose status was cloudy were to be designated trusteeships and were to be administered by U.N. members, which would themselves be responsible to a Trusteeship Council. Micronesia became one of eleven such territories, and a unique one. It was designated a *strategic* trust, which meant that U.N. decisions relating to it would have to be made, ultimately, by the Security Council, where the United States had veto power. The arrangement whereby the United States became Micronesia's trustee was formally ratified in July, 1947, and President Truman turned over the actual administration of the new Trust Territory of the Pacific Islands to the Navy Department, which had been supervising the area all along anyway, but without official international sanction. In line with what was then the American policy toward Micronesia the Navy administrators who were assigned to the area did relatively little at first to change the natives' way of life; the idea was that the Micronesians would fare best if they were left to their own devices and not exposed to Western customs—the "zoo theory" of administration, as anthropologists sometimes call it. One zoophilic admiral who got to know the natives well declared in a 1947 magazine article, "For mercy's sake, let them alone in their happiness!" But no one could be certain what the Micronesians considered happiness. The more sophisticated among them had acquired a good many non-indigenous appetites and ambitions. The zoo theorists thought the Micronesians could subsist quite satisfactorily on the bounty of their soil and their seas, but many Micronesians thought otherwise. Few of them grew tobacco, for instance, yet cigarettes had become a part of their lives. A subsistence economy might keep them detached from the rest of the world and, in an admiral's eye's quaint, picturesque, and unspoiled, but a cash economy like the one that had flourished—in the district centers, at least—during the Japanese Period was more appealing.

The Navy stood watch until June, 1951, when President Truman issued an executive order turning the administration of the Trust Territory over to the Department of the Interior, which has been in charge ever since, and whose aim, according to a recent statement of policy, is "to develop the peoples of the Trust Territory so that they can assume the responsibilities of self-government, to stimulate them to become as nearly economically self-sufficient as possible, and to encourage them to foster respect for their culture while affording them an opportunity to take on those aspects of Western life which will enable them to lead richer lives." It is sometimes thought odd that Interior, of all federal departments, should be in charge of territories so notable for their extraterritoriality. The explanation is simple enough. In the eighteen-seventies, much of the continental United States consisted of land owned by the government but not lying within the borders of any state. The management of public land was the responsibility of the Department of the Interior, and as the nation acquired outlying territories—Alaska, Guam, Hawaii, and so forth—it proved convenient to turn them over to the department that already had the supervisory experience. The Defense Department, of course, is also concerned about what goes on in Micronesia. While Japan was specifically enjoined by the League of Nations from fortifying Micronesia, the United States has full authorization from the United Nations—this is in line with the strategic-trust concept—to do just that, and we have, *inter alia*, a missile-testing center at Kwajalein, in the Marshall Islands, radio stations at Ponape and Palau, and a satellite-tracking station at Truk; however, except for a few dozen Coast Guard men at two transmitting stations for navigational radio signals, we have no garrisons within the Territory. Because we do not own the Territory but run it on behalf of the United Nations, the State Department is concerned, too, for it is through State that all United States relationships with the U.N. are supposed to be funnelled. It is State, not Interior, that puts its seal on the report that the United States annually submits on its stewardship to the United Nations. The State Department also has the ticklish task of acting as a bargaining agent for those Micronesians who have been arguing for twenty years that Japan ought to remunerate them for the devastation wrought on their land during the war. (Some Micronesians think they have justifiable war-damage claims against the United States, too, but our position has been that we didn't start the fighting and could hardly have been expected not to try to evict an enemy from wherever he chose to entrench himself.) Periodically, one of the Micronesian districts will draw up a petition requesting indemnity. Some of the demands have been substantial. The Yap District, where there was no ground fighting during the war, and where the total population is now only slightly over six thousand, once asked for close to thirteen million dollars, or about two thousand dollars per person—and this in a district where the annual per-capita income on some of the remoter islands is eighty-three cents. The United States, without committing itself on amounts due, has assured the United Nations that the Micronesians' claims against Japan are "valid and just," and whenever the subject is raised, the State Department declares that it is negotiating about them with the Japanese government. In 1961, the United States formally told the U.N. that the matter had "the highest priority." In 1965, a responsible State Department official, asked informally how the negotiations with Japan were coming along, replied that they hadn't got anywhere at all, and added, "To be realistic, there have been other areas of U.S.-Japan relations with higher priorities."

The Department of the Interior keeps in touch with Micronesia through a departmental branch called the Office of Territories, which, for a federal agency, is astonishingly small. It is manned by only thirty people, including messengers and clerks. Presiding over this microbureaucracy is an energetic young lawyer, Mrs. Ruth G. Van Cleve, of Minnestoa, whose husband is also a government attorney. Mrs. Van Cleve was one of the fifty women whom President Johnson appointed to high federal posts early in his administration. Her office, which comes under Interior's Assistant Secretary for Public Land Management, also provides the Department's liaison with the Virgin Islands, Guam, American Samoa, and what she sometimes calls "the funny places"—among them Canton and Enderbury Islands, two Pacific dots that we administer jointly with the British; Howland, Baker, and Jarvis Islands, three Pacific specks that we administer alone but that take up little time, since all are uninhabited; and Wake Island, which is mainly an airport and the day-to-day supervision of which Interior has gladly ceded to the Federal Aviation Agency. (The Office of Territories does *not* have jurisdiction over Puerto Rico, which is a commonwealth, or over Okinawa and the rest of the Ryukyu Islands, which—like the Bonin Islands, Midway and Johnston Islands, and the Panama Canal Zone—are administered by the Department of Defense.) The funniest place of them all, probably, is Palmyra Island, a thousand miles south of Honolulu, which actually consists of about fifty islets totalling about a thousand acres. Palmyra, which is also uninhabited, would be part of Hawaii except that it is privately owned by the Fullard-Leo family, of Honolulu. (Palmyra originally belonged to the kings of Hawaii. Kamehameha IV sold it in 1862. The island would probably have joined the Union as part of Hawaii if a United States history, though not uncommon in Leos had not demurred.) Mrs. Van Cleve's predecessor in charge of territories was Richard F. Taitano, a native of Guam. Taitano is a slim and soft-spoken man, now forty-five, whose father was an American Navy employee on Guam for thirty-three years. When Richard, the oldest of seven children, was thirteen, his father went blind. At sixteen, Richard was teaching school every morning and attending classes himself in the afternoon to learn enough to keep ahead of his pupils; in the evening, when not helping his mother with the family livestock, he had his choice of doing his own homework or correcting the pupils'. After the war, he got a scholarship at Berea College, in Kentucky, and he later did graduate work in governmental administration at the University of Pennsylvania. He was the first native territorial to be director of the Office of Territories. In April, 1964, he was appointed Deputy High Commissioner of the Trust Territory, a job he held for a little over a year.

The Trust Territory has always had a High Commissioner—a rank rare in United States history, though not uncommon in colonial affairs. Under the Navy's regime, the High Commissioner was non-resident, the title being vested in the Commander-in-Chief of the Pacific Fleet, who made his headquarters at Pearl Harbor and governed

Micronesia through deputies. Today, the High Commissioner is appointed by the Secretary of the Interior. The incumbent, William R. Norwood, who was sworn in three weeks ago, is a former newspaper reporter and public-relations man who had previously been administrative director of Hawaii. The job has a Civil Service rating of GS-18, which means that the Commissioner's base pay is twenty-five thousand three hundred and eighty-two dollars (Micronesia being rated a hardship area, he also gets a twenty-per-cent bonus and a housing allowance), and that he belongs to the highest category of government officials whose appointments don't have to be confirmed by the Senate. He is more powerful within his three-million-square-mile realm than the President of the United States is within his. The High Commissioner is not only the supreme executive but also the supreme legislative authority; he falls short of being omnipotent by virtue of the fact that the supreme judicial authority reposes in a Chief Justice, who is also designated by, and responsible directly to, the Secretary of the Interior. The High Commissioner has his own flag (on it is displayed the Trust Territory seal, which features a coconut palm), and the State Department's Office of Protocol has accorded him a status equivalent to that of an ambassador.

The first civilian appointee to this post of exalted isolation was Elbert D. Thomas, a Utah Democrat, who was chosen in 1951 after failing to be reelected to the Senate, and who seemed especially well qualified because as a young man he had been a Mormon missionary in Japan. Thomas died in 1953, and was succeeded by Frank E. Midkiff, a Honolulu businessman. At that time, Trust Territory headquarters were still in Hawaii, twenty-seven hundred miles east of the center of Micronesia. In 1954, Interior moved the headquarters to Guam, which while not part of the Territory, was at least surrounded by it and was—as it still is—the main port of access to it. Midkiff, preferring to stay in Hawaii, resigned, and he was followed by Delmas H. Nucker, a government career man from Pennsylvania who had been executive officer of the Office of Territories. Nucker presided over Micronesia for six and a half years, during most of the Eisenhower administration, and attained the reputation of a man who liked to stay within his budget. Since the most money ever allocated to the Trust Territory by Congress during that era was just over six million dollars a year, and since a good deal of that had to go into subsidizing transportation, making ends meet was not easy. But it was still American policy to move slowly in Micronesia, and everything just sort of limped along. Nucker stayed on until early 1961, when the Kennedy administration began reassigning jobs. The Trust Territory was given to M. Wilfred Goding, who ran it for five years and under whose direction the area is generally considered to have made more headway than it did during the entire sixteen previous years of the American Period. Goding's surname is pronounced as if it were spelled "Godding," and "In Goding we trust" became a Trust Territory quip. A tall, gruff, grizzled, hearty man, now fifty-four, Goding had a background that seemed almost tailor-made for the High Commissionership. He was born in Skagway, Alaska, and Alaska has long been vexed with administrative problems comparable to those in Micronesia—a very few people scattered over a very large space. (One of Goding's assistant commissioners, James Hawkins, was posted to Micronesia in 1964 following many years of governmental service in Alaska. After a few weeks on the new job, Hawkins said "It's almost like coming home.") As a young man, moreover, Goding had taught school to Eskimos, and educating one group of non-English-speaking American wards is not very different from educating another. He had worked for Interior as far back as 1944, spending ten years in the Office of Territories, as assistant director for Alaskan affairs, so he was acquainted with the problems involved in changing the political status of a territorial region. When Alaska and Hawaii were on the edge of statehood, he had a good deal to do with working out the mechanics of their changeover with congressional committees, so he knew his way around Capitol Hill—useful knowledge for an administrator who has to present budgets for legislative scrutiny and action. When Goding acceded to the High Commissionership, one of his very first accomplishments was to persuade Congress to raise the annual budgetary ceiling for the Trust Territory from seven and a half to seventeen and a half million dollars.

In his five years in office, Goding made forty round trips to the continental United States. He had to present himself in a fund-raising capacity before the Bureau of the Budget and congressional committees—two groups that in Trust Territory eyes have the same constructive potential as a good coconut crop and the same destructive potential as a typhoon. There was also an annual spring pilgrimage to be made to the United Nations. By 1962, eight of the eleven original U.N. trust territories had become independent nations. The remaining three are Micronesia; New Guinea, which is administered by Australia; and the small South Pacific island of Nauru, which, though it has only forty-eight hundred inhabitants, has three administrators—Australia, New Zealand, and the United Kingdom. Each spring, the Trusteeship Council holds a session at which the administering authorities report on the progress made toward achieving the U.N.'s long-range goals of self-sufficiency and self-government, and every third year the Trusteeship Council sends a delegation from its ranks to inspect the Trust Territory.

The High Commissioner's headquarters are in a handsome complex of buildings, called Capitol Hill, on Saipan, the main island of the Marianas. By Micronesian standards, Saipan life is plush. The island has dial telephones, a bowling alley, and the only golf course in Miconesia (the Whispering Palms Country Club), and is only a hundred and twenty miles from Agaña, the capital of Guam—which, though no great shakes compared to Hong Kong, Paris, or New York, is to many Micronesians a metropolis of breathtaking splendor. In any bureaucratic society, it is common for individuals far from the seat of power to be envious and resentful of the higher-ups, and the Trust Territory is no exception. Those of its employees who are hundreds or thousands of miles from Saipan are forever grumbling that the administrators back there don't understand conditions in the field (when the chief public-information man on Saipan, an American, sent a contribution to the Truk District's weekly paper, its American editors identified him as a foreign correspondent), and that they try to exercise too firm a grip on the routine activities of their outlying representatives. (The headquarters does, in fact, exercise tight control. It even specifies the color schemes for houses built for Americans in distant districts: ceilings must be light ivory except when blue is used on walls, in which case white is permissible.) The comparative opulence of the Saipan headquarters installation is the result of the Trust Territory's having inherited its Capital Hill from the Ceneral Intelligence Agency, which built itself a postwar enclave there at a cost of some twenty-eight million dollars and occupied it between 1949 and 1962. Purportedly a "Navy Technical Training Unit," the place was actually a training area for Chinese Nationalists who, with C.I.A. backing, were contemplating an assault on the Chinese mainland. (Why the United States—strategic trust or no strategic trust—elected to establish an installation of that nature on alien soil has never been clearly explained.) The whole operation was very secret. During the thirteen C.I.A. years, Trust Territory officials had hardly any access to the island, and the resident Saipanese were barred from half their home island.

Shortly after Goding became High Commissioner, he gave local spirits a boost by authorizing (his authorization being tantamount to law) the adoption of an official Trust Territory flag. A territory-wide contest was held to pick a design. The first prize, of five hundred dollars, went to a radio operator on Saipan; a consolation prize of two hundred dollars was awarded to a Marshallese schoolboy whose entry was nearly identical. The winning design consisted of six white stars arranged in a circle on a blue field, the white standing for purity as well as for the six districts, and the blue for loyalty as well as for the sea. The Trust Territory flag looks like an American admiral's flag, only bigger and better; the Navy has never had a flag officer who rated six stars.

When John F. Kennedy was President, he expressed the hope that Micronesians would eventually "participate fully in the world of today." Some Micronesians still consider him their best American friend. In the Yap jail, the only pictures that the prisoners have on display are of saints and of Kennedy. The President was genuinely concerned about the islanders' affairs, although he could hardly devote very much of his time to so small and untroublesome a group. When he was assassinated, the one American on an outlying Trust Territory island—the owner of the island's only radio—hesitated at first to pass along the news. To many of the natives, a government is inseparable from the man who presides over it; to them, Kennedy *was* the United States. In their view, the Trust Territory existed solely through his special grace and dispensation, and the funds to subsidize it came out of his pocket. The American with the radio accordingly thought it prudent to preface his disclosure of the sad information with a brief, reassuring lecture on the continuity of American policy.

A few months before he died, President Kennedy set up a small mission to visit Micronesia and make recommendations on what the United States could or should do to speed up its progress toward wherever it might be going. The head of the inspection team was Anthony M. Solomon, who is now Assistant Secretary of State for Economic Affairs and at that time—following a business career in Mexico and a wartime stint as economic director of southwest Iran—was a lecturer on international economic relations at the Harvard Business School. The Solomon Committee, as the group became known, spent several weeks in the Trust Territory, and on its return drew up a five-hundred-page report that contained extensive recommendations for altering the structure of the Ameriman administration. For one thing, it advocated a six-year capital-improvement program that would have required an increase in annual Trust Territory appropriations from a maximum of seventeen and a half million dollars to an average of about twenty-six million. While the Trust Territory administration was not displeased at this prospect, it was less enthusiastic about some of Solomon's other notions. He proposed, for instance, that a good many of the services we provide out there be handled not on an individual hiring basis, as had been done all along, but through contracts with outside organizations. According to this plan, all American teachers in the Trust Territory would be recruited through the Hawaii public-school system, and all American doctors through such international organizations as Medico-Care. Any such arrangements would, of course, have diminished the authority of the High Commissioner and his staff. What was more, the Solomon Committee felt that, except in special circumstances, no American should spend more than four years on Micronesian duty, since a man's viewpoint and efficiency can easily be affected by the torpid environment. If any such scheme had been adopted, the Territory's administration would have had to be radically changed, for there are a number of old hands around with more than a dozen years' service, and there are a few who have been in Micronesia since 1946. Solomon also urged President Kennedy and Sargent Shriver to send some Peace Corps volunteers out that way. As early as 1961, the High Commissioner had put in a request for some. Five years later, the closest the Trust Territory had come to getting any was to hire a Hawaiian agriculturist who was trained for Peace Corps work in Ecuador but then learned he had a red-blood-cell count that made service in a high-altitude area inadvisable. He ended up on Majuro, in the Marshalls, where the elevation nowhere exceeds eight feet Last month, however, Washington disclosed that a Peace Corps corps three hundred and fifty strong—nearly equalling all the Americans in the Trust Territory in any capacity—was being recruited to serve out there, and that within a couple of years the Peace Corps contingent might number a whopping eight hundred.

President Kennedy liked most of the Solomon Committee's ideas, and was on the point of implementing them when he was killed. In the ensuing two and a half years, a few of Solomon's recommendations, or modifications of them, were adopted, but many were not, and his report has never been made public—principally, one suspects, in order to deprive the Russians of chances to berate us with critical comments about Micronesia at U.N. meetings. On May 13, 1966, however, Secretary of the Interior Udall submitted a blockbuster of a proposal to Congress, which went beyond anything the Solomon Committee has envisioned. Interior, as if suddenly jolted awake from a twenty-year reverie, has asked Congress to raise the annual appropriation ceiling for the Territory to twenty-two million dollars next year and to thirty-eight million by 1971; what's more, it has concurrently requested a five-year capital-funds outlay of a hundred and seventy-two million additional dollars, which is more money than the United States has spent on Micronesia since 1946.

Whether Congress will go along with all or much of this remains to be seen. Whatever anyone may propose for Micronesia, it is the United States Congress that disposes. Article IV, Section 3, of our Constitution says, "The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States. . . ." True, Micronesia doesn't belong to us, but while we are footing its bills the distinction makes little difference to Congress—or, more specifically, to the Senate and House Committees on Interior and Insular Affairs. Inasmuch as appropriation bills originate in the House, the House committee is the key one to reckon with. Its chairman since 1961 has been WAYNE N. ASPINALL, of Colorado, and, in general, what he says about Micronesia goes. It has been Representative ASPINALL's view to date that we have treated the Micronesians fairly and squarely, and that we might be doing them more harm than good if we poured in a lot of funds that they were not equipped to cope with. "If you spend money before they can appreciate it or before they can absorb it into their culture, you destroy the very thing you're trying to develop," he says. "We've never been niggardly. We must not only do our best to give these people whatever advantages they want; we must always also see that we don't impose Western culture on them that they don't want. We must challenge them to see for themselves what it is they actually do want. If we throw things at them that they can't absorb, it's going down a rathole." Mr. ASPINALL, has been to Micronesia four times for brief visits. (The Territorial expert on his committee's staff, Dr. John L. Taylor, also knows the area; not only has he visited it several times on behalf of Congress but he was also in the first wave that landed on Saipan in 1944.) Some of the other members of the committee try conscientiously to get to Micronesia once every year or two, but it is a long way off.

Economics aside for the moment, what may prove to be the biggest forward step yet in the political evolution of the Trust Territory occurred last summer, when the first session of the Congress of Micronesia convened at Saipan. High Commissioner Goding delivered an appropriate State of the Territory speech, and a message signed by President Johnson acclaimed the event as "a momentous occasion" and characterized the Congress as "a remarkable experiment in progressive self-government." Patterned after its big brother in the United States, the Congress—which was authorized two years ago by Secretary Udall—has an upper chamber (the House of Delegates) with two members from each of the six districts, and a lower chamber (the General Assembly) with twenty-one members, the districts being represented proportionately according to population. Truk has five members, the Marshalls and Ponape have four each, Palau and the Marianas have three each, and Yap has two. To void possible conflicts of interest, it was proposed that Micronesians employed by the Trust Territory administration could not run for Congress. But then it became apparent that if this policy should be adopted, there simply would not be enough capable Micronesians to go around, so a compromise was worked out: During the first four years of the Congress, men who hold major Trust Territory jobs may serve in it; after that, they will have to choose between being civil servants and being politicians.

The Congress of Micronesia has limited legislative powers. It has nothing to say about the Trust Territory budget—that is up to the United States Congress. It can pass laws, but the High Commissioner can veto them (although if he twice vetoes a law that the Congress of Micronesia thinks desirable, the legislators may go over his head and appeal to the Secretary of the Interior). Circumscribed as its authority is, though, the new legislature is still the nearest thing Micronesia has ever had to an indigenous territory-wide lawmaking body, and its institution has caused a stir both on the islands and beyond them. The chairman of the most recent U.N. visiting mission—Frank Corner, of New Zealand—called it "the rooftree under which all the people of Micronesia will be gathered," and his mission's report went on, "If the Territory is to come alive, to begin the self-directed progress which alone offers any hope of a halt to steadily rising United States subsidies, the [United States] Congress will have to begin to limit and share its authority over Micronesia. The alternative—to retain an unyielding control over these grants—will be to leave the Territory an inert and politically-lifeless burden on its pocket and on its conscience."

Every Micronesian over eighteen, male or female, was eligible to vote in the congressional elections, and something more than seventy per cent of all registered voters cast ballots. Election Day was January 19, 1965, but on some of the remoter islands the balloting was conducted a month or more before that, so that boats could deliver the votes to district centers by counting time. In Palau, high seas made it impossible for a ship to pick up the ballots at one island, but since there were only fourteen voters there, and since no race was decided by a margin as narrow as that, this particular forfeiture of suffrage was dismissed as irrelevant. The extent and intensity of the preëlection campaigning varied according to district customs. One Yapese candidate who was living and working at Trust Territory headquarters on Saipan made the thousand-mile trip home and spent several weeks seeking votes. He won. The principal Palauan candidate, who was generally considered a shoo-in, didn't campaign at all. He was at a conference at Saipan and stayed there during the last two weeks before the election. He lost. In the Marshalls, there was little conventional politicking, because no Marshallese would ever dream of praising himself. In Ponape, candidates went even further and belittled themselves. In Truk, free radio time was offered to any office seeker who wanted to make use of the government station's facilities. Nobody availed himself of the opportunity—not even a candidate who was employed at the station. Only in Palau and in the Marianas, where outspokenness and dissension are more socially acceptable than in the rest of Micronesia, are there organized political parties. Palau's parties date back to 1963, when several community leaders in Koror decided that if they were ever going to move into the modern democratic world they had better start by adopting a two-party system. So they divided themselves up into Liberals and Progressives, though there were no issues of any real consequence separating them at the time. Now the Progressive Party has a Catholic orientation and the Liberal Party reflects the viewpoint of the Seventh-day Adventists, who are well established in Koror. Some Palauans contend that the only other present distinction between their two parties is that the Progressives want to continue to receive American subsidies but want the United States to clear out of Micronesia soon, whereas the Liberals want the money but want us to clear out immediately.

The outcome of many of the Trust Territory congressional races was predictable (nobody in Truk, for instance, ever doubted that the powerful Petrus Mailo, chief of Moen, the administrative center, would win; the only question was whether he would deign to run), but there were several surprises, too. One that occurred in the Marianas District was particularly unsettling to the American administrators. This was the election to the House of Delegates of José R. Cruz, a goldsmith and the publisher, editor, and sole writer of a gadfly newspaper that appeared whenever he felt like putting an issue out. Until its recent demise, it was the only publication in Micronesia—not counting a few high-school newspapers—that was not editorially controlled by the American administration. When Cruz made his journalistic début, in the fall of 1963, he called his paper the *Free Press* and said that its objective was "to free the soul and pulse of things which affect Saipan." In the spring of 1964, he began calling it the *Free Press of Micronesia* and said that its objective was "to free the soul and pulse of things which affect Micronesia." Cruz would sometimes refer to himself as a "Small Potatoe" and to the High Commissioner's staff as a "GANG" (his capitals). Sometimes he had a kind word for the High Commissioner himself. "High Commissioner M. W. Goding is doing a great deal of benefit for Micronesia," Cruz wrote once, "but unfortunately he is the Hi-Com and is the target for criticism." Goding was also twice the target for lawsuits brought by Cruz. Both were technical cases involving the licensing of outside companies operating in Saipan; both were thrown out of court on the plea of the High Commission's Attorney General. Cruz, a free-swinging journalist who when Micronesians were considering an appropriate motto for the Trust Territory suggested "Insufficient Funds," had no qualms about calling some people lunatics and identifying others, by name, as adulterers. Because of his lack of respect for the administration ("A well-educated Micronesian is nothing but a Micronesian who thinks and does things the American way," he once wrote scornfully), his candidacy for Congress distressed some of his targets, and his victory distressed them even more. However, in line with his enhanced stature, he abandoned the *Free Press*, which cost a nickel, in favor of a ten-cent weekly, somewhat milder and more statesmanlike in tone, called the *Micronesia Times*. It was printed—until it, too, went the way of its founder's earlier publication—on Guam; the Trust Territory's only printing facilities belonged to the administration.

Most Micronesian publications are quite tame. The principal one is a magazine, the *Micronesian Reporter*, which is theoretically put out every other month by Trust Territory headquarters but has fallen as much as five months behind its scheduled publication dates. From time to time, the six districts have had weekly newspapers of their own—the liveliest present paper is Yap's, entitled the *Rai Review*, *"rai"* being Yapese for the famous stone money peculiar to that area—but in general a paucity of transmitted information has long plagued Micronesia. (A schoolteacher from Pennsylvania, assigned to Koror, subscribes by air mail to the daily and Sunday editions of the New York *Times*. It costs him $606.20 a year.) Last year, Trust Territory headquarters began trying to fill the void somewhat by receiving by radio from the Manila office of United Press International two five-minute news summaries every day and transmitting them to each of the district centers. The summaries are then rebroadcast over intra-district frequencies, interspersed with local announcements about ship arrivals, airplane passenger lists, scooter accidents, and P.-T.A. meetings, and also with taped features that the Trust Territory gets from the United Nations and the Voice of America—"Science in the News," "Life on the Planets," and, not long ago, a three-installment biography of Samuel Gompers. To date, there are no labor unions in Micronesia.

Only since early 1965 has each district center been able to hold two-way radiotelephone conversation with Saipan and with the other district centers, and only since a year ago, with the opening of a radio station at Yap, has each district center had one-way broadcasting facilities to its own outer regions. (Many of these outer regions have no way of getting in touch with their district headquarters except when a ship stops by.) For a while, an enterprising American weather-bureau employee ran a small commercial radio station of his own at Moen, the administrative center of the Truk District. The station did quite well. It had a Micronesian disc jockey, and it had sponsors, including the Budweiser distributor on Guam. Its audience was widespread and faithful, but Saipan said that the proprietor of the station was darting all over the frequency band, and made him shut down. Some five thousand Micronesians now own radio sets, and all ninety thousand are looking forward to television, which, as they are aware, has already reached American Samoa. They can hardly wait until they are similarly blessed, and they may not have to wait too long; the Interior Department is now studying the practicability of speeding up the pace of education by means of television.

It is a paradox characteristic of Micronesia that the only daily newspaper published within the Trust Territory appears in a part of the territory that is off limits to most Micronesians. The paper is the *Hourglass*, printed at Kwajalein, in the Marshall Islands. The name of the paper derives from the shoulder patch of the American 7th Infantry Division, which in February, 1944, invaded Kwajalein, the biggest of the ninety-seven islands that form the atoll of Kwajalein, which, in turn, is the biggest atoll in the world. The islands add up to a total of a little more than six square miles; the lagoon they embrace takes in eight hundred and thirty-nine. At the time the 7th Division landed, the main island had virtually no vegetation on it other than a few battered coconut trees. Today it is a handsomely landscaped oasis, crisscrossed by smooth paved roads, where three thousand Americans—mostly civilians under contract to private industries—live in air-conditioned splendor. They work at the Kwajalein Test Site, where Nike missiles are regularly fired to intercept intercontinental ballistic missiles launched from California. The United States has spent nearly a billion dollars building and equipping its installations at Kwajalein. Up to July, 1964, the site was under Navy jurisdiction and was called the Pacific Missile Range Facility; now it is under the Army, subordinate to the Nike-X Project Office, whose headquarters are at Redstone Arsenal, at Huntsville, Alabama. Though the test site is on the Asian side of the international date line, it operates on a continental United States calendar. This makes the people on Kwajalein feel closer to Huntsville, but it also makes everything in Kwajalein one day later than in the rest of the Marshalls. This state of affairs can lead to trouble. In the Marshalls, nominations for the congressional elections closed at midnight on December 31st. Twenty-four hours after all the candidates' names were supposed to be in, the Marshallese living on the Kwajalein atoll came up with a couple of last-minute entries. On being told they were too late, they argued that nobody had specified *which* December 31st was the deadline. They won their point.

The *Hourglass* is circulated throughout the Trust Territory, and not too long ago anyone who cared enough about what goes on at Kwajalein could have read in it that as part of a Nike-X Anti-Missile System an old Zeus Acquisition Radar, or ZAR, was being phased out and a new Multi-Function Array Radar, or MAR, was being phased in. The story was illustrated with an aerial photograph of Kwajalein. Nonetheless, the military administrators of the place are security-conscious to the point of absurdity. In theory, no one who is not on official business may even pass through Kwajalein in transit to another destination. This regulation is awkward for the Trust Territory administration, because, just as Guam is the transportation and communications hub of the western part of Micronesia, so Kwajalein is the hub of the eastern part. In fact, the only way one can normally get to the rest of the Marshall Islands from any spot on earth is via Kwajalein. The Americans resident on Kwajalein do pretty well for themselves. There are only six motion-picture theatres in all the Marshall Islands, and five of them are on Kwajalein. Kwajalein has a Teen Club, two swimming pools, four tennis courts (two of them lighted, for night playing), a fleet of taxicabs, that look like armored cars, a Ferris wheel for the younger sporting set, and a completely air-conditioned high school. It has a big department store, a branch of the Bank of Hawaii (called Bankoh), and bowling alleys (called Kwajalanes), and it receives so many cargo flights from Hawaii and points east that the commissary usually has a wide selection of fresh fruit.

The Trust Territory government has practically nothing to say about what goes on at Kwajalein, though it keeps a liaison officer stationed there, largely to smooth the passage of its transients. Micronesians, however, have derived a good many economic benefits from the existence of the missile center. Next to the Trust Territory administration itself, the test site is the largest single employer of native labor. It has nearly seven hundred Micronesians on its payroll, and they receive something over three-quarters of a million dollars a year in wages. None of the Marshallese who work on the test-site island, however, are allowed to live there. They live on Ebeye, a neighboring island of the Kwajalein atoll, and are ferried to and from their jobs. At the end of the war, Ebeye had three hundred inhabitants. Now it has thirty-four hundred, making it the fourth most populous community in the entire Trust Territory. Until very recently, the island was a slum—a dingy agglomeration of shanties with a few run-down stores scattered among them. The sanitation and water supply were poor, and in the last few years Ebeye has been hit by three epidemics. There was one of gastroenteritis and one of influenza, and the worst of all was one of poliomyelitis, which struck early in 1963. Before it had run its course, there were two hundred and twelve cases on Ebeye (one hundred and eighty-six of them children under seven) and eleven deaths. President Kennedy, who kept remarkably well informed about Micronesian affairs, heard of this and called in Secretary Udall to find out whether the Interior Department was condoning a double standard for Americans and non-Americans. It had been Interior's policy from the start that, however generously it might subsidize the Micronesian economy, it was not responsible for providing housing for natives in their own habitat, but here was a different situation, in which local inhabitants had been shunted from their own part of an atoll to another part. When, soon after the polio outbreak, Defense wanted to relocate three hundred and seventy-two more Marshallese to Ebeye, Interior, which had already absorbed a good many cutting remarks about the slum from United Nations critics, balked. It declared that no more natives could be moved there until some decent shelter had been provided, and it added that its appropriations for the Trust Territory included no funds for housing. Defense said that the Marshallese *had* to move, or it couldn't conduct some missile tests it had scheduled. Interior retorted that in that case Defense could foot the bill for some suitable accommodations. Defense capitulated and asked Congress (Defense usually can ask Congress for things that Interior feels it can't) to augment its annual budget by one hundredth of one per cent and give it an additional five million dollars. Today, thanks to this appropriation, Ebeye has some new facilities—community sewers and toilets, and some apartment buildings, each containing four twenty-by-thirty-foot homes (designed to house ten people apiece), with concrete floors and partitions, and electrical outlets. Even so, one of High Commissioner Goding's last executive orders, issued late in March, was to the effect that no more permanent residents were to be admitted to Ebeye, since the place had become intolerably overcrowded.

The Marshall Islands may seem disconcertingly small to a visitor. Some of the larger ones are no more than fifty yards across, with a broad lagoon on one side and the boundless ocean on the other. Altogether, there are more than eleven hundred islands, amounting to seventy square miles of land, scattered over a hundred and eighty thousand square miles of water. The Marshallese are, by and large, unargumentative, though they have occasional flareups. Most low-islanders in Micronesia talk in loud voices, to outshout the noise of the surf that constantly pounds at their nearby shores. Most Marshallese speak softly; they are sometimes said to undershout the waves. Courtesy and patience rank high among their virtues, along with hardiness, shrewdness, and independence of spirit. In attending to their internal affairs, the Marshallese, like most other Micronesians, rely heavily on the counsel of their hereditary chiefs, the majority of whom accede to power through matrilineal relationships. If a chief's son wants to succeed his father, he must marry his father's eldest sister's eldest daughter. Land is matrilineally inherited, except on a couple of atolls, where patrilineal connections are what count—as they do in the Yap District and certain parts of Ponape as well. If a Marshallese from the patrilineal atoll of Likiep marries a girl from the matrilineal atoll of Ailinglapalap, both the bridegroom and the bride can expect to become landowners; a Likiep girl, on the other hand, who marries outside her atoll has slim prospects. The Marshallese chiefs are called *iroij*, and *iroij* are abundant. One atoll with a population of six hundred and twelve has five of them.

The administrative center of the Marshall Islands is the atoll of Majuro, which Robert Louis Stevenson described as "the pearl of the Pacific." Compared to Kwajalein, some two hundred miles away, Majuro is a puny pearl; it consists of a mere sixty islets, and the lagoon that they encircle covers only a hundred and fourteen square miles of water. Until recently, the District Administrator of the Marshalls was a forty-six-year-old Polynesian-American named Peter T. Coleman. (He has now been transferred to the Marianas.) He was born in Pago Pago, the capital of American Samoa; his mother was a Samoan and his father an Irish-American sailor who settled there. The Marshallese, like other Micronesians, go in for large families and aspire to higher education. Coleman is their kind of man. Not only is he an authentic Pacific islander but he has twelve children and he is the first Samoan ever to earn a law degree. He got it from Georgetown University, in Washington. He helped pay his way through law school by working a night shift as a Capitol Hill policeman. Later, he became the first native-born governor of American Samoa—a job he held until 1961, when he was assigned to Majuro. In Samoa, Coleman became celebrated for initiating a plan that brought the area an airport capable of handling jets. At Majuro, he built a road. In the Japanese Period, Micronesia had a lot of paved roads, but most of them have deteriorated badly. (If Interior's new plan is approved as presented, more than ten million dollars will be spent by 1972 on road improvements.) Shortly after Coleman arrived in the Marshalls, he became aware that the residents of an island called Laura, the remotest island of the Majuro atoll, and an island of uncommon fertility, were having trouble getting their copra and other produce to the district center, because of the high winds that rolled the lagoon waters. By putting in a few causeways, Coleman reckoned, he could connect Laura to the district center with a curving road, thirty-two miles long. It was a bold concept, for some of the stretches of reef that the road would have to traverse were so narrow that the highway would be practically in the ocean. The road was begun in October, 1961, and was finished in seven months, with the enthusiastic coöperation of the local Marshallese, who provided most of the necessary funds and all the manual labor. Coleman was so pleased with its success that he subsequently had an eighteen-mile road put in for the inhabitants of the atoll of Jaluit, which had been devastatingly struck by a typhoon in 1958. When Coleman first arrived on Majuro, his car was the only one at district headquarters. By the end of 1964, there were so many cars around that he had to institute a reserved-parking system so that he could be sure of finding a place to put his own. Majuro has a population of less than four thousand, but it already has more than two hundred cars. Most of them are Datsuns, the Japanese counterpart of the Volkswagen. The Marshall Islands Import-Export Company, called MIECO for short, recently sold thirty-nine Datsuns during a two-and-a-half-month period, even though there was then not a single service station in the area. (Owners got their gas and had their flats fixed at the public-works garage.)

It was in the Marshalls that the American Board of Commissioners for Foreign Missions, often known as the Boston Mission Society, did its most successful early work. (The Marshallese island of Ebon was once called Boston, and Kusaie, in the adjoining district of Ponape, was called Strong, after a governor of Massachusetts.) The first missionaries reached Micronesia in 1852, and they preached a powerful doctrine. Its durability was never better illustrated than when the Marshalls District's presiding native judge—the solemn and respected Kabua Kabua—christened a new boat not long ago. He thought it would add a nice touch to the occasion if twelve women, all decorously clad in long-sleeved, ankle-length dresses, walked alongside the boat as it was carried to the water, each woman holding a crepe-paper tassel that had been attached to the craft's side. The next day, the local church excommunicated the lot of them, including the Judge, for dancing in public. Today, missionaries are genuinely respected in Micronesia, because, quite apart from their religious labors, they have contributed substantially to the social, economic, and educational advancement of the region. As a kind of reward for their helpfulness, they get to ride on the Trust Territory airline at half the regular fare. Five thousand Micronesian children are now enrolled in mission schools of various sects. While their teachers usually get on well enough with one another, school spirit sometimes impels the students to rivalry. In Majuro, for instance, there is a constant struggle for musical superiority between a Protestant children's choir and a Catholic boys' band. The band was formed, and is still energetically conducted, by a Jesuit from Buffalo—Father L. G. Hacker—who has been in the Pacific for a quarter of a century and on Majuro since 1952. On arriving there, he at once began to build a school, though he had had no construction experience. At first, his only materials were three hundred bags of cement that the American armed forces had thrown out. So he built a cellar. It was, and still is, the only cellar on Majuro. In time, he acquired some lumber and other materials, and put a superstructure on the cellar. Now he has around five hundred students. In 1954, when he had four, the armed forces who were conducting nuclear tests at Eniwetok discarded a dozen or so musical instruments. Father Hacker grabbed them. Within a few years, he had built up a band with thirty-six instruments and dashing red tunics made by the players' mothers. Today, it would be unthinkable to hold any kind of celebration on Majuro without Father Hacker's band.

There are no brass bands in Yap. The Yapese are the most hide-bound of all Micronesians, and they staunchly cling to many of their ancient ways. They deplore even whistling in public. Yap is the smallest Micronesian district. Of its population of six thousand, thirty-five hundred live on a central cluster of islands that are known, like the entire district, as Yap. Yap was called "Jap" by the Germans and "Wap," "Uap," and "Guap" by the Japanese. Nobody takes spelling very seriously at Yap. Ten years ago, no Yapese woman would have dreamed of wearing Western clothes. Some of the women who frequent the district center, Colonia, have changed their minds, but Colonia is also the only district center in Micronesia where women still matter-of-factly go around with nothing on but grass skirts, and where male employees in the district administrators office sit at their desks clad only in breechcloths. The currency that passes across those desks today is dollars, but it was not very long ago that the principal coin of the Yapese realm was its stone money. Stone money is most commonly believed to have been the invention, more than a century ago, of a chief who, admiring a full moon one night, thought it would be nice to have something on earth that was similarly big and round and beautiful and durable. After a while, he found an acceptable material in the caves of the rock islands of Palau, three hundred miles to the west. It took two wars begore the Palauans grudgingly gave the Yapese permission to quarry there. The stone was carved into slab-like discs with a hole cut in the center of each, so they could be carried on poles. In time, the Yapese devised variations on the basic design—double-disc stones, for instance, and single discs with two holes in them. The value of any particular piece of money depended on its size, shape, color, and quality, and the degree of difficulty in obtaining it. In foreign-exchange terms, Yap stone money is now generally valued at twenty-five dollars per foot of diameter. For a while, four hundred Yapese were stationed at the Palauan quarries. The money they made was shipped home precariously balanced on frail canoes. In 1879, an enterprising Irish-American sea captain, originally from Savannah, Georgia, changed all that. He was David Dean O'Keefe, who had a clipper ship and could carry tons of money at once. For transporting their currency, the Yapese rewarded him liberally with copra and with *bêche-de-mer*, or trepang, a sea slug that is fancied in China as a soup ingredient (elsewhere it is used for fertilizer), and that then sold in Hong Kong for four hundred dollars a ton. Touching at Yap, Palau, and Hong Kong, Captain O'Keefe did quite nicely for himself. He took over one of the Yap islands as an estate and built a comfortable house on it. When other English-speaking mariners came into port, he would invite them into his library to browse through his Dickens and Thackeray. He disappeared at sea in 1901. In 1929, the Japanese administrators of Yap took a census of the stone money there. They counted 13,281 pieces. The tabulation was not hard to make; Yapese customarily lean their stone money against the sides of their houses. In some villages today, as in days past, both sides of a road are lined with the stones propped against trees or against ordinary stones. The biggest known piece of Yap stone money is too heavy to lift into an upright position. Nobody knows for sure how it got where it is, lying flat off to the side of a dirt path on the small island of Rumung. If it could be hoisted, it would be twelve feet high and ten feet wide, and at its middle it is a foot and a half thick. Yapese no longer make stone money, and the number of pieces has diminished in the thirty-seven years since the census. During the war, the Japanese used some of the coins for anchors, and since the war quite a few of those flanking roads have been smashed by motor vehicles.

Stone money may have been quarried on Palau, but the Palauans themselves would never have had any use for it; it would have slowed them down. Of all Micronesians, they are generally conceded to be the most ambitious. They are full of get-up-and-go. Stores in Koror, the capital of the Palau District, are apt to be bedecked with little cloth pennants that say "Buy Now!" or "Easy Terms!" or "Low Prices!" or "Big Value!" Although the district, with eleven thousand inhabitants, ranks below Truk, Ponape, and the Marshalls in population, there are more students from Palau enrolled in Truk's Xavier High School—the principal mission school in Micronesia—than from any other district, including Truk itself, which has more than twice as many inhabitants. So relatively sophisticated are Palauans that they were eating from handsome carved wooden bowls (fish-shaped ones for fish courses) while most other Micronesians were still using leaves for plates. Palau is only five hundred miles east of the Philippines, but there is no connecting transportation between the two island groups, and little contact of any sort. Palauans are oriented toward Japan. Koror was the Japanese capital in Micronesia, and it's a good guess that if Palauans were asked today whether they would like once again to be under Japanese dominion, some thirty per cent of them would respond with an emphatic affirmative "*Hai!*" Some Palauans still address others in Japanese fashion, adding the suffix-*san* to their surnames. Another vestige of Japanese influence is the popularity of baseball, which the natives consider the Japanese national sport. Year in and year out, the best ball players in Micronesia are Palauans, whose All-Stars have consistently beaten the Guam All-Stars, even though their ranks are augmented by American servicemen with Stateside baseball experience.

Palauans are aesthetically as well as athletically inclined. The structure known as a *bai*, or men's clubhouse, is perhaps their most striking artistic achievement. Practically every square inch of the steep gables and broad rafters of a *bai* is covered with pictographic ornamentation. The clubhouse in the municipality of Ngiwal, for instance, on the island of Babelthuap, has along its rafters a pictorial representation of the high spots of local history, as related by Ngiwal's chief to the artist while he painted. A half century ago, when Germany governed Micronesia, Palau's artists went pretty much into eclipse. They were discouraged, for one thing, because whenever they finished decorating a building, some Germans would pry off the gables and saw off the rafters and send them to European museums. The Japanese were less acquisitive, and under them the Palauans resumed their ancient skills. Now they paint everything, including jeeps, which they decorate from bumper to bumper. Their most prolific portable output is in the form of storyboards—carved or painted, or both—which, like the *bai* rafters, relate old Palauan legends, some of these quite spicy. Palau also has Micronesia's only zoo, its chief attraction being a fifteen-foot crocodile—a member of a seagoing species, *Crocodylus porosus*, that is sometimes spotted in the ocean miles off Palauan shores. (Broad-winged bats that fly perkily around in full daylight are Micronesia's only native mammals, but Palau also has an ever-growing colony of monkeys, which were imported by the Japanese and have proliferated into a nuisance.) Last December, a crocodile attacked and killed a Palauan fisherman in four feet of water just outside Koror. "Having crocodiles around makes swimming a little more interesting here than elsewhere in the Trust Territory," I was told by the curator of the zoo, an Oregonian named Robert Owen, who has been in Micronesia since 1949 and whose principal job is that of Trust Territory entomologist. His wife, Hera Ware Owen, a native of Finland who once danced with Martha Graham, is Micronesia's most celebrated non-indigenous cook. She often serves crocodile stew or crocodile *shish kebab*. One of her favorite centerpieces is a live crocodile nestled in a clamshell—the reptile being a baby and the shell that of one of the huge clams found in Micronesia, the biggest of them four feet across. Mrs. Owen is also the main sponsor of Micronesia's only operating museum. (Yap has one under construction.) It is a trove of storyboards, carved wooden monkey men, and various kinds of native money. Each Palauan clan has its own kind of money, and the most precious is generally made of yellow, orange, or mustard-colored ceramic, worn on a cord around the neck; a single piece may be worth an entire island. Also in the museum are a number of paintings of a young native boy in the fancy ruffled clothes of eighteenth-century England. All Palauans know who *he* is—King Abbathule's second son, Prince Lee Boo, who at the age of eighteen went to England. He was taken there by Captain Henry Wilson of the East India Company, whose ship, the Antelope, out of Macao, had hit a reef between Koror and Peleliu on August 9, 1783. At that time, the Western world thought that all Palauans were cannibals. The crew of the Antelope were the first white men to put this premise to a test. King Abbathule and his subjects not only didn't eat them but succored them and helped them to build a new ship. The grateful Captain Wilson offered to take the King's son to England, where the boy created quite a stir, no Palauan having been there previously. (It is doubtful whether any has been there subsequently.) But soon after the Black Prince arrived he caught smallpox and died, to the deep distress of Palauans then and now.

To protect Micronesians against the possibility of losing their most permanent and most precious asset—their land—the United States decreed from the start that non-Micronesians could not own property within the Trust Territory. The United States government, which was aware that it might have to acquire land for its administrative and strategic installations within the area, did so by long-term leases. Back in the Navy era, the United States Congress appropriated more than a million and a half dollars for obtaining suitable land. Some of the negotiations that ensued were exceedingly complicated, because the owners often turned out to be not individuals but whole clans or villages. In 1960, for instance, the United States needed about sixty acres for a Coast Guard station on the Ulithi atoll, in the Yap District. The Trust Territory administration was to lease the land on an indefinite-use basis and sublet it to the Coast Guard. A hundred and sixty-nine separate parcels of property were involved. The owners insisted on being paid in cash, and they stipulated further that they wanted several hundred dollars in coins and the rest in bills of no denomination larger than twenty dollars. There are no banks on Ulithi (or, for that matter, anywhere in the Yap District), so during four days of haggling over details the Trust Territory's Attorney General—a Negro lawyer from Xenia, Ohio, named Robert K. Shoecraft—walked around with a suitcase containing $19,939.28. At night, he used it for a pillow.

The Marshallese have a complex system of land ownership, with as many as four strata of titleholders—from the loftiest *iroij* down to the lowliest commoners—sharing a single lot, this being a *wato*, a slice of land, from one to five acres in size, that usually runs from the lagoon side of an island to the ocean side. Most Marshallese chiefs do not rule over groups of people but over groups of *watos*, and Marshallese who own several *watos* may be subservient to several chiefs. And a man who is a chief in one region may be a commoner on another chief's land. The Marshallese will give land away freely for some such community purpose as a school, but in the not very distant past they would often fight for land and kill for it. They do not ordinarily abandon it without the stiffest resistance. When the United States evacuated the residents of the Marshallese atolls at Bikini and Eniwetok, the two places had a combined population of only three hundred and twelve. The natives were promised new lands to live on, and were reimbursed for their home islands at what seemed a reasonable price. The one hundred and sixty-six Bikinians got twenty-five thousand dollars in cash and a three-hundred-thousand-dollar trust fund. The hundred and forty-six Eniwetokese, who had less land, got the same lump sum and a hundred-and-fifty-thousand-dollar trust fund. The Eniwetokese were moved in 1947 to an atoll called Ujelang, where they have remained ever since. Now there are more than three hundred of them, and together they have an income of five thousand dollars a year from their trust fund, which, like all Trust Territory trust funds, is administered for them by the High Commissioner.

The Bikinians made more money on the deal, but they also encountered far more trouble. After a couple of false starts, they migrated to Kili, an uninhabited island in the southern Marshalls. For atoll people, it was an environmental wrench. At Bikini, they had had thirty-six islands with a total area of two and a third square miles and—what was equally important—a lagoon of two hundred and twenty-nine square miles. Kili, a single island in the middle of the ocean, covers barely a third of a square mile. To help the exiles get to the nearest populated place—the atoll of Jaluit, thirty-five miles away—the Navy gave them a forty-foot motor launch, but this shortly capsized and was wrecked. Now there are two hundred and eighty-seven Bikini people on Kili, and for at least four months out of every year, when the trade winds blow strong and the waves rise high, they are inaccessible to the rest of the world. They have enough money—in addition to nearly ten thousand dollars that they get from their trust fund, they have been making about three thousand dollars a year from copra sales and six hundred and twenty-five more from sales of handicrafts—and they have enough food, but they still yearn to return to Bikini. The atoll itself is no longer oppressively radioactive, but the shellfish and reef fish off it are still dangerous, and the vegetation on it has not yet been given a completely clean bill of health. Nonetheless, the Bikini people—including some who were born after the evacuation—want to go back.

When it came to reimbursing the Marshallese who owned the six hundred and eighty-two acres on Kwajalein that were taken over for the missile test site and the sixty-eight additional acres that the Trust Territory government was using on Majuro, mostly for an airstrip, headquarters officials on Saipan found themselves at an impasse. The natives had meekly enough yielded up their land, but they had strong views about how much they should be paid for this dislocation, and, in the customary unhurried Marshallese fashion, they were quite willing to discuss the matter for years rather than accept a quick cash settlement. The principal landowner on Kwajalein was an *iroij-laplap* (the loftiest kind of *iroij*), now seventy-three, named Lejolan Kabua, who can trace his ancestry back, in the all-important matrilineal fashion, to a sister of Larkelon of Wotje, a famous Marshallese mariner and warrior whose armada of canoes conquered Bikini in the early nineteenth century. In the negotiations with the American authorities over the value of these seven hundred and fifty acres, the principal Marshallese spokesman was Lejolan Kabua's son Amata, a Majuro businessman and politician, now thirty-eight years old. Amata Kabua is, among other things, chairman of the Ways and Means Committee of the upper house of the Congress of Micronesia, and president of the Marshall Islands Import-Export Company, one of the most thriving commercial enterprises owned and operated by Micronesians. He is descended from chiefs on both sides of his family, his mother having been a *leroij*, the female equivalent of an *iroij*.

In December, 1953, Amata Kabua was in Hawaii, studying for an Associate in Arts degree at a junior college. Eight years had then passed since the conversion of Kwajalein into a test site for missiles, but little headway had been made in agreeing on compensation for the expropriated acreage. Kabua thought the time had come for him and his fellow-Marshallese to get outside help. In Honolulu, he happened to meet an attorney named E. E. Wiles, who had been trained by the Navy during the war as a Japanese-language officer, had married a Nisei, and felt sympathetic toward Micronesians, with their own Asian orientation. Wiles agreed to help press the Marshallese cause. He was from Macksville, Kansas, and didn't then have many Washington connections, but he came upon some new ones when another Macksville-born attorney passed through Honolulu. This was Paul C. Aiken, who knew Washington well. (He had been an assistant postmaster general under President Truman, and had later gone into private practice in the capital.) Wiles and Aiken—with the help of another Washington lawyer, Turner Smith—took on the Marshallese case, without any retainer and without any inkling that it might drag on, as it did, for more than ten years. The delay was by no means the fault of the United States government alone. Because of the tortoise-like pace at which Marshallese customarily move, there would often be a stretch of months before the Washington lawyers would get an answer to an urgent letter they had dispatched to their clients in Majuro.

Up to 1953, no Micronesian land had ever been sold for more than three hundred and fifty dollars an acre, and this was exceptionally high; the going price for desirable land was closer to a hundred dollars an acre. The Trust Territory administration, trying to arrive at fair compensation for the seven hundred and fifty acres in the Marshalls, decided that two hundred and fifty dollars an acre—not for outright purchase but for "indefinite use," which the Navy insisted on as far as Kwajalein was concerned—was what the land was worth. It then doubled its own figure and offered the Marshallese five hundred an acre. Amata Kabua countered with a demand for a thousand an acre, plus enough interest for back use to bring the total to fifteen hundred. (His figure was later eclipsed by his lawyers' contention that Marshallese land was worth $6,240 an acre, like parts of Westchester.) Kabua and the other Marshallese did not like the idea of indefinite use, either. They wanted to be satisfied that their descendants would get their ancestors' land back at some specific time. Neither side would budge. By the spring of 1957, though, the High Commissioner's office thought that a cash-on-the-barrelhead approach might clear up the disposition of six hundred of the acres in contention. A meeting of the disputants was arranged at Kwajalein, and a headquarters representative put three hundred thousand dollars in bills on a table. It was a whopping sum for that part of the world, and not bad anywhere, but Amata Kabua and his fellow-Marshallese merely looked at it and then walked out of the room.

Three years earlier—on March 1, 1954, not long after Kabua met Wiles in Honolulu—the United States had set off an experimental thermonuclear device at Bikini. On March 3rd, the eighty-two inhabitants of the Marshallese atoll of Rongelap, nearly one hundred miles east of Bikini, were exposed to radioactive fallout. Some suffered skin burns, some lost their hair, some fell prey to intestinal disorders. There were no fatalities, but there was much embarrassment. The Atomic Energy Commission hustled all the Rongelapese off to Kwajalein for extensive medical tests, and the A.E.C. has been reexamining them ever since, comparing them to a control group of Marshallese who were not exposed. After twelve years, the only discernible differences between the two groups seem to be that the physical growth rate of the Rongelapese boys is a mite slower, and that several of the Rongelapese girls have required surgery for thyroid nodules—all of these, however, turning out to be benign. Thirteen of the afflicted Rongelapese have died since 1954, but there is no reason to believe they did not die from natural causes. Beyond keeping careful tabs on their health, the United States has tried to make amends to the Rongelapese by giving them building materials, tools, and livestock, but the islanders have nonetheless complained of general malaise. When they heard that the twenty-three-man crew of a Japanese tuna-fishing boat that strayed into the fallout path of an American nuclear test in 1954 had been awarded two million dollars by the United States government, the Rongelapese thought that they, as wards of the United States government, deserved no less substantial reparations, and they sought legal help. Since there were already American lawyers representing Marshallese in the land dispute, it was logical for the Rongelapese to engage the same counsel.

The plaintiffs began by filing suit against the United States in the High Court of the Trust Territory, Micronesia's supreme judicial forum. Because the Japanese fishermen had received approximately a hundred thousand dollars apiece, the eighty-two Rongelapese asked for eight and a half million. The Chief Justice of the Trust Territory ruled that the High Court did not have jurisdiction, on the ground that the United States was immune from suit unless it gave its consent, which it hadn't, or unless Congress passed a bill permitting such litigation. Congress, of course, also had the authority to pass an act awarding the Rongelapese the reparations they sought, but Congress appeared to feel no sense of urgency in the matter. By 1964, a decade after the fallout, the U.N. delegation that visited Micronesia was reporting, "The Mission realizes that the United States Congress has much business to accomplish, but the people of Rongelap, who live on a level of bare subsistence, have been waiting for ten years for justice from the great and rich country which holds the trusteeship for their welfare and caused them (admittedly by mischance) grievous injury. The Mission found that though the people of Rongelap were impatient over the non-settlement of their claim they accepted in generous spirit the assurance of the Administering Authority that Congressional action would soon be completed. It is to be hoped that this generous trust will prove justified."

Many Marshallese were enraged by the Rongelap incident. (It caused so much dismay everywhere, especially in the United Nations, that Adlai Stevenson persuaded President Kennedy to direct, even before the 1962 test-ban treaty was signed, that no further nuclear explosions be conducted in Micronesia.) One of the most articulate Marshallese who got worked up about it was Dwight Heine. Now forty-six, Heine was one of the first two Micronesians to graduate from a four-year college. He was the first president of the Marshall Islands Congress, the first president of the Council of Micronesia, and the first Speaker of the General Assembly of the Congress of Micronesia. He had hardly achieved this last honor when he was obliged to resign from the legislature because an even higher one was conferred on him: he was appointed District Administrator for the Marshall Islands to succeed Peter Coleman—the first Micronesian to attain such eminence. Heine is of German-Marshallese descent, and has heard that he is distantly related to the poet. His great-grandfather, a jeweller in Danzig, migrated to California during the 1849 gold rush and went on to Australia, where he married an English girl. When his wife was ostracized for making so alien a match, the couple moved to the more open-minded Marshall Islands. There Heine became a Protestant missionary and a teacher. His son and his grandson—Dwight's father—pursued the same career. Dwight's parents and his paternal grandfather were beheaded by the Japanese during the Second World War, for refusing to swear allegiance to Emperor Hirohito. Dwight escaped; he had been impressed by the Japanese into a labor battalion that was digging phosphate on another island. Toward the end of the war, Dwight Heine, who was then one of the few Marshallese who knew English, became an interpreter for the American Navy. In 1944, with a half brother, he compiled the first Marshallese-English dictionary. In 1948, when he was twenty-nine and supervisor of elementary schools in the Marshalls, he had a chance to start his own higher education when the Navy gave him a two-year scholarship to the University of Hawaii. At the end of his two years, he returned to Majuro, and in 1955 he was made educational supervisor for the entire Marshall Islands District. In 1957, he finally got a chance to complete his college studies; he returned to Honolulu and got a B.A. in 1959, when he was forty. In Hawaii, he ran into some Quakers who, with their pacifist leanings, were especially disturbed about the Rongelap fallout incident. With some financial assistance from them, Heine went to New York and turned up as a spokesman for the Rongelapese at a 1958 meeting of the U.N. Trusteeship Council, to the surprise and irritation of the Trust Territory administration. On returning home, he was suspended from his education job for nine months.

Dwight Heine and Amata Kabua form the most powerful political one-two punch in Micronesia. For part of the period when Heine was superintendent of elementary schools, Kabua was superintendent of all schools. When the Council of Micronesia, to which both were elected, met to choose a president in 1961, both were nominated. They tied, and Heine won the run-off. Just as Heine made a personal appearance before the Trusteeship Council in 1958, Kabua made one in 1960. "We would rather be a suffering creditor than to lose our rights as owners of what has been taken away from us," he declared in a statement prepared for the Council. He may have had some help in drafting it from one of his Kansas lawyers, because he went on, "These tiny islands . . . are just as important to us as a burrow in the ground to a prairie dog." There are no prairie dogs in Micronesia, and no prairies, either.

On May 4, 1960, with the United States concurring, the Trusteeship Council unanimously resolved that the Marshallese land claims ought to be settled, and settled soon. By that time, the disagreement had taken a number of twists, and it was Robert Shoecraft, the Trust Territory Attorney General, who finally broke the impasse. First, he persuaded the Navy to back down on its demand for indefinite use of the land at Kwajalein and to accept instead a ninety-nine-year lease, beginning at the date of any agreement that might be signed. Once that concession had been made, the Marshallese were in a mood to resume bargaining, and they finally agreed to the long-term lease on the basis of five hundred dollars an acre for past use and five hundred more for future use—or double what the Americans had at the start considered double what the land was worth. On February 9, 1964, at a ceremony in the Kwajalein base chapel, Amata Kabua, his father the *iroij-laplap*, and fifty other triumphant Marshallese accepted a United States government check for $712,500. (The remaining $37,500 was set aside for their lawyers.) The Marshallese had been offered a trust fund, similar to the funds established for the people of Bikini and Eniwetok, but they said they were perfectly capable of handling their own financial affairs and would prefer cash. In keeping the Marshallese tradition of paying tribute to respected senior leaders, Lejolan Kabua and three other *iroij-laplap* in the delegation were awarded a thousand dollars apiece before the rest of the money was divided among the individual landowners.

As for the Rongelapese, Congress, at the end of its 1964 session, finally passed a bill authorizing the payment to them of nine hundred and fifty thousand dollars, and the following April it actually appropriated the money—just before a meeting of the U.N. Trusteeship Council at which there would undoubtedly have been questions asked of the American delegation if Congress had waited any longer. High Commissioner Goding actually distributed the money four months ago.

One aftermath of this protracted tussle between wards and guardians was the revelation that information is now much more swiftly exchanged among the various parts of Micronesia than it ever was before. Not long after the payoff at Kwajalein, the Trust Territory administration decided to put up a new courthouse at Truk. After picking a likely site, it approached the owners to see how much they wanted for their property. The asking price was a flat thousand dollars an acre. And a bit later, when the American government sought to lease some land on Ebeye, its Marshallese owners asked for a rental that fixed the value of that piece of Micronesian soil at fourteen thousand dollars an acre.—E. J. KAHN, Jr.

(*This is the first of a series of articles.*)

PRESIDENTIAL SCHOLARS

Mr. FULBRIGHT. Mr. President, last week in a ceremony at the White House, 121 outstanding young people were recognized by President Johnson as the 1966 class of presidential scholars.

These students are representative of the very able youth of our country. They were selected for this honor because of their academic attainments and high intellectual promise. They included one boy and one girl from each of the States, the District of Columbia, Puerto Rico, and from among Americans living abroad, as well as 15 selected at large. They represent diverse economic and social backgrounds and all were endorsed by their schools. I know my colleagues join me in extending congratulations to these presidential scholars and in wishing them continued success.

Mr. President I ask unanimous consent that there be inserted in the RECORD a list of the scholars with their addresses, the names of the high schools from which they graduated, and the colleges which they plan to attend.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PRESIDENTIAL SCHOLARS, 1966

ALABAMA

William Hubbard Baxter III, 1244 Greensboro Road, Birmingham, Alabama, Indian Springs School (Helena), Amherst College (Undecided).

Deborah Kathleen Strain, 2541 Carter Hill Road, Montgomery, Alabama, Lanier High School, Birmingham-Southern College (Undecided).

ALASKA

Mark Harold Brodersen, Box 163, Auke Bay, Alaska, Juneau-Douglas High School (Juneau), Whitman College (Undecided).

Beatrice Yvonne Slotnick, Box 135, College, Alaska, Lathrop High School (Fairbanks), Radcliffe College (Mathematics).

ARIZONA

Michael Philip Roca, 5225 North 23 Street, Phoenix, Arizona, Camelback High School, Yale University (English).

Susan Louise Theiler, 730 Sunset Drive, Globe, Arizona, Globe High School, University of Arizona (Mathematics).

ARKANSAS

Joe Brad Carter, RFD 1, Subiaco, Arkansas, Paris High School (Paris), University of Arkansas (Science).

Martha Karr Leatherman, 116 Valley View, Hot Springs, Arkansas, Hot Springs High School, Vanderbilt University (Pre-medicine).

Thomas Rimmer, 1415 West 14 Avenue, Pine Bluff, Arkansas, Pine Bluff High School, University of Arkansas (Mathematics).

CALIFORNIA

Christoper Dion Hoy, 77 Manderly Road, San Rafael, California, St. Paul's School (Concord, New Hampshire), Harvard College (Undecided).

Leslie Chia-mei Hsu, 3603 Louis Road, Palo Alto, California, Cubberley High School, Stanford University (Languages).

Peter Franklin Stone, 801 Bolinas Road, Fairfax, California, Sir Francis Drake High School (San Anselmo), University of California, Irvine (Sociology).

COLORADO

Gregory Thomas George, 4675 South Kalamath, Englewood, Colorado, Englewood High School, Harvard College (Undecided).

Margaret Ann MacMorris, 1835 Zinnia Court, Golden, Colorado, Golden High School, University of Colorado (Mathematics).

CONNECTICUT

Susan Klein, 12 Elmwood Road, New Haven, Connecticut, Hillhouse High School, Antioch College (Undecided).

Donald John Mastronarde, 197 West Euclid Street, Hartford, Connecticut, Weaver High School, Amherst College (Mathematics).

Paul Francis McAloon, 221 Brown Street, Hartford, Connecticut, Bulkeley High School, Trinity College (Architecture).

DELAWARE

Carol Levis Munroe, 148 South College Avenue, Newark, Delaware, Newark High School, Radcliffe College (Mathematics).

Bruce Burnham Roberts, 2302 West 11 Street, Wilmington, Delaware, Tower Hill School, Dartmouth College (Undecided).

DISTRICT OF COLUMBIA

John Franz Daniel, 2831 28th Street, N. W., Washington, D.C., Hawthorne School, Reed College (Undecided).

Mina Karen Dulcan, 3421 Garrison Street, Washington, D.C., Sidewell Friends School, Cornell University (Pre-medicine).

FLORIDA

Paula Anne Braveman, 625 N. E. 137 Street, North Miami, Florida, North Miami High School, Swarthmore College (Philosophy).

Gregory Michael Hunter, 235 Marlboro, West Palm Beach, Florida, Forest Hill High School, Harvard College (Undecided).

GEORGIA

Sarah Marcia Glazer, 511 Pelham Road, N. E., Atlanta, Georgia, Henry Grady High School, Radcliffe College (Music).

Donald Bruce Napier, 2914 Maple Road, Brunswick, Georgia, Glynn Academy, University of Virginia (Prelaw).

HAWAII

Randall Quon Ming Au, 1184 Luawai Street, Honolulu, Hawaii, Punahou School, Yale University (Music).

Jean Michele Prewitt, 411 Ililani Street, Kailua, Hawaii, Kailua High School, Radcliffe College (Mathematics).

IDAHO

Ingrid Marie Peterson, 3109 Bogus Basin Road, Boise, Idaho, Boise High School, Pomona College (Biochemistry).

Thomas Carney Wand, 6324 Colonial Drive, Boise, Idaho, Borah High School, Columbia University (Liberal arts).

ILLINOIS

Agnes Chien, 9101 Mason Avenue, Morton Grove, Illinois, Niles High School West (Skokie), Radcliffe College (Science).

Mary Ruth Gross, 630 South Thurlow Street, Hinsdale, Illinois, Hinsdale Township High School, Vassar College (French).

Lawrence Alan Rosenwald, 600 Vernon, Glencoe, Illinois, New Trier High School, Columbia University (English).

INDIANA

Elizabeth Anne Behnke, 1220 Highland, Kokomo, Indiana, Kokomo High School, Oberlin College (Music).

Joseph Blatt, 5330 North Illinois Street, Indianapolis, Indiana, Shortridge High School, Harvard College (Political science).

IOWA

David Whinery Collins, 2002 South Georgia, Mason City, Iowa, Mason City High School, Iowa State University (Physics).

Deborah Ann Gibson, 1339 Tenth Street, N.W., Cedar Rapids, Iowa, Jefferson High School, Mount Holyoke College (Psychology).

Catherine Louise Wood, 1909 Wilson Avenue, Ames, Iowa, Ames High School, Macalester College (Undecided).

KANSAS

John Dayton Krebs, Jr., 157 South Oliver, Wichita, Kansas, Wichita High School Southeast, Stanford University (Mathematics).

Alfhild Johanna Larson, 723 Mulvane, Topeka, Kansas, Topeka High School, Michigan State University (French).

Carol Lynn Shapley, 1902 Laura, Wichita, Kansas, Wichita High School East, University of Kansas (Chemistry).

KENTUCKY

Orest Hurko, 2428 Newburg Road, Louisville, Kentucky, St. Xavier High School, Harvard College (Engineering).

Marian Dabney Scott, 410 Deerfield Lane, Louisville, Kentucky, Louisville Collegiate School, Radcliffe College (Undecided).

LOUISIANA

Bonnie Emmy Brown, 9965 Miraflores, Baton Rouge, Louisiana, Broadmoor High School, Agnes Scott College (Languages).

James Griffin Nall, 4125 St. Charles Avenue, New Orleans, Louisiana, Benjamin Franklin High School, Yale University (Chemistry).

MAINE

Diana Hahn Dinsmore, 12 Ocean View Road, Cape Elizabeth, Maine, Cape Elizabeth High School, Allegheny College (Languages).

Terrence William Flanagan, 121 Pleasant Avenue, Portland, Maine, Deering High School, Harvard College (Astrophysics).

MARYLAND

Kenneth Robert Eppley, 3306 Essex Road, Baltimore, Maryland, Milford Mill High School, Massachusetts Institute of Technology (Physics).

Nancy Caroline Garrison, 13408 Clifton Drive, Silver Spring, Maryland, Springbrook High School, Pembroke College (Undecided).

MASSACHUSETTS

Pamela Jan Matz, 65 Middlecot Street, Belmont, Massachusetts, Belmont High School, Radcliffe College (English).

Robert Alan Parker, 73 Franklin Avenue, Revere, Massachusetts, Revere High School, Massachusetts Institute of Technology (Physics).

Vinton Douglas Tompkins, Old Connecticut Path, c/o Kirchwey, Wayland, Massachusetts, Phillips Academy (Andover), Harvard College (English).

Craig Herbert Yorke, Jr., 80 Corey Road, Brighton, Massachusetts, Boston Latin

School, (Boston), Harvard College (Premedicine).

MICHIGAN

Paul Louis Garavaglia, 20218 Sunnyside, St. Clair Shores, Michigan, Notre Dame High School (Harper Woods), University of Michigan (Physics).

Barbara Ruth Sadoff, 1107 Burcham, East Lansing, Michigan, East Lansing High School, University of Michigan (Pre-medicine).

Ivy Lorraine Thomas, 1905 Chelan, Flint, Michigan, Southwestern High School, Wellesley College (Psychology).

MINNESOTA

Janet Lois Glaeser, 3001 Quail Avenue North, Golden Valley, Minnesota, Robbinsdale High School (Robbinsdale), Macalester College (Undecided).

Christopher Warren Gossett, 4849 Oakland Avenue South, Minneapolis, Minnesota, Washburn High School, Cornell University (Engineering).

William Charles Soule, 14813 Lloyd's Drive, Minnetonka, Minnesota, Hopkins High School (Hopkins) Cornell University (Science).

MISSISSIPPI

Martha Jean Bergmark, 1444 Belle Glade, Jackson, Mississippi, Murrah High School, Oberlin College (Political science).

Stuart Joseph Frentz, 302 Hill Street, Biloxi, Mississippi, Notre Dame High School, Spring Hill College (Physics).

MISSOURI

William Richard Galeota, Jr., 1719 Ridgemont, Columbia, Missouri, Hickman High School, Harvard College (Political science).

Linda Yvonne Waring, 725 Pimlico Drive, Florissant, Missouri, McCluer High School, Washington University (Chemistry).

MONTANA

Howard Lex Hames, Route 2, Mullan Road, Missoula, Montana, Missoula County High School, Stanford University (Architecture).

Judith Ann Tschache, 815 South Fifth, Bozeman, Montana, Bozeman High School, Montana State University (Education).

NEBRASKA

David Milton Beckmann, 3425 L Street, Lincoln, Nebraska, Lincoln High School, Yale University (Religion).

Sheila Ann Fuhrman, 4044 Frederick, Omaha, Nebraska, Central High School, Massachusetts Institute of Technology (Chemistry).

NEVADA

Mark Everett Carter, 718 West Fifth Street, Carson City, Nevada, Carson High School, Stanford University (Undecided).

Rae Lyn Conrad, 3369 Belford Road, Reno, Nevada, Reno High School, University of Nevada (Biochemistry).

NEW HAMPSHIRE

Susan Kaye Wiseman, 35 Hampshire Road, Portsmouth, New Hampshire, Portsmouth High School, Pembroke College (Mathematics).

Rodney Alan Young, Milan, New Hampshire, Berlin High School (Berlin), Cornell University (Agriculture).

NEW JERSEY

Paul Levi Olsen, 109 Valley Run Drive, Cherry Hill, New Jersey, Cherry Hill High School, University of Pennsylvania (Finance).

Robert John Osten, Jr., 108 Tindall Road, Middletown, New Jersey, Lawrenceville High School (Lawrenceville), Harvard College (Physics).

Ann Marie Pasquale, 49 Baltusrol Way, Short Hills, New Jersey, Millburn High School (Millburn), Catholic University of America (History).

NEW MEXICO

Michael Lee Kahn, 643 East Barcelona, Santa Fe, New Mexico, Santa Fe High School, California Institute of Technology (Mathematics).

Janet Kay Small, 1835 Anderson Drive, Las Cruces, New Mexico, Las Cruces High School, Standford University (Chemistry).

NEW YORK

Judith Rive Kauffman, 155 Main Street, Massena, Central High School, Radcliffe College (Undecided).

Steven Jay Kelman, 21 Stoner Avenue, Great Neck, New York, South High School, Harvard College (Political science).

NORTH CAROLINA

Jerry Wayne Gilmer, Route 1, Box 246-B, Rockingham, North Carolina, Hamlet High School (Hamlet), Harvard College (Psychology).

Shirley Gail Simpson, 806 Summit Road, Goldsboro, North Carolina, Goldsboro High School, University of North Carolina at Greensboro (Mathematics).

NORTH DAKOTA

Lora Carolyn Senechal, Rural Route 1, Drake, North Dakota, Drake Public School, University of North Dakota (Art).

James Peter Zarr, 202 Avenue E, Bismarck, North Dakota, St. Mary's Central High School, St. John's University (English).

OHIO

Kathryn Elizabeth Cade, 6508 Park Lane, Cincinnati, Ohio, Mariemont High School, Radcliffe College (Political science).

Larry Eugene Morse, 1027 Hampshire Road, Dayton, Ohio, Belmont High School, Michigan State University (Botany).

Benjamin Willis, Jr., 10103 Somerset Avenue, Cleveland, Ohio, Collinwood High School, Harvard College (Mathematics).

OKLAHOMA

Sharon Christine Andress, 3126 East 41 Street, Tulsa, Oklahoma, Edison High School, Colorado College (English).

Rodger Paul McEver, 3005 Berkshire Way, Oklahoma City, Oklahoma, John Marshall High School, Yale University (Biochemistry).

OREGON

Kenneth Toy Fong, 2136 S. E. 29, Portland, Oregon, Benson Polytechnic School, California Institute of Technology (Engineering).

Regina Lee Gamble, P.O. Box 378, Arlington, Oregon, Arlington High School, University of Oregon (Mathematics).

PENNSYLVANIA

Anne de Saint Phalle, 401 West Allens Lane, Philadelphia, Pennsylvania, Springside School, Radcliffe College (Philosophy).

Jeffrey Lynn Nunemacher, 1327 Packer Street, Williamsport, Pennsylvania, Williamsport High School, Oberlin College (Mathematics).

RHODE ISLAND

Jeremy Martin Cohen, 97 Blaisdell Avenue, Pawtucket, Rhode Island, Pawtucket West High School, University of Michigan (Undecided).

Karen Siri Swenson, 23 Fairway Drive, Barrington, Rhode Island, Barrington High School, Radcliffe College (Undecided).

SOUTH CAROLINA

Sara Elizabeth Allgood, Inman, South Carolina, Chapman High School, Emory University (English).

Lauren Eugene Brubaker, 9 Churchill Circle, Columbia, South Carolina, Flora High School, Swarthmore College (Social science).

Violet Demetria Harrington, 1105 East Cheves Street, Florence, South Carolina, Wilson High School, Mount Holyoke College (English).

SOUTH DAKOTA

Donald LeRoy Frankenfeld, 21 Fairway Drive, Rapid City, South Dakota, Rapid City High School, Yale University (Pre-law).

Wendy Karen Friefeld, 1332 Fourth Street, Brookings, South Dakota, Brookings High School, Brandeis University (History).

TENNESSEE

Barbara Leilani Darnell, 1314 Malcomb Street, Savannah, Tennessee, Central High School, Agnes Scott College (History).

Louis Martin Edelson, 51 West Carlos, Memphis, Tennessee, White Station High School, Massachusetts Institute of Technology (Engineering).

TEXAS

Phyllis Anne Adler, 274 West Ware Boulevard, San Antonio, Texas, Keystone School, Rice University (Pre-medicine).

Cecil Dewayne Berry, 416 East Ninth, Coleman, Texas, Coleman High School, University of Texas (Undecided).

UTAH

Gordon Ivor Irving, 1418 South 75 East, Bountiful, Utah, Bountiful High School, University of Utah (Chemistry).

Barbara Ann Manz, 1709 Fieldcrest Lane, Salt Lake City, Utah, Olympus High School, University of Washington (Forestry).

VERMONT

Anne Catherine Bittner, 9 Linden Street, Brattleboro, Vermont, St. Michael High School, Catholic University of America (Psychology).

David Putnam Dana, North Pomfret, Vermont, Woodstock Union High School (Woodstock), Massachusetts Institute of Technology (Mathematics).

VIRGINIA

John Philip Kearns, 509 Blue Ridge Avenue, Culpeper, Virginia, Culpeper County High School, University of Virginia (Engineering).

Dusan George Lysy, 2955 West Ox Road, Herndon, Virginia, Herndon High School, Princeton University (Mathematics).

Sylvia Anne Sanders, 3 Keswick Lane, Hampton, Virginia, Hampton High School, Radcliffe College (Biochemistry).

Michael William Willett, 4816 Bradford Drive, Annandale, Virginia, Gonzaga High School (Washington, D.C.), Georgetown University (Mathematics).

WASHINGTON

Randall Francis Smith, 7016 34 Avenue, S.W., Seattle, Washington, Chief Sealth High School, Harvard College (Liberal arts).

Carolyn Toly, 4407 50th Street, S.W., Seattle, Washington, West Seattle High School, University of Chicago (Undecided).

WEST VIRGINIA

Sandra Lea Hershberger, Box 34, Clendenin, West Virginia, Hoover High School, West Virginia University (Science).

Kenny John Robertson, 100 Center Street, Athens, West Virginia, Athens High School, Virginia Polytechnic Institute (Mathematics).

WISCONSIN

Robert Michael Goisman, 7114 North Crossway Road, Milwaukee, Wisconsin, Nicolet High School, University of Wisconsin (Undecided).

Rebecca Ann Herb, 117 North Gammon Road, Madison, Wisconsin, West High School, University of Oregon (Biology).

WYOMING

Katherine Mary Dunn, 306 East Pershing, Cheyenne, Wyoming, Central High School, University of Wyoming (Mathematics).

John Booker Whiston, 2024 Lynwood Place, Casper, Wyoming, Natrona County High School, Yale University (Social science).

PUERTO RICO

Manuel Antonio San Miguel, Street #2, Km6, Hm7, Bayamón, Puerto Rico, Colegio San Ignacio (Rio Piedras), Cornell University (Engineering).

Mildred Ileana Solá, Avenida Sur, El Verde, Caguas, Puerto Rico, Notre Dame High School, College of Mount Saint Vincent (Languages).

ABROAD

Susan Yvonne Illston, Hq 1st Bn. 32nd Armor 3rd A. D., APO New York, New York, Frankfurt American High School, Duke University (Humanities).

David John Miller, 170 Wittenburger Weg, Wassenaar, The Netherlands, American High School of International Schools (The Hague), Stanford University (Biochemistry).

COAL RESEARCH

Mr. BYRD of West Virginia. Mr. President, some months ago George Fumich, Jr., Director of the Office of Coal Research, called my attention to an outstanding proposal. Gourdine Systems, Inc., a research organization in Livingston, N.J., had submitted specifications for a program aimed at the ultimate creation of powerplants that would produce electricity without large turbines and generators.

As interest in the process developed, OCR not only arranged to contract for electrogasdynamic research, but requested permission of the Appropriations Committee for reprograming of funds in order that the research activity could get underway 2 months before the new fiscal year appropriations would be available. My colleagues on the committee agreed to the reprograming, and the contract was signed by Secretary of the Interior Udall on May 11.

Mr. President, I have been impressed with the potential of this project, and I arranged for Dr. Meredith Gourdine to appear with me when I announced the OCR program at the American Mining Congress in Pittsburgh on May 9. Dr. Gourdine that day discussed his plans with a number of the coal industry's leading technicians and operators.

Last Friday, I went to Livingston for a briefing on the electrogasdynamics program that had been arranged for representatives of business publications. I was impressed with the members of the Gourdine staff, and with the entire operation of the laboratory. Editors from coal, chemical, and electrical industry publications demonstrated interest in what Dr. Gourdine and his associates are doing, and I have come to the conclusion that OCR acted wisely in investing in this project. It is my hope that the feasibility tests will justify construction of a pilot plant in the near future.

Dr. Gourdine also demonstrated the effectiveness of a model electrostatic precipitator that could be put to use in stacks at large powerplants. It would require considerably less space than the precipitators that are in use today; in addition, the equipment would be far less expensive. Progress on this item will also be watched closely by the coal industry.

On the basis of what has already been determined, the bright potential of electrogasdynamics gives this project, along with the Cresap, W. Va., program to produce gasoline from coal at competitive prices, a top priority in coal research. The Gourdine process was explained briefly in nontechnical language in Time magazine of June 3, 1966. I ask unanimous consent to include this article in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Energy at the Mine Mouth

The dream of transforming coal into cheaply transportable electrical energy right at the mine mouth has fired engineering imaginations for years. But rare is the mine located near enough to a water supply for feeding a steam turbine to turn a generator, and many are the low-grade deposits that have remained untapped because it has become too expensive to mine the coal and ship it to distant markets. Now the U.S. Department of the Interior has made a modest $680,500 bet that Physicist Meredith Gourdine, 36, has found a promising answer to the dilemma.

With his Government grant, Gourdine plans to conduct further research on a novel generator that he already has working in small models. With no moving parts, without any need for water, and with only low-grade coal for energy, the New Jersey inventor's "electrogasdynamic" generator can, and does, produce electricity. The problem now is to make the EGD system work on a large scale and with greater efficiency.

IT SHOULD WORK

Heart of the Gourdine generator is a pressurized furnace that spews a stream of hot gas and fly ash down a narrow tube. At the mouth of the tube, the bits of ash pass a "corona discharge" electrode, a needle-pointed piece of metal that carries so high an electrical potential that it sprays the surrounding space with a supply of positive ions. Picked up by the passing ash as it is boosted along by the hot gas, those ions move down the tube creating, in effect, an electric current. The electrical resistance that develops is overcome by the energy of the moving gas, and a collector electrode picks the positive ions off the fly ash at the end of the tube. The electrical circuit is completed when ions flow from the collector electrode, down a transmission line, and back to the corona discharge electrode where they began their trip.

The high voltage produced by Gourdine's generator is ideal for transmitting electricity over long lines with minimum loss of power. The small current, says the inventor, can be compensated by having many small EGD tubes connected in parallel with each other. Theoretically, it should work. To turn theory into practice may be something else again.

A NEW SPECIALTY

But Gourdine is a persistent man. After earning his doctorate in engineering science at Caltech in 1960, he worked as a physicist in private industry for four years, vainly attempting to interest his employers in developing a practical EGD generator. In 1964, after failing to sell his idea, he rounded up a handful of fellow scientists, raised $200,000 and founded his own company—Gourdine Systems, Inc. He is already producing laboratory EGD generators for use in college and high school demonstrations, and has licensed Foster Wheeler Corp.—an industrial boiler manufacturer—to build EGD generators for industry.

The award of the Interior Department contract brings Physicist Gourdine back into the public eye. In 1952, while still a physics student at Cornell, "Flash" Gourdine went to the Olympic Games at Helsinki and won a silver medal in the broad jump.

TRIBUTE TO REPRESENTATIVE GARMATZ, OF MARYLAND

Mr. BREWSTER. Mr. President, of all the concerns which demand the attention of Senators and Congressmen, the problems of the American merchant marine are among the most complex. It is therefore reassuring to know that the chairman of the House Merchant Marine and Fisheries Committee is one of the hardest working and most competent men in the Congress—my fellow Marylander, Representative Edward Garmatz.

This is a position which reflects great credit on Representative Garmatz personally and on the State of Maryland; and it is a position which he has certainly merited by his longstanding interest in and innumerable hours of work on maritime matters.

A recent article in the Port of Baltimore Bulletin followed Congressman Garmatz through a typical day. This article illustrates the variety and complexity of the duties of the chairman of such an important committee and shows how well Congressman Garmatz is fulfilling these duties. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

New Duties Mean Long Days for Ed Garmatz—Maryland Legislator Heads Merchant Marine Committee

Edward A. Garmatz is a hard working, hard walking man these days. And much of the working and walking is on behalf of the American Merchant Marine.

As the new chairman of the Merchant Marine and Fisheries Committee of the House of Representatives, Mr. Garmatz must devote much of his energy to maritime matters at a time when problems abound.

The American Merchant Marine today is in a state of uncertainty and apprehension unseen for many years. Almost everyone connected with the industry acknowledges that something is wrong and that remedies are necessary.

Virtually the entire industry—management and labor—is at loggerheads with a Government task force report which urges sweeping (some call them disastrous) changes. Opposed to the task force report is one drawn up by a high-level committee of labor, management and public representatives appointed by President Johnson.

On top of this, the war in Vietnam has placed such a strain on the merchant fleet that the Government has broken 100 World War II-vintage ships out of reserve fleets. In short, the Vietnamese conflict has intensified the widespread concern about the inadequacy of the nation's maritime fleet.

At the center of the controversy—and a key figure in any legislative program that emerges—is Representative Garmatz, who was named committee chairman at the beginning of the present session.

"This task force report is the biggest thing to hit this committee in 30 years," the tall, soft spoken chairman remarked recently. The sun was beginning to wane over the Capitol as Mr. Garmatz took a few minutes from a busy schedule to discuss the plight of the nation's maritime fleet.

It was a typical day in the life of Congressman Garmatz—a day of stacks of mail, committee meetings, scores of telephone calls, attendance on the Floor of the House, luncheon with constituents, and a meeting at the

White House with the President and the Secretary of Commerce.

For ED GARMATZ, the day begins shortly after 8 a.m., when he boards a train at Baltimore for the trip to Washington. From Union Station, it is only a short distance to his office in the new Rayburn office building.

Waiting atop the big desk in the high ceilinged, brightly lit office is a stack of mail and reams of material to be waded through. The congressman begins going through the mail, instructing his secretary, Miss Elizabeth Garmatz, on how each letter should be answered. The actual composition of the letters is left to her.

At 9:45, the mail still piled high, he stuffs a list of the day's engagements in his coat pocket, and heads at a brisk pace for the Merchant Marine Committee offices in the Longworth Building. The corridors are many and long on Capitol Hill, and a Congressman soon learns to walk quickly.

The Merchant Marine Committee has before it a $103 million Coast Guard authorisation bill. Hearings already have been held, and the committee now will meet in executive session to act on the measure.

Arriving at the committee offices shortly after 10 a.m., Mr. GARMATZ confers briefly with chief counsel John M. Drewry about the draft of a forthcoming speech before calling the committee into session.

An hour later, the meeting over, the chairman checks with several committee staff members, and then heads back to the Rayburn building. Accompanying him are two staff members who use the ten minute walk to discuss committee business. The conference concludes in Mr GARMATZ' office, and he is off again—this time for a meeting between the Maryland Congressional delegation and representatives of the National Council of Jewish Women

Arriving at the meeting room at 11:45 A.M., Mr. GARMATZ finds that the conference, which was scheduled for 11 A.M., already has ended. He will catch up with them at a luncheon the council is holding in the New Senate Office Building. First, however, he returns to the office.

In his absence, a half dozen telephone messages have been placed on his desk—a call from a Post Office employee seeking a promotion, one from a railroad vice-president, several from people who seek appointments to see him, and one from Speaker of the House McCORMACK.

Mr. GARMATZ returns the speaker's call, and reports on the status of the Coast Guard bill. The other messages are turned over to his secretary for the setting up of appointments.

Another telephone call was from the White House. The President and Secretary of Commerce Connor will brief key Congressional leaders on the Chief Executive's forthcoming transportation message at 6 P.M. Attendance at the meeting will mean the chairman will be unable to keep a previous 8 P.M. engagement in North Baltimore.

At noon, Mr. GARMATZ joins Representative GEORGE A. FALLON, chairman of the House Public Works Committee and another Baltimore congressman, for the walk and subway ride to the Capitol. Three hours of debate and a vote, on the Defense Department's supplemental appropriations bill are on the agenda, and he wants to be present for the quorum call at the beginning of debate.

On the House floor, several dozen Congressmen mill about and chat while others take the microphone to read various statements into the record. A health message from the President is read, and then the call of the roll begins. Mr. GARMATZ and Mr. FALLON answer on the first reading of the 400-odd names, and then leave for the New Senate Office building.

Here, they dine with the Maryland representatives of the National Council of Jewish Women, and hear a speech by a Missouri congressman about the legislative prospects in the current Congressional session.

At 1:50, the speech over, the two Maryland congressmen depart for the House floor. They are stopped briefly by a group of school children seeking autographs, and then look in on the Defense bill debate.

Mr. GARMATZ arrives back at his office at 2:20 to find Henry T. Douglas, chief of planning for the Maryland Port Authority, waiting to keep a 2:30 appointment. The two men briefly discuss port matters, and Mr. GARMATZ then settles down to finish going through the mail and catching up on correspondence.

The desk is piled high, and the congressman will spend much of the next two hours trying to work his way through the mountain of reading. A manila folder, some four inches thick, is crammed with letters which have been answered by the staff. He has been unable to read either the letters or the answers.

At 3:30, Mr. GARMATZ goes next door to Representative FALLON's office to confer with him on the draft of a statement they will present to the Maryland legislature the following day. The legislature must reapportion Maryland's Congressional districts, and the city is threatened with losing one of its three congressmen. Additionally, there is the possibility that reapportionment could mean that Mr. FALLON and Mr. GARMATZ would be required to oppose each other in the November election.

Forty-five minutes later, Mr. GARMATZ returns, notifies the White House that he will attend the 6 P.M. meeting, and answers a half dozen telephone calls. At 4:45 he is notified that the House is about to vote on the Appropriations bill. It's nearly 5 P.M., when he catches the subway from the Rayburn building to the Capitol. After the vote, he goes to the White House for the Presidential briefing.

A member of Congress for 19 years, Mr. GARMATZ feels that the Merchant Marine has sunk to a dangerously low ebb, while the fleet of the Soviet Union has, and is, increasing at a substantial rate.

He is concerned, and he wants action, not words. In his first major speech as committee chairman, Representative GARMATZ told the Propeller Club of Washington:

"I am tired of reading analyses of the Interagency Maritime Task Force Report, or of the Report of the President's Maritime Advisory Committee. The business of our committee is legislation, and without a legislative program to consider, we are left to theorize like everyone else."

For ED GARMATZ, the work and the walking continue in the hope that action will supplant the theorizing.

WHAT OUR FOREIGN-POLICY MAKERS HAVE NOT GRASPED

Mr. GRUENING. Mr. President, Walter Lippmann, dean of newspaper columnists and most perspicacious of journalistic commentators, in his weekly page in the June 20 issue of Newsweek makes clear that some of the basic errors in the U.S. foreign policy are due to misconceptions by our policymakers. They seem not fully aware of changes in world conditions and fail, therefore, to adapt their conduct of foreign policy to these altered circumstances.

I ask unanimous consent that the article "Our Place in the World" be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WALTER LIPPMANN ON OUR PLACE IN THE WORLD

In what the British say about American foreign policy it is often assumed that, as The Economist of London put it recently, "in 1945 . . . America was forced to take over Britain's place in the world." This is an unexamined notion and is grossly misleading. Those who entertain it are therefore not able to understand the current American discussion and debate about foreign policy.

For the central fact in the whole American controversy is that the world itself, in which Britain before the world wars of this century had such a great place, has changed radically. It is altogether misleading to think that the world is essentially the same as it was in the nineteenth century, and that the only great change is that the United States now occupies the place of Britain.

The truth is that the British place is gone, not because Britain is poorer and weaker than she was, but because the kind of world in which Britain played her role is gone. The British Empire is gone, the United Kingdom is a middle-sized power, there are new great powers, the Soviet Union and China. There are some 70 or 80 new sovereign states. This is the age of nuclear weapons which if used could make virtually uninhabitable most of the Northern Hemisphere. This is the age of the population explosion. This is the age of a new industrial and technological revolution. This is the age of an almost precipitous decline in the customs and usages of the ancestral order. This is the age of the obsolescence of the revolutionary ideologies of the nineteenth century.

The world of Pitt, Palmerston, Disraeli, Gladstone and even Churchill no longer exists, and what the British did at the Khyber Pass provides no precedent, no model, no guidance for what President Johnson ought to be doing in Vietnam.

STRUGGLE

The current struggle in America is in fact within every American mind. It is not between doves and hawks, between appeasers and heroes. It is a struggle about yielding to or overcoming the stereotypes of yesterday. That is what the ferment and the dissent in the universities, and everywhere in the intellectual community, is all about. There is a widening gulf between the intellectual community and the Johnson Administration, and the cause of it is a struggle over whether we shall look at the world in which we have to play such a big part freshly, or whether we shall look at it through the old, cracked stereotypes.

This is what Americans are arguing about, not about whether we should do our duty, whether we should become isolationists, whether we should turn our backs on the world and all its sins, not about whether we shall scuttle and run, hide in the storm cellar and pull down the hatch. The argument is about *which* role we can and should play in the world today, and not about whether we should play *any* role.

Since we understand only partially the new world we live in, we have to be tentative in our opinions and we have to abide by what we find out through trial and error. There are some things we have come to believe which no other nation has had to believe before us. One of these revolutionary novelties is that since there are at least two great nuclear powers, since either of them can inflict intolerable damage on the other even if it has been attacked first, peaceable coexistence with the Soviet Union is imperative. Nuclear weapons cannot be used as a threat because such a threat is not credible. They cannot be used as a bluff because nobody will believe it.

CONSEQUENCES

This fact has enormous and complicated consequences in the whole field of international relations. We do not come anywhere near understanding fully these consequences. But we can see, for example, that the very foundations of NATO have crumbled owing to the fact that they were laid when the United States had a monopoly of nuclear weapons and before the proliferation of nuclear weapons in the Soviet Union, France, and China.

We are faced with another radically new phenomenon which as yet we do not understand. Once upon a time the European great powers, Britain foremost among them, could use their military supremacy to make their will prevail in the backward regions of the earth. This is no longer the case. Our military superiority is infinitely greater than that of our predecessors among the great powers of the world. But we cannot impose our will even in one small country like Vietnam. The reason is that the technologically backward people have invented a method of waging war which baffles and frustrates the technologically superior armies.

My own tentative conclusion is that in the backward and underdeveloped regions of the globe, military power and political influence are antithetical. In order to exercise influence, political, economic, cultural, technical, it is necessary to limit military intervention to those rare instances where there is a clear and present danger to an indubitably vital interest.

PRAYER DELIVERED AT WHITE HOUSE CONFERENCE TO FULFILL THESE RIGHTS

Mr. DOUGLAS. Mr. President, on the occasion of the White House Conference called to fulfill these rights, Dr. Seymour J. Cohen, president of the Synagogue Council of America, delivered a most stimulating and warm concluding prayer. In order that my fellow Senators may have the opportunity to read this most fitting prayer, I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the prayer was ordered to be printed in the RECORD, as follows:

The Lord is near to the brokenhearted (Psalms 34).

O heavenly Father, Who dwells on high, yet is near to the prayers of the humble, hear the prayer of our contrite spirits.

May our deeds mirror Thy divine impatience. How long, O Lord, how long must we wait until men learn to loose the fetters of wickedness, to undo the bands of the yoke, to practice basic justice, and let the oppressed go free! How long, O Lord, how long will it take men to learn that the road to holiness is the road of action.

As we return to our individual sectors of our common struggle, grant us that which can come only from Thee, courage in crisis, strength in the sight of danger, and hope in the presence of despair. May our beloved country ever remain sensitive to the anguish of the deprived, the agony of the poor, and the cry of those who long to be free.

Before God and man, we solemnly pledge that we will labor, hand in hand, until the judgment of history will say of our generation, "They who have sown in tears, reap in joy." Amen.

WHITE HOUSE CONFERENCE, *June 2, 1966.*

GREEN LIGHT FOR CRIMINALS

Mr. BYRD of West Virginia. Mr. President, the Evening Star of June 15 reported that crime in the District is again on the increase. The month of April showed a decrease, the first decrease in 47 months, but offenses in the District in May rose 13 percent while fewer crimes were solved in the 12-month period ending in May than in the previous 12 months. According to the Star, Police Chief John B. Layton stated that an accumulation of opinions and procedures recently handed down by the courts and the U.S. attorney's office "has curtailed the opportunities of the Police Department in interrogating suspects."

The biggest increase in the 12-month period was in the number of rapes, which was up 42.9 percent.

The dangers to citizens who walk the streets in the Nation's Capital during the days and years ahead are something sobering to contemplate in the light of the rising crime rate over the past few years, and especially in view of Monday's Supreme Court ruling on police questioning of criminal suspects.

I ask unanimous consent to insert in the RECORD an editorial which appeared in yesterday's Washington Star entitled "Green Light for Criminals," together with the Star report of the same date, to which I have alluded.

There being no objection, the editorial and story were ordered to be printed in the RECORD, as follows:

GREEN LIGHT FOR CRIMINALS

The Supreme Court's 5 to 4 ruling on police questioning of criminal suspects will be received with rejoicing by every thug in the land. For without a doubt it is a ruling which will grievously handicap the police and make it much easier for a criminal to beat the rap.

The murky torrent of words embodied in Chief Justice Warren's opinion tends to obscure some aspects of the ruling. But the salient points come through clearly enough.

Henceforth, once the police have taken a suspect into custody, they cannot lawfully ask him any questions unless four warnings have been given. (1) The suspect must be plainly advised that he need not make any statement. (2) He must be informed that anything he says may be used against him in a trial. (3) He must be told that he has a right to have an attorney *present* throughout the questioning. (4) If the suspect is an indigent, he must be assured that he will be furnished a lawyer free of charge. Unless all of these conditions are met no confession or other evidence obtained during an interrogation can be used against the suspect.

The Chief Justice makes the remarkable observation that "our decision is not intended to hamper the traditional function of police officers in investigating crime." Intent aside, he must know that this is in fact a decision which will not only hamper but will largely destroy the traditional police function, at least as far as interrogation is concerned.

Why? Because any lawyer called in to sit beside a guilty prisoner is going to tell him to say nothing to the police. He would be derelict in his duty were he to do otherwise. In the face of this, the Chief Justice blandly suggests that there is nothing in the decision which requires "that police stop a person who enters a police station and states that he wishes to confess to a crime." How true! And how often in the proverbial blue moon will this happen?

The deplorable fact is that this ruling, as far as the public is concerned, will most directly affect the vicious types of crime—the murders, the yokings, the robberies and the rapes where it often is impossible to assemble enough evidence, without a confession, to obtain convictions. All the criminal need do is to demand a lawyer—and then the police, under the practical effect of this decision, will be unable to ask him question No. 1. What was it the President said about ridding our cities of crime so law-abiding citizens will be safe in their homes, on the streets and in their places of business?

The dissents by Justice Harlan, Clark, Stewart and White were sharply worded. It is necessary to read them to understand the frailty of the grounds upon which the majority rests this unprecedented ruling. But a few excerpts are helpful. Justice Harlan: "Nothing in the letter or the spirit of the Constitution or in the precedents squares with the heavy-handed and one-sided action that is so precipitously taken by the court in the name of fulfilling its constitutional responsibilities." Justice White: "The real concern is not the unfortunate consequences of this new decision on the criminal law . . . , but the impact on those who rely on the public authority for protection and who without it can only engage in violent self-help with guns, knives and the help of their neighbors similarly inclined." Justice Clark: "To require all those things (demanded in the majority opinion) should cause the court to choke over more cases than (those) which it expressly overrules today."

A final point. The newest member of the court, Justice Fortas, voted with the majority. But when he testified at a Senate Judiciary Committee hearing on confirmation of his appointment last year he said he believed that an "adequate opportunity" for police interrogation of persons accused or suspected of crime "is absolutely essential to law enforcement." Under this decision, which Justice Fortas joined, opportunity for police interrogation becomes, not adequate, but virtually impossible. Law enforcement, and especially the public, will suffer accordingly.

CRIME HERE RISES 13 PERCENT—FEWER SOLUTIONS REPORTED

Crime in the District once again is on the increase, according to the Metropolitan Police Department.

After a decrease in April—the first in 47 months—offenses reported in the District in May rose 13 percent, the police said.

The police also reported solving fewer crimes in the 12-month period ending last month than in the previous 12 months.

In his monthly report issued yesterday, Police Chief John B. Layton said the department cleared 27.5 percent of its cases in the last year, a 10 percent drop compared with those it listed as solved in the year ending May 1965.

"An accumulation of opinions and procedures that has been handed down recently by the courts and the U.S. Attorney's office has curtailed the opportunities of the Police Department in interrogating suspects," Police Chief John B. Layton commented.

Although Layton declined to discuss specific court rulings and Justice Department guidelines, observers noted that the police last August, upon suggestion of the U.S. Attorney's office, instituted a three-hour maximum on station house questioning of suspects.

The biggest increase in the 12-month period was in the number of reported rapes, which was up 42.9 percent.

Aggravated assaults increased 14.6 percent, grand larceny 23.8 percent, housebreaking

7.5 percent and auto theft 1.5 percent. Petty larceny was up 27.5 percent.

The only decreases noted were in criminal homicide, which dropped 30.8 percent, and robbery, which dipped .7 percent.

There were nine reported criminal homicides, four less than those in May 1965, and 285 robberies, two less than the May 1965 total.

Layton said the increase in May brought the total of Part I (serious) crimes in the last 12 months to 34,832 "an increase of 100.6 percent from the low point of June 1957."

In April, for the first time since June 1962, serious crime in the District decreased by 7.3 percent and drew the praise of President Johnson who said he was "encouraged" by the drop.

"There is nothing more to be desired than a national capital free of crime," the President said, after receiving the April crime report.

BOB HOPE—AN OPEN LETTER ABOUT OUR GI'S

Mr. McGEE. Mr. President, Mr. Bob Hope dropped his cloak of humor recently and wrote an article for the Family Weekly about our troops in Vietnam and the feeling they sometimes get, because of demonstrations and draft card burnings, that the people here at home are not behind them. Urging support for Americans in Vietnam, Hope offered his answer to the demonstrators to every American. The key to his answer is for other Americans to speak up whenever the opportunity arises. And, may I add, Mr. Hope is due congratulations for speaking up himself. I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER ABOUT OUR GI'S

How do our fighting men in Vietnam react to the guys back home who demonstrate against our military efforts there?

I found that there are at least two groups: those who are angry and feel they're getting a rough deal because of what is happening back in the United States, and those who just shrug and laugh it off.

I can't laugh as easily, and I hope you'll forgive me for leaving my humor behind as I talk about the very important subject of Vietnam. It's probably the most serious topic in America today, and the role that each of us plays right here at home might make the difference between victory and defeat.

As many of you know, I have made two trips to South Vietnam. When we weren't entertaining the troops, we spent almost every available minute talking to the soldiers, marines, and sailors who are fighting that rough war.

The very hardest thing about this war—the thing that possibly makes it rougher than any other war in our country's history—is that the fighting men, the guys who are standing up to a slippery and cruel enemy, believe that the people at home are not backing them.

Can you imagine returning from a combat patrol in a steaming, disease-infected jungle, tired, hungry, scared, and sick, and then reading that the people in America are demonstrating against your being there? Think what must be going through the mind of a wounded GI in a base hospital when he reads that some young men in America are burning their draft cards to show their opposition—and that others are actually rooting for your defeat?

We often are so concerned about the international implication of Vietnam that I think we tend to forget about the GIs fighting the war there.

Almost all the fellows I talked to in Vietnam shared the sentiment of a marine waiting off stage after a performance. He looked as if he wanted to say something but was too shy. So I walked over and asked whether he had a message he wanted me to take home to his family.

He shook his head. "Not for my family," he finally said. "But please tell all the folks back home that if those guys who do the protesting were brought over here and saw what the Viet Cong do to the innocent civilians, they'd get their draft cards reprinted fast!"

In spite of everything that's happening, our boys luckily have kept both their esprit de corps and their sense of humor.

I will never forget the day we visited a field hospital near Tan Son Nhut airbase. The first man we met in the ward was a warrant officer who had just been coptered in after being pretty badly shot up that morning. Carroll Baker was with me when we walked up to his bed. She leaned over, kissed him, and then asked, "How do you feel?"

He grinned and whispered, "Funny thing, I don't feel any pain now."

Believe me, I am not against voicing unpopular opinions—and a college campus is a traditional place to hold demonstrations. The point is to keep a proper perspective. When only the anti-everything people are heard, our troops, our friends, and our enemies cannot help but think that *everyone* here thinks that way.

The anti-everything people are entitled to their opinions. I don't happen to agree with them, and I don't think most Americans do either. The problem is: too many of us who support the war in Vietnam are keeping it a secret!

How many people sit in a warm living room watching newsreels of draft-card burners and cluck their tongues and say to themselves that something should be done about this? But what to do? What can ordinary folks do to counteract the negative image that we are getting throughout the world?

Fortunately, some things are being done. Some time ago a student from Emory University in Atlanta came to see me at my home in North Hollywood. He told me that he and a few other students from Georgia colleges were putting together a program that they called Affirmation: Vietnam.

They wanted to cover Georgia with an opinion poll to prove to the world that most Georgians back the U.S. commitment in Vietnam. Secondly, they have created an educational group to travel through Georgia to inform the people about the war and tell them why American soldiers have to be there. The third step was an assembly in the Atlanta Stadium attended by 20,000 Georgians who heard Secretary of State Dean Rusk and other officials voice their opinions in support of the President.

Movements like this are springing up all over the country. But we can do more, as individuals, by speaking up whenever the opportunity arises.

Not long ago I was at the University of Wisconsin. Before I arrived, a couple of guys had burned their draft cards. When I needled the burners, the applause of the audience must have been on my side.

When I was in Vietnam, I heard that some of the captured Viet Cong troops had clippings from the Hanoi newspapers telling of the peace demonstrations and draft-card burnings in the United States. They are concluding from this that the U.S. government is not being backed by its people.

If one American serviceman is killed or wounded because such misinterpretation has given the enemy false hopes, then it's time for thinking Americans to take a stand. The time to speak up for our fighting GIs was never more urgent than it is right now.

SENATOR INOUYE VIEWS HAWAII AND WORLD ISSUES

Mr. MAGNUSON. Mr. President, one of our colleagues took a hard look at some of the issues facing the United States today in a series of high school commencement addresses in his home State earlier this month.

I believe that these views are worthy of our attention.

I speak of Senator DANIEL K. INOUYE, my good friend from Hawaii, who was unwilling to settle for the mundane graduation speech which is all too often inflicted upon our young people.

Senator INOUYE took the issues of the day to his young people in Hawaii. He spoke about Vietnam, the challenge of China, trade with Communist bloc nations, problems in the United Nations, our responsibilities to the Trust Territory of the Pacific, and the duties of American citizenship.

The Honolulu Advertiser, the leading morning daily newspaper in Honolulu, commented extensively on Senator INOUYE's remarks. I respectfully request that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INOUYE VIEWS HAWAII AND WORLD ISSUES

U.S. Senator DANIEL INOUYE expressed something of an eternal truth in his recent commencement address to the Kalani High School senior class.

Telling of his graduation day in 1941, the Senator said:

"It was a very special and happy day. However, I must confess that I am unable to recall the name of the commencement speaker and the subject of his address.

"I suppose 24 years from now you too will recall this happy day, but will likely forget the name of the speaker and the subject of his address; but I will understand."

That being so, it should be noted that Senator INOUYE in a half dozen talks while home from Washington deliberately did much more than deliver the usual commencement address.

For if he spoke to the students he was basically addressing the people of Hawaii on a number of international, national and local topics of the day.

Not everyone may agree with the positions Senator INOUYE has taken, but he has offered Hawaii something to think about on some major problems we face.

VIETNAM AND AFTER

Some, for example, may dispute his point that "by the terms of the SEATO agreement we had no other choice" but to intervene with major aid in Viet Nam in 1961.

But he is right that Viet Nam has become a major confrontation, a test case for Communist wars of national liberation and our ability to contain communism in Asia.

Senator INOUYE, however, also put the situation in the perspective of the current political turmoil, our goals and the need for bargaining tactics:

"If after free elections, we were asked to leave, I believe we should. We could do so honorably for we would have fulfilled our obligations. I feel that it would be a tragic decision, but it is their right to make it . . .

"For our part, paradoxical as it may seem, it is not military victory we want. If this were our goal, we would have declared war on North Viet Nam long ago.

"Our objective is the conference table, military victory. Some have criticized the Administration for not being more aggressive; others would have it make concessions it has not made.

"I think it must be borne in mind that it is foolhardy for a nation to forfeit one by one its bargaining points before the other party has shown any inclination to be interested in bargaining . . ."

Perhaps most important the Senator's talk looked beyond the war to the uncertain future. He cited the grave medical and social needs of the Vietnamese people—and the need for help for these people after the fighting stops as well as now.

"It may well be, therefore, that the crucial battle in our struggle to keep Viet Nam free may be waged not in Viet Nam but on American soil as we decide to what extent we shall commit ourselves to do for them in peace what we have done in war.

"This will be no easy task. More than money is involved. 'People to People' programs of a variety and extent not now present will surely be required."

In the long run, it is this challenge, as much as the fighting, that provides a key to the future. It is an area where Hawaii can play a role.

CHINA'S CHALLENGE

Communist China provided what may be the most outstanding of the Senator's talks. It was certainly the frankest.

"The significance of China in today's world cannot be ignored . . . Every fourth child born is in China . . . by the year 2,000 their population will total one billion people."

He talked frankly of "a new China" that has made great progress and of the importance for Americans "to see the world as the Chinese see it."

To China, he said, the U.S. is both the enemy and the only power that can frustrate her ambitions in Asia.

"I do not think we can blame them entirely—after all think how they must feel when we fly over and take pictures of their atomic energy plants, and their factories.

"And we must not forget that it was this country that helped Chiang Kai-shek fight the Chinese Communists after World War II, and still supports his claim to Taiwan and his seat in the United Nations."

It is both because of and despite this fact of life about the world's biggest nation that the Senator made his central point:

"The dominant international problem today—whether in the Western world or within the Soviet Union—is how to break this isolation and bring China into the realities of the modern world . . .

"We must do everything we can to open China to the outside world . . . Containment, yes. . . But isolation, no."

The Senator said "trade is the best approach. Some people panic at this suggestion. I do not mean trade in strategic goods, but only in non-strategic items.

"Now, perhaps, is not the best time to introduce it, but I feel it would be a serious mistake if we should continue our policy to isolate her through a trade embargo."

Unlike some who feel that U.N. membership for Communist China may somehow become a first breakthrough step, the Senator said that may have to await the end of Viet Nam fighting and changes of attitude in Peking.

But he did encourage steps in various directions from greater trade to exchange of specialists, newsmen and mail service.

His key point was that this country must be prepared to move and encourage moves:

"Eventually things will change. Someday Chinese Communist students will be attending the East-West Center. I think we should prepare ourselves to think in such terms. It would be a good thing.

"What have we to fear from this? We must adjust our thinking to different ways of dealing with communism."

TRADE AND COMMUNISM

In similar vein was his talk on trade with Communist countries.

Although he noted tensions with Russia have eased, the Senator added: "I do not say our difficulties are over. The Russians are tough and ruthless, and wide ideological differences separate us."

He noted that our policy on dealing with communism is one that should be carried on two levels.

One involves military superiority: "The irony in our struggle for military superiority is that increasingly it yields less security. Our ability to triple kill is not much security if our enemy can double kill."

While such military strength is felt necessary, the Senator recognized brinkmanship and poor communication with the enemy as dangers that could lead to an unnecessary war.

This is where what Senator INOUYE called "the dialogue of trade" comes in.

As with China, trade is seen as a bridge that involves relations that can grow to mutual advantage. Again the stress is on non-strategic goods and information.

But in the case of Eastern Europe this can be a more advanced relationship, a relationship that will provide markets for U.S. goods, temper the harshness of communism and promote more independence from Moscow.

One of the casualties of the current session of Congress was a bill to expand such trade.

Senator INOUYE put the need in this perspective:

"I do not say that trade will end warfare. Trade did not end it with Japan and Germany before World War II, and China may be vastly different than Russia and her satellites.

"But at the same time there are two compelling new factors in the world today: The first is that now nations know that they destroy themselves as well when they indulge in ultimate warfare; and the second is that with credit, technology, and trade they can gain the necessities they formerly gained by territorial aggression."

REALISM ABOUT U.N.

Senator INOUYE offered no idealistic illusions about the United Nations—"(it) cannot be that which nations are not ready for it to become."

But he did picture it as a political instrument of both practical value and high purpose.

"Causes of wars become as important as the war themselves. We are reaching a point where to save our lives, we must find them in lives of the less fortunate. The one agency, which above all others which would enable us to do this is the United Nations."

He cited the U.S. financial role. In 1964 we paid $239 million or 45 percent of the total cost of maintaining the U.N. and its agencies. But for Americans that is only $1.35 per person or two per cent of the national budget. Viet Nam this year is costing $14 billion.

Too often the quieter achievements of the U.N. are lost in the news of its problems and feuding. The Senator talked about the works of the International Labor Organization, the Food and Agricultural Organization, UNESCO, the World Bank and International Development Association—enterprises which expend 80 percent of the funds available to the U.N.

Although he reminded us again that U.N. forces are playing vital peacekeeping roles in Palestine, Cyprus and Kashmir, he did not minimize its inability to cope with the biggest hot war problem of today—Viet Nam.

But the essential point is that the U.N. is there, working where it can. And when and if it is needed in the Viet Nam crisis, it will again prove its value in our troubled world.

OUR PACIFIC ROLE

Hawaii's opportunity for service in the Pacific emerged as a theme in Senator INOUYE's talk on the Pacfic Island Trust Territory.

He reviewed the problems and some of the U.S. shortcomings in administering this vast territory with only 90,000 people on 2,000 islands spread over an area the size of the U.S.

He also cited some of the improvements made recently. But tempered it with this thought: "Much more than money is required. Micronesia needs the help of dedicated men and women in every walk of life."

Beyond the needed improvements and hopes for development is the big question of the Trust Territory's political future.

Senator INOUYE suggested that "if we may judge by present indications, they may well decide they wish to cast their lot with the United States. We would not—we could not—say no."

Then for the high school students he underscored the meaning for Hawaii—and in a sense the responsibility:

"No state in the union is as close to the Trust Territory either by location, climate, blood or sympathy as Hawaii. I mentioned a moment ago that a local citizen (William Norwood) has received the top administrative position of the Trust Territory. This brings the State even closer in responsibility and opportunity.

"I look forward to a time when many of you will go there for periods of service of every sort."

A NEED AT HOME

It was perhaps appropriate that Senator INOUYE's last speech "came home" to Hawaii to discuss the duties of citizenship.

It was not the usual civics lecture, but more a discussion of community shortcomings in citizenship.

One was the low turnout of eligible voters for elections on Oahu.

"I think it could mean two things: That we, the political leaders of Hawaii have failed in our duties to break this voter apathy and failed in our political educational process.

"Second, this may mean that many of our critics in this city, the people who complain at what takes place, who disapprove of the main decisions of the government may have separated themselves from a course of action that would, or could improve the things that they complain about."

The result is the kind of apathy and wastage of ideas and talent that no government, least of all a democracy, can afford.

In total the picture projected by Senator INOUYE in his six talks was that this nation and this state must play an active role, not only in our own affairs but those in the world around us.

Even more important is the kind of role he has projected—not just active, not just strong, but positive and imaginative as well.

A FOOD PROBLEM RATHER THAN A FARM PROBLEM

Mr. SYMINGTON. Mr. President, one of the most able agricultural statesmen of the Nation, Mr. Fred V. Heinkel, president of the Midcontinent Farmers Association, recently wrote an editorial in their magazine, the Missouri Farmer, on "The Food Vote."

In his article, Mr. Heinkel emphasizes the fact that today we have a food problem rather than a farm problem. I ask unanimous consent that his editorial be inserted at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Food Vote

(By F. V. Heinkel)

We're in the dawn of a new era. The public attitude—the political attitude—toward farmers and farming is changing.

The *farm problem*—much discussed, often misunderstood—now is being recognized for what it really is, and has been all the time, a *food problem*.

With a spiraling U.S. population and growing foreign markets, our public is awakening to the fact that food abundance cannot be taken for granted.

The fact, of course, is not new. Farmers and enlightened public leaders long have recognized that an adequate and stable supply of food is essential to the national interest. To assure such a food supply, MFA repeatedly has pointed out that farmers—the producers of food—must receive prices which will provide a fair return on land, labor and capital inputs.

Such thinking has been a basic premise of the better farm legislation during the last 30 years. But some people have failed to understand. "Farm programs," through misinterpretation, have been regarded too often as "aid programs for farmers"—nothing more.

Farm problem or *food problem?* Both are labels which suggest the need for balancing supply and demand and achieving reasonable prices with adequate reserves. But the inference is different.

From where I sit, the term, *food problem*, is preferable. I'm glad to see it used—because it more accurately describes what this whole thing is all about—and because it reflects a change in public attitude which could be helpful to farmers.

Unfortunately, it has taken a scare to bring about this change in public attitude. The simple facts, to which the public now is awakening, are these:

We no longer have too much food. The "surpluses" which worried us have been brought into balance as planned. Grain reserves are down to the minimum needed for orderly marketing.

Already some shortages have and are showing up. Pork was in short supply last winter—because low prices had squeezed a lot of hog farmers out of the business. Milk is becoming scarce—and probably will be in short supply until stronger prices encourage dairy herd expansions.

Market experts now are becoming concerned about what might happen if (1) bad weather should curb this year's crops, or if (2) war in Asia should be expanded. If either were to occur, food shortage looms as a possibility.

Farmers have the capability to produce more food. Our food production plant has been running at less than top capacity for as long as many of us can remember—because the market couldn't handle all we could produce at a price which would justify our efforts. With a price incentive, we can convert millions of acres of land to more productive uses, apply more fertilizer, develop improved varieties and buy better equipment to do an even better job of food production. All that we need is assurance that the price will justify our additional labor and additional investment.

Perhaps now that the public is thinking in terms of a *food problem*, rather than a *farm problem*, we can achieve fuller understanding of the need for a long-term national food policy—and less noise about the cost of programs designed to assure adequate reserves and fair farm prices.

The new attitude also might be the key which enables farmers to maintain their rightful role in the nation's political arena.

In terms of numbers, farmers are a declining influence in political decisions. Only six or seven per cent of the nation's population now lives on farms. The "farm vote" is not the factor it once was on the political scene.

But food remains a common denominator of interest. Every voter is a consumer of food. Every voter has a stake in food supply and food price. That fact has been demonstrated by public reaction to temporary shortages and resulting price increases of recent months. The "food vote" is a powerful political influence.

Our challenge now is to help the "food vote" identify with the problem of maintaining stability of food supplies—to help consumers understand that reasoably priced food, rather than cheap food, is a desirable objective.

Shortage hurts food consumers—and provides only temporary benefit to producers. Surplus hurts food producers—and provides only temporary benefit to consumers. Those are economic and historical facts.

Without some kind of program to stabilize production at a level which provides for adequate reserves while assuring the farmer of a fair return, a food-shortage-food-surplus cycle is inevitable. And because demand for food is relatively inelastic, a small shortage or a small surplus can make a big difference in price.

A point to be emphasized is this: The farmer, alone, cannot afford to oversupply the market in order to maintain food reserves essential to the national interest—because such an oversupply results in temporary surplus which can depress prices severely. *In effect, this forces the farmer to subsidize the national interest and the food budget of every family in the nation.*

That, however, is what farmers have been doing—and still are doing. Consumers now spend only 18 percent of their disposable income for food—lowest percentage in history. It has continued to drop while the per cent of income spent for other goods and services continues to climb.

Even though farm income last year was markedly improved, farm prices averaged 18 per cent below 15 years earlier. That kind of a trend cannot continue—not if we're to have an adequate and stable food supply.

If this much can be understood about food supply and food pricing by American consumers, we can avert food shortage—in the immediate years ahead, at least.

ALOHA IS A LOSS FOR ALASKA

Mr. BARTLETT. Mr. President, to turn about the sense of a famous Shakespeare line, the good that some men do continues long after they have left the scene.

Coast Guard Rear Adm. George D. Synon is one of those men.

On June 1, Admiral Synon was transferred from command of the Alaska District to command of the Hawaii District. However, Alaska will benefit for years by his many accomplishments while stationed at Juneau.

In large part, because of his efforts, modern helicopters now whirl off Alaska's coast on search and rescue missions.

In large part, because he understood what the Coast Guard's job in Alaska entailed, three new patrol planes are to be purchased and assigned to the Kodiak Coast Guard Air Station.

Because of Admiral Synon's foresight and determination, the Coast Guard is in better condition today than it was 3 years ago to meet its expanding mission of patrol, search and rescue.

I would be remiss if I failed to call attention to the outstanding assistance Admiral Synon and the men of his command rendered after the 1964 earthquake. The contributions to earthquake rescue operations made by the Coast Guard were in the highest tradition of the service and should be so recognized.

Mr. President, I want to wish Admiral Synon well in his new post and to state that Alaska will not forget him or his contribution to Alaska's future. An editorial printed recently in the Juneau Alaska Empire sums up well the feeling Alaskans have for the admiral. I ask unanimous consent that this editorial be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Admiral Synon

Adm. George Denver Synon is departing our shores shortly for what we hope will be more sunshine than we have today.

Juneau is the better for his presence of nearly three years and his guiding hand has strengthened the Coast Guard of which he is Alaska commander.

One of the most strengthening factors during his reign has been the coming of the helicopter which has broadened the Coast Guard's position in the field of search and rescue.

While the admiral is well-known over virtually all of Alaska, he was especially well-known here where he has been a familiar figure on the downtown streets and at civic and social events.

His presence will be sorely missed, as will that of Mrs. Synon who is so well-known in various clubs and socially.

The admiral and Mrs. Synon are going to Honolulu where he will head that Coast Guard district. He reported here in September of 1963.

He was graduated from the U.S. Coast Guard Academy on May 16, 1932 and was commissioned an ensign. He as been a rear admiral since Aug. 1, 1963. He has had a brilliant career at sea and ashore, in the Atlantic and the Pacific and once took the Arctic Ocean to Point Hope on an emergency mission, the smallest ship ever to venture so far north.

He is the proud holder of the Legion of Merit, with Combat "V" for the sinking of a submarine in the Straits of Florida in May of 1942. Later in the same year, his vessel rescued 34 survivors of a torpedoed tanker.

Admiral Synon, a native of Norfolk, Va., married the former Eleanor Rellis Burruss, also of Norfolk. They have a daughter and four grandchildren.

Bon Voyage, Admiral Synon.

—A.B.G.

OF MISSISSIPPI AND WASHINGTON

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to insert in the Record four letters to the editor which appeared in the Washington Daily News on June 14, 1966.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Of Mississippi and Washington

Bravo for your editorial "Jungle Stuff" (June 8).

I quote: "In a free country, a man has a right to walk a highway, whether he is a well-publicized symbol or a nonentity." Now while you are picking the beam out of Mississippi's eye, how about picking the mote out of your own, and add "also on the streets of the nation's capital."

You know or should be aware that there are large areas of this city where it is unsafe for a white pedestrian to walk, either day or night. Every day, nonentities both white and black are assaulted, maimed and sometimes killed while in the simple process of living their daily lives.

All I want is the same protection here in the nation's capital as that provided civil rights workers in the South. Let's make Washington safe for pedestrians, or at least safer than Mississippi.

Charles H. Kissner.

Protection

The Meredith shooting is very deplorable.

However, my wife, children and I would like to come to Washington some evening and have dinner and perhaps take in a movie or play. Would we dare walk down any street of our nation's capital without protection?

How about Mr. Katzenbach furnishing me and mine the same protection that he does Mr. Meredith?

C.L.B.

Violent Act

Just as a casual observer, Mr. Meredith gets shot, Mr. Lyndon Johnson says "a most violent act" and instructs the agencies at his command: "Act quickly."

Four Negroes jumped, robbed and murdered a former U.S. Marine right here under his nose, and what did Mr. Johnson have to say at that time about violent vicious acts?

Walter Murphy.

Equal Right

The civil rights workers demand government protection at all times, day and night, in their activities. Therefore, I demand the equal right for government protection every time I may go out alone on the streets of Washington after dark.

M.R.

DOWNTOWN AIRPORTS

Mr. BREWSTER. Mr. President, today's Baltimore Sun carries an editorial regarding the deplorable situation created by the Federal Aviation Agency's decision to permit jets to land at Washington National Airport.

The Baltimore Sun is not alone in speaking out about this policy blunder. Already, each of Washington's three daily papers has seriously questioned the advisability of overcrowding the existing facilities at National.

It is now abundantly clear that a gaping loophole existed in the FAA's order permitting two- and three-engine jets to use Washington's downtown airport. If the Agency fails to correct this oversight immediately, it will be doing the public a grave disservice.

I believe the Sun is correct in pointing out that downtown airports are not suitable to the jet age. I hope the FAA will rationally reevaluate its present policy in light of its experiences since April 24.

I ask unanimous consent that the editorial may be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Downtown Airports

To no one's surprise, the number of jet flights into and out of Washington National Airport has been rising steadily since it was opened to jets in April. Airlines have found a loophole in the agreement that was supposed to limit jet service to relatively short hops, and they are exploiting it. Traffic—auto and airplane—jams up on the ground. Traffic stacks up in the air. All this in the very heart of a metropolitan area, practically downtown. It is not a safe situation. It may not even be good business, considering the cost to airlines of the delays brought about by the crowding, but airlines must compete, and if one line advertises flights to National ("ten minutes from downtown hotels"), others must, too. So Dulles International remains lonely in its splendor.

This is the jet age. It was never realistic to believe that only a few jets would use National. With Dulles and Friendship bracketing Washington, and uncrowded, and away from the heavy concentration of business, residential and cultural activities that surround National, it is hard to see the reasoning behind a policy that funnels traffic into the downtown Washington area. The fifteen or twenty minutes more that the airport-to-town trip takes from Dulles and Friendship are nothing in the jet age. Downtown airports are an anachronism.

"EVOLVING CHANGES IN OUR FINANCIAL STRUCTURE"—ADDRESS BY SENATOR SPARKMAN

Mr. ROBERTSON. Mr. President, in recent months there has been much discussion of increased demands for credit by various groups of borrowers and of growing competition for funds by various types of financial intermediaries endeavoring to supply these demands. One result of these pressures has been a marked rise in interest rates in all sectors of money and credit markets. Another result has been a considerable shifting of funds among financial institutions.

Striking examples of these competitive forces are the higher interest rates being offered by commercial banks on time deposits, particularly certificates of deposit, in order to attract funds to meet loan demands, and the accompanying reduced flow of funds to savings and loan associations. Related consequences are increased borrowing by Government and by business and a squeeze on funds available for home mortgage loans.

On June 15, Senator Sparkman, chairman of the Housing Subcommittee of the Banking and Currency Committee, presented a thoughtful analysis of the causes and consequences of these developments, together with a statement of some of the problems they raise for public and private policies at this time and for the near future. He did not attempt at this time to offer final solutions to these complex problems, but raised questions for consideration by anyone seeking solutions.

I think Senator Sparkman's comments are most timely and make a useful contribution to the present discussion of these problems by the financial community, and their consideration by the Congress. I ask unanimous consent that they be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Evolving Changes in Our Financial Structure

(Address by Senator John Sparkman, chairman, Select Committee on Small Business, at the 30th annual commencement exercises of the Stonier Graduate School of Banking, sponsored by the American Bankers Association, Rutgers—the State University, New Brunswick, N.J., Wednesday evening, June 15, 1966)

In speaking to a group of student practitioners in the field of banking, it is appropriate to explore some of the problems that appear to be arising with respect to the structure and practices of our financial institutions. Some of these problems are currently challenging and in fact are now the subject of considerable controversy. Some may be portentous of troubles lurking ahead.

Legislative bodies are being called upon by interested parties "to pass a law" to correct particular troubles. Governmental regulatory agencies are being requested to prohibit or control practices considered undesirable or dangerous. Organizations of interested groups are seeking measures to protect their particular interests. At the same time, there are appeals to avoid imposing restraints on exercise of free competition. Longer-term problems of a structural nature are tied in with the broader and more immediate tasks of containing inflation and of maintaining equilibrium in our balance of international payments.

These various problems are closely interrelated. They may be classified into four categories, which I shall call the four "I's." These are: (1) inflation control; (2) interest rates—their level and structure; (3) the international balance of payments; and (4) institutional changes that seem to be occurring in structure and practice.

Today, I do not intend to propose solutions to these vast and intricate problems. Instead, I shall confine myself to describing the nature of these problems briefly and then present some questions that must be considered before trying to solve them. My remarks will be focused on questions concerned with structural and competitive relationships among the various types of financial instruments and institutions, especially those of particular concern to banks.

INFLATIONARY FORCES

Inflationary pressures and attempts to contain them present a number of major problems which have recently influenced developments, actions, and policies in the area of banking and finance. Inflation occurs or threatens to occur when expansion in the availability and use of money exceeds the potential for expansion in the volume of goods and services available for purchase.

Inflation is essentially a monetary and credit phenomenon. Inflation results when credit expansion exceeds the volume of savings available for lending and when, in response to vigorous credit demands, the banking system creates more money than the public is willing to hold in cash forms. Avoidance of inflationary pressures requires limitation on the creation of money by the banking system. This may be accomplished by effective fiscal restraints but is likely also to involve restriction on expansion of bank credit in the aggregate.

Without attempting to give a detailed analysis of the causes and consequences of current inflationary forces, it can be said that present economic conditions in this country, and in most other economically developed countries, are conducive to inflation.

Demands for goods and services by governments, businesses, and consumers are close to available productive capacities and show distinct expansionary tendencies.

Credit extended by banks and also by nonbank institutions has been expanding at a relatively rapid rate. In the U.S. banking system, loans have increased by 12 per cent or more in each of the past four years. Total loans and investments of banks have increased by close to 10 per cent a year. The active money supply, narrowly defined to include only demand deposits and currency, has shown an annual rate of growth of 4 to 5 per cent, while time deposits at commercial banks have increased by an average of close to 15 per cent.

These are unusually large increases to be sustained for so extended a period. They compare with an average growth of about 7 per cent a year in the value of total output of all goods and services, including the effect of rising prices. At constant prices the average annual rate of increase in G.N.P. has been about 5 per cent.

As a result of this exceptional expansion in credit and in output, the economy is now operating at close to capacity, with unemployment at the lowest level in over a decade. Resources needed for the conflict in Vietnam, together with increases in other Government expenditures and expansion in private expenditures for consumption and for capital investment, are exerting severe strains on our resources. Any further acceleration in the rate of bank credit expansion at this time would almost certainly have the effect of pushing up prices at a faster pace than heretofore or of causing funds to flow out of the country.

These are fortunately problems of prosperity and growth rather than problems of contraction and stagnation. It is necessary, nevertheless, that further expansion of total demands be kept within the limits of capacity to produce, and that further credit expansion be limited to available savings and not represent creation of money by the banking system in excess of current cash needs of the public.

The existing so-called "tightness of money," it should be clear, cannot be attributed to any reduction in the availability of credit or even to a slowing down in growth of credit. Rather, it reflects vigorous expansion in demands for credit relative to the volume of savings available for lending. It is necessary to recognize that restraint on expansion of credit should not involve credit contraction; it should mean merely avoidance of excessive or unsustainable expansion. If the banking system should endeavor, with the aid of the monetary authorities, to create enough additional money to meet all the current heavy demands for credit, increases in spending would exceed the volume of goods and services that could be supplied at the present time. Prices would be bid up and additional inflation would ensue. This would provoke more credit demands; an inflationary spiral could develop and continue until it eventually culminated in an inevitable collapse. That consummation we all want to avoid.

INTEREST RATES

As a consequence of the vigorous expansion that has taken place in credit demands relative to the availability of savings, interest rates on borrowed money have risen. Under the circumstances that have been prevailing, it would not have been possible to prevent a rise in interest rates. Attempting to hold down interest rates by creating additional credit through monetary policy would run the risk of stimulating excessive buying of goods and services relative to productive capacity. This would result in inflationary price increases and in turn would further increase credit demands and augment pressures for still higher interest rates. Alternatively, to permit interest rates to rise in response to demand pressures has the effect of discouraging borrowing and encouraging saving, thereby moderating inflationary forces.

INTERNATIONAL BALANCE OF PAYMENTS

For many years the United States has shown large deficits in its balance of international payments. These deficits have been attributed in part to our governmental expenditures abroad for military purposes and for economic aid to underdeveloped countries.

Basically, however, they are due, to a large extent, to differences in price and cost structures and in interest rate levels in this country relative to those in other countries with developed economies and credit markets. These differentials have been conducive to private lending and spending abroad, as well as a limitation on possible exports. The payments deficits have resulted in reductions in our gold stock and in basic bank reserves, together with increases in foreign claims on dollars, which pose a further threat to our monetary reserves.

Under these circumstances, it has been necessary to keep restraints on domestic credit expansion and to permit flexible adjustments in interest rates in response to competitive forces in world markets. Monetary policies that would have the effect of stimulating domestic demands, or of keeping interest rates down, would contribute to further international drains of funds, which, in turn, would work against accomplishment of the purposes intended.

In view of the continuing economic expansion abroad, of strong demands for capital abroad, of growing confidence by investors in other countries, and of cost and price differentials and other competitive factors, not to mention our own governmental commitments abroad, the pressures on our balance of payments seem likely to continue in the year ahead. Adjustments in these areas can be effectuated only at a slow pace, and it is difficult to find satisfactory short cuts. In the meantime, the threat of international drains makes it necessary that interest rates be free to adjust flexibly to competitive forces in world money markets and prevents the adoption of policies designed to keep our interest rates from rising in response to pressures in world money and capital markets.

INSTITUTIONAL ADJUSTMENTS

The contemporary economic forces and developments just described, together with a number of other factors, both new and long-continuing, have brought about, or are in the process of bringing about, a number of significant adjustments in the structure and practices of our financial institutions. Many of these adjustments directly concern you as practicing bankers and as students of banking practices. They are also of great concern to the legislative branch of government and to regulatory agencies, which are constantly being called upon to adopt legislative or regulatory measures to correct apparent ills. Moreover, they are having a strong impact on competitive relationships among banks and between banks and other financial institutions.

One of the most important consequences of the expanded credit demands has been an increase in competition for savings among financial institutions. On the basis of legislation adopted in the early 1930's, banks have been prohibited from paying any interest on demand deposits and have been subject to limitations on the maximum rate of interest they could pay on time deposits.

These restrictions were designed, at least in part, to discourage practices that were followed in competing for deposits during the 1920's and that led to the making of loans and investments which proved to be unsound. Restrictions on maximum interest rates payable on time deposits were sought by the banks themselves as a protection against undesirable competitive practices.

The restraints were of little or no importance for about two decades when funds were relatively plentiful and interest rates low. The ceilings imposed began, however, to have some effect in the mid-50's as interest rates rose under the pressures of expanding credit demands.

In the meantime, savings and loan associations showed remarkable growth in number and in volume of funds entrusted to them. With the rapid postwar expansion in demand for homes, these associations provided a useful and effective channel for mobilizing savings to finance home mortgages. Although commercial banks also substantially increased their mortgage loans, the rates of growth in their time deposits and in their real estate loans were much less than growth rates for savings and loan associations.

From 1946 to 1961, accounts at savings associations increased by over $60 billion to 10 times their level at the beginning of that period, while time and savings deposits at commercial banks increased by about $45 billion to little more than twice their earlier level. The more rapid growth at savings associations was due, in part, to the fact that they paid higher rates of return on savings than the banks paid and, in part, to the emphasis the savings associations placed on attracting savings in their advertising.

As credit demands increased and interest rates rose, the rates paid by banks on time deposits began to bump against the ceilings fixed by regulation. Beginning in 1957, these ceilings were raised from time to time, but it was not until the 1960's that they became competitive with other rates on savings. Since 1961, time and savings deposits at banks have increased by $65 billion—about 75 percent—while savings association shares increased by $40 billion, or less than 60 percent. In December 1965, the Federal Reserve lifted the ceilings to a maximum of 5½ percent on time deposits. Recently, rates being paid by some banks are said to be drawing funds from savings associations to the banks.

In any event, the total outstanding volume of share accounts in the savings associations has shown a much reduced rate of increase. In April, this total declined as crediting of dividends was followed by withdrawals in excess of additions to share accounts. There is some uncertainty among the savings associations faced with the possibility of further large withdrawals in July when additional large dividend credits are due. As a consequence, many associations are sharply curtailing their commitments for new loans.

In the meantime, at commercial banks, notwithstanding increases in rates being paid on time accounts and new types of accounts being offered to attract savings, the growth in total time and savings accounts has been slower this year than in the same period last year. The large negotiable time certificates of deposit, on which particularly favorable terms as to interest rates and maturities are being offered by a number of large banks and which have grown rapidly in recent years, have shown a slower rate of increase in recent months than they did last year. Savings deposits, on which the maximum rate payable has remained unchanged at 4 per cent, have declined by substantial amounts this year to date. Notable increases, however, have occurred in the smaller-sized nonnegotiable certificates of deposits, on which banks are offering to pay higher rates than previously. It is this type of deposit that is apparently most influential at present in attracting funds from accounts at savings associations and also from savings accounts at banks.

Direct flows of savings into investment partly account for the slowing down this year in the aggregate volume of flows through the deposit-type savings institutions—commercial banks, mutual savings banks, and savings associations. This situation reflects shifts in the flow of savings through different channels without a decline in aggregate saving. Question may be raised as to what extent these shifts reflect varying forces of borrowing demands, to what extent changes in institutional practices, and how much they may be due to official policies of regulatory agencies.

Available information indicates that there have been increases in the flow of investment funds into securities, particularly corporate issues, but also tax-exempt securities and issues of Federal Government agencies. Mortgages on industrial and commercial buildings have also demanded more financing this year than in most other previous years, as construction outlays for these purposes have risen to record levels. Home-mortgage financing has shown no increase and may have been smaller in volume than in other recent years.

Question may be raised as to what extent this lag in home financing is due to slowing down in the demand for housing in reaction to advanced prices and in view of demographic factors, and to what extent it has reflected reduction in the availability of mortgage money and higher interest rates on mortgages. The volume of residential construction has declined moderately and may be further reduced in response to these various forces.

POLICY PROPOSALS

In view of the current course of developments, what can and should be done to assure results that might be considered more desirable? What should the various financial institutions do? What changes in policies of regulatory agencies would be desirable? What new legislation, if any, should be considered? Proposals for measures are too numerous and involved for me to appraise here in any detail. Some of them are based on conflicting aims. I shall attempt merely to set forth some of the questions and the considerations involved, not to propose answers:

1. Perhaps the first question to be considered is whether there is need for any special action at this time. Should the free play of market forces be permitted to determine the course of events? If so, are there existing legislative, or other regulatory measures, which interfere unduly with the market, and hence, should be modified? For example, should mandatory interest rate ceilings be removed or relaxed?

2. One set of proposals of a general nature is that there should be more frequent interchange of views and closer coordination of policies among the various financial agencies of the Government. I understand that to a considerable extent this is now being done. Such coordination has to be largely informal; otherwise the processes of decision-making and the allocation of responsibilities become unduly involved. Is specific legislation desirable to require or promote such coordination?

3. More specifically, it has been suggested that restraints be imposed on the issuance of certificates of deposit by banks. These proposals have recently been given consideration in a series of hearings by the Banking and Currency Committee of the House of Representatives. Some of the specific proposals suggested for consideration are:

(a) To prohibit the issuance of negotiable certificates of deposit by insured banks.

(b) To fix by law a maximum of 4½ per cent, or perhaps 5 per cent, that may be paid by any insured bank on any time or savings deposits, except with approval of the President.

(c) To require that any negotiable certificates issued have denominations above some fixed minimum amount, such as $100,000.

(d) To require that interest rates paid on C.D.'s below some fixed maximum size be lower than rates payable on larger C.D.'s. One maximum suggested is $10,000, on the ground that such an amount is covered by deposit insurance. Other limits suggested are as high as $100,000.

(e) To establish maximum rates payable on the basis of maturity of the certificates, with higher rates permitted only on certificates of longer maturity.

We may need to consider not only the possible effectiveness of and potential dangers in such measures, but also the need for specific legislation to authorize their adoption. Some of them may be adopted by regulation under existing authority.

4. Another suggestion is that higher reserve requirements be imposed on some types of time deposits than on others. For example, it is suggested that deposits with short maturities and of large size should have higher reserve requirements because they are more closely similar to demand deposits held for liquidity purposes than to savings. In contrast, smaller savings accounts, or especially accounts or certificates payable only after some extended time interval, such as a year, would have lower reserve requirements. It has been suggested that some measures along these lines may be adopted without new legislation.

5. The large, short-term deposits might again be made subject to lower maximum ceilings as to interest rates payable on them, which was the case in earlier regulations.

6. To enable savings associations to compete more effectively against banks, the Home Loan Bank Board has already taken actions to modify some of the restrictions that had previously been imposed on these associations. These modifications would permit associations to pay dividends of as much as 4¾ per cent, and in some cases 5 per cent on certificates of deposit of over $1,000 retained for a minimum of six months. Relaxations have been made also in borrowing and in liquidity requirements and in requirements for insurance reserves. If regulations with respect to bank deposits are tightened or further relaxed, should regulations with respect to savings associations be changed accordingly?

7. The most far-reaching suggestion for dealing with competitive relationships among various types of financial institutions has been advanced by Governor Robertson, vice chairman of the Federal Reserve Board. He suggests that all forms of deposit-type institutions be subject to similar laws and regulations that would permit them all to engage in similar types of business. Provisions would be alike or closely similar with respect to such matters as reserve requirements on deposits, borrowing privileges at the Reserve banks, types of assets that may be held, interest rates payable on deposits, capital requirements, and supervisory standards.

Governor Robertson recognizes that changes of such a nature could not be adopted quickly or perhaps not all at one time. They would, therefore, not be appropriate for dealing with some of the more immediate problems. Their eventual adoption, however, might help to forestall the emergence of similar competitive problems in the future. This proposal, moreover, leaves for decision the more difficult questions as to what particular standards and requirements should be established for the entire group of financial institutions.

CONCLUDING QUESTIONS

These various proposals raise a number of questions relating to practices and principles of finance and fiancial regulation. They concern the function of money and the distinctions between money and other types of asset holdings of varying degrees of liquidity. They concern particularly appropriate limits upon the operations of banks and other types of financial institutions. To what extent should their operations be restricted by laws and regulations, and how much should they be left to the forces of competition in the market place? There are also questions of fairness and equity and of risks of abuse, of power, and privilege.

We must also consider the risk that measures adopted to accomplish some particular purpose will unduly hamper desirable policies and operations of financial institutions. For example, sudden massive shifts of funds from one type of institution to other forms of investment, as may now be threatening, could necessitate undesirable liquidation of assets or emergency rescue operations from official bodies. Such aids might militate against effective restraints on inflationary credit expansion or against endeavors to reduce the balance of payments deficit.

What lessons can be learned from this experience? Does it indicate the need for more controls or does it illustrate the dangers of imposing unduly detailed restrictions? More specifically, are current developments evidence of the dangers that may be encountered when financial institutions acquire long-term investments, while assuming liquid liabilities. Is there need for more precise distinctions between demand deposits and time deposits or for more restrictive requirements as to assets held back of such liabilities?

Should investors always expect to obtain liquidity on demand or should they bear more of the risks of economic change? Can financial institutions or the Government be expected to assure that any assets can always be converted into cash, regardless of the possible inflationary consequences?

Perhaps we need to give more thought to one of the questions raised by Governor Robertson in opposing action by the Federal Reserve Board in 1956 to raise permissible maximum rates on time deposits payable in less than three months. He asked whether (instead of being held in deposits that in effect are payable on demand at face value):

"Liquid funds of this nature should be invested in open market paper, so that holders would have to bear the burden and risks of fluctuating rates and not shift that risk to the banking system."

In other words, does the policy of assuring liquidity to any type of asset endanger rather than bolster the stability of our financial and economic system?

Another problem brought to the fore by this experience is that of competition between two or more types of regulated financial institutions. On this question, I pointed out in a recent speech:

"From the beginning of this country, the government has found it necessary to regulate banking, and all other financial industries once they have achieved major proportions. Such regulation is necessary partly because of the effects on those whose money is directly affected—the depositors in banks, the shareholders in savings and loan associations and credit unions, the policyholders in insurance companies or the investors in the securities business. Even more important to the government as a whole, however, is the effect which unregulated competition, irresponsible or improper personal conduct, or other unreasonable or unwise activity in these important fields, can have upon the entire economy.

"Because of these considerations, government regulations, state or Federal, to a greater or lesser extent, restrict entry into, and restrict the operations of, banking and other financial businesses. . . . Banking and the competing institutions have developed out of very different circumstances and backgrounds and it is therefore not surprising that the regulations differ considerably. It is also not surprising that the fields of activity of banks and the competing financial institutions are not clearly defined at any one time and may change considerably as years go by and circumstances change.

"However difficult though it may be to define the area of operations of each of these institutions, since most of them exist and operate only by virtue of a specific governmental license and subject to extensive governmental regulation and control, it is almost impossible for those of us who are legislators, or those of us in the executive branch who regulate these institutions, to avoid making decisions which necessarily affect these sensitive areas of competition. I can assure you that we find these among our most difficult decisions. We must retain sufficiently firm control to make sure that our financial institutions are sound and strong and will support the elements of the economy to which they are devoted. At the same time, we also recognize that competition between various forms of financial institutions is one of the most effective ways of promoting efficiency and progress."

THE CHALLENGE OF CHINA

Mr. KENNEDY of Massachusetts. Mr. President, this morning our distinguished majority leader gave an excellent commencement address at Yeshiva University in New York City. Senator MANSFIELD's speech was not only clear and compelling in its logic, but being a speech delivered by a man held by his Nation in the highest regard, we can be assured that this message will receive full consideration among our country's decisionmakers. The essence of the Senator's statement was that the problem we face in Vietnam today, indeed the problems that we may face in Asia in the future, cannot be solved until the United States faces up to the challenge of China.

Senator MANSFIELD stated:

> What is needed most at this time . . . is an initiative for a direct contact with the Peking Government and our own Government on the problem of peace in Viet Nam and southeast Asia. This problem is of such transcendant importance . . . that it is a fit question for face to face discussion between China and the United States at the highest practicable level.

What has been called for today by the majority leader is the simple act of communication between the most powerful nation in the world and the dominant force in Asia. The existence and pressures of China under its current form of government has been responsible for the turmoil that the world has experienced in Asia since 1949. In that short period of time there have been four major confrontations that have brought us to Asia—two of those instances being full-scale wars. It should now be clear to us that if there is any way that will assure that the future does not hold out only more of the same, we must find that way and act. I believe, in full accord with the majority leader, that the first step that we can take toward security and peace in Asia is communication with China—not for the sake of appeasement or concession, but for the purpose of making clear our intentions. Any further military action in Asia, or any military action in the world, that result from ignorance or lack of international communication can no longer be condoned. The luxury of spiteful silence between nations must be abandoned in the nuclear age.

But, Mr. President, it is my strong belief that communication with China will be more important in the future as we seek to find the positive way to economic development and stable societies in Asia. When whole societies are struggling just to eat, peace is in danger. We have seen the upheavals, the demagogs that rise, the existence of month-long governments, and the destruction of people and places in the name of fleeting causes in the underdeveloped nations. We know of these things, because we have been drawn into many of them—we are experiencing that turmoil in the streets of Saigon this afternoon. If we are to accomplish the goals of the majority leader as set out in his speech today—to curb an expansion of war in Asia, to insure free choice and territorial integrity—greater consideration must be given by our Nation to assist in the development of viable societies in that part of the underdeveloped world. The growing economy and the stable society is as free from transgressions from the outside—perhaps even safer and more secure—than the underdeveloped nation ringed with the armaments of war.

To me the threat that China holds to Asia is not so much the traditional military threat of massive arm movements or bombardment, as it is the threat that China, isolated by the other nations of the world, will continue to be a disruptive influence in the economic and political development of her neighbors through political insurgency.

In conclusion, Mr. President, whether we are spurred on to develop more normal relations with one-quarter of the earth's population by the presence of a conflict in Vietnam, or whether we are motivated by a desire to begin the work of closing the development gap between societies, may not be important in the short run—especially as it contributes to a more flexible U.S. policy. But in the long run I would hope that the relationship we seek with China is one geared to the positive task of assisting our Asian friends and allies to better the lives of their people.

HIGH COURT DECISION RAISES WALL BETWEEN CRIME, PUNISHMENT

Mr. BYRD of West Virginia. Mr. President, the Wheeling News-Register of June 14, 1966, carried a column by Arthur Krock of the New York Times, in which Mr. Krock commented on Monday's Supreme Court decision which dealt with police interrogation of persons suspected of having committed a crime. The column was titled "High Court Decision Raises Wall Between Crime, Punishment."

I ask unanimous consent that the column be printed in the RECORD.

There being no objection the column was ordered to be printed in the RECORD, as follows:

HIGH COURT DECISION RAISES WALL BETWEEN CRIME, PUNISHMENT

(By Arthur Krock)

WASHINGTON.—A one-judge majority of the Supreme Court Monday added enormously to the difficulties the court already has imposed on police questioning of persons taken in custody on substantial evidence of crime. Moreover, the decision came in a period when crimes of violence abound in the United States, and distinguished legal groups are deeply engaged in studies of their cases. A number of law-enforcement officers attribute one of the foremost of these causes to previous court decisions which have steadily increased the weight of constitutional protections of offenders over those of their victims.

The sum of the majority ruling, written by Chief Justice Warren, was this: The self-incrimination ban of the Fifth Amendment applies not only to interrogation of the criminally-accused during court proceedings. It also covers police interrogation of those taken in custody unless there is a transcript which completely establishes that the accused was given prior notice of his right not to answer questions and to have counsel present from the outset of the interrogation.

A graphic illustration of how this new regulation by the Court serves to set free persons who confess to particularly heinous crimes, is provided by the discussion in the Warren opinion and in Justice Harlan's dissent of the case of Ernesto Miranda, who was convicted of kidnaping and rape in Arizona. He was taken in custody, identified by the complaining witness, and questioned by two police officers. Two hours later the officers produced his written confession, on which was superimposed a typed statement that the confession was made voluntarily, without threats or promises of immunity, "and with full knowledge of my legal rights, understanding any statement I may make will be used against me."

In reversing Miranda's conviction, one of several nullified by Monday's decision, Chief Justice Warren found the confession "inadmissable" because "it is clear from the testimony . . . that Miranda was not apprised of his rights . . . the mere fact that he signed a statement (which contained the typed-in clause) does not approach the knowing and intelligent waiver required in relinquish constitutional rights."

In his dissent, joined by Justices Stewart and White, Justice Harlan supplemented details which led him to express "astonishment that the Constitution can be read" to support "the Court's new rules" on custodial police interrogation. He noted that, "According to the doctor who eventually examined him . . . Miranda was alert and oriented as to time, place and person, intelligent within normal limits, competent to stand trial and sane within the legal definition . . . The victim picked Miranda out of a lineup, (and) though at first denying his guilt, within a short time Miranda gave a detailed oral confession and then wrote out in his own hand and signed a brief statement . . . (describing how he had kidnaped and raped an 18-year-old girl) . . . All this was accomplished in two hours or less without any force, threats or promises."

The potential broad effects of the 5-to-4 decision, in which the Court vastly increased the area of criminal protections by overruling a long line of cases in which it had upheld custodial confessions in the silence of any record that they were involuntarily induced, were set forth with unusual vigor in the dissent written by Justice White. "If the Court" he wrote, "is here and now to announce new and fundamental policy . . . (its) text and reasoning should withstand analysis . . . and not proceed . . . on speculation alone . . . There is, in my view, every reason to believe that a good many criminal defendants, who otherwise would have been convicted on what this Court has previously thought to be the most satisfactory kind of evidence, will now . . . either not be tried at all or acquitted, if the state's evidence, minus the confession, is put to the test of litigation . . . In some unknown number of cases the Court's rule will return a killer, a rapist or other criminal to the streets . . . to repeat his crime wherever it pleases him."

Previous decisions by the Supreme Court have already had this effect in a few cases. By Monday's ruling it put immunity from punishment for crime on a wholesale basis.

THE BENEFITS OF DESALINATION OF WATER

Mr. JACKSON. Mr. President, there is not a Member of the Senate, I feel certain, who does not have a water problem in his State in one form or another. Greater supplies of clean water are a clear and present need in many States and a certain requirement for all States in the years to come.

As the Members know, the Interior Committee, which is the unit of the Senate that has general overall responsibility for legislation for water resource development throughout the Nation, has been taking vigorous action to meet these present and future needs. Among the outstanding pieces of legislation that the committee has worked out to this end are establishment of river basin commissions and a water resources council, water research programs for colleges and private organizations, and the initiation and furthering of the saline water program.

This later activity, although established only in the 82d Congress, has already had marked success, and there is every reason to expect much greater attainments in the future. The benefits of desalination, as the Members of the Senate know, is not by any means limited to coastal areas. Making brackish ground waters in interior areas potable is an integral part of the program, and the Office of Saline Water, Department of the Interior, today is operating plants in South Dakota and New Mexico, and planning others.

In view of the importance of this program to all of the people of all of the States, as well as to foreign nations, I ask unanimous consent, Mr. President, that the report of Secretary Udall summarizing the operations during 1965 of the Department of the Interior with respect to making sea and brackish waters usable be printed in the Record.

It will be noted, Mr. President, that the Secretary's report states further legislation is needed, and I wish to inform the Members of the Senate that the Interior Committee is planning on holding hearings and considering legislation designed to carry out the Secretary's recommendation within the next few weeks.

There being no objection, the report was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Office of the Secretary,
Washington, D.C., May 25, 1966.

Hon. Hubert H. Humphrey,
President of the Senate,
Washintgon, D.C.

Dear Mr. President: This letter is my report as required by Public Law 448, 83rd Congress, 2nd Session, as amended, summarizing the 1965 operations of the Department of the Interior regarding the desalting of sea and brackish water. More detailed information is given in the "Saline Water Conversion Report for 1965" of the Department's Office of Saline Water.

Several noteworthy major events occurred during a year of increased program activity to develop low-cost saline water conversion processes. Most significant was the new legislation (PL 89–118) to expand, extend and accelerate the Saline Water Conversion Program. President Johnson reiterated his long-standing interest and support of this program in his remarks on August 11, 1965, when he approved this extension of program authorization. We were particularly impressed and challenged by the following excerpts from the President's statement at the signing ceremony:

"Over the past several weeks, Congress has sent to my desk for signature an unprecedented procession of legislative measures which can only be described as truly historic.

"It is my own studied and considered judgment that this bill may well be the most historic of all: not for what it provides but for what it promises, not for what it accomplishes but for what is symbolizes.

"I may or may not be the most optimistic person in America about the progress we can make on desalting the seas. But I am—and I intend to remain—the most determined that we shall make the great breakthroughs before the calendar turns to 1970.

"The time has come to set our sights, pick our targets—and act. For if we succeed, our success will help to change the condition of man around the world.

"We shall need all the skill—all the ingenuity—of modern science and modern industry. But the time has never been so ripe. We have new sources of abundant energy to provide the power this will require. What was impossible and inconceivable yesterday is near to reality today. And I want this Nation to lead the effort to close this gap—not in 50 years but in five years."

In a joint effort, sponsored by the Metropolitan Water District of Southern California, the Atomic Energy Commission and the Office of Saline Water, a feasibility study of a large nuclear-powered dual purpose desalting and electric power plant has been completed.

The dual-purpose plant considered in this study includes two nuclear reactors with three turbine generator units having a gross capacity of 1800 megawatts electric and a multistage flash sea water distillation plant capable of producing 150-million gallons of fresh water daily.

The four principal conclusions of the dual-purpose plant study are:

Construction of a large power-desalting plant is technically practicable.

The proposed plant could be constructed and be in operation by the early 1970's.

Water costs from such a plant would be 21.9 cents per thousand gallons ($70 per acre foot) and could be delivered to MWD's Robert B. Diemer distribution point near Yorba Linda for an additional five cents per thousand gallons.

A $30 million savings in site and facility costs, including power and water transmission costs, can be realized if the plant is constructed on a 43-acre man-made island 3,500 feet off-shore from Orange County rather than on available on-shore sites.

The desalting cost breakthrough estimated by this study is not based on any hoped-for new technology, but rather, it represents hard-headed engineering utilization of available technology scaled-up in size and optimized for power and water production.

The proposed project is now being evaluated by the Board of Directors of the MWD. Should they decide to proceed with the construction of the plant, the Office of Saline Water would hope to participate through the purchase of technology, since the construction and operation of such a plant by the MWD would obviate the requirement for the Office to proceed with its own large multistage flash distillation prototype plant. Our investment would be toward capital costs and the first three to five years of operation.

A second feasibility study, conducted by Kaiser Engineers and the Catalytic Construction Company, jointly sponsored by the Government of Israel, the Atomic Energy Commission, and the Office of Saline Water has also been completed. It is directed toward the cost of a dual purpose nuclear powered plant of 100 million gallons per day desalting capacity coupled with a 200,000 kilowatt power plant. The study estimated the total plant capital cost at about $200 million. Assuming a power credit of 5.3 mills per KWH, the resulting water cost would range from $.29 to $.67 per 1,000 gallons for fixed charge rates varying from 5 percent to 10 percent respectively.

The First International Symposium on Water Desalination which was held in Washington, D.C., October 3–9, 1965, attracted world-wide attention and interest. Over 2,500 delegates and observers crowded into the meeting rooms to hear nearly 100 papers by authors from seventeen nations on basic research, engineering development, engineering design studies, desalting plant operations, desalting plant economics, energy sources and economic and optimum design of systems.

In conjunction with the Symposium, the Atomic Industrial Forum organized the First International Exhibition on Desalination with over sixty displays and exhibits by equipment and component manufacturers and suppliers. The exhibition provided delegates an opportunity to observe first-hand some of the hardware being developed for desalting plants.

Two important agreements were entered into during the week the Symposium was in progress:

1. Saudia Arabia:

In 1964, a Department of the Interior water resources team made a survey, at the request of the Government of Saudia Arabia, of the feasibility of constructing a desalting plant at Jidda. As a result of that study, the Government of Saudi Arabia plans to build a dual purpose plant to desalt 5-million gallons of fresh water per day and also generate 36,000 kilowatts of electric power.

As a part of its engineering development program, the Office of Saline Water is developing a standard design for a 2.5 million gallons per day desalting plant. Under an agreement entered into by the two Governments, the Office of Saline Water will provide this engineering design for the Saudi Arabia plant and will also act as the constructing and supervising office for the construction and installation of the plant. The basic design developed by the Office of Saline Water will be modified for use in Saudi Arabia, with two such units providing the 5-million gallons per day capacity of the Jidda plant. The combined power and water plant is expected to cost the Saudi Arabian Government approximately $14 million.

2. United States, Mexico, and the International Atomic Energy Agency:

In October 1965, an agreement was signed between the Governments of the United States, Mexico, and the International Atomic Energy Agency, which provides for a preliminary assessment of the technical and economic practicality of a desalting plant operated in conjunction with a nuclear electric plant to provide fresh water and electricity for portions of the States of California and Arizona in the United States, and the States of Baja California and Sonora in Mexico.

This study is of special interest because it will, for the first time, provide information on the application of extremely large desalting systems to solve the water problems of a major region. The MWD and Israeli studies have optimized power and water production, but the Mexican study will maximize water production within the economics of a combined water and power plant. The economics of scale-up associated with this study will produce water at a significantly lower cost than the MWD plant. While the MWD study envisions desalted water only for municipal and industrial purposes, the Mexican study will also consider the use of desalted water for agriculture.

By blending it may be possible to improve the water quality in the region as well as increasing the total quantity. This broader concept will permit the study team to determine the feasibility of supplying sufficient water to develop an arid region for agricultural, industrial, and municipal use.

We have no illusions that this water will be available at a cheaper price than currently available irrigation water but we must determine from an engineering standpoint what the costs will be, and we must look at the over-all project in terms of the value of the water produced. From this study, we may establish that desalted water for this type of application is out of the question for the foreseeable future, or we many find that maximum production of power and water brings desalted water into the realm of practicality as agricultural where additional natural water is not readily available.

The study will be performed in four stages covering, in turn, data compilation on power and water needs through 1995; selection of the best of several alternative power and water combinations to serve these needs; determination of the economics of these alternatives; and submission of recommendations to the two Governments and the IAEA for further action.

When the U.S.-Mexico-IAEA Agreement was signed, President Johnson said:

"The United States of America and our good neighbor to the south, Mexico, share much in common, including the great areas which are very short of water. Together, with the help of the International Atomic Energy Agency, we are now going to explore a promising answer to a very difficult but a very mutual problem.

"This agreement will help us discover whether nuclear power can be applied in a practical and economical way to convert sea water to generate electricity for the great arid region which joins our two countries."

The year 1965 was a particularly productive one for Research. The quest for new processes led to significant findings of potential promise in the areas of electrode demineralizers, environmentally modulated ion-adsorption beds, new hydrate processes, electrogravitational separation techniques, and the transport depletion and electrosorption processes.

Fundamental investigations on the principles of heat, mass and momentum transport are yielding data which can lead directly to lower conversion costs because of their effort on process efficiencies, energy consumptions, and capital investment requirements. Fundamental studies of corrosion and the evaluation of new materials of construction for desalination systems are pointing the way toward new materials which will result in the lowering of conversion costs. New data on structural materials, including the use of concrete, alloys, etc., in plants under special conditions have been obtained, which are of extreme value in selecting material and environmental conditions for desalination processes and plants. Corrosion control techniques have been and are being developed.

Significant advances have been made in understanding the fundamental nature of water and the constitution of, and interactions between, water and salt in saline solutions. These activities and others exemplify the contribution of Research to the balanced research and development program the Office of Saline Water is maintaining to acquire the requisite knowledge necessary to achieve truly low-cost potable water from our vast minerally charged sources.

Facilities and monitoring equipment for carefully controlled corrosion studies have been designed to test materials under the extremely hostile conditions encountered in advanced desalting processes. The optimum brine heater temperature has been determined which, when fully developed, will establish the optimum upper temperature limit for distillation and will guide future research relating to corrosion, scale, thermodynamic properties of saline water, blowdown ratio, and the recovery of by-products. New data have been obtained on the density, viscosity, and vapor pressure of salt solutions. These data are useful in the design of more efficient distillation and other desalting process equipment.

Construction bids were opened on March 31, 1966, for a 1.2 million gallons per day advanced technology plant utilizing the multistage-multieffect distillation process. The plant will be located in San Diego County at Chula Vista on property made available by the San Diego Gas & Electric Company. At this same site, in cooperation with the California Department of Water Resources, we have established the San Diego Saline Water Test Facility for the testing and operating of modules and components leading toward the construction of multi-million gallons per day desalting plants. We also expect to establish a brackish water test facility. A location for this test station has not yet been selected.

The Freeport, Texas, demonstration plant continues to operate successfully within the objectives set-forth for the facility. Modifications planned for this operation will enable us to test and evaluate new flow patterns, improved technology and equipment, and recent operating innovations.

We will continue to operate the distillation plant at Roswell, New Mexico, to resolve process and maintenance problems. New techniques for the pre-treatment of the feed water to avoid scale formation will be tested.

The electrodialysis plant at Webster, South Dakota, continues to operate to supply the demand for desalted water with a high degree of reliability. New operating methods are being studied to further improve plant performance.

New equipment and facilities were added during the year to the Research and Development Test Station at Wrightsville Beach, North Carolina. Pilot plants in operation or programmed for operation at the Station include:

Baldwin-Lima-Hamilton Corporation: 25,000 gallons per day flash distillation process

Sweet Water Development Company: 20,000 gallons per day hydrate process

Struthers Scientific and International Corporation: 15,000 gallons per day freezing process

Colt Industries: 60,000 gallons per day vapor compression-vacuum freezing process

Koppers Company: 10,000 gallons per day hydrate process

Also located at the Wrightsville Beach Test Station is a 200,000 gallons per day freezing process plant. This experimental facility is presently in a stand-by condition as we develop additional engineering data in the 15,000 gallons per day Struthers Scientific and International Corporation freezing process pilot plant.

Although much public attention has been focused on the large plant program, we will continue to maintain a balance in the engineering development of plant technology of various sizes and between processes for desalting sea water, brackish waters, or other mineralized or chemically-charged waters. Some of the experimental work we conduct will have application to all phases of the program, but programs for large plants, small plants, sea water, plants and brackish water plants require separate development routes.

The Office of Saline Water has used, and will continue to use, the National Laboratories and existing Government laboratories to the maximum extent possible for experimental studies and development work that best suits the capabilities of the particular facility.

Through an agreement with the Atomic Energy Commission, the Oak Ridge National Laboratory is working on the development of a number of components for larger evaporator plants with particular emphasis on the development of economical heat transfer surfaces. Heat transfer surfaces in a distillation plant represent the largest single item of cost and it directly affects the performance of the plant.

We have utilized the facilities and laboratories of the Bureau of Reclamation for testing electrodialysis pilot plants and to develop data relative to the utilization of concrete for desalting plants. Other examples of our efforts to utilize to the fullest extent possible, the capabilities and the facilities of other Government bureaus and agencies include contracts or agreements with Pacific Northwest Laboratories in Hanford, Washington; Bureau of Standards; and the Department of Agriculture. We have preliminary discussions with the Corps Engineers on the design of a desalting plant in conjunction with a barge or ship-mounted nuclear reactor and we are also assisting on the design of portable units for use in Viet Nam type situations. We are also working with the Bureau of Mines and the Department of Health, Education, and Welfare to develop programs on the application of reverse osmosis to purify polluted river water and acid mine drainage.

The Office of Saline Water participated in a study President Johnson requested to ascertain the potentialities of desalting as a means of "drought proofing" the highly populated areas of the Northeast. This recently completed study indicates that desalting is not the immediate answer to the over-all metropolitan areas water-supply problem. However, it also shows that incremental water costs in the area are rising rather rapidly and that desalting may soon be economically competitive either as a result of continued rising water cost or of improved desalting technology.

The application of today's desalting technology is moving ahead at a quickening pace. A number of new desalting plants have been built and others are being planned. Progress to lower the cost of desalting can be measured, to a certain extent, by its acceptance in the market place as an incremental source of supply. In this regard, it must be emphasized that the significant comparison is between the cost of desalted water and other sources of new water—not the cost of presently available supplies.

Two new 1-million gallons per day plants have been placed in operation in the Virgin Islands. Other 1-million gallons per day plants have recently gone on-stream in Israel, Malta and Italy. The Key West Aqueduct Commission has awarded a contract for a 2.6 million gallons per day plant at Key West, Florida. A 250,000 gallons per day electrodialysis plant is now desalting brackish water at Port Mansfield, Texas. The Spanish Government is evaluating bids received for a 2.5 million gallons per day plant for the Canary Islands, and the Government of Kuwait has awarded a contract to a U.S. firm for plants with a total capacity of 7.2 million gallons per day to add to their present installed capacity of 13 million gallons per day.

New technology continues to drive down the cost of producing desalted water. As the philosophy and the technology of desalting receive increasing acceptance there will be greater involvement of States and municipalities in planning and construction. For local interests to obtain maximum benefit from this Federal research and development program, we must develop a methodology for allocating costs of desalting projects or project systems, and a better rationale for financing capital investments and repayment formulas. Research is also needed to establish the effects of pricing on water demand

and to learn more about the effects of present pricing policies on the efficiency of water use.

As new technology is developed the thrust and scope of the program must be re-evaluated and reshaped to best utilize the scientific and engineering data that has become available. Based on a study of the current state-of-the-art, we believe additional legislative authorization is now needed to expedite the development and application of desalting technology.

Under the present legislation, the Secretary of the Interior is authorized to undertake studies and surveys to determine the relative cost of producing water for beneficial consumptive purposes by leading saline water conversion processes "as compared with other standard methods". As these studies have progressed, it has become quite clear that there cannot truly be said to exist any standard method of determining the actual costs of producing water for beneficial consumptive use. We recommend that Section 2(e) of the Saline Water Act be amended to make it clear that the Department of the Interior may establish a method of reducing these costs to a common formula and, where necessary, of testing this formula against a hypothetical or actual case.

Legislative authorization is required to enable the Office of Saline Water to construct, operate, and maintain "test-bed" plants having a production capacity of not more than 5 million gallons per day. Test-bed plants are defined as experimental units which, because of their limited operational potential, are not a reliable source of usable water. The function of these plants is to utilize promising, but as yet undeveloped, processes which, because of their relative unreliability, would not be constructed by private developers or built as water-producing plants to meet a specific water demand. They would be designed to permit the introduction of experimental hardware for performance testing.

"Prototype plants", as compared to "test-bed" plants, are defined as those plants sponsored by a non-Federal agency as an integral part of its water supply system and may be used to convert sea water, brackish water, and other polluted waters to potable water. Because of their more advanced development and greater reliability, these plants can effectively be committed as a water supply source for a community and represent the last stage of development before commercial application. To encourage the utilization of the newest technology available, we propose the enactment of an authorization to provide financial assistance to other agencies by this Department, by grant or otherwise, and technical assistance and direction for the construction, operation and maintenance of prototype plants. No contribution for the construction of such plants should exceed 50 percent of their costs, with the balance of the cost provided by the sponsoring agency.

Federal financial assistance provided by the Department of the Interior will be used as a means of purchasing technology and of advancing the national program of desalting research and development.

These additional legislative authorizations would represent a new step forward in the development of processes for the economical conversion of saline waters for beneficial consumptive use. It would be indeed difficult to minimize the importance of this program, both to the citizens of this Nation, and in the cause of improved relations with other nations.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

VISTA

Mr. PELL. Mr. President, on May 16 of this year I spoke on the Senate floor in regard to the excellent work that the Volunteers in Service to America, or VISTA, are doing both in Rhode Island and in the Nation. One of the more exciting VISTA programs, which has been initiated by their energetic and able director, Glen Ferguson, is known as VISTA Associates.

This very week, the Volunteer Corps of the war on poverty will assign nearly 500 college students to serve in 100 of the most isolated communities of Appalachia. This project, VISTA associates, offers a unique opportunity for students who cannot spend a full year in the VISTA program but who desire personal involvement in fighting poverty that will make them better Americans, in a better America. This is no summer vacation. This is real hard work. For these volunteers will serve in 19 of the Nation's poorest counties, which are located in Kentucky, Virginia, West Virginia, and Tennessee.

Those who are able, after finishing their summer assignments, will continue their services on weekends and school vacations.

Today we hear much criticism of the college students because of their participation and activity in unpopular causes. However, these 500 young men and women, I think, far better exemplify the type of college students who, in the future, our country shall turn to for leadership and direction. Their assignments will bolster the efforts of the 269 VISTA volunteers who are already living and working in the above-mentioned four States. And the VISTA associates will live and work primarily in communities farther back in the mountains where hope has been diminished and an air of futility has replaced pride.

The areas in which the VISTA associates will try to help rekindle a spark of progress are those in which the average American involved in the mainstream of life does not come into contact. These are the hamlets which the engine of history and technology has overwhelmed. The mission of VISTA associates is to help these people who live in these forgotten hollows to move up one more rung on the economic ladder. But even more important than this, is to show the inhabitants of these areas that a country as rich as ours in culture, in history, and in wealth does not intend to allow them to stagnate either culturally or economically.

The VISTA associates summer project started in 1964 with just a handful of volunteers. The success of this program was such that in 1965 it grew in strength to 150 volunteer members. And this year there will be 500 VISTA associates working in over 100 rural communities in the Appalachian south. These volunteers will participate in a 10-day orientation and training session before they begin work in the field. After this, 3 to 10 volunteers will be assigned to projects varying with the size of the communities and they will be under the supervision of the Appalachian volunteer staff. The sponsoring agency for this VISTA associates program in Appalachia is the Council of Southern Mountains, Inc.

This program, VISTA associates, has certainly taken hold as the entire VISTA program has grown. The demand for VISTA volunteers today is great. For a total of 8,705 volunteers have been requested to serve in 714 projects in all 50 States, the District of Columbia, and the U.S. territories.

Progress for Providence, the community action program for Providence, R.I., has requested 27 VISTA volunteers to work in that city's poorest neighborhoods. Eighteen of these VISTA workers would be assigned to the neighborhood advisory council. Two volunteers would be providing permanent staff assistants to each of the nine neighborhood advisory councils. The remaining nine more VISTA volunteers would be assigned to each of the nine community schools in Providence. The community school programs are open on a year-round basis and afford remedial education to both children and adults. During the summer over 4,000 children are involved in this program. And throughout the year more than 1,000 adults participate.

These fine VISTA volunteers would be working on recruiting and community liaison, in order to help stimulate more adult and children participation in this vital program.

Mr. President, the VISTA program has fulfilled the desires of those of us who look forward to an effective war on poverty. Glenn Ferguson, the Director of the VISTA program, is a quiet, but dedicated administrator, who has recruited an army of dedicated young men and women who have brought new impetus to the efforts of this administration to rid this land of poverty.

Mr. President, I ask unanimous consent to insert into the RECORD a compendium of the areas in which VISTA associates and volunteers are working in Appalachia and a communication from Governor Breathitt, of Kentucky, and the General Assembly of that State, commenting on the VISTA program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE GOVERNOR,
Frankfort, Ky., January 21, 1966.

Mr. PAT KENNEDY,
Deputy Director of VISTA,
Executive Office of the President,
Washington, D.C.

DEAR PAT: In the past year the VISTA Volunteers in Kentucky have proven themselves a most effective weapon in the war on poverty.

These volunteers get no publicity and no salary. Their only concern has been to help people in communities that have asked for their assistance. We think they have done a tremendous job. I commend your office and the more than one hundred young people serving in the VISTA program in Kentucky.

Sincerely,

EDWARD T. BREATHITT.

[Commonwealth of Kentucky, General Assembly, regular session, 1966]

HOUSE RESOLUTION No. 83

Concurrent resolution commending VISTA Volunteers

(Monday, March 14, 1966)

Whereas, during the past year more than one hundred Volunteers in Service to America, often called VISTA Volunteers, have been invited to the State of Kentucky to serve in the front ranks of the War on Poverty, and

Whereas, they are living and working in some of the poorest counties in this state, and their number constitutes one of the largest VISTA contingents to be found in any State of this Nation, and

Whereas, the VISTA Volunteers have achieved victories in our war to eradicate poverty, and

Whereas, for living allowance only but no salary, they are devoting one year of their lives to helping our fellow citizens through personal example, guidance and especially their deeds: Now, therefore, be it

Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein), That the General Assembly of the Commonwealth of Kentucky hereby commends these VISTA Volunteers for their dedicated service, and looks ahead to these Volunteers who will follow in the future. They shall be remembered for their contributions to the people of Kentucky.

State and County	VISTA associates	VISTA volunteers	Total
KENTUCKY			
Bell	8	4	12
Breathitt	35	5	40
Clay	25	10	35
Carter	0	0	0
Elliott	20	1	21
Floyd	45	10	55
Franklin	0	3	3
Harlan	12	16	28
Jackson	2	2	4
Jefferson	0	5	5
Knott	9	0	9
Knox	20	20	40
Lee	3	0	3
Leslie	15	4	19
Letcher	5	1	5
Madison	6	25	32
Magoffin	0	0	0
Menifee	5	0	5
Martin	20	0	20
Morgan	6	0	6
Owsley	6	0	6
Perry	0	5	5
Pike	30	0	30
Rockcastle	12	2	14
Whitley	15	2	17
Wolfe	40	0	40
Total	339	115	454
TENNESSEE			
Hancock	10	6	16
Putnam	0	2	2
Davidson	0	3	3
Total	10	11	21
VIRGINIA			
Washington	6	6	12
Wise	30	1	31
Norfolk	0	30	30
Scott	0	5	5
Total	36	42	78
WEST VIRGINIA			
Boone	0	16	16
Calhoun	0	2	2
Clay	15	13	28
Hardy-Mineral	0	11	11
Kanawha	15	0	15
McDowell	15	3	18
Mercer	5	0	5
Mingo	20	0	20
Putnam	0	2	2
Raleigh	30	7	37
Tyler	0	1	1
Wayne	6	0	6
Webster	0	6	6
Wyoming	0	0	0
Statewide mental health	0	40	40
Total	106	101	207
Grand total	491	269	760

ENDORSEMENT BY WASHINGTON POST OF DRUG REHABILITATION BILL

Mr. DODD. Mr. President, I was much pleased to see in the Washington Post yesterday an editorial endorsing the original drug rehabilitation bill that I introduced on behalf of the administration last year.

The Post correctly points out that the House went only part way recently in approving a drug bill "to provide a more sensible approach to dealing with narcotics addicts."

Not to provide for the rehabilitation of addicts who sell drugs in order to support their own habit would leave a serious gap in our efforts to provide civil commitment procedures and an opportunity for narcotics addicts to break their destructive drug habits.

The Post editorial, expressing a hope which I will do my very best to make a reality, concludes as follows:

> Let it be hoped, then, that the Dodd hearings will produce strong testimony to convince the Senate it should refuse the House amendments and accept the bill as written.

I ask unanimous consent that the editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Washington Post, June 15, 1966]

New Approach to Addiction

Senator Dodd's subcommittee is to conduct hearings this week on the Administration's well-conceived bill to provide a more sensible approach to dealing with narcotics addicts. The criminal sanctions now in force against addicts have resulted in what is called the "revolving door" problem. The addict is tried, convicted and, after serving his sentence, released to take up his destructive habit once again. The Administration and a sizable number of the members of Congress would allow Federal judges to provide civil commitment for up to 36 months in special hospital facilities directed by the Surgeon General. The House went part way, endorsing the concept, but amending the legislation to exempt sellers of narcotics from pretrial civil commitment and to retain mandatory prison sentences for 22-to-26-year-olds convicted of selling or possessing narcotics.

There is a great deal of unreasoned fear of drugs in this country, due partly to a lack of knowledge of addiction and the possibilities of treating it. The framers of the pending legislation, both in Congress and in the Administration, feel it presents a constructive approach. Experiments in New York and California confirm this contention. Let it be hoped, then, that the Dodd hearings will produce strong testimony to convince the Senate it should refuse the House amendments and accept the bill as written.

EXERCISE OF CONGRESSIONAL AUTHORITY IN THE AREA OF NATIONAL DEFENSE

Mr. THURMOND. Mr. President, earlier this week the House of Representatives passed by an overwhelming vote the annual defense procurement and research and development authorization bill for fiscal year 1967. The Senate had passed this measure, S. 2950, some weeks ago.

In connection with the authorization bill, the Committee on Armed Services in the House of Representatives made one of the finest, most enlightening, and most needed reports that I have ever seen on a defense authorization bill. Under the able direction of Representative Mendel Rivers, the committee thoroughly reviewed and enunciated the constitutional role of the Congress with respect to national defense. The report sets forth the reasons why there is a need for the Congress to exercise its constitutional authorities in the interest of our national defense. The House committee first, and now the full House of Representatives, proposes that the Congress exercise its full authority and responsibilities in the national defense area, and the bill reported and passed by the House would do just that.

Chairman Rivers, of the House Committee on Armed Services, has made a major contribution to the national security of the United States by the action he and his committee initiated to reassert the constitutional powers of Congress over national defense. His diligent and knowledgeable work, which reflects long years of experience in the field of national defense, is a credit to the House of Representatives and to the Congress as a whole. It is my hope that the Senate will concur in conference with the principal House amendments to S. 2950 and effectuate the badly needed reassertion of congressional authority over our defense establishment that Representative Mendel Rivers has initiated.

HENRY RODEN, PIONEER, PUBLIC LEADER, FRIEND

Mr. BARTLETT. Mr. President, on Monday, June 13, 1966, Henry Roden was buried in Juneau, the capital of the State he loved so well and to which he devoted most of his long and active life.

Even though we know that death, a necessary end, will come when it will, and even when it comes at age 91, the deaths of men such as Henry Roden leave a void.

History books about Alaska will record that Mr. Roden left his native France for the Northwest in 1897, that he was admitted to the bar in the first decade of the new century, that he was elected to the first territorial senate in 1913, was appointed attorney general and then territorial treasurer, retiring from the last post and from public life in 1955. Some history books might also record that for some reason a candidate by the name of E. L. Bartlett was able to defeat Mr. Roden in Bartlett's first primary campaign for territorial delegate.

All that is part of the public record.

What is not part of that record is of equal importance. It should be noted that Delegate Bartlett received great assistance from his primary opponent through the years, for Mr. Roden's overriding concerns were helping people and Alaska, not helping himself.

History should report that from his early days as a miner through his public career, Mr. Roden was a leader in the development of Alaska's natural resources.

It should also be noted that this great pioneer was widely acclaimed as a brilliant lawyer and was held in great esteem by his fellow Alaskans.

There can be no doubt about his being a pioneer. He once described his first journey to the State legislature. He walked from Rampart, through Fairbanks, to Valdez, took a ship to Seattle *where he transferred to another ship* and sailed to Juneau.

He continued that same devotion to duty and to Alaska throughout his life. Only 2 years ago, Mr. Roden, then living in Seattle, and his daughter, Mrs. John F. Rotter, collected five cartons of clothing for Alaskans needing assistance.

Mr. President, the death of Mr. Roden marks the approaching end of an era. Only one other member of the first territorial legislature, E. B. Collins, of Sitka, is still alive.

Mr. Roden's death removes from the scene a public official who has been a source of inspiration to persons in and out of government. He labored long and hard for the land he loved and was fortunate in being able to see that his visions of what Alaska might be were correct.

All of these accolades and more are richly deserved, but I suspect that the one he would cherish most is the esteem and affection with which he is held by the Alaskans who knew and worked with him. It was one of my great good fortunes to be among those Alaskans.

RICHARD L. EVANS—CHURCH AND CIVIC LEADER EXTRAORDINARY

Mr. BENNETT. Mr. President, today in Denver, Colo., a great churchman, a great Utahan, and an equally great American, Richard L. Evans, will be installed president of Rotary International as the worldwide convention of Rotary International draws to a close.

For 37 years Mr. Evans has been the producer and speaker of "The Spoken Word," the inspirational talks which accompany the weekly national broadcasts of the famous Mormon Tabernacle Choir over the CBS network on Sunday mornings.

This program has the distinction of being the longest sustaining nationwide radio program on the air.

Mr. Evans personally writes each of his weekly 3-minute sermonettes, which today have been compiled into 11 published books. For his great service to the broadcasting industry he has been honored by the National Association of Broadcasters with their highest award, a Certificate of Commemoration.

While these major achievements in one field would satisfy most men, Mr. Evans has expanded his field of service to include leadership in both civic and church affairs. He has long served the Salt Lake City Rotary Club with distinction, which has led him to national and now to international positions of responsibility.

In addition, Mr. Evans also has served his church in a wide variety of high positions. Since 1953 he has been a member of the Council of the Twelve Apostles of the Church of Jesus Christ of Latterday Saints.

Because of his broad background and varied experiences, coupled with an exemplary family life, he has always remained in tune with the times, and has become a widely respected commentator upon social values.

Recently, the magazine, Listen, carried an article on one of his commentaries, entitled, "Abstinence and Moderation." I think it is very timely and appropriate for all Americans in this troubled day. In addition, the magazine article lists some of his most quoted axioms, known as "Nuggets From the Spoken Word" which should make interesting reading as well.

I request that the "Nuggets," the commentary, and the article be printed in their entirety so that others can share in the wisdom expressed by this outstanding American, churchman, and Utahan.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NUGGETS FROM "THE SPOKEN WORD"

Let men decide what they will not do, and they will be free to do vigorously what they ought to do.

Conscience is a safety device; and when we tamper with safety devices, we give an open invitation to trouble and to tragedy, to misery and remorse.

Among the greatest gifts a parent can give a child—even greater than a hovering, solicitous protection—are the wisdom, the character, the standards that will help him safely to make his own decisions and to provide his own protection.

A good rule always to follow is: When in doubt, stay where you know you are safe.

The experience of others is a great heritage, and the more we learn from it the less of life we waste.

There are truths which are irrevocable whether or not they are comfortable or convenient.

Just this once is a long step; but just once more is an easier step—and so men often forge their own fetters from link to link.

It is true that an isolated act or instance may seem a small matter at the moment; but it is no small matter at any age to let a false standard get started or to let a wrong habit harden.

It has been observed that the measure of a man is what he thinks when he doesn't have to think, what he thinks when he is alone, what he thinks in his idle hours.

The memory of a mother's waiting is a safeguard against temptation.

There is no way of endangering ourselves, or doing what we shouldn't do, without its having an effect on others with hazards and heartaches. And not at any point can a person truly say, "It's only my *own* life, or my *own* health, or my *own* reputation, or my *own* future, or my *own* failure."

Expedients are for the hours; principles for the ages.

The best tranquilizer is a clear conscience.

Men are punished by their sins, not for them.

COMMENTARY BY RICHARD L. EVANS

"An institution is the lengthened shadow of one man."

When Ralph Waldo Emerson wrote these words more than a century ago, he described perfectly "The Spoken Word," which today has become to millions of radio listeners a real institution.

Part of the famed weekly program featuring the Mormon Tabernacle Choir and the great organ, this interlude consisting of brief, practical messages on better living, has now become synonymous with its author and speaker, Richard L. Evans. Many listeners tune to the program just to hear "The Spoken Word."

For some thirty-seven years—longer than any other nationwide sustaining program on the air—"Music and the Spoken Word" has been broadcast every Sunday morning from Salt Lake City, "crossroads of the West."

For nearly as long, Richard L. Evans has been producer and speaker, connecting with it as a seasoned radio veteran already, having served KSL, in Salt Lake City as announcer, scriptwriter, director of publicity, and production manager. As a young radio reporter he had covered many events, including the international speed runs at Bonneville Salt Flats near Salt Lake City.

Ten months after the start of the broadcasts on a national basis, he began to write, produce, and announce them. He was then twenty-four years old. Since then he has missed only one program, for physical reasons.

Obviously, he is best known for his short, to the point inspirational messages. These he writes himself, each one a sensible aid to practical living. To prepare one, he dictates his thoughts for a coming sermonette, has them transcribed, dictates them again, and boils them down. He repeats the process as often as necessary to compress what he has into about three minutes. Being in charge of the program, he can vary the length of "The Spoken Word" until he feels it expresses exactly what he desires.

"There is no use saying a piece of copy is final if you can improve it on or off the air," he says. The entire broadcast is to a large extent unrehearsed. Of course, the organists practice, and the choir rehearses (two hours Thursday, an hour and a half Sunday, maybe two hours Tuesday), but the various elements never practice together until air time.

"There is something about a live performance, the reality of it, that brings out the best everyone has," Evans observes.

"The Spoken Word" covers, with little repetition, virtually every topic touching on character, human relationships, and life in general, especially those subjects which encourage positive values in life. "Negative influences in our world are overwhelming," the speaker comments; "we will need every positive influence possible."

In dwelling on this side of life, instead of the sinister, Richard L. Evans has developed a seasoned understanding of human problems, especially those confronting youth today. Nor does he feel that the answers are easy or that he has all the solutions.

When asked how best to reach youth with positive values, he replies, "Things don't suddenly happen. They must begin early."

That the process began early in his case is evident. He came from a devoted Christian home where love was ever present, and hard work was the order of the day. "Do your duty always," was his mother's watchword.

Not long ago he commented that the phrase from David Livingstone, "Fear God, and work hard," is a great prescription. This sums up his own life and the ideals he and his wife are passing along to their family.

This is not all of their life, however, for the Evans household has long been known for its conviviality. Long to be remembered are the picnics and social occasions at the family campground on the Weber River east of Salt Lake City. Dad was there, as often as possible, building bonfires and swimming with the children.

The four Evans sons (each three years apart) early learned sports such as football and basketball in order to grow physically and to develop sportsmanship and the ability to give and take.

As far as ideals are concerned, it was strictly "no nonsense." "Freedom," it was made clear, "is not the right to do what we want, but what we ought." Moreover, "If we acquire habits or do those things or take unto ourselves that which would impair our own output, that which would impair our own capacity, we are somehow robbing the world of what we owe."

Richard L. Evans has lived a life devoted to his church. For three years he served as a missionary in England, at the same time being introduced to writing and editing, a profession at which he has excelled since. He is at present a senior editor of the church's paper, *The Improvement Era*.

In 1938 this active leader was appointed to the First Council of the Seventy, the youngest member of that group, and in 1953 was selected as the youngest member of the Council of the Twelve.

In the writing field he adapted "The Spoken Word" as a syndicated feature for six years and has over nearly four decades collected his sermonettes into eleven published books.

Salt Lake City itself is better because he was born there and still lives there. Early he became interested in community affairs and has served well with the business and professional groups, especially the Chamber of Commerce and the Rotary Club. His active participation attracted attention across the country and around the world. This year, in July, he takes office as president of Rotary International, a worldwide service organization with half a million members in some 11,000 clubs located in 123 countries.

Few persons are more versatile than Richard L. Evans or have lived life more fully than he—or are more human. He has not fallen into the fault of taking himself too seriously. Interspersed with his many activities are flashes of humor, often coming at most unexpected times to lighten up what would otherwise be routine.

The man of "The Spoken Word" cannot be described as routine or average. For millions whose lives he has touched, his energy has lifted, his example has inspired, his understanding has broadened. Every spoken word he delivers, he first lives.

[From Listen magazine, April 1966]

THE SPOKEN WORD

(By Francis A. Soper)

THE SPOKEN WORD—ABSTINENCE AND MODERATION

(By Richard L. Evans)

Moderation is a word that has a very acceptable sound, and we might fall into the fallacy of thinking it is the answer to everything. But it isn't always. Indeed, there isn't anything that is always the answer to everything; and this in itself is a matter of moderation.

Sometimes it is easier to do something that seems more difficult to do than to do something that at first sight seems easier—for if we give up something only partly, there are always the question When? How much? How far? But if we give it up altogether, these questions resolve themselves.

It isn't possible to accommodate ourselves to all things, and still preserve principle. It isn't possible to partake of a little of everything or anything and still preserve health—or life. Even a little of some things is too much—sometimes fatal, literally so. Some things are wrong, basically and inherently wrong; and we shouldn't allow ourselves the right to do wrong—even in moderation.

In some situations the mistakes themselves may not be so serious if we recognize them as such; but rationalizing ourselves into a comfortable complacency could be exceedingly serious.

We sometimes hear talk of "tapering off." It also has a tempting sound. But would we recommend tapering of stealing, or many other things that might be mentioned?

There are often extenuating circumstances, and we cannot expect perfection; but we shouldn't rationalize the principle. We are stronger and safer if we face facts and do not seek to accommodate ourselves to error or evil or unhealthful habits—not even in moderation.

If we have a habit which is likely to lead to a wrong result, we could be safer to give it up altogether than to give it up part way.

We do ourselves a disservice if we mix everything into the same mixture and say that a little of everything is all right, when a little of some things is really wrong.

In other words, the best way not to do what we shouldn't do is not to do it.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 34TH ANNIVERSARY OF THE CHARTERING OF THE DISABLED AMERICAN VETERANS ORGANIZATION

Mr. TALMADGE. Mr. President, it is indeed an honor to speak today of the Disabled American Veterans, the organization which serves and is representative of the finest of American citizens. I say the finest of American citizens because these veterans of the Armed Forces of the United States have sacrificed their physical well-being for their country. They are outstanding proof of the faith Americans have in their country and of the willingness of our people to risk their lives for her protection. We must pray this country will always have such men.

This is the occasion of the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans. It was organized to help disabled veterans, their widows, and their children receive the benefits to which they are entitled and to seek and guard legislation by Congress affecting these benefits. A few figures indicate the scope of the DAV's program.

Nationwide, there are 231,000 members in 1,834 chapters. Almost 3,500 DAV members are in Georgia, and there are 52 local chapters in the State organization which is one of the finest in the Nation. Since World War II, the DAV has assisted 1,500,000 disabled veterans and their families. The organization has helped them obtain medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. And the DAV has performed these services free for all disabled veterans, not just for members of the organization. It is fitting and gratifying that the DAV serves disabled veterans in a way these men fought to preserve.

The DAV is a private organization independent of Government control; it supports itself; and it is run by men dedicated to serving a just cause.

The founders understood the plight of disabled veterans, for they, too, had been wounded and were left with the scars of war. The organization was formed by the initiative and foresight of these men in 1919. And on June 17, 1932, the DAV was granted its charter as a federally approved, nonprofit organization to act as the official voice for those disabled in American wars.

Having been a combatant in World War II, I am deeply conscious of servicemen who have been disabled in the defense of their nation. Today many of our boys are involved in fighting and, sadly, many will be disabled. We owe them a debt which the DAV is helping us fulfill.

In appreciation of their past and present service, it is fitting that we honor the DAV today. It is providing one of the finest services any American organization can provide.

Mr. FULBRIGHT. Mr. President, I am pleased to join my colleagues in the commemoration of the 34th anniversary of the DAV. As we honor this organization which serves our disabled veterans, we honor the veterans themselves and the services they rendered to a grateful nation.

This occasion also affords an opportunity to reflect upon public policies and international events which caused the disabilities suffered by these brave men and women. We cannot change the past, but we can profit by past experience. We cannot replace disabled minds and bodies, but we can try to prevent increases in their numbers.

Perhaps no tribute to the DAV would be more glorious than a dedication to the proposition that the day may come when the last disabled veteran will have been admitted to membership. New members are made eligible daily in Vietnam. The potential list of DAV members will continue to increase until peace is achieved in that troubled country.

Mr. President, as we salute those disabled in past and present wars, let us intensify our efforts to achieve peace in Vietnam. Let us renew our dedication to find means for the peaceful settlement of all international disputes. Let us so conduct ourselves that our successors may one day celebrate the admission of the last member into this fine organization.

Mr. DOUGLAS. Mr. President, today representatives of the Disabled American Veterans are going to be in Washington to commemorate the 34th anniversary of the granting of their congressional charter. The Nation is particularly proud of its disabled veterans for not only have they fought bravely for their country, but they have had the grit and determination to overcome their handicaps and become productive citizens. These men have taken full advantage of rehabilitation and training programs sponsored by the Government and have thus set a courageous example for all physically disabled people.

Teddy Roosevelt once said:

> A man who is good enough to shed his blood for his country is good enough to be given a square deal afterwards.

I have always agreed with this position and I have fought to make sure that veterans do get a square deal. This year I gave my complete support to the substantial increase in payments given to those with service-connected disabilities. And I have always been in favor of programs which provide grants and loans for higher education for all ex-GI's.

I congratulate the DAV on 34 years of service to their comrades and to their Nation. Their leaders have always been of high character and National Commander Claude L. Callegary is masterfully carrying on the tradition started by the group founder Judge Marx on Christmas Day in 1919.

Through 34 years the DAV has consistently followed its single purpose; which is the advancement of the cause of the disabled ex-serviceman, his widow, dependents, and orphans. This outstanding organization is to be commended for its abundant achievements of the past and for the hope which it provides for all of those who seek its aid.

Mr. CARLSON. Mr. President, all of us in this Chamber today have lived through times of war—whether it be World War I, World War II, Korea, or Vietnam. We are well aware of the price of freedom when we see our finest young men return with the scars of battle. We, as a Nation owe these men our highest respect and gratitude.

By the same token, we owe our gratitude to the organizations which have dedicated their services to assisting our veterans. The DAV is one of these highly esteemed organizations.

Since the organization of Disabled American Veterans was chartered 34 years ago, it has offered innumerable services and valuable assistance to our disabled veterans. The DAV has not only helped thousands of veterans obtain their rights under existing law, but the DAV has also provided an effective and comprehensive legislative service which works toward the implementation of new and improved laws for disabled veterans.

It is my pleasure to have this opportunity to pay tribute to a fine organization, the Disabled American Veterans.

Mr. MORTON. Mr. President, 34 years ago the 72d Congress chartered the Disabled American Veterans as a Federal, nonprofit corporation to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans.

Thus a grateful nation, acting through its elected representatives, affirmed its belief in the purpose and operations of the world's largest organization dedicated to serving those who have given so much to their country.

Disabled American Veterans, Mr. President, through specially trained service officers, works tirelessly across the country seeing that our wartime injured receive all benefits entitled them. The service officers, mostly disabled veterans themselves, guide their comrades through intricate government channels, securing medical care, hospitalization, and disability compensation. They assist them obtain rehabilitation, job training, and employment. For this task, Disabled American Veterans takes not a cent of Federal funds.

It is, therefore, most fitting that we celebrate today the anniversary of this organization's charter. Colleagues on both sides of the aisle surely join me in saluting Disabled American Veterans for all it stands for—great sacrifice in war and care in peace.

Mr. YOUNG of North Dakota. Mr. President, I would like to join my colleagues in their salute to an organization that has rendered invaluable service to all American war veterans—the Disabled American Veterans.

We are observing the 34th anniversary of the congressional chartering of the DAV as a national veterans service organization. I think it would also be well to recall at this time that the history of the organization goes back even further. The DAV was founded by a small group of disabled World War I veterans in 1919. They set out to provide assistance to their many fellow veterans and to seek additional aid for veterans through badly needed legislation. We all know how well these goals have been achieved and how the organization continues to press forward.

Through over 1,800 local chapters and a staff of 150 professional national service officers, the DAV daily provides assistance to disabled veterans, their widows, and orphans. The organization provides, at no cost to the recipient, the expert service and guidance needed in resolving many problems. Since the end of World War II, more than 1.5 million disabled veterans and their families have received such aid.

Noting the accomplishments of the DAV and its membership, former President Eisenhower said:

> Having earned the lasting gratitude of your Nation for sacrifices in line of duty, you now earn its admiration as well for continued service to the Nation as citizen-veterans.

This, I believe, expresses the feelings of all Americans.

The present conflict in Vietnam will mean added responsibilities for the DAV. Its membership has already answered the call and I know that any challenges placed before it will be met.

Mr. President, I join in rendering a well-earned salute to the Disabled American Veterans on this memorable occasion.

Mr. DIRKSEN. Mr. President, I salute Claude L. Callegary, national commander, Disabled American Veterans, and the more than 230,000 members—disabled veterans of World War I, World War II, Korean war, and the present conflict in Vietnam, for whom every day throughout our Nation is DAV Day.

Mr. President, this anniversary really takes place tomorrow, but I was afraid I might not be in the Chamber at the time, so I make these remarks on this 16th day of June and observe the 34th anniversary of the founding of the DAV organization.

I should like to pay tribute to the 34th anniversary of the Disabled American Veterans organization, and to the dedicated members of this organization in an effort not only to thank those who have aided in the efforts of DAV but also to recognize the over 2¼ million disabled veterans of our country who have so nobly contributed to the preservation and maintenance of those freedoms for which our Nation was established. I should like to remind Members of the Senate that as of April 1966, the Veterans' Administration reports that there were 1,992,421 compensation payments to service-connected disability cases. DAV has been the recognized official voice of these disabled veterans since June 17, 1932, when the 72d Congress, 1st session, approved Public Act 186, incorporating the Disabled American Veterans as a Federal, nonprofit organization.

Throughout these 34 years, the DAV has sponsored many and various actions and pieces of legislation that have contributed to the welfare of the disabled veterans, their widows and families. At this time, when our country is involved in a situation that is calling approximately 200,000 of our able-bodied men to serious and dangerous active service and thousands of others to apparently less dangerous posts around the world, we cannot let this day go by without bringing to the attention of the people of our Nation the present activities of DAV, through its possessions "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans to the cause of advancing and improving the condition, health and interest of all disabled veterans." Each year, thousands upon thousands of individual key rings are distributed as a reminder of those veterans who are being helped by DAV, giving car owners an opportunity to contribute to a worthy cause. Recently, through DAV, the red, white and blue bumper sticker has been made available to over a million car owners—a campaign to gain public support for our fighting men in Vietnam.

To the national commanders, Claude Callegary and each one who has been so honored through the years, I commend them as they have served this outstanding patriotic organization. In closing, I should like to reemphasize the aims so well spoken by the late Maj. Gen. Melvin J. Maas, who served in the 1950's as DAV national commander and was Chairman of the President's Committee on Employment of the Handicapped, and who was an inspiration to so many in these great causes, to "increase community action for more job placements for the physically handicapped and greater compassion for those who have served their nation in the name of freedom."

Mr. SIMPSON. Mr. President, I am glad to join with my colleagues in the Senate in paying tribute to the Disabled American Veterans, this being the organization's 34th anniversary of dedicated service to our wartime injured and disabled veterans.

I know that I speak for the citizens of Wyoming, as well as those all across our Nation, when I say "thanks" to the DAV for the tremendous work and service it has rendered to those men who have given so much for the freedom of America.

Many nice things will be said today about the DAV and I want to add my commendation of the professionally trained staff of the DAV, which has rendered so much assistance to my office and to the veterans of Wyoming.

The costs of a war are always staggering, but the greatest cost is in the pain and suffering that remain long after the peace has been secured. The members of the DAV have paid a dear price, and our Nation is forever grateful for their sacrifice. Every effort should be made to see that fair and proper treatment is accorded to them.

As one who has supported the activities of the DAV for many years, I want to express the pride I have in the fact that the DAV has rendered service to its more than 200,000 members with no Federal financial assistance.

It is an organization which gives a great deal of service and which finances itself through dues paid by its members and the revenues received from the very popular DAV Idento-Tag program.

This is indeed a commendable record. I extend my congratulations to the DAV, and wish them well in their continued years of service to the Nation's veterans in the future.

Mr. President, I ask unanimous consent to have printed in the RECORD a fact sheet concerning the Disabled American Veterans which I am sure will be of interest to all Senators.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

FACTS ABOUT THE . . . DISABLED AMERICAN VETERANS

The DAV, formed by a dedicated group of 200 World War I disabled veterans on Christmas Day 1919, in a Cincinnati, Ohio, meeting, is the largest single veterans organization of wartime injured and disabled in both the nation and the world. DAV membership to date is more than 231,000.

National Headquarters of the DAV are located in Cincinnati, Ohio. There are 1834 local chapters throughout the United States and possessions.

The DAV was chartered by Congress in 1932 "to advance the interest and work for the betterment of all wounded, injured and disabled veterans . . . to cooperate with the U.S. Veterans Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veterans. . . ."

The DAV is the only national veterans organization to have a network of service officers who are paid and directed by the national organization. These service officers are located in VA Regional Offices throughout the nation.

The DAV is a single-purpose, non-partisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans and dependents.

A corps of 150 professionally-trained National Service Officers, each one a disabled veteran, is employed by the DAV. All are accredited by the VA to appear before claim rating boards.

Since the end of World War II, DAV National Service Officers have . . . given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training and employment.

For example: During the last six months of 1965, the DAV National Service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans. During the same period, the NSO staff reviewed 115,622 VA claims, made 56,215 appearances before rating boards and prepared 30,926 briefs.

Nearly all beneficial legislation affecting disabled veterans that has passed Congress since 1920 has been sponsored by the DAV (including the famed GI Bill of Rights).

Every president of the United States since World War I and every director of the Veterans Administration has commended and endorsed the services rendered by the DAV.

Quotes about the DAV:

Late President Kennedy—"Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically-handicapped, both veteran and non-veteran."

Former President Eisenhower: "Having earned the lasting gratitude of your nation for sacrifices in line of duty, you now earn its admiration as well for continued service to the nation as citizen-veterans."

DAV's National Service program the past fiscal year cost in excess of $1.5 million. Not one cent of Federal tax money goes into the program.

In addition to funds from DAV membership dues, DAV supplements this income through the DAV Car License Idento-Tag Program. These familiar miniature license tags have helped return more than 2 million sets of lost car keys free to American motorists. Motorists are asked to contribute something toward the DAV Idento-Tag Program, if they like.

Mr. SIMPSON. Mr. President, the Senator from Colorado [Mr. DOMINICK] has prepared a splendid statement paying tribute to the Disabled American Veterans. Regretfully, the Senator from Colorado cannot be on the floor to personally deliver his statement, which was written for Disabled American Veterans Day.

I am pleased and privileged, therefore, to ask on his behalf that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOMINICK

In this time of combat casualties and world turmoil, it is the Disabled American Veterans to which the returning soldier turns for help and solace. The injured and handicapped find in the DAV the understanding, compassion, and spirit to offer a helping hand not just to the veteran himself but to his dependents also. Those experiencing the trauma and tragedy of combat at the present time have, in the DAV, an understanding friend. Incorporated by the Congress in 1932, the DAV is thoroughly supported by the American people in its concepts of aid to neighbors from neighbors, and of aid which is purely voluntary in its origin and implementation.

The DAV is the only national veterans organization which has a network of national service officers who are paid and directed by the national organization. These officers provide service and assistance to the wartime disabled, his widow, orphans, and dependents. Since the end of World War II, this assistance has been extended free to more than 1,500,000 disabled veterans and their families through medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

The amazing thing about the DAV is its complete separation from Federal support. Operating money comes from dues paid by the veterans themselves and through the ingenious DAV Car License Idento-Tag Program. Most of us have at one time or another received in the mail the miniature license tags which match our car tags. With the income from contributions requested with each set of tags, the DAV has provided salaries for their national service officers, and has been able to offer to the wounded veterans a service similar to Sweden's "ombudsman" concept.

The DAV has become the clearing house for all matters concerning veterans with service-connected disabilities. It initiates and expedites action to get the proper care and compensation through the Veterans Administration and faces the impersonality of a government agency with the strength of thousands of individuals, instead of leaving the individual at the mercy of red tape and skilled experts. Since the individual veteran knows little about what is available to him under laws passed by the Congress, the DAV performs an invaluable service in bringing these laws to his attention and fighting for benefits due him. With its fine record of success in this area, the DAV has obviously opened doors to disabled veterans which otherwise might not have been accessible.

We would all like to see the day when this world is no longer beset by strife between nations. Unfortunately, however, that day seems to be far distant and, thus, our men in uniform must continue to rely on the DAV and its help for years to come. We must continue to defend our freedoms and the freedoms of peoples throughout the world who have requested our aid. Our troops will continue to go into battle until freedom is secure from aggression, from intimidation, and from oppression. So we must continue to recognize the sacrifices of our soldiers and there is no better way to recognize those sacrifices than to commend the DAV for its 34 years of outstanding service in the name of the American people to those who have fought willingly and well in defense of us all.

The courage and spirit of our fighting men on the battlefield is well known. But the courage and spirit of our former fighting men here at home, in aiding their fellow soldiers and families, is too often forgotten. I am highly honored to be co-sponsor of Disabled American Veterans Day here in the Senate as we celebrate its 34th anniverssary of incorporation by the Congress. I urge all Senators to join with us in extending admiration and gratitude to the DAV for its fine work and its support of our fighting men throughout the world. We owe to our soldiers that recognition and support.

Mr. BREWSTER. Mr. President, I should like to join my colleagues in commending the work of the Disabled American Veterans.

As a life member of this organization, I am well aware of the tremendous job they do for veterans who have been injured serving their country.

We in Maryland are particularly proud of the DAV because its national commander, Mr. Callegary, is a citizen of Maryland. I personally had the privilege of nominating him as national commander of the DAV at our last national convention in New Orleans.

Nobody has furthered the activities of the DAV better than Claude L. Callegary, of Baltimore. Mr. Callegary is an old and good friend of mine, and I should like to take this opportunity to salute his brilliant career.

Claude Callegary attended the Baltimore public schools until the depression required him to leave the seventh grade to support his family. Between 1935 and 1941, he worked in the cotton mills, attended filling stations, and drove trucks.

In March 1941, 9 months before Pearl Harbor, Claude volunteered for service in the Army. In 1942 he was sent to the Aleutians. At the end of that campaign, he was ordered to the South Pacific to fight on New Guinea, and in October 1944 he was one of three to survive a plane crash on the tiny island of Biak.

When he was sent to Army hospitals to recover from his serious injuries, Claude spent his time profitably by working for a high school diploma. He enrolled at the University of Maryland in 1945, passed the State bar examinations in 1949, and received his LL.B. degree in 1950. It was during his days at the university that Claude began his great work on behalf of fellow veterans.

About the same time, he joined the Free State Chapter 16 of the DAV in Baltimore. Since then, he has held every office in our chapter, served as judge advocate for the department of Maryland, senior vice commander, and commander for the Maryland department.

In Maryland as well as in the DAV, Claude Callegary has shown himself to be a resourceful and dynamic leader. He is the senior partner in his own law firm and has established a distinguished record in the area of negligence, compensation, and labor law. In Baltimore, his civic activities have won him the Governor's certificate for distinguished citizenship.

I am proud of Claude Callegary, proud of what he has done for Maryland and what he has done for the DAV. I believe in his conviction that the Government and the disabled veterans share a covenant embodied in a variety of beneficial programs.

Mr. President, I am glad to have this opportunity to salute Claude Callegary as national commander of the Disabled American Veterans.

Mr. SPARKMAN. Mr. President, the special ceremonies today marking the 34th anniversary of the date on which Congress chartered the Disabled American Veterans of necessity recall the long history of heroism, sacrifice, and patriotism by the youth of our Nation.

The DAV was founded by wounded veterans of World War I. The grim needs of maintaining freedom since then have added members from another World War, from Korea, and now from Vietnam.

These men all bear the marks and scars of what freedom costs—the scars of battle wounds, of disabling injuries, of gas-seared lungs, and of prolonged illness.

At a time when this spirit of heroism and sacrifice is being called forth again, it is more than fitting that we pay special tribute to the men who preceded them in this age-old struggle.

The founders of the DAV, on that first gathering on Christmas Day in 1919, planned an organization that would fill a hope and meet a need—that our Nation should do more than just speak well of its heroes. It is a fact that nearly all beneficial legislation affecting disabled American veterans since 1920 has been pushed by the DAV.

Since coming to Congress in 1937, I have shared in the legislative efforts to compensate the disabled veteran. We have done much for our disabled veterans but, of course, there is no sufficient compensation for the loss of sight, or limb, or the ability to make a living.

I recall my days as a member of the House Military Affairs Committee, when I first became intimately acquainted with these problems. We worked then, as we do now, so that our servicemen would not be left out of the good things in our Nation. Since leaving the House Military Affairs Committee and coming to the Senate, I have made it my business to maintain close contact with the problems of servicemen and veterans. There are problems yet to be solved, but we have made much more than just a beginning.

Today, we are engaged in still another chapter of the enduring contest between freedom and totalitarianism. Our young men are being called upon to write this chapter. As in the past, they are writing it with their service, their gallantry, and their blood—just as young Americans did at Valley Forge, at Iwo Jima, at the Battle of the Bulge, and at the 38th parallel.

The DAV, in this as in past conflicts, is ministering to the needs of the disabled veteran returning home from the battlefront. Through the help of the DAV, these veterans are coming back to a better life than ever before in our history.

As a veteran myself, I am proud to have a part in commemorating this anniversary. The DAV has truly advanced the causes for which Congress chartered it to advance the interest and work for the betterment of all wounded, injured, and disabled veterans.

Mr. AIKEN. Mr. President, I was merely going to say that those who have already spoken on the DAV have covered the ground so thoroughly that it would be difficult to add much to what they have already said.

However, I do feel that we may very well all associate ourselves with the sentiments which have been expressed by our able minority leader, the Senator from Illinois [Mr. DIRKSEN], and other Senators.

Mr. WILLIAMS of Delaware. Mr. President, I am pleased to join with other Senators today in this expression of tribute to the Disabled American Veterans, who today celebrate their 34th anniversary of incorporation by the Congress as a Federal, nonprofit organization.

The record of the DAV over the years since its founding in 1919 and its incorporation by Congress 13 years later is, of course, one of which the officers and members of the organization can be properly proud. But more than that, it is one in which all Americans—veteran and nonveteran alike—can find an enormous measure of satisfaction as well as pride.

When Congress issued its charter to the DAV in 1932, the organization was told to advance the interest and work for the betterment of all wounded, injured, and disabled veterans. The record that it has built since that date 34 years ago fully justifies the faith which Congress placed in it at that time.

Today the DAV, with its 150 professionally trained national service officers—each one himself a disabled veteran—is at the service of not only its own 231,000 members, but all disabled veterans and their families, whether they belong to the DAV or not. Since the end of the Second World War, as a matter of fact, DAV national service officers have provided assistance to more than 1,500,000 disabled veterans and their families at no charge to the veteran.

As one who believes that this Nation owes a continuing debt to the disabled veterans of its wars, I salute the DAV on its outstanding record of service and congratulate its officers and members on this 34th anniversary of the granting of its congressional charter.

Mr. ELLENDER. Mr. President, 34 years ago, the Congress granted a Federal charter to an organization known as the Disabled American Veterans. The history of the DAV, however, goes back much further, to Christmas Day 1919, when a group of 200 disabled servicemen who had served in World War I brought into being the first Disabled American Veterans organization.

Today, I am informed that the DAV membership amounts to more than 230,000 members with 1,834 local chapters located throughout the United States.

Mr. President, I salute this organization, the work it has done, is doing, and the principles that it stands for. As it happens, June 14, 2 days ago, marked the 191st anniversary of the U.S. Army. June 14 was also Flag Day. If we pause to honor our Nation and our soldiers, I think it is particularly appropriate that we pause to also honor our veterans—those who have served their country in our Armed Forces, and those who have made so many lasting sacrifices.

Some time ago, I had research done into the contribution that America has made to protect and maintain peace in the world during the last quarter century. From World War I through the middle of May 1966, in the current Vietnam conflict, 26.8 million Americans have served their country under arms. Of this number, over 281,000 have not returned from battle and another 200,000 have met death from other causes. Almost a million Americans have been wounded in our two World Wars, in Korea, and in Vietnam. These figures are not to be taken lightly. These statistics for dead and wounded can be translated into heartbreak and suffering in over a million and a half American homes.

Nations in the past have used their citizens to conquer foreign lands in some cases, and to defend their homelands in others, and then have shunted the wounded aside to shift for themselves. I am glad that America is not one of these. We care for our own and the DAV is to be complimented on the help it has given us in this regard.

Mr. MONRONEY. Mr. President, the people of the United States owe a great debt to the men who were injured while defending their country. From this sense of gratitude grew vast national support for the organization known as the Disabled American Veterans.

The Federal Government is constantly striving to reward these men appropriately for their service, and the Disabled American Veterans organization has helped make the benefits provided by this Government a reality for many individual veterans.

Realizing that the disabled veteran should be rewarded rather than penalized for the handicap he suffers as a result of his service, the DAV has without charge assisted these veterans and their dependents, whether members of the DAV or not, in filing claims for the various Federal benefits. Through its professionally trained staff of national service officers, who are disabled veterans themselves, the DAV has assisted millions of veterans in matters pertaining to their social and economic welfare.

In addition to helping disabled veterans participate in the many government programs, the DAV acts as their official voice. This organization has played a significant role in the enactment of almost all veterans legislation since World War I.

But the efforts of the DAV affect more than just those who are the direct beneficiaries of the extensive services of this outstanding organization. The DAV serves the entire Nation. It translates the gratitude of this country into actual deeds and it enables many disabled veterans to become productive citizens once again.

To the men who have suffered physically in the service of their country we owe our respect and gratitude, not only as disabled veterans, but also as valuable citizens. To the DAV we owe our gratitude for its service to these unselfish men.

Mr. ROBERTSON. Mr. President, I am glad to join my colleagues in saluting the Disabled American Veterans on the 34th anniversary of its congressional charter.

Actually, the DAV had been working in behalf of disabled veterans for many years before it was chartered, having been started shortly after the end of World War I.

It is almost impossible to measure the amount of good this organization has done for thousands of veterans, in finding employment and in getting compensation, hospitalization or other benefits to which they are entitled.

I extend to the officers and to all of the members of DAV my hearty congratulations on this milestone.

Mr. INOUYE. Mr. President, today marks the 34th anniversary of the Disabled American Veterans as a congressionally chartered veterans organization.

I need not remind those of us assembled here today that the granting of a charter by the Congress to an organization is not a matter which is taken lightly.

The fact that the Disabled American Veterans charter is 34 years old today only serves to remind us of the distinguished record of the DAV over the years in the field of veterans affairs.

The DAV was organized in 1919 to help those servicemen who needed help most—our disabled veterans. Those of you who are old enough can well recall the state of Federal aid to disabled veterans in the post-World War I years.

Some of you, I am certain, will remember those legless lumps of humanity who could be seen on many a street corner in our major cities. They were disabled veterans, stripped of all human dignity, reduced to begging in the streets.

Over the years, this Nation developed a social consciousness with regard to its obligations to our war veterans, especially those who had the misfortune to be disabled in the service of their country.

The Disabled American Veterans played a major role in awakening the American conscience. With unrelenting fervor, the DAV carried its case to the Congress year after year after year.

After the DAV received its charter 34 years ago, it became the official voice of the disabled veteran in the land. It established a network of paid national service officers who provided assistance on claims at every Veterans' Administration regional office.

Another great war which was to involve this Nation began in 1939. Little more than 2 years later, the United States began another long count of dead, wounded, and missing in action. It was to continue for nearly 4 long years.

When the war ended, the Disabled American Veteran had already developed a national legislative program designed to rehabilitate our disabled veterans and help them to find a place in our peacetime society.

Their proposals met with widespread acceptance and the DAV national service officers were able to offer disabled veterans assistance in matters of employment, compensation, hospitalization, home loans, education—in virtually every area where a need arose.

Thousands of disabled veterans of World War II, now sending their sons and daughters off to colleges and universities, will never forget the dedicated efforts of the DAV in their behalf.

Then came the Korean conflict and again the DAV stood ready to minister to the needs of America's fighting men.

Today we are met on the field of battle in Vietnam. Thanks to the helicopter, advances in military airlift capabilities enable us to evacuate 90 percent of all our casualties by air.

The mortality rate of the wounded who reach a hospital is down to an all-time low of 2.8 percent. This is the lowest mortality rate in the history of American military forces.

Because of the helicopter and airborne field hospitals, our wounded receive quick, efficient treatment. Those who require major medical attention are airlifted to U.S. military hospitals in a matter of hours.

But as long as America stands for freedom at home or abroad, some brave men will die and some of their more fortunate comrades will return as disabled veterans.

So it is today that the DAV once more extends its helping hand to our disabled veterans from Vietnam. I am proud to report that in Hawaii this work is done by the DAV's first lady service officer, Mrs. Rose Sturdyvin and her performance has been outstanding.

Recently, Claude L. Callegary, national commander of the DAV, gave a special award to the Disabled American Veterans of Hawaii for their Keehi Lagoon project, a living memorial to those men and women who made the supreme sacrifice for their country in the Pacific.

With community assistance, the DAV of Hawaii was able to provide this lovely park and playground for the people of Hawaii to enjoy.

As a past chapter commander of the DAV, I shall always wear my DAV pin with a great sense of pride for it is truly a badge of service—service to our Nation and service to those men and women in our Armed Forces who gave so much that others might live in freedom.

Mr. BOGGS. Mr. President, I am happy to join today with my distinguished colleagues in saluting the Disabled American Veterans on the 34th anniversary of the granting of this organization's congressional charter.

The charter was granted "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans as well as to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

Since that time this organization has become the largest single veterans' organization of wartime injured and disabled servicemen in the world.

Throughout its history the Disabled American Veterans have not lost sight of their original goals. They have not only helped their members but have contributed greatly to the civic life of their communities and the Nation.

I especially wish to salute and commend the national commander of the DAV, Claude L. Callegary, and the national officers who help lead the 231,000 members of this wonderful organization. Included in this group, of course, are the active and able members of the DAV in Delaware.

All of us are especially in the debt of these servicemen who has contributed so much to their Nation in the past and continue to contribute today.

Mr. LONG of Missouri. Mr. President, Americans have always deplored the death and destruction of war and prayed for an end to international strife. In spite of our love for peace, our Nation has on a number of occasions found itself engaged in armed conflict against military aggressors.

When aggression has been repelled and peace restored, our national efforts are redirected toward other objectives, among these are education and the production of consumer goods. Following war, however, there are always many who are unable to return to prewar interests and occupations. These are the disabled, men injured physically or mentally in service to their Nation.

With our Armed Forces again involved in combat and Americans being wounded daily, it is appropriate that a day be set aside to recognize the 34th anniversary of the congressional chartering of the Disabled American Veterans, an organization dedicated to helping those wounded, injured, and disabled. Through its staff of national service officers, themselves disabled, the DAV works on all matters concerning veterans with service-connected disabilities.

Particularly helpful to these men is the administrative assistance in initiating action to provide care and compensation granted through DAV offices. More than 1.5 million veterans have received free assistance since World War II.

I welcome this opportunity to join in recognition of the Disabled American Veterans. Its record is a proud one.

Mr. BIBLE. Mr. President, it was 34 years ago that Federal recognition was extended to the Disabled American Veterans with the 72d Congress granting this fine organization a charter. I am pleased and proud to join in saluting the DAV on this anniversary.

The need for an effective organization to assist disabled veterans created the DAV in 1919, shortly after World War I. Since that time the DAV has aided thousands of veterans and has grown from small nucleus to national membership of more than 231,000—all veterans from America's two major wars, the Korean war and the conflict in Vietnam.

Nearly all effective legislation benefiting veterans has had the sponsorship if not the creative initiation of the DAV. And countless programs of its own have helped disabled veterans find work and hospital care.

The DAV is truly an effective single-purpose organization. We all hope its membership will dwindle until the day comes that there are no disabled war veterans because there will have been no wars. But for now I wish the DAV continued success so long as it is needed.

Mr. GRUENING. Mr. President, I am happy to join in the commemoration of this, the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans.

Since the founding of the Disabled American Veterans' organization in 1919 the organization has aptly demonstrated the laudable principles of self-help and charity toward others. The determination manifest by the 231,000 members of the DAV in gaining useful employment and the contributions that disabled veterans have made to the Nation by their useful employment stands as an example to all disabled people both military and civilian.

The help which the DAV has rendered to so many people—from returning lost keys to representing disabled veterans and their families without charge—is a tribute to the charitable, humanitarian purposes of the DAV.

By granting the DAV its charter in 1932, Congress gave official recognition to the DAV as an advocate of the rights earned by veterans.

The DAV organization has consistently supported legislation designed to assist veterans when they return to civilian life. Its support of the GI bill of rights and subsequent legislation has helped all veterans and has immeasurably strengthened the fabric of our society especially in the field of education.

One important result of this legislation has been the advancement of science in the fields of surgery, prosthetics, orthopedics, and rehabilitation that would not otherwise have been possible. Advancement in these fields has helped many more than disabled veterans.

It is regrettable that the inadequacies of man in obtaining peace have necessitated the founding of an organization such as the DAV. Their organization is a living reminder of the horrors of war and of the sacrifices that war exacts. Until the admonition "War Never Again" is heeded, the Disabled American Veterans deserve the praise, support, and gratitude of all Americans. As one who has, both as Governor of Alaska and as U.S. Senator, sponsored legislation in behalf of our veterans, I am happy to join in a tribute to the Disabled American Veterans.

Mr. ANDERSON. Mr. President, on June 17, 1932, the 72d Congress granted the Disabled American Veterans a Federal charter "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans." The DAV translated these formal words into warm and dedicated service to hundreds of thousands of disabled veterans. The great suffering caused by war has been a little lessened by the DAV.

The granting of the charter to the DAV was a tribute to the organization's dedicated work. I am happy today to join with my colleagues in recognizing the contributions of the Disabled American Veterans.

Mr. THURMOND. Mr. President, today the Nation salutes our disabled American veterans by honoring the organization which has devoted 34 years of continuous service to America's wartime disabled veterans.

On Christmas Day in 1919, a group of World War I veterans from the State of Ohio formed the organization known today as the Disabled American Veterans. Chartered by Congress in 1932, the purpose of the DAV is "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans." The DAV now has 1,834 local chapters throughout the United States and its territories with headquarters in Cincinnati, Ohio.

The DAV is a splendid nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled veteran and his dependents.

It is my understanding that since the end of World War II, DAV national service officers have given free assistance to over a million and a half disabled veterans and their families in obtaining medical care, hospitalization, and job training.

I am pleased to take part today in the salute to this outstanding organization and its work.

Mr. DODD. Mr. President, it is indeed fitting that the Senate pay tribute to the Disabled American Veterans on the 34th anniversary of the granting of a congressional charter.

This organization, which represents more than 230,000 veterans disabled in the defense of our country, has provided much needed and meaningful service to some of this country's noblest citizens.

We all owe a tremendous debt of gratitude to the more than two and one-half million men and women who have either died or been wounded in defense of this country.

We can never repay this debt.

But to those who have been wounded and disabled and thus forced to carry the scars of their patriotism throughout the rest of their lives, we can pay special honor. I know of no better way than setting aside for this high purpose June 17, the 34th anniversary of the national charter granted to them as an organization by Congress.

Under this national charter, without Federal aid, disabled veterans work to take care of their own—the disabled war veterans and their dependents.

As an organization, and individually, I salute you, the DAV, and pay tribute to the costly sacrifices you have made to preserve our traditions, ideals, and principles.

Mr. ALLOTT. Mr. President, I join with my colleagues today in honoring an outstanding veteran's organization, the Disabled American Veterans, on the approaching anniversary of their continuous service to America's wartime disabled or deceased veterans and their dependents.

Their's is a history of making available counsel, manpower, money, and facilities to untold thousands of disabled veterans with no Federal financial assistance. And, such help has always been free and available to all disabled veterans or the dependents of deceased veterans regardless of whether that veteran is or was a member of DAV.

Also, as we honor the DAV here today, I am reminded of the outstanding job they, and the other major veterans organizations did in connection with keeping open in my State of Colorado the fine veteran's hospital in Grand Junction. It has been proposed that this facility, as well as several others, be closed. But primarily, as a result of a concerted effort on the part of the DAV and the other veterans groups, a new decision was reached and that outstanding facility now stands, operates and grows as a memorial to their dedication.

For this, and for their other services to over 1.5 million disabled and deceased veterans and their dependents, I salute the DAV on its 34th anniversary.

Mr. CURTIS. Mr. President, as the daily casualty toll from Vietnam climbs higher and is published, we are all tragically reminded of the high cost of freedom.

Every American who has a loved one serving in southeast Asia knows of this high cost, but today, we are reminded of those other Americans who, in past wars against aggression, have paid the high price of freedom with physical disabilities.

These disabled veterans of our past conflicts, who willingly sacrificed not only their health but for some, their lives, should be accorded the special and heartfelt thanks of us all. Members of the DAV, with their courage in peace as well as their courage in war, have set an example for the youth of this country and have become an inspiration.

The debt we owe our disabled veterans can never be repaid. There is no way to erase the shrapnel scar, replace a missing limb, or ease the anguish of the other lasting wounds of war. However, we can make sure and we will make sure that the high cost of freedom, as paid in full by these sacrifices of America's disabled veterans, will not be forgotten. We shall not overlook the future benefits they deserve, nor shall we permit any assault on the existing facilities which they need and must have.

Today I want to join my colleagues in the Senate in saluting the one organization that has not forgotten, and will never forget, the price disabled servicemen have paid to insure freedom in America.

The DAV, with its single purpose of advancing and improving the condition of disabled veterans of this Nation, has a mighty responsibility. However, that responsibility is not carried by the DAV alone. The responsibility is shared by every American. Thus, I wish to personally extend my own thanks to the DAV for the splendid record they have compiled in easing the burdens of those disabled veterans who have given so much for so many.

Mr. MURPHY. Mr. President, it was 34 years ago today that a congressional charter was granted to the Disabled American Veterans. Since 1932, the DAV has played an important role in securing proper care and compensation for veterans with service-connected disabilities. The laws that we have today do not automatically assure a disabled veteran of compensation. The degree of his disability must first be determined and this is only done by formal and technical presentations. It is the DAV which aids the veteran in utilizing his privilege. But it does more than just this, Mr. President. The DAV works to provide job training, rehabilitation, insurance, and medical care for the veteran as well. It is truly the voice of Americans who have incurred wartime disabilities.

In these 32 years, efforts have been extended to aid more than 1½ million claims of veterans and their dependents seeking compensation.

Today, Mr. President, we are engaged in another conflict. Once again, brave Americans are on foreign shores—this time seeking to gain the right of self-determination for the oppressed peoples of Vietnam. And each day, some of these young men are wounded. Tomorrow, the DAV will be serving them, just as it has served the veterans of the Spanish American War, World War I, World War II, and the Korean conflict. The least that we can do today is to pay tribute to an organization that will seek to aid these men who have been wounded in the theater of battle in their attempt to preserve peace and a theater of prosperity at home.

Mr. COOPER. Mr. President, the Disabled American Veterans, a service organization which we all recognize as an outstanding contributor to the betterment of veterans affairs in this country, is now celebrating the 34th anniversary of the granting of its congressional charter.

I join those commending this great organization for its work and its valuable contributions, and above all for its concern for those who have been wounded and disabled in the service of our country.

THE DISABLED AMERICAN VETERANS—ABILITY, NOT DISABILITY, THEIR KEYNOTE

Mr. JAVITS. Mr. President, 34 years ago today, President Herbert Hoover signed Public Law 186—72d Congress—incorporating the Disabled American Veterans of the World War, now familiarly known as the DAV.

There are some 2.3 million disabled veterans today who are eligible to receive the services of DAV whether or not they are members of that organization. While as a matter of fact, DAV's membership comprises only a fraction of that number, 231,000 men comprising more than 1,830 local chapters throughout the Nation.

The DAV has as its purpose the provision of service and assistance to the wartime disabled, his widow, orphans, and dependents, an undertaking which it has discharged commendably, having given free assistance to more than 1.5 million of these veterans and their families since the end of the World War II.

Today, as once more American servicemen are committed to combat, the DAV faces new challenges—to assist newly disabled veterans in their adjustment to a productive civilian life and, to aid the communities and the Nation in fitting these returned men into the normal life which they seek. This is a challenge which, I am certain, all of our people will stand in meeting with the DAV.

Mr. President, I shall have the privilege of addressing the DAV at its convention, which is coming very soon, but today my feeling is that they have emphasized the word "ability," and not "disability" in demonstrating the rehabilitation of disabled American veterans. I thank the Senator from Illinois [Mr. DIRKSEN] for having led us into this desirable exercise.

HATS OFF TO DISABLED AMERICAN VETERANS

Mr. McGOVERN. Mr. President, tomorrow the Disabled American Veterans will celebrate its 34th anniversary as a congressionally chartered national veterans organization.

It is a great pleasure for me to rise today in the Senate to pay tribute to this splendid organization for its solid record of achievement in serving America's wartime disabled during this 34-year period. As Americans, we can all be proud of the fine job which the DAV has done, and continues to do for the disabled ex-serviceman, his widow, dependents, and orphans.

The Disabled American Veterans, formed by a dedicated group of 200 World War I disabled veterans on Christmas Day, 1919, in a Cincinnati, Ohio, meeting, is the largest single veterans organization of wartime injured and disabled in both the Nation and the world. DAV membership today totals more than 231,000, with more than 1,834 local chapters throughout the United States and its possessions.

The DAV was chartered by Congress in 1932 "to advance the interest and work for the betterment of all wounded, injured and disabled veterans to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health and interest of all disabled veterans."

The DAV is a single-purpose, nonpartisan organization whose sole aim is to provide service and assistance to the wartime disabled and his dependents. Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training and employment. Just in the last 6 months of 1965, the DAV national service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans. The cost of this national service program during the past fiscal year was in excess of $1.5 million, all the more remarkable because it is not supported by 1 cent of Federal tax money.

I am honored today to join with my colleagues in the Senate in expressing on behalf of all Americans a deep and heartfelt vote of thanks to the Disabled American Veterans.

A TRIBUTE TO THE DISABLED AMERICAN VETERANS

Mr. YARBOROUGH. Mr. President, today has been set apart for tribute to Disabled American Veterans. We take a deserved pause to honor these Americans among us who have paid a personal price for the defense of our right, and that of other nations, to remain free. In wars spanning the years since the Spanish-American War, Americans have been steadfast in guarding the cause of freedom, journeying to many shores to prevent the spread of tyranny and aggressive greed. In the waging of many battles to preserve democracy, many thousands, and, I repeat, many hundreds of thousands, of Americans sustain injuries that become a very lasting memento which they carry the rest of their lives. To these Americans it is very clear that many lose in the winning of a war. And once the war is, so to speak, "won," it seems to be human nature to forget that some did lose. Time heals many things, but not all things.

Today we are privileged to honorably acclaim the organization that represents these truly dedicated and tested citizens, the DAV. The Disabled American Veterans originally founded in 1919, and operating through the following years, stands today a high point in American collective action. Thirty-four years ago, in 1932, the Disabled American Veterans, composed largely of veterans of World War I, was granted by Congress a charter as a federally approved, nonprofit organization, culminating 13 years of efforts of deserving American veterans to help themselves in their various problems. This should be considered an outstanding example of American-style democracy in action.

Mr. President, I emphasize that the Disabled American Veterans organization was founded by disabled American veterans to help themselves. They did not ask others to help them. They said, "We will do it." It is a self-help organization.

The DAV since 1932 has continued to act as the official voice of all wartime disabled and has continued admirably to serve as a clearinghouse for the numerous types of problems of the disabled veteran and his dependents—needs such as medical care, rehabilitation, compensation, job training, employment, and insurance. DAV does the job efficiently by working up from the local level, on the scene, to the echelon of authority or action required in the particular need.

Such activities are primarily carried on by 120 service officers serving in our 50 States. These officers are DAV paid and trained. They, themselves, are usually disabled veterans, legally trained under DAV's guidance to be a specialist with firsthand knowledge of veterans legislation and its administrative channels and procedures, by which a disabled veteran may obtain hospitalization, or whatever his rights are, whatever is required to rehabilitate him and to reinstate him as a productive member of society.

The dedication of these men to their job must be seen to be appreciated. The hours are long, the travel varied, and the difficulties of the human situations they must solve are many. Patience and understanding are their stock in trade.

In Texas we have 90 chapters of the DAV throughout the State, ranging from the largest in San Antonio with 410 members, to the smallest in Mineola—adjoining my home county of Henderson, in the Piney Woods section of Texas—with 7 members. Total membership in Texas has reached 7,413, and largely through the efforts of Harmond A. Bardwell, Robert A. Currie, Jr., Earl G. Cantrell, W. G. Lawrence, and Walter E. Obermiller, as our national service officers, hundreds of cases a month are efficiently administered for the disabled veterans and their dependents.

The efforts of the DAV have not been limited to helping the disabled veterans. Throughout the years they have aided other veterans organizations. They have not limited their scope. They have helped our whole economy. They supported the cold war GI bill, with which the distinguished occupant of the Chair was associated. In that 7-year period, they always supported the cold war GI bill, the purpose of which was to help millions of other veterans.

This action on their part emphasizes the fact that the benefits of this bill flow both to the individual veteran and to the general welfare of the entire country.

As chairman of the subcommittee, I had the opportunity of observing the DAV assist on general bills that did not directly help them. They have spread their beneficent works far beyond the boundaries of their own ranks. They have paid not only on the field of battle, with their wounds, but also, they have paid more than any debt they owe to their country. They have paid their country over and over with their devotion.

I quote a part of the statement made by Mr. William J. Flaherty, the DAV's assistant national director of legislation, in testifying before the Subcommittee on Veterans' Affairs hearing on S. 9:

> It is fact that the Nation's educators have found the GI bill practical and successful far beyond their greatest expectations. Education is now an integral part of our national domestic program, and since we hear on every hand that education must be made available to a staggering number of young people if we are to keep pace with other countries, the Disabled American Veterans deem it a privilege to lend our every support and to urge passage of this useful and practical bill.

I hope all America becomes more truly aware of the DAV, what it is, how it works, and, more important, to honor its efforts by aiding it in its work. Today in Congress is a day for all of us to rededicate our efforts to appreciate DAV and all it stands for. There have been testimonials to this organization in both Houses of Congress today. We should become appreciably aware of this organization with its over 230,000 Americans who know the personal price of conflict.

Today, on this spot, where so often issues are debated pro and con, there is a unanimity of thought and purpose. I know I represent my fellow Texans, as well as the fellow Americans in the other 49 States, when I solemnly say that we hope that the time may come when the DAV will not be necessary in the course of human affairs. This is what we devoutly pray for and constantly work toward. With divine guidance may this Nation and the family of nations learn to live together in peace. This is our job. I know I also speak for the National Commander Claude L. Callegary, who is in the Capitol today, and the entire membership of DAV when I voice this plea. Certainly these people who were so dedicated to defend the life and liberty of this country are ingrained with the desperate need for a world at peace.

The late President Kennedy told the DAV:

> Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically-handicapped, both veteran and nonveteran.

Former President Eisenhower, speaking of the DAV, said:

> Having earned the lasting gratitude of your Nation for sacrifices in line of duty, you now earn its admiration as well for continued service to the Nation as citizen-veterans.

It is highly commendable and indeed refreshing in these costly times to find a unified veterans group with the ability to internally administer its own functions and pay its own bills.

It is fitting that today—and every day forward—we recognize that the nationwide services of DAV are not members-only privileges. The DAV serves the disabled veteran and his family, whomsoever, wherever, whenever, and however. This in itself constitutes the purpose for its founding and efforts through its 34 years, championing the cause of our wartime disabled, the aftermath of war.

Mr. President, I yield to the distinguished Senator from Alaska.

Mr. BARTLETT. Mr. President, I join with the Senator from Texas in everything he has said about this wonderful organization, which has done and is doing such remarkable work, not only, as he emphasized, for the benefit of its members, but also for the benefit of the entire country.

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Alaska. He made a good point when he said, "for the benefit of the entire country." Although the DAV has 230,000 members, it does not limit its service to members. It works for all disabled veterans. It does not ask, as some organizations do, "Are you a member of our organization?" It asks no questions, whether the individual joins or does not join. It does not require membership in its organization as a prerequisite for the services it renders.

I ask unanimous consent to place in the RECORD at this point a statement by the distinguished Senator from Rhode Island [Mr. PASTORE] in tribute to the Disabled American Veteran.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PASTORE

As a contribution to the observance of Disabled American Veterans Day it seems to me that the story of DAV as assembled by the organization itself will be of assistance to all and so I quote in part:

"America's true cost of war is its wartime disabled. The problems of our wartime disabled require constant and immediate solution. To effectively perform this service, the disabled themselves formed their own organization. For nearly a half century DAV has been seeing to it that America's disabled veteran and his dependents are cared for properly.

"The DAV has become the clearinghouse for all matters concerning veterans with service-connected disabilities. The DAV initiates and expedites action to get proper care and compensation through the Veterans Administration.

"It is a common misconception that legislation and administration make compensation and other benefits automatic to the wartime disabled and their dependents.

"Such is not the case. A veteran must apply and be rated to the degree of incapacitation and amount of compensation. Formal and technical presentations must be made for all other benefits.

"Few veterans would have knowlege of the law—or legal ability to pursue their own interests.

"Here DAV goes into action. To champion the cause of the disabled veterans takes considerable man-power, money and facilities. To financially maintain an organization of this size is in itself a big job. But

DAV does it—with no Federal financial assistance.

"It does use the regional offices of the Veterans Administration, but pays its own employees and officers . . . full time counsellors who offer free service to all disabled veterans whether members of the DAV or not.

"The funds to support this organization come partially from membership dues. Private industry, long interested as employers of rehabilitated veterans, provides valuable asassistance to continue the good work of DAV.

"Through its National Service Program with 120 full time National Service Officers covering all the States, the veteran presents his problems . . . whatever they may be.

"Through the efforts of these devoted people over a million and a half claims have been handled for deserving disabled veterans and their dependents. Many of these cases would have been hopeless had it not been for the efforts of the DAV."

This is a brief glance back at the record of DAV—a record of which its quarter-million membership may well be proud—of deep interest to the two million veterans eligible but not joined—and of deepest interest to the 190 million Americans who are grateful for the security made possible by the service and sacrifice of their armed services.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to place in the Record at this time a statement by the distinguished Senator from Maine [Mr. Muskie], a tribute to the Disabled American Veterans.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Muskie

It is appropriate that the Disabled American Veterans receive recognition in these halls today. For 34 years, the DAV has justified Congressional confidence and has fulfilled Congressional hopes. In so doing, DAV has helped demonstrate a nation's gratitude for her sons wounded in her wars. And, in caring for its own, DAV has given hope and comfort to other handicapped Americans.

The DAV was formed in 1919 by 200 veterans of World War I. The merit of their cause remains valid today. It is reflected in a membership that has grown more than 1,000 times, comprising veterans of three other major conflicts including Viet Nam.

It is seen in an impressive list of legislation sponsored by DAV, including the GI bill and measures for improved opportunities for employment for the handicapped, hospitalization, home loans, education and others.

It is demonstrated daily by free personal assistance with medical care, disability pensions, rehabilitation, job training and employment. Since World War II, more than 1.5 million disabled veterans and their families have received help from DAV National Service Officers, each one himself a disabled person.

This is a distinguished record of public service. Members of the DAV are proving each day that there need be no barriers for the handicapped. The DAV is a uniquely American response to a national problem, a demonstration of mutual concern and mutual self-help. I am proud to salute the Disabled American Veterans.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to include remarks of the junior Senator from New Hampshire [Mr. McIntyre], who was unable to be here today and sends his best wishes to the Disabled American Veterans.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator McIntyre

It is with a sense of pride in a mission well done that I join my colleagues today in tribute to the anniversary of the Congressional charter of the Disabled American Veterans.

As representative of the hundreds of thousands of Americans who have given much more than their time to the defense of our nation, the DAV has done a superb job through the years of providing service and assistance to disabled veterans and their families.

In cooperation with the Congress and the Veterans' Administration, the DAV has worked to bring about more effective legislation to meet the national obligation for the best possible treatment of these men and women who have sacrificed for America.

Some months ago, when I was working day and night in what turned out to be a successful effort to maintain service at the Veterans' Administration Hospital in Manchester, New Hampshire, I was thankful for the solid support of both the state and national organizations of the Disabled American Veterans. With their support, we were able to keep this facility in service for the veterans of New Hampshire.

After 34 years of service under a Congressional Charter, the DAV deserves a hearty "well done" for faithful and effective service.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that all Members of the Senate—since a good many are out of town today—may be permitted to file statements paying tribute to the Disabled American Veterans organization on its 34th anniversary.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Case

Tomorrow marks the 34th anniversary of the granting of a Charter to the Disabled American Veterans by the United States Congress. This is a most fitting occasion to pay tribute to the DAV for its splendid work on behalf of those who bear the marks of service in the defense of our country.

Since its inception in 1919, the DAV has played a leading role in assisting the disabled veterans of World War I, World War II, Korea and now Viet Nam in matters of medical care, job training, education and other areas of economic and social welfare.

Always working in full cooperation with the Federal Government, the DAV has remained devoted to the task so eloquently defined by President Lincoln in his Second Inaugural Address—"to care for him who shall have borne the battle and for his widow and his orphan." It is an honor to join in the tributes being paid to this fine organization.

Statement by Senator Ervin

Tomorrow a proud record of achievement in serving America's wartime disabled will be celebrated. On June 17, 1932, the Disabled American Veterans were chartered by Congress as a Federal non-profit organization. During the past thirty-four years, the organization has done much to advance the cause of the disabled ex-serviceman and his dependents.

It is important that we should focus our attention on these men who have given so much in the struggle for God and country, and dedicate anew a national obligation for those who in defense of freedom have suffered lasting injury, for comrades who have become ill and broken, and for their widows and orphans. Now that the United States is engaged in many struggles for freedom throughout the world, it is especially appropriate for Congress to honor the wounded and deceased veterans of our past and present wars. All who serve our cause and the cause of freedom, deserve our deepest gratitude and by supporting organizations such as the Disabled American Veterans, we are promising future warriors that they will not be forgotten.

The Disabled American Veterans' organization aids disabled veterans all over the country in matters of employment, compensation, hospitalization, home loans, education, and many other matters which affect his welfare. Through hard work, the organization has been able to continue its national service program and I am very glad to have this opportunity to express my gratitude for the things they are doing in behalf of their country. By supporting this organization and its aims we are fulfilling a trust to those who have served this country so well. The poet Rudyard Kipling must have had such service in mind when he wrote:

> "The tumult and the shouting dies;
> The Captains and the Kings depart;
> Still stands Thine ancient sacrifice,
> An humble and a contrite heart.
> Lord God of Hosts, be with us yet,
> Lest we forget, lest we forget!"

Statement by Senator Jordan of Idaho

The grim statistics of the battlefront make us keenly aware at this time of the terrible human cost of war. The anguish of the wounded who are brought away from the battle, the immensity of their sacrifice in service to their country is etched deeply into the minds of each of us. There is, however, less immediacy of awareness for most of us of the difficulty which the wounded and their families face in the long road toward rebuilding their lives. After the fact of war, we tend to overlook that its cost continues to be assessed in the pain and dislocation of those who have suffered its penalties. But the organization we honor here today is founded on recognition of the hard truth that binding up the wounds of war is a process which must continue long after the soldier has come home. The Disabled American Veterans pursuing the single purpose of aiding the wartime disabled, their widows, orphans and dependents since 1919 have rendered service to this nation of an importance much greater than anything on which we can put a dollar value. The DAV working as a non-profit organization to advance the interests of the disabled veteran through securing medical care, rehabilitation, compensation, job training, insurance or employment deserves the thanks of our whole society. The program of the DAV testifies to a continuing responsible compassion in the American people. The charter which Congress granted the DAV in 1932 is recognition of the organization's high purpose and contribution and it is fitting that we should reaffirm this recognition today. I am very happy to join with my colleagues in paying tribute to the DAV and in expressing my conviction that this organization has richly earned the gratitude of the nation.

Statement by Senator Prouty

It is an honor and a privilege for me to associate myself with my colleagues to pay tribute to and celebrate the 34th birthday of the Disabled American Veterans.

I am filled with pride and heartiest congratulations for this gallant organization whose members fought ruthless aggression and tyranny to defend our heritage of freedom, democracy and justice. They have, in the fullest meaning of the word, justified our gratitude and our sincerest appreciation for their personal sacrifices in defense of freedom loving people everywhere.

Surely every Senator is aware of the DAV's distinguished service in the continuous promotion of the welfare of all our citizens and few organizations have served America so well and with greater distinction. If anyone has brought guidance for the conduct of our responsibility in advancing and improving the general welfare, it is they.

To the 231,000 members of the DAV I say thank you and fond and affectionate best wishes for your fine record of service to America as well as this great body in advancing the cause of the disabled ex-serviceman, his widow, dependents and orphans.

STATEMENT BY SENATOR TOWER

I am proud to join this week with many other of my distinguished colleagues to salute the Disabled American Veterans on the 34th anniversary of the granting of a congressional charter to establish what has become the largest single veterans organization of wartime injured and disabled in both this Nation and the world. Thirty-four years ago the 1st session of the 72d Congress chartered the Disabled American Veterans "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans as well as to cooperate with the United States Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

But, the Disabled American Veterans have not rested on their laurels or grown apathetic with past accolades. On the contrary, each year the Disabled American Veterans have done more to merit the praise and admiration of all Americans by supporting and sponsoring programs whose scope reaches far beyond the benefit to their own 231,000 members.

In this past year alone the Disabled American Veterans compiled an enviable record of projects accomplished. This Disabled American Veterans organization supplied $2,400 in cash prize money to five student winners in a nationwide essay contest to promote the hiring of the handicapped. I especially laud the employment of a proven vital, hardworking sector of America's labor force, but this is also a stellar example of the way in which a private, charitable organization can reward and further academic excellence of deserving students in our Nation.

Second, the Disabled American Veterans urged and supported Congress in passing legislation that in some small way compensates the veteran or his dependents for injuries sustained as a direct result of military service during time of war. I concur wholeheartedly with the views of the Disabled American Veterans that veterans' compensation is not, and should never be treated as a welfare type of payment. No monetary compensation can justly purchase the freedom that America has maintained for nearly two centuries.

America's true cost of war—America's constant price of vigilance—is its wartime disabled. The Disabled American Veterans worked for and supported the cold war GI bill which a majority of my colleagues and myself proudly voted for and enacted into law. I commend the Disabled American Veterans for their unstinting dedication to a nonpartisan policy of advancing the cause of the disabled ex-serviceman, his widow, dependents, and orphans.

Finally, I wish to bring to the attention of this body and to the citizens of this Nation the truly outstanding service of promoting patriotism that the Disabled American Veterans have done in the past and are doing today. The Disabled American Veterans believe in the justness of our Nation's cause in past wars and the need for present defense spending. In the wake of present dissent over U.S. involvement in Vietnam ranging from campus critics cries of arrogance, and draft card burning, I, as a U.S. Senator and more importantly, as a private citizen, am both delighted and encouraged by an organization, the size and stature of the Disabled American, who publicly support our Nation's policy of containing the spread of communism in South Vietnam.

This past year, the Disabled American Veterans have sponsored a nationwide bumper sticker campaign to gain public support for our fighting men in Vietnam. Also, to promote patriotism, the Disabled American Veterans this past week have urged all Americans to observe Flag Day, last Tuesday June 14, by displaying an American flag on their property.

I commend their national commander, Claude L. Callegary, their national officers including National Executive Committeeman C. F. Searls of San Antonio, Tex., as well as the 231,000 Disabled American Veterans throughout the United States. I say thank you to these brave citizens who so greatly embody the spirit of America because they have fought and suffered to preserve the spirit of America—the spirit of freedom.

DISABLED AMERICAN VETERANS DAY ON CAPITOL HILL

Mr. MUNDT. Mr. President, to the soldier-citizen who goes to battle, never to return, the Nation gives her eternal thanks. The sacrifice—a total sacrifice—is something for which there is no adequate reward, save the knowledge that a grateful people gives homage to the slain.

On almost an equal plane, however, is that man who goes to battle, returning with less than a whole body, shattered, mutilated, painridden, and handicapped from leading a normal life. Often the resulting miseries are of such magnitude that the suffering one wishes that the wound had been fatal, rather than leaving him broken and distressed.

To these who have braved the battle and who have not escaped unscathed, to these who sustain themselves only with great sacrifice, and to that organization which promotes the welfare of these men, we, in Congress give our salute.

This is DAV Day on Capitol Hill. The organization serving the Disabled American Veterans has earned the gratitude of the veteran and of our country for the special way in which it has succored the distressed veterans, his widows, and his orphan.

Since 1919, when this organization was founded, the DAV has provided that special help, guidance, service, and sustenance which the disabled serviceman and his family so greatly need.

All of us who serve in Congress have had opportunities to see the service officers of the DAV at work. We have had veterans cases, employee compensation cases and other matters relating to veterans problems come to our office. Often the appeal was closely followed by the DAV representative who undertook to bird-dog the case, make many necessary contacts and advise us on which procedure to follow in working out a favorable decision for the veteran.

This national service program costs the organization $1½ million a year. The DAV raises the money for these expenditures through its own efforts and does not come to the Government for assistance.

It is entirely fitting that we, in Congress, as well as the entire Nation, should pause in our efforts to say a special "thank you" to the DAV for the work it continues to do for the disabled veteran.

It is indeed a small thing we do, but I want to be sure that the members and officers of the DAV and that citizens of the country as a whole know of our sincere admiration for the work which is done for the men broken by war. Words are all we have to proffer—but these words come from the inner heart of America. We give the adulation and hope that it will compensate in some small degree for the magnificent service and assistance given to those to whom we owe such a debt.

Mr. FONG. Mr. President, on this special day known as DAV day on the Hill, I join in saluting the Disabled American Veterans.

Tomorrow marks the 34th anniversary of the DAV as a congressional chartered national veterans organization. It is a most appropriate occasion to pay tribute to this great service organization and its record of achievement in serving America's wartime disabled during this 34-year period.

I extend my warmest congratulations to DAV National Commander Claude L. Callegary and through him to the entire membership of the DAV.

Ever since its inception soon after World War I, the DAV has dedicated itself as a single-purpose organization devoted to the well-being of the war-disabled. Granting of the congressional charter in 1932 to the DAV as a federally approved, nonprofit organization made it the official voice of the disabled veteran. From a handful of disabled veterans, the DAV has grown to more than 231,000 members who have served our country in two world wars, the Korean war, and the Vietnam war.

The DAV has the distinction of being the only national veterans' organization to employ and supervise directly the work of national service officers located in all parts of the country to aid the disabled veteran in matters of employment, compensation, hospitalization, home loans, education and all the other vital matters that affect his social and economic welfare. The DAV has been able to maintain its extensive organization with no Federal assistance except for the use of the regional offices of the Veterans' Administration. The contributions and support of a grateful public has made it possible for the DAV to conduct its valuable and outstanding service programs. The DAV pays for its own personnel who offer service, without charge, to all disabled veterans whether or not they are members of the DAV.

As we pause to celebrate DAV day on the Hill, our hearts go out to the disabled veterans of all wars—past and present—who sacrificed so much and so gallantly to defend their country. We bow in grateful tribute to these veterans, and remember with gratitude their devotion to duty in the cause of freedom.

We are thankful for the work of the DAV on behalf of the disabled veterans. Without the DAV, the burdens of adjustment would fall heavier on these veterans; with the DAV, we are assured that a dedicated and experienced national organization is on call, at all times, in all parts of the country, to extend a valuable helping hand to the thousands of wartime disabled veterans and their dependents.

DAV DESERVES THE THANKS OF EVERY AMERICAN

Mr. BURDICK. Mr. President, today has been declared DAV day on Capitol Hill, and I wish to join my colleagues in paying tribute to the dedication and service of the Disabled American Veterans. Together with the two other national veterans' organizations, the VFW and the American Legion, the DAV continues to provide programs by which the American people will be reminded of the tremendous sacrifices of those who serve us in wartime and of the preparedness necessary if our country is to avoid a large-scale war again.

I think it is appropriate to review some of the facts about this organization so the American people might be better aware of the extent of their service.

The DAV, formed by a dedicated group of 200 World War I disabled veterans on Christmas Day, 1919, in a Cincinnati, Ohio, meeting, is the largest single veterans organization of wartime injured and disabled in both the Nation and the world. DAV membership to date is more than 231,000.

National headquarters of the DAV is located in Cincinnati, Ohio. There are 1,834 local chapters throughout the United States and possessions.

The DAV was chartered by Congress in 1932 "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans, to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans."

The DAV is the only national veterans organization to have a network of service officers who are paid and directed by the national organization. These service officers are located in VA regional offices throughout the Nation.

The DAV is a single-purpose, nonpartisan organization whose sole purpose is to provide service and assistance to the wartime disabled, his widow, orphans, and dependents.

A corps of 150 professionally trained national service officers, each one a disabled veteran, is employed by the DAV. All are accredited by the VA to appear before claim rating boards.

Since the end of World War II, DAV national service officers have given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

For example: During the last 6 months of 1965, the DAV national service program handled 40,742 cases which provided more than $55.5 million in benefits to disabled veterans. During the same period, the NSO staff reviewed 115,622 VA claims, made 56,215 appearances before rating boards and prepared 30,926 briefs.

Nearly all beneficial legislation affecting disabled veterans that has passed Congress since 1920 has been sponsored by the DAV—including the famed GI bill of rights.

Every President of the United States since World War I and every director of the Veterans' Administration has commended and endorsed the services rendered by the DAV.

DAV's national service program the past fiscal year cost in excess of $1.5 million. Not one cent of Federal tax money goes into the program.

In addition to funds from DAV membership dues, DAV supplements this income through the DAV car license Idento-Tag program. These familiar miniature license tags have helped return more than 2 million sets of lost car keys free to American motorists. Motorists are asked to contribute something toward the DAV Idento-Tag program, if they like.

Mr. President, the DAV is present to represent its cause during every committee hearing affecting disabled American veterans. If not for the DAV, the American veteran wounded in combat would never begin to have the benefits to himself, his family, or relatives that Congress today provides. Because of the educational efforts of the DAV in acquainting Congress with the problems of the disabled American veterans, new lives have been created from broken dreams and opportunities, new hope has been given where there may have been despair. The DAV was engaged in rehabilitation efforts long before our modern programs of manpower development were enacted into law.

Mr. President, the list of accomplishments of this remarkable veterans organization is just about endless because they have been serving this country for nearly half a century. I do want to add my voice to those raised in tribute today and to say to all the members of the Disabled American Veterans organization that, I, for one, am thankful and deeply appreciative of your efforts in behalf of American veterans.

"PAYMENT PLACE" REVISITED

Mr. HARTKE. Mr. President, I should like to be among the very first to bring to the attention of the Senate that Gamal Abdel Nasser is softening his hard-line attitude toward the United States.

Even though Egypt has refused port-of-call courtesies to our servicemen of the U.S. 6th Fleet, while welcoming the Russians, Nasser has relented just enough in his diatribes against our country to make one vital concession: he will allow Egypt's ports to receive another $150 million in U.S. aid. That is, if we act quickly, and do not ask questions. I have it on good authority that Nasser does not look forward to any long talks—especially no talks at all over his warlike occupation of Yemen. All that this friendly, misunderstood fellow really wants is U.S. aid to prop up his regime while he continues to undermine the United States. What could be more fair?

All indications are that we will again bow to this accomplished blackmailer in defense of the good name of our own "national interest."

If this situation were not so tragic, it would be ludicrous.

I remember 1962, when in the good name of our national interest, we were stampeded that year into giving Nasser several hundreds of thousands of tons of corn, wheat, and wheat flour on the plea of a crop failure. But Egypt's crops did not fail. In fact, they were more bountiful than in other years. The truth as now revealed is Egypt's own food surplus, plus a very substantial portion of our grain shipments, were sold to European Communist countries for the warplanes, the tanks, the automatic rifles, the machineguns, and the field artillery used by Egyptian troops to occupy Yemen.

On Thanksgiving Day, 1964, a frenzied Cairo mob sacked and burned our Kennedy Information Library. Nothing effective was done by Nasser's armed police to stop the desecration. Soon afterwards, Nasser told off the United States with an old and scurrilous Egyptian phrase, advising us to take our aid and "drink the water of the sea." Having told us in effect, to go jump in the lake with our foreign aid program, he implied thereby that aid from other sources was possibly forthcoming.

For once, our reaction was sharp and effective. We held up the balance of $37.5 million of farm products we had sold to Egypt for its soft currency under our food-for-freedom agreement. We abruptly canceled a loan for $34 million we had agreed to in 1962 for the building of grain silos to preserve Egypt's crops and forestall losses by insect and rodent pests.

But we know Uncle Sam—and so does Nasser.

By April, 1965, our Ambassador in Cairo was told that a new library building and compensation for our losses would be offered. Coupled to this generous concession was a request for a continuation of the balance of the food shipments so recently curtailed. President Johnson decided that it was in the interest of our national security that food shipments be reinstituted so as to forestall any increase in embittered feelings. Thus, the balance of the huge tonnage contract for food grains and edible oils and fats was allowed to enter Alexandria and other Egyptian ports by the end of calendar year 1965.

No sooner was the final shipload moved from the wharves at Alexandria, than an additional $55 million loan was extended for our surplus food commodities to be shipped before the end of fiscal year 1966.

The only apparent purpose of this extension requested by the Department of State was to cling to even the slenderest thread of hope for maintaining peace in the Middle East—that is, by giving food to a country willing to support a huge armed force, but unwilling to alleviate its own chronic shortages of meat, rice, sugar, and tea among other food supplies.

In the meantime Egypt had asked for consultations on expanded U.S. aid. Requests for $100 million in American aid were made in March 1966. Financing for three major development projects was asked for. One project concerned the extension of a fourth generating unit to the power station being built by Westinghouse on the west bank of the Nile. Our Export-Import Bank had already loaned Egypt $40 million for the first three units.

The second project is the proposed nuclear power and sea water desalting plant on the Mediterranean coast. This plant would cost around $50 to $70 million. The United Arab Republic felt free to ask for this loan, because we would no doubt soon be helping Israel with its projected $200 million plant. To keep the peace between the two we might help both in our national interest.

The third project was the previous grain silo loan. Here State Department officials seem to be of the opinion that this project was a worthy one because of President Johnson's emphasis on helping undernourished countries to improve their ability to feed themselves. Since it rains very seldom in Egypt most of its crops are stored in the open, but annually at least 10 percent is lost because of rodents and other pests. This part of the request is sure to be approved soon.

Inherent in the approval of the $55-million sale of grains in December were certain unspecified conditions. They have never been disclosed, but there is the hope that they include the continued withdrawal of Egyptian troops from the Yemen conflict as well as the promise not to grow more cotton for purchasing arms from Communist areas.

Yet what is the use of metal grain silos if you cannot keep them filled? I was deeply disturbed to learn that at this last Eastertime Egypt came up with the biggest request for food aid—namely an $150 million installment on a total food aid request of $500 million.

Mr. President, I have watched these Public Law 480 food shipments for the last 8 years. Most of it has gone to needy countries to supplement deficient diets or to tide them over a period of months. India has received literally billions of dollars worth of food, yet she had energy and wealth to engage in a war with Pakistan. Could not that same wealth and energy have gone into reclamation projects and the extension of her food supplies? No, but we have just promised her 3.5 million tons of grain.

Surely, the script writers of New York and Hollywood are missing a great opportunity here. What a soap opera this Egyptian charade would be. Can you not see it on your international channel, brought to you by satellite?

As the scene opens, we see a quiet square in Cairo, gaily decked in huge posters nostalgically reminiscent of those good "ol" days of Hitler, Mussolini and those good "ol" boys we placated before. The posters all picture one man.

Yes sir—Why it is that lovable old riverboat gambler of the Nile once again—President Nasser.

And there is "Payment Place."

Let us listen in while he sharply attacks the United States on not one, but two—count them—two fronts. He is angry about United States aid to Israel and is charging the United States with seeking to encircle him with a conservative alliance with other Arab states.

But nowhere in his furious denunciation of the comparatively meager U.S. arms shipments to Israel—the first in many years—does he mention the vast influx of modern Soviet weapons that has been pouring into Egypt for more than a decade.

Yes sir, Mr. Nasser talks of U.S. incited "conspiracies of imperialism and reaction." And all the while—as "Payment Place" viewers know—it is this same Nasser regime that has been conducting a wholly imperialist war in Yemen where some 70,000 Egyptian troops have been deployed for more than 3 years of U.S. aid.

What a plot that would be and, in fact, what a plot it is.

Tune in to "Payment Place" and watch your money go down the Nile.

If, by the word "conspiracy," Nasser is referring to opposition to the war in Yemen by Saudi Arabia, Tunisia, and Iran, it appears he is confusing this with apprehension felt by these countries regarding his possible military adventures elsewhere.

In the Near East Report for May, we read:

> In every speech Nasser still speaks of war with Israel as "inevitable," but he puts it a long way off and he excuses his inability to act by blaming other Arabs for their failure to unite and for their alleged subservience to reactionary imperialism.
>
> He is disappointed with his own Egyptians, resentful of his Arab colleagues, and provoked by the United States because it is simultaneously an obstacle to his expansionism and an indispensable source of economic aid and food.
>
> But one should not write Nasser off. He is still trying to build a new wall around Israel. He is attempting to organize a Unified Arab Command, a new device by which he hopes to dominate, equip and unite the armies of the Arab states, coordinating their troop movements and training and standardizing their equipment. The Arab states bordering on Israel have been under pressure to expand their military forces, and the countries that can afford to pay for it—like Kuwait, Iraq, and Saudi Arabia—have been told to put up the money.
>
> Thanks to Nasser there is an arms race in the Near East, and it is escalating in pace, quality and quantity. It diverts resources and energies from development. It threatens new warfare, because soldiers are sometimes tempted to try out their new weapons.

I have been to Egypt. I have seen the stark poverty of the masses, the hunger in the streets and in the slums. I have also seen their large armies and the affluence of the ruling class.

Why must such a large percentage of the food and fiber resources of Egypt be sold out of the country to keep such a large standing army in being? Why the hundreds of military jets, tanks, and other paraphernalia of war? Is it necessary for possible aggression by Israel?

Because Egypt has not made war with Israel since 1955, she has been able to make shipments of arms in the last few years to the Congo, to the Sudan, to Yemen, and to build up insurrectionist forces in Tanzania, Burundi, and Somali.

These arms have been acquired from Communist sources in Europe and they have to be paid for. No Communist gives anything away.

Let us remember this: payment was made. Payment was made by Nasser by diverting food and cotton supplies away from the poorer classes of Egypt.

And now, as ever, we—the United States—we are being asked to make good the deficiency.

Nasser's current aid requests are not based on conditions of reducing his huge army.

They are not based on lessening his purchases of war materiel by mortgaging Egypt's basic exports.

They are not based on a pledge to withdraw troops from Yemen, poised as they are like a sword at Saudi Arabia.

As the New York Times put it in a dispatch from Cairo by Hedrick Smith on March 31:

> The critical issue for the United States in considering the Egyptian aid requests is whether the danger of renewed conflict in Yemen or the prospects of a prolonged Egyptian military commitment to the republican regime there conflicts with Washington's desire for the Egyptian regime to concentrate on domestic economic problems in order to merit continued assistance.

I would like, also, to invite our consideration of the following dispatch from United Press International datelined, Cairo, April 5, 1966:

> Soviet warships and fishing trawlers equipped with electronic intelligence gear are operating with increasing frequency in the Mediterranean and Red Seas as a result of Soviet-Egyptian cooperation, informed sources said today.
>
> They said this arrangement helps the Soviet Navy keep watch on American and British warships, and in event of war would put Russians in a position to strike at tankers carrying vital oil for Europe.
>
> Egyptian cooperation with the Soviet Union in the Naval field has reported to have grown in the last two years.

There is more to the report. But I would like to comment here that naval experts tell me that Russian trawlers visibly laden with electronic intelligence equipment—like those the Soviet Union maintains off our own U.S. coasts—can also traverse the Red Sea and keep our 7th Fleet under surveillance. The 7th Fleet, of course, is our supply line for Vietnam. All this from Egyptian ports; no wonder Nasser will not allow good will visits by the American Navy.

Mr. President, our negotiations with Egypt seem to be carried on in secret—with no visible conditions set as a precondition for aid from the U.S. taxpayers.

Before we reach another "Payment Place" with Nasser—and if our State Department and Agency for International Development are adverse to setting up criteria for our food-aid, I would like to give them some ideas along which they might well proceed in future discussions—if they are, indeed, to justify aid in terms of U.S. national interest.

My preconditions are really very simple and easily understood; they must be mandatory and not optional, if we are actually acting in our own national interest.

First. Require Egypt to agree that no part of American AID will be resold, or will be used to feed her armies outside continental Egypt. This would include a specific ban on the use of U.S. grain and other commodities for exchange or barter for foreign currencies, specifically within the Soviet bloc.

Second. Before we give 1 ton of food, allow our Department of Agriculture to assess Egypt's food resources and storage facilities, to evaluate carryover stocks, production, exports, consumption and percentages diverted to the army rather than to general consumers.

Third. Assess the totals of deficient grains, proteins and related foods and advise us what imports are actually needed by the population. Advise what substitute foodstuffs, such as fishmeal and dried milk could be used.

Fourth. Determine what percentage of military cutbacks can be diverted to the purchase of essential foods.

Fifth. When these facts are ascertained and analyzed, find out what total of unemployed can be put on subsistence projects within Egypt. This worked in Tunisia where thousands of men were given their basic food and clothing requirements by the United States while working on large scale reclamation and road projects.

Sixth. Stipulate that prescribed totals of food under Public Law 480 be devoted to school feeding programs.

Seventh. Stipulate that specific amounts of food under Public Law 480 be comprised of maternal and infant feeding foods and powders than can be produced cheaply in wholesale lots in the United States, thereby saving tax funds. This type of food will not be diverted to Egyptian armies in the field.

Eighth. Stipulate that concomitant with Public Law 480 food shipments, public health inspectors oversee the distribution to deficient and outlying areas rather than passing through the hands of profiteers.

Ninth. Finally, whatever food production facilities are required in Egypt should be financed with the foreign currencies we already have in Egypt.

Mr. President, only with these preconditions should we accede to the demands of President Nasser that we feed the Egyptian people. Without them, we should refuse to join him again at "Payment Place."

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HARTKE. I am happy to yield to the Senator from New York.

Mr. JAVITS. I wish to commend the Senator from Indiana for his thorough analysis of this situation, which has been debated on the floor constantly. Somehow or other we cannot get the administration to understand the will of the Congress in this matter; that we are not taken in by President Nasser; and that we will not feed aggression. That is what he has engaged in. Nor will we feed out of our food supplies indirectly certain purchases of arms. The conditions which the Senator from Indiana [Mr. HARTKE] set out are designed to deal with that problem.

I think it is most important that such a distinguished Democrat, from the party of the President, makes this clear to the administration.

Somehow we have not been able to break through and the Executive prerogative in foreign policy has been used to frustrate the policy of the Congress in regard to President Nasser.

I join the Senator in what he said, and I hope he will make this point very forcefully from the fine position which he occupies.

I believe that what is being done is most inimical to the interest of the United States. We are being played for suckers, and not following the will of the Congress on the foreign policy of our Nation, which is to secure peace, be against aggression, and to at least bring some order and peace to the Middle East.

Mr. HARTKE. I thank the distinguished senior Senator from New York.

The opportunity is going to be afforded us in a very short time. The foreign aid authorization bill has been reported from the Committee on Foreign Relations and will be on the floor of the Senate for action. I am certain that at that time an opportunity will be afforded for some of these vital actions affecting the interest of the United States to be thoroughly discussed, adequately debated, and voted upon, and that we will make it mandatory that we stop providing tools of war for the destruction of peace to the profiteers, at the expense of peace and of the people who really need food. No Senator wants to see these people hungry in view of the bountiful wealth of the United States. We all agree on that.

When it is utilized for purposes other than that, not only does it require action by Congress, but also severe restrictions are needed, so it cannot be used other than in the manner in which the American people want it to be used.

Mr. JAVITS. I shall join the Senator in any amendment that is needed when the bill is reported.

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1243, H.R. 15202, and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 15202) to provide for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG of Louisiana. Mr. President, in the hope of getting on with the Senate's business, let me put the Senate on notice that I intend to insist on the rule of germaneness from this point forward. I have yielded to everyone who wished to say something that was not germane, but now I intend to insist on the rule of germaneness so that we may get on with the business at hand.

Mr. President, H.R. 15202 provides a temporary limit on the public debt of $330 billion for the fiscal year 1967. Unless this bill is enacted, the debt limit will fall to the permanent level of $285 billion on July 1, when the existing temporary limit of $328 billion expires. Since the outstanding debt will total approximately $319 billion on July 1, the timely approval of this bill is essential to enable the Treasury to pay the Government's bills and to refinance maturing debt issues.

Secretary of the Treasury Fowler first recommended to the House Ways and Means Committee on May 28 that the temporary debt ceiling be set at $332 billion for the fiscal year 1967. The Ways and Means Committee decided, after considering the matter, that a $330 billion debt ceiling figure, while restrictive, still would contain enough flexibility to permit efficient management of the public debt.

Appearing before the Finance Committee on Monday, June 13, Secretary Fowler said:

> I did indicate to the House Ways and Means Committee that we could in all likelihood operate within a $331 billion ceiling. I would still prefer a ceiling of $331 billion but I am prepared to accept a level of $330 billion, and in the interest of speedy passage of this needed legislation I therefore request that you approve the same ceiling already approved by the House—that is, $330 billion.

THE BUDGET OUTLOOK FOR THE FISCAL YEARS 1966 AND 1967

The debt limit provides Congress an opportunity annually to review the overall level of Federal receipts and expenditures. At the present time, the outlook for fiscal year 1967 is clouded by an unusual degree of uncertainty. No one knows what the fiscal requirements of the war in Vietnam will be. Because of this uncertainty and the usual uncertainties inherent in forecasting budgetary developments, the administration prudently approaches such estimates with caution.

Thus, the administration has not revised its estimates of administrative budget expenditures for either the fiscal year 1966 or the fiscal year 1967. While the Director of the Bureau of the Budget stated before the committee that there are signs indicating that the 1967 expenditure total will be pushed upward from the January budget estimate, he concluded that any specific revision of the $112.8 billion estimate would be "highly conjectural and premature" at this time. The signs which indicate a higher level of budget expenditures, I might add, arise from congressional actions on appropriation and authorization bills.

With regard to receipts, the Secretary of the Treasury indicated that fiscal year 1966 receipts are now expected to be higher than the January budget estimate. The January budget estimated receipts of $100 billion. The Secretary stated that the administration is now using a figure of $102.5 billion as a planning base. The Secretary stated that he thought this revised estimate was conservative and that revenues might reach $103 billion.

Part of the increase in the current estimate of fiscal year 1966 receipts over the January estimate is, of course, attributable to the recent Treasury regulation advancing the dates upon which large corporations must pay over to the Government amounts of tax withheld from employees. This one-shot doubling up, while it will not affect tax liabilities, will add nearly $1 billion to fiscal year 1966 administrative budget receipts.

The Secretary of the Treasury did not provide your committee with a revised estimate of administrative budget receipts for the fiscal year 1967. He said the administration prefers to continue to use the estimate of the deficit for fiscal year 1967 made last January. That estimate, it will be recalled, was for a deficit of $1.8 billion.

Following the custom of past years, the staff of the Joint Committee on Internal Revenue Taxation prepared independent estimates of receipts in the fiscal years 1966 and 1967 and supplied them to the committee. The staff estimated that fiscal year 1966 administrative budget receipts would total $103.9 billion, or from $1.4 billion to $900 million more than the latest administration estimate.

With regard to the fiscal year 1967, the staff estimated that receipts would total $116.2 billion, or $5.2 billion more than the amount estimated by the administration in January. With regard to this latter estimate, the staff points out that its receipts figure is based in part on the assumption that Federal expenditures in fiscal year 1967 will be slightly higher than the $112.8 billion estimated in the January budget. For this reason, it would not be appropriate to couple the staff estimate of receipts with the January budget estimate of expenditures.

The overall outlook then is for a deficit in the fiscal year 1966 of from $3.9 billion—based on the administration's conservative receipts estimate—to $2.5 billion—based on the joint committee staff's estimate. The administration estimate for the deficit in the fiscal year 1967 remains $1.8 billion, but the joint committee staff's estimate provides a strong indication that we may do better than this.

PROJECTIONS OF THE REQUIRED DEBT LIMIT

As it has done in the past, the Treasury Department presented the committee with estimates of the debt limit required on the 15th day and on the last day of each successive month in the coming fiscal year. The Treasury's bimonthly estimates incorporate a $4 billion allowance for the operating cash balance and an additional $3 billion allowance for contingencies. That is, the Treasury estimates provide a $7 billion leeway for the cash balance and for contingencies in addition to the estimated debt outstanding.

It is important to keep this $7 billion margin in mind when examining the the Treasury projections. These projections show that a debt limit of $330 billion will be exceeded on only 3 dates in the coming fiscal year, using the Treasury estimates of receipts, expenditures and deficit.

Even on the three given dates—December 15, March 15, and April 15—the Treasury should be able to work within the limit provided in this bill without difficulty. Each of these dates is the due date for the payment of certain taxes and, therefore, immediately precedes the receipt by the Treasury of significant amounts of tax payments.

Cash balances are customarily permitted to fall to relatively low levels on these particular dates to keep the balances from rising to inordinately high levels when the tax payments are received. To accommodate the $330 billion debt limit provided in this bill without utilizing, even temporarily, the $3 billion allowance for contingencies, the Treasury can simply allow the customary decline in cash balances to occur on these three dates. That is, instead of having a $4 billion operating cash balance on December 15, the Treasury on this basis could have one of $3.2 billion. On March 15 it could have an operating cash balance of $2.3 billion and on April 15, one of $3.6 billion.

It should be noted that on each of these dates this last fiscal year, the cash balance was well below the level that will be available in the coming fiscal year. On December 15, 1965, the Treasury's cash balance was $1.9 billion. This is $1.3 billion less than the balance which will be available on December 15, 1966, under the $330 billion limit provided under this bill if a full $3 billion allowance for contingencies is retained. On March 15, 1966, the cash balance fell to $1.2 billion, or $1.1 billion less than the balance that will be available on March 15, 1967. On April 15, 1966, the cash balance dipped to $800 million, or fully $2.7 billion less than the balance that will be available on April 15, 1967.

While Secretary Fowler said the $330 billion debt ceiling might create a "very tight squeeze" in early 1967 in the management of the Federal debt, he did indicate he though he could live with this limit. I would also like to point out that Secretary Fowler also stated that there are a number of uncertainties in the picture, and if the $330 billion temporary debt ceiling turns out to be too restrictive, he will be forced to come back up here before the end of the current fiscal year to request further debt ceiling action.

THE NEED FOR A REALISTIC DEBT LIMIT

The debt ceiling provided in this bill is a tight one and a lower one would not be realistic. The debt limit must not only permit any year-to-year increase in the size of the Federal debt that results from overall changes in receipts and expenditures, but must also provide for seasonal variations in receipts and expenditures and permit the Treasury to exercise some discretion in debt management.

The seasonal pattern of receipts and expenditures is well known. Although Federal expenditures generally do not fluctuate greatly from month to month, receipts are typically much higher at the end of the fiscal year than at the beginning. This means that the Federal debt reaches a seasonal peak around March 15 of each year. The debt limit must be high enough to accommodate this seasonal pattern.

If the debt limit does not provide sufficient flexibility, the Treasury will not be able to defer large borrowings when interest rates are temporarily high and will will not be able to promote an orderly market in Government securities. A debt limit of less than $330 billion in fiscal year 1967 would not provide the needed flexibility.

If the debt limit were set too low unfortunate results would follow. For example, it might be necessary to cut back on payroll savings plans. Such an action might impair the Government's ability to sell bonds this way in the future. Alternatively, the volume of Treasury bills outstanding might fall to such a low level that it would disrupt the market for short-term obligations. Finally, a very low ceiling could prevent the Government from making payments to contractors for services rendered and from making wage payments to employees.

THE DEBT IN PROSPECTIVE

While the size of the Federal debt is large—and I for one would like to see it reduced—it is important to consider the Federal debt in relation to other types of debt and in relation to the size of our economy. The fact is that, unlike other sources of public and private debt, the relative importance of the Federal debt has declined over the last 20 years. From the end of 1946 to the end of 1965, total public and private debt increased by 220 percent, from $447 billion to $1.4 trillion. While the Federal debt increased during this period, it increased much more slowly than total debt—by 24 percent in this period instead of by 220 percent.

As a result, the relative importance of the Federal debt has declined. In 1946, the Federal debt comprised fully 58 percent of total public and private debt. By 1965, this share had declined to 22 percent. It is other sources of debt which have increased at a fast pace during this period. Individual and noncorporate debt increased by 666 percent in the period from 1946 to 1965, the debt of State and local governments by 524 percent, and corporate debt by 395 percent.

The increase in total public and private debt paralleled the growth of national income and product. This, of course, is to be expected since an expansion of credit, either private or public, is necessary for an expansion of the gross national product and employment. The 1965 gross national product of $676.3 billion represents an increase of 224 percent over the 1946 level of $208.5 billion. As a percent of gross national product, gross public and private debt was virtually the same in both years, slightly over 200 percent. Over this period, however, the Federal debt as a percent of gross national product fell dramatically from 117 percent in 1946 to 45.5 percent at the end of 1965.

CONCLUSION

Viewed from this perspective the increase in the debt limit provided in this bill is a modest one. Moreover, there is every indication that the importance of the Federal debt will continue to decline relative to other sources of debt and relative to the gross national product. In fact, I believe we can look forward to a budget surplus in the very near future.

It is hardly debatable anymore that we must, of necessity, raise the debt ceiling when what the Government spends exceeds what the Government takes in, and that has been the case during fiscal year 1966, the current fiscal year, despite all of the efforts of President Johnson and all of our efforts in Congress to hold spending down.

We all know that it is the Treasury's job to pay the bills. And if the Treasury does not have the cash to pay these bills, then there is little else for the Secretary of the Treasury to do except to issue Government securities to raise the necessary cash through the sale of securities which, in most instances, become a part of the statutory debt.

Action on this bill must be completed as soon as possible so there will be no question of the debt limit falling to the permanent level of $285 billion on July 1. I urge you to support the passage of H.R. 15202.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. GORE. If, as is indicated, the President and Congress have abandoned any intention or hope of reduction of the national debt even in the most prosperous of times, the size of the debt may become secondary in importance to the interest rates upon the debt.

I would remind the distinguished chairman of the Finance Committee that during the administration of former President Truman the United States was able to finance the Korean war with a going interest rate on Government obligations of 2½ percent.

That interest rate has not only been permitted to be increased during the present administration, but, by deliberate policies of the Government, has been raised to artificially high levels.

I should like to inquire of the Senator what the cost to the American taxpayer now is of paying the interest on the U.S. debt.

Mr. LONG of Louisiana. For the fiscal year we are now talking about, 1967, it is $12,750,000,000.

Mr. GORE. Twelve billion seven hundred and fifty million dollars. How does that figure compare with the cost of carrying the debt 5 years ago?

Mr. LONG of Louisiana. That would be 1962. In 1962 it was $9,120,000,000.

Mr. GORE. So we have had a very large increase in the cost of carrying the debt. If the Senator would interpret it in terms of percentage——

Mr. LONG of Louisiana. If the Senator would like to have a little more for the RECORD—I do not have all the figures before me, but I can go back to 1956—that same figure was $6,787 million—roughly half of what it is now.

Mr. GORE. So in 10 years the cost of paying the interest on the national debt has increased 100 percent?

Mr. LONG of Louisiana. Almost.

Mr. GORE. Does the Senator see any justification for that?

Mr. LONG of Louisiana. I do not quarrel with the Senator from Tennessee. I agree with him that the interest cost is too high.

Mr. GORE. In other words, there is no justification for it?

Mr. LONG of Louisiana. I have argued against the Federal Reserve Board decision which allowed a big increase in the interest paid on the national debt. Of course, there has been some increase in the debt, but it accounts for a small part the increased interest paid, perhaps 10 percent. The other part is accounted for by the increase in the interest rates.

I spoke out against it when the Federal Reserve Board made its last move in December. I associated myself with the Senator from Tennessee when he first directed attention to this matter in 1953, the first year of the Eisenhower administration. I can only say I regret these policies of the Federal Reserve Board.

Mr. GORE. Not only the Federal Reserve Board. It is the administration. It is Secretary Fowler, President Johnson, and the Federal Reserve Board.

Mr. LONG of Louisiana. It is also the Congress, I regret to say. As a matter of fact, the Federal Reserve Board is responsible to the Congress. It was created by the Congress. It reports to the Congress. It does not report to the President. Of course, I think the Senator knows that we in the Senate, even though we have a two-thirds majority on this side of the aisle, are not going to have our views favorably received unless we have some help from the Executive.

Mr. GORE. I agree. I must say I find no reason for pride, as a Democrat, that in a Democratic administration we have historic interest rates.

Mr. LONG of Louisiana. I cannot quarrel with that statement. I do not quarrel with it.

Mr. GORE. I hope, as chairman of one of the most powerful committees of the Senate, the able and distinguished junior Senator from Louisiana [Mr. LONG] will initiate committee action to try to correct this evil that is growing rapidly.

Mr. LONG of Louisiana. The junior Senator from Louisiana will do what little he can, insofar as he can proceed in an appropriate way, to do something about the high interest rates that exist in this country. I point out that the Senate Finance Committee is not the only committee that has jurisdiction in this field. In some respects, the Banking and Currency Committee has more responsibility than has the Finance Committee. I would hope the Senator from Tennessee would move in this area.

Mr. GORE. I am moving now.

Mr. LONG of Louisiana. I applaud him for doing so. The Senator from Tennessee can be sure I have complete sympathy with what he is saying and with what he would like to do. I would like to help him do it.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. LONG of Louisiana. I yield.

Mr. GORE. Is the Senator aware of the fact that hundreds of cities, counties, and communities are canceling and postponing construction of needed public facilities, hospitals, schools, and utility improvement systems, because of the high interest rates?

Mr. LONG of Louisiana. Mr. President, I am aware of this, but in fairness to those who do not agree with me and with the Senator from Tennessee about the interest-rate problem, I wish to say that the agrument is made, and to a certain extent agreed to at the executive level, that higher interest rates would help to retard and discourage many investments at this time which should be made later, in view of the fact that we are faced with the threat of inflation.

As the Senator from Tennessee knows, the Federal Reserve Board contends, and, in my judgment, this contention is at least in part concurred in at the executive level, that this a feasible approach to preventing inflation.

Personally, I would prefer to accomplish the desired result in other ways. I would rather accomplish it by passing standby controls and giving the Federal Reserve Board, or some other agency, the power to reduce the time people have in which to pay for things they buy on installments, to require greater downpayments for credit sales, and to do other things that restrict credit other than by raising the interest rate.

As the Senator from Tennessee knows, I am only one Member of the Senate. I regret to say that insofar as I agree with the Senator from Tennessee with respect to the low interest rates, I fear that I am in the minority.

Mr. GORE. Will the Senator yield further?

Mr. LONG of Louisiana. Yes.

Mr. GORE. In addition to the postponement and cancellation of plans to build needed public facilities, the artificially high interest rates today have brought almost to a standstill the Federal mortgage guarantees of homes. Indeed, the cost of the repayment of an FHA guaranteed mortgage on a home for a developing family has been increased by 60 percent. This situation has been brought about by deliberate action on the part of our Government. I am not proud of the interest rate structure. It is the product of Government action and its interplay with the economy of the country.

I point out to the Senator from Louisiana, in response to what he has just said, that at the same time that the administration speaks of an inflationary danger, which it proposes to fight with high interest rates, we continue with investment tax credit to subsidize the very kind of plant and equipment expansion which the administration claims high interest rates will prevent. What does it mean? This is at cross purposes.

Enough time should be taken by Congress, by the Senate, to explore the problem and to reveal the facts to the American people. Then, perhaps an aroused public opinion would bring action on the part of the administration, and action on the part of Congress, to correct this artificial spiral that is being fostered by our Government, which is not sufficiently attuned to the welfare of the people.

Mr. LONG of Louisiana. Mr. President, I agree with much of what the Senator from Tennessee says on this matter. As he knows this matter has been studied and his views may very well be reconsidered one of these days. But I regret to say that there seems to be a greater difficulty about the interest rate problem.

In the interest rate area, I agree with the Senator from Tennessee. I think interest rates are too high. I would prefer to use other methods. I would be willing to vote to suspend the investment credit, or even to repeal it, if I could choose between that action and reducing the high level of interest rates now existing. Unfortunately, it is my opinion that we shall not be able to do much about the interest rates.

Mr. GORE. Does the Senator not think we should try?

Mr. LONG of Louisiana. When the matter is brought to a vote, on the appropriate occasions, the Senator from Tennessee will find the Senator from Louisiana voting with him.

On several occasions, within the committee, I have offered amendments to instruct the Federal Reserve Board to bring down the level of interest rates.

On occasion, Presidents have suggested to me that, in the last analysis, this matter was not their responsibility, but the responsibility of Congress. My reaction to that statement has always been that it is technically our responsibility.

Sometimes I think the banking interests want it to be that way because they believe that Congress would have difficulty in uniting to name any policy contrary to that which they think wise in the area of banking and interest rates.

Personally, I believe it is desirable that it be widely recognized that nothing can really be achieved toward modifying or changing monetary policies by Congress unless leadership exists at a central point. I know of no other central point than the Executive.

Mr. GORE. I am willing to accept my share of responsibility, and I am willing to undertake to discharge it. I can only speak for myself, and not for all Members of Congress. But I would not want the RECORD to stand that this policy does not rest squarely on the doorstep of the White House, because the President recently had the opportunity to appoint to the Federal Reserve Board a man who could constitute the balance of power on that Board. Since his appointment, what have we heard of him doing? Nothing, except supporting the program to raise interest rates higher and to make money tighter. What about Secretary Fowler, President Johnson's choice for the Treasury? His record is replete with a consistent bias for the vested interests.

True, it is a dual responsibility, but let us not absolve anyone from responsibility. Let us fix the responsibility on both the executive and the legislative. If we fix it firmly upon both, then the people will know that a reconcentration of wealth is underway in this country as a result of erroneous policies. Then, perhaps, we can bring about remedial action.

Mr. LONG of Louisiana. Legally, this is our responsibility. Actually, as the Senator from Tennessee suggests, it is a joint responsibility.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. Yes.

Mr. WILLIAMS of Delaware. In connection with the point raised by the Senator from Tennessee, I point out that this question was raised in the committee hearings on the debt limit. The Secretary of the Treasury furnished a report which I shall ask to be inserted in the RECORD. This appears on page 82 of the hearings. There are two tables. The first shows the progressive increase in interest rates over the past 10 years, with particular reference to how they have increased from 3.15 when the administration took over, up to 3.77.

However, in commenting upon the extra $3.6 billion, which it is now costing to pay the interest on the national debt today as compared with 5 years ago, the Secretary told the committee that $1.4 billion of that amount represented what was required to pay the annual interest charges on the additional debt that has been added during the past 5 years. During the past 5 years $36 billion has been added to the debt, and interest thereon is costing about $1.4 billion annually. The other $1.9 billion annually results from the six-tenths of a percent increase in annual insurance rates.

For the purpose of the record I thought that ratio should be made clear. The figures were raised by the Secretary of the Treasury.

I ask unanimous consent that these two tables appearing on page 82 be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Average annual interest rate on interest-bearing securities

Fiscal year:	*Percent*
1956	2.46
1957	2.67
1958	2.79
1959	2.71
1960	3.21
1961	3.15
1962	3.15
1963	3.30
1964	3.48
1965	3.61
1966	[1] 3.77
1967	([2])

[1] 10-month average.

[2] Not available.

(The total interest charges on the public debt for each of the past ten years, including estimates for fiscal 1966 and 1967.)

Public debt interest payments

[In millions]

Fiscal year:	
1956	$6,787
1957	7,244
1958	7,607
1959	7,593
1960	9,180
1961	8,957
1962	9,120
1963	9,895
1964	10,666
1965	11,346
1966 [1]	12,000
1967 [1]	12,750

[1] Estimated.

Mr. WILLIAMS of Delaware. Mr. President, one easy way in which to reduce interest charges would be for the Government to stop its deficit spending, thereby reducing the need to go into the money market and paying high charges on the deficits.

That gets back to the joint responsibility of the Congress and the executive branch to stop some of the extravagant spending which has occurred in the past 5 years.

Mr. SMATHERS. Mr. President, I support the pending legislation as reported out of the Senate Finance Committee, and sincerely believe the very able and distinguished chairman, Senator RUSSELL LONG, as well as other members of the committee, have done a very creditable job in the best interests of the Nation.

The present statutory debt limit of $328 billion is a temporary one which expires on June 30, 1966. Unless action is taken to provide a new ceiling the debt limit will revert to its permanent level of $285 billion on July 1, 1966. At that time the debt of the Federal Government will be approaching $320 billion, some $35 billion above the limit.

If this should occur the Treasury will soon be unable to pay its bills or to refund maturing issues of securities. On the latter point the first maturing issue comes due on July 7. Furthermore the Treasury would have to summarily discontinue selling savings bonds on July 1, an instrument that under present circumstances is of tremendous assistance of the Government's efforts to restrain inflationary pressures.

It is inconceivable that this Congress should ever place the Treasury in the position of being unable to meet the bills as they are presented for payment. In so doing we would, by arbitrary action, create the first stain upon the credit standing of this Government, a credit standing that has remained unimpaired since the foundation of the Republic. I do not see how, under these circumstances, what reasonable argument could be offered against the enactment of the legislation that is now before us.

Some will argue that they are opposed to the programs of the administration and argue that Government expenditures should be cut. This is a matter of judgment on which reasonable men may disagree, but to use the argument in connection with the statutory debt limit is an attack upon the wrong end of the legislative process.

If the Congress wishes to set limits upon its own actions in authorizing expenditures it could do so directly by placing a ceiling on new spending authorizations and other actions which will limit the expenditures before they are made. It makes no sense to vote the spending and then not permit the Treasury to pay the bills.

As it works out in actual practice, the debt ceiling is "after the fact" so far as expenditures is concerned.

A tight or an inadequate ceiling can only force the Treasury into costly or even disruptive market practices in financing the Government's requirements. An inadequate ceiling cannot properly force a curtailment of programs duly authorized by the Congress.

Although a debt limit, and its annual review, is a worthwhile device to reexamine the purposes and costs of Government outlays, the debt limit, in itself, is not a proper vehicle for controlling Government expenditures. I therefore cannot arrive at any other conclusion except that of voting to support the increase in the temporary debt limit for the fiscal year 1967. To vote otherwise is simply to retreat into financial anarchy. I find myself in the same position as the distinguished Minority Leader, Senator DIRKSEN of Illinois, who said last year in the floor debate:

> I find myself compelled into a position in which I shall have to vote for it, if that is what the paymaster says.

On the question of where we should set the temporary ceiling on the debt for the coming fiscal year—that is, what the limitation should be—the legislation now before us, quite frankly, does not give the Secretary of the Treasury very much leeway.

I asked Secretary Fowler during our Finance Committee hearings about this—the question being this: With a debt ceiling of $330 billion, will we be cutting things a bit too close, particularly since the Treasury is likely to cut within the customary $3 billion allowance which provides flexibility in financing and covers contingency situations at three separate times during fiscal year 1967?

Secretary Fowler's reply was that a ceiling of $330 billion would, in fact, be very likely to produce a tight squeeze at those times, but he said the Treasury managed to ride by with that kind of a squeeze this past winter. Since Secretary Fowler, on the basis of all that is certain today about the budget situation in fiscal year 1967, believes he can live with a $330 billion temporary debt ceiling for the coming year, we in the Senate Finance Committee voted to go along with the House of Representatives in approving that figure.

I ask unanimous consent that the table reflecting the estimated public debt subject to limitation, showing that the three tight periods will come on December 15 of this year, and on March 15 and April 15 of 1967, be inserted in the RECORD at this point of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated public debt subject to limitation (based on constant minimum operating cash balance of $400,000,000), fiscal year 1967

[In billions]

	Operating cash balance (excluding free gold)	Public debt subject to limitation	Allowance to provide flexibility in financing and for contingencies	Total public debt limitation required
1966				
June 30	$4	$313.3	$3	$316.3
July 15	4	316.6	3	319.6
July 31	4	316.8	3	319.8
Aug. 15	4	318.4	3	321.4
Aug. 31	4	320.3	3	323.3
Sept. 15	4	323.4	3	326.4
Sept. 30	4	318.1	3	321.1
Oct. 15	4	321.9	3	324.9
Oct. 31	4	322.2	3	325.2
Nov. 15	4	324.4	3	327.4
Nov. 30	4	324.6	3	327.6
Dec. 15	4	327.8	3	330.8
Dec. 31	4	323.0	3	326.0
1967				
Jan. 15	$4	$325.3	$3	$328.3
Jan. 31	4	324.1	3	327.1
Feb. 15	4	325.2	3	328.2
Feb. 28	4	324.7	3	327.7
Mar. 15	4	328.7	3	331.7
Mar. 31	4	323.5	3	326.5
Apr. 15	4	327.5	3	330.5
Apr. 30	4	318.6	3	321.6
May 15	4	319.8	3	322.8
May 31	4	320.4	3	323.4
June 15	4	324.7	3	327.7
June 30	4	314.9	3	317.9

It has been previously—and must be stated again—that a $330 billion temporary debt ceiling will be somewhat restrictive, and a situation could well arise that would force the Secretary of the Treasury to return to Congress, before the end of fiscal year 1967, to ask for further debt ceiling action.

As we all know, Mr. President, acting on the Federal debt limit has become virtually an annual ritual here on Capitol Hill. Since Congress first imposed a Federal debt ceiling back in 1917, the question has been before us more than 30 times. At some time, it is my hope that we will get down to brass tacks and go into such questions as whether it is any longer appropriate to have a permanent debt ceiling of $285 billion on the one hand and a temporary debt ceiling which, as in the case of the pending legislation, adds $45 billion to that limitation on a temporary year-to-year basis to make a total of $330 billion.

In connection with the debt ceiling, we might also be taking a look at the separate limitation which prevents the Treasury from marketing longer term Government securities, because of the 4¼-percent ceiling on what the Government can pay on bonds. A question about the 4¼-percent ceiling on long-term Government debt offerings came up during the House Ways and Means Committee hearings on the pending bill, and I raised it again in the Finance Committee hearings. Secretary Fowler, in his reply to my question made it clear that he was not requesting action on the 4¼-percent ceiling at this time. But this, it seems to me, is the sort of question that we might well explore in the Finance Committee as part of an overall review of Government fiscal and economic policies such as I proposed some months ago.

In short, this is neither the time nor the place to consider this question, any more than it is the time or the place to consider all the other questions of fiscal policy.

The only question before us is whether to approve this legislation providing a new debt limit ceiling—and on this question, commonsense, good judgment, and public responsibility all require that we support this legislation.

Mr. MURPHY. Mr. President, today we are once again asked to consider another increase in the "temporary" ceiling placed on the national debt. In doing so, we must take a very close look at what this debt is costing the American people, and we must decide whether such an increase is really necessary.

We are being asked to increase the ceiling another $2 billion, from $328 to $330 billion for fiscal year 1967. The permanent ceiling, Mr. President, is $285 billion and beginning with fiscal year 1961 we have enacted legislation allowing for temporary increases on 10 separate occasions. Today we are asked to bring the level up to $45 billion over the permanent ceiling. The cost of this is great. Already the American people are paying almost $13 billion interest on this debt every year. This comes to more than $60 per person, per year, on a debt that comes to approximately $1,700 per person.

This cost seems very high to me, Mr. President, unless it can be justified. Now I realize that many economists do not share my fears on the ground that the Government, like any business, borrows money in order to finance permanent improvements and that these improvements are tangible assets—buildings, dams, hospitals, and so forth—which offset the debt.

These economists believe that the interest charge for these assets is no different than the interest that a corporation would pay on a loan secured in order to make capital improvements; therefore as long as our economic growth—our national income increases at a rate faster than the debt, then our ability to pay this debt in the future will be easier—and once again, like the corporation, we would be making a sound investment, borrowing money that will cost us less to pay off in the future. But even if this is so, a corporation does not borrow money for the sake of borrowing money. It borrows only when it is necessary, that is when it plans to do something with it. That the borrowing, or investment resulting from the borrowing, may be profitable cannot, and is not the sole criterion for the loan. This reasoning should hold for the Government as well. We must decide whether or not an increase in our debt is necessary. If we allow this debt to grow without restriction, we risk the danger of unbridled interest costs accompanying unbridled growth. We risk inflation. When the ceiling was originally imposed on the debt in 1917, it was meant to be a cautionary measure. That the Congress must increase the ceiling of the debt is also a cautionary and preventative measure, and we should pay attention to it as such. Since the Congress authorizes spending in the first place, as well as an increase in the temporary debt ceiling, we must realize that the reason for our power to authorize the increase in the debt ceiling is no more than to inhibit us. To make us reason—and this is a healthy inhibition.

If we are to grant this increase today as we have done so often in the past, then we must know that it is both reasonable and necessary. To say, as some do, that the debt is profitable is not a justifiable reason standing alone for the increase.

Advocates of this theory may be wrong. We must have more direction beginning with control of our spending policies which have caused the increase in our debt. Since the end of fiscal 1961, the Democratic administration has provided us with seven consecutive deficits totaling $36 billion, if we are to include the estimation for fiscal year 1967. During these same years, administrative budget expenditures have risen from $81.5 billion to an estimated $112.8 billion, totaling an increase of $30 billion. Accompanying this has been an increase of $4 billion in the interest rates that we are paying on the debt. It is important for us to consider how we spend the tax dollars of the American citizens. There is no room for recklessness today, when we are trying to finance the growing conflict in Vietnam; when we are attempting to solve the plight of the poverty-stricken; and when we must curb the balance-of-payments deficit. We must be cautious. Our debt today is $319 billion. We still have a $9 billion margin, using today's ceiling of $328 billion to "play" with. To add $2 billion more, is in truth, to make the word "play" a reality. And our economy is not at a stage where we can allow this to happen. This is not a game. We cannot play with the dollars of our citizens or of future generations. We must be careful now and realize that the purpose of our power to affirm or deny an increase in the debt ceiling is to make us cautious as we are the ones who affirm or deny the spending policies.

Until the need for this increase is definitely shown to me, Mr. President, I prefer to be cautious and oppose this bill which would permit increased spending when I have consistently opposed unnecessary spending in the past. We should assure our people of a strict limitation upon ourselves, today. We have been too carefree in the past.

Mr. President, a recent editorial in the Chicago Tribune on June 15 questioned whether the national debt any longer serves its purpose. I request unanimous consent that the editorial be printed in its entirety at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Chicago Tribune, June 15, 1966]

The Lost Purpose

In their perennial dialog over the national debt limit, both Congress and the treasury department seem long ago to have lost track of the central question, which is why we have a debt limit at all.

When the House recently trimmed the limit requested by the administration from 332 to 330 billion dollars [the present limit is 328 billion], there was scarcely a word about economy. Indeed, Congress has been almost as extravagant as the administration in thinking up new ways to spend money. The debt limit is no longer viewed as a weapon to hold down spending. It is used rather as a convenient lever with which to pry favors out of the administration, and the more often the administration has to come around asking for a new limit, the better it serves this distorted purpose.

Secretary Fowler is playing the game the way Congress wants to play it. He has accepted the 330 billion dollar limit, not with the slightest idea of holding down government spending, but simply to tide matters over until the subject can be brought up again. The $330 billion limit will cause "a very tight squeeze," he said, and virtually promised to be back after another increase before too long.

This sort of debt limit doesn't mean any more than a no parking sign in front of ward headquarters means to an alderman. If it is beter than no limit at all, it is only because of the embarrassment which the administration is presumed to suffer when it comes around begging for a new limit. But it is geting hard to detect any such embarrassment. In the conditioned climate of a growing welfare state, even [or especially] the government comes to expect benefits as a matter of right. Having taught the people that they have an inherent right to an ever-broadening program of welfare, the state itself must assume the "right" to draw unlimited blank checks on future generations.

AMENDMENT NO. 603

Mr. WILLIAMS of Delaware. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS of Delaware. Mr. President, is the bill now open for amendment?

The PRESIDING OFFICER. The bill is now open for amendment.

Mr. WILLIAMS of Delaware. Mr. President, on behalf of the Senator from Maryland [Mr. Tydings], the Senator from Ohio [Mr. Lausche], the Senator from Utah [Mr. Bennett], and the Senator from Wyoming [Mr. Simpson], I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so orderd, and the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

At the end of the bill, insert the following:

"Sec. 2. (a) Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 218 as 219, and by inserting after section 217 the following new section:

" 'SEC. 218. POLITICAL CONTRIBUTIONS.

" '(a) Allowance of Deduction.—In the case of an individual, there shall be allowed as a deduction an amount equal to so much of the political contributions as does not exceed $100, payment of which is made by the taxpayer within the taxable year, but only if, at the time the deduction is claimed, the committee or individual who received the ccontribution has complied with all provisions of Federal, State, or local law which require the reporting of the receipt of such contribution. In the case of a joint return of a husband and wife under section 6013 the deductions shall not exceed $100, and in the case of a separate return by a married individual the deduction shall not exceed $50.

" '(b) Verification.—The deduction under subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

" '(c) Definition of Political Contribution.—For purposes of this section the term "political contribution" means a contribution or donation of money to—

" '(1) an individual who is a candidate for any Federal, State, or local elective public office in any general, special, or primary election, or in any convention of a political party described in paragraph (2), for use by such individual to further his candidacy; or

" '(2) any National, State, or local committee of a political party which had a candidate for the Presidency at the last election for Presidential electors, if such committee accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the selection, nomination, or election of any candidate described in paragraph (1).

" '(d) Cross Reference.—

" 'For disallowance of deduction to estates and trusts, see section 642(i).'

"(b) The table of sections for such part VII is amended by striking out the last item and inserting in lieu thereof the following:

" 'Sec. 218. Political contributions.

" 'Sec. 219. Cross references.'

"(c) Section 62 of such Code (relating to definition of adjusted gross income) is amended by inserting after paragraph (8) the following paragraph:

" '(9) Political contributions.—The deduction allowed by section 218.'

"(d) Section 276(a) of such Code (relating to certain indirect contributions to political parties) is amended by striking out 'No deduction otherwise allowable under this chapter' and inserting in lieu thereof 'Except as provided in section 218, no deduction otherwise allowable under this chapter.'

"(e) Section 642 of such Code (relating to special rules for credits and deductions for estates and trusts) is amended by redesignating subsection (i) as (j), and by inserting after subsection (h) the following new subsection:

" '(i) Political Contributions.—An estate or trust shall not be allowed the deduction for political contributions provided by section 218.'

"(f) The amendments made by this section shall apply to taxable years ending after December 31, 1966, but only with respect to political contributions payment of which is made after such date."

Mr. WILLIAMS of Delaware. Mr. President, a copy of the amendment is on the desk of each Senator.

In brief, the amendment carries out the recommendations President Johnson made to Congress on May 26 in his so-called clean elections amendment proposals.

The same proposal has been approved by the Senate on previous occasions. On one occasion it was jointly sponsored by the Senator from Washington [Mr. Magnuson], and the Senator from Kentucky [Mr. Morton]. This passed the Senate a year or two ago but was not acted upon by the House.

The Magnuson-Morton proposal was agreed to as an amendment to a House bill; however, the proposal did not receive House consideration.

In October of 1965 I called to the attention of the Senate the fact that there was another glaring loophole in our laws as they were being interpreted by the Treasury Department. The Treasury Department had ruled corporations could make contributions indirectly to the Democratic Party under the guise that the contributions were advertising expenses. Corporations were placing $15,000 ads in a so-called political brochure published at the Atlantic City convention in 1964.

I described that practice as a shakedown of the defense contractors and other industries of America. When this abuse was discovered I introduced a bill to correct that practice and in addition suggested at that time that the law should be amended to allow a tax incentive to small contributors in order to encourage more widespread participation in the elections by the masses of the people.

On February 23, 1966, I introduced S. 2965 to carry out this objective. That bill, later offered as an amendment, provided a tax credit. Under that proposal 70 percent of the first $25 would be a tax credit. The next $75 would be a regular deduction.

The amendment was referred to the Committee on Finance and was offered to the bill which was then pending in the committee. The pending bill at that time dealt with the administration's request to accelerate the payment of corporate taxes.

During the hearings on that bill testimony was taken with regard to both of my proposals, the one which dealt with a correction of the loophole concerning advertising and the other dealing with a tax incentive for small contributors.

The Treasury Department, in testifying on both proposals, endorsed the first amendment to close the loophole in the law as the law was then being interpreted with regard to advertising expenses. The Treasury Department endorsed the second amendment in principle, but Secretary Fowler asked that I not press the second amendment at that time.

He said that the President and the administration were studying the proposal and expected to come up very shortly with a recommendation of their own. He said that my proposals were in line for first consideration and that they might very well embrace a part or all of my suggestions.

I agreed to withhold the offering of that amendment at that time with the understanding that we would work together during the succeeding weeks in an effort to come up with a solution.

The Treasury Department did work with the committee and with me, and on May 26 the President sent to Congress his recommendations in a message which included not only that suggestion but also numerous other suggestions for the correction of defects in our election laws.

The only difference between the proposal that I advocated at that time and the one that the President recommended is that the administration suggested that instead of a partial tax credit we should use the deduction in its entirety. The administration wanted taxpayers to use the standard deduction. That was the partial objective of my tax incentive proposal.

This is the amendment before us now, and it proposes that the $100 deduction, or any part thereof, made by individuals for campaign contributions be a deduction in addition to standard deductions.

I thought, and so stated then, that it was a constructive suggestion. I said that I was willing to support the administration's suggestion since it was in line with my original suggestion. In fact, I think the latter suggestion has more merit than my first proposal.

Therefore, I heartily endorsed the President's recommendation in that connection, and prior to holding hearings on the debt ceiling bill I served notice that the amendment would be offered. I suggested that those people interested in testifying have an opportunity to do so.

I should say that during these hearings the Secretary of the Treasury spent close to 25 percent of his time in the discussion of this amendment. He endorsed the amendment, although, as in the previous case, I must admit he did not appear too enthusiastic. But I reminded him that he was just as reluctant in March when I offered the first amendment and that if I had listened to him we would not have closed the advertising loophole.

Now is the time for action. The best time to act is when the Senate is ready to vote; and surely the Senate today is ready to vote since my amendment carries out the President's proposal. The following Senators on May 26 introduced a bill embracing this same proposal: The Senator from Pennsylvania [Mr. CLARK], the Senator from Kentucky [Mr. COOPER], the Senator from Michigan [Mr. HART], the Senator from New York [Mr. JAVITS], the junior Senator from New York [Mr. KENNEDY], the Senator from California [Mr. KUCHEL], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mr. MORSE], the junior Senator from Oregon [Mrs. NEUBERGER], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Pennsylvania [Mr. SCOTT].

It will be interesting to see how they vote here today.

So we have here a proposal which is endorsed by the President of the United States, which has been endorsed by many Senators, and on which hearings have been held before the Finance Committee. Those who wished to testify have had an opportunity to do so.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. If they did not testify it was their own fault, because announcement was made that if, in addition to those heard during the hearings on Monday, others wished to testify, we could continue the hearings Tuesday, and they could come in then.

The President's proposal is before us, and I see no reason why we should not be ready to vote.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield first to the Senator from Kentucky; then I will yield to the Senator from Louisiana.

Mr. COOPER. Mr. President, the Senator has referred to S. 3435, which was introduced by a number of Senators, including the Senator from Pennsylvania [Mr. CLARK] and myself.

I might say that following the message of the President of the United States to Congress on the bill called the Election Reform Act of 1966, Senator CLARK and I introduced S. 3435, carrying out the President's recommendations; and we were joined by a number of Senators, whose names the Senator has stated.

As the Senator has noted, title IV of S. 3435, the Election Reform Act of 1966, does embody the amendment which has been proposed by the Senator from Delaware [Mr. WILLIAMS]. There are one or two minor changes in it, which I think strengthen the amendment, but it is in substance the same amendment, providing for the allowance of deductions to individuals who make political contributions.

This is not a new proposal. The Senator from Delaware has made it before, and other Senators have made it. But it does bear additional meaning, because the President had included this recommendation in the total bill, the Election Reform Act of 1966.

I ask the Senator if he has been able to obtain any estimate of the cost of the proposed amendment.

Mr. WILLIAMS of Delaware. The Secretary of the Treasury told our committee that any estimate would be purely——

Mr. COOPER. Speculative.

Mr. WILLIAMS of Delaware. A speculative guess, because there is no way of determining to what extent the people would take advantage of the new law.

But if it were utilized in a presidential year to the extent the administration and those sponsoring it hope it would be, it could cost between $15 and $20 million annually. This would depend entirely upon the degree to which it is used.

The question might be asked at this point, why would I single title IV out of the administration's bill and offer only that at this time?

As the Senator knows, the bill which the Senator from Pennsylvania and his cosponsors introduced was referred to the Rules Committee. Four titles of the bill do very properly come under the jurisdiction of the Rules Committee, but the provision which would amend the Revenue Code comes under the jurisdiction of the Finance Committee.

Then there is one other point that we should not overlook. Even if the Finance Committee and the Rules Committee concur unanimously in approving title IV as a part of a Senate bill, still the Senate could not, under the Constitution, act on title IV of the bill because amendments to the Revenue Code cannot originate as a part of a Senate bill, therefore the subject now before us could not be considered by the Senate even if it wanted to do so. It would have to be eliminated from that Senate bill and incorporated in a House bill.

Another question might be asked: Why do not we wait until the companion bill, H.R. 15317, which was introduced in the House as recommended by the administration officials on that same date, comes over to the Senate. But this part of the President's proposal was not included as a part of the House bill. Why?

On May 26 the President sent his message, and H.R. 15317 was introduced in the House of Representatives. It was introduced embracing all the President's recommendations on election reform except title IV. But significantly, the provisions of title IV are omitted from that bill. That is the amendment which we now have before us.

So if the Senate waits for the House to act and if the House passed the bill as introduced and it came over to the Senate, it still would not have title IV in it.

If action is to be taken it is obvious to anyone interested in the matter that the only way we are going to get action is to offer a Senate amendment; and therefore, this amendment is being offered here today.

It could be that the reason this provision was omitted from that bill is because the gentleman introducing it in the House knew from the record that the Treasury Department and I had agreed in March that this would be considered in the Senate as a part of the bill now before us. Perhaps that would account for his leaving it out of the bill, but whatever the reason, this section providing a tax incentive for small political contributions is out.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Kentucky.

Mr. COOPER. The Senator from Delaware has correctly stated the situation, because while the bill that the Senator from Pennsylvania [Mr. CLARK] and I introduced with the cosponsorship of the Senator from New York [Mr. JAVITS] does contain this section, which would permit a deduction for individual contributions not exceeding $100, the House bill does not.

So this is about the only way the Senate could take action and have any chance of passage this year, I would say, because I do not believe we will make any progress waiting for the House Ways and Means Committee to act.

I would make another comment: The Senator from Pennsylvania [Mr. CLARK] is not here, but I would like to say that he has been very active in this field for several years, and we have worked together on bills in the Rules Committee, but have not been able to make any progress.

But now we do have this bill as recommended by the President of the United States. We do not think it is the most comprehensive election reform bill that we would hope could be passed, but at least it is a start; and I think if we begin to take action on a part of it, such as the Senator from Delaware proposes today, it might act as a stimulus, I would hope, to our Rules Committee, to persuade us to take some action on the total bill. I say that completely in a spirit of good will.

This is the legislation which the President has recommended. As I say, it is not the most comprehensive bill, but it is a chance to get started.

So I think the amendment of the Senator from Delaware should be supported. We all know what the cost of elections is. Now, with the tremendous cost of radio and television, those costs must be met by large contributors; and with their large contributions comes the suspicion of people that their influence may be one of the reasons for those large contributions.

This is a start away from that pernicious activity, if such it be, or at least from the public suspicion.

Mr. WILLIAMS of Delaware. I thank the Senator from his comment, and I agree with him wholeheartedly. I hope that the Rules Committee will proceed to hold hearings on this bill. The other titles of the bill deal with entirely different problems, which properly come under their jurisdiction as legislative corrections. If and when they have hearings I will say that it is my present intention to ask for an opportunity to appear before the committee and express my own views. There are many areas which need correcting; particularly, as the President pointed out in his message, the need of bringing in the numerous State committees, which are presently not required to report.

But let us stop talking about it and start some action.

I am wholeheartedly in accord with the need for additional reporting.

Somebody may ask, "Why don't you include the other proposals as a part of this amendment?" Again, that does not come under the jurisdiction of the Finance Committee. I am confining this proposal solely to that part which comes under the jurisdiction of the Finance Committee. Under the Constitution, the rest of the bill could be dealt with by the Committee on Rules and Administration.

The Senate has had hearings on two occasions in the Committee on Finance on this same proposal. This proposal was discussed on numerous occasions, and on one occasion was passed by the Senate.

We are not dealing with something unknown or unheard of. Many Senators have been advocating this. I read the list of those who have introduced bills embracing this identical proposal.

Some are suggesting that we table this amendment and do nothing. They like the present system. Do we want to postpone action? To use an old Sussex County expression—this is the time for the Senate and the administration to put up or shut up. The Senate should either adopt the proposal or stop talking about it.

Mr. President, in outlining this measure, I have a statement which I would like to read. I think it expresses the situation better than any other remarks I could make.

Mr. President, public confidence in the elective process is the foundation of public confidence in government. There is no higher duty of a democratic government than to insure that confidence.

Public participation in the political process is the foundation of that process. There is no clearer responsibility of a democratic government than to advance that participation.

Yet for decades we have tolerated the growth of seeds and cynicism from the underbrush surrounding our present method of financing political campaigns.

Despite regular rhetoric about citizen involvement, we have done nothing in fact to encourage public support for the nomination and election of public officials.

And despite the soaring expense of political campaigns, we have done nothing to insure that able men of modest means can undertake elective service unencumbered by debts of loyalty to wealthy supporters.

And as the process of election becomes more complex and more costly we must make it possible for those without personal wealth to enter public life without being obligated to a few large contributors.

Therefore, I am submitting this legislation to broaden the participation of the people through added tax incentive, to stimulate small contributions to the party and to the candidate of their choice.

Campaigns are not merely a periodic political pageant. They are an unparalleled instrument of public education in the issues of the Nation and of the community.

The need for such campaigns, and the need to finance them, are hardly evils. The more people reached by a campaign, the closer we approach the democratic ideal of full participation in the decisions of government.

Yet the more people reached, the more funds required. It is here that there is a potential for danger—the possibility that great wealth can be used to achieve undue political influence.

The parallel goal never before established by Federal law is to enlarge the base of widespread financial support for political campaigns.

This is a necessary goal for a practical reason—to meet the financial burdens of modern political campaigning without inviting the undue influence of large contributors.

But widespread support is a worthy goal for a still more important reason—the infusion and involvement of large numbers of citizens into the election process. We propose this to expand participation by the great majority of American citizens.

We recommend a special tax deduction, in an amount up to $100, for contributions to any candidate or to any organizations supporting a candidate, in any election campaign or primary—Federal, State, or local.

This deduction would be allowed in addition to the standard deduction and would not be limited to those who itemize their deductions.

There would be a separate line on every tax return for this deduction.

There is far more at stake in the proposals I submit today than who wins and who loses a particular campaign. The essence of our democratic system is the clash of ideas between differing men and differing parties.

If lack of funds results in an abridged campaign, the public is deprived of the opportunity to hear all viewpoints fully expounded.

If lack of freedom from ties to wealthy interests discourages able men from seeking elective services, both they and public are deprived of necessary leadership.

This legislation seeks fair restriction on the exercise of mighty influence by the rich.

It seeks to promote the exercise of widespread influence by the many.

It seeks, in short, to enlarge democracy, and I urge its prompt enactment.

With all due modesty, I wish to say that that statement is the best speech I have ever delivered in my 20 years of public service for reasons I will explain.

(At this point Mr. GRUENING assumed the chair.)

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. JAVITS. Mr. President, in the first place, I have enjoyed many of the speeches of the Senator. I wish he had the stentorian voice to go with his eloquent words, but we heard him strongly. It is a good speech. I agree, and I join with him.

When I was practicing law I had a client who said: "There is a right way to do right." That is what the Senator from Delaware [Mr. WILLIAMS] said today. There is a right way to do right. We have a bill before us. Let us put something in it.

Mr. WILLIAMS of Delaware. I thank the Senator. That was a great statement. Without fear of contradiction by any Member of the Senate, I will say that that speech will go down as one of the great speeches delivered in the Senate in support of a cleaner election proposal. Before I shock some people with my lack of modesty I should add that this is not my speech. The statement was compiled from remarks made by President Lyndon B. Johnson in support of this amendment. I was only reading his comments in support of this proposal. Knowing his tremendous ability to get things done in the Congress I shall watch the leadership here this afternoon.

Did the President mean what he said, or do his lieutenants in the Senate have orders to defeat the proposal?

I worked for hours trying to prepare my speech in support of this proposal, but I came up with one so far below the caliber of what the President said about the need for expanding these contributions that I thought, after all, I would be humble enough to quote the President. I give him full credit; those are his remarks. I wish to give him credit for them, and I am going to try to enact this proposal he is now asking for and one which I have been advocating for years. I am sure, with his proposal already having been introduced with approximately 11 cosigners in the Senate on the other side of the aisle, I can expect a strong vote this afternoon.

Surely they will vote for their own proposal.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. JAVITS. The Senator from Delaware [Mr. WILLIAMS] may not have a stentorian voice, but he has a stentorian sense of humor. I think it is great.

Mr. WILLIAMS of Delaware. I thank the Senator from New York.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MORTON. Mr. President, I commend the Senator from Delaware [Mr. WILLIAMS] not only for advocating this amendment, but also for his resourcefulness in presenting these very cogent arguments of the President to the Senate.

I wish to ask a few questions. As I understand the amendment, it gives certain tax inducements to those who would modestly support a political party or candidate, and that there is a $100 limitation.

Mr. WILLIAMS of Delaware. The Senator is correct. Any part of $100 which any individual makes to the political party, candidate, or committee of his choice can be used as a deduction. With respect to those who use the standard deduction form, the deduction would be in addition to the standard deduction. This is to make sure that those in lower incomes would get assistance. The purpose is to offer some tax incentive to the masses of people. I repeat this suggestion of the President in that connection; it was most constructive.

That is why I embrace it so enthusiastically.

Mr. MORTON. Those who do not use the standard deduction, treat this first $100 or any part thereof of a political contribution as they would a charitable one.

Mr. WILLIAMS of Delaware. Those who itemize it would use it in the same manner in which they use any other deduction that they are itemizing—that is, up to the $100. I should say that this has to be contributions to the parties as defined in the Corrupt Practices Act.

Mr. MORTON. The funds have to be given to a bona fide candidate, a bona fide party as defined, or a bona fide committee which reports, and cannot, therefore, be collected by a shop steward, or someone like that, but must be a direct contribution to a political organization or candidate.

Mr. WILLIAMS of Delaware. That is correct. The sole purpose in putting it that way was to encourage the individual American citizen to take a direct part in his government and, therefore, the contributions would be allowed only if they are made direct to these political committees by an individual.

Otherwise, management could say, "We will form a political committee and collect $100 each from top management and turn it over to a political committee so that we will get a lot of credit." This amendment is designed to make sure that the man making the contribution gets the credit. The individual who makes this contribution should get the credit for it.

In addition, the contribution is a deductible item only as it is made to those committees who are in complete compliance with Federal and State laws. That is also provided.

Mr. MORTON. The Senator pointed out in his remarks that this body had on one occasion adopted a similar provision and that it was later lost in conference.

Mr. WILLIAMS of Delaware. That is correct. That earlier proposal was sponsored, as I pointed out earlier, by the Senator from Kentucky [Mr. MORTON] and the Senator from Washington [Mr. MAGNUSON]. It was lost in conference. I offered the same proposal in October of last year. It was introduced again in February as an amendment to the President's tax bill, which our committee was considering along with the other amendment which would correct abuses in advertising. Both those amendments were before our committee, and hearings were held. I agreed with the Secretary to withhold offering the second amendment only upon his request that we wait until the President had had an opportunity to submit his recommendation, with the understanding then that it would be offered at the first convenient opportunity after the President acted. Approximately one-fourth of the hearings on Monday of this week were devoted to this amendment.

Let us face it; the only decision before the Senate is—are we, or are we not in favor of it?

Mr. MORTON. I thank the Senator. Let me make one observation. The reason this was offered by the Senator from Washington and myself was that we happen to hold similar extracurricular positions in our respective parties. We are the chairmen of the campaign committees. Therefore, we are closely associated with and know the problem to which the Senator from Delaware has so eloquently referred; namely, the problem of raising adequate funds.

It is not a question of lining anyone's pockets. The truth is—and everyone knows it—that the cost of putting on an effective political campaign has skyrocketed. Not only have the costs gone up because of inflation, along with other costs, but the introduction of the relatively new medium of television, which is a costly medium but a most effective one, has also made the problem more difficult.

As the Senator has so clearly pointed out, in representative government we need participation by the people—and that means intelligent participation. To get that, we must have an informed electorate.

If I am running for the U.S. Senate, or someone is running for Congress, governor, mayor—whatever it may be—he has to get his ideas, his beliefs, and his philosophy across to the people. He has to point out the issues as he sees them and understands them, and present his ideas on how that is going to be done. Otherwise, the electorate cannot make the intelligent choice necessary to see that representative government meets the challenges of this troubled world.

Recently, an election was held in the Soviet Union. As usual, approximately 99.5 percent of the people voted. Of course, there were threats of recrimination if everyone did not vote. They had no choice. They just dropped the ballot in the box. If they did not wish to vote for someone, they could not vote for anyone else but they could scratch a name off the ballot. Mighty few people did; I can tell the Senate that.

In this country, we are lucky if we get 62 percent of the people eligible to vote in an election.

Therefore, if we could encourage a modest contribution from the voters, we know that that man and his family will most certainly vote at the next election because they have an investment in it. There is an old axiom in politics, "If you get small contributions, you do not have to go out and haul those people to the election booth, you know they are going to come in and vote." If a voter has a $5 investment in a candidate, he will get to the voting booth and vote for him.

I therefore believe that the Senator's amendment not only is very necessary in view of the rising costs of political campaigns but it will also encourage much broader participation in our democratic system.

Finally, let me say that I believe it is essential, because large gifts do not come in as frequently as they used to, because of taxes and other reasons. I do not believe that they should be there, anyway. The money has got to come in from some source, and if we can develop it in this way, it will make for a much healthier society and will give real vitality—greater vitality—to our democratic system.

I commend the Senator from Delaware, and trust that our colleagues on the other side of the aisle who have been with us in the past on this subject will support the President. This is an appropriate vehicle to which to attach the amendment.

I understand that suggestions were made to pick one of the four other bills and attach this amendment to it, but that the Treasury opposes every one of those four bills.

Mr. WILLIAMS of Delaware. There are four other bills in committee, and it was suggested that this amendment be added onto one of those bills, but the Treasury is opposing all of them. This would not be fair to the President should he wish to veto one of those bills.

That would be a hypocritical way for Congress to act. This amendment should be attached to a bill which the President is for. He is going to sign the extension of the debt ceiling. I am not trying to cripple this bill. I am going to vote for it. I am attaching it to a bill for which I shall vote, and I am offering the amendment which the President has expressed himself as being for. I quote the President:

> This legislation seeks fair restriction on the exercise of mighty influence by the rich.

There is only one way to accomplish that objective, and that is to make some tax incentive available. I do not know of any better way to do it than to vote here today. If we can get the masses of the people to take a financial part in the processes of government it will strengthen our political system. I believe in a good, strong, two-party system. However, it does cost money to run campaigns. That money will be raised, and it is far better to raise it so that when a man is elected as a Member of Congress, or a Governor of a State, he will owe his election to the masses of the people, the small contributors. That is better than owing it to a few large contributors.

As I said, I believe that the President in his numerous remarks outlined that far better than I could, and this was the reason I assembled his comments and used his speech here today. I was sure it would have more influence than one of mine. Surely, this would be the most constructive step to take. As I pointed out earlier, the reason we pulled this one section out of the President's proposal is that this is the only part of his proposal that comes under the jurisdiction of our committee. It is the one section which under the Constitution the Senate Rules Committee could not act upon even if it wished to do so. Neither could the Senate Finance Committee nor the Senate enact a tax proposal attached to a Senate bill; therefore, the only way the Senate can vote on it is to offer it as a rider on this House bill——

Mr. MORTON. On a House-passed bill?

Mr. WILLIAMS of Delaware. Yes, on a House-passed bill. That is the only way we can do it. I also mentioned earlier that significantly the bill which was introduced in the House to carry out the President's recommendations on May 26 left out title IV. It does not even include this proposal. Perhaps the author of that bill in introducing the President's proposal left it out only because he was aware of the conversations that we had in the Senate Finance Committee, which are of public record, whereby in March I promised to add it to this bill.

I am sure he accepted the suggestion in good faith. I made it in good faith.

Mr. MORTON. I thank the Senator. I wish him well.

Mr. CURTIS and Mr. ALLOTT addressed the Chair.

Mr. WILLIAMS of Delaware. I had promised to yield first to the Senator from Nebraska. Then I shall be glad to yield to the Senator from Colorado.

Mr. CURTIS. Mr. President, I am wholeheartedly for the amendment. I have served for some time on the Subcommittee on Privileges and Elections of the Committee on Rules and Administration. Over the years we have taken a great deal of testimony concerning the financing of political campaigns and concerning abuses and problems connected therewith.

The pending proposal is very much in the public interest, and it is one of the finest things Congress can do. It will encourage political contributions by people of small and modest means.

I think it is a mistake to have a tax code that permits a tax deduction for a long list of worthwhile organizations—some of them may even deal with animals—and which does not operate to the taxpayer's advantage in making a contribution to the cause of good government.

It is through competition, it is through the process of people having a right to choose, that good government comes about. The nominating and election processes are financed entirely through private funds. So a tax incentive contributes to such a process.

An argument could be made for making this tax incentive a credit instead of a deduction. There are several reasons why that should not be done. In the first place, there are many of us who would hesitate providing a tax benefit that would have a greater effect than a contribution made to a church of our choice or some worthy charitable organization which operates without overhead and is dedicated to relieving human suffering, all of which contributions are treated as tax deductions. Congress would make a great mistake, for instance, in providing a tax credit instead of a deduction in the field of political contributions, because it would be unfair to other good causes, and it would create problems with respect to future legislation.

Also, so many requests are made for tax credits that, if we followed that course as many times as has been suggested, soon there would be no revenues. In the case of a tax credit, an individual owes a certain amount of taxes. The tax credit is then subtracted from that amount. In other words, it is the same as if he sends a check in for taxes and the Government then sends back a check. It is not a tax incentive; it is a system whereby the Federal Treasury pays it off.

I know the Senator has already stated it for the RECORD, but I would like to have the Senator state again, so it will be clear, as to how a contribution would be treated as a deduction in the case of a taxpayer using a standard tax form and a standard deduction.

Mr. WILLIAMS of Delaware. The President's proposal would allow this deduction in addition to the standard deduction. That is done to make sure that every individual, including those who use the short forms, get the credit, because after all the large numbers that we want to participate are as important as the amount of money involved.

Mr. CURTIS. As a matter of fact, that gears it to people of modest incomes. Is that correct?

Mr. WILLIAMS of Delaware. That is correct.

Mr. CURTIS. Because taxpayers with larger incomes use the long form in order to set out their deductions and expenses as well as all income.

Mr. WILLIAMS of Delaware. And they probably would make contributions ranging from $500 on up, but they would get a deduction of only $100. That is the maximum.

Mr. CURTIS. Is it not also true that a few weeks ago we amended the law to give a dollar maximum standard deduction?

Mr. WILLIAMS of Delaware. That is correct.

Mr. CURTIS. So that is an additional break for people with low incomes. I am glad for them. I am glad they received it.

The pending amendment is drawn to do justice to people of all income levels, and certainly to protect the individual of modest income who wants to participate politically.

I hope the Senator's amendment prevails.

I would deem it a privilege if he would see fit to ask consent that my name be added as a cosponsor of the amendment.

Mr. WILLIAMS of Delaware. I would be honored to have the Senator's name added as a cosponsor.

Mr. President, I ask unanimous consent that the name of the Senator from Nebraska be added as a cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. I thank the Senator.

Mr. WILLIAMS of Delaware. Mr. President, this amendment seeks to promote the expansion of widespread influence by the many. It seeks, in short, to enlarge democracy.

Those are the words of President Johnson used in support of the proposal.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware I yield to the Senator from Colorado.

Mr. ALLOTT. I was somewhat entranced by the beautiful language of the Senator a few moments ago. I thought he expressed himself extremely well. It sounded strange, because it did not sound like his usual words. Then I understood why when he explained that he had quoted from the President's remarks on this subject.

I think one thing should be made clear. The ordinary person is apt to confuse the difference between a credit against a tax and a deduction against a tax, as the Senator from Nebraska pointed out. In other words, under the amendment of the Senator from Delaware, which I support heartily, as I supported the former amendment of the Senator from Kentucky, if a person gives up to $100, he can treat the portion that he gives to a political party as a deduction, and on his income tax it would have the same effect as adding a dependent or a contribution to a church or a charitable organization would have.

Mr. WILLIAMS of Delaware. That is correct.

Mr. ALLOTT. But it would not be a credit against the tax.

Mr. WILLIAMS of Delaware. That is correct. As I pointed out, in committee I introduced a proposal that would allow 70 percent of the first $25 as a tax credit, but the Treasury Department made some valid arguments against that proposal, with which I concurred.

In the first place, the administrative problems would be far out of proportion to the benefits to be derived therefrom, and therefore, the Treasury Department objected.

As the Senator from Nebraska pointed out, it would also put such contributions in a different category from those made to charitable organizations.

In order to overcome that situation, and to achieve the same objective that we were seeking—namely, to make certain that the man with the lower income who uses a standard form would get some credit—the administration proposed that it be used as a deduction in addition to the standard form. That is an excellent suggestion, and that is what is embraced in this proposal. By so doing everybody receives a credit for his contributions.

Mr. ALLOTT. Along the same lines, if I may pursue this point a moment further, just so the record will be clear, if a person who had more means desired to give to his party or to his political candidate any amount up to $5,000, which is the amount of limitation of the Corrupt Practices Act, he could still only use $100 of this as a deduction on his income tax.

Mr. WILLIAMS of Delaware. That is correct.

Mr. ALLOTT. Another thought has occurred to me. On page 4 of the amendment, subsection (i) reads:

> *Political contributions.*—An estate or trust shall not be allowed the deduction for political contributions provided by section 218.

I understand what an estate is and what a trust is. I desire to pursue this question. For some reason, the Senator from Delaware has not included such offshoot, far-off semipolitical organizations, for example, as the Council for a Livable World, and organizations of this kind.

Is it contemplated that whether or not such organizations have an exemption from the IRS, they would be able to receive a deduction because they are not placed within the exemptions of subsection (i)?

Mr. WILLIAMS of Delaware. No. After all, the purpose of the proposed legislation is to encourage contributions from a large number of individual citizens. Of course, a contribution from an estate would be money, but there could not be participation because the man has died. Trusts are mostly corporate.

On page 2, at line 19, is defined the type of committee which would be eligible for such contributions. That section confines the tax allowance for contributions solely to individuals as intended by the President and by myself and the other sponsors of the amendment.

Mr. ALLOTT. Political committees and anything else?

Mr. WILLIAMS of Delaware. But they must be defined as under the Corrupt Practices Act. In other words, Joe Doe could not start a political committee on the side for the reelection of John Smith and say, "I am accepting political contributions." It would have to be a bona fide committee of a poltical party which had presidential candidates in the preceding election. The purpose of this provision is to make sure a bill is not passed which would leave a loophole for a fly-by-night operator.

Mr. ALLOTT. I believe the Senator from Delaware has pursued a wise course in limiting his amendment to a deduction, and not by way of a tax credit.

I support the amendment, and I hope the Senate will have an opportunity to vote upon the amendment on its merits. I am certain the Senator from Delaware will ask for a roll call vote, if he has not already done so, and I shall support him in that motion.

Mr. WILLIAMS of Delaware. A yea-and-nay vote will be had, and the Senate will vote on the merits of the proposal.

I have heard a rumor that the leadership may attempt to table the amendment. I hope that is just a rumor; however, it would still be a vote on its merits.

If I were against the amendment I would vote to table it, but if I were in favor of it I would not table the amendment. This amendment should be adopted.

As was pointed out earlier, the reason this one section was selected from the President's proposal here today is that under the Constitution top measures do not come under the jurisdiction of the Rules Committee. It can only be voted on, under our constitutional system, as an amendment to a previously passed House revenue measure from the Ways and Means Committee. So this is the most appropriate method to put it on.

Mr. ALLOTT. Even though a motion to table should be offered, if you are in favor of the amendment, you are in favor of it, and you are not going to vote to table it if you are in favor of the amendment. The position of the Senator is clear, is it not?

Mr. WILLIAMS of Delaware. Yes. Never in the Senate has a motion been tabled which the Members of the Senate were in favor of. An amendment is tabled only when it is desired to get rid of it; and I hope such a motion will not be made, or a measure may be tabled when Senators merely want to dodge an issue.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SIMPSON. The Senator from Delaware disturbed me when he said that he anticipates such a motion would be made.

Mr. WILLIAMS of Delaware. I do not know, but I heard the rumor. I hope it is nothing but a rumor. In any event the Senate will be voting on the merits. If a Senator is in favor of it he will vote against any tabling motion.

Mr. SIMPSON. I was not present at the outset of the splendid address of the Senator from Delaware, but did the Senator read the names of the cosponsors of the measure? Are any of the cosponsors on the other side of the Chamber?

Mr. WILLIAMS of Delaware. Yes, indeed. This is not a political proposal; we do not want to deal with this matter politically. It will be a political issue, however, if the majority side of the aisle defeat the measure.

This same proposal was sponsored by the Senator from Washington [Mr. MAGNUSON] and the Senator from Kentucky [Mr. MORTON] 2 years ago. Then the bill was passed by the Senate nearly unanimously. I know I supported it. However, it was not acted upon in the House.

The amendment presently under consideration has been introduced and cosponsored by the Senator from Maryland [Mr. TYDINGS], the Senator from Ohio [Mr. LAUSCHE], the Senator from Utah [Mr. BENNETT], and the Senator from Wyoming [Mr. SIMPSON]. It has bipartisan support. I have attempted to keep the support of this amendment and the cosponsorship on an even basis, because I do not believe this matter is something that should be approached by Senators as Republicans or Democrats.

We should approach it as Americans. After all, the amendment was recommended to Congress by the President of the United States, Mr. Johnson, himself. The only question is—Do we really want to clean up the elections?

Before the Senator entered the Chamber, I made a speech on behalf of the amendment. When I concluded, I said that the RECORD would show that in my 20 years' experience as a Member of the Senate, this was the best speech I had ever delivered. Lest the Senator from Wyoming think that my modesty has run away, I should say again that the statement I read in support of my amendment was taken from remarks by the President, Mr. Johnson. I read to the Senate what he said on various occasions in behalf of the amendment. The question now is—Was he merely talking or does his party back him? I used the President's speeches and gave him credit for it.

The President submitted a wonderful message. Knowing of his arm-twisting powers and the influence he has with the Members of the Senate from his party I am looking forward to a unanimous vote in the Senate today in favor of the amendment. The President's statement is outstanding in support of one of the most constructive proposals that have ever been for cleaner elections. This amendment has had hearings before the Committee on Finance, and on one occasion a similar proposal was approved by the Senate. I am looking forward to a unanimous vote in favor of what should be the least controversial proposal I have ever introduced since I became a Member of the Senate.

Mr. SIMPSON. That is why I concur with the Senator from Delaware and join him as a cosponsor of the amendment. I am happy and proud to be on the side of the President in this worthwhile undertaking. I am seldom on his side, but I try to be on it when I believe he is right; and in this instance I believe he is unequivocally right.

The Senator from Delaware is making a distinct contribution to the morality of our Government. He has been making that kind of contribution so long as it has been my pleasure to serve in the Senate. I am hopeful that Senators on the other side of the aisle will join us and will adopt the amendment unanimously.

Mr. WILLIAMS of Delaware. I thank the Senator from Wyoming. We all support the President when he is right.

In February, I introduced two proposals. One of them dealt with a tax incentive for small contributions. The second dealt with the closing of a loophole in our laws which as a result of rather liberal Treasury rulings, allowed defense contractors and large corporations to make political contributions under the flimsy guise that they were for advertising. I said at that time that such an activity was nothing more than a shakedown of American industry and should be stopped. The Treasury supported that amendment, but asked that I withhold my second proposal until the President could make his own recommendation. I agreed to do so and stated in the RECORD at that time that it would be offered later, at the first convenient opportunity after the President had made his statement.

The President has made his recommendations. I really think that the proposal of the President is superior to my first proposal. The President did find that, by allowing this extra deduction to those using the standard deduction form it is superior to the tax incentive proposal.

I offer this amendment because it is the only way in which Congress can act on the matter. I recognize that the Senator from Pennsylvania and a number of cosponsors have introduced the same proposal as a part of S. 3435. That proposal has been referred to the Committee on Rules and Administration. However, as I pointed out earlier, under the Constitution the Committee on Rules and Administration and the U.S. Senate itself, even with the consent of the Committee on Finance, cannot include title IV, which is this amendment, as a part of a Senate bill. It can only be offered as an amendment to a House-passed bill.

Mr. SIMPSON. Would this obviate the necessity of passing their bill?

Mr. WILLIAMS of Delaware. Not at all. There are other parts of the administration's bill that deserve and should have consideration. Many meritorious suggestions are contained in their proposal that deserve consideration. Some need careful study; however, the rest come under the jurisdiction of the Committee on Rules and Administration. The bill should be considered promptly.

What my amendment proposes, however, could not be acted upon separately or as part of a Senate bill even if the Senate wished to do so. The Senate cannot originate tax revenue bills. Tax revenue bills can only be initiated in the House of Representatives. However, if the proposal is attached to a House bill or is first enacted by the House, the Senate can act upon the measure.

The sponsors of the House measure in introducing the President's proposal significantly deleted title IV from the bill.

The House bill contained all of the President's suggestions with the exception of the tax incentive.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. SIMPSON. Mr. President, I reserve my right to continue with the debate later.

Mr. WILLIAMS of Delaware. Mr. President, I yield to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, I support the amendment of the Senator from Delaware. I regret very much that I have a very important engagement out of town. I shall, therefore, be unable to be present to vote for the amendment of the Senator. However, I shall seek to arrange a pair so that I may be recorded as being in favor of the amendment of the Senator.

The Senator has made a very clear exposition of the need for his amendment.

Mr. WILLIAMS of Delaware. I thank the Senator. I am sure that the Senator, as a member of the Committee on Rules and Administration, would concur in my statement. The Senator is a cosponsor of S. 3435 which embraces the President's recommendations in their entirety, including title IV, which is the pending amendment.

I am sure the Senator will agree with me that the Committee on Rules and Administration could not, under the Constitution, act on title IV even if it unanimously approved of it.

Mr. SCOTT. The Senator is correct.

Mr. WILLIAMS of Delaware. Nor could we attach the proposal to a Senate bill under the Constitution. Today is the opportunity for the Senate to vote on the measure.

Mr. SCOTT. I thank the Senator.

Mr. SIMPSON. Mr. President, I thank the Senator from Delaware for his very lucid description of the amendment.

I am sure, if people knew what the Senator from Delaware was talking about, there would be many Senators present on the other side of the aisle to support the amendment of the Senator.

The Senator from Delaware has made another fine contribution to the morality of the Government, and the American people are indebted to him.

Mr. WILLIAMS of Delaware. I appreciate the statement of the Senator.

I want to express my appreciation to the President for the cooperation I have received during the preceding weeks and to the Treasury Department for their assistance in working out an acceptable formula.

The cooperation that I have received has been most helpful.

I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, does the language of the bill as prepared by the Senator from Delaware apply to corporations, or only to individuals?

Mr. WILLIAMS of Delaware. Only to individuals. Corporations are not permitted under the law to make any contributions. The President in his proposal did recommend an amendment to the Corrupt Practices Act, which amendment would more particularly deal with defense contractors.

The question might be asked: "Why did you not include a reference to that in your amendment because that is a meritorious suggestion?"

That matter does not come under the jurisdiction of the Committee on Finance. It is an amendment to the Corrupt Practices Act and would come under the jurisdiction of the Rules Committee now considering the bill. That is the reason the proposal was eliminated. It was not because I do not recognize a need for study of the matter.

Mr. LAUSCHE. Does the bill as written grant to each citizen who makes a contribution to a duly organized and constituted political party, or to a political candidate, the right to deduct not more than $100, reflecting that contribution, for income tax purposes?

Mr. WILLIAMS of Delaware. The Senator is correct. If the individual itemizes his deduction, an allowance up to $100 would be included. For example, if the individual contributed $1,000 he could only claim $100; however, if the individual were to use the standard deduction his contribution would be a deduction in addition to the standard deduction.

Mr. LAUSCHE. The $100 which he is allowed to deduct from his income for income tax purposes might be given to one political party or to two political parties, or it might also include political candidates, but the aggregate amount cannot exceed $100.

Mr. WILLIAMS of Delaware. The Senator is correct. The aggregate amount cannot exceed more than $100. Conceivably, if a man wished, he could contribute $50 to the Democratic Party and $50 to the Republican Party and take a deduction of $100. He could make a contribution to the party of his choice, to a political committee, or to a candidate, as those terms are defined.

Mr. LAUSCHE. Could he give any part of the $100 to the Communist Party or to any other party that is organized to overthrow the Government of the United States or to otherwise act subversively?

Mr. WILLIAMS of Delaware. He could not.

Mr. LAUSCHE. How does the Senator from Delaware protect against allowing that person to claim a deductible item?

Mr. WILLIAMS of Delaware. That is protected by the language on page 2, beginning with line 19, down through line 5 on page 3, which restricts the making of contributions to National, State, or local committees of a political party which had a candidate for the Presidency at the last election of presidential electors. That would avoid exactly what the Senator has mentioned, and that is the reason for the language.

I might say that that change is just a slight modification from the President's first suggested lanuage; but, on the other hand, when this was called to the attention of the Treasury Department they concurred that the intent was not changed.

This is only to make sure that we are not opening a loophole for some fly-by-night or for a communistic committee. It is designed to encourage participation by the masses of the people in their government under our two-party system, or, if we had a bona fide third party, a three-party system. But, on the other hand, it would definitely preclude the possibility the Senator has mentioned.

Mr. LAUSCHE. The Senator has made the statement that the bill which was heretofore introduced in the Senate, and has been sent to the Rules Committee, possesses weaknesses which make it impossible for the Rules Committee to act upon this tax feature which we have been discussing.

Will the Senator elaborate on that phase of the argument?

Mr. WILLIAMS of Delaware. I do not think "weakness" is the word. What I said, or what I meant to say, was this: the bill, S. 3435, before the Rules Committee is a Senate bill; the sponsors, led by the Senator from Pennsylvania [Mr. CLARK], included all of the President's proposals, including title IV, which is this amendment now before us.

But what I pointed out was that under our Constitution, no Senate committee, nor the Senate of the United States itself, can initiate any revenue-producing measure or any amendment to the Revenue Code. So even if the Senate Rules Committee decided to report this bill, S. 3435, unchanged, even if they were unanimously in favor of this provision, under our Constitution they would have to delete that title from their bill for when it came to the Senate it would not be in order. That is because the Senate cannot originate revenue-producing measures. We would have to wait until some bill had been acted on first by the House, and then we could attach it as an amendment, which is what we are seeking to do here now.

Mr. LAUSCHE. That is, the bill heretofore introduced, containing sections which deals with taxation, cannot be originated in the Senate, but must be originated in the House, under the Constitution of the United States?

Mr. WILLIAMS of Delaware. That is correct; and the only way the Senate can act on one of those is to offer it as an amendment to a revenue-producing measure which has been passed by the House.

In this instance, I am offering it as an amendment to H.R. 15202, which is a measure that has come from the House, and was handled by the Committee on Ways and Means.

Mr. LAUSCHE. On that point, what is the measure that came from the House, properly initiated there, and dealing with taxation, to which the Senator from Delaware has offered his amendment?

Mr. WILLIAMS of Delaware. The bill before us is the one which proposes to increase the debt ceiling; and under our Constitution that, too, must originate in the House.

It came from the House Ways and Means Committee, which is the committee that handles all revenue legislation. The bill was referred to the Senate Finance Committee, which is, again, the committee which handles such legislation in the Senate. Our committee has considered this amendment on two occasions.

Mr. LAUSCHE. All right.

Mr. WILLIAMS of Delaware. Now, if it were offered as an amendment to some other type of House bill, for example, one which amended the Corrupt Practices Act, then, when it goes back to the House, we would have a dual House authority represented on the conference committee. There would be a dual responsibility.

So the matter is being handled today in the most responsible manner and the way in which tax revenue matters should be handled; namely, on bills originating in the House and handled by the House Ways and Means Committee and the Senate Finance Committee.

Mr. LAUSCHE. If the bill that has gone to the Rules Committee is reported back to the Senate in its present form, dealing in part with tax measures, would that bill be challengeable parliamentarily insofar as the tax measure on political contributions is concerned?

Mr. WILLIAMS of Delaware. I understand that constitutionally we cannot do it, that we cannot initiate a revenue-producing measure on this side.

I might say that the other four sections of S. 3435 which embrace the President's proposal very properly come under the jurisdiction of the Rules Committee, as they do not affect the Revenue Code.

We are following the procedure here today which is outlined under our Constitution and under the rules of both the House and the Senate.

Mr. LAUSCHE. It has been argued to me that I should abandon my sponsorship of the pending bill with the Senator from Delaware, the Senator from Wyoming, and the Senator from Utah, because the bill introduced some time ago is now in the Rules Committee, and that it will be able to take care of what the Senator from Delaware and others are proposing to take care of.

What is the Senator's answer to that argument?

Mr. WILLIAMS of Delaware. The Senate Rules Committee cannot possibly take care of this proposal, and I do not think there is a member of the Committee on Rules and Administration who will argue that it can. Several, in fact, have already said that they have no jurisdiction. The Senate Rules Committee cannot seek to amend the Revenue Code under our constitutional process.

They can act on the other proposals. Conceivably, they could wait until the House had acted on the President's recommendations which were introduced in the House, and we could offer my proposal as an amendment on this side, but then when we went back to the House we would have split jurisdiction, with the Rules Committee having to appoint conferees to deal with four titles of the bill, and with the Ways and Means Committee furnishing the conferees for one title of the bill. If we want to bog a matter down with no action whatsoever that is a sure way to do it.

But I will say this: If the Senate really wishes to do something in this direction let us agree to the amendment. If all the Senate and the administration wish to do is talk about it then let us defeat it and admit they are just making speeches and do not mean what they say.

Mr. LAUSCHE. This further question: The bill that went to the Rules Committee, contains language dealing with five subjects?

Mr. WILLIAMS of Delaware. There are five sections to that bill; the Senator is correct.

Mr. LAUSCHE. Yes. Four of them fall properly within the jurisdiction of the Rules Committee; the fifth does not, because of a constitutional prohibition.

Now, my question is, does the one matter with which the Senator from Delaware, the Senator from Wyoming, the Senator from Utah, and the Senator from Ohio are attempting to deal at this time fall properly within the purview of the bill to which the amendment has been offered?

Mr. WILLIAMS of Delaware. Unquestionably. There is no question about that.

Mr. LAUSCHE. Is the proposal made by the Senator from Delaware in accord with the recommendation made by the President of the United States?

Mr. WILLIAMS of Delaware. That is correct.

Mr. LAUSCHE. Except for the four titles that deal with subjects that cannot be taken up on a tax bill, is that correct?

Mr. WILLIAMS of Delaware. That is correct; and I pointed out earlier that I did not want the fact that I had taken up only this one section to be interpreted as an indication on my part that I did not think there was merit to the other four titles or that they should not be considered. I think they should.

The point is that they would not be under the jurisdiction of the Committee on Finance. I think the only thing to do is to keep each section in the area where it belongs.

I am amending a revenue-producing measure.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. Is there any opposition?

Mr. WILLIAMS of Delaware. So far I have not heard any opposition being expressed here today. Recognizing that the amendment is so strongly and so eloquently endorsed by the President, I cannot conceive of any opposition unless there are those who just do not endorse the principle of any tax incentive for small political contributions.

Mr. CURTIS. Has any outside group expressed opposition?

Mr. WILLIAMS of Delaware. Not in testimony to the committee. However, the AFL–CIO in a letter to the chairman has advised that they are opposing the recommendation of the President. Again, as one Member of the Senate I am not looking at the AFL–CIO to tell me how to vote. They rejected a chance to testify before the committee.

Mr. CURTIS. In other words, President Johnson is on one side in favor of the amendment and the AFL–CIO is on the other side opposing it?

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. CURTIS. Does the Senator have anything in writing to that effect, or has there been anything in writing to that effect?

Mr. WILLIAMS of Delaware. The AFL–CIO sent a letter to the committee. I will read the first paragraph:

> We would like to make absolutely clear our position in opposition to the $100 tax deduction feature of the President's proposal on campaign financing.

This letter is signed by Andrew Biemiller, director of the Department of Legislation, AFL–CIO, and it is dated June 14, 1966.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Mr. Biemiller.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL
ORGANIZATIONS,
Washington, D.C., June 14, 1966.

Hon. RUSSELL B. LONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LONG: We would like to make absolutely clear our position in opposition to the $100 tax deduction feature of the President's proposal on campaign financing.

We had planned to testify on the measure itself when it came before the Finance Committee in proper order, but since Senator WILLIAMS brought the matter up on June 13 during the hearing on H.R. 15202 on the debt limit, we wish to take this means of making our position known to the members of the committee.

We are for a tax credit of $10 or less for each individual, and not for a deduction. Further, we support the position in the President's message of allowing this credit for contributions either to an individual candidate for public office or to any political committee. In this regard, we also differ with Senator WILLIAMS position as expressed in the hearing record of June 13.

But the position which you expressed, that you were sure that the AFL–CIO would oppose a $100 tax deduction, is absolutely correct. We do and we will whenever and however the matter comes up.

Needless to say, we would appreciate the opportunity to testify on our position somewhat more fully in a more leisurely and considered discussion of this whole complicated subject of campaign financing or in particular reference to the tax aspects of such contributions.

Sincerely yours,
ANDREW J. BIEMILLER,
Director, Department of Legislation.

Mr. WILLIAMS of Delaware. I respect their right to oppose, and I suggested on Monday that if they wished to testify they do so. There was no testimony given in opposition to the proposal.

Besides, can the Senate not approve an amendment without the endorsement of the AFL–CIO? Who is running this administration?

I repeat again—hearings were held on this proposal on at least two occasions by the Senate Finance Committee, and no one asked to come in and oppose the amendment.

Mr. President, I am willing to yield the floor. If there is a sufficient number of Senators present I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). There is not a sufficient number of Senators present.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum so that I may ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCARTHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. GORE. Mr. President, by what process of reasoning could one conclude that more money in campaign funds makes for cleaner elections? The root of corruption in politics is money and the love of power. The means by which the public will is frustrated is money. The means by which elections are manipulated, and contrived, and distorted, is money and power. Money begets power; power begets money. They feed upon themselves.

I make these general observations to suggest that what the distinguished senior Senator from Delaware [Mr. WILLIAMS] has proposed is but a part of the problem of securing cleaner elections. Standing alone, it would make for more corruption, for more uncleanness, for more undemocratic results.

The amendment proposes no regulation of expenditures, no requirement for reporting, no inhibitions against unconscionable slush funds. The amendment throws no safeguards around the interstate movement of political money.

By what right do the corporate interests centered in the East, thwart the will of the electorate in a remote congressional district or in a small State? It is the privilege of citizens residing within a State and within that congressional district to select their own representation.

How would it make for cleaner elections, how would an accurate and fair expression of public will be facilitated by a provision which would permit the wealthy to deduct from their tax payments campaign money for the election of people of their choice, not necessarily the people's choice?

Mr. President, this amendment undertakes to deal in part with one of the great challenges of our society, but only in part, and dangerously in part.

Were a candidate for the British Parliament to undertake to spend the unconscionable sums that are lavished on political appeals in our country, I daresay he would not be permitted to take his seat.

Money threatens to destroy our democratic processes and yet, here, without a hearing, without committee consideration, it is proposed, not to regulate the use of money in elections, not to inhibit its corrupt influences, not to bring its use to public attention, not to limit its influence, not to regulate its movement and source, but to create bigger slush funds, partly out of the Treasury of the United States.

It makes no difference to me whether this is proposed by the Senator from Delaware [Mr. WILLIAMS] or the President. This is inadequate treatment. True, we need to undertake to deal with this problem, but not in this piecemeal way, for to do only this would make the problem worse instead of better.

I think the problem is of sufficient gravity that it deserves and requires careful consideration by a committee of the Congress.

A few years ago when I was the chairman of the Subcommittee of Elections, that subcommittee undertook a careful study of campaign contributions and expenditures. The power of subpena was used, sometimes with criticism heaped upon me. But we cataloged $33 million, who gave it, who received it, and what was done with it. It constituted the largest committee report yet printed by Congress.

I worked for many weeks on this problem. Therefore, I feel that I know something of it. I should like to make a contribution toward the remedying of this evil which gnaws at the heart of honest democracy, but I submit, Mr. President, that such a contribution cannot be made, in my opinion, by a vote for this amendment and this amendment alone. I hope that its consideration will be deferred until campaign contributions, their sources, and their encouragement can be considered along with limitations, regulations, and safeguards to protect the great American heritage of a free franchise.

Therefore, I suggest that the proper disposition of the pending amendment is its deferment until adequate consideration can be given to it.

Mr. McCARTHY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Minnesota.

Mr. McCARTHY. I want to support the position taken by the Senator from Tennessee. This proposal should be considered in the whole complex of the proposal concerned with improving the method by which campaigns are financed, but also the way in which campaign expenditures and other political expenditures are reported and controlled. Of all the proposals that have been made, I think this one really has the least merit in terms of potential for raising campaign money, and, also, because of the basic inequity in the proposal itself.

As the Senator has pointed out, it means that people in the top income brackets would be permitted to deduct approximately $70 out of $100 in the way of political contributions whereas people in the lower income brackets would not be permitted to deduct anything—or at least only 14 percent if they were paying taxes, but below that, nothing.

In my State of Minnesota, we have had experience with deductions from the State income tax, in which the potential is for as much as 12 percent of $100. The maximum allowed to an individual is a $100 deduction. There is no indication at all that this has been an effective way in which to raise money for political purposes.

I think that certainly, before we act upon this, the committees which have responsibility should be permitted to review the proposal, along with many other proposals, and that then, if we have to treat this particular proposition as part of the tax bill we should treat it in that way; but it should come in on the basis of the recommendations made after there has been some kind of thorough study and inquiry with reference to the whole problem of campaign finances and political expenditures.

Mr. GORE. I thank the Senator from Minnesota for his generous comments. I suggest to him that if Congress is to undertake to encourage campaign contributions in such a manner as is here proposed, then we surely should consider the advisability of giving to the people in the higher income brackets 70 percent of their campaign contributions to thwart the will of the people of another State.

Look at the report which I filed and it will be seen that a preponderance of campaign money for the entire United States came out of Manhattan.

Why should the people of Minnesota, of Tennessee, Louisiana, or Idaho, or any other State or congressional district, have its electorate corrupted partly out of the Treasury of the United States by people who have no right to vote within that State? That subject is not dealt with at all in the pending amendment. This standing alone, is an invitation for the corporate structure and money interests of the country to further corrupt the electorate.

Mr. CLARK. Will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Pennsylvania.

Mr. CLARK. I was, at first blush, intrigued by the amendment suggested by the Senator from Delaware. The President did me the great honor of asking me to introduce his election reform bill. I was happy to do so, and a number of Senators have cosponsored it.

This provision which the Senator from Delaware is now proposing as an amendment is, in my opinion, a sound proposal, but not an exclusive one. I had thought that one-eighth of a cake is better than none. The President's bill has been referred to the Committee on Rules and Administration, of which I am a member, but I would be less than candid if I did not say that I believe there is very little chance that that bill will either come out of committee in this session or, indeed, will be given the privilege of comprehensive hearings; because a bipartisan majority of that committee is, as I see it is—and I hope I am wrong—unalterably opposed to any significant electoral reform.

My view is that electoral reform is vitally important to maintain the standards, propriety, and behavior of Members of Congress. Therefore I support the President's bill, even though I am confident that it can be substantially improved, and improved in a number of ways which the Senator from Tennessee has suggested.

Let me state that when I first ran for the Senate in 1956, the Senator from Tennessee was the chairman of the Committee on Campaign Expenditures. He did an extraordinarily able and forthright job—in fact, he gave me some rather difficult moments counting my own campaign expenditures.

However, upon further consideration, and after a side-bar colloquy with the able majority whip, the Senator from Louisiana [Mr. LONG], chairman of the Committee on Finance, he has assured me—and I ask him now if I correctly understand what he told me—that he will hold hearings in the Finance Committee on all phases of the fiscal implications of campaign contributions, including the provisions of the amendment suggested by the Senator from Delaware, and on a number of other matters.

To me, it is plain that this complex matter does require comprehensive hearings. The Senator from Louisiana [Mr. LONG] told me that he will hold these hearings reasonably promptly, and that he intends to report the bill before this session is over. He has been kind enough to say that I might have the privilege of appearing before his committee as the sponsor of President Johnson's bill. Of course, I take this commitment in good faith and, therefore, I shall vote against the pending amendment.

Mr. AIKEN. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. I am wondering why the Senator from Tennessee is inclined to put all the blame for election influences on the part of out-of-State contributors.

Does not the candidate owe it to the people of his State to protect them from outside influences?

Why should not a candidate refuse all contributions from outside the State, thereby protecting the people of his own State from being misled by out-of-State influences?

In my State, I have found it to be very much to my advantage to return all contributions from out-of-State persons.

Mr. GORE. I congratulate the Senator——

Mr. AIKEN. It seems to me that a candidate has some responsibility to protect the people of his State from being misled by huge, out-of-State influences who may have some motive of their own for sending in money.

Mr. GORE. Mr. President, the able Senator from Vermont, a very stanch and rugged character, I daresay, is almost alone in declining contributions from sources which the candidate and his supporters consider worthy.

I was not addressing my remarks to the culpability of the candidates. I was directing my remarks to the invitation which the pending amendment would give to attempts on the part of out-of-State sources, and others, to undertake usurpation of the public will, the popular will, by financial means.

I would suggest to the Senator that there is nothing in the law that requires a candidate to know about contributions that are made in his behalf or the use of them. This is another part of the problem with which the pending amendment does not undertake to treat.

Indeed, one of the essentials of a clean elections bill, it seems to me, is to fix responsibility upon a candidate for public office. No such responsibility is now fixed. None is proposed by the pending amendment. I only suggest that there are many facets of this great problem with which the pending amendment does not attempt to deal at all. If this step, and this step only, is taken, we make the situation worse rather than better.

Mr. LONG of Louisiana. Mr. President, there are a number of reasons why this amendment should not be agreed to on the pending bill.

I suppose the first and foremost reason is that the Senate Finance Committee, on which I have the honor to serve as chairman, wants to hold hearings on this measure. We want to study it. We want to give it the benefit of our consideration. We want to give those who want to be heard an opportunity to be heard.

As an example of one group that wants to be heard, even though this group has not been successful in having its views supported at the executive level, is the AFL–CIO. I believe it is entitled to a hearing before the Finance Committee.

In a letter addressed to me, that organization says it is opposed to the $100 deduction proposal. The organization says it is opposed to it on its merits. The organization would prefer a credit of $10, or a similar amount for each dollar contributed, but not a deduction. However, they say that although they favor a tax credit they support that portion of the President's message, which suggests that the tax allowance available be given for contributions made to a candidate for public office, to a political party or to any political committee.

The President sent a message to Congress. The Senator from Delaware says that he is sponsoring the President's proposal. In effect he is saying, I know the President, on reflection, would not want the AFL–CIO to collect the money. So he took that out. So, as I see it, the Senator is not offering the President's proposal. He is offering the Williams proposal, which the President did not propose. The Senator took out the one thing labor is for in the President's recommendation. Perhaps he is right in doing so, but I cannot understand why he insists on saying that he is proposing the legislation recommended by the President.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. I understand the corrected language was agreed to by the Treasury because it was pointed out that the Communist Party could have qualified under the President's proposal. Surely the President did not want that. The Treasury agreed to confine it solely to bona fide political parties.

Mr. LONG of Louisiana. Therefore, did the Treasury or the President agree to it?

Mr. WILLIAMS of Delaware. The Treasury speaks for the President. If the Senator from Louisiana thinks the President wants the Communist Party covered let him say so. I do not think that he does.

Mr. LONG of Louisiana. When the Senator modified the President's proposal, he fixed it so that the Dixiecrat Party would not be eligible to receive deductible contributions. The deductions would have been limited to contributions to parties with candidates in the previous election. Some liberals might think it was fine that the Dixiecrats could not benefit from the amendment, but I think they would get scant pleasure in learning that the Bull Moose Party could not have received benefits from the Senator's proposal. So I think that the matter should be studied.

The Senator from Nebraska [Mr. CURTIS] said he thought we ought to take the Williams' proposal rather than have the tax credit suggested by organized labor, because he said he could not condone contributions to any political institution receiving more favorable treatment than a church contribution.

This proposal does give more favorable treatment to a political contribution than to church contributions. Why do I say that? Because the contribution one makes to a church, if he uses the standard deduction, is not deductible. The standard deduction is a substitute for a deduction for contributions made to churches and for contributions to other charitable organizations as well as for other personal deductions.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. Let me complete my thought. Then I shall yield.

This proposal provides that in addition to the 10-percent standard deduction, the taxpayer, on a special line, could deduct this amount from his gross income. That would place the political contribution in a more favored position than a church contribution. This is another reason why the proposal should be studied.

In addition, other Senators have made suggestions which should be considered. The Senator from Florida [Mr. SMATHERS] suggested a plan with which I am not thoroughly familiar, but is certainly deserving of study. Others have suggested that when small contributions are made, the Federal Government ought to match them, up to a certain amount

The amendment offered is more beneficial to a rich man, who would obtain a $70 reduction for making a $100 contribution, than to a poor man who could receive only $14, or perhaps nothing, for making a contribution which he could hardly afford to make. What kind of sense does this make? This is still another reason why the proposal ought to be studied.

Furthermore, let us see how such a plan would work where organizations are involved. For example if such a proposal became law, we could anticipate that every Senator who voted for medicare would be affected. I hope the Senator from Tennessee [Mr. GORE], who fought so hard for medicare, will listen to what I shall say. It stands to reason that every Senator who voted for medicare could expect that in every city where there is a medical society, the society would pass the hat for his opponent and say, "Give this person a hundred dollars. We are only collecting the money for him. This will help to beat the man who voted for medicare."

On the other hand, what about the old folks who benefit from medicare? Most of them do not pay income tax, for two reasons: First, many of them are poor; second, others receive only tax-exempt benefits under the social security program.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. Yes.

Mr. GORE. I faced such a situation 2 years ago.

Mr. LONG of Louisiana. I should imagine the Senator did.

Mr. GORE. Money poured in from all over the United States against me, for the purpose of thwarting the will of the people of Tennessee. But what we propose here is to give them tax deductions.

Mr. LONG of Louisiana. Yes; tax advantages.

Mr. GORE. If we are going to do this, it must be with safeguards.

Mr. LONG of Louisiana. Mr. President, I have my own plan, which I would like the Finance Committee to consider when the Senate considers this problem. My plan is simply to relate contributions solely to Federal presidential elections. I would not make allowances available in the case of State and local elections. What business is it of the Federal Government how some fellow goes about financing his campaign for county judge, county supervisor, police juror, State legislator, mayor of some small town, or alderman? What business is it of the Federal Government how he goes about financing the campaign? It is not the problem of the Federal Government. The States should take care of it.

Up to now, in all the corrupt-practices laws, the Federal Government, to my knowledge, has declined to regulate city, county, and State elections. However, the bill before us would put the Federal Government in the business of financing local elections with tax deductions. That provision should be omitted. In addition, if I had my way, the Federal Government would not spend any money to finance a candidate for Congress. The expense is burdensome, but Senators and Representatives have managed to meet that burden, despite the fact that contributions were not deductible.

When a Senator lightens his burden by creating a tax advantage for somebody to contribute to his campaign, he is making his burden heavier by guaranteeing himself a well-financed opponent every time he runs. I suggest that Senators give a second thought to whether they really want the Federal Government to spend Federal money to finance their campaigns.

In my opinion, the offices that present an almost insurmountable goal for a man to run and to be elected, because of the enormous expense involved, are the offices of President and Vice President of the United States. My suggestion is contained in the bill that I introduced yesterday. My suggestion is that everybody play a part in contributing to financing of that campaign.

Under my proposal when one voted for the candidates for President, he would in effect be authorizing the Secretary of the Treasury to contribute $1 to pay the expense of that man in running for President, assuming, of course, that the candidate spent that much money. The amount a man would be entitled to receive would be related to the number of votes he received as a candidate for President of the United States.

I hope to avoid the problem of encouraging splinter parties by proposing that Federal money would not be contributed to help someone who did not receive more than 1,500,000 votes.

Furthermore, in an attempt to keep the two major parties on a parity, a candidate who received the most votes would not be reimbursed under my proposal for more than 50 percent of the total amount of votes cast.

The money under my proposal would be provided by appropriations by the Federal Government.

This is the plan I introduced, and the Senator from Wisconsin [Mr. NELSON] was so impressed by it that he asked to be added as a cosponsor the first time he heard about it, and I was flattered.

I do not say that my plan is the one that the Senate should agree to, but I point out that our committee is extremely well qualified to consider this subject.

I leave myself out, although I believe I know a little about the issue, as the chairman of the committee and as the majority whip. One member of the committee is the distinguished Senator from New Mexico [Mr. ANDERSON], who has done much to help his party with some of these difficult problems. Also on the committee is the Senator from Indiana [Mr. HARTKE], who has been chairman of the Democratic Senatorial Campaign Committee, and knows something about the problem in a practical way, as well as a theoretical way. Another member of the committee is the Senator from Florida [Mr. SMATHERS], who has helped to organize our fund-raising dinners, to finance a presidential campaign, as well as having to run for office himself.

Another member of the committee is the Senator from Tennessee [Mr. GORE], who has spent a great deal of time investigating the source of campaign contributions, who contributes them, and other information.

Mr. GORE. And can get less for himself.

Mr. LONG of Louisiana. The Senator has offended a number of important interests in this country, by opposing things they wanted or by supporting something they did not want. He has had a great amount of courage, more than any Senator I can name at this time. He has incurred the wrath of the mighty time and again, and I admire him for it.

Mr. GORE. I thank the Senator. I suggest, in rejoinder, that a few people, at least, love me for the enemies I have made.

Mr. LONG of Louisiana. In addition, Mr. President, another member of the committee is the minority leader of the Senate, the Senator from Illinois [Mr. DIRKSEN], who is beloved by all of us, and who is a solid, practical politician, as well as being an idealistic one. Among the members of the committee are those who are great towers of moral strength in the country.

Another member is the Senator from Delaware [Mr. WILLIAMS]; also, the Senator from Utah [Mr. BENNETT], who is one of the outstanding lay members of any religion in America. I believe he was a top member of the Mormon Church at one time. Also a member is the Senator from Illinois [Mr. DOUGLAS], who has been outstanding in this field. Another member is the Senator from Minnesota [Mr. MCCARTHY], he was selected, and rightly so, as a member of the Ethics Committee, because he had written a number of articles and had made studies of moral standards and matters of that kind.

I do not mean to cast aspersion on anyone I have failed to mention. I have only tried to illustrate that our committee is competent and well qualified to study this matter and to bring its judgment to the Senate.

Mr. President, I do not desire to prevent the Senate from voting on this matter. It is my desire that the Senate should vote on the issue. But I also wish to discharge my responsibility as committee chairman. I plead for the right of my committee, which I believe is the oldest committee in the Senate, to have the right to discharge its duty to the Senate; and that duty is to hear everyone who is interested, to hear what they have to offer.

I invite every Senator who wants to, to come to the hearing, and everyone they wish to recommend, who has something constructive to add. I invite them to come to the hearing and give us their best judgment and tell us what they think of my idea, what they think of Senator WILLIAMS' idea, what they think of Senator SMATHERS' idea, what they think of the President's idea.

I urge every Senator to bring before our committee, and to make available to our committee, every bit of information he believes would be useful and helpful in aiding us to do a good job for the Senate. That is what ought to be done.

I have pointed out a number of defects in the amendment of the Senator from Delaware. I doubt that they were intentional. However, the amendment has a final fatal defect, and that is that the amendment is a revenue amendment, and it is not offered on a revenue bill.

The Senator has said more than once that this could only be done the way he is proposing because you have to offer a revenue amendment on a revenue bill. The Constitution requires that revenue bills originate in the House of Representatives. Mr. President, I am not of the opinion that a bill fixing the limit to which the United States can go into debt is a revenue bill.

I have discussed this matter with several Senators, with the committee staff, with lawyers, and with others who have studied constitutional law.

The Parliamentarian is not permitted to advise the Chair as to a ruling on the matter, and the Chair has no right to rule on the matter. If the question is raised, the Chair is required to submit that question to the Senate. There is a constitutional question involved as to whether this is a revenue bill.

In addition there is no way in which to get the question before us if the House stands fast and refuses to act on a nonrevenue measure to which a revenue amendment is offered in the Senate. Furthermore, a better amendment than this amendment was sent to conference some time ago. That amendment did not try to place a political contribution in a higher category than that of a contribution to a church.

That amendment provided that an individual could deduct $100 for political contributions as an itemized deduction. I believe that the amendment was offered by the Senator from Nebraska [Mr. CURTIS]. The House conferees would not go into the matter. We made an earnest effort to try to get the House conferees to agree to the amendment.

The amendment was to the Revenue Act of 1964, as I recall, so that it was clearly a revenue measure. It was a revenue amendment attached to a revenue bill. However, the House conferees declined to consider it. They said it represented a big issue. They felt that they had not had a chance to look into the matter and they were not going to take the amendment to the House.

The House can be expected to take the same view in the event the Senate tries to add this measure to the bill.

I am not going to make the point of order at this time, Mr. President, and the reason that I shall not is that I believe the Senate will show the committee the courtesy of letting the committee study the matter, consider it, and report on it. I can only speak for one member of the committee, but as chairman, insofar as I have authority to do so, the committee will report a measure on the floor that represents the best judgment of the Committee on Finance on this matter.

If we, by any chance, should fail to do so, I shall not oppose on any technical basis an effort to add such an amendment to a revenue bill.

We have done rather well with the bills before us. We have almost a clear calendar. I said a week ago that we had cleared almost every bill before the committee, and that we had a relatively clear calendar. The committee work is moving quickly and efficiently. Nobody has attempted to be dilatory about this measure.

I regret that the ranking member on the minority side of the Committee on Finance is not willing to let the committee have time in which to study and consider the matter, to consider the suggestions that have been made, to consider amendments, and to report the best selective judgment of the committee.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Does the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. The amendment has been before the committee on two occasions. The amendment was first offered as an amendment to a revenue-producing measure in March. Hearings were held. Representatives of the Treasury Department testified and asked that the matter be held over until after the President had had a chance to make his recommendations.

I agreed and withheld the amendment at that time with the understanding that the amendment would be offered later. In fact, the amendment was discussed during approximately 25 percent of the time of the hearings on Monday.

I respectfully remind the Senator that under the rules of the Senate and of the House a revenue-producing measure cannot originate in the Senate, and even our committee cannot act on such a measure unless it is an amendment to a House-passed bill.

Mr. LONG of Louisiana. We have a number of revenue bills before the Committee on Finance now. We expect to receive from the House in a short time a major administrative measure, an unemployment insurance bill.

The committee already has received a bill having to do with the U.S. tax treatment of investments made by nonresident aliens and foreign corporations. There will be other tax measures.

As far as the chairman of the committee is concerned, it is easy enough to find revenue bills to which amendments may be offered.

The Senator speaks about what was said to him by representatives of the Treasury Department and what he said to them. I regret that the Treasury Department cannot speak for me and that I cannot speak for them. However, speaking as the chairman of the committee, I would like to conduct hearings and explore the views of the Senator, as well as the views of other Senators and the views of outsiders who have a legitimate interest, be they labor or management, before we have an ultimate disposition of the measure.

I should hope that in seeking a solution to the issue the great press of the Nation might discuss the proposals of different Senators and the views of management and labor on this enormously important issue so that they might take a position and give us the benefit of their thoughts. They do have people who study such matters.

Mr. President, this is not the way in which to do it. There is no reason on earth for the Senate to place such an amendment on this bill. The bill is a simple matter seeking to make a modest increase in the debt limit.

Mr. SMATHERS. Mr. President, I recognize the necessity of coping with skyrocketing costs of conducting election campaigns and stimulating small political contributions by large masses of the citizenry. These problems go to the very heart of our free society. But I strongly suggest that consideration of these issues be deferred for our thorough consideration lest, by our precipitous enactment, in the words of Milton, commenting on the Reformation, the "new presbyter is but old priest writ large."

Because the proposal would apply only to contributions made after December 31, 1966, there is no need for this Chamber to abdicate its traditional procedure of conducting public hearings and giving proper regard to alternative solutions on matters of such grave importance.

There are numerous solutions proposed for these problems and many questions that deserve reflective consideration.

For example, some measures may be more efficient in affording the desired stimulus to small contributions on a large scale. Although I have myself introduced a tax incentive proposal, I am the first to concede that it is not clear whether the tax laws provide a proper stimulus to increased donations. When a distinguished colleague, such as the chairman of the Senate Finance Committee, believes that a direct appropriation approach would be better, we must take cognizance of his views.

Under Senator LONG's plan direct Federal aid for election campaigns should be tied to votes received by the candidates. Other alternatives, such as free television time or a matching grant plan, immediately suggest themselves.

This body recognized in connection with the proposal for a credit for higher education expenses that tax incentives are only an indirect method of spending Federal funds. To act wisely we must determine whether direct appropriations or a tax incentive best suits the particular problem.

If it be conceded that amending the tax laws is the appropriate method for reform, is it proper to extend that category of expenses allowable as deductions without regard to whether the taxpayer claims the standard deduction?

Such treatment has been traditionally reserved to expenses of a trade or business. What is the relationship to the present charitable contribution deduction, which is allowable only if the taxpayer itemizes. Should we extend more favorable treatment to small political contributions than we give to charitable contributions? Perhaps we should, but we must certainly carefully consider the matter before we do so. These are all knotty problems and deserve to be aired.

An additional factor which compels deferral of this issue is the fact that the President's proposal for political contribution deductions was submitted as part and parcel of a larger proposal for election reform which would impose more stringent requirements for reporting amounts received by candidates and close the loopholes on the present dollar limitations upon political giving. There are multiple relations between the reform provisions and the tax incentive amendment sought to be enacted. By hastily acting on one portion of the program now we could, in addition to arriving at a questionable result, prejudice thorough consideration and appropriate legislation in the area of reforms of existing law.

For all of these reasons I am constrained to disapprove of hasty action that would affect the vitals of our democratic institutions.

Mr. WILLIAMS of Delaware. Mr. President, I have explained the case. The Senate wants to vote. The Senator from Louisiana, with his usual eloquence, has made it clear that he is opposed to the amendment in any form. That is his privilege.

Those who support the views of the Senator from Louisiana should vote with him to table the amendment, and those who favor my amendment should vote for the amendment. Let us vote. I think the time has come for the Senate to put up or shut up. Do we want cleaner elections or not?

Mr. LONG of Louisiana. I would not vote for the amendment at this time but I do not have a closed mind on it. In the past I have voted for an amendment that had much in common with this amendment. However, I do think that, under our committee system, the Finance Committee is entitled to conduct hearings and to give the Senate its best advice. The Senate should not have to vote on this matter until the committee has given its advice.

Insofar as I am concerned, if it is within my power, the Senate will have a chance to vote on this issue on its merits after the committee has had a chance to study the matter.

I have no objection to holding hearings. We could proceed with this matter. We do not have so much work remaining before the committee that it would be a real challenge, in my opinion, to get into this field in a very thorough way.

Mr. GORE. Mr. President, a point of order.

Mr. LONG of Louisiana. Mr. President, for the reasons I have stated, I move that the amendment be tabled.

Mr. GORE. I wish to make a point of order, Mr. President.

The PRESIDING OFFICER. A motion to table is not debatable.

Mr. WILLIAMS of Delaware. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GORE. Mr. President, I make the point of order that the pending amendment is not constitutional, because it is an amendment in the nature of a revenue measure offered to a nonrevenue bill.

Mr. WILLIAMS of Delaware. Mr. President, that point is not debatable at this time. So let us call the roll.

The PRESIDING OFFICER. The motion is not debatable. The yeas and nays have been ordered.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GORE. Does not a constitutional point of order take precedence over a motion to table?

Mr. WILLIAMS of Delaware. The yeas and nays have been ordered, Mr. President.

Mr. GORE. I ask for a ruling or a submission to the Senate on the point of order.

Mr. LONG of Louisiana. The Senator may be right about that.

Mr. GORE. I think I am right.

Mr. President, the senior Senator from Tennessee would like to be heard on the point of order.

The PRESIDING OFFICER. The Chair will reply to the Senator from Tennessee that a constitutional issue cannot be ruled upon by the Chair, but would have to be submitted to the Senate, and that proposition would then be debatable. The pending motion to table is not debatable, and therefore the motion by the Senator from Tennessee is not now in order.

The question is on the motion to table.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GORE. Did the Chair incorrectly understand that the Senator from Tennessee was making a motion?

Mr. WILLIAMS of Delaware. I ask for the regular order, Mr. President.

Mr. GORE. The Senator from Tennessee was making a point of order against a pending amendment. The Senator from Tennessee was on his feet and made the point of order before the yeas and nays were ordered. The Senator from Tennessee was on his feet seeking recognition and the Record will show that the point of order was made. It is not necessary that there be a motion by the Senator from Tennessee to submit a constitutional question to the Senate. That is a duty incumbent upon the President of the Senate.

I submit that a point of order that an amendment is not constitutional takes precedence over any action upon such an amendment, including a motion to table such an amendment. The question of constitutionality is more fundamental to an amendment than action upon tabling. Therefore, I request the Chair to submit the question to the Senate.

The PRESIDING OFFICER. The Senator from Louisiana had the floor, and before he yielded the floor he made the motion to table, which motion is not debatable.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GORE. The Chair does not correctly understand the senior Senator from Tennessee to be debating a motion to table. It is not my understanding that debate is necessary for the submission of a constitutional question to the Senate. The question of debate is not germane to the point of order of constitutionality.

Mr. AIKEN. I call for the regular order.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARTHY. Would not the point of order of the Senator from Tennessee be in order if the motion to table were to fail?

The PRESIDING OFFICER. Yes, it would then be in order. But no further debate is in order at this time.

Mr. McCARTHY. We could then vote on the motion to table, and if that motion were not to carry, the point of order of the Senator from Tennessee would be in order?

The PRESIDING OFFICER. The Senator from Minnesota is correct.

The question is on the motion to table, and no further debate is in order. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. A roll call is in progress.

(Mr. HARRIS assumed the chair as Presiding Officer at this point.)

The rollcall was concluded.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. Bass], the Senator from Louisiana [Mr. Ellender], the Senator from Arizona [Mr. Hayden], the Senator from Washington [Mr. Magnuson], the Senator from Montana [Mr. Mansfield], the Senator from New Mexico [Mr. Montoya], the Senator from Utah [Mr. Moss], the Senator from Wisconsin [Mr. Nelson], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from North Carolina [Mr. Ervin] is absent because of a death in the family.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from New York [Mr. Kennedy], the Senator from New Hampshire [Mr. McIntyre], the Senator from Montana [Mr. Metcalf], the Senator from Minnesota [Mr. Mondale], the Senator from Oregon [Mrs. Neuberger], the Senator from Rhode Island [Mr. Pastore], the Senator from South Carolina [Mr. Russell], and the Senator from Georgia [Mr. Russell] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from North Carolina [Mr. Ervin], the Senator from New York [Mr. Kennedy], the Senator from Montana [Mr. Mansfield], the Senator from Minnesota [Mr. Mondale], and the Senator from Georgia [Mr. Russell] would each vote "yea."

On this vote, the Senator from Louisiana [Mr. Ellender] is paired with the Senator from Utah [Mr. Moss]. If present and voting, the Senator from Louisiana would vote "yea" and the Senator from Utah would vote "nay."

On this vote, the Senator from Washington [Mr. Magnuson] is paired with the Senator from Georgia [Mr. Russell]. If present and voting, the Senator from Washington would vote "nay" and the Senator from Georgia would vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Jersey [Mr. Case], the Senator from New Hampshire [Mr. Cotton], the Senator from California [Mr. Kuchel], the Senator from California [Mr. Murphy], the Senator from Vermont [Mr. Prouty], the Senator from Massachusetts [Mr. Saltonstall], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Colorado [Mr. Dominick] and the Senator from Arizona [Mr. Fannin] are absent on official business.

The Senator from Nebraska [Mr. Hruska] and the Senator from Idaho [Mr. Jordan] are absent on official committee business.

If present and voting, the Senator from Colorado [Mr. Dominick], the Senator from Nebraska [Mr. Hruska], the Senator from Idaho [Mr. Jordan], the Senator from California [Mr. Murphy], the Senator from Massachusetts [Mr. Saltonstall], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 45, nays 24, as follows:

[No. 97 Leg.]

YEAS—45

Anderson
Bartlett
Bayh
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Clark
Eastland
Fulbright
Gore
Gruening
Harris
Hart
Hartke
Hill
Holland
Inouye
Jackson
Jordan, N.C.
Kennedy, Mass.
Long, Mo.
Long, La.
McCarthy
McClellan
McGee
McGovern
Monroney
Morse
Muskie
Pell
Proxmire
Randolph
Ribicoff
Robertson
Smathers
Sparkman
Stennis
Symington
Talmadge
Williams, N.J.
Yarborough
Young, Ohio

NAYS—24

Aiken
Allott
Bennett
Boggs
Carlson
Cooper
Curtis
Dirksen
Dodd
Douglas
Fong
Griffin
Hickenlooper
Javits
Lausche
Miller
Morton
Mundt
Pearson
Simpson
Smith
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—31

Bass
Cannon
Case
Cotton
Dominick
Ellender
Ervin
Fannin
Hayden
Hruska
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Magnuson
Mansfield
McIntyre
Metcalf
Mondale
Montoya
Moss
Murphy
Nelson
Neuberger
Pastore
Prouty
Russell, S.C.
Russell, Ga.
Saltonstall
Scott
Tower
Tydings

So the motion to table was agreed to.

Mr. THURMOND. Mr. President, I am opposed to Senate passage of H.R. 15202, and I can oppose this bill with a clear conscience. Over the years it has been argued on each and every occasion that a bill of this nature has been brought before the Senate that there is no alternative to agreeing to the bill since the debt ceiling itself does not create the debt, nor would lowering the debt ceiling actually lower Federal debt. It is argued that the adoption of legislative proposals authorizing expenditures and appropriation bills appropriating funds from the Treasury in excess of revenue require additional borrowing authority and necessitate, therefore, raising the debt ceiling. Those who have been a party to approving these Great Society programs in the sure knowledge that the funding of them must come from borrowed funds may feel an obligation to support this bill. I do not.

Mr. President, I am sure everyone by now is familiar with the Keynes theory of economics which was adopted by U.S. Government economists back in the 1930's. The economic philosophy prevalent in the administration today goes far beyond the Keynes philosophy. Lord Keynes recognized the need for balancing the budget and decreasing the national debt in periods of prosperity, while at the same time advocating tremendous amounts of Government outlay during periods of recession. This country has been enjoying a period of prosperity in the last few years, and with it has consistently failed to balance its budget or even make an attempt to do so.

Steps should and must be taken to finance Government operations with the revenues taken in. Neither this country nor any other country can continually live beyond its means and add to its national debt without undercutting its economic stability and inviting periods of rampart and galloping inflation.

The debt ceiling limitation has even less meaning now than it has ever had. With the passage of the so-called Sales Participation Act of 1966 a large portion of the Government's debt will not be covered by the debt ceiling. There are, of course, other methods available to hide public debt and, consequently, the formal debt ceiling covers only a portion of the actual indebtedness of our Government.

This Nation cannot continue to live beyond its means, year after year, and not expect to have to face the consequences eventually. Other nations that have tried to do so have fallen by the wayside as world powers. To continue down our present path is to invite the inevitable economic chaos and disaster which must surely come.

Mr. WILLIAMS of Delaware. Mr. President, I will have a few additional comments to make on this subject later, but if the Senate wishes to vote on the bill itself I am willing to wait and let the Senate vote at this time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The legislative clerk called the roll.

Mr. DIRKSEN (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Texas [Mr. TOWER]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. CARLSON (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Nebraska [Mr. HRUSKA]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], the Senator from Wisconsin [Mr. NELSON], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from North Carolina [Mr. ERVIN] is absent because of a death in the family.

I further announce that the Senator from Nevada [Mr. CANNON], the Senator from New York [Mr. KENNEDY], the Senator from New Hampshire [Mr. McINTYRE], the Senator from Montana [Mr. METCALF], the Senator from Minnesota [Mr. MONDALE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

On this vote, the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Minnesota [Mr. MONDALE]. If present and voting, the Senator from Louisiana would vote "nay" and the Senator from Minnesota would vote "yea."

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from New York [Mr. KENNEDY]. If present and voting, the Senator from North Carolina would vote "nay" and the Senator from New York would vote "yea."

On this vote, the Senator from Montana [Mr. MANSFIELD] is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from Montana would vote "yea" and the Senator from Georgia would vote "nay."

On this vote, the Senator from Maryland [Mr. TYDINGS] is paired with the Senator from California [Mr. MURPHY]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from California would vote "nay."

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], and the Senator from Washington [Mr. MAGNUSON] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Jersey [Mr. CASE], the Senator from New Hampshire [Mr. COTTON], the Senator from California [Mr. KUCHEL], the Senator from California [Mr. MURPHY], the Senator from Vermont [Mr. PROUTY], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Colorado [Mr. DOMINICK] and the Senator from Arizona [Mr. FANNIN] are absent on official business.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from Idaho [Mr. JORDAN] are absent on official committee business.

The respective pairs of the Senator from Nebraska [Mr. HRUSKA] and that of the Senator from Texas [Mr. TOWER] have been previously announced.

On this vote, the Senator from Massachusetts [Mr. SALTONSTALL] is paired with the Senator from Colorado [Mr. DOMINICK]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Colorado would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Idaho [Mr. JORDAN]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Idaho would vote "nay."

On this vote, the Senator from California [Mr. MURPHY] is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from California would vote "nay" and the Senator from Maryland would vote "yea."

The result was announced—yeas 50, nays 17, as follows:

[No. 98 Leg.]

YEAS—50

Aiken
Anderson
Bartlett
Bayh
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, W. Va.
Church
Clark
Cooper
Dodd
Douglas
Fong
Fulbright
Gore
Gruening
Harris
Hart
Hartke
Hill
Inouye
Jackson
Javits
Kennedy, Mass.
Lausche
Long, Mo.
Long, La.
McCarthy
McClellan
McGee
McGovern
Monroney
Morse
Morton
Muskie
Pearson
Pell
Randolph
Ribicoff
Smathers
Smith
Sparkman
Symington
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

NAYS—17

Allott
Byrd, Va.
Curtis
Eastland
Griffin
Hickenlooper
Holland
Jordan, N.C.
Miller
Mundt
Proxmire
Robertson
Simpson
Stennis
Talmadge
Thurmond
Young, N. Dak.

NOT VOTING—33

Bass
Cannon
Carlson
Case
Cotton
Dirksen
Dominick
Ellender
Ervin
Fannin
Hayden
Hruska
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Magnuson
Mansfield
McIntyre
Metcalf
Mondale
Montoya
Moss
Murphy
Nelson
Neuberger
Pastore
Prouty
Russell, S.C.
Russell, Ga.
Saltonstall
Scott
Tower
Tydings

So the bill (H.R. 15202) was passed.

Mr. LONG of Louisiana. Mr. President, I move to reconsider the vote by which H.R. 15202 passed the Senate.

Mr. SMATHERS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORE subsequently said: Mr. President, earlier today the senior Senator from Tennessee submitted a point of order, for which I now learn there was no precedent in the Senate. The situation was this:

The junior Senator from Louisiana [Mr. LONG] moved that the pending amendment be tabled. The senior Senator from Tennessee made a point of order that the pending amendment was unconstitutional, in that it was a revenue amendment to a nonrevenue measure before the Senate.

It was my view, and it is still my view, that the question of the constitutionality of an amendment is more fundamental than any other question that can be raised or any other action that may be proposed with respect to an amendment, that a point of order as to constitutionality, which must be submitted to the Senate for decision, is more fundamental and therefore takes precedence, or should take precedence, over a motion to table.

Since this matter was dealt with hurriedly, I have asked the Parliamentarian to undertake a careful review of the parliamentary principles involved, and later I shall submit to the Senate a statement with respect thereto.

Mr. WILLIAMS of Delaware. Mr. President, we might just as well face it; earlier today the Senate reached a decision rejecting, as far as this Congress is concerned, any steps to correct the present situation of financing political campaigns.

I doubt that any Senator on either side of the aisle will say that he is satisfied with the present situation of financing political campaigns through large contributions.

For many years I have been working to correct this situation by attempting to achieve a cleaner method for financing elections. Finally, in May of this year, the President sent a message to Congress in which he endorsed the proposal that I submitted this afternoon. This was similar to one which I have been advocating over the past several months. Yet, in the rollcall vote only a very small fraction of the Members of his party supported the proposal. Considering the arm-twisting power of the President surely had he been interested in really getting this legislation enacted we would have done better than that.

Needless to say I am disappointed, but the loss is not mine alone—the American people have lost another chance to get cleaner elections.

I do thank those Members on both sides of the aisle who supported this effort.

This is not the first time difficulty has been encountered in controlling the unscrupulous method of financing political campaigns. If we go back to 1948 we find that a devious scheme was developed of borrowing the money and then after the election obtaining a ruling from the Treasury Department that these loans could be written off as bad debts. During the 1948 Democratic campaign $50,000 was obtained from Marshall Field, $50,000 was obtained from David A. Schulte, and $271,000 was obtained from Richard J. Reynolds, Winston-Salem.

After the election, recognizing that these contributions were in violation of the Corrupt Practices Act in that they exceeded the $5,000 limitation, a questionable ruling was obtained from the Treasury Department legalizing this transaction. It is interesting to note, as I pointed out earlier, that one of the rulings concerning these transactions was issued only 24 hours after the letter applying for it was postmarked. The letter was mailed from North Carolina. This is an all-time speed record for the Treasury Department and shows what they can do when the power of the Treasury is used to finance a political campaign.

After this was discovered I introduced an amendment, which was passed by Congress, to a House passed revenue producing measure, similar to what was attempted today, and that ruling was repealed. Then the wise guys who were still determined to finance their political expenses through the back door of the Treasury developed another gimmick.

In 1964 they published this booklet I have in my hand, and they shook down American corporations by selling ads for $15,000 per page. The long list of defense contractors making this $15,000 contribution looks like the blue book. I have spoken to many of these contractors and officers of the corporations that contributed. They recognized that they had no choice in dealing with a government in power, except to put up the $15,000. It was political blackmail; and who says they did not expect something in return?

Again, when they got caught I offered an amendment, and the Democratic Congress, ashamed of these activities and not willing to defend them, passed that amendment, and the situation was cleaned up. So that avenue of raising money was shut off.

Now we are hearing about a $10,000 club whose members, with their contributions, get an invitation to the White House.

In his message, the President said that he wanted clean elections in primaries as well as in general elections; that is, he wanted to stop vote-buying. What he overlooked is that I have already offered and had adopted an amendment to correct this loophole. I am ahead of him in that instance. That has already been done. This so-called clean elections amendment that I offered and which was approved, became public law on August 6, 1965. It is Public Law 89–110. I refer to section 11(c), and I shall read it for the information of the administration and particularly for the information of the Attorney General of the United States:

> (c) Whoever knowingly or willfully gives false information as to his name, address, or period of residence in the voting district for the purpose of establishing his eligibility to register or vote, or conspires with another individual for the purpose of encouraging his false registration to vote or illegal voting, or pays or offers to pay or accepts payment either for registration to vote or for voting shall be fined not more than $10,000 or imprisoned not more than five years, or both: *Provided, however,* That this provision shall be applicable only to general, special, or primary elections held solely or in part for the purpose of selecting or electing any candidate for the office of President, Vice President, presidential elector, Member of the United States Senate, Member of the United States House of Representatives, or Delegates or Commissioners from the territories or possessions, or Resident Commissioner of the Commonwealth of Puerto Rico.

I am surprised that he was unaware of this law.

We have a statute which provides a penalty of a $10,000 fine or imprisonment for 5 years for anyone who pays or offers to pay or anyone who accepts payment either for registering or voting in a general election or a primary. This bill was passed by Congress and is now the law.

I regret to say that all three of the amendments described above, which I was glad to sponsor, were agreed to in spite of, and not as a result of any cooperation or support which I received from the administration now in power.

Quite the contrary, heretofore the administration has opposed every effort that has been made legislatively to clean up elections, just as the most of their Members here in the Senate opposed a similar effort this afternoon by their vote. However, I should point out that the President did lend his support to the amendment offered here this afternoon, but the solid leadership of the Senate voted against it.

I never give up, however; we will clean it up in spite of them. I may be defeated today, but I will be back on another day.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished acting majority leader about the remainder of the day and the week, more particularly about the business for Monday of next week.

Mr. LONG of Louisiana. Mr. President, it is the intention of the acting majority leader to ask for unanimous consent that the vote on the Pribilof Islands bill be on Monday and that there be a division of time. If that can be agreed to, then I believe that we could let those Senators who wish to make speeches today discuss whatever subjects they have in mind. On Monday, after the morning hour, we could have a division of time.

Therefore, I ask unanimous consent with regard to the North Pacific fur seals bill (S. 2102), that commencing on Monday——

The PRESIDING OFFICER. Does the Senator want to get the bill before the Senate, or——

Mr. LONG of Louisiana. No. I ask unanimous consent that on Monday, immediately after the morning hour, the Chair lay before the Senate, Calendar No. 1192, S. 2102, and that debate be limited to 1 hour, to be equally divided between the Senator from Alaska [Mr. BARTLETT] and the Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. Mr. President, reserving the right to object, this bill was sent to the floor by the Commerce Committee. To one-half of it, I have no objection. To the other half, I have serious objection, and have filed dissenting minority views.

The half to which I do not agree contemplates now, in 1966, giving credit for employment with the U.S. Government for a period of about 6 or 7 years prior to 1950.

In 1950, the Civil Service Commission made a study and recommended that certain persons be allowed to go into the civil service retirement fund beginning in 1950. The bill intends to place 54 Aleuts, Eskimos, and Indians on the civil service retirement fund for alleged work done prior to 1950.

The cost will be approximately $450,000 or $9,000 per person. The amount of money involved is inconsequential. The Civil Service Commission recommends against it. It asserts that they were not employees, that they were wards and that the U.S. Government was a guardian of those wards.

They were given food, quarters, and some money, but now, 16 years later, it is proposed to have civil service retirement given to them.

I wish to make a statement on the bill.

I do not concur with the recommendations of the Senate Commerce Committee in requesting the Senate to approve S. 2102, as amended, dealing with the administration of the Pribilof Islands, located in the Bering Sea.

I wish to point out that this bill, in its present form, does not have full support from the executive branch of the Federal Government. The Civil Service Commission has expressed reservations on the enactment of this measure.

There are several sections contained in this bill which prevent me from supporting S. 2102:

First. Sections 203 and 204. These sections authorize the Secretary of the Interior to enter into an agreement with the State of Alaska pursuant to which the State will assume the responsiblity for educating the natives on the Pribilof Islands and to provide for their general welfare.

Second. Section 209. This section provides for additional retirement credits to certain native inhabitants of the islands who, as determined by the Secretary of the Interior, were engaged in sealing activities prior to January 1, 1950.

In order that my objections can be placed in proper perspective, it is necessary to give a brief account of the responsibilities and obligations of the Federal Government in administering the operations of these islands.

The Federal Government has long recognized its obligation to provide for the Pribilovians. In 1944, these five volcanic islands in the Bering Sea were declared a special reservation for Federal governmental purposes. The Secretary of the Interior was given authority to furnish the necessities of life to the native inhabitants of the islands and to provide for their maintenance, education, and welfare. In fulfilling this obligation, the Department of Interior has constructed and maintains schools, homes, public buildings, public utilities services, and a hospital.

Sections 203 and 204: These sections authorize the transfer of the property rights and the operation of the educational, health, and welfare services for the inhabitants of the Pribilof Islands to the State of Alaska. This permits Alaska to assume, without adequate assurance of reimbursement, the real property which the Federal Government constructed and owns.

I wish to point out that while the State is willing to take over these responsibilities and relieve the Federal Government of the burden of operating these services, it is inevitable that the Federal Government will be requested to furnish financial support for the many public assistance programs involved with these State functions. In addition to these payments, as a result of the Alaska Statehood Act of 1958, Alaska will also continue to receive 70 percent of the net annual proceeds from the Federal Government's share of revenues derived from the sale of Pribilof Islands seal skins.

I strongly oppose the payment of Federal grants-in-aid to Alaska plus the payment of 70 percent of the Federal revenues received from the sale of Pribilovian seal skins.

Section 209: In 1951, it was determined that the resident Aleuts of the Pribilof Islands who were performing services for the Federal Government would be considered Federal employees for retirement purposes, retroactive to January 1, 1950.

Prior to 1950, the inhabitants were compensated primarily in kind rather than cash, and could be considered as wards of the U.S. Government.

Section 209 of this bill intends to give the Aleuts compensatory civil service retirement credit for the period prior to January 1, 1950, when they were officially designated as "Federal employees."

While the amount of money involved is relatively insignificant, I am opposed to the granting of compensatory rights in this instance as it was pointed out by the Department of Interior that "available records leave a great deal to be desired in terms of establishing service credit in a conventional manner," since, "records of actual time worked prior to 1950 do not exist."

However, based on all the available information, the records show that there are only 54 Pribilof Aleuts currently subject and eligible under the Civil Service Retirement Act with recorded service prior to January 1, 1950. Their average age is 45.5 years, annual average wage is $8,086 average service already credited—including pre-1950 military service—is 16.7 years, and average other pre-1950 service is 6.2 years.

The most recent actuarial valuation of the civil service retirement system shows, for active employees, a present value benefit cost of 15.7 cents per $1 of salary per year of credited service at retirement. The additional service of 6.2 years for each of the 54 employees, with an average salary of $8,086, would thus have a benefit cost of 8 percent, equaling $425,000.

I believe this proposal is unsound and establishes a bad precedent since there is a lack of complete and competent information from which to compile accurate retirement credit annuities.

For these reasons, I feel it is necessary to oppose the passage of S. 2102.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Is there objection to the pending request?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Delaware.

Mr. LAUSCHE. I yield.

Mr. WILLIAMS of Delaware. Are these the same Alaskans who got a $10 million housing project in return for the support of one of the President's pet projects?

Mr. LAUSCHE. I cannot answer the question. There is no statement in the report on which a judgment can be made as to how much they earned. They were not employees, but wards, and they were given food, clothing, living quarters, and some money. Sixteen years later, it is attempted to put them under civil service retirement. I am wondering what other Indians might not want similar treatment at a later date.

I cannot answer the Senator's question.

Mr. DIRKSEN. I wish to complete my inquiry as to plans for the remainder of the day.

Mr. LONG of Louisiana. Mr. President, is the request pending?

The PRESIDING OFFICER. Yes. Is there objection?

Mr. LONG of Louisiana. Mr. President, I would like to ask unanimous consent that rule XII be waived, which requires a quorum in connection with a unanimous-consent request of this kind.

Mr. WILLIAMS of Delaware. Mr. President. I object at the present time.

Mr. DIRKSEN. Mr. President, I have the floor.

Mr. WILLIAMS of Delaware. Excuse me.

Mr. DIRKSEN. I wanted to find out what the plans were for the remainder of the day, and whether an order has been entered to go over until Monday, and what business will be before the Senate on Monday.

Mr. LONG of Louisiana. Mr. President, we had hoped to be able to dispose of S. 2102, the North Pacific fur seals bill, one way or the other, and we would like to dispose of the Federal airport extension bill.

If we could get unanimous consent to have a vote on Monday on the fur seals bill, I would be willing to have the Senate go over until Monday, and on Monday take up the fur seals bill with a 1-hour limitation; then proceed to the Federal airport extension bill; then we would proceed to S. 1336, order No. 1194, the Administrative Procedure Act bill; and we could perhaps also dispose of S. 2218, order No. 1248, the contiguous fishery zone bill.

Mr. DIRKSEN. Mr. President, has an order been obtained to go over until Monday?

The PRESIDING OFFICER. The Chair will respond that there has been no order to go over until Monday as yet.

Mr. LONG of Louisiana. If we could get unanimous consent to limit the time on Monday as was proposed, and I thought agreed to——

Mr. LAUSCHE. I think it should be done.

Mr. LONG of Louisiana. Then it seems to me we could proceed to settle the matter on Monday, and dispose of other legislation which I have named.

Mr. President, I ask unanimous consent to waive rule XII, which requires a quorum call before a unanimous consent to take a vote. Then I ask to enter into a unanimous-consent agreement that on Monday, immediately after the morning hour, the Senate proceed to consider S. 2102, Order No. 1192, and that there be a limitation of debate of 1 hour, to be equally divided between the Senator from Alaska [Mr. BARTLETT] and the Senator from Ohio [Mr. LAUSCHE], and that all amendments to that bill be germane.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS of Delaware. Mr. President, I wonder if it would not be better to wait and ask for the unanimous consent on Monday. There is no reason to delay it as far as I am concerned. Perhaps it could be done in half the time. I think, however, in the interest of orderly procedure it is better not to get unanimous consent to vote on a bill that is not before us.

Mr. LAUSCHE. Mr. President, on Monday I must catch a plane at 5 o'clock to go to Cincinnati. Unless the bill could be disposed of by 4:30, I would ask that it go over beyond Monday.

Mr. WILLIAMS of Delaware. If there are amendments to be offered—and I have none at this time—I think there could be a limitation of 10 minutes to each side on each amendment. I do not think it is good procedure to get a unanimous consent at this time to vote on a bill and all amendments without some chance for explanation.

Mr. LONG of Louisiana. Mr. President, I so modify my request.

The PRESIDING OFFICER. Is there objection to the request to waive rule XII and to the request to limit debate, as modified?

Without objection, it is so ordered.

The unanimous-consent agreement, reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Monday, June 20, 1966, at the conclusion of routine morning business, during the further consideration of the bill S. 2102, to protect and conserve the North Pacific fur seals, and to administer the Pribilof Islands for the conservation of fur seals and other wildlife, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 20 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn to Monday at 12 o'clock noon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 14266. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1967, and for other purposes; and

H.R 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

OPPOSITION TO TITLE IV OF S. 3296—THE CIVIL RIGHTS ACT OF 1966

Mr. EASTLAND. Mr. President, I rise today to resist an attack on one of our basic freedoms. This attack is contained within title IV of the bill S. 3296.

The preamble to the Constitution of the United States declares the purpose of its signers to "secure the blessings of liberty to ourselves and our posterity." One of the blessings of liberty is the right of private property. This is the right which title IV of the bill S. 3296 would most egregiously infringe—arrogantly, cynically, and without any pretense at that respect for due process of law which is so deeply ingrained in the legal traditions of this Nation.

To further this attack, title IV of S. 3296 would subvert justice by granting special privileges to certain classes of plaintiffs.

It would multiply litigation by using tax money to pay the costs of these plaintiffs in bringing their actions.

It would abandon fixed legal principles by permitting court appointment of attorneys for these plaintiffs, at Government expense.

It would permit these plaintiffs, without posting any bond or surety whatever, to secure against defendants not present, and without opportunity to argue the issues, court orders which may do irreparable injury to such defendants.

It would encourage the filing of nuisance lawsuits and the use of court proceedings and the threat of such proceedings for purposes of intimidation and coercion.

It would strike at the underpinnings of the free enterprise system, and move this country a long stride in the direction of totalitarianism.

The policy of this title, stripped of all camouflage, is to destroy the character of those residential areas, all over this country, which can be said to have character. The objective of the bill, unspoken but clearly seen, is to make every residential area an amalgam of races and creeds and colors; to deny like-minded people the right to group together in a neighborhood which partakes of their shared characteristics.

The aim of this bill, beyond doubt, is to compel the abandonment of individual preferences in such matters to subjugate personal freedoms, and to destroy, in part at least, the right of private property.

To put it very bluntly, the end product sought through this proposed legislation is a relatively uniform racial mixture in all residential areas from border to border.

Title IV of the bill S. 3296 not only ignores due process of law; in effect, it actually legislates against due process of law, because there is no possible way to administer this bill, in accordance with its terms, so as to insure due process of law to the property owners of this Nation and those who may become property owners in future years.

In principle, title IV of S. 3296 is offensive, it is officious, it denies basic concepts of freedom, it destroys freedom itself. In practice, in its administration if it is enacted, this bill can be no better than forced regimentation in a vital area of freedom, involving curtailment of liberty, derogation of private property rights, and open abandonment of even the pretense of due process.

This is the outline of my indictment against the bill S. 3296. Now let me discuss the matter in more detail.

The Declaration of Independence, referring to certain "inalienable rights," lists among them "life, liberty, and the pursuit of happiness."

Failure of the declaration to mention property rights reflects Jefferson's desire to place emphasis on human rights and thus give the declaration a wide appeal. Jefferson's emphasis was anticipated in the Virginia declaration of rights, adopted a few weeks earlier, which mentioned both property and happiness. The right of property already was deeply embedded in Anglo-American legal tradition.

We can be certain Jefferson and the other signers of the Declaration of Independence did not doubt that the right to own, control, and dispose of private property is an inalienable and God-given right. But they wanted a phrase that would cover various other rights, such as the right to travel freely, the right to worship in freedom, the rights of free speech and assembly, and so on. The word "liberty" was not considered broad enough, for in those days "liberty" had a much narrower meaning than it has come to have today, and was used mainly to mean just being out of jail and safe from arrest and imprisonment without due process of law.

The framers of the basic documents of freedom upon which this Nation's greatness was founded understood that the right of private property is a freedom, and is also one of the indicia of freedom in the general sense that freedom contrasts with slavery.

One mark of a slave was incapacity to own or dispose of property. He did not own even himself, or his child. A slave could not contract; he could not buy or sell. A property owner, therefore, necessarily was a freeman.

In a very real sense, freedom and the right of private property are interdependent. There can be no right of private property without freedom; and a man who may not buy and sell, hold and dispose of property, give it by deed, devise it by will, inherit it from his father and pass it on to his sons, is not a freeman.

So sacred did the Founding Fathers consider the right of property, even down to choice of lodgers, that the third amendment of the Constitution of the United States prohibits the quartering of any soldier, in time of peace, in any private house, without the consent of the owner.

The fourth amendment of the Constitution, No. 4 in the 10 paragraphs which make up the Bill of Rights, declares and seeks to protect the right of the people to be secure in their houses as well as in their persons, papers, and effects.

The fifth amendment to the Constitution, paragraph 5 in the Bill of Rights, specifically declares that no person shall be deprived of property without due process of law, and that private property shall not be taken for public use without just compensation.

The 14th amendment prohibits each State from depriving any person of property without due process of law.

Title IV of the bill S. 3296 is an attack on the right of private property, and thus an attack on freedom.

Without due process of law, title IV of S. 3296 would deprive every owner of real property in the United States of the right to exercise full control over his own property. *Under this bill no homeowner would be able to call his home fully his own.*

In every free land throughout the course of recorded history, home and family have been cherished above all else. In totalitarian nations efforts often have been made to destroy home and family as symbols of individualism, as "bourgeois crutches", as factors inimical to the central state. Sometimes these efforts have been reasonably successful.

Where the objective is to destroy freedom, to make the State important above all else, to deny the dignity of man and the very existence of any God-given rights, it becomes important to eliminate family living and the sancity of the home to the highest possible degree, for these are forces which never have been and never will be compatible with tyranny.

To the extent that it destroys the right of a man to make a home of his own choosing for himself and his family, and to live in a community of his choice among neighbors who share his interests and his ways, this bill moves in the direction of totalitarianism.

The strongest thrust in the great tide which surged westward from the Atlantic coast for 3,000 miles, across meadows and hills and valleys and plains and prairies and mountains and deserts, to make this one great Nation from shore to shore, was the desire of individual men to make homes for their families. Such men banded together in groups, pushed beyong frontier after frontier, and when they found spots to their liking, founded communities.

This powerful force of homeseeking and homebuilding has not abated, though there is no longer a frontier in a physical sense. Most of the work which is done in this country today, most of the achievements of mankind, are the product or the joint product of men and women who are working to make and maintain the kind of homes they want, and to provide their families with necessities, conveniences, opportunities, and luxuries to the limit of their abilities.

This is the force with which this bill will interfere. These are the labors whose fruits will be denied, in part at least, if S. 3296 becomes a law of the land.

Section 403 of S. 3296 would destroy the right of a homeowner to sell or not to sell, to rent or not to rent, to lease or not to lease, and to fix at his sole discretion the terms and conditions of any sale, lease, or other rental.

Along with real estate brokers and financing institutions, homeowners will be coerced by this bill, if it is enacted.

Section 403 says a homeowner must sell, or rent, or lease, without regard to the race, color, religion, or national origin of prospective purchasers or tenants.

Brokers will be required to sell, rent, or lease without regard to the race, color, religion, or national origin of prospective purchasers of tenants, and without regard to the specific instructions of the property owner if those instructions involve taking into consideration race, color, religion, or national origin of a prospective buyer or renter.

Banks and other financial institutions will be prohibited from taking into consideration race, color, religion, or national origin in financing the sale of homes.

Even when a bank knows that a sale or rental to a particular prospect will result in a reduction in the value of other property held by the bank, either in its own name or in trust, it may not give proper consideration to that factor under section 403 of S. 3296, but must entirely disregard the prospective loss if race, or color, or religion, or national origin is involved.

How did the adjective "discriminating" come to be a dirty word? For generations manufacturers of the very best merchandise have advertised that their wares were designed and made for discriminating buyers. For many years a particularly fine motorcar advertised that it was built for men who had reached "the age of discrimination." Why should it be made to appear almost a disgraceful thing for a man to be discriminating in the sale or rental of his home? Why should this be made illegal?

It has become almost fashionable to misuse the term "freedom."

It is a commonplace for special-interest groups to claim advantages for themselves in the name of freedom.

Sometimes it seems as if almost everybody was trying to stretch the concept of freedom to serve his own purposes and pamper to his own needs, regardless of the effect upon others.

If there is to be freedom for all, then one man's freedom must not be used as the basis for destroying the freedom of another; and every man's freedom must yield to the exigent needs of the Nation.

But this does not mean that your freedom, or mine, or any man's freedom, must yield to the mere wants of others, or even to the mere wants of a government bureaucracy.

Freedom of speech does not include the right to cry "fire" in a crowded theater when there is no fire; but it does include the right to call a spade a spade in public, to express one's opinions frankly, even to the point of slander. The remedy for defamatory speech lies in a civil action, not in muzzling the speaker.

Freedom of assembly does not include the right to congregate in a busy intersection and block traffic, or the right to meet in a private home without permission of the owner, or in a public hall without permission of those in authority. But it does include the right to meet in any place, public or private, where the meeting involves neither an unauthorized trespass nor an interference with public order, safety, or welfare.

Freedom of association does not include the right to join a private club. But it does include the right to select one's own friends and associates, and the equally valuable right to choose those with whom one will not associate.

Freedom of travel does not include the right to travel across private land without permission, or to travel afoot down the middle of a public highway; but it does include the right to move from place to place at will, by appropriate and lawful routes.

A corollary of your right to travel is your right to live wherever you choose. But this does not mean you have a right to live in your neighbor's house if he does not wish to have you there, and it does not include the right to live in a home which you do not have the money to buy and do not have the money to rent.

The right of private property includes the right to buy and sell, rent and lease, use or hold, lend or borrow. But it does not include the right to buy the property of a man who does not wish to sell, or rent the property of a man who does not which to rent, or borrow from a man who does not wish to lend; nor does it include the right to have enough money to buy any property you desire.

What we speak of as the right to buy and sell is really the right to offer to buy, and to offer to sell. When the two offers reach a meeting place, there is a sale. This is the essence of the free market, this is the basis of the free enterprise system. But a free man in a free country does not have to sell at any place, or at any time, or at any price not of his own choosing.

There is a line between freedom and power which we must not overstep. Exercise of our own freedoms requires that others do not interfere, and this means that in exercising our own freedoms we must not interfere with the exercise by others of their freedoms. When we seek to coerce another to do or to refrain from doing any act which he has the right to do or not to do, as he sees fit, even if our effort at coercion is made in the name of freedom, it is an attempt to exercise power improperly. When we do that, we act against all freedom, for if every man sought to exercise power in this way, no man would have freedom. When the Attorney General of the United States testified on this bill before the House Commitee on the Judiciary, he spoke of what he called the "national necessity" of ending what he called "compulsory residential segregation." But the fact is there is no such thing as "compulsory residential segregation" in any State of the Union.

There is no law or ordinance anywhere in this country to prevent a homeowner from selling to any individual he may choose from among those who want to buy. There is no rule of law against selling or renting to members of a minority group, or to persons or any race, or any creed, or any color.

Not only is there no "compulsory residential segregation," there is not even any contractual residential segregation in this country today, because the Supreme Court in the case of Shelley against Kraemer held racially restricted convenants to be unenforceable.

There is only one kind of residential segregation anywhere in the United States today, and that is purely voluntary residential segregation. The plain truth of the matter is that responsibility for what voluntary housing segregation exists does not rest with governmental units at any level, does not rest with banks and financial institutions, does not rest with realtors or associations of realtors, does not rest with builders, does not rest with corporations owning apartment developments: it rests with individual homeowners who have made independent decisions about the matter.

This is not what the Attorney General told the House Committee on the Judiciary. He asserted that individual homeowners "do not control the pattern of housing in communities of any size." He asserted it is "builders, landlords, real estate brokers, and those who provide mortgage money" which "are the groups which maintain housing patterns based on race."

Mr. President, apartment houses do not make neighborhoods. Rooming houses do not make neighborhoods. Neighborhoods are made by private homes.

More than any other land on earth, this a nation of homeowners.

Up until now, the homeowners of this country have been free to form and to join residential patterns expressing their personal desires, reflecting their shared characteristics. The fact that we have neighborhoods with character indicates that we have homeowners who wanted such neighborhoods. There is no other force which could have brought it about.

Do not ever fall into the error of thinking that one neighborhood with character is like every other neighborhood with character. There must be almost as many different characters of neighborhoods as there are different characters of human beings.

Various minority groups have formed neighborhoods which partake of the flavor of shared descent, shared tradition, or shared racial characteristics. Some neighborhoods are held together by a community of interest among the children. Some are most strongly bonded by shared backgrounds of the older generation. But all neighborhoods with character have one thing in common: they are the sum and product of the desires of the individual homeowners in the neighborhoods.

No man, no group of men, no congressional committee, no Government department, no government, has the right to say what should be the pattern of any residential neighborhood. Only the people who live in the neighborhood have this right. As a matter of practical fact, neighborhoods are not even made in accordance with what those who live in them think they should be. They are the end product of the thinking and the actions of the residents. Far more often than otherwise, neighbors choose each other and the character of the neighborhood grows around them.

There is not a jurisdiction in this Nation where it is not illegal to interfere with the right of a property owner to dispose of his property however he may choose. This will no longer be true if title IV of S. 3296 should become law. Today, without enactment of S. 3296, any homeowner is free to advertise his property for sale or for rent to all comers without restrictions of any kind.

Just as it is the homeowner who is responsible for whatever voluntary residential segregation exists in this country today, so it is the homeowner who is the target of the legislation proposed in title IV of S. 3296. It is the individual homeowner's freedom which will be denied by this legislation. It is the individual homeowner's right of private property which will be destroyed.

The 13th amendment to the Constitution declares that neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

When the Constitution was drafted the principle form of involuntary servitude, as distinguished from slavery, was exemplified by the indentured servant. An indentured servant was a person who by virtue of a contract, usually not entered into freely by himself, was found to perform services, or certain services, for a specified period of time or until a particular date or the occurrence of a specified event, to a manned individual or any person or persons to whom the indenture might be sold or assigned.

Title IV of Senate bill 3296 would force property owners all over this great land, through contracts not voluntarily entered into by them, to perform certain services—the services a landlord owes a tenant—for persons not of their own choosing.

Thirty years ago there was a great debate among liberals in this country over whether socialism could best be obtained by nationalization of industries, or whether "control without ownership" would be sufficient.

Title IV of S. 3296 will provide Federal control, without ownership, over any and every tract of residential property in the United States, including its territories and possessions. And since the most important adjunct of ownership of property is the right to dispose of it freely and without duress of any kind, every property owner in this Nation would be deprived by this bill of the full ownership of his land. What would be left to him would be very much akin to what our British cousins use to call an "entail," which was a form of land title giving the owner the right to enjoy the rents and profits from the land, or some of them, but restricting his right to dispose of the property.

It is ironic that many of the supporters of S. 3296 are among those who most loudly decry the concept of a police state; because title IV of S. 3296 is essentially "police state" legislation. It purports to give power to bureaucrats to infringe the liberties of the people, deprive them of certain freedoms, force them into courses of action not of their own choosing and distasteful to them, and all without even good color of due process of law.

This bill moves sharply away from the American concept of a government of law, and toward the police-state concept, in granting the Attorney General broad powers of intervention in civil actions between private parties. The powers granted are not well defined. They are vague, their borders are shadowy, and yet the outlines are clear enough that we can see that the nature of these powers is totalitarian.

We do not know exactly how far these powers may go, or may be carried. The bill is not precise as to that.

But we do know that these are very great powers, powers of a kind which never should be given to government at all except for essential self-protection in the extremity of an emergency, and powers which never should be given to one man.

It has always been against the policy of American jurisprudence to use the courts for blackmail, or to use legal action or the threat of it for mere intimidation. Coercion by the threat of litigation has a bad smell. This bill does not remove that smell, but it tells us to hold our noses.

Until very recent years, it has never been public policy in this country to encourage litigation.

Ever since the earliest days of the common law, under the Anglo-American legal system, the inducing of legal action by another through paying or agreeing to pay the expenses of the action has been frowned upon, where it was not actually illegal. But S. 3296 authorizes this, in subsection 406(b). Under this subsection Federal courts are told, whenever they deem it just, to subsidize legal actions against homeowners. In order to deem it just to do this, the Federal court does not have to decide that the homeowner is guilty of any offense. It is enough that he has been charged with refusing to sell or refusing to rent on the basis of race or of creed or of national origin.

On the other hand, no matter how unjust a Federal court might deem proceedings brought against a homeowner on these grounds, there is no authority granted to subsidize the accused homeowner, to assist him in defending against the action.

A would-be buyer or renter who is disappointed in his efforts to buy or to rent can bring a lawsuit without cost to himself, and the homeowner must defend at his own expense. Thus, even if the decision goes against the plaintiff and in favor of the homeowner, the disappointed buyer or renter has lost nothing and the defending homeowner is out of pocket by an amount equaling all of the costs of his defense.

It would be hard to think of a better way to multiply litigation than by such a procedure as this.

Under the American system of jurisprudence, nuisance actions have been frowned upon.

But this bill, Mr. President, encourages nuisance actions.

With court dockets from one end of the country to another already overcrowded, this bill would crowd them still further. Under this bill litigation would go up in a rising curve without any plateau in sight.

Not only does this bill encourage litigation, but it lays down standards and procedures which will make the new flood of litigation vexatious in the extreme, often inconclusive, time consuming in the highest degree, and quite generally most unsatisfactory for all parties concerned.

Not only does the bill fail to make proper provision for due process of law, it actually creates problems of evidence which will make it almost impossible to provide due process in an action brought under the provisions of S. 3296.

The only firsthand evidence of a man's intent is his own statement. The reason why a homeowner might decide to sell to one person, or not to sell to another, is locked in his brain until he himself discloses it. Except in the case of statements clearly inconsistent with observable facts, a statement by an individual respecting his state of mind is the best evidence obtainable, and is not subject to refutation. If this rule should be adhered too strictly, title IV of S. 3296 will be virtually unenforceable, as it should be.

But the Justice Department is confident the court will say that in order to give effect to the intent of Congress under this bill, the rule must be different.

In actual practice under title IV of S. 3296, therefore, the homeowner who becomes a defendant in an action by a would-be buyer may expect to be required to prove he had some objectively demonstrable cause, other than race, creed, or color, for refusing to sell to the disappointed plaintiff.

In most cases, there isn't going to be any way in which he can do this.

If a man puts his home up for sale and gets offers from a Jew, an Arab, a Negro, and a Puerto Rican, he faces the prospect of three potential lawsuits no matter which buyer he chooses, because all four are members of minority groups.

No matter which one of the four prospective buyers the homeowner in such a case may choose, if just one of the other three brings an action and gets a temporary restraining order, pending trial, chances are strong that the sale is going to be lost entirely. Not only the successful bidder, but also the two unsuccessful bidders who did not file actions, will go elsewhere in their quest for property. And after three of the four prospective buyers have gone elsewhere, there is nothing to prevent the one who brought the action from dropping it, and moving on himself. The fact that he brings the action does not obligate him to buy the property.

Under S. 3296, if it becomes law, every member of a minority group who sells or rents property to another member of the same group will be in jeopardy of legal action if there is a disappointed would-be buyer or would-be renter who is a member of another minority group. This is so because the bill forbids a refusal to sell "to any person because of race, color, religion, or national origin." It does not merely prohibit a refusal to sell to any person "because of his race, color, religion or national origin."

Even a refusal to sell to a member of a majority group because of a decision to sell to a member of a minority group might be held to be a decision based on "race, color, religion, or national origin."

The safest thing a man can do under this bill is not offer his land for sale or rent. That is no joke. Many realtors and builders are seriously worried that a major effect of title IV of S. 3296 will be to slow down sales of real estate and construction of new houses.

Here is how a typical legal action under title IV of S. 3296 is likely to go. A disappointed would-be buyer who is a member of a minority group will get a court determination deeming it "just" to subsidize his action against the homeowner. He will then petition for a restraining order pending trial. This order will prohibit the homeowner from selling his property to anyone but the plaintiff. It may be some time before the case comes to trial, and the trial itself may be drawn out to a considerable length. In the meantime, other prospective buyers of the property quite probably will lose interest, being unwilling to wait for the outcome of the legal action.

All the time the homeowner will be paying the costs of his defense, while the disappointed would-be purchaser looks to the taxpayers for every penny of his expenses, even his attorney's fee. Obviously, the mere threat of such a one-sided action is going to be a powerful weapon in the hands of a would-be buyer.

Think of it. Any would-be buyer could be enabled to drag a homeowner into court without laying out 1 cent for fees or costs or any sort of bond, under the provisions of section 406(b) of S. 3296.

What a club to put into the hands of one party to a negotiation.

As I have pointed out, Federal courts are authorized under this bill to decide when it is "just" to subsidize a proceeding against a homeowner without notice to the homeowner and without hearing a word of evidence in the case. Of course, this determination is asserted to be only a preliminary determination, and in no way controlling with respect to the final outcome of the action. But in practical application, it cannot be denied that a court which has deemed it "just" to subsidize a plaintiff's action is going to have strong motivation to decide the case in favor of the plaintiff, because a decision the other way would tend to cast doubt on the correctness of the court's initial determination. There is no way to escape this built-in bias, under the terms of subsection 406(b) of S. 3296. It would be against human nature to expect to escape it.

At the very least, the fact that the Court has made a preliminary determination that it is "just" to subsidize the plaintiff's action will operate to shift the burden of proof to the defendant homeowner. We shall not see many cases dismissed for inadequacy of proof. The tendency will be for the courts to regard a mere complaint by a subsidized plaintiff as imposing upon the defendent homeowner the burden of proving that the complaint is wrong. Thus, a mere allegation of belief by a disappointed would-be buyer will be substituted for the substantial evidence which properly should be required to sustain the complaint.

The exact language of subsection 406(b), with respect to the subsidization of lawsuits against homeowners, is that the court may authorize the would-be buyer to commence his action "without the payment of fees, costs, or security." Let us look for a moment at that word "security." It means that the plaintiff does not have to post any kind of a bond in order to guarantee that the defendant homeowner will be recompensed for loss or damage if the action is decided in his favor.

No exceptions are provided in the bill. The action may be commenced "without security" if the court deems it just. Under this language the plaintiff could go into court in the absence of the homeowner, and without notice to him, or opportunity for him to be heard, and get a restraining order prohibiting the homeowner from selling his property. The plaintiff could do this without putting up one cent in the way of bond or other security. There is nothing like this in legal history, so far as I know.

The power of the court to appoint an attorney for the plaintiff, at Government expense, in an action against a homeowner, also is unique in legal history, so far as I know. There are provisions of law for appointment of attorneys for indigent defendants in criminal actions. But never before has there been a provision for court appointment of an attorney for a plaintiff in a civil action.

Every restraint normally imposed upon "nuisance" lawsuits is abandoned by this bill. S. 3296 makes nuisance lawsuits painless; it makes them free. It authorizes courts to guarantee that the disappointed would-be buyer who brings a lawsuit in an effort to coerce a homeowner into selling against his will, will never be out a penny no matter how the decision goes. But the defendant homeowner will always have to pay the expenses of his defense, even if he wins.

In theory, in order to convince a court that it would be just to grant him a subsidy for his court costs, fees, and so on, it should be necessary for a plaintiff to show that he lacks means to pay for these himself. Thus, it seems clear that it would not be possible for a man to make this showing when, by the allegations of his own complaint, he is a bidder for a home. If he is a bona fide bidder, he must have enough money for the downpayment, usually at least one-third of the total price. If he has this, then he is not without means. So the courts, almost surely, will find that construing the bill so as to require a showing of lack of means would render it ineffective. Therefore, the courts will rule, Congress must have intended either to include lack of means as a basis for granting the subsidy, or to permit a man to plead lack of means even with money in the bank with which to make a downpayment on a home.

The club fashioned for the hand of the plaintiff by subsection 406(b) is enough to give him an overweening advantage in litigation against a homeowner. But subsection 406(c) makes the bludgeon even bigger by giving the court authority to grant "punitive damages" to the plaintiff, up to a limit of $500, and to grant damages for "humiliation and mental pain and suffering" without any top limit at all.

Additional length and weight is added to the prospective plaintiff's club by the authority given Federal courts, by subsection 406(c), to grant relief by way of "permanent or temporary injunction, restraining order, or other order." That language clearly includes authority for the issuance of mandatory injunctions. Under this language a court could order a homeowner to sell his property after he had decided to take it off the market.

Now consider the possibilities if this bill becomes law. As soon as a homeowner puts his property on the market, and gets one offer from a member of a minority group, he is in trouble. If he changes his mind about selling the property, the lone bidder might get a mandatory injunction under subsection 406(c), requiring the sale of the property to him. If there are no other bidders who are members of minority groups, and the homeowner sells to the minority-group bidder, it may be decided that this was an action based on prohibited discrimination. If he sells to one of the other bidders, then he may be sued by the minority-group bidder.

Questions of this kind can be multipled without limit, in theory; and there is no shadow of doubt that such questions will be multiplied, in actuality, if this bill ever becomes law.

Subsection 406(d) of S. 3296, in authorizing the allowance of attorney's fees to the plaintiff, specifies that such fees shall be "reasonable." But there is no top limit on the authority to award damages for "humiliation and mental pain and suffering."

Section 407 of S. 3296 appears likely to make the Attorney General the busiest intervenor in legal history, as well as one of the busiest litigants.

Under subsection 407(a) he can bring an action, without having to seek the permission of the court, or any court determination, whenever he decides for himself that he has "reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title."

What a big stick that is.

If the Attorney General should ever find himself in a position of attempting to coerce a group of realtors or a group of financial institutions or a group of homeowners or any mixed group having to do with the sale of residential properties, they would know at all stages of the discussion that he had the absolute power at his own discretion to institute legal action against them all or any of them.

But it is under subsection 407(b) that the Attorney General might well become the champion intervenor of all time. His authority under this subsection, to intervene in actions brought by private parties, is as vague as how high is up and as broad as it is vague. The Attorney General may intervene whenever he is willing to certify that the action "is of general public importance."

Subsection 407(b) of S. 3296 would make the Attorney General a sort of monitor over every real estate transaction which takes place anywhere within the boundaries of the United States and its territories and possessions. Of course, he will not be able to do that job with his present staff. He could double his staff, and double it again, and double it again, and still not have nearly enough lawyers to begin to do such a tremendous job of policing. So he will have to be choosy about what actions he institutes, and where he intervenes. In the nature of things, political factors and public relations considerations are bound to play a substantial part in his decisions in this regard. That is another of the evils in this bill.

Mr. President, title IV of S. 3296 does not live up to its advance billing. This is not legislation which will advance freedom; it is legislation which will create a balance of power on one side, at the expense of the basic individual rights of millions of homeowners; and that is about as destructive of freedom as you can get.

The freedom of this Nation reflects the efforts of freemen to live for themselves the kind of lives and to make for their families the kind of living that suits their personal preferences.

The power of this Nation is the cumulative power of freemen working together to attain common objectives.

The technical advances this country has poineered have been the result, in large part, of the thinking of men free to think for themselves.

The greatness of this Nation, in sum, is the product of freemen in a free economy.

It has been built on the right of private property. And title IV of S. 3296 is the boldest, most sweeping, most dangerous attack on that right which Congress has been asked to sanction.

THE LAW-ABIDING PEOPLE OF MISSISSIPPI

Mr. EASTLAND. Mr. President, I have always been proud of Mississippi, and today I am even prouder, if that be possible, to be from this great State.

This new pride stems from the magnificent manner in which the citizens of Mississippi are practicing self-discipline and respect for the law in the face of extreme agitation.

Martin Luther King and his traveling circus, now in Mississippi on what is nothing but a publicity tour, are using every trick in their bag to aggravate the good people of this State.

I wonder if the citizens of New York, Chicago, Los Angeles, or other cities could exercise such restraint as the people of Grenada, Miss.

This law-abiding community in the past 2 days has been subjected to every form of insult conceivable.

Southern historic monuments have been desecrated, southern history made a mockery, and its people insulted on the streets.

The reactions of Grenada to this agitation have been to practice the Christian virtue of turning the other cheek and remaining silent.

There is no doubt that these outside agitators would like to provoke an incident, and it must sorely try their patience that Mississippians have continued and will continue to refuse to supply such an incident.

Let me recall that the man who shot James Meredith was not a Mississippian.

I would not be surprised if Martin Luther King and these agitators next desecrate the graves of Confederate soldiers and drag their remains through the streets in an effort to garner headlines.

And what kind of person is participating in this march? Beatniks, frauds, and persons wanted to answer for crimes in other States.

One particular individual has caught the national press attention because of his misfortune to have only one leg.

This man was prominent in the Selma march, and pictures of him on his crutches have been used on fundraising propaganda for these agitators.

Although he has represented himself as a disabled veteran on many occasions, his leg was actually amputated in early childhood.

This sort of stage production serves as shocking evidence of the degrees to which these publicity seekers are willing to go to win sympathy and press coverage.

The truth is that these handicapped people are dupes whose personal backgrounds are so sordid and revolting that I must pass over them.

This collection of out-of-State rabble is not experiencing the kind of headlines that make them the happiest. It seems that at long last the American public is beginning to get their number and is refusing to be duped by their antics.

Until the national press wearies of this diet of sensationalism, the people of Mississippi must continue to endure the most revolting of sights and the gravest of insults.

In the meantime, my heart goes out to the good people of Mississippi. I am proud of them, and I salute them.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 2950) to authorize appropriations during fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RIVERS of South Carolina, Mr. PHILBIN, Mr. HÉBERT, Mr. PRICE, Mr. BATES, Mr. ARENDS, and Mr. O'KONSKI were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 12322) to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. GATHINGS, Mr. HAGEN of California, Mr. DAGUE, Mr. BELCHER, and Mr. TEAGUE of California were appointed managers on the part of the House at the conference.

WALKOUT OF LABOR DELEGATES FROM INTERNATIONAL LABOR ORGANIZATION MEETING AT GENEVA

Mr. CLARK. Today, the executive council of the AFL–CIO met in Washington at the request of Mr. Walter P. Reuther to discuss the recent activity of the labor delegates to the International Labor Organization in walking out of the meeting at Geneva because that group had elected a president from Poland, a Communist state.

Mr. Ruthers' efforts to reverse the position of the executive council were unsuccessful, but he has issued a statement outlining his own views, with which I am in complete accord. He states that the United Automobile Workers are deeply disturbed about the growing negative character of AFL–CIO policy in the field of international affairs, of which the withdrawal of AFL–CIO delegates from the current International Labor Organization Conference is but the latest expression.

Mr. Reuther states that the action of the delegates in walking out of the ILO Conference was unwise, undemocratic, and unfortunate, and was a distinct disservice to the AFL–CIO free-world labor movement, to our Nation, and to the cause of international understanding, peace, and freedom.

I completely share the views of Mr. Reuther. No Member of the Senate has had closer or more friendly relationships with the labor movement than the senior Senator from Pennsylvania. I hope matters will always continue that way. But I deplore the action of the AFL–CIO executive council in rendering a disservice to the foreign policy of the United States, not only by the action it took at the ILO conference, but also by a number of other actions by which it has in effect attempted to take into its own hands the foreign policy of the United States. I hope that policy will shortly change.

I ask unanimous consent that Mr. Reuther's statement be printed in the RECORD at this point in my remarks.

I thank the distinguished Senator from Minnesota [Mr. MCCARTHY] for his courtesy in yielding to me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF UAW PRESIDENT WALTER P. REUTHER, ON BEHALF OF THE INTERNATIONAL EXECUTIVE BOARD OF THE UAW, PRESENTED TO THE AFL–CIO EXECUTIVE COUNCIL, WASHINGTON, D.C., JUNE 16, 1966

The question before the Executive Council of the AFL–CIO is not a matter of personalities. It is a matter of policy and democratic procedure.

The leadership and the membership of the UAW, like many other Americans, are deeply disturbed about the growing negative character of the AFL–CIO policy in the field of international affairs, of which the withdrawal of AFL–CIO delegates from the current International Labor Organization (ILO) Conference is but the latest expression.

The UAW International Executive Board believes that the action of the AFL–CIO delegates in walking out of the ILO Conference was unwise, undemocratic and unfortunate, and was a distinct disservice to the AFL–CIO, to the free world labor movement, to our nation, and to the cause of international understanding, peace and freedom.

The ILO was created on the initiative of the American labor movement and is a specialized agency of the United Nations. Affiliation with the ILO and full particiation in its work have been the historic policy of our movement, because it provides a mechanism through which American labor can advance the cause of free trade unionism, social justice and democracy throughout the world.

In June 1955, when the U.S. employers were threatening to walk out of the ILO because of the application for admission by delegates from the Soviet Union, President George Meany of the AFL correctly stated: "We are not going to walk away from the ILO. We are not going to fall into a Soviet trap and aid them in destroying this organization."

George P. Delaney, at that time AFL worker representative to the ILO, was reported on June 10, 1955, in the AFL News-Reporter to have stated in response to the threatened walkout by U.S. employer delegates: "I can conceive of many reasons why the men in the Kremlin would like nothing better than to see the U.S. out of the ILO."

In 1960, Rudolph Faupl, a U.S. worker delegate to the ILO, in a foreword to a published case study of experience in the International Labor Organization by Alfred Fernbach, stated: "One thing is certain. We will not win the support of the representatives of the newly independent uncommitted nations by trying to run away from the ideological battle with the Communists. The free employer representatives in the ILO seem to have had the idea that if you somehow ignore the Communists they will just go away. They are learning the hard way that the Communists are not easily discouraged by cold shoulder treatment."

Monsignor George Higgins, Director of the Social Action Department of the National Catholic Welfare Conference, in his column for release June 13, 1966, wrote:

"Apparently the [Johnson] Administration thinks—as Meany put it when the shoe was on the other foot—that boycotting the ILO for the reason alleged by the labor delegation is a most unfortunate and obviously self-defeating way of fighting communism. I think the Administration is dead right, and I sincerely hope that, by the time this column appears in print, the U.S. labor delegation will have decided to call off its boycott. The opposition of our labor delegates to communism does them credit, but boycotting the ILO (unless there is considerably more to this controversy than meets the eye) strikes me as being an ineffective, not to say, a silly way of fighting communism. Indeed I think it could be argued persuasively that the election of a communist as chairman of the current ILO conference in Geneva is, if anything, an added reason for active U.S. participation in the meeting.

"In summary, then, I would say that if the U.S. labor delegates go through with their boycott, they will be cutting off their own nose to spite their face. And nothing, I should think, could possibly please the communists more, for in the absence of the U.S. labor delegations, they can the more easily and the more successfully use the ILO as a sounding board for their own propaganda."

The walkout of the AFL–CIO delegates from the ILO conference has isolated the American labor movement and further strained our relationship with the other democratic free trade union organizations whose delegates stayed in the ILO conference. No other delegates of the Free World whether worker delegates, employer delegates or government delegates, walked out.

Does the action of the AFL–CIO delegates suggest that all of the other representatives from democratic nations whether worker, employer or government delegates have compromised their principles or are less committed to the principles of democracy and human freedom?

To think thus is obviously dangerous nonsense.

Following the establishment of the United Nations in 1945 the ILO was reorganized as a specialized agency of the United Nations and invited into membership all nations which qualified under the United Nations Charter including the Soviet Union and other communist nations.

Responding to this broadened membership within ILO, the American labor movement continued its participation in and support of the ILO.

The basic policy decision was reinforced in 1955 when the American labor movement urged the U.S. employer delegates to stay in the ILO as the only effective means of meeting the communist challenge.

This sound policy has been repeatedly reaffirmed by official AFL–CIO Executive Council and convention action.

Having made the decision to participate in the ILO, the American labor movement as well as all other parties were morally obligated to accept the results of the democratic process in the ILO even when it was not to their liking.

It is a gross disservice to democracy for delegates to walk out of an ILO conference merely because the result of an election—about which no question of impropriety has been raised—is not to their taste. This is precisely the kind of action for which American labor has in the past justifiably condemned the communists.

The unwise and undemocratic decision to walk out of the ILO conference can be best judged if applied to the United Nations itself. If the official representatives of the United States government were to walk out of the United Nations Security Council each time the representative of the Soviet Union assumed the chairmanship or were to walk out of the General Assembly or any special agency of the United Nations whenever a person not to our liking is elected to the chairmanship of such body, we would in fact destroy the United Nations which is man's last and best hope for peace and survival.

The question of the withdrawal of the AFL–CIO delegates from the ILO Conference in Geneva is a matter totally unrelated to the question of the American labor movement's uncompromising opposition to Communism and all other forms of totalitarianism. The UAW yields to no one in its opposition to Communist tyranny. UAW leadership and membership have fought and resisted Communism within our own Union and within the American labor movement. We are expending great effort and resources in helping to build democratic trade unions throughout the world in order to raise living standards and to resist Communism and all other forms of tyranny.

The UAW is fully aware that, in the absence of democracy, so-called unions in the Communist countries are not free and independent representatives of the workers but rather instruments of their governments. This has been true since the Communist nations first affiliated with ILO and it is true today. The UAW shares the view that the cause of human freedom will be advanced, not by isolating ourselves from the hundreds of millions of people now under Communist domination, but rather by promoting relations with them that will enable us to demonstrate the superior value of democratic institutions.

We share a deep faith in the values of freedom and our democratic institutions and we believe that these values, the values of free men, are equal to the test of competition with communism or any other form of totalitarianism.

The real significance of the AFL–CIO walkout from the ILO Conference must be evaluated in the broader context of the world in which we live and in which the leaders of our nation, in cooperation with others, are desperately searching to find means by which we broaden understanding, minimize world tensions, and effectively meet the problem of nuclear proliferation in the hope of achieving a durable peace.

John F. Kennedy, in his persistent pursuit of peace, understood the compelling urgency for reducing world tensions when he stated before the UN on September 25, 1961: "Mankind must put an end to war or war will put an end to mankind."

Pope Paul VI, in his historic address before the United Nations on October 4, 1965, stated:

"Strive to bring back among you any who have separated themselves, and study the right method of uniting to your pact of brotherhood, in honor and loyalty, those who do not yet share in it. Act so that those still outside will desire and merit the confidence of all; and then be generous in granting such confidence . . .

"If you wish to be brothers, let the arms fall from your hands. One cannot love while holding offensive arms. Those armaments—especially those terrible arms which modern science has given you—long before they produce victims and ruins, nourish bad feelings, create nightmares, distrust. . .

"No more war, war never again! Peace, it is peace which must guide the destinies of peoples and of all mankind."

In this spirit, President Johnson, before the UN, committed our nation to the task of building bridges of understanding with the governments and the peoples of the world in an effort to move the world away from the dangers of nuclear war and self-destruction and towards the achievement of peace among the family of nations.

The walkout of AFL–CIO delegates undermines and runs counter to the spirit of this national effort and national commitment and it is for this reason that the UAW International Executive Board is deeply disturbed and urges the AFL–CIO to instruct its delegates to return to and to participate fully in the work of the ILO to the end that the AFL–CIO can make its contribution in cooperation with others to extend the frontiers of social justice and to make peace and human freedom secure.

The UAW International Executive Board is in sharp disagreement with the decision to boycott the ILO, which marks a sharp break and reversal of a long-standing policy of the AFL–CIO. We are equally in disagreement with the failure to respect and carry out democratic procedures in the making of this decision.

The free labor movement, like a free society, can achieve unity in diversity only if the democratic process is respected. This democratic process requires consultation, discussion and free and full debate in the determination of all basic policy matters. This essential democratic procedure was totally ignored in this situation.

A free labor movement belongs to all of its members and is not the private property of anyone. No other democratic trade union organization participating in the ILO followed the AFL–CIO example of boycotting the ILO Conference. It is moreover inconceivable and unthinkable that any democratic labor organization would make such a fundamental trade union decision with such far-reaching implications without prior consultation, deliberation and discussion among its leaders.

The leadership of the UAW first learned of the AFL–CIO boycott of the ILO Conference from a public statement by an AFL–CIO staff member in Geneva, which appeared in the Detroit press Sunday, June 5, 1966.

In the last twenty-four hours, the UAW has learned from authoritative sources that the boycott of the ILO by the AFL–CIO had been under consideration by AFL–CIO headquarters for approximately a week prior to the walkout, and it is, therefore, evident that there was ample time for consultation and discussion with the leadership of the AFL–CIO before any final decision was taken.

The UAW International Executive Board expressed its deep disappointment and concern about this unwise action of withdrawing from the ILO and we vigorously protest the violation of the democratic process within the AFL–CIO.

As an autonomous affiliate of the AFL–CIO, representing approximately 1,600,000 members, the UAW declares its intention to exercise its full democratic right to express its views on all policy matters, both foreign and domestic, that relate to the welfare of UAW members and the well-being of our nation.

THE BUDGETARY PROCESS AND THE APPROPRIATIONS COMMITTEES

Mr. BYRD of West Virginia. Mr. President, Robert A. Stenzel, a student at the American University Law School, recently prepared a term paper titled, "The Budgetary Process and the Appropriations Committees." Believing that Mr. Stenzel's paper presents much good information on a very important facet of the legislative process, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD as follows:

LEGISLATIVE PROCESS SEMINAR, TERM PAPER ON THE BUDGETARY PROCESS AND THE APPROPRIATIONS COMMITTEES

(By Robert A. Stenzel, May 7, 1966)

FOREWORD

Characterizing the budget as a "contract" I have tried to identify the parties and their legal responsibilities. Since it became apparent that a full and complete understanding of these responsibilities could only be appreciated by an understanding of their historical development I have pursued this approach blending in along the way particularly pertinent aspects. In conclusion one budgetary cycle is analysed hopefully to put the parties in perspective and to reemphasize their responsibilities. Writing this paper along with the many readings and personal contacts it led to, has been a real pleasure and rewarding experience.

The significance of the power of the purse and the budgetary process was recently stated by the present Chairman of the House Appropriations Committee, Representative MAHON of Texas, who noted on that Committee's 100th anniversary:

"Public money is the motive power of government, the substance without which not even the smallest or most elementary function can find expression. The power of the purse is the one certain, undeniable, and continuous weapon at the disposal of the branches of government. As one noted man wrote in the last century: 'If our Republic were blotted from the earth and from the memory of mankind, and if no record of its history survived, except a copy of our revenue laws and our appropriations bills for a single year, the political philosopher would be able from these materials alone to reconstruct a large part of our history, and sketch with considerable accuracy the character and spirit of our institutions.' "[1]

With the great majority of our legislation readily translatable into terms of dollars and cents it becomes clear that in its most complete sense the budgetary process, and, indeed the budget itself, lies at the heart of the democratic political process.

That the budget is an instrument of democracy was briefly indicated by W. F. Willoughby who observed:

"It is hardly necessary to point out that the popular will cannot be intelligently formulated nor expressed unless the public has adequate means for knowing currently how governmental affairs have been conducted in the past, what are present conditions and what program for work in the future is under consideration. Of all means devised for meeting this requirement no single one approaches in completeness and effectiveness a budget if properly prepared. It at once serves to make known past operations, present conditions and future proposals, definitely locates responsibility and furnishes the means for control."[2]

Willoughby hints at one definition of "budget" and no doubt everyone has his own idea of what it means, but clarity requires further inquiry.

Webster's New Collegiate Dictionary[3] gives several apt definitions of "budget": "(a) *A statement* of the financial position of a sovereign body for a definite period of time based on estimates of expenditures during the period and proposals for financing them, (b) *a plan* for the coordination of resources and expenditures, (c) *the amount of money* that is available for, required for, or assigned to a particular purpose." (Emphasis added.)

Translating the definition into legal concepts embodying the legislative process, one writer characterizes it as a contract.

"Congress and the President promise to supply funds under specified conditions, and the agencies agree to spend them in ways that have been agreed upon. (When an agency apportions funds to its subunits, it may be said to be making an internal contract.) Whether or not the parties actually agree about what the contract purportedly stipulates is a matter for inquiry. To the extent that a budget is carried out, however, it imposes a set of mutual obligations and controls upon the contracting parties."[4]

The latter definition encompasses a broader aspect of "budget" that alludes to the dynamics of the budget, i.e., those forces which come to bear on one another during the budgetary process. In a study of the budgetary process, then, this definition, serves to provide a starting point for inquiry into (1) the parties in the budgetary process and (2) their relationships to each other.

In our democratic society the principal party in the budgetary process is the public which not only provides the funds spent but also, as the principal, elects as its agent in this process the Federal Government, consisting of the subagents in the Executive, the Congress and the Judiciary. As the principal, however, it is limited and may only act through its agents.

Needless to say much authority is vested by the public in its agents. Such authority demands responsibility.

To the public must be left the subjective evaluation of its agents' responsibility; but to judge, one must understand. It is hoped the following pages will give an insight into the budgetary process from which this understanding may be derived.

In the U.S. Constitution resides the legal basis for the interrelationships of our Federal Government. It does not provide for a budgetary system. We have today, however, under statutes, which derive their authority from the Constitution, what is known as "executive budget" system. This process has four major phases:

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[1] CONGRESSIONAL RECORD, vol. 111, pt. 3, p. 3959.

[2] "The National Budget System", (Baltimore: The Johns Hopkins Press, 1927), page 23.

[3] G & C Merriam Co., (Springfield, Mass., 1953.)

[4] Widlavsky, "The Politics of the Budgetary Process", (Boston: Little, Brown & Co., 1964) page 2.

1. Congressional authorization of program legislation.
2. Formation of the budget by the Executive.
3. Congressional action on appropriations.
4. Execution of the enacted budget.

There is no time limit on phase (1) except that it must occur before phase (3). The other phases follow a regular pattern with phase (2) taking 12–18 months; phase (3) 6 months; and phase (4), of course, the 12 fiscal months.

Following the Constitution, the budgetary process is a working example of the separation of powers between the Executive and the Legislature.

Comprising these two branches of our government are the organizations that serve as subagents. On the Executive side the agencies, under the leadership of the President through his cabinet members, carry out the many functions of government. In phase (2) of the budget process these agencies estimate the future financial resources necessary to carry out their functions and submit them to the Executive through the Bureau of the Budget. The Executive, working with the BOB, molds these estimates into this budget which he submits annually each January to the Congress. Starting in the House of Representatives each House of Congress, assisted by its respective standing Committee on Appropriations, evaluates the budget request and makes a determination of what moneys will be given. Another arm of Congress specifically set up to investigate and oversee previous expenditures; the General Accounting Office, also assists the Congress. Any differences in appropriations between the two Houses are resolved in joint conferences, and what is agreed upon becomes enacted into law. Under this law the Executive may draw the appropriated funds from the Treasury and, again assisted by the BOB, distribute them to the agencies. While the revenue-raising function is certainly within the orbit of the budgetary process its study can be and will be, for purposes of this paper, completely separated from the spending function except insofar as a discussion of the necessity of its coordination with the spending process is concerned.

Looking at the present budget system, two characteristics are evident: first, control of the spending power by the people through their elected representatives; and, second, a strong executive role in its formation.

The roles of the Congress and the President in the budgetary process have varied over the years and change with each new administration and each new Congress. Each participant in this highly complex process shapes the policies and imparts a certain bit of his character to the organization of which he is a part. This subjective, but highly significant, aspect is beyond the scope of this paper but must be borne in mind in an understanding of this governmental process. In sum, the mechanism is subject to human control and frailties.

Much as we cannot truly understand the present day common law without knowing somewhat of its heritage, so, too, an understanding of the budgetary process as we know it today depends upon an appreciation of its past.

Thus, before examining the present budget system in greater detail, a glimpse at its development is in order.

HISTORY OF THE BUDGETARY PROCESS

While it may not be surprising to find that popular control of the purse goes back no farther than the Thirteenth Century in English History, it may be a little shocking to discover that the United States did not have a national budget system until 1921.

Historically, interest in the public purse is the story of conflict between the Crown on one side and the popular forces, as represented in the legislature, on the other. Having a determination in the spending of the public money implies a right of a very high order. One writer has characterized the budget prerogative as an attribute of sovereignty. He noted:

"The Constitutional right which a nation possesses to authorize public revenues and expenditures does not originate from the fact that the members of the nation contribute the payments. This right is based on a loftier idea: the idea of sovereignty. It is only when sovereignty rests with a nation (as distinguished from a king or ruling class) that the people acquire the right to authorize public revenues and expenditures (either directly or through their representatives). In case a nation were not sovereign it would not possess the right to control the public purse . . . the budget prerogative would be unknown."[5]

England: 1215–1776

The idea of sovereignty in our English history had its beginnings in the Magna Charta of 1215. To offset the King's demands for money it provided in one of its articles: "No scutage (tax levied upon a tenant of a knight's fee in commutation for military service) or revenue shall be imposed in the kingdom unless by the Common Council of the realm. . . ." Since the Common Council was the forerunner of Parliament there can be seen here a clear and concise statement that revenue may be raised only with the consent of the assembly. To establish its prerogative, Parliament fought over the years a long bloody struggle, and by the middle of the fourteenth century had reached the point of challenging the Crown when funds were not spent for express purposes.

"The practice of appropriation developed rapidly. The Commons did not, it is true, act with perfect consistency. At first they sometimes merely inserted a clause in an Act of Supply stating that the money was intended for a particular purpose. But soon it became usual to appropriate supplies either by a specific enacting clause in the bill which granted them or by a Special Act which appropriated all the sums granted by different Acts during the session. In either case rules were made for the proper disposal of the money *and penalties were imposed for disobedience*." (Emphasis added.)[6]

The penalty power attained is an indication of how jealously this hard-fought right was guarded and respected since it was applied in most cases only against the Crown. It was not all that simple, however. We are told by Arthur E. Buck that the English budget system at that time was very crude.

"The need came first then the action, often very haltingly, and finally the theory to support what had been done."[7]

Nevertheless, it was a beginning of a budget system which developed historically, through three well-defined stages: "(1) parliamentary approval of taxation and other sources of revenue, (2) parliamentary approval of expenditure through appropriation; and (3) annual discussion by parliament of governmental income and expenditure set up in the form of a financial plan."[8]

So developed, it was carried to our shores by the Colonists where the governors represented the Crown and the legislatures were scale models of the English Parliament. But the governor was not the Crown and the legislature was not a body of representatives having 300 years of tradition to moderate their relations with the Crown. Young, fresh, and ambitious, with hard work behind everything they did, the Colonists quickly came into fierce conflict with the Crown. This bitter conflict left a very distinct distrust of executive power—especially with regard to money matters. These and other factors were reflected in 1778 when, in the Articles of Confederation, Article IX, they provided:

"The United States in Congress assembled shall have authority to appoint a committee, to be denominated 'A Committee of the States', and to consist of one delegate from each state: "to ascertain the necessary sums of Money to be raised for the service of the United States, and to appropriate and apply the same for defraying the public expenses—to borrow money, or emit bills on the credit of the United States, transmitting every half year to respective states an account of the sums of moneys so borrowed or emitted."

Thus both legislative and administrative functions were lodged in the Congress.

"Congress, or its committees, prepared all revenue and appropriation estimates, legislated them, and then finally attempted to supervise the accounts in detail. This was a system which could not operate well."[9]

Constitutional basis of spending power

The Founding Fathers recognized the inability to provide adequate revenues and spending power as one of the greatest failures of the Confederation. To remedy these shortcomings they met in what was officially known as the "Federal Convention of 1787". With the presence of the revered Revolutionary hero, George Washington, and the wise old statesman, Benjamin Franklin, providing inspiration and leadership, the energies of Jefferson, Hamilton, Madison and the others gave our country one of the first written national Constitutions the world had known. Blending the best of 18th century political philosophy—such as the compact and charter theories of state, constitutional supremacy, doctrine of natural rights and the separation of powers—they cured the inherent defects of the Articles of Confederation.[10] Thus the compact and charter theories of state resulted in the powers of the Federal Government being enumerated with those powers not specifically given to it remaining in the states.

In the separation of powers, the need for a strong executive was now recognized and provided for, but balanced against and checked by the Congress. Under the doctrine of constitutional supremacy, the third branch of government, the Judiciary, came to have in turn a check on Congress by judicial review of their legislation to determine whether it was consistent with the Constitution. Plain as these powers appeared, they did not go unchallenged even by the Founding Fathers themselves. It is clear that, if the Congress has the power to spend the public money this power must, under the doctrine of enumerated powers, be found in some provisions of the Constitution. Thus a study of the Constitution is a study of the interpretations given to its various words and clauses as a result of these challenges.

The parts of the Constitution and their interpreted meanings significant to a study of the budgetary process and the appropriations committees are taken here to keep them in historical context and yet contrast the past with the present interpretations. The spending power was enumerated in Art. I., Section 9, Clause 7, which provided:

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[5] Stourm, "The Budget", (New York: D. Appleton & Co., 1917) page 6.

[6] Thomson, "A Constitutional History of England," (London: Methuen & Co. Ltd, 1938), Vol 1V, page 206.

[7] "The Budget in Governments of Today", (New York: The MacMillan Co., 1934), page 10.

[8] Id, page 6.

[9] Bolles, "The Financial History of the United States from 1774 to 1789", (New York: D. Appleton & Co., 1896) page 328.

[10] Kelly & Harbison, "The American Constitution", (New York: W. W. Norton & Co.) 3rd edition, 1963) pages 165, 166.

"No money shall be drawn from the treasury, but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time."

Since Congress had the law-making function, this simply meant that no money could be paid out of the Federal Treasury unless it had been appropriated by an act of Congress.[11] Its meaning was explained by Alexander Hamilton as follows:

"The design of the Constitution in this provision was, as I conceive, to secure these important ends, that the purpose, the limit, and the fund of every expenditure should be ascertained by a previous law. The public security is complete in this particular, if no money can be expended, but for an object, to an extent, and out of a fund, which the laws have prescribed." [12]

The scope of the spending power or the purposes and objects for which the money may be spent is derived from Article I, Section 8, which begins:

"The Congress shall have Power to lay and Collect Taxes, Duties, Imports and Excises, to pay the Debts and provide for the common defense and general Welfare of the United States . . . ." As the meaning of "general welfare" may be quite broad and is the key to this important power, argument over its interpretation began even before ratification. In the *Federalist*, Hamilton advocated the literal, broad meaning of the clause. On this basis the general welfare clause is capable of considerable expansion.[15] Madison on the other hand, maintained that it was merely introductory to the enumerated powers which followed it and that it conferred no additional power upon Congress.[16] These arguments continue to the present time. In addition to these early ideas the United States Supreme Court has handed down from time to time its opinion of the meaning of "general welfare"—more often in connection with the taxing power however, than with the spending power.

"An important case in a study of the spending power is *U.S.* v. *Butler,* 297 U.S. 1(1936). Its holdings are no longer the law of the land, but what was said in the almost inconsistent decision concerning the Hamiltonian "general welfare" theory has been subsequently affirmed and still holds true today. In this case the Court invalidated the Agricultural Adjustment Act of 1935 because it levied a tax against the processors of certain agricultural products and earmarked the proceeds for the benefit of the farmers who complied with the terms of the Act. With respect to the general welfare clause the court with Justice Roberts delivering the majority opinion, held to the Hamiltonian interpretation:

"The clause confers a power separate and distinct from those later enumerated, is not restricted in meaning by the grant of them, and Congress consequently has a substantive power to tax and to appropriate, limited only by the requirement that it shall be exercised to provide for the general welfare of the United States."

"Funds in the Treasury as a result of taxation may be expended only through appropriation. They can never accomplish the objects for which they were collected unless the power to appropriate is as broad as the power to tax. The necessary implication from the terms of the grant is that the public funds may be appropriated to provide for the general welfare of the United States." [17]

In a strong dissent Justice Stone agreed with the Hamiltonian viewpoint, but not with its limitations which were held by the majority to prevent conditions being attached to the appropriations. Justice Stone noted: "Such a limitation is contradictory and destructive of the power to appropriate for the public welfare, and is incapable of practical application. The spending power of Congress is in addition to the legislative power of Congress and not subordinate to it. This independent grant of the power of the purse, and its very nature, involving in its exercise the duty to insure expenditure within the granted power, presuppose freedom of selection among divers ends and aims, and the capacity to impose such conditions as will render the choice effective." [18]

This decision, while endorsing the broad conception of the welfare clause, declared invalid taxes earmarked for special accounts and thus not available for the purpose of the "general government".[19] Less than five months later the Court was to declare in *Cincinnati Soap Co.* v. *U.S.:*

"(The tax) is said to be bad because it is earmarked and devoted from its inception to a specific purpose. But if the tax, qua tax, be good, as we hold it is, and the purpose specified be one which would sustain a subsequent and separate appropriation made out of the general funds of the Treasury, neither is made invalid by being bound to the other in the same act of legislation. The only concern which we have in that aspect of the matter is to determine whether the purpose specified is one for which Congress can make an appropriation without violating the fundamental law. If Congress, for reasons deemed by it to be satisfactory, chose to adopt the quantum of receipts from this particular tax as the measure of the appropriation, we perceive no valid basis for challenging its power to do so".[20]

These decisions, however, did not clearly define the meaning of "the general welfare." In *Helvering* v. *Davis,* [21] which upheld the old age assistance tax, the majority opinion held that:

"The conception of the spending power advocated by Hamilton and strongly reinforced by Story has prevailed over that of Madison, which has not been lacking in adherents. Yet difficulties are left when the power is conceded. The line must be drawn between one welfare and another, between particular and general. Where this shall be placed cannot be known through a formula in advance of the event. There is a middle ground or certainly a penumbra in which discretion is large. The discretion belongs to Congress, unless the choice is clearly wrong, a display of arbitrary power, not an exercise of judgment."

Thus the Court left to Congress both the definition of "general welfare" and the choice of the means of spending. That the exercise of the spending power must naturally affect the activities and expenditures of both the states and the people as well, has been noted in the introduction. The vast scope of the power of the purse, the difficulty of control after legislative-executive agreement, and the inability of any individual taxpayer to test the constitutionality of expenditures, were emphasized by the majority opinion in *Massachusetts* v. *Mellon* [22]:

"His (the Taxpayer's) interest in the moneys of the Treasury—partly realized from taxation and partly from other sources—is shared with millions of others is comparatively minute and indeterminable; and the effect upon future taxation, of any payment out of the funds, so remote, fluctuating and uncertain, that no basis is afforded for an appeal to the preventive power of a court of equity . . . The party who invokes the power must be able to show not only that the statute is invalid but that he has sustained or is immediately in danger of sustaining some direct injury as the result of its enforcement, and not merely that he suffers in some indefinite way in common with people generally."

From these decisions it is very clear that the spending power is in Congress, is of a wide scope and implicitly is capable of further expansion in support of the Federal Government's growing economic and social activities. Further, the third branch of government may only intervene when "the (Congressional) choice is clearly wrong, a display of arbitrary power, not an exercise of judgment." [23] Also taxpayers and states have no standing in their role as taxpayers or States to question Congressional judgment. With this broad grant of authority or right, there attaches an equally broad duty to be frugal with the public moneys so as not to unduly burden with taxes and the like, the keystone to free enterprise: incentive.

The result of *Massachusetts* v. *Mellon* is to insulate practically all Congressional exercises of the spending power from judicial review. If neither the States nor individual taxpayers (the only parties who could possibly object to spending statutes) are permitted to raise the constitutional issue, it is difficult to see how such issue can ever be raised. In a practical sense then, unless a statute providing for a spending program contains the specific tax provisions under which funds earmarked for the program will be obtained, as in the *Butler* case, or unless the Congress should expressly make judicial review available,[24] such statute is rendered immune from constitutional attack.

It can be seen from the above noted portions of the Constitution and their interpretations that although considerable attention was given to finance, there was no thought of the budget process as an independent act.

Early U.S. development of budget process

As mentioned earlier a national budget system did not come into being until 1921 although in the interim money was appropriated and spent. How the government functioned without a budget—indeed as one of the only civilized countries without one—rewards investigation and an understanding of our present system.

One of the first acts of the first Congress was to provide for a Treasury. Only after much debate was it conceded that one man would head it. As to his duties, the issue arose over whether he should "digest and report (revenue) plans" or "digest and prepare" plans. To "report" was felt to take the initiative away from Congress, so "prepare" was agreed on.[25] As enacted, the Treasury Act of 1789 contained the additional duties of the Secretary:

"1. To digest and prepare plans for the improvement and management of the revenue, and for the support of the public credit.

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[11] *Reeside* v. *Walker,* 11 How. 272, 291; 2 story on the Constitution (4th ed.) §§ 1348, 1349; 1 Willoughby on the Constitution, § 63, page 105.

[12] Powell, "Control of Federal Expenditures—A Documentary History", (Brookings Institution, 1939), page 133.

[13] *Cincinnati Soap Co.* v. *U.S.*, 301 U.S. 308, 321 (1937); *Knote* v. *U.S.,* 95 U.S. 149, 154 (1877).

[14] Cincinnati Soap at page 321.

[15] The Federalist Nos. 30 and 34.

[16] Id, No. 41.

[17] 297 U.S. 1, 65, 66 (1936).

[18] Id at 67.

[19] Rohrlich, "Funds and Accounts in the Federal Government" (Cambridge: Harvard Graduate School of Public Administration, 1944) pages 14–19.

[20] 301 U.S. 308, 313 (1937).

[21] 301 U.S. 619 (1937).

[22] 262 U.S. 447 (1922).

[23] 301 U.S. 619, 624 (1937).

[24] In *Oklahoma* v. *Civil Service Commission,* 330 U.S. 127 (1947) the statute expressly gave a state the right of judicial review.

[25] 1 "Annals of Congress", page 631.

"2. To prepare and report estimates of the public revenue and the public expenditures.

"3. To superintend the collection of the revenue.

"4. To decide on the forms of keeping and stating accounts and making returns, and to grant, under the limitations herein established, or to be hereafter provided, all warrants for monies to be issued from the Treasury, in pursuance of appropriations by law.

"5. To execute such services relative to the sale of the lands belonging to the United States as may be by law required of him.

"6. To make, report, and give information to either branch of the Legislature, in person or in writing, (as he may be required), respecting all matters referred to him by the Senate or House of Representatives, or which shall appertain to his office.

"7. Generally to perform all such services relative to the finances as he shall be directed to perform." [26]

The comprehension of this Act is necessary in order to understand the role the Treasury has played in the financial system with particular reference to the budget process.

The powers were broad Madison agreed, "but compare the danger likely to result . . ., with the danger and inconvenience of not having well-formed and digested plans. . ." [27] This information providing function had been a problem in the early state governments and was recognized by the members of the Congress.

Under the literal terms of the Act, Congress was alone to be responsible for the budget process, and there was to be little opportunity provided for executive leadership. There was a difference between what was to be and what was, under the broad interpretations, given to the Act by Washington's first cabinet appointment; Secretary of the Treasury, Alexander Hamilton. Under Hamilton's strong leadership, and with a politically favorable Congress, the Treasury Department prepared and submitted to the House estimates of general expenditure. No doubt if Hamilton had had his way we would have had an executive budget throughout our history, for "as early as 1783 he intimated that the determination of the budget was an executive rather than a legislative function." [28] This executive responsibility for the budget preparation began to leave soon after Hamilton resigned in 1795. Thereafter, Congress took a much more vigorous role, and the individual leadership idea in budget preparation did not come back again until the early part of this century. It did, however, leave its imprint on history as a very workable system. Of course, things were much simplier then. For example, the first general appropriations bill was a lump sum arrangement and read in complete form as follows:

"That there be appropriated for the service of the present year, to be paid out of the monies which arise, either from the requisitions heretofore made upon the several states, or from the duties on impost and tonnage the following sums, viz. A sum not exceeding two hundred and sixteen thousand dollars for defraying the expenses of the civil list, under the late and present government; a sum not exceeding one hundred and thirty-seven thousand dollars for defraying the expenses of the department of war; a sum not exceeding one-hundred and ninety-six thousand dollars for discharging the warrants issued by the late board of Treasury and remaining unsatisfied; and a sum not exceeding ninety-six thousand dollars for paying the pensions to invalids." [29]

Only $645,000 total, in one general bill imposing no detail on how it was to be spent, contrasts with the present twelve regular general bills exceeding 100 billion dollars and much detail on how it is to be used.

The more active role of Congress in the budget formation was spurred by a growth of a second political party under Jefferson and the less effective personal leadership by Hamilton's successor, Oliver Wolcott, Jr. In 1796 the House set up the Committee on Ways and Means which was made a standing committee in 1802. This committee was destined to handle both appropriations and revenues until it lost its jurisdiction over appropriations in 1865.

The establishment of a permanent Ways and Means Committee by the House in 1802 marked the elimination of direct Treasury influence in the preparation of the Federal "budget" and gave new impetus to Congressional control. Removing the Treasury from this position meant eliminating the one agency which had the insight into the status of present and anticipated revenues and could strike a balance between the revenues and the proposed appropriations. Since that early time the consideration of income and expenditures has remained in separate bodies. With the establishment of the Ways and Means Committee the administrative agencies presented their requests directly to the House, resulting in an uncoordinated spending process that prevailed until 1921.

Until 1921 the Treasury Department could only forward the estimates to Congress from the agencies and acted in effect as a mere messenger without any control.[30]

With Congressional control there followed itemized appropriation and the deprival of the authority of the executive departments to transfer funds from one branch to another.

Lucius Wilmerding, in an excellent history of the spending power [31] characterizes the question of specific appropriations as an area of fundamental conflict between the Executive and Congress. To what extent Congress would attach strings to the purse fluctuated as did the relations between the two branches.

Also to control expenditures there was established, in 1814, a standing Committee on Public Expenditures as a means of relieving the heavy burdens of the Ways and Means Committee. Two years later, six additional committees were set up for the purpose of examining the past expenditures of the individual departments. There was much overlapping of effort, however, and the achievements of the committees of expenditures left much to be desired. Ideally, they were to review past expenditures, but, like the legislative committees under the Articles of Confederation, they were inadequate for the increasingly larger task they had to handle. One reason for lack of interest in control was that during the early 1800's the income from tariffs, etc., exceeded expenditures, and it was popular to spend the surpluses on "pork barrel" toll roads, etc.[32] Needless to say, we are not faced with such surpluses today, but one problem of that time which has remained to the present time is the absence of formal connection between the appropriations bills and the revenue bills. With the removal of the Treasury from this function, it was only by haphazard adjustment, in response to sharp fluctuations in the revenue, that the two were related. In the period between the election of Andrew Jackson in 1828 and the Civil War, the most significant positive development in what is now known as the budgetary process was the change of the fiscal year from October 1 to embrace the period between July 1 and June 30, beginning in 1843.[33] However, Jackson cut down on the "pork barrel" spending with vigorous use of his veto power. In an effort to render him ineffectual, Congress made an extensive use of the practice of getting "objectionable" appropriations through in the form of "riders" on legislation otherwise desirable. Although the rules of both houses frowned on this practice, it has continued to the present day and has led many to demand an individual "item veto" by the Executive rather than the present "all or nothing" veto.

Appropriations Committees formed

The period from Jackson to the Civil War reflected the topsy-like growth of the country, the Congress, and the financial system.

Sectionalism and the slavery issue finally exploded in the Civil War, whose costs were enormous. In fact, 1865 saw the expenditure of 1.3 billion dollars, a figure not to be equaled until 1917.[34] Also, whereas in 1789 there had been one general appropriations bill—as was noted previously—in full, by 1865 there were 10 bills, not counting the deficiency bills and the Rivers and Harbors Bill.[35] With the Ways and Means Committee so overloaded, its appropriating function was severed from its revenue function when the House on March 2, 1865, adopted a resolution without even a record vote creating the Committee on Appropriations. It had nine members and reported its first bills for the fiscal year 1867.[36]

Also in the Senate, where the Committee on Finance paralleled that of the House Ways and Means, the appropriating function was separated under a Committee on Appropriations which had seven members. It was created March 6, 1867, during the 40th Congress, when it was assigned, under Senate Rule XXV (b), responsibility for all proposed legislation relating to appropriation of the revenue for the support of the government.[37]

Congressional division of authority

In the period following the Civil War the increased interest in appropriations extended to the question of the Senate's role in the appropriations process. In 1857 the Senate had introduced a general appropriations bill because of the long delay in the House. When the bill reached the House, however, the lower chamber substituted its own bill. This settled the question until 1881 when a report from the House Committee on the Judiciary declared that "the power to originate bills appropriating money from the Treasury of the United States is not exclusive in the House of Representatives." [38] The minority report, however, was so enthusiastically received that the House ordered the committee's report recommitted. In the interpretation of the majority report of the provision in Article 1, section 7, that "All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills," emphasis was placed on the usage of the terms "bills for raising revenue" and "money bills" which had been used variously at the time of the Constitutional Convention. It was agreed by all that the term "money bills" included both revenue and appropriations, but the division in the committee arose as to whether "bills for raising revenue" should be construed in its narrow sense or should be considered synonymous with "money bills." The majority report chose the former construction, thus leaving appropriations open to both Houses.

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[26] Id.

[27] Id, 632.

[28] Caldwell, "Administrative Theories of Hamilton and Jefferson", (Chicago: U. of Chicago Press, 1944) page 214.

[29] 1 "Stat. L" 95.

[30] Wilmerding, "The Spending Power" (New Haven: Yale University Press, 1943) page 30.

[31] Id, page 50.

[32] Another excellent historical approach to the budgetary process may be found in Smithies, "The Budgetary Process in the United States", (New York: McGraw-Hill Book Co. Inc., 1955) 300 pages.

[33] 1 "Stat. L.", 536.

[34] *Supra* note 1, page 3864.

[35] Id, 3863.

[36] Id, Chairman Mahon presents an excellent summary of his committee's history.

[37] Id.

[38] "House Report" No. 147, 46th Congress, 3rd Session, page 9.

As pointed out in both reports, the framers of the Constitution considered this an important question, although the two reports differed on what was finally resolved. In the Constitutional Convention, Elbridge Gerry had submitted a proposition "that all bills for raising or appropriating money, and for fixing the salaries of the officers of the Government of the United States, shall originate in the first branch of the legislature, and shall not be altered or amended by the second branch * * *." There being no agreement on this motion, Edmund Randolph had presented an amendment that "Bills for raising money for the purpose of revenue, and for appropriating the same, shall originate in the House of Representatives; and shall not be so amended or altered by the Senate as to increase or diminish the sum to be raised or change the mode of levying it, or the object of its appropriation." With the defeat of this proposition Caleb Strong presented an amendment which read that "Each House shall possess the right of originating all bills except bills for raising money for the purposes of revenue, or for appropriating the same, and for fixing the salaries of the officers of the government, which shall originate in the House of Representatives; but the Senate may propose or concur with amendments as in other cases."

When the consideration of Strong's amendment was postponed, a substitute was reported which stated that "All bills for raising revenue shall originate in the House of Representatives, and shall be subject to alterations and amendments by the Senate * * *." This amendment then led to the phrasing of the clause as it is now found in the Constitution and which is similar to a provision in the Massachusetts Constitution.

In refuting the majority report, the minority took the opportunity to also express amazement at the "remarkable decision of the Supreme Court of Massachusetts."[39] In 1878, that court had given a decision to the following question: "Whether a bill appropriating money from the public treasury, and not providing for the levying of such money on the people by tax or otherwise, is a money bill which must originate in the house of representatives under the provisions of chapter 1, section 3, article 7 of the State constitution, which declares that 'all money bills shall originate in the house of representatives, but the senate may propose or concur with amendments as on other bills'." The decision of the court set forth the following propositions:

"First. The Senate can, under the provisions of chapter 1, section 3, article 7, of the constitution originate a bill or resolve appropriating money from the treasury of the Commonwealth. Second. The Senate can, under these provisions, originate a bill or resolve involving directly or indirectly the expenditure of money from the treasury, or imposing a burden or charge thereon. Third. That the power to originate a bill appropriating money from the State treasury is not limited by the constitution to the representatives, but resides in both branches of the legislature."[40]

The minority report of the House committee held that the Massachusetts court had erred in not construing a bill appropriating money to be a "money bill."

The minority report contended that it had been the intention of the members of the Convention to place the "control of the purpose" in the House not merely for the sake of this control itself but also as "part of a compromise made between the great and small States." In the language of this report:

"The purpose of this provision was to give the immediate representatives of the people the control of the purse. That power is of little consequence if it can be exercised only to put money into the Treasury. The control of the expenditure is of, by far, the greater importance. To give to the House the power of raising money and to the Senate the power of expending it would be to control the grants of the former through the debts of the latter. To give to the House the power to originate bills to raise money, and to the Senate the power to originate bills to spend it would be in like manner, to permit the latter to govern the discretion of the former as to the origination of tax-bills. It may be said that Senate bills appropriating money could not become laws without the permission of the latter. But the reply to that is that it is the power of originating bills which was thought to be of such value in this connection. This power of originating bills for raising money can accomplish but little if the discretion of the body invested with it can be affected by the originating power of another body, as will certainly be the case if the Senate can originate appropriation bills, as has been claimed."[41]

The prerogative of the House to originate appropriation bills has remained, although the Senate has been influential in affecting financial legislation by other means; thus it very frequently amends appropriations when they are received from the House. It is not at all unusual for the Senate amendments to completely override the House proposals in the resulting conferences. By means of the amending and investigative powers the upper house has been enabled to break down whatever intent there may have existed to vest the House with sole "control of the purse."

Holman rule

The House Committee on Appropriations, having been first established in 1865, soon created strong opposition among other members who resented its vast jurisdiction. One of the causes of this growing discontent was the so-called "Holman amendment" which the House adopted in 1875 and which became a part of Rule XXI. This section, which substantially increased the authority of the Appropriations Committee, reads as follows:

"No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as, being germane to the subject-matter of the bill, shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill: *Provided*, That it shall be in order further to amend such bill upon the report of the committee having jurisdiction of the subject-matter of such amendment, which amendment, being germane to the subject-matter of the bill, shall retrench expenditures."

The operation of this rule was such that an appropriation bill could change any law if it were germane to the subject matter and reduced expenditures. Practically, this rule meant that the Committee on Appropriations could in one way or another influence the legislation proposed by another committee. However, this had the effect of overloading the appropriating process and extending the jurisdiction of the committee over the entire legislative field.

Opposed to the "Holman Rule," JOSEPH CANNON, who had been Committee Chairman and was later to become Speaker, stated:

"The experience of the Fathers demonstrated that appropriation and legislation should never go together, because they do go together in a government like ours * * * the appropriation will buy through the objectionable legislation nine times out of ten."[42]

This division of passing authorizing legislation bills through one set of committees in the House and Senate and then relying for their implementing funds on the passage of another bill through the House and Senate appropriations committee is the rule today.

With the Appropriations Committee overloaded the Agriculture Appropriation bill was removed from its jurisdiction in 1880, and in 1885 the bills for Army, Navy, Indian Affairs, Foreign Affairs, and Rivers and Harbors also were removed.

Similar to the experience in the House, the Senate Committee, over an extended period, lost jurisdiction for funding several programs. In 1877 the Rivers and Harbors appropriation bill was assigned to the Committee on Commerce, and several years laters, in 1899, six of the most important supply bills were assigned to other committees.[43]

Much of this action was in reprisal for the Holman Rule and led to the dispersal of the appropriations power and a virtual, complete breakdown of Congressional control. Wilmerding describes the chaos which ensued as follows:

". . . the grasp which the Committee on Appropriations alone can keep upon the purse strings was relaxed; the spending committees, having intimate and, for the most part, cordial relations each with a particular department, launched out into an unrestrained competition for appropriations. . . . In these circumstances it is not surprising that executive dereliction passed almost unnoticed and that the department heads and bureau chiefs came to look upon themselves rather than upon Congress as the ultimate arbiters of expenditure. To make confusion worse confounded, requests for deficiency appropriations were referred not to the committee which had passed upon the original estimate, but to the Committee on Appropriations."[44]

The Holman Rule was dropped during the 54th to 61st Congress (1895–1911) but was readopted, evidently, when it appeared none of the bills would be returned to Appropriations Committee jurisdiction. Nine committees of the House shared the authority to report appropriations bills until June 1, 1920, when the House rules were amended to form a single Appropriations Committee. The Holman Rule has been subsequently adopted by every Congress including the 89th.

Deficiency appropriations

Deficiency appropriations requests were in part a result of this pro-spending attitude and also a reaction of sorts from legislation in 1868, 1870 and 1874 which effectively removed all legal authority for the executive departments either to transfer appropriations or to use appropriations unspent in previous years. Under the prevailing specified appropriations, departments were thus compelled to take the deficiency route in one area while having surpluses in another area of their operations. In a counteraction to this deficiency spending the Congress enacted the Anti-Deficiency Act of 1906 (3697 Revised stat: now 31 USC 665) under which "Appropriations . . . shall . . . be so apportioned by monthly or other allotments as to prevent expenditures in one portion of the year which may necessitate deficiency or additional appropriations . . ." [45]

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[39] Id, part 2, page 4.

[40] Id.

[41] *Supra* note 38.

[42] Id.

[43] *Supra* note 1, page 3864.

[44] *Supra* note 30, pages 143, 144.

The Anti-Deficiency Act did not achieve the objective of eliminating deficiency legislation since control of the apportionments remained within the agencies and did not come under a central authority. It was however included in the duties of the Bureau of the Budget by Executive Order 6166, dated June 10, 1933 and under that central authority and with better control of appropriations, serves today in the execution of the appropriated budget. In fact in Hearings before the Joint Committee on the Organization of Congress, Representative JAMIE L. WHITTEN used the Act to justify his plan for biennial appropriations, he noted:

"The Anti-Deficiency Act now . . . requires that (the agencies) can't spend over one-fourth in any quarter, so it would require an adjustment there so that not more than one-eighth of this appropriation could be spent per quarter over a 2 year period. . . ." [46]

Needed changes in methods of disbursing public moneys and the examination and settlement of public accounts dating from the Treasury Act of 1789 were recognized in the enactment in 1894 of the Dockery Act (28 Stat. 205).[47] "The change brought by the Act provided the Congress with better control than in the past. However, since the Comptroller and Auditors (which it established) remained executive officers, the Congress still lacked the independent review of the legality, and propriety of expenditures of the Executive branch essential to its effective exercise of the power of the purse. This was not accomplished until 27 years later when the Congress enacted the Budget and Accounting Act of 1921 creating the General Accounting Office and making it completely independent of the Executive branch and responsible only to the Congress." [48]

Budget and Accounting Act of 1921

All the historical notes set out so far serve to explain the context within which the Budget and Accounting Act of 1921 (42 Stat., 20; 31 USC 1) was formulated.

In redefining the Legislative and Executive roles in the budget process the Act created the first national budget system the country had known. Basically its functions were threefold,

1.) it fixed responsibility in the Executive for the estimates submitted to Congress and created the Bureau of the Budget under his authority to accomplish this purpose.

2.) it established the General Accounting Office for the purpose of auditing the executive accounts with responsibility only to the Congress, and

3.) it provided for internal consolidation of the congressional budget system.[49]

As finally signed into law by President Harding the Act in Section 201 provided:

"The President shall submit to Congress during the first 15 days of each regular session, the Budget which shall set forth his budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine——. . . .

"(a) Estimates of the expenditures and appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year; except that the estimates for such year for the Legislative Branch of the Government and for the Supreme Court of the United States shall be transmitted to the President on or before October 15th of each year, and shall be included by him in the Budget without revision;

"(b) His estimates of the receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

"(c) The expenditures and receipts of the Government during the last completed fiscal year;

"(d) Estimates of the expenditures and receipts of the Government during the fiscal year in progress;

"(e) The amount of annual, permanent, or other appropriations, including balances of appropriations for prior fiscal years, available for expenditure during the fiscal year in progress, as of November 1 of that year;

"(f) Balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

"(g) All essential facts regarding the bonded and other indebtedness of the Government; and

"(h) Such other financial statements and data as in his opinion are necessary or desirable in order to made known in all practicable detail the financial condition of the Government."

These stipulations called for considerably more over-all direction of the financial program than had existed prior to 1921, although by no means the full executive responsibility implied on the surface. The President could recommend but Congress voted, and it did so without necessary regard to the development of an over-all program.

Section 202 recognized the advisability of considering expenditures in relation to revenues and provided that when the anticipated income did not meet the expenditures for the coming fiscal year, "the President in the Budget shall make recommendations to Congress for new taxes, loans, or other appropriate action to meet the estimated deficiency."

HISTORY OF THE BUREAU OF THE BUDGET

Section 209, the importance of which went unrecognized for a number of years, set up the Bureau as a central agency to study the entire administrative hierarchy;

The Bureau, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes (with a view of securing greater economy and efficiency in the conduct of the public service) should be made in (1) the existing organization, activities and methods of business of such departments or establishments, (2) the appropriations therefor, (3) the assignment of particular activities to particular services, or (4) the regrouping of services. The results of such study shall be embodied in a report or reports or any part thereof with his recommendations on the matters covered thereby.

The way was thus prepared for continuous study of the administrative process. In terms of seeking "greater economy and efficiency" the Bureau as the "President's agency" was enabled to serve as a central staff agency in preparing blueprints for the activities of the government services.

Originally it was placed in the Department of the Treasury but headed by a Director of the Budget appointed by the President without the advice and consent of the Senate. Since the Director reported directly to the President it was considered in line with the separation of powers to waive Senate confirmation.

Charles G. Dawes was selected as its first Director and set a course which was to be followed by the Bureau until the Thirties. For more than a decade the Bureau followed a course in line with the times of economy and efficiency but did not function as more than an auxiliary service agency. The main reason for this minor role was that the Director although reporting directly to the President was not of Cabinet rank and was subordinate to the Treasurer.

The economic crisis of the Thirties and the extraordinary measures undertaken by the Federal Government to combat it led to the formation in 1937 of the President's Committee on Adminitrative Management which formulated the modern concept of the Executive Office of the President. In Executive Order No. 8248 issued on September 8, 1939 the stage was set for the growth of the Bureau to its present size. The functions and Duties of the Bureau were defined as follows:

"1. To assist the President in the preparation of the budget and the formulation of the fiscal program of the Government.

"2. To supervise and control the administration of the budget.

"3. To conduct research in the development of improved plans of administrative management, and to advise the executive departments and agencies of the Government with respect to improved administrative organization and practices.

"4. To aid the President to bring about more efficient and economical conduct of Government service.

"5. To assist the President by clearing and coordinating departmental advice on proposed legislation and by making recommendations as to Presidential action on legislative enactments, in accordance with past practice.

"6. To assist in the consideration and clearance and, where necessary, in the preparation of proposed Executive orders and proclamations, in accordance with the provisions of Executive Order No. 7298 of February 18, 1936.

"7. To plan and promote the improvement, development, and coordination of Federal and other statistical services.

"8. To keep the President informed of the progress of activities by agencies of the Government with respect to work proposed, work actually initiated, and work completed, together with the relative timing of work between the several agencies of the Government—all to the end that the work programs of the several agencies of the executive branch of the Government may be coordinated and that the moneys appropriated by the Congress may be expended in the most economical manner possible with the least possible overlapping and duplication of effort." [50]

Set in broad terms the Order reflected a growing awareness of the larger role of the national budget in the countries economy. Under a strong President the new arrangement resulted in facilitating the expansion of Executive influence through coordinated goal seeking efforts. Executive-agency relations were clarified. The Budget Director became the President's alter ego and its efficiency was unmatched by the Congress.

Appearing before the Joint Committee on the Organization of Congress recently Bureau of the Budget Director Charles L. Schultze aptly described the present function of BOB in the budgetary process. Regarding the preparation of the budget he noted:

"The Congress has by law provided that the budget shall reflect the amounts necessary in the President's judgment for the Government's activities for the coming year.

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[45] Quoted in Smithies supra note 32, page 57, but see Senate Doc. No. 11, 87th Congress 1st Session, pages 45–50.

[46] "Hearings before the Joint Committee on the Organization of the Congress of the U.S., 89th Congress, 1st Session", page 651.

[47] "Financial Management in the Federal Government," Senate Doc. No. 11, 87th Congress, 1st Session, page 5.

[48] Id, page 6.

[49] Id, page 6.

[50] *Supra* note 47, page 20.

The Bureau of the Budget assists the President in reaching his judgment. However, the President has not delegated to us the task of making his decisions for him, and indeed, President Johnson has given a great deal of his time to careful consideration of the issues and the making of judgments with respect to the makeup of the budget.

"We in the executive branch are accountable—and rightly so—to the Congress and the public for an explanation of any recommendation and any estimates appearing in the budget. To maintain that accountability, it is, of course, necessary that the President have free access to recommendations from various places within the executive branch and that the suggestions which are thus laid before the President be regarded as matters for his consideration and not for premature disclosure to the public. The principle of the executive budget has served our Government well." [51]

By Executive order 8512 dated August 13, 1940, giving a broad interpretation of the second duty of the Bureau under Order 8248, the Executive obtained control over the apportionment system. This is a strong management tool that can be used both to keep the agencies in line by preventing their going directly to Congress and also to defeat the intent of Congress. A recent example of this occurred in a bill HR 12762 authorizing appropriations for the Coast Guard. The budget request was only $103 million but the House passed a bill authorizing $126 million. This bill was then sent to the Senate which concurred in the House figure. President Johnson on receipt of the bill sent a message to the Congress advising them that although the higher figure was authorized, if they appropriated more than he requested he would spend no more than the $103 million originally asked for. In the House Treasury and Post Office appropriations bill for 1967 the $103 million figure was followed. It remains for the upper house to have its say.[52]

To complement the Congressional oriented Legislative Reorganization Act of 1946, the Congress in 1947 set up the first Hoover Commission to deal with the reorganization of Government departments, agencies, and bureaus.[53] Their recommendations resulted in the Budget and Accounting Act of 1950 (64 Stat. 832).[54] Under this act the BOB is authorized to assemble, correlate, revise, reduce or increase the requests for appropriations of the several departments or establishments. This power clarified and supplemented the 1921 Act to give the BOB clear control of the agencies fiscal resources and has led to its present strong position.[55]

Some idea of BOB's present position can be gathered from the recent testimony before the Joint Committee on the Organization of Congress of Representative WIDNALL of New Jersey who observed after reviewing the authority of BOB under the 1950 Act:

"How the Bureau of the Budget operates, the criteria it uses to determine as between competing requests and to settle disputes as to priorities, duplication of effort, jurisdiction, increase and decrease in budgeted amounts, here the Congress has no information at all. As it is, Congress gets a Federal budget submitted by the President with the amounts all neatly settled, the bleeding bodies carefully hidden off stage out of sight of inquisitive committees of Congress. In other words, what the Congress gets is the last and final word from BOB which, at times seems to have some of the attributes of the Delphic Oracle and the Sphinx."

Presently the Bureau employs 500 people of which 320 are professionals. The areas of assignment parallel roughly the breakdown by the Appropriations Committees in the Congress. Examiners are assigned to each agency and it is their duty to work with the agency and come up the the necessary budget figures for the President.

The role of BOB in the budget process is primarily in the preparation of the budget and execution of the appropriations. This role will be fully developed in an examination of the mechanics of the budget process.

General Accounting Office

Part II of the 1950 Budget and Accounting Act spelled out "clear-cut responsibilities and duties of the Comptroller General, the Secretary of the Treasury, and the Head of each executive agency, while at the same time providing for the exercise of these duties and responsibilities in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value."

As to the General Accounting Office, the 1950 Act supplemented the Budget and Accounting Act of 1921 which had created it. As originally established GAO was headed by a Comptroller General and an Assistant Comptroller General who were to be "appointed by the President with the advice and consent of the Senate." Both officers were to be appointed for a term of fifteen years and the Comptroller General was not eligible for reappointment. Indeed in 1920 President Wilson had vetoed a similar bill because it included the feature that the Executive could not remove the Comptroller General. Such officers were, however, to exercise considerable quasi-judicial powers and were to be responsible to the legislature only. In this way it was hoped to establish a free and independent audit of the expenditures of the Executive departments. To this end Section 312 furnished a picture of the relationship which the office was intended to have with Congress. This Section provided that:

"(a) The Comptroller General shall investigate, at the seat of the government or elsewhere, all matters relating to the receipt, disbursement, and application of public funds, and shall make to the President when requested by him, and to Congress at the beginning of each regular session, a report in writing of the work of the General Accounting Office, containing recommendations concerning the legislation he may deem necessary to facilitate the prompt and accurate rendition and settlement of accounts and concerning such other matters relating to the receipt, disbursement, and application of public funds as he may think advisable. In such regular report, or in special reports at any time when Congress is in session, he shall make recommendations looking to greater economy or efficiency in public expenditures.

"(b) He shall make such investigations and reports as shall be ordered by either House of Congress or by any committee of either House having jurisdiction over revenue, appropriations, or expenditures. The Comptroller General shall also, at the request of any such committee, direct assistants from his office to furnish the committee such aid and information as it may request.

"(c) The Comptroller General shall specially report to Congress every expenditure or contract made by any department or establishment in any year in violation of law.

"(d) He shall submit to Congress reports upon the adequacy and effectiveness of the administrative examination of accounts and claims in the respective departments and establishments and upon the adequacy and effectiveness of departmental inspection of the offices and accounts of fiscal officers.

"(e) He shall furnish such information relating to expenditures and accounting to the Bureau of the Budget as it may request from time to time."

Clearly, the General Accounting Office was designed to work in a unique relationship with the legislature. The Act placed it in a strategic position to serve that body in the investigation of administrative expenditures. Its establishment laid the base for a sound system of audit.

Congress obviously hoped that GAO would solve the past dilemmas of fiscal control by providing broad investigating and reporting authority which encompassed both pre- and post examination of the budget. Clearly it was to be a counterweight to the new BOB. As noted by Representative James W. Good, Chairman of the House Committee which had reported the bill to House:

"The independent audit (as contrasted with the previous executive audit) will, therefore, I believe accomplish a threefold result:

"First. It will serve to inform Congress at all times as to the actual conditions surrounding the expenditure of public funds in every department of the government;

"Second. *It will serve as a check* on the President and those under him *in the preparation* of his budget;

"Third. It will require every Cabinet member to make a study of his department, to the extent that he will become master of the work of the various bureaus under him . . . (emphasis added)" [57]

However while the legislative intent noted above was the ideal, the practical development of this arm of Congress was limited by its first head, Comptroller General J. Raymond McCarl who in the thrifty spirit of the times saw its function primarily as one of preventing fraud, illegal expenditures, or malpractice.

"By the time of the Legislative Reorganization Act (1946), the GAO had not fully developed its post-audit role, let alone a budgetary pre-audit role." [58]

Section 206 of the Reorganization Act (60 Stat: 812) directed the Comptroller General to make expenditure analyses of each agency in the government "to determine whether public funds have been economically and efficiently administered and expended." This would apparently limit it to post-audit functions and avoid a preaudit. In a recent appearance before the Joint Committee on the Organization of Congress, Mr. Frank H. Weitzel, Acting Comptroller General summarized GAO's position on section 206 as follows;

"The legislative history is not exactly clear as to what was intended by this provision. Although Congress declined to appropriate funds for this purpose, I should say, we believe the basic objective is being fulfilled to a large extent by our comprehensive (commercial type) audits and the hundreds of reports each year thereon to the Congress concerning economy and efficiency in agency operations. However, *if the Congress should give us specific guidelines for* implementing section 206 and the necessary appropriations, you are assured that we will make every effort to carry out the will of the Congress. . .(emphasis added).[59]

Clearly this well adapted congressional tool appears to be just waiting for proper use by the Congress.

Efforts have been made in the Congress to specify the GAO role under Section 206 but as yet none have been passed. The more recent bills HR 8725 and 9605 (89th Cong. 1st session) reflect the thought of several of the noted commentators on the budget particularly Robert a Wallace, former staff member of the Senate Banking and Currency Committee and now Assistant Secretary of Treasury. Mr. Wallace shares the belief that GAO should be given greater authority under section 206 on purely analytical and investigatory activities to provide Congress with the information necessary for reaching well reasoned independent decisions. He does not advocate duplicating the functions of BOB or competing with them but rather envisions "a congressional budget office in the GAO (that) could provide accurate data during congressional hearings, represent the public interest rather than the interests of particular agencies and their friends." [60]

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[51] *Supra* note 46, page 1776.

[52] See CONGRESSIONAL RECORD, March 21, 1966, pages 6345, 6346, for the authorization by the Senate and April 6, 1966, pages 7761–7783, for the passage of the Appropriations Bill H.R. 14266 by the House.

[53] *Supra* note 47 page 51.

[54] *Supra* note 47 page 79.

[55] *Supra* note 47 pages 79–85 provide an excellent summary of this Act.

[56] *Supra* note 46 page 670.

[57] *Supra* note 47 page 300.

[58] Saloma, "The Responsible Use of Power", (Washington, D.C.: American Enterprise Institute, 1964), page 40.

[59] *Supra* note 46 page 1370.

While the legislative intent of the 1946 Act may not have been clear it did at least reaffirm the fact that GAO was an arm of Congress. From Mr. Weitzel's testimony before the Committee on Organization it appears that in 1945 even this fact was not clear to many people. He noted: ". . . when we came up to your predecessor committee . . . in 1945 we faced a chart put out by the executive branch of the government in which we were shown as an executive agency . . ." [61]

The aims of the planners of the 1921 Act are now coming much closer to being realized as both Congress and the GAO recognize their responsibility to work closer together toward common goals. In this regard Mr. Weitzel noted:

"Congress placed our office in the legislative branch because it desired an independent, non political, and reliable source of assistance in carrying out its constitutional power over the public purse . . . Furnishing audit and investigation reports to the Congress on the operation of the military and civil agencies is one of the most important means we have of assisting the Congress. These reports contain findings on inefficient and uneconomical operations observed in the departments and agencies, together with recommendations for correction by administrative or legislative action. The information contained in our reports is intended to give an objective appraisal of phases of the operations of the agency or activity covered by the report which appear to need Congressional or increased management attention with a view to improve it. By this means we endeavor to aid 1. the legislative committees and staffs in carrying out their oversight responsibilities over the operations of the agencies and 2. assist the Appropriations Committees in considering agency requests." [62]

The number of these reports is growing every year as the Congress begins to make fuller use of this potent arm.

As a means for maintaining a closer relationship with Congress GAO established an Office of Legislative Liaison for the twofold purpose of (1) advising committees of germane GAO information and (2) finding out the needs and desires of the Congress so these interests might be reflected in GAO programs.[63]

While no generalization can be drawn from an isolated instance, the following remark made by Representative Hechler of West Virginia on hearing of the Liaison Office illustrates in an objective sense a communication failure and in a subjective sense a human frailty.

He stated: "This is the first time I knew that you had an Office of Legislative Liaison . . . In the 6 years I have been in Congress I have never received a call from the GAO. I am chairman of a subcommittee of the Science and Astronautics Committee which has handled billions of dollars of work, yet at no time has any member of GAO's staff indicated to *me* (emphasis added) even in a hearing, the way in which GAO could be helpful. You have submitted reports to the full committee on requests which we have found to be outstanding and very useful in our work. Much of our time as members of Congress, however is spent on thinking about how we can ask the right question. If GAO could take more of the initiative and point out what it can do, what it can supply . . . I think the relationship would be better and I believe the support and assistance that GAO could give to Congress would be greatly improved." [64]

On the positive side it is only fair to point out that GAO's many reports (over 1100 in the past 4 years) have been instrumental in many well aimed budget cuts. Typical is Senator Proxmire's remark to the Committee on Organization. "I think the General Accounting Office does a marvelous job. It does a number of things that are very, very helpful to us." [65]

In its present structure GAO has 4300 employees of which 2000 are professionals assigned to several separate divisions that carry out all auditing accounting and investigative work in their designated areas of responsibility. All government organizations except a few such as the Office of Alien Property and Federal Reserve System are subject to GAO audit.[66]

Reorganization Act of 1946

Recognizing its growing handicap position to the Executive role in the budgetary process the Congress attempted, under the Legislative Reorganization Act of 1946 (60 Stat: 812) to (1) streamline and simplify Congressional committee structure; (2) improve Congressional staff; and (3) reinforce the power of the purse.

It was the most extensive reorganization ever attempted. In line with the third objective the Act provided:

(a) for a legislative budget;

(b) a joint committee on the budget;

(c) development of a standard appropriation schedule;

(d) expenditure analyses by GAO;

(e) studies by GAO of restrictions in the appropriation acts;

(f) studies by both Appropriations Committees of permanent appropriations and of the disposition of funds resulting from the sale of Government property or services (backdoor spending);

(g) expansion of the staffs of the Committees on Appropriations.[67]

As previously noted section 206 of the Act lies dormant. Two others also have been ignored. Section 138 is one of these. It provides for a legislative budget to be drawn up by the combined revenue and appropriations committees of both Houses of Congress. Tried in 1947, 1948 and 1949 it failed from the reluctance of the Congress to commit itself to a spending policy before carefully investigating the facts.[68]

Failure of the legislative budget resulted in the trial for the single year of 1950, of the one-package (omnibus) appropriation bill approach.[69]

This also did not work and the Appropriations Committees went back to breaking up the budget into 10–12 general parts for piece meal consideration.

Another provision in the 1946 Act which has not been taken advantage of is the unlimited staff feature for the Appropriations Committees. Being thrifty the committees have practiced what they preach and continued with minimum staffing.

From the glimpse of the Appropriations Committees in the history of the budgetary process it may be summarized that by tradition all appropriations bills originate in the House and that the Committees may not, under the Holman Rule, include any legislation therein except as it may retrench spending. Also it should be apparent that the Appropriations committees represent the locus of the Congressional power of the purse. How they wield this power may be seen in their individual make-up and by their role in the budgetary process.

House Appropriations Committee

The authority under which the House Appropriations Committee operates as a standing committee is Rule X which provides;

"(1) There shall be elected by the House at the commencement of each Congress the following standing committees; . . . .

"(b) Committee on Appropriations to consist of 50 members." Powers and duties are assigned to the Committee under Rule XI clause 2.

"(2) Committee on Appropriations. (Whose responsibility is)

"(a) Appropriation of the revenue for the support of the government.

"(b) The Committee is authorized, acting as a whole or by a subcommittee thereof appointed by the chairman for the purposes hereon and in accordance with procedures authorized by the committee by a majority vote, to conduct studies and examinations of the organization and operation of any executive department or other executive agency (including any agency the majority of the stock of which is owned by the Government of the United States) as it may deem necessary to assist it in the determination of matters within its jurisdiction; and for this purpose the committee or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpoena or otherwise, and to take such testimony and records as it deems necessary. Subpoenas may be issued over the signature of the chairman of the committee or subcommittee or by any person designated by him, and shall be served by such person or persons as the chairman of the committee or subcommittee may designate. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses."

As presently constituted, the Committee consists of fifty members of the House, thirty-four from the majority party and sixteen from the minority party.

The bulk of Committee work is processed initially through its various subcommittees. The Committee empowers the Chairman to appoint subcommittees and fix their jurisdiction. Presently, there are 12 subcommittees as follows:

1. Department of Agriculture and Related Agencies (4 Dem.—2 Rep.)
2. Department of Defense (6 Dem.—3 Rep.)
3. District of Columbia (4 Dem.—2 Rep.)
4. Foreign Operations (6 Dem.—3 Rep.)
5. Independent Offices (5 Dem.—3 Rep.)
6. Department of Interior and Related Agencies (4 Dem.—2 Rep.)
7. Departments of Labor and Health, Education and Welfare and Related Agencies (6 Dem.—3 Rep.)
8. Legislative (5 Dem.—2 Rep.)
9. Military Construction (4 Dem.—2 Rep.)
10. Public Works (5 Dem.—3 Rep.)

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[60] Wallace, "Congressional Control of the Budget," Midwest Journal of Political Science, vol 111, May, 1959, reprinted supra note 46 pages 1417–1425.

[61] *Supra* note 46, page 1395.

[62] Id, page 1363.

[63] Id, page 1381.

[64] Id, page 1396.

[65] Id, page 110.

[66] Id, page 1375.

[67] *Supra* note 47 page 28.

[68] Id. page 30.

[69] *Supra* note 1 page 3866.

11. Departments of State, Justice and Commerce, the Judiciary, and Related Agencies (6 Dem.—3 Rep.)

12. Departments of Treasury and Post Office and Executive Office (5 Dem. —2 Rep.)

The chairman of the Committee, Representative MAHON of Texas, is empowered by the Committee to make subcommittee assignments. As a practical matter he confers with the ranking minority member of the Committee concerning assignments for the minority. Generally, length of service on subcommittee determines subcommittee chairmanships and positions of seniority on subcommittee lists.

Membership on the various subcommittees varies from time to time as workload and other circumstances require. At present, the minimum number on any subcommittee is six and the maximum number is nine.

Members frequently serve on more than one subcommittee; a few Members are serving on three subcommittees.

The staff of the committee consists of three parts, each of which to a large degree operates independently of the other.

(1) The regular staff of about 50 presently consists of a clerk and staff director, an assistant clerk and staff director, 15 principal staff assistants, with the remainder being supporting editorial and office clerical help. The principal staff men are assigned to the various subcommittees. Each subcommittee has the services of one or more staff men, as work-load requires. Staff personnel assist each other as peak work-load requires and as hearing schedules, reporting dates, floor and conference action of the various appropriation bills permit.

As was noted previously under the 1946 Reorganization Act no limit was set on the Appropriations Committee Staffs.

Commenting on his reasons for limiting the staff to its present number Chairman Mahon noted;

"In the early days, committee members got along without much staff because they did much of the detailed work themselves. To be sure, those days are gone. Competent staff, adequate in numbers, is indispensable to committee work, but a huge staff cannot, in my judgment, substitute for certain other indispensables. Staffs can present points of view. they can help busy members think things out, but in the final analysis there is no acceptable way to avoid much of the plodding, unglamorous, laborious duties of committee work, especially the basic hearings, or any acceptable substitute for members making up their own minds or whether this or that item or program shall be funded, and if so, at what level. We ought to have staff examination of requests but in the final analysis, under our political system, there is a limit to the value of staff. Information is of little value unless it is put to use by the members who are, after all, the only ones in position to take action on it.

"For myself. I like the thought of a member diligent in attention and application to his committee business even if he sometimes stumbles through the hard way. This is preferable to the appearance of erudition and knowledgeability based on *secondhand information provided by staff rather than by the member's own application. I think we would get better representative government that way.* (Emphasis added.) Disraeli once had occasion to put the question, 'Shall we have a government of statesmen or of clerks?' "[70]

(2) In addition to the regular staff, the Committee has a Survey and Investigation Staff which functions independently of the regular staff. This staff is headed by a director and two assistant directors, each of whom are detailed from the Federal Bureau of Investigation. Each of these men serve as an assistant director for two years and then as director the third year, and then return to their former organization. Additional investigators are brought in on a reimbursable basis from various Federal agencies and non-government organizations, as required, to make studies and investigations (20–30 per year) requested by various subcommittees and approved by the Chairman and Ranking Minority Member. None of the investigators on this staff are permanent employees of the Committee. Although the number of staff personnel varies it has averaged between 40–60 over the past ten years.[71]

Clarence Cannon former Committee Chairman explained the functioning of this staff as follows; "The number of experts at the command of the Committee. . . . is unlimited. . . . that is the advantage of our system. It is elastic. . . . We have a fresh group on every enquiry and new brooms sweep clean. . . . I do not see a single man who makes these investigations. . . ."[72]

This staff is not to be confused with the GAO investigating staffs although many times GAO members are hired for special jobs.

(3) The third segment of the staff is composed of *special help* assigned to the offices of the chairmen and ranking minority members of the various subcommittees to help meet the additional workload in those offices.

Consideration of the work of the subcommittees will be made in the discussion of the mechanics of the budgetary process.

Senate Appropriations Committee

On the Senate side 27 members of the Appropriations Committee must do in less time the same work that their 50 counterparts in the House do. The time for Congressional action on appropriations is limited generally to about five and one-half months before the beginning of the fiscal year. Splitting the time equally between the two Houses it can be seen that the Senate should have the House passed bills around the first week in April. This however is seldom the case especially if there is any amount of controversy on a bill. To date (4/6/66) only one bill has been passed by the House. Delay in receiving the House bill has led many Senators to urge initial consideration of appropriations bills by the Senate and certainly as noted earlier this is possible.[73]

Senate Rule XXV provides the authority and functions for the Appropriations Committee:

"(c) . . . to consist of twenty-seven Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to appropriation of the revenue for the support of the Government."

Rule XVI relates to amendments and stipulates:

"1. All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session. . . .

"2. The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

"3. All amendments to general appropriation bills moved by direction of a standing or select committee of the Senate, proposing to increase an appropriation already contained in the bill, or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations, and when actually proposed to the bill no amendment proposing to increase the amount stated in such amendment shall be received; . . .

"4. No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received; nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; . . .

"5. No amendment, the object of which is to provide for a private claim, shall be received to any general appropriation bill, unless it be to carry out the provisions of an existing law or treaty stipulation, which shall be cited on the face of the amendment.

"7. When a point of order is made against any restriction on the expenditure of funds appropriated in a general appropriation bill on the ground that the restriction violates this rule, the rule shall be construed strictly and, in case of doubt, in favor of the point of order."

Although the House initiates appropriations, the Senate may amend so far as to add new items and stipulate new conditions. It may not however add legislation to the bills. Although this serves to keep a line between authorization and appropriation it may be said that refusal to give money amounts to legislation.

Partywise the Senate Appropriations Committee comprises 18 Democrats and 9 Republicans.

As in the House the full committee is divided into 12 subcommittees each of which handles a particular appropriations bill. In the Senate however consideration of the Foreign Assistance bills is considered directly by the full committee. Membership in the subcommittees is determined through the seniority system wherein those of longest length of service have first choice. Since each member must serve on at least five subcommittees a second subcommittee choice is not made until everyone has had his first choice thus assuring the newer members an equal opportunity.

Chairmanship of the Committee presently held by Senator CARL HAYDEN of Arizona who has been serving in the Senate continuously since 1926, is based on seniority. Likewise chairmanship of the subcommittees usually goes to the senior member of the majority party although exceptions are made.

The subcommittees and their party memberships are as follows:

1. Department of Agriculture and Related Agencies (10 Dem. and 4 Rep.)
2. Department of Defense (11 Dem. and 6 Rep.)
3. District of Columbia (5 Dem. and 3 Rep.)
4. Deficiencies and Supplementals (12 Dem. and 6 Rep.)
5. Independent Offices (10 Dem. and 6 Rep.)
6. Department of the Interior and Related Agencies (9 Dem. and 3 Rep.)
7. Departments of Labor and Health, Education and Welfare and Related Agencies (11 Dem. and 5 Rep.)
8. Legislative (5 Dem. and 3 Rep.)
9. Military Construction (8 Dem. and 3 Rep.)
10. Public Works (14 Dem. and 7 Rep.)
11. Departments of State, Justice and Commerce, the Judiciary and Related Agencies (10 Dem. and Rep.)

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[70] *Supra* note 46 page 1653.

[71] *Supra* note 58, page 97.

[72] *Supra* note 46 page 1653.

[73] Id, page 109.

12. Departments of Treasury, Post Office and Executive Office (5 Dem. and 2 Rep.)
13. Bills for Foreign Assistance are considered by the full committee.

One feature unique to the Senate Appropriations Committee is the provision under Rule XVI whereby in addition to the 27 regular members there are three Senators from each of the eight legislative committees, plus three from the Joint Committee on Atomic Energy, who sit as ex-officio members when appropriations affecting their legislative committees' field of interest are being considered. Because of the much smaller size of the Senate there is a considerable overlap of membership between the authorizing legislative committees and appropriations. This fact supplemented by the direct inclusion of the ex-officio members makes for a close working relationship between the legislative authorizing committees and the appropriation committees. At present, the staff numbers 35 of which about half are professionals.

The workings of the committee will be covered in detail in the discussion of the budgetary process.

Agencies

The last party in the analysis of those parties to the budgetary "contract" is the agency. In the context of this paper it represents the arm of the Executive Branch which spends the money to execute the national programs. These programs are varied and pervade almost every aspect of our everyday lives.

Each large agency will include a number of smaller of bureaus or sub-agencies over which it has control. Thus for example the Department of Commerce includes;

1. Office of Administration for Domestic and International Business
2. Business and Defense Services Administration
3. Office of Business Economics
4. Bureau of Census
5. Economic Development Administration
6. Environmental Science Services Administration
    a. Weather Bureau
    b. Coast and Geodetic Survey
7. Office of Field Services
8. Office of Foreign Commercial Services
9. Bureau of International Commerce
10. Maritime Administration
11. Patent Office
12. Bureau of Public Roads
13. National Bureau of Standards
14. United States Travel Service

In total there are over 2000 departments, bureaus, commissions and agencies employing over two and a half million persons.[74]

Budgetary process

From the review of the history of the budgetary process and its leading characters some ideas of the present relationships between the parties and how they developed may be grasped. To firmly relate the parties and their functions as well as to provide a concluding summary one cycle of the budgetary process will be examined. As was noted in the introduction a budget cycle includes 1. authorization by the legislative committee to occur at any time up to the time the appropriation bill is introduced onto the floor of the House, 2. formulation by the Executive, 3. appropriation and 4. execution.

Authorization

"The basic foundation for an appropriation is a legislative authorization. No appropriation is in order under the rules (of the House and not the Constitution) unless for purposes previously authorized by law. Initial authorization of a program or project is therefore the true beginning point in the legislative spending process." [75]

Money necessary for Military operations is an exception to this rule because of the Constituitonal authorizing provision in Article I, Section 8 Clause 12. Of course, capital outlays for research and development projects still require authorization.

Legislative authorization is provided by the regular standing committees of the Congress e.g. Agriculture, Armed Services, Banking and Currency, etc. In theory each of the two Houses has been organized on the dual basis of legislative committees as distinct from the Appropriations Committee-leaving aside, of course, the investigating and housekeeping committees. The function of the Legislative Committee is to review, as the subagent of the House or Senate, substantive policy questions within jurisdictions defined by the rules of the respective houses.

The assumption underlying the specialized legislative committees is that they will be in a position to develop a full understanding of their subject-matter jurisdiction and to advise the Congress of substantive policy questions. Ceilings on appropriations set by these committees may not be exceeded, however no minimum may be prescribed.

Authorization by the Congress may be permanent, extend over a period of years or be annual. The practice of requiring annual authorization has found increasing favor until it now extends to approximately 30 billion dollars or ⅓ of the total budget, entails 7 or more bills and involves programs and agencies carried in half of the annual appropriations bills.[76] Emphasizing the delays and burdens annual authorization puts on the Congress, Representative Mahon recently testified:

"The legislative committee handling these bills study the same budget proposal as do the Committee on Appropriations. They may prescribe ceilings and accompany them with appropriation authorities, restrictions, and conditions of availability. If the practice extended to the other half of the appropriations bills or the remaining parts of the budget, Congress would be in the position of having adopted a total annual budget ceiling on appropriations, but of having done so in a dozen or so separate, uncoordinated bills on different occasions over several months of the session." [77]

Coordination appears to be the key to this problem which is now under study by the Joint Committee on Organization since many feel that the checks and balances of annual authorization and appropriation off set its inefficiencies.

Permanent authorizations (those not requiring current action by the Congress) include for example the annual 12–13 billion dollar interest on the public debt, authorization to spend debt receipts and contract authorizations. For 1964 this amounted to 13.2 billion dollars,[78] but in 1967 it will probably approach 15 billion.

The Legislative authorizing committees may also in effect preempt the Appropriations Committees by granting authority outside appropriations acts such as 1. authorizations to spend debt receipts and 2. contract authorization. Currently this removes approximately 3 billion dollars from the Appropriations Committees control.[79]

A third area wherein the policy making function of the legislative committees infringes on the Appropriating Committees, is where authorizations entail mandatory appropriations. Examples of this are the matching grants-in-aid; Veterans Administration benefits and Commodity Credit Corporation agricultural programs. Annual cost of the latter programs is in the range of 14–15 billion dollars making for a total of 30–33 billion dollars which requires no or only rubber stamp approval by the Appropriations Committees.[80]

The subcommittees of the Appropriations Committee parallel the legislative committees and form a dual power structure within each House of Congress. As has been noted in tracing the historical background of the Appropriations Committees, the relative strengths of one over the other has been stabilized by the Budget Act of 1921. With the legislative committee's power to put restrictions on spending and indeed effectively perform the appropriations function itself being opposed to the Appropriations Committees power to cut and limit if not rightly refusing any funds, there remains an air of tension between the two committees. This is especially true in the House. In the Senate on the other hand, where there is an overlap between members of the opposing committees, cooperation, out of almost sheer necessity, is the rule.

Authorization need not be had for budgetary formulation on the Appropriations Subcommittees examination of the budget request however it must be law before the House Appropriations Committee may report out its bill for House consideration. Each appropriations bill may be reported out under the authorization of a number of separate bills. If a point of order is raised on this point the burden of proving the authorization of a particular item rests with the subcommittee reporting the bill.[81]

Budget formulation

As noted earlier the Executive since 1921 has had the responsibility of initiating the budget with the assistance of the Bureau of the Budget. Essentially the parties to this stage of the "contract" negotiations are the President, BOB and the agencies. BOB Director Charles L. Schultze explained this phase recently to the Joint Committee on the Organization of Congress in response to a question from Co-chairman Madden. Reproduced below is the question and further interesting dialogue.

"Cochairman **Madden**. I would like to get a little detailed information on these systems that the Bureau of the Budget has used. What is your planned operation, say, when you start to prepare a budget for the future years, the coming year? I am curious to know how do you proceed—how do you operate—do you take each department?

"Mr. **Schultze**. Let me give you the two phases of what we are now doing. . . . The process of making up the budget, if I can over-simplify it, comes in two major parts. In the late spring of each year——

"Cochairman **Madden**. You are speaking about the coming year?

"Mr. **Schultze**. Let us now talk about fiscal 1967, the fiscal year beginning next July 1.

"Cochairman **Madden**. Very well.

"Mr. **Schultze**. We have long ago started to work on preparing the budget for that fiscal year. In the early spring of this year (1965) we requested of each major agency—and this covers the largest bulk of Federal expenditures—a submission to the Bureau of the Budget of their basic program plans, goals, objectives. In other words, they submit to us a statement of what their plans are for 1967.

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[74] Id, page 1795.

[75] "House Report 216", 85th Cong. 1st Session.

[76] *Supra* note 46, page 1657.

[77] Id.

[78] Id, pages 1836–40.

[79] Id.

[80] Id.

[81] Riddick, "The U.S. Congress Organization and Procedure" (Manassas, Va.: National Capitol Publishers, Inc., 1949) pages 288, 289.

"Cochairman MADDEN. May I interrupt you?

"Mr. SCHULTZE. Yes.

"Cochairman MADDEN. How is an agency going to give you a picture of their demand for 1967, say, on this legislation which was just recently enacted, the new development program?

"Mr. SCHULTZE. This is, admittedly, one of the inherent problems in making a budget. You have, in many cases, to start out by assuming and forecasting external conditions, whether legislation will pass or not pass, and as time goes on and decisions are actually taken, you have to modify this. We have to start with certain assumptions with respect to how the Congress will act on legislation. Normally, and with our fingers crossed, we start with the assumption that they will roughly pass what the President has recommended in the form that he recommended, and as that changes we modify our assumptions. But the agencies do operate on a set of assumptions, roughly, of these kinds, and they will then give us, as I say, on the basis of the existing legislation, on the basis of the President's proposals now before the Congress, and on the basis of legislation they are tentatively suggesting for the next year, their program goals and plans. They tell us what they are aiming to do, in the case, for example, of the manpower training program, how many trainees they want to have in the program in the 1967 budget, and what kinds of training. So we get from each agency a statement of its programs and goals.

"These agencies' programs, plans, goals, and objectives come in and are analyzed, first, by our staff.

"Secondly, the staff then checks with the Director, Mr. Staats, and the top Bureau officials and gives us what the agency has presented, and their own analysis of what the agency has presented, out of which we draw the major issues to be discussed with the agency heads. We then meet with each agency head and discuss those issues informally. We do not yet concentrate on the details of the budget; in other words, how many men ought to go into one installation, and all of the financial details.

"In turn, we then have—and this varies from President to President and from time to time—running discussions with the President as these agencies are brought up giving him an initial feel of how the budget is beginning to shape up, so that from the individual pieces we begin to get some rough idea of totals; we discuss the pieces and the totals with the President. He, in turn, makes certain preliminary and tentative decisions on the shape of the budget.

"All of this takes place during late spring and summer, so that we first deal with the major issues of the individual components, get rough ideas of the totals, get an idea from the President of the major direction in which he wishes to proceed, get the 'tone' from him, if you will, of how he wishes to go about the further examination of the budget.

"Having done this preliminary step—which takes us up to about August—we then move into the final and more formal budget requests, review, and analysis from the agency. On the basis of our discussions we have had during the summer and on the basis of the Presidential directives, both explicit and just in tone in many cases, the agencies are then asked to submit a formal budget request—formal in the sense of much more detail with the financial implications spelled out explicitly to the Bureau.

"We go again through roughly, the same process.

"Our staff examines these agency requests in great detail. They, in turn, come up and present the agency request and their evaluation to the top Bureau people. In turn, we formulate recommendations. In most cases, we then go back to the agency head and discuss these with the agency head. We then meet at this stage—the several agency heads, the Bureau Director, and the President, agency by agency.

"In the meantime, of course, we are keeping the President informed of issues as they arise and what the preliminary totals look like; and we get a feedback into the system. So there are two basic stages—broad issues and detailed budget, summer and fall. And you play back and forth, if you will, between getting the individual pieces and getting the preliminary totals, and saying, 'That is too big.' That is usually the statement, that it is too big. And we go back again. This is the basic process which we follow." [82]

From this interplay some flavor may be grasped of the agency deciding on nebulous facts the question of what to ask for from BOB and in turn from the Congress.

After the confidential conferences between the parties are over the President makes his final decision and as Representative WIDNALL previously noted wraps it neatly for presentation in his message to the Congress within 15 calendar days from the opening of each annnal session in January.

Many members of the Congress, especially those of the Appropriations Committees have assailed this confidential relation and demanded that observers to allowed to sit in on the agency-BOB discussions. This is rebutted by BOB Director Schultze who argues—"The principle of the executive budget has been a good one. That principle, essentially, says that this is the President's budget. He is making the proposal. The budget that the President of the United States is presenting to the Congress. It is not a budget of individual agencies uncoordinated upon the basis of their own decisions. It is his responsibility. It seems to me that the principle of the executive budget cannot be maintained under conditions in which the President's discussions either directly or through the Budget Bureau are subject to outside observers.

"Let me hasten to make one point: A lot of people think that the Budget Bureau has some kind of judicial proceedings with the agencies. We do not. These are much more informal, informational, back and forth, wide-open discussions to help the President reach his decision. And it seems to me that that kind of Presidential responsibility and executive budget system could not stand this." [83]

At the heart of the conflict is the information that the Congress may use on which to base its decisions.

Presently the priorities and many of the subordinate facts which BOB uses to arrive at its decisions are not made available. Congress, never having appropriated funds to implement section 206 of the 1946 Act whereby the GAO would provide independently derived budget facts, must accept these Executive facts to reach its decisions. This area therefore has been under consideration by the Committee on the Organization of Congress.

Appropriations

Because of tradition previously noted in detail the budget is transmitted by the President to the House. In the House the Speaker forwards it to the Chairman of the Appropriations Committee. Once in the Committee it is broken up into 12 relatively well defined areas each covered by a subcommittee.

In the subcommittee the staff assistant, at the direction of the subcommittee Chairman contacts the agencies concerned and obtains supporting justifications for the budget figures as well as any other material which may be deemed necessary. At the agencies top priority is given to these congressional requests. Also at this time the staff members arrange for the appearance of agency officials and other parties to appear. However, it might be noted at this point that while outside parties may appear it is the exception when they do appear. Thus Mr. Riddick notes in this regard ". . . nearly all of the testimony taken by the appropriations committees, involving thousands of pages each session, is presented by various governmental officials" [84]—of the Executive branch it might be added. When outside parties do appear they usually represent a specific clientele whose members are benefited by the continuance and expansion of the programs in which they are interested. Pressure groups and lobbyists who know what is going on and desire to have their views heard thus may not only influence the agency and executive budget decisions directly, but may continue their organized appeals before the subcommittee.[85]

"One of the basic problems of federal finance is the power exercised by organized interest and section groups. . . . Once the federal government embarks on a program of federal aid it is unlikely that it can ever stop or curtail it in the face of these pressures." [86]

Except for studies made by special investigating committees [87] of Congress and the GAO [88] the Congress is dependent on Executive as well as pressure group facts and figures for forming the basis of its evaluation and judgment. Good use is made however, of the few facts developed by the studies. Chairman Mahon cites an average of over 100 references to GAO reports are made in hearings each year.[89] While literal pin pricks, they form one of the only means by which the Congress may go behind the facts. Copies of the reports are presented to the agency involved for its written answer with further elaboration made in the oral hearings.[90] It should be noted here however that there is no lack of quantity of information but as has been noted merely a lack of *critical* quality. For this reason even critical newspaper stories may be relied upon to try to evaluate and judge the worth of an expenditure. As noted earlier much thought is being given to increasing this area of legislative oversight by either resurrecting provisions of the 1946 Reorganization Act or initiating new legislation. If it had the time, the Appropriations Comimttee or its Subcommittees could itself make more extensive investigations since it possesses along with the committees on Un-American Activities and Government Operations, the power to subpoena witnesses.[91]

Unfortunately public unfamiliarity with the budgetary system, particularly with respect to the practical mechanics of it, results in a complete abdication of responsibility to their agents in the Congress who, as we have noted, are hard pressed for time and lack *critical* facts and figures. In the House almost all Appropriations subcommittees meetings are held in executive i.e. closed, session and this has led many to point to this as a reason for the lack of public understanding. This charge is rebutted by Chairman Mahon who feels that aside from lack of facilities the objectivity of the hearings would be lost by members grandstanding.[92] He further notes: "The hearings are printed except for classified material, and made available to the public and to the press. And then at the end of the hearings, anyone from the general public is permitted to testify if he wishes."[93] Greater public understanding is a goal currently under investigation.[94] Published hearings must be available for Members of the House and the Public three calendar days before the completed bill is reported to the House floor. (Rule XXI, Clause 6)

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[82] *Supra* note 46, pages 1788–90.

[83] Id, page 1785.

[84] *Supra* note 81, pages 420–21.

[85] Weidenbaum, "Federal Budgeting," (Washington, D.C.: American Enterprise Institute, 1964) Excellent case study of pressures for Government spending. Page 99.

[86] Harris, "Needed Reforms in the Federal Budget System," Public Administration Review, Autumn 1952, pages 243–44.

[87] *Supra* note 46, page 1632–35.

[88] Id, page 1652.

[89] Id.

[90] See for example 1966 House Treasury, Post Office Subcommittee Hearings, pages 210–218, 399 and 437.

[91] *Supra* note 81, pages 196, 197.

The subcommittee hearings are usually scheduled in the morning hours before the Congress convenes but contrary to the other subcommittees and committees of the House the Appropriations Committee need not follow any set daily schedule.[96]

Witnesses appearing before the subcommittees usually present a prepared statement either oral or written and then take questions by the members. As noted earlier by Representative Hechler one of the problems of the Member in the hearing is asking the right question. Knowledge of the subject matter under discussion is important and incidently a benefit of the seniority system. However with the great volume and complexity of the matters under consideration it requires considerable effort merely to stay abreast of the changes. For this reason budgeting has been termed historical and sequential[97] in that members focus attention on the *changes* over the previous budget thereby allowing previously established programs and spending levels to remain because of lack of time and under the theory that it has been previously considered therefore it cannot be too bad. If problems arise they may be solved next year. As Senator Proxmire has noted, "Present Congressional budget analysis is confined largely to changes, particularly to increases requested in budgets. The 95 percent of the bureaucratic iceberg that is unchanged is legislatively invisible and largely ignored."[98]

Perhaps "ignored" is a strong word yet it is true that almost all the effort is concentrated on the usual 5 percent differences over the previous budget. This situation provoked Senator Proxmire to comment further:

"The cost of Federal programs is tremendous but most of us feel that we have to rely on the judgment of the administration. We simply don't have the tools for an independent judgment.

"We could make this independent judgment if we had such a staff. We could evaluate these programs in terms of cost and need and measure them alongside other alternatives, including abandoning some services altogether. Should various subsidies be continued? curtailed? expanded? eliminated? Must the Congress rely on data submitted by the administration, or should we rely on different data presented by special interests? Wouldn't it be better if we had independent data to aid us in this determination?"

Deciding how much to give has no easy solution yet it must be done if Congress is to effectively exercise its control over the purse. In both Houses it is in the subcommittees where this decision, practically speaking, is made. Subcommittee members regardless of their acquaintance with the subject matter before them become *the* experts in this area as regards the full committee and the House. They have, after all, been exposed to, or at least had the opportunity to be exposed to the voluminous detailed information, agency officials justifications and many reports on their subcommittee subject matter.

It is only natural then that full Appropriations Committee members would rely heavily on the judgment of these subcommittee "experts." All members being in similar circumstances, it is then "good business" to respect and accept at face value without anything but obvious questioning, the reports of the subcommittee members to the full committee. This may be carried one step further when the full committee report is accepted by the House without questioning. Therefore the subcommittee is the locus of the power of the purse. In the House this means a maximum of 9 men, indeed a majority of 5 members out of 435 carry a considerable responsibility when they decide how 10 or 15 billion hard earned tax dollars are spent. This is literally where the buck stops or passes.

When all hearings have been completed, the subcommittee meets in executive sessions to work out and agree upon the bill and the report to be recommended to the full Committee. During these so-called "mark-up" sessions, the members of the subcommittee decide upon the amounts to be recommended for each appropriation item, the language to be included in the bill, and special directives or statements to be included in the Committee report which will accompany the bill. These limitations or "riders" provide an effective tool to prevent any misunderstanding of how the money is to be spent. They may be made very specific, spelling out practically by name the recipients of the money, but usually set out only the purpose and general policy directives such as number and type of employees etc.

A complete record of the hearings is printed as well as the "marked up" bill and made available to Members of the House and others prior to consideration of the bill by the full Committee and by the whole House.

As soon as ready, the bill and report are considered by the full Committee of fifty members. At this meeting, the Chairman, ranking minority member and other members of the subcommittee discuss the bill and report in considerable detail. At this point it is to be expected that the subcommittee members present a united front. After thorough discussion, and after disposition of any amendments, the bill is reported by the full committee to the House for consideration. Here again the bill becomes the work of the full Committee who will naturally defend their work, thus they present a united front to the House as a whole.

The bill is next considered by the full membership of the House of Representatives. The rules of the House require the lapse of at least three calendar days between the date of reporting by the Committee and date of consideration by the House, unless unanimous consent is obtained for earlier consideration. The subcommittee Chairman customarily reports the bill on behalf of the Whole Committee; his name appears on the bill and report and he normally acts as floor manager of the bill.

The bill is usually considered in the Committee of the Whole House on the State of the Union. This involves a limited period of general debate, plus reading of the bill for amendment under the "five minute rule" which limits discussion to five minutes per member on each item (Rule XXIII).

An excellent example of relinquishment of responsibility to the subcommittee and an interesting presentation tactic were revealed in the House consideration of the 1967 Treasury and Post Office Appropriations bill as reported in the Congressional Record of April 6, 1966.[99] Of course it only amounted to "the princely total of $7,210,177,135.00"[100] which was going for relatively non-controversial bread and butter items, yet the lack of interest or amount of confidence is astounding. Before subcommittee Chairman Steed could finish his very brief introduction the following dialogue took place.

"Mr. Gross. Mr. Chairman, will the gentleman yield?

"Mr. Steed. I would like to finish my general statement. It will be very short, and then I will be happy to yield for any questions.

"Mr. Gross. I would appreciate it if the gentleman will yield. This bill as I understand it, calls for some $7.240 billion.

"Mr. Steed. That is correct.

"Mr. Gross. I have looked around the House Chamber and I am sure there are not 10 Members of the 435 Members on the floor. It must be discouraging to my friend from Oklahoma, the chairman of the subcommittee, to make his presentation on a bill of this size without more Members present. If the gentleman is discouraged by the fact that there are so few Members here, then the gentleman from Iowa would be willing to make a point of order that there is not a quorum so as to get some Members here to hear him. I think it is really discouraging, and borders on being disgraceful, that there are no more Members on the floor of the House when we are dealing with a bill in the sum of more than $7 billion.

"Mr. Steed. Of course, we think this is a very, very important bill. We have done our best to bring it to the House in the most forceful way we can. I am in no position to criticize the other Members for their apparent lack of attention to it. We waited patiently a long time, and we hope we can proceed with it and expedite its consideration here today. The gentleman will have to be his own judge about that, but I am willing to proceed under these circumstances and do the best I can.

"Mr. Albert. Mr. Chairman, will the gentleman yield?

"Mr. Steed. I yield.

"Mr. Albert. The truth of the matter is that the House has such complete confidence in the gentleman and his committee that many Members are not here to argue it."[101]

And so on it went and no quorum was called until the final vote which passed it 368 to 2. Of the lonely two, one, very surprisingly enough, was Mr. Bow of Ohio, ranking minority member of the Appropriations Committee who had unsuccessfully tried to get an amendment on the bill whereby the President would be limited to only 95 percent of the total Appropriations. He got only 127 yeas and he was not happy.

Of the 7.2 billion dollars only 6 million was to pay for narcotics agents, yet a great deal of flag waving and fully 6 pages of the "Record" were devoted seemingly to the necessity of passing the 7.2 billion to get the 6 million.

Once passed by the House the bill now goes over to the Senate where as has been noted earlier a similar subcommittee structure must again request data, schedule witnesses, hold hearings and make decisions of what to give on substantially the same Executive facts and figures contrasted with the same critical studies that the House had.

There is one significant difference however, in the organization of the two committees that produces a somewhat different result. The different result is that the House Appropriations Committee usually makes cuts in the budget request whereas the Senate usually restores at least a part of such reductions. Thus it is quipped the

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[92] *Supra* note 46, pages 1758, 59.

[93] Id.

[94] Id, page 11.

[95] *Supra* note 81, page 198, by provisions of the 1946 Act.

[96] Id, page 190.

[97] *Supra* note 4, pages 58–60.

[98] *Supra* note 46, page 101.

[99] Congressional Record, pages 7761–7783.

[100] Id, page 7774.

[101] Id, page 7762.

Senate is the "upper house" because it ups the appropriations.[102] What causes this phenomenon was recognized by Mr. Robert Wallace who wrote:

"In the Senate, seniority settles the question of who fills subcommittee vacancies—members with the longest service on the committee get first choice. In the House, however, the committee chairman allocates the subcommittee membership of the majority party and the ranking minority member determines the minority party membership. This difference in the method of making assignments to subcommittees accounts for a marked difference in the power structures of House subcommittees compared with that in the Senate. Those who serve on the House subcommittees represent districts that normally have little stake in the appropriations under their jurisdiction, and subcommittee members do not quaver at the thought of substantial reductions. The opposite is true of the Senate subcommittees. Since these are filled according to individual choice backed up by sufficient seniority, members of the Senate Appropriations Committee will seek to serve on subcommittees which consider funds important to their states. Consequently, they tend to seek increases and certainly to oppose cuts in programs dear to the hearts of their constituents. Moreover, seeking reductions, even in programs not affecting their states, would mitigate against their chances of securing the appropriations they want." [103]

The Senate Appropriations Committee and subcommittees then, become a court of appeals from harsh House treatment.[104] This fact plus the overworked condition of the Senators results, in many cases, in the attention being directed primarily to those items the House has cut and only cursory review of the rest. This complementary position at least fits the Senate comfortably and avoids duplication of effort, however it weakens the Congressional control of the purse. That Congressional control has been weakened is recognized by Senator PROXMIRE who commented: "Without question, Congress' prime power is the power of the purse; control over spending. If the separation of powers is to have any meaning at all, Congress must use that power with genuine independence. And yet the Congress now depends overwhelmingly on the decision of the President, his Budget Bureau, and the various executive agencies in making spending decisions.

"Encroachment of the executive branch on the congressional power and responsibility has been one of the most conspicuous developing features of American Government in recent years. In my judgment, this encroachment is strictly the fault of Congress.

"The Presidency has equipped itself with modern tools to do its job. Congress has not. The executive branch has moved into effective control of the purse because congressional failure to do an adequate job has created a vacuum." [105]

After subcommittee consideration hearings are printed and the same "mark up" session is held here as in the House, followed again by full committee approval and a Senate vote.

After approval by the Senate, in almost all instances the bill is sent to conference to adjust the differences between the versions of the bill as passed by the two bodies. Conferees named by both the House and Senate meet together for this purpose. House conferees on appropriation bills are designated by the Speaker from Members of the Committee on Appropriations, and more recently have been limited to five Members including the Chairman of the Whole Committee and four members of the subcommittee involved.

When agreement is reached as to disposition of each Senate amendment, a conference report is prepared and approved by the conferees. This report is then filed with both Houses for disposition. Sometimes, agreements cannot be reached at the initial conference on all points of difference, in which event each group of conferees take the propositions still at issue back to their respective Houses for further action. Sometimes further conferences are necessary, but in a great many instances, a single conference completes the business of adjusting differences.

The conference report is normally acted on first by the House. Upon House approval, it is sent to the Senate for action. Following adoption by the Senate, the enrolled bill as finally agreed to by both Houses is signed by the Speaker and the Vice President and sent to the President for signature. Only rarely does a bill pass both houses in exactly the same form. When this happens, conference consideration is not required and the bill goes to the President for signature without further Congressional action. And occasionally, the changes made by the Senate are so minor as not to justify the formal conference routine, in which event the changes are formally agreed to on the floor of the House.

Execution

Upon receipt of the enrolled bill the President refers it both to the Budget Bureau and the agency concerned for recommendations respecting his action. In many cases the original executive estimates have been completely revised in their legislative passage, and the acceptance of Congressional action would necessitate a substantial revision of programs. The decision which the President must make is at times a difficult one. He must accept or reject an entire bill without the benefit of being able to strike out the objectionable parts. There is no item veto. The decision to veto an entire bill because of one objectionable feature is not easy. This is especially true when the enrolled bill reaches the President at a time just prior to the beginning of the new fiscal year. However, most of the bills receive the Presidential signature and are thereupon transformed into law. The State Department as the custodian of the law sends certified copies to the Treasury.

In the Treasury Department the Commissioner of Accounts and Deposits draws appropriation warrants which are sent to the Comptroller General for countersignature and returned to the Treasury. The bureaus have meanwhile submitted their plans for the apportionment of their funds to the Budget Bureau which notifies the departments of their approval. The funds are now available for obligation, and from this point on the budget process consists largely of the clearance and satisfaction of obligations. The agencies requisition the funds which are to be placed to the credit of the disbursing officers and the requisitions, having been approved by the Comptroller General, are sent to the Treasury Department where the Commissioner of Accounts and Deposits draws accountable warrants which are countersigned by the Comptroller General. These accountable warrants place funds to the credit of the disbursing offices with the Treasurer of the United States. The Agencies approve the vouchers for payment while the budget offices of the departments examine the vouchers for the availability of funds. The vouchers are then sent to the Treasury Department for payment. In the final step the Comptroller General audits all checks and vouchers.

Aside from the veto power, the President has the power to refuse to spend appropriations thereby giving an item veto of sorts. This latter power was noted in the Coast Guard appropriation supra.

Should unexpected circumstances require additional funds or new programs be initiated the Executive must repeat this entire cycle for deficiency and/or supplemental authorization and appropriations.

Not discussed in this presentation has been the work of two other very significant factors in the revenue raising aspects of the budgetary process, namely the Committees on Ways and Means in the House and Finance in the Senate as well as the Joint Economic Committee. The former two revenue committees must estimate the expenditures and adjust the expected income to hopefully have enough money to pay the bills. Thus when a deficit is imminent new savings bond programs, taxes, etc. are announced to somehow meet the needs of the budget. To help coordinate income with spending is the responsibility of the Joint Economic Committee. These areas, as well as an accountants view of proper controls on total annual expenditures versus annual appropriations and justifications of the budgetary philosophies are left for further consideration by others.

CONCLUSION

The rapidly increasing significance of the federal budget on the social and economic atmosphere of our country serves to focus attention on the budgetary process which produces it. Although this process is of recent origin it reflects many changes which have occurred since the beginnings of our country. The flavor of the changes that have occurred is captured by Harold Smith who wrote: "If a budget had existed as such 150 years ago, it would have been a small budget, consistent with the precept that 'That government is best which governs least.' But that conception no longer obtains. We now seem to operate under the precept that 'That government is best which serves most;' or perhaps more accurately, 'Our government must give much service if the country is to survive.' Certainly government today is a great service enterprise which not only gives protection and care to individuals, but also undertakes to influence the business cycle in such fashion as to minimize the impact upon our citizens. The budget is the most accurate measure of the significant transition in the responsibility of government." [106]

From the historical look back to the Magna Carta it is clear that popular control of the purse symbolizes our ideas of democracy. Indeed in the world today it differentiates the free from the oppressed. Whatever is necessary then to preserve and improve this system must be done to preserve the freedoms that inspired our Founding Fathers and led to our great present democratic society.

Currently Congress is examining what new ideas may best cope with the present day requirements. Many of these changes recognize the responsibility to the public.[107]

Although the budget deals in terms of money, money is readily, translatable through tax dollars, for example into human accomplishment, hard work and sacrifice. When apathy or disregard for the budgetary process becomes thus characterized, the danger to the virtues of free enterprise such as initiative, frugality, incentive, etc., becomes most readily apparent. Each tax dollar levied is a burden on incentive. This burden must be weighed when public money is being spent. In sum the budgetary process and particularly the individual participants therein shoulder the burden for preserving our free enterprise society where hard work is respected and rewarded.

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[102] *Supra* note 46, page 108.

[103] *Supra* note 60, page 155.

[104] *Supra* note 46, page 108.

[105] Id, page 102.

[106] "The Budget in Transition", (New York: McGraw-Hill Book Co. 1945) p. 73.

[107] *Supra* note 46, summarized in "Senate Report No. 426" pages 11–29, 89th Cong. 1st Session and "Senate Report No. 948" 89th Cong. 2d Session, pages 7–29.

The participants in the budgetary process and their legal responsibilities have been set out. As noted in the introduction the elected officials are but agents of their constituents who in sum are the principal. For the agent to reflect the desires of his principal there must be an understanding by the principal or public of the agents power and duties. Only by having a clear conception of the agents role, be it legislative, executive, or judicial, in the budgetary process can the public preserve our present way of life. As an informed taxpaying electorate we must know where, why, how and for what our contribution to the public treasury is spent. And in our future role as lawyers we must strive to educate others.

AUTHORITY TO SIGN BILLS, RECEIVE MESSAGES, AND FILE REPORTS

Mr. McCARTHY. Mr. President, I ask unanimous consent that during the adjournment of the Senate from the close of business today until noon Monday next, the Secretary of the Senate be authorized to receive messages from President of the United States and from the House of Representatives; the President of the Senate and the President pro tempore be authorized to sign enrolled bills; and committees be authorized to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

COTTON RESEARCH AND PROMOTION ACT

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 12322) to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TALMADGE. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the presiding officer appointed Mr. TALMADGE, Mr. EASTLAND, Mr. JORDAN of North Carolina, Mr. AIKEN, and Mr. YOUNG of North Dakota conferees on the part of the Senate.

AMERICAN POLICY AND THE FUTURE OF NATO

Mr. McCARTHY. Mr. President, the news of the commencement of the removal of the American military personnel, equipment, and supplies from France is most disturbing.

I do not know that this could have been prevented. However, I do believe it is fair to show that the efforts which were made to bring about some kind of earlier adjustment within NATO, and particularly within our relationship with France and the relationship of France with other nations within the NATO organizations, have been hesitant and I think inadequate.

If the Atlantic alliance is not to become either meaningless or else a facade of U.S. foreign policy, we must reevaluate our position and develop new policies which are quite different from those suggested by the somewhat vague references to change in recent statements by some administration spokesmen.

We must begin by asking ourselves what our objectives should be in Europe and for Europe and with Europe, and then determine whether existing policies and structures are useful in moving toward these objectives.

We must be willing to acknowledge that some present policies and structures may be out of date and hinder achievement of our long-term objectives.

We must guard against the limiting power of old attitudes, and against accepting that what was effective in the late 1940's and early 1950's is the necessary pattern for the future.

Since President de Gaulle first raised questions about NATO few of our policymakers have given any indication that they appreciate the changes which have taken place or the need for new approaches. We appear to have gone into the recent meeting of the NATO Council to campaign, not to negotiate.

It is my opinion that we have been too inclined to personalize the issue, to relate it solely to the personality and historical judgments of President de Gaulle and that we are too ready to defend our proposals simply by reference to the success of the past.

Even if De Gaulle had not returned to power in France, changes in Europe since the end of World War II, were creating pressures challenging the position of the United States and the policies in NATO. American policymakers should have anticipated this challenge and should have made of it an opportunity for taking the initiative for adjustments.

Unfortunately, I believe, the State Department response to the announced intention of France to withdraw from NATO's military structure does not indicate that U.S. Government officials had given much thought or attention to this problem.

In the days following the De Gaulle announcement, four formal meetings and much informal persuasion were required to obtain the agreement of the 13 other NATO participants to a common response to France. The language of that response suggested not only the caution of the Europeans but also a reliance on concepts which the development of weapons over the past 15 years has made irrelevant. More disturbing was the suggestion that we would try to continue the policy of the 1950's, without France, and the possibility that the United States might be ready to abandon efforts for a united Europe rather than to accept change in the elaborate structure of "military integration."

The United States should not be committed irrevocably to the preservation of the old structure. The military command structure, useful as it was as a response to challenges of the past, is not the heart of the Alliance. We must not permit this plan designed for a contingency to become a goal or end in itself.

It is clear that conditions in Europe today bear little resemblance to those existing when we undertook to assist the survival of these nations 18 years ago. World War II and the political instability of Europe in the years after the war enabled Russia to achieve in great measure her traditional aims: the establishment of satellite states on her western frontier and the fragmentation of German power. Weakness in Western Europe, compounded by the existence of large Communist parties in France and Italy, created a situation in which there was danger that Russia might have become the master of Europe.

The North Atlantic Treaty was an appropriate response to that challenge. It assured that Europe would not fall under Russian domination and it gave Europe an opportunity to rebuild war-devastated economies under our protection and with our assistance.

The combination of the North Atlantic Treaty and the Marshall plan enabled European nations to recover strength, and the challenge President de Gaulle presents to American policy, although it may be premature, today is evidence of that recovery and strength. Europe has come back and the nature of the Russian threat has changed. It is therefore necessary to ask in what respects the changed situation affects those arrangements which were a response to the problems and challenges of another time.

Over the years a considerable body of specialized jargon—deterrents, shields, tripwires, counter-forces, credibility—has been built up, obscuring the essential problem. The important need is for a redefinition of the common purpose and for consideration of means and methods by which this purpose may be secured.

We must be willing not only to accept change but to take the initiative in bringing about those changes.

It is my hope that the hearings on NATO soon to be held by the Committee on Foreign Relations will provide the background and develop and clarify proposals on which major decisions in the months ahead can be made.

There are several overall objectives which, in my judgment, have priority and which should be taken into account in development of policy.

First, we must recognize the importance of France at all levels—military, economic, political, and cultural.

It is not possible to organize effectively an integrated military structure in which France is not to some degree a partner or at least is willing to cooperate.

The political consequences of trying to isolate France could be disastrous. It could have a very harmful effect on such intra-European agencies as the Common Market and on the movement toward European unity and Atlantic unity.

It takes a willingness on both sides, of course, to secure the needed cooperative effort. When at any point the common effort cannot be achieved by old methods and structures, it is necessary to make new proposals and to seek accommodation; and this failing, it is important at least to resist adopting a punitive policy toward France.

Stability in Europe can be built only on the basis of cooperation between England, France, and Germany. Overemphasis on American cooperation with any one power, in an effort to isolate any one of them is, therefore, dangerous.

In this respect the decision of the NATO Council to defet action on moving the political command of the alliance from Paris was wise.

As long as France is willing for the political command to remain, we should not press for change. Whatever the administrative difficulties that may arise from separation of the military and political commands, these are less important than the political benefit to be derived from retaining France's continued association with the Atlantic alliance.

Second, we must recognize that a NATO clearly dominated by the United States is no longer acceptable to our allies.

The remarks of Primes Minister Lester Pearson of Canada on June 11 reflects the need for reevaluation. He stated:

> France, and not only France, feels that Continental Europe is now strong enough . . . to be given its rightful share in the control of the policies of the Alliance. While France is not alone in this feeling, only de Gaulle has translated it into policy and action.
>
> If he has gone too far in that action, the right course is not to drive him farther in the wrong direction, but to try to bring him back onto the right course by seriously reexamining the purposes and the organization of NATO in the light of 1966—not 1948.

We should consider, also, the statement of Prime Minister Pearson that—

> The weight of inertia and a vested interest in a new status quo, felt especially among the most powerful governments of the alliance, made it difficult to find anyone in a responsible position on either side of the Atlantic who was prepared to come forward and specify in any detail what should be changed. A lot of people were talking about the need for change but nobody—no government—in a position of power was really doing much about it. Then abrupt and unilateral action by France thrust change upon us.

We must be willing to build our policy from strength—from the bonds of unity that do exist. We must not destroy these bonds by precipitous or punitive policies nor by insistence upon structures and policies which are, or are thought to insure domination by the United States, and subordination of others.

Third, we must build on the past 15 years of fruitful cooperation with European nations in nonmilitary areas, particularly that of trade and monetary policy, and we must make a far more serious effort to develop the purpose set forth in article 2 of the treaty:

> The Parties . . . . will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

We should encourage and reinforce tendencies within Europe toward greater unity in the hope that such unity will permit the eventual realization of a true Atlantic partnership between equals.

The debate in the French National Assembly in April demonstrated that the French generally support General de Gaulle's attacks on NATO; but threats to the achievements of European economic unity such as the Common Market, are regarded with hostility.

If we must choose between the maintenance of the present NATO structure and the unity of Europe including France, the choice should be Europe with France.

Fourth, we must adjust to the change of Soviet strategy in Europe and seek to reduce tensions further.

NATO has been a major force in the reduction of the threat of Soviet aggression in Europe. To state this fact should not imply that this threat would immediately reappear if the Atlantic alliance were reorganized and adjusted.

The Soviet Union has other problems and interests it could not have envisaged in 1948, just as we in the United States have new problems and interests.

The pressures of change are not confined to the NATO members. Within the last few months there have been indications that conflicts have arisen among members of the Warsaw Pact, conflicts which presumably cause as much distress to the Soviet policymakers as problems within NATO cause to the United States. It is too early to assess the significance of these changes, but at this point they appear to indicate that in the Communist states as in the West, European nations are demonstrating their independence.

While maintaining a deterrent against Soviet aggression, we must seek a reduction of tensions, even though a general European settlement may be far off. As we look to the 1970's we must certainly consider possibilities which were out of the question in the 1950's, especially with reference to Germany.

Fifth, a major objective, which at all times is of overriding importance, is progress toward an effective nuclear control agreement. Such an agreement must recognize the fact that the French are a nuclear power and also that the French and Europeans have an interest in their own defense.

In addition, there remains in the minds of many Europeans the danger of a German nuclear capability. A nuclear-armed Germany, even though disguised by MLF or similar "sharing" mechanisms, is not only unacceptable to most Europeans, it might well be as intolerable to the Soviet Union as was the presence of Soviet missiles in Cuba to the United States.

There is no indication that Germany desires any such development. In addition inflationary pressures in Germany today have led to a desire for retrenchment in the field of military equipment, and the Germans are resisting U.S. Defense Department pressures to purchase additional arms from us.

Sixth, there are the possibilities of expanding the alliance to include other countries who are attracted by its purposes and for whose membership the present members must be willing to make adjustments.

From the military viewpoint, the location of Spain and the bases in that country make her an important part of the defense system which NATO was created to provide. There is reason to expect economic and political adjustments within Spain which the United States and other nations should be prepared to meet with modification of past policies.

As we consider the alternatives and adjustment for a new era in our relations with Europe, let us remember that in our European policy, as in our foreign relations generally, strategy and structures must always be the servant of political judgment and never its master.

Strategy should never be its own justification, and the tools and procedures which serve our policy should not become that policy.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

On request of Mr. Smathers, and by unanimous consent, the following calendar measures were considered and acted upon as indicated:

CENTENNIAL MEDALS FOR THE SECRET SERVICE

The bill (H.R. 10357) to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service was considered, ordered to a third reading, read the third time, and passed.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1279), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

GENERAL STATEMENT

H.R. 10357 was introduced by Congresswoman Sullivan on August 10, 1965, and was passed by the House of Representatives on April 4, 1966. The bill would authorize the Secretary of the Treasury to strike bronze medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service. The medals will be struck and sold by the mint, as a list medal, under such rules and regulations as the Secretary may prescribe. They will be sold at a price sufficient to cover their cost.

The Department of the Treasury, through the superintendent of the U.S. mint at Philadelphia, makes available to the general public a wide variety of bronze medals, usually 3 inches in diameter, but ranging from eleven-sixteenths of an inch to 4 inches. Prices range from 45 cents to $10.75, with most of the 3-inch medals selling for $3. One series includes all of the Presidents of the United States; another, the Secretaries of the Treasury; a third, the Directors of the Mint. In addition, there are Army medals, Navy medals, and a miscellaneous series commemorating events in the Nation's history, or the achievements of individuals. In the past 5 years, more than 163,000 of these list medals have been sold to the public.

This bill would add to the offering of list medals one honoring the U.S. Secret Service upon completion of more than a century of service to the American people.

RETIREMENT OF THE COMPTROLLER GENERAL

The bill (S. 3150) to make further provision for the retirement of the Comptroller General was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3150

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 303 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 43), is hereby further amended by adding at the end thereof the following paragraph:

"Notwithstanding the preceding paragraph of this section, any person appointed to the Office of Comptroller General after January 1, 1966, and who at the time of his appointment is or has been subject to the provisions of the Civil Service Retirement Act, shall be subject to all of the provisions of that Act, unless he shall in writing elect to be subject to the provisions of the preceding paragraph of this section. Such election may be made at any time, but not later than sixty days after the expiration of the first ten years of service as Comptroller General, and shall be irrevocable. Any Comptroller General making such an election under this paragraph shall be entitled to a refund of the lump-sum credit to his account in the Civil Service retirement and disability fund, but shall receive no benefits under the Civil Service Retirement Act."

SEC. 2. Section 319 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 43b), is hereby amended by substituting a colon for the period at the end of subsection (a) and adding the following: "*Provided,* That in the case of a Comptroller General who elects in accordance with the third paragraph of section 303 of this Act to be subject to the provisions of the second paragraph of such section, the election permitted by this section may be made within sixty days after the making of the election permitted by the third paragraph of section 303."

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1283), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

S. 3150 would amend sections 303 and 319 of the Budget and Accounting Act of 1921, as amended, to (1) provide for the continuation of coverage under the Civil Service Retirement Act of an appointee to the Office of Comptroller General of the United States who prior to such appointment had been subject to that act, and (2) permit such an appointee a right to elect to be covered exclusively by the retirement system provided for the Comptroller General.

JUSTIFICATION

At the present time, an appointee to the Office of Comptroller General automatically becomes subject to the special retirement provisions of that office (Budget and Accounting Act of 1921, as amended), and is precluded from continuing coverage under the Civil Service Act. Thus, a Federal employee, including a Member of Congress, who was covered by the civil service retirement system when appointed to the Office of Comptroller General, may lose certain valuable rights. These rights include voluntary retirement, and could include more liberal survivor protection and disability benefits earned through contributions to the civil service retirement system.

S. 3150 would allow a person covered by the civil service retirement system when appointed to the Office of Comptroller General to continue under that retirement act and thereby preserve rights and benefits earned thereunder. The bill would also permit the exercise of a right of election to become subject to the retirement provisions specifically provided for the Office of Comptroller General. This election could be made at any time but not later than 60 days after the first 10 years of service as Comptroller General. A Comptroller General who makes such election may also elect to be covered by the survivorship retirement provisions applicable to the Office of Comptroller General. Until such election is made a Comptroller General's coverage under the Civil Service Retirement Act would continue and his salary would be subject to the same retirement deductions that otherwise are applicable to Federal employees or Members of Congress covered by that act.

The bill provides that if a Comptroller General by reason of his election to no longer remain subject to that act, he shall then be entitled to the normal refund of the lump-sum credit to his account in the civil service retirement and disability fund.

Prior to enactment of Public Law 161, 83d Congress (31 U.S.C. 43), the Comptroller General of the United States was subject to the Civil Service Retirement Act. S. 3150 once again provides for coverage under that act of a Comptroller General who prior to his appointment had been so covered and who desires that such coverage be continued.

The committee is informed that S. 3150 creates no new or additional benefits under either retirement system but merely permits the Comptroller General to select the system of his choice. If the election provided for under the bill is not made within the time limit specified, the civil service retirement system continues to apply to the appointee to the Office of Comptroller General and he would acquire no entitlement to benefits under the retirement system established for the Comptroller General under the Budget and Accounting Act.

AUTHORIZING ANY EXECUTIVE DEPARTMENT OR ESTABLISHMENT OF THE GOVERNMENT TO MAKE APPROPRIATE REIMBURSEMENT BETWEEN THE RESPECTIVE APPROPRIATIONS

The bill (H.R. 6438) to authorize any executive department or independent establishment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof was considered, ordered to a third reading, read the third time, and passed.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1284), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This legislation is primarily a bookkeeping convenience.

The bill would permit (subject to the limitation applicable to each appropriation concerned) an agency to use each appropriation available to it during a fiscal year to finance the procurement of materials and services or other costs for which funds are available in other appropriations of the agency, provided final adjustment by charge to the appropriation benefited and credit to the financing appropriation is made on or before the close of each fiscal year. The bill is necessary because existing law (31 U.S.C. 628) and decisions of the Comptroller General do not permit reimbursement of transfer of funds between appropriations in the absence of expressed statutory authority.

The authority in the bill would facilitate the accounting and payment of common-service types of activities such as duplicating services, technical services, and the joint use of automatic data processing equipment. The committee was informed that enactment of the bill would promote economies by making unnecessary the estimating and precharging of various accounts and appropriations.

Section 2 of the bill relates to the Bureau of the Census and repeals the authority granted it to make reimbursements such as this bill authorizes. If this bill becomes law, the Census Bureau's authority would not be necessary as all departments and agencies would be covered by the authority.

Section 3 retains the provision of the Foreign Assistance Act of 1961 providing that final charges need not be required for certain expenditures. It does not authorize the augmentation of funds to any bureau or agency beyond that contained in its respective appropriations. H.R. 6438 will not permit the transfer of funds for purposes other than those intended by the Congress. Every expenditure must be charged to the correct appropriation as enacted. There can be no diversion of funds for other purposes under this legislation.

The committee is in accord with the views and recommendations of the House Committee on Government Operations, and therefore adopts the following excerpts from its report (H. Rept. 722):

"GENERAL STATEMENT

"The committee endorses this measure as a needed improvement in our budgetary and accounting procedures. It was suggested to us by the General Accounting Office and is an outgrowth of the study and activities of the joint accounting improvement program of the Bureau of the Budget, the Treasury Department, and the General Accounting Office.

"Inasmuch as the expenditures of all departments and agencies must be made pursuant to law, appropriations may be used only for the particular purposes specified therein. Legislation has been enacted authorizing departments or agencies to provide materials and services to each other on a reimbursable basis where it is in the interest of the Government that this be done (31 U.S.C. 686). This authority, however, does not apply to bureaus or offices within the departments or agencies. Often bureaus or offices administer more than one appropriation and may purchase or utilize, for example, a computer or common service items used by more than one bureau that should be charged to two or more appropriations. At the present time, for a multiple-use item or service, estimates must be made for charging the proper appropriation in the first instance with the value of the product or service being provided.

"Under this legislation, an available appropriation could be used for the original procurement of materials or services required by several bureaus within a department or agency charging in the first instance one appropriation and later after the service has been performed or the product furnished, make an accounting adjustment charging various other appropriations legally obligated for the cost of the services or materials. Enactment of this legislation will provide greater flexibility and efficiency in the accounting offices of the departments and agencies and by eliminating the need for estimating and precharging various accounts and appropriations. It should also result in some economies.

"An illustration of the advantages to be gained would be found in an agency where the central office is financed from two or more appropriations. Such office may have within it, for example, a central reproduction or duplicating section that provides daily services, the cost of which is properly chargeable to the several appropriations which finance parts of the office. At the time the payroll is prepared and paid for the employees in the duplicating section, the gross payroll would be charged to one appropriation. As soon as convenient, following the 2-week pay period, the record of reproduction services furnished various parts of the central office organization would be summarized to determine the amount of services chargeable to the respective benefiting appropriations. Based on this data, an accounting adjustment would then be made to charge the benefiting appropriations and correspondingly restore the appropriation which initially financed the payroll.

The Bureau of the Budget, through its representative at our hearings, explained the effect of the legislation as follows:

"The Constitution provides that expenditures shall be made from the Treasury only pursuant to appropriations made by law. Statutes of long standing implement this provision and require that expenditures be charged only to an appropriation available for the purpose and object of the expenditure, and not to any other. It is also required that, with certain exceptions, the appropriation chargeable be designated on the relevant documents prior to the time that the expenditure check is drawn.

"Where a bureau or an independent agency has two or more appropriations, certain charges may need to be split in an appropriate manner between or among the appropriations. For example, the Bureau of the Census had one appropriation last year for censuses of business, transportation, manufactures, and mineral industries; another appropriation for the 1964 census of agriculture; another appropriation for the early work on the next decennial census; another appropriation for its regular year-in and year-out work, and so forth. The expenses of operating its computer organization are chargeable in part to each of these appropriations. The payroll for those who work on the computer must be split among the various appropriations in accordance with the time worked for each. It is not feasible to make the necessary accounting distributions with accuracy at the time that the expenditure checks are drawn. The distribution can be made without too much difficulty a short time later.

"Other agencies have similar problems, sometimes with respect to payrolls sometimes with respect to rental of space, sometimes with respect to contracts chargeable in part to two or more appropriations. In the absence of a law such as H.R. 6438, agencies must split charges on each voucher as they are ready to make payments.

"Several agencies have been given authority such as this bill provides. The Bureau of the Census and the Agency for International Development may permit charges to be made initially to any of their appropriations which has a sufficient balance, subject to adjustment subsequently so that the charges will finally be against the 'right' appropriations. Such adjustments can be made in a block for a group of related expenditures at one time. Similar authority has been granted the Atomic Energy Commission and has been proposed for the National Aeronautics and Space Administration.

"We have been asked if this bill will permit the transfer of funds for purposes other than those intended by the Congress. This bill will have absolutely no effect on present law in this regard. Every expenditure must be charged to the correct appropriation as enacted. There can be no diversion of funds for other purposes under this legislation. This legislation is primarily a bookkeeping convenience. It does not authorize the augmentation of funds to any bureau or agency beyond that contained in its respective appropriation bills."

The Bureau of the Budget and all reporting departments and agencies approve the bill and recommend its enactment.

ADJOURNMENT UNTIL MONDAY

Mr. SMATHERS. Mr. President, I move, in accordance with the previous order, that the Senate adjourn until 12 o'clock noon, on Monday next.

The motion was agreed to; and (at 5 o'clock and 12 minutes p.m.) the Senate adjourned, until Monday, June 20, 1966, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 16:

U.S. Marshal

Joseph T. Ploszaj, of Connecticut, to be U.S. marshal for the district of Connecticut for the term of 4 years. (Reappointment.)

In the Army

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384;

To be major generals

Brig. Gen. William Henry Baumer, O2201379.

Brig. Gen. Felix Albert Davis, O466259.

Brig. Gen. Horace Barber Hanson, Jr., O361034.

Brig. Gen. John Edward Vance, O229832.

To be brigadier generals

Col. Wilburn Ray Allen, O1177709, Transportation Corps.

Col. Albert S. Brussell, O307587, Medical Corps.

Col. Leonard Wolsey Cronkhite, Jr., O405134 Army Intelligence and Security.

Col. Jack Richard DeWitt, O1014586, Infantry.

Col. William Wilson Duffey, O365975, Infantry.

Col. James Bailey Faulconer, O391585, Infantry.

Col. Herman Henry Hankins, O387472, Infantry.

Col. Eugene John Mincks, O1174655, Artillery.

Col. Harry Joseph Rockafeller, O415254, Armor.

Col. Thomas Angell Warthin, O472602, Medical Corps.

Col. Philip Roulston Willmarth, O375546, Artillery.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major generals

Brig. Gen. Jasper Newton Baker, O446010.

Brig. Gen. Wilbur Henry Fricke, O340297.

Brig. Gen. Thomas Graham Wells, Jr., O366471.

Brig. Gen. James Haydon Weyhenmeyer, Jr., O415260.

To be brigadier generals

Col. Kelley Arnold, O397772, Infantry.

Col. John Willard Breidenthal, O430157, Infantry.

Col. Ralph Clarence Davis, O1332358, Corps of Engineers.

Col. Glynn Claude Ellison, O1171133, Armor.

Col. Andrew Louis Farkas, O888322, Armor.

Col. George Frederick Graf, O397822, Infantry.

Col. Charles Jacob Kaniss, O1284521, Artillery.

Col. Albert Kaye, O374451, Infantry.

Col. Edward Francis Logan, O408471, Infantry.

Col. David Crockett Matthews, O946166, Infantry.

Col. William Elmer Mayberry, O1308987, Infantry.

Brig. Gen. Victor Lee McDearman, O328046, Adjutant General's Corps.

Col. Wayne Harold Page, O548590, Armor.

Col. Joseph Michael Stehling, O348518, Infantry.

Col. Frank Townend, O306911, Artillery.

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. George Morris Gelston, O1177407, Adjutant General's Corps.

To be brigadier generals

Col. Clarence Deshong Bell, O336022, Adjutant General's Corps.

Col. Albert Edward Cotter, O1053543, Artillery.

Col. Norman Lynn Erb, O1324832, Infantry.

Col. Robert Oliver Marshall, 01171662, Artillery.

Col. William Uriah Ogletree, O384029 Artillery.

Col. Donald George Penterman, O1542457, Quartermaster Corps.

Col. Fred Oliver Reger, O1825641, Infantry.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16, 1966:

United Nations

James M. Nabrit, Jr., of the District of Columbia, to be the deputy representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and deputy representative of the United States of America in the Security Council of the United Nations.

Department of State

Delmar R. Carlson, of the District of Columbia, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Guyana.

Walter P. McConaughy, of Alabama, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and

Plenipotentiary of the United States of America to China.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Alfred M. Gruenther, of the District of Columbia, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

Troy V. Post, of Texas, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

Stephen J. Wright, of Tennessee, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency.

COMMUNICATIONS SATELLITE CORPORATION

George Meany, of Maryland, to be a member of the board of directors of the Communications Satellite Corp. until the date of the annual meeting of the corporation in 1969.

IN THE DIPLOMATIC AND FOREIGN SERVICE

The nominations beginning Allen S. Whiting, to be a Foreign Service officer of class 1, a consular officer, and a secretary in the diplomatic service of the United States of America, and ending Miss Jane Whitney, to be a consular officer of the United States of America, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 27, 1966.

EXTENSIONS OF REMARKS

Long Island National Wetlands Recreation Area

EXTENSION OF REMARKS

OF

HON. HERBERT TENZER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. TENZER. Mr. Speaker, the House Merchant Marine and Fisheries Subcommittee on Fish and Wildlife Conservation began hearings this morning on my bill, H.R. 11236, and related bills, to establish a Long Island National Wetlands Recreation Area.

The purpose of H.R. 11236 is to preserve 16,000 acres of the coastal wetlands of Hempstead-South Oyster Bay, on the south shore of Long Island; to protect the fish, shellfish, and wildlife, including the migratory birds which use these wetlands; and to promote broad recreational use of the wetlands.

H.R. 11236 was introduced in the House in September 1965. Thereafter, in the manner of our congressional legislative process, I discussed the legislation with many of my colleagues in the House; with the Secretary of the Interior and members of his staff; and with many of my constituents as well as with representatives of conservation organizations in and out of my district, dedicated to the preservation of the wetlands.

As a result of these discussions, the Department of the Interior and I have agreed upon and today at the hearing before the subcommittee, a series of amendments were proposed which are designed to improve the provisions of the bill. These proposed amendments would:

First. Authorize the Secretary of the Interior to enter into agreements with New York State, the town of Hempstead, and other political subdivisions for the permanent management and protection of the south shore wetlands.

Second. Authorize the Secretary to pay 100 percent of the cost of managing the wetlands with one exception: the development costs for recreational facilities not used primarily for fishing, shellfishing, and hunting would be shared on a matching basis.

Third. Authorize the Secretary to conduct a comprehensive study in cooperation with the State of New York of additional lands and recommend additions to the National Wetlands area.

Fourth. Authorize the Secretary to take steps to eliminate and prevent pollution of waters in the area.

Fifth. Authorize the Secretary to purchase privately—not publicly—owned lands in the area, if the owners consent.

In order that the members of the House Merchant Marine and Fisheries Subcommittee on Fish and Wildlife Conservation may have these proposed amendments before them in a form convenient for their use during the hearings, and at the suggestion of the chairman and members of the subcommittee I have today introduced a new bill, H.R. 15770, which incorporates these amendments.

On behalf of the residents of my district, I urge my colleagues to support this legislation which would protect for all time and for future generations the vast natural resources of the south shore wetlands.

Maynard Flag Day Exercises

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. PHILBIN. Mr. Speaker, the American flag and all it represents is the best hope of the Nation and the world for freedom and peace. That is the message I conveyed during impressive Flag Day exercises at Maynard, Mass., in my district, in which I was privileged to participate as guest speaker.

I ask unanimous consent that part of my remarks at these exercises be printed in the CONGRESSIONAL RECORD.

The material follows:

REMARKS IN PART OF CONGRESSMAN PHILIP J. PHILBIN, FLAG DAY EXERCISES, MAYNARD, MASS, JUNE 5, 1966

Our flag with its striking colors has inspired millions and millions of Americans to uphold the cause of liberty and justice. It is an emblem of courage, loyalty, sacrifice and determination to preserve American ideals and principles and our free way of life, so vital to each and every one of us.

Old Glory is a symbol of encouragement and enlightenment, truly a beacon light of hope and inspiration for the down-trodden and the oppressed of all lands, as well as a powerful motivating force for the people of this country to strive for security, independence, progress and peace.

Our Flag exemplifies the spiritual beliefs and moral aspirations of a people dedicated, as we are, to the protection of individual rights, the sanctity of family life, social justice and humane betterment for our fellow citizens and human kind.

Today, as always, we rededicate ourselves to this flag, and this country, and this great, free government, this fabulous, free-enterprise system that has enabled us to become the greatest, most powerful, most prosperous nation in history.

As we renew our pledge of allegiance to this flag, let us lift up our hearts in prayerful gratitude to our Maker for the blessings he has conferred upon our nation, and upon us, and let us resolve to stand firmly, unfalteringly and bravely against tyranny and injustice, as Americans have always stood, for our freedoms, our homes, our shores and all the precious values that America means to us—for the rule of law, order and justice in the country and the world, and for enduring peace which will end bloody conflict, and restore amity, understanding and friendly relations in the world.

Hail to Old Glory—may it always wave over a free, secure, prosperous nation. And may it soon wave over a land and in a world united in peace and brotherhood.

Flag Day in The Rock

EXTENSION OF REMARKS

OF

HON. HOWARD H. CALLAWAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. CALLAWAY. Mr. Speaker, there are people in this Nation of ours who, even today, when we are in the midst of a dangerous struggle for freedom in Vietnam, reject patriotism and respect for our country's flag as being somehow old fashioned, outdated, or "square."

Under these circumstances, it is particularly gratifying for me to share with you the accomplishment of the patriotic people of the town of The Rock in my own State of Georgia. Mrs. Ruth Markham, associate editor of The Rock News, has kindly taken time out to direct my attention to this community's fine deed.

The 115 fine citizens of The Rock and their distinguished mayor, Mr. Clifford L. Clarke, have celebrated Flag Day by displaying an American flag from every single home in the town. This country should take notice of and give credit to Mayor Clarke for visiting every home in The Rock and selling the residents American flags at cost. The mayor devoted much of his time and effort as he checked every day to make sure each of his constituents was prepared to display the flag June 14. I only hope that other communities in Georgia and the rest of the Nation will follow this noble example.

I am especially grateful to be able to contrast the patriotic respect which the citizens of The Rock hold for our Nation's flag with the disrespect shown all too often in some other parts of this country. Too often our Nation's symbol has been mutilated, defiled, and trampled upon. This disrespect for the United States of America should not go unpunished; for this purpose I have introduced H.R. 14314 to make such desecration a Federal offense. Mr. Speaker, I am sure that with the support of such fine Americans as the townsmen of The Rock this bill will become law and such terrible mockeries of our country's flag will come to a halt.

Hudson Honors Firemen

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. PHILBIN. Mr. Speaker, the people of Hudson, Mass., in my district on June 12 honored the deceased members of its dedicated fire department in memorial services, in which I was honored and privileged to participate.

I ask unanimous consent to have printed in the RECORD the text of my remarks at this simple, but impressive community exercise.

The material follows:

REMARKS IN PART OF CONGRESSMAN PHILIP J. PHILBIN MEMORIAL SERVICES FOR DECEASED FIREMEN, HUDSON, MASS., JUNE 12, 1966

This community, indeed all our communities can be thankful that we have had the steadfast, effective services of these men of both past and present generations. These men, like the men of our police forces, are called upon in the performance of their duties to be ready at a moment's notice to risk their lives for the sake of community security.

In that sense, they are like members of the armed services and must respond instantaneously and oft-times at great risk to protect private and public property from destruction, and to prevent powerful conflagrations that would cause widespread damage and waste of valuable economic resources and even loss of life.

In the course of their daily work, these brave men, whom we so fittingly honor today, have not only unselfishly protected the public safety and private property, they have performed countless other services having to do with local well-being, the saving of life and the promotion of worthy civic causes. They have never lost an opportunity to take an interest and to play a part in activities that help and benefit the people as a whole of every age, class and group.

I commend and congratulate those of you of this very efficient Fire Department, your leaders and comrades throughout the state and nation for arranging suitable exercises to acknowledge the tremendous public contribution that has been made by your departed comrades.

This thoughtful, well-arranged program gives all of us a chance to join collectively today in paying heartfelt tribute to all those of your Fire Department who have served so devotedly throughout the years in the very best traditions of our American way of life for the protection, the security, the well-being and welfare of every man, woman and child in this community.

As we turn our hearts and minds today on this touching occasion, to the deeds, the sacrifices and the outstanding fidelity to duty of these men, let us give public expression to our grateful appreciation for what they have done during their lives, and during their faithful service to this beautiful community, to uphold our very best standards of public service.

The example of their complete devotion to their vital work will long be remembered. The memory of their many brave deeds will long be acknowledged. The fond recollections of their staunch, loyal, friendship, fine citizenship and whole-hearted service will long be recalled in our prayers and in our thoughts by a truly grateful people.

How fortunate we are these days that their capable successors are following in their footsteps, as you here assembled are doing, inspired by their legacy of devotion and loyalty to carry on in the spirit, in the faith and in the superb dedication to the public interest that they exemplified and is needed so much in these days of crisis, to guard and strengthen our community life and sustain and guard the great free system of which we are so proud and which we are determined to preserve and enrich.

May these cherished comrades of yours find rest and peace in their heavenly home.

And may you, their proud successors, long carry on their great work for community, state and nation.

New Haven Has Unique Project of Legal Assistance

EXTENSION OF REMARKS

OF

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. GIAIMO. Mr. Speaker, I have recently received the first annual report of the New Haven Legal Assistance Association which began its operations on Law Day, May 1, 1965. Its first year of operations, from all indications, has been a great success; that success due in large measure to men who believed that "equal justice under law" was a meaningless phrase unless all men, regardless of race, color or financial condition were adequately represented before our courts of law.

The New Haven project is unique, Mr. Speaker, in that it is a privately financed operation which believes in going to the people in economically deprived areas of the city in order to make them aware that they can get legal help.

Although the Legal Assistance Association maintains a municipal legal aid bureau, a circuit court public defender's office and a no-bail program, it is the neighborhood lawyer program which I believe is unique in concept and application. There are two offices, each in a different area of the city, staffed by two lawyers who are assisted by law students. These offices maintain a full 5-day schedule as well as evening hours 2 days a week.

There are three basic departures from traditional legal aid in the operation of these offices. First is decentralization to increase accessability and enable use of lawyers where needed. Second is the elimination of the distinction between civil and criminal problems in determining eligibility in order to provide individuals with a relationship similar to that of a person with a general practitioner. Third is the provision of legal services in close cooperation with other social services in an attempt to solve underlying problems which may cause reoccurring legal problems.

In 1 year's time, the Legal Assistance Association has made great strides in bringing to the poor of New Haven an understanding of what former Justice Goldberg believed to be the essence of the law's relationship with the individual when he said:

> Law is a powerful force. Alone it cannot make a man free—but it can strike the shackles from him. And it can make him realize that in a democracy such as ours, no man need be helpless, no man need be powerless—for every man is entitled to a say in the affairs of our nation and the conduct of our institutions.

I am sure that my colleagues will join me in commending this fine organization and those who have sacrificed to make it a success.

U.S. Army Corps of Engineers Celebrates 191st Birthday

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. ROGERS of Florida. Mr. Speaker, today marks the 191st anniversary of the U.S. Army Corps of Engineers, the Nation's oldest and largest engineering organization.

The effectiveness of this organization can be seen in the construction and administration of a wide number of projects in Florida and other States. A tribute to the Corps can be seen in the phenomenal tasks they are now performing in Vietnam, and doing so under combat conditions.

Mr. Speaker, I would like to join other Members of Congress in paying tribute to the U.S. Army Corps of Engineers. Their fine record of public service stands as an example for other governmental agencies, Federal, State, and local, to follow in terms of responsibility to the American people.

Stop Harmful Shoe Imports Now

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. PHILBIN. Mr. Speaker, thoughtful Americans have been understandably greatly concerned about the flow of cheap goods from abroad which are having such a disastrous and dangerous impact upon some of our domestic industries, their faithful employees and upon the national economy.

While I think that most of us realize the advantages and needs of truly reciprocal foreign trade and are desirous of maintaining healthy, mutual trade relations with other nations, we are not willing to accept the thesis that foreign trade should be a "one-way street," as it has become in many instances today.

It is true that we have substantially expanded our own exports and foreign trade and this would normally bring us measurable benefits. But when we realize that a very sizable portion of our exports stem from foreign aid programs, grants, and loans to other nations, do not necessarily involve reciprocal trade benefits, and often entail additional charges upon our already sorely afflicted and heavily burdened taxpayers, admittedly, this situation must give us some pause.

It is also true that many nations which are enjoying liberal access to American markets are at the same time firmly closing their choicest markets to American goods and thus barring them from many foreign countries.

Even at a time of the peak prosperity which our country is currently enjoying, there are many of our industries here faced with injurious, cutthroat competition from overseas which, because of their relatively low costs and standards, we cannot possibly absorb without damage to our competitive posture.

In the longrun, and even in the shorter run, the continued flow of cheap imports is bound to produce undesirable effects upon our economic system, and weaken certain industries, and result in unemployment.

From time to time under current trade policies we continue to make substantial concessions to foreign importers and traders.

Recently we adopted guidelines relating to the American selling price valuation of certain footwear and, in addition, data as to the imports of such footwear.

The American selling price basis of value is defined in the tariff act under section 402e and 402a(g) and the choice of these two definitions is determined by the final list status of the merchandise. When the merchandise is not on the list, section 402e applies. When it is on the list, section 402a(g) applies.

I think that we need something more than palliatives to help our shoe industry. We need safeguard amendments of the trade bill.

It is not surprising, therefore, that the shoe industry, which is being directly harmed, should be greatly concerned to see foreign competition increasing and new increases forecast.

It seems clear to me that Congress must sooner or later give careful attention to the operation of our trade laws, as I urged at the time the trade bill was pending, and as soon as it can be done, I would suggest that our appropriate committees conduct investigations to ascertain the impact and the damage and injury that has been done, and is being done every day, to domestic industries by the large influx of foreign goods coming into our markets. If proper safeguards had been written into the trade bill in the first instance, we would not now be suffering from these deplorable conditions.

At least the facts of the situation should be vigorously sought so that we may know definitely the scope and extent of the danger to our American economy and to the prosperity of our industries, resulting from cutthroat competition from abroad, which under our standards of wages and living, our industries and our economy could never possibly absorb without serious damage to our economic system and dire threats to our prosperity.

I hope and urge that the leadership of the House may take note of this situation and, as soon as possible, provide complete inquiry and analysis by our House committee looking toward the development of appropriate legislation to neutralize the grave danger of irreparable damage from continuing unfair foreign competition to our industry and economic structures that is at present threatening the stability and prosperity of many in this great American shoe industry.

It is late for us to act in these matters to be sure. We might well have acted, as I had urged so vehemently when the trade bill was pending. But it is better late than never, so let us act, and act vigorously now.

Commissioner Charles N. Collatos of Massachusetts Office of Veterans' Services Praises 89th Congress for Legislation Enacted on Behalf of Veterans and Families

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1966

Mr. BOLAND. Mr. Speaker, recently I received a very nice complimentary letter from Commissioner Charles N. Collatos of the Commonwealth of Massachusetts, Office of Veterans' Service, commending me and Members of the 89th Congress for the enactment of "legislation long needed and urgently desired by veterans and their families," citing particularly the new GI bill of rights. I ask permission to have a story from the Veteran's News, published today in Springfield, Mass., and Commissioner Collatos' letter to me, printed with my remarks in the CONGRESSIONAL RECORD, along with a list of the major veterans legislation enacted by the 89th Congress to date:

[From the Veteran's News, June 16, 1966]

CONGRESSMAN BOLAND PRAISED BY VETS COMMISSIONER

Congressman EDWARD P. BOLAND received high praise last week for championing the cause of the veteran and his dependents during the legislative process of enacting long needed and urgently desired legislation by all veterans.

Charles N. Collatos, Commissioner of Veterans' Services, in a letter to the congressman, said that "of great importance is the fact that over 160,000 servicemen from Massachusetts and countless thousands throughout the country will have an opportunity to utilize the educational benefits that are theirs, as a result of the new GI Bill of Rights."

"The veterans of Massachusetts are extremely appreciative of your efforts and the assistance you have extended, not only during this legislation, but during your years of service in Congress. It is only because of your continued interest in behalf of the veteran and his dependents that Massachusetts war veterans are able to share in the many benefits that Congress has enacted into law."

Congressman BOLAND is a Legionnaire member of Liberty Post No. 430, and actively participates in all veterans' activities in the community whenever time permits.

THE COMMONWEALTH OF MASSACHUSETTS, OFFICE OF COMMISSIONER OF VETERANS' SERVICES,
Boston, June 1, 1966.

Hon. EDWARD P. BOLAND,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BOLAND: During this Congressional session, Legislation long needed and urgently desired by veterans and their families, veteran organizations and Veterans' Services Agents, was enacted by Congress and I am proud to acknowledge that you not only voted but championed the cause of the veteran and his dependents during the Legislative process of this much needed legislation.

Of great importance, is the fact, that over 160,000 servicemen from Massachusetts and countless of thousands throughout the country, will have an opportunity to utilize the educational benefits that are theirs, as a result of the New G.I. Bill of Rights. This legislation will also have a favorable and profound impact on the veteran who will avail himself of this educational opportunity and will also tremendously assist in the Nation's economy.

The veterans of Massachusetts are extremely appreciative of your efforts and the assistance you have extended, not only during this legislation, but during your years of service in Congress. It is only because of your continued interest in behalf of the veteran and his dependents, that Massachusetts war veterans are able to share in the many benefits that Congress has enacted into law.

May I assure you that your efforts have not gone unnoticed and that, with your permission, I intend to publish this letter in the monthly bulletin that is issued by my office and forwarded to all Veterans' Agents and veteran organizations throughout the Commonwealth of Massachusetts.

May I pledge to you that, not only this office, but all the city and town Veterans' Agents throughout the Commonwealth of Massachusetts, will help translate this new

G.I. Bill of Rights into an effectively operating program for veterans with all the care and attention to detail that is possible.

Sincerely,

CHARLES N. COLLATOS,
Commissioner.

LAWS RELATING TO VETERANS, THEIR DEPENDENTS, AND THE VETERANS ADMINISTRATION 89TH CONGRESS—SECOND SESSION AS OF JUNE 10, 1966

PUBLIC LAW 89–358—VETERANS' READJUSTMENT BENEFITS ACT OF 1966

Education: A permanent program of educational assistance is provided for veterans serving in the Armed Forces after 1–31–55 on the basis of a month of training in an approved institution for each month of service, up to 36 months. Allowances for full-time training are set at $100 per month for a single veteran, $125 if there is one dependent, and $150 if more than one dependent. These benefits are also made available to individuals still on active duty, but only to the extent of tuition costs. These payments become effective 6–1–66. Repeals Chapter 33 of title 38 relating to the Korean conflict education and training program.

Loans: Direct and guaranteed home and farm loan benefits similar to those now provided are extended to post-1–31–55 veterans, including some active duty personnel. Applicants under this new provision will generally be required to deposit an initial fee, not to exceed one-half of 1 percent, which will be used to pay claims, and management expenses. The maximum amount for a direct loan to any veteran is raised to $17,500. Authorizes the Administrator to establish maximum interest rates up to the going FHA rate. Also provisions restricting set-offs from VA benefits or other Government payments because of liability to U.S. under VA loan programs are included.

War orphan's educational assistance program: Amendments are included to: (1) make the Administrator's finality of decision applicable to this program; (2) convert it into a permanent program; and (3) authorize the Administrator to prescribe regulations concerning the certification of enrollments and attendance.

Other benefits for veterans serving after 1–31–55—

Grants non-service-connected hospitalization.

Provides wartime presumptions of service-connection for compensation purposes.

Authorizes the furnishing of flags to drape the caskets of deceased veterans.

Provides job counseling and job placement assistance.

Grants preference in Federal employment.

Amends the Soldiers' and Sailors' Civil Relief Act to prohibit, except by leave of court, the eviction of a serviceman's dependents from rented homes where monthly rental does not exceed $150.

Effective date: With the exception of the educational assistance, the provisions are effective upon enactment. Approved March 3, 1966.

PUBLIC LAW 89–360—EXTENSION OF BURIAL ALLOWANCE

Provides statutory burial allowance where a veteran has not applied for disability compensation but who nevertheless died of a service-connected death. (VA proposal.) Approved March 7, 1966.

LAWS RELATING TO VETERANS, THEIR DEPENDENTS, AND THE VETERANS' ADMINISTRATION 89TH CONGRESS—1ST SESSION

PUBLIC LAW 89–40—REOPENED INSURANCE FUND

Establishes a Veterans Reopened Insurance Fund to finance the insurance programs for disabled veterans authorized by sec. 12, Public Law 88–664. Provides for the transfer of funds from the Veterans Special Term Insurance Fund, not exceeding $1,650,000, to the Veterans Reopened Insurance Fund to provide the initial operating capital (Amends 38 USC 725) (Approved 6–14–65).

PUBLIC LAW 89–50—MUSTERING-OUT PAYMENTS

Extends the time to January 31, 1966, for filing claims for mustering-out payments by certain officers who were otherwise eligible but precluded from payment because of appointment in a Regular component before July 16, 1952. (Amends 38 USC 2104). Repeals Chaper 43, title 38 USC, entitled "Mustering-Out Payments," effective July 1, 1966 (Approved 6–24–65).

PUBLIC LAW 89–52—CORREGIDOR-BATAAN MEMORIAL, VA APPROPRIATION

Appropriates $1,400,000 for VA to construct the Memorial on Corregidor Island to commemorate the veterans who lost their lives while serving in the Pacific area during World War II (Approved 6–28–65).

PUBLIC LAW 89–88—PRESIDENTIAL MEMORIAL CERTIFICATES

Provides specific statutory authority for the Presidential memorial certificate program honoring the memory of deceased veterans, discharged under honorable conditions (amends 38 USC, ch. 1) (Approved 7–24–65).

PUBLIC LAW 89–117—HOUSING, VETERANS

"Housing and Urban Development Act of 1965." Provides veterans of peacetime and wartime service more liberal treatment under the FHA home-loan insurance program; does not apply to veterans who have received benefits under the Veterans' Administration loan program. Also provides mortgage relief for an unemployed homeowner whose FHA-insured, VA-guaranteed or direct loan mortgage is in default because of the closing of a Federal installation. (Approved 8–10–65).

PUBLIC LAW 89–137—SUBSISTENCE ALLOWANCE, VOCATIONAL REHABILITATION

Increases the rates of subsistence allowances paid to disabled veterans pursuing vocational rehabilitation training; the criteria now used to determine the allowance authorized is replaced by a new rate table (amends 38 USC 315, 1504) (Approved 8–26–65).

PUBLIC LAW 89–138—VOCATIONAL REHABILITATION, SERIOUSLY DISABLED VETERANS

Extends to certain seriously disabled veterans the same liberalization of time limits for pursuing vocational rehabilitation training as now authorized for blinded veterans; clarifies the language of the law relating to limiting the periods for pursuing such training (amends 38 USC ch. 31) (Approved 8–26–65).

PUBLIC LAW 89–214—GROUP LIFE INSURANCE, DEATH GRATUITY

Provides a maximum of $10,000 contributory group life insurance for members of the uniformed services, underwritten by private companies, and extra hazard cost paid by the U.S. Coverage would continue for 120 days after discharge and, veteran would have right to obtain from a private insurance company an insurance policy, without medical examination, in an amount equal to the group insurance policy under which he was protected during the period of service. Provides a maximum $5,000 death gratuity payment for death incurred in the active service during the period from 1–1–57 to the effective date of the servicemen's group life insurance program if the death resulted under certain hazardous conditions. Payment would be limited to certain beneficiaries. Recipients would have to waive all future death compensation or dependency and indemnity compensation. The amount of payment would be reduced by the amount of United States Government Life Insurance or National Service Life Insurance paid or payable and any death compensation or dependency and indemnity compensation received by the recipient of the death gratuity (amends 38 USC ch. 19) (Approved 9–29–65).

PUBLIC LAW 89–222—WAR ORPHANS' EDUCATION ASSISTANCE ALLOWANCES

Increases the educational assistance allowances payable under the war orphans' educational assistance program; provides the same basis for determination of service connection for individuals serving in the induction period as is applicable to veterans suffering a disability during a period of war (amend 38 USC ch. 35) (Approved 9–30–65).

PUBLIC LAW 89–311—VETERANS' DISABILITY COMPENSATION INCREASE, DEFENSE OF MALPRACTICE SUITS AGAINST MEDICAL PERSONNEL, HOSPITAL AND NURSING CARE BEDS, OTHER PROVISIONS

Increases the rates of disability compensation payable to service-connected disabled veterans and the rates of additional compensation payable on behalf of their dependents. Liberalizes the definition of "child", for veterans' benefit purposes generally, to include children pursuing a course of instruction at an approved educational institution after attaining age 21 and prior to reaching age 23. Increases the rates of additional compensation payable for a child attending an approved educational institution. Provides higher rates of disability compensation for certain blinded veterans who also have a serious hearing impairment. Removes the 40-year age limitation now governing payment of the $100 per month special pension to Congressional Medal of Honor holders. Extends the benefits of the Veterans' Preference Act to persons who suffered injuries or contracted a disease while en route to or from induction into active military service. Provides for protection of physicians, dentists, nurses, pharmacists, or paramedicals or other supporting personnel in the Department of Medicine and Surgery if a malpractice suit is brought against them. Repeals the limitation on the amount of funds which the government may grant to a given state for construction of nursing-care beds in state homes. Liberalizes the formula used to determine the number of beds required to provide adequate nursing home care in a given state. To insure that the 4,000 nursing home beds will be in addition to the 125,000 hospital bed limit, and to authorize the Administrator, subject to the approval of the President, to operate "not less than" 125,000 hospital beds (amends 38 USC chs. 11, 73, and 81, and Secs. 101, 106, 414, and 560) (Approved 10–31–65).

PUBLIC LAW 89–311—WAR ORPHANS' EDUCATIONAL ASSISTANCE, ELIGIBILITY

Makes available to the children of veterans who died or were permanently and totally disabled from a service-connected disability incurred during peacetime periods after the Spanish-American War and prior to September 16, 1940 (amends 38 USC ch. 35) (Approved 11–8–65).

Charles P. Lindecamp Serves Education for 50 Years

EXTENSION OF REMARKS
OF

HON. CHARLES A. VANIK

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1966

Mr. VANIK. Mr. Speaker, I want to take this opportunity to direct attention to the outstanding community service of Mr. Charles P. Lindecamp, who has served for 50 years in the field of education and who is currently retiring as superintendent of the Garfield Heights city school system in the 21st Congressional District of Cleveland, Ohio.

In our busy lives we are very likely to take for granted and overlook the steady, persistent, and devoted efforts of our teachers and our school administrators in developing the most important products of American life—our young people.

As we plan and pray for a better world, our prayers and hopes rest upon the day-to-day work and achievement of our teachers and school administrators their efforts bring to realization our best hopes.

Mr. Charles P. Lindecamp has exemplified over the past 50 years the high goals which we admire and which we expect in an administrator. He has been an inspiration to the classroom teacher, to school administrators, and to his colleagues in education throughout the country during his long tenure in the field of education.

Mr. Lindecamp began his teaching career at the age of 18. From that time to the present, he has served as an elementary school teacher, an elementary school principal, high school teacher, superintendent of a consolidated school system, principal of two different city high schools, and superintendent of the Garfield Heights city schools, which is the 24th largest system in Ohio.

During the past 9 years, Mr. Lindecamp has served as State Coordinator of the Principals' Discussion Groups for the State of Ohio, as well as voting representative of the State High School Principals Association to the National Association. The Ohio Association of Secondary School Principals, recognizing his efforts on behalf of education, conferred upon him the title of State Coordinator Emeritus upon his completion of duty with the association. He has received numerous citations by the National Association of Secondary School Principals for "contributions to secondary education."

On Wednesday, June 22, 1966, the Garfield Heights community is conducting a public reception in recognition of the 50 years of service of Mr. Charles P. Lindecamp in the field of education.

On this occasion I want to pay special tribute to a distinguished American who has made extraordinary use of his talents for human betterment.

Preschool Education

EXTENSION OF REMARKS
OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1966

Mr. PUCINSKI. Mr. Speaker, the enthusiasm currently being expressed by our Nation's leaders and prominent organizations with regard to providing preschool experience for every American child is highly significant.

This new enthusiasm for reaching out and sharing something of the world with our very young children is encouraging, for I believe it shows an acceptance of the wondrous intellectual potential of *young Americans.*

In October 1965, in an address to the National Education Association convention in Chicago, I suggested the possibility of educating youngsters at the ages of 4 and 5, rather than continuing our practice of letting their inquisitive minds remain virtually idle until age 6.

This proposal was greeted with somewhat guarded enthusiasm at that time. Now, however, in June of 1966, it is a source of considerable pride to me to see this attention being focused on the subject of education for preschoolers.

As the recent report released by the Educational Policies Commission stated:

> Education of 4 and 5-year olds can affect the character of the child and all his future life more deeply than his education at any later period.

The report pointed out that research has clearly demonstrated that a nursery school program can upgrade a child's IQ by as much as 20 points.

It would be sheer folly to ignore this great national resource any longer.

I have proposed an amendment to the Elementary and Secondary Education Act of 1965 which would make grants available to our State educational agencies for the purpose of providing early childhood education. These grants would be used to supplement and increase the level of State and local funds made available for this early childhood educational experience, and would in no way supplant them.

I am aware that several of our States at the present time have no State-supported system of public nursery schools and kindergartens.

We must give serious and immediate attention to bringing all our States up to equal education standards. Our population is mobile; we cannot allow our intelligence potential to remain static—fixed behind rigid old standards which decree that a child cannot be taught anything useful before the age of 6.

There are numerous compelling reasons for redirecting our thinking toward educating children at the ages of 4 and 5, rather than 6.

Primarily, the child of 4 who is associated with a constructive learning experience begins to perceive just who he is and what he can do; he learns to assume greater responsibility for his actions; he learns to communicate effectively through his exposure to words, art, music, group activities.

This has obvious, undeniable advantages for children from all levels of our society: the cultural deprived child learns a sense of his own worth—he can stand on equal intellectual footing with all other children; the advantaged child learns to channel his energy and make constructive, effective use of his talents in concert with others.

Children respond so readily to opportunities to satisfy their insatiable curiosity. To those world-weary adults who would say, "What is the hurry? Let them enjoy being children awhile longer," the reply must surely be that today's child is only distantly related to that of 30, 40, 50 years ago.

The child entering school in this *decade must expect to learn more than* three times as much as we were required to learn as youngsters in my generation. As knowledge expands geometrically, the child of the future will have an even greater task of assimilation. The wonder of it is that children are so readily adaptable to this confrontation with challenge.

Our earth is so vast and interesting; its problems and achievements so great; its blessings so manifold—how can we not share the wonders of our world with our own children? From what are we *shielding them?*

Young children of 4 and 5, as well as those of 2 and 3, have proved conclusively their ability and eagernes to learn. Let us, then, help satisfy that wonderous curiosity and freshness and join President Johnson and our enlightened educators who see this proposal as the key which will unlock the door on man's hopes for a dynamic world where all men of honor and intelligence can live in peace.

Clinton Memorial Day Observance

EXTENSION OF REMARKS
OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1966

Mr. PHILBIN. Mr. Speaker, on May 30 this year, I was privileged to participate in the stirring and impressive Memorial Day exercises in my own hometown of Clinton, Mass., and under unanimous consent I insert in the RECORD the news account of this event which appeared in the Clinton, Mass., Item.

The material follows:

MEMORIAL DAY RITES OBSERVED IN CLINTON

"Memorial Day is a great, nationwide, spontaneous outpouring of tribute, honor, gratitude and remembrance of the gallant and the great, of those in every American generation who thought so much of American freedom and the American way of life that they willingly laid down their lives."

So said Congressman PHILIP J. PHILBIN, in his Memorial Day address in Central Park Monday while hundreds of Clintonians participated in the annual ceremonies there to honor their dead loved ones.

In both Woodlawn and St. John's cemeteries, graves were decorated and prayers were said as taps were sounded and the National Guard firing squad saluted deceased veterans from all past wars.

Three bands and the Joanette Drill Team from Leominister highlighted the musical portions of the parade and marchers included the Veterans units, their auxiliaries, Gold Star mothers, Boy and Girl Scouts, Cubs and Brownies.

Parade marshal was Lt. Col. William M. Duncanson U.S. Army Ret., assisted by Gerald Ruberti, Francis M. Ponyta and Donald McGuirk. Prayers were read by the Rev. Richard L. Harding of the First Baptist Church, Miss Nancy L. Anderson (highest honor pupil at CHS) delivered the Gettysburg Address, and John Bandalewicz, Commander of the Polish American War Veterans from Maynard read the general orders.

The musical units were: The Clinton High School Band, the Clinton Junior High Band and the Shirley P.A.L. Band.

ALL AMERICANS

The Congressman's remarks follow in part: "Memorial Day has deepest significance to us and to all Americans. The day was first officially established following our Civil War and many gallant young men of Clinton served and fought in that bloody conflict to establish national and civil rights.

"Most of the bitterness of that fratricidal conflict has disappeared, but the memory of these gallant heroes remains, and their devotion to country is permanently enshrined in the hearts of our people and inscribed upon permanent monuments in our beautiful park, side by side with fitting memorials to the gallant service and sacrifice of those who fought and died in the Spanish-American War, World War I, World War II and veterans of other Americans wars.

"While Memorial Day came into being to commemorate the brave veterans of the Civil War, it has thus been extended to pay fitting tribute to all those who have given of themselves, who have made the supreme sacrifice, or who have served faithfully and heroically to uphold American liberty and justice."

OUTPOURING OF TRIBUTE

"Today, Memorial Day is a great, nationwide, spontaneous outpouring of tribute, honor, gratitude and remembrance of the gallant and the great, of those in every American generation who thought so much of American freedom and the American way of life that they willingly laid down their lives, or offered their lives, most of them in the flower of their youth, in order that this great *government dedicated to human freedom* might survive, grow, prosper and become, as it has become, the greatest nation in world history.

"No honor we could confer upon them would be enough to express our thanks, and the thanks of the country, to these valiant veterans for what they have done to protect, preserve and save this great nation, its homes, its freedoms, its vaunted institutions of enterprise and justice.

"No monument, no plaque, no words can measure their noble sacrifices. They rest in honored glory. They are enshrined in grateful American hearts with eternal love, devotion and gratitude.

"On this day of devout remembrance, dedicated to them, this day of prayer, of fond recollection for departed loved ones, let us once again, as we have done for so many years, throughout the grand history of our beloved citadel of liberty, turn our hearts and our prayers to them with tender, enduring thoughts of appreciation deeply harbored in the heart of every American."

GREAT HEROES

"Hail to these great heroes, hail to these men, and these women too, of revered and honored memory, who have bequeathed to us such a precious, noble legacy of true Americanism, and who have consecrated with their blood, their sacrifices and their love, the shrines of this great country and the exalted purposes for which it exists.

"Their sacrifices have not been, and will not be, in vain. They will live forever in the hearts and minds of true Americans. These heroes will be revered and they will be emulated, as they have been throughout our *history, to the end of time, and as long as* men and women strive, struggle and sacrifice to be free from oppression.

"This day, and these days of struggle, turmoil and strife serve to remind us of the price that a great free people are always willing to pay to defend and preserve their liberties.

"Today, our honored dead, resting in their eternal, heavenly bivouac, speak to us again in the voice of freedom, in the example of their spirit of sacrifice and loyalty, more eloquently than words, and more nobly than we can describe."

BURDEN OF CALL

"It is for us today, as it always has been for real Americans, to take up the burden of their call, to give living expression to the memory and example of their sacrifice, to carry out the inspiration they have given us to defend our blessed free country and the priceless liberties that have made it great against those who seek our destruction, and who strive to turn this free nation and the free world into a fiery shambles of conflict and tyranny.

"With prayerful tribute and flowers and the flag for which they fought and died, let us honor and exalt on this day of remembrance, all those who have served us so gallantly, so faithfully and so well with such imperishable devotion, sacrifice and love.

"Let us in our time, make very sure that their example shall never die, and that their sacrifices will never be forgotten by a grateful American people who owe them so much."

SENATE

MONDAY, JUNE 20, 1966

The Senate met at 12 o'clock meridian and was called to order by the Acting President pro tempore (Mr. METCALF).

Rt. Rev. Chandler W. Sterling, bishop of the Episcopal Diocese of Montana, Helena, Mont., offered the following prayer:

Eternal Father, who alone can control the days that are gone and the deeds that are done, remove from our burdened memories the weight of past years. Set this Nation free from the glamour of complacency and the palsy of remorse, that we may press on toward the mark, the high calling which this people have received to execute justice, defend that which is right, and protect the less fortunate in order that truth may flourish among us through all generations. Amen.

THE JOURNAL

On request of Mr. LONG of Louisiana, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 16, 1966, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of June 16, 1966, the following report of a committee was submitted on June 17, 1966:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

H.R. 11227. An act to authorize the Honorable EUGENE J. KEOGH, of New York, a Member of the House of Representatives, to accept the award of the Order of Isabella the Catholic (Rept. No. 1286).

EXECUTIVE REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of June 16, 1966, the following executive reports of a committee were submitted on June 17, 1966:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive D, 89th Congress, 2d session: Protocol between the United States and the United Mexican States, signed at Mexico City on April 13, 1966, amending the agreement concerning radio broadcasting in the standard broadcast band, signed at Mexico City on January 29, 1957 (Ex. Rept. No. 5); and

Executive H, 89th Congress, 1st session: Ratification of amendments to articles 17 and 18 of the Convention of the Intergovernmental Maritime Consultative Organization, which amendments were adopted on September 15, 1964, by the Assembly of Intergovernmental Maritime Consultative Organization at its second extraordinary session, held at London from September 10 to 15, 1964 (Ex. Rept. No. 4).

By Mr. GORE, from the Committee on Foreign Relations:

Executive B, 89th Congress, 2d session: Supplementary convention, signed at Washington, on December 30, 1965, modifying and supplementing the convention between the United States of America and the Kingdom of The Netherlands with respect to taxes on income and certain other taxes signed at Washington on April 29, 1948, as modified by supplementary protocols of 1955 and 1963 (Ex. Rept. No. 3); and

Executive C, 89th Congress, 2d session: Supplementary protocol, signed at London on March 17, 1966, between the United States and the United Kingdom of Great Britain and Northern Ireland, amending the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income, signed at Washington on April 16, 1945, as modified by supplementary protocols signed at Washington on June 6, 1946, May 25, 1954, and August 19, 1957 (Ex. Rept. No. 3).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on June 17, 1966, the President had approved and signed the following acts:

S. 944. An act to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Resources and Engineering Development, and a Commission on Marine Science, Engineering, and Resources, and for other purposes;

S. 2421. An act to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon; and

S. 2469. An act amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 14025) to extend the Defense Production Act of 1950, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 14025) to extend the Defense Production Act of 1950, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

AMENDMENT OF TITLES 10, 32, AND 37, UNITED STATES CODE, TO REMOVE RESTRICTIONS ON THE CAREERS OF FEMALE OFFICERS IN THE ARMED FORCES

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to amend titles 10, 32, and 37, United States Code, to remove restrictions on the careers of female officers in the Army, Navy, Air Force, and Marine Corps, and for other purposes, which, with an accompanying paper, was referred to the Committee on Armed Services.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Missouri; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION 1

"Joint resolution relating to the proposed amendment to the Constitution of the United States relating to succession to the Presidency and Vice Presidency and to cases where the President is unable to discharge the powers and duties of his office

"*Be it Resolved by the Senate of the State of Missouri, the House of Representatives of of the State of Missouri Concurring Therein:*

"Whereas, at the first session of the Eighty-ninth Congress of the United States in Congress assembled (two-thirds of each house concurring therein), that the following article be proposed as an amendment to the Constitution of the United States, which, if ratified by the Legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress, shall be valid to all intents and purposes as part of the Constitution of the United States of America, viz:

" 'ARTICLE —

" 'Section 1. In case of the removal of the the President from office or of his death or resignation, the Vice President shall become President.

" 'Section 2. Whenever there is a vacancy in the office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress.

" 'Section 3. Whenever the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that he is unable to discharge the powers and duties of his office, and until he transmits to them a written declaration to the contrary, such powers and duties shall be discharged by the Vice President as Acting President.

" 'Section 4. Whenever the President and a majority of either the principal offices of the executive departments or of such other body as Congress may by law provide, transmit to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice President shall immediately assume the powers and duties of the office as Acting President.

" 'Thereafter, when the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that no inability exists, he shall resume the powers and duties of his office unless the Vice President and a majority of either the principal officers of the executive department or of such other body as Congress may by law provide, transmit within four days to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office. Thereupon Congress shall decide the issue, assembling within Forty-eight hours for that purpose if not in session. If the Congress, within twenty-one days after receipt of the latter written declaration, or, if Congress is not in session, within twenty-one days after Congress is required to assemble, determines by two-thirds vote of both Houses that the President is unable to discharge the powers and duties of his office, the Vice President shall continue to discharge the same as Acting President; otherwise, the President shall resume the powers and duties of his office.'

"*Therefore, be it resolved,* by the General Assembly of the State of Missouri that the foregoing amendment to the Constitution of the United States of America be and the same is hereby ratified to all intents and purposes as a part of the Constitution of the United States of America.

"*Be it further resolved,* that the Governor of the State of Missouri is hereby requested to forward to the Administrator of General Services, Washington, District of Columbia, to the Secretary of State and to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, an authentic and certified copy of this resolution. The Secretary of the Senate and Chief Clerk of the House of Representatives are hereby instructed to send to the Governor a certified copy of the action of the Senate and the House on this resolution.

"Passed by House of Representatives on March 30, 1966.

"Signed by Speaker of the House of Representatives on April 12, 1966.

"I certify this is a true copy of Senate Joint Resolution 1.

"AGNES MOORE,
"*Chief Clerk.*"

The petition of Howard C. Smith, of Fort Wayne, Ind., relating to civil rights; to the Committee on the Judiciary.

The petition of Charles R. Mead, of Westport, Conn., relating to his petition for a redress of grievances; to the Committee on the Judiciary.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COTTON:

S. 3523. A bill to authorize the Administrator of the Federal Aviation Agency to undertake a comprehensive study of high-speed ground transportation to Dulles International Airport; to the Committee on Commerce.

(See the remarks of Mr. COTTON when he introduced the above bill, which appear under a separate heading.)

By Mr. CARLSON:

S. 3524. A bill for the relief of Dr. Raul R. Morffi; to the Committee on the Judiciary.

By Mr. RIBICOFF:

S. 3525. A bill for the relief of Hans Romang; to the Committee on the Judiciary.

By Mr. PEARSON:

S. 3526. A bill to amend section 107 of the Agricultural Act of 1949, as amended, so as to provide that price support to cooperators for any crop of wheat planted for harvest during the calendar years 1967 through 1969 shall be not less than 75 percent of the parity price for such commodity; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. PEARSON when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 3527. A bill to extend to State public assistance programs approved under titles XIV, XVI, and XIX of the Social Security Act the special matching provisions presently in force with respect to certain Navajo and Hopi Indians, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY of Massachusetts:

S. 3528. A bill to authorize the Secretary of the Interior in cooperation with the States to preserve, protect, develop, restore, and make accessible estuarine areas of the Nation which are valuable for sport and commercial fishing, wildlife conservation, recreation, and scenic beauty, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. KENNEDY of Massachusetts when he introduced the above bill, which appear under a separate heading.)

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. LONG of Louisiana, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

FAST TRAINS TO DULLES AIRPORT

Mr. COTTON. Mr. President, the arrival of the jet age at Washington National Airport has brought with it a host of new problems. Congestion on the ground has jammed the terminal facilities and overflowed the parking lots.

And it hardly requires an expert in air traffic control to realize that the increase of traffic in the air is bound to increase the margin of danger to some degree.

Despite the congestion at Washington National Airport, Dulles Airport still looks almost like a ghost town, even though $108 million in public funds have been invested there.

The boom in air travel has bypassed Dulles Airport because of its distance from downtown Washington. In truth, however, the problem is not just distance, but accessibility. Getting to Washington National Airport is quick and easy for most travelers. If Dulles is ever to carry its share of the air commerce, getting to it must also be quick and easy—with some type of high-speed ground transportation system.

Such a system must connect the airport with the population, business, and governmental centers of the Washington area. It must tie into the new Washington subway—which is now being planned in detail. It must provide quick and frequent service, and it must get underway soon.

The current crisis of crowds at Washington National may be eased by emergency measures of one type or another—but will never be cured until ground travel to Dulles Airport is swift, sure, and economical.

I am, therefore, introducing, for appropriate reference, a bill to authorize and direct the Administrator of the Federal Aviation Agency to undertake a comprehensive study of the "desirability, practicability, and feasibility of construction of high-speed ground transportation systems to meet the needs of the public with respect to the Dulles International Airport."

In the conduct of the study, the FAA Administrator would be required to consult with the National Capital Transportation Agency, and with other Federal, State, local and District of Columbia agencies as desirable. The bill calls upon the Administrator to complete the study and submit his recommendations by July 31, 1967.

The PRESIDING OFFICER. (Mr. MONTOYA in the chair). The bill will be received and appropriately referred.

The bill (S. 3523) to authorize the Administrator of the Federal Aviation Agency to undertake a comprehensive study of high-speed ground transportation to Dulles International Airport introduced by Mr. COTTON, was received, read twice by its title, and referred to the Committee on Commerce.

NEED FOR SOUND COMMODITY RESERVE LAW AND GUARANTEED FARM PRICES

Mr. PEARSON. Mr. President, recent events serve to dramatize the need for enacting a sound agricultural commodity reserve program, and also point up the necessity for amending existing price support laws to provide wheat farmers protection against the hazards and risks attendant to the current and future mobilization of American wheat production. Several recent events also illustrate why American farmers are so dissatisfied with the administration's policies toward agriculture.

A few short weeks ago I saw Kansas farmers plowing up acre after acre of good wheat. They were doing this in order to be in compliance with this year's wheat allotment program, which severely restricts the number of acres an individual farmer can harvest. Then, within the last few days, there have been reports that Secretary of Agriculture, Orville Freeman, believes it may be necessary later this year for the Government to restrict wheat shipments abroad.

Mr. President, farmers find it difficult to understand why they had to plow up much of this year's crop at a time when the world need and demand for wheat has never been greater. Having done so they would find curtailment of wheat shipments most disturbing.

Mr. President, I am convinced that had the National Security Food and Fiber Reserve program (S. 3306), which I have proposed, been in effect, this type of situation would not have occurred.

A commodity reserve program is needed for reasons of national security. But of course there are numerous approaches to a reserve program, and we must recognize that certain approaches could be detrimental to the long range interests of farmers. Therefore, Mr. President, I wish to take this opportunity to review the principal objectives of a sound reserve program and also to make it very clear what things commodity reserves should not be used for. In addition, I want to review some recent actions by the administration which serve to demonstrate why Congress should immediately attend itself to the writing of a national security commodity reserve program. Finally, I shall introduce a bill which is an amendment to the Food and Agriculture Act of 1965 to provide wheat farmers the needed incentive and price protection as we call upon them to expand their production to meet anticipated world food needs.

Mr. President, the principal objective of a reserve program is to prevent the occurrence of severe physical shortages of key agricultural commodities. The maintenance of agricultural reserves is just as vital a part of our defense program as is the stockpiling of other strategic commodities and military hardware. Also, of course, we need to protect against domestic shortages which might be caused by natural disasters such as extensive and prolonged droughts.

Rather recently a new factor has been introduced. The discouragingly slow growth of agricultural productivity in many of the underdeveloped nations, in conjunction with the population explosion in those areas has raised the possibility of famines of gigantic proportions. Both for humanitarian reasons and for reasons stemming from our desire to maintain world peace and to contain the spread of communism, this country, with its enormous capacity for food production, has an obligation to conduct its farm program so that it will be able to provide famine-threatened countries with emergency food supplies as we are presently doing in India. Also, of course, we hope to be able to contribute to an overall reduction in the world food deficit. This new factor is clearly recognized in the Food for Freedom program which will be enacted this year.

In other words, Mr. President, the principal objective and the primary justification of having a commodity reserve program is to protect and promote national security interests.

In meeting these national security objectives, it is true that the reserve program would serve to discourage extreme price fluctuations. However, it needs to be emphasized that a reserve program should not be looked upon as an instrument of price control. A national security reserve program should not be used to substantially alter basic demand and supply situations. If there is justifiable need for Government action to either raise or to lower prices then this must be accomplished by other means.

Mr. President, earlier this year the administration proposed legislation for what it called an agricultural reserve program. As it was submitted in conjunction with the Food for Freedom bill, the implication was intended that the proposed reserves would facilitate the achievement of the food-for-freedom objectives. However a close reading of the administration's proposal reveals that it could be effectively used as an instrument of domestic farm price control. Indeed, the administration's proposal did not even attempt to identify the need for reserve with national security objectives. The proposal talked about establishing reserve but specified no individual commodities and identified no quantitative reserve levels. Most disturbing, it contained provisions which would have given the Secretary of Agriculture almost unlimited authority to remake existing agricultural programs to his own liking. All in all, it was a poorly conceived bill and did little credit to the administration.

There have been indications of late that the administration will not attempt to push for the enactment of its original commodity reserve proposal. In fact, one now hears reports that Secretary Freeman believes that he does not need new or additional authorization to maintain and develop commodity reserves. Mr. President, in this connection I ask unanimous consent that an article written by Burt Schorr and published in the Wall Street Journal of May 31, 1966, be printed in the RECORD at the conclusion of my comments.

There being no objection, the article was ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. PEARSON. Mr. President, unlike the administration's original reserve bill, my national food and fiber reserve proposal very simply directs the Secretary of Agriculture to so administer present agricultural laws so as to establish and maintain the specified reserves. In other words, my proposal assumes that with minor exceptions a reserve program can be achieved within existing laws. Therefore, I might be pleased to note that Secretary Freeman now apparently agrees with this. But I am not. The article by Mr. Schorr makes it clear that although the administration may have abandoned its original proposal, it has in no way abandoned the objective of using Government reserves as an instrument for controlling farm prices.

I agree that the Secretary of Agriculture need not be given major new powers in order to maintain a reserve program. But this in no way means that there is no need for the enactment of a specific commodity reserve law. In fact, it is imperative that Congress enact such a law. It is absolutely essential that such legislation spell out in very clear language the real objectives and justifications for agricultural reserves. Furthermore, it is essential that the specific reserve quantities be identified and set by law.

Mr. President, if precise objectives are not clearly spelled out and if specific commodities and corresponding reserve levels are not identified, the Secretary of Agriculture will be able to manipulate existing agricultural laws to achieve objectives that are contrary to the intentions that Congress had in mind when those laws were written and are quite unrelated to the true objectives of a sound agricultural reserve program.

The legislation which I have proposed clearly states the real objectives of a reserve program and identifies commodities and their reserve levels. Mr. President, I may say at this point that I am not irrevocably wedded to the precise reserve levels listed in my bill. Subsequent studies and discussions may well prove that certain adjustments either upward or downward are quite in order.

Another extremely important part of my reserve proposal is that the Secretary of Agriculture would be prevented from using reserve stocks as a price depressant, by the provision that the sale of commodities from the CCC could not be made at less than 115 percent of the applicable price support.

Several events since I introduced the National Security Food and Fiber Act serve to demonstrate that additional steps to protect farm prices and incomes as we begin to expand production are necessary.

For the past dozen years the wheat farmer has been subjected to ever more restrictive production controls. But now this is changing. The rapid disappearance of surplus stocks and the continued growth of wheat shipments abroad for commercial sale and through the Food-for-Peace programs has resulted in a situation where farmers are being asked to significantly expand their production.

The easing of production controls to meet growing world demand and to protect national security interests is clearly necessary. This is certainly welcomed by the farmer because it means greater freedom and holds forth the promise of richly deserved economic benefits after long years of depressed conditions. However, there are serious hazards which attend an expansion program, and as we ask the farmer to expand his production we should also provide him protection against those hazards.

One of the greatest risks is that the expanded production will be greater than effective demand resulting in new surpluses and a break in farm prices. Several factors could serve to bring about such a situation. First, it is difficult to predict with precision actual demand and supply conditions more than a few months in advance. The world demand and supply balance could change almost overnight. For example, favorable climatic conditions and good crops in India could sharply reduce that country's demand for wheat, which currently accounts for a major portion of our total wheat shipments abroad. Likewise, sudden upsurges of grain production in Russia and Red China are quite possible at any time. We do not sell to these countries, of course, but if either one or both stopped buying, the effect would be to depress world wheat prices in general.

A second hazard that farmers face is that the administration may deliberately call for a greater expansion in production than is justified as a means to keeping down farm prices.

Mr. President, under existing law farmers receive two prices for their allotted wheat production; full parity for that part of their production designed for domestic food use and a much lower price for that part—the major part—which is shipped abroad or used for livestock feed here in the United States. Although present law is based on this two-price system the individual farmer is concerned primarily with average rate of return on his total allotted production.

The actual level of this blend price can be affected in two ways.

First. The national price-support loan level can be varied. It is presently set at $1.25 a bushel, but a lowering of this support by the Secretary of Agriculture would, of course, force down the guaranteed blend price.

Second. Even though the $1.25 support were maintained the overall blend price could be forced down as farmers are asked to expand production. This would occur because as the farmer expands his acreage, the number of bushels which would be supported at the higher full parity level would constitute a relatively smaller portion of his total production.

Under present conditions this latter point is the more important one. This is demonstrated in the Department of Agriculture announcement last week concerning the 1967 wheat crop. The national price support of $1.25 was maintained, but because of the 15-percent increase in wheat acreage allotment the resulting blend price will be $1.78, which is 6 cents lower than the blend price for the 1966 crop.

Mr. President, this blend price would have been considerably lower had it not been for the fact that the Department increased its estimate of the number of bushels needed for domestic food use from 505 million bushels to 520 million bushels. As this control factor will not likely be significantly increased again in the foreseeable future, any further increases in acreage allotments will mean a sharply lower blend price. For example, another 10 percent increase in allotment would result in a blend price of $1.69 or less, a decline of nearly 10 percent from the present level.

Therefore, a situation exists in which the economic effect of further increases in production could be nullified by declines in the overall blend price received by the wheat farmer. This situation could be made worse by a lowering of the present $1.25 support.

Mr. President, because of the strong demand situation, open market wheat prices are firm and somewhat about the $1.25 level. Therefore, the farmer will probably actually receive a blend price for his 1967 crop which is very close to this year's guaranteed blend price.

However, the immediately favorable conditions could change very rapidly, as I have already indicated. If supply should become excessive relative to demand, the blend price would be forced down sharply.

Mr. President, we are asking the farmer to expand production to meet national food reserve levels and to meet our growing food-for-peace commitments abroad. The farmer, of course, welcomes this chance to expand his production. But great hazards attend this mobilization of wheat production. Therefore, it is only fair and proper that we offer the farmer reasonable protection against these hazards.

Therefore, Mr. President, I introduce at this time a proposal to amend the Food and Agriculture Act of 1965 aimed at providing the farmer with reasonable price and income protection against the hazards attendant to mobilization of food production. This bill specifies that the farmer will be guaranteed an overall average rate of return on his allotted production equivalent to 75 percent of parity. Under present parity ratios this would be $1.91 a bushel. This would constitute a needed incentive and provide farmers with the minimum level of protection. Certainly no one can argue that such a price level would in any way be excessive or unreasonable. Moreover, it is in keeping with congressional intent as expressed last year which specified a guaranteed blend price for 1966. It is fitting and proper that this concept be made applicable to years ahead. Mr. President, I ask unanimous consent that this bill be printed at this point in the Record.

The adoption of this amendment along with a sound commodity reserve law would serve national security interests and would protect farm prices and incomes.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3526) to amend section 107 of the Agricultural Act of 1949, as amended, so as to provide that price support to cooperators for any crop of wheat planted for harvest during the calendar years 1967 through 1969 shall be not less than 75 per centum of the parity price for such commodity, introduced by Mr. Pearson, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the Record, as follows:

S. 3526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (2) of section 107 of the Agricultural Act of 1949, as amended by section 506 of the Food and Agriculture Act of 1965, is amended by striking out the sentence beginning "For any crop of wheat planted for harvest during the calendar years 1967 through 1969" and inserting in lieu thereof the following new sentences: "For any crop of wheat planted for harvest during the calendar years 1967 through 1969, the total average rate of return per bushel made available to a cooperator on the estimated production of his allotment based on projected yield shall be not less than 75 per centum of the parity price for such commodity. Notwithstanding the provisions of paragraph (1) of this section, the Secretary is authorized to provide price support for wheat accompanied by domestic marketing certificates and for wheat not accompanied by marketing certificates at such level above the maximum prescribed in such paragraph (1), and to make such other payments, as he determines necessary in order to provide cooperators with the minimum average rate of return per bushel prescribed in the preceding sentence."

Sec. 2. The amendments made by the first section of this Act shall be effective with respect to the 1967, 1968, and 1969 crops of wheat only.

Exhibit 1

[From the Wall Street Journal, May 31, 1966]

Uncle Sam's Larder—Freeman Aims To Build Farm-Product Reserves To Meet Emergencies—Stocks Could Also Be Sold To Slow Price Increases—Some in Congress Object—Wheat, Rice Stockpiles Shrink

(By Burt Schorr)

Washington.—As the problem of towering, out-of-control farm surpluses dwindles, Agriculture Secretary Orville Freeman and his colleagues are starting to worry about shortages.

So they're laying plans for deliberately maintaining a "permanent" Government reserve of food and fiber. The goal would be to insure that the U.S. could meet domestic and urgent foreign needs and to keep a check-rein on prices. But nettlesome questions are thus being raised: How big a reserve is really needed? And just how should it be used?

Under the reserve plan, target levels would be set for Federal holding of key farm products such as wheat, rice and soybeans. Mr. Freeman has assigned an Agriculture Department task force to study desirable levels; its findings aren't expected till after the year-end. The Government hoard would be acquired under procedures in effect now—price-support loans and purchases—and planting controls and support rates would influence production.

If the plan works, the reserves would be kept well below the costly heights of some past surpluses but well above current reduced piles of some commodities. With ample supplies on hand, the Government could feed its stocks onto domestic markets whenever a need was seen to "stabilize" prices, much as has been done lately in the case of corn.

THE LEGAL BASIS

No special new authority, it's said, is needed for this operation. An Administration bill giving the farm chief clear power to establish reserves, "primarily to meet the requirements of domestic consumers at fair and reasonable prices," seems dead for this session of Congress. But Mr. Freeman believes existing statutes provide a workable, if round-about, route to the same objective. He has clear authority, for instance, to increase allotted wheat plantings.

What's likely to make the question of farm reserves sizzle with special intensity in coming months is the substantial size of the stockpile Mr. Freeman has in mind, plus his view that they should be used for restraining prices.

Quickening demand for some farm products, notably wheat and soybeans, has farmers and commodity men eagerly looking for higher prices—and fearful of a permanent Government market role that could brake price rises. One sign of their feelings: The political backlash resulting in part from unusually heavy Government corn sales earlier this year. (Noting that corn is an important hog food, Gardner Ackley, chairman of the President's Council of Economic Advisers, called the sales an anti-inflationary effort to hold down pork prices.)

CAPRICIOUS DECISIONS?

Last month's broadside by Republican Rep. Paul Findley of Illinois offers a good indication of what Secretary Freeman can expect in the future. "Supply and demand factors, not the capricious decisions of control-minded Government officials, should determine market prices" of commodities, the influential Agriculture Committee member asserted in a House floor speech. At present, according to Rep. Findley, "Millers, exporters and feed processors are reluctant to lay in stocks for their own future use when Government holdings hang by the tiny thread of breaucratic convenience over the market."

The issue may get further exposure on Capitol Hill soon. Next month a Senate subcommittee is scheduled to take up a resolution—offered by Democratic Sen. George S. McGovern of grain-raising South Dakota and co-sponsored by 41 other Democrats and Republicans—that opposes Federal actions designed to hold down farm prices. Mr. Freeman and Mr. Ackley are expected to be among the principal witnesses.

What's more, declares an official of one farm organization based here: "If Orville (Freeman) really gets out of line on commodity sales, we'll have some heavy political elephants running through his office in an hour."

The official may have to call his "elephants" sooner than he anticipates. In the absence of contrary instructions from Congress or the White House, Mr. Freeman currently is considering moving ahead with his plan to build up reserves of farm products, and some of the actions he has in mind could have profound implications for U.S. agriculture.

WHEAT ACREAGE MAY RISE

For example, if wheat exports continue their present torrid pace, allotted wheat acreage, which Mr. Freeman increased 15% this month for the crop year starting in July, may be lifted again for the following year. The idea would be to forestall any clean-out of U.S. stocks by demand from hungry India and elsewhere and to keep reserves at or above a set minimum. At the end of the current marketing year on June 30, the supply of wheat in Government and private hands is expected to be down to 550 million bushels, the slimmest stock since the Korean-War year of 1952 and less than half the record heap of 1961. By June 30, 1967, it's figured, the pile could shrink further to 350 million bushels, far less than many planners consider necessary as an emergency reserve.

Similarly, declining rice stocks could prompt further production expansion. With rice exports breaking records, largely because of aid to South Vietnam, the U.S. is expected to be down to only five weeks' supply at the end of the current marketing year on Aug. 1; it's possible, though, that the 10% acreage increase already authorized for the new rice crop will provide a more comfortable margin in the coming year.

Even more important, perhaps, are Mr. Freeman's tentative plans for rebuilding Government soybean stores to a height of 100 million bushels. Rapidly expanding soybean demand has left Uncle Sam without a significant year-end inventory of the beans ever since 1961. Private soybean stocks are low, too; come Sept. 1, the start of the next marketing year, they're expected to total between 40 and 50 million bushels, or less than three weeks' supply at present consumption rates.

This year Mr. Freeman authorized farmers to grow soybeans on feed-grain acres and still remain eligible for Government feed-grain benefits. He also jumped the bean support price to $2.50 a bushel from $2.25. The two moves are expected to add at least 24 million bushels to the 882-million-bushel soybean harvest originally anticipated next fall. But for the major reserve buildup Mr. Freeman has in mind, he must ask Congress, probably next year, to amend present law in order to permit soybean plantings on certain acres now diverted to soil-conserving uses.

Despite the possibility of heavier political pressure from worried farm-state Democrats in Congress, Mr. Freeman seems to have the full support of his chief, at least for now. In his "food for freedom" message to Congress this year, President Johnson specifically backed "a program to establish the principle of the ever-normal granary by providing for food and fiber reserves." The program, he said, would "protect the American people from unstable supplies of food and fiber and from high prices in times of emergency."

LEGACY FROM THE NEW DEAL

The idea of the ever-normal granary is the brainchild of Henry A. Wallace, Agriculture Secretary during New Deal days. His inspirations: The Old Testament account of Joseph employing seven fat years to prepare for seven lean ones; similar teachings found in ancient Chinese manuscripts; and the Populist campaign in the 1890s to have the Government level out grain price peaks and valleys by providing bins and elevators for low-cost storage of crops.

In 1952, a Senate committee report urged stockpiling to guard against "variations in yields" resulting from drought and other conditions. But the report covered only supplies of wheat, corn and cotton, and there was no follow-up action. Two years ago the National Agricultural Advisory Commission, a group of private citizens that counsels the Agriculture Secretary on farm programs, made a much broader appraisal of U.S. commodity supplies and needs, including their use as a "cushion against large increases in domestic prices" and as a means to "alleviate acute hunger situations" abroad. The commission's estimates of needed reserves in 12 commodity categories "largely were pulled out of the air," says a ranking Agriculture Department economist, yet the figures are worth noting because Mr. Freeman is inclined to use them as a guide until his own staff develops something better.

The 100-million-bushel soybean stock Mr. Freeman is thinking of, for instance, is the very amount suggested by the advisory commission. Similarly, its proposal for a wheat reserve of 630 million bushels entered into department deliberations that preceded the recent increase in allotted wheat acreage.

Feed-grain carry-over, expected to total 55 million tons at the end of the marketing year on Oct. 1, compares with a 45-million-ton reserve suggested by the advisory commission. But Vice President Humphrey has said the expected carry-over represents "a four months' supply," and that in his view is "no excess at all." Only the current supply of cotton, with a mammoth anticipated carry-over of more than 16 million bales on Aug. 1, is well over the commission's proposed reserve of 6.5 million bales.

HEAVY SHIPMENTS TO INDIA

The current experience with U.S. aid to India, which is expected to absorb 350 million bushels of wheat this year, or 25% of current U.S. production, indicates that the department staff may conclude still higher levels of bread-grain stores are needed.

"In recent years we've seen major crop failures occurring simultaneously in the Soviet Union and India," says one department economist involved in supervising computer studies that will produce the final staff report on proper reserve levels. "What we'll attempt to answer is how much of a reserve for such a contingency should be borne by the U.S. and how much by other wheat-exporting nations."

Department lawyers, for their part, figure Mr. Freeman can find ample authority to act on staff findings in the more than 350 pages of statutes governing agricultural programs. Consider a 1956-enacted provision dealing with "surplus disposal." It calls for disposal "as rapidly as possible" of Government stocks. Yet the liquidation must be "orderly" and consistent with "the operation of the price-support program"—two "strings" offering the department broad latitude in delaying sales so that remaining stocks can provide a reserve.

In setting acreage for corn, rice or wheat, on the other hand, the Agricultural Adjustment Act of 1938 instructs the Secretary to aim for relatively skimpy year-end carryovers. Yet he also is empowered to "make such adjustments for current trends in consumption and for unusual conditions as he may deem necesary."

PRESERVATION OF ESTUARINE AREAS

Mr. KENNEDY of Massachusetts. Mr. President, I introduce, for appropriate reference, a bill designed to assure the preservation, protection, development, restoration, and accessibility of the Nation's estuarine areas.

Estuaries, the meeting places of river and sea, serve as important habitats, spawning, and nursery grounds for many species of commercially important fish and shellfish. Their surrounding intertidal coastal areas attract recreationists for swimming, boating, and hiking.

But in recent years we have witnessed the deterioration of estuarine areas throughout the country. Population pressures for housing space, industrial developments, and projects for the protection and control of beach erosion and salt water intrusion have often been carried out with little regard for the beauty and commercial value of estuarine areas. In addition, many such areas are being altered ecologically by pollution and water flow control to the detriment of desirable organisms. Nearly every past action of man along the coastlines of our country has damaged, to some degree, the physical existence or the biological quality of our estuarine areas. This damage is costly to our Nation, and the continued unchecked deterioration of estuarine areas presents a problem of national importance.

In my judgment, Mr. President, the bill I am offering today contains the necessary provisions to meet the serious problem that we face. It is similar to H.R. 13447, which was introduced in the House by Congressman DINGELL, of Michigan. It provides for a nationwide study by the Secretary of the Interior to identify the estuarine areas which should be protected from further deterioration. Such a study would pinpoint those areas that warrant Federal acquisition and administration because of their national significance.

If an estuarine area met the criteria for areas of national significance, it would be recommended to the Congress for inclusion within the national system. When such an area was authorized by an act of Congress, it would be managed by the Secretary of the Interior.

Of equal importance is the role that the States must play in estuarine preservation. Under this bill, States and their political subdivisions are encouraged to acquire and administer estuarine areas where the study reveals such acquisition and administration to be desirable. The end result would be a nationwide system of estuarine areas composed of federally acquired areas and those designated by the States. This approach represents a recognition that both the Federal Government and the individual States must share the responsibility in this most important area. The approach is also similar to the one followed in the case of our national recreation areas, national seashores, wild rivers, national trails, and wilderness areas.

It should be observed that nothing in the bill is intended to restrict or expand the jurisdiction that the States now have with respect to State water laws and laws concerning fish and wildlife.

Mr. President, our past neglect has contributed to the problem which exists today. In view of the great commercial, recreational and scenic value of our estuaries and surrounding areas, steps must be taken to preserve, protect, and develop this valuable national resource.

But before we can commence a broad estuarine land and water acquisition program, we need a nationwide study which will identify the areas requiring protection, the most appropriate agency of government to assume responsibility and the best course of action for each particular area.

This bill would take that important first step.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3528) to authorize the Secretary of the Interior in cooperation with the States to preserve, protect, develop, restore, and make accessible estuarine areas of the Nation which are valuable for sport and commercial fishing, wildlife conservation, recreation, and scenic beauty, and for other purposes, introduced by Mr. KENNEDY of Massachusetts, was received, read twice by its title, and referred to the Committee on Commerce.

NOTICE OF HEARINGS ON S. 2986 AND H.R. 14025, TO EXTEND THE DEFENSE PRODUCTION ACT OF 1950

Mr. ROBERTSON. Mr. President, I should like to announce that the Committee on Banking and Currency will hold a hearing on S. 2986 and H.R. 14025, to extend the Defense Production Act of 1950, as amended, and for other purposes.

The hearing will be held on Thursday, June 23, 1966, at 10 a.m., in room 5302, New Senate Office Building.

Any persons who wish to appear and testify in connection with these bills are requested to notify Matthew Hale, chief of staff, Senate Committee on Banking and Currency, room 5300, New Senate Office Building, Washington, D.C., telephone 225-3921.

NOTICE OF HEARINGS ON GAPS IN INTERNAL SECURITY LAWS

Mr. EASTLAND. Mr. President, I want to give notice that the Internal Security Subcommittee of the Committee on the Judiciary will hold hearings this week and next week on the subject of gaps in our internal security laws, and how to plug them.

Senators will recall I announced 6 months or more ago that an effort would be made at this session of the Congress to focus the best legal minds of this country on the problem of how to deal with subversion, and to distill the product of those minds into specific legislative proposals for consideration by the Senate.

The committee has sought the assistance of every law school dean and professor of constitutional law in the country. We also hope to have as witnesses a number of outstanding authorities in this area or some part of it. The hearings will start on June 23 and will continue through June 29 or June 30. I cannot at the moment give a precise list of witnesses; but this will be done later, probably on a daily basis. Witnesses will include, among others, the Honorable Loyd Wright, former president of the American Bar Association, who was Chairman of the President's Commission on Government Security; Hon. David Buckson, attorney general of Delaware and President of the Association of State Attorneys General; Hon. Louis Wyman, former attorney general of New Hampshire and a former Member of Congress from that State; and Hon. Clarence Manion, former dean of the Law School of the University of Notre Dame.

Any person who feels he can contribute to the committee's record, and who desires either to appear and testify or to submit material for the record, should contact the chief counsel of the subcommittee at room 3234, New Senate Office Building.

NOTICE OF RECEIPT OF NOMINATION

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nomination of John H. Crimmins, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

In accordance with the committee rules, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

MORE EFFECTIVE DEVELOPMENT AND UTILIZATION OF THE NATION'S MANPOWER RESOURCES—AMENDMENT

AMENDMENT NO. 609

Mr. PROUTY submitted an amendment, intended to be proposed by him, to the bill (S. 2974) to amend the Wagner-Peyser Act so as to provide for more effective development and utilization of the Nation's manpower resources by expanding, modernizing, and improving operations under such act at both State and Federal levels, and for other purposes, which was referred to the Committee on Labor and Public Welfare and ordered to be printed.

ADDITIONAL COSPONSORS OF BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at its next printing, the names of Senators TYDINGS, HARTKE, JACKSON, and SCOTT be added as additional cosponsors of the bill (S. 3076) to extend and amend the Library Services and Construction Act.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1495. An act to permit variation of the 40-hour workweek of Federal employees for educational purposes; and

S. 2142. An act to simplify the admeasurement of small vessels.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

THE CALENDAR

Mr. **LONG** of Louisiana. Mr. President, three unobjected-to bills on the calendar have been cleared—Calendars Nos. 1247, 1251, and 1252. I ask unanimous consent that the Senate proceed to the consideration of those measures in that order.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

CONTINUATION OF FEDERAL AIRPORT PROGRAM

The Senate proceeded to consider the bill (S. 3096) to amend the Federal Airport Aid Act to extend the time for making grants thereunder, and for other purposes, which had been reported from the Committee on Commerce with amendments on page 2, line 5, after the word "ending", to strike out "June 30, 1968; June 30, 1969;" and insert "June 30, 1968, June 30, 1969,"; in line 17, after the word "ending", to strike out "June 30, 1968; June 30, 1969;" and insert "June 30, 1968, June 30, 1969,"; on page 3, line 11, after the word "ending", to strike out "June 30, 1968; June 30, 1969;" and insert "June 30, 1968, June 30, 1969,"; in line 19, after the word "thereof", to strike out "", 5(d)(4) and 5(d)(7)"" and insert ""5(d)(4) and 5(d)(7)""; in line 20, after the word "out", to strike out ""(5)(d)(6)"" and insert ""and 5(d)(6)""; and in line 21, after the word "thereof", to strike out ""5(d)(6) and 5(d)(9)."" and insert "", 5(d)(6) and 5(d)(9)"."; so as to make the bill read:

S. 3096

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(d) of the Federal Airport Act (49 U.S.C. 1104(d)) is amended by adding at the end thereof the following new paragraphs:

"(7) For the purpose of carrying out this Act in the several States, in addition to other amounts authorized by this Act, appropriations amounting in the aggregate to $199,500,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1968. Of amounts appropriated under this paragraph, $66,500,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1968, June 30, 1969, and June 30, 1970, and shall continue to be so available until expended.

"(8) For the purpose of carrying out this Act in Hawaii, Puerto Rico, and the Virgin Islands, in addition to other amounts authorized by this Act, appropriations amounting in the aggregate to $4,500,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1968. Of amounts appropriated under this paragraph, $1,500,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1968, June 30, 1969, and June 30, 1970, and shall continue to be so available until expended. Of each such amount, 40 per centum shall be available for Hawaii, 40 per centum shall be available for Puerto Rico, and 20 per centum shall be available for the Virgin Islands.

"(9) For the purpose of developing, in the several States, airports the primary purpose of which is to serve general aviation and to relieve congestion at airports having high density of traffic serving other segments of aviation, in addition to other amounts authorized by this Act for such purpose, appropriations amounting in the aggregate to $21,000,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1968. Of amounts appropriated under this paragraph, $7,000,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1968, June 30, 1969, and June 30, 1970, and shall continue to be so available until expended."

SEC. 2 (a) Section 6(a) of such Act (49 U.S.C. 1105(a)) is amended by striking out "or 5(d)(4)" in the first sentence and inserting "5(d)(4) or 5(d)(7)".

(b) Section 6(b)(1) of such Act (49 U.S.C. 1105(b)(1)) is amended by striking out "and 5(d)(4)" and inserting in lieu thereof "5(d)(4) and 5(d)(7)" and by striking out "and 5(d)(6)" and inserting in lieu thereof ", 5(d)(6) and 5(d)(9)".

Mr. **MONRONEY**. Mr. President, I strongly support S. 3096, a bill to continue the Federal aid to airport program. It is my sincere conviction that, relative to all other Federal investments, few federally sponsored programs have proved as beneficial and successful as the Federal airport program. Aside from providing consistency and efficiency in airport development, this program contributes immeasurably to guaranteeing the continued maintenance of an adequate airport system, the single most important factor in insuring air safety.

S. 3096 would amend the Federal Airport Act to extend for an additional 3 years, or until June 30, 1970, the time for making grants-in-aid for airport development. The measure proposes only an extension of the existing program and, aside from conforming amendments, does not propose any substantive amendments to the act. Although the program does not expire until June 30, 1967, it is essential that the Congress take action this year to extend the act to insure the orderly continuation of the program. As a result of the need for long-range planning, particularly in the interest of the most efficient use of Federal funds, the Federal Aviation Agency must make commitments to local communities well in advance of actual construction.

The Federal Airport Act was first enacted in 1946 to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics. The act recognized the necessity for national planning to insure the wise expenditure of Federal funds and required preparation of a national plan which was to be revised from time to time to insure the orderly development of public airports. Since 1947, when the program was first initiated, the combined capital outlay of Federal and sponsored funds for items eligible under the program amounted to $1.75 billion. Of this amount, Federal cash expenditures have totaled $753,465,428. Allocations have been made to over 6,000 projects and over 2,000 public airports. Total net project funds available amounted to $966,723,839, and total grant agreements have amounted to $903,328,834. Net funds available for obligation, grant agreements, and cash expenditures for fiscal years 1947 through 1966 are set forth in a table included in the committee report on this bill.

The principal features of the airport program and the extension proposed by this bill are briefly as follows:

First. Extend the Federal aid to airport program an additional 3 years, expiring June 30, 1970, at the existing $75 million annual level of authorization.

Second. Continue to limit Federal participation to items directly related to safety—such items as public parking lots, restaurants, and passenger terminal facilities, and so forth, are ineligible.

Third. Continue a special fund of $7 million a year for the development of general aviation airports, the essential purpose of which is to relieve congestion at high-density airports.

Fourth. Funds allocated to any State under the area-population formula which are not obligated within 2 fiscal years would continue to revert to the discretionary fund.

Fifth. As a condition precedent to the receipt of Federal aid, airport authorities would continue to be required to make provision for the installation of certain specified landing aids—such as in-runway lighting, runway distance markers, and high-intensity runway lighting—determined by the Federal Aviation Agency as necessary for the safe and efficient use of the airport. The Federal share of the cost for the installation of such specified aids may not exceed 75 percent.

Sixth. A special fund of $1,500,000 for Hawaii, Puerto Rico, and the Virgin Islands, because of their insular status and unique reliance upon air transportation, is left unchanged. Under this fund amounts made available to Hawaii, Puerto Rico, and the Virgin Islands are respectively $600,000, $600,000, and $300,000.

Seventh. With the exception of the special set-aside allocations, 75 percent—or $49,875,000—of the remaining annual authorization would continue to be allocated to the States on the basis of their area and population and 25 percent—or $16,625,000—is placed in a special discretionary fund to be used in any State at the discretion of the Administrator.

Eighth. As in the past, the Administrator would continue to be required to prepare a national airport plan specifying projects considered necessary to insure a system of public airports adequate to meet the needs of the various segments of aviation.

Ninth. Continues the requirement that as a condition precedent to any grant that the Administrator must satisfy himself that reasonable effort, including enactment of zoning laws, has been made to restrict use of land adjacent to airports so as to make it compatible with the operation of the airport.

Tenth. Authorizes grants for advance planning and engineering for airport development, the Federal share of which cannot exceed 50 percent.

Eleventh. Continues to make Guam eligible to participate in the discretionary fund.

Twelfth. Continues to require the Administrator, prior to project or planning proposal approval, to determine that the project or proposal is reasonably consistent with existing plans of public agencies for development of the area.

Although elaborated on in much greater detail in the committee report, I would like to cite briefly a few statistics which demonstrate the dramatic, if not phenomenal, growth of air commerce. As compared with a 3.7 percent annual rate of growth in the gross national product since 1950, the airline industry has experienced a 14-percent annual growth rate. Capital expenditures of domestic and international trunks in the period 1951 through 1955 amounted to $940 million. During the next 10 years, projected capital expenditures will exceed $12.5 billion.

In 1964, domestic airlines carried 82 million passengers. By 1970, the number of passengers will increase to 107 million and by 1975, will have doubled. The total number of aircraft operations at U.S. airports will be twice that of today's levels.

Local service airlines have shown an even greater rate of growth than that of the trunks and, in terms of passenger miles, have shown a 400-percent increase over that recorded in 1955. Similarly, air cargo continues to set new records and in 1965, combined cargo ton miles—airfreight, airmail, and air express—exceeded 2.25 billion.

General aviation, a vital and indispensable adjunct of our air industry, continues to grow at a record pace. The general aviation fleet now exceeds 90,000 aircraft. The number of hours flown by general aviation aircraft is expected to increase to nearly 20 million hours by 1970. Sales of general aviation aircraft in 1965 approached almost one-half billion dollars.

While it is clear that past growth in air commerce has been staggering, the future portends even greater growth. Such growth will require continued substantial capital investment in airport facilities, if tomorrow's needs are to be met. Not only does growth necessitate such investment but also the changing complexion of aviation as a result of technological advances. Within this decade, aircraft capable of carrying 500 to 1,000 passengers and supersonic aircraft flying 3 times the speed of sound will have been introduced into airline service.

Airports must begin preparing now to provide the facilities necessary to accommodate these aircraft. The problem is already pressing with respect to today's aircraft. For example, the transition from piston to turbine jet aircraft will have substantial impact upon airport development needs through 1970. At present, 112 civil airports are being served by air carrier operated turbojet aircraft.

By 1970, current air carrier operational planning indicates that such service will be extended to approximately 234 additional airports. A recently completed survey reveals that additional airport development, solely attributable to the utilization of turbojet aircraft, is required at 191 of the 346 airports involved at an approximate total cost of $260 million.

Airports are not just local assets; airports cannot exist alone. Each is interdependent on the other. Each provides the link connecting it with the others, and the sum of all these interconnections is the national airport system, providing air mobility to all segments of our population and access to all geographic areas of the country. Similarly, airports do not benefit only the users—the air traveler, the private pilot, the airlines. They are indispensable to a viable, national transportation system, and vitally affect the prosperity, well-being, and security of every citizen.

Airports play an important role in insuring the efficient and expeditious delivery of mail. They contribute materially to the national defense and are constantly available to the military in times of national emergency. Even during peacetime, military aircraft make substantial use of civil airport facilities. For example, itinerant military aircraft operations at FAA control towers in 1965 amounted to 1,686,376. Airports permit prompt response to civil emergencies such as floods, tornadoes, earthquakes, and blizzards. They expedite search and rescue missions and emergency medical treatment.

The Federal Airport Act contributes materially to the furtherance of our air transportation system. Airports are not only indispensable to such a system but also constitute the single most important factor in insuring air safety. In order to anticipate and meet the needs of the future, the act requires the Federal Aviation Agency to prepare a national airport plan.

This plan lists the Nation's airport development needs for a 5-year period. It specifies by location and type the projects considered essential to an adequate national airport system. The 1965 plan included 4,106 locations, of which 887 are required new airports. Airports which are not included in the plan are not eligible for Federal matching funds. The Federal Airport Act assures, through Federal leadership, that each airport receiving Federal funds has the necessary standards of safety to insure safe and reliable air service. Federal funds may not be expended on any project without Federal Aviation Agency approval of the master plan for each recipient airport. The design, engineering and construction of all such projects must be approved in advance of any allocation and must further be inspected and approved during the course of construction.

Airports developed and equipped with Federal funds are planned and constructed with the objective in mind of an integrated airport system based upon uniform considerations as to appropriate size, location, runway length, approaches, lighting, air traffic control, and similar facilities. Clearly, airports acting separately and on their own rather than in concert under Federal leadership could not have produced the economy, efficiency, and excellent standards of safety which have been realized under this act.

Mr. COTTON. Mr. President, this bill, S. 3096, is a routine, run-of-the-mill, and highly desirable extension of the Federal airport aid program for another 3 years. It continues, unchanged, the current program; $75 million a year in Federal matching grants to the States for the construction and improvements of airports and limited to essential travel and safety parts of the airport.

I regard it it as worthy legislation, fully deserving of the Senate's support and approval.

There is no need for elaborate justification for the bill. The growth of air travel is evident to all, and that growth is paced by rising needs for airport improvements. For example, early last year, 70 of the Nation's airports were getting airline service with jetplanes. By early this year, the figure has risen to 111, and by 1970 more than 300 of the Nation's airports will have regular jet service. This growth will require a continued program of airport development and improvements—a program which the pending bill will stimulate, encourage, and strengthen. On the other hand, failure to pass the bill will condemn some of our cities to being left in the backwash as the jet age forges ahead.

Unfortunately, Mr. President, there is also another aspect to the airport aid program which deserves the attention of the Senate.

On the basis of the public record, as it stands today, one is compelled to question the real position of the administration with respect to airport aid.

Here is the situation:

Last year Congress appropriated $71 million for the Federal Aid Airport program for fiscal year 1967. The appropriation was made for fiscal year 1967, instead of 1966, last year because airport aid funds for the last several years have been appropriated a year in advance to permit effective forward planning of the program.

The administration's budget, submitted to Congress in January of this year, recommends that Congress actually rescind, or repeal, $21 million of the $71 million appropriated last year.

Furthermore, the budget indicates that only $50 million in appropriations will be sought for the next year of the program.

Administration witnesses, while they were telling the Appropriations Committee that it ought to cut the airport program back to $50 million were testifying before the Commerce Committee in behalf of an annual program of $75 million. This bill, as a matter of fact, is an administration measure, with its full backing.

It is not clear to me which side of the issue the administration is really on. As a member of both the Commerce Committee and the Appropriations Committee, I propose to find out. Certainly they cannot be for a $50 million program one day and then insist on $75 million the next.

Senate approval of the bill, in its present $75 million form, should at least serve as clear notice that the Senate believes a $75 million airport program is necessary and desirable to meet the rapidly expanding needs of air commerce.

Mr. RIBICOFF. Mr. President, the extension of the Federal Airport Act for an additional 3 years will make a great contribution to the cause of safe and effective air transportation both to Connecticut and the country as a whole. Our Nation's airlines have truly become lifelines of the country. However, airport development has not been able to keep pace with the rapid growth of air commerce.

The coming of the jet age presents a challenge and an opportunity which must be met. Airport congestion around our urban centers has been growing steadily. The increased number of jets, both large and small, continues to put additional pressure on existing facilities. The passage of this bill will provide $75 million a year for an additional 3 years to help our airlines keep pace.

This program is of particular importance to my own State of Connecticut. Bradley Field and particularly Trumbull Airport, New Haven and Bridgeport, have extensive plans to handle jet equipment already purchased by the airlines. Brainard Field, of Hartford, is also in the midst of modernization programs.

Under the apportionment formula provided by this legislation, Connecticut will receive no less than $390,289 a year for airport safety equipment. It can receive more. These grants will play a significant part in the extension and improvement of existing facilities. It will aid in the extension of ramps and improve lighting.

The extension of runways and the acquiring of clear zones at the ends of runways have been the most successful means of combating the noise problem of the jet age. These two items are eligible under the Federal airport aid program and are two of the most expensive expansion problems that confront airports throughout the country. The passage of this bill by the Senate provides an excellent opportunity for Connecticut and the country to move ahead in the jet age.

Mr. BYRD of West Virginia. Mr. President, I wish to add my wholehearted support for Senate bill 3096 to amend the Federal Airport Act to extend the time for making grants through fiscal year 1970.

I cannot speak too strongly on the need for Federal assistance in airport development in West Virginia where the improvements that have been made in the past 2 years have done so much to open the State to outside visitors. Since West Virginia has been taking advantage of its annual allotment, there is a new interest and excitement in making our State a partner in the nationwide network of connecting airports. We have attracted small business and private planes, making their first visits to West Virginia. They have resulted in plans by outside businessmen to invest in West Virginia and to consider a wise development of our natural resources.

As we have long known, one of West Virginia's major problems has been a loss of its young people and its hopes for the future. The development of new airports and the improvements to existing airports have changed this picture. For the first time in many years, we see a solution to this problem. West Virginia now believes that new airports stand as a bright hope for retaining young people in our State.

The conclusions which the Senate Commerce Committee reached in reporting this bill state the case for West Virginia most convincingly. The report states:

> As a further demonstration of the great importance of general aviation in promoting air accessibility to the many smaller communities throughout the country, it is significant to note that of the total number of U.S. airports, 9,490, less than 600 were served by commercial air carriers.
>
> Moreover, airports must begin preparing now to provide the facilities necessary to accommodate these aircraft. The problem is already pressing with respect to today's aircraft. For example, the transition from piston to turbine jet aircraft will have substantial impact upon airport development needs through 1970. At present, 112 civil airports are being served by air-carrier-operated turbo jet aircraft. By 1970, current air carrier operational planning indicates that such service will be extended to approximately 234 additional airports. A recently completed survey reveals that additional airport development, solely attributable to the utilization of turbojet aircraft, is required at 191 of the 346 airports involved at an approximate total cost of $260 million.

It has been estimated that West Virginia must spend nearly $35 million by 1970 to meet all the demands for commercial and general aviation airports. With the interest that exists in this field of activity, I would say that we will probably meet and exceed these expenditures.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD excerpts from the report (No. 1282), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

S. 3096 would amend the Federal Airport Act to extend for 3 years the time for making grant-in-aid for airport development. Without this extension, the program would expire June 30, 1967. The bill proposes only an extension of the existing program and aside from conforming amendments does not propose any substantive amendments to the Federal Airport Act. The principal features of the existing airport program and the proposed extensions contemplated by the bill may be summarized as follows:

First. Extend the Federal aid to airport program an additional 3 years, expiring June 30, 1970, at the existing $75 million annual level of authorization.

Second. Continue to limit Federal participation to items directly related to safety—such items as public parking lots, restaurants, and passenger terminal facilities, and so forth, are ineligible.

Third. Continue a special fund of $7 million a year for the development of general aviation airports, the essential purpose of which is to relieve congestion at high density airports.

Fourth. Funds allocated to any State under the area-population formula which are not obligated within 2 fiscal years would continue to revert to the discretionary fund.

Fifth. As a condition precedent to the receipt of Federal aid, airport authorities would continue to be required to make provision for the installation of certain specified landing aids—such as in-runway lighting, runway distance markers, and high intensity runway lighting—determined by the Federal Aviation Agency as necessary for the safe and efficient use of the airport.

The Federal share of the cost for the installation of such specified aids may not exceed 75 percent.

Sixth. A special fund of $1,500,000 for Hawaii, Puerto Rico, and the Virgin Islands, because of their insular status and unique reliance upon air transportation, is left unchanged. Under this fund amounts made available to Hawaii, Puerto Rico, and the Virgin Islands are respectively $600,000, $600,000, and $300,000.

Seventh. With the exception of the special set-aside allocations, 75 percent—or $49,875,000—of the remaining annual authorization would continue to be allocated to the States on the basis of their area and population and 25 percent—or $16,625,000—is placed in a special discretionary fund to be used in any State at the discretion of the *Administrator.*

Eighth. As in the past, the Administrator would continue to be required to prepare a national airport plan specifying projects considered necessary to insure a system of public airports adequate to meet the needs of the various segments of aviation.

Ninth. Continues the requirement that as a condition precedent to any grant that the Administrator must satisfy himself that reasonable effort, including enactment of zoning laws, has been made to restrict use of land adjacent to airports so as to make it compatible with the operation of the airport.

Tenth. Authorizes grants for advance planning and engineering for airport development, the Federal share of which cannot exceed 50 percent.

Eleventh. Continues to make Guam eligible to participate in the discretionary fund.

Twelfth. Continues to require the Administrator, prior to project or planning proposal approval, to determine that the project or proposal is reasonably consistent with existing plans of public agencies for development of the area.

COMMITTEE ACTION

S. 3096, introduced March 17, 1966, at the request of the Federal Aviation Agency was referred to the Senate Committee on Commerce. The Aviation Subcommittee conducted hearings on the bill on May 2 and 3, 1966.

Testimony was received from the following witnesses: Joseph P. Adams, general counsel and executive director, Association of Local Transport Airlines; Hon. Alan S.

Boyd, Under Secretary for Transportation, Department of Commerce; E. Thomas Burnard, executive vice president, Airport Operators Council International; Hon. Don H. Clausen, U.S. Representative, First District, California; John Colonna, president, Municipal & Airport Division, American Road Builders' Association; John W. Dregge, Director, Office of Community and Congressional Relations, Civil Aeronautics Board; Francis Fox, president, American Association of Airport Executives; Byron W. Leydecker, chairman, Board of Supervisors, Marin County, Calif., for National Association of Counties; Warren N. Martin, vice president, public affairs, Air Transport Association of America; Hon. Sam Massell, Jr., president, broad of aldermen, Atlanta, Ga., for the National League of Cities and the U.S. Conference of Mayors; Hon. William F. McKee, Administrator, Federal Aviation Agency; A. B. McMullen, executive vice president, National Association of State Aviation Officials; Charles H. Ruby, president, Air Line Pilots Association; Frank Kingston Smith, executive director, National Aviation Trades Association.

Statements and communications submitted for the record were received from the following: Hon. Henry Bellmon, Governor of Oklahoma; C. A. Benscoter, executive vice president, Mohawk Airlines, Inc.; Gardner Caverly, the New England Council; Hon. William A. Egan, Governor of Alaska; Richard D. Ford, executive secretary, Washington Public Ports Association; J. B. Hartranft, Jr., president, Aircraft Owners & Pilots Association; Charles A. Lynch, director, Montana Aeronautics Commission; Hon. Lee Metcalf, a U.S. Senator from Montana; Robert S. Michael, executive secretary, Montana Airport Managment Association; David H. Scott, executive vice president, National Pilots Association; Charles W. Wendt, president, All American Engineering Co.

The Committee on Commerce met in executive session on May 17, 1966, and voted unanimously to report the bill.

NEED FOR LEGISLATION

Few industries have shown such dynamic growth as civil aviation. For example, while the gross national product since 1950 has increased at an annual rate of 3.7 percent, the airlines have experienced a 14-percent average annual rate of growth. Capital expenditures for domestic and international trunks in the period 1951 through 1955 amounted to $940 million, while in the period 1961 through 1965 the amount increased to $3.4 billion. During the next 10 years, projected capital expenditures will exceed $12.5 billion. Of this amount, $5 billion will be expended for flight and ground equipment during 1966 through 1970, and nearly $8 billion for the period 1971 through 1975. Domestic trunk traffic has shown similar growth. Revenue in 1961 amounted to slightly more than $2 billion, while in 1965, revenue had increased to over $3.25 billion or a 60-percent increase. In terms of domestic passenger miles, the figure in 1961 was 29.5 billion and by 1965 it had increased to 49 billion or a 66-percent increase. U.S. international traffic revenue showed an increase of 67 percent in 1965 as opposed to 1961 with 1965 revenue exceeding $1.2 billion. International passenger miles during the last 5 years increased 92 percent and in 1965 exceeded 16.9 billion. Profits have also shown a marked increase for 1966 alone, U.S. domestic and international carriers should report net earnings well in excess of one-half billion dollars.

While past airline growth has been phenomenal, the future portends even greater growth. For example, in 1964, domestic airlines carried 82 million passengers. By 1970, the number of passengers will grow to 107 million and by 1975 will have doubled. In 1964, domestic revenue passenger miles totaled 41 billion and in 1970 this figure will reach 61 billion or an increase of 48 percent. The total number of all aircraft operations at U.S. airports by 1975 will be twice that of today's levels.

Local service airlines have shown an even greater rate of growth over that of the trunk carriers. In 1955 operating revenue amounted to $35 million; by 1965 this figure had reached $226 million or an increase of 546 percent. In terms of passenger-miles, the number had grown to 2.6 billion by 1965, or an increase of over 400 percent over the one-half billion figure recorded in 1955. In 1965, the local airlines carried over 12 million passengers or 400 percent more than in 1955.

Aircargo continues to set new records in terms of growth. In 1965, U.S. scheduled airlines carried 1.7 billion ton miles of air freight or an increase of 33 percent over 1964. Airmail carried in 1965 was 442 million ton miles or a 19 percent increase over the previous year's figure. Total ton miles of air express exceeded 88 million in 1965 or a 13 percent increase over 1964. Combined cargo ton-miles—air freight, airmail and air express—exceeded 2.25 billion in 1965.

General aviation, a vital and indispensable adjunct to our civil air industry continues to grow at a record pace. In 1964, general aviation aircraft totaled 89,000. By 1970, the number will be 143,000 or a 61-percent increase, according to Department of Commerce estimates. A substantial portion of the increase will be in multiengine and large single-engine categories. In addition, a significant part of this increase will be in the jet aircraft category. The number of hours flown by general aviation aircraft in 1964 totaled 15.7 million and is expected to increase to 19.5 million hours or 24 percent by 1970. Sales of general aviation aircraft were at a record pace in 1965 with 11,852 business and utility aircraft being delivered with a retail value of $422 million. As a further demonstration of the great importance of general aviation in promoting air accessibility to the many smaller communities throughout the country, it is significant to note that of the total number of U.S. airports, 9,490, less than 600 were served by commercial air carriers.

It is clear from the statistics and projections cited previously that the rapid growth of aviation will continue to require substantial capital investment in airport facilities if the needs of tomorrow are to be met. Not only does growth necessitate such investment but also the changing complexion of aviation as a result of technological advances. Within this decade, aircraft capable of carrying 500 to 1,000 passengers and supersonic aircraft flying 3 times the speed of sound will have been introduced into airline service. Airports must begin preparing now to provide the facilities necessary to accommodate these aircraft. The problem is already pressing with respect to today's aircraft. For example, the transition from piston to turbine jet aircraft will have substantial impact upon airport development needs through 1970. At present, 112 civil airports are being served by air carrier operated turbojet aircraft. By 1970, current air carrier operational planning indicates that such service will be extended to approximately 234 additional airports. A recently completed survey reveals that additional airport development, solely attributable to the utilization of turbojet aircraft, is required at 191 of the 346 airports involved at an approximate total cost of $260 million.

While the existence of an airport clearly benefits, in many ways, the community in which it is situated, airports are not just local assets. Airports cannot exist alone. Each is interdependent on the other. Each provides the link connecting it with the others, and the sum of all these interconnections is the national airport system, providing air mobility to all segments of our population and access to all geographic areas of the country. Similarly, airports do not benefit only the users—the air traveler, the private pilot, the airlines. They are indispensable to a viable, national transportation system, and vitally affect the prosperity, well-being and security of every citizen. They play an important role in insuring the efficient and expeditious delivery of mail. They contribute materially to the national defense and are constantly available to the military in times of national emergency. Even during peacetime, military aircraft make substantial use of civil airport facilities. For example, itinerant military aircraft operations at FAA control towers in 1965 amounted to 1,686,376.

Airports permit prompt response to civil emergencies such as floods, tornadoes, earthquakes, and blizzards. They expedite search and rescue missions and emergency medical treatment.

Airports are not only indispensable to our air transportation system, but also constitute the single most important factor in insuring air safety. The Federal Airport Act contributes materially to the realization of these objectives. For example, in order to anticipate and meet the needs of the future, the act requires the Federal Aviation Agency to prepare a national airport plan. This plan lists the Nation's airport development needs for a 5-year period. It specifies by location and type the projects considered essential to an adequate national airport system. The 1965 plan included 4,106 locations, of which 887 are required new airports. Airports which are not included in the plan are not eligible for Federal matching funds. However, the great majority of public airports have relied upon Federal financial assistance. The act assures, through Federal leadership, that each airport receiving Federal funds has the necessary standards of safety to insure safe and reliable air service. Federal funds may not be expended on any project without Federal Aviation Agency approval of the master plan for each recipient airport. The design, engineering and construction of all such project must be approved in advance of any allocation and must further be inspected and approved during the course of construction. Airports developed and equipped with Federal funds are planned and constructed with the objective in mind of an integrated airport system based upon uniform considerations as to appropriate size, location, runway length, approaches, lighting, air traffic control and similar facilities. Clearly, airports acting separately and on their own rather than in concert under Federal leadership could not have produced the economy, efficiency and excellent standards of safety which have been realized under this act.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

AMENDMENT OF THE FEDERAL EMPLOYEES' COMPENSATION ACT

The Senate proceeded to consider the bill (H.R. 10721) to amend the Federal Employees' Compensation Act to improve its benefits, and for other purposes, which had been reported from the Committee on Labor and Public Welfare with amendments on page 3, line 19, after the word "than", to insert "75 per centum of the monthly pay of"; on page 5, after line 8, to strike out:

(c) Upon the application of any employee in receipt of compensation under this Act to the United States Civil Service Commission, said Commission shall enter his name on each appropriate register or employment list, or both, maintained by the Commission, for certification for appointment to any vacant position for which he is physically and otherwise qualified, in accordance with regulations of the Commission and with the same priority which the Commission accords a career or career conditional employee who has been involuntarily displaced from his position through no fault of his own.

And, in lieu thereof, to insert:

(c) Upon the application of any employee or former employee in receipt of compensation under this Act to the United States Civil Service Commission, said Commission shall enter his name on each appropriate register or employment list, or both, maintained by the Commission, for certification for appointment to any vacant position for which he is physically and otherwise qualified, in accordance with regulations of the Commission. Employees or former employees with career or career-conditional status shall be entitled to the same priority in certification which the Commission accords a career or career-conditional employee who has been involuntarily displaced from his position through no fault of his own. For the purpose of this subsection, "employees" means an employee as defined by section 40(b)(1) of this Act, but does not include an individual who, pursuant to any other Act, is deemed an employee for the purpose of this Act.

On page 6, after line 23, to insert:

(b) Section 6(a)(2)(C) of the Act is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this section, compensation payable for a child which would otherwise be terminated because such child has reached the age of 18 shall be continued if he or she is a student (as defined in section 10(M) of this Act) at the time he or she reaches the age of 18 for so long as the child continues to be such a student or until he or she marries."

And, on page 7, at the beginning of line 9, to strike out "(b)" and insert "(c)"; after line 10, to strike out:

(M) For the purposes of this section, a person shall be considered a student while he is regularly pursuing a full-time course of study or training at an institution which is an educational or training institution as defined by the Secretary, but not after he reaches the age of twenty-three or has

And, in lieu thereof, to insert:

(M) For the purposes of this section, a person shall be considered a student while he is regularly pursuing a full-time course of study or training at an institution which is—

(i) a school or college or university operated or directly supported by the United States, or by any State or local government or political subdivision thereof, or

(ii) a school or college or university which has been accredited by a State or by a State-recognized or nationally recognized accrediting agency or body, or

(iii) a school or college or university not so accredited but whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited, or

(iv) an additional type of educational or training institution as defined by the Secretary.

but not after he reaches the age of twenty-three or has—

Mr. YARBOROUGH. Mr. President, the U.S. Senate has today passed the Federal Employees Compensation Act Amendments of 1966. This legislation, encompassed in H.R. 10721, as amended by the Senate, is a major step in making employee injury benefits commensurate with the living needs of our injured Federal employees.

This bill also modernizes and improves the Federal Employees Compensation Act which became law in 1916 and which is the basis upon which the Federal Government compensates its employees and their dependents when such employees are injured while in the performance of duty.

This makes the 18th time the Congress has amended this important legislation. Most of these amendments have been adopted for the purpose of increasing benefits to meet rises in the cost of living. The last such amendment was in 1949.

Under the present act, a disabled employee or dependent of a deceased employee can receive benefits up to 75 percent of the employee's basic salary. However, there is a maximum limit in the act of $525 per month. This limit of $525 per month was set by the Congress in the 1949 amendments to the act. At that time, this figure meant that 99.5 percent of all Federal employees could, in the event of total disability, and assuming the existence of one dependent, receive 75 percent of their basic salary. In the past 17 years, however, Federal salaries have risen, while the ceiling has remained constant. Today, nearly 15 percent of Federal employees, though otherwise eligible under the act for the full 75 percent of compensation, find the dollar limits prevent them from receiving that amount.

The unique feature of H.R. 10721 is that it removes the dollar ceiling on benefits payable under the act and provides that maximum benefits shall be based upon a percentage—75 percent—of the highest step of a GS–15. In addition, it provides for automatic increases where the cost of living rises, as measured by an increase in the Consumer Price Index of 3 percent. When the increase is maintained for 3 consecutive months, persons who have received benefits for over 1 year shall have their compensation increased by a like percentage. Initially, the bill provides for an increase in existing awards based upon the percentage increase in the Consumer Price Index since 1958.

The Senate Subcommittee on Labor, of which I was recently appointed chairman, held hearings on May 3 of this year. The very able Senator from West Virginia, JENNINGS RANDOLPH, conducted those hearings. At those hearings, Senator RANDOLPH made an outstanding contribution to the record which was the basis for the Senate Labor and Public Welfare's consideration of the House-passed bill. In addition, Mrs. Esther Peterson, Assistant Secretary of Labor for Labor Standards, and many representatives of major Federal employee organizations, made a substantial contribution to the record of hearings in support of this bill.

During the executive consideration of the bill, both in subcommittee and in full committee, valuable amendments were added. In particular, section 7 of H.R. 10721 was amended by inserting a new subsection (b) providing for payment of benefits for dependents of disabled employees qualifying for compensation under the act, so long as the dependent is a student as defined in the act or until he or she marries. Student is defined under the act as a person regularly pursuing a full-time course of study or training at an educational or training institution but not after the person reaches the age of 23 or has completed 4 years of education beyond the high school level, whichever is sooner. In my opinion, it is equitable to continue benefits for dependents of disabled as well as dependents of deceased persons qualifying under the act who continue their schooling.

Other important and, I believe, outstanding improvements resulting from these amendments to the Federal Employees Compensation Act are as follows:

First. Providing for the continuation of benefits payable to or on account of dependents of deceased or disabled employees where such a dependent continues his education after age 18 in a qualified educational institution.

Second. Providing an injured person shall receive benefits for scheduled disabilities involving loss or loss of use of a member or function of the body, whether or not the disability also involves another impairment of the body, and providing for continuing compensation for any total or partial disability thereafter.

Third. Providing an informal hearing procedure before a representative of the Secretary on the request of the claimant, instead of basing the decision solely upon written submission.

Fourth. Increasing the amounts payable to attendants of totally disabled persons from $125 per month to $300 per month.

Fifth. Increasing benefits to Federal Civil Works Administration and other employees from $150 to $300 per month.

Sixth. Extending the benefits for scheduled disabilities and medical services or supplies to employees who receive benefits under the Civil Service Retirement Act who are beneficiaries under other Federal retirement systems.

Seventh. Providing reemployment rights to disabled persons for which they are physically and otherwise qualified.

Eighth. Providing a lump-sum payment upon remarriage to dependent widows and widowers instead of merely stopping payment of benefits.

Ninth. Providing the time limit for filing claims shall not run against a minor until age 21 or against an incompetent person unless in each case a legal representative is appointed.

Tenth. Providing that injured employees who are required to bring suit against third parties responsible for their injuries are entitled to a share of the proceeds of such suit.

Eleventh. Giving the Secretary rulemaking authority in employment outside the United States.

It is my belief that the adoption of these amendments is a substantial improvement in the Federal Employees Compensation Act. H.R. 10721, as amended by the Senate, provides the civil employees of the Federal Government with the security that is due them and their dependents should injury occur in the course of their employment.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1285), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND AND PURPOSE OF THE LEGISLATION

The primary purpose of H.R. 10721 as amended is to increase the benefits payable under the Federal Employees' Compensation Act. In addition, H.R. 10721 with the Senate committee amendments, has added other improvements to the act.

The Federal Employees Compensation Act became law in 1916 and has been the subject of numerous amendments by the Congress. It is the basis upon which the Federal Government compensates its employees and their dependents when such employees are injured while in the performance of duty. Most of the amendments to the act have been adopted for the purpose of raising benefits to meet increasing living costs. The unique feature of H.R. 10721 is that it removes the dollar ceiling on benefits payable under the act and provides that maximum benefits shall be based upon a percentage (75 percent) of the highest step of a GS-15. In addition, it provides for automatic increases where the cost of living rises, as measured by an increase in the Consumer Price Index of 3 percent, which increase is maintained for 3 consecutive months, so that persons who receive benefits for over 1 year shall have their compensation increased by a like percentage. Initially the bill would provide for an increase in existing awards based upon the percentage increase in the Consumer Price Index since 1958.

Under the present act, a disabled employee or dependent of a deceased employee can receive benefits up to 75 percent of the employee's basic salary. However, there is a maximum limit in the act of $525 per month. This limit of $525 per month was set by the Congress in the 1949 amendments to the act. At that time, this figure meant that 99.5 percent of all Federal employees could, in the event of total disability, and assuming the existence of one dependent, receive 75 percent of their basic salary. In the past 17 years, however, Federal salaries have risen, while the ceiling has remained constant. Today, nearly 15 percent of Federal employees, though otherwise eligible under the act for the full 75 percent of compensation, find the dollar limits prevent them from receiving that amount.

The provision for increasing existing awards by the same percentage rise as the percentage increase in the Consumer Price Index since 1958 is an attempt to meet the rise in cost of living experienced by persons receiving benefits under the act. In addition, the bill provides for future periodic increases in existing awards to meet future rises in the cost of living. This is accomplished by providing that whenever the Consumer Price Index experiences a rise of at least 3 percent and maintains that level or higher for 3 consecutive months, the existing award shall be increased by a like percentage. This provision was patterned after a similar provision in the civil service retirement amendments of 1965.

Another major change in H.R. 10721 provides for the continuation of benefits payable to or on account of dependents of deceased or disabled employees. Where such a dependent continues his education after age 18 in a qualified educational institution, benefits are payable to or on account of such child for 4 years or until he reaches age 23, or marries, whichever is sooner.

Under existing law, certain persons suffering from specified permanent injuries (mostly the loss, or loss of use, of a member) are entitled to receive compensation for a specified number of weeks. If the employee has suffered a permanent partial loss, or partial loss of use, of the member listed in the schedule, but no other significant impairment of the body, he receives no further compensation after his scheduled award is exhausted. On the other hand, if he has received a partial loss or partial loss of use, of a listed member and has also suffered a significant impairment in a part of the body not listed in the schedule, he can be compensated for loss of wage-earning capacity, if any, but not for the scheduled loss. The committee's amendment treats the person with a scheduled partial loss, whether or not accompanied by another disability, as the act now treats persons suffering total loss or loss of use of a member—by allowing them the scheduled injury in each case, and by providing for compensation based on loss of wage-earning capacity after the scheduled award has been paid out.

The existing law permits the Secretary to make a decision, solely on written evidence and reports, and does not provide for a forum for an aggrieved claimant to present evidence. This bill gives the claimant the right to request a hearing on his claim before a representative of the Secretary.

The hearing procedure is informal, and the Secretary is not bound by the rules of evidence or the Administrative Procedure Act. The purpose of this amendment is to give the claimant the opportunity to be heard and support his claim by evidence. The employee's right to appeal to the Employees Compensation Appeals Board from an adverse final decision is retained.

Other changes to the act which the committee believes to be improvements are as follows: Increasing the amounts payable to attendants of totally disabled persons from $125 per month to $300 per month; increasing benefits to Federal Civil Works Administration and other employees from $150 to $300 per month; extending the benefits for scheduled disabilities and medical services or supplies to employees who receive benefits under the Civil Service Retirement Act who are beneficiaries under other Federal retirement systems; provides reemployment rights to disabled persons for which they are physically and otherwise qualified; provides a lump-sum payment upon remarriage to dependent widows and widowers instead of merely stopping payment of benefits; providing the time limit for filing claims shall not run against a minor until age 21 or against an incompetent person unless in each case a legal representative is appointed; providing that injured employees who are required to bring suit against third parties responsible for their injuries are entitled to a share of the proceeds of such suit; and giving the Secretary rulemaking authority in employment outside the United States.

HOUSE HEARINGS AND PASSAGE OF H.R. 10721

Hearings on H.R. 10721 and other bills amending the Federal Employees' Compensation Act were held in the House for 4 days during 1965. H.R. 10721 was reported from the Education and Labor Committee on March 2, 1966. The bill passed the House without amendment under suspension of the rules on March 7, 1966.

SENATE HEARINGS

The Senate Subcommittee on Labor held hearings on H.R. 10721 and related bills on May 3, 1966. Among the witnesses testifying were Mrs. Esther Peterson, Assistant Secretary of Labor for Labor Standards, representatives of major Federal employee organizations, and other interested groups. In addition, statements were submitted by interested individuals and organizations. The subcommittee reported H.R. 10721 with amendments to the full committee on June 9, 1966.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

TO AUTHORIZE HON. EUGENE J. KEOGH TO ACCEPT THE AWARD OF THE ORDER OF ISABELLA THE CATHOLIC

The bill (H.R. 11227) authorizing the Honorable EUGENE J. KEOGH, to accept the award of the Order of Isabella the Catholic was considered, ordered to a third reading, read the third time, and passed.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1286), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 11227 is evident from its title. The legislation is made necessary by the following provision of the Constitution:

> * * * no person holding any office of profit or trust under them [the United States], shall, without the consent of Congress accept of any present, emolument, office, or title, of any kind whatever, from any king, prince, or foreign state (art. 1, sec. 9, par. 8).

COMMITTEE RECOMMENDATION

Similar legislation was enacted last year authorizing the Honorable JOSEPH W. MARTIN, JR., and the Honorable FRANCES P. BOLTON to accept various decorations. Moreover, on May 17 the Senate passed S. 2463 which would generally authorize acceptance of such items and which when enacted will make separate authorizations such as H.R. 11227 unnecessary.

Pending final passage by the House of Representatives of S. 2463, and in view of the fact the Honorable EUGENE J. KEOGH has announced his intention to retire at the end of this Congress, the Committee on Foreign Relations, on June 16, voted to recommend favorable action on H.R. 11227 to the Senate.

DOMINICAN INTERVENTION VINDICATED

Mr. LONG of Louisiana. Mr. President, the press of the Nation has all too often found fault with President Johnson before the facts were in, and I have particularly in mind the record as regards the Dominican Republic. In the early days following the landing of our marines there, the line taken by many of our newspapers, and especially those in the cities of the northeast, was that the action on our part was unjustified. It was said that the intervention was a mistake, and that the role of the Communists was not important, and was being used as an excuse to meddle in a neighbor's family argument.

We know much better now, Mr. President. As I pointed out to the Senate on March 25, the Communists had a purposeful plan which they were implementing skillfully, and which they have since been bragging about within their own circles. By their own admission, it was the action of President Johnson in sending troops which thwarted their program. The information available to the President at the time he acted from confidential sources, some of which was subsequently made available to the Foreign Relations Committee, was of similar nature.

I have been provided personally with still other information which must necessarily remain classified which certainly leaves no doubt in my own mind. It is completely clear that we knew far more about the plans of the Communists in the Dominican Republic, and the means at their disposal to carry them out, than we did when events in Cuba were at a similar stage. Senators should keep this point very much in mind.

Cuba went Communist while the United States stood idly by and watched the plot unfold little by little until Castro stood finally before the world for what he had been all along—a Communist acting under orders from Moscow. It may well be that there was much more to the Communist plan in the Dominican Republic than we knew, but we knew enough, and it was a much more advanced plan for taking over than we knew Castro had when he left the mountains and established himself in Havana.

The fact is that President Johnson arrested the spread of communism in Latin America, as he is doing in southeast Asia, by a foreign policy courageously and boldly calculated to frustrate the enslavement of the hemisphere. For the time being, the New World is more secure than it has been for a good many years. President Johnson has had a hand in helping Brazil, Chile, and other neighbors to maintain governments which might otherwise have fallen to subversion or misnamed wars of liberation.

For those of us who feel strongly that we must resist the Communist overthrow of friendly governments, it is disappointing to see some of our larger dailies giving such wide publicity to persons who could remain complacent in the face of Communist takeover of Cuba, who were critical of the U.S. actions in the Dominican Republic which were necessary to permit the people of that country to choose a government by the ballot rather than have one forced upon them with bullets, and who have at times been abusive of the representatives of our Government who advise a "hard line" policy to frustrate Communist subversion in Brazil, Chile, and other Latin American nations.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **LONG** of Louisiana. I ask unanimous consent that I may continue for whatever length of time the completion of the statement requires.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **LONG** of Louisiana. Had we followed the logic of those who urge a soft line or no line at all against communism, those who fear that the risk would be too great and the danger of war with a major Communist power too much to accept, we could well be confronted today with Communist powers in control of continental Europe and perhaps dominant over even the courageous people of the United Kingdom.

Had Presidents Truman, Eisenhower, and Kennedy been so timid as some would suggest, we might today be confronted with Communist control of all Europe, the Near East, the Middle East, and perhaps all of Asia. Timid souls who refuse to support the type of action of President Johnson in the Dominican Republic and South Vietnam would be confronted with complete control by Communists of the land mass of Europe and Asia and the island chain from Japan through Indonesia, and perhaps practically all of Africa. We could easily have faced a Communist-dominated Central and South America, with medium and short-range missiles aimed at our cities and defense installations from Cuba and across the Rio Grande.

The decision that President Johnson made concerning the Dominican Republic is now supported by ample proof that it is the kind of action which prevents a Communist takeover in this hemisphere.

Mr. President, how I wish that General Eisenhower, a courageous President, might have moved to assure the free election of a democratic government in Cuba when it became clear that a Communist regime was establishing itself there. To his credit, it must certainly be said that at that time we were not aware of the many new techniques which were being developed to undermine and destroy democratic governments. Nevertheless, I have no doubt that the people of Cuba, once they were aware that communism was upon them unless they rejected it, would have voted overwhelmingly for the democratic way—if they could have had the opportunity which has just been exercised by the Dominican people.

The election results in the Dominican Republic again demonstrate why the Communists will never permit free elections. In a country which they might well have controlled by violent means only months ago, they were not even willing to offer themselves to the electorate in their true colors. However, there were some elements, specifically the so-called 14th of June movement which is directly associated with Castroism, who presented themselves in local situations which they judged, quite wrongly, that they might show up to advantage.

In the districts in which these Castroites offered candidates there was a total vote of slightly more than 250,000, of which they received only 4,427. Thus, Mr. President, they received less than 2 percent of the votes cast. This is indeed proof that the Communists who were trying so hard to win control by violence have no support among the people.

It is my hope, Mr. President, that we shall soon see the withdrawal of the OAS troops who still remain in Dominican Republic. Nevertheless, I certainly do not wish to see them withdrawn prematurely. The progress toward stability in the island is indeed remarkable, and it would be tragic to risk a return to needless violence. I am confident that we shall be able to bring home the remainder of our troops in the not-too-distant future, and I hope that Hanoi, Peking, and Moscow will be taking due note of this withdrawal.

One of the charges most often made is that we are never going to be willing to withdraw our forces from countries into which they are sent to assist those who wish to remain free. We are demonstrating in the Dominican Republic that this is totally untrue, and it is to be hoped that our actions there will have some persuasive effect on those who continue to oppose the President's action in Vietnam.

In supporting President Johnson's action in the Dominican Republic, Mr. President, I do not mean to detract from those others who have contributed much to the progress which has been made. Our special representative on the Organization of American States, Ambassador Bunker, should especially be praised for his dedicated work. The Organization of American States has been a source of strength throughout this period, and this has not always been so. It is much to be hoped that the future responses to direct threats to the freedom of other nations in this hemisphere can be made on a fully joint basis, and with even wider participation by the troops of the Latin American forces—if the use of such forces should again be required.

FORTY PLUS CLUB

Mr. **DIRKSEN.** Mr. President, quite some time ago I received a letter from Mr. James E. Wilson, president of the 40 Plus Club of New York. This is an organization composed of men over 40 who have held responsible executive positions but who have been overtaken by age and yet believe that they have plenty of youthfulness for modern society.

In order to present their case to the public, they have organized the 40 Plus Club and have been seeking in various ways to publicize their problem and their cause. There appeared in the New York Sunday News of June 5, 1966, an article under the intriguing caption, "Bosses Seeking a Job for Change at 40 Plus," which states the case.

I ask unanimous consent that this article be included in the Record as a part of my remarks.

The **PRESIDING OFFICER.** Without objection, the article will be printed in the Record.

The article is as follows:

Bosses Seeking a Job for Change at 40 Plus

(By William Neugebauer)

The letter addressed to Soviet Premier Aleksei N. Kosygin represented an offer by 100-top-notch American business executives who are unable to find work at home because they are over 40, despite the fact all are active men with years of productivity ahead.

In the letter, the 100 offered to relocate with their families "within your country," they told the premier, and to give their "collective effort, experience and ability to increasing the Soviet national product."

LETTER IS A GAG

"The letter is mythical, of course," said Col. James E. Wilson, president of the Forty Plus Club of New York. "But if it had been real, you can bet your bottom dollar the Ruskis wouldn't waste a second sending one of their big, private superjets here to pick up the entire group in one sweep."

A former Air Force officer and onetime military governor of Seoul, Korea, Wilson said the 100 men would be of inestimable value to Russia and, put to work, would boost the output of Soviet industry by many millions of dollars in the first year.

"The real tragedy is," Wilson said, "that such groups do exist in this country, that is, executives of consummate skill and talent who cannot find employment simple because of the arbitrary age limits imposed by American industry."

Such men, Wilson, said, contend that America is losing the advantage of a collective, proven experience valued at billions of dollars. They point, he added, to the loss of what has always been a prime American asset, "brain power," possessed abundantly by trained executives over 40.

One of the major organizations concerned with this particular plight of middle-aged American executives, the Forty Plus Club, at 15 Park Row, managed to place in employment 254 out-of-work executives during the last year. Their combined earnings total more than $3.5 million annually.

$12,000 MINIMUM

A cooperative group of executives over 40, and presently unemployed, Forty Plus requires that its members have earned more than $12,000 annually in an executive capacity. All prospective members are screened as to prior employment and other major factors. No fee is charged either the employer or the member for obtaining employment.

The membership, which usually numbers around 100 men, Wilson said, rotates as employment is found. Of the present membership, 15 have earned from $40,000 to $50,000 annually; four have earned more than $50,000 and one, an executive vice president, $55,000 each year.

DIRECTORY ISSUED

The club issues a monthly directory of available executives on its roster. The last issue, Wilson said, contained thumbnail biographies of eight executives in engineering and manufacturing, 40 general management executives, 16 international operations experts, 23 sales and marketing veeps and others of proven executive capability in accounting, finance, advertising and other fields.

Wilson said that as the competition for markets increases with Iron Curtain countries and, in fact, with our own western allies, many Americans question whether this nation can long afford to "send its best brains to pasture simply because these brains exist in over-40 bodies."

CONGRESSIONAL RECORD CONTINUITY

Mr. DIRKSEN. Mr. President, I presume that continuity in the Congressional Record is not always too important, but I envision a time when it could be important and might have to be trotted out on the floor.

I wish to recite that on Thursday, June 16, immediately following the usual motions made by the acting majority leader, he moved to call up for consideration Senate Concurrent Resolution 88, the measure dealing with an admonition to the agencies regarding agriculture and farm prices.

Mr. Williams of Delaware promptly asked for an explanation of the measure. I made such an explanation and the Senator from Delaware was satisfied and indicated his support of the resolution as did Senator Cooper of Kentucky. In checking the Congressional Record for Thursday I find that the proceedings do not appear as they actually occurred. After the adoption of the resolution the junior Senator from South Dakota came on the floor and made a statement in support of the resolution. The Record indicates that he made the explanation in response to the request of the Senator from Delaware and not me and my remarks follow both his and Senator Cooper's.

Also, Mr. President, on Thursday, shortly after the discussion of Senate Concurrent Resolution 88 I took the floor to make a statement paying tribute to the 34th anniversary of the Disabled American Veterans. This occasion was to be celebrated on Friday but inasmuch as we were not to be in session on Friday I made my remarks on Thursday. Knowing also that many Members intended to speak with respect to the DAV I asked unanimous consent that Members be permitted to insert statements on the subject into the Record, although I do not find the request printed at the conclusion of my remarks. I do find, however, that even though I was the first Senator to speak on this subject on last Thursday the remarks of six other Senators precede mine in the Record. Incidentally, none of them were on the floor of the Senate at that time. In addition there are numerous other statements on various subjects which precede mine on both of the above-mentioned subjects which were not delivered prior to my remarks.

Mr. President, there are no personalities, pride, or ego involved in my remarks today about that makeup of the Congressional Record.

I recite it because continuity might become a problem sometime and if the Record is not a continuous record showing precisely what happened on the floor and what was inserted, we might be taken to task for a little carelessness. I do want to say, however, that the Record is supposed to show the continuity of the proceedings as they actually occur and the rules of the Senate so provide. Therefore, there should be no change from what actually occurred unless for justifiable reasons a unanimous-consent request is made that remarks appear at a place other than would be the case when they are made. Accordingly, I expect that in the future the rules will be followed in regard to the printing of the Record.

I am sorry that I must call the attention of the Senate to this matter. It is no reflection on anybody. I do not intend it as such. But I do mean that sometime this might be put at issue and then it could be a bit of a problem.

FLORIDA FUTURE FARMERS OF AMERICA

Mr. HOLLAND. Mr. President, among our Nation's several highly worthwhile youth organizations is the Future Farmers of America. Its membership is comprised of boys of high school through college age from primarily rural areas whose major fields of interest are agriculture and citizenship.

Because it has been my privilege to know and deal with many of the FFA members and their sponsoring organizations within my own State of Florida, I have firsthand knowledge of the wonderful training in a wide variety of fields that is gained by individual members of the Future Farmers of America.

The Florida FFA has produced many outstanding young men who have moved into positions of leadership and great responsibility within their communities as they attained adulthood. Four have served the FFA as national presidents.

Last week the State organization of the FFA held its 38th annual convention in the city of Daytona Beach. In connection with this, the Florida Times-Union, one of our State's great daily newspapers, carried in its June 14 issue a very fine editorial of commendation for the type of citizen which the FFA produces. I ask unanimous consent that this editorial be printed in the body of the Record as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From The Florida Times-Union, June 14, 1966]

YOUTHFUL INITIATIVE IS A COMMENDABLE VIRTUE

Opening today and continuing throughout this week in Daytona Beach, the 38th annual convention of Future Farmers of America in this state is expected to attract some 1,000 FFA's who will participate in a varied program of activities, which will be featured by the election of officers and the selection of delegates to the national meeting next fall in Kansas City, Mo. Among other awards received by the Star State Farmer will be a silver trophy presented annually by the Florida Publishing Company.

The publishers of The Florida Times-Union and the Jacksonville Journal take great satisfaction in presenting this award, believing as they do that the initiative and enterprise exhibited by members of FFA in conceiving and managing their own agricultural ventures constitute an exemplification of the free enterprise system. Captains of industry are bred on the farms of America as well as in the business and industrial centers.

It is appropriate, therefore, to point out that there is no field of activity that better illustrates the fundamental laws of economics than that of agriculture. The agricultural entrepreneurs who are nurtured in the ranks of FFA employ land, labor, and capital to earn a profit, just as do the industrial titans of our urban manufacturing economy.

In Florida, a young FFA has a year-round laboratory in this state's crops where he can observe the workings of the laws of economics. The supply and demand factors affect the state's vegetable and citrus crops in a real and dramatic fashion.

Where better than in the ranks of the FFA could a young person learn the meaning of the law of diminishing returns? With a plot of land, members of FFA can learn first-hand that they can plant and cultivate their holding with profit only up to a certain point. Beyond that, they will observe that the yield will fall off—that it is not proportionate to the time and effort they put into it.

There is little doubt that the lack of understanding about our economic system in the United States today is a result of the absence of a similar opportunity for young people to engage in comparable activities. There is an advantage in being able to live close to the soil. Mother Earth and the bounties that she bestows on those who gain their livelihood from the fruits of the soil is the parent of hardy men and women.

FFA and the lessons it inculcates in our young people are an antidote to the influences, none of which is more vitiating than the heavy hand of federalism, which are destructive to the virtues of individual enterprise and initiative.

SCHOOL MILK MAKES STRONG PROGRESS IN FACE OF POWERFUL OPPOSITION

Mr. PROXMIRE. Mr. President, virtually every working day since Congress went into session I have been standing on the floor of the Senate to object to the administration's proposed cutback in the school milk program. I am happy to say that during this period the school milk program has enjoyed the following progress:

First. The House of Representatives has appropriated $103 million for the program to override the administration's proposal to cut the program by 80 percent to $21 million.

Second. Sixty-seven of my colleagues in the Senate have joined me in sponsoring a bill to make the school milk program permanent and increase Federal funding for the program. Scores of similar bills have been introduced in the House of Representatives.

Third. Senator ELLENDER, chairman of the Agriculture Committee, has introduced a modified Child Nutrition Act which would continue funding the school milk program at its present level.

Fourth. The members of the Agriculture Committee have been assured by Senator ELLENDER that legislation extending the school milk program and maintaining it in its present form will be reported to the floor this year.

I know my Senate colleagues will join me in continuing to fight for early action on the school milk program so that parents, teachers and children will be assured of the Federal Government's continuing support for the vital school milk program.

PROGRESS FOR UNITED STATES AND FREEDOM IN ASIA

Mr. PROXMIRE. Mr. President, our television and newspapef headlines determine and reflect both the predominant concern and the thoughts of the American people.

Obviously, the overwhelming belief of the majority of Americans is that Vietnam is the prime test—success or failure—of our position in Asia.

What is overlooked in this popularly held view is the remarkable improvement in the outlook for peace and freedom elsewhere in Asia.

In Indonesia, an immensely important improvement has taken place. In India, Japan, and even in China the situation seems to be better.

The perceptive James Reston, of the New York Times, wrote an article yesterday setting forth in broader perspective the outlook in Asia. I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 19, 1966]

WASHINGTON: A GLEAM OF LIGHT IN ASIA

(By James Reston)

WASHINGTON, June 18.—One of the persistent complaints among officials in Washington is that our political troubles in Vietnam are not balanced adequately by reports in the press of the more hopeful political developments elsewhere in Asia. It is a fair complaint.

In Indonesia, India and Pakistan, Japan, the Philippines and China itself there are signs of change that could in the long run prove to be more significant than all the scuffling in the streets of Saigon.

INDONESIA'S SWITCH

The savage transformation of Indonesia from a pro-Chinese policy under Sukarno to a defiantly anti-Communist policy under General Suharto is, of course, the most important of these developments. Washington is being careful not to claim any credit for this change in the sixth most populous and one of the richest nations in the world, but this does not mean that Washington had nothing to do with it.

There was a great deal more contact between the anti-Communist forces in that country and at least one very high official in Washington before and during the Indonesian massacre than is generally realized. General Suharto's forces, at times severely short of food and munitions, have been getting aid from here through various third countries, and it is doubtful if the coup would ever have been attempted without the American show of strength in Vietnam or been sustained without the clandestine aid it has received indirectly from here.

Thus the control of this large and strategic archipelago is no longer in the hands of men fiercely hostile to the United States. The war between Indonesia and Malaysia has ended, and the British forces there will soon be free to help maintain order in this critical area from the Indian Ocean to the Sea of Japan.

The fighting has ended, too, between India and Pakistan and more than that, President Johnson's correspondence with Prime Minister Gandhi and President Ayub Khan and his restoration of aid to their two countries have helped remove the danger of both famine and communal war in the Indian subcontinent.

The struggle for succession to the sick and aging leader and prophet of Communist China, Mao Tse-tung, is now the most interesting thing happening in Asia, but again it is too early to assume that this will benefit the West.

THE CHINA STRUGGLE

Several problems are troubling the old men of "the long march" who made the Chinese revolution. The rising generation in that country, as here and elsewhere is not showing much enthusiasm for the ideology of their fathers. The universities and the press seem to be harboring some heretics who, as in the Soviet Union, see advantages in independent thought. The Chinese armed services apparently have some officers who would rather cooperate with Moscow to get modern equipment than wrangle with Moscow over doctrine and the leadership of the Communist world.

So heads have been rolling in China and the struggle for succession to Mao is now out in the open. The presidents of both Peking and Nanking Universities have been removed. General Lo Jui-ching, Chief of Staff of the Chinese armed forces, who was more interested in Moscow's technology than its ideology, has disappeared, and journalists on the Peking Daily who were more interested in Chinese nationalism than Communism have been deposed.

THE EMERGING LEADER

The two men at the center of the struggle for power, the Humphrey-Kennedy counterparts in Peking, are—according to the experts here who somehow are supposed to know about these mysterious things—Marshal Lin Piao, the Defense Minister, and Teng Hsiao-ping, the Secretary General of the Chinese Communist party.

Most attention is centering in the press these days on the Defense Minister, Lin Piao, because recently he has been chosen, presumably by Mao Tse-tung, to be the St. Paul and proclaim the Gospel according to Mao; and his doctrine, unlike St. Paul's, is war and more war and death to the heretics in Moscow as well as Washington.

But Lin Piao, like Chou En-lai, the most eloquent and elegant world traveler among the Chinese Communists (now in Rumania), is not in good health; and the China-watchers—not only within the United States Government, but among the best-informed diplomats in the Asian Embassies in Washington—think the most powerful man in China after Mao, and maybe even Mao, is the Secretary General of the Chinese Communist party, Ten Hsiao-ping.

There is no evidence, however, that he has ever been a member of the English Speaking Union or had a kindly thought for the West. He is a hard-liner. He simply wants to take over the country, and apparently thinks the way to do it is to concentrate on the development of China rather than getting diverted into a war with the United States over Vietnam, or conquering Asia, or winning an argument with the Russians about who is the true disciple of Lenin.

THE COMMON TALKS

If this is true, it is another indication that there may be some hope in Asia. Everything is not going against the United States. Vice President HUMPHREY suggested when he was in Korea last spring that the free Asian nations should get together and talk about their common problems, and they have been doing it this week for the first time. He urged the Australians and the New Zealanders and the Koreans and the new Government in the Philippines to take more responsibility in Vietnam and particularly to talk together about the future of Asia, and they have at least made a start.

It is not much, but it may be a symbol of the future. Dark as Vietnam is, there are some glimmerings that Japan, which has sent a secret agent around Asia seeking an honorable compromise in Vietnam, and the other Asian nations are at least beginning to think about cooperating in the defense of their own part of the world.

DR. RUSK SUPPORTS USE OF CIVIL DEFENSE DRUG STOCKPILES

Mr. PROXMIRE. Mr. President, recently I introduced legislation to allow the Public Health Service to put to use the medicine and medical equipment in our civil defense stockpile before it has to be destroyed because of deterioration.

Dr. Howard Rusk, the eminent medical specialist of the New York Times, commented on this proposal in an excellent article published in the Times on June 12. I ask unanimous consent to have the Rusk article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 12, 1966]

A WASTED STOCKPILE: DRUG SUPPLIES IN CIVIL DEFENSE DEPOTS ARE DETERIORATING WITHOUT BEING USED

(By Howard A. Rusk, M.D.)

Last year the United States Public Health Service destroyed $19 million worth of medical supplies—supplies that could have relieved human suffering and misery had they been used before their useful life expired on some storage shelf.

These needed supplies are stored in more than 2,000 locations around the nation as part of our civil defense stockpile. Most of them are part of the so-called "packaged" disaster hospitals. These packages contain supplies, equipment and tents that could be turned into 200-bed hospitals. They are not available for current use but are kept in readiness in case of disaster.

In these packaged hospitals and in other types of storage are medicines, including antibiotics; rubber gloves; adhesive tape; bandages, and medical equipment of all kinds—in short everything that is needed in a hospital of that size on an emergency basis. It is all slowly deteriorating.

The problem is that these supplies were bought and stored as a precaution against some future disaster. There is no way in which the Public Health Service can allow their removal until their storage life has expired and they must be destroyed.

LEGISLATION IS OFFERED

Three Democratic Senators—WILLIAM PROXMIRE of Wisconsin, PAUL H. DOUGLAS of Illinois and LEE METCALF of Montana—have proposed legislation to remove this restriction. They propose that these vitally needed materials be taken out of storage before their life expires and be used by other agencies, sold as surplus, or donated to public and private nonprofit health organizations.

As of last June 30, the value of our civilian defense stockpile was reported to be about $201 million. In addition, the Public Health Service had its own medical supply system for its hospitals and cinics valued at that date of $686,000. The Defense Department had an inventory of $164.6 million, and the Veterans Administration an inventory of about $10.3 million.

Studies by the Controller General have shown that the rotation of stocks among the various medical programs of the Federal Government can reduce some stockpile losses because of deterioration.

DRUGS ARE DISTRIBUTED

Mr. PROXMIRE reports that an interagency committee is now working on this rotation, and that in the last six months about $4-million worth of supplies have been distributed among various Government agencies.

This is commendable but it still does not solve the problem that we are, with one hand, destroying drugs and medical supplies while, with the other hand, we are trying to aid persons who have no funds to buy such drugs and medical supplies.

Antibiotics, for example, have a stated storage life of five years. It is the policy of the Public Health Service to retain "outdated" antibiotics in the civil defense medical depots as long as periodic tests by the Food and Drug Administration indicate no significant loss of potency or evidence of deterioration.

However, in May of 1965 the Public Health Service destroyed six types of medical items stored in depots that had deteriorated and were unfit for human use. The value of these items was nearly $4-million.

OVERSEAS PROGRAMS IN NEED

Probably the greatest utilization of such supplies could be made in our overseas medical programs, operated by voluntary agencies in conjunction with the Agency for International Development.

The pharmaceutical manufacturers of the United States have long followed the policy of anticipating expiration dates of drugs sufficiently in advance to contribute them to voluntary agencies for utilization before deterioration.

Drug manufacturers also frequently donate perfectly good drugs because of changes they have made in packaging. Still others make it a practice to offer certain voluntary agencies with overseas medical aid programs the complete choice of all items in their catalogues up to a certain dollar maximum.

Recently the American-Korean Foundation received an urgent request for poliomyelitis vaccine from the Minister of Health in South Korea. There has already been sufficient vaccination against polio there, so that with an all-out campaign of immunization polio can be eliminated.

Much of the vaccine used to date has been contributed by American companies such as Pitman-Moore of Indianapolis, which has contributed drugs valued at more than $500,000 to the American-Korean Foundation in the last three years. But, as is so frequently the case in developing countries, only limited funds were available for the purchase of vaccine.

The American-Korean Foundation immediately made contact with Mr. Eugene N. Beesley, president of Eli Lilly and Co. of Indianapolis, one of the large manufacturers of polio vaccine, and told of its need. Within three days it had a reply. The company said it would provide 2 million cubic centimeters of vaccine, enough to inoculate from 700,000 to 900,000 children. The company said it did not have this amount of vaccine on hand but would manufacture it especially for this project.

$23-MILLION WORTH GIVEN

There are many similar stories that can be told of the generosity of all the other great American pharmaceutical manufacturers. The Pharmaceutical Manufacturers Association reports that the United States prescription drug industry contributed to voluntary agencies products valued at $23,481,000 in 1963.

The American overseas voluntary agencies that are receiving these contributions is long and varied—Medico, the S.S. Hope, the International Rescue Committee, the American Bureau of Medical Aid to China, and many, many more. Most dramatic of these efforts was the magnificent role of the drug industry in the ransom of the Bay of Pigs prisoners from Cuba.

In these days when the pharmaceutical manufacturers are under criticism, this is one part of their story that should be told more frequently.

In introducing his proposed legislation, Mr. PROXMIRE said:

"In this day and time, when we are making so great an effort to improve the medical care our people receive, it seems criminal to me that $19-million worth of medical equipment and supplies have had to be destroyed in the last year when they should have been used to heal the sick."

This writer believes that Congress and the American people share the Senator's view.

THE BUSINESSMAN'S ROLE IN FIGHTING INFLATION

Mr. PROXMIRE. Mr. President, almost 2 months ago, the Chairman of the Council of Economic Advisers, Gardner Ackley, spoke briefly to the U.S. Chamber of Commerce on "The Businessman's Role in Fighting Inflation."

Although economic conditions have changed somewhat since that speech, it stands as an excellent outline of the causes of inflation, what can be done about it, and just how inflationary the economic situation is.

Mr. President, I ask unanimous consent that a transcript of this speech by Mr. Ackley be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE BUSINESSMAN'S ROLE IN FIGHTING INFLATION

(Remarks by Gardner Ackley, Chairman, Council of Economic Advisers, at the 54th annual meeting of the Chamber of Commerce of the United States, Sheraton Park Hotel, Washington, D.C., May 2, 1966)

Fifteen minutes is a very short time for as big and complicated a subject as inflation. So I'll get right down to business, and try to say a few words about each of four questions:

1. What causes inflation?
2. How much inflation are we having?
3. What is the Government doing?
4. What can business do?

WHAT CAUSES INFLATION?

The classic cause of inflation is too much demand for goods and services: a collective attempt on the part of consumers, businesses, and governments—Federal, State, and local—to buy more goods than the economy is capable of producing when all resources are fully in use. If this condition exists, the only remedy is to reduce demand: by scaling down public expenditures, or by restraining private expenditures, most notably by higher taxes or tighter credit. Our productive capabilities can and do grow; but they cannot increase quickly once all resources are in use.

But how much the economy can produce with full use of its resources is not a completely unambiguous concept. The supplies of available resources are never fully balanced with the structure of demand for products and services. In particular, the supply of labor of various kinds and in various places never exactly balances the demand for labor. Moreover, people are always entering and leaving the labor force, and changing jobs voluntarily. So full employment of labor resources does not mean a zero unemployment rate.

In 1961, the Council set as an "interim target" a 4% unemployment rate—as a level that could safely be achieved by measures of demand expansion alone. At that time the Council noted that effective measures to improve the training and mobility of the labor force might safely permit a lower target. It also noted that the degree of inflationary pressures that would be associated with any given unemployment rate depends as well on the extent of internal balance—among economic sectors, industries, and regions—since pockets of intense demand will pull prices up more than pockets of excess supply will push them down.

If, when the over-all unemployment rate reaches 4%, it is still 8% for large categories of the labor force and 1% for others, the inflationary strain will be much greater than if the dispersion around the average is considerably narrower. Likewise, if a 4% unemployment rate finds a number of strategic industries operating at well over 100% of the capacity of their plant and equipment, while others are at 80%, a 4%-rate will be far more inflationary than if all industries are operating close to 90%.

In fact, we approached and reached a 4% unemployment rate in January of this year with an exceptionally good balance both as among categories of labor, and as among industries and regions. This is mostly, I am sure, because our expansion was prolonged and steady rather than coming in a sudden burst. There was time—and adequate incentive—for industries to tailor their investment to the growth of their demand. As a result, there have been large additions to capacity in just the industries where demand has grown most rapidly. There was time for the labor force to be reallocated—and particularly for the new entrants to allocate themselves—to the regions and industries and firms whose need for labor was expanding most rapidly. And, most important, we began in 1961 to develop, for the first time in our history, an active manpower policy, including significant programs of training and retraining, designed to aid in the preparation and allocation of our labor force.

But the fact that we could reach our 4% interim target without serious strain does not tell us how far below it we can now safely go. Nor does it tell us how fast we can safely penetrate into this territory, unexplored in a dozen years.

It is obvious that the lower the over-all unemployment rate falls, the more frequent will be the instances in which employers in particular industries or regions will experience difficulties in recruiting adequate supplies of particular kinds of labor. On the other hand, we know that there is a large additional supply of workers—more than 1½ million—coming into the labor force this year. And in March, there were still 3 million unemployed, of whom 61% were males, 75% adults, and 86% had held previous full-time jobs. The social gains to be achieved by employing the next ½ million of them will be incalculable. The increment will include a considerable number of Negroes and other relatively disadvantaged groups, whose unemployment rates are still disturbingly high.

But the farther we push down the unemployment rate in the effort to employ more of our labor, the more will be the strains on the supply of particular goods, and the greater the pressure on wage rates for particular kinds of labor. Thus prices tend to edge up as we approach full use of our resources, even before the maximum feasible level of output is reached.

But there is another source of inflation, that can operate even when resources are less than fully used. It arises from the desire and the ability of managements and workers—especially when times are relatively good—to try to increase their shares of the income pie beyond the total pie that's available to be divided. If wages and fringe benefits are generally pushed up faster than labor productivity increases, the labor cost of producing the average unit of output will rise. Unless profits are to be pinched, prices will be pushed up. But equally, if managements try to expand their margins over costs, even when costs are stable, that, too, will raise prices. When both try to do it at once then we can have a wage-price spiral, even if the over-all pressure on our productive resources is not excessive.

To the extent that this is the cause of inflation, we can reduce total demand enough so that widespread unemployment and idle capacity create so much competition that the ability of labor and management to push up wages and prices is held in check. Or, we can somehow persuade them to behave more responsibly.

HOW MUCH INFLATION ARE WE HAVING?

For five years, until about the middle of 1965, our price level was more stable than ever before in our history, especially considering that it was a period of steadily rising prosperity. Then, last year, the record was broken. In the last 12 months, wholesale prices are up 4%; consumer prices, 2¾%.

As everyone knows, the biggest part of the recent increase has been in farm and food prices, due largely to a temporary maladjustment between demand and supply in the farm economy, especially for pork. Now food supply is once again catching up with demand. Farm prices began to turn down in February, and they have edged down a bit more in March and April. Consumer food prices were still rising in March—reflecting the lag from farm to processor to retail store. But retail food prices have stabilized in April, and declines in important food items should be seen during the rest of this year.

This merely confirms what we have been saying for months—that the rise in farm and food prices was largely a temporary affair. All along we have been as much worried about prices for items other than farm products and foods. Wholesale prices for industrial products, after 6 years of absolute stability, have begun to edge upward during the past year. In the last 6 months, they have risen at an annual rate of 2½%. Many industrial product prices still decline. But increases are becoming more numerous and decreases fewer.

So far, there has been no serious upward cost push from the side of wages. And we expect no dangerous general wage push during the remainder of 1966. But if consumer prices—and industrial profits—should continue to rise at the recent rate, we would have to expect larger wage increases in 1967, and the dreary price-wage spiral could begin to turn.

WHAT IS GOVERNMENT'S RESPONSIBILITY?

Government's primary responsibility is to pursue fiscal and monetary policies that will keep total demand for goods and services high enough to promote full use of our productive resources, but not so high as to put excessive pressure on our resources.

The tax cuts of 1962, 1964, and 1965 were designed to raise total demand toward a level that would more fully use our resources. The policy succeeded. The unemployment rate was brought down from more than 7% in early 1961—and from an average of 6% for the 6 years 1958–63—to 3¾% in February and March this year. The use of manufacturing capacity was raised from an average of 78% in early 1961 to 91% at the end of 1965, compared with an average preferred rate of 93%. With the high recent and current rate of investment adding steadily to capacity, the average utilization rate is unlikely to rise much further this year. But the unemployment rate is likely to continue to decline.

With the approach to full use of labor and capital, Government fiscal and monetary policies have now shifted from stimulating demand to restraining it. The Federal Reserve has made credit harder to get and more expensive. The rise of Federal spending other than for Vietnam was held to $0.6 billion in the fiscal 1967 budget, and taxes were modestly increased.

Whether the restraints imposed up to now will be enough remains to be seen. The President has made clear that if Federal expenditures rise significantly beyond his budget—either because of Congressional action or because more is needed for Vietnam—or if private demand rises too fast, he will not hesitate to ask for further fiscal restraint.

The Federal Government is also trying to help break particular supply bottlenecks, by a whole series of measures: release of excess materials from industrial or farm stockpiles, alterations of the pattern of Federal purchases, expediting acquisition of critical equipment or the supply of boxcars, and an intensification of training and other manpower programs.

The President has also requested the cooperation of industry in postponing desirable but not immediately necessary plant and equipment investment, in order to reduce pressures on the machinery and construction industries. He has made the same request to his own department and agency heads, and to the mayors and governors. The response has been most gratifying.

He has also called repeatedly for moderate and responsible wage and price policies. This brings me to the final question:

WHAT CAN BUSINESS DO?

Busines can postpone unnecessary investments.

It can improve its recruiting and utilization of labor, by relaxing unnecessarily rigid or irrelevant hiring standards, by expanded training and retraining efforts, by holding on to workers who would normally retire or bringing back the recently retired, by breaking down jobs or redesigning processes in ways which economize on scarce skills, and in many other ways.

It can refrain from scrambling to build up inventories of the few materials in scarce supply.

It can resist pressures for excessive wage increases.

Most of all, it can and must exercise responsible moderation in its pricing policies.

Over the past five years we have seen the most sustained growth of profits in any period of our industrial history.

The Government has welcomed and stimulated this growth of profits, and hopes and expects that it can continue. During the time we were moving toward full use of our productive capacity, the rise in profits was the result of spreading overhead, of greater efficiency, of wisely chosen and well-timed investment, of managerial and organizational improvements, and of the massive reduction of taxes—including the investment credit, the depreciation reforms, and the reduction of corporate rates.

The growth of profits during most of this period of rising utilization of capacity was not at the expense either of labor or the consumer—though the fact that it could be achieved with stable prices reflected the moderation of labor settlements.

But now that profits after taxes in the fourth quarter of 1965 were up 88% over their level in early 1961, and were providing the highest sustained rate of return on owners' equity in our modern history, it is time to ask whether a further rise in the *share* of profits in the national income is in the interest either of the health of the Nation's economy or in the interest of business itself.

The *Wall Street Journal* last week published a tabulation showing profits up 12% in the first quarter over a year earlier. This substantially exceeds the rise in employee compensation over that period. It has been accompanied by a disturbing tendency for industrial prices to climb. In most cases the particular products whose prices have increased have sustained some cost increase. But the earnings figures make it clear that, on the average, the margin over costs has been advancing. Either prices have been raised more than costs, or prices have not been reduced where costs have fallen.

In March, the weekly spendable income of the average manufacturing worker with 3 dependents—measured in constant prices—was no higher than a year earlier, although he was working somewhat longer hours. Does anyone imagine that labor will continue to show moderation in its wage demands when prices and profit margins are continually rising?

Let me remind you of the consequences. Higher labor costs are a one-way street. A higher cost-price structure can torpedo all our efforts to continue our encouraging progress toward balance of payments equilibrium. It can engender a speculative boom that will bring on a bust. To avoid these outcomes, Government would face the need to clamp down on over-all demand, to move back toward the conditions of slack that depressed production and incomes—and especially profits—in the late '50's and early '60's.

And so I ask you—every one of you—to stop, look, and listen. Is that price increase you are considering really necessary? Are there not some prices that, in the long run, competition is going to force down and that you can cut now? Are you doing your part to assure the continuance of the healthy, expanding prosperity that has brought such great rewards to us all over the past 5 years? Are your policies strengthening the ability of the Nation to sustain freedom around the world?

Are you doing your part to fight inflation?

MRS. GEORGIA NEESE CLARK GRAY HONORED BY WASHBURN UNIVERSITY

Mr. CARLSON. Mr. President on June 5, Washburn University, at its commencement exercises, honored Mrs. Georgia Neese Clark Gray by conferring on her the degree of doctor of business administration.

Former President Harry S. Truman participated in the program at Washburn University on this occasion.

Mrs. Gray has rendered many years of outstanding service to our State and Nation and we are all pleased that she received this recognition and honor.

Thad Sandstrom, general manager of station WIBW at Topeka, Kans., wrote an and editorial on June 5 which gives a résumé of Mrs. Gray's outstanding public service.

I ask unanimous consent to have the editorial printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Born in the small hamlet of Richland, Mrs. Gray climbed to the very top of her profession, and was named the first woman Treasurer of the United States in 1949 by President Harry S. Truman. The daughter of a small town banker, she attended grade school at Richland and eventually graduated from Washburn.

Georgia, as she is known to thousands of friends throughout the country, has always taken a vigorous part in politics. She has been active in many capacities in the Democratic party, serving with great distinction for many years as Democratic National Committeewomen from Kansas. When Harry Truman wanted a Treasurer of the United States who knew the banking business, he selected Georgia. There were some skeptics who questioned his wisdom. Soon, however, there was no question of the choice because Georgia became one of the most popular and respected personalities in our nation's capital. Typical of her dynamic personality is the fact that Georgia, after leaving government service came back to Kansas, picked up her family bank lot, stock and barrel, moved it from Richland to the southern suburban area of Topeka two years ago. This took real courage—for many would have just closed down such a pursuit under similar circumstances.

To us, Georgia Neese Clark Gray is a distinguished Kansan and a great American for three reasons: (1) She always says what she thinks. (2) She has maintained an active role in politics. (3) She has made successful a business that might otherwise have died because she had the courage to overcome countless problems.

To some, politics is a dirty word. But to Georgia, active participation in politics is the *only* way in which we can be sure our country will have good government and remain free. It is too bad Kansas and the nation doesn't have more people like Georgia Neese Clark Gray. No wonder President Truman saw fit to participate in her honors this week-end. No wonder Washburn saw fit to honor her.

A BALANCE-OF-PAYMENTS REPORT BY THE INTERNATIONAL ECONOMIC POLICY ASSOCIATION

Mr. SYMINGTON. Mr. President, a recently published study, entitled "The U.S. Balance of Payments—An Appraisal of U.S. Economic Strategy" is arousing a great deal of interest, not only in the Government but also in business and financial sectors around the country.

Some of the ideas presented in this interesting book on one of the most important problems we face today are unique. All are thought provoking.

I congratulate the president of the International Economic Policy Association, N. R. Danielian, for this excellent package job on this vital subject.

In that connection I ask unanimous consent that articles published in the Baltimore Sun, the Wall Street Journal, the New York Times, the Washington Post, New York Daily News, the New York Journal of Commerce, the U. S. News & World Report, and the Travel Management Newsletter be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Baltimore (Md.) Sun, June 13, 1966]

Book Tells How To Cut the Deficit—"No Simple Solution" to Payments Problem, Study Finds

(By Rodney Crowther)

Washington, June 12.—The International Policy Association in a massive study to be published tomorrow will tell the Johnson Administration how it may go about solving the nation's "nagging international payments deficit."

Issued in book form, with scores of supporting statistical tables and charts, the study concludes that "there is no simple solution to the balance of payments problem."

It makes more than a score of specific recommendations, no one of which alone will do the job but all of which, in combination, can improve the payments picture by at least $3,000,000,000 a year, the association said.

The major part of the task must be performed by the United States Government, the study concludes, emphasizing, however, that "it would be short-sighted to suggest a total withdrawal of military presence abroad or total cessation of foreign aid."

IT DEPENDS ON VIETNAM

N. R. Danielian, president of the privately financed, nonprofit, nonpartisan association, who discussed with newsmen the 200-page volume—"The United States Balance of Payments: An Appraisal of United States Economic Strategy"—said the recommendations and estimates were based on the assumption that the Vietnam war will not escalate into a major East-West conflict.

Declaring that "it is completely unrealistic to expect the private sector of the economy to increase net earnings sufficiently to offset all of the Government's unilateral expenditures abroad," the study holds that it would be "misplaced effort to try to solve the payments problem by controlling private investments abroad."

"What is needed," it declares, "is a reappraisal of all United States foreign economic policies to develop a series of positive remedial steps to increase our earnings power abroad sufficiently to meet our international obligations."

AMONG THE RECOMMENDATIONS

Some of the major recommendations in a total list of 33 include:

1. In the foreign aid field, greater emphasis should be placed on private investment projects, a more selective allocation of "soft" loans to less developed countries and the creation of an international aid agency to foster an international sharing of the global aid burden.

2. In the realm of trade policy, revision of the most-favored-nation principle from its traditional, unconditional basis to a conditional basis. Such a change, the study says, would enhance the United States bargaining position during trade negotiations.

REDEPLOYMENT OF TROOPS

3. Redeployment of United States military forces overseas to host nations cooperating in the effort to end this country's payments problem. Failure to win the required cooperation should be followed by an outright reduction in United States troop strength overseas, the study declares. The objective should be to trim military expenditures abroad by $400,000,000 a year.

4. The United States should undertake, under provisions of General Agreements on Tariffs and Trade, to organize its own common market area, such as a North Atlantic common market, or a North Atlantic free trade area, encompassing Canada, Great Britain, and other European free trade area countries, with associate membership for countries in the South Atlantic and Caribbean basin.

5. Through the Kennedy Round of trade negotiations, the United States should insist on the elimination of discriminatory import charges and on the reduction of variable levies by the European Common Market on United States wheat and feed grains.

6. At the same time, the United States should insist during the Kennedy Round, on the reduction of non-tariff barriers such as those on coal, automotive products and other United States export items.

7. Discriminatory ocean freight rates—eastbound trans-Atlantic and westbound trans-Pacific cargo rates—should be eliminated by immediate administrative and legal action.

8. Explore expansion of East-West trade. Trade with Communist countries must be based on bilateral trade agreements which will specify the use of dollars earned in the United States for procurement in the United States. The greatest opportunity for net gains in such trade lies in sale of grain products and animal feeds.

9. The United States should take more aggressive steps to promote tourism to the United States. These steps should include giving consideration to raising the budget of the United States Travel Service from $3,000,000 to $10,000,000 and for the inauguration—on an experimental basis—of a United States Government subsidy to foreign tourists in the form of dollar coupons usable in payment in hotel accommodations, and other travel in the United States.

10. The United States should seriously consider special tax incentives on exports such as gradual substitution of indirect taxes, for direct income taxes to take advantage of existing GATT rules which allow rebates on exports for turnover taxes.

11. More attention should be given to opportunities for dollar sales under Title IV of P.L. 480 and for a possible amendment of Title I to require at least partial payment in hard currency, progressively building up to at least 25 percent. In cases where coun-

tries face famine and are short of foreign exchange, the President should have power to waive the provision.

[From the Wall Street Journal, June 13, 1966]

Administration Urged To End Voluntary Curbs on Foreign Investment—Private Research Group States Policy Hurts Rather Than Helps in Fighting Payments Deficit

Washington.—A private economic research group urged the Administration to abandon as soon as possible its policy of placing voluntary restraints on foreign investment by U.S. businessmen.

The Administration program calls for U.S. companies to limit the dollar outflow into direct corporate investment abroad this year to about the 1964 level of $2.4 billion, following a bulge last year to $3.2 billion. Banks have also been asked to limit their expansion of foreign loans and investments.

The International Economic Policy Association, in a newly published study, The U.S. Balance of Payments—an Appraisal of U.S. Economic Strategy, said that in the long run voluntary restraint on investment won't solve the nation's payments deficit and would, in fact, be harmful.

"The only really long-run factor working in the direction of eliminating deficits is the growth in exports, income, royalties and fees which are related to direct private investments abroad," the study said. "Any prolonged limitation in this area can serve only to weaken whatever long-range strength there is in the U.S. position," it stated.

THIRTY-THREE RECOMMENDATIONS

The association, whose membership includes 20 major U.S. corporations, made 33 recommendations on how to solve the payments deficit, which occurs when more money leaves the country than is returned by foreigners. The key to solving the problem, it said, lies "in a number of actions, each of limited return, but the combination of all leading to a fundamental correction in the balance of payments."

The study notes that in recent years the private sector of the economy has generated a payments surplus, while Federal spending has been "consistently in deficit by over $3 billion a year, notwithstanding tied aid and military hardware sales." Tied aid funds may be used for procurement outside the U.S. only if the President determines that such procurement won't hurt the U.S. economy or its balance-of-payments position.

N. R. Danielian, president of the association, said that if the Vietnam War continues to escalate, the association's recommendations can't be expected to be able to offset the balance-of-payments deficit. Last month Treasury Secretary Fowler said the Administration had been doing little more than holding its own on the payments front since the buildup in Vietnam began in July 1965, and that it "may be" necessary to shelve President Johnson's goal of coming within $250 million of balance in 1966.

One object of the group's recommendations is a $1 billion annual reduction in Government spending abroad without sacrificing "essential political and military objectives."

In the area of military spending, the association said $400 million can be saved annually if the balance-of-payments problem were taken into consideration in locating U.S. troops in Europe. The association said troops should be stationed in countries willing to agree to compensatory imports from the U.S. or to pay the maintenance cost of the U.S. force. Defense Secretary McNamara said Saturday that the U.S. doesn't plan any significant troop withdrawals from West Germany but that it expects Germany to counter the dollar drain by buying $1.3 billion in arms from the U.S. before the middle of next year.

To attract more foreign tourists, the association asked that the U.S. consider a $10 million subsidy in the form of "dollar coupons usable in payment for hotel accommodations and other expenditures in the U.S. to foreign tourists." The association said the experiment would be justified if tourists spent $5 in foreign currency in the U.S. for every dollar appropriated.

It is understood that several Administration officials have expressed interest in association proposals on tourism and several other matters.

TRADE POLICY REVIEW ASKED

In dealing with private capital movements, the group recommended that restraints on foreign investment should be "terminated as early as practicable." It also recommended that the Government give businessmen and the financial community assurances that "no restrictions or controls are contemplated on the movement of capital."

The study called for a "complete reassessment" of U.S. trade policies, with a recommendation that the U.S. should consider organizing its own market area, "encompassing Canada, Great Britain and other European Free Trade Association countries, with associate membership for countries in the South Atlantic and Caribbean basin, the British Commonweath of Nations, and others." It also recommended that the U.S. be prepared to change its trade policy from an unconditional to a "conditional" most-favored-nation basis to insure that the U.S. receives commensurate concessions in the process of granting access to U.S. markets.

Other areas in which the study made recommendations included foreign aid, fiscal and monetary policy, and liquidity.

[From the New York (N.Y.) Times, June 13, 1966]

Hard Fight Urged on U.S. Payments—Broad Study Urges Tough Foreign-Aid Policy, Troop Cuts and Training Area—Spending Abroad Cited—Economic Policy Unit Plan Endorses Direct Private Investments Overseas

(By Edwin L. Dale, Jr.)

Washington, June 12.—A series of "hard-nosed" recommendations for solving the United States balance-of-payments problem emerged today from a major study by the International Economic Policy Association.

The 30-odd proposals included a far tougher foreign-aid policy, troop reductions abroad in all cases where the host country does not help offset the balance-of-payments cost, and a possible North Atlantic free trade area that would initially exclude the European Common Market.

One of the more unusual suggestions was that the Government partially subsidize through "dollar coupons" some classes of foreign tourists, such as students.

A basic theme of the 157-page study was that the one area that the United States should not restrict is private direct investment abroad. There also was no suggestion for higher tariffs or other curbs on imports.

GOVERNMENT CRITICIZED

The International Economic Policy Association is headed by N. R. Danelian, economist, who directed the study published today. It is made up chiefly of a number of corporations that operate internationally.

A major conclusion of the study was that the deficit in international payments is largely attributable to Government expenditures, and that private activities, taken as a whole, produce a surplus.

Underlying many of the recommendations was the view that solution of the balance-of-payments problem should take precedence over other long-held positions in Government policy. These were some of the main proposals:

In the case of foreign aid, the United States should stop giving "program loans," which finance imports instead of specific projects, in order more firmly to "tie" foreign aid to procurement in the United States. In addition, the United States should cease being "used as paymaster of debts owed by developing countries in third countries.

The United States should also try to collect dollars for perhaps 25 percent of its sales of surplus farm commodities under the "Food for Peace" program, except in cases where the recipient country simply could not pay.

In the case of international institutions, the United States should try to win a change in the rules to permit "tied" procurement in cases of developed countries that have balance-of-payments problems, and also should insist that the institutions do their borrowing in Europe as long as the United States deficit persists.

[From the New York (N.Y.) Times, June 13, 1966]

Subsidy Suggested for Tourists to United States

(Note.—The Associated Press article below is inaccurate insofar as it states that the Association advocated a billion dollar cut in foreign aid. The Association has stated that U.S. foreign aid activities cost the U.S. balance of payments close to a billion dollars a year and has advocated reduction of *program* lending in favor of *project* lending.)

Washington, June 12.—A private research group suggested tonight a subsidy for foreign tourists as one of 33 recommendations to end the deficit in the United States balance of payments.

The International Economic Policy Association also suggested a broad reappraisal of the deployment of United States forces in Europe.

The study observed that there was no panacea for solving the United States payments imbalance but maintained that the picture could be improved by $3.2-billion if all its recommendations were followed.

It recommended cutting foreign aid by $1-billion and cutting military expenses in Europe by at least $400-million.

It recommended that the Government spend $10-million the first year, and $50-million thereafter, to subsidize foreign travel in the United States. This would be done by arranging reduced plane and ship fares for tourists and perhaps by partial payment of some visitors' hotel bills.

Coupled with this would be a possible raising of the United States Travel Service budget from $3-million to $10-million annually.

The group also called for a reassessment of United States trade policy, with the possible creation of a North Atlantic free trade zone to include the United States and Canada, and elimination of restraints on direct foreign investment.

(See note on The New York Times clipping as it also applies to this one.)

[From the Washington (D.C.) Post, June 13, 1966]

Subsidy for Travel in United States Urged To Ease Dollar Deficit

A private research group is suggesting a subsidy for foreign tourists as one of 33 recommendations to end the deficit in the U.S. balance of payments.

Another suggestion by the International Economic Policy Association in its report released last night is for a broad reappraisal of the deployment of U.S. forces in Europe.

The study suggests no panacea for solving the U.S. payments imbalance but says the picture could be improved by $3.2 billion if all its recommendations were followed. It recommends cutting foreign aid by $1 billion and military expenses in Europe by at least $400 million.

SUBSIDY FOR TRAVEL

It would spend $10 million the first year, and $50 million thereafter, to subsidize foreign travel in the United States. This would be done by arranging lower plane and ship fares for tourists and perhaps by partial payment of some visitors' hotel bills.

The group also calls for a reassessment of U.S. trade policy, possible creation of a North Atlantic Free Trade zone to include the United States and Canada and elimination of restraints on direct foreign investment.

This last suggestion is a slap at the Administration's voluntary business program to stem the flow of investment dollars overseas.

The Association describes itself as a private, nonprofit, nonpartisan organization established in 1957 to encourage effective U.S. international economic policies and programs. Its membership includes 20 major U.S. corporations. Its founder and president is N. R. Danielian, an economist who once taught at Harvard University and has been active in promoting construction of the St. Lawrence Seaway.

PRESENT PLANS CRITICIZED

Danielian says it is Government overseas spending which has caused the balance-of-payments deficit. The private sector has produced a surplus, he said, but insufficient to offset Government spending abroad. But it would be shortsighted, he believes, to suggest a total withdrawal of U.S. military forces abroad or total cessation of foreign aid.

Any expectation that the problem can be solved by controlling private overseas investment is misplaced, he says. ". . . We will never earn more in the future unless we are willing to invest today," he adds.

The United States ran a $1.3 billion deficit in its balance of payments last year and a $582 million deficit during the first three months of this year.

The Association calls its plan a bolder undertaking based on the assumption that the Vietnam conflict does not escalate into a major war.

The suggested subsidy for foreign tourists would apply to special visitors such as students, clubs and group travelers. Danielian feels a five-fold return in foreign currencies would justify "such a novel experiment" and would go far in eliminating the travel deficit, which totaled $1.8 billion last year and is expected to reach $2 billion this year.

In calling for a reappraisal of overseas defense spending, the group says, "there is clear evidence . . . that at present the Communist bloc in Eastern Europe is fragmented, and that a relaxation of tensions between East European countries and the West is a goal sought by both sides."

Assuming that a defense shield still is needed in Western Europe, the Association asks whether such a large deployment of U.S. manpower is necessary. Military factors being equal, the United States should consider balance of payments questions in locating its forces abroad, the report said.

[From the New York (N.Y.) Daily News, June 13, 1966]

TOURIST LURES URGED TO STOP DOLLAR OUTFLOW

WASHINGTON June 12.—Dollar coupons to lure foreign tourists were suggested today as one way of reducing the U.S. balance-of-payments deficit.

The suggestion came from the International Economic Policy Association, a private organization made up of 20 major U.S. corporations doing business abroad.

The Association proposed that the government give dollar coupons to "special classes" of foreign tourists, such as students or clubs. The coupons could be used to pay for hotel and other expenses in the United States.

TEN-MILLION-DOLLAR TRIAL URGED

Coupons worth $10 million might be issued the first year. If these proved successful, they might be increased to $50 million a year, the association said.

It said $50 million a year in coupons might bring in $250 million a year in additional spending by foreign tourists.

Tourist subsidies were one of several measures contained in a 200-page association study, "The United States Balance of Payments: An Appraisal of U.S. Economic Strategy." The study was prepared by the association's founder and first president, N. R. Danielian, an economist who played an important part in the creation of the St. Lawrence Seaway.

INVESTMENT CURBS HIT

A recurrent theme of the study is that the government should put an end to its "voluntary" curbs on overseas investments by U.S. companies. The government should also assure businessmen that no restrictions or controls on capital flows are contemplated, the study said.

Other suggestions for reducing the dollar outflow include:

A North Atlantic common market, including the United States, Canada, Britain and other members of the European Free Trade Association, or "Outer six."

Tax incentives for U.S. exporters.

Troop reductions in Europe.

A conditional most-favored-nation trading principle to give the United States more bargaining power in trade talks.

More "tying" of foreign aid to purchases of U.S. goods and services.

The association said its proposals could reduce the dollar drain by at least $3 billion a year.

Last year the balance-of-payments deficit was $1.3 billion. In the first quarter of 1966 it ran at an annual rate of $3.3 billion.

[From the Journal of Commerce, June 13, 1966]

PLAN OFFERED TO BALANCE U.S. PAYMENTS BY PRIVATE ECONOMIC GROUP

WASHINGTON, June 12.—A multi-faceted and controversial formula for balancing U.S. International accounts without putting the brakes on U.S. direct investment abroad was put forward today by a private group sponsored by some major corporations.

Some 32 points affecting foreign aid, military expenditures, trade policies, tourism, fiscal and monetary policies, international liquidity and private capital movements were contained in the recommendations offered by the International Economic Policy Association in a new book, "The U.S. Balance of Payments, An Appraisal of U.S. Economic Strategy."

The president of the association, N. R. Danielian, has for several years, maintained that the balance of payments problem was unsolvable unless the U.S. used its economic and political leverage to force Europeans and others to give it better terms in international economic affairs.

The new book reflects this basic point of view but spells out how to apply it in a comprehensive range of balance of payments sectors.

Some proposals new to the U.S. debate on how to cure the deficit are put forward in the book.

CHANGE IN AID

One of these implements the view that U.S. foreign aid ought to be extended more in the form of real resources, in the same way that Lend Lease was during World War II, rather than in money.

To this end, it is proposed that a new international foreign aid allocation agency be created, perhaps by conversion of the development assistance committee of the Organization for Economic Cooperation and Development.

The new agency would act as a clearing house through which aid supplying countries could receive requests for aid and allocate among themselves responsibility for meeting such aid as agreed upon. The division would be made "on the basis of their own capacity to produce and give, limited not by balance of payments considerations but only by their willingness to absorb the budgetary costs in their own national budgets and by their capacity to produce."

TOURISTS SUBSIDY

Another suggestion not previously considered in this country as a payments remedy is a subsidy to foreign tourists who come here, given by the U.S. Government via dollar coupons usable in payment of hotel bills and other expenditures in this country.

A third idea not usually broached as a payments remedy but suggested in this book would be making most favored nations treatment conditional "to ensure that the U.S. receives commensurate concessions in the process of granting access to U.S. markets.

Other recommendations call for intensified efforts along lines U.S. authorities are already moving.

Additional points cover East-West trade, ocean freight rates, tax incentives for exporters, redeployment of U.S. troops stationed abroad, liberalization of export credit tax incentives for exports, the government's policy of making "soft" aid loans, and a program to encourage international financing institutions, such as the World Bank, to borrow only outside the U.S. money market until this country's payments deficits are ended.

If all the changes it envisages are made, the book concludes, the balance of payments might be improved by an estimated $3 billion.

[From the U.S. News & World Report, June 20, 1966]

TRADE POLICY: A NEW APPROACH?

The wrong approach is being taken to the U.S. balance-of-payments problem by the Johnson Administration, it's argued in a new book issued on June 13.

The book is a report on two years of study by the International Economic Policy Association, a group of major international corporations.

Its main target: the Johnson Administration's restraints on foreign investments of U.S. firms.

Income flowing back from those investments, said the group, is nearly twice the outflow of dollars on new investments.

In addition, it's noted that purchases of U.S. goods by foreign subsidiaries of U.S. firms account for a sizable part of all U.S. exports.

All told, said the group, these two sources of income to the U.S. amount to 10.8 billion dollars a year, or 30 per cent of all external income to U.S.

The association urges the Administration to "eliminate restraints on direct foreign investment" and to substitute other measures.

The group makes more than 30 other recommendations. Among them: adopt a less-generous trade policy, subsidize travel in the U.S. by foreigners, keep curbs on long-term loans abroad by U.S. banks, subsidize exports and insist that other countries take over more of the foreign-aid burden and that they remove barriers to imports from U.S.

The association also would reduce or redistribute U.S. military forces abroad, tighten credit further in the U.S., and cut back on Government spending. In all, the association said, its program could improve this country's annual position on balance of payments by at least 3 billion dollars.

The association's study is being published under the title, "The United States Balance of Payments: An Appraisal of U.S. Economic Strategy."

[From the Travel Management Newsletter, June 13, 1966]

Research Group Calls for Government Talks To Lower U.S.-Bound International Fares

Inter-governmental negotiations for "especially low" U.S.-bound Atlantic and Pacific fares were urged this week by the International Economic Policy Assn. as one step toward building more tourism to the U.S. and improving the nation's balance of payments.

U.S. subsidies to special classes of foreign tourists and an expanded U.S. Travel Service budget were also recommended.

IEPA, a privately-financed economic research group based in Washington, made the proposals as part of a broad program to correct the international payments deficit. The program was outlined in a 200-page volume, *The United States Balance of Payments: An Appraisal of U.S. Economic Strategy.*

Membership in IEPA includes 20 major international U.S. corporations. Among the directors are representatives of Aluminum Co. of America, Chrysler Corp., Ford International, Goodyear International, International Telephone and Telegraph, Monsanto Co., Owens-Corning Fiberglas and Pfizer International.

IEPA said it is difficult for U.S.-flag airlines and shiplines to force the issue of rate reductions within the carrier conferences. "This responsibility should be taken off their hands . . . and be made the subject of inter-governmental negotiation on an intensive and persistent basis," the group said, adding:

"The most recently adopted concessional tourist round-trip, westbound, trans-Atlantic air rate of $275 from London to New York is still inadequate to meet the needs of potential European travelers to the United States and should be further reduced. As for trans-Atlantic shipping lines, they have not yet addressed themselves to this problem with the specific purpose of encouraging westbound travel. The U.S. Government should throw its resources into negotiating promotional rates on this route."

IEPA also called for the following:

The extension of U.S. government subsidies to foreign tourists in the form of dollar coupons usable in payment for hotel accommodations and other expenditures in the U.S. This would have to be restricted to special classes of people such as students or clubs and group travelers, IEPA said. Initial appropriations of about $10 million a year were suggested, with expansion to $50 million a year if the program proved successful. A five-fold increase in foreign tourist expenditures for every dollar so appropriated would justify the novel experiment, according to IEPA.

An increase in the U.S. Travel Service budget from the current $3 million to $10 million a year. The new funds could be used for in-depth studies and educational efforts to overcome psychological deterrents to travel to the U.S.—cultural inhibitions, nationalistic feelings and "generally the envious and critical attitude of the press and government spokesmen in Europe towards American policy and role in world affairs."

The "Visit USA" and "Discover America" programs are helping, but the tourist gap "remains a hard core problem," IEPA said. Restrictive measures—such as last year's lowering of duty-free allowances for Americans returning from abroad and head-tax proposals—were not seen capable of having any great impact on the deficit in the travel account.

The IEPA book may be ordered at $10 per copy, prepaid, by writing the International Economic Policy Assn., 1625 I St., NW., Washington, D.C.

THE 34TH ANNIVERSARY OF THE CHARTERING OF THE DISABLED VETERANS OF AMERICA

Mr. METCALF. Mr. President, on Thursday, June 16, some of my colleagues in the Senate paid tribute to the Disabled American Veterans.

Today, I am happy to join them in saluting the Disabled Veterans of America, an organization with which I have been proud to be affiliated for the past 20 years.

It is proper that recognition has been extended on the 34th anniversary of the special charter granted by Congress to the DAV as a Federal, nonprofit organization. In remembering that occasion, however, we are well advised to keep in mind several other significant times in the history of the Disabled American Veterans.

The first, of course, was Christmas Day of 1919 when a group of 200 World War I disabled veterans gathered in Cincinnati, Ohio, to pledge themselves to the creation of a full-fledged organization.

Two years later, the new organization held its first national convention and elected as its first national commander Judge Robert Marx, instigator of the DAV idea.

A crucial step was taken at the DAV national convention in Louisville, Ky., in June 1941. At that time, the DAV decided to form a staff of trained national service officers to help veterans prepare, present and prosecute claims with the Veterans' Administration and other Government agencies.

Finally, in 1942, 11 years after Congress had recognized the DAV as the official organization of disabled veterans of World War I, Congress amended the charter to extend eligibility to any American citizen who had been wounded, gassed, injured, or disabled by reason of active service in the Armed Forces of the United States, or of a country allied with it, during time of war. This broadened the representation to incorporate all of America's disabled defenders.

The membership of DAV has grown from the original group of 200 who met in Cincinnati in 1919 to roughly 231,000 participating members today. These include men who fought in World War I, World War II, the Korean war, and the present conflict in Vietnam.

Actually, the supporting membership of DAV represents only about 10 percent of the more than 2 million American war veterans who receive disability compensation from the U.S. Veterans' Administration. But the entire group of disabled veterans, regardless of their membership or nonmembership in DAV, is indebted to that organization for its success in promoting the enhancement of benefits extended under the laws.

We in Congress have come to know the DAV as an organization which vigorously works for legislation to assure that the Nation translates into earned tangible benefits its gratitude to its disabled wartime defenders.

Beyond the legislative field, a corps of 150 professionally trained DAV field officers extends direct personal service to disabled veterans throughout the Nation. The veterans are aided in obtaining the full benefits to which they are entitled under our legislation. Since the end of World War II, this free assistance has been given directly to more than 1.5 million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment.

I am well aware of the extensive service made available to disabled veterans in my own State through the field office that serves Montana. I have been impressed by the work done by that office on behalf of wartime disabled Montanans and have described its record of service in detail on the floor of the Senate previously.

The Disabled American Veterans is an organization which fills a definite need and does its job well. In offering my congratulations upon this 34th anniversary of congressional chartering, I wish to endorse the tribute paid the DAV by the late President John Kennedy:

> Your experience in the crucible of war has strengthened your sense of responsibility so that others may look to you with trust. And your example continues to inspire all America's physically handicapped, both veteran and nonveteran.

Mr. MANSFIELD. Mr. President, will the Senator from Montana yield?

Mr. METCALF. I am glad to yield to my colleague.

Mr. MANSFIELD. I wish to associate myself with the remarks of my distinguished colleague in what he has just said about the Disabled Veterans of America.

The Senator himself is a member of the DAV and has made many significant contributions to the welfare of that most deserving organization.

We in the State of Montana consider the DAV to be one of the great veterans organizations. We appreciate too the many outstanding contributions which it has made to the welfare of our country. So I join with my colleague from Montana and with many other Members of this body in paying tribute to this great organization.

Mr. METCALF. I thank my colleague. I heartily concur in his statements.

Mr. RIBICOFF. Mr. President, last Friday, June 17, 1966, marked the 34th anniversary of the chartering of the Disabled American Veterans. In the intervening years this great organization has grown to include over 230,000 members in more than 1,800 chapters—and the size of the DAV itself reflects the tremendous sacrifices made by brave men for their country. The DAV has earned a well-deserved reputation for service to disabled veterans and their families through a number of outstanding programs.

By employing its corps of national service officers at Veterans' Administration offices, the DAV provides major assistance in the preparation and filing of claims of disabled veterans and their families. In performing this function, the DAV helps, in a very real sense, to fulfill the intent of the Congress by bringing together the programs the Congress has enacted and those for whom the programs were intended.

Since 1945, DAV national service officers, paid entirely from DAV funds, have given assistance free of charge to over 1½ million disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, rehabilitation, job training, and employment. In the last half of 1965 alone, the DAV national service program handled over 40,000 cases.

Mr. President, the Disabled American Veterans organization has much to be proud of. It is truly a pleasure and a privilege to join in this salute of appreciation. For when we salute the DAV, we pay tribute to the men and women who sacrificed so much in the service of our Nation—and on behalf of each one of us. No tribute is more deserved than theirs.

Mr. HART. Mr. President, one is almost reluctant to speak admiringly of an organization to which he himself belongs. Certainly, there is no better evidence of respect for an organization than membership in it.

Still, praise for one's organization, like praise for one's family, seems more genuine and graceful when it originates outside the circle.

I am even more reluctant, however, to let Disabled American Veterans' Day slip past without making some comment about this remarkable organization.

The DAV, formed in Cincinnati some 47 years ago, is the largest single veterans' organization of wartime wounded in the world. And since World War II, this organization has given free assistance to more than 1,500,000 disabled veterans and their families in obtaining medical care, hospitalization, disability compensation, job training and employment.

In this function, the DAV serves a very real need. There are thousands of veterans who are eligible for help and either do not know it or do not know how to go about getting it.

Government, after all, can often seem a formidable and forbidding structure. And advice is often more easily sought from an organization of men with common experiences and problems.

In the last 6 months of 1965, for example, the DAV handled 40,742 cases, handled 115,000 VA claims and prepared 30,000 briefs.

Representation by the DAV is not contingent on membership. In fact, we note that the number of claims it handled in just 6 months is nearly half the total membership, which now stands at 230,000.

The DAV has also strongly supported veterans legislation, not automatically or irresponsibly but prudently.

This is an organization with a fine record and I am happy to join in this congressional salute.

Mr. HILL. Mr. President, at a time when the vogue seems to be to censure patriotism, it gives me great pleasure to recognize a group whose sole purpose is dedicated to a patriotic cause. This group, the Disabled American Veterans, is to be congratulated on its many contributions to our veterans and their families. On the 34th anniversary of its chartering by Congress as a national service veterans organization, which was commemorated on last Friday, June 17, it is indeed fitting to recognize some of its many achievements.

The DAV was founded in 1919 and was incorporated as a Federal nonprofit organization on June 17, 1932, by the 72d Congress. Since that time, it has presented programs to Congress that have provided for services such as compensation, employment, insurance, home loans, and hospitalization for our disabled veterans.

It is from organizations such as this that the great American spirit can be seen at work. The Disabled American Veterans has unfailingly supported those Americans who have suffered hardships because of service to their country. Through its many programs the DAV has served and enriched the lives of Americans everywhere. On its 34th anniversary, I would like to commend the DAV for its many fine and noble works.

Mr. KENNEDY of Massachusetts. Mr. President, Americans have always felt a deep obligation to those citizens who have been mentally or physically disabled in the defense of their country. Today it is my privilege to salute the 34th anniversary of the granting of a congressional charter to the Disabled American Veterans, an organization dedicated to a more complete fulfillment of a duty that all citizens share—the improvement of the condition, health and interests of all wounded and disabled veterans.

The disabled veteran faces innumerable obstacles in his search for a normal life. By the nature of his handicapped condition he has an acute need for services that are basic for all citizens, namely medical care, employment, and insurance. Added to these primary necessities are particular benefits which in all justice he deserves—benefits such as rehabilitation, compensation and job training.

The Disabled American Veterans national service officers program has been a dynamic force in helping veterans satisfy these needs. These officers perform an invaluable service by providing guidance and free legal aid to veterans applying for well-deserved benefits. Since World War II over a million and a half ailing veterans have been helped in settling their claims by the NSO. This task that has been so fruitfully accomplished by the NSO is supported by the 231,000 members of the Disabled American Veterans with no help from the Federal Government. This work is, to say the least, highly commendable.

Recently there has been an increasing need for the services of the Disabled American Veterans. This organization keeps us alert not only to the problems of veterans of past wars, but also to the new demands created by the Vietnam crisis. Of vital importance also is the Disabled American Veterans' constant stimulation of legislation directed toward the improvement of benefits to armed services veterans.

I congratulate the Disabled American Veterans on their 34th anniversary.

DAV DAY ON THE HILL

Mr. MOSS. Mr. President, within the past century this country has been engaged in six major armed conflicts. The cost of our unceasing effort to defend freedom around the globe has been heavy. Not only have hundreds of thousands of young Americans died on the battlefield but a quarter of a million have returned home with permanent injuries of body and spirit. Just as we set aside Memorial Day to pay tribute to the valor and unselfish sacrifice of servicemen who gave their lives for their country, I think it is fitting that today we have set aside a day to remember and to honor men who have also paid dearly the price of war, and who have borne their afflictions in uncomplaining silence. It is but a small token of this Nation's gratitude to her disabled veterans.

It is therefore a privilege to join my colleagues in this Congress in saluting the Disabled American Veterans on the 34th anniversary of their congressional charter. When 200 dedicated veterans disabled in the First World War first banded together in 1919, they could not foresee the importance their organization would one day achieve. Today the Disabled American Veterans is the official voice of 230,000 disabled veterans in this country. The responsibility entrusted to the DAV, clearly stated in their charter, "to advance the interest and work for the betterment of all wounded, injured, and disabled veterans; to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans" is carried forward vigorously every day.

As a national organization the DAV remains true to the interests and the needs of the individual members. There is no better proof of this than the exemplary activity of the 150 national service officers, men trained by the DAV to assist the disabled veterans from all wars since the Spanish-American War. These are dedicated men who are especially prepared to help the disabled veteran present and resolve his problems, whether they relate to medical care, rehabilitation, compensation, job training, employment, or insurance. The value of this service cannot be underestimated, especially at a time when the administration of veterans' legislation at the Federal level is growing in complexity as well as comprehensiveness.

The Disabled American Veterans is constantly acting to assure that its members receive the assistance to which they are entitled. If I may draw an illustration from my own State of Utah, where there are 18 local chapters with a total membership of 2,654 disabled veterans, the significance of the job being done by this organization can be made even clearer. In this fiscal year alone, that is, from last July to the present date, the national service officer in Salt Lake City has handled 3,000 claims amounting to well over $1 million.

I want to take this opportunity to pay tribute to National Commander Claude

Callegary and his national officers. They are active not only on the local level, helping individuals meet their needs, but at the Federal level as well, taking an active interest in the legislative affairs which directly affect disabled veterans. Support and constructive evaluation of the many proposals which are offered in this Congress are essential for sound veterans' policies. The DAV demonstrates the value of a special interest group in providing this necessary evaluation. In an age when the size and impersonality of governments endanger the reality of a representative system, organizations such as the DAV are vital to our democracy. The DAV keeps in contact with the 1,834 local chapters scattered throughout the country, and is an effective voice in Washington for them.

This fine veterans organization is an inspiration to all people of America who love their country and their freedom. We have only this one day for speeches, but let us not forget the services being carried on by the DAV all the time.

CATV, TRANSLATORS, AND COPYRIGHT

Mr. METCALF. Mr. President, the U.S. District Court for the Southern District of New York has recently handed down an opinion which would require community antenna television systems to pay copyright royalties for all television programs which their subscribers view by means of their connections to CATV systems. I am deeply disturbed at the broad implications of this decision, not only as it applies to community antenna systems, but because the ruling could be applied to television translator or booster stations. There are thousands of such booster stations and almost 2,000 community antenna systems which deliver the signals of the large metropolitan area television stations to the sparsely populated areas throughout the country. In the West, hundreds of thousands of viewers would be without any or adequate television reception if it were not for community antennas and translators.

The imposition of special copyright charges for viewing these programs will impose an undue and unfair discrimination upon these people who by their purchase of the products which are advertised on television have contributed their share of revenues to the advertisers which are used to pay the copyright fees. If community antenna and translators are required to pay additional fees, this burden obviously will be borne by the viewers who are thus required to make additional and burdensome payments for television service.

The court decision is so broad that it even applies to apartment house and hotel master television antenna systems. This is true even when the master antennas are located in the same city as the television stations they receive. A community antenna in Missoula, Mont., would have to pay copyright fees for programs received off the air from a television station located in Missoula, even though the station, the advertiser, and the program owner fully contemplated that the residents of Missoula would receive those broadcasts when the station was licensed by the copyright owners.

I am informed that there are over 500 organizations which provide programs for television broadcasting and that probably 25 or 30 of these provide 90 percent of the programs. It is manifestly impossible for community antennas against whom this decision would be applied, if it is affirmed by the higher courts, to negotiate license fees and clearances for all of the programs which are broadcast by stations they receive. They often are not even aware of what programs will be broadcast and have no information as to the copyright owners. Also, since there is no legal requirement that the community antennas be licensed by the copyright proprietors, there will be substantial disruption of service if Congress does not step into the picture immediately. There may well be circumstances under which CATV's and translators should obtain copyright clearances. I do not pass judgment on this issue at this time except to say that these fees should not be burdensome and should not apply when the CATV is within off-the-air reception range of the stations it receives. I understand that Subcommittee No. 3 of the House Committee on the Judiciary has held hearings on general copyright revision—H.R. 4347—and that it is considering the community antenna problem. There has also been introduced in the Senate and referred to the Judiciary Committee a similar bill proposing general copyright revision which in addition relates to CATV. No hearings have been held by the Senate committee which is awaiting final action by the House.

The copyright laws have not been revised in over 50 years and many groups having conflicting interests are presenting their views to Congress on general revision. I believe it therefore will be impossible for Congress to pass legislation providing for general copyright revision at this session and it is quite possible that the Supreme Court could have taken final action on the appeal of the ruling of the District Court for the Southern District of New York. If that ruling is affirmed, a chaotic condition will result insofar as television reception in thinly populated areas is concerned. I suggest that the appropriate committee of the Senate and the House which are concerned with copyright revision consider the application of the copyright laws to community antenna systems and translators in a separate special bill in order that immediate action can be taken to establish appropriate and fair copyright policies to be applied to CATV and translators. If it is determined that copyright clearances should be required under any circumstances to provide for compulsory licensing, a statutory licensing fee and the necessary administrative machinery to effectuate the legislation. Mr. President, I consider the need for this legislation to be extremely urgent since possibly nothing can arouse the ire of our constituents more quickly than depriving them of their television service.

UNFAIRNESS OF OPERATION OF PRESENT DRAFT LAW

Mr. YOUNG of Ohio. Mr. President, a great evil of our present selective service law is that there are numerous injustices in the manner of meeting quotas by the action of local draft boards. Under the law apparently too much discretion is placed with local boards. Hence, in the administration of the law there are frequent differences in the action of local boards even in one section of the State in comparison with the action of local boards of some other cities or counties in the same State.

A glaring wrong of the operation of our present Selective Service System is that high school graduates in families in more affluent circumstances seem to have privileges denied to youngsters of families in moderate, or poor, circumstances. It is dead wrong, for example, that some youngsters in their final year in high school are granted deferments to pursue a higher education, whereas others alike in many respects but from less fortunate families are inducted into the Armed Forces. A young man of 18 to 21 who takes action for the purpose of avoiding being drafted is surely making a bad start in life. We must take action in the Congress to discourage and in fact prevent the avoidance of service in our Armed Forces. President Kingman Brewster, of Yale University, put it this way. He stated that unfortunately our present draft law is such as "to encourage a cynical avoidance of service, a corruption of the aims of education, and a tarnishing of the national spirit." Those youngsters whose families can afford the expenditure to send them to universities should not be set apart as a privileged class. Frankly, it is doubtful if many of these boys welcome such a status.

This Nation is presently involved in a grim civil war in the faraway jungles, swamps and mountains of Vietnam. Any intelligent young man may very well question the Nation's leadership which has resulted in causing hundreds of thousands of young Americans to fight in faraway Vietnam which is of no strategic importance to the defense of the United States and whose nationals have not engaged in any wanton attacks or assaults against the United States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent to proceed for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG of Ohio. We Americans like to consider ourselves lovers of liberty. We have been a revolutionary people, however, in Vietnam we are carrying forward the role of French colonial soldiers. It is an amazing spectacle that there is reason to regard us as a most unrevolutionary nation.

Incidentally, it was startling to read in Parade magazine of yesterday, June 19, that of the 10 generals who, in June 1965, in a militarist coup upset the civilian administration in Saigon, 9 had fought with the French against their own people, in seeking to continue the French Indochinese colonial oppression of the Vietnamese people. They fought against their own liberty-loving Vietnamese people. They were the tories in the time of the fight for freedom by the National Liberation Front, fighting against the patriots or revolutionists of that time. Prime Minister Ky also served the French forces up to the withdrawal of the French from Indochina in 1954. That happened not because 12,000 French troops were defeated at Dien Bien Phu in May of 1954, but because France had been bled white in Indochina—just as the money of the taxpayers of this Nation is being squandered now in Vietnam.

Mr. President, we in the United States should not tolerate a selective service system which in effect permits some young men physically and mentally fit to serve in our Armed Forces to be able to avoid serving in the Armed Forces by adopting procedures that amount practically to the purchasing of deferments.

Let us strive to intelligently review the operation of the present Selective Service System and seek to assure more equitable and more fair operation of the draft law. There is no possible justification for wholesale deferments of young men from the operation of the draft law. University students should be required to take their chances on being called into active duty the same as a high school graduate who goes to work. I have no quarrel with deferment of young men who are pursuing a higher education in medical schools or possibly in some scientific fields. However, definite guidelines for such deferments should be laid down so there will be uniform enforcement throughout the country.

Let us strive for a change in the present system and make every effort to bring about a healthy national atmosphere of a fair deal to all young men of draft age.

CONGRESS SHOULD SAY "NO" TO WEST FRONT EXTRAVAGANCE

Mr. PROXMIRE. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PROXMIRE. The $34 million proposal to extend the west front of the Capitol should have the most searching and critical scrutiny by the Appropriations Committees and Congress.

As a member of the Legislative Subcommittee of the Senate Appropriations Committee, I listened last Friday for more than an hour to the attempt by Mr. Stewart and his staff to justify this enormous expenditure to extend the west front of the Capitol.

Frankly, I was appalled. If Congress proceeds to spend this money without a great deal of additional justification, it will be a disgrace.

Mr. Stewart's justification was a total failure. The Capitol Architect attempted to justify this immense investment on two grounds:

First. That the extension would provide 4½ additional acres, about 200,000 square feet of additional space—an increase of about 25 percent in the Capitol—primarily for two large new restaurants and a big new cafeteria, a couple of extra conference rooms for Members of Congress, some restrooms for tourists and some storage space.

The second justification was that the extension is necessary as the most economical and feasible way of shoring up the Capitol's west wall, which otherwise is likely to crumble and collapse within a few years.

Now, Mr. President, if there is anything the Nation does not need, it is additional restaurant facilities at the Capitol. The Senate and House restaurants are already notorious money losers. The taxpayer is paying several hundred thousand dollars in subsidies each year for these operations.

The new restaurants might well succeed in shoving the subsidy to over a million dollars a year.

The restaurants are losing money, in large part because the Capitol's present 600 capacity is not fully used. The additional proposed 1,100 capacity would bring the total to 1,700, a fantastic increase of nearly 200 percent at the Capitol itself. In addition, both the Senate and House Office Buildings presently have large and not fully used restaurant facilities.

The need for additional meeting rooms in the Capitol is nil, zero, nothing. We have just finished an immensely expensive extension of the east front of the Capitol at a multimillion-dollar cost. The new meeting rooms are generally used only a very few hours each week.

Constituents have complained to me about many difficulties in Washington, but there have been no complaints showing a need for more restrooms or restaurants at the Capitol.

The contention of the Architect that this $34 million extravaganza represents the most economical way to shore up the walls of the west front is an insult to the intelligence of Congress.

His staff experts admitted that this was a controversial judgment, that other engineers and architects might very well disagree; and yet no consideration was given to alternative methods of preserving, protecting, or replacing the west wall.

Neither the Architect nor any of his experts could make any estimates of alternative costs for achieving this objective. Indeed, the absence of such alternatives discloses the failure of the Architect even to consider other far more economical ways of providing the necessary modern construction.

Here, as in other cases, the Capitol's Architect has failed to consult, as Congress has clearly required, with a sufficient number of competent, disinterested, outside authorities.

If the Congress proceeds on this pitifully inadequate advice, it will deserve the ringing public denunciation for waste and extravagance this proposal is sure to bring it.

THE SITUATION IN THE DAIRY INDUSTRY

Mr. PROXMIRE. Mr. President, I have spoken with regard to this matter and have joined my colleagues, Senators NELSON, MONDALE, and MCCARTHY, in speaking about the dairy industry in the United States, and about the fact that we have been producing less milk this year, according to the Department of Agriculture, than we produced in 1940, when the population of this country was only 135 million.

The major reason for this is the failure of the Department of Agriculture to provide adequate price supports.

An interesting article on this subject appeared in U.S. News & World Report for June 20, 1966, which I ask unanimous consent be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the U.S. News & World Report, June 20, 1966]

DAIRY PRODUCTS: WHY PRICES KEEP RISING

The prices of milk and other dairy products edge higher and higher. So does the volume of complaints from housewives.

The prospect, however, is for even higher prices for milk, butter and cheese.

The reason, according to farm economists: Dairy farmers have been going out of business in droves. Production of milk in the U.S. is at the lowest level in more than a decade.

Economists are predicting, too, that a lot more farmers are going to give up milking cows.

A daily exodus. In Wisconsin, the nation's No. 1 dairy State, 14 dairymen, on the average, have been quitting every day. That report comes from H. M. Walters, head of the State's office which keeps the record of farm statistics. This means that more than 5,000 herds have been liquidated in the past year.

The flight from Wisconsin dairy farms is growing. In the last nine months of 1965, the State lost as many dairy herds as in the previous five years.

The same story is reported from New England. One out of every six dairymen gave up and quit in Vermont in 1965. That was an acceleration of a trend that has seen half the State's dairy farmers go out of business in recent years.

In New York State, where dairy herds supply millions of city dwellers, thousands of farmers have decided that they want no more of the daily grind of milking cows—at least not at prices paid to farmers for milk these days.

Five percent drop. Agriculture Secretary Orville L. Freeman took note of the problem on June 3. He told a news conference: "Milk production so far this year is 5 percent below year-ago levels, and the number of dairy farmers who are leaving the business has nearly doubled in four years."

What dairymen get. In Vermont, Willis Torrey, Jr., president of the Rutland County Farm Bureau, said recently that dairymen got an average of 9.6 cents per quart for their milk in 1946. Throughout 1965, says Mr. Torrey, Vermont dairy farmers were getting 9.5 cents a quart.

Other figures cited by Mr. Torrey, as compiled by the Vermont Agricultural Extension Service: Some Vermont dairymen have more than $100,000 invested in their farms, but are getting less than $60 a week for their labor and interest on their investment combined. Many dairymen have records showing average weekly incomes of less than $30.

From farm to factory. That kind of pay, in the view of many dairy farmers, just isn't enough for a job that entails milking a herd of cows twice a day, 365 days a year. That is found to be especially true in areas where jobs in nearby factories are plentiful.

Reports "Farm Journal" magazine from Wisconsin: "Nearby industries are even coaxing 55-year old farmers to sell out—dairymen who have milked cows all their lives."

The magazine quotes one farmer who quit the dairy barn to take a factory job: "This job is a lot easier than farming and its pays better."

Even higher prices paid to farmers for milk have failed to stop the exodus from dairy barns in Wisconsin. Farmers are getting around 50 cents more a hundredweight for their milk than a year ago.

"Obviously, prices haven't gone up enough," concludes "Farm Journal."

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am glad to yield to the Senator from Washington.

Mr. MAGNUSON. Another result of the dairy farmer's not having a sufficient income will be to reduce the herds still further. They keep reducing the number of milk cows and dairy cows. The number is going down across the country because the farmers cannot break even. If this keeps up, the situation is going to be even worse in production.

Mr. PROXMIRE. The Senator from Washington could not be more right. From the available statistics, the average dairy farmer in my State has an investment of $50,000 per farm, according to the Department of Agriculture statistics. Even on a return of 5 percent on investment, it amounts to less than 60 cents an hour for the most efficient producers in the world, with this great investment.

Mr. MAGNUSON. I have always said to farm groups that, if they were not employing themselves, we would have to put them in jail for violating the minimum wage laws.

Mr. PROXMIRE. The Senator is correct. I agree with him wholeheartedly.

RELIEF OF CERTAIN CIVILIAN EMPLOYEES AT COLUMBIA BASIN PROJECT

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House on S. 2307.

The PRESIDING OFFICER (Mr. MONTOYA in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2307) for the relief of certain civilian employees and former civilian employees of the Bureau of Reclamation at the Columbia Basin project, Washington, which were, on page 1, lines 4 and 5, strike out "the Bureau of Reclamation at the Columbia Basin Project, Washington,", and insert "Region 1 of the Bureau of Reclamation"; on, page 1, lines 7 and 8, strike out "July 16, 1951, through April 24, 1965,", and insert "August 6, 1950, through December 4, 1965,"; on page 2, after line 2, insert:

COLUMBIA BASIN PROJECT, WASHINGTON

On page 2, three lines after line 2, strike out "2,090.46," and insert "2,093.46"; on page 2, fifteen lines after line 2, strike out "1,518.56," and insert "1,521.56"; on page 2, eighteen lines after line 2, strike out "690.10," and insert "693.58"; on page 2, nineteen lines after line 2, strike out "487.40," and insert "491.60"; on page 2, twenty lines after line 2, strike out "680.12," and insert "683.57"; on page 2, forty lines after line 2, strike out "583.38," and insert "586.50"; on page 3, five lines from the top, strike out "330.27," and insert "334.47"; on page 3, twelve lines from the top, strike out "798.19," and insert "801.55"; on page 3, eighteen lines from the top, strike out "610.38," and insert "620.28"; on page 3, twenty-one lines from the top, insert:

Regional Office, Boise, Idaho

Bushnell, Vernon C	389.69
Kern, Wilson S	.96
Leslie, Bernice	12.50
Wersen, Harold E	8.09
Walters, Raymond A	808.16

Central Snake Projects Office, Boise, Idaho

Siebert, Vernon E	5.60
Marshall, Claude H	8.41

Minidoka Project Office, Rupert, Idaho

Arent, Howard C	99.16
Craven, Junior P	24.80
Finley, Charles R	189.65
Pearson, Leroy A	63.32
Stefan, Edward A	290.19

Upper Columbia Development Office, Spokane, Washington

Ehmer, George L	60.00

Snake River Development Office, Boise, Idaho

Magleby, Dan N	974.96

Baker Project Office, Baker, Oregon

Olson, Sidney E	326.40

The Dalles Project Office, The Dalles, Oregon

Nichols, Earle B	249.60
Skinner, Lois R	67.20

McKay Field Station, Pendleton, Oregon

Venable, John S	879.20

Chief Joseph Dam Project Office, Oroville, Washington

Heldenbrand, Warren D	282.56

Spokane Valley Project Office, Spokane, Washington

Criswell, Albert O	409.08
Powell, Leo M	1,511.28
Herrboldt, Calvin R	647.86

Yakima Project Office, Yakima, Washington

Hewitt, Glenn M	22.88
Jacobson, Arthur G	118.80

And to amend the title so as to read: "An Act for the relief of certain civilian employees and former civilian employees of Region 1 of the Bureau of Reclamation."

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

COMMITTEE MEETINGS DURING SENATE SESSIONS, TODAY AND TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be permitted to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Agriculture and Foresty be permitted to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTE TOMORROW ON TREATIES, EXECUTIVES B, C, H, AND D

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at 12:20 o'clock p.m. tomorrow a vote be taken on Executives B, C, H, and D, of the 89th Congress, four treaties presently on the Executive Calendar; that the treaties be considered en bloc, as if in executive session; and that the votes thereon appear in the CONGRESSIONAL RECORD separately, as if the treaties were voted upon individually.

Mr. FULBRIGHT. Mr. President, for the information of the Senate I ask unanimous consent to insert at this point in the RECORD brief explanatory statements relating to the tax protocols with the United Kingdom and the Netherlands—Executives B and C, 89–2—the protocol to Mexican Broadcasting Agreement—Executive D, 89–2—and the amendments to the Convention of the Inter-Governmental Maritime Consultative Organization—Executive H, 89–1. In accordance with the agreement entered into previously, these protocols will be voted on en bloc tomorrow.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TAX PROTOCOLS WITH THE UNITED KINGDOM AND THE NETHERLANDS

GENERAL PURPOSE OF PROTOCOLS

1. Supplementary convention with the Netherlands

This supplementary convention was signed on December 30, 1965, and transmitted to the Senate on March 10, 1966. It would modify the basic convention of April 29, 1948, as amended by supplementary protocols of June 15, 1955, and October 23, 1963.

According to the Department of State's letter of submittal, the primary purposes of the supplementary convention are to enable the Government of the Netherlands to impose a withholding tax on dividends derived from Netherlands' sources by U.S. residents and corporations, to modernize the existing convention by bringing it more closely in line with more recent income tax conventions concluded by the United States, and to reflect certain principles expressed in the model income tax convention of the OECD.

The supplementary convention would enter into force on the date instruments of ratification are exchanged. Except with regard to the provisions dealing with dividends, the articles of the supplementary convention are to be effective for taxable years beginning on or after January 1 in the year following the year in which such exchange takes place. It should be noted, however, that the supplementary convention applies only to that part of the Kingdom of the Netherlands which is situated in Europe.

2. Supplementary tax protocol with the United Kingdom

This supplementary protocol was signed on March 17, 1966, and transmitted to the Senate on April 21, 1966. It would amend the basic convention of April 16, 1945, as modified by supplementary protocols of June 6, 1946, May 28, 1954, and August 19, 1957.

The new protocol would make substantive changes in the existing convention which are considered desirable because of the enactment of the United Kingdom Finance Act of 1965. Several new articles would be added and the provisions in the basic convention relating to dividends, interest, and royalties would be substantially modified.

In general, the provisions of the supplementary protocol become effective on January 1, 1966 (in the case of the United States), and on April 1, 1966 (in the case of the United Kingdom). However, certain provisions become effective in accordance with special provisions therefor.

Appended to this report are statements and memoranda submitted by the Staff of the Joint Committee on Internal Revenue Taxation and the Treasury Department which contain a detailed explanation of the provisions of the supplementary convention with the Netherlands and the supplementary protocol with the United Kingdom.

COMMITTEE ACTION

The Subcommittee on Tax Conventions under the chairmanship of Senator GORE held a public hearing on the supplementary convention with the Netherlands and the supplementary protocol with the United Kingdom on May 13, 1966. At that time, Mr. Stanley S. Surrey, Assistant Secretary of the Treasury, testified in support of both agreements. Testimony was also received from Mr. L. N. Woodworth, chief of staff, Joint Committee on Internal Revenue Taxation. In addition, a statement and a letter recommending early and favorable action on the protocols were received from the Department of State and the National Foreign Trade Council, respectively. No witness testified against the protocols and the committee has not received any communications opposing either of them.

The Subcommittee on Tax Conventions met in executive session on May 26, 1966, and ordered both protocols reported to the full committee after Mr. L. N. Woodworth of the Joint Committee on Internal Revenue Taxation testified that he was not aware of any objection to either of the agreements. The Committee on Foreign Relations considered the protocols in executive session on June 16, 1966, and ordered them reported favorably with the recommendation that the Senate give its advice and consent to their ratification.

PROTOCOL TO MEXICAN BROADCASTING AGREEMENT

PURPOSE

The protocol amends the 1957 Broadcasting Agreement with Mexico by providing for the expiration of the agreement on December 31, 1967. Under its original terms, the agreement expired on June 9, 1966, 5 years from the date of entry into force, June 9, 1961. The United States and Mexico have exchanged mutual assurances that the provisions of the now expired agreement will be given effect by each Government to the extent that this is possible in conformity with applicable laws within their jurisdiction until the new protocol comes into force.

BACKGROUND

The 1957 Broadcasting Agreement with Mexico regulates the use of the standard broadcast (AM) band. The band is divided into 107 channels, which in turn are grouped into clear, regional, and local channels. The agreement provides a basic pattern for the use of these channels by prescribing engineering standards, procedures, classes of stations, radio frequency priorities, and similar regulations. A detailed description of the agreement is contained in Executive Report No. 2, 86th Congress, 2d session, February 11, 1960. The Senate gave its advice and consent to ratification of the agreement on February 23, 1960, by a vote of 76 to 8.

COMMENTS AND RECOMMENDATIONS

The protocol was signed on April 13, and transmitted to the Senate on May 23, 1966. The Committee on Foreign Relations held a hearing with executive branch witnesses on June 14. Their prepared statements are printed in the appendix. Various communications were also received from representatives of the broadcasting industry and agricultural groups supporting or expressing no opposition to the agreement. On June 16, 1966, the committee voted to recommend to the Senate favorable action on the protocol.

AMENDMENTS TO THE CONVENTION OF THE INTERGOVERNMENTAL MARITIME CONSULTATIVE ORGANIZATION

PURPOSE

The purpose of these amendments to the Convention of the Intergovernmental Maritime Consultative Organization (IMCO) is to increase the size of the IMCO Council from 16 to 18 members, to provide for their election by the IMCO Assembly, and to set forth the following principles for their election:

(*a*) The six governments with the largest shipping services (this includes the United States);

(*b*) The six governments with the largest interest in international seaborne trade; and

(*c*) Six governments not falling under (*a*) or (*b*) above which have special interests in maritime transport or navigation and whose election will insure geographic representation.

Except for the fact that henceforth they will be elected instead of designated, the first two categories are the same as before. The present convention contains two additional categories: one category provides that two governments are to be elected from those having substantial interest in providing shipping services, and the other category provides that two governments are to be elected from those having substantial interest in international seaborne trade. These categories will be combined by the amendments and increased to six members, with geographic representation added as a principle to be considered.

BACKGROUND

The Convention of the Intergovernmental Maritime Consultative Organization was signed in 1948 and received the Senate's approval in 1950. The Organization came into being in 1958, is entirely consultative, as its name stresses, and deals with technical matters having to do with international shipping. Its recommendations are subject to action by member nations before having any force and effect. The United States is particularly interested at the present time in the work of IMCO's Maritime Safety Committee which is considering additional fire safety standards for inclusion in the 1960 Safety of Life at Sea Convention as a result of the *Yarmouth Castle* and *Viking Princess* fires.

COMMITTEE ACTION AND RECOMMENDATION

These amendments were submitted to the Senate on September 13, 1965. They require acceptance by two-thirds of the members before entering into force 12 months later. More than half the members have already accepted them and it is hoped that the required number of acceptances can be reached by September so that the amendments will enter into force in September 1967 when the next election of governments to the IMCO Council will take place.

The urgency of action was stressed by William K. Miller, Director of the Office of Maritime Affairs of the Department of State, at a public hearing on June 14. His full statement is printed in the appendix to this report. Neither the committee nor the Department of State is aware of any opposition to the amendments. On June 16, 1966, the Committee voted to report the amendments favorably.

Similar expansion of the executive or governing bodies of various international organizations to reflect their increased membership has been approved by the Senate from time to time; most recently in 1965 with respect to the United Nations Security and Economic and Social Councils.

The Committee on Foreign Relations concurs in the desirability of approving these amendments on their own merits as well as in the interest of advancing important U.S. goals for improved maritime safety. It urges the Senate to give its advice and consent to ratification at an early date.

ESTABLISHMENT OF CONTIGUOUS FISHING ZONE BEYOND TERRITORIAL SEA OF UNITED STATES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1248 (S. 2218), and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2218) to establish a contiguous fishing zone beyond the territorial sea of the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment on page 1, line 4, after the word "The", to strike out "jurisdiction of the United States extends to all waters in the zone and the"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is established a fishery zone contiguous to the territorial sea of the United States. The United States will exercise the same exclusive rights in respect to fisheries in the zone as it has in its territorial sea subject to the continuation of traditional fishing by foreign states within this zone as may be recognized by the United States.

SEC. 2. The fishery zone has as its inner boundary the outer limits of the territorial sea and as its seaward boundary a line drawn so that each point on the line is nine nautical miles from the nearest point in the inner boundary.

SEC. 3. Whenever the President determines that a portion of the fishery zone conflicts with the territorial waters or fishery zone of another country, he may establish a seaward boundary for such portion of the zone in substitution for the seaward boundary described in section 2.

Mr. BARTLETT. Mr. President, the bill was introduced about 1 year ago, and extensive hearings on the proposed legislation were held before the Subcommittee on Merchant Marine and Fisheries of the Committee on Commerce. No administration witnesses appeared to oppose the bill, and it received strong support from the Atlantic, gulf, and Pacific coast fishing interests.

Today, more than 50 nations have assumed jurisdiction over their fishery resources out to 12 miles, and a number of nations have extended their jurisdiction beyond this distance. At this time, the United States is one of about 15 maritime nations that do not have jurisdiction over the coastal fishery resources beyond 3 miles.

At the hearings, witnesses testified that the proposed legislation would keep foreign fishing vessels out to a distance of 12 miles, rather than to the present 3-mile limit, and therefore would make available to American fishermen approximately 120,000 square miles of ocean free from foreign fishing vessels and gear interference.

The distinguished chairman of the Committee on Commerce [Mr. MAGNUSON] and I, who have been instrumental in advancing the bill, fully understand and recognize the fact that it cannot and does not afford all the protection desired and needed by some elements of the American fishing industry.

We do know that it will give more assistance than it is now possible to give. The passage of the bill will represent a constructive and long step forward in the building up of our fishing industry, an industry which is so important to the entire United States.

Mr. MAGNUSON. Mr. President, I join in what the Senator from Alaska has said regarding the legislation. I express my appreciation to him and to the distinguished junior Senator from Massachusetts [Mr. KENNEDY] and to other Senators who have cosponsored the measure.

As the Senator from Alaska pointed out, several nations have asserted a 12-mile limit on fishery rights throughout the world. Other nations have not.

The Senator from Alaska and I have had a long struggle in an attempt to convince the State Department, the Defense Department, and others of the necessity of establishing at least a 12-mile limit for our fisheries. We fully realize that this is only a step forward, and that it will not completely protect our valuable coastal fisheries. Even now, off the coast of the State of Washington, a large Russian fishing fleet is in operation. We keep that fleet under such surveillance as we can, but no matter what we do and no matter how much they suggest that they are protecting and conserving our high seas fisheries, there is much evidence tending to show that this is not true.

One can deplete the coastal fisheries very quickly. The Russians have been operating their fleets off the Alaskan coast for a long time. The passage of the pending measure would be very helpful to Alaska. Canada has established its 12-mile limit.

The Russians are taking perch. Perch is a fish that matures late, at the age of 8, 10, or 12 years. After the perch have been taken from the perch beds off any part of the shore of the United States, it will be years before they will come back again.

The Russians have also been taking some hake. We hope someday to manufacture protein concentrate from hake. This would help supplement diets in the United States and all over the world. I do not know whether the indiscriminate taking of hake by the Russians will wipe out the tremendous hake resources off the Pacific coast. However, the situation is not good. Whatever they are doing, at least they are not limited by any conservation rule.

The senior Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Alaska [Mr. BARTLETT] have been most conscientious in trying to keep our coastal fisheries alive. Many other Senators have helped in this endeavor.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BARTLETT. Mr. President, I should like to note that the senior Senator from Massachusetts is one of the sponsors of the bill. Other sponsors are the Senator from Rhode Island [Mr. PASTORE], the Senator from Connecticut [Mr. RIBICOFF], the Senator from Alaska [Mr. GRUENING], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mr. MUSKIE], and the Senator from Maine [Mrs. SMITH]. The Senators I have just named have all joined in an effort to afford protection to the industry.

The Senator from Washington has spoken concerning the Russians taking hake off the Washington and Oregon coast. The subcommittee was informed during the course of hearings that the Oregon fishermen are returning to their home ports this year with only 25 percent of their normal catch of perch because the huge Russian fleets, with great factory ships, are sweeping the ocean floor almost clean.

Mr. MAGNUSON. We must do something about the conservation of fisheries on the high seas.

Tuna used to be a commercial fishery in the Atlantic Ocean. It has practically disappeared. The Russian and Japanese fleets are operating off the coast of Georgia and taking many fish.

We have no definite, scientific results as yet concerning what such fishing by these nations will do, but the result cannot be good.

If we do not arrive at some international conference for the conservation of fisheries on the high seas, there will not be any fish left in 25 years for any nation.

We think that we have made at least a step forward with the 12-mile fishery zone.

I want it clearly understood—and I am sure that the Senator from Alaska and the Senator from Massachusetts agree with me—that this measure is not to be considered as a permanent ceiling or a permanent territorial limitation on fisheries. There may be ample reason—and in many cases there is—to follow the contours of the shelf. In some cases, the limitation should be much more than 12 miles.

Historic fishing rights should also be considered.

This measure is a step forward, but I for one do not want to be bound by the passage of this bill to a 12-mile limit.

I believe that an international conference would point out the necessity of conserving the world fisheries by following, not a straight line, but the contour of the shelf. That is where the fish are. The line should also pay attention to and recognize the historical fishing rights of the coastal areas of any country, not only our own country.

I shall introduce on today or tomorrow a resolution to authorize an international conference on fisheries conservation. It will be necessary to expend a sum of money to hold the conference in the United States as soon as possible after the plans are completed. However, the representatives of the Committee on Commerce, the State Department, and the Bureau of Fisheries are meeting on this and will soon recommend such action.

Twenty-two nations have signed the 1958 Geneva Fishery Convention, and it is in effect, now that Netherlands has signed. The United States, of course, signed several years ago. We now have the machinery to do this, and it must be done.

I have high hopes that the Russians in particular will join wholeheartedly with us. We have discovered that when the Soviets have agreed to a conservation treaty in any field, they have lived up to their agreement. I cannot say that much for the Japanese. However, that is perhaps my personal opinion.

The Soviets have expressed sympathy with the opinion that we should guard the fisheries on the high seas.

We hope to establish hake fisheries in this country. When this is accomplished, we can do good work not only for ourselves but also for the world. We can see that hake are in perpetual supply for fish protein concentrate. This can supply dietetic needs all over the world.

If we handle this matter in the correct fashion, the sea can be a perpetual source of food. If the matter is not handled in the proper manner, the sea will be spoiled and exploited as has occurred in the case of some of our other resources.

It took us a long time on the west coast to achieve a sustained yield of timber. Timber was exploited. One can still see scars all over the landscape. We have now gotten State and Federal bureaus, and private people together so that we do have a sustained yield. This will continue perpetually in those areas.

The same thing can happen in the sea.

If we do not do something about this situation, our fisheries will disappear within the next two generations.

This measure is a step forward and is one that I hope I am not limited to. The 12-mile limit is better than a 3-mile limit.

The 12-mile limit will take care of a great deal of our coastal fisheries. However, it will not take care of some of the exploitation of fisheries that is ocurring at a greater distance than 12 miles. That situation holds true for the Atlantic coast and for the fisheries off the shore of the State of the distinguished Senator from Massachusetts.

It is high time that we did something about this. This is a step forward.

The Committee on Commerce, at the direction of the Senator from Alaska

[Mr. BARTLETT] and myself, has summarized the issues, I think, in one of the finest reports I have ever seen on a fishery matter.

Mr. BARTLETT. Mr. President, I wish to join in that statement. It is excellent.

Mr. MAGNUSON. I think, in view of the fact that there are not too many Senators present, and it is desired to expedite the matter, that while Senator BARTLETT and I could have a lot to say about it—we might even cause some international problems if we did—we are more anxious to get the bill through than we are to say such here today.

But I ask unanimous consent, following my remarks, to have printed in the RECORD, an excerpt from the committee report on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MAGNUSON. Mr. President, I yield the floor.

EXHIBIT 1

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to establish a 12-mile fishery zone off the U.S. coast.

LEGISLATIVE BACKGROUND

The bill was introduced on June 29, 1965, by Senators E. L. BARTLETT, WARREN G. MAGNUSON, and EDWARD M. KENNEDY. Subsequently, Senators PASTORE, RIBICOFF, GRUENING, MORSE, MUSKIE, SALTONSTALL, and SMITH joined as cosponsors. The Merchant Marine and Fisheries Subcommittee held hearings on the bill on May 18, 19, and 20, 1966, in Washington, D.C. No opposition was expressed by any Government agency. The legislation was strongly supported by fishery interests in many sections of the country with southern California being the principal exception. Many expressions of interest in extending U.S. fishery jurisdiction beyond 12 miles to 200 miles or the edge of the Continental Shelf were received by the committee.

During the subcommittee hearings, the Legal Adviser of the Department of State testified that although the Geneva Conference on the Law of the Sea in 1958 adopted four conventions, it was recognized that the conventions left unresolved the questions of the extent to which a coastal State could claim exclusive fishing rights in the high seas off its coast. The Department witness pointed out that there has been a definite trend toward the establishment of a 12-mile fisheries rule in international practice in recent years and stated that the establishment of a 12-mile fishery zone under the legislation would not be contrary to international law. It was emphasized that the legislation would not extend the territorial sea beyond the 3-mile limit as established by precedent and in section 4 of the Submerged Lands Act of 1953.

The Deputy Assistant Secretary for Fish and Wildlife and Parks of the Department of the Interior testified at the hearings that there were advantages and disadvantages in extending the jurisdiction of the United States out to 12 miles over fisheries; that the Department did not object to the enactment of the legislation; but that there is no clear need for it.

The Department of the Navy and the Department of the Treasury expressed no opposition to the passage of the legislation.

The legislation was strongly supported by the States of Alaska, Rhode Island, and Washington; the Otter Trawl Commission of Oregon; the Congress of American Fishermen; the Fishing Vessel Owners' Association of Seattle, Wash.; the Alaska Fishermen's Union of Seattle, Wash.; the West Coast Trollers Association of Forks, Wash.; the New Bedford Fishermen's Union; the Fishermen's Marketing Association, Inc., of Eureka, Calif.; the Point Judith Fishermen's Cooperative Association, Inc., of Rhode Island; the San Diego Harbor Grange No. 775 of San Diego, Calif.; the National Wildlife Federation; the Izaak Walton League of America; and the Sport Fishing Institute. The National Shrimp Congress testified at the hearings and expressed no opposition. Opposition was expressed by the American Tunaboat Association of San Diego, Calif., the Van Camp Seafood Co., of Long Beach, Calif., and the Seine & Line Fishermen's Union of San Pedro, Calif. An interest in extending U.S. fishery jurisdiction beyond 12 miles to 200 miles or the edge of the Continental Shelf was expressed by the National Fish Meal & Oil Association, which opposed the extension to 12 miles.

NEED FOR 12-MILE FISHERY ZONE

No witness appeared before the committee and testified that the enactment of this legislation would be a final solution to the fishery conservation or jurisdiction problems of the United States. Witnesses repeatedly pointed out that the measure was only a step in the right direction, but acknowledged that the step would be beneficial.

In expressing the support of the State of Alaska for the legislation, Robert Simon, regional supervisor of the Alaska Department of Fish and Game, brought out the principal arguments for the bill. He testified:

"Admittedly, a 12-mile fisheries limit is not adequate to give our coastal fisheries the full protection they need. It will, however, be a necessary step in the right direction and will be of immeasurable help. It will give protection to fish and shellfish resources in a direct manner by the extension of 9 miles. It will clearly allow the closure to foreign encroachment of over 15 large bays and passes containing important stocks of fish such as Cook Inlet, Shelikof Strait, and areas in the Shumagin Aleutian Islands.

"Additional protection to some of our pelagic and ground fish stocks will be afforded by a 12-mile fisheries limit. Even more important will be substantial and perhaps full protection afforded to several of Alaska's shrimp stocks, those in Kodiak, the Shumagin areas and possibly others. These stocks of shrimp do to some degree extend out beyond 12 miles but it is doubtful if a full-fledged foreign operation could profitably take place upon them outside of 12 miles.

"Further protection would also be afforded dungeness and king crab and the U.S. fishery for these stocks in several ways. The majority of the dungeness stocks exist within 12 miles of shore. In the area south of the Alaska Peninsula and in the Aleutians, more than half of the domestic king crab effort is carried on within 12 miles of shore. Although it is true that king crab are presently protected from foreign encroachment under the 1958 Geneva Convention on the Continental Shelf, a 12-mile limit would further insure that illegal foreign fishing under the guise of trawling for ground fishing could not take place on these stocks in this zone.

"It would also relieve within 12 miles the present pressing problem of U.S. gear being destroyed by foreign trawlers. This has been a fairly frequent event during the past few years. During 1965 alone there were 16 separate verified incidents in which 65 units of gear were lost by U.S. fishermen. With ever-increasing fleets, both foreign and United States, it can only increase in intensity. A zone of 12 miles free of foreign vessels would be a real boon to Alaska fishermen."

Many other witnesses from the North Pacific coast and the North Atlantic coast substantiated and supported the same position. Most testified that the extension would close out to foreign fishermen and give American fishermen an exclusive use of a substantial area of coastal fishing waters. According to the Department of Commerce figures, the additional coastal area set aside for U.S. fishermen's exclusive use under the bill is approximately 120,000 square miles, or an area comparable in size to the State of New Mexico. The following table indicates the size of the exclusive zone by coastal area:

Measurement of coastal waters included in 12-mile fishery zone

Coastal area	Length of baseline (nautical miles)	Area: baseline to 3 miles (square nautical miles)	Area: baseline to 12 miles (square nautical miles)
Atlantic	2,070	6,210	24,840
Gulf	1,630	4,890	19,560
Pacific (including Hawaii)	2,040	6,120	24,480
Alaska	6,640	19,920	79,690
All territories	500	1,500	7,000
Total	12,880	38,640	155,570

In the coastal waters within a 12-mile fishing zone, American fishermen would not be faced with the problem of their gear being destroyed by foreign trawlers. This, of course, has been a serious problem, particularly in those coastal areas in which American fishermen in small craft under 50 tons frequently using fixed gear are facing competition from the large 500- to 5,000-ton Russian or Japanese trawlers employing heavy moving gear. As foreign fishing fleets increasingly cluster in our coastal waters, the problem of gear and vessel conflict will intensify. Many, but of course not all, of these problems can be avoided by providing the U.S. fishermen an area protected from foreign vessel and gear competition.

FISHERY JURISDICTION OF OTHER NATIONS

In recent years, particularly since the 1960 Geneva Conference on the Law of the Sea closed without agreement on the question of fishery jurisdiction, many coastal nations have either unilaterally or by agreement extended their jurisdiction over coastal fishery resources.

The question of the fishery jurisdiction of the other nations arose during the 1964 congressional hearing on S. 1988, a bill providing penalties for foreign fishing in U.S. territorial waters. Under a letter dated February 24, 1964, addressed to the House Merchant Marine and Fisheries Committee, the Department of State provided information on the fishery jurisdiction claimed by 70 countries. The State Department has now expanded and updated this information as of June 1, 1966. It appears from comparing the information provided that 15 of the 70 nations have extended their fishery jurisdiction during the past 28 months.

As of June 1, 1966, there were 122 nations in the United Nations system. Of this total, 23 nations have no coast and the Department of State has incomplete information on the fishery jurisdiction of 8 coastal nations. Of the 91 coastal nations for which there is information, well over half, 49, have a 12-mile fishery jurisdiction either as a part of their claim of a 12-mile territorial sea or as a special fishery zone. Of the remaining 42 nations, 15 nations claim only 3 miles, 10 nations claim more than 3 but less than 12 miles, and 17 nations claim more than 12 miles fishery jurisdiction.

The following table provides this information in more precise terms and by country:

Breadth of fishery jurisdiction claimed by coastal nations

3 miles	3 to 12 miles	12 miles			Beyond 12 miles
*Australia	Cameroon (6)	Albania	Indonesia	*South Africa	Argentina (CS)
China	*Finland (4)	Algeria	Iran	Spain	*Cambodia (CS)
Cuba	Greece (6)	Belgium	Iraq	Sudan	Ceylon (100)
Ivory Coast	*Haiti (6)	Brazil	Ireland	Sweden	Chile (200)
Japan	Honduras (6)	Bulgaria	Italy	Syria	Costa Rica (200)
*Jamaica	Israel (6)	Burma	Libya	Tanzania	*Dominican Republic (15)
Jordan	Lebanon (6)	Canada	*Malagasy Republic	Thailand	Ecuador (200)
Kenya	Maldive Island (6)	*Colombia	Mauritania	Togo	El Salvador (200)
Liberia	Mexico (9)	Cyprus	Morocco	Turkey	Ghana (100)
Malaysia	Yugoslavia (10)	Dahomey	*Netherlands	Ukrainian S.S.R.	Guinea (130)
Malta		Denmark	New Zealand	U.S.S.R.	India (100)
Poland		Ethiopia	Norway	United Arab Republic	Korea (200)
The Gambia		France	*Portugal	*United Kingdom	Nicaragua (200)
Trinidad		Germany	Rumania	Uruguay	Pakistan (100)
*United States		Guatemala	Saudi Arabia	*Venezuela	Panama (CS)
		Iceland	*Senegal	Vietnam	Peru (200)
			*Sierra Leone		Tunisia (65)

NOTES

1. 23 nations that are members of United Nations have no coast.

2. As of June 1, 1966, Department of State had incomplete information on fishery jurisdiction claims of 8 coastal nations—Congo (Brazzaville), Congo (Léopoldville), Gabon, Kuwait, *Nigeria (3-mile territorial sea, fishery jurisdiction uncertain), Philippines (expansive use of straight base lines, fishery jurisdiction uncertain), Somali Republic, and Yemen.

3. Numbers in parentheses indicate approximate number of miles claimed; "CS" means continental shelf.

4. The nature of the claims of several nations beyond 12 miles is uncertain.

5. "*" indicates nations that have ratified the 1958 Convention on Fishing and Conservation of the Living Resources of the Sea.

NATIONAL DEFENSE

The Department of the Navy testified that a narrow 3-mile territorial sea is in the defense interest of the United States. The Department, in reporting on the bill, explained this interest as follows:

"* * * Since 1793 the consistent position of the United States, strongly supported by the Navy, has been that a nation's territorial sea extends 3 nautical-miles seaward from its shores and no further. All waters seaward of this narrow belt are high seas to which certain freedoms, including fishing and navigation, are extended to all nations alike.

"We consider it imperative from the point of view of the security interests of the United States to preserve the existing right of free navigation on the high seas for warships and aircraft. We would, therefore, wish to avoid any action by the United States that might in any way impair or affect adversely this right. * * *"

The primary threat to the international acceptance of a continuation of a narrow 3-mile territorial sea, is the strong interest of many developing and developed coastal states in obtaining some jurisdiction over their valuable offshore fishery resources and protecting these nearby reasources for the exclusive use of their local fishermen and from large foreign fleets which can seriously damage the resource. Before the 1960 Geneva Conference on the Law of the Sea, the breadth of the territorial sea determined the extent of a nation's jurisdiction over its coastal fishery resources, and the international practice was for a nation to extend the breadth of its territorial sea if that nation sought additional fishery jurisdiction. At the 1960 Conference, the United States and Canada officially proposed a 6-mile territorial sea and an additional 6-mile fishery zone beyond the territorial sea. Although this proposal failed of adoption by one vote, the precedent of separating fishery jurisdiction from the territorial sea was established. Since 1960, numerous nations have accepted this separation and extended their jurisdiction over coastal fishery resources out to 12 miles or beyond while retaining a more limited territorial sea. Of the 66 coastal nations that have fishery jurisdiction of 12 miles or beyond, 41 have made this separation and have maintained a more narrow territorial sea.

The most outstanding example of this development occurred in 1965 when 14 major European nations agreed on a 12-mile fishery zone and left unchanged the breadth of their territorial sea. Canada has done likewise.

The American Bar Association has gone on record in support of a separate consideration of the question of the breadth of the territorial sea and fishery jurisdiction. At the instigation of Mr. Edward W. Allen, chairman of the American Bar Association's Committee on the Law of the Sea, the association passed the following resolution on the subject:

"RESOLUTION ADOPTED BY HOUSE OF DELEGATES OF THE AMERICAN BAR ASSOCIATION AT ANNUAL MEETING IN NEW YORK, AUGUST 12, 1964

"Whereas, the community of states has been unable to resolve the problem of a uniform breadth for the territorial sea, or the problem of control of fishing in waters adjacent to the territorial sea; and

"Considering, that the principal obstacle to reaching agreement upon association to either, or both, of these problems has been the unwillingness of States to treat with them as separate and unrelated problems to be resolved each upon its own individual merits; and

"Noting on the other hand, that many states recently have taken unilateral actions to establish fishery controls in ways likely to restrict freedom of navigation; and

"Noting on the other hand, that other states, in a spirit of cooperation have acted to establish mutually acceptable fishery controls while preserving maximum freedom of the seas for navigation; and

"Regarding freedom of navigation in, on and above the high seas, and conservation of the living resources of the high seas, as both being in the mutual long-range interest of all states: Therefore

"Recommend that the American Bar Association strongly urge that the U.S. Government:

"1. Publicly proclaim its willingness to join with other states in reaching separate agreements for—

"(*a*) Substantial uniformity of breadth of the territorial sea for the purpose of ensuring free and unhampered navigation in, on and over the maximum expanse of the high seas, and

"(*b*) Fishery controls for sound utilization and conservation of the living resources of the sea, including agreement upon reasonable zones for exclusive fishery rights in coastal states.

"2. Take the lead in urging the United Nations to convene a Third United Nations Law of the Sea Conference at which, for the first time, the consideration of freedom of navigation, and fishery controls, as unrelated and separate problems would, hopefully, enable states to agree upon solutions to each of these problems.

"3. Immediately constitute an expert study group, with political, military, industrial, scientific and legal representation, to recommend specific solutions to each of the aforesaid problems which will both serve the individual interests of the United States and gain acceptance in the family of nations."

The committee, therefore, believes that the enactment of this legislation will be in clear support of the United States defense interest by officially separating the breadth of our territorial sea and fishery jurisdiction. The action will tend to confirm the international acceptance of this practice and will substantially relieve the threat and pressure of other nations extending the breadth of their territorial sea against our national interest.

This legislation will also assure that the Russian fishing fleet and others will operate 12 miles rather than 3 miles off our coast. This is not to suggest that by pushing foreign fishing fleets out an additional 9 miles from our coast that their significance to the U.S. national security is appreciably diminished. But it will mean that the scope of their area of operations will be somewhat curtailed.

OPPOSITION TO 12-MILE FISHERY ZONE

The principal arguments made in opposition to the legislation can be summarized as follows: (1) the bill is premature; (2) a 12-mile fishery zone will not be of significant benefit to U.S. coastal fishermen; (3) the bill will encourage further expansion of fishery jurisdiction by other countries; (4) the legislation should provide for a 200, not 12-mile, fishery zone; and (5) State fishery jurisdiction is extended.

(1) The committee believes the establishment of a 12-mile fishery zone is not premature. Fishery production in U.S. coastal waters 10 years ago was approximately 4.5 billion pounds and well over 95 percent was caught by U.S. fishermen. Last year the total catch exceeded 7 billion pounds, with well over 95 percent of the 2.5 billion pounds increase attributable to the catch by foreign vessels. This trend of increasing foreign fishing activity in our coastal waters is expected to continue. Any delay in extending our fishery jurisdiction will make it more difficult for the United States to avoid recognizing this foreign fishing activity as a historic fishery.

(2) The committee believes that a 12-mile exclusive fishery zone will be of significant

benefit to American fishermen. It will provide an additional area of operation of 120,000 square miles of coastal waters free of competition from larger foreign fishing vessels and free of conflict from foreign fishing gear. Approximately 15 percent U.S. catch is taken within this 9-mile zone. In addition, many stocks of immature fish remain in close, shallow coastal waters which will be largely protected from foreign fishing activity by the legislation. The committee does not wish to exaggerate the benefits of the legislation, but does believe these advantages are meaningful.

(3) It is always difficult to estimate the reaction of other nations to action taken by Congress. A review of the action taken by other nations in recent years to extend their fishery jurisdiction certainly suggests that few nations, if any, are cautiously awaiting action by the United States before determining if it is in their own interest to extend fishery jurisdiction. It should be made clear that an extension of fishery jurisdiction to 12 miles does not go beyond limits already established by many other countries and would in no case infringe upon traditional freedoms of ocean navigation and overflight. Also, it should be emphasized that an extension of fishery jurisdiction to 12 miles is, according to the Department of State, an accepted international practice, which in the opinion of the committee will offer no occasion for foreign nations to act irresponsibly.

(4) A 200-mile fishery zone was advocated by certain domestic coastal fishery interests. The committee recognizes many of the economic advantages that would accrue to our coastal fisheries from such action. However, the Departments of State and Navy expressed strong opposition to such a unilateral move. The Department of State testified that any unilateral extension of jurisdiction beyond 12 miles would not be enforcible under international law. The Department of the Navy has stated that any such unilateral extension of jurisdiction in violation of international law would set a dangerous precedent and be against the United States defense interest. Therefore, the committee felt that an extension to a 12-mile fishery zone was far as Congress could propose unilaterally.

(5) The legislation does not expand any States regulatory jurisdiction beyond the territorial sea as provided in the Submerged Lands Act nor change the present law in respect to the management of fishery resources beyond the territorial sea. States have authority to regulate their own fishermen on the high seas and the committee felt that the present Federal authority pursuant to the Truman proclamation of 1945 was adequate. The Truman proclamation provides as follows:

"* * * Now, therefore, I, Harry S. Truman, President of the United States of America, do hereby proclaim the following policy of the United States of America with respect to coastal fisheries in certain areas of the high seas:

"In view of the pressing need for conservation and protection of fishery resources, the Government of the United States regards it as proper to establish conservation zones in those areas of the high seas contiguous to the coasts of the United States wherein fishing activities have been or in the future may be developed and maintained on a substantial scale. Where such activities have been or shall hereafter be developed and maintained by its nationals alone, the United States regards it as proper to establish explicitly bounded conservation zones in which fishing activities shall be subject to the regulation and control of the United States. Where such activities have been or shall hereafter by legitimately developed and maintained jointly by nationals of the United States and nationals of other States, explicitly bounded conservation zones may be established under agreements between the United States and such other States; and all fishing activities in such zones shall be subject to regulation and control as provided in such agreements. The right of any State to establish conservation zones off its shores in accordance with the above principles is conceded, provided that corresponding recognition is given to any fishing interests of nationals of the United States which may exist in such areas. The character as high seas of the areas in which such conservation zones are established and the right to their free and unimpeded navigation are in no way thus affected. * * *"

HISTORIC FISHERIES

The Department of State witness testified on the significance of the provision in the bill recognizing historic fisheries. For many years U.S. fishermen have fished in the close coastal waters of Canada, Mexico, and many Central and South American countries. Canadian fishermen have fished for many years in areas of our close coastal waters for certain stocks of fish. This legislation specifically provides that the United States will recognize these special circumstances and will expect the historic fisheries established over the years by American fishermen off foreign coasts to be accorded the same recognition.

Although Canada adopted a 12-mile fishery zone recently, no treaty has been negotiated recognizing our traditional fishery. It is hoped that the passage of this legislation will put the United States in a position to negotiate a permanent agreement recognizing the historic fisheries of each country.

ENFORCEMENT

On May 20, 1964, the President signed into law legislation which made it unlawful for foreign-flag vessels to fish in U.S. territorial waters or take living resources of the Continental Shelf that appertain to the United States pursuant to the 1958 Convention on the Continental Shelf. Section 1 of that act (78 Stat. 194) also makes unlawful any foreign fishing "within any waters in which the United States has the same rights in respect to fisheries as it has in its territorial waters * * *."

During the deliberations on that measure in 1964, it was pointed out that these words were added in anticipation of the United States extending its fishery jurisdiction out to 12 miles. Therefore, the provisions of the 1964 act regarding seizure of foreign vessels, the issuance of warrants or other processes and the penalty provisions for fines up to $10,000 and 1 year imprisonment will apply to any violation by foreign-flag vessels of the 12-mile fishery zone proposed by this legislation.

BEYOND 12 MILES

The committee received testimony from numerous witnesses and received thousands of telegrams and letters expressing support for an extension of the U.S. jurisdiction over fisheries to 200 miles or the outer edge of the Continental Shelf (to a depth of 100 fathoms measured from the ocean floor). The most vocal expression of this interest came from the Pacific Northwest, particularly from the States of Washington and Oregon where the Russian fishing fleet has recently appeared for the first time in substantial strength. Unlike other coastal areas, such as Alaska and the North Atlantic, where foreign fleets have been engaged in taking fish for several years, the coasts of Washington State and Oregon have a comparatively narrow Continental Shelf bringing the Russian fishing vessels in unusually close and in direct competition with local fishermen engaged in taking the same stocks of fish. Similar expressions of interest in fishery jurisdiction beyond 12 miles were made by representatives from Alaska, California, the Gulf of Mexico, and the Atlantic States.

The Department of State acknowledged that the trend in international practice today is to extend fishery jurisdiction, but the Department stated that it would be contrary to international law to extend unilaterally fishery jurisdiction beyond 12 miles. Such an extension, it was asserted, would be unenforcible under international law and would therefore be opposed strongly by the Departments of State and Navy. Under questioning, the legal adviser to the Department of State testified that it would be proper for the United States to seek another Geneva-type international conference and obtain general concurrence and agreement from the international community before any assertion of fishery jurisdiction beyond 12 miles could be supported.

During the hearing several witnesses testified to the need to extend our jurisdiction further because of the threat of foreign fishing fleets depleting our coastal fishery resources. Some of the most damaging testimony indicating a disregard for fishery conservation was offered by Harold E. Lokken, manager of the Fishing Vessel Owners' Association, who submitted to the committee the following tables indicating how the Japanese catch of halibut and black cod in the Western Bering Sea and the Russian and Japanese catch of yellowfin sole in the Eastern Bering Sea has declined from overfishing.

The charts follow:

Catch of Japanese long-line vessels in Bering Sea west of 175° west longitude

[In metric tons]

Year	Halibut	Blackcod
1958	1,271	32
1959	2,240	393
1960	6,931	1,861
1961	9,928	23,596
1962	8,872	26,664
1963	4,878	4,022
1964	448	1,904

Catch of yellowfin sole, eastern Bering Sea

[In thousands of pounds]

Year	Japan, freezer and meal, factory	U.S.S.R.	Total
1954	13,218		13,218
1955	17,886		17,886
1956	50,109		50,109
1957	51,341		51,341
1958	[1] 72,000		72,000
1959	[1] 247,431	118,800	366,231
1960	[1] 773,278	193,100	966,378
1961	[1] 877,483	297,000	1,174,483
1962	557,524	277,200	834,724
1963	46,237	178,200	224,437
1964	12,000	153,000	165,000

[1] Includes some other flatfish except turbot and halibut.

THE AMENDMENT

The sovereignty of the United States extends beyond its land territory to a 3-mile belt of sea adjacent to our coast described as the territorial sea. In addition the United States and other countries may also have jurisdiction beyond the 3-mile limit of their territorial sea out to 12 miles for special purposes such as sanitation, customs, or immigration zones. Recently many nations have also established special zones out to 12 miles for purposes of fishery regulation. This legislation would accomplish that for the United States.

The amendment, adopted by the committee, was proposed by the Department of State. It deletes from the bill the provision that the "jurisdiction of the United States extends to all waters in the zone * * *". By deleting reference to an extension of jurisdiction, it is made clear that the legislation does not purport to extend the territorial sea and sovereignty of the United States. The amendment does not change the purposes and effect of the legislation; namely, to give the United States exclusive rights over fishery resources out to 12 miles from the coast.

COST

No additional Federal funds are involved in the enactment of this legislation.

Mr. SALTONSTALL. Mr. President, as one of the sponsors of the bill, I add a few words from the point of view of Massachusetts and the Atlantic coast.

The Senator from Washington [Mr. MAGNUSON] and I, as he will recall, went to see General Marshall, when he was Secretary of State, on the subject of fish. Mr. MAGNUSON and the Senator from Washington [Mr. MORSE] represented the west coast and I represented the east coast at that meeting.

I have been interested, as have the Senator from Alaska [Mr. BARTLETT], the Senator from Washington [Mr. MAGNUSON], and others, in the subject of fish for a great many years. We have had the problems of modernizing our trawlers; we have the problems of foreign vessels coming in too close to our shores; we have the Russian fleet off Massachusetts and the Atlantic coast constantly, coming right in close. This bill makes it possible for our Massachusetts, Maine, and east coast fishing industry to have more exclusive rights in an extended area of the Atlantic, and will assist our west coast fisheries by extending our rights in the Pacific.

Our fishermen must cover greater distances than do the fishermen of Iceland, Greenland, Nova Scotia, and New Brunswick. They have to go farther, and that means it is more costly. So everything that we can do to make it possible to provide greater opportunities for our fishing fleet means that we will thus help provide a greater supply of a food that is healthful and essentially cheap.

A fish concentrate is another matter on which we have been working for the past few years; and I hope that ultimately the Food and Drug Administration will permit that to be used in the United States as well as to be shipped abroad.

So steps are being taken, and I hope will continue to be taken, to aid the fishing industry as a whole. I believe that this bill is one good step forward, and I was happy to be a sponsor of it. I am glad to see that the Senate is apparently unanimous in its opinion that the bill should pass promptly, and I hope it will.

Mr. MAGNUSON. Mr. President, I have one further word. I think the record should show that we believe one of the reasons the Russians and the Japanese are coming closer to our shores, invading coastal fisheries that we have spent millions of dollars to preserve, is because they in times past have done exactly what they are doing now off their own shores, particularly in the Pacific. They have denuded all the fish from their own coastal waters because they have not practiced conservation, because they have not done the things that they should have done, that we have done in the United States, Canada, and Alaska.

So now they are over here, and I think it is criminal; because if we had done the same thing to their fisheries, they would have been here in 5 minutes, asking us to do something about it and trying to obtain a conservation treaty, which we as Americans would adhere to.

I think it is high time they were made aware that their fishing fleets are serving no purpose in international relations, no purpose in the field of conservation, and no purpose for the future generations of people who must gain their livelihood from the seas. Their economic gain is minimal; it means nothing to their gross national product. They are just taking fish for the sake of taking them, in some cases; and I think the RECORD should show our awareness of that.

I hope some discussions can be arranged and some agreements reached that they will adhere to, so that this problem can be worked out, not only for our benefit but for their benefit, and for the benefit of other nations in the world, especially the emerging nations which will have to rely upon fish for part of their food.

The nations I have named are out there, taking unlimited quantities of fish all over the seas. As the time arrives when the world's increasing population will need more and more to supplement their diets with fish, the fish will be gone.

The whales are practically already gone. One nation in the world has been so promiscuous in taking whales that I do not believe there are any left in the Antarctic. If it had not been for the Fur Seal Treaty, there would not have been any fur sales left. The tuna have disappeared from the Atlantic; and anybody who knows anything about tuna in the Pacific will agree that even though we have a loose conference with some nations on tuna, if the present rate of depletion continues without effective enforcement, the tuna in the Pacific will disappear.

Mr. President, the Senator from California [Mr. KUCHEL], who has long been a supporter of our efforts in this behalf, was unable to be present today. He is away on official business; but if he were here, he would add his strong support to this bill, and would agree with what the Senator from Alaska and I have stated, that we think this is only the beginning, and that we must do much more to preserve our coastal fisheries. We intend to do everything within our power to do so.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BARTLETT. The Senator from Massachusetts expressed the hope that the Food and Drug Administration would approve the fish protein concentrate which has been developed, thanks to congressional appropriations and thanks to the ingenuity and knowledge of those involved, by the Bureau of Commercial Fisheries.

Mr. KENNEDY of Massachusetts. Mr. President I speak today in support of the passage of S. 2218, a bill to establish a contiguous fishing zone for 12 miles beyond the present 3-mile territorial sea.

In the last 30 years the fish catch of the United States has failed to keep up with the expansion in world fish consumption. This shrinkage is due not only to a lack of imagination on our part in making our fisheries more competitive, but also to the exploitation of our natural fishing resources by foreign fleets, especially those of Russia and Japan.

As our fishermen have suffered and our markets have declined, some of us here in the Congress have been seeking to constitute an integrated system of marine resource development which will enable our Nation to exploit our enormous marine resources in order that the United States might regain its supremacy in this vital area of commerce. Only last Friday the President signed into law the bill establishing a national council for coordination of Federal policy on marine resources, and the legislative program still pending in the Congress includes creation of a sea grant college which would increase our knowledge of our natural resources, and the establishment of experimental plants for the commercial production of fish protein concentrate. The extension of our fishing fields is crucial to the whole future of this marine resource development system. A 12-mile fishing zone would not only hold out the potential for tripling fish production, but it could also be used for future harvesting and cultivation of marine resources. Moreover, enlarging the fishing zone is essential to the conservation of our natural marine resources. It will protect the market and fishing fields of our own fishermen until we can establish a comprehensive program of development.

I would like to stress that I do not believe this proposal is contrary to the doctrine of freedom of the seas—a doctrine which I consider a fundamental part of U.S. foreign policy, and which I firmly believe this country continues to support and espouse.

First it should be noted that establishment of this goal is only an assertion of limited jurisdiction for one particular purpose. It would have no effect on continued free access of other nations through this zone for purposes of navigation and commerce.

Furthermore, as Senator BARTLETT persuasively argued in his statement on the Senate floor of June 9, 1965, this proposal is not new. There are numerous recognized qualified departures from the 3-mile rule—indeed, the departure proposed in this legislation is so well established that the United States can count only 10 other countries in the world who, along with us, have not extended their fishing zone jurisdiction more than 3 miles.

Mr. President, S. 2218 is a highly significant bill for the purposes of protecting our fishermen, conserving our natural resources, and implementing a future program of marine resource development. I urge its passage.

Mr. GRUENING. Mr. President, the need for legislation to protect fishing rights of American fishermen to a 12-mile limit off the shores of this Nation has long been apparent.

Nearly 3 years ago, on June 28, 1963, I introduced the bill, S. 1816, which was designed to accomplish this purpose. At that time, I described to the Senate

the retention of an outmoded, anachronistic limit of 3 miles off shore as "an albatross around the neck of U.S. fishermen." As I said then, and has become increasingly more apparent, allowance of fishermen of other nations to fish in waters within a 12-mile limit has permitted fishermen of other countries to deplete our fish stocks and negate our attempts at conservation and protection of this valuable resource.

The need for extension of area of exclusive fishing rights for American fishermen came to the attention of the Nation very dramatically in April 1962, when the Japanese fishing fleet invaded Alaskan waters and caused such alarm as to require strenuous action by Governor Egan, of Alaska, to establish the seriousness of the threat to a basic Alaskan resource. At that time I pointed out that the traditional 3-mile limit was an obsolete provision of American law dating from the days when 3 miles was the approximate distance a cannonball from a shore battery could hit a hostile vessel.

Today, when we send rockets to the moon and the science of propelling objects literally out of this world is being rapidly perfected, we must insist that our law of the sea be modernized accordingly. Failure to recognize the importance of this is a serious disservice to the American fishing industry, an unnecessary restriction on the efforts of the thousands of our citizens who depend on domestic fisheries for survival, and a needless damper on the contribution which the fisheries resource can make to the prosperity of the Nation.

The bill I introduced in the 88th Congress and which I introduced again at the 1st session of this Congress would establish a procedure by which the President, upon petition of Governors of States or territories, and findings of a factfinding board, could establish conservation zones in the coastal waters lying up to 12 miles off the coast of a State or territory where fishing by foreign nationals is of such intensity or magnitude as to threaten depletion of the resource. The form of this legislation was designed to provide corrective measures for the kind of crisis in which the State of Alaska found itself in the spring of 1962 when the State's fisheries were seriously threatened by the Japanese fishermen and no Federal procedure existed to protect the rights and economic interests of Alaskan citizens.

On January 7, 1965, when I introduced S. 49, I pointed out that 49 nations claimed exclusive jurisdiction of territorial waters to 12 miles or more offshore and that, at the same time, the numbers of foreign nationals fishing off our shores was increasing and the areas in which they fished had been steadily extended into seas off the shores of the United States where American fishing rights should be protected. Foreign fishermen had been sighted off the shores of New England, the Middle Atlantic States, in the Gulf of Mexico, in the Bering Sea as well as off the North Pacific coast of the States of Washington and Alaska. The Department of the Interior reported, in 1963, that, for example, nearly 300 Soviet vessels were operating off the coast of New England, an increase of more than one-third over those reported in 1962.

This, then, is a national problem and one which requires an early solution.

Although I believe strong arguments can be made for the bill I introduced, first in the 88th Congress, and again in this Congress, I am glad to be a cosponsor of the bill, S. 2218, introduced by my colleague from Alaska, Senator BARTLETT. S. 2218 would, by its terms, establish a national fishery zone in which exclusive fishing rights would be protected to a limit of 9 nautical miles beyond the territorial sea of the United States.

The important thing is to enact legislation that will establish the protection needed by our American fishermen.

Last summer the numbers of foreign fishing boats again increased beyond those of previous summers. Approximately 800 Russian and Japanese fishing vessels were known to be operating off the coasts of Alaska; approximately 400 Russian ships were found off Cape Cod and significant increases were noted off other coastal areas of the United States.

It is estimated that two-thirds of the total value of the U.S. fishing catch is taken within 12 miles of the continental limits of the Nation. For this reason it is essential that our fishermen be unobstructed in their access to the resources of this area.

Further, sound conservation practice demands that the United States have control over the fisheries in this area. Other nations are not interested in the conservation of fish found in waters offshore of the United States which constitute a resource belonging to the United States. Indeed, the opposite is the case.

Finally, even with the protection of a 12-mile zone for exclusive fishing, our fishermen operate at a competitive disadvantage in comparison with fishermen of other nations. Sadly for the U.S. fishing industry, our Government has not provided in any measure the technical assistance and financial help the industry deserves. The foreign vessels with which our fishermen must compete are large, steel hulled fishing factories, well equipped with sophisticated electronic fishing gear of far more progressive design than is generally true of American fishing vessels. This is another area in which the Federal Government owes American fishermen substantial help and we who are from the littoral States will continue to work for this form of assistance. Meanwhile, the least we can do is protect the fishermen in their endeavors close to shore.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

PUBLIC ISSUE VIEWS OF INDIANA CONGRESSMEN

Mr. BAYH. Mr. President, it was my privilege on Saturday, June 4, to preside over a conference which was unique in the annals of Indiana history. My senior colleague from our State, Senator VANCE HARTKE, was also scheduled to preside jointly with me, but was prevented by other circumstances from being present.

The occasion was a gathering of several thousand active political workers from throughout Indiana who met in Indianapolis to study and learn about major issues confronting the Nation. A number of excellent statements were made by several members of the House of Representatives from Indiana which I believe are worthy of great attention.

Congressman JOHN BRADEMAS, from the Third Congressional District, spoke on national action in the fields of education and housing. Congressman WINFIELD DENTON, of the Eighth District, addressed himself to the subject of medicare. Congressman LEE H. HAMILTON spoke on U.S. objectives and the problems we face in Vietnam. Congressman ANDREW JACOBS, JR., took the subject of the war on poverty for his thesis. Congressman J. EDWARD ROUSH summarized the accomplishments of the 89th Congress.

Mr. President, because of their general significance, I ask unanimous consent that these statements be printed in full at the conclusion of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TO TEACH OUR CHILDREN; TO HOUSE OUR PEOPLE

(By Congressman JOHN BRADEMAS)

The words of three great Presidents of the United States—all Democrats—symbolize the deep commitment of the Democratic Party to education.

It was the founder of our party, Thomas Jefferson, who said, "If you expect a nation to be ignorant and free, you expect what never was and never will be."

Over one century later, John F. Kennedy reaffirmed that commitment. "Education", he said, "is the keystone in the arch of freedom and progress."

And no President in American history has been more profoundly dedicated to the cause of education than Lyndon B. Johnson. "If we are learning anything from our experience", he has declared, "we are learning that it is time for us to go to work, and the first work of these times and the first work of this society is education."

In the 88th and 89th Congresses alone, with the leadership of both Presidents Kennedy and Johnson, Democratic majorities in both the House and Senate—with the solid support of the entire Indiana Democratic delegation in Congress—have worked hard and continue to work to make real this commitment of the Democratic Party to education.

We Democrats have sought to achieve two goals: to insure equality of opportunity for education and to raise the quality of education at every level.

Let me here briefly review some of the major education achievements of recent years passed by Democratic Congresses and signed into law by Democratic Presidents, and let me indicate as well how the schools and colleges and universities of Indiana and the young people who attend them have directly benefited from these measures.

1) In order to improve the education of poor children, the historic Elementary and Secondary Education Act of 1965 authorizes over $1 billion in grants to local school districts with large numbers of low-income families. In addition the Act provides funds for school library books, supplementary centers to enrich the quality of education, edu-

cational research laboratories and the strengthening of state departments of education.

Indiana will receive over $23 million under this Act this year.

2) The Higher Education Facilities Act of 1963 is today helping colleges and universities throughout Indiana and the nation build the classrooms, libraries and laboratories we must have for our rapidly expanding campus population.

3) Last fall Congress passed the Higher Education Act of 1965, which provides two brand new student aid programs.

Able students of exceptional financial need can obtain scholarships called "educational opportunity grants" of up to $1,000, and nearly 4,000 young people will receive these grants in Indiana this year.

Students from middle income families can borrow from banks and other private lending institutions and their loans will be insured much like FHA loans. If the student's family adjusted income is less than $15,000 annually, the Federal government will pay all interest charges while he is in college and 3% thereafter.

The law also doubles the 1963 funds for building college facilities; provides grants to help solve community problems, chiefly through university extension services; includes grants to help colleges buy library books and train librarians; authorize grants to aid poor, developing colleges; extends the work study program, under which students can obtain part-time jobs.

The Act includes my Teacher Fellowship Bill, authorizing $475 million for 24,500 fellowships over three years to raise the quality of elementary and secondary education by enabling persons now teaching school or planning to do so to obtain master's degrees in their subject matter fields. Eight colleges and universities in Indiana will receive over a million dollars for Teaching Fellowship programs this year.

The Act also establishes a National Teachers Corps, sponsored by Senators **Edward Kennedy**, Democrat, of Massachusetts and **Gaylord Nelson**, Democrat, of Wisconsin in the Senate, and by me in the House, to supply needed teachers in areas of poverty. Indiana State University in Terre Haute has just announced its participation in a Teacher Corps Training program.

4) Already this year Congress has extended the highly successful National Defense Education Act loan program which has helped so many students in Indiana colleges and universities obtain their education. Hoosier students will receive nearly $6 million in loans under this Act in fiscal year 1966.

5) In 1963 Congress greatly strengthened the Vocational Education Act to provide for expanding state vocational educational programs, and last year we authorized insured loans and interest subsidies for students in post high school business, trade, technical and other vocational courses.

The State of Indiana and Hoosier students will receive over $6 million under this and related programs during this fiscal year.

6) Typical of the several education programs embraced with the war on poverty is Project Head Start, which will mean vitally needed education and health care for preschool youngsters from poor families. Last year over 4,400 children in Indiana participated in the summer program and about the same number are scheduled to take part in year-round Head Start programs this year.

7) Other education programs which have become law under Democratic Presidents and Democratic Congresses in the last few years, include:

Health Professions Education Act, which is helping build medical and dental schools and provides loans and scholarships for needy students.

Manpower Development and Training Act, to retrain unemployed workers, a program that played a vital role in the economic comeback in South Bend, in my District, following the Studebaker shutdown.

Library Services and Construction Act, which provides funds to help support libraries in urban as well as rural areas.

School Disaster Act, which authorizes aid to public schools damaged by major disasters such as the Palm Sunday Tornado which struck Indiana last year.

Mental Health Centers Act, which provides for the training of teachers of mentally retarded and handicapped children.

Next Monday the House of Representatives is scheduled to vote on the only new major education proposal being advocated this year by President Johnson, the International Education Act of 1966, of which I am proud to be the sponsor.

This act will mean new strength for colleges and universities here in the United States in the vital field of international affairs.

As a member of the House Education and Labor Committee these last eight years, I am especially proud of the magnificent record which the Democratic Party has made in the field of education.

HOUSING

If we know the crucial importance of formal education, we also know that the way people live outside the classroom will teach them at least as much as they learn in school.

No schoolroom is more instructive than the home, and far too many Americans live in housing which teaches them poverty and inequality, not abundance and opportunity.

In the 88th and 89th Congresses, Democrats have moved to create a brighter vision by enacting legislation to help provide decent housing at reasonable cost for more people.

In the 88th Congress we extended existing legislation and passed new laws which provide low-cost housing for domestic farm workers, made low-interest loans available for the rehabilitation of property in urban renewal areas, and broadened the program of low-interest loans for housing for the elderly.

In the first session of the 89th Congress we continued to work for better housing by enacting two major bills.

The first established the Cabinet level Department of Housing and Urban Development. This Department is organizing a coordinated attack on the housing and related problems which beset some 135 million Americans, the over 70% of our population who now live in urban areas.

The second is the Omnibus Housing Act of 1965, which authorized $7.8 billion for new and existing housing programs through 1969. Among its many and varied provisions, this imaginative act calls for rent supplements for low-income families who cannot obtain standard housing on their own incomes, additional units of low-rent housing, housing for elderly Americans, grants for urban renewal and beautification, and loans and grants for college housing and community facilities. In addition, the Omnibus Housing Act establishes a program in the Farmers' Home Administration for rural improvement loans and liberalizes mortgage terms for servicemen.

Since 1963, Indiana has received almost $70 million in loans, grants and debt service payments for housing, urban renewal, and related activities.

And from 1963 to 1965, the Federal Housing Administration has insured more than $450 million in Indiana mortgages.

This extraordinary legislative record in both education and housing is making real the promises of the platform adopted by the Democratic Party in Atlantic City in 1964.

Republicans have on occasion supported these Democratic initiatives but in most cases the Republican record in Congress has been one of obstruction and negativism.

Despite their platform commitment to improve education, 73% of the Republicans in the House of Representatives voted against the Elementary and Secondary Education Act.

In spite of their promises to help the individual help himself break the vicious cycle of poverty, 82% of House Republicans voted against the War on Poverty.

Refusing to honor their pledge to aid our cities and towns, 93% of House Republicans voted against establishing the Department of Housing and Urban Development and 81% of them voted against the Omnibus Housing Act.

In education and in housing, then, to cite only two areas of American life, the Democratic Party has, on the record, proved to be the party that is most responsive to the needs of our citizens. Let us as Democrats continue to honor our commitment to teach our children and house our people.

MEDICARE

(By Congressman **Winfield K. Denton**)

Last year, during this session of Congress . . . one with a good working Democratic majority . . . this country's first legislation providing for medical care for the aged was passed.

The enactment of this legislation climaxed a long, hard struggle. These provisions, known as "medicare," are part of our social security legislation . . . and they are long overdue! The United States was probably the only highly developed, industrialized nation in the world that did not provide medical care for its older citizens. And, like social security legislation in this country, these provisions were bitterly opposed.

Years ago people were forced to provide, as best they could, for their old age by having large families. For it became the duty of the children to support and care for their parents in their old age. For few people could save enough to take care of themselves in their later years . . . particularly those who had gone through the great depression of the Hoover era. Having a large family was the only security one could count on.

This, of course, was a bad situation. It placed a burden upon the children and it deprived the older people of their dignity and self-respect. But, when the first social security bill came up in 1935 it was bitterly opposed by the Republicans. Oh, they voted for it. The bill passed the House by a vote of 372 to 33. But they voted for it only after losing in an attempt to recommit the bill to committee with instructions. Instructions that would have effectively killed the bill.

Only one Republican voted against that recommittal move. In the 1936 campaign the Republicans fought social security with the threats that we would all have to wear dog tags and that we would lose all our individuality. Well, we all know that did not and will not happen. And now, even the Republicans . . . at least publicly . . . are in favor of social security.

Just to refresh your memories a little, let's look at how the original Social Security laws have been expanded. The first law covered only those workers in commerce and industry. It provided only for an old age pension for those workers over 65 . . . with a minimum payment of $10 and a maximum of $85. These provisions have continually been extended and broadened until now almost everyone is covered. Provisions have been added for people who become totally and permanently disabled; lump sum death benefits have been added; and the retirement age for both men and women has been reduced. The maximum payment now for an individual is $168 and for a family it is $368. The minimum payment is $44. Yes, we've come a long way. . . .

. . . But we've still got a long way to go. As I said, when the medicare provisions were passed it was against great opposition. The

Republicans were joined by the American Medical Association in fighting the proposals. I think you would be astounded to know how much money was provided by the A.M.A. in the 1964 campaign to those candidates who were opposed to medicare. And now, like the dog tag prophecies of the 1936 campaign, we are faced with charges and forecasts that our hospitals will become inadequate and that the standards of medical care will be diminished.

Well, we've thought ahead on that too. We instituted the Hill-Burton program which provides funds for hospital construction. That program started in 1947 with an appropriation of 75 million dollars and this year's appropriation is for 270 million dollars. We also have the Health Research Facilities Act of 1956 which started with 30 million dollars in 1957 and this year is getting 50 million as part of a 280 million dollar, three year program. To provide trained medical personnel we have the Health Professions Educational Assistance Act. This program started in 1964 with 25 million dollars for construction of medical training facilities. In 1965 13 million dollars was added for loans and grants to students. This year we are providing 160 million for facilities construction and 75 million for loans and scholarships.

Yes, we're going to take care of our old people's medical needs . . . and we're going to see that we have the facilities and the personnel to do it.

In addition, the Government has increased the amount of money spent on medical research . . . to find better ways of providing medical treatment.

So you can help us dispel any fears which these unfounded charges may have started among your friends. When the medicare provisions go into effect the first of next month there will naturally be an adjustment period to get the program working smoothly. There is with any new legislation. But the provisions, I feel, will do much to ease the burden of the young in the care of their parents. And when our senior citizens need medical treatment they'll find that these things are provided: Up to 60 days in a hospital with only $40 cost, and payment of all but $10 per day for an additional 30 days; up to 20 days in an extended care facility following hospital confinement, and all but $5 per day for an additional 80 days in such a facility; up to 100 home health visits by a nurse or other health worker; and 80 percent of the cost of outpatient diagnostic tests in a hospital, after a $20 cost has been reached. And, if the optional medical insurance was chosen . . . as most all those eligible for medicare chose . . . for just $3 per month in insurance premiums a policy covering 80 percent of the cost of physicians' and surgeons' services; home health services without hospital confinement; and other medical costs will be paid . . . after a $50 deductible clause has been satisfied.

I believe this is a marvelous program. I think that most of you do too. And I'm sure that the majority of the American people will soon come to believe that we waited too long to adopt such a plan.

So keep in mind, and advertise the fact, that it was the Democrats who consistently supported and worked for our Social Security program and the medicare provisions now included in it.

VIETNAM

(By Congressman LEE H. HAMILTON)

The United States objective in Vietnam is to protect South Vietnam from aggression for so long as the people of South Vietnam want us, and to let the people of Vietnam decide in peace their own political future.

The United States is in South Vietnam because three American Presidents have promised assistance. A promise that has been backed by more than $4 billion and 3553 lives of American men.

The United States is there because the free world has a stake in allowing 15 million people to shape their own destiny.

The United States is there because the lesson of recent history is that the time to stop aggression is when it first begins.

The United States is there because a Communist victory would produce a wave of despair and accommodation would sweep over the vast fragmented crescent of Southeast Asia, extending 3600 miles from East to West and 2000 miles from North to South, and containing approximately 245 million people. Such a wave would have enormous and potentially disastrous political consequences.

The United States is there because Southeast Asia is of strategic importance. Its location across East-West air and sea lanes dominates the gateway between the Pacific and Indian Oceans. In Communist hands it would pose a serious threat to the free world. To defend Southeast Asia we must meet the challenge in South Vietnam.

The United States is determined to apply sufficient military pressure to stop the aggression. This is a limited objective. We seek no territory, no military base, no aggrandizement. We do not seek to conquer North Vietnam, nor do we ask that the government of South Vietnam be beholden to us.

The present policy is to use every resource of diplomacy to bring peace.

We have sought the help of the United Nations in arranging peace talks;

—we have sent emissaries to more than 40 countries, asking them to urge our adversaries to reason with us.

—We have privately sent word to Peking and Hanoi.

All without result.

Every channel or forum for contact, discussion, negotiation must remain active. No possibility for peace must be overlooked.

There are several alternatives to present policy.

[1] A very few voices say that the United States should withdraw outright. The United States has rejected this course because

—it would abandon the South Vietnamese people—and very likely, most of Southeast Asia—

—break our promise—

—cause irreparable damage to our prestige—

—cast doubt upon the integrity of our commitments in West Berlin, in Korea, in NATO and signal to the Communist World that we will not stand firm under pressure.

[2] Some say we should adopt a holding strategy. They advise us to dig in; to wait and see; to settle down to a defensive strategy. This view hold that Vietnam is not a region of major importance, and that we should liquidate the involvement just as soon as we can without inordinate damage to our prestige or the stability of conditions.

The United States has rejected this course because it would not stop aggression—it would reward it.

It would isolate the people of South Vietnam from their government and turn over to the enemy the control of most of South Vietnam.

And, very significantly, it would leave the United States little to negotiate but the terms of our withdrawal. It would be impossible to obtain honorable terms at the peace table under these conditions.

Most military men advise, too, it would not reduce, but perhaps increase, our casualities because it would sacrifice the unique attributes of American military power: mobility and fire power.

[3] Some say we should turn the problems of Vietnam over to the United Nations. This alternative has a strong emotional pull, because it holds out some relief from an awesome burden. But the simple fact is that the United Nations, by the judgment of all who are close to it—including the Secretary-General—see no role for the United Nations to play so long as there is a big power confrontation.

However, there may emerge in the future, a role for the United Nations but it is not clear that the United Nations would be able to act effectively to deal wiht this very difficult situation in its present form.

[4] Some say that the United States must substantially escalate the war. Certain steps toward a wider range of target and more intensive military action cannot be ruled out. But there are grave risks to substantial escalation, including the direct entry into the conflict of Communist China, and perhaps even the Soviet Union, requiring a tremendous increase of United States troops and resources.

The overriding question is: how much military pressure can be applied to achieve our objective of stopping aggression without bringing about a major power confrontation and World War III.

There are no easy answers—no simple alternatives. These difficult choices have caused men of integrity and patriotism to differ. Beware of false prophets bearing quick solutions and glib critics with no solutions.

In the days ahead you will continue to hear their cries of distress.

(1) There will be cries of shortages—even when the testimony of the Joint Chiefs of Staff and the Commander of the American troops, General Westmoreland—have stated repeatedly that the ability of our troops to engage in combat has not been hampered, and that there have been no shortages in supplies which have adversely affected combat operations or the health and welfare of our troops.

(2) There will be cries of "Why Can't We Win"—without defining just what they mean by win, or what steps we should take to win.

(3) There will be headlines and TV news pointing to continued discord and strife and self incriminations without reporting the considerable progress being made toward constitutional government. And without reporting the millions of people vaccinated, the 6 fold increase in sweet potato yield, the 4 fold increase in corn, the doubling of pig production, and the 6000 classrooms built.

Without question, these will be days of anguish and concern for all of us—as we strive to stop aggression and to assist a war-shattered people, without political institutions or experience, move toward representative government.

But the American people have, on numerous occasions, faced difficulty in the past and prevailed. The past will be prophetic of the future.

As Greece and Korea have moved, with American assistance against outside aggression, toward responsible government, it is our confident belief that South Vietnam will do the same.

This is why we are there. This is why the United States has chosen to bear the burden. This is why we will prevail.

WAR ON POVERTY

(By Congressman ANDREW JACOBS, JR.)

The war on poverty began thousands of years ago the first time one person told another how to do some kind of useful work.

Since that time the world has changed in many ways. But the basic weapon for fighting poverty has remained the same, education.

The war against poverty is the battle for education. And whether it was the beginning of public schools under Thomas Jefferson or the beginning of special public education for high school dropouts under Lyndon Johnson. Your Democratic Party has remained loyal to the American dream of enlightened democracy.

Ignorance is a disease from which democracy cannot survive.

The war on poverty gives the poor nothing, except the opportunity, through education, to stop being poor.

When a Job Corps teacher shows a boy how to repair a car or paint a house or weld an oil rig or operate an IBM processor, that is education.

When a Neighborhood Youth Corps worker shows a boy the way back to school in the fall, that is education.

When a Headstart volunteer shows some little child how to write or pay attention in class or express himself without violence, that is education.

When our country spends $5.5 billion per year on welfare payments and only $1.5 billion per year for the war on poverty to remove the need for welfare payments, that is an education in economics we all should learn.

I hear it said that the poor will always be with us. But nothing in scriptures tells us that the poor should constitute one-fifth of our nation or that we should not reduce the ranks of the poor to an absolute minimum.

In fact, scriptures tells us to go and teach all nations. The very least we can do is to make absolutely sure that we teach all of *this* nation. That is our goal.

The light of the mind is the light of freedom.

So let others continue to curse the darkness of ignorance and crime and welfare burdens. But let us, through the democratic party, continue to give America light from the lamps of learning, and we shall continue to know the gratitude of our nation as it soars in prosperity and bids farewell to welfare payments and the cost of crime.

Accomplishments of the 89th Congress

(By Congressman J. Edward Roush)

Almost two years ago Democrats met in Atlantic City to draft a platform for our Party. It was a shining page in American history compared with the sorry effort the Republicans had written a few weeks earlier in San Francisco. The public's endorsement of that platform was reflected in November with the election of the Johnson-Humphrey ticket and overwhelming Democratic majorities in the Congress. And I'm proud, as are all my Democratic colleagues in the Indiana Congressional Delegation, to tell you that we enacted eighty-five per cent of that platform in the First Session of the 89th Congress.

We said in the Democratic Platform that:

"The American free enterprise system is one of the great achievements of the human mind and spirit. It has developed by a combination of the energetic efforts of working men and women, bold private initiative, the profit motive and wise public policy, until it is now the productive marvel of mankind."

And we said in the Democratic Platform that:

"It is the national purpose, and our commitment, to continue this expansion of the American economy toward its potential, without a recession, with continued stability, and with an extension of the benefits of this growth and prosperity to those who have not fully shared in them."

That is the promise we made. And that is the promise we kept.

When President Kennedy took office in 1961, we were in the depths of the fourth postwar recession. Unemployment had soared to 6.7 per cent nationally, and to 7.1 per cent in Indiana. Our Gross National Product was far below its full potential. The economy was sluggish, unwieldy, and apparently unimportant to the Republican Administration that had borne its responsibility for the previous eight years.

Then came a change.

A bold change.

A change in economic policy, initiated by President Kennedy and carried out by President Johnson. A change that has brought America and Indiana unprecedented and unparalleled prosperity.

It brought . . .

—the longest continual period of economic prosperity in the history of our nation—either in peacetime or wartime . . .

—a drop in the unemployment rate to 3.7 per cent nationally—lowest in twelve years . . .

—an increase in the Gross National Product from $495.2 billion in 1960 to more than $700 billion for the first quarter of this year . . .

—a jump in net farm income of 13.6 per cent from 1961 to the present . . .

—a 22.3 per cent increase in the average weekly wage for production workers in manufacturing since 1960.

These are national figures and I cite them to confirm that the prosperity is general. Now let me talk about what this means to our own state.

For example, in just one year from 1964 to 1965. . .

Total personal income for Indiana rose $1.3 billion. Average per capita income increased here almost $300 per year. Unemployment dropped to 2.2 per cent, the lowest figure in some ten years. Private construction went up almost $100 million. Average weekly earnings jumped $6.

Some people may want to talk about the good old days. But believe me, there have never been any days as good as these.

When we go into the precincts between now and November these are the things we want to be talking about . . .

. . . to labor
. . . to the farmers
. . . to the housewives
. . . and to the business community.

You'd be surprised at the stories the opposition is spreading about the Democrats. One Republican candidate for Congress in another state has been taking full-page ads saying the Democratic incumbent voted to raise taxes.

Get the story straight.

This Democratic Administration and Congress have passed legislation not once but twice to cut taxes.

In the weeks and months ahead we will hear the opposition talking both about inflation and recession.

Let me tell you where we stand.

We Democrats have the responsibility both in the White House and in the Congress. We're going to meet that responsibility. Certainly we are going to have a few ripples in the economic system. That's the way it works.

But we're optimistic about the future. We have the confidence of the labor community, the business community, and the American public and I think they all share that optimism.

Here are just a few quotes from the current issues of national magazines:

From Business Week—"Unemployment, down now to 3.7 per cent of the work force, is expected to drop further to 3 per cent by the end of the year."

From U.S. News & World Report—"A tax rise, it appears, can be *forgotten this year.* New moves to make money even less available for borrowing seem unlikely. Interest rates most probably will tend to stabilize, at least for the period just ahead."

From the May 31 issue of the Wall Street Journal—"A Congressional staff of revenue forecasters, whose past record on economic forecasting has proved extremely accurate in comparison with that of the Treasury Department, came up with a prediction that the Federal budget could show its first surplus in seven years by this time next year because of swift-climbing Federal revenue."

From the May 14 issue of Business Week—"The economy still is running at full tilt, and though it may rise more slowly from here on, there is no prospect of a recession."

As we go into this campaign of 1966 I think we can take a lesson from a story told by George Jessel, the so-called toastmaster general.

Jessel sent his mother a parrot for her birthday. A few days later he called her to see how she liked it. Her mother said, "I ate the parrot and he was pretty good."

Jessel told his mother the parrot was a very talented bird and could speak seven different languages.

"Too bad," his mother replied. "He should have said something."

And I think that with this great record of prosperity Democrats have brought to this country and to Indiana, if we do not win in November it will be because we did not say something.

Thank you.

YUGOSLAV AGRICULTURE

Mr. LAUSCHE. Mr. President, the failure in the Communist agricultural program in Yugoslavia is a mere repetition of the same failures that have appeared in other countries managing their farms on a socialistic basis.

In Yugoslavia, farming is done in what is called two sectors—the privately operated on the one hand and the governmentally operated on the other. Privately owned farms in Yugoslavia number about 2,618,000; 48 percent of the total Yugoslav population is engaged in tilling the land of these independent farms having an area of about 22 million acres or 80 percent of the total Yugoslav arable land. These privately operated farms produce 73 percent of the total product of wheat, 86 percent of corn, and 70 percent of yearly meat products.

The private farmer is not supported either by federal-state or any other public funds. They pay heavy taxes and are compelled to sell their produce to the cooperatives and other licensed buyers. The ceiling price of their farm products is fixed by the Government to the disadvantage of the farmer and in favor of the socialistic buying agency of the Government.

They do not get any credit in the fixed price for capital investments made to procure farming machinery and equipment.

The socialist sector of the Yugoslav agriculture consists of around 300 "state farms" and 2,100 "farm cooperatives," that is, farms managed in and by the cooperatives. the aggregate acreage in these socialist-operated farms is 3,120,000.

The Communist government invested in these socialistically managed farms during the years of 1957–65 more than $1 billion; but in spite of this support, one-third of these farms operated with appalling deficits in 1964.

Mr. President, in Yugoslavia the total farm production increased from a level of 2½ million tons in 1955 to a new level of 3½ million tons in 1965; however, the Yugoslav consumption of food in the same period reached a level of 4½ million tons per year.

You will observe that in 1965 there was a deficiency of 1 million tons of farm products to adequately care for the food needs of these Yugoslavs.

Experts in agriculture who have studied the farm situation in Yugoslavia rather uniformly declare that this deficit of 1 million tons of food could easily be made up by the capability of the 2,618,000 private farmers if they were left free to operate without governmentally imposed pressures, restrictions, fixed prices, and discriminatory taxes intended to drive the private farmer into the cooperative and, primarily, into the state farm.

Tito has been in the habit of coming to the United States for special consideration in his efforts to obtain the food produced by the American farmer under a capitalistic system, to feed the people of his highly praised Communist economy. The liberal help that the United States has given to Tito by way of American wheat sold at extraordinary favorable terms has operated as a disservice in the long run to the Yugoslav people. It has encouraged the Yugoslav Government to continue its drive to socialize agriculture which for 20 years has demonstrated its inefficiency and killing effect upon the farmer.

Superficially it would appear that in Yugoslavia the private farmer is allowed to exist but the truth is that he is deliberately burdened with discriminatory heavy taxation, obstructed by governmental restrictions, and demoralized by the government fixing unrealistically the maximum prices.

He is subordinated in his ability to get fertilizer and farm machinery in favor of the cooperatives and state farms.

So long as the United States continues supplying the deficit of Tito's socialistic farm program, the farmer of Yugoslavia will not be allowed to solve the shortage.

Before Tito's regime, Yugoslavia was an exporter of farm products; now it cannot produce enough to take care of its own people.

BRIDGE CANYON AND MARBLE CANYON DAMS ON THE COLORADO RIVER

Mr. MOSS. Mr. President, every time I read another statement by the Sierra Club, or by its executive director, David Brower, on the Bridge Canyon and Marble Canyon Dams on the Colorado River in Arizona, I catch my breath at the way in which the truth is being twisted.

I respect the right of Mr. Brower, and of the members of the Sierra Club, to oppose construction of these dams. If they sincerely believe that the waters of the mighty Colorado should not be put to beneficial use in the thirsty and parched States through which the river runs, then they should oppose these dams. If they are honestly convinced that the waters of a great river should not be lifted to the land in the most economic and progressive way possible so more crops can be grown for our galloping population, and more water be provided for our expanding cities, then it is their privilege to make a case against such action.

They do not have the right, however, to misstate the facts, or even to gloss over them, to the extent that they leave a completely false overall picture as to the effect the dams will have. And that is exacly what they are doing.

In a full page letter to Secretary Udall, which appeared in the Washington Post on June 9, and which was signed by David Brower as executive director of the Sierra Club, the question is asked in bold type: "Who Can Save the Grand Canyon?"

The implication is that the Grand Canyon is about to be inundated—or the river drained dry. Neither, of course, is even within the realm of possibility.

The letter then opens with the misleading question:

"If Congress lets your Reclamation Bureau ruin Grand Canyon with two dams, can any national park be safe?"

Two dams are not involved, neither would be within the national park, nothing will be ruined, and the question of safety is not an issue.

One dam, Bridge Canyon, would be located some 80 miles below the park, and would back up water for 93 miles, the last 13 of which would be within Grand Canyon National Park. More than 91 miles of river within the park would remain undisturbed.

The 13-mile stretch of river which would be widened and deepened by Bridge Canyon Dam is now completely inaccessible by any normal means. The backed up water would spread fingers into now dry gullies and canyons. It would produce a river surface upon which thousands of people could ride in boats and look up at the sheer towering walls. It would open the canyon to millions of our citizens who savor this American treasure just as much as do the few hardy outdoorsmen who can now reach this stretch of the canyon. It would enhance both its beauty, and its value as a recreation asset. The lake pack of Bridge Canyon Dam would not be visible from any viewpoint on the rims in the Grand Canyon National Park so the magnificent view from the rim would not be changed.

Marble Canyon Dam would be built on the Colorado River above Grand Canyon National Park. The waters of Marble Canyon lake would be miles above it. There would be over 100 miles of virgin, untouched river between the Bridge and Marble Canyon developments.

I frankly do not know what the Sierra Club and other conservationists talk about when they say they want to "save" Grand Canyon. Save it from what? A little more water in a dry, arid country? A little easier access to an exciting canyon? A little more beauty for people to enjoy?

This same argument was made several years ago in advance of the filling of Glen Canyon Dam. Then the cry went up to "save" Rainbow Bridge from a trickle of water which could back up into the Rainbow Bridge National Monument when Lake Powell was filled. Lake Powell is now at an elevation of 3,545 feet but is expected to decline this fall and winter. Water has spread in the direction of the monument so that now instead of a long horseback ride in to see this spectacular natural arch, people can go most of the way by boat, and hike only the last mile. More people have seen Rainbow Bridge in the last 2 years than in all previous years put together.

But even if Lake Powell goes to its maximum level of 3,711 feet, there would be no danger to the arch itself. The water would be confined to a small defile cut well below the base of the bridge.

Yet in a Life magazine article on David Brower which appeared on May 27, there is a picture which carries this caption:

> At right, Brower and a companion walk below Rainbow Bridge, whose sandstone base will soon be submerged by the rising waters of the existing Glen Canyon Dam at the upper right of the map.

This is a totally false statement. The water will never rise high enough to touch the base of the arch. This is perfectly obvious from maximum water figures as well as from the picture which appears in Life. The foundations of the arch are far above the creek bed where the trickle of water could back up.

Yet, at the time the effort was on to "save" Rainbow Bridge, conservationists like Mr. Brower wanted to spend $25 million to build a dam to keep the waters of Lake Powell from coming up under Rainbow Bridge. This was utter stupidity, and it has been proven so.

The Life article also quotes Mr. Brower as saying that Bridge Canyon and Marble Canyon Dams are "absolutely not necessary. Their being proposed is one of the saddest examples of obsolete engineering thinking."

Is Mr. Brower setting himself up as a great hydrologist and engineer whose judgment is better in this regard than the experts who work in this field?

The primary purpose of Marble and Bridge Canyon Dams is to provide revenue from power sales to help pay the costs of water diversion in other parts of Arizona. The dams will also provide energy for pumping water. Although no water will actually flow directly from the two reservoirs to the homes and farms of Arizona, the dams will finance irrigation and water supply at a price the water users could afford to pay.

The Sierra Club and other conservationists have insisted that coal could be used instead of falling water to create the necessary power. They say it would be cheaper. Thorough investigation by the Department of the Interior has shown that the use of falling water to produce the power needed during peak periods is the most feasible and economic method of getting power. Power is needed only at intervals of high demand, and this cannot be provided economically by the construction of larger base thermal plants which would burn coal. Furthermore, it would be wasteful to our limited fossil fuel resources to use an unreplenishable resource like coal while we permit the constant flow of the Colorado River to spend itself, unused, or only partially used, on its journey to the sea.

In the Life article, Mr. Brower is quoted as saying that some of our most beautiful scenery is being sacrificed to progress. Scenery has not been sacrificed in the Lake Powell-Glen Canyon area. I know that canyon well. I went down the river on a rubber raft long before Glen Canyon Dam was built, I camped on the sandbars and lived on beans with the Boy Scouts.

I enjoyed these trips—the scenery was indeed beautiful. But now that I have been on Lake Powell, I know that the beauty I saw earlier is not even comparable with the exquisite scenery one can see now. In my first trips we were pretty well confined to the one channel where the water ran. It was almost impossible to get off into the canyons which branched to each side. Because we were low in the river channel we could not see the great escarpments and buttes that set back some distance from the river.

Lake Powell has opened a whole new world. Now it is possible to ride in a boat directly up to the towering buttes, and to reach out and touch them. One can venture into myriads of small canyons, get out and hike to the top of the buttes, or back into other canyons which were so remote before than few people had ever seen them.

There are Indian dwellings to be seen now with comparative ease, and little waterfalls which come over the edge of the bluffs when the rain falls. And best of all, there are the reflections of all of this beauty to be seen in the clear blue water of the lake, and vistas of breathtaking beauty. Navajo Mountain can be seen from vast areas of the lake, whereas it was before entirely hidden from the river.

The Glen Canyon story will be repeated in Marble and Bridge Canyons once the dams are built. These dams will not rob us of beauty; they will create more. We do not have to make a decision between water and scenery, or progress and scenery. We can have both.

I am sorry that some conservationists have chosen to gloss over the truth about these dams with glowing phrases about the glories of nature, and artful insinuations about their loss for all future generations. These are the conservation extremists, and in my opinion, they have lost perspective just as surely as have the political extremists of the far right or the far left.

I have always considered myself a conservationist. I have supported conservation legislation ever since I came to the Senate. I have voted and worked for the Wilderness Act, the Land and Water Conservation Act, the Outdoor Recreation Act, Point Reyes, Padre Island and Fire Island National Seashores, Indiana and Sleeping Bear Dunes, Canyonlands National Park—all of these and many more. I cherish the out of doors myself—I spend as much time hunting and fishing and hiking and river-running as I can, and always have. So I am not insensitive to the beauties of nature, and the importance of preserving them.

But I do feel we must also be realistic. We must consider how we are going to provide food and water for our growing populations—how we are going to keep habitable large areas of our country which are running out of the things which are necessary to provide life.

I will never understand, nor can I sympathize, with the frenzied, irrational opposition to the full development of our natural resources, particularly when we are doing our development in a thoughtful, careful way which will preserve and even enhance our natural beauty, and make the outdoors more accessible to more people.

PRESIDENT SIGNS S. 944, THE MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT OF 1966

Mr. BARTLETT. Mr. President, last Friday when President Johnson signed S. 944, the Marine Resources and Engineering Development Act of 1966, the people of the United States were finally assured that our national oceanographic and marine resource development programs would receive high-level Government attention and would no longer be allowed to suffer from too little direction and too little support.

Proper utilization of the oceans is of major consequence to the expanding world which, with certainty, will eventually find its land resources inadequate. This act will provide to the Federal Government, the academic community, and industry the stimulation and coordination needed to insure that we derive the maximum benefits from our marine environment.

Mr. President, much of the credit for S. 944 is due to the distinguished senior Senator from the State of Washington, Senator MAGNUSON, and I would feel considerably remiss if I did not take this opportunity to express my sincere personal appreciation for his persuasive and diligent shepherding of the bill through these legislative Halls. I would also feel remiss if I did not commend the many Members of this and the other body who have tirelessly studied our national oceanography and resource development goals and programs for the past several years in an attempt to understand the complexities and shortcomings of the overall effort.

As we have noted on various occasions, the Federal effort alone is being conducted by more than 20 agencies and offices, all of which have vital, mission-oriented roles to perform. In addition, many universities, institutions, and private businesses have a growing concern for and involvement in marine sciences and engineering.

The riches of the sea are becoming more and more evident, and the race among nations to exploit those riches is increasing in tempo.

Since 1959, when the National Academy of Sciences published its master plan for oceanography, there has been an increased awareness of the need for an official, far-reaching study of the national effort and national needs in order to determine the proper role of the Federal Government and, indeed, even the organizational structure of the Federal Government as it pertains to marine sciences and marine resource development.

The multitude of bills introduced in both Houses over the past few years demonstrated the continuing concern of Congress for this problem. The extensive well-attended hearings and the stature of the witnesses were ample testimony of the concern of industry and the scientific community. The desirability of legislation "to provide for a comprehensive, long-range, and coordinated national program in marine science" had long been acclaimed by a responsible and knowledgeable segment of our population.

Now, after lengthy consideration and thoughtful deliberation, we have a new law that will provide stimulation and direction to our national efforts. In it, by stating our national objectives, we have provided direction; by specifying duties to be performed by the President, we have provided responsibility; by establishing the National Council on Marine Resources and Engineering Development, we have provided Cabinet-level support; and by establishing the Commission on Marine Science, Engineering, and Resources, we have provided for a thorough study of the national marine science and resource development effort. Hopefully, that study will reward us with meaningful recommendations for legislative and presidential action to insure optimum future conduct of our national program.

S. 944 is a notable effort to bring efficiency, economy, and effectiveness to a vast and complex national program, and I am proud to have been one of its sponsors.

ROSEL H. HYDE NAMED FCC CHAIRMAN—AN EXCELLENT AND OBVIOUS CHOICE

Mr. BENNETT. Mr. President, back in 1934, a Downey, Idaho, lad came to Washington and got a job with the then Federal Radio Commission when it was first created. In 1946 President Truman named him to the Republican vacancy on the Federal Communications Commission. Saturday President Johnson named him Chairman of the FCC.

I commend the President for this fine selection. It is not without modesty that I also point out to the Senate that the President has chosen a Republican to be chairman of this vital agency in the Federal Government.

This real champion of free enterprise has built up an impressive record as a public servant and has made many, many contributions to the progress of the communications industry.

I have known Rosel ever since I came to Washington, but I knew his father long before, having sold paint to the family firm, W. A. Hyde & Co., in Downey, Idaho.

It has been my privilege to watch his work and his pioneering efforts on behalf of radio and television ever since 1950. One of his many contributions has been in the field of educational television which is now so important to our school systems throughout the country.

This dedicated public servant has responded to all of the challenges thrown his way with intelligent performances and his credentials as he assumes the chairmanship are overwhelming.

All of us from the Intermountain West think very highly of Rosel Hyde who is universally liked, whose advice is sought by many, and who will make an excellent FCC Chairman. Mr. President, the Rosel Hyde record speaks for itself.

TITO'S SHORT MEMORY

Mr. LAUSCHE. Mr. President, I am pleased to make reference to an editorial appearing in the Friday, June 10, New York Times under the title of "Tito's Short Memory." In the editorial, the writer points out that President Tito has again demonstrated a short memory and a tendency to bend Yugoslavia's nonalined stance toward Soviet policy in major East-West issues. This comment is in response to recent insinuations by Tito that NATO should vanish altogether instead of having its headquarters removed from Paris.

Mr. President, in a letter to the New York Times commenting on its editorial, Dr. Cyril A. Zebot, professor of economics at Georgetown University, while agreeing with the editorial, pointed out that there is something more in this case we ourselves will do well to remember. Dr. Zebot in his letter specifically mentioned that while Tito benefited from our postwar resolve to stop further Soviet expansion in Europe, we, in effect, saved another Communist regime and not a democratic government.

Mr. President, I think both the editorial and Dr. Zebot's letter are well worth reading, and I therefore ask unanimous consent that both be printed in the body of the RECORD as a part of my remarks.

There being no objection, the editorial and letter were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 10, 1966]

TITO'S SHORT MEMORY

President Tito has again demonstrated a short memory and a tendency to bend Yugoslavia's "nonaligned" stance toward Soviet policy in major East-West issues.

Noting that NATO's headquarters are to be removed from Paris, the Yugoslav leader wishes that alliance would "vanish" altogether, and says it is "illusion" in any event to think it can long survive. The Warsaw Pact, on the other hand, he describes as an instrument of peace and "guarantees" it will dissolve "the moment NATO is disbanded."

There was a time when Tito was glad the Atlantic Alliance existed, whether or not he acknowledged it openly. Without NATO and the American commitment to the defense of Europe that it represented, Tito might not have survived Stalin's massive manipulations to bring him down after casting him out of the Soviet bloc in 1948.

In the interests of that commitment and to halt the westward thrust of Soviet power, the United States modernized Tito's armed forces and provided him with nearly $1.5 billion worth of nonmilitary aid.

It was clearly in the best interests of the United States and its NATO partners to help an independent, if Communist, Yugoslavia to survive. The policy paid dividends, including the resolution of the explosive Trieste dispute between Yugoslavia and Italy and the gradual loosening of Moscow's control over other Eastern European countries. There is no need for Tito to make any public acknowledgment of thanks.

It would be easier to improve American relations with Yugoslavia and the other Communist countries of Europe, however, if Tito at least would resist the temptation to rewrite the history of that period.

[From the New York Times, June 15, 1966]

COMMUNIST CONSTANTS IN TITO REGIME

To the EDITOR:

The Times (June 10) editorial "Tito's Short Memory" was straight to the point. It restated what is a matter of undeniable historical record, whether Tito chooses to remember it or not.

But there is something more in this case we ourselves will do well to remember. Perhaps it was because Tito benefited from our postwar resolve to stop further Soviet expansion into Europe that we almost forgot that in saving Tito from Stalin's threat we saved another Communist regime, not a democratic government.

Tito has since ample demonstrated that his continues to be a Communist rule with all its essential characteristics. There still exists in Yugoslavia a one-party political monopoly; the "one-half" Socialist Alliance must share its leaders with the Central Committee of the Communist League.

The Marxist dogma still prohibits private productive property or limits it to an uneconomical maximum, as in agriculture. And the classless utopia remains the unchanging goal of their changing policies. This is not just a matter of pure ideology. For it is the dogmatic persistence of this goal that serves to "justify" the perpetuation of single-party rule to "prepare" society for its ultimate bliss.

To these Communist constants of the Tito regime must be added its repeated profession of solidarity with subversive Communist causes in other parts of the world. Vice President Rankovic's speech at the recent congress of the Soviet Communist party in Moscow was particularly outspoken in this respect. The post-Stalinist "policentrism" in international Communism has accommodated the sensitivities of national party leaders but has not changed the subversive—and where conditions permit—openly aggressive nature of Communism.

ECONOMIC REFORM

Similarly, current economic reforms in Communist countries in Europe, including Tito's, which have been setting the pace, have not ended the political monopoly of the Communist party. If these reforms nevertheless harbor promises not only for greater efficiency but for more freedom as well, it is because the doctrine of Marxism-Leninism is not the science of human destiny.

If Tito wished to prove that his Government is on the side of peace and freedom, he could do it with two simple reforms. He should denounce all subversion and aggression against any country, and domestically he should grant at least to the Socialist Alliance the same measure of political independence which is now enjoyed only by the League of Yugoslav Communists.

CYRIL A. ZEBOT.

WASHINGTON, *June 11, 1966.*

The writer is Professor of Economics at Georgetown University and author of "The Economics of Competitive Co-existence."

THE CHALLENGE OF THE FUTURE IN THE PACIFIC NORTHWEST

Mr. MAGNUSON. Mr. President, on June 4 it was my pleasure to participate in the ceremonies dedicating Wanapum Dam near Ephrata, Wash. Federal Power Commissioner David Black delivered an excellent dedication address that outlines the challenge of the future in the Pacific Northwest. Commissioner Black knows whereof he speaks; he is from the Northwest. He also recognizes that the challenge to come is also our great opportunity to maintain the economic growth potential of the area.

Briefly, the challenge is this: to meet projected loads the Northwest will need more than 1½ million kilowatts of new generating capacity every year; and at the same time by 1975 every economic hydroelectric site in the Northwest will have been developed. This means we will have to turn to steam generating plants fueled by either fossil or nuclear resources. To do the job of supplementing existing hydroelectric production by steamplants will require "long-range advance planning in cooperation with a host of Northwest utilities, public and private."

Dave Black is both young and highly capable, and he sees clearly the needs of the future. I ask unanimous consent that his dedicating remarks be printed in the CONGRESSIONAL RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS BY DAVID S. BLACK, COMMISSIONER, FEDERAL POWER COMMISSION, DEDICATING WANAPUM DAM, EPHRATA, WASH., JUNE 4, 1966

I am deeply grateful for the honor given me—to be your keynote speaker in the dedication of Wanapum Dam.

My predecessors on the Federal Power Commission issued the license for this development on November 4, 1955. Today, ten years and seven months later, I am privileged to come before you as a Member of that Commission. We are here to celebrate the successful translation of the words of an FPC license for Project No. 2144 into the reality of this magnificent structure pouring hundreds of thousands of kilowatts into the insatiable market for electric energy in the Northwest.

Wanapum is the largest non-federal hydroelectric project on the Columbia, and the third largest existing development ever licensed by the Federal Power Commission. This project substantially completes the man-made Columbia River cascade from Grand Coulee to tidewater.

My colleagues on the Commission are fond of gently chiding me for what they describe as my Northwest provincialism—a charge I hotly deny. But today, participating in these ceremonies marking another great step in harnessing a mighty river, I am afraid I must own up. I have that special feeling of absolute conviction that this corner of the country is a cut better in most every respect than any place else on earth. If this is a kind of provincialism, then I am happy to share it with all of you today.

In Ephrata in the summer of 1961, you celebrated the 43rd anniversary of the first news story carrying Mr. Billy Clapp's suggestion for a dam across the Columbia River at Grand Coulee. In the years that followed the formulation of this bold idea, Mr. Clapp was called things a lot stronger than "provincial." So were Jim O'Sullivan, Rufus Woods and the tenacious group of men and women who fought and bled for development of the Columbia River. The Coulee Dam project was scorned as a ruthless waste of public funds, and described contemptuously as ". . . the most colossal fraud in the history of America."

The story of this long and bitter struggle and of the adversaries who waged it is a favorite theme of speakers on occasions such as this. It is always a fascinating tale to tell because it is a success story in the most spectacular sense. But the battle for Grand Coulee and the full development of the Columbia—of which Wanapum Dam is such an impressive part—has been won. It is largely history. And its constant reiteration and the self-congratulation that goes along with it, as satisfying as it may be, can distract us from the urgency of the new job ahead in power planning for the Pacific Northwest. On the occasion of the dedication of Ice Harbor Dam in 1962, then Vice President Johnson said, "America has been from the beginning—and must always be—a nation with her face turned toward the future." These words have special meaning here in the Pacific Northwest.

The time has arrived when we must face up to the hard fact that we are nearly at the end of a great era of hydroelectric development of a river basin unmatched anywhere on earth. Vision and foresight have characterized this era. We must not now permit hindsight and smugness to stunt the economic growth of the future. Abundant cheap electricity, as much as any other single factor, has been responsible for the success and economic vitality of the Pacific Northwest. It is this factor which has served to overcome the disadvantage of the region's remoteness from the commercial, industrial and population centers of the East, and to offset the high costs which this remoteness causes. The Northwest is now experiencing substantial increased demand for industrial power. But measured against most traditional economic indicators, the region's overall growth is only at a rate about equivalent to the national average. If we are to quicken the pace of our economic development, it is absolutely essential that we retain the one substantial advantage we now enjoy over most of the nation: low cost electric energy.

And in less than a decade—in order to serve projected loads—we will need more than one and a half million kilowatts of new generating capacity every year—almost the equivalent of the installed capacity of Wanapum and Priest Rapids combined!

This forecast may not appear startling at first blush. Not until we ask where these new increments of power will come from. Before 1975, virtually all of the Northwest's economic hydroelectric sites will have been developed and our great natural advantage—abundant falling water—will for most practical purposes be fully exploited except for peaking.

This is, of course, not to suggest that the development of the Columbia for non-power purposes is at an end. Never before in our history has the public conscience been so keenly tuned to the non-commercial values of the Nation's natural resources. Conservation of our shrinking wilderness areas in an age of expanding industrialization and urban sprawl, and the wisest and most careful planning for recreational use of our great rivers, are purposes surely as important to society as lumber, highways and even electricity. To be sure, the development of the Columbia for power, irrigation and flood control has not destroyed the river's natural beauty nor impaired its recreational potential; rather it has enhanced them. But still there is much that can be done to improve these features of the Columbia River and its tributaries for the use and enjoyment of this and future generations. Northwest planners are even now talking of a coordinated long range project looking to the fullest utilization of the river's still undeveloped unique recreational potential and the preservation of its colorful history.

These objectives can be accomplished on the Columbia; but for the production of new blocks of energy to meet skyrocketing demands, we must look to other resources. The Northwest must turn, with mixed emotions I am sure, to steam electric generation for the markets of the impending future.

I hope it does not strike you as inappropriate that I would use the occasion of the dedication of a great hydroelectric project to talk of things as unexciting and mundane by comparison as steam plants. Conventional thermal electric generation is virtually unknown in the Columbia Basin, and I am sure that there are some here today who have never seen a steam plant. Yet steam electric generation accounts for nearly 90% of all electric generation in the United States outside the Northwest. Since development of the Columbia began some thirty years or more ago, we have taken cheap hydroelectric power for granted. And herein lies the danger, because we can no longer do so. Without imaginative and long range planning—which right now should be well underway—the Northwest will have foregone its advantage of low cost power, and along with it much of the economic growth potential for the region.

Why should a shift to base load steam generation be viewed as a formidable undertaking? After all, most of the rest of the country is operating with steam plants. And most of the time the lights stay on. The problem is not with the quality of the product, but with its cost. The average cost of thermal generation, despite dramatic reductions since the war, remains very substantially greater than power costs in the Pacific Northwest. The most economical steam electric plants in the country with conventional private financing are producing high load factor power at between four and five mills, while the average cost of producing electricity in the Northwest in 1964, was about three mills. Bonneville's high load factor power sells for 2.5 mills per kwh. So, not only must the leaders and the power planners begin the perhaps painful shift in thinking from hydro to steam—they must plan for the most efficient and low-cost installations attainable.

In December 1964, the Federal Power Commission published the most comprehensive study of the nation's electric power industry ever undertaken. Its purpose was to lay down guidelines for the growth of the industry to 1970 to 1980. Its principal lesson is this: The entire electric power industry—all segments, federal, municipal, co-operative, and investor owned—must dedicate their efforts and their skills toward the widest possible coordination and cooperation in planning, construction and operation of their systems, if the maximum economies and the lowest cost of power to the consumer are to be realized. The people of this nation by 1970, can be saving $11 billion annually on their electric power bills, if the country's utility executives and power planners heed this lesson. While it is true that the lion's share of this 27% reduction in the cost of electricity is predicted for the currently high-cost power regions of the country, this is all the more reason for the Northwest to exert extra efforts to retain its competitive advantage in the electric energy market.

Planning for a new era in the Northwestern states in the production and transmission of electricity involves difficult and complex decisions of policy of engineering and of economics. This planning must be careful and informed, ladies and gentlemen, but it must not be timid. High-cost power is the product of many factors—resource, economic and political; but most of all it results from smallness—small generating units and weak transmission lines; it results from smallness of vision, from the inability or the refusal through misguided conservatism, to comprehend the economies of scale which can be achieved only with the broadest coordinated planning between companies, between systems, and between regions, and cutting across ideological as well as geographical boundaries.

I'm sure it is superfluous to stand by Wanapum Dam and tell the people of the Pacific Northwest to "think big." And it may also seem unnecessary to urge the management and the directors of the Northwest utilities to coordinate their planning and operation in the coming decade—especially when we are about to see the fruition of just such planning with the giant Northwest-Southwest intertie.

But coordination in planning and operation in the new era of thermal electric power is more vital than ever because here the Northwest has no long-term natural advantage. To the extent that abundant coal deposits, economically mined or cheaply transported, may assist other regions of the country in producing cheap steam electric power, the Pacific Northwest may even be at a substantial disadvantage, at least until we know more about the Cle Elum coal fields and the deposits along the coast and the Puget Sound area. Grant and Kittitas PUD's and four private utilities are making the necessary geological examinations in the Cle Elum area which should provide some knowledge; but in my view coal is not the permanent answer for the Northwest. It may well be that with the experience of Hanford, the Northwest utilities should be looking now toward producing vast new blocks of power from additional atomic installations.

In other parts of the country, utilities have already constructed or have definite commitments for more than 35 nuclear units. The Commonwealth Edison Company of Chicago, for example, is planning for its fourth atomic power plant. The management feels that the economies of large scale atomic generation are even now greater than can be realized through coal fired installations, and the costs are moving down.

I make no fast predictions concerning future economies of competing fuels or modes of steam generation, nor do I offer advice for the special kind of development the Northwest will be needing all too soon as it moves into the new era of thermal electric generation for the promised power market of tomorrow. I only urge you to think boldly and plan together.

We have an outstanding example of this kind of effort right here before us. Grant County PUD provided the initiative and the ingenuity which made possible the financing of the entire Priest Rapids project through a wholly new concept in power marketing. And it was accomplished by long range advance planning in cooperation with a host of Northwest utilities, public and private.

Grant County has been active in promoting the world's largest high-energy test center which, if it is accomplished, will prove invaluable in this new age of extra high-voltage transmission. Grant County sponsored the Columbia Storage Power Exchange and actively participated in its formation.

All of these things are typical of the kind of leadership that has become the standard for the electric industry in the Northwest. It is a standard built on two things: imaginative planning on a large scale and a concept of regionalism, which transcends local service area boundaries and narrow self interest. In the next few years this concept will be put to its severest test.

On August 17, 1962, President Kennedy made a speech at the Oahe Dam in South Dakota in which he spoke of entering a decade of challenge and crisis in the development of our natural resources. His words are especially appropriate on this occasion. He said: "If we can apply to this challenge the same principle of efficiency, cooperation and foresight which made this great dam possible—the same principles which cause American technicians to be sought out the world over, to assist in developing the Nile, the Volta, the Mekong, and the Indus—then all of us here and in every state of the fifty states may look to the future with confidence."

It is now my privilege to dedicate Wanapum Dam to the public service of this generation and those to follow.

Thank you.

THE CLEAN ELECTIONS BILL

Mr. MOSS. Mr. President, I have joined my good friend, Senator CLARK, as a cosponsor on S. 3435. This is the Election Reform Act that President Johnson proposed in his state of the Union message. This bill is familiar to many of us since we have been cosponsors of earlier election reform bills. The late Senator Hennings and then Senator LONG of Missouri introduced these bills for several years, but they never became law. I hope the support of the President will aid us in enacting this much-needed legislation.

I think this bill signals the recognition that elections, while expensive, are beneficial. They educate the populace; they expose the corrupt and ineffective; they provide a testing ground for the candidates. But a continuation of the present trend toward more expensive campaigns will result in a preponderance of two types of candidates. The wealthy will be able to hold public office at considerable sacrifice of their personal resources. The other candidates will, of necessity, be those who will commit themselves to promote the causes of the special interest groups. This bill will help open elective office to able men of modest means.

Since this bill envisions the end of special interest financing of elections, it is imperative that a substitute be provided. The bill provides for this by giving a tax deduction for contributions up to $100. I think that any attempt to remove this provision from the bill would make it impractical and subject to the evasion of the election laws we have seen heretofore. Indeed, I think a thorough study should be made of the recommendations of the Heard Commission appointed by President Kennedy. This Commission recommended a tax credit as well as a tax deduction. This would provide a tax credit of one-half of the contribution up to $10. I think the addition of this provision would increase public financing and especially, the participation of the middle class of our citizens.

We need to do all we can to encourage the average citizen to be interested in and to participate in politics. If we give him this incentive to contribute, it is very likely he will also become more interested in who is elected. I am sure that more public interest in elections will mean more qualified representatives.

The other provisions of the bill would provide the voters with a record of the income from personal services. It would also require all gifts over $100 to be reported. I think this is an extremely important provision. The voters are entitled to know if their representatives have other interests they also serve. I am sure there is nothing wrong with most other sources of income that a Senator may have. I think, however, the public should know what they are.

I also support the repeal of the present ceilings on expenditures. The spectacle of our public representatives breaking the limit on expenditures in every campaign makes a mockery of the law. This act supports the more realistic goal of limiting the amount from individual contributors. I am sure the President is right when he says disclosure will allow public influence to control expenditures.

There is no subject more important in a free society than the process of electing the people's representatives. This bill seeks to enlarge the voice of the people in our electoral process. I will give it my full support.

SUPPORT FOR SENATE RESOLUTION 149, A STUDY OF STEEL IMPORTS

Mr. HARTKE. Mr. President, on June 2 and 3, 1966, hearings were held before the Senate Finance Committee on Senate Resolution 149, a resolution requesting an in-depth study of the economic effects of steel imports.

Since the committee record on this resolution will remain open for written testimony until June 22, I would like to report to you today on: First, the purposes of the resolution; second, the facts that were established during the oral portion of the testimony; and, third, to demonstrate to you the need for the passage of this resolution.

The study will be directed toward:

First. The possibility of unfair, below-cost pricing of steel imports to the United States.

Second. The impact of steel imports upon the economic well-being of our domestic steel industry and the jobs, wages, and tax revenues created by that industry.

Third. The impact of steel imports on our balance of payments deficit.

Fourth. The effect of the voluntary restraint program on the demand for steel mill products in the countries affected.

During the course of the hearings, it was established that the U.S. steel industry is in an unfair competitive position with foreign steel producers because of certain benefits and immunities which they enjoy. These include:

First. Foreign cartelization—in which there is no antitrust prosecution.

Second. Government loans, tax credits, and other subsidies designed to encourage exporting.

Third. Allocation of the American domestic market so that the foreign producers will not be competing with one another.

Fourth. Unfair shipping rates, whereby American steel exports are charged higher rates on the same ships between the same ports than steel imports.

Fifth. A U.S. tariff schedule on steel imports that has not been reviewed since 1930. Thus, in the great number of instances where the United States has a specific tariff of so many cents per pound on a particular commodity; the price of that commodity has gone up, and the effects of that specific tariff has been less and less.

What started out to be a tariff protection of between 19 and 22 percent is now the equivalent of 4.5 percent or less.

The hearings established that in 1965, the trade deficit in steel accounted for at least 68 percent of our total balance-of-payments deficit. In dollar terms, it was actually much greater because 42 percent of our exports of steel were not real sales to foreign customers paid for in hard currencies, but rather, sales financed by AID.

The record indicates that foreign tariffs on steel have increased substantially since 1964. The Commerce Department reported that the average European Common Market tariff on steel was increased in 1964 by 50 percent. Britain's current surcharge on all imports is 10 percent.

The effect on our exports is clear. In 1965, steel imports to this country increased by 57 percent, to a total of $1.2 billion, or more than 10 percent of our entire market. At the same time, American steel exports fell by more than 18 percent.

Total steel imports in the first quarter of 1966 were 10 percent greater than in 1965. Using past evidence as a guide—and judging from the record—it seems evident that once imported steel captures a portion of the American domestic market, that market is forever lost to our domestic producers.

The trade deficit in steel has a major impact on our balance-of-payments deficit. As Treasury Secretary Fowler conceded recently:

> The chief worry on the balance-of-payments front is that imports are increasing faster than exports, thus reducing the U.S. trade surplus.

In addition, testimony before the committee indicated that more than 50 percent of certain strategic materials needed in Vietnam were imported into the United States, and that the importation of strategically important stainless steel had increased approximately 15 times since 1959.

It was reported that continued growth in the importation of this type of steel could undermine the continued growth and stability of this industry, an industry which contributes substantially to numerous strategic products.

In conclusion, the hearings proved four decisive points:

First. The importance of the steel industry to our basic economy, to our strategic position in Vietnam, and to the rest of the world is clear.

Second. Our domestic steel industry is in an unfair competitive position with foreign steel producers.

Third. Sixty-eight percent of our balance-of-payments deficit is accounted for by our trade deficit in steel.

Fourth. This balance-of-payments problem has caused our Government to react with voluntary restrictions on foreign capital expenditures and bank lending, which has resulted in a new type economic isolation.

Despite these facts, the executive branch of our Government has not yet—at this late date—agreed to conduct a comprehensive study to ascertain all the facts and ramifications of steel imports into this country, so that decisions based upon objective findings could be made to correct the problems created by steel imports.

And finally, in view of the upcoming renewal of the Trade Expansion Act of 1962, such a study would prove invaluable as a yardstick against which the accomplishments or failures of that Act and our trade policy as a whole could be measured.

The Senate resolution would provide such a factfinding study.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

FUR SEAL ACT OF 1966

Mr. MANSFIELD. Mr. President, in accordance with the unanimous-consent agreement, entered into on Thursday last, I ask unanimous consent that S. 2102 be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (S. 2102) to protect and conserve the North Pacific fur seals, and to administer the Pribilof Islands for the conservation of fur seals and other wildlife, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Fur Seal Act of 1966".

TITLE I—CONSERVATION AND PROTECTION OF THE NORTH PACIFIC FUR SEALS

Sec. 101. It is unlawful, except as provided in this Act or by regulation of the Secretary of the Interior, for any person or vessel subject to the jurisdiction of the United States to engage in the taking of fur seals in the North Pacific Ocean or on lands or waters under the jurisdiction of the United States, or to use any port or harbor or other place under the jurisdiction of the United States for any purpose connected in any way with such taking, or for any person to transport, import, offer for sale, or possess at any port or place or on any vessel, subject to the jurisdiction of the United States, fur seals or the parts thereof, including, but not limited to, raw, dressed, or dyed fur seal skins, taken contrary to the provisions of this Act or the Convention, or for any person subject to the jurisdiction of the United States to refuse to permit, except within the territorial waters of the United States, a duly authorized official of Canada, Japan, or the Union of Soviet Socialist Republics to board and search any vessel which is outfitted for the harvesting of living marine resources and which is subject to the jurisdiction of the United States to determine whether such vessel is engaged in sealing contrary to the provisions of said Convention.

Sec. 102. (a) Indians, Aleuts, and Eskimos who dwell on the coasts of the North Pacific Ocean and who take fur seals without the use of firearms in boats not transported by or used in connection with other vessels, and which are propelled entirely by oars, paddles, or sails, and manned by not more than five persons in the way said Indians, Aleuts, and Eskimos have historically practiced, are permitted to take such seals and to dispose of their skins in any manner after the skins have been officially marked and certified by a person authorized by the Secretary of the Interior.

(b) The authority contained in this section shall not apply to Indians, Aleuts, and Eskimos who are employed by any person engaged in the taking of fur seals or under contract to deliver the skins to any person.

Sec. 103. The Secretary of the Interior shall (1) conduct such scientific research and investigations on the fur seal resources of the North Pacific Ocean as he deems necessary to carry out the obligations of the United States under the Convention, and (2) permit, subject to such terms and conditions as he deems desirable, the taking, transportation, importation, exportation, or possession of fur seals or their parts for educational, scientific, or exhibition purposes.

Sec. 104. (a) The Secretary shall (1) take and cure fur seal skins on the Pribilof Islands and on lands subject to the jurisdiction of the United States whenever he deems such taking and curing is necessary to carry out the provisions of the Convention or to manage the fur seal herd, (2) employ natives of the Pribilof Islands and, when necessary, other persons for taking and curing of fur seal skins pursuant to this section, and compensate them at rates to be determined by the Secretary, (3) deliver to authorized agents of the parties such fur seal skins as the parties are entitled under the Convention, (4) utilize such quantities of fur seal skins taken pursuant to this section or forfeited to, or seized by, the United States as the Secretary deems desirable for product development and market promotion, (5) provide for the disposal or destruction of any fur seal skins that are damaged or that are determined by the Secretary to have no value or use as luxury furs, (6) provide for the processing of such quantities of fur seal skins as he deems desirable, (7) provide from time to time for the sale, pursuant to such terms and conditions as the Secretary deems desirable, of fur seal skins and products of fur seals not otherwise used or disposed of pursuant to this Act, and (8) deposit into the Pribilof Islands funds in the Treasury the proceeds from such sales, except that the Secretary shall pay annually to the Commission the proceeds from the sales of any fur seal skins that are taken contrary to the provisions of this title and the regulations issued thereunder or that are forfeited to the United States.

(b) The Secretary is authorized to enter into agreements with any public or private agency or persons for the purpose of carrying out the provisions of this title, other than for the purpose of taking fur seals.

Sec. 105. (a) Any person authorized to enforce the provisions of this Act who has reasonable cause to believe that any vessel outfitted for the harvesting of living marine resources and subject to the jurisdiction of any of the parties to the Convention is violating the provisions of article III of the Convention may, except within the territorial waters of another nation, board and search such vessel. Such person shall carry a special certificate of identification issued by the Secretary of the Interior or Secretary of the Treasury which shall be in English, Japanese, and Russian and which shall be exhibited to the master of the vessel upon request.

(b) If, after boarding and searching such vessel, such person continues to have reasonable cause to believe that such vessel, or any person on board, is violating said article, he may seize such vessel or arrest such person, or both. The Secretary of State shall, as soon as practicable, notify the party having jurisdiction over the vessel or person of such seizure or arrest and shall deliver or cause to deliver the seized vessel or arrested person, or both, as promptly as practicable to the authorized officials of said party: *Provided*, That whenever said party cannot immediately accept such delivery, the Secretary of State, through the Secretary of the Interior or the Secretary of Treasury, may, upon request of said party, keep the vessel or person under surveillance within the United States.

(c) At the request of said party, the Secretary of the Interior or the Secretary of the Treasury shall direct the person authorized to enforce the provisions of this Act to attend the trial as a witness in any case arising under said article or give testimony by deposition, and shall produce such records and files or copies thereof as may be necessary to establish the offense.

Sec. 106. The President shall appoint to the Commission a United States Commissioner who shall serve at the pleasure of the President. The President may also appoint a Deputy United States Commissioner who shall serve at the pleasure of the President. The Deputy Commissioner shall be the principal adviser of the Commissioner, and shall perform the duties of the Commissioner in the case of his death, resignation, absence, or illness. The Commissioner and the Deputy Commissioner shall receive no compensation for their services. The Commissioners may be paid travel expenses and per diem in lieu of subsistence at the rates authorized by section 5 of the Administrative Expense Act of 1946 (5 U.S.C. 73b–2) when engaged in the performance of their duties.

Sec. 107. The Secretary of State, with the concurrence of the Secretary of the Interior, is authorized to accept or reject, on behalf of the United States, recommendations made by the Commission pursuant to article V of the Convention.

Sec. 108. The head of any Federal agency is authorized to consult with and provide technical assistance to the Secretary of the Interior or the Commission whenever such assistance is needed and can reasonably be furnished in carrying out the provisions of this title. Any Federal agency furnishing assistance hereunder may expend its own funds for such purposes, with or without reimbursement.

Sec. 109. As used in this title, the term—

(a) "Convention" means the Interim Convention on the Conservation of North Pacific Fur Seals signed at Washington, on February 9, 1957, by the parties, as amended by the protocol signed at Washington, on October 8, 1963, by the parties,

(b) "Party" or "parties" means the United States of America, Canada, Japan, and the Union of Soviet Socialist Republics,

(c) "Commission" means the North Pacific Fur Seal Commission established pursuant to article V of the convention,

(d) "Sealing" means the taking of fur seals,

(e) "North Pacific Ocean" means the waters of the Pacific Ocean north of the thirtieth parallel of north latitude, including the Bering, Okhotsk, and Japan Seas,

(f) "Import" means to land on, or bring into, or attempt to land on, or bring into any place subject to the jurisdiction of the United States.

TITLE II—ADMINISTRATION OF THE PRIBILOF ISLANDS

Sec. 201. The Pribilof Islands shall continue to be administered as a special reservation by the Secretary of the Interior for the purposes of conserving, managing, and protecting the North Pacific fur seals and other wildlife, and for other purposes.

Sec. 202. The Secretary, in carrying out the provisions of this title, is authorized to enter into contracts or agreements or leases with, or to issue permits to, public or private agencies or persons, including the natives of said islands, in accordance with such terms and conditions as he deems desirable, for the use of any Government-owned real or personal property located on the Pribilof Islands, for the furnishing of accommodations for tourists and other visitors, for educational, recreational, residential, or commercial purposes, for the operation, maintenance, and repair of Government-owned facilities and utilities, for the transportation and storage of food and other supplies, and for such other purposes as the Secretary deems desirable.

SEC. 203. (a) In carrying out the provisions of this title, the Secretary is also authorized—

(1) to provide, with or without reimbursement, the natives of the Pribilof Islands with such facilities, services, and equipment as he deems necessary, including, but not limited to, food, fuel, shelter, transportation, and education,

(2) to provide the employees of the Department of the Interior and other Federal agencies and their dependents, and tourists and other persons at reasonable rates to be determined by the Secretary, with such facilities, services, and equipment as he deems necessary, including, but not limited to, food, fuel, shelter, transportation, and education,

(3) to purchase, transport, store, and distribute such supplies and equipment to carry out the provisions of this section as the Secretary deems necessary, and

(4) to purchase, construct, operate, and maintain such facilities as may be necessary to carry out the provisions of this section.

(b) The proceeds from the furnishing of facilities, services, supplies, and equipment pursuant to this section shall be credited to the appropriation current at the time the proceeds are received.

SEC. 204. (a) The Secretary is authorized to enter into an agreement with the Governor of the State of Alaska pursuant to which the State shall assume full responsibility for furnishing education to the natives of the Pribilof Islands including the costs thereof. The Secretary is also authorized to enter into agreements with said Governor pursuant to which the State shall furnish to such natives adequate food, shelter, transportation, and such other facilities, services, and equipment as the Secretary deems necessary.

(b) Any agreement entered into pursuant to this section for the transfer to the State of the responsibility for furnishing education to the natives of the Pribilof Islands shall provide, in addition to such terms and conditions as the Secretary deems desirable, that the State of Alaska, in assuming such responsibility, shall meet the educational needs of the said natives in the same manner as the State meets the educational needs of all of its citizens, including the furnishing of necessary facilities therefor.

SEC. 205. The Surgeon General of the Public Health Service shall provide medical and dental care to the natives of the Pribilof Islands, with or without reimbursement, as provided by other law. He is authorized to provide such care to Federal employees and their dependents and tourists and other persons in the Pribilof Islands at reasonable rates to be determined by him. He may purchase, lease, construct, operate, and maintain such facilities, supplies, and equipment as he deems necessary to carry out the provisions of this section. Nothing in this Act shall be construed as superseding or limiting the authority and responsibility of the Surgeon General of the Public Health Service under the Act of August 5, 1954 (42 U.S.C. 2001 et seq.), as amended, or any other law with respect to medical and dental care of natives or other persons in the Pribilof Islands.

SEC. 206. (a) For the purpose of fostering self-sufficiency among the natives of the Pribilof Islands, and in order that they may enjoy local self-government, and to facilitate the establishment by such natives of a municipal corporation under the laws of the State of Alaska, the Secretary is authorized to set apart so much of the land on St. Paul Island as he determines necessary to establish a townsite. The Secretary shall survey the townsite into lots, blocks, streets, and alleys and he may issue a patent therefor to a trustee appointed by him, when he is satisfied that a viable self-governing community which is capable of providing adequate municipal services is established or will be established prior to the conveyance by the trustee of title to any property to the natives of the Pribilof Islands. The trustee is authorized to convey to the individual natives of the Pribilof Islands title to improved or unimproved lots or tracts of land within such townsite for homesite, commercial, or other purposes not inconsistent with the purpose for which the Secretary administers said islands, upon payment of an amount to be determined by the Secretary. Any deed issued by the trustee shall provide, in addition to such terms and conditions relating to the use of said lots or tracts as the Secretary deems necessary, that the title conveyed is inalienable except upon approval of the Secretary of the Interior. Any lot or tract conveyed by the trustee to said natives shall not, except as provided in the Act of March 29, 1956 (70 Stat. 62; 25 U.S.C. 483a), be subject to levy and sale in satisfaction of the debts, contracts, or liabilities of the purchaser or to any claims of adverse possession or to claims or prescription, except that such lot or tract shall be subject to taxation and to levy and sale in satifaction thereof under the laws of the State of Alaska.

(b) In determining the amount to be paid for the purchase of lots or tracts under subsection (a) of this section, the Secretary shall consider the economic status of the natives of the Pribilof Islands, including the factor of isolation, the restrictive nature of the title to be conveyed, the improvements, if any, placed on the property by the purchaser and such other factors as he deems pertinent: *Provided*, That payment shall be made in accordance with such terms and conditions as the Secretary deems desirable.

(c) The net proceeds from the sale, pursuant to this section, of improved or unimproved lots or tracts shall be made available to the established local governing body to be used with other proceeds available to such body for the purpose of providing adequate municipal services to persons inhabiting the islands.

(d) Upon approval by the Secretary, the trustee shall convey with or without reimbursement, any improved or unimproved land which was authorized to be sold under subsection (a), and which is unsold five years after incorporation, and which is not needed in connection with the Federal activities on said islands, to the municipality for the purposes of this section: *Provided*, That a conveyance pursuant to this subsection shall be subject to such terms and conditions as the Secretary deems necessary to enable him to administer the Pribilof Islands as provided in this title.

(e) The trustee shall convey to the municipality at the time of incorporation all surveyed streets and alleys of the townsite. All deeds issued by the trustee shall contain a reservation to the trustee of rights-of-way for streets and alleys to be surveyed and established upon and across land conveyed to the natives of the Pribilof Islands whenever he determines that it would be in the interest of the native owner to establish such streets and alleys. Such reservation shall be for a term not to exceed ten years. In addition the Secretary may convey without reimbursement to the municipality such lands or interests therein outside the townsite boundaries for any purpose subject to such conditions as the Secretary deems desirable to carry out the purposes of this Act.

(f) The provisions of this section shall not affect any valid existing rights.

SEC. 207. Any person who violates or fails to comply with any regulation issued by the Secretary of the Interior under this title relating to the use and management of the Pribilof Islands or to the conservation and protection of the fur seals or wildlife or other natural resources located thereon shall be fined not more than $500 or be imprisoned not more than six months, or both.

SEC. 208. (a) Service by natives of the Pribilof Islands engaged in the taking and curing of fur seal skins and other activities in connection with the administration of such islands prior to January 1, 1950, as determined by the Secretary of the Interior based on records available to him, shall be considered for purposes of credit under the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267), as civilian service performed by an employee, as defined in said Act.

(b) Notwithstanding any other provision of this Act or any other law, benefits under the Civil Service Retirement Act made available by reason of the provisions of this section shall be paid from the civil service retirement and disability fund.

TITLE III—PROTECTION OF SEA OTTERS ON THE HIGH SEAS

SEC. 301. (a) It is unlawful, except as provided in this Act or by regulations issued by the Secretary of the Interior, for any person subject to the jurisdiction of the United States to take or engage in the taking of sea otters on the high seas beyond the territorial waters of the United States, or to possess, transport, sell, purchase, or offer to sell or purchase sea otters or their parts taken on the high seas, or to destroy, abandon, or waste needlessly sea otters on the high seas.

(b) The possession of sea otters or any part thereof by any person contrary to the provisions of this Act shall constitute prima facie evidence that the sea otter or part thereof was taken, purchased, sold, or transported in violation of the provisions of this Act or the regulations issued thereunder.

SEC. 302. The Secretary is authorized, from time to time, to sell, pursuant to such terms and conditions as he deems desirable, or otherwise dispose of, sea otter skins and all the products derived from sea otters that are forfeited to, or seized by, the United States pursuant to this Act, or that are taken by the Secretary on the high seas or within the Aleutian Islands National Wildlife Refuge. The proceeds of such sales shall be deposited in the Pribilof Islands fund in the Treasury.

TITLE IV—GENERAL

SEC. 401. (a) Every vessel subject to the jurisdiction of the United States that is employed in any manner in connection with a violation of the provisions of this Act, including its tackle, apparel, furniture, appurtenances, cargo, and stores shall be subject to forfeiture and all fur seals or sea otters, or parts thereof, taken or retained in violation of this Act or the monetary value thereof shall be forfeited.

(b) All provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of a vessel, including its tackle, apparel, furniture, appurtenances, cargo, and stores for violation of the customs laws, the disposition of such vessel, including its tackle, apparel, furniture, appurtenances, cargo, and stores or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act.

SEC. 402. (a) Enforcement of the provisions of this Act is the joint responsibility of the Secretary of the Interior, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating. In addition, the Secretary of the Interior may designate officers and employees of the States of the United States to enforce the provisions of this Act which relate to persons or vessels subject to the jurisdiction of the United States. When so designated, such officers and employees are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(b) The judges of the United States district courts and the United States commissioners may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process, including warrants or other process issued in admiralty proceedings in Federal district courts, as may be required for enforcement of this Act and any regulations issued thereunder.

(c) Any person authorized to carry out enforcement activities hereunder shall have the power to execute any warrant or process issued by any officer or court of competent jurisdiction for the enforcement of this Act.

(d) Such person so authorized shall have the power—

(1) with or without a warrant or other process, to arrest any person committing in his presence or view a violation of this Act or the regulations issued thereunder;

(2) with a warrant or other process or without a warrant, if he has reasonable cause to believe that a vessel subject to the jurisdiction of the United States or any person on board is in violation of any provision of this Act or the regulations issued thereunder, to search such vessel and to arrest such person.

(e) Such person so authorized may seize any vessel subject to the jurisdiction of the United States, together with its tackle, apparel, furniture, appurtenances, cargo, and stores, used or employed contrary to the provisions of this Act or the regulations issued hereunder or which it reasonably appears has been used or employed contrary to the provisions of this Act or the regulations issued hereunder.

(f) Such person so authorized may seize, whenever and wherever lawfully found, all fur seals or sea otters taken or retained in violation of this Act or the regulations issued thereunder. Any fur seals so seized or forfeited to the United States pursuant to this Act shall be disposed of in accordance with the provisions of section 104, of this Act. Any sea otters so seized or forfeited to the United States pursuant to this Act shall be disposed of in accordance with the provisions of section 302 of this Act.

Sec. 403. The Secretary of the Interior is authorized to issue regulations to carry out the provisions of this Act.

Sec. 404. Any person violating the provisions of title I or III of this Act or the regulations issued thereunder shall be fined not more than $2,000, or imprisoned not more than one year, or both.

Sec. 405. The Secretary of the Interior, in carrying out the provisions of this Act, is authorized to enter into contracts or agreements for research with any person or public or private agency.

Sec. 406. (a) The term "person" as used in this Act means any individual, partnership, corporation, or association.

(b) The terms "take" or "taking" or "taken" as used in this Act means to pursue, hunt, shoot, capture, collect, kill, or attempt to pursue, hunt, shoot, capture, collect, or kill.

(c) The term "natives of the Pribilof Islands" as used in this Act means any Indians, Aleuts, or Eskimos who permanently reside on said island.

Sec. 407. There is established a Pribilof Islands fund and there are authorized to be appropriated such sums as may be necessary from the funds and from other funds in the Treasury to carry out the provisions of this Act and the provisions of section 6(e) of the Alaska Statehood Act which provides for the payment to the State of Alaska of certain specified proceeds deposited into said fund.

Sec. 408. (a) The Act of February 26, 1944 (58 Stat. 100; 16 U.S.C. 631a–631q), is repealed.

(b) The last three sentences of section 6(e) of the Alaska Statehood Act (72 Stat. 339) are amended to read as follows: "Commencing with the year during which Alaska is admitted into the Union, the Secretary of the Treasury, at the close of each fiscal year, shall pay to the State of Alaska 70 per centum of the net proceeds, as determined by the Secretary of the Interior, derived during such fiscal year from all sales of sealskins or sea otter skins made in accordance with the provisions of the Fur Seal Act of 1966. In arriving at the net proceeds, there shall be deducted from the receipts from all sales all costs to the United States in carrying out the provisions of the Fur Seal Act of 1966, including, but not limited to, the costs of handling and dressing the skins, the costs of making the sales, and all expenses incurred in the administration of the Pribilof Islands. Nothing in this Act shall be construed as affecting the rights of the United States under the provisions of the Fur Seal Act of 1966 and the Northern Pacific Halibut Act of 1937 (16 U.S.C. 772–772i)."

The PRESIDING OFFICER. On this bill, pursuant to the unanimous-consent agreement, debate on any amendment is ordered limited to 20 minutes, to be divided equally and controlled by the mover and the majority leader; and on the question of final passage, debate is ordered limited to 1 hour, to be divided equally and controlled by the majority and minority leaders.

Mr. MANSFIELD. Mr. President, would the distinguished Senator from Alaska [Mr. Bartlett], who has control of the time on his side, allow me 2 minutes for the purpose of suggesting the absence of a quorum?

Mr. BARTLETT. I yield 2 minutes to the majority leader.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Alaska [Mr. Bartlett] is recognized for 5 minutes.

Mr. BARTLETT. Mr. President, the proposed bill is intended to serve several purposes. It has to do with the Pribilof Islands, particularly the islands of St. George and St. Paul, 300 miles from the mainland of Alaska in the Bering Sea.

To those two islands 80 percent of all the fur seals in the world come each spring and live there until fall. There the young are born and then the animals leave and go out to sea until the following spring.

Because of pelagic sealing this herd virtually disappeared in the forepart of the century. In 1911 an agreement was reached by way of a treaty with Japan, Canada, and Russia, and the United States participating, whereby pelagic sealing was prohibited; whereby Canada, Japan, and the United States shared in the take of seal skins from the Pribilof Islands; and the Russians conducted their sealing operations only on some of their own islands. Canada receives 15 percent of the skins taken; Japan receives a like percentage.

The situation at this time is that the Aleuts, the residents of St. Paul and St. George, have lived under a system of government which is improving, but is yet far from perfect. It has been deplorable, shameful and shocking in the past. Before 1950, these people, numbering somewhat over 600, today, received no wages at all.

There is an article in Newsweek magazine which came out today to which I call the attention of Senators because it is an accurate description of conditions in the Pribilof Islands now and previously.

Before 1950 these people did not get any wages. They were given housing which was not very adequate. They were given food, which was entirely inadequate.

I held hearings at St. Paul Island last September. We were told that until about 16 years ago a family was given a dozen eggs a week, two cans of salmon, never received any meat, and was given very little else upon which to subsist.

The people were not able to leave the islands and stay any length of time because if they did there was no housing for them upon their return.

The pending bill, Mr. President, seeks to give these people for the first time the opportunity to own their own homes. It would authorize the Secretary of the Interior to create a township on St. Paul Island. The people of St. George Island told us they did not feel they were quite ready for this step yet. The Secretary of the Interior would be permitted, under the provisions of the pending bill——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BARTLETT. Mr. President, I yield myself 5 more minutes.

Under the provisions of the pending bill the Secretary of the Interior would be permitted to sell the homes to the residents of St. Paul Island. They would be permitted to organize a municipal government. They would have some elementary rights of democracy. This has heretofore been denied them, and it is not to our credit.

There are two amendments which I have proposed. I shall seek to modify one. One amendment provides retroactive retirement credit. Those people who worked for the Federal Government prior to 1950, who received no wages, and who received only housing, a minimum quantity of food, and a cash bonus—never exceeding $400 annually—would receive retirement credit for those pre-1950 years.

This will affect 15 people who were employed following 1950, but who have since retired, and 1 widow. Additionally, it would affect 54 people who are now working for the Federal Government.

The total cost to the Federal Government by reason of this amendment would be about $681,000.

The amendment which I propose provides that the civil service fund shall not have to bear the cost of paying for retirement credits for years of service before 1950. The money would come out of the gross proceeds of the fur seal industry.

I might add that the Federal Government from 1911 up to the end of last year made a profit of $27 million from this industry. Nevertheless, I am willing that there be paid from the gross proceeds this retirement sum, which in itself would amount to an additional $681,000 or thereabouts for 54 employees, the 15 retired persons and the widow, if the calculations supplied to me by the Civil Service Commission are correct. The additional annuity would come out of the gross proceeds of the industry over the next 30 years or so.

The second amendment is designed to give these people a little bit of financial help when their municipal government begins operations.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Alaska yield?

Mr. BARTLETT. I have one further statement to make in connection with the second amendment and then I have assured my colleague [Mr. GRUENING] that I would yield to him.

Mr. President, this amendment would give from the gross proceeds the sum of $50,000 to the new municipality for the first year, $40,000 for the second year, and $10,000 less every year thereafter. It will be phased out in 5 years.

Mr. GRUENING. Mr. President, will my colleague yield?

Mr. BARTLETT. Mr. President, I yield 15 minutes to my colleague [Mr. GRUENING].

The PRESIDING OFFICER. The Senator from Alaska is recognized for 15 minutes.

Mr. GRUENING. I thank my colleague for yielding to me. I wish to congratulate him on his sponsorship of this very splendid bill, S. 2102, which attempts to bring the inhabitants of the Pribilof Islands into line with the conditions of the second half of the 20th century.

I strongly urge its enactment.

I have one minor amendment which I would suggest to my colleague, in line with the new policies proclaimed by the Department of the Interior that it is desirable that the native people there no longer have restrictive deeds, but would come into possession of their property, and enjoy individual ownership like all the nonnatives and thus put an end to one aspect of wardship.

As presently drafted, the bill provides that these deeds shall be restricted by the Secretary of the Interior. My amendment would provide that this not be done. My colleague has wisely pointed out that because of their lack of experience these Pribilof Islanders have had in the management of their own affairs, this should not take place for a period of 10 years, and I think he is very wise in that suggestion. So my amendment provides that they will get individual ownership of their homes and of the lot on which each home stands 10 years after this legislation is enacted. That will enable them to plan ahead, secure in the knowledge that in 10 years they will come into full and unrestricted ownership of their home and land.

If my colleague is willing to accept my amendment in that form, I shall be happy to offer it.

Mr. BARTLETT. I am.

Mr. GRUENING. Mr. President, the bill, S. 2102, which has been introduced by my colleague, Senator BARTLETT, is a constructive contribution to the improvement of living conditions for an important segment of the Alaska population and also has as its objective, the development of greater efficiency of administrative practices of the Department of the Interior in the execution of the Department's responsibilities for conservation of the fur seal resources of the North Pacific. Senator BARTLETT has rendered a valuable service in bringing this legislation before the Senate for passage and I congratulate him on his fine work to achieve these worthy goals.

At a time when Americans pride themselves on a highly developed form of democratic government in principle, extended to all, and presumably a model for the world, it is hard to realize that a far from satisfactory relationship to the Federal Government exists among the inhabitants of a tiny segment of American society on two small islands in the Bering Sea off the western coast of Alaska.

The people of the Pribilof Islands live, indeed, in a wildlife reservation—a preserve created by statute for the stated purpose of protecting the Alaska fur seals. The conditions of residence are such that the human beings who live on these remote islands have little more control over their affairs than the valuable animals also inhabiting them.

By terms of the statute establishing the Pribilof Islands reservation, entrance to the islands is regulated by the Secretary of the Interior, inhibiting normal social and commercial exchanges taken for granted in any free society. Only the islanders, Fish and Wildlife Service officers and certain others, granted permission by the Secretary of the Interior, are allowed to land on the islands and remain there.

Not only are the islanders thus secluded from participation in normal affairs of world and destined to isolation on their lonely islands, but they are also denied rights of property acquisition and management, and business investment assumed to be rights available to all under our Constitution. These people are as surely deprived of their rights, as Americans understand them, as if they were the subjects of an alien dictatorship.

No land can be privately owned or leased on the Pribilofs. No private business can be undertaken. Nothing can be accomplished except under the bureaucratic scrutiny and approval of the Fish and Wildlife Service of the Department of Interior, which has plenary authority over the people, over the land and, of course, over the seals.

I submit that free people were not meant to live in the status of inhabitants of a wildlife reservation. It may be fine for seals, but it is not the way American citizens ought to live.

It is high time that these conditions were changed.

To understand the need for changes in the administration of the Pribilof Islands and the enormously valuable resources of fur seals, it is important to review the history and conditions of the management of this unusual source of wealth.

Since the time of colonization of Alaska by the Russians in the 18th century, the beautiful, warm fur of the seals indigenous to the Bering Sea has been recognized as a national treasure, first by the Russians and, since the Treaty of Cession in 1869, by the Americans. The Governments of Japan and Canada, also, share an interest in the rare and valuable fur seals that come ashore at the rookeries on St. Paul and St. George in the brief Alaska summer.

The conservation and protection of these animals has been recognized as a matter of international concern and is regulated under terms of a convention signed at Washington, February 9, 1957, parties to which are the United States, Canada, Japan and Russia. The responsibilities of the United States for implementation of treaty provisions have been delegated to the Secretary of the Interior, who administers them through the Fish and Wildlife Service. The duties of the Interior Department are delineated in legislation enacted in 1944, which S. 2102 would repeal.

Under the law, to carry out the conservation requirements of the treaty, the Secretary of Interior performs the harvesting of seals in accordance with policies and practices designed to conserve the supply of the animals. It is as an adjunct of the conservation function that the Secretary also administers the Pribilof Islands, causing the people of the Pribilofs to live in their restricted, paternalistic form of community subject to the rule of the Fish and Wildlife Service.

The Department of the Interior also performs, under terms of the 1944 fur seal legislation, a unique function of U.S. Government, unknown with respect to any other resource of which I am aware, and peculiar to the Interior Department. It acts as marketing agent for the processed fur seal skins—an activity actually performed by a commercial fur processor with which the Department contracts for processing and marketing services. The receipts from the sale of fur seals which, in the 1965 fiscal year netted $2,530,301, are, by law, deposited in the Treasury of the United States.

The fur seal industry is, then, a truly nationalized industry. From protection of the resource, through harvesting, processing and selling the product, the Department of Interior controls every aspect of an important industry. The Federal Government is the sole entrepreneur and the Federal Treasury is the lawful recipient of all profits.

The thought that the State of Alaska might be a logical beneficiary of the harvest of a valuable resource on its shores came to attention in the course of enacting the Alaska Statehood Act. As a result, by a provision of that act, the State is entitled to 70 percent of net proceeds after the Secretary of Interior subtracts all costs of executing treaty commitments for conservation; including, but not limited to, the costs of handling and dressing the skins; costs of making sales; and costs of administering the Pribilofs. One of the considerations in determining that the new State of Alaska should be entitled to a fair share of the profits of the fur seal industry was the realization that Alaska, with its small population and legacy of Federal neglect of development during territorial days, needed the money produced by the sale of a valuable resource to maintain the State government.

The financial contribution to the State of Alaska received by grace of the Statehood Act provisions is an important source of income to our struggling economy, and its importance can hardly be overemphasized.

More, however, needs to be done to provide effective management of the fur seal resource and, at the same time, broaden the opportunities for enrichment of the lives of the native inhabitants of the Pribilof Islands.

The bill now before us would allow progress toward these objectives.

It would retain protective measures to conserve the fur seal resource; preserve historic rights of Pribilof natives to take fur seals; and would further delineate the responsibilities of the Secretary of the Interior for the duties with which that office is charged.

Section 104(a) stated in detail the authority and procedures to be followed by the Secretary in connection with management of the fur seal skins, replacing the broad plenary authority now provided by the existing law which this would replace. It provides, among other things, specific authorization for the Secretary to "utilize such quantities of fur seal skins as the Secretary deems desirable for product development and market promotion" and allows the Secretary discretion to provide for the processing of "such quantities" of fur seal skins as "he deems desirable." The effect of this new language on the numbers of fur seals sold and the prices brought will be watched with special interest by the State of Alaska which, as noted above, is entitled to receive 70 percent of net proceeds of the sale of the processed skins.

For the residents of the Pribilofs, title II of the bill is the legislation that can mean significant changes to higher living standards, greater economic opportunity and more independence of action than has been their lot in the past.

This is the part of the bill which will, while retaining the Pribilofs in statutory reservation status, authorize the Secretary of the Interior to make available to the natives of the Pribilofs, for the first time, property of the Federal Government for use in the establishment and operation of commercial enterprises; make possible the establishment of a townsite on St. Paul Island and conveyance of title to real property to the people of the islands. This is a first and enormously important step toward establishment of a free community of people with an opportunity to plan and work for themselves where no such opportunity has existed before. Certainly this is a desirable objective, and the time has come to achieve it now.

Although I believe the provisions of title II of S. 2102 are entirely desirable and should be enacted, I propose an amendment which would eventually eliminate a remaining relic of wardship for which I find no useful purpose. That is the requirement of section 206(a) relating to conveyance of lots in the townsite to be established which would deny native residents of the right to convey property freely. The bill provides that "Any deed issued by the"—townsite—"trustee shall provide, in addition to such terms and conditions as the Secretary deems necessary, that the title conveyed is inalienable except upon approval of the Secretary of the Interior." I see no reason why this restriction on conveyance of land by native citizens should be required. We have had experience in the past in other areas of Alaska where similar restrictions have been inflicted and the result has been confusion and unnecessary inhibition of transfers of property. I believe that the people of the Pribilof Islands are entirely capable of determining the advisability of sale of their own property and should have the right to make this determination freely. However, I believe that because of their lack of experience in managing property this amendment should not go into effect for 10 years after the date of enactment of this legislation. At the end of that time they would have outright ownership of their homes and of the plot of land on which it stands. My amendment is as follows:

On page 29, at line 20, after the word "that" insert the following: "for a period of ten years after date of enactment of this Act."

After line 21 insert the following: "Any deed issued after ten years from the date of enactment of this Act shall not require approval of the Secretary for conveyance of property."

It has long been my belief the State of Alaska should have full control over the management of the rich fur seal resource found on its Bering Sea shores. It is my hope that, eventually, the supervision of sale and processing of the fur seals can be transferred to the State government from the Department of the Interior and this source of revenue will be managed by those most directly concerned—the people of Alaska. The processing function, itself, should be accomplished in Alaska as soon as necessary facilities and skilled craftsmen can be assembled to do this. We look forward to the eventual development of this industry and its management in Alaska.

In the long run, I believe this is the only way in which the State can be assured that the resource is being managed in its interests. Unfortunately, we cannot always rely on the Department of the Interior to serve as the conservator we would wish to have. For example, in fiscal year 1966 Alaskans found, to their dismay, the 70 percent of net proceeds of the seal skins to which the State is entitled turned out to be 70 percent of nothing. As a result of failure of the Department to contract promptly for the processing of the skins, the harvest of an entire season was held in storage and no revenue at all accrued to the credit of the State. I believe this would not have occurred if the State government had control over the processing function.

At this time, S. 2102 offers possibilities for improvement and progress, and I urge its enactment.

Mr. LAUSCHE. Mr. President, would the Senator from Alaska repeat what his amendment would do?

Mr. GRUENING. I am happy to do so. The proposed amendment would provide that these people could dispose of their property or their homes without the consent of the Secretary of the Interior. As the bill now reads, they have a restricted deed, which has been in practice for a long time in Alaska for native people. That policy should be changed and I desire that it be changed for the natives of the Pribilof Islands, as well as for all other natives.

As my colleague, Senator BARTLETT, the sponsor of the bill, has pointed out, the Pribilof Island natives have not had much experience in the management of their property. My amendment would enable them over a 10-year period, to acquire that experience and make them ready for ownership of their own homes in the proper manner.

I thank my colleague for yielding to me. I am proud to be associated with him in his efforts to enact this desirable legislation.

The PRESIDING OFFICER. Is the Senator from Alaska presenting his amendment at this time?

Mr. GRUENING. Mr. President, I will offer it in just a moment.

Mr. LAUSCHE. Mr. President——

The PRESIDING OFFICER. Who yields time? Time is under control.

Mr. LAUSCHE. Mr. President, I yield myself 5 minutes.

The PRESIDIING OFFICER. The Senator from Alaska [Mr. BARTLETT] and the Senator from Delaware [Mr. WILLIAMS] have control of the time.

Who yields time?

Mr. WILLIAMS of Delaware. Mr. President, the time was supposed to be under the control of the Senator from Alaska [Mr. BARTLETT] and the Senator from Ohio [Mr. LAUSCHE].

The PRESIDING OFFICER. The Chair was not apprised of that. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, last Friday, on the floor of the Senate, I pointed out that the substantial part of the bill met with no opposition from me but that there was one phase of it, however, that I thought was unsound and required my opposition unless that unsound feature was eliminated.

The Senator from Alaska has accurately and vividly portrayed the fur seal business operated by the U.S. Government on the Pribilof Islands. He has stated that 80 percent of the seals of the world meet on these islands at some time or other. The story of the fur seal industry is a fascinating one, especially to persons who have affection for wildlife.

The Department of the Interior in the past has managed the fur seal industry. It has engaged the Aleuts, inhabitants of St. George and St. Paul Islands on the Pribilofs, to do the work of catching the seals and preparing the furs for sale. How many years this has been going on, I am not in a position immediately to identify, except to say that it has been in existence since 1900 and for a certain period of years prior thereto.

In 1950, the Aleuts, who were wards of the Federal Government and who did the work in connection with the development of the fur seal industry, were paid by provisions of food, clothing, and living quarters, as well as a small sum of money each year. They were paid on the basis of the importance of the work they did. The Aleuts, who did the least important work, received a smaller sum, with grades going upwards. They were not Federal employees. They were wards of the Federal Government. Hence, they were not on the civil service retirement fund.

In 1950, the Civil Service Commission made a study of the problem and recommended that the individuals who worked in the development of the fur seal industry operated by the Department of the Interior should, from the year 1950 onward, be listed as qualified participants on the civil service retirement fund.

In 1950, the Civil Service Commission also declared that for what was done prior to 1950, the Aleuts were not qualified to be placed on the civil service retirement fund, that they were not employees of the Federal Government but were wards and, therefore, as wards were not entitled to the benefits normally given to Federal Government employees.

That recommendation of the Civil Service Commission was adopted and all Aleuts were placed as qualified members on the civil service retirement fund.

It is now 16 years later. The bill which originally came out of the Commerce Committee contemplated placing these Aleuts on the civil service retirement fund for the period of time worked prior to 1950.

The **PRESIDING OFFICER**. The 5 minutes of the Senator from Ohio have expired.

Mr. LAUSCHE. Mr. President, I yield myself 5 additional minutes.

The **PRESIDING OFFICER**. The Senator from Ohio is recognized for 5 additional minutes.

Mr. LAUSCHE. Mr. President, the Bureau of the Budget, the Civil Service Commission, and the Department of the Interior objected to the proposal of saddling the Civil Service Commission fund with the payment of these added benefits.

I can well understand why that is done.

It is interesting to note that the Federal Government, as of July 1, will owe the civil service retirement fund $45 billion. The obligations of the Federal Government to that extent have not been funded. Each year the amount owed by the U.S. Government to this fund is growing larger and larger, without any attempt being made to place the fund on a sound fiscal basis.

All we are doing each year is saddling the fund with greater obligations, without paying our previous debt, and without providing new money to finance the new obligations.

Having those facts in mind, I did not feel that I could, as a member of the Commerce Committee, subscribe to the placement of the Aleuts for the period of time they worked prior to 1950 as qualified participants in the distribution of the civil service fund.

I am glad to report that the Senator from Alaska [Mr. BARTLETT] and I have worked out what appears to be a fair solution to the objections which I made. The Pribilof Islands are administered by the Department of the Interior in the cultivation of seals, the preservation of their lives, and the final placement of the hides into the marketing system of the world.

The development of this industry provides a profit, and has provided a profit in the past. Under the act through which the Pribilof Islands are administered by the Department of the Interior, after the cost of the operations are paid, the proceeds are distributed 70 percent to Alaska and 30 percent to the U.S. Government. In other words, the administration is operated as a business. The expenses are paid. The net proceeds, after the expenses are paid, are divided as I have just described.

The amendment worked out provides that the cost which will be entailed in placing the Aleuts under the civil service retirement fund shall be paid out of the gross receipts of the Pribilof Islands fund. That means that the cost shall be charged as an operating cost. Being charged as an operating cost, the balance, which is the profit, will be distributed 70 percent to Alaska and 30 percent to the United States.

The net result of the formula is that Alaska will be paying 70 percent of placing the Aleuts under the civil service retirement fund and the United States will be paying 30 percent.

The Aleuts will be paid by the Civil Service Commission, but the Pribilof fund will reimburse the Civil Service Commission, out of the gross operations, the amount of money needed to make the reimbursement.

There are certain qualities of relationship between the Aleuts and the U.S. Government prior to 1950 which deserve compassion. The Aleuts worked during the seasons that work was permitted in the frigid area where they live.

Mr. BARTLETT. Mr. President, if the Senator will yield, I want to point out that the temperatures in the Bering Sea are most frequently quite mild.

Mr. LAUSCHE. I am glad I was corrected, but I have always found that the temperatures in Alaska, especially when praised, exceed the temperatures of Minnesota, Indiana, or Ohio.

Nevertheless, Mr. President, we have agreed on the amendment. I am prepared to answer any questions that may be raised.

May I ask the Senator from Alaska this question? Does the Senator from Alaska agree that the amendment which has been agreed upon is intended to fit the description I have just made?

Mr. BARTLETT. I agree without qualification.

Mr. LAUSCHE. And that is the understanding the Department of the Interior shall have concerning what is intended by the amendment which will be offered?

Mr. BARTLETT. The Department, the Civil Service Commission, the State of Alaska, and anyone else concerned will have that understanding, not only by reason of what has just been said here now, but by the language of the amendment which I intend to offer, and which I hope will be accepted.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. WILLIAMS of Delaware. I congratulate the Senator from Ohio and the Senator from Alaska upon working out this formula, which I recognize has merit. I think it is a fine solution. I congratulate the Senators wholeheartedly.

Mr. BARTLETT. Mr. President, I have two amendments which were not ready when the committee considered S. 2102. One deals with civil service retirement and the other with municipal government.

Section 208 of the bill, as reported, extends credit to 54 fur seal workers still employed by the Bureau of Commercial Fisheries. It was discovered after the bill was reported that there were 15 workers, already retired and receiving annuities, and one widow received a survivor's annuity, who would not receive credit without additional language. Since it was intended by me when I introduced the bill and by the committee when it reported S. 2102 that those already retired and any survivors would be included, I shall ask the Senate to accept my amendment.

The amendment adds three new subsections to section 208 and changes the present subsection (b) to subsection (e).

The new subsection (b) provides prospective retroactivity for retired annuitants. In other words, it increases the annuities now being received to bring them up to the full retirement which they would have received had the years before 1950 been credited at the time they retired.

The new subsection (c) amends section 4(g) of the Civil Service Retirement Act (5 U.S.C. 2254(g)) to include service in the Pribilof Islands before 1950 among those few exceptions where no payment into the retirement fund is required to receive credit.

Subsection (d) simply provides that in no case shall any of those entitled to annuities, and whose years of service before 1950 are credited for retirement purposes, receive more than the 80-percent maximum provided by law.

As S. 2102 was reported, section 208 covered 54 workers and the Civil Service Commission has computed the cost of this coverage at $425,000. My amendment adds 15 retired employees and one survivor annuitant at an estimated cost of $231,000. In addition, five of the retired annuitants have exercised their options to provide for survivor annuities which will up the additional cost by another $25,000, for a total of $256,000. Adding the $425,000 and the $256,000, we have a grand total of $681,000. My amendment will triple the annuity rates of the retired workers and the widow receiving survivor's benefits. They average $63 per month now and will average $193 per month following enactment of this legislation. All but the widow will be boosed to maximum 80-percent retirement benefit.

Mr. President, I have a letter from the Bureau of Commercial Fisheries with a list of the names, dates of birth, and estimated years of service prior to 1950, which I think would be helpful to include in the RECORD at this point, and I ask unanimous consent to do so.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE, BUREAU OF COMMERCIAL FISHERIES,
Washington, D.C. July 14, 1966.

Hon. E. L. BARTLETT, U.S. Senate,
Washington, D.C.

DEAR SENATOR BARTLETT: Mr. William Boesch of your staff requested the names, dates of birth, and estimated years of Federal employment prior to 1950 for all Pribilof Aleuts currently receiving Civil Service annuities. Following is this information:

Name, date of birth, and estimated years of service prior to 1950

Elary Gromoff, July 24, 1901	33
Theodore Kochutin, Nov. 1, 1888	46
George Lekanoff, Apr. 20, 1897	37
Alfey Melovidov, June 13, 1903	31
Paul Merculieff, Mar. 11, 1880	54
Stefan Merculieff, Sept. 27, 1890	44
John Misikin, Sept. 26, 1889	45
Laurence Prokopiof, Aug. 20, 1903	31
Dan Shabolin, Dec. 23, 1902	32
John Tetoff, May 21, 1904	30
Serge Lekanof, Oct. 6, 1891	43
Paul Nozekof, July 11, 1896	38
Leonty Philemonof, May 6, 1894	40
Alexander Prokopiof, May 2, 1902	32
Paul Swetzof, July 8, 1892	42

SURVIVOR'S ANNUITY

Alexandra Fratis	—
Widow of David Fratis, May 10, 1910	24

Also requested was similar information concerning Pribilof Aleuts who are still alive who worked prior to 1950 who have no service under the Civil Service Retirement Act or insufficient service (less than 5 years) to qualify for an annuity. To the best of our knowledge there are no individuals in this category.

Sincerely yours,
H. E. CROUTHER,
Acting Director.
For DONALD L. MCKERNAN,
Director.

Mr. BARTLETT. Mr. President, I offer an amendment. This is the amendment to which the Senator from Ohio referred and includes the change which he proposed.

The PRESIDING OFFICER. The amendment offered by the Senator from Alaska will be stated.

The legislative clerk proceeded to read the amendment to the committee amendment.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the reading of the amendment be waived, and that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment offered by Mr. BARTLETT is as follows:

On page 32, between lines 11 and 12, insert the following:

"(b) The annuity of any person or the annuity of the survivor of any person who shall have performed service described in subsection (a), and who prior to the date of enactment of this Act died or shall have been retired on annuity payable from the Civil Service Retirement and Disability Fund, shall, upon application filed by the annuitant within one year after the date of enactment of this Act, be adjusted, effective as of the first day of the month immediately following the date of enactment of this Act, so that the amount of the annuity will be the same as if such subsection had been in effect at the time of such person's retirement or death.

"(c) Section 4(g) of the Civil Service Retirement Act (5 U.S.C. 2254(g)) is amended by inserting after the words 'military service' a comma and the following: 'for service performed prior to January 1, 1950, by natives of the Pribilof Islands in the taking and curing of fur sealskins and other activities in connection with the administration of such islands,'.

"(d) In no case shall credit for the service described in subsection (a) entitle a person to the benefits of section 11(h) of the Civil Service Retirement Act (5 U.S.C. 2261(h))."

On page 32, line 12, strike out "(b)" and substitute "(e)" and on page 32, line 16, strike the period after "fund" and add: "subject to reimbursement to such fund from the Pribilof Island fund, established in section 407 of this Act, for the purpose of compensating said retirement fund for the cost, as determined by the Civil Service Commission during each fiscal year, of benefits provided by this section. This reimbursement to the Civil Service Retirement Fund shall be considered a cost of administering the fur seal program.

Mr. BARTLETT. Mr. President, to explain the retirement provision as amended, section 208(a) authorizes credit for service by natives prior to January 1, 1950, in the case of individuals serving on or after the date of enactment of this act.

The new subsection (b) extends credit for such pre-1950 service of natives who have retired and are drawing annuities and to the survivor of the one deceased native who is drawing a widow's annuity as if the provisions of credit under subsection (a) had been in effect on the date of retirement or in the case of the deceased native on the date of his death. This increase in annuities is made prospective only. No retroactive payment of annuity is provided for.

The new subsection (c) makes credit for pre-1950 service available without deposit in the civil service retirement and disability fund in the same manner as service with the Panama Canal Railroad prior to January 1, 1924, or for any Federal service prior to August 1, 1920.

The need for subsection (c) arises because of the lack of available reliable figures from which service credit might be computed. If we had the actual earnings of fur seal workers prior to 1950, the deductions for retirement could be computed, along with interest, which added together would give us a deposit amount. If the deposit were made, the annuitant making such deposit would receive full credit. If the deposit were not made, then it would be necessary to deduct 10 percent of the amount of the deposit from the annual rate of annuity in each case.

Subsection (d) simply guarantees that no annuity recomputed to credit this added service could exceed the statutory maximum of 80 percent of the 5 highest years.

Subsection (e) simply determines how payment of the increased annuities as a result of crediting this added service shall be funded.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. BARTLETT. I yield.

Mr. LAUSCHE. The amendment offered by the Senator from Alaska contains the formula that the reimbursement of the civil service retirement fund shall be considered a cost of administering the fur seal program. Is that a fact?

Mr. BARTLETT. It is, yes.

I yield back my time.

Mr. LAUSCHE. I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment offered by the Senator from Alaska to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BARTLETT. Mr. President, I offer two amendments, and ask for their immediate consideration, en bloc.

The PRESIDING OFFICER. The amendments offered by the Senator from Alaska to the committee amendment will be stated.

The legislative clerk proceeded to read the amendments.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the reading of the amendments be waived and that they be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments (No. 607) offered by Mr. BARTLETT are, as follows:

On page 30, strike out lines 14 to 19 and substitute the following:

"(c) The net proceeds from the sale, pursuant to this section, of improved or unimproved lots or tracts shall be made available to the established local governing body to be used with other proceeds available to such body for the purpose of providing adequate municipal services to persons inhabiting the islands. In addition, at the close of the first fiscal year in which there is established a municipal corporation as provided in this section, the Secretary of the Treasury shall pay from the gross receipts of the Pribilof Islands fund, after deducting from such fund all costs to the United States in carrying out the provisions of this Act, the sum of $50,000 to such community to assist it in providing adequate municipal services, and, at the close of each succeeding four fiscal years, he shall pay from such fund the sums of $40,000, $30,000, $20,000, and $10,000, respectively."

On page 38, line 2, after "1966" insert "and the payments made to any municipal corporation established pursuant to that Act".

Mr. BARTLETT. Mr. President, these are the amendments which give to the municipalities $50,000. The amount is reduced to $10,000 at the end of 5 years.

I yield back the remainder of my time.

Mr. LAUSCHE. I yield back my time.

The PRESIDING OFFICER. All time on the amendments has been yielded back.

The question is on agreeing to the amendments, en bloc, to the committee amendment.

The amendments to the amendment were agreed to en bloc.

Mr. BARTLETT. Mr. President, finally, I send to the desk for immediate consideration an amendment proposed by my colleague from Alaska [Mr. GRUENING].

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The legislative clerk read the amendment, as follows:

> On page 29, at line 20, after the word "that", insert the following: "for a period of ten years after date of enactment of this Act."
>
> After line 21 insert the following: "Any deed issued after ten years from the date of enactment of this Act shall not require approval of the Secretary for conveyance of property."

Mr. BARTLETT. Mr. President, I yield back my time on the amendment.

Mr. WILLIAMS of Delaware. I yield back the time in opposition.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. BARTLETT. Mr. President, I have no further amendments to offer.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment as amended.

Mr. LAUSCHE. Mr. President, whatever came of the unanimous-consent agreement?

The PRESIDING OFFICER. The unanimous-consent agreement is still in force. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, in the nature of a substitute, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Is there further discussion on the bill?

Mr. BARTLETT. Mr. President, I yield myself such time as I may need. This legislation repeals and replaces the act of February 26, 1944 (58 Stat. 100, 16 U.S.C. 631a–q).

Mr. President, the need for this legislation has become more and more apparent in recent years. Discontent of the fur seal workers with conditions on the islands, lack of flexibility in the authority granted to the Secretary of the Interior, and growing concern of the officials of the Alaska State government over the administration of the islands all came to a head in the fall of 1964.

That fall began a series of investigations of conditions on the islands, meetings of government officials, and the drafting of proposed legislation to meet some of the obvious needs. The Federal Government has been in the fur seal business for quite some time. In 1911, the first Fur Seal Treaty was negotiated with Japan, Russia, and Great Britian for Canada. In accordance with that treaty, the United States was to manage the fur seals which come annually to the Pribilof Islands for breeding purposes. More than 80 percent of the world's fur seal population uses the Pribilof breeding grounds. The seal herd has increased from the depleted conditions of about 220,000 annually in 1912 to a current level of about 1,500,000, compared to between 3 and 4 million when the Pribiliof Islands herd was first discovered 200 years ago.

In 1957, an interim convention was negotiated to formalize the unwritten agreement which had continued from 1941 until 1957, the Japanese having abrogated the original treaty in 1941. In January 1964, the 1957 convention was amended and renewed by a protocol. Under the agreement, Japan and Canada each receive 15 percent of the seal skins harvested on the Pribilof Islands. The Soviets agreed not to take any of the Alaska seals but are allowed to manage the seal herds which annually return to rookeries in the Soviet Union.

The Secretary of the Interior has delegated his authority under the Fur Seal Act of 1944 to the Bureau of Commercial Fisheries. Sections 7 and 8 of the 1944 act very simply define the Secretary's authority with regard to the Pribilof residents.

Section 7 provides that the Secretary may hire the native inhabitants in connection with the fur seal harvest and that he may pay them fair compensation to be fixed by him from time to time.

Section 8 provides that the Secretary shall have authority to maintain depots for provisions and supplies on the islands and to provide for transportation of such provisions to the islands. In addition, he may furnish food, shelter, fuel, clothing, and other necessities of life to the native inhabitants of the Pribilof Islands. Prior to January 1, 1950, fur seal workers were not paid wages. They did receive free of charge housing, food, fuel, electricity, some clothing and other supplies, and medical and dental care. Cash bonuses were made according to the fur seal take. There were five classes of sealers, the classes determined by the skill required for the type of work and the contribution of the type of work to the harvest. In 1949, the first-class sealers received $922.80 each and the fifth-class workers received $265.20 each.

In 1949, it was finally realized that compensation in kind discouraged initiative, and in December of 1949 the first pay plan was decided upon to be effective January 1, 1950. The first wages paid were in accordance with a table which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cash-compensation plan for resident Aleut workmen of the Pribilof Islands

Class of workman	Estimated number in class	Wage rate		Sealing bonus		Foxing bonus		Estimated total for year
		Annual	Monthly	Shares	Amount	Shares	Amount	
ST. PAUL ISLAND								
Foreman	1	$1,500	$125	4	$256	1	$4	$1,760
Skilled:								
A-3		1,440	120	4	256	1	4	1,700
A-2	6	1,320	110	4	256	1	4	1,580
A-1	3	1,200	100	4	256	1	4	1,460
Semiskilled:								
B-3	15	1,140	95	4	256	1	4	1,400
B-2	15	1,020	85	4	256	1	4	1,280
B-1	12	900	75	3	192	1	4	1,096
Unskilled:								
C-3	12	840	70	3	192	1	4	1,036
C-2	14	720	60	2	128	1	4	852
C-1	12	600	50	2	128	1	4	732
Unskilled:								
D-3	1	480	40	1	65			545
D-2	3	420	35	1	65			485
D-1	9	360	30	1	65			425
Total	104							
ST. GEORGE ISLAND								
Foreman	1	1,500	125	4	104	4	61	1,665
Skilled:								
A-3		1,440	120	4	104	4	61	1,605
A-2	2	1,320	110	4	104	4	61	1,485
A-1	2	1,200	100	4	104	4	61	1,365
Semiskilled:								
B-3	8	1,140	95	4	104	4	61	1,305
B-2	12	1,020	85	4	104	4	61	1,185
B-1	9	900	75	3	78	3	46	1,024
Unskilled:								
C-3	6	840	70	3	78	3	46	964
C-2	8	720	60	2	50	2	30	800
C-1	3	600	50	2	50	2	30	680
Unskilled:								
D-3	1	480	40	1	25	1	15	520
D-2	1	420	35	1	25	1	15	460
D-1	4	360	30	1	25	1	15	400
Total	57							

Cash-compensation plan for resident Aleut workmen of the Pribilof Islands—Continued

	St. Paul	St. George
Estimated community earnings:		
Wages	$89,040	$50,940
Sealing	18,900	4,375
Foxing	330	2,620
Total	108,270	57,935

Mr. BARTLETT. Mr. President, since 1962, payment for labor has been based on the Alaska Far Western civil service wage rates scale. All services received by the residents except education and medical care are now being paid for by the individual recipient. This change from payment in kind to hard cash wages has been well received by the workers and they are looking to the future when they can own their own homes and participate in self-government as provided in S. 2102.

In addition to seal meat, fresh and salted, workers were provided with high-carbohydrate, low-protein foods. Vegetables included potatoes, onions, cabbage, rutabagas, turnips, and carrots. Workers were also provided with canned milk.

At the same time, nonnative employees of the Federal Government living on the island were provided with a much better fare, including such things as eggs, canned soup, oranges, apples, grapefruit, and fresh milk not available to the native workers.

Medical care provided the native workers before 1950 was good. The death rate was low, better than the national average and much better than for the natives in other areas of Alaska. Tuberculosis occurrences were much lower on the islands than for other Alaska native communities.

Over the years there have been expressions of concern by many Americans over the way the Japanese-Americans living on the west coast of the United States were moved into relocation camps during World War II. To my knowledge, little note has ever been taken of the 500 Pribilovians, and I do not know how many families this involved, who were evacuated from the islands without notice on an Army transport. Their destination was unknown at the time of the evacuation, even by the Army commander in charge. En route, it was determined that the 500 or more men, women, and children should be put ashore at Funter Bay, where they were to live in barracks constructed in connection with a fish cannery which had since been abandoned. The dislocation of these people and the lack of planning for their care left deep wounds, some of which I am sure have not healed yet today.

Section 206 of the act begins:

> For the purpose of fostering self sufficiency among the natives of the Pribilof Islands, and in order that they may enjoy local self government, and to facilitate the establishment by such natives of a municipal corporation under the laws of the State of Alaska, the Secretary of the Interior is authorized to set apart so much of the land on Saint Paul Island as he determines necessary to establish a townsite.

The section goes on to authorize the Secretary to survey the townsite into streets and lots and to sell the homes and lots to occupants at reasonable prices to be determined by him. It also provides that the sale of houses and lots shall go to the municipal government to defray the costs of such government.

Also under title II of the act it is provided that the State of Alaska shall take over completely the education of the Pribilof children, including costs. The Surgeon General of the Public Health Service is directed to provide the medical and dental care which heretofore has been provided on a contract basis.

Title III of the bill extends necessary protection for sea otters on the high seas. The 1944 act which would be repealed by this legislation protected the sea otter and it was felt necessary to write that same protection into this bill.

Title IV includes several general provisions relating to enforcement, penalties and also definition sections.

Title I which I have not previously mentioned authorizes the Secretary of the Interior to enforce the 1957 convention as amended by the protocol of October 8, 1963, by prohibiting certain activities relating to the North Pacific fur seals unless the activities are permitted by the bill or by regulations of the Secretary of the Interior.

Mr. President, there is precedent for the retirement provisions of this legislation. Until a special provision was made in 1956, U.S. commissioners were not covered by the Civil Service Retirement Act.

In the administration of the retirement law, employment on a fee basis does not meet the definition of salary because the essential elements of time and definite rate of pay are missing. U.S. commissioners are compensated by fees according to acts performed. They have no scheduled hours but are on call 24 hours a day. Title 5, United States Code, section 2252(g), enacted in 1956, extends coverage to U.S. commissioners. The formula for coverage provides that any commissioner whose total fees are $3,000 or more in any 3 consecutive calendar years can then receive credit for past service. The Civil Service Commission has a method of converting fee acts into years of service under title 5, United States Code, section 2253(1).

Fifty-five or sixty commissioners have been covered under the act in accordance with these provisions.

Mr. President, I ask unanimous consent to have printed in the RECORD an article regarding this subject, published in Newsweek for June 27, 1966.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALASKA: SEALING THE FUTURE

The young bachelors hovered near the harem area all last week, watching enviously as the big bulls bossed and bussed the females. Nearby, civil servants were repairing catwalks leading over the bleak, boulder-strewn landscape. In two weeks, they will pass over the catwalks, round up the bachelors, bash in their fragile skulls with 5-foot wooden clubs—made by the firm that manufactures Louisville Slugger baseball bats—and the annual Pribilof Islands seal harvest will be under way.

For the 657 Aleuts (pronounced Alley-oots) who live and labor for the Bureau of Commercial Fisheries on the two treeless, almost shrubless islands 300 miles off the Alaska coast, the sealing season is still the $4-million-a-year reason for their existence. But it is no longer an excuse for their century-long condition of serfdom under first the Russian, then the U.S. Government. This week in Washington the Senate is expected to pass a bill that will at long last bring the islands into something approaching equality with the mainland, and the islanders the right to own their homes, to have a real share in governing themselves and in the process to get back a small portion of the government's seal-industry take.

It is high time. Ever since a Russian seaman named Gerassim Pribilof stumbled onto the primal breeding grounds of the Northern fur seal and claimed them for Catherine the Great, 180 years ago, the islands have been a place of heartbreak and hardship. The Russians shipped Aleut slaves from islands farther south to man the new fur industry, and a tragic cycle of rape, disease and debasement began. When the U.S. purchased the islands, along with Alaska and the Aleutians in 1867 (for $7.2 million), the brutality stopped, but nothing was done for the inhabitants until 1911—when the government took over the fur-seal industry—and almost nothing for the 40 years that followed.

DRUNK ON FRIDAYS

Until 1950, the islanders were not even paid in money but—feudal fashion—with doles of food and skimpy housing. Aleuts were threatened with loss of their homes if they left the islands, even temporarily. They were not permitted to own cars or even motor scooters; their electricity had to be turned off after midnight; their homes were subject to frequent inspections as the authorities searched for "qvass," a potato-based alcoholic concoction which by island lore is brewed on Wednesdays and drunk on Fridays.

Three years ago, a crew-cut quarter Chippewa Indian named Howard Euneau took over as head man on the islands for the Bureau of Commercial Fisheries. Soon the Aleuts went on Alaska pay scales, became eligible for unemployment compensation; their community council began to carry some weight. "Certainly, fifteen years ago and longer, it was a lord-and-master set-up," says Euneau. "We've tried to correct a lot of things that were wrong, and some people around here think we're moving too fast.

Not the Aleuts. "There have been tremendous, tremendous improvements, especially in the last two years," commissary cashier Gabriel Stepetin told Newsweek's Robert Young. "Before 1950, it was, I hate to use the word, but it was sort of Communistic. You were told what to do, and you couldn't come and go as you pleased."

Even social barriers have broken down. Islanders remember a former schoolteacher from the mainland who kept books on her back porch for Aleut children to borrow. "I just love the children," she used to say "but I couldn't possibly let them in the house." Says Community Services Officer John Wolfe: "Prior to Howard Euneau, there was never an Aleut who went into an American's house and had a drink. Now, hell, at any party we give, we're likely to have 50 per cent Aleuts."

The early Aleut word for the month of March translates as "Time for eating straps."

Yet the islanders are a sunny, laughing people, almost, it would seem, in defiance of the freezing weather and the 90-knot gales they live with for so much of the year. Though their names are Russianized, and their Japanese-sounding language is laced with outmoded Russian colloquialisms, English is becoming the main language, and the culture is now indubitably American. But they are still in mid-passage. Housewives in plastic hair curlers buy frozen meat and minute-rice at the store, but still cook some of the old dishes. "Have you ever eaten kukleetka?" asks one. "You soak 1½ pounds of sea-lion meat in plain water overnight and . . ."

CLOBBER SEALS

Most of the young people get to the mainland nowadays—for temporary jobs, for schooling, just to look around. Every high-school-age islander is sent to boarding school in Alaska or in the "lower 48"; seven islanders are now in college. Yet the great majority come back. They like the islands, they like the people; they only wish the government would build a harbor at St. Paul, the larger of the islands. This could open up new employment. A fishery could be built; there would be a seafaring work. "An Aleut," says one islander, "is a natural-born seaman—not just someone to clobber seals over the head once a year."

The Aleuts are deeply interested in the section of the Senate bill that would give civil-service pension credit to 69 seal-industry workers (and the widow of another) for all the unpaid years they worked before 1950. And it is this section that has aroused the only real opposition in Washington—on the ground of economy. "It's not my kind of economy," says the bill's author, Sen. E. L. BARTLETT, Alaska Democrat, "considering how enormously the government profited from their work all those years, and how little it gave in return. All in all, it was a hell of a way to run a railroad."

Mr. BARTLETT. Mr. President, I express my sincere thanks to the Senator from Ohio [Mr. LAUSCHE] and the Senator from Delaware [Mr. WILLIAMS] for their cooperation and their assistance in the passage of this bill, which is very meaningful to the people on these faraway islands. I feel this deeply.

The PRESIDING OFFICER. Do the Senators yield back the time on the bill under their control?

Mr. BARTLETT. I yield back the time under my control.

Mr. WILLIAMS of Delaware. I yield back the time under my control.

The PRESIDING OFFICER. All time is yielded back. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2102) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fur Seal Act of 1966".

S. 2102

TITLE I—CONSERVATION AND PROTECTION OF THE NORTH PACIFIC FUR SEALS

SEC. 101. It is unlawful, except as provided in this Act or by regulation of the Secretary of the Interior, for any person or vessel subject to the jurisdiction of the United States to engage in the taking of fur seals in the North Pacific Ocean or on lands or waters under the jurisdiction of the United States, or to use any port or harbor or other place under the jurisdiction of the United States for any purpose connected in any way with such taking, or for any person to transport, import, offer for sale, or possess at any port or place or on any vessel, subject to the jurisdiction of the United States, fur seals or the parts thereof, including, but not limited to, raw, dressed, or dyed fur seal skins, taken contrary to the provisions of this Act or the Convention, or for any person subject to the jurisdiction of the United States to refuse to permit, except within the territorial waters of the United States, a duly authorized official of Canada, Japan, or the Union of Soviet Socialist Republics to board and search any vessel which is outfitted for the harvesting of living marine resources and which is subject to the jurisdiction of the United States to determine whether such vessel is engaged in sealing contrary to the provisions of said Convention.

SEC. 102. (a) Indians, Aleuts, and Eskimos who dwell on the coasts of the North Pacific Ocean and who take fur seals without the use of firearms in boats not transported by or used in connection with other vessels, and which are propelled entirely by oars, paddles, or sails, and manned by not more than five persons in the way said Indians, Aleuts, and Eskimos have historically practiced, are permitted to take such seals and to dispose of their skins in any manner after the skins have been officially marked and certified by a person authorized by the Secretary of the Interior.

(b) The authority contained in this section shall not apply to Indians, Aleuts, and Eskimos who are employed by any person engaged in the taking of fur seals or under contract to deliver the skins to any person.

SEC. 103. The Secretary of the Interior shall (1) conduct such scientific research and investigations on the fur seal resources of the North Pacific Ocean as he deems necessary to carry out the obligations of the United States under the Convention, and (2) permit, subject to such terms and conditions as he deems desirable, the taking, transportation, importation, exportation, or possession of fur seals or their parts for educational, scientific, or exhibition purposes.

SEC. 104. (a) The Secretary shall (1) take and cure fur seal skins on the Pribilof Islands and on lands subject to the jurisdiction of the United States whenever he deems such taking and curing is necessary to carry out the provisions of the Convention or to manage the fur seal herd, (2) employ natives of the Pribilof Islands and, when necessary, other persons for taking and curing of fur seal skins pursuant to this section, and compensate them at rates to be determined by the Secretary, (3) deliver to authorized agents of the parties such fur seal skins as the parties are entitled under the Convention, (4) utilize such quantities of fur seal skins taken pursuant to this section or forfeited to, or seized by, the United States as the Secretary deems desirable for product development and market promotion, (5) provide for the disposal or destruction of any fur seal skins that are damaged or that are determined by the Secretary to have no value or use as luxury furs, (6) provide for the processing of such quantities of fur seal skins as he deems desirable, (7) provide from time to time for the sale, pursuant to such terms and conditions as the Secretary deems desirable, of fur seal skins and products of fur seals not otherwise used or disposed of pursuant to this Act, and (8) deposit into the Pribilof Islands fund in the Treasury the proceeds from such sales, except that the Secretary shall pay annually to the Commission the proceeds from the sales of any fur seal skins that are taken contrary to the provisions of this title and the regulations issued thereunder or that are forfeited to the United States.

(b) The Secretary is authorized to enter into agreements with any public or private agency or person for the purpose of carrying out the provisions of this title, other than for the purpose of taking fur seals.

SEC. 105. (a) Any person authorized to enforce the provisions of this Act who has reasonable cause to believe that any vessel outfitted for the harvesting of living marine resources and subject to the jurisdiction of any of the parties to the Convention is violating the provisions of article III of the Convention may, except within the territorial waters of another nation, board and search such vessel. Such person shall carry a special certificate of identification issued by the Secretary of the Interior or Secretary of the Treasury which shall be in English, Japanese, and Russian and which shall be exhibited to the master of the vessel upon request.

(b) If, after boarding and searching such vessel, such person continues to have reasonable cause to believe that such vessel, or any person on board, is violating said article, he may seize such vessel or arrest such person, or both. The Secretary of State shall, as soon as practicable, notify the party having jurisdiction over the vessel or person of such seizure or arrest and shall deliver or cause to deliver the seized vessel or arrested person, or both, as promptly as practicable to the authorized officials of said party: *Provided,* That whenever said party cannot immediately accept such delivery, the Secretary of State, through the Secretary of the Interior or the Secretary of the Treasury, may, upon request of said party, keep the vessel or person under surveillance within the United States.

(c) At the request of said party, the Secretary of the Interior or the Secretary of the Treasury shall direct the person authorized to enforce the provisions of this Act to attend the trial as a witness in any case arising under said article or give testimony by deposition, and shall produce such records and files or copies thereof as may be necessary to establish the offense.

SEC. 106. The President shall appoint to the Commission a United States Commissioner who shall serve at the pleasure of the President. The President may also appoint a Deputy United States Commisisoner who shall serve at the pleasure of the President. The Deputy Commissioner shall be the principal adviser of the Commissioner, and shall perform the duties of the Commissioner in the case of his death, resignation, absence, or illness. The Commissioner and the Deputy Commissioner shall receive no compensation for their services. The Commissioners may be paid travel expenses and per diem in lieu of subsistence at the rates authorized by section 5 of the Administrative Expense Act of 1946 (5 U.S.C. 73b-2) when engaged in the performance of their duties.

SEC. 107. The Secretary of State, with the concurrence of the Secretary of the Interior, is authorized to accept or reject, on behalf of the United States, recommendations made by the Commission pursuant to article V of the Convention.

SEC. 108. The head of any Federal agency is authorized to consult with and provide technical assistance to the Secretary of the Interior or the Commission whenever such assistance is needed and can reasonably be furnished in carrying out the provisions of this title. Any Federal agency furnishing assistance hereunder may expend its own funds for such purposes, with or without reimbursement.

SEC. 109. As used in this title, the term—

(a) "Convention" means the Interim Convention on the Conservation of North Pacific Fur Seals signed at Washington, on February 9, 1957, by the parties, as amended by the protocol signed at Washington, on October 8, 1963, by the parties,

(b) "Party" or "parties" means the United States of America, Canada, Japan, and the Union of Soviet Socialist Republics,

(c) "Commission" means the North Pacific Fur Seal Commission established pursuant to article V of the convention,

(d) "Sealing" means the taking of fur seals,

(e) "North Pacific Ocean" means the waters of the Pacific Ocean north of the thirtieth parallel of north latitude, including the Bering, Okhotsk, and Japan Seas,

(f) "Import" means to land on, or bring into, or attempt to land on, or bring into any place subject to the jurisdiction of the United States.

TITLE II—ADMINISTRATION OF THE PRIBILOF ISLANDS

Sec. 201. The Pribilof Islands shall continue to be administered as a special reservation by the Secretary of the Interior for the purposes of conserving, managing, and protecting the North Pacific fur seals and other wildlife, and for other purposes.

Sec. 202. The Secretary, in carrying out the provisions of this title, is authorized to enter into contracts or agreements or leases with, or to issue permits to, public or private agencies or persons, including the natives of said islands, in accordance with such terms and conditions as he deems desirable, for the use of any Government-owned real or personal property located on the Pribilof Islands, for the furnishing of accommodations for tourists and other visitors, for educational, recreational, residential, or commercial purposes, for the operation, maintenance, and repair of Government-owned facilities and utilities, for the transportation and storage of food and other supplies, and for such other purposes as the Secretary deems desirable.

Sec. 203. (a) In carrying out the provisions of this title, the Secretary is also authorized—

(1) to provide, with or without reimbursement, the natives of the Pribilof Islands with such facilities, services, and equipment as he deems necessary, including, but not limited, to food, shelter, transportation, and education,

(2) to provide the employees of the Department of the Interior and other Federal agencies and their dependents, and tourists and other persons, at reasonable rates to be determined by the Secretary, with such facilities, services, and equipment as he deems necessary, including, but not limited to, food, fuel, shelter, transportation, and education.

(3) to purchase, transport, store, and distribute such supplies and equipment to carry out the provisions of this section as the Secretary deems necessary, and

(4) to purchase, construct, operate, and maintain such facilities as may be necessary to carry out the provisions of this section.

(b) The proceeds from the furnishing of facilities, services, supplies, and equipment pursuant to this section shall be credited to the appropriation current at the time the proceeds are received.

Sec. 204. (a) The Secretary is authorized to enter into an agreement with the Governor of the State of Alaska pursuant to which the State shall assume full responsibility for furnishing education to the natives of the Pribilof Islands including the costs thereof. The Secretary is authorized to enter into agreements with said Governor pursuant to which the State shall furnish to such natives adequate food, shelter, transportation, and such other facilities, services, and equipment as the Secretary deems necessary.

(b) Any agreement entered into pursuant to this section for the transfer to the State of the responsibility for furnishing education to the natives of the Pribilof Islands shall provide, in addition to such terms and conditions as the Secretary deems desirable, that the State of Alaska, in assuming such responsibility, shall meet the educational needs of the said natives in the same manner as the State meets the educational needs of all of its citizens, including the furnishing of necessary facilities therefor.

Sec. 205. The Surgeon General of the Public Health Service shall provide medical and dental care to the natives of the Pribilof Islands, with or without reimbursement, as provided by other law. He is authorized to provide such care to Federal employees and their dependents and tourists and other persons in the Pribilof Islands at reasonable rates to be determined by him. He may purchase, lease, construct, operate, and maintain such facilities, supplies, and equipment as he deems necessary to carry out the provisions of this section. Nothing in this Act shall be construed as superseding or limiting the authority and reponsibility of the Surgeon General of the Public Health Service under the Act of August 5, 1954 (42 U.S.C. 2001 et seq.), as amended, or any other law with respect to medical and dental care of natives or other persons in the Pribliof Islands.

Sec. 206. (a) For the purpose of fostering self-sufficiency among the natives of the Pribilof Islands, and in order that they may enjoy local self-government, and to facilitate the establishment by such natives of a municipal corporation under the laws of the State of Alaska, the Secretary is authorized to set apart so much of the land on St. Paul Island as he determines necessary to establish a townsite. The Secretary shall survey the townsite into lots, blocks, streets, and alleys and he may issue a patent therefor to a trustee appointed by him, when he is satisfied that a viable self-governing community which is capable of providing adequate municipal services is established or will be established prior to the conveyance by the trustee of title to any property to the natives of the Pribilof Islands. The trustee is authorized to convey to the individual natives of the Pribilof Islands title to improved or unimproved lots or tracts of land within such townsite for homesite, commercial, or other purposes not inconsistent with the purpose for which the Secretary administers said islands, upon payment of an amount to be determined by the Secretary. Any deed issued by the trustee shall provide, in addition to such terms and conditions relating to the use of said lots or tracts as the Secretary deems necessary, that for a period of ten years after date of enactment of this Act the title conveyed is inalienable, except upon approval of the Secretary of the Interior. Any deed issued after ten years from the date of enactment of this Act shall not require approval of the Secretary for conveyance of property. Any lot or tract conveyed by the trustee to said natives shall not, except as provided in the Act of March 29, 1956 (70 Stat. 62; 25 U.S.C. 483A), be subject to levy and sale in satisfaction of the debts, contracts, or liabilities of the purchaser or to any claims of adverse possession or to claims or prescription, except that such lot or tract shall be subject to taxation and to levy and sale in satisfaction thereof under the laws of the State of Alaska.

(b) In determining the amount to be paid for the purchase of lots or tracts under subsection (a) of this section, the Secretary shall consider the economic status of the natives of the Pribilof Islands, including the factor of isolation, the restrictive nature of the title to be conveyed, the improvements, if any, placed on the property by the purchaser and such other factors as he deems pertinent: *Provided*, That payment shall be made in accordance with such terms and conditions as the Secretary deems desirable.

(c) The net proceeds from the sale, pursuant to this section, of improved or unimproved lots or tracts shall be made available to the established local governing body to be used with other proceeds available to such body for the purpose of providing adequate municipal services to persons inhabiting the islands. In addition, at the close of the first fiscal year in which there is established a municipal corporation as provided in this section, the Secretary of the Treasury shall pay from the gross receipts of the Pribilof Islands fund, after deducting from such fund all costs to the United States in carrying out the provisions of this Act, the sum of $50,000 to such community to assist it in providing adequate municipal services, and, at the close of each succeeding four fiscal years, he shall pay from such fund the sums of $40,000, $30,000, $20,000, and $10,000, respectively.

(d) Upon approval by the Secretary, the trustee shall convey, with or without reimbursement, any improved or unimproved land which was authorized to be sold under subsection (a), and which is unsold five years after incorporation, and which is not needed in connection with the Federal activities on said islands, to the municipality for the purposes of this section: *Provided*, That a conveyance pursuant to this subsection shall be subject to such terms and conditions as the Secretary deems necessary to enable him to administer the Pribilof Islands as provided in this title.

(e) The trustee shall convey to the municipality at the time of incorporation all surveyed streets and alleys of the townsite. All deeds issued by the trustee shall contain a reservation to the trustee of rights-of-way for streets and alleys to be surveyed and established upon and across land conveyed to the natives of the Pribilof Islands whenever he determines that it would be in the interest of the native owner to establish such streets and alleys. Such reservation shall be for a term not to exceed ten years. In addition the Secretary may convey without reimbursement to the municipality such lands or interests therein outside the townsite boundaries for any purpose subject to such conditions as the Secretary deems desirable to carry out the purposes of this Act.

(f) The provisions of this section shall not affect any valid existing rights.

Sec. 207. Any person who violates or fails to comply with any regulation issued by the Secretary of the Interior under this title relating to the use and management of the Pribilof Islands or to the conservation and protection of the fur seals or wildlife or other natural resources located thereon shall be fined not more than $500 or be imprisoned not more than six months, or both.

Sec. 208. (a) Service by natives of the Pribilof Islands engaged in the taking and curing of fur seal skins and other activities in connection with the administration of such islands prior to January 1, 1950, as determined by the Secretary of the Interior based on records available to him, shall be considered for purposes of credit under the Civil Service Retirement Act, as amended (5 U.S.C. 2251–1267), as civilian service performed by an employee, as defined in said Act.

(b) The annuity of any person or the annuity of the survivor of any person who shall have performed service described in subsection (a), and who prior to the date of enactment of this Act died or shall have been retired on annuity payable from the civil service retirement and disability fund, shall, upon application filed by the annuitant within one year after the date of enactment of this Act, be adjusted, effective as of the first day of the month immediately following the date of enactment of this Act, so that the amount of the annuity will be the same as if such subsection had been in effect at the time of such person's retirement or death.

(c) Section 4(g) of the Civil Service Retirement Act (5 U.S.C. 2254(g)) is amended by inserting after the words "military service" a comma and the following: "for service performed prior to January 1, 1950, by natives of the Pribilof Islands in the taking and curing of fur seal skins and other activities in connection with the administration of such islands,".

(d) In no case shall credit for the service described in subsection (a) entitle a person to the benefits of section 11(h) of the Civil Service Retirement Act (5 U.S.C. 2261(h)).

(e) Notwithstanding any other provision of this Act or any other law, benefits under the Civil Service Retirement Act made available by reason of the provisions of this section shall be paid from the civil service retirement and disability fund subject to reimbursement to such fund from the Pribilof Island fund, established in section 407 of this Act, for the purpose of compensating said retirement fund for the cost, as determined by the Civil Service Commission during each fiscal year, of benefits provided by this section. This reimbursement to the civil service retirement fund shall be considered a cost of administering the fur seal program.

TITLE III—PROTECTION OF SEA OTTERS ON THE HIGH SEAS

Sec. 301. (a) It is unlawful, except as provided in this Act or by regulations issued by the Secretary of the Interior, for any person subject to the jurisdiction of the United States to take or engage in the taking of sea otters on the high seas beyond the territorial waters of the United States, or to possess, transport, sell, purchase, or offer to sell or purchase sea otters or their parts taken on the high seas, or to destroy, abandon, or waste needlessly sea otters on the high seas.

(b) The possession of sea otters or any part thereof by any person contrary to the provisions of this Act shall constitute prima facie evidence that the sea otter or part thereof was taken, purchased, sold, or transported in violation of the provisions of this Act or the regulations issued thereunder.

Sec. 302. The Secretary is authorized, from time to time, to sell, pursuant to such terms and conditions as he deems desirable, or otherwise dispose of, sea otter skins and all the products derived from sea otters that are forfeited to, or seized by, the United States pursuant to this Act, or that are taken by the Secretary on the high seas or within the Aleutian Islands National Wildlife Refuge. The proceeds of such sales shall be deposited in the Pribilof Islands fund in the Treasury.

TITLE IV—GENERAL

Sec. 401. (a) Every vessel subject to the jurisdiction of the United States that is employed in any manner in connection with a violation of the provisions of this Act, including its tackle, apparel, furniture, appurtenances, cargo, and stores shall be subject to forfeiture and all fur seals or sea otters, or parts thereof, taken or retained in violation of this Act or the monetary value thereof shall be forfeited.

(b) All provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of a vessel, including its tackle, apparel, furniture, appurtenances, cargo, and stores for violation of the customs laws, the disposition of such vessel, including its tackle, apparel, furniture, appurtenances, cargo, and stores or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act.

Sec. 402. (a) Enforcement of the provisions of this Act is the joint responsibility of the Secretary of the Interior, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating. In addition, the Secretary of the Interior may designate officers and employees of the States of the United States to enforce the provisions of this Act which relate to persons or vessels subject to the jurisdiction of the United States. When so designated, such officers, and employees are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(b) The judges of the United States district courts and the United States commissioners may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process, including warrants or other process issued in admiralty proceedings in Federal district courts, as may be required for enforcement of this Act and any regulations issued thereunder.

(c) Any person authorized to carry out enforcement activities hereunder shall have the power to execute any warrant or process issued by any officer or court of competent jurisdiction for the enforcement of this Act.

(d) Such person so authorized shall have the power—

(1) with or without a warrant or other process, to arrest any person committing in his presence or view a violation of this Act or the regulations issued thereunder;

(2) with a warrant or other process or without a warrant, if he has reasonable cause to believe that a vessel subject to the jurisdiction of the United States or any person on board is in violation of any provision of this Act or the regulations issued thereunder, to search such vessel and to arrest such person.

(e) Such person so authorized may seize any vessel subject to the jurisdiction of the United States, together with its tackle, apparel, furniture, appurtenances, cargo, and stores, used or employed contrary to the provisions of this Act or the regulations issued hereunder or which it reasonably appears has been used or employed contrary to the provisions of this Act or the regulations issued hereunder.

(f) Such person so authorized may seize, whenever and wherever lawfully found, all fur seals or sea otters taken or retained in violation of this Act or the regulations issued thereunder. Any fur seals so seized or forfeited to the United States pursuant to this Act shall be disposed of in accordance with the provisions of section 104, of this Act. Any sea otters so seized or forfeited to the United States pursuant to this Act shall be disposed of in accordance with the provisions of section 302 of this Act.

Sec. 403. The Secretary of the Interior is authorized to issue regulations to carry out the provisions of this Act.

Sec. 404. Any person violating the provisions of title I or III of this Act or the regulations issued thereunder shall be fined not more than $2,000, or imprisoned not more than one year, or both.

Sec. 405. The Secretary of the Interior, in carrying out the provisions of this Act, is authorized to enter into contracts or agreements for research with any person or public or private agency.

Sec. 406. (a) The term "person" as used in this Act means any individual, partnership, corporation, or association.

(b) The terms "take" or "taking" or "taken" as used in this Act mean to pursue, hunt, shoot, capture, collect, kill, or attempt to pursue, hunt, shoot, capture, collect, or kill.

(c) The term "natives of the Pribilof Islands" as used in this Act means any Indians, Aleuts, or Eskimos who permanently reside on said island.

Sec. 407. There is established a Pribilof Islands fund and there are authorized to be appropriated such sums as may be necessary from the fund and from other funds in the Treasury to carry out the provisions of this Act and the provisions of section 6(e) of the Alaska Statehood Act which provides for the payment to the State of Alaska of certain specified proceeds deposited into said fund.

Sec. 408. (a) The Act of February 26, 1944 (58 Stat. 100; 16 U.S.C. 631a–631q), is repealed.

(b) The last three sentences of section 6(e) of the Alaska Statehood Act (72 Stat. 339) are amended to read as follows: "Commencing with the year during which Alaska is admitted into the Union, the Secretary of the Treasury, at the close of each fiscal year, shall pay to the State of Alaska 70 per centum of the net proceeds, as determined by the Secretary of the Interior, derived during such fiscal year from all sales of sealskins or sea otter skins made in accordance with the provisions of the Fur Seal Act of 1966. In arriving at the net proceeds, there shall be deducted from the receipts from all sales all costs to the United States in carrying out the provisions of the Fur Seal Act of 1966 and the payments made to any municipal corporation established pursuant to that Act, including, but not limited to, the costs of handling and dressing the skins, the costs of making the sales, and all expenses incurred in the administration of the Pribilof Islands. Nothing in this Act shall be construed as affecting the rights of the United States under the provisions of the Fur Seal Act of 1966 and the Northern Pacific Halibut Act of 1937 U.S.C. 772–772l)."

The title was amended, so as to read: "A bill to protect and conserve the North Pacific fur seals, to provide for the administration of the Pribilof Islands, to conserve the fur seals and other wildlife on the Pribilof Islands, and to protect sea otters on the high seas."

Mr. BARTLETT. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. WILLIAMS of Delaware. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BARTLETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVENTION FOR THE INTERNATIONAL COUNCIL FOR THE EXPLORATION OF THE SEA—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive H, 89th Congress, 2d session, the Convention for the International Council for the Exploration of the Sea, signed at Copenhagen under date of September 12, 1964, and that the convention, together with the President's message, be referred to the Committee on Foreign Relations, and that the President's message be printed in the Record.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to accession, I transmit herewith a certified copy of the Convention for the International Council for the Exploration of the Sea, signed at Copenhagen under date of September 12, 1964. The convention was signed by the 16 European Governments which are presently members of the Council, but not by the United States of America which is not now a member.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the convention.

The International Council for the Exploration of the Sea is the oldest and most respected international organization dealing with the marine sciences, and particularly with fisheries. It was established at Copenhagen in 1902 as a result of conferences held in Stockholm in 1899 and in Christiana—now Oslo—in 1901. Since that time the Council has operated under an instrument entitled "Statutes of the Council," not a treaty. The present convention would replace the statutes and enlarge the scope of the work of the organization.

The United States became a member of the Council on July 22, 1912, but allowed its membership to lapse during World War I. American scientists have maintained informal liaison with the Council over the years, however. With the Council expanding its scope and activities, and with the growing concern in the United States regarding the oceanic sciences, it is considered important that the United States reestablish its formal ties to the Council.

I noted in my message of March 2, 1965, that "our view of the seas has had to undergo a drastic change. We have always considered them as barriers to invasion; we now must see them as links, not only between peoples, but to a vast new untapped resource." Membership in the International Council for the Exploration of the Sea will strengthen those links.

There is a broad community of interests in Atlantic fisheries and oceanography between the present European members of the Council and the United States. Eleven of the sixteen members are also members of the International Commission for the Northwest Atlantic Fisheries, with Canada and the United States. Fourteen of the sixteen members are also members of the Intergovernmental Oceanographic Commission, with the United States and 39 other countries. Fifteen of the sixteen members are also members of the Food and Agriculture Organization and participants in the work of its Fisheries Department, with the United States and 94 other countries. Fourteen of the sixteen members are also members of the North East Atlantic Fisheries Commission, and the Council serves as scientific advisory body to that Commission.

Scientifically, the Council has great importance. Its scientific committees draw a multitude of distinguished scientists to their annual meetings. Scientific symposia are also held on a variety of subjects, and its scientific journals are known throughout the world. The Council's work and influence, which reach far beyond European coastal waters, are intimately related to much of our own activity in this field.

The convention is not yet in force. As of March 3, 12 of the 16 instruments of ratification or approvals necessary for entry into force had been deposited. According to information which has been received the convention may enter into force on July 22, 1966, the 64th anniversary of the founding of the Council. In this event, it would be highly desirable for the United States to be able to apply for membership and to deposit an instrument of accession prior to the annual meeting to be held in October in order that the United States might participate as a full member. I recommend that the convention be given early and favorable consideration by the Senate.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *June 20, 1966.*

EXECUTIVE MESSAGES REFERRED

The **PRESIDING OFFICER** laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

DEPARTMENT OF JUSTICE

The legislative clerk read the nominatin of Alvin Grossman, of New York, to be U.S. marshal, western district of New York, for the term of 4 years.

The **PRESIDING OFFICER.** Without objection, the nomination is confirmed.

NOMINATIONS ON THE SECRETARY'S DESK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations in the Public Health Service, beginning John H. Waite, to be medical director, and ending Stanley J. Kissel, Jr., to be senior assistant health services officer, which are on the Secretary's desk, be confirmed en bloc.

The **PRESIDING OFFICER.** The nominations are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of these nominations.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

FREEDOM OF INFORMATION

Mr. LONG of Missouri. Mr. President, it is my great pleasure to inform my colleagues that the House of Representatives has just passed and sent to the President S. 1160, the freedom of information bill. It is my hope that President Johnson soon will sign this very important bill into law.

The struggle for freedom of information has been a long and a difficult one. Need for such a law was pointed out as early as 1955, but it has taken these many years to accomplish it.

The Freedom of Information Act, which has now passed both the Senate and the House, recognizes the right of our American citizens to have access to records which are generated by Government agencies. All records are to be made available except for specific categories where the public's need to know is justifiably outweighted by the necessity of conducting Government operations, at least for a time, in secret. Some of these exemptions from disclosure include: records dealing with the national security and foreign policy matters, records which are already exempted from disclosure by other statutes, trade secrets and other commercial and financial information which are immune from public disclosure, and personal records, the disclosure of which would constitute a clearly unwarranted invasion of individual privacy.

Perhaps the most important section in S. 1160 is the court access provision. Any person who has been denied records from a Government agency will now have the right to obtain court review of the withholding of these records. The burden of proof will be on the agency to show why the records must be withheld. Prior to the passage of this law, this burden rested on the individual seeking the information—often a difficult task, especially when the aggrieved person does not know the contents of these records.

It is my opinion that the public has a constitutional right to know about the operations and activities of their Government. I am pleased to report that this right has been recognized.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 45 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, June 21, 1966, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20, 1966:

DIPLOMATIC AND FOREIGN SERVICE

John H. Crimmins, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

Treasury Department

Winthrop Knowlton, of New York, to be an Assistant Secretary of the Treasury, vice Merlyn N. Trued, resigned.

Atomic Energy Commission

Samuel M. Nabrit, of Texas, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1970.

Gerald F. Tape, of New York, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1971. (Reappointment.)

Federal Communications Commission

Rosel H. Hyde, of Idaho, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1962.

Central Intelligence Agency

Richard Helms, of the District of Columbia, to be Director of Central Intelligence.

In the Army

The following-named person for reappointment to the active list of the Regular Army of the United States, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel

Sydnor, William D., Jr., O32618.

The following-named person for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287 and 3288:

To be major

Hoffmann, Kenneth L. (MSC), O78649.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287 and 3288:

To be majors

Drotor, Harry W., O1887167.
Herndon, James D., O2028418.
Houben, Emil P., O1926878.
Jarden, Alfred B., O1873116.
Kotas, Nicholas S., O1926399.
Kraatz, Ernest E., O2097558.
Landon, George L., Jr., O1930948.
McFarland, James F., O1891559.
Nordin, Glenn H., O1885902.
Norris, John T., O1925659.
Taylor, John F., O1926570.
White, Richard L., O1877107.

To be captains

Bradley, Peter W., O5005829.
Brasher, Thurman W., O5403066.
Byers, Rodney C., O4063698.
Chapman, William S., O5307781.
Cowan, Donnely G., O4010554.
Egenmaier, Ralph G., O5301746.
Ferguson, Harold C., O4000224.
Greenquist, Myron L., O5301755.
Hall, James A., O5403632.
Harper, Thomas M., O5301478.
Hembree, James J., O5825009.
Hickman, Lee S., O5300473.
Hites, Robert D., O5850048.
Hokanson, William A., O5506531.
Jackson, Walter W., O5302203.
Kashin, Gleb D., O5704208.
Kline, Edward F., O4020952.
Koenig, Robert F., O5000244.
Lieux, Roger L., Jr., O5403716.
Lucas, Judson R., O5308302.
Mauk, Gerald F., O5702009.
McKee, Jack M., O4042632.
McMurray, Thomas I., O4012886.
Mordente, Joseph, O2287299.
Pavalski, Richard R., O4009670.
Stevens, John W., O5704545.
Taylor, David L., O4063736.
Terpak, Donald R., O5207913.
Torbush, John W., Jr., O5304589.
Tyner, Gwyn L., O4032920.
Williams, Alonzo, Jr., O4071814.
Wood, John L., O5205761.

To be first lieutenants

Abbott, Reginald S., Jr., O5316800.
Alexander, Junius R., O5307168.
Andree, Martin E., O5318122.
Andres, Dudley M., O5206455.
Baker, Robert J., O5318308.
Baker, Rudolph, O5315054.
Barnard, David A., O5530207.
Beach, Dwight W., O5215105.
Beltson, Richard D., O5209070.
Benka, Daniel L., O5513778.
Berris, George A., O5215177.
Binkley, Russell W., O5319161.
Bizzarro, Richard M., O5406789.
Boberek, Frank M., Jr., O5312379.
Brown, James L., O5405967.
Brown, Jerry H., O2308233.
Buntyn, William A., O5405736.
Burge, Marvin E., O5412227.
Christenson, Robert L., O5316680.
Clemm, Robert W., O5413300.
Coates, Thomas E., O5308385.
Cobb, Tyrus W., O5707513.
Coleman, Robert P., O5217870.
Collier, Emory C., O5317014.
Collins, Raymond E., O5010574.
Conlin, Thomas J., O5008646.
Creech, William R., O5316439.
Creeden, Cornelius T., O2320478.
Currie, John H., O5216003.
Curry, James T., O5317415.
Dobyns, James W., O5305855.
Dupwe, Robert L., O5411900.
Eaves, Maynard D., O5531942.
Edgar, Mallory F., O5406138.
Felker, Timothy L., O5516833.
Fisher, Edward C., O5706993.
Ford, James L., O5403734.
Gandy, Jack R., O5316818.
Gardner, David M., O2311817.
Gardner, Lloyd K., O5413249.
Gauer, Ralph C., O2305418.
Gilewicz, Andrew E., O5514619.
Glasscock, James A., O5875156.
Gleim, Albert F., O5011453.
Glen, James H., Jr., O5319127.
Green, Charles A., O5214191.
Griffin, Eldred E., O5410596.
Halbman, Robert A., O5512762.
Harrington, Peter F., O5009094.
Harris, Peter R., O5900048.
Harrison, Gerald A., O5318052.
Heinrich, Darrell C., O5412720.
Henry, Terence M., O5218512.
Hodsdon, Dennis K., O5007853.
Howell, Milton L., Jr., O5317185.
Hudson, Daniel L.,.O5219617.
Hurt, Rodney E., O5314752.
Inman, David P., O5516422.
Jarrett, Byron S., O2299387.
Jeffrey, Jerry R., O5219601.
Johnson, Bruce P., O5316483.
Jones, LaVert W., O5317436.
Joseph, Taft M., Jr., O2306662.
Kaprielian, Edward M., O5011700.
Keeney, Raymond E., O5221690.
Kelley, Troy K., O5414322.
Kerr, James T., Jr., O5010456.
Kostakis, Peter, O5008886.
Koszewski, Stephen S., Jr., O5312004.
Kreiner, John E., O5310417.
Ledbetter, James F., O5313056.
Lee, William III, O5414451.
Lewis, Daniel K., O5708722.
Likins, Ralph E., O5314155.
Love, Richard L., O5414227.
Maharrey, James B., O5314546.
Malone, Richard F., O5414354.
Markbreiter, Jeffrey K., O5013819.
Marshall, Edgar A., Jr., O5413567.
Maybury, Robert D., O5009518.
McLaughlin, Robert H., O5310005.
McLeod, Gregory D., O5706764.
Merritt, Oscar V., Jr., O2304871.
Meyer, William T., O5405718.
Mitchell, John M., O5517361.
Moore, Donald E., O5705279.
Morgan, Donald J., O5413216.
Morrison, William O., Jr., O5314270.
Mowrey, Fred H., Jr., O5312174.
Neck, David A., O5313688.
Newsom, Charlie L., III, O5709491.
Norton, James B., O5011806.
Palmer, David W., II, O5205974.
Palmer, Walter L., Jr., O5005918.
Patterson, Wallace E., O5313780.
Peck, Howard F., O5875176.
Peterson, Albert E., Jr., O5317043.
Pray, David E., O5514068.
Price, David H., O5315403.
Pulver, William C., Jr., O2313582.
Ray, Roy G., O5310933.
Renois, Bernard A., O5013830.
Residori, Lawrence B., O5515830.
Rhein, Timothy J., O5707538.
Robertson, Brent E., O5517089.
Romine, Ronald H., O5310065.
Ross, William R., O5413223.
Runyon, Floyd L., O5405788.
Russell, John G., O5012010.
Scannell, Michael J., O5017483.
Seguin, Robert P., O5512837.
Sheffield, Ronald L., O5413973.
Shryock, Kenneth J., O5708065.
Shumway, Walter A., O5311606.
Simerly, Charles S., O5405767.
Sirois, George A., O5012303.
Smith, Gerald G., O5513171.
Smith, Renzo D., O5517496.
Smith, Richard M., O5013730.
Somerville, James B., O5318418.
Spagnoli, Joseph B., O5406233.
Stauffer, Wallace J., O5312347.
Stevens, Robert M., O5213948.
Stone, Bert, O5703963.
Swanson, Gary D., O5219786.
Tessmer, Lee W., O2297078.
Tofferi, Robert E., O5015736.
Traino, Joseph A., Jr., O5220522.
Varnado, Charles B., O2312877.
Wendt, Charles R., Jr., O5311750.
Wheelan, John D., O5414247.
Whelan, Robert E., O5014108.
Williams, Charles E., O5310407.
Williams, Donald W., O5005709.
Wolfe, Robert M., O2302108.
Wolkowich, Walter E., O5007975.
Wyllie, William J., O5317261.
Yauch, John A., O5505127.
York, Val D., O5706421.
Zikmund, Robert L., O5517153.

To be second lieutenants

Adams, William R., O5411874.
Allen, Troy N., O5416573.
Anderson, Stephen M., O5709174.
Angel, Dacosta H., O5224257.
Ashley, Otis H., III, O5324877.
Bacher, John A., O5322487.
Best, David S., O5324884.
Blalock, John H., O5418776.
Blanks, John R., Jr., O5322865.
Booher, Samuel W., III, O5319163.
Carpenter, Thomas B., III, O5415915.
Cauble, John M., O5709160.
Coburn, John G., O5517320.
Compton, Otha H., O5318871.
Connolly, Robert B., O5320439.
Cothren, Sanford D., O5415570.
Croom, Oliver L., Jr., O5322238.
Doerfel, John S., O5418711.
Farmer, Berkwood M., O5309746.
Foley, Mark, O5322390.
Graham, Robert J., O5016804.
Grubb, Richard R. N., O2315455.
Gryczynski, Edward S., O5214873.
Handy, Malvin L., O5406459.
Harmon, Joseph S., O5532786.
Harvey, Jeffrey L., O5016659.
Hasty, Robert G., Jr., O5222925.
Hayes, Samuel B., O5418724.
Hinton, Robert R., O5406405.
Hurst, Jerry R., O5415304.
Jenkins, Robert D., O5800437.
Jensen, David C., O5530813.
Johnson, Michael P., O5321955.
Jones, Steven F., O5418025.

Kemp, James C., Jr., O5319476.
Landis, George A., O5222223.
Laurence, Brent H., O5709379.
Legare, Francis Y., O5321812.
Longcor, Clarence R., O5532653.
Maher, Brian J., O5016342.
Mangone, Albert A., O5020806.
McClintock, George E., O3130541.
Mehle, F. Douglas, O5223539.
Millard, Ramon E., Jr., O5532184.
Milton, David A., O5324974.
Moore, Peter C., O5224950.
Moore, Robert P., O5322142.
Morrison, Fred K., O5532165.
Morrow, Garcia E., O5015998.
Nunnally, Robert A., O5415314.
Parker, Charles W., Jr.
Pigue, Larry M., O5415759.
Putnam, Ronald V., O5318565.
Readling, Charles W., O5318566.
Reagan, Jerry A., O5406392.
Roberts, Alfred H., O5322005.
Rocco, Domenic P., Jr., O2300387.
Rogers, Cordell B., O5321707.
Sawyer, David R., O5017299.
Scully, Timothy J., O5225187.
Siffrin, John J., O5218215.
Smith, Bruce E., O5016392.
Smith, Ray T., O5406370.
Stonecipher, Roy L., O5708213.
Stubbs, Richard C., O5320707.
Tanaka, Richard M., O5709533.
Todd, Timothy O., O5325345.
Turcotte, Paul J., O5017350.
Tyson, Robert K., O5322027.
Vance, John D., O5519802.
Van Nest, John E., Jr., O5018640.
Weaver, Thomas C., O5226984.
Williams, Jerry C., O5710418.
Wolfson, Joel, O5005710.

The following-named persons for appointment in the Regular Army of the United States, in the grades and branches specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, 3290, 3291, 3292, 3294 and 3311:

To be captains, Army Nurse Corps

Christopher, Joyce A., N805453.
Mahoney, Rosemarie P., N804659.

To be captains, Dental Corps

Berringer, Ray D., O5509506.
Boylan, Peter A., O5216836.
Dayoub, Michael B., O5319984.
Gauthier, Donald J., O5407947.
Hatch, Edward A.,O5216733.
Kempf, Kenneth K., O2312747.
Larr, Edwin T., Jr., O5319838.
Tabor, Herman S., O5312785.
Turner, Kenneth A., O5505432.

To be captains, Judge Advocate General's Corps

Creekmore, Joseph P., O2310071.
Miranda, Ralph G., O5404366.

To be captains, Medical Corps

Adams, Robert H., O5227797.
Blee, William A., O5800543.
Moran, Martin J., O5711648.
Posey, Delma P., O5408476.
Rojas, Luis R., O5826362.
Stafford, Novarro C., O2003952.
Vath, Raymond E., O2230477.

To be captains, Veterinary Corps

Gustin, Philip N., O2308051.
McCallum, William F., O2305480.

To be first lieutenants, Army Nurse Corps

Holley, Mary Y., N5708654.
Peterson, Norma L., N2315889.
Robertson, Jane F., N2313374.
Welsh, Joy Ann, N5223641.

To be first lieutenant, Judge Advocate General's Corps

Keenan, Francis,A., O5009614.

To be first lieutenants, Medical Corps

Allison, Stanley C., O5408909.
Askins, James H., O5312773.
Bucher, William C., Jr., O2320782.
Camarata, James C., O2316751.
Cameron, Richard D., O2316752.
Crowley, James R., O2316812.
Elberfeld, Jacob H., O2306208.
Gardner, Horace B., O5711587.
Gross, Richard H., O5010212.
Kimball, C. Eve J., K5219963.
Kimball, Daniel B., Jr., O5215418.
Lacey, John R., O5215869.
Lawrence, Larry L., O2320663.
Merchant, Michael J., O2316766.
Middlemas, Robert O., III, O2320664.
Murchison, Roary A., Jr., O2320665.
Pierce, Homer I., O2316859.
Rau, Jerold M., O2316808.
Steinberg, Sidney R., O5220690.
Strader, Wilbur J., III, O2316742.
Talley, Terry W., O2320762.
Toledo, Tony M., O5408928.
Wallace, Robert G., O2320672.
Wiles, Peter J., O5408915.

To be first lieutenants, Medical Service Corps

Alba, Ricardo, O5411788.
Dunlevy, Bernard J., O2313373.
Schlaeppi, Lloyd A., O5514681.
Tower, Gerald E., O2311456.

To be first lieutenants, Veterinary Corps

Howarth, Robert A., O2312573.
McGovern, Lawrence T., O2316725.
Pope, Conrad R., O2317265.

To be second lieutenants, Army Nurse Corps

Burnett, Corrine, N5319718.
Howell, Frazier L., N 5325698.
Johnson, Patricia L., N5417254.
Kramer, Robertajo A., N5417229.

To be second lieutenants, Women's Army Corps

Larson, Jane S., L2317001.
Ready, Peggy E., L2319247.

The following-named distinguished military students for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3294:

Bowen, Thomas E., O5010124.
Brown, Raymond L., Jr., O5211729.
Draganosky, Eugene A., O5214871.
Marciniak, Robert A., O5010779.
Merritt, William E., Jr., O5214661.
Meyers, Allan F., O5215218.
Miller, Russell L., Jr., O5214052.
Quash, Joseph A., O5215498.
Smith, Ward T., O5011300.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288 and 3290:

Brown, Samuel A., Jr.
Campbell, Robert P., Jr.
Carpenter, John L.
Costanzo, Joseph J. Jr.
Davis, Wellington J., Jr.
Deas, Bernard W., Jr.
McConnaughhay, Douglas A.
O'Byrne, Stuart A.
Prescott, Clinton E., Jr.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, and 3288:

Bahr, James J.
Bailey, Robbins L.
Bartholomew, William W.
Barton, George T., II
Bennett, Larry G.
Beverley, William W., Jr.
Boone, Michael F.
Bradley, William
Briggs, Earl D.
Brutnell, Donald G.
Byard, Frederick B.
Carlson, John M.
Carper, Douglas H.
Ceranic, John W., III
Clark, Edward W., II
Coppola, Paul F.
Coppoletta, Daniel T.
Corthell, Jeffrey L.
Costantini, Eugene L.
Demarest, David C.
DePhillips, Terry L.
Donahoe, John F., Jr.
Dufur, John M.
Emery, Allan C., III
Esposito, Michael L., Jr.
Fernandez, Edward J.
Fickessen, Jack R.
Finnell, James M., II
Fulkerson, William J.
Gamm, Jonathan B.
Garcia, Joseph
Gardner, Stuart F.
Getchell, James R.
Goodley, Donald T.
Gorgas, Frederick K.
Graumann, Richard W.
Graves, Thomas C.
Gray, Joseph W.
Gresham, Larry D.
Griffith, John S.
Grosch, Robert J.
Guinn, Stephen R.
Hammons, Stephen F.
Hardies, Theo F.
Harelson, Dan P.
Hart, J. D.
Hathaway, Philip F., Jr.
Haubert, Harry L.
Hazen, James C.
Heeb, James
Heinrich, Charles H.
Herrington, Robert W., Jr.
Hill, Cornelius E.
Holder, Neville E. M.
Jenkins, Kenneth B.
Johnson, Armand L.
Johnson, Philip P., Jr.
Jones, Eric P.
Jones, Richard W.
Kelly, Raymond A., Jr.
Kennedy, Max H.
Kilborn, Michael
Knight, Richard S.
Kunz, Robert A.
Kurtz, John L.
Lancaster, John W., IV
Lauby, Karl F.
Lockhart, Harold D.
MacDonough, Bryan T.
Maddox, Stephen M.
Mann, Frederick H.
Manning, Robert F.
Mattaro, Donald J., Jr.
Means, Sargent B.
Means, William D., Jr.
Mercer, Donald L.
Meyer, John V.
Miller, Edward S.
Moak, Clifton P.
Moore, James E.
Morris, Robert D.
Mulford, James W.
Murray, James C.
Muston, Kurt A.
Neal, William D.
Nelson, Ronald W.
Nelson, Rondle L.
Neveu, Leo F.
Norris, Michael A.
Oatson, Joseph W., Jr., O5233124
O'Hara, David B.
O'Haver, Robert J., Jr.
Olsen, Aldan S.
Opie, Robert S.
Orr, Ira R.
Overbaugh, Harold L.
Overcash, Clyde S.
Owen, Ronald S.
Pagan, Maximino, Jr.
Pearson, Roy M.
Perez, Mario G.
Petersen, Lawrence C.
Pond, Richard G., Jr.
Raach, George T.
Rader, Wayne F.
Raleigh, Daniel P.
Rambow, Phillip A.
Raskin, Richard J.
Rittenmeyer, Dennis C.
Ritter, John B.
Rizzo, Richard D.
Roberts, Jan R.
Roberts, Michael F.
Rolofson, Lyle A., Jr.
Russell, Tyrone
Russen, David M., Jr.
Sasso, Claude R.
Schlendorf, John W., Jr.
Selecky, John R.
Sellix, Eric G.
Skiavo, John A.
Smith, James E.
Solomon, James L.
Sonnemann, David B.
Spigarelli, Ralph A.
Staar, Edward G.
Starbird, Courtney B.
Stillwell, Joseph W.
Strange, Donald J.
Talcott, William R.
Teel, Eric R.
Temple, Ronnie L.
Thaller, Patrick W.
Trudeau, Bernard F., Jr.
Urse, Stephen W., II
Van Alstyne, John A.
Van Buskirk, Peter L.
Vowell, William O.
Webb, Charles H.
Weintritt, Wallace C.
Whitley, Kenny W.
Wilkins, Kemper M.
Wolfe, Hiram M., IV
Wyro, Peter L.
Youngs, Larry A.
Zepko, John J.

IN THE NAVY

The following-named officers of the U.S. Navy for temporary promotion to the grades indicated, subject to qualification therefor as provided by law:

Chief warrant officer, W–3

Esparza, Raymond F.
Nelson, Warren K.
Thomas, Welcome J.

Chief warrant officer, W–4

Ballinger, Robert C.
Bittle, Opie H.
Cutcomb, Jack E.
Deangelo, Alice G.
Flanigan, Ellis B.
Floyd, James H.
Jung, Martin L.
Lorange, Henry G.
Mason, Paul B.
McLaughlin, Robert B.
Mekula, John
Ogliaro, Renzo J.
Shaw, Norman R.
Witherow, Elmer H.
Wooten, Hobart

The following-named officers of the U.S. Navy for promotion to the grades indicated, subject to qualification thereof as provided by law:

Chief warrant officer, W-2

Lewis, John A.

Chief warrant officer, W-3

Brown, Albert L., Jr.
Carl, Charles L., Jr.
Foster, Albert W., Jr.
Gohrband, Howard F., Jr.
Hardin, Billie R.
Nichols, William E.

Chief warrant officer, W-4

Adams, George C.
Adkins, Wilbur L.
Austin, Ellis E.
Carpenter, Charles P.
Carruthers, Morris E.
Carter, Charles S.
Childers, Virgil R.
Conway, Lonnie E.
Davis, George R.
Dedering, Kenneth C.
Droddy, Donald F.
Foust, Frank R.
Gimmel, Daniel G.
Glover, Fred B.
Guthrie, William C.
Holland, Muscoe C., Jr.
Jeffra, Arthur J.
Leone, Theresa
Meeler, William F., Jr.
Moore, James A.
Morgan, Ottis N.
Reed, Abner D.
Riley, Joseph F.
Rouse, Leo G.
Scalise, Raymond A.
Scharschan, Stephen J.
Schroeder, Philip W.
Sharpe, Virgil G.
Shrum, Wayne A.
Slaughter, Arthur R.
Sloan, Wallace V.
Spain, John H.
Tarver, Carroll L.
Uhlhorn, Elmer C.
Waller, George E.
Werts, Glenn E.
White, Charles R.
White, Theordore L.
Whitt, William F.
Whyte, George L.

Lt. Cmdr. Donald R. Feeley, Medical Corps, for temporary promotion to the grade of commander in the Medical Corps of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. (jg.) Roger A. Beauchane, Supply Corps, for temporary promotion to the grade of lieutenant in the Supply Corps of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. (jg.) Freda G. Smith, for permanent promotion to the grade of lieutenant in the line of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. John A. Henry, Jr., for permanent promotion to the grade of lieutenant in the line of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named officers of the U.S. Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Amundsen, Richard O., Jr.
Andrews, James R.
Benington, George A.
Carter, Clyde L.
Colthurst, Wallace R.
Cook, Raymond L.
Creighton, Carolyn C.
Defries, Melton E.
Deklever, Vaughn G.
Dick, Albert G.
Dyches, Fred D.
Faddis, Jack H.
Ferguson, Gary W.
Godbehere, Richard G.
Hamilton, Susan F.
Hobbs, Marvin E.
Hoffman, Calhoun E., III
Hoffman, Carl W.
Jenkins, Alan K.
Johnson, Allan E.
Kafka, William J.
Kalember, Glen A.
Keith, Roy E.
Lemon, Frank M.
Liston, Danon D.
Marlowe, Gilbert M.
Marshall, John R.
Mueller, James W.
Nichols, Donald F.
Parker, Charles L., Jr.
Rainey, Peter G.
Rogers, Beverly J.
Segal, Harold W.
Sloan, Robert E.
Smith, Kenneth R.
Smith, Marion J.
Spangler, John C.
Stamper, Russell C.
Streit, Raymond S., Jr.
Sullivan, George E., III
Timby, William H.
Tucker, Ronald D.
Waa, Norma J.
Yonov, Serge A.

SUPPLY CORPS

Black, Bill H.
Blondin, Peter W.
Ceo, Jerome J.
Donahue, John R.
Eadie, Paul W.
Erdahl, Eugene S.
Flint, Ralph Q.
Green, William T.
Hobbs, Wilbur N.
Jenson, Ronald L.
Manson, Walter B., III
Spiller, James T.
Walton, Joseph L.

CIVIL ENGINEER CORPS

Hatter, William H., Jr.
Henley, John S.
Jones, Ernest L.
Stamm, John A.

NURSE CORPS

Whitman, Judith M.

Michael G. Lynch, U.S. Navy, for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of lieutenant (junior grade) and in the temporary grade of lieutenant.

William R. Rosenfelt, U.S. Navy, for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of lieutenant (junior grade).

The following-named line officers of the Navy for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of ensign:

Edward E. Brighton, Jr.
Terry L. Earhart
Howard H. Hamilton
William T. Lee
Fred L. Meyer
Joseph Molishus, Jr.
Douglas E. Veum
Charles L. Wilde

James W. Goodspeed, U.S. Navy, for transfer to and appointment in the Civil Engineer Corps of the Navy in the permanent grade of lieutenant (junior grade).

The following-named line officers of the Navy for transfer to and appointment in the Civil Engineer Corps of the Navy in the permanent grade of ensign:

William E. Free III
James W. Goodspeed
Richard Guglielmino
Ronald S. Hadbavny
Louis W. Hennings III
Stephen F. Lotterhand
Charles P. O'Neill, Jr.
David F. Sheaff

The following-named candidates to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Mark W. Alexander
Donald E. Angstead
Dennis J. Bielicki
Gary L. Bier
James C. Burger
Stanley J. Coley
Marshall G. Cooper
Kenneth H. Delano
Gene A. Douglass
William N. Edwards
Thomas C. Ellis
John R. Estes
Betty J. Gabryshak
Larkin E. Garcia
William A. Gouslin
William A. Gunkel
Charles T. Hardy
Marilyn J. Hatch
Gary R. Henry
Lovell K. Henson
Robert L. Heustis
Robert A. Iselin
Richard B. Leenstra
Dennis R. Moss
Thomas C. Naile
Francis E. Othic
Richard B. Reynolds
James T. Sanders
Frederick A. Seely
Alan J. Shapiro
William A. Shower, Jr.
Karl C. Shumaker
John G. Strohaker
Richard H. Taylor
Thomas C. Voight
Robert C. Waite
Marshall R. Weir
Roger E. Wenschlag
Daniel L. Wojtkowiak

The following-named candidates to be permanent ensigns in the Supply Corps of the Navy, subject to the qualifications therefor as provided by law:

John C. Beckett
Timothy G. Custer
Richard A. Evanoff
Mohsen Kamel
Jerry A. Kane
Merlyn M. Masters
Billy R. Shelton

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

Gerald P. Corcoran
Frederic H. Gerber
Andrew J. Lanier, Jr.

Arnold E. Catron, midshipman (Naval Academy) to be a permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law.

Adrian T. Doryland (Navy Enlisted Scientific Education Program) to be a permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law.

Anderson R. Williams (Civilian College Graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Jerald J. Archer
Michael T. Cornell
Milton R. Felger

Collis O. Marshall, U.S. Navy retired officer, to be a permanent commander in the line of the Navy, subject to the qualifications therefor as provided by law.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20, 1966:

DEPARTMENT OF JUSTICE

Alvin Grossman, of New York, to be U.S. marshal for the western district of New York for the term of 4 years.

IN THE PUBLIC HEALTH SERVICE

The nominations beginning John H. Waite, to be medical director, and ending Stanley J. Kissel, Jr., to be senior assistant health services officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 1966.

◆

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 20, 1966

The House met at 12 o'clock noon.

Rabbi Jacob A. Max, Liberty Jewish Center, Baltimore, Md., offered the following prayer:

And nations shall walk at Thy light
And kings at the brightness of Thy rising

Mayest Thou guide us, O Heavenly Father, in our striving to become more like Thee, for Thou hast implanted in each one of us a spark of the divine.

Endow the President and elected Representatives of our beloved country with wisdom and vision for they are charged with guiding the destinies of this citadel of democracy. Grant them the courage and self-confidence to act upon the urgent issues that confront us, so that all of mankind may see in our free commonwealth Thy handiwork.

Aid us to preserve our traditions of justice for all men. Help us to dedicate ourselves to strive for liberty under law for all in our beloved country.

May we be worthy to continue the noble heritage of the founders of our Nation that Thy blessing may rest upon us and upon all Thy children. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 16, 1966, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 6438. An act to authorize any executive department or independent establishment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof;

H.R. 10357. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service; and

H.R. 15202. An act to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 12270. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the 12th Boy Scouts World Jamboree and 21st Boy Scouts World Conference to be held in the United States of America in 1967, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12322) entitled "An act to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Talmadge, Mr. Eastland, Mr. Jordan of North Carolina, Mr. Aiken, and Mr. Young of North Dakota to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill, a concurrent resolution, and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 3150. An act to make further provision for the retirement of the Comptroller General;

S. Con. Res. 88. Concurrent resolution relative to parity prices for agricultural commodities; and

S.J. Res. 153. Joint resolution to provide for the striking of medals in commemoration of the 50th anniversary of the Federal land bank system in the United States.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. Monroney and Mr. Carlson members of the joint select committee on the part of the Senate for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 66-16.

SWEARING IN OF A MEMBER

The SPEAKER. The Chair lays before the House a communication which the Clerk will read.

The Clerk read as follows:

June 20, 1966.

The Honorable the Speaker,
House of Representatives.

Sir: A certificate in due form of law showing the election of Jerome R. Waldie as a Representative-elect to the 89th Congress from the 14th Congressional District of the State of California, to fill the unexpired term, ending January 3, 1967.

Respectively yours,

Ralph R. Roberts,
Clerk, U.S. House of Representatives.

The SPEAKER. The Representative-elect will present himself at the bar of the House for the purpose of having the oath of office administered to him.

Mr. WALDIE presented himself at the bar of the House and took the oath of office.

TRIBUTE TO RABBI JACOB A. MAX

Mr. LONG of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LONG of Maryland. Mr. Speaker, it gives me great pleasure to welcome Rabbi Jacob A. Max, guest of my distinguished colleague, Sam Friedel, who has offered an inspiring prayer before this Chamber this morning.

Rabbi Max has had a distinguished career as a spiritual leader in Baltimore County and Baltimore City. For 13 years he has served the greater Baltimore area as spiritual leader of the Anshe Emanuel Aitz Chaim congregation—Liberty Jewish Center—which is located at 1 Liberty Heights Avenue in Baltimore City and at 8615 Church Lane in Randallstown, Baltimore County.

Rabbi Max holds an undergraduate degree from the Johns Hopkins University, and did graduate work at the Johns Hopkins University, the University of Maryland, and Yeshiva University. He also studied at the Talmudical Academy, and was ordained at Ner Israel Rabbinical College in Baltimore.

Rabbi Max has served on many boards of various educational institutions in Baltimore, and is presently educational consultant for the Hebrew Education Association of Baltimore City.

I am proud to say that he is also serving on the Governor's committee of the clergy for mental health for the State of Maryland.

This Chamber is indeed honored by the presence of Rabbi Max and will benefit from his invocation.

FORMATION OF NATIONAL COMMITTEE OF ONE MILLION TO SAVE THE UNITED STATES CAPITOL

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, I take this time to advise my colleagues that applications are now being accepted in my office, for charter membership in the new National Committee of One Million To Save the United States Capitol. I cordially invite the support of all my colleagues who favor our retaining a portion of the original Capitol structure for the enjoyment and education of our citizens rather than covering it up with a costly 7-acre marble facade housing a new Capitol restaurant, two movie houses, and 109 additional congressional office spaces at a currently estimated cost of $34 million.

It was little more than a week ago that we had before us the legislative appropriation bill for 1967, the proper vehicle for taking any further action on the controversial matter of extending the west front of the Capitol. We were assured at that time that no further action was planned and no funds for the west front were included. That bill is presently in the Senate. Yet we are told the Architect will not request funds now but will wait for the supplemental bill which will come to us in the closing hours of the session when there will be no time for debate on a sweeping change in a historic national monument.

I hope we can stop this action until the House as a whole can study the matter as fully as it deserves. But we need to hear from the people themselves, and that is the job this new national committee can do.

The Nation's schoolchildren, with their pennies, once saved the great historic U.S.S. *Constitution, Old Ironsides.* Patriotic and educational groups across the country, with their letters and their telephone calls, can surely preserve the Nation's Capitol for generations still to come.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ARKANSAS POST NATIONAL MEMORIAL

The Clerk called the bill (H.R. 12389) to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial.

There being no objection, the Clerk read the bill, as follows:

H.R. 12389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act entitled "An Act to provide for the establishment of the Arkansas Post National Memorial, in the State of Arkansas", approved July 6, 1960 (74 Stat. 334; Public Law 86-595), is amended by striking out "$125,000" and inserting in lieu thereof "$550,000".

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection

Mr. ASPINALL. Mr. Speaker, the bill now before us, H.R. 12389, is not a complex one. Its sole purpose is to increase the amount of funds authorized to be appropriated for development of the Arkansas Post National Memorial to $550,000.

As most of the Members of this House are well aware, I am sure, the Committee on Interior and Insular Affairs has recommended, in recent years, that the amounts of money authorized to be appropriated be specifically limited. We feel that this is an important check on the executive branch of the Government, because it has the effect of prohibiting the extension of a project beyond the expectations of Congress at the time of its authorization. By placing such limitations in the authorizing legislation, we help the Committee on Appropriations to understand the scope of the program contemplated so that it can make its recommendations accordingly.

The increased authorization contained in H.R. 12389 does not significantly expand the development plan presented to Congress by the National Park Service before the enactment of Public Law 86-595. At that time, the cost of the development work contemplated was estimated at $344,000; subsequent construction cost increases and unforeseen work which was necessary would bring the present costs to about $430,000. The remaining $120,000 authorized by H.R. 12389, then, represents the cost of proposed additions to the project as it was originally undertaken.

Mr. Speaker, the land at this site—some 220 acres—was donated to the Government for the establishment of the Arkansas Post National Memorial. We, in Congress, have appropriated $117,400 for development of the area; however, if the plan is to be completed, as it was originally proposed, then it is necessary to provide this new authority.

Having conducted hearings on this legislation, your committee feels that this increase is justified. It has been a pleasure to work with our colleague the gentleman from Arkansas [Mr. MILLS] on this matter and, as chairman of your committee, I urge its adoption.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, the bill, H.R. 12389, seeks to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial.

The act of July 6, 1960—74 Stat. 333—authorized the Secretary of the Interior to establish the Arkansas Post National Memorial to commemorate the first permanent European settlement west of the Mississippi River. The act of July 6, 1960, limited the amount appropriated for land acquisition and development to $125,000, of which not more than $25,000 was to be used for land acquisition. The State of Arkansas has donated to the United States 221 acres of land, all of the land needed for the national monument.

H.R. 12389 will increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial to $550,000. To date, Congress has appropriated $117,400 of the $125,000 authorized for appropriation by the act of July 6, 1960. By the end of fiscal 1966 most, or all, of this amount will be spent or obligated.

The additional $425,000 requested by H.R. 12389 will enable the National Park Service to complete its plans for the development of the Arkansas Post National Memorial.

Mr. Speaker, I urge the passage of H.R. 12389.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE NATIONAL MUSEUM OF THE SMITHSONIAN INSTITUTION

The Clerk called the bill (H.R. 7315) relating to the National Museum of the Smithsonian Institution.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMENDING THE ACTS OF MARCH 3, 1931, AND OCTOBER 19, 1962, RELATING TO THE FURNISHING OF BOOKS AND OTHER MATERIALS TO THE BLIND SO AS TO AUTHORIZE THE FURNISHING OF SUCH BOOKS AND OTHER MATERIALS TO OTHER HANDICAPPED PERSONS

The Clerk called the bill (H.R. 13783) to amend the acts of March 3, 1931, and October 19, 1962, relating to the furnishing of books and other materials to the blind so as to authorize the furnishing of such books and other materials to other handicapped persons.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, in view of the fact that the cost of this bill exceeds the cost set by the bipartisan committee, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMEND SECTION 502 OF THE MERCHANT MARINE ACT, 1936, RELATING TO CONSTRUCTION DIFFERENTIAL SUBSIDIES

The Clerk called the bill (H.R. 12591) to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies.

There being no objection, the Clerk read the bill, as follows:

H.R. 12591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out "June 30, 1966", and inserting in lieu thereof "June 30, 1968".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 2858, a similar bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. GROSS. Mr. Speaker, reserving the right to object, does the bill the gentleman seeks to have considered provide for 1 year, and 1 year only?

Mr. GARMATZ. For 1 year only; yes.

Mr. GROSS. For 1 year. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There being no objection, the Clerk read the bill, as follows:

S. 2858

An act to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out "June 30, 1966", and inserting in lieu thereof "June 30, 1967".

AMENDMENT OFFERED BY MR. GARMATZ

Mr. GARMATZ. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARMATZ: Strike out all after the enacting clause of S. 2858 and substitute the following:

"*Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled,* That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out 'June 30, 1966', and inserting in lieu thereof 'June 30, 1968'."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12591) was laid on the table.

ADMEASUREMENT OF SMALL VESSELS

The Clerk called the bill S. 2142, to simplify the admeasurement of small vessels.

There being no objection, the Clerk read the bill, as follows:

S. 2142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4148 of the Revised Statutes (46 U.S.C. 71) is amended to read as follows:

"SEC. 4148. (a) Before a vessel is documented under the laws of the United States or issued a certificate of record she shall be admeasured by the Secretary of the Treasury as provided in subsection (b) or (c) of this section. A vessel which has been admeasured need not be readmeasured solely to obtain another document, unless it is a vessel admeasured under subsection (b) which is required to be readmeasured under subsection (c); but a vessel which is intended to be used exclusively as a pleasure vessel may at the owner's option be readmeasured under subsection (b).

"(b) Subject to the owner's option to have his vessel admeasured under subsection (c) of this section, a vessel which is intended to be used exclusively as a pleasure vessel shall be assigned gross and net tonnages which are the product of its length, breadth, and depth in feet and appropriate coefficients. The Secretary of the Treasury shall prescribe the manner in which the length, breadth, and depth shall be measured and the appropriate coefficients to be applied, taking due account of variations in vessel construction, to the end that, taken as a group and so far as practicable, the resulting gross tonnages shall reasonably reflect the relative internal volumes of the vessels admeasured and the resulting net tonnages shall be in the same ratio to the corresponding gross tonnages as the net and gross tonnages of comparable vessels if admeasured under subsection (c) of this section.

"(c) A vessel not admeasured under subsection (b) of this section, or a vessel admeasured under subsection (b) which is thereafter to be documented for use other than exclusively as a pleasure vessel, shall be admeasured as prescribed in sections 4150, 4151, and 4153 of the Revised Statutes, as amended (46 U.S.C. 74, 75, 77).

"(d) Whenever a vessel documented under the laws of the United States undergoes a change affecting tonnage, or its owner or the Secretary of the Treasury alleges error in its tonnage, it shall be readmeasured to the extent necessary and its tonnage redetermined under this section.

"(e) The tonnage of a vessel for which a document or certificate of record has been issued before the effective date of this subsection need not be redetermined solely because of amendments to Federal law enacted at the same time as this subsection; but if it is eligible for admeasurement under subsection (b)of this section its owner shall have the option of having it readmeasured under that subsection.

"(f) The Secretary of the Treasury shall make such regulations as may be necessary to carry out the provisions and intent of this section and of sections 4149, 4150, 4151, and 4153 of the Revised Statutes, as amended (46 U.S.C. 72, 74, 75, 77)."

SEC. 2. The following statutes and parts of statutes are repealed:

(a) Section 4152 of the Revised Statutes (46 U.S.C. 76).

(b) The second and third paragraphs following paragraph (i), and the first sentence of the last paragraph, reading "The register of the vessel shall express the number of decks, the tonnage under the tonnage deck, that of the between decks, above the tonnage decks; also that of the poop or other enclosed spaces above the deck, each separately.", of section 4153 of the Revised Statutes, as amended (46 U.S.C. 77).

(c) Section 4181 of the Revised Statutes (46 U.S.C. 73).

(d) Section 4331 of the Revised Statutes (46 U.S.C. 273).

(e) Section 2 of the Act of March 2, 1895 (ch. 173, 28 Stat. 743; 46 U.S.C. 78).

(f) Section 4 of the Act of March 2, 1895 (ch. 173, 28 Stat. 743), as amended (46 U.S.C. 79).

SEC. 3. This Act shall take effect upon the expiration of ninety days after the date of its enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IMPLEMENTING PROVISIONS OF THE INTERNATIONAL CONVENTION FOR THE PREVENTION OF THE POLLUTION OF THE SEA BY OIL, 1954

The Clerk called the bill (H.R. 8760), to amend the provisions of the Oil Pollution Act, 7961 (33 U.S.C. 1001–1015), to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 8760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the "Oil Pollution Act, 1961" approved August 30, 1961 (33 U.S.C. 1001–1015), is amended as follows:

(1) Section 1 is amended by inserting after the title "International Convention for the Prevention of the Pollution of the Sea by Oil, 1954" the phrase "as amended," and by changing the designation of the Act from "Oil Pollution Act, 1961" to "Oil Pollution Act, 1961, as amended,".

(2) Section 2 (33 U.S.C. 1001) is amended—

(A) in subsection (a) by changing the semicolon to a comma at the end thereof and by adding "as amended;";

(B) in subsection (c) by changing the reference at the end thereof from "D. 158/53;" to "D. 86/59;";

(C) by amending subsection (e) to read as follows:

"(e) The term 'oil' means crude oil, fuel oil, heavy diesel oil, and lubricating oil, and 'oily' shall be construed accordingly. An 'oily mixture' means a mixture with an oil content of one hundred parts or more in one million parts of mixture."

(D) by amending subsection (i) to read as follows:

"(i) The term 'ship', subject to the exceptions provided in paragraph (1) of this subsection, means any seagoing vessel of any type whatsoever of American registry or nationality, including floating craft, whether self-propelled or towed by another vessel making a sea voyage; and 'tanker', as a type included within the term 'ship', means a ship in which the greater part of the cargo space is constructed or adapted for the carriage of liquid cargoes in bulk and which is not, for the time being, carrying a cargo other than oil in that part of its cargo space.

"(1) The following categories of vessels are excepted from all provisions of the Act:

"(i) tankers of under one hundred and fifty tons gross tonnage and other ships of under five hundred tons gross tonnage.

"(ii) ships for the time being engaged in the whaling industry when actually employed on whaling operations.

"(iii) ships for the time being navigating the Great Lakes of North America and their connecting and tributary waters as far east as the lower exit of Saint Lambert lock at Montreal in the Province of Quebec, Canada.

"(iv) naval ships and ships for the time being used as naval auxiliaries."

(E) by adding a new subsection (j) reading as follows:

"(j) The term 'from the nearest land' means from the baseline from which the territorial sea of the territory in question is established in accordance with the Geneva Convention on the Territorial Sea and the Contiguous Zone, 1958."

(3) Section 3 (33 U.S.C. 1002) is amended to read as follows:

"SEC. 3. Subject to the provisions of sections 4 and 5, it shall be unlawful for any person to discharge oil or oily mixture from:

"(a) a tanker within any of the prohibited zones.

"(b) a ship, other than a tanker, within any of the prohibited zones except when the ship is proceeding to a port not provided with facilities adequate for the reception, without causing undue delay, it may discharge such residues and oily mixture as would remain for disposal if the bulk of the water had been separated from the mixture: *Provided,* such discharge is made as far as practicable from land.

"(c) a ship of twenty thousand tons gross tonnage or more, including a tanker, for which the building contract is placed on or after the effective date of this Act. However, if in the opinion of the master, special circumstances make it neither reasonable nor practicable to retail the oil or oily mixture on board, it may be discharged outside the prohibited zones. The reasons for such discharge shall be reported in accordance with the regulations prescribed by the Secretary."

(4) Section 4 (33 U.S.C. 1003) is amended to read as follows:

"SEC. 4. Section 3 shall not apply to—

"(a) the discharge of oil or oily mixture from a ship for the purpose of securing the safety of a ship, preventing damage to a ship or cargo, or saving life at sea; or

"(b) the escape of oil, or of oily mixture, resulting from damage to a ship or unavoidable leakage, if all reasonable precautions have been taken after the occurrence of the damage or discovery of the leakage for the purpose of preventing or minimizing the escape;

"(c) the discharge of residue arising from the purification or clarification of fuel oil or lubricating oil: *Provided,* That such discharge is made as far from land as practicable."

(5) Section 5 (33 U.S.C. 1004) is amended to read as follows:

"SEC. 5. Section 3 shall not apply to the discharge from the bilges of a ship of an oily mixture containing no oil other than lubricating oil which has drained or leaked from machinery spaces."

(6) Section 9 (33 U.S.C. 1008) is amended to read as follows:

"SEC. 9. (a) The Secretary shall have printed separate oil record books, containing instructions and spaces for inserting information in the form prescribed by the Convention, which shall be published in regulations prescribed by the Secretary.

"(b) If subject to this Act, every ship using oil fuel and every tanker shall be provided, without charge, an oil record book which shall be carried on board. The provisions of section 140 of title 5, United States Code, shall not apply. The ownership of the booklet shall remain in the United States Government. This book shall be available for inspection as provided in this Act and for surrender to the United States Government pursuant to regulations of the Secretary.

"(c) The oil record book shall be completed on each occasion, whenever any of the following operations takes place in the ship:

"(1) ballasting of and discharge of ballast from cargo tanks of tankers;

"(2) cleaning of cargo tanks of tankers;

"(3) settling in slop tanks and discharge of water from tankers;

"(4) disposal from tankers of oily residues from slop tanks or other sources;

"(5) ballasting, or cleaning during voyage, of bunker fuel tanks of ships other than tankers;

"(6) disposal from ships other than tankers of oily residues from bunker fuel tanks or other sources;

"(7) accidental or other exceptional discharges or escapes of oil from tankers or ships other than tankers.

"In the event of such discharge or escape of oil or oily mixture, as is referred to in subsection 3(c) and section 4 of this Act, a statement shall be made in the oil record book of the circumstances of, and reason for, the discharge or escape.

"(d) Each operation described in subsection 9(c) of the Act shall be fully recorded without delay in the oil record book so that all the entries in the book appropriate to that operation are completed. Each page of the book shall be signed by the officer or officers in charge of the operations concerned and, when the ship is manned, by the master of the ship.

"(e) Oil record books shall be kept in such manner and for such length of time as set forth in the regulations prescribed by the Secretary.

"(f) If any person fails to comply with the requirements imposed by or under this section, he shall be liable on conviction to a fine not exceeding $1,000 nor less than $500 and if any person makes an entry in any records kept in accordance with this Act or regulations prescribed thereunder by the Secretary which is to his knowledge false or misleading in any material particular, he shall be liable on conviction to a fine not exceeding $1,000 nor less than $500 or imprisonment for a term not exceeding six months, or both."

(7) Section 10 (33 U.S.C. 1009) is amended by changing the phrase at the end thereof from "and 9" to "9, and 12."

(8) Section 12 (33 U.S.C. 1011) is amended to read as follows:

"Sec. 12. (a) All sea areas within fifty miles from the nearest land shall be prohibited zones, subject to extensions or reduction effectuated in accordance with the terms of the Convention, which shall be published in regulations prescribed by the Secretary.

"(b) With respect to the reduction or extension of the zones described under the terms of the Convention, the Secretary shall give notice thereof by publication of such information in Notices to Mariners issued by the United States Coast Guard and United States Navy."

(9) Section 13 (33 U.S.C. 1012) is repealed.

(10) Section 17 (33 U.S.C. 1015) is amended to read as follows:

"Sec. 17. (a) This Act shall become effective upon the date of its enactment or upon the date the amended Convention becomes effective as to the United States, whichever is the later date.

"(b) Any rights or liabilities existing on the effective date of this Act shall not be affected by the enactment of this Act. Any procedures or rules or regulations in effect on the effective date of this Act shall remain in effect until modified or superseded under the authority of this Act. Any reference in any other law or rule or regulation prescribed pursuant to law to the "International Convention for the Prevention of the Pollution of the Sea by Oil, 1954," shall be deemed to be a reference to that Convention as revised by the "Amendments of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954," which were adopted by a Conference of Contracting Governments convened at London on April 11, 1962. Any reference in any other law or rule or regulation prescribed pursuant to law to the "Oil Pollution Act, 1961," approved August 30, 1961 (33 U.S.C. 1001–1015), shall be deemed to be a reference to that Act as amended by this Act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR THE ADMINISTRATION AND DEVELOPMENT OF PENNSYLVANIA AVENUE AS A NATIONAL HISTORIC SITE

The Clerk called the joint resolution (H.J. Res. 1030) to provide for the administration and development of Pennsylvania Avenue as a national historic site, and for other purposes.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, I would like to have an explanation of the bill from the key sponsor, and interrogate the gentleman.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

VARIATION OF 40-HOUR WORKWEEK OF FEDERAL EMPLOYEES FOR EDUCATIONAL PURPOSES

The Clerk called the bill (S. 1495) to permit variation of the 40-hour workweek of Federal employees for educational purposes.

There being no objection, the Clerk read the bill, as follows:

S. 1495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 604(a) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 944(a)), is amended by adding a new paragraph to read as follows:

"(3) Notwithstanding the provisions of paragraph (2) of this subsection, the head of each such department, establishment, or agency and of the municipal government of the District of Columbia may establish special tours of duty (of not less than forty hours) without regard to the requirements of such paragraph in order to enable officers and employees to take courses in nearby colleges, universities, or other educational institutions which will equip them for more effective work in the agency. No premium compensation shall be paid to any officer or employee solely because his special tour of duty established pursuant to this paragraph results in his working on a day or at a time of day for which premium compensation is otherwise authorized."

The bill was ordered to be read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

AD HOC SUBCOMMITTEE ON THE HANDICAPPED OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the ad hoc Subcommittee on the Handicapped of the Committee on Education and Labor may be permitted to sit during general debate today while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 146]

Abbitt
Adair
Addabbo
Andrews, Glenn
Andrews, N. Dak.
Annunzio
Ashley
Berry
Blatnik
Bolling
Bolton
Bow
Bray
Brooks
Brown, Ohio
Cahill
Callaway
Celler
Clancy
Clausen, Don H.
Cohelan
Collier
Conyers
Cooley
Corman
Craley
Cramer
Culver
Cunningham
Curtin
Daddario
Davis, Ga.
Delaney
Dent
Diggs
Dingell
Donohue
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Ellsworth
Everett
Evins
Fallon
Farbstein
Feighan
Fino
Flood
Flynt
Fogarty
Fraser
Gilbert
Gilligan
Goodell
Grabowski
Gray
Gurney
Hagan, Ga.
Halleck
Hamilton
Hanley
Hansen, Iowa
Harsha
Harvey, Ind.
Helstoski
Horton
Howard
Jennings
Jonas
Jones, N.C.
Keogh
King, N.Y.
Kirwan
Kluczynski
Laird
Landrum
Leggett
Lennon
Long, La.
McDade
McDowell
McEwen
Macdonald
Mackie
Martin, Mass.
May
Minshall
Moore
Moorhead
Morrison
Multer
Murray
Nix
O'Brien
Olson, Minn.
O'Neill, Mass.
Passman
Pepper
Pirnie
Powell
Price
Purcell
Quillen
Reifel
Resnick
Roberts
Rodino
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roudebush
Scheuer
Scott
Shipley
Springer
Stafford
Steed
Stephens
Tenzer
Thomas
Toll
Trimble
Walker, Miss.
Watson
Whalley
Williams
Willis
Wilson, Bob
Wolff
Wright

The SPEAKER. On this rollcall 300 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CLARIFYING AND PROTECTING THE RIGHT OF THE PUBLIC TO INFORMATION

Mr. MOSS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1160) to amend section 3 of the Administrative Procedure Act, chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3, chapter 324, of the Act of June 11, 1946 (60 Stat. 238), is amended to read as follows:

"Sec. 3. Every agency shall make available to the public the following information:

"(a) Publication in the Federal Register.—Every agency shall separately state and currently publish in the Federal Register for the guidance of the public (A) descriptions of its central and field organization and the established places at which, the officers from whom, and the methods whereby, the public may secure information, make submittals or requests, or obtain decisions; (B) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available; (C) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations; (D) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and (E) every amendment, revision, or repeal of the foregoing. Except to the extent that a person has actual and timely notice of the terms thereof, no person shall in any manner be required to resort to, or be adversely affected by any matter required to be published in the Federal Register and not so published. For purposes of this subsection, matter which is reasonably available to the class of persons affected thereby shall be deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.

"(b) AGENCY OPINIONS AND ORDERS.—Every agency shall, in accordance with published rules, make available for public inspection and copying (A) all final opinions (including concurring and dissenting opinions) and all orders made in the adjudication of cases, (B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register, and (C) administrative staff manuals and instructions to staff that affect any member of the public, unless such materials are promptly published and copies offered for sale. To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, or staff manual or instruction: *Provided,* That in every case the justification for the deletion must be fully explained in writing. Every agency also shall maintain and make available for public inspection and copying a current index providing identifying information for the public as to any matter which is issued, adopted, or promulgated after the effective date of this Act and which is required by this subsection to be made available or published. No final order, opinion, statement of policy, interpretation, or staff manual or instruction that affects any member of the public may be relied upon, used or cited as precedent by an agency against any private party unless it has been indexed and either made available or published as provided by this subsection or unless that private party shall have actual and timely notice of the terms thereof.

"(C) AGENCY RECORDS.—Except with respect to the records made available pursuant to subsections (a) and (b), every agency shall, upon request for identifiable records made in accordance with published rules stating the time, place, fees to the extent authorized by statute and procedure to be followed, make such records promptly available to any person. Upon complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated shall have jurisdiction to enjoin the agency from the withholding of agency records and to order the production of any agency records improperly withheld from the complainant. In such cases the court shall determine the matter de novo and the burden shall be upon the agency to sustain its action. In the event of noncompliance with the court's order, the district court may punish the responsible officers for contempt. Except as to those causes which the court deems of greater importance, proceedings before the district court as authorized by this subsection shall take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

"(d) AGENCY PROCEEDINGS.—Every agency having more than one member shall keep a record of the final votes of each member in every agency proceeding and such record shall be available for public inspection.

"(e) EXEMPTIONS.—The provisions of this section shall not be applicable to matters that are (1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy; (2) related solely to the internal personnel rules and practices of any agency; (3) specifically exempted from disclosure by statute; (4) trade secrets and commercial or financial information obtained from any person and privileged or confidential; (5) inter-agency or intra-agency memorandums or letters which would not be available by law to a private party in litigation with the agency; (6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; (7) investigatory files compiled for law enforcement purposes except to the extent available by law to a private party; (8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and (9) geological and geophysical information and data (including maps) concerning wells.

"(f) LIMITATION OF EXEMPTIONS.—Nothing in this section authorizes withholding of information or limiting the availability of records to the public except as specifically stated in this section, nor shall this section be authority to withhold information from Congress.

"(g) PRIVATE PARTY.—As used in this section, 'private party' means any party other than an agency.

"(h) EFFECTIVE DATE.—This amendment shall become effective one year following the date of the enactment of this Act."

The SPEAKER. Is a second demanded?

Mr. REID of New York. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MOSS. I yield myself such time as I may consume.

Mr. Speaker, our system of government is based on the participation of the governed, and as our population grows in numbers it is essential that it also grow in knowledge and understanding. We must remove every barrier to information about—and understanding of—Government activities consistent with our security if the American public is to be adequately equipped to fulfill the ever more demanding role of responsible citizenship.

S. 1160 is a bill which will accomplish that objective by shoring up the public right of access to the facts of government and, inherently, providing easier access to the officials clothed with governmental responsibility. S. 1160 will grant any person the right of access to official records of the Federal Government, and, most important, by far the most important, is the fact that this bill provides for judicial review of the refusal of access and the withholding of information. It is this device which expands the rights of the citizens and which protects them against arbitrary or capricious denials.

Mr. Speaker, let me reassure those few who may have doubts as to the wisdom of this legislation that the committee has, with the utmost sense of responsibility, attempted to achieve a balance between a public need to know and a necessary restraint upon access to information in specific instances. The bill lists nine categories of Federal documents which may be withheld to protect the national security or permit effective operation of the Government but the burden of proof to justify withholding is put upon the Federal agencies.

That is a reasonable burden for the Government to bear. It is my hope that this fact, in itself, will be a moderating influence on those officials who, on occasion, have an almost proprietary attitude toward their own niche in Government.

Mr. Speaker, I must confess to disquiet at efforts which have been made to paint the Government information problems which we hope to correct here today in the gaudy colors of partisan politics. Let me now enter a firm and unequivocal denial that that is the case. Government information problems are political problems—bipartisan or nonpartisan, public problems, political problems but not partisan problems.

In assuming the chairmanship of the Special Government Information Subcommittee 11 years ago, I strongly emphasized the fact that the problems of concern to us did not start with the Eisenhower administration then in power nor would they end with that administration. At a convention of the American Society of Newspaper Editors some 10 years ago, I said:

> The problem I have dealt with is one which has been with us since the very first administration. It is not partisan, it is political only in the sense that any activity of government is, of necessity, political . . . No one party started the trend to secrecy in the Federal Government. This is a problem which will go with you and the American people as long as we have a representative government.

Let me emphasize today that the Government information problems did not start with President Lyndon Johnson. I hope, with his cooperation following our action here today, that they will be diminished. I am not so naive as to believe they will cease to exist.

I have read stories that President Johnson is opposed to this legislation. I have not been so informed, and I would be doing a great disservice to the President and his able assistants if I failed to acknowledge the excellent cooperation I have received from several of his associates in the White House.

I am pleased to report the fact of that cooperation to the House today. It is especially important when we recognize how very sensitive to the institution of the Presidency some of these information questions are. Despite this, I can say to you that no chairman could have received greater cooperation.

We do have pressing and important Government information problems, and I believe their solution is vital to the future of democracy in the United States.

The individual instances of governmental withholding of information are not dramatic. Again, going back to statements made early in my chairmanship of the Special Subcommittee on Government Information, I repeatedly cautioned those who looked for dramatic instances that the problems were really the day-to-day barriers, the day-to-day excesses in restriction, the arrogance on occasion of an official who has a proprietary attitude toward Government. In fact, at the subcommittee's very first hearing I said:

> Rather than exploiting the sensational, the subcommittee is trying to develop all the pertinent facts and, in effect, lay bare the attitude of the executive agencies on the issue of whether the public is entitled to all possible information about the activities, plans and the policies of the Federal Government.

Now 11 years later I can, with the assurance of experience, reaffirm the lack of dramatic instances of withholding. The barriers to access, the instances of arbitrary and capricious withholding are dramatic only in their totality.

During the last 11 years, the subcommittee has, with the fullest cooperation from many in Government and from representatives of every facet of the news media, endeavored to build a greater awareness of the need to remove unjustifiable barriers to information, even if that information did not appear to be overly important. I suppose one could regard information as food for the intellect, like a proper diet for the body. It does not have to qualify as a main course to be important intellectual food. It might be just a dash of flavor to sharpen the wit or satisfy the curiosity, but it is as basic to the intellectual diet as are proper seasonings to the physical diet.

Our Constitution recognized this need by guaranteeing free speech and a free press. Mr. Speaker, those wise men who wrote that document—which was then and is now a most radical document—could not have intended to give us empty rights. Inherent in the right of free speech and of free press is the right to know. It is our solemn responsibility as inheritors of the cause to do all in our power to strengthen those rights—to give them meaning. Our actions today in this House will do precisely that.

The present law which S. 1160 amends is the so-called public information section of the 20-year-old Administrative Procedure Act. The law now permits withholding of Federal Government records if secrecy is required "in the public interest" or if the records relate "solely to the internal management of an agency." Government information also may be held confidential "for good cause found." Even if no good cause can be found for secrecy, the records will be made available only to "persons properly and directly concerned." These phrases are the warp and woof of the blanket of secrecy which can cover the day-to-day administrative actions of the Federal agencies.

Neither in the Administrative Procedure Act nor its legislative history are these broad phrases defined, nor is there a recognition of the basic right of any person—not just those special classes "properly and directly concerned"—to gain access to the records of official Government actions. Above all, there is no remedy available to a citizen who has been wrongfully denied access to the Government's public records.

S. 1160 would make three major changes in the law.

First. The bill would eliminate the "properly and directly concerned" test of who shall have access to public records, stating that the great majority of records shall be available to "any person." So that there would be no undue burden on the operations of Government agencies, reasonable access regulations would be established.

Second. The bill would set up workable standards for the categories of records which may be exempt from public disclosure, replacing the vague phrases "good cause found," "in the public interest," and "internal management" with specific definitions of information which may be withheld.

Third. The bill would give an aggrieved citizen a remedy by permitting him to appeal to a U.S. district court if official records are improperly withheld. Thus, for the first time in our Government's history there would be proper arbitration of conflicts over access to Government documents.

S. 1160 is a moderate bill and carefully worked out. This measure is not intended to impinge upon the appropriate power of the Executive or to harass the agencies of Government. We are simply attempting to enforce a basic public right—the right to access to Government information. We have expressed an intent in the report on this bill which we hope the courts will read with great care.

While the bill establishes a procedure to secure the right to know the facts of Government, it will not force disclosure of specific categories of information such as documents involving true national security or personnel investigative files.

This legislation has twice been passed by the Senate, once near the end of the 88th Congress too late for House action and again last year after extensive hearings. Similar legislation was introduced in the House, at the beginning of the 89th Congress, by myself and 25 other Members, of both political parties, and comprehensive hearings were held on the legislation by the Foreign Operations and Government Information Subcommittee. After the subcommittee selected the Senate version as the best, most workable bill, it was adopted unanimously by the House Government Operations Committee.

S. 1160 has the support of dozens of organizations deeply interested in the workings of the Federal Government—professional groups such as the American Bar Association, business organizations such as the U.S. Chamber of Commerce, committees of newspapermen, editors and broadcasters, and many others. It has been worked out carefully with cooperation of White House officials and representatives of the major Government agencies, and with the utmost cooperation of the Republican members of the subcommittee; Congressman Ogden R. Reid, of New York; Congressman Donald Rumsfeld, of Illinois; and the Honorable Robert P. Griffin, of Michigan, now serving in the Senate. It is the fruit of more than 10 years of study and discussion initiated by such men as the late Dr. Harold L. Cross and added to by scholars such as the late Dr. Jacob Scher. Among those who have given unstintingly of their counsel and advice is a great and distinguished colleague in the House who has given the fullest support. Without that support nothing could have been accomplished. So I take this occasion to pay personal tribute to Congressman William L. Dawson, my friend, my confidant and adviser over the years.

Among those Members of the Congress who have given greatly of their time and effort to develop the legislation before us today are two Senators from the great State of Missouri, the late Senator Thomas Henning and his very distinguished successor, Senator Edward Long who authored the bill before us today.

And there has been no greater champion of the people's right to know the facts of Government than Congressman Dante B. Fascell. I want to take this opportunity to pay the most sincere and heartfelt tribute to Congressman Fascell who helped me set up the Special Subcommittee on Government Information and served as a most effective and dedicated member for nearly 10 years.

The list of editors, broadcasters and newsmen and distinguished members of the corps who have helped develop the legislation over these 10 years is endless.

But I would particularly like to thank those who have served as chairmen of Freedom of Information Committees and various organizations that have supported the legislation.

They include James Pope, formerly of the Louisville Courier-Journal, J. Russell Wiggins of the Washington Post, Herbert Brucker of the Hartford Courant, Eugene S. Pulliam of the Indianapolis News, Creed Black of the Chicago Daily News, Eugene Patterson of the Atlanta Constitution, each of whom served as chairman of the American Society of Newspaper Editors Freedom of Information Committee, and John Colburn of the Wichita Eagle & Beacon who served as chairman of both the ASNE committee and the similar committee of the American Society of Newspaper Publishers.

Also Mason Walsh of the Dallas Times Herald, David Schultz of the Redwood City Tribune, Charles S. Rowe of the Fredericksburg Free Lance Star, Richard D. Smyser of the Oak Ridge Oakridger, and Hu Blonk of the Wenatchee Daily World, each of whom served as chairman of the Associated Press Managing Editors Freedom of Information Committee; V. M. Newton, Jr., of the Tampa Tribune, Julius Frandsen of the United Press International, and Clark Mollenhoff of the Cowles Publications, each of whom served as chairman of the Sigma Delta Chi Freedom of Information Committee, and Joseph Costa, for many years the chairman of the National Press Photographers Freedom of Information Committee. The closest cooperation has been provided by Stanford Smith, general manager of the American Newspaper Publishers Association and Theodore A. Serrill, executive vice president of the National Newspaper Association.

Mr. Speaker, I strongly urge the favorable vote of every Member of this body on this bill, S. 1160.

Mr. KING of Utah. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am happy to yield to the gentleman.

Mr. KING of Utah. Mr. Speaker, I commend the distinguished gentlemen now in the well for the work he has done in bringing this bill to fruition today. The gentleman from California is recognized throughout the Nation as one of the leading authorities on the subject of freedom of information. He has worked for 12 years diligently to bring this event to pass.

Mr. Speaker, I wish to take this opportunity to voice my support of S. 1160, the Federal Public Records Act, now popularly referred to as the freedom of information bill. Let me preface my remarks by expressing to my distinguished colleague from California [Mr. Moss], chairman of the Government Information Subcommittee of the House of Representatives, and to the distinguished gentleman from Missouri, Senator EDWARD LONG, chairman of the Administrative Practices and Procedure Subcommittee of the Senate, for their untiring efforts toward the advancement of the principle that the public has not only the right to know but the need to know the facts that comprise the business of Government. Under the expert guidance of these gentlemen, an exhaustive study has been conducted and a wealth of information gleaned. Equipped with a strong factual background and an understanding of the complex nature of the myriad of issues raised, we may proceed now to consider appropriate legislative action within a meaningful frame of reference.

S. 1160, the Federal Public Records Act, attempts to establish viable safeguards to protect the public access to sources of information relevant to governmental activities. Protection of public access to information sources was the original intent of the Congress when it enacted into law the Administrative Procedure Act of 1946. Regretfully, in the light of the experience of the intervening 20 years, we are confronted with an ever-growing accumulation of evidence that clearly substantiates the following conclusion: the overall intent of the Congress, as embodied in the Administrative Procedure Act of 1946, has not been realized and the specific safeguards erected to guarantee the right of public access to the information stores of Government appear woefully inadequate to perform the assigned tasks. The time is ripe for a careful and thoughtful reappraisal of the issues inherent in the right to know concept; the time is at hand for a renewal of our dedication to a principle that is at the cornerstone of our democratic society.

What are some of the major factors that have contributed to this widespread breakdown in the flow of information from the Government to the people? The free and total flow of information has been stemmed by the very real and very grave cold war crises that threaten our Nation. It is apparent that if we are to survive as a free nation, we must impose some checks on the flow of data—data which could provide invaluable assistance to our enemies.

The demands of a growing urban, industrial society has become greater both in volume and in complexity. The individual looks to his Government more and more for the satisfactory solution of problems that defy his own personal resources. The growth of the structure of Government commensurate with the demands placed upon it has given rise to confusion, misunderstanding, and a widening gap between the principle and the practice of the popular right to know. Chairman Moss has summarized this dilemma when he said "Government secrecy tends to grow as Government itself grows."

There are additional factors that must be considered. Paradoxically, the broad and somewhat obscure phraseology of section 3 of the public information section of the Administrative Procedure Act has, in effect, narrowed the stream of data and facts that the Federal agencies are and have been willing to release to the American people. Agency personnel charged with the responsibility of interpreting and enforcing the provisions of section 3 have labored under a severe handicap; their working guidelines have made for a host of varying interpretations and fostered numerous misinterpretations. Chaos and confusion have nurtured a needless choking off of information disclosure. Without realistic guidelines within which to operate, officials have exercised extreme caution in an effort to avoid the charges of premature, unwise, or unauthorized disclosure of Government information. Remedial action is called for. The primary purpose underlying S. 1160 is a long overdue and urgently needed clarification of the public information provisions of the Administrative Procedure Act.

Finally, the present condition of nonavailability of public information has perhaps been encouraged by a disregard by the American people of this truism: the freedoms that we daily exercise—the freedoms that are the foundation of our democratic society—were not easily obtained nor are they easily retained. Inroads and encroachments—be they overt or covert, be they internal or external—must be effectively guarded against. For freedoms once diminished are not readily revitalized; freedoms once lost are recovered with difficulty.

Thus far I have discussed some of the major forces that are simultaneously working toward increasing the gap that separates the principle and the practice of the people's right to know the affairs of their Government. The overriding importance of the Federal Public Records Act currently before us can be underscored by a brief examination of the highwater marks that loom large in the historical background of the present dispute concerning the legitimate bounds of the people's right to know the affairs of Government.

If the people are to be informed, they must be first accorded the right to sources of knowledge—and one of the initial queries posed by Americans and their English forebears alike was: What is the nature of the business of the legislative branch of government? Accounts of legislative activities were not always freely known by those whose destinies they were to shape. At the close of the 17th century, the House of Commons and the House of Lords had adopted regulations prohibiting the publishing of their votes and their debates. Since the bans on the publishing of votes and debates initially provided a haven of refuge from a Sovereign's harsh and often arbitrary reprisals, the elimination of these bans was difficult. Privacy was viewed as offering a means of retaining against all challenges—be they from the Sovereign or an inquiring populace—the prerogatives that the Houses of Parliament had struggled to secure. Not until the late 18th century did the forces favoring public accountability cause significant changes in the milieu that surrounded parliamentary proceedings. Although restrictive disclosure measures heretofore imposed were never formally repealed, their strict enforcement was no longer feasible. The forces championing the popular right to know had gained considerable strength and the odds were clearly against Parliament's retaining many of its jealously guarded prerogatives. To save face, both Houses yielded to the realities of the situation with which they were confronted and allowed representatives of the press—the eyes and ears of the people—to attend and recount their deliberations.

The annals recording the history of freedom of the press tell of dauntless printers who sought means of circumventing the bans on publicizing legislative records. As early as 1703, one Abel Boyer violated the letter and the spirit of the announced restrictions when he published monthly the Political State of Great Britain. He did so, however, without incurring the full measure of official wrath. By omitting the full names of participants in debate, and by delaying publication of the accounts of a session's deliberations until after it had adjourned, he was able to achieve his purpose. Others sought to foil the intent and dilute the effectiveness of the restrictions by revealing the activities of a committee of the House of Commons. Lest others follow similar suit, the Commons soon after passed a resolution stating:

> No news writers do presume in their letters or other papers that they disperse as minutes, or under any denomination, to intermeddle with the debates, or any other proceedings of this House, or any committee thereof.

Those who insisted on defying official pleasure were quickly brought to task. Many were imprisoned, many were fined; some were released having sworn to cease and desist from further offensive actions. Spurred by public demand for additional news, printers and editors devised a fictitious political body and proceeded to relate fictional debates. Their readers were, nevertheless, aware that the accounts were those of Parliament. Public demand for the right to know the information of Government had gained a momentum that could not be slowed. In 1789, the public point of view—a point of view that demanded the removal of the shackles of secrecy—because the parliamentary modus operandi. For in that year, one James Perry, of the Morning Chronicle, succeeded in his efforts to have news reporters admitted to Parliament and was able to provide his readers with an account of the previous evening's business. The efforts of Parliament to exclude representatives of the news media were channeled in new directions—with members speaking out against printers and editors, who in their opinion, were unfairly misrepresenting individual points of view; objectivity in reporting Parliament's business became their primary concern.

In the Colonies, too, Americans conducted determined campaigns paralleling those waged in England. Colonial governments demonstrated a formidable hostility toward those who earnestly believed that the rank-and-file citizenry was entitled to a full accounting by its governing bodies. The power that knowledge provides was fully understood; by some it was feared. In 1671, in correspondence to his lords commissioners, Governor Berkeley, of Virginia, wrote:

> I thank God, there are no free schools nor printing; and I hope we shall not have these hundred years; for learning has brought disobedience, and heresy, and sects into the world, and printing has divulged them, and libels against the best Government. God keep us from both.

In 1725, Massachusetts newspaper printers were "ordered upon their peril not to insert in their prints anything of the Public Affairs of this province relating to the war without the order of the Government." Forty-one years were to pass until, in 1776, a motion offered by James Otis was carried and the proceedings of the Massachusetts General Court were opened to the public on the occasion of the debates surrounding the repeal of the onerous Stamp Act.

The clouds of secrecy that hovered over the American Colonies were not quickly dispelled; vestiges of concealment lingered on until well into the 18th century.

The deliberations that produced the Constitution of the United States were closed. Early meetings of the U.S. Senate were not regularly opened to the public until February of 1794. Some 177 years ago, the House of Representatives heatedly debated and finally tabled a motion that would have excluded members of the press from its sessions. It was the beginning of the 19th century before representatives of the press were formally granted admission to the Chambers of the Senate and the House of Representatives.

While the American people have long fought to expand the scope of their knowledge about Government, their achievements in this direction are being countered by the trend to delegate considerable lawmaking authority to executive departments and agencies. Effective protective measures have not always accompanied the exercise of this newly located rulemaking authority.

Access to the affairs of legislative bodies has become increasingly difficult thanks to another factor: the business of legislatures is being conducted in the committees of the parent body—committees that may choose to call an executive session and subsequently close their doors to the public.

In short, the trend toward more secrecy in government may be seen in the legislative branch. Can this trend be evidenced in the other two branches?

The scope of popular interest in Government operations has run the full gamut. The public has persevered in its assertion that it has an unquestionable right to the knowledge of the proceedings that constitute the legislative as well as the judicial and executive functions of the Government.

One of the greatest weapons in the arsenal of tyranny has been the secret arrest, trial, and punishment of those accused of wrongdoing. Individual liberties, regardless of the lipservice paid them, become empty and meaningless sentiments if they are curtailed or suspended or ignored in the darkness of closed judicial proceedings. The dangers to man's freedoms that lurk in secret judicial deliberations were recognized by the insurgent barons who forced King John to grant as one of many demands that "the King's courts of justice shall be stationary; and shall no longer follow his person; they shall be open to everyone; and justice shall no longer be sold, refused, or delayed by them." This promise was remembered by that generation of Americans that devised our scheme of government. To guarantee the optimum exercise and enjoyment by every man of his fundamental and essential liberties, the authors of the Bill of Rights incorporated these guarantees in the sixth amendment:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial.

Contemporary developments lend support to the thesis that the right of the public to be admitted to judicial proceedings is being undermined. More and more courtrooms are being closed to the people on the grounds that the thorough and open discussion of a broad category of offenses would be repugnant to society's concensus of good taste. What is more, court powers that were once exercised within the framework of due process guarantees are being transferred to quasi-judicial agencies, before which many of the due process guarantees have been cast by the wayside.

What is the current status of information availability within the executive departments and agencies? Although the public's right to know has not been openly denied, the march of events has worked a serious diminution in the range and types of information that are being freely dispensed to inquiring citizens, their representatives in Congress, and to members of the press. Counterbalancing the presumption that in a democracy the public has the right to know the business of its Government is the executive privilege theory—a theory whose roots run deep in the American political tradition. This concept holds that the President may authorize the withholding of such information as he deems appropriate to the national well-being. Thomas Jefferson stated the principles upon which this privilege rests in these terms:

> With respect to papers, there is certainly a public and a private side to our offices. To the former belong grants of land, patents for inventions, certain commissions, proclamations, and other papers patent in their nature.
>
> To the other belong mere executive proceedings. All nations have found it necessary, that for the advantageous conduct of their affairs, some of these proceedings, at least, should remain known to their executive functionary only. He, of course, from the nature of the case, must be the sole judge of which of them the public interests will permit publication. Hence, under our Constitution, in requests of papers, from the legislative to the executive branch, an exception is carefully expressed, as to those which he may deem the public welfare may require not to be disclosed.

While the bounds of the executive privilege claim have, of late, been more carefully spelled out and, in effect, narrowed, widespread withholding of Government records by executive agency officials continues in spite of the enactment of limiting statutes. In 1958, the Congress passed the Moss-Hennings bill, which granted agency heads considerable leeway in the handling of agency records but gave no official legislative sanction to a general withholding of such records from the public. The enactment of the Administrative Procedure Act held out promise for introducing a measure of uniformity in the administrative regulations that were applied to agency disclosures. According to the terms of section 3 or the public information section of this act:

> Except to the extent that there is involved (1) any function of the United States requiring secrecy in the public interest or (2) any matter relating solely to the internal management of an agency, executive agencies are required to publish or make available to the public, their rules, statements of policy, policy interpretations and modes of operation as well as other data constituting matters of official record.

Quoting subsection (c) of section 3:

> Save as otherwise required by statute, matters of official record shall in accordance with published rule be made available to persons properly and directly concerned except information held confidential for good cause found.

A careful analysis of the precise wording of the widely criticized public information section offers ample evidence for doubt as to the effectiveness of the guarantees which its authors and sponsors sought to effect. Broad withholding powers have grown out of the vague and loosely defined terms with which this act is replete. Federal agencies may curb the distribution of their records should the public interest so require. What specifically is the public interest? The Manual on the Administrative Procedure Act allows each of the agencies to determine those functions which may remain secret in the public interest. Federal agencies may limit the dissemination of a wide range of information that they deem related "solely to the internal management" of the agency. What are the limitations, if any, that are attached to this provision? Federal agencies may withhold information "for good cause found." What constitutes such a "good cause?" Even if information sought does not violate an agency's ad hoc definition of the "public interest"—even if information sought does not relate "solely to the internal management" of the agency or if "no good cause" can be found for its retention, agencies may decline to release records to persons other than those "properly and directly concerned." What are the criteria that an individual must present to establish a "proper and direct concern?" We search in vain if we expect to find meaningful and uniform definitions or reasonable limitations of the qualifying clauses contained in the controversial public information section of the Administrative Procedure Act. We search in vain, for what we seek does not presently exist.

Threats to cherished liberties and fundamental rights are inherent in the relatively unchecked operations of a mushrooming bureaucracy—threats though they be more subtle are no less real and no less dangerous than those which our Founding Fathers labored to prevent.

The changes that are contained in the Federal Public Records Act before us today offer a means of restoring to the American people their free and legitimate access to the affairs of Government. It seeks to accomplish this important objective in a variety of ways. Subsection (a) of S. 1160 clarifies the types of information which Federal agencies will be required to publish in the Federal Register. By making requisite the publication of "descriptions of an agency's central and field organization and the established places at which, the officers from whom, and the methods whereby the public may secure information, make submittals or requests, or obtain decisions," the individual may be more readily apprised by responsible officials of those aspects of administrative procedure that are of vital personal consequence. Material "readily available" to interested parties may be incorporated "by reference" in the Register. "Incorporation by reference" will provide interested parties with meaningful citations to unabridged sources that contain the desired data. The Director of the Federal Register, rather than individual agency heads, must give approval before material may be so incorporated.

Subsection (b) of the Federal Public Records Act will eliminate the vague provisions that have allowed agency personnel to classify as "unavailable to the public" materials "required for good cause to be held confidential." All material will be considered available upon request unless it clearly falls within one of the specifically defined categories exempt from public disclosure. This subsection should be a boon not only to the frustrated citizen whose requests for the right to know have been denied time and time again. The reasons for denial seldom prove satisfactory or enlightening—for all too often they are couched in administrative jargon that is meaningless to the ordinary citizen. Subsection (b) of S. 1160 should be equally valuable to harried Government officials assigned the monumental responsibility of deciding what information may be released and what must be withheld in light of the proper functioning of the Government. The information guarantees of this subsection state:

> Every agency shall, in accordance with published rules, make available for public inspection and copying (A) all final opinions (including concurring and dissenting opinions) and all orders made in the adjudication of cases, (B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register, and (C) staff manuals and instructions to staff that affect any member of the public unless such materials are promptly published and copies offered for sale.

We have labored long and hard to establish firmly the premise that the public has not only the right but the need to know. We have also accepted the fact that the individual is entitled to respect for his right of privacy. The question arises as to how far we are able to extend the right to know doctrine before the inevitable collision with the right of the individual to the enjoyment of confidentiality and privacy. Subsection (b) attempts to resolve this conflict by allowing Federal agencies to delete personally identifying details from publicly inspected opinions, policy statements, policy interpretations, staff manuals, or instructions in order "to prevent a clearly unwarranted invasion of personal privacy." Should agencies delete personal identifications that cannot reasonably be shown to have direct relationship to the general public interest, they must justify in writing the reasons for their actions. This "in writing" qualification is incorporated to prevent the "invasion of personal privacy clause" from being distorted and used as a broad shield for unnecessary secrecy.

To insure that no citizen will be denied full access to data that may be of crucial importance to his case, for want of knowledge that the material exists, each agency must "maintain and make available for public inspection and copying a current index providing identifying information to the public as to any matter which is issued, adopted, or promulgated after the effective date of this act and which is required by this subsection to be made available or published."

Perhaps the most serious defect in the present law rests in the qualification contained in subsection (c) of the public information provisions which limits those to whom Federal regulatory and executive agencies may give information to "persons properly and directly concerned." These words have been interpreted over the years in such a fashion as to render this section of the Administrative Procedure Act a vehicle for the withholding from the public eye of information relevant to the conduct of Government operations. Final determination of whether or not a citizen's interest is sufficiently "direct and proper" is made by the various agencies. The taxpaying citizen who feels that he has been unfairly denied access to information has had no avenue of appeal. Subsection (c) of the proposed Federal Public Records Act legislation would require that:

> Every agency in accordance with published rules stating the time, place, and procedure to be followed, make all its records promptly available to *any person.*

Should any person be denied the right to inspect agency records, he could appeal to and seek review by a U.S. district court. Quoting the "agency records" subsection of S. 1160:

> Upon complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, shall have jurisdiction to enjoin the agency from withholding of agency records and information and to order the production of any agency records or information improperly withheld from the complainant. In such cases the court shall determine the matter de novo and the burden shall be upon the agency to sustain its action.

While we recognize the merits of and justifications for arguments advanced in support of limited secrecy in a government that must survive in the climate of a cold war, we must also recognize that the gains—however small—made by secrecy effect an overall reduction in freedom. As the forces of secrecy gain, the forces of freedom lose. It is, therefore, incumbent upon us to exercise prudence in accepting measures which constitute limitations on the freedoms of our people. Restrictions must be kept to a minimum and must be carefully circumscribed lest they grow and, in so doing, cause irreparable damage to liberties that are the American heritage and the American way of life.

S. 1160 seeks to open to all citizens, so far as consistent with other national goals of equal importance, the broadest possible range of information. I feel that the limitations imposed are clearly justifiable in terms of other objectives that are ranked equally important within our value system. The presumption prevails in favor of the people's right to know unless information relates to matters that are, first, specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy; second, matters related solely to the internal personnel rules and practices of any agency; third, matters specifically exempted from disclosure by other statutes; fourth, trade secrets and commercial or financial information obtained from the public and privileged or confidential; fifth, interagency or intraagency memorandums or letters which would not be available by law to a private party in litigation with the agency; sixth, personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; seventh, investigatory files compiled for law enforcement purposes except to the extent available by law to a private party; eighth, matters contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and ninth, geological and geophysical information and data concerning wells.

Ours is perhaps the freest government that man has known. Though it be unique in this respect, it will remain so only if we keep a constant vigilance against threats—large or small—to its principles and institutions. If the Federal Public Records Act is enacted, it will be recorded as a landmark in the continuing quest for the preservation of man's fundamental liberties—for it will go far in halting and reversing the growing trend toward more secrecy in Government and less public participation in the decisions of Government.

James Madison eloquently argued on behalf of the people's right to know when he proclaimed that "Knowledge will forever govern ignorance. And a people who mean to be their own governors must arm themselves with the power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both."

This is a measure in which every Member of Congress can take great pride. In the long view, it could eventually rank as the greatest single accomplishment of the 89th Congress.

Not only does it assert in newer and stronger terms the public's right to know, but it also demonstrates anew the ultimate power of the Congress to make national policy on its own—with or without Executive concurrence—where the public interest so demands. It thus helps to reaffirm the initiative of the legislature and the balance of powers, at a time when the Congress is the object of much concern and criticism over the apparent decline of its influence in the policymaking process.

Though I took a place on the Subcommittee on Foreign Operations and Government Information only last year, I take deep pride in my service with it and in the shining role it has played in shaping this historic act. I firmly hope and expect that the act will win the unanimous support of the House.

Mr. OLSEN of Montana. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am pleased to yield to the gentleman from Montana.

Mr. OLSEN of Montana. Mr. Speaker, I too wish to commend the gentleman in the well for his great work over the years on this subject of freedom of information as to Government records. However, I do want to ask the gentleman a question with reference to the Bureau of the Census. The Bureau of the Census can only gather the information that it does gather because that information will be held confidential or the sources of information will be held to be confidential. I presume that the provisions on page 5 of the bill under "Exemptions," No. (3), in other words providing that the provisions of this bill shall not be applicable to matters that are "(3) specifically exempted from disclosure by statute;"—that would exempt the Bureau of the Census from this new provision.

Mr. MOSS. That is correct.

Mr. OLSEN of Montana. I thank the gentleman.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am very pleased to yield to my colleague.

Mr. EDMONDSON. Mr. Speaker, I rise in support of the bill and congratulate the gentleman from California for the outstanding leadership he has given to this body in a field that vitally affects the basic health of our democracy as this subject matter does.

I think the gentleman from California has won not only the respect and admiration of all of his colleagues in the House for the manner in which he has championed this worthwhile cause, but he has also won the respect and admiration of the people of the United States. I was glad to join him by introducing H.R. 5018 on the same subject and urge approval of S. 1160.

Mr. MOSS. I thank the gentleman.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am pleased to yield to my colleague.

Mr. MAILLIARD. Mr. Speaker, I also want to compliment the gentleman for bringing to fruition many years of effort in this field.

I would like to ask my colleague a question, and of course I realize the gentleman cannot answer every question in detail. But I am very much interested in the fact that under the Merchant Marine Act where the computation of a construction subsidy is based upon an estimate that is made in the Maritime Administration, to date the Maritime Administration has refused to divulge to the companies their determination of how much the Government pays and how much the individual owner has to pay. That is based on these computations.

The Maritime Administration has never been willing to reveal to the people directly involved how the determination is made. In the gentleman's opinion, under this bill, would this kind of information be available at least to those whose direct interests are involved?

Mr. MOSS. It is my opinion that that information, unless it is exempted by statute, would be available under the terms of the amendment now before the House.

Mr. MAILLIARD. I appreciate the response of the gentleman very much indeed.

The SPEAKER. The gentleman from California [Mr. Moss] has consumed 20 minutes.

The Chair recognizes the gentleman from New York [Mr. Reid].

Mr. REID of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of S. 1160, a bill to clarify and protect the right of the public to information, and for other purposes.

It is, I believe, very clear in these United States that the public's right of access, their inherent right to know, and strengthened opportunities for a free press in this country are important, are basic and should be shored up and sustained to the maximum extent possible. The right of the public to information is paramount and each generation must uphold anew that which sustains a free press.

I believe this legislation is clearly in the public interest and will measurably improve the access of the public and the press to information and uphold the principle of the right to know.

To put this legislation in clear perspective, the existing Administrative Procedure Act of 1946 does contain a series of limiting clauses which does not enhance the public's right of access. Specifically it contains four principal qualifications:

First, an individual must be "properly and directly concerned" before information can be made available. It can still be withheld for "good cause found." Matters of "internal management" can be withheld and, specifically and most importantly, section 3 of the act states at the outset that "any function of the United States requiring secrecy in the public interest" does not have to be disclosed.

Section 3 reads in its entirety as follows:

> Except to the extent that there is involved (1) any function of the United States requiring secrecy in the public interest or (2) any matter relating solely to the internal management of an agency—
>
> (a) Rules.—Every agency shall separately state and currently publish in the Federal Register (1) descriptions of its central and field organization including delegations by the agency of final authority and the established places at which, and methods whereby, the public may secure information or make submittals or requests; (2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available as well as forms and instructions as to the scope and contents of all papers, reports, or examinations; and (3) substantive rules adopted as authorized by law and statements of general policy or interpretations formulated and adopted by the agency for the guidance of the public, but not rules addressed to and served upon named persons in accordance with law. No person shall in any manner be required to resort to organization or procedure not so published.
>
> (b) Opinions and Orders.—Every agency shall publish or, in accordance with published rule, make available to public inspection all final opinions or orders in the adjudication of cases (except those required for good cause to be held confidential and not cited as precedents) and all rules.
>
> (c) Public Records.—Save as otherwise required by statute, matters of official record shall in accordance with published rule be made available to persons properly and directly concerned except information held confidential for good cause found.

This is a broad delegation to the Executive. Further, none of these key phrases is defined in the statute, nor has any of them—to the best of my knowledge—been interpreted by judicial decisions. The Attorney General's Manual on the Administrative Procedure Act merely states that:

> Each agency must examine its functions and the substantive statutes under which it

> operates to determine which of its materials are to be treated as matters of official record for the purposes of the section (section 3).

I believe that the present legislation properly limits that practice in several new and significant particulars:

First, any person will now have the right of access to records of Federal Executive and regulatory agencies. Some of the new provisions include the requirement that any "amendment, revisions, or repeal" of material required to be published in the Federal Register must also be published; and the requirement that every agency make available for "public inspection and copying" all final opinions—including dissents and concurrences—all administrative staff manuals, and a current index of all material it has published. Also, this bill clearly stipulates that this legislation shall not be "authority to withhold information from Congress."

Second, in the bill there is a very clear listing of specific categories of exemptions, and they are more narrowly construed than in the existing Administrative Procedure Act.

Under the present law, information may be withheld—under a broad standard—where there is involved "any function of the United States requiring secrecy in the public interest." The instant bill would create an exemption in this area solely for matters that are "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy." In my judgment, this more narrow standard will better serve the public interest.

Third, and perhaps most important, an individual has the right of prompt judicial review in the Federal district court in which he resides or has his principal place of business, or in which the agency records are situated. This is not only a new right but it is a right that must be promptly acted on by the courts, as stated on page 4 of the instant bill:

> Proceedings before the district court as authorized by this subsection shall take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

So the provision for judicial review is, in my judgment, an important one and one that must be expedited.

This legislation also requires an index of all decisions as well as the clear spelling out of the operational mechanics of the agencies and departments, and other certain specifics incident to the public's right to know.

I think it is important also to indicate that this new legislation would cover, for example, the Passport Office of the Department of State, and would require an explanation of procedures which have heretofore never been published.

In addition, the legislation requires that there be the publication of the names and salaries of all those who are Federal employees except, of course, the exemptions that specifically apply. I think this is also a salutory improvement. The exemptions, I think, are narrowly construed and the public's right to access is much more firmly and properly upheld.

Our distinguished chairman of this subcommittee, who has done so much in this House to make this legislation a reality here today, and is deserving of the commendation of this House, has pointed to the fact that a number of groups and newspaper organizations strongly support the legislation. I would merely state that it does enjoy the support of the American Society of Newspaper Editors, the American Newspaper Publishers Association, Sigma Delta Chi, AP Managing Editors, National Newspaper Association, National Press Association, National Editorial Association, the American Bar Association, the American Civil Liberties Union, the National Association of Broadcasters, the New York State Publishers Association, and others.

Specifically, Mr. Eugene Patterson, chairman of the Freedom of Information Committee of the American Society of Newspaper Editors, has said:

> We feel this carefully drawn and long-debated bill now provides Congress with a sound vehicle for action this year to change the emphasis of the present Administrative Procedure Act, which has the effect of encouraging agencies to withhold information needlessly. We believe the existing instruction to agencies—that they may withhold any information "for good cause found," while leaving them as sole judges of their own "good cause"—naturally has created among some agency heads a feeling that "anything the American people don't know won't hurt them, whereas anything they do know may hurt me."

Mr. Edward J. Hughes, chairman of the legislative committee of the New York State Publishers Association, has written me that obtaining "proper and workable Freedom of Information legislation at the Federal level has been of direct and great interest and importance to us." Mr. Hughes continues that passage of this legislation will "dispose constructively of a longstanding and vexing problem."

I would also say that were Dr. Harold Cross alive today, I believe he would take particular pride in the action I hope this body will take. I knew Dr. Cross and he was perhaps the most knowledgeable man in the United States in this area. He worked closely with the Herald Tribune and I believe he would be particularly happy with regard to this legislation.

Lastly, Mr. Speaker, I believe it is important to make clear not only that this legislation is needed, not only that it specifies more narrowly the areas where information can be withheld by the Government, not only that it greatly strengthens the right of access, but it also should be stated clearly that it is important—and I have no reason to doubt this—that the President sign this legislation promptly.

I would call attention to the fact that there are in the hearings some reports of agencies who, while agreeing with the objective of the legislation, have reservations or outright objections to its particular form. I hope the President will take counsel of the importance of the principle here involved, and of the action of this House today, and that he will sign the bill promptly, because this is clearly in the interest of the public's paramount right to know, of a free press and, in my judgment, in the interest of the Nation.

Mr. FULTON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Speaker, I compliment my friend the gentleman from New York [Mr. REID] on his excellent statement, and also his dedication to duty in studying and contributing so much to working out good rules for freedom of information in Government departments and agencies.

Along with those others who have been interested in this serious problem of the right of access to Government facts. The gentleman from New York [Mr. REID] should certainly be given the highest credit.

Mr. REID of New York. I thank the gentleman.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Mr. Speaker, I commend the gentleman in the well and the gentleman from California for bringing this legislation to the floor.

I strongly support it.

In fact, I would almost go further than the committee does in this legislation. It is very important to have at least this much enacted promptly. I do hope the President will sign it into law promptly, because right now there are a great many instances occurring from time to time which indicate the necessity of having something like this on the statute books. It is a definite step in the right direction—I am counting on the committee doing a good overseeing job to see that it functions as intended.

Mr. REID of New York. I thank the gentleman for his thoughtful statement. I add merely that the freedom of the press must be reinsured by each generation. I believe the greater access that this bill will provide sustains that great principle.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, I thank the gentleman for yielding to me. I rise in support of this legislation, S. 1160.

Mr. Speaker, this legislation is long overdue, and marks a historic breakthrough for freedom of information in that it puts the burden of proof on officials of the bureaus and agencies of the executive branch who seek to withhold information from the press and public, rather than on the inquiring individual who is trying to get essential information as a citizen and taxpayer.

Mr. Speaker, this is not a partisan bill—at least not here in the Congress. We have heard that the administration is not happy about it and has delayed its enactment for a number of years, but the overwhelming support it has received from distinguished members of the Government Operations Committee—both on the majority and minority side—and the absence of any opposition here in the House is clear evidence of the very real concern responsible Members feel over what our Ambassador to the United Nations, Arthur Goldberg, has aptly termed the credibility problem of the U.S. Government. The same concern over the credibility gap is shared by the American public and the press, and it is a great satisfaction to me that the Congress is taking even this first step toward closing it.

Our distinguished minority leader, the gentleman from Michigan [Mr. Gerald R. Ford] at a House Republican policy committee news conference last May 18, challenged the President to sign this bill. I hope the President will sign it, and beyond that, will faithfully execute it so that the people's right to know will be more surely founded in law in the future.

But Mr. Speaker, we cannot legislate candor nor can we compel those who are charged with the life-and-death decisions of this Nation to take the American people into their confidence. We can only plead, as the loyal opposition, that our people are strong, self-reliant, and courageous, and are worthy of such confidence. Americans have faced grave crises in the past and have always responded nobly. It was a great Republican who towered above partisanship who warned that you cannot fool all of the people all of the time, and it was a great Democrat, Woodrow Wilson, who said:

> I am seeking only to face realities and to face them without soft concealments.

Mr. Speaker, I would like to point out that the provisions of this bill do not take effect until 1 year after it becomes law. Thus it will not serve to guarantee any greater freedom of information in the forthcoming political campaign than we have grown accustomed to getting from the executive branch of the Government in recent years. We of the minority would be happy to have it become operative Federal law immediately, but it is perhaps superfluous to say that we are not in control of this Congress.

In any event, if implemented by the continuing vigilance of the press, the public, and the Congress, this bill will make it easier for the citizen and taxpayer to obtain the essential information about his Government which he needs and to which he is entitled. It helps to shred the paper curtain of bureaucracy that covers up public mismanagement with public misinformation, and secret sins with secret silence. I am confident that I speak for most of my Republican colleagues in urging passage of this legislation.

Mr. Speaker, I append the full text of the House Republican Policy Committee statement on the freedom of information bill, S. 1160, adopted and announced on May 18 by my friend, the distinguished chairman of our policy committee, the gentleman from Arizona [Mr. Rhodes]:

Republican Policy Committee Statement on Freedom of Information Legislation, S. 1160

The Republican Policy Committee commends the Committee on Government Operations for reporting S. 1160. This bill clarifies and protects the right of the public to essential information. Subject to certain exceptions and the right to court review, it would require every executive agency to give public notice or to make available to the public its methods of operation, public procedures, rules, policies, and precedents.

The Republican Policy Committee, the Republican Members of the Committee on Government Operations, and such groups as the American Newspaper Publishers Association, the professional journalism society Sigma Delta Chi, the National Editorial Association and the American Bar Association have long urged the enactment of this legislation. Due to the opposition of the Johnson-Humphrey Administration, however, this proposal has been bottled up in Committee for over a year. Certainly, information regarding the business of the government should be shared with the people. The screen of secrecy which now exists is a barrier to reporters as representatives of the public, to citizens in pursuit of information vital to their welfare, and to Members of Congress as they seek to carry out their constitutional functions.

Under this legislation, if a request for information is denied, the aggrieved person has the right to file an action in a U.S. District Court, and such court may order the production of any agency records that are improperly withheld. So that the court may consider the propriety of withholding, rather than being restricted to judicial sanctioning of agency discretion, the proceedings are de novo. In the trial, the burden of proof is correctly placed upon the agency. A private citizen cannot be asked to prove that an agency has withheld information improperly for he does not know the basis for the agency action.

Certainly, as the Committee report has stated: "No Government employee at any level believes that the 'public interest' would be served by disclosure of his failures or wrongdoings . . ." For example, the cost estimates submitted by contractors in connection with the multimillion-dollar deep sea "Mohole" project were withheld from the public even though it appeared that the firm which had won the lucrative contract had not submitted the lowest bid. Moreover, it was only as a result of searching inquiries by the press and Senator Kuchel (R., Cal.) that President Kennedy intervened to reverse the National Science Foundation's decision that it would not be "in the public interest" to disclose these estimates.

The requirements for disclosure in the present law are so hedged with restrictions that it has been cited as the statutory authority for 24 separate classifications devised by Federal agencies to keep administrative information from public view. Bureaucratic gobbledygook used to deny access to information has included such gems as: "Eyes Only," "Limited Official Use," "Confidential Treatment," and "Limitation on Availability of Equipment for Public Reference." This paper curtain must be pierced. This bill is an important first step.

In this period of selective disclosures, managed news, half-truths, and admitted distortions, the need for this legislation is abundantly clear. High officials have warned that our Government is in grave danger of losing the public's confidence both at home and abroad. The credibility gap that has affected the Administration pronouncements on domestic affairs and Vietnam has spread to other parts of the world. The on-again, off-again, obviously less-than-truthful manner in which the reduction of American forces in Europe has been handled has made this country the subject of ridicule and jokes. "Would you believe?" has now become more than a clever saying. It is a legitimate inquiry.

Americans have always taken great pride in their individual and national credibility. We have recognized that men and nations can be no better than their word. This legislation will help to blaze a trail of truthfulness and accurate disclosure in what has become a jungle of falsification, unjustified secrecy, and misstatement by statistic. The Republican Policy Committee urges the prompt enactment of S. 1160.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I rise in support of this legislation. I congratulate the gentleman in the well, the gentleman from New York [Mr. Reid] and the gentleman from California [Mr. Moss], for bringing this legislation to us. Certainly this legislation reaffirms our complete faith in the integrity of our Nation's free press.

It has been wisely stated that a fully informed public and a fully informed press need never engage in reckless or irresponsible speculation. This legislation goes a long way in giving our free press the tools and the information it needs to present a true picture of government properly and correctly to the American people.

As long as we have a fully informed free press in this country, we need never worry about the endurance of freedom in America. I congratulate the gentlemen for this very thoughtful legislation.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

I commend the distinguished gentleman from New York for his long interest in this struggle. I compliment him also for giving strong bipartisan support, which is necessary for the achievement of this longstanding and vital goal.

Mr. Speaker, this is indeed an historic day for the people of America, for the communications media of America and the entire democratic process. It is, I am sure, a particularly gratifying day for our colleague, the distinguished gentleman from California, John Moss.

As chairman of the subcommittee he has worked tirelessly for 11 years to enact this public records disclosure law. His determination, perseverance, and dedication to principle makes possible this action today. I am proud to have been a member of the subcommittee and to have cosponsored this bill

Mr. Speaker, this House now has under consideration a bill concerned with one of the most fundamental issues of our democracy. This is the right of the people to be fully informed about the policies and activities of the Federal Government.

No one would dispute the theoretical validity of this right. But as a matter of practical experience, the people have found the acquisition of full and complete information about the Government to be an increasingly serious problem.

A major cause of this problem can probably be attributed to the sheer size of the Government. The Federal Establishment is now so huge and so complex, with so many departments and agencies responsible for so many functions, that some confusion, misunderstanding, and contradictions are almost inevitable.

We cannot, however, placidly accept this situation or throw up our hands in a gesture of futility. On the contrary, the immensity of the Federal Government, its vast powers, and its intricate and complicated operations make it all the more important that every citizen should know as much as possible about what is taking place.

We need not endorse the devil theory or conspiratorial theory of government to realize that part of the cause of the information freeze can be blamed on some Government officials who under certain circumstances may completely withhold or selectively release material that ought to be readily and completely available.

The present bill amends section 3 of the Administrative Procedure Act of 1946. I have been in favor of such an amendment for a long time. In fact, on February 17, 1965, I introduced a companion bill, H.R. 5013, in this House. Since I first became a member of the Government Information Subcommittee 11 years ago, I have felt that legislation along these lines was essential to promote the free flow of Government information, and the case for its passage now is, if anything, ever stronger.

At first glance section 3 as now written seems innocent enough. It sets forth rules requiring agencies to publish in the Federal Register methods whereby the public may obtain data, general information about agency procedures, and policies and interpretations formulated and adopted by the agency. As a general practice this law appears to make available to the people agency opinions, orders, and public records.

However, 11 years of study, hearings, investigations, and reports have proven that this language has been interpreted so as to defeat the ostensible purpose of the law. Also under present law any citizen who feels that he has been denied information by an agency is left powerless to do anything about it.

The whole of section 3 may be rendered meaningless because the agency can withhold from the public such information as in its judgment involves "any function of the United States requiring secrecy in the public interest." This phrase is not defined in the law, nor is there any authority for any review of the way it may be used. Again, the law requires an agency to make available for public perusal "all final opinions or orders in the adjudication of cases," but then adds, "except those required for good cause to be held confidential."

Subsection (c) orders agencies to make available its record in general "to persons properly and directly concerned except information held confidential for good cause found." Here indeed is what has been accurately described as a double-barreled loophole. It is left to the agency to decide what persons are "properly and directly concerned," and it is left to the agency to interpret the phrase, "for good cause found."

Finally, as I have already indicated, there is under this section no judicial remedy open to anyone to whom agency records and other information have been denied.

Under the protection of these vague phrases, which they alone must interpret, agency officials are given a wide area of discretion within which they can make capricious and arbitrary decisions about who gets information and who does not.

On the other hand, it should in all fairness be pointed out that these officials should be given more specific directions and guidance than are found in the present law.

For this reason I believe the passage of S. 1160 would be welcomed not only by the public, who would find much more information available to them, but by agency officials as well because they would have a much clearer idea of what they could and could not do.

The enactment of S. 1160 would accomplish what the existing section 3 was supposed to do. It would make it an information disclosure statute.

In the words of Senate Report No. 813 accompanying this bill, S. 1160 would bring about the following major changes:

> 1. It sets up workable standards for what records should and should not be open to public inspection. In particular, it avoids the use of such vague phrases as "good cause found" and replaces them with specific and limited types of information that may be withheld.
>
> 2. It eliminates the test of who shall have the right to different information. For the great majority of different records, the public as a whole has a right to know what its Government is doing. There is, of course, a certain need for confidentiality in some aspects of Government operations and these are protected specifically; but outside these limited areas, all citizens have a right to know.

As indicated under point 2 above, we all recognize the fact that some information must be withheld from public scrutiny. National security matters come first to mind, but there are other classes of data as well. These include personnel files, disclosure of which would constitute an invasion of privacy, information specifically protected by Executive order or statute, certain inter- and intra-agency memorandums and letters, trade secrets, commercial and financial data, investigatory files, and a few other categories.

Let me make another very important point. S. 1160 opens the way to the Federal court system to any citizen who believes that an agency has unjustly held back information. If an aggrieved person seeks redress in a Federal district court, the burden would fall on the agency to sustain its action. If the court enjoins the agency from continuing to withhold the information, agency officials must comply with the ruling or face punishment for contempt.

I strongly urge my colleagues to join me in giving prompt and overwhelming approval to this measure. In so doing we shall make available to the American people the information to which they are entitled and the information they must have to make their full contribution to a strong and free national government. Furthermore, we shall be reaffirming in the strongest possible manner that democratic principle that all power to govern, including the right to know is vested in the people; the people in turn gave by the adoption of the Constitution a limited grant of that unlimited power to a Federal Government and State governments.

In the constitutional grant the people expressly revalidated the guarantee of freedom of speech and freedom of the press among other guarantees, recognizing in so doing how basic are these guarantees to a constitutional, representative, and democratic government. There is no doubt about the power of the Congress to act and no serious question that it should and must.

Mr. REID of New York. I thank the gentleman from Florida. I note his long and clear dedication to freedom of the press, and his action on behalf of this bill.

Mr. HECHLER. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I am happy to yield to the gentleman from West Virginia.

Mr. HECHLER. Mr. Speaker, I add my words of commendation to the gentleman from California, the gentleman from New York, and others who have worked so hard to bring this bill to the House.

Today—June 20—is West Virginia Day. On June 20, 1863, West Virginia was admitted to the Union as the 35th State. The State motto, "Montani Semper Liberi," is particularly appropriate as we consider this freedom of information bill.

I am very proud to support this legislation, because there is much information which is now withheld from the public which really should be made available to the public. We are all familiar with the examples of Government agencies which try to tell only the good things and suppress anything which they think might hurt the image of the agency or top officials thereof. There are numerous categories of information which would be sprung loose by this legislation.

It seems to me that it would be in the public interest to make public the votes of members of boards and commissions, and also to publicize the views of dissenting members. I understand that six agencies do not presently publicize dissenting views. Also, the Board of Rivers and Harbors, which rules on billions of dollars of Federal construction projects, closes its meetings to the press and declines to divulge the votes of its members on controversial issues.

Therefore, I very much hope that this bill will pass by an overwhelming vote. Under unanimous consent, I include an editorial published in the Huntington, W. Va., Herald-Dispatch, and also an editorial from the Charleston, W. Va., Gazette:

[From the Huntington (W. Va.) Herald-Dispatch, June 16, 1966]

FOR FREEDOM OF INFORMATION, SENATE BILL 1160 IS NEEDED

If ours is truly a government of, by and for the people, then the people should have free access to information on what the government is doing and how it is doing it. Exception should only be made in matters involving the national security.

Yet today there are agencies of government which seek to keep a curtain of secrecy over some of their activities. Records which ought to be available to the public are either resolutely withheld or concealed in such a manner that investigation and disclosure require elaborate and expensive techniques.

A good example occurred last summer, when the Post Office Department, in response to a Presidential directive, hired thousands of young people who were supposed to be "economically and educationally disadvantaged."

Suspicions were aroused that the jobs were being distributed as Congressional patronage to people who did not need them. But when reporters tried to get the names of the jobholders in order to check their qualifications, the Department cited a regulation forbidding release of such information.

The then Postmaster General John Gronouski finally gave out the names (which confirmed the suspicions of the press), but only after Congressional committees of Congress with jurisdiction over the Post Office Department challenged the secrecy regulations.

This incident, more than any other that has occurred recently, persuaded the U.S. Senate to pass a bill known as S. 1160 under which every agency of the federal government would be required to make all its records available to any person upon request. The bill provides for court action in cases of unjustified secrecy. And of course it makes the essential exemptions for "sensitive" government information involving national security.

Congressman Donald Rumsfeld (R-Ill.), one of the supporters of S. 1160 in the House, calls the bill "one of the most important measures to be considered by Congress in 20 years."

"This bill really goes to the heart of news management," he declared. "If information is being denied, the press can go into Federal Court in the district where it is being denied and demand the agency produce the records."

The Congressman was critical of the press and other information media for failing to make a better campaign on the bill's behalf. He stressed that it was designed for the protection of the public and the public has not been properly warned of the need for the legislation.

If this is true, it is probably because some newspapers fail to emphasize that press freedom is a public right, not a private privilege.

S. 1160 would be a substantial aid in protecting the rights of the people to full information about their government. In the exercise of that right, the bill would give the press additional responsibilities, but also additional methods of discharging them.

If S. 1160 comes to the House floor, it will be hard to stop. The problem is to get it to the voting stage.

We urge readers to send a letter or a card to their Congressman, telling him that the whole system of representative government is based on involvement by the people. But through lack of information, the people lose interest and subsequently they lose their rights. S. 1160 will help to prevent both losses.

[From the Charleston (W. Va.) Gazette, June 18, 1966]

Bill Revealing U.S. Actions to Public View Necessity

Now pending in the House of Representatives is a Senate-approved bill (S. 1160) to require all federal agencies to make public their records and other information, and to authorize suits in federal district courts to obtain information improperly withheld.

This is legislation of vital importance to the American public, for it would prevent the withholding of information for the purpose of covering up wrongdoing or mistakes, and would guard against the practice of giving out only that which is favorable and suppressing that which is unfavorable.

The measure would protect certain categories of sensitive government information, such as matters involving national security, but it would put the burden on federal agencies to prove they don't have to supply certain information rather than require interested citizens to show cause why they are entitled to it.

Rep. Donald Rumsfeld, R-Ill., who with Rep. John E. Moss, D-Calif., is leading the fight for the bill in the House, gave perhaps the best reason for enactment of the legislation in these words:

"Our government is so large and so complicated that few understand it well and others barely understand it at all. Yet we must understand it to make it function better."

The Senate passed the bill by a voice vote last October. The House subcommittee on foreign operations and government information, better known as the Moss subcommittee, approved it on March 30, and the House Committee on Government Operations passed on it April 27. It's expected to go before the House next week.

Rep. Rumsfeld, who termed the bill "one of the most important measures to be considered by Congress in 20 years," cited the case of the Post Office Department and summer employes last year as an example of how a government agency can distort or violate provisions of law under cover of secrecy.

Newspapers disclosed that the Post Office Department was distributing as congressional patronage thousands of jobs that were supposed to go to economically and educationally disadvantaged youths.

But the department used regulation 744.44, which states that the names, salaries and other information about postal employes should not be given to any individual, commercial firm, or other non-federal agency—as the basis for refusing to divulge the names of appointees to the press, four congressmen, or the Moss committee, all of whom challenged the secrecy regulations.

In other words, the department could put political hacks into jobs designed to help disadvantaged youths, and get away with it by hiding under the cloak of a bureaucratic regulation. There finally was a reluctant authorization to release the names, but the department still refused to change the basic regulation. This sort of manipulation would be put on the run by passage of S. 1160.

The federal government is a vast and complex operation that reaches into every state and every community, with literally millions of employes. Wherever it operates it is using public money and conducting public business, and there is no reason why it should not be held accountable for what it is doing.

Under present laws, as Rep. Rumsfeld pointed out, "Any bureaucrat can deny requests for information by calling up Section 3 of the Administrative Procedure Act, passed in 1946. To get information under this act, a person has to show good cause and there are numerous different reasons under the act which a federal agency can use to claim the person is not properly or directly concerned. Most of the reasons are loose catch phrases."

Any law or regulation that protects government officials and employes from the public view, will in the very least, incline them to be careless in the way they conduct the public business. A law that exposes them to that view is bound to encourage competency and honesty. Certainly the pending bill is in the public interest. It should be enacted into law, and we respectfully urge the West Virginia Congressmen to give it their full support.

Mr. REID of New York. I thank the gentleman.

Mr. KUPFERMAN. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from New York.

Mr. KUPFERMAN. Mr. Speaker, the gentleman from New York [Mr. Reid] has stated the matter so well that it does not require more discussion from me on behalf of this bill. I commend the gentleman from New York and others associated with him for having brought the bill to the floor and helping us pass it today.

Mr. REID of New York. I thank the gentleman.

Mr. GRIDER. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Tennessee.

Mr. GRIDER. Mr. Speaker, I rise in support of S. 1160, legislation for clarifying and protecting the right of the public to information.

This legislation has been pending for more than a decade. Although few people question the people's right to know what is going on in their Government, we have quibbled for far too long over the means of making this information available. In the process we may have lost sight of the desired end result—freedom of information.

The need for maintaining security in some of our cold war dealings is not questioned here. As the Commercial Appeal says in an excellent editorial about this legislation:

> The new law would protect necessary secrecy, but the ways of the transgressor against the public interest would be much harder.

Our colleague from California [Mr. Moss] and members of his committee have done a splendid job with this legislation. This bill is clearly in the public interest.

Mr. Speaker, I include at this point in my remarks the editorial "Freedom of Information," which appeared June 16, 1966, in the Memphis Commercial Appeal:

Freedom of Information

The House of Representatives is scheduled to act Monday on the Freedom of Information Bill, an event of the first class in the unending struggle to let people know how governments operate. Such knowledge is an essential if there is to be sound government by the people.

This bill has been in preparation 13 years. It is coming up for a vote now because pulse feeling in Congress indicated that it will win approval this year in contrast to some other years of foot dragging by members of the House who announce for the principle but doubt the specific procedure.

The Senate has passed an identical bill.

At the heart of the proposed law is an ending of the necessity for a citizen to have to go into court to establish that he is entitled to get documents, for instance showing the rules under which a governmental agency operates, or which officials made what decisions.

This would be reversed. The official will have to prove in court that the requested document can be withheld legally.

A trend toward secrecy seems to be a part of the human nature of officials with responsibility. There are a few things that need to be done behind a temporary veil, especially in preparing the nation's defenses, often in the buying of property, and sometimes in the management of personnel.

But the urge is to use the "classified" stamp to cover blunders, errors and mistakes which the public must know to obtain corrections.

The new law would protect necessary secrecy but the ways of the transgressor against the public interest would be much harder. The real situation is that a 1946 law intended to open more records to the public has been converted gradually into a shield against questioners. Technically the 1966 proposal is a series of amendments which will clear away the wording behind which reluctant officials have been hiding.

It results from careful preparation by JOHN MOSS (D., Calif.) with the help of many others.

It is most reassuring to have Representative Moss say of a bill which seems to be cleared for adoption that we are about to have for the first time a real guarantee of the right of the people to know the facts of government.

Mr. **GRIDER**. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and include an editorial.

The **SPEAKER**. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. **VAN DEERLIN**. Mr. Speaker, will the gentleman yield?

Mr. **REID** of New York. I am happy to yield to the gentleman from California.

Mr. **VAN DEERLIN**. Mr. Speaker, those of us who have served with JOHN MOSS on the California delegation are well aware of the long and considerable effort which he has applied to this subject.

The Associated Press, in a story published less than a week ago, related that 13 of the 14 years this gentleman has served in the House have been devoted to developing the bill before us today. I join my colleagues in recognizing this effort, and I ask unanimous consent to include that Associated Press article in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

The article is as follows:

[From the Los Angeles (Calif.) Times, June 12, 1966]

HOUSE APPROVAL SEEN ON RIGHT-TO-KNOW BILL—BATTLE AGAINST GOVERNMENT SECRECY, LED BY REPRESENTATIVE MOSS, OF CALIFORNIA, NEARS END

WASHINGTON.—A battle most Americans thought was won when the United States was founded is just now moving into its final stage in Congress.

It involves the right of Americans to know what their government is up to. It's a battle against secrecy, locked files and papers stamped "not for public inspection."

It's been a quiet fight mainly because it has been led by a quiet, careful congressman, Representative JOHN E. MOSS, Democrat, of California, who has been waging it for 13 of the 14 years he has been in the House.

Now, the House is about to act on the product of the years of study, hearings, investigations and reports—a bill that in some quarters is regarded as a sort of new Magna Carta. It's called the freedom of information bill, or the right to know.

It would require federal agencies to make available information about the rules they operate under, the people who run them and their acts, decisions and policies that affect the public. Large areas of government activity that must of necessity be kept secret would remain secret.

SENATE BILL IDENTICAL

House approval is believed certain, and since the Senate has already passed an identical bill, it should wind up on President Johnson's desk this month.

How it will be received at the White House is not clear. In 1960, as vice president-elect, Mr. Johnson told a convention of newspaper editors "the executive branch must see that there is no smoke screen of secrecy." But the 27 federal departments and agencies that presented their views on the bill to Moss' government information subcommittee opposed its passage.

Norbert A. Schlei, assistant attorney general, who presented the main government case against the bill, said the problem of releasing information to the public was "just too complicated, too ever-changing" to be dealt with in a single piece of legislation.

"If you have enough rules," he said, "you end up with less information getting out because of the complexity of the rule system you establish . . ."

BASIC DIFFICULTY

"I do not think you can take the whole problem, federal governmentwide, and wrap it up in one package. That is the basic difficulty; that is why the federal agencies are ranged against this proposal."

Another government witness, Fred Burton Smith, acting general counsel of the Treasury Department, said if the bill was enacted "the executive branch will be unable to execute effectively many of the laws designed to protect the public and will be unable to prevent invasions of privacy among individuals whose records have become government records."

Smith said the exemptions contained in the bill were inadequate and its court provisions inappropriate. In addition, he said, persons without a legitimate interest in a matter would have access to records and added that the whole package was of doubtful constitutionality.

STRENGTHENED FEELING

Far from deterring him, such testimony has only strengthened Moss's feeling that Congress had to do the job of making more information available to the public because the executive branch obviously wouldn't.

The bill he is bringing to the House floor, June 20, is actually a series of amendments to a law Congress passed in 1946 in the belief it was requiring greater disclosure of government information to the public. And that, for Moss, takes care of the constitutional question.

"If we could pass a weak public information law," he asks, "why can't we strengthen it."

The 1946 law has many interpretations. And the interpretations made by the executive agencies were such that the law, which was intended to open records to the public, is now the chief statutory authority cited by the agencies for keeping them closed.

SECRECY PERMITTED

The law permits withholding of records if secrecy "is required in the public interest," or if the records relate "solely to the internal management of an agency."

If a record doesn't fit those categories it can be kept secret "for good cause found." And even if no good cause is found, the information can only be given to "persons properly and directly concerned."

Between 1946, when that law was enacted, and 1958 the amount of file space occupied by classified documents increased by 1 million cubic feet, and 24 new terms were added to "top secret," "secret," and "confidential," to hide documents from public view.

They ranged from simple "nonpublic," to "while this document is unclassified, it is for use only in industry and not for public release."

USED VARIOUS WAYS

The law has been used as authority for refusing to disclose cost estimates submitted by unsuccessful bidders on nonsecret contracts, for withholding names and salaries of federal employes, and keeping secret dissenting views of regulatory board members.

It was used by the Navy to stamp its Pentagon telephone directories as not for public use on the ground they related to the internal management of the Navy.

S1160, as the bill before the House is designated, lists specifically the kind of information that can be withheld and says the rest must be made available promptly to "any" person.

The areas protected against public disclosure include national defense and foreign policy secrets, investigatory files of law enforcement agencies, trade secrets and information gathered in labor-management mediation efforts, reports of financial institutions, personnel and medical files and papers that are solely for the internal use of an agency.

IMPORTANT PROVISION

In the view of many veterans of the fight for the right to know, it's most important provision would require an agency to prove in court that it has authority to withhold a document that has been requested. Under the present law the situation is reversed and the person who wants the document has to prove that it is being improperly withheld.

The bill would require—and here is where an added burden would be placed on the departments—that each agency maintain an index of all documents that become available for public inspection after the law is enacted. To discourage frivolous requests, fees could be charged for record searches.

Moss bumped his head on the government secrecy shield during his first term in Congress when the Civil Service Commission refused to open some records to him.

"I decided right then I had better find out about the ground rules," he said in a recent interview. "While I had no background of law, I had served in the California legislature and such a thing was unheard of."

(California is one of 37 states that have open records laws.)

Moss was given a unique opportunity to learn the ground rules in his second term in Congress when a special subcommittee of Government Operations Committee was created to investigate complaints that government agencies were blocking the flow of information to the press and public.

Although only a junior member of the committee, Moss had already impressed House leaders with his diligence and seriousness of purpose and he was made chairman of the new subcommittee. His characteristics proved valuable in the venture he undertook.

The right of a free people to know how their elected representatives are conducting the public business has been taken for granted by most Americans. But the Constitution contains no requirement that the government keep the people informed.

The seeds of the secrecy controversy were sown during the first session of Congress when it gave the executive branch, in a "housekeeping" act, authority to prescribe rules for the custody, use and preservation of its record. They flourished in the climate created by the separation of the executive and legislative functions of government.

EXECUTIVE PRIVILEGE

Since George Washington, Presidents have relied on a vague concept called "executive privilege" to withhold from Congress information they feel should be kept secret in the national interest.

There are constitutional problems involved in any move by Congress to deal with that issue, and S. 1160 seeks to avoid it entirely.

Moss, acting on the many complaints he receives, has clashed repeatedly with government officials far down the bureaucratic lines who have claimed "executive privilege" in refusing to divulge information, and in 1962 he succeeded in getting a letter from President John F. Kennedy stating that only the President would invoke it in the future.

President Johnson gave Moss a similar pledge last year.

BORNE BY NEWSPAPERMEN

Until the Moss subcommittee entered the field, the battle against government secrecy had been borne mainly by newspapermen.

In 1953, the American Society of Newspaper Editors published the first comprehensive study of the growing restrictions on public access to government records—a book by Harold L. Cross entitled "The People's Right to Know."

The book provided the basis for the legislative remedy the subcommittee proceeded to seek, and Cross summed up the idea that has driven Moss ever since when he said, 'the right to speak and the right to print, without the right to know, are pretty empty."

World War II, with its emphasis on security, gave a tremendous boost to the trend toward secrecy and so did the activities of the late Sen. Joseph McCarthy, Republican, of Wisconsin, as intimidated officials pursued anonymity by keeping everything they could from public view. Expansion of federal activities in recent years made the problem ever more acute.

In 1958, Moss and the late Sen. Tom Hennings, Democrat, of Missouri, succeeded in amending the old "housekeeping" law to make clear it did not grant any right for agencies to withhold their records.

Opposition of the executive branch blocked any further congressional action. Moss, hoping to win administration support, did not push his bill until he was convinced this year it could not be obtained.

Moss feels S1160 marks a legislative milestone in the United States.

"For the first time in the nation's history," he said recently, "the people's right to know the facts of government will be guaranteed."

There is wide agreement with this view, but warnings against too much optimism are also being expressed.

Noting the exemptions written into the bill, a Capitol Hill veteran observed, "Any bureaucrat worthy of the name should be able to find some place in those exemptions to tuck a document he doesn't want seen."

Mr. SHRIVER. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I am happy to yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Speaker, I rise in support of S. 1160 which clarifies and strengthens section 3 of the Administrative Procedure Act relating to the right of the public to information.

Six years ago when President Johnson was Vice President-elect he made a statement before the convention of the Associated Press Managing Editors Association which was often repeated during hearings on this bill. He declared:

> In the years ahead, those of us in the executive branch must see that there is no smokescreen of secrecy. The people of a free country have a right to know about the conduct of their public affairs.

Mr. Speaker, over the past 30 years more and more power has been concentrated in the Federal Government in Washington. Important decisions are made each day affecting the lives of every individual.

Today we are not debating the merits of the growth of Federal Government. But as the Government grows, it is essential that the public be kept aware of what it is doing. Ours is still a system of checks and balances. Therefore as the balance of government is placed more and more at the Federal level, the check of public awareness must be sharpened.

For more than a decade such groups as the American Newspaper Publishers Association, Sigma Delta Chi, the National Editorial Association, and the American Bar Association have urged enactment of this legislation. More than a year ago the Foreign Operations and Government Information Subcommittee of the Committee on Government Operations held extensive hearings on this legislation.

At that time Mr. John H. Colburn, editor and publisher of the Wichita, Kans., Eagle and Beacon, which is one of the outstanding daily newspapers in mid-America, testified in behalf of the American Newspaper Publishers Association.

Mr. Colburn pointed to a screen of secrecy which is a barrier to reporters, as representatives of the public—to citizens in pursuit of information vital to their business enterprises—and is a formidable barrier to many Congressmen seeking to carry out their constitutional functions.

Mr. Colburn, in testifying before the subcommittee, stated:

> Let me emphasize and reiterate the point made by others in the past: Reporters and editors seek no special privileges. Our concern is the concern of any responsible citizen. We recognize that certain areas of information must be protected and withheld in order not to jeopardize the security of this Nation. We recognize legitimate reasons for restricting access to certain other categories of information, which have been spelled out clearly in the proposed legislation.
>
> What disappoints us keenly—what we fail to comprehend is the continued opposition of Government agencies to a simple concept. That is the concept to share the legitimate business of the public with the people.

In calling for congressional action to protect the right to know of the people, Mr. Colburn declared:

> Good government in these complex periods needs the participation, support and encouragement of more responsible citizens. Knowing that they can depend on an unrestricted flow of legitimate information would give these citizens more confidence in our agencies and policymakers. Too many now feel frustrated and perplexed.
>
> Therefore, it is absolutely essential that Congress take this step to further protect the rights of the people, also to assure more ready access by Congress, by adopting this disclosure law.

Mr. Speaker, John Colburn and many other interested citizens have made a strong case for this legislation. It is regrettable that it has been bottled up in committee for so long a time.

This bill clarifies and protects the right of the public to essential information. This bill revises section 3 of the Administrative Procedure Act to provide a true Federal public records statute by requiring the availability, to any member of the public, of all of the executive branch records described in its requirements, except those involving matters which are within nine stated exemptions.

Under this legislation, if a request for information is denied, the aggrieved person has the right to file an action in a district court, and such court may order the production of any agency records that are improperly withheld. In such a trial, the burden of proof is correctly upon the agency.

It should not be up to the American public—or the press—to fight daily battles just to find out how the ordinary business of their government is being conducted. It should be the responsibility of the agencies and bureaus, who conduct this business, to tell them.

We have heard a great deal in recent times about a credibility gap in the pronouncements emanating from official Government sources. In recent years we heard an assistant secretary of defense defend the Government's right to lie. We have seen increasing deletion of testimony by administration spokesmen before congressional committees and there has been question raised whether this was done for security reasons or political reasons.

This legislation should help strengthen the public's confidence in the Government. Our efforts to strengthen the public's confidence in the Government. Our efforts to strengthen the public's right to know should not stop here. As representatives of the people we also should make sure our own house is in order. While progress has been made in reducing the number of closed-door committee sessions, the Congress must work to further reduce so-called executive sessions of House and Senate committees. Serious consideration should be given to televising and permitting radio coverage of important House committee hearings.

I hope that the Joint Committee on the Organization of the Congress will give serious considerations to these matters in its recommendations and report.

Mr. REID of New York. Mr. Speaker, I yield the remainder of my time to the gentleman from Illinois [Mr. RUMSFELD].

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I am happy to yield to the distinguished gentleman from Connecticut, who serves on this subcommittee.

Mr. MONAGAN. Mr. Speaker, I wish to express my support for this legislation and also to commend the chairman of our subcommittee, who has literally come from his doctor's care to be here today to lead the House in the acceptance of this monumental piece of legislation. His work has been the sine qua non in bringing this important legislation to fruition.

Mr. Speaker, I am happy to support S. 1160, an act to clarify and protect the right of the public to information.

This legislation is a landmark in the constant struggle in these days of big government to preserve for the people access to the information possessed by their own servants. Certainly it is impossible to vote intelligently on issues unless one knows all the facts surrounding them and it is to keep the public properly informed that this legislation is offered today.

I should like to take this opportunity to congratulate our chairman, the gentleman from California [Mr. Moss] on the passage of this significant bill. Over the years he has fought courageously and relentlessly against executive coverup of information which should be available to the people. The reporting and passage of this bill have come only after many years of constant work by the gentleman from California and as we send this bill to the President for signature our chairman should feel proud in the significant role that he has played in raising permanent standards of regulations on the availability of public information. This is a noteworthy accomplishment and will do much to maintain popular control of our growing bureaucracy.

I am happy to have worked with the Subcommittee on Foreign Operations and Government Information and with the House Committee on Government Operations on this bill and to have shared to some degree in the process which has refined this legislation, obtained concurrence of the executive branch and reaches its culmination now.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I am happy to yield to the distinguished gentleman from Virginia, who also served on the Subcommittee on Government Information.

Mr. HARDY. I thank my good friend for yielding and commend him for his work on this bill.

Mr. Speaker, I just wish to express my support for this measure. I should like for the Members of the House to know that I wholeheartedly support it, and that I am particularly happy the chairman of our subcommittee, the gentleman from California [Mr. Moss] is back with us today. I know he has not been in good health recently, and I am happy to see him looking so well. I congratulate him for the fine job he has done on this most important subject and I am glad to have been privileged to work with him on the subcommittee.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I yield to the gentleman from Iowa.

Mr. GROSS. I join my friend, the gentleman from Illinois, in support of this legislation, but I want to add that it will be up to the Congress, and particularly to the committee which has brought the legislation before the House, to see to it that the agencies of Government conform to this mandate of Congress. It will be meaningless unless Congress does do a thorough oversight job, and I have in mind the attempt already being made to destroy the effectiveness of the General Accounting Office as well as the efforts of the Defense Department to hide the facts.

Mr. RUMSFELD. The gentleman's comments are most pertinent. Certainly it has been the nature of Government to play down mistakes and to promote successes. This has been the case in the past administrations. Very likely this will be true in the future.

There is no question but that S. 1160 will not change this phenomenon. Rather, the bill will make it considerably more difficult for secrecy-minded bureaucrats to decide arbitrarily that the people should be denied access to information on the conduct of Government or on how an individual Government official is handling his job.

Mr. Speaker, the problem of excessive restrictions on access to Government information is a nonpartisan problem, as the distinguished chairman, the gentleman from California [Mr. Moss] has said. No matter what party has held the political power of Government, there have been attempts to cover up mistakes and errors.

Significantly, S. 1160 provides for an appeal against arbitrary decisions by spelling out the ground rules for access to Government information, and, by providing for a court review of agency decisions under these ground rules, S. 1160 assures public access to information which is basic to the effective operation of a democratic society.

The legislation was initially opposed by a number of agencies and departments, but following the hearings and issuance of the carefully prepared report—which clarifies legislative intent—much of the opposition seems to have subsided. There still remains some opposition on the part of a few Government administrators who resist any change in the routine of government. They are familiar with the inadequacies of the present law, and over the years have learned how to take advantage of its vague phrases. Some possibly believe they hold a vested interest in the machinery of their agencies and bureaus, and there is resentment to any attempt to oversee their activities either by the public, the Congress or appointed Department heads.

But our democratic society is not based upon the vested interests of Government employees. It is based upon the participation of the public who must have full access to the facts of Government to select intelligently their representatives to serve in Congress and in the White House. This legislation provides the machinery for access to government information necessary for an informed, intelligent electorate.

Mr. Speaker, it is a great privilege for me to be able to speak on behalf of Senate bill 1160, the freedom-of-information bill, which provides for establishment of a Federal public records law.

I believe that the strong bipartisan support enjoyed by S. 1160 is indicative of its merits and of its value to the Nation. Twice before, in 1964 and 1965, the U.S. Senate expressed its approval of this bill. On March 30, 1966, the House Subcommittee on Foreign Operations and Government Information favorably reported the bill, and on April 27, 1966, the House Committee on Government Operations reported the bill out with a do-pass recommendation. It remains for the House of Representatives to record its approval and for the President to sign the bill into law.

I consider this bill to be one of the most important measures to be considered by Congress in the past 20 years. The bill is based on three principles:

First, that public records, which are evidence of official government action, are public property, and that there should be a positive obligation to disclose this information upon request.

Second, this bill would establish a procedure to guarantee individuals access to specific public records, through the courts if necessary.

Finally, the bill would designate certain categories of official records exempt from the disclosure requirement.

I believe it is important also to state what the bill is not. The bill does not affect the relationship between the executive and legislative branches of Government. The report and the legislation itself specifically point out that this legislation deals with the executive branch of the Federal Government in its relationship to all citizens, to all people of this country.

The very special relationship between the executive and the legislative branches is not affected by this legislation.

As the bill and the report both state:

> Members of the Congress have all of the rights of access guaranteed to "any person" by S. 1160, and the Congress has additional rights of access to all Government information which it deems necessary to carry out its functions.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I yield to the gentleman from Kansas who has been very active in behalf of this legislation.

Mr. SKUBITZ. Mr. Speaker, I rise in support of S. 1160. Passage of this legislation will create a more favorable climate for the peoples right to know—a right that has too long languished in an environment of bureaucratic negativism and indifference.

From the beginning of our Republic until now, Federal agencies have wrongfully withheld information from members of the electorate. This is intolerable in a form of government where the ultimate authority must rest in the consent of government.

Democracy can only operate effectively when the people have the knowledge upon which to base an intelligent vote.

The bill grants authority to the Federal district court to order production of records improperly withheld and shifts the burden of proof to the agency which chooses to withold information.

If nothing else, this provision will imbue Government employees with a sense of caution about placing secrecy stamps on documents that a court might order to be produced at a later time. Thus inefficiency or worse will be less subject to concealment.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I am happy to yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, may I ask the gentleman, will this enable a Member of Congress to secure the names of people who work for the Post Office Department or any other department?

Mr. RUMSFELD. I know the gentleman almost singlehandedly worked very effectively to bring about the disclosure of such information at a previous point in time. It is certainly my opinion, although the courts would ultimately make these decisions, that his efforts would have been unnecessary had this bill been the law. Certainly there is no provision in this legislation that exempts from disclosure the type of information to which the gentleman refers that I know of.

Mr. QUIE. I thank the gentleman and want to commend him on the work he has done in bringing out this legislation. I believe it is an excellent bill.

GENERAL LEAVE TO EXTEND

Mr. REID of New York. Mr. Speaker, will the gentleman yield to me for 1 second?

Mr. RUMSFELD. I am happy to yield to the gentleman from New York, who serves as the ranking minority member of the subcommittee.

Mr. REID of New York. Mr. Speaker, in order that the gentleman may complete his statement, may I ask unanimous consent that any Member of the House may have 5 legislative days in which to include his thoughts and remarks in the RECORD on this bill?

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RUMSFELD. Mr. Speaker, in the seconds remaining, I do want to commend my colleague and good friend, the gentleman from California. As the able chairman of this subcommittee, he has worked diligently and effectively these past 11 years to secure a very important right for the people of this country. Bringing this legislation to the floor today is a proper tribute to his efforts. Certainly his work and the work of others whose names have been mentioned, the gentleman from Michigan, now a Member of the other body, Mr. GRIFFIN, who served so effectively as ranking minority member of our subcommittee and the ranking minority member of our full committee, the gentlewoman from New Jersey [Mrs. DWYER], all shared in the effort and work that resulted in this most important and throughtful piece of legislation.

Mr. Speaker, I do wish to make one other point about the bill. This bill is not to be considered, I think it is safe to say on behalf of the members of the committee, a withholding statute in any sense of the term. Rather, it is a disclosure statute. This legislation is intended to mark the end of the use of such phrases as "for good cause found," "properly and directly concerned," and "in the public interest," which are all phrases which have been used in the past by individual officials of the executive branch in order to justify, or at least to seem to justify, the withholding of information that properly belongs in the hands of the public. It is our intent that the courts interpret this legislation broadly, as a disclosure statute and not as an excuse to withhold information from the public.

I must add, that disclosure of Government information is particularly important today because Government is becoming involved in more and more aspects of every citizen's personal and business life, and so the access to information about how Government is exercising its trust becomes increasingly important. Also, people are so busy today bringing up families, making a living, that it is increasingly difficult for a person to keep informed. The growing complexity of Government itself makes it extremely difficult for a citizen to become and remain knowledgeable enough to exercise his responsibilities as a citizen; without Government secrecy it is difficult, with Government secrecy it is impossible.

Of course, withholding of information by Government is not new. The Federal Government was not a year old when Senator Maclay of Pennsylvania asked the Treasury Department for the receipts Baron von Steuben had given for funds advanced to him. Alexander Hamilton refused the request.

In the United States, three centuries of progress can be seen in the area of access to Government information. Based on the experience of England, the Founders of our Nation established—by law and by the acknowledgment of public men—the theory that the people have a right to know. At local, State, and Federal levels it has been conceded that the people have a right to information.

James Russell Wiggins, editor of the Washington Post, argues eloquently against Government secrecy in his book, "Freedom or Secrecy." He says:

> We began the century with a free government—as free as any ever devised and operated by man. The more that government becomes secret, the less it remains free. To diminish the people's information about government is to diminish the people's participation in government. The consequences of secrecy are not less because the reasons for secrecy are more. The ill effects are the same whether the reasons for secrecy are good or bad. The arguments for more secrecy may be good arguments which, in a world that is menaced by Communist imperialism, we cannot altogether refute. They are, nevertheless, arguments for less freedom.

In August of 1822, President James Madison said:

> Knowledge will forever govern ignorance. And a people who mean to be their own governors, must arm themselves with the power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both.

Thomas Jefferson, in discussing the obligation of the press to criticize and oversee the conduct of Government in the interest of keeping the public informed, said:

> Were it left to me to decide whether we should have a government without newspapers or newspaper without government, I should not hesitate for a moment to prefer the latter. No government ought to be without censors; and where the press is free, none ever will.

President Woodrow Wilson said in 1913:

> Wherever any public business is transacted, wherever plans affecting the public are laid, or enterprises touching the public welfare, comfort or convenience go forward, wherever political programs are formulated, or candidates agreed on—over that place a voice must speak, with the divine prerogative of a people's will, the words: "Let there be light."

House Report No. 1497, submitted to the House by the Committe on Government Operations to accompany S. 1160, concludes:

> A democratic society requires an informed, intelligent electorate, and the intelligence of the electorate varies as the quantity and quality of its information varies. A danger signal to our democratic society in the United States is the fact that such a political truism needs repeating. And repeated it is, in textbooks and classrooms, in newspapers and broadcasts.
>
> The repetition is necessary because the ideals of our democratic society have outpaced the machinery which makes that society work. The needs of the electorate have outpaced the laws which guarantee public access to the facts in government. In the time it takes for one generation to grow up and prepare to join the councils of government—from 1946 to 1966—the law which was designed to provide public information about government has become the government's major shield of secrecy.
>
> S. 1160 will correct this situation. It provides the necessary machinery to assure the availability of government information necessary to an informed electorate.

Mr. Speaker, I was interested to learn that Leonard H. Marks, Director of the U.S. Information Agency—USIA—recently suggested before the Overseas Press Club in New York City the development of a treaty "guaranteeing international freedom of information." To be sure, this is a commendable suggestion, and one which I would be delighted to hear more about. For the time being, however, I am concerned with the freedom-of-information question here in the United States. Here is our basic challenge. And it is one which we have a responsibility to accept.

The political organization that goes by the name of the United States of America consists of thousands of governing units. It is operated by millions of elected and appointed officials. Our Government is so large and so complicated that few understand it well and others barely understand it at all. Yet, we must understand it to make it function better.

In this country we have placed all our faith on the intelligence and interest of the people. We have said that ours is a Government guided by citizens. From this it follows that Government will serve us well only if the citizens are well informed.

Our system of government is a testimony to our belief that people will find their way to right solutions given sufficient information. This has been a magnificent gamble, but it has worked.

The passage by the House of S. 1160 is an important step toward insuring an informed citizenry which can support or oppose public policy from a position of understanding and knowledge.

The passage of S. 1160 will be an investment in the future; an investment which will guarantee the continuation of our free systems guided by the people.

Mr. Speaker, I urge the passage of this legislation. It merits the enthusiastic support of each Member of the House of Representatives.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I will be happy to yield to the distinguished gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's comments. I hardly see how it can help but improve the practice of separation of the powers as it is conducted in the executive branch of the Government. However, in the days of the right to lie rather than no comment and in the days when reportorial services are being asked to be the handmaidens of Government rather than give them full disclosure, I think it is important to have this legislation.

Mr. Speaker, I want to express my strong support, and to urge the support of my colleagues for the freedom of information bill, designed to protect the right of the public to information relating to the actions and policies of Federal agencies. This bill has been a long time in coming, too long I might add, since the withholding of information, it is designed to prevent, has been a fact of life under the present administration.

I believe this bill is one of the most important pieces of legislation to be considered by Congress, and I support its enactment 100 percent.

As in all such bills, however, the mere passage of legislation will not insure the freedom of information which we hope to achieve. For there are many ways by which executive agencies, determined to conceal public information, can do so, if and when they desire. Where there is a will, there is a way, and while this bill will make that way more difficult, it will take aggressive legislative review and oversight to insure the public's right to know.

To indicate the challenge that lies ahead, I need only refer again to an article from the Overseas Press Club publication Dateline 66, which I inserted in the CONGRESSIONAL RECORD on May 12. Assistant Secretary of Defense for Public Affairs Arthur Sylvester was quoted by CBS Correspondent Morely Safer as saying at a background meeting that—

> Anyone who expects a public official to tell the truth is stupid—

And as if to emphasize his point, Sylvester was quoted as saying, again:

> Did you hear that? Stupid!

Subsequently, at Mr. Sylvester's request, I inserted his letter in reply to the charge, but, since that occasion, at least four other correspondents have confirmed the substance of Morely Safer's charges, and to this date to my knowledge, not a single correspondent present at that meeting in July of 1965, has backed up the Sylvester so-called denial.

So, I repeat that the passage of this legislation will not, in itself, insure the public's right to know, but it is an important first step in that direction. As long as there are people in the administration who wish to cover up or put out misleading information, it will take vigorous action by the Congress and the Nation's press to make our objectives a reality. Passage of this bill is a great step, on the part of the legislative branch of the U.S. Government, toward proper restoration of the tried and true principle of separation of powers.

Mr. DOLE. Mr. Speaker, will the gentleman yield to me?

Mr. RUMSFELD. I will be happy to yield to the distinguished gentleman from Kansas, who also serves on the Special Subcommittee on Government Information.

Mr. DOLE. Mr. Speaker, I rise in support of S. 1160, which would clarify and protect the right of the public to information.

Since the beginnings of our Republic, the people and their elected Representatives in Congress have been engaged in a sort of ceremonial contest with the executive bureaucracy over the freedom-of-information issue. The dispute has, to date, failed to produce a practical result.

Government agencies and Federal officials have repeatedly refused to give individuals information to which they were entitled and the documentation of such unauthorized withholding—from the press, the public, and Congress—is voluminous. However, the continued recital of cases of secrecy will never determine the basic issue involved, for the point has already been more than proven. Any circumscription of the public's right to know cannot be arrived at by congressional committee compilations of instances of withholding, nor can it be fixed by presidential fiat. At some point we must stop restating the problem, authorizing investigations, and holding hearings, and come to grips with the problem.

In a democracy, the public must be well informed if it is to intelligently exercise the franchise. Logically, there is little room for secrecy in a democracy. But, we must be realists as well as rationalists and recognize that certain Government information must be protected and that the right of individual privacy must be respected. It is generally agreed that the public's knowledge of its Government should be as complete as possible, consonant with the public interest and national security. The President by virtue of his constitutional powers in the fields of foreign affairs and national defense, without question, has some derived authority to keep secrets. But we cannot leave the determination of the answers to some arrogant or whimsical bureaucrat—they must be written into law.

To that end, I joined other members of this House in introducing and supporting legislation to establish a Federal public records law and to permit court enforcement of the people's right to know.

This bill would require every agency of the Federal Government to "make all its records promptly available to any person," and provides for court action to guarantee the right of access. The proposed law does, however, protect nine categories of sensitive Government information which would be exempted.

The protected categories are matters—

> (1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy;
>
> (2) related solely to the internal personnel rules and practices of any agency;
>
> (3) specifically exempted from disclosure by statute;
>
> (4) trade secrets and commercial or financial information obtained from any person and privileged or confidential;
>
> (5) interagency or intra-agency memoranda or letters which would not be available by law to a private party in litigation with the agency;
>
> (6) personnel and medical files and similar files, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
>
> (7) investigatory files compiled for law enforcement purposes except to the extent available by law to a private party;
>
> (8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and
>
> (9) geological and geophysical information and data (including maps) concerning wells.

The bill gives full recognition to the fact that the President must at times act in secret in the exercise of his constitutional duties when it exempts from availability to the public matters that are "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy."

Thus, the bill takes into consideration the right to know of every citizen while affording the safeguards necessary to the effective functioning of Government. The balances have too long been weighted in the direction of executive discretion, and the need for clear guidelines is manifest. I am convinced that the answer lies in a clearly delineated and justiciable right to know.

This bill is not perfect, and some critics predict it will cause more confusion without really enhancing the public's right to know. In my opinion, it is at least a step in the right direction and, as was stated in an editorial in the Monday, June 13, issue of the Wichita Eagle:

> It's high time this bill became law. It should have been enacted years ago. Everyone who is interested in good government and his own rights must hope that its passage and the President's approval will be swift.

Mr. JOELSON. Mr. Speaker, I am pleased to support this legislation which protects the right of the public to information. I believe that in a democracy, it is vital that public records and proceedings must be made available to the public in order that we have a fully informed citizenry. I think that the only time that information should be withheld is where there are overriding considerations of national security which require secrecy, where disclosure might result in an unwarranted invasion of personal privacy, impede investigation for law enforcement purposes, or divulge valuable trade or commercial secrets.

Mr. ROSENTHAL. Mr. Speaker, as a member of the House Committee on Government Operations, I am particularly anxious to offer my strongest support for this measure, S. 1160, and praise for its cosponsor, the gentleman from California [Mr. MOSS]. I would also like to offer my thanks to our distinguished chairman, the gentleman from Illinois [Mr. DAWSON] for his firm leadership in bringing this measure before the House.

In S. 1160, we have a chance to modernize the machinery of Government and in so doing, further insure a fundamental political right. Democracies derive legitimacy from the consent of the governed. And consent is authoritative when it is informed. In assuring the right of the citizenry to know the work of its Government, therefore, we provide a permanent check and review of power. And, as many of us on both sides of the aisle have pointed out, the continuous growth of Federal powers—particularly that of the executive branch—can be cause for general concern.

It is the disposition of bureaucracies to grow. And frequently, they cover and conceal many of their practices. Institutions as well as people can be ruled by self-interest.

Accordingly, the House Government Operations Committee, and its Subcommittee on Foreign Operations and Government Information, have given particular attention to the information policies of our executive agencies. Through extensive study, the committee has found important procedural loopholes which permit administrative secrecy and thus threaten the public's right to know. Continued vigilance in this area has, for example, revised the notorious housekeeping statute which allowed agencies to withhold certain records. Similar pressure from Congress resulted in President Kennedy's and President Johnson's limitation of the use of Executive privilege in information policy.

The measure before us today continues the search for more open information procedures. For 20 years, the Administrative Procedure Act, in section III, has been an obstacle rather than a means to information availability. The section has usually been invoked to justify refusal to disclose. In the meantime, members of the public have had no remedy to force disclosures or appeal refusals. Our entire information policy, therefore, has been weighed against the right to know and in favor of executive need for secrecy.

I believe S. 1160 takes important steps to rectify that imbalance. Certain ambiguities in section III of the Administrative Procedure Act are clarified. Thus, the properly and directly concerned test access to records is eliminated. Records must now be made available, in the new language, to "any person." Instead of the vague language of "good cause found" and "public interest," new standards for exemptable records are specified. And, perhaps most important, aggrieved citizens are given appeal rights to U.S. district courts. This procedure will likely prove a deterrent against excessive or questionable withholdings.

This legislation, Mr. Speaker, should be of particular importance to all Members of Congress. We know, as well as anyone, of the need to keep executive information and practices open to public scrutiny. Our committee, and particularly our subcommittee, headed by our energetic colleague from California, has put together proposals which we believe will reinforce public rights and democratic review.

Mr. **POFF**. Mr. Speaker, it was my privilege to support S. 1160 today designed to protect the right of the American public to receive full and complete disclosures from the agencies of their Government.

Today, as never before, the Federal Government is a complex entity which touches almost every fiber of the fabric of human life. Too often, the overzealous bureaucrat uses his discretionary power to blot out a bit of intelligence which the people have the right to know. This is true not only with respect to military activities for which there may, on occasion, be a valid reason for withholding full disclosure until after the execution of a particular military maneuver, but also in the case of strictly political decisions in both foreign and domestic fields.

Thomas Jefferson once said that if he could choose between government without newspapers or newspapers without government, he would unhesitatingly choose the latter. The press, in performing its responsibility of digging out facts about the operation of the giant Federal Government should not be restricted and hampered. Yet there are some 24 classifications used by Federal agencies to withhold information from the American people. When Government officials make such statements as "a government has the right to lie to protect itself" and "the only thing I fear are the facts," it is obvious that the need for collective congressional action in the field of public information is acute. In the unique American system, the people need to know all the facts in order that their judgments may be based upon those facts. Anything less is a dilution of the republican form of government.

Mr. **BENNETT**. Mr. Speaker, legislation of this type has been long needed. The delay, however, is easy to understand because it is a difficult subject in which to draw the precise lines needed without overstepping into areas that might be dangerous to our country. It is my belief that the measure before us does handle the matter in a proper and helpful manner and I am glad to support it.

Mr. **CLANCY**. Mr. Speaker, a number of important duties and engagements in Cincinnati prevent me from being on the House floor today. However, if it were possible for me to be present today, I would vote for the Freedom of Information Act, S. 1160.

The problem of Government secrecy and news manipulation has reached appalling proportions under the current administration. Both at home and abroad, the credibility of the U.S. Government has repeatedly been called into question.

Not only has the truth frequently been compromised, but in some instances Government spokesmen have more than distorted the facts, they have denied their existence. This shroud of secrecy and deception is deplorable. The man in the street has a right to know about his Government, and this includes its mistakes.

The Cincinnati Enquirer has, in two editorials on the subject of the public's right to know the truth about the activities of its Government, called for passage of the legislation we are considering today. I include these editorials with my remarks at this point because I believe they will be of interest to my colleagues:

[From the Cincinnati (Ohio) Enquirer, June 15, 1966]

LET'S OPEN UP FEDERAL RECORDS

Next Monday the House of Representatives is scheduled to come finally to grips with an issue that has been kicking around official Washington almost since the birth of the Republic—an issue that Congress thought was solved long ago. The issue, in briefest form, is the public's right to know.

Most Americans probably imagine that their right to be informed about what their government is doing is unchallenged. They may wonder about the need for any legislation aimed at reaffirming it. But the fact of the matter is that the cloak of secrecy has been stretched to conceal more and more governmental activities and procedures from public view. Many of these activities and procedures are wholly unrelated to the nation's security or to individual Americans' legitimate right to privacy. They are matters clearly in the public realm.

The legislation due for House consideration next Monday is Senate Bill 1160, the product of a 13-year study of the entire problem of freedom of information directed by Representative JOHN E. MOSS (R., Calif.). The bill has already won Senate approval, and only an affirmative House vote next Monday is necessary to send it to President Johnson's desk.

All of the 27 Federal departments and agencies that have sent witnesses to testify before the House subcommittee that conducted hearings on the bill have opposed it. One complaint is that the issue is too complex to be dealt with in a single piece of legislation.

But Representative Moss feels—and a Senate majority obviously agrees with him—that the right of Federal officials to classify government documents has been grossly misused to conceal errors and to deny the public information it is entitled to have.

The bill makes some clear and necessary exemptions—national defense and foreign policy secrets, trade secrets, investigatory files, material collected in the course of labor-management mediation, reports of financial institutions, medical files and papers designed solely for the internal use of a governmental agency.

Most important, perhaps, the bill would put on the governmental agency the burden of proving that a particular document should be withheld from public view. As matters stand today, the person who seeks a particular document must prove that it is being improperly withheld; the Moss bill would require that the Federal agency involved prove that its release would be detrimental.

It may be easy for rank-and-file Americans to imagine that the battle Representative Moss has been leading for more than a decade is a battle in the interests of the Nation's information media. But the right of a free press is not the possession of the publishers and editors; it is the right of the man in the street to know. In this case, it is his right to know about his government—its failures and errors, its triumphs and its expenditures.

The House should give prompt approval to Senate Bill 1160, and President Johnson should sign it when it reaches his desk.

[From the Cincinnati (Ohio) Enquirer, May 29, 1966]

THE RIGHT TO KNOW

It is easy for many Americans to fall into the habit of imagining that the constitutional guarantees of a free press are a matter of interest and concern only to America's newspaper publishers. And perhaps there are still a few publishers who entertain the same notion.

In reality, however, the right to a free press is a right that belongs to the public. It is the man in the street's right to know—in particular, his right to know what his servants in government are doing. Unhappily, however, it is a right whose preservation requires a battle that is never fully won. For at every level of government, there are officials who think that their particular province should be shielded from public scrutiny.

Another important stride in the right direction came the other day when the House Government Operations Committee unanimously approved a freedom of information bill (Senate Bill 1160). The bill is an attempt to insure freedom of information without jeopardizing the individual's right of privacy. It exempts nine specific categories of information—including national security, the investigative files of law enforcement agencies and several others. But it clearly reaffirms the citizen's right to examine the records of his government and the right of the press to do the same in his behalf.

Senate Bill 1160 is the culmination of a 10-year effort to clarify the provisions of the Administrative Procedure Act, which is so broad that it permits most Federal agencies to define their own rules on the release of information to the press and the public.

The House should press ahead, accept the recommendations of its committee and translate Senate Bill 1160 into law.

Mr. EDWARDS of Alabama. Mr. Speaker, I rise in support of S. 1160 which is effectively the same as my bill, H.R. 6739, introduced March 25, 1965.

This measure should have been approved and signed into law long ago as a means of giving the American citizen a greater measure of protection against the natural tendencies of the bureaucracy to prevent information from circulating freely.

I am hopeful that in spite of the President's opposition to this bill, and in spite of the opposition of executive branch agencies and departments, the President will not veto it.

This measure will not by any means solve all of our problems regarding the citizen's right to know what his Government is doing. It will still be true that we must rely on the electorate's vigorous pursuit of the information needed to make self-government work. And we will still rely on the work of an energetic and thorough corps of news reporters.

As an example of the need for this bill I have previously presented information appearing on page 12600 of the CONGRESSIONAL RECORD for June 8. It shows that one Government agency has made it a practice to refuse to yield information which is significant to operation of the law.

This kind of example is being repeated many times over. In a day of swiftly expanding Government powers, and in a day on which thoughtful citizens the country over are concerned with the encroachment of Government into the lives of all of us, the need for this bill is clear.

Mrs. REID of Illinois. Mr. Speaker, as the sponsor of H.R. 5021, one of the companion bills to S. 1160 which we are considering today, I rise in support of the public's right to know the facts about the operation of their Government. I rise, also, in opposition to the growing and alarming trend toward greater secrecy in the official affairs of our democracy.

It is indeed incongruous that although Americans are guaranteed the freedoms of the Constitution, including freedom of the press, there is no detailed Federal statute outlining the orderly disclosure of public information so essential to proper exercise of this freedom. Yet, the steady growth of bigger government multiplies rather than diminishes the need for such disclosure and the necessity for supplying information to the people. Certainly no one can dispute the fact that access to public records is vital to the basic workings of the democratic process, for it is only when the public business is conducted openly, with appropriate exceptions, that there can be freedom of expression and discussion of policy so vital to an honest national consensus on the issues of the day. It is necessary that free people be well informed, and we need only to look behind the Iron Curtain to see the unhappy consequences of the other alternative.

The need for a more definitive public records law has been apparent for a long time. We recognize today that the Administrative Procedure Act of 1946, while a step in the right direction, is now most inadequate to deal with the problems of disclosure which arise almost daily in a fast-moving and technological age—problems which serve only to lead our citizens to question the integrity and credibility of their Government and its administrators.

But while I do not condone indiscriminate and unauthorized withholding of public information by any Government official, the primary responsibility, in my judgment, rests with us in the Congress. We, as the elected representatives of the people, must provide an explicit and meaningful public information law, and we must then insure that the intent of Congress is not circumvented in the future. The Senate recognized this responsibility when it passed S. 1160 during the first session last year, and I am hopeful that Members of the House will overwhelmingly endorse this measure before us today.

I do not believe that any agency of Government can argue in good faith against the intent of this legislation now under consideration, for the bill contains sufficient safeguards for protecting vital defense information and other sensitive data which might in some way be detrimental to the Government or individuals if improperly released. S. 1160 contains basically the same exceptions as recommended in my bill—H.R. 5021. In sponsoring H.R. 5021, I felt that it would enable all agencies to follow a uniform system to insure adequate dissemination of authorized information, thereby removing much of the confusion resulting from differing policies now possible under existing law.

Government by secrecy, whether intentional or accidental, benefits no one and, in fact, seriously injures the people it is designed to serve. This legislation will establish a much-needed uniform policy of disclosure without impinging upon the rights of any citizen. S. 1160 is worthy legislation, and it deserves the support of every one of us.

Mr. RHODES of Arizona. Mr. Speaker, at a recent meeting of the House Republican policy committee a policy statement regarding S. 1160, freedom-of-information legislation, was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement:

REPUBLICAN POLICY COMMITTEE STATEMENT ON FREEDOM OF INFORMATION LEGISLATION, S. 1160

The Republican Policy Committee commends the Committee on Government Operations for reporting S. 1160. This bill clarifies and protects the right of the public to essential information. Subject to certain exceptions and the right to court review, it would require every executive agency to give public notice or to make available to the public its methods of operation, public procedures, rules, policies, and precedents.

The Republican Policy Committee, the Republican Members of the Committee on Government Operations, and such groups as the American Newspaper Publishers Association, the professional journalism society Sigma Delta Chi, the National Editorial Association and the American Bar Association have long urged the enactment of this legislation. Due to the opposition of the Johnson-Humphrey Administration, however, this proposal has been bottled up in Committee for over a year. Certainly, information regarding the business of the government should be shared with the people. The screen of secrecy which now exists is a barrier to reporters as representatives of the public, to citizens in pursuit of information vital to their welfare, and to Members of Congress as they seek to carry out their constitutional functions.

Under this legislation, if a request for information is denied, the aggrieved person has a right to file an action in a U.S. District Court, and such court may order the production of any agency records that are improperly withheld. So that the court may consider the propriety of withholding, rather than being restricted to judicial sanctioning of agency discretion, the proceedings are de novo. In the trial, the burden of proof is correctly placed upon the agency. A private citizen cannot be asked to prove that an agency has withheld information improperly for he does not know the basis for the agency action.

Certainly, as the Committee report has stated: "No Government employee at any level believes that the 'public interest' would be served by disclosure of his failures or wrongdoings . . ." For example, the cost estimates submitted by contractors in connection with the the multimillion-dollar deep sea "Mohole" project were withheld from the public even through it appeared that the firm which had won the lucrative contract had not submitted the lowest bid. Moreover, it was only as a result of searching inquiries by the press and Senator KUCHEL (R., Cal.) that President Kennedy intervened to reverse the National Science Foundation's decision that it would not be "in the public interest" to disclose these estimates.

The requirements for disclosure in the present law are so hedged with restrictions that it has been cited as the statutory authority for 24 separate classifications devised by Federal agencies to keep administrative information from public view. Bureaucratic gobbledygook used to deny access to information has included such gems as: "Eyes Only," "Limited Official Use," "Confidential Treatment," and "Limitation on Availability of Equipment for Public Reference." This paper curtain must be pierced. This bill is an important first step.

In this period of selective disclosures, managed news, half-truths, and admitted distortions, the need for this legislation is abundantly clear. High officials have warned that our Government is in grave danger of losing the public's confidence both at home and abroad. The credibility gap that has affected the Administration pronouncements on domestic affairs and Vietnam has spread to other parts of the world. The on-again, off-again, obviously less-than-truthful manner in which the reduction of American forces in Europe has been handled has made this country the subject of ridicule and jokes. "Would you believe?" has now become more than a clever saying. It is a legitimate inquiry.

Americans have always taken great pride in their individual and national credibility. We have recognized that men and nations can be no better than their word. This legislation will help to blaze a trail of truthfulness and accurate disclosure in what has become a jungle of falsification, unjustified secrecy, and misstatement by statistic. The Republican Policy Committee urges the prompt enactment of S. 1160.

Mr. SCHMIDHAUSER. Mr. Speaker, I believe approval of S. 1160 is absolutely essential to the integrity and strength of our democratic system of government because as the Federal Government has extended its activities to help solve the Nation's problems, the bureaucracy has developed its own form of procedures and case law, which is not always in the best interests of the public. Under the provisions of this measure, these administrative procedures will have to bear the scrutiny of the public as well as that of Congress. This has long been overdue.

Mr. ROUSH. Mr. Speaker, I rise in support of this freedom of information bill. I felt at the time it was acted upon by the Government Operations Committee, of which I am a member, that it was one of the most significant pieces of legislation we had ever acted upon. In a democracy the government's business is the people's business. When we deprive the people of knowledge of what their government is doing then we are indeed treading on dangerous ground. We are trespassing on their right to know. We are depriving them of the opportunity to examine critically the efforts to those who are chosen to labor on their behalf. The strength of our system lies in the fact that we strive for an enlightened and knowledgeable electorate. We defeat this goal when we hide information behind a cloak of secrecy. We realize our goal when we make available, to those who exercise their right to choose, facts and information which which lead them to enlightened decisions.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of S. 1160. The purpose of this bill is to amend section 3 of the Administrative Procedures Act and thereby to lift the veil of secrecy that makes many of the information "closets" of executive agencies inaccessible to the public. The basic consideration involved in passage of this bill, which will clarify and protect the right of the public to information, is that in a democracy like ours the people have an inherent right to know, and government does not have an inherent right to conceal.

Certainly to deny to the public information which is essential neither to government security nor to internal personal and practical functions is to deny any review of policies, findings, and decisions. It would be hard to imagine any agency, including those of executive charter, which is entitled to be above public examination and criticism.

The need for legislation to amend the present section of the Administrative Procedures Act is especially apparent when we consider that much of the information now withheld from the public directly affects matters clearly within the public domain.

For too long and with too much enthusiasm by some Goverment agencies and too much acquiescence by the public, executive agencies have become little fiefdoms where the head of a particular agency assumes sole power to decide what information shall be made available and then only in an attitude of noblessé oblige.

S. 1160 will amend section 3 of the Administrative Procedures Act by allowing any person access to information—not just those "persons properly and directly concerned." And if access is denied to him he may appeal the agency's decision and apply to the Federal courts.

Consider the contractor whose low bid has been summarily rejected without any logical explanation or the conscientious newspaperman who is seeking material for a serious article that he is preparing on the operations of a particular agency of Government. In many instances if records can in one fashion or another be committed to the "agency's use only" or "Government security" filing cabinets, the contractor or newsman will be denied information simply by having the agency classify him as a person not "properly and directly concerned." When this occurs, the arbitrary use of the power of government can thwart an investigation which is in the public interest.

It was Thomas Jefferson who wrote:

> I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man.

It is precisely this tyranny over the "mind of man" which is aided and abetted by a lack of freedom of information within government.

I support the efforts contained within this bill to at least partially unshackle some of the restraints on the free flow of legitimate public information that have grown up within bureaucracy in recent years.

Mr. ROGERS of Florida. Mr. Speaker, in a time where public records are more and more becoming private instruments of the Government and personal privacy part of Government record, I am pleased that we are taking steps to eliminate part of the cloud of secrecy which has covered so many parts of the Government.

As an instrument of the people, we have long had the obligation under the Constitution to lay bare the mechanics of government. But the growing tendency, I am afraid, has been to cover up through administrative "magic," much of that information which is public domain.

Through this legislation we will emphasize once again the public's right to know. It is through sheer neglect that we must again define persons "directly concerned" as the American public. For they are the most concerned. The American public must have the right of inspection into its own government or that government fails to belong to the public.

Doling out partial information only cripples the electorate which needs to be strong if a democratic government is to exist.

But this is only half the battle in keeping the scales of democracy in balance. While we are striving to keep the citizens informed in the workings of their government, we must also protect the citizen's right of privacy.

The alarming number of instances of governmental invasion into individual privacy is as dangerous, if not more so, than the instances of governmental secrecy. At almost every turn the Government has been encroaching without law into the business—and yes, even into the private thoughts—of the individual.

This is probably the fastest growing and potentially the most dangerous act in our Nation today.

The instances of wiretapping by governmental agencies have become so commonplace that it no longer stuns the average citizen. But such a repulsive act cannot afford to go uncorrected. Such practices should never be permitted without a court order.

When we discover the training of lockpickers, wiretappers, safecrackers, and eavesdroppers in governmental agencies, the bounds of a democratic society have been overstepped and we approach the realm of a police state.

Let us not be satisfied that we are correcting some of the evils of a much too secretive bureaucracy.

Let us also remember that if we do not stop those inquisitive tentacles which threaten to slowly choke all personal freedoms, we will soon forget that our laws are geared to protect personal liberty.

"Where law ends," William Pitt said, "Tyranny begins."

Action is also needed by the Congress to stop this illegal and unauthorized governmental invasion of a citizen's privacy.

Mr. GALLAGHER. Mr. Speaker, history and American tradition demand passage today of the freedom of information bill. This measure not only will close the final gap in public information laws, but it will once and for all establish the public's right to know certain facts about its government.

In recent years we have seen both the legislative and the executive branches of our Government demonstrate a mutual concern over the increase of instances within the Federal Government in which information was arbitrarily denied the press or the public in general. In 1958, Congress struck down the practice under which department heads used a Federal statute, permitting them to regulate the storage and use of Government records, to withhold these records from the public. Four years later, President Kennedy limited the concept of "Executive privilege," which allowed the President to withhold information from Congress, to only the President, and not to his officers. President Johnson last year affirmed this limitation.

But one loophole remains: Section 3 of the Administrative Procedure Act of 1946, the basic law relating to release of information concerning agency decisions and public access to Government records. S. 1160 would amend this section.

Congress enacted this legislation with the intent that the public's right to information would be respected. Unfortunately, some Government officials have utilized this law for the diametrically opposed use of withholding information from Congress, the press, and the public.

Under the cloak of such generalized phrases in section 3 as "in the public interest" or "for good cause found," virtually any information, whether actually confidential or simply embarrassing to some member of the Federal Government, could be withheld. As Eugene Paterson, editor of the Atlanta Constitution and chairman of the Freedom of Information Committee of the American Society of Newspapers said, such justifications for secrecy "could clap a lid on just about anybody's out-tray."

But more than contemporary needs, this bill relates to a pillar of our democracy, the freedom expressed in the first amendment guaranteeing the right of speech.

> Inherent in the right to speak and the right to print was the right to know—

States Dr. Harold L. Cross, of the ASNE's Freedom of Information Committee. He pointed out:

> The right to speak and the right to print, without the right to know, are pretty empty.

James Madison, who was chairman of the committee that drafted the first Constitution, had this to say:

> Knowledge will forever govern ignorance, and a people who mean to be their own governors, must arm themselves with the power knowledge gives. A popular government without popular information or means of acquiring it, is but a prologue to a farce or a tragedy or perhaps both.

This is the crux of the question. A free society needs the information required for judgments about the operation of its elected representatives, or it is no longer a free society. Naturally, a balance has to be maintained between the public's right to know and individual privacy and national security.

It is here that the freedom of information bill comes to grips with the central problem of the issue by substituting nine specific exemptions to disclosure for general categories, and by setting up a court review procedure, under which an aggrieved citizen could appeal with the withholding of information to a U.S. district court.

One of the most important provisions of the bill is subsection C, which grants authority to the Federal district courts to order production of records improperly withheld. This means that for the first time in the Government's history, a citizen will no longer be at the end of the road when his request for a Government document arbitrarily has been turned down by some bureaucrat. Unless the information the citizen is seeking falls clearly within one of the exemptions listed in the bill, he can seek court action to make the information available.

An important impact of the provision is that in any court action the burden of the proof for withholding is placed solely on the agency. As might be expected, Government witnesses testifying before the House Foreign Operations and Government Information Subcommittee on the bill, vigorously opposed the court provision. They particularly did not like the idea that the burden of proof for withholding would be placed on the agencies, arguing that historically, in court actions, the burden of proof is the responsibility of the plaintiff. But, as the committee report points out:

> A private citizen cannot be asked to prove that an agency has withheld information improperly because he will not know the reasons for the agency action.

It can be anticipated that the judicial review provision, if nothing else, will have a major salutary effect, in that Government employees, down the line, are going to be very cautious about placing a secrecy stamp on a document that a district court later might order to be produced. A monumental error in judgment of this type certainly will not enhance an employee's status with his superiors, nor with anyone else in the executive branch.

I am glad to note the judicial review section has an enforcement clause which provides that if there is a noncompliance with a court order to produce records, the responsible agency officers can be cited for contempt.

There has been some speculation that in strengthening the right of access to Government information, the bill, as drafted, may inadvertently permit the disclosure of certain types of information now kept secret by Executive order in the interest of national security.

Such speculation is without foundation. The committee, throughout its extensive hearings on the legislation and in its subsequent report, has made it crystal clear that the bill in no way affects categories of information which the President—as stated in the committee report—has determined must be classified to protect the national defense or to advance foreign policy. These areas of information most generally are classified under Executive Order No. 10501.

I would like to reiterate that the bill also prevents the disclosure of other types of "sensitive" Government information such as FBI files, income tax auditors' manual, records of labor-management mediation negotiations and information a private citizen voluntarily supplies.

The FBI would be protected under exemption No. 7 prohibiting disclosures of "investigatory files." Income tax auditors' manual would be protected under No. 2—"related solely to internal personnel rules and practices." Details of labor-management negotiations would be protected under No. 4—"trade secrets and commercial or financial information." Information from private citizens would be protected under No. 6—information which would be an "invasion of privacy."

With the Government becoming larger and more complex, now is the time for Congress to establish guidelines for informational disclosure. As secrecy in Government increases, freedom of the people decreases; and the less citizens know about their Government, the more removed they become from its control. The freedom of information bill, Mr. Speaker, gives meaning to the freedom of speech amendment.

Mr. GURNEY. Mr. Speaker, I intend to vote in favor of this vitally important freedom of information bill. With all we hear about the necessity of "truth" bills, such as truth in lending and truth in packaging, I think it is significant that the first of these to be discussed on the floor of this House should be a "truth in Government" bill.

Surely there can be no better place to start telling the truth to the people of America than right here in their own Government. This is especially true in a time such as we have now, when the "credibility gap" is growing wider every day. It has come to the point where even Government leaders cannot believe each other.

This is a bill that should not be necessary—there should be no question but that records of a nonsecurity and nonpersonal nature ought to be available to the public. But recent practice in many agencies and departments has made more than clear the need for action such as we are taking today.

We cannot expect the American people to exercise their rights and repsonsibilities as citizens when they cannot even find out what their Government is doing with their money. If it were permitted to continue, this policy of secrecy could be the cornerstone of a totalitarian bureaucracy. Even today it constitutes a serious threat to our democratic institutions.

It is not only the citizens and the press who cannot get information from their Government. Even Senators and Members of the House of Representatives are told by nonsecurity departments that such routine information as lists of their employees will not be furnished them. Incredible as this is, I think most of us here have run into similar roadblocks.

The issue is a simple one: that the public's business ought to be open to the public. Too many agencies seem to have lost sight of the fact that they work for the American people. When this attitude is allowed to flourish, and when the people no longer have the right to information about their Government's activities, our system has been seriously undermined.

The bill we consider today is essential if we are to stop this undermining and restore to our citizens their right to be well-informed participants in their Government.

I urge my colleagues to join me in voting for the passage of this bill.

Mrs. DWYER. Mr. Speaker, the present bill is one of the most important to be considered during the 89th Congress.

It goes to the heart of our representative and democratic form of government. If enacted, and I feel certain it will be, it will be good for the people and good for the Federal Government.

This bill is the product of 10 years of effort to strengthen the people's right to know what their Government is doing, to guarantee the people's access to Government records, and to prevent Government officials from hiding their mistakes behind a wall of official secrecy.

During these 10 years, we have conducted detailed studies, held lengthy and repeated hearings, and compiled hundreds of cases of the improper withholding of information by Government agencies. Congress is ready, I am confident, to reject administration claims that it alone has the right to decide what the public can know.

As the ranking minority member of the Committee on Government Operations, and as a sponsor of legislation similar to the pending bill, I am proud to pay tribute to the chairman and members of the Subcommittee on Foreign Operations and Government Operations for the long and careful and effective work they have done in alerting the country to the problem and in winning acceptance of a workable solution.

Under present law, Mr. Speaker, improper withholding of information has increased—largely because of loopholes in the law, vague and undefined standards, and the fact that the burden of proof is placed on the public rather than on the Government.

Our bill will close these loopholes, tighten standards, and force Federal officials to justify publicly any decision to withhold information.

Under this legislation, all Federal departments and agencies will be required to make available to the public and the press all their records and other information not specifically exempted by law. By thus assuring to all persons the right of access to Government records, the bill will place the burden of proof on Federal agencies to justify withholding of information. And by providing for court review of withholding of information, the bill will give citizens a remedy for improper withholding, since Federal district courts will be authorized to order the production of records which are found to be improperly withheld.

On the other hand, Mr. Speaker, the legislation is designed to recognize the need of the Government to prevent the dissemination of official information which could damage the national security or harm individual rights. Among the classes of information specifically exempted from the right-to-know provisions of the bill are national defense and foreign policy matters of classified secrecy as specifically determined by Executive order, trade secrets and private business data, and material in personnel files relating to personal and private matters the use of which would clearly be an invasion of privacy.

Aside from these and related exceptions, relatively few in number, it is an unassailable principle of our free system that private citizens have a right to obtain public records and public information for the simple reason that they need it in order to behave as intelligent, informed and responsible citizens. Conversely, the Government has an obligation, which the present bill makes clear and concrete, to make this information fully available without unnecessary exceptions or delay—however embarrassing such information may be to individual officials or agencies or the administration which happens to be in office.

By improving citizens' access to Government information, Mr. Speaker, this legislation will do two things of major importance: it will strengthen citizen control of their Government and it will force the Government to be more responsible and prudent in making public policy decisions.

What more can we ask of any legislation?

Mr. MATSUNAGA. Mr. Speaker, I rise in support of S. 1160, a bill to clarify and protect the right of the public to information, and to commend the gentleman from California [Mr. Moss] and his subcommittee for reporting the bill out. As chairman of the subcommittee, the gentleman from California [Mr. Moss] has devoted 10 years to a fight for acceptance by the Congress of freedom-of-information legislation. It was not until 1964 that such a bill was passed by the Senate.

Last year the Senate again acted favorably on such a bill and now in this House, the Subcommittee on Government Operations has finally reported the bill to the floor principally through the effort of the gentleman from California [Mr. Moss].

The passage of this bill is in culmination of his long and determined effort to protect the American public from the evils of secret government. Although there has been some talk that the Government agencies are against this measure, the President will certainly not veto it. When signed into law, this bill will serve as a lasting monument to the distinguished and dedicated public servant from California, Mr. JOHN E. MOSS.

As it has been analytically observed by the editor of the Honolulu Star-Bulletin:

> What is demanded is not the right to snoop. What is demanded is the people's right to know what goes on in the government that rules them with their consent.
>
> Representative government—government by the freely elected representatives of the people—succeeds only when the people are fully informed.
>
> All sorts of evils can hide in the shadows of governmental secrecy. History has confirmed time and again that when the spotlight is turned on wrongdoing in public life, the people are quick to react.
>
> Freedom of information—the people's right to know—is the best assurance we have that our government will operate as it should in the public interest.

Mr. Speaker, I congratulate the gentleman from California [Mr. Moss] upon his final success in his untiring efforts, for there is no doubt in my mind that this bill will pass without any dissenting vote, but I nevertheless urge unanimous vote.

Mr. HUNGATE. Mr. Speaker, democratic forms of government, in order to be truly representative of popular will, need to be readily accessible and responsive to the demands of the people. Our system of government has characteristically offered numerous avenues of access open to the people. It is equally true that, down through the years, our governmental machinery has grown increasingly complex, not only in regard to size, but in the performance of its activities as well. This growing complexity has, quite justifiably, brought to ultimate fruition a revitalized awareness and concern for the need and right of the people to have made available to them information about the affairs of their Government.

S. 1160, the Federal Public Records Act, a bill authored by my distinguished and capable colleague from Missouri, Senator EDWARD V. LONG, captures the imagination of countless millions of responsible Americans, who know only too well the frustration of being rejected information to which they justly deserve access.

For far too long, guidelines for the proper disclosure of public information by the Government have been ambiguous and at times have placed unwarranted restraint on knowledge that, according to our democratic tradition, should be made readily available to a free and literate society.

Mr. Speaker, I congratulate the gentleman from California, [Mr. Moss], chairman of the Government Information Subcommittee of the House of Representatives, and my colleague from Missouri, Senator EDWARD V. LONG, for their spirited conviction and farsightedness in working for this historical landmark for freedom. It is both an honor and privilege to support the passage of this bill.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, I should like to go on record as favoring S. 1160, the freedom of information bill; H.R. 13196, the Allied Health Professions Training Act; and H.R. 15119, the Unemployment Insurance Amendments of 1966. All of these measures passed the House last week, but my vote was unrecorded due to my absence from the House when the bills were acted upon.

During this period I was in Georgia, where I had the pleasure of addressing the Georgia Press Association, to meet a commitment made several months ago when I was named judge of the Georgia Press Association's annual Better-Newspapers Contest.

My absence from the House came at a time when it was apparent that no very controversial legislation would be up for consideration and vote. These three bills passed either unanimously or with a very small negative vote.

As you might properly assume from the reason for my absence, I am particularly interested in and pleased with the passage of the freedom of information bill, which originated in the Government Operations Committee on which I serve.

I am also pleased at the passage of H.R. 15119, the unemployment insurance amendments bill, which provides for a long overdue modernization of the Federal-State unemployment compensation system.

These bills have long been needed, and I am proud to be a Member of the House in the 89th Congress at the time of their passage.

As a newspaper publisher and radio station manager, I have been interested in public access to public records and public business since my journalistic career began. As a member of Sigma Delta Chi, and a past president of the Central Ohio Professional Chapter of Sigma Delta Chi, I am dedicated to the proposition expressed in the biblical admonition that the "truth shall make men free." I am also a supporter of Jefferson's view suggesting that, given a choice between government without newspapers and newspapers without government, I would prefer the latter.

If one cannot support the principle of the availability to the public of its governmental records, as covered in this bill, one cannot support the principle of freedom and democracy upon which our Nation is built.

While a I feel the freedom of information bill could still be strengthened in some respects, I am delighted with it as a tremendous step in reaffirming the peoples' right to know. Every good journalist also rejoices, because the bill will make easier the job of the dedicated, inquiring newspaperman. It will not prevent "government by press release" or the seduction of some reporters by thinking that "handouts" tell the whole story. but it does make life a little easier for all of us who just want to get the facts, Mr. Speaker.

While the record will show that I was paired in favor of all three of these bills, I did want to take this opportunity to express my support publicly for them and, in particular, for the freedom of information bill, which I think is a real milestone for this Nation.

The SPEAKER. The question is on the motion of the gentleman from California [Mr. Moss], that the House suspend the rules and pass the bill S. 1160.

The question was taken; and the Speaker announced that two-thirds had voted in favor thereof.

Mr. REID of New York. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 308, nays 0, not voting 125, as follows:

[Roll No. 147]

YEAS—308

Abbitt
Abernethy
Adams
Albert
Anderson, Ill.
Anderson, Tenn
Andrews, George W.
Andrews, Glenn
Arends
Ashbrook
Aspinall
Ayres
Bandstra
Baring
Barrett
Bates
Battin
Beckworth
Belcher
Bell
Bennett
Betts
Bingham
Boggs
Boland
Brademas
Brock
Broomfield
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cabell
Callan
Cameron
Carey
Carter
Casey
Cederberg
Chamberlain
Chelf
Clark
Clawson, Del
Cleveland
Clevenger
Colmer
Conable
Conte
Corbett
Curtis
Dague
Daniels
Davis, Wis.
Dawson
de la Garza
Denton
Derwinski
Devine
Dickinson
Dole
Dorn
Dow
Dowdy
Downing
Dulski
Duncan, Tenn.
Dyal
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Erlenborn
Evans, Colo.
Farnsley
Farnum
Fascell
Findley
Fisher
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gonzalez
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Gross
Grover
Gubser
Gurney
Hagen, Calif.
Haley
Hall
Halpern
Hanna
Hansen, Idaho
Hansen, Wash.
Hardy
Harvey, Ind.
Harvey, Mich.
Hathaway
Hawkins
Hays
Hébert
Hechler
Helstoski
Henderson
Hicks
Holland
Hosmer
Hull
Hungate
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Kelly
King, Calif.
King, Utah
Kirwan
Kornegay
Krebs
Kunkel
Kupferman
Laird
Langen
Latta
Leggett
Lipscomb
Love
McCarthy
McClory
McCulloch
McDade
McEwen
McFall
McGrath
McVicker
MacGregor
Machen
Mackay
Madden
Mahon
Mailliard
Marsh
Martin, Ala
Martin, Nebr.
Matsunaga
Matthews
Meeds
Michel
Miller
Mills
Minish
Mink
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morse
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
O'Neal, Ga.
Ottinger
Patman
Patten
Pelly
Perkins
Philbin
Pickle
Pike
Poage
Poff
Pool
Pucinski
Quie
Race
Randall
Redlin
Rees
Reid, Ill.
Reid, N.Y.
Reinecke
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Ronan
Roncalio
Rosenthal
Roush
Rumsfeld
Ryan
Satterfield
St Germain
St. Onge
Saylor
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Senner
Shriver
Sickles
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Va.
Staggers
Stalbaum
Stanton
Stratton
Stubblefield
Sullivan
Sweeney
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, N.J.
Thompson, Tex
Thomson, Wis.
Todd
Tuck
Tunney
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Vanik
Vigorito
Vivian
Waggonner
Waldie
Walker, N. Mex.
Watkins
Watts
Weltner
White, Idaho
White, Tex.
Whitener
Whitten
Widnall
Wilson, Charles H.
Wyatt
Wydler
Yates
Young
Younger
Zablocki

NAYS—0

NOT VOTING—125

Adair
Addabbo
Andrews, N. Dak.
Annunzio
Ashley
Ashmore
Berry
Blatnik
Bolling
Bolton
Bow
Bray
Brooks
Brown, Clarence J., Jr.
Cahill
Callaway
Celler
Clancy
Clausen, Don H.
Cohelan
Collier
Conyers
Cooley
Corman
Craley
Cramer
Culver
Cunningham
Curtin
Daddario
Davis, Ga.
Delaney
Dent
Diggs
Dingell
Donohue
Duncan, Oreg.
Dwyer
Ellsworth
Everett
Evins, Tenn.
Fallon
Farbstein
Feighan
Fino
Flood
Flynt
Fogarty
Fraser
Gilbert
Gilligan
Goodell
Grabowski
Gray
Hagan, Ga.
Halleck
Hamilton
Hanley
Hansen, Iowa
Harsha
Herlong
Holifield
Horton
Howard
Huot
Jennings
Jonas
Jones, N.C.
Kee
Keith
Keogh
King, N.Y.
Kluczynski
Landrum
Lennon
Long, La.
Long, Md.
McDowell
McMillan
Macdonald
Mackie
Martin, Mass.
Mathias
May
Minshall
Morrison
Multer
Murray
Nix
O'Brien
Olson, Minn.
O'Neill, Mass.
Passman
Pepper
Pirnie
Powell
Price
Purcell
Quillen
Reifel
Resnick
Roberts
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roudebush
Roybal
Scheuer
Scott
Shipley
Springer
Stafford
Steed
Stephens
Thomas
Toll
Trimble
Walker, Miss.
Watson
Whalley
Williams
Willis
Wilson, Bob
Wolff
Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hamilton with Mr. King of New York.
Mr. Scott with Mr. Callaway.
Mr. Cooley with Mr. Jonas.
Mr. Multer with Mr. Fino.
Mr. Evins with Mrs. May.
Mr. Howard with Mrs. Dwyer.
Mr. Culver with Mr. Reifel.
Mr. Grabowski with Mr. Bow.
Mr. Holifield with Mr. Bob Wilson.
Mr. Roberts with Mr. Whalley.
Mr. Long of Louisiana with Mr. Quillen.
Mr. Cohelan with Mr. Horton.
Mr. Keogh with Mr. Cahill.
Mrs. Thomas with Mr. Springer.
Mr. Wolff with Mr. Pirnie.
Mr. Pepper with Mr. Martin of Massachusetts.
Mr. Herlong with Mr. Harsha.
Mr. Duncan of Oregon with Mr. Minshall.
Mr. Jones of North Carolina with Mr. Cramer.
Mr. Steed with Mr. Brown of Ohio.
Mr. Blatnik with Mr. Collier.
Mr. Mackie with Mr. Mathias.
Mr. Addabbo with Mr. Keith.
Mr. Williams with Mr. Walker of Mississippi.
Mr. Davis of Georgia with Mr. Berry.
Mr. Trimble with Mr. Halleck.
Mr. Flood with Mr. Andrews of North Dakota.
Mr. Shipley with Mr. Adair.
Mr. Dingell with Mr. Stafford.
Mr. Wright with Mr. Roudebush.
Mr. Everett with Mr. Clancy.
Mr. Willis with Mr. Goodell.
Mr. Fraser with Mr. Ellsworth.
Mr. Morrison with Mr. Curtin.
Mr. Resnick with Mr. Don H. Clausen.
Mr. Brooks with Mr. Cunningham.
Mr. Stephens with Mr. Bray.
Mr. Annunzio with Mr. Watson.
Mr. Celler with Mr. Ashmore.
Mr. Ashley with Mr. Roybal.
Mr. Diggs with Mr. Scheuer.
Mr. Jennings with Mr. Purcell.
Mr. Fallon with Mr. McMillan.
Mr. Daddario with Mr. McDowell.
Mr. Conyers with Mr. O'Brien.
Mr. Hagan of Georgia with Mr. Murray.
Mr. Rooney of New York with Mr. Feighan.
Mr. Rostenkowski with Mr. Powell.
Mr. Gilligan with Mr. Kee.
Mr. Huot with Mr. Nix.
Mr. Donohue with Mr. Long of Maryland.
Mr. Dent with Mr. Lennon.
Mr. Flynt with Mr. Passman.
Mr. Corman with Mr. Olson of Minnesota.

Mr. Craley with Mr. O'Neill of Massachusetts.
Mr. Delaney with Mr. Macdonald.
Mr. Farbstein with Mr. Toll.
Mr. Fogarty with Mr. Rooney of Pennsylvania.
Mr. Gilbert with Mr. Price.
Mr. Gray with Mr. Landrum.
Mr. Hanley with Mr. Kluczynski.
Mr. Hansen of Iowa with Mrs. Bolton.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GUADALUPE MOUNTAINS NATIONAL PARK, TEX.

Mr. RIVERS of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 698) to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes, as amended.

The Clerk read as follows:

H.R. 698

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to preserve in public ownership an area in the State of Texas possessing outstanding geological values together with scenic and other natural values of great significance, the Secretary of the Interior shall establish the Guadalupe Mountains National Park, consisting of the land and interests in land within the area shown on the drawing entitled "Proposed Guadalupe Mountains National Park, Texas", numbered SA–GM–7100C and dated February 1965, which is on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

Notwithstanding the foregoing, however, the Secretary shall omit from the park sections 7 and 17, P.S.L. Block 121, in Hudspeth County, and revise the boundaries of the park accordingly if the owner of said sections agrees, on behalf of himself, his heirs and assigns that there will not be erected thereon any structure which, in the judgment of the Secretary, adversely affects the public use and enjoyment of the park.

SEC. 2. (a) Within the boundaries of the Guadalupe Mountains National Park, the Secretary of the Interior may acquire land or interests therein by donation, purchase with donated or appropriated funds, exchange, or in such other manner as he deems to be in the public interest. Any property, or interest therein, owned by the State of Texas, or any political subdivision thereof, may be acquired only with the concurrence of such owner.

(b) In order to facilitate the acquisition of privately owned lands in the park by exchange and avoid the payment of severance costs, the Secretary of the Interior may acquire approximately 4,667 acres of land or interests in land which lie adjacent to or in the vicinity of the park. Land so acquired outside the park boundary may be exchanged by the Secretary on an equal-value basis, subject to such terms, conditions, and reservations as he may deem necessary, for privately owned land located within the park. The Secretary may accept cash from or pay cash to the grantor in such exchange in order to equalize the values of the properties exchanged.

SEC. 3. (a) When title to all privately owned land within the boundary of the park, subject to such outstanding interests, rights, and easements as the Secretary determines are not objectionable, with the exception of approximately 4,574 acres which are planned to be acquired by exchange, is vested in the United States and after the State of Texas has donated or agreed to donate to the United States whatever rights and interests in minerals underlying the lands within the boundaries of the park it may have and other owners of such rights and interests have donated or sold or agreed to donate or sell the same to the United States, notice thereof and notice of the establishment of the Guadalupe Mountains National Park shall be published in the Federal Register. Thereafter, the Secretary may continue to acquire the remaining land and interests in land within the boundaries of the park. The Secretary is authorized, pending establishment of the park, to negotiate and acquire options for the purchase of lands and interests in land within the boundaries of the park. He is further authorized to execute contracts for the purchase of such lands and interests, but the liability of the United States under any such contract shall be contingent on the availability of appropriated or donated funds to fulfill the same.

(b) In the event said lands or any part thereof are abandoned and/or cease to be used for National Park purposes by the United States on or before the expiration of twenty years from the date of acquisition, the person or persons owning the respective rights and interests in minerals underlying the lands within the boundaries of the park from whom title to such rights and interests were acquired by the United States shall be given written notice, mailed to such person's last known address and in such other manner (which may include publication) as the Secretary by regulation may prescribe, of such abandonment and/or cessation of use of said lands or part thereof as a National Park. Such persons shall have the preferential right to purchase the respective rights and interests in minerals and the minerals underlying the identical land which was originally acquired from such person by the United States at private sale at any time during the period of 180 days following the mailing date of such notice: *Provided,* That such period shall be extended in any case when such preferential right to purchase has been exercised by such person and such extension is necessary or appropriate to consummate the sale and conveyance to such person of such rights and interests in such minerals under this subsection. The price to be paid by such person having such preferential right to purchase for the rights and interests in minerals in the identical land which was so acquired from such person by the United States shall be a price not greater than that for which same was acquired by the United States from such person plus interest at the rate of five per cent per annum. The preferential right to purchase such property shall inure to the benefit of the successors, heirs, devisees or assigns of such persons having or holding such preferential right to purchase.

(c) Such rights and interests in minerals, including all minerals of whatever nature, in and underlying the lands within the boundaries of the park and which are acquired by the United States under the provisions of this Act are hereby withdrawn from leasing and are hereby excluded from the application of the present or future provisions of the Mineral Leasing Act for Acquired Lands (Aug. 7, 1947, c. 513, 61 Stat. 913) or other act in lieu thereof having the same purpose, and the same are hereby also excluded from the provisions of all present and future laws affecting the sale of surplus property or of said mineral interests acquired pursuant to this Act by the United States or any department or agency thereof, except that, if such person having such preferential right to purchase fails or refuses to exercise such preferential right to purchase as provided in subparagraph (b) next above, then this subsection (c) shall not be applicable to the rights and interests in such minerals in the identical lands of such person so failing or refusing to exercise such preferential right to purchase from and after the 180 day period referred to in subparagraph (b) next above.

SEC. 4. The Guadalupe Mountains National Park shall be administered by the Secretary of the Interior in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

SEC. 5. Any funds available for the purpose of administering the five thousand six hundred and thirty-two acres of lands previously donated to the United States in Culberson County, Texas, shall upon establishment of the Guadalupe Mountains National Park pursuant to this Act be available to the Secretary for purposes of such park.

SEC. 6. There are hereby authorized to be appropriated such sums, but not more than $12,162,000 in all, as may be necessary for the acquisition of lands and interests in land pursuant to the provisions of this Act, and for the development of, the Guadelupe Mountains National Park.

The SPEAKER pro tempore (Mr. ALBERT). Is a second demanded?

Mr. SAYLOR. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alaska [Mr. RIVERS] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. SAYLOR] will be recognized for 20 minutes. The Chair recognizes the gentleman from Alaska.

Mr. RIVERS of Alaska. Mr. Speaker, I yield such time as he may require to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, the bill which the Committee on Interior and Insular Affairs is recommending to you at this time would authorize the establishment of Guadalupe Mountains National Park in the State of Texas.

As many of you will recall, during the 88th Congress, we authorized the Canyonlands National Park. It was the first completely new national park created by Congress in almost 10 years. If H.R. 698 is enacted, it will be the second wholly new national park since 1956.

The rugged, scenic Guadalupe Mountain area which is embraced in the proposed park would make a significant addition to the national park system.

Scientifically, this area features the world's best known fossil reefs. In effect, what we have is an area which some 200 million years ago was far below the surface of a large inland ocean. Students and scientists can benefit from this unique outdoor laboratory and understand better the processes which are taking place beneath the surface of oceans in other parts of the world today.

In addition, this legislation offers us an opportunity to preserve and protect an area of historic and archeologic significance. The Spanish conquistadores noted references to the area and archeological evidence suggests that man inhabited the area thousands of years ago. Early outdoor kitchens and pictographs are scattered throughout the vicinity in caves and sheltered overhangs.

The area embraced in the proposed park totals 77,582 acres. At the present time there are few improvements within the proposed boundaries. Some of the land—over 5,600 acres—has already been donated to the United States. Of the remaining 72,000 acres, all but about 5,000 acres belongs to Mr. J. C. Hunter, Jr., who has indicated, the committee understands, his hope that the land will be preserved in public ownership and that he is willing to sell to the Government for park purposes. The remaining 5,000 acres is divided among several individual ownerships.

It is estimated that the cost for acquisition and development for the proposed Guadalupe National Park will total $12,162,000. Accordingly, your committee will recommend, at the proper time, that the bill be amended to limit the moneys authorized to be appropriated to that amount.

Another amendment which the committee adopted and is recommending to the House involves the subsurface mineral estate. The members of the Subcommittee on National Parks and Recreation listened attentively to a considerable amount of discussion on the values, if any, of these subsurface interests and ultimately, in light of the highly speculative nature of these values, we concluded that if this area should be a national park—and we feel it should be—then it should only be established as such after the Government has acquired all of the outstanding mineral rights in the area. Under the terms of the committee amendment, the State-owned mineral interests would have to be donated; others could be acquired by donation or otherwise.

A further amendment approved by the committee would provide that if the Federal Government should abandon or cease to use this area for national park purposes within the next 20 years, those persons presently owning rights and interests in the minerals underlying the lands within the proposed park shall have a preferential right to repurchase those—and only those—mineral rights which they had prior to acquisition by the Government. They would be required to pay a price equal to that paid by the United States plus 5 percent interest per year from the date of the Government's purchase to the date it resells it.

The other major amendments recommended by the committee are the ones described in the report at page 5. One provides for the omission from the park of a small area if an appropriate agreement can be negotiated with the landowner to insure the protection of the public interest. Another deletes from the bill, as introduced, provisions for the construction of an access road to the park outside of its boundaries.

Mr. Speaker, your committee made every effort to resolve all of the complications and controversies with regard to this proposed legislation. I think that the cooperation of all concerned can and will result in the protection and preservation of this area for the use and enjoyment of this and future generations. I am pleased to have this opportunity to recommend approval of this legislation to all the Members of the House.

Mr. Speaker, I wish to make this statement. This legislation has been befor our committee for years. Bills were introduced in the present Congress by the gentleman from Texas [Mr. Pool] and by the gentleman from Texas [Mr. White]. We have worked as expeditiously as we could keeping in mind other commitments that we had.

Mr. Speaker, these are important facilities for the National Park Service. The Committee on Interior and Insular Affairs of the House can only do so much work and it must work in an orderly way and keep its commitments with the other Members of the Congress, in this body and in the other body, if we are to be able to come up with a recommendation on any kind of a program whatsoever.

This proposed national park is a good proposal and it should receive the unanimous support and approval of the Members of this body.

Mr. Speaker, I reserve the balance of my time.

The **SPEAKER** pro tempore (Mr. Albert). The Chair recognizes the gentleman from Pennsylvania [Mr. Saylor].

Mr. SAYLOR. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker and Members of the House, I urge that we suspend the rule and pass the bill H.R. 698, to establish the Guadalupe Mountains National Park in the State of Texas. The Subcommittee on National Parks and Recreation of the House Committee on Interior and Insular Affairs visited this area and personally reported to the other members of the committee that in their opinion, this area qualifies in every respect to be included in our national parks system.

At one time there was quite a controversy as to whether or not the House committee should accept this area as a national park and still permit exploration for minerals in this area. Certain representatives came to the committee from the State of Texas and urged that this policy be adopted.

After careful consideration of all the factors, it was the unanimous opinion of the House committee that if this area is to be a national park, then it must comply with all of the rules and regulations necessary to establish a national park—and that is that there shall not be mining in the park.

The State of Texas has certain people who believe that the minerals, if any, under this area should be conserved in accordance with the constitution of the State of Texas for the schoolchildren. The great State of Texas on another occasion when this same proposition was presented in the case of the Big Bend National Park by an act of the State legislature gave to the Federal Government whatever rights in the minerals underlying the Big Bend National Park that existed.

This bill requires the State of Texas to take the same action if they desire to have the Guadalupe National Park.

The gentleman from Texas [Mr. Rogers] who has been on this committee ever since first becoming a Member of Congress, also felt that there was another matter which was of great concern. That is the right of the people who at the present time own minerals in this area and who would be compelled to either sell or have these mineral rights condemned by the Federal Government. The gentleman from Texas [Mr. Rogers] offered the amendment which has been referred to by the chairman of the full committee, the gentleman from Colorado [Mr. Aspinall] and which amendment was unanimously approved by the full Committee on Interior and Insular Affairs. The amendment is that if at anytime within a 20-year period this area ceases to be a national park, then the persons or corporations that own the minerals at the present time shall be permitted to repurchase them from the Federal Government paying 100 percent of the value they received for their minerals plus interest at the rate of 5 percent. If at the end of 20 years, this area ceases to be a national park, the persons interested would be required to pay the fair market value of the land or the minerals that they would receive.

This, I feel, is a very fair arrangement and one that should be approved by the House of Representatives.

In checking the record I find no area that has been declared by Congress to be a national park to be subsequently taken out of the national park system. If this bill passes and the State of Texas donates to the Federal Government the minerals that underlie this area, I am sure the area will continue, not only for 20 years, but for eternity, to be a unit of the national park system.

I might say to those persons in Texas who are concerned that we may be violating a portion of the Texas constitution by requiring the minerals under this land be donated to the Federal Government, that if these minerals are given to the Federal Government, they will not be wasted. If this area becomes a unit of the national park system, the minerals that underlie this land will be available at any time it may be necessary for the Federal Government to use them, just as the minerals that underlie the Big Bend National Park are available in case of emergency.

We have set aside a great national park system, but if at any time the welfare of this country should be threatened, I am sure, those who will be occupying the positions in Congress and the executive branch of the Government will be big enough to call upon the American people, and the American people will respond and give whatever rights are necessary in any national park or in any area owned by the Federal Government for the defense of this country.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. Yes, I am happy to yield to the gentleman from Iowa.

Mr. GROSS. In the event of a national emergency and the mining of minerals in this area, would the State of Texas be cut in in any way on the proceeds of the minerals that would be sold as a result of that?

Mr. SAYLOR. No, it would not. This area would be a part of the national park system. There would be no cut in as far as the State of Texas is concerned. The only event that could occur which would entitle Texas to get any part of the minerals would be that if within a 20-year period Congress decided it was not a fit unit for a national park and it was turned back, then the State of Texas would be entitled, just as all other owners, to buy back the minerals.

Mr. GROSS. If the gentleman will yield further, I should like to ask one further question.

Mr. SAYLOR. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Does that mean a turnback of the entire tract or perhaps a breakout of certain areas that might have more minerals than other areas?

Mr. SAYLOR. I might say to my colleague from Iowa that it may occur in the future that there would be such a determination. The important consideration now is, as near as anyone knows, there are no minerals. The fact is a number of wells have been drilled in this area in exploration for gas and oil, and they have hit only dry wells.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. Any abandonment that would take place would have to be done as a result of congressional action; is that not correct?

Mr. SAYLOR. That is correct. The matter would have to come back to Congress for action.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. SAYLOR. I yield to the gentleman from Iowa.

Mr. GROSS. Noting some of the influence of Texas upon Congress, I just wanted to be sure of the proceedings that would take place, if it is possible to find out.

Mr. SAYLOR. Mr. Speaker, I might say in a rather facetious manner that even that shall come to pass.

Mr. RIVERS of Alaska. Mr. Speaker, I yield myself 1 minute. I will speak in favor of this bill.

The legislation we are now considering represents many hours of work and effort on the part of its sponsors—our colleagues the gentlemen from Texas [Mr. WHITE and Mr. POOL]—and on the part of the members of the Subcommittee on National Parks and Recreation and of the full Interior Committee.

I was happy to have an opportunity to inspect this area at the first part of this session of Congress—while you were enjoying the so-called blizzard of '66—and I can say that it is an impressive area worthy of inclusion in the national park system.

Mr. Speaker, this area is in a prime location in northwestern Texas. It abuts Lincoln National Forest along the New Mexico line and is only about 30 miles or so from Carlsbad Caverns National Park. At most, it only takes a couple of hours of driving from El Paso to reach the area, and it is even closer to Carlsbad, N. Mex.

Included in the wedge-shaped rugged mountain range which falls within the proposed park boundaries is the highest point in the State of Texas—Guadalupe Peak—and an historic landmark visible for over 50 miles—El Capitan. The area is a natural oasis, with clear streams and a wide variety of vegetation. All in all, with the outstanding scientific, archeological, and historical features mentioned by the chairman of the full committee, the gentleman from Colorado [Mr. ASPINALL] this area represents an outstanding outdoor area suitable for inclusion in the national park system.

The Guadalupe Mountains National Park has the full support of the administration. President Johnson, in his message to Congress on natural resources, included it among the major outdoor recreation proposals which he recommended for approval this year.

Mr. Speaker, the only real controversy which arose during the committee's consideration of this legislation involved the potential development of the mineral values in the lands included within the park boundaries. As the chairman of the committee, the gentleman from Colorado [Mr. ASPINALL] indicated, we did not feel that the United States should put itself in the position of having to purchase the mineral estate when its value was highly speculative, at best; consequently, we devised a formula whereby we feel we have made possible the establishment of the park and yet provided some safeguards in the event that the Government should, within the next 20 years, abandon or cease to use the area for park purposes. Having heard the witnesses, I feel that this approach is fair and equitable to all.

The bill authorizes an appropriation of $12,162,000. Of this, land acquisition costs are expected to be in the neighborhood of $1.5 million. Donations of land, and the provision in the committee amendment requiring the donation of the subsurface interests of the State of Texas before establishment of the park, should help to keep the land acquisition costs at this level. Some 5,600 acres have already been donated to the United States and the owner of another 67,000 acres has indicated his willingness to sell to the Government for park purposes.

I want to compliment my colleagues, the gentlemen from Texas [Mr. WHITE and Mr. POOL], who introduced the bills calling for the establishment of the Guadalupe Mountains National Park. While we are recommending some important amendments for the consideration of the Members of the House, we do so with the same objective in mind—protecting and preserving this outstanding natural area for the benefit, use, and enjoyment of all the people of Texas and of the Nation.

It is a pleasure to support H.R. 698, as amended, and to recommend its approval in this House.

Mr. SAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. MORTON].

Mr. MORTON. Mr. Speaker, I take this opportunity to commend our committee, the chairman, and the gentleman from Pennsylvania [Mr. SAYLOR] on the job that was done in completing this legislation and bringing it before the House.

Again, however, I want to bring up the question of money. This bill authorizes $12,162,000 for the necessary acquisition of lands. Again we face the problem of whether we are authorizing over and beyond what we can expect to appropriate. I hope in its wisdom the Congress, in connection with the acquisition and development of national parks, is not guilty of biting off more than it can chew.

We must face up to the reality that the authorization figures have to be backed up by appropriations. These primarily must come from the conservation land and water fund. If this fund is inadequate, we must face the music and determine what other sources can be used for appropriating the necessary money that the authorized programs of this Congress, the one immediately preceding it, and, I assume, the one to follow it will actually require.

Mr. RIVERS of Alaska. Mr. Speaker, will the gentleman yield?

Mr. MORTON. I yield to the gentleman from Alaska.

Mr. RIVERS of Alaska. Mr. Speaker, the report shows the amount for acquisition is only $1.5 million. The rest of it is spread over a period of years for development. It seems to me with this oil settlement still to occur, there will be enough lag so that we can meet our commitment in this bill.

Mr. MORTON. Mr. Speaker, I thank the gentleman very much for his explanation. But in conclusion, I do point out the fact that we are authorizing funds for development and for the acquisition of land at a considerably greater rate than we are currently appropriating to meet those authorizations.

Mr. RIVERS of Alaska. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. POOL].

Mr. POOL. Mr. Speaker, first I thank the committee for doing a wonderful job in resolving the differences in this bill. We had the problem of the mineral rights and we worked that out by giving to the bill this tone: That if the Legislature of Texas in its wisdom decides to donate these mineral rights to the Federal Government, the park will become a reality.

This is the same thing that was done in the case of the Big Bend National Park. I think that was the best solution. I commend the committee for doing an excellent job in resolving those differences.

The subject of a national park can be approached from two directions. The most important reason for setting aside our natural wonders as parklands is the preservation of something which can never be replaced.

Almost 50 years ago, Theodore Roosevelt wrote:

> A grove of giant redwoods or sequoias should be kept just as we keep a great and beautiful cathedral.

He might have mentioned, instead of redwood groves, wilderness canyons, or cliffs.

A secondary but substantial reason for the public development and national promotion of a scenic and historic area is the economic benefit to be derived.

The love of the outdoors has always been in the American character. The 20th century advantages of time, money, automobiles, and highways has made tourism, and in particular that kind of tourism attracted by outdoor recreation, one of the fastest growing industries in the United States. The national parks are an enormous factor in vacation travel in our country.

Four years ago, I proposed a national park area in the Guadalupe Mountains of west Texas to preserve one of the most historic and pristine pieces of our scenery and to attract the hundreds of thousands who could be expected to visit there if facilities for touring families existed.

My bill called for a survey of the park potential of the area. As a result of that bill, Interior Secretary Udall instructed that the survey be carried out. The survey showed that the Guadalupe Mountain area definitely warrants inclusion in the national parks system.

At this time I wish to compliment my colleague the gentleman from Texas, DICK WHITE, who is a member of the committee, for carrying on this program and getting this bill passed. To stave off this Congress he and I introduced companion bills. I compliment my colleague for doing a "bangup" job for his district in the Guadalupe Peak National Park legislation.

Mr. Speaker, I close by relating what Teddy Roosevelt said so many ways:

> There is nothing in the world more beautiful than Yosemite, the groves of giant sequoias and redwoods, the Canyon of the Colorado, the Canyon of Yellowstone, the Tetons, and the people should see to it that they are preserved for their children and their children's children forever, with their majestic beauty all unmarred.

I think that, had he been here in the 1960's, he would have added Guadalupe.

Mr. RIVERS of Alaska. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. WHITE].

Mr. WHITE of Texas. Mr. Speaker, the rapid population growth of our great Nation, and its concentration in teeming cities, have placed us in a position where millions of Americans might forget, or might never know, the glories of the great rugged land that was our national heritage when our country was born. To preserve as much as possible of this immeasurable wealth of natural beauty and history, our national park system was created. This year, on the 50th anniversary of the National Park Service, the system will be welcoming more than 136 million visitors. Even the national parks are overcrowded, and one of our great needs is the establishment of new places of unspoiled natural beauty to be enjoyed by our people.

Today, this body is considering my bill, H.R. 698, to establish Guadalupe Mountains National Park in west Texas. The National Park Service has had this majestic area under its attention for possible future development ever since 1925, when it was featured in a National Geographic article concerning Carlsbad Caverns National Park in adjoining New Mexico.

Rising dramatically from the desert floor, the Guadalupe Mountains dominate the surrounding landscape with majestic El Capitan, a 2,000-foot promotory, and then stretch upward to Guadalupe Peak, 8,750 feet above sea level. Within these majestic mountains lies McKittrick Canyon, one of the great gems of western scenery. In a cool retreat, protected by the mountains from the heat and winds of the surrounding desert, visitors can study a unique assemblage of western trees, shrubs, and flowers, an area where deer, elk, wild turkey, bear, mountain lion, antelope, and mountain trout still flourish.

In the world's best displayed fossil reefs, the geologist can pursue his studies. The historian can visit the still existing remains of a stage station for the Butterfield Overland Mail which blazed a trail across this land a quarter century before the coming of the railroads. The archeologist can study, in ancient campgrounds and long hidden caves, the record of at least 6,000 years of human habitation in this sequestered retreat.

A preview of the uses to which this new national park can be put was given the House and Senate National Parks Subcommittees last year by Mr. Wallace Pratt, eminent Texas geologist and retired vice president of Humble Oil & Refining Co. Mr. Pratt built a ranch house near the entrance to McKittrick Canyon, and found his home a mecca for geologists from all the world. Because he wanted this great natural heritage preserved, Mr. Pratt donated 5,632 acres to the National Park Service as the beginning of this great park. The remainder of the area to be acquired is largely the property of J. C. Hunter, Jr., who—like his father before him—has taken every possible step to preserve the pristine beauty of this unspoiled wonderland.

The entire park will cover 77,852 acres. This area can be acquired for approximately a million and a half dollars, for the land not already donated.

The support for the creation of this park is widespread. Virtually every city and county government in the area has pledged its support, as have historical and archeological societies and leading conservation groups. The park has been heartily endorsed by a number of officials of the State of Texas, and the legislation provides that the State share in the creation of the park by donating its mineral interests to the National Government.

The Advisory Board on National Parks, Historic Sites, Buildings and Monuments has recommended the establishment of this park. The Department of the Interior and the House Committee on Interior and Insular Affairs have issued reports giving it their full support. In his last two messages on natural beauty, the President of the United States has singled out this area as one of the great objectives in this country's natural beauty program. May I at this time express my gratitude and that of the people of Texas, to Chairman ASPINALL, Subcommittee Chairman RIVERS, Congressmen and members of the Interior and Insular Affairs Committee, Mr. POOL and Mr. SAYLOR for their objective guidance and assistance throughout the course of this bill.

Mr. Speaker, I have walked the trails and climbed the mountains of this area, together with the distinguished Secretary of the Interior, Mr. Udall, and with members of the House committee. In my southwestern homeland this is a heritage we have saved for the enjoyment of generations yet unborn. I respectfully ask the unanimous approval of H.R. 698, to establish Guadalupe Mountains National Park.

The SPEAKER pro tempore. There being no further requests for time, the question is on the motion of the gentleman from Alaska [Mr. RIVERS] that the House suspend the rules and pass the bill H.R. 698 as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMENDMENT TO CONNALLY HOT OIL ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10860) to promote the general welfare, public policy, and security of the United States, as amended.

The Clerk read as follows:

H.R. 10860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of February 22, 1935, as amended (49 Stat. 30; 15 U.S.C. 715a), commonly referred to as the Connally Hot Oil Act, is amended by striking out the period at the end of paragraph (1) of such section and inserting in lieu thereof a comma and the following: "except petroleum or any of its constituent parts, title to which has been acquired by a State pursuant to its laws.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SPRINGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from West Virginia [Mr. STAGGERS] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. SPRINGER] will be recognized for 20 minutes. The Chair now recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, I shall just speak very briefly in behalf of this bill, which came out of our committee unanimously. The purpose of the bill is to allow the States that have confiscated oil to be able to sell it in interstate commerce which they now cannot do under the Connally Act that was passed in 1935. Today we have a network of interstate oil pipelines, so that it is almost impossible to make use of this in any way without involving interstate commerce, and about all the State can do, unless this bill were to be enacted, is to use confiscated oil for county roads.

Mr. Speaker, all of the people who appeared and testified before the committee were for the bill. There was no opposition to it whatsoever.

Mr. Speaker, the author of the bill, the gentleman from Texas [Mr. ROGERS] is here and I assume the gentleman will describe the request of his State authorities who have a quantity of oil there which they cannot put into interstate commerce under the present situation. The Connally work is being phased out but the Department of the Interior and they hope and their intention is that the States will regulate any of these irregularities which occur in the future.

For that reason, Mr. Speaker, the States just want to be able to take care of the oil that has been confiscated and see that it is disposed of in an orderly way. This has to be State-owned oil. This in no way covers individually owned oil or anything like that.

Mr. Speaker, I have nothing further to say on the bill. I feel it was thoroughly discussed in the hearings and there was no opposition expressed to the legislation at that time.

Mr. SPRINGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I ask the distinguished chairman, the gentleman from West Virginia [Mr. STAGGERS], if the gentleman from Texas [Mr. ROGERS] plans to explain the bill?

Mr. STAGGERS. Yes, the gentleman from Texas says he shall be glad to explain the provisions of the bill. Therefore, I yield to the gentleman from Texas such time as he may consume.

Mr. ROGERS of Texas. Mr. Speaker, this bill is designed and drawn for the purpose of making it possible for the State of Texas to sell certain oil that has been impounded under State law. This oil has been stored in tanks in the State of Texas. There are about 140,000 or 150,000 barrels of this oil. It has been impounded in tanks at several points in the State of Texas. Also, I am sure there might be some oil in other States which could not be shipped in interstate commerce, because produced in violation of State law, and hence shipment would be in violation of the Connally Hot Oil Act.

Mr. Speaker, the State of Texas could have confiscated this oil but they could not ship it in interstate commerce because they were also covered by the Connally Hot Oil Act. Hence, the oil has just been sitting there, utilizing tanks that should be used for other purposes and, in fact, going to waste, so to speak, because the only purpose for which the oil can be used at the present time would be for purposes such as oiling roads, which would represent a flagrant waste of the energy sources of this Nation.

Now, Mr. Speaker, when the Connally Hot Oil Act was in effect the conservation statutes of the State of Texas were being challenged on the question of their constitutionality. However, Mr. Speaker, when the Supreme Court declared these acts constitutional and made it possible for the State of Texas to control its oil and the products of its oil, that oil which was caught between the underground and delivery into interstate commerce fell into this impounded area and it has been there ever since.

Now, Mr. Speaker, this bill, if enacted, would serve only to make it possible for the State of Texas, the State of Louisiana, or any other State, if they have conservation laws, to confiscate illegally produced oil and to sell it at the market price and put it into the interstate commerce and place the funds derived therefrom into the proper State coffers, whether it be the school funds or some other funds to be used for State purposes. In Texas there are between 140,000 and 150,000 barrels of oil involved, at a value of about $450,000. Confiscation and sale of the oil by the State would not have any effect on the economics of the energy business, because the amount involved is small, relatively speaking.

If there are any questions, I would be most happy to try to answer them.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to my distinguished friend, the gentleman from Illinois.

Mr. SPRINGER. As I understand, when the committee had their hearings, the State of Texas appeared as a party to testify that the Connally Hot Oil Act prevents oil which has been produced in violation of the State law being transported in interstate commerce. That is the Connally Hot Oil Act; is it not?

Mr. ROGERS of Texas. That is correct.

Mr. SPRINGER. When they drew the act, apparently, no one took it into consideration that the State might have oil which it had confiscated as oil being in violation of the Connally Act. But because of the Connally Act no exception was made and therefore they could not put the oil which they had legally seized into interstate commerce. Is that not the situation?

Mr. ROGERS of Texas. The gentleman is correct.

Mr. SPRINGER. What you are attempting to do here is to make it possible for the State as a governing body itself when it has seized oil that is in violation of the Connally Hot Oil Act to be able to sell that oil which they had legally seized under due process of a State court in the State of Texas; is that correct?

Mr. ROGERS of Texas. To a certain extent that is correct. Let me explain this to the gentleman.

The oil would not necessarily have to have been produced in violation of the Connally Hot Oil Act. The courts recognize the authority of the States to pass conservation laws. So, if any oil was produced in violation of the State law, then the State can confiscate that oil and put it into interstate commerce. Otherwise, and unless this bill is passed, if they confiscate the oil, they cannot put it in interstate commerce because they would be in violation of the Connally Hot Oil Act.

Mr. SPRINGER. What you are making possible is for the State to sell oil which the State has seized under due process; is that correct?

Mr. ROGERS of Texas. That is correct.

The Connally Hot Oil Act simply prohibited the shipment in interstate commerce of oil that is produced in violation of the State law.

So until there is a shipment in interstate commerce of unlawfully produced oil, there would not be any violation of the Connally Hot Oil Act. But what they forgot was that the did not exempt States. So the Connally Hot Oil Act insofar as shipments in interstate commerce are concerned applies to individuals, corporations, and to the several States; to everyone. This just simply prevents the States from confiscating this oil and putting it in commerce.

Let me say this to the gentleman further. One reason they did not anticipate this is that they did not anticipate the State would ever be prohibited from shipping it. This was not a serious question at that time because at the time of the passage of the Connally Hot Oil Act there were a number of intrastate markets. Actually, this was before the pipelines came into being so extensively and you could sell oil in intrastate operations at that time so you had no basic problem. But the court decisions came along and also the pipelines came along and made it so that practically all this oil that is produced and marketed falls into interstate commerce.

The State of Texas undertook to try to ship some of this oil a number of years back during the time you had the Federal Tender Board. In the case of Hurley against the Federal Tender Board, as I recall, the court held then that the States were not exempt and the word contraband as used in the act covered everybody, individuals, corporations, and the States.

Mr. SPRINGER. May I ask the gentleman one additional question?

All of the oil that is involved immediately by what we do today is oil now owned by the State of Texas?

Mr. ROGERS of Texas. No, no—the oil is not owned by the State of Texas. The oil is in suspended animation insofar as ownership is concerned because the people who produced it, produced it in violation of the State law, cannot ship it in interstate commerce because they would be in violation of the Connally Hot Oil Act. So the State of Texas is simply letting them impound this oil. If the State of Texas comes in and confiscates this oil, then the State of Texas cannot ship it in interstate commerce. The State has to pay storage charges.

The realistic picture here is that this oil is being held in these storage tanks and the people who produced it and claimed ownership of it cannot ship it. The State cannot ship it unless this bill is passed. The oil has been in storage so very long that many of the witnesses having to do with the unlawful production are dead, and we have a problem here. So the State of Texas has now passed an amendment to their conservation statutes which provides that any oil that has been held in storage for more than 6 years is presumed to have been unlawfully produced.

Now, this is subject to rebuttal by anybody who wishes to rebut it, but unless it is rebutted, then the State can proceed with its confiscatory procedures and take the oil itself.

Mr. SPRINGER. All right. So that the results of this is that the confiscation of the oil in interstate commerce goes directly to the State. Am I correct in that?

Mr. ROGERS of Texas. Yes.

Mr. SPRINGER. I just wanted to be sure that the State would be the only one to benefit by virtue of the passage of this piece of legislation.

Mr. ROGERS of Texas. That is correct, because no one else could sell this oil. This amendment is designed only to exempt a State that has exercised its confiscatory powers because of a violation of its own laws.

Mr. SPRINGER. One further question: The State of Texas and all the agencies, Conservation Commission and otherwise, connected with this legislation recommend it?

Mr. ROGERS of Texas. Yes; they are in vigorous support of it for several reasons. One is that they want to get this oil so that they can sell it at a price commensurate with its market value. You understand that the State could take this oil, confiscate it, and sell it for 25 cents a barrel to be put on roads. This would be an utter waste and would actually be in violation of Texas statutes, or against the basic thought in them.

Mr. SPRINGER. There is no opposition to this legislation from any Federal agency?

Mr. ROGERS of Texas. No.

Mr. SPRINGER. There is no opposition to this legislation by any State agency of any State other than the State of Texas?

Mr. ROGERS of Texas. That is correct. The subcommittee had no evidence at all from anyone in opposition to the statute. The Connally Hot Oil Act is actually being phased out, and although the Department of Interior would be interested in this type of legislation, they have said that their hands were tied in the past. They have been asked to take it up from an executive standpoint and say, "We release this oil." They say, "We can't do it. We can't do this. We simply do not have the authority to do it." So actually I would say that everyone is in support of the measure. The Bureau of the Budget says that they have no objection to the passage of the legislation.

Mr. SPRINGER. I just wanted to be sure of all the facts in connection with this legislation.

Mr. ROGERS of Texas. I thank the gentleman. He has done an excellent job of asking pointed questions.

Mr. SPRINGER. May I ask one further question?

Mr. ROGERS of Texas. Yes.

Mr. SPRINGER. There was a hearing in the subcommittee and that was open to the public?

Mr. ROGERS of Texas. Oh, yes. The hearings are available. They are printed. They are available, and the explanation of the bill is quite clear in the hearings. The gentleman from California [Mr. YOUNGER], from the gentleman's party, was present and asked very pertinent and appropriate questions on this subject.

Mr. SPRINGER. Is this matter of confiscation likely to occur again?

Mr. ROGERS of Texas. Here is what could happen under this bill. If oil was produced in any State in violation of State law, the State in which it was produced could file proceedings under its confiscatory statutes and confiscate that oil if it could prove its case and put that oil into interstate commerce. But no one else could.

Mr. SPRINGER. Only the State could do it?

Mr. ROGERS of Texas. Only the State; that is right.

Mr. SPRINGER. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. It is rather strange to me to hear about the importation of oil into Texas at Brownsville. It goes this way: They import oil from Tampico to the port of Brownsville, pump it out in bond into tanks, load it into trucks, still in bond, and run the trucks across the bridge at Brownsville into Matamoras, Mexico, drive to the Customhouse, and back across the bridge. It then becomes free oil. Is this legislation designed in any way to deal with that situation?

Mr. ROGERS of Texas. No, sir; it has no effect on it at all. That is an import problem insofar as oil from Mexico is concerned.

This is an issue in which the gentleman has been very interested. So have I. But the State Department has taken one position and some of the other departments have taken other positions. I hope we can get it worked out. But this has nothing to do with that, because this affects only oil actually produced within the confines, within the boundaries of the State of Texas.

Mr. GROSS. Does the gentleman agree with me that this is quite a fantastic operation?

Mr. ROGERS of Texas. It is a fantastic operation. But I was told by the Department of State that unless this was allowed to be done, a Mexican port could be built in the northern part of Mexico, and more oil would be coming in over that route than by this method.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, Louisiana has some interest in this question. Certainly there is no objection from anyone in the State of Louisiana to this legislation.

It is something which needs correcting. I thank the gentleman from Texas for bringing it to the floor at this time.

Mr. ROGERS of Texas. I thank the gentleman from Louisiana.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill H.R. 10860, as amended?

The question was taken.

Mr. SPRINGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors. The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 308, nays 1, not voting 123, as follows:

[Roll No. 148]

YEAS—308

Abbitt
Abernethy
Adams
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, Glenn
Arends
Ashbrook
Ashmore
Aspinall
Ayres
Bandstra
Baring
Barrett
Bates
Beckworth
Belcher
Bell
Bennett
Betts
Bingham
Boggs
Brademas
Broomfield
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Callan
Cameron
Carey
Carter
Casey
Cederberg
Chamberlain
Chelf
Clark
Clawson, Del
Cleveland
Clevenger
Colmer
Conable
Conte
Corbett
Curtin
Curtis
Dague
Daniels
Dawson
de la Garza
Denton
Derwinski
Devine
Dickinson
Dole
Dorn
Dow
Dowdy
Downing
Dulski
Duncan, Tenn.
Dyal
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Erlenborn
Evans, Colo.
Farnsley
Farnum
Fascell
Findley
Fisher
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gonzalez
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Gross
Grover
Gubser
Gurney
Haley
Hall
Halpern
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Hardy
Harvey, Mich.
Hathaway
Hawkins
Hays
Hébert
Hechler
Helstoski
Henderson
Herlong
Hicks
Hosmer
Hungate
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Keith
Kelly
King, Calif.
King, Utah
Kirwan
Kornegay
Krebs
Kunkel
Kupferman
Laird
Langen
Latta
Leggett
Lipscomb
Long, Md.
Love
McCarthy
McClory
McCulloch
McDade
McEwen
McFall
McGrath
McVicker
MacGregor
Machen
Mackay
Madden
Mahon
Mailliard
Marsh
Martin, Ala.
Martin, Mass.
Martin, Nebr.
Matsunaga
Matthews
Meeds
Michel
Miller
Mills
Minish
Mink
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morse
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
O'Neal, Ga.
Ottinger
Patman
Patten
Pelly
Perkins
Philbin
Pickle
Pike
Poage
Poff
Pool
Price
Pucinski
Quie
Race
Randall
Redlin
Rees
Reid, Ill.
Reid, N.Y.
Reinecke
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Ronan
Roncalio
Rosenthal
Roush
Roybal
Rumsfeld
Ryan
Satterfield
St. Onge
Saylor
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Selden
Senner
Shriver
Sickles
Sikes
Sisk

Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Va.
Springer
Staggers
Stalbaum
Stanton
Stratton
Stubblefield
Sullivan
Sweeney
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Tex.
Thomson, Wis.
Todd
Tuck
Tunney
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Vanik
Vigorito
Vivian
Waggonner
Waldie
Walker, N. Mex.
Watkins
Watts
Weltner
White, Idaho
White, Tex.
Whitener
Whitten
Wilson, Charles H.
Wright
Wyatt
Wydler
Yates
Young
Younger
Zablocki

NAYS—1

Hagen, Calif.

NOT VOTING—123

Adair
Addabbo
Andrews, N. Dak.
Annunzio
Ashley
Battin
Berry
Blatnik
Boland
Bolling
Bolton
Bow
Bray
Brock
Brooks
Brown, Calif.
Brown, Clarence J., Jr.
Callaway
Celler
Clancy
Clausen, Don H.
Cohelan
Collier
Conyers
Cooley
Corman
Craley
Cramer
Culver
Cunningham
Daddario
Davis, Ga.
Davis, Wis.
Delaney
Dent
Diggs
Dingell
Donohue
Duncan, Oreg.
Dwyer
Ellsworth
Everett
Evins, Tenn.
Fallon
Farbstein
Feighan
Fino
Flood
Flynt
Fogarty
Gilbert
Gilligan
Goodell
Grabowski
Gray
Hagan, Ga.
Halleck
Hamilton
Hansen, Iowa
Harsha
Harvey, Ind.
Holifield
Holland
Horton
Howard
Hull
Huot
Jennings
Jonas
Jones, N.C.
Kee
Keogh
King, N.Y.
Kluczynski
Landrum
Lennon
Long, La.
McDowell
McMillan
Macdonald
Mackie
Mathias
May
Minshall
Morrison
Multer
Murray
Nix
O'Brien
Olson, Minn.
O'Neill, Mass.
Passman
Pepper
Pirnie
Powell
Purcell
Quillen
Reifel
Resnick
Roberts
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roudebush
St Germain
Scheuer
Scott
Shipley
Stafford
Steed
Stephens
Thomas
Thompson, N.J.
Toll
Trimble
Walker, Miss.
Watson
Whalley
Widnall
Williams
Willis
Wilson, Bob
Wolff

So (two-thirds having voted in favor thereof), the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. King of New York.
Mr. Brooks with Mr. Harvey of Indiana.
Mr. Duncan of Oregon with Mrs. May.
Mr. Holifield with Mr. Bob Wilson.
Mr. Corman with Mr. Clancy.
Mr. Jennings with Mr. Bob Wilson.
Mr. Morrison with Mr. Roudebush.
Mr. Addabbo with Mr. Andrews of North Dakota.
Mr. Howard with Mr. Horton.
Mr. McMillan with Mr. Ellsworth.
Mr. Feighan with Mr. Fino.
Mr. Grabowski with Mr. Goodell.
Mr. Pepper with Mr. Brock.
Mr. Williams with Mr. Quillen.
Mr. Stephens with Mr. Callaway.
Mr. Rooney of New York with Mr. Bow.
Mr. Celler with Mr. Widnall.
Mr. Roberts with Mr. Watson.
Mr. Dingell with Mr. Pirnie.
Mrs. Thomas with Mrs. Bolton.
Mr. Fallon with Mr. Minshall.
Mr. Lennon with Mr. Jonas.
Mr. Boland with Mr. Mathias.
Mr. Fogarty with Mrs. Dwyer.
Mr. Passman with Mr. Cunningham.
Mr. Macdonald with Mr. Davis of Wisconsin.
Mr. Kee with Mr. Stafford.
Mr. Landrum with Mr. Clarence J. Brown, Jr.
Mr. O'Brien with Mr. Adair.
Mr. Hagen of California with Mr. Harsha.
Mr. Hagan of Georgia with Mr. Cramer.
Mr. Flood with Mr. Collier.
Mr. Davis of Georgia with Mr. Battin.
Mr. Annunzio with Mr. Reifel.
Mr. Willis with Mr. Walker of Mississippi.
Mr. Cohelan with Mr. Don H. Clausen.
Mr. Denton with Mr. Berry.
Mr. Gilbert with Mr. Nix.
Mr. Everett with Mr. Long of Louisiana.
Mr. Hull with Mr. Trimble.
Mr. Huot with Mr. Conyers.
Mr. Shipley with Mr. Purcell.
Mr. Flynt with Mr. Scott.
Mr. Delaney with Mr. Holland.
Mr. Ashley with Mr. St Germain.
Mr. Powell with Mr. Mackie.
Mr. Hansen of Iowa with Mr. Olson of Minnesota.
Mr. O'Neill of Massachusetts with Mr. Steed.
Mr. Thompson of New Jersey with Mr. Rostenkowski.
Mr. Cooley with Mr. Gilligan.
Mr. Donohue with Mr. Gray.
Mr. Resnick with Mr. Diggs.
Mr. McDowell with Mr. Culver.
Mr. Cooley with Mr. Multer.
Mr. Evins with Mr. Kluczynski.
Mr. Blatnik with Mr. Farbstein.
Mr. Rooney of Pennsylvania with Mr. Wolff.
Mr. Scheuer with Mr. Toll.
Mr. Brown of California with Mr. Daddario.
Mr. Hamilton with Mr. Murray.

Mr. **REUSS** changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

WHY NOT SPAIN?

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, there is a void in NATO, brought about by highhanded French action. The French have withdrawn their support from NATO and, in effect, have ordered allied units out of France. NATO is accordingly weakened. The situation has produced much discussion but little in the way of constructive action. There is an alternate course which would offset, at least in part, the French defection. Spain should be invited to join NATO, and the United States should take the lead in bringing this about.

Spain can provide bases for allied air and naval units. There are capable and well-trained ground forces which can readily be expanded. Spain is strongly anti-Communist—more anti-Communist than most of the friends we depend upon. Spain's location, admittedly, is a limiting factor for the most effective use of allied ground forces and logistical support, but this does not rule out the desirability of Spanish assistance in other areas. Now that France has finally closed the door on NATO, Spanish help is doubly important.

With an obvious situation like this confronting us, why is it that Spain has not been invited to participate in NATO? The reason is clear. There are a number of Socialist or Labor governments represented in NATO, which object to Spain's strong rightist government. There also are those who still resent Spain's neutralist attitude during World War II.

Paradoxically, today Spain offers much greater security against the march of communism than is provided by the present political complexion of France, or even of the average NATO nation. For their own protection, these countries should be knocking at Spain's door.

The opportunity for leadership in bringing Spain into NATO belongs peculiarly to the United States. The United States has benefited materially from its association with Spain. Spanish bases have, for years, been highly valuable to us, and the actions of the French now makes them doubly so. We in the United States understand the value of Spain's support in the common cause against communism, and we should be the first to urge general recognition and acceptance of that support in the family of free nations. The truth is, Spain has been treated like an outcast long enough.

INFLATION AND FARM PRICES

Mr. SCHISLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SCHISLER. Mr. Speaker, earlier in the year several members of the executive branch of the Federal Government took various actions designed to freeze if not depress farm prices. The Department of Commerce, Department of Defense, Tariff Commission, and Council of Economic Advisers have all in the last 6 months either stated their desire or acted to halt rising farm prices.

These departments and agencies maintained that rising farm prices were contributing to creeping inflation. To be sure, food prices were rising. But farm prices when examined over the last 18 years were not. Unfortunately these executive branch actions have further aggravated the farmer's already precarious position in the American economy.

Farm prices have actually fallen during the last 20 years. During this same period food prices have steadily increased due to rapidly growing cost of packaging and marketing of farm products. The Economic Research Service of the Department of Agriculture recently reported that the farm return for commodities has declined from 1947–49 base period to 1965 by $59 or almost 13 percent. At the same time the retail cost of food from 1947–49 to 1965 increased by some $87. This was due in large part to the $146 increase in the cost of packaging and marketing the goods.

Thus food prices may be going up but the farmer has not been responsible. In 1965 food prices averaged 77 percent of parity. Executive branch actions to further reduce this already inadequate percentage are indefensible. Surely it is not fair to make the farmer alone sacrifice to halt the threat of inflation.

The Congress of the United States in the Agricultural Marketing Agreement Act of 1937, as amended in 1948, stated that the Secretary of Agriculture should make every practicable and reasonable effort to aid the farmer in obtaining parity prices and parity of income. That Congress intended this policy to be carried out by the entire executive branch and not just the Department of Agriculture seems to me obvious.

Nevertheless statements and actions taken by previously cited departments and agencies have been completely inconsistent with this policy. I, therefore, Mr. Speaker, offer for the consideration of this body a resolution which makes it clear that congressional policy of aiding farmers in obtaining parity prices and parity of income was intended to apply to the entire executive branch and not just one department. It is my hope that the bipartisan support this resolution enjoyed in the Senate may be duplicated here.

CONVENTION ON THE SETTLEMENT OF INVESTMENT DISPUTES

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I am today introducing legislation to implement the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States. The U.S. Senate consented to the ratification of this convention by the United States on May 16, 1966.

The bill which I am introducing has been prepared by the executive branch. For the information of the House, I am including in the RECORD the text of a letter from the Secretary of the Treasury to the Speaker of the House of Representatives, dated May 21, 1966, transmitting the draft of this legislation and requesting congressional consideration thereof.

The text of the bill is also attached:

THE SECRETARY OF THE TREASURY,
Washington, D.C., May 21, 1966.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: President Johnson transmitted to the Senate on February 16, 1966, for advice and consent to ratification the Convention on the Settlement of Investment Disputes between States and Nationals of Other States. On May 16, the Senate adopted a resolution of ratification of the Convention. So that the Congress will have before it the Administration's plan for giving effect to the Convention, I transmit herewith a draft bill to carry out the obligations of the United States under the Convention.

The Convention would establish an International Center for Settlement of Investment Disputes (the Center) under the auspices of the International Bank for Reconstruction and Development (the World Bank). The Center would be available on a voluntary basis to settle by conciliation or arbitration investment disputes between private foreign investors and sovereign States in which investments are made.

Section 2 of the bill provides that the President may appoint such representatives to the Center and panel members as may be provided for under the Convention. The Center would have an Administrative Council which would be composed of one representative of each Contracting State and one alternate. The Center would also maintain a Panel of Arbitrators and a Panel of Conciliators and each Contracting State would be entitled to name four persons to each Panel. Section 3 provides that U.S. District Courts shall have exclusive jurisdiction to enforce awards rendered by Arbitral Tribunals under the Convention. It also provides for enforcement of the pecuniary obligations imposed by such awards.

The Secretary of State joins me in submitting this bill to the Congress. It is the belief of both of us that the Convention will add significantly to the legal protection now available for private foreign investment. We recommend enactment of the proposed legislation as soon as possible.

It would be appreciated if you would lay the draft bill before the House of Representatives. A similar bill has been transmitted to the President of the Senate.

The Department has been advised by the Bureau of the Budget that enactment of this proposal would be consistent with the Administration's objectives.

Sincerely yours,

HENRY H. FOWLER.

H.R. 15785

A bill to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, signed on August 27, 1965, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Convention on the Settlement of Investment Disputes Act of 1966."

SEC. 2. The President may make such appointments of representatives and panel members as may be provided for under the convention.

SEC. 3. (a) An award of an arbitral tribunal rendered pursuant to chapter IV of the Convention shall create a right arising under a treaty of the United States. The pecuniary obligations imposed by such an award shall be enforced and shall be given the same full faith and credit as if the award were a final judgment of a court of general jurisdiction of one of the several States. The Federal Arbitration Act (9 U.S.C. 1 et seq.) shall not apply to enforcement of awards rendered pursuant to the Convention.

(b) The district courts of the United States (including the courts enumerated in 28 U.S.C. 460) shall have exclusive jurisdiction over actions and proceedings under paragraph (a) of this section, regardless of the amount in controversy.

ADDRESS BY PRESIDENT OF MEXICO

Mr. CHELF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a speech by President Diaz Ordaz, of Mexico.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, it was my pleasure on April 18, 1966, to insert in the CONGRESSIONAL RECORD the texts of the speeches made by President Lyndon B. Johnson during his visit to Mexico City on April 14 and 15.

I was privileged to be one of those chosen for the official delegation from the Congress to accompany the President on this trip made upon the occasion of the unveiling of a statue of Abraham Lincoln given to Mexico by the United States.

I requested the text of the speeches made by the President of Mexico, the Honorable Gustavo Diaz Ordaz, during that visit with the thought that it would be appropriate to place them, also, in the RECORD. I received copies of the speeches from President Diaz Ordaz and upon checking into the matter, I learned that my good friend, Senator MIKE MANSFIELD, who was in the official delegation from the Senate to make the trip to Mexico, had already inserted in the RECORD the welcoming speech of President Diaz Ordaz. Therefore, I am including, at this time, the remarks made by the President of Mexico at the luncheon given at his official residence "Los Pinos": This function was highly delightful. The grace and charm of Mrs. Diaz Ordaz was exceeded only by her hospitality and the friendship manifested by both she and the President of our splendid neighboring country Mexico. Viva Estados Unidos y Mexico siempre.

SPEECH BY PRESIDENT DÍAZ ORDAZ

Mr. President and Friend of Mexico, and our personal friend, the distinguished Johnson family, distinguished members of President Johnson's party, ladies and gentlemen:

First of all, I want to ask the one who is becoming an old acquaintance and my friend, President Johnson's extraordinary interpreter, to be good enough to translate into English the few words I am going to say on this occasion.

(In giving the interpretation, Mr. Barnes omitted President Díaz' praise of him. This led the Mexican President to add: "And my request?" Then he went on to say: "I don't speak English, but I know when they trick me." Both remarks caused laughter among those present. The Chief of State insisted: "Translate that also, please." President Díaz Ordaz then went on.)

I was in the midst of the election campaign when the foreign correspondents accredited to Mexico asked me to grant them a press conference—those dangerous, terrifying press conferences where one is bombarded with questions; where one has the best intention in the world, the most sincere, the most honest, desire to inform the public; and where some reporter maliciously tries to catch the person questioned in an error. (Applause and laughter.)

Among the questions put to me, and in connection with the fact that, since the beginning of the election campaign, many jokes had been made, which, to my honor, were concerned basically with my personal homeliness, a lady reporter asked me if these jokes did not bother me. I replied saying that I had learned from history of the example of a man whose elevation to the highest office of his country, that of the President of the Republic, had been opposed on the ground that he was homely; and that I would be very proud if I, even though homely, could serve my country as effectively, loyally, and brilliantly, as that man did. The man was Abraham Lincoln. (Applause.)

"That homely man is the one who brings us together today, in the capital of the Mexican Republic, to pay to him the sincere, enthusiastic tribute of the government and people of the United States and the people and government of Mexico.

"But since, in addition, in the modest house in which I was born and lived my early years there was water and there were mirrors, I added in my reply to the reporter that we Poblanos—as those of us who were born in the State of Puebla are called—are accused of being insincere, which we Mexicans illustrate by saying that we are two-faced—certainly a very unjust reputation because, with the exception of a few not very honorable exceptions, the Poblanos are not like that.

"Then I asked the reporter's permission to answer her question with another question, saying: "Do you think that if I had two faces, I would use this one for my campaign pictures? (Laughter and applause.)

These matters about which I have been speaking, and which, happily, have amused you, I have mentioned in honor of our distinguished guests, because we want them to enjoy themselves and to feel at home, and so the toast I now have the honor to make is in the style in which the Americans make toasts.

If it were of the kind that some people consider "Mexican style," I would have confined myself to talking about blood, suffering, and death. (Laughter and applause.)

I think that this is the reason why toasts are so well received in the United States and why people look so unhappy in Mexico when someone gives an after-dinner speech. I shall now go on to that painful part. (Laughter.)

I want to express, in behalf of the Mexican people and government—rather, to reiterate, because the Minister of Foreign Relations already expressed our feeling at this morning's ceremony—our gratitude for the beautiful statue that has been given to the Mexican people.

Thank you, because it is a work of art in itself; it is a magnificent expression in the form of sculpture if we consider its classical value; but to us it represents the Lincoln whose face we first saw when we were small, in pictures in books, or whom we have known through stories of his life or his great deeds as the leader, the great leader, of the country which is our friend, the United States.

And thank you, also, Mr. President and the people of the United States, for as you cross the Rio Grande again and return to your country, you will have left behind you one more source of pride for us who live in this city, because the addition of the statue of Lincoln to this beautiful park has—I can tell you with pride—made our beautiful city even lovelier.

If you will permit me, I should like to take advantage of this occasion to express our very deep and sincere gratitude to two men whom the Mexicans will remember perhaps for many years, because they have raised their voices in support of Mexico—if I am omitting someone, I beg those of you who are omitted to forgive me, because it has not been intentional, but those to whom I refer are present, that is to say, Senator MANSFIELD and Thomas Mann. (Applause.)

On the previous occasion when I had the pleasure of talking with you, Mr. President and when you did me the honor of offering the hospitality of your ranch in Texas, after we had finished our discussion of various subjects, I said to you: I feel that I know the Mexican spirit; that I am aware of what my people feel; of those people whom you saw last night and who are making brave efforts to attain a higher standard of living in every respect; but who, if some day destiny should put them in the horrible position of having to choose between prosperity and liberty, these Mexican people, I say, driven by what is deepest in their being, will choose liberty over prosperity, because we Mexicans prefer to live and die poor but free, rather than prosperous but enslaved.

Although proud of our freedom, we are well aware that this anguished world must permit us to combine prosperity with freedom and to see that the modest material well-being of which I spoke yesterday at the airport, to which all men aspire: a roof over our heads, decent clothing, food and schooling for all, and opportunities without distinction as to color, race, religion, or political ideas, is an ideal that we must realize some day; and if not we, or our children's children, then our grandchildren's grandchildren will indeed have to achieve it on this planet. (Applause.)

We are proud and jealous of our dignity, our independence, and our freedom, but all of you, Mexico's distinguished visitors, saw last night that we are also capable of offering cordial, enthusiastic, loyal friendship to our friends.

And if I say this to you, to the wonderful people who last night poured into the streets from the airport to Chapultepec Park. I proudly say from here: Mexican people, this is the way the battles of friendship are won. (Applause.)

President Johnson, Lady Bird, the beautiful Misses Johnson, Mr. Secretary of State, Senators, Representatives, Mr. Ambassador, ladies, I raise my glass in a toast to the Johnson family—who have been so cordially welcomed in our home, which is not an exceptional home, but one like thousands, millions of other homes in Mexico—wishing them much personal happiness, and wishing that the people of the United States, our friends, may progress, live in peace, and attain happiness. And I also hope that the friendship between our two nations may be lasting, steadfast, and sincere. To your health.

(Loud applause was heard in the hall as President Diaz Ordaz finished his speech and joined in a toast with his distinguished guests.)

H.R. 14026: THE CERTIFICATES OF DEPOSIT BILL DRAWS LETTERS FROM THE SAVINGS AND LOAN INDUSTRY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, to date I have received 214 letters from savings and loan associations in every section of the country concerning the serious situation existing in the money market, caused by the Federal Reserve Board's decision of December 6, 1965, to raise Regulation Q from 4 to 5½ percent, an inflationary rise of 37½ percent.

This action of the Fed, more than any previous action of recent years, has caused serious damage to the thrift industry, the homeowning public, the homebuilding industry, small commercial banks, and the real estate industry. The mortgage market is in as tight a condition as it has been in over 30 years. It is now impossible for families to obtain credit for homeownership. This action of the Federal Reserve Board has done damage to untold millions, destroying the hopes of homeownership for hundreds of thousands, causing a great outflow of savings from the savings and loan industry and making it face its most troublesome period in over 30 years, and causing a disastrous decline in the building of new homes.

Mr. Speaker, I am inserting in the RECORD a list of savings and loan associations who have written to me expressing concern over the difficulties caused by the increased use of small denomination, high-interest-rate certificates of deposit; also I am inserting excerpts from some of these letters representing the effects experienced by savings and loan across the country.

ALABAMA

Alabama Savings & Loan League, Montgomery, Alabama.

First Federal Savings & Loan Association, Hamilton, Alabama.

Jefferson Federal Savings & Loan Association, Birmingham, Alabama.

ARIZONA

American Savings & Loan Association, Tucson, Arizona.

ARKANSAS

Southern Federal Savings and Loan, Pine Bluff, Arkansas.

CALIFORNIA

Aetna Savings & Loan Assn., Long Beach, California.

Bay View Federal Savings & Loan Association, San Francisco, California.

Belmont Savings and Loan Association, Long Beach, California.

Citizens Federal Savings & Loan Association, San Francisco, California.

Broadway Federal Savings & Loan Association, Los Angeles, California.

Foothill Savings & Loan Association, Roseville, California.

Gibraltar Savings & Loan Association, Beverly Hills, California.

Glendale Federal Savings & Loan Association, Glendale, California.

Goleta Savings & Loan Association, Goleta, California.

Guardian Savings & Loan Association, Oxnard, California.

Industrial Savings and Loan Association, South San Francisco, California.

Marina Federal Savings, Los Angeles, California.

Newport Balboa Savings & Loan Association, Newport Beach, California.

Pacific Savings & Loan Association, Downey, California.

Premier Savings and Loan Association, Orange, California.

Santa Barbara Savings and Loan Association, Santa Barbara, California.

Southern Federal Savings and Loan Association, Los Angeles, California.

Tamalpais Savings and Loan Association, Corte Madera, California.

Thrift Federal Savings and Loan Association, Oakland, California.

Victoria Savings and Loan Association, Riverside, California.

Citizens Federal Savings & Loan Association, San Jose, California.

COLORADO

Capitol Federal Savings, Denver, Colorado.

First Federal Savings & Loan Association, Pueblo, Colorado.

Modern Savings and Loan Association, Grand Junction, Colorado.

Sheridan Savings & Loan Association, Denver, Colorado.

FLORIDA

Cape Kennedy Federal Savings and Loan Association, Cocoa, Florida.

First Federal Savings and Loan Association, Delray Beach, Florida.

First Federal Savings and Loan Association, Titusville, Florida.

Flagler Federal Savings and Loan Association, Miami, Florida.

Ormond Beach Federal Savings and Loan Association, Ormond Beach, Florida.

Security Federal Savings and Loan Association, Winter Park, Florida.

Tampa Federal Savings, Tampa, Florida.

University Savings and Loan Association, Coral Gables, Florida.

Winter Park Federal Savings and Loan Association, Winter Park, Florida.

GEORGIA

Family Federal Savings and Loan Association, Macon, Georgia.

First Federal Savings and Loan Association, Cedartown, Georgia.

First Federal Savings and Loan Association, Statesboro, Georgia.

First Federal Savings and Loan Association, Valdosta, Georgia.

Gwinnett Federal Savings and Loan Association, Lawrenceville, Georgia.

Home Federal Savings and Loan Association, Gainesville, Georgia.

Newnan Federal Savings and Loan Association, Newnan, Georgia.

Home Federal Savings and Loan Association, Augusta, Georgia.

HAWAII

Island Federal Savings and Loan Association, Honolulu, Hawaii.

Savings and Loan League of Hawaii, Honolulu, Hawaii.

ILLINOIS

Avon Savings and Loan Association, Avon, Illinois.

Chicago Federal Savings and Loan Association, Chicago, Illinois.

Clyde Savings and Loan Association, Cicero, Illinois.

Greater Belleville Savings and Loan Association, Belleville, Illinois.

Hanover-Wayne Savings and Loan Association, Bartlett, Illinois.

Morton Savings and Loan Association, Morton, Illinois.

Park Ridge Federal Savings and Loan Association, Park Ridge, Illinois.

Prospect Federal Savings, Chicago, Illinois.

Wood River Savings and Loan Association, Wood River, Illinois.

INDIANA

Anderson Loan Association, Anderson, Indiana.

First Federal Savings and Loan Association, Kokomo, Indiana.

First Federal Savings and Loan Association, Richmond, Indiana.

Indiana Loan and Savings Association, Noblesville, Indiana.

Mooresville Federal Savings and Loan Association, Mooresville, Indiana.

Mutual Federal Savings and Loan Association, Bloomington, Indiana.

Perpetual Savings Association, Lawrenceburg, Indiana.

Steel City Federal Savings and Loan Association, Gary, Indiana.

IOWA

First Federal Savings and Loan Association, Fort Dodge, Iowa.

Home Federal Savings and Loan Association, Fort Dodge, Iowa.

KANSAS

American Savings Association of Wichita, Wichita, Kansas.

First Federal Savings and Loan Association, Winfield, Kansas.

Goodland Savings and Loan Association, Goodland, Kansas.

Kinsley Savings and Loan Association, Kinsley, Kansas.

Southwest Federal Savings and Loan Association, Wichita, Kansas.

KENTUCKY

First Federal Savings and Loan Association, Ashland, Kentucky.

MAINE

Hallowell Loan and Building Association, Hallowell, Maine.

MARYLAND

Arundel Federal Savings and Loan Association, Baltimore, Maryland.

Premier Building Association, Baltimore, Maryland.

Westview Federal Savings and Loan Association, Baltimore, Maryland.

MASSACHUSETTS

Dorchester Minot Cooperative Bank, Dorchester, Massachusetts.

Beverly Cooperative Bank, Beverly, Massachusetts.

Merchants Cooperative Bank, Boston, Massachusetts.

North Abington Cooperative Bank, Inc., North Abington, Massachusetts.

Springfield Federal Savings and Loan Association, Springfield, Massachusetts.

MICHIGAN

First Federal Savings and Loan Association, Owosso, Michigan.

First Federal Savings and Loan Association of Oakland, Pontiac, Michigan.

Michigan Savings and Loan League, Lansing, Michigan.

Metropolitan Federal Savings, Detroit, Michigan.

Michigan Savings and Loan League, Lansing, Michigan.

MINNESOTA

First Federal Savings and Loan Association, Brainerd, Minnesota.

First Federal Savings and Loan Association, Willmar, Minnesota.

Home Federal Savings, Minneapolis, Minnesota.

Minneapolis Federal Savings and Loan, Minneapolis, Minnesota.

Moorhead Federal Savings and Loan Association, Moorhead, Minnesota.

Owatonna Savings and Loan Association, Owatonna, Minnesota.

Peoples Federal Savings and Loan Association, Minneapolis, Minnesota.

Savings and Loan League of Minnesota, Minneapolis, Minnesota.

United Federal Savings and Loan Association, South St. Paul, Minnesota.

Washington Federal Savings and Loan Association, Stillwater, Minnesota.

MISSISSIPPI

First Federal Savings and Loan Association, Jackson, Mississippi.

MISSOURI

Carondelet Savings and Loan Association, St. Louis, Missouri.

Central Federal Savings and Loan Association, Rolla, Missouri.

Community Federal Savings and Loan Association, St. Louis, Missouri.

Joplin Federal Savings and Loan Association, Joplin, Missouri.

Mark Twain Savings and Loan Association, Hannibal, Missouri.

MONTANA

First Federal Savings and Loan Association, Great Falls, Montana.

First Federal Savings and Loan Association, Kalispell, Montana.

Montana Savings and Loan League, Great Falls, Montana.

NEBRASKA

Columbus Savings and Loan Association, Columbus, Nebraska.

NEW JERSEY

Boonton-Mountain Lakes Savings and Loan Association, Boonton, New Jersey.

Newark Federal Savings and Loan Association, Newark, New Jersey.

NEW MEXICO

Albuquerque Federal Savings and Loan Association, Albuquerque, New Mexico.

NEW YORK

Columbia Savings and Loan Association, Woodhaven, New York.

Dollar Savings Bank, Bronx, New York.

Eastman Savings and Loan Association, Rochester, New York.

First Federal Savings and Loan Association, Hamburg, New York.

First Federal Savings and Loan Association, Middletown, New York.

First Federal Savings and Loan Association, Fort Jervis, New York.

Geddes Savings and Loan Association, Syracuse, New York.

Home Federal Savings and Loan Association, Ridgewood, Brooklyn, New York.

Hudson Savings and Loan Association, Hudson, New York.

Island Federal Savings and Loan Association, Hempstead, New York.

Mamaroneck Federal Savings and Loan Association, Mamaroneck, New York.

Serial Federal Savings and Loan Association, New York, New York.

South Short Federal Savings and Loan Association, Massapequa, New York.

Washington Heights Federal Savings and Loan Association, New York, New York.

Woodside Savings Loan Association, Long Island City, New York.

NORTH CAROLINA

Community Federal Savings and Loan Association, Burlington, North Carolina.

Enfield Savings and Loan Association, Enfield, North Carolina.

Home Federal Savings and Loan Association, Kinston, North Carolina.

Home Savings and Loan Association, Salisbury, North Carolina.

Martin County Savings and Loan Association, Williamston, North Carolina.

North Carolina Savings and Loan Association, Albermarle, North Carolina.

North Carolina Savings and Loan Association, Charlotte, North Carolina.

Peoples Savings and Loan Association, Whiteville, North Carolina.

Sanford Savings and Loan Association, Sanford, North Carolina.

NORTH DAKOTA

First Federal of Fargo, Fargo, North Dakota.

Metropolitan Savings & Loan Association, Fargo, North Dakota.

OHIO

The Broadview Savings & Loan Company, Cleveland, Ohio.

Cleveland Federal Savings & Loan Association of Cuyahoga County, Cleveland, Ohio.

Home Federal Savings & Loan Association of Lakewood, Lakewood, Ohio.

Gem City Savings Association, Dayton, Ohio.

Mansfield Building & Loan Association, Mansfield, Ohio.

Ohio Home Builders Association, Columbus, Ohio.

Washington Federal Savings & Loan Association, University Heights, Ohio.

OKLAHOMA

First Federal, Elk City, Oklahoma.

First Federal Savings & Loan Association, Seminole, Oklahoma.

State Federal Savings, Tulsa, Oklahoma.

Tahlequah Savings & Loan Association, Tahlequah, Oklahoma.

Tulsa Federal Savings & Loan Association, Tulsa, Oklahoma.

PENNSYLVANIA

Charleroi Federal Savings & Loan Association, Charleroi, Pennsylvania.

Crusader Savings & Loan Association, Philadelphia, Pennsylvania.

First Federal Savings & Loan Association of Lansdale, Lansdale, Pennsylvania.

First Federal Savings & Loan Association of New Castle, New Castle, Pennsylvania.

First Federal Savings & Loan Association of Pittsburgh, Pittsburgh, Pennsylvania.

Marquette Building & Loan Association, Erie, Pennsylvania.

Metropolitan Federal Savings & Loan Association, Philadelphia, Pennsylvania.

Olney Federal Savings & Loan Association, Philadelphia, Pennsylvania.

Peoples Federal Savings & Loan Association, North Wales.

York Federal Savings & Loan Association, York, Pennsylvania.

SOUTH CAROLINA

Anderson Savings and Loan Association, Anderson, South Carolina.

First Federal Savings & Loan Association, Charleston, South Carolina.

First Federal Savings & Loan Association, Darlington, South Carolina.

First Federal Savings & Loan Association, Sumter, South Carolina.

South Carolina Savings & Loan League, Columbia, South Carolina.

SOUTH DAKOTA

First Federal Savings & Loan Association, Beresford, South Dakota.

TENNESSEE

First Federal Savings & Loan Association, Johnson City, Tennessee.

First Federal Savings & Loan Association, Memphis, Tennessee.

Kingsport Federal Savings & Loan Association, Kingsport, Tennessee.

Lawrenceburg Federal Savings & Loan Association, Lawrenceburg, Tennessee.

Morristown Federal Savings & Loan Association, Morristown, Tennessee.

TEXAS

Bay City Federal Savings & Loan Association, Bay City, Texas.

Brazosport Savings & Loan Association, Freeport, Texas.

Brownsville Savings & Loan Association, Brownsville, Texas.

Center Savings Association, Houston, Texas.

Clear Lake Savings Association, Houston, Texas.

Cleburne Savings and Loan Association, Cleburne, Texas.

Colorado County Federal Savings & Loan Association, Columbus, Texas.

Corpus Christi Savings & Loan Association, Corpus Christi, Texas.

Exchange Savings and Loan Association, Dallas, Texas.

First Federal Savings and Loan Association, Amarillo. Texas.

First Federal Savings & Loan Association, Big Spring, Texas.

First Federal Savings & Loan Association, Waco, Texas.

First Savings Association, Port Neches, Texas.

First Savings & Loan Association, Alvin, Texas.

Guaranty Federal Savings & Loan Association, Galveston, Texas.

Heights Savings Association, Houston, Texas.

Karnes County Savings & Loan Association, Karnes City, Texas.

Lamar Savings Association, Austin, Texas.

Lancaster First Federal Savings & Loan Association, Lancaster, Texas.

Leader Savings & Loan Association, Dallas, Texas.

Mainland Savings Association, Texas City, Texas.

Mid Coast Savings & Loan Association, Edna, Texas.

North Plains Savings & Loan Association, Dumas, Texas.

Rusk Federal Savings & Loan Association, Rusk, Texas.

Sherman Savings & Loan Association, Sherman, Texas.

Spring Branch Savings & Loan Association, Houston, Texas.

Surety Savings Association, Houston, Texas.

Tulia Savings & Loan Association, Tulia, Texas.

Tyler Savings & Loan Association, Tyler, Texas.

Universary Savings & Loan Association, Houston, Texas.

VIRGINIA

Emporia Federal Savings & Loan Association, Emporia, Virginia.

First Federal Savings & Loan Association, Danville, Virginia.

Franklin Federal Savings & Loan Association, Richmond, Virginia.

WASHINGTON

Pacific First Federal Savings & Loan Association, Tacoma, Washington.

Shoreline Savings Association, Seattle, Washington.

Yakima Federal Savings & Loan Association, Yakima, Washington.

WISCONSIN

Atlas Savings & Loan Association, Milwaukee, Wisconsin.

Badger Federal Savings & Loan Association, Milwaukee, Wisconsin.

Equitable Savings & Loan Association, Milwaukee, Wisconsin.

Milwaukee Federal Savings & Loan Association, Milwaukee, Wisconsin.

North Short Savings & Loan Association, Milwaukee, Wisconsin.

Racine Savings & Loan Association, Racine, Wisconsin.

Wisconsin Savings & Loan League, Milwaukee, Wisconsin.

First Federal Savings & Loan Association, Racine, Wisconsin.

Aetna Savings & Loan Association, Long Beach, Calif.:

It is our understanding that as Chairman of the House Banking and Currency Committee you are considering possible legislation imposing limitations on the use of certificates of deposit by commercial banks. As an institution that has suffered the loss of more than 7% of total savings since March 28, 1966, we wish to urge in the strongest terms possible that Congressional action be taken now, without delay, to avert what could be irreparable damage to thrift institutions and related businesses.

* * * * *

California savings and loan associations have long been the principal source of residential mortgage credit, accounting for more than 70% of all institutional home financing in this state in 1965. Heavy withdrawals due to our competitive rate disadvantage have resulted in a sharp decline in funds available for mortgage lending, which if continued will adversely affect not only our institutions, but also related businesses, such as home builders, realtors, workers in the building trades, manufacturers and distributors of building materials and home appliances, title insurance companies, etc. Builders and brokers with whom we do business are complaining bitterly that they are either unable to obtain needed financing or the cost is prohibitively high.

Broadway Federal Savings & Loan Association, Los Angeles, Calif.:

For years, the savings and loan industry has supplied the building constructors with funds to help the residential growth of our country. Suddenly to be told that there is no financing possible would, in part, weaken public confidence. I am appealing to you, as one of the officials of our government who is concerned with our financial strength and our service to the public, to seriously consider the cumulative effect the present financial stringency would have on the public.

It would be too late to wait until the public confidence has been lost to attempt to remedy this situation. If we are to maintain the strength of both the savings and loan and the commercial banks, some governmental action must be taken at once to prevent this loss of faith. It isn't possible in our economy to injure the savings and loans without the banks being likewise affected. For the great banking institutions to enter the market of the small saver and pay them through Certificates of Deposit or other methods, greater interest than can be paid successfully by savings institutions, is unfair competition.

Banks should be permitted to pay the higher interest rates on deposits of $100,000.00 or more only. The savings industry is shackled sufficiently by the regulations insisted upon or imposed by the banking influence. To permit the great commercial banks to bid for the small investors' account will weaken both the banks and the savings and loans.

Bay View Federal Savings & Loan Association, San Francisco, Calif.:

While we are all exponents of the free enterprise system, we unfortunately, at times must come to the conclusion that any time any segment of business fails to regulate itself, it will be regulated either through legislation or regulation.

Whatever action you take to control this irresponsible use of C. D.'s by commercial banks, I am sure will be appropriate.

Capitol Federal Savings, Denver, Colo.:

The real problem here is that while the money has found its way into the bank CD's, it has not come back into the mortgage market in the form of funds used to supply the construction of housing. There is virtually no mortgage money available in the Denver metropolitan area and we forsee a rather severe recession here in late summer and early fall because of the expected lack of construction, unemployment and lack of business suffered by all those affiliated in one form or another with the construction industry.

First Federal Savings & Loan Association, Titusville, Fla.:

We urge you to act immediately to curb the spreading rate war in the savings market as a result of high rate, consumer-size certificates of deposit, by adoption of HJR 1148.

Builders (and new home buyers) in this area are suffering terribly from high interest rates and the dearth of mortgage money. Something must be done to relieve this unfortunate situation. We earnestly solicit your support of this Bill.

First Federal Savings & Loan Association, Cedartown, Ga.:

We here are very much concerned about the money situation in regards to the bank CD's on small denominations. We feel very strong if this is allowed to continue it will drastically effect thrift and home ownership of which I am sure you will agree is a large part of our economy system. As you are aware that our industry has been financing about 40 to 45% of all the homes in this country for a number of years and this percentage holds about true here in our area. In fact, in the past three years this small association has made 752 home loans amounting to $5,847,000, which as you see is a vital part of our economy. Our county population is around 28,000 and Cedartown is the county seat with about 10,000 population.

Avon Savings & Loan Association, Avon, Ill.:

I am of the opinion that your committee is strictly on the right track—first, in increasing your reserve requirement on the upper range of certificates of deposit that are negotiable. While these certificates are not money, they are serving the purpose of money in being the obligation of the issuing bank, and they have the added appearance of borrowed money but are not so stated in the financial statement—namely, deposit liability.

Your second proposal, that is as to maturity of the certificates is undoubtedly a good thing because it takes the certificates out of the category of "money."

The third thing that you mention relative to the ceiling limit of 4½% for both passbook and time deposits of all denominations under $100,000 is certainly correct, with 5½% limit under regulation "Q" for certificates of over $100,000. This regulation brings negotiable certificates in the right category and savings deposits in the right category, and I wish to compliment you on your study of the evidence that you have collected, and I hope for an early enactment of the legislation by both House and Senate.

Now I know by a study of the market, and I refer to the quotations in the "American Banker" that the New York banks are on the street, bidding 5½% for deposits; and I also note that they are resorting to borrowing of reserves. If they think that they can make money by paying 5½% for deposits, that is strictly their business. But I don't "go for borrowed reserves" in any sense of the word.

Greater Belleville Savings & Loan Association, Belleville, Ill.:

The first item on the agenda would be to convince the bankers that the transfer of money between Savings and Loan Associations and the banks is in actuality a transfer of funds from the demand deposits account of the association which exists at some local banks to the time deposit account of possibly this same bank or some other bank. The net effect and end result of this shift of money from demand deposits into time deposits acts as a depressant on the nation, slowing down economic activity and retarding economic growth.

The second item is that we must convince the banker that Savings and Loan Associations and banks are two different and distinct animals. The Savings and Loan Associations are financial intermediaries, that is to say they act as an intermediary between the saver and the borrower. The banker is not the same thing. The banker is the saver and the borrower. Whatever funds the saver or the borrower has, is in the hands of the bank.

The third and most important item, is that we must convince the banker that when the Savings and Loan Associations grow, the banks grow. From the end of 1939 to the end of 1959, the Mutual Savings Banks grew by $27.1 billion; Savings and Loan Associations, by $57.9 billion; and Life Insurance Companies, by $84.4 billion. Those are the three largest financial intermediaries, and their combined growth was $169.4 billion, or $10 billion less than the Commercial Banks alone grew in the twenty-year period.

First Federal Savings & Loan Association, Fort Dodge, Iowa:

We are only a small 30,000 population town 90 miles north of our big metropolitan area of Des Moines but the effects of rate changes are quick and dramatic.

A few months ago the prevailing rate on passbook savings in Iowa was 4% to 4-⅛% from S and L's and 4% from banks. A few banks were offering 4-½% on 1-year CD's. Ample funds were coming in to both banks and S and L's and interest rates on home mortgages was 5-¾ to 6%. Most of us were also in the FHA and GI markets with modest discounts of 1 or 2 points. We were in healthy balance.

Then when Regulation Q was changed a handful of banks in some of our larger cities made a move to 5% on consumer-size CD's, using a small minimum, paying quarterly and renewing automatically. Many small country banks felt they had to follow for self-preservation. The S and L's stayed at 4% to 4-⅛% with some moves to 4-¼% with 4-½% on year certificates.

With a low-yielding portfolio of long-term home mortgages most of us can barely pay 4-¼% and hold our reserve ratio intact and at 4-½% our reserve ratio will probably decline. Yet, we are faced with 5% bank CD's, paying quarterly, so the large city S and L's are probably moving up to 4-½% on passbook savings.

Because we cannot afford to pay 4-½% we are planning to stay at 4% if our local banks in Fort Dodge do not panic and move up from their 4% CD rate. Not knowing what to expect in withdrawals from money seeking a higher rate that will be available in Des Moines, we had to reduce our loan volume by withdrawing from the FHA, GI, Insured Conventional, Commercial, Out-of-Town Loans, and Income Property markets. We reduced our loan to value ratio from 80% to 75% and our mortgage rate was raised from 5-¾% to 6-¼%.

This will reduce our volume at least 50% and will seriously affect our housing market, both new and existing. A simple move of putting a floor of perhaps $20,000 or $25,000 under the bank CD's would have averted this housing crisis.

American Savings Association, Wichita, Kans.:

We urgently encourage passage of legislation that would establish a 4½% maximum rate on commercial bank certificates of deposit issued in amounts of less than $100,000. We are convinced this would relieve the pressure on our business and it would also give needed relief to a great many commercial banks that cannot advantageously enter the competition for time deposits at high interest rates.

A continued drain on savings from thrift institutions will cause serious repercussions in the residential building business and all related industries. If this important segment of our economy is severely crippled, it would take years for it to recover.

Beverly Cooperative Bank, Beverly, Mass.:

We in the Savings and Loan business believe that Certificates of Deposits in larger amounts would help stop the drain on our industry and give us a chance to service the home-financing field which, of course, is our business.

We certainly hope that your committee will be able to develop new legislation which will assist our industry to carry on its policy of thrift and home-financing.

Dorchester Minot Cooperative Bank, Dorchester, Mass.:

Statements have been made by certain members of the Federal Reserve Board of Governors in opposition to such limitations. Apparently these men are not fully aware of the impact of the current C of D rate war. I enclose for your consideration an advertisement appearing in the Boston Traveler, Wednesday, June 8, 1966. I submit that the effect of this sort of advertising is as follows:

(1) Because of its appeal to the small saver it is provoking a continued drain of funds from mutual savings associations;

(2) It is having a harmful effect on the home building and construction industries by reducing the amount of loanable funds available, the impact of which is only now beginning to be felt;

(3) It inspires rash rate competition between the banks themselves, as well as between savings associations and banks;

(4) Rather than dampening inflationary pressures, as has been contended by one member of the Board of Governors, it adds more fuel to the fire, by forcing those banks paying the higher rates into ever more risky high-rate commercial loans.

Another member of the Board of Governors has stated that higher rates are stimulating an increase in savings. This contention does not appear to match up with latest published data for the year 1966 to date.

Michigan Savings & Loan League, Lansing, Mich.:

In behalf of the savings and loan business in Michigan, I am writing to urge your strong support of legislation to establish controls over commercial bank certificates of deposit.

Our concern over the developments surrounding the usage of the CD instrument is not limited to its intrusion into the consumer savings market. In a broader sense we have a strong concern for the possible serious impairment to the monetary system that may develop if proper regulation is delayed. This evaluation finds support in the serious liquidity condition faced by a number of large commercial banks last December prior to the increase in the CD rate ceiling. As you know, the liquidity crisis caused by large amounts of maturing CD's was averted only through relief granted by the Federal Reserve in the form of a rate ceiling boost to 5½% on time deposits.

First Federal Savings & Loan Association of Willmar, Willmar, Minn.:

We congratulate you on your efforts in placing the bank CDs in their proper perspective. The commercial banks have at their disposal savings passbooks as we do to promote savings for mortgage lending. The passbook savings, which is the true thrift and savings media, has been neglected and can be modernized to the same high-plane that it has been in the thrift industry. The CD has been designed for another purpose and should be restricted by legislation, to that purpose.

First Federal Savings & Loan Association, Kalispell, Mont.:

(1) The action of the Federal Reserve Board in raising ceilings on C.D.'s to 5½% and leaving the minimum amount without control thereby giving commercial banks a long and distinct advantage over other home financing institutions such as our own association.

(2) As a result of (1) above we are in a very rough competing position with local commercial banks. Any further raise on rate by First Federal would only trigger a rate war which we could not win (and it would not be good business for anyone if we could do so).

(3) As a result of (2) above, our savings flow is not what it should be and likewise insufficient to meet our demand for home loan financing.

(4) Therefore, as in the past we must look to our line of lending credit at our Federal Home Loan Bank. But we find the said credit practically dried up for lending purposes, due to Federal Home Loan Bank policy of restriction on mortgage expansion credit to the various savings and loan associations (necessitated by heavy savings withdrawals and loan funds demand).

Now we come right back to the point of beginning: Until reasonable control is placed on commercial bank rate and use of C.D.'s we will continue to have the imbalance in the financial system that is costing the home owner too high interest rates, when he can get a loan.

At the same time the present situation is discouraging normal savings flow into our various savings institutions, from whence the great bulk of all long term home loan financing originates. Furthermore, the irony of it all forces the Federal Home Loan Bank to continually go on the market to try to provide the funds for homes, whereas we should be taking this money in over our counter at a rate within reason, and keeping our loan rates down likewise. This would help to offset inflation right at home.

* * * * *

If the Federal Reserve Board would revise their present regulation for ceiling on commercial bank C.D. rates to 4½% on 1 year C.D.'s up to $25,000.00, and on 1 year C.D.'s over $25,000.00 a ceiling of 5½%. In fact, it should be a minimum of at least $50,000.00 or more to qualify for the 5½% in order to keep a real balance. If this is not done, we will only be getting 'stop-gap' regulations that will attempt to better the present situation, but will not do the real job needed in curbing loan rates, getting homes for these people, and holding inflation.

Home Federal Savings & Loan Association of Kinston, Kinston, N.C.:

Speaking for Home Federal Savings and Loan Association and many other association managers in Eastern North Carolina, we are quite concerned over the commercial banks' present use of CD accounts. We feel very strongly that some curb should be placed on consumer-size CD's.

We here in Kinston have experienced considerable losses of our passbook savings to our local banks on this small consumer-size CD. In fact, the withdrawals have been so heavy that we have had to discontinue accepting new mortgage loan applications. Based on information available to me, this is the situation pretty much throughout the state of North Carolina.

If this trend continues, we feel that we will be out of the mortgage loan market until 1967. I am sure you know what this can mean to our local economy. Last year, our association loaned six million dollars in mortgage loans in our area. It now appears that we will lend less than three million in 1966.

Mansfield Building & Loan Association, Mansfield, Ohio:

The largest local commercial bank has siphoned off $25,176,210 from savings & loan associations and other sources in this area during the last two years . . . not surprising since the high rate on CD's authorized by the Federal Reserve Board is an invitation to commercial banks to make a raid on savings accumulated by Savings & Loan Associations.

State Federal Savings, Tulsa, Okla.:

I have read many articles appearing in trade journals, as well as AP and UPI reports across the nation concerning mortgage conditions, and am sorry to learn that not only here in Tulsa but generally everywhere the home mortgage industry is in a deplorable condition. In Tulsa, home mortgages, unless commitments were obtained in the early part of this year, are practically nonexistent. A small amount of mortgage money is available at 70% of appraised value, at 6¼% to 6½% interest plus a 2% loan fee. Ninety per cent of the buying public is forced out of the market by these terms. Many builders have speculative houses on hand that they are not able to sell because no loans are available. There are some 2,000 newly developed lots that are not salable because almost no construction money is available in Tulsa. I do not lay the entire blame on the local 5½% C.D. rate, but we do know that hundreds of thousands of dollars have gone out of the savings and loans into these high yielding certificates. In checking around at the commercial banks, I find that the only mortgage loan they are interested in making is on a 90-day note, with a mortgage filed as security, with the borrower having the opportunity to renew that note every 90 days at a possibly higher rate of interest until he is able to secure financing elsewhere. The borrower has to be a preferred customer of the bank to get even this type of financing. This is the thing that bothers me—the commercial banks are draining the savings, even from the small saver, and not placing the money into mortgage lending but only using it for high yielding short term loans. It is my sincere opinion that the C.D.'s should be restricted to a minimum of $25,000, which would help tremendously from taking the $5,000 and $10,000 savings customer out of our institutions.

I can say that I am not in favor of increasing dividends across the board, nor am I too enthusiastic about the variable rate that the Federal Home Loan Bank is proposing for the industry. I do think that some type of allowance should be made for the customer who has already been on our books for, say, three years or longer, with an allowance of an additional ½% above the regular dividend rate.

American Savings & Loan Association, New York, N.Y.:

Our type of institutions are now reduced to a "Weak Sister" role in that we cannot acquire new funds from the public because of our inability to pay a rate comparable to that of the "C.D." Accordingly, we do not have the funds to invest in mortgage loans on 1 and 2 family residential real estate, hence, the prospective home purchasers and builders are being rejected on applications for said funds, not because they do not merit the loan, but, on the strength or weakness of the current monetary situation.

The outflow of funds from thrift institutions together with the lack of new monies has created a good deal of consternation within our industry and further, has created a void in the Real Estate market of which Savings and Loans have always been the backbone. This void grows larger day after day and the damage done to our "Great Society" is tenfold.

To close, let us state unequivocally that the onus is now in the capable hands of your knowledgeable committee and we in our Association sincerely hope that we have set forth some of the inequities of the current ominous situation.

First Federal Savings & Loan Association, Beresford, S. Dak.:

We in the Savings and Loan business agree on the fact that we are interested in seeing people own their homes and which we pride ourselves in the fact that we have done a fairly good job in the past.

We are carrying loans which you realize carry no higher interest than some Certificates of Deposits bring. We feel this is a dangerous situation and if some legislation is not enacted to stop this it will be a very crippling effect on the small saver as well as future home owner.

First Federal Savings & Loan Association, Johnson City, Tenn.:

Recently I have attended several meetings of Savings and Loan Executives and I am distressed to find the degree of pessimism which is prevalent in many areas. This pessimism especially prevalent in California, Texas, and North Carolina seems to stem from a realization that with present trends continuing the savings and loan industry will be able to provide for the needs of prospective home owners. This will mean a very serious cutback all down the line as we involve manufacturers of building materials, dealers and suppliers, contractors, workmen and the many others who are a vital part of the building industry.

It is hoped that your committee will take whatever action is appropriate to see that the savings and loan industry will not face a serious decline because from lack of funds. One of the reasons for the present shortage of money seems to stem from the fact that same banks are selling CD's and denominations as low as $20.00 bearing 5% and 5¼% interest. A representative at a White Sulphur Springs meeting told me he was having to compete with this situation in Pennsylvania.

First Savings & Loan Association, Alvin, Tex.:

I am writing this letter regarding the Bill that you are sponsoring concerning bank certificates of deposits. I must say that I greatly appreciate your thinking in regards to this very critical matter. It is my understanding that you will amend the Bill to limit CD's at the 5½ rate only on deposits of $100,000.00 On CD's in denominations of less than $100,000.00, the rate will be 4½%. I believe that this is a regulation that the commercial banks and savings and loan business can live with.

I know that you are aware that a considerable amount of funds have been transferred from savings and loan associations to commercial banks. If no action is taken regarding this matter, it will unquestionably be of great harm to the savings and loan business. In order to have ample funds available through the country, it is essential that the savings and loan associations be at least on a competitive basis with the commercial banks.

Bay City Federal Savings & Loan Association, Bay City, Tex.:

I know that you have always been a friend of the Saving & Loan business and I feel sure that you will do what you can to prevent the Banks from putting the Savings and Loan Associations out of business, which will happen if the Banks go to 5% or 5½%, this will have a very bad effect on the entire economy of the U.S. With the free money (checking accts.) the banks have they could afford to pay 5½% for a long time to get rid of the Savings & Loan Associations and I am sure that they have made up their minds to do it.

Exchange Savings & Loan Association, Dallas, Tex.:

The three proposals which you recommend are all imperative, and I trust that you will get a favorable reply from the nine agencies.

It is important, as you indicate, that some action be taken before July 1st, if possible, because we anticipate another big drain on the savings and loan association, and naturally it will take that much longer to recover and continue to do the job that we were designed to do in helping the homeowner build his home at a reasonable rate. This rate war has caused the new purchaser to suffer, and it has not helped the commercial banks.

Rusk Federal Savings & Loan Association, Rusk, Tex.:

I think your position is indeed well taken and unless it prevails and interest rates generally decline, the present rate war between the banking industry and the savings and loan industry is going to "reap havoc" on both industries and for no good cause. The Federal Reserve Board should be forced to reduce its present 5½% limit back to 4½% and I hope you will be able to force them to do so.

HOMEBUILDERS, REAL ESTATE AGENTS, AND PRIVATE CITIZENS ASK FOR CD LEGISLATION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, for the past month while the Banking and Currency Committee has been conducting hearings on the critical situation existing in the money market caused by high-interest, short-term negotiable certificates of deposit, I have received hundreds of letters from the thrift industry, commercial bankers, homeowners, home buyers, homebuilders, and real estate agents urging our committee to pass some remedial legislation to avert a disastrous turn down in the mortgage market and the crippling of the thrift industry.

Much attention has been focused on the efforts of the savings and loan industry in urging congressional action, but I would again like to draw the attention of Members of the House to other groups who are facing black days ahead, the homebuilders and real estate agents. Our banker friends would, of course, like to close down the savings and loan industry, but this would also close down the possibility of home loans to millions of our families. The housing market and its many closely connected businesses supply millions of jobs in our economy. The great shift in our savings market has seriously hurt the homebuilding industry and its allied industries. We must take action for the good of many instead of preserving the present status for the beneficial few.

Mr. Speaker, I would like to include in the RECORD following my remarks these letters from homebuilders, real estate agents, and private citizens, expressing grave concern over the present situation.

Birmingham Association of Home Builders, Birmingham, Ala.:

"One of the best sources of money for new home loans has always been the savings and loan institutions. However, since the Federal Reserve Board changed regulations permitting certificates of deposits to carry interest rates up to 5½%, savings are being withdrawn from the S&L institutions and placed in commercial banks where the funds are being channeled into consumer lending, rather than long-term residential lending. This is resulting in a critical shortage of residential mortgage funds."

Mr. William D. Davis, Los Alamitos, Calif.:

"I would like to ask why the commercial banks have been allowed to misuse their "Certificate of Deposit" as a method of circumventing the regulation which limits the amount they may pay on regular passbook savings accounts in their institutions. By allowing the banks, particularly the large eastern banks, to offer terms on C.D.'s designed to attract the savings dollar from the individual, has caused a considerable drain of savings dollars from Savings and Loan Associations and ultimately a shortage of funds in the mortgage market. This seems to prevail in Southern California more than in any other area. The shortage of funds in the mortgage market in Southern California is causing considerable unemployment in the construction field, real estate sales people, and personnel in mortgage financing firms."

Harbor Investment Co., Del Mar, Calif.:

"You have to do something to make money available so that the building and selling of homes can continue.

"The situation is desperate. In the garden spot of Orange County, the fastest growing area in the U.S.A., business has come to a standstill. Permitting banks to pay a higher rate of interest on time deposits is taking away the money needed for our business to survive."

P. A. Palmer, Inc., sales management, Newport Beach, Calif.:

"Savings and loan associations have just about stopped lending money for the construction, or refinancing of homes and buildings. If there isn't some relief in this direction, a major unemployment situation has to result. When one of the largest income producers in our economy is stopped, everyone suffers. In this case the suffering is going to be severe. Builders, real estate firms, architects, plumbers, building supply companies, etc. are beginning to go broke. Without funds to finance home purchases, older homes also are not selling. The main buyers of homes are working couples who can't possibly pay cash."

"H", Inc., home builders, Gainesville, Fla.:

"For the past month, we have been experiencing unusually tight mortgage money in this area. I realize that this is brought about by national economy, but it does seem a bit ridiculous for an economy to be getting along so well, such as in the Gainesville, Florida, area, and then be choked to death by something that it has no control over.

"This situation is already deplorable and is getting worse. Would you please advise if there is anything that you could do, or if there is anything that you know that we in Gainesville might be able to do to alter this situation?"

Storeyland Homes, Inc., Alton, Ill.:

"Unless some change is made in the situation, I will be compelled to discontinue my home construction business and thereby there will be a loss of employment of at least 25 people directly hired by me. This will also concern the employment of sub-contractors and the building material suppliers."

A. Weinman Building Co., Southfield, Mich.:

"I am the owner of a small and young building company near Detroit. The area seems to be expanding or is at least indicating a great potential for growth. I would like to build some apartments in the area however I am having difficulty in obtaining a mortgage from the bank as my company's reputation and worth is not yet great enough. I am sure the project would be successful otherwise I would not dare take the risk. I've even had calls from people wanting to rent yet cannot start to build. My lot is about 20 miles north of Detroit, farther than most companies have started to build. But the area is developing rapidly in business and industry and soon the larger building companies will move in.

"It is my opinion that if you could make it possible for people like me to obtain easier mortgages for safe investments, then the cause for increasing a more perfect competition would be greatly enhanced. I think the use of money in areas that are practically begging for investment would make ours a more stable economy. Lack of investment in one area produces less investment in related areas and retards growth where growth is the natural inclination. Easier mortgages and loans would not only distribute wealth it would increase it for everyone. The larger companies would have to become more honest in their investment since they would not be able to just wait around until the time they felt "they" were ready. New businesses and increased investment would reduce unemployment, expand the economy and in turn create more investment."

Maurice S. Hevelone, attorney at law, Beatrice, Nebr.:

"You will find . . .

". . . overwhelming support for the suggestion of an interest limitation of 4.5% for certificates of deposit of less than $100,000.00 in commercial banks.

"This county, Gage County, with a population of around 25,000 has eight small commercial banks located outside of Beatrice, the County Seat. These banks cannot afford to meet the competition of the two major banks in Beatrice paying 4¾% on one year certificates of deposit. As a result the county seat banks are draining off the certificate of deposit money in the smaller towns."

Plonski Agency, real estate-insurance, Jersey City, N.J.:

"There is anticipated a substantial increase in new family formations beginning in 1966 and extending to 1970. If the housing industry is unable to secure essential mortgage money from Savings Banks and Savings and Loan Associations (these institutions provide 80% of the funds for home mortgages) there will be a serious dislocation in our total economy. Please bear in mind with new home constructions goes drapes, furniture, carpeting, venetian blinds, bedding, dinnerware, silverware, etc.! Sure the newlyweds will buy some of these items, but they will be slowed down in kind and quantity. Newlyweds buy heavy to furnish a new home and light to furnish a temporary apartment."

Don-Mor Associates, Inc., mortgage financing, Garden City, N.Y.:

"This pressure is very apparent to me as a mortgage broker, as savings institutions have greatly cut down on money available for mortgages, or are out of the mortgage market entirely at the present time.

"The surveys of these savings institutions indicate that the money is flowing out of their savings accounts and flowing into CD accounts in the commercial banks. And the money that is going out of the savings institutions at such a fast pace is that of the average 'working man' saver who has maintained accounts of up to $10,000."

Mr. Charles V. Simms, president, Ohio Home Builders Association, Columbus, Ohio:

"As President of the more than 4000 member Ohio Home Builders Associations, I want to call to your attention, the current dilemma that the home building industry of our state is facing because of the Federal Reserve Board's action in late 1965 in amending Regulation Q, permitting CD's to carry interest rates of up to 5½%, and FNMA's action not to purchase any mortgage with an outstanding principal in excess of $15,000 per residence or a dwelling unit. This action has hurt the building market drastically and if not corrected soon, will have a great effect on the economy of Ohio and the Nation."

Mr. Walter Carrington, builder, Austin, Tex.:

"Our home building business has virtually stopped.

"Why? It all started last December with the Federal Reserve Board's increase in prime interest rates and the ensuing scramble for money.

"Now the burden of home financing is left on the shoulders of the local savings and loan institutions. They also have stopped, which is the reason why our business has stopped."

Cel Chemical Coatings, Inc., Houston, Tex.:

"Four and a half years ago, the Surey Savings and Loan association of Houston received its charter from the State of Texas, and was insured under F.S.L.I.C. During this period of time, we have built our assets to approximately $18,000,000. We have helped the community to build many homes, but it seems that the banks now are trying to put us out of business. As a matter of fact, we have not been able to make a loan for the past three weeks because of the lack of money. Withdrawals have been extremely heavy—to be specific, more than 20% of our total deposits. We are quite concerned, but we are going to be more concerned, if the trend continues."

Dando Construction Co., Lake Jackson, Tex.:

"As a building contractor in the Brazosport area, I am well aware of the effect that high interest, consumer-type certificates of deposit issued by commercial banks has on the availability of mortgage funds. For all practical purposes, the conventional home mortgage lenders in this locality are unable to make further commitments either for speculative homes or for homes to permanent borrowers. These institutions, who are specialists in the mortgage loan field, are unable to fulfill their role in financing home ownership because the bulk of the funds which heretofore have been available for this purpose are being channeled to commercial banks in metropolitan areas which are offering a return of 5% and 5½% on certificates of deposit of $1,000.00 or more. Some banks are even offering 5% CD's on lesser amounts."

Mr. James H. Hand, Jr., Harlingen, Tex.:

"In retrospect, the decision in December by the Federal Reserve Board in raising the CD rate to 5½% could hardly have been expected to accomplish the proposed objective of economic restraint in view of the tremendous and rising pressure of the Viet Namese War.

"To avert the strangulation of thrift, home ownership, and better citizenship, it is necessary to restore a balance in the financial role of the banks and the savings and loan associations. This, I believe, can best be accomplished by rolling back the present 5½% CD rate or limiting the size of the CD on which this higher rate can be paid to a minimum of $100,000.00.

"Let us not also forget, that by far and large, banks and savings and loan associations are engaged in equally specialized lending areas, and that both have performed well their respective roles. To expect each to perform well outside of its specialized lending area is to invite inefficiency, excessive operating losses, and ultimately a stifling of the American economic scene."

Mr. Lloyd Baker, Spokane, Wash.:

"During the past few months I have become aware of intense competition among financial institutions for savings. The commercial banks liberal use of Certificate of Deposits of unrealistic amounts has helped them to acquire savings that have traditionally been placed with other types of financial institutions. This would be acceptable if these acquired funds were being used for the same purpose as though they had been accumulated by a different type of financial institution."

Anderer Realty Co., Milwaukee, Wis.:

"Please add my name to your growing list of dissenters about the existing CDs now being sold by the banks. This practice has had a crippling effect on our Savings and Loans and therefore has reflected in the Real Estate industry and the construction field. The Savings and Loans are not even taking mortgage applications in our city. Right now they wouldn't take an application for a $10,000 mortgage on the Alamo or the Shamrock Hotel, if you were willing to pay 10% interest."

Mr. Charles R. Dykstra, real estate broker, Racine, Wis.:

"I urge that action be taken to impose a ceiling of 4½% interest rate for certificates of deposit paid by all banks, and a like and equal restriction imposed upon all savings and loan associations.

"It is my opinion that such action would have a stabilizing effect upon the economics of the home-owner market in the state. The present imbalance of interest rates is reflected in the present market in this area, as surely it must be throughout the rest of the state."

Mr. H. E. Gilbert, realtor, Elkhorn, Wis.:

"As an individual in the real estate business, I have rather forcefully come to realize the effect of the Certificates of Deposits on the Savings and Loan industry and, in turn, the availability of money for mortgage loans for residential and smaller commercial properties, which effects not only those of us in the real estate business but all those in all phases of the building business.

"Commercial banks play, as we all know, a very useful and needed part in our Economy, but the vast majority of Commercial Banks are not real estate mortgage oriented or minded as they are not interested in mortgages of the length of time that is necessary for the bulk of real estate mortgages, particularly home mortgages; nor are they interested, willing or able to grant mortgages in the amount necessary for the average real estate loan."

SMALL BANKS URGE ACTION ON CERTIFICATES OF DEPOSIT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, many reports that I have seen circulating around in the press and in my mail have characterized the Banking and Currency Committee's concern over the serious situation caused by the high-interest-bearing, short maturity certificates of deposit as a bail-out for the thrift industry.

For the information of Members, I would like to insert into the RECORD following my remarks a number of letters I have received from small banks around the country. Small banks are being hurt by this Federal Reserve caused high interest rate war, so it is a serious concern to both the banking community and the thrift industry. The whole push on these high rated CD's has been caused by the big money market bank without any care, concern, or study as to the effect these financial instruments have on the money market. As we all know, the mortgage market is out of reach of the homeowner; savings and loans, which have made over 40 percent of the home loans in America today, no longer make commitments on mortgage loans. Small banks find themselves also in a serious situation since they just cannot compete nor pay the high rates of the big banks.

Mr. Speaker, I call to the attention of the Members these letters from small bankers expressing deep concern over the CD problem.

Delaware Trust Co., Wilmington, Del.:

"In the interest of preserving the relationship among various savings institutions we urge the reduction of the rate ceiling on certificates of deposit of less than $100,000 to four and one half percent and we oppose any increase above four percent in the rate limits on passbook savings."

Lake View Trust & Savings Bank, Chicago, Ill.:

"While the general public is not averse in principle to receiving higher interest on their deposit accounts, there is considerable misgiving on the part of many to the eventual solvency of our banking system if we are to continue in what amounts to a rate war without abatement. Competition on the basis of service rendered will have their approval, but they are quick to recognize the weakening effect of large interest payments on the solvency of their banks."

State Bank of East Moline, East Moline, Ill.:

"Remember, the prime rate and the in allowable interest paid on savings accounts and CD's was not done for the benefit of the smaller banks, but for the banks of the Eastern Sea Coast. We smaller banks don't like to increase interest rates but are forced to go along by the big boys. The Treasury Department and the Federal Reserve Board are both to blame for this situation.

"I emphasize that you and your committee give very sincere consideration to this matter and for goodness sakes protect the smaller banking institutions from ruin. These smaller banks have been the backbone of our country and now like all other small business enterprises must stoop to the wishes of the big institutions. Let's preserve these institutions for the benefit of the small people who make up the bulk of our population."

People Trust Co., Linton, Ind.:

"It seems to me, and maybe I am wrong, that forces are in evidence that would destroy the function of small banks in small communities and finally be absorbed by larger banks in larger communities.

"Currently we are paying 4½% on Certificates of Deposit which item has increased considerably in the past two years. This was done recently. We had no pressure to do this except from competition in our immediate community. We were paying 3% on passbook Savings and 4% on Certificates of Deposit of six months or longer. Now we don't know where we are.

"Indiana Department of Financial Institutions has regulated a 4½% interest on Certificates of Deposits. We are what you might term a State Bank because we are principally regulated by the Department of Financial Institutions of the State of Indiana and the Federal Deposit Insurance Corporation. It appears to me that the present attitude, and maybe I am wrong, that the larger institutions are preparing to enlarge their activities where the larger will take over the smaller."

Willard United Bank, Willard, Ohio:

"We are a small bank with $20 million in assets, of which two thirds of our deposits are in savings and CDs. We have been an issuer of CDs for thirty years. They are non-negotiable and can only be transferred upon the books of the bank. We have never purchased outside CD money and never will.

"Our CDs are issued to our depositors in denominations of $100.00 and over the years we have accumulated over six million dollars in CD money divided among thousands of depositors.

"We pay 4% on the CDs and I was and am opposed to the action taken by Federal Reserve to raise the rate on negotiable CDs to 5½% without restrictions. I feel that the majority of the smaller banks should not be penalized by the action of some banks in raising CD rates, which in my opinion are beyond the ability to pay without subjecting their bank to some unsound and risky loans and investments.

"We have put most of our savings and CD money into local home, farm, and business mortgages. We also have been a Federal Housing lender since its inception and have helped others to buy their homes, farms, and businesses. We have kept our loan rates down and do not anticipate raising them."

Lehigh Valley Trust Co., Allentown, Pa.:

"Nevertheless, we believe it is not in the public interest to further increase interest rates. Such increases must inevitably result in increasing the cost to borrowers and will cause interest rates on loans and mortgages to rise. This will adversely affect business expansion and home buildings too. Already in various sectors of the economy the rate to borrowers has advanced to 7% and 8% and the end is not yet in sight.

"We share the concern of the House Banking Committee and many responsible people in government that rates are advancing too sharply. We would approve the regulatory curbs the Committees of Congress are now exploring. Nor do we think it is the function of commercial banks to divert the deposits of the Building and Loan Associations to their own accounts. It is not in the public interest to advantage one group to the detriment of others."

The First National Bank, Marshall, Tex.:

"The excessive competition for these kinds of savings accounts is creating a vicious circle. It is my feeling that a large amount of the savings in certificates of deposit is what I would call "hot money." The depositor is looking for the highest yield and will move his account from time to time to the bank which will pay him more interest. In turn, the bank which is paying a lesser interest rate will have to give a long hard look at the possibility of increasing its rates in order to avoid loss of its accounts. It could be argued that this situation would continue until every bank in the United States would be paying five and one-half per cent on certificates of deposit.

"A very important consideration is the effect that this would have on the borrower. Simple economics states that the more we pay for money the more we will have to charge the borrower. This would have an adverse effect on business, and would add to the cost of living to every individual. I believe that on savings accounts banks, together with savings and loans, should pay a fair rate of interest and charge a reasonable rate to their borrowers.

"I am in favor of Regulation Q being amended so that banks can pay up to four and one-half per cent on six month or one year certificates of deposit up to $100,000.00. If the big city banks need to pay five and one-half per cent on amounts over $100,000.00 in order to remain competitive then that would be all right with me."

INDEPENDENT BANKERS, 6,400 STRONG, CALL FOR END TC HIGH INTEREST RATE WAR—4½ PERCENT CONSIDERED FAIR AND EQUITABLE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, to end the terrible interest rate competition between all the Nation's financial institutions, I recently introduced House Joint Resolution 1148, to fix for a temporary period a 4½ percent maximum rate of interest payable on time deposits, including the notorious CD's.

My purpose is to provide for the liquidity of all our financial institutions and to insure adequate mortgage credit for the home builder and the home buyer—which has almost entirely dried up. Interest rates on home loans are sky high because of this rate competition prompted by the defiant Federal Reserve Board's money starvation policy.

So, it was with great pleasure that I received and read a telegram from the top officials of the Independent Bankers Association informing me of their support for a sensible and sound 4½ percent temporary rate ceiling on time deposits.

The Nation's 6,400 independent bankers should be congratulated for their forthright and responsible stand. The entire telegram follows:

INDEPENDENT BANKERS ASSOCIATION
OF AMERICA.

Hon. WRIGHT PATMAN,
Chairman, House Banking and Currency Committee, Washington, D.C.:

Federal legislative committee of the Independent Bankers Association, representing more than 6,400 member banks, has been meeting in Washington, yesterday and today, giving priority among pending bills to your H.J. Res. 1148, H.R. 14026 and related bills. The committee attended the public hearing today and listened to the testimony of Chairman Martin and his interrogation by members of your committee.

We are familiar with the draft of the various bills under consideration and respectfully offer the following as expressing the sense of the Independent Bankers Association: we recognize that the thrust of this bill arises from concern for restraining a potential rate war between the mutual thrift associations and the commercial banks. This possible rate competition contains the elements of damage to both and is clearly not in the public interest. Likewise we recognize the potential for interest rate competition with the banking industry, as well as with the thrift institutions. However we are opposed to the imposition of restraints on the commercial banks without comparable and appropriate restraints on the thrift institutions, which action we believe is equitable and fair. We are mindful of the experiences of the banking industry with former increases in the maximum permissible rates, where the permissible rate has rapidly become the floor as well as the ceiling.

In view of this we do not believe a five percent rate will accomplish relief in the rate competition between the thrift institutions and the commercial banks. For such purpose it is our belief that the ceiling should not exceed four and one half percent. Our other principal positions include: authorization to increase reserve requirements should be premised upon authorizing appropriate reserve requirements for thrift institutions and other financial intermediaries. Further we believe that a system of graduated reserve requirements by size of bank would be desirable. We are opposed to proposals to require interagency coordination on changes in interest rate limitations. We believe the Federal Reserve Board should be given the power to distinguish between certificates of deposit as money market instruments and time deposits and passbook savings accounts which are in the nature of thrift accounts.

We are opposed to revision of section 14(b) of the Federal Reserve Act to make obligations of the Federal Home Loan Bank and of the FNMA issued a secondary market operation eligible for purchase by the Federal Reserve Board. We believe the purpose of injecting funds into the mortgage market is best accomplished directly through the Treasury Department.

PAT DUBOIS,
President.
REED H. ALBIG,
Chairman of Federal Legislative Committee.

MINNESOTA CREDIT UNIONS ASK CONGRESS TO CONTROL FEDERAL RESERVE BOARD

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Minnesota Credit Union League, at its recent 37th annual meeting, adopted a resolution in opposition to the Federal Reserve Board's stand on higher interest rates. The resolution calls on Members of Congress to amend the Federal Reserve Act to place restraints on the Federal Reserve Board's power to increase interest rates without approval of Congress.

Savings institutions and home buyers throughout the country have been seriously damaged by the December action of the Federal Reserve Board in raising interest rates 37.5 percent. This action by the Board has virtually cut off mortgage loans in many sections of our country and has made it extremely difficult for middle- and low-income families to obtain much-needed mortgage money.

FED DISDAINS LOW INTEREST RATES

The tight money situation which the Federal Reserve Board has arbitrarily thrust upon the American people is a typical example of the utter disregard for low interest rates which the Federal Reserve Board holds.

Many economists do not understand how the Federal Reserve Board operates, but it does not require any economic skill to see the havoc which the Federal Reserve Board has raised in our economy. Talk to perspective home buyers, savings and loan and mortgage companies and you will quickly learn that the Federal Reserve Board has so severely tightened credit through various devices, including pumped-up certificates-of-deposit rates, that the homebuilding market is faced with one of the most critical periods in recent years.

A copy of the resolution adopted by the Minnesota League of Credit Unions follows:

RESOLUTION NO. 1—FEDERAL RESERVE BOARD ACTION ON INTEREST RATES

Whereas, Article I, Section 8, paragraph 5 of the Constitution of the United States provides that Congress shall have the right to coin money and regulate its value, and

Whereas, this provision of the Constitution places the responsibility directly upon Congress to control inflation, deflation, and economic stability, and

Whereas, Congress has created the Federal Reserve System as its agent, subject to no other control but itself, and

Whereas, the Federal Reserve Board has on repeated occasions taken steps to increase interest rates for the avowed purpose of controlling inflation, and

Whereas, such actions have failed to adequately limit the creation of money by the banking system during periods of inflation, and have added a crushing burden of debt to consumers, wage earners, home owners, and tax payers, as well as having served to add to the rising cost of living and interest on the national debt, now therefore

Be it resolved, that the Minnesota League of Credit Unions at it annual meeting in Rochester, Minnesota on April 23, 1966, does hereby go on record as opposed to the policy of increased interest rates as an inflationary control, and requests the members of Congress to amend the Federal Reserve Act to place restraints on the Federal Reserve

Board's power to increase interest rates without approval of Congress, and

Be it further resolved, that a copy of this resolution be sent to Congressional members of the Senate and House from Minnesota, as well as to the Chairman of the Banking and Currency Committee of each House, and a copy to the Legislative Committee of CUNA International, Inc.

SAXON ATTEMPTS PROPAGANDA SMOKESCREEN TO HIDE TRAGIC TOLL OF HIGH INTEREST

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the truth about the tragic toll of high interest rates is at last coming before the American people. No longer can the facts about this situation be hidden behind the public relations propaganda of the Federal Reserve Board and its big banker allies.

Too many people are hurting and hurting badly from the Federal Reserve's high interest, tight money policies for this propaganda smokescreen to succeed.

As a result, the defenders of the big banks and high interest are growing desperate in their attempts to come up with a justification for this heavy blow against the American people and the American economy.

The latest defense for high interest comes from the Comptroller of the Currency, James J. Saxon, in an article in Sunday's Washington Post. Mr. Saxon, a former registered lobbyist for the American Bankers Association, has this amazing justification for gouging the public with high interest rates:

> Most of the recent discussion of high interest rates and competition for funds has neglected certain important aspects of the current situation. Perhaps most important, high interest rates benefit savers. The millions of people with savings in financial institutions are receiving a higher return on their funds.

It is not surprising that Mr. Saxon takes this myopic view of the U.S. economy. The Comptroller apparently assumes that everyone in the country is either a banker, a corporation president, or at least a millionaire.

But the facts simply do not support him. No, Mr. Saxon, not everyone is so fortunate as to have several hundred thousand dollars invested in certificates of deposit at 5½ percent.

I would suggest that the Comptroller, before making more public statements of this nature, take a look at the Nation's income distribution figures.

The fact is that more than half of the population has annual incomes of less than $4,600. Surely Mr. Saxon does not suggest that this group has amassed huge fortunes in savings accounts.

About one-fourth of the Nation's families and single individuals have no liquid assets—that is, no savings. On the other hand, virtually all of this group must borrow to survive. Higher interest rates take more dollars out of the already inadequate incomes of this segment of the population.

Another 28 percent have liquid assets or savings of under $500 and another 12 percent, liquid assets of between $500 and $999. In other words, 64 percent of the Nation's families and single individuals have savings of less than $1,000.

But the big question is, How much debt is on the backs of this group of nonsavers and small savers which make up the great majority of the population? The interest on this debt is staggering and does not begin to be offset by the minimal interest gained on small savings accounts.

Millions of Americans have home mortgages ranging between $10,000 and $20,000. Millions of these same Americans also owe $1,000 or $1,500 on an automobile. Millions of small businessmen and farmers are deeply in debt for capital.

I hope Mr. Saxon is not suggesting that the small saver who may draw interest on a $300 or $400 savings account is benefited when he must pay 25 percent more for interest on a $20,000 home. For example, a 1-percent increase in interest rates adds $4,734 in interest costs to a $20,000 loan over a 30-year schedule of maturity. This is roughly equivalent to the annual income for more than half the population. In other words millions of people will have to work a full year just to pay the added interest costs on their home mortgage as a result of the Federal Reserve Board's action.

Mr. Saxon's upside-down economics notwithstanding, the truth is that interest income goes primarily to a handful of high income groups, large corporations, and financial institutions. It takes money from the pockets of the average- and low-income citizen.

Not even the Comptroller of the Currency can escape the fact that it takes money to make money with money.

In his Washington Post article, Mr. Saxon plays down the effect of high interest costs on the building industry and on the home buyer. This part of his article must have read like a cruel bit of bureaucratic hypocrisy to everyone concerned with housing.

I place in the RECORD two articles which appeared in the Wall Street Journal only last week. These articles illustrate some of the serious crises faced in housing as a result of high interest rates.

[From the Wall Street Journal, June 13, 1966]

HORNE'S EMERGENCY PLAN: SLUMP IN HOUSING STARTS ANTICIPATED BY S. & L. OVERSEER BECAUSE OF CD'S

(By Richard F. Janssen)

WASHINGTON.—Housing starts will fall steeply soon unless the ability of banks to drain funds from mortgage-issuing savings and loan associations is restricted, cautioned John E. Horne, the Government's chief S&L supervisor.

Mr. Horne is discussing with banking authorities a proposal to let the Federal Reserve, in case of emergency, pump newly created money directly into the savings and loan system.

Mr. Horne, chairman of the Federal Home Loan Bank Board, predicted in an interview that, unless either Congress or the Federal Reserve Board curbs banks in issuing high-yielding certificates of deposit, housing starts in the second half of this year will decline to an average annual rate of 1,270,000 to 1,100,000. That would put the full year's total around 1,300,000, down 13% from the 1,505,000 of last year. Not since 1961 have housing starts been under 1,400,000.

The chairman said he wishes Congress would slash to 4¾% or even 4½% the maximum interest rate on CDs of less than $100,000. In contrast, Federal Reserve Board Chairman William McChesney Martin and Treasury officials appear to favor a ceiling of 5% on these "consumer sized" CDs. The present limit is 5½% annually.

SMALLER CD'S CAUSE WORRY

CDs are receipts for funds deposited for a specified time. Big ones are usually negotiable; depositors can receive their money in advance of maturity by selling them to a dealer. It's the increasing use of smaller non-salable ones that's worrying the savings and loan industry. Without Congressional authority, the Federal Reserve Board doesn't believe it could vary the rate ceiling according to size.

A 5% ceiling on the smaller certificates would cause some reduction of the current drain on savings and loan associations, Mr. Horne said, but he fears it still wouldn't be low enough to assure S & Ls "adequate funds to meet the responsibility Congress charged them with, of providing sound and economical home financing."

Mr. Horne disagrees with Mr. Martin on CD maturities, too. He said the Federal Reserve should act on its own to require that CD have maturities of at least six months if not a year. Mr. Martin has said this would be unfair to small banks that issue such certificates in place of passbook savings accounts.

The practice of letting CD holders cash them in every 90 days instead of holding them to maturity also should be halted, Mr. Horne asserted.

HORNE'S SCHEME

The Horne emergency plan for bolstering savings and loan resources would require action by Congress to make securities issued by the Federal Home Loan banks eligible for purchase by the Federal Reserve. Some of these securities would be sold directly to the reserve system instead of being offered on the open market to compete for existing savings. If the Federal Reserve were to buy such issues, it would mean a net increase in the nation's money supply because of the Federal Reserve's power to create the funds with which it makes securities purchases.

Such a law, Mr. Horne said, would put the Home Loan banks "in a better position to relieve some of the strain on the mortgage market." He complained that present Home Loan Bank debentures can't be offered more than once a month "and there is some limit to how big a chunk of funds we can obtain" at any one time. Selling these debentures provides funds for the 12 district Home Loan banks to lend to member associations.

The Federal Reserve would decide whether to make such purchases, and they probably wouldn't be made except to meet "emergency" needs of associations. So far, board officials haven't had any response from the Federal Reserve, but they believe there's some sentiment for the idea in Congress.

HOME LOAN RESOURCES

The Home Loan Board will have exhausted its ability to aid the competitive stance of savings and loan associations once it issues the rule changes it proposed in mid-May, Mr. Horne said. Unless Congress, in the meantime, restricts the rates banks can offer on CDs, on July 1 the board probably will begin letting associations, among other things, pay up to 5% on regular passbook accounts in California and Nevada without losing their borrowing power at the district banks. If Congress does curb bank CD rates, though, Mr. Horne hinted that the board might be less liberal in its rule changes.

Some associations, Mr. Horne complained, have entered "a state of undue caution" about mortgage-fund shortages by telling would-be borrowers they are "completely out of the lending business." Some banks and insurance companies have said the same thing to prospective mortgage borrowers, he said, calling this "obviously an extreme response to . . . a difficult situation." He expressed hope that associations soon will realize that their repayments on older loans provide funds for new loans even though their new-savings inflow is small or nonexistent.

Yesterday, in Atlanta, C. A. Duncan, Jr., president of the U.S. Savings and Loan League, said that new loan commitments by S&Ls fell 50% in May from the year-earlier level. The calculation was derived from a special survey made by the trade group of league members with 20% of the nation's savings and loan assets, he said.

The May decline, plus a 20% year-to-year drop in April, "foreshadows a severe cutback in home building and real estate sales as the year moves along," Mr. Duncan told the annual meeting of the Georgia Savings and Loan League.

[From the Wall Street Journal, June 14, 1966]

USED HOUSING WOES: SALES OF EXISTING HOMES FALL EVEN MORE SHARPLY THAN NEW HOUSE RATE—SHORTAGE OF MORTGAGE MONEY IS BLAMED; SOME FAMILIES DECIDE AGAINST RELOCATING—WILL LOAN RATE REACH 6.75 PERCENT

(A Wall Street Journal News Roundup)

Trouble in the housing industry has shown up most dramatically in figures that report the number of new homes started across the nation each month—the total has been dropping with distressing regularity. However, it is becoming increasingly evident that in many areas the used home market is getting into an even more serious bind.

As is the case with new homes, the culprit in the used home picture is tight money. It is getting a great deal tougher for a prospective used home buyer to get a mortgage loan, a Wall Street Journal survey of mortgage lenders and real estate agents shows. At the same time, the survey indicates, used homes are becoming much harder to sell in many parts of the country.

In the San Francisco area, for instance, real estate men estimate that sales of used homes are running some 50% behind the year-ago pace; this drop exceeds the estimated 30% drop in new home sales in the area. Robert King, vice president of Colwell Co., a California mortgage banking firm, lays the blame squarely on tight money. "It's the key factor," he says. A San Francisco realtor declares: "Money has dried up and the used home market is being hurt as a result."

OFFICES CLOSE

In the past three weeks, in fact, Colwell Co. has closed two of its major offices in Northern California and laid off some 40% of its personnel, an official reports. And in one county in the San Francisco Bay area, 16 real estate offices have been closed in the past year. In both instances, slumping home sales, especially used homes, were held responsible.

The relatively mild drop in new home sales, some authorities contend, can be traced to the fact that many builders take considerable pains to be sure mortgage money will be available for families who buy their houses. This obviously is not a factor where used homes are involved. In addition, housing men report, many used homes are proving difficult to sell because they are the wrong size or are in unattractive neighborhoods.

"Too many small two-bedroom homes were built after World War II," says Charles McCarthy, a vice president of the Bank of America. "And many of these homes were constructed without the comforts people are demanding these days." Raymond Mason, executive vice president of Security Savings & Loan Association, San Jose, Calif., remarks: "There aren't too many people looking for the massive, older-type luxury home these days. Five bedrooms and three baths are just too much for most people."

Sluggish demand for certain types of used homes is by no means confined to California. John Baird, president of Baird & Warner, Inc., a large Chicago real estate concern, reports ranch-type homes with no basements, built shortly after World War II, are especially "sticky" to sell. "I had a guy call the other day who is moving to Detroit," the executive relates. "He has a one-story ranch home with no basement. I found in his particular area there are four other similar homes on the market. They had been there for periods of up to a year."

SUMMIT'S SNOB APPEAL

The importance of neighborhood is emphasized by Allen G. Butler, president of the Butler Agency, a real estate concern in Summit, N.J. "The biggest factor is location, and by that I mean snob appeal and convenience to New York City," Mr. Butler says. "What we'd call a 'dog' will go for a fantastic price in a prestige area like Summit, even though the house may need thousands of dollars of work and may not have a well laid-out floor plan. The other day a family with six children moved into a three-bedroom, bath-and-a-half house here. The guy liked the area, but I know darn well the house wasn't his dream home."

Overriding all other considerations, however, is the tight money problem. "We are turning away borderline applicants for used home loans that we would have accepted only a few months ago, when money was more plentiful," reports an officer of Boston Five Cents Savings Bank. In Los Angeles, a salesman for a large West Coast manufacturer recently was cleared for a loan on a used home by a local savings and loan association—only to have the S&L at the last moment decide not to lend the money. "This has been done to a lot of people recently," says a Los Angeles realtor.

Even when loans are made, they are getting much costlier and require larger down payments.

"We still had some loans available at 5⅜% in March," says John E. Krout, mortgage vice president for Philadelphia Savings Fund Society, the city's largest savings bank. "But now everything is at 6%." Henry Moog, a partner of Clover Realty Co., Atlanta reports: "When you pass the age of 10 years old in a house, you have to pay one-half of 1% more to get a loan, and on a house 40 years old in a neighborhood of questionable stability, we just can't get financing—period. All we can hope is that the buyer will take over the existing mortgage and put up the rest in cash, or that the seller will take a second mortgage for the difference."

RATES ON THE RISE

Government figures indicate that interest rates on most older homes are relatively high. John E. Horne, chairman of the Federal Home Loan Bank Board, recently reported that in April, the latest month available, the average interest rate on conventional used home mortgages stood at 6.09%, up from 6.01% in March and from 5.89% in April 1965. The corresponding rate for new single-family home mortgages in April was 5.99%, up from 5.90% in March and from 5.74% in April 1965, according to Mr. Horne.

Unless steps are taken to make more mortgage money available, Mr. Horne and his aides estimate the average rate on used homes will hit 6.75% by year's end; the new home rate will reach 6.25%, they also predict.

John Corcoran, who heads a Boston real estate agency of the same name, is among those who report that down payment requirements are getting tougher. "The marginal home buyers, the people who can pay only a little down, have been eliminated," Mr. Corcoran says. "The banks now want a minimum down payment of 10% or more," while several months ago only about 5% down was required. The change, he says, is a major reason that used home sales handled by his agency are running some 10% behind a year ago.

"Where we used to ask for a 20% down payment a year ago, we now require 25%," says David Weiner, *vice president and mortgage* officer of First Federal Savings & Loan Association, New York. A larger down payment also is required on new homes, Mr. Weiner reports. At 20%, however, the percentage remains well below the 25% down payment now required on used homes, the executive notes.

Surprisingly, prices of many used homes are remaining quite firm. In the San Francisco area, for instance, realty men say prices of used homes are about unchanged from a year ago, despite the 50% decline in used home sales. The reason for this surprising firmness, officials claim, is that many would-be home sellers are putting off moving plans. "They're just sitting back and asking their price," says Bank of America's Mr. McCarthy. Colwell Co.'s Mr. King reports: " Many people are staying put."

Although the overall used home market shows signs of trouble, the situation in a few parts of the country is remarkably bright, tight money notwithstanding.

For instance, in Detroit, where auto production set a record last year, used home sales are booming. "The used home market is the greatest we've seen in our 44 years," says Jack Jominy, executive vice president of United Northwest Realty Association, a suburban Detroit agency. The agency's first-quarter gross sales amounted to $37 million, he says, up from $26 million a year before, and "we're having more of the same" in the second quarter. Even in Detroit, however, "demand undoubtedly will slacken" if money remains tight for very long, the official predicts.

The consequence of high interest, which Mr. Saxon takes so lightly, of course is affecting everyone in the economy. The housing industry is being hit very hard, but they are not alone.

Only last Thursday, one of the Nation's largest banks, Chase Manhattan Bank of New York, announced substantial increases in its rates on all types of consumer loans. The net effect is about a 1-percent increase to the borrower. The announcement by this huge New York institution has touched off similar announcements by other banks across the country. So this means higher costs for automobiles, home improvements, and all types of installment loans. I place in the record an article from the New York Times of June 16 outlining the Chase Manhattan Bank's plans for higher interest rates to consumers.

[From the New York Times, June 16, 1966]

CHASE INCREASES RATES ON LOANS FOR CONSUMER: RAISES INTEREST FOR CARS AND HOME IMPROVEMENTS—OTHERS MAY FOLLOW

(By H. Erich Heinemann)

New Yorkers will pay higher finance charges on automobiles, home improvements and most other installment loans at New York City's largest bank.

The Chase Manhattan Bank, in a move reflecting the rising cost of money, announced yesterday that the increase, of one-half of a percentage point, would go into effect immediately.

The new rates will range from 4¾ per cent for automobile loans without insurance on the life of the borrower to 5¼ per cent on most other types of consumer loans that the bank makes.

These rates are quoted on a "discount" basis. This means that the interest charge is deducted at the time the loan is made from the amount borrowed, with the result that the effective simple annual interest rate on the loan is approximately double the stated rate.

Thus, the half-point increase actually means a rise of about one per cent in the cost of borrowing; the 4¾ per cent rate means an increase of 9½ per cent, and the 5¼ per cent rate involves an increase of 10½ per cent.

The new rates apply only to consumer-type loans up to $5,000.

INCREASE COULD SPREAD

However, Chase Manhattan's rate increase immediately touched off speculation that increases in other lending rates might also be in the works.

Some bankers, for example, have been saying lately that their prime, or minimum business lending rate—now 5½ per cent simple interest—is beginning to "look cheap" relative to the cost of borrowing in the open market.

The prime rate has been increased twice since last December—from 4½ per cent to 5 per cent on Dec. 6, and to 5½ per cent on March 10.

At the present time, however, the consensus among bankers seems to be that a general increase in business lending rates is not imminent.

Other major banks in New York and in the suburbs were caught off guard by the Chase action.

JANUARY RISE CITED

Bankers said that whether the rate increase became general would depend on the reaction of the First National City Bank which is second largest in over-all size in New York, but by far the biggest consumer lender in the city.

The only comment that First National City would make on the Chase move was that "we are not raising our rates, but we are studying the situation."

Other bankers, however, predicted that First National City "won't let another 24 hours grow under its feet" before joining the Chase Manhattan increase.

It was widely felt that if First National City did increase its rates, most other banks in the area would follow.

The increase in consumer lending rates announced yesterday was the second that banks in New York City had put into effect in the last six months.

In January, led by First National City and the Meadow Brook National Bank on Long Island, the banks increased the rate that they charge on unsecured personal loans to 5¼ per cent from 4¾ per cent, discounted in advance.

The unsecured personal loan was one of two types of consumer loans on which Chase did not announce a rate increase yesterday. The other type not involved was home-improvement loans with maturities of four to five years; the rate rise affected home-improvement loans with maturities of three years or less.

Under the Chase Manhattan's new rates, a man needing $2,000 to buy a new automobile will have monthly payments (assuming no life insurance or other extra charges) of $91.25 per month if the loan is for 24 months, or $63.47 if the loan is for 36 months.

Under the old rate schedule, the payments were $90.42 and $62.64, respectively. This is a difference of only 83 cents per month, but over the life of the loan it adds up to $19.92 more on a 24-month loan, or $29.88 for 36 months.

In detail, the changes in rates (all discounted in advance) announced by Chase Manhattan were as follows:

Automobile loans made directly to the purchaser, but without life insurance—to 4¾ per cent from 4¼ per cent.

Automobile loans made directly to the purchaser, with life insurance—to 5¼ per cent from 4¾ per cent.

Home-improvement loans with maturities up to 36 months—to 5¼ per cent from 4¾ per cent.

Small business loans up to $5,000—to 5¼ per cent from 4¾ per cent.

Collateral loans (secured by stocks, insurance policies, savings passbooks or other collateral) up to $5,000—to 4¾ per cent from 4¼ per cent.

In its formal explanation of the rate increase, Chase would say only that it was the "direct result of money-market conditions and higher operating costs." A spokesman for the bank declined to elaborate.

It was noted, however, that the interest rates that banks pay on negotiable time certificates of deposit, which are sold in denominations of $500,000 and up to corporations, have climbed to the maximum legal rate of 5½ per cent in recent weeks.

Chase Manhattan does not publicly quote the rates that it is paying on such "C.D.'s," but the presumption is that it, along with its competitors, is paying the top rate.

Such interest charges are a major part of the expenses of all New York City banks.

Likewise, bankers made the point that since business lending rates had increased by one percentage point since last December, it was "certainly logical" that consumer lending rates should also be raised.

Installment debt of this type today stands at about $90 billion. This means that the new 1-percent increase announced by the major banks last week will add $900 million just to the cost of paying off installment debt. And of course this $90 billion in consumer installment debt is but a small fraction of the total of $1¼ trillion total public and private debt existing at the end of 1965.

A 1-percent increase in interest rates on this total debt, of course, adds a staggering $12½ billion to the cost of paying off this debt.

To the bureaucrats at the Federal Reserve and in the Comptroller's office, this figure may seem insignificant. However, I do not believe that the American people regard it so lightly. And I hope this Congress does not regard it lightly.

TRIBUTE TO HARRY SAUTHOFF—JUNE 3, 1879–JUNE 17, 1966

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, it is my sad duty to inform the House of Representatives of the passing of one of our former colleagues, Harry Sauthoff of Madison, Wis., who represented the Second District of Wisconsin for 8 years in the Congress of the United States. His colorful political career spanned over 30 years during which time he served his county, State, and National government. His death recalls for many in Wisconsin and throughout the country the prominent role he played in the life of the Progressive Party and the Progressive political era of the 1930's and the 1940's.

He was the newly established Progressive Party's first—and successful—candidate for Congress in 1934 from the Second District of Wisconsin. He served three more terms, four in all, and in 1944 was the unsuccessful candidate for the U.S. Senate on the Progressive ticket. The years he served in Congress were difficult times, marked first by deep depression and then by war. He distinguished himself and the State of Wisconsin in bringing his own vitality and that of the Wisconsin-born Progressive Party to bear on the problems of this era.

A native of Madison, Wis., Mr. Sauthoff was a graduate of the University of Wisconsin and its law school. He served as Dane County district attorney soon after graduating from law school and later was secretary to Wisconsin Governor John J. Blaine. He subsequently was elected to the Wisconsin State Senate, and practiced law in Madison before being elected to Congress in 1934. He returned to private practice in Madison following his campaign for the Senate in 1944 and practiced law until he retired in 1955.

His death last Thursday at the age of 87 brought to an end a distinguished career of a fine man, an honorable and honored public servant and respected citizen. I wish to extend my deepest sympathies to his family and friends.

GENERAL LEAVE TO EXTEND

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may extend their remarks on the life of former Congressman Harry Sauthoff.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

APPRECIATION FOR JOB CORPS AID IN TOPEKA

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, we have heard considerable criticism in this Chamber of the Job Corps. Undoubtedly some of this criticism may be exaggerated and some of it may be justified. I believe if we are going to criticize, we ought also to praise where praise is due.

I am very much interested in an AP story out of Topeka, Kans., which says:

"They worked until I thought some of them would drop."

That was the kind of praise 200 young Job Corpsmen from all over the Nation won by their toil in helping East Topeka residents clean up tornado damage last week.

"You just wouldn't believe the spirit those guys had," continued Sandy Bailey, of the Kansas City Regional Office of Economic Opportunity. "They came in here and saw the challenge and really tore into it."

Eighty of the 18- to 20-year-old corpsmen pleaded to be allowed to help finish the job and they are staying. The others returned Sunday to their camps at Poplar Bluff, Mo.; Puxico, Mo., and McCook, Nebr.

Lacking chain saws and highloaders, they have used only their hands in helping clear debris from private property of people who already were in lower income groups.

I believe, to be fair, we ought to recognize where the Job Corps is doing a good job, and that it deserves a great deal of credit.

LOWER FARM PRICES

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. LANGEN. Mr. Speaker, the Johnson-Humphrey administration may be losing the war on poverty but it is clearly winning its battle for lower farm prices.

When Presidential Economic Adviser Gardner Ackley and Agriculture Secretary Orville L. Freeman predicted earlier this year that farm prices would tumble, they were not just whistling "Dixie." Mr. Freeman has proved to be an exceptionally gifted prophet. On March 31 he called a press conference at which he expressed pleasure over the fact that farm prices had begun to decline and confidently predicted a drop of as much as 10 percent by year's end.

Since that time, the parity ratio, which measures prices received by farmers against those they pay for goods and services, has declined from 82 to 79. Over the past 2 months, farm operating costs boomed to a new record high, while farm prices dropped. In some circles, this is known as the "double whammy."

Paradoxically, while farm prices have been moving downward, retail food prices and the Labor Department's cost of living index have climbed to new record highs. This confirms an earlier charge by the House Republican Task Force on Agriculture that the farmer is being made the whipping boy for rising living costs when, in fact, the inflationary policies of the administration are to blame.

The farm price break did not just happen. It was deliberately planned. Over the last few months the administration has taken several actions which were carefully calculated to push farm prices down. There was the wholesale dumping of Government-owned corn and wheat, export controls on hides, slashes in Defense Department buying of butter, beef and pork, easing of import restrictions on sugar and cheddar cheese and "jawboning" against food prices by the President himself.

Today we have a situation where farm prices are 13 percent lower than they were at the height of the Korean war, while retail food prices are 18 percent higher than they were at that time. Only in what Mr. Freeman himself has described as the "great wonderland" could government bring this about.

ACTION STILL NEEDED TO TEMPER THE BOOM

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, the administration is exhibiting a disturbing tendency these days to take the easy road to achieving essential objectives, ignoring the fact that short-term advantages may be matched and even overpowered by damaging consequences in the long run. Nowhere is this "government by expediency" more evident than in the administration's economic policy—or lack of it—to deal with the current inflation.

It is now fashionable in administration circles to maintain that inflation will soon die a natural death and that no really effective remedial action by the Government is necessary. Thus, we can avoid implementing the distasteful side of the "new economics"—fiscal restraint—and also have a cooling of the inflationary boom. However, there is good reason to believe that more inflationary pressure may lie ahead and that effective action is needed now. An editorial in the June 4 issue of Business Week notes both of these points and throws some cold water on the administration's euphoria.

Although I agree with the editorial's analysis of current economic conditions and its support of a tighter monetary policy coupled with effective Federal expenditure restraint, I disagree that a tax increase is also required to check inflation. I commend this editorial to the attention of all interested in the health of our economy and ask unanimous consent that it be placed in the RECORD at this time.

THE BOOM IS STILL GOING TOO FAST

There is an unfortunate tendency in Washington just now to assume that the threat of inflation is receding and that there will be no need for President Johnson to ask for a tax increase. This is dangerous because, even though the breakneck pace of business has slowed a bit, the worst of the inflationary pressure facing the U.S. economy may still lie ahead.

The excellent record of growth combined with price stability during the period 1961–1965 now has been broken. The climb in the consumer price index at an annual rate close to 4% thus far this year has gravely weakened the Administration's wage guidepost of 3.2% which was supposed to keep the average increase in labor's compensation in line with productivity gains. If labor seeks to get enough to cover both productivity increases and cost-of-living hikes when the big wage contracts come up next year, this may ensure wage-push inflation even if the economy is by then losing altitude.

The reluctance to take adequate fiscal action to temper the boom already has generated problems that may have painful consequences in the future. The boom has stimulated a rate of rise in capital spending for new plant and equipment that may not be sustainable. It has pushed up the demand for money so rapidly (despite moderately restrictive policies by the Federal Reserve) that interest rates have climbed sharply, causing serious strains upon savings and loan institutions, mutual savings banks, and housing construction—with the full impact still to come.

The inflationary boom also has hurt the nation's balance of payments by stepping up imports and curbing exports—at a time when Vietnam is adding its own strains to the nation's external position.

THE NEW ECONOMICS

As yet, the Administration is still far from ready to acknowledge that much of the trouble could have been avoided if it had followed through on its own commitment to modern economic policy. The so-called new economics is a symmetrical body of thought. It calls for (1) stimulating a sluggish economy suffering from unemployment but (2) curbing a racing economy pressing against its physical limits. The Administration found the stimulating job pleasant and politically popular; it found the job of restraint much harder to undertake, essentially because it was painful and unpopular.

This, of course, is precisely the danger that some critics of the new economics predicted during the debate over the big tax cut bill. And it must be conceded that their point will appear well-taken if the U.S. now cannot demonstrate that the government of a democracy is able to find the courage to do the right thing even when it is unpopular.

The problem now, however, is not to argue about what might have been but to construct a policy that at a minimum will avoid aggravating present and future difficulties and that may, if we are lucky, keep the economy on a reasonably steady growth course. The job of fashioning such a policy is harder—not easier—now that the economy is showing some hesitancy.

Although it is barely possible that this present modest tempering of the boom may be the start of a genuine decline, it seems highly improbable. Rather, the forecast of the overwhelming majority of economists is that the U.S. economy will keep growing quarter by quarter through the rest of the year fast enough to lift gross national product 8% or more over 1965 in current dollars—while the real gain in output is likely to fall below last year's 5½%. This means that the prospective rate of advance still needs to be moderated.

The money supply has been growing too fast; its 6.4% growth rate over the past 12 months has been the fastest for any years since World War II. The Fed, therefore, should try to hold the growth of money down to no more than a 5% rate—and 4% would be better.

Monetary policy, however, cannot succeed unless it is accompanied by adequate fiscal restraint. If the Administration refuses to face this fact, it will put the Fed in an intolerable position, and it will thereby risk discrediting monetary policy as well as the new economics.

Fiscal restraint should be applied to both the expenditure and tax sides of the budget. Though most of us hate the thought of paying higher taxes, it must be made clear that this may be the only course if more serious troubles are to be avoided. Such responsible and thoughtful business leaders as David Rockefeller deserve credit for trying to drive this point home to members of the business community—as well as to government officials.

It may be perfectly true, as the Administration has pointed out, that the inflationary danger arises from the Vietnam war and not from any miscalculation in domestic policy. But the need for restraint is no less urgent on that account. The Administration has shown its determination to protect the U.S.—and the free world—position in South East Asia, as well as in Europe and elsewhere. It now must show equal determination to take the steps necessary to guard the health and stability of the U.S. economy. The two are inextricably linked together.

ADMINISTRATION POLICY THREATENS SAVINGS AND LOAN INSTITUTIONS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, one of the sources of instability in the economy today is the competition among savings institutions for deposits. The chief threat lies in the drain in deposits suffered by the savings and loan institutions. In order to forestall a serious liquidity crisis among these institutions a number of suggestions are already being made for curbing the interest which commercial banks can pay on time and savings deposits.

It is interesting to note that one of the main reasons for the current squeeze on the savings and loan institutions is the administration's overreliance on monetary policy to control inflation. As a New York Times editorial of June 15, 1966, points out, the result of this policy—combined with the sales of high-yield participations in Government-owned loans—has been to make money scarce and expensive.

Arbitrary ceilings on interest which commercial banks can pay offers no solution to the problem as long as underlying demand for credit remains at an extraordinarily high level. The most useful step the administration could take would be to apply fiscal restraint through a reduction and deferral of nonessential civilian spending.

Under unanimous consent, I include in the RECORD the Times editorial of June 15, 1966.

THE SAVINGS WAR

In intervening in the interest rate war between banks and other savings institutions, the Treasury is supporting a proposal to ban commercial banks from paying more than 5 percent on deposits of up to $100,000 and is reportedly considering legislation to keep them from paying more than 4½ percent on small accounts.

Such restrictions would blunt one of the competitive weapons employed by the commerical banks, but it will not halt the bitter and harmful battle for the savings dollar between the banks on the one hand and the mutual savings banks and savings and loan institutions on the other.

The thrift institutions lost over $1.1 billion in deposits in April, losses that have meant a shortage of funds available for investment in mortgages. There could be a real scarcity of mortgage money as well as serious liquidity squeeze on individual institutions if fresh withdrawals took place at the end of the current quarter.

Representative WRIGHT PATMAN of Texas has proposed restricting the powers of commerical banks as a means of equalizing competition. James L. Robertson, vice chairman of the Federal Reserve Board, has suggested an expansion in the powers of the savings institutions so that they can wage more effective war against the banks, a proposal that would have the effect of turning savings institutions into commercial banks. The Treasury, going along with Mr. PATMAN, wants to preserve the differences between the banks and the thrift institutions, which traditionally channel funds from small savers into the housing market.

These differences are worth preserving. But the restoration of a better competitive balance essential to protect the position of thrift institutions does not lie in measures to penalize commercial banks or the public. Whatever the Treasury does about commercial banks, the position of the thrift institutions will not be restored so long as demand for credit continues to grow and the monetary authorities are forced to ration the supply.

The Administration's own policies have worsened the situation. It's over-reliance on credit policy has made money scarce and expensive. It new practice of selling participations in Government-owned loans—a move designed to make its budget deficit look smaller—at rich yields of up to 5.75 percent is hitting at both commercial banks and thrift institutions. And the high interest rates now prevailing on other Federal and local government obligations and on other securiities available to the public may well bring further erosion in the position of the savings institutions even if the power of the banks were to be curbed.

So unless demand lessens voluntarily or the Administration takes action to restrain it, the battle for savings and the threat of a liquidity shortage in savings and loan institutions will not fade away.

THE ECONOMISTS SPEAK OUT

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, hardly a day goes by without an administration statement noting the good health and balance of the Nation's economy. As a contrast to this daily diet of administration optimism, it is refreshing and enlightening to hear what the professional economists have to say.

Chase Manhattan Bank recently polled professional economists in universities and business to try to determine a concensus on the major economic issues facing our country today. The results in many cases show a striking divergence from the views generally expressed by the administration.

A majority of both the 340 university economists and the 220 business economists who answered the questionnaire stated that inflation was the most pressing economic problem facing us today, and nearly all respondents thought inflation was now underway. As a remedy for this inflation, a significant number of respondents supported reduced Federal spending and tighter money. It is especially interesting to note that half of the university economists and 60 percent of the business economists did not favor the wage-price guideposts as a technique for restraining prices.

An additional issue on which the economists were polled was the proposed increase in the minimum wage. A significant majority of both business and university economists did not favor an increase to $1.40 in February 1967. Many were opposed outright to minimum wage laws.

We hear all the time about polls on many economic issues. I would like to think that this one presents especially responsible and well-informed opinions on economic issues. I think the administration would do well to give more weight to the views of professional economists outside government in developing its own policy positions.

Under unanimous consent, I include in the RECORD an article describing this poll which appeared in the June 1966 issue of Business in Brief. I also include a column by Murray Rossant from the New York Times of June 8, 1966, which discusses the Chase Manhattan poll.

ECONOMISTS COMMENT ON PUBLIC ISSUES

What do economists, both academic and business, think about key public issues like inflation, wage-price guideposts, and the economic impact of discrimination?

To find answers to these and other questions, the Chase Manhattan's Economic Research Division mailed questionnaires this April to 500 economists teaching in universities, and to 300 economists working for businesses. About 340 or nearly 70%, of the university group completed the form and returned it to us. About 220, or nearly 80%, of the business group did so.

Here are the conclusions drawn from their replies:

Economists are now more worried about inflation than about unemployment and poverty.

They recommend a broad-based attack against inflation, including cutbacks in government spending, tighter money and higher taxes.

Economists give widespread support to many of the Administration's welfare programs, but they also display considerable interest in preserving the role free-market forces play in directing the economy.

The majority of university and business economists see eye-to-eye on many issues. But university economists line up somewhat more heavily on the "liberal" side than do business economists.

INFLATION IS THE MOST PRESSING PROBLEM

The first quesion asked was: "What do you consider the most pressing economic problem now facing the U.S.?" The majority of both business economists, 54%, and university economists, 51%, answer inflation. But the two groups differ about the second most pressing problem, with business economists citing the international payments deficit, and university economists citing poverty.

Emphasizing the concern about inflation are answers to the question "Do you think inflation is now underway across the U.S?" Almost 95% of business economists and over 85% of university economists answer "yes."

Asked what policies the nation should stress in containing inflation, both groups favor the broad use of monetary and fiscal policies. But business economists put more emphasis on reducing federal spending, while university economists put more emphasis on raising taxes.

Despite 6 years of steady gains in general business activity, neither group is willing to buy the proposition that the business cycle is dead. Over 90% of both groups say they disagree with this notion, although 50% or more of both groups consider it unlikely that the next business downturn will be as deep or as long as the downturn of 1957–58. Many of our respondents also comment that they do not believe the nation will ever undergo another Great Depression of the 1930s variety.

SUPPORT FOR WELFARE MEASURES

Support for some of the government's economic programs and proposals shows up in answers to several questions. For instance, nearly 90% of university economists and almost 75% of business economists say they generally support the idea of a government "War On Poverty." Much smaller percentages, however, approve the direction of the "war" has taken so far. Less than 60% of university economists approve, and less than 45% of business economists do so.

Additional support for government innovations is revealed by answers to questions about state and local governments. Almost 80% of our university respondents and almost 70% of our business respondents say they believe there is a growing need for federal aid to state and local governments. The university group favors untied federal grants (sometimes called the "Heller Plan"), while the business group favors federal tax programs designed to release tax sources to state governments.

Asked about the social and economic problems now confronting the nation's cities, almost 80% of university economists and almost 70% of business economists say cities need help from other levels of government. An identical 43% of both our university and business respondents feel that the formation of area-wide governments is a good way of tackling the country's urban troubles.

SUPPORT FOR THE MARKET SYSTEM

But although strong backing is given to some of the newer proposals for economic and social innovation, one also finds a pervasive desire to rely heavily on free-market forces. For example, in reply to the inflation question about 80% of both groups polled suggest either general monetary or fiscal policies as the best way to contain inflation, while less than 20% presently suggest either selective credit controls or price controls.

Other evidence of support for market forces shows up in attitudes toward the wage-price guideposts as a technique for combating inflation. Half the university economists oppose the guideposts. Business economists oppose the guideposts by a margin of 60% to 40%. And many of those who register themselves in favor of the guideposts remark that they do so with some reluctance and with the hope that they will be used only temporarily and in a strictly voluntary way.

But perhaps the strongest opposition to government interference with market mechanism shows up in the question on minimum-wage legislation. Over 60% of university economists and almost 80% of business economists oppose increasing minimum wages to $1.40. The primary reason they oppose the boost is that they dislike minimum-wage laws in general.

NEED FOR EDUCATION

Whereas both university and business economists believe racial discrimination constitutes a serious obstacle to economic efficiency, only the university group believes it should be attacked through further federal legislation. Some 65% of the academics now think further legislation is needed, as against 75% who thought so when we asked the same question in 1963.

One issue on which virtually all economists agree is the need for teaching more economics in high school. Almost 95% of the business economists and 90% of the university economists in our survey believe the subject should be taught in high school. And the vast majority of both groups believe that the effort deserves either a major or moderate effort.

Technical Note: This survey is based on a sample drawn from the American Economic Association's 1964 *Handbook* and from the National Association of Business Economists' 1965–66 *Membership Directory*.

Of the 500 teachers asked to participate, about 320, representing colleges and universities in 46 states, filled out the questionnaire and returned it. Of the 300 business economists asked to participate, about 220, representing business firms in 29 states, did so.

Owing to a lack of space, this report does not contain all the questions posed. If you would like a copy of the complete results, just drop us a note requesting it.

Highlights from the Chase Manhattan survey of university and business economists

[In percent]

	University economists	Business economists
1. What do you consider the most pressing economic problem now facing the United States?		
Inflation	51	54
Poverty	25	8
Balance-of-payments deficits	9	19
Inadequate growth	4	5
Unemployment	2	2
Other	9	12
2. Do you think inflation is now underway in the United States?		
Yes	86	94
No	14	8
If your answer is "yes," what policies should be stressed in containing it?		
Higher taxes	34	28
Reduced Federal spending	27	40
Tighter money	21	17
Selective credit controls	12	12
Wage-price controls	6	3
3. After about 6 years of steady gains in general business activity, a rumor has begun making the rounds to the effect that the business cycle is dead.		
Do you disagree	93	95
Agree	7	5
4. In general, do you support the idea of a Government "war on poverty"?		
Yes	88	74
No	12	26
If your answer is "yes," do you generally approve the direction the "war" has taken so far?		
Yes	57	44
No	43	56
5. Do you believe there is a growing need for Federal aid to State and local governments?		
Yes	78	68
No	22	32
If so, what form should the increased aid take?		
Untied grants	44	22
Grants-in-aid tied to specific programs	33	28
Federal tax programs designed to release tax sources to State governments	21	48
Other	2	2
6. It is frequently said that U.S. cities face great social and economic problems. Do you think these problems should be met by:		
Greater assistance from other levels of government	79	67
The cities themselves	21	33
If your answer is "other levels of government," what do you think is the best approach:		
Forming new metropolitan areawide governments	43	43
Greater Federal responsibility for local problems	32	23
Greater State responsibility for local problems	25	34
7. In general do you favor the Government's "wage-price guideposts" as a technique for holding the line on prices?		
No	50	60
Yes	50	40
If your answer is "no," is it primarily because:		
There are better ways of restraining the overall price level	44	32
Guideposts involve too much interference in the market	42	52
Other	14	16
8. Organized labor is calling for a rise in the minimum wage from $1.25 an hour to $1.40 in February 1967. Do you favor such action?		
No	61	79
Yes	39	21
If your answer is "no," it is primarily because:		
You generally oppose minimum-wage laws	54	60
The timing is inappropriate	26	22
The boosts are too big	19	18
Too small	1	0
9. Does racial discrimination constitute a serious obstacle to economic efficiency?		
Yes	74	62
No	26	38
If your answer is "yes," should the problem be attacked through further Federal legislation?		
Yes	64	44
No	36	56
10. Should economics be taught in high school?		
Yes	90	94
No	10	6

[From the New York Times, June 8, 1966]

A VERDICT ON INFLATION—POLL OF ECONOMISTS FINDS MANY THINK UPWARD PRESSURE IS ALREADY HERE

(By M. J. Rossant)

The slowdown in the pace of business activity experienced in the current quarter has lessened the threat of a serious inflationary wage-price spiral. But the threat has not been eliminated. In fact, economists say that inflation is already here.

That is the verdict of 86 per cent of the academic economists and 94 per cent of the business economists answering a poll conducted by the economic research division of the Chase Manhattan Bank.

A majority of both groups also contends that inflation is "the most pressing problem now facing the United States."

VICTORY OF SORTS

These responses represented a victory of sorts for economists who have disputed the Johnson Administration's consistent contention that inflation was nothing to worry about. Even Administration economists are now prepared to admit that inflation may be a serious problem late this year or early in 1967.

The Administration had been right earlier in the expansion when they argued that there was enough slack in the economy to ward off inflationary pressures. Now its economists think that a slower rate of advance will be accompanied by the re-emergence of a little slack that will help to halt the recent upward creep of prices.

But some private economists expect the creep to turn into a strut. They fear that price and wage pressures will become more pronounced even if business activity continues to rise at a slower rate.

Economists predicting a stepping up of inflationary pressure think that the recent rise in consumer prices will prompt labor to

> demand much higher wage increases this year and next.
>
> As the Pittsburgh National Bank puts it, "Factory workers only tolerate a slowdown in real income for a short period of time during generally healthy business conditions. Then . . . workers press for larger increases in wages in order to counteract the effect of rising consumer prices. This pressure can easily translate itself into a wage-cost-price-push inflationary spiral if workers continue to force higher wage settlements which in turn are followed by price increases. . . .
>
> The Administration is aware that labor will be demanding much higher wages unless prices are stabilized. But it is pointing out that food prices are expected to level off. And it is hopeful that the slowdown in automobile sales and the decline in the stock market will help to cool inflationary psychology.
>
> If businessmen and consumers show less concern about inflation, Administration economists reason, inflationary pressures may subside.
>
> Certainly one of the reasons that inflation has been so slow to make itself felt during the current expansion is that inflationary psychology was conspicuously absent for so long. It faded away during the latter days of the Eisenhower Administration and did not show itself again until late last year.
>
> HELD AT BAY
>
> Inflation was also held at bay because most of the important industrial wage settlements that now prevail took place when unemployment was relatively high. As a result, labor unions probably settled for less than they would have if unemployment was relatively low.
>
> The Administration will have a lot going for it if inflationary psychology fades once again. But it is doubtful that it will be as lucky again when it comes to labor.
>
> Economic Advisers, concedes that if price rises are not checked now, both upcoming labor negotiations and "market forces would generate a tendency for wages to catch up."
>
> Those who think that inflation will accelerate argue that the economy does not have spare resources. So even if the rate of climb slows, they see price and wage pressures intensifying.
>
> They also question whether inflationary psychology is really dead. They think that it could start up again if there was a fresh increase in spending for the Vietnam war or if consumers resumed their spending spree.
>
> Unquestionably, there is still a real risk of a serious inflationary problem. Business activity, if not inflationary psychology, is still rising. And prices, if not expectations, are following suit.
>
> Prices must be stabilized now to avoid a sharp rise in labor demands later on. Admittedly, inflation has had a slow start, but if labor is driven to demand excessive wage increases in a period of low unemployment, inflation will probably linger on long after the expansion has passed its peak.

A POSITIVE APPROACH

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Joint Council on Economic Education, a nonprofit group set up to encourage instruction on economics in the schools, reports that this year some 1,500,000 students in more than 4,500 elementary schools are receiving courses in basic economics. It has long been recognized that instruction in rudimentary economics was lacking in the curriculums of many schools.

For some time now a noteworthy effort has been made to give more emphasis to this subject by the U.S. Jaycees in courses to members as a national Jaycee project. Entitled "Freedom Versus Communism: The Economics of Survival," these study sessions seek to give participants an opportunity to make an informed, objective appraisal of the Communist challenge by comparing our private competitive enterprise system with the economic system of Communist Russia. The course material was developed by the Chamber of Commerce of the United States and the success of the venture can be judged by typical comments from Jaycees chapters:

From the Glasgow, Ky., Jaycees:

> When the Glasgow Jaycees agreed to sponsor Freedom vs. Communism, they expected to organize a single class. But four times as many people enrolled and completed the course.
>
> These people represented a cross section of the community including lawyers, educators, doctors, housewives, mechanics, plumbers, etc. More courses are now being organized.
>
> This project brought the local Jaycees more sustained publicity than any project held prior to this.

An editorial from the Current-Argus, of Carlsbad, N. Mex., has this to say about the program of the Carlsbad Jaycees:

> At least nine other local civic organizations have joined the Jaycees in promoting this program, Freedom vs. Communism. The Freedoms Foundation at Valley Forge, Pennsylvania, lends its support to the program, as does the Chamber of Commerce of the United States, FBI Director J. Edgar Hoover and Governor Jack M. Campbell. The program is deserving of support.

The reason for the success of the Freedom Versus Communism course is not difficult to discern. Authorities on communism from the executive and legislative branches of the U.S. Government were consulted in the preparation of the course material. In addition, leading economists and educators and training experts made qualified contributions to the effort. The course consists of eight informal discussion sessions with case studies and workshop problems lending variety to every 2-hour session. Pamphlets of background information provide a preparation for each session. The subjects covered in the sessions include:

First. The Communist challenge—what communism is and how it threatens the free world.

Second. Consumer control or controlled consumers—how consumer influence in a competitive enterprise economy differs from consumer influence in a controlled economy.

Third. Profit motive or master plan—how the profit motive influences the way resources are used and distributed; contrasted with how, in a Communist country, production and distribution are controlled.

Fourth. Who gets what—how the rewards of production are distributed under the two contrasting systems.

Fifth. The role of government—the effect of government on an economic system.

Sixth. The big picture—how the private and government sectors of an economic system influence one another, their impact on people and the economy of a country.

Seventh. Meeting the economic challenge—what can be done to solve the problems of inflation, unemployment, and economic growth in the battle for economic survival.

Eighth. What you can do about communism—what concerned citizens can do to help fight communism.

The U.S. Chamber of Commerce is certainly to be commended for making this worthwhile training program available to the public. In addition, the efforts of the U.S. Jaycees to give the program wider dissemination should be supported wherever possible.

When one reads of campus riots, draft-card burnings, and disrespect for law enforcement, it is refreshing and reassuring to learn of responsible programs which seek to accentuate the positive in our way of life. And more importantly, it is hoped that the theme of the Jaycee creed will serve as a guideline to an increasingly larger number of citizens in confronting the crises of these troublous times:

> We believe—
>
> That faith in God gives meaning and purpose to human life;
>
> That the brotherhood of man transcends the sovereignty of nations;
>
> That economic justice can best be won by free men through free enterprise;
>
> That government should be of laws rather than of men;
>
> That earth's great treasure lies in human personality;
>
> And that service to humanity is the best work of life.

FREEDOM TO BE LOYAL

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, today the House passed the freedom of information bill for which there has been a crying need for many years. By means of misclassification and downright refusals, executive branches have withheld information which properly belonged to Congress and the people. Equally important is the fate of those in executive offices who forthrightly provide information to Congress derogatory to their particular agency. The case of Otto Otepka and the State Department is an excellent case in point.

As is generally known, Otepka testified before Congress concerning bad security practices in the State Department and was fired in November 1963. Otepka's sin consisted in literally believing rule 1 of the "Code of Ethics for Government Service" which was passed by Congress on July 11, 1958: "Put loyalty to the highest moral principles and to country above loyalty to persons, party, or Government department."

The Otepka treatment by the State Department reads like a James Bond thriller, complete with wiretaps, inspection of waste containers, and false testimony before a congressional subcommittee. Fortunately, the Senate Subcommittee on Internal Security has made public for all to read the record of this man's 3-year-long fight to "put loyalty to country above loyalty to Government department."

The latest development in the case is especially pertinent in view of the passage of the freedom of information bill in the House. As reported by Willard Edwards of the Washington office of the Chicago Tribune on June 2, 1966, the use of the classification "secret," is once again being employed to keep from the public information which apparently is not complimentary to the State Department. Because the freedom of our Government employees to be loyal is at stake, I include Mr. Edwards excellent article, "Suppression Bid Bared in Otepka Case," in the Record at this point:

Suppression Bid Bared in Otepka Case—Plea Made by State Department

(By Willard Edwards)

Washington, June 1.—The state department has moved to suppress vital portions of the final volume of secret evidence taken during a three-year investigation of the Otepka case.

Nine members of the Senate internal security subcommittee today received letters from George W. Ball, acting secretary of state, protesting the proposed release of documents and testimony baring details of lax security in the department.

Each letter was labeled "secret," provoking indignation in some of the recipients who could determine no reason for such classification of a communication between a government department and a Senate subcommittee which disclosed no details of the documents sought to be suppressed.

In addition to Sen. James O. Eastland [D., Miss.], the chairman, the letter was sent to Senators John L. McClellan [D., Ark.], Sam J. Ervin [D. N.C.], Birch Bayh [D. Ind], George Smathers [D., Fla.], Roman L. Hruska [R., Neb.], Everett M. Dirksen [R., Ill.], and Hugh Scott [R., Pa.].

Ball asked for deletions of the transcript in four places. He pleaded that publication of certain documents and testimony would violate the state department's classification of "confidential," and, in one instance, would seriously affect relations with foreign countries.

CLEARED BY GROUP

This material, after examination by the subcommittee and its staff, had been cleared for publication as essential to public understanding of what has been called "the Otepka tragedy." It was to have appeared shortly in volume 20, the last of the series of transcripts of secret hearings. When galleys were sent to the state department for examination, Ball's last-minute letter of protest, dated May 31, was dispatched.

Otto F. Otepka was a highranking state department security officer who was fired Nov. 5, 1963. He incurred the wrath of Secretary of State Dean Rusk and other superiors by testifying candidly about bad security practices in the department.

The subcommittee began its publication of the 1,500,000-word transcript in July, 1965, and 19 volumes have been released thus far. Another five volumes were devoted to its probing of the case involving Abba Schwartz, chief of the bureau of security and consular affairs, who resigned several months ago.

REFUSED BY ONE

One senator refused to accept the letter under these circumstances. Another remarked that he had never noted a more serious distortion of the much-abused practice of applying the "secret" stamp to government papers. The only excuse for the secret label in this instance, it was noted, was to cover up the state department's attempt to suppress evidence.

FOUGHT TWO YEARS

The state department fought for two years against release of the hearings. As the volumes were released periodically, in the last 10 months, the reasons for its opposition became apparent. A tale of intrigue was disclosed and a pattern of procedures which seemed designed to operate to the benefit of security risks.

Otepka appealed his dismissal and is still awaiting an opportunity to present his defense to charges of conduct unbecoming a state department officer. He has been tentatively promised a hearing in July. Altho he has remained on the payroll, because of his appeal, he has been stripped of all security duties and assigned to clerical work in virtual isolation.

AVAILABILITY OF AMMUNITION TO MEN SERVING IN VIETNAM

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ayres] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. AYRES. Mr. Speaker, I was deeply shocked when I received a letter signed by 29 members of the 94th Ordnance Company serving in Vietnam that outlined a situation that seemed almost unbelievable to me.

I can understand the deep sense of frustration that must be enveloping these men—a frustration that would cause them to turn to a Member of Congress for help.

These men were chosen for service by the armed services. They underwent stringent mental and physical examinations. They have undergone military training. Certainly they are to be trusted with ammunition—particularly in that part of Vietnam that has been under sniper attack.

I have turned this letter over to the distinguished and able L. Mendel Rivers, chairman of the House Armed Services Committee, and have asked that a full-scale investigation be held to find the reasons behind the action charged in this letter.

I have no answer to send to these men but I intend to pursue this question until one is forthcoming. I have written to these men informing them that I have called for this investigation and have asked them to inform me of any repercussions that they might possibly suffer because of their action in reporting these facts to me.

The letter that I received from 29 members of the 94th Ordnance Company follows:

APO San Francisco,
June 6, 1966.

Dear Sir: I don't know for sure whether I have a legitimate complaint or not but I thought that I had better find out.

We are serving our country in Viet Nam with our ammunition locked up in a conex. Even though we are in the second safest place in Viet Nam there have been several incidents where people on guard duty have been shot at.

Too, GI's were shot at and killed just 1,500 feet from where we are based.

At any time we could be attacked. We would like to know if there is anything that could be done about this situation.

We would appreciate any help that you could give to us.

Sincerely,

The GI's from the 94th Ordinance Co.: Pfc. Marvin F. Hettinger, Jr.; Sp4c. Charles F. Engle; Pvt. E–2 John Kruis; Sp4c. Donald G. Baker; Sp4c. David M. Marks; Sp4c. Cleveland E. Storns; Pfc. John A. Blackburn; Sp4c. Frank D. Fowler; Sp4c. Craig H. Roe; Pfc. John J. Mytych; Sp. David A. Michad; Sp. Melrich C. Dio; Sp4c. Lloyd Perkins; Pfc. Charles Penir; Sp4c. Leonard Einhorn; Sp4c. Howard N. Swecker; Pfc. Harry D. Diaf; Sp4c. John Gleyduos; Pfc. Marlin Farabaugh; Sp4c. Steve Pagle; Pfc. Byron Donohoe; Pfc. Fred Bennicoff; Pfc. John Hoffman; Sp4c. Lawrance Stone; Pvt. Clifford Mesker; Pfc. Wallace Waldcop; Pfc. William Smith; Sp4c. James M. Bamorietz; Sp4c. Louis Sember; Richard Stoner.

DISTRICT OF COLUMBIA SCHOOLS "REPORT"

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Gurney] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GURNEY. Mr. Speaker, on Friday morning, June 17, there was released a committee print entitled "A Task Force Study of the Public School System in the District of Columbia as It Relates to the War on Poverty." The report further states that this study was conducted by the Task Force on Antipoverty in the District of Columbia of the Committee on Education and Labor.

Mr. Speaker, I am a member of that task force, and the first time I saw that report was Friday morning. I was not afforded an opportunity to participate in the drafting of the report; I was not informed that it was about to be published. The report was not discussed at a meeting of the subcommittee called for that purpose.

Furthermore the minority staff of the committee was not notified, nor were they given an opportunity to even read the report before it was released. No provision was made for the preparation of minority views or additional comment.

In short, that report is not the work of any task force in which I participated, although it purports itself to be such. I wish at this time to disassociate myself from the report and to make it very clear that I had no part in determining its contents.

CLARIFYING AND PROTECTING THE RIGHT OF THE PUBLIC TO INFORMATION

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CRAMER. Mr. Speaker, I was unavoidably detained at an important meeting and missed by a few minutes being present for the vote on S. 1160, clarifying and protecting the right of the public to information. Had I been present, I would have voted for passage of the bill and, for the record, want to announce my position in support of the legislation, which is best evidenced by my introduction of a similar bill, H.R. 14915.

In support of this position, I can do no better than to quote the conclusion of the Committee on Government Operations in reporting the bill to the House:

> A democratic society requires an informed, intelligent electorate, and the intelligence of the electorate varies as the quantity and quality of its information varies. A danger signal to our democratic society in the United States is the fact that such a political truism needs repeating. And repeated it is, in textbooks and classrooms, in newspapers and broadcasts.
>
> The repetition is necessary because the ideals of our democratic society have outpaced the machinery which makes that society work. The needs of the electorate have outpaced the laws which guarantee public access to the facts in Government. In the time it takes for one generation to grow up and prepare to join the councils of Government—from 1946 to 1966—the law which was designed to provide public information about Government activities has become the Government's major shield of secrecy.
>
> S. 1160 will correct this situation. It provides the necessary machinery to assure the availability of Government information necessary to an informed electorate.

THE FUTURE FOR CORN

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. FINDLEY. Mr. Speaker, on June 6, Robert C. Liebenow, president of the Corn Industries Research Foundation, Inc., which is composed of the companies which process corn for industrial and food uses, made an unusual speech at French Lick, Ind. He discussed corn and its importance in most interesting terms, but he went further and stated firmly and persuasively that farmers should receive a fair price in the market for their products. He also criticized recent efforts to beat down farm prices, pointing out that these prices are low in comparison to wages and industrial prices.

Below are extracts from his excellent speech:

THE PROCESSOR MARKET—PRESENT AND FUTURE

A booming and an exciting processor market lies ahead for today's corn producers. It is a market whose value will be increased in the years ahead.

Much of this is due to the versatility of corn, our top crop. Much of this is due to the imaginative efforts of our corn farmers, seed producers, the agribusiness community—and to processors like those I represent.

Nor should we overlook the vital marketing role played by grain and feed dealers, the commodity exchanges, our transportation industries—and many others. Their teamwork makes it possible for the 7 percent of our population living on farms to feed the other 93 percent of us, and have food left over for some of the rest of the world besides.

All of us are dedicated to doing a better job for agriculture. This we can do, but there are some stern tests of our patience and our ability just ahead of us.

First, let me say that the health of corn processing is and will continue to be excellent. I am confident that the market I represent will be an important—and growing—market for corn producers and the grain trade for years to come.

Last year's record corn crop was produced only through the cooperation of the farmer and all of agribusiness. The approximately two billion bushels of corn which are moving through marketing channels so efficiently are a tribute to the know-how and efficiency of the membership of your great association and others in other states.

I think it is unfortunate that so few of us take time to consider some of the measures of corn's importance to this economy of ours. One indication of this importance is the fact that the value of the crop raised by American corn farmers each year is exceeded by no other crop. The 1965 crop value amounted to more than $4 billion, and the proportion of corn sold in the cash market is trending upward. Corn is the real King!

Corn refiners purchase about 5 percent of our total corn crop. The exact percentage varies slightly with the size of the total crop. If we consider only that corn which is marketed, including exports, corn refining purchases rise to 10 percent to 12 percent of the total crop available for sale—and this, let me remind you, is the part that you handle.

One more measure of our importance to your business is this: corn refiners purchase more than half the corn crop that is neither exported nor fed to livestock.

And in our domestic economy—as many of you know—the products of corn refining go into hundreds of food, paper, textile, metal-working, medicinal and other uses so essential to our life.

Recently, we of Corn Industries wanted to describe the contributions of corn refining to America in a few words. We finally said: "Corn refining affects all Americans."

So basic is corn in so many food and non-food uses in our economy today that its use normally is not subject to the economic cycle or other disturances in buying power.

Since the beginning of the present century a marked change has occurred in diets. Price changes, taste, the introduction of convenience foods, rising incomes, changes in occupations and continuing farm-to-city migration all have affected our food consumption habits.

A few months ago, R. F. Daly and A. C. Egbert, two U.S. Department of Agriculture economists, published a most interesting study of what U.S. food consumption patterns might be in 1980.

Between now and 1980, according to Daly and Egbert, our per capita consumption of beef, veal, chicken and turkey will increase, but we will eat less pork. Our use of milk, milk products and eggs will decline some more, but not as much as the experience of the last two decades. Our consumption of food fats and oils will remain steady, and the shift from animal to vegetable sources of fats and oils—which is now well under way—will continue.

Turning to grains, Daly and Egbert indicate our per capita wheat consumption will continue downward, dropping to 143 pounds in 1980 in comparison to 165 pounds in 1959–61.

Corn consumption, however, follows a far different pattern, and this really interests us. One would expect our consumption of corn to parallel the decline in wheat. Cornmeal consumption has been declining steadily over the years. What could possibly take its place? The answer is all sorts of things, among them corn sweeteners and corn oil—two products of corn refining produced in rising volume.

Daly and Egbert tell us we may expect per capita food consumption of corn to continue at or near the present level through 1980, when—according to their estimates—the grain equivalent of per capita U.S. food consumption of corn will be 52 pounds.

Another of the growth products of corn refining is oil. U.S. corn refiners have doubled their output since 1948, and today margarine usage accounts for 36 percent of the total domestic use of corn oil. A decade ago margarine use was negligible.

Corn processors, of necessity, have certain quality standards. One important requirement they emphasize is that the corn they use should not be overheated during drying. We of Corn Industries have carried on an educational program on proper corn drying for a number of years, and the Federal Government supports extensive research in this same subject.

Correct drying procedures are all the more important today. First, artificial drying of corn is a growing and valuable practice. Second, the amount of corn that is field-shelled is increasing year after year. We quarrel with neither of these developments because we know they represent the type of producer efficiencies our farmers must have to keep their costs in line with the value of their marketings.

All of us have a real stake in corn drying. Corn refiners, by the way, are not alone in this. Distillers report lower yields of alcohol, and dry millers and breakfast food manufacturers are troubled by shattered and broken kernels also. Even exporters find customers abroad who complain about broken corn.

I mention these facts because I think organizations like your own which link corn producers with corn processors have a special responsibility in the quality picture. You, perhaps, are closest to the producer. You are his first point of contact with his markets. This is why we would encourage and welcome your support of the corn drying program and other campaigns designed to help producers market crops of consistently better quality.

One new development which may have vast implications of a worldwide scale is high lysine corn, a project that has been carried on by scientists at your own Purdue University.

Dean Earl L. Butz of Purdue's School of Agriculture told me last week that the discovery of high lysine corn will likely prove to be one of the great scientific breakthroughs of this decade, having great consequences in those parts of the world where corn is the basic energy source of the human diet.

If—and while it is a big "if," no one says it can't be done—high lysine corn can be developed commercially that is of consistently higher lysine content, and if the yield of this corn can reach that of present hybrids, we will see within the next decade a corn revolution possibly just as sweeping as the one which followed Henry Wallace's successful development of hybrid seed corn four decades ago.

There is a strong, compelling reason why it is so essential that agriculture throughout the world develop to its fullest potential possible in the shortest period of time. The 1.6 billion acres of world grain cropland today is equivalant to one-half acre for each man, woman and child on earth. By the end of this century we expect the world's 3.4 billion population to double. Little additional cropland is expected to be brought into cultivation during this next third of a century. The grim reality we face, therefore, is that our present half-acre-per-person grain cropland average will decline to one-quarter acre per person by the year 2000.

If we do not intervene in the world food crisis—if we do not use our great agricultural resources wisely—the world hunger and malnutrition problem, already acute, will worsen. Greater political instability would be sure to follow. A desperate, starving people will seize almost any alternative—even communism. We must not allow this to happen.

The job confronting us, therefore, is a difficult one. Agriculture in the less developed countries must be modernized. We must reach a balance between increased shipments of foodstuffs from this country and those other types of assistance which can help the less developed nations increase their own agricultural productivity.

However, there is a third most important element to this new equation. That is that we do all this and yet preserve enlightened farm policies here at home which improve the income position of the American farmer.

Despite the recent growth of the American economy, the farmer has not been receiving his fair share. Claude W. Gifford, economics editor of *Farm Journal*, observed recently that since 1947–49, average weekly wages in manufacturing industries rose 107 percent, Federal Government spending increased 173 percent, and farmers themselves are paying 28 percent more for what they buy.

Yet, says Gifford, over-all farm prices received by farmers are still 9 percent below 1947–49. "Hardly an excuse for a cap on farm prices," Gifford added.

In this I agree. And whether one attempts to measure parity, or even "parity of income" a newer term of rather unprecise meaning, *it seems obvious to me that we are permitting* a vicious double-standard to exist in our economic life today.

All around us we see evidence of increases in price for goods and services. Wages are climbing—particularly in manufacturing industries and the construction trades—both within and without the Administration's guidelines. Not so for the farmer. He is harnessed to a price structure that is not reflective of wage and price advances that are achieved elsewhere in the economy.

The 7 percent of our population who comprise our farm families take the risks of early frost, flood, disease and insects, drought, hail, wind and tornadoes. Then, when they complete the harvest, they face uncertain markets. While we can do little to cushion them from the acts of nature, we as a nation—and I speak for the 93 percent which is nourished by his crops—do owe them an equitable marketing system which can offer remuneration more in keeping with the advances achieved by others.

Recently, we witnessed market actions which did little to hold down food costs but which cut into farm income. I think it is not only politically unwise to do this, but morally wrong. If we seek scapegoats for inflation, let us look elsewhere.

Obviously, as a consumer I want low food prices, but I do not want such prices at the expense of the farmer's prosperity, efficiency and stability—particularly at a time when other segments of the economy are appreciably better off. The per capita income of our farm population is only about two-thirds that of our non-farm population. Although net farm income has risen from the $11.7 billion of 1960 to the $14.1 billion recently reported for 1965, farm operating expenses rose from $22.2 billion to $30.3 billion during the same period. Farm debt at the beginning of 1966 was $41.1 billion—a record high that mounts heavily each passing year.

When industrial wages, salaries and all prices are taken into account, farm prices are low. Consumers have been accustomed to food prices that are based on farm prices that are substantially below parity. Naturally, when food prices begin to move up, there are complaints and grumbling. It takes little encouragement for the public then to blame the inflation they see on the higher food costs they have to pay.

The consuming public would be in for a rude awakening if the prices received by farmers were representative of the same guidelines we apply to industry's wages. Our marketing system, of course, subjects the farmer to supply and demand and we cannot gurantee his continuing price advances. But, by the same token, we should not relegate him to a permanent economic status below that of labor and industry.

It is evident that our own domestic requirements and the world food situation make it necessary that we maintain adequate food reserves. But Government stocks should, under ordinary circumstances, be *insulated* from the market. Otherwise, it is clear that they can be used for political purposes—to the detriment of farmers and the entire national economy.

The conditions under which such reserves would be retained and the basis for distribution of such stocks should be announced in advance. But most important of all, the minimum sale sprices should be substantially higher than present law provides. To the maximum extent possible, the CCC sales prices should reflect the prevailing supply-demand situation.

Ordinary stocks essential to normal business operations should be carried by the private trade. Every policy encouragement should be given to the private trade to carry its own inventories. The Commodity Credit Corporation was not designed to be a great national agricultural warehouse.

Since the 1940's this country has given away mountains of foodstuffs to other countries. Some nations showed little gratitude and, while eating our provender, assailed the system which kept them from starving. Nevertheless, in an unstable world, there is little question that American food—supplied at sacrifice by the American farmer—has been a great tool of stability and peace. It will be such a factor in the years ahead.

Unfortunately, the farmer has received little credit for supplying this assistance. The cost has been charged to the Department of Agriculture—and the farmer. In my opinion, it should be charged to foreign aid and national security.

Today what many will regard as the most significant piece of farm legislation since 1933 is now on its way through Congress. This is the Food for Freedom bill— or H.R. 14929 as it was recently reported out of the House Committee on Agriculture This legislation, with many worthwhile modifications added by the Committee on Agriculture, represents a new hard-headed approach to world hunger. No longer will we contribute from surplus only; we will make all food and fiber available. But tied to this new approach is the strict admonition that the receiving nations help themselves.

I am happy to report that a companion measure—the so-called "reserves" bill—seems dead for this year. If enacted, this proposal would give the Secretary of Agriculture vast powers to accumulate reserves, ostensibly to meet any demands, foreign or domestic. I think, however, that our recent experiences with Administration farm price controls served to put everyone on notice that price management was the real goal of the legislation.

Our foremost task today is to maintain the peace and to halt Communist aggression. To do so we must help bolster the income position of the American farmer so he can assume his rightful role in this most challenging task and lead the War on Hunger.

We need to show that while food is the American consumer's best buy, some of this price advantage has been at the expense of a sizable segment of the nation's population that has for far too long been denied income on a par with others.

We need to tell the people about the great strength imparted by the unique American marketing system, in which you play so important a role.

We need desperately to communicate—not with ourselves but with the 93 percent of the American public which has little appreciation for, and even less understanding of, agriculture.

We will not advance and progress as a nation unless each segment of our economy shares fairly in the abundance which all help to produce, process and distribute. Each of us in the agribusiness community has a responsibility in this. Let us resolve to carry the program forward. Thank you.

PERSONAL ANNOUNCEMENT

Mr. CHAMBERLAIN. Mr. Speaker, I was absent on Thursday last, and therefore am not recorded on rollcall No. 145. Had I been present, I would have voted "nay," and would like to have the RECORD so indicate.

HUMAN INVESTMENT ACT OF 1966

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, economists have been in a dilemma for several years over the paradox of persistent unemployment during the most prosperous period in the Nation's history.

When prodded into offering a solution, the Democratic administration fell back on programs pursued by the New Deal three decades ago—programs that were questionable even then. Although war was declared on poverty, the fight has been largely conducted by big city machine politicians more concerned with patronage than with progress. Even when the phrase "retraining the unskilled" was heard, it was accompanied by the endless jingle of Federal coins being doled out in large sums. The average cost per trainee of the Job Corps, for example, has been far greater than the cost of education in the most expensive universities in the Nation.

Republicans have been offering a solution of their own—one that is being given more and more attention daily and one that does not stray from traditional

American principles. It is called the Human Investment Act.

With industry doing the training, a man is certain to be prepared for skills needed in the economy. Any loss of revenue under this plan would be repaid many times to the Federal Treasury as the unemployed once again become taxpaying members of our society.

The bill which I propose to introduce, like other bills on the subject, provides a tax credit to business as an incentive to assist the economy by training unemployed persons so that they may find employment and by retraining employed persons so that they may take advantage of new job opportunities. In pursuit of this goal, however, my bill differs in several important respects from the other bills. The effect of these differences is that my bill gives greater assurance that the legislative intent of a human investment credit is realized. The bill is much more specific than the other bills and thus narrows the area for interpretation and for abuse. It places emphasis on vocational training, making it perfectly clear that the bill is intended to provide a tax credit for the expenses of providing job training and not for providing general education or higher education. The bill reduces the need for bureaucratic interference. Programs under the bill would require neither the approval of the Secretary of Health, Education, and Welfare—as required under S. 3184—nor of the Secretary of Labor—as required under S. 2343. Moreover, my bill should provide a broader base of participants because it undoubtedly will attract the participation of more businesses than would the other bills.

I present a brief summary of my proposed bill within the framework of the chief points of differences between it and the other human investment credit bills. My bill, like the other bills, allows an employer to take as a credit against his tax liability the entire first $25,000 of the creditable amount of his training expenses. Above $25,000, one-fourth of the creditable amount is allowed. All the bills permit a 3-year carryback and a 5-year carryover of unused credits.

Unlike the other bills, however, my bill places a maximum upon the total amount that may be taken as a credit. On page 259 of part I of the Labor-HEW hearings held by the appropriations subcommittee on which I serve, Mr. Stanley Ruttenberg, Manpower Administrator, pointed out:

> The average estimated cost for on-the-job training was $570 per trainee in 1966. That will go to $996 in 1967 because the basic education component of getting at these hard-to-reach people and giving them refresher education will increase the cost substantially.

In checking with industry in my own district, I find that the liberal estimate for fiscal year 1967 for the on-the-job training of an individual will be $500, or about half of the Federal Government cost.

The Department of Labor recently announced six on-the-job training programs in Maryland, Connecticut, Illinois, Kansas, and Pennsylvania averaging about $85,000 per project. These, I feel, present a good cross section of a typical Government program, so the $40,000 limitation for private industry, to my way of thinking, is reasonable.

In addition, this bill uses a different method of calculating the amount of training expenses that make up the creditable amount. In most bills the amount eligible to be taken as a credit, either fully or at the 25-percent rate, is a flat 7 percent of the allowable training expenses. The proposed bill uses a graduated scale instead. This scale tentatively is 40 percent of the first $25,000 of the allowable training expenses, 20 percent of the next $75,000, and 7 percent of the allowable expenses in excess of $100,000. Small businesses that could not afford a training program under the flat 7 percent of cost formula will be attracted to the program under the formula contained in the proposed bill. It might be noted that S. 3184 permits 100 percent of the first $25,000 of allowable training expenses to be taken as a full credit and one-fourth of the amount in excess of $25,000. I believe that financial incentive of this magnitude probably is greater than is necessary and causes an unduly large loss of revenue to the Federal Government.

The definition of employees' training expenses in my bill parallels that of other bills to some extent: namely, wages and salaries paid employees who are apprentices in approved apprenticeship programs or who are enrolled in an on-the-job training program under the Manpower Development and Training Act qualify as training expenses. There are significant differences, however, which underscore the fact that the credit is intended to encourage vocational education. Other bills, although excluding from the credit expenses incurred in training individuals in professional or scientific skills at the post-graduate level, permit the inclusion of expenses incurred at the undergraduate level and cover tuition and course fees paid by the taxpayer to institutions of higher education as defined in the National Defense Education Act. In contrast, my bill specifically excludes expenses for scientific or engineering courses creditable to a baccalaureate degree by an institution of higher education as defined in the National Defense Education Act. It does cover expenses to schools or colleges certified as vocational education schools as defined in the Vocational Education Act of 1963 or that are eligible institutions under the National Vocational Student Loan Insurance Act of 1965.

Being aware, however, that some advanced study might be essential, I provide in my bill that expenses incurred for courses offered in a 2-year program in engineering, math, or science be allowed so that a student may learn the basic principles in these fields in order to work in them as a technician or a semiprofessional.

Those bills that are concerned with cooperative education programs merely specify that an individual must alternate between study and employment in order for his wage or salary to qualify as an allowable employee training expense. My bill, on the other hand, requires that the time spent in each of the two pursuits be approximately equal. This equal time requirement serves as a safeguard against abuse. Without it, a primarily full-time worker might spend a token amount of time in studying merely to enable the employer to include his wage toward the human investment credit. Or conversely, an individual might be primarily a student but he paid a wage by being assigned a token volume of work. Further, in a cooperative education program my bill does not permit the inclusion of wages and salaries paid persons attending either secondary schools or schools of higher education as defined in the National Defense Education Act.

The proposed bill defines in careful detail "organized job-training," thus removing the area of uncertainty and of possible controversy present in the provisions for "organized group instruction" in other bills. To assure the greatest flexibility in getting the type of training needed, the bill permits such training to be through a trade association, a joint labor-management apprenticeship committee, or through other nonprofit associations if the taxpayer is a member of the organization giving the training. The plan, which must be formulated or approved by the taxpayer, must give full details including the job objectives for which the individuals are being trained, the length of the training period for the various operations to be learned, the wages to be paid at the different stages of the training period, and the wages that employees with such training receive. Such detail helps to prevent abuses such as the indefinite continuation of a training program or the padding of wages claimed for credit.

I have eliminated the requirement of other bills that expenses cannot be counted unless an individual works for the taxpayer for at least 3 months following his training period. This commitment might discourage employers from participating, or if they do participate, they might be cautious and train the minimum number. In bills requiring this commitment, poor business conditions are not a sufficient reason to permit the firing of a former trainee before he has worked 3 months. An individual may only be fired for cause based on his behavior.

In my bill tuition and fees paid on behalf of an individual or those for which he is reimbursed and which qualify as employee training expenses are not considered gross income to the individual, thus giving him an incentive to take the training courses.

In short, the human investment bill of 1966 that I propose to introduce retains those features of predecessor bills that I believe to be worthy, while replacing other features with provisions that assure that the legislative intent of Congress in enacting a human investment tax credit is fulfilled. This will be accomplished without Government interference and with fiscal soundness.

WOMEN ARE BEING DEPRIVED OF LEGAL RIGHTS BY THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan [Mrs. GRIFFITHS] is recognized for 1 hour.

Mrs. GRIFFITHS. Mr. Speaker, I regret that it has become necessary to tell the House about the disregard of the enforcement of the law shown by key officials of the Equal Employment Opportunity Commission toward the provisions of title VII of the Civil Rights Act of 1964, which forbid employment discrimination on the basis of sex. These EEOC officials are completely out of step with the President, the rest of the administration, the courts, and indeed the country as a whole. They disregard the fact that Congress, by enacting title VII, declared a national policy against discrimination in employment based on sex. They close their eyes to the President's insistence on encouraging greater employment of women at every level. It apparently makes no difference to them that a three-judge Federal Court ruled in February—White against Crook—that the 14th amendment protects women from discriminatory State laws; pertaining to jury duty, or that 48 States have established commissions on the status of women.

I charge that the officials of the Equal Employment Opportunity Commission have displayed a wholly negative attitude toward the sex provisions of title VII. I would remind them that they took an oath to uphold the law—not just the part of it that they are interested in.

In the beginning, I excused their unprofessional attitude on the assumption that these men had not ever really thought about sex discrimination. Surely, I thought, when the evidence of discrimination began to pile up in the form of case histories and statistics, these men would understand the necessity of prohibiting discrimination because of sex. I had expected that these men would have a high degree of compassion for the underprivileged and great respect for facts. Surely, I thought, they could not fail to see the close relationship between race discrimination and sex discrimination and to understand that race discrimination in employment would be only half eradicated if employment discrimination continued on the basis of sex. Surely, I thought, they would not ignore the fact that women's wages are much less than men's and that the poorest families in the Nation are those headed by women.

But their negative attitude has changed for the worse. They started out by casting disrespect and ridicule on the law. At the White House Conference on Equal Opportunity in August 1965 they focused their attention on such silly issues as whether the law now requires "Playboy" clubs to hire male "bunnies."

More recently, the Executive Director of the Commission, Mr. Herman Edelsberg, speaking at New York University's Annual Conference on Labor—Labor Relations Reporter of April 25, 1966, 61 LRR 253-255—stated that the sex provision of title VII was a "fluke" and "conceived out of wedlock." This is the same Mr. Edelsberg, who in his first press conference as Executive Director of the EEOC, stated that he and others at the EEOC thought men were "entitled" to have female secretaries. The House and Senate, of course, have resisted these calls to natural rights and gone along for years with male reporters.

The current issue of the EEOC Newsletter, May–June 1966, emphasizes such oddities as whether a refusal to hire a woman as a dog warden, or a man as a "house mother" for a college sorority house, violates the law.

This emphasis on odd or hypothetical cases has fostered public ridicule which undermines the effectiveness of the law, and disregards the real problems of sex discrimination in employment. By emphasizing the difficulties of applying the law in these odd cases, the impression is created that compliance with the law is unnecessary and that its enforcement can and will be delayed indefinitely or wholly overlooked.

I ask in all seriousness: What is this sickness that causes an official to ridicule the law he swore to uphold and enforce? Are such men qualified professionally to enforce title VII? Are they qualified temperamentally? Can they properly enforce this law when they are hostile to one of the groups the law was designed to protect? Is it humanly possible for a person to be genuinely concerned about the rights of "some" others but not "all" others?

What kind of mentality is it that can ignore the fact that women's wages are much less than men's, and that Negro women's wages are least of all?

Here are the facts for workers employed year-round full time: the median earnings of white men are $6,497, of Negro men $4,285, of white women $3,859, and of Negro women $2,674. This adverse differential exists in spite of the fact that white females in the labor force have 12.3 years of education on the average as compared to 12.2 years for white men; and nonwhite females have 11.1 years of education to 10 for the nonwhite males. The unemployment rate is highest for the nonwhite female. The same disparities exist when we examine the data for all workers, including temporary as well as full time.

The EEOC has a legal and moral duty to take positive and vigorous action to encourage employers, employment agencies, and unions to eliminate practices which discriminate against women in employment. A positive approach is especially important to Negro women since they are victims of both race discrimination and sex discrimination, and have the highest unemployment rate and the lowest average earnings.

However, the Commission is doing just the opposite. It reached the peak of contempt for women's rights when it issued its "guideline" of April 22, 1966, interpreting the advertising provision of the law.

At this point in the RECORD I include three tables showing data on earnings, education, and unemployment, by sex and by race. I believe these facts are conclusive evidence of the great need to protect women against discrimination in employment.

TABLE I.—*Average earnings of workers, 1964 (median wage or salary incomes)*

A. YEAR-ROUND FULL-TIME WORKERS

	White	Nonwhite
Men	$6,497	$4,285
Women	3,859	2,674

B. ALL WORKERS (INCLUDING PART TIME)

	White	Nonwhite
Men	$5,853	$3,426
Women	2,841	1,652

Source: U.S. Department of Commerce, Bureau of the Census: Current Population Reports, series P-60, No. 47.

TABLE II.—*Average education of persons in labor force, 1965*

	White	Nonwhite
	Years	*Years*
Men	12.2	10.0
Women	12.3	11.1

Source: U.S. Department of Labor, Bureau of Labor Statistics: Special labor force reports.

TABLE III.—*Unemployment rates, April 1966*

	White	Nonwhite
	Percent	*Percent*
Men	2.9	5.9
Women	4.1	7.7

Source: U.S. Department of Labor, Bureau of Labor Statistics: Special labor force reports.

Section 704(b) of title VII explicitly states:

> It shall be an unlawful employment practice . . . to print or publish . . . any notice or advertisement relating to employment . . . indicating any preference, limitation, specification, or discrimination, based on race, religion, sex, or national origin.

But the Commission's new "guideline," published in the Federal Register of April 28, 1966—31 F.R. 6414—simply ignores this congressional directive, and interprets women's rights out of the law's protection.

The new EEOC "guideline" says:

> Advertisers covered by the Civil Rights Act of 1964 may place advertisements for jobs open to both sexes in columns classified by publishers under "Male" or "Female" headings to indicate that some occupations are considered more attractive to persons of one sex than the other. In such cases the Commission will consider only the advertising of the covered employer and not headings used by publishers.

This guideline on sex advertising is totally different from the Commission's interpretation of the very same words of section 704(b) with respect to race. Here is what they said in an announcement of August 18, 1965—Commerce Clearing House Employment Practices Guide, EEOC, page 7354:

> It is a violation of Sec. 704(b) of Title VII to specify 'colored' or 'white' in help-wanted ads or to permit ads for help to be included in racially separated lists.

Unbelievable as it is, the EEOC interprets the identical words of section 704 (b) of the law as meaning one thing when applied to race or color, but exactly the opposite when applied to sex. This is a legal schizophrenia which has no basis in the law or in ethics, and is in my judgment intellectually dishonest.

There is not the slightest justification in the statute for the EEOC's twisting and distortion. Nor is there the slightest basis in the legislative history of the law for permitting such discrimination against women. In fact, the language of section 704(b) is very clear, as the EEOC recognized, when it very promptly announced in August 1965 that racially separate job ads violate the prohibitions of title VII.

When I saw the EEOC's sex advertising guideline, I wrote to the Commission on May 19, 1966, as follows:

Congress of the United States,
House of Representatives,
Washington, D.C., May 19, 1966.

Dr. Luther Holcomb,
Acting Chairman, Equal Employment Opportunity Commission, 1800 G Street NW., Washington, D.C.

Dear Dr. Holcomb: I note in the Federal Register of April 28, 1966 (31 F.R. 6414) that your Commission has issued new policy guidelines to permit advertisers covered by the 1964 Civil Rights Act to "place advertisements for jobs open to both sexes in columns classified by publishers under 'Male' or 'Female' headings to indicate that some occupations are considered more attractive to persons of one sex than the other."

I would appreciate your advising me how this new ruling can be reconciled with the specific prohibitions in section 704(b) of the Civil Rights Act of 1964, which provides:

"It shall be . . . unlawful employment practice for an employer . . . to print or publish . . . any notice or advertisement relating to employment . . . indicating any preference, limitation, specification, or discrimination, based on race, color, religion, sex, or national origin . . ."

The statute prohibits any advertisement indicating a preference, limitation, specification, or discrimination, irrespective of which of the five bases is involved (i.e., race, color, religion, sex, or national origin), and irrespective of whether such advertisement is motivated by an intent to discriminate. Thus, the Commission's guideline can be tested for compliance with section 704(b) by examining whether the advertisement would pass muster if words denoting race or religion are substituted for words denoting sex. I assume you will agree that advertisements under the heading "white" or "Negro" or "Protestants" would be prohibited by the statute, and therefore I have difficulty seeing how advertisements under the headings of "male" or "female" could be in compliance with the very clear prohibitions of section 704(b).

The statement in your Commission's new policy guidelines that "some occupations are considered more attractive to persons of one sex than the other" encourages, I think, practices which are inconsistent with the basic nondiscrimination policy of the statute. I am convinced that advertising in columns labeled by sex (or other prohibited types of specification, such as race, etc.) is most pernicious because it reinforces prejudicial attitudes limiting women to the less rewarded and less rewarding types of work.

I shall appreciate your early response on both the legal basis and the policy justifications for your Commission's new guideline authorizing job advertisements in columns headed "male" and "female".

Sincerely yours,
Martha W. Griffiths,
Member of Congress.

The Acting Chairman of the EEOC, Mr. Luther Holcomb, wrote the Commission's reply to me on June 1, 1966. His response in my judgment disregards both the law and the inconsistencies which riddle his letter. It rejects the basic purpose of the law to prohibit sex descrimination in employment. It is filled with naive assumptions and superficial thinking.

Here is the text of Mr. Holcomb's letter:

Equal Employment Opportunity Commission,
Washington, D.C., June 1, 1966.

Hon. Martha W. Griffiths,
House of Representatives,
Washington, D.C.

Dear Mrs. Griffiths: Thank you for your May 19 letter, affording us your thoughts on the recent revision of the Commission's sex guidelines in the area of job opportunities advertising.

You ask how section 1604.4, as amended, of our guidelines can be reconciled with section 704(b) of Title VII, which provides that it shall be an unlawful employment practice for an employer to print, publish, or cause to be printed or published any advertisement relating to employment which indicates any preference, etc., based on the several prohibitions of the statute except where a bona fide occupational qualification is involved.

The amended sex guidelines have not altered our opinion in the matter of determining compliance with section 704(b). It continues to be our position that this section refers only to the individual advertisement of the covered employer or labor organization, etc. This advertisement itself shall not indicate any preference, limitation, specification, or discrimination relating to race, color, religion, sex, or national origin.

Now it is true that the individual advertiser may select the heading under which the ad will appear, and it is true that the overwhelming majority of major newspapers still retain "male" and "female" headings. However, it is our view that the advertiser's decision to place his ad in one column or the other is generally based principally, if not entirely, on his desire to obtain a maximum reader response and not on a desire to exclude applicants of a particular sex. For example, we have been informed that those advertisers who, in the early days of the operation of Title VII, moved their advertising from the "male" or the "female" column to the "male and female" column found that the response to these ads dropped off markedly. Thus, it is primarily the reading habits of job seekers which presently dictate the placement of ads. Of course, it should be noted that these column headings do not prevent persons of either sex from scanning the area of the "jobs available" page where jobs of particular interest to the individual may be found. Nor do the headings indicate that qualified persons of either sex will not be considered on an equal basis for the advertised job.

It may well be that the best solution to this problem would be total abandonment of help wanted columns classified by sex. However, the newspaper industry does not regard this as a feasible solution, and, as you know, section 704(b) is not applicable to the policies of the newspapers in classifying advertising.

We do not regard the classification of help wanted advertising by sex as completely analogous to such classification by race. While some job categories are and are likely to remain of particular interest to members of one sex or the other, this cannot be said of job classifications by race, and accordingly where an advertiser places his ad in a column classified to one race we would be compelled to the conclusion that his purpose is to exclude applicants of other races.

As was said when the Commission first published its sex guidelines, our day-to-day experiences will be reviewed often, and our policies will be altered and updated in our continuing effort to eliminate job discrimination based on sex.

We appreciate very much your comments and also look forward to receiving your help and counsel in every area of our activity.

Please call on us if you have further thoughts or inquiries in this matter.

Best regards,
Luther Holcomb,
Acting Chairman.

P.S.—I appreciated your visit to our Commission.

L.H.

Mr. Holcomb's statement that section 704(b) "refers only to the individual advertisement of the covered employer or labor organization, etc." is flatly inconsistent with the EEOC's announcement of August 18, 1965, in which the EEOC ruled it is a violation of section 704(b) "to permit ads for help to be included in racially separate lists." If it is unlawful to have ads in separate lists based on race, then it is equally unlawful to have ads in separate lists based on sex.

Mr. Holcomb then says:

> Now it is true that the individual advertiser may select the heading under which the ad will appear. . . .

That statement is true only because the EEOC distorts the law. The EEOC announcement of August 18, 1965, to which I just referred, clearly stated just the opposite, namely, that the individual advertiser may not lawfully select a list with a racial heading in which to put his ad. It is only because the EEOC fails to enforce the law that the individual advertiser is able to select a sex-labeled heading under which the ad will appear.

I read with amazement Mr. Holcomb's statement that it is the Commission's "view that the advertiser's decision to place his ad in one column or the other is generally based principally, if not entirely, on his desire to obtain a maximum reader response and not on a desire to exclude applicants of a particular sex."

His statement is loaded with qualifying adjectives, such as "generally," "principally," or "not entirely," "if," and so forth. I do not care what an advertiser does "generally" or "principally" or "not entirely." The law prohibits every employer from engaging in every discriminatory employment action on the basis of sex. It is not the Commission's function to modify the law by talking about the "generally" and the "principally," and the "not entirely." If even a single employer uses sex-segregated ads for the purpose of discrimination, that is prohibited by the law.

In any event, even if a particular employer has no intention or desire to exclude applicants of a particular sex, the law prohibits any action which tends to accomplish such discrimination. There is an extraordinary insensitivity in Mr. Holcomb's failure to realize that advertising in columns labeled by sex reinforces traditional prejudicial attitudes limiting women to the less rewarded and less rewarding types of work. The inevitable consequence of putting the ad in the "male"—or "female"—column is to cut off at the outset any further reading of the ads under that label by persons of the opposite sex. Mr. Holcomb squarely admits this when he referred to the "reading habits of job seekers."

Mr. Holcomb tries to gloss over this inevitable consequence by saying that "these column headings do not prevent persons of either sex from scanning the area of the 'jobs available' page." My answer is: I have never entered a door labeled "men" and I doubt that Mr. Holcomb has frequently entered the women's room. The long standing custom that women do not enter a men's washroom, and men do not enter a women's washroom, is an effective barrier in almost all instances.

The same principle operates in the job seeking process. There has been a long standing tradition which has excluded women from jobs reserved for men, and a custom of labeling certain jobs—generally the lower paid jobs—for women. When the job seeker sees columns headed "male" or "men wanted," or "female" or "women wanted," this long standing tradition exerts enormous power and operates to keep the job seeker from reading any further. The situation is similar to that which existed in the race field, when "white only" and "colored only" signs in the waiting rooms in railroad and bus stations operated for many years to segregate Negroes, even though the Supreme Court had repeatedly ruled that racial segregation in interstate transportation facilities was unlawful. *Mitchell* v. *United States*, 313 U.S. 80 (1941); *Morgan* v. *Virginia*, 328 U.S. 373 (1946); *Henderson* v. *United States*, 339 U.S. 816 (1950).

I totally reject Mr. Holcomb's statement that the headings do not "indicate that qualified persons of either sex will not be considered on an equal basis for the advertised job." The heading "male" or "men wanted" clearly conveys only one meaning—that the jobs in the ads under that heading are for men only. The heading "female" or "women wanted" says the jobs in the ads under that heading are for women only. It is utterly naive to say that ads under such sex-segregative headings give the job seeker any assurance that his or her sex is not going to be considered by the advertiser.

I just cannot understand the EEOC's concern for the newspaper industry views as what is "a feasible solution" for classifying the help wanted advertisements.

In the first place, the experience of those newspapers which do not segregate their job ads by sex headings shows that sex-segregated help wanted ads are not essential to effective job advertising.

Secondly, it is the Congress, not the classified ad managers of the newspapers, that writes our Nation's laws. The law prohibits employers, employment agencies and unions from publishing job advertisements "indicating any preference, limitation, specification, or discrimination, based on race, religion, sex or national origin." The sex headings over the job ads constitute a direct violation of that prohibition. The EEOC's sanction of these headings as a device to evade the law is nothing short of disregard for the law and total insensivity to the adverse effects which those headings exert on equal job opportunity.

Thirdly, Mr. Holcomb's statement that section 704(b) "is not applicable to the policies of the newspapers in classifying advertising" is another of his irrelevant assertions. The fact is that the law does apply to the job advertisements made by employers, employment agencies and unions who are covered by title VII. It is they who are covered and it is they who are responsible for violations of the law. If newspapers insist on putting job ads in columns headed "men" only or "women" only, then at least the EEOC should see to it that such ads relate only to jobs not covered by title VII. It is EEOC's duty to insure that those covered by the act do not permit or cause their job ads to be published in a manner that violates the law. I am sure that if the EEOC stops its own evasionary interpretation, and lays down a firm ruling against sex segregated job advertisements, the newspaper industry will comply with it. Moreover, I believe the industry will also find that its compliance is not as destructive to its advertising revenues as Mr. Holcomb's letter implies.

Mr. Holcomb tries to distinguish sex labeled job advertising from race labeled job advertising by saying that although some job categories are "of particular interest to members of one sex or the other, this cannot be said of job classifications by race." I agree that race labeling generally tends to cause discrimination and is intended for that purpose. As the Supreme Court pointed out in *Anderson* v. *Martin*, 375 U.S. 399, 402 (1964), the label "furnishes a vehicle" for arousing discriminatory prejudice. However, Mr. Holcomb goes overboard in asserting that sex headings are proper but race headings are always discriminatory. For example, an employer who is seeking a Negro to act in a movie dealing with the history of Negroes, or to work in a Negro neighborhood as an investigator for a detective agency, may be interested in the employee's race without necessarily being motivated by race discrimination.

Congress recognized the commonsense fact that there are some instances in therefore made an exception for sex- which the sex of the employee is a bona fide occupational qualification, and labeled advertising in such cases. I want to make it very clear that I am not complaining about cases involving bona fide occupational qualifications. In such cases the law permits sex labeling right in the middle of the ad. What I am complaining about is the EEOC's sanction of sex headings over columns of ads for jobs which do not have a bona fide occupational qualification based on sex.

In the absence of a proper bona fide occupational qualification it is plain that the law set up the same standard for the use of sex labels and race labels in job advertisements; namely, that there shall be no advertising which indicates "any preference, limitation, specification or discrimination, based on race or sex."

The fact of life is simply this—that the result of using the label "men" only or "women" only for jobs that ought to be, and can be, performed by either a man or a woman, is to perpetuate the traditional discriminations based on sex that title VII was specifically designed to prevent.

One would suppose, from the lack of understanding displayed by the EEOC officials, that the Commission's sex advertising guidelines were issued inadvertently or without having adequate advice about them.

I want the House to know that the Commission's sex advertising guidelines were not issued inadvertently. They were promulgated in flat disregard of the views of the Citizens Advisory Council on the Status of Women—in flat disregard of the views of other Government agencies which administer similar laws—in flat disregard of the views of prominent business leaders—and in flat disregard of the experience of various newspapers operating under State laws which forbid employment discrimination on the basis of sex.

THE CITIZENS ADVISORY COUNCIL ON THE STATUS OF WOMEN

This Council consists of 20 distinguished private citizens—men and women—appointed by the President under Executive Order 11126. Its chairman is Miss Margaret Hickey, senior editor of the Ladies' Home Journal. Its other 19 members are as follows: Mrs. Ellen Boddy, civic leader; Mrs. Mary E. Callahan, executive board member of the International Union of Electrical, Radio, and Machine Workers, AFL–CIO; Dr. Henry David, head of the Office of Science Resources Planning, National Science Foundation; Mrs. Elizabeth Wickenden Goldschmidt, consultant on social welfare; Mrs. Anna Roosevelt Halsted, a civic leader and the daughter of the late first lady of the world, Mrs. Eleanor Roosevelt; Miss Dorothy Height, president of the National Council of Negro Women; Mrs. Viola H. Hymes, chairman of the Governor's Commission on the Status of Women, Minnesota, and former president, National Council of Jewish Women; Mr. Maurice Lazarus, vice chairman of the Federated Department Stores; Dr. Richard A. Lester, professor of economics at Princeton University; Miss Margaret Mealey, executive director of the National Council of Catholic Women; Mr. Norman Nicholson, vice president of Kaiser Industries Corp.; Dr. College; Miss Marguerite Rawalt, a dis- Rosemary Park, president of Barnard tinguished attorney and a former president of the National Federation of Business and Professional Women's Clubs; Mr. Edward A. Robie, vice president and personnel director of the Equitable Life Assurance Society of the United States; Mrs. Mary Roebling, president and chairman of the board of Trenton Trust Co.; Mr. William F. Schnitzler, secretary-treasurer, AFL–CIO; Dr. Anne Firor Scott, associate professor at Duke University; Dr. Caroline Ware, distinguished civic leader; and Dr. Cynthia C. Wedel, assistant general secretary of the National Council of Churches.

On October 1, 1965, the Citizens Advisory Council sent a memorandum on policy to the EEOC. I want to emphasize that that memorandum was approved by the Interdepartmental Committee on the Status of Women, which consists of the Attorney General and the Secretaries of State, Defense, Agriculture, Commerce, Labor, Health, Education, and Welfare, and the Chairman of the Civil Service Commission. The Council's memorandum on policy stated—page 8—as follows:

> Under section 704(b) of the Act, it is an unlawful employment practice for an employer, labor organization or employment agency to publish any advertisement which indicates any preference, limitation, specification, or discrimination as to sex, with only one exception—when sex is a bona fide occupational qualification for employment.
>
> The Council is alarmed at the lack of compliance with this provision as evidenced by the continued advertising in sex-segregated newspaper columns. Separate "help-wanted men" and "help-wanted women" columns in newspapers serve only to advise prospective job applicants not to apply where they are not wanted, thus perpetuating discrimination. Moreover, sex-segregated newspaper columns actually encourage employers to place a sex label on jobs, which unintentionally, restricts the employment opportunities of both men and women.
>
> The Council urges that the EEOC make clear to employers that the law prohibits placing an employment advertisement in a newspaper column which indicates a sex preference unless they can show that being a man or a woman as the case may be is a bona fide qualification for the job. The cooperation of the newspapers should also be sought. The Council believes that the adoption by the EEOC of a firm position on advertising would yield ready cooperation from the newspapers.
>
> *The Phoenix Gazette* and the *Honolulu-Star-Bulletin*, for example, no longer segregate their employment advertisements. (The advertising provisions in the Arizona and Hawaii fair employment laws are similar to the Federal law.) Where an employer can show that sex is a bona fide occupational qualification, the sex limitation could be expressed in the individual advertisement.
>
> The discontinuance of sex-segregated newspaper columns would also help to eliminate sex discrimination in employment not covered by Title VII. Moreover, the lack of a strong Federal position on advertising may hamper effective implementation of advertising provisions of State fair employment laws which do not have numerical limitations of coverage.

OTHER GOVERNMENT AGENCIES

The District of Columbia Council on Human Relations is the agency charged with administering the District of Columbia fair employment regulation—Article 47, 10 R.R.L. Report No. 944. Section 4(d) of that ordinance has language concerning discriminatory advertising which is identical with section 704(b) of title VII—indeed, it was copied from that section. The District of Columbia Council had no doubt as to its meaning and promptly issued a ruling—news release of July 14, 1965—as follows:

> In response to questions from employers, the Council has stated that the advertising of positions as "Help Wanted—Men," and "Help Wanted—Women", is in violation of the new Regulation unless the positions involved are such that "sex is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business or enterprise."

The Civil Service Commission, which operates its job advertising programs under provisions of law prohibiting sex discrimination, does not, so far as I am aware, advertise in columns designated by sex. The Civil Service Commission's practice should certainly provide a measure of guidance for the EEOC in understanding and interpreting the congressional purpose set forth in section 704(b) of title VII, and I see no justification for the EEOC's disregard of that guidance.

Business spokesmen certainly had no difficulty in understanding section 704 (b). For example, the vice president of the National Association of Manufacturers, Mr. Charles Kothe, conducted seminars on title VII for businessmen all over the country, at which he stated unequivocally that the law forbade advertising in sex segregated columns.

Prior to the effective date of title VII, the Blade and Toledo Times, two newspapers in Toledo, Ohio, stopped the publication of separate columns of job ads for men and women and printed the following notice:

> *Attention: Help Wanted Advertisers.* Effective July 2, 1965, it will be unlawful to discriminate among employment applicants because of sex unless this is a bona fide occupation requirement. This is one of the provisions of the new Civil Rights Act and is covered in Title VII, section 704(b) of the Act. No reference to sex should be made in your ad unless necessary for the performance of the job.

The Phoenix, Ariz., Gazette and the Honolulu Star-Bulletin are other newspapers that have stopped the unfair practice of separate columns of job ads for men and women. They operate under advertising provisions in the Arizona and Hawaii State fair employment laws which are similar to title VII of the Federal law.

What, then, is the reason for the EEOC's blatantly disregarding the law, the advice and guidance they received from responsible sources, and the good experience of newspapers which abstain from sex-segregated discriminatory job advertising?

Is it because the Commission does not want to recognize that women's rights are human rights? Or is it an unconscious desire to alienate women from the Negroes' civil rights movement?

Human rights cannot be divided into competitive pieces. The importance of prohibiting all forms of discrimination, including sex discrimination, in fair employment legislation, is being more and more recognized. The December 1965 issue of the George Washington Law Review contains a thoughtful article by Murray and Eastwood entitled "Jane Crow and the Law: Sex Discrimination and Title VII"—34 George Washington Law Review 232, 235, 256—which states:

> * * * the problems of women are not as unique as has been generally assumed. That manifestations of racial prejudice have been more brutal than the more subtle manifestations of prejudice by reason of sex in no way diminishes the force of the equally obvious fact that the rights of women and the rights of Negroes are only different phases of the fundamental and indivisible issue of human rights.
>
> The United Nations Charter and the Universal Declaration of Human Rights both stress respect for human rights and fundamental freedoms for all persons without distinction as to race, sex, language, or religion. Until the enactment of the Civil Rights Act of 1964, "sex" generally had not been included with "race, color, religion and national origin" in federal laws and regulations designed to eliminate discrimination. As a practical matter, "civil rights" had become equated with Negro rights, which created bitter oppositions and divisions. The most serious discrimination against both women and Negroes today is in the field of employment. The addition of "sex" to Title VII of the Civil Rights Act, making it possible for a second large group of the population to invoke its protection against discrimination in employment, represents an important step toward implementation of our commitment to human rights.
>
> * * * * *
>
> Hopefully, our economy will outgrow concepts of class competition, such as Negro v. white, youth v. age, or male v. female, and, at least in matters of employment, standards of merit and individual quality will control rather than prejudice.

Studies have demonstrated that the burdens of discrimination in employment of women are similar to the burdens of racial discrimination. Congress adopted the same requirements of law to prevent both types of discrimination. There is utterly no justification whatever for the EEOC to interpret the same language of section 704(b) in one way as applied to race discrimination and in the very opposite way as applied to sex discrimination. The Commission's action in doing so is nothing more than arbitrary arrogance, disregard of law, and a manifestation of flat hostility to the human rights of women.

THE EEOC GUIDELINE IS NOT ONLY UNLAWFUL—IT IS UNCONSTITUTIONAL

The EEOC guideline of April 22, 1966, permitting job advertising in separate columns for men and women encourages violation of the law which the EEOC was set up to enforce. It also violates the fifth amendment of the Constitution. All government officials—State and Federal—are obligated to carry out their duties in compliance with the due process and equal protection of the law guarantees of the 14th and 5th amendments of the U.S. Constitution. There is reason to believe, at long last, that women are protected by the Constitution from arbitrary class discrimination. The President's Commission on the Status of Women stated in its 1963 report "American Women," page 44:

> Equality of rights under the law for all persons, male or female, is so basic to democracy and its commitment to the ultimate value of the individual that it must be reflected in the fundamental law of the land. The Commission believes that this principle of equality is embodied in the 5th and 14th amendments to the Constitution of the United States.

It should be noted that the Attorney General signed the 1963 report on "American Women."

This view was adopted and approved by the three-judge Federal court in Alabama on February 7, 1966, which held that the Alabama law discriminating against women in jury service in State courts is unconstitutional. The court said—*White* v. *Crook,* 251 F. Supp. 401, M.D. Ala. Feb. 7, 1966:

> The argument that the Fourteenth Amendment was not historically intended to require the states to make women eligible for jury service reflects a misconception of the function of the Constitution and this Court's obligation in interpreting it. The Constitution of the United States must be read as embodying general principles meant to govern society and the institutions of government as they evolve through time. It is therefore this Court's function to apply the Constitution as a living document to the legal cases and controversies of contemporary society. When such an application to the facts in this case is made, the conclusion is inescapable that the complete exclusion of women from jury service in Alabama is arbitrary.
>
> * * * The Alabama statute that denies women the right to serve on juries in the State of Alabama therefore violates that provision of the Fourteenth Amendment to the Constitution of the United States that forbids any state to 'deny to any person within its jurisdiction the equal protection of the law.' The plain effect of this constitutional provision is to prohibit prejudicial disparities before the law. This means prejudicial disparities for all citizens—including women.

On the basis of this decision, the Circuit Court of the First Judicial District of Hinds County, in Mississippi has ruled that a similar Mississippi jury exclusion law is also unconstitutional. Mississippi against Pendergaft.

The White against Crook decision was a dramatic departure from previous confused court cases denying claims of women to equal protection under the Constitution. Those cases are summarized in the "Report of the Committee on Civil and Political Rights," President's Commission on the Status of Women, appendix B, U.S. Government Printing Office, 1963.

There is every reason to believe that this enlightened view of human rights for women will be extended to areas other than jury service. On February 23, 1966, the Los Angeles Municipal Court stated that a California law prohibiting women from working as bartenders—although the law permitted them to serve liquor in the lower paid jobs as waitresses—would likely be found by a higher court to be inconsistent with the 14th amendment, *California* v. *Gardner*—L.A. Mun. Ct. No. 247955; 53 Labor Cases 6567, par. 9015.

The protections of the 14th amendment equal protection clause are included in the due process of law guarantee of the 5th amendment—*Bolling* v. *Sharpe,* 347 U.S. 497 (1954). The EEOC is required to act in conformity with these constitutional provisions.

The EEOC's advertising guidelines of April 22, 1966, prescribe a standard which permits an employer to indicate to the publisher his preference as to the sex of desired applicants for a job, and to cause the ad to be printed or published under a column heading which specifies sex. The ruling affirmatively condones the continuation of outmoded and prejudiced concepts of restricting women to "women's work." The Commission's guidelines thus formally announce a Federal policy which deliberately perpetuates discrimination against women, in direct contradiction to section 704(b) of the Civil Rights Act of 1964. This action is inconsistent with the fifth amendment of the U.S. Constitution. It is no different than the regulation or guideline issued by the Interstate Commerce Commission permitting railroads to provide separate table service for Negroes in railroad dining cars, which was held invalid by the Supreme Court in *Henderson* v. *The United States,* 339 U.S. 816 (1950).

The whole attitude of the EEOC toward discrimination based on sex is specious, negative, and arrogant. The Commission is failing in its duty to educate the public toward compliance with the law, to inform working women of their rights under the law, and to show an affirmative and positive attitude of encouraging employers, employment agencies and unions to comply with the prohibitions against discrimination in employment based on sex.

I am sick of reading the many heartbreaking letters from women trying to earn a living for their families who are denied equal job opportunity because they are women. It is time for the EEOC to wake up to its responsibilities.

EEOC'S SPECIOUS EXCUSES

The whining of Equal Employment Opportunity Commission members and officials has centered around three specific excuses for their attitudes:

First. That the sex provisions of title VII were a "fluke," introduced by Representative HOWARD SMITH, who is no friend of the civil rights movement, and "conceived out of wedlock," and so forth.

I reject that slur on Congress. Congress had enacted the Equal Pay for Women Act in 1963 and was thoroughly familiar with the fact that job discrimination is imposed on women and inflicts severe consequences on their earning capacity. The sex provisions in title VII were supported by the great majority of the House and Senate. I also fought vigorously for the amendment, and I have received many commendations on my fight for the adoption of the sex bias prohibition. Congressman SMITH and I have disagreed on other civil rights bills, but I certainly welcomed his support of the sex provisions in title VII to give to women—white women as well as Negro women—full and equal opportunity to seek and keep jobs to support themselves and their families.

Since when is it permissible for an agency charged with the duty of enforcing a law, to allude to the assumed motive of the author of legislation as an excuse for not enforcing the law? Are they imputing a base motive to all who voted for the law?

I recommend to executive branch officials that they should quit making themselves look foolish by discussing the motives of the Members of Congress who voted for the bill and should get on with the business of enforcing the law.

Second. The second excuse used by some EEOC officials is that there is no legislative history on the sex provisions in title VII, and that the intent of the Congress is so shrouded in doubt that it is impossible to interpret and administer the law.

The EEOC officials who resort to this excuse just have not made the effort to read the extensive legislative history of the long battle to eliminate sex discrimination in employment.

There was considerable debate on the sex provisions in title VII. I know, because I participated in it personally. I shall be glad to make available to any EEOC official the page reference to the CONGRESSIONAL RECORD and the committee reports which carry this legislative history. But there is even more legislative history. The whole debate and struggle to enact the Equal Pay Act of 1963 is part of the legislative background which led to the enactment of the sex provisions in title VII of the Civil Rights Act of 1964. Furthermore, there is the long background of the efforts to eliminate job discrimination based on sex by means of the proposal to incorporate an equal rights amendment in the Constitution. There is, indeed, much legislative history showing that Congress intended to put men and women on an equal basis in searching for and keeping any job for which they were qualified, except in those few cases where sex difference constitutes clear-cut "bona fide occupational qualification."

In any event, however, I remind those who resort to the excuse of "no legislative history" that such history is pertinent only where the statutory language is unclear. There is nothing unclear about the statutory language of title VII. It says plainly that sex discrimination is forbidden, just as discrimination based on race or color or religion or national origin is forbidden, unless the factor of sex—or religion, or race, or national origin—constitutes a bona fide occupational qualification.

On the question of the guidelines for advertising the statutory language is most clear. It says that it is—

> unlawful . . . to print or publish . . . any notice or advertisement relating to employment . . . indicating any preference, limitation, specification, or discrimination, based on race, color, religion, sex, or national origin.

It is impossible to be more clear and explicit, and it is sheer doubletalk for the EEOC to contend that this prohibition does not mean what it so plainly says.

One of the much-vaunted problems of the EEOC, with reference to which some EEOC officials talk about the "lack of legislative history," is the effort by some airlines to obtain a "bona fide occupational qualification" exception for the hiring of flight attendants—stewards and stewardesses. This is a totally unwarranted request. It is an excellent example of how the EEOC brings on its own problems. The airlines would not be making such a ridiculous argument if the EEOC had not been shilly-shallying and wringing its hands about the sex provision.

Since both men and women are employed by the airlines as flight attendants, how in the name of commonsense can it be argued that the employment of either sex alone is "reasonably necessary to the normal operation" of the airlines? How would such a "bona fide occupational qualification" exception apply to an airline that had been employing only stewardesses, or to an airline that had been employing only men, or to those that had been employing both men and women?

The so-called "BFOQ" exception is applicable only to "those certain instances where religion, sex, or national origin is a bona fide occupational qualification necessary to the normal operation of that particular business or enterprise." Can any Equal Employment Opportunity Commissioner seriously believe that the business of the airlines would suffer if all of them hired flight attendants on the basis of their individual qualifications and ability? Do they really think for one moment that men or women make plane trips for the sole purpose of having a female—or male—flight attendant serve them lunch or give them an aspirin? Does anyone at the EEOC believe that persons will travel by bus, train, or private automobile in preference to a plane solely because they cannot count on having a female—or male—flight attendant? If any EEOC official believes this kind of foolishness, then the headquarters of EEOC, at 1800 G Street NW., should be called "Fantasyland."

I urge the EEOC to reflect on the following statement made at a recent symposium on title VII—Cooksey, "The Role of Law in Equal Employment Opportunity," 7 Boston College Industrial and Commercial L. Rev. 417, 428–29, spring 1966:

> One would hope that the Commission and the courts will confine the "bona fide occupational qualification" exception to narrow limits. *If the exception is used simply to confirm the culturally accepted standards of what work a woman or man should be doing, the prohibition against discrimination on the basis of sex will be rendered meaningless.* A particular individual applying for a job should be judged on his or her merits, not on the basis of fancied sexual characteristics attributed to the group to which he or she belongs."

Wisconsin and Hawaii enacted laws prohibiting discrimination because of sex before the Federal law came into force. The EEOC could do a good job too if its officials discard their anti-women bias.

It is my firm belief that the EEOC's difficulties with interpretation and lack of legislative history are internal to those officials who wish the sex provision would go away. It is quite evident that some of the EEOC officials simply refuse, or cannot accept, the fact that sex discrimination in employment is as immoral and as prevalent as discrimination because of race. Once these gentlemen face up to the moral issue and the facts of women's employment, they will not have very much trouble with the lack of legislative history.

Third. The third excuse I often hear is that sex discrimination cases take too much time and thus interfere with the EEOC's "main" business of eliminating racial discrimination. This problem, even if it exists, could be substantially reduced if EEOC acted vigorously to enforce the law as prescribed by Congress. Once employers understand that EEOC means to enforce the law, there will be fewer violations by employers and fewer petitions from employers for BFOQ exceptions. There is no rational reason for the sex cases to take a disproportionate amount of time. Of course, if the Executive Director and a majority of the Commissioners continue to wring their hands and discuss the motives of the perpetrators of this law in every case, the sex discrimination cases will continue to increase and to create further difficulties. But that is a problem internal to them—not one they should blame on the Congress. A little honest introspection, perhaps with professional assistance, would do more to help some of the EEOC staff than all the legislative history in the world.

SUGGESTIONS FOR ACTION

I suggest the following action:

First. The EEOC should immediately conform with the law by revising its guideline on advertising to read substantially as follows:

> Advertisers covered by the Civil Rights Act of 1964 may not place advertisements for jobs in columns classified by publishers on the basis of sex, unless a bona fide occupational qualification approved by the Commission makes it lawful to specify sex in the advertisement. The placement by an advertiser of an advertisement for a job in a column which is headed by a word or words indicating sex will be considered as indicating a preference, limitation, specification, or discrimination based on sex.

Second. If the EEOC does not promptly adopt the foregoing suggestion, I hope that appropriate organizations, such as the American Civil Liberties Union, the Association of Women Lawyers, the Federation of Business and Professional Women's Clubs, the General Federation of Women's Clubs, the National Council of Negro Women, the National Council of Jewish Women, and other civil groups, give serious consideration to bringing legal action to require the EEOC to observe the law. Women are being deprived of their civil rights by the EEOC's advertising guideline of April 22, 1966.

Third. I recommend that the President nominate for appointment to the EEOC only such persons whose concern for justice and fairness encompasses all persons, and whose will to enforce the law will be clear to everyone. The women of this country need reassurance of the President's intent to offset the doubts which the EEOC has raised as to the administration's good faith in administering the equal job opportunity provisions of the law.

Fourth. I recommend to the newspapers that they witness their concern for human rights by voluntarily complying with the law.

Fifth. I recommend that organizations and individuals concerned with human rights vigorously protest to the President against the unlawful action of the EEOC on advertising and their generally negative attitude toward the sex discrimination provisions of the act. I commend the District of Columbia Federation of Business and Professional Women's Clubs for doing so at its convention in May 1966, and I include the text of the federation's resolution at this point in the RECORD, as follows:

RESOLUTION PASSED UNANIMOUSLY BY THE DISTRICT OF COLUMBIA FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS AT THEIR 17TH ANNUAL CONVENTION, HELD MAY 6–7, 1966, WASHINGTON, D.C.

Whereas the Congress of the United States enacted Title VII of the Civil Rights Act of 1964 to make it unlawful to discriminate in employment on the basis of sex, and established a five-member Equal Employment Opportunity Commission to carry out the provisions of this title;

Whereas the President of the United States, Lyndon B. Johnson, has given unprecedented recognition to merit and talent by the appointment of numbers of women to salaried positions of responsibility as distinguished from honorary positions; and has often publicly declared his determination to ban discrimination against women in government and has, in fact, included one woman member when he appointed the Equal Employment Opportunity Commission;

Whereas the above Civil Rights Act by Section 704(b) makes it unlawful for "any notice or advertisement relating to employment . . . *indicating any preference, limitations, specification, or discrimination, based on race, religion, sex, or national origin,"*

And whereas the Equal Employment Opportunity Commission on April 27, 1966, released guidelines which clearly approve the continuation of Help Wanted advertising in newspapers under categories of sex in the following words:

"Advertisers covered by the Civil Rights Act of 1964 may place advertising for jobs open to both sexes in columns classified by publishers under 'Male' and 'Female' headings to indicate that some occupations are considered more attractive to persons of one sex than the other. In such cases, the Commission will consider only the advertising of the covered employer and not headings used by publishers." (31 F.R. 6419): Now therefore be it

Resolved by the District of Columbia State Federation of Business and Professional Women's Clubs, numbering some 1100 employed women in all walks of economic life including business, government, and professions, That the above guidelines released by the Equal Employment Opportunity Commission violate the intent of Congress with regard to women in employment and are recognized by thinking women as a deliberate disregard of their interests; be it further

Resolved, That appeal be made to the President of the United States to lend his influence to the end that help wanted advertising conform to the objective of eliminating discrimination based on sex, even as it does with regard to discrimination in other forms; be it further

Resolved, That the members of the Equal Employment Opportunity Commission and Members of Congress be provided with a copy of this Resolution; be it further

Resolved, That other State Federations of Business and Professional Women's Clubs and the National Federation of Business and Professional Women's Clubs be alerted to this situation and be provided with a copy of this Resolution as a basis for concerted action to protest the disregard of the clear meaning of Title VII and particularly of Section 704(b) relating to advertising for employment; be it further

Resolved, That a copy of this Resolution be sent to the Members of the Citizen's Advisory Council on the Status of Women; and be it further

Resolved, That a copy of this Resolution be sent to other appropriate organizations.

GI SPURNS RIFLE, IS PUNISHED

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. VIVIAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. VIVIAN. Mr. Speaker, I should like to call to the attention of my colleagues a news story which came to my attention over the past weekend. According to an article in the Sunday, June 12, Washington Post, U.S. Army Pvt. Adam R. Weber recently was sentenced at an Army court-martial to a 1-year term at hard labor and loss of pay and allowances, because he was unwilling to carry a weapon in combat. However, according to the story, Private Weber had indicated he would be willing to serve on the battlefield as a combat medical aide. I presume he still is willing to so serve. Again, according to the story from Vietnam, at the time the private was first inducted into the U.S. Army, he had, with permission, recorded in his processing papers that it was his personal belief that "I cannot take the life of another human being."

Mr. Speaker, it seems to me that an injustice has been done. Private Weber appears to have made clear that he was willing to face all the dangers of war—even without a weapon with which he could protect himself. He appears to have made his convictions clear at an early date.

In years past, Mr. Speaker, we have recognized that men of strong pacifist convictions but evident courage to face danger are worthy of better treatment. I ask that this individual be given another hearing.

I append, at this point in the RECORD, the article from the Sunday, June 12, edition of the Washington Post, relating his story:

GI WHO "CAN'T TAKE LIFE" SPURNS RIFLE, IS PUNISHED

(By Jack Foisie)

CUCHI, SOUTH VIETNAM, June 11—Pvt. Adam R. Weber Jr. stood before a board of eight officers today and heard himself sentenced to a year at hard labor and loss of almost half of his $100-a-month pay during his time in the stockade.

It was the end of a brief but dramatic court martial in which the 24-year-old draftee from New Orleans who spent years studying for the Catholic priesthood was found guilty of "willful disobedience" of an order to shoulder a rifle and join a combat unit after he arrived as a replacement in the U.S. 25th Infantry Division last April.

Weber, who said he had one "disturbing the peace" conviction in Washington, D.C., for participating in a civil rights sit-down, told the court before the sentence was announced that he wanted to complete his military service and was willing to serve as a combat medic "just as long as I don't have to carry a weapon."

Evidence introduced at the trial indicated that the Army had known that draftee Weber would not bear arms and did not believe in our involvement in Vietnam. Despite his attitude and the fact that he refused to take the oath of allegiance he was put into uniform.

He was allowed to record in his processing papers that it was his personal belief that "I cannot take the life of another human being." He did not claim to be a member of a religion—in his case, Catholicism—which would make him a conscientious objector under the Selective Service procedure.

While numerous such cases are decided through the courts before induction or after entry into the service through assignment to non-combat duty, the records introduced at the court martial showed that Weber and "his problem" were bucked along without a decision by Army officers in authority.

His lawyer, Capt. Sanford V. Lavine of Syracuse, N.Y., raised the defense that Weber had been entrapped into disobedience. The court did not agree.

Weber received the verdict with equanimity.

"I expected worse," he said. "At least I am still a citizen."

Under military law, Weber could have received a maximum sentence of five years in prison and dishonorable discharge for "willful disobedience." Dishonorable discharge takes away some civil rights.

As it is, the court, which was presided over by Col. Daniel B. Williams of Booneville, N.C., the division artillery commander, made it possible for Weber to complete his two-year draft hitch under honorable conditions.

Weber told the court that he had taken rifle training as a recruit, explaining that "it didn't seem to make any difference, as long as I was shooting at just a (rifle range) target. But I just can't take a life."

In the hand-written statement he made at the time of his induction, he said:

"I believe that I am as loyal to the United States and what it stands for as the most loyal of its sons. But a man's first duty is to his soul and conscience, and right now I cannot in all conscience take the life of another human being."

As to the war in Vietnam, he wrote: "It is a futile and fruitless war, as are all wars . . . I have hopes of serving the Army in some function of nurturing and preserving life."

Army officers said it had been impossible to put Weber into non-combat jobs because most of them require a security clearance. Weber was regarded as a security risk because he refused to take the oath of allegiance.

The Army apparently reasoned that that left just one job open for him—the infantry.

[Weber was one of 260 people arrested in Washington on August 9, 1965, for failure to obey a police request to move on from demonstrating at the base of Capitol Hill after a march from the White House. The protest was organized by the Assembly of Unrepresented People. Weber paid a $25 fine.

[In New Orleans, Weber's father said he would consult his lawyer about the court martial verdict, the Associated Press reported. "You can rest assured this case will be appealed," he said. Asked if he thought the sentence justified, he replied: "Hell no. Not by a long shot. I was sure that he would be cleared of the charge."]

JOHNSON SCORES OVER DOMINICAN CRITICS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New Mexico [Mr. MORRIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MORRIS. Mr. Speaker, last Friday, June 17, I read an article appearing in the Washington Post by John Chamberlain, titled "These Days: Johnson Scores Over Dominican Critics," which I insert in the body of the RECORD at this point:

[From the Washington (D.C.) Post, June 17, 1966]

THESE DAYS: JOHNSON SCORES OVER DOMINICAN CRITICS

(By John Chamberlain)

After a year of huffing and puffing by Cassandras at two ends of the political spectrum, a moderate, Joaquin Balaguer, finds himself President-elect in the Dominican Republic by a margin (58 per cent of the vote) that would be called a landslide had it happened in any U.S. or British election.

The interesting thing is that Balaguer doesn't hate Yankees. His victory is thus a victory—and a vindication—for Lyndon Johnson. But who is apologizing to Mr. Johnson for calling him all sorts of names because of his policies toward the Dominican Republic during the past year? Nobody that I can see.

According to LBJ's numerous hecklers on the Left, the dispatch of the Marines to the Dominican Republic in April of 1965 was a terrible thing. In the name of combating Castroism it had stopped a legitimate revolution that would have returned former President Juan Bosch to a power that was deemed rightfully his. The United States would surely pay the penalty for its identification with "Trujilloism."

Theodore Draper, Bosch's most fervent U.S. supporter, direly muttered that "some day the United State's is going to need Bosch more than he needs us." Surely Lyndon Johnson would get his comeuppance for an "intervention" that could only be repudiated by every self-respecting nationalist in Latin America.

The LBJ hecklers on the Right took an equally critical view of Johnson's behavior. They condemned him for retreating all too hastily from his original show of force. The President, they said, had gone against his natural allies when he permitted the Marines to seize General Wessin y Wessin and hustle him out of the country. And they couldn't forgive the selection of Hector Garcia Godoy, a former Bosch supporter, as provisional President. The choice of this "Leftist" would assuredly end in a Communist takeover by one means or another.

To begin with, he would purge all the important opponents of Bosch. And he would do nothing to recover the 8000 weapons that had been distributed to Castroites and Communists in April of 1965.

These weapons would be used to take a victorious Bosch captive, or to throw the nation into a bloody shambles in case the Right managed to win by a narrow margin at the polls.

What neither set of critics envisaged was a relatively calm election which would produce a comparatively honest victory for the man who best symbolized a widespread desire for an interlude of stability. A group of U.S. observers, who included Norman Thomas and Victor Reuther, both of them Bosch supporters, could find no evidence of "mass frauds" in the big Balaguer vote.

So Lyndon Johnson has pulled this one out of the fire. By being forceful when it was necessary, and by shifting to meliorism when this seemed the politic thing to do, the canny LBJ has bought at least the promise of an interlude of peace in the Dominican Republic.

The sacrificial goats in the deal are the recently resigned Assistant Secretary of State Thomas Mann, who advised LBJ to make sure the Communists had no chance to take over in Santo Domingo city a year ago, and the former Ambassador to the Dominican Republic, W. Tapley Bennett, Jr., who has just been "banished" to our Embassy in Lisbon, Portugal.

They had to go in order to prove LBJ's willingness to follow a cooperative "middle way" course. The irony is that the whole business has resulted in an uncoerced victory for Balaguer, who would have been welcomed by Mann and Bennett had they still been around to congratulate him in an official capacity.

Now that Balaguer has won, the United States cannot afford to let him down. For if the new regime can't deliver on the promise of a better life under stable conditions, the 8000 weapons that have been stashed away by the local Castroites, Maoists and Soviet partisans may yet be brought out of hiding.

Money will be spent in the Dominican Republic to give substance to Balaguer's victory. Whether the money will be spent wisely is another story, and one that is worth a separate column.

KING COTTON

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. POOL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. POOL. Mr. Speaker, those of us who inhabit the warmer regions of the United States are all too aware that King Cotton is one of the greatest gifts of nature to mankind. Cotton has always played a vital role in the economy of the Nation as well.

It should be called to the attention of the Members of Congress and the public that there is an attempt to substitute textile blends for the traditional cotton fabrics worn by our military personnel. I, therefore, should like to enter into the RECORD the following resolution passed by the Texas Cotton Ginners' Association board of directors on May 23, 1966.

RESOLUTION

We, the Texas Cotton Ginners' Association Board of Directors, convened this 23rd day of May 1966 in Dallas, Texas, realizing the importance of cotton to the American economy and national defense, are appalled that representatives of the American Textile Manufacturers Institute are trying to persuade our military leaders to accept blends as a substitute for the all-cotton supplies requested by the Armed Forces.

We are further dismayed and concerned that our textile industry takes this position when it is common knowledge that all-cotton fabrics have proven best for military use in clothing worn in hot humid climates: Now, therefore, be it

Resolved, That we express our concern to the American Textile Manufacturers Institute that they have such a position which is contrary to the best interests of our fighting men and, further,

We resolve, That we oppose their position in this matter, and we finally resolve that we express this dismay to the American Textile Manufacturers Institute, to our members of Congress and the committees of the Congress concerned with this problem, and,

We further call upon the American Textile Manufacturers Institute to reverse its position and to provide all-cotton fabrics as specified by the military.

A BILL TO REMEDY A PROVISION IN THE INTERNAL REVENUE CODE

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. GIAIMO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GIAIMO. Mr. Speaker, I have introduced this bill to remedy a provision of the Internal Revenue Code which is ambiguous as read and inequitable as interpreted by the courts. Under the existing section one can deduct from gross income expenses incurred for education if his primary purpose in seeking that education was to sharpen his present skills but not if he was learning to develop new skills. In other words, Mr. Speaker, under the decision in Ramon M. Greenburg before the Tax Court a mechanic can deduct expenses incurred in studying to be a better mechanic, but if he chooses to study to be a TV repairman he cannot deduct those expenses. This is a fairly clear case, but there are areas where a person will not know until he goes through the expensive process of litigation whether he is sharpening present skills or learning new ones. Medicine is a field which best exemplifies the latter case. I want to make it clear, however, that this bill will only apply to those who are primarily engaged in a trade or business, education or training being ancillary to that trade or business. It would not apply to those who are primarily engaged in education. By this, I mean that it would not apply to students in universities or secondary schools who may hold jobs which are incidental to their education. They are being educated to begin a trade or business and not to perfect or broaden skills already acquired.

Mr. Speaker, it has been the policy of this Government to encourage people to retrain, to learn new skills, in order to cope with the threat of automation. We consistently stress education and the need for bettering oneself, yet ironically, our tax laws discourage people from taking a step important not only to their own personal well being but to the future needs of society.

Should we not, Mr. Speaker, alleviate a burden which can be prohibitive, especially to those who have families and live on a close budget. This bill, I believe, would be the best means of effecting that result and is in keeping with our tax and education policies.

A UNIQUE CELEBRATION OF SENIOR CITIZENS MONTH

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OTTINGER. Mr. Speaker, last month many communities throughout the United States celebrated Senior Citizens Month. One of the most unique observances took place in Westchester County, N.Y.

On May 24, 12 members of the Senior Citizens Club of Crompond, N.Y., participated with students at the Lakeland High School in discussing various issues concerning older Americans. Among the topics discussed were: When does a person become old? At what age? What are the students' views about older people? Do they have a correct picture? What is the Government doing for older people? How can a closer relationship be established between the young and old.

This was a highly successful program and all those concerned felt it was most worthwhile. It afforded an opportunity to the community to discuss the problems which confront our senior citizens.

I believe that Mr. Paul Leith, president of the Crompond Senior Citizens Club, should be commended for organizing and directing this outstanding program.

In order that our colleagues may learn more about this program, Mr. Speaker, I present herewith for inclusion in the RECORD two articles which appeared in the Peekskill Evening Star and the Patent Trader, as well as a copy of the letter of commendation which Mr. Leith received from the New York State Office of Aging:

NEW YORK STATE,
EXECUTIVE DEPARTMENT,
OFFICE FOR THE AGING,
Albany, N.Y.

Mr. PAUL LEITH,
President, Senior Citizens Club of Crompond, Crompond, N.Y.

DEAR MR. LEITH: Thank you for your May 27th letter and the copies of the newspaper clippings on your new program involving high school students and senior citizens.

You are to be commended for your creative thinking in exposing these two age groups to one another. I think this is a fine pioneering effort. The senior center in Brooklyn has made efforts in the same area by using older people as instructors in local elementary schools, and I agree with your thinking that the experience and knowledge of our older citizens can be a great contribution to the learning of our younger students.

I will be pleased to keep these materials on file and to submit them to Mr. O'Malley for possible use in a forthcoming issue of the CAMEO newsletter.

Again thank you for your splendid cooperation with this office.

Sincerely,
MRS. MARCELLE G. LEVY, *Director*.

[From the Peekskill Evening Star, May 25, 1966]

IN LAKELAND HISTORY CLASSES: OLD, YOUNG, NARROW GAP OF MISUNDERSTANDING

(By Margaret Laino)

Lakeland High School seniors felt growing pains yesterday as they stretched their way 50 years into the future. Celebrating May as Senior Citizens month, students tried to narrow the gap of misunderstanding between old and young through spontaneous discussions with their elders.

Ten senior history classes were visited by local senior citizens, whose social and economic positions were subsequently explored and often challenged by the younger set.

Showing an unusual understanding of aging problems were students whose grandparents lived with them. They agreed they could never "pitch a tent and hide all the old people under it." Although most would not want their parents or grandparents to live in nursing homes, many students felt that a Leisure Village or Springvale would be the ideal retiring spot.

Senior Citizen Bessie Herskowitz vetoed this idea. "Why, did you ever see the airs they put on, with their mink stoles as they come in for 5 o'clock cocktails."

STILL VERY MUCH ALIVE

Fellow Senior Citizens stressed that they are still very much alive and wish to be free to live in the manner they choose. Paul Leith, President of the Senior Citizens Club of Crompond, presented research uncovering taboos imposed on the old by the young such as not dancing, remarrying, wearing gay clothes, or doing work not considered appropriate for them.

The problem of independence for the elderly led into a discussion of the senior citizen's economic status. Most students were unaware of the average $80 monthly benefits received under social security by a single person. Combined with the lack of employment opportunities for the elderly the question of "Who can we turn to for help?" was thrown by the visitors to their hosts.

NOT SNATCHING JOBS

One student speculated that older people were trying to snatch jobs away from fathers of young families. The Senior Citizens disagreed, saying that the answer is not in young and old competing for jobs. Going further, Mr. Leith said the solution to the work problem lies within neither age group but with the government.

A girl hotly defending the American tradition of free enterprise against "creeping governmental socialism" was reminded by Mrs. Dorothy Rick, a retired school teacher, that "We pay taxes, we elect our representatives ... we are the government."

OLD AGE PROBLEM

The Industrial Revolution was cited as a reason for the "old age" problem as we know it today. Mr. Leith said an industrial society thrives on man's peak productivity, and beckons children to the cities, often leaving the parents alone.

He then suggested that as these were unalterable circumstances of society, that same society has a responsibility to take care of the people that suffer by its changes.

Emphasizing the Economic Opportunities Act's concentration on young people, Mr. Leith suggested that programs under it, such as the Foster Grandparents, and Training of Elderly People to be enlarged upon, as only 11% of old people are restricted to their homes or institutions.

A need for keeping busy was seen as essential to the "dignity and self-worth" of an individual in this society which views work as a virtue. As one woman put it, "My brother is only 62 and wants to retire. I tell him he's crazy."

Such early morning enthusiasm left one boy saying "You just can't argue religion, politics or girls with older people. When my grandmother yells at me for coming in at 2 a.m. I just look at her."

A spirited teacher rejoined, "That's early, my son comes in at 5 a.m. and that's on school nights."

With the competence of teachers as mediators, the time span between 16 and 60 was bridged skillfully and humorously. The day's discussions were arranged by Merritt Lindsey, Principal, Dr. Frank Eckelt, head of the History Department, and Mr. Leith, who drew up an outline on the subject, and conferred with teachers involved.

Attending were Mrs. Clara Bobers, Mrs. Pauline Brody, Mrs. Bessie Herskowitz, Paul Leith, Mrs. Esther Leith, Mrs. Dorothy Rick, Abe Rottenberg, member of the School Board of Adult Education Committee; Mrs. Sophie Rottenberg, Mrs. Mary Slater, Walter Schwartz, President of the Mohegan Colony Association; and Mrs. Bella Vulcan.

[From the Patent Trader, May 26, 1966]

EXPERIENCES SHARED: LAKELAND HIGH HOSTS SENIOR CITIZENS CLUB

LAKELAND.—Lakeland High School was host to members of the Senior Citizens Club of Crompond Tuesday and a retired school teacher and everyone involved—students, teachers, and the guests themselves—seemed pleased with the encounter.

In observance of Senior Citizens Month, senior history classes were devoted to discussion of the characteristics and problems of old age and the 13 visitors added first-hand information to the classes.

Students tried to define old age and discussed such problems as the use of leisure, living on a small fixed income, adjusting to the loss of family and friends and other problems. They talked also of Medicare and school taxes.

At a coffee break midway through the day, the teachers involved were enthusiastic about the results so far and unanimous in the opinion that the experiment should be repeated next year. And at least two of the senior citizens who were supposed to leave at noon asked to remain to attend afternoon classes.

The visitors also had advice for the students: "Get a good education and then save money so you can be independent in your old age," advised Mrs. Bessie Hershkowitz (a Crompond resident whose appearance belies her 75 years).

"What you are now is what you will be when you're old," Paul Leith, president of the Crompond Senior Citizens, pointed out. "If you're grouchy now, you'll be grouchy when you get old."

They also pointed out some of the problems specific to this area: the necessity to maintain and drive a car and the lack of mobility if one does not, the burden school and other taxes place on a couple trying to live on a few hundred dollars a month, the inadequacy of a senior citizens club in meeting the needs of old people ("I would like to work; I would like to work in this school, even as a volunteer," one woman told a class.)

The sharing of personal experiences was one of the most valuable accomplishments of the experiment, the teachers felt. "When she said she lived on $174 a month, it really drove the point home when some of these kids earn that much working part time," one teacher said.

In another class, a student mentioned the problem of adjusting to the loss of a wife or husband. Her comment was greeted with sad nods, a soft "It's not so easy" and a more optimistic, "It's very hard but it's up to yourself."

The visit grew out of an appeal to the Lakeland school board made last month by Mr. Leith. He asked that discussion of aging be included in the district's curriculum, with special emphasis on it during Senior Citizens Month. He also worked with history chairman Dr. Frank Eckelt in planning Tuesday's program and prepared an outline for the students to study beforehand.

Participating in the program were Mrs. Dorothy Rick, a former teacher invited by Dr. Eckelt, and senior citizens club members Mr. and Mrs. Paul Leith, Mrs. Mary Slater, Mrs. Clara Bobers, Mrs. Bessie Hershkowitz, Mrs. Bella Vulcan, Louis Levy, Mr. and Mrs. Herman Brody, Walter Schwartz and Mr. and Mrs. Abe Rottenberg.

THE 34TH ANNIVERSARY OF DISABLED AMERICAN VETERANS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Purcell] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PURCELL. Mr. Speaker, it is my distinct privilege to join my colleagues in recognizing the contributions over the past 34 years of the Disabled American Veterans.

This fine organization was chartered by the Congress as a veterans' service organization back in 1932.

The DAV was organized in Cincinnati, Ohio, in 1919 by a group of disabled veterans of World War I. This original group was made up of about 200 veterans. A testimony to the service the organization has provided is the fact that it has now grown to over 1,800 local chapters with almost a quarter of a million members.

I would like to pay tribute on this occasion, Mr. Speaker, to the present Texas commander of the DAV, Mr. P. D. Jackson of Dallas, Tex. He was a member of the organization when it was chartered by the Congress. In fact, he was serving as Texas DAV adjutant at that time in 1932. All these years he has been a part of the growing and outstanding service provided by the DAV to American's wartime disabled.

Mr. Speaker, we are deeply indebted to the men who make up the membership of the DAV. These are the men who gave more than their time and energy to their country during time of war. These are the men who risked their lives on the frontlines and paid a price for that risk.

Except for those valiant men who gave their lives in the protection of our freedom, these are the veterans to whom we owe the most. They gave part of themselves in the battles to protect our freedom and our land.

It is an honor for me, Mr. Speaker, to take a small part in the tribute being paid today to this great group of citizens, the Disabled American Veterans.

Thank you, Mr. Speaker.

PERSONAL ANNOUNCEMENT

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. Meeds] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MEEDS. Mr. Speaker, on Monday and Tuesday last, June 13 and 14, I was unavoidably absent on official business. During that period, rollcall No. 137, the Foreign Service Building Act Amendments of 1966, and on rollcall No. 141, the defense procurement authorization, came to a vote. Had I been present, I would have voted "yea" on each of these rollcalls.

NATIONAL SENIOR SERVICE CORPS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Rosenthal] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, I am today introducing legislation to establish a National Senior Service Corps within the Administration on Aging.

The bill would authorize grants for States which organize part-time employment programs for senior citizens in community service projects. For particularly valuable service, small salaries would be paid—up to $125 per month. In most projects, however, services would be volunteered. Expenses would be minimal—commutation, meals, and so forth.

In the last 6 years or so, the resources of idealistic Americans have been put to use in the Peace Corps and, more recently in the VISTA program of the war on poverty. In this spirit, I believe we can make use of the thousands of our senior citizens whose wisdom and experience can be a source of great community benefit and progress. Many examples of such activity spring to mind: work in hospitals, day-care centers for children of working mothers, assistance to house-bound people in poverty groups, remedial teaching, Headstart programs for disadvantaged children. These are projects which would not displace regular members of our labor force. But they are activities in which this country has a major investment. Nor should we ignore the real opportunity such a program would give to retired Americans who presently find little chance to give their considerable energies and talents.

The National Senior Service Corps, if established, can reinforce many existing social welfare programs already improving the quality of life in this country. Thus, programs established by the Office of Economic Opportunity might find a new fund of personnel assistance. This would also be true of certain operations begun under the 1965 Aid to Education Act. I believe the needs of the country and those of our senior citizens may both be met through the activities of a National Senior Service Corps. I urge the Congress to move swiftly to pass legislation which can make this proposal a reality.

CONGRATULATIONS TO THE DAV

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Johnson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, I rise to take note of the work which has been accomplished by the Disabled American Veterans during the years since its creation Christmas Day, 1919.

From a small beginning of about 200 disabled veterans of World War I, the organization has increased 1,000-fold and now represents more than 231,000 veterans.

The charter, which has been issued by Congress many years ago, provided that the purpose for which the organization was established was to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans.

In the 34 years since this charter was issued, the record of service of this fine organization to the disabled veterans of this Nation indicates that they have achieved this goal with great success. The 150 professionally trained national service officers employed by the Disabled American Veterans have provided free assistance, counsel, and guidance to more than a million and a half disabled veterans and their families in obtaining medical care, hospitalization, rehabilitation, job training, and other benefits. We can all be proud of the work which the "DAV" have performed over the years, and I want to add my voice in congratulating them for a job extremely well done.

SECRETARY FOWLER RIGHTLY CALLS ATTENTION TO THE ABUSE OF MUNICIPAL INDUSTRIAL DEVELOPMENT BONDS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Reuss] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. REUSS. Mr. Speaker, I applaud last Thursday's remarks of Treasury Secretary Henry H. Fowler before the White House Conference for State Legislative Leaders. He disclosed that measures are being considered to do away with Federal income tax benefits which currently attach to municipal industrial development bonds.

The Federal Government has long given the privilege to State and local governments of issuing tax-exempt bonds to finance needed public facilities. By giving up these tax revenues, the Federal Government in effect extends a subsidy to local governments which enables them to build schools, hospitals, roads, and sewers. So long as these facilities are for a public purpose, the diminution of Federal revenues can be justified.

But in the past decade State and local governments have increasingly issued tax-exempt bonds to finance the construction of industrial and commercial facilities for sale or lease to private profitmaking corporations. Thus, the benefits of the Federal tax exemption are passed on to private corporations who acquire land, plants, and equipment at greatly reduced financing costs—in one recent case, at an estimated saving to the corporation of nearly $10 million.

Many of these issues finance the expansion of corporations well able to raise capital in conventional securities markets—corporations such as Cutler-Hammer, Nekoosa-Edwards Paper Co., Olin-Mathieson, Safeway Stores, U.S. Rubber.

The stiff competition among localties across the country to attract job-providing and tax-revenue-producing industry has caused municipal industrial development bond financing to snowball. As late as 1960 only nine States permitted local governments to engage in tax-exempt industrial financing. In self-defense today some 38 States have legislation on their statute books which authorized issuance of these bonds.

By a count of the Investment Bankers Association, municipal industrial development financing has grown from $12 million in 1955 to $100 million in 1963 to $200 million in 1965. In the first 5 months of this year this financing has amounted to $275 million—already in excess of the 1965 annual figure. Another estimate, quoted in the Wall Street Journal of April 1, 1966, places 1965 municipal industrial development bond issues at nearly $1 billion.

There is little doubt but that this financing will be up sharply in 1966 on account of more communities offering it, the higher interest rates on conventional borrowings, and a larger volume of corporate investment.

As Secretary Fowler said:

> The advantage to any State or municipality decreases as more States and localities enter the field.

The beggar-thy-neighbor competition for new industry is now so intense that New York City has been compelled to enter. According to the New York Times of May 26, New York City was forced to grant subsidies to private corporations "not so much to attract new business as to stem the tide of business leaving the city." The day is rapidly approaching when all cities in the United States will, like New York City, be compelled to offer subsidies to private industry at the expense of the Federal taxpayer, and when no corporation can afford to expand without shopping around for the greatest subsidy.

Moreover, as the Secretary also pointed out, municipal industrial development bond financing will have an adverse effect on legitimate municipal bond financing for needed public facilities by eventually driving up the interest rates on all municipal bonds without a compensatory increase in public service.

On March 1, 1965, the gentleman from Wisconsin [Mr. Zablocki] and myself introduced identical bills, H.R. 5587 and H.R. 5599, which would remove the Federal tax exemption for interest on State or local government obligations issued to finance industrial or commercial facilities to be sold or leased to private profit-making enterprises. The bills would in no way encroach upon the right of State and local governments to issue tax-exempt bonds to finance activities which serve a public purpose.

The remarks of Secretary Fowler should be welcome to all interested in plugging this hole in the public purse. I hope the Secretary's statement will now move the Congress to give serious consideration to denying the tax exemption of municipal industrial development bonds.

The Secretary's remarks follow:

REMARKS BY HON. HENRY H. FOWLER, SECRETARY OF THE TREASURY, AT THE WHITE HOUSE CONFERENCE FOR STATE LEGISLATIVE LEADERS, EXECUTIVE OFFICE BUILDING, THURSDAY, JUNE 16, 1966

The theme of this conference is encouragement of greater intergovernmental cooperation in our Federal system.

The President, in his State of the Union Message, urged that we, and I quote, "move on to develop a creative Federalism to best use the wonderful diversity of our institutions and our people to solve the problems and to fulfill the dreams of the American people."

My frame of reference is the financing of government. So I would like to discuss with you some of the problems and prospects we share in the financing of urgently needed public programs.

In the eyes of many, the price tag is the most significant part of any government program. Often the price tag is the controlling factor, regardless of the need for a particular activity.

In their understandable preoccupation with cost, many people see the Federal government only in terms of budgets of $100 billion and more, millions of employees, and a vast national debt.

Most people are unaware—and would be surprised to learn—that the State governments today, taken collectively, also constitute a vast enterprise of some two million employees with budgets totalling some $45 billion a year.

Further, while the national debt has decreased from 58 percent of total debt, public and private, in 1946 to 22 percent at the end of 1965, State and local debt has risen from 4 percent to 7 percent of total debt.

Those few surface observations reflect both the growth of the State governments and the magnitude of the problems they are grappling with today. Your presence here, I believe, reflects the ferment taking place in the States—the new vitality which has renewed your determination to meet your challenges and spurred your search for new ideas and new resources.

Your problems are immense in such fields as education, health, welfare, transportation, conservation, urban development, economic development. Your sources of revenue are necessarily limited and uncomfortably close to you. The sharpness of this dilemma has, understandably, led many to conclude that Washington should take up the financial slack.

There is an obvious attraction in the idea that the Federal government, with its vast resources and its seeming remoteness from the taxpayers, should share its good fortune by making a strikingly larger contribution to the revenues so urgently needed by the States and their creatures, the cities.

Federal grants to States for special purposes have been around for a long time. They have increased markedly in recent years. Recently, however, the idea of grants without any strings has been gaining in prominence. The economist Milton Friedman proposed such grants to replace the existing system of grants-in-aid.

Of course, the Friedman plan did not get very far because there was no general sentiment for giving up the existing grants. A later variation was developed which removed this inhibition. It was to provide such blank-check grants in addition to existing grant-in-aid programs. This more popular version came to be known as the Heller plan, named for the former chairman of the Council of Economic Advisers.

The essence of the plan is that Federal revenues would be set aside in an amount equal to one or two percent of the Federal individual income tax base. This sum would be distributed to the States for general government purposes—with no strings attached—on a per capita basis.

I didn't come here to shoot the Heller plan down. I understand its attraction.

But I believe it is essential to keep this plan—and the many similar and related plans—in proper perspective.

When Mr. Heller proposed the plan in late 1964, his prognosis for the Federal budget was that revenues would rise $4 to $5 billion a year faster than expenditures, due to continuing economic growth. He could not have known that the growth in the demands of Vietnam would soon increase Federal expenditures more than twice that total annually. The fact is that for the period immediately ahead, there will be no surplus Federal revenues which could be distributed to the States without creating severe inflationary pressures.

Further, at the time the Heller plan was proposed, most observers did not believe that a comprehensive program for federal aid to education could be enacted.

In the last 10 years, total Federal aid to State and local governments has more than tripled, rising from $4 billion in 1957 to the $15 billion budgeted for 1967. Federal aid payments accounted for approximately 15 percent of all general revenues available to State and local governments in 1965. A Council of State Governments study, soon to be published, shows that in 1946 the State and local governments received $1.00 from the Federal government for every $13.50 they raised from their own resources. But, in 1964, they received $1.00 in Federal funds for every $5.80 of their own revenues. I cite these figures only to show that there is convincing evidence of Federal recognition of the need to assist State and local governments with their financial problems.

We all recognize the need for cooperation among the levels of government in the field of finances. But we don't always remember that cooperation is a two-way street. And sometimes a cooperative effort goes wrong. This is always a disappointment, although it can usually be remedied if the will to cooperate is maintained.

One example of a cooperative effort which has turned into a disadvantage for both the Federal government and at least some of the States is of particular interest to me. For some time I have shared with many others, some in the Administration, some in the Congress, and some in responsible financial positions in State and local governments, a growing concern about certain uses of the tax-exemption privilege which is accorded to State and municipal bonds.

Since the inauguration of the Federal income tax in 1913, the interest on obligations issued by States and their political subdivisions has been exempted income. The justification for the exemption is that it reduces the cost of State and local borrowing done for the purpose of carrying out essential Government functions. But, as with any wide-ranging exemption, applications which could not be foreseen when it was granted have occurred.

One area that has raised doubts and discussion over the years has been the use of industrial development bonds. This practice has been defended on the ground that it helps to bring industry to low-income labor-surplus areas. Thoughtful critics, however, have prophesied that the practice would eventually become self-defeating. Recent experience appears to support their view, since the use of this type of bonding is growing and the advantage to any State or municipality decreases as more States and localities enter the field. This practice merits careful attention and is currently under study.

In recent years, new financial arrangements involving use of the exemption have arisen which have caused serious concern. One of these is arbitrage, which arises when the principal purpose of floating State or local bonds is to buy U.S. bonds with the proceeds and realize a profit from the difference between the interest rates on tax-exempt and taxable securities. The variations in the practice are almost infinite. The buyers of the tax-exempt bonds are, in reality, only purchasing U.S. bonds indirectly. Their tax exemption is diverted to make a profit for a State or municipality.

As another example, some States and local governments are issuing tax-exempt bonds to finance commercial enterprises, which they operate in competition with private enterprise. To date, these transactions have been confined to real estate which is leased to private parties. But other commercial uses may be found. While the amount of bonds issued for this purpose has so far been small, there is every indication that it will be substantial in the future unless curbed. For example, one issue now proposed would involve over $500 million.

The Federal government is sympathetic with the need of States and municipalities to meet their financial problems. But we cannot condone extension of the tax exemption to these new financial arrangements as a means of accomplishing those objectives at the expense of the nation's taxpayers.

These arrangements, moreover, by greatly increasing the total of exempt bonds outstanding, will eventually drive up the interest rates paid by all States and municipalities for their borrowing. Yet there will be no commensurate increase in public service to compensate for the cost to the taxpayers.

If legislation is enacted, or if administrative measures are adopted, which exclude these arrangements from the benefits of the exemption, I hope no one will be misled into thinking that we are launching an attack on the basic interest exemption for State and local borrowing. Quite the contrary, as with any exemption, curtailment of uses which cannot be condoned is a condition necessary for preservation of the exemption for its intended uses.

Although it has required me to speak in somewhat negative terms, I have taken the time to talk about Federal revenue-sharing and considerations involving the tax exemption for State and municipal bonds because I know the former subject is one of great interest to you and the latter is of great interest to me.

But it would be a travesty to lose the great opportunity which this conference provides by giving it a negative tone. To say we have problems, I believe, is simply to describe the human condition. But the future has never looked brighter than it does now for a great cooperative—and successful—attack against the problems we share.

We have stopped looking at our Federal system of government as if it were composed of three totally separate and independent layers—local, State and national. We have recognized that, in our Federal system, responsibilities are mixed and inseparable and relationships are close and binding.

We know that action at one level often affects all levels, and we know that action which is harmful to one level cannot, in the long run, be beneficial to the others. We realize that successful action undertaken by one level of government, in meeting what it regards as its own responsibilities, frequently results in handsome benefits for the others.

Many examples of this interrelatedness come to mind, but none serves better than the Federal fiscal policies of the last 5 years which aimed at stimulating the economy. Tax reduction played a major role in the economic resurgence which has now brought us into our sixth year of expansion. The addition of resources on which the States and municipalities can draw and which have come into existence in this period of vigorous growth far outweighs the advantages that would accrue from any revenue-sharing formula. The Federal government, taking action on a national scale to foster economic growth, has broadened and reinforced the revenue base from which all levels of government derive their sustenance.

Our accomplishments are not all in the past. I have spoken of the heightened vitality of the States. But do not underestimate the power of President Johnson's concept of creative Federalism at the Federal level. This concept makes clear that the various levels of government are—and must be—members of a partnership in which each has definite—though differing—responsibilities with respect to each function and activity. The President charged his Administration to take the initiative in these words:

"Many of our critical new programs involve the Federal Government in joint ventures with State and local governments in thousands of communities throughout the Nation. The success or failure of those programs depends largely on timely and effective communications and on readiness for action on the part of both Federal agencies in the field and State and local governmental units. We must strengthen the coordination of Federal programs in the field. We must open channels of responsibility. We must give more freedom of action and judgment to the people on the firing line."

It is obvious that the cooperation required by this approach to Federalism must extend throughout the financial field if our mutual efforts are to be successful. We have a long and proud record on which to build. Behind the President's leadership we intend to advance the concept of creative Federalism to the farthest limits of our imagination and energies.

COL. LEVI R. CHASE, USAF, COMMANDING OFFICER, 12TH TACTICAL FIGHTER WING, VIETNAM, AN OUTSTANDING NATIVE OF CORTLAND, N.Y.

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. STRATTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. STRATTON. Mr. Speaker, in April when our subcommittee of the House Armed Services Committee went to Vietnam on an inspection trip, we had the opportunity of visiting the 12th Tactical Fighter Wing of the U.S. Air Force located at Cam Ranh Bay. This group, composed largely of F-4C Phantom fighter aircraft, has the duty of furnishing close air support to ground forces engaged with the enemy in the II Corps area of Vietnam, basically the central portion of South Vietnam. We were given an excellent briefing on the accomplishments of this group by their commanding officer, Col. Levi R. Chase, U.S. Air Force.

I was delighted to learn that Colonel Chase is a native of my congressional district, having been born and raised in Cortland, N.Y. The people of Cortland can be justly proud of the job that Colonel Chase is doing in support of our current commitment in Vietnam. We are all indebted to him.

Under leave to extend my remarks I include a splendid editorial from the Cortland Standard of June 14, 1966, on the background and achievements of one of our great heroes in Vietnam, Col. Levi R. Chase:

CORTLAND'S FLYING ACE—"HERE'S ONE FOR DRAFT CARD BURNERS!"

"Here's one for the draft card burners!"

That was the comment delivered personally by a friend of Col. Levi R. Chase along with a clipping from the Air Force Times of June 8, 1966.

Col. Chase of Cortland was an Air Force ace in World War II and the Korean War. Now, at age 49 and still flying combat, he is a wing commander in Viet Nam.

Chances are that Col. Chase entered the Armed Forces even before he could be issued a draft card. So he might not have had a chance to join the long-haired torchlight gang. He doesn't even have time to think much about them because he is too busy fighting his and their war.

The contrast is striking in the light of the article from the Air Force Times with a Saigon dateline. It tells that during the week ending May 27, Air Force strike pilots logged 1,288 combat sorties against the Viet Cong targets in South Viet Nam.

The article states:

"F-4C crews of the 12th Tactical Fighter Wing at Cam Ranh Bay Air Base started the week with a new record. On May 21, they passed their ten-thousandth combat sortie. The milestone mission was flown by the wing commander, Col. Levi R. Chase. The wing arrived in Viet Nam Nov. 1."

Col. Chase has been setting records in the air ever since he entered service.

He was graduated from Cortland High in 1936 and left Syracuse University to join the Armed Forces to become a "one man wave of destruction" during World War II. He downed 13 planes in 240 missions. He reentered service and during the Korean War the then, lieutenant colonel, won a Unit Citation, Legion of Merit and the Korean government's unit citation plus ribbons of every theatre of operations.

This kind of thing, defending his country, has become a way of life for Col. Chase, ever since he entered service in 1941.

The Cortland native has won a place of distinction for himself and his home town in the combat records of the United States Air Force. It is Americans like Col. Chase who will get on with the job of winning the war in Viet Nam to which they and we are committed.

ANNIVERSARY OF SOVIET OCCUPATION OF ESTONIA, LATVIA, AND LITHUANIA

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. McGRATH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. McGRATH. Mr. Speaker, this month marks the 26th anniversary of the occupation by the armed forces of the Soviet Union of the Republics of Estonia, Latvia, and Lithuania, and the 25th anniversary of the mass deportations of citizens of those Baltic States—both sad anniversaries, but anniversaries which should be marked so that we in the free world do not lose sight of what communism holds in store for nations it "liberates."

The occupation by Red military forces ended the existence of Estonia, Latvia, and Lithuania as free and independent nations and the invasions were flagrant acts of aggression. The people of the Soviet-enslaved Baltic States have been deprived of their national independence and their individual liberties. The murders of thousands of inhabitants and deportations to Russia of over a half million people from the Baltic countries have been reported—this regardless of the fact that the U.S.S.R. was a signatory to the Genocide Convention. The Soviet Union has been systematically exploiting the natural resources, labor, and national production of the Baltic countries and this represents the worst type of a colonial power.

The U.S.S.R. does not have any legal basis for the occupation of the three Baltic nations, but tries to justify its domination by fraud and usurpation of the will of the people. Our Government has never recognized the forcible seizure and incorporation of the Baltic States into the Soviet Union and has again upheld and restated this position in the most recent official State Department publication, "Treaties in Force."

The first mass deportation took place in June 1941, when over 60,000 men, women, and children were dragged from their homes, herded into cattle cars, and shipped to the most forbidding regions of the Soviet Union. After 3 years of Nazi occupation, the Red army reoccupied the Baltic countries, and, in 1944, similar deportations were resumed. In recent years, by use of threats, pressures, and enticements, Estonian, Latvian, and Lithuanian people are induced to "volunteer" for permanent resettlement in remote and underdeveloped parts of the Soviet land. Despite the death of Stalin and the widely publicized changes which followed, the fundamental injustice still remains and the process of extermination of every vestige of former independence continues in those former Republics.

Mr. Speaker, for 26 years the Baltic peoples in the free world as well as in the homelands have been striving to return to freedom, democracy, and independence to the Baltic States. Although the Baltic peoples have often before demonstrated their will and ability to survive, the forces presently holding them down are too strong to be overcome unassisted. I feel that memoralizing these coincident, sad anniversaries will not only remind Americans of the manner in which the Soviet Union engages in colonialism, but may also give hope to the Baltic peoples in their homelands that the free world is cognizant of their plight and interested in the return of their nations to the free world.

WHY HARASS THE SIERRA CLUB?

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHMIDHAUSER] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SCHMIDHAUSER. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives an excellent editorial pertaining to recent actions by the Internal Revenue Service which was in the June 14 issue of the Washington Journal. I believe the editor has pointed out very perceptively the implications of the ruling on the Sierra Club by the Internal Revenue Service. The editorial follows:

Outrageous Tax Action

Few acts by the federal government have brought such a sense of outrage as the recent threat by the Internal Revenue service to cancel the tax-exempt status of the Sierra Club (a nationwide conservation group) because of advertisements the club ran opposing the construction of two federal dams in the Grand Canyon.

Actually, the tax people did more than threaten: they canceled the tax privileges of the conservation group immediately, before starting their "investigation." In other words, the conservationists are being punished before they are proved guilty of anything.

The Sierra Club is one of the largest conservation groups in the country; it has members in every state; it is devoted to protecting the natural resources of America—its rivers, forests, canyons, wildlife—for future generations. It objects strenuously to the proposed dams in the Grand Canyon because it believes there is no need for the dams and because they would certainly ruin one of the great natural wonders in the world.

Of course the Sierra Club is attempting to influence legislation. What is wrong with that? So does the Izaak Walton League attempt to influence legislation, so do the labor unions, so does the League of Women Voters. What could be more proper than for the Sierra Club to state plainly and publicly, in the newspapers, their opposition to the destruction of the Grand Canyon and their reasons for it?

The present action of the Internal Revenue service strikes us as an intolerable use of the government's tax power to squash any fair and honest opposition. It seems to say: if you dare oppose anything the administration favors, we will punish you, we will sick the tax boys on you, we will rub you out.

Fortunately we are not the only ones infuriated by this high handed ruthlessness on the part of the Internal Revenue service. There is already evidence that a good many Congressmen and Senators are reacting the same way. Let us hope they smack down the Revenue Service resoundingly, and so decisively it won't soon again try to act as a goon squad to silence honest opposition.

DO WE HAVE SHORTAGES IN SUPPLIES IN SOUTH VIETNAM?

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Joelson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JOELSON. Mr. Speaker, I insert herewith a news item which appeared in the Paterson News of June 17, 1966, expressing the views of my distinguished predecessor, Gordon Canfield:

Canfield Expresses Outrage Over Reports Marines Had To Throw Rocks

Former Congressman Gordon Canfield expressed outrage today at reports from Saigon describing how an outnumbered and surrounded Marine patrol was forced to throw rocks to defend itself when it ran out of ammunition during an engagement with the Viet Cong.

"I am a veteran of World War I. I served in Congress during World War II and during the Korean War, and I never heard of such a deplorable situation," Canfield said.

The Paterson Congressman said he now understands why the U.S. Ambassador to Viet Nam, Henry Cabot Lodge, has indicated that the war there may last 20 years.

"This is the most powerful nation in the world. We simply should not be in the position of having our men fight with rocks. I cannot understand how such a condition could exist," Canfield, who is community relations director for the First National Bank, declared.

Canfield said he felt there would be a "very unwholesome public reaction" to the situation.

"It is about time the administration and the defense establishment began telling the truth about the Viet War to the American people," Canfield said. "I have no doubt Congress will want to investigate this situation."

I agree with Mr. Canfield that there is no reason why our men in South Vietnam should not have all the equipment necessary for their own protection. My experience has been, however, that in many cases the shortages which are alleged do not exist. Furtherfore, those that do exist are often the result of supply problems in Vietnam, and do not reflect a general shortage.

I agree with Congressman Canfield that the American people are entitled to know the full truth about this problem, and I urge the Committee on Armed Services to investigate the matter and to insure that if shortages do exist, they are promptly and effectively remedied.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Pepper (at the request of Mr. Albert), for today, on account of official business.

Mr. Wolff (at the request of Mr. Albert), for Monday and Tuesday, on account of official business.

Mr. Aspinall, on June 21 and June 22, 1966, on account of official business.

Mr. Horton (at the request of Mr. Gerald R. Ford), for today, on account of official business.

Mr. Fallon (at the request of Mr. Albert), for today, on account of official business.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mrs. Griffiths and to include extraneous matter and tables during her special order of today.

(The following Members (at the request of Mr. Buchanan) and to include extraneous matter:)

Mr. Clarence J. Brown, Jr.

Mr. McClory.

Mr. Keith.

(The following Members (at the request of Mr. Krebs) and to include extraneous matter:)

Mr. Leggett in three instances.

Mr. Callan.

Mr. Rivers of South Carolina.

Mr. Teague of Texas.

SENATE BILL, CONCURRENT RESOLUTION, AND JOINT RESOLUTION REFERRED

A bill and a concurrent resolution and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3150. An act to make further provision for the retirement of the Comptroller General; to the Committee on Government Operations.

S. Con. Res. 88. Concurrent resolution relative to parity prices for agricultural commodities; to the Committee on Agriculture.

S.J. Res. 153. Joint resolution to provide for the striking of medals in commemoration of the fiftieth anniversary of the Federal land bank system in the United States; to the Committe on Banking and Currency.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 15202. An act to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21, of the Second Liberty Bond Act.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 14266. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; and

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

ADJOURNMENT

Mr. KREBS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 21, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2497. A letter from the Assistant Secretary for Administration, Department of Agriculture, transmitting a report of a violation of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

2498. A letter from the Deputy Administrator, Veterans' Administration, transmitting a draft of proposed legislation to revise the provisions of title 10, United States Code, relating to the recoupment of disability severance pay under certain conditions; to the Committee on Armed Services.

2499. A letter from the Acting Assistant Secretary of Defense (Properties and Installations), transmitting a report of procurement from small and other business firms for July 1965–April 1966, pursuant to the provisions of section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

2500. A letter from the Comptroller General of the United States, transmitting a report of review of readiness status of idle ammunition-production facilities, Department of the Army; to the Committee on Government Operations.

2501. A letter from the Deputy Administrator, General Services Administration, transmitting a draft of proposed legislation to authorize the Public Printer to print for and deliver to the General Services Administration an additional copy of certain publications; to the Committee on House Administration.

2502. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a request for the withdrawal and return of a certain case involving suspension of deportation, pursuant to the provisions of section 244(a)(1) of the Immigration and Nationality Act of 1952, as amended; to the Committee on the Judiciary.

2503. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved, according the beneficiaries third preference and sixth preference classification, pursuant to the provisions of section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 16, 1966, the following bills were reported on June 17, 1966:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 13286. A bill to amend the Communications Act of 1934 to authorize the Federal Communications Commission to issue rules and regulations with respect to community antenna systems, and for other purposes; with an amendment (Rept. No. 1635). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 15119. A bill to extend and improve the Federal-State unemployment compensation program; without amendment (Rept. No. 1636). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of June 16, 1966, the following bill was reported on June 18, 1966:

Mr. GRAY: Committee on Public Works. H.R. 14604. A bill to authorize the Architect of the Capitol to remodel the existing structures of the U.S. Botanic Garden for use as a Visitors' Center; without amendment (Rept. No. 1637). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 20, 1966*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 14741. A bill to authorize an increase in the number of Marine Corps officers who may serve in the combined grades of brigadier general and major general; with an amendment (Rept. No. 1638). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 15005. A bill to amend title 10, United States Code, to remove inequities in the active duty promotion opportunities of certain officers; without amendment (Rept. No. 1639). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 15781. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 15782. A bill to amend title 37 of the United States Code to provide that the pay and allowances of members of the Armed Forces who are killed in action shall be continued through the end of the month in which their death occurs; to the Committee on Armed Services.

By Mr. BROWN of California:

H.R. 15783. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. DOWDY:

H.R. 15784. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 15785. A bill to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, signed on August 27, 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GALLAGHER:

H.R. 15786. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GIAIMO:

H.R. 15787. A bill to amend the Internal Revenue Code of 1954 to provide that the costs of education or training shall be deductible as trade or business expenses when incurred in order to obtain a new or better job, as well as when incurred in order to maintain existing skills, status, salary, or employment; to the Committee on Ways and Means.

By Mr. IRWIN:

H.R. 15788. A bill to provide for a flat fee for services performed in connection with the arrival in, or departure from, the United States of a private aircraft or private vessel, and for other purposes; to the Committee on Ways and Means.

By Mr. LOVE:

H.R. 15789. A bill to amend title I of the Housing Act of 1949 to authorize financial assistance for urban renewal projects involving the central business district of a community without regard to certain requirements otherwise applicable; to the Committee on Banking and Currency.

H.R. 15790. A bill to make certain expenditures of the city of Dayton, Ohio, eligible as local grants-in-aid for the purpose of title I of the Housing Act of 1949; to the Committee on Banking and Currency.

By Mr. MICHEL:

H.R. 15791. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to employers for the expenses of providing job training programs; to the Committee on Ways and Means.

By Mr. PELLY:

H.R. 15792. A bill to enlarge the boundaries of Grand Canyon National Park in the State of Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROGERS of Texas:

H.R. 15793. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. ROSENTHAL:

H.R. 15794. A bill to amend the Older Americans Act of 1965 in order to provide for a National Community Senior Service Corps; to the Committee on Education and Labor.

By Mr. THOMPSON of Texas:

H.R. 15795. A bill relating to the Federal estate tax treatment of certain annuities paid to survivors of members and former members of the uniformed services; to the Committee on Ways and Means.

By Mr. WHITE of Texas:

H.R. 15796. A bill to create a new division for the western district of Texas, and for other purposes; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON:

H.R. 15797. A bill to provide for a comprehensive program for the control of noise; to the Committee on Interstate and Foreign Commerce.

By Mr. FARBSTEIN:

H.J. Res. 1174. Joint resolution making an additional appropriation for carrying out the Economic Opportunity Act of 1964; to the Committee on Appropriations.

By Mr. DOW:

H. Con. Res. 787. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. IRVIN:

H. Con. Res. 788. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. REES:

H. Con. Res. 789. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. SCHISLER:

H. Con. Res. 790. Concurrent resolution relative to parity prices for agricultural commodities; to the Committee on Agriculture.

By Mr. ZABLOCKI:

H. Con. Res. 791. Concurrent resolution authorizing the printing as a House document of a report on "U.S. Policy Toward Asia" by the Subcommittee on the Far East and the Pacific of the Committee on Foreign Affairs, House of Representatives, together with hearings thereon held by that subcommittee, and of additional copies thereof; to the Committee on House Administration.

By Mr. ABERNETHY:

H. Res. 891. Resolution providing for the printing of certain proceedings in the House Committee on the District of Columbia; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

490. The SPEAKER presented a memorial of the Legislature of the State of Mississippi

transmitting a copy of Senate Concurrent Resolution 109, approved June 15, 1966, relative to ratification of a proposed amendment to the Constitution of the United States providing for succession to the Presidency and the Vice Presidency, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 15798. A bill for the relief of Mrs. Sang Lim Lee (also known as Sang Lim Hahn); to the Committee on the Judiciary.

By Mr. ADDABBO:

H.R. 15799. A bill for the relief of Amelia Aloi; to the Committee on the Judiciary.

H.R. 15800. A bill for the relief of Giuseppe Naso; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 15801. A bill for the relief of Marilyn Judith Grove; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H.R. 15802. A bill for the relief of Jack Brown; to the Committee on the Judiciary.

By Mr. EVINS of Tennessee:

H.R. 15803. A bill for the relief of Sun-Sei Wu; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H.R. 15804. A bill for the relief of Dr. Aravind Adyanthaya; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 15805. A bill for the relief of Niko Lencek; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 15806. A bill for the relief of Jean M. Vorbe; to the Committee on the Judiciary.

By Mr. SMITH of California:

H.R. 15807. A bill for the relief of Carmela Asero Gelardi; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

401. The SPEAKER presented a petition of Henry Stoner, Portland, Oreg., relative to medical examinations for food handlers in national parks, which was referred to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Fishery Resources

EXTENSION OF REMARKS

OF

HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. KEITH. Mr. Speaker, I wish to draw the attention of my colleagues to a resolution passed recently by the Senate—Senate Joint Resolution 29—which would authorize the Secretary of the Interior to conduct surveys of the fishery resources available to this Nation.

The resolution points out that we have the richest and most extensive coastal and inland fishery resources of any nation, but that we have failed to fully develop or conserve them. The fact that our coastal waters now provide about 5 billion pounds of fish and could potentially yield 28 billion pounds a year on a sustained basis clearly indicates our failure to develop this resource. At the same time, we may very well be overfishing some species.

The resolution also is based on the fact that our rich coastal resources are attracting many foreign vessels into the waters off our shores. This is dramatized by the increased activity of the Soviet fleet off the coast of Oregon. My own area—Cape Cod and the islands—has had this problem for several years and we are, of course, aware of the potential problem of foreign fishermen, who may not follow good conservation principles and over whom our regulations have no control. Moreover, my recent trip to the Soviet Union made it clear to me that the Soviets will be fishing more and more intensively off our coasts. They are building large factory ships and mother ships in great numbers which will go anywhere in the world.

The resolution also mentions the 1958 Geneva Convention on Fishing and Conservation of the Living Resources of the High Seas, which was ratified about 3 months ago. This convention establishes an international principle that coastal nations have a special interest in fishery resources in the high seas off their shores. Moreover, it states that the nations may adopt regulations to protect these resources for the future. In view of the riches we have in the waters in and around our country, it is important that we take prompt steps to implement this convention.

Our total annual catch has declined in recent years, and we have dropped to fifth place among fishing nations of the world. Foreign fishermen are going to take a growing share of the fish off our coasts. Our fishermen have traditionally taken the vast majority of their catch in our coastal waters, so they have a vital stake in the good management of these resources. But the foreign fishermen are equipped with large, ocean-going vessels that can easily move on to other waters. Unless we take action, it is likely they will not automatically practice the conservation measures we feel are necessary.

However, we cannot make reasonable regulations for fisheries without information about the population and migrations of fish; nor can we exploit these resources without such information. Unfortunately, then, we do not have the data we will need for both conservation and exploitation.

The resolution asks only for a small outlay of money to begin the critically important job of surveying fishery resources. The House has failed to take action on this kind of resolution when it was before us in the past. I hope—and strongly urge—that this year we concur in Senate Joint Resolution 29.

Nebraska Freedom Meal To Combat World Hunger

EXTENSION OF REMARKS

OF

HON. CLAIR CALLAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. CALLAN. Mr. Speaker, I would like to advise the Members of the House of Representatives of a significant breakthrough in efforts to solve the problem of world hunger. On June 14, 1966, Governor of Nebraska, Frank B. Morrison, and Pearle F. Finigan, Nebraska Director of Agriculture, announced the development of the Nebraska freedom meal. The freedom meal was developed by Mr. O. B. Gerrish, head, food sciences section of the Midwest Research Institute, Kansas City, Mo.

This new meal, a cereal, developed under Nebraska's agricultural products research program, is a nutritious food that meets the specifications of USDA for a foodstuff in the food-for-peace program. It meets tentative guidelines for food for infants and children, which include:

First. Wheat or corn should be the basic component.

Second. It should contain approximately 20 percent protein.

Third. The protein supplementation should be nonfat dry milk.

Fourth. Vitamin and mineral supplement should be included.

Fifth. It should have a bland flavor and a low bran content.

Sixth. It should be partially cooked and ready for serving after 1 to 2 minutes boiling.

The freedom meal is composed of Nebraska agricultural products. The basic elements are wheat, milo, corn, soy, and nonfat dry milk. It is the first major development of milo into a food for commercial use and it is estimated that commercial use of the freedom meal could result in the sale of millions of bushels of grain each year.

In accordance with the President's message to Congress on February 10, 1966, the new freedom meal not only provides new markets for agricultural products, but also provides an easily prepared food served in a form familiar to the people of the poorer nations of the world.

This new food does much to answer the problems presented to the House Agriculture Committee hearings held on February 14 to 18, 1966.

As it was pointed out by those hearings, it is not enough to look at the world's food deficit only in terms of calories per person. The quality of food is very important. A shortage of protein for example in the diet weakens the body so that it easily falls prey to other diseases.

It is well known that man cannot live by bread alone, but he must have bread first, before he can aspire to things more venturesome.

It is most certain that the Nebraska freedom meal is a step forward to solving the world food problem. It is hoped that Federal agencies will take full advantage of this development by the Nebraska Department of Agriculture and Economic Development.

Village of Bellbrook, Ohio, Celebrates Its Sesquicentennial

EXTENSION OF REMARKS

OF

HON. CLARENCE J. BROWN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, under leave to extend my remarks in the Record, I include the following speech I had flown to Ohio to deliver Thursday night, June 16, at the opening of the sesquicentennial celebration of the village of Bellbrook, Ohio. The late arrival of Ohio Governor Rhodes delayed the start of the festivities, and I was obliged to depart in order to make airline connections to Georgia, where I addressed the annual meeting of the Georgia Press Association on Friday morning.

Governor Rhodes, Mayor Hobson, distinguished guests, and residents of Bellbrook:

It's a great pleasure for me to be here this evening to join in the opening ceremonies of the Bellbrook Sesquicentennial.

The Village of Bellbrook, located among oak and sugar trees in this beautiful countryside, in one of the fastest-growing counties in Ohio, can be justly proud of its place in our State's history and development.

Bellbrook, according to historians, was the site of the first settlement in Greene County, where, in 1796, George and Amos Wilson and Jacob Mills, coming upstream from the direction of Cincinnati along the Little Miami River, stopped and built a temporary cabin in the southeast corner of the township. The Village was incorporated in 1815, just twelve years after Ohio was admitted to the Union, and was named for one of its founders, Stephen Bell, and for Sugar Brook, flowing nearby.

It was apparently a charming community then, as it is now, with more of a cultural and social bent than industrial.

It has contributed illustrious citizens as leaders in our State. Joseph C. Vance, Jr., son of one of the earliest settlers, was Ohio's thirteenth Governor, serving from 1836 to 1838.

Stephen Bell served in the Ohio State Legislature as a Representative from Greene County and later became the first Mayor of Springfield, Ohio.

The three original founders of Bellbrook—Henry Updyke, James Clancey, and Mr. Bell—were apparently greatly attracted to the site on which Bellbrook was originally located. They proceeded to have the town site surveyed and laid off in lots which were sold at public auction.

According to a notice in the "Xenia Vehicle", a newspaper published in Xenia in 1815, notice was first given by these gentlemen of the sale of lots "on the great road that leads from Lebanon to Urbana and where the road crosses leading from Franklin to Wilmington."

It appears that the present residents of Bellbrook are as much attracted to their Village as were its founders. While they may commute daily to work in Dayton and other larger communities, they seem to have their roots firmly here in their home community, where, according to the 1960 Federal Census, out of a total of 269 homes, 232 were owner-occupied.

The community spirit seems to be as strong in Bellbrook as it was during its early days. Descendants of the early settlers still live here and one notes among the present-day residents such names as—Bell, Wilson, Mills, Brelsford, Clark, Swigart, Berryhill, Holmes, Barnett, Munger, Hutchison, Haines, Gillespie. Murphy . . . .

Today Bellbrook is a continually growing community, made up of young and forward looking people—the average age, according to the Census, is 25.8 years. They have their eyes on the future potential development of their community.

From 1950 to 1960 the population of Bellbrook increased from 425 people to 941, an increase of 121 per cent; and from 1960 to 1965 it rose to 1411, a 50 per cent increase.

I salute the citizens of Bellbrook as they celebrate the 150th Anniversary of the founding of their Village. I predict that Bellbrook will continue to grow and flourish—both in population and community spirit—with each succeeding year, just as it has in the past.

Memory Drugs

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. TEAGUE of Texas. Mr. Speaker, recent newspaper accounts have indicated that medical circles are developing a chemical which may be helpful in improving the memory of individuals who are beginning to lose this faculty. The Veterans' Administration at Albany, N.Y., is participating in this program, which some individuals have described as "exciting and highly significant." The Veterans' Administration will be authorized to spend in the 1967 fiscal year approximately $43 million for research and this present work is but one example of the activities in which the Veterans' Administration is engaged.

Dr. D. Ewen Cameron, director of psychiatry and aging research laboratories, is testing a chemical to evaluate whether or not memory can be improved by a drug. His preliminary results indicate that memory is in fact aided in all test subjects who score 60 or better on a memory quotient test before being placed on the drug. The improvement ranges from slight to dramatic—the better the memory quotient is at the start, the greater the gain after the drug. Dr. Cameron found that a relatively small gain in the memory quotient score shows up as a considerably greater gain the subject's social behavior and ability to handle himself in day-to-day situations.

The drug tested is Cylert. The drug has no detrimental side effects that can be determined—the main side effect noted was that the chemical may prove slightly overstimulating to the patient in the same fashion as the psychiatric energizers. Most of the subjects used in the study are in the 50- to 65-age range.

The drug was quite effective in increasing the memory quotient of a normal subject. It does not appear to help the senile or brain-damaged patient. It probably will prove most useful as a prophylactic-preventive measure in persons just starting to show memory impairment.

Watershed Program Guides Land Use

EXTENSION OF REMARKS

OF

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. LEGGETT. Mr. Speaker, proper planning of our land and water resources is a basic concern of our rapidly growing Nation. Nowhere is this more true than in California, and nowhere in California is it more true than in the dynamic San Francisco-Sacramento areas.

The Fourth Congressional District, which I am proud to represent, is located next door to both of these metropolitan centers. The district occupies the eastern slope of the coastal range; it is scenic and accessible to a great urban population that seeks and needs close-by outdoor recreational opportunities.

The seven counties of the fourth district offer many ideal possibilities for extensive and diversified recreational activity. This purpose—and others serving urban and rural needs—can be realized only through the wise development of available land and water resources.

The small watershed program, Public Law 556, is one of the Nation's chief means of proper land and water conservation and use. Under this program, which is administered by the Soil Conservation Service of the U.S. Department of Agriculture, our lands are protected from flooding, our good soils are kept on the land where they support needed vegetation, water storage is provided for municipal, industrial, and agricultural use, and entire watersheds are made suitable for recreation, wildlife preservation, and other developments that serve the national welfare and bring prosperity to the local residents.

Two small watershed projects are under construction in the fourth district—Adobe Creek in Lake County, and Ulatis Creek in Solano County. In addition to watershed protections and flood prevention, the Adobe Creek plan provides for fish and wildlife conservation, and the sponsors of the Ulatis Creek project want to add recreation as a purpose of the development. They are wise to do so.

One other Public Law 566 project has been approved for USDA planning assistance, the 132,000-acre Willow Slough project in Yolo County. This ambitious project will provide for fish and wildlife protection, recreation, and drainage, in addition to flood prevention.

The Upper Stoney Creek project, covering 238,500 acres, is now awaiting approval in Washington, and the possibility of initiating four other projects—three in Yolo County and one is Solano County—is being investigated. Two additional areas, in Sutter and Lake Counties, have indicated an interest in watershed development.

I am gratified by this response to the small watershed program. Those of us who have followed the outstanding success of small watershed projects have watched with great satisfaction the growth of this program throughout the Nation. An enlightened American society will, I am confident, continue to assure the further strengthening of the small watershed approach to resource conservation and development.

Arnold Engineering Co. Pioneers Water Recirculation System

EXTENSION OF REMARKS

OF

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. McCLORY. Mr. Speaker, I am proud to report that the Arnold Engineering Co., of Marengo, Ill., in the 12th Congressional District, has installed a successfully operated self-contained water recirculation system.

This modern system cools, conserves, and then recirculates for continued industrial use some 15 million gallons of water each month. In addition, Arnold Engineering operates a sewage treatment plant in conjunction with the recirculation facility. Treated effluent is utilized for control purposes and to replace water which is lost through seepage or evaporation. Thus, the Arnold Engineering plant through this self-containd unit completely eliminates the danger of pollution to streams, rivers, or other natural bodies of water in this area. Furthermore, because Arnold Engineering draws its needed water from its own private wells, no demand for even a single drop of water is imposed on the village of Marengo.

Particularly significant, it seems to me, is the fact that Arnold Engineering has taken this pioneering forward step entirely on its own without either the compulsion or the financial assistance of Government. Here we see voluntary, private initiative at work, American industry solving its own problems at the local level.

This water recirculation system constitutes a remarkable breakthrough in behalf of the conservation of our water resources and can well serve as a model for our Nation as to what can be done to keep our water, and to keep it clean. For their part in the battle against water pollution, I salute the capable president of Arnold Engineering Co., Mr. Donald O. Schwennesen; and the plant's manager of maintenance, Mr. Bert Fish, who was one of the system's designers. Also, I wish to pay special tribute to the consulting engineer who developed this advanced facility, Mr. Gordon E. Sergant of Gordon E. Sergant & Associates, Spring Grove, Ill. In addition, I wish to congratulate Mr. E. J. Hanley, chairman and president of Allegheny Ludlum Steel Corp., the parent corporation of Arnold Engineering, and the farsighted management of this industry for their constructive action.

It was my privilege to attend the dedication ceremony for this fine water conservation and antipollution facility on May 13, and to personally see the system in operation. Prominent leaders who where present at this event included: Mr. Charles H. Percy, industrialist and candidate for the U.S. Senate; Mr. George Janak, chairman of the McHenry County Board of Supervisors; the Honorable Harris Rowe, Illinois State representative; and the Honorable Herman Buesing, mayor of the village of Marengo.

Other officers and employees of Arnold Engineering who were in attendance included: Mr. E. J. Hanley, chairman and president of Allegheny Ludlum; Mr. Sam Dietz, industrial relations director of Arnold Engineering; Mr. Sam Phillips, manager of powder products; Mr. Al Hicks, product engineer; and Mr. George Schmitt, rolling mills manager. Also, reflecting the significance of Arnold Engineering's accomplishment, 30 representatives from the trade press, newspapers, radio, and television were in attendance.

The Arnold Engineering Co., as it exists today, traces its roots back to the late 1800's when Bion J. Arnold, an internationally famous electrical engineer, founded Arnold Electric Power Station Co. The founder was a friend and associate of Charles Steinmetz and Thomas Alva Edison. Bion J. Arnold's son, Robert, a graduate of MIT, started a permanent magnet manufacturing plant at a former railroad generating and repair depot located in Marengo. This is the present site of this large Arnold Engineering plant.

Among the list of finely rolled metal products produced by Arnold Engineering are bobbin powder magnets, vital components of the familiar walkie-talkies used effectively by our U.S. forces around the world, including Vietnam. I am told that Arnold Engineering can roll ultrathin metal 56 times thinner than a human hair.

Mr. Speaker, it was an honor to personally inspect the unique water conservation plant upon its dedication May 13, 1966. I wish to describe the system briefly. All of the company's buildings are connected to a prefabricated aerobic digestion sewage treatment plant, which has a system of lift pumps and underground piping. Septic systems which were in operation previously have been abandoned. There are three holding ponds, 80 feet wide and 200 feet long, having an average depth of 7 feet and a capacity of 600,000 gallons each. This capacity makes possible a 5-day turnover cycle.

The holding ponds were excavated in clay soil and each bottom is sealed with an expanding clay which keeps it from leaking. The sidewalls are covered with polyethylene plastics to prevent erosion. Arnold Engineering pumps about 50,000 gallons of fresh water per day from its deep wells. All of this water is returned to the recirculation system to serve as makeup water. This includes the discharge of effluent from the sewage treatment plant after it is chemically and bacteriologically treated. The physical facilities, including three ponds, take up an area of approximately 2 acres, and only 2 man-hours per day are needed to take care of the system.

Mr. Speaker, I am grateful for this opportunity to bring to the attention of the Members of the House and the citizens of the Nation the pioneering spirit and accomplishment of the Arnold Engineering Co. of Marengo, Ill., in conceiving, constructing, and operating such a modern recirculation system to help conserve our country's precious water resources.

The Real Story Behind the J. P. Stevens Case

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. RIVERS of South Carolina. Mr. Speaker, under leave to extend my remarks to the CONGRESSIONAL RECORD, I would like to bring to the attention of the Congress what I consider the real story behind the current controversy between the National Labor Relations Board, the AFL–CIO, and J. P. Stevens & Co., Inc., one of the country's largest textile firms.

By way of review let me say briefly that this controversy began in 1963 with a massive effort on the part of a group of unions—working in unison with the Textile Workers Union of America—to organize the plants of Stevens.

It is not my purpose to argue here today the merits of this controversy. Let me just say that in elections held in eight Stevens plants, employees have voted against the union in each and every one of these elections. In one of these plants, the Dunean plant in Greenville, S.C., the NLRB ordered a rerun election. In that election, conducted this past March, the employees went to the polls and voted the union down by a margin twice as large as before.

This case has been argued in two U.S. district courts and the U.S. court of appeals as the union and NLRB sought an injunction against the company. Each one of these courts refused to issue such injunction against the company as requested by the union and NLRB.

In ruling on these findings, it is admitted by all concerned—either procompany or prounion—that the Board went further in punitive action than it ever has. Stevens has now appealed this ruling to the U.S. court of appeals.

I did not intend to address myself to these rulings, but on some points I cannot restrain myself as a representative of a district in South Carolina.

Defenders of the NLRB argue that many of the employees are illiterate, so the Labor Board ordered the company to read aloud the cease and desist order to assembled groups of employees.

I challenge this. Industrial employees in my State are as intelligent as those in any other State. The fact that they voted against union representation does not mean that they are illiterate. Many people in these United States would argue to the contrary.

The Board did not consider the educational level of the people of my State in its order. It acted only in an unprecedented punitive manner against this great company which has serrved this Nation well—and continues to serve it.

And it is on this basis that I address my remarks to this body.

As chairman of the Armed Services Committee, I consider myself in a position to be well informed on the subject of patriotic service to our Nation.

I say to you unequivocally, any individual or group that asks the Federal Government to withhold contracts for vitally needed war materials from a company simply because it has been found by the NLRB to be in violation of the Federal labor law is acting irresponsibly and without any thought for the welfare of our Armed Forces.

This is merely a desperate attempt by the AFL–CIO Council to gain, by fiat from our Government, bargaining authority which it has not been able to win in secret ballot elections.

I know this company. I know the unselfish patriot who heads this company. He has served his country in war—two of them. He has headed the Department of the Army. His company has taken the lead in the textile industry in supplying military goods for our forces in the escalating Vietnam situation.

One of this company's plants turned 98 percent of its production to the war effort in World War II and won the coveted "E" award for its work. Just a month ago, another Stevens plant was presented the Defense Supply Agency's coveted "Q" award which in 3 years has been given to only 62 military suppliers of all types.

I am proud of what American companies are doing in producing needed supplies for our military forces. What the union now asks President Johnson to do would not only cut off vitally needed textile goods but also many other critical supplies and equipment furnished by other industries.

I am proud of the textile industry and its record during the past several years because 65 percent of the industry in my State is textiles—and that means that a majority of my State's workers are contributing a portion of their production to meet the military needs of our country.

The industry has worked very closely with the Defense Personnel Support Center in its procurement program. Special committees have been set up to deal with problems which arise, and the entire industry has devoted a major portion of its time over many months to meet these problems.

Up to the present time the textile industry has succeeded in meeting every request of the military without it being necessary to issue a single rated order to any textile plant.

Does the union leadership which wants the President to cut off military orders to Stevens realize the consequences involved? I know—and members of our House committee know—such action would curtail the flow of military fabrics and many other essential items which are already in short supply.

Can these union leaders face our men in Vietnam, sweating and fighting and risking their lives in defense of freedom, after making a request such as this to the President?

If I were a union leader, I could not face them, any more than I could grow a beard and carry a placard while my fellow citizens were wearing their country's colors in a far-off jungle. And I do not believe that union members generally support the union leaders in this irresponsible demand.

We in the South may be illiterate in the eyes of some of the other parts of this great country. We may not have the highest per capita income nor stand at the top in some other national comparisons.

But Mr. Speaker, and Members of this House, we do not rank second to any one in love for our country or willingness to work to back our men in uniform as they fight our battles.

Let the courts decide the merits of this company's controversy with the union and the Labor Board.

And let us all—union members, nonunion workers, industry, and this Government—move forward together in the task that is ours—the task of winning the struggle in Vietnam and giving to our fighting forces the support they deserve.

HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1966

The House met at 12 o'clock noon.

The Chaplain, Dr. Edward G. Latch, D.D., offered the following prayer:

This is the day which the Lord hath made; we will rejoice and be glad in it.
—Psalm 118: 24.

Our Heavenly Father, we bow before our altar of prayer with hearts overflowing with gratitude because Thou hast been so wonderfully good to us. We are what we are, we have what we have, not because we deserve it, not because we have earned it, but because Thy goodness has attended us, Thy strength has made us strong, Thy love has undergirded us, and Thy presence has blessed us all our days. Help us to be worthy of Thy gifts and to use each day for Thy glory, for the good of our country and for the welfare of our fellow man. Thus, may every day be a glorious adventure in great living. In Jesus' name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 11227. An act to authorize the Honorable Eugene J. Keogh, of New York, a Member of the House of Representatives, to accept the award of the Order of Isabella the Catholic.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10721. An act to amend the Federal Employees' Compensation Act to improve its benefits, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2307. An act for the relief of certain civilian employees and former civilian employees of the Bureau of Reclamation at the Columbia Basin project, Washington.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2102. An act to protect and conserve the North Pacific fur seals, to provide for the administration of the Pribilof Islands, to conserve the fur seals and other wildlife on the Pribilof Islands, and to protect sea otters on the high seas;

S. 2218. An act to establish a contiguous fishery zone beyond the territorial sea of the United States; and

S. 3096. An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes.

BENEFITS DO NOT EXTEND TO HUSBAND WHEN SERVICE WOMEN MARRY

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. GRIFFITHS. Mr. Speaker, I mentioned briefly yesterday that the Federal Government is giving women workers a raw deal and I would like to tell you that this morning a woman marine came to my office and explained that on marriage a woman marine's husband is not entitled to quarters—he is not entitled to medical care as a wife is nor can he even use the PX as a wife can.

Mr. Speaker, it is time for the Government to realize that free medical care for a spouse, additional money for quarters, and PX privileges are fringe benefits to an employee. The fringe benefits should be the same whether the employee is a man or woman.

I suggest, Mr. Speaker, it is time that the Secretary and Congressman RIVERS correct the pay differential for men and women members of the armed services.

ABOLISH POLITICAL PATRONAGE IN SELECTION OF POSTMASTERS

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. RONCALIO. Mr. Speaker, I am today introducing legislation to abolish political patronage in the selection of postmasters. My bill would bring these and other postal appointments under the complete control of the Civil Service Commission. It provides that the Postmaster General shall appoint local postmasters in accordance with the Civil Service Act and shall appoint persons certified as having the highest rating among the applicants examined. I find this bill necessary because in my opinion a Congressman's duties should no longer include this traditional vestige of early-day patronage operations.

Mr. Speaker, a long time ago America's first Postmaster General, Benjamin Franklin, said that every postmaster appointment he made earned him 10 enemies and 1 ingrate; he might have also added, Mr. Speaker, that a postmastership should be a crowning award for which all qualified employees may strive and which can be granted on merit to the best of local postal employees who devote their lives to the efficient operation of our post offices.

SUBCOMMITTEE ON SPECIAL PROBLEMS OF SMALL BUSINESS

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the Subcommittee No. 7 of the Small Business Committee, which is the Subcommittee on Special Problems of Small Business, may sit during general debate tomorrow. I have cleared this with the ranking minority member of the committee, the gentleman from New York [Mr. HORTON].

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, did I understand the gentleman to have said that he had cleared the request with the ranking member of the committee?

Mr. SMITH of Iowa. I have cleared it with the gentleman from New York [Mr. HORTON].

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SUBCOMMITTEE ON URBAN RENEWAL OF THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Urban Renewal and Urban Problems of the Select Committee on Small Business may be permitted to sit during the debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, I could not hear the request of the distinguished gentleman from Illinois. May I ask him to repeat it?

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Urban Renewal of the Select Committee on Small Business may be permitted to sit this afternoon during debate on the floor of the House. The request has been cleared with the minority member of the committee, the gentleman from New York [Mr. HORTON].

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. BERRY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, on Monday, June 20, I was unavoidably absent on official business in my district. On that day, on rollcall No. 147, the Freedom of Information Act, and on rollcall No. 148, to amend the Connally Hot Oil Act, came to a vote. Had I been present, I would have voted "yea" on each of these rollcalls.

SHARING OF FEDERAL INCOME TAX URGED FOR SUPPORT OF EDUCATION

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TALCOTT. Mr. Speaker, next to the protection of our youth, their education is our most important mission in life—whether we be parents, educators, or public officials.

Education is being neglected—not so much out of lack of desire, but from a failure of proper administration and adequate financing.

Education can best be performed by local school boards, educators, and officials—if they have the necessary funds.

The conventional, traditional source of funds for elementary and secondary education is real property, plus various subventions.

Real property, as a source of revenue for multiple purposes, is almost drained dry.

In many localities, formidable taxpayer rebellions are developing.

I include several typical newspaper articles from my district which appeared following the recent school bond elections.

The message is clear and alarming. The taxpayers are not opposed to better education. They are opposed to the onerous, inequitable, inadequate real estate taxing and real estate bonding methods now utilized for financing education.

A new source of revenue for education purposes must be found, and employed, promptly.

The best, most practical and fairest, method for alleviating the administrative and financial problems of elementary and secondary education is my bill, H.R. 10717—which provides a method for sharing Federal income tax revenues with the individual States for education.

At least 5 percent of the Federal revenues should be returned to the States for education purposes. The sooner we can enact this legislation, the sooner we can avert such taxpayer rebellions.

Talk of State tax reform is idle, useless talk. Any reform will only shift the burden from one property taxpayer to another property taxpayer.

Ever-increasing use of the sales tax for education purposes is unfair. There is no relationship between sales and education. It is a retrogressive tax and most burdensome upon the poor.

If your State is not confronted with this problem, you are only temporarily lucky. Sooner or later, it will be obvious to all that Federal income tax revenue must be shared with the States for public education purposes.

Two articles from the Watsonville Register-Pajaronian and one from the Santa Cruz Sentinel—all appearing June 15, 1966—follow:

[From the Watsonville (Calif.) Register-Pajaronian, June 15, 1965]

DRASTIC SCHOOL CUTS FORCED BY TAX DEFEAT

The failure of voters to approve a tax increase for the Pajaro Valley Unified School District at the primary election could mean:

—Elimination of the high school's interschool athletic program.

Double sessions for many of the elementary schools.

—A reduction in the district's teaching staff.

—A series of cutbacks in such areas as textbooks, equipment, maintenance, etc.

It definitely means there will be no high school summer school this year. The trustees decided that last night and will decide at a special meeting next Tuesday on whether to eliminate elementary school summer session as well.

Superintendent Glen Smith told trustees that failure of the tax proposal means that income next year will fall $100,000 short of the proposed $7.1 million budget.

Smith said at least $100,000 should remain in the reserve fund, meaning that $200,000 worth of cuts would have to be made.

High School Principal Kenneth McCombs submitted a hurriedly drafted list of possible cuts in the high school program that would amount to a saving of $61,740.

[From the Watsonville (Calif.) Register-Pajaronian, June 15, 1966]

CALIFORNIA SCHOOL CRISIS—VOTERS REBEL AGAINST TAXES

SACRAMENTO.—California school officials mixed fear and anger today as they reviewed an apparently unprecedented number of defeats last week for local school bond and tax override proposals.

A preliminary report from the California Association of School Administrators (CASA) counted only 34 victories in 100 school district elections held concurrently with the June 7 primary. According to performance over the past 10 years, voters should have approved about double the number.

Officials could find little comfort in passage of the state's $275 million school construction bond that appeared on all ballots.

Authorities who allocate the bond funds said this year's measure received 61 per cent of the vote, well below the average 73 per cent these bonds have been receiving since they first appeared on the ballot in 1949.

"I don't think there's any question but that you have a taxpayers' strike," said Dr. Max Rafferty, state Superintendent of Public Instruction. "This is the most serious crisis in school finance since I've been in this business and I'm scared stiff."

Dr. Arthur Corey, executive secretary of the California Teachers Association (CTA) called the situation "critical." He said that only school districts—among all forms of government in the state—had to seek voter approval for a tax increase and therefore took the brunt of all dissatisfactions.

In Sacramento's northern suburbs, angry teachers in the San Juan Unified District responded to rejection of an 86-cent tax override by threatening to invoke "sanctions" against the district.

Under the sanction—a form of blacklisting—the San Juan Teachers Association would warn other teacher groups and teacher training institutions against salary and working conditions at San Juan. If the override had passed, salaries would have been increased and the district would have hired new teachers to reduce class size.

The election survey was made by James Corson, CASA executive secretary, who sent telegrams requesting election results to county superintendents of schools.

Returns so far, he said, showed 12 victories in 45 bond issue elections and 22 victories in 55 tax override requests. The bonds had a 26 per cent success rate and the overrides 40 per cent.

Gil Oster, consultant to the Assembly Education Committee, said that although bond and override success rates have been declining over the past 10 years they have never sunk so low.

During the 1955–1965 period, he said, bond success rates dropped from 80 to about 65 per cent. He said overrides in the same period dropped from 80 to 60 per cent.

Rafferty said a solution to the problem lay in additional state aid to schools, which would relieve local property taxpayers. He said he was backing Assembly Speaker Jesse M. Unruh's plan to raise the new state funds by a one cent increase in the sales tax. However, he said he would make additional proposals to the 1967 legislature.

[From the Santa Cruz (Calif.) Sentinel, June 15, 1966]

SCHOOL ISSUES FAIL

(By Len Klempnauer)

Like ten pins on a bowling alley, 10 local school issues were knocked down yesterday by voters throughout Santa Cruz county.

The strike against additional monies—both for building programs and operating funds—for five school districts was acclaimed unanimously by school officials this morning as a county-wide rebellion against high local property taxes and current assessment practices.

For 10 frames the scoring went thusly:

1. Santa Cruz High school district's 25-cent override tax—9,273 for, 11,083 against, for 45.5 per cent. (Overrides require a simple majority.)
2. Live Oak Elementary district's 25-cent override tax—1,240 for, 2,010 against, for 38.1 per cent.
3. Live Oak's $315,000 bond issue—1,355 for, 1,815 against, for 42.7 per cent. (Bond issues need a two-thirds majority to pass.)
4. Scotts Valley Elementary district's $350,000 bond issue—1221 for, 721 against, for 62.8 per cent.
5. Scotts Valley's $645,000 state aid proposal—1176 for, 739 against. (State aid needs two-thirds to succeed but also requires passage of the bond issue.)
6. Pajaro Unified district's $3 million bond—3635 for, 6137 against, for 37 per cent.
7. Pajaro's 74-cent override tax—2987 for, 6730 against, for 30.7 per cent.
8. Mountain Elementary district's $90,000 bond—132 for, 135 against, for 49.1 per cent.
9. Mountain's $350,000 state aid—lost, but results not available at presstime.
10. Mountain's 50-cent override—lost, results not available.

As did other superintendents, Santa Cruz's Denzil Morrissey termed the defeat a "disappointment."

Morrissey said the district will have a few weeks to set up priorities for making cutbacks in the present programs.

The Santa Cruz rate for 1966–67 will revert to the state required minimum of 85 cents per $100. "I do not believe the district can operate on the lowest tax rate in the state," Morrissey commented.

Said Dr. Ambrose Cowden, president of the high school board:

"I feel this is an expression of a taxpayer's rebellion against ever-increasing taxes. Along with other taxpayers I don't feel the property tax is fair but at present it's the only method we have. I am deeply disappointed but not surprised at the outcome."

Live Oak Superintendent Herbert Cartwright commented, "I think it's unfortunate that the voters have taken school measures as a way of venting their dissatisfaction with the tax structure and assessment practices; I wish they had thought of the children first . . . The merits of the case had nothing to do with it."

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit while the House is in session today during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SUBCOMMITTEE ON ACCOUNTS OF THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Accounts of the Committee on House Administration may be permitted to sit while the House is in session today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? The Chair hears none, and it is so ordered.

There was no objection.

BANK HOLDING COMPANY ACT OF 1956

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7371) to amend the Bank Holding Company Act of 1956, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, which was to strike out all after the enacting clause and insert:

That subsection (a) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)) is amended to read as follows:

"(a) 'Bank holding company' means any company (1) that directly or indirectly owns, controls, or holds with power to vote 25 per centum or more of the voting shares of each of two or more banks or of a company that is or becomes a bank holding company by virtue of this Act, or (2) that controls in any manner the election of a majority of the directors of each of two or more banks; and, for the purposes of this Act, any successor to any such company shall be deemed to be a bank holding company from the date as of which such predecessor company became a bank holding company. Notwithstanding the foregoing, (A) no bank and no company owning or controlling voting shares of a bank shall be a bank holding company by virtue of such bank's ownership or control of shares in a fiduciary capacity, except as provided in paragraphs (2) and (3) of subsection (g) of this section, (B) no company shall be a bank holding company by virtue of its ownership or control of shares acquired by it in connection with its underwriting of securities if such shares are held only for such period of time as will permit the sale thereof on a reasonable basis, and (C) no company formed for the sole purpose of participating in a proxy solicitation shall be a bank holding company by virtue of its control of voting rights of shares acquired in the course of such solicitation."

SEC. 2. Subsection (b) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(b)) is amended to read as follows:

"(b) 'Company' means any corporation, business trust, association, or similar organization, or any other trust unless by its terms it must terminate within twenty-five years or not later than twenty-one years and ten months after the death of individuals living on the effective date of the trust, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any partnership."

SEC. 3. Subsection (c) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)) is amended to read as follows:

"(c) 'Bank' means any institution that accepts deposits that the depositor has a legal right to withdraw on demand, but shall not include any organization operating under section 25 or section 25(a) of the Federal Reserve Act, or any organization that does not do business within the United States. 'District bank' means any bank organized or operating under the Code of Law for the District of Columbia."

SEC. 4. Subsection (d) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(d)) is amended to read as follows:

"(d) 'Subsidiary', with respect to a specified bank holding company, means (1) any company 25 per centum or more of whose voting shares (excluding shares owned by the United States or by any company wholly owned by the United States) is directly or indirectly owned or controlled by such bank holding company, or is held by it with power to vote; or (2) any company the election of a majority of whose directors is controlled in any manner by such bank holding company."

SEC. 5. Subsection (g) of section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(g)) is repealed.

SEC. 6. Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), as amended by this Act, is further amended by adding at the end thereof the following new subsections:

"(g) For the purposes of this Act—

"(1) shares owned or controlled by any subsidiary of a bank holding company shall be deemed to be indirectly owned or controlled by such bank holding company;

"(2) shares held or controlled directly or indirectly by trustees for the benefit of (A) a company, (B) the shareholders or members of a company, or (C) the employees (whether exclusively or not) of a company, shall be deemed to be controlled by such company; and

"(3) shares transferred after January 1, 1966, by any bank holding company (or by any company which, but for such transfer, would be a bank holding company) directly or indirectly to any transferee that is indebted to the transferor, or has one or more officers, directors, trustees, or beneficiaries in common with or subject to control by the transferor, shall be deemed to be indirectly owned or controlled by the transferor unless the Board, after opportunity for hearing, determines that the transferor is not in fact capable of controlling the transferee.

"(h) The application of this Act and of section 23A of the Federal Reserve Act (12 U.S.C. 371), as amended, shall not be affected by the fact that a transaction takes place wholly or partly outside the United States or that a company is organized or operates outside the United States: Provided, however, That the prohibitions of section 4 of this Act shall not apply to shares of any company organized under the laws of a foreign country that does not do any business within the United States, if such shares are held or acquired by a bank holding company that is principally engaged in the banking business outside the United States."

SEC. 7. (a) The first sentence of subsection (a) of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)) is amended to read as follows: "It shall be unlawful, except with the prior approval of the Board, (1) for any action to be taken that causes any company to become a bank holding company; (2) for any action to be taken that causes a bank to become a subsidiary of a bank holding company; (3) for any bank holding company to acquire direct or indirect ownership or control of any voting shares of any bank if, after such acquisition, such company will directly or indirectly own or control more than 5 per centum of the voting shares of such bank; (4) for any bank holding company or subsidiary thereof, other than a bank, to acquire all or substantially all of the assets of a bank; or (5) for any bank holding company to merge or consolidate with any other bank holding company."

(b) The second sentence of subsection (a) of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)) is amended by striking the words "except where such shares are held for the benefit of the shareholders of such bank" at the end of clause (i) and inserting in lieu thereof the words "except where such shares are held under a trust that constitutes a company as defined in section 2(b) and except as provided in paragraphs (2) and (3) of section 2(g)".

(c) Subsection (c) of section 3 of the Bank Holding Company Act of 1956 is amended to read as follows:

"(c) The Board shall not approve—

"(1) any acquisition or merger or consolidation under this section which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

"(2) any other proposed acquisition or merger or consolidation under this section whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

In every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served."

(d) Subsection (d) of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended by striking the words "in which such bank holding company maintains its principal office and place of business or in which it conducts its principal operations" and inserting in lieu thereof the words "in which the operations of such bank holding company's banking subsidiaries were principally conducted on the effective date of this amendment or the date on which such company became a bank holding company, whichever is later,". Such subsection is further amended by adding at the end thereof the following new sentence: "For the purposes of this section, the State in which the operations of a bank holding company's subsidiaries are principally conducted is that State in which total deposits of all such banking subsidiaries are largest."

SEC. 8. (a) Subsection (a) of section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)) is amended to read as follows:

"(a) Except as otherwise provided in this Act, no bank holding company shall—

"(1) after the date of enactment of this Act acquire direct or indirect ownership or control of any voting shares of any company which is not a bank, or

"(2) after two years from the date as of which it becomes a bank holding company, or, in the case of any company that has been continuously affiliated since May 15, 1955, with a company which was registered under the Investment Company Act of 1940, prior to May 15, 1955, in such a manner as to constitute an affiliated company within the meaning of that Act, after December 31, 1978, retain direct or indirect ownership or control of any voting shares of any company which is not a bank or a bank holding company or engage in any business other than that of banking or of managing or controlling banks or of furnishing services to or performing services for any bank of which it owns or controls 25 per centum or more of the voting shares.

The Board is authorized, upon application by a bank holding company, to extend the period referred to in paragraph (2) above from time to time as to such bank holding company for not more than one year at a time, if, in its judgment, such an extension would not be detrimental to the public interest, but no such extensions shall in the aggregate exceed three years."

(b) Subsection (c) of section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1943(c)) is amended to read as follows:

"(c) The prohibitions in this section shall not apply to any bank holding company which is a labor, agricultural, or horticultural organization and which is exempt from taxation under section 501 of the Internal Revenue Code of 1954, and such prohibitions shall not, with respect to any other bank holding company, apply to—

"(1) shares of any company engaged or to be engaged solely in one or more of the following activities: (A) holding or operating properties used wholly or substantially by any banking subsidiary of such bank holding company in the operations of such banking subsidiary or acquired for such future use; or (B) conducting a safe deposit business; or (C) furnishing services to or performing services for such bank holding company or its banking subsidiaries; or (D) liquidating assets acquired from such bank holding company or its banking subsidiaries or acquired from any other source prior to May 9, 1956, or the date on which such company became a bank holding company, whichever is later;

"(2) shares acquired by a bank in satisfaction of a debt previously contracted in good faith, but such bank shall dispose of such shares within a period of two years from the date on which they were acquired, except that the Board is authorized upon application by such bank holding company to extend such period of two years from time to time as to such holding company for not more than one year at a time if, in its judgment, such an extension would not be detrimental to the public interest, but no such extensions shall extend beyond a date five years after the date on which such shares were acquired;

"(3) shares acquired by such bank holding company from any of its subsidiaries which subsidiary has been requested to dispose of such shares by any Federal or State authority having statutory power to examine such subsidiary, but such bank holding company shall dispose of such shares within a period of two years from the date on which they were acquired;

"(4) shares held or acquired by a bank in good faith in a fiduciary capacity, except where such shares are held under a trust that constitutes a company as defined in section 2(b) and except as provided in paragraphs (2) and (3) of section 2(g);

"(5) shares which are of the kinds and amounts eligible for investment by national banking associations under the provisions of section 5136 of the Revised Statutes;

"(6) shares of any company which do not include more than 5 per centum of the outstanding voting shares of such company;

"(7) shares of an investment company which is not a bank holding company and which is not engaged in any business other than investing in securities, which securities do not include more than 5 per centum of the outstanding voting shares of any company;

"(8) shares of any company all the activities of which are or are to be of a financial, fiduciary, or insurance nature and which the Board after due notice and hearing, and on the basis of the record made at such hearing, by order has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this Act;

"(9) shares of any company which is or is to be organized under the laws of a foreign country and which is or is to be engaged principally in the banking business outside the United States; or

"(10) shares lawfully acquired and owned prior to May 9, 1956, by a bank which is a bank holding company, or by any of its wholly owned subsidiaries."

(c) Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end thereof the following new subsection:

"(d) With respect to shares which were not subject to the prohibitions of this section as originally enacted by reason of any exemption with respect thereto but which were made subject to such prohibitions by the subsequent repeal of such exemption, no bank holding company shall retain direct or indirect ownership or control of such shares after five years from the date of the repeal of such exemption, except as provided in paragraph (2) of subsection (a). Any bank holding company subject to such five-year limitation on the retention of nonbanking assets shall endeavor to divest itself of such shares promptly and such bank holding company shall report its progress in such divestiture to the Board two years after repeal of the exemption applicable to it and annually thereafter."

Sec. 9. Section 6 of the Bank Holding Company Act of 1956 (12 U.S.C. 1845) is hereby repealed.

Sec. 10. The first sentence of section 9 of the Bank Holding Company Act of 1956 (12 U.S.C. 1848) is amended by striking out "sixty" and inserting "thirty".

Sec. 11. Section 11 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 (note)) is amended by inserting "(a)" after "Sec. 11."; by inserting a comma and "except as specifically provided in this section" before the period at the end thereof; and by adding at the end thereof the following new subsections:

"(b) The Board shall immediately notify the Attorney General of any approval by it pursuant to this Act of a proposed acquisition, merger, or consolidation transaction, and such transaction may not be consummated before the thirtieth calendar day after the date of approval by the Board. Any action brought under the antitrust laws arising out of an acquisition, merger, or consolidation transaction shall be commenced within such thirty-day period. The commencement of such an action shall stay the effectiveness of the Board's approval unless the court shall otherwise specifically order. In any such action, the court shall review de novo the issues presented. In any judicial proceeding attacking any acquisition, merger, or consolidation transaction approved pursuant to this Act on the ground that such transaction alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), the standards applied by the court shall be identical with those that the Board is directed to apply under section 3 of this Act. Upon the consummation of an acquisition, merger, or consolidation transaction in compliance with this Act and after the termination of any antitrust litigation commenced within the period prescribed in this section, or upon the termination of such period if no such litigation is commenced therein, the transaction may not thereafter be attacked in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), but nothing in this Act shall exempt any bank holding company involved in such a transaction from complying with the antitrust laws after the consummation of such transaction.

"(c) In any action brought under the antitrust laws arising out of any acquisition, merger, or consolidation transaction approved by the Board pursuant to this Act, the Board and any State banking supervisory agency having jurisdiction within the State involved, may appear as a party of its own motion and as of right, and be represented by its counsel.

"(d) Any acquisition, merger, or consolidation of the kind described in section 3(a) of this Act which was consummated at any time prior or subsequent to May 9, 1956, and as to which no litigation was initated by the Attorney General prior to the date of enactment of this amendment, shall be conclusively presumed not to have been in violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2).

"(e) Any court having pending before it on or after the date of enactment of this amendment any litigation initiated under the antitrust laws by the Attorney General with respect to any acquisition, merger, or consolidation of the kind described in section 3(a) of this Act shall apply the substantive rule of law set forth in section 3 of this Act.

"(f) For the purposes of this section, the term 'antitrust laws' means the Act of July 2, 1890 (the Sherman Antitrust Act, 15 U.S.C. 1–7), the Act of October 15, 1914 (the Clayton Act, 15 U.S.C. 12–27), and any other Acts in pari materia."

Sec. 12. (a) Section 23A of the Federal Reserve Act, as amended (12 U.S.C. 371c), is amended by adding at the end thereof the following new paragraphs:

"For the purposes of this section, (1) the term 'extension of credit' and 'extensions of credit' shall be deemed to include (A) any purchase of securities, other assets or obligations under repurchase agreement, and (B) the discount of promissory notes, bills of exchange, conditional sales contracts, or similar paper, whether with or without recourse, except that the acquisition of such paper by a member bank from another bank, without recourse, shall not be deemed to be a 'discount' by such member bank for such other bank; and (2) non-interest-bearing deposits to the credit of a bank shall not be deemed to be a loan or advance or extension of credit to the bank of deposit, nor shall the giving of immediate credit to a bank upon uncollected items received in the ordinary course of business be deemed to be a loan or advance or extension of credit to the depositing bank.

"For the purposes of this section, the term 'affiliate' shall include, with respect to any member bank, any bank holding company of which such member bank is a subsidiary within the meaning of the Bank Holding Company Act of 1956, as amended, and any other subsidiary of such company.

"The provisions of this section shall not apply to (1) stock, bonds, debentures, or other obligations of any company of the kinds described in section 4(c)(1) of the Bank Holding Company Act of 1956, as amended; (2) stock, bonds, debentures, or other obligations accepted as security for debts previously contracted, provided that such collateral shall not be held for a period of over two years; (3) shares which are of the kinds and amounts eligible for investment by national banks under the provisions of section 5136 of the Revised Statutes; (4) any extension of credit by a member bank to a bank holding company of which such bank is a subsidiary or to another subsidiary of such bank holding company, if made within one year after the effective date of this amendment to section 23A and pursuant to a contract lawfully entered into prior to January 1, 1966; or (5) any transaction by a member bank with another bank the deposits of which are insured by the Federal Deposit Insurance Corporation, if more than 50 per centum of the voting stock of such other bank is owned by the member bank or held by trustees for the benefit of the shareholders of the member bank."

(b) Section 25 of the Federal Reserve Act, as amended (12 U.S.C. 601), is amended by striking out "either or both of" immediately preceding "the following powers" in the introductory paragraph and by inserting after the paragraph designated "Second." the following new paragraph:

"Third. To acquire and hold, directly or indirectly, stock or other evidences of ownership in one or more banks organized under the law of a foreign country or a dependency or insular possession of the United States and not engaged, directly or indirectly, in any activity in the United States except as, in the judgment of the Board of Governors of the Federal Reserve System, shall be incidental to the international or foreign business of such foreign bank; and, notwithstanding the provisions of section 23A of this Act, to make loans or extensions of credit to or for the account of such bank in the manner and within the limits prescribed by the Board by general or specific regulation or ruling."

(c) Section 18 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1828), is further amended by adding at the end thereof the following new subsection:

"(j) The provisions of section 23A of the Federal Reserve Act, as amended, relating to loans and other dealings between member banks and their affiliates, shall be applicable to every nonmember insured bank in the same manner and to the same extent as if such nonmember insured bank were a member bank; and for this purpose any company which would be an affiliate of a nonmember insured bank, within the meaning of section 2 of the Banking Act of 1933, as amended, and for the purposes of section 23A of the Federal Reserve Act, if such bank were a member bank shall be deemed to be an affiliate of such nonmember insured bank."

Sec. 13. (a) Subsection (b) of section 2 of the Banking Act of 1933, as amended (12 U.S.C. 221a), is further amended by inserting before the period at the end thereof the following: "; or

"(4) Which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 per centum of the number of shares voted for the election of directors of a member bank at the preceding election, or controls in any manner the election of a majority of the directors of a member bank, or for the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees".

(b) Subsection (c) of section 2 of the Banking Act of 1933, as amended (12 U.S.C. 221a), is repealed.

(c) Section 5144 of the Revised Statutes, as amended (12 U.S.C. 61), is amended to read as follows:

"Sec. 5144. In all elections of directors, each shareholder shall have the right to vote the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate such shares and give one candidate as many votes as the number of directors multiplied by the number of his shares shall equal, or to distribute them on the same principle among as many candidates as he shall think fit; and in deciding all other questions at meetings of shareholders, each shareholder shall be entitled to one vote on each share of stock held by him; except that (1) this shall not be construed as limiting the voting rights of holders of prefered stock under the terms and provisions of articles of association, or amendments thereto, adopted pursuant to the provisions of section 302(a) of the Emergency Banking and Bank Conservation Act, approved March 9, 1933, as amended; (2) in the election of directors, shares of its own stock held by a national bank as sole trustee, whether registered in its own name as such trustee or in the name of its nominee, shall not be voted by the registered owner unless under the terms of the trust the manner in which such shares shall be voted may be determined by a donor or beneficiary of the trust and unless such donor or beneficiary actually directs how such shares shall be voted; and (3) shares of its own stock held by a national bank and one or more persons as trustees may be voted by such other person or persons, as trustees, in the same manner as if he or they were the sole trustee. Shareholders may vote by proxies duly authorized in writing; but no officer, clerk, teller, or bookkeeper of such bank shall act as proxy; and no shareholder whose liability is past due and unpaid shall be allowed to vote. Whenever shares of stock cannot be voted by reason of being held by the bank as sole trustee such shares shall be excluded in determining whether matters voted upon by the shareholders were adopted by the requisite percentage of shares."

(d) Paragraph (c) of section 5211 of the Revised Statutes (12 U.S.C. 161) is amended by striking out the second sentence thereof.

(e) The last sentence of the sixteenth paragraph of section 4 of the Federal Reserve Act, as amended (12 U.S.C. 304), is amended by striking out all of the language therein which follows the colon and by inserting in lieu thereof the following: "*Provided,* That whenever any member banks within the same Federal Reserve district are subsidiaries of the same bank holding company within the meaning of the Bank Holding Company Act of 1956, participation in any such nomination or election by such member banks, including such bank holding company if it is also a member bank, shall be confined to one of such banks, which may be designated for the purpose by such holding company."

(f) The nineteenth paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 334) is amended by striking out the last sentence of such paragraph.

(g) The twenty-second paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 337) is repealed.

(h) The third paragraph of section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended by striking out that part of the first sentence that reads "For the purpose of this section, the term 'affiliate' shall include holding company affiliates as well as other affiliates, and"; and by changing the word "the" following such language to read "The".

(i) Paragraph (4) of section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-3) is repealed.

(j) Paragraph (11) of section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2) is amended by striking out the words "or any holding company affiliate, as defined in the Banking Act of 1933" and substituting therefor the words "or any bank holding company as defined in the Bank Holding Company Act of 1956".

Mr. PATMAN (interrupting the reading.) Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in full in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas? The Chair hears none, and it is so ordered.

There was no objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas for the present consideration of the bill and the Senate amendment?

Mr. BROYHILL of Virginia. Mr. Speaker, reserving the right to object—and I shall not object—I wonder if the gentleman from Texas would be willing to advise the House whether or not there was any discussion during the consideration of the various items in controversy in this bill as to the possibility of a tax bill that would provide some measure of relief for the companies that are required to sell their holdings by virtue of this pending legislation.

Mr. PATMAN. I will state to the distinguished gentleman from Virginia [Mr. BROYHILL] that there were discussions. I will insert in the RECORD, if permission is granted to consider the bill, a statement from the Treasury Department which is favorable in the direction the gentleman is stating, and also a letter to Senator A. WILLIS ROBERTSON, chairman of the Committee on Banking and Currency, from the Honorable WILBUR D. MILLS, chairman of the Committee on Ways and Means, that fully explains this matter.

Those who are affected by this will be protected by a law that will be passed—and there will be no objection to the passage of it, so far as we are able to ascertain—to give them the same privilege under the tax laws that has been given to others under similar circumstances.

Mr. BROYHILL of Virginia. Mr. Speaker, I should like to inform the House that I have discussed this matter with the chairman of the Committee on Ways and Means and this tax legislation which has been discussed is pending before the committee. It is anticipated it will be promptly considered by the Committee on Ways and Means and will be pending before the House in the very near future.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I urge the House to accept the Senate amendments to H.R. 7371, to amend the Bank Holding Company Act of 1956.

The Senate version consists essentially of those provisions included in bills favorably reported by your Committee on Banking and Currency last year, namely H.R. 7371 and H.R. 7372. The Federal Reserve Board and the Federal Deposit Insurance Corporation have by letter urged passage of the amended bill. While the Justice Department and the Comptroller of the Currency expressed some reservations, the American Bankers Association, and the Independent Bankers Association are not opposed to the Senate bill.

On balance, the amended bill is a good bill and there is no question that this is the best bill obtainable. Those in the House before 1956 remember the very difficult time we had in enacting any holding company legislation at all. But what we got in 1956 was a great step forward and H.R. 7371 represents a great improvement. Of that there can be no mistake. We have plugged the most important, the most serious loopholes in the holding company law by accepting the Senate amendments and it was entirely unrealistic to hope that the Senate would accept the House bill. This is particularly true in that many of those affected by the House-passed bill had no opportunity to testify before your committee. While many of us would prefer a more comprehensive bill as the House passed, we must be patient for further improvements in the act, at least until the next Congress.

The most important parties affected by the present bill, the Du Pont Trust and the Financial General-International Bank empire were accorded ample opportunity to testify before House and Senate committees. In fact, Mr. Edward Ball, representing the Du Pont Trust, testified twice before your committee—in 1964 and on my bill H.R. 10668, and in 1965 on my bill H.R. 7371, which is now before us. The Senate, in the exercise of its legislative discretion, would permit greater flexibility in the time allotted for divestiture of the nonbanking assets of these two groups. Furthermore, the distinguished chairman of the Committee on Ways and Means and Chairman LONG of the Senate Finance Committee have by letter expressed their intention of speedy action on appropriate tax relief with respect to divestiture of assets. Both the Treasury Department and the Bureau of the Budget have informed the Congress that there is no objection to such tax relief, similar, in fact, to what we provided in 1956.

This bill represents a distinct improvement in the scope of the Bank Holding Company Act. Mr. Speaker, the Committee on Banking and Currency, including our ranking minority member, recommend acceptance of the Senate amendments without a conference.

TREASURY DEPARTMENT,
Washington, D.C., June 2, 1966.

Hon. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to the Committee's request for the views of this Department on H.R. 11257, "A bill relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended."

This bill would provide, for corporations first becoming a bank holding company by enactment of H.R. 7371, relief of a type generally comparable to that provided in 1956 by the enactment of sections 1101–1103 of the Internal Revenue Code. As noted in our report to the Committee on H.R. 7372, dated September 10, 1965, this Department is not opposed to legislation that provides relief of that general type to corporations first becoming a bank holding company by current amendments of the Bank Holding Company Act. Accordingly, this Department would not oppose the enactment of this bill.

As stated in our report on H.R. 7372, advancing the May 15, 1955, cutoff date in sections 1101–1103 of the Code is appropriate for corporations first becoming a bank holding company by current amendments to the Act. H.R. 11257 would advance that date to September 23, 1965 (the date the House first proposed to eliminate the "one bank exemption" in the Bank Holding Company Act, when it amended H.R. 7371 on the floor). However, should H.R. 7371 be enacted in a form comparable to that recommended by the Senate Committee on Banking and Currency, so that the one bank exemption is retained and only the Investment Company exemption (together with certain other exemptions not material for this purpose) is eliminated, April 12, 1965, would appear to be an appropriate cutoff date.

Since that date, when H.R. 7372 was introduced, there has been strong evidence that the Investment Company exemption might be eliminated from the Act, and a later cutoff date might be said to encourage the acquisition of properties with a view to their tax-free distribution to shareholders.

The Bureau of the Budget has advised the Treasury Department that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely yours,

STANLEY S. SURREY,
Assistant Secretary.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 6, 1966.

Hon. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In reply to your letter of May 19 suggesting that the Committee on Ways and Means might consider action on Mr. MULTER's bill, H.R. 11257, I have been advised that the Committee staff has received a favorable report on this bill from the Treasury Department. The Treasury Department did suggest that an appropriate cutoff date would be April 12, 1965, instead of the date contained in the Multer bill.

In light of this favorable report with this suggested change from the Treasury Department, I will ask the Committee to consider this bill just as soon as our Committee schedule will permit. I would now expect this to be in the next 4 to 6 weeks.

Sincerely yours,

WILBUR D. MILLS,
Chairman.

U.S. SENATE,
COMMITTEE ON FINANCE,
June 6, 1966.

Hon. A. WILLIS ROBERTSON,
Chairman, Senate Banking and Currency Committee, Washington, D.C.

DEAR MR. CHAIRMAN: On May 19 you wrote the Chairman of the Committee on Ways and Means of the House of Representatives regarding a change in the tax law necessitated by reason of amendments to the Bank Holding Company Act of 1956 which your Committee has approved. You favored me with a copy of that letter.

I understand the substance of the necessary tax amendments is reflected in H.R. 11257 now pending before the Committee on Ways and Means. The Treasury has indicated that in general it favors easing the tax consequences of the divestitures which your bill would require. The tax relief contemplated by H.R. 11257 (tax-free distributions coupled with a carry-over basis) largely conforms to the relief this Committee approved in 1956 when the Bank Holding Company Act was approved.

That being the case, I see no reason why the Committee on Finance cannot act with dispatch to take up the appropriate amendmends soon after they are passed by the House. You recognize in your letter that the Constitution requires that the House act first on tax measures.

With every good wish, I am,

Sincerely,

RUSSELL LONG,
Chairman.

FEDERAL EMPLOYEES COMPENSATION ACT

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10721) to amend the Federal Employees Compensation Act to improve its benefits, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 17, after "than" insert "75 per centum of the monthly pay of".

Page 5, strike out lines 7 to 17, inclusive, and insert:

"'(c) Upon the application of any employee or former employee in receipt of compensation under this Act to the United States Civil Service Commission, said Commission shall enter his name on each appropriate register or employment list, or both, maintained by the Commission, for certification for appointment to any vacant position for which he is physically and otherwise qualified, in accordance with regulations of the Commission. Employees or former employees with career or career-conditional status shall be entitled to the same priority in certification which the Commission accords a career or career-conditional employee who has been involuntarily displaced from his position through no fault of his own. For the purpose of this subsection, "employee" means an employee as defined by section 40(b)(1) of this Act, but does not include an individual who, pursuant to any other Act, is deemed an employee for the purpose of this Act.'"

Page 6, after line 6, insert:

"(b) Section 6(a)(2)(C) of the Act is amended by adding at the end thereof the following new sentence. 'Notwithstanding any other provision of this section, compensation payable for a child which would otherwise be terminated because such child has reached the age of 18 shall be continued if he or she is a student (as defined in section 10(M) of this Act) at the time he or she reaches the age of 18 for so long as the child continues to be such a student or until he or she marries.'"

Page 6, line 7, strike out "(b)" and insert "(c)".

Page 6, strike out lines 9 to 13, inclusive, and insert:

"'(M) For the purposes of this section, a person shall be considered a student while he is regularly pursuing a full-time course of study or training at an institution which is—

"'(i) a school or college or university operated or directly supported by the United States, or by any State or local government or political subdivision thereof, or

"'(ii) a school or college or university which has been accredited by a State or by a State-recognized or nationally recognized accrediting agency or body, or

"'(iii) a school or college or university not so accredited but whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited, or

"'(iv) an additional type of educational or training institution as defined by the Secretary.

but not after he reaches the age of twenty-three or has".

Mr. O'HARA of Michigan (interrupting the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendments be dispensed with and that they be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, I would like to inquire of the distinguished gentleman from Michigan what the Senate amendments are. Can he outline them for us very briefly?

Mr. O'HARA of Michigan. Mr. Speaker, I shall outline them briefly. First, the Senate amendments make a small adjustment in the minimum compensation benefits payable to totally disabled Federal employees. Second, they limit the reemployment rights provided by the House bill for disabled Federal employees to those who are career employees or career-conditional employees. The third Senate amendment provides special treatment for the children of disabled Federal employees who are still attending school after the normal cutoff age of 18, whereas the House bill had provided such treatment only for children of Federal employees who had died from injuries received in line of duty. The last Senate amendment defines the kinds of institutions of higher education where attendance will be considered to confer eligibility under the last provision. The House bill had left that question to regulations to be promulgated by the Secretary of Labor.

Mr. GERALD R. FORD. As I understand it, the minority members on the subcommittee had agreed to these amendments and agreed to the Senate bill as passed?

Mr. O'HARA of Michigan. The gentleman is correct. The minority members on the subcommittee which handled the bill have agreed to the Senate amendments.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MASSACHUSETTS BUS TAXATION AGREEMENT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 13935) to give the consent of Congress to the State of Massachusetts to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the act of November 1, 1965 (79 Stat. 1157), with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. STAGGERS. Mr. Speaker, reserving the right to object, I should like to have some clarification from the chairman of the Judiciary Committee with regard to the amendment to this bill put on by the Senate. They attached an amendment onto the bill, which amendment should have come before the House Interstate and Foreign Commerce Committee for consideration. However, this subject has never come before the committee and no hearings have been held on it. Therefore, I want to know if the chairman of the Judiciary Committee will knock out the amendment and stand fast in the conference.

Mr. CELLER. I will say to the gentleman from West Virginia that the amendment the Senate added to the bill certainly was not germane to the bill itself. It should not have been added, and I shall do everything in my power to knock out the provision added by the Senate.

Mr. STAGGERS. Mr. Speaker, I would have to object, unless I know the amendment will be stricken completely from the bill.

Mr. CELLER. I would not want to cross the gentleman from West Virginia. I believe he is eminently sound. Although I dislike to pledge what I will do in a conference, inasmuch as the amendment added by the Senate is utterly nongermane and has nothing whatsoever to do with the original bill, I will agree with the gentleman from West Virginia not to agree to the Senate amendment.

Mr. STAGGERS. I thank the gentleman. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RYAN. Mr. Speaker, reserving the right to object, let me say I concur with the views of the distinguished chairman of the Committee on Interstate and Foreign Commerce on the amendment. I am very happy we have the assurance of the distinguished chairman of the Judiciary Committee that he will oppose the nongermane rider which was added by the other body and simply has no place in this bill.

The subject matter of the Senate amendment is within the jurisdiction of the Committee on Interstate and Foreign Commerce. It would jeopardize the claims of some 8,000 individuals under the War Claims Act of 1948, as amended in 1962.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. Celler, Willis, Tenzer, McCulloch and Poff.

FOREIGN AGENTS REGISTRATION ACT AMENDMENTS

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

Mr. CELLER. Mr. Speaker, I note that there should be a correction. The last sentence of the statement of the managers on House amendment No. 1, page 3, should be corrected to read as follows:

> Second, it applies a somewhat more rigid test for exemption in the case of foreign concerns with U.S. subsidiaries, by requiring as a further condition of the exemption that whenever the foreign concern owns or controls the domestic concern, the activities in question are substantially in furtherance of the business interests of the domestic concern.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, was the bill amended by the other body; and, if so, are any of the amendments germane to the bill?

Mr. CELLER. The amendments resulted from the deliberations of this body, on this side—the House.

Mr. GROSS. Therefore, the amendments are germane to the bill?

Mr. CELLER. Yes.

Mr. GROSS. I thank the gentleman. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1632)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment Numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"party;

"(q) For the purpose of section (3)(d) hereof, activities in furtherance of the bona fide commercial, industrial or financial interests of a domestic person engaged in substantial commercial, industrial or financial operations in the United States shall not be deemed to serve predominantly a foreign interest because such activities also benefit the interests of a foreign person engaged in bona fide trade or commerce which is owned or controlled by, or which owns or controls, such domestic person: *Provided,* That (i) such foreign person is not, and such activities are not directly or indirectly supervised, directed, controlled, financed or subsidized in whole or in substantial part by, a government or a foreign country or a foreign political party, (ii) the identity of such foreign person is disclosed to the agency or official of the United States with whom such activities are conducted, and (iii) whenever such foreign person owns or controls such domestic person, such activities are substantially in furtherance of the bona fide commercial, industrial or financial interests of such domestic person."

And the House agree to the same.

Amendment Numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

"(g) Any person qualified to practice law, insofar as he engages or agrees to engage in the legal representation of a disclosed foreign principal before any court of law or any agency of the Government of the United States: *Provided,* That for the purposes of this subsection legal representation does not include attempts to influence or persuade agency personnel or officials other than in the course of established agency proceedings, whether formal or informal."

And the House agree to the same.

Emanuel Celler,
Wm. M. Tuck,
Robert W. Kastenmeier,
Richard H. Poff,
Edward Hutchinson,
Managers on the Part of the House.
J. W. Fulbright,
John Sparkman,
Mike Mansfield,
Bourke B. Hickenlooper,
Geo. Aiken,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the Senate bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House passed S. 693 with two amendments. The Senate disagreed to the amendments and requested a conference; the House then agreed to the conference. The conference report recommends that the Senate recede from its disagreement to the House amendments and agree to the same with amendments, the amendments being to insert in lieu of the matter inserted by the House amendments the matter agreed to by the conferees, and that the House agree thereto. The conference report retains the substance of the House amendments with certain modifications.

HOUSE AMENDMENT NO. 1

House Amendment No. 1 defines the exemptive scope of a part of proposed Section 3(d) of the Foreign Agents Registration Act. As amended by S. 693, Section 3(d) would, among other things, exempt from registration any person engaging in activities not serving predominantly a foreign interest. House Amendment No. 1 provides that, for the purpose of Section 3(d) of the Act, activities in furtherance of the bona fide business interests of a domestic concern engaged in substantial business in the United States shall not be deemed to serve predominantly a foreign interest because such activities also benefit a foreign business concern which is owned by or owns the domestic concern. The House amendment imposes three conditions on this exemption: (1) the foreign concern must not be a foreign government or political party, (2) the activities must not be directly or indirectly controlled or subsidized in substantial part by a foreign government or political party, and (3) the relationship with the foreign concern must be disclosed.

The conference report makes two changes in House Amendment No. 1. First, it substitutes the word "operations" for the word "activities," the second time the latter word appears, in order to correct an inadvertent ambiguity. Second, it applies a somewhat more rigid test for exemption in the case of United States concerns with foreign subsidiaries, by requiring as a further condition of the exemption that whenever the foreign concern owns or controls the domestic concern, the activities in question are substantially in furtherance of the business interests of the domestic concern.

HOUSE AMENDMENT NO. 2

House Amendment No. 2 in substance exempts from registration any person qualified to practice law, insofar as he engages or agrees to engage in legal representation of a disclosed foreign principal before any court of law or any agency or official of the Government (other than a Member or committee of Congress).

The conference report makes two changes in House Amendment No. 2. First, it deletes reference to any "official" as unnecessary and rearranges and shortens the requirement of disclosure. Second, it defines "legal representation" to exclude attempts to influence or persuade agency personnel or officials other than in the course of established agency proceedings, whether formal or informal.

EMANUEL CELLER,
WILLIAM M. TUCK,
ROBERT W. KASTENMEIER,
RICHARD H. POFF,
EDWARD HUTCHINSON,
Managers on the Part of the House.

Mr. CELLER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is the call of the Private Calendar. The Clerk will call the first bill.

WON LOY JUNG

The Clerk called the bill (H.R. 1822) for the relief of Won Loy Jung.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

KATHERINE NABOKOFF AND OTHERS

The Clerk called the bill (H.R. 10846) for the relief of Katherine Nabokoff, and others.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PEDRO IRIZARRY GUIDO

The Clerk called the bill (H.R. 2914) for the relief of Pedro Irizarry Guido.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RENE HUGO HEIMANN

The Clerk called the bill (H.R. 1336) for the relief of Rene Hugo Heimann.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EMANUEL G. TOPAKAS

The Clerk called the bill (H.R. 3233) for the relief of Emanuel G. Topakas.

There being no objection, the Clerk read the bill as follows:

H.R. 3233

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 205(c) of the Immigration and Nationality Act shall not be applicable in the case of Emanuel G. Topakas (A-10174660).

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, the provisions of section 204(c) of that Act shall be inapplicable in the case of Emanuel G. Topakas."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COL. WILLIAM W. WATKIN, JR.

The Clerk called the bill (H.R. 12031) to authorize the appointment of Col. William W. Watkin, Jr., professor, of the U.S. Military Academy, in the grade of lieutenant colonel, Regular Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 12031

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President may appoint Colonel William W. Watkin, Junior, O24664, professor, of the United States Military Academy, in the grade of lieutenant colonel, Regular Army, and enter his name on the Army promotion list in the place it would occupy had it not been removed from that list because of his appointment as a professor of the United States Military Academy on October 1, 1961. All service performed by Colonel Watkin as a professor of the United States Military Academy shall be deemed, of all purposes, to have been service as an Army promotion-list officer.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

EUGENE L. RAYMOND, PRESIDENT, CIGAR INSTITUTE OF AMERICA, INC.

Mr. SECREST. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SECREST. Mr. Speaker, Eugene L. Raymond, 54, president and executive director of the Cigar Institute of America, Inc., died June 12, 1966, of internal causes. Mr. Raymond was returning from St. Louis to his home at 33 Morewood Oaks, Port Washington, Long Island. He had just addressed the Missouri tobacco convention in Springfield.

Mr. Raymond was the man who taught America how to wear a cigar. Born in Pittsburgh, Pa., September 28, 1911, he devoted more than 25 years to promoting the attributes of cigar smoking, first as eastern field supervisor and then since 1956, as president and executive director of the Cigar Institute of America, Inc.

It was the public relations efforts of Mr. Raymond and his organization that achieved one of the best business success stories—the reestablishment of the cigar as a symbol of gracious and enjoyable living.

Mr. Raymond was a constant traveler throughout the country and he probably clocked more air flight time than any association president anywhere.

A great public speaker, Mr. Raymond was quick to ascend any speaker's platform that offered him a chance to advance his theory that everyone should "wear a cigar."

Mr. Raymond was an innovator of note and many of his public relations creations have won the plaudits of the advertising fraternity as well as the public relations industry.

A suit designed especially for cigar smokers, and the Cigar Smokers of America whose many chartered humidors are located in different sections of the country are some of the special efforts fostered by Mr. Raymond as adjuncts to the regular public relations program of the Cigar Institute.

Another special creation of Mr. Raymond was the cigar clinic. This was programed assault on dry cigars in the fifties. And Mr. Raymond had a simple but dramatic way of getting the humidification idea across—he would just pour a glass of water onto the speaker's rostrum. Those nearby never forgot the lesson.

In February 1965 the Tobacco Table of New York, honored Mr. Raymond, awarding him the 1965 Tobacco Industry Distinguished Service Award, heretofore awarded to only three leaders of the industry.

Prior to joining the cigar industry, Mr. Raymond was assistant sales manager of a major distiller where he conducted a joint program of sales and public relations. Three and a half war years in the Aleutian Islands, serving as the skipper of an Army vessel, failed to dampen his tremendous enthusiasm for people and particularly for the cigar business.

A leading chronicler in discussing the theme, "Cigars as the Last Stronghold of Virile Men," recently stated:

> I have read of men with a deep abiding philosophy that strive to make their business prime movers for a better way of life but never have I heard of a product produced solely for enjoyment, to carry the therapeutic qualities as zealously fostered by Mr. Raymond.

He added this observation by Mr. Raymond:

> A cigar is like the earth, it remains stationary and a friend to all who come to it.

Mr. Raymond was a leader in many civic affairs and has contributed substantially to the promulgation of association operations.

Survivors include his widow, Marie, a son, Robert Raymond, and a sister, Mrs. Mary Scarito.

Services were held at the Ignatius Loyola Church in New York City. Interment was at Pinelawn Memorial Cemetery, Pinelawn, Long Island.

Mr. Raymond has many friends in both Houses of Congress and was a frequent visitor to the Nation's Capital.

TILE IMPORTS FROM JAPAN

Mr. HERLONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HERLONG. Mr. Speaker, the ceramic tile industry in this country has been hard hit by low-priced wall tile imports from Japan—imports which are now under investigation by the U.S. Treasury as being dumped in the U.S. market at less than fair value.

The American producers have alleged in their complaint that Japanese dumping of this product is widespread, injurious, flagrant, and predatory; it involves a dumping price ranging from 35 to 45 percent below prices of similar tile in Japan's home market.

Despite the existence of this investigation, just released Government statistics show that tile imports from Japan, in March and April 1966, have increased more than 50 percent over the previous 2 months, and more than 20 percent over the same period a year earlier. Furthermore, the average price of the tile coming in now is reported at substantially lower prices than any time in 1965 or the first 2 months of 1966.

Thus, after Treasury began its investigation of the Japanese wall tile dumping in December 1965 and the Japanese learned of the possible legal action against them, their reaction seems to have been to dump even more tile in the U.S. market, before a possible ruling that they have been violating our antidumping statutes.

U.S. tile manufacturers are confident of their ability to compete with anyone willing to obey our laws. But predatory dumping is not fair competition, particularly when the Japanese accompany it with other unfair trade practices such as those documented in the industry's brief filed with the U.S. Bureau of Customs.

While Treasury is still investigating the antidumping complaint on glazed wall tile, these census figures show that Japanese tile manufacturers have continued to lower their export prices, even below the prices claimed in the dumping complaint, and have deluged the U.S. market with tile in the last few months.

I would like to submit, for the record with these remarks, a table showing the official U.S. Census statistics on Japanese glazed wall tile imported into the United States for the period from January 1 through April 30 of this year.

Mr. Speaker, this is an example of why I am convinced that passage of some legislation which would eliminate the predatory dumping of the type which the Japanese industry has apparently been using to inflict such great harm on a small U.S. industry and its workers is so essential:

Glazed wall tile imported from Japan

	Quantity (thousand square feet)		Average unit value (cents) per square foot	
	1965	1966	1965	1966
January	2.678	3.882	19.2	18.0
February	3.522	3.110	17.8	19.0
Subtotal	6.200	6.992		
March	4.995	5.276	20.0	15.0
April	3.925	7.134	19.3	15.3
Subtotal	8.920	12.410		
Total	15.120	19.402		

Source: Bureau of the Census, U.S. Department of Commerce, Foreign Trade Report No. IM 146.

EXEMPTION OF PUERTO RICO FROM $15,000 PURCHASE CEILING ESTABLISHED FOR FEDERAL NATIONAL MORTGAGE ASSOCIATION

Mr. POLANCO-ABREU. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

Mr. POLANCO-ABREU. Mr. Speaker, I am today introducing a bill to exempt properties located in the Commonwealth of Puerto Rico from the $15,000 purchase ceiling, which has been established for the Federal National Mortgage Association for mortgage purchases in its secondary market operations.

As you know, the Association has modified its $15,000 purchase ceiling with respect to properties located in the States of Alaska and Hawaii, but it is without authority to provide an exemption for the ceiling for properties in Puerto Rico

The existence of the Federal National Mortgage Association's $15,000 purchase ceiling causes a distressing situation in Puerto Rico, which is one of the most active areas building under the FHA in the entire country.

It is evident that there is heavy competition in all areas for investment money which has driven interest rates to an alltime high. Because of the relatively low yields that investors can realize from Government-insured FHA mortgages, these investors have been turning recently to more lucrative loans. The result is a shortage of funds available for FHA housing mortgages. To attract the necessary funds to complete Puerto Rico's extremely vital housing program going forward, it is obvious that the mortgages on these new homes must provide a competitive rate of return to those investors.

FHA has recently indicated a recognition of this need by raising the interest rate on their housing mortgages from 5¼ to 5¾ percent. The bankers in Puerto Rico who bring the necessary investor funds to the island to finance FHA mortgages are having difficulty in attracting sufficient money to keep our housing programs going, even at the higher 5¾ percent interest rates. In an effort to do so, they must discount these mortgages in amounts up to $1,000 to $1,200 per house. This is another way of saying that the cost of a $15,000 house in Puerto Rico today must include that much for "cost of mortgage money."

In the past, under conditions of tight money, the housing industry has enjoyed the assurance that Fannie Mae—Federal National Mortgage Association—would provide the floor for FHA guaranteed mortgages by stepping into the mortgage market and buying FHA mortgages—that is, investing in them—at reasonable discount prices where the private sector did not provide sufficient funds or did so at an unreasonably high cost. The Federal National Mortgage Association was created to provide such a backstop for the FHA programs and, historically, has provided a stabilizing influence on the costs of housing related to the cost of money.

Today there is the situation where the Federal National Mortgage Association has placed a top limit of $15,000 on the mortgages it will finance—except in Hawaii and Alaska—which is complicating the issue of a housing money shortage for Puerto Rico and which, if allowed to continue, could cause a disastrous drop in new housing construction in Puerto Rico with the attendant serious implications for the island's social and economic well-being.

With the average FHA mortgage in Puerto Rico running over $16,000 today, and with rapidly rising costs of labor, land and materials, it is understandable that the $15,000 purchase limitation has virtually eliminated the Federal National Mortgage Association from its role of supporter of FHA programs in Puerto Rico.

A special characteristic of the Puerto Rican housing market makes the island's economy exceedingly vulnerable to the situation I have just described. In Puerto Rico, approximately 90 percent of all new private residence construction is built under various sections of the FHA mortgage insurance programs, whereas in the United States the average utilization of FHA mortgage insurance programs is about 15 percent. The difference is a reflection of the fact that low downpayment, long-term housing loans are vital to the solution of Puerto Rico's housing problems. These facts make it easy to understand why the Federal National Mortgage Association's support role is so vital to the economic and social climate of the Puerto Rican community, probably more so than in any other area in the States today. It is desirable and urgent that that role be reestablished to avoid a serious housing crisis in Puerto Rico.

I expressed these thoughts recently in a letter to the Federal National Mortgage Association, and I was informed by Mr. J. S. Baughman, President of the Association, that FNMA was powerless to create an exemption of the $15,000 purchase ceiling to Puerto Rico without authorizing legislation duly enacted and approved as law.

Mr. Speaker, I hope that I have set out the reasons here why this legislation is necessary, and I hope that this statement may present our problem with this respect succinctly and clearly and, most of all, persuasively, because I will have to have the support of our colleagues if this legislation is to be approved and this important problem solved.

REPLICA OF INDEPENDENCE HALL AT KNOTT'S BERRY FARM

Mr. UTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. UTT. Mr. Speaker, I take this time for the purpose of bringing to the attention of the Congress, an occasion which I believe will be of interest to all of my colleagues.

On the Fourth of July, appropriately enough, an exact replica of Independence Hall, birthplace of our Declaration of Independence, and our great Constitution, will be opened to the public at Knott's Berry Farm in Buena Park, Calif.

This occasion will also mark a culmination of a many-years-long dream of Mr. and Mrs. Walter Knott. When asked why he was building Independence Hall, Mr. Knott replied:

> I was asked that same question 25 years ago when we started Ghost Town. Mrs. Knott and I were 50 years old then. Our restaurant business was just getting started, and there were so many places on the farm that needed improvement. Yet we felt stirred by the historical past that Ghost Town was to portray, so we let other things wait while we proceeded to build Ghost Town.
>
> Now, as I write this, Mrs. Knott and I are 75, and we feel this project can wait no longer, or it might never be done.
>
> Our Declaration of Independence was worked out and signed there by 56 brave men who closed it with these famous words: "And for the support of this Declaration, with a firm reliance on the Protection of Divine Providence, we mutually pledge to each other our lives, our Fortunes, and our sacred Honor." Truly great men! Then after nearly ten years of war, when victory finally came, other great, and I believe divinely guided, men again met at Independence Hall to decide what kind of government we should have. They, too, produced one of the world's outstanding documents—our Constitution. These two documents are among the greatest ever conceived by man. They have changed the course of liberty.
>
> Independence Hall is a beautiful and stately building, and one all of us at the farm will be very proud of. I think, like starting Ghost Town 25 years ago, that building Independence Hall will be a milestone in the history of the Farm. It will be our reminder of some of the most crucial events in all history.

Mr. Speaker, I believe my colleagues will be interested in knowing of the meticulous attention to detail which was expended in assuring as nearly an exact replica of Independence Hall as was humanly possible.

In reproducing the Liberty Bell, for example, research was needed which included, of course, trips to Philadelphia to see the original on developing the alloy, the size, the unique shape of the bell and the clapper, and the placement of the crack in the original. The actual casting of the bell presented problems of a unique nature. Many months were expended—a nationwide search was launched for a tree which would provide the wood for an exact replica of the yoke which holds the original Liberty Bell, and, finally, a reproduction was produced which was so exact that it came within a mere five pounds of the weight of the original bell, which weighs 2,080 pounds.

So, too, would the Knotts approach the building of the structure itself. The brickwork, for example, is as exact a duplicate of the original brickwork as could possibly be produced. The bricks had to be aged, handmade with the ends rough and weathered, and composed of a mixture of clay of a unique nature.

Mr. Speaker, I am sure that my colleagues will want to join me in extending congratulations and best wishes to Mr. and Mrs. Knott on the occasion of the opening of Independence Hall.

The story of the Knotts is a story of a couple, who, in the best American tradition, built with their own hands an industry employing nearly 1,000 people, while at the same time, providing a recreational facility of educational value and historical inspiration. In the best American tradition, the Knotts share their good fortune with their employees through a profit-sharing arrangement, and they share their good fortune with the American people through a never-ending display of patriotism and devotion to their country, no better exemplified than by their untiring efforts to create a new shrine to liberty, the reproduction of Independence Hall, at a cost of $750,000. This will be a continuing memorial to the patriotism, dedication, and faith of two great Americans, Walter and Cordelia Knott.

In the development of the huge complex, nationally referred to as Knott's Berry Farm, Mr. and Mrs. Knott have had the loyal and dedicated service and support of their children, each of whom takes an individual responsibility in one or more of the projects within this huge complex, as well as sharing in the ownership and direction of the farm.

AMA HONORS MINNESOTA PHYSICIANS

Mr. DUNCAN of Tennessee. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Quie] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. QUIE. Mr. Speaker, Dr. Thomas P. Comer and Dr. Norman W. Hoover of Rochester, Minn., were honored by the American Medical Association at the 113th annual meeting of the Minnesota State Medical Association. The two Mayo Clinic doctors have recently returned from a voluntary medical mission to South Vietnam. Dr. Comer is now completing a residency in surgery at the Mayo Clinic, and Dr. Hoover has resumed his position as an orthopedic surgeon on the clinic staff.

Dr. James Z. Appel, president of the American Medical Association, cited the two physicians for their meritorious service for the medical profession, the U.S. Government, and the people of South Vietnam by treating the ill and injured during a voluntary medical mission.

At the Minnesota State Medical Association annual dinner for new members, councilors, and delegates on May 15, Dr. Appel presented the AMA certificate of humanitarian service to Dr. Hoover. Dr. G. R. Diessner, a councilor from Rochester, presented the award, signed by Dr. Appel, to Dr. Comer who was unable to attend the dinner.

Dr. Comer and Dr. Hoover served in Vietnam as part of the medical volunteer program, Project Vietnam. Operating with U.S. Government funds, this program was created as the result of an appeal from South Vietnam for medical help.

Upon his return from South Vietnam, Dr. Hoover stated:

> There's no doubt in my mind that medicine is a concrete, humanitarian and most effective way to win the population . . . Medicine is of vital psychological importance, and the program must not only be continued, but expanded.

Both physicians served in civilian hospitals in South Vietnam treating both the victims of disease and civilian war casualties.

For Dr. Hoover this was not a new experience. He has long been interested in programs such as Project Vietnam. In 1961, he served a tour of duty on the mercy ship SS *Hope* in Saigon, Vietnam, and was instrumental in establishing an orthopedic hospital in that city. According to Dr. Hoover:

> It is projects like this that will earn us friends throughout the world.

Mr. Speaker, it is men like Drs. Hoover and Comer who are so instrumental in achieving the goals of freedom and peace. We in the Congress and all Americans owe them a debt of thanks for their outstanding dedication to humanity and their personal sacrifice.

RENT SUBSIDY

Mr. DUNCAN of Tennessee. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. DICKINSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DICKINSON. Mr. Speaker, you are now being taxed to pay not only the rent, but the light bills, moving expenses, household furnishings and utensils and social activities of the family being moved into your neighborhood.

The rent subsidy pattern has been set, the official guidelines established, and the program to pay the underprivileged to move in on the people who earn their own living is beginning to roll. Take, for example, the pilot program authorized by the Balitimore, Md., Board of Estimate.

According to the Baltimore Sun of June 9, the city welfare department will spend $400,000 of Federal money to move 300 underprivileged families into expensive apartment houses or neighborhoods. Their basic living costs will, of course, continue to be paid by normal welfare allowances but they will also be given, on the average $30 for overdue electric bills, $25 for moving expenses, $54 to make up $115 a month rent, $125 to buy new furniture, and so forth, and $5 a month to get around socially.

Just to make sure that this rent subsidy is spent, not with a trickle but with a gush, 20 new Baltimore welfare jobs will be created to dish out this largesse. This additional pork will include an assistant welfare director at $12,000 a year, a community relations chief at $9,320, the inevitable publicity man at $8,560, and other professional taxeaters.

This is what the Great Society calls its rent supplement program. It is no longer a matter of you trying to keep up with the Joneses; it amounts to making you pay to have the Joneses keep up with you.

SECOND-ANNIVERSARY COMMEMORATION OF JAMES CHANEY, ANDREW GOODMAN, AND MICHAEL SCHWERNER, WHO GAVE THEIR LIVES FOR THE CAUSE OF LIBERTY

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 25 minutes.

Mr. RYAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, 2 years ago, today, June 21, 1964, three courageous young Americans gave their lives for the cause of liberty. James Chaney, Andrew Goodman, and Michael Schwerner died brutal deaths in Mississippi in order that others might live as free men and women with the civil and political rights and equal opportunities which are the inheritance under the Constitution of all Americans.

Mr. Speaker, today, 12 miles east of Philadelphia, Miss., there stands a newly built church, the Mount Zion Methodist Church. It is fitting that this church is dedicated to the memory of those martyred civil rights workers.

Mr. Speaker, you may remember that the old church building was burned to the ground by night riders in June of 1964. Three young men, James Chaney, Andrew Goodman, and Michael Schwerner, visited that burned-out church on Sunday afternoon, June 21, 1964, to see for themselves this outrageous example of racial injustice and hatred, and to interview those citizens of that community who might have knowledge of the circumstances of the fire.

Mr. Speaker, as you recall, we know that they disappeared that afternoon and were not seen again. Some weeks later the Federal Bureau of Investigation discovered their bodies, buried in an earthen dam on a pond near Philadelphia.

Now, Mr. Speaker, within that church there is a bronze plaque which tells that their concern—I quote the plaque:

> Their concern for others and, more particularly, those of this community, led to their early martyrdom.

Mr. Speaker, the inscription also reads—and I quote it:

> Their death quickened man's conscience and more firmly established justice and liberty and brotherhood in our land.

Mr. Speaker, their common dedication to the cause of justice, liberty, freedom, and brotherhood, brought together Andrew Goodman and Michael Schwerner, both young men of New York, and James Chaney, a young Negro from Meridian, Miss.

They had joined the Council of Federated Organizations, a council composed of an alliance of several civil rights groups—the Congress of Racial Equality, the Southern Christian Leadership Conference, the National Association for the Advancement of Colored People, and the Student Nonviolent Coordinating Committee.

It was their purpose, along with their fellow workers in COFO to help to bring Negroes in Mississippi to the full exercise of their political and constitutional rights and to help them prepare themselves for greater economic opportunities.

Michael Schwerner and his wife, Rita, established a Freedom School in Meridian. In this 5-room school they had a collection of something like 10,000 books. Together with other volunteers in Freedom Schools which were established in Mississippi that summer, they were anxious that Mississippi Negroes, particularly young people, find the educational opportunities which had been denied to them.

The heroic example of these young men, and the fact that they sacrificed their lives, should clarify for us our present duty. It is an example which has been brought home very dramatically and very clearly in the past few days by James Meredith's march along the Mississippi highway and the dastardly ambush which resulted in his multiple wounds. Now the steady march through Mississippi in the blood-stained footsteps of James Meredith is bringing day by day closer to reality the ideals of our Founding Fathers and bringing closer to reality the goals and objectives for which James Chaney and Andrew Goodman and Michael Schwerner gave their lives that Sunday afternoon in Philadelphia, Miss.

Mr. Speaker, we have the obligation to secure to every individual the opportunity to realize his full potential. We have the obligation to secure to every individual the right to live and to work and to participate in our democracy at every level. We cannot believe that we have progressed significantly toward these goals until we have assured every citizen of this land security against violence, against the abhorrent violence which resulted in the martyrdom of these three civil rights workers and which resulted in the near martyrdom of James Meredith.

These deaths and this attack from ambush should make us realize that there are people in this land who fear that the liberation of the Negro citizen is such a threat to their own status that they will resort to all kinds of violence—even murder—as well as economic reprisals to deprive our Negro citizens to their full civil and political rights.

Mr. Speaker, nothing could more forcefully show the inadequacy of existing Federal laws to protect the exercise of federally guaranteed rights than the fact that local law enforcement officers and private individuals who have been accused of murdering the three civil rights workers have never been indicted for murder in a State court and cannot be tried for murder in a Federal court. Let us hope that through the Federal court system some measure of justice will be found—but, as we know, the Federal statutes are silent when it comes to making it a crime to commit acts of violence and murder against civil rights workers.

I refer Members of this House to the report of the U.S. Commission on Civil Rights, which found that Negroes and civil rights workers are not protected in the exercise of their rights by State and local law enforcement officers, prosecutors, and juries in so many parts of the South.

In its 1965 report, which was entitled "Law Enforcement and Equal Protection in the South," the Commission said, at page 172:

> The Commission's investigation has disclosed that in some communities in the South, local officials have defied the Constitution and repudiated their oath by denying the protection of the laws to Negro citizens. In some instances, law-enforcement officers have stood aside and permitted violence to be inflicted upon persons exercising rights guaranteed by Federal law. In others, prosecutors have failed to carry out their duties properly. In the few cases in which persons have been prosecuted for violence against Negroes, grand and petit juries—from which Negroes have been systematically excluded, and which express deeply rooted community attitudes—have failed to indict or convict.

I quote further from the Commission's report:

> The purpose and end of violence and abuse of legal process has been to maintain and reinforce the traditional subservient status of Negroes by discouraging the exercise of the rights of citizenship. The occurrence of even a single instance of unpunished racial violence often serves to deter Negroes in a community from asserting their rights. In these circumstances racial violence injures not only the victim but the entire community.

Mr. Speaker, the three civil rights workers whom we commemorate today knew that education is the indispensable condition of real freedom. They were killed by men who wished to deny the Negro equal opportunity in education in order to withhold from him the basic fulfillment of his freedom.

In a recent report prepared jointly by the American Jewish Committee and the Southern Regional Council there were listed 125 instances of violence in the South between September, when some little integration of schools took place, and February 1966. Ten murders were listed as well as evictions of Negro families from farms and firing of Negroes from jobs in reprisal for enrolling Negro children in previously segregated schools.

Mr. Speaker, we shall never be able to provide the most basic protection—protection against violence, intimidation, and reprisal—until racial discrimination is eliminated from the process of jury selection everywhere in the South.

In his recent testimony before the House Judiciary Committee, Attorney General Katzenbach said that the Justice Department had found indication of jury discrimination in both Federal and State courts in several States of the South. So long as juries represent prejudicial attitudes toward Negroes and civil rights workers, men like those who killed Andrew Goodman, Michael Schwerner, and James Chaney will not be restrained by threat of any penalty from resorting to desperate and criminal measures to keep the Negro community in subjection.

It is urgent that Congress enact legislation in order to insure nondiscriminatory selection of Federal and State juries. The administration's bill, H.R. 14765, is intended to do this. However, I have introduced, and testified before the Judiciary Committee in support of, H.R. 14111, the Jury Selection Act of 1966, which in my judgment would be more effective.

I think that Congress should authorize the U.S. courts of appeals to take over supervision and control of jury selection through its own jury commissioners, whenever any person or the Attorney General proves that jury discrimination has occurred in a Federal district court. H.R. 14111, the Jury Selection Act of 1966, which I introduced, gives such authority to the courts of appeals.

The administration's bill, H.R. 14765, prohibits discrimination in jury selection for State courts, and authorizes the Attorney General to sue in the Federal courts to obtain orders enjoining such discrimination.

The U.S. Government must have this authority in order to insure to every person the equal protection of the law. But I think that the Federal Government must have more authority than this. The Federal Government must have the right to exercise direct control over the jury selection process in State courts wherever there is evidence or there has been a finding of jury discrimination. H.R. 14111, the Jury Selection Act of 1966, provides for appointment of Federal jury commissioners by the Civil Service Commission to control jury selection for State courts in counties where there is evidence of jury discrimination, or where courts have found discrimination. Such counties would be designated by the Attorney General on the basis of objective criteria, and the U.S. District Court for the District of Columbia would be authorized to review any such designation. The jury commissioners would compile the venire list themselves, and would supervise selection of jurors from that list. Moreover, property and certain other qualifications for jury service would be suspended in such counties, and a sixth grade education would be regarded as qualifying anyone for jury service. Federal jury commissioners would retain control of jury selection for a period of 3 to 10 years in counties which have discriminated.

H.R. 14111 provides not only for Federal supervision of State jury selection wherever necessary, but also authorizes removal of cases from State to Federal courts whenever there is found a pattern or practice of systematic exclusion of persons from jury service on account of race or color.

Mr. Speaker, Negroes and civil rights workers in the South will not be adequately protected until the United States is able to impose criminal penalties upon anyone who tries to deprive them of their rights by violence, intimidation, and reprisal.

It is ironic that rights guaranteed by the Constitution are not protected by adequate Federal sanctions. On March 28 of this year, the Supreme Court of the United States did reinstate Federal charges against the State officials and private individuals accused of killing James Chaney, Andrew Goodman, and Michael Schwerner, and the trial has been scheduled for September. But the most serious charge which the Attorney General can bring against them is that of conspiracy under section 241 of title 18 of the United States Code. The maximum penalty is $5,000 fine and 10 years' imprisonment.

Title V of H.R. 14765, the administration's bill which is similar to my bill, H.R. 14972, should give needed additional protection to the exercise of federally guaranteed rights including the right to vote, the right to equal opportunity in public education and in employment, the right to equal treatment in the housing market, the right to equal treatment and service in places of public accommodation, the right to serve on Federal and State juries, and other rights. It should give additional protection by providing adequate Federal criminal penalties for violence, intimidation, or economic reprisal used to prevent the exercise of constitutional rights. It will apply to private individuals as well as to public officials acting under color of law.

Mr. Speaker, I firmly believe that the community owes any victim of civil rights violence or his family indemnification for suffering as a consequence of exercise of Federal rights. H.R. 14972, the bill which I have introduced, would create an indemnification board within the U.S. Civil Rights Commission, with authority to compensate those who had suffered anti-civil-rights violence.

But protection from violence, intimidation, and reprisal is merely the indispensable condition for the exercise of those rights and opportunities for which James Chaney, Andrew Goodman, and Michael Schwerner made the ultimate sacrifice.

The right to vote is the essential right the exercise of which the individual should take for granted. Yet we know what the facts are today.

The Voting Rights Act of 1965 has begun to bring the opportunity to register and vote to citizens who were so long denied.

As of February 1 of this year, Federal examiners in 37 counties in Southern States had registered more than 100,000 Negro citizens. And local registration officials in Alabama, Louisiana, Mississippi, South Carolina, and Georgia had, by the same date, registered more than 200,000 additional Negro citizens since passage of the act.

The fact remains, however, that half or more of the age-eligible Negroes in the South are not yet registered. In part this is due to the failure of the Justice Department to assign registrars to more counties.

There is an obligation on the Federal Government to implement this Voting Rights Act of 1965 to its fullest extent. This must be done by the assignment of Federal examiners to every county in the South where there has been discrimination in voting. This must be done, Mr. Speaker.

Mr. Speaker, we cannot depend solely on the Voting Rights Act to conduct all Negroes to full citizenship. As Attorney General Katzenbach said in a speech before the Southern Regional Council on February 28, residual fear among Negroes remains, and violence and reprisal remain as ever-present threats in some places in the South.

In addition to the Voting Rights Act, the Federal Government must have additional legislation to protect voters and would-be voters and civil rights workers against violence and economic pressure.

And then we should encourage civil rights groups, like the voter education project of the Southern Regional Council, in their efforts to prepare Negroes to register and vote and to lead them to take part in the process of self-government. Those who conduct voter registration campaigns follow in the footsteps of the three young men whom we remember today.

No right is more essential to all of the other rights and opportunities of Americans than the right to equal opportunity in public education.

The Supreme Court, in Brown against Board of Education, found racial segregation to be in violation of the equal protection clause of the 14th amendment. The Court said with reference to Negro children:

> To separate them from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone.

By consequence, the Court declared that separation of pupils by race is inherently unequal, and contrary to the Federal Constitution.

The Brown case was decided in 1954. Last fall, no more than 6.01 percent of all Negro pupils in the 11 States of the South attended school with white children, according to the Southern Regional Council. The command of the Supreme Court and the requirement of the 14th amendment are not being fulfilled. It is imperative that the United States have increased executive authority to vindicate the Federal right to equal educational opportunity.

Title IV of the 1964 Civil Rights Act empowered the Attorney General to bring civil actions for school desegregation, but only upon written complaints by private persons aggrieved and only after he has determined that such persons are unable to initiate and maintain such suits themselves. The Attorney General has testified that these conditions have inhibited or delayed action by the Justice Department.

A few minutes ago I cited a recent report prepared by the American Jewish Committee and the Southern Regional Council which related the extent of violence in the South during the first half of the school year 1965 to 1966. Such violence undoubtedly makes many Negro parents afraid to complain to the Justice Department about school discrimination. The Attorney General declared that:

> The requirement of a written complaint as a prerequisite to a suit by the federal government, and intimidation of Negroes have proved to be mutually reinforcing obstacles to the orderly progress of desegregation.

Title III of the administration's 1966 Civil Rights Act would eliminate these disadvantages by authorizing the Attorney General to initiate civil actions for school desegregation on his own determination of discrimination. This amendment would not only unhinder the Justice Department, but would render intimidation of Negro parents ineffective as a means of preventing the U.S. Government from acting.

Nothing is more essential, Mr. Speaker, than that every person, regardless of race or color, have equal opportunity to realize his personal abilities by acquiring the highest technical qualifications of which he is capable, and equal opportunity for employment at his highest productive level. Equal opportunity in training and employment is essential in terms both of justice to individuals and of economic advantage to the country. Technological innovation is increasing industry's demand for highly skilled people and decreasing its demand for semiskilled or unskilled workers. At the same time, past and present discrimination have deprived the Negro more than any one else of the possibility of acquiring new and needed skills and of contributing as much as he is capable of contributing to the national product.

Congress passed title VII of the 1964 Civil Rights Act in an effort to establish equal opportunity for all persons without regard to race or color in training and employment. Title VII established rights, but failed to provide adequate enforcement authority to vindicate those rights. The 1964 act created an Equal Employment Opportunity Commission authorized only to investigate and to attempt to conciliate. It was left up to the aggrieved individual to seek court enforcement of his right to nondiscrimination, or to the Justice Department if it finds a pattern or practice of employment discrimination.

The Equal Employment Opportunity Act of 1966, H.R. 10065, which this House passed by an overwhelming majority on April 27, should provide the Federal Government with enforcement authority to match the rights to equal opportunity which it creates. The Equal Employment Opportunity Commission would be able to back up its efforts at conciliation with authority to issue cease-and-desist orders and orders for corrective action. And the Commission could seek to have its orders judicially enforced by the Federal courts whenever it meets noncompliance. Moreover, H.R. 10065 gives to the Commission authority to find the existence of a pattern or practice of discrimination as justification for a civil action by the Attorney General.

Nondiscrimination in apprenticeship and on-the-job training programs is the most important condition of equal employment opportunity, and the Commission is directed by H.R. 10065 to make a continuing study of such programs and to report its findings to Congress quarterly. The Commission would be enabled to get at the facts by having the right to inspect the records of training programs kept by managements and unions.

I should like to note also that many more working men and women will find themselves protected against discrimination by the Equal Employment Opportunity Act of 1966 than by title VII.

Racial discrimination in housing, Mr. Speaker, both perpetuates lack of equal educational opportunity and precludes the Negro from seeking the just return for his contribution to the national product.

The most essential way of ensuring integrated public schools is to facilitate the integration of urban and suburban neighborhoods. Children who must attend ghetto schools too often begin the process of learning at a disadvantage. The disadvantage may well carry through to adult life and preclude equal economic opportunity.

At the same time, the Negro who has bettered his economic position by effort and saving is too often prevented by racial discrimination from buying or renting a place to live wherever he can afford to live and wherever he would like his family to be.

Title IV of the Civil Rights Act of 1966, and H.R. 14971, a bill which I introduced on May 10 and which is identical with title IV, would answer our pressing need for Federal legislation to prohibit discrimination in housing.

Mr. Speaker, as we reflect today, 2 years after the tragic deaths of these young men, we should note that some progress has been made—and their work and martyrdom contributed to this progress—but we should also note that much remains to be done.

It is really a sad commentary that every one of the major civil rights bills passed by this Congress has been passed in the wake of violence. The 1964 bill followed the violence in Birmingham. The 1965 bill followed the violence in Selma, and before that, the violence in Mississippi. Now, as we address ourselves to the Civil Rights Act of 1966, it is in the wake of violence on Federal Highway No. 51, along which James Meredith strode, in an effort to dispel the climate of fear which grips the Negro community in Mississippi.

So, Mr. Speaker, let us pause today to pay tribute to James Chaney, Andrew Goodman, and Michael Schwerner, who gave their lives in order to hasten the coming fulfillment of the human rights to which we in Congress must give statutory recognition. Let us hope that the tragic deaths of these young men will so quicken the conscience of every American that these rights will find a most enduring basis in a general affirmation of mind, heart, and spirit.

A WORLD PATENT SYSTEM

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. YOUNGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. YOUNGER. Mr. Speaker, on the evening of June 16, I had the pleasure of attending a banquet given by the Patent, Trademark & Copyright Research Institute of the George Washington University, at which time the Charles F. Kettering Award was given to Gen. David Sarnoff in recognition of his outstanding contributions as communicator, electronics pioneer, industrial statesman, and public servant and for meritorious work in patent, trademark, and copyright research and education.

In responding to the award, General Sarnoff addressed the group on the very interesting subject of a world patent system. Like many of General Sarnoff's ideas, it may be well in advance of immediate possibility of achievement but he certainly has given a very intelligent and possible solution to our patent difficulties and setting a mark for which we should devote our energies. His address, "A World Patent System," follows:

A WORLD PATENT SYSTEM

(Address by David Sarnoff, chairman, Radio Corp. of America, at the Kettering Award Dinner, Patent, Trademark & Copyright Research Institute, Washington, D.C., June 16, 1966)

I have come to Washington many times on patent matters, but this is the first time I have received a medal for doing so. I am most grateful for this distinguished award, and I am indeed honored by this association of my name with that of Charles F. Kettering.

It was my privilege to know Charles Kettering personally. I respected him as a distinguished scientist, inventor, industrialist, practical philanthropist and humanitarian. Above all, I admired him as a great American.

Boss Kettering personified the distinctive qualities of our country and its people—a spirit of enterprise and invention founded on the conviction that anything of value can be improved and that research must seek and find answers to problems impeding the flow of progress. He often said that the price of progress was trouble, but he insisted that it was not too high a price to pay.

His philosophy as well as his pioneering inventions have become part of our American heritage. One thought of his sums up the basic principle of his own life, which we share as a Nation. "My interest is in the future," he said, "because I am going to spend the rest of my life there."

Although he always looked to the future, Charles Kettering was aware that the spirit of American invention and enterprise had deep roots in the past. The rights of inventors were established in Article One of the Constitution, and the Congress, in 1790, gave legal substance to those rights.

Since then, more than 3 million American patents have resulted from the government's encouragement to "science and the useful arts." Taken as a group, they have contributed profoundly to America's technological, economic, military, and political leadership, and have reshaped the course of history.

The patent procedures which made possible this early flow of inventiveness were attuned to the requirements of individual artisans and inventors who worked independently on their own inventions. With their limited resources, they sought to create for a market that extended no farther than the boundaries of their region or nation, and the device or product they created could nearly always be clearly defined as their own.

Today, the character and scope of the inventive process has changed profoundly. The application of new ideas to practical uses has created new industries and stimulated the growth of old ones, giving new impetus to a growing economy.

The search for new ideas commands the resources of government, education and private enterprise. Under the stimulus of new concepts, vast and complex facilities have been constructed and industries have grown up almost overnight. The development of new products, processes, and systems has engaged hundreds of thousands of our finest minds, and the fruits of their interlocking efforts are evident wherever civilization extends.

Against this background of extraordinary technological growth, it is ironic that the very instrument designed to advance this progress has not kept pace with the progress it has stimulated. In this age of mass invention which has produced deep space probes, supersonic flight, and satellite communications, the patent structure of most nations is no longer capable of meeting the requirements imposed by technological change and economic growth.

The United States, for example, is the world leader in quantity and variety of invention, but an average of three years is still required for passage from patent application to patent issue. In some instances, both here and abroad, this time period is even longer. These delays have in some cases retarded the progress of an idea from the mind to the marketplace.

When we can transmit an idea around the world in less than one-seventh of a second, why must years elapse before that idea can be validated within or outside the country of origin? Why must an inventor still make separate application in every country where he wishes to protect his idea? Why should some countries make no provision at all for patent filings, or impose severely restrictive conditions upon the inventor?

The answers lie in the fragmented array of national patent systems, most of them working in isolation from the others. This condition inhibits the swift and equitable worldwide distribution of patent benefits—through new technology, new industry and expanded markets. The consequences are unfortunate enough in the industrialized nations, but they are even more damaging to the underdeveloped members of the world community.

As technology becomes more complex, the problem of sharing it with others becomes more difficult to solve. Today, material wealth is largely concentrated in a group of nations with only one-third of the world's population. The remaining two-thirds accounts for less than one-tenth of the world's industrial production, generates less than one-quarter of the world's energy, and produces little more than one-third of the world's food.

In the face of growing abundance induced by technology, the supreme paradox of our times is the fact that the gap between the have and have-not nations continues to widen. This imbalance obviously carries the seeds of new disorders and further violence in an uneasy world. In 87 per cent of the nations classified by the World Bank as very poor—those with a per capita income of less than $100 a year—there has been an average of two major outbreaks of violence per country during the last decade.

To help overcome this disturbing situation, I believe there must be a more equitable distribution of technical know-how and stronger encouragement of inventiveness in the nations that have been left behind in the wake of modern technology. True, the problem cannot be solved overnight, and it certainly will not be solved without the full cooperation of the underdeveloped nations themselves. But through an appropriate international patent structure, we can make an intellectual as well as a capital investment in these countries.

The input of know-how and ideas can be as great a stimulant to their progress as money and machinery. As Oliver Wendell Holmes said, "A man's mind stretched by a new idea can never go back to its original dimensions."

One of today's principal challenges is to design an international patent structure that can accommodate the revolutionary changes in technology and spread its benefits more evenly around the world. Through the tremendous advances that have been made in one aspect of this technology—in communications—the physical means are available to accomplish this purpose. It is now technically feasible to establish a universal patent system, utilizing the latest communications devices and concepts, to bring swiftness, order, and reasonable uniformity to the entire patent structure.

The concept of a global patent system has been proposed both here and abroad, but a combination of political and technical problems has until now prevented its achievement. Today, however, the mounting pressure of economic necessities may overcome the political obstacles. And a global patent system could now be accommodated technically in a world wide communications service just as readily as global television, global weather reporting, and global computer services.

Hovering in synchronous orbit above the equator is the first stage of a worldwide system of high capacity communications satellites. Soon a complete system of such satellites and their ground terminals will link all points on earth with thousands of channels for simultaneous voice, data and message transmission.

A new generation of electronic data processing systems is emerging, capable of storing up to 100 million bits of information and retrieving them in fractional millionths of a second. These systems are beginning to provide central computing and reference services for subscribers scattered over large areas.

Other new electronic devices are being joined to computers to transmit, store and retrieve information by sight or sound, and by the display of words, diagrams, or pictures. It will become commonplace, for example, to speak directly over any distance to a computer and to receive the answer within seconds in either sound or sight, on a display screen or in electronically printed form.

These various systems can be combined to perform all of the technical functions for a world patent center that could receive and process applications from inventors everywhere. This center would be the focus of the world patent system, linked to all countries by high-capacity satellite communications and built around a large data processing and information storage system.

Incoming data on inventions, appropriately coded in the country of origin, would be compared with key data on prior patents in the same field, retrieved from the computer memory. The novelty and patentability of the idea could be determined within an infinitely shorter time than is now the case—and it could be determined on a worldwide rather than simply on a national basis. In addition, the means of instant access to all data could speed immensely the comparison and adjudication of conflicting claims.

Since vast amounts of data accumulate over a short time in this era of growing invention, it has become increasingly difficult to keep track of the progress being made and the patents being issued. Therefore, the patent center also could serve as an international reference source of invention and technology. It could, upon request, provide copies of patents and distribute technical data to interested parties.

In a project of such magnitude, with its many potentialities for service, we cannot expect universal operation to begin overnight. Practical experience suggests that nations will move slowly toward the concept of a single world patent system. But it should be possible to begin applying such a concept on a limited scale among a few major patent countries, sophisticated in the use of technology and conscious of the need. Later, as its advantages became evident, other nations could join the project and its services would correspondingly expand.

Assuming that such an international agreement can be achieved, it is possible within the next several years to foresee an inventor, patent attorney or other interested party sitting in his office and submitting a patent application and the accompanying designs through a desk instrument linked by satellite to the central or regional computer of the world patent office. Should there be no problems, the inventor would be informed within a matter of days that his patent has been approved and registered in as many countries as requested.

With this transformation in the world patent process, we could expect many advantages to emerge. Among them would be:

A basic simplification of the total process. By providing quick and complete access to all of the relevant information in a patent search, the resolution of conflicting claims could be expedited. The result should be less costly and less time-consuming, and should produce a greater respect for the patent system;

The ready availability of know-how to people in all countries, through a swift and orderly system protecting the interests of inventor and user alike;

A spur to improved education in the underdeveloped nations, in order to take maximum advantage of newly available technology;

A greater incentive to intellectual investment by the governments and enterprises of the industrialized nations, leading to a climate more conducive to invention and innovation everywhere;

And, finally, a narrowing of the gap created by today's imbalance in technology between the have and have-not nations.

Certainly, there are numerous precedents for international cooperation in the distribution of ideas and knowledge. It exists, for example, in the orderly use of the radio spectrum for message traffic, and in the written communication of ideas through the mails. Moreover, progress already is being made in the merging of national patent laws for common use by groups of nations, and in developing patent procedures for the non-industralized countries.

These developments are moving forward on several continents, and through the United Nations. And, of course, two multinational organizations, the International Patent Bureau and the International Patent Institute, have long been active in the field.

Strong and imaginative steps have already been taken by the United States Patent Office to cut in half the time now required to handle patent applications. Last year, a further major advance toward modernizing our patent structure was made with the Executive Order establishing the President's Commission on the Patent System. These activities deserve the full support of all who are concerned with the problem—government and the legal profession, science and invention, trade and industry.

The great challenge of our time is to match the capabilities of technology to the needs of humanity. A world patent system, functioning as I have suggested here, could play an important role in meeting that challenge.

In his mastery of the electron and the atom, modern man already has given us a glimpse of where technology can lead.

He has invented satellites to carry him through space and circle the globe at 24 times the speed of sound.

He has learned to walk in space around the world in approximately ninety minutes.

He has guided a satellite by remote control to a selected spot on the surface of the moon and televised its features back to earth.

With this remarkable record of achievement, and with his continuing acquisition of new knowledge, is it too much to expect that man can also find the ways and means to fulfill the elemental needs of life for everyone on this planet? Surely, there could be no greater contribution to human welfare and world peace.

APPOINTMENTS TO SERVICE ACADEMIES

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, today I have introduced legislation which will place appointment to our Nation's service academies on an entirely competitive basis. The advantages of such a system are many, both to the general public and to the academies as educational institutions. Enactment of this bill will remove any hint of political favoritism in the academy system.

Gen. George Marshall never had the opportunity to attend West Point because his family and their Congressman did not embrace the same political point of view. Ulysses S. Grant almost lost his chance to attend the Academy because his father and their Congressman did not see eye to eye politically. Although trying to estimate the number of possible generals and admirals who have been lost to their Nation's service over the years is impossible, the number must be great.

Today, as we face the threat and actuality of Communist aggression on a front which encircles the world, the need to have the best qualified and most responsible leaders in positions of military command has never been greater. This is not possible as long as pressure can be brought to bear on a Congressman to appoint the son of some precinct leader or of some contributor to his last campaign.

Many, but not all, Members of Congress conduct competitive examinations to fill their vacancies at the academies, and congressional nominees in the past have included the Eisenhowers, the Pattons, and the Spruances. But these men would have undoubtedly been selected in any fair competitive system, and we do not know how many other talented potential leaders we have lost because of our inefficient and sometimes unfair selection system. The fact is that Members of Congress are hamstrung by an outmoded selection system which has remained basically unchanged since the first two service academies were established over a century ago.

THE DISABLED AMERICAN VETERANS

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, last week the Disabled American Veterans commemorated the 34th anniversary of the granting of its charter by the Congress of the United States. The wisdom and farsightedness of that 72d Congress in granting recognition to this fine organization, composed exclusively of those men and women who suffered wounds, injuries, or other disabilities in the defense of our Nation during war or emergency, has been amply demonstrated over the years.

The Disabled American Veterans' splendid record of achievement in the field of rehabilitation and legislation has enabled thousands of Americans, disabled by war, to resume their rightful place in society.

Their nationwide rehabilitation program under the guidance and direction of a corps of expert national service officers stationed in every Veterans' Administration regional office in the United States, has earned an outstanding reputation for the Disabled American Veterans. These service officers quietly and efficiently pursue their daily tasks of counseling and representing thousands of veterans and dependents in their claims for benefits.

This organization's singleness of purpose—that of providing for the welfare of the Nation's service connected disabled veteran, his widow, and children—merits the attention and support of all citizens. Their unwillingness to be sidetracked from this commendable objective is best evidenced by the DAV legislative program under the capable guidance and direction of Chet Huber, national legislative director. It is clear, concise, and most important, it is reasonable. Because it is reasonable and seeks only to improve the lot of the service connected, the DAV program commands the respect of the Congress. These are the things that make the DAV voice a respected one in Washington and throughout the Nation.

I am pleased to join my colleagues in saluting National Commander Claude Callegary and those DAV leaders in Kansas who have worked so hard to make their organization a potent force in our State. Men like Pinky Pinkleman, George Berlin, Dan Bolton, Bill Lawson, and Fred Theurer deserve the congratulations of all veterans in the State of Kansas.

TORNADO RESEARCH AND DETECTION

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, today I have introduced the Tornado Research, Detection, and Control Act of 1966. This important legislation is introduced in the wake of tornadoes which ripped through Topeka and Manhattan, Kans., killing 17 persons and costing over $100 million in damage in Topeka alone.

Tornadoes are the most violent winds that sweep the earth's surface. To quote from the Department of Commerce publication, "Tornadoes":

> The winds of the tornado vortex have not been successfully measured, but are estimated to be more than 300 miles per hour. Their deep roar is like the rumble of a large bomber squadron, and can be heard as far away as 25 miles.

I was in Kansas when the tornadoes struck. A tour of Topeka, following the storm was a sad experience. While it serves no purpose here to describe in detail the acres and acres of foundations that were the day before nice homes, the uprooted trees, and the piles of rubble—suffice to say that in the face of this massive destruction, obliteration, and havoc, it is a modern miracle that hundreds of lives were not lost. After the disaster, the response of the Weather Bureau, civil defense, the Office of Emergency

Planning, State and local government, and thousands of private citizens and organizations was magnificent.

But, for a nation capable of putting a man on the moon, it is a shame that we know so little about tornado control. With all of America's sophisticated radar, acoustic, and computer devices it is unfortunate that we often rely on the naked eye of a public-spirited citizen—who may not even be able to get through to the Weather Bureau—to spot a deadly twister. The Topeka tornado was spotted by the naked eye before it appeared on radar screens. Nothing could be done to prevent or minimize this destruction and devastation.

We are a nation that will spend an estimated $23 billion to put a man on the moon. We spend an estimated $35.6 million a day to fight a war in southeast Asia. Congress spent over $100 million to construct an office building for 169 Congressmen. Certainly we can afford a few million to begin a tornado research, detection, and control program which could save thousands of lives and hundreds of millions of dollars in property damage.

We must immediately begin the intensive research that will lead to tornado control, authorized in my bill. We must immediately establish the Tornado Meteorological Service, to provide the optimum system for detection of tornadoes and related severe storms.

We are dealing with a national problem. The tornado that ripped open Topeka set down in a suburb of Chicago. Last year alone, 898 tornadoes struck in 42 States and killed 299 Americans.

The need is clear and present. The Weather Bureau and Environmental Science Services Administration must have the tools for tornado and related severe storm research, control, and detection enabled by my bill. This is must legislation, and I urge its early adoption.

I include the text of the Ellsworth Tornado Act as an extension of my remarks:

H.R. 15812

A bill to provide for a research and development program into the nature of tornadoes, their forecasting, detection and control, to establish a specialized Tornado Meteorological Service in the Department of Commerce to provide maximum detection coverage in the United States and timely and effective communication of tornado forecasts and warnings to the public in all areas where tornadoes are prevalent.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce is authorized to—

(1) conduct a comprehensive research and development program on the nature of tornadoes, their forecasting, detection, and control, and the communication and dissemination of information concerning tornadoes to the public;

(2) prepare a comprehensive plan for a specialized Tornado Meteorological Service, including a National Tornado Detection, Control, and Warning System, in the United States and shall report on this plan to the President and to the Congress within 180 days from the date of the enactment of this Act;

(3) provide for the implementation of this plan during the one-year period following presentation of the report to the President and to the Congress referred to in paragraph (3); and

(4) prepare a report containing a plan for the continued operation and improvement of the Tornado Meteorological Service and an evaluation of the system, which report shall be submitted to the President and to the Congress not later than one year plus 180 days after the date of enactment of this Act, and shall contain proposals for the continuation and expansion of the research and development program and for the continuation and expansion of the National Tornado Detection, Control, and Warning System.

SEC. 2. In carrying out the purposes of this Act the Secretary of Commerce shall—

(1) make full use of all applicable resources in the United States, including industry, consulting meteorologists, and specialists in universities and other private organizations, in order to supplement the professional personnel of the Department of Commerce; and

(2) consider the application of radar, acoustic, and other devices, and the use of computers and computer simulation models, in order to provide for the optimum system and most effective coverage of tornadoes and related severe storms.

SEC. 3. There is authorized to be appropriated such sums, not to exceed $40,000,000, as may be necessary to carry out the provisions of this Act.

STRATTON'S EFFORTS TO SAVE CAPITOL APPLAUDED

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, I was much disturbed, as I am sure other Members were, with the announcement the other day that the Architect of the Capitol intends to ask Congress this year for $34 million to go ahead with his plan for extending the west front of the Capitol over some 5 additional acres, incidentally adding a restaurant, 2 movie theaters, and 109 new congressional office spaces.

I do not believe this project is necessary. We have enough office space in the Rayburn Building and more when the Cannon and Longworth House Office Buildings are refurbished. While movie briefing rooms are doubtless desirable for tourists, they are hardly necessary, at least not in the Capitol itself, and certainly not now when the President has urged mayors and Governors around the country to postpone all unnecessary building projects.

VISITORS CENTER STUDY ALREADY PLANNED

It may be that the Architect of the Capitol feels that some of this additional space is necessary to take care of visitors to Congress. If so, his unilateral action is even more outrageous. My committee on Public Works has just reported legislation authorizing a study of facilities and services for visitors to the Nation's Capital with particular concern for visitors to Congress. I supported this proposal with the understanding that the study could be undertaken now and the building and construction postponed to a day when our national budget was in a lot better shape and at a time when we are not fighting a war.

The Architect's proposal is of doubtful merit. It would completely destroy the original west front of our Capitol as we have come to know it, and thus distort, deface, and cover over what is probably the No. 1 historic shrine of our Republic. Surely if the west front is really crumbling, American architectural ingenuity can find a way to save it without destroying it. Surely we can find competent architects somewhere who can preserve the west front without adding 4.5 unnecessary acres and spending $34 million we do not have to do it.

Therefore, Mr. Speaker, I want to commend the gentleman from New York [Mr. STRATTON] for the statement he made on this floor yesterday in opposition to the Architect's proposal, and want to join with him in his effort to enlist public support against this improper and unnecessary defacement of our Capitol.

In that connection I include with my remarks a thoughtful editorial from today's Washington Post. I hope Members will read and ponder this editorial. The Post ought to know that in fact there are indeed, and here in Congress too, many Americans "of equal devotion to the temple of American democracy" who are already insisting that any repairs or reinforcements that have to to be made in that temple will not replace or destroy it, but will keep it "as it was."

The editorial follows:

THE TEMPLE PROFANED

"We have built no national temples but the Capitol," said Rufus Choate. Now that temple is to be profaned and the architectural genius of Thornton, Bulfinch, Latrobe, and Walter is to be buried under cafeterias and other conveniences.

Allan Nevins has described the Capitol as "the best-loved and most revered building in America." He has called it "the spirit of America in Stone." He has said it is "History—the Major Symbol of the Nation."

But the noble western front of the building with its handsome classic walls and its cascading staircases must give way to the convenience and comfort of Congressmen who need more room. Whether the exterior walls are or are not safe is a matter for competent engineers to decide. They have stood less than 200 years and sandstone structures of the kind elsewhere have lasted for hundreds of years. If they are unsafe, they can be rebuilt and replaced without alteration of the original design.

When bombs destroyed the British House of Commons in the 900-year-old palace of Westminster on the River Thames on May 10, 1941, the impulse of the whole British nation was its restoration, not its modification. When he visited the vast ruin on Oct. 29, 1943, Winston Churchill gazed upon the wreckage and said: "There I learnt my craft, and there it is now, a heap of rubble. I am glad that it is in my power, when it is rebuilt, to keep it as it was."

The English people, led by Churchill, insisted that the House be restored, even though the reproduction can seat but 437 of the 627 members.

The wrecker's ball soon will do for the west front of the Capitol what the Nazi bombers did for the House of Commons. Is there no American of equal devotion to the temple of American democracy who can insist that when it is rebuilt, it will be kept as it was?

TITLE 4 OF NEW CIVIL RIGHTS BILL OPPOSED

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Daily Jeffersonian of Cambridge, Ohio, on June 15, 1966, carried a provocative article on the new civil rights bill and especially on title 4, the housing section. This section of the bill promises to cause widespread discussion on the basic rights of private ownership, an area of concern for the vast majority of citizens. I commend the editorial, "Title 4 of Rights Bill Ill Advised," for its balanced approach to an extremely difficult issue, and include it in the Record at this point:

> ### Title 4 of Rights Bill Ill Advised
>
> The Cambridge Board of Realtors has expressed strong opposition to Title 4 of the new Civil Rights Bill (H.R. 14765 and S. 3296).
>
> Realtors elsewhere oppose it. Many others likewise should take a dim view of the provision regardless of their race, religion or nationality.
>
> Title 4 is the housing section of the bill. The entire bill would outlaw discrimination in sale or rental of all types of housing, ban segregation in federal and state juries, make attacks on civil rights workers a federal crime, and allow the government to file segregation suits against schools and public facilities.
>
> We are aware of discrimination in housing. Nobody can fully appreciate the evils of discrimination unless he is a member of a minority group . . . a Protestant living in Spain, a Catholic in an all-Protestant community, a Republican living in some parts of the *Democratic-dominated south*, a Democrat in some GOP-dominated areas of the north, etc.
>
> We believe in equal rights, but we cannot subscribe to the housing section of the rights bill.
>
> It would authorize the U.S. attorney general to proclaim to the owner of property that he must rent a room or sell the home to a person with whom he does not choose to execute a rental or sales agreement.
>
> Deep in our basic law and tradition is the concept that a man's home is his castle. Nobody has the right to buy or rent property from another citizen who does not want to sell or rent it to him.
>
> With public property, or property purchased with public funds, it is a different matter. But the right of an individual to sell or rent his property to whomever he wishes should remain. This goes for anything a person owns—his car, his lawn mower, etc.
>
> We believe Title 4 in its present form is unwise. The reaction of the people to this proposal should be such that lawmakers will see fit to change or eliminate it even before the bill gets out of committee.

VIRGINIA POLYTECHNIC INSTITUTE

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. Poff] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. POFF. Mr. Speaker, American Broadcasting Co. newscaster, Paul Harvey, recently visited the campus of Virginia Tech, the Virginia land-grant college. I am pleased to reproduce herewith the script from Mr. Harvey's May 3 broadcast in which he paid tribute to this great university:

> The largest institution of higher learning in the State of Virginia is Virginia Tech.
>
> Technically, it's called Virginia Polytechnic Institute.
>
> Up until just two years ago, VPI was a military college. It still has a Corps of Cadets But it also has coeds, now.
>
> And its more than seven thousand students can get degrees in agriculture and architecture, arts and sciences, business and engineering . . . and home economics.
>
> It's one of our nation's five biggest engineering schools. And the 2,300 acre campus of Virginia Tech is the throbbing academic heart of Blacksburg, Virginia.
>
> With its own drill field and its own golf course . . . With 80 principal buildings and 60 lesser ones but surrounded by a campus with room for its own amphitheatre and its own experimental farms and orchards and forests . . . And an hour or so from now I'll be landing on Tech's own campus airport.
>
> So the environment at VPI is quite different than that in the concrete cloisters of some of our big city brain factories where a student may matriculate for years and never see a tree.
>
> I've been invited to speak at Virginia Tech this afternoon . . . to a convocation of students and public . . . It's part of their Visiting Scholar Program. It is a terrifying responsibility; leading others when we are, ourselves, so often uncertain.
>
> I'll pray some greater Wisdom than mine provides words for my lips worthy of that audience. Enroute there it was a convenience to spend last night in Georgetown, to broadcast this visit today from Washington, D.C. It was a necessity in fact, but—you and I *really* must get into *The District of* Columbia once in a while. If only to encourage our elected lawmakers to visit the United States more often.

JULIUS KLEIN

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the Washington Post today, in news coverage of the inquiry of the Senate Ethics Committee, pointed out that a lobbyist named Julius Klein of Chicago had indicated his desire to testify before the committee, but the news story also related that Klein was in Europe for several weeks and hence not available to testify.

It might be that some would conclude from this that Klein went to Europe expressly to avoid testifying to the Senate Ethics Committee.

I should like to suggest to this body that there may be another explanation.

A negotiating team from the Department of Defense is now in Dusseldorf, Germany, supposedly completing the final arrangements with the West German Government for a contract under which about $73 million worth of machineguns will be purchased from the Rheinmetall Co., one of Julius Klein's clients. It could well be that Klein feels it important to be in Dusseldorf at this time to help smooth the way in these contract negotiations.

The gun contract has become controversial because up to this very day this gun—rejected as unsatisfactory five years ago by the German Army—has not measured up to the normal requirements of the U.S. Army testing. To be classified Standard A the Defense Department in at least five instances lowered or waived its standards. Of course, this raises a question in my mind as to whether we may be buying a "lemon" in this deal with the West German manufacturer.

The Senate Ethics Committee might be able to get some useful information about Julius Klein if they would seek the reports which he should have been making over the past few years under the Foreign Agents Registration Act. Klein does have some documents filed in the Foreign Agents Registration Department of the Department of Justice, but I have made a careful search of all those documents and fail to find one single item relating his representation of the Rheinmetall Company. Yet other documents which I placed last week in the Congressional Record show very clearly this same Julius Klein is indeed a representative for this foreign firm. Under the terms of this law, he should have filed with the Department of Justice all the details of his representation agreement and every 6 months all the details of income and expenditure under the terms of that agreement. I have asked the Attorney General to explain why these documents are not filed. It might be helpful if the Senate Ethics Committee would also take an interest in this matter.

ACA PROMOTES CONSERVATISM

The SPEAKER pro tempore (Mr. McGrath). Under previous order of the House, the gentleman from Ohio [Mr. Ashbrook] is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, as an ardent conservative, I have always been impressed with the fine work of the Americans for Constitutional Action. Affectionately known as ACA, this fine organization works tirelessly to promote Americanism, political awareness, and the basic precepts of our Constitution. I am, myself, the chairman of the American Conservative Union which works toward these same conservative goals. Our approach is different, our goals the same. Then there is the Free Society Association which is also doing a terrific job in promoting our ideals.

Once in a while we hear that there are too many groups selling the conservative cause. That may be so but all Americans can look with pride to the ACA, ACU, and FSA as the forerunners in the conservative field. There is plenty of work to be done and I personally believe there is room for all three. There is a constant attack on the conservative philosophy. None of us feel we must defend conservatism, we feel we must promote it. Conservatism represents the only successful political philosophy which has been known to man. Statism whether it has taken the form of socialism, feudalism, despotism, communism, fascism, or now liberalism-welfarism has not withstood the test of time. Liberalism and welfarism has developed the same failures. Only free enterprise, individual liberty, and limited government hold promise for America. Only conservatism proudly promotes these ideals.

Ray McHugh, of the Copley News Service, recently wrote an excellent column on the ACA in which he pointed out their fine work. Mr. Speaker, this article should be read by every Member of this body and I include it with these remarks for the consideration of my colleagues:

CONSERVATIVES

(By Ray McHugh, Chief, Washington Bureau, Copley News Service)

WASHINGTON.—Since the defeat of Sen. Barry Goldwater in 1964, "Conservative" has been a muted word in many political circles—particularly those that revolve in Washington.

A variety of right-of-center groups—some allied with the Republican Party, some claiming to be non-partisan—have tried their wings. Few have flourished. Some died quick deaths. Some are sputtering.

But one out-and-out conservative organization grows bigger and stronger every year. Even the most liberal Democrats extend it grudging respect.

The Americans for Constitutional Action weathered its 1964 ordeal in surprisingly good shape. It saw 56 percent of its congressional candidates elected despite the overwhelming weight of President Johnson's landslide.

Now, two years later, it is talking confidently about eclipsing the 67 percent performance registered in 1964 by COPE, the political action arm of the AFL–CIO.

It has already seen two of its candidates win off-year elections—Representative CLARENCE BROWN, Republican, of Ohio, and Representative ALBERT WATSON, Republican, of South Carolina.

"We expect a major comeback by conservative forces in both political parties this year," said ACA executive director Charles McManus. "We're ready to help those candidates who are opposed to socialism and financial irresponsibility."

The ACA is best known for its congressional rating system. The vote of each representative and senator is carefully cataloged at the organization's headquarters located almost in the shadow of the Capitol.

Each vote is weighed against ACA rules of "constitutional conservatism."

A few blocks away, the rival Americans for Democratic Action keep similar tallies, weighing votes on the basis of what they call "forward-looking social responsibility."

The two rating systems usually collide, but they have become accepted as two of the most reliable indexes of a legislator's political philosophy.

While ADA is an avowed arm of the Democratic Party, the ACA vigorously defends its non-partisan label.

McManus, a stocky, thirtyish newsman and legislative aide, and Adm. Ben Moreell, USN, ret., founder of the World War II Seabees and one-time steel company executive who acts as ACA chairman, acknowledge that Republicans often dominate their distinguished service award lists, but both men are adamant about attempts to link their group to the GOP.

Vice President HUBERT HUMPHREY once described the ACA as representing "a legitimate conservative point of view.

"I don't criticize the organization," HUMPHREY added, "for they have a function to perform."

Adm. Moreell says "it is the fixed policy of ACA to refrain from impugning the motives, the integrity or the loyalty of a senator or representative.

"We do sometimes raise questions as to their judgment in voting on specific issues," he said. "But ACA never resorts to name-calling or to other forms of vilification. We are interested in principles, policies and practices, not personalities.

"ACA lets a congressman's record speak for itself."

McManus' office publishes annual indexes that carefully trace each vote in the House and Senate. Between indexes, his office frequently fires barbs at men from both parties whose voting records jar ACA philosophy.

One congressman smarted recently when ACA pointed out that while he spoke out loudly against continued aid to any nation dealing with North Viet Nam, he cast a quiet vote against any restrictions on aid.

In the first session of the 89th Congress, the ACA blistered several first term Democrats with charges that they were "rubber stamps" for President Johnson and that some tried to "vote on both sides of the fence" by casting votes against certain-to-be-passed amendments, then reversing themselves and voting for a bill.

"Whenever we see evidence of this," McManus said, "we issue statements that are made available to the news media in the congressman's district or the senator's home state.

"We want the people he represents to be aware of our judgment."

The reaction of the lawmakers is sometimes sharp.

Rep. JOSEPH RESNICK, D-N.Y., called the ACA an extremist group and alleged that it was affiliated with other such organizations.

The ACA reaction was just as sharp.

It repudiated RESNICK's charge and quoted Edgar Eisenhower, one of its trustees, who said:

"Certainly I would not be associated with an organization related to any group which has challenged the patriotism of my brothers Ike and Milton."

During the 1964 campaign when the ultra conservative John Birch Society was a target of Democrats, liberals and some Republicans, the ACA conducted a private survey. It found that 47 percent of the general public would oppose any candidate backed by the Birch Society. Less than 6 percent said they would vote against an ACA-backed candidate.

In 1964 the ACA supported 218 candidates, of whom 121 were elected.

McManus declines to estimate how many candidates will get ACA help this year.

"It's too early to tell," he said. "We offer help, but not all candidates want it. And not all need it.

"We make our material available to those who want to use it, but we do not make direct financial contributions to any campaign. If an eligible candidate asks for help, we supply clerical workers, speech writers or researchers to help him."

McManus denied suggestions that ACA candidates represent a narrow political outlook.

"They occupy a broad middle ground of constitutional conservatism," he said. "We are not interested in extremists, racists or would-be demagogues."

Founded in 1959, the ACA is supported by voluntary contributions. These reached an election year high of $187,500 in 1964 and an "off-year" peak of $123,000 in 1965.

How do the 1966 elections look to the ACA?

"We're counting on some real gains in the House," said McManus. "I'm not talking about Republican gains now. I think constitutional conservatives are going to run strong in both parties. The primaries are already pointing out the public's concern about fiscal responsibility and too much government."

PLAYGROUND LIGHT DRIVE NEARING SUCCESS

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, the drive for $70,000 to provide temporary lighting at 47 Washington playgrounds is nearing success.

The Washington Post of yesterday carried the story that all but $18,000 has been raised—with $27,000 in money and equipment pledged last week, and the goal should be met very shortly.

I am proud of the fact that a corporation from my congressional district has made, what is thought to be, one of the largest single contributions to this lighting program. This contribution for the installation of lighting equipment will not be of the temporary nature advocated for the Washington playgrounds. Its equipment will be a permanent feature and will add greatly to the reduction of juvenile delinquency in the area served by the Rosedale Recreation Center, where these lights of the Duro-Test Corp. will be installed.

This North Bergen, N.J., corporation, with a long record of interest in combating juvenile delinquency, can be credited with a major assist in Vice President HUBERT H. HUMPHREY's campaign to provide lighting for playgrounds in the District of Columbia.

The Duro-Test Corp., the country's fourth largest manufacturer of light bulbs, has contributed $6,000 worth of high-intensity outdoor lamps to the Nation's Capital for use in lighting a baseball and softball facility. The 60 Fluomeric brand lamps represent the latest advance in outdoor floodlighting technology. By combining fluorescent, incandescent, and mercury vapor elements in one unit, the lamps provide high intensity and very long life at long lower electrical cost. Duro-Test officials estimate that with average use the lamps will last at least 5 years. The fixtures for the lamps were formerly in use at Griffith Stadium, once the home of baseball's Washington Senators and football's Redskins.

The Fluomeric lamps are earmarked for use at the Rosedale Recreation Center, 17th and Gale Streets NE., Washington. With the installation of the lamps, the Rosedale ball field will have one of the most modern lighting systems available anywhere.

In order to insure efficient use of the new lamps, Duro-Test technicians worked closely with District officials in planning the layout of the Rosedale facility and in testing the lamps in the Griffith Stadium fixtures.

The Duro-Test Corp. has pioneered in the promotion of modern lighting for outdoor recreational facilities and the establishment of nighttime recreational programs for youth. A leader in this effort has been company vice president, Herbert A. Anderson. Mr. Anderson is chairman of a committee composed of members of the National Electrical Manufacturers Association which is interested in promoting, on a nationwide basis, lighting campaigns for playgrounds, ball fields, and other amateur recreational facilities.

In 1963, Duro-Test and Mr. Anderson worked closely with the Sports Boosters Club of Leonia, N.J., in establishing a summer basketball league for teenagers in the northern New Jersey suburban area. The club was concerned about the lack of planned summer activities for the community's high school students. They helped to meet this need by establishing a basketball league, and Duro-Test contributed new Fluomeric lamps for the lighting of the basketball court at Leonia's Wood Park.

Now entering its third season, the league consists of 8 teams with nearly 100 youngsters participating. The twice-weekly games, in addition, draw between 200 and 500 teenage and adult spectators.

The District of Columbia's playground lighting program, under the aegis of the Washington youth opportunity campaign headed by Vice President HUMPHREY, set a goal of $70,000 to light 47 Washington playgrounds this summer. According to a recent announcement by the Vice President, $18,000 is still needed to complete the campaign. Due to contributions like that from Duro-Test Corp., the goal is on its way to being met.

Mr. Speaker, I would also like to bring to the attention of my colleagues the program of the Leonia, N.J., Sports Boosters Club in fighting juvenile delinquency with nighttime basketball. The program being made possible with the cooperation of the fathers of Leonia and the Duro-Test Corp. in establishing a lighted field for these basketball games.

When a group of fathers in commuterville Leonia, N.J., enrolled in a Sports Boosters Club, opens the third season of nighttime outdoor basketball in their community during the week of June 20, it is not just another incident in summer America 1966. It is a prototype of a major trend—the turning to nighttime summer sports activities as an outlet for youth, in a growing campaign to combat juvenile delinquency and vandalism.

In Washington, D.C., additional playgrounds are being illuminated this summer, bringing the city's total to 76—compared to a total of only 17 last year. Vice President HUBERT HUMPHREY is spearheading the campaign to get all the playgrounds illuminated, manned, and maintained for nighttime use.

Cities across the country are in the throes of similar efforts. Among the places where playground lighting projects are being carried forward are Philadelphia, Dallas, Staten Island, Albuquerque, East Liverpool, Ohio; Carbondale, Ill.; and Pine Grove, Pa. Cities in which new baseball park lighting for recreational leagues is in the works include Reading, Pa.; Long Beach, Calif.; Tacoma, Wash.; Franklin, Ind.; Linden, N.J.; Chillicothe, Ohio; Fairmont, Ind.; Sonora, Calif.; Grovetown, Ga.; Newton, Ill.; Mendota, Ill.; Payson, Utah; Lindsborg, Kans.; Freeburg, Ill., and Moore, Okla.

To fulfill positive need of older teenagers, high school, and college youths for wholesome evening activities, the Leonia Sports Boosters together with the Leonia Recreation Commission, set up the Leonia, N.J., summer basketball league in 1963. At that time, P. Bernard Nortman, now president of the Leonia Sports Boosters, and chairman of the Leonia summer basketball league, suggested this program. He, together with Lee Clark, basketball coach at Leonia High School and director of the Leonia summer basketball league, spearheaded the administration and operation of the league, with the further assistance of other boosters: Hank Meyer, Joe Mulligan, Jack Price, Dave Janelli, Charles Rossiter, and Superintendent of Recreation Don Cardea.

The Sports Boosters Club was concerned over the void in planned activities during the summer, a period when youth has the most free time on its hands. Living in a medium to high income suburban community, teenagers have easy access to cars and that mobility often results in delinquency. The club fought this with the best possible facilities available for healthy summertime activity—a basketball court at the city's Wood Park.

As a first step, the boosters installed additional lighting. A new type of bulb called Fluomerics were obtained from the manufacturer, Duro-Test Corp., whose vice president, Herbert A. Anderson, was a resident of the area. These lights won immediate approval due to their self-ballasting characteristics. The new lights screw directly into the old fixtures, eliminating the problem of installing extensive ballasts and special wiring. The lamps carry a life rating of 16,000 hours. This means no lighting worries for many seasons to come.

During the second year, the boosters provided an electric scoreboard. With their own labor, they enlarged the playing court to the official 84- by 50-foot playing size.

The results have proved gratifying not only for the more than 90 players involved, but for the 200 to 500 teenagers and adults who come to watch the games. Evenly matched and well played, the hotly fought games ended in a two-way tie in 1963 and a three-way tie in 1964.

The teams play under regular basketball rules, with a number of features added to provide zest and interest. The new rules, which originated in Leonia, have since been copied by other summer leagues in the area. They state: No boy may sit on the bench for more than one quarter at a time—every player gets two full quarters of action each game. Each team must be coached and managed by a player designated as squad leader. Also, each team makes its own pattern and plays without outside coaching. No more than two members of any high school roster can play on one team. A league consists of eight teams with eight players on each team. Each team plays two games a week over the 7-week season. The games take place 4 nights a week with a doubleheader each night. Thus the season consists of a 56-game schedule.

A total of 64 players comprise the 8 teams, plus a reserve list of 33 available for call in the event a regular member cannot play.

Over 50 percent of the players in the league are from Leonia, with the remainder from 14 other Bergen County towns: Bogota, Fort Lee, Ridgefield, Waldwick, Glen Rock, Hillsdale, Maywood, Dumont, New Milford, Edgewater, Little Ferry, Palisades Park, Emerson, Fair Lawn. Coaches from Fort Lee, Ridgefield, Bogota, and Don Bosco have enrolled six players and each coach officiates 1 night a week or provides an official. The league is open to boys from the high school freshman year to 4 years after high school graduation.

The assistance and officiating of the coaches and others is an important aspect of the success of the program. Referees are Lee Clark, Leonia; Phil Matoska, Bogota; Lou Carcich, Fort Lee; John Rosenmeier, Ridgefield; Dave Janelli, Leonia; Dick Hughes, Leonia; Rich O'Brien, Don Bosco.

The Leonia Board of Education provided two sets of grandstands for the spectators. They are usually filled.

NO TIME FOR FRILLS

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, late last week it was announced plans have been approved to spend the unbelievable sum of $34 million to repair the west front of the Capitol and add some frills which would be very nice but which are not needed nor can they be justified at this time.

Therefore, I feel compelled to strongly protest this construction and urge that it be abandoned immediately.

If the west front of the Capitol is unsafe then immediate work should be undertaken to make it sound. But this is the only expenditure which can be justified.

It is noted that the plans for renovation call for the addition of 106 congressional offices.

It should be pointed out that we have just opened a new $125 million House Office Building with 169 office suites, that we are already running 9 months late in the conversion of the Cannon Building to provide additional space and that there are plans to provide more space for Members in the Longworth Building.

It is noted that additional dining facilities are to be added under the west front Capitol expansion for Members of the Congress.

It should be pointed out that there are already adequate facilities for eating throughout the Capitol and in the House and Senate Office Buildings. Additional facilities would be nice but they are certainly not a necessity.

It is noted that two theaters and tourist facilities are planned under the west front expansion. I am unaware of any great need for theater facilities and if we are to aid our tourists, money would be much better spent in providing them with some place to park rather than in a center which they could not reach anyway.

If there is $34 million available for this work then I say there is greater need for it elsewhere.

Our military operations in Vietnam require huge sums which are causing considerable strain on our economy.

Our domestic commitments face short funding because of our military operations.

I do not see how we can even consider the spending of $34 million for remodeling frills when we are not certain at this time that we may not be asked in the near future to increase Federal taxes.

This is no time for frills.

We can do without them. We had better do without them.

If we are prepared to ask the American people to sacrifice in order to meet our national objectives then the Congress can do without the luxuries offered by this proposed expansion. We must do without them.

MUSIC AND SERVICE TO MANKIND

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Fulton] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, Sertoma International, the 54-year-old service to mankind organization with 479 clubs and 18,757 members in the United States, Canada, Mexico, and Puerto Rico commences its annual convention in Washington this week.

As a Sertoman of several years, I would like to take this opportunity to welcome the delegates and express my best wishes for a thoroughly successful convention.

Tomorrow, opening day, will be highlighted by the candidate's rally and convention for the choosing of new officers for the coming year. And while this bit of political activity may highlight the convention, the keynote or notes will come Thursday when the Sertomans will feature the Singing Capital Chorus from the District of Columbia Chapter of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc., at the cabaret night dinner.

Sertoma, long-famed as a singing service club, will also hear Thursday evening from the past international championship chorus while the District of Columbia chapter will present the 20-member Precisionists. This is the very same group which, a few years ago, toured Europe entertaining our servicemen stationed there. Also on the billboard for cabaret night are two fine quartets, the Filibusters and the Lads and Dads. The show is being produced under the direction of Art Gearhart.

The Washington Sertoma Club, host for the convention, was founded by Ed Place, a 21-year member of the District of Columbia barbershoppers, who will sing in the chorus with three other Sertomans, Harter Williams, convention general chairman, Mickey Beall, convention songleader and Charleton Smith, alternate delegate.

Place, Beall and a third Sertoman, Vincent Gingerich, singing with the District of Columbia Keys, have twice represented Washington in Mid-Atlantic district competition, finishing second and third in successive years.

It promises to be a festive evening. As a resident of Nashville, Tenn., "Music City U.S.A.," and a Sertoman, I want to welcome the delegates and commend them for their interest in the promotion of music "Americana," a valuable national resource.

EDUCATIONAL BENEFITS FOR WIDOWS

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Daniels] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DANIELS. Mr. Speaker, I have introduced a bill today identical with one introduced last week by our distinguished colleague, the gentleman from New York [Mr. Resnick], which would make widows eligible for educational benefits under the War Orphans Educational Assistance Act.

Under present law, widows of those who have fallen in battle are not able to receive educational benefits which would enable them to better their lot in life.

Mr. Speaker, Abraham Lincoln, in his second inaugural address in 1965 said that it was the policy of this Nation to "care for him who shall have borne the battle and for his widow and orphan." I am proud to join with my friend from New York in cosponsoring this amendment.

THE ATTORNEY GENERAL VERSUS THE COMPTROLLER OF THE CURRENCY

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Gonzalez] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, recent newspaper stories yesterday and today relate the plans of the Comptroller of the Currency to fight publicly with the Attorney General over the Justice Department's suit to block a proposed bank merger in Pennsylvania. If, on the basis of these stories, some citizen were to ask, "Who's in charge here?" what could any of us in Congress answer?

Earlier this year a few of us fought passage of the Bank Merger Act amendments. One of the grounds for our opposition to this misguided effort to clarify the law on bank mergers was the section providing that any Federal banking agency approving a merger would be permitted to intervene, as a matter of right, in a suit opposing the merger instituted by the Attorney General. This provision was added to the bill literally as an afterthought, following the conclusion of all public hearings. There was no testimony or evidence to support such a provision. There was no discussion of it. It was simply ramrodded through Congress by persons who, in my opinion, were very solicitous toward the wishes of the Comptroller of the Currency.

Those few of us who opposed the Bank Merger Act pointed out that this particular provision was entirely unwarranted and undesirable. In the dissenting view that I attached to the Banking and Currency Committee report, I stated:

> This provision is a bad precedent, one that fragmentizes the authority of the Attorney General to enforce the law, and one that could lead to internecine squabbling amongst separate agencies of the Federal Government.

I repeated this objection on the floor of the House both during debate of the bill and afterward while I was urging the President to veto it. In a letter I addressed to the President on February 10, 1966, I stated:

> The provision will result in the unique situation of Federal government attorneys appearing on both sides of a suit involving a bank merger. We thus regress into the 19th Century when the legal business of the government instead of being handled by the Department of Justice was scattered among different public officers, departments and branches. Under this bill the Attorney General is demoted to the rank of Lieutenant with no more legal authority to represent the interests of the Federal government than any of the other attorneys employed by several Federal agencies.

Mr. Speaker, I repeat my initial objections to the Bank Merger Act Amendments of 1966 today with particular reference to the provision authorizing the Comptroller of the Currency to challenge the authority of the Attorney General to represent the Federal Government in courts of law. I modify my objections only in this respect: I originally objected on the grounds that the law would lead to "internecine squabbling amongst separate agencies of the Federal Government." It is not internecine squabbling that we are to witness, but internecine warfare.

For the recent reports are that the Comptroller of the Currency, James Saxon, now plans to "fight" the suit by the Department of Justice opposing a proposed bank merger. As the Wall Street Journal put it this morning, "Saxon Plans To Fight Agency Suit on Merger of Two Small Banks." I am inserting this article, dated June 21, 1966, at this point in the RECORD:

SAXON PLANS TO FIGHT AGENCY SUIT ON MERGER OF TWO SMALL BANKS—JUSTICE DEPARTMENT "HARASSING" THEM, COMPTROLLER SUGGESTS; HE HAD APPROVED CONSOLIDATION

WASHINGTON.—Comptroller of the Currency James Saxon said he will seek to intervene in a Justice Department attempt to block the State College, Pa., bank merger he has approved.

Mr. Saxon suggested that the department is "harassing small banks," and said his office will "defend the case to the Supreme Court, if necessary."

The Justice Department said last week that it had filed suit in U.S. District Court in Philadelphia to block the proposed merger of the town's First National Bank, with assets of $23 million, and Peoples National Bank, with $18 million.

READ IT IN THE PAPER

Complaining that his "sole notice" of the Justice Department action came through a Wall Street Journal story yesterday, Mr. Saxon said he "can only surmise" that the department believes the merger will substantially increase commercial banking concentration in Centre County, Pa.

Mr. Saxon said he approved the merger only after "careful consideration" that indicated the two banks compete with four savings and loan associations whose combined assets are much larger, four finance companies and a credit union, and nine other banks.

As a result, Mr. Saxon said, "it seems apparent that the effect upon competition due to this merger is insignificant," and that his banking analysts found that the area "is seriously in need of a greater degree of concentration of capital resources in order to provide for its capital needs."

Mr. Saxon said the news reports indicate that the department intends to test the 1966 Bank Merger Act's application to small banks. This attitude, he said, "seems to ignore the fact that within the past week the Department of Justice concluded the prosecution of a bank merger case in Nashville" under the act, that it has an untried case pending in St. Louis, a newly filed case in Honolulu, is awaiting a decision in another case tried in San Francisco, and that the Philadelphia district already has pending the first case filed under the 1966 law.

HIS PREDICTION FULFILLED

By suing "these two very small institutions," Mr. Saxon said, he can only conclude that the department has done what he "rightly predicted" when the 1966 act was under consideration—that its "mimeographed machine would be substituted for the sound discretion of a local district judge.

Mr. Saxon's reference was to the portion of the law that prevents a merger from being consummated if the Justice Department challenges it in court within 30 days of its approval by a bank regulatory agency. A court has the power to lift the ban, however.

Because of the cases already in litigation, the comptroller said, "it appears that ample opportunity to 'test' the breadth of the legislation exists without harassing small banks whose financial resources will be pressed beyond reason in defending against protracted and costly litigation which substantially duplicates pending matters."

Mr. Speaker, it is a sorry situation when one Federal agency can challenge the authority of the Attorney General to carry out his responsibilities to represent the views of the Federal Government. If the public is now confused as to who is supposed to bring suits in the name of the Federal Government and who is to represent the views of the Federal Government in courts of law, if the public cannot tell whether the Attorney General has been demoted to the rank of lieutenant, if the public becomes offended by the forthcoming spectacle of the Comptroller of the Currency challenging the Attorney General in open combat, we who are responsible for permitting the Bank Merger Act Amendments of 1966 to become law have only ourselves to blame.

Personally, I believe that this particular provision in the act is an example of the outrageous conduct and the excesses that a powerful vested interest is capable of perpetrating against the public and Congress sometimes unwitting joinder.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HANNA, for 1 hour, on Tuesday, June 28.

Mr. RYAN, for 25 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. KUPFERMAN (at the request of Mr. MCDADE), for 30 minutes, on June 29; and to revise and extend his remarks and include extraneous matter.

Mr. ASHBROOK (at the request of Mr. MCDADE), for 10 minutes, today, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. MAILLIARD.

(The following Members (at the request of Mr. ANNUNZIO) and to include extraneous matter:)

Mr. LOVE.

Mr. ICHORD.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2102. An act to protect and conserve the North Pacific fur seals, to provide for the administration of the Pribilof Islands, to conserve the fur seals and other wildlife on the Pribilof Islands, and to protect sea otters on the high seas; to the committee on Merchant Marine and Fisheries.

S. 2218. An act to establish a contiguous fishery zone beyond the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

S. 3096. An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6438. An act to authorize any executive department or independent establishment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof;

H.R. 6515. An act to supplement the act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes;

H.R. 7042. An act to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act;

H.R. 7402. An act to provide for the establishment of the Chamizal National Memorial in the city of El Paso, Tex., and for other purposes; and

H.R. 10357. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service.

ADJOURNMENT

Mr. ANNUNZIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 22, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2504. Under clause 2 of rule XXIV, a letter from the Assistant Secretary, Treasury Department, transmitting amendments to the regulations governing the reporting of boating accidents by uninspected numbered vessels, pursuant to the provisions of 46 U.S.C. 527d, was taken from the Speaker's table, referred to the Committee on Merchant Marine and Fisheries, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. S. 3368. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury; without amendment (Rept. No. 1640). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. House Resolution 892. Resolution providing for the consideration of H.R. 13196, a bill to amend the Public Health Service Act to increase the opportunities for training of medical technologists and personnel in other allied health professions, to improve the educational quality of the schools training such allied health professions personnel, and to strengthen and improve the existing student loan programs for medical, osteopathic, dental, podiatry, pharmacy, optometric, and nursing students, and for other purposes; without amendment (Rept. No. 1641). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 893. Resolution providing for the consideration of H.R. 15119, a bill to extend and improve the Federal-State unemployment compensation program; without amendment (Rept. No. 1642). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. POAGE:

H.R. 15808. A bill to authorize the establishment of the Dinosaur Trail National Monument in the State of Texas; to the Committee on Interior and Insular Affairs.

By Mr. BERRY:

H.R. 15809. A bill to amend the act of September 2, 1964; to the Committee on Interior and Insular Affairs.

By Mr. DANIELS:

H.R. 15810. A bill to amend the war orphans' educational assistance program of title 38 of the United States Code to extend to widows of servicemen who died on active duty after January 31, 1955, the same educational benefits which are provided for war orphans; to the Committee on Veterans' Affairs.

By Mr. ELLSWORTH:

H.R. 15811. A bill to revise the system of congressional nominations for appointments to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy; to the Committee on Armed Services.

H.R. 15812. A bill to provide for a research and development program into the nature of tornadoes, their forecasting, detection, and control, to establish a specialized Tornado Meteorological Service in the Department of Commerce to provide maximum detection coverage in the United States and timely and effective communication of tornado forecasts and warnings to the public in all areas where tornadoes are prevalent; to the Committee on Intertsate and Foreign Commerce.

H.R. 15813. A bill to amend the Internal Revenue Code of 1954 to increase the maximum amount of, and provide a longer carryover period for, the investment credit allowed with respect to covered hopper cars and general purpose boxcars; to the Committee on Ways and Means.

H.R. 15814. A bill to establish a Small Tax Division within the Tax Court of the United States; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 15815. A bill to establish a Department of Consumers in order to secure within the Federal Government effective representation of the economic interests of consumers, to coordinate the administration of consumer services by transferring to such Department certain functions of the Department of Health, Education, and Welfare, the Department of Labor, and other agencies, and for other purposes; to the Committee on Government Operations.

H.R. 15816. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MACGREGOR:

H.R. 15817. A bill to encourage smaller contributions to political candidates and parties and to broaden participation in political activities; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 15818. A bill to place deputy U.S. marshals under the competitive civil service, and for other purposes; to the Committee on the Judiciary.

By Mr. POLANCO-ABREU:

H.R. 15819. A bill to provide that any dollar ceiling established by the Federal National Mortgage Association for purchases of mortgages in its secondary market operations shall not apply to mortgages covering property in Puerto Rico; to the Committee on Banking and Currency.

By Mr. PUCINSKI:

H.R. 15820. A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit; to the Committee on Banking and Currency.

By Mr. ROBERTS:

H.R. 15821. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. RONCALIO:

H.R. 15822. A bill relating to the appointment of postmasters and rural carriers from civil service registers; to the Committee on Post Office and Civil Service.

By Mr. SCHNEEBELI:

H.R. 15823. A bill to establish a National Commission on Reform of Federal Criminal Laws; to the Committee on the Judiciary.

By Mr. SLACK:

H.R. 15824. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas:

H.R. 15825. A bill to authorize the establishment of the Dinosaur Trail National Monument in the State of Texas; to the Committee on Interior and Insular Affairs.

By Mr. HALPERN:

H.J. Res. 1175. Joint resolution to authorize the President to proclaim November 16, 1966, as National Grandparents' Day; to the Committee on the Judiciary.

By Mr. MORRISON:

H. Con Res. 792. Concurrent resolution to express the sense of the Congress that Government employees in the Washington, D.C., area should be excused from duty to attend the parade of the National Convention of the American Legion on August 29, 1966; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FINO:

H.R. 15826. A bill for the relief of Pietro Manicioto; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 15827. A bill for the relief of Luciano Farina; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 15828. A bill for the relief of Corazon H. Lomotan; to the Committee on the Judiciary.

By Mr. McCARTHY:

H.R. 15829. A bill to provide for the free entry of certain stained glass windows for St. John Vianney Seminary, of Buffalo, N.Y.; to the Committee on Ways and Means.

By Mr. RONCALIO:

H.R. 15830. A bill for the relief of Richard J. Buck; to the Committee on the Judiciary.

SENATE

Tuesday, June 21, 1966

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. Metcalf).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O merciful God, whose law is truth and whose statutes stand forever, we beseech Thee to grant unto us, who in the morning seek Thy face, the benediction which a sense of Thy presence lends to each new day. Unite our hearts and minds to bear the burdens that are laid upon us. Grant us this day the grace to live on the altitudes of our aspirations. As servants of Thine and of the Nation and of the peoples of this shattered earth, stricken, bleeding, starving, save us from false choices and guide our hands and minds to heal and bind and build and bless.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 20, 1966, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of June 16, 1966,

Mr. SMATHERS, from the Special Committee on Aging, on June 20, 1966, submitted a report (No. 1287) entitled "The War on Poverty as It Affects Older Americans," which was printed.

ENROLLED BILLS SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of June 16, 1966,

The ACTING PRESIDENT pro tempore announced that on June 17, 1966, the Vice President signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 14266. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; and

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Jones, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1160) to amend section 3 of the Administrative Procedure Act, chapter 324, of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information, and for other purposes.

The message also announced that the House had passed a bill (H.R. 12389) to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 6438. An act to authorize any executive department or independent establishment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof;

H.R. 6515. An act to supplement the act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes;

H.R. 7042. An act to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act;

H.R. 7402. An act to provide for the establishment of the Chamizal National Memorial in the city of El Paso, Tex., and for other purposes; and

H.R. 10357. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service.

HOUSE BILL REFERRED

The bill (H.R. 12389) to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial, was read twice by its title and referred to the Committee on Interior and Insular Affairs.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, all committees were authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the vote on the protocols, which is to take place at 12:20 o'clock this afternoon, there be a period for the transaction of routine morning business, with statements limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF ADMINISTRATIVE PROCEDURE ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1194, S. 1336.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1336) to amend the Administrative Procedure Act and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, line 7, after the word "of", to strike out "1965" and insert "1966"; on page 2, at the beginning of line 4, to strike out "Territories" and insert "territories"; on page 5, line 17, after the word "rules", to insert "of general applicability"; on page 6, line 14, after "(C)", to insert "administrative"; on page 7, line 11, after the word "Records.", to strike out "Every agency shall," and insert "Except with respect to the records made available pursuant to subsections (a) and (b), every agency shall, upon request for identifiable records made"; in line 15, after the word "place,", to insert "fees to the extent authorized by statute,"; in line 16, after the word "make", to strike out "all its" and insert "such"; in line 22, after the word "records", to strike out "and information"; in line 23, after the word "records", to strike out "or information"; on page 8, line 20, after the word "from", to strike out "the public" and insert "any person"; at the beginning of line 22, to strike out "dealing solely with matters of law or policy;" and insert "which would not be available by law to a private party in litigation with the agency;"; on page 9, line 3, after the word "party;", to strike out "and"; in line 7, after the word "financial", to strike out "institutions." and insert "institutions; and (9) geological and geophysical information and data (including maps) concerning wells."; on page 16, line 17, after the word "adjudication", to strike out "except those involving inspections and tests,"; on page 17, line 2, after the word "the", to strike out "hearings" and insert "proceedings"; on page 18, line 1, after "(b)", to strike out Practice by Attorneys" and insert "Representation Before Federal Agencies"; in line 5, after the word "any", to strike out "agency; and whenever such a person acting in a representative capacity appears in person or signs a paper in practice before an agency, his personal appearance or signature or on any paper filed in the proceeding shall constitute a representation that he is both properly qualified and authorized to represent the particular party in whose behalf he acts" and insert "agency upon filing with the agency a written declaration that he is currently qualified as provided by this subsection and is authorized to represent the particular party in whose behalf he acts."; in line 15, after "(2)", to insert "Any person who is duly qualified to practice as a certified public accountant in any State, possession, territory, Commonwealth, or the District of Columbia may represent others before the Internal Revenue Service of the Treasury Department upon filing with that agency a written declaration that he is currently qualified as provided by this subsection and is authorized to represent the particular party in whose behalf he acts."; at the beginning of line 23, to insert "(3)"; in the same line, after the word "either", to strike out "(A)" and insert "(i)"; in line 24, after the word "not", to strike out "a lawyer" and insert "qualified as provided in subsections 6(b)(1) and (2)"; on page 19, line 2, after the word "proceeding;", to strike out "(B)" and insert "(ii)"; in line 4, after the word "agency;", to strike out "(C)" and insert "(iii)"; in line 7, after the word "regulation", to strike out "of an agency"; in line 8, after the word "or", to strike out "(D)" and insert "(iv)"; in the same line, after the word "requiring", to strike out "a power of attorney before the agency transfers funds to the attorney for the party whom he represents." and insert "a power of attorney as a condition to the settlement of any controversy involving the payment of money."; after line 12, to insert:

> (4) This subsection shall not be applicable to practice before the Patent Office with respect to patent matters which shall continue to be covered by chapters 3 (sections 31 to 33) of title 35 of the United States Code.

In line 17, after "(c)", to strike out "Service."; in line 18, after the word "by", to strike out "an attorney at law or other qualified representative, and that fact has been made known in writing or in person by the representative to the agency" and insert "a person qualified pursuant to subsections 6 (b) (1) and (2)"; in line 23, after the word "to", to strike out "or by"; in the same line, after the word "participant", to insert "in such matter"; in line 24, after the word "to", to strike out "or by"; on page 20, line 1, after the word "one", to strike out "attorney or other" and insert "such"; in line 2, after the word "service", to strike out "by or"; on page 28, line 18, after the word "agency.", to insert "If an application is made for review to the agency, in addition to the exceptions enumerated in subsection 8 (c) (1), the private party may request the agency to reconsider its policy."; in line 25, after the word "therefor.", to insert "In a proceeding in which there is more than one private party, and an application is filed for review by the agency, if the agency declines consideration of the application, it may refer the appeal to an appeal board."; on page 29, line 8, after "(3)", to strike out "Except where the agency simply affirms the decision of the presiding officer by denying the application for a determination of the exceptions, there shall be a ruling" and insert "Except where the agency declines consideration of an application for review or where the agency denies the application for a determination of the exceptions, there shall be a ruling by the agency, or the appeal board if it decides the appeal,"; on page 30, line 6, after the word "agency", to strike out "raises any issue of fact it deems material," and insert "determines that further evidence is necessary on an issue of fact"; in line 24, after the word "law.", to insert "Any agency proceeding or investigation not within the jurisdiction delegated to the agency and authorized by law may at any time be enjoined by any court of competent jurisdiction."; on page 32, line 3, after "(2)", to strike out "judicial review of agency discretion is precluded by law" and insert "agency action is by law committed to agency discretion"; in line 6, after the word "person", to strike out "adversely affected in fact by any reviewable agency action shall have standing and be" and insert "suffering legal wrong because of any agency action, or adversely affected or aggrieved by such action within the meaning of any relevant statute, shall be"; on page 34, line 11, after the word "review", to strike out "proceedings." and insert "proceedings whether or not any application therefor shall have been made to the agency."; and on page 36, line 1, after the word "of", to strike out "1923, as amended, except that the provisions of paragraphs (2) and (3) of subsection (b) of section 7 of said Act, as amended, and the provisions of section 9 of said Act," and insert "1949, as amended, except that the provisions of sections 507(a)(5), 701(a)(B), and 702 of said Act, as amended, and the provisions of the Performance Rating Act of 1950,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrative Procedure Act (5 U.S.C. 1001–11) is amended to read as follows:

"SHORT TITLE

"Section 1. This Act may be cited as the 'Administrative Procedure Act of 1966'.

"DEFINITIONS

"Sec. 2. As used in this Act—

"(a) Agency.—'Agency' means each authority (whether or not within or subject to review by another agency) of the Government of the United States other than Congress, the courts, or the governments of the possessions, territories, Commonwealths, or the District of Columbia. Nothing in this Act shall be construed to repeal delegations of authority as provided by law. Except as to the requirements of section 3, there shall be excluded from the operation of this Act courts-martial and military commissions, and military or naval authority exercised in the field in the time of war or in occupied territory. Except as to the requirements of sections 3 and 4, there shall be excluded from the operation of this Act, agencies composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them.

"(b) Person and Party.—'Person' includes individuals, partnerships, corporations, associations, or public or private organziations of any character other than agencies. 'Party' includes any person or agency named or admitted as a party, or properly seeking and entitled as of right to be admitted as a party, in any agency proceeding; but nothing herein shall be construed to prevent an agency from admitting any person or agency as a party for limited purposes. 'Private party' means any party other than an agency.

"(c) Rule and Rulemaking.—'Rule' means the whole or any part of any agency statement of general applicability and future effect designed to implement, interpret, or prescribe law or policy or to describe the organization, procedure, or practice requirements of any agency and includes any exception from a rule. 'Rulemaking' means agency process for the formulation, amendment, repeal of, or exception from a rule.

"(d) Order, Opinion, and Adjudication.—'Order' means the whole or any part of the final disposition (whether affirmative, negative, injunctive, or declaratory in form) by any agency in any proceeding, including, licensing, to determine the rights, obligations, and privileges of named parties. 'Opinion' means the statement of reasons, findings of fact, and conclusions of law, upon all the material issues of fact, law, or discretion presented on the record, issued in explanation or support of an order. 'Adjudication' means agency process for the formulation, amendment, or repeal of an order.

"(e) Agency License and Licensing.—'License' includes the whole or any part of agency permit, certificate, approval, registration, charter, membership, statutory exemption, or other form of permission. 'Licensing' includes agency process respecting the grant, renewal, denial, revocation, suspension, annulment, withdrawal, limitation, amendment, or modification of a license, and the prescription or requirement of terms, conditions, or standards of conduct for named licensees thereunder.

"(f) Sanction and Relief.—'Sanction' includes the whole or part of any agency (1) prohibition, requirement, limitation, or other condition affecting the freedom of any person; (2) withholding of relief; (3) imposition of any form of penalty or fine; (4) destruction, taking, seizure, or withholding of property; (5) assessment of damages, reimbursement, restitution, compensation, costs, charges, or fees; (6) requirement, revocation, or suspension of a license; or (7) taking of other compulsory or restrictive action. 'Relief' includes the whole or part of any agency (1) grant of money, assistance, license, authority, exemption, exception, privilege, or remedy; (2) recognition of any claim, right, immunity, privilege, exemption, or exception; or (3) taking of any other action upon the application or petition of, and beneficial to, any person.

"(g) Agency Proceeding and Action.—'Agency proceeding' means any agency process as defined in subsections (c), (d), and (e) of this section. 'Agency action' includes the whole or part of every agency rule, order, license, sanction, relief, or the equivalent or denial thereof, or failure to act.

"PUBLIC INFORMATION

"Sec. 3. Every agency shall make available to the public the following information—

"(a) Publication in the Federal Register.—Every agency shall separately state and currently publish in the Federal Register for the guidance of the public (A) descriptions of its central and field organization and the established places at which, the officers from whom, and the methods whereby, the public may secure information, make submittals or requests, or obtain decisions; (B) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available; (C) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations; (D) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and (E) every amendment, revision, or repeal of the foregoing. Except to the extent that a person has actual and timely notice of the terms thereof, no person shall in any manner be required to resort to, or be adversely affected by any matter required to be published in the Federal Register and not so published. For purposes of this subsection, matter which is reasonably available to the class of persons affected thereby shall be deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.

"(b) Agency Opinions and Orders.—Every agency shall, in accordance with published rules, make available for public inspection and copying (A) all final opinions (including concurring and dissenting opinions) and all orders made in the adjudication of cases, (B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register, and (C) administrative staff manuals and instructions to staff that affect any member of the public, unless such materials are promptly published and copies offered for sale. To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, or staff manual or instruction; provided, that in every case the justification for the deletion must be fully explained in writing. Every agency also shall maintain and make available for public inspection and copying a current index providing identifying information for the public as to any matter which is issued, adopted, or promulgated after the effective date of this Act and which is required by this subsection to be made available or published. No final order, opinion, statement of policy, interpretation, or staff manual or instruction that affects any member of the public may be relied upon, used, or cited as precedent by an agency against any private party unless it has been indexed and either made available or published as provided by this subsection or unless that private party shall have actual and timely notice of the terms thereof.

"(c) Agency Records. Except with respect to the records made available pursuant to subsections (a) and (b), every agency shall, upon request for identifiable records made in accordance with published rules stating the time, place, fees to the extent authorized by statute, and procedure to be followed, make such records promptly available to any person. Upon complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated shall have jurisdiction to enjoin the agency from the withholding of agency records and to order the production of any agency records improperly withheld from the complainant. In such cases the court shall determine the matter de novo and the burden shall be upon the agency to sustain its action. In the event of noncompliance with the court's order, the district court may punish the responsible officers for contempt. Except as to those causes which the court deems of greater importance, proceedings before the district court as authorized by this subsection shall take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

"(d) Agency Proceedings.—Every agency having more than one member shall keep a record of the final votes of each member in every agency proceeding and such record shall be available for public inspection.

"(e) Exemptions.—The provisions of this section shall not be applicable to matters that are (1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy; (2) related solely to the internal personnel rules and practices of any agency; (3) specifically exempted from disclosure by statute; (4) trade secrets and commercial or financial information obtained from any person and privileged or confidential; (5) inter-agency or intra-agency memorandums or letters which would not be available by law to a private party in litigation with the agency; (6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; (7) investigatory files compiled for law enforcement purposes except to the extent available by law to a private party; (8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and (9) geological and geophysical information and data (including maps) concerning wells.

"(f) Limitation of Exemptions.—Nothing in this section authorizes withholding of information or limiting the availability of records to the public except as specifically stated in this section, nor shall this section be authority to withhold information from Congress.

"RULEMAKING

"Sec. 4. (a) Informal Consultation Prior to Notice.—Prior to notice of proposed rulemaking and either with or without public announcement, an agency may afford opportunity to interested persons to submit suggestions for rulemaking or with respect to proposed rules.

"(b) Notice.—Notice of rulemaking to be undertaken by the agency on its own motion or pursuant to petition shall (1) be published in the Federal Register, (2) give all interested persons a reasonable time in which to prepare and submit matter for consideration, and (3) state the time, place, and manner in which any interested person may submit matter for consideration, the authority under which the rule is proposed, and either the terms or substance of the proposed rule or a description of the subjects and issues involved.

"(c) Procedures.—After notice required by this section—

"(1) The agency shall afford interested persons an opportunity to participate in rulemaking through the submission of written data, views, or arguments with an opportunity to present the same orally unless the agency determines that oral argument is inappropriate or unwarranted; and, after consideration of all relevant matter presented, the agency shall make its decision.

"(2) Where rules are required by the Constitution or by statute to be made on the record after opportunity for an agency hearing, the requirements of section 7 shall apply in place of the provisions of subsection (c) (1) except that the presiding officer may be any responsible officer of the agency.

"In proceedings in which the agency has not presided at the hearing, the officer who presided shall make a recommended decision. The parties may file exceptions to the recommended decision within such time and in such form as the agency shall provide by rule. After prompt consideration of the recommended decision and all exceptions thereto, the agency shall make its decision. In any proceeding, the agency may omit a recommended decision when the agency finds upon the record that due and timely execution of its functions imperatively and unavoidably so requires. When the recommended decision is omitted or when the agency has presided at the hearings, the agency, after prompt consideration of all relevant matter presented, shall make its decision.

"(3) The agency shall incorporate in any rules adopted a concise general statement of the basis and purpose of such rules.

"(d) Emergency Rules.—In any situation in which an agency finds (and incorporates the finding and a brief statement of the reasons therefor in the rule issued) that rulemaking without the notice and procedures provided by subsections (b) and (c) of this section is necessary in the public interest, an agency may issue an emergency rule which shall be effective for not more than six months from the effective date thereof. The agency may extend such emergency rule for a period not to exceed one year only by commencement, prior to the expiration of the original effective period, of a rulemaking proceeding dealing with the same subject matter as did the emergency rule and upon giving notice required by subsection (b) of this section. Such notice shall contain an express statement of the extension of such emergency rule and the period for which it is extended. Nothing herein shall preclude use of emergency rulemaking procedures as provided by other statutes.

"(e) Rulemaking Dockets.—Each agency shall maintain a rulemaking docket showing the current status of all published proposals for rulemaking.

"(f) Effective Dates.—The required publication of any rule shall be made not less than thirty days prior to the effective date thereof except as otherwise provided by the agency upon good cause found and published with the rule.

"(g) Petitions.—Every agency shall accord any interested person the right to petition for the issuance, amendment, exception from, or repeal of a rule.

"(h) Exemptions.—The provisions of this section shall not apply to (1) rulemaking required by an Executive order to be kept secret in the interest of the national defense or foreign policy; (2) rulemaking that relates solely to internal personnel rules and practices of an agency; (3) advisory interpretations and rulings of particular applicability; (4) minor exceptions from, revisions of, or refinements of rules which do not affect protected substantive rights; and (5) rules of agency organization.

"ADJUDICATION

"Sec. 5. (a) In those cases of adjudication which are required by the Constitution or by statute to be determined on the record after opportunity for an agency hearing—

"(1) Notice.—Persons entitled to notice of an agency proceeding shall be timely informed of (A) the nature of the proceeding; (B) the legal authority and jurisdiction under which the proceeding is to be held; (C) the matters of fact and law asserted; and (D) the time and place of each hearing; and (E) if the issues or matters at the hearing are to be limited, the particular issues or matters to be considered at the hearing. In fixing the times and places for hearings, due regard shall be had for the convenience of the parties or their representatives.

"(2) Pleadings and Other Papers.—Every agency shall provide adequate rules governing its pleadings, including responsive pleadings, and other papers. To the extent practicable, such rules shall conform to the Rules of Civil Procedure or the Rules of Criminal Procedure for the United States district courts.

"(3) Prehearing Conferences.—Every agency shall by rule provide for prehearing conferences for use in such proceedings as the agency or the presiding officer may designate. Prehearing conferences shall provide for a discussion and, to the extent practicable, determination of the facts and issues involved in the proceeding. Such conferences shall be conducted by a presiding officer who may at any appropriate time require (A) the production and service of relevant matter upon all parties; (B) oral or written statements of the facts and issues; and (C) arguments in support thereof. At the conclusion of a prehearing conference, the presiding officer shall issue an order setting forth all action taken at the conference, amendments allowed to the pleadings and the agreements made by the parties as to any of the matters considered. The order shall limit the issues for hearing to those not disposed of by admissions or agreements and shall control the subsequent course of the proceedings, unless modified thereafter to prevent manifest injustice.

"(4) Regular Hearing Procedure.—Where modified procedures have not been designated or to the extent that the controversy has not been settled or adjusted, there shall be a hearing and decision upon notice and in conformity with sections 7 and 8.

"(5) Modified Hearing Procedure.—Every agency shall by rule provide for abridged procedures which shall be on the record and be reasonably calculated to promptly, adequately, and fairly inform the agency and the parties as to the issues, facts and arguments involved. The agency may designate hearing examiners or agency personnel of appropriate ability to conduct such abridged proceedings. The procedures shall be for use by consent of the parties in such proceedings as the agency may designate. Without delay after the conclusion of the abridged proceeding, the officer who conducted it shall make his decision based on the record and subject to the provisions of section 8.

"(6) Separation of Functions.—(A) No officer who presides at the reception of evidence shall be responsible to or subject to the supervision or direction of any officer, employee, or agent engaged in the performance of investigating, prosecuting, or advocating functions for any agency. No officer, employee, or agent, other than a member of an agency, engaged in the performance of investigating, prosecuting, or advocating functions for any agency in any case shall, in that or a factually related case, participate or advise in the decision, or in agency appeal or review pursuant to section 8, except as witness or counsel in public proceedings.

"(B) Save to the extent required for the disposition of ex parte matters as authorized by law, no presiding officer or member of an agency appeal board, other than a member of an agency, shall consult with any person or agency on any fact in issue unless upon notice and opportunity for all parties to participate, except that a member of an agency appeal board may consult with other members of the appeal board.

"(7) Emergency Action.—Upon a finding that immediate action is necessary for the preservation of the public health or safety, or where otherwise provided by law, an agency may take action without the notice or other procedures required by this subsection. Such action shall be subject to immediate judicial review in accordance with the provisions of section 10, unless the agency provides for an immediate hearing to be conducted in accordance with this Act and takes such other action as will effectively protect the rights of the persons affected. Nothing herein shall be construed to preclude a person from obtaining injunctive relief to stay the taking of emergency action by the agency in appropriate cases.

"(b) In all other cases of adjudication the agency shall by rule provide procedures which shall promptly, adequately and fairly inform the agency and the parties of the issues, facts and arguments involved. Without delay after conclusion of the proceeding, the officer who has conducted it shall make his decision. Such decision shall constitute final agency action, subject only to such appeal and review as may be provided by agency rule.

"(c) Settlement.—The agency shall afford all parties an opportunity, at such time in advance of the proceedings as the agency may by rule prescribe, or, in the discretion of the agency, at any time thereafter where time, the nature of the proceeding, and the public interest permit, to submit and have considered offers for the settlement or adjustment of the questions presented.

"ANCILLARY MATTERS

"Sec. 6. Except as otherwise provided in this Act—

"(a) Appearance.—Any person appearing voluntarily or involuntarily before any agency or representative thereof in the course of an investigation or in any agency proceeding shall be accorded the right to be accompanied, represented, and advised by counsel or, if permitted by the agency, by other qualified representative. Every party shall be accorded the right to appear in person or by or with counsel or other duly qualified representative in any agency proceeding or investigation. So far as the orderly conduct of public business permits, any interested person may appear before any agency or its responsible officers or employees for the presentation, adjustment, or determination of any issue, request, or controversy in any proceeding (interlocutory, summary, or otherwise) or in connection with any agency function.

"(b) Representation Before Federal Agencies.—(1) Any person who is a member in good standing of the bar of the highest court of any State, possession, territory, Commonwealth, or the District of Columbia may represent others before any agency upon filing with the agency a written declaration that he is currently qualified as provided by this subsection and is authorized to represent the particular party in whose behalf he acts.

"(2) Any person who is duly qualified to practice as a certified public accountant in any State, possession, territory, Commonwealth, or the District of Columbia may represent others before the Internal Revenue Service of the Treasury Department upon filing with that agency a written declaration that he is currently qualified as provided by this subsection and is authorized to represent the particular party in whose behalf he acts.

"(3) Nothing herein shall be construed either (i) to grant or to deny to any person who is not qualified as provided in subsections 6(b) (1) and (2) the right to appear for or represent others before any agency or in any agency proceeding; (ii) to authorize or to limit the discipline, including disbarment of persons who appear in a representative capacity before any agency; (iii) to authorize any person who is a former officer or employee of an agency to represent others before an agency where such representation is prohibited by statute or regulation; or (iv) to prevent an agency from requiring a power of attorney as a condition to the settlement of any controversy involving the payment of money.

"(4) This subsection shall not be applicable to practice before the Patent Office with respect to patent matters which shall continue to be covered by chapter 3 (sections 31 to 33) of title 35 of the United States Code.

"(c) When any participant in any matter before an agency is represented by a person qualified pursuant to subsections 6(b) (1) and (2), any notice or other written communication required or permitted to be given to such participant in such matter shall be given to such representative in addition to any other service specifically required by statute. If a participant is represented by more than one such qualified representative, service upon any one of such representatives shall be sufficient.

"(d) Investigations.—No process, requirement of a report, inspection, or other investigative act or demand shall be issued, made, or enforced in any manner or for any purpose except as authorized by law. Every person who submits data or evidence shall be entitled to retain or, on payment of lawfully prescribed costs, procure a copy or transcript thereof.

"(e) Subpenas.—Unless otherwise provided by statute, every agency shall by rule provide for the issuance of subpenas and shall issue subpenas upon request to any party to an adjudication and shall by rule designate officers, including the presiding officer, who are authorized to sign and issue such subpenas. When objection is made to the general relevance or reasonable scope of such subpena, the presiding officer or the agency may quash or modify the subpena. Agency subpenas authorized by law shall be issued to any party to a rulemaking proceeding upon request upon a showing of general relevance and reasonable scope of the evidence sought. Upon contest in the district court in the judicial district in which the appearance is required or in which the person to whom the subpena is directed is found, resides, or has his principal place of business, the court shall upon request by the agency or by any party sustain any such subpena or similar process or demand to which no objection has been made or which has been sustained by the presiding officer or the agency, to the extent that it is found to be in accordance with law. In any proceeding for enforcement, the court shall issue an order requiring the appearance of the witness or the production of the evidence of data within a reasonable time under penalty of punishment for contempt in case of contumacious failure to comply.

"(f) Denials.—Prompt notice shall be given of the denial in whole or in part of any written application, petition, or other request of any interested person made in connection with any agency proceeding. Except in affirming a prior denial, or where the denial is self-explanatory or of an application for agency review such notice shall be accompanied by a simple statement of reasons.

"(g) Computation of Time.—Any period of time prescribed or allowed by this Act, by any other statute administered under this Act, or by rule or order of an agency, shall not include the day of the act, event, or default after which the designated period of time begins to run. However, the last day of the period so computed is to be included unless it is a Saturday, Sunday, holiday or half holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday, holiday nor half holiday.

"(h) Depositions and Discovery.—Depositions and discovery shall be available to the same extent and in the same manner as in civil proceedings in the district courts of the United States except to the extent an agency deems such conformity impracticable and otherwise provides for depositions and discovery by published rule.

"(i) Consolidation.—Upon reasonable notice an agency may consolidate related proceedings or order joint hearings on common or related issues in different proceedings.

"(j) National Defense or Foreign Policy.—Every agency proceeding or action exempted by this Act because the national defense or foreign policy is involved, from the procedures otherwise required by this Act shall be governed by rules of procedure which conform to the greatest extent practicable to the procedures provided in this Act.

"(k) Declaratory Orders.—An agency shall act upon requests for declaratory orders and is authorized with like effect as in the case of other orders, to issue a declaratory order to terminate a controversy or remove an uncertainty. Any action taken shall constitute final agency action within the meaning of section 10.

"(l) Summary Decisions.—An agency is authorized to dispose of motions for summary decisions, motions to dismiss or motions for decision on the pleadings.

"HEARINGS

"Sec. 7. In hearings which section 4 or 5 requires to be conducted pursuant to this section—

"(a) Presiding Officers.—There shall preside at the taking of evidence (1) the agency, (2) one or more members of the body which comprises the agency, or (3) one or more examiners appointed as provided in this Act; but nothing in this Act shall be deemed to supersede the conduct of specified classes of proceedings in whole or part by or before boards or other officers specially provided for by or designated pursuant to statute. The functions of all presiding officers and of officers participating in decisions in conformity with sections 4(c)(2) and 8 shall be conducted in an impartial manner. Any such officer may at any time withdraw if he deems himself disqualified; and, upon the filing in good faith of a timely and sufficient affidavit of personal bias or disqualification of any such officer, the agency shall determine the matter as part of the record and decision in the proceeding. In any proceeding in which a presiding officer is disqualified or otherwise becomes unavailable, another presiding officer may be assigned to continue with the proceeding unless substantial prejudice to any party is shown to result therefrom. In event substantial prejudice is shown, the agency may determine the manner in which and the extent to which the proceedings shall be reheard.

"(b) Hearing Powers.—Presiding officers shall have, if within the powers of the agency, authority to (1) administer oaths and affirmations; (2) sign and issue subpenas; (3) rule upon offers of proof and receive relevant evidence; (4) take or cause depositions to be taken and require compliance with other discovery procedures as the ends of justice require; (5) regulate the course of the hearing; (6) direct the parties to appear for prehearing conferences and such other conferences as may be desirable for the settlement or simplification of the issues by consent of the parties; (7) dispose of procedural requests or similar matters; (8) dispose of motions for summary decisions, motions for decisions on the pleadings or motions to dismiss; (9) make decisions in conformity with section 4(c) (2) or 8; and (10) take any other action, including action to maintain order, authorized by agency rule consistent with this Act.

"(c) Evidence.—Except as statutes otherwise provide, the proponent of a rule or order shall have the burden of proof. Any oral or documentary evidence may be received, but every agency shall provide for the exclusion of irrelevant, immaterial, or unduly cumulative or repetitious evidence. No sanction shall be imposed or rule or order be issued except upon consideration of the whole record or such portions thereof as may be cited by any party and as supported by and in accordance with the reliable, probative, and substantial evidence. Every party shall have the right to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts. Any presiding officer may, where the interest of any party will not be prejudiced thereby, require the submission of all or part of the evidence in written form.

"(d) Record.—The transcript of testimony and exhibits, together with all papers and requests filed in the proceedings, shall constitute the exclusive record for decision in accordance with section 4(c) (2) and (8) and, upon payment of lawfully prescribed costs, shall be made available to the parties. Official notice may be taken of all facts of which judicial notice could be taken and of other facts within the specialized knowledge of the agency. Where any decision rests on official notice of a material fact not appearing in the evidence in the record, any party shall on timely request be afforded an opportunity to show the contrary.

"(e) Interlocutory Appeals.—A presiding officer may certify to the agency, or allow the parties an interlocutory appeal on, any material question arising in the course of a proceeding, where he finds that to do so would prevent substantial prejudice to any party or would expedite the proceeding. No interlocutory appeal shall otherwise be allowed, except by order of the agency upon a showing of substantial prejudice and after a denial of such appeal by the presiding officer. The presiding officer or the agency may stay the proceeding during the pendency of the interlocutory appeal to protect the substantial rights of any party. The agency, or one or more of its members as it may designate, shall determine the question forthwith, and further proceedings shall be governed accordingly.

"DECISIONS

"Sec. 8. In all adjudications subject to section 5(a)—

"(a) General.—The same officers who preside at the reception of evidence shall make the decision except where such officers become unavailable to the agency. In the absence of either an appeal to the agency or review by the agency within time provided by statute or by rule, such decision shall without further proceedings then become the decision of the agency. In proceedings in which the agency presides at the taking of evidence, its decision shall be the final agency action in the proceeding.

"(b) Submittals and Decisions.—Prior to each decision of presiding officers the parties shall be afforded a reasonable opportunity to submit for the consideration of the officers participating in such decisions (1) proposed findings and conclusions and (2) supporting reasons for such proposed findings and conclusions with the opportunity, in the discretion of the presiding officer, for oral argument thereon. The record shall show the ruling upon each such finding or conclusion presented. All decisions shall become a part of the record, shall be served by the agency on the parties, and shall include (A) the opinion, and (B) the appropriate order, sanction, relief, or denial thereof.

"(c) Appeal and Review.—(1) Any party may appeal the decision of the presiding officer by serving upon the agency and the other parties, within the time prescribed by agency rule after being served with the decision, written exceptions and the reasons in support thereof which shall state specifically and concisely the manner in which (A) prejudicial error was committed in the conduct of the proceeding; (B) the findings or conclusions of material fact were clearly erroneous; (C) the conclusions of law were erroneous; (D) the decision was contrary to law or to the duly promulgated rules or decisions of the agency; or (E) there was a novel question brought into issue. The record for appeal shall include all matters constituting the record upon which the decision of the presiding officer was based. Any portion of the record relied upon shall be identified by detailed page references. Except for good cause shown, no exceptions by any party shall rely on any question of fact or law upon which the presiding officer had not been afforded an opportunity to pass. The appeal shall be limited to the questions raised by the exceptions.

"(2) Except to the extent that the establishment of an agency appeal board is clearly unwarranted by the number of proceedings in which exceptions are filed or that agency appellate procedures have been otherwise provided by Congress, each agency shall establish by rule one or more agency appeal boards composed of agency members, hearing examiners (other than the presiding officer), or both. Proceedings before the appeal board shall be as provided by agency rule and shall include oral argument if requested by a party. In an appeal board has been established, exceptions shall be considered and determined by the appeal board unless a private party shall promptly file an application for a determination of the exceptions by the agency. If an application is made for review to the agency, in addition to the exceptions enumerated in subsection 8(c)(1), the private party may request the agency to reconsider its policy. If the agency denies the application, it shall be deemed to have considered and denied each exception and affirmed the decision of the presiding officer. If the agency grants the application, it shall determine the exceptions after considering the reasons therefor. In a proceeding in which there is more than one private party, and an application is filed for review by the agency, if the agency declines consideration of the application, it may refer the appeal to an appeal board.

"If no appeal board has been established, the exceptions shall be considered and determined by the agency after considering the reasons therefor.

"(3) Except where the agency declines consideration of an application for review or where the agency denies the application for a determination of the exceptions, there shall be a ruling by the agency, or the appeal board if it decides the appeal, upon each material exception; the record shall show the ruling and the reason therefor; and the decision of the presiding officer shall be affirmed, set aside, or modified to conform with such rulings or remanded with instructions.

"(4) After entry of the decision of the presiding officer or after the action of the appeal board, the agency in its discretion may, within the time prescribed by agency rule, order the case before it for review but only upon the ground that the decision or action may be contrary to law or agency policy, that the agency wishes to reconsider its policy, or that a novel question of policy has been presented. The agency shall state in such order the specific agency policy or novel question of policy involved. On such review the agency shall have all the power it would have if it were initially deciding the proceeding; provided that if the agency determines that further evidence is necessary on an issue of fact the agency shall remand the case with instructions for further proceedings before the presiding officer.

"(5) The action on review or on appeal if no review is taken shall be on the record and be the final action of the agency except when the decision is remanded or set for reconsideration or rehearing.

"SANCTIONS AND POWERS

"Sec. 9. In the exercise of any power or authority—

"(a) In General.—Every agency shall have a duty, with due regard for the rights and privileges of all interested parties or adversely affected persons and with reasonable dispatch, to set and complete any investigation or proceedings required to be conducted pursuant to this Act or other proceedings required by law and to make its decision. No sanction shall be imposed, investigation commenced, or substantive rule or order be issued except within jurisdiction delegated to the agency and as authorized by law. Any agency proceeding or investigation not within the jurisdiction delegated to the agency and authorized by law may at any time be enjoined by any court of competent jurisdiction.

"(b) Publicity.—Publicity, which a reviewing court finds was issued by the agency or any officer, employee, or member thereof, to discredit or disparage a person under investigation or a party to an agency proceeding, may be held to be a prejudicial prejudging of the issues in controversy, and the court may set aside any action taken by the agency against such person or party or enter such other order as it deems appropriate.

"(c) Licenses.—Except in cases of willfulness or those in which the public health, interest, or safety requires otherwise, no withdrawal, suspension, revocation, or annulment of any license shall be lawful unless, prior to the institution of agency proceedings therefor, facts or conduct which may warrant such action shall have been called to the attention of the licensee by the agency in writing and the licensee shall have been accorded opportunity to demonstrate or achieve compliance with all lawful requirements. In any case in which the licensee has, in accordance with agency rules, made timely and sufficient application for a renewal or a new license, no license with reference to any activity of a continuing nature shall expire until such application shall have been finally determined by the agency.

"JUDICIAL REVIEW

"Sec. 10. Except so far as (1) statutes preclude judicial review or (2) agency action is by law committed to agency discretion—

"(a) Right of Review.—Any person suffering legal wrong because of any agency action, or adversely affected or aggrieved by such action within the meaning of any relevant statute, shall be entitled to judicial review thereof.

"(b) Jurisdiction, Venue, and Form of Action.—The district courts of the United States shall have (1) jurisdiction to review agency action reviewable under this Act, except where a statute provides for judicial review in a specific court; and (2) jurisdiction to protect the other substantial rights of any person in an agency proceeding. Agency action shall also be subject to judicial review in civil or criminal proceedings for judicial enforcement of agency action except to the extent that prior, adequate, and exclusive opportunity for such review is provided by law. The form of the proceeding for judicial review shall be any special statutory review proceeding or, in the absence or inadequacy thereof, any applicable form of legal action (including actions for declaratary judgments, proceedings in the nature of mandamus, writs of prohibitory or mandatory injunction or habeas corpus). The proceeding for judicial review of agency action shall be commenced by the filing of a complaint in the district court in the judicial district in which the complainant resides or has his principal place of business, or in which the acts giving rise to the agency action took place, or in which any real property involved in the action is situated, except where a special judicial review procedure is otherwise provided by statute. The action for judicial review may be brought against the agency by its official title.

"(c) Reviewable Actions.—Every agency action made reviewable by statute and every final agency action for which there is no other adequate remedy in any court shall be subject to judicial review. Any preliminary, procedural, or intermediate agency action or ruling not directly reviewable shall be subject to review upon the review of the final agency action. Except as otherwise expressly required by statute, agency action otherwise final shall be final for the purposes of this subsection whether or not there has been presented or determined any application for a declaratory order, for any form or reconsideration, or (unless the agency otherwise requires by rule and provides that the action meanwhile shall be inoperative) for an appeal to superior agency authority.

"(d) Interim Relief.—Pending judicial review any agency is authorized, where it finds that justice so requires, to postpone the effective date of any action taken by it. Upon such conditions as may be required and to the extent necessary to prevent irreparable injury, every reviewing court (including every court to which a case may be taken on appeal from or upon application for certiorari or other writ to a reviewing court) is authorized to issue all necessary and appropriate process to postpone the effective date of any agency action or to preserve status or rights pending conclusion of any review proceedings whether or not any application therefor shall have been made to the agency.

"(e) Scope of Review.—So far as necessary to decision, and where presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of any agency action. It shall (A) compel agency action unlawfully withheld or unreasonably delayed; and (B) hold unlawful and set aside agency action, findings, and conclusions found to be (1) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; (2) contrary to constitutional right, power, privilege, or immunity; (3) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right; (4) without observance of procedure required by law; (5) unsupported by substantial evidence in any case subject to the requirements of sections 7 and 8 or otherwise reviewed on the record of an agency hearing provided by statute; or (6) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court. In making the foregoing determinations the court shall review the whole record or such portions thereof as may be cited by any party, and due account shall be taken of the rule of prejudicial error.

"EXAMINERS

"Sec. 11. Subject to the civil service and other laws to the extent not inconsistent with this Act, there shall be appointed by and for each agency as many qualified and competent examiners as may be necessary for proceedings pursuant to sections 7 and 8, who shall be assigned to cases in rotation so far as practicable and shall perform no duties inconsistent with their duties and responsibilities as examiners. Examiners shall be removable by the agency in which they are employed only for good cause established and determined by the Civil Service Commission (hereinafter called Commission) after opportunity for hearing and upon the record thereof. Examiners shall receive compensation prescribed by the Commission inedependently of agency recommendations or ratings and in accordance with the Classification Act of 1949, as amended, except that the provisions of sections 507(a)(5), 701(a)(B), and 702 of said Act, as amended, and the provisions of the Performance Rating Act of 1950, as amended, shall not be applicable. Agencies occasionally or temporarily insufficiently staffed may utilize examiners selected by the Commission from and with the consent of other agencies. For the purposes of this section, the Commission is authorized to make investigations, require reports by agencies, issue reports, including an annual report to the Congress, promulgate rules, appoint such advisory committees as may be deemed necessary, recommend legislation, subpena witnesses or records, and pay witness fees as established for the United States courts.

"CONSTRUCTION AND EFFECT

"Sec. 12. (a) General.—Nothing in this Act shall be held to diminish the constitutional rights of any person or to limit or repeal additional requirements imposed by statute or otherwise recognized by law. Except as otherwise required by law, all requirements or privileges relating to evidence or procedure shall apply equally to agencies and persons. If any provisions of this Act or the application thereof is held invalid, the remainder of this Act or other applications of such provisions shall not be affected. Every agency is granted all authority necessary to comply with the requirements of this Act tnrough the issuance of rules or otherwise. No legislation shall be held to supersede or modify the provisions of this Act except to the extent that such legislation shall do so expressly."

(b) Effective Date.—This Act shall take effect six months following the date of its enactment. No change in procedure shall be mandatory with respect to any proceeding initiated prior to the effective date of such change.

OVERHAUL OF THE ADMINISTRATIVE PROCEDURE ACT

Mr. DIRKSEN. Mr. President, 3 years ago I introduced for myself and the distinguished Senator from Missouri [Mr. Long], who is chairman of the Subcommittee on Administrative Practice and Procedure, of which I have been the minority member, a bill to amend the Administrative Procedure Act.

That bill was the result of the work of many people, both in and out of the Government. It was based upon the recommendations of the Hoover Commission appointed by President Truman, a conference on administrative procedures called by President Eisenhower, and an administrative conference called by President Kennedy, as well as on the recommendations of the American Bar Association and other legal groups. It was further the subject of careful study and comment by scholars in the field of administrative law and by those within the administrative agencies, as well as by those who practice before them. All of these people have generously contributed their time and efforts.

Now, 3 years have passed during which the myriad of departments and agencies have had a chance to study the provisions of the bill and comment on it, both informally and in public hearings. Their testimony and comments have been of the greatest value to the subcommittee in determining the effect of this legislation. Comments were also received from other sources. For example, in March of 1964 at a 3-day on-the-record meeting, the representatives of the American Bar Association gave their views and suggestions.

But the subcommittee did not stop there. It called to its service a group of consultants comprising some of the most highly qualified experts in administrative law.

After receiving comments from all of these sources, the subcommittee began the task of refashioning the provisions of the bill so as to take account of the many suggestions which it had received. Every proposal was analyzed and tested. Some were rejected; others were modified. Our purpose was to contrive a set of procedures which would meet the needs of the public as well as the needs of the agencies.

It is important that both needs be met, because there is scarcely a facet of our life which is not affected by the decisions of these administrative agencies. They do not regulate just big business or little business; they determine the price of milk for babies and old-age pensions, the acreage allotments of farmers, unfair labor practices, union representation, civil rights, social security benefits, and, under legislation now enacted, they would decide the benefits under medicare. Each time we expand the functions of our pervasive Government, it means either creating a new agency or expanding an old one to take care of the administration of that new activity.

These administrative agencies may be independent agencies or they may be departments or parts of departments. A list, even in rather small print, of all the administrative agencies which we now have takes up a large section of a wall. They have been called the headless fourth branch of our Government, for they are a governing force in our lives. Yet they are not mentioned in the Constitution; they are neither Congress, the President, nor the courts. But they exercise legislative, executive, and judicial functions. They establish policies which have the force of law; they administer those policies; and they act as a tribunal to decide cases involving the policies.

Fortunately, we have many good people in these agencies. The difficulty is that they are buried under an avalanche of work. Where there were 10 cases to be decided two decades ago, there are a hundred waiting to be decided in the same period of time today. Our population has exploded, and our activity and our problems have equally proliferated in the past 20 years. Adding more people is not enough, because there are some problems of our agencies which cannot be solved by adding more people. These are the problems arising out of the requirements of the Administrative Procedure Act, which sets out the way in which these agencies must operate. It is a good act, but it needs to be brought up to date. That we propose to do by this bill.

The current amendment of the Administrative Procedure Act makes no change in section 2(a) which section, among other things, excludes "courts" from the operation of the act. For purposes of section 2(a), the term "courts" includes the Tax Court, Court of Customs and Patent Appeals, the Court of Claims, and similar courts. This act does not apply to their procedure nor affect the requirement of resort thereto.

First of all, take the duties which the act imposes on those who head the various administrative agencies. They are a small and select group of men and women whom the Congress has usually required to be nominated by the President and confirmed by the Senate because of their responsibility for guiding the overall operations of these vast and powerful administrative agencies. But frequently they have little opportunity to give such guidance because they are also given the duty of deciding cases, both large and small, and the more time they spend doing that, the less time they have to consider questions of policy. The flow of cases which they must decide because people are waiting for an answer is so great that they usually find it necessary to dispose of them first and to put off making policies in the hope that some time can be found for that at a later date. But that day never seems to come. The flow of cases is continuous and it is increasing rather than diminishing.

And so the first thing which must be done is to relieve those who are responsible for making agency policy from the duty of deciding cases as well. The bill does this in two ways. First, it deletes the requirement that as a part of the rulemaking activity they "approve or prescribe" for the future "all rates, wages, corporate or financial structures or reoganizations thereof, prices, facilities, appliances, services or allowances therefor, or valuations, costs, or accounting, or practices bearing on any of the foregoing." Instead such cases would be decided under the adjudicative procedures of the agency. Second, the responsibility for making the decision under such adjudicative procedures would be placed on those who actually hear the evidence instead of on those at the head of the agency who have only secondhand knowledge of the evidence. Under the present law delegation of this duty has been suggested as a solution to the problem, but delegation is not the answer because it leaves the responsibility just where it was before, with the person who has delegated it his duty. Thus, the bill provides that the decision of the presiding officer shall be the decision of the agency, subject to appeal and review of the agency on particular grounds; and to insure that the time of the agency members is not too greatly consumed by the consideration of such appeals, the bill also provides for the establishment of agency appeal boards which may be composed of agency members and hearing examiners other than the presiding officer in the case itself.

The sum of these changes from the present law is that agency members will no longer be required to decide matters involving particular persons or particular facts except where they decide to review policy questions or, on limited issues, if one of the parties appeal. This will give those responsible for agency policy the opportunity and the time to carefully consider the general principles involved in the types of cases before the agency and to formulate the agency policy for such cases; and it will leave to that highly qualified group of hearing examiners the task of applying those general policies to the facts of particular cases. This division of the task could go a long way toward the elimination of the tremendous backlogs which exist in many agencies. These are not necessarily backlogs of the agencies' own making but of the increasing volume of rates, wages, and other types of cases which the agencies must decide.

Next, something needs to be done to improve the procedures for handling cases involving particular persons and particular facts. These cases will constitute the bulk of the work of the agency but not, of course, the bulk of the work of the agency members who will be more free to concentrate on the formulation of general agency policies. Since, under the bill, the decisions in these cases will be made by the persons who hear the evidence, the bill draws heavily upon all the many techniques which the courts are now applying to speed up their own procedures. Three of these techniques relate particularly to the prehearing stage of a proceeding. First of all, the bill provides for utilizing the pleadings in a case to narrow the legal issues to the greatest extent possible. In this connection there has been built up in the last 20 years in our courts a great body of law on pleadings and, to the extent practicable, this would apply to pleadings in administrative proceedings as well.

The second device for speeding up the determination of cases is discovery of the facts. To the extent that all the facts of a case can be ascertained in advance, the subsequent hearing will be shortened and the parties may be more inclined to settle or dispose of the controversy on its actual merits. This saving of time is of benefit to the public which directly or indirectly bears the cost of administrative proceedings. Third, a specific provision has been made for prehearing conferences. These conferences usually offer the first opportunity for the parties or their attorneys or other representatives to be brought together in the presence of the presiding officer to discuss the issues and facts in the case. This is the time at which irrelevant or unimportant issues can be eliminated and undisputable facts can be agreed upon. There is no question but what such conferences, if effectively directed by the presiding officer, can be of immeasurable value in making administrative proceedings less costly and less time consuming.

Next, the bill provides a means of tailoring the procedure to fit the case. Not every case needs every step in a formal procedure—either because it is a small case, or, perhaps because the nature of the subject requires the most expeditious procedure. In such cases the bill authorizes the use of an abridged procedure if the parties agree and the agency approves. Then too, the bill contains a provision for emergency action where the agency makes a finding that immediate action is necessary for the preservation of the public health or safety and in other situations provided by law. But unless the agency grants an immediate hearing, the bill provides for immediate judicial review of any emergency action taken by the agency.

Even the time for settlement of cases is speeded up. Under the bill the agency is given the power to establish a time in advance of the hearing at which the absolute right of a party to settle a case ends. After that time it will be in the discretion of the agency to determine whether time, the nature of the case and the public interest permit further time to be taken for the consideration of offers of settlement. Thus, a party intending to offer a settlement must do so at an early date and not put the agency, the other parties if there are any, and the taxpayers to the expense of going through a hearing in the hope that by doing so he will obtain a more favorable settlement.

Another new feature is a provision for interlocutory appeals. The purpose of such appeal is to permit the determination by the highest agency authority of material questions which may arise in the course of a proceeding if such a final determination would expedite the proceeding or prevent substantial prejudice to any party. There are strict tests to prohibit abuse of the use of such appeals. Indeed, such an appeal cannot be made without the approval of the presiding officer or, if he refuses, of the agency itself upon a showing of substantial prejudice.

We have also done many things to make the public better informed about its Government and the work of the administrative agencies. Much of this, my good friend, the Senator from Missouri and the distinguished chairman of the Subcommittee on Administrative Practice and Procedure, has already explained to you in connection with S. 1160, passed last year by the Senate. That bill is the text of this proposed overhaul of section 3 of the Administrative Procedure Act. So let me just say that, except in the areas of national defense and foreign policy, the bill changes the availability of Government information from a question of agency discretion to a requirement that the information be made available unless it fall within certain exempted categories. Then too, for the first time, agencies would be required to identify the officer, or more correctly the position whose incumbent makes decisions on the public's cases. The people have a right to know who is actually deciding their cases. And, to the extent that the man is supposed to be making the decision has had his discretion removed and the rules in some staff manual substituted for it, the public should be entitled to see that staff manual.

Now I have mentioned the need for speeding up the disposition of cases before administrative agencies and I have referred to a number of techniques which have been contrived in the bill to reach that result. The bill goes further. It provides that every agency shall have a duty with reasonable dispatch to set and complete any investigation or proceeding and to make its decision. Thus, for the first time, the agencies are required to move with dispatch and the public will have its remedy under our laws of their failure to do so.

In other areas as well, the bill protects the public. In the present law a person who appears before any agency against his will is entitled to counsel but a person who appears voluntarily has no such right and that right to counsel does not extend to agency investigations which are likely to be of great consequences to the members of the public. The bill corrects those anomalies by giving all persons the right to counsel whether they appear voluntarily or involuntarily before any agency and whether it is in the course of an investigation or an agency proceeding.

The bill also takes a step forward by incorporating legislation enacted into law last year to permit qualified representatives to practice before the Federal agencies without any further requirement.

Another agency activity about which there has been no small amount of adverse comment is the use of press releases and other publicity to disparage or discredit a person before the final decision has been reached in proceedings involving him. The courts are dealing even now with the issue as it applies to court proceedings, and we must deal in stern fashion with those situations in the agencies, which I hope are rare, where the might of Government publicity is brought to bear upon a person before the case is proved against him.

Mr. President, the subcommittee has labored for 6 years in this difficult field to identify the problem areas which have caused discontent with the administrative process and to devise means of resolving them. I hope that the House will give this bill, which has been smoothed, polished, and refined by the comments of so many people within and without the Government, careful yet speedy consideration so that the recommended improvement may be made in the Administrative Procedure Act.

I observe in the Chamber the distinguished Senator from Nebraska, who doubtless wishes to comment on the bill.

Mr. HRUSKA. Mr. President, I wish to make a brief comment to supplement the statement of the Senator from Illinois.

Mr. President, I support the passage of S. 1336, which updates the Administrative Procedure Act.

Over 20 years ago, the Administrative Procedure Act was passed to meet the need for orderly and intelligible procedures for the conduct of Federal activities. In those 20 years, new agencies have come into being, agencies which existed at that time have found new problems to meet, and the entire scope of Federal activity has expanded in a fashion which could not have been fully anticipated by the framers of that act.

Overall, that legislation provided a framework of procedures which has proven itself to be workable. There are, however, numerous improvements which can be made, and that is what the bill is designed to do. The two goals of this legislation are: first, provide agencies with procedures which allow them to fulfill their duties efficiently and expeditiously, and second, provide adequate protection for those affected by administrative action.

Judge Learned Hand observed that—

> I think I am right in saying that the history of commissions is very largely this. When they start they are filled with enthusiasts; the problems are before them and they are themselves flexible and adaptive. Like all of us (and this as you know is the fault constantly charged and properly charged, against the courts) after they have proceeded a while they get their own sets of precedents, and precedents have "the intolerable labor of thought." So they fall into grooves, just as the judges are so apt to do. And when they get into grooves, then God save you to get them out of the grooves. It has become the customary way, and the safe way, and we find it so easy to follow the safe and customary way.
>
> On the other hand, they do get an expertness and acquaintance with the subject matter that we judges cannot possibly have. The thing that teases me most, and I confess seems to be insoluble as far as I have been able to judge, is whereas the courts have a more widespread knowledge, it is nothing like the commissions' accurate knowledge of the precise subject matter. Where are the courts to intervene? I am perfectly satisfied that somewhere along the line you cannot leave the last word with an administrative tribunal; I am sure that that will run in the end into a sclerosis that will be fatal. But how shall the judges, who do not know the intricacies, know when to intervene; and where and how? Do not say the Supreme Court will do it; they could not possibly do it. The amount of it is far beyond the power of any conceivable nine men. It must be somewhere further down and for ordinary judges. I wish I had some light on it; frankly I feel bankrupt.

The responsibility for regulating the regulators falls upon Congress. This is rightly so because each Senator is acquainted with the volume of mail occasioned by administrative actions which comes into his office from constituents. Our goal is justice for these people, and that end can be better achieved if adequate procedural safeguards are provided. This is an opportunity for us to respond to some of the criticism of the Federal Government.

An example of the kind of practice which the bill seeks to prevent involved the Federal Trade Commission. An investigative hearing was initiated in Indianapolis, Ind., in March of 1962. Business concerns in the area were directed to bring in their records. No information was given as to specific charges or practices which were being questioned. The adverse publicity of the investigation was substantial. Evidence was taken under oath, yet none of those involved was allowed normal benefit of counsel. No attorneys were allowed to make a statement. Witnesses could not be cross-examined.

In short, the basic rights of those involved were abused. It is this kind of administrative action which would be kept in check by the proposed legislation. It would not hamper the proper actions of the administrative agencies.

The work of the Hoover Commissions on Organization of the Executive Branch of the Government, the first appointed by President Truman and the second by President Eisenhower, laid the groundwork for this legislation. The American Bar Association translated the recommendations of those Commissions into its "Code of Administrative Procedure." Further study in the executive branch and in the Judiciary Subcommittee on Administrative Procedure resulted in this bill, which Senator DIRKSEN and Senator LONG have sponsored. The proposed legislation has had long study, and many improvements have been developed in that study.

The bill makes a number of technical changes in the act, and puts in statute form some of the case law which has developed. There are a number of specific provisions which I would like to mention.

The provisions relating to rulemaking have been drafted so as to encourage their use, and the provisions relating to adjudication have been drafted so as to discourage their use. By making public participation in the rulemaking process, it is submitted that rules can be more fairly developed. This will result in a more uniform application of agency action upon the conduct of individuals.

Public participation is encouraged by requiring notice of rulemaking proceedings in the Federal Register. The procedure in developing rules follows the pattern of decisionmaking in adjudicatory proceedings. A new section has been added allowing emergency rules to be made, but they will only be effective for 6 months, unless public participation is provided before they are made permanent. A rulemaking docket must be maintained by the agency.

The provisions relating to exempted rulemaking have been narrowed, limiting the exceptions to those covered by Executive order requiring secrecy in the interest of defense or foreign policy.

Public loans, grants, benefits, or contracts have been brought in under the act. With the growth of this activity in the Federal Government, this will be of assistance in the fair and impartial administration of these programs.

In the adjudicatory process, the provisions relating to pleadings would make agencies follow rules of practice similar to those followed in U.S. district courts. This should serve to improve the orderly disposition of disputes.

An effort is made to provide a better separation of the adjudicatory function from the investigating, prosecuting, or advocating functions of an agency. By including specifically the word "advocating," this activity is recognized as a part of the prosecuting function. These areas have been the subject of much comment by legal scholars. The image of impartial adjudication is very much damaged where the lines between these functions are not clearly drawn.

Provision is made for appearance with counsel, and it is extended to voluntary appearances. Current provisions do not grant a right to appear with counsel except when appearance is involuntary. Also, access to the transcript of the record is broadened. These improvements will give the individual of limited legal experience the benefit of assistance in protecting his legal rights.

The provisions relating to issuance of subpenas have been revised to encourage their use.

Interlocutory appeals, while sometimes used now, would be specifically authorized under the bill.

Unlawful investigations have been brought within the class of agency actions which may be challenged in a court of a competent jurisdiction.

Section 9(b), relating to use of damaging publicity by an agency, provides that a court may set aside a decision on the basis that there was a prejudicial prejudging of the issues.

These last two points were involved in the Indianapolis case. Unfair use of publicity by a Government agency can be most damaging. An unlawful investigation used for publicity purposes even further violates our sense of fair play. These improvements are welcome steps in our effort to protect the basic rights of citizens.

This bill provides many desirable improvements in the act. It is a workable compromise of the interests involved. The long period of development which it has undergone reenforces that conclusion, but also has increased the need for prompt action on its passage. I urge my colleagues to support S. 1336.

I wish to commend the Senator from Illinois [Mr. DIRKSEN] and the Senator from Missouri [Mr. LONG], and also the staff members who assisted in developing this bill. It was a long and tedious task, one not calculated to reach the headlines or to provide great publicity or glory of any kind, but a very much needed task for which I am sure all of us are grateful.

In addition to Senator LONG and Senator DIRKSEN, I would like to commend the staff members who have assisted in developing this bill. Bud Fensterwald and Bernie Waters of the Administrative Practice and Procedure Subcommittee have contributed greatly to this legislation, as has Tom Collins of the staff of the Committee on the Judiciary. A great deal of work has been done on the bill by Neal Kennedy and Charles Helein who, although no longer members of the subcommittee staff, worked to develop the bill when they were with the subcommittee.

Mr. LONG of Missouri. Mr. President, it is a pleasure for me to join the distinguished Senator from Illinois, a friend and member of the Subcommittee on Administrative Practice and Procedure, in speaking for this bill to make a number of amendments to the Administrative Procedure Act.

In the 3 years during which I have been chairman of this subcommittee, I have become increasingly aware of the need for dealing with the constantly increasing caseload of the agencies which is making it more and more difficult, and sometimes impossible, for them to keep up with their work. The result has been backlogs of discouraging size, long drawn-out, expensive proceedings, and a lack of decision on major policies to guide the agency staffs. The effect of all of this is not just on the agency and the participants in cases before the agency; it is borne by all of the people of this country. Delay in authorizing new services and new products results in loss to the country. Delay in the decision of rate refund cases, unemployment benefits, and similar matters is a loss to the pocketbook of those affected and frequently a grave hardship on them.

Procedures which worked in 1946 when the Administrative Procedure Act was first passed, and when the number of cases was smaller than it is now, are in many instances no longer adequate to deal with the increased caseload of the agencies. The problem has been of sufficient importance to cause the appointment of commissions and conferences by three Presidents. They have studied the problems and have made recommendations. In addition, studies have been made by the American Bar Association and by other organizations of scholars and lawyers familiar with administrative proceedings, as well as by many individuals. The agencies themselves have made many suggestions. All of these proposals have been carefully studied by the subcommittee.

Three years ago I joined with the distinguished Senator from Illinois in introducing legislation which contained a number of these suggestions with the thought that they could be studied and commented upon by all interested parties and the subcommittee has received such comment from the agencies and from those who practice before them. In addition, at my request, a group of scholars and experts in the field of administrative procedure was created as a board of consultants to contribute their knowledge to this project.

The bill which is now being considered is the result of all this study. A major feature of this bill is the attempt to provide those who head the various agencies with the necessary time to devote to policymaking. The workload of agencies will continue to become an increasing backlog unless sufficient attention is given to policymaking. Only if they have policies to guide them can the staffs of the agencies dispose of the cases which must be decided. The alternative is for those who make agency policies to also decide every case, and that has proved to be a physical impossibility unless they are to merely rubberstamp the decisions of their subordinates. Just a look at the dockets of some of the regulatory agencies indicates all too clearly how little attention can be paid to particular cases when there are thousands of them on the docket to be decided.

Then, too, improvements must also be made in the manner in which individual cases are handled. The basic reason for the establishment of a multitude of Federal administrative agencies was the general belief that the matters coming within their jurisdiction could be dealt with more expeditiously by administrative rather than by legislative and judicial procedures. However, developments of the last few years and the complaints of the public have cast some doubt on this basic premise. Administrative procedures have become tremendously complicated, often very lengthy, and usually terribly expensive. Indeed, it has been said that the courts have made more progress in modernizing and streamlining their procedures than agencies have made. There are even suggestions made today that the administrative process be abandoned because it is so much slower than the judicial process.

Take prehearing conferences, for example. Few agencies use them at the present time and yet the courts have found them to be a most effective way of reducing the time needed for the hearing which follows. It is possible that such conferences, which are held under the supervision of the officer who will preside at the hearing, can be used to reduce the number of contested issues and to obtain agreement on facts which are not subject to dispute. Agreements can also be worked out with respect to the testimony of expert witnesses.

Then there is discovery. Most lawyers today find it an invaluable tool in preparing for a hearing because it means that the facts can be developed in advance of the hearing and the time the hearing takes can be greatly reduced. Furthermore, to the extent that a knowledge of all of the facts increases chance of settlement, discovery has still greater utility.

The bill also provides a means for speeding up the hearing itself. It provides for the use of abridged procedures and for interlocutory appeals to decide key issues where necessary. But speed is not the only consideration. The bill also provides a basic standard of fairness for cases of adjudication which are not subject to the formal hearing procedures and it requires that the decision in such cases must be made without delay after the conclusion of the proceeding. These constitute important steps forward in the interest of the public.

In one sense an administrative proceeding is like an iceberg. The time consumed in the prehearing and hearing stage is frequently far less than the time consumed before the agency decision is finally issued. This is due in some measure to the requirement in the existing statute that all decisions be finally made or approved by the head of the agency. At the present time the agencies get around this requirement by utilizing faceless opinion-writing staffs to do the work. But this is not as satisfactory as bringing the whole process into the open. Therefore, the bill provides that the officer who hears the evidence shall make the actual decision which shall be subject to appeal or review by the agency. The bill also creates an agency appeal board to hear appeals from that decision. It is to be hoped that the type of procedure will greatly speed up the final decisions in cases before the administrative agencies.

In addition, this bill incorporates the provisions of S. 1160 which I introduced on behalf of myself and a number of other Senators. This legislation is commonly known as the freedom of information bill and it will greatly enhance the public's right to know what is being done by its Government.

The bill also includes the provisions of legislation enacted last year to permit qualified representatives to practice before administrative agencies without further qualifications. The restrictive practices of some agencies in this regard have been thought to reduce the representation to which the public is entitled and to increase the cost and complexity of administrative proceedings before those agencies.

I shall not attempt to catalog all of the other changes which the bill makes. It is my hope, however, that the bill will receive the attention of those in the House who are concerned with administrative reform. The preparation of this bill has not been an easy task. I want to pay tribute to Senator DIRKSEN for taking the lead in this matter for so many years and to the members of the board of consultants who have been so helpful to the subcommittee. I also want to compliment Bud Fensterwald, Chuck Helein, and the entire staff of the subcommittee for the job they have done on this bill. They have worked long hours on a bipartisan, or rather on a nonpartisan basis on the consideration and drafting of these provisions.

Mr. MAGNUSON. Mr. President, I wish to advise the Senate of my strong objection to S. 1336.

In its present form, S. 1336 could have the practical substantive effect of disrupting essential railroad passenger service in ICC "train-off" cases. The bill could protract proceedings before the Federal Power Commission and impair the public interest effectiveness of the Federal Power Act and Natural Gas Act.

The report of the Committee on the Judiciary accompanying S. 1336 is silent as to the strong opposition of the Department of Justice and the independent agencies to the bill both before the committee, and in its present amended form.

The overall purpose of S. 1336, according to the committee report is "to revise and update existing administrative procedures with new ones designed to increase the efficiency and fairness of the administrative process." While conscientiously offered as a procedural reform, the Chairmen of the Interstate Commerce Commission and the Federal Power Commission advise me that S. 1336 could have a disastrous impact on their ability to cope with increasingly heavy caseloads, and nullify their efforts to reduce regulatory lag.

When committee hearings were held on S. 1336 and other bills in May of 1965, the Department of Justice and the independent agencies urged amendment of this bill to avoid creating new backlogs and other problems. From the silence of the committee report, and the 36 amendments listed, it might be assumed that these agency and administration objections have been overcome. This is not the case. Chairman White of the Federal Power Commission advises me that the problems raised by this proposed legislation have not been obviated and new problems have been created by the final version now before the Senate.

Chairman Bush of the Interstate Commerce Commission advises me that the provisions of S. 1336 could have a disastrous impact on the Commission's ability to cope with its increasingly heavy workload, and its ability to implement and administer the provisions of the Interstate Commerce Act. The practical, substantive effect of the bill on the ICC would make it difficult, if not impossible, for the Commission to halt passenger train discontinuances before the statutory 4-month period expires, and to halt unreasonable or discriminatory rates before the statutory 7-month period expires. S. 1336 would render largely useless the Commission's existing modified procedure. Furthermore, it would entrust to a single hearing officer rather than the Commission itself such important decisions as the determination of the competitive consequences of huge railroad mergers. Chairman White of the Federal Power Commission advises me that the provisions of S. 1336 could well take some 5 or 10 years of court litigation, to the detriment of the taxpayer, the consumer and the regulated industries to find out just what might be the effect of this legislation. He points out that S. 1336 could wreak havoc with the programs which the regulatory commissions are responsible to administer, S. 1336 would require that all Federal Power Commission cases without exception be initially decided by the presiding examiner, even gas certificate cases where at times additional service is urgently needed. S. 1336 would allow any party to seek from a district court anywhere in the country an injunction against any pending case, thus inviting delay.

In its present form S. 1336 is not merely a bill making minor procedural changes, as the silence of the report might indicate. The bill would have a substantive impact on the ability of the Federal Power Commission, the Interstate Commerce Commission, and other agencies to protect the public interest.

I ask unanimous consent that the letters dated June 20, 1966, from the Chairman of the ICC and the Chairman of the FPC be printed in the Record following my remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Interstate Commerce Commission,
Washington, D.C., June 20, 1966.
Hon. Warren G. Magnuson,
Chairman, Committee on Commerce,
U.S. Senate,
Washington, D.C.

Dear Chairman Magnuson: On behalf of the Commission I wish to express our deep concern over the practical substantive effects which S. 1336—a bill which would extensively revise the Administrative Procedure Act—will have on our ability to implement and administer the provisions of the Interstate Commerce Act. It is our understanding that S. 1336 is to be considered and voted upon by the Senate on Wednesday, June 22, 1966.

In particular we wish to emphasize provisions of the bill which, in our judgment, could have a disastrous impact on our ability to cope with our increasingly heavy caseload. Under section 5(a)(5) our existing modified procedures—which have proven so effective in reducing the so-called "regulatory lag"—would be rendered largely useless since they could be used only "by consent of the parties."

Section 8(a) of the bill requires issuance of a presiding officer's decision in all adjudications. Under section 15(7), the Commission is authorized to suspend proposed changes in carrier rates for periods not to exceed 7 months and to enter upon a hearing to determine the lawfulness of the proposed changes. If the proceeding is not concluded within the 7-month period, the Commission cannot prevent changes from becoming effective. Specific provisions also require the Commission to give preference to these proceedings and to decide them as speedily as possible. Under section 13a(1) the Commission may require the continuance of certain train service pending the determination of the lawfulness of the proposed discontinuance but not for a longer period than 4 months. The Commission has barely been able to meet these time limits by omitting the hearing officer's report. When a hearing officer's report is omitted in such cases, the parties are entitled under the Interstate Commerce Act and the Commission's rules to seek reconsideration. The present procedure thus preserves the substantial rights of parties, while much time is saved and confusion avoided where, as in the case of rate suspensions and interstate train discontinuances, statutory time limits are met.

Under section 8(c)(1) of the bill, hearing examiners' findings or conclusions of material fact would be subject to exceptions by the parties only upon the ground that they are "clearly erroneous." We submit, for example, that no such weight should be attached to the findings of a single hearing officer as to the competitive consequences of a huge railroad merger.

A more complete statement of our concern with these and other sections of S. 1336 is contained on pages 233–250 of the printed report of hearings before the Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee. These comments are applicable to S. 1336 as reported.

We will be happy to furnish any additional information you may request.

Sincerely,
John W. Bush, *Chairman.*

Federal Power Commission,
Washington, June 20, 1966.
Senator Warren G. Magnuson,
Chairman, Committee on Commerce,
U.S. Senate,
Washington, D.C.

Dear Mr. Chairman: In accordance with my discussion today with Committee staff, I am writing out of concern that enactment of a bill about to be considered by the Senate may frustrate the effective administration of the statutes entrusted to the Federal Power Commission. The bill is S. 1336, to amend the Administrative Procedure Act, which was reported by Senator Long of Missouri for the Judiciary Committee on June 9, 1966.

The bill would substantially rewrite the Administrative Procedure Act of 1946, a statute which has been thoroughly tested in the courts and under which we have learned to operate effectively. I fear that enactment of the bill could protract proceedings before us and impair the public interest effectiveness of the Federal Power Act and Natural Gas Act. In any event, it could well take some five or ten years of court litigation, to the detriment of the taxpayer, the consumer and the regulated utilities to find out just what might be the effect of this legislation.

I think it is significant that the Federal Power Bar Association, whose members represent electric utilities, gas companies, consumer interests, competing energy suppliers and other intervenors, has united in opposition to S. 1336 and testified against it before the Senate Judiciary Committee. As our specialized practitioners realize, even though the general American Bar may not, an overall restructuring of the Administrative Procedure Act could wreak havoc with the programs which the regulatory Commissions are responsible to administer.

The provisions of the bill are complex and I cannot be certain that any individual provisions will have as bad an effect on our operations as we fear. However, you will appreciate that almost every contested proceeding before the Federal Power Commission has one or more parties whose interests would be furthered by delay and that such parties are certain to test every opportunity which such legislation affords them. S. 1336, conscientiously offered as a procedural reform, could instead turn out to be a source of repeated delays. The Federal Power Commission, with the support of Congress, has overcome one of the worst administrative agency backlogs, and I am confident that Congress would not wish to enact legislation which could create new backlogs.

Among the provisions which most seriously concern us are the proposed requirements of Section 8(c) for creation of an intermediate appeal board to consider appeals from examiners decisions before the case comes to the full Commission; the provision of Section 9(a) allowing any party to seek from a district court anywhere in the country an injunction against any pending case; and the provisions of Section 2 and 5(a)(6) which page 14 of the Judiciary Committee's report construes as forbidding the Commissioners from securing the advice of anybody but another Commissioner in the course of deciding the major cases which come before us.

Another example of a provision which concerns us is the requirement of Section 8 that all cases without exception be initially decided by the presiding examiner. While this Commission has generally sought the benefit of an examiner's decision in contested cases, there are times when expedition requires that the Commission decide the case initially on its own. This occurs in gas certificate cases, if additional service is urgently needed, and in rate cases if the Commission can resolve some of the issues quickly and provide an immediate consumer benefit while other issues are being argued out before the examiner. Sustaining expedited decision in a rate case, Mr. Justice Clark recently said the procedure employed by the Federal Power Commission is "in the best tradition of effective administrative practice". *F.P.C.* v. *Tennessee Gas Transmission Co.*, 371 U.S. 145. This procedure would be forbidden by S. 1336.

I enclose for your further information a copy of the Federal Power Commission's report transmitted July 17, 1964, to the Judiciary Committee on the predecessor bill (S. 1663, 88th Congress). The report listed a number of serious impacts of the proposed legislation on the work of the Federal Power Commission. These problems have not been obviated and new problems have been created by the final version now before the Senate.

Sincerely,

LEE C. WHITE,
Chairman.

Enclosure No. 8141.

Mr. LONG of Missouri. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. LONG of Missouri. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business until 12:20 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILL SIGNED

The ACTING PRESIDENT pro tempore announced that on today, June 21, 1966, the Vice President signed the enrolled bill (H.R. 15202) to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, which had previously been signed by the Speaker of the House of Representatives.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Assistant Secretary for Administration, Department of Agriculture, Washington, D.C., reporting, pursuant to law, on the overobligation of an appropriation in the Federal Crop Insurance Corporation; to the Committee on Appropriations.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of readiness status of idle ammunition-production facilities, Department of the Army, dated June 1966 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of administration of certain transfers of Coast Guard members between permanent duty stations, U.S. Coast Guard, Treasury Department, dated June 1966 (with an accompanying report); to the Committee on Government Operations.

REPORTS ON VISA PETITIONS ACCORDING THE BENEFICIARIES THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATION

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports concerning visa petitions according the beneficiaries of such petitions third preference and sixth preference classification (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Chazaros Kevork Ghazarian from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on May 1, 1965 (with an accompanying paper); to the Committee on the Judiciary.

ADDITIONAL COPY OF CERTAIN PUBLICATIONS FOR GENERAL SERVICES ADMINISTRATION

A letter from the Deputy Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the Public Printer to print for and deliver to the General Services Administration an additional copy of certain publications (with accompanying papers); to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent Resolution of the Legislature of the State of Mississippi; to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION 109

"Concurrent resolution ratifying a proposed amendment to the Constitution of the United States relating to succession to the presidency and vice presidency, and to govern occasions when the President is unable to discharge the powers and duties of his office

"Whereas, Senate Joint Resolution No. 1 of the 1st Session of the 89th Congress proposes an amendment to the Constitution of the United States to more clearly define the order of succession to the presidency and vice presidency, and to occasion when the President is unable to discharge the powers and duties of his office; and

"Whereas, the amendment so proposed was the will of the Congress and is believed to be a legal and workable compromise on the question of presidential succession and presidential disability; and

"Whereas, said proposed amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several states within seven years from the date of its submission by the Congress; and

"Whereas, our Nation has heretofore been faced with grave and serious problems of presidential succession when near fatal or prolonged illnesses have struck down the President, and that to insure an orderly and responsible exercise of the powers and duties vested in the highest executive office of our National Government; and thence to insure the proper discharge of the powers and duties of the office of the President of the United States and Vice President of the United States: Now, therefore, be it

"Resolved by the Legislature of the State of Mississippi, That the herein proposed amendment to the Constitution of the United States be, and the same is hereby ratified and approved:

"ARTICLE —

" 'SECTION 1. In case of the removal of the President from office or of his death or resignation, the Vice President shall become President.

" 'SEC. 2. Whenever there is a vacancy in the office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress.

" 'SEC. 3. Whenever the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that he is unable to discharge the powers and duties of his office, and until he transmits to them a written declaration to the contrary, such powers and duties shall be discharged by the Vice President as Acting President.

" 'SEC. 4. Whenever the Vice President and the majority of either the principal officers of the executive departments or of such other body as Congress may by law provide, transmit to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice President shall immediately assume the powers and duties of the office as Acting President.

" 'Thereafter, when the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that no inability exists, he shall resume the powers and duties of his office unless the Vice President and a majority of either the principal officers of the executive department or of such other body as the Congress may by law provide, transmit within four days to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office. Thereupon, Congress shall decide the issue, assembling within forty-eight hours for that purpose if not in session. If the Congress, within twenty-one days after receipt of the latter written declaration, or, if Congress is not in session, within twenty-one days after Congress is required to assemble, determines by two-thirds vote of both Houses that the President is unable to discharge the powers and duties of his office, the Vice President shall continue to discharge the same as Acting President; otherwise, the President shall resume the powers and duties of his office.'; and be it further

"*Resolved*, That the Secretary of State of the State of Mississippi transmit certified copies of this resolution to the Administrator of General Services of the United States, to the Secretary of State of the United States, to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

"Adopted by the Senate February 3, 1966.

"CARROLL GARTIN,
"*President of the Senate.*

"Adopted by the house of representatives March 10, 1966.

"GRAY PAYNE COSSAR,
"*Acting Speaker of the house of representatives.*"

A resolution adopted by the board of directors of the James Valley Electric Cooperative, Inc., of Edgeley, N. Dak., relating to farm income; to the Committee on Agriculture and Forestry.

A resolution adopted at a mass meeting of Americans of Baltic descent in Rochester, N.Y., reaffirming their support of the administration in South Vietnam; to the Committee on Foreign Relations.

Four resolutions adopted by the U.S. Section of the Women's International League for Peace and Freedom, in Webster Groves, Mo., relating to Vietnam, nuclear weapons, and so forth; to the Committee on Foreign Relations.

A resolution adopted by the U.S. Section of the Women's International League for Peace and Freedom, in Webster Groves, Mo., relating to the Civil Rights Act of 1966; to the Committee on the Judiciary.

A letter in the nature of a petition, signed by Ralph Boryszewski, of Rochester, N.Y., relating to the case of *Ralph Boryszewski, Erie W. Jackson, Mary M. Grooms, LeRoy Peasley, Harvey Kravetz, and William Del Conte, plaintiffs,* v. *Stephen S. Chandler;* to the Committee on the Judiciary.

A resolution adopted by the U.S. Section of the Women's International League for Peace and Freedom, in Webster Groves, Mo., relating to economic welfare; to the Committee on Labor and Public Welfare.

A resolution adopted by the Tennessee Pharmaceutical Association, Nashville, Tenn., favoring the issuance of a commemorative postage stamp in recognition of pharmacy; to the Committee on Post Office and Civil Service.

A resolution adopted by the executive committee of the Saginaw County (Mich.) Democratic Committee, relating to the death of the late Senator Patrick V. McNamara; was ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, without amendment:

H.R. 7423. An act to permit certain transfers of Post Office Department appropriations (Rept. No. 1288); and

H.R. 13822. An act to provide for an additional Assistant Postmaster General to further the research and development and construction engineering programs of the Post Office Department, and for other purposes (Rept. No. 1289).

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, with amendments:

H.R. 2035. An act to provide for cost-of-living adjustments in star route contract prices (Rept. No. 1290).

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

H.R. 14050. An act to extend and amend the Library Services and Construction Act (Rept. No. 1291).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3484. A bill to amend the act of June 3, 1966 (Public Law 89-441, 80 Stat. 192), relating to the Great Salt Lake relicted lands (Rept. No. 1292).

By Mr. RANDOLPH, from the Committee on Post Office and Civil Service, without amendment:

S. 2206. A bill to extend certain benefits of the Annual and Sick Leave Act, the Veterans' Preference Act, and the Classification Act to employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes (Rept. No. 1293).

By Mr. RANDOLPH, from the Committee on Post Office and Civil Service, with amendments:

H.R. 1535. An act to amend the Classification Act of 1949 to authorize the establishment of hazardous duty pay in certain cases (Rept. No. 1294).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MONRONEY, from the Committee on Post Office and Civil Service:

One hundred postmaster nominations.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (for Mr. SPARKMAN):

S. 3529. A bill to stimulate the flow of mortgage credit for residential construction; to the Committee on Banking and Currency.

(See the remarks of Mr. MANSFIELD when he introduced the above bill, which appear under a separate heading.)

By Mr. BARTLETT (for himself, Mr. BREWSTER, Mr. BASS, Mr. PROUTY, and Mr. SCOTT):

S. 3530. A bill to amend title II of the Merchant Marine Act, 1936, to create the Federal Maritime Board-Administration, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. BARTLETT when he introduced the above bill, which appear under a separate heading.)

By Mr. FONG:

S. 3531. A bill for the relief of Peter Soon Sang Rhee and his wife, Ruth I. Rhee; to the Committee on the Judiciary.

By Mr. MONTOYA:

S. 3532. A bill to provide for the coinage of proof sets of subsidiary silver coins and minor coins bearing the date 1966; to the Committee on Banking and Currency.

By Mr. GORE:

S. 3533. A bill to amend section 123(c) of title 28, United States Code, so as to transfer Haywood County from the western to the eastern division of the western district of Tennessee; to the Committee on the Judiciary.

By Mr. LONG of Missouri:

S. 3534. A bill for the relief of Lagrimas P. Estaris; to the Committee on the Judiciary.

By Mr. ERVIN (for Mr. SPARKMAN):

S. 3535. A bill for the relief of Dr. Fernando O. Garcia-Hernandez; to the Committee on the Judiciary.

By Mr. TALMADGE:

S. 3536. A bill for the relief of Clarence A. Pope; to the Committee on the Judiciary.

By Mr. HARRIS:

S.J. Res. 169. A Joint resolution to authorize the President to issue a proclamation designating the 30th day of September in 1966 as "Bible Translation Day"; to the Committee on the Judiciary.

(See remarks of Mr. HARRIS when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

ADDITIONAL FUNDS FOR THE COMMITTEE ON APPROPRIATIONS

Mr. HAYDEN submitted the following resolution (S. Res. 274); which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-ninth Congress, $30,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946, and Senate Resolution 101, agreed to May 20, 1965.

STIMULATION OF MORTGAGE CREDIT FOR RESIDENTIAL CONSTRUCTION

Mr. MANSFIELD. Mr. President, at the request of the Senator from Alabama [Mr. SPARKMAN], who is necessarily absent today, I introduce for him a bill, and read for him his prepared remarks concerning the bill.

STATEMENT BY SENATOR SPARKMAN READ BY SENATOR MANSFIELD

Mr. SPARKMAN. Mr. President, one of the most critical problems facing our economy today is the shortage of mortgage capital for home financing. The situation is growing worse and, unless it is corrected, it is predicted that large segments of our economy involved in the construction, sale, and financing of homes will be forced to shut down.

Families seeking homes are frustrated for lack of available mortgage credit at prices they can afford; homebuilders are cutting back their production by a third; real estate transfers are drastically reduced, and savings institutions, which specialize in mortgage finance, have cut their commitments in half. All of this is occurring because of the extreme shortage of residential mortgage capital.

The basic cause of the mortgage credit shortage is, of course, the overall shortage of capital needed to finance an economy operating at near full capacity levels, aggravated by imperfections in our financial structure which fail to spread the impact of the shortage equitably and fairly over all segments of the economy.

It is clear that homebuilders and home buyers are being forced to carry an unfair share of the burden of the present shortage. Borrowers for home purchases are most sensitive to high interest rates and obviously react adversely against conditions where money is short and interest rates are high. Commercial and industrial borrowers are less dependent on mortgage credit and can afford to bid high for financial needs because of their high income expectancy.

Up to the present time housing construction has dropped off only slightly because of financial commitments issued by mortgage lenders prior to the current tight money emergency. However, most of these commitments are now running out and the National Association of Home Builders predict that, unless there is a change, new housing starts for the remainder of the year will be one-third less than expected.

The May figure for nonfarm housing starts, just announced by the Census Bureau today, are at an annual seasonally adjusted rate of 1,275,000, 15 percent down from May of 1965.

According to a survey recently conducted by the National Association of Home Builders, housing construction volume will be cut by 34 percent for the remainder of the year under their original estimates. The most important reason for builders cutting plans for the remainder of 1966 is the shortage of money with nearly 60 percent stating this as a reason. The other reasons were labor and material cost increases and general economic conditions.

In some places mortgage loans are not available at all, but in practically all regions of the United States, the interest cost has gone up to unprecedented levels. Interest rates for first mortgages for new homes are not uncommon at 7 percent on the west coast. The average for the United States as a whole is 6½ percent. Even FHA-insured mortgages, where the lender receives the full protection of the U.S. Government against economic loss, require yields of 6.3 percent in most places.

One of the primary reasons for the shortage of mortgage capital is the shift that has taken place in large quantities of savings from savings and loan associations to the commercial banks. In recent years, the savings and loan associations were financing over 40 percent of residential construction in the Nation. The source of funds for this purpose was the savings of our people. A critical cutback in these savings or a shift from savings institutions into commercial banks would of course have serious adverse effects on the supply of lendable mortgage funds.

Both of these have happened. In April, the combined effect of less savings and high withdrawals resulted in a net outflow of $744 million from the savings and loan associations. The word is out that this is only a beginning and that the worst is yet to come unless something was done.

Many economists felt strongly that the withdrawals from the savings and loan associations were largely due to the large volume of certificates of deposit being issued by commercial banks at high rates of interest.

The Federal Reserve Board in December 1965 authorized banks to pay up to 5½ percent on the certificates of deposit but cautioned against an abuse of the authority so as not to disrupt seriously the traditional flow of savings into the specialized savings institutions.

Unfortunately, competitive pressures for capital broke down all the good intentions of Chairman Martin of the Federal Reserve Board and it was not too long before many large banks began paying the full 5½ percent for certificates of deposit of both the consumer and corporate type. The savings institutions reacted to this competition by raising their dividend rates to the highest in history, but were fighting a losing battle against overwhelming odds.

Of course, not all banks went along with this indiscriminate use of the certificate-of-deposit instrument. One bank, the Chicago City Bank & Trust Co., strongly opposed banks paying such high rates for savings and labeled the certificate-of-deposit instrument as a gimmick. Mr. W. Norbert Engles, president of the Chicago City Bank & Trust Co., strongly denounced the rate hikes and placed an advertisement in the Chicago Tribune to that effect.

Mr. President, I ask unanimous consent to place in the Record, a copy of the advertisement entitled "Bankers, Gimmicks, and Discrimination."

There being no objection, the advertisement was ordered to be printed in the Record, as follows:

[Advertisement to run in the Chicago Tribune, May 25, 1966]

Bankers, Gimmicks, and Discrimination

Four percent is currently the highest rate of interest which any bank can pay on regular savings deposits. This maximum limit is established by the Federal Reserve Board and imposed on all banks in the nation.

However, some bankers devised a gimmick in order to advertise higher interest rates. Variously called a savings certificate, savings bond, and the like, the gimmick carries a rate of interest higher than paid to regular savings customers and apparently set by the whim of the banker involved.

We earnestly believe that the extensive advertising of this gimmick has produced many adverse effects.

It has started a rate race among both banks and savings and loan associations in defiance of official Washington warnings of caution from Secretary of the Treasury Fowler on down.

It has added fuel to the inflationary fire, both real and psychological, from which no one will benefit—except perhaps the inflation speculators.

It has forced loan rates up for both commercial paper and home loans. Instead of trimming back new expansion, it simply has raised the cost-plus factor which will be passed on to the ultimate consumer.

It has made the purchase and rehabilitation of homes almost impossible, for this is the first to be cut back in the lending market.

And it has made second-class depositors of the savings customers at the banks using this gimmick. Those banks are not paying—and by regulation can not pay—more than 4 percent interest to regular passbook savings accounts.

Of course, the savings customer who finds his regular savings account has become a second-class citizen in the bank he deals with, should immediately switch to a gimmick certificate or the like.

Or he should move his account to Chicago City Bank and Trust Company where the savings passbook is still a first-class citizen.

Perhaps we are a bit old-fashioned, but we believe that a banker's primary responsibility in the savings field is to encourage thrift which will lead people to save money. We believe that a savings habit developed early in life contributes to character building and in later years to peace of mind. It certainly takes a lot of will power to save money. This cannot be accomplished with gimmicks.

We do not intend to enter the rate race. Instead, we are providing sound, strong banking services for all our customers.

Chicago City Bank & Trust Co., 63d and Halsted Street, Chicago, 60621,
Triangle 3-8800; Member FDIC,
W. Norbert Engles, *President*.

Mr. SPARKMAN. Mr. President, these developments have grown much more serious in recent weeks and I feel that the time has come for the Congress to step in and enact legislation to help remedy the tight mortgage market situation before the market deteriorates further.

The bill which I am introducing cannot expect to do miracles by solving all the complex problems resulting from our international activity and a full employment level of economic activity. However, I feel that it can serve to stabilize the market and give confidence to those concerned so as to reverse the present dangerous trend to higher and higher interest rates and restore the mortgage credit market to its former levels.

The bill I am introducing today has three main provisions: First, to increase the purchasing authority of the Federal National Mortgage Association for the acquisition of FHA and VA mortgages in order to bolster that market, which is in very poor shape right now; second, to place an interest rate ceiling on short-term noncorporate time deposits in commercial banks so as to slow down the flow of savings from the specialized savings institutions to the commercial banks; and third, to provide new authority to national banks for mortgage lending.

The FNMA provisions in the bill are in two sections. One would provide new borrowing authority to the secondary mortgage facility by authorizing FNMA to issue debentures up to 15 times its capital instead of the current authority of 10 times. The effect of this is to add about $2 billion new purchasing authority under this facility.

Mr. President, because there has been some allegations made that such action would impair FNMA's existing obligations, I ask unanimous consent to place in the Record a copy of a memorandum from the Department of Housing and Urban Development on the legality of such action.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Memorandum on the Constitutionality of Federal Legislation To Increase FNMA Secondary Market Borrowing Authority From 10 to 15 Times Capital and Surplus

Department of Housing
and Urban Development,
Washington, D.C., June 14, 1966.

This memorandum discusses whether Federal legislation amending section 304(b) of the National Housing Act to increase funds available for secondary market operations by changing FNMA's borrowing ratio from 10 to 15 times the sum of its capital, capital surplus, general surplus, reserves, and undistributed earnings would be susceptible to successful challenge on constitutional grounds. It has been suggested that an increase in this ratio would constitute an impairment of vested property rights of secondary market operations debenture holders in contravention of the due process clause.

We believe legislative revision of the FNMA Charter Act to authorize a 15 to 1 borrowing ratio would clearly be constitutional.

The FNMA is a corporate instrumentality of the United States which exists pursuant to the FNMA Charter Act. It is a creature of the United States, and since its charter specifies that it exists at the will of the Congress, it is subject to legislative control.

The power of the Congress to alter, amend, or repeal its charter is not subject to serious question. However, a proposed change in the FNMA charter must be tested against the legal principles which require that legislative action which alters a Federal corporate charter and affects vested property rights thereby, must be in keeping with the constitutional doctrine of due process. In other words, the change in the charter cannot result in a taking or in an invalidation of a vested property right, or result in impairing the obligation of contracts of third persons. *Sinking Fund Cases*, 99 U.S. 700 (1878); *Cf.* *Coombes* v. *Getz*, 285 U.S. 434 (1932).

The question of the constitutionality of the proposed alteration of the FNMA charter thus turns directly on whether the alteration results in the taking or invalidation of a vested property right or an impairment of the obligation of contracts of third persons.

The general prospectus concerning FNMA secondary market operations debentures, and the face of the debenture itself, make clear that these debentures are corporate obligations of FNMA. The holders of these debentures are simply creditors of FNMA.

Neither the general prospectus nor the debenture confer upon the debenture holder any vested right in the FNMA Charter Act. The debenture holders have only a property right in the obligation incurred by FNMA when it issued the debentures.

A change in the Charter Act which increases FNMA's borrowing authority does not affect this property right. *Ettor* v. *Tacoma*, 228 U.S. 148 (1912); *Hawthorne* v. *Calef*, 69 U.S. 10 (1864). An increase in the borrowing authority does not affect FNMA's legal obligation to repay debentures previously issued, nor impair FNMA's ability to honor payment of these debentures. As the general prospectus makes clear by paraphrasing section 304(b) of the Charter Act, "[a]dditional obligations cannot be issued if, as a consequence, the total amount then outstanding would exceed the Association's ownership under the Secondary Market Operations, free from any liens or encumbrances, of cash, Government-insured or guaranteed mortgages, or direct or guaranteed obligations of the United States."

The very same sort of change in the charter of a corporate instrumentality of the United States now contemplated with respect to FNMA was before the Congress very recently. In Public Law 89-237 (October 4, 1965) the Congress enacted legislation which, *inter alia*, amended the Farmer's Home Administration Act of 1961 to authorize credit banks under that Act to issue debentures outstanding in an amount equal to 12 times (rather than 10 times, under the pre-existing law) collective surplus and paid-in capital. See H. Rep. 114, 89th Cong., 1st sess.; S. Rep. 630, 89th Cong., 1st sess. No doubt was expressed as to the constitutionality of this legislation, which had the same effect on the owners of debentures issued by Federal Intermediate Credit Banks as the proposed action would have on holders of debentures issued by FNMA.

ASHLEY A. FOARD,
Acting Director,
Office of General Counsel.

Mr. SPARKMAN. Mr. President, the other FNMA provision would also increase FNMA's purchasing authority by restoring FNMA's program X under its special assistance function with a $1 billion new authority. The funding would come from two sources—$500 million from the Presidential authority which now has an uncommitted balance of about $1.8 billion and $500 million new Treasury borrowing. In view of FNMA's new authority to sell participations, the impact on the budget of such borrowing should be minor.

The $15,000 ceiling on purchases under the special assistance function should permit the FNMA to revise upward its present administrative ceiling on secondary market purchases. The purpose of the new purchasing authority is to fund adequately the FNMA operation but not to open the floodgates to high-priced mortgage loans which, under today's money conditions, should not expect the same special consideration as for loans for moderate-cost housing where the need is greatest. The FNMA mortgage price should be set with the same principle in mind.

The section of the bill to establish an interest rate ceiling on certain types of time deposits is intended to slow down the interest rate war among financial institutions now rampant in many areas and to diminish the outflow of funds from the specialized savings institutions which carry the major burden for home financing. It is temporary legislation for a 1-year period to permit the present very volatile situation to settle down and to give time for necessary adjustments.

I recognize that there are objections to arbitrary interest rate ceilings set by statute and I would be pleased to adopt some other method to accomplish the same purpose if one could be found. However, ceilings on interest paid for savings are not new. Regulation Q has been on the books for over 30 years and was placed there for very good reasons. Regulation Q prohibits banks from paying interest on demand deposits and authorizes the Federal Reserve Board to place ceilings on time deposits, which at the present time are 4 percent on passbook savings deposits and 5½ percent on other time deposits.

My bill would not disturb the ceiling on certificates of deposit purchased by profitmaking corporations or on any other time deposit with a term of at least 1 year.

Mr. President, the most disturbing development involving mortgage lending is the constant upward push on interest rates that U.S. families are paying to buy a home. This trend has occurred over the last 10 years and has now reached a level that I believe is unconscionable. A family committing itself to a 6½- or 7-percent mortgage loan over the life of the mortgage is incurring a burden which it surely will regret over time. I hope that when we have hearings on the bill, testimony can be received relative to this matter on what action may be taken as a matter of public policy to cut back on these high rates of interest.

I hope that the Banking and Currency Committee will hold hearings and report a bill soon which will receive early approval by the Senate and the House. It is imperative that we act promptly to provide the tools that are needed to provide some relief to those who are carrying an unfair share of the burdens of a capital-short economy.

Mr. President, I ask unanimous consent that at the conclusion of my remarks, the bill, with section-by-section summary thereof, be printed in full in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and section-by-section summary will be printed in the RECORD.

The bill (S. 3529) to stimulate the flow of mortgage credit for residential construction, introduced by Mr. MANSFIELD (for Mr. SPARKMAN), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 3529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mortgage Credit Act of 1966".

SEC. 2. The first sentence of section 304(b) of the National Housing Act is amended by striking out "ten" and inserting in lieu thereof "fifteen".

SEC. 3. Section 305(g) of the National Housing Act is amended to read as follows:

"(g) with a view to further carrying out the purposes set forth in section 301(b), and notwithstanding any other provision of this Act, the Association is authorized to make commitments to purchase and to purchase, service, or sell any mortgages which are insured under title II of this Act or guaranteed under chapter 37 of title 38, United States Code, if the original principal obligation of any such mortgage does not exceed $15,000. The total amount of such purchases and commitments made after the date of enactment of the Mortgage Credit Act of 1966 shall not exceed $1,000,000,000 outstanding at any one time, and no such commitment shall be made unless the applicant therefor certifies that construction of the housing to be covered by the mortgage has not commenced. For the purposes of this subsection, $500,000,000 of the authority hereinabove provided shall be transferred from the amount of outstanding authority specified in subsection (c), and the amount of outstanding authority so specified shall be reduced by the amount so transferred."

SEC. 3. Notwithstanding section 19 of the Federal Reserve Act, section 18 of the Federal Deposit Insurance Act, or any other provision of law, no bank the deposits of which are insured by the Federal Deposit Insurance Corporation shall pay interest at a rate exceeding 4½ per centum per annum on any time deposit made or renewed at such bank during the one year period which begins on the day after the date of enactment of this Act, unless (1) the depositor is ineligible to hold savings deposits in member banks of the Federal Reserve System, or (2) the deposit is a deposit of public funds, or (3) the deposit is payable only upon the expiration of twelve months or longer after the date it was made.

SEC. 4. Section 24 of the Federal Reserve Act is amended—

(1) by striking out "when the entire amount of such obligation is sold to the association" in the second sentence and inserting in lieu thereof "in whole or in part and at any time or times prior to the maturity of such obligation";

(2) by striking out the third sentence and inserting in lieu thereof the following: "The amount of any such loan hereafter made

shall not exceed 50 per centum of the appraised value of the real estate offered as security and no such loan shall be made for a longer term than five years; except that (1) any such loan may be made in an amount not to exceed 66⅔ per centum of the appraised value of the real estate offered as security and for a term not longer than ten years, if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize 40 per centum or more of the principal of the loan within a period of not more than ten years, (2) any such loan may be made in an amount not to exceed 66⅔ per centum of the appraised value of the real estate offered as security and for a term not longer than twenty years, if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within a period of not more than twenty years; (3) any such loan may be made in an amount not to exceed 80 per centum of the appraised value of the real estate offered as security and for a term not longer than twenty-five years, if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within twenty-five years from its date: *Provided,* That any such loan made to finance the construction of one or more buildings on such real estate may be made for a term not longer than twenty-eight years, if such installment payments are sufficient to amortize the entire principal of the loan within twenty-eight years from its date, and such amortization commences within three years from the date of the loan; and (4) any such loan may be made on one- to four-family residential buildings and on farm and ranch property in an amount not to exceed 80 per centum of the appraised value of the real estate offered as security and for a term not longer than thirty years, if the loan is being made for resale to another lender and is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within thirty years from its date: *Provided,* That no association shall hold such loans in an aggregate sum in excess of 10 percent of the capital stock of such association paid in and unimpaired plus 10 percent of its unimpaired surplus fund. The foregoing limitations and restrictions shall not prevent the renewal or extenson of loans heretofore made and shall not apply to real estate loans which are insured under the provisions of title II, title VI, title VIII, section 8 of title I, or title IX of the National Housing Act, or which are insured by the Secretary of Agriculture pursuant to title I of the Bankhead-Jones Farm Tenant Act, or the Act entitled 'An Act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes', approved August 28, 1937, as amended, or title V of the Housing Act of 1949, as amended, and shall not apply to real estate loans which are fully guaranteed or insured by a State, or by a State authority for the payment of the obligations of which the faith and credit of the State is pledged, if under the terms of the guaranty or insurance agreement the association will be assured of repayment in accordance with the terms of the loan.";

(3) by striking out "when the entire amount of such obligation is sold to the association" in the second sentence of the second paragraph and inserting in lieu thereof "in whole or in part and at any time or times prior to the maturity of such obligation"; and

(4) by striking out the last paragraph and inserting in lieu thereof the following:

"Loans made to any borrower (i) where the association looks for repayment by relying primarily on the borrower's general credit standing and forecast of income, with or without other security, or (ii) where the association relies on other security as collateral for the loans (including but not limited to a guaranty of a third party), and where, in either case described in clause (i) or (ii) above, the association wishes to take a mortgage, deed of trust, or other instrument upon real estate (whether or not constituting a first lien) as a precaution against contingencies, such loans shall not be considered as real estate loans within the meaning of this section but shall be classed as ordinary non-real estate loans."

The section-by-section analysis presented by Mr. Mansfield (for Mr. Sparkman) is as follows:

Mortgage Credit Act of 1966

Section 1 would increase FNMA purchasing authority under its secondary market function by changing the borrowing ratio from 1 to 10 to 1 to 15. (The effect of this is to provide an additional $2 billion borrowing authority.)

Section 2 would reactivate FNMA's Special Assistance Program X with $1 billion new authority by shifting $500 million from existing authority and adding a new $500 million for use in purchasing FHA and VA mortgage loans of less than $15,000.

Section 3 would impose a temporary (1 year) 4½ percent ceiling on the rates of interest paid on time deposits with maturities less than 12 months made by depositors in banks whose deposits are insured by the FDIC unless the depositor is ineligible to hold savings deposits in member banks of the Federal Reserve System or the deposit is of public funds.

Section 4 would clarify existing law regarding the authority of National Banks to buy participations in existing real estate mortgage loans.

Section 5 would authorize National Banks to make a combined construction and permanent mortgage loan for a term not to exceed 28 years, the amortization to begin no later than three years after the date of the loan.

Section 6 would authorize National Banks to make 30 year mortgage loans on one- to four-family dwellings and farm properties up to 80 percent of value provided that the aggregate of such loans shall not exceed 10 percent of its unimpaired capital stock and surplus funds.

Section 7 would authorize the revision of the "abundance of caution" clause to permit National Banks to classify as a non real estate loan a loan for which the security will rely primarily on the borrower's credit rather than the value of the real estate taken as a precaution against contingencies.

FEDERAL MARITIME BOARD-ADMINISTRATION

Mr. BARTLETT. Mr. President, for myself and Senators Brewster, Bass, Prouty, and Scott, I introduce, for appropriate reference, a bill to amend title II of the Merchant Marine Act, 1936, to create the Federal Maritime Board-Administration, and for other purposes. It is hoped that a separate maritime board-administration will find the independence and leadership needed to assure a stronger and more competitive high seas merchant fleet for the future. Too often in the past new merchant marine policies have been thwarted by a heavy bureaucratic overhead. It is, in fact, amazing to me that the United States has been able to make tough and exacting decisions on questions involving Vietnam, tax policy, education, and other major national issues, but we have been stymied for several years when confronted with the direction to take for our American merchant marine. I am absolutely convinced that a careful study today would indicate that the Defense Department and American exporters are wasting millions of dollars annually through the continued employment of obsolete, 20-year-old, World War II-built ships that are shockingly inefficient compared to the larger, faster, modern vessels with up-to-date cargo-handling equipment. If the United States had a fleet of modern merchant vessels, our cost for ocean transportation, not only for Defense Department but also for commercial traffic, could be reduced substantially. This inability to make any policy decision has been comparable to the situation we would have had if the Defense Department and other Government agencies would have insisted upon employing propeller rather than jet-propelled aircraft. My hope is that this legislation will encourage positive and needed action.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3530) to amend title II of the Merchant Marine Act, 1936, to create the Federal Maritime Board-Administration, and for other purposes, introduced by Mr. Bartlett (for himself and other Senators) was received, read twice by its title, and referred to the Committee on Commerce.

Mr. BARTLETT subsequently said: Mr. President, earlier today I introduced Senate bill 3530, to create the Federal Maritime Board-Administration. I ask unanimous consent that the bill lie on the desk for a period of 10 days for additional cosponsors.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATION OF BIBLE TRANSLATION DAY

Mr. HARRIS. Mr. President, I introduce, for appropriate reference, a joint resolution to authorize the President to issue a proclamation designating the 30th day of September 1966, as Bible Translation Day.

The President of the United States, I am informed, has proclaimed this year of 1966 to be the Year of the Bible, and I am particularly interested in the extension of that thought, as embodied in this resolution, because of my admiration and respect for the Wycliffe Bible Translators, Inc., which operates a linguistics institute, among other places, at the University of Oklahoma.

We in Oklahoma are so impressed with the work which this outstanding organization is doing that we have recently been trying to make arrangements to secure the establishment of their international headquarters in our State.

The Wycliffe Bible Translators, Inc., is a nonsectarian organization, incorporated in the State of California. In its national and international operations, Wycliffe is affiliated with two sister corporations. The Summer Institute of Linguistics, also a California corporation, is the scientific and educational organization through which most of Wycliffe foreign activity is carried. The Jungle Aviation & Radio Service, Inc., a North Carolina corporation, supplies the transportation and communications services for remote areas in which they operate.

The ultimate goal of the Wycliffe Bible Translators and its affiliate organizations is to study the more than 2,000 unwritten languages of the world, to provide alphabets and written form, and to translate the Scriptures into these languages.

The corporations are linked together by agreement to a set of interlocking objectives, stated by them as follows:

> (1) Our spiritual and moral goal is to translate parts of the Bible without sectarian bias and thus to establish among the by-passed tribespeople of the world a basis of hope, courage and trust in God that will help them to face and survive the inevitable and frequently deadly impact of the modern world.
>
> (2) Our scientific goal is to produce and preserve for museums and history unwritten languages in written form—a dictionary, grammar, and taped or written sets of legends for each of the languages brought into the scope of our activity.
>
> (3) Our cultural goal—usually in official cooperation with local government agencies—is to produce and print basic literacy and educational materials, and to assist in introducing tribespeoples to elements of social and economic progress such as hygiene, community planning, agriculture, animal husbandry, and light industry. A program of bilingual education has proven an effective bridge to national and cultural integration.

The personnel of the boards of directors and the corporation membership of the Wycliffe Bible Translators and the Summer Institute of Linguistics, the educational and scientific affiliate, are identical. Wycliffe is currently pursuing its objective, generally under contract and by Government invitation, in 18 countries on 5 continents. Its 1,800 members are currently working in nearly 400 languages.

The Summer Institute of Linguistics, including its over 30 Ph. D.'s in linguistics and related subjects, has the responsibility for the scientific training of its linguists. SIL operates seven linguistic institutes around the world, the three in the United States being affiliated with the Universities of Oklahoma, Washington, and North Dakota, respectively. In addition, it is the vehicle for field work overseas. The Jungle Aviation & Radio Service, with its own international headquarters at Waxhaw, N.C., maintains the radio communications net for the fieldwork, screens airplane pilot-mechanics and operates a fleet of 30 airplanes.

The Wycliffe Bible Translators, with its highly skilled and trained scientists and educators—career personnel—is in a position to render unique and welcomed service around the world. Numerous sources have acknowledged the urgently needed and strategic nature of the work, as well as the spiritual impact of the group which has been described as "a Peace Corps with wings and a soul."

In 1965 President Macapagal of the Philippines wrote:

> My congratulations to the director and members of the Summer Institute of Linguistics in their praise worthy objective which is a true manifestation of a close feeling of kinship, love and esteem for the Filipinos, and for their help in spreading the light of knowledge and civilization to the remotest barrio of our archipelago.

In 1961 the President of Mexico, Lic. Adolfo Lopez Mateos wrote:

> The work of the Summer Institute of Linguistics in my country has achieved notable success and my government will continue to back such a transcendental task.

Former President of Ecuador, Dr. Jose Maria Velasco Ibarra, expressed the wish:

> I earnestly hope that you may have complete success in your civilizing labors. Yours is the way to bring about closer relationships between the United States and Latin America. Your efforts to get peoples to understand each other, drawing them together culturally, will develop indestructible ties on this continent.

The February 1964 issue of the National Geographic magazine in describing "The Five Worlds of Peru," noted that in the Amazonian "green world of jungle" the Summer Institute of Linguistics was a "major influence in helping prepare the Indians for the severe adjustment they face" as roads and planes threaten their isolation.

Mr. Gomes de Matos, professor of linguistics at the University of Recife, Brazil, and linguistics supervisor of AID's intensive Portuguese program, summarized in the Linguistic Reporter the scientific and cultural contribution of the Summer Institute of Linguistics in that land. At the University of Brasilia the SIL group helped set up a full-scale linguistics program having even a broader scope, leading to a Ph. D. degree. With national educators they have joined in the planning of intensive courses in applied linguistics for Brazilian professors who may be called upon to hold chairs in the 80-odd teachers colleges scattered all over the country.

Mr. President, I have made special reference to the Wycliffe Bible Translators because of my special and personal knowledge of their work and my friendship with their general director, Mr. W. Cameron Townsend. In further explanation of the joint resolution which I introduce today and to indicate the interest of other organizations, I ask unanimous consent that a copy of a letter addressed to President Lyndon B. Johnson, dated May 19, 1966, and signed by Mr. Townsend and Louis Hartman, C. SS. R., secretary, Catholic Biblical Association, be inserted in the Record at this point in my remarks.

Mr. President, I ask unanimous consent that the joint resolution I introduce today be printed at this point in the Record, and held at the desk for 10 days to give other Senators an opportunity to become cosponsors of it.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and without objection the joint resolution will be printed in the Record and held at the desk as requested by the Senator from Oklahoma, and the letter will be printed in the Record.

The joint resolution (S.J. Res. 169) to authorize the President to issue a proclamation designating the 30th day of September in 1966 as Bible Translation Day, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

S.J. Res. 169

Whereas the calendar year 1966 has been designated as the "Year of the Bible"; and

Whereas we are greatly indebted to the scholars who translated the Bible into the English language; and

Whereas there are over 2,000 languages spoken in out-of-the-way areas of the world into which the Bible has never yet been translated; and

Whereas there are hundreds of dedicated pioneers laboring at this difficult task who need our encouragement; and

Whereas several thousand more young people need to be inspired to offer themselves to help carry out the task of translating the Bible, and their friends in the homeland need to be inspired to provide the funds necessary for their support; and

Whereas the Bible translation task that remains to be done is far greater than that which has been accomplished during the past nineteen centuries; and

Whereas the condition of most of the 2,000 linguistic groups without a written Bible is one of poverty, ignorance and superstition, a condition that lends itself to the propagation of dangerous political philosophies; and

Whereas it has been found that this condition is alleviated where groups receive the Bible and learn to read it; and

Whereas this alleviation should be brought about as soon as possible; and

Whereas it has been demonstrated by a large group of linguistic specialists trained at the Universities of Oklahoma, North Dakota, Washington, Michigan, Indiana, California, Pennsylvania, Texas, and elsewhere that this task can be accomplished by the end of this century provided sufficient public interest is aroused in the problem; and

Whereas the first great translator of the whole Bible, Saint Jerome, died on the 30th of September: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the 30th day of September in 1966 as "Bible Translation Day" and inviting the governments of States and communities and the people of the United States to observe such day with appropriate ceremonies and activities.

The letter presented by Mr. Harris is as follows:

Wycliffe Bible Translators, Inc.,
Charlotte, N.C., May 19, 1966.

President Lyndon Baines Johnson,
White House,
Washington, D.C.

Dear Mr. President: We who believe that the Bible is the greatest spiritual treasure of mankind applaud the emphasis you gave to its worth when you proclaimed this year 1966 to be the "Year of the Bible." As we rejoice and celebrate the fact that we have the Book of books in our own mother tongue, would it not be fitting to call to the minds of our people the need of sharing it on a non-sectarian basis with the numerous minority groups of humanity in whose exotic tongues it does not yet exist?

The proclamation of a "Bible Translation Day" would do this. It would also constitute a great encouragement to the hundreds of young American linguists and their colleagues such as jungle pilots, radio technicians, doctors, nurses, literacy workers and printers who are presently engaged in this tremendous undertaking in out-of-the-way corners of many lands including our own.

We humbly submit to your consideration the enclosed draft of what might well be included in such a proclamation. You will note that we suggest the date September 30th inasmuch as it is the date on which the first great translator of the Bible, Saint Jerome, died.

In case this suggestion should meet with your approval, we would like to present to you on the date that you might designate as "Bible Translation Day" one or more extraordinary significant and recent translations of the Scirptures such as the Apache New Testament just off the press.

Desirous of sharing the Word with long neglected groups of our fellow-men, we beg to remain,

Yours respectfully,

W. CAMERON TOWNSEND,
General Director of the Wycliffe Bible Translators, and The Summer Institute of Linguistics.

LOUIS HARTMAN, C. SS. R.,
Secretary, Catholic Biblical Association.

ECONOMIC OPPORTUNITY CORPORATION

AMENDMENT NO. 610

Mr. JAVITS. Mr. President, on behalf of myself, the Senator from California [Mr. KUCHEL], the Senator from Vermont [Mr. PROUTY], the Senator from California [Mr. MURPHY], the Senator from Michigan [Mr. GRIFFIN], I send to the desk an amendment to the antipoverty bill, S. 3164, and ask that it be appropriately referred, to organize an Economic Opportunity Corporation, capitalized at $1 billion, entitled to issue stock to the extent of $600 million to the public and $400 million to the Federal Government, with certain restrictions as to the size of individual stockholdings. The Corporation would permit individuals, organizations, and private businesses to invest in the elimination of poverty in the United States. The Corporation would be empowered to undertake a wide variety of tasks within the antipoverty program, for example, manpower training, slum clearance, housing and loans to small business.

One outstanding feature of this proposal is that the Corporation would be ancillary to the present program. It will not replace anything, but if it works, as I anticipate it will, it can gradually add to, improve and take over suitable aspects of the antipoverty program—all without appreciable cost to the United States.

The legislation I am introducing today would:

First. Authorize the Economic Opportunity Corporation to issue stock in a total amount not to exceed $1 billion. Government would be allowed to purchase 40 percent of the stock, with the remaining 60 percent open to public purchase. No stockholder, however, can hold more than 10 percent of the public stock, and 5 percent of such stock can be used by the directors as incentive awards to individuals who have participated successfully in Corporation programs.

Second. Establish a nine-man board of directors to run the Corporation—four would be appointed by the President and confirmed by the Senate, and five elected by the stockholders. At least one of the President's appointees would have to be from among the poor.

Third. Empower the Corporation to carry out any program which its directors and stockholders believe would reduce poverty in the United States and would be appropriate for such a Corporation. The proposed legislation leaves the organizational framework as flexible as possible to permit adaptation to local needs and to encourage maximum participation of the poor.

We have seen in Comsat that the people will invest in mixed Government-business corporations. I know of none that is more appealing, from a humanitarian point of view, than poverty; and this is an effort to bring the public, through investment, into the antipoverty program. It also will introduce businesslike management techniques, which the program can certainly use very advantageously. It will provide a new source of antipoverty funds—not just the Federal Government. It would bring the poor into the economic mainstream of our country, because it would involve them in a business venture. Such a corporation could take over, for example, manpower training, slum clearance, and low-income housing, such as, for example, the housing projects undertaken by leading corporations, like the U.S. Gypsum Corp. in New York. It could provide small business investment and loans, technical assistance, and other features.

Such a corporation might not make a great deal of money, Mr. President, but it could be viable, and it would be an outlet for citizens who are small or large investors, who feel that they would like to have a direct, businesslike share in the war against poverty.

For many years it has been my firm conviction that U.S. private enterprise can be an enormously valuable ally in the achievement of national goals, and I have sought in a variety of ways to provide in Federal legislation for incentives to business, including management and labor, to achieve valuable goals in the public interest. There is clearly, in my judgment, a great need for such incentives in the war on poverty, in which the enormous capability of U.S. private enterprise has not yet been adequately engaged.

This is a serious failing of the existing programs, which I have supported from their inception and which I continue to support, but which I believe can be very materially improved in many respects. A number of major aspects of the program as it now exists would be improved by adding a mechanism for broad-scale participation by the private sector.

One is the need for businesslike management techniques: the confusion, overlapping of functions, and waste which are plaguing so many of the existing programs could undoubtedly be reduced if business management, which handles enormously complex enterprises with efficiency, could be utilized. Our defense establishment has long recognized this valuable private capability, but our human resource agencies have not done so to any comparable extent.

Another benefit from establishing a public-private corporation is providing a new source of antipoverty funds particularly now when public funds are under extremely heavy budgetary pressure because of the war in Vietnam. Why should there not be an opportunity for private industry, the great welfare and pension funds of labor and business, the individual American investor himself, to participate in the national effort against poverty, just as they have been given an opportunity, through the stock of the Communications Satellite Corp. and several other public-private, federally chartered corporations, to participate in other national programs?

Finally, and perhaps most important, a crucial element in our national antipoverty effort is bringing the poor into the economic mainstream, in other words, making sure they have jobs. A number of approaches to this are being tried under existing programs, particularly the Jobs Corps, Neighborhood Youth Corps, and work experience programs under the Economic Opportunity Act, and the work study, manpower development and training, and various vocational education programs. I believe these are worthwhile approaches which should be perfected, expanded, and linked together—along with public and private placement efforts and with public and private job development efforts. But I feel deeply that, even then, there will remain a huge unfilled gap. In an era of rapidly accelerating automation where are the long-term jobs for the trainees to fill? There are only two possible answers: either in government or in the private sector. A number of reputable groups, including the high level National Commission on Technology, Automation, and Economic Progress established by Congress, have recommended expanded public employment, as an "employer of last resort."

My own belief is that this is not the answer to our long-range job development problems. Instead the U.S. private enterprise system, which has expanded thus far to bring unprecedented economic growth and development to our Nation, must be stimulated—and I believe can be stimulated—to meet the future needs. We can stimulate industry to do this job if we involve them fully in the antipoverty programs with which we are experimenting. This we have not yet begun to do in any significant way. Only the Job Corps and the on-the-job training program under the Manpower Development and Training Act specifically involve contracts with private business. So far the latter program has found a small but growing receptivity among private companies; the former program is not big enough to satisfy the number of industrial applicants. But neither program really stimulates in a massive way, and neither can ensure that the needs of business expansion and development are effectively met.

The proposed Economic Opportunity Corporation would, like Comsat, be initiated by incorporators appointed by the President and confirmed by the Senate. They would be authorized to issue capital stock in a total amount not exceeding $1 billion, of which 40 percent may be purchased by the U.S. Government and 60 percent by the public. After the initial stock offering, a board of nine directors would be established consisting of four appointees of the President confirmed by the Senate, and five elected by the stockholders annually. At least one of the President's appointees would be from among the poor. Stockholders other than the Government would be limited to no more than 10 percent of the stock. Five percent of the stock could be used by the directors for making incentive awards to individuals for participating successfully in programs carried out by or for the corporation.

The Corporation would be specifically empowered to carry out any programs that the directors feel are appropriately and effectively designed to reduce poverty in the United States. This could include programs such as the Job Corps and the Manpower Development and Training Act on-the-job training programs. But it could also be beyond these, to develop whatever new programs it determined to be desirable.

Several particular areas in which business and industry clearly have great interest and great potential are specified in the bill: manpower training, for example, especially in the technical and subprofessional occupations. It is possible that an entire industry—or the industries in one area—might contract with the Corporation or a subsidiary of the Corporation to pool all their manpower training for certain job classifications, and this kind of pooling would save money for all the participating companies. The National Association of Manufacturers has initiated a series of programs which seek to achieve similar efficiencies and industrial involvement.

A second field of clear business interest is redevelopment projects involving the poor. The Mitchell-Lama middle-income housing program in New York State has proved that there is a great demand for privately financed, limited profit housing. A number of companies—notably U.S. Gypsum Co. in New York City—have initiated similar projects for low-income housing. The Economic Opportunity Corporation could involve companies with experience and expertise in housing and urban redevelopment in cooperative projects to eradicate slums and degenerating central cities. The sit-in of Mississippi Negroes in Lafayette Park across from the White House recently dramatized the failings of the poverty program in the area of rural housing.

A third major area of business involvement could be providing investment, loans and technical assistance to small business owned by the poor. A start in this direction is being made under title IV of the Economic Opportunity Act, administered by the Small Business Administration. But it is basically a Government-operated program, which can draw upon business expertise only tangentially and which is totally dependent upon Federal budgetary considerations. It is hopelessly oversubscribed in cities like New York.

These and other programs may be carried out by the Corporation on any geographic or organizational basis it chooses: it could establish subsidiaries of its own on regional, State, municipal, or local lines or it could contract with profitmaking or nonprofit entities to achieve particular purposes or to manage particular projects. The Corporation might wish to contract with existing components of the antipoverty program. The bill deliberately leaves the organizational framework, below the level of the Corporation itself, as flexible as possible in order to permit adaptation to the specifics of local needs and to encourage maximum participation of the poor themselves.

The bill clearly contemplates development corporations, for example, in the Watts area of Los Angeles, in Harlem and Bedford-Stuyvesant in New York City, and in similar disadvantaged areas in other cities.

The Corporation's programs may or may not be profitmaking in any particular instance. I believe there is a significant enough desire in the business community and among the American people at large that the antipoverty program should be made to work, that substantial investment can be expected even without any guarantee of large profits. The great interest industry has shown in obtaining Job Corps contracts is proof that, with all the difficulties encountered in running a program under Government standards and restrictions, companies are still willing to invest in manpower training and basic literacy education for a much lower profit than their investment could bring elsewhere.

Some of this is motivated by enlightened self-interest in general community development, some by public relations reasons, some by long-range market interest in equipment and services to be developed, and some simply by the need for the trained manpower. Whatever the motivations, the interest is there and can be harnessed in the national interest in a meaningful antipoverty program. In my view it would be a great mistake not to give this concept a chance, by adding the Economic Opportunity Corporation to the Nation's arsenal in the war on poverty.

As far as I can see, Mr. President, this is the first idea that has come along which tries to do something about this effort in a businesslike way, and to get the public involved directly as partners in a highly humanitarian effort which calls for cooperation from the heart.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 610) was referred to the Committee on Labor and Public Welfare.

THE NATION'S WAR ON POVERTY—AMENDMENTS

AMENDMENT NO. 611

Mr. FANNIN submitted amendments, intended to be proposed by him, to the bill (S. 3164) to provide for continued progress in the Nation's war on poverty, which were referred to the Committee on Labor and Public Welfare and ordered to be printed.

AMENDMENT NO. 612

Mr. KENNEDY of Massachusetts. Mr. President, I send to the desk and ask to be printed an amendment intended to be proposed to the Economic Opportunity Act Amendments of 1966, to give greater attention to the problems of the elderly poor in the war on poverty.

I realize that the war on poverty has many detractors. I am not one of them, nor are the people I speak for today. The Office of Economic Opportunity has performed well in the face of problems and complexities that would have stymied lesser men and organizations.

But there has been a great deal of concern among our elderly population that the war on poverty is not being waged for them. The underpinnings of the entire concept of our poverty program was, and is today, the breaking of poverty's cycle at its most vulnerable point—out Nation's poor youth. This is OEO's major direction, and it should continue to be its major emphasis. Yet we cannot forget that there are 5.4 million aged poor—that represents one-sixth of the total poor in this country. More important, however, is the fact that one-third of all poor families are headed by persons 55 years of age or older. We must do more in this older category if we are to be successful with our young. I am told by those who are vitally interested in the plight of this age group that they have not received due consideration in the OEO program.

The representatives of older Americans have long sought an inclusion in this war's strategy at a meaningful level. The Senate Special Committee on Aging has made as its first recommendation in its just-published report, that there be an Assistant Director of OEO for the elderly. Chairman SMATHERS of that committee successfully amended the poverty bill last year with a section declaring the intent of Congress that the elderly poor have a greater place in the poverty program. Still, not enough is being done, and I believe this problem will not be handled until there is a high-level official and an all-encompassing program for the aged in OEO.

My amendment would create such an official. It would also briefly describe his mandate to develop elderly programs in the area of employment opportunities, public service opportunities, and educational activities. This mandate is in keeping with President Johnson's recently stated bill of rights for the elderly where he said if the elderly want to work, they should have that right, if they want schooling they should have that right, if they want to volunteer their services to the community, they should have that right.

Director Shriver and I have discussed this matter in the past. I take it to be his view that a proliferation of Assistant Directors in OEO, such as for Indians, the rural poor, and so on would not be a healthy development. I agree with that, but the elderly can be differentiated. OEO is a youth oriented agency. The establishment of an Assistant Director for the elderly would provide a badly needed balance, so that there would be greater emphasis on programs for the older Indian, the older rural poor, the older urban poor and so forth. The point is, I am talking about the entire elderly population regardless of category, as the Director of OEO spoke in Senate hearings this morning with emphasis on the younger American.

In essence, Mr. President, we all know that the next 5 years will prove that the most imaginative new social programs for the poor and for the Nation as a whole will be the result of OEO's stimulation and energy. I want to be assured that the elderly and their problems will also be exposed to this experimentation and new thought.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 612) was referred to the Committee on Labor and Public Welfare.

FEDERAL SALARY AND FRINGE BENEFITS ACT OF 1966—AMENDMENT

AMENDMENT NO. 613

Mr. ERVIN (for Mr. SPARKMAN) submitted an amendment, intended to be proposed by Mr. SPARKMAN, to the bill (H.R. 14122) to adjust the rates of basic compensation of certain employees of the Federal Government, and for other purposes, which was ordered to lie on the table and to be printed.

PROPOSED AGREEMENTS FOR COOPERATION WITH UNITED KINGDOM

Mr. GORE. Mr. President, as chairman of the Joint Atomic Energy Committee's Subcommittee on Agreements for Cooperation, I wish to inform the Senate that pursuant to section 123c of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission has submitted to the Joint Committee the following: A proposed new agreement for cooperation in the civil power applications of atomic energy with the Government of the United Kingdom, and an amendment to the existing agreement for cooperation with the United Kingdom on the civil uses of atomic energy. Both the proposed new agreement and the amendment were received by the Joint Committee on June 2, 1966.

Section 123c of the Atomic Energy Act requires that these proposed agreements lie before the Joint Committee for a period of 30 days while Congress is in session before becoming effective.

The proposed amendment to the existing civil agreement, which will expire on July 21, 1966, would extend the basic agreement for a period of 10 years. The principal objective of the amendment is to permit the transfer by the United States of an additional 2,000 kilograms of U^{235} for fueling reactors in the United Kingdom's civil research and development program.

The proposed new civil power agreement would have a term of 10 years, and provides for the transfer by the United States of up to 8,000 kilograms of U^{235} during that period for use in the United Kingdom's civilian nuclear power program. The agreement further provides that the International Atomic Energy Agency will be requested to assume responsibility for applying safeguards to the materials transferred under the agreement.

It is the general practice of the Joint Committee to publish proposed civilian agreements for cooperation in the RECORD and to hold public hearings thereon. In keeping with this practice, I ask unanimous consent to have printed in the RECORD the text of these agreements together with supporting correspondence.

There being no objection, the agreements and correspondence were ordered to be printed in the RECORD, as follows:

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., June 2, 1966.

Hon. CHET HOLIFIELD,
Chairman,
Joint Committee on Atomic Energy,
Congress of the United States.

DEAR MR. HOLIFIELD: Pursuant to Section 123c of the Atomic Energy Act of 1954, as amended, there are submitted with this letter:

a. an executed "Amendment to the Agreement for Cooperation on the Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland";

b. an executed "Agreement for Cooperation in the Civil Power Applications of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland";

c. a copy of the letter from the Commission to the President recommending approval of the Amendment and the Agreement; and

d. a copy of the letter from the President to the Commission containing his determination that performance of the Amendment and the Agreement will promote and will not constitute an unreasonable risk to the common defense and security, and approving the Amendment and the Agreement and authorizing the execution of each.

The proposed Amendment which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would extend for a period of ten years the existing Agreement between the United States and the United Kingdom which was signed on June 15, 1955. The principal objective of the Amendment is to provide for the transfer of an additional 2,000 kilograms of U-235 from the United States for fueling reactors in the United Kingdom's civil research and development program.

Materials, equipment and devices transferred pursuant to the extended Agreement will continue to be subject to the guarantees in Article IX of the original Agreement that no such material, equipment, or devices will be utilized for military purposes.

The proposed new Agreement for Civil Power Applications which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would provide for the supply of up to 8,000 kilograms of U-235 for use in the United Kingdom's civil nuclear power program during the ten year term of the Agreement. The United Kingdom estimates that it will need this material to help meet its requirements for fueling its 8,000 megawatt nuclear power program which is planned for startup in the 1970–75 period.

In addition to providing for the sale of this material, Article IV of the proposed Agreement provides that prices for the enriched uranium and for services performed, as well as the advance notice required for delivery, will be those in effect at the time of delivery for users in the United States. The same Article would permit the transfer to the United Kingdom of material enriched to more than 20% in the isotope U-235 when there is a technical or economic requirement for such a transfer. Article IV would also provide for "toll" enrichment of United Kingdom uranium in United States' facilities after December 31, 1968. Article VI reflects the recent changes in the Atomic Energy Act of 1954 permitting private ownership of special nuclear material by enabling private parties in the United States and the United Kingdom to be parties to arrangements for the transfer of special nuclear material. Previously, such transfers were confined to Governments. In light of the possibility of toll enrichment, Article V provides for the calculation of the quantity of material transferred on the basis of the net adjusted formula.

The new Agreement contains our usual statutory guarantees that no material, equipment or devices transferred pursuant to the Agreement will be used for military purposes. It also provides that the International Atomic Energy Agency will be requested to assume responsibility for applying safeguards to the materials transferred under the Agreement. Either party may terminate the Agreement in the event that the parties do not reach agreement on the application of IAEA safeguards.

The Amendment and the new Agreement will enter into force on the day on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force.

Cordially,

(Signed) GLENN T. SEABORG,
Chairman.

Enclosures:

1. Amendment to the Agreement for Cooperation on the Civil Uses of Atomic Energy with the Government of the United Kingdom (3).
2. Agreement for Cooperation in the Civil Power Applications of Atomic Energy with the Government of the United Kingdom (3).
3. Letter from the Commission to the President (3).
4. Letter from the President to the Commission (3).

AMENDMENT TO AGREEMENT FOR COOPERATION ON THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

The Government of the United States of America (including the United States Atomic Energy Commission) and the Government of the United Kingdom of Great Britain and Northern Ireland, on its own behalf and on behalf of the United Kingdom Atomic Energy Authority;

Desiring to amend further and to extend the term of the Agreement for Cooperation on the Civil Uses of Atomic Energy (hereinafter referred to as the "Agreement for Cooperation") signed between them at

Washington on June 15, 1955, as amended by the Notes signed October 20, 1955, and November 3, 1955, as amended by the Agreement signed at Washington on June 13, 1956, as modified by the Agreement signed at Washington on July 3, 1958, as amended by the Agreement signed at Washington on June 5, 1963, as amended by the Agreement signed at Washington on June 29, 1964, and as amended by the Agreement signed at Washington on July 15, 1965;

Have agreed as follows:

ARTICLE I

Article IV, Paragraph (d), of the Agreement for Cooperation, as amended, is modified by changing "400", which appears before the word "kilograms" in the first sentence thereof, to read "2400".

ARTICLE II

Article XI of the Agreement for Cooperation, as amended, is modified by changing the word "eleven", which appears before the word "years" at the end thereof, to read "twenty-one".

ARTICLE III

This Amendment, which shall be regarded as an integral part of the Agreement for Cooperation, shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this Amendment and shall remain in force for the period of the Agreement for Cooperation, as hereby amended.

In witness whereof, the undersigned, duly authorized, have signed this Amendment.

Done at Washington this second day of June 1966, in two original textsts.

For the Government of the United States of America:

——— ———.

GLENN T. SEABORG.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

PATRICK DEAN.

AGREEMENT FOR COOPERATION IN THE CIVIL POWER APPLICATIONS OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

The Government of the United States of America including the United States Atomic Energy Commission (hereinafter referred to as the United States) and the Government of the United Kingdom of Great Britain and Northern Ireland, on its own behalf and on behalf of the United Kingdom Atomic Energy Authority (hereinafter referred to as the United Kingdom);

Desiring to engage in cooperation in furthering the use of atomic energy in civil power applications;

Have agreed as follows:

ARTICLE I. SCOPE OF AGREEMENT

A. Subject to the availability of personnel and material, and the applicable laws, directives, regulations and license requirements in force in their respective countries, the Parties shall assist each other, as hereinafter described, in furthering the use of atomic energy in civil power applications, including merchant marine propulsion. It is the intent of the Parties that such assistance shall be rendered on a reciprocal basis.

B. Restricted Data shall not be communicated under this Agreement, and no material shall be transferred and no service shall be furnished under this Agreement if the transfer of such material or the furnishing of such service involves the communication of Restricted Data.

C. This Agreement shall not require the exchange of any information which the Parties are not permitted to communicate because the information is privately owned or has been received from another Government.

ARTICLE II. EXCHANGE OF INFORMATION

The Parties shall exchange general information in the development of atomic energy in civil power applications. Detailed information and applied information in this field shall be exchanged to such an extent and under such terms and conditions as may be agreed.

ARTICLE III. RESPONSIBILITY OF RECEIVING PARTY

The application or use of any information (including design drawings and specifications) or material exchanged or transferred under this Agreement shall be the responsibility of the Party receiving it, and the other Party does not warrant the accuracy or completeness of such information and does not warrant the suitability of such information or material for any particular use or application.

ARTICLE IV. MATERIALS FOR CIVIL POWER APPLICATIONS

A. The Commission is prepared to sell to the United Kingdom, on terms and conditions to be agreed, such quantities as may be agreed of uranium enriched in the isotope U-235 for fueling reactors in the United Kingdom civil nuclear power programs (including programs for merchant marine propulsion).

B. The Commission is also prepared to enter into contracts for the producing or enriching, or both, after December 31, 1968, in facilities owned by the Commission, of special nuclear material for the account of the United Kingdom, for the uses specified in paragraph A of this Article to such extent and subject to such terms and conditions as may be established by the Commission.

C. With regard to the transactions provided for in this Article it is understood that:

(1) contracts specifying quantities, enrichments, delivery schedules and other terms and conditions of supply or service will be executed on a timely basis between the Commission and the Authority;

(2) prices for enriched uranium sold or for services performed, and the advance notice required for delivery, will be those in effect at the time of delivery for users in the United States. The Commission may agree to supply enriched uranium or perform enrichment services upon shorter notice, subject to assessment of such surcharge to the usual base price as the Commission may consider reasonable to cover abnormal production costs incurred by the Commission by reason of such shorter notice.

D. The enriched uranium supplied hereunder may contain up to twenty percent (20%) in the isotope U-235. The Commission, however, may make available a portion of the enriched uranium supplied hereunder as material containing more than 20% in the isotope U-235 when there is a technical or economic justification for such a transfer.

E. It is agreed that, should the total quantity of enriched uranium which the Commission has agreed to provide pursuant to this and other Agreements for Cooperation reach the maximum quantity of enriched uranium which the Commission has available for such purposes, and should the United Kingdom not have executed contracts covering the adjusted net quantity specified in Article V, the Commission may request, upon reasonable notice, that the United Kingdom execute contracts for all or any part of such enriched uranium as is not then under contract. It is understood that, should the United Kingdom not execute contracts in accordance with a request by the Commission hereunder, the Commission shall be relieved of all obligations to the United Kingdom with respect to the enriched uranium for which contracts have been so requested.

ARTICLE V. QUANTITY OF MATERIAL AVAILABLE FOR TRANSFER

The adjusted net quantity of U-235 in enriched uranium transferred from the United States to the United Kingdom under Article IV and Article VI during the period of this Agreement for Cooperation shall not exceed 8,000 kilograms in the aggregate. The following method of computation shall be used in calculating transfers, within the said ceiling quantity of 8,000 kilograms of U-235, made under said Articles:

From:

(1) The quantity of U-235 contained in enriched uranium transferred under said Articles, minus

(2) The quantity of U-235 contained in an equal quantity of uranium of normal isotopic assay,

Subtract:

(3) The aggregate of the quantities of U-235 contained in recoverable uranium of United States origin either transferred to the United States or to any other nation or group of nations with the approval of the United States pursuant to this Agreement, minus

(4) The quantity of U-235 contained in an equal quantity of uranium of normal isotopic assay.

ARTICLE VI. COOPERATION BETWEEN PERSONS UNDER THE JURISDICTION OF THE PARTIES

With respect to the subject matter of this Agreement, it is understood that arrangements may be made between either Party or authorized persons under its jurisdiction and authorized persons under the jurisdiction of the other for the transfer of materials, including special nuclear material, and for the performance of services. Such arrangements shall be subject to the limitations in Articles I and V and to the policies of the Parties with regard to transactions involving the authorized persons referred to in the preceding sentence.

ARTICLE VII. APPLICATION OF SAFEGUARDS

A. The United States and the United Kingdom, recognizing the desirability of making use of the facilities and services of the International Atomic Energy Agency, agree that the Agency will be requested to assume responsibility for applying safeguards to materials transferred under this Agreement.

B. In the event the Parties do not reach a mutually satisfactory agreement on the terms of the trilateral arrangement envisaged in paragraph A of this Article, either Party may, by notification, terminate this Agreement. In the event of termination by either Party, the United Kingdom shall, at the request of the United States, return to the United States all special nuclear material received pursuant to this Agreement and still in its possession or in the possession of persons under its juridiction. The United States will compensate the United Kingdom for its interest in such material so returned at the Commission's schedule of prices then in effect domestically.

ARTICLE VIII. GUARANTEES

The Parties guarantee that:

A. No material transferred pursuant to this Agreement shall be used for atomic weapons or for research on or development of atomic weapons or for any other military purpose.

B. No material transferred pursuant to this Agreement shall be transferred to any unauthorized person or beyond the jurisdiction of the Party receiving it without the written consent of the Party to this Agreement from which or by permission of which it was received. Such consent will not be given on behalf of the United States unless the transfer in respect of which it is requested is within the scope of an agreement for cooperation made in accordance with Section 123 of the United States Atomic Energy Act of 1954, as amended.

C. No special nuclear material produced through the use of any material transferred pursuant to this Agreement shall be used for atomic weapons or for research on or development of atomic weapons or for any other military purpose, or shall be transferred beyond the jurisdiction of the Party in whose jurisdiction it is produced without the written consent of the other Party.

D. Their respective undertakings set forth in Article VII with regard to safeguards shall be maintained.

ARTICLE IX. DEFINITIONS

For the purpose of this Agreement:

"The Authority" means the United Kingdom Atomic Energy Authority.

"The Commission" means the United States Atomic Energy Commission.

"Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation other than the Commission and the Authority.

"Restricted Data" means all data concerning: (1) design manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of Restricted Data by the appropriate authority.

"Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission and the Authority determine to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

ARTICLE X. ENTRY INTO FORCE

This Agreement shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of the Agreement and shall remain in force for a period of ten years.

In witness whereof, the undersigned, duly authorized, have signed this Agreement.

Done at Washington this second day of June, 1966, in two original texts.

For the Government of the United States of America:

——— ———.
GLENN T. SEABORG.

For the Government of the United Kingdom of Great Britain and Northern Ireland:
PATRICK DEAN.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., May 27, 1966.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve (1) the enclosed "Amendment to the Agreement for Cooperation on the Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland" and (2) the enclosed "Agreement for Cooperation in the Civil Power Applications of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland;" determine, with respect to each of them, that its performance will promote and will not constitute an unreasonable risk to the common defense and security; and authorize the execution of each. The Department of State supports the Commission's recommendation.

The proposed Amendment which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would extend for a period of ten years the existing Agreement between the United States and the United Kingdom which was signed on June 15, 1955. The principal objective of the Amendment is to provide for the transfer of an additional 2,000 kilograms of U–235 from the United States for fueling reactors in the United Kingdom's civil research and development program. It is expected that the United Kingdom will desire 93% enrichment for much of its uranium requirements under this Amendment.

Materials, equipment and devices transferred pursuant to the extended Agreement will continue to be subject to the guarantees in Article IX of the original Agreement that no such material, equipment, or device will be utilized for military purposes.

The proposed new Agreement for Civil Power Applications which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would provide for the supply of up to 8,000 kilograms of U–235 for use in the United Kingdom's civil nuclear power program during the ten year term of the Agreement. The United Kingdom estimates that it will need this material to help meet its requirements for fueling its 8,000 megawatt nuclear power program which is planned for startup in the 1970–1975 period.

Article I of the proposed Agreement provides that Restricted Data shall not be communicated under the Agreement. Article IV contains a provision to assure comparability of domestic and foreign prices for United States enriched uranium and enrichment services. The same Article would permit the transfer to the United Kingdom of material enriched to more than 20% in the isotope U–235 when there is a technical or economic requirement for such a transfer. Article IV also contains the usual provision for "toll" enrichment of United Kingdom uranium in United States' facilities after December 31, 1968. Article VI reflects the recent changes in the Atomic Energy Act of 1954 permitting private ownership of special nuclear material by enabling private parties in the United States and the United Kingdom to be parties to arrangements for the transfer of special nuclear material. Previously, such transfers were confined to Governments.

The new Agreement contains our usual statutory guarantees that no material, equipment or device transferred pursuant to the Agreement will be used for military purposes. It also provides that the International Atomic Energy Agency will be requested to assume responsibility for applying safeguards to the materials transferred under the Agreement. Either party may terminate the Agreement in the event that the parties do not reach agreement on the application of IAEA safeguards.

Following your determination, approval, and authorization, the proposed Amendment and new Agreement will be formally executed by appropriate authorities of the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the Amendment and the new Agreement, together with your approval and determination, will then be submitted to the Joint Committee on Atomic Energy.

Respectfully yours,
/S/ ——— ———,
Chairman.

Enclosures:

1. Proposed Amendment to the Agreement for Cooperation on the Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland.

2. Proposed Agreement for Cooperation in the Civil Power Applications of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland.

THE WHITE HOUSE,
Washington, June 2, 1966.

Hon. GLENN T. SEABORG,
U.S. Atomic Energy Commission,
Washington.

DEAR DR. SEABORG: In accordance with Section 123a of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission has submitted to me by letter dated May 27, 1966, a proposed "Amendment to the Agreement for Cooperation on the Civil Uses of Atomic Energy Between the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland," and a proposed "Agreement for Cooperation in the Civil Power Applications of Atomic Energy Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland," and has recommended that I approve the proposed Amendment and the proposed new Agreement, determine, with respect to each of them, that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize the execution of each.

Pursuant to the provisions of Section 123b of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Approve the proposed Amendment and the proposed new Agreement and determine that their performance will not constitute an unreasonable risk to the common defense and security of the United States of America;

(b) Authorize the execution of the proposed Amendment and the proposed new Agreement on behalf of the Government of the United States of America by appropriate authorities of the Department of State and the Atomic Energy Commission.

Sincerely,
LYNDON B. JOHNSON.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTION

Mr. JAVITS. Mr. President, at its next printing, I ask unanimous consent that the name of the Senator from Maryland [Mr. TYDINGS] be added as a cosponsor of the bill (S. 3304) to provide a deduction for income tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer or spouse who is disabled.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I also ask unanimous consent that my name be added as a cosponsor to Senator WILLIAMS' bill, S. 3491, relating to urban open space land acquisition and development.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at its next printing the name of the Senator from Rhode Island [Mr. PELL] be added as a cosponsor of Senate Concurrent Resolution 95, to establish a Joint Committee on National Service and the Draft.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF PUBLIC HEARINGS ON NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearings have been scheduled for Wednesday, June 29, 1966, beginning at 11 a.m., in room 2300, New Senate Office Building, on the following nominations:

Virgil Pittman, of Alabama, to be U.S. district judge, middle and southern districts of Alabama, to fill a new position created by Public Law 89-372, approved March 18, 1966.

Raymond J. Pettine, of Rhode Island, to be U.S. district judge, district of Rhode Island, to fill a new position created by Public Law 89-372, approved March 18, 1966.

Walter R. Mansfield, of New York, to be U.S. district judge, southern district of New York, vice John M. Cashin, retired.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], Chairman; the Senator from Arkansas [Mr. McCLELLAN], and the Senator from Nebraska [Mr. HRUSKA].

NOTICE OF PUBLIC HEARINGS ON NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearings have been scheduled for Tuesday, June 28, 1966, beginning at 10:30 a.m., in room 2300, New Senate Office Building, on the following nominations:

John W. Peck, of Ohio, to be U.S. circuit judge, sixth circuit, to fill a new position created by Public Law 89-372, approved March 18, 1966.

A. Andrew Hauk, of California, to be U.S. district judge, southern district of California, vice William M. Byrne, retiring.

William P. Gray, of California, to be U.S. district judge, southern district of California, vice Harry C. Westover, retired.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas [Mr. McCLELLAN], the Senator from Nebraska [Mr. HRUSKA] and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BURDICK:

Statement by him concerning the 22d anniversary of the independence of Iceland.

THE 40TH ANNIVERSARY OF THE INDEPENDENT GROCERS' ALLIANCE

Mr. MANSFIELD. Mr. President our former colleague, Senator Wiley, of Wisconsin, has called to my attention, on the occasion of its 40th anniversary, the accomplishments of the Independent Grocers' Alliance.

This organization has helped independent grocers in 46 States to increase their sales and modernize their stores. IGA has become the world's largest voluntary foodstore chain. It has given its members the same tools as those of their larger corporate competitors, and there are several markets where IGA independent grocers are the sales volume leaders.

One of the features of the IGA system is that when an independent grocer joins, he remains independent. He still owns his own business while following IGA methods of advertising and merchandising.

From an operation of 55 stores 40 years ago to 4,198 at present, IGA is significant proof of the adaptability of the free enterprise system and that the system still flourishes in America. Here are some unusual facts in documentation thereof:

> Seventy-two IGA supply depots now serve 4,198 IGA retailers. Half of the supply depots joined IGA since 1950, and two-thirds (48) have warehouses which were built new, or enlarged substantially, in the past ten years.
>
> IGA Wholesale Supply Centers physically represent about 150 million cubic feet of warehouse space, or 189.5 acres under roof, including nearly 16 million cubic feet of refrigerated space, or about 12% of total square foot area. The 72 warehouses have total docking facilities for 442 rail cars and 850 trucks. Warehouses use a total of 1,489 delivery trucks and semis. Nearly 7,000 people work in IGA warehouses, 2,916 in the office, and 3,927 in the warehouse or on delivery.
>
> Thirty of the 72 supply depots have installed a magnetic type computer, 27 use a punched card data system, and 15 are on a manual record system.
>
> The total retail volume in 1965 of all stores served by IGA supply depots was $3,511,773,000.

On July 25, 26, and 27, 4,300 members of IGA will gather at McCormick Place in Chicago to celebrate their 40th anniversary. In recognition of the work of this organization on behalf of the small, independent businessman, I take this occasion to send congratulations to its president, Mr. Don R. Grimes, as well as to each of the 4,198 IGA grocers whose businesses are spread throughout 46 States.

CONTINUATION OF FEDERAL AIRPORT PROGRAM

Mr. RANDOLPH. Mr. President, it is gratifying that the Senate has acted with what I consider to be foresight and wisdom in approving S. 3096, a bill to amend the Federal Airport Act. The measure, brought to the floor by the able and energetic chairman of the Senate Subcommittee on Aviation, Senator MONRONEY, would continue this valuable program for 3 additional years, through fiscal 1970, at the present authorization level of $75 million per year.

I was necessarily absent yesterday when the Senate unanimously agreed, without a rollcall, to S. 3096. At that time I was attending a gathering to commemorate the 30th anniversary of the enactment of legislation to permit the blind to operate vending stands on Federal and non-Federal locations.

An efficient system of modern airports is an indispensable factor in the continued economic growth of the United States, and is vital to our national security. More and more we depend on air transportation to meet the need for rapid movement of both people and material over long distances. It is obvious that without a sufficient number of strategically located airports this burgeoning need cannot be met.

In 1950, 14 percent of all passenger-miles traveled in intercity common carriage was provided by air. Ten years later, in 1960, aviation provided 52 percent of all passenger-miles traveled in intercity common carriage, with buses and rails sharing the remaining 48 percent. The increase recorded by the airlines during that decade was from 8 billion passenger-miles to over 60 billion passenger-miles.

These figures appeared in an informative article by Cole Morrow, Director of the Airport Service of the Federal Aviation Agency, in the June 1966 issue of American Road Builder magazine. Mr. Morrow is an authority in the overall field of aviation, particularly airport construction and its corollaries.

He wrote:

> Let's take a look at another trend in our economy, while keeping the foregoing statistics in mind. Before World War II, about 9 out of every 10 of the new factories built were located in a metropolitan area. By 1962, 8 out of 10 new factories built were located in small, rural type areas.

Mr. President, it is a fact that industry is looking to outlying areas in the construction of new facilities, as Mr. Morrow indicates. This trend underscores the increased requirements for air transportation which have been felt. With airline passenger miles increasing at a rate of about 12 percent annually, and with approximately two-thirds of all airlines passengers traveling on business, it is evident that our marketplace is irrevokably tied to airports and air travel. The continuation and strengthening of programs carried on under provisions of the Federal Airport Act are of the utmost importance in maintaining and augmenting the prosperity which we know and the expansion which we are experiencing.

As a Member of the House of Representatives it was my responsibility to be an original sponsor of the Federal Airport Act, which was signed into law by President Harry S. Truman on May 13, 1946. It is encouraging to note the significant degree in which this legislation has helped to further the growth of the aviation industry and this Nation's social and economic expansion.

Since the program was inaugurated the combined capital outlay of Federal and sponsored funds for eligible items totaled $1.75 billion. Federal cash expenditures have amounted to more than $750 million. Allocations have been made to over 6,000 projects and more than 2,000 public airports in all parts of the United States.

West Virginia has shared in this progress. Today our State is served by six airlines—Allegheny, American, Eastern, Lake Central, Piedmont, United—and has a total of 54 airports, 15 of which are public. In the decade between 1950 and 1960, the number of commercial passengers originating at West Virginia airports more than doubled; scheduled and nonscheduled aircraft departures increased by one-third; and the mail, air express, and air freight tonnage totals were also doubled. This rapid rate of growth has continued to the present day, and we are expected to experience even sharper upturns in coming years.

Reliable figures indicate that last year 83 million persons made use of commercial airlines. By 1970 this figure is expected to increase some 30 percent to a total of 107 million.

Growth in private aviation will doubtless keep pace with commercial flying. The airlines fly approximately 3 million miles per year. General aviation, which is composed for the most part of private operators, logged about five times that figure.

Mr. President, I offer another quote from the excellent article by Cole Morrow, that "while all of us in aviation can be proud of our progress, we cannot afford to sit back and watch the potential contribution of our air transportation system being delayed by inadequate airport development."

I believe that the passage of S. 3096 is an indication that the Senate intends for the Federal aid to airports program to be continued as an effective stimulus to aviation. I commend the senior Senator from Oklahoma [Mr. MONRONEY] for his leadership in moving this legislation through the Senate, and assure him, and other colleagues active in this legislative program, of cooperative efforts.

Mr. MONRONEY. I want to express my appreciation to my distinguished colleague, Senator RANDOLPH, for his early and continuing support of this vital Federal-aid-to-airports program. He was one of the original sponsors of this legislation when he was a Member of the House. He has carried forward this enthusiasm as a constant and effective supporter of the program in the Senate in each of the several 3-year extensions that have been voted. The knowledgeable and loyal support of the distinguished Senator from West Virginia has helped immeasurably in keeping this program current and providing the necessary funds for general aviation airports as well as metropolitan airports. His constant encouragement of the program has greatly stimulated local interest and helped to generate the local matching funds provided by many of the communities of West Virginia.

THE FEDERAL AIRPORT PROGRAM IS EXTENDED: DESIRABLE AND NEEDED LEGISLATION

Mr. GRUENING. Mr. President, it is with gratification I take note of the passage by the Senate yesterday of S. 3096 which will extend the Federal Airport Act for an additional 3 years or until June 30, 1970. Federal assistance for airports in Alaska has contributed more benefits to the development of a modern transportation system in Alaska than any other form of transportation assistance extended by the Federal Government.

While the State of Alaska has suffered greatly because of discrimination against it in the allocation of Federal-aid highway funds and while it has been seriously hurt by high transportation costs imposed by water carriers, Alaska's system of air transportation has proved the one means of dependable access to communities within the State and to and from the other States of the Union.

Alaska is the flyingest State in the Union. The people of Alaska, per capita, fly more miles, own more planes, and are more completely dependent on air transportation than those of any other State. Measured by passenger miles or per capita flights, Alaskans fly about 30 to 40 times as much as citizens of the other States. With the least population of any State—less than 300,000, our State boasts more airports than any other with the exception of California and Texas.

While commercial air transportation connections were late in coming to Alaska—we had none until 1940, Alaska is now an important hub of international commercial and military aviation. Our international airport at Anchorage is a major intermediate point for over the pole flights to Europe and the Far East. It has become the air cross-way of the Northern Hemisphere linking its continents, Europe, North America, and Asia.

As I pointed out in the beginning of this statement, Alaska depends on air transportation to a greater degree than any other State for intrastate transportation.

In no respect is the contrast between Alaska and all the other States more marked than in surface transportation. Alaska entered the Union unique in that not merely a few but a majority of her communities are unconnected with any others by highway or railroad. By the same token, these isolated Alaska communities are unconnected with the continental highway system.

Perhaps nowhere in the other 49 States does there exist a community, no matter how small, to which it is not possible to drive in an automobile or ride in a train. The whole economy and civilization of 20th-century America is based on this free and ready access for goods and people. The very character of the American citizen is undoubtedly conditioned in an important way by the circumstance that, no matter where he lives, he can get in the family automobile and drive somewhere—to the nearest city, to the capital of his State or Nation.

In Alaska, five of the seven largest cities, including Juneau, the capital, have no road system which leads to any other place. A dozen cities with a population of 1,000 or more have neither road nor rail connection with any other city. In Alaska, there is but one railroad—the Government-owned Alaska Railroad which runs for 480 miles from Seward to Fairbanks. In terms of surface transportation, when Alaska entered the Union in 1959, it was in about the same situation as other States found themselves in 1950 before the construction of transcontinental railroads or a nationwide road network.

The reason for this state of affairs in the 49th State is not far to seek. It is owing to long-standing and almost totally unrelieved discrimination in the matter in which Federal highway programs have been enacted. Until 1956, Alaska was totally excluded from Federal aid highway legislation. From 1956 to 1961, Alaska was included, but on a sharply reduced basis. The State is still totally excluded from the interstate or throughway part of Federal programs—except that Alaska is included in the collection of excise taxes which support the interstate program. In view of this long history of lack of participation in national programs for the development of surface transportation, Alaskans welcome with special enthusiasm the helpful, progressive program of the Federal Aviation Agency which will be funded by the extension of the Federal Airport Act.

The national airport plan for 1965 shows the progress that lies ahead for even more efficient air transportation services in Alaska than we have experienced in the past. With the State of Alaska's participation from proceeds of its bonding program, 38 new airports will be constructed and important improvements will be made at nearly 100 of the extremely important local service airports of which Alaska has more than any other State.

I congratulate the administration and the members of the Senate Commerce Committee who have done such fine work in bringing the Federal Airport Act extension to the point at which it has passed the Senate, and to Senator MIKE MONRONEY, of Oklahoma, who has been a consistently vigorous supporter of our airways needs.

SCIENCE AND TECHNOLOGY DIFFERENTIATION—ADDRESS BY VICE ADM. H. G. RICKOVER, U.S. NAVY

Mr. AIKEN. Mr. President, on June 2, 1966, Vice Adm. H. G. Rickover, U.S. Navy, delivered an outstanding speech at the Athens Meeting of the Royal National Foundation in Athens, Greece.

In this speech Admiral Rickover takes notice of the benefits to humanity which are inherent in science, and also issues a warning of the dangers which are inherent in the misuse of technology.

I believe that this speech which differentiates so clearly between science and technology should be required reading.

I ask unanimous consent to have printed in the RECORD the speech by Vice Adm. H. G. Rickover, entitled "Liberty, Science, and Law."

Mr. FULBRIGHT. Mr. President, I am glad to join the distinguished Senator from Vermont in his comments on the address delivered by Admiral Rickover, entitled "Liberty, Science, and Law," and in his request to have the address printed in the RECORD.

Admiral Rickover is well known to the Members of this body, and to a much wider audience. I am sure that all will be interested in his statement at the Royal National Foundation in Athens, Greece. There is much to be learned from his remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LIBERTY, SCIENCE AND LAW

(By Vice Adm. H. G. Rickover, U.S. Navy, at the Athens meeting of the Royal National Foundation, Athens, Greece, June 2, 1966)

I deeply appreciate your invitation to address this meeting. It is an honor and a moving experience—especially for an American—to speak here where the ancient Ecclesia had its seat, where men first practiced the difficult art of self-government, succeeding brilliantly for a time but failing in the end. My country, as you know, picked up the torch of liberty they had lighted and established the first representative democracy in modern times, even as Athens had established the first direct democracy in all history.

Twenty-four centuries separate these two great innovative acts in time, over five thousand miles in space. One took place in a small city-state possessing few material resources, the other in a huge country of great natural wealth. Yet there is a close inner link between them. They had the same objective. The principles they adopted to achieve their purpose were similar. Both sought to create—and did create—the political framework for a society of free men.

Even as Solon, Cleisthenes and Pericles before them, the framers of the American Constitution of 1789 were political thinkers, as well as experienced practical politicians. They drew upon Greek political theory and practice with which they were thoroughly familiar, adopting what had proved successful, ingeniously improving where the earlier structure had shown weakness. They were men of the Enlightenment, when classical rationalism sparked a new Age of Reason throughout the western world; when philosophers were inspired to mount an attack on every custom and institution that shackles the mind of man and arbitrarily restrains his actions—from superstition to class privilege, from tyranny by an established church to tyranny by a secular autocrat. The political institutions of all the nations of the free world today—beginning with my own—had their inception in the turmoil of that last phase of the Renaissance.

Western civilization is set apart from civilizations elsewhere, both past and present, by its dynamism, its extraordinary creativity, its intense preoccupation with things of the mind. All this started with the Renaissance. Not until modern western man rediscovered and retrieved his classical heritage did he begin to outstrip the rest of the world.

To borrow a Churchillian phrase, it can be said of Athens, of Greece in general, that never before or since did so few human beings leave so deep and lasting an imprint on so many others, differing in race and faith, distant in time and space from this cradle of western civilization. Their mark is on all our science, our art, architecture, literature, theater, and on our political thinking and practice as well. Here in this city, on this hill where I am privileged to stand, the Athenians proved that free men could govern themselves; that it was possible to live in a civilized society without having to relinquish personal freedom.

This was an epochal achievement. In all his long life on earth, man has had but brief moments of freedom. His own nature is the cause of the paradoxical situation that civilization and liberty are interdependent, yet at the same time antithetical. One cannot be had without the other, yet reconciling them remains to this day what it has always been—the most difficult political, social and economic problem.

Civilization and liberty are interdependent because basic to freedom is exercise of mind and spirit, of the faculties that set us apart from other living things and make us fully human. For this there must be a modicum of leisure which comes only with civilization, when men no longer need devote all their time and energy to appeasement of hunger and protection against the elements—as must the animals.

But release from endless toil for mere survival does not automatically set men free. Indeed, the very opportunity to cultivate mind and spirit which civilization opens to man lies at the root of the antithesis between civilization and liberty, for this opportunity is not seized to the same degree by everyone.

Always and everywhere, civilization results in much greater enlargement of the scope of human thought and action among the minority possessing high intelligence than among the majority of average people. Nature endows men with unequal capacities for acquiring knowledge and competence. More so in the realm of the intellect, which is all-important in civilized life, than in the realm of physical strength and courage, which counts most in primitive society. Men become, as it were, more unequal as civilization advances.

When life is simple, it can be understood by nearly everyone, and the competencies needed to function effectively are within the grasp of all. This makes for the rough equality of status that is so favorable to mutual respect of one another's personal liberties. There can be no freedom unless it is mutually conceded.

With civilization, life grows complex, harder to understand for ordinary people, demanding competencies many are unable to acquire. In understanding and competence, the gifted swiftly forge ahead. What they achieve is beyond the capacity of the average. The result is that men grow apart, their interests diverge. Society tends to divide into segments according to superiority of competence or superiority of numbers. The temptation is great for each segment to use the power its particular superiority confers to bend the whole of society to its will, thus putting an end to freedom.

The Athenians were first to devise a political system that preserved the citizen's liberty by counteracting the natural human inequalities which are the root cause of segmented power centers. So precise and clear was their thinking, that the basic principles of their system remain to this day the best protection of individual freedom. Government of the people, by the people and for the people was their great invention; political equality their crowning achievement. They inaugurated the reign of mind over force by providing for resolution of differences in point of view and interest through public dialogue leading to consensus, instead of by the exercise of power. Perhaps the most remarkable feature of their polity was that it engaged the continuous participation in public business of a large part of the citizenry—somewhere between one-fifth and one-fourth at any given time. It was obvious to them that only when the people are personally involved with their government will public officials be responsive to the popular will. Citizens who shunned public service were called idiotes and considered useless; in some cases, failure to do one's public duty resulted in loss of civil rights.

To quote Edith Hamilton, the American classicist who was made an honorary citizen of Athens, "the idea of the Athenian state was a union of individuals free to develop their own powers and live their own way, obedient only to the laws they passed themselves and could criticize and change at will." This is the political ideal that to western man spells liberty and that is rejected in toto by all autocracies, modern as well as ancient.

The Greeks, I think, understood better than most of us what it means to be free. In his play, *The Persians,* Aeschylus who fought at Marathon puts his finger unerringly on what distinguished free Greece from unfree Persia. He has the Queen of Persia ask about the Athenians: "Who is their master?" To which she received the answer, "they are not subject to any man"; they obey only the law. When she is told of her son's defeat, the Queen remarks: "Even if he fail, there is no law can call him to account." How better could one express the contrast between the protagonists in today's cold war?

Acton wrote that "power corrupts and absolute power corrupts absolutely." The Greeks penetrated more deeply and saw that power erodes man's reason. One senses cool contempt in Herodotus' report of the wrath of Xerxes when the bridge he ordered built across the Hellespont was torn apart in a storm. Straightway he "gave orders that the Hellespont should receive three hundred lashes, and that a pair of fetters should be cast into it," and he "commanded that the overseers of the work should lose their heads." Here stands revealed the totalitarian mind—the same today as in the past.

Liberty, never gained without enormous effort and sacrifice, is all too easily lost. Those who enslave their own people seem irresistibly driven to extinguish freedom everywhere. When we understand them, we are better prepared to ward off their aggression. More important still is awareness of the forces within free societies that endanger liberty. In both respects there is still much we can learn from the Athenians.

It seemed to me, therefore, that the setting here would be eminently suited to a discussion of certain developments in modern democracies that have an adverse effect upon the liberties of the individual and the social and moral values cherished by free men. The causative factor of this new threat to liberty is science and science-based technology.

This new science-technological threat is but the latest version of the age-old conflict between civilization and liberty—a conflict that has no permanent solution but reappears perennially in new form.

Liberty is never gained for once and for all. Each generation must win it anew. Each must defend it against new perils. These perils arise because men, being endowed with free will, continually alter the conditions of life. Countless decisions made in pursuit of private objectives may so transform society that institutional safeguards once adequately protecting human liberty become ineffective. It is then necessary to return to first principles and to adapt them to altered circumstances.

The title of my speech—"Liberty, Science and Law"—expresses my conviction that unless certain practices in the technological exploitation of scientific knowledge are restrained by law, they will cost us our liberties.

Science and technology are, of course, of immense benefit to man. They are so highly regarded that no one would, or for that matter could, prevent their spreading to areas that at present are retarded in this respect. But they may bring about changes in our physical environment of greatest potential danger. Certain technologies admittedly injure man, society and nature. Yet, even in countries where the people are sovereign and where they recognize the danger, efforts to bring these technologies under social control have had little success. Those who have the use of technology are powerful enough to prevent legal restraint, the main prop of their power being the esoteric character of modern science.

Much of it is incomprehensible even to intelligent and educated laymen. When scientific-technological consideration enters into public issues—as is often the case today—the issues cannot be understood by the electorate, frequently not even by the public officials who are directly concerned. There is then no recourse but to call on scientists for expert advice. In effect, the issue will be decided by them, yet they have not been elected, nor are they accountable to the people. What is left of self-government when public policy no longer reflects public consensus? And, when the public finds that it cannot judge and evaluate issues involving science, will it not become apathetic toward all public issues? Does this not spell the doom of self-government, hence of freedom for modern man? Though all the institutions established to safeguard his liberties may remain intact, the substance of freedom will have been lost.

By one of those ironies of fate beloved of Greek dramatists, this new threat to liberty has its source in the noblest Greek achievement, the freeing of the human mind to roam at will in pursuit of truth and knowledge. All things are to be examined and called into question, said the Greeks. Unless men understood the world in which they lived, and because of this understanding felt at home in it and could be useful citizens, they were not truly free. Never before or since was intellectual freedom valued so greatly. "All things were in chaos when mind arose and made order," said Anaxagoras, the mathematician and astronomer.

Everywhere else, the domain of the intellect was the special preserve of powerful priesthoods who jealously guarded their monopoly of knowledge. "To teach the people so that they would begin to think for themselves would destroy the surest prop of their power," wrote Edith Hamilton. "Ignorance was the foundation upon which the priest power rested." The legends of most people are replete with stories of divine punishment for trying to know more than was deemed proper—clear evidence of the determination of this priestly elite to discourage ordinary people from seeking knowledge. Not so in Greece. There curiosity and search for knowledge were held to please the gods, for through these the marvels of the gods were revealed to man. Wisdom and intelligence had their own protective deity—Athena.

When Renaissance man recovered his classical heritage, the most precious treasure he found was freedom of the mind. With his mental powers set free, it took him but three and a half centuries to build on foundations laid in classical Greece the whole magnificent edifice of modern science. No one could have foreseen that in its ultimate consequences the Scientific Revolution might diminish human liberty.

But it has brought us back full circle. Science—the vital area of knowledge today—is for most of us virtually a closed book; again it has become the monopoly of a small elite. This is not the fault of the scientists. Unlike ancient priesthoods, they have no wish to bar others from knowledge or to use to enslave the ignorant. Many scientists make strenuous efforts to explain science to the lay public. Nevertheless, we find ourselves in much the same position as the ancient Egyptians whose very lives depended on knowing when the waters of the Nile would rise and fall—knowledge possessed by their priesthood alone.

As in the past, it is not the knowledge gap per se that is most detrimental to freedom, not the fact that the majority cannot follow scholars into the realm of higher mathematics and science; rather it is the effect ignorance of science has on public attitudes toward science and science-based technology. The impact of technology, in particular, on the individual and on society at large is profoundly affected by prevailing concepts of what technology is and what purpose it should serve.

If people understood that technology is the creation of man, therefore subject to human control, they would demand that it be used to produce maximum benefit and do minimum harm to individuals and to the values that make for civilized living. Unfortunately, there is a tendency in contemporary thinking to ascribe to technology a momentum of its own, placing it beyond human direction or restraint—a tendency more pronounced in some countries but observable wherever there is rapid technological progress.

It manifests itself in such absurd statements as that technology demands some action the speaker favors, or that "you can't stop progress." Personalizing abstractions is a favorite means of semantic misdirection; it gives an air of authority to dubious statements. Most people are easily pressured by purveyors of technology into permitting so-called progress to alter their lives, without attempting to control it—as if they had to submit meekly to whatever is technically feasible. If they reflected, they would discover that not everything hailed as progress contributes to happiness; that the new is not always better, nor the old always outdated.

The notion is also widespread—doubtless fostered by users of technology—that, having wrought vast changes in the material conditions of life, technology perforce renders obsolete traditional concepts of ethics and morals, as well as accustomed ways of arranging political and social relationships. Earnest debates are currently taking place whether it is possible to act morally in the new technological society, and proposals have been made—quite seriously—that science must now replace traditional ethics! We have here a confusion that must be cleared up.

Through technology we are relieved of much brutal, exhausting, physical labor as well as boring routine work; we are provided with numerous mechanical servants who do certain kinds of work faster, cheaper and more efficiently than people. Why should the ease and affluence technology makes possible affect moral precepts that have guided western men for ages? This may brand me as old-fashioned but I have not yet found occasion to discard a single principle that was accepted in the America of my youth.

Technology is tools, techniques, procedures, things; the artifacts fashioned by modern industrial man to increase his powers of mind and body. Marvelous as they are, let us not be overawed by these artifacts. Certainly they do not dictate how we should use them nor, by their mere existence, do they authorize actions that were not anteriorly lawful. We alone bear responsibility for our technology. In this, as in all our actions, we are bound by the principles governing human behavior in our society.

Does it make sense to abandon principles one has lived by because he has acquired better tools? Tools are for utilizing the external resources at our disposal; principles are for marshaling our inner, our human resources. Tools enable us to alter our physical environment; principles serve to order our personal life and our relations with others. The two have nothing to do with each other.

This should be obvious, but erroneous concepts of science and technology abound because people tend to confuse the two. Not only in popular thinking but even among the well-informed, science and technology are not always clearly distinguished. Characteristics pertaining to science are frequently attributed to technology, even as science itself is confounded with ethics.

Science has to do with discovering the true facts and relationships of observable phenomena in nature, and with establishing theories that serve to organize masses of verified data concerning these facts and relationships. By boring into the secrets of nature, scientists discover keys that unlock powerful forces which can be made to serve man. It is through technology that these forces are then put to human use.

Science is a body of systematized knowledge; technology is the apparatus through which knowledge is put to practical use. The difference is important.

Because of the care scientists take to verify the facts supporting their theories, and their readiness to alter theories when new facts prove them imperfect, science has acquired great authority. What the scientific community accepts as proven is not questioned by the public. No one disputes that the earth circles the sun, or that atomic fission produces energy.

Technology cannot claim the authority of science and is therefore properly a subject of debate, not alone by experts but by the public as well. Little thought is customarily given to the possibility of harmful after effects by those responsible for technological exploitation of scientific knowledge. In consequence, technology has proved anything but infallibly beneficial. Indeed, much damage has been done because no thought was given to the interaction of technology with nature. More of this presently.

A certain ruthlessness is encouraged, in the mistaken belief that to disregard human considerations is as necessary in technology as it is in science. The analogy is false.

Rigorous exclusion of the human factor is required by the methods of science. These were developed to serve the needs of scientists, whose sole interest is to comprehend the universe; to know the truth; to know it accurately and with certainty. The searcher for truth cannot pay attention to his own or other people's likes and dislikes, or to popular ideas of the fitness of things. What he discovers may shock or anger people—as did Darwin's theory of evolution. But even an unpleasant truth is worth having; besides one can choose not to believe it. Science, being pure thought, harms no one.

Technology, on the other hand, is action, often potentially dangerous action. Never has man possessed such enormous power to injure his fellow humans and his society as has been put into his hands by modern technology. This is why technology can have no legitimate purpose but to serve man—man in general, not merely some men; future generations, not merely those who currently wish to gain advantage for themselves; man in the totality of his humanity, encompassing all his manifold interests and needs, not merely some one particular concern. Technology is not an end in itself; it is a means to an end, the end being determined by man himself in accordance with the laws prevailing in his society.

A word may be in order concerning the disparate meaning of the term *law*, depending on whether it is used in the ordinary sense—which is also the original sense of the word—or by scientists.

Law, as commonly understood, refers to those rules of human conduct prescribed and enforced by society. Its purpose is to resolve human conflicts by the application of definitive rules. These rules are always debatable and can be changed when there is demand for a change.

The scientists have appropriated the term law to describe regularities exhibited by physical phenomena—the rules by which the universe governs itself. In the transition, the word has taken on a new meaning.

From the layman's point of view, what the scientists calls law is fact, rather than law—immutable fact. Or, if you prefer, it is law operating in a sphere where human beings can exercise no influence. We cannot alter the laws of the cosmos; we can only discover them. A law of science expresses mechanical regularity where no choice of action, no free will comes into play; it deals with constancy of behavior in nature. It has relevance for us because it makes the universe comprehensible and so enables us to utilize the forces of nature for human purposes.

We are bound by the laws that science has disclosed when we exploit these forces by means of technology. Likewise we are bound by the man-made laws of our society, for our actions affect fellow human beings. Technology straddles, as it were, the law of the universe and the law of man; it is subject to both.

Much confusion in popular thinking arises from this fact. The two laws are confounded. Or, to put it differently, they are thought to be part of a single system of law so that one or the other must perforce take precedence.

Ever since scientists discovered that the earth is not the center of the universe, as had been maintained by the highest human authorities, we have been learning painfully that the laws of nature cannot be overturned by human fiat. It has taken a long time to attain this rational attitude; we are now conscious of the consequences of intolerance in the past. Perhaps this is why we are so tolerant toward those who claim the right to use technology as they see fit, and who treat every attempt by society to regulate such use in the public interest as if it were a modern repetition of the persecution of Galileo!

The right to be protected by law against injurious action by others is basic to civilized society. Yet, opponents of legislation intended to restrain use of potentially dangerous technologies are often able to prevent or delay enactment of such laws by playing upon the layman's respect for science. It is their common practice to argue as if at issue were a law of science when, in fact, what is being considered is not science but the advisability or legality of the technological exploitation of a scientific discovery. The public would not be deceived by such arguments if it clearly understood the fundamental difference between science—which is knowledge—and technology—which is action based on knowledge.

To guard against being misled, one should cultivate an attitude of skepticism whenever the word science is used. Is it science that is being discussed or is it technology? If technology, the question at once arises whether the proposed action is legally permissible and socially desirable. These are matters that lie outside the domain of science. Just as the law of the cosmos cannot be overturned by human fiat, so is human law supreme within its own proper sphere of operation. Technology must therefore conform to that most basic of all human laws, the maxim of the "mutuality of liberty," the principle that one man's liberty of action ends where it would injure another. Without this maxim, freedom would be a barren privilege.

Whether or not a particular technology has harmful potentialities should not be decided unilaterally by those who use it. For the user, destructive technologies are often highly profitable. He is, therefore, an interested party to the conflict between private and public interest that every potentially harmful technology poses. Nearly always he is also a practical man.

I think one can fairly say that the practical man's approach to a new scientific discovery and its technological exploitation is short-range and private, concerned with ways to put scientific discoveries to use in the most economic and efficient manner. Rarely will he give thought to the long-range and public consequences of his actions, that is, to the effects that a new technology may have on people, on the Nation, on the world, on present and future generations.

To illustrate the disastrous consequences of a narrow practical approach, let me give some examples of technological damage to our natural environment.

Carelessly emitted, the waste products of new technologies create a massive problem of soil, water and air pollution. We may be permanently damaging the atmosphere by changing its chemical composition. New products, profitable to manufacturers and useful to consumers, are often themselves intractable pollutants. For instance, detergents which unlike soap do not dissolve in water, or pesticides and weed killers which, carelessly applied, will poison soil, crops, birds, animals, fish and eventually man.

Other technologies enable man to alter the very contours of the land—as with new strip mining machinery. Because it cuts the cost of extraction, such machinery is used in some places. Huge chunks of earth and rock with their topsoil and vegetation are gouged out, changing fertile country into a desolute lunarscape—a land robbed not only of its irreplaceable mineral wealth but of its fertility as well.

Man now has the means to slaughter all the wild animals on earth and he is well on his way of doing so. Consider what has been done to the vast riches of the seas.

With modern techniques, deep-sea fishing is so efficient that a few enterprises could rapidly sweep the oceans free of commercial fish. And this is what fishermen of all nationalities wish to do. As practical men they have no other interest than to use the latest technology that will increase their catch, preserve it and get it to market as speedily as possible.

We witness at the moment the end of one of the saddest cases of misuse of technology by greedy fishing interests. Unless these interests are curbed by truly effective international action, the great whales—the blue, the finback, the sperm—will soon disappear, victims of man's "practical" folly.

These and other whales once populated the high seas in immense numbers. For hundreds of years whaling remained a reasonably fair contest between man and the intelligent, swift-moving mammals he hunted. Modern technology has turned it into brutal genocide. Blindly pursuing what they doubtless consider an eminently practical objective—maximum profit today—the whalers are wiping out the very resources that could insure them a profit tomorrow.

In April of this year Japanese ships had to return home after only three of the normal five months at sea because they could find no whales.

Practical considerations aside, is anyone justified in using technology to exterminate a species that has existed on this earth for eons—the largest animal the world has ever seen? Are we certain our descendants may not at some future time have need of these mammals?

How we use technology profoundly affects the shape of our society. In the brief span of time—a century or so—that we have had a science-based technology, what use have we made of it? We have multiplied inordinately, wasted irreplaceable fuels and minerals and perpetrated incalculable and irreversible ecological damage. On the strength of our knowledge of nature, we have set ourselves above nature. We presume to change the natural environment for all the living creatures on this earth. Do we, who are transients on this earth and not overly wise, really believe we have the right to upset the order of nature, an order established by a power higher than man?

These are complicated matters for ordinary citizens to evaluate and decide. How in future to make wiser use of technology is perhaps the paramount public issue facing the electorates of industrial countries. It will tax their mental resources and challenge their political acumen. Certain measures suggest themselves:

Experience shows that by itself, the legal maxim of "the mutuality of liberty" will not prevent commitment to technologies that may later prove harmful. The maxim must be implemented by preventive public action—action of the kind that has long been operative in the field of public health. There is need for laws requiring that before a particular technology may be used, reliable tests must have been made to prove it will be useful and safe. A few such laws have been enacted; more are needed.

I suggest that, as a special public service, lawyers take on the task of working for better protection against technological injury. This is a new and fruitful area in which they could make important contributions to human welfare—an area which requires no revolutionary change in the political or economic structure of society, merely greater precision and fuller implementation of the traditional principle that injuring the health or causing the death of human beings is unlawful. The term health should not be limited to physical health but should include psychic health and protection of the human personality as well. New technologies based on the uncertain "science" of the social sciences involve snooping into the inner recesses of the human mind, personality testing and pseudo-scientific manipulation of human beings. When they are imposed as conditions of employment or otherwise partake of an element of compulsion, these technologies should be regulated or outlawed entirely.

Much more thought should be given to technological interference with the balance of nature and its consequences for man, present and future. There is need of wider recognition that government has as much a duty to protect the land, the air, the water, the natural environment against technological damage, as it has to protect the country against foreign enemies and the individual against criminals. Conversely, that every citizen is duty bound to make an effort to understand how technology operates, what are its possibilities, its limitations, its potential dangers. The leisure modern technology makes available to ever larger numbers of citizens could not be better spent than in a determined effort to narrow the knowledge gap between those who understand science and technology and those who do not.

Since law and public opinion always lag behind the swift development of new technologies, there is need for more informed and responsible thinking among those who control technologies. This might be achieved by professionalizing the decision-making process in technology. Experience has shown that in the hands of professional persons technology is managed with greater concern for human welfare than when it is controlled, as at present, by nonprofessionals. The classic example is medicine.

Of all technologies, that of the physician has benefited human beings most and harmed them least. The stringent standards set by the profession and by society for the education and professional conduct of physicians accounts for this happy circumstance. Not only is no one permitted to practice who has not given proof of his competence, but physicians must also be broadly, liberally, humanistically educated men and women. This gives them perspective in evaluating their professional actions, an ability to see these actions against a humanistic background. Moreover, they operate under a code of ethics which requires them to place the needs of patients above all other considerations—a code incorporated twenty-five centuries ago in the Oath of Hippocrates, an oath still taken by young men and women embarking on a medical career.

To Greece we owe the noble idea that special knowledge and skill ought to be used to benefit man, rather than for personal aggrandizement or power, or as a means of extracting maximum gain from those in need of the services of men possessing special expertise. This concept of a trusteeship of knowledge could well be applied to all whose knowledge of science and technology surpasses that of the lay public, as it now is to physicians and surgeons. I have long advocated that engineering pattern itself after medicine and law, thus becoming a truly "learned" profession. It has, I believe, attained that status in some countries, though not in mine.

These are my suggestions; others may have better ones to offer. What seems to me of utmost importance is that we never for a moment forget that a free society centers on man. It gives paramount consideration to human rights, interests and needs. Society ceases to be free if a pattern of life develops where technology, not man, becomes central to its purpose. We must not permit this to happen lest the human liberties for which mankind has fought, at so great a cost of effort and sacrifice, will be extinguished.

NOMINATION OF ROSEL H. HYDE TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION

Mr. DIRKSEN. Mr. President, I commend the President for sending to the Senate the nomination of Rosel H. Hyde to be reappointed to the Federal Communications Commission, and I presume with the understanding and perhaps the suggestion that he will be serving as chairman of that Commission.

Commissioner Hyde is serving the third consecutive term as a member of the Commission. He has been associated with the Federal Communications Commission since its creation in 1934, which means that he has been identified with this agency for a period of 32 years. He was first appointed as a Commissioner in 1946, and at different times has served as the Commission chairman, as vice chairman, and as acting chairman.

I have known the Commissioner almost from the time I first went to the House of Representatives in the early thirties. He has been a very capable, competent, and skilled servant of the public.

Along with that, he has plowed a very straight furrow, indeed.

One cannot say too much for a man who has given his all to the public.

I think that Rosel Hyde will stand out as one of the outstanding men serving in the regulatory services of the Federal Government.

I ask unanimous consent to have printed in the RECORD a biographical sketch of Rosel H. Hyde.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH OF ROSEL H. HYDE, COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION

Commissioner Rosel H. Hyde is serving his third consecutive term as a member of the Federal Communications Commission. Associated with the FCC since the latter's creation in 1934, he was first appointed a Commissioner in 1946, and, at different times, has served as Commission Chairman, Vice Chairman, and Acting Chairman.

Commissioner Hyde was named Commission Chairman by President Eisenhower on April 18, 1953, for a period of one year. On April 19, 1954, he was designated by the Commission to act as Chairman pending Presidential action, and served in that capacity until October 4, 1954.

First appointed to the Commission in 1946, Commissioner Hyde was renominated and confirmed in 1952 and 1959 for seven-year terms. From March 6, 1952, until his appointment as Chairman, he had been Vice Chairman of the Commission.

Commissioner Hyde is a Republican and a legal resident of Bannock County, Idaho, where he was born April 12, 1900. He attended the Utah Agriculture College (1920–1921) and George Washington University (1924–1929).

In 1924, he entered Government service, through competitive Civil Service examination, as a member of the staff of the Civil Service Commission. He was on the staff of the Office of Public Buildings and Parks from 1925 to 1928. In the latter year he became an Assistant Attorney with the Federal Radio Commission and continued to serve with its successor, the Federal Communications Commission.

He has held legal positions of varying degrees of responsibility with the latter Commission, beginning with that of Assistant Attorney and continuing progressively through those of Associate Attorney, Attorney, Attorney Examiner, Senior Attorney, Principal Attorney, Assistant General Counsel, and General Counsel. He occupied the latter position when first appointed to be a member of the Commission.

During his career in federal regulation of electrical communication, he has participated in many hearings on individual cases, as well as in studies and proceedings relating to the development of radio and the expansion of its services. These include the first general frequency allocation proceedings of the Federal Radio Commission in 1928, the frequency allocation hearings conducted by the Federal Communications Commission in 1935, the network investigation of 1938, proceedings which resulted in the inauguration of regular FM and TV broadcasting in 1941, and the general TV proceedings of 1949–1952 which contributed to further improvements and extension of television service.

Commissioner Hyde is Chairman of the Federal Communications Commission Telephone and Telegraph Committees. He has served as Chairman of these two committees since 1954. He is a Member of the Executive Committee of the National Association of Railroad and Utilities Commissioners (NARUC). On June 27, 1961, he was designated Chairman of the Committee on Compliance and Enforcement Proceedings of the Administrative Conference of the United States.

Commissioner Hyde has also been identified with various international telecommunications conferences. He was a member of the United States delegation to the Third Inter-American Telecommunications Conference at Rio de Janeiro in 1945; Chairman of the United States delegation to the Third North American Regional Broadcasting Conference in 1949–1950, and Chairman of the United States delegations which negotiated the 1957 broadcasting agreement between the United States and Mexico. He was Vice Chairman of U.S. Delegation, Plenipotentiary Conference of International Telecommunication Union, Geneva, Switzerland, 1959. He was U.S. Observer to the Second International Meeting on the Submarine Cable Plan for South Asia and the Far East at Tokyo, March 23–25, 1964.**

On September 3, 1924, he married the former Mary Henderson of Arimo, Idaho. They have four children—Rosel Henderson, George Richard, William Henderson and Mary Lynn Hyde.

Commissioner Hyde is a member of the Church of Jesus Christ of Latter-Day Saints. A member of the Bar of the District of Columbia since 1928, he was admitted to practice before the Supreme Court of the United States in 1945. He also holds membership in the Federal Bar Association.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. PASTORE. Mr. President, I wish to associate myself with the remarks made by our distinguished minority leader in reference to Mr. Hyde.

It has been my privilege to have been the chairman of the Subcommittee on Communications for a number of years. I have had very close contact and many relationships with Mr. Hyde. I have found him a very dedicated and devoted public servant.

Mr. JAVITS. Mr. President, will the Senator yield to me so that I may join in the remarks being made?

Mr. DIRKSEN. I yield.

Mr. JAVITS. Mr. President, I admire Rosel H. Hyde greatly. I join Senators in the many fine tributes which have been paid to him.

Mr. MOSS. Mr. President, I wish to join with the Senator from Illinois [Mr. DIRKSEN] in his remarks about Rosel Hyde.

I have known Rosel Hyde for more than 30 years. I have admired him greatly. Our association has been rather close.

During the period of time that he served in the Federal Communications Commission, and when he was an employee of the Commission, before he became a Commissioner, he rendered devoted and dedicated service. He certainly deserves the recognition that has now come to him if he is chosen to be the Chairman of the Commission.

ORDER OF BUSINESS

Mr. JAVITS and **Mr. CARLSON** addressed the Chair.

Mr. JAVITS. Mr. President, I shall need 5 minutes and the Senator from Kansas [Mr. CARLSON] may need a shorter time. I ask unanimous consent that I may be recognized immediately after the vote in the morning hour.

The **PRESIDING OFFICER** (Mr. HARRIS in the chair). Without objection, it is so ordered.

Mr. CARLSON. Mr. President, I thank the distinguished Senator from New York.

**Vice Chairman of International Telecommunication Union Plenipotentiary Conference, Montreux, Switzerland, Sept. 14, 1965–November 12, 1965.

TRIBUTE TO ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION'S WEATHER BUREAU

Mr. CARLSON. Mr. President, on June 8 the most devastating single tornado ever to strike the United States tore through the heart of Topeka, Kans., cutting a path of almost total destruction along a swath 8 miles long and about four blocks wide.

Seventeen people lost their lives in this terrible storm which caused an estimated $100 million in damages.

But when we consider that the tornado raked the downtown business section of a city with a population of 125,000 residents, 17 fatalities seems a remarkably low figure.

There is no doubt that early and accurate warnings issued by the Weather Bureau gave the citizens of Topeka the time in which to seek shelter.

Some 8 hours before the tornado struck Topeka at 7:15 p.m., the area had been alerted to the likelihood of such a storm through a Weather Bureau "tornado watch" issued at 11 that morning.

When the tornado was actually identified on the outskirts of the city at 7:02 p.m., a "tornado warning" was issued giving the people of Topeka from 13 to 28 precious minutes to clear the streets and protect themselves.

Mr. President, I believe the employees of the Environmental Science Services Administration's Weather Bureau—both at the National Severe Storms Center at Kansas City, Mo., where all tornado forecasting for the United States is done, and at the Weather Bureau Airport Station at Topeka where the progress of the June 8 tornado was communicated to the public—are to be commended for a job well done during a time when mere minutes spelled the difference between life and death.

Mr. President, I ask unanimous consent that two articles which appeared in the Topeka Daily Capital, a report from the ESSA Weather Bureau in regard to statistics on this storm, and a statement by Richard Garnett, be printed in the Record.

There being no objection, the articles, report, and statement, were ordered to be printed in the Record, as follows:

[From the Topeka (Kans.) Daily Capital, June 11, 1966]

Precautions Cut Tornado's Deaths

Richard Garrett, meteorologist with the U.S. Weather Bureau today credited a long-range educational program with saving many lives when the tornado funnel rampaged through Topeka Wednesday evening.

"This tornado went through the heart of a city of 100,000. We've had 16 deaths, several hundred injuries and utter destruction," he said. "But the fact that we've not had more deaths and more injuries can be ascribed to a tornado education program that's been carried on for the last 15 years."

ALARMS HELPED

Garrett said warnings sounded by sirens as the funnel approached the city probably saved many lives.

Garrett said the Weather Bureau, assisted by public agencies and local communications media, was greatly responsible for this program.

"We've had warning plans for Topeka," he said. "And I'm confident a great many people profited from this when they heard the sirens. Many had been following preliminary storm developments and had made preliminary preparations when the storm hit Manhattan and they realized it could hit Topeka.

WEATHER BUREAU LEAD

"The Weather Bureau has been spearheading this drive for 15 years and always asked the help of everybody else," he said. "Civil Defense, state agencies and the newspaper were most helpful in educating people. Of course, the television and radio stations are the most effective means of getting the warning out on short notice."

Garrett said the Weather Bureau contemplated some changes in its storm alert system as a result of the tornado. "But this is normal," he said. "We always make changes and improvements after every storm."

[From the Topeka (Kans.) Sunday Capital-Journal, June 12, 1966]

Lives Lost—And Many Saved

The loss of 17 lives in Wednesday night's storm is appalling. Some were powerless to help themselves as the storm struck savagely. But the cost in lives would have been greater if Kansans had not been properly schooled in what to do in case of a tornado warning.

One of the leaders in this public educational campaign was the late S. D. (Frosty) Flora, widely known Kansas weatherman for many years and a nationally known authority on tornadoes.

He and his successors were aided by newsmen and broadcasters, drumming it home that when a tornado alert was given, people should take certain precautions, depending on their whereabouts at the time.

Flora's advice has been published many times but it is of great interest still. He wrote, in his book. "Climate of Kansas," as follows:

"The best refuge when a tornado is seen approaching is to get underground. The outdoor caves so often constructed adjacent to Kansas farm homes for the storage of fruits and vegetables, furnish excellent protection for persons who reach them. The southwest corner of the basement of a frame house is usually safe, as tornadoes commonly move from the southwest and debris is ordinarily carried to the opposite side of the basement. The most advisable thing to do for a person caught in the open when one of these storms is close is to lie down, preferably in a low place. To remain erect is to invite injury by flying debris or being blown away.

"For a person caught in the business section of a city, the chances of escape becomes largely a matter of luck.

"In that case, probably the safest place is the lower hallway of a substantial building, well away from on side doors or windows, and crouching against a partition which might support the weight of collapsing walls and floors."

This advice served many in good stead last Wednesday night. It will in future times when a tornado alert is on.

Wednesday night's storm, incidently, was following pretty close to pattern time-wise. "Frosty" Flora wrote that the period of most frequent occurrence for tornadoes was between 5 p.m. and 7 p.m.. The Topeka alert Wednesday night came a few minutes past 7 o'clock.

[From the Weather Bureau, Topeka, Kans., June 13, 1966]

Some Statistics on the Topeka Tornado of June 8, 1966

1. Warnings released 7:02 p.m. coincident with radar identification of tornado and simultaneous receipt of three individual visual sightings. Organized storm watchers had been alerted and were at their posts well before the tornado formed.

2. Tornado entered city at 7:15 p.m. giving 13 to 28 minutes' leadtime for city residents, but there was less warning time for rural residents southwest of the city.

3. Almost total destruction along an eight mile long and about a four block wide swath through the heart of the city of Topeka.

4. Preliminary damage estimates are in excess of 100 million dollars. This may well be the highest dollar damage of record for a single tornado as distinct from multiple or family type tornado outbreaks.

5. Red Cross estimates as of June 12th:

Deaths, 17.

Injuries, approximately 550.

Peak hospitalization figure, 85; now reduced to about 65.

Families affected, including apartment dwellers, 2,540.

Dwellings destroyed, 800.

Dwellings, major damage, 810.

Dwellings, minor damage, 400.

6. All major structures on Washburn University campus damaged and several will be a total loss.

7. Heavy damage—central business district with one 10-story building gutted.

8. Warnings timely and very effective. Comments indicate that major proportion of the 125 thousand city residents sought best available shelter. Small death toll as related to huge property damage across this heavily populated area indicative of effectiveness of warning and preplanning programs.

9. Meteorological statistics.

A. Length of damage path, 22 miles.

B. Width of damage path, one-quarter to one-half mile.

C. Direction of movement, southwest to northeast.

D. Forward speed, variable 30 to 35 m.p.h.

E. Path of extreme winds where hard core of funnel touched ground clearly discernible as a dark streak across open fields and pastures when viewed from the air. Streak and associated extreme winds measured as 670 feet wide in alfalfa stubble at municipal airport at northeast edge of city and estimated as 500 to 1,000 feet wide in open areas southwest of city.

F. Lowest barometric pressure at 7:30 p.m., 28.09 inches station elevation which reduces to 28.98 inches sea level. Barometer was 290 feet from left or northwest edge of extreme wind streak.

G. Fastest mile of wind recorded, 72 m.p.h. Wind measuring equipment was 280 feet from right or southeast edge of extreme wind streak. Wind instruments damaged by debris so figure given can be regarded as only a minimum indication of the actual maximum wind at that spot.

To News Media and Residents of Topeka and Adjoining Areas:

The foregoing statistical report on the June 8th Topeka tornado has been released for national distribution through Weather Bureau channels.

In addition I wish to express for the Weather Bureau our sincere appreciation for the cooperation and help rendered to the Weather Bureau by numerous individuals and organizations both prior to and during the storm.

The storm watchers deserve special commendation. This applies to the organized Vest and Kaw Valley radio groups. To the police agencies and to numerous individuals who were at their posts and ready to report the approach or development of a dangerous storm. These people have undertaken a dangerous public service mission. Sometimes it is a lonely and tedious job. They have spent many an evening on the outskirts of the city or beyond waiting out the approach of a storm. They deserve our heartiest thanks.

Radio and television stations are to be commended for the great public service they performed in keeping the public informed of what is happening in critical weather situations. The Weather Bureau is extremely appreciative in recognizing the important public service radio and TV plays in disseminating our product.

It is also desired to acknowledge the cooperation of the civil defense organizations in developing community storm warning plans and renewing such plans each year. Newspapers and again radio and TV have given much space and time in publicizing storm preparedness planning. These efforts produced large dividends in the recent tornado. The small number of deaths can be largely attributed to public awareness of tornado safety measures.

Finally I wish to express my personal commendation to the Weather Bureau staff who remained at their post of duty without adequate shelter in order to provide information to the public while the hard core of the funnel passed within 100 yards of the Weather Bureau office.

RICHARD GARRETT.

EXECUTIVE SESSION

Mr. **MANSFIELD**. Mr. President, I move that the Senate proceed to consider executive business, for the purpose of considering the four Executives B, C, D, and H on the Executive Calendar.

The motion was agreed to; and the Senate proceed to the consideration of executive business.

Mr. **MANSFIELD**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUPPLEMENTARY INCOME TAX CONVENTION WITH THE NETHERLANDS; SUPPLEMENTARY TAX PROTOCOL WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND; PROTOCOL WITH THE UNITED MEXICAN STATES; AND AMENDMENTS TO ARTICLES 17 AND 18 OF THE CONVENTION OF THE INTERGOVERMENTAL MARITIME CONSULTATIVE ORGANIZATION

Mr. **MANSFIELD**. Mr. President, I ask that the Chair lay before the Senate Executives B, C, H and D of the 89th Congress.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to the consideration of the four Executives B, C, D, and H of the 89th Congress on the executive calendar on which there will be a single vote, to be set out separately in the RECORD for each.

Mr. **MANSFIELD**. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. **DIRKSEN**. Mr. President, do I correctly understand that these treaties have all been unanimously reported by the committee?

Mr. **MANSFIELD**. The Senator is correct. Explanations were placed in the RECORD yesterday.

Mr. **DIRKSEN**. I thank the Senator from Montana.

There being no objection, the Senate, as in the Committee of the Whole, proceeded to consider Executives B, C, D, and H of the 89th Congress, the supplementary income tax convention with the Netherlands; the supplementary tax protocol with the United Kingdom of Great Britain and Northern Ireland; the protocol with the United Mexican States; and the amendments to articles 17 and 18 of the convention of the Intergovernmental Maritime Consultative Organization, which were read the second time.

EXECUTIVE B—SUPPLEMENTARY CONVENTION MODIFYING AND SUPPLEMENTING THE CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF THE NETHERLANDS WITH RESPECT TO TAXES ON INCOME AND CERTAIN OTHER TAXES, SIGNED AT WASHINGTON ON APRIL 29, 1948

The Government of the United States of America and the Government of the Kingdom of the Netherlands, desiring to conclude a Supplementary Convention modifying and supplementing the Convention between the United States of America and the Kingdom of the Netherlands with respect to taxes on income and certain other taxes, signed at Washington on April 29, 1948, have appointed for that purpose as their respective Plenipotentiaries:

The Government of the United States of America: Dean Rusk, Secretary of State of the United States of America,

And the Government of the Kingdom of the Netherlands: Carl W. A. Schurmann, Ambassador Extraordinary and Plenipotentiary of the Kingdom of the Netherlands at Washington,

who, having communicated to each other their full powers, found in good and due form, have agreed as follows:

Article II(1)(a) of the Convention shall be deleted and replaced by the following:

"(a) The term 'United States' means the United States of America, and when used in the geographical sense means the States thereof and the District of Columbia."

Article II(1)(i) of the Convention shall be deleted and replaced by the following:

"(i)(A) The term 'permanent establishment' means a fixed place of business in which the business of an enterprise of one of the Contracting States is wholly or partly carried on.

"(B) A permanent establishment shall include especially:

"(i) a branch;

"(ii) an office;

"(iii) a sales outlet;

"(iv) a factory;

"(v) a workshop;

"(vi) a mine, quarry or other place of extraction of natural resources;

"(vii) a building site or construction or assembly project which exists for more than twelve months.

"(C) Notwithstanding sub-paragraph (i) (A) of this paragraph a permanent establishment shall not be deemed to include one or more of the following activities:

"(i) the use of facilities for the purpose of storage, display, or delivery of goods or merchandise belonging to the enterprise;

"(ii) the maintenance of a stock of goods or merchandise belonging to the enterprise for the purpose of storage, display, or delivery;

"(iii) the maintenance of a stock of goods or merchandise belonging to the enterprise for the purpose of processing by another enterprise;

"(iv) the maintenance of a fixed place of business for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise;

"(v) the maintenance of a fixed place of business for the purpose of advertising, for the supply of information, for scientific research or for similar activities, if they have a preparatory or auxiliary character for the enterprise.

"(D) Even if an enterprise of one of the Contracting States does not have a permanent establishment in the other State under sub-paragraph (i) (A) to (C) of this paragraph, nevertheless it shall be deemed to have a permanent establishment in the latter State if it is engaged in trade or business in that State through an agent who has an authority to conclude contracts in the name of the enterprise and regularly exercises that authority in that State, unless the exercise of authority is limited to the purchase of goods or merchandise for the account of the enterprise.

"(E) An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other State merely because it is engaged in trade or business in that other State through a broker, general commission agent or any other agent of an independent status, where such persons are acting in the ordinary course of their business.

"(F) The fact that a resident or a corporation of one of the Contracting States controls, is controlled by, or is under common control with:

"(i) a corporation of the other State or

"(ii) a corporation which engages in trade or business in that other State (whether through a permanent establishment or otherwise)

shall not be taken into account in determining whether such resident or corporation has a permanent establishment in that other State."

ARTICLE II

Article III of the Convention shall be deleted and replaced by the following:

"ARTICLE III

"(1) Industrial or commercial profits of an enterprise of one of the Contracting States shall be exempt from tax by the other State unless the enterprise has a permanent establishment in such other State. If the enterprise has such a permanent establishment, tax may be imposed by such other State on the industrial or commercial profits of the enterprise, but only on so much of them as are attributable to the permanent establishment or are derived within such other State from sales of goods or merchandise of the same kind as those sold, or from other business transactions of the same kind as those effected, through the permanent establishment.

"(2) Where an enterprise of one of the Contracting States has a permanent establishment in the other State, there shall in each Contracting State be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment. Where the enterprise, in addition to the profits derived through the permanent establishment, derives other profits of the kind referred to in paragraph (1), such other profits shall be treated as if they were derived through the permanent establishment.

"(3) In determining the industrial or commercial profits of an enterprise of one of the Contracting States which are taxable in the other State in accordance with paragraphs (1) and (2), there shall be allowed as deductions all expenses, wherever incurred, which are reasonably connected with the profits so taxable, including executive and general administrative expenses.

"(4) No profits shall be attributed to a permanent establishment merely by reason of the purchase by that permanent establishment or by the enterprise itself, of goods or merchandise for the account of the enterprise.

"(5) The term 'industrial or commercial profits' means income derived from the active conduct of a trade or business, but does not include income dealt with in Article VII (dividends), Article VIII (interest), Article IX (royalties), Articles V and X (income from real property and natural resources), Article XI (capital gains) and Article XVI (personal services), other than income described in Articles VII, paragraph 3, VIII, paragraph 2, IX, paragraph 3 and XI, paragraph 2. The term 'industrial or commercial profits' includes profits derived by an enterprise from the furnishing of services of employees or other personnel."

ARTICLE III

Article IV of the Convention shall be deleted and replaced by the following:

"ARTICLE IV

"(1) Where a resident or corporation of a Contracting State and any other person are related and where such related persons make arrangements or impose conditions between themselves which are different from those which would be made between independent persons, then any income which, but for those arrangements or conditions, would have accrued to such resident or corporation, may be included in the income of such resident or corporation for purposes of the present Convention and taxed accordingly.

"(2)(a) A person other than a corporation is related to a corporation if such person participates directly or indirectly in the management, control or capital of the corporation.

"(b) A corporation is related to another corporation if either participates directly or indirectly in the management, control, or capital of the other, or if any person or persons participate directly or indirectly in the management, control or capital of both corporations."

ARTICLE IV

Article V of the Convention shall be deleted and replaced by the following:

"ARTICLE V

"Income from real property (including gains derived from the sale of such property, but not including interest from mortgages or bonds secured by real property) and royalties from the operation of mines, quarries, or other natural resources may be taxed in the Contracting State in which such property is situated."

ARTICLE V

Article VII of the Convention shall be deleted and replaced by the following:

"ARTICLE VII

"(1) Dividends paid by a corporation of one of the Contracting States to a resident or corporation of the other Contracting State shall be taxed as follows in the former State:

"(a) at a rate not exceeding 15 percent of the gross amount actually distributed; or

"(b) at a rate not exceeding 5 percent of the gross amount actually distributed, if during the part of the paying corporation's taxable year which precedes the date of payment of the dividend and the whole of its prior taxable year (if any), the recipient is a corporation owning at least 25 percent of the voting stock of the paying corporation, either alone or in combination with another corporation of such other States, provided each recipient corporation owned at least 10 percent of such voting stock.

"(2) The rules of subparagraph (b) shall not apply if more than 25 percent of the gross income of the paying corporation for such prior taxable year (if any) consisted of interest and dividends (other than interest derived in the conduct of a banking, insurance or financing business and dividends or interest received from subsidiary corporations, 50 percent or more of the voting stock of which was owned by the paying corporation at the time such dividends or interest were received).

"(3) Paragraph (1) of this Article shall not apply if the recipient of the dividends has a permanent establishment in the former Contracting State and the shares with respect to which the dividends are paid are effectively connected with the permanent establishment. In such a case, the provisions of Article III shall apply."

ARTICLE VI

Article VIII of the Convention shall be deleted and replaced by the following:

"ARTICLE VIII

"(1) Interest on bonds, notes, debentures, securities, deposits or any other form of indebtedness (including interest from mortgages or bonds secured by real property) paid to a resident or corporation of one of the Contracting States shall be exempt from tax by the other Contracting State.

"(2) Paragraph (1) of this Article shall not apply if the recipient of the interest has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with the permanent establishment. In such a case, the provisions of Article III shall apply.

"(3) Where any interest paid by a person to a related person, as defined in Article IV, exceeds a fair and reasonable consideration in respect of the indebtedness for which it is paid, paragraph (1) of this Article shall apply only to so much of the interest as represents such fair and reasonable consideration; the excess payment shall be characterized and taxed according to the laws of each Contracting State, including the provisions of this Convention where applicable."

ARTICLE VII

Article IX of the Convention shall be deleted and replaced by the following:

"ARTICLE IX

"(1) Royalties paid to a resident or corporation of one of the Contracting States shall be exempt from tax by the other Contracting State.

"(2) For the purposes of this Article, the term 'royalties' means any royalties, rentals or other amounts paid as consideration for the use of, or the right to use:

"(a) copyrights, artistic or scientific works, patents, designs, plans, secret processes or formulae, trademarks, motion picture films, films or tapes for radio or television broadcasting, or other like property or rights, or

"(b) information concerning industrial, commercial or scientific knowledge, experience or skill.

"(3) Paragraph (1) of this Article shall not apply if the recipient of the royalties has a permanent establishment in the other Contracting State and the right or property giving rise to the royalties is effectively connected with the permanent establishment. In such a case, the provisions of Article III shall apply.

"(4) Where any royalty paid by a person to a related person, as defined in Article IV, exceeds a fair and reasonable consideration in respect of the rights for which it is paid, paragraph (1) of this Article shall apply only to so much of the royalty as represents such fair and reasonable consideration; the excess payment shall be characterized and taxed according to the laws of each Contracting State, including the provisions of this Convention where applicable."

ARTICLE VII

Article XI of the Convention shall be deleted and replaced by the following:

"ARTICLE XI

"(1) Gains derived by a resident or corporation of one of the Contracting States from the alienation of a capital asset (other than gain from the alienation of real property to which Article V applies) shall be exempt from tax by the other Contracting State.

"(2) If such resident or corporation has a permanent establishment in the other Contracting State, paragraph (1) of this Article shall not apply to gains derived by such resident or corporation from the alienation of a capital asset which is effectively connected with the permanent establishment. In such a case, the provisions of Article III shall apply.

"(3) Paragraph (1) of this Article shall not apply if:

"(a) the person deriving the gain is an individual who is a resident of the Netherlands and who is present in the United States for a period of 183 days or more during the taxable year, and

"(b) the asset alienated was held by such person for six months or less.

"(4) Paragraph (1) of this Article does not affect the right of the Netherlands to levy, according to its own law, a tax on the gains derived from the alienation of shares, or 'jouissance' shares, in a Netherlands joint stock corporation, by an individual who is a resident of the United States and who at the time of alienation:

"(a) is a Netherlands citizen,

"(b) has, at any time during the five-year period preceding such alienation, been a resident of the Netherlands, and

"(c) owns, either alone or together with his close relatives, at least 25 percent of the voting stock of such corporation."

ARTICLE VIII A

Article XV(1) of the Convention shall be deleted and replaced by the following:

"(1) Wages, salaries and similar compensation and pensions, annuities or similar benefits paid by, or out of funds created by, one of the Contracting States or the political subdivisions thereof to an individual who is a citizen of that Contracting State for services rendered to that Contracting State or to any of its political subdivisions in the discharge of governmental functions shall be exempt from tax by the other Contracting State."

ARTICLE IX

Article XVI of the Convention shall be deleted and replaced by the following:

"ARTICLE XVI

"(1) An individual who is a resident of one of the Contracting States shall be exempt from tax by the other Contracting State with respect to income from personal services if—

"(a) he is present within the latter Contracting State for a period or periods not exceeding in the aggregate 183 days during the taxable year, and

"(b) in the case of employment income—

"(i) such individual is an employee of a resident or corporation of a State other than the latter Contracting State or of a permanent establishment of a resident or corporation of the latter Contracting State located outside the latter Contracting State, and

"(ii) such income is not deducted as such in computing the profits of a permanent establishment in the latter Contracting State.

"(2) For purposes of paragraph (1), the term 'income from personal services' includes employment income and income earned by an individual from the performance of personal services in an independent capacity. The term 'employment income' includes income from services performed by officers and directors of corporations, but does not include income from personal services performed by partners."

ARTICLE X

Article XVII of the Convention shall be deleted and replaced by the following:

"ARTICLE XVII

"(1) An individual who is a resident of one of the Contracting States at the beginning of his visit to the other Contracting State and who, at the invitation of the Government of the other Contracting State or of a university or other accredited educational institution situated in the other Contracting State, visits the other Contracting State for the primary purpose of teaching or engaging in research, or both, at a university or other accredited educational institution shall be exempt from tax by the other Contracting State on his income from personal services for teaching or research at such educational institution, or at other such institutions, for a period not exceeding two years from the date of his arrival in the other Contracting State.

"(2) This Article shall not apply to income from research if such research is undertaken not in the public interest but primarily for the private benefit of a specific person or persons."

ARTICLE XI

Article XVIII of the Convention shall be deleted and replaced by the following:

"ARTICLE XVIII

"(1) (a) An individual who is a resident of one of the Contracting States at the beginning of his visit to the other Contracting State and who is temporarily present in the other Contracting State for the primary purpose of:

"(i) studying at a university or other accredited educational institution in that other Contracting State or otherwise engaging in research of an educational nature, or

"(ii) securing training required to qualify him to practice a profession or professional specialty,

shall be exempt from tax by that other Contracting State with respect to:

"(A) gifts from abroad for the purpose of his maintenance, education, study, research or training;

"(B) a grant, allowance, or award by a government, educational institution, or nonprofit organization; and

"(C) income from personal services performed in the other Contracting State in an amount not in excess of $2,000 (in the case of services performed in the United States) or 3,600 guilders (in the case of services performed in the Netherlands) for any taxable year.

"(b) The benefits under this paragraph shall only extend for such period of time as may be reasonably or customarily required to effectuate the purpose of the visit, but in no event shall any individual have the benefits of this paragraph for more than five taxable years.

"(2) A resident of one of the Contracting States who is present in the other Contracting State as an employee of, or under contract with, a resident or corporation of the former State, for the primary purpose of:

"(i) acquiring technical, professional, or business experience from a person other than that resident or corporation of the former State or a corporation 50 percent or more of the voting stock of which is owned by such corporation of the former State, or

"(ii) studying at a university or other accredited educational institution in that other Contracting State,

shall be exempt from tax by that other Contracting State for one taxable year with respect to his income from personal services in an amount not in excess of $5,000 (in the case of services performed in the United States) or 18,000 guilders (in the case of services performed in the Netherlands)."

ARTICLE XII

Article XIX of the Convention shall be deleted and replaced by the following:

"ARTICLE XIX

"(1) Notwithstanding any provisions of the present Convention (other than paragraph (1) of Article XV when applicable in the case of an individual who is deemed by each Contracting State to be a citizen thereof), each of the two Contracting States, in determining the taxes, including all surtaxes, of its citizens or residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under its own revenue laws as though this Convention had not come into effect.

"(2) The United States shall allow to a citizen, resident or corporation of the United States as a credit against its tax specified in subparagraph (1)(a) of Article I the appropriate amount of taxes paid to the Netherlands. Such appropriate amount shall be based upon the amount of tax paid to the Netherlands on income from sources within the Netherlands but shall not exceed that proportion of the United States tax which taxable income from sources within the Netherlands bears to the entire taxable income. For purposes of this paragraph, taxable income shall be computed without any deduction for personal exemptions. It is agreed that, by virtue of the provisions of paragraph (3) of this Article, the Netherlands has satisfied the similar credit requirement of the Internal Revenue Code with respect to taxes paid to the Netherlands.

"(3) As far as may be in accordance with the provisions of Netherlands law, the Netherlands agrees to allow a deduction from Netherlands tax with respect to income from sources within the United States, in order to take into account the Federal income taxes paid to the United States, whether paid directly by the taxpayer or by withholding at the source. In addition, the Netherlands shall allow a deduction from the Netherlands tax, determined in conformity with paragraph (1), with respect to dividends received from a United States corporation by a resident or corporation of the Netherlands. The amount of this deduction shall be the lesser of the following:

"(a) an amount equal to 15 percent of the dividends; or

"(b) an amount that is the same proportion of the Netherlands tax, determined in conformity with paragraph (1) of this Article, as the amount of the dividends bears to the income which forms the basis for the determination of the Netherlands tax."

ARTICLE XIII

Article XXIV of the Convention shall be deleted and replaced by the following:

"ARTICLE XXIV

"(1) Where a taxpayer shows proof that the action of the tax authorities of the Contracting States has resulted or will result in taxation not in accordance with the provisions of the present Convention, he shall be entitled to present his case to the State of which he is a citizen or a resident, or, if the taxpayer is a corporation of one of the Contracting States, to that State.

"(2) Should the taxpayer's claim be deemed worthy of consideration, the competent authority of the State to which the claim is made shall endeavour to come to an agreement with the competent authority of the other State with a view to avoidance of taxation not in accordance with the provisions of the present Convention. In particular, the competent authorities of the Contracting States may consult together to endeavour to agree:

"(a) to the same attribution of industrial or commercial profits to a permanent establishment situated in one of the States of an enterprise of the other State, or

"(b) to the same allocation of profits between related enterprises as provided for in Article IV.

In the event that the competent authorities reach such an agreement taxes shall be imposed, and refund or credit of taxes shall be allowed, by the Contracting States on such income in accordance with such agreement. If the taxpayer does not accept such agreement, the preceding sentence shall not be construed to deny a taxpayer the right to appeal to the courts the decision reached in such agreement.

"(3) The competent authorities of the Contracting States may communicate with each other directly to implement the provisions of the present Convention. Should any difficulty or doubt arise as to the interpretation or application of the present Convention, the competent authorities shall endeavour to settle the question as quickly as possible by mutual agreement."

ARTICLE XIV

Article XXV (2) and (3) of the Convention shall be deleted and replaced by the following:

"(2) A citizen of one of the Contracting States who is a resident of the other Contracting State shall not be subjected in that other Contracting State to more burdensome taxes than is a citizen of that other Contracting State who is a resident thereof.

"(3) A permanent establishment which a citizen or corporation of one of the Contracting States has in the other Contracting State shall not be subjected in that other Contracting State to move burdensome taxes than is a citizen or corporation of that other Contracting State carrying on the same activities. This paragraph shall not be construed as obliging either Contracting State to grant to citizens of the other Contracting State who are not residents of the former Contracting State any personal allowances or deductions which are by its law available only to residents of that former Contracting State.

"(4) A corporation of one of the Contracting States, the capital of which is wholly or partly owned by one or more citizens or corporations of the other Contracting State, shall not be subjected in the former Contracting State to more burdensome taxes than is a corporation of the former Contracting State, the capital of which is wholly owned by one or more citizens or corporations of that former Contracting State.

"(5) As used in paragraphs 2, 3 and 4 of this Article the term 'taxes' means taxes of every kind and whether imposed at the national, state or local level."

ARTICLE XV

As respects the Kingdom of the Netherlands the Supplementary Convention shall only apply to the part of the Kingdom of the Netherlands that is situated in Europe.

ARTICLE XVI

(1) The present Supplementary Convention shall be ratified and the instruments of ratification shall be exchanged at The Hague as soon as possible.

(2) The present Supplementary Convention shall come into force on the date of the exchange of instruments of ratification and, except as provided in paragraph (3), the articles shall have effect for taxable years beginning on or after the first day of January in the year following the year in which such exchange takes place.

(3) Article VII shall have effect with respect to dividends paid beginning on the day after the date of exchange of instruments of ratification except that the rules of Article VII of the Convention of April 29, 1948, shall continue to apply for a period of two years beginning on the date of exchange of instruments of ratification of this Supplementary Convention with respect to dividends paid to—

(a) a United States corporation or organization operated exclusively for a religious, charitable, scientific, educational or public purpose which is exempt from tax in the United States, or

(b) a trust created or organized in the United States and forming part of a stock bonus, pension, or profit sharing plan of an employer for the exclusive benefit of his employees or their beneficiaries which is exempt from tax in the United States, if such corporation, organization, or trust owned on April 30, 1965, the shares with respect to which such dividends are paid.

In witness whereof the above-mentioned Plenipotentiaries have signed this Supplementary Convention.

Done at Washington, in duplicate, in the English and Dutch languages, the two texts having equal authenticity, this 30th day of December, 1965.

For the Government of the United States of America:

DEAN RUSK.

For the Government of the Kingdom of the Netherlands:

CARL W. A. SCHURMANN.

The **PRESIDING OFFICER**. If there be no objection, the Executive B will be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification.

The resolution of ratification of Executive B will now be read.

The resolutions of ratification of Executive B was read, as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the supplementary convention, signed at Washington on December 30, 1965, modifying and supplementing the convention between the United States of America and the Kingdom of the Netherlands with respect to taxes on income and certain other taxes signed at Washington on April 29, 1948, as modified by supplementary protocols of 1955 and 1963 (Executive B, Eighty-ninth Congress, second session).

The **PRESIDING OFFICER**. The question is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **LONG** of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Maryland [Mr. BREWSTER], the Senator from Hawaii [Mr. INOUYE], the Senator from Washton [Mr. MAGNUSON], the Senator from Wisconsin [Mr. NELSON], the Senator from Ohio [Mr. LAUSCHE], are absent on official business.

I also announce that the Senator from West Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Maine [Mr. MUSKIE], the Senator from South Carolina [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN], are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. INOUYE], the Senator from Maine [Mr. MUSKIE], the Senator from Wisconsin [Mr. NELSON], and the Senator from Florida [Mr. SMATHERS], would each vote "yea."

Mr. **DIRKSEN**. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Iowa [Mr. MILLER] are absent on official business.

The Senator from South Dakota [Mr. MUNDT], the Senator from Vermont [Mr. PROUTY] and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

If present and voting, the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from South Dakota [Mr. MUNDT], the Senator from Vermont [Mr. PROUTY], and the Senator from Wyoming [Mr. SIMPSON] would each vote "yea."

The yeas and nays resulted—yeas 83, nays 0, as follows:

[Ex. No. 99]

YEAS—83

Aiken
Allott
Anderson
Bartlett
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Douglas
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Gore
Griffin
Gruening
Harris
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Long, La.
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Morton
Moss
Murphy
Neuberger
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—17

Bass
Brewster
Byrd, W. Va.
Dodd
Inouye
Kuchel
Lausche
Magnuson
Miller
Mundt
Muskie
Nelson
Prouty
Russell, S.C.
Simpson
Smathers
Sparkman

The **PRESIDING OFFICER**. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

EXECUTIVE C—SUPPLEMENTARY TAX PROTOCOL WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Supplementary protocol between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland, amending the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income, signed at Washington on the 16th April, 1945, as modified by the supplementary protocol signed at Washington on the 6th June, 1946, the 25th May, 1954, and the 19th August, 1957

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland;

Desiring to conclude a further Protocol amending the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, signed at Washington on the 16th April, 1945, as modified by the Supplementary Protocol signed at Washington on the 6th June, 1946, by the Supplementary Protocol signed at Washington on the 25th May, 1954, and the Supplementary Protocol signed at Washington on the 19th August, 1957 (hereinafter referred to as "the Convention");

Have agreed as follows:

ARTICLE 1

Article I of the Convention shall be deleted and replaced by the following:

"ARTICLE I

"(1) The taxes which are the subject of the present Convention are:

"(*a*) In the case of the United States of America: The Federal income taxes, including surtaxes (hereinafter referred to as 'United States tax');

"(*b*) In the case of the United Kingdom of Great Britain and Northern Ireland: The income tax (including surtax), the corporation tax, and the capital gains tax (hereinafter referred to as 'United Kingdom tax').

"(2) The present Convention shall also apply to any other taxes of a substantially similar character imposed by either Contracting Party subsequent to the date of signature of the present Convention or by the government of any territory to which the present Convention is extended under Article XXII."

ARTICLE 2

The following new paragraph shall be added at the end of Article II of the Convention:

"(4) Where under Articles VI, VII and VIII of the present Convention income from a source in one of the territories is relieved from tax in that territory, and, under the law in force in the other territory and individual, in respect of the said income, is subject to tax by reference to the amount thereof which is remitted to or received in that other territory and not by reference to the full amount thereof, then the relief to be allowed under those Articles of the present Convention in the first-mentioned territory shall apply only to so much of the income as is remitted to or received in the other territory."

ARTICLE 3

Article III of the Convention shall be deleted and replaced by the following:

"ARTICLE III

"(1) Industrial or commercial profits of an enterprise of one of the Contracting Parties shall be exempt from tax by the other Party unless the enterprise is engaged in trade or business in the territory of such other Party through a permanent establishment situated therein. If such enterprise is so engaged, tax may be imposed by such other Party on the industrial or commercial profits of the enterprise but only on so much of them as are directly or indirectly attributable to the permanent establishment.

"(2) Where an enterprise of one of the Contracting Parties is engaged in trade or business in the territory of the other Contracting Party through a permanent establishment situated therein, there shall be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment.

"(3) In determining the industrial or commercial profits of an enterprise of one of the Contracting Parties which are taxable in the territory of the other Contracting Party in accordance with paragraphs (1) and (2), there shall be allowed as deductions all expenses (including executive and general administrative expenses) which would be deductible if the permanent establishment were an independent enterprise and which are reasonably connected with the profits so taxable, whether incurred in the territory of the Contracting Party in which the permanent establishment is situated or elsewhere.

"(4) No profits shall be deemed to be derived by an enterprise of either Contracting Party merely by reason of the purchase of goods or merchandise by a permanent establishment of the enterprise, or by the enterprise itself, for the account of the enterprise.

"(5) The term 'industrial or commercial profits' means income derived by an enterprise from the active conduct of a trade or business, including income derived by an enterprise from the furnishing of services of employees or other personnel, but does not include income dealt with in Article VI, excluding paragraphs (4) and (5) (dividends), Article VII, excluding paragraph (3) (interest), Article VIII, excluding paragraph (3) (royalties), and Article XIV, excluding paragraph (3) (capital gains) nor does it include income received by an individual as compensation for personal (including professional) services."

ARTICLE 4

Article VI of the Convention having been terminated by notice given on the 30th June, 1965, under paragraph (3) of that Article, the following new Article shall be inserted in place thereof:

"ARTICLE VI

"(1) The rate of United States tax on dividends beneficially owned by a resident of the United Kingdom which are derived by such a resident from a United States corporation, or are otherwise treated as being from sources within the United States shall not exceed 15 per cent of the gross amount of the dividends.

"(2) The rate of United Kingdom tax on dividends beneficially owned by a resident of the United States which are derived by such a resident from a corporation which is a resident of the United Kingdom, or are otherwise treated as being from sources within the United Kingdom, shall not exceed 15 per cent of the gross amount of the dividends.

"(3) Subject to the provisions of paragraph (5) of Article VII and of paragraph (4) of Article VIII of the present Convention:

"(*a*) The term 'dividends' in the case of the United Kingdom includes any item which under the law of the United Kingdom is treated as a distribution of a company except that this term does not include any redeemable share capital or security issued by a corporation in respect of shares in the corporation otherwise than wholly for new consideration, or such part of any redeemable share capital or security so issued as is not properly referable to new consideration.

"(*b*) The term 'dividends' in the case of the United States includes any item which under the law of the United States is treated as a distribution out of earnings and profits.

"(4) The provisions of paragraph (1) of this Article shall not apply if the recipient of the dividends, being a resident of the United Kingdom and not a corporation, has in the United States a permanent establishment and the holding giving rise to the dividends is effectively connected with such permanent establishment.

"(5) The provisions of paragraph (2) of this Article shall not apply if the recipient of the dividends, being a resident of the United States, has in the United Kingdom a permanent establishment and the holding giving rise to the dividends is effectively connected with a trade carried on through such permanent establishment and, in the case of a corporation, the trade is such that a profit on the sale of the holding would be a trading receipt.

"(6) Either of the Contracting Parties may terminate this Article by giving written notice of termination to the other Contracting Party, through diplomatic channels, on or before the thirtieth day of June in any year after the year 1965, and in such event paragraph (1) of this Article shall cease to be effective as to United States tax on and after the first day of January, and paragraph (2) of this Article shall cease to be effective as to United Kingdom tax on and after the sixth day of April, in the year next following that in which such notice is given."

ARTICLE 5

Article VII of the Convention shall be deleted and replaced by the following:

"ARTICLE VII

"(1) Interest (on bonds, securities, debentures, or on any other form of indebtedness) derived and beneficially owned by a resident of the United Kingdom shall be exempt from tax by the United States.

"(2) Interest (on bonds, securities, debentures, or on any other form of indebtedness) derived and beneficially owned by a resident of the United States shall be exempt from tax by the United Kingdom.

"(3) Paragraphs (1) and (2) of this Article shall not apply if the recipient of the interest, being a resident of the territory of one of the Contracting Parties, has in the territory of the other Contracting Party a permanent establishment and the indebtedness giving rise to the interest is effectively connected with such permanent establishment.

"(4) Subject to paragraph (5) of this Article, the provisions of paragraphs (1) and (2) of this Article shall not apply to any payment of interest which under the law of either Contracting Party is treated as a distribution.

"(5) Any provision in the law of either Contracting Party relating only to interest paid to a non-resident corporation shall not operate so as to require such interest paid to a resident of the other Contracting Party to be treated as a distribution by the corporation paying such interest. The preceding sentence shall not apply to interest paid to a corporation of one Contracting Party in which more than 50 per cent of the voting power is controlled, directly or indirectly, by a person or persons resident in the territory of the other Contracting Party.

"(6) Where, owing to a special relationship between the payer and the recipient, or between both of them and some other person, the amount of the interest paid exceeds the amount which would have been agreed upon by the payer and recipient in the absence of such relationship, the provisions of this Article shall only apply to the last-mentioned amount."

ARTICLE 6

The following new Article shall be inserted immediately after Article VII of the Convention:

"ARTICLE VII A

"Neither Article VI nor Article VII of the present Convention shall apply if the recipient of the dividend or interest is exempt from tax on such income in the territory of the Contracting Party in which it is resident, and either—

"(*a*) in the case of a dividend to which Article VI applies, such recipient owns 10 per cent or more of the class of shares in respect of which the dividend is paid and the dividend is paid in such circumstances that, if the recipient were a resident of the United Kingdom exempt from United Kingdom tax, the exemption would be limited or removed; or

"(*b*) in the case of interest to which Article VII applies, such recipient sells (or makes a contract to sell) the holding from which such interest is derived within three months of the date such recipient acquired such holding."

ARTICLE 7

Article VIII of the Convention shall be deleted and replaced by the following:

"ARTICLE VIII

"(1) Royalties derived and beneficially owned by a resident of the United Kingdom shall be exempt from tax by the United States.

"(2) Royalties derived and beneficially owned by a resident of the United States shall be exempt from tax by the United Kingdom.

"(3) Paragraphs (1) and (2) of this Article shall not apply if the recipient of the royalty, being a resident of the territory of one of the Contracting Parties, has in the territory of the other Contracting Party a permanent establishment and the right or property giving rise to the royalties is effectively connected with such permanent establishment.

"(4) Royalties paid by a corporation of one Contracting Party to a resident of the other Contracting Party shall not be treated as a distribution by such corporation. The preceding sentence shall not apply to royalties paid to a corporation of one Contracting Party where (*a*) the same persons participate directly or indirectly in the management or control of the corporation paying the royalties and the corporation deriving the royalties, and (*b*) more than 50 per cent of the voting power in the corporation deriving the royalties is controlled, directly or indirectly, by a person or persons resident in the territory of the other Contracting Party.

"(5) The term 'royalties' as used in this Article:

"(*a*) means any royalties, rentals or other amounts paid as consideration for the use of, or the right to use, copyrights of literary, artistic or scientific works (including motion picture films, or films or tapes for radio or television broadcasting), patents, designs or models, plans, secret processes or formulae, trade-marks or other like property or rights, or for industrial, commercial or scientific equipment, or for knowledge, experience or skill (know-how), and

"(*b*) shall include gains derived from the sale or exchange of any right or property giving rise to such royalties.

"(6) Where, owing to a special relationship between the payer and the recipient, or between both of them and some other person, the amount of the royalties paid exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this Article shall only apply to the last-mentioned amount."

ARTICLE 8

Article IX of the Convention shall be deleted and replaced by the following:

"ARTICLE IX

"(1) The rate of United States tax on royalties in respect of the operation of mines or quarries or of other extraction of natural resources, and on rentals from real property or from an interest in such property, derived from sources within the United States by a resident of the United Kingdom who is subject to United Kingdom tax with respect to such royalties or rentals and not engaged in trade or business in the United States, shall not exceed 15 per cent: Provided that any such resident may elect from any taxable year to be subject to United States tax on such income on a net basis as if such resident were engaged in trade or business in the United States.

"(2) Royalties in respect of the operation of mines or quarries or of other extraction of natural resources, and rentals from real property or from an interest in such propety, derived from sources within the United Kingdom by an individual who is (*a*) a resident of the United States, (*b*) subject to United States tax with respect to such royalties and rentals, and (*c*) not engaged in trade or business in the United Kingdom, shall be exempt from United Kingdom surtax."

ARTICLE 9

Article XIII of the Convention shall be deleted and replaced by the following:

"ARTICLE XIII

"(1) The United States, in determining United States tax in the case of its citizens, residents or corporations may, regardless of any other provision of this Convention, include in the basis upon which such tax is imposed all items of income taxable under the revenue laws of the United States as if this Convention had not come into effect. Subject to the provisions of the law of the United States regarding the allowance as a credit against United States tax of tax payable in a territory outside the United States (which shall not affect the general principle hereof), the United States shall, however, allow to a citizen, resident or corporation, as a credit against its taxes, the appropriate amount of United Kingdom income tax paid and, in the case of a United States corporation owning at least 10 per cent of the voting power of a corporation resident in the United Kingdom, shall allow credit for the appropriate amount of United Kingdom tax paid by the corporation paying such dividend with respect to the profits out of which such dividend is paid, if the recipient of such dividend includes in its gross income for the purposes of United States tax the amount of such United Kingdom tax. For this purpose, the recipient of any interest or royalty paid by an individual who is resident in the United Kingdom and the recipient of any dividend paid by a corporation which is resident in the United Kingdom shall be considered to have paid the United Kingdom income tax legally deducted from such interest, royalty or dividend payment by the person by or through whom payment thereof is made (to the extent that it is a tax chargeable in accordance with the present Convention) if such recipient elects to include in his gross income for purposes of United States tax the amount of such United Kingdom tax. The appropriate amount of United Kingdom tax which shall be allowed as a credit under this paragraph shall be based upon the amount of United Kingdom tax paid but shall not exceed that portion of the United States tax which net income from sources within the United Kingdom bears to the entire net income.

"(2) Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom (which shall not affect the general principle hereof),

"(*a*) United States tax payable under the laws of the United States and in accordance with the present Convention, whether directly or by deduction, on profits, income or chargeable gains from sources within the United States (excluding, in the case of a dividend, tax payable in respect of the profits out of which the dividend is paid) shall be allowed as a credit against any United Kingdom tax computed by reference to the same profits, income or chargeable gains by reference to which the United States tax is computed;

"(*b*) In the case of a dividend paid by a company which is a resident of the United States to a company which is resident in the United Kingdom and which controls directly or indirectly at least 10 per cent of the voting power in the United States company, the credit shall take into account (in addition to any United States tax creditable under (*a*)) the United States tax payable by the company in respect of the profits out of which such dividend is paid.

"(3) For the purposes of this Article, compensation, profits, emoluments and other remuneration for personal (including professional) services shall be deemed to be income from sources within the territory of the Contracting Party where such services are performed.

"(4) With respect to dividends paid prior to the 6th April, 1966, the United States, in allowing credit in accordance with the terms of paragraph (1) of Article XIII as in effect prior to the amendments made thereto by the Supplementary Protocol signed at London on the , 1966 to a recipient of a dividend from a corporation which is resident in the United Kingdom, shall continue, to the same extent as prior to the 6th April, 1964, to treat as the United Kingdom tax appropriate to such dividend, the United Kingdom income tax which the person paying such dividend is required to deduct from such dividend except that there shall not be considered to be any United Kingdom tax appropriate to a dividend with respect to which a United States corporation claims, under Section 902 of the Internal Revenue Code, credit for taxes paid or deemed to be paid by the corporation paying such dividend if, and to the extent that, under the applicable provisions of the Internal Revenue Code such dividend is considered paid out of profits of a financial year of the corporation paying such dividend to which the United Kingdom corporation tax applies."

ARTICLE 10

Article XIV of the Convention shall be deleted and replaced by the following:

"ARTICLE XIV

"(1) A resident of the United Kingdom shall be exempt from United States tax on gains from the sale or exchange of capital assets.

"(2) A resident of the United States shall be exempt from United Kingdom tax on chargeable gains accruing to him on the disposal of assets.

"(3) Paragraph (1) or paragraph (2) of this Article shall not apply if the person deriving the gain has a permanent establishment in the United States, for purposes of paragraph (1), or the United Kingdom, for purposes of paragraph (2) and the gain is derived from an asset which is effectively connected with such permanent establishment.

"(4) Paragraph (1) of this Article shall not apply if the person deriving the gain is an individual who is a resident of the United Kingdom and who is present in the United States for a period equal to or exceeding an aggregate of 183 days during the taxable year."

ARTICLE 11

Article XV of the Convention shall be deleted and replaced by the following:

"ARTICLE XV

"Dividends and interest paid by a corporation of one Contracting Party shall be exempt from tax by the other Contracting Party except where the recipient is a citizen, resident, or corporation of that other Contracting Party. This exemption shall not apply if the corporation paying such dividend or interest is a resident of the other Contracting Party."

ARTICLE 12

The following new Article shall be inserted immediately after Article XVI of the Convention:

"ARTICLE XVI A

"In determining for the purpose of United Kingdom tax whether a company is a close company, the term 'recognized stock exchange' shall include any exchange registered with the Securities and Exchange Commission of the United States as a national securities exchange."

ARTICLE 13

The following new Article shall be inserted immediately after Article XIX of the Convention:

"ARTICLE XIX A

"(1) Each of the Contracting Parties will endeavour to collect on behalf of the other Contracting Party, such amounts as may be necessary to ensure that relief granted by the present Convention from taxation imposed by such other Contracting Party does not enure to the benefit of persons not entitled thereto. The United Kingdom will be regarded as fulfilling this obligation by the continuation of its existing arrangements for ensuring that relief from taxation imposed by the laws of the United States does not enure to the benefit of persons not entitled thereto.

"(2) Paragraph (1) of this Article shall not impose upon either of the Contracting Parties the obligation to carry out administrative measures which are of a different nature from those used in the collection of its own tax, or which would be contrary to its sovereignty, security, or public policy. In determining the administrative measures to be carried out each Contracting Party may take into account the administrative measures and practices of the other Contracting Party in recovering taxes on behalf of the first-mentioned Contracting Party.

"(3) The competent authorities of the Contracting Parties shall consult with each other for the purpose of co-operating and advising in respect of any action to be taken in implementing this Article."

ARTICLE 14

Article XX of the Convention shall be deleted and replaced by the following:

"ARTICLE XX

"(1) The competent authorities of the Contracting Parties shall exchange such information (being information available under the respective taxation laws of the Contracting Parties) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or the administration of statutory provisions against legal avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret but may be disclosed to persons (including a court or administrative body) concerned with the assessment, collection, enforcement or prosecution in respect of taxes which are the subject of the present Convention. No information shall be exchanged which would disclose any trade, business, industrial or professional secret or any trade process.

"(2) The term 'competent authorities' means, in the case of the United States, the Secretary of the Treasury or his delegate; in the case of the United Kingdom, the Commissioners of Inland Revenue or their authorized representative; and, in the case of any territory to which the present Convention is extended under Article XXII, the competent authority for the administration in such territory of the taxes to which the present Convention applies."

ARTICLE 15

The following new Article shall be inserted immediately after Article XX of the Convention:

"ARTICLE XX A

"(1) Where a taxpayer considers that the action of the tax authorities of the Contracting Parties has resulted or will result in taxation contrary to the provisions of the present Convention, he shall be entitled to present his case to the Party of or in which he is a citizen or resident. Should the taxpayer's claim be deemed worthy of consideration, the competent authority of the Party to which the claim is made shall endeavour to come to an agreement with the competent authority of the other Party with a view to a satisfactory adjustment.

"(2) The competent authorities of the Contracting Parties may communicate with each other directly to implement the provisions of the present Convention and to assure its consistent interpretation and application. In particular, the competent authorities may consult together to endeavour to resolve disputes arising out of the application of paragraph (2) of Article III or Article IV, or the determination of the source of particular items of income.

"(3) In the United States where the income or profits of an enterprise are adjusted pursuant to Article IV, or paragraph (2) of Article III, or the tax of an enterprise is adjusted as the result of a determination of the source of a particular item of income, taxes shall be imposed on such income or profits, or refund or credit of taxes shall be allowed, in accordance with the agreement reached by the competent authorities respecting such adjustment.

"(4) In the United Kingdom, where profits on which a United Kingdom enterprise has been charged to United Kingdom tax are also included in the profits of a United States enterprise and the profits so included are profits which would have accrued to the United States enterprise if the conditions made between each of the enterprises had been those which would have been made between independent enterprises, the amount included in the profits of both enterprises shall be treated for the purpose of Article XIII as income from a United States source of the United Kingdom enterprise and credit shall be given accordingly in respect of the extra United States tax chargeable as a result of the inclusion of the said amount."

ARTICLE 16

Article XXI of the Convention shall be deleted and replaced by the following:

"ARTICLE XXI

"(1) A national of one of the Contracting Parties who is resident in the territory of the other Contracting Party shall not be subjected in that other Contracting Party to more burdensome taxes than is a national of that other Contracting Party who is resident therein.

"(2) A permanent establishment which an enterprise of one of the Contracting Parties has in the other Contracting Party shall not be subject in that other Contracting Party to more burdensome taxes than is an enterprise of that other Contracting Party carrying on the same activities. This paragraph shall not be construed as obliging either Contracting Party to grant to residents of the other Contracting Party any personal allowances or deductions which are by its law available only to residents of that former Contracting Party, nor as restricting the right of either Contracting Party to tax in accordance with paragraph (1) or paragraph (2) of Article VI dividends paid to a permanent establishment maintained within its territory by a resident of the other Contracting Party.

"(3) A corporation of one of the Contracting Parties, the capital of which is wholly or partly owned by one or more nationals or corporations of the other Contracting Party, shall not be subjected in the former Contracting Party to more burdensome taxes than is a corporation of the former Contracting Party, the capital of which is wholly owned by one or more nationals or corporations of that former Contracting Party.

"(4) The term 'nationals' as used in this Article means:

"(*a*) in relation to the United Kingdom, all British subjects and British protected persons (being individuals), from the United Kingdom or any territory with respect to which the present Convention is applicable by reason of extension made by the United Kingdom under Article XXII; and

"(*b*) in relation to the United States, United States citizens, and all individuals under the protection of the United States, from the United States or any territory to which the present Convention is applicable by reason of extension made by the United States under Article XXII.

"(5) In this Article the word 'taxes' means taxes of every kind or description, whether national, Federal, state, provincial or municipal."

ARTICLE 17

Article XXIV of the Convention shall be deleted and replaced by the following:

"ARTICLE XXIV

"(1) The present Convention shall continue in effect indefinitely but either of the Contracting Parties may, on or before the 30th June in any year after the year 1966, give to the other Contracting Party, through diplomatic channels, notice of termination and, in such event, the present Convention shall cease to be effective:

"(*a*) as respects United States tax, for the taxable years beginning on or after the 1st January in the year next following that in which such notice is given;

"(*b*)(i) as respects United Kingdom income tax and surtax, for any year of assessment beginning on or after the 6th April in the year next following that in which such notice is given;

"(ii) as respects United Kingdom corporation tax, for any financial year beginning on or after the 1st April in the year next following that in which such notice is given; and

"(iii) as respects United Kingdom capital gains tax, for any year of assessment beginning on or after the 6th April in the year next following that in which such notice is given.

"(2) The termination of the present Convention or any Article thereof shall not have the effect of reviving any treaty or arrangement abrogated by the present Convention or by treaties previously concluded between the Contracting Parties."

ARTICLE 18

(1) This Supplementary Protocol shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

(2) This Supplementary Protocol shall enter into force upon the exchange of instruments of ratification and shall thereupon have effect:

(*a*) in the United Kingdom:

(i) as respects income tax and surtax for any year of assessment beginning on or after the 6th April, 1966;

(ii) as respects corporation tax for any financial year beginning on or after the 1st April, 1964;

(iii) as respects capital gains tax for any year of assessment beginning on or after the 6th April, 1965;

except that the amendments made by Article 9 of this Supplementary Protocol to Article XIII of the Convention shall not apply:

(i) as respects income tax and surtax for any year of assessment beginning before the date of ratification of this Supplementary Protocol in respect of dividends becoming payable by a United States corporation before the said date;

(ii) as respects corporation tax in respect of dividends becoming payable by a United States corporation before the later of the date of ratification of this Supplementary Protocol and the 6th April, 1966.

(*b*) in the United States as respects taxable years beginning on or after the 1st January, 1966, except—

(i) Article 4 of this Supplementary Protocol shall be effective on the 1st January, 1966;

(ii) the amendments made by Article 8 of this Supplementary Protocol to Article IX of the Convention shall have effect as respects taxable years beginning on or after the date of ratification of this Supplementary Protocol;

(iii) the amendments made by Article 9 of this Supplementary Protocol to Article XIII of the Convention shall have effect with respect to amounts paid on or after the 6th April, 1966, except that paragraph (4) of Article XIII of the Convention as amended by Article 9 of this Supplementary Protocol shall have effect with respect to amounts paid on or after the 6th April, 1964, and

(iv) the amendments made by Article 10 of this Supplementary Protocol to Article XIV of the Convention shall have effect with respect to gains realized on or after the date of ratification of this Supplementary Protocol.

(3) Where a company resident in the United Kingdom is required to account for income tax for the year beginning on the 6th April, 1966 on any amount by reference to dividends it paid in the year ending on the 5th April, 1966, Article VI of the Convention shall apply to such part of each gross dividend (other than a preference dividend or a part thereof which is paid at a fixed rate) paid in the year ending on the 5th April, 1966 as corresponds to the proportion which the said amount bears to the total of gross dividends (excluding any preference dividend or part thereof which is paid at a fixed rate) paid by the company in the year ending on the 5th April, 1966.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Supplementary Protocol.

Done in duplicate at London, this 17th day of March, 1966.

For the Government of the United States of America:

DAVID K. E. BRUCE

For the Government of the United Kingdom of Great Britain and Northern Ireland.

WALSTON

The PRESIDING OFFICER. If there be no objection, the Executive C will be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification.

The resolution of ratification of Executive C will now be read.

The resolution of ratification of Executive C was read, as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the supplementary protocol, signed at London on March 17, 1966, between the United States of America and the United Kingdom of Great Britain and Northern Ireland, amending the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on April 16, 1945, as modified by supplementary protocols signed at Washington on June 6, 1946, May 25, 1954, and August 19, 1957, (Executive C, Eighty-ninth Congress, second session.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Maryland [Mr. BREWSTER], the Senator from Hawaii [Mr. INOUYE], the Senator from Washington [Mr. MAGNUSON], the Senator from Wisconsin [Mr. NELSON], and the Senator from Ohio [Mr. LAUSCHE] are absent on official business.

I also announce that the Senator from West Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Maine [Mr. MUSKIE], the Senator from South Carolina [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN], are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. INOUYE], the Senator from Maine [Mr. MUSKIE], the Senator from Wisconsin [Mr. NELSON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Iowa [Mr. MILLER] are absent on official business.

The Senator from South Dakota [Mr. MUNDT], the Senator from Vermont [Mr. PROUTY], and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

If present and voting, the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from South Dakota [Mr. MUNDT], the Senator from Vermont [Mr. PROUTY], and the Senator from Wyoming [Mr. SIMPSON] would each vote "yea."

The yeas and nays resulted—yeas 83, nays 0, as follows:

[Ex. No. 100]

YEAS—83

Aiken
Allott
Anderson
Bartlett
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Douglas
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Gore

Griffin
Gruening
Harris
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Long, La.
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya

Morse
Morton
Moss
Murphy
Neuberger
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—17

Bass
Brewster
Byrd, W. Va.
Dodd
Inouye
Kuchel

Lausche
Magnuson
Miller
Mundt
Muskie
Nelson

Prouty
Russell, S.C.
Simpson
Smathers
Sparkman

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

EXECUTIVE D—PROTOCOL TO AMEND THE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED MEXICAN STATES CONCERNING RADIO BROADCASTING IN THE STANDARD BROADCAST BAND SIGNED AT MEXICO CITY ON JANUARY 29, 1957

The Government of the United States of America and the Government of the United Mexican States;

Considering that the Agreement between the United States of America and the United Mexican States relating to radio broadcasting in the standard broadcast band, signed at Mexico City on January 29, 1957, will expire on June 9, 1966;

Convinced that their cooperation in that field can be further improved by a new agreement;

And conscious of the necessity that, pending the conclusion of such an agreement, the present Agreement continue to be applied;

Have designated their Plenipotentiaries who, duly authorized, have agreed as follows:

ARTICLE I

Paragraph A of Article V of the Agreement between the United States of America and the United Mexican States, relative to radio broadcasting in the standard broadcast band, signed at Mexico City on January 29, 1957, is modified to state as follows:

A. *Duration*. The present Agreement shall remain in force until December 31, 1967, unless before that date, it is terminated by a notice of denunciation pursuant to paragraph B of this Article or replaced by a new agreement between the Contracting Parties.

ARTICLE II

The present Protocol is subject to ratification by both Contracting Parties and shall enter into force on the date of exchange of the respective instruments of ratification which shall take place in the City of Washington, District of Columbia, as soon as possible.

IN WITNESS WHEREOF, the undersigned sign and seal the present Protocol, in two copies, in the English and Spanish languages, both texts being equally authentic.

DONE at the City of Mexico, Federal District, on the thirteenth day of April, one thousand nine hundred sixty-six.

For the Government of the United States of America:

FULTON FREEMAN,
Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Mexican States.

For the Government of the United Mexican States:

ANTONIO CARRILLO FLORES,
Secretary for External Relations of the United Mexican States.

The PRESIDING OFFICER. If there be no objection, the Executive D will be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification.

The resolution of ratification of Executive D will now be read.

The resolution of ratification of Executive D was read, as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the protocol between the United States of America and the United Mexican States, signed at Mexico City on April 13, 1966, amending the agreement concerning radio broadcasting in the standard broadcast band signed at Mexico City on January 29, 1957. (Executive D, Eighty-ninth Congress, second session.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Maryland [Mr. BREWSTER], the Senator from Hawaii [Mr. INOUYE], the Senator from Washington [Mr. MAGNUSON], the Senator from Wisconsin [Mr. NELSON], and the Senator from Ohio [Mr. LAUSCHE] are absent on official business.

I also announce that the Senator from West Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Maine [Mr. MUSKIE], the Senator from South Carolina [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. INOUYE], the Senator from Maine [Mr. MUSKIE], the Senator from Wisconsin [Mr. NELSON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Iowa [Mr. MILLER] are absent on official business.

The Senator from South Dakota [Mr. MUNDT], the Senator from Vermont [Mr. PROUTY] and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

If present and voting, the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from South Dakota [Mr. MUNDT], the Senator from Vermont [Mr. PROUTY] and the Senator from Wyoming [Mr. SIMPSON] would each vote "yea."

The yeas and nays resulted—yeas 83, nays 0, as follows:

[Ex. No. 101]

YEAS—83

Aiken
Allott
Anderson
Bartlett
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Douglas
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Gore

Griffin
Gruening
Harris
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Long, La.
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya

Morse
Morton
Moss
Murphy
Neuberger
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—17

Bass
Brewster
Byrd, W. Va.
Dodd
Inouye
Kuchel

Lausche
Magnuson
Miller
Mundt
Muskie
Nelson

Prouty
Russell, S.C.
Simpson
Smathers
Sparkman

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

EXECUTIVE H—RESOLUTION A.69(ES.II) ADOPTED ON 15 SEPTEMBER 1964

The ASSEMBLY,

RECOGNIZING the need

(i) To increase the number of members on the Council,

(ii) To have all members of the Council elected by the Assembly,

(iii) To have equitable geographic representation of Member States on the Council, and

CONSEQUENTLY HAVING ADOPTED, at the second extraordinary session of the Assembly held in London on 10–15 September 1964, the amendments, the texts of which are contained in the Annex to this Resolution, to Articles 17 and 18 of the Convention on the

Inter-Governmental Maritime Consultative Organization,

Decides to postpone consideration of the proposed amendment to Article 28 of the Convention on the Inter-Government Maritime Consultative Organization to the next session of the Assembly in 1965,

Determines, in accordance with the provisions of Article 52 of the Convention, that each amendment adopted hereunder is of such a nature that any Member which hereafter declares that it does not accept such amendment and which does not accept the amendment within a period of twelve months after the amendment comes into force shall, upon the expiration of this period, cease to be a Party to the Convention,

Requests the Secretary-General of the Organization to effect the deposit with the Secretary-General of the United Nations of the adopted amendments in conformity with Article 53 of the Convention and to receive declarations and instruments of acceptance as provided for in Article 54, and

Invites the Member Governments to accept each adopted amendment at the earliest possible date after receiving a copy thereof from the Secretary-General of the United Nations, by communicating an instrument of acceptance to the Secretary-General for deposit with the Secretary-General of the United Nations.

ANNEX

1. The existing text of Article 17 of the Convention is replaced by the following:

The Council shall be composed of eighteen members elected by the Assembly.

2. The existing text of Article 18 of the Convention is replaced by the following:

In electing the members of the Council, the Assembly shall observe the following principles:

(a) six shall be governments of States with the largest interest in providing international shipping services;

(b) six shall be governments of other States with the largest interest in international seaborne trade;

(c) six shall be governments of States not elected under (a) or (b) above, which have special interests in maritime transport or navigation and whose election to the Council will ensure the representation of all major geographic areas of the world.

Certified a true copy of Assembly Resolution A.69 (ES.II) of 15 September 1964 and of its Annex:

Jean Roullier, *Secretary General of the Inter-Governmental Maritime Consultative Organization.*

22 September 1964

The PRESIDING OFFICER. If there be no objection, the Executive H will be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification.

The resolution of ratification of Executive H will now be read.

The resolution of ratification of Executive H was read, as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of amendments to articles 17 and 18 of the Convention of the Intergovernmental Maritime Consultative Organization, which amendments were adopted on September 15, 1964, by the Assembly of the Intergovernmental Martime Consultative Organization at its second extraordinary session, held at London from September 10 to 15, 1964. (Executive H, Eighty-ninth Congress, first session.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. Bass], the Senator from Maryland [Mr. Brewster], the Senator from Hawaii [Mr. Inouye], the Senator from Washington [Mr. Magnuson], the Senator from Wisconsin [Mr. Nelson], and the Senator from Ohio [Mr. Lausche] are absent on official business.

I also announce that the Senator from West Virginia [Mr. Byrd], the Senator from Connecticut [Mr. Dodd], the Senator from Maine [Mr. Muskie], the Senator from South Carolina [Mr. Russell], the Senator from Florida [Mr. Smathers], and the Senator from Alabama [Mr. Sparkman] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. Brewster], the Senator from Connecticut [Mr. Dodd], the Senator from Hawaii [Mr. Inouye], the Senator from Maine [Mr. Muskie], the Senator from Wisconsin [Mr. Nelson], and the Senator from Florida [Mr. Smathers] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. Kuchel] and the Senator from Iowa [Mr. Miller] are absent on official business.

The Senator from South Dakota [Mr. Mundt], the Senator from Vermont [Mr. Prouty], and the Senator from Wyoming [Mr. Simpson] are necessarily absent.

If present and voting, the Senator from California [Mr. Kuchel], the Senator from Iowa [Mr. Miller], the Senator from South Dakota [Mr. Mundt], the Senator from Vermont [Mr. Prouty], and the Senator from Wyoming [Mr. Simpson] would each vote "yea."

The yeas and nays resulted—yeas 83, nays 0, as follows:

[Ex. No. 102]

YEAS—83

Aiken
Allott
Anderson
Bartlett
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Douglas
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Gore
Griffin
Gruening
Harris
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Long, La.
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Morton
Moss
Murphy
Neuberger
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—17

Bass
Brewster
Byrd, W. Va.
Dodd
Inouye
Kuchel
Lausche
Magnuson
Miller
Mundt
Muskie
Nelson
Prouty
Russell, S.C.
Simpson
Smathers
Sparkman

The PRESIDING OFFICER. Two-thirds of the Senators present and voting have voted in the affirmative, the resolution of ratification is agreed to.

Mr. MANSFIELD. Mr. President, I ask that the President be notified of the action taken today.

The PRESIDING OFFICER. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. HOLLAND and Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Chair recognizes the Senator from New York [Mr. Javits] for 5 minutes for routine morning business.

FREEDOM HOUSE REPORT ON COMMUNIST CHINA AND SOUTH VIETNAM

Mr. JAVITS. Mr. President, history books will record the year 1966 as a pivotal year in the thinking and discussion of U.S. relations with Communist China. For the first time since the Communist takeover of the mainland in 1949 and the Korean war, public officials, scholars, and private organizations are in a serious debate about our future relations with Communist China to the American public. Without the old fears, Americans are once again asking questions fundamental to our foreign policy.

Freedom House, founded as a memorial to Wendell Wilkie, a private organization dedicated to an objective discussion of foreign policy and to the education of the American people, has made an important contribution to the advancement of the Communist China debate. Although I do not agree with all the statements in the Freedom House report, I find it on balance a solid and forward-looking document worthy of being called to the attention of my colleagues.

The Public Affairs Committee of Freedom House argues that the admission of Communist China to the U.N. should meet no objection from the United States provided "Peking signs a Korean peace treaty, renounces aggression and subversion abroad, and accepts Taiwan's independence and continued U.N. membership."

In regard to Vietnam, and here I have reservations as to the statement, Freedom House points out that the problems of that country are so vast and complex that any solution to them will take a long time to be fully settled.

I ask unanimous consent to have printed in the Record the Freedom House report entitled "Communist China and South Vietnam."

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMUNIST CHINA AND SOUTH VIETNAM

This position paper on United States policy toward Communist China and South Vietnam has been prepared by the Public Affairs Committee of Freedom House. It summarizes a consensus reached at a recent meeting of the Board of Trustees of the organization.

PART I—U.S. POLICY TOWARD COMMUNIST CHINA

Freedom House believes that the realities of the American attitude toward the admission of Communist China to the United Nations should be made clear in positive terms.

It should be recalled that the United States was not only amenable to the admission of Communist China to the U.N. in 1950 but was inclined to recognize the government in Peking until the situation was altered by the movement of the Communist armies across the Yalu River. At no time since have the Chinese Communists shown any disposition to abide by the usual standards of conduct expected of a responsible national state, nor have they applied for admission to the United Nations. Indeed, the major obstacles to mainland China's entering the U.N. have been the unacceptable conditions put forward by Peking itself. This basic fact has been obscured, however, by an outdated aspect of American policy. America's persistent and firm opposition to Peking's entry into the U.N. is no longer useful in the light of recent developments, handicapping our diplomacy by creating a false image of intransigence.

In any realistic appraisal of the situation today, certain facts are salient.

First, the Communist government is in effective control of the mainland of China. We may find the way that control is maintained highly offensive. We may deplore the way the Communist government has made use of its control of the Chinese mainland to menace and on occasion actually attack neighboring countries. But these reservations cannot obscure the fact that the people and resources of the Chinese mainland are firmly in the hands of Peking.

Second, it is equally beyond question that the Nationalist Chinese government is the effective ruler of the island of Taiwan with its twelve million people. Together, people and government form a sovereign state with all the accompanying privileges and responsibilities, including, of course, membership in the United Nations and other international bodies. Any change in the government or status of Taiwan can be acceptable only if it originates in the clearly expressed will of its people. The United States, with close ties of friendship to both government and people, has a special responsibility in this area.

Finally, no realistic survey of East Asia can overlook the fact that, fifteen years after the Korean cease-fire, the war between the United Nations forces and those of Communist China and North Korea has never been officially ended. The settlement of this unfinished business by a Korean peace treaty signed by all participants is obviously an essential preliminary to any attempts to ease East Asian tensions.

These facts do not call for any change in the underlying bases of American policy in East Asia: support of the independence of the free nations of the region against totalitarian aggression, together with economic aid to enable them to solve their own problems. Changes of emphasis are needed, however, to enable the United States to carry out these policies more effectively. To this end, Freedom House believes that the signature by all participants to a final treaty of peace ending the Korean War is an essential move for easing East Asian tensions and must precede all others; that Communist China should renounce the use of subversion and force aimed at the overthrow of legitimate governments; that the independence and U.N. membership of the government on Taiwan are beyond challenge and must be preserved. Only the people of Taiwan can initiate changes in their status; that, if these reasonable pre-conditions are accepted by Communist China, the United States will interpose no objection to Peking's membership in the United Nations.

The diplomatic recognition of Communist China by the United States is a separate and distinct question. There have been many conversations between representatives of the United States and mainland China and these discussions are continuing today. Any decision whether the time has come for the formal recognition of the Communist regime by the United States might well be deferred until that government has assumed United Nations membership. Only then can we judge whether formal recognition can possibly result in a meaningful relationship between the United States and mainland China.

PART II—UNITED STATES POLICY TOWARD SOUTH VIETNAM

Freedom House reaffirms its support of the United States policy on Southeast Asia. As President Johnson warned last year, no quick and easy outcome to the war in South Vietnam is in prospect. With as many political problems to be solved as there are military victories to be won, the difficulties that we all must face in South Vietnam should not be compounded by extravagant and imprudent demands upon our government. The call for American unconditional withdrawal from South Vietnam on the one extreme, and the call for the bombing of the large urban centers in North Vietnam on the other, are equally unwise.

To date both the American people and their President have demonstrated commendable patience and restraint. By limiting its air attacks on North Vietnam to specific military/economic targets, the United States has emphasized that we have no quarrel with the people of that unhappy country, who were the first victims of its Communist regime. We have placed equal emphasis on avoiding acts that might provoke an unsought confrontation between the United States and Communist China. These restraints are a basic element of American policy in Southeast Asia.

It is no less important that Americans be patient with the people of South Vietnam as they seek to form a government more broadly based on the popular will, a task of the greatest difficulty.

Democratic interplay of forces is not easily achieved even in nations with centuries of experience in popular government. South Vietnam must overcome a background of feudal despotisms, followed by a century of colonial status and a decade of civil war.

Under the best of circumstances, South Vietnam's progress toward effective self-government would be slow and faltering, marked by many set-backs and internal divisions. This pattern of events has occurred at some stage in the history of almost every self-governing nation in the world. The notable exceptions have been such countries as North Vietnam, where a fanatical minority seized power at the moment of independence and suppressed all opposition by terrorism.

But South Vietnam bears an added, and heavy, handicap—the massive Communist effort to conquer it by combined subversion and attack. Considerable portions of the country are under enemy occupation; in many others murderous terrorism cripples all local government and destroys public safety. Everywhere, disorder is fomented and every natural division exacerbated by the agents of subversion.

For Americans, the temptation to "pull out of the mess" is all too strong. Yet this is the counsel of despair. For, if the present situation is bad, the result of American abandonment of South Vietnam would be far worse—the extinction of the last hope of achieving a free, stable society for years, perhaps generations, to come. The South Vietnamese know this. Significantly, the various factions in South Vietnam, however divided among themselves on the formation of a government, are united in opposing Communist control. It cannot be too strongly emphasized that, despite unquestionable Communist attempts to infiltrate student and religious groups, no element or leader of any significance has sought the evacuation of American troops or the acceptance of Vietcong rule.

Holding meaningful elections in South Vietnam while simultaneously waging war against the Vietcong will be extremely difficult. Continued strife between various South Vietnamese factions makes the task infinitely harder. Nevertheless, the elections must take place—if necessary, province by province over a period of months.

The United States must make clear to all parties concerned that unless there is an effective government in Saigon American assistance by itself cannot help South Vietnam to become free and independent. But we must also bear in mind that hostile forces are using public agitation and demonstrations to undermine our position in Vietnam. We must not abandon our responsibilities under this provocation.

Not all the divisive factions are in Saigon. The appearance of division within the United States continues to block our best efforts to achieve a negotiated settlement. Those in positions of leadership—in the Congress as in the Administration, in the universities as in the community—bear a heavy responsibility for establishing a climate in which the hoped-for settlement can be achieved.

FREEDOM HOUSE, NEW YORK, *June 1966.*

MANKIND MOVES FORWARD—ADDRESS BY THOMAS PATRICK MELADY

Mr. JAVITS. Mr. President, on June 14, 1966, Dr. Thomas Patrick Melady, president of the Africa Service Institute and director of the Urban League of New York, delivered an incisive commencement address at Manhattan College in New York.

The theme of his address was "The Barriers That Have Separated Man From Man." He notes that the barriers of time and distance have virtually disappeared, and that the barrier of colonialism is also rapidly vanishing as more and more nations emerge as independent states. He rightly called to our attention to a third barrier that not only stands but is growing higher—the separation of rich and poor states.

I ask unanimous consent to have Dr. Melady's remarks inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MANKIND MOVES FORWARD

(By Thomas Patrick Melady, Commencement Address at Manhattan College on Tuesday, June 14, 1966)[1]

Your Eminence, Your Excellency, the Secretary General of the United Nations, Reverend President, faculty and students, distinguished guests and friends.

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[1] Thomas Patrick Melady, Ph. D., of New York City, is President of the Africa Service Institute, author and professor. He is also

There is much for us to be thankful for today, the sons who have received their degrees and their parents can rejoice that the well earned symbols have been obtained. Today is the Commencement of a new life.

All of us here—living in a city that is in many ways the capital of the world—can look with a feeling of rejoicing on the position of the human family in our world.

We stand on the threshold of an era which has ended most of the barriers that have separated man from man. The barriers of time and distance have almost vanished. Formerly we were separated by great distances. Since the guns of World War II became silent we have seen the shrinking of distances. How marvelous it is that instead of being geographically separated we now can live as next door neighbors to one another.

The same dynamic forces that are ending time and distance have also ended for the most part man's political domination of man. You and I, in the past few years, have seen the Afro-Asian peoples who were long dominated by outside forces emerge as independent states. With the exception of southern Africa, the peoples of color have the natural dignity of ruling themselves. Thus a main cause of alienation, another barrier separating man from man has been almost completely eliminated.

A third barrier that has separated one brother in the universal family from his other brother is the rich-poor silhouette. Here mankind has only begun to realize how much remains to be done.

When man was separated from man by time and distance and when one part of the world politically dominated the rest of the world, unity was impossible. Furthermore, these separations prevented man from at least being aware of the seriously inequitable situation in the world. The white North Atlantic members of the world community were affluent and becoming richer and the non-white part of the world was still cursed by poverty, illiteracy and disease and becoming more afflicted by the unholy trio. The situation has not changed but the awareness of this gross gap in living standard has begun to stir both sides of the inequality.

When we contemplate the implication that the majority of the world's non-white peoples who are now politically free have awakened with a determination to obtain a decent standard of living we can indeed rejoice.

Yes, we know that some fear what is called the rising expectations of the world's poor. Instead of facing these changes with joy they prefer to talk about the decadence of modern civilization or even the approaching end of the world. And, of course, there are the cynics and the negative critics—those who can never build but only destroy.

It should be clear to us that this defeatism is unhealthy and impotent. Once it overtakes us, all potential to build is destroyed.

Yet we must face the challenge of world poverty openly and courageously. These are the facts; the per capita income in North America is $2,200.00 with an average life span of 68 years. In black Africa the per capita income is less than $100.00 with a life span of around 40 years. In Asia the per capita income is around $106.00 with a life span of 51 years. The developed nations and the United Nations have all launched programs to help correct this inequity. But these programs have really only helped to enlighten the world about world poverty and misery.

We dare not rely only on our governments to do something about this. We now all live in the same city and the miserable of the world are our next door neighbors. Nothing of significance has been done to end the growing gap between the rich and the poor—made more horrible because it is the white and non-white. This is your responsibility and mine. The rising determination of the Afro-Asian peoples to end their life of misery must now be matched by our determination. Together we can push forward and thus end another serious source of alienation.

This opportunity clearly points out our destiny: to participate with enthusiasm in the forward movement of mankind. Our enthusiasm is justified as we have seen in our lifetime significant progress of mankind toward greater unity.

These vital forces for change have resulted in mankind becoming the ascending arrow. Our duty is to build the earth; to advance forward.

Teilhard de Chardin, the great philosopher who lived among us here in New York until 11 years ago, said "it is not the fear of perishing but the ambition to live" which throws man into this forward movement. Let us therefore do what is our destiny: the embracing of a conquering passion to sweep away the defeatism, the pessimism, the elements that still separate man, that still alienate man.

What method shall we follow? Here we can learn much from Vatican Council II.

Rooted in the stabilizing forces of God's presence, we should in our thinking on the problems of the world maintain an openness to all members of the universal family. This is no longer an age to rely on set formulas. Principles of life remain but programs of action must change.

This will require us to experiment in method. This may sometimes cause a little uneasiness and all experiments may not work.

But we must branch out quickly into all areas of human endeavor. The ascending arrow is moving so rapidly that we no longer have time for years of talk and planning as we must effect changes now. Some of the crucial areas that require our immediate attention are:

1. Urban life.
2. Problems of automation.
3. The insidious depersonalization of mankind caused by dealing with masses and large numbers.

There are two institutions whose recent emergence into world-wide leadership gives us cause for enthusiasm as we face tomorrow.

The resurgence given to Christendom by Vatican Council II and being given personal direction now by Pope Paul VI has rendered new power and strength to the Church. The treasurehouse of truth has been opened to the world and is uplifting mankind in a single tide toward his Creator.

Now that we are all living in the same city—mankind has created his own institution—the United Nations. This represents a new spirit to unify the vital human forces to push mankind forward. We all recall the 4th day of October, 1965, when Pope Paul VI visited the United Nations. He said then "we might call our message a ratification of this lofty institution. . . . The peoples of the earth turn to the United Nations as the last hope of concord and peace".

In the last few years, there has been a tendency by some to criticize effectiveness of a world body such as the United Nations. Some have attempted to cast a doubtful shadow on the ability of an assembly composed of nations so vastly different in ideology, wealth, culture and size. As expected, there will be many difficult moments, some failings, countless hours of exhausting discussion, yet, this great experiment requires endless energy and dedication, to translate more fully an ideal into reality. It is an experiment which must not fail. Mankind has significantly benefited from the currents moving forward and the United Nations is one of these currents.

The Church and the secular society have generated a rapid movement which is taking mankind forward to a new sunrise.

Our destiny is to embrace those forward movements and to assist them in approaching even more rapidly the noble goals given to us.

In our enthusiasm for these developments we cannot overlook the one great cloud on the horizon—racism. The hatred brought about when man denies that another man, because of the accident of his color, was created by God as his brother.

We must strike out and destroy the ugly sin of racism as it will eliminate all possibility of harmony in the human family. Every dream that we have spoken of will fade away if corrective action against this ugly doctrine is not taken soon. What can we do? Much has been said about the role of government. Let us discuss here the role of private institutions.

We must exert every effort to generate a favorable climate for men of all races to live as brothers. The need is so urgent and substantive aspects so vital that our private institutions must utilize every power at their command to enhance the dignity of the human family.

In this regard and because of the seriousness of the situation, we think especially of the various Christian churches. A good number of them—Catholic, Orthodox, Episcopalian and others, discourage their faithful from committing major infractions against the laws of God by refusing Communion to them until they have been freed from the immediate guilt of these sins by confessing them, promising amendment and doing penance.

In other words, in other areas of human behavior, these churches preach the positive aspects of the good life but warn their faithful that should they murder, commit adultery or steal, they have seriously offended God and must reconcile themselves with God before they can approach the Communion table.

It is, on the other hand, a known scandal that no such publicity is given to the grievous sins of racism. We fully understand why sins of racism are so serious. God made us all brothers in His likeness but the racist sets himself above God and denies this. Furthermore, the racist sins against the greatest commandment of them all—charity.

The racist commits these sins and set himself above God when he refuses to sell his house, rent an apartment; when he refuses admission to his club or to give a job to his brother because of his color.

Certain Christian churches have found it effective to reinforce teaching on serious matters with a system of censure against serious transgressions of these teachings.

But when it comes to the grievous sins of racism where the sinner blasphemes God the Creator by denying that all men are created in His likeness, there is a reluctance to acknowledge this sin. As a result of this some non-white Christians are beginning to question the integrity of these institutions. And the Christian churches risk repudiation by the peoples of color unless these horrible sins that directly affect them are treated like other mortal offenses against God's dignity.

Racism is a serious sin and must be declared so and treated by the churches as they treat other serious offenses.

Activity on all fronts to eliminate the barriers and traditions that separate man from man is part of the mighty movement forward. An invitation has been extended to us: to embrace with passion the ascending

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a Director of the Urban League of New York, The Catholic Interracial Council and The John LaFarge Institute. Dr. Melady is the author of "Profiles of African Leaders," "White Man's Future in Black Africa", "Faces of Africa", "Kenneth Kaunda of Zambia" and "The Revolution of Color". He has served as the Pax Romana Representative to the United Nations since September, 1965.

arrow, to reject with equal passion the ugly offenses that separate man from man.

These are noble goals for us here in New York City which saw last October two powerful forces for progress—the Church and the United Nations—converge. And now we prepare to say goodbye to the Manhattan College campus. Some will return for the sentimental visit many times, others at least once and a few perhaps never. But let us all before this parting of the ways commit ourselves to the best of our abilities to mankind's forward march. The world you are going into will be of your making. Make of it what will be worthy of the ideals, and the inspiration of our Alma Mater, Manhattan College. This is our destiny!

OUR UGLY CITIES

Mr. JAVITS. Mr. President, I ask unanimous consent to place in the RECORD the commencement address of Philip Johnson at Mount Holyoke College in Massachusetts. Mr. Johnson is one of this country's leading architects and while his provocative statement talks of the growing environmental decay in our society, he has also set out some of the goals toward which we must work if ours is ever to rank with the great cultural societies of history.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR UGLY CITIES

(Commencement speech by Philip Johnson, Mount Holyoke College, South Hadley, Mass., June 5, 1966)

I have spent the winter designing (for my own amusement, I hasten to add) an Ideal City. It seemed to me pointless when I started and even now strikes me as the height of foolishness. No one will look at it. It will never be published, or if it is, there are very few who will read. Reading a plan is so, so difficult. And with absolute certainty, no one will build it.

The reason for telling you girls about my lonely troubles this afternoon is to point up for you the gap, in this cultural ambience of ours, between values I hold dear and the values that make our country run.

Here we live in the most affluent society the world has ever known. No one in the old days ever dreamt of universal literacy, to say nothing of universal toilets and (heaven forbid) universal automobiles. It is clear we can have anything on this earth we want.

Yet, can we? Well, we cannot, or as I believe will not, make our environment a place of beauty, our cities works of art.

There can surely be no discussion whether we have ugliness around us or not. I never heard anyone tell me that Bridgeport was anything but an ugly city, or Waterbury, or Pawtucket, or Holyoke. And New York where I am at home, is it so handsome? Exciting, even breathtaking, but beautiful only in spots, only for a few blocks. Otherwise, for miles and miles in all directions ugliness, ugliness, ugliness.

And can there be any difference of opinion that it has been getting worse and worse? I do not think I am being distressingly old to point out that New York was handsomer a mere ten years ago, and argue further that it was handsomer even then than twenty, thirty, fifty years before that.

A few examples:

Item: The Brooklyn Bridge, one of the great bridges of the world, had not yet been ruined by a double deck.

Item: The Pennsylvania Station, which cost in today's dollars 600 million, still existed to give the commuter and newcomer a great gateway to a great city. That romantic, magnificent room is gone.

Item: Coenties Slip and other water inlets in lower Manhattan still gave us a romantic feeling of contact with our harbor. No more. The water is filled in, a super highway cuts off the water view.

Item: Park Avenue used gracefully to flow around the wedding cake delicacy of the Grand Central building. Pan Am settled that.

Item: Fifty-ninth Street, our other great axis now terminates in that cheapest of all cheapies, the Coliseum.

Item: The pile of needle-like 20's skyscrapers that we loved to look at from the harbor is gone, ruined by the new scale of Chase Manhattan Bank, and soon to be settled entirely by the Trade Center.

Item: Our last plaza at 59th Street and Fifth Avenue on Central Park is going now to a super cheapy, built ironically enough by our richest corporation, General Motors.

Item: We used to be able to see the water. After all, Manhattan is an island. We have finer water nearer at hand than Paris or London, yet you can see the Seine, you can see the Thames. In New York, no more. Elevated highways!

It is amusing to note that when the much maligned robber barons were building railroads into New York, they built them well, they put them underground. Must our generation then do less with the successors to the iron horse, the automobile? Why are our motor roads not underground? Only Gracie Mansion, the residence of our Mayor, looks out over the water, the cars comfortably passing underground. It can be done, do we but will it. What Commodore Vanderbilt did for our city, we can do again—for ourselves.

Item: We used to have streets lined with brownstones, now we have areas dotted with cheap brick towers, all of which are built with lowest standards possible of ceiling heights, paper thin walls and exercrable bricklaying. In other words, we used to have slums, today we have built but super slums.

Why? Why have we done this to our cities at the same time as we have done away with illness, illiteracy, hunger. At the same time as we have given every citizen a car, an education, elegant clothes, travel. Why does part of our culture advance and part decline so disastrously?

I must admit that at 60 I am getting a little bitter, so I dream up cities where I should like to live and, meanwhile, try to figure why, outside my dreams, the city decays.

It is clear our cities decay for the same reason that our air becomes polluted. We do not care enough. But that only pushes off the answer, why don't we care? Clearly our values are oriented toward other goals than beauty. Two values stand out, two cherished goals that we Americans think more important than beauty. Money and utility. Oh yes, we like at least at church on Sundays to think of commercial values as Mammon, with a capital "M", as an evil, but then on Monday through Friday quite the opposite. Why else would a body politic, for example, allow General Motors, of all corporations, to build a money-making cheapy on our most prestigious plaza. Why else allow an English consortium to get rich by building Pan Am athwart our greatest boulevard, on a plot of ground which surely should have been a park. Sir Kenneth Clark calls the Pan Am the worst crime against urban beauty since the Victor Emanuel Monument in Rome. These are harsh words but true. To think that for 34 million dollars, what the land was worth, the city would have had green space at its heart—2 dollars for each metropolitan citizen.

No, we respect money and the inalienable right of everyone to make as much as he can, especially in city real estate, whether it be the bankrupt Grand Central or the richest of the rich General Motors. In Rome and Paris if a speculator wishes to build a skyscraper, he certainly can, but outside—way outside—the old city. Sad to say, in the sacred city of Athens, on the contrary, the American system has won out. We have succeeded where 2,000 years of vandals have failed. We have built a Hilton Hotel which violates the aspect through the columns of the Parthenon itself.

This materialist-industrialist-philosophy also has brought with it our love, not to say adoration, of the automobile. There is many an American family that spend Sundays polishing their cars rather than making the beds. And this worshipful attitude is reflected in our public appreciation of roads for the cars. We spend each year 20 billion dollars on roads and tax ourselves gladly to do this. We build roads everywhere, through our very town centers, slicing them in two, destroying parks and waterfronts, but what do we do for the buildings where these roads go to. Nothing. We let buildings get built by whoever wants to make the money.

Nor is the worship of money only an attitude of the rich or the would-be rich. It permeates the entire fabric of the nation. A taxi driver taking me across the upper level of the Queensboro Bridge, looking at the vast and inspiring skyline of mid-Manhattan said, did I realize I was looking at 2 billion dollars of real estate. The inspiration to him was financial and he was not envious, but rather proud of living in the midst of all that money.

Strangely enough, however, we also love cheapness, or rather parsimony. It shows common sense and a good business head. When Con Ed, the much disliked utility company who had such bad luck last year, built a new plant so large that it dominates our East River and must be seen willy-nilly from everywhere, a most public monument, they built not an architect-designed structure, not a building of stone or even brickwork, but of corrugated metal, by far the world's ugliest and cheapest material. No one has objected. General Motors will be praised for building a cheap building on Central Park, while Seagrams was castigated from the bench by a judge who said the company used poor business judgment to build what most of us think is quite a handsome building with quite a handsome public plaza.

Perhaps it is lucky for New York that the robber barons were "public be damned" people. At least the great Vanderbilt gave us the Grand Central Station as a gateway to our city; our best these days is miserable Kennedy Airport, a conglomeration of cheapies with only one glorious but small exception. Are we no longer proud of the place we live? Only too obviously not.

A natural corollary to our money values is the high value we place on utility. If a thing be not useful, away with it. In building our cities, this rules out parks (expensive, useless), post offices (cheaper to rent space in office buildings), and now soon it will be churches. Yes, the argument now runs, and among Roman Catholics even, that a building should not be built for use once a week. Religion it seems is a private thing that can be celebrated in a garage or living room. It used to be that a once-a-week room was the spiritual culmination of that week, a culmination at which the services of great architecutral space would be required to celebrate a great spiritual experience. But so far has our utilitarianism triumphed over our religion that the multi-purpose, convertible church is now "in".

Out in the town where I come from our biggest boast to visitors used to be the Carnegie Library (a monumental structure), the Post Office (granite steps) and the new High School (brick and limestone). The new town will obviously have none of these. There will be no symbol, nothing but raw utility; a vision of the future: the cheaper the better. My favorite Roman Emperor, Augustus, used to boast that he had found Rome a city of brick and left it a city of marble. Now we, on the contrary, actually are proud to say that we find a city of stone and brick and are leaving it a city of precast concrete and corrugated tin.

I assure you we shall not be thanked by posterity. People are very apt to judge their ancestors by their buildings. Think of Williamsburg and Salem, the White House, the Capitol. Civilizations are remembered by buildings. They are certainly not remembered by wars, business or utility. Think of my favorite civilization, that of Teotihuacan in Mexico. We know nothing of their language, their business or where they saved money. We don't even know their name. Yet they are an immortal people. Their pyramids are greater than the Egyptian, their great roads, plazas, temples are still witnesses to their artistic genius. Their art of building cities has made them great even today, a thousand years after they have been wiped out.

What can we leave our future generations to wonder at? To paraphrase T. S. Eliot, one hundred thousand miles of asphalt paving and a million lost golf balls. Add a few twisted steel skeletons, and you have the lot.

So utilitarian are our ideas that when I proposed last year a huge sloping cylinder overlooking New York Harbor as a marker for the 16,000,000 immigrants on Ellis Island I was violently attacked for building a tomb. We should think of the future they said, we should build a mental hospital perhaps, a school, but not a monument. What use is a monument? What use, for that matter my friends, is beauty? Why did the Athenians bother to take 30 years and the talent of every Athenian to build the Parthenon? Not much use. They lost the war to Sparta soon after it was finished. No, not much use.

Now, I do not propose that we appropriate tomorrow the 20 to 50 billion it would take in today's money to build the equivalent of the Parthenon. It is not in the cards. But to be more modest, should we not appropriate some of our billions to make our houses, our cities beautiful, if not for posterity and immortality like the Greeks, then for ourselves for the same selfish reasons we dress well, decorate our bedrooms and grow gardens. Call it beautification if you will, can we not be surrounded by beauty?

Someone is going to remind me of the horrendous cost of all this. How about the cost of not doing it? The cost of our dirt, pollution, traffic jams, delay, mental anguish? They are immeasurable.

No, money is not the question. The question is, for what do we expect to spend our surplus. For surplus we have. How otherwise can we go to the moon for 50 billion, how fight a war for 60 to 80 billion each year or build roads for 20 billion each year.

The method of getting the paltry few billions we need for our cities I leave to the politicians who, after all, work for us. There are a few taxes I could suggest, of course. A thousand dollars on each car. If we can afford $2,000 for a car, we can afford $3,000. Inflation will make them cost 3 soon anyway. At 7,000,000 cars a year that will bring us in 7 billion a year which would help. Right now we pay 100% and more taxes on cigarettes and liquor, and surely cars are just as sinful and just as desirable as alcohol and smoking. A good tax. Another one might be a 10% tax on war. Another nuisance tax on one of our best loved occupations. (It must be loved or we would not spend so much on it.) That would bring us in another 6 or 8 billion. Thirdly, we can take the 10 billion federal money for roads and spend it on places for the roads to go to. So we now have 25 billion a year. What dream cities we could build. What heaven on earth.

As you have guessed, I am being somewhat fanciful. But I am convinced Americans can do what they want. And I have it on the authority of Pericles, the leader of the fifth century Athenians, who built the Parthenon, that Athens (and we) could have guns and butter—and great buildings.

But now, what can we do? I am frankly discouraged. Our Puritan system of values, our "Weltanschauung" as the philosophers call it, is well entrenched. We are, in Napoleon's words, a nation of shopkeepers. We mistrust the de Gaulles of this world with their talk of glory, and we are not going to change.

So I appeal to you who now go forth to take your place in the world. Cannot your generation decide to take America into the ranks of the immortal cultures? Can you not persuade your fellow citizens that beauty, that much neglected, abused, pejorative word, is worth money. That it is even worth some little sacrifice, even some small tax.

You and your husbands have to make a better world. I can't go on making little buildings and plopping them about in their ugly surroundings. Please, please, you young generation, change our cities, make beautiful our country.

CITYWIDE ANTINARCOTICS PROJECT

Mr. JAVITS. Mr. President, I was pleased to meet today with members of the organization known as JOIN—Job Orientation in Neighborhoods—composed of New York City youths who have sponsored a citywide petition in support of the narcotics legislation which I have cosponsored with Senator KENNEDY. These young people are helped through the valuable JOIN program to find jobs in their communities. Many have friends who have been addicts and know how acutely these addicts are in need of medical help—instead of being treated as criminals.

I ask unanimous consent to place in the RECORD the petition which the group has circulated all over New York City, and which now lists more than 70,000 signatures. In addition I also ask permission to include in the RECORD a speech which was delivered today by Henry Lopez, who is chairman of the JOIN alumni antinarcotics project.

There being no objection, the petition and speech were ordered to be printed in the RECORD, as follows:

CITYWIDE ANTINARCOTICS PROJECT

(A petition to the President of the United States in support of the Javits-Kennedy antinarcotics bills)

MR. PRESIDENT: We, the undersigned, are alarmed at the great increase in narcotics addiction in New York City and elsewhere in the nation. We strongly support the legislation introduced by Senators JACOB K. JAVITS and ROBERT F. KENNEDY, by which the narcotics addict is properly viewed as a sick person in need of medical and psychological treatment and social rehabilitation, rather than as a criminal. We urge that the Administration's narcotics bill be amended to include Federal aid for treatment facilities and services for narcotics addicts, as proposed in the Javits-Kennedy bills. Furthermore, we support the stiffest possible prison terms for non-addicted "pushers" and others who profit from the misfortunes of narcotics addicts, with concern only for financial gain.

We urge you, Mr. President, to exert all your influence to ensure that the very highest priority is given to this legislation and to obtain its passage into law at the earliest possible time.

Respectfully,

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SPEECH DELIVERED BY HENRY LOPEZ, CHAIRMAN OF JOIN ALUMNI ANTINARCOTICS PROJECT ON JUNE 21, 1966, AT WASHINGTON, D.C.

Mr. Vice President; Senator JAVITS, Senator KENNEDY, Congressman POWELL, Congressman RYAN, distinguished guests, fellow JOIN'ers, friends of JOIN alumni, ladies, and gentlemen; I am deeply honored to speak briefly on this occasion and address myself to the work the JOIN alumni has done to assist in combating what we feel is one of the most serious, complex, and crucial problems that beset many of our communities. That problem is drug addiction and its subsequent cancerous effects on its victims.

JOIN (Job Orientation in Neighborhoods) is an agency of the city of New York. It is set up to provide direct counseling, testing, job training, as well as meaningful job placement to the high school dropout, 16 to 21 years of age, who is out of school, out of work, and, largely, out of hope. The alumni club of JOIN is a social and cultural organization that exists at each of our 9 JOIN centers located throughout the city. Our alumni organization is composed of the young men and women who come to JOIN for services. We elect our own officers and decide our own activities. This citywide antinarcotics petition campaign was our first citywide involvement in community action.

Our alumni meetings give us the opportunity to think for ourselves and to delve deeply into those problems that continue to plague our city, our neighborhood, our block, and, yes, at times our very homes. At many alumni meetings in different sections of the city, the narcotics problem was the subject of great inquiry and discussion. These discussions usually followed the showing of a film or a talk on narcotics by a visiting expert. Most of us first heard of the Javits-Kennedy bills on antinarcotics at these meeting. Needless to say, we liked what we heard about these bills and saw this also as a grand opportunity to do something about this problem through what we feel is the most realistic approach to the narcotics problem yet devised. Realistic because the Javits-Kennedy bills seek to create medical, social, and other rehabilitation services.

Further, and even more important, this legislation views the addict as a sick person in need of help. It junks the antiquated criminal designation of the addict. And so, the alumni clubs, following the lead of our New York Senators, agreed to get together—alumni members from all over the city—to help make these plans a reality.

We organized ourselves and drew up a petition to President Johnson urging him to use all his influence with Congress so that these bills may be passed into the law of the land as soon as possible. Our goal was the collection of 100,000 signatures. To obtain these signatures we went into the streets, into the highways and byways, into the schools, the churches, to the civic and social organizations. We canvassed the silk stocking district as well as the slums of Harlem and Bedford-Stuyvesant. We ourselves organized conferences, rallies, informational sessions to tell the public of our efforts. We appeared on TV, on radio, were interviewed by major newspapers in a tremendous effort to inform and solicit New York's support behind this historic legislation. We are indeed happy to report, Mr. Vice President, New York, as usual came through. We have the 100,000 signatures and many more. We now leave the burden with you, as our chosen leaders will use all your influence and legislative know-how to get this valuable antinarcotics legislation off the drawing boards, out of the committees and into the vast arena of human suffering brought about by this cruel epidemic of drug addiction. And you may be assured also, gentlemen, that Harlem, E. Harlem, Bedford-Stuyvesant, Williamsburg, Staten Island, the Bronx, Jamaica, Bay Ridge, and the whole of New York are behind you in every way. We stand firm in our commitment that we must not allow this scourge of drug addiction to claim one more victim. We look around our neighborhoods and see a virtual army of men, women and children—our generation—crippled by this germ, this disease and we know it must be stopped. We want this narcotics mess cleared up—starting now. To this point and no further.

ADDRESS BY SENATOR ERVIN AT FLORIDA BAR CONVENTION

Mr. HOLLAND. Mr. President, last Saturday, June 18, the Florida bar held its 1966 convention at Hollywood, Fla.

I was particularly pleased that our distinguished colleague, the senior Senator from North Carolina, Senator ERVIN, recognized as one of the foremost constitutional lawyers in the Nation, was able to accept the invitation to address the convention.

Senator ERVIN has been a member of the North Carolina bar since 1919 and, in addition to having practiced law at Morganton, he served as judge of the Burke County Criminal Court, North Carolina Superior Court judge, and associate judge of the North Carolina Supreme Court. His knowledge and background enabled him to give a very fine talk to the assembly, which was exceedingly well received.

May I also say, Mr. President, that Florida is honored that two of Senator ERVIN's kinsmen are members of the Florida bar, Robert M. Ervin, serving as outgoing president of the Florida bar, and Justice Richard W. Ervin of the Florida Supreme Court.

Mr. President, I ask unanimous consent to have Senator ERVIN's splendid speech inserted in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE DUTIES OF THE CITIZEN, THE LAWYER, AND THE JUDGE IN A GOVERNMENT OF LAWS

(Remarks of U.S. Senator SAM J. ERVIN, JR., Democrat, of North Carolina, before the Florida bar at its convention at Hollywood Beach, Fla., on Saturday, June 18, 1966)

It is a pleasure to be in the great State of Florida, which is represented in the Senate by two of the most courageous, intelligent, and dedicated Senators, my friends and colleagues, SPESSARD HOLLAND and GEORGE SMATHERS.

My pleasure is enhanced by the fact that a kinsman, Robert M. Ervin, is serving as President of The Florida Bar, and the fact that another kinsman, Justice Richard W. Ervin, of the Florida Supreme Court, has presented me to you in so gracious a manner. Bob, Dick, and I acquire our surnames from the same Scotch-Irish ancestor. Our relationship is close enough for me to be proud of it and distant enough for Bob and Dick not to have to regret it.

A GOVERNMENT OF LAWS

The Founding Fathers, who drew the Constitution of the United States, entertained the abiding conviction that the freedom of the individual is the supreme value of civilization. As positive testimony of this conviction, they stated in its preamble that they drafted the Constitution to secure the blessings of liberty to themselves and their posterity.

The Founding Fathers performed their task with complete consciousness of the everlasting political truth subsequently embodied by Daniel Webster in these words: "Whatever government is not a government of laws is a despotism, let it be called what it may." As a consequence, they were determined above all things to establish a government of laws, i.e., a government in which certain and constant laws rather than the uncertain and inconstant wills of men would govern all the officers of government as well as all the people at all times and under all circumstances.

Their purpose to establish a government of laws is disclosed by the mode in which the Constitution was fashioned as well as by its contents. The best description of how the Constitution actually came into being as a written document appears in the argument of one of the ablest advocates of all time, Jeremiah S. Black, Chief Counsel for the petitioner in *Ex Parte Milligan* (4 Wall. 2). He said:

"But our fathers were not absurd enough to put unlimited power in the hands of the ruler and take away the protection of law from the rights of individuals. It was not thus that they meant to secure the blessings of liberty to themselves and their posterity. They determined that not one drop of the blood which had been shed on the other side of the Atlantic, during seven centuries of contest with arbitrary power, should sink into the ground; but the fruits of every popular victory should be garnered up in this new government. Of all the great rights already won they threw not an atom away. They went over Magna Carta, the Petition of Right, the Bill of Rights, and the rules of the common law, and whatever was found there to favor individual liberty they carefully inserted in their own system."

I wish to speak to you concerning three simple things—the duty of the citizen, the duty of the lawyer, and the duty of the Judge in a government of laws.

THE DUTY OF THE CITIZEN IN A GOVERNMENT OF LAWS

The duty of the citizen in a government of laws is obvious. It is to obey all laws without regard to whether he deems them just or unjust. This statement seems to constitute absolute and incontrovertible truth. Nevertheless, its validity has been disputed by some clergymen and some civil rights leaders. Their position has been stated with a multitude of words in resolutions adopted by the ruling bodies of two great religious denominations. One of these resolutions was adopted by the General Conference of the Methodist Church at Pittsburgh, Pennsylvania, in May 1964, and the other was adopted by the General Assembly of the Southern Presbyterian Church at Montreat, North Carolina, in April 1966.

Since I frequently practice the Methodist doctrine of falling from grace, and give my religious allegiance to the Southern Presbyterian Church, I claim the right to make some comments upon these resolutions. They enable one to understand what the Angel Gabriel meant when he spoke this line to the Lord in the play entitled "Green Pastures": "Everything what's nailed down is coming loose."

The Methodist and Southern Presbyterian Churches have always been bulwarks of government by law. As one who knows the lesson taught by all history that there can be no liberty on this earth apart from government by law, I am deeply distressed by what these resolutions say. I cannot believe they reflect the minds and hearts of the thousands of Methodists and Southern Presbyterians I have known and loved since my earliest years.

When they are stripped of their surplus words, the resolutions declare that professing Christians have a God-given right to disobey laws they deem unjust. These resolutions cannot be reconciled with government by law. They are, indeed, the stuff of which anarchy is made. They endow each person with absolute authority, allegedly divine in origin, to disobey any law he deems unjust according to vague standards devised by himself.

I do not believe that these attempts to make God an aider and abettor in crime find support in the teachings of Christianity. I do not claim to be a theologian. I am merely a sinner who looks to the King James version of the Bible for religious guidance.

I find these plain words in I Peter, chapter 2, verses 13–15.

"Submit yourselves to every ordinance of man for the Lord's sake—for so is the will of God."

Besides, the Gospels of Matthew, Mark and Luke make it plain that Christ himself emphatically denied the validity of the civil disobedience doctrine when the chief priests and the scribes sought to entrap Him into saying that the Jews had the right to disobey the Roman laws requiring them to pay taxes to Caesar. As recounted in the 20th chapter of Luke, the chief priests and scribes put this question to Christ:

"Is it lawful for us to give tribute unto Caesar, or no? Christ replied: 'Shew me a penny. Whose image and superscription hath it?' They answered and said, 'Caesar's,' and Christ said unto them: 'Render therefore unto Caesar the things which be Caesar's, and unto God the things which be God's.'"

While authority to establish moral laws belongs to God, the authority to enact laws governing the conduct of men in an earthly society undoubtedly belongs to Caesar.

There is no excuse, moreover, for any Americans to resort to illegal means to obtain any rights to which they believe they are justly entitled. This is true because all laws regulating their conduct in society are made by legislative bodies chosen by the people, and the right to petition these bodies for any rights belongs to all men.

I wish to say something more concerning rights which the resolution of the General Assembly of the Southern Presbyterian Church calls inalienable rights. All rights of this nature are guaranteed to all men by Federal and State constitutions, and courts of justice are open at all times to punish or redress their denial and compel their observance.

I make an affirmation which is subject to no exception or modification. While the crimes they seek to justify under the civil disobedience doctrine are ordinarily petty misdemeanors rather than felonies, the right of clergymen and civil rights leaders to disobey laws they deem unjust is neither greater nor less than the right of the arsonist, the burglar, the murderer, the rapist, and the thief to disobey the laws forbidding arson, burglary, murder, rape, and theft.

THE DUTY OF THE LAWYER IN A GOVERNMENT OF LAWS

The lawyer plays an indispensable part in a government of laws. He serves justice. Paradoxical as it may seem, he serves justice by serving his clients. In serving his clients, he may enact the role of the counselor or that of the advocate.

The counselor undertakes to guide his clients along legal pathways in their business and personal affairs.

The role of the advocate arises out of the dedication of our society to the principle that the surest way to truth and justice in legal controversies is an adversary proceeding before a judicial tribunal, which hears each litigant present his cause in its most favorable light and after hearing all judges the merits of the controversy according to rules of law. Since the litigant is not ordinarily skilled in law or advocacy, he presents his cause to the judicial tribunal through an advocate of his own choosing, who invokes the rules of law and the testimony which tend to sustain his client's claim or to defeat that of his opponent.

These considerations reveal that the duty of the lawyer in a government of laws is three-fold in nature, regardless of whether he plays the part of the counselor or that of the advocate. He must know law, be loyal to his client, and maintain his own integrity.

If one is to know law, he must master it by earnest, protracted, and sacrificial study; for there is nothing truer than the trite saying that law "is a jealous mistress, and requires a long and constant courtship."

When I say the lawyer must know law, I do not mean to imply that he must carry in his cranium or on the tip of his tongue all laws and their interpretations. That is a manifest impossibility in a law-ridden country like ours.

I mean that the lawyer should know basic legal principles and do the legal research necessary to safeguard his client's rights. To do this research, he must first acquaint himself with the facts on which those rights depend; for, as the ancient maxim proclaims, out of the facts the law arises. My father, who was an active practitioner at the North Carolina Bar for 65 years, gave me this sage advice on this point when I entered his law office many years ago: "Salt down the facts; the law will keep."

The lawyer should expand his study to fields outside the law, even though sufficient study of law will make him a good legal craftsman. This is so for the reason stated by Sir Walter Scott, a member of the Scottish Bar, in his novel "Guy Mannering":

"A lawyer without history or literature is a mechanic, a mere working mason; if he possesses some knowledge of these, he may venture to call himself an architect."

In discussing the loyalty the lawyer owes to his clients, I deem it not amiss to say something about the kind of clients the lawyer ought to have.

Sometimes wise men say silly things. Horace Mann, the great educator, gave a young lawyer this advice: "Never take a case unless you believe your client is right and his cause just."

I disagree most emphatically with Horace Mann. If he had merely said that a lawyer should never bring a civil case in behalf of a plaintiff when he is convinced after thorough investigation and research that the case is without warrant in fact and in law, I would agree with him.

But I reject the implication of his advice that a lawyer should refuse to accept as a client an accused in a criminal action or a defendant in a civil case merely because he believes the client to be in the wrong in respect to the event giving rise to the prosecution or the litigation.

As I have stated, our system of jurisprudence is based on the conviction that truth is most likely to be revealed and justice is most likely to be done in adversary judicial proceedings. It is of the very essence of the system that every man shall have his day in court and be represented by a lawyer learned in the law and trained in the art of advocacy.

If lawyers generally took Horace Mann's advice literally, they would cast upon the judge the sole responsibility for safeguarding the rights of the litigants they refused to represent, and would thus make it impossible for our system of jurisprudence to function effectively or justly.

Many questions arise in litigation in addition to whether the accused in a criminal prosecution or the defendant in a civil action was in the wrong in respect to the event which prompted the prosecution or the law suit. For example, a criminal prosecution may be concerned with questions as to the intent of the accused, or the degree of his offense, or the punishment he deserves; and a civil case may involve questions as to the damages recoverable, or the relief which ought to be granted.

Judge David Schenck, a North Carolina lawyer of a by-gone generation, was once asked how he justified pleading for a guilty client. His answer merits preservation. He said: "Someday I shall stand before the Bar of Eternal Justice to answer for deeds done by me in the flesh. I shall then have an advocate in the person of Our Lord, who will certainly be pleading for a very guilty client."

Few relationships of life involve a higher confidence and trust than that which exists between the lawyer and the client he accepts. The client entrusts to the keeping of his lawyer his claim or his property or his reputation or his liberty or his life, and the lawyer pledges to his client the loyal use of his professional ability and legal learning to secure for the client every right or defense afforded by the applicable rules of law, properly applied.

What has been said makes it plain that there is no inconsistency between the loyalty which the lawyer owes to his client and his obligation to maintain his own integrity. Apart from ethical and religious considerations, the integrity of the lawyer has important practical values in the administration of justice in a government of laws.

One of them arises out of the reality that integrity in those who participate in its administration is essential to the doing of justice according to law. Another originates in the truth that all people instinctively put their faith in a man of integrity. As a consequence, the integrity of the lawyer wins for him the confidence of clients, judges, jurors, other practitioners, witnesses, and the public generally, and thus constitutes his most potent professional attribute. No amount of intellectual brilliance or erudition can supply its lack.

When the French Philosopher, Alexis De Tocqueville, visited America and wrote his famous "Democracy In America," he observed the American Bar and paid it this compliment:

"The profession of the law is the only aristocracy that can exist in a democracy without doing violence to its nature."

Hence, the lawyer who knows law, serves his clients loyally, and maintains his own integrity can justly claim to be a member of "the only aristocracy" which has a rightful place in a democracy.

THE DUTY OF THE JUDGE IN A GOVERNMENT OF LAWS

The judge is the cornerstone of the temple of justice. Upon him rests the most serious responsibility imposed upon any public officer in a government of laws. It is his duty to judge "his fellow travelers to the tomb" with absolute fairness according to rules of law prescribed by the lawmakers of the State.

If the judge is to perform this duty aright, he must put off all his relations except his relation to the law when he puts on his robes, try each case according to law with what Edmund Burke called the "cold neutrality of the impartial judge," and convince his hearers when he speaks that the law rather than an individual is speaking.

The burden of insuring a fair trial to every litigant rests upon the judge. If a litigant is to receive a fair trial, he must have his cause heard and determined according to rules of law by an impartial judge and an unbiased jury, if it be a jury matter, in an atmosphere of judicial calm and an open courtroom, where he is loyally represented by a lawyer possessing adequate knowledge of law and skill in advocacy.

It sometimes requires high courage and deep wisdom for the judge to insure a fair trial to a litigant. This is certainly true in cases where the government seeks to make the litigant a victim of political purpose, or any angry mob clamors for his blood.

Let me recount an event of a by-gone generation. William Alexander Hoke, who afterwards served as Chief Justice of the Supreme Court of North Carolina, was presiding over a one-week term of Superior Court in one of the State's counties.

A capital crime of an atrocious character had been committed on the eve of the convening of the court, and the passions of the community were much inflamed against an impoverished prisoner, who had been arrested and charged with the offense.

After investigation, the lawyer, whom Judge Hoke had appointed to defend the prisoner, moved for a continuance and a change of venue, assigning as reasons that the prisoner had an alibi, but the witnesses necessary to prove it were at a distance and could not be procured during the existing term and that in any event trial of the case should not be had in a community whose passions were inflamed against the prisoner. The Solicitor, who headed the prosecution, strongly resisted both motions, upon the ground that the prisoner might be lynched by the mob if he were not immediately tried.

Judge Hoke made this response to the Solicitor's argument: "Mr. Solicitor, if this court has no choice other than to have the prisoner lynched by the mob or mobbed by the court, it prefers to let the mob deal with him. However, it believes there is a third choice. The trial is continued, and a change of venue is granted."

Since I am a lawyer in heart, I will cite a precedent, which defines in eloquent words the duty of the judge in a government of laws. It is Section 11–11 of the General Statutes of North Carolina, which sets out the oath that Superior Court Judges have taken for many generations. I invite attention to three pledges which each Superior Court Judge makes in the first person:

1. "I will do equal law and right to all persons, rich and poor, without having regard to any person."

2. "I will not delay any person of common right by reason of any letter or command from any person or persons in authority to me directed, or for any other cause whatsoever; and in case such letters or orders come to me contrary to law, I will proceed to enforce the law, such letters or order notwithstanding."

3. "And finally, in all things belonging to my office, during my continuance therein, I will faithfully, truly and justly, according to the best of my skill and judgment, do equal and impartial justice to the public and to individuals."

Despite the fact that it is the office of the judge to interpret law, and not to make law, a theory wholly incompatible with government by law is coming into increasing vogue in the United States. It is that judges are at liberty to substitute their personal notions for law while professing to interpret law. I regret to note that judicial activists are now overworking this theory.

I will exercise at this point a right vouchsafed to all Americans by these words of Chief Justice Harlan F. Stone: "Where the courts deal, as ours do, with great public questions, the only protection against unwise decisions, and even judicial usurpation, is careful scrutiny of their action, and fearless comment upon it."

As one who reveres government by law and abhors tyranny on the bench as much as tyranny on the throne, I was astounded by the recent case of *Harper* v. *Virginia State Board of Elections*, where a majority of the Supreme Court of the United States overruled two sound decisions to the contrary, *Breedlove* v. *Suttles* (302 U.S. 277), and *Butler* v. *Thompson* (341 U.S. 937), and adjudged unconstitutional under the Equal Protection

Clause, the Virginia poll tax as a prerequisite to voting in State elections.

I hold no brief for the legislative policy of a State which imposes a tax of this nature. But I do hold a brief for the proposition that under the Constitution rightly interpreted such a poll tax is just as constitutional as the Supreme Court itself. The Supreme Court so held in the *Breedlove* and *Butler* cases, and Congress and the States agreed when they adopted the 24th amendment. Justices Black, Harlan, and Stewart expressed views to this effect in their dissents in the *Harper* case.

When one analyzes the majority opinion in the Harper case, he cannot escape the conclusion that its writer, Justice Douglas, used the Equal Protection Clause without constitutional or intellectual justification to invalidate the Virginia poll tax simply because a majority of the Justices did not personally approve of Virginia's action in requiring a citizen to pay $1.50 a year—his earnings at the minimum wage for 72 minutes—to the State which educates his children and secures due process of law to him for the privilege of voting in elections held by it.

Justice Douglas came very close to making a candid admission to this effect. He gives no reason of substance to justify the decision of the majority beyond this bare declaration. "Notions of what constitutes equal treatment for purposes of the Equal Protection Clause do change."

What this statement means in plain English is merely this: When the "notions" of Supreme Court Justices change, the meaning of constitutional provisions change accordingly.

If this theory becomes the norm of the judiciary in the United States, government by laws will become as extinct as the dodo in our land, and Americans will be ruled by the nebulous notions of judges, which the dictionary says are "more or less general, vague, or imperfect conceptions or ideas."

My view finds corroboration in the writing of one of America's wisest judges of all time, Benjamin N. Cardozo, who affirmed that if judges substitute their notions for law, their action "might result in a benevolent despotism if the judges were benevolent men," but that "it would put an end to the reign of law."

As I close, I make this prayer. May citizens, lawyers, and judges consecrate themselves anew to the preservation of our government of laws. This is a task of supreme moment, for if our government of laws perishes, liberty perishes.

FREEDOM, PROPERTY, AND TITLE IV OF S. 3296

Mr. ERVIN. Mr. President, Senators may recall, 2 years ago, that I spoke here of the peril in which our freedom stood at that time. I am saddened that I must come before this body again for that same purpose. But I must do so because it is apparent that the practical realities of freedom are being forgotten as its meaning becomes the "mere intellectual abstraction" so poignantly described by the late Justice George Sutherland.

The proposed Civil Rights Act of 1966, and particularly its housing section, is offered as a panacea for the homeless and as an expeditious lever to end alleged discrimination in the sale, lease, and rental of all forms of housing. I will not, at this point, elaborate as to the wisdom of this suggestion. It does, however, call to mind the truth uttered by William Pitt, the younger, when he said that—

> Necessity is the plea for every infringement of human freedom.

Another truth should also be recalled at this time. That is, the constitutional form of government which we all enjoy guarantees that every American has the right to use property in all ways permitted by the State laws without interference from the Federal Government. It affords this guarantee because, as John Adams stated:

> Property must be secured, or liberty cannot exist.

The Constitution vests, in article I, all of the lawmaking power of the Federal Government in the Congress; and, neither the President nor the Federal judiciary has any power whatever to make any law. Nor is it necessarily mandated that Congress answer an invitation from the judicial branch to make laws.

Mr. President, the Subcommittee on Constitutional Rights is presently conducting hearings on the administration's proposed civil rights bill and other related civil rights measures. All Senators know of the great controversy surrounding title IV, the housing section of S. 3296. The freedom it would deny to all Americans has been the subject of national debate. It is most unusual, as we all know, for anyone to express himself intelligently and dispassionately on this legislation. The subcommittee has, however, received the testimony of one witness, at least, who presented an objective and enlightened statement.

I refer, Mr. President, to Sylvester Petro, professor of law at New York University School of Law. Professor Petro has earned degrees at the University of Chicago and the University of Michigan. He has been a contributor to numerous legal and other periodicals and is author of "The Labor Policy of the Free Society." In 1953, he served as lecturer on American public law at the University of Rome.

Professor Petro's appearance before the subcommittee revealed his deep appreciation for the meaning of freedom and quite clearly exposed the distortion of language and logic by those who identify title IV of S. 3296 with freedom.

Mr. President, in order that all Americans may receive the benefit of Professor Petro's views, I ask unanimous consent, on behalf of myself and Senator SMATHERS, that his statement be printed in full at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FREEDOM, PROPERTY AND TITLE IV OF S. 3296, STATEMENT OF SYLVESTER PETRO, PROFESSOR OF LAW, NEW YORK UNIVERSITY SCHOOL OF LAW

Freedom is a condition to which the right of private property is indispensable. If you tell me that I must sell my house to A instead of to B, or instead of taking it off the market, you have deprived me of my right of private property, and of my freedom. If you force me to sell without providing me with traditional safeguards, then you have not only deprived me of liberty and property, but you have done so without due process of law. The fundamental defect of Title IV of Senate Bill 3296 is that it proposes the most far-reaching, the most offensive, and the most arrogant deprivation of property without due process in the history of the United States.

Title IV, the part of S. 3296 to which these observations are exclusively addressed, is sharply distinguishable from the other titles of the bill. The other provisions propose to remedy denials of civil and personal rights. As such they are not defective in principle, though they might prove to be evil in policy and practice. Title IV, however, is a bald denial of right, vicious in both principle and practice because it can not possibly be administered in accordance with due process of law, and because it adds materially to the forces already at work to introduce the police state into this country. It is possible that Title IV will not work at all. But if it does, it will do so at the expense of liberty, property, and due process. I propose to demonstrate the accuracy of this charge.

1. FREEDOM AND THE RIGHT OF PRIVATE PROPERTY

It is customary among proponents of such legislation as Title IV to praise it in the name of freedom. However, the briefest examination of the legislation and the barest acquaintance with the condition known as freedom will expose the error of identifying Title IV with freedom.

Title IV would force individual homeowners, real estate brokers, and financing institutions to sell and finance the sale of homes in circumstances in which they would prefer not to do so. Homeowners are told in Section 403 that, no matter what their own preferences may be, they are compelled by law to sell, rent, or lease their dwellings without regard to the race, color, religion, or national origin of prospective purchasers or tenants. Brokers and financial institutions are subjected to corresponding and implementing deprivations of their rights. Sections 406 and 407, as we shall see, encourage the most aggressive possible prosecution of the policies of the legislation.

No great acumen and no tortured analysis are necessary in order to perceive how drastically Title IV restricts freedom and property, and therefore how incorrect and deceptive it is to identify Title IV with freedom. A man is free to the extent that his property rights are intact, for the condition of freedom and the condition of slavery are distinguished on the basis of the right of private property. A free man owns himself and whatever he comes by lawfully. A slave owns nothing. He does not own himself, and, if he is in full slavery, he can own nothing else, not even his children.

Ownership means more than the possession of formal legal title to things. It means control. Control means authority over use, and over disposition as well. It means the condition in which one has the authority to follow his own preferences. Obviously it does not mean that one may use his property in a way which destroys the property of others. The rights and the freedom of others are entitled to the same status and condition. But that qualification poses no problem. It is easy to see that property rights and freedom cannot exist where some are permitted to invade the rights of others.

Legislation such as Title IV is sometimes advocated on the theory that freedom involves the right to live wherever one chooses, or to buy whatever one wishes to buy. This is an incorrect usage of the term "freedom." If I have the right to live wherever I choose, then someone else must have the duty to permit me to do so. Suppose I prefer my neighbor's home to my own. Have I the right to force him to sell to me? Obviously I do not—not in a free country, anyway. For if I did, I should possess, not freedom, but power. And if he were obliged to sell, it would be foolish to speak of him as a free man with his property rights intact.

The same is true of the so-called "right to buy." No one in a free country has a right to buy. If he is a free man, what he has is a right to offer to buy. And if the man on the selling side is a free man, in a free country, he has the right to offer to sell or to refuse to offer to sell. A completed transaction occurs, in a free country, when a willing and able buyer encounters a willing and able seller and they get together on terms which are mutually satisfactory.

Title IV does not promote freedom. It destroys freedom and creates power on one side. To speak of it in the name of freedom is to engage in an ugly perversion of the central principle of the good society.

2. THE ATTORNEY GENERAL'S POSITION

In commending the bill to the House Judiciary Committee, the Attorney General of the United States said that "the ending of compulsory residential segregation has become a national necessity." His use of terminology "compulsory residential segregation," to speak kindly, is strained. Taking the words in their natural meaning, one would have to conclude that the Attorney General is engaged in fantasy. I am not aware of the existence of "compulsory residential segregation" anywhere in the United States. Indeed, since the Supreme Court's decision in *Shelley* v. *Kraemer*, even contractual residential segregation is no longer possible, for that case held racially restrictive convenants unenforceable.

The truth is that the only kind of residential segregation which exists in the United States today is purely voluntary. The further truth is that the persons ultimately responsible for such voluntary housing segregation as exists are individual homeowners. The Attorney General seeks to shift the onus. He said to the House Judiciary Committee: "I believe it is accurate to say that individual homeowners do not control the pattern of housing in communities of any size. The main components of the housing industry are builders, landlords, real estate brokers and those who provide mortgage money. These are the groups which maintain housing patterns based on race."

Everywhere in the United States today homeowners are free to sell their homes to whomever they wish among those who bid. Nowhere are they prevented from selling to Negroes, Jews, Puerto Ricans, or any other so-called "minority." It is unlawful everywhere for anyone to interfere with a man's right to dispose of his property as he sees fit. If one real estate broker refuses to deal with members of a given race, the homeowner is free to seek another. If he can find no broker who will deal indiscriminately, the homeowner may take over the selling function himself, as many do. I am confident that there is not a newspaper in the United States which would reject an advertisement offering a house for sale or for rent to all comers.

The Attorney General's strained use of the strange terminology, "compulsory residential segregation," is accounted for by his natural reluctance to describe the effect of Title IV accurately. But no valid purpose is served in beating about the bush. The purpose and effect of Title IV are to deny freedom and to restrict the right of private property, not to protect and advance them. The particular and ultimate victim is the homeowner—not the builder, not the real-estate broker, and certainly not the banker. For them, in their commercial roles, housing is purely a commercial matter. They will not be hurt in those roles by a law forbidding the discriminate sale or renting of private homes. But the individual homeowner will be. He will find his freedom and his most cherished values savagely mauled.

3. "NATIONAL NECESSITY" VERSUS INDIVIDUAL PREFERENCE

When one removes the tortured indirectness from the Attorney General's language, what remains is this assertion: "The policy of this Administration is to favor a compelled amalgamation of all races, colors, and creeds in residential areas; individual preferences, the right of private property, and personal freedom must all be sacrificed to this overriding policy."

Verbal by-play must not be allowed to conceal the real meaning of the Attorney General's statement. He refers to "national necessity." But what meaning are we to give to "national necessity" when that expression runs counter to individual preference? The purpose of Title IV, to repeat, is to produce a racial mixture in residential areas. If that mixture does not now exist it is because individual homeowners have preferred something else. But this is a nation of homeowners. Is not the residential pattern therefore an expression of their desires, and as such an expression also of national policy? By what right does the Administration arrogate to itself the authority to frustrate such desires and to identify contrary wishes as "national necessities?"

A man's family and his home are dear to him, the things he cherishes most in the world. He will work for them as he will work for nothing else. And out of such striving great things have emerged. America as we know it today, with all its power and wealth, is a byproduct of the efforts that men have expended in building their families and homes. All the massive edifices in Washington, D.C., all the vast means at the disposal of the government of the United States, are mere incidentals to the main business of the ordinary American, who works for his family and his home—not for "national necessity," whatever that pompous phrase may mean.

We must get these things straight. Governments do not produce either men, families, or wealth. Men produce those things. The only thing that government produces is more government. If, in producing more and more government, a country should destroy the mainspring of human striving, the fact that the destruction has been cloaked in the verbiage of "national necessity" will not change the consequences. The country will regress; its wealth diminish; its government become a fourth-rate power; its general tone will become puny.

I take no position one way or the other on the desirability of racially amalgamated residential areas, and I do not see how any other mere mortal can do so, for it seems to me to be entirely a matter of personal preference. What I do know and assert is that the goodness, wealth, and power of this country are products of the striving of free men in the pursuit of their preferences; in short, products of the right of private property. I know, furthermore, that Title IV, whatever the Attorney General may say about it, is the most far-reaching and thoroughgoing invasion of the right of private property that has ever been proposed in this country. The Attorney General refers to Title IV as a "national necessity." I believe it better described as a national disaster.

4. PROCEDURAL ASPECTS

The procedural aspects of Title IV are as questionable as its substantive policy. It encourages unmeritorious and vexatious litigation despite the crowded conditions of court dockets all over the country. It creates evidential problems which are likely to make a mockery of due process of law. Its provision for remedies are likely to intimidate the decent citizen. The powers of intervention granted the Attorney General are vague and ill-defined and smack more of the police state than of a society ruled by law.

a. Unmeritorious and intimidatory litigation

Section 406(b) authorizes the federal courts, whenever they "deem just," to subsidize proceedings against homeowners who have allegedly refused to sell or rent on the basis of race, creed, or national origin. No such subsidy is made available to the defending homeowner. Thus a disappointed purchaser has everything to gain and nothing to lose by suing the homeowner. Under Section 406(b) the would-be purchaser may commence a civil action "without the payment of fees, costs, or security . . ." This means he may secure even an *ex parte* restraining order, preventing the homeowner without notice or hearing from selling to another, without forfeiting a bond or security.

There is no need to dwell at length upon the evils of this provision. They are obvious. Every homeowner in the country is a potential victim when he puts his house up for sale, whether or not he has violated the law. The normal restraints upon vexatious litigation are gone. As we shall see, it is likely that the burden of proof will come to rest swiftly upon the homeowner, rather than, as is traditional, upon the complaining party. The difficulty of sustaining the burden of proof together with the subsidizing of the complainant add up to a massive instrument for the intimidation of homeowners.

Even without the subsidy provision, Title IV, if enacted, is likely to produce a flood of litigation, and litigation of a peculiarly complicated character. With the subsidy, of course, there will be even more. I do not suggest that the litigation-breeding charge is ever a valid argument against an otherwise meritorious law, for I believe that if a proposal has merit, it should pass even though it increases the burden on the courts. The trouble with Title IV, however, is that it is both bad in principle and likely to encourage great volumes of unmeritorious and purely vexatious litigation, when the federal courts are already heavily burdened.

The probable result is that proceedings under Title IV will work the most vicious kind of injustice. Complainants will ask for restraining orders, pending a full trial, which is likely to be long and drawn-out. Homeowners will thus lose their purchasers, while the complaining parties, on the other hand, will have nothing to lose, especially when even their attorney's fees and security costs are covered by the taxpayers. The net effect is likely to create discrimination in favor of members of minority groups. Indeed that seems to be the object of all the procedural features of Title IV. The compulsions and the denials of freedom which characterize the substantive features of Title IV will probably be surpassed by the compulsions inherent in its procedural features.

b. Problems of proof and due process

Every time a belligerent member of an identifiable "minority" bids unsuccessfully on a home, or a rental, he is in a position to make life miserable for the hapless homeowner. Suppose a Jewish homeowner, with his house up for sale, receives equal bids from two persons, one a Jew, the other an Italian. If he sells to the Jew the disappointed Italian has the basis for a suit. The Italian may petition for a temporary restraining order, thus blocking the sale to the Jew, pending full trial. How long will the Jewish purchaser keep his offer open?

And what will happen at the trial? The law is vague. It forbids refusing to sell "to any person because of race, color, religion, or national origin." How much proof is required. What kind? On whom will the burden of proof come ultimately to rest?

We have had considerable experience with a similarly vague law. An analogous provision in the National Labor Relations Act prohibits discrimination by employers which tends to discourage union membership. The National Labor Relations Board considers itself as having a prima facie case of discrimination when a union man is discharged by an employer who has betrayed anti-union sentiment. At that point the burden of proof shifts to the employer. He must show that there was some good cause for the discharge—a violation by the dischargee of some strictly enforced rule, or a failure by him to meet objectively demonstrable standards. If he fails in this showing, the employer will be found guilty of unlawful discrimination.

The homeowner under Title IV is in a much more difficult position than the employer under the National Labor Relations Act. How is the homeowner to prove that he had some objectively demonstrable cause—other than race or religion—when the Italian made the same offer that the Jew made?

It is possible that the federal courts, unlike the National Labor Relations Board, will require objective evidence of discriminatory motivation before they hold homeowners guilty of Title IV violations. But if the courts take that position, Title IV will become a dead letter; ocular proof of discriminatory motivation is in the nature of things unavailable. Hence the probability, if Title IV is to be viable, is that the courts will do what the Labor Board has done; that is, rely upon presumptions and inferences. In that case Title IV will become an even more pervasive instrument for the denial of due process than the Labor Act has been. The burden of proving lack of discriminatory motivation will fall upon the homeowner, and in 99 cases out of a hundred, he will be unable to carry that burden. He will not be able to prove, in the case I have cited, that there was a non-discriminatory basis for his refusal to sell to the Italian.

Add this to the fact that he will probably have been restrained by the court from conveying to the Jewish purchaser, pending trial, and it becomes evident that Title IV puts the homeowner into an impossible position when he is confronted with purchasers from different minorities. No matter which he chooses to sell to, the other is in a position to make life miserable for him. An age-old instinct of the common law was to conceive rules in the manner most likely to encourage and promote the alienability of realty and chattels. It would appear that the aim of Title IV is, at least in part, to frustrate realty transactions.

If the homeowner is confronted with offers from a Negro and a White Anglo-Saxon Protestant, he has no choice at all. Preferring the Anglo-Saxon will, if the disappointed Negro is belligerent or fronting for a pressure group, produce an immediate restraining order, frustrating an immediate sale and probably inducing the purchaser to go elsewhere, for many important family matters hinge upon the timing of home purchases. Again there will be a trial, probably prolonged. And how will the homeowner establish that his choice was not on the basis of race or religion? He has everything to lose and nothing to gain from fighting the case.

Title IV takes away his freedom, his right of private property, and makes a mockery of due process while doing so. "National necessity" is cited as the justification for this vicious betrayal of some of the best of the American tradition. But I am unable to understand how it can be nationally necessary to destroy what is good and strong in a nation. Title IV is an instrument useful only to beat the country's homeowners into a state of supine submission. Perhaps they will rebel against it, however, in which case there will be chaos. Or perhaps Title IV will stimulate evasive hypocrisy on a universal scale, an even more repulsive possibility. But meek submission is what the bill seems to aim at, and I can think of nothing more foreboding than the realization of that aim. No great society was ever built by sheep or cattle.

c. Intimidatory remedies

There is an infinity of evil in Title IV. Section 406(c) provides that "the court may grant such relief as it deems appropriate, including a permanent or temporary injunction, restraining order, or other order, and may award damages to the plaintiff, including damages for humiliation and mental pain and suffering, and up to $500 punitive damages." Section 406(d) authorizes the court to "allow a prevailing plaintiff a reasonable attorney's fee as part of the costs." In the light of these penalties, the homeowner will have to be foodhardy indeed who refuses to sell to the member of any minority group.

The bill puts no limit on the amount that may be awarded for "humiliation and mental pain and suffering." Apparently the sky is the limit. It is true that there is a "reasonable" limitation on the amount which may be assessed against the defendant for a successful plaintiff's attorney's fee. The fee may still grow to a substantial amount, however; equity proceedings and a prolonged trial may easily involve work and time for which thousands of dollars constitute a reasonable fee. And it must never be forgotten that the victim of Title IV will usually be an individual homeowner. More than that, he will usually be a man of modest means, for the wealthy will never have problems under Title IV, and even the well-off will rarely have trouble with it.

Special note must be taken of the variety of court orders authorized by Section 406(c): "permanent or temporary injunction, restraining order, *or other order*." (Emphasis added). Obviously there is plenty of room in this catalogue for the most extreme type of court order, the mandatory injunction. In short, a homeowner may be ordered to convey his property to a person to whom he does not wish to sell it, or even, indeed, after deciding to withdraw it from the market. Consider this type of case, which occurs often enough: after getting only one offer for his home, and that from a Negro, the homeowner decides after all that he does not wish to sell; the Negro, or some supporting organization, gets its wind up, creates a great deal of publicity, leading to what may be called humiliation for the would-be purchaser, and then files suit, demanding a mandatory injunction and all kinds of damages allowed for in the bill. Moreover, the Negro convinces the court that he lacks means and thus acquires a subsidy for all court costs, fees, and other costs.

What is the position of the homeowner in such a case? He made no formal announcement that he was withdrawing his house from the market. Born and raised a free man he felt no obligation to clear his change of mind with anyone. He just went ahead and adjusted numerous complicated and intimate family plans to his new decision. But how will he prove that there was no discriminatory motivation in the face of the evidence—the prima facie case—against him? Should he fight the case? If he fights, the costs will be heavy, and his means in all probability slender. There is no provision in the law covering his costs, if he wins. Can one afford to fight such a case? Why fight, anyway? Why not just let the court take away the house and convey it to the person who wishes to purchase. It's only a house, after all, and the family can adjust to a move.

d. Title IV and the police state

Section 407(a) and (b) give the Attorney General a roving commission to institute or to intervene in Title IV proceedings pretty much as he pleases. Section 407(a) permits him to institute suit whenever he (not the court) "has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title." All the forms of relief available in private suits are made available in suits instituted by the Attorney General.

The Attorney General has even broader and more vaguely defined power to intervene in actions commenced by private parties. Under 407(b) he has authority to intervene if he merely "certified that the action is of general public importance."

The effect of these two sections is to authorize the Attorney General to police every real-estate transaction in the United States. Obviously even the enormous tax revenues of the United States and its prodigious number of office-holders are not sufficient to permit the Attorney General to intervene in every transaction. He will have to pick and choose. The picking and choosing is likely to be dictated in Title IV cases largely as it is in all similar instances of governmental intervention. Political, publicity, and psychological considerations will play an important part. Thus the full power of the federal government will be thrown against the homeowner who happens for one or another of these reasons to constitute a suitable target. The police-state implications of this boundless grant of power are too obvious to require comment. Pity the poor homeowner who finds himself caught in the middle!

CONCLUSION

There is no doubt in my mind of the proper disposition of Title IV of S. 3296. It should be rejected. I repeat: I take no position on the question whether racial amalgamation of residential neighborhoods is desirable; in a free country, residents should make that decision each for themselves—not politicians or government agents, or courts. What I am convinced of is that compulsory amalgamation has no place in a free country. What I am convinced of further is that Title IV is a measure devilishly and deviously contrived in each of its provisions to work a compulsory amalgamation. Title IV is advertised by its proponents as a "national necessity" designed to promote freedom and justice.

In fact, it is a national disaster which destroys freedom while spreading injustice across the land. Whatever the Attorney General may say about it, the principal target and ultimate victim is the individual homeowner. This lonely individual will find himself in Title IV proceedings fighting against preposterous odds for the things most dear to him. He will finance his opponent in individual proceedings in many cases, and his tax money will be used against him in proceedings brought by the Attorney General. Title IV is a stacked deck against the individual homeowner, his liberty and property. If Title IV is passed it will amount to a declaration of war by the government of the United States against its sturdiest and most productive citizens, the homeowners of the United States. The consequences for the country cannot be anything but evil.

WEST FRONT OF THE CAPITOL

Mr. PROXMIRE. Mr. President, Morris Ketchum, president of the American Institute of Architects, told me in a conference that the proposal to extend the west front of the Capitol to shore up its walls at a cost of $34 million was wholly unjustified.

Mr. Ketchum and a group of three associates from the AIA have informed me in my office of their wholehearted opposition to the proposal to extend the west front.

This is in accordance with the statement by this eminent organization last October when they said:

> If the West Front of the Capitol is extended, we will have buried the last of those walls that date from the early years of the Republic and will have obscured a part of our history that can never be restored.

Mr. Ketchum agreed that it is an insult to the intelligence of the Congress to contend that it will cost $30 to $34 million simply to provide the safe, modern construction for the west wall to prevent its collapse.

Mr. Ketchum asserted that such an objective without the 4½ acres of additional space could be achieved at a minor part of this cost.

I regret that Mr. Stewart did not consult with the American Institute of Architects before these plans were drawn. Once again, as in the case of the Madison Library, it is clear that Mr. Stewart has left the AIA in the dark.

In addition to the immense cost, and the ridiculous waste in this restaurant extravaganza, the AIA raises the irrefutable point that the historic Nation's Capitol, embracing a great architectural masterpiece, should not be so drastically modified without the closest consultation with the Nation's outstanding professional architectural organization, the American Institute of Architects.

MORE CAPITOL PUNISHMENT

Mr. President, in a recent issue of the American Institute of Architects Journal, Francis Lethbridge writes a concise but comprehensive article that brings the controversy over extending the west front of the Capitol up to date. Mr. Lethbridge appropriately titles his article, "More Capitol Punishment."

Mr. Lethbridge is Chairman of the Joint Committee on Landmarks for the National Capital and a practicing architect in Washington.

Mr. Lethbridge writes in part:

> The widening of the west portico, if carried out, will alter the proportions of the entire West Front, will obliterate all external evidence of the original Thornton-Latrobe wings and will present a broad, almost unbroken facade at the line of the House and Senate Wings. The proposed terrace alterations will also radically change the appearance of that structure from the Capitol grounds, for the two great flights of steps designed by Olmsted which cascade down from either side of the central portico will be moved so far apart as to present an entirely different effect.

Mr. Lethbridge concludes:

> If the old stones of the Capitol are crumbling let them be restored, or replaced if need be, but let us refrain from padding its bones with layers of rooms until it becomes a shapeless mass signifying nothing but its own bulk. Congress deserves a mid-20th century answer to its space needs, not a misguided mid-19th century alteration to a venerable building deserving of respectful preservation.

Mr. President, I ask unanimous consent that the article entitled "More Capitol Punishment," written by Francis D. Lethbridge and published in the AIA Journal for April 1966, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORE CAPITOL PUNISHMENT

(By Francis D. Lethbridge, AIA)

(NOTE.—Chairman of the Joint Committee on Landmarks for the National Capital and a practicing architect in Washington, D.C., the author presents his views on the West Front extension.)

It was eight years ago that a public hearing was held on the proposed extension of the United States Capitol, and to read the transcript of that hearing today makes one realize that more than just the eastern facade of the building has changed. Some of the architects who appeared before the Senate Committee on that occasion have passed beyond any further controversy, and others, in their efforts to prevent alteration of the East Front, so compromised their position on extensions to the West Front that they have since had little to say publicly on the subject.

The Architect of the Capitol, J. George Stewart, nevertheless, has persisted in his intention to carry out all of the proposed "improvements" described in his report of August 1957, and the time draws near when any further discussion on the merits of the West Front extension will be purely academic.

The arguments for the East Front extension, it will be recalled, were threefold. First, that the change would correct an architectural inconsistency that had occurred at the time the new dome was erected over the walls of the existing rotunda, causing the skirt of the dome to project over the front portico, a flaw that the architect of the dome, Thomas U. Walter, had been anxious to rectify from the time of its construction. Second, that the original sandstone and rubble walls of the older, central portion of the building were in poor structural condition, and that the surface of the porous Acquia sandstone was corroded and caked with the innumerable coats of paint that had been applied since 1819. Third, that the additional space obtained by moving the east wall 32 feet 6 inches forward was needed by Congress in addition to that space which might be obtained by the proposed extension of the West Front.

Opponents of the change, on the other hand, argued that the original walls had unique historical values which should be preserved; that the projection of the dome beyond the walls of the building had been a happy esthetic accident which should be perpetuated; and that the cost of the extension, in terms of space gained, was outrageously high.

In retrospect it appears clear that the first argument for the East Front extension—that of improving the architectural relationship of the front portico to the dome—was a valid one, and that the new relationship of the central portion of the building to the wings is an acceptable change, if no improvement. It was undeniably true that serious problems of erosion and structural failure were present, but it was never established that they could not have been corrected without the construction of new walls some distance forward of the old, if this had been considered of paramount importance. This last point is still a real issue, for the central portion of the West Front is today in essentially the same state of disrepair as was the East Front eight years ago. It is only fair to point out that the Architect of the Capitol, and the consultants who have been retained by him to study the structural problems, have never argued that the conditions of the exterior walls could not be corrected except by building new outside walls to buttress them. They have merely said this method of reconstruction would be effective and economical, that it would provide additional space and would be least disruptive to continued activities within the building.

The Associated Architects[1] who were commissioned "to furnish necessary architectural and engineering services for the extension of the Capitol and other authorized changes and improvements" developed the need, to use Mr. Stewart's words, for 139,250 additional square feet of floor space to accommodate present needs of Congress, with some allowance for future growth. Since the extension of the east central front has already provided 44,930 square feet of the total, the remaining 94,320 square feet are scheduled for construction in the proposed extension of the West Front.

It has been proposed that the Senate and House restaurant facilities be moved to the west terrace, together with an additional visitors' and employees' restaurant, their combined area to be about 55,000 square feet with seating accommodations for 1,305 persons. In addition to the new Capitol restaurant space, the West Front additions are scheduled to provide 8 committee rooms, 55 offices, 7 storage rooms and extensive additions to the facilities for vertical circulation in the building, including 6 passenger elevators, 2 freight elevators and 6 escalators.

Obviously, the proposed extension of the West Front is in response to those estimated needs, some of which, such as the improvements in vertical circulation, would be difficult, if not impossible to build without further enlarging the central portion of the building. We are in no position to challenge these needs without the benefit of an up-to-date study, but we should challenge whether providing this additional space by further alteration of the Capitol is going to be at a price—historically or esthetically—that is too great to pay. Specifically the questions to be answered are these:

1. Should the walls of the West Front be repaired or restored in their present position?
2. Should the entire facade of the central portion of the West Front be rebuilt some distance forward of the present walls?
3. Should the West Front be redesigned and rebuilt in a basically different manner some distance forward of the present walls?

Probably few people are aware that it is the third alternative which is being carried forward at the present time by the Architect of the Capitol. The report of August 1957 states, "It is proposed to extend the basement story of the west central portion of the Capitol, across the courtyards, to the west terrace structure. It is also proposed to partially extend the west terrace structure and to relocate the west steps and approaches. It is further proposed to extend the original north and south wings of the west central portion of the Capitol, and the House and Senate connections, by erection of additions to these portions of the central structure, from the first floor to the attic floor, inclusive; also, *to enlarge the West Portico.*" (See plan at the end of the article.)

The widening of the west portico, if carried out, will alter the proportions of the entire West Front, will obliterate all external evidence of the original Thornton-Latrobe wings and will present a broad, almost unbroken facade at the line of the House and Senate Wings. The proposed terrace alterations will also radically change the appearance of that structure from the Capitol grounds, for the two great flights of steps designed by Olmsted which cascade down from either side of the central portico will be moved so far apart as to present an entirely different effect. Another subtlety will be lost as well, for these flights now terminate at walks which are an extension of the lines of Pennsylvania and Maryland Avenues, the terminus of L'Enfant's *patte d'oie*.

Let us return, however, to the first alternative—preservation or restoration of the existing walls. It can be seen from an examination of the proposed plan of extension that preservation in this instance is not simply a matter of preserving the stones and mortar of the old walls, but rather a question of preserving the present proportions of the building, of preserving any visible evidence of the original work of Thornton, Latrobe or Bulfinch, and of preserving the quality of the design of Olmsted's terraces and grounds. There is no reasonable doubt that extensive repairs are required, and it would probably be perverse at this point, with the East Front reconstruction completed in marble, to insist that the damaged sandstone be replaced with the original material.

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[1] Roscoe DeWitt and Fred L. Hardison of Dallas; Alfred Easton Poor and Albert Homer Swanke of New York City; and Jesse M. Shelton and Alan G. Stanford of Atlanta.

The recommendations of Carrere & Hastings in 1905 were to extend the East Front in marble, but to reface the West Front in marble *in its present position*. Those preservationists who were vigorously espousing the cause of Senate Bill S-2883 in 1958, to "eliminate the requirement that the extension, reconstruction and replacement of the central portion of the United States Capitol be in substantial accord with Scheme B [the Carrere & Hastings recommendations] of the architectural plan of March 3, 1905," might well at this point be arguing that the Architect of the Capitol be held strictly to that plan.

The existing Senate and House dining rooms were enlarged to an adequate size when the East Front was extended, so that an additional dining room for employees and visitors might be provided within the space between the existing steps on the west terrace, even though that arrangement would probably involve a less efficient separation of kitchen facilities.

There is no esthetic or practical reason why the courts between the west side of the Capitol and the terraces cannot be developed as interior spaces as proposed, and it is quite possible that a well-designed revision of the north and south terraces could provide an amount of space for officers and committee rooms equivalent to or greater than that provided under Scheme C, the proposed extension of the West Front.

The charge by the Joint Committee on Landmarks of the National Capital that the present plans amount to "historical vandalism" was anticipated by Mr. Stewart as early as 1958 when he said, "From the viewpoint of those concerned with sentiment and with the preservation of the Capitol intact, in its present state and condition, it must be remembered that extension of the West Front also affects the work of our first three architects and, on such basis, would fall into the same category of 'desecration' and 'vandalism' as is alleged against the East Front extension. Should it happen that the same hue and cry which has been raised over the extension of the East Front should occur if the extension of the West Front were attempted, the Congress would really be in a sorry plight for adequate space in which to do its work."

That this "sorry plight" isn't necessarily so is made clear in his own report from the Associated Architects. It outlined five additional possible solutions to future needs for expansion, the first two of which involve extension of the House and Senate Wings, but the last three of which are concerned with further possible revisions of the terrace area. Mr. Stewart was guilty of some exaggeration, too, in his fears that "sentimentalists" would insist upon "preservation intact, in its present state and condition."

The architecture of the Capitol is inextricably bound up with its history, with the men who designed the building as well as the men who have helped to make the country's history within its walls. It is the wonderful building it is, in part at least, because it still exhibits each of the stages of its development as a distinct part in the composition of the total mass of the building.

I have never heard an argument for the proposed changes to the West Front saying there would be an effort to improve the existing work of Thornton, Latrobe, Bulfinch, Walter and Olmsted. Whether this is simply modesty on the part of the architects, or a stern conviction that "form follows function," I cannot tell. I would maintain, nevertheless, that such changes are undesirable even if they were improvements in form, for they would destroy or obscure something of even greater value.

There is bound to be a limit to the amount of space that can be added to the main body of the Capitol without its becoming a formless and confused mass, and that limit might as well be accepted now as 10 years from now when irreparable damage might already have been committed. It is a procedure, furthermore, that can never hope to solve all of the foreseeable future needs of Congress, for which purpose a new study and master plan of the entire Capitol grounds should be prepared.

The second alternative of reconstructing the west central facade, in its present form but some distance forward of the existing walls, is less desirable from the historical-architectural standpoint than restoration in place. But it can be preferred, nonetheless, to currently published plans if the functional advantages of gaining more space above the basement floor cause Congress to insist upon such additions, or if the reconstruction of the existing walls cannot be accomplished without intolerable interference with the business of the House and Senate.

Now that "the deed has been done" on the East Front, there is a certain classical logic in rebalancing the basically symmetrical form of the plan by adding an equal amount of space on the west side. It would amount to another strip 32 feet 6 inches wide, a distance that represents approximately the width of two bays of the flanking Senate and House Wings. Such a procedure would involve the extension of the central portico as well as the old wings in order to retain their existing relationship to one another.

This would cause further interference with the view of the Capitol dome from points due west of the portico, but less than in the presently proposed plan from an oblique angle. It would probably not seriously affect the long view from the Mall or Pennsylvania Avenue.

It is interesting to note that Olmsted showed an extended west portico on his plans and perspectives of the west terraces at the time they were proposed in 1874. Under such a scheme the image, if not the reality, of the older portions of the building would be preserved and the need for extensive remodeling of the terraces might be eliminated.

The third alternative, which so far as we know is the plan that is now being followed, has already been described. It is the least desirable of the three and should join the file of never-carried-out plans for the Capitol. Such proposals have a history that dates back to the original competition held in the spring of 1792. The brief invitation to submit drawings brought forth a variety of responses, none of which was totally satisfactory to the Commissioners or to the President.

The submissions included a very respectable and conservative Georgian design by Samuel McIntire; a charmingly naive proposal by Philip Hart that in detail is vaguely reminiscent of Independence Hall; an adaptation of Palladio's Villa Rotunda submitted by Samuel Dobie; a strange melange of medieval and Georgian detail on a building that surrounded a square open courtyard by James Diamond of Maryland; and a fairly sophisticated design, to judge by later drawings which have survived, by Stephen (Etienne Sulpice) Hallet, a French emigre who was then residing in Philadelphia.

Thornton's winning design, which was submitted after the close of the competition (setting a precedent for confusion in federal architectural competitions persisting to the present time), was a far simpler, more monumental conception than any of the previous designs. It was one that more clearly reflected the desires of Washington and Jefferson for a Capitol that would somehow express the strength and virtues of the infant republic.

Thornton never had clear sailing in the execution of his design. He declined to supervise its construction; he lacked the technical experience to carry through the work on a major public building in a day when the architect was obliged to provide truly "comprehensive services." The short-tempered doctor thereupon had a succession of difficulties with Hallet, who was retained as supervising architect, and George Hadfield who later succeeded to the job. Both had sought to alter his design, and the even-tempered James Hoban assumed the responsibility for construction from the year 1798, until the appointment of Benjamin Latrobe in March 1803.

Latrobe brought to the position an already established reputation as an architect of great talent and skill. He was much respected by President Jefferson and managed to impose his own ideas upon the interior design and in plans for the central portion of the building which were carried out, after his retirement in 1817, by Charles Bulfinch who completed the original building in 1829.

Robert Mills, who was Architect of Public Buildings at the time, proposed several forms of extension to the Capitol in the year 1850. Mills' designs deserve special mention for it is hard to believe that they were not the genesis of Walter's final designs for the wings and dome. The few sketches of Mills that have survived are much more like the Capitol as we see it today than were Walter's first competition drawings of the same period, for Mills had already seized upon the idea of a great dome, modeled in scale and form after that of St. Peter's, to be constructed over the foundations of the rotunda.

He evidently was intrigued by the idea of developing the expanded building in the form of a cross, the enlarged dome to act as a dominant focal point at the center, but he also prepared drawings of an extension of wings to the sides attached with an ingenious arrangement of interior courts to prevent blanking the windows of the older building. Mills' plans were not accepted by the Senate, which insisted that a competition be held, and in 1851 President Millard Fillmore appointed Thomas U. Walter as Architect of the Capitol. Mills at that time was already 70 and died four years later, in March 1855. Walter was 47 and destined to work on the Capitol for the next 14 years.

The list of designs for "the Capitol that never was" continued to the turn of the century, and the more familiar proposals of Carrere & Hastings for expansion of the building in the year 1905 by the survival of two plans for monstrous enlargements submitted by Thomas Walter in 1874, nine years after his retirement as Architect of the Capitol.

Walter had apparently never completely given up an infatuation with his earliest competition studies, which extended a vast interior gallery eastward from the rotunda, and the years he had spent since leaving Washington, working on Philadelphia's City Hall, might have clouded the esthetic judgment of any man. The ubiquitous Washington firm of Smithmeyer & Pelz submitted a grotesque scheme in 1881 that would have left nothing of the original central portion of the building but the rotunda and dome, which they planned to embellish with eight additional domed turrets.

Admittedly the present proposal for the extension of the West Front is more modest than some that have been discarded in the past, but it has neither the merit of sensitive historic preservation nor the merit of bold architectural concepts. It falls to the inevitable level of an unhappy compromise, for it fails to recognize that time has changed what can and cannot be done to this one building that symbolizes the aspirations and growth of the country from the time of its founding through the age of confidence and material prosperity which characterized the last decades of the 19th century.

If the old stones of the Capitol are crumbling let them be restored, or replaced if need be, but let us refrain from padding its bones with layers of rooms until it becomes a shapeless mass signifying nothing but its own bulk. Congress deserves a mid-20th century answer to its space needs, not a misguided mid-19th century alteration to a venerable building deserving of respectful preservation.

STATEMENT OF THE AMERICAN INSTITUTE OF ARCHITECTS

The Institute believes that the Capitol of the United States is a vitally important symbol of our nation's government. As such, it should be preserved. If reconstruction is structurally necessary, it should be carried out in strict accordance with the present design. If the Capitol continues to expand, it will rapidly lose all resemblance to the original building. The AIA believes that it should be a permanent policy of the Congress that the exterior of the Capitol is to remain unchanged. Today, the West Front contains the last remaining external vestiges of the Capitol as it was originally designed and built. It is the only important link with the beginnings of the building. If the West Front of the Capitol is extended, we will have buried the last of those walls that date from the early years of the Republic, and will have obscured a part of our history that can never be restored.—Oct. 13, 1965.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I ask unanimous consent that I may be allowed to proceed for an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I am happy to yield to the distinguished Senator from Oklahoma, who incidentally is chairman of the Legislative Subcommittee of the Committee on Appropriations.

Mr. MONRONEY. I am happy to associate myself with the distinguished senior Senator from Wisconsin on this issue, and I urge very strongly that before any money is appropriated to initiate this $34 or $35 million project, which will add some 4.5 to 5 acres to the capitol area, the most careful and searching engineering study be made to find out if this is the only way that the west front can be made stable and guaranteed against further deterioration.

I personally am convinced that engineers can tell us that we can brace and underpin the west front, preserving the grace of the old Capitol, without doing damage to the historic building, and still provide for the continued use, for another 100 years, of this great edifice.

I thank the distinguished Senator from Wisconsin for yielding, and for his cooperation in helping preserve this shrine.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from Oklahoma for his remarks.

WEST FRONT PROPOSAL A NATIONAL OUTRAGE—A TEMPLE PROFANED

Mr. President, in one of the most emphatic and powerful editorials I have read in a long, long time the Washington Post Sunday ripped into the proposal to extend the west front of the Capitol.

The Post calls for a National Committee To Save the Nation's Capitol to shower petitions down upon the Congress to persuade this body to relent, to demand the kind of full open hearings on this proposal—which have not been held—with adequate advance notice and with representatives of the American Institute of Architects and other competent and critical bodies invited to appear.

The editorial concludes:

> Men who would lay their unhallowed hands on this sacred structure are indifferent to the glorious episodes of our past, ignorant of the architectural merit of one of the great buildings of the world and indifferent to every consideration of national pride and honor. This outrage must be stopped.

I ask unanimous consent to have printed in the RECORD the editorial to which I have referred, entitled "A National Outrage," published in the Washington Post of Sunday, June 19, 1966.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A NATIONAL OUTRAGE

If the people of the United States mean to save their historic Capitol, so filled with reminders of great events in the Nation's life, they must swiftly make it clear to Congress that they do not wish this national monument submitted to the hammer and ball of the demolition crews about to descend upon it.

Under the guidance of J. George Stewart (by act of Congress and not by grace of any academic benediction) the Architect of the Capitol, Congress is about to commit on the Capitol an act of vandalism without precedent in this country's life. The British in 1814 greatly damaged the Capitol. The remodeling of the East Front destroyed a facade before which the great ceremonies of the Nation took place. But the destruction and rebuilding of the West Front exceeds even these disasters. A structure fashioned by genius and executed by artists is to be remodeled by a man presumptuous enough to believe he can do better. And his presumption is the more offensive because the best that he can do stands just across the Capitol grounds where the new House Office Building presents to the world a staggering example of how many architectural abominations can be combined in one building if you have the money.

A National Committee to Save the Nation's Capitol should be formed at once. It ought to shower petitions down upon Congress until that body is persuaded to relent. It ought to demand that which it has not received—adequate open hearings and a fair discussion of the requirements of the old building. It ought to compel Congress to examine the alternative to the demolition of the West Front—the reconstruction of the front as it stands, if it is in need to repair. It ought to hold Congress to the pledge given the Nation in 1958 by Speaker Sam Rayburn who then said while the East Front was being built: "We are not going to do anything with the west end." It ought to make it clear to Congress that it prefers a work of genius by Thornton, Latrobe and Bulfinch to anything that the designers and builders of the new House Office Building can bring forth.

Men who would lay their unhallowed hands on this sacred structure are indifferent to the glorious episodes of our past, ignorant of the architectural merit of one of the great buildings of the world and indifferent to every consideration of national pride and honor. This outrage must be stopped.

Mr. PROXMIRE. This morning the Post returned to the fray with a moving documentation of the basis for keeping this magnificent Capitol Building as it is.

The Post quotes the distinguished historian Allan Nevins, who has called the Capitol "the best-loved and revered building in America, the spirit of America in stone, the major symbol of the Nation."

Today's editorial concludes:

> The wrecker's ball will soon do for the west front of the Capitol what the Nazi bombers did for the House of Commons. Is there no American of equal devotion to the temple of American democracy who can insist that when it is rebuilt, it will be kept as it was?

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial entitled "The Temple Profaned," published in the Washington Post of today, June 21, 1966.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE TEMPLE PROFANED

"We have built no national temples but the Capitol," said Rufus Choate. Now that temple is to be profaned and the architectural genius of Thornton, Bulfinch, Latrobe, and Walter is to be buried under cafeterias and other conveniences.

Allan Nevins has described the Capitol as "the best-loved and most revered building in America." He has called it "the spirit of America in Stone." He has said it is "History—the Major Symbol of the Nation."

But the noble western front of the building with its handsome classic walls and its cascading staircases must give way to the convenience and comfort of Congressmen who need more room. Whether the exterior walls are or are not safe is a matter for competent engineers to decide. They have stood less than 200 years and sandstone structures of the kind elsewhere have lasted for hundreds of years. If they are unsafe, they can be rebuilt and replaced without alteration of the original design.

When bombs destroyed the British House of Commons in the 900-year-old palace of Westminster on the River Thames on May 10, 1941, the impulse of the whole British nation was its restoration, not its modification. When he visited the vast ruin on Oct. 29, 1943, Winston Churchill gazed upon the wreckage and said: "There I learnt my craft, and there it is now, a heap of rubble. I am glad that it is in my power, when it is rebuilt, to keep it as it was."

The English people, led by Churchill, insisted that the House be restored, even though the reproduction can seat but 437 of the 627 members.

The wrecker's ball soon will do for the west front of the Capitol what the Nazi bombers did for the House of Commons. Is there no American of equal devotion to the temple of American democracy who can insist that when it is rebuilt, it will be kept as it was?

Mr. McCARTHY. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may have 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I yield to the Senator from Minnesota.

Mr. McCARTHY. I simply wish to say that I join with the Senator from Wisconsin, and hope the entire Senate will give some thought to what is proposed with reference to the west front of the Capitol.

It is quite true, as the Senator has said, and as the editorial has also stated, he has quoted that the Capitol Building is a monument to the entire country. The question of efficiency and financing of new space is an effort which should be met by some method other than destroying this historic front.

SCHOOL MILK PROGRAM SUPPLIES ESSENTIAL VITAMINS, MINERALS

Mr. PROXMIRE. Mr. President, the administration's proposal to slice the special milk program by 80 percent could have disastrous effects on the health of our Nation. If this legislation were enacted, the 18 million children receiving Federal help in purchasing school milk would shrink to 3 million children. The remaining 15 million, including millions of children who come from low-income families, would have to pay the full cost of any milk they consumed in school or day camp.

Obviously, many millions of these children simply would stop drinking milk. This could have a substantial impact on the dietary habits and future health of these young people.

Let us take a look at what has contributed to the health of our Nation in the past. In 1940 one could walk down the streets of any major American city and see the bowed legs of children suffering from rickets. This is no longer true. This disease has been eliminated, in large part through the ready availability of Vitamin D fortified milk.

Pellagra is another disease that was highly prevalent not too many years ago. The usual cycle followed was pellagra, hospitalization, and treatment with vitamins and diet, return to home followed by the old diet, followed by pellagra and hospitalization again. Once more the ready availability of milk, with its protein quality and content of tryptophan, spelled the end for this serious dietary disease in most sectors of our population.

The Food and Nutrition Board of the American Academy of Sciences has stated that:

> Milk and milk products . . . contribute approximately 24 per cent of the protein, 76 per cent of the calcium, and 47 per cent of the riboflavin in the national diet.

These are among the facts and figures which explain the outcry from Congress and the people alike over plans to cut the school milk program. Such a move would be taken at the expense of the health of future generations of Americans.

WHY NOT FACE THE TRUTH ABOUT VIETNAM?

Mr. GRUENING. Mr. President, I ask unanimous consent that I may proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRUENING. Mr. President, newspaper headlines reveal that at his last press conference President Johnson indicated that he would "raise the cost of aggression at its source" by intensified use of airpower.

This is a threat of further escalation. It is an indication that the daily bombing will be carried further North.

On many previous occasions, the President has said, "We seek no wider war." Yet it is steadily widening.

The administration's answer invariably is that we have to escalate because our adversaries escalate.

This is precisely the gloomy outlook so clearly spelled out in the Mansfield report after his return in company with four other Senators—MUSKIE and INOUYE, Democrats; AIKEN and BOGGS, Republicans—from an intensive study on the ground in southeast Asia. They made it clear that it was an open-end war and that each side would escalate to meet the other's escalation.

To what end? Further deaths of fine young Americans, whose number killed in combat already has passed 4,000, with over 20,000 wounded, many crippled for life, countless thousands of North and South Vietnamese killed, many of them noncombatants, women and children. The undeclared war is costing close to $2 billion a month and so the great domestic programs, so brilliantly enacted in the 1st session of the 89th Congress under President Johnson's masterful leadership, are going down the drain.

And yet the facts, so consistently ignored and even denied by the administration, disclose the total lack of justification of our present and our continuing actions in southeast Asia.

These facts must be repeated to offset the completely misleading propaganda which continues to emanate from the White House, the Pentagon, and the State Department.

Item: We were not asked by a friendly government in South Vietnam to help it repel aggression.

We asked ourselves in.

Item: It is not true a solemn commitment was made by three Presidents to do what we are doing.

President Eisenhower merely proffered economic aid and that conditioned on reforms and performance which were never carried out either by the Diem regime or by the eight subsequent self-imposed regimes.

Item: President Kennedy, accepting the bad advice of Secretary McNamara, escalated the number of advisers from the 600 in South Vietnam, as part of the military mission established by President Eisenhower, to a total of 20,000. But he sent no troops to combat. No American lives were lost in combat during the administrations of Presidents Eisenhower and Kennedy.

Item: Regrettably, after a campaign in which President Johnson led the American people to believe he would achieve a peaceable solution in southeast Asia, he sent our troops into combat. No previous President—neither Eisenhower nor Kennedy—had done that.

The more recent official justifications that article 4 of the SEATO Treaty warrants our military actions are also groundless.

The article provides that in the event of alleged aggression, all the signatories will consult, and by unanimous agreement resolve on a course of action, which must be in accord with each nation's constitutional processes.

We never asked the signatories—Great Britain, France, Pakistan, Thailand, Australia, New Zealand, and the Philippines—to consult. Had we done so, there would have been no unanimous decision, since both France and Pakistan are opposed to our course. Finally, action in accord with our constitutional processes would have required a declaration of war by the Congress. We have not had it.

It seems clear that each subsequent escalation has been expected to bring "victory." What are the realities?

Item: President Johnson accepted and acted on the same kind of bad advice that led President Kennedy into the Bay of Pigs fiasco.

Item: Each time the advice to President Johnson was proffered as the solution to his dilemma and would bring the adversary to his knees.

"Bomb North Vietnam. That will do it." We bombed for 16 months. It has not done it.

"Send in the Marines. That will do it." It has not.

"Send in more ground troops. That will do it." There are 360,000 there now, plus the fleet offshore with 70,000 aboard and 40,000 in Thailand.

It has not done it.

"Send in more troops. Raise the number to 400,000." It is being done.

We will bomb further north, the President now warns Hanoi; perpetuating the myth that North Vietnam is the aggressor.

In the course of all this, United States has violated:

First. United Nations Charter, articles 1, 2, 33, and 37.

Second. The SEATO Treaty, article 1.

Third. The unilateral commitment by Walter Bedell Smith to support the Geneva Agreements.

Fourth. The aforementioned pledges to send in no additional troop or war material into Vietnam.

The regrettable and depressing fact in all this is that it is the United States which is the aggressor in southeast Asia.

The United States, sending its forces halfway around the world, injected itself into a civil war. All those present at the time of our invasion were Vietnamese—South Vietnamese fighting a a corrupt and oppressive government, thus revolting against the denial of promised elections, aided later by infiltrators from North Vietnam.

The continued support by the United States of corrupt, self-imposed, and malodorous regimes reveals the folly of our whole performance.

The original premises justifying our military involvement, although false, have now been shown to be completely fanciful. We are not supporting freedom or saving a brave and gallant people. We are supporting a corrupt, self-imposing dictatorship.

Last year, 1965, there were 96,000 desertions from the South Vietnamese Army.

And yet we are drafting our boys and sending them to southeast Asia to fight and die for this cause which has so little support from the people we are presumably aiding.

The great myth is that Hanoi is the villain. True, the North Vietnamese are aiding the Vietcong but their aid came after our own violation of our agreement—our support of Diem's refusal to abide by the Geneva Agreements and hold elections.

In all American history, of which we have had so much reason to be proud, the United States has not committed so tragic an error. The consequences can only be disastrous.

The administration's allegations that we are willing to negotiate with any government avoids and evades the fact that the adversary is not a government but the National Liberation Front or Vietcong, with which President Johnson has consistently refused to negotiate. Until that is done, it is nonsense to assert that we have exhausted every effort to achieve peace.

Likewise, we have not carried the issue before the Security Council, as we are required to do by the United Nations Charter.

Why have we not done this? Because, obviously, the free discussion that would take place in the United Nations would reveal the unpleasant truth, which is, that the United States is the aggressor.

Is there a way out? Yes. Lay the issue before the United Nations. Stop the bombing. Agree to negotiate with the National Liberation Front. Ask for a cease fire. Promise to hold Vietnam-wide elections, supervised by the United Nations, not merely in South Vietnam but in all Vietnam as promised in the Geneva accord. Agree to abide by the results, and pledge a phased withdrawal of our troops once peace is established. It might not work. But why not try it? We have not tried it. Until we do, until we make these proposals clearly, emphatically, unmistakably, we cannot continue to allege that we have tried to secure peace—that objective which every passing day more and more Americans fervently seek.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. MORSE. Mr. President, once again the Senator from Alaska has made a statement on what I consider to be our illegal and immoral course of action in South Vietnam and North Vietnam, with which statement I am in complete agreement.

I associate myself with his remarks.

THE BANK MERGER ACT

Mr. MORSE. Mr. President, some days ago I sent the Washington Post a letter to the editor in which I set forth certain facts in regard to the participation of the Senator from Virginia [Mr. ROBERTSON] in the legislative record on a bank merger bill in the Senate.

In the letter I pointed out the position that the Senator from Virginia had taken with respect to three cases in this country. One case involved action on the part of the U.S. Justice Department with respect to action that it is proceeding to litigate in connection with a bank in Lexington, Ky.

I think in fairness to the Senator from Virginia that I owed it to the record to write the letter that I wrote the Washington Post.

Last Sunday an abbreviated form of the letter was published in the Washington Post. But its abbreviation is fair neither to the contents of the letter that I sent the Washington Post nor, in my judgment, to the record of the Senator from Virginia.

Mr. President, I ask unanimous consent that the full letter that I wrote the Washington Post, as well as the abbreviated letter which the Washington Post published and attributed to me, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 19, 1966]

ROBERTSON PRAISED

[Letters to the Editor Version]

My attention has been called to several news stories which have appeared in your columns over last weekend and to an editorial which appeared on June 14 concerning Senator ROBERTSON and his interest in banks and banking, particularly in the Bank Merger Act Amendments of 1966 and the relation of that law to the Manufacturers Hanover Trust Company of New York City.

In the news articles and editorial, it is suggested that the principal significance of the Bank Merger Act Amendments of 1966 was the relief of three banks from antitrust prosecution and that the gratitude of bankers to Senator ROBERTSON is based primarily on the special relief provided for three banks against which antitrust cases were pending at the time the Act was passed.

The Bank Merger Act Amendments of 1966 restored the congressional intent to give primary importance to the public interest, which had been developed in the Bank Merger Act of 1960.

The new standards and procedures for bank mergers written into the 1966 Bank Merger Act were in turn written into the Bank Holding Company Act Amendments, and this action was sustained last week by a roll call vote of 64 to 16—a clear expression of congressional intent on the relation between banking and the antitrust laws.

While I have not always agreed with all the provisions of the banking bills which Senator ROBERTSON has proposed and carried through to enactment, I think it is quite clear that the legislation he has sponsored in the field of banking has been of broad public interest and importance.

WAYNE MORSE,
U.S. Senator From Oregon.

WASHINGTON.

[Letter to the editor, Washington Post, actual copy]

JUNE 15, 1966.

THE EDITOR,
The Washington Post,
Washington, D.C.

DEAR SIR: My attention has been called to several news stories which have appeared in your columns over the weekend and to an editorial which appeared on June 14 concerning Senator ROBERTSON and his interest in banks and banking, particularly in the Bank Merger Act Amendments of 1966 and the relation of that law to the Manufacturers Hanover Trust Company of New York City. In the news articles and editorial, it is suggested that the principal significance of the Bank Merger Act Amendments of 1966 was the relief of three banks from antitrust prosecution and that the gratitude of bankers to Senator ROBERTSON is based primarily on the special relief provided for three banks against which antitrust cases were pending at the time the Act was passed.

I do not think this is an accurate or fair presentation. As a member of the Banking and Currency Committee for two years; 1955 to 1957, I was deeply involved in two major pieces of legislation Senator ROBERTSON handled in 1956 and 1957—the Bank Holding Company Act, which was enacted in 1956, and the Financial Institutions bill, which was considered by the Committee in 1956 and passed the Senate in 1957 and which, though it did not become law as such, contained most of the amendments to banking laws which have been enacted since that time.

The Bank Holding Company Act of 1956 was a major piece of regulatory legislation designed to prevent undue extension of bank concentration through the holding company device and to separate banking from unrelated businesses. It contained two broad open-end exemptions to which I objected at the time and which I am glad to say Senator ROBERTSON has now closed in the current Bank Holding Company Act Amendments, which the Senate passed on June 7 and which are now pending in the House: the first for long-term trusts and charitable institutions applying to the Alfred I. duPont Trust Fund, the second for regulated investment companies and their affiliates applying to the Financial General Corporation.

Another major bill which Senator ROBERTSON brought into being was the Bank Merger Act of 1960, based on a provision in his Financial Institutions bill of 1957 and a 1956 Fulbright bill, all of which were founded on the understanding that the antitrust laws either did not apply to bank mergers or at least did not provide effective control. For example, it was universally understood by all responsible officials, including leading members of the House and the Senate and representatives of the Justice Department, that Section 7 of the Clayton Act did not apply to bank mergers.

In recent decisions, the Supreme Court applied the strict rule of the Clayton Act that competitive factors were the sole and controlling factors to be considered in bank merger cases, nullifying the congressional intent spelled out in the Bank Merger Act of 1960 that the public interest—the public convenience and necessity—should be the final controlling consideration in bank merger cases.

When the Justice Department's efforts to break up the merged banks at Lexington, Kentucky, and New York made clear the losses and damages which would inevitably result from their attempts to "demerge" these banks, Senator ROBERTSON introduced a bill to exempt all bank mergers from the Clayton Act and the Sherman Act. This bill was amended, and, as it eventually became law this year, it terminated, as far as the Clayton Act and Section 1 of the Sherman Act are concerned, the three pending cases involving mergers consummated before the Philadelphia decision—the Manufacturers Hanover case, the Lexington, Kentucky, case and the Continental Illinois case. The three cases involving mergers consummated after the Philadelphia decision, when the new law had been laid down by the Supreme Court, were not exempted but were to be handled under the new standards written into the 1966 Bank Merger Act Amendments, like all subsequent mergers.

Unfortunately the Department of Justice is attempting to continue the proceedings started under the antimonopoly provisions of Section 2 of the Sherman Act, contrary to the intent of the Congress and the representations of the Department of Justice.

The Bank Merger Act Amendments of 1966 restored the congressional intent to give primary importance to the public interest, which had been developed in the Bank Merger Act of 1960. After the passage of the 1960 Act, President Johnson, then Majority Leader, made the following comment:

"Again, I want to express my congratulations to Senator ROBERTSON and Senator FULBRIGHT and Senator Capehart and the other members of the Banking and Currency Committee for the persistence and the thoroughness and the statesmanship which they have displayed in carrying this matter through to a satisfactory conclusion."

The new standards and procedures for bank mergers written into the 1966 Bank Merger Act were in turn written into the Bank Holding Company Act Amendments, and this action was sustained last week by a roll call vote of 64 to 16—a clear expression of congressional intent on the relation between banking and the antitrust laws. And after the passage of the bill Senator MANSFIELD, the Majority Leader, commented that Senator ROBERTSON "once again has served this body with the unparalleled distinction and wisdom which has characterized his many years of public service."

While I have not always agreed with all the provisions of the banking bills which Senator ROBERTSON has proposed and carried through to enactment, I think it is quite clear that the legislation he has sponsored in the field of banking has been of broad public interest and importance.

Very truly yours,

WAYNE MORSE.

IRRESPONSIBLE USE OF FEDERAL HOUSING ADMINISTRATION INSURANCE

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that I be permitted to proceed for 15 minutes.

The PRESIDING OFFICER (Mr. KENNEDY of New York). Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, it appears that a group of irresponsible promoters and builders have devised a unique method of using the FHA insurance to finance their speculative construction of multifamily units throughout the country.

These speculative promoters are giving little or no attention to the prospective success of the projects, their primary interest being in the quick profits reaped from inflated markups of previously undeveloped land, a generous allowance of builder's fees to their own construction firms, and architect's fees on a percentage basis which ofttimes are in excess of the actual payments.

To make this scheme more profitable, cheap land located in marginal or isolated areas is purchased and then unloaded on the Government through generous appraisals of the lots on the basis of being a developed area.

The result is that many of these projects, particularly the multifamily units, are going broke as fast as they are being completed—ofttimes even before construction is completed. The promoter, having collected his quick profits through a markup of the land, builder's fees, et cetera, now abandons the project in many instances without paying the subcontractors and suppliers. The result is that scores of small subcontractors and suppliers are going broke, since FHA assumes no responsibility and apparently has no concern as to whether or not they are paid.

The blanket mortgage protects the Government—as far as it can be protected—in cases of 110-percent mortgages as the payments are made to sponsors in accordance with progress on construction projects, without regard as to whether or not the supplier and subcontractors are being paid.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. I desire to commend the distinguished Senator from Delaware for bringing before the Senate a situation that certainly merits attention. Information has come to me bearing out what the Senator has said. Some scandals and some wrongdoing have occurred in this area, and they merit an investigation as soon as the calendars of the appropriate committees permit.

I should like to ask the distinguished Senator from Delaware a question. Is it not quite likely that the evil procedure that promotes or presents an opportunity for wrongdoing is the fact that individuals can go into building projects without any of their own money being involved?

Mr. WILLIAMS of Delaware. That is correct. Another instance, as I have pointed out, is that a promoter can start half a dozen projects simultaneously, each under a different corporate name. If one project succeeds he keeps the one that succeeds; and if the other five go broke he turns them back to the Government.

There is no requirement for the endorsement by the promoter or the builder of the various projects. That is a correction in procedure that should be adopted. Surely, they should have to pledge some collateral or some assets to back the loan from the Federal Government.

Mr. CURTIS. I agree with the Senator.

There might be certain instances where an individual building a home in which he is going to live should be granted a 100-percent loan. Even then, however, the situation contains many problems and dangers.

If someone is going into the business of commercial building for profit, for rent, and for resale, the Government should require him to invest some money of his own, to the end that businesslike practices and honest procedures will be followed for the protection of their own money; and in so doing, they will protect the Government's money. Is that not correct?

Mr. WILLIAMS of Delaware. There is no question about it.

So far as the allowances for the cost of the land are concerned, I believe the Government should go beyond the appraised valuation of the land to the actual investment of the individual, which ofttimes takes place a few days earlier, to determine the actual cost.

I have no objection to a promoter or a builder or an individual making a profit on the land. That is our American system. But let him make his profit after the project succeeds. The Government should not be permitted to underwrite the profit in the beginning so that the builder would have no concern as to whether or not the project is a success.

Mr. CURTIS. The money being the taxpayers' money, I believe we have a responsibility to see that the matter is checked into. We know full well that many of the people engaged in building projects are absolutely honest and faithful in their performance. Neither would we indict, by any means, the vast number of Government officials involved, because probably only a few of them have been lax or in some way permitted this situation to develop.

Mr. WILLIAMS of Delaware. I agree completely with the Senator from Nebraska. I have pointed this out in my remarks today. The overwhelming percentage of the builders and the Government employees are attempting to do a good job, but the few who are not are causing these problems.

I invite attention to one other weakness in our present system as it is being administered in this lending agency: There is no master file as to the record of payments or the credit standing of the individuals. We find now that Joe Doakes can start a project in New York, go broke, go to New Jersey or Delaware or some other State and under another corporate name get credit. There is no master file that can be checked to learn how the Government has fared, or what the Government's credit experience has been with that particular individual. Commonsense necessitates the establishment of a master file to deal with all these problems, so that the Government can determine whether Joe Doakes is or is not a good credit risk based on the Government's records.

Mr. CURTIS. Would not the Senator go one step further and provide that all Government agencies should have access to the master file?

Mr. WILLIAMS of Delaware. There is no question about it.

Mr. CURTIS. I think that in looking into this matter, Senators would find not only some serious problems in certain of the agencies dealing with building, but also might find that these people have taken advantage of certain laws that have been enacted under the Small Business Administration Act, particularly with reference to investment companies, which in turn loaned some money, and the same individuals appeared in several corporate entities.

Mr. WILLIAMS of Delaware. That is right. Each agency that lends money to the U.S. Government should have a master file. The information should be coordinated and then be made available to all the agencies. After all, if an individual is a bad credit risk with the Small Business Administration surely the FHA should not wish to accept him in good standing.

This is all the taxpayers' money, no matter what agency is involved, and the master file, by all means, should be available to all lending agencies of the Government.

Mr. CURTIS. If this activity can be looked into and corrected, it would be not only a protection to the trustworthy and honest Government employee and officer, but also would be a help to the honest borrowers among our citizens who look to these agencies for credit that is needed, is worthwhile, and is honestly handled.

Mr. WILLIAMS of Delaware. That is correct. To the extent that bad credit risks are approved they are being underwritten through the mortgage charges, by the other people who borrow from this agency.

Mr. President, the FHA has no master file of these professional promoters who allow their projects to go broke as fast as they are built; therefore, they move around the country operating under a new corporate name each time and always finding a line of FHA credit awaiting their needs.

This prospect of a quick profit with no risk invites influence peddling, political pressure, and collusion with a weak or gullible official.

This is not intended as a blanket indictment of all builders or of the employees of this agency—quite the contrary—I have been impressed by the caliber and ability of many of the builders and suppliers and of these employees, but far too often the recommendations of these underwriters and inspectors are being ignored and overridden with disasterous results.

Warnings of local underwriters that the rental prospects for new projects were not feasible due to the already high-vacancy rates in the area were ignored.

Approval of new projects in an already overbuilt market results in the bankruptcy of the existing, privately financed projects. In fact, the Government in financing these economically unfeasible and new speculative projects creates disasterous competition with the result that the whole housing industry is in trouble in many areas.

To illustrate just how serious this problem now is I call attention to two projects in the Arizona area.

The story of these multifamily projects, both of which went into immediate bankruptcy, shows that in each instance a mortgage far in excess of the total construction and land costs was approved. The projects were classified as projects for the elderly, and in the second project there was included as a part of the cost the construction of a lodge hall for a fraternal organization.

On the first project the University of Arizona Foundation was listed as a sponsor, and the second project listed the Tucson Council No. 1200 of the Knights of Columbus as the sponsor. In both instances these listed sponsors were but fronts for the real promoters who were reaping the profits from these boondoggles. FHA records show that neither of the sponsors had ever accepted any financial responsibility whatsoever to guarantee the successes of the projects. The FHA officials were well aware of this lack of any financial responsibility at the time of the approval of the mortgages.

An examination of the FHA policies would show that this same pattern of allowing irresponsible promoters to conduct their activities behind responsible religious and charitable organizations prevails throughout the country.

The advantage to these promoters of using nonprofit organizations as fronts is that they thereby become eligible for 100 percent financing. In actual practice, however, the records show that they are ofttimes receiving far in excess of 100 percent mortgages. The result is that the elderly citizens who are renting these projects are thereby required to pay inflated rentals, which are automatically based on the amortization requirements for the inflated mortgages, including the profits to the promoters.

Thus the FHA, by its loose practices, is actually imposing a penalty on the elderly citizens of America. Then when these projects go bankrupt shortly after opening, as they are doing, the other taxpayers are also penalized.

I shall now proceed to outline the details of these two projects. First I discuss Tucson Green Valley, Tucson, Ariz., Project No. 139–38006.

On January 18, 1963, the FHA issued a commitment to insure a $12,410,400 mortgage against this project promoted by the Maxon Construction Co., Hunkin-Conkey Construction Co., and their affiliates. This ill-fated mortgage was unloaded on the New York State teachers retirement system.

While the FHA records list the University of Arizona Foundation as the sponsor, the real promoters and the ones who reaped the profits on this project were the Maxon Construction Co. and affiliated interests.

Total costs of this project, based on records furnished by the FHA under date of May 16, 1966, are as follows:

Certified construction costs	$9, 252, 359. 49
Builder's fee	393, 029. 75
Architect's fees	269, 488. 00
Land	796, 560. 42
Total	10, 711, 437. 66

This represents a mortgage of $1,698,962.34 over recorded costs, but even these cost figures were inflated. There were promoters' profits such as builder's fee, inflated land costs, and large architect's fees.

The land values were overappraised and included a promoter's profit of $586,064. This land was purchased from the Tucson Green Valley Development Co., another company which the Maxon interests controlled.

FHA records show that this land, comprising 253 acres, was originally purchased on January 31, 1963, at a price averaging $832 per acre, or a total of $210,496.

Three months later, on April 19, 1963, the FHA endorsed a mortgage of $12,410,400 which included this same land with a cost certificate on an "as is" basis of $796,560.42. This represents approximately $3,148 per acre, or a markup of nearly 400 percent.

I quote from the FHA records covering this land transaction:

> The land upon which the project was built was part of an approximately 2,900-acre tract purchased by the Tucson Green Valley Development Company on January 31, 1963. According to the documentary stamps on the deed to the larger tract, the cash consideration for the land was $1,773,635. The deed further shows that Tucson Green Valley Development Company took title to the larger tract subject to a mortgage of $640,000.
>
> FHA records show that at the time the land was sold to the mortgagor, the University of Arizona Foundation was in control of the mortgagor corporation.
>
> The Tucson Green Valley project is located in the midst of the larger tract.
>
> FHA "as is" land valuation: the amount allowed in cost certification was $796,560.42, which took into consideration the value of the portion of the security which was released from the mortgage.

Thus these records show that the FHA allowed $796,560.42 for 253 acres which originally cost only $210,496, or a quick profit of $586,064. This profit on land is in addition to the $1,698,962.34 by which the mortgage had already been inflated.

Only one payment of $61,911.80 was ever made on this mortgage. The project went into default, and on April 20, 1966, the FHA took it over.

By this time the FHA investment in this project had increased as follows:

Unpaid balance on mortgage	$12, 397, 029. 64
Accrued interest	461, 081. 38
Insurance and taxes paid by FHA	26, 966. 42
Interest on the advance for taxes	352. 96
Total	12, 885, 430. 40

This $12,885,430.40 investment is against a project which originally cost around $10 million, including actual construction costs, land, and architect's fees.

To make matters worse, if possible, the FHA as of April 22, 1966—2 days after they took it over in bankruptcy—was still writing the Maxon Construction Co. asking that immediate action be taken to correct a long series of constructional defects.

There was another profitable side to this venture for the Maxon interests.

This $12½ million extravaganza was built in the center of a 2,900-acre tract owned or controlled by the same Maxon interests, and the group is now ready to promote sales of family-type homes in this surrounding area, and FHA in its generosity stands ready to finance this operation.

At this point I shall ask unanimous consent to have placed in the RECORD a series of reports concerning this project.

First I ask unanimous consent that my letter of April 5, 1966, addressed to Commissioner Brownstein and his reply thereto dated May 16, 1966, along with the attached memorandum outlining the history, costs, and so forth, of this project, be incorporated at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., April 5, 1966.

MR. PHILIP N. BROWNSTEIN,
Commissioner, Federal Housing Administration, Department of Housing and Urban Development, Washington, D.C.

DEAR MR. BROWNSTEIN: Will you please furnish me with a complete report on the Tucson Green Valley project, Tucson, Arizona. With this report I would appreciate having:

1. A complete history of the mortgage, beginning with the application, commitment approval, closing dates, etc., including the amount of the mortgage and rate of interest

2. The names and addresses of the sponsors

3. The name of the prime contractor and the certified construction costs

4. The original cost of the land to the sponsors and the appraised valuation

(a) It is my understanding that the Retirement Foundation, Inc. (incorporated by the principals of Maxon Construction Company) acquired the 270-acre site from Tucson Green Valley Development Company (owned by the same principals, the Maxon interests) and that this 270-acre site was a part of an 8,000 or 10,000 acre tract which Mr. Maxon had bought just a short time prior thereto. Please advise the original cost, date purchased, and size of this original tract when first purchased by the Maxon interests

(b) Is it correct that the Green Valley project is located in the midst of the larger tract?

5. The name of the architect and the amount paid as architect's fees

6. A complete report on any deficiency found in the construction either prior to or since the closing

7. A list of all payments both as to interest and principal that were made on this mortgage along with the present status

(a) If foreclosed, the date of foreclosure and the actual amount due the government including principal, interest and foreclosure costs, and the date the mortgage was taken over

8. A complete description of this property, including the number of swimming pools, recreation halls, golf course and amusement park, including the approximate cost of each item if such costs were included as a part of the overall construction

9. The amount, if any, that was allowed for the street improvement, water systems, sewers, etc.

10. The number of units in the project along with the approximate rate of occupancy as of today

11. Was this project approved and recommended by the local underwriters, the appraisers, the director, or was the approval ordered from Washington?

Yours sincerely,

JOHN J. WILLIAMS.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FEDERAL HOUSING ADMINISTRATION,
Washington, D.C., May 16, 1966.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: I am replying further to your inquiry of April 5, 1966, concerning the Tucson Green Valley project in Tucson, Arizona.

The information which you requested is attached.

Sincerely yours,

P. N. BROWNSTEIN,
Assistant Secretary-Commissioner.

TUCSON GREEN VALLEY, TUCSON, ARIZONA, PROJECT No. 139-38006

1. Date of first contact between FHA and sponsor: February 13, 1961.

Date of application showing Dartmouth College as sponsor: June 28, 1961.

Date of application showing University of Arizona as sponsor: June 13, 1962.

Commitment date: January 18, 1963.

Initial endorsement date: April 19, 1963.

Final endorsement date: June 28, 1965.

Mortgage amount: $12,410,400; at final endorsement the principal amount of the mortgage was reduced to $12,404,671. The prepayment of $5,729 was required because of the release of a portion of the security of the mortgage.

2. Name and address of sponsor: University of Arizona Foundation, 204 Administration Building, University of Arizona, Tucson, Arizona 85721.

3. Prime contractor: Maxon Construction Company and Hunkin-Conkey Construction Company, a Joint Venture.

The contractor certified costs of $9,252,359.49, not including a builder's fee. The mortgagor's certified construction costs of $9,252,359.49, plus a builder's fee of $393,029.75. In cost certification FHA allowed a construction cost of $9,609,407.24, including the builder's fee.

4. Original cost of project land. The application shows the purchase price to the mortgagor as $1,300,000; documentary stamps on the deed to the mortgagor indicate $1,300,000 as the consideration for the land. The project land consists of approximately 253 acres.

FHA "as is" land valuation: $797,366; the amount allowed in cost certification was $796,560.42, which took into consideration the value of the portion of the security which was released from the mortgage.

4a. The land upon which the project was built was part of an approximately 2,900-acre tract purchased by the Tucson Green Valley Development Company on January 31, 1963. According to the documentary stamps on the deed to the larger tract, the cash consideration for the land was $1,773,635. The deed further shows that Tucson Green Valley Development Company took title to the large tract subject to a mortgage of $640,000.

FHA records show that at the time the land was sold to the mortgagor, the University of Arizona Foundation was in control of the mortgagor corporation.

4b. The Tucson Green Valley project is located in the midst of the larger tract.

5. Design architect: Maxon, Smith & Mackie, Architect, Inc. Supervisory architect: Cain, Nelson, & Wares Architects. Architect's fees: $269,488.

6. Attached as Exhibit 1 is a copy of a letter dated April 22, 1966, to Maxon Construction Company forwarding the Nine Months' Guarantee Inspection Report listing deficiencies to be corrected.

7. On October 1, 1965, the mortgagee collected $61,911.80 from the mortgagor for the mortgage payment due on August 1, 1965. Of this amount $54,270.44 represented interest and $7,641.36 was applied to principal leaving a principal balance of $12,397,029.64. No other payments were made by the mortgagor.

7a. The mortgage was assigned to FHA on January 20, 1966. On April 19, 1966, the Department of Justice was requested to institute foreclosure proceedings. The foreclosure complaint was sent to the United States Attorney in Arizona on April 20, 1966. Subsequent to the filing of the complaint, a receiver was appointed on May 2, 1966. The accrued unpaid mortgage interest as of April 15, 1966, is $461,081.38. The amount of $26,966.42 for taxes and insurance has been advanced by FHA, and the interest due on this advance as of April 15, 1966, is $352.96.

8. Description of project: The on-site improvements consist of 311 residential one-story cement masonry buildings containing 1,150 living units. There are 25 commercial cement masonry buildings containing laundry, medical, shopping, recreation, fire protection and maintenance facilities. One hundred per cent on-site parking is provided.

There is a 9-hole golf course and a 3-hole pitch and putt course. There are seven swimming pools, six smaller pools distributed throughout the residential units and one larger pool in connection with recreation facilities around the golf course. The smaller pools are 24′ x 44′, and each has a ramada and large deck area. Distributed throughout the residential area are ten areas which have horseshoe and shuffleboard courts.

The FHA estimate of the cost of the various facilities follows:

Fire station	$67, 240
3 pools with type A ramadas	39, 795
3 pools with type B ramadas	41, 491
Recreation	114, 816
Crafts	77, 455
Shopping center	287, 126
Medical	82, 607
Restaurant	55, 701
Pro shop (includes golf course)	140, 270
Cart shed	6, 316
Rest room	3, 420
Total	916, 237

9. FHA's estimated cost of the offsite new utilities follows:

Power	$14, 562
Water	149, 773
Sewer	70, 559
Curb and walks	100, 247
Paving	90, 899
Other	73, 990

10. Number of units: 1,150. Occupied units as of April 22, 1966: 292.

11. The project was approved by the insuring office; approval was not ordered from Washington.

Mr. WILLIAMS of Delaware. Next I ask unanimous consent that a letter dated April 22, 1966, signed by Charles L. Johnston, director of the Phoenix office, addressed to the Maxon Construction Co., calling its attention to the defective construction, be placed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL HOUSING ADMINISTRATION,
Phoenix, Ariz., April 22, 1966.

In reply please refer to: MCF.

Re FHA Proj. No. 139-38006NP-CHM, Tucson Green Valley.

Certified mail # 436844.

Return receipt requested.

MAXON CONSTRUCTION CO.,
231 Esperanza Boulevard,
Green Valley, Ariz.

GENTLEMEN: As a result of our 9-month Guarantee Physical Inspection, we are attaching a copy of FHA Form No. 2551, Project Inspection Record, which outlines the latent defects in captioned project.

It is requested that immediate corrective action be taken to correct these defects. In any event, these defects must be corrected on or before June 1, 1966.

Your prompt attention to this matter will be greatly appreciated.

Very truly yours,

CHARLES R. JOHNSTON,
Director.

Mr. WILLIAMS of Delaware. I shall now discuss Christopher City, Tucson, Ariz., Project No. 139-38007-NP.

The application for Government insurance on this project was filed November 24, 1961, with the final endorsement of the mortgage of $5,615,900 being made on June 10, 1964.

While the FHA records list the Tucson Council No. 1200, Knights of Columbus, as the sponsors, the real promoter behind this project was the Robert Chuckrow Construction Co., Inc., 64 East 42d Street, New York City. The FHA records show that the fraternal organization was only a front for the speculative group of promoters and that neither the church nor the lodge ever agreed to financially underwrite the payments on the mortgage.

The FHA officials were well aware of this latter point at the time of the approval.

The Government insured a mortgage of $5,615,900 on this project in the Tucson area, the total cost of which was only $5,096,082.58, including certified construction costs of $4,171,055.88, land costs of $397,000, architect's fee of $160,612.38, and a builder's fee of $367,414.32. This represents a mortgage of around 110 percent of the actual costs.

This project was approved as a home for the elderly, but included in the building were the facilities for a fraternal organization lodge hall. Just how the facilities for any fraternal organization qualify as a part of an elderly housing project is as yet unexplained.

This project was accepted as completed on February 13, 1964. Only one payment of $23,832.68 was ever made on the mortgage. The project went in default, and on January 18, 1966, it was taken over by the FHA.

The FHA is now operating the project and still trying to obtain needed corrections of construction defects. I ask unanimous consent that there be printed at this point in the RECORD the letter from Commissioner Brownstein of May 12, 1966.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FEDERAL HOUSING ADMINISTRATION,
Washington, D.C., May 12, 1966.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: I am replying further to your inquiry of April 5, 1966, concerning the Christopher City project in Tucson, Arizona.

The information which you requested is attached.

Sincerely yours,
P. N. BROWNSTEIN,
Assistant Secretary-Commissioner.

(Attachment to Insertion D).

CHRISTOPHER CITY, TUCSON, ARIZONA, PROJECT No. 139–38007–NP

1. Date of first contact between FHA and sponsor: February 16, 1960.

Application date: November 24, 1961.
Commitment date: March 22, 1962.
Initial endorsement date: July 19, 1962.
Final endorsement date: June 10, 1964.
Mortgage amount: $5,615,900.
Interest rate: 5¼%.

2. Name and address of sponsor: Tucson Council No. 1200
Knights of Columbus
240 South Stone Avenue
Tucson, Arizona.

3. Prime contractor: Robert Chuckrow Construction Co., Inc.
60 East 42nd Street
New York, New York.

The contractor certified costs of $4,171,055.88, not including a builder's fee. The mortgagor certified a construction cost of $3,982,125.35, plus a builder's fee of $380,000. In cost certification FHA allowed a construction cost of $3,982,125.35, plus a builder's fee of $367,414.32.

4. The FHA insuring office records show that the acquisition cost of land to the mortgagor, including all incidental accrued costs, was as follows:

Purchase price	$198,500
Estimated cost of preparing site (including land fill)	188,000
Estimated closing costs (taxes, recording, etc.)	10,500
Total acquisition cost	397,000

FHA "as is" land valuation: $363,068.

5. Architect's name: John H. Beck, Tucson, Arizona. Architect's fee: $160,612.38.

5a. The plans and specifications were prepared by John H. Beck. FHA has no information that the plans had been drawn for a project in the New York area.

6. FHA determined that the project was acceptably completed on February 13, 1964. The nine months' inspection report dated November 19, 1964 lists defects requiring correction (Exhibit 1). The twelve months' inspection report dated July 23, 1965, listed four items still needing correction (Exhibit 2). Reinspection on February 3, 1966, listed two remaining items—shuffleboard concrete slab cracks and mismatched carpeting. Temporary repairs have been made to the shuffleboard which permits its usage. The matter of the carpeting is unresolved at this time. However, the insuring office is continuing its efforts to have these items satisfactorily corrected.

See Exhibit 3 for an inventory of furnishings and equipment in the project at the time of completion. Payment for these items was made from mortgage proceeds, and they are covered by a chattel mortgage.

7. A community building intended for the use of all tenants was included in the project. FHA received complaints from tenants that the building was being used exclusively by the local chapter of The Knights of Columbus. FHA made demand upon the mortgagor to cease this exclusive use and open the building to the tenants.

7a. Housing for the elderly minimum property standards provide for the inclusion of such accommodations as are deemed adequate to serve the needs of the occupants, such as community building, hobby rooms, auditorium, imfirmary, etc. However, these facilities must be for the occupants' use.

8. No principal payments were made on the mortgage. FHA receives a payment record card only from the mortgagee claiming debentures. The payment record card available to FHA shows that the interest due on July 1, 1964, in the amount of $23,832.68 was made on July 2, 1964. The mortgagee purchased the mortgage on June 10, 1964.

8a. The date of the first principal payment was deferred from May 1, 1964, to May 1, 1965. The mortgage went into default because the mortgagor failed to make the interest payment due August 1, 1964, and subsequent interest payments. The mortgagee, with FHA's approval, agreed to hold the defaulted mortgage to give the mortgagor an opportunity to reach sustaining occupancy. This point was never reached. On January 18, 1966, title to the property was conveyed by the mortgagor to FHA, in lieu of foreclosure.

Mr. WILLIAMS of Delaware. I recommend once again that no loans should be made or any mortgage insured by any Government agency in excess of 90 percent of the actual cost investment. The mortgage should not include builder's fees and profits that accrue to a construction firm owned by the sponsors, nor should it include a land valuation in excess of the actual cost. Likewise, the sponsors of these projects should be required to endorse the mortgages and to pledge their assets in support of the payments of the principal and interest in the same manner that the FHA requires of the individual home buyer.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. If an individual buys a home financed through the FHA he and his wife both sign the mortgage, and in addition he pledges all of his assets—household goods, investments, and salary—toward the payment of such mortgage.

However, as these multimillion-dollar projects are built each represents a separate corporate entity with little or no invested capital. The Government furnishes all the money, takes all the risk, and the promoter gets a sure profit and we now find that the FHA is insuring these mortgages in excess of actual costs.

This is a Great Society version of the old FHA windfalls, and thus far the administration has flatly refused to recognize or even to appear concerned over the inflated land costs, inflated construction costs, and loose financing arrangements under which these projects are being constructed.

We must not overlook the point that as these so-called nonprofit homes for the elderly are being constructed under the guise that they are being sponsored by nonprofit organizations, the tenants utilizing these facilities are being penalized. When the mortgages are increased through inflated land values or excessive allowances over construction costs it means that the rentals are based on these higher valuations with the result that the elderly people utilizing these facilities are charged higher rentals than would have been necessary if the Government had followed a rule of good commonsense in approving the projects and the loans.

THE DELAY OF THE FEDERAL EMPLOYEES SALARY BILL

Mr. HARTKE. Mr. President, a most important bill has remained inactive on the Senate Calendar for more than 3 weeks since its date of reporting by the Committee on Post Office and Civil Service. The neglected bill is the Federal employees salary bill, H.R. 14122, which was reported to the Senate by the chairman of the committee, the distinguished Senator from Oklahoma [Mr. MONRONEY], on May 26.

Mr. President, there has been unfortunate speculation in the press and among other interested groups that the delay on this measure, which has a July 1, 1966, effective date, has been caused by a desire to thwart the effective date.

I need not remind the Senate that the House passed this measure by an overwhelming margin of 391 to 1, a very clear expression of their desire to retain the July 1 effective date.

The bill was hastened in the House in order that the Senate might have the time required for its passage and to make it possible for the Senate to concur with the House on the July 1 date. The House committee made its report on April 1, and only 5 days thereafter it was passed by the House under a suspension of the rules.

The Committee on Post Office and Civil Service, on which I have the privilege to serve, took up the bill almost immediately, with hearings beginning on April 21 and continuing through May 3, when the committee favorably reported the measure. Again, the effective date of the bill is clearly understood to be July 1, as stated in the report.

In preparation for this effective date, the Federal departments and agencies are preparing new salary and withholding schedules to conform to the July 1 effective date.

In the presentation of the report by the Senate committee, my own individual views were included, in which I stressed most strongly my belief that we cannot expect public servants to be equal on less than comparable pay.

At the sustained urging of the administration, we have remained within the wage-price guidelines imposed, although in so doing we have denied the policy of comparability stated by both the administration and Congress in 1962. Shall we now, by oversight or deliberate delay, continue these dilatory tactics?

With this highly unrealistic 2.9-percent salary increase offered to the Federal employees by the administration, the least the Senate can do is to take action very soon, in order that the pay increase, small though it is, may take effect on July 1. Each day that the effective date is delayed is another day in which we break faith with the Federal employee.

Mr. President, I see no reason why there should be further delay in the consideration of the pay bill by the Senate before we take the scheduled recess the week after next.

RACIAL DISCRIMINATION AGAINST NEGRO AND OTHER MINORITY GROUP SERVICEMEN AND THEIR DEPENDENTS IN OFF-BASE HOUSING—STATEMENT BY SENATOR HART AND REPORT BY DEPARTMENT OF DEFENSE

Mr. HART. Mr. President, on June 10, 1966, it was my privilege to appear before the Subcommittee on Constitutional Rights of the Committee on the Judiciary in support of S. 3296, the proposed Civil Rights Act of 1966. At that time I submitted for the hearing record a report by the Department of Defense entitled "Racial Discrimination Against Negro and Other Minority Group Servicemen and Their Dependents in Off-Base Housing."

I ask unanimous consent that my statement and the Department of Defense report be printed at this point in the Record.

There being no objection, the statement and report were ordered to be printed in the Record, as follows:

Testimony of Senator Philip A. Hart Before the Subcommittee on Constitutional Rights of the Senate Judiciary, June 10, 1966

Mr. Chairman and members of the Subcommittee, as the primary sponsor of S. 3296 and a co-sponsor of S. 2923, I appreciate this opportunity to appear before the Subcommittee in support of these bills.

Although encouraging progress in civil rights has resulted from the enactment of recent civil rights acts and the Voting Rights Act of 1965, much remains to be done before the democratic ideals upon which our country was founded become a reality for all of our people.

The President recognized this fact in his recent message on Civil Rights when he stated that "no civil rights act, however historic, will be final. We would look in vain for one definitive solution to an injustice as old as the nation itself."

The importance of S. 3296 lies in the possibility it offers of further alleviating discrimination in three vital areas—the administration of justice, education and housing. Who is to say which is more important? All three areas are but parts of this whole complex problem. While we may analyze and study one area separately, we must never forget that every advancement reveals the interrelationship of all aspects of civil rights. It is impossible to deal with the employment problems of Negroes without also taking into consideration discrimination in education, training, housing, and personal security.

Titles I, II, and V are designed to modify our system of administering justice so as to tighten the protection of physical security of all Americans and assure them of equal justice under the law.

In some regions the record of continuing violence against the advancement of equal rights is frightening.

The primary purpose of such terror and violence becomes crystal clear when we see its effects extending far beyond the victims and encompassing the entire community. No Negro American failed to understand the intended message carried in the photographs from Mississippi in yesterday's newspapers.

Every assault, every murder, every bombing which goes unpunished, has encouraged and reinforced efforts to stop the advancement of equal rights through violence and intimidation. Such assaults on the free exercise of constitutional rights constitute a compelling reason for immediate enactment of proposals such as Title V which is designed to insure that all who work for and advocate equality are protected from interference and violence.

Titles I and II are concerned with assuring equal opportunity to participate in jury service by strengthening the constitutional guarantee that accused persons will be judged by impartial juries. It is generally agreed that a jury drawn from people of different backgrounds, races and religions, a jury from which their peers have not been arbitrarily excluded, would be most likely to adhere to this constitutional mandate. Opponents of this provision argue that we should be very careful about tampering with the jury system, one of our basic institutions. I suggest that the jury system as originally conceived has already been tampered with by the widespread practice of omitting members of certain groups from juries. Because of the variations among our people, it is highly unlikely that a jury system which systematically excludes members of a certain race or group could provide the type of impartiality contemplated in the Constitution.

The weaknesses of the administration of justice are dramatically portrayed in the failure of juries to convict killers of dedicated civil rights workers. Without the possibility of conviction in this area, there is encouragement for such crimes to multiply. A strong jury system is essential to deter future violence of this type.

The Attorney General has stated that at the time of the Meredith shooting on Tuesday at least 15 lawmen were within yards of him. Yet the fact that the presence of these officers did not prevent the shooting is an indication that Congress should tighten the laws relating to administration of justice to the point where no man can mistake that justice will be prompt, effective and unwavering.

It was in this spirit that S. 2923 was introduced by Senator Douglas and the cosponsors. In this proposal we have attempted to provide the statutory provisions we believe required to completely handle the breakdown of machinery for the fair administration of justice. This goes beyond the Administration's bill. But I believe the events of the past few days underline the reasons why it is important that this Subcommittee and the Congress review proposals such as the following:

1. The removal of certain types of prosecutions from state courts to the federal courts.
2. Provisions for civil indemnification of those killed or injured because they participated in lawful civil rights activities.
3. The removal of defendants from jurisdictions where a breakdown of effective justice has occurred.
4. More direct and automatic methods of reaching the problem of jury exclusion.

Both bills contain provision for broadening the power of the Attorney General to permit him to institute suits for the desegregation of schools and public facilities. The continued slowness of the school desegregation effort speaks more clearly than ever why there should be little disagreement over this long delayed provision.

Finally, S. 3296 contains a provision against discrimination in the sale, rental and financing of housing.

Most of the opposition to this proposal is based on the argument that it represents an unconstitutional interference with property rights. This argument was also made with respect to the public accommodations provision of the Civil Rights Act of 1964. However, experience has shown that this provision was the effective and the constitutional way to accomplish the national goal of equal access to public accommodations.

In the metropolitan areas of our country are many independent local jurisdictions. In many such metropolitan complexes there are two or three state jurisdictions. I can think of no greater problem than attempting to coordinate the adoption of local fair housing ordinances or state statutes to cover residential and rental housing in these independent jurisdictions.

The opportunity for manipulating real estate markets in a situation where one local jurisdiction has an effective fair housing ordinance and others do not are obvious.

Clearly, uniform national action is required. Many of the metropolitan problems—freeway location, downtown renewal, outdated educational facilities—are compounded by the open practice of closing new rental and homeownership opportunities to Negro families.

It would seem to me the very economics of expanding the potentials for homebuilding and apartment construction to fill the obvious market available for better homes and apartments for these families would mean that the real estate and home construction industry would welcome a uniform and effective national policy.

Certainly we will never rebuild the American city to its fullest economic and human potential until we have met squarely this problem of housing discrimination.

I know, Mr. Chairman, you and other members have expressed grave doubts concerning the constitutional powers available to the Congress to enact such a statute. I hope that the excellent legal memorandum prepared by the American Law Section of the Library of Congress would be a part of this hearing record. I have reviewed Mr. Doyle's discussion of the powers available under the Commerce Clause and the 14th Amendment and believe that he has fairly established that Congress does have adequate constitutional basis for enacting this statute under the Commerce Clause, and possibly under the 14th Amendment.

We had much this same argument two years ago in discussing Title II of the Civil Rights Act of 1964, the public accommodations title. The Court upheld our actions under the Commerce Clause. I believe this would occur if we enact Title IV of the proposed bill.

Some weeks ago I asked the Department of Defense to prepare a report for this hearing on the problems faced by Negro enlisted personnel and officers of the Armed Services in finding adequate housing for their families in off-base housing.

I would submit this entire report for the record. I believe it speaks eloquently of the problem we attempt to meet in Title IV.

Attorney General Katzenbach referred to a few instances mentioned in this study, and I would like to read an excerpt from it:

"Adequate, decent off-base housing for Negro personnel in the Armed Forces is the most stubborn and pervasive form of segregation and discrimination affecting Negroes in the Army, Navy (including the Marine Corps) and the Air Force. The problem is nation wide. It is encountered in the North, as well as the South. It is along the Atlantic, as well as the Pacific Coast, and it is also found in the Middle West."

The report states further:

"Commanders at 102 Defense installations (43%) reported that their men encountered many forms of severe discrimination in seeking either to buy or rent. They were refused rental houses and apartments because of their color. They were required to live at places distant from their duty stations, in inferior dwellings in deteriorated neighborhoods and often charged inordinately high rentals and often when attempting to purchase the price would be doubled. It was reported that 39 trailer parks situated near the 235 installations refused to accept Negro soldiers, sailors and airmen."

Mr. Chairman, I close my statement with the observation that we live in the midst of many anomalies which are difficult for our citizens, let alone the people of the world, to understand.

But perhaps the most difficult one, and the one that must clearly be resolved in the year 1966, is our nation's willingness to call a man to serve in Vietnam without regard to the color of his skin while being unwilling to see that when he approaches a rental agency or a real estate office near his base he is treated as any man wearing the uniform of his nation should be treated.

Report: "Racial Discrimination Against Negro and Other Minority Group Servicemen and Their Dependents in Off-Base Housing," June 2, 1966

The Department of Defense and the Military Departments place high priority on the housing available to Armed Forces personnel and their dependents. This applies to the quarters provided on-base by the Services and to the housing required off-base in the communities adjacent and near defense installations. The kind and quality of housing afforded our personnel is an important factor affecting morale and military effectiveness.

The adequacy of off-base housing for military personnel is measured by specific criteria:

1. Proximity of housing to the duty station.
2. Cost of housing. When the rental costs, including utilities (except telephone) exceeds the maximum allowable housing cost, the unit is considered inadequate. Under certain conditions costs of transportation to and from the duty station are considered part of the total housing cost.
3. Physical condition and environment. The unit must be a complete dwelling unit with private entrance, with bath and kitchen for sole use of the occupants, and so arranged that both kitchen and bedrooms can be entered without passing through bedrooms. The unit must be well constructed and in good state of repair with heating and kitchen equipment provided, and it must be located in a residential area which meets acceptable standards for health and sanitation and which is not subject to offensive fumes, industrial noises, and other objectionable features. The unit must be adequate in size for military families.

The problem of adequate housing for military personnel takes on added significance when other facets of his situation are recognized. First, the soldier, sailor or airman is not in a community by personal choice, but because of the necessary requirements for the nation's security and defense. Second, the frequency of change of duty station places an additional serious hardship on the serviceman and his family in terms of adjustments, dislocations and uprooting. Assuming normal circumstances a civilian employee and his family come to a community, locate a home, puts their children, if any, in school, establish a relationship with the institutions and their services, adjusts to the social and physical environments and sinks roots in the community. Stability and relative permanence is achieved. The situation for military service personnel is quite different. The Army states that their personnel move on the average every 2½ years, while the Navy moves its personnel every 3 to 3½ years. This means that there is a high frequency of mobility causing the soldier, sailor and airman and their families to pull up tent and roots, move to a new community and start all over again the process of searching for and locating housing, establishing new relationships, having the children adjust to new schools and school situations. In fact, they must start all over again.

The very nature of the process incident to adequate housing with frequency of change is a difficult matter of accommodation and adjustment. Add to this segregation and discrimination based on race and color and the difficulty becomes compounded and aggravated. Adequate, decent off-base housing for Negro personnel in the Armed Forces is the most stubborn and pervasive form of segregation and discrimination affecting Negroes in the Army, Navy (including the Marine Corps) and the Air Force. The problem is nation-wide. It is encountered in the North, as well as in the South. It is along the Atlantic, as well as the Pacific Coast, and it is also found in the Middle West.

Since 1963 the Department and the Military Services have given increasing attention to eliminating every vestige of segregation and discrimination in the Armed Forces, both on-base and off-base in the communities near defense installations. In 1963 the United States Commission on Civil Rights published a Staff Report—Family Housing and the Negro Serviceman.[1] The report reflected the findings of the Commission's staff on the patterns of discrimination and segregation in housing to which the Negro soldier, sailor and airman had been subjected.

In June 1963 the President's Committee on Equal Opportunity in the Armed Forces, in its Initial Report,[2] called attention to the difficulties and problems experienced by Negro servicemen in their quest for housing in communities near their duty stations. On the basis of the many complaints directly called to their attention, base commanders were seeking guidance in dealing with these difficult problems from the Chiefs of the Military Departments.

By March of 1963 the Department of Defense was sufficiently cognizant of the dimensions of the problem to take the first of its corrective actions. On March 8, 1963, DoD issued a Memorandum on Nondiscrimination in Family Housing[3] that, among other things, required that the leases for all family housing include a nondiscrimination clause consistent with the provisions of the President's Executive Order No. 11063 of November 20, 1962. The Memorandum also directed the housing offices at defense installations not to maintain any listings of housing units that were not available to all personnel without regard to race, color, creed or national origin.

A further step was taken on July 26, 1963, when the Secretary of Defense issued a Directive on Equality of Opportunity in the Armed Forces[4] clearly reaffirming and articulating the Department's commitment to equal treatment for all of its military and civilian personnel. The Directive said:

"It is the policy of the Department of Defense to conduct all of its activities in a manner which is free from racial discrimination, and which provides equal opportunity for all uniformed members and all civilian employees irrespective of their color.

"Discriminatory practices directed against Armed Forces members, all of whom lack a civilian's freedom of choice in where to live, to work, to travel and to spend his off-duty hours, are harmful to military effectiveness. Therefore, all members of the Department of Defense should oppose such practices on every occasion, while fostering equal opportunity for servicemen and their families, on and off base."

The Directive also provided the Military Commander with renewed and reinforced authority to deal with discriminatory conditions, including segregation and discrimination in housing, affecting his men off-base. It said:

"Every military commander has the responsibility to oppose discriminatory practices affecting his men and their dependents and to foster equal opportunity for them, not only in areas under his immediate control, but also in nearby communities where they may live or gather in off-duty hours. In discharging that responsibility a commander shall not, except with the prior approval of the Secretary of his Military Department, use the off-limits sanction in discrimination cases arising within the United States."

Military Commanders provided with this new Directive of July 1963 began to give leadership through negotiation, conciliation and conference in getting the real estate industry in the adjacent communities to remove racial barriers in the housing field. In some few instances the commanders were successful in overcoming the resistance to accord equality of opportunity in housing to Negro servicemen. During 1964, the Office of the Deputy Assistant Secretary of Defense for Civil Rights conducted informal negotiations and conferences with the Intergroup Relations Office in the Federal Housing Administration with a view toward obtaining their cooperation in respect to alleviating discrimination against Negro servicemen in communities near defense installations. It was informally understood that they would lend their good offices in affected communities and would provide information upon request of the commanders as to the properties covered by FHA insured mortgage loans. On February 8, 1965[5] a formal understanding was arrived at in which the FHA agreed to maintain current listings with base commanders showing the housing units in their area covered under the provisions of the FHA and which were subject to Executive Order 11063. It was agreed to provide base commanders with a list showing properties which had been obtained through FHA mortgage insurances and were either being repossessed or placed in the default status because of default in the terms of the mortgage.

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[1] U.S. Commission on Civil Rights Staff Report—Family Housing and the Negro Serviceman.

[2] The President's Committee on Equal Opportunity in the Armed Forces Initial Report, "Equality of Treatment and Opportunity for Negro Military Personnel Stationed Within the United States," dated June 1963.

[3] Memorandum dated March 8, 1963, "Nondiscrimination in Family Housing."

[4] Department of Defense Directive 5120.36, "Equal Opportunity in the Armed Forces," dated July 26, 1963.

The Department of the Army on July 2, 1964 issued their Army Regulation "Equal Opportunity and Treatment of Military Personnel",[6] and the Air Force issued its revised Air Force Regulation on the same title on August 19, 1964.[7] The Navy in February 1965 issued its SecNav Instruction entitled "Equal Opportunity and Treatment of Military Personnel."[8] In each of the aforementioned documents, guidance was provided the commanders in reference to their responsibility in using their good offices and leadership resources to achieve equal and adequate housing for Negro and other minority group personnel in off-base housing.

Another action taken by the Department was in June and July 1964 when it undertook to obtain from state and local Commissions on Civil and Human Rights their cooperation in eliminating racial discrimination and making available their good offices in assisting local base commanders in carrying out their responsibility.[9] Twenty-four such state commissions agreed to participate in this effort. In spite of these actions the problem still persists.

In a recent survey required by the Department of Defense of 235 installations of the Army, Navy and Air Force it was found that Negro servicemen encountered discrimination in meeting their needs for off-base private housing. Commanders at 102 Defense installations (43%) reported that their men encountered many forms of severe discrimination in seeking either to buy or rent. They were refused rental houses and apartments because of their color. They were required to live at places distant from their duty stations, in inferior dwellings in deteriorated neighborhoods and often charged inordinately high rentals and often when attempting to purchase the price would be doubled. It was reported that 39 trailer parks situated near the 235 installations refused to accept Negro soldiers, sailors and airmen.

Even though our Base Commanders have exercised more affirmative leadership, mobilized community support, utilized existing state and local agencies in the field of civil and human rights the fact still remains that our Negro and other minority servicemen and their families still encounter racial discrimination in off-base housing. While there has been some substantial progress made in the reduction of this form of segregation and discrimination, it still remains the most pervasive and stubborn, morale impairing social evil confronting the Negro servicemen off-base.

Set forth below are brief descriptions of cases cited to the Department of Defense by the Military Departments as illustrative of the problems and difficulties encountered by Negro and other minority group servicemen in their attempts to obtain off-base housing:

ABSTRACTS OF CASE HISTORIES, OFF-BASE HOUSING DISCRIMINATION ENCOUNTERED BY MEMBERS OF THE ARMED FORCES

Case No. 1

The Commander of a Defense installation in the northeastern part of the United States says:

"An analysis of the housing conditions affecting Negro personnel reveals that white and Negro personnel of comparable economic status do not in fact enjoy equal opportunity for adequate off-base housing in this state, particularly in the vicinity of this installation. White personnel can rent or purchase a home any place they desire provided, of course, they can afford to pay the cost. There is little difficulty for white personnel to secure mortgage loans. Generally they need only a perfunctory credit check. Conversely, in order for Negro personnel to get a mortgage loan, credit checks are thorough, cumbersome, and delayed over a protracted period of time. As a result, Negro personnel find themselves forced to accept properties in predominantly Negro or mixed areas. Also, as a general rule, desirable housing for sale is about twice the cost for Negro personnel as for white personnel for the same piece of property. It can be readily seen that the high cost of desirable property places Negro personnel in a position of financial hardship considering the initial cost and the maintenance outlay."

Case No. 2

A Commander at an installation near the Nation's Capital states:

"An allegation was made by a Staff Sergeant that he was refused housing when he attempted to rent living quarters from a private apartment project that advertised in the base newspaper. He was told by the apartment management that they did not rent to Negroes. The matter was investigated and finding the facts to be substantially as alleged the base newspaper discontinued acceptance of advertising from this and any other private housing projects that might be identified with such a policy in the future."

Case No. 3

A commander at a Defense installation in a Southern state says:

"It is anticipated that off-base housing will not improve in the immediate future as concerns Negro personnel assigned to this station. This, in all probability, will be that last area to remain segregated, in the local area. The local community is essentially a resort community of a high level with careful and studious efforts to allow only the 'acceptable' modes of construction and occupancy in the primary areas of the city. In view of the fact that this is an area not fully covered by the proscriptions of the 1964 Civil Rights Act, the officials of the base are left to few devices except the power of persuasion. In the past, this effort, however skillfully applied, has not changed in a very serious condition."

Case No. 4

From a Defense installation in the northern region of the Middle West it is stated:

"In December 1965, a Negro Lieutenant complained that he was refused housing by ten landlords in the largest civilian community near this base because of his race. The Equal Opportunity Officer referred him to the Fair Housing Committee, with instructions to return if he did not get satisfaction. He did not return and elected not to file an official complaint."

Case No. 5

It is reported from an installation in the central northwestern portion of the United States that "During 1965, one of our Negro servicemen answered a newspaper ad looking for living quarters for his family. The agent would not rent him the house when it was discovered that he was a Negro."

Case No. 6

In the north central United States, the Commander of a Defense installation states:

"A Negro Sergeant attempted to purchase a house through a real estate broker. When the broker realized the prospective purchaser was a Negro, he advised him that the owner of the home would not sell to a Negro. This complaint was referred to the Federal Housing Administrator at the nearest regional office who indicated that he would investigate this matter. Shortly thereafter, the Negro indicated he desired to withdraw the complaint as he had found another house to purchase."

Case No. 7

A Commander of a Defense installation in the central midwest of the United States says:

"Three cases of discrimination in off-base housing occurred in the Spring of 1955 in which military personnel assigned to this installation were involved. Two cases involved off-base housing and the third involved off-base trailer courts."

Case No. 8

The Commanding Officer of an important training center in the southwest reports:

"A female Negro nurse assigned to our hospital registered a complaint against one of the apartments in August 1965, alleging refusal by the manager to rent her an apartment because of her race.

"Another female Negro nurse rented an apartment in the largest city adjacent to this installation on February 3, 1966, making an advance payment of rent. On February 4, 1966 the apartment manager informed her that because of complaints from other tenants he was returning the advance rent and asking her to move. She was served with a three-day notice to vacate."

Case No. 9

The Commander of an important Defense installation guarding the security of the Nation's Capital states:

"Off-base housing in the form of separate houses and/or apartments can be obtained within reasonable commuting distance. However, there are both apartments and separate houses where Negro personnel can neither buy or rent. During the past year, three off-base housing complaints have been investigated with no solution provided nor available since the property constructed did not involve the use of Federal Government funds."

Case No. 10

From a Defense installation in the central midwest of the United States comes the report:

"On 27 October 1964, a serviceman enroute overseas complained that he had attempted to obtain parking space for his mobile home throughout the greater portion of this large metropolitan area without success. Trailer parks in local areas were also contacted and most professed to be "filled up." The serviceman departed for overseas on 12 November 1964. A desirable convenient site was obtained at ———, ———, however, the serviceman's dependents residing in the metropolitan community failed to accept same since they were now going overseas to join the serviceman.

"On 22 November 1965, a female officer attempted to rent in the ——— Apartments, in the community near the installation by telephone. She was advised that vacancies existed; however, upon arrival she could not obtain a commitment until further checking by the resident agent. Later she was advised all apartments were taken, that the last family was expected to move in within three weeks. The officer subsequently located an apartment in the nearby area.

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[5] Memorandum dated February 8, 1965, "Family Housing Units Covered by Executive Order 11063 (Equal Opportunity in Housing)."

[6] Department of the Army Regulation 600-21 dated 2 July 1964, "Equal Opportunity and Treatment of Military Personnel."

[7] Department of the Air Force Regulation 35-78 dated August 19, 1964, "Equal Opportunity and Treatment of Military Personnel."

[8] Department of the Navy SecNav Instruction 5350.6 dated January 1965, "Equal Opportunity and Treatment of Military Personnel."

[9] Memorandum dated July 30, 1964, "State Commission on Civil Rights."

"On 9 May 1966, a serviceman complained that he was unable to obtain suitable quarters for his family in the nearby community, though he did find and is occupying housing he describes as not suitable. This case is still being processed."

Case No. 11

From an important Defense installation along the Atlantic Coast in the northeastern United States it is reported:

"On 25 April 1966, a Staff Sergeant complained that he was unable to find a suitable trailer camp in which to place his trailer. At that time, the sergeant was given the names of six trailer courts in the areas near the Defense installation which were listed in base family services as trailer courts which did not discriminate against renters on the basis of race, creed, color or national origin. Shortly thereafter, he chose one of the six trailer courts in which to relocate his trailer and says he is very satisfied at this time.

"On 2 May 1966, a female officer complained that she was unable to rent an apartment in ——— Apartments, Inc. located in the adjacent community because of her race. She was advised that she had no redress under the existing laws. The law expressly excludes the sale or rental of houses, apartments and other dwellings as a place of public accommodation. The Federal Housing Administration office in the community has advised us that the subject apartments have not been financed by federal loans, nor have any loans to the apartments been guaranteed or insured by the federal government. The officer was advised that she had no redress under neither the Civil Rights Act of 1964, nor the President's Executive Order for Equal Opportunity in Housing."

Case No. 12

From a Defense installation in the southern portion of the United States, the Commander reports that:

"On April 7, 1965, a formal complaint was received from a serviceman stationed at the base against the owners of newly built apartments in one of the cities adjacent to the installation. Inquiry revealed that these apartments were not subject to the Civil Rights Act of 1964, however, the officer received assistance in preparation of a formal request for suit over his own signature.

"On September 20, 1965, a 26 year old serviceman with four and one-half years service complained about off-base housing accommodations available to Negro military personnel and their dependents."

Case No. 13

The Commander from a large Defense installation in the southwestern United States reports:

"A Negro Lt. Col. on 7 December 1965, indicated that he had signed a contract with a large construction firm for the construction of a home. The president of the firm, refused to fulfill the contract after it was determined that the Negro Colonel desired to have the house constructed in a district that did not contain other Negro homes. The president of the company directly stated to the Commander that the construction would not be accomplished because of the Colonel's race.

"The Post Staff Judge Advocate provided assistance to the Negro Colonel in transmitting the circumstances to the FHA. In addition, the Commanding General wrote the Chamber of Commerce requesting an inquiry and corrective action. The Colonel departed for Vietnam without favorable resolution of the problem."

Case No. 14

From the same Defense installation, the Commander writes:

"A Sgt. First Class on 13 April 1966 contracted with the agent for a realty company for purchase of a home in a suburban community near the Defense installation. The Sgt. presented $250 as a contract binder on 17 April and offered additional funds to the builders. Subsequently, changes were made in the contract without the Sgt's agreement involving payment for certain miscellaneous services and materials. These additional requirements made it impossible for the Sgt. to comply with the new purchase price. This appeared to be a deliberate attempt by the owners to void the contract. A letter was initiated by the Sgt. to FHA providing details of the transaction and requesting assistance. The Commanding General has contacted the local Chamber of Commerce for assistance."

Case No. 15

From an important training center and military department school, the Commanding Officer reports:

"A Staff Sgt. on 12 April 1966 contacted a realty company in the community almost at the gate of the installation to rent a house. He was advised that the house could not be made available because of his race. He subsequently contacted another representative of the firm and was again denied consideration because of his race. The Commanding General of the installation advised the Mayor, the Secretary of the Board of Realtors, and the Biracial Civic Committee of the refusal to rent to the Negro Staff Sgt. and requested corrective action."

Case No. 16

An important Defense installation near the Nation's Capital reports:

"A Negro Lt. Col. during January 19, 1966 attempted to secure rental housing in two communities neighboring the installation and was denied because of his race. As a result of this denial the Negro officer found it necessary to purchase a home in another community further away from his duty station and incurring increased financial burdens because of the racial discrimination he had encountered.

"The Commanding Officer contacted the realtors and management personnel involved in the rental and sale of housing in the communities and communicated with various civic organizations in efforts to secure housing without discrimination for Negro applicants. Notwithstanding these efforts, except in the case of FHA-sponsored units, rental housing on a nondiscrimipation basis is generally not available in the area near the defense installation."

From the same Defense installation the Commander reports that:

"A Negro Lt. Col. was scheduled to depart for Vietnam and desired to relocate his family from on-post quarters prior to his departure for overseas. He attempted to purchase a home in several communities near the base. His purchase application, however, was denied because of his race. The Colonel contracted in November for the construction of a home in another community and immediately left for Vietnam. The Commanding Officer of the base has authorized the continued occupancy of on-post quarters for the Colonel's family until completion of their home."

Case No. 17

A high-level official of one of the Military Departments in reporting on their findings of discrimination in housing in a farwest state said:

"One of the Military Departments made an extensive survey in order to determine family housing needs for the FY 1967. From data obtained in the survey, the department stated that 89 service members stated that their dependents did not accompany them to their present duty station because of racial discrimination in off-base housing. These persons were presently located in 13 states in every section of the country. An officer of one of the Military Departments says that the area in which discrimination is felt most severely is in off-base housing. Continuing, the officer said that although there has been a great deal of progress recently made in this area, the attitudes and practices of some realtors, landlords and home owners associations still reflect discriminatory policies."

Case No. 18

The Commander of one of the Defense installations in the West Coast stated that:

"Whereas families of minority groups are found in virtually all areas of the base city and the surrounding communities, it is a fact that Negroes are concentrated and located in one particular area. Trailer parks, with two exceptions, are not available to Negroes in the community and adequate housing is not available except in a particular area in a city near the base."

Case No. 19

From a Defense installation in a farwestern state the Commander reports:

"One man stated that, in the Summer of 1963, he arrived from overseas and attempted to contract for several rentals. On one occasion he was denied a rental because of his racial origin. Another man reported that, in May 1965, on two or three occasions he was told frankly that the landlords would not rent to him because he was a Negro.

"In another community, the Commander reported a complaint in which a Negro alleged discrimination in a trailer park because of his race. Another factor contributing to the refusal was the size of the serviceman's trailer which was too large for accommodation in the trailer park. The commander pointed out that some Negroes have to be separated from their families who can only find housing accommodations in a larger metropolitan community, thus causing additional expenses for increased commuting time, commuting expenses and family separation."

Case No. 20

The Commander of a Defense installation in the south says:

"Negro personnel do not have equal opportunity as to the location of adequate housing off-base, but in one of the communities near the installation they do have equal opportunity in the quality of the dwellings.

"In another nearby community the Commander reports that all off-base housing for personnel in that area is substandard, inadequate and is separated from the white areas. Recently, however, new units of low cost for off-base housing has been built; 26 are designated for occupancy by whites and the remaining 14 are set aside for nonwhites. As to trailer parks the commander says: Trailer parks in the area, with one exception profess to be nonsegregated. About one-half of them would probably accept colored tenants and the others, except one, grudgingly. One will positively accept only white tenants. The only specific complaint by an individual concerning housing involved a newly married officer of Mexican extraction and swarthy complexion, who was refused dwelling accommodations in white neighborhoods. He was transferred by headquarters as a solution to the problem. It is not believed that he would have been offered suitable housing in this area although the president of the local real estate board was brought in on the case. He was offered government housing which was refused."

Case No. 21

From another southern state the Commander of a Defense installation says:

"There is limited integration in housing. Segregation is practiced on an individual basis. The community is divided into the white community and the Negro community. Sales and rentals are handled on a racial basis and the majority of houses available to Negroes are below average. Negro visitors in housing occupied by whites are resented by landlords. Tenants may be evicted if they have Negro guests."

Case No. 22

From a far away outpost of the United States, a Commander relates that "a large number of his military personnel, approximately 80 in number, reported experiencing difficulties in securing adequate rental housing. The command stated that the evidence was sufficient to conclude that discriminatory practices against Negroes by individual realtors and landlords is prevalent."

Case No. 23

The Commander of a Defense installation of a midwestern state says:

"The only apparent condition adversely affecting equal opportunity for military personnel and their dependents is off-base housing which tends to be segregated. Our off-base located Negroes live in areas that are predominantly all Negro. These areas are not created by governmental restrictions in any way, but are rather imposed by local property-home owners and real estate men whose personal prejudices and interests foster segregation. All other services and facilities are completely integrated. However, those facilities in predominantly all-white or all-Negro residential areas tend to be segregated. This segregation, it appears, is due to choice of the clientele and/or the owner, or operator, but not by local or state governmental directives.

"The letter from twelve officers assigned to various base activities addressed to the Secretary of Defense, dated 8 October 1965, also discusses the housing problem in the area near the base."

Case No. 24

The Commander of a Defense installation of a northern state says:

"Two complaints were received alleging that de facto discrimination exists, despite the command's requirements that the landlord or owner certify that they will not object to a person on the basis of color, creed or national origin when listed with the base housing office. The landlords involved were de-listed."

Case No. 25

The Commander of a Defense installation of an eastern state says that:

"Generally, segregation exists, either admitted or de facto, in the entire off-base housing community (20-mile radius). Housing available to Negroes is almost entirely limited to that located in time-honored Negro housing neighborhoods. Most personnel live in title 8 housing, now Public Quarters, adjacent to the base. Other apartments and homes are available. Usually there are few homes available for purchase by Negroes, and these are frequently in substandard areas. About half of all off-base apartment owners will rent to Negroes. There is no local "fair housing law" and there is general, passive resistance to any change in historically established general segregation by color.

"A Negro Sgt. was refused an apartment for rent in 1965 in this area and another Negro Sgt. was refused realty service."

Case No. 26

The Commander of an installation in a southern state says:

"Negro personnel are restricted to housing in the colored sections of the city. In most cases this is substandard. However, Negro personnel living off-base do so by their own choice in that Capehart housing is available with an average four to six weeks waiting period. In addition, there are no integrated trailer parks in this area."

Case No. 27

From another southern state, the Commander of a Defense installation says:

"In one area, 83% of the Negroes who have dependents presently live in public quarters. Only 55 live off-base. Housing is in segregated areas.

"Trailer parks and the 'for sale' and 'for rent' housing in one of the counties in this area remain largely segregated. The housing problem for Negro personnel at one of the camps in this area is mitigated to a degree by the availability of government housing. Approximately 10% of the government-owned trailers, now disposed of, were rented to Negro families in 1965. 88% of the Negroes who have dependents presently live in public quarters. There is a deficient military-civilian community housing market. An annual survey completed in 31 May 1963 confirmed a gross deficit of 4,224 adequate family housing units in the military and civilian communities."

Case No. 28

From another southern state the Commander says:

"New apartments are being constructed. It is reported that these are segregated, being located in either all-white or all-Negro neighborhoods.

"Local housing pattern has predominantly Nergo and white areas. Most housing available is on a segregated basis. The elimination of government trailers caused a problem since there was no other suitable available housing aboard the base. There are no trailer parks which lease to Negroes."

Case No. 29

A First Lt. of the Marine Corps tells in a letter to his Commanding Officer some of the details of discrimination encountered in the effort to get off-base housing:

"Since my arrival in this area on 6 January 1966, or thereabout, I have been trying to rent a house for myself and my wife, without success. As I stated to you when I made my request for a waiver of children requirement to Capehart, I had tried almost a dozen places. Over the phone, they all had places 'to show and rent.' However, upon seeing me in person, . . . 'have just rented or . . . nothing left.' As example:

"(a) A First Lt. who rented his place from a realty company, called the realtor and told him he had a friend, me, looking for a place to rent. The realtor's wife took the call as her husband was in the hospital for a few days. She stated they had two (2) places coming up for rent within the week, and I could have my pick; one at $105.00 per month and the other at $110.00 per month. She told the First Lt. to bring me by and she would talk to me about the apartments. When I met her in person . . . 'Don't know when they will be vacant.'

"(b) The manager and his wife, reside in one of the apartments. I went there with a First Lt. and ENS who wanted an apartment. There were two available, they took one. A week later, I called the manager and his wife answered the phone. I identified myself, she stated she remembered me. I asked what they had available in two bedroom apartments. She stated there were two (2) unfurnished and I could have my choice; (this was on Monday, 31 January 1966). I told her I would be down Wednesday to give a $50.00 deposit on one of the apartments. She said fine, she would hold one for me. The next day, I heard from the First Lt. telling me not to send a deposit as the manager stated . . . . 'We have nothing available.' I called the manager the following morning and asked him the reason for the sudden change. He simply stated . . . . 'Fella, we don't have anything nor do I know when anything will be available.' 'Fella' Nice address.

"(c) I was riding with a First Lt. and we made a wrong turn. I saw a sign 'House for Rent.' I called the mentioned number, and spoke to the realtor. He stated the house was for rent. I made an appointment to see the house that afternoon. The First Lt. drove me to the house. We got out of the car and approached the realtor. There was a smile on his face as he looked at the First Lt. When I spoke and introduced myself, the smile left. He showed us the house and told me he would 'call me tomorrow.' The call never came. I called his office for the next four (4) days. His secretary answered each time, and when I introduced myself . . . 'He is not in, I'll have him call you.' The call never came.

"(d) I made an appointment with a man of a realty company as a last effort to get housing (buy). Upon meeting me in person, he asked . . . . 'Are you a Syrian?" If you are, O.K., if not, we cannot rent to non-white skin people! He stated also . . . . 'The real estate men are not allowed to rent or sell to non-white skin people in this block of homes.' FHA Financing even.

"(e) And so it went with several other realty companies and a private house for sales, 'Nothing available'."

Case No. 30

Twelve commissioned officers of one of the Military Departments forwarded a memorandum to the Secretary of Defense via the chain of command and the Civilian Secretary of their Department in reference to racial discrimination and recommendations concerning the subject. Their comments on discrimination in housing are relevant. They said:

"We would all readily agree that this (housing) has been our greatest problem area. All of us are married, most have children, and we were all subjected to overt racial discrimination as we sought to find decent public housing for our families. In some cases, civilian advertisers who indicated to housing authorities that they would rent or sell without regards to race refused to accommodate us. We often saw white non-rated men move into facilities which were 'unavailable' to us. In many cases we were separated from our families for long periods as we watched persons reporting to the area after us acquire accommodations and rejoin their families. Often persons have recommended 'nice colored' locations usually served by 'nice colored' schools which offer our children substandard education. Fortunately and unfortunately most of us have been given priority on the base housing list due to our 'handicap.' Whereas we realize that this was necessary, in fact we usually requested it; we take no pride in being given 'special consideration.' We simply want to be able to find decent housing just as easily (or with as much difficulty) as anyone else. When a door is slammed in our faces because we are Black, we feel that the full stature and determination of (the Military Department) should back us up. . . . It appears that something more than a half promise from a local official is needed. Often it is said that our situation is understandable and everyone sympathizes with us but very little can be done. . . . We suggest that the full economic and diplomatic weight of the government be brought to bear in areas where this problem is proven to be prevalent. (That would include most of the country). This has been suggested and in fact ordered in the past but the situation remains basically unchanged. We feel that if certain accommodations are not open to all military personnel, no military personnel should be allowed to acquire those accommodations. With regards to housing we are desperately in need of assistance and support.

RESOLUTION ON CIVIL RIGHTS BY AMERICAN BAPTIST CONVENTION

Mr. HART. Mr. President, the American Baptist Convention, at its annual session in May at Kansas City, adopted a resolution on civil rights. It is a strong statement which speaks to the continuing problems of discrimination in the areas of housing, employment, education, and jury service.

I would especially invite attention to that part of the resolution which reads as follows:

> Our churches support national legislation against discrimination in the sale and rental of housing with provisions for the federal administrative enforcement of this legislation.

Mr. President, I believe it is significant and encouraging that our major religious denominations are speaking out in favor of the kind of fair housing legislation contained in S. 3296, the proposed Civil Rights Act of 1966.

Mr. President, I ask unanimous consent that the resolution of the American Baptist Convention be printed at this point in the RECORD. In addition, I ask unanimous consent that there be printed a resolution on S. 3296 adopted by the board of directors of the Metropolitan Detroit Council of Churches, a resolution on civil rights adopted by the Democratic State Central Committee of Michigan, an editorial from the New York Times of June 14, 1966, entitled "The Case for Title IV," and an editorial from the Detroit News of June 16, 1966, entitled "Realtors Can Blame Themselves."

There being no objection, the resolutions and editorials were ordered to be printed in the RECORD, as follows:

THE 1966 AMERICAN BAPTIST CONVENTION RESOLUTION ON CIVIL RIGHTS

While we rejoice in the gains made in civil rights in the past few years we recognize that much still remains to be done if equal opportunity is to become a reality for all the citizens of this nation. Particularly crucial are the problems in housing, education, and employment.

Discrimination in housing prevents many Americans from exercising their right to acquire private property. It limits the choice of housing available to members of minority groups, forcing them to pay high prices for overcrowded, substandard housing, and contributing to the growth of ghettoes and slums.

Therefore, we urge that:

(a) Federal funds not be used to perpetuate or extend segregated housing.

(b) The President and the Department of Housing and Urban Development use their powers to make certain that the programs currently underway and contemplated, that are shaping our urban areas, be used to bring about truly integrated and open communities.

(c) Our churches support national legislation against discrimination in the sale and rental of housing with provisions for the federal administrative enforcement of this legislation.

(d) Our churches participate in and support voluntary local and area groups such as Fair Housing Councils which work to insure that all housing in their communities is open to persons of all racial and religious backgrounds.

(e) Our church members work to develop and maintain integrated communities of high standards and refuse to participate in panic selling when persons of another race become their neighbors.

(f) Our church members, when selling or renting their own homes, make them available to prospective buyers of any racial background and that they patronize realtors who will observe this policy.

Since one of the major problems facing our country is the high rate of unemployment among persons of minority groups, and since an adequate income for recognized useful work is necessary for persons to maintain their own sense of worth and to provide a decent living for their families, we urge our churches to—

(a) Discover the facts about unemployment among minority groups in their communities and the problems facing them in becoming employed.

(b) Support public and private efforts to provide the education and job training necessary to enable them to get and keep jobs.

(c) Support and initiate programs with the business community to open more and better jobs to minority group persons and to provide on-the-job training and counseling.

Since education is fundamental to the development of the potentiality of youth and adults to enable them to provide for their own future welfare and to make their contributions to society, we urge our churches to—

(a) Support legislation to enable the Attorney General to bring suit for the desegregation of schools and public facilities.

(b) Support quality integrated education.

(c) Support the development of programs such as Headstart to give pre-school children from disadvantaged homes the necessary background to be ready for school.

(d) Provide or assist programs of tutoring and study halls to help children succeed in school.

(e) Support and assist programs of remedial education for adults.

Since justice in the courts is a foundation of freedom we urge that our churches support national legislation to ensure that juries will be selected without discrimination of any kind.

RESOLUTION OF THE BOARD OF DIRECTORS, METROPOLITAN DETROIT COUNCIL OF CHURCHES, THURSDAY, JUNE 9, 1966

Whereas: There is a long history of failure of southern juries to convict most people accused of crimes against those involved in lawful civil rights activities;

Whereas: This long history clearly implies that the due process of law in civil rights cases must be strengthened;

Whereas: There has been a consistent denial of the opportunity for Negroes to serve on juries in the south;

Whereas: Public action is visibly affected by the enactment of legislation, the Board of Directors of the Metropolitan Detroit Council of Churches calls upon the citizens of metropolitan Detroit to express their support of Senate Bill S. 3296 and House Bill H.R. 14765 and urge their elected representatives to make the passage of these bills their immediate concern;

Futher: The Board of Directors urges the House Judiciary Committee, chaired by EMANUEL CELLER of New York, to favorably report out of committee immediately House Bill 14765.

RESOLUTION ON CIVIL RIGHTS ADOPTED BY THE DEMOCRATIC STATE CENTRAL COMMITTEE OF MICHIGAN HELD IN EAST LANSING, MICH., JUNE 5, 1966

The Democratic State Central Committee of Michigan applauds the efforts of the recent White House Conference on Civil Rights to push forward to new accomplishments in this crucial field. The Civil Rights Act of 1965 marked a great step forward in the promise of equal rights and opportunities for all, but the realization of that promise still lies too far in the future.

We urge the Congress to enact promptly legislation extending protection to those active in the cause of civil rights, assuring fair selection of juries and guaranteeing to all equal access to the housing they can afford.

We further urge a substantial strengthening of the enforcement procedures of both the existing civil rights legislation and the proposals now before Congress. We challenge those who talk so much about law enforcement and the rise of crime in America to join us in insisting that the laws of the land that prohibit violations of the rights of any American be vigorously enforced throughout the country.

[From the New York (N.Y) Times, June 14, 1966]

THE CASE FOR TITLE IV

The shooting of James Meredith on a road in Mississippi last week reminded Congress and the nation of the grim realities that prompted President Johnson to ask for certain of the provisions in the pending civil rights bill. Since Negroes and white civil rights workers in the South frequently risk danger of death or injury, it is important to strengthen Federal laws against such crimes and to insure that juries are selected on a nondiscriminatory basis.

But Mr. Meredith's misfortune may have weakened rather than improved prospects for the bill's Title IV, which bans discrimination in the sale or rental of housing. There is growing sentiment on Capitol Hill to delete this section and pass the rest. This is an impulse that must be resisted. Title IV belongs in the bill.

Segregated neighborhoods are the fundamental cause of many racial problems in the North. Problems of *de facto* segregation in the schools, for example, arise because housing is frequently compartmentalized along racial lines. Because middle class Negroes cannot freely buy houses in many suburbs, they necessarily concentrate in the marginal neighborhoods in the centers of cities with the result that these neighborhoods, instead of becoming stabilized on an integrated basis, usually become all-Negro enclaves.

The principle of open occupancy is not a panacea, but it is essential along with public housing, rent subsidies and other programs if the nation's huge metropolitan centers are ever to break the vicious and intensifying pattern of black cities and white suburbs. The National Association of Real Estate Boards has disgraced itself by its blatant opposition to Title IV. It is time that real estate brokers realized that their traditional role as the agents of respectable racism is anachronistic and morally disreputable.

When President Johnson sent Congress his civil rights message on April 28, Senator Sam J. Ervin, Jr. of North Carolina said, referring to Title IV, "For the first time we have a bill which proposes that other than Southern oxen are to be gored."

There was force in this thrust at Northern hypocrisy. Congressmen from Northern cities and suburbs cannot claim to believe in racial equality if they scuttle Title IV.

[From the Detroit (Mich.) News, June 16, 1966]

REALTORS CAN BLAME THEMSELVES

If a federal fair housing bill is eventually passed by Congress, it will be in large part because of the opposition and record of groups like the Detroit Real Estate Board.

With newspaper advertisements, the Realtors have begun an attempt to kill Title IV of President Johnson's new civil rights bill, the portion dealing with housing. Their message is a strong, emotional criticism of the bill, describing it as designed to deny every

American home owner the "freedom of choice" to sell or rent his property to whom he pleases.

The Realtors insist race relations will be set back by such a "forced housing law" and that equal opportunity in housing is being achieved by the voluntary efforts of "men of good will."

Gentlemen, you protest too much.

Those familiar with the last generation of activity in the private housing business know the key role played by the organized real estate industry in maintaining racially, religiously and ethnically segregated housing. The fake excuses, the unwritten point systems, the imaginary boundaries, the black listing and block busting—all are part of the real estate industry's sorry record.

However, Realtors in Battle Creek and Kalamazoo now seem willing to come half way. The style of the Detroit Real Estate Board's attack suggests its members are not as reasonable.

The racial prejudice infecting our Detroit metropolitan area today is in some measure due to the continued segregation of whites and nonwhites. Had the Realtors honestly maintained over the years the neutral position between buyer and seller their national code of ethics demands, this segregation certainly would have been less today. We all would have been further along the path to understanding which begets equality.

It is a direct reflection on the past actions of those most concerned with the orderly transfer of real property—the real estate brokers—that the huge power of the federal government should even be threatening to intervene.

Pressures for a federal fair housing law are not the work of the Devil or of the Communists or of the Socialists. The pressures have come from the victims and opponents of housing bias who are fed up with pious appeals for voluntary action, from Realtors and others.

As we have said before, we have our own concerns about Title IV of the civil rights bill, and believe much of the housing problem can be solved with a less rigorous approach.

But just as deceptive merchandising prompted a "truth-in-packaging" bill and the existence of criminal and greedy union bosses produced the Landrum-Griffin act, so a subtly segregationist real estate industry may provide the foundation for a federal fair-housing law.

THE 34TH ANNIVERSARY OF THE CHARTERING OF THE DISABLED AMERICAN VETERANS ORGANIZATION

Mr. PROXMIRE. Mr. President, through the years our country has looked with sincere gratitude upon those who unselfishly gave their health and physical well-being in defense of our national honor. The Disabled American Veterans, as a national veterans service organization, has compiled an outstanding record for the past 34 years in advancing the cause of our wounded or disabled former servicemen. The more than 1½ million disabled veterans who have been assisted in obtaining medical care, rehabilitation, employment, and a renewed sense of personal dignity through the efforts of the DAV are a living tribute to their noble work.

At this time when we are commemorating the 34th anniversary of the founding of this organization, we must pause not only to congratulate the DAV, but also to rededicate ourselves to the task of caring for our war victims, and to pay them the greatest tribute we are able, our continued efforts in search of a lasting world peace.

It is with great honor that I join my fellow Senators in paying tribute to the DAV, not only for the great service they continue to render, but also for their constant reminder of this greater task which is the responsibility of us all.

Mr. BAYH. Mr. President, it is an honor to join my colleagues in paying tribute to the Disabled American Veterans on the anniversary of the granting of its charter.

This organization has contributed to the well-being of our disabled fighting men for 34 years. In so doing, it has made a singular contribution to public welfare. The DAV is a prime example of what can be accomplished by men who, although suffering from disabilities, have continued to demonstrate in civilian life the same determination and spirit they displayed in the Armed Forces. The identification tags for automobile licenses which have proved to be so useful as well as rewarding are an excellent reminder that the DAV is continuously at work. They also remind us that a private service organization can make valuable contributions to the public which extend beyond the betterment of its own membership; that an organization whose members unselfishly strive to help themselves will in so doing generate services beneficial to all of society.

Mr. President, it is entirely fitting and proper that we honor the DAV. In wishing the DAV a happy 34th birthday, however, let us look forward to the day when injured veterans will no longer return from distant battlefields. Until the peoples of the world are able to achieve peaceful settlement of international disputes without resort to force, there will be a continuing need for the services performed by organizations such as the DAV.

My sincerest best wishes to the Disabled American Veterans. May this organization continue its excellent work as long as this work must be done.

ADDRESSES BY EDWIN P. NEILAN AND GEORGE L-P WEAVER BEFORE 50TH INTERNATIONAL LABOR CONFERENCE, GENEVA, SWITZERLAND

Mr. FANNIN. Mr. President, during the past week I had the privilege and the pleasure of serving with the junior Senator from Wisconsin [Mr. Nelson] as an adviser to the U.S. delegation to the 50th International Labor Conference in Geneva, Switzerland.

One of the most impressive speeches delivered at that conference was by a member of our delegation, Mr. Edwin P. Neilan, a distinguished banker and former president of the Chamber of Commerce of the United States.

Mr. Neilan summed up the situation most effectively and presented a calm, factual, and penetrating defense of our Nation's record in promoting international peace and stability. In particular, his rebuttal to provocative attacks on our country by some of the delegates from Communist bloc nations was superb.

The remarks of another member of our delegation, Mr. George L-P Weaver of the Department of Labor, were also very much to the point. I commend both talks to the Members of the Senate and ask unanimous consent that they be printed in the Record.

There being no objection, the addresses were ordered to be printed in the Record, as follows:

Remarks on Director-General's Report by George L-P Weaver, U.S. Government Delegate to 50th International Labor Conference, June 17, 1966

Mr. President: The excellent report of the Director-General, reduced to its simplest terms, calls upon the International Labor Organization to ensure that industrial development is used to promote social progress. It also calls upon our Organization to assist countries, to develop labor and manpower policies which would effectively utilize human resources, toward making the maximum contribution to industrialization.

Mr. President, I would draw your attention to another statement by the Director-General, to the recent Atlantic Conference on Cooperation and Economic Growth. Mr. Morse outlined the philosophy which appears to lie behind his report to this Conference.

The newly-emerged nations, Mr. Morse makes clear, are in the throes of revolution. They are undergoing a total accelerated change affecting all departments of life. "The revolution", he points out, "begins amongst those whose condition has begun to improve"—among people who "see the possibility of something better."

The Director-General asserts that "economic aid is consciously or unconsciously an instrument of revolution, and its use must be understood as such . . . . The real question is: What kind of revolution? With what ultimate goals?"

The broad goals, he suggests, are "the maintenance of peace and the achievement of a democratic order." He says, "peace is the containment of violence, and the institutionalizing of conflict.'" The essence of democracy, he states, is "opportunity for free development of the individual, without discrimination, so that individuals may freely determine their own destiny."

We subscribe to this philosophy.

We Americans have seen the possibility of something better. We, too, unceasingly struggle for a greater measure of freedom. In the past, we faced, just as the newly emerged nations face, what Mr. Morse calls the inter-acting problems—of production and investment, establishing effective control and securing popular allegiance, developing new social institutions to replace old and decaying ones.

Let me remind you—in the larger sense, I also speak as a revolutionary.

We Americans gained our freedom by revolution—as many of you did.

And that revolution—begun two centuries ago—is still incomplete. While we have accomplished much, it is not enough. We continue to struggle to eradicate poverty in the midst of plenty—for equality promised but not yet attained, to make automation a blessing, not a curse.

We have made mistakes—we shall make more—as we strive towards these goals. In our open society, our mistakes are visible to the world, just as the television cameras are trained on the failures—as well as the successes—of our space program.

Despite the achievements of our economy, of our educational system, and our cultural institutions, we are dissatisfied—as are many of those who preceded me on this rostrum.

We have not achieved a perfect society—but we continue to strive towards it. And our larger goals are those which Mr. Morse has defined: The maintenance of peace and the achievement of a truly democratic order.

For many years, the United States has been using economic aid in the constructive way that Mr. Morse has urged, as an instrument of social and economic progress. And, we shall continue to do so—with, however, this important proviso:

In his message to the Congress on February first, President Johnson recommended a Foreign Aid Program "to help those nations who are determined to help themselves."

The President called this "the lesson of the past" and "the hope for the future."

Indeed, it is a lesson from our own past. We recall that the efforts of our people were combined with help from abroad. We remember that help and have tried to apply this lesson of industrialization.

Just as we received help to build our society, we are sharing our resources through government and private efforts. We realize, however, that the pace of nation-building and industrialization must be quickened beyond our forefathers' needs.

In the two decades since the last great war, we have implemented this philosophy of using our resources for the active promotion of social change. We have provided vast sums to all parts of the world under our foreign assistance program. And, we have played a major role in financing the variety of United Nations organizations in existence today.

We have learned from this experience. We now know that Europe did not achieve its rapid recovery because of Marshall Plan aid, alone. This aid was only the catalyst which enabled determined, energetic, and thoughtful people to build for the future out of the ashes of the past.

This lesson has been amply demonstrated in Israel, Taiwan, Japan, Korea, and the Federal Republic of Germany, nations that are now, in turn, extending assistance to others.

As President Johnson emphasized in his foreign aid message, "The United States can never do more than supplement the efforts of the developing countries, themselves. They must supply most of the capital, the know-how—the will to progress. If they do, we can and will help. If they do not, nothing we can supply will substitute."

Nor, I might add, can the ILO or other international organizations fill the void.

As the President said, "Nothing can replace resources wasted in political or military adventures. For the essence of economic development is work—hard, unremitting, often thankless work. Most of it must be done by the people whose futures and whose children's futures are directly at stake."

One of the first essentials of the principle of self-help is the imposition of self-discipline in establishing priorities for economic and social development.

I note in Chapter 2 of the Report that the Director-General has recognized the importance of priorities in taking account of the two major classes of problems usually encountered in the utilization of human resources. One involves meeting the needs for skilled manpower to expand industries. The second includes the development of policies that will contribute to economic growth and, at the same time, raise the level of productive employment.

We also support the proposals of the Director-General, for increased discussion of wages in relation to standards of living. Further research is needed with respect to the emigration of skilled manpower from developing to advanced countries. We also do not know enough about the relationships between wages, employment, and economic growth.

Another priority, in my view, is contained in Chapter 3 of the Report. The Director-General emphasizes the need for good labor-management relations as a vital factor in the solution of the social problems of industrialization. I do not believe that this need can be stressed too strongly. Not only is cooperation of labor and management a fundamental principle of the ILO, but it is an absolute essential in the solution of many of the problems arising in the industrialization process. Free and strong organizations of Workers and Employers are required for this purpose.

Once these priorities have been established—and I do not endeavor to catalogue all of them—it is equally important that every effort be made to efficiently utilize all available resources of the U.N. specialized agencies. These resources are limited and they should not be wasted through proliferation of agencies with a common objective.

In the utilization of the resources of the I.L.O., we should not be diverted—as we have in the past—by sterile discussions of political issues beyond the competence of the I.L.O. to handle.

Mr. President, I note your statement of June 14, found in Provisional Record 20. I regretfully conclude that it only serves to encourage the waste of our time and resources by extraneous political issues that are being considered by other U.N. bodies having the resources and competency to handle them. For example, during the discussion of the Director-General's report, we have heard repeated references to aggression in Viet-Nam. Whose aggression? We deplore the aggression of North Viet-Nam and the Viet-Cong against the South Vietnamese people. We believe no amount of propaganda will obscure the identity of the aggressor. Nor did propaganda obscure the identity of the aggressors against Greece, South Korea, Tibet and India.

Some people, particularly those who distort the issue from this rostrum, would like to forget that it is not South Viet-Nam that set out to take over North Viet-Nam—but just the opposite. If we are to engage in political or extraneous debate, let's keep the facts straight. As we reminded the Conference last year, my country, along with many other countries, is in Viet-Nam to aid South Vietnamese—to help prevent the takeover of a proud and free people—to assure that they will have the chance to choose their own way in freedom. We, like our Allies, are committed to no other policy—are committed to get out when the Vietnamese people have a fair opportunity to decide their own future.

The record should also show that we are prepared to go to the peace table at any time. We have made that crystal clear for more than a year. But, the delegates here who have raised the problem of Viet-Nam have been strangely silent—I repeat—strangely silent—on the vigorous efforts of my Government, the Secretary-General of the U.N., His Holiness, the Pope, and many other world statesmen, to get peace talks started. Ironically, among them are those who cry publicly for a return to the principles of the 1954 Geneva settlement but whose representatives—as co-chairman of that conference—refuse to agree to reconvene the conference.

We have heard it claimed that the Viet-Cong represent the aspirations of the people in Viet-Nam. If so, why did over a million people flee Communist rule in the North? If so, why have the Viet-Cong assassinated more than 20,000 local village officials? If so, why has no Vietnamese leader of any prominence joined the Viet-Cong? If so, why have not thousands moved North? In Viet-Nam, as in Europe, and in Cuba, people seek freedom by the thousands, even at great personal risk. This we have seen in Berlin, and all along the frontiers of countries bordering Communist states.

Mr. President, if we are to get on with the work of industrialization in Southeast Asia, if we are to best utilize our resources for the benefit of man, we must, first, concert our efforts to bring peace to that part of the world.

The Mekong Development Project, and other wide-ranging programs for economic, cultural and social development, are being impeded by this aggression. It has detracted from the total effort that could be devoted to these programs. How much better if, instead of having to defend their homes, their factories, and their rice fields, the people of Viet-Nam and their neighbors were able to devote all their energies to speeding up their social and economic undertakings.

For example, within the last five years, more than 700 industrial plants have been built or enlarged in South Viet-Nam. This total includes 212 textile and weaving plants; 66 pharmaceutical factories; 59 machine works; 51 plastic production plants and 37 factories for assembling electrical appliances. How much more rapidly could South Viet-Nam industrialize, if it were free of aggression?

On the other hand, we can all express our satisfaction that some of the peoples of Southeast Asia are easing the tensions which have recently disrupted their lives. We can all pay tribute to the statesman-like steps taken by the Philippines, Malaysia and Indonesia, through the good offices of the Foreign Minister of Thailand, towards better understanding among this group of important countries.

In concluding, Mr. President, may I, again, revert to that portion of my President's Foreign Aid message, where he expressed concern over the kind of world in which our children will live. He said, "It can be a world where nations raise armies, where famine and disease and ignorance are the common lot of men; where the poor nations look on the rich with envy, bitterness and frustration; where the air is filled with tension and hatred.

"Or it can be a world where each nation lives in independence, seeking new ways to provide a better life for its citizens:

"A world where the energies of its restless peoples are directed towards the works of peace;

"A world where people are free to build a civilization to liberate the spirit of man."

He concluded, "The basic choice is up to the countries, themselves."

REMARKS ON DIRECTOR-GENERAL'S REPORT BY EDWIN P. NEILAN, U.S. EMPLOYERS' DELEGATE TO 50TH INTERNATIONAL LABOR CONFERENCE, JUNE 16, 1966

Mr. Chairman: I congratulate the Director-General on the excellence of his report and his hope that "the lively and constructive debate" would provide "precise and widely acceptable conclusions" to enhance the effectiveness of ILO services to its Member States.

Part I reminds us that agricultural development is basic to industrialization which can never grow and expand on empty bellies of semi-starved workers. The primary responsibility of every country is an adequate diet for its people. The need to improve the yield and diversity of food crops coupled with better processing and distribution to assure adequate food for the sound health of workers and their families must have the highest priority in every program of industrialization.

Our Nation, created from a group of colonies which achieved early independence, devoted years to improving methods of agricultural production before we could industrialize on a major scale. We applaud the emerging nations that understand this basic need and concentrate on more food production, canning and food processing plants as their first step in a sound program of industrialization.

The Director-General cautions us, page 7, that "in practice, attainment of ambitious industrialization objectives is impeded by many obstacles and, important as the results achieved may be, they often fall short of expectations."

A few glowing plans unveiled during this debate may be political promises rather than practical estimates. We hope that each plan succeeds, but government planners must recognize the fundamental fact that success breeds confidence and failure to attain too ambitious goals tends to destroy both confidence and governments.

Pages 8 and 9 record Latin America's industrial output at 22½% of gross domestic product, and that the free private enterprise economies were led by Argentina, Brazil and Mexico. In Asia and the Far East, Japan, Australia and Taiwan led in percentage of industrial production, while Pakistan and South Korea, two other free nations, enjoy the most rapid industrial growth. Thus, free market economies have achieved the highest degree of success in improving industrial output.

Our late President Kennedy stated on September 26, 1962, "The free market is not only a more efficient decision-maker than the wisest central planning body, but more important, the free market keeps economic power widely dispersed."

Each day is election day in the free market. The consumer holds the ballot. Every purchase is a vote and business sales are the tabulation of that vote in consumer dollars. A big business can be voted small, a small business may be voted big and any business can be voted out of office and fail.

I have been disappointed that the Director-General's report failed to stress the fact that industrialization advances in direct correlation to the success it has in anticipating its citizens' needs and in supplying these needs efficiently at the lowest possible cost. The determination and satisfaction of customer or citizens' needs, which is a minor problem in free market economies, becomes the most difficult aspect of central planning, and much too often is submerged by political programs of doubtful value. Socialist bureaucracies may hide real costs for long periods of time, even though these high costs are borne by all of their citizens in their general cost of living.

Planning for industrialization cannot ignore this consumer vote except in Communist countries which are learning also that their citizens cannot be denied opportunity for selection. The changes that are taking place in such countries recognize that no nation may remain strong unless its economy is geared to satisfy the needs and desires of its citizens. Thus, socialist countries of Eastern Europe have adapted many of the incentives of free market economies to improve their industrial output. They now ask free market nations to build automobile plants and other consumer-orientated industries inside the Iron Curtain to supplement their less successful efforts in these areas. In so doing, they admit that free market economies have succeeded better because they embody this basic human freedom, freedom to choose.

The Director-General mentions rapid population growth as a nullifying factor in industrial development. Plans to curtail the current population explosion must receive equal attention with planning for industrial development. Idle persons are prone to propagate and increase the difficulties of emerging nations striving to provide adequate food and employment. The religious and social roots of tribal and agrarian ages, when large numbers of children were essential to provide workers, armed forces and social security for their elders, no longer exist. Family planning is fundamental to future improvement of living standards in every nation.

Education to improve standards of skill and communication are essential as noted in the Director-General's report on industrialization. American business spends more than 18 billion dollars yearly on training and retraining its workers. Using the most modern educational methods, including visual-audio aids and programmed instruction, we have difficulty in providing enough trained workers to keep our complex industrial machine adequately staffed. The time lag in achieving the conquest of illiteracy is indeed long. Emphasis on the years and months needed to achieve reasonable standards of literacy and skills must be understood by underdeveloped nations, for false hopes may unbalance their political stability in the years ahead.

Education designed to improve internal skills and communication alone defeats the material benefits of idea cross-fertilization which is so productive in the modern world. The free exchange of ideas makes every individual and every nation a great deal richer and impoverishes none.

The U.S. Government, our 73 million workers and our 11 million employers have no territorial ambitions. We are proud that our productivity has provided more than 123 billion dollars to assist war-damaged and emerging nations to rehabilitate and industrialize with varying degrees of success. We ask no gratitude. We naturally hope that our successes may inspire other nations to use the free market system which has proven remarkably satisfactory for us.

There is, however, a growing disenchantment among our people for international organizations which permit pressures from a small group of socialist nations to warp the principles and divert the programs of such organizations to their selfish ends. If the Workers and Employers of my country are to continue our substantial (25% direct and 40% indirect) support of the ILO's program, Communist efforts to destroy its structure and purpose by dominating its administration must be stopped. This body cannot expect our generous people to open their purses year after year to an organization which permits a few Communist-oriented delegates to manufacture insolent and untruthful political condemnations and deliver them from this platform.

The work of the Director-General and his staff would have been far more productive for the benefit of all emerging nations, if they were not forced to devote considerable time to Communist political pressures and attempts to increase domination. The last eleven sessions of this Conference record that the Government Vice-Presidency of this body has gone to Communist countries eight times as a result of such arrogant pressures. Mr Chairman, despite that record of undemocratic pressure, no Employer Delegate has questioned your election by a single vote in a free, secret democratic election.

However, the conduct of Communist Delegates in the Employer group has been in marked contrast. They have raised bitter cries of discrimination in this plenary when the same democratic voting procedure was used and the margin of victory by those chosen to voting posts was substantially greater than the single vote which placed you in the chair you now occupy. The Conference must presume, therefore, that your associates are not interested in social justice by democratic means but solely in power pressure, and that their real purpose is to destroy not only the principles and structure of this tripartite body but ultimately to deny to the emerging nations the aid and assistance of this mature and able organization so that the inability of these emerging nations to produce the goods and services to satisfy their citizens may assist Communist-trained saboteurs to add these nations to the other slave satellites of the Bloc.

Mr. Chairman, Mr. Schilo, Employer Delegate, Ukraine, spoke on the Director-General's report on the afternoon of June 7, 1966. He recorded the Fascist destruction of Ukrainian towns, villages and industrial enterprises but neglected to state that the United States was the Soviets' staunchest ally against this Fascist dictatorship. As a personal participant in that conflict, my job was to facilitate the flow of essential war materials to our Soviet allies even when it imperiled our own forces in the Pacific arena. Mr. Schilo did not recall the substantial aid that our victorious forces in Southern and Western Europe provided in relieving the Fascist pressures on the Eastern front, or that our military leadership delayed its sweeping advance on Berlin from the West to give our Soviet allies the honor of occupying that city.

The refusal of our Soviet allies to re-establish independent Eastern European governments as we did promptly in Western Europe did not cause us to declare a cold war. It was the Soviets who dropped the Iron Curtain, built the Berlin Wall, initiated the Berlin blockade and accelerated their program of world sabotage in an effort to achieve world domination.

Mr. Schilo ignored the fact that the Geneva treaty of 1954 was violated by the trained and armed forces of Communist saboteurs who murdered more than 20,000 South Viet-Nam government civil administrators and teachers before my country, moved by the same motives that prompted it to aid his own country in the 1940's, went to the aid of South Viet-Nam and gave notice to the world that our great nation could not permit such aggression, if any small nation was to decide its own destiny. Now, when the Viet-Cong by the thousands are deserting to South Viet-Nam and the world understands the determination of the United States to preserve the right of all small nations to seek their own destinies, Soviet untruths from this platform are trying to convince this world that it is we not they who abrogated the Geneva accord.

Mr. Schilo did not specify our provocation against Cuba, since the only provocation my country can be accused of was to open the doors of our nation to the oppressed citizens of Cuba who are abadoning everything there to come to the United States where unlimited opportunity exists to improve their individual standards of living and to pursue social justice in a free land. 23,239 Cubans have arrived in my country from Cuba in the last six months as a result. If this be provocation, our people may extend the same provocation to any nation whose people are so oppressed.

On that same afternoon, June 7, 1966, Mr. Chairman, the Workers' Delegate of the Dominican Republic, from this rostrum and in the Provisional Record, dedicated himself to—and I quote—"a genuine revolution so needed by Latin America and the world." This inflammatory statement was repudiated by the fact that his own country in a free, democratic election, with impartial observers from other nations present, had just elected a new government by substantial majorities who decided on peaceful progress instead of violent revolution.

Mr. Chairman, these rash and inaccurate statements from these few delegates do not agree with facts.

The Employers of the United States and our splendid Workers have been strong in support of the ILO in its program of social progress. We have created a more advantageous form of social justice,—private enterprise socialism, if I may call it that,—and we are building better programs by free collective bargaining, increasing our productivity to permit all of our own people to enjoy better standards of living, while, at the same time, allowing our Government substantial amounts of the consumer's dollar in the form of taxes to provide the much needed funds by which social justice throughout the world can be attained.

Finally, Mr. Chairman, I work in a city which has large numbers of Workers and Employers of Polish origin. Our elected Mayor is Polish and we have a fine Sister City in Poland. These Workers and Employers would have me say to you, Sir, that they applaud your election to the Presidency of this Conference in a free, secret, democratic election, but they would urge me to express their constant hope that their families and friends in Poland may one day soon enjoy the same freedom to choose their own officials and their own Government under similar circumstances.

INTERNAL REVENUE SERVICE AGAIN

Mr. LONG of Missouri. Mr. President—

The Internal Revenue Service's action looks suspiciously like harassment and intimidation.

Although I have often made these same charges against the Internal Revenue Service, the statement just made was a direct quotation from an editorial in last Friday's New York Times.

The Times referred to the Internal Revenue Service's recent action in notifying an organization known as the Sierra Club, that because of certain newspaper advertisements which this organization sponsored, contributions to the Sierra Club would no longer necessarily be regarded as tax deductible.

According to the New York Times, this "raises serious questions of fairness and administrative due process." This recent action is of concern to me for two reasons. First, as chairman of the Senate Subcommittee on Administrative Practice and Procedure, we are interested in charges that agencies are not operating fairly and are denying administrative due process. Second, in the words of the New York Times, this "looks suspiciously like harassment and intimidation"—another form of invasion of privacy.

Mr. President, I have today written to IRS Commissioner Sheldon Cohen seeking a complete explanation of this Sierra Club case. I ask unanimous consent to insert, at this point in the Record, the editorial from the June 17, 1966, New York Times.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

IRS and the Grand Canyon

The Internal Revenue Service has introduced a new procedure for tax-exempt organizations that raises serious questions of fairness and administrative due process. The Sierra Club, a society of energetic and outspoken conservationists, is the first organization to run afoul of this regulation; but its implications are significant and ominous for many other nonprofit educational, scientific and conservationist groups throughout the nation.

Last week the Sierra Club ran newspaper advertisements to alert the public to the danger to Grand Canyon posed by the dam-building features of a pending bill backed by the Administration. The day after the advertisements appeared the Internal Revenue Service notified the club that as of that date contributions would no longer necessarily be regarded as tax deductible. Under the law, an organization cannot enjoy tax-exempt status if it devotes a "substantial" portion of its efforts and income to politics or lobbying, but the I.R.S. has no standard definition of "substantial."

The practical result of the I.R.S. action will be to put an end to most contributions to the Sierra Club until its tax-exempt status is re-confirmed, if ever. This is a new and thoroughly unfair procedure, comparable to inflicting punishment before guilt is established.

Tax exemption is undoubtedly a privilege. But it is a life-giving privilege that once granted should not, in effect, be suspended for an indefinite period of time at the discretion of an administrative officer prior to any investigation or hearing.

Any organization concerned with live public issues could be similarly curbed by the threatened loss of tax exemption.

In the present fight over the Grand Canyon dams, conservationists are bucking the Reclamation Bureau, a powerful bureaucracy which lobbies Congress and the public tirelessly and shamelessly with the public's own money. Since Secretary of the Interior Udall, an Arizonan, supports the Reclamation Bureau's position, he has silenced several other agencies in his department which, if permitted, could present a strong, factual case against the dams. Under these circumstances it is such private organizations as the Sierra Club that defend the public interest.

The Internal Revenue's attempt to restrict the club is a gratuitous intervention in this controversy. Under the guise of strict tax regulation it is making an assault on the right of private citizens to protest effectively against wrongheaded public policies. The Internal Revenue Service's action looks suspiciously like harassment and intimidation.

ONE HUNDRED PERCENT PARTICIPATION IN OBSERVANCE OF FLAG DAY AT THE ROCK, GA.

Mr. TALMADGE. Mr. President, for almost 200 years the flag of the United States has been a source of great pride to every citizen of this Nation. The American flag is a constant reminder to us of our country's greatness and is a symbol of the liberty of our people. It is the banner under which Americans have lived and served the Nation and the cause of freedom at home and in all parts of the world.

Last Tuesday, June 14, was National Flag Day. It is an annual event when all Americans should stop for a minute and think of America's illustrious history. It was widely reported in the press that participation in Flag Day was far less than what it used to be. Indeed, many people did not even know the occasion. This is indeed unfortunate.

It has come to my attention that the town of The Rock, Ga., had 100 percent participation in the observance of Flag Day, and that all homes in the community displayed a flag. So far as I know, this town was the only one in the United States that participated so admirably. I wish to take this opportunity to commend Mayor Clifford L. Clark of The Rock and the citizens of this town for their outstanding example of patriotism.

THE 191ST ANNIVERSARY OF THE U.S. ARMY

Mr. TOWER. Mr. President, it has come to my attention that Gen. William C. Westmoreland, commander of the U.S. Army, Vietnam, issued to his troops earlier this month a most concise but powerful statement. I believe this Nation is fortunate to have General Westmoreland and his men on the job, and I ask unanimous consent that his comments be printed in the Record for the information of other Senators.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The 191st U.S. Army Birthday

(Saigon, Vietnam (Army IO)—General W. C. Westmoreland, Commander of U.S. forces in Vietnam, today released the following 191st U.S. Army Birthday message to U.S. troops in Vietnam.)

June 14th 1966 marks the 191st anniversary of the United States Army. On ths occasion all of us would be wise to remember the reason for our being.

The U.S. Army is a force that is respected by our friends and feared by our nation's enemies. Our existence is essential for freedom.

Some have said that our presence in Vietnam is unwarranted. Their forefathers said that Europe was for the Europeans in World War II and their fathers said that Korea was not our concern in 1950; they might well have said that freedom is only for Americans. We know better.

Since 1775 the United States Army has been, and will continue to be, an extension of the arm of freedom. This mighty arm may deliver food to the needy, clothes to the naked, or it can carry, and has carried, a punch that no foe as yet has been able to withstand.

We, of all arms and services, will continue the fight, as our forefathers have done in previous years, because we are soldiers and it is our job.

On this, the Army birthday, we can all be proud to be a member of one of the finest and most dedicated organizations in the Army . . . the United States Army, Vietnam.

PUBLICATION OF AN EXCELLENT NEW HISTORICAL STUDY

Mr. McGOVERN. Mr. President, as a former American history teacher, I am always delighted by the publication of a new and interesting book on the art of the historian.

Such a book has just recently been published by the young and distinguished New York City publishing firm of Hobbs, Dorman & Co., Inc. Entitled "The Historian's Contribution to Anglo-American Misunderstanding," this fascinating volume is the result of a 3-year study by a team of British and American historians of national bias in the secondary school history textbooks of the two nations.

The principal author of this new book is Ray Allen Billington, one of our country's foremost historians and a leading authority on the American frontier. It was my great privilege to do my graduate work in history at Northwestern University under Professor Billington's tutelage.

The authors and the publisher are to be commended for placing this provocative and enlightening study before the American people. I wholeheartedly recommend the volume to all who are interested in the field of history. This book demonstrates the validity of Professor Billington's thesis that, "Eternal vigilance is the price of good history, no less than of liberty."

Mr. President, I ask unanimous consent that certain materials regarding this book, including an excellent article by Professor Billington based upon the study, may be printed at this point in the Record.

There being no objection, the materials were ordered to be printed in the Record, as follows:

[From Saturday Review, Jan. 15, 1966]

HISTORY IS A DANGEROUS SUBJECT

(*For the past three years a team of British and American historians—two British and three Americans—have engaged in a study of national bias in the secondary school history textbooks of the two nations. All five of the investigators read a total of thirty-six books—fourteen of them published in the United States and twenty-two in England or Wales—focusing on three episodes that seemed most likely to engender nationalistic passions: the American Revolution, the War of 1812, and World War I. A report of the study is being published in the U.S. this month by Hobbs, Dorman Company under the title "The Historians' Contribution to Anglo-American Misunderstanding." The study was sponsored by historical associations in Britain and the U.S. and was financed by the Ford Foundation and the Nuffield Trust. The author of this article, which summarizes the findings of the study, has long been one of America's foremost historians. He served as chairman of the British-American investigating team, and is Senior Research Associate at the Huntington Library, San Marino, California.*)

(By Ray Allen Billington)

Some of his friends say Franklin Delano Roosevelt inclined toward an anti-British attitude near the end of World War II because as a schoolboy he had read the wrong history textbooks. That youthful experience had permanently prejudiced his attitudes toward England and the English, for he could never completely erase the belief that George III was an insane tyrant bent on crushing liberty in the colonies, that hired mercenaries won the Revolution for Britain, and that the War of 1812 allowed English armies to burn the city of Washington in an unprovoked riot of senseless carnage. Patriotic bias born of such distortions dies slowly.

Fortunately the fiery nationalism that marred American history textbooks a half-century ago has largely disappeared, but enough remains to alter the viewpoint of future statesmen and hinder the international cooperation essential to peace in a contracting world. This is the conclusion of a team of British and American historians who have just completed a survey of the secondary school textbooks most widely used in the history courses of the two nations today.

Nationalistic bias, they find, exists as it did in the nineteenth century, but in a less blatant form. Gone is the day, happily, when an author could write that "it is impossible for the imagination to conceive of characters more selfish, profligate, and vile, than the line of English kings." Gone is the era when English schoolboys were taught that George Washington was a black-hearted villain who engineered an unjustified revolution for personal aggrandizement. Modern youths on both sides of the Atlantic are too sophisticated to accept such patently one-sided untruths.

Yet nationalistic bias persists, and in somewhat more dangerous form than the monstrous distortions of a past generation. Today's bias is more subtle, more persuasive, and far less easy to detect, partly because it often mirrors subconscious prejudices of which the textbook author himself is unaware. Today's textbooks plant in the minds of their readers a belief in the overall superiority of their own countries, not simply an exaggerated image of the virtues of past leaders. The misconceptions accepted unquestioningly by the students of this generation may warp their judgment no less seriously than the misstatements forced on Franklin D. Roosevelt at an earlier time.

The team of five British and American historians reached the conclusion that proper care and training can produce objective judgments suitable to the taste of both nations. But they also found that remarkably few textbook authors in either the United States or Great Britain have achieved that degree of objectivity. Every single volume surveyed contains some indications of national bias; only seven of the twenty-two English books and only two or three of the fourteen American could be graded as even relatively free from prejudice. If these discouraging results can be drawn from the reading of texts used in two countries that have been traditionally friendly and usually allied in world conflict, what would be revealed by a study of German and American textbooks, or of those used in the United States and Russia? Clearly national bias is a besetting sin of today's authors, and equally clearly it should be eliminated in the interest of world harmony.

Many are guilty of what might be called "bias by inertia." They have shown a regrettable disinclination to keep abreast of the findings of modern historical scholarship, relying instead on discredited legends and outworn viewpoints that more often than not perpetuate the nationalistic prejudices of a bygone day. Thus current research students picture George III as a sincere and moderately competent ruler bent on achieving administrative reforms amidst an impossible political situation. Yet a disgracefully large number of authors (some in England) still paint him as a power-hungry monarch, buying votes and manipulating ministers to achieve absolutism. Historians know that most of the acts for which he is blamed by textbook writers were the common practice of his day, on both sides of the Atlantic; "genius," and an "ideal leader." "It is not often," declares one text, "that a man can be said to have been so important in the history of his country that without him the whole of its structure would have been different. In Great Britain this has been said of King Alfred, who saved the country from the Danes, and of King Henry VIII, who made it possible for the Protestant religion to replace the Catholic. Today one hundred and thirty million Americans [English textbooks are not revised as often as American] rightly think of George Washington as the father of their nation. Without him, the colonies might indeed have become independent, but certainly not so soon. More important still, for them, they might never have become the *United* States of America." Paeans of praise such as this are suspect. English authors who sing them may be subconsciously justifying the defeat of their countrymen by a third-rate power. Unvarnished truth and the objective assignment of both praise and censure are the best antidotes to nationalistic bias.

If some British textbooks lean over backward to glorify American leaders for their Revolutionary War roles, they show no such inclination when dealing with World War I. Their authors share with text writers in the United States a tendency to write in a nationalistic vacuum when dealing with that topic, concerned only with events directly involving their own nations, and indifferent to (or perhaps unaware of) the contributions of their country's allies. Readers of the more outspoken textbooks on either side of the Atlantic are left with the impression that the Central Powers were defeated almost single-handedly by either Britain or the United States, with only an occasional and largely unnecessary assist from the other.

American textbooks usually begin the story with their country's entrance into the War in 1917, not in 1914 when the tragic conflict began. Scarcely a single author deals adequately with the bitter three years of fighting that preceded his country's participation, or suggests to impressionable young readers that without the lonely sacrifices of the French and British people an antidemocratic Western world might have resulted. Few properly emphasize the fact that American troops did not become an effective force in battle until the end of May 1918, thus denying the Allies credit for holding back the Central Powers for nearly a year after the United States declared war. Nearly all stress the relatively few campaigns in which Americans played a decisive role, and most depict the peace negotiations as a struggle between the forces of Good represented by the saintly Woodrow Wilson with his dedication to democracy and the forces of Evil played by the Allied diplomats who sought to frustrate his noble designs for their own selfish ends.

If nationalistic bias such as this mars textbooks used in the United States, it is more than matched by those popular in England and Wales. A balanced account of World War I should assign proper credit to the burdens borne by the British people, but English authors should also recognize that that burden was not carried alone; France, Belgium, Italy, Imperial Russia, the Dominions, and the United States should be allotted their proper share of credit for victory. A judiciously written textbook should include a discussion of the widespread American sympathy for the Allied cause and the weakening of these sentiments with Britain's interference with American trade. It should explain the loans and other aid granted Great Britain by the United States between 1914 and 1917, and make clear the nation's contribution as a neutral carrier for the Allies. It should describe Woodrow Wilson's doctrine of "strict accountability" and the part this played in swinging the country toward participation after unrestricted submarine warfare began. In dealing with military events, a well-planned text should discuss the American contributions in fighting men and ships, the campaigns in which they participated, with some indication of the relative numbers involved, and the idealistic role of Wilson as a peacemaker and architect of the League of Nations, which might have created a better world than the one that emerged. To include all of this information in a brief account is to test the ingenuity of an author, but to omit it is to distort the truth so badly that international misunderstanding is the result.

Few British authors even hint at an impartial treatment of the war. Readers will search in vain for anything approaching a complete account of the contributions to an Allied victory made by the United States between 1914 and 1917, whether of sentiment, loans, or the supplies that helped bolster Britain's defenses against the Central Powers. A majority of the textbooks used today fail to mention England's interference with neutral shipping, but all give full attention to German submarine warfare. Such lack of balance persuades an uninformed reader that the United States refrained from entering the conflict only because its isolationism made it reluctant to aid a sister democracy. "Wilson," writes one author, "urged his countrymen to be not only neutral in action, but neutral in speech and thought. A former university professor, he gave the impression of regarding all European politics as beneath his notice, and he sometimes spoke as though there was no great gulf separating the actions of Germany from those of Britain and France. The sufferings of Belgium appeared to him little different from those of Ireland." Imagination could scarcely devise a less accurate picture of Woodrow Wilson's motives during that trying period. Yet that same author adds insult to misunderstanding when he ends his account of America's eventual entry into the war with: "Englishmen forebore to wonder why it had taken the President nearly three years to come to this rather obvious conclusion." Such gratuitous comments are hardly monuments to the objectivity of history.

British textbook authors are equally reluctant to accord the United States its just share of credit for victory over the Central Powers. In many texts no mention is made of the role of the navy in the blockade of Germany, or of its part in combatting U-boats. One compounds the errors of all by reporting: "Thanks to the increasing efforts of the Admiralty and the courageous determination of the Prime Minister, the losses declined steadily throughout the year and the rate of U-boat sinkings increased." Not a mention in that statement of the American navy; British youths are left with the false impression that England singlehandedly cleared the seas. Similarly, many authors either ignore or minimize the aid provided by American troops during the last year of the war. This is brushed off with such phrases as "A large American army was enlisted and trained, and did useful work in the last few months of the war," or "The Allies, now strengthened by American troops, continued their successes." These half-truths conceal the fact that the fresh troops from the United States did help turn the tide of battle. This should be brought home to English schoolboys, just as Britain's decisive part in victory should be stressed in every textbook used in the United States.

Americans disturbed by such judgments will be even more startled by the picture of the peace negotiations presented by the majority of British textbooks. Accustomed as they are to the image of Woodrow Wilson as the hero of the Versailles conferences, they will find it hard to realize that English schoolboys have scant opportunity to learn of his lofty idealism, his hopes for a better world, and his willingness to sacrifice his future and even his life for his ideal. Instead he is cast as an irritating gadfly, standing in the way of Lloyd George's efforts to win a peace that would give Germany it's just due. The Prime Minister is the undisputed hero, a man "quick-witted and realistic," who tried to steer a middle course; a leader with a "natural and experienced agility of mind." Perhaps so. But to paint this idealized picture, while at the same time dubbing Wilson as "unreasonable" and an "idealist" with little understanding of European politics is to succumb to the worst form of group superiority. British no less than American writers must change their course before they can boast of books geared to the realities of interdependence forced on nations by the communications revolution of the past half-century.

The youth of Great Britain and the United States will receive proper training in world affairs only when textbook authors on both sides of the Atlantic awaken to the fact that history is a dangerous subject, to be handled with caution. Those authors must realize that objective understanding can be achieved only when they immerse themselves in the records of other countries than their own. They must learn that words are as dangerous as bullets, and that each must be carefully weighed to detect the nuances of meaning that might prejudice the viewpoint of their readers. They must train themselves to select from the multitudinous records of the past the exact facts and interpretations needed to present an accurate, not a distorted image of the events they are describing. Only when they have learned these lessons will the authors of textbooks be equipped to combat the nationalism that has marred understanding between nations in the past, and that even today threatens the future worldwide cooperation on which the salvation of humanity depends.

[Book jacket]

"The Historian's Contribution to Anglo-American Misunderstanding"—Report of a Committee on National Bias in Anglo-American History Textbooks

(By Ray Allen Billington, with the collaboration of C. P. Hill, Angus J. Johnston II, C. L. Mowat, and Charles F. Mullett)

The influence of the teacher upon the young is often lasting and deep. Likes and dislikes, personal bias and misinterpretations of a teacher may remain in a student's mind long after the teacher is gone and forgotten. The role of the textbook, too, as a corollary to the perpetuation of bias is great and frequently beyond eradication.

For three years a team of historians—two British and three Americans—undertook a study of national bias in secondary school history textbooks of the United States, England and Wales. Financed by the Ford Foundation and the Nuffield Trust, and sponsored by the Historical Association of England and Wales, the British Association for American Studies, and the American Historical Association, this study was carried out under the chairmanship of Ray Allen Billington, a Senior Research Associate at the Huntington Library, San Marino, California.

The investigating team, or Working Party, so-called, dealt with textbooks on the secondary school level for a number of reasons, though the prime consideration was the influence of history texts upon the six through eighteen age group—the school level at which the influence of teacher and text are paramount.

Three specific periods contributing to Anglo-American misunderstanding were finally selected for intensive analysis—

The American Revolution: The ill-feeling that existed between England and the thirteen colonies has its descendants in today's bias toward George III, British military leadership, the leading figures in the colonies and so on. An interesting sidelight is the treatment of George III and his government by Whig historians in England and the handling of the same subject by American historians of similar persuasion.

The War of 1812: Both sides oscillated from victory to military ineptness and defeat in this conflict. The handling of this brief war and its presentation in American and British textbooks all too frequently give the reader the impression that two different conflicts are under review.

The First World War: Still within the memory of many writing history today, the first World War is a sensitive and emotional historical period. As a war of national survival, it was won by the Allied powers. It has often been transformed, nevertheless, into a conflict won almost exclusively by American arms or British seapower; and the peace was either lost by the "wily" Lloyd George or the "sanctimonious" President Wilson.

The historian's contribution to Anglo-American misunderstanding seeks to show the derivation of nationalistic bias and "bias by inertia." While historians have mostly gotten away from the flagrant chauvinism of a century ago, there is still much to accomplish in the direction of objective historical writing. Bias resulting in Anglo-American misunderstanding comes from many sources and is perpetuated by many causes. "Eternal vigilance," writes Professor Billington "is the price of good history, no less than of liberty."

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Announcing Publication* of "The Historian's Contribution to Angelo-American Misunderstanding"—Report of a Committee on National Bias in Anglo-American History Textbooks

(By Ray Allen Billington, with the collaboration of C. P. Hill, Angus J. Johnston II, C. L. Mowat and Charles F. Mullett)

We are indeed privileged to announce the forthcoming publication of an important and provocative report (scheduled for more or less simultaneous publication in England by Routledge & Kegan Paul, Ltd.)—a report sponsored by the American Historical Association, the Historical Association of England and Wales, and the British Association for American Studies; and financially supported by the Ford and Nuffield Foundations.

As Professor Mullett aptly states in the December AHA Newsletter, this report "was not written for the scholar (though he may well profit), but for the teacher who must depend on textbooks, the author who writes them, and the publisher who distributes them." . . . "Omissions, spacing, loaded language are more disastrous than overt distortions." . . . "To avoid the cost of ignorance teachers and writers must be prepared to pay the price of vigilance."

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Sincerely,

Ranald P. Hobbs,
President.

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POLAR BEAR PROGRESS

Mr. BARTLETT. Mr. President, it was a good year for polar bears.

The first International Scientific Meeting on the Polar Bear was held in September in Fairbanks, Alaska. Official delegates, scientists and conservationists from Canada, Denmark, Norway, the U.S.S.R. and the United States presented papers, pooled information and recognized a common interest in the preservation of the species.

As a result of the meeting interest in the bear is greater and research more extensive than ever before. Not only arctic biologists but conservation and sportsmen organizations, private as well as public agencies, are investigating the status of the polar bear.

This year there grew a determination on the part of the arctic nations to see the polar bear safe and to cooperate in its protection.

It is, therefore, fitting that the annual meeting of the Associates of the Arctic Institute of North America should be devoted to papers on the life and study of polar bears.

The meeting was held on the evening of April 19 at the Carnegie Institution here in Washington, D.C. Two papers were presented and a film shown.

The first paper, "A Polar Bear's Life," was presented by the respected Canadian wildlife biologist C. R. Harington. Mr. Harington is now curator of quaternary zoology at the National Museum of Canada. For the 5 years before he took this position he was a staff biologist for the Canadian Wildlife Service. These years were devoted to the study of the ecology and biology of the polar bear. His knowledge of the habits of the bear is precise and authoritative; his paper was fascinating.

The second paper, "Capturing and Marking Polar Bears," was presented by Dr. Vagn Flyger, an associate of the Natural Resources Institute of the University of Maryland for the last 11 years. He is well known for his work in developing techniques for the use of paralyzing drugs in the study of polar bears. This winter, together with Dr. Martin Schein, of Pennsylvania State University, he tested his knowledge on polar bears on the icepack north of Barrow, Alaska. The results, although far from satisfying, were important for making clear the difficulties involved in studying the animal. His paper describing his experiences was not only useful, it was exciting.

Dr. Schein's color films of polar bears at Spitzbergen were most interesting. The bear is a lovely and graceful animal, wily and brave. He makes a splendid movie star.

Last year was a good year for the bears, this one should be even better. The Arctic Institute continues its projects. Research advances around the world—in Greenland, Canada, and Alaska. In Norway, Dr. Flyger is even now participating in a project at the request of the Norsk Polarinstitutt. And in the Soviet Union the expert and valuable work of Uspenskii and his associates continues unabated.

The Fairbanks conference was held almost a year ago. It is time that thought be given to the next meeting of the circumpolar nations to compare notes, exchange research material, and cooperate in planning for further work. I would suggest that the summer of 1967 would be a reasonable date—2 years after the first meeting.

The first meeting was held in the United States. I would hope that it might be possible for the Soviet Union, long the world's leader in the conservation and study of the polar bear, to propose a site in the U.S.S.R. as a place for the second meeting.

The bear is a good animal. He stands astride the pole, neither Communist nor capitalist but a citizen of the Arctic. He is worth all our efforts.

Mr. President, I ask unanimous consent that Mr. Harington's and Dr. Flyger's papers may be made a part of the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CAPTURING AND MARKING POLAR BEARS

(By Vagn Flyger)

Relatively little is known about the polar bear compared to other mammals. The habitat of the polar bear, possibly the world's largest carnivore, is so forbidding that man has only recently begun to study the species. In recent years the use of light, ski-equipped aircraft has permitted increasing numbers of hunters to invade the Arctic for the purpose of shooting polar bears. Conservationists are concerned that this increasing number of hunters may be threatening the polar bear with extinction, but the lack of knowledge of the species prevents a definitive evaluation of this threat and also makes it impossible to instigate regulations which would be effective in protecting the polar bear from possible extinction. It is in an effort to provide this sorely needed knowledge that this research is being conducted.

The Arctic Institute of North America has undertaken a long range project to study the ecology of the polar bear. The purpose of this project is to learn the migratory habits of the animal, to arrive at a reasonable estimate of the number of polar bears in existence, to understand the population dynamics of the polar bear, and to learn how the polar bear is adapted to survival in its inhospitable environment.

In order to learn about polar bears in their native habitat they must be marked so that they can be recognized as individuals. Records must be kept stating where the animals are captured so that if they are killed later or captured in another area something can then be learned about the movements of the animals. In addition, by marking animals we can study their behavior because we can keep records of what one animal does when it encounters others.

However, marking polar bears is not a simple matter and in order to do so techniques have to be worked out to capture and handle these huge animals. In the spring of 1965 and again in March of 1966 Dr. Martin W. Schein and I, with support from the Office of Naval Research and the Arctic Institute of North America, conducted pilot field studies at Barrow, Alaska. Favorable data on other animals and bears indicated that it would be possible to capture polar bears using a projectile syringe fired from a rifle. Our purpose in spending March 1966 at Barrow was to develop and improve techniques for capturing and marking the polar bear.

We stayed at the Arctic Research Laboratory where the finest facilities were available. During our stay we kept the Barrow representative of the Alaska Department of Fish and Game abreast of our activity. On days when the weather permitted we hunted bears in the fashion used by local sportsmen. This method involves two airplanes flying over the pack ice looking for bears. The one plane flew at an altitude of 100 feet and other flew slightly behind at about 500 feet so as to permit the first plane room to maneuver. Upon discovering polar bear tracks the planes followed them to the bear; then one plane went on ahead about two miles and landed. At this point Dr. Schein and I got out of the plane and hid behind a pressure ridge while the other airplane drove the bear in our direction. When the bear came within range (40 to 50 yards) it was shot with a projectile syringe containing the paralyzing drug succinylcholine chloride. About one or two minutes were usually required for the drug to become effective. When the bear became immobilized we approached it and marked it with ear tags and fur dye.

During our stay we made 15 flights and saw a total of 38 bears. Some of these were mothers with cubs which we left alone but we made attempts at about 15 animals and sometimes several attempts on the same animal.

When Dr. Schein and I arrived at Barrow we immediately tested our equipment. We had expected our syringe guns to have a range of about 70 yards but we discovered that the extreme cold (-30° to -40° F.) reduced the maximum range of the gun to 40 yards. This meant that in order to capture a bear we had to get within 40 yards to fire the syringe. This is a little close for comfort.

Seven bears were actually shot and of these the drug failed to knock down two, four died, and one was marked and released. Of the syringes retrieved all had operated properly.

While it appears that we were unsuccessful, actually we learned a great deal from these bears. First, we learned that this is very risky work and that the odds are not all in our favor. Several of the bears attacked but luckily changed their minds at the last moment. One bear was actually shot with a syringe from a distance of 20 yards and as the syringe struck him he turned around and attacked, getting to within 13 feet of me before he veered off. Both Dr. Schein and I carried rifles but the man firing the syringe gun has to carry his rifle on a sling over his shoulder. We are not sure how quickly he could drop the syringe gun, unlimber his rifle, and fire at a bear. At these close distances the backup man does not always have a clear shot at an attacking bear because of the jumbled ice of the pressure ridge between him and the bear.

Second, we learned that succinylcholine chloride is probably not practical under the circumstances we encountered. Succinylcholine acts by paralyzing the voluntary muscles, and unless excessive dosages are given the respiratory muscles are relatively unaffected. Other people have used this drug on bears with good results, often administering two successive dosages. The drug has several advantages: it works rapidly; it produces few aftereffects; and the dosage for paralyzing the leg and neck muscles is considerably below that which immobilizes the respiratory muscles. But our bears had been chased by an airplane and run for several miles, so that by the time they were shot with the drug the animals were out of breath and panting heavily. It now appears that when the drug took effect it probably caused a slight relaxation of the respiratory muscles which, combined with this extra demand on the respiratory system, caused the bear to die of suffocation. In addition it was extremely difficult to estimate bear size from the air, and the dosages administered were sometimes higher than desirable.

Finally, we learned that bears could be marked with ear tags and several types were tried successfully. The purple dye (Nyanzol A) was found to work very well on bears and showed up for a considerable distance. We also learned one very important fact; i.e., that collars can be attached to polar bears. This means that we can apply collars bearing radio transmitters and thereby study bear movements in greater detail than would be possible by ear tags and dye marks alone. Collars with radio transmitters have been successfully applied to black bears and grizzly bears but we had wondered if the long tapering neck of the polar bear would not make it impossible to apply collars. We now hope to develop a radio telemetry program for polar bears with the help of the National Aeronautics and Space Administration. Hopefully we will be able to fit about 50 bears in 1968 or 1969 with radio-equipped collars. These transceivers will send signals to a polar orbiting Nimbus satellite, and for a period of six months we would obtain the location of each of these fifty bears every two hours.

The facilities at the Arctic Research Laboratory at Barrow were excellent and the pilots were the world's best for flying in the Arctic. However, based upon our experience we feel that in order to work with a large number of bears a helicopter would be highly desirable. Its use would permit the biologist to shoot from safety while in the air. Also, the aircraft would be able to settle down where other fixed-wing aircraft cannot land.

It should be stressed that the bears that died were not wasted or "lost." The skins, skulls, and reproductive organs were given to the Alaska Department of Fish and Game. The diaphragm and liver samples were saved for Dr. Richard Simmonds of the Arctic Aeromedical Laboratory in Fairbanks for examination for *Trichina* and vitamin A content in the liver. Blood samples were taken for Mr. Thor Larsen of the Norsk Polarinstitutt in Oslo, Norway, and a sample of hairs from each bear was sent to Dr. Ruth E. Griffith of Hood College. Dr. Griffith will examine the hairs to try to determine whether the yellow coloration of polar bears might be due to a growth of microscopic plants.

It is hoped that the polar bear project will continue for about six years and hopefully will stimulate the interest of others. Considerable work needs to be done before the radio beacons can be attached to the bears. This summer I shall be on an expedition with the Norsk Polarinstitutt to Svalbard for the purpose of carrying on from where we left off last March at Barrow. We have several drugs to try and I shall experiment with various types of collars. At present the available radio beacon weighs about 25 pounds, which is quite a burden for an animal to wear around its neck. By 1969, however, this package should be reduced to about three or four pounds but in order to carry on our studies we must experiment with the 25 pound prototype.

The polar bear is a magnificent animal, and after meeting a few of them face to face on the ice I have acquired considerable respect for them. Aside from the necessity of gathering information for the conservation of this animal, there are other valid reasons for studying the polar bear. This animal lives in one of the most inhospitable environments on the surface of the earth and how it manages to do so is well worthy of study. It is also of scientific value to learn the factors which govern the numbers of bears and the method by which the bears are able to navigate. Does the polar bear actually wander around the top of the world in a counterclockwise direction as some people believe or does it have an area of several hundred square miles which is its home range? In either case, how does the bear navigate to stay "home" or to find its way on its circular polar travel, or does it? We hope to learn the answers to some of these puzzling questions within six years but answering these questions will probably lead to many more new questions.

A Polar Bear's Life

(By C. R. Harington)

In briefly describing a polar bear's life, it seems best to start at the beginning. This beginning may occur along the Colville River in Alaska, on the coasts of Wrangel Island, northern Novaya Zemlya, Franz Josef Land, Spitsbergen; near Scoresby Sound in Greenland or on northeastern Baffin Island. These are only a few of the important denning areas in the bear's circumpolar range. But we must focus more closely still to find the locations usually chosen as den sites.

In early October the pregnant female searches for deep snowbanks on the south-facing slopes of hills or valley sides. Usually the thickest drifts are situated well up the slopes and to leeward of the prevailing wind in the region. She excavates her den, seldom leaving it before, or soon after, giving birth unless her hunger is urgent.

Early in December she enlarges her dwelling prior to bringing forth twin cubs—a male and a female. The cubs are remarkably small, measuring about 10 inches in length and weighing 750 grams, or little more than 1½ pounds. They are blind and deaf, being unable to see or hear well until a month or more after birth.

During the first few months, the mother suckles them almost continuously on her fat-rich milk. Polar bear milk has the appearance and consistency of cow's cream; it smells somewhat like seal and tastes like cod-liver oil.

The oval-shaped, white-walled dens must be quite confortable. The earliest den of the mother is small and may become very warm, as heat loss is decreased by continual depositions of snow above. This is shown by the thickness of ice found on the roof. The bear supplies the heat.

If we open a small hole in the two-foot-thick roof of the enlarged room in late February, we will see the irritated mother treading around in circles below. She has quickly emerged from her lethargic state and is uttering low growls. The two small cubs are cowering—backs to the wall—near the passage leading down to the mother's earlier room. Surprisingly, the den is very clean and there is little or no ice on the walls. A little fresh air and light penetrates through a ventilation hole, punched through the end of the room. The hole is almost two feet in diameter, and the room itself is 8 feet by 10 feet by 4½ feet high. The temperature inside is just over 14° F.; 37° warmer than the local air temperature.

In March or April when the noon sun becomes hot on the slope, the mother breaks out of the den. Soon after, she leads the young down to the sea ice. On their journey, the cubs play a great deal—sliding, tumbling, and wrestling with one another.

If we watch the group closely for a few hours during early April, we will observe the mother prowling, head down, along the drifted leeward margin of some hummocky ice. Catching the scent of a snow-covered seal den, she crouches motionless before it—the cubs behind following her example. With lightning-like blows of her paws she scatters the hard upper layer of snow, rises on her hind legs and drives both forelegs down with the entire weight of her body. The den collapses and the breathing hole is stopped with snow. She scoops out the young "whitecoat" seal within—almost simultaneously dispatching it.

Hunting polar bears are not always so successful though, because of their own misjudgment, alertness of the seals, or obstacles, such as great thicknesses of snow and ice covering the seal holes or dens.

If we look in on the family again at the end of April, we will catch sight of one of the cubs—about the size of a retriever—sliding down the drifted side of an iceberg. The second cub appears and both run up again and slide down on their haunches. Meanwhile, the mother is poised over a seal breathing hole a few hundred yards away. She is downwind of the hole and able to watch her cubs. Stretching out her left paw very slowly, she strikes the rising seal and pulls it out onto the ice, proceeding to immobilize it with paws, claws, and snapping teeth. The little bears scamper towards her, and although the cubs tug at the flippers, they eat little of the seal. In a short time the adult female has devoured most of her kill and the family departs.

Thus, during their early life on the pack ice, the young cubs follow their mother closely, and are usually attentive during her hunting lessons. But sometimes they may become impatient and succeed in spoiling her efforts. She is very solicitious of her young and appears to take such frustration philosophically; yet when extremely provoked she sends them head over heels with disciplinary swats of her paw.

Although lactation in adult females may continue for 21 months, the cubs are generally weaned by July. Before this time, they have acquired a taste for seal blood and fat.

By August or September, when much of the pack ice has broken up, drifted ashore, or melted (depending upon latitude and environmental conditions), the bears may vary their routine by wandering along the coast of an island or the mainland. They sniff continually for scent of washed-up seal, whale, walrus carcasses—regardless of the fact that they may be Eskimo caches. At this time the small cubs seem to take pleasure in swimming with their mother. It is cooling, instructive, and safe—provided they keep close to her shoulders. While large numbers of male polar bears gather at some of the carcasses near the coast, the mother may lead her cubs far inland, to avoid danger from them and to feed heavily on succulent berries and grasses. The cubs weigh about 130 pounds by this time, and are becoming worldly-wise under their mother's care and guidance.

Having built up a good fat supply before winter becomes severe, the family once more occupies a snow den. Denning may take place later than October in this instance; especially if a good seal hunting area is found on the new ice of a fiord, and weather conditions are not unusually rigorous. The second den is larger than the maternity den, although no higher, and may consist of a big room with two adjoining smaller ones. Mother and cubs may interrupt their stay in the den, depending on weather conditions and physical needs. Sometimes a group of this nature is seen hunting well out on the fast ice in early January. In any case, by March the family is usually seeking out seal maternity "igloos," where tasty "whitecoats" may again be killed and devoured. If the bears happen to discover abundant patches of grass, not thickly covered by snow, while patrolling a stretch of coast, they may eat it to vary their diet.

When August has come again, the cubs—now 21 months old, 5 feet in length, and weighing over 400 pounds—will be seen along the coast of a small island completely surrounded by open water. They have been abandoned by their mother who has swam away to hunt by herself on the drifting ice farther north. Both young animals have fed well on a large walrus carcass found near one of the rocky, hauling-out areas, and once more have had small 'salads" of grasses and scouring rushes.

The male cub is climbing over heavily eroded coastal rocks, while the female is one-half mile offshore, cooling herself by swimming and floating in the sea. Soon they will have to face the long winter without their mother's care and help. It will be a test of their learning, their strength, and their skill. Having become separated, they may still wander over the dark, snow-covered coasts in mid-December, but will take shelter temporarily during storms. They are prey to starvation if they have been unable to store sufficient energy in fat, and may sometimes be attacked and killed by adult male bears.

Probably the female reaches sexual maturity in her third year and the male in his fourth. Their mother can mate again the third year after the birth of her cubs. However, if the female looses her cubs, she is able to mate and conceive again the following spring. Mating centers around mid-April, but may last from March to May, or even later.

If we focus our attention on the mother polar bear during the spring after she has left her young, we will see that she is followed by two adult male bears who have had little trouble detecting her trail, owing to the fact that she has urinated at brief intervals. The younger of the bears in trying to approach the female was threatened by the larger male, and wounded after a short, vicious scuffle. He was bitten particularly severely in the hind quarters, but still trails the female. His opponent approaches her, and they remain close together, often wandering around in small circles, touching each other simultaneously with their muzzles.

Not long after mating, the animals part. The female continues her normal routine of hunting, grazing, and scavenging, until the blastocyst is implanted, and the embryo begins its development, perhaps in early October. Influenced by these internal changes, she moves inland along a steep-sided stream valley, searching its banks for suitable drifts in which to make her new maternity den. In mid-October she begins clawing out a den near the top of a heavily drifted slope facing south-southeast. Its elevation is approximately 800 feet above sea level. Unsatisfied, she leaves the pit with its scattered chunks of snow and builds her final den at a higher level, in deeper snow.

It is worth noting that adult male bears (perhaps one for every ten denning females) may den from September to December or even January. In some cases their dens may be used as places to rest and digest their food after hunting, or as temporary shelters during very poor weather. Many adult males hunt continuously during the winter.

If we catch a later glimpse of the first male "cub" mentioned (now six feet in length) after he has just passed his fourth winter, we will find him hunting for seals along a tension fracture in the ice. He has just departed from the south-facing slope of an island nearby where he laid, basking and dozing in the warmth of the April sun. Surprised, he looks up to see an Eskimo with his dog team 300 yards away. He quickly rises up on his hind legs to test the new scent; drops to all fours and moves hesitantly forward, as if curious, to a distance of 200 yards. The Eskimo cuts his dogs loose just after the bear has swivelled and galloped awkwardly over a narrow promontory of the island. Still rather inexperienced, the bear finds himself surrounded on flat ice with no protecting ice hummocks at hand. The snarling huskies surrounding him make periodic, sharp attacks, nipping at his hind legs, while he continually turns and swats at them. Although one of the leaping sled dogs is accidentally shot in the confusion, the second and third bullets from the Eskimo's rifle hit the bear's neck and head, and he slumps down with clenching jaws.

Had this bear lived to a greater age, he would probably have approached his maximum size by eight years. Fully adult males commonly measure eight to eleven feet in total length and may weigh about 1,000 pounds. Their muscular development at this stage is truly amazing. Females appear to grow little after their fourth year. Adult females commonly weigh 500 to 700 pounds, being approximately 25 percent smaller than the fully adult males.

Little is known about the life span of polar bears. One, a female in the Washington Park Zoo, Milwaukee, died a natural death at the age of 35, and another lived to an age of 40 years in the Regent's Park Zoo, London. From the appearance of some skulls, and the degree of tooth wear, probably a few bears attain similar ages in the wild.

Many injuries may be sustained by the white bears as they grow older. Numerous gashes can be received in fights during the mating season. These show up as scars on the bear pelts, and are much commoner in older bears. Small septic wounds in the feet are also common. They have been known to cause inflammatory synovitis and consequent lameness in walking. Arthritis deformans and osteo-arthritis are not unusual. Fractures of ribs, wrists, ankles, cheek bones, and lower jaws have also been observed. Decayed and broken teeth are a normal affliction of very old polar bears, and must cause them considerable pain. As far as I know, external parasites have never been found, and, apart from *Trichinella* worms which are often embedded in the diaphragms of older bears, internal parasites of the polar bear are poorly known.

The injuries and infections mentioned—combined with other mortality factors, such as killing of the young by older polar bears, and rare losses to wolves and adult male walruses—plague the species throughout life.

Above all, man influences the white bear; not only because he methodically and efficiently hunts seals (the bears' main prey), but also because he is the primary predator of the bear itself. Thus man is displacing the animal in its ecological niche as a ruling flesh eater of the arctic coasts.

Now that we are aware of some of the bear's problems in living, what are *we* doing to keep the bear alive? The burden rests with us. Actually polar bear conservation involves many problems, some of which were considered at the First International Conference on the Polar Bear held recently in Alaska. Polar bear harvests, hunting regulations, and life history were among the subjects discussed by delegates from Canada, Denmark, Norway, the U.S.S.R. and the U.S.A. Because two of the greatest problems in polar bear research and management are establishment of confident population estimates and major patterns of population movement, subsequent talks dealt with improvement of aerial polar bear survey techniques, and methods of immobilizing and marking the bears in an effort to find out more about their movements.

There was unanimous agreement that polar bears, which roam widely throughout the Arctic Basin, must be considered an international circumpolar resource, but that, until enough scientific research has been done to provide the basis for more precise management, each nation should take all necessary conservation action for itself. One point of management fully agreed upon was that cubs and females with cubs should be protected at all times. The five nations are considering ways of achieving prompt exchange of information by means of an international polar bear data sheet, and are stepping up or redirecting their polar bear research to make it more effective.

Further international meetings on the polar bear will be held when urgent problems or new scientific information warrant them. Although this valuable and impressive wildlife species is not in immediate danger of extinction, there is certainly no room for complacency.

THE MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT OF 1966

Mr. PELL. Mr. President, I rise to pay respectful tribute to my distinguished colleague, Senator WARREN G. MAGNUSON, of the State of Washington, upon the enactment of his oceanography bill, S. 944, into the law of the land.

I find it most curious that this event, which was probably the most significant single event of the past week, has gone almost unnoticed by the press and the Nation as a whole.

For the first time in our national history we now have a legislative policy and purpose for the development of the world ocean that occupies over 70 percent of our planet.

The implications of this act, known as the Marine Resources and Engineering Development Act of 1966, are truly enormous. It provides the mechanisms for the development of a genuine, comprehensive national program of ocean development. It will bring together, in the National Council on Marine Resources and Engineering Development and in the Study Commission the best and most experienced Americans in the Federal Government, the States, the academic community, and industry. Together they will plot the course to be followed by this Nation for many years to come. They will determine how the United States will undertake the exploitation of the seven seas.

The development of this act, its passage by the Congress, and its signing on Friday evening by the President has not been an easy matter. The history of ocean legislation is a long and frustrating one, and we have arrived at this important point in the history of ocean development through the efforts of a handful of dedicated legislators in both Houses. I want to congratulate particularly the distinguished senior Senator from Washington. Fortunately for the welfare of this Nation, the Honorable WARREN MAGNUSON is not a man who accepts defeat when the national interest is at stake. In spite of frustration, including the pocket veto of an earlier act, he has continued to press for constructive and necessary legislation because of his firm belief that the future and safety of this country, and of the expanding world population, lie in large part in America's determined and skillful development of the planet's last remaining resource—the world ocean. During the past several Congresses Senator MAGNUSON has sponsored most of the legislation that has advanced the national ocean capability. The culmination of his efforts is the act now signed into law, the act that has at last put us on the path to an adequate national ocean development program.

Deserving of special honor are the Senators and Representatives who, under Senator MAGNUSON's chairmanship, developed the final version of the act. They are my own senior colleague, Senator PASTORE, and Senators BARTLETT, COTTON, and HART, and Representatives LENNON, ROGERS, DOWNING, MOSHER, and PELLY.

The importance of developing an ocean program cannot be overestimated. The ocean is a source of food, of minerals, and even of potable water. It is the main world highway for the shipment of goods. It is a realm in which we must maintain military supremacy. It occupies nearly three-fourths of our planet. Yet, it has been treated almost superficially, in comparison with its potential. We pour billions into space, but only a few millions into ocean development. As CBS Commentator Eric Sevareid has said:

> We can put unlimited resources into space, but we can get unlimited resources out of the ocean.

It makes little sense to perform great deeds 100 miles above the earth when we are not yet capable of exploiting the vast resources in a single mile of ocean.

Under the chairmanship of the Vice President of the United States, the Council and Study Commission created by the act has the responsibility for determining in realistic terms exactly what the Nation needs from the ocean over both the short and the long haul, and for specifying the Federal organization to do the job. It is not a simple task. The complexities are great, and the results will have a profound effect, not only on every American, but on every person in the world.

The Council is fortunate in having an experienced nucleus, of demonstrated competence, in the Interagency Committee on Oceanography of the Federal Council for Science and Technology, and in particular in its dedicated and skillful staff. Those of us in this body who have dealt with Robert Abel and his group know their quality. They are a team on which the Council can build with confidence.

Senator MAGNUSON and his colleagues of the Committee on Commerce deserve our thanks and appreciation. They have provided the legislative base we need. Now it is up to the Council they have established to carry out the purposes of the act with skill and dedication. We wish the Council well in its difficulty and necessary task.

ADDRESS BY VICE PRESIDENT HUMPHREY TO ROTC GRADUATES AT THE UNIVERSITY OF MINNESOTA

Mr. MONDALE. Mr. President, Vice President HUBERT H. HUMPHREY recently delivered an address deserving the serious study of every thoughtful American. Speaking to a group of newly commissioned military officers at the University of Minnesota on June 11, 1966, the Vice President eloquently explored the true meaning and objectives of American power in the present world context.

Vice President HUMPHREY made it clear—even to a group bound one day to participate in the command of the greatest military might in all history—that American power rightly considered always means more than guns and bombs. He emphasized that when we speak of committing America's power in this or that quarter of the world, we do not refer to military strength alone. We refer, as well, in the Vice President's own words, to "the power of our economic system. I mean the power of our well-trained and dedicated people. I mean the power of our compassion. I mean the power of our ideas."

I commend the Vice President's remark's on this occasion to my colleagues and ask unanimous consent that the text of this address be printed in full at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY, UNIVERSITY OF MINNESOTA, ROTC GRADUATES, JUNE 11, 1966

It is the tradition of the University of Minnesota that the recipients of honorary degrees not give speeches.

It is probably a good idea. Someone must have realized years ago that the university risked embarrassment if those being honored had a chance to publicly expose themselves.

However, the regents of the university did not outsmart HUBERT HUMPHREY. I may not have a chance to talk at the ceremony, but I do have my chance to talk here.

I do promise not to talk long.

Today you receive your commissions as officers in the service of your country. As such, you will be associated with military power far beyond that ever seen before on earth.

A little more than a year ago, at Johns Hopkins University, our President spoke of military power. "We often say how impressive power is," he said. "But I do not find it impressive at all. The guns and the bombs, the rockets and the warships, are all symbols of human failure. They are necessary symbols. They protect what we cherish. But they are witness to human folly."

I doubt that few Americans would disagree with what President Johnson said—few, particularly, among those who wear our nation's military uniform.

I have heard it said that our country today suffers from an "arrogance of power".

I dispute that.

If anything, our country has been—in my generation and yours—perhaps overhesitant in the necessary application of its power.

As a people, we abhor the use of force. We oppose coercion. We suspect those who give orders. We live by the creed, and rightly so, that each person and each nation should have maximum freedom to pursue individual destiny—so long as that pursuit does not trample on the rights of others.

In our time there has been some trampling. And, because of our hesitancy in the use of power, we have sometimes waited too long to respond to it—yes, with tragic result.

And I don't mean this just in the international sense.

It took us a long time in this century to get very excited about trampling going on among our fellow citizens.

But we did respond, and we are responding still.

We did not respond in the sense of punishing transgressors. No, we responded, and are responding, with ten thousand positive laws, actions, ideas designed to lift the oppressed.

There is no negative philosophy behind our efforts today to give the Negro American an unfettered chance to get an even break in life. Nor is there anything negative about our efforts, in America's urban ghettoes, to make the walls come tumbling down . . . nor in our efforts to help young children, from families bent by generations of poverty, break desperate spirals of despair and hopelessness.

We do, however, maintain police forces. And—unless the Great Society comes to full achievement sooner than any of us think—we'll need them for some time to come.

If our reaction time has been slow at home, it has been slower in the world.

Let us be frank: It took two disastrous world wars to convince us that we had better take an interest in what was happening around us.

Since the end of World War II, we have engaged ourselves. I will not recite today the accomplishments of the Marshall Plan, of Point Four, of Food for Peace. Nor will I speculate about what might have happened in the world had we not stood firm in Berlin, in Korea, or in the Cuban missile crisis.

Yet we only begin to appreciate the massive tasks which still face us ahead.

Today there is a challenge from totalitarianism in Southeast Asia. There is, in Vietnam, a shooting war.

I have no doubt that there will inevitably be a settlement in Vietnam—although there may be months of pain and heartbreak in-between.

But, even if peace were to come tomorrow in Vietnam, we would face a world still on the verge of daily explosion.

For we live in a world where there exist ideologies opening in opposition to man's independence and self-determination.

We live in a world where, if a button were pushed at this moment, this city would disappear in a half-hour's time.

We live in a world—and this is the most important of all—where two-thirds of our fellow men live in such abject poverty that it is beyond our imagination.

The future of peace and of the human family stands what chance in such an environment?

How shall we respond?

We must respond with the commitment of our power.

I do not mean military power alone.

I mean the power of our free economic system. I mean the power of our well-trained and dedicated people. I mean the power of our compassion. I mean the power of our ideas.

More powerful than any army is an idea whose time has come.

The idea of our time is that of our own American Revolution: That men ought to have the right to govern themselves . . . that men should be able to make their own choices, to chart their own lives.

This is the real revolution in the world. It has little to do with Karl Marx or with the racial supremacists or with the people who march in jackboots.

This is the revolution of human freedom.

And, if you put your ear to the ground, you can hear the tramping feet of that revolution from a million villages around this earth. People are on the march. They will not be denied.

Nor shall they be.

Whether oppression exists in an Asian rice field, where a man's home is burned, his crop stolen, his son kidnaped; whether it exists in a comfortable, well-lighted motel along an American highway where a Negro father, his wife and children are turned away from lodging . . . we cannot turn our eyes.

Our monuments need not be, after all, a thousand lost golf balls.

Our monuments can be a nation and a world where there will be no knocks at the door at night . . . where there will be no armies of occupation . . . where there will be no breadlines, no political prisons, no swastikas and slogans of hate . . . where no man's skin, or last name, or religion will be a mark against him.

Our monuments can be a nation and world where each young man knows that, so long as he respects the rights of others, the future lies open ahead . . . that he may go where he wishes . . . say what he pleases . . . that he may be himself . . . that he may make his place in life, without any taps on the shoulder.

These are the tasks for American power.

These are the tasks to be undertaken, not with arrogance but with humility and determination.

Today you begin your service in the most powerful military establishment yet known to man.

But as you serve, know the cause you uphold. Know the responsibility you carry. Know the precious idea that depends on you for its protection—the idea that man was intended to be free.

DISPOSITION OF PATENT RIGHTS

Mr. HART. Mr. President, on May 26 Senator Long critically appraised S. 1809, a bill now before the Judiciary Committee which would govern the disposition of patent rights in inventions made with Government funds. The remarks he made on that occasion point to a very serious problem indeed and it is no secret that I share the concern of Senator Long over the ramifications of S. 1809. As members of the Patents Subcommittee both the distinguished Senator from North Dakota [Mr. Burdick] and myself went on record against this measure, and have filed a minority report. Our concern is such that Senator Burdick and myself have introduced S. 2715 which would give title to the Government of all patents developed with Government research money. Our bill would allow exceptions under carefully enumerated circumstances and under the scrutiny of a review board so as to maintain a uniform Government patent policy.

Certainly it makes little sense to me to contract away, before the research is undertaken and the ultimate results known, any invention made with Government funds. This is one of the defects I find with S. 1809.

Possibly more basic, I am particularly sensitive as chairman of the Antitrust and Monopoly Subcommittee, to any legislative measure or agency action which effectively could contribute to economic concentration and diminish the vigor of competition. I have listened now for 2 years to many experts who have explained to the Antitrust Subcommittee the details about growing industrial concentration in this country and its possible effects on our economic and political freedom. For the U.S. Government to support this trend through the kind of patent policy described by Senator Long to me makes little sense.

Attorney General Herbert Brownell recognized the risks inherent in such a policy a decade ago when he said:

> The disproportionate share of total industrial research and development in the largest firms may foreshadow a greater concentration of economic power in the future. * * * [A] present concentration of such manpower and progress means that in the future an increasing share of anticipated improved technologies and new production lines will be introduced by the industrial giants.

I believe we are in the midst of the greatest merger movement in the history of our country and the situation about which Attorney General Brownell warned is much closer to reality.

Significantly, it is this very area—the effect of S. 1809 on economic concentration—which I believe has not been sufficiently identified.

Government financial assistance which may have the effect of contributing to ever greater concentration of economic power could mean the decline of a competitive system which we have long held up to the world as a model.

It should be our policy to encourage competition—not inhibit it. A fair reading of S. 1809 suggests to me that it would tend to increase the dangerous tendency—now apparent in our economy—of freezing out all but a few giants from vital sectors of American industry.

It seems to me that much further exploration is needed of the competitive effects of this bill. Certainly no Senator wants unwittingly to encourage monopolization in American industry.

OUR DILEMMA IN ASIA—ADDRESS BY JOHN D. ROCKEFELLER 3D

Mr. FULBRIGHT. Mr. President, a few weeks ago Mr. John D. Rockefeller 3d delivered a speech to the Far East-America Council of Commerce and Industry in New York. His analysis of "Our Dilemma in Asia" is one of the best I have seen. I particularly call the attention of my colleagues to his comments about our "overpresence" in Asia, and his strong and persuasive argument for multinational channels for the administration of aid.

It is one of the finest statements I have seen on this subject.

I ask unanimous consent to insert this statement in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Our Dilemma in Asia

(By Mr. John D. Rockefeller 3d before the Far East-America Council at a luncheon meeting in the Waldorf-Astoria Hotel, May 17, 1966)

It is a pleasure to meet again with members and guests of the Far East-America Council. I am also glad to have this opportunity to talk with you about United States policies in Asia, and particularly about a dilemma which Americans and Asians together have only recently begun to recognize and cope with.

This dilemma, expressed simply, is that the overwhelming American involvement in Asia today, which is so necessary to Asian security and economic development, could in the long run become self-defeating. It is not that we have used our power arrogantly. It is rather that the relative weight of our involvement—compared with what Asians have so far been able to do by themselves—constitutes an American "overpresence" which often depresses Asian initiative, disrupts Asian traditions, and irritates Asian sensitivities.

We are expending billions of dollars annually—and the lives of our young men—in order to contain Communist expansionism and promote the growth of viable economies and free societies that can live at peace with each other and with the rest of the world. Yet, unless this sense of American "overpresence" is corrected by fresh Asian and American initiatives, it may engender so much misunderstanding and antagonism that it jeopardizes the high purposes which engaged us in Asia's problems in the first place.

We have assumed far-reaching responsibilities and risks in Asia because we were asked to and because there was no one else to do so. As William P. Bundy, our able Assistant Secretary of State for Far Eastern Affairs has pointed out, "today there cannot be an effective deterrent military force, and thus a balance of power around China's frontiers without major and direct military contributions by the United States." Similarly, the United States is so far the only nation both able and willing to provide the substantial share of Asia's needs in economic aid.

This necessity for heavy American participation is, I believe, widely understood in Asia. What is more difficult for Asians to understand and accept are some of the side effects of our participation. In South Vietnam, for example, the presence of so many Americans—while vital to the preservation of the country—has contributed to inflation, has had a corrosive social effect, and has aroused a good deal of resentment. In India, where American food and other assistance—including military aid—are welcomed, the proposed India-America Foundation was instantly attacked in Parliament and the press as a possible threat to the integrity of Indian education—or even a cover for the CIA. In Japan, whose economy prospers in trade with the United States, legislative debates and the press echo widespread fears that the country may be dragged into a major Asian war through its security ties to the United States.

The problem, in other words, is the overpowering impact of America on Asians. Our presence supports their self-preservation, but it bothers their self-respect. It is an imbalanced relationship of receiver and donor, of protege and protector. It is a lopsided relationship that breeds suspicion and resentment among ancient, proud and sensitive peoples, most of whom have just emerged from centuries of colonial rule and are struggling to establish their own national identities.

The answer to this dilemma lies, I believe, in policies—both Asian and American—which will help strengthen Asian initiative and responsibility, in national development efforts and in regional cooperation on common problems.

We must all understand that the expenditure of American lives and dollars cannot guarantee peace, stability and economic progress in Vietnam or anywhere else in Asia. The American military shield can hold the line while the Vietnamese and other free Asians evolve their own stable political institutions, and assume greater responsibility for their own security. Foreign aid from the United States and other capital-exporting countries is fuel, not the vehicle, for improving Asian societies. The fundamental creative tasks can only be performed by Asians themselves, mobilizing their own human and material resources to develop their economies and satisfy popular aspirations for a better life.

Furthermore, this growth process can be speeded by the pooling of scarce resources throughout Asia, the sharing of skills and experience, the practical division of labor among complementary economies, and the opening up of wider regional markets.

A regional approach to development offers the promise of more rapid and more efficient growth. It is also our best hope for redressing the imbalance and overdependency which now characterize American relations with most free Asian nations. There are, I believe, new approaches that both Americans and Asians can take to mobilize Asian resources more efficiently, to promote greater

Asian cooperation and solidarity and, in the long run, to create an effective Asian counterweight to the American "overpresence."

Let us look at the Asian side of the situation first.

There are encouraging signs of initiative and cooperation emerging in Asia which, if fully appreciated and intelligently supported, could begin to balance and improve our relations with our Asian friends.

On the political front, the treaty of normalization between Japan and the Republic of Korea is an extremely significant development. This treaty, which came into effect last December, after 14 years of difficult negotiations, established normal relations between Japan and its former colony for the first time in 55 years. It also provided for a 20-year program of $800 million public and private Japanese investment in modernizing Korea's agriculture, diversifying its industry, creating a modern transportation system, and expanding Korean exports. As a result of this political accommodation and economic cooperation, Korea will become a better customer for Japanese exports, a more important supplier to Japan, and correspondingly less dependent on American aid. Thus, 16 years of American "overpresence" in Korea are now being alleviated by closer Korean-Japanese cooperation.

I was in Seoul when the treaty negotiations were nearing completion, and I saw the hostile demonstrations when Japanese Foreign Minister Shiina arrived. The demonstrations, however, could not frustrate the statesmanship on both sides which successfully resolved a bitter, seemingly intractable problem. In contrast, when Japan's first ambassador arrived in Seoul to present his credentials, he was received with public as well as official respect.

Perhaps the Japan-Korea achievement will suggest to other nations in Asia and elsewhere that they have far more to gain in the long run by resolving than by perpetuating their disputes. I earnestly hope that similar creative statesmanship will eventually lead to the peaceful resolution of other conflicts, such as that between India and Pakistan.

We can also take encouragement from some recent events in Southeast Asia. Malaysia and the Philippines are moving rapidly toward the restoration of normal relations. These two countries, together with Thailand, have recently revitalized the cultural and educational Association of Southeast Asia—whose initials ASA stand for "hope" in the Thai and Malay languages. At a working-party session in Bangkok two and a half weeks ago, these three governments earmarked for "priority implementation" numerous cooperative projects in economic, technical and cultural fields. Indonesia, a fourth important nation in that area, has taken several cautious steps this last month toward more normal relations with its near neighbors.

In the economic field, the emerging pattern of Asian cooperation is even more pronounced.

The establishment of the Asian Development Bank, in my judgment, may well be a historic step comparable to the founding of the Organization for European Economic Cooperation in the Marshall Plan era. The Bank is the product of Asian initiative—not a response to an American proposal. It was conceived and developed by Asian leadership through the United Nations Commission for Asia and the Far East (ECAFE). In fact, the United States withheld support until it became clear that the Asians were going to establish the Bank by themselves.

The Bank is a genuine Asian institution—supported by a majority of Asian caiptal; directed and staffed primarily by Asians; and structured to encourage the adoption of regional, rather than purely national, priorities in the planning, scheduling and financing of development activities.

For the first time in history, all interested Asian governments have their own mechanism, with substantial pooled capital of $1 billion, to attack their common economic problems. The Bank's charter is flexible. It allows for the creation of various forms and levels of consultative and planning bodies, including someday perhaps a high-level coordination group to evaluate country requests for external funds and to determine in which countries and which sectors foreign public investment can be most efficiently used.

Such a regional approach could, for example, further the coherent development of national and regional transportation and communications systems, which would be a major contribution to the economic development of the entire area.

The establishment of the Bank has also stimulated a fresh momentum toward other forms of Asian consultation and cooperation. A succession of Asian conferences has been going on since last December. First there was the education ministers meeting in Manila, then the Ministerial Conference for Economic Development of Southeast Asia in Tokyo in April. This was followed by the Asian and Pacific regional conference in Bangkok, which in turn has prepared the way for a 10-nation ministerial economic conference in Seoul next month.

The Tokyo meeting was the first significant non-European economic conference, since World War II, where the United States was not a participant, and where the main objective of the participants was not to obtain more American aid. In fact, one of the principal objectives of the participants was to obtain more Japanese aid. The Tokyo meeting was also significant because all the Southeast Asian countries except Burma responded to Japan's economic initiative.

The Japanese Government announced to the Conference that it would raise the level of its aid to the developing countries to one percent of its national income—to some $870 million a year, or a three-fold increase—and that a significant portion of this aid would be channeled to Southeast Asia. A Japanese 3-year credit of $20 million a year has already been proposed for Thailand, and a $6–7 million credit for Cambodia.

The Conference agreed that there are considerable areas in economic development where cooperation among Southeast Asian countries is possible, and these opportunities will be examined in greater detail when the ministers reconvene in Manila next year. The importance of agriculture was emphasized, especially the urgent need to increase food production, and steps were taken toward a conference on agricultural development. Special attention was given to the promotion of fisheries, and it was proposed that with the cooperation of Japan a marine fisheries and development center should be established in Southeast Asia.

Attention was also given to the role of private enterprise in promoting industrialization, and the need therefore to improve the investment climate in Southeast Asian countries. In this connection, the ministers also agreed to study the establishment of a Southeast Asian economic promotion and development center.

I do not mean to exaggerate the progress that has been attained in the settlement of old political disputes and the development of new forms of cooperation among Asian nations. I do want to point out that the attitudes for greater Asian cohesion are emerging, and that the framework for more effective regional cooperation is gradually being erected. Asians are demonstrating their readiness to assume greater joint responsibility for Asian development.

Continuing progress in this direction depends fundamentally on strengthened Asian initiative and cooperation. But it will also be affected by what the United States does or does not do, in coming months and years, to recognize and encourage these developments.

The principal challenge and opportunity facing the United States, in my judgment, is to adapt our policies and our aid strategy more closely to the emerging pattern of Asian cooperation. This means redirecting and managing our aid in ways that will encourage—not inhibit—greater Asian initiative and self-help; that will accelerate—not impede—Asian moves toward regional cooperation. There are three ways I would like to suggest in which the United States can do this. We have already made some impressive starts but we need to do much more, much faster.

First, the United States should give top priority to development projects of the greatest regional utility. We should use our aid selectively to promote the planning and carrying out of major projects that promise the greatest benefits to the peoples and nations of the area—and these will be mostly, although not exclusively, multinational projects. This means assigning first call in the disposition of American aid, and the most favorable terms, to those projects that can make the most significant contribution to overall regional development.

I am thinking, for example, of multipurpose projects of multinational value such as the Mekong Valley and Indus River developments, and a possible Ganges-Brahmaputra project—where the benefits of flood control, irrigation and electric power can provide a major, and perhaps decisive, stimulus to economic development of important regions.

I am thinking also of education, where scarce research and training resources could be pooled to create a few adequately staffed institutions of higher learning, postgraduate studies, and technical studies to serve specialists from all of Asia. The benefits, in terms of more efficient research, as well as more effective sharing of knowledge, can be substantial. An especially important need is for agricultural research, experimentation and training in the development and use of hardy seeds and strains suitable for various Asian soils and climates. The International Rice Research Institute in the Philippines is one example of the multinational benefits that can be achieved through this cross-fertilization of ideas and technology.

Long-term and far-reaching commitments such as these, which place a premium on regional utility, will encourage greater cooperation in planning and carrying out multinational development projects. Thus this approach can also lessen the side effects of the American presence.

Second, the United States should encourage and support much higher levels of mutual assistance among Asian countries. We should encourage a greater flow of capital, through grants, loans and credit, among Asian countries. We should also foster greater sharing of Asian technical skills and experience by proposing and helping to finance the local training and broader regional exchange of specialists in agriculture, industry, health, education, commerce and civil administration.

The Asian Development Bank is now 65 percent Asian-financed. Japan plans to triple its annual foreign aid outlay. Asian nations are contributing to regional development consortia and to their own Point Four programs, in Asia and elsewhere in the developing world, and should be encouraged to do more.

There are also many forms of technical assistance that Asian countries can exchange with each other to better effect than Western technical assistance. Some of these are Asian-developed technologies in labor-intensive agriculture, in fisheries, construction and other fields. Others are Asian adaptations of Western technology, such as the tractor for wet rice farming that is being developed in Thailand, and will be more suitable for Southeast Asian rice culture than any Western or even Japanese tractor. This technological sharing among Asians should be broadened, partly because Asian peoples have more in common with each other in environmental conditions and cultural experience than they do with the West, and partly because Asians are best-equipped to determine how to take adavantage of available Western technologies, and how to adapt these technologies to special Asian conditions.

Third, the United States should adopt a declared national policy of phasing economic aid to Asia into multilateral channels as rapidly as possible. We should reverse our present emphasis on bilateral aid, with the objective of achieving the highest possible proportion of multilateralism in our foreign aid mix, at the same time recognizing there will always be sound reasons for significant bilateral projects.

The United States has shown increasing willingness, in recent years, to work through multilateral institutions such as the UN Development Program, the Pakistan and and India consortia, the Mekong project, and the Asian Development Bank. But we need to accelerate this process by making full use of the administrative machinery and the Special Funds provision of the Asian Development Bank, encouraging Asian planners to set priorities, to establish standards of performance, and to accept joint responsibility for administering and auditing the projects.

A primarily multilateral aid emphasis—which has been advocated by Eugene Black, Senator Fulbright, George Woods and others—is the best, and perhaps the only satisfactory, way to implement the regional-utility approach to Asian development and to raise the level of mutual assistance among Asian countries. These are basically multinational activities, and they require multilateral machinery.

This three-point aid strategy offers a way out of our dilemma. By pursuing it we will, I am convinced, be taking an important step in redressing the imbalance which is the cause of the American "overpresence" in Asia today.

This strategy can insure that Asian leaders and experts will have a greater voice and larger stake in managing regional development for common benefit.

Further, this strategy will facilitate Asian mobilization of Asian resources, and speed the modernization of the region.

Faster economic progress and closer political cooperation could, in turn, gradually alleviate the serious security problems in Asia. For the development of viable economies and stable and responsive political institutions, within an effective framework of regional cooperation, is in the long run the best insurance against Communist subversion and aggression.

Whether this rate of progress is actually achieved depends on the scale as well as the efficiency of the effort. As President Perkins of Cornell pointed out, in a recent article on "Challenge and Response in Foreign Aid:"

"A cardinal principle of statecraft holds that a nation's response to a problem should be on the same scale as the problem itself."

Both Americans and Asians need to think and act on a scale that is commensurate with Asia's problems and needs. Unless the Asians do, our aid efforts will be relatively ineffective. Unless we do, the Asians will lack the tools to maximize their efforts.

This kind of all-out approach would have unlimited possibilities for Asia. It might well require higher levels of American aid in the future. And it certainly would require greater Asian initiative and self-help now.

If both Asians and Americans accept this challenge, it is possible that most of Asia, with its great human and material resources, could be standing on its own feet in another generation, or by the end of this century. Our aim is not to dominate Asian development patterns, or to make Asia dependent upon us. Our aim is to help nourish Asian growth and freedom, and to encourage our Asian friends to take charge of their own destiny, in equal partnership with the rest of the world.

"MEET THE PRESS" WITH SENATOR FRANK CHURCH

Mr. McGOVERN. Mr. President, last month our colleague, Senator Frank Church, completed a study mission to Europe on behalf of the Senate Foreign Relations Committee. During his trip, Senator Church interviewed government leaders, members of opposition parties, scholars, journalists, and other political leaders in Brussels, Paris, London, Bonn, Berlin, and the Eighteen Nation Disarmament Conference at Geneva. On his return, the Senator was a guest on NBC's "Meet the Press." I ask unanimous consent that the text of his interview be printed at this point in the Record.

There being no objection, the text of the interview was ordered to be printed in the Record, as follows:

Meet the Press

Produced by Lawrence E. Spivak.

Guest: Senator Frank Church, Democrat, of Idaho.

Panel: Joseph C. Harsch, NBC News; Joseph Kraft, Publishers Newspaper Syndicate; Peter Lisagor, Chicago Daily News; Carl T. Rowan, Washington Evening Star.

Moderator: Lawrence E. Spivak.

Mr. Spivak. Our guest today on Meet the Press is Senator Frank Church of Idaho, a leading critic of the Administration's foreign policy. He has just completed a two-week fact-finding tour of Europe for the Foreign Relations Committee. While there he conferred with President de Gaulle, Prime Minister Wilson, Chancellor Erhard and other top leaders. We will have the first question now from Joseph Harsch of NBC News.

Mr. Harsch. Senator, what did you learn on this trip of two weeks that you wouldn't have learned if you had stayed in Washington? What do you bring back that is new?

Senator Church. Mr. Harsch, I think I bring back, on the basis of a great many face-to-face encounters, frank conversations with European leaders in the countries that I visited, both in and out of the government, an up-to-date impression of what leading Europeans are thinking about European questions which are of great moment to us here in the United States.

Mr. Harsch. Is the North Atlantic Alliance falling apart faster or more slowly than the Communist Alliance?

Senator Church. I should think there is no cause for despair about what is happening to the Western Alliance. I think, however, there is cause for grave concern and that the necessities for statesmanship in dealing with this problem are very great.

Mr. Harsch. What about the other side of the Iron Curtain now? What did you learn about that?

Senator Church. Of course, what I learned about the other side is what Western Europeans are thinking, and they are closer to Eastern Europe, of course, than we are. There is a general feeling that a process of unraveling is beginning to take place in Eastern Europe, which is hopeful, that many of these countries in Eastern Europe are working themselves out from under the Russian grip and that some countries—Rumania, for instance—have been quite outspoken in asserting their independent prerogative, and all of this is looked upon as good signs for a wider measure of détente between the West and the East.

Mr. Harsch. Have you recommendations for changes in American policy as a result of your trip?

Senator Church. Yes, I will have recommendations to make to the President and to Chairman Fulbright of the Foreign Relations Committee.

Mr. Harsch. What?

Senator Church. I can only speak generally now because I haven't as yet submitted those recommendations, but in a general way I think that we should react to the present crisis in NATO with restraint, that we should hold our ground where the 14 are concerned, that we should engage in no political guerrilla warfare against de Gaulle—I think we should reserve that for our enemies—and, generally, we should recognize that the postwar era is over in Europe and now is the time to use the Western Alliance as a basis for reaching eastward in an attempt to normalize relationships East and West and to improve the prospects for peace in Europe. I think that such an approach would be welcomed in Western Europe where there is a feeling that conditions have changed greatly since the NATO Alliance was first formed.

Mr. Lisagor. Senator Church, the implication of your trip is that President Johnson is badly advised on Europe, that perhaps the Administration has been neglecting European problems and that the Senate Foreign Relations Committee through you now has been sent out to rescue that policy.

What is wrong with that statement?

Senator Church. I think you read too much into the implications, Mr. Lisagor. I did not go to Europe as a critic or as an advocate of American policy. I went there to learn what I could about contemporary European attitudes because any partnership, if it is to last, must give due regard to the opinions of the partners, and since the Senate does have a role under the Constitution to play of advise and consent in the matter of foreign policy, and since the Foreign Relations Committee has responsibilities in this field, the Chairman, Senator Fulbright, felt that this kind of direct encounter would be useful now.

With respect to the second part of your question, I think that the President has naturally been preoccupied on many fronts, very serious fronts, and NATO has been moving along without serious crisis until, of course, de Gaulle made his announcement calling for the withdrawal of NATO bases from France, so this has brought our focus back again to Europe which is immensely important, has always been of central importance to American foreign policy.

Mr. Lisagor. Did you find, as you suggested, I think, in one of your answers to Mr. Harsch, that there was sympathy for de Gaulle's position in Western Europe?

Senator Church. Let me say that there is considerable sympathy for some parts of what I would call de Gaulle's position. That is to say there is a general feeling in Europe that the post war era is over, that Europe has recovered, that the situation has changed since NATO was first formed, that the danger of war has diminished for a number of reasons, and there is no expectation either that Western armies will march through the Iron Curtain to liberate Eastern Europe or that Russian armies will soon be marching on the streets of Paris—and that some changes in NATO therefore are necessary and wise.

I think further there is general agreement in Europe, outside of France, that, again for a variety of reasons, there are possibilities for securing some progress toward a rapproachement between the West and the East and that this is such important work we ought now to be getting on with it. Up to here there is some agreement with de Gaulle. Beyond this there is considerable disagreement as to the methods that de Gaulle has chosen.

Mr. Lisagor. Senator, did you find that in order to achieve rapproachement with Eastern Europe that the Western European leaders feel that the old dream of unity is now an empty one and that the best you can hope for is cooperation rather than integration in Western Europe?

Senator Church. No, I don't think that the old dream of further progress toward unity is dead at all, but I think it takes a somewhat different form than we Americans tend to think. We think naturally in terms of our own national experience, which has been building a federal union under one executive power. There doesn't seem to be much expectation in Europe that union will move along in the American model. Nevertheless, there is a continuing belief in the Common Market. There are expectations that the Common Market may be extended and that upon this economic base, a growing measure of union, European variety, can emerge and should emerge in the future. This hope has not been abandoned, I am very happy to say.

Mr. Kraft. Senator Church, as I understand it, the background of your trip was to discover whether or not it would be appropriate for the committee to have hearings about the NATO crisis. Have you come to a conclusion on that score? Are you going to have hearings?

Senator Church. I anticipate there will be hearings. I certainly think there ought to be, and I will, of course, discuss this question with Chairman Fulbright and other members of the committee.

Europe is, after all, the fulcrum upon which the balance of power in the world does balance. It is of immense importance to us and the ferment now within the NATO Alliance, the growing opportunities that seem to be emerging beyond the Iron Curtain to further stability and peace are matters of such enromous moment to this country that

I think that hearings into the entire European picture are entirely appropriate and very timely.

Mr. Kraft. Is it your feeling these should be public hearings or closed hearings?

Senator Church. Oh, yes, I believe in public hearings. I think that without question the Foreign Relations Committee has come back again to function in its constitutional role by virtue of public hearings. Hearings behind closed doors aren't adequate, and the American people are entitled to a full disclosure within the limits of security on these.

Mr. Kraft. Have you had any indication from the State Department, Senator, as to whether or not they feel it would be appropriate at this time of negotiations to have public hearings? For example, is Secretary Rusk prepared to appear before the committee?

Senator Church. I have no indication as yet. It would have been premature for me to have made inquiries of that kind. Certainly they are the kind of inquiries that the Chairman would properly make in any case, but I can say this, that in connection with my trip the State Department was very cooperative. I had the full assistance of American embassies in helping to arrange my itinerary, and I have certainly no complaint whatever to make on that score. Apparently the State Department wanted to assist me in every way possible and did not feel that the trip in any way conflicted with the interests of American foreign policy at this time.

Mr. Rowan. Senator, I would like to ask a broader question about what you found out about European attitudes. I think confidence in the leader is a big question in terms of strength of any alliance. Did you find Europeans expressing a lot of confidence in the foreign policy leadership of the Johnson Administration or were they expressing worries?

Senator Church. Mr. Rowan, I suppose I can best answer that question this way, that whenever I conducted one of these interviews and asked many questions, at the end I often said, "Now, I have asked all the questions, and you have been good enough to supply the answers. If you have some question you would like to ask me, please feel free," and invariably the question that was then asked, whether in France or in England or in Germany or in Switzerland or in Belgium was, "What about Vietnam?"

There is no doubt a very large concern in Europe about Vietnam and, I think, misgivings in Europe that possibly the war in Asia could expand in such a way as somehow to involve Europe, and, of course, Europeans are very much opposed to their involvement. They feel that their colonial experience is over, and some of them tend to view Vietnam as a kind of neo-colonial war.

Mr. Rowan. Did you find more or less misgivings on the part of Europeans than exist in the Fulbright wing of the Foreign Relations Committee?

Senator Church. I think that Europeans tend to be, as all people, centered upon their own interests. They put a different slant upon their criticism or concern about American policy in Southeast Asia—a European slant, which is to be expected.

Mr. Rowan. Let me ask it another way: The Chairman of your Committee, Senator Fulbright, has considerable influence in Europe, particularly among intellectuals. Have his assaults on Administration policy increased the misgivings in Europe and on the part of European leaders?

Senator Church. No, I don't—I think that Senator Fulbright does have great stature in Europe, as he does in many other places in the world, and certainly the hearings have focused some attention upon the continuing role that Senator Fulbright plays. But mainly Europe is concerned that we have not found a way to solve this problem in Southeast Asia. They are concerned that the picture seems to worsen from year to year, and this, of course, raises questions about American capacities to deal with problems of this kind.

Then there is the gnawing, underlying fear that possibly this problem could grow larger and somehow involve Europe, and Europe, of course, wants no part of it.

Mr. Spivak. May I ask you a question, Senator? From what you learned on your trip, do you expect that the Foreign Relations Committee is going to challenge President Johnson's policy on Europe, as it has challenged it on Vietnam and on Communist China?

Senator Church. I don't think there is any pre-disposition—certainly I have none, and I don't know of any in the committee—to approach the hearings on Europe with the expectation that we, as a committee, shall challenge the Administration's policy.

I do think that these hearings will be very helpful in bringing into focus the best and most authoritative American opinion that we can on the present European problem, and I hope they will lead to some constructive suggestions for the Administration.

Mr. Spivak. But, Senator, you went on a fact-finding tour. Do the facts challenge the Administration's policy on Europe? Are you going to use the facts you learned to challenge the Administration?

Senator Church. I certainly am going to present these facts fully, and to the extent that they lead to the conclusion that there ought to be changes in American foreign policy, then I would hope that they would help to bring those changes about.

Mr. Harsch. Senator, you referred in an answer to an earlier question to the European attitude towards progress towards European unity. You said that they don't like the American concept of a tight federation. What is the European concept? In what way does it differ from the one we have had of the future of Europe?

Senator Church. Europe begins at a different place than we did. We began as an infant country with a continent to conquer and to fill. They began as an ancient civilization with well advanced national states and long standing national traditions and loyalties, in addition to differences in language and old enmities and things of this kind. So their problem is a very different one.

The best European thinkers that I had a chance to talk to, men like Jacques Freymond of the International Institute in Geneva, Uwe Kitzinger at Oxford, Professor Lowenthal in Berlin and others, these men believe that European unity will grow horizontally rather than vertically, that there will be no single executive authority; a president of Western Europe, for example, comparable to the President of the United States. Rather, that the countries of Europe will enter into pragmatic agreements like the Common Market, which is directed toward the solution of a definite problem that faces Europe—about which, incidentally, I learned a great deal more as a result of this trip—that these arrangements will cross national boundaries and will occasion a certain sloughing away of some of the prerogatives of national sovereignty, but that this will be the method of the growth and that we Americans who tend to think in terms of our own national experience need to modify our ideas with respect to the likelihood of further progress toward cohesion in Europe taking a different form.

Mr. Harsch. You are saying, aren't you, that de Gaulle is going to have his way, that the trend is moving toward a Europe *des patries* instead of a single state?

Senator Church. If I seemed to say that, I didn't mean to say it.

I think the day that a 19th Century Europe is going to be restored again is simply dead. The Common Market itself has taken Europe too far along the road toward communal action to permit the resurrection of 19th Century Europe.

If this is indeed what President de Gaulle has in mind—and there is much argument about that—I think that time has passed that by.

Mr. Lisagor. Senator Church, in your talks with President de Gaulle, did you find that he might be responsive to talks with President Johnson?

Senator Church. I have no reason to think, based on my talks with President de Gaulle and other French leaders, that they would be adverse to this. I think in fact it would be dangerous if the gulf were to deepen between our two countries and that communication would be lost. This would be a very dangerous thing that both governments ought to try and avoid.

Mr. Lisagor. In short, you would recommend or think it might be useful for President Johnson and President de Gaulle to have a head-to-head meeting?

Senator Church. Oh, I think it would be very useful. I think these are the two great political figures of the Western world. Certainly go-betweens ought not to interfere with the understanding that might emerge between these two men that would result from face to face meeting.

Mr. Lisagor. From your own experience, do you think they would understand each other?

Senator Church. Yes, I think they would.

Mr. Lisagor. May I ask you one question about your concern that you found in Europe for Vietnam? Did you also find a concern there for what has been described as a fatal arrogance of power on the part of the Johnson Administration?

Senator Church. I think I have expressed the nature of the concern. I have nothing more to add to that.

Mr. Lisagor. I wanted to be specific because Senator Fulbright made that charge, as you know, and he is your mentor, I assume, in this European visit?

Senator Church. He is my friend and my Chairman.

Mr. Kraft. Senator Church, in response to a previous question you referred to an unravelling process that was taking place in Eastern Europe. This is an unravelling process that was set in motion by the cohesion of Western Europe and the United States, the NATO Alliance and the Common Market. Why shouldn't we stick to the process that we—the policies we have followed in the past rather than develop new ones? Haven't they served us very well?

Senator Church. Many times I raised this very question, and oftentimes there is agreement on that proposition, because, as you know, there is strong resistance to the methods that de Gaulle has chosen in other parts of Western Europe.

On the other hand, I think it is only fair to say that the counter argument to the one you have presented is that if the process of détente is to be advanced, a certain loosening must occur in both armed camps, that the loosening which is occurring in Eastern Europe ought to be met by a comparable loosening in Western Europe and that an alliance does not speak with one voice any more than a Congress can speak with one voice, and therefore its opportunity to negotiate further agreements is always reduced to the lowest common denominator and that, therefore, if this occasion is to be exploited, nations must act. I think the French feel—at least the de Gaullists feel—that the opportunity is now right for France to assume the leadership in pushing forward détente with Eastern Europe.

Mr. Kraft. Isn't it true, Senator, that only the United States and the Soviet Union can negotiate a détente and that the Soviet Union really isn't interested in doing it now, as witnessed, for example, by the fact that you didn't go there?

Senator Church. That is not the reason I didn't go there, Mr. Kraft. I didn't go there because Mr. Kosygin went to Cairo and Mr. Gromyko went to Belgrade. The Government left town, and I didn't see any reason to go there if I couldn't meet with people of this stature.

However, I don't know whether the Russians are interested. No one in Western Europe can be sure. Clearly a general European settlement must depend upon agreement between the United States and the Soviet Union. I think everybody realizes that, including President de Gaulle. He may hope to make France a kind of catalyst in the process.

Mr. Spivak. Gentlemen, we have less than three minutes.

Mr. Rowan. Senator, you said earlier that you see no reason to despair. I recall that last July you made a speech in which you said that "unless we try to mend the widening cracks in the Alliance, we might find ourselves with no common shelters at all."

Didn't you find the cracks still widening? Do you see any effort to mend these cracks, really?

Senator Church. What I see is both a challenge and an opportunity. The challenge is plain. The opportunity is to cement the principle of an integrated Alliance with the other 14, but also to recognize the feeling that the Alliance must change to reflect the changing underlying situation. If we must move the headquarters, then let us streamline those headquarters. If we are going to take into account the growing feeling on the European part that they have or are entitled to a larger participation in the Alliance, let us think in terms of a European Commander for SHAPE and a larger measure of European participation. And I think if we do these things, leaving the door open for France, then there is no reason for despair.

Mr. Rowan. You don't see a really strong body of European opinion which says NATO is both obsolete and a barrier to accommodations with the Soviet Union, which they want.

Senator Church. I think steps of the kind that I have indicated would help to ameliorate that feeling. There is no doubt a great deal of sentiment in this direction. This is the reason that de Gaulle does have appeal outside of France in many quarters. We must take that into account in dealing with the present crisis.

Mr. Rowan. Did you find a great many Europeans who feel that they can get as much protection out of the United States as a neutral as they could if they were allies in NATO?

Senator Church. No, but I did feel that many Europeans have the view that it is American nuclear power, not General Lemnitzer and the SHAPE Headquarters in Paris, that really is the shield that protects Western Europe.

Mr. Spivak. Senator a very quick answer to this: Did any of the leaders you talked with in Europe want Germany to have a finger on the nuclear trigger.

Senator Church. No. Not even the Germans.

Mr. Spivak. I am afraid on that note we must call an end to this. I am sorry to interrupt, Senator, but our time is up. Thank you, Senator Church, for being with us today on Meet the Press.

RESPECT FOR LAW AND ORDER

Mr. EASTLAND. Mr. President, no nation, no government and no civilization can long exist when respect for law and order disappears.

This Nation of ours, long proud of our traditional respect for justice and rational behavior, now is exhibiting many of the outward signs of lawlessness which, if left unchallenged, will certainly destroy us.

There was a time, not many years ago, when the professional status of a police officer was something a man could be proud of. While the pay was not always the highest, these men could take comfort from the knowledge that they were protecting their fellow citizens and contributing to welfare of their community, State and country. Children were taught that the officer on the neighborhood patrol was their friend and a man to trust and place confidence in.

The freedom of speech so dear to the hearts of Americans meant that a man could express his opinions and ideas without fear, but he could not incite others to riot.

He could not threaten violence against his fellow man, or against his community. These acts were recognized as attacks on society and an encroachment on the rights and freedom of his fellow citizens. But today, gentlemen, the signs of change are splashed across the headlines of the newspapers.

In New York there is a growing fear that the police force itself will be destroyed. This morning, the newspapers carried the fact that hundreds of New York policemen, once called the finest with pride by New Yorkers, are resigning. These officers handing in their resignations at a record level, more than 250 this month alone, indicate a serious problem. If the veterans of law enforcement are quitting, is not the door being opened for the lawless to destroy our Nation?

The reasons for the sudden weakening of our public safety establishments are many.

In the past year roving mobs have wantonly flaunted the law, the press has ridiculed law enforcement, and the courts have added heavier and more unrealistic burdens to the shoulders of these men.

A policeman now can expect to be spit on by mobs, harassed and thwarted at every turn and subjected to insult and privations which we can only term "civil brutality" toward them.

In Mississippi, mobs of agitators, flocking from across the Nation like birds of prey, taunt police by threatening to "burn the courthouses," or to "tear this town apart."

In the face of such blatant threats to life and property by these darlings of the National Council of Churches which a few years ago would have landed a man in jail, Mississippi law enforcement officers have been forced to humble themselves.

Out of fear that even greater threats, or that larger mobs would invade Mississippi, these officers have suffered in silence. My heart goes out to them.

They insult policemen in Belzoni, Miss., today and they seek to incite acts of violence to garner new fuels for their publicity machines with their march, but as their wanton power grows, it will spread to other cities.

We have had long hot summers and these have lengthened into long hot years.

When they tire of threatening to burn our towns, they may, in fact, begin to actually put them to the torch and where will our law enforcement officers be? I fear we may be setting our lifeboats adrift empty without thought about the rising water in the bottom of our national ship.

ECONOMIC DEVELOPMENT ASSISTANCE TO THE LIMESTONE INDUSTRY

Mr. HARTKE. Mr. President, during the last three decades, south-central Indiana has suffered from severe economic decline and unemployment: in 1965, the percentage rate of insured unemployed drawing benefits in Bedford, the county seat of Lawrence County, was 5.7 percent, while that for the entire State of Indiana was but 1.1 percent.

The decline of the area's dimension limestone industry explains this high unemployment rate. Limestone production has dominated the economy of south-central Indiana since the end of the last century. Lawrence County is still known as the "Limestone Capital of the World." But the unemployment statistics testify that since the end of World War II, the industry has failed to keep pace with the expanding labor force.

Following World War II, manufacturers of new, lighter-weight building materials launched million-dollar market development campaigns which the small limestone companies could not match. Production declined, and research and market development efforts slowed. As a result, limestone lost its former competitive position in the building materials field.

In June of 1965, the Economic Development Administration's predecessor, the Area Redevelopment Administration, published an economic analysis of the south-central Indiana area, underscoring the connection between high unemployment rates and the decline of the dimension limestone industry. The ARA analysis recommended developing the dimension limestone industry as the most efficient way to cut unemployment and to generate income in the area.

But experts are agreed that a major effort will be needed to return limestone production to its former levels. The limestone companies themselves are small and limited in financial strength and cannot put forth this effort unaided. There are no development grants available to public or private organizations within the State of Indiana. Acting through the Indiana Limestone Institute of America, the companies concerned have applied for a technical assistance grant of $249,700 from the Economic Development Administration under title III of the Public Works and Economic Development Act of 1965, in order to carry out a 3-year industry development program.

The program is designed to develop the limestone market by establishing a new limestone image compatible with contemporary architectural design. Product research funds will go toward developing new designs, such as prefabricated concrete panels faced with limestone, which can be used in contemporary structures. The program's goal is to double production by the end of the 3-year period.

Since limestone production is not a highly automated process, the major result of the development program will be to increase the number of permanent full-time workers employed by the industry. More than 2,000 workers are at present employed full time by the limestone companies; another 2,000 could be added to the payrolls if production is doubled. This increase in the number employed will virtually eliminate unemployment in the two counties in which quarries are located and substantially reduce it in nine others. The institute plans to begin technical training programs for stonecutters and other quarry workers: this means that the unskilled workers who form 35 percent of the area's "hard core" unemployed can be trained and removed from the ranks of the unemployed.

Finally, a reinvigorated south central Indiana can serve as an example to similar small depressed communities throughout the Nation—communities which have difficulty, because of poor roads, inadequate water supplies, and the like, in attracting new industry, but in which industries capable of expansion are already located.

At a meeting on June 7 between EDA spokesmen and local industry representatives D. R. Bliss and Robert Ingalls, Jr., I was assured of the application's being processed as quickly as possible. Economic Development Administration staff members, Sid Jeffers and Carl Oesterle have assured me that the agency is very interested in approving this application.

The parallel between the declining limestone industry and the coal industry at its decline several years ago is instructive. Literally millions of dollars in Federal assistance could have been saved had the Federal Government offered aid to the coal industry before its decline had become irreversible. The limestone industry is at such a point at present: if aid is forthcoming, the industry can be given a new lease on life; if not, in the future the Federal Government may find itself paying the price of nonaction.

THE BRUSH AND PALETTE AS A HOBBY

Mr. TOWER. Mr. President, art is important in our American way of life and I am delighted to know that a large number of our citizens find relaxation, express themselves, and delight others by engaging in painting.

In my office there is impressive evidence that such an outlet and diversion can be mutually rewarding.

I am privileged to have on the walls of my reception room an exhibit encompassing the excellent works of 15 Texas housewives from all walks of life who have taken up the brush and palette as a hobby. Through the encouragement and assistance given them by Famous Artists Schools of Westport, Conn., these women are enjoying both material and spiritual reward. This group of housewife-artist residents of Texas has depicted striking scenes from their environment or travels, translated reactions to still life settings, and personified individuals through their talents at the easel. Much of their inspiration and guidance came from Fletcher Martin, himself an internationally respected artist and a faculty member of the Famous Artists Schools. I invite all of my colleagues and members of their staffs to visit the Tower suite—142—in the Old Senate Office Building and view these lovely and exquisite works. For the information of the Senate, I ask unanimous consent to have appended to these remarks a list of the paintings and of the talented women whose works I am proud to display.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Mrs. Marilyn Beeman, 1617 N. Sam Houston, Odessa, "Train up a Child in the Way He Should Go".

Miss Dorothy Sue Bacy, 2725 Windsor Avenue, Waco, "Clown".

Mrs. Mary Joe Darrough, 7807 Devonshire, Dallas, "Texas Boumty".

Mrs. Norma J. Erzinger, 1618 Shields Drive, Sherman, "Portrait: Submission".

Mrs. Jewell Ford, Box 284, New London, "Caddo Indian Pottery".

Mrs. Martha Gunn, 2600 Teckla Street, Amarillo, "Gathering Storm".

Mrs. Rita McWhorter, Box 603, Eldorado, "Spring Brags in Texas".

Mrs. Madeleine Milner, 101 E. Lullwood, San Antonio, "Fort Sam Houston".

Miss Marion W. Russell, 412 S. Alberta, Pecos, "Peppers".

Mrs. Mary Southern, 4221 Ferndale, Port Arthur,, "Portrait of a Man".

Mrs. Olive Stephens, 835 Madison, Kermit, "Portrait of a Boy".

Mrs. Louise Vaughan, Route 1, Box 44, Silverton, "Just Waiting".

Mrs. King Wright, 202 Pennsylvania, Graham, "Indian Grandmother".

Mrs. Joy G. Youngblood, 2231 Nebraska, Pecos, "Welding Shop".

Mrs. Lucille Yuen, 153 Bryn Mawr, San Antonio, "Landscape".

THE FARMER IS NOT TO BLAME FOR INFLATION

Mr. BENNETT. Mr. President, this administration, faced with a very severe case of inflation, has looked over the American economy seeking to find a scapegoat for the ever-increasing cost of food and particularly meat products. It is amazing and ironical that the President and the Secretary of Agriculture have chosen to lay the blame on the American farmer and the American livestock producer. This comes at a time when our farmers are still a long way from achieving parity in agricultural prices, and at a time when the farmer is being forced to pay the highest price ever for his finished products, especially farm equipment, which he must buy on the open market.

Let me list some recent statements and positions taken by the administration which infer that the farmer is the guilty party in raising food prices to an all-time high. On April 1, the Secretary of Agriculture noted in a speech that "He was pleased" that hog prices had fallen. Then at the President's direction the Secretary released wheat and feed corn stocks from Government storage to be sold at prices lower than the market price which in effect is depressing the income of wheat and corn growers. The Commerce Department then imposed export controls on cattle hides on the false pretense that the cattle industry was to blame for the increasing prices paid by American families for shoes. This, Mr. President, after the American cattle industry had very successfully improved its own position by increasing significantly the number of cattle hides sent abroad.

Then this administration dealt a serious blow to the American dairymen by permitting larger quotas of Cheddar cheese to come in from abroad at a time when the administration was dealing another setback to the dairy industry by attempting to cut back the school milk and school lunch programs.

What the administration does not admit is that a good share of the inflationary aspect of our economy is caused by wild and unwise spending projects by the Federal Government.

This attack on the agriculture segment of our economy was succinctly put into a letter by Utah's Sherman D. Harmer, executive secretary of the Utah Cattlemen's Association who has written:

> It appears from recent reports the American farmer, including the cattlemen of our country, are caught in a political squeeze play that leaves them with doubts as to just who it will hurt.

Mr. President, how right Mr. Harmer is. He has called for an explanation of the facts so that the American public can become aware of just who is to blame for the inflation which is sweeping the country.

Mr. Harmer continues:

> It should be made clear in any action or article that the Nation's farmers are not the ones deriving the benefit of any increase in food prices. The public has a most glorious reputation of reading into articles those things which they would like to believe, and the fact remains that they may take the same attitude President Johnson and Secretary Freeman have directed them to take, which is that "farm prices should be lower by Fall."

I should point out here that the administration's tactics in placing the blame on the American farmer are receiving considerable attention from our side of the aisle and I commend the leadership in the National Committee and in both the Senate and House for bringing this issue before the American public.

Mr. Harmer continues:

> Cattle prices should stand at an average of $26.90 per hundredweight to reach parity. The highest average attained in recent weeks was $24 per hundredweight. Producers are not receiving as much for their cattle now as they did 20 years ago.
>
> If cattlemen were under the same measure as the labor unions and could receive an annual increase of 3.2 per cent on their livestock, this would put them in a more secure position financially. The fact is they have relied on the theory of economics to get them through the tough spots and have taken a financial beating because they do not want government subsidies and the resulting chaotic situations of more government controls.
>
> The information that has come out of Washington regarding food costs and is being published in our daily papers is misleading, to say the least. The public is being lead to believe the farmer is responsible for what has been termed "inflationary food costs." Nothing could be further from the truth, as the farmer is probably the one most damaged by the inflationary trend.
>
> Parity is a mighty misunderstood term in the eyes of the public. They firmly believe it has all to do with subsidies, and the fault lies with an Administration which can talk of little else.

The farmer is indeed one of the most damaged by the inflationary trend, as Mr. Harmer points out. This year farmers will earn only 65 percent as much per capita as other Americans, yet must invest continually in expensive farm machinery and new techniques necessary for a modern efficient farm. The farmer must have a sufficient return to allow for research, testing and development and this amount will increase as the expanding population crowds out more farmlands and requires more produce to be raised on fewer acres.

TO DIE: FOR WHAT?

Mr. GRIFFIN. Mr. President, since 1868, Americans have paid tribute in Memorial Day observances to the valiant men who have lost sight of the meaning behind this observance.

One of the most thought-provoking comments that I have heard on the significance of Memorial Day was delivered this Memorial Day by Mr. Truman Walrod over WWTV, Cadillac-Traverse City, and WWUP-TV, Saulte Ste. Marie, Mich. Because I believe my colleagues will find food for thought in this commentary, I ask unanimous consent to have it presented in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

> Today marks the 99th Memorial Day in our Nation. This holiday began in 1868 as Decoration Day and was established by the Grand Army of the Republic to honor those Union soldiers who had died in the War Between the States. The day has since been re-named and enlarged to honor those veterans of all our country's wars . . . those who offered themselves as living sacrifices upon the altar of freedom.
>
> We may wonder about the significance of dying. Do we honor the dead only because they are dead? Is it a case of dying solely for the sake of dying? Is there more to Memorial Day than a morbid manifestation of necrophilia?
>
> Americans have fought in many wars . . . and died on many battlefields. They died, not in wars of conquest or aggression, but rather in struggles to establish and preserve an economic system, a foundation of government, under which all men can enjoy the freedoms who now may take for granted as a part of "the American way of life."
>
> Did the thousands of Americans who fell in battle want to die? Obviously, they did not! However, they felt so strongly that the ideas of freedom upon which the United States of America was founded were worth a sacrifice that they fought, and many died, so that we could enjoy this legacy of freedom they prized so much.
>
> Let us this day think of our country's fighting-forces and the men who continue to risk their lives that we may enjoy a holiday today. Did those men who died, and are dying, die in vain?
>
> The answer to that question lies within each of us today. Do we value the ideals for which our nation's veterans fought and died? Do we value our American heritage enough to fight and, if necessary, to die for these principles of freedom and democracy? If we do, no one killed in battle for our country has died, or is dying in vain.
>
> Conversely, if we don't really care, if we don't treasure our government by law, our free-enterprise system of republican democracy, our "certain unalienable rights," then each man who sacrificed his life for us, did offer himself as a senseless sacrifice.
>
> Those who lie beneath the sod in countless cemeteries around the world made their contribution. Our contribution is to resolve that we will not dissipate the legacy of law, the heritage of hallowed freedoms, willed to us by our nation's fighting forces from the first battle of the American Revolution to the jungle-fighters of Viet Nam today.
>
> The Book of Ecclesiastes in the Bible says: For everything there is a season . . . and a time for every matter under heaven . . . a time to be born and a time to die . . . a time to kill and a time to heal . . . a time to keep silent and a time to speak . . . a time for love and a time for hate . . . a time for war and a time for peace.
>
> Today, Memorial Day, 1966, is a good time to examine our spiritual and ethical "bankroll." Today is a good time to think not only of our fallen dead but to awaken an appreciation of the ideals for which they died.
>
> If we think about these heroes of battles past and believe in the United States of America which is built upon their ideals . . . a nation cemented together with the blood of Americans from the time of the American Revolution to the present . . . those who fell to the God of War did not die without reason. Their ideals, alive today, provide them with immortality.
>
> If we ignore their hopes and dreams, they did indeed die in vain. They all died in a futile fight as senseless sacrifices to our apathy.
>
> Whether our nation's fallen fighting men and women are truly dead or whether they live forever—that is our choice this Memorial Day, 1966.

FORT UNION TRADING POST, N. DAK.—NATIONAL HISTORIC SITE

Mr. BURDICK. Mr. President, yesterday the President signed into law H.R. 3957, which authorizes the acquisition of land near the former Fort Union Trading Post in western North Dakota. The Interior Department will now develop the former trading post as a national historic site to be included under the jurisdiction of the National Park Service.

The Williston Herald, which is the newspaper serving the Fort Union area, last week ran a series of five articles on the history and background of the Fort Union bill. I ask unanimous consent that they be printed at this point in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Old Fort Union Will Live Again One Century Later

(By Dan Halligan)

> Readers of The Williston Herald and other newspapers throughout the Upper Midwest will shortly be reading a wire service news story somewhat similar to the following three paragraphs:
>
> "President Lyndon Johnson today signed H.R. 3957 into law.
>
> "The presidential signature to the Fort Union restoration bill means the Department of Interior is now authorized to spend $613,000 for acquisition of land and for development of the historic site, once a major fur trading post, as a part of the National Park Service.
>
> "H.R. 3957 was introduced into the House of Representatives last year by Representative Rolland Redlin, Democrat, of North Dakota, where it was subsequently approved. On June 8, Senator Quentin Burdick, Democrat, of North Dakota, reported it was unanimously passed by the Senate."
>
> Although Fort Union had a lifespan of less than four decades, in those 40 years it established a niche in the history of America. That is the specific reason why today, 101 years after the complex was dismantled for building material for nearby Fort Buford, the presidential signature is so eagerly awaited.
>
> According to the Department of Interior, "As the primary trading post of the Western Department of the American Fur Company Fort Union will fill a long-felt need in the National Park System to commemorate and interpret the role of that company in the fur trade of the Trans-Mississippi West, its methods of operation, the part played by opposition companies, and the impact of the fur business on the Indians.

"It would complement the story of Bent's old Fort National Historic Site where the fur trade on the southern plains will be interpreted. The stories of the distinguished visitors to Fort Union, such as Maximilian, Prince of Wied; John Audubon, the naturalist; the artists, George Catlin and Charles Bodmer; and the roles each played in recording and interpreting conditions and Indian life on the Upper Missouri can also be told at Fort Union."

Not only was Fort Union the principal fur trading establishment on the Missouri River and in the Northern Plains region for almost 40 years, it was also a principal focal point for dealing with the Northern Plains Indians.

The nearly 400 acres of land, which the National Park Service plans to develop as its allocation will permit includes 10 acres owned by the State Historical Society of North Dakota. The balance, excepting Great Northern Railway right-of-way and the paralleling county road, are private property. These tracts, including lands in the bed of the Missouri, total about 380 acres. About 80 acres are in Montana with the balance being in North Dakota and in Williams County.

After the land purchase has been made, since today there are no physical remains of the installation, an archeological excavation of the site will probably be undertaken. Whatever is located, along with the extensive documentary and pictorial information already available, "would permit a very accurate reconstruction of the fort to be carried out."

Why restore Fort Union and not Fort Buford? Many sound reasons can be given, primarily that the State Historical Society owns small tracts including the remains of the fort, in the Fort Buford area.

More specific, however, is the attitude of the National Park Service that Fort Buford, while having a fairly long and interesting history (1866–1895), was but one of the great number of western military posts of the period with no special claim to national importance. So little of its physical layout has survived that it offers only a minimal opportunity for preservation and on-site interpretation of its role in the settlement of North Dakota and Montana. The department also says, "* * * the major national opportunity and obligation relates to the site of Fort Union."

Also within the general area are the sites of Mondak, Fort William and Fort Mortimer. Why not preserve these sites as national historic sites? The Department of Interior says "The site of Mondak, like that of many frontier settlements which had their brief moments of boisterous activity and then passed into oblivion, has no claim to commemoration.

"The sites of Fort William and Fort Mortimer are important only as episodes in the Fort Union story, and having probably been obliterated, offer no opportunity for on-site commemoration."

Fort Union it is then.

Building of Fort Union Caused by Fur Trade

(By Dan Halligan)

Furs and an ever-increasing European demand for them were the prime factors in the building of Fort Union.

Fort Union, from the day construction was begun until the day it was dismantled to be used for building materials at nearby Fort Buford, was a business enterprise. It was a community in itself and as self-sufficient as a frontier town of nearly 140 years ago could be.

Some 220 feet across front and rear, and 240 feet deep, this early-day settlement was enclosed by pickets of cottonwood up to 20 feet high. Construction of the fort, first named Fort Floyd, was probably begun in October 1829, about three miles from the confluence of the Missouri and Yellowstone Rivers and a bare 100 feet from the waters of the Missouri.

Fort Union was built by the Upper Missouri Outfit as a trading post for two purposes: to exploit the rich fur resources of the Yellowstone and the upper regions of the Missouri River and to serve as a stronghold for the invasion of the Rocky Mountains and its lucrative fur harvest, then the monopoly of the Rocky Mountain Fur Company.

In the early 1820's the American Fur Company dominated much of the fur trade in the United States—primarily because an 1816 act of Congress excluded foreigners from being active in this field except as subordinates. This act meant powerful British companies were forced to sell out to American companies.

However, the American Fur Company did not have the exclusive monopoly it wished in the Upper Missouri region. In 1821 a number of former employes of the defunct Northwest Company, headed by Kenneth McKenzie, organized the Columbia Fur Company. Later, in 1828, the Columbia Fur Company took the title of Upper Missouri Outfit.

Although far less powerful than its older rival, the Columbia Fur Company was composed of able and experienced men and it either matched or led the American Fur Company in establishing nearly a dozen trading posts.

From 1825 to 1827, the Columbia Fur Company operating up the Yellowstone River grossed upwards of $200,000 annually in furs. The following year, realizing it couldn't eliminate the smaller company, the American Fur Company negotiated for a division of the trade. McKenzie's Columbia Fur Company changed its name to Upper Missouri Outfit and began operating under the supervision of the American Fur Company's Western Department, McKenzie remained in charge of the revamped company which now was concentrating its entire activities on the Missouri and the West.

Fort Union was not the only trading post built by the Upper Missouri Outfit in its new empire but without argument, it was the most important one.

McKenzie and his associates had a knack, coupled with the experience of frontier living, of doing everything right at the right time.

Unlike the picture of a frontier fort as depicted in movies or on television, Fort Union—as a civilian post—had a mixture of nationalities on hand at all times. Americans, Englishmen, Germans, Frenchmen, Russians, Spaniards and Italians were employed at the post as smiths, masons, carpenters, joiners, coopers, tailors, shoemakers and hatters and many were married to Indian women.

Milk and butter were furnished by a herd of cattle. Pigs were there for the butchering and a large garden supplied the population with fresh vegetables. Hunters kept the inhabitants in meat. Along with the post's population, the Upper Missouri Outfit regularly employed about 500 trappers and traders.

In its glory days Fort Union annually shipped 25,000 beaver furs down the river, 40,000 to 50,000 buffalo skins, 20,000 to 30,000 deer hides along with the muskrat, otter, weasel, martin, lynx, red fox, cross fox, silver fox and mink.

In return for their furs, the Indians were given awls, half axes, beads, combs, flannel shirts, blankets, lead, kettels, gun worms, powder, bar iron, rifle balls, vermillion, gun flints and coat buttons. Although forbidden by law, liquor was a highly sought after item by the Indians—and the Upper Missouri Outfit made certain it was always in plentiful supply.

Union Was "Handsomest" Fort on the Missouri

(By Dan Halligan)

The actual descriptions of Fort Union, written by a number of learned men as a result of their visit over the years vary to a degree. Although some errors have been noted in writings and sketches—George Catlin's drawing of the fort showing three bastions and not two—the differences in descriptions also resulted because Fort Union was often being physically improved. Edwin Denig, chief clerk at the fort in 1843, is usually credited with giving the most thorough description.

He described Fort Union as the "principal and handsomest trading post on the Missouri River."

Two hundred and 20 feet by 240 feet and enclosed by pickets or palisades of large cottonwood, founded upon stone, the fort had two bastions on the southwest and northeast corners. Built entirely of stone, they measured 24 feet square, were more than 30 feet high and had three-foot thick walls. These bastions were primarily armed fortresses.

The principal building within the compound was the residence—78 by 24 feet and a story and a half. The residence had all the earmarks of a fashionable St. Louis home. Included within this huge building were living quarters, an office and tailor shop.

A building 127 by 25 feet on the east side of the fort contained a room for stores and luggage, a retail store, wholesale warehouse, a storage room and a press room. Directly across the fort on the west side was another large building, 119 by 21 feet. This was primarily living quarters built into six apartments for clerks, other employees and hunters.

Other buildings within the compound were an ice house and a kitchen.

A wooden walkway completely encircling the fort, was built about five feet below the top of the pickets.

Other smaller houses and buildings, including a stable for buffalo calves, completed the interior of the compound.

The Upper Missouri Outfit and Kenneth McKenzie together were known on the Yellowstone and on the Upper Missouri as "the company." Ruthless, the company either forced rivals out of business through competition, by force or through purchase.

However, two men, William Sublette and Robert Campbell, not only successfully competed with the Upper Missouri Outfit, but built a post, Fort William, three miles below Fort Union. In trying to monopolize the Indian trapping trade, the companies were paying as much as $12 for a beaver pelt which normally brought $4.

Although an outstanding man in many respects, McKenzie became involved in a liquor scandal involving the Indians—actually being made the scapegoat by his parent company, the American Fur Company—and he was forced to resign as head of the Upper Missouri Outfit.

The American Fur Company eventually was able to buy out Sublette and Campbell and they concentrated their efforts on mountain trade.

Fort Not Built Overnight—Fort Didn't Die Overnight

(By Dan Halligan)

Fort Union wasn't built overnight on fur trade and trapping which materialized overnight and it didn't die overnight. It died slowly, over a number of years. It began dying in the 1850's and into the early and mid-1860's when the once lucrative trapping and trading "industry" in the Upper Missouri began dying.

The fort, with less than 40 years of life, nevertheless, more than served its purpose and in so doing, it gained a niche in American frontier history that can never be lost.

It was "the town." It was the general store, the hospital, the bed, the warm fire, the friendly handshake, the drink of whiskey and the touch of home to countless thousands of hardy souls—both white and red—in those early years.

Beaver, always the principal fur sought by trappers, gradually began being replaced by a demand for buffalo robes and skins. Fashions and styles, even in those early years, dictated the means to success or failure.

The frontier was beginning to vanish as more and more settlers came to the Upper Missouri and pushed westward. As they moved toward the sun, they drove much of the wildlife before their wagons or destroyed it.

A Sioux uprising in Minnesota in 1862, coupled with the Civil War, spelled the final blow for Fort Union. There was no longer anything worthwhile to keep visitors coming and going. In those last years Fort Union was left to fall into ruin.

Among the last on the post for any length of time was a company of infantry in 1864 whose duty was to police the region. The following summer a company of Yankee soldiers—former Confederate prisoners of war—were also stationed there.

In August 1865 Fort Union was completely abandoned by the military and two years later there was no Fort Union whatsoever.

Fort Buford, a military post, was constructed in 1866 and when its soldier complement was enlarged in 1867, Fort Union was sold for the building materials it could offer.

In its glory years, the everyday life at Fort Union must have been a sight to behold with trappers continually moving in and out the main gates, Indians camped outside the pickets and steamboats coming up the Missouri and docking within a stone's throw of the compound. It was a hard life at best but it was the life many chose and because they did, they helped make Fort Union what it was. Because these men and women cast their lots on the frontier, Fort Union, dead and gone for a century, will one day soon be resurrected.

It will never be the same, of course, because the frontier spirit can't be brought back from the dead. Yet, in years to come, if visitors listen closely—very closely—they may yet be able to hear the whisper of a word or two from the lips of the ghost of a trapper of the 1830's.

Fort Union is as much a part of the history of the United States as the Pilgrims, the Continental Congress, Abe Lincoln's Gettysburg Address or John F. Kennedy's quick smile.

The fort was there when it was needed and because of a Congress with vision, it will be there once again because it is again needed.

Many Persons Played Role in Revival of Fort Union

(By Dan Halligan)

James B. Connolly.

That is the one name to remember when considering the re-birth of Fort Union as a part of America and a national historic site of the National Park Service.

As Kenneth McKenzie played the vital role in the establishment and early success of Fort Union in the late 1820's and 1830's, James B. Connolly of Fargo is the individual who sparked the initial interest among others concerned about the passing of historical landmarks from the historical scene. But unlike those who simply deplore the razing of a historic building or the bulldozing away of a precious acre of ground that played a role in this nation's growth, Connolly acted.

Credit, of course, must be given to Representative Rolland Redlin, Democrat, of North Dakota, for introducing HR 3957 into the United States House of Representatives—the Fort Union Restoration Bill—and seeing it pass. Credit must also be given to Senator Quentin N. Burdick, Democrat, of North Dakota for pushing the bill to the floor of the Senate earlier this month and having it pass unanimously.

Credit must also go to the individuals and organizations—organizations such as Chambers of Commerce commercial and civic clubs—for endorsing the early efforts and for Redlin's and Burdick's congressional labor. But James B. Connolly of Fargo is the man who fanned a dying ember of history into a flame, then continued to spread the fire into the high echelon it occupies today—a soon-to-be part of the National Park Service.

Connolly, head of the North Dakota Automobile Club and genuinely interested in American history, first showed his concern for the fort in 1957 when he became aware that national automobile clubs had deleted Fort Union as a historic site from their travel folders and maps.

He began talking up the salvation of the old trading post's site and, if nothing else, received strong moral encouragement from John B. Oakes of the New York Times editorial staff, himself deploring in print the passing of historic sites from the American landscape.

Among fellow North Dakotans and neighboring Montanans, however, Connolly received more than moral support—he was pledged cooperation, prestige and hard work. He got all three.

Williston attorney LaVern C. Neff, equally interested in American history, came in on the ground floor of the awesome task to return Fort Union from the grave. Through the efforts of these men and those others working tirelessly alongside, the Yellowstone-Missouri Fort Union Commission was organized. It is "dedicated to the preservation and development of Fort Union, Fort Buford, Mondak and other historic sites at the confluence of the Yellowstone and Missouri Rivers."

Neff today is vice chairman of the commission with Connolly serving as secretary. Other commission appointees include Lyla Hoffine of Minot State College; the Rev. Louis Pfaller, O.S.B., Richardton, and Ben Innis Jr., Williston insurance man and active in Fort Buford's celebrated Sixth Infantry.

Former Lieutenant Governor Frank Wenstrom was once a commission member too.

Ex-officio commissioners on the commission are Governor William L. Guy, chairman, (Governor John Davis was the first chairman); Lieutenant Governor Charles Tighe; Speaker of the House Art Link, Alexander; Supt. Russell Reid of the State Historical Society, and Director Robert Huey of the Economic Development Commission.

R. S. Nutt of Sidney is the Montana commissioner appointed by Gov. Tim Babcock.

Advisers to the commission are R. J. Elliott, Bismarck, state parks director; John C. Ewers of the Smithsonian Institution of Washington, D.C.; historical and western analyst and author Tom E. Ray of Colfax, Calif.; librarian Margaret Rose of the State Historical Society; Edgar Syverud, Dagmar, Mont., and Colonel Dana Wright of St. John, N.D. Syverud's late brother, Henry, also was a commission adviser.

Senator Burdick, following the efforts of the commission and others interested, first introduced Senate Bill 187 in Congress in 1963.

Although it passed in the Senate, Congressman Don L. Short of North Dakota's Western District couldn't muster enough votes in the House of Representatives and the bill died.

Congressman Redlin's H.R. 3957 introduced in 1965, passed successfully and then, pushed by Senator Burdick, received unanimous approval by the Senate June 8. President Lyndon Johnson is expected to sign the bill into law almost momentarily.

But with the foresight given to those with a just cause, the commission long ago prepared itself and the slightly more than 10 acres of the Fort Union compound site now owned by the State Historical Society for giant strides.

It made preliminary but essential plans for a speed-up of the resurrection of the fort with the help of Clarence "Chief" Poling, Williams County state House member. Poling introduced and saw pass on Feb. 24, 1965, 145–0, a conveyance of land bill that called for the State Historical Society to relinquish its 10-acre ownership to the National Park Service and the Department of Interior when such relinquishment was "right."

Poling, of course, received the 100 per cent cooperation of the Williams County legislators—both Democrat and Republican.

Prior to national legislation, the National Park Service carefully screened and investigated the history of Fort Union and the part it played in the development of the Upper Missouri and Yellowstone areas. It qualified for national recognition in two categories: the Indian Wars and the fur trade of the early and mid-1800's.

Despite the impact of Fort Union in this area 100 and more years ago, there are those western North Dakotans—even Williams County residents—who even today know very little about this important trading post. There are even those local adults who confess they don't know the actual locations of Fort Union and Fort Buford, some who believe the two forts are one and the same, and some who "couldn't care less."

Since it took nearly 100 years and two different Congresses to bring Fort Union as far along as it is today—breathing once again—it won't be "tomorrow" when the site is the same as it once was.

The initial federal money of more than $600,000 earmarked for the partial restoration and the purchase of some privately owned land is important, of course. (The Fort Union historic site will encompass nearly 400 acres, some of it Montana). But before these funds are spent for "this and that," archeological diggings within the site will be made.

Nothing whatsoever of historic value may be found but since the post was operative for nearly 40 years, no one can say such digging is useless before it is made.

Land purchases can possibly be made this year but the actual digging and other physical efforts may not begin until sometime in 1967. Somewhat ironically, that will be 100 years to the century from the time Fort Union was dismantled to furnish building material for the-then new Fort Buford situated nearby.

Neff said he hopes, even expects, an exact replica of Fort Union to eventually be built on its original location. That, of course, remains to be seen since he confesses the National Park Service will be the responsible party. However, his commission will certainly be called on time and time again in the months and years ahead for suggestions, criticism and advice.

Fort Union, once the victim of a growing American frontier and left to wallow in the despair of no longer being needed, is certainly needed today—if only to spark the imagination.

And because there is that need it one day will stand tall and proud near the confluence of the Yellowstone and Upper Missouri.

THE MEREDITH MATTER

Mr. BYRD of West Virginia. Mr. President, in the interest of fair play, both sides should be heard in analyzing the shooting of James Meredith recently in Mississippi.

I would like to submit for consideration a column which appeared in the Spirit of Jefferson-Advocate of Charles Town, W. Va., recently.

I ask unanimous consent that the article, written by Mr. Henry W. Morrow, be printed in the RECORD.

There being no objection the article was ordered to be printed in the RECORD as follows:

THE MEREDITH MATTER

Forgive me, dear friends, if I do not join in the thunderous applause sweeping across the nation for James Meredith, the Mississippi Negro, who was shot down in cold blood as he peacefully walked down a highway of that state last week to prove a point. The dividing line between heroes and fools is often quite nebulous, but in the Meredith case, I, for one, do not have too much trouble in seeing it. There are only a few narrow minded bigots in this country who would deny Mr. Meredith the right to walk down a Mississippi highway, unmolested, and undoubtedly his assailant could be numbered among those few. But Mr. Meredith, far better than most people in this country, because of his experiences at the University of Mississippi a few years back, either knew or stupidly refused to admit that you cannot taunt or tease a bigot, and to attempt to do so is the most reckless sort of folly. I have nothing but contempt for the man who shot him, the same sort of contempt I heretofore reserved for the Nazis and Adolph Hitler. But just as I would not have encouraged any Jew to flaunt Hitler when that deranged man was at his zenith, so I will not encourage other Negroes to emulate Mr. Meredith in their quest for the rights they deserve. Such conduct is abundant in zeal; it is wholly lacking in discretion. How, I dare ask can the President of the United States stand before the world and decry the needless sacrifice of the immolating Buddhists in Vietnam, and at the same time condone what Mr. Meredith did, and be outraged at what happened? Fanatical means of accomplishing a desired end are not to be applauded, so I abstain. I had thought Jefferson Countians would be well aware of this considering the sad experience this country had more than one hundred years ago with one John Brown.

As much as I hate to say it, and notwithstanding the justness of the cause of the civil rights movement, I cannot escape the feeling that many of those who are agitating in the most prominent (and, I might add, most photographed) areas are more interested in personal publicity than the cause they espouse. Consider, if you will the little known fact that before Meredith made his eventful march he tried to interest other civil rights leaders in joining him, and they would not do so. Compare the reaction of these same civil rights leaders before the march, to their reaction immediately after when they rushed to the scene to be seen and photographed leading another march identical to the one they had but a few days before disassociated themselves from.

The move on the part of the civil rights supporters in this nation to gain their proper measure of freedom has my sympathy and it has my support. But such support does not obligate me to condone, approve and applaud that which is irresponsible and smacks more of publicity seeking than genuine interest in the cause. I am glad James Meredith was not seriously injured. I am glad his assailant has been apprehended. And, I hope his assailant will be dealt with properly. But I grimace when I see the public attempt to make an act of martyrdom out of an act of pure foolishness.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). Is there further morning business? If not, morning business is closed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 2858) to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 7371) to amend the Bank Holding Company Act of 1956.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 10721) to amend the Federal Employees' Compensation Act to improve its benefits, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of the bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 13935) to give the consent of Congress to the State of Massachusetts to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the act of November 1, 1965 (79 Stat. 1157); asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CELLER, Mr. WILLIS, Mr. TENZER, Mr. MCCULLOCH, and Mr. POFF were appointed managers on the part of the House at the conference.

AMENDMENT OF THE BANKRUPTCY ACT WITH RESPECT TO LIMITING THE PRIORITY AND NONDISCHARGEABILITY OF TAXES IN BANKRUPTCY

Mr. ERVIN. Mr. President, I move that the Senate proceed to the consideration of H.R. 3438, Calendar No. 1121.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3438) to amend the Bankruptcy Act with respect to limiting the priority and nondischargeability of taxes in bankruptcy.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ERVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, H.R. 3438 deals with the two most important purposes of the Bankruptcy Act.

The first of these purposes is the effective rehabilitation of the bankrupt, and the second of these purposes is the equitable distribution of his assets among his creditors.

Under the bankruptcy law, specific liens which are recognizable and existing at the time of the bankruptcy have first claim upon the property of the bankrupt to which they attach.

After these specific liens are recognized, the remainder of the estate of the bankrupt is distributed according to the order of priority set forth in the Bankruptcy Act.

Under this order of priority, the unsecured creditors—that is, those creditors not having specific liens—have their claims satisfied in this order:

First, the costs of administering the bankrupt's estate in the bankruptcy court.

Second, certain wage claims owed by the bankrupt accruing within a limited period prior to the bankruptcy.

Third, taxes, including Federal, State, and local taxes.

And, fourth, certain rent claims.

After the specific liens are satisfied, and after the creditors holding one of the four orders of priority are satisfied, the remainder of the bankrupt's estate is distributed pro rata among his general creditors.

H.R. 3438 is designed to do two things which require a change in the status of tax claims, particularly those for Federal income taxes.

At the time the present law was enacted, taxes were not so enormous as to confiscate the most substantial part of the earnings of taxpayers, and not so enormous as to absorb virtually the entire estate of a bankrupt not subject to specific liens. Therefore, those provisions of the bankruptcy law giving taxes priority and providing that a discharge in bankruptcy should not release the bankrupt from liability for his taxes, regardless of the time when those taxes originated, worked no great injustice.

This is no longer true. As a result of the enormous percentage of the taxpayers' earnings which are now taken for taxes, the present law provides that an individual bankrupt remains liable for all of his taxes, regardless of when they originated in point of time and regardless of whether the taxing authorities of the Federal Government take any action which makes it possible for those dealing with the bankrupt prior to his bankruptcy to know of the existence and the extent of his tax liabilities.

The present law effects an invidious discrimination between a corporation which becomes bankrupt and an individual who becomes bankrupt. This discrimination arises out of the fact that when a corporation becomes bankrupt, and its property is divided by the bankruptcy court according to specific liens and according to the order of priority, the corporation goes out of existence; and although theoretically the claim of the Federal Government—or the State government, for that matter—for taxes still exists, it does not actually do so, because the corporation, for all intents and purposes, is dead and nonexistent.

That is not true with respect to the individual bankrupt. The individual bankrupt remains liable for all of his taxes, because they are not discharged to any extent by a discharge in bankruptcy. And since Federal income taxes have become such large claims, the bankrupt is prevented from enjoying the privilege of rehabilitation, free from his debts, which the Bankruptcy Act was enacted to secure to him.

The Bankruptcy Act, in one respect, is like the Good Lord, who gives a man a chance to repent of his sins and start anew in life. A bankrupt who is an individual is forgiven by his discharge in bankruptcy of virtually all his liabilities except his taxes. But since he is not discharged from his liability for taxes, he is denied the right, for all practical intents and purposes, of rehabilitating himself. His tax claims pursue him, and they have become so enormous of late years that they deny him the privilege of a new start in this life; and they not only follow him in this life, but they pursue him beyond the grave.

The bill under consideration undertakes to give the individual bankrupt an opportunity for rehabilitation and to provide for an equitable distribution of his estate in bankruptcy. As everyone knows, claims of the Federal Government for Federal income taxes are confidential until the Internal Revenue Service files a public lien. And since the priority is available under the Bankruptcy Act, regardless of whether the lien is filed, a person dealing with a prospective bankrupt—a bank or an insurance company or an individual—can retain the finest lawyer in the Nation, and ask him to ascertain the financial ability of the prospective bankrupt to pay any obligation he might assume in respect to him; and this lawyer can search every available public record. However, since he does not have access to the confidential files of the Internal Revenue Service, he cannot ascertain the existence of the Federal tax claim, and the lawyer, in the best of faith, could report back to the would-be creditor of the prospective bankrupt that his property is free and clear from all encumbrances so far as the public records disclose.

Presently, banks, insurance companies, or other financial institutions, and individuals deal with a creditor upon the basis of the information given them by their attorney after a search of every record available. Then, under the existing law, if the creditor investigated becomes bankrupt, and files his petition in bankruptcy, the Internal Revenue Service has priority for Federal income taxes which have originated in all times past, and whose existence and whose amount was not revealed anywhere upon any record available to any person other than the employees of the Internal Revenue Service, who cannot disclose it.

What this bill seeks is to strike a balance between the demands for rehabilitation of the bankrupt and the just claims of the Federal Government. It would provide that tax claims originating within 3 years prior to the bankruptcy remain just as valid as they are under existing law. It provides where the Internal Revenue Service has filed a lien, and thus given the general public which deals with the prospective bankrupt knowledge of the Federal Government's claim, that those taxes—regardless of how long they antedated the bankruptcy—are still valid. Other tax claims which originated prior to 3 years before bankruptcy and which have not been reduced to a lien, are discharged in bankruptcy as are all other claims if there are not sufficient assets to pay the claims in a bankrupt's estate.

The bill safeguards the Government against a dishonest bankrupt because it provides that there will be no discharge of the tax claim in bankruptcy under any circumstances if the bankrupt has failed to file a Federal income tax return, or if the bankrupt has filed a fraudulent income tax return.

I submit that the bill strikes a fair balance by permitting the bankrupt to rehabilitate himself and by affording some measure of protection to people who deal with a creditor on the face of the public records available to them rather than to the Government alone.

It seems to me that the 3-year period which IRS is given to file a lien is reasonable, for it is identical with the period within which the Federal Government has the right to assess taxes.

The bill is supported by the National Bankruptcy Conference, the American Institute of Certified Public Accountants, the American Bar Association, the American Bankers Association, the Commercial Law League of America, the National Association of Creditmen, and the American Institute of Accountants. It is a fair bill.

This particular measure has been under consideration by Congress for 10 years. It has been passed by the House of Representatives, without a dissenting vote as I understand it, five times.

The bill has also been reported unanimously by the Senate Committee on the Judiciary in three Congresses, and the Standing Rules of the Senate give jurisdiction over matters of this kind to the Committee on the Judiciary. I invite the attention of the Senate to the Senate Manual, rule 25, subsection (L), which provides that the Committee on the Judiciary, to consist of 16 Senators, shall have jurisdiction over all proposed legislation, messages, petitions, memorials, and other matters relating to bankruptcy.

Mr. President, I ask unanimous consent that the portion of the report of the Committee on the Judiciary beginning with the words "The fundamental policy of the Bankruptcy Act," on page 2, and concluding with the end of the report on page 7 be printed in the RECORD at this point.

There being no objection, the portion of the report was ordered to be printed in the RECORD, as follows:

> The fundamental policy of the Bankruptcy Act is to provide a means for (1) the effective rehabilitation of the bankrupt and (2) the equitable distribution of his assets among his creditors. These basic considerations are involved in the problem to which this bill is addressed.
>
> Under existing law debts for taxes are not affected by a discharge in bankruptcy (sec. 17a(1) of the Bankruptcy Act, 11 U.S.C. 35(a)(1)). Similarly, taxes are entitled to a priority of payment, in advance of the payment of any dividend to general creditors, which is unlimited as to time (sec. 64a(4), 11 U.S.C. 104(a)(4)). This applies to all taxes whether due to Federal, State, or local governments. Although taxes have enjoyed this special status for many years, the enormous increase in the tax burden during recent years and the consequent impact on both the distribution of a bankrupt's estate and his financial rehabilitation, require a modification of that status.
>
> There are two aspects to the problem. The first of these involves the nondischargeability of taxes under section 17a(1) of the present law. Frequently, this prevents an honest but financially unfortunate debtor from making a fresh start unburdened by what may be an overwhelming liability for accumulated taxes. The large proportion of individual and commercial income now consumed by various taxes makes the problem especially acute. Furthermore, the nondischargeability feature of the law operates in a manner which is unfairly discriminatory against the private individual or the unincorporated small businessman. Although a corporate bankrupt is theoretically not discharged, the corporation normally ceases to exist upon bankruptcy and unsatisfied tax claims, as well as all other unsatisfied claims, are without further recourse even though the enterprise may continue in a new corporate form.
>
> The committee believes, therefore, that consistency with the rehabilitory purpose of the Bankruptcy Act, as well as fairness to individuals demands some time limit upon the extent of taxes excepted from discharge. The committee recognizes the fact that different types of taxes present different problems to tax collectors. The accuracy of some types of tax returns can be determined immediately. Others, like income taxes, require some time to audit. Rather than attempt a classification of the enormous variety of Federal, State, municipal, county, city, village, and various district taxes for the purpose of establishing varying limits on dischargeability, the committee set a 3-year period for all taxes. It is believed that such a period will not impose an unrealistic or unfair burden upon the tax authorities in auditing returns and assessing deficiencies. In fact, the period coincides with the 3-year statute of limitations for assessments in Federal income tax cases. The fact that tax claims for the 3 years preceding bankruptcy will not be discharged should serve to discourage recourse to bankruptcy as a facile device for evading tax obligations. At the same time it will become feasible for an industrious debtor to reestablish himself as a productive and taxpaying member of society.
>
> While, under this bill, unsecured tax claims due and owing more than 3 years prior to bankruptcy would be dischargeable, there is no intention to place any time limit on otherwise valid tax liens. As with other secured claims like mortgages and conditional sales contracts, the purpose of the lien is to give the creditor a property interest which is indefeasible in bankruptcy. Thus, to the extent that the tax authorities may satisfy their claims out of the security they hold they will be unaffected by the discharge regardless of the fact that the underlying

debt may include taxes for years prior to the 3-year period preceding bankruptcy. The second proviso to section 17a(1) proposed by section 2 of this bill emphasizes this legislative intent. There is no intention to alter the relative position in the distribution of the bankrupt's assets which is now given to a tax lien on personalty unaccompanied by possession by the postponement provision in section 67c.

Since the purpose of this bill is to provide relief for the financially unfortunate and not to create a tax evasion device, section 2 of the bill specifically excepts from discharge taxes "which were not assessed in any case in which the bankrupt failed to make a return required by law," or with respect to which he had made a false or fraudulent return or which he had otherwise attempted to evade.

It is interesting to note that under the English Bankruptcy Act and the laws of several of the Commonwealth nations, claims for taxes are discharged except for debts arising from an offense against a statute relating to any branch of the public revenue. Even as to these debts, the English tax provides that the Treasury may certify consent to their discharge. (English Bankruptcy Act, 1914 (4 and 5 Geo. 5c 59) s. 28(1)a, 2 Halsbury's Laws of England, third edition, p. 539.)

The second aspect of the problem involves the equitable distribution of the assets of the bankrupt's estate among creditors. Under the Bankruptcy Act, certain types of unsecured claims are given a statutory advantage in the distribution of the bankrupt's estate. These priority claimants are to be distinguished from the secured creditor who has a property right which entitles him to be paid out of the assets against which the security attaches. The priority claimant, on the other hand is an unsecured creditor who, by law, as a matter of social policy, has been placed in a position superior to that of the unsecured creditors. Thus, administrative expenses, wage claims, taxes, and rent claims where State law gives a priority to landlords, are all paid before general creditors may share in the distribution under the Bankruptcy Act. The wage priority is restricted to $600 per claimant earned within 3 months prior to bankruptcy. Similarly, the rent priority is restricted to the amount due for actual use and occupancy within 3 months before bankruptcy. However, there is no time limit under the present law on the priority accorded taxes.

The result has frequently been that tax collectors, assured of a prior claim on the assets of a failing debtor and assured of the nondischargeability of uncollectible tax claims, have allowed taxes to accumulate and remain unpaid for long periods of time. With the proliferation of new taxes and the increased rates of old taxes, often little or nothing is left for distribution to general creditors who provided goods and services to the bankrupt.

The committee has received hundreds of letters from business firms all over the country complaining about this situation. Although a creditor can protect himself to some degree by requiring periodic financial statements from the bankrupt, there are cases in which the true extent of tax liability may not be known, even to the debtor, as where there are unsettled accounting or legal questions. Nor is a creditor protected from a dishonest debtor who issues a false statement of his tax liability. While this may result in barring the debtor's discharge, the Government still has a tax priority which may be large enough to preclude the creditor's participation in the distribution of the debtor's assets. Ultimately, however, the issue would appear to resolve into whether the Government as a creditor should bear part of the economic burden of business failures through the loss of some of its tax claims which it has allowed to accumulate over a long period of years.

The committee believes that limiting tax priority to those taxes which became due and owing within 3 years preceding bankruptcy adequately safeguards the public's interest in the collection of revenues while at the same time limiting the impact of long accumulated, unsecured tax claims on general creditors. The imposition of such a limitation will induce taxing authorities to act to prevent large accumulations of tax claims.

In establishing what this limitation should be, the committee was concerned with its effect in forcing tax authorities to precipitate business failures in safeguarding the interest of the Government. For that reason, the committee rejected the 1-year limitation on both priority and nondischargeability which was proposed when the matter was considered in the 85th Congress. However, the committee believes that a business which is unable to meet tax obligations extending back more than 3 years is unlikely to recover financial viability. The continued failure to protect the Government's tax interest by instituting liens or distraint warrants generally results only in compounding the loss suffered by general creditors and the Government as well. Furthermore, the effect of forcing the financial issue may, in some cases, be to save the debtor before his position becomes helpless.

The unlimited priority now enjoyed by taxes in bankruptcy proceedings in the United States is inconsistent with the practice in most commercial countries. Thus, in England the priority is limited to parochial or other local taxes (such as levies on spindles, water rates, drainage rates, etc.) due from the bankrupt at the date of bankruptcy and having become due and payable within 12 months next before that time, and all assessed taxes, land taxes, and property or income taxes assessed on the bankrupt or insolvent up to the 5th of April preceding bankruptcy and not exceeding in the whole 1 year's assessment; and sums due at the date of bankruptcy as an employer on account of tax deductions for the 12 months next before that date. (English Bankruptcy Act 1914 (4 and 5 Geo. 5c 59) s. 33 (1)(a), (5).) The Crown, however, has a choice of any year and is not confined to the year of assessment immediately preceding the bankruptcy. (*Re Campbell, Commercial Bank of Scotland* v. *Campbell* (1923), 10 T.C. 585; *re Pratt, Inland Revenue Commissioners* v. *Phillips* (1915), Ch. 225, C.A.; (1950) 2 All E.R. 994.) See 2 Halsbury's Laws of England, third edition, pages 486–487.

Similarly, in Australia, the tax priority is limited to 1 year (Bankruptcy Act, 1924 secs. 5(3), 84(h), XXII Commonwealth Act, 84, 113). In France, there is a 2-year priority for income tax (Code Général des Impots of 1950, secs. 1920(1), as amended by law of February 7, 1953, sec 61). In Germany tax claims enjoy a 1-year priority (Bankruptcy Act of 1898, sec. 61(2), 1898 Reichsgesetzblatt 612; Arrangement Law of 1935, sec. 26, 1935 id. I:321). In Belgium, the priority is for the last and current year (7 Fredericq, Droit Commercial Belge, 551, 556 (1949)).

This bill is supported in principle by the—

National Bankruptcy Conference.

American Institute of Certified Public Accountants.

Commercial Law League of America.

National Association of Credit Men.

The American Institute of Accountants.

Similar bills passed the House in the 85th, 86th, 87th, and 88th Congresses, but were not acted on by the Senate.

The Committee on the Judiciary believes that H.R. 3438 presents a most desirable and necessary resolution of the conflict between the demands of the public revenue on the one hand and the underlying purposes of the Bankruptcy Act on the other. The committee, therefore, recommends that this bill be given favorable consideration by the House.

The Committee on the Judiciary of the Senate agrees with the recommendations of the Committee on the Judiciary of the House of Representatives in this matter and, consistent with its earlier favorable report on the companion Senate bill, S. 976, recommends it favorably.

In regard to the recommendations of the Committee on Finance set forth in Senate Report No. 999, the Committee on the Judiciary finds itself in agreement with, and adopts, the minority views of that committee opposing those recommendations as set forth on pages 22, 23, and 24 of Senate Report No. 999.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 2A OF THE BANKRUPTCY ACT

§ 2. Creation of Courts of Bankruptcy and Their Jurisdiction. a. The courts of the United States hereinbefore defined as courts of bankruptcy are hereby created courts of bankruptcy and are hereby invested, within their respective territorial limits as now established or as they may be hereafter changed, with such jurisdiction at law and in equity as will enable them to exercise original jurisdiction in proceedings under this Act, in vacation, in chambers, and during their respective terms, as they are now or may be hereafter held, to—

(1) * * *

(2) * * *

(2A) *Hear and determine, or cause to be heard and determined, any question arising as to the amount or legality of any unpaid tax, whether or not previously assessed, which has not prior to bankruptcy been contested before and adjudicated by a judicial or administrative tribunal of competent jurisdiction, and in respect to any tax, whether or not paid, when any such question has been contested and adjudicated by a judicial or administrative tribunal of competent jurisdiction and the time for appeal or review has not expired, to authorize the receiver or the trustee to prosecute such appeal or review;* * * *.

SECTION 17A(1) OF THE BANKRUPTCY ACT

§ 17. Debts Not Affected by a Discharge. a. A discharge in bankruptcy shall release a bankrupt from all of his provable debts, whether allowable in full or in part, except as such [(1) are due as a tax levied by the United States, or any State, county, district, or municipality;] *(1) are taxes which became legally due and owing by the bankrupt to the United States or to any State or any subdivision thereof within three years preceding bankruptcy: Provided, however, That a discharge in bankruptcy shall not release a bankrupt from any taxes (a) which were not assessed in any case in which the bankrupt failed to make a return required by law, (b) which were assessed within one year preceding bankruptcy in any case in which the bankrupt failed to make a return required by law, (c) which were not reported on a return made by the bankrupt and which were not assessed prior to bankruptcy by reason of a prohibition on assessment pending the exhaustion of administrative or judicial remedies available to the bankrupt, (d) with respect to which the bankrupt made a false or fraudulent return, or willfully attempted in any manner to evade or defeat, or (e) which the bankrupt has collected or withheld from others as required by the laws of the United States or any State or political subdivision thereof, but has not paid over;*

but a discharge shall not be a bar to any remedies available under applicable law to the United States or to any State or any subdivision thereof, against the exemption of the bankrupt allowed by law and duly set apart to him under this Act; And provided further, That a discharge in bankruptcy shall not release or affect any tax lien.

SECTION 64A(4) OF THE BANKRUPTCY ACT

§ 64. Debts Which Have Priority. a. The debts to have priority in advance of the payment of dividends to creditors, and to be paid in full out of bankrupt estates, and the order of payment, shall be (1) * * *

(2) * * *

(3) * * *

[(4) taxes legally due and owing by the bankrupt to the United States or any State or any subdivision thereof: *Provided,* That no order shall be made for the payment of a tax assessed against any property of the bankrupt in excess of the value of the interest of the bankrupt estate therein as determined by the court: *And provided further,* That, in case any question arises as to the amount or legality of any taxes, such question shall be heard and determined by the court:] *(4) taxes which became legally due and owing by the bankrupt to the United States which are not released by a discharge in bankruptcy: Provided, however, That no priority over general unsecured claims shall pertain to taxes not included in the foregoing priority: And provided further, That no order shall be made for the payment of a tax assessed against any property of the bankrupt in excess of the value of the interest of the bankrupt estate therein as determined by the court;* * * *

The PRESIDING OFFICER (Mr. BARTLETT in the chair). The Senator from Tennessee.

Mr. GORE. Mr. President, for several years the Committee on the Judiciary and the Committee on Finance have been somewhat at odds over certain proposed changes in bankruptcy law which effect the collection of taxes.

The distinguished and able senior Senator from North Carolina has just spoken eloquently in support of the point of view of the Committee on the Judiciary.

The able Senator called to the attention of the Senate the fact that the pending bill had been before Congress for 10 years. I submit, Mr. President, that that fact raises some question as to the advisability of the bill.

I suggest further that the bill has been passed, on at least one occasion, only to be vetoed by a President.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. ERVIN. Mr. President, although the Senator from Tennessee is correct that a bill on this general subject was vetoed by President Eisenhower, that bill was drafted much differently from the pending bill; it was much more restrictive than the pending bill. No bill containing the provisions of this bill, or bearing any strong similarity to this bill, was ever vetoed.

Mr. GORE. Mr. President, as I understand it, the bill that was vetoed contained provisions similar to those in the combination of bills now before, or about to be before, the Senate, H.R. 3438 and H.R. 136. There may, of course, have been some differences.

Mr. President, I speak on behalf of the Committee on Finance. I speak with the support of the Treasury Department in its opposition to the pending measure, and in my vote I speak for the interests of the Government and I believe for the general taxpaying public.

The Committee on the Judiciary has been concerned, and quite properly so, over some aspects of existing law with respect to priorities given certain creditors in bankruptcy proceeding.

The Committee on the Judiciary has also concerned itself with the manner in which tax liabilities and tax liens are handled when an individual or a corporation goes through bankruptcy. The two bills which the Committee on the Judiciary reported deal both with the priority and dischargeability of tax liens and tax liabilities.

Last year the Committee on the Judiciary reported favorably S. 1912 and S. 976. Those bills are almost identical with the bills now before the Senate, H.R. 3438 and H.R. 136.

Although these bills were referred to the jurisdiction of the Committee on the Judiciary, it is also the duty of the Committee on Finance to safeguard the Treasury of the United States and to uphold the integrity of the voluntary self-assessment income tax system under which we operate.

These bills therefore were referred to the Committee on Finance for study after they were favorably reported by the Judiciary Committee. Our committee likewise has filed a report which Senators will find on their desks.

The Finance Committee recommendations, which I shall discuss in some detail later, would modify somewhat the position adopted by the Committee on the Judiciary.

Following the filing of the Finance Committee report, the bills were referred once more to the Committee on the Judiciary, and that committee has now reported the House-passed bills to the Senate. I am sorry to say that, in doing so, the Judiciary Committee chose to ignore the views expressed and the position adopted by the Finance Committee.

Let me make this one point clear in the beginning. The Judiciary Committee proposes to change existing law, in some instances rather drastically. The Finance Committee is willing to make some changes in existing law, but would not go so far as the Judiciary Committee in altering the priority and dischargeability of taxes. This is the crux of the difference between the Committee on Finance and the Committee on the Judiciary, with respect to the pending bill.

The two bills now under consideration, H.R. 136 and H.R. 3438, are being considered seriatim. It would have been preferable from my standpoint to have considered them, by unanimous consent, as one. However, this has not been done. There are four principal points of difference between the two committees with respect to these two bills, two in one bill and two in the other.

Before getting into details, however, let me just point out that voluntary bankruptcy, particularly the nonbusiness variety, has become a problem of some magnitude. It is a problem for the courts, for the creditors, and for the tax collector.

Last year, 91 percent of bankruptcy cases were of the nonbusiness type. Individuals, often with good income, but with high consumer credit outstanding, increasingly take what appears at the moment to be the easy way out from under a load of high monthly payments and unpaid taxes.

As I have said, the bills now before the Senate, as reported by the Judiciary Committee, seek to change existing law. The Finance Committee would prefer to minimize some of these changes.

Here, briefly, are the four principal points of difference between our two committees:

First. The Judiciary Committee has proposed that assessed but unrecorded tax liens no longer be given a secured status. The Finance Committee feels that a tax assessed within 1 year prior to bankruptcy should retain a secured status, generally if the notice of lien is filed within 1 year of the date of assessment. This is in H.R. 136.

Second. The Finance Committee agrees with the proposal of the Judiciary Committee to limit the priority of taxes in bankruptcies to those which are 3 years old or less, but would start this period from the date of assessment rather than from the vague concept contained in the bill; that is, when the taxes become "due and owing." What is the definition of the term "due and owing" for tax purposes? The adoption of such undefined language might create great uncertainty in an area greatly in need of certainty. This amendment is in H.R. 3438.

Third. The Finance Committee also agrees with much of the concept of the Judiciary Committee with respect to the effect a large tax overhang might have on the rehabilitation of a bankrupt. The Judiciary Committee proposal provides for the complete discharge of certain older taxes in the case of bankruptcy. The Finance Committee, while not favoring the technical discharge of taxes, nevertheless would severely limit the extent to which all prebankruptcy taxes may be collected in subsequent years. This is in H.R. 3438.

Fourth. The Finance Committee favors a new provision, not approved by the Judiciary Committee, which would give a bankruptcy court discretion in the case of a voluntary petition in bankruptcy to require the bankrupt to enter into a wage earner's plan for payment of part or all of his debts. This is in H.R. 136.

Let me at this time talk about the two points in the Finance Committe amendment to H.R. 3438.

PRIORITY OF TAX CLAIMS (SEC. 3 OF H.R. 3438)

Under present law, State and Federal tax claims which are not entitled to lien status are paid under the fourth priority, following administrative expenses, certain wages, and the legal expenses of opposing a discharge.

H.R. 3438, now pending, would amend the Bankruptcy Act so that taxes "legally due and owing" more than 3 years at bankruptcy, with certain exceptions, would no longer be entitled to priority of payment and would be paid, instead, together with the claims of general creditors.

This provision in the bills is prompted by a desire to require the Internal Revenue Service to proceed with reasonable expedition in collecting taxes. It was felt that, too often, the Internal Revenue Service might be lax in taking collection action available to it merely because it recognized that tax claims, no matter how old, were entitled to a priority of payment in the event of bankruptcy. The Finance Committee agrees that this potential incentive to delay should be removed in those circumstances where the Internal Revenue Service has had a reasonable time to undertake the collection procedures available to it under existing law. But the Committee on Finance does not feel that it should be limited entirely.

The bills provide that this priority status will be destroyed if the tax has been "legally due and owing" more than 3 years as of the date of bankruptcy. The meaning of the phrase "legally due and owing" is obscure. Its meaning has not been determined for tax purposes. Should the pending bill become law, the concept of "due and owing" might be the subject of great uncertainty in many instances. In fact, the phrase has no meaning in Federal tax law, so far as I can find; and as I have said, the bills provide no definition. Under present law, collection procedures may not be initiated by the Internal Revenue Service until the tax has been assessed. Furthermore, this is the earliest time at which the amount of tax due is definitely ascertained.

As a result, the Finance Committee would substitute the term "assessed" for the phrase "legally due and owing." The Finance Committee believes that 3 years from the date of assessment is a reasonable time within which the Internal Revenue Service may be put to the choice of either recording its liens or foregoing its priority status in the event of bankruptcy.

Because of the uncertainties surrounding the possible meaning of "legally due and owing" it well may be that this Finance Committee-recommended change in the bills constitutes a clarification rather than a modification of substance.

Incidentally, it is important to put this whole problem in its proper perspective. According to the Administrative Office of the U.S. Courts, during fiscal 1965 general nonpriority creditors collected an average of only 7½ cents on the dollar in asset cases concluded under the Bankruptcy Act. Even if all tax collections entitled to priority status—not just those "legally due and owing" more than 3 years—were to have been put into the category of general nonpriority creditors, those general creditors still would have realized no more than 10 cents on the dollar. Consequently, this proposal will not have a material effect upon the status of a creditor who does not choose to become a secured creditor. On the other hand, creditors who take the trouble to get security for their advances of credit already come ahead of fourth-priority tax claims. In fact, secured creditors who are mortgagees, pledgees, purchasers, or judgment creditors come ahead even of tax liens which arose prior to the interests of those creditors, if notices of the tax liens have not been filed.

The "legally due and owing" language in the present bills is likely to create much confusion, both in the operation of the internal revenue laws and in the administration of bankrupt estates. In combination with the discharge provisions in the bills as approved by the Judiciary Committee, it is probable, because of the priority provisions' likely effect on Internal Revenue Service notice-filing practices, that these provisions would achieve their minimal benefits at great cost to those many persons who owe taxes and do not become bankrupt.

If the status of fourth-priority tax claims is to be reduced, the amendment which I shall offer on behalf of the Finance Committee would accomplish the task with a minimum of confusion and a minimum of disruption of arrangements with nonbankrupt tax delinquents.

DISCHARGE OF TAXES (SEC. 2 OF H.R. 3438)

Under present law, when a bankrupt receives a discharge in bankruptcy he is discharged from all provable debts, with certain limited exceptions. Among the exceptions to discharge are tax liabilities—including penalties and interest—alimony or child support, liabilities for certain willful torts, and debts which were created by fraud. The bankrupt is entitled to retain his property which is exempt from the claims of his creditors under State or Federal law. However, this exempt property is subject to unpaid Federal tax claims.

H.R. 3438 would amend the Bankruptcy Act to provide that, subject to certain exceptions, the tax liabilities of the bankrupt which were "legally due and owing" for a period of 3 years or more prior to the bankruptcy would be discharged.

The Finance Committee agrees with the Judiciary Committee that the denial of any discharge of taxes often makes it difficult for a bankrupt to rehabilitate himself. However, the Bankruptcy Act is also intended to provide for the payment of just debts. As I have said, taxes are not the only debts which may not be discharged in bankruptcy. Taxes, like the other nondischargeable debts, are involuntary—that is, the Government did not knowingly lend the taxpayer any money or knowingly extend any credit. The Government became a creditor simply because the taxpayer did not pay his taxes. Accordingly, the Finance Committee believes that the desirability of rehabilitating a bankrupt by discharge of his taxes must be balanced against the adverse effects which would be created by the discharge provision presently in the bill.

One can imagine circumstances and situations in which this invitation to discharge tax liability might be converted into a very profitable scheme.

It is the opinion of the Finance Committee that this discharge provision would have a disastrous effect on taxpayer morale and that this is an important consideration in a self-assessment system. To illustrate, let us suppose a very successful professional athlete goes through bankruptcy and is discharged from very large Federal income tax liabilities arising 3 years earlier. A year after the bankruptcy he is active again and makes a large amount of money. The newspapers would give wide publicity to the fact that the United States cannot reach this money for back taxes no matter how large his liability might have been.

Additionally, from fiscal 1960 to fiscal 1965 voluntary straight bankruptcies increased 59 percent—from 94,414 to 149,820—while involuntary straight bankruptcies increased only 1.6 percent—from 1,296 to 1,317. This is disclosed by the Administrative Office of the U.S. Courts, "Tables of Bankruptcy Statistics," June 30, 1965, page 5. In view of this tremendous trend toward voluntary bankruptcy, it does not seem prudent to provide potential bankrupts with the additional incentive of being able to get rid of old tax liabilities completely.

In view of these considerations, the Finance Committee recommends an amendment which continues the bankrupt's previously incurred tax liabilities but substantially limits the collection of these claims. In general, the Finance Committee's amendment would limit the collection of prebankruptcy taxes from individuals in the following way: The bankrupt would be required to pay the Federal Government in any one year no more than 10 percent of what he currently has remaining after taxes—that is, 10 percent of his Federal taxable income—after exemptions and deductions—minus his Federal income tax. However, the bankruptcy court would be authorized to set a higher figure in appropriate cases—as, for example, where the taxpayer was likely to receive large amounts of tax-exempt income. These payments would continue only until the prebankruptcy taxes were entirely paid off. State and local taxing authorities would be limited to 5 percent each year, unless the court authorized a greater amount. Even the bankrupt's estate would be treated in the same manner, unlike present law which makes the unpaid prebankruptcy taxes a liability which must be paid in full even if it means that the heirs get nothing.

The Finance Committee has brought to the Senate a proposed amendment which is reasonable in all regards and generous. It would not discharge tax liabilities, nor does the committee think it should, but it does limit the extent to which the Government can require payment.

Mr. LONG of Louisiana. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Louisiana.

Mr. LONG of Louisiana. Let us assume a case where an outstanding athlete, who was making a large amount of money from his personal income, was hesitant to sign a contract to play baseball for another year. In such a case, might he not be hesitant to sign a contract to play baseball for another year if he wanted to make a small alimony settlement, since a contract indicating the large income he could make playing baseball might increase the size of the alimony settlement?

In a somewhat similar situation a good professional athlete might have run up a large tax bill but have no assets to pay it. Let us assume that his earning capacity is enough to pay these taxes off in a single year. Does the Senator from Tennessee see any particular reason why we should permit him to discharge from his tax obligations by voluntarily going into bankruptcy if he had great earning capacity and if he chose to continue his profession of athletics; he could go ahead, and discharge his obligation to pay taxes to the Government in 1 year?

Mr. GORE. I do not see the justification for such a proposal. Neither did any member of the Finance Committee. The Judiciary Committee proposes this kind of relief, or this kind of loophole.

Mr. LONG of Louisiana. We sought to work out the kind of proposal which would provide relief where relief appeared to be appropriate, but to deny it in cases where it was not appropriate.

Mr. GORE. The able Senator has accurately described the sentiment of the Finance Committee, which recognizes the problem at which the Judiciary Committee was aiming and for which it sought a solution. The Finance Committee is not unsympathetic with it, but we feel that our amendment reflects all the interests involved, those of the general taxpaying public and the Treasury Department, as well as those of the bankrupt. Also, the concept of "due and owing" presents a difficult technical problem.

Does the Senator know if the term, "legally due and owing" has any meaning in our tax law?

Mr. LONG of Louisiana. I do not believe it does.

Mr. GORE. I am advised by those who make it a profession to know, that this term has no established meaning in our tax law. However, the Senate is about to pass upon a bill containing such a concept notwithstanding the fact that the revenue of the United States will be adversely affected in many instances.

Mr. CURTIS. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Nebraska.

Mr. CURTIS. Does it not boil down to this, that if we enact the Judiciary Committee's bill without the amendment of the Finance Committee, we will provide a very serious and far-reaching tax loophole; that we can still attain the objective which the Judiciary Committee seeks by accepting the Finance Committee's amendment, and at the same time avoid creating additional loopholes in taxes in the field of bankruptcy; is that not correct?

Mr. GORE. The Senator from Nebraska has accurately stated the problem.

It was the view of the Finance Committee—and it is certainly my view—that the Judiciary Committee proposal goes too far. The Finance Committee is willing to go very far, and very generously, I believe, in treatment, but it is unwilling to go to the extent proposed in the pending bill.

Mr. CURTIS. Is it not true that this action is taken at this time, a time when many people are concerned about the great increase in bankruptcies, and if there are abuses there, we accelerate the rate of abuse?

Mr. GORE. We certainly invite large abuse. I am sure that it would invite a greater volume of abuse.

Mr. CURTIS. The bankruptcy law, then—perhaps I am oversimplifying it, but I believe it is true—was enacted so that individuals who went into business and were faced with insurmountable debts might have an opportunity to start again.

Mr. GORE. At the present time, in some instances, the bankruptcy law is not being used to rescue people from enterprises which ran into a stone wall and have collected a sizable debt. The bankruptcy law, at the present time, is being used by individuals who have overextended their credit, on their installment payment contracts, I should say, and today we are making it possible for perhaps some of them to take bankruptcy for a particular reason—that is, a large unpaid tax liability. They might still have their great earning potential, and that earning potential might become real.

Mr. CURTIS. Very likely.

Mr. GORE. And yet that individual could, under the pending bill, if it becomes law, completely escape all of his tax liability, to the extent more than 3 years old, however large, and over however long a period of time it had been incurred.

Mr. CURTIS. And it is not necessary to do that in order to reach the objective which the Judiciary Committee is seeking to reach.

I believe the Finance Committee amendment will not do violence to what the Judiciary Committee is contending for, but at the same time will provide some protection to prevent persons from escaping their tax liability.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. GORE. I shall yield in just a moment.

The Senate Finance Committee believes that the provision which the Finance Committee is proposing will be just as effective as the present bill in permitting what the Judiciary Committee has referred to as "an honest but financially unfortunate debtor" to make "a fresh start unburdened by what may be an overwhelming liability for accumulated taxes."

The Finance Committee believes its amendment would be fair, and sufficiently generous, but would not go so far as to permit a bankrupt to avoid tax liability.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. ERVIN. The Senator from Nebraska asked the Senator from Tennessee a question as to whether the amendment has the same objective as the bill over which the Judiciary Committee has jurisdiction.

Is it not true that there is a great difference between the two proposals, in that the Judiciary Committee would give a bankrupt his discharge when his assets were insufficient to pay those taxes which had accrued more than 3 years before bankruptcy, unless there had been a tax lien filed?

Mr. CURTIS. Mr. President, may I answer that question?

Mr. GORE. I yield to the Senator from Nebraska.

Mr. CURTIS. As soon as the tax lien is filed very often the individual is handicapped so he cannot carry on his business. Consequently, before a lien is filed the directors of the Internal Revenue Service often work out a credit arrangement so the man can carry on his business and at that same time work off the tax load.

If the two bills are passed, the taxing authorities or the Government may be forced to immediately file Federal tax liens that will handicap people in carrying on their businesses. Sometimes tax claims are litigated——

Mr. ERVIN. And if they are litigated, they are a matter of public record.

Mr. CURTIS. The Government will file liens and the businesses will be bankrupt. They will be handicapped in making contracts and in carrying on their businesses.

Mr. ERVIN. Mr. President, my question to the Senator from Tennessee is: Would not the pending bill grant a discharge as to all tax claims which were due more than 3 years before bankruptcy, except those which have been reduced to liens?

Mr. GORE. Let me respond to the able senior Senator from North Carolina by saying that the Finance Committee amendment will not encourage taxpayers to undergo bankruptcy in order to wipe out their back taxes. This is a probable result of the bill reported by the Judiciary Committee. In this connection, it will also avoid the very real danger, created by the present bill, of damaging general taxpayer morale. Consider the case where a high bracket taxpayer, in the public eye, as has been referred to by the Senator from Louisiana [Mr. LONG], under the judiciary amendment he can in effect thumb his nose at his tax liabilities which are more than 3 years old.

Also, it will avoid the confusion involved in importing into the Internal Revenue Code the concept of "legally due and owing," which advocates of the bill concede has no clear tax meaning in present law.

Accordingly, the Finance Committee recommends adoption of its amendments.

Mr. ERVIN. Does not the Senator from Tennessee know that Federal income taxes are due on the 15th of April each year? We are reminded over the radio for 3 months before that date that taxes are due and owing on the 15th of April each year. And when taxes are due on April 15, they are due and owing on April 15, unless the Internal Revenue Service grants an extension.

Millions of Americans know that taxes are legally due and owing on the 15th of April. The definition of "legally due and owing" is certainly clear to most taxpayers, and it should be clear to the Internal Revenue Service and the Finance Committee.

Mr. GORE. The distinguished and able Senator from North Carolina is an able lawyer, jurist, and legislator, so able that he knows we cannot with prudence enact laws on the basis of radio appeals. We are dealing with the technical question of defining the meaning of certain words in law. The phrase "legally due and owing" is for tax purposes, uncertain, vague, and open to many interpretations.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, it is true that on the 15th day of April, most taxpayers owe something, as part of the current payment program. But the taxes may not be assessed until a finding that takes a long time after that; and that is the only time that they are due and owing in the sense that the Government can proceed to collect them.

Mr. GORE. Certainly. There is also the problem of when do withholding taxes become due and owing? Are they due and owing when they must be paid during the year or in the following year when the return is filed? What about taxpayments—one makes declarations of estimated tax? Are they due and owing when declared or when the tax return is filed the next year? In addition, when are taxes due and owing when the amount is only determined in subsequent years by a court determination?

Just what does this term mean? I submit that the Committee on the Judiciary, composed of great and able lawyers though it is, in analyzing tax law has made a mistake.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. ERVIN. Does the Senator from Tennessee say that no one can refer to the 1,000-page volume we passed in 1954—namely, the Revised Internal Revenue Code—and determine when taxes are due and owing?

Mr. GORE. Mr. President, I answer the Senator by saying they cannot find out what that phrase means there because the Internal Revenue Code uses the term "assessment" rather than "due and owing."

Mr. President, I send to the desk——

Mr. ERVIN. Mr. President, will the Senator yield one moment further? Then I shall not bother him any more.

Mr. GORE. I yield.

Mr. ERVIN. The Internal Revenue Code says, in effect, that taxes are due and payable on the 15th day of April following the preceding year. If you do not pay them then, you are subject to penalties as of that date.

Mr. GORE. That is not the language used in the Internal Revenue Code. The Internal Revenue Code uses the term "assessment" and that term has a well defined meaning in the tax law.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. The thing that confuses me on that phrase is, are we talking about taxes the taxpayer admits he owes, or taxes the Government thinks he owes, when we talk about taxes due and owing?

Mr. GORE. That is not clear. I submit, Mr. President, that this bill should be amended. I repeat that the Finance Committee recognizes that a problem exists. It is sympathetic with the problem. It wishes to go, with generosity and fairness, a long way toward an amelioration of that problem. But it is unwilling to support a provision which permits a bankrupt to completely avoid all of his tax liabilities, more than 3 years old, or to write into law an invitation to become a bankrupt for tax avoidance purposes.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. GORE. Let me submit an amendment first.

Mr. President, I send to the desk a modified amendment and ask that it as modified be reported.

The PRESIDING OFFICER. Does the Senator from Tennessee wish the amendment to be read in full?

Mr. GORE. I ask that the amendment be reported and considered as read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Legislative Clerk. The Senator from Tennessee proposes an amendment identified as No. 493.

The amendment proposed by Mr. Gore is as follows:

AMENDMENT NO. 493, AS MODIFIED

On page 2, beginning with line 6, strike out all through line 10, on page 3 (section 2 of the bill) and insert the following:

"Sec. 2. (a) Section 17 of such Act, as amended (11 U.S.C. 35), is amended—

"(1) by striking out clause (1) of subdivision a and inserting in lieu thereof the following:

" '(1) are due as a tax (including, whether provable or allowable, any interest, additional amount, addition to tax, or assessable penalty), penalty, or forfeiture to the United States or any State or subdivision thereof;' and

"(2) by adding at the end thereof the following new subdivision:

" 'b. (1) Except as provided in paragraph (2) of this subdivision, in the case of a bankrupt who is an individual, any debt for a tax (including any interest, additional amount, addition to tax, or assessable penalty), or for any other penalty or any forfeiture arising under the tax laws of the United States or any State or subdivision thereof, which is allowable in a proceeding under this Act which is unpaid upon the termination of such proceeding shall be collectible (A) in the case of a tax imposed by the United States, only in the amounts and in the manner prescribed in the Internal Revenue Code of 1954, and (B) in the case of a tax imposed by a State or a subdivision thereof, only in the manner prescribed by the applicable State law and only in an amount each year during the lifetime of the bankrupt not in excess of an amount equal to 5 percent of the difference between the taxable income of such individual (as determined for purposes of section 6873(b) of the Internal Revenue Code of 1954) and the tax imposed by chapters 1 and 2 of such Code for the preceding taxable year (as so determined), or not in excess of such larger amount as the court may order under this Act, and only in an amount after the death of the bankrupt not in excess of 5 percent of the difference between the taxable estate of the bankrupt (as determined under the Internal Revenue Code of 1954) and the tax imposed by chapter 11 of such Code on the estate of the bankrupt. If taxes imposed by two or more States or their subdivisions are collectible under the preceding sentence, the taxes imposed by each State and its subdivisions shall be collectible pro rata with the taxes of each other State and its subdivisions. This subdivision shall not be a bar to any remedies available under applicable law to the United States, or to any State or any subdivision thereof, against the exemption of the bankrupt allowed by law and set apart to him under this Act, against any property abandoned by the trustee, or against any property owned by the bankrupt on the date of bankruptcy which is not administered in bankruptcy for any reason.

" '(2) This subdivision b shall not be applicable to any tax (including any interest, additional amount, addition to tax, or assessable penalty), or to any other penalty or any forfeiture arising under the tax laws of the United States or any State or subdivision thereof, (A) with respect to which the bankrupt made a false or fraudulent return with the intent to evade, (B) which the bankrupt willfully attempted in any manner to defeat or evade, (C) which was assessed in any case in which the bankrupt failed to file a return required by law, (D) which was assessed in any case to which section 6501(e) of the Internal Revenue Code of 1954 (relating to material omissions from returns), or similar provisions of the law of any State or subdivision thereof, was applicable, or (E) which the bankrupt was required to collect and withhold from others.' "

(b) Section 6873 of the Internal Revenue Code of 1954 (relating to unpaid claims in bankruptcy and receiverships) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) Individual Bankrupts.—

"(1) Limitation.—If an individual is adjudicated a bankrupt in any liquidating proceeding under the Bankruptcy Act, any portion of a claim for taxes allowable in such proceeding which is unpaid after the termination of such proceeding shall be paid by the taxpayer without notice and demand in annual amounts as provided in this subsection.

"(2) Amount of annual payments.—The amount of each annual payment which the taxpayer is required to pay under this subsection shall not exceed—

"(A) an amount equal to 10 percent of the difference between the taxpayer's taxable income (as determined under chapter 1) for the preceding taxable year and the taxes imposed on the taxpayer under chapters 1 and 2 for such preceding taxable year, or

"(B) if larger, the amount specified by an order of the court which adjudicated the proceeding under the Bankruptcy Act.

For purposes of subparagraph (A), the taxpayer's taxable income from the preceding taxable year, and the tax imposed by chapter 1 of such year, shall be determined without regard to any loss or credit which may be carried back to such year.

"(3) Treatment as new tax.—For purposes of this subtitle, the amount of each annual payment required to be paid under this subsection shall, under regulations prescribed by the Secretary or his delegate—

"(A) be treated as a tax imposed by chapter 1 with respect to the taxable income of the taxpayer for the preceding taxable year, and

"(B) be paid in such manner as the Secretary or his delegate shall prescribe by regulations.

"(4) Release of liability for prebankruptcy taxes.—For purposes of this title (other than this subsection and section

2210), an individual who is adjudicated a bankrupt in any liquidating proceeding under the Bankruptcy Act shall be released from liability for payment of all taxes (including interest, additional amounts, additions to tax, and assessable penalties) imposed by this title which are allowable in such proceedings and which are unpaid after the termination of such proceeding.

"(5) EXCEPTIONS.—This subsection shall not apply—

"(A) to any amount collected from the exemption of the taxpayer allowed by law and set apart to him under the Bankruptcy Act, from any of the taxpayer's property abandoned by his trustee in bankruptcy, or from any of the taxpayer's property which was owned by him on the date of bankruptcy and which was not administered in bankruptcy for any reason;

"(B) to any tax with respect to which the taxpayer made a false or fraudulent return with the intent to evade;

"(C) to any tax which the taxpayer willfully attempted in any manner to defeat or evade;

"(D) to any tax assessed in any case in which the taxpayer failed to file a return required by law;

"(E) to any tax assessed in any case to which section 6501(e) was applicable; and

"(F) to any tax which the taxpayer was required to collect and withhold from others."

(c)(1) Subchapter C of chapter 11 of the Internal Revenue Code of 1954 (relating to estate tax) is amended by inserting at the end thereof the following new section:

"SEC. 2210. LIABILITY OF ESTATE FOR UNPAID BANKRUPTCY CLAIMS.

If the decedent was adjudicated a bankrupt in any liquidating proceeding under the Bankruptcy Act and any portion of a claim described in section 6873(b)(1) is unpaid at the date of his death, the executor of the decedent's estate shall pay to the United States an amount equal to 10 percent of the difference between the value of the taxable estate of the decedent and the amount of any tax imposed by this chapter, or to the amount of the unpaid claim, whichever is lesser, in satisfaction of such claim. For purposes of subtitle F, such amount shall be treated as an additional tax imposed by this title."

(2) The table of sections for subchapter C of chapter 11 of the Internal Revenue Code of 1954 is amended by adding at the end thereof.

"Sec. 2210. Liability of estate for unpaid bankruptcy claims."

On page 3, line 13, beginning with "taxes" strike out all through "bankruptcy" in line 16 and insert the following: "taxes (including any interest, additional amount, addition to tax, or assessable penalty allowable under subdivision j of section 57 of this Act) due to the United States or to any State or subdivision thereof which are assessed on or after the date of bankruptcy, or which were assessed within three years prior to the date of bankruptcy and with respect to which no notice of a lien has been filed prior to such date;".

Mr. GORE. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, under present law, unpaid State and Federal tax claims are not dischargeable in bankruptcy. The Finance Committee is in complete agreement with the Judiciary Committee that this rule should be revised to permit rehabilitation of the bankrupt. But the bill before us—H.R. 3438 and the Senate version, S. 976, which are substantially in agreement—would discharge in bankruptcy all unpaid taxes more than 3 years old, would constitute far too broad a revision.

In attempting to achieve the praiseworthy aim of rehabilitating delinquent taxpayers who have gone bankrupt, the bill would have two extremely undesirable results.

First. It would create a broad avenue by which delinquent taxpayers could avoid paying their proper shares of State and Federal tax revenue.

Second. By providing an obvious escape hatch for tax dodgers, it would undermine the morale of the millions of taxpayers who are paying their fair share of the Nation's large revenue needs.

Let me illustrate. Suppose a speculator enjoys great success for several years, but then falls upon hard times. His troubles are compounded because he has not paid the full amount of State tax and Federal tax on his profits in his good years. His tax liabilities are large—too large for him to handle with his few assets not yet dissipated in speculation. The bill before us would enable such a taxpayer to avoid his legitimate tax liabilities by resorting to bankruptcy. Bankruptcy would wipe those liabilities out completely—even if, after bankruptcy, the taxpayer once again realized very large profits. The unfairness and undesirability of such a result is obvious.

I wish at this point to read a portion of a letter printed in the hearings that were conducted on August 5, 1965. The letter was written by the chairman of the Special Committee on Federal Liens of the American Bar Association, Mr. Laurens Williams, of Omaha and Washington. It reads as follows:

DEAR SENATOR CURTIS: I know of your long-standing interest in Federal tax liens and their impact on the business community. Similarly, you know of my long-continued efforts to help try to bring about amendments which would modernize the portions of the Internal Revenue Code dealing with Federal tax liens (and related procedural provisions). Therefore, I should express to you my deep concern about portions of the above bills.

Several facets of the bills disturb me. In the first place, it seems to me that they well may have a highly undesirable impact on present tax procedures, which might be quite adverse to many taxpayers. For example, situations frequently arise in which the filing of notice of a Federal tax lien would seriously impair a tax-debtor's ability to conduct his business operations. Under current law, district directors of Internal Revenue typically agree to a reasonable program of installment payments of a tax debt, without filing notice of the Federal tax lien. How this jeopardizes other creditors is difficult to see: they have full opportunity, before extending credit, to obtain financial statements showing the tax liability (and if the tax-debtor gives a false financial statement, his discharge in bankruptcy would be denied). In contradistinction, if these bills are enacted in their present form, it seems to me that district directors of Internal Revenue would have little choice but to file notice of a tax lien in such situations.

In the second place, the bills do not seem to me to have been correlated with tax procedures. For example, examine section 2 of S. 976. This amendment would except from discharge in bankruptcy "taxes which became legally due and owing * * * within three years preceding bankruptcy." I take it that in the usual income, estate, or gift tax matter, the date on which a tax becomes "legally due and owing" is the due date of the return. Any tax disclosed by the return is, of course, immediately assessed. However, a deficiency in reported tax liability typically is not assessed until several years later, often more than 3 years later. Thus, under the bill, a deficiency in tax which, because the taxpayer has been pursuing his administrative or judicial remedies, is not assessed until more than 3 years after the original due date of the tax, would be discharged in a bankruptcy proceeding commenced the following day—before the district director had any opportunity to file notice of the Federal tax lien. Indeed, as I read it, this section would mean that if a deficiency on a tax return due more than 3 years before bankruptcy will be discharged if it is assessed the day before bankruptcy, whereas, if it is not assessed until the day after bankruptcy, it will not be discharged.

Moreover, I respectfully suggest that it is not appropriate to have the "3 years preceding bankruptcy" (or whatever time period is thought appropriate) run from the date the tax "became legally due and owing."

As has been pointed out here, that term is not in the tax code.

I continue to read:

Rather, I suggest, it should run from date of assessment. Indeed, as to deficiencies assessed more than 3 years after original due date, the committee might well find it possible to provide a shorter period than 3 years if it were thought wise to do so as a matter of tax policy.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. GORE. Mr. President, the Senator has brought up, by way of a letter, a very interesting and very important point, and that is what is due and owing in the case of an inaccurate or understated return, whatever the motivation of the inaccuracy or understatement. It is a very interesting point and offers another possibility of tax avoidance.

Mr. CURTIS. I thank the distinguished Senator.

The Committee on Finance has, on the other hand, recommended an amendment to the bill which will solve the problem of rehabilitation of bankrupts without creating a loophole for the tax dodger and without undermining taxpayer morale.

In general, the amendment would limit the amount of unpaid State and Federal tax collectible in the years after bankruptcy to a specific portion of the bankrupt's future, after-tax earnings.

The amendment would not deny or destroy the purpose of the bankruptcy law. The bankruptcy law is intended to give individuals a fresh start. A taxpayer, be he speculator or renowned athlete, would be discharged from his tax liability without the Senate amendment, even though his future earning potential is great. That is a wrong practice to follow. It cannot be defended anywhere. With the amendment of the Senate Committee on Finance, the tax liability would be preserved, but limited to 10 percent of his future income after taxes.

An individual could not have any income if his expenses exceeded his gross income. He could not have any liability if he did not make enough to pay taxes. However, if in the future the man has income after taxes, the amendment would limit the amount of State and Federal taxes collectible in the years after bankruptcy to a specific portion of the bankrupt's future after-taxes earnings.

Federal tax collections of unpaid liabilities in any postbankruptcy year would be limited to 10 percent of the bankrupt's Federal taxable income less the applicable Federal taxes.

Suppose a prizefighter were to take bankruptcy. If the bill of the Committee on the Judiciary were passed, he would have discharged his tax liability, even though in the following years he has a substantial income. However, under the amendment of the Committee on Finance, 10 percent of his taxable income after taxes can be applied on the debt which he owes to the U.S. Treasury.

We should keep in mind the people who never go into bankruptcy. I do not want in any way to downgrade people who do go into bankruptcy. Many of those people are honorable individuals and there may be no other way out. However, we have an obligation to those conscientious taxpayers and payers of debts who struggle their entire life to pay some debts that they could avoid. We should not make their row harder.

Collections of unpaid State tax liability, normally smaller in size, would be subject to a 5-percent limit.

If someone goes through bankruptcy, should his tax liability be forever forgiven, or should we provide that his tax liability is present but that we can only touch 10 percent of his income after taxes for Federal taxes and 5 percent for State taxes?

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. LONG of Louisiana. Mr. President, when Hurricane Betsy hit the State of Louisiana, many thousands of homes were devastated in New Orleans alone as a result of the flood and the 140-mile-an-hour wind.

We helped many of those people go back into business with Government loans.

The point has been made many times that if these people had not been honorable people, a majority of them would have been better off financially to go into bankruptcy and start all over again. However, honest people do not want to go into bankruptcy unless it is absolutely necessary.

I do not wish to reflect on any person who has found it necessary to go into bankruptcy. However, I have known of occasions when a man who drives a Cadillac automobile would go into bankruptcy. One would never know that man was bankrupt if he were to visit him or see him on the street. That man wears the finest clothes, eats the finest food, and does the most lavish entertaining while the bankruptcy is being conducted. In all probability that fellow need not have gone into bankruptcy, but he found it to his financial advantage to do so. This is what is being encouraged.

Mr. CURTIS. Mr. President, the amendment of the Finance Committee is reasonable. I think it is reasonable to provide that if someone has gone into bankruptcy and has earnings after taxes at a subsequent period, 10 percent of of those earnings should be reached for the payment of his Federal tax liability.

I think we owe that to the citizens who struggle hard to pay their debts and their taxes, and who deny themselves not only luxuries, but also many things classified by others as necessities.

The amendment recommended by the Committee on Finance would allow those who suffer financial reverses to secure credit and to begin anew. A provision that an individual's after-tax income up to 10 percent is liable for old taxes assessed before his bankruptcy would not prevent that individual obtaining credit and starting anew, because the only thing that the Federal Government could touch would be 10 percent of his income after taxes. The Government could not touch the assets of the creditors, the credit that had been extended to him to make his business go, because that would come out before there was any income.

Mr. LONG of Louisiana. Will the Senator yield?

Mr. CURTIS. I yield.

Mr. LONG of Louisiana. As a practical matter, would not the amount that the Government would have a right to look to only be approximately the amount of the tax cut that was provided in the 1964 act, so far as the average man is concerned?

Mr. CURTIS. It might be.

The amendment recommended by the Committee on Finance would allow those who suffer financial reverses to secure credit to begin anew; but, at the same time, it would insure that those whose fresh start leads to success do not escape their past tax liabilities. It would provide for the collection of those liabilities in a simple, workable manner—but only from future earnings. By making it clear that individuals cannot beat the game, and must satisfy their tax obligations when they can, the amendment would, further, eliminate a potential source of serious disrespect for the tax system.

For all these reasons, I strongly urge that the amendment of the Committee on Finance be adopted.

If individuals, perhaps not from desire, but because of lax habits, buy more things than they can afford and sign more installment contracts than they can pay for and go into bankruptcy to avoid them all, how can the public good be advanced by offering to individuals a chance to go into bankruptcy when they are faced with a heavy tax load? Certainly, if they are truly bankrupt, that tax liability should not deny them a new start. Under the amendment of the Committee on Finance, it would not. But the amendment provides that if they again get on the road to earning money, the Federal Government can touch but 10 percent after taxes.

The amendment is reasonable, it is in the public interest, and it should be adopted. To do otherwise would not be in the public interest. It would not be fair to the other taxpayers, and it would not be fair to those people who struggle through life, eligible to go into bankruptcy but never do, but by self-denial pay their debts, while others play and enjoy things.

Mr. ERVIN. Mr. President, regardless of the outcome of the bill, the large taxpayers who go into bankruptcy will be excused from the payment of their taxes. I make this statement notwithstanding the fact that Joe Louis may have owed a large amount of taxes. Oftentimes, a movie star or athlete, for tax purposes, may incorporate himself. Many wealthy taxpayers are involved in giant corporations, and are sometimes the sole stockholder of a particular corporation. A bankruptcy proceeding leaves these individuals relatively unscathed.

Corporations owe a large amount of taxes, and when it is compelled to go into bankruptcy, the corporation dissolves and goes out of business when the bankruptcy proceedings have been completed. The Internal Revenue Service can never collect taxes from the corporation thereafter. The bill would remove the present discrimination against an individual who is not so sophisticated or so wealthy as to be able to invest his fortune in a giant corporation or to, in effect, incorporate himself.

Senators have suggested that there is something arduous in filing a tax lien. Although they do not object to the private businessman having to file a lien, they have a remarkable compassion for the Treasury Department with its unlimited number of attorneys and accountants.

There is little cost to the Government in filing a tax lien. All the Government need do is to issue a certificate as to the amount of the tax it claims is due from an individual and record it in the appropriate office.

When the Internal Revenue Service does not file a tax lien in 3 years or 4 years or 5 years or 10 years, what is it doing? It is allowing a man to do business with others, who are not aware of any outstanding taxes owed by that person and who may consequently extend credit to him.

The Internal Revenue Service can protect itself from current debts, because under the bill it need only file a tax lien. How long the taxes have been owed does not make any difference. The tax debt then remains in existence forever, and is not affected by a discharge in bankruptcy.

If the proposed amendment is adopted, an individual who deals with the prospective bankrupt will be faced with a situation in which the Government will take all the estate for taxes, which may have been owing for 15 years, and nothing will be left for the creditors who have dealt with the man. This situation results not only because of the failure of the Internal Revenue Service to perform its duty and collect taxes, but also because of its refusal and failure to file a tax lien and give notice to the world of the tax claim.

Senators have spoken on the amendment proposed by the Committee on Finance. It is rather unprecedented for a committee that has no jurisdiction over legislation of this type to attempt, as a committee to amend a bill which comes from a committee that does have jurisdiction of the legislation. I recognize that Senators who are members of the Committee on Finance have the privilege, as individual Senators, of offering amendments to any bill. But the Committee on Finance has no jurisdiction over this amendment, under the rules of the Senate.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. LONG of Louisiana. Would the Senator from North Carolina agree that his proposal would reduce the revenue that is collected by the Federal Government?

Mr. ERVIN. No more than the Committee on Appropriations reduces the revenue of the Federal Government when it recommends an appropriation bill, and no more than Congress does when it passes an appropriation bill. Nothing in any of those bills provides for the raising of revenue. These bills are not revenue bills. They are bankruptcy bills.

Mr. LONG of Louisiana. This bill reduces revenue. Actions by the Appropriations Committee increases expenditures. Because of the tax problem that the bills present, the Finance Committee is interested in this subject.

My judgment is that the Committee on the Judiciary has jurisdiction with respect to this bill but the Committee on Finance definitely has an interest in the matter because it is our responsibility to make certain the Nation's tax system and tax collection system—over which we do have jurisdiction—are administered properly.

I am not talking about appropriations of money but rather about the collection of taxes owed the Government, this is why this subject is also in the jurisdiction of the Finance Committee.

Mr. ERVIN. Under the theory of the Senator, the Finance Committee would have had supervision over the civil rights bill because its enforcement would reduce the revenue of the Government.

Mr. LONG of Louisiana. The Appropriations Committee has complete power over appropriations of funds. If the Senator had a measure here from the Judiciary Committee that would appropriate money, I would assume that the Appropriations Committee would want to have a look at it.

Mr. ERVIN. The rules of the Senate say that the Committee on the Judiciary shall have jurisdiction over all proposed legislation on the subject of bankruptcy.

Mr. LONG of Louisiana. Would the Senator take a look at the Committee on Finance and see what we have jurisdiction over?

Mr. ERVIN. The Committee on Finance has jurisdiction over revenue measures; that is, bills to raise taxes. This does not undertake to raise revenue. It has jurisdiction over the bonded debt of the United States. This has nothing to do with the bonded debt of the United States.

The Committee on Finance has jurisdiction over the deposit of public moneys. This has nothing to do with the deposit of public moneys. It has jurisdiction over customs, collection districts, and ports of entry and delivery. This has nothing to do with customs, collection districts, and ports of entry and delivery.

It has jurisdiction over reciprocal trade agreements. This has nothing to do with reciprocal trade agreements. It has jurisdiction over transportation of dutiable goods. This has nothing to do with the transportation of dutiable goods. It has jurisdiction over revenue measures relating to insular possessions. This has nothing to do with revenue measures relating to the insular possessions.

It has jurisdiction over tariffs and import quotas, and matters related thereto. This has nothing to do with that. It has jurisdiction over national social security. This has nothing to do with national social security. It has jurisdiction over veterans' measures generally and pensions of all the wars of the United States, general and special. It has jurisdiction over life insurance issued by the Government on account of service in the armed forces and compensation of veterans.

All of that is in the jurisdiction of the Finance Committee. I do not understand, with that much jurisdiction, why the Committee wants to increase its jurisdiction.

Mr. LONG of Louisiana. Mr. President, will the Senator yield on that point?

Mr. ERVIN. I yield.

Mr. LONG of Louisiana. May I suggest that the Senator need not have gone beyond the first item: revenue measures generally. This is revenue generally. The committee has jurisdiction over revenue generally. We are interested in matters that reduce as well as increase the revenue of the Federal Government. This would reduce tax collections. That gives us jurisdiction.

May I say that the Committee on Finance willingly shared jurisdiction with other committees on one item and then another, including the matter before the Judiciary Committee. But we think where we have a responsibility we should discharge it.

Mr. ERVIN. In the English language, as I understand it, and as defined in the law books and the dictionaries, revenue measures are measures to raise revenue.

Mr. LONG of Louisiana. Or reduce revenue.

Mr. ERVIN. Oh, no. My good friend, the Senator from Louisiana [Mr. LONG] demands more jurisdiction. He not only wants to take jurisdiction away from the Judiciary Committee but all other committees.

When we appoint a Federal judge his salary reduces the revenue available to the country by taking it from the Treasury.

Mr. LONG of Louisiana. Is the Senator under the impression that a bill to reduce taxes would not be within the jurisdiction of the Committee on Finance?

Mr. ERVIN. Yes; but that is a revenue bill—not to say that taxes are likely to be reduced.

Mr. LONG of Louisiana. That would be an appropriations bill.

As the Senator knows, we have had this historic argument between the Senate and the House of Representatives. The Senate has always contended that an appropriation bill is not a revenue measure. The House of Representatives contends that it is. Unfortunately, we cannot get before a court to prove that we are right.

I wish to ask the Senator if he would not agree with me that a bill to reduce revenue that the Government collects is a revenue bill?

Mr. ERVIN. On the theory of the Senator from Louisiana, a bill to appropriate revenue reduces the amount of revenue in the Treasury and therefore, the Committee on Finance has jurisdiction over everything.

Mr. LONG of Louisiana. I wish to respond to that by saying that we do not contend that our committee has jurisdiction over appropriations bills. We insist that we do not have jurisdiction over appropriations bills. In that respect we differ from the House of Representatives, which claims that an appropriation bill is a revenue bill. Our committee does not think so. I know that I do not.

Mr. ERVIN. I understand then that the Senator from Louisiana only claims that he has jurisdiction over bankruptcy bills.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. LONG of Louisiana. We do not claim any jurisdiction over a bankruptcy bill as such. We are concerned with bankruptcy bills only insofar as they affect Federal revenues, including the tax collection system over which we do have jurisdiction.

Mr. ERVIN. The Senator is claiming jurisdiction over discharges in bankruptcy.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement which I have prepared concerning the pending bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ERVIN

REFORM OF BANKRUPTCY LAW

The reform of our bankruptcy law which we consider today is in the nature of two bills, H.R. 3438 and H.R. 136, both of which have been endorsed by the American Bar Association, the National Bankruptcy Conference, the American Credit Association, and numerous wage earners, businessmen and banks.

The purpose and effect of the first of these proposals, H.R. 3438 is basic legal and logical fairness. It would help cure the arbitrary discrimination against the individual which exists in the present law. While a corporation ceases to exist upon bankruptcy, and tax claims against it are uncollectable, the tax claims of the Federal government follow the rest of us to the grave—and beyond.

Further, the undisclosed and undiscoverable Federal tax claims, because of their size and priority, rob the most cautious businessmen of any share of the bankrupt's estate.

Consequently, the heavy arm of the Federal treasury leans against both the individual and his creditor, while at the same time it thwarts the policy of our bankruptcy laws—that is, the rehabilitation of the bankrupt and the fair and orderly distribution of his assets.

These are the inequities that Senator HRUSKA, Congressman WHITENER, and I have sought so long to remedy. We would do this by requiring that individuals who go into bankruptcy be discharged from tax claims accruing more than 3 years before bankruptcy unless reduced to liens. I shall explain the details of the proposed legislation in more detail shortly.

Although I vowed this day would come, I must admit to considerable difficulty in believing it is here. You might conclude from the long delay that these bills are either of grave international consequence or are a matter of severe partisan politics.

In looking back, it seems I have spent so much of my time in the Senate trying to bring H.R. 3438, or its companion, S. 976, to a vote, that after it is disposed of—either by enactment or defeat—I will have lost a friend. There is no doubt I will have lost a constant companion.

The substance of H.R. 3438 has now been passed by the House for the fifth straight Congress; it has been favorably and unanimously reported by the Senate Judiciary Committee for three straight Congresses. Yet, until now, it has withered each fall on the vine of the Senate Finance Committee. It was to that Committee that the bill was referred during the course of each Congress as a matter of courtesy. However, the courteous nature of those of us who support reform became somewhat strained this year, and the Finance Committee was ordered to report back at a time certain.

In doing this, I am frank to state that the Senate ignored the wishes of the Treasury Department. The officials at Treasury appeared shocked to find that pigeon-holing judiciary bills in the recesses of another committee was not regular Senate procedure. An assistant secretary wrote me that "certain aspects of this bill need additional study."

Now I am a gentle man, and I replied gently. I said, "If protracted consideration can improve proposed legislation, then this bill must, by now, have reached that admirable state of near-perfection. In an era characterized by hastily-conceived legislation, I believe Congress has shown remarkable caution and restrain by devoting 10 years to the study of a technical defect in the Bankruptcy Act."

Subsequently, the Finance Committee did report back. Both bills were then re-referred to the Judiciary Committee and were unanimously reported in their original form.

I believe this preceding brief history of our efforts is important in view of the recommendations made by a majority of the Finance Committee over vigorous dissent. That Committee would have us suck the breath from the bills we referred and then add an amendment inimical to the spirit of the Bankruptcy Act—an amendment that has never been the subject of a single day of Congressional hearings.

It is indeed remarkable that a Committee which first concurs in an executive department's request for "additional study" for a 10-year old proposal and then swallows whole the notions and suggestions of that department on the policy of those bills, would subsequently tack an amendment pending before the Judiciary Committee which had received no study from any source.

So much for awesome context of the debate today. Now, I turn to what the bills would accomplish.

H.R. 3438

Under existing law, Federal taxes have a priority on the funds of the estate which is unlimited as to the time prior to bankruptcy in which they accrued, and, of course, these taxes do not have to be reduced to a lien and filed for the benefit of potential creditors. As a result of this, persons having financial dealings with a bankrupt prior to bankruptcy have no ready means of ascertaining the extent of unpaid Federal taxes not reduced to liens. Consequently, the present law is unjust to them because they cannot ascertain whether or not the person who subsequently becomes bankrupt is able to meet their claims by reason of unpaid Federal taxes not reduced to liens. This is true even though they take all available precautions, utilizing the best attorneys, to safeguard themselves against loss by examination of the debtor's title to see if his property is free from all discernible liens.

In order to rectify this plight of the general creditor who has to search the public records to find the claims that will be ahead of his, the bill simply limits the priority of Federal taxes to those becoming due within three years before bankruptcy. Taxes which fall within the three years still will not have to be reduced to a tax lien—only those which are older than three years and have not been placed on public notice will be affected. It does not seem to be unfair to the Federal government to give it three years to file a tax lien.

Also, under existing law, the Federal taxes are not dischargeable in bankruptcy regardless of the length of the period over which they accrued. In other words, while other debts are considered satisfied for the debtor after bankruptcy, Federal taxes continue to haunt him and suppress his rehabilitation. This law discriminates against the individual debtor and in favor of the corporation because corporate taxes can accrue and when the corporation goes bankrupt, the corporation is dead, and, practically speaking, no taxes can be collected from the corporation. The tax liability of the individual continues even after bankruptcy.

In order to aid the effective rehabilitation of the bankrupt, this bill provides that a discharge in bankruptcy will relieve a debtor of all taxes becoming due more than three years before bankruptcy unless the government has reduced those taxes to a tax lien.

One point which I would like to make clear is that this bill does not affect taxes, if the tax has been reduced to a tax lien and made part of the public record.

H.R. 136

One of the fundamental purposes of the Bankruptcy Act is to ensure an equitable distribution of the bankrupt's assets. In order to assure a greater degree of uniformity and equality in the distribution of a bankrupt's estate, I introduced S. 1912. This bill would amend sections of the Bankruptcy Act in which there have been a variety of conflicting judicial interpretations concerning the appropriate order of distribution. Considerable uncertainty exists in the commercial world as to the strength of secured credit and this measure is designed to deal with this problem.

In view of the widely acclaimed benefits accruing to bankruptcy administration from adoption of these clarifying amendments, the doubts raised by the Treasury Department concerning this bill appear unsubstantiated grounds for objecting to the bill's passage. The only way H.R. 136 affects Federal taxes is the fact that the bill allows the trustees in bankruptcy to prevail against an unrecorded Federal tax lien over three years old. Of course, the Federal Government can file a lien within three years and protect itself fully.

AMENDMENTS TO CHAPTER XIII PROPOSED BY FINANCE COMMITTEE

As for the proposed amendment, I shall only ask that it be consigned to normal Senate procedures. In view of the opposition to it expressed by the Judicial Conference of the United States, this is the least—and the most—we should do.

Mr. ERVIN. Mr. President, I wish to call attention to the great help that the Finance Committee is so generous as to give the bankrupt. On line 21, page 5 a section is entitled "Release of liability for prebankruptcy taxes." This pleasant headnote is wholly inconsistent with the Finance Committee version of the bill. That committee would not relieve the bankrupt of anything. Here is what their proposal says:

I am reading lines 13 to 19 on page 4:

> (1) LIMITATION.—If an individual is adjudicated a bankrupt in any liquidating proceeding under the Bankruptcy Act, any portion of a claim for taxes allowable in such proceeding which is unpaid after the termination of such proceeding shall be paid by the taxpayer without notice and demand in annual amounts as provided in this subsection.

Then, they provide in lines 20, on page 4, through line 3 on page 5, that the bankrupt has to pay in annual installments at 10 percent as long as he lives.

The next section states the court can make him pay more than 10 percent a year, and as long as necessary to pay taxes in full.

Then, they pursue him beyond the grave.

I call attention to page 7 of the amendment, lines 8 to 16.

> If the decedent was adjudicated a bankrupt in any liquidating proceeding under the Bankruptcy Act and any portion of a claim described in section 6873(b)(1) is unpaid at the date of his death, the executor of the decedent's estate shall pay to the United States an amount equal to 10 percent of the difference between the value of the taxable estate of the decedent and the amount of any tax imposed by this chapter, or to the amount of the unpaid claim, whichever is lesser, in satisfaction of such claim.

So, the poor individual who goes into bankruptcy will be pursued by the Internal Revenue Service throughout this life and into the after life. Even old Shylock did not demand anything but his pound of flesh.

Mr. HRUSKA. Mr. President, during the course of this——

Mr. ERVIN. Mr. President, will the Senator yield for one additional statement?

Mr. HRUSKA. I yield.

Mr. ERVIN. The Senator from Nebraska [Mr. CURTIS] has left the floor, but he read a letter from a former chairman of an American Bar Association committee. It is my understanding that his own committee did not agree and the American Bar Association has approved both the bills now before us.

Mr. HRUSKA. Mr. President, there are one or two propositions to which I should like to address myself. Statements have been made on this floor this afternoon about a bankrupt who can completely avoid all tax liability by reason of the dischargeability of tax liens.

Under the bill, as reported by the Judiciary Committee, I respectfully submit that a statement made in that unqualified fashion is inaccurate. The bill does not provide for a complete discharge of all tax liability. The fact is, there are limitations as to what could be discharged. It is true that the basic proposition is that all tax liens within 3 years preceding bankruptcy cannot be discharged but beyond that, any tax lien which is of record cannot be discharged. The bill provides that a discharge through bankruptcy will not relieve taxes if the bankrupt has failed to make returns required by law, if he makes a false or fraudulent return, or if he willfully attempts to evade or defeat tax liability. The fact is, these items are contained in section 2 of the bill and I ask unanimous consent that the text of the bill consisting of lines 9, on page 2, through lines 25 on page 2, and lines 1 through 9 on page 3 of the bill, be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

"(1) are taxes which became legally due and owing by the bankrupt to the United States or to any State or any subdivision thereof within three years preceding bankruptcy: *Provided, however,* That a discharge in bankruptcy shall not release a bankrupt from any taxes (a) which were not assessed in any case in which the bankrupt failed to make a return required by law, (b) which were assessed within one year preceding bankruptcy in any case in which the bankrupt failed to make a return required by law, (c) which were not reported on a return made by the bankrupt and which were not assessed prior to bankruptcy by reason of a prohibition on assessment pending the exhaustion of administrative or judicial remedies available to the bankrupt, (d) with respect to which the bankrupt made a false or fraudulent return, or willfully attempted in any manner to evade or defeat, or (e) which the bankrupt has collected or withheld from others as required by the laws of the United States or any State or political subdivision thereof, but has not paid over; but a discharge shall not be a bar to any remedies available under applicable law to the United States or to any State or any subdivision thereof, against the exemption of the bankrupt allowed by law and duly set apart to him under this Act: *And provided further,* That a discharge in bankruptcy shall not release or affect any tax lien."

Mr. HRUSKA. Mr. President, there, it is plainly stated:

That a discharge in bankruptcy will not discharge a bankrupt from any taxes, (a) which were not assessed in any case in which the bankrupt failed to make a return required by law, (b) which were assessed within one year preceding bankruptcy in any case in which the bankrupt failed to make a return required by law, (c) which were not reported on a return made by the bankrupt and which were not assessed prior to bankruptcy by reason of a prohibition on assessment pending the exhaustion of administrative or judicial remedies available to the bankrupt, (d) with respect to which the bankrupt made a false or fraudulent return, or willfully attempted in any manner to evade or defeat, or (e) which he bankrupt has collected or withheld from others as required by the laws of the United States or any State or political subdivision thereof, but has not paid over; but a discharge shall not be a bar to any remedies available under applicable law to the United States or to any State or any subdivision thereof, against the exemption of the bankrupt allowed by law and duly set apart to him under this Act: *And provided further,* That a discharge in bankruptcy shall not release or affect any tax lien.

So the Federal Government has an opportunity to protect its collectability on these taxes simply by filing a lien. The rather ingenious argument is made: Let us not force the Government to file a tax lien. Let us not do that because, in so many cases, struggling businesses have worked out a program for payment of these taxes and if the Government is forced to file a lien then, immediately, all the people doing business with this individual will foreclose further credit thus driving the business into bankruptcy.

Mr. President, let us take a look at that. Does not the argument go along the line that the Government is collecting taxes virtually under a deceptive arrangement? They make an arrangement with the taxpayer, saying, "Look, we will not file a lien as long as you continue to pay x number of dollars a month or x number of dollars every 6 months." That is fine for the Government. It is fine for the business, but how about those who will be called upon to extend credit to that struggling business or advance goods without knowing what the extent of the lien is, or even that there is a tax liability? That, of course, is the basis for the committee's receiving hundreds of letters from business firms all over the country complaining about this situation.

A creditor, it is said, can protect himself by requiring periodic financial statements from the bankrupt. They can do that, and it is done, but there are cases in which the true extent of the tax liability may not be known even to the debtor as where there are unsettled accounts or legal questions.

Mr. GORE. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I am happy to yield to the Senator from Tennessee.

Mr. GORE. The Finance Committee has an amendment with respect to the subject matter to which the Senator has just recently been addressing his remarks, but this subject matter is in the bill to be considered, H.R. 136. Of course, I realize that we will soon be dealing with the bill which has this problem but I wish to point out that that specific issue is not in the pending amendment.

Mr. HRUSKA. It may not be, but the argument has been used on the floor of the Senate that the result of the bill as proposed by the Judiciary Committee will force the Government to file all tax liens at once; and if they do that, then the creditors will be scared, making impossible the continuance of the business.

The further argument was made that the dishonest debtor who issues a false statement of his tax liability, if called upon for a financial statement, can find himself in a predicament of not having a dischargeable tax lien. That might be true but the creditor who, in the meantime, advances additional credit or sells more merchandise on credit, will not be protected. He does not want the nondischargeable lien. He wants a situation where he will have some reasonable opportunity to recover his money from the business in distress.

Ultimately, the issue is how to resolve this question, Should the Government as a creditor bear part of the economic burden of the business failure through the loss of some of its tax claims because it has allowed them to accumulate over a long period of time?

Mr. President, recently a letter signed by the Senator from North Carolina [Mr. ERVIN] and myself was addressed to each Member of this body. The letter was composed by the Senator from North Carolina [Mr. ERVIN] and states the case for the bill, in concise, clear, and logical terms.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
June 15, 1966.

To the U.S. Senate,
Washington, D.C.

DEAR SENATOR: Out of the desire to accommodate two worthwhile considerations—the effective rehabilitation of debtors and the protection of creditors through an equitable distribution of the debtor's assets—have evolved the laws of bankruptcy. Two bills which we have been interested in for many years have the unique distinction of serving both of these objectives and we earnestly seek your support in securing their passage.

These two bills, H.R. 3438 and H.R. 136, have been reported from the Judiciary and Finance Committees and are now before the Senate for consideration. One of them, H.R. 3438, has passed the House of Representatives five times and the other, H.R. 136, has also received favorable consideration from the House on three occasions. If protracted consideration can improve proposed legislation, then these bills by now should have reached an admirable state of near-perfection. Both of these bills have received the support of the American Bar Association, the American Credit Association, National Bankruptcy Conference, Judicial Conference of the United States, and numerous banks, trust companies, and accountants.

In order to discuss these two bills, it is necessary to indicate the three general types of claims, in order of preference, on a debtor's estate when he is declared a bankrupt. They are: (1) secured claims which are satisfied out of the secured property, such as mortgaged lands; (2) claims of general creditors who enjoy priority status established by the bankruptcy laws; and (3) claims of general creditors without priority of payment.

H.R. 3438

Under existing law, Federal taxes have a priority on the funds of the debtor's estate which is unlimited as to the time prior to bankruptcy in which they accrued, and these taxes do not have to be reduced to a lien and filed for the benefit of potential creditors in order to assume this priority. As a result, persons having financial dealings with a bankrupt prior to bankruptcy have had no ready means of ascertaining the extent of unpaid Federal taxes not reduced to liens. Consequently, the present law is unjust to them because they cannot ascertain whether or not the person who subsequently becomes bankrupt is able to meet their claims by reason of unpaid Federal taxes not reduced to liens. This is true even though they take all available precautions, utilizing the best attorneys, to safeguard themselves against loss by examination of the debtor's title to see if his property is free from all discernible liens.

In order to rectify this plight of the general creditor who has to search the public records to find the claims that will be ahead of his, the bill would limit the priority of Federal taxes to those becoming due within three years before bankruptcy unless they are reduced to liens. Taxes which fall within the three years still will not have to be reduced to a tax lien—only those which are older than three years and have not been placed on public notice will be affected. It does not seem to be unfair to the Federal government to give it three years to file a tax lien.

Also, under existing law, Federal taxes are not dischargeable in bankruptcy regardless of the length of the period over which they accrued. In other words, while other debts are considered satisfied and are discharged by bankruptcy, Federal taxes continue to haunt the debtor and suppress his rehabilitation. This law discriminates against the individual debtor and in favor of a corporation because a corporation normally ceases to exist upon bankruptcy, and unsatisfied tax claims as well as the unsatisfied claims, have no recourse even though the enterprise may continue in a new corporate firm. Whereas, the tax liability of an individual continues even after bankruptcy and follows him to his grave.

In order to promote the effective rehabilitation of the bankrupt, this bill provides that a discharge in bankruptcy will relieve a debtor of all taxes which became due more than three years before bankruptcy unless the government has reduced those taxes to a tax lien.

One point which we would like to make clear is that this bill does not affect taxes, if the tax has been reduced to a tax lien and made a part of the public record. Also, the bill carefully restricts release from tax liability in the cases of bankrupts who fail to make returns required by law, make false or fraudulent returns, or willfully attempt to evade or defeat tax liability.

H.R. 136

One of the fundamental purposes of the Bankruptcy Act is to ensure an equitable distribution of the bankrupt's assets. In order to ensure a greater degree of uniformity and equality in the distribution of a bankrupt's estate, we solicit your support of H.R. 136. This bill would amend sections of the Bankruptcy Act in which there have been a variety of conflicting judicial interpretations concerning the appropriate order of distribution. Considerable uncertainty exists in the commercial world as to the strength of secured credit and this measure is designed to deal with this problem.

In view of the widely acclaimed benefits accruing to bankruptcy administration from adoption of these clarifying amendments, the doubts raised by the Treasury Department concerning this bill appear unsubstantiated grounds for objecting to the bill's passage. In the recent decision of *U.S.* v. *Speers,* 382 U.S. 266 (1965), the Supreme Court held that the trustee in bankruptcy prevails over an unrecorded tax lien. The Treasury Department's objections to this bill would undo existing law as recently announced by the Supreme Court. Thus, this measure affords the Congress an opportunity to restate the general policy against secret liens. This bill supports the policy of public notice.

In conclusion, we would like to mention the opposition expressed by the Judicial Conference of the United States to an amendment which Senator GORE has offered to H.R. 136. While H.R. 136 has been considered thoroughly, no hearings have been held on the Gore Amendment and we earnestly hope it will be defeated.

We cannot over-emphasize the necessity for favorable Senate action on these bills. The legislation is long overdue and we solicit your favorable consideration of these measures when they are voted on.

If you have any questions concerning this legislation, please do not hesitate to communicate with us.

Sincerely yours,

SAM J. ERVIN, JR.,
ROMAN L. HRUSKA.

Mr. HRUSKA. Mr. President, H.R. 3438 will limit the priority and nondischargeability of taxes in bankruptcy. Existing law affords priority of payment to taxes without limitation in advance of the payment of any portion to general creditors.

Present law prevents an honest debtor from making a fresh start unburdened by what may be an overwhelming liability for accumulated taxes. The rehabilitative purpose of the Bankruptcy Act is frustrated when long overdue taxes continue after bankruptcy. In practice this feature discriminates against the individual debtor, since corporations which enter bankruptcy go out of existence, having the practical effect of discharging all debts including taxes. This bill would not absolve all tax liability in bankruptcy but, rather, would limit the dischargeability to taxes which became legally due and owing more than 3 years preceding bankruptcy.

This 3-year limitation provides adequate opportunity for tax collectors to audit returns and assess deficiencies if they are to do so. Incidentally, this period coincides with the 3-year status of limitations for assessments in Federal income tax cases. The changes for the individual to reestablish himself as a productive and taxpaying member of society are enhanced by preventing him from working himself into an inextricable situation. The bill would not permit discharge where fraudulent means are used to bring discharge.

The revenue which would be derived by the Treasury Department from the continued operation of a business by a solvent debtor would be greater than the amount which may be salvaged by the occasional collection of undischarged tax claims following bankruptcy, and every dollar diverted from the general creditors reduces the amount of their own tax liabilities.

A second aspect of this bill deals with the equitable distribution of the assets of the bankrupt estate among creditors. Under the Bankruptcy Act priority claimants are provided including administrative expenses, wage claims, taxes, and rent claims. Wage claims and rent claims have time or amount limitations but taxes are given unlimited priority. This allows tax collectors to accumulate tax claims without the possibility of discharge in bankruptcy. A financially unsound business thus may continue for many years with accumulated taxes, leaving general creditors with nothing. This is particularly unjust since it is often difficult or impossible for a creditor to determine tax liability of a debtor. If the debtor is dishonest in stating his tax liability, the creditor has no recourse.

Experience has shown that some of the taxing authorities are dilatory in making collection of the amounts due them. Income taxes and sales taxes are often allowed to accumulate over a period of years with no attempt to enforce the taxes until bankruptcy ensues. At that moment, the taxing authorities descend upon the remains of the bankrupt estate with an accumulated claim for taxes extending back over many years. In many cases, this completely exhausts the assets in the estate and leaves nothing for general creditors. The amount of the accumulated and unpaid taxes is not ascertainable by those from whom the bankrupt makes purchases on credit.

The effect of the enactment of this bill will be to challenge the taxing authorities to greater diligence in pursuing their remedies thereby protecting the remedies of other creditors. If they shrug this duty, only taxes which became due and owing within the preceding 3 years will be entitled to preferential payment.

This does not mean that taxing authorities can only collect the amount which became due and owing within the preceding 3 years; only that taxing authorities will receive priority treatment for just 3 years' taxes, with the remaining balance being a general claim and entitled to a pro rata share with other creditors. The principle is supported by the laws of most other commercial countries of the world.

A business which is unable to meet tax obligations extending back more than 3 years is unlikely to recover financial viability. The continued failure to protect the Government's tax interest by instituting liens or distraint warrants generally results only in compounding the loss suffered by general creditors and the Government as well. The effect of forcing the financial issue may in some cases be to save the debtor before his position becomes helpless.

If the Internal Revenue is forced to simply bring the tax liability into the open, much of the unfairness of the present practice will be removed. Sufficient powers are present in the Treasury Department to subsequently compromise a taxpayers' liability if the enforcement of the lien seems too harsh. At least the creditors will be apprised and in a position to protect themselves.

There is a policy decision to be made as to whether the Government as a creditor should bear part of the economic burden of business failures through the loss of some of its tax claims. Part of this decision must weigh the fact that the tax authorities have allowed accumulation of the claim over a long period of years. This legislation will induce tax authorities to act to prevent large accumulations of tax claims to safeguard the public's interest in the collection of revenues which are timely due and enforceable.

The decision to be made in this bill is well defined. This bill provides a rational and fair solution to a situation which in some cases is almost intolerable.

I urge passage of this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 103 Leg.]

Aiken
Bartlett
Byrd, Va.
Clark
Dirksen
Douglas
Eastland
Ellender
Ervin
Gore
Holland
Hruska
Jordan, N.C.
Long, La.
Mansfield
McGee
Morse
Talmadge
Young, N. Dak.
Young, Ohio

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Allott
Anderson
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, W. Va.
Cannon
Carlson
Case
Church
Cooper
Cotton
Curtis
Dominick
Fannin
Fong
Fulbright
Griffin
Harris
Hart
Hartke
Hickenlooper
Hill
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Long, Mo.
McCarthy
McClellan
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Moss
Murphy
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smathers
Smith
Stennis
Symington
Thurmond
Tower
Tydings
Williams, Del.
Yarborough

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Tennessee.

Mr. ERVIN. Mr. President, this is a vote which is of vital importance to the bankruptcy bill about which Senator HRUSKA and I wrote to the Members of the Senate. It is a vote on the amendment of the Senator from Tennessee [Mr. GORE] proposed by the Finance Committee. On behalf of the Committee on the Judiciary, we ask that Senators vote against the amendment, because it would destroy the value of the bill, and we ask that Senators then vote for the bill.

Mr. GORE. Mr. President, I shall take a similar length of time.

The amendment pending is an amendment proposed by the Committee on Finance. It is an amendment on which the technical staff of the Committee on Finance, the staff of the Joint Committee on Internal Revenue Taxation, and the Treasury Department have agreed.

The two issues involved are these: The pending bill, without the amendment, would, upon a taxpayer becoming bankrupt, discharge all tax liabilities more than 3 years old.

The amendment that the Committee on Finance proposes, while quite generous, would not discharge the tax liability, but would limit the recovery on it, in the event that the bankrupt subsequently became prosperous, to 10 percent of the individual's current taxable income minus his regular taxes.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CURTIS. Is it not true that under existing law, in a bankruptcy proceeding, the bankrupt is not discharged from his tax liability?

Mr. GORE. That is true he is not discharged at all. But the pending bill proposes to change that.

Mr. CURTIS. If the amendment of the Committee on the Judiciary is adopted, if an individual, a speculator, or a prizefighter owes taxes, he would be discharged from that liability if they were more than 3 years old and he went bankrupt. If the amendment of the Committee on Finance is adopted, he would have all the benefits of bankruptcy—to get a fresh start—but his liability for these old taxes would be limited to 10 percent of his future income after taxes.

Mr. GORE. The Senator is correct.

Mr. President, the second point of difference is that the proposal of the Committee on the Judiciary deals with priority of claims in bankruptcy. In this regard it refers to taxes "legally due and owing" for 3 years or less. The Committee on Finance has not found the term "legally due and owing" is defined in tax law, and the amendment of our committee uses the term "assessment," which we believe is more precise, and we believe that its meaning is clearly defined.

On this basis, Mr. President, on behalf of the Committee on Finance, I urge that the amendment be adopted, and I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HRUSKA. Mr. President, this bill would not allow the discharge in bankruptcy of all tax liens that are 3 years old or less, nor would it discharge any tax lien of which there is a public record. All the Government need do is to file its tax lien, and no discharge in bankruptcy would be forthcoming in favor of any bankrupt.

Furthermore, this inequity now exists: After a corporation goes into bankruptcy and the bankruptcy proceedings have been completed, the corporation is dissolved. Therefore, all tax liens, whether of record or not, are expunged. That is not the situation in the case of an individual.

The Committee on the Judiciary has thoroughly processed this legislation. This is the second or third time that it has come before the Senate. In favor of this bill, in its present form, are the American Bar Association, American Credit Association, National Bankruptcy Conference, and Judicial Conference of the United States.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. ERVIN. This is a bill over which the Committee on the Judiciary has jurisdiction, under the rules of the Senate.

Mr. HRUSKA. The Senator is correct.

Mr. ERVIN. The Committee on the Judiciary is unanimously in favor of this bill.

Mr. HRUSKA. The Senator is correct.

Mr. ERVIN. And against this amendment.

Mr. HRUSKA. The Senator is correct.

Mr. ERVIN. And the House has passed this bill five times.

Mr. HRUSKA. It has.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee. The yeas and nays have been ordered.

Mr. LONG of Louisiana. Mr. President, I wish to correct one or two statements.

One statement I wish to correct is that the Committee on Finance does not have jurisdiction of this measure. If this measure dealt only with the discharge of liabilities owed to the Federal Government, I suspect that the Committee on Finance would have sole responsibility for it, because that committee does have responsibility for revenue due to the Government, and this bill would discharge an obligation of taxes due to the Government. The Committee on Finance certainly has an interest in the matter, if not complete jurisdiction over it and this bill was reported unfavorably by the Committee on Finance. Also, the Treasury Department is opposed to it.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. ERVIN. The bill might come with an unfavorable report from the Treasury Department, but it comes in with a unanimously favorable report from the Committee on the Judiciary; and the rules of the Senate provide that the Committee on the Judiciary has jurisdiction of bankruptcy legislation.

Mr. LONG of Louisiana. The rules of the Senate also provide that the Committee on Finance has jurisdiction of matters relating to revenue measures generally. This measure deals with how we collect taxes and whether a tax obligation is to be discharged.

As the Senator from Tennessee [Mr. GORE] has pointed out, the number of people going into bankruptcy voluntarily has increased 50 percent, and this measure would add an additional attraction.

All that is being provided for here is that if a person goes into bankruptcy, his future liability to the Government, in any one year, on prebankruptcy taxes, would be limited to 10 percent of his taxable income after taxes.

The argument has been made by analogy that the Finance Committee amendment is discriminatory because a corporation can dissolve, it can go out of business, it can cease to exist, and if this happens it owes no taxes. Of course if an individual ceases to exist, he owes no taxes either. I would not recommend that course to him, however, but this shows that the analogy really does not apply. Also, when credit is extended to a corporation the creditor is well aware that legally he can look only to the assets of the corporation for satisfaction.

The fact is that people elect to go into bankruptcy in many cases when they need not have elected to go into bankruptcy at all. Millions of Americans who might find it advantageous to go into bankruptcy, but do not do so. This proposal of the Committee on Judiciary makes it even more desirable to go into bankruptcy; and even with the amendment proposed by the Committee on Finance the course of voluntary bankruptcy is made more desirable than it has been in the past.

Mr. ERVIN. Mr. President, will the Senator yield for one question?

Mr. LONG of Louisiana. I yield.

Mr. ERVIN. Mr. President, my good friend the Senator from Louisiana [Mr. Long] says that if the individual ceases to exist, his liability ceases. That is not correct under the amendment. The Treasury Department would pursue him beyond the grave—beyond the time he ceased to exist. They would pursue his administrator. We are trying to wipe out this discrimination by which a corporation—but not an individual—can go into bankruptcy and be absolved of taxes.

Mr. GORE. Mr. President, I wish to take a moment in the interest of clarity. It is the pending bill which proposes to change the law. Under the present law there is no discharge of tax liability by way of bankruptcy. It is such a proposal that is before the Senate.

The Committee on Finance is suggesting and offering an amendment to modify this proposal. We think it is in the interest of the public. It is in the interest of the taxpayer generally. It is in the interest of the Treasury, which supports the amendment. The technical staffs of the Treasury, the Joint Committee on Internal Revenue taxation, and the Committee on Finance are agreed upon this amendment. Without such an amendment there is a possible tax loophole for tax avoidance by way of bankruptcy.

I ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. Bass], the Senator from Maryland [Mr. Brewster], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Hawaii [Mr. Inouye], the Senator from Ohio [Mr. Lausche], the Senator from Washington [Mr. Magnuson], the Senator from Wisconsin [Mr. Nelson], the Senator from Oregon [Mrs. Neuberger], and the Senator from New Jersey [Mr. Williams], are absent on official business.

I also announce that the Senator from Connecticut [Mr. Dodd], the Senator from New York [Mr. Kennedy], the Senator from South Dakota [Mr. McGovern], the Senator from Maine [Mr. Muskie], the Senator from South Carolina [Mr. Russell], and the Senator from Alabama [Mr. Sparkman], are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. Dodd] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from California [Mr. Kuchel] is absent on official business.

The Senator from South Dakota [Mr. Mundt], the Senator from Vermont [Mr. Prouty], and the Senator from Wyoming [Mr. Simpson] are necessarily absent.

The Senator from Kentucky [Mr. Morton] is detained on official business.

If present and voting, the Senator from California [Mr. Kuchel] would vote "nay."

The result was announced—yeas 32, nays 47, as follows:

[No. 104 Leg.]

YEAS—32

Aiken
Anderson
Bartlett
Boggs
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Clark
Curtis
Douglas
Fulbright
Gore
Harris
Hartke
Jackson
Long, La.
Mansfield
McGee
Metcalf
Monroney
Morse
Pastore
Pell
Proxmire
Randolph
Ribicoff
Symington
Talmadge
Williams, Del.
Yarborough
Young, Ohio

NAYS—47

Allott
Bayh
Bennett
Bible
Burdick
Carlson
Case
Cooper
Cotton
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Hart
Hickenlooper
Hill
Holland
Hruska
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Long, Mo.
McCarthy
McClellan
McIntyre
Miller
Mondale
Montoya
Moss
Murphy
Pearson
Robertson
Russell, Ga.
Saltonstall
Scott
Smathers
Smith
Stennis
Thurmond
Tower
Tydings
Young, N. Dak.

NOT VOTING—21

Bass
Brewster
Dodd
Gruening
Hayden
Inouye
Kennedy, N.Y.
Kuchel
Lausche
Magnuson
McGovern
Morton
Mundt
Muskie
Nelson
Neuberger
Prouty
Russell, S.C.
Simpson
Sparkman
Williams, N.J.

So Mr. Gore's amendment was rejected.

The PRESIDING OFFICER (Mr. Moss in the chair). The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 3438) was ordered to a third reading, and was read the third time.

Mr. FONG. Mr. President, I ask for the yeas and nays on the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. Bass], the Senator from Maryland [Mr. Brewster], the Senator from Arizona [Mr. Hayden], the Senator from Hawaii [Mr. Inouye], the Senator from Ohio [Mr. Lausche], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from Wisconsin [Mr. Nelson], the Senator from Oregon [Mrs. Neuberger], the Senator from Mississippi [Mr. Stennis], and the Senator from New Jersey [Mr. Williams], are absent on official business.

I also announce that the Senator from Connecticut [Mr. Dodd], the Senator from New York [Mr. Kennedy], the Senator from South Dakota [Mr. McGovern], the Senator from Maine [Mr. Muskie], the Senator from South Carolina [Mr. Russell], and the Senator from Alabama [Mr. Sparkman], are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. Dodd] would vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. Kuchel] is absent on official business.

The Senator from South Dakota [Mr. Mundt], the Senator from Vermont [Mr. Prouty], and the Senator from Wyoming [Mr. Simpson] are necessarily absent.

The Senator from Kentucky [Mr. Morton], and the Senator from North Dakota [Mr. Young], are detained on official business.

If present and voting, the Senator from California [Mr. Kuchel] would vote "yea."

The result was announced—yeas 69, nays 8, as follows:

[No. 105 Leg.]

YEAS—69

Aiken
Allott
Anderson
Bartlett
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Dirksen
Dominick
Douglas
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Griffin
Gruening
Harris
Hart
Hartke
Hickenlooper
Hill
Holland
Hruska
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Long, Mo.
McClellan
McGee
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Moss
Murphy
Pearson
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell, Ga.
Saltonstall
Scott
Smathers
Smith
Talmadge
Thurmond
Tower
Tydings
Williams, Del.
Yarborough
Young, Ohio

NAYS—8

Curtis
Gore
Jackson
Long, La.
Mansfield
Morse
Pastore
Symington

NOT VOTING—23

Bass
Brewster
Dodd
Hayden
Inouye
Kennedy, N.Y.
Kuchel
Lausche
Magnuson
McCarthy
McGovern
Morton
Mundt
Muskie
Nelson
Neuberger
Prouty
Russell, S.C.
Simpson
Sparkman
Stennis
Williams, N.J.
Young, N. Dak.

So the bill (H.R. 3438) was passed.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HRUSKA and Mr. HOLLAND moved to lay the motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 698. An act to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes;

H.R. 8760. An act to amend the provisions of the Oil Pollution Act, 1961 (33 U.S.C. 1001–1015), to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes; and

H.R. 10860. An act to promote the general welfare, public policy, and security of the United States.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 698. An act to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 8760. An act to amend the provisions of the Oil Pollution Act, 1961 (33 U.S.C. 1001–1015), to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes; and

H.R. 10860. An act to promote the general welfare, public policy, and security of the United States; to the Committee on Commerce.

LIENS IN BANKRUPTCY—AMENDMENT OF THE BANKRUPTCY ACT

Mr. LONG of Louisiana. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1122, H.R. 136.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 136) to amend sections 1, 17a, 64a(5), 67(b), 67c, and 70c of the Bankruptcy Act, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ERVIN. Mr. President, this is, in a sense, a companion bill to the bill just passed. In order to make it harmonize with the previous bill, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from North Carolina will be stated.

The LEGISLATIVE CLERK. On page 2, lines 3 through 7, it is proposed to strike out "Section 2 and renumber other sections accordingly."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GORE. Mr. President, I offer an amendment at this time, send it to the desk, ask unanimous consent that the reading of the amendment be waived, and that it be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment (amendment No. 492) offered by Mr. GORE is as follows:

On page 2, strike out lines 3 through 7 (section 2 of the bill) and renumber sections 3 through 6 as sections 2 through 5, respectively.

On page 3, line 23, strike out *"Provided,"* and insert the following:

"Provided, That, in the case of a statutory lien for taxes which were assessed within one year prior to the date of bankruptcy, notice of such lien shall be considered as having been filed immediately prior to the date of bankruptcy and such lien shall be considered as being enforceable at the date of bankruptcy against one acquiring the rights of a bona fide purchaser from the debtor on that date, if notice of such lien is filed within one year after the date of the assessment of the taxes to which the lien relates or within one month after the date of bankruptcy: *Provided further*:".

On page 6, line 8, strike out the closing quotation marks and after line 8 insert the following:

"(6) For the purposes of this Act, in any case in which a statutory lien for taxes covered by a compromise entered into under the provisions of section 7122 of the Internal Revenue Code of 1954 or similar provisions of the law of any State or subdivision thereof has been perfected but notice thereof has not been filed, or in any case in which such lien has been released, a statutory lien for such taxes, valid against the trustee in bankruptcy and a subsequent bona fide purchaser, shall be considered as having existed on the date on which notice of such compromise is filed in the office in which a notice of such lien was or would have been filed, or if such office does not accept such notices of compromise for recording, on the date on which a notice of such compromise is filed in the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is situated. The clerks of the United States district courts are authorized and directed to record all such notices of compromise filed with them under this paragraph."

On page 6, line 9, before "Subsection" insert "(a)".

On page 6, line 15, strike out "The" and insert "Except as against a statutory lien for taxes assessed within one year prior to the date of bankruptcy notice of which is filed within one year after the date of assessment of the taxes to which the lien relates or within one month after the date of bankruptcy, the".

On page 7, after line 12, insert the following new subsection:

"(b) Section 6323 of the Internal Revenue Code of 1954 (relating to validity of liens against mortgagees, pledges, purchasers, and judgment creditors) is amended by adding at the end thereof the following new subsection:

"'(f) Trustees in Bankruptcy.—For purposes of applying subsection (a) with respect to a trustee in bankruptcy, in the case of any imposed by this title which is assessed within one year before the date of bankruptcy, if notice of the lien imposed by section 6321 with respect to such tax is filed by the Secretary or his delegate after the date of bankruptcy but within one year after the date of assessment or within one month after the date of bankruptcy, such notice shall be treated as having been filed immediately before the date of bankruptcy.'"

On page 7, after line 12, insert the following new section:

"SEC. 6. (a) The Bankruptcy Act is amended by inserting after section 32 (11 U.S.C. 55) a new section as follows:

"'SEC. 33. MANDATORY FILING UNDER CHAPTER XIII.—During the pendency of a proceeding in bankruptcy, the court may, upon application of any creditor or upon its own motion, whenever it determines it to be feasible and desirable, and for the best interests of the creditors, order any voluntary bankrupt who is receiving salary or wages to file a petition under section 621 of this Act.'"

(b) Paragraph (3) of section 606 of the Bankruptcy Act (11 U.S.C. 1006(3)) is amended to read as follows:

"(3) 'debtor' shall mean a wage earner who filed a petition under this chapter, or any person filing a petition under this chapter pursuant to an order entered by a court under section 33 of this Act;".

Amend the title so as to read: "An Act to amend the Bankruptcy Act to clarify the status of statutory liens, and for other purposes."

Mr. ERVIN. Mr. President, I wonder if we could agree on a time limitation and ask Senators to remain so we can vote on this bill soon and dispose of it.

Mr. GORE. Mr. President, I shall be glad to take 10 minutes.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that on the pending amendment there be a time limitation of 20 minutes, 10 minutes under the control of the Senator from Tennessee [Mr. GORE] and 10 minutes under the control of the Senator from North Carolina [Mr. ERVIN].

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Tennessee is recognized for 10 minutes.

Mr. GORE. Mr. President, in bankruptcy creditors generally are paid in the following order: First, each secured creditor is paid out of the security pledged for his debt; second, general creditors entitled to priority are paid; and third, general creditors without priorities are paid.

The Internal Revenue Code provides that Federal tax liabilities are secured claims whether or not public notice of the lien has been filed. However, section 6323 of the Internal Revenue Code provides that in those cases where notice of the lien has not been filed, the tax claim is to be treated as junior to certain other claims such as those of mortgages and judgment creditors where the claims are either recorded or the security is reduced to possession.

The Supreme Court, in United States against Speers, has held that trustees in bankruptcy are judgment creditors for purposes of the tax laws and that, therefore, assessed but unrecorded tax claims are junior to trustees in bankruptcy in the same way as it has been generally understood that they were junior to actual judgment creditors. In taking this position, the Supreme Court has overruled the holdings of the Second, Third, and Ninth Circuit Courts of Appeals, which have treated unrecorded Federal tax claims as senior to the general claims represented by the trustee in bankruptcy, although junior to actual judgment creditors.

Prior to the Supreme Court decision, I believe that most taxpayers thought, and the Commissioner of Internal Revenue thought, that assessed but unrecorded tax claims did have priority over general creditors represented by the trustee in bankruptcy. I say this despite the fact that there have been some references made as to the Supreme Court decision representing the law of the land for the past 50 years. Actually, it would appear that the members of the Judiciary Committee itself must have believed that assessed but unrecorded tax claims did have priority over a trustee in bankruptcy. In fact, the Judiciary Committee's report (S. Rept. 277) on page 10 states:

> As a result of several recent decisions, it would appear that the courts are of the view that the trustee does not have the status of a judgment creditor for purposes of section 6323.

I might add that the Judiciary Committee report from which I have just quoted was filed after the Sixth Circuit Court of Appeals decision which took the same position as the Supreme Court's later decision. With this background, it seems to me that we must view this giving of a trustee in bankruptcy a priority status over an assessed but unrecorded tax claim as in reality the equivalent of a change in tax practice.

On the assumption that assessed but unrecorded tax claims came ahead of general creditors as represented by the trustee in bankruptcy, the Internal Revenue Service has followed a deliberate policy in filing tax liens. However, the result of the action which the Senate has just taken, and the action it appears to be about to take, may very well force the Commissioner of Internal Revenue to file thousands of Federal tax liens which in the past he would not have filed; and once a Federal tax lien is filed, the credit of the person against whom it is filed usually vanishes. This can be quite damaging. It may precipitate a great many bankruptcies.

The Internal Revenue Service has followed this practice because it is aware that the filing of a tax lien may destroy a taxpayer because it destroys any opportunity he may have to obtain credit. Now that this priority secured status for assessed but unrecorded tax claims has been lost, the Treasury must of necessity reconsider its former practice and undoubtedly, if no action is taken by the Congress, will speed up the filing of tax liens.

The Finance Committee is well aware of the reasons for the Judiciary Committee's concern about the secured status of assessed but unrecorded tax liens. It believes that giving tax liens this status before they are recorded is disadvantageous to creditors who are unaware of these tax liens. It is undoubtedly for this reason that the Committee on the Judiciary refers to these assessed but unrecorded tax liens as secret liens.

The Finance Committee agrees that as a general rule it is undesirable to give a preferred status to secret liens. For this reason it would limit drastically the period of time during which assessed but unrecorded tax claims are given a secured status above that of a trustee in bankruptcy. The committee feels that this status should be given these tax claims generally for only a year after the assessment date. This, in its view, is essential to an orderly administration of the Internal Revenue laws.

Under present procedures, the Internal Revenue Service usually sends out a series of three delinquency letters which require a period of about 6 months to process. As a result, until after this period has elapsed the Service has not had any personal contact in the delinquency. Also, because of the large volume of cases before the Internal Revenue Service, in numerous situations it cannot even begin its delinquency procedure until the lapse of a considerable period of time after the delinquency first occurs. As a result there is no personal contact with the delinquent taxpayer, to examine his credit standing until a period of 6 months or more has elapsed following the assessment.

Probably more important from an administrative standpoint, experience indicates that about four-fifths of the delinquencies are likely to be paid within 1 year without the filing of a notice of lien.

As a result, the 1-year period enables the Internal Revenue Service to clear the decks of most of its delinquencies without unnecessary harshness in the treatment of these taxpayers. However, if these tax liens are not to have a secured status above trustees in bankruptcy, the Internal Revenue Service may well be forced to file liens in the cases of many of these delinquent taxpayers, where this is now not necessary.

The size of the administrative task which would face the Internal Revenue Service were it to have filed liens in the cases of these delinquent taxpayers is indicated by the fact that approximately 2.4 million new delinquent Federal tax accounts arise each year. However, only some 200,000 notice of liens are filed in the same period, and many of these actually are related to delinquent accounts which arose in prior years.

The Finance Committee is not interested in giving tax claims any better treatment relative to other creditors than is necessary because of the actual facts and circumstances involved. I have pointed out the necessity of giving some better status because of the administrative problems of the Internal Revenue Service. It should also be recognized that the Government's position is somewhat different from that of private creditors, since it is an involuntary creditor rather than a voluntary one. Other creditors before extending credit have the opportunity to check on the status of the individual or company involved and either extend the credit or not depending upon their evaluation.

It should be obvious, however, that the Government does not impose taxes on this basis. It must collect taxes from all alike, both the good and the bad credit risks. This requires some extra opportunity on the part of the Government, after the tax debt is incurred, to make its decision as to the credit standing of the taxpayer and either file or not file a tax lien following that examination.

One more facet of the problem which should be noted is that in addition to security status, which I have been discussing up to this point, under present law, in the absence of a secured status, tax claims are given fourth priority status which still places them above general creditors with no priority. However, another feature of these bills, which I will discuss momentarily, limits even this priority status to those taxes "due and owing" for less than 3 years. A further provision in these bills would even deny tax claims which could not be met in bankruptcy their right of collection in the period after bankruptcy. In other words, these bills, taken together, would have the effect of dropping some tax claims from a secured, nondischargeable status all the way down to an ordinary debt that gets paid last, if at all, and one which, moreover, is wiped out by bankruptcy. At this time, when we need all of the taxes that we can collect, we should not be destroying our opportunity to collect delinquent tax accounts.

PERMISSIVE WAGE EARNER PLANS

Problems have arisen under the present bankruptcy laws where consumers who have accumulated large debts, by the purchase of expensive luxury items on credit plans, avoid the payment of these liabilities by filing voluntary petitions in bankruptcy.

Cases of this type appear to be growing rapidly. In fiscal 1948, 73 percent of the bankruptcy cases commenced were nonbusiness bankruptcies. By 1950, this figure had climbed to 75 percent, by 1955 to 85 percent, by 1960 to 89 percent, and last year to 91 percent.

In numbers the change has been even more startling. In 1948, there were about 13,500 nonbusiness bankruptcies and 5,000 business bankruptcies. By 1950 nonbusiness bankruptcies outnumbered business bankruptcies 25,000 to 8,400; by 1955, 50,500 to 8,900; by 1960, 97,800 to 12,300; and last year there were 163,400 nonbusiness bankruptcies to 16,900 business bankruptcies.

The number of consumer bankruptcies is growing at a rate that cannot continue to be ignored. This trend can be slowed only by requiring these debtors to face up to their financial responsibilities.

The Bankruptcy Act presently contains provisions whereby a wage earner may enter into an arrangement to pay off his debts over an extended period of time and avoid straight bankruptcy. This is chapter XIII of the Bankruptcy Act. Last year, 28,000 of the 179,000 voluntary bankruptcies were commenced under chapter XIII. In a number of States, especially Alabama, Arkansas, Kansas, Maine, and Tennessee, relatively large numbers of the voluntary bankruptcies were commenced by wage earners under chapter XIII.

What this amendment would do is to permit the bankruptcy court, when it is considering one of the rapidly increasing number of voluntary consumer straight bankruptcy petitions, to require the petitioner to use chapter XIII. It should be emphasized that this provision relies upon the discretion of the bankruptcy courts, and it is expected that before exercising this discretion each court will have considered all the factors in the case before it. A material factor would, of course, be the credit and sales practices of the creditors involved.

Mr. President, I do not feel that extended debate on this bill is necessary. The general points involved, for the most part, have been discussed for years. So far as I am concerned, the matter can now be put to a vote.

Mr. ERVIN. Mr. President, this bill is very simple, and it should certainly be passed. It has two purposes. The first is to outlaw certain liens which are not disclosed by the record and cannot be ascertained by creditors.

There has been much confusion in the law of bankruptcy, because that law recognizes a diversity of State laws.

There are States which allow a lien to become effective upon the insolvency of the debtor, or upon the distribution and liquidation of his property, or upon an execution issued upon it. It is not necessary to record these liens in some States; they may even take precedence over recorded chattel mortgages and conditional sales contracts. Other liens not perfected as of the date of bankruptcy are valid against subsequent bona fide purchasers. Liens for such distress as nonpayment of rent are valid in certain States.

The first part of this bill will outlaw these unrecorded and undiscoverable liens, and recognize that the liens which take priority under the law of bankruptcy are the recorded liens which are open to the inspection of the public who deal with the prospective bankrupt. That part of the measure certainly ought to be passed to clear the confusion owing to a divergency of State laws.

The other provision of this bill is intended to clarify the status of the trustee in bankruptcy; that is, to ascertain whether he has the status of a judgment creditor. At the time the report was filed, the law here was also in a state of confusion. Some of the decisions went one way, and some another. Some of the decisions held that an unrecorded tax lien took precedence over the trustee in bankruptcy; others held to the contrary.

This bill was drafted to clarify that situation. Since the bill was introduced, and while it has been pending, the Supreme Court of the United States has handed down a decision to the effect that under existing law, the trustee in bankruptcy occupies the status of a judgment creditor. The amendment offered by my distinguished friend, the Senator from Tennessee, would overrule the decision of the Supreme Court on that point, and it would have what I consider a very unjust result. The amendment provides that even though a man is a bona fide purchaser from the bankrupt prior to bankruptcy and takes a chattel mortgage, or other security for his debt, which is recorded, the Government could come in with an unrecorded tax lien and take precedence, not only over the trustee in bankruptcy, but also over a bona fide purchaser.

There is no occasion under the bill that has been passed for the Government to file tax liens in a hurry. The Government has 3 years in which to do so under that bill. This is sufficient protection for the Government.

I repeat, this bill should be passed. It would clarify the law in one field and would abolish as recognizable liens unrecorded and undiscoverable claims. It would give an advantage under the bankruptcy law to those with recorded liens which are open to the inspection of the public. A bona fide purchaser should have the benefit of his foresight rather than have the Internal Revenue Service take advantage of an individual who has exercised his foresight and wipe out a man who has tried to protect himself.

The amendment should be defeated, and the bill should be passed.

Mr. **HRUSKA**. Mr. President, will the Senator yield?

Mr. **ERVIN**. I yield.

Mr. **HRUSKA**. Mr. President, this bill should be passed without further amendment.

The measure as reported by the Committee on the Judiciary affords Congress an opportunity to restate a policy against unrecorded liens. Further, H.R. 136 is needed to remedy a number of problems which have occurred in bankruptcy proceedings.

Experience with the administration of bankruptcy proceedings indicates that the powers vested in the trustee need to be diversified to adequately protect the assets of the bankrupt estate and to more efficiently handle the estate. In this regard, under present law, the trustee is precluded from assuming inconsistent or repugnant positions with reference to a particular party of transaction. Nevertheless, having chosen a position with respect to one set of circumstances, the trustee as a representative of all the creditors of the bankrupt should not be barred from asserting a different position in other circumstances.

This legislation will shore up the glaring weaknesses which have evidenced themselves in the courts and in the experience of bankruptcy administration on this question as well as a number of others not related to taxes.

Since the policy of the Chandler Act is to protect the costs of administration and wages, it is necessary to postpone to the costs of administration and wages at least those tax liens which are on personal property and are unaccompanied by possession. It is socially desirable to protect those adding to the proceeds of the estate or collecting and protecting the proceeds to be paid for their efforts. In light of this policy, section 67c in this bill retains the provision of existing law which postpones a tax lien on personal property not accompanied by possession, to the debts specified in section 64a clauses (1) and (2).

Since the Treasury Department had objected to the language of previous bills on this point, the proposed section 67c(3) provides that where a postponed tax lien is prior in right to liens indefeasible in bankruptcy, the court shall order payment from the proceeds derived from the sale of the personal property to which the tax lien attaches, less the actual cost of that sale, of an amount not in excess of the tax lien, to the debts specified in clauses (1) and (2) of section 64a of this act. If the amount realized from the sale exceeds the total of such debts, after allowing for prior indefeasible liens and the cost of the sale, the excess up to the amount of the difference between the total paid to the debts specified in clauses (1) and (2) of section 64a of this act and the amount of the tax lien, is to be paid to the holder of the tax lien. This approach adopts the solution which three courts have already innovated under the existing language of section 67c. See *California Department of Employment* v. *U.S.* 210 F. 2d 242 (1954); In re American Zyploptic Co., Inc., (181 F. Supp. 77 (1960)); In re Empire Granite Co. (42 F. Supp. (450 (1942)).

It is the intention of this legislation that a statutory tax lien on personal property not accompanied by possession shall be first tested by the standards of section 67c(1). Then section 67c(3) is to be applied to those liens which have not been invalidated by section 67c(1).

The second major problem met by this legislation concerns the powers of the trustee. Since section 70 of the Bankruptcy Act provides the legal tools for the administration of a bankrupt estate, section 6 of this bill would meet the problems previously outlined concerning the narrow construction of the powers of the trustee.

Specifically, it is provided that the trustee shall have the rights and powers of a "creditor who obtained a judgment against the bankrupt on the date of bankruptcy whether or not such a creditor exists." This provision further sets out specifically the powers which the trustee is to have. By these terms the trustee would be included within the language of section 6323 of the Internal Revenue Code.

These sections of the bill would clarify the status of taxes in bankruptcy cases. The Congress has a constitutional duty under article I, section 8, to establish uniform laws on the subject of bankruptcies. The courts administer these laws but it is for Congress to decide the policy which should be established. The courts are in conflict on a number of the problems to which this bill is directed. Sound solutions are presented in this legislation.

In view of the rising number of bankruptcies and the great increase in the availability of credit which has occurred over the last few years, it is important that the rights of creditors be protected. By giving the trustee the necessary powers, this can be achieved. Tax revenues will not be unduly diminished so long as tax authorities effectively and conscientiously carry out their responsibities.

One of the original purposes of this legislation was met by the Supreme Court in December of 1965 after the Judiciary Committee had reported the bill. In the case of *United States* v. *Speers* 382 U.S. 266, 86 S.Ct. 411 (1965), affirming, In re Kurtz Roofing Co., 335 F. 2d 311 (6th Cir. 1964) it was held that the trustee in bankruptcy is a judgment creditor within the language of that term as used in the Internal Revenue Code (26 U.S.C. 6323 (1964)).

This decision fits entirely within the intent of this legislation and, in fact, the court cited legislative reports on this bill. The court accurately described what our view toward any change in that statement should be when it said: "Should experience indicate that inclusion of the trustee within section 6323 is inadvisable, the fact will not be lost on the Congress."

It would be ridiculous for us to presume today that sufficient experience to dictate modification of this rule has been developed since December 13 of last year when those words were set down. The Internal Revenue Service has had much time to develop workable methods for protecting the Federal tax interests in a bankrupt but has exerted its efforts instead toward devising judicial and legislative efforts toward delaying the adoption of this principle.

In view of this diligent opposition, I have every faith and confidence in the Service to handle the burden which has been placed upon it.

In the future, in light of the experience with this rule, Congress can again examine the problem and make any readjustment which becomes necessary.

Mr. President, I think we should follow the principle declared in the case of United States against Speers. I urge the passage of the bill.

Mr. ERVIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is shall it pass?

The bill (H.R. 136) was passed.

Mr. ERVIN. I move to reconsider the vote by which the bill was passed.

Mr. HRUSKA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF FOREIGN AGENTS REGISTRATION ACT OF 1938—CONFERENCE REPORT

Mr. FULBRIGHT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 16, 1966, pp. 13713–13714, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. FULBRIGHT. Mr. President, the conference on S. 693, to amend the Foreign Agents Registration Act, reached a reasonable compromise on the two House amendments at issue, because the differences were primarily ones of semantics, and not of substance.

The first House amendment dealt with the application of the registration requirements of the act to contacts with Government officials by representatives of businesses engaged in international operations. As I have said before, there was never any intention on the part of the Committee on Foreign Relations to require American businessmen to register for carrying out contacts with Government officials during the course of their normal, legitimate business activities. However, some businessmen were still concerned over the Senate version of the bill, and the House amendment attempted to meet their objections. The House amendment defined the conditions under which the commercial exemption of the act would be available when contacts were made with Government officials where a parent-subsidiary situation was involved.

The conferees of both Houses were in agreement on the objectives of the amendment, but the Senate conferees had reservations about the possibility that the treatment of political activities in behalf of foreign-owned U.S. subsidiaries on the same basis as activities for U.S.-owned foreign subsidiaries might create unintended loopholes for evasion of the act by foreign interests. The compromise reached will require a stricter test for exemption of attempts to influence policy decisions for the U.S. enterprise which is owned or controlled by foreign interests. Under the change agreed to, the exemption will be available only if the purpose of the contact is substantially to further the legitimate, commercial interests of the American subsidiary or affiliate. It eliminates the possibility of a U.S. corporation or business, controlled by foreign interests, being used merely as a front for political activities for the benefit of the foreign principal.

I believe that the business community interested in this problem agrees that the compromise is reasonable and that it will remove much doubt about the scope of the Senate's original amendment to the commercial exemption section.

The second House amendment changed the Senate provision relating to exemptions from registration for attorneys. The intent of the Senate provision was to exempt all attorneys for disclosed foreign interests in their contacts with government agencies where the agency proceedings revealed sufficient information about the agency relationship to make registration unnecessary.

Under the House amendment the exemption would have broadened the Senate provision to exempt contacts with all Government officials, except the Congress. The compromise agreed to would allow the exemption in all circumstances for routine contacts with the agencies and departments. But for attempts to influence policy decisions in the executive branch the exemption would be available only for contacts in connection with established agency proceedings, formal or informal. The purpose is to insure that the exemption is not so broad as to exempt all efforts by an attorney to influence executive branch policies but still sufficiently broad to exempt legitimate activities normally conducted before agency officials by an attorney for a foreign client. It is the Senate conferees' view that the exemption would not cover, for example, attempts to influence the executive branch position on legislation pending before the Congress. The Senate conferees believe that the compromise meets the objectives of the Senate bill, is fair to the legal profession and should be a workable guideline for determining exemption questions.

The approval of this conference report will culminate 5 years of work by the Committee on Foreign Relations on lobbying by foreign interests. Since the Senate passed the bill last year, the Congress and the public have again witnessed the swarming of foreign agents around the sugar pot. Placing this bill on the statute books will not eliminate the conditions which nurture and sustain foreign agents but it will insure that better information is available about how these lobbyists go about their business and exactly what they do to earn their generous fees.

This bill will do a facelifting job on a statute that has served the Nation well but has not been revised to keep it abreast of the times. Foreign and domestic affairs are so interrelated today that the political and propaganda efforts of foreign agents ultimately affect every American. Both Government officials and the public need to—and have a right to—know more about the objectives, tactics, finances, and general mode of operations of those who seek to influence Government policies for foreign interests. With adequate disclosure both the public and officials will be better equipped to protect the integrity of the decisionmaking process of our Government.

Let me summarize briefly the major provisions in the bill:

First. It requires a foreign agent to file a detailed report of political activities employed in behalf of his foreign principal.

Second. Foreign agents will be required to disclose their status as agents when contacting Government officials and Members of Congress. Agents testifying before congressional committees will be required to file copies of their latest registration statement.

Third. Contingent fee contracts between an agent and a foreign interest, where the fee is based on the success of political activities, will be outlawed.

Fourth. Campaign contributions in behalf of foreign principals will be prohibited.

Fifth. The commercial exemption has been broadened and updated.

Sixth. The Attorney General will be given considerable discretionary authority in allowing exemptions from registration and in the amount of information agents must file.

Seventh. Finally, what is in my opinion the single most important provision in the bill, the authorization of an injunctive remedy for the Attorney General. This will permit the Attorney General to bring about compliance with the letter and the spirit of the act without resorting to long, cumbersome criminal proceedings. It provides a flexible tool which will be a substantial improvement over the criminal penalties in the existing act. The act was not intended to bring about wholesale convictions for violations. It was—and is—intended to bring about disclosure. Injunctive proceedings, as authorized in this bill, will be far more effective in achieving that objective than would ever be possible through criminal sanctions.

I ask for the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DISTRICT OF COLUMBIA PARKING FACILITY ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1147, S. 2769.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2769) relating to the establishment of parking facilities in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause and insert:

FINDINGS OF FACT: SHORT TITLE

SECTION 1. (a) The Congress finds that—

(1) the growth and development of the National Capital area has been accompanied by an ever-increasing number of persons entering the District of Columbia by motor vehicle which has resulted in serious traffic congestion;

(2) this congestion restricts the interchange of goods, services, and people between the District of Columbia and the surrounding suburbs, to the detriment of both; imposes hardships and inconvenience on residents, employers, employees, and tourists in the National Capital area; impedes the efficient conduct of the United States and the District of Columbia Governments; and interferes with the rapid and effective disposition of police and firefighting equipment;

(3) the orderly growth and development of the National Capital area requires a balanced transportation system which provides residents of and visitors to the National Capital area a variety of economic and efficient means of travel into and through the District of Columbia;

(4) a balanced transportation system requires adequate highways, rapid rail transit, buses, and off-street parking facilities for motor vehicles;

(5) off-street parking facilities in sufficient numbers and at rates and locations adequate to meet the needs of the National Capital area have not been provided; and

(6) the establishment of a parking authority to supplement existing parking with additional off-street parking facilities is necessary to maintain and improve the economic well-being of the National Capital area, the safety, convenience, and welfare of the residents thereof and the visitors thereto, and the efficiency of the United States and District of Columbia Governments.

(b) This Act may be cited as the "District of Columbia Parking Facility Act".

CREATION OF PARKING BOARD

SEC. 2. (a) There is hereby created and established a body politic and corporate of perpetual duration, to be known as the "District of Columbia Parking Board" (herein called the "Parking Board"). The Parking Board shall consist of three members, who shall be the members of the Board of Commissioners of the District of Columbia. The term of office of any member of the Parking Board shall be the same as his term of office as such Commissioner. Two members of the Parking Board shall constitute a quorum. The members of the Parking Board shall select from among their number a chairman and a vice chairman of the Parking Board.

(b) The Parking Board shall appoint, subject to the provisions of the Classification Act of 1949, as amended, and other applicable laws relating to employees of the District of Columbia, an administrator. The Parking Board may delegate to the Administrator such authority as may be necessary or convenient to carry out the purposes of this Act.

PARKING ADVISORY COUNCIL

SEC. 3. (a) There is hereby established a Parking Advisory Council (herein called the "Advisory Council"). The Advisory Council shall be composed of eleven members, consisting of the Secretary of the Interior or his designee, the Director of the District of Columbia Department of Highways and Traffic or his designee, the Administrator of the General Services Administration or his designee, the Chairman of the National Capital Planning Commission or his designee, the Administrator of the National Capital Transportation Agency or his designee, all ex officio, and six members from private life appointed by the Parking Board of whom one shall be designated biennially by the Parking Board to serve as chairman. The members from private life shall be chosen to reflect a range of experience in such fields as architecture, engineering, retail trade, real estate, financing, law, motor vehicle parking, and transportation.

(b) The members of the Advisory Council appointed by the Parking Board shall be appointed for a term of four years, except that with respect to the first appointments made after this Act becomes effective, one member shall be appointed for a one-year term, one member shall be appointed for a two-year term, two members shall be appointed for a three-year term, and two members shall be appointed for a four-year term. Any member appointed to fill a vacancy shall serve only for the unexpired term of the member he is replacing. Any member shall be eligible for reappointment.

(c) (1) Members of the Advisory Council who are officers or employees of the United States or of the District of Columbia shall serve without compensation in addition to that received in their regular public employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of duties vested in the Council.

(2) Members of the Advisory Council, other than those to whom paragraph (1) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of such Council and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Council.

(d) It shall be the duty of the Advisory Council to advise and assist the Parking Board in carrying out its functions under this Act, including the overall planning of parking facilities, the acquisition, construction, design, and operation of such facilities and such other matters as the Parking Board shall request or the Advisory Council shall determine. The Parking Board shall request the views of the Advisory Council on each matter made subject to a public hearing by this Act, and shall include the report of the Council, if any, in the Parking Board's record.

(e) The Advisory Council is authorized, within the limits of funds authorized by the Parking Board and subject to the provisions of the Classification Act of 1949, as amended, and other applicable laws relating to employees of the District of Columbia, to appoint an executive secretary. Subject to reimbursement by the Parking Board for the salaries, retirement, health benefits, and similar costs for such employees, the ex officio members of the Advisory Council and the Commissioners of the District of Columbia shall make available to the executive secretary such staff, information, and technical assistance as he shall require to enable the Advisory Council to carry out its responsibilities under this Act.

(f) The Advisory Council is authorized, within the limits of funds authorized by the Parking Board, to hire independent consultants to assist it in carrying out its responsibilities under this Act.

COMPREHENSIVE PARKING STUDY

SEC. 4. (a) The Advisory Council shall, within one year following the date of enactment of this Act, and not less than once each five years thereafter, prepare and distribute a comprehensive report on parking in the District of Columbia metropolitan area. Such report shall include—

(1) an inventory of existing parking facilities in the District of Columbia, both public and private, and an analysis of the manner and extent to which they are utilized.

(2) an inventory of the existing and reasonably anticipated transportation facilities in the National Capital area, including roads, highways, buses, and rapid rail transit, and an analysis of the manner and extent to which they are utilized;

(3) an analysis of the extent, type, and location of all parking facilities and on-street parking which are necessary or desirable for achieving balanced transportation and an efficient flow of traffic in the National Capital area together with recommendations as to the need, if any, for additional public parking facilities and the areas within which such facilities should be located; and

(4) any other information or recommendations that the Advisory Council determines to be useful to the Parking Board in carrying out its duties under this Act.

(b) The Advisory Council shall refer the parking report to all interested agencies in the National Capital area for their information and comments. The parking report and all relevant data used to compile the report shall be made available to owners and operators of private parking facilities in the District of Columbia in order to enable them more effectively to plan the operation and expansion of their facilities.

ACQUISITION OF PARKING FACILITIES

SEC. 5. (a) The Parking Board is authorized to acquire, in its own name, by purchase, lease, gift, exchange, condemnation, or otherwise; such property, real or personal, in the District of Columbia, including any rights or interests therein, as the Parking Board may require to carry out the provisions of this Act; except that in no case shall the Parking Board acquire by condemnation any existing parking garage.

(b) The Commissioners of the District of Columbia are authorized to make available to the Parking Board, without consideration, air and subsurface rights in areas consisting principally of land in highway, railway or subway rights-of-way, bridges, and other lands under their jurisdiction and control in the District of Columbia for use by the Parking Board in carrying out its duties under this Act. The Commissioners to the extent feasible, shall exercise this authority to enable the Parking Board to locate parking facilities in such manner as to coordinate parking with any future highway or subway construction in the District of Columbia.

(c) The Secretary of the Interior and the Administrator of General Services Administration are authorized, subject to such terms and conditions as they may prescribe, to make available to the Parking Board, without consideration, subsurface rights in lands in the District of Columbia under their respective jurisdiction and control for use by the Parking Board in carrying out its duties under this Act.

(d) The Parking Board shall take no final action with respect to the acquisition of a parking facility or the acquisition of any real property for the purpose of establishing thereon a parking facility (other than the taking of options) until the Parking Board has—

(1) obtained a study of such proposed facility from an independent expert qualified to evaluate the feasibility of any such facility, and

(2) held a public hearing to obtain views on the need for such facility, its proposed size, and its economic feasibility. The Board shall publish notice of any such hearing in at least one newspaper of general circulation in the District of Columbia at least twenty days prior to such hearing.

(e) No condemnation proceeding shall be instituted under this Act unless the Commissioners, acting in their capacity as Commissioners, shall have approved the filing of such proceedings. Condemnation proceedings brought pursuant to this section shall be brought in the name of the Parking Board. Such proceedings shall be instituted and conducted in the United States District Court for the District of Columbia, which court shall have jurisdiction of such proceedings, and shall be prosecuted in accordance with the procedure in proceedings instituted and conducted under the authority of sections 1311 through 1321 of title 16 of the District of Columbia Code, except that (1) wherever in such sections the terms "Board of Commissioners" or "Board" appears, such terms shall be deemed, for the purposes of this Act, to mean the Parking Board, (2) wherever in such sections provision is made for property to be taken in the name of the District of Columbia, such provisions shall, for the purposes of this Act, be construed to mean the Parking Board, (3) wherever in such sections reference is made to the District of Columbia (as a party to a proceeding instituted or conducted under the authority of such sections), such terms shall be deemed to refer to the Parking Board, and (4) wherever in such sections any payment is required by any of such sections to be made from appropriated funds, such payment is authorized to be made from any moneys of the Parking Board which are available for such purpose.

(f) The acquisition, by condemnation, of real property for use by the Parking Board under this Act shall be authorized only if, prior to the initiation of proceedings to condemn such property, the Parking Board shall have taken the following actions:

(1) Retained at least two qualified, independent real estate appraisers to assist it in establishing the fair market value of the property, and such appraisers have advised the Parking Board, in writing, of such value;

(2) Established a fair market value for the property based on such appraisal;

(3) Certified that it has been unable to purchase the property at or above such fair market value;

(4) Initiated condemnation proceedings within ninety days from the date of the certification required by paragraph (3): *Provided*, That in the event the Parking Board shall fail to initiate such proceedings within the prescribed period, the Parking Board shall be foreclosed from initiating any such proceeding against said real property for a period of at least five years from the expiration of said ninety-day period;

(5) Certified that decent, safe, and sanitary housing can reasonably be expected to be available to any families which may be displaced by such condemnation action at rentals they can reasonably afford; and

(6) Certified that, barring acts of God or other unforeseeable circumstances, it will commence, or cause to be commenced, construction of a parking facility upon such property within one year following the date of acquisition.

(g) In addition to any payments required by the preceding subsection, the Parking Board is hereby authorized to make relocation payments to persons displaced by reason of its acquisition of property under the authority of this section to the same extent as such persons would have been entitled to have received if such displacements had been within the purview of section 114 of title I of the Housing Act of 1949, as amended. The Parking Board and the District of Columbia Redevelopment Land Agency are authorized to enter into an agreement under which such Agency shall undertake to administer the payments authorized to be made by this subsection, and provide the Parking Board with relocation services in like manner as such Agency provides such services to the Commissioners.

(h) No parking facility shall be established upon any property zoned residential without the approval of the Zoning Commission of the District, which may grant such approval only after public notice and hearing in accordance with the provisions of section 3 of the Act of June 20, 1938 (52 Stat. 798 (1938); D.C. Code, sec. 5-415).

PARKING BOARD AUTHORIZED TO CONSTRUCT AND OPERATE FACILITIES

SEC. 6. (a) The Parking Board is authorized to undertake, by contract or otherwise, the clearance and improvement of any property acquired by it under this Act as well as the construction, establishment, reconstruction, alteration, repair, and maintenance thereon of parking facilities. The Parking Board shall take such action as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, and/or repair shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended. The Secretary of Labor shall have, with respect to the labor standards specified herein, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

(b) The Parking Board may, with respect to any facility acquired or constructed pursuant to this Act,

(1) lease space in such facility at or below the level of the street on which such facility fronts or abuts for commercial purposes, and

(2) lease or sell air rights above any parking structure of four or more stories for commercial purposes, if the Parking Board determines that the utilization of such space or air rights for commercial purposes is expedient for the financing of such parking facility and is compatible with the development of the vicinity in which such facility is located: *Provided*, That no petroleum products shall be sold or offered for sale in any entrance to or exit from any parking facility constructed or acquired under this Act. The rentals so generated shall be taken into account in fixing the rental or sales price of any real property or facility leased or sold pursuant to sections 7 and 8.

(c) The Parking Board shall, as soon as practicable, lease or sell, pursuant to sections 7 and 8 hereof, any facility acquired or constructed under this Act unless the Parking Board determines that the public interest would best be served if it operated such facility itself, and includes in its record of the matter a statement as to its reasons therefor. Each such determination so made shall be reviewed by the Parking Board not less than every three years following the date on which such determination is made.

(d) In operating any such facility, the Board shall, to the extent feasible, provide, by contract or otherwise, for such operation of its parking facilities by any person or management firm competent to manage the operation. Any such contract shall be subject to the Service Contract Act of 1965 (79 Stat. 1034).

PARKING BOARD AUTHORIZED TO LEASE FACILITIES

SEC. 7. (a) The Parking Board is authorized to lease any parking facility acquired or constructed by it for such period of time, as the Board may determine, except that a lease which is used as security for permanent financing shall not exceed forty years in duration and any other lease shall not exceed five years in duration. The Parking Board shall invite competitive bids for the lease of any parking facility, but may, whenever it determines it to be in the public interest, negotiate the lease of any such facility. The Parking Board shall include in its record of the matter a statement as to its reason for so negotiating any such lease.

(b) The Parking Board shall not lease any such facility for an annual rental in an amount less than that which is necessary to amortize, within a forty-year period, the cost of acquiring or constructing such facility and to provide a reasonable reserve for such purpose; to meet the Parking Board's obligations, if any, under the lease including any obligation to repair, maintain, or insure the the facility; to make payments in lieu of taxes; and to meet all administrative expenses and other charges in connection therewith; except that the Parking Board may, for good cause, accept for such number of years as the Parking Board may determine is necessary, a lower rental than the minimum hereinabove prescribed, subject to the repayment to the Parking Board of the difference between such lower rental and such minimum rental prior to the termination of the period for which the parking facility is leased.

(c) The lease of a parking facility shall be upon terms and conditions requiring that such parking facility shall be operated and maintained, during the term of the lease, for the parking of motor vehicles by the general public in accordance with rates, hours of service, methods of operation, rules, and regulations established or approved by the Parking Board and posted in such parking facility by the lessee.

PARKING BOARD AUTHORIZED TO SELL FACILITIES

SEC. 8. (a) The Parking Board is authorized to sell any parking facility other than any facility constructed on land owned by or acquired from the governments of the United States or the District of Columbia. The Parking Board shall invite competitive bids for the sale of any such parking facility, but may, whenever it determines it to be in the public interest, negotiate the sale of such facility. The Parking Board shall include in its record of the matter a statement as to its reason for so negotiating any such sale.

(c) The sale of any such parking facility shall be upon terms and conditions requiring that such parking facility shall be operated and maintained for the parking of motor vehicles by the general public in accordance with rates, hours of service, method of operation, rules, and regulations established or approved by the Parking Board and posted in such parking facility by the purchaser.

(c) The Parking Board is authorized, in connection with the sale of a parking facility acquired or constructed by it, to include in the deed for such property a covenant, running with the land, whereby the purchaser agrees, for himself and his successors in interest, that the property purchased from the

Parking Board will be used as a parking facility for such period of time as the Parking Board shall specify in said covenant. The Parking Board is authorized to agree, subject to the requirements of the preceding subsection (b), to the release or modification of any such covenant whenever the Parking Board shall find, after public hearing, that the operation of a parking facility no longer is in the public interest, or the development of the vicinity in which such parking facility is located is or will be of such a character as to make such facility incompatible with such vicinity.

LEASING PROPERTY FOR DEVELOPMENT

SEC. 9. (a) The Parking Board is authorized to lease, for terms not exceeding forty years, any real property acquired pursuant to this Act, and to stipulate in such lease that the lessee shall erect at his or its expense a structure or structures on the land leased, which structure or structures and property shall be primarily used, maintained, and operated as a parking facility. Every such lease shall be entered into upon such terms and conditions as the Parking Board shall impose including, but not limited to, requirements that such structure or structures shall conform with the plans and specifications approved by the Board; that such structure or structures shall become the property of the District, or in the case of a facility constructed on land under the control and jurisdiction of the United States, such structure shall become the property of the United States, upon termination or expiration of any such lease; that the lessee shall furnish security in the form of a penal bond, or otherwise, to guarantee fulfillment of his or its obligations; that the lessee shall take such action as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, and/or repair shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended, and any other requirements which, in the judgment of the Parking Board, shall be related to the accomplishment of the purposes of this Act.

(b) The lessee may, with the consent of the Parking Board—

(1) sublease space in such facility at or below the level of the street upon which such facility fronts or abuts for commercial purposes; or

(2) sublease air rights above any parking structure of four or more stories for commercial purposes;

if the Parking Board determines that the utilization of such space or air rights for commercial purposes is expedient for the financing of such parking facility and is compatible with the development of the vicinity in which such facility is located: *Provided*, That no petroleum products shall be sold or offered for sale in any entrance to or exit from any parking facility constructed or acquired under this Act. The rentals so generated shall be taken into account in fixing the sales price of any real property sold pursuant to this section and the approval of rates for the parking of motor vehicles in the parking facility constructed thereon.

(c) Any such lease made pursuant to this section shall be upon such terms and conditions as the Parking Board shall determine, and shall include requirements that any parking facility constructed on the land so leased shall be operated and maintained for the parking of motor vehicles by the general public in accordance with rates, hours of service, method of operation, rules, and regulations established or approved by the Parking Board and posted in such parking facility by the lessee.

RATES

SEC. 10. (a) The Parking Board shall establish and, from time to time, revise, with or without public hearings, schedules of rates to be charged for use of space in each parking facility established pursuant to this Act. In establishing such rates, the Parking Board shall (i) consider, among other factors, the existing rates charged by privately operated parking facilities serving the same vicinity; and (ii) consider, in light of the overall transportation needs and problems of the District of Columbia metropolitan area, the extent to which long-term and short-term parking is desirable at each location and shall fix a schedule of rates for each location which is designed to encourage the types of use that are desired at such location. The Parking Board is authorized to provide rate differentials for such reasons as the amount of space occupied, the location of the facility, and other reasonable differences.

(b) The rates to be charged for the parking of motor vehicles within the parking facilities operated by the Parking Board shall be fixed at the lowest rates that will defray the cost of maintaining, operating, and administering such parking facilities; amortize, within a forty-year period, the cost of acquiring or constructing such facilities; pay all charges, fees, and payments in lieu of taxes attributable to such facilities.

(c) The rates to be charged for the parking of motor vehicles within any parking facilities leased pursuant to this Act shall be fixed at the lowest rates that will enable the lessee to meet all his obligations under his lease or leases; to defray all reasonable and necessary operating expenses; and to earn a fair and reasonable profit or return on his investment.

(d) The rates to be charged for the parking of motor vehicles within any parking facilities sold by the Parking Board pursuant to this Act, or constructed on any unimproved real property leased pursuant to section 9 of this Act, shall be fixed at the lowest rates that will enable the purchaser or lessee, as the case may be, to meet all his obligations under the purchase or lease agreement or agreements to amortize his investment over a reasonable period; to defray all reasonable and necessary operating expenses; and to earn a fair and reasonable profit or return on his investment.

AUTHORITY TO ISSUE OBLIGATIONS

SEC. 11. (a) The Parking Board is authorized to issue and sell, upon such terms and conditions as it shall by resolution prescribe, its obligations having such maturities and bearing such rate or rates of interest as may be determined by the Parking Board: *Provided*, That not more than $50,000,000 in such obligations shall be outstanding at any time. Such obligations may be made redeemable at the option of the Parking Board before maturity in such manner as may be stipulated in such obligations. The principal of and the interest on any such obligations so issued shall be payable out of any moneys or revenues of the Parking Board available under the provisions of this Act. The obligations issued under this Act, together with the interest thereon, shall not constitute a debt or obligation of the United States or of the District of Columbia, and the obligations issued by the Parking Board shall clearly so state.

Obligations authorized hereunder may be issued by the Parking Board in the form of temporary, interim, or definitive bonds, at one time or from time to time, for any of its corporate purposes, including acquiring necessary cash working funds, constructing, reconstructing, extending, or improving a parking facility or facilities or any part thereof and acquiring any property, real or personal, useful for the construction, reconstruction, extension, improvement, or operation of a parking facility or part thereof. The Parking Board shall also have power from time to time to refund any bonds by the issuance of refunding bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any other of its corporate purposes. To the extent feasible, the provisions of this Act governing the issuance and securing of other obligations shall govern refunding bonds. All bonds issued under the provisions of this Act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under article 3 of the Uniform Commercial Code of the District of Columbia. The Parking Board shall determine the date, the price or prices, and the terms of redemption, and the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the District of Columbia. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any bond may bear the facsimile signature of, or may be signed by, such person as at the actual time of the execution of such bond shall be duly authorized to sign such bond although at the date of such bond such person may not have been such officer. The bonds may be issued in coupon or in registered form, or both, as the Parking Board may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the exchange of either coupon bonds or registered bonds without coupons for an equal aggregate principal amount of other coupon bonds or registered bonds without coupons, or both, of any denomination or denominations.

In the discretion of the Parking Board, bonds may be secured by a trust agreement by and between the Parking Board and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the District of Columbia. Such trust agreement may contain provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the Parking Board in relation to the acquisition of property and the construction of parking facilities and the improvement, maintenance, operation, repair, and insurance of parking facilities, the rates to be charged and the custody, safeguarding, and application of all moneys; shall set forth the rights and remedies of the bondholders and of the trustees; may restrict the individual right of action by bondholders; and may contain such other provisions as the Parking Board may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement may be treated as a part of the cost of operation.

In order to secure the payment of its bonds, the Parking Board shall have power, in the resolution authorizing the issuance thereof or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof): to pledge all or any part of its revenues, including future revenues, the proceeds of bonds and any other moneys available to the Parking Board; to covenant with respect to pledges of revenues, liens, mortgages, sales, leases, any property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any parking facility or part thereof, or any property of any kind; to covenant with respect to the terms of any bonds to be issued, the custody, application, investment, and disposition of the proceeds thereof, the issuance of additional bonds, the incurring of any other obligations by it, the payment of the principal of and the interest on the bonds or any other obligations, the sources and method of such payment, the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations; and to covenant with respect to the replacement of lost, destroyed, or mutilated bonds. The Parking Board is further authorized to pledge as security for revenue bonds, the revenues of parking meters, and to covenant with respect to the installation, relocation, operation, and maintenance of parking meters; the maintenance of its real and personal property, the replacement thereof; the insurance to be carried thereon and use and disposition of insurance money; the rates and other charges to be established and charged by the Parking Board under the authority of this Act; the amount to be raised each year or other period of time by rentals, sales, fees, rates, or other charges, and as to the use and disposition to be made thereof; and for the creation of special funds and accounts, including reasonable reserves.

(b) Obligations issued by the Parking Board, their transfer and the income therefrom (including any profit made on the sale thereof), shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, and by any State, territory, or possession, or by any county, municipality, or other municipal subdivision or taxing authority of any State, territory, or possession of the United States, with the exception of estate, inheritance, and gift taxes.

(c) Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees, and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this Act, it being the purpose of this section to authorize the investment in such bonds, or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds; except that nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

(d) No trustee or receiver of any property of the Parking Board shall assign, mortgage, or otherwise dispose of all or part of any parking facility established under this Act, except in the manner and to the extent permitted under any trust or other agreement securing an obligation of the Parking Board. A trustee under any trust or other agreement securing an obligation of the Parking Board may be authorized in the event of default under any such trust or agreement to seek the appointment of a receiver who may enter and take possession of any parking facility of the Parking Board, operate and maintain such facility, collect all revenues arising therefrom, perform all duties required by this Act or by any trust or other agreement securing an obligation of the Parking Board to be performed by the Parking Board or any officer thereof, and take possession of the revenues from parking meters applicable to the payment of any obligations of the Parking Board.

PARKING METERS

SEC. 12. (a) The Parking Board shall, subject to the approval of the Commissioners install, maintain, repair, relocate, and remove parking meters at such locations on the streets, avenues, roads, highways, and other public open spaces under the jurisdiction and control of the Commissioners as the Parking Board may determine as an aid to the regulation and control of the movement and parking of motor vehicles. The Parking Board is authorized to prescribe fees for the parking of vehicles where parking meters are now or hereafter installed and to utilize its own personnel to collect such fees. Such fees shall be collected by the Parking Board and shall be accounted for and disposed of in like manner as other revenues of the Parking Board.

(b) The Parking Board is authorized to pledge, in addition to its other revenues, the revenues of parking meters as security for its obligations, except that no such pledge shall extend to more than 75 per centum of the revenues of the meters in existence at the time such pledge is made. No covenant or agreement entered into by the Parking Board shall prohibit it from relocating parking meters.

EXEMPTION FROM TAXATION

SEC. 13. (a) The Parking Board shall not be required to pay any taxes or assessments upon any parking facilities or any part thereof, or upon the income thereof: *Provided,* That in lieu of such taxes or assessments the Parking Board may pay to the District of Columbia an amount equal to the taxes or assessments that would have been levied against the property of the Parking Board were the Parking Board not exempt from taxation. The exemption from taxes and assessments hereunder shall not be extended to any interest in a parking facility conveyed by the Parking Board to a grantee or lessee. The authority to make payments in lieu of taxes shall be subordinate to the obligations of the Parking Board under any bond, mortgage, obligation, other evidence of indebtedness, or contract.

FRINGE LOTS

SEC. 14. (a) Notwithstanding any other provision of this Act, the Parking Board is authorized, after consultation and coordination with the National Capital Transportation Agency, the Metropolitan Washington Council of Governments, and the Washington Metropolitan Area Transit Commission, to establish fringe lots in the National Capital area. The head of any Federal or District of Columbia government agency or department is authorized to make lands in the National Capital area under his jurisdiction and control available, on such terms and conditions as he shall determine, to the Parking Board for use by it in establishing fringe lots under this section. No fringe lot shall be established outside the District of Columbia, except on land owned by the United States, or any department or agency thereof, unless the Parking Board has first obtained approval therefor from the local governing body of the jurisdiction in which such fringe lot may be located.

(b) The Parking Board is authorized to operate any fringe lot established by the Board under this section, or to lease any such fringe lot pursuant to such terms and conditions as the Board may determine. The Parking Board is further authorized to operate or arrange for the operation of such fringe lots either with or without charge to the persons patronizing such lots, or at such rate as the Parking Board may from time to time establish.

(c) As used in this section, the term "fringe lot" shall mean a parking lot used primarily for the long-term parking of motor vehicles, located at or beyond the fringe of the central business district of the District of Columbia served by buses, rail transit, or other mode of mass transportation.

NATIONAL CAPITAL PLANNING COMMISSION

SEC. 15. (a) The Parking Board shall submit to the National Capital Planning Commission for its review and recommendations thereon its plans for the acquisition of existing parking facilities, construction of new parking facilities, and lease of properties for use as parking facilities: *Provided,* That the recommendations of the Commission shall be advisory in nature, and shall not be binding upon the Parking Board.

(b) The National Capital Planning Commission is authorized, whenever such plans and programs are forwarded to it in accordance with the requirements of this Act, to study such plans and programs and make such report thereon to the Parking Board as the Commission, in its discretion, determines is necessary: *Provided,* That if no such report on such plans and programs is submitted by the Commission within sixty days from the date the Parking Board forwards them to the Commission, the Commission's approval of such plans and programs shall be assumed.

COMMISSION OF FINE ARTS TO REVIEW PLANS

SEC. 16. (a) The Parking Board shall, in accordance with the provisions of the Act of May 16, 1930 (46 Stat. 366, as amended (40 U.S.C. 121 (1964)), submit to the Commission of Fine Arts the plans for each parking facility which the Parking Board proposes to construct or which is to be constructed on land leased by the Parking Board.

PRIVATE PARKING STRUCTURES

SEC. 17. (a) On and after the date of the enactment of this Act, the District of Columbia shall not issue a building permit to construct any parking garage or substantially to expand any existing garage in the District of Columbia without the approval of the Director of the District of Columbia Department of Highways and Traffic (herein called "the Director") and the National Capital Planning Commission. This section shall not apply to parking garages constructed pursuant to this Act.

(b) Upon receiving a request for the approvals required in subsection (a), together with any plans or data they may by regulation require, the Director and the National Capital Planning Commission shall render a decision within sixty days. The Director shall approve any request unless he finds that the size, design, or location of such parking structure would interfere with the efficient flow of traffic. The National Capital Planning Commission shall approve any such request unless it finds that the size, design, or location of such parking structure would be incompatible with the plans and recommendations of the Commission made pursuant to law. The Director and the National Capital Planning Commission may make their approvals subject to such conditions as they deem ncessary to protect the public interest.

(c) If either the Director or the National Capital Planning Commission deny such request, or approve such request subject to any conditions, the party aggrieved may obtain review of any such decision by filing in the United States Court of Appeals for the District of Columbia, and serving upon the Director and/or the National Capital Planning Commission, within sixty days after the entry of such decision, a written petition praying that the decision of the Director and/or the National Capital Planning Commission be modified or set aside in whole or in part. Upon receipt of any such petition, the Director and/or the National Capital Planning Commission shall file in such court a full, true, and correct copy of the transcript of the proceedings upon which the order complained of was entered. Upon the filing of such petition and receipt of such transcript, such court shall have jurisdiction to affirm, modify, or set aside, in whole or in part, any such decision. In any such review, the findings of fact of the Director and the National Capital Planning Commission shall not be set aside if supported by substantial evidence. The order of the court affirming, modifying, or setting aside, or enforcing, in whole or in part, any such decision shall be final, subject to review as provided in section 1254 of title 28 of the United States Code.

(d) Nothing in this section shall be construed as superseding any existing law or provision of law relating, directly or indirectly, to the construction, establishment, expansion, operation, or location of parking structures in the District of Columbia.

NOTICE TO PARKING BOARD OF SCHEDULE OF RATES TO BE CHARGED BY PRIVATE PARKING FACILITIES

SEC. 18. Every person owning or operating a parking facility in the District of Columbia shall, pursuant to such rules and regulations as shall be established by the Parking Board, file in writing a complete schedule of the rates charged by such person for the storing or parking of motor vehicles in such facility, and in no case shall such person, following the filing of such schedule of rates, make any charge for such storing or parking in excess of that set forth in such schedule so filed until forty-eight hours after he has notified the Parking Board in writing of the new schedule of rates which he intends to charge. Nothing herein shall be construed as authorizing the Parking Board to fix or regulate such rates. The provisions of this section shall not be applicable with respect to any parking facility the rates of which are subject to the control and regulation of the Parking Board under this Act. Any person who shall violate this section shall be subject to a fine of not less than $100 and not to exceed $500.

AUDITS AND REPORTS

SEC. 19. (a) All receipts and expenditures of funds by the Parking Board pursuant to the provisions of this Act shall be made and accounted for under the direction and control of the Commissioners in like manner as is provided by law in the case of expenditures made by the government of the District of Columbia: *Provided*, That nothing herein contained shall be construed as preventing the Parking Board from providing, by covenant or otherwise, for such other audits as it may consider necessary or desirable.

(b) A report of any audit required under subsection (a) shall be made by the Parking Board to the Congress not later than one hundred and twenty days after the close of the Parking Board's fiscal year. The report shall set forth the scope of the audit and shall include a verification by the person conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expenses, (5) sources and application of funds, and (6) a separate income and expense statement for each facility, including as an expense item a payment in lieu of taxes.

(c) The Parking Board shall submit together with the audit report, a comprehensive report to the Congress summarizing the activities of the Parking Board for the preceding fiscal year.

POWERS OF PARKING BOARD

SEC. 20. The Parking Board, in performing the duties imposed upon it by this Act, shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including the following powers in addition to others herein granted:

(1) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal;

(2) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(3) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this Act or governing the manner in which its business may be conducted and the powers granted to it by this Act may be exercised and enjoyed;

(4) To make, deliver, and receive deeds, leases, and other instruments and to acquire easements, rights-of-way, licenses, and other interests in land, and to take title to real and other property in its own name;

(5) To construct and equip parking facilities in the District of Columbia and to exercise all powers necessary or convenient in connection therewith;

(6) To borrow money; to mortgage or hypothecate its property, or any interest therein; pledge its revenues; and to issue and sell its obligations;

(7) To appoint and employ, subject to the provisions of the Classification Act of 1949, as amended, and other applicable laws relating to employees of the District of Columbia, such officers, agents, engineers, accountants, appraisers, and other personnel for such periods as may be necessary in its judgment, and to determine the services to be performed by them on behalf of the Parking Board;

(8) To procure and enter into contracts for any types of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Parking Board in the performance of the duties of his office or employment, or any other insurable risk;

(9) To deposit its moneys and other revenues in any bank incorporated under the laws of the United States;

(10) To spend its revenues, or any funds appropriated to carry out the purposes of this Act;

(11) In accordance with the provisions of section 15 of the Act approved August 2, 1946 (60 Stat. 806, 810; 5 U.S.C.A. 55a), to employ, or to enter into contracts with, consulting engineers, architects, accountants, legal counsel, construction and financial consultants, managers, superintendents, and such other consultants and technical experts as in the opinion of the Parking Board may be necessary or desirable;

(12) To enter into all contracts and agreements, in addition to those otherwise mentioned herein, necessary or incidental to the performance of the functions of the Parking Board and the execution of its powers under this Act. Except as otherwise provided in this Act, all such contracts or agreements shall be subject to competitive bidding unless the value thereof does not exceed $1,000;

(13) To sell, exchange, transfer, or assign any property, real or personal, or any interest therein, acquired under the authority of this Act, whether or not improved: *Provided*, That such action shall be in accordance with the general law covering the disposal of such property by the District: *Provided further*, That the Parking Board shall have first determined, after public hearing, that any such real property is no longer necessary for the purposes of this Act;

(14) To obtain from the United States, or any agency thereof, loans, grants, or other assistance on the same basis as would be available to the District of Columbia.

COMMISSIONERS AUTHORIZED TO PROVIDE ASSISTANCE TO PARKING BOARD

SEC. 21. (a) The Commissioners are authorized to aid and cooperate in the planning, undertaking, construction, reconstruction, extension, improvement, maintenance, or operation of any parking facility established pursuant to this Act by providing, subject to reimbursement, such services, assistance, or facilities as the Parking Board may request.

(b) Subject to the reimbursement to the District of Columbia by the Parking Board for the salaries, retirement, health benefits, and similar costs for such employees, there shall be made available to the Parking Board such number of employees of the District of Columbia as the Parking Board certifies are necessary to the proper discharge of its duties in carrying out the purposes of this Act, which employees shall be subject to the Classification Act of 1949, as amended.

(c) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the Act entitled "An Act making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes", approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4-115, D.C. Code, 1961 edition), authorizing the Commissioners to appoint special policemen for duty in connection with the property of corporations and individuals, shall be applicable with respect to the property of the Parking Board.

(d) The Corporation Counsel of the District of Columbia is authorized and directed in all matters to act as counsel for the Parking Board, except insofar as the Parking Board may find it necessary or convenient to retain outside legal counsel.

PARKING FACILITIES IN CONNECTION WITH NEW CONSTRUCTION

SEC. 22. The first section of the Act entitled "An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes", approved June 20, 1938 (52 Stat. 797), as amended, is amended (1) by striking out "That to promote" and inserting in lieu thereof "That (a) to promote", and (2) by adding at the end thereof the following new subsection:

"(b) The Zoning Commission shall, after consultation with the District of Columbia Parking Board, issue regulations to require, with respect to buildings erected in the central business district of the District of Columbia after the expiration of the one hundred and twenty day period following the effective date of the District of Columbia Parking Facility Act, that reasonable facilities on the premises or off the premises be provided directly or by contract for the off-street parking of motor vehicles of the owners, occupants, tenants, patrons, and customers of such building, and of the business, trades, and professions conducted therein."

DEFINITIONS

SEC. 23. As used in this Act, the term—

(1) "District" means the District of Columbia;

(2) "Commissioners" means the Commissioners of the District of Columbia;

(3) "Person" means an individual, firm, copartnership, association, or corporation (including a nonprofit corporation);

(4) "Revenues" means all payments received by the Parking Board from the sale or lease of parking facilities, all moneys received from the operation of parking meters, authorized to be pledged, and all income and other moneys received by the Parking Board from any other source;

(5) "Parking facility" means a parking lot, parking garage, or other structure (either single or multi-level and either at, above, or below the surface) primarily for the offstreet parking of motor vehicles, open to public use for a fee, and all property, rights, easements, and interests relating thereto which are deemed necessary for the

efficient and economical construction or the operation thereof;

(6) "Parking garage" means any structure (either single- or multi-level and either at, above, or below the surface) which is open to public use for a fee and which is primarily used for the offstreet parking of motor vehicles; and

(7) "National Capital area" means the District of Columbia and all surrounding jurisdictions which are commonly recognized as part of the District of Columbia metropolitan area.

ABOLITION OF THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING AGENCY AND TRANSFER OF FUNDS AND PROPERTY TO PARKING BOARD

SEC. 24. (a) The Motor Vehicle Parking Agency created by Reorganization Order Numbered 54 and reconstituted under Organization Order Numbered 106 (title 1, appendix, D.C. Code), predicated upon authority contained in Reorganization Plan Numbered 5 of 1952 (66 Stat. 824), is hereby abolished. The functions, positions, personnel, equipment, property, records, and unexpended balances of appropriations, allocations, and other funds, available or to be made available relating to the Motor Vehicle Parking Agency are hereby transferred to the Parking Board.

(b) All positions, personnel, equipment, property, records, and unexpended balances of appropriations, allocations, and other funds, available or to be made available relating to the function of installing, repairing, replacing, and removing parking meters on the public streets of the District of Columbia are hereby transferred to the Parking Board from the Department of Highways and Traffic.

(c) Section 11 of the Act approved April 4, 1938 (52 Stat. 156, 192; sec. 40-616, D.C. Code, 1961 edition), is hereby repealed.

COORDINATION OF ACT WITH PROVISIONS OF REORGANIZATION PLAN NUMBERED 5 OF 1952

SEC. 25. Nothing in this Act shall be construed so as to affect the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners may be delegated by said Board of Commissioners in accordance with section 3 of such plan.

REPEAL

SEC. 26. The District of Columbia Parking Facilities Act of 1942 is hereby repealed.

EFFECTIVE DATE

SEC. 27. The provisions of this Act shall take effect sixty days following the date of its enactment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished senior Senator from Arizona [Mr. HAYDEN], and at his request, I send to the desk five amendments. I ask unanimous consent that the reading of the amendments be waived, that they be printed in the RECORD, and that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 43, lines 8 and 9, strike the last three words after "any", and insert the following: "real property on which there is located a parking facility, unless the Parking Board intends substantially to increase the number of vehicles which can be parked on such property: *Provided*, That if within 30 days after the Board institutes a condemnation proceeding to acquire land on which there is located a parking facility the owners of such property file with the court a signed statement to the effect that they plan to undertake such construction as is necessary to cause to be located thereon a parking facility equal in capacity to that proposed to be constructed thereon by the Board and that they will cause such construction to be commenced within one year after the date such statement is filed, the condemnation proceeding shall be stayed pending the completion of such construction. Upon such completion, the court shall enter an order dismissing the condemnation proceeding. If such construction does not commence within such one year period and proceed expeditiously thereafter, the Board may proceed with the condemnation proceeding."

On page 49, line 14, immediately after the period, insert the following: "The Parking Board shall extend to all qualified persons experienced in the business of motor vehicle parking who owned a parking facility on any land acquired by condemnation pursuant to section 5 the right of first refusal with respect to any sale, or the right to meet the high bid, with respect to the leasing, of any parking facility constructed on such land."

On page 56, line 18, immediately after the period, insert the following: "Obligations issued under this Act shall be offered at public sale to the lowest responsible bidder."

On page 63, line 3, immediately after the period, insert the following: "In carrying out the aforementioned duties, the Parking Board shall, from time to time, consult with the Director of the District of Columbia Department of Highways and Traffic."

On page 70, line 13, immediately after "Sec. 20.", insert "(a)".

On page 73, between lines 13 and 14, insert the following:

"(b) Notwithstanding the provisions of paragraph 13 of subsection (a) of this section, the Parking Board shall not have the authority to exchange any real property acquired by condemnation within one year following such acquisition unless the owners of such property at the time of its acquisition by the Parking Board shall first have been afforded a reasonable opportunity to reacquire such property for an amount equal to that paid to them by the Parking Board plus the cost of improvements made by the Parking Board to such property, if any."

Mr. TYDINGS. Mr. President, the pending bill meets a longstanding and long neglected need in the District of Columbia. Virtually every major American city has a municipal parking program. Witnesses before my Subcommittee testified to the effectiveness of municipal parking agencies in Chicago, Pittsburgh, New York, San Francisco, Detroit, Baltimore, and a host of other major cities.

The ironic fact is that Washington was one of the first cities in the country to have a public parking agency. The Congress created such an agency in 1942, under the able leadership of two Congressmen on the House District Committee: EVERETT DIRKSEN and JENNINGS RANDOLPH. I am proud that both of these distinguished men are cosponsors of my bill.

The facts are, however, that the District of Columbia Motor Vehicle Parking Agency, created by the Congress in 1942, was never able to function effectively. The testimony of Mr. Garfield Kass, a member of the Agency Board, shows that the Board was intentionally stacked to prevent action. The private parking lobby, taking a short-term and short-sighted view of its own self interest, was able to keep the Agency from building a single garage or parking facility in the downtown or monument areas of this city. Finally, in 1961 the parking lobby managed to emasculate the Parking Agency, by persuading Congress to remove its sole source of revenue and expressly to prohibit it from constructing parking facilities in the very areas they were most needed.

I recite this history, because it would justify us, under the circumstances, in reporting and enacting a strong bill. The fact of the matter is that this is a very moderate bill. It has the support of virtually every responsible segment of the community.

There can be no dispute as to the need for improved parking in the District of Columbia. Every driver knows from personal experience the frustration, the difficulty, often the impossibility of obtaining convenient parking at reasonable rates in downtown Washington or in the areas of our monuments and the Capitol.

This bill is of direct and substantial interest to every Senator and Congressman, for its benefits not only the District of Columbia, but every American who visits Washington by car. Stanford Research Institute reported that in 1960 some 15.4 millon people from outside the Washington metropolitan area visited our Nation's Capital. An incredible 75.4 percent of these visitors came by automobile. By 1970 Stanford Research Institute estimates that 24 million people will visit Washington by 1970 and 35 million by 1980.

Every Member of the Congress, has received complaints from constituents whose visits to Washington are marred by the frustrations of finding a place to park. Presently, tourists must compete with area residents for available spaces, and often find that spaces in the business district are nonexistent as a result of long-term parking by employees who arrive early to report to their jobs. Visitors experience considerable wasted time and frustration in looking for parking spaces so they might enjoy the vacations they anticipated. Moreover, the main tourist attractions, such as the Smithsonian Institution, the Capitol, and many of the monuments are not in the downtown business district where most of the parking facilities are to be found. The average tourist is therefore faced with the alternatives of paying commercial sightseeing agencies to drive him and his family from place to place, hazarding the mysteries of public transportation, walking long distances, spending a considerable part of his vacation time searching for existing parking spaces.

The bill has been attacked by the parking lobby as unfair to free enterprise. Such arguments are poppycock. The bill was reported unanimously by the committee, including its two distinguished representatives of the minority; the Senator from Vermont [Mr. PROUTY] and the Senator from Colorado [Mr. DOMINICK]. It is cosponsored by the Senator from Illinois [Mr. DIRKSEN] and was introduced on the House side by Congressman BROYHILL. These men would not, I am sure, support any legislation that unfairly or unnecessarily regulated or interfered with our free enterprise system. They know that municipal parking agencies have been necessary and useful tools in meeting the traffic problems of their own cities, including Denver and Chicago. The cries of unfair competition from the parking industry have been made so loudly and so often, that like the little boy who cried "wolf," no one believes them any more.

The subcommittee heard testimony that legitimate private parking operators have nothing to fear from a public agency. In fact, the owner of the largest private parking business in Pittsburgh, Mr. John Stabile, who employs over 400 persons on an annual payroll of $1.75 million, testified that the creation of the Pittsburgh Parking Authority was good for his business. He told the committee:

> Pittsburgh as the 16th largest city in the country, would not be where it is today in achieving its world famed renaissance had we been without a strong, progressive and effective public parking program. . . . The private parking industry in Pittsburgh has moved ahead rather than declined as a result of the parking authority's existence. We are proud of the system of permanent, off-street parking facilities we have today, along with those planned for the future in Pittsburgh. Public and private enterprise can exist side by side and work in concert to solve the parking problems.

Mr. President, the details of the bill are explained in the committee report. We have gone into this matter in great detail. The bill has gone through committee prints, and we have tried at each step of the way to accept and incorporate every reasonable objection, criticism or suggestion. I would just like to say, as chairman of the subcommittee, that I extend my sincere thanks and appreciation to every one of our witnesses, many of whom appeared at considerable expense and personal sacrifice, to the staff of the committee and to my colleagues on the committee, particularly to the Senator from Colorado [Mr. DOMINICK] and the Senator from New York [Mr. KENNEDY], for their assistance on the subcommittee, and to our distinguished chairman, the Senator from Nevada [Mr. BIBLE].

Mr. President, the amendments which were offered by the distinguished Senator from Montana [Mr. MANSFIELD] are technical amendments primarily and were proposed by the distinguished Senator from Arizona [Mr. HAYDEN]. We have met with his staff on a number of occasions to work out the language of the amendments. I understand that the amendments are acceptable to the distinguished Senator from Colorado [Mr. DOMINICK].

Mr. DOMINICK. I must say to the disinguished Senator from Maryland that we have not discussed the amendments thoroughly, but if they are acceptable to the Senator from Maryland, I am satisfied.

Mr. TYDINGS. They are acceptable to me.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. DOMINICK. I congratulate the Senator from Maryland for doing an excellent job on the parking bill. Legislation such as this is needed in the District of Columbia. The Senator from Maryland has worked long and hard on the proposed legislation. He has been flexible in his approach to it. He has accepted amendments from the Senator from Arizona and some amendments that I offered in committee. This is a bill with which we can work, and I hope that it will be passed by the House.

Mr. TYDINGS. I thank the distinguished Senator from Colorado. He and I worked on the bill both in the hearings before the subcommittee and in the Committee on the District of Columbia.

I am prepared to accept the amendments, and I shall second the motion of the distinguished Senator from Montana [Mr. MANSFIELD] for the adoption of the amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc, of the Senator from Arizona, to the committee amendment.

The amendments were agreed to en bloc.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

Mr. TYDINGS. Mr. President, the purpose of the bill is to provide an effective method for dealing with motor vehicle parking needs in the District of Columbia. The important provisions of S. 2769 that will carry out the objectives of the bill are as follows:

To create a Parking Board, consisting of the Board of Commissioners of the District of Columbia, and an 11-member Advisory Council, composed of representatives of government and of the public, to advise and assist the Board.

To authorize the Advisory Council to make periodic comprehensive reports on parking and its role in creating a balanced transportation system in the District of Columbia metropolitan area.

To authorize the Parking Board to acquire property for the operation of off-street parking facilities, including limited condemnation powers.

4. To authorize the Parking Board to construct parking facilities, to lease or sell such facilities, or to lease property for development of parking facilities, and to fix the rates charged by facilities operated pursuant to this bill. The Parking Board may operate such facilities only if it determines, every 3 years, that the sale or lease or such facilities to private persons would serve the public interest.

To authorize the Parking Board to issue nontaxable obligations that will not be obligations of the Federal or District of Columbia governments, to finance the acquisition and construction of parking facilities.

To authorize the Zoning Commission to issue regulations requiring parking facilities to be provided in connection with new private construction in the central business district.

The District of Columbia occupies a unique position. It is the seat of government and a major tourist attraction drawing over 9 million visitors each year. With a metropolitan area population that in 1960 consisted of almost 2 million residents, it is 1 of the 10 largest cities in the United States and the fastest growing urban center in the country. The population is expected to reach 3.5 million by 1980, and 5 million by the year 2000.

There are now approximately 800,000 motor vehicles in the National Capital area, and it is estimated that there will be at least 1 million more by 1980. More than 1 million motor vehicles cross District of Columbia boundary lines each day. Statistics indicate that today the total of 765,000 motor vehicles moving in, through and out of downtown Washington every 24 hours is the greatest of any downtown area in any city of the United States. A traffic count taken several years ago showed that almost 200,000 vehicles entered the central business district between 10 a.m. and 6 p.m.

The orderly growth and development of the National Capital area requires a balanced transportation system, consisting of highways, rapid rail, and other public transportation, as well as off-street parking facilities for motor vehicles. More adequate parking is needed to provide residents and visitors a variety of economic and efficient means of travel into and through the District of Columbia. It therefore becomes essential that facilities for off-street parking of motor vehicles be provided at reasonable rates and desirable locations to handle this steady influx of automobile travelers. Where private development of parking facilities is unable to meet the demands for sufficient parking at the places where it is most needed, it becomes a responsibility of government to cooperate with private enterprise to meet these needs.

The problem of adequate parking is not a new one in the District of Columbia. The problem was recognized at least as far back as 1941, when legislation was introduced to provide for a municipal parking program similar to that now sought. In 1942, the Congress passed legislation creating a Motor Vehicle Parking Agency to construct and operate off-street parking facilities. That law was never effectively implemented. Except for four fringe lots, there are no publicly owned or operated parking facilities in the District of Columbia.

In the past 5 years at least 6 studies have been made on the parking situation in the District of Columbia. The results have uniformly shown the need for additional parking in the central business district and tourist attraction areas to meet the increasing needs of area residents and visitors.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. DOMINICK. During the hearings we received evidence which emphasized that the major needs for parking were not necessarily for the business people going to the central business district, but rather parking for visitors to the National Capital and Government employees. Is that correct?

Mr. TYDINGS. The Senator is correct.

Mr. DOMINICK. On page 5 of our report we tried to emphasize the fact that we hope the Parking Board would concentrate on facilities for those particular groups, visitors and Government employees.

Mr. TYDINGS. The Senator is correct. As a matter of fact, we devoted an extensive part of the report to that.

Mr. DOMINICK. I would hope that we made the RECORD crystal clear not only in this report, as shown on page 5, paragraphs 1, 2, and 3, but also in our colloquy here, that this is where we would like a concentration of effort to relieve the immediate problem, and also to relieve additional problems which may develop if our highway system ever gets going again.

Mr. TYDINGS. The Senator is correct.

The committee held 6 days of hearings, taking testimony from 43 witnesses. The record shows that virtually every major city in the country has created a municipal parking authority with powers similar to those proposed. One knowledgeable expert stated that the District of Columbia is at least 15 years behind the rest of the country in meeting its parking problems.

The proposed legislation, which would enable the Federal and District Governments to cooperate with private parking interests to meet the growing needs of Metropolitan Washington for offstreet parking, has met with almost universal approval. The proposed legislation has the endorsement of the Bureau of the Budget, the Commissioners of the District of Columbia, the National Park Service, the Smithsonian Institution, the Federal City Council, the Metropolitan Washington Board of Trade, Downtown Progress, the Washington Board of Realtors, the local affiliate of the American Automobile Association, organized labor, organizations representing Government employees, the Washington Building Congress, the District of Columbia Federation of Civic Associations, representative members of the District of Columbia Highway Users Conference, and many others. Witnesses included the officials of the two largest banks in the District of Columbia; representatives of major department stores; executive officers of parking, traffic, and rapid transit agencies in other cities; and professional city planners. Opposition came exclusively from the Washington Parking Association, the National Parking Association, and three civic organizations which were concerned about Government interference with free enterprise, or which believed more studies are needed.

Mr. President, as I have indicated in my remarks, we held hearings in depth on this problem. We believe that we have a moderate and workable bill.

I second the remarks of the distinguished Senator from Colorado [Mr. DOMINICK]. I hope that the body on the other side will take prompt action in this area.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2769) was passed.

THE REMOVAL OF A RESTRICTION ON CERTAIN REAL PROPERTY HERETOFORE CONVEYED TO THE STATE OF CALIFORNIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 849, H.R. 1582 be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1582) to remove a restriction on certain real property heretofore conveyed to the State of California.

Mr. MANSFIELD. Mr. President, there will be no action taken on this bill tonight, but it and another land bill will be taken up tomorrow.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AEC ACCELERATOR—DENVER, COLO.

Mr. DOMINICK. Mr. President, again last week the distinguished Senator from Missouri [Mr. LONG] made an attack on the criteria used by the Atomic Energy Commission in connection with its accelerator, and the six sites that were remaining.

In the Washington Daily News of today, June 21, 1966, there is a fine article written by Mr. Cobb Lewis, of Denver, who writes in regard to transportation and Denver weather, the two points which were attacked extensively by the Senator from Missouri [Mr. LONG] in connection with our choice as one of the six remaining sites.

Because this is such an excellent article showing what we are doing in this field, I ask unanimous consent that the article be printed in the RECORD, at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EIGHTH BUSIEST U.S. AIR TERMINAL—DENVER: AIR GATE TO WEST

(By Cobb Lewis)

DENVER.—Stapleton International Airport's spanking new $11.5 million air terminal here is symbolic of Denver's increasing stature as the travel gateway of Rocky Mountain playgrounds.

The terminal, opened April 1, is expected to handle 4 million passengers this year. Its traffic is No. 8 in the U.S., tho Denver is only 26th in population.

Ten airlines serve Denver, two of them, United and TWA, offering daily non-stops to and from Washington. (The TWA Denver-Dulles hop continues to London and Frankfurt).

Denver also is the "Hub City" for three interstate highways, seven primary U.S. highways, six railroads and two transcontinental bus lines.

TO DUDE RANCHES

It is the jumping-off place for the Colorado Rockies both for winter sports and summer dude ranch and other vacations.

Within Colorado are two national parks, four major national monuments, eleven national forests and hundreds of campgrounds, recreational areas and historical sites.

Rocky Mountain National Park in north central Colorado, embraces 405 square miles along the snow-pinnacled Continental Divide. Broad spruce-lined highways lift the vacationer above the 11,000-foot timberline where wild flowers fleck the tundra and eternal snow glistens. Adjoining it are the popular resorts of Estes Park and Grand Lake.

MESA VERDE

Mesa Verde National Park in southwestern Colorado contains the well-preserved ruins and artifacts of an ancient Indian civilization dating back to 500 A.D.

Other nearby attractions include a trip into yesterday on the Durango to Silverton narrow-gauge railroad.

Dinosaur National Monument in extreme northwestern Colorado is a land of fantasy, encompassing grotesque rock formations and the world's biggest bone pile.

CROSSROADS WEST

A highlight of the new Denver air terminal is the appropriately named Crossroads West restaurant and cocktail lounge.

It features a combination of jet age modern with a western historical motif. A large foyer area contains Indian artifacts and trappings, pioneer lore and large western paintings.

Stapleton International's design allows for future expansion to meet the requirements of the super-sonic aircraft. Immediate plans call for it to be one of the first five airports in the nation so instrumented that airlines will be able to operate with new lower landing minimum of 100-foot ceilings and 1200-foot forward visibility. However, city officials are quick to note that Colorado's ideal weather conditions will preclude the use of this system most of the time.

Mr. DOMINICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GREATER MILITARY EFFORT IN VIETNAM IS NOT THE SOLUTION

Mr. MORSE. Mr. President, the statements by the President at his news conference on Saturday are being advertised as concessions to that element of American opinion which the White House believes wants a bigger military effort in Vietnam. The President warned of increased air raids on North Vietnam and enlarged ground action in South Vietnam.

This sector of opinion is supposed to believe that greater military action is the best way to bring the war to an end quickly. If the President and his administration wished to resist this alleged pressure, they need only point to the many increments of military force that have been exerted against the Vietcong and against North Vietnam, all for the announced purpose of driving them to the negotiating table, not one of which increments has done anything more than bring a corresponding increase in the war effort of the Vietcong and North Vietnam.

The President could have pointed out to these people that even in March, the tonnage of bombs dropped was exceeding the monthly rate of tonnage dropped in all of Europe in World War II.

This is no small war. From the standpoint of the use of American air power and bombing power it already is a massive war.

Bombing Vietnam with more bombs than we dropped all across the face of Europe is hardly a policy of military restraint. That is why I thought it was interesting that a resolution was introduced in the Democratic Party convention in Wisconsin seeking to commend the President of the United States for his restraint in our immoral and illegal war in South Vietnam, but that resolution could not be sold to the Democrats at that convention. It was not adopted, as it should not have been adopted, because our Government is not acting with restraint in conducting its unfortunate war in Vietnam, which is killing increasing numbers of American boys who were sent over there to participate in such a completely unjustifiable war.

In the sense of our air bombing, this is total war. Far from forcing the enemy to negotiate, it has not even prevented them from increasing their assistance to the Vietcong.

Of course, to point out the tremendous military power already brought to bear would be to admit that increased force has not produced the desired results, and that the Pentagon, the State Department, and the White House have been wrong in their estimates that North Vietnam would negotiate in order to save its transportation system, bridges, its industrial complexes—yes, and its harbor.

It should be evident by now that the administration believes the only thing wrong with its policy is that it has not yet used enough force in southeast Asia to bring a peace settlement on our terms. How much force will be enough, Mr. President, I ask you? It appears that the world is going to find out soon from the President, if he carries out the announcement made at his most unfortunate press conference last Saturday.

A part of the picture which the President did not fill in will be the increasing takeover of the war in the South by the United States. General Ky has been compelled to use his military forces to institute a police state totalitarianism. If this is what is meant by "pacification," his troops will do more fighting against the Buddhists and students than they did against the Vietcong.

Mr. President, this is one of the sad things about this war, that we are killing American boys in Vietnam while the Vietnamese themselves are engaged in a religious war. We find this under the leadership of the little tyrant, **Ky**, who never fought the French. In fact, we find that the military dictatorship which the Johnson administration is supporting in Vietnam is composed of a majority of military officers who never fought the French. A good many of them were on the side of the French against their own people, as a matter of fact. That is the record of the unconscionable course of U.S. outlawry in South Vietnam.

Of course, this fact is generally known in many parts of the world but not by enough Americans. I say most respectfully that I am satisfied when the American people do come to know and to understand, the Johnson administration will find an even greater dip in the polls in support of the President of the United States.

Unless the United Nations, the free world, and the American people demand an end to this war, and act to enforce that demand, the prospect is for an American occupation of South Vietnam and the destruction of North Vietnam, with no likelihood that even those conditions will mean an end to the fighting.

That is one of the many tragedies of American policy in Vietnam. The constant buildup of forces may—or may not—suppress the Vietcong. But it will never produce a peace that will permit the withdrawal of those forces.

When I read the Gallup poll, which reports that a rising proportion of public opinion is ready to pull out of Vietnam altogether—and which I happen to believe would be a mistake—I have a hunch that the American people recognize that the type of war being fought in Vietnam is not going to permit any withdrawal of the half million American troops it will take to suppress the enemy. We are not fighting a foreign invader; we are going to become the occupation force because we are the invader. We, the United States, are the aggressor. While we can maintain that position in South Vietnam, we will never be able to create a strong and stable enough government to enable us to leave. Indeed, as the economic and military strength of China grows over the years, the necessity for continuous U.S. occupation of Vietnam to maintain a pro-U.S. Government will probably grow with it.

That is one of the great concerns of those of us who, for the past 3 years, have been speaking out in this historic debate against the policies of the United States. For we see no end to this road if we continue to follow the road down which the administration is leading us. We see no end but continued occupation of this part of Asia and probably larger areas of Asia as we become more and more involved in a larger and larger war there.

As more and more of our people come to appreciate the consequences of the military buildup, more and more are going to conclude that orderly withdrawal is preferable to eternal occupation of a country 8,000 miles away.

Mr. President, I continue to hold to the point of view that it is much sounder policy to follow a program which has been outlined for us by a General Ridgway, a General Gavin, and a George Kennan than a policy that is now being outlined for the American people by a Lyndon B. Johnson. For, in my judgment, the continuation of the President's war—and it has now become the President's war in southeast Asia—will involve more and more men, more and more casualties, more and more costs, and, finally, more and more danger of our leading mankind into a third world war.

Mr. President, I ask unanimous consent to have printed in the RECORD the Gallup poll to which I have referred, which was published in the Washington Post on June 19, along with various newspaper articles and editorials that comment on the subject of the remarks I have made this afternoon.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 19, 1966]

THE GALLUP POLL: QUIT-VIETNAM MINORITY GAINS

(By George Gallup)

If the American people today were given given two alternatives—continuing the war in Vietnam or withdrawing our troops during the next few months—their vote would be 4-to-3 to continue.

Although a greater proportion of people sampled in the latest survey (48 per cent) say we should stay in Vietnam than say we should get out (35 per cent), sentiment favoring withdrawal has grown considerably since a year ago. In June, 1965, results to a comparable question showed opinion nearly 7-to-2 in favor of continuing the war.

Among the general public, Democrats tend to favor continuing the war, but Republicans are about evenly divided in their views. A greater proportion of men than women would like to see us stay in Vietnam. Education is a factor, with the better-educated more inclined to favor continuing the war.

Other survey evidence helps explain why a sizable minority of people favor withdrawing and why uncertainty exists about what the U.S. should do now.

1. Only one person in six anticipates an all-out victory in Vietnam. A majority think the conflict will end in a compromise peace settlement.

2. Hopes for an early end to the fighting are dwindling.

3. The public is about evenly divided in their opinion as to whether the South Vietnamese want the U.S. to stay in their country.

4. About half the U.S. adults think we should pull our troops out of Vietnam if a majority of the South Vietnamese want us to do so; one in three say we should not.

The survey questions and results:

1. "Suppose you were asked to vote on the question of continuing the war in Vietnam or withdrawing our troops during the next few months—how would you vote?"

[In percent]

Continue	48
Withdraw	35
No opinion	17

(Comparable question asked in June, '65: "Should the U.S. continue its present efforts, or should we pull our forces out?" Results: Continue—66%; Pull out—20%; No opinion—14%.)

2. "How do you think the war in Vietnam will end—in an all-out victory for the U.S. and the South Vietnamese, in a compromise peace settlement, or in a defeat for the U.S. and the South Vietnamese?"

[In percent]

All-out victory	17
Compromise	54
Defeat	6
No opinion	23

3. "In terms of time—months or years—how long do you think the fighting in Vietnam will last?"

[In percent]

	Today	*Jan.*
6 months or less	2	3
1 year	10	16
2 years	15	20
3 years	7	6
4 years	3	5
5 years	9	9
Longer than 5 years	22	22
Uncertainty, no opinion	32	19

4. "Do you think most of the South Vietnamese want the U.S. to get out of their country, or not?"

[In percent]

Yes	34
No	38
No opinion	28

5. "Suppose a majority of the South Vietnamese wanted us to pull our troops out of Vietnam, do you think we should do so, or not?"

[In percent]

Yes	51
No	33
No opinion	16

[From the Wheeling (W. Va.) Intelligencer, May 20, 1966]

Double Talk: If War on Aggression Is Common Obligation, Where Are Our Allies?

If that was an Administration trial balloon Secretary McNamara released before the American Society of Newspaper Editors in Montreal, Washington soon should be in no doubt as to the direction of the public wind.

Our guess is what the American people will overwhelmingly reject the idea of a universal draft—the confiscation of two years out of the lives of all of our young people to be spent in military service, in traipsing all over the world in a vast expansion of Peace Corps evangelism, or in "some other volunteer developmental work at home or abroad."

That is conscription far beyond anything practiced in the most arrogant days of militarist Germany when every young man had to do his stint in the army. It runs counter not only to what has been traditional sentiment in the United States but to the universal trend.

While the Defense Secretary advanced this all inclusive service notion as a means of correcting the "inequity" of the Selective Service System, it is apparent that something much farther reaching is involved. Evidently the Washington planners—Mr. McNamara's speech had advance White House clearance—foresee the possibility of our eternal engagement in war, the ever hovering threat of war, or an American-initiated youth crusade to "make meaningful the central concept of security; a world of decency and development where every man can feel his personal horizon is rimmed with hope."

In this connection Mr. McNamara said something curious in the light of what is going on in Viet Nam and the policy of which our involvement there is a consequence.

"The truth, is," he told his hearers, "that the day is coming when no single nation, however powerful, can undertake by itself to keep the peace outside its own borders."

Not only is that time coming, it is here. It has been here for a long time. That's what criticism of the policy of which Viet Nam is but a manifestation is all about. It's what those who deny that we have either an obligation or the capacity to put down aggression all over the world, to stop Communist expansionism throughout Asia and Africa and wherever else it may raise it head, have been saying all along.

These critics have been saying from the outset what Mr. McNamara now says:

"The United States has no mandate from on high to police the world and has no inclination to do so;" no desire to assume the role of 'global gendarme."

That is, the American people have no such desire; are conscious of no feeling of obligation to keep the world peace. But somebody should tip off Washington to that effect. If what Mr. McNamara said in Montreal reflects the feeling of President Johnson and his advisors, why don't they act the way they believe?

For all practicable purposes this is a unilateral war we are waging in South Viet Nam insofar as outside intervention to put down aggression is concerned. If it is a war of liberation we—with a couple of minor exceptions—are the only liberators in all the world. It is necessary that we wage it, we have been told, not only for the sake of the people we presently are defending, but for the sake of maintaining world faith in the integrity of our commitments—we have nearly half a hundred of them in all parts of the globe—and for the purpose of holding in check the forces of aggression in Asia. But where are our allies?

If, as Mr. McNamara also said, it is the responsibility of other free Nations as well as ours to contain aggressive expansionism, why aren't they about it? And if they will not help us in Viet Nam, what reason is there for believing that they will help us in the greater struggles which may lie ahead if, indeed, the danger Washington professes to see actually threatens?

If Mr. Johnson doesn't feel like an international policeman, all he has to do is to quit acting like one. Then it would be unnecessary to think in terms of a blanket youth draft.

[From the London Times, May 16, 1966]

Doubts on U.S. Policy in Vietnam

From Mr. Philip Noel-Baker, M.P. for Derby, South.

Sir,—In his remarkable article "War Games Endanger American Foreign Policy" (May 4), your Washington Correspondent arrived at the conclusion that, in spite of the nuclear theorists, "the United States remains what it always was".

His argument confirms the view that American policy in Vietnam springs from a national conviction that American strength should be used to uphold world law against aggression, and so to establish a firm foundation for world peace.

I have never doubted that it is for great purpose, and for nothing else, that American soldiers are dying in Vietnam, and that the President, with bitter misgiving, is allowing them to die.

Unfortunately, the basic assumption of this policy, is open to doubt. In May, 1966, the question must be asked: Has not American policy in Vietnam done more than any other event in the last decade to undermine the binding force of International Law, and of the Treaties and Agreements in which so much of it is enshrined?

1. The Americans put Diem in power in South Vietnam in 1954. They allowed him not to carry out the elections and not to observe the amnesty, which were the vital clauses of the Geneva Agreements of 1954. They disregarded, as he did, the repeated protests of the International Control Commission. They thus destroyed the whole legal basis on which the victorious Vietminh agreed to stop their war against the French.

2. In 1965, an eminent American jurist, who had been a delegate to the United Nations, Mr. Benjamin Cohen, said as follows in a David Niles Memorial Lecture:

"In recent years there has been an attempt to justify the evisceration of the law of the Charter on the ground that the Charter does not forbid the use of force by one state at the request of the recognized government of another state to quell a rebellion. Such a libertarian construction of the Charter does violence to the letter and spirit of the Charter. The armed intervention of one state in the civil war of another state whether at the request of the established government or its rival government is in fact the use of force by the intervening state in its international relations, whether the civil war be called a war of liberation or a war in the defense of freedom. . . ."

Mr. Cohen specifically referred to Vietnam to illustrate his point.

3. Thailand is a member of the United Nations, a "neutral" in the Vietnam war. But the United States have built there large-scale, and apparently permanent, military bases, from which they carry out the bombing of the Vietcong and North Vietnam. In pursuit of what international law has this policy been adopted? If the answer is that the Thai Government have agreed, does not this make them also guilty of a violation of the Charter?

Nothing said above justifies any violations of international law committed by the Vietcong or the Government of Hanoi. But it shows the urgent necessity of ending a war that is progressively, and most dangerously, eroding the binding force of the Charter and of international treaties and customary law.

As the Prime Minister has recognized, the war has blocked the road to any effective discussion of the armament problem, and is demoralizing the world opinion on which the rule of law in international affairs must rest.

Everyone must hope, therefore, that the British Government will make a new, and a supreme effort, to bring the parties to the conference table.

Yours, &c.,

PHILIP NOEL-BAKER.

House of Commons, May 13.

[From the Manchester Guardian, June 1, 1966]

Plunging Ahead in Vietnam

"There is no going back," President Johnson has just said at Arlington National Cemetery about his country's fight in Vietnam. But where is he going on to? Certainly not to the "constitutional government" towards which, he thinks, the South Vietnamese people are moving. Never has constitutional government looked farther out of reach, and such statements make the heart sink after all the fatuously optimistic forecasts that events have made to look ridiculous over the past three years. What the country is going on to is thousands more corpses to add to the scores of thousands of soldiers and civilians already killed; it is going on to more than a million people without homes, to more forests burned down, and farmland devastated, to ever greater inflation and corruption. Why should the course of the war suddenly change? Yesterday, within hours of President Johnson's speech, United States bombers carried out more raids on North Vietnam than on any other day this year. The "progress" that President Johnson talked about is not in the direction of "a Government that will increasingly reflect the will of the people"; it is towards the destruction of the country, both North and South.

For the United States disposes of such destructive power that only its own sense of responsibility can call a halt to the use of it. And so convinced does President Johnson appear to be that he is right that he probably considers it a positive virtue "to do what has to be done"—that is to intensify the war and therefore the destruction until his political aims, however idealistically conceived, are attained. But what if those very means make the aims all the more impossible of attainment? This is what Senator Fulbright means by the arrogance of power, and, besides ruining Vietnam, it surely cannot fail to corrupt the United States too.

And so, as President Johnson said, "this is the way it will be as far ahead as any of us can see." One cannot but fear that he is right. The building of the base at Camranh Bay alone represents so huge a commitment that few people in South Vietnam seem to imagine it would be abandoned if the Vietcong or Hanoi suddenly sued for peace. And the North Vietnamese Government presumably imagines it still less; that is one reason why it does not sue, or respond to President Johnson's appeal for negotiations that it is convinced can only be on his terms. The American war effort has acquired such momentum that it would need superlative virtuosity for the President himself to stop it. And his Arlington speech, blaming the hapless South Vietnamese for their political misfortunes, shows that he is still sunk in illusion and has no present thoughts of trying. One cannot but sympathize with him in his terrifying dilemma. But that is no reason for Governments less enmeshed to share his illusions. Mr. Wilson rightly rates Anglo-American solidarity as one of the supreme objects of British policy; that is why, in public, he has accepted the U.S. action. But his loyalty to the alliance, and his concern for the well-being of its leading member, are the very reasons why he should speak out. There is no virtue in cheering on a friend marching blindly into a swamp.

[From the Berkshire Eagle, May 16, 1966]

The Warning From Danang

If the administration needed further proof of the failure of its policies in Viet Nam, it was provided by Premier Ky's blitzkrieg seizure of the city of Danang.

With South Vietnamese troops fighting other South Vietnamese troops, the anti-Viet Cong forces are split right down the middle. The disunity and confusion of purpose could not be more complete if it were all stage-managed by the Communist government in Hanoi.

Now the United States finds itself without a single useful ally in Viet Nam. Even its puppet government in Saigon has spurned U.S. guidance and is striking out blindly at people nominally on its own side.

So in addition to the major split between the Hanoi government and the Saigon government, there is a second split in South Viet Nam itself, between Premier Ky in Saigon and the five northernmost provinces of his territory. The weekend military operation against the northern city of Danang has deepened the latter division to such a point that it may deteriorate into a civil war.

This is a dead end for U.S. policy as it has been conducted by the Johnson administration. To proceed any further along these lines is to risk being ejected from the country by the very people the United States has pledged hundreds of thousands of troops and many millions of dollars to help.

Obviously, what is required now is a change in direction. The State Department must swallow its pride and find a way to disengage itself from its embarrassing alliance with the arrogant General Ky, so that its pledges of free elections and unification of the country can be carried out.

Ky himself has backed down from an earlier promise to conduct elections this year, and is now temporizing and qualifying his statements in a manner that can only mean he intends to hang on to his power as long as he can.

Since the United States has not been able to control Ky, the best course is simply to ease him off the scene as quietly as possible. He should be retired, and a timetable drafted for elections and formation of a civilian government.

If the government resulting from elections is anti-American and left-leaning, that is unfortunate. But it may be a government that the United States still can deal with. It will not be a total defeat for U.S. policy.

But continued reliance upon General Ky and his gang can only result in total defeat. The blitzkrieg of Danang should be adequate warning.

[From the New York Times, June 21, 1966]

Thant Calls Vietnam War "One of Most Barbarous"

(By Drew Middleton)

United Nations, N.Y., June 20.—Secretary General Thant denounced today the war in Vietnam as "one of the most barbarous" in history and called the situation "very urgent, very critical." Mr. Thant has proposed steps to peace to some of the parties principally concerned.

Those steps, he said, "alone can create conditions" leading to a conference and a peaceful settlement.

The steps are these:

The cessation of bombing of North Vietnam.

The scaling down of all military activities in South Vietnam "which alone could lead to an effective cease-fire."

The willingness of all sides to enter into discussions with those who are "actually fighting" including, presumably, the Vietcong.

Although Mr. Thant has mentioned those steps in the past, today was the first occasion on which he declared that they "alone can create conditions conducive to the holding of a conference and conducive to the creation of conditions for a peaceful settlement of the problem of Vietnam."

Discussing the timing of the steps, Mr. Thant said "the sooner the better." He called the situation "very urgent, very critical," and continued:

"People are being killed in the hundreds every day. And, if I may say so, the war in Vietnam is one of the most barbarous wars in history. I think the sooner the parties involved sit down at a conference table after these conditions have been met the better it will be not only for Vietnam but for the rest of the world."

The Secretary General said he had not made any new proposals in the last few weeks because the three he mentioned today were as applicable now as they were six months ago. Mr. Thant first outlined his proposals here in February. He referred to them at a news conference in Paris May 1 and in a speech in Atlantic City May 24.

"I feel very strongly," he said, "that without the spirit of give and take on the part of the parties primarily concerned there will be no negotiations leading to the return to the Geneva agreements on which everybody now seems to agree.

The Geneva agreements of 1954 were the result of an International conference held after the defeat of France by Communist-led rebels in Vietnam. The agreements were an attempt to establish the political future of the now divided state of Vietnam. They envisioned a united government based on elections that were never held.

ADDRESSES CORRESPONDENTS

The Secretary General's remarks on Vietnam came in response to questions at a luncheon given him by the United Nation's Correspondents' Association. His comments on the barbarity of the war and the urgency of the situation came 48 hours after President Johnson asked North Vietnam and the Vietcong to abandon aggression and held out the prospect of an intensified air and ground war if they did not.

Mr. Thant warned that "the more we wait the worse will be the war situation" and reiterated his view that what was possible in 1964 in arranging a settlement was impossible in 1965 and what was "possible of achievement in 1965 is no longer possible today."

Secretary of State Dean Rusk and Mr. Thant discussed Vietnam when they held an informal discussion at the While House last Tuesday, the Secretary General said.

In a generally gloomy survey of the situation in Southeast Asia, Mr. Thant found some encouragement in his efforts to ease tension between Cambodia and Thailand. He had suggested to the two Governments that he send a special representative for consultation leading to an improvement of relations. He said he had "very good reasons" for believing that both Governments would agree.

HOPEFUL ON SPACE TALKS

Mr. Thant also said there were signs that "a very substantial degree of agreement" would be reached "very soon" between the United States and the Soviet Union on a treaty on the peaceful uses of outer space.

Kurt Waldheim, Austria's chief United Nations representative and chairman of the Committee on the Peaceful Uses of Outer Space, has been discussing the issue with the members concerned with the convening of its legal subcommittee. Mr. Thant said he believed that "very positive steps" would be taken in the "very near future."

The Secretary General sounded a pessimistic note when he discussed the committee that is dealing with the financing of future peacekeeping operations and other kindred subjects.

The prospects are "not very bright," Mr. Thant said. He reported "a mood of disappointment and even frustration" among many members because of the committee's slow progress.

Mr. Thant left unanswered the question whether he will be available for a second term as Secretary General. The general assumption has been that he would decide to accept the post again, but his comments indicated that he had not made up his mind.

He said he would defer his announcement until after his return July 9 from an European trip. His new term would begin Nov. 3. When he discussed the problem Mr. Thant mentioned the possibility that he might not "offer myself for a second term."

[From the Detroit Free Press, June 5, 1966]

The Editor's Notebook: Casualty Lists Remind United States We Can't Police the World

"We are alarmingly close to another frustrating fringe war, following the same pattern of gradual involvement that we have seen before. I warn again that military victories alone will not resolve the situation in Southeast Asia." From The Editor's Notebook of April 25, 1954.

Today—12 years later—the United States is wholly committed to the salvation of South Vietnam.

It seemed so simple at first. A few technicians and military advisers would be needed to show the South Vietnamese how to repulse the Vietcong guerillas.

No American soldiers, mind you. Just advice and experts for training the Saigon military forces. In fact, Defense Secretary Charles Wilson said in 1954 that he saw no possibility that U.S. troops would have to fight in the jungles of Southeast Asia. In his blunt way, Mr. Wilson announced that "no such plan is even under study."

How wrong he was. For even then, President Eisenhower and Secretary of State John

Foster Dulles were taking steps which could lead only to a larger involvement.

When President John F. Kennedy came to power, he conceded frankly that he was dismayed by the extent of our pledges. Mr. Kennedy felt privately that the U.S. had been overcommitted and he saw this development as holding great peril for our country.

Yet the pressures from the military, the CIA and the State Department moved inexorably in the direction of armed conflict. At Kennedy's death, President Johnson assured the nation that "we seek no wider war" but it was then that the real escalation began.

The ensuing years saw a sharp buildup of American forces and the construction of permanent harbors and airfields on Vietnam soil. It was to be an "easy" war in which the sheer might of U.S. military capabilities would soon overwhelm the hungry, poorly equipped guerillas of Ho Chi Minh.

But, as the French had discovered to their sorrow, the guerillas are excellent fighters, completely dedicated to a cause in which they believe. Progress was anything but easy, despite assurances from Gen. Maxwell Taylor and Defense Secretary McNamara that victory was just around the corner.

In 1963, following one of Mr. McNamara's inspection tours, he and Gen. Taylor announced officially "their judgment that the major part of the (American) military task can be completed by the end of 1965."

That was nearly three years ago. My comment at the time was that such proclamations were not worth reading "since there is not a word of truth in them." Yet the American people did give them credence because of the high authority of those who made them.

The record is replete with similar predictions of a victory which has proved to be elusive and difficult to come by. One Saigon regime after another has failed to build confidence throughout the countryside. South Vietnamese desertions have totalled some 90,000 in the past year.

Gen. Ky, the present head of the Saigon government, is but one of a number of warlords—all vying for power and prestige. He controls no united nation but rules for the time being because of superior firepower.

And yet Vice President HUBERT HUMPHREY solemnly assured a television audience following the Honolulu conference that it resembled the Churchill-Roosevelt meeting at which the Atlantic Charter was born. As the St. Louis Post-Dispatch has said: "Not even the unctuously thoughtful visage put on by the Vice President can bring us to think of Marshal Ky and Winston Churchill in the same terms, and no matter how hard we try we can't quite bring the Declaration of Honolulu into focus with the Four Freedoms."

At this moment, additional American troops are being rushed into action to fill the void caused by the removal of South *Vietnamese forces to cope with Buddhist* uprisings. South Vietnamese are shooting at one another to the delight of old Ho Chi Minh who is undoubtedly ready to take advantage of this tragic internal struggle during the monsoon season.

As the New York Times says, "It is paradoxical that as the situation in South Vietnam deteriorates, the American commitment in troops and every other respect escalates." So a reappraisal is in order if the contending factions do not stop fighting each other and hold the promised elections.

Premier Ky can no more win a purely military victory over the Buddhists than the United States can crush communism with *force of arms. It is a sorry predicament and* no man can foretell the outcome when civil strife outranks in importance the fight against the Vietcong.

"The situation is tragic," says the Observer of London. "In effect, the Americans are caught in a trap. They have increased their commitments in order to strengthen their negotiating position, but by increasing their share in the fighting they have also demonstrated the growing inability and unwillingness of the South Vietnamese to carry on the battle."

Despite his nagging problems, President Johnson continues to exude confidence that "the South Vietnamese are moving forward step by step—and the direction is sound." He dismisses criticism with the oblique observation that "nothing is as dead as yesterday's newspapers."

Yet a study of "yesterday's newspapers" provides a disenchanting compendium of rosy progress reports on Vietnam and the uneasy impression that Johnson is merely feeling his way and waiting for the breaks.

He will need them if a satisfactory solution is to be found.

Without disparaging the good intentions of our President, the indubitable fact is that we blundered into the Vietnam mess and have thus far been unable either to win or to extricate ourselves with honor.

Johnson, of course, is not solely responsible for the unhappy course of events in South Vietnam. The pattern was set long before he assumed office. But one cannot forget that, as Vice President, he once hailed the late, unlamented dictator Ngo Dinh Diem as the "Winston Churchill of Asia."

One day the people will rebel against wars which do not directly involve our national interest. The cost in blood and treasure is appallingly high when measured against the nonachievement of the unattainable objectives.

But even now, President Johnson is giving strong support to the British blockade of Rhodesia though Britain sells her goods and supplies to our enemies in both Cuba and North Vietnam. And the Republic of South Africa may be next on our list as we seek to "reform" the peoples of other lands even as we fail to cope successfully with our major social and economic problems at home.

It is a simple matter to blunder into a trap as we have done in Vietnam; quite another to free ourselves without being severely lacerated.

Our mounting casualty lists are a grim reminder that no matter how noble our motivations may be, the United States is—as Sec. McNamara said recently at Montreal—in no position to police the world and reshape it in our image.

JOHN S. KNIGHT.

Mr. MORSE. Mr. President, in closing, irrespective of what has been published in the newspapers over the weekend as to my position, let me say again, as I said at the time of the comments I made in Chicago—which have not been printed verbatim in the press—I hope *very much that my President will follow* a course of action to deescalate the war and to follow the recommendations which have been made by such military authorities as a General Ridgway and a General Gavin, and by such diplomats as George Kennan and other authorities in regard to Asia, which will result in a deescalation of the war. Their recommendations mean taking a position to hold those areas that we can hold without sending more American boys to their slaughter, until other nations of the world recognize the mutuality of nations in enforcing peace in southeast Asia, and lead the present combatants to a peacekeeping program under a cease-fire order.

It is my hope the President will follow that course of action at an early date, so that at an early date I can support his reelection. But if he does not follow that course of action, then, because I think this issue pales all the others combined into insignificance, I cannot support his reelection.

I may find myself in a position where I shall have to write in a candidate, because it may very well be that the party of the opposition, the Republican Party—which sometimes gives the impression it is trying to out-war the Democratic Party, which is no justification for the Democratic Party's course of action—may in the meantime have a candidate for the Presidency in 1968 who will be as much in favor of involving us in a major war in Asia as seems to be the case with the Johnson administration at the present time.

Mr. President, even though I have this great difference with my President, I want to say now, as I said in Chicago over the weekend, I do not know of anyone who is more sincere in his desire for peace than is the President of the United States. I do not question my President's sincerity. I do not question my President's desire for peace. I do question his judgment, and the course of action he is taking is based on a judgment taken from the ill advice of men like Secretary of State Dean Rusk, Secretary of Defense Robert McNamara, Maxwell Taylor, and the others who have been advocating an escalation of the war.

The great Senator from Alaska [Mr. GRUENING] said earlier this afternoon that in the last year there have been 86,000 deserters from the South Vietnamese Army, and we have drafted more and more American boys to take their place. There may be some set of moral principles that I have never read that would justify that foreign policy, but, in my judgment, it cannot be justified.

Already over 3,200 American boys have been killed in the war. I want to say again, in spite of what criticisms I will get for the statement, that all Vietnam is not worth one of those American boys. We cannot justify sacrificing a single one of them to involve us in any civil war in Vietnam. It has been a civil war from the beginning, and is today. It is now a civil war within a civil war. It is now a war between Buddhist and Christian. And American boys are dying out in the jungles and on the battlefront while *the South Vietnamese fight among themselves.* It just does not make sense.

It is so absurd that one cannot get it even within the framework of commonsense. That is our foreign policy. That is the foreign policy the President was talking about in his press conference Saturday. That is the foreign policy we are going to escalate.

There are those who say—and the President clearly implied and intimated it—that his drop in popularity in recent polls is due to the fact that he is not escalating the war enough, and that *therefore, apparently, he is going to let* the so-called war advocates take over.

The only way out, in view of the fact that Congress will not exercise its function and lead the way out, is through the people themselves.

May I say most respectfully to them, if you are not willing to use your ballots to stop the President's bullets in South Vietnam, if you are not willing to use your ballots to stop the sacrifice of the lives of American boys, which is completely unwarranted, you have no one to blame but yourselves, for history will record that we are writing the first paragraph of the first chapter of the decline of American civilization.

If this war is not stopped and it leads into a massive war, which will result in a war with China, and then with Russia, history will record the decline of the nations that participated in that war, including Russia and the United States.

Again I say, even though I have this irreconcilable difference with my President, it in no way minimizes my deep regard for him and my conviction that he wants peace. Our difference is a difference on how to get peace. But if the President continues to follow the advice which he apparently, in his press conference Saturday, indicates he is willing to, then I think the President is going to find increasing millions and millions in this country losing confidence in his foreign policy, until enough people in the United States will recognize and make known publicly that they must exercise their constitutional right with ballots by defeating those candidates who in 1966 and 1968 support the escalation of the war, resulting in the unwarranted sacrifice of the flower of American manhood in an unjustified war in Asia.

Mr. President, it is easy to talk, in the security of this Chamber, in the security of our businesses in this country, in the security of our homes, about supporting U.S. policy, but we are not going to do the dying.

I am very saddened as I listen to people in American economic life, both on the side of management and on the side of labor, talk about the relationship of the war to the economy of the United States. Mr. President, blood money is not worth what it will buy. I would rather give security to the young men of military age in this country than economic security to those making a profit out of this holocaust.

So I want to say to the American people, you, and you alone, I am sorry to say at the present time—it is my fear, though—can stop the writing of the sad history in the foreign policy of this administration that it is now writing by making perfectly clear that your ballots will be used against this administration and also used against Republican candidates that favor the escalation of this war.

ADJOURNMENT

Mr. MORSE. Mr. President, in accordance with the order previously entered, I now move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 40 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, June 22, 1966, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 21, 1966:

U.S. ATTORNEY

Ben Hardeman, of Alabama, to be U.S. attorney for the middle district of Alabama for the term of 4 years. (Reappointment.)

FEDERAL COMMUNICATIONS COMMISSION

Nicholas Johnson, of Iowa, to be a Member of the Federal Communications Commission for a term of 7 years from July 1, 1966.

IN THE AIR FORCE

Brig. Gen. Duane L. Corning, FG946636, South Dakota Air National Guard for appointment to the grade of major general in the Reserve of the U.S. Air Force, under the provisions of sections 8218, 8351, 8363, and 8392, title 10 of the United States Code.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. For appointment:

To be senior surgeons

J. Robert Lindsay
Patricia A. Webb
William M. Dixon

To be surgeons

John L. Doppman
John S. Vasko
Donald M. Mason
Martha J. Leas
Marilyn K. Hutchison
William G. Greenough III
Louis A. Faillace
William T. Davis

To be senior assistant surgeons

Ralph L. Morris
James W. M. Owens
Charles W. Breaux
Daniel W. Bruce
Jesse Roth
Costan W. Berard
Frederick B. Glaser
Alphonse D. Landry, Jr.
Robert G. Douglas, Jr.
Raymond F. Chen
Norman S. Turner
John C. Silver
Valentin F. Mersol
Thomas C. Carrier
Leroy L. Constantin
Winston I. Cozine
Wilfred D. Little, Jr.
Ben M. Birkhead
Carl W. Tyler, Jr.
David M. Neville, Jr.
John S. Strauss
Robert E. Becker
Anthony S. Mastrian
Charles E. Mize
Douglas A. Morningstar
Emanuel Stein
Robert A. Fortuine
Kenneth W. Moss
James C. Rahman
Leo H. Von Euler
Charles R. Key
Wiley H. Mosley
Bruce M. Bucher
Gerald D. Buker
Charles F. Tschopp
William N. Caudill
David Sulman
Michael D. Osborne
Augustine D. Brewin, Jr.
Stanley I. Rapoport
Lewellys F. Barker
John W. Coker
Gustavo A. Colon
Irwin R. Henkin
Jose D. Quinones
Michael E. Harkey
Kenneth L. Herrmann
George H. Hubert
Jay M. Whitworth
Thomas E. Elliott
Gerald V. Tweed
Kenneth R. McIntire
Michael J. Olichney
Carolyn R. McKelvey
Frank J. Demento
Sidney L. Downs
James P. Sayer
David A. Danley
Paul C. Hiley
Edward P. Siegel
Thomas D. McCaffery
Norman A. Cummings
Charles R. McGill
James H. Smith
Roy L. Curry, Jr.
Roy W. Turner
Lloyd C. M. Tom
Gary W. Cage
George B. Mitchell
Franklin G. Pratt
Thomas J. Porter
Carl H. Andre
Ralph E. Alving
Alfred E. Krake
Franklin L. Geiger, Jr.
Patrick E. Watson
Franklin C. Scudder
Kenneth Klint
William W. Niemeck
William C. Sullivan
Norman Sohn
Kent B. Lamoureux
Gordon F. Schaye

To be senior assistant dental surgeons

John L. Anderson
Will D. Brantley, Jr.
Preston A. Littleton, Jr.
James W. Menzies
Raymond M. Sugiyama
Emery J. Alderman, Jr.
Stuart A. Bender
David L. Diehl
Gene F. Grewell
John P. Barlow
David R. Libby
Donald P. Ponitz
Alma B. Judd
Ronald P. Schmidt
Thomas D. West
John H. Nasi
Robert A. Boden
Steven A. Weiss
Vernon B. Beck
Donald V. Hagan
Leo S. Henrichsen
Jerry G. Wilde
James B. Sweet
George H. Bouldien
Jerry L. Dickson
Barry M. Goldman

To be senior assistant sanitary engineers

Donald T. Wruble
Kirk E. Foster
Henry L. Fisher, Jr.
Richard Liberace
Roger T. Shigehara

To be assistant sanitary engineers

David L. Brooman
James B. Coyne
Donald J. Dunsmore
George L. Pettigrew
William D. Hamann
Lynn P. Wallace
Roy B. Evans

To be junior assistant sanitary engineers

Billy F. Pearson
John F. Steiner, Jr.
Charles J. Conlee
Gedge W. Knopf, Jr.
Joel I. Barkman
Lawrence F. Buck
Peter Baker
Edward M. Beck

To be pharmacists

Thomas H. Hodges
Donald E. Baker

To be senior assistant pharmacists

Donald E. Mabry
Lawrence E. Gustafson
Roger W. Tenney

To be assistant pharmacists

Richard J. Bull
Richard A. Moss
John F. Klaverkamp
Roger S. Wilson
Lawrence R. Ulrich
William R. Francis
Ronald C. Becker
John W. Levchuk
Hilliard L. Moore
Frederick J. Abramek
Doyle W. Warren

To be junior assistant pharmacists

Ivan Lambert
Max Lager

To be senior assistant scientists

Dee N. Lloyd
Frank A. Pedersen

To be senior assistant sanitarians

Corwin D. Strong
Kurt L. Feldman
Johnny R. Sanders
Theodore A. Ziegler

To be assistant sanitarians

Gene P. Burke
Robert E. Sanders
Walter R. Payne

To be senior assistant veterinary officers

Richard E. Dierks
Richard A. Mason
John I. Freeman

To be nurse officers

Dorothy DeLooff
Carol M. Larson
Audrey M. Lindgren

To be senior assistant nurse officers

Jerry L. Weston
Katherine A. Callaway
Leon S. McAulay

To be dietitian

Christine M. Chowning

To be junior assistant dietitian

Paula E. Kiles

To be senior assistant therapists

Maurna E. Kaufmann
Edwin S. Corneille, Jr.

To be assistant therapists

Wayne C. Farmer
Anthony N. Morreale

To be health services officers

Francis F. Reierson
Nathan E. Seldin
Peggy S. Pentz
Gunnar D. Frederiksen

To be senior assistant health services officers

Robert F. Clarke
Carolyn Rolston
Barbara A. Maxwell
Robert C. Jackson
Robert S. Callis
Joseph Scotto

To be assistant health services officers

Phillip H. Buchen
Ronald L. Jacobson

EXTENSIONS OF REMARKS

Conservation Activity in Missouri Expands Through R.C. & D. Project Work

EXTENSION OF REMARKS

OF

HON. RICHARD (DICK) ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1966

Mr. ICHORD. Mr. Speaker, last November, Agriculture Secretary Orville L. Freeman designated areas in 10 States to receive U.S. Department of Agriculture planning assistance for resource conservation and development, a conservation program authorized by the Congress in the Food and Agriculture Act of 1962.

These locally sponsored projects, additions to ongoing USDA programs in resource conservation, are aimed at assisting rural communities in the development and multiple use of land and water resources.

Missouri was one of the States that applied for the USDA-assisted R.C. & D. project. Since receiving authorization for project planning, sponsors of the Missouri project have moved ahead with a number of proposals, many of which have been approved for technical help from appropriate agencies.

This activity, in addition to the recent organization of three new soil conservation districts making a total of 68 in the State, is an important advance in soil and water conservation work in Missouri.

It is an indication of the widening interest and involvement in improved soil and water management among Missouri farmers and ranchers. Indeed, a second group of landowners in a nine-county area in southwest Missouri have filed application for another R.C. & D. project in the State.

I am especially impressed with these developments because they reflect an intensification in concern for soil and water resources that conservation leaders in Missouri have worked hard to stimulate.

I am informed that since 1960, 26 counties have held successful referendums for formation of soil and water conservation districts. This is the kind of progress we need in Missouri to join the ranks of those States that are 100-percent covered by soil conservation districts.

The objectives of the Missouri R.C. & D. project collectively will contribute to increase living standards and enlarge economic development of the potential of small watershed projects for flood prevention, irrigation, and recreation—through improved management of woodland potential and a marketing cooperative for wood products and through improvement of transportation and communication facilities.

Farmers and other landowners as well as the whole State generally will benefit from Missouri's small watershed projects, which as of May 1 number 20 authorized for planning assistance including 11 approved for construction operations. These projects will reduce substantially the erosion on uplands and the flood damage to cropland and pasture.

It gives me great satisfaction to report that Missouri is taking advantage of all the conservation tools provided by the Congress toward greater development and care of our basic resources.

The 22d Anniversary of Independence of Iceland

EXTENSION OF REMARKS

OF

HON. QUENTIN N. BURDICK

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21, 1966

Mr. BURDICK. Mr. President, Friday was the 22d anniversary of the independence of the Republic of Iceland. It is appropriate that the Senate pause to recognize this occasion because of the contributions made by this tiny island nation to our own country.

Coming to North America in the early 1870's, the Icelanders settled in central Canada, near Winnipeg. Some moved into the Dakota Territory and established communities there despite the hardships entailed in developing new settlements.

Thorstina Walters, a native of Iceland reared in North Dakota, in her book "Modern Sagas" stated:

> In general, most of the early settlers were young, energetic, and thrifty. They were anxious to learn from the experience of others who were better orientated to the new land than they were.

In not too long a time the Icelanders in the Dakota territory began to take pride in breaking the sod and to have a liking for the prairie. To them, the prairie became a symphony of sounds. There were times when the tall grass swaying in the wind seemed to speak the language of the ocean waves that washed the shores of their oceanbound homeland. And often enough the faint stirring of the breeze whispered of hidden opportunities still lying buried under the soil of Dakota's vast prairie.

The Icelandic people who settled in North Dakota did take advantage of the opportunities of the country they lived in. They established thriving communities in the land they conquered and are constantly striving to improve the communities and their country. Today about 1,000 of these Icelandic-Americans are citizens of North Dakota. The community of Mountain, N. Dak., is among the few true Icelandic-American communities remaining in our country. It was among those established at the time of early settlement and depicts the characteristic unity and community pride attributed to the Icelandic people.

The small communities were and still are examples of the democratic way of life. Early local governments were centered around the individual and his life in the community. Representative forms of government were established in the community as was the means of protection for the individual. Trial by jury was initiated in Iceland and this essential part of democracy carried forth in the new communities.

Democracy has been inherent in the lives of the Icelandic people for more than 1,000 years as they had established a representative form of government characterized by their Parliament or Althing founded in the year A.D. 930. Consequently, when independence came in 1944 the Icelandic people were prepared to live under a democratic government.

History allowed Iceland to contribute significantly to the development of America. Historians have maintained that the Vikings would not have come to the North American Continent had it not been for the halfway point of Iceland. Early Scandinavian explorers were able to replenish supplies and repair their vessels before going on to further countries. Today the island country is an essential partner in NATO. The country has leased land to the United States for the use of NATO forces. Iceland is also a connecting link in our distant early warning line through which aircraft are kept aloft over the island countries of Iceland and Greenland for defense purposes.

And so, Mr. President, because of the contributions Iceland has made to our country, I believe it is only appropriate that all of us acknowledge Icelandic Independence Day, 1966.

Amendments to the Housing Act of 1949

EXTENSION OF REMARKS

OF

HON. RODNEY M. LOVE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1966

Mr. LOVE. Mr. Speaker, yesterday I introduced two bills, H.R. 15789, to amend title I of the Housing Act of 1949 to authorize financial assistance for urban renewal projects involving the central business district of a community without regard to certain requirements otherwise applicable and, H.R. 15790, to make certain expenditures of the city of Dayton, Ohio, eligible as local grants-in-aid for the purpose of title I of the Housing Act of 1949.

These bills would greatly accelerate the present urban renewal program by allowing noncash credits for the Sinclair Community College and the county courts-jail complex. These noncash credits could then be used for other urban renewal projects in Dayton. Also, these measures would permit us to begin, at an earlier date, a project of vital importance to the entire Dayton community. This would be a project in the inner west Dayton area—an area of extremely blighted housing and highly concentrated social and economic conditions. These problems are more severe in this area of Dayton than in any other part of the city.

My request for consideration of credits is a natural outgrowth of the present local grant-in-aid procedure which has been developing since the Housing Act of 1949. As you know, this act provides that cities should be given credit for public improvement activities necessary for revitalization of declining areas. This revitalization is very necessary for aiding private development.

Mr. Speaker, it is my feeling that all cities in the United States with urban renewal programs would benefit by the enactment of H.R. 15789 and, it is my sincere hope that the Congress will recognize the importance of this measure and the value of H.R. 15790 to Dayton, Ohio, by giving favorable consideration to these two measures during this session of Congress.

San Francisco Welcomes the U.S.S. *Enterprise*

EXTENSION OF REMARKS

OF

HON. WILLIAM S. MAILLIARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1966

Mr. MAILLIARD. Mr. Speaker, today the nuclear-powered attack aircraft carrier U.S.S. *Enterprise* will be arriving on her first visit to her new home port at the Naval Air Station, Alameda, Calif., following a tour of more than 8 months in combat operations in the South China Sea.

Commissioned on November 25, 1961, the *"Big E"* has been performing yeoman service for the United States. Along with the carrier *Independence*, she participated in the Cuban quarantine and was subsequently deployed to the Mediterranean.

In July 1964, the *Enterprise* in company with her nuclear-powered escorts, the *Long Beach* and *Bainbridge*, circumnavigated the globe in Operation Sea Orbit. This task force comprised of nuclear-powered surface ships performed the entire 65-day globe-circling voyage without receiving any fuel, food, or other provisions en route. It was an unprecedented history-making feat, impossible of duplication without replenishment by conventional-powered surface ships.

In December of last year, the *Enterprise* was deployed to Vietnam and became the first nuclear-powered ship to engage in combat operations. For the first time in our naval history, vessel operations were completely independent of the limitations of propulsion by either wind or limited fossil fuel supply. Two oil-burning escorts were her sole limitation, for which the nuclear-powered carrier carried black oil for refueling.

On her second day on station in South Vietnam waters, the *Enterprise* broke the existing record for the number of sorties flown in a single day by setting a new high of 165.

Displacing more than 83,000 tons, the *"Big E"* is the largest warship in the world. Her flight deck area is equivalent to almost 4½ acres, and the total height of the ship from the keel to mast top is equal to that of a 25-story building.

Powered by eight nuclear reactors producing over 200,000 horsepower, this $444 million carrier has a top speed of more than 28 knots. Her evaporators produce enough water for the daily consumption of almost 1,500 homes. She has over 900 telephones. The total output of all electronic equipment on board is equal to the output of about 300 powerful radio stations operating simultaneously. She has 900 television receivers, a closed-circuit television station, and generates sufficient electricity to meet the needs of a city of over 2 million people. In addition, her equipment includes such modern and complex items as the naval tactical data system, a data processing and communications system which evaluates enemy threats and recommends counter moves to shipboard commanders in millionths of a second. A second mechanical brain is the integrated operational intelligence system which stores data from reconnaissance flights to be called up as needed in order to provide the tactical commander with a full background of information on any given target area. She represents, therefore, one of the most amazing engineering feats of modern times.

The word "enterprise" signifies boldness, initiative, and readiness to undertake important missions, and this aptly describes the world's only nuclear-powered aircraft carrier which is the pride of the U.S. Navy. It also characterizes the shipbuilding and ship repair capabilities of the San Francisco Bay area and particularly the naval shipyard, and represents a tribute to these Pacific coast facilities by the selection of the Naval Air Station at Alameda as her home port, joining as she does the three other aircraft carriers also homeported at this location—the U.S.S. *Hancock* (CVA-19), the U.S.S. *Coral Sea* (CVA-43), and the U.S.S. *Ranger* (CVA-61).

As befitting the occasion, there will be a huge welcoming reception for the *Enterprise* and her crew today at the Alameda Naval Air Station, and I wish to join my voice in extending a warm personal welcome to the commanding officer of the U.S.S. *Enterprise*, Capt. James M. Holloway III, USN, and the approximately 5,000 officers and men of that gallant ship.